

Total Compensation

Benefits | Compensation | Pension | Health and Well-Being

Disability insurance

What you need to know

This guide provides answers to frequently asked questions, contacts and other important information about your benefits and pension while you are on disability insurance.*

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Important: You are responsible for paying your pension contributions and benefit premiums while you are on disability insurance. These can be paid when you return to work, but if you are away for a long period, you could owe a large amount. Follow the steps outlined in the guide to understand when and how to make payments. Find highlighted terms in the definition of terms section.

* This information applies to eligible CUPW-UPO-, CPAA-, APOC- and PSAC-represented employees. Official plan documents and policies govern your actual benefits.

Disability insurance payments, taxes and deductions

How much will I receive in disability insurance benefits for my approved claim?

You will receive 70 per cent of your **adjusted annual salary**. Some reductions may apply (see next question).

You will receive these benefits as long as you remain **totally disabled**, but no later than your 65th birthday.

Benefits are paid at the end of every month. They are adjusted for periods of less than one full month.

The insurer, Sun Life Financial, will need you to provide medical information to support your ongoing **total disability**, from time to time. Your benefits will end if you do not provide proof.

Could my benefits be reduced?

Yes. Your benefits will be reduced by any other income you may be eligible to receive for the same or any subsequent disability. These include but are not limited to the following:

- Benefits from any other government plan, including provincial automobile insurance.
- Benefits from the plan of any other group or association to which you belong.
- Benefits received as compensation or profit from any occupation or business enterprise not approved by the insurer as **rehabilitative employment**.
- The Canada Pension Plan and the Quebec Pension Plan. Sun Life Financial will advise you if and when you should apply for this benefit. You will have to sign a declaration that you have applied or will apply for medical benefits from one of those plans. You must agree to reimburse the Disability Insurance Plan if any overpayment is made. Sun Life Financial may, instead, estimate the amount you would receive and reduce your benefits by that amount. Your benefits will not be reduced for any disability insurance benefits your dependents receive.
- Some benefits from the Canada Post Pension Plan.
- Benefits from workers' compensation.

You should discuss any other income you receive with your case manager to avoid any potential overpayments.

Are my disability insurance benefits taxable?

Yes. These benefits are fully taxable. Taxes will be deducted at source by Sun Life Financial.

Do the disability insurance premiums I've paid help reduce my income tax?

The total amount of the premiums you paid during your employment can be used as part of your tax return in cases where you were approved for disability insurance benefits.

AccessHR will complete a one-time calculation and send you a letter for income tax purposes near the end of February, before tax time.

If you have had more than one disability insurance claim, the calculation will be done only from the time you returned to work to the time you went on disability insurance again.

Will my disability insurance benefits be adjusted to reflect cost of living increases?

Yes. After all reductions for other disability income have been made, your net benefits from the Disability Insurance Plan may be increased to reflect cost of living increases by up to three per cent each January 1.

What happens with my Canada Savings Bonds and other payroll deductions?

If deductions are withdrawn from your pay for programs like Dime a Day, United Way or Canada Savings Bonds, these deductions will cease during your leave. If you wish to continue making contributions during your leave, contact the relevant organizations directly and make the necessary arrangements.

When will my benefits end?

Sun Life Financial will end benefit payments on the earliest of the following:

- When you turn 65.
- When medical evidence no longer supports your claim.
- In the event of the plan member's death, payments will cease at the end of the month of death.

What if I have questions regarding disability insurance benefits?

For more information on disability insurance benefits, contact your case manager directly (see your approval letter) or Sun Life Financial group disability inquiries at 1-866-519-1923.

Health care and other benefits

Which benefits will be covered while I am on leave?

The following plans are **mandatory**. If you are enrolled in these plans, coverage will continue during your leave:

- dental care
- vision and hearing care
- basic life insurance.

Your coverage under the following plans is **optional**:

- Extended Health Care Plan (EHCP). You must indicate if you wish to continue or cancel your participation in the EHCP. Fill out and return the *Extended Health Care Plan: Confirmation of Coverage* document sent to you by AccessHR. Until AccessHR receives your completed form, you will continue to be covered.
- You may discontinue coverage at any time. If you do, you cannot reapply while on leave.

What are my options for paying my premiums?

You can make premium contributions

- while you are on leave
- when you return to work.

How do I make payments while I am on leave?

