



## PUBLIC EDUCATION BENEFITS TRUST

DATE: February 1, 2021

TO: School District Benefit Administrators and Local Support Staff Unions

CC: School District Finance and HR Staff

FROM: Trustees of the Public Education Benefits Trust Fund

RE: Public Education Benefits Trust Core LTD Enhancement Effective July 1, 2021

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As outlined within the communication shared on January 8, 2021, the Board of Trustees of the Public Education Benefits Trust (PEBT) is pleased to advise the Core LTD Program will be reimbursing school districts the cost of premium contributions for continuing extended health, including the Medical Referral Travel Benefit where applicable (“extended health”), and dental coverage for Members during the first two years of their LTD claim. This enhancement provides immediate support to disabled Members at a time when the Member may be responsible for some or the full cost of these benefits.

While the plan enhancement will introduce some changes to benefits administration processes, careful consideration was given to minimizing implementation and ongoing administration work effort for School District Benefits Administrators and Members. There was consultation with Morneau Shepell to develop an efficient standard administrative process, which includes automated reports and memos, and a detailed project plan to ensure a smooth implementation. Ongoing communication, support, and training for those involved in the process will also be provided.

We appreciate the important role School District Benefits Administrators have in the administration of the PEBT benefits plan and want to thank them for their efforts in providing this valuable enhancement. We are hopeful this new process may partially replace the administrative work efforts required at some school districts to follow up with disabled Members directly for extended health and/or dental contributions while they are receiving LTD benefits.

To provide additional insight into how this enhancement will be implemented and administered, this bulletin provides information on the following:

- Member bulletin for distribution – **Action Item**
- Members impacted by the Core LTD enhancement
- Premium contribution reimbursement process
- Implementation timelines
- Responses to Frequently Asked Questions
- Next Steps

### **Member bulletin for Distribution – Action Item**

Attached to this email is a bulletin for both the school district and union local to distribute to Members, which includes information about the Core LTD Enhancement.

Please distribute this bulletin to Members as soon as possible.

### **Members Impacted by the Core LTD Enhancement**

Effective July 1, 2021, all active Core LTD claimants who have been receiving LTD benefits for less than two years will be eligible to have premium contributions for their existing extended health and dental coverage paid for by the Core LTD program. This coverage continues until the Member is no longer eligible for LTD benefits or until they have received LTD benefits for two years.

Please note this does not supersede any current requirements or obligations of school districts under the Collective Agreement.

To ensure all eligible Members benefit from this plan enhancement, a review will be completed prior to July 1, 2021 to identify and reinstate any Members that may have decided to terminate extended health or dental coverage within the first two years of their Core LTD claim. The Member must have had coverage immediately prior to becoming disabled to be eligible for this reinstatement.

### **Premium Contribution Reimbursement Process**

The premium contribution reimbursement process relative to this Core LTD enhancement will be conducted monthly. An outline of this process has been provided below.

#### **School District Benefits Administrator role:**

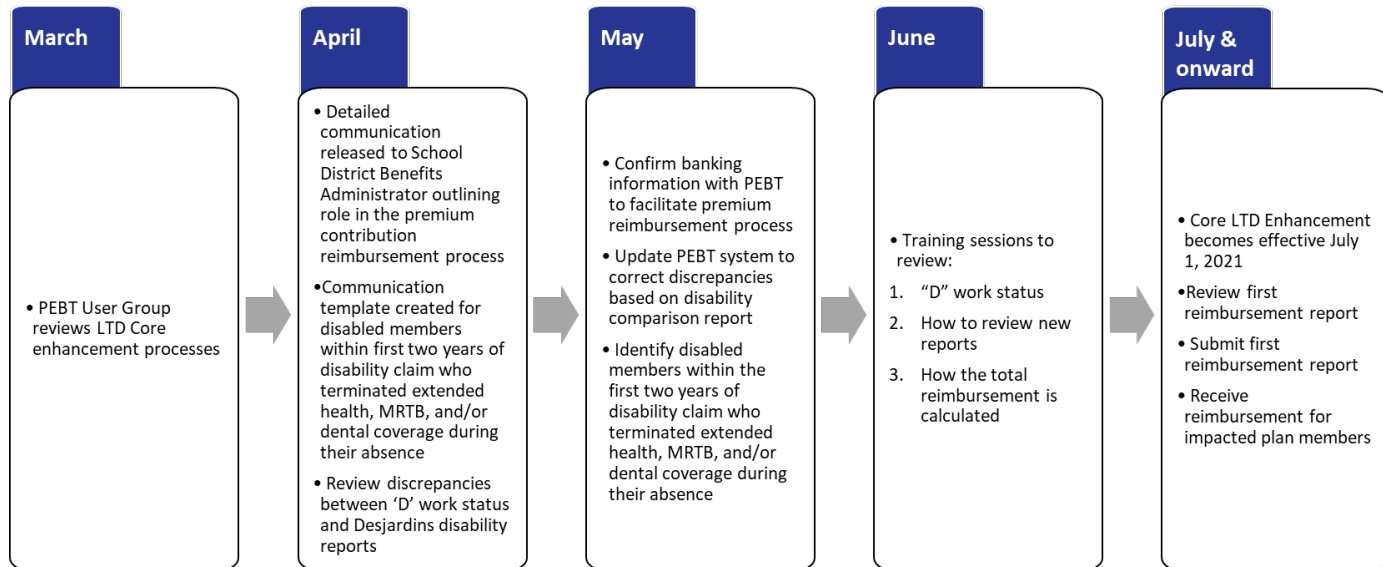
1. Core LTD claim approval letter received from Desjardins
2. Update the PEBT Administration System, changing the Member's status to 'D'
3. Keep the Member's existing benefits in place
4. Finalize and run the monthly premium billing statement
5. Review the contribution reimbursement report auto-generated by the PEBT Administration System, and adjusting for any exceptions, as needed
6. Send the monthly contribution reimbursement report to the PEBT for reimbursement
7. Make any required changes within the PEBT Administration System relative to discrepancies found between the district and Desjardins records
8. Receive payment from PEBT representing the extended health and dental premium contributions owing for eligible disabled Members

