

LTD **(Long Term Disability Plan)**

2.1 Eligibility

(a) (1) Regular full-time employees shall be covered by the Long Term Disability Plan upon completion of six months active employment with the Employer. To be covered by the Plan, a regular part-time employee must be working in a position that requires at least half-time work on a regularly scheduled basis, and must have completed six months active service in such a position.

- **Regular employees are eligible for LTD after completing 6 months of active service. The 6 month period must be active employment; STIIP does not count as active employment.**
- **Regular part-time employees are eligible for LTD if their position is at least half-time and they've worked for at least 6 months.**

(2) Where an employee is converted from auxiliary to regular status, plan coverage shall commence the earlier of (a)(1) above, or upon completion of six months of full time, unbroken employment from the date the employee qualified for Short Term illness and Injury Plan benefits under Clause 31.12.

- **Auxiliary employees will be eligible for LTD on the day they are converted to regular status, as long as they completed six months of unbroken work following qualification for STIIP.**

(b) An employee who is not actively at work because of illness or injury on the work day coincident with, or immediately preceding, the date they would otherwise have become eligible for coverage under the Plan will not be eligible for coverage until the date the employee returns to active employment.

- ***An employee is not eligible for LTD benefits if they are on an approved leave of absence (i.e. maternity/parental leave, education leave) until the date they would have returned to work. However, the original date of disability remains the same.***

(c) Coverage in the plan is a condition of employment.

- ***The LTD plan is mandatory for all employees that meet the eligibility requirements.***
- ***Acceptance to LTD is not automatic; there is an adjudication process by an independent insurance carrier.***
- ***The current insurance carrier is the Great West Life/Canada Life Assurance Company.***
- ***LTD runs concurrently with Worksafe BC claims; you must still go through the LTD application process when you are on an active WSBC claim.***

2.2 Long Term Disability Benefit

In the event an employee, while covered under this plan, becomes totally disabled as a result of an accident or a sickness, then, after the employee has been totally disabled for six months, including periods approved in Sections 1.3(a) and (c), they shall be eligible to receive a monthly benefit as follows:

(a) While the employee has a sick bank balance to be used on a day-to-day basis, full monthly earnings will continue until the sick bank is exhausted, and Section 2.6 will not apply.

- **Over 25 years ago, there was a different sick leave plan in place and unused days were saved in a sick bank. Very few people have sick leave banks left to draw from anymore, but if you do, you must exhaust it first.**

(b) When an employee has no sick bank, or after it is exhausted, the employee shall receive a monthly benefit equal to the sum of:

- (1) 70% of the first \$2,300.00 of monthly earnings; and
- (2) 50% of the monthly earnings above \$2,300.00.

For the purpose of the above, earnings shall mean basic monthly earnings as at the date of disability as determined by the Employer.

The basic monthly earnings as at the date of disability shall be the salary in effect for the last month of the Short Term Plan period, or equivalent six-month period, taking into consideration any retroactive adjustments. The date of disability for determining the commencement of the first 25 months of disability shall be the day following the last month of the Short Term plan period, or an equivalent six-month period.

- **For the purpose of calculating the LTD wage loss benefit, the salary level is frozen at the end of STIP.**

(c) The Long Term Disability benefit payment will be made as long as an employee remains totally disabled in accordance with Section 2.3, and will cease on the date the employee recovers, or at the end of the month in which the employee reaches age 65, or resigns or dies, whichever occurs first.

- **LTD will continue, as long as the claimant satisfies the definition of disability, until they recover, resign, die, or until the end of the month they reach age 65.**

(d) An employee in receipt of long term disability benefits will be considered an employee for purposes of pension benefits and will continue to be covered by group life, extended health, dental and medical plans. Employees will not be covered by any other portion of a collective agreement but will retain the right of access to a Rehabilitation Committee established there under and will retain seniority rights should they return to employment within nine months following cessation of benefits. A temporary assignment or auxiliary appointment will not disqualify an employee from the nine month access period.

