

Info Sheet

QUESTIONS & ANSWERS FOR
NEW OPTRUST RETIREES

JULY 2015

Questions & Answers for New OPTrust Retirees

INTRODUCTION

As a new OPTrust retiree, you may have questions about your pension and insured benefits coverage. For your information, we've provided answers to some frequently asked questions we often receive from new retirees.

Of course if you have any questions that are not covered here, please contact our Member Services staff at **(416) 681-6100, 1-800-637-0024** (toll-free within Canada) or visit the [retiree section of our website](#).

We also suggest that you read OPTrust's booklet *Your Pension during Retirement*. The booklet covers all the information you need to know about retirement, including integration with the Canada Pension Plan at age 65, factors to consider when planning for your survivors, taxes and other important topics.

YOUR INSURED BENEFITS COVERAGE

This section is relevant to people who qualify for insured benefits in retirement. If you are not sure if you qualify for insured benefits please call our office.

Insured benefits for eligible pensioners include coverage for: dental, supplementary health and hospital, and basic life insurance. These benefits are provided by the Government of Ontario and administered by **Great-West Life**. Read the Ministry of Government Services publication: *A Guide to Your Benefits – after Retirement* to find out more about insured benefits coverage. To make a claim, use the [Great-West Life benefits claim forms](#).

When does my coverage start?

Your coverage is effective the 1st of the month that your pension payments begin.

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How soon can I submit my first claim?

Great-West Life will usually have your account set up two weeks after you receive your first pension payment. If you incur expenses prior to this, you must pay for your expenses (drug or dental) directly and then submit your claims to Great-West Life two weeks after you receive your first pension payment.

When will I get my drug card?

You will receive your Great-West Life drug card in the mail, approximately three weeks after your first pension payment. If you have a spouse or children who are eligible for insured benefits coverage he or she will receive their own card.

Are there any changes to the insured benefits booklet?

Yes. The deductible for prescription drugs was reduced to \$3.00 per prescription. For more information, refer to page 12 in the booklet *A Guide to Your Benefits after Retirement*.

I have recently married, how do I change my coverage?

You can visit our website to download a *Great-West Life Insured Benefits Change form* (OPTrust 3011). Complete the form and send it to our office. Alternatively, you can contact our Member Services staff to make changes to your existing coverage.

Where can I get additional claim forms?

All Great-West Life claim forms are available online at www.greatwestlife.com. When you register for Great-West Life's *GroupNet Online Services* for plan members you'll be able to view your benefit details, claims history and more. Remember to use your OPTrust ID number when completing the forms.

What is the deadline for making an insured benefits expense claim?

The deadline to submit an expense claim is the end of the current year for all expenses incurred the previous year. For example, if you have a dental expense from 2014 you have up to December 31, 2015 to submit your expense claim to Great-West Life.

How much do I pay for my insured benefits coverage?

Effective January 2010, you do not pay any premiums for the insured benefit package which consists of either single or family coverage. The Government of Ontario pays the total cost for these benefits.

YOUR LIFE INSURANCE COVERAGE

If you are eligible to receive insured benefits, the amount of your basic life insurance coverage is \$2,000. For former LCBO and LLBO employees, the amount is \$5,000 reducing to \$4,500 on October 1st, coinciding with or following the date your pension begins. As your former employer, the Government of Ontario pays the total premiums for your life insurance. The amount is reported as a taxable benefit (income) on your T4A tax slip issued each year.

Do I have the option to cancel my basic life insurance coverage?

Yes. The option to opt out is provided to former Ontario Public Service employees only. This option is not available to former LCBO or LLBO employees.

If I want to opt out of the basic life insurance, how do I proceed?

To opt out of basic coverage, you will need to complete OPTrust's *Waiver to Opt Out of Basic Life Insurance Coverage* form, available from our website optrust.com.

If you prefer to keep your life insurance coverage, you don't have to do anything; your benefit will continue unchanged. You may choose to cancel this coverage at a later date.

If I decide to opt out of the benefit, can I opt back in again?

