
Long-term income protection (LTIP)

You continue to accumulate credit in the Ontario Teachers' Pension Plan while you receive:

- sick pay or long-term income protection (LTIP) through your employer; or
- payments for loss of earnings from the Workplace Safety & Insurance Board (WSIB).

In most cases, this applies even if you're on integrated sick leave or rehabilitative employment. As long as you're receiving WSIB loss of earnings benefits or benefits under a valid LTIP agreement with your employer, your credit can grow seamlessly until you start your pension.

If you began collecting LTIP through your employer as a result of a disability that occurred after Aug. 31, 2001, your pension contributions are waived and your pensionable salary is adjusted automatically for inflation each subsequent school year at no cost to you. This helps you build the biggest pension possible during your absence from work.

If you're like most disabled members, you may find it is best to stay on WSIB or LTIP benefits for as long as you can, especially if your employer continues to provide benefits such as health and life insurance. Carefully weigh your options before making any decisions.

Purchasing credit

You don't accumulate credit during a break in employment for health reasons unless you receive WSIB benefits, sick pay or LTIP benefits through an employer-sponsored program. You can apply, however, to buy back such absences due to ill health. For more information on buying back credit, visit our website or contact us.

Disability pensions

Who qualifies?

If you become disabled while employed in education, you may be eligible for a disability pension. To qualify, you must:

- have at least 10 qualifying years of service in the Ontario Teachers' Pension Plan;
- terminate employment in education and stop receiving any LTIP or WSIB loss of earnings benefits;
- provide full and complete documentation of medical evidence that meets the requirements of the plan for a full or partial disability pension, as of the date you terminated employment; and
- be under age 65.

You must submit a pension application within two years of your termination of employment in education. An application will be accepted after the two-year deadline only if a late diagnosis or your disability prohibited you from applying on time.

Disability pensions, cont'd.**Types of disability pensions**

There are two types of disability pensions you may be eligible to receive.

Full disability pension

To be eligible for a full disability pension, we must determine that you're incapable of earning a living in *any* occupation. A full disability pension is based on 2% x credit (years) x average "best-five years of salary" less reductions for such things as survivor benefits. There is no early retirement reduction applied to full disability pensions.

Partial disability pension

To be eligible for a partial disability pension, we must determine that you're incapable of employment in the education field. Your partial disability pension is calculated like a full disability pension but includes an early retirement reduction. This means your pension is reduced by 2.5% for each point you're under your 85 factor or age 65, whichever is less (your age plus qualifying years equal your factor).

For example, if you're 46 and have 22 qualifying years of service, your pension would be reduced by 42.5% because you're 17 points under the 85 factor ($17 \times 2.5\% = 42.5\%$).

Pension stops if you return to work

Your disability pension will be paid for as long as you remain disabled. If you return to work and receive pension payments you weren't entitled to, you must return them, with interest. Please review the situations below to see how returning to work may affect your disability pension.

Your pension may stop if you return to work.

Important 

Type of pension	Situation	What happens to your pension?	Do you need to contact us? When?
Full disability	Return to any type of work	Stops	Yes, immediately
Partial disability	Return to work in education	Stops	Yes, immediately
	Return to work outside education	Continues	No

Other benefit options

Instead of a disability pension, you may qualify for an immediate or future pension from the plan.

An immediate pension is available on an unreduced basis when you reach age 65 or your 85 factor (age + qualifying years = 85 factor). However, you can start your pension as early as age 50 with a reduction. Both of these scenarios allow members to benefit from re-employment in education.

If you're under age 50, you can choose either a future pension or you can transfer the commuted value of your pension to another locked-in retirement savings arrangement to collect as income when you reach retirement age. The option to transfer funds ends when you apply for a disability pension, providing your application is approved.

Keep in mind that pension benefits are payable only after you terminate employment and stop receiving LTIP. Make sure you understand your choices before making a decision.

Shortened life expectancy benefits

If you have a shortened life expectancy, you can apply to withdraw the commuted value of your pension any time before retirement without having to sever your employment relationship. The commuted value of your pension is the lump sum you would need today to replace your future pension.

To qualify for shortened life expectancy benefits, you must provide complete medical evidence, from a doctor licensed in Canada, of a life expectancy of less than two years. Spousal permission is also needed because a spouse forfeits the right to survivor benefits if you choose this option.

Before applying for this benefit, check with your employer and long-term disability carrier to ensure you'll continue to qualify for medical and long-term disability benefits if you withdraw your pension funds early.

Power of Attorney

We require your Power of Attorney for Property if you want a family member or someone else to apply for a benefit on your behalf. If you don't provide a Power of Attorney for Property and you want us to provide your personal information to a third party, including your spouse, we require your written authorization.