- **LTD claimants will continue to be covered by the medical, dental, extended health and group life insurance plans. Additionally, they will continue to accrue seniority for the purpose of their Public Service Pension Plan.**
- **Other than Appendix 4, no other portion of the contract applies, including: vacation accrual, shift premiums, special leaves.**

However, if there is a dispute over the administration or interpretation of Appendix 4, the grievance procedure will still apply.

- **If an LTD claim ends with no return to work, seniority remains intact for 9 months. You can request an *Additional 9 months Consideration Before the Rehabilitation Committee*, without LTD wage loss benefits, for job search purposes only.**
- **During the 9 month period, temporary assignments of work or auxiliary appointments will be allowed and the search for a vacancy will continue.**

(e) When an employee is in receipt of the benefit described in (b) above, contributions required for benefit plans in (d) above and contributions for superannuation will be waived by the Employer.

- **Premiums for benefits are continued and contributions for pension are waived, once accepted on an LTD claim.**

(f) An employee engaged rehabilitation employment with the Employer and who is receiving partial Long Term Disability benefit payments will have contributions required for benefit plans in (d) above and contributions for superannuation waived by the Employer, except that superannuation contributions shall be deducted from any salary received from the Employer to cover the period of rehabilitative employment.

- **Statutory deductions apply; when you return to work on a rehab trial, contributions to your pension will be pro-rated for hours worked.**

2.3 Total Disability

(a) Total disability, as used in this Plan, means the complete inability because of an accident or sickness of a covered employee to perform all the duties of their own occupation for the first 25 months of disability except where accommodation has been made which enables an employee to work:

- (1) in their own occupation;
- (2) in a job other than their own occupation.

Where accommodation has been made which enables an employee to return to work they will not be considered totally disabled and the rate of pay shall be the rate for the job.

- **If the Employer is unable to accommodate your medical restrictions, you should be eligible for LTD for a 25 month period, called "*totally disabled from own occupation.*"**

If the rate of pay for this job is less than the rate of pay of the employee at the date of disability, the employee's salary will be protected in accordance with Clause 27.7(a) at the employee's basic rate at the date of disability.

- **In some circumstances, salary protection applies. If you are placed in a job with less salary than your original job, you may be eligible to receive an additional top up to your pay.**

After the first 25 months of total disability, where accommodation has been made that enables an employee to return to a job other than their own occupation, the employee will not be considered totally disabled and their basic rate shall be the basic rate for the job or 75% of the basic rate of their own occupation, whichever is greater.

- **Salary protection does not apply to claimants beyond the 25 month *LTD* period. However, if placement is made into a vacancy that is lower than 75% of the current rate of your old job, you will receive the 75% salary rate of your old job.**

After the first 25 months of total disability, employees able by reason of education, training or experience to perform the duties of a gainful occupation for which the rate of pay is not less than 75% of the current rate of pay of their regular occupation at date of disability will not be considered totally disabled and will therefore not be eligible for benefits under this Long Term Disability Plan.

- **After the first 25 months of LTD, there is a definition change from *"totally disabled from own occupation"* to: *"totally disabled from any occupation."***
- **You must satisfy this new definition of disability in order to have your LTD continued past the 25 month period.**
- **If you are able to work in an alternate occupation that would earn you 75% of the current rate of your own occupation, you will no longer be eligible for LTD benefits. Medical condition and vocational aspects will be considered; however, the position must only be "reasonably available." There does not need to be an actual vacancy.**

(b) Total disabilities resulting from mental or nervous disorders are covered by the Plan in the same manner as total disabilities resulting from accidents or other sicknesses, except that an employee who is totally disabled as a result of a mental or nervous disorder and who has received 25 months of Long Term Disability Plan benefit payments must be confined to a hospital or mental institution, or where they are at home, under the direct care and supervision of a medical doctor, in order to continue to be eligible for benefit payments.

