

British Columbia  
Teachers' Federation



British Columbia  
School Trustees Association

# Group Life Insurance Plan

*The Insurance Committee Members of the BCTF/BCSTA Group Life Insurance Plan are pleased to provide you with this brochure. It provides you with a comprehensive description of your benefits under the Life Insurance Plan. Please take time to study this information and discuss it with your family. If you have any questions regarding your coverage, please contact your school district's plan administrator.*

## GENERAL INFORMATION

### Who can participate?

You are eligible to participate in the Plan if you are:

- a member of the bargaining unit and a member or associate member of the BCTF, or
- a member of the school district's professional, educational or support staff in a teaching, administrative or supervisory function, or
- 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. They oversee the financial operation of the Plan, liaise with Great-West Life, provide information to school district plan administrators and facilitate information to employees.
- **Great-West Life Assurance's** role is the underwriting and administration of the Plan, the investment of the Plan funds and payment of claims.

### How do you enroll in the Plan?

You must complete and return an "Application for Group Coverage" form which is provided to you by your school district's plan administrator.

### When are you eligible?

You are eligible the date you commence active employment with a participating school district, provided you complete and return the application form to your school district's plan administrator within 31 days of becoming eligible.

### When does your coverage start?

If you are a new employee of a participating school district, you are covered on the first day of employment, provided you are actively at work on that date and return the completed "Application for Group Coverage" form.

If you are not actively at work because of an accident or sickness, coverage will become effective on your return to work.

### How do you designate a beneficiary?

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

You may choose one person as your beneficiary or you may want to take into account the possibility that your beneficiary may predecease you. In order 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 "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, you may do so by completing a "Group Coverage Change Form" which can be obtained from your school district's plan administrator. On your death, if there is no living beneficiary, any death benefits payable from the Plan will be allocated in the order outlined in the Insurance Act.

### Do you need a will?

It is advisable for you to have a properly executed will to ensure that your wishes are carried out after your death, especially in the event you have not designated a beneficiary or your beneficiary has died.

## YOUR BENEFIT COVERAGE

The BCTF/BCSTA-sponsored Plan which provides Life Insurance coverage is payable in the event of your death from any cause. The benefit is payable in a lump sum to your designated beneficiary.

### What is the amount of your coverage?

Your coverage is equal to three times your annual earnings 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 detailed in your collective agreement or employment contract.

### What happens if your annual earnings change?

If your annual earnings change, your coverage will change (provided you are actively at work) on the date the collective agreement or employment contract specifies. 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 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 would 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 commences September 1st. If you transfer to a school district which participates in Plan A, your new coverage will be provided under Plan A (please refer to the Plan A brochure).

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

If your new school district does not participate in this Plan, your coverage ceases at the end of the month in which your transfer occurs; however, you may exercise the **conversion option**. Please refer to “*What happens if you terminate employment*”. However, 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 is not part of the BC Public School system.

#### **What happens if you take a leave of absence?**

If you are on a full or partial leave of absence approved by your school district (including maternity leave, parental leave and educational leaves), your coverage may be continued for up to three years provided the Plan remains in force, premiums are paid and you are not employed elsewhere. If you take a partial leave of absence, Life insurance coverage can continue to be based on 100% of the full-time equivalent salary or at your partial work percentage. However, if you and your school district do not 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. Prior to your leave, you should confirm the arrangements regarding premium payment and coverage, *in writing*, with your school district’s plan administrator. Coverage ceases if you work more than 20 hours per week during your leave of absence.

#### **What happens during a strike or lockout?**

Provided premium payments are continued, your coverage continues during a strike or lockout.

#### **What happens if you become disabled?**

If you meet the definition of total disability prior to the end of the school year in which your 65th birthday occurs and remain totally disabled for at least six months, a Life Waiver of Premium application must be sent to the insurance company. If your application is approved, your coverage continues throughout your disability without payment of premiums. 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 are disabled until the earliest of: the end of the school year in which you reach age 65, the date retirement (early or otherwise) starts, or you receive a LTD lump sum settlement. Satisfactory proof of your disability may be required by the insurance company 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**. This option provides you with the opportunity, regardless of your health, of obtaining any standard individual Life Insurance policy (except some types of term insurance) then offered by the insurance company, 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 the insurance company 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 ceases 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 cease 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 are 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 brochure provides information regarding the benefits coverage provided under the BCTF/BCSTA Group Life Insurance Plan, Policy 20414.

The brochure is intended as 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.

This brochure can also be viewed at the BCTF website at [www.bctf.bc.ca](http://www.bctf.bc.ca)

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