

PUBLIC EMPLOYEES

DISABILITY INCOME PLAN

Employee Booklet



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Introduction

OVERVIEW

The Public Employees Disability Income Plan (DIP) is designed to provide income replacement to Participating Employees who are Occupationally Disabled or Totally Disabled and where appropriate and in the discretion of the Plan Administrator, to provide rehabilitation services.

ADMINISTRATION

The Public Employees Disability Income Plan (DIP) is self-insured and is managed by the Public Employees Benefits Agency, Saskatchewan Finance.

The Disability Income Plan Advisory Council (DIP Council) has been established under Section 16 of *The Government Organization Act* and is comprised of an equal number of management and union representatives appointed by Minister's Order. The Council oversees the operations of the Plan and hears appeals made by Participating Employees as to the approval and/or denial of claims.

Canada Life Assurance Company is on contract under an Administrative Services Only agreement to provide claims adjudication and benefit payment services to the Plan. Our third-party rehabilitation providers handle rehabilitation services to claimants receiving benefits under the Plan.

EMPLOYEE BOOKLET

This Employee Booklet is intended to provide an overview of the main provisions of the Public Employees Disability Income Plan (DIP) as of April 1, 2012. In the case of an error or discrepancy, the terms and conditions of the [Plan Document](#), contract for services between the insurance carrier and the Government of Saskatchewan and any legislation governing the Plan and its operations will apply.

Eligibility

EMPLOYER RESPONSIBILITY

Each **Participating Employer** categorizes and determines employees eligible for coverage under the Plan. For purposes of the Public Employees Disability Income Plan (DIP), Participating Employee(s) means an employee or category of employees for whom a Participating Employer agrees to provide coverage under the Plan and any category of employees recommended by the DIP Council.

You should confirm your eligibility to participate in the Plan with your Human Resources Branch.

ENROLMENT

Coverage under the Plan begins after you complete a Probationary Period equal to three months continuous service.

You must be **Actively at Work** on the date following completion of the Probationary Period in order to be eligible for coverage. If you are not **Actively at Work** at that time, your coverage will commence on the date you are first **Actively at Work**.

Actively at Work means you perform all regular duties and work full regular hours.

If on approved holidays or leave of absence with pay, you must be capable of performing all regular duties and working full regular hours of your position.

If you are on leave of absence without pay, you will not be considered **Actively at Work**.

Eligibility

A Public Employees Disability Income Plan (DIP) [Enrolment Form](#) must be completed after you complete the Probationary Period and is kept on file by your employer. It is possible for a Participating Employee to be enrolled in the Plan under more than one Participating Employer, in a situation where a Participating Employee works part-time for more than one Participating Employer.

If on the day immediately preceding your date of employment you were insured under the Plan with another Participating Employer, you will not be required to serve another Probationary Period. A list of Participating Employers is available on the PEBA website at www.peba.gov.sk.ca.



Benefits

COVERAGE

You are covered for work and non work-related disabilities 24 hours a day.

QUALIFICATION FOR BENEFITS

To qualify for benefits, you must be disabled from performing the duties of your own occupation for 119 consecutive calendar days from the date of disability. This is called the Qualifying Period during which you may be on sick leave, vacation leave, Employment Insurance (EI) Sickness Benefits or leave of absence without pay. The Qualifying Period may also be served on a non-consecutive basis if 85 working days are missed due to the same condition but you are able to work intermittently.

OWN OCCUPATION DISABILITY

Own Occupation Disability means that you are unable to work at your own occupation as a result of a disability and are under the regular care and treatment of a physician. You may be entitled to a maximum of 20 months of disability benefits from the date you complete your Qualifying Period. The end of this 20 month period is called the Definition Change Date.

DEFINITION CHANGE DATE

The first day after the end of the Own Occupation Period is known as the Definition Change Date. As of this date, the claimant has received 20 months of benefits from the Plan and must prove Total Disability in order to continue to receive benefits under the Plan.

TOTAL DISABILITY

Total Disability means that you are unable to work at any Reasonable Occupation as a result of a disability and you remain under the regular care and treatment of a physician.

Benefits

REASONABLE OCCUPATION

Reasonable Occupation means any gainful activity for which:

- you are or may reasonably become fitted to engage in by reason of education, training, experience;
- you are not prevented from engaging in by reason of your disability whether or not such gainful activity is actually available to you; and
- may provide income of at least 70 per cent of your pre-disability gross income but excludes any activity that is part of an approved rehabilitation program.

AMOUNT OF BENEFIT

If you become disabled under the terms and conditions of the Plan, your benefit is 75 per cent of your basic monthly salary.

Your basic monthly salary is your regular monthly salary (whether paid as commissions, paid as earned or paid on a deferred basis) excluding overtime pay and any other additional compensation.

The benefit is taxable. It is paid on the last day of each calendar month by cheque or direct deposit to your bank account.

UNION DUES

You may be required to continue to pay union dues while in receipt of Disability Income Plan benefits. Your union determines the rate at which you must contribute, and this amount is deducted from your monthly benefit and forwarded to your union on your behalf.

BENEFIT REDUCTIONS

Disability Income Plan benefits will be reduced by the amount of continuing monthly income payable from the following:

- the benefit under the Canadian Pension Plan in relation to the disability;
- the benefit from The Workers' Compensation Board in relation to the disability;
- any benefit payable from other government agencies or boards, in relation to the disability;
- any salary continuation from the Participating Employer, except as adjusted for rehabilitation, including any payment made on termination of employment in lieu of notice of termination (for the purpose of this calculation, lump sum payments will be actuarially prorated to a regular monthly benefit);
- regular payments awarded as compensation for the loss of earnings because of third party liability in relation to the disability (for the purpose of this calculation, lump sum payments will be actuarially prorated to a regular monthly benefit);
- benefits from any other disability insurance plan relating to the disability, excluding those plans paid for solely by the employee;
- 75 per cent of rehabilitation earnings received by the employee while on an approved rehabilitation program.

You are responsible to advise PEBA and/or the insurance carrier of your entitlement to any of the above payments.

Benefits

BENEFIT CALCULATION

The following example shows you how your benefit will be calculated.

If you are a unionized employee with the following:

Basic Monthly Salary	\$5,000
Pension Contributions	5%
Union Dues	2%
Canada Pension Plan Disability Benefit	\$850

Your pre-tax monthly Disability Benefit would be:

Gross Disability Benefit	$(\$5,000 \times 75\%)$	\$3,750
Less: Pension	$(\$5,000 \times 5\%)$	\$250
 Union	$(\$3,750 \times 2\%)$	\$75
 Canada Pension Plan		\$850
Pre-tax monthly Disability Benefit		\$2,575

If a payment is for less than a full calendar month, the payment is prorated based on the number of calendar days the benefit is payable.

At the discretion of the Disability Income Plan