During a period of total disability, an employee must be under the regular and personal care of a legally qualified doctor of medicine.

- **LTD claimants must be under the direct care and supervision of a legally qualified doctor of medicine.**

(c) (1) If an employee becomes totally disabled and during this period of total disability engages in rehabilitative employment, where they are unable to perform the principle duties of their previous classification, the employee may earn in combination with benefits from this Plan up to 100% of their earnings at the date of disability. In the event that income from rehabilitative employment and the benefit paid under this Plan exceed 100% of the employee's earnings at date of disability, the benefit from this Plan will be further reduced by the excess amount.

(2) If an employee is able to perform the principle duties of the position they

are placed into on rehabilitative employment, the employee may earn, in combination with benefits from this Plan, up to 100% of their earnings at the date of disability or the position's current rate of pay, whichever is greater.

- **LTD claimants working in placements of rehab employment, will receive 100% pay for hours worked. The pay rate will be based on the salary level frozen at the end of STIIP. Once the worker achieves principle duties of the position they are working, they will be eligible to earn the current rate of the position.**

"Rehabilitative employment" shall mean any occupation or employment for wage or profit or any course or training that entitles the disabled employee to an allowance, provided such rehabilitative employment has the approval of the employee's doctor and the Employer.

- **Placements of rehabilitative employment are subject to review and recommendation by the joint Rehab Committee. They must also be approved by the Employer and the attending physician.**

The rehabilitative employment of a disabled employee will continue until such time as the employee's earnings from rehabilitative employment reach 100% of the employee's earnings at the date of disability but in no event for more than 25 months from the date benefit payments commence.

- **LTD claimants can earn up to 100% of salary for full time hours worked during a rehab trial.**

If earnings are received by an employee during a period of total disability and if such earnings are derived from employment which has not been approved of as rehabilitative employment by their doctor and the Employer, than the regular monthly benefit from the Plan will be reduced by 100% of such earnings.

- **Rehab trials must be formally approved. If not approved, then every dollar earned in salary will be integrated and offset any possible LTD earnings.**

(2) In the event that an employee has been classified as totally disabled for all occupations and engages in approved rehabilitative employment, the provisions of (1) above apply, except that the rehabilitative employment may continue for 25 months from the date rehabilitative employment commenced.

- **Once accepted as *totally disabled for any occupation*, rehab trial placements should not continue longer than a 25 month period.**

(3) In the case where rehabilitative employment has been approved while an employee is receiving a benefit under the provisions of Section 2.2(a), the provisions of Section 2.3(c)(1) shall not apply until the employee is receiving a benefit under Section 2.2(b).

- **This clause only applies to claimants with sick leave banks. Integration will only apply after the sick leave bank is exhausted.**

2.4 Exclusions from Coverage

The Long Term Disability Plan does not cover total disabilities resulting from:

- (a) war, insurrection, rebellion, or service in the Armed Forces of any country after the commencement of this Plan;
 - (b) voluntary participation in a riot or civil commotion except where an employee is in the course of performing the duties of their regular occupation;
 - (c) intentionally self-inflicted injuries or illness.
- **There are some exclusions from the LTD plan, including: participation in a war, voluntary involvement in a riot or civil commotion, self-inflicted injuries**

2.5 Pre-existing Conditions

An employee shall not be entitled to Long Term Disability benefits from this Plan if their total disability resulted from an accident, sickness or mental or nervous disorder with respect to which medical treatment, services or supplies were received in the 90-day period prior to the date of hire unless they have completed 12 consecutive months of service after the date of hire during which time they have not been absent from work due to the aforementioned accident, sickness or mental or nervous disorder with respect to which medical treatment, services or supplies were received. This clause does not apply to present employees who have been continuously employed since April 1, 1987.

