

FactSheet

FactSheets contain in-depth information on select topics for members of the OPSEU Pension Trust



Long Term Income Protection and Your Pension Contributions

OPTrust members, who are required to take time off from work due to a severe illness and go on Long Term Income Protection (LTIP), will continue to earn credits towards their pension while away from work.

If you need to take a leave of absence from work and go on LTIP, your employer is responsible for paying your share of pension contributions, as well as theirs during this period. Unlike other unpaid leaves of absence due to illness, periods when you receive or are eligible to receive LTIP benefits do not affect accrual of pension credits.

The good news is your earned pension benefit continues to grow while you are in receipt of an LTIP benefit. And you are not required to buy back any missed periods of service during your absence, because your employer pays both their share and your share of pension contributions.

What happens if you qualify for LTIP?

Employers offer LTIP as a benefit to employees who are deemed unfit for work by a qualified physician and approved by an insurance carrier. The benefit is only available to permanent, full-time or regular part-time employees. Contract, seasonal and casual, or “unclassified” employees are not eligible for LTIP benefits with the OPS.

If you qualify for an LTIP benefit and do not resign from your employment, your employer is required to make contributions to the OPSEU Pension Plan on your behalf, until you:

- recover from your illness
- resign your employment
- reach age 65 or die (whichever occurs first).

When you qualify for LTIP benefits you will receive 66.66% of your current salary as of the date of your illness. But your pension contributions are based on a 100% of your salary.

Pension contributions

Your employer is responsible for remitting both the employee and employer pension contributions to the OPSEU Pension Plan. However, under OPTrust’s rules, you must be *eligible to apply* for LTIP benefits and *medically eligible to receive* LTIP for pension contributions to continue. Medical eligibility may be determined either by:

- the member submitting an application and being approved for LTIP benefits, or
- the employer “testing” to determine medical eligibility, where the member does not wish to apply for LTIP benefits.

Once you meet these criteria, your employer pays the pension contributions on your behalf.





The salary you were earning on the date of your illness is the base rate used for determining both your pension contributions and pension benefit. This “base rate” increases each year based on the inflation adjustment applied to OPTrust pensions.

Retiring during an LTIP leave

During your period of approved LTIP you may qualify to retire under one of OPTrust’s retirement options (Factor 90 or 60/20), before age 65. Your LTIP benefits are then reduced by the amount of your monthly OPTrust pension if you retire before age 65. This reduction continues for as long as you receive benefits from both OPTrust and LTIP.

Contact your employer or the LTIP insurance company for complete details.

Rehabilitative employment

You may decide to return to work on a limited basis or what is known as “rehabilitative employment.” In these cases an employee may not be able to work at

full capacity. For example, you return to work for ten hours a week. If your insurance carrier approves the rehabilitative employment option, your employer would then continue to pay both the employer and member pension contributions for this period.

WSIB

Special rules apply to members who are in receipt of Workplace Safety and Insurance Board (WSIB) payments and would qualify for LTIP had they applied. For more information refer to *OPTrust’s Fact Sheet Contributing to Your Pension While on a WSIB Leave* available online at www.optrust.com.

If you have any questions about your own status regarding LTIP, contact your Human Resources representative.

For more information please contact the OPSEU Pension Trust

- Member & Pensioner Services:** 416-681-6100 in Toronto
1-800-637-0024 toll-free in Canada
- General Information:** 416-681-6161 in Toronto
1-800-906-7738 toll-free in Canada
- Fax:** 416-681-6175
- E-mail:** email@optrust.com
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OPSEU Pension Trust Fiducie du régime de retraite du SEFPO

This **FactSheet** summarizes certain provisions of the OPSEU Pension Plan. It does not create any rights to benefits not provided for in the actual terms of the Plan. In the event of any conflict or omission, the legal documents of the OPSEU Pension Plan will govern in all cases.

Members who have questions about their pension entitlements or are considering a pension-related decision should contact OPTrust directly.