

Frequently Asked Questions for the OSSTF District 12 Late Entrant into Educator's Income Protection Plan

What is the Educator's Income Protection Plan?

The Educator's Income Protection Plan (EIPP) provides short and long term disability protection for educators employed within the Ontario Secondary School Teachers' Federation (OSSTF) District 12 Toronto. Disability insurance is an essential element of any financial plan, helping to protect your earning power should an accident or illness keep you from teaching.

I missed the sign-up deadline when I was hired, can I still apply for coverage?

Yes. If you did not enrol in EIPP when you started with District 12 you still have the opportunity apply for coverage. The Late Entrant application is available to download at www.osstfd12.com or www.teacherslife.com. Coverage cannot be guaranteed and depending on health medical exclusions may apply.

Who is Eligible?

EIPP has been designed exclusively for education professionals and is available to permanently employed educators within OSSTF District 12 Toronto.

To obtain coverage the insured must be:

- Actively employed as a teacher in a secondary school or related facility of the Toronto District School Board.
- Making regular contributions to a recognized pension plan like the Ontario Teachers' Pension Plan.

"Actively Employed" means being physically and mentally capable of performing the customary duties of the individual's regular job for the scheduled number of hours for that day and must be actually working for a minimum of 20 hours or more per week at the Employer's place of business where the Employer requires the individual to work and performing the individual's duties.

Is medical underwriting required?

Yes. The window for sign-up with no underwriting is available to new hires within the first 60 working days of active employment. After the sign-up deadline has passed, all applications are considered Late Entrant and underwriting is required. Coverage cannot be guaranteed.

What if my application is approved over summer break?

For the coverage to be effective the insured must be actively employed so your EIPP coverage would begin when the school year starts up again (i.e. approved in July, coverage becomes effective in September). Any medical information is valid for a 6-month period and on return to work the insured will be asked to sign a health declaration before the policy becomes effective and premiums are deducted.

Is there a waiting period before my benefits begin?

Yes. Like many disability insurance products, there is a waiting period before benefits can be paid. Please refer to the application for wait period options.

How much coverage is available?

EIPP provides educators with the flexibility to create coverage that best meets your specific needs. The coverage benefit is based on a percentage of your gross annual salary. There are three (3) percentage options to choose from 45%, 50% and 55%. Here are a few examples illustrating the monthly tax-free benefit payment:

Salary*: \$50,000

Percentage of Salary	Annual Benefit	Monthly Income Benefit
45%	\$22,500	\$1,875
50%	\$25,000	\$2,083
55%	\$27,500	\$2,292

Salary*: \$70,000

Percentage of Salary	Annual Benefit	Monthly Income Benefit
45%	\$31,500	\$2,625
50%	\$35,000	\$2,917
55%	\$38,500	\$3,208

Salary*: \$90,000

Percentage of Salary	Annual Benefit	Monthly Income Benefit
45%	\$40,500	\$3,375
50%	\$45,000	\$3,750
55%	\$49,500	\$4,125

* "Salary" is defined as your annual gross earnings, excluding night and summer school remuneration and any other similar compensation.

Is there a way to protect my benefits against inflation?

Teachers Life offers EIPP with a cost-of-living adjustment (COLA) option. This feature acts as a hedge against inflation while on long-term disability. COLA helps to ensure that your long-term disability benefit keeps pace with inflation. If selected, while on long-term disability your monthly benefit will automatically increase annually. This benefit will begin, and is retroactively paid, at the end of your first year on long-term disability. Increases are based on the annual Consumer Price Index (CPI) rate and are subject to a maximum escalation of 2%. If the annual CPI percentage is below the 2% maximum, Teachers Life allows the unused percentage to be carried over to the following year.

How do I apply for coverage?

The EIPP Late Entrant Application is available for download at www.osstfd12.com under the STBU tab or on the Teachers Life website at www.teacherslife.com.

Once you have completed the application, please submit it to Teachers Life by:

Fax: 416 620-6993

Email: insuring@teacherslife.com

Mail: Teachers Life, 916 The East Mall, Suite C, Toronto, Ontario, M9B 6K1

When is the short-term disability paid?

You qualify for short-term disability benefits if you are in a continuous state of incapacity beyond your waiting period, due to illness or accident which prevents you from performing the duties of your regular occupation. You must have been granted a medical leave of absence from your employer; are not engaged in any other gainful occupation, and are receiving on-going care from a medical doctor appropriate for the condition causing the disability. After satisfying your selected waiting period, you may receive short-term disability benefits for a maximum period of 24 months.

