

FREQUENTLY ASKED QUESTIONS

What is long term disability (LTD) insurance?

LTD insurance provides a safety net that replaces your salary and provides protection for your pension plan, should you be unable to work due to illness or injury. The purpose of the LTD plan is to provide coverage for serious disabilities resulting in long periods of absence. Your LTD plan recognizes the highly vulnerable position of most members should they be confronted with a loss of income during a lengthy or permanent disability. *Subject to the terms and provisions of the policy, if you are under the continuous active care and treatment of a duly qualified physician, a benefit will be paid for as long as you remain disabled and are eligible for benefits.*

Are LTD benefits taxable?

When members pay 100% of the LTD premium, the disability benefit is tax-free. If the employer pays any part of the LTD premium, the disability benefit is fully taxable.

How are my pension plan credits protected while I'm receiving LTD benefits?

The Ontario Teachers' Pension Plan (OTPPB) waives pension contributions for disabled members who start receiving LTD benefits on or after September 1, 2001. As a result, your pensionable service will continue to accumulate while you receive LTD benefits.

What is a waiting period?

LTD benefits are payable after a continuous period of absence from work. The time between the onset of disability and the date which LTD benefits first become payable under your plan choice is the waiting period (often referred to as the *Elimination Period*). During the waiting period, you could be paid by any combination of Employment Insurance Commission disability benefits, Canada Pension Plan disability benefits or sick leave benefits.

How do I make an LTD insurance claim?

To make a claim you must obtain a member Claim Submission Guide from your employer or group representative and follow the instructions. From time to time, other forms will be sent to you for completion. ***The Claim Submission Form can be downloaded and printed from this website.***

IMPORTANT - PLEASE NOTE WHEN MAKING A CLAIM

To permit prompt assessment and early participation in a rehabilitation plan or program, claims must be submitted to OTIP eight weeks before benefits are due to commence, but in no event shall the time for filing a claim extend beyond six months after the end of the waiting period or the date the policy terminates. Since the waiting period must be satisfied before any benefit begins, it is necessary to notify OTIP of any pending claims. To participate in OTIP's early intervention program, OTIP must be informed of any prolonged absence. A prolonged absence is any absence of 15 or more consecutive working days. OTIP must be notified of a prolonged absence prior to the 30th day of absence. You should notify your principal and the local affiliate office if you know that your absence will be prolonged.

The above procedures should be followed even if you have applied for or are in receipt of workplace safety and insurance board benefits.

When is coverage no longer necessary?

Your LTD insurance coverage terminates on the earliest of the date the member is first entitled to at least a 62% unreduced service pension from the OTPPB and the end of the month on attaining age 65, less the length of the waiting period.

The time to advise the plan administrator of discontinuing your coverage is proportionately related to the length of the waiting period that applies to you. Your plan administrator will provide you with more details, once you advise that coverage be discontinued.

LTD PLAN PROVISIONS AND FEATURES

Termination of benefits:

Benefits will terminate at the earliest of:

- a) the end of the month the member turns age 65;
- b) the date the member is first entitled to at least a 62% unreduced service pension.

Pre-existing condition clause:

No benefits will be paid for a disability arising from an illness or injury for which the member obtained medical care before they became insured. Medical care is considered to be obtained when a person consults a doctor, uses medication on the advice of a doctor, or receives other medical services or supplies.

This exclusion does not apply if disability starts after:

- a) the member has been continuously insured for one year, or
- b) the member has not had medical care for the illness or injury for a continuous period of 90 days ending on or after the date the insurance took effect.

Own-occupation assessment

During the initial assessment period (first 24 months of LTD benefits), the disability is assessed on the basis of the duties of the specific assignment the member regularly performed before the disability commenced. The member will be considered disabled if, because of illness, disease or injury, the member is unable to perform the significant duties pertaining to the member's specific assignment.

Gainful employment

Under the any occupation definition (after 24 months of LTD benefits), a member is considered disabled if illness, disease or injury prevents the member from being gainfully employed.

Gainful employment means work:

- a member is medically able to perform;
- for which the member has at least the minimum qualifications;
- that provides income of at least 60% of the member's monthly earnings; (in assessing a member's ability to be gainfully employed, the carrier will multiply the member's monthly earnings by the Consumer Price Index)
- that exists either in the province or territory where the member worked when the disability started or where the member currently lives.

Rehabilitation program

A disabled member receiving LTD benefit payments may, at any time, be required to join a rehabilitation program, which is appropriate to their circumstances. Refusal to enter and participate in a rehabilitation program considered appropriate to the member's circumstances will result in the termination of benefit payments.

Mental/nervous disorders

No special exclusions or limitations apply to these types of disabilities.

Recurrence of disability

If the disability is not continuous, the days an insured member is disabled during the elimination period can be accumulated to satisfy the elimination period; as long as no interruption is longer than 20 consecutive Working Days and the disability arises from the same disease or injury.

If a disabled member recovers, returns to work and subsequently goes off on disability again for the same or a related illness within 100 working days after the previous disability ends; or within 24 months after the end of an approved rehabilitation program, the member **does not** have to satisfy another elimination period for disability benefits to begin again.

Proof of claim

Satisfactory written proof of claim must be given to the insurer within 90 days of the end of the Elimination Period. Upon request, proof of continuance of disability must be submitted to the insurer within 90 days.

Waiver of premium

A member will not be required to submit premium payments during the period that benefits are being received.

OTIP SERVICES**Mandatory Early intervention program**

LTD plan members, who are absent from work due to an illness or injury for 15 consecutive days or more, will be contacted by an OTIP early intervention rehabilitation consultant to discuss their circumstances. The LTD plan may, upon approval, fund services such as equipment, treatment and assessments, which would not otherwise be available to the member.

A member's ability to understand and cope with their illness or disabling injury will be enhanced by being able to discuss their concerns with an OTIP rehabilitation consultant before they are eligible for LTD benefits. The goal is to provide members with assistance that will help them return to their regular work and possibly prevent or shorten the duration of an LTD claim.

Claims payment

All claims are submitted to OTIP's claims unit at our head office in Waterloo, for assessment and adjudication.

Denied claims

If a claim is denied, an OTIP disability service representative will assist the member through the appeal process. A senior member of OTIP LTD Services also serves on the Appeals Committee.