To pay your benefit premiums or a portion of them while you are on leave, contact AccessHR at **1-877-807-9090** or at accesshr@canadapost.ca.

How do I make up the amount owing when I return to work?

What you owe will be recovered when you return to work through payroll deductions. The deductions will be scheduled over a period extending twice the length of your leave. They begin automatically once you return to work.

Can you tell me how much I may owe?

Each situation will differ. Refer to your *Start of Leave* letter from AccessHR for an estimate of your specific situation.

What if I have questions regarding health care and other benefits?

For details on your dental, vision and hearing care plan as well as your Extended Health Care Plan, contact Great-West Life at **1-866-716-1313**. You can also log on to GroupNet for Plan Members for an overview of your benefits at groupnet.greatwestlife.com.

For information on premiums you owe, contact AccessHR at **1-877-807-9090** or accesshr@canadapost.ca.

Defined benefit pension plan

This section applies to

- *PSAC/IUPCE employees who became eligible to join the Canada Post Pension Plan before June 1, 2014;*
- *APOC employees who became eligible to join the Canada Post Pension Plan before March 1, 2015;*
- *CPAA employees who became eligible to join the Canada Post Pension Plan before September 1, 2016;*
- *CUPW-UPO employees.*

Does my eligibility service continue to accumulate while I'm receiving disability insurance benefits?

Yes, as long as you make pension contributions for the period of leave.

Do my pension contributions continue while I'm receiving disability insurance benefits?

No. Pension contributions are deducted from your pay. While on disability insurance, instead of your pay, you receive benefit payments directly from Sun Life Financial, so your pension contributions can no longer be deducted from your pay.

There are options available to continue making pension contributions. A *Start of Leave* letter providing detailed information will be sent to you by the Canada Post Pension Centre once it is notified of your disability leave.

What are my options for paying my pension contributions?

You can make pension contributions

- while you are on leave
- when you return to work.

Can I get an estimate of the pension contributions I must pay?

Yes. You can get an estimate in two ways:

- Use the pension calculator at **cpcpension.com**, under Defined Benefit (DB). Click on Calculate my pension and select Leave Without Pay (LWOP) Cost Estimator. Your employee number and password are required to sign in to the calculator.

- If you do not have access to a computer, call the Canada Post Pension Centre at 1-877-480-9220.

The exact amount of pension contributions you owe will be calculated when you return to work and provided in your *Return From Leave* letter.

How do I make pension contribution payments while I'm receiving disability insurance benefits?

You can make pension contribution payments by cheque. Payments must be for a minimum amount of \$500.

Write a cheque to RBC Investor Services Trust. Include your employee number and mail your payment to

**CANADA POST PENSION CENTRE
PO BOX 2073
MISSISSAUGA ON L5B 3C6**

Once you return to work, any amount you still owe will be calculated and provided in your *Return From Leave* letter.

How do I pay my pension contributions when I return to work?

Once you return to work, you will receive a *Return From Leave* letter indicating the amount of pension contributions you owe, minus any payments you may have made during your leave.

You can pay the amount you owe in two ways:

- By payroll deductions. These will begin automatically upon your return to work and will take place over a period of twice the length of your leave.
- By cheque for the full amount. Once your cheque is received and processed, payroll deductions will stop and any overpayment will be refunded.

What if I'm already paying pension contributions for a previous period of leave or for elective service?

You will find detailed information about the payment of contributions in your *Start of Leave* letter provided by the Pension Centre.

What if I retire or leave Canada Post while receiving disability insurance benefits and haven't paid my outstanding pension contributions?

Outstanding pension contributions are payable in full. If you do not pay your contributions in full within 30 days of the notification provided when you retire or

leave Canada Post, you will lose the related portion of **eligibility service** used in the calculation of your pension benefit. This will result in a lower pension benefit.

Do I have to pay pension contributions for the period while I'm receiving disability insurance benefits?

You must pay pension contributions for the first three consecutive months of each leave. If you do not pay for the period of leave beyond those three months, that period will not be included in your **eligibility service** used to calculate your pension entitlement and benefit. This will result in a lower pension benefit.

What if I have other questions regarding the defined benefit pension plan?

Once notified of your disability leave, the Pension Centre will send you a *Start of Leave* letter with detailed information.

If you have any questions concerning your defined benefit pension plan, call the Canada Post Pension Centre at 1-877-480-9220 (TTY: 1-866-370-2725; outside North America: 613-683-5908) or visit cpcpension.com.