- **You will not be eligible for LTD if you received treatment for a medical condition in the 90-day period prior to date of hire, unless you have achieved 12 consecutive months, following your date of hire, with no absence from work related to that medical condition.**
- **This clause does not apply to you if you were hired on or before April 1, 1987.**

2.6 Integration With Other Disability Income

In the event a totally disabled employee is entitled to any other income as a result of the same accident, sickness, mental or nervous disorder that caused them to be eligible to receive benefits from this Plan will be reduced by 100% of such other disability income.

Other disability income shall include, but not necessarily be limited to :

- (a) any amount payable under the *Workers' Compensation Act or Law* or any other legislation of similar purpose; and
- (b) any amount the disabled employee receives from any group insurance, wage continuation or pension plan of the Employer that provides disability or retirement income; and

(c) any amount of disability income provided by any compulsory act or law; and

(d) any periodic primary benefit payment from the Canada or Quebec Pension Plans or other similar social security plan of any country to which the disabled employee is entitled or to which they would be entitled if their application for such a benefit were approved; and

(e) any amount of disability income provided by any group or association disability plan to which the disabled employee might belong or subscribe.

- **If a claimant is eligible for any other disability income, for the same medical condition, it will be integrated with the LTD disability income.**
- **Examples of other disability income includes: WSBC, ICBC, CPPD, EI medical, private insurance**

The amount by which the disability benefit from this Plan is reduced by other disability income will normally be the amount to which the disabled employee is entitled upon becoming first eligible for such other disability income. Future increases in such other disability income resulting from increases in the Canadian Consumer Price Index or similar indexing arrangements will not further reduce the benefit from this Plan.

- **Once the amount of the disability income to be integrated is calculated, it is normally not impacted by future increases, such as indexing of CPP. The original amount established remains unchanged.**

Notwithstanding the above, in the case of ICBC Weekly Indemnity payments or, in the case of personal insurance coverage, integration will apply to the extent that the combination of Plan benefits and ICBC Weekly Indemnity payments or, personal insurance disability income benefits exceed either:

- (1) 100% of basic pay; or

(2) the applicable benefit percentage of the individual average total monthly income in the 12-month period immediately preceding commencement of the disability, whichever is the greater. Where this provision is to apply, the employee will be required to provide satisfactory evidence of their total monthly income.

Notwithstanding the above, where an employee makes a successful wage loss claim against a third Party for an injury for which the employee received or would receive LTD benefits, the Employer will be entitled to recover or decrease Plan benefits by an amount equal to the amount that Plan benefits in combination with the wage loss claim paid exceed 100% of pay subject to the following:

- (1) The amount of plan benefit recovered or decreased will be reduced limited to the legal fees attributed to the Employer's share of total claim recovery.
 - (2) The existence of an action commenced by or on behalf of an employee does not preclude the Employer from joining the employee's action or commencing an action on its own behalf respecting the benefits paid.
 - (3) Where the Employer or the employee intends to commence or join such an action, they shall advise the other in writing of that intention.
- **Wage loss benefits received from ICBC will be integrated with LTD plan income, including successful wage loss claims against a third party. The Employer/LTD plan must be reimbursed. Consideration is given to legal fees attributed to the Employer's share of the claim recovery.**

This section does not apply to a war disability pension paid under an *Act* of the Government of Canada or other Commonwealth countries.

- **Integration does not apply to income from war disability pensions paid by Canada or other Commonwealth countries.**

2.7 Successive Disabilities

(a) If, following a period of total disability with respect to which benefits are paid from this Plan, an employee returns to work on a full-time basis for a continuous period of six months or more, any subsequent total disability suffered by that employee, whether related to the preceding disability or not, shall be considered a new disability and the disabled employee shall be entitled to benefit payments in accordance with the provisions of this Plan.

- **Following a full-time return to work, you must complete six continuous months without any absences to be eligible for a new STIP claim.**

(b) In the event the period during which such an employee has returned to work is less than six months and the employee again suffers a total disability and that is related to the preceding disability, the subsequent disability shall be deemed a continuation of the preceding disability, and the disabled employee shall be entitled to benefit payments in accordance with the provisions of this Plan as though they had not returned to work.

