

Group Life Insurance Plan **Plan A**



General information

Who can participate?

You're eligible to participate in the plan if you are:

- a member of the bargaining unit and a member or associate member of the BCTF
- a member of the school district's professional, educational or support staff in a teaching, administrative or supervisory function
- BCSTA or BCTF staff.

Who is involved in the Plan?

The following parties are involved in the Group Life Insurance plan:

- the BCTF is involved in the on-going management of the plan through its three voting members on the Group Life Insurance Committee.
- the BCSTA also provides three voting members to the Committee and BCSTA staff act as a resource/liaison to the Committee.
- Aon Consulting acts as an independent advisor to the Committee and BCTF/BCSTA staff. Aon oversees the financial operation of the plan, liaises with Manulife, provides information to school district plan administrators and facilitates information to employees.
- Manulife's role is the underwriting and administration of the plan, the investment of the plan funds and payment of claims.

How do you enrol in the plan?

You must complete and return an **Application for Group Coverage/Designation of Beneficiary** form. You can get the form from your school district's plan administrator.

When are you eligible?

You're eligible on the day you start active employment with a participating school district. You must also complete and return your **Application for Group Coverage/Designation of Beneficiary** form to your school district's plan administrator within 31 days of becoming eligible.

When does your coverage start?

If you're a new employee of a participating school district, you're covered on your first day of employment. You must be actively at work on your first day. You must also have returned your completed **Application for Group Coverage/Designation of Beneficiary** form.

If you're not actively at work because of an accident or sickness, your coverage will start when you come back to work.

How do you designate a beneficiary?

You must designate a beneficiary when enrolling in the plan. Your beneficiary is usually your spouse (or your children if you have no spouse), or your estate. If your beneficiary is your minor children, you should designate a trustee as well. When designating a beneficiary, you should ensure that you state the beneficiary's full name and relationship to you.

You may choose one person as your beneficiary; however, you may want to consider the possibility that your beneficiary may die before you. To ensure that your insurance coverage is paid in the manner you wish, you may want to appoint a second beneficiary. This is known as a “contingent beneficiary”. In this case, the designation might read “Jane Doe - Wife, if living, otherwise to my son Robert Doe”.

Can you change your beneficiary?

If you need to change your beneficiary, complete an **Application for Group Coverage/Designation of Beneficiary** form. You can get this form from your school district’s plan administrator. If there’s no living beneficiary when you die, any death benefits payable from the plan will be allocated in the order outlined in the Insurance Act.

Do you need a will?

It’s advisable for you to have a properly executed will. A properly executed will ensures that your wishes are carried out after your death, especially if you haven’t designated a beneficiary, or your beneficiary has died.

Your benefit coverage

The BCTF/BCSTA-sponsored plan provides you with Life Insurance coverage. The benefit is payable in the event of your death from any cause. Your designated beneficiary receives a lump sum in the event of your death.

What is the amount of your coverage?

Your Life Insurance coverage amount is dependent on your age, as follows:

Age	Group life insurance
Under age 35	3.0 times annual earnings
Age 35, but under age 45	2.5 times annual earnings
Age 45, but under age 55	2.0 times annual earnings
Age 55 and over	1.5 times annual earnings

Your coverage is rounded to the next higher multiple of \$1,000 if not already a multiple of \$1,000.

What are “annual earnings”?

Annual earnings are based on your salary plus bonuses for regular duties performed during your regular work year, as outlined in your collective agreement or employment contract.

What happens if your annual earnings change?

If your annual earnings change, your coverage will change (if you are actively at work) on the date specified in the collective agreement or employment contract. If there is no date specified, your coverage will change on February 1st coincident with or next following the change in your annual earnings.

What happens if you transfer to another school district?

You’ll remain covered by your former school district until the end of the month in which you transfer.

If your new school district participates in this plan, you’ll be covered by your new school district on the first day of the month following the month you transferred. If you transfer at the end of the school year, coverage under your former school district will continue during the summer months. Coverage under your new school district starts on September 1st. If you transfer to a school district which participates in another plan under the BCTF/BCSTA Group Life Insurance plan, your new coverage will be provided under that plan (please refer to the alternate plan’s brochure).