Defined contribution pension plan

This section applies to

- *PSAC/IUPCE employees who became eligible to join the Canada Post Pension Plan on or after June 1, 2014;*
- *APOC employees who became eligible to join the Canada Post Pension Plan on or after March 1, 2015;*
- *CPAA employees who became eligible to join the Canada Post Pension Plan on or after September 1, 2016.*

Do my pension contributions continue while I'm receiving disability insurance benefits?

No. Pension contributions are deducted from your pay. While on disability leave, instead of your pay, you receive benefit payments directly from Sun Life Financial, so your pension contributions can no longer be deducted from your pay.

During your leave, your unpaid contributions will accumulate and you will need to pay them back when you return to work. If you do not want your contributions to accumulate, you must complete the *Defined Contribution – Pension Payroll Deduction Authorization* form. Once notified of your disability leave, Canada Post will send you a *Start of Leave* letter with more information and the form.

What about the contributions Canada Post makes?

While you are receiving disability insurance benefits, Canada Post will continue to make its base contribution.

Canada Post will stop making matching contributions if you choose not to accumulate your contributions for the period of your leave.

How can I get an estimate of my pension contributions for the period while I'm receiving disability insurance benefits?

You can refer to your last pay statement for the amount of bi-weekly pension contributions you were making to your defined contribution pension plan.

How do I pay my pension contributions when I return to work?

Once you return to work, you can pay the amount you owe in two ways:

- By payroll deductions. These will begin automatically upon your return and will take place over a period twice the length of your leave. The contributions accumulated during your leave period will be deducted from your pay in addition to your regular contributions.
- By cheque.

Once you return to work, any amount you owe will be calculated and confirmed to you in a letter from AccessHR.

Do I have to pay pension contributions for the period while I'm receiving disability insurance benefits?

No. You can choose not to accumulate your contributions for the period of your leave. To do so, you must complete and return the *Defined Contribution – Pension Payroll Deduction Authorization* form included with your *Start of Leave* letter or found at **cpcpension.com**. If you make this choice, Canada Post will stop making matching contributions.

Upon your return to work, your pension contributions will resume automatically, unless you inform AccessHR otherwise.

If I am participating in the Voluntary Savings Plan (VSP), what happens to my VSP contributions while I'm receiving disability insurance benefits?

If you are making contributions to the VSP by payroll deduction, those contributions will stop for the period while you are on disability leave.

If you want to continue contributing to your VSP while receiving disability insurance benefits, either through lump-sum transfers or pre-authorized payments from your personal bank account, contact the Sun Life Financial Customer Care Centre at **1-866-733-8612**, between 8 a.m. and 8 p.m. ET.

Upon your return to work, your VSP contributions will resume automatically, unless you inform AccessHR otherwise.

What if I retire or leave Canada Post and haven't paid my outstanding pension contributions?

You must pay all outstanding pension contributions in full.

What if I have questions regarding the defined contribution pension plan?

Contact AccessHR at **1-877-807-9090** or accesshr@canadapost.ca for information about your eligibility or contributions while on leave and receiving disability insurance benefits.

You can also visit cpcpension.com.

Definition of terms

Adjusted annual salary

Annual salary rounded to the next highest multiple of \$250, if not already such a multiple.

Elective service

Under the defined benefit component of the Canada Post Pension Plan, a period of past service with Canada Post or time when you were away on authorized leave for which you did not pay contributions.

Eligibility service

Service while you are a member of the Pension Plan and contributing to the defined benefit component of the Plan. This includes service that you purchased and service transferred from another employer under a pension transfer agreement, to a maximum of 35 years. Eligibility service is measured the same for full-time and part-time service.

Rehabilitative employment

Any work you have completed as part of your recovery process that is approved in writing by the insurer, in advance, and considered part of the rehabilitative program.

Total disability, totally disabled

During the elimination period and for the next 24 months, you will be considered totally disabled if you are unable to perform the essential duties of your regular occupation because of an illness. After that, you will be considered totally disabled if you are unable to perform the duties of a commensurate occupation for which you are – or become – qualified by reason of education, training or experience.

If you lose the licence you need to carry out your regular occupation because of an illness not related to drug or alcohol abuse, you will be considered totally disabled during the elimination period and the following 24 months, provided your licence continues to be withheld for the same reason.

