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PlanTalk

HEBP Life Insurance Plan

No Evidence Maximum (NEM) Removed from Employee Life Insurance Contract

Effective October 2, 2007, the \$300,000 No Evidence Maximum (NEM) has been removed from the Healthcare Employees' Benefits Plan (HEBP) Employee Life Insurance contract. The change aligns with the way HEBP has always administered this provision. No members are affected, and the change does not affect any other terms of the contract.

Employees who elect Employee Life Insurance coverage in excess of \$300,000 at initial enrolment (three months of continuous employment), and employees who reach \$300,000 in Employee Life Insurance coverage following the initial enrolment period, are not required to provide evidence of insurability, provided they meet eligibility requirements.

An increasing number of members are reaching Employee Life Insurance coverage at or in excess of \$300,000 due to increasing salary rates. Removing the NEM eliminates the need to track coverage and submit *Evidence of Insurability* forms for coverage over \$300,000.

The maximum benefit payable for Basic and Optional Life Insurance combined remains at \$500,000. The maximum benefit payable for employees who previously applied for Life Insurance above the \$300,000 NEM, but were declined, will remain at \$300,000.

Employees must continue to complete an *Evidence of Insurability* form and the change section on the reverse side of the *Group Life Insurance Plan Enrolment and Change Information Form* when electing or increasing Optional Life Insurance and/or Optional Family (Dependant) Life Insurance following the initial enrolment period or when transferring from one facility to another.

An *Evidence of Insurability* form is not required for increases to insurance made within 60 days of experiencing a significant life event (marriage, declaration of a common-law relationship, separation, divorce, death of partner, or acquiring a dependant child).

Please ensure you are aware of the contract provisions and how they will affect you. For further information, please visit the Life Insurance section of the HEPP/HEBP website at www.hepp.mb.ca or contact the HEPP/HEBP office to obtain a *Life Insurance Plan* fact sheet.

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HEBP Disability and Rehabilitation Plan D&R Requirements While on Sick Leave of Absence

If you are off work due to an illness or injury, please communicate directly with your benefits representative at your facility/RHA. Your benefits representative will review your status and, if necessary, place you on an approved sick leave of absence (LOA).

If you are going to be off work for an extended period as a result of an illness or injury, your Employer is required to notify the Healthcare Employees' Benefits Plan (HEBP) by submitting a *Disability & Rehabilitation Plan Notice Of Absence Form* **within 60 days** after the date your illness or injury began. For a recurrent claim, HEBP must receive the *Notice Of Absence Form* **within 30 days** of the date of recurrence. Your Disability & Rehabilitation (D&R) claim may be denied if the *Notice of Absence Form* is not submitted within the required time frame.

If you are placed on a sick LOA, you must complete and sign a *Leave of*

Absence/Lay-off Benefit Coverage form to indicate which benefit coverage (Healthcare, Dental or Life Insurance) you wish to maintain and which benefit coverage you would like to waive during your sick LOA. While on a sick LOA, you must maintain your D&R coverage. Once you have submitted the completed form with your decision to continue or waive coverage, that decision will remain in effect until you are no longer on a sick LOA.

D&R premiums must be paid to HEBP **up to the date you are eligible to receive D&R Benefits** (throughout the 119-day Elimination Period, or longer if a claim decision has not been made). While you are in receipt of sick pay, D&R premiums are submitted through payroll deductions.

If you do not have sufficient sick pay to cover the entire Elimination Period, you must prepay D&R premiums to your Employer to cover the entire 119-

day Elimination Period. Prepayments can be made in a lump-sum payment or by monthly post-dated cheques that cover the entire 119-day Elimination Period. Please make cheques or money orders payable to: "HEBP D&R Trust Fund".

When prepaying premiums to maintain benefit coverage while on a sick LOA, you are responsible to pay both your portion and the Employer portion of the premium payments. If premiums are not paid, coverage will terminate and you will not be entitled to D&R Benefits.

Note: An Employer can issue banked sick pay to a Member who participates in the D&R Plan up to and including the 119-day Elimination Period. **Sick pay must not be paid beyond the 119-day Elimination Period.**

HEBP Disability and Rehabilitation Plan Enrolling for D&R Coverage After the Annual Review of Hours

All part-time Employees must work an average of at least 15 hours per week in the previous calendar year to be eligible for Disability and Rehabilitation (D&R) coverage.

Participating Employers must review hours of all part-time and full-time Employees to confirm whether or not the 15-hour requirement has been met.

After completion of the Annual Review of Hours, Employers will notify Employees whose D&R coverage has changed:

- Part-time Employees who were eligible for D&R coverage in 2007,

but who are not eligible for D&R coverage in 2008, will be advised that their coverage ends on December 31, 2007.

- Part-time Employees who were not eligible for D&R coverage in 2007, but who have become eligible in 2008, will be advised that their coverage will start on January 1, 2008.

If you were previously not eligible for D&R coverage, but become eligible in 2008, your Employer will notify you and provide you with a *Disability & Rehabilitation Benefits* brochure and a *Disability & Rehabilitation Plan*

Enrolment and Change Information Form. When you receive this package from your Employer, it is important that you:

- Thoroughly read the *Disability & Rehabilitation Benefits* brochure,
- Fully complete, sign and date the *Disability & Rehabilitation Plan Enrolment and Change Information Form* and return the form to your benefits representative at your facility/RHA by the deadline stated in the letter, and
- Ensure that, beginning in January, your Employer submits D&R premiums to HEBP.