What happens if you transfer to another non-participating school district?

If your new school district doesn’t participate in this plan, your coverage will terminate at the end of the month in which your transfer occurs; however, you may use the conversion option. Please refer to **What happens if you terminate employment?** If you transfer at the end of the school year, coverage under your former school district will continue during the summer months, unless your new school isn’t part of the BC Public School system.

What happens if you take a leave of absence?

If you’re on a full or partial leave of absence approved by your school district (including maternity leave, parental leave and educational leaves), you may still receive coverage for up to three years. Your coverage may continue as long as the plan remains in force, premiums are paid, and you’re not employed elsewhere.

If you take a partial leave of absence, your Life insurance coverage can continue to be based on 100% of your full-time equivalent salary or at your partial work percentage. However, if you and your school district don’t maintain coverage at 100% of the full-time equivalent salary, and you subsequently become totally disabled or die, then any claim would be based on the amount of benefit on which premium was paid. Before your leave, you should confirm the arrangements regarding premium payment and coverage, in writing, with your school district’s plan administrator. Coverage ends if you work more than 20 hours per week during your leave of absence.



What happens during a strike or lockout?

If you continue to pay premiums during the strike or lockout, your coverage continues.

What happens if you become disabled?

If you meet the definition of total disability before July 1st following your 65th birthday and remain totally disabled for at least six months, you must send a **Life Waiver of Premium application** to Manulife. If your application is approved, your coverage continues throughout your disability without payment of premiums. The age-related reduction schedule outlined previously will continue to apply while you're disabled. Contact your school district's plan administrator if you anticipate an absence for medical reasons for more than six months.

Coverage will continue while you're disabled until the earliest of: July 1st following your 65th birthday, your retirement start date (early or otherwise), or you receive an LTD lump sum settlement. Manulife may require satisfactory proof of your disability at least once per year.

"**Totally disabled**" means that during the first two years of Long Term Disability payments, the disability must prevent you from performing the duties of your regular job. After that time, your disability must prevent you from performing any job for which you are reasonably qualified as a result of your education, training or experience.

What happens if you terminate employment?

Your coverage ceases at the end of the month in which you terminate employment. However, you may exercise the **conversion option**. The conversion option is available to you regardless of your health. The option provides you with the opportunity to obtain any standard individual Life Insurance policy (except some types of term insurance) offered by Manulife, up to the lesser of the total value of your Group Life Insurance or \$200,000.

To qualify for this individual policy, you must make application to Manulife within 45 days after termination of your insurance. If you should die during this 45-day period, your beneficiary will receive the amount of Life Insurance that you would have been able to convert to an individual policy. Contact your school district's plan administrator to obtain an application form.

What happens when you retire?

Your coverage terminates at the end of the month in which you retire. However, you have the option to purchase an individual policy as described under **What happens if you terminate employment?**

What happens if you reach normal retirement but continue working?

If you continue employment beyond your normal retirement date, (the October 1st following the end of the school year in which your 65th birthday occurs), your Group Life Insurance coverage will be reduced by half on your normal retirement date.

Coverage will terminate at the end of the month in which you actually retire from active employment.

Are there any exclusions?

No. Your Group Life Insurance benefit is payable to your beneficiary in the event of your death from any cause while you are covered under the plan.

What do you pay?

The amount of premium contributions you pay each month is outlined in your school district's collective agreement and is determined through the collective bargaining process.

Normally, your contributions, if any, are deducted in equal installments during the school year. If you're covered under the plan in June and contribute to the end of June, your coverage continues throughout July and August unless you are retiring, leaving the profession and/or leaving the BC Public School system. In these instances, coverage ceases on June 30; however, you may exercise the **conversion option**.



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This communication provides information about the benefits coverage provided under the BCTF/BCSTA Group Life Insurance Plan, policy 121260.

This communication is meant to be a summary of the plan only. Actual contract language, the insurance policy, the financial agreement, the Insurance Committee document, and any relevant government legislation prevail in determining your rights or obligations under the Plan.

You can also view this communication on the BCTF website at www.bctf.bc.ca



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