

# Why Maintain LTD Coverage During a Leave of Absence?

## You insure your house, your car and your life, why not your income?

One in five members will file a long term disability (LTD) claim in their career and 40% of LTD claimants are never able to return to work.

The ETFO Long Term Disability Plan provides a safety net that will replace a percentage of your salary and provide pension plan protection should you be unable to work because of an illness or injury.

## I am in good health. Why do I need this coverage?

If you are wondering why it is important to have LTD coverage, ask yourself these questions:

- If you became ill, could not work, and knew your sick leave credits would be exhausted before you were able to return to work, could you maintain your home and meet your financial obligations without salary protection?
- If you were disabled and unable to work, would you be prepared to accept a lower pension because contributions to your pension plan would no longer be made?

**Income replacement is crucial for many employees who cannot work due to illness or injury.**

### **Example:**

*Mary is diagnosed with cancer while on maternity leave. While undergoing cancer treatment, her leave of absence ends and she is unable to return to work. Since Mary has LTD coverage she is eligible to apply for LTD benefits. Mary will get credit towards the LTD waiting period from the date of disability forward and the benefits, payable on or after the date her leave is scheduled to end, will help her replace her income while she is unable to work.*

Under the terms of the ETFO Provincial LTD Plan, a district school board approved leave of absence includes maternity, paternity, educational, sabbatical and other general leaves of absence provided for in the collective agreement, as well as secondments. A leave of absence does not include leaves due to an illness or injury (sick leave).

The ETFO Provincial LTD Plan specifies that when a member is on a district school board approved leave of absence, the LTD coverage can be maintained up to 24 consecutive months or the number of years negotiated under the collective agreement. Maternity leaves are not included in the 24 consecutive months.

## Part-time leave

If a member is on a district school board approved part-time leave for reasons other than medical related, the member must maintain LTD insurance based upon the full-time salary earned immediately prior to the leave for a maximum of 24 months.



## What happens if I don't pay premium while I am on a leave of absence?

If a member does not remit premiums during the approved leave of absence, the member will continue to owe the premiums to the LTD plan and the premium required during the leave of absence will be collected by the district school board via retroactive premium deduction upon the member's return to work.