No. If you decide to opt out of the benefit, you **cannot** opt back into the life insurance program at a later date.

Can this cancellation be made retroactive, and are the taxable benefits reversible?

No. Your life insurance policy will be terminated on the day we receive your signed waiver form. The cancellation **cannot** be made retroactive to a previous date, and the taxable benefit amount will not be reversed. Once we receive the waiver form, we will send you an acknowledgement letter confirming the cancellation of this benefit.

Can my spouse or dependent children also have basic life insurance?

No. Surviving spouses or dependent children are not eligible for individual basic life insurance coverage. However, you may designate any of them as your beneficiaries.

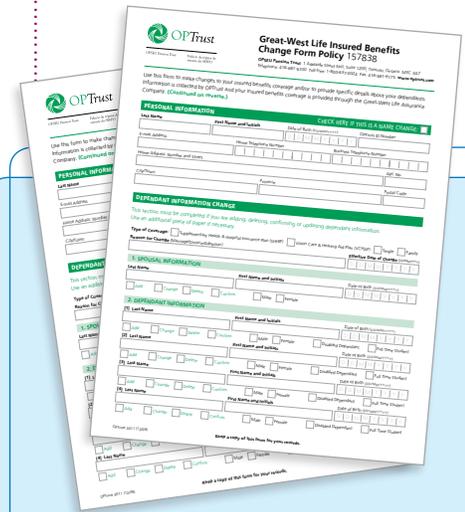
WORKING AFTER YOUR PENSION BEGINS

During retirement, you may decide to return to work. If you work for an employer who does not contribute to the Plan, your pension is not affected.

If you are re-employed or engaged by an employer who contributes to the Plan, the impact on your pension depends on your salary and whether or not you re-join the Plan. It is your responsibility to inform a participating employer that you are currently receiving an OPTrust pension. Your new employer will send OPTrust quarterly notices of your gross re-employment earnings. If your gross re-employment earnings exceed your maximum then your subsequent pension payment(s) will be reduced. Your maximum re-employment earnings amount is shown on your *Retirement Statement* that we provided to you when you retired.

If I'm re-employed in the private sector, will this affect my pension?

No. As long as the organization you work for does not contribute to the OPSEU Pension Plan, your OPTrust pension is not affected.



Read the Ministry of Government Services publication: [A Guide to Your Benefits – after Retirement](#) to find out more about insured benefits coverage. To make a claim, use the [Great-West Life benefits claim forms](#).

How do I calculate my maximum re-employment earnings?

Your maximum re-employment earnings are equal to your gross quarterly salary at the time you retired minus your gross quarterly pension amount at retirement. For example, your maximum quarterly re-employment earnings are calculated as follows:

RE-EMPLOYMENT EARNINGS EXAMPLE

Final quarterly pre-retirement earnings	\$ 11,725
minus Quarterly pension income	\$ 4,500
Re-employment earnings maximum	= \$ 7,225 (per quarter)

What earnings are included in the calculation?

All regular earnings are included except payments at rates greater than normal that exceed your regular working hours. For example, overtime pay, shift premiums, 4% pay in lieu of vacation, irregular lump sum payments, and severance pay.

What is a calendar quarter?

OPTrust splits the year into set calendar quarters: January to March, April to June, July to September, and October to December. Your employer will report the earnings paid on dates that fall within each quarter.

What happens if I re-join the Plan as a contributing member?

Your pension payments will stop. When your re-employment is terminated, your pension will be recalculated to take into account the additional credit you have accumulated. If you are currently receiving a reduced pension and become re-employed and re-join the Plan, please contact our office.

If you have any questions about re-employment earnings please contact our Member Services staff.



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SECURE ONLINE SERVICES FOR REGISTERED MEMBERS AND RETIREES

Online Services... your pension information at your fingertips. To register for *Online Services*, click on the secure *Online Services* icon on the homepage of OPTrust's website at optrust.com, or call Member Services.



OPSEU Pension Trust Fiducie du régime de retraite du SEFPO

HOW TO REACH US

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