When Does the EIPP long-term disability benefit begin?

After the EIPP short-term benefit has been exhausted and the eligible member is totally and permanently disabled, long-term disability benefits may be collected. A member is considered to be totally and permanently disabled if they are in a continuous state of incapacity due to physical or mental impairment which prevents the member from engaging in any employment for which he individual is reasonably suited by reason of education, training or experience. To qualify for the long-term disability benefit, members are not able to earn more than 75% of their gross monthly pre-disability earnings in any occupation. The disability can also be reasonably expected to last the remainder of the member's lifetime and they are receiving continuous medical treatment from a medical doctor for the condition causing the disability.

Once accepted into the plan is there a waiting period before benefits?

Yes. Like many insurance products, there is a waiting period before benefits can be paid. You can choose from 3 waiting periods, please refer to your application for those options.

How long can a member expect to receive benefit payments?

Short-term or long-term disability payments may be payable:

- for as long as you remain disabled, as defined in the policy;
- until you are no longer deemed to be medically disabled;
- until you return to teaching or another occupation;
- until you have earned a minimum of 66% service pension; or
- until the last day of the month following your 70th birthday, whichever comes first;
- if claiming, over age 63 and benefits are limited to a maximum of 24 months.

While on disability is my monthly benefit taxable?

Absolutely not! Since the premium will be paid 100% by you the member, in the event of disability, the benefit is TAX-FREE.

Does EIPP have a life insurance component?

Yes it does. Teachers Life has included survivor benefits at no extra cost. Should a member die while their policy is in force, or while receiving disability benefits and the death occurs prior to the 21st month of disability benefits, the member's beneficiary(ies) would receive the equivalent of three (3) months of disability benefits paid out as a lump sum or in instalments.

Can my coverage continue if I am working past age 65?

Yes. Coverage extends to age 70 with benefits available up to a maximum of 24 months if a claim is made after age 63.

How can I calculate my premium?

The premium will be a percentage of your gross annual salary and based on the coverage percentage selected and whether or not COLA is requested and which wait period was selected. Here are a few examples to illustrate premium calculations:

Example A

An insured member with a gross annual salary of \$50,000 who selects the 45% coverage percentage, end of sick leave waiting period and 2% COLA, would pay 1.08% of their gross annual salary. The bi-weekly payroll deduction would be calculated as follows:
 $0.0108 \times \$50,000 = \$540 / 26 \text{ pays} = \20.77

Example B

An insured member with a gross annual salary of \$70,000 who selects the 55% coverage percentage, end of sick leave waiting period and 0% COLA, would pay 1.33% of their annual salary. The bi-weekly payroll deduction would be calculated as follows:
 $0.0133 \times \$70,000 = \$931 / 26 \text{ pays} = \35.81

When are my premiums due?

EIPP premiums are payable on a bi-weekly basis and are separate from any group coverage available as a member of the OSSTF District 12, Toronto. For your convenience and to help ensure your coverage remains in place, once enrolled, EIPP premiums will appear as a payroll deduction.

What happens to my coverage if I go on unpaid leave?

Should you decide to go on unpaid leave, to ensure your EIPP coverage remains in place, you must notify Teachers Life one (1) month prior to your leave of absence. EIPP is treated as a payroll deduction, so while on leave another method of payment must be arranged with Teachers Life to make certain your EIPP protection remains in force. Other payment options available to members on leave include: annually by cheque, credit card or monthly by electronic funds transfer.

If on claim what percentage of my net salary would I receive?

Listed below are a number of teacher's gross salaries and the corresponding percentage of pre-disability take-home pay that you might receive while on claim. *Net Salary calculations are based on a teacher's normal net income.*

Note: This chart is for illustration purposes only. The percentage of net salary may vary somewhat depending on the individual's tax situation, but the maximum payable is 85% of net salary.

Benefit Level Options	Gross Salary		
	\$50,000	\$70,000	\$90,000
	% of Net Salary	% of Net Salary	% of Net Salary
45%	66%	69%	71%
50%	74%	77%	79%
55%	81%	84%	85%

I have a few more questions, who's the best person to talk to?

The best people to talk to are at Teachers Life. They know the product and can explain and answer any questions you have regarding the options or the process. To connect with Teachers Life you can call 416 620-1140 and ask to speak with a District Representative. Or email us at insuring@teacherslife.com