- **If you do fall ill again with the same disability, and within the first six months of a full-time return to work, your absence will be considered a continuation of the original claim, as if you had never returned to work.**
- **When you return to work again, the six month clock starts over.**

(c) Should such an employee suffer a subsequent disability that is unrelated to the previous disability and, provided the period during which the employee returned to work is longer than one month, the subsequent disability shall be considered a new disability and the employee shall be entitled to benefit payments in accordance with the provisions of this Plan. If the period during which the employee returned to work is one month or less, the subsequent disability shall be deemed a continuation of the preceding disability and the disabled employee shall be entitled to benefit payments in accordance with the provisions of this Plan.

- **Following a full return to work, once you have completed one month of continuous work, if you fall ill with a condition unrelated to the original disability, you could be eligible for STIIP benefits.**
- **If you fall ill within the first month of a full return to work, your absence will be considered a continuation of the original claim, whether it is a related condition or not.**
- **When you return to work again, the 30-day and the six month clock start over.**

(d) Limitation of benefits for successive disabilities in (b) and (c) above must be determined within one year from the date of absence due to successive disabilities.

- **For the purpose of this clause, there is a one year limit on considering successive disabilities claims retroactively.**

2.8 Cessation of Benefits

An employee shall cease to be eligible for benefits of this Plan at the earliest of the following dates:

- (a) at the end of the month in which the employee reaches their 65th birthday (60th birthday for correctional centre employees);
- (b) on the date of commencement of paid absence prior to retirement;
- (c) on the date of termination of employment with the Employer.

Benefits will not be paid when an employee is serving a prison sentence.

Cessation of active employment as a regular employee shall be considered termination of employment except when an employee is on authorized leave of absence with or without pay.

- **LTD claimants will no longer receive benefits in some circumstances: at the end of the month they reach age 65 (60 for Corrections); when they retire or go on "pre-retirement" leave; if they resign or get terminated; if they are serving a jail sentence.**

2.9 Leave of Absence

Employees on leave of absence without pay may opt to retain coverage under the plan and shall pay the full premium, except when on approved Maternity Leave. Coverage will be permitted for a period of 18 months of absence without pay except that if the leave is for educational purposes, the maximum period will be extended to two years. If an employee on leave of absence without pay or with partial pay, who has elected coverage under this Plan, becomes disabled, benefits under this Plan will be based upon monthly earnings immediately prior to the current leave of absence.

- **If you are on an unpaid leave of absence, you can continue to be covered by the LTD plan if you pay the premiums, except approved Maternity Leave, which is already covered.**
- **Coverage is limited to an 18 month period, except if the leave is for educational purposes it can be extended to 2 years.**
- **If eligible for LTD, the amount of wage loss benefits will be based on monthly earnings immediately prior to the leave of absence.**

2.10 Benefits Upon Plan Termination

In the event this Long Term Disability Plan is terminated, the benefit payments shall continue to be paid in accordance with the provisions of this Plan to disabled employees who became disabled while covered by this Plan prior to its termination.

- **If the LTD plan is discontinued by the insurance carrier, the Employer will continue to pay wage loss benefits to those who are already on claim.**

2.11 Contributions

The cost of this Plan will be borne by the Employer.

2.12 Waiver of Contributions

Employee contributions to this Plan shall be waived with respect to disabled employees during the time such an employee is in receipt of disability benefit payments from this Plan.

- **The costs of the LTD plan are covered by the Employer.**

2.13 Claims

Long Term Disability claims will be adjudicated and paid by a claims-paying agent to be appointed by the Employer. In the event a covered employee disputes the decision of the claims-paying agent regarding a claim for benefits under this Plan, the employee may arrange to have their claim reviewed by a Claims Review Committee composed of three medical doctors; one designated by the claimant, one by the Employer, and a third agreed to by the first two. Written notice of a disputed claim or an appeal under this Plan shall be sent to the Plan Administrator.