Under this new arrangement, premium contribution collection from the Member during their eligibility for this Core LTD enhancement is not required.

As noted within the implementation timeline below, further detailed information will be provided to all School District Benefits Administrators in April about the premium contribution reimbursement process. Dedicated training will be scheduled for June.

## Implementation Timelines

Below you will find an overview of the key implementation milestones over the coming months.



## Responses to Frequently Asked Questions

Members may have questions about the Core LTD enhancement or how it may impact them directly. Below are responses to some frequently asked questions. Please note that an FAQ section will also be added to the PEBT Benefits website in line with the effective date of this plan enhancement. If you have any other questions, please contact your HUB consultant for more information.

**Q: Does the Core LTD enhancement apply to Members who are already receiving LTD benefits?**

**A:** If a Member is within the first two years of their Core LTD benefit claim, this plan enhancement will apply. Premium contribution reimbursement should be included in the district's monthly reporting until the conclusion of the Member's two year "own occupation" period of disability.

**Q: Will a Member be eligible for this Core LTD enhancement, if they have been receiving LTD benefits for over two years as of July 1, 2021?**

**A:** If a Member's Core LTD benefit claim duration exceeds two years as of July 1, 2021, (i.e. reached two-year own occupation milestone) they will not be eligible for premium contribution reimbursement from the Core LTD Program.

**Q: What if a Member is receiving LTD benefits and did not continue their extended health and dental benefits during their absence?**

**A:** A review will be performed to identify Members who did not continue their extended health and dental benefits during their absence. They will receive a targeted communication outlining their options for benefits reinstatement.

**Q: Will the extended health and dental care coverage/plan provisions change under the Core LTD enhancement?**

**A:** The Core LTD enhancement is intended to have Members remain on their school district benefits plan and continue to receive the benefit plan provisions bargained under their Collective Agreement.

**Q: What happens to extended health and dental coverage at the end of the two year “own occupation” period?**

**A:** To ensure continuity of benefits coverage for Members approaching the two-year LTD duration milestone, a template memo has been created which provides notice, along with the effective date that premium contributions paid on the Member’s behalf will conclude. Included within the memo is guidance for the Member to contact the School District Benefits Administrator to discuss their options.

For districts that have transitioned to the Ariel Lifeworks administration system, this memo will be automatically generated two months in advance of the two-year LTD milestone. School District Benefits Administrators will be responsible for accessing and sending the memo to impacted Members.

For districts that have not transitioned to the Ariel Lifeworks administration system, templates will be provided for School District Benefits Administrators to complete. If you are unsure whether your district has transitioned to the new PEBT administration system, please contact the School District Administration team at [SDAdministration@morneaushepell.com](mailto:SDAdministration@morneaushepell.com).

**Q: What happens when a Member is disabled, returns to active employment with the district and then is off work again due to the same disability (recurrent claim)?**

**A:** Premium contribution reimbursement for extended health and dental coverage will be provided up to a maximum of two years for Core LTD claimants, otherwise known as the “own occupation” period of disability. During the initial two-year duration of their Core LTD claim, if a Member returns to active employment, premium contribution reimbursement from the Core LTD Program for extended health and dental benefits will cease. In the event the same Member returns to a disabled status as a result of the same disability (recurrent claim), premium contributions for extended health and dental will be reinstated, however only up to the end of the “own occupation” period of disability.

**Next Steps**

- Provide Members with a copy of the attached bulletin so they are made aware of the Core LTD Enhancement and can read answers to frequently asked questions prior to the effective date.
- School District Benefits Administrators will review the communication released in April outlining in greater detail their role in the premium contribution reimbursement process.
- School District Benefits Administrators will receive more information about training opportunities available in June.