

## UNDERSTANDING AND APPLYING FOR

# Disability Benefits

### IMPORTANT NOTE

To access LAPP Disability, a member must resign from her job. The LAPP Disability application will only be processed if the member resigns her employment. While the normal analysis is that a person in receipt of CPP Disability will qualify for LAPP Disability, there is some risk if the member does not qualify for LAPP Disability.

One consequence of resigning before the first 30 months of long-term disability coverage has been completed is the loss to the employee of the Supplemental Health and Dental Benefits provided by the employer at no cost to the employee.

For many nurses, their benefit plan is not easily replaced in the marketplace. Some members can tolerate reduced coverage and are able to calculate the utility of losing benefits and finding their own benefit coverage in exchange for the higher monthly income.

For these reasons, members should ensure they speak with their LRO before making a decision to resign their position.

**To speak with your LRO, contact UNA at 1-800-252-9394**

Members of the United Nurses of Alberta may experience disabling medical conditions that fall on a broad spectrum of severity and duration.

Most UNA members know that the benefits provided by the UNA Collective Agreement address situations in which a member is able to return to their position or another position with their employer.

This document is designed to assist UNA Labour Relations Officers, local executives and members who must deal with a medical condition so severe and prolonged it prevents the member from returning to a position with their employer or in any other workplace.

If a member cannot return to any workplace, they may be eligible for disability benefits through Canada Pension Disability, their employer-provided disability insurer (Great West Life) and Local Authorities Pension Plan (LAPP) Disability.

The information in this leaflet explains how to access these sources of income, and how the income providers interact with one another.



United Nurses of Alberta  
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*See the important note on the back of this leaflet*

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## Definitions of disability:

Great West Life changes its definition of disability after a member has been receiving disability benefits for 30 months. For the first 30 months, Great West Life assumes the recipient will be unable to do the job they held at the time they were disabled. After 30 months, Great West Life assumes the recipient will be unable to do *any* job for which the member has minimum qualifications. The member will continue to receive long-term disability after this change in status. Great West Life is obligated to provide notice of the upcoming change in status.

## Canada Pension Disability:

The application kit for Canada Pension Disability is available through the Service Canada government website or by contacting Service Canada directly. The employer does not provide these forms.

To qualify for a disability benefit under the Canada Pension Plan (CPP), a disability must be both "severe" and "prolonged", and it must prevent you from being able to work at any job on a regular basis.

Severe means that you have a mental or physical disability that regularly stops you from doing any type of substantially gainful work.

Prolonged means that your disability is long-term and of indefinite duration or is likely to result in death.

## Local Authorities Pension Plan Disability:

Members accessing LAPP Disability can access the application form from AHS. Forms submitted by the employer are processed somewhat quicker than submitting a request directly to the employer.

LAPP members can access LAPP disability if they are permanently and totally disabled (incapable of any work). Accepted claims will receive an unreduced pension at any age based on the member's years of pensionable service.

## What do each of these sources of income offer the disabled member?

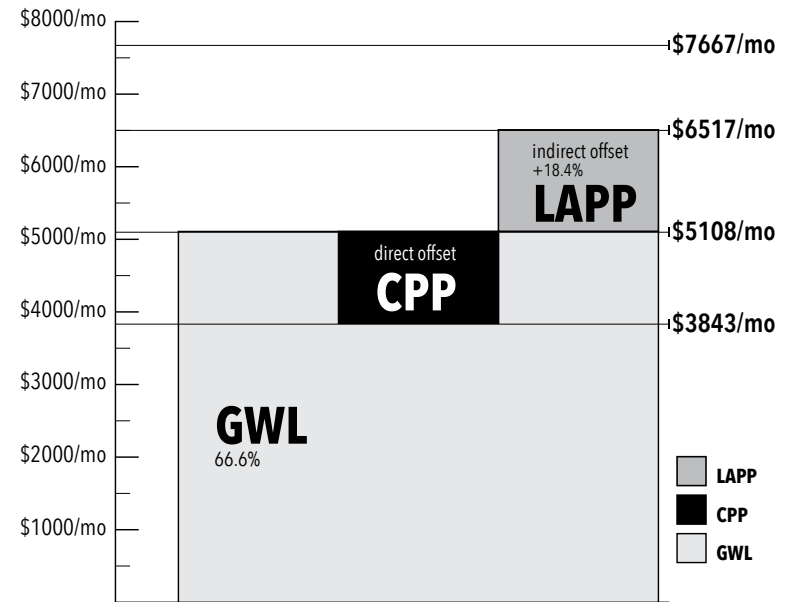
**Greatwest Life** normally requests employees that are on LTD to apply for CPP Disability. Income from **CPP** Disability directly offsets income from **GWL** so employees receive payment from **GWL** and **CPP** Disability to a maximum of 66 2/3%.

**LAPP** has a disability component which is declared to be "indirect income" by **GWL**. **GWL** rules allow Employees to retain up to 85% of their pre-disability income when combining **GWL** and **LAPP** Disability (or regular **LAPP** pension).

## Example

[Note: The amounts used in this chart are examples only. Calculations will vary according to actual earnings and entitlements.]

### 55 year old full time nurse at top increment = \$92,000 year



GWL - 66.6% \$61,300 (\$5,108/month)  
 CPP Disability (2015) (direct offset) - \$1,265 (\$1,264.59/month)  
 Total income GWL-\$3,843 + CPP Disability - \$1,265 = \$5,108/month

GWL + LAPP Disability (indirect offset) allows the member to retain a maximum of 85% of former earnings = \$6,517 / month. So access to LAPP Disability gains an additional \$1400 for the member in this example.

This pay is contingent on the amount of LAPP earned. The LAPP Disability pays the pension to a member of any age as if the member is age 65. In the example used the member at the top rate would need at least 11 more years of pensionable service to access the additional \$1400 per month.

If you are disabled and unable to return to work then UNA strongly encourages you to explore your options with LAPP Disability. If you find it difficult to obtain information or cooperation from either your employer or LAPP, please do not hesitate to contact UNA for assistance.

**Contact UNA at 1-800-252-9394**