



# **LONG TERM DISABILITY**

## **COVERAGE**

The Long Term Disability Benefit provides income security should you become totally disabled and remain so over a long period of time. In order to receive this benefit, you must remain under the continuing care of a physician.

Your benefit is outlined in your employee group benefit summary. Earnings are determined as your gross monthly earnings, excluding overtime, bonuses or other special remuneration. Benefits are not taxable.

In addition, your premiums of Local Authorities Pension Plan will be paid by the insurance company. The employer portion off your premium will continue to be paid by MRU.

Your benefit will be reduced by other income you may be entitled to receive from the following sources including public pension plan disability benefits paid to you on behalf of your dependents:

1. Disability benefits payable under the Canada/Quebec Pension Plan.
2. Earnings or payments from any employer.
3. Disability benefits payable under any other group, association or franchise insurance plan.
4. Disability and income replacement benefits payable under any government plan (excluding Unemployment Insurance Benefits).
5. Benefits payable under any workers' compensation act.
6. Retirement or pension benefits provided by an employer and/or a government.
7. Income replacement indemnity payable under any plan of automobile insurance.
8. Earnings recovered through a legally enforceable cause of action against some other person or corporation (in accordance with provisions under Third Party Liability).

The benefit, as calculated, will be further reduced by any amount by which such benefit, plus the income from all sources just outlined, exceeds 85% of pre-disability net earnings.

The amount of benefit payable by the insurance company will not be affected by changes in your Canada or Quebec Pension Plan benefit unless the changes result from:

1. A correction due to an error made when your award was originally determined.
2. A change of 10% or more in the benefit formula under the government plan.
3. A change in dependent status (where applicable).

## **PUBLIC PENSION PLANS**

Your monthly benefit will not be reduced by disability benefits payable under a public pension plan (CPP/QPP) until actual determination of the award has been made, if, at the time you submit your L.T.D. claim, you sign an agreement to reimburse the insurance company.

Otherwise, CPP/QPP benefits which have not been determined by the time your benefit is payable will be estimated and deducted from your monthly benefit. Adjustments to correct such payments will be made after the award has been determined.

## **COMMENCEMENT OF BENEFITS**

Benefits begin after a qualifying period of 60 working days of continuous total disability, provided proof of disability is submitted within 6 months following the qualifying period.

Claim forms are available from Human Resources. You must provide certain information and your doctor must complete the Attending Physician's statement. Once the forms are completed they should be sent to Human Resources who will complete their portion and forward them to the insurance company.

While receiving benefits, further proof of total disability may be required by the insurance company.

## **THIRD PARTY LIABILITY**

If you have a cause of action against a Third Party for income lost as a result of your disability, the Long Term Disability benefit will be payable as specified. However, prior to the commencement of payments, you will be required to complete a Reimbursement Agreement/Direction form, agreeing to reimburse the insurer. The amount to be reimbursed will not exceed the amount of benefits paid by the insurer.

Full details concerning terms and calculation of reimbursement are as set out in the Agreement.

## **CESSATION OF BENEFIT PAYMENTS**

Your monthly payments will cease on the earliest of the following events:

1. The date you are no longer totally disabled.
2. On the date you actually attain age 65. If benefit payments commence after your 64th birthday but prior to your 65th birthday, the monthly income payments will continue until a total of 12 monthly payments have been made.
3. The date you fail to undergo, when requested by the insurance company, medical, psychiatric, psychological, educational and/or vocational examinations by examiners selected by the insurance company.
4. The date you fail to undergo medical, psychiatric or psychological treatment or participate in a rehabilitation program or alcohol, drug addiction or substance abuse treatment program when recommended by the insurance company.
5. The date you are incarcerated in a prison or mental institution by authority of a criminal court.
6. The date you refuse to complete and return a Reimbursement Agreement/Direction form or comply with the terms of a signed Reimbursement Agreement/Direction form, when requested, in accordance with the provisions under Third Party Liability.
7. On the date you die.

## **DEFINITION OF TOTAL DISABILITY**

"Totally disabled" means you are wholly and continuously disabled due to illness or bodily injury and, as a result, you are not physically or mentally fit to perform the essential duties of your normal occupation during the qualifying period and the succeeding 24 months. After this time, you will still be considered totally disabled provided you are unable to perform the essential duties of your normal occupation and any other occupation:

1. For which you are, or may become fitted, by education, training and/or experience.
2. For which the current monthly earnings are 75% or more of the current monthly earnings for your normal occupation.

The availability of such occupations, jobs or work will not be considered in assessing your disability.

Confinement is not normally required. However, you must be under the regular care of a physician, and be prepared to attempt rehabilitative employment, or participate in a rehabilitation programme considered appropriate by the insurance company.

If you must hold a government permit or license to perform your duties you will not be considered totally disabled solely because such permit or license has been withdrawn or not renewed.

## **REHABILITATION**

Long Term Disability benefits are designed to be paid during periods when you are disabled and cannot work. Often however, there will be a time when, although you are not yet fully recovered, you can work at some type of job and possibly earn an income.

Therefore, you will be encouraged to participate in a Rehabilitation program developed by the insurer's Rehabilitation Counsellors in consultation with your physician, employer and Rehab specialists.

In order to participate in a Rehab program not developed by the insurance company, the program must be approved by the insurance company.

Although most income is normally used to reduce L.T.D. benefits, in the case of Rehab, for a maximum of 24 months, only half of these earnings will be used to reduce your L.T.D. payments.

NOTE: If at any time, the income you receive from Rehabilitative employment equals 75% or more of the current monthly earnings for your normal occupation, your L.T.D. benefit payments will cease. Otherwise, while on Rehab your income from all sources cannot be greater than 100% of your net earnings prior to your disability.

## **WAIVER OF PREMIUM**

L.T.D. premiums are due and payable during the qualifying period. However, once the qualifying period has been satisfied, L.T.D. premiums falling due while you are receiving Long Term Disability benefits will be waived. In addition, you may be eligible for waiver of premium for Basic and Optional Life benefits. Please refer to the Survivor Benefits booklet for more information.

## **RECURRENT DISABILITIES**

If you cease to be totally disabled at any time during the qualifying period and become disabled again, due to the same cause, within 30 calendar days, the qualifying period will be extended by the number of days during which you cease to be disabled.

Once you have been disabled and have received benefits under this Plan, a later disability will be defined as recurrent when it is separated from the previous one by less than 6 months of active employment.

A disability will be considered to be recurrent if it results from an injury or sickness which is directly related to the causes of the immediately preceding disability.

Once you are receiving L.T.D. benefits, any period of disability which is classified as "recurrent" will be treated as a continuation of the previous disability. You will not have to re-satisfy the qualifying period, and benefits will begin again immediately.

## **EXCEPTIONS AND LIMITATIONS**

Long Term Disability income is not payable for the following:

1. A disability caused by self-inflicted injuries or illness.
2. A disability resulting from insurrection, war, service in the armed forces of any country, or participation in a riot.

Complications due to pregnancy are covered. However, any disability due to any cause will not be eligible for benefits at any time when you are on pregnancy leave of absence or could be placed on such leave by your employer in accordance with relevant government legislation or the leave agreed upon by you and your employer.

## **EXTENSION OF BENEFITS**

Long Term Disability benefits will extend beyond your termination date, provided you became disabled while you were still insured subject to the Maximum Benefit Period. Benefits will continue to be paid according to the contract provisions, regardless of the subsequent termination of the Group Policy. The insurer reserves the right to require that while you are in receipt of LTD income, you furnish proof of the continuance of total disability, and submit to an examination by the insurer's medical advisors when requested.