

BULLETIN

Date: **April 11, 2016**
To: **District Benefits Administrators, Secretary Treasurers
and Local Support Staff Unions**
From: **PEBT Board of Trustees**
Subject: **Changes to LTD Program**

As you are aware, the PEBT Core Long Term Disability (LTD) program is provided through funding from the provincial government. Since April 2013, the PEBT Core LTD benefit amount has been set at 66.67% of monthly earnings. Based on advice from our actuary, the Board recently reviewed options to enhance the current benefit. The result of this review will enhance the Core LTD benefit and will impact the Other LTD Programs as follows:

Core LTD Program

The benefit level for the Core LTD program will increase from 66.67% to 70.00% of monthly earnings effective July 1, 2016. Please note the increase in benefit level applies only to current claims on a go-forward basis and future disability claims, and does not impact disability claims that ended prior to July 1, 2016.

In addition, a cost of living adjustment (COLA) will be applied to the Core LTD benefit net of any applicable CPP offset, based on historical cost of living adjustments from the claimant's date of disability. This will also be implemented on July 1, 2016. It should be noted that this is a one-time adjustment, and will not result in any retroactive benefit payments.

Other LTD Program

For school districts/union locals that participate in the Other LTD program, we are pleased to advise the monthly premium cost for many groups will be reduced given the change to the Core LTD program. The level of reduction will vary depending on your plan design, and in some cases, the Other LTD program may no longer be required. Please note the reduction in premium rates, where applicable, will be effective July 1, 2016. If your school district/union local participates in the Other LTD program, Morneau Shepell will be in contact with further information on changes to the program.

The benefits changes will be reflected on the PEBT benefits web site and administration system. Morneau Shepell will provide a memo to all districts/union locals that can be used to communicate the changes to the PEBT LTD program to all affected members.

We welcome your questions and comments, and encourage you to contact either the Morneau Shepell Benefits Centre for School Districts at 1-866-408-6688 or (604) 642-5231. If you have a question for the PEBT Board of Trustees, contact the PEBT Trust Secretary Diane Moore at (604) 483-7781 or at dmoore.PEBT@telus.net.