HEBP Disability and Rehabilitation Plan

Deadline to Apply for D&R Benefits

The initial 119 calendar days after you become Totally Disabled is known as the Elimination Period. When submitting a Disability & Rehabilitation (D&R) claim, all three parts of the application (*Member Statement, Attending Physician Statement and Employer Statement*) must be fully completed and submitted to HEBP **within 60 days after the end of the Elimination Period** (within 180 days from the date your Illness or injury began).

Only once all three parts of the completed application are submitted can HEBP begin to assess your claim. You must re-apply for D&R Benefits for a recurrent claim.

Late Submission of a D&R Claim

Please note, under the terms of the D&R Plan, a late application will be denied unless there is a reasonable explanation satisfactory to the Claims Administrator.

Applying for D&R Benefits While Receiving MPI or WCB Benefits

If you have applied for Manitoba Public Insurance (MPI) or Workers Compensation Board (WCB) benefits, it is important that you also apply for D&R Benefits within 60 days after the end of the Elimination Period (within 180 days from the Date of Disability).

If your D&R application is approved:

- You may be eligible for a waiver of benefit premiums,
- Your HEPP pension service (if applicable) will continue to accumulate while you are Totally Disabled, and
- If your MPI or WCB benefits cease, you may be eligible to receive a monthly D&R Benefit.

HEBP Disability and Rehabilitation Plan

Maintaining Your Licence While Receiving D&R Benefits

Nurses, occupational therapists, physiotherapists and other professionals require a professional licence to practise. If you are receiving Disability & Rehabilitation (D&R) Benefits, you are required to maintain

your professional licence(s) throughout your period of Total Disability.

By maintaining your professional licence during this period, you will avoid unnecessary delays with your

vocational rehabilitation and return-to-work programs that may result in suspension or termination of D&R Benefits.

Pension Plan | Ad Hoc COLA

The Healthcare Employees' Pension Plan (HEPP) Text provides for the payment of Cost of Living Adjustment (COLA) increases to retired Plan members on an "ad hoc" basis, provided there is sufficient surplus available to fund this benefit. This means annual COLA increases are not guaranteed, but can be paid when funds are available.

Contributions made to the Plan by employees and employers are invested and fund the basic pension benefits.

Each year, the Plan undertakes an actuarial valuation conducted by an independent actuary. The purpose of the actuarial valuation is to determine the Plan's funded position. If there is sufficient surplus, as outlined in the Plan's Surplus Policy, the Board makes every effort to use this surplus to fund additional benefits, such as COLA increases.

Despite good investment performance, the Plan's liabilities have grown faster than assumed. As a result, the Plan

does not have a sufficient surplus to fund additional benefits such as a COLA increase at this time.

The HEPP Board of Trustees has identified this as an ongoing issue and will continue to work with stakeholders towards a solution on your behalf.

Pension Plan | Pension Income Splitting Legislation Introduced

On June 22, 2007, the Government of Canada passed legislation to allow pension income splitting. Beginning in the 2007 taxation year, Canadian residents will be allowed to allocate up to half of their “eligible pension income” to their resident spouse or common-law partner on their annual

tax return for income tax purposes.

Pension income splitting will not affect the amount of your monthly pension payment or the amount of income tax deducted from your monthly pension payments.

For more information on pension income splitting, please contact the Canada Revenue Agency at www.cra.gc.ca or 1-800-959-8281, or speak to a professional accountant or tax specialist.

Pension Plan Amendment Allows Members to Postpone Retirement Until Age 71

The HEPP Plan Text has been amended to allow for changes made to the Income Tax Act, effective January 1, 2007. Members of the Healthcare Employees' Pension Plan (HEPP) may now postpone their retirement until November 30 of the year in which they turn 71.

Both employer and employee contributions must cease by this date. If you are planning to postpone your retirement, please contact HEPP to discuss the options available to you.

Welcome!

Welcome to our new HEPP/HEBP members from River Park Gardens who joined in the last year.

The continuing expansion of participating facilities means increased portability of pension and benefits for our members throughout Manitoba.

Contact Information Changes

Has your contact information changed? If information such as your name, address or telephone number has changed, please be sure to notify your Benefits Representative at your facility/RHA as well as HEPP/HEBP.

As HEPP/HEBP cannot accept contact information changes by e-mail, please send your request, in writing to:

Healthcare Employees' Pension and Benefits Plans
Attention: Member Records
900-200 Graham Avenue
Winnipeg, Manitoba R3C 4L5

Please ensure your request:

- Is dated and signed,
- Includes your first name, last name and HEPP/HEBP ID number, and
- States your previous and new contact information.

Please contact us if you do not have a record of your HEPP/HEBP ID number.

PM# 40064761

RETURN UNDELIVERABLE CANADIAN ADDRESSES TO:

HEPP/HEBP MANITOBA
900-200 GRAHAM AVE
WINNIPEG MB R3C 4L5

We Appreciate Your Feedback

If you have comments about the information provided in PlanTalk, or suggestions for future articles, please contact us at:

Mail: PlanTalk
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900-200 Graham Avenue
Winnipeg MB R3C 4L5

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