- **LTD claims are adjudicated by an independent insurance carrier selected by the Employer. The current carrier is Great West Life.**
- **If a claim for LTD benefits is denied by the carrier, there is an independent appeal process, called a Claims Review Committee, to review claims. The process and procedure for CRCs is set down in Terms of Reference, established by the Labour Relations Board.**

(b) (1) Written notice of an appeal must be submitted to the Plan Administrator within 60 days from the date the claims-paying agent rejected the claim. Due to extenuating circumstances, the time frame may be extended by the Plan Administrator.

- **The appeal period is 60-days from the date the claim was rejected. Formal notice of appeal must be submitted to the Employer within the 60-day appeal period.**
- **With good reason, the Employer is sometimes willing to extend the 60-day appeal period.**

(2) Where the claims-paying agent denies benefits due to insufficient medical evidence being provided, an employee will have 60 days in which to provide satisfactory medical evidence to support their claim.

In such circumstances, the 60-day appeal period in (1) above will not commence until the claims paying agent renders its decision based on the medical evidence provided.

Where the employee fails to provide further satisfactory medical evidence within the 60-day period, the claim will be deemed to have been denied and the appeal period in (1) above shall commence.

- **Where an LTD claim is denied because of a lack of medical information, a claimant will be given 60-days in which to provide it. In this case, the 60-day appeal period will not commence until the carrier has adjudicated the additional information, if the claim is still denied.**
- **If no additional information is provided, the claim is considered to be denied and the 60-day appeal period begins.**

(c) The expenses incurred by a Claims Review Committee will be paid by the Plan.

- **All expenses for the cost of the CRC are covered by the Employer, including travelling costs for the appellant, if required.**

(d) Where an employee has disputed the decision of the claims-paying agent and is awaiting the outcome of a review or an appeal, the employee will be considered to be on leave of absence without pay during the portion of the waiting period when they are not receiving pay or benefits allowance.

During the waiting period an employee will continue to be covered by group life, extended health, dental and medical plans.

- **During the LTD appeal period, benefits will continue to be paid by the Employer, including: medical, dental, extended health and group life insurance. This does not include wage loss income.**

(e) LTD benefits received will be reduced by the same amount of benefits received for the same period under the *Employment and Assistance Act* and/or the *Employment and Assistance for Persons with Disabilities Act* (referenced in this section as the "Acts"), except where the benefits received for that period under these Acts, which benefits exceed the LTD benefits level, LTD benefits will not be subject to reduction for that additional amount.

- **EI and LTD disability benefits are integrated except for any amount the EI exceeds the LTD.**

2.14 Physical Examination

The Employer, at its own expense, shall have the right and be given the opportunity to have a medical doctor appointed by the Employer examine, as often as it may reasonably require, any employee whose injury, sickness, mental or nervous disorder is the basis of the claim upon this Plan.

- **The Employer has the right to refer an LTD claimant for an independent medical examination (IME) as long as they pay all the costs.**

2.15 Canadian Currency

All monies payable to or from this plan shall be payable in Canada in Canadian currency.

2.16 Administration

The Employer will be the administrator of the Plan. All questions arising as to the interpretation of this Plan shall be subject to the grievance and arbitration procedures in Articles 8 and 9 of the Master Agreement.

- **The Employer is the legal administrator of the LTD plan.**
- **The interpretation of Appendix 4 and the LTD plan are subject to the grievance procedure.**

2.17 Implementation by Regulation

The provisions of this Plan shall become part of a memorandum of agreement between the Parties and will be implemented by regulation.

2.18 Benefit Level

Persons receiving benefits shall receive the same increases to their benefit level as do the employees covered by the terms and conditions of this Collective Agreement receive in wage increases.

- **When there is a general wage increase, claimants receive the same increase to their LTD wage loss benefit. However, the increase is not added to their classification level, which remains frozen at the end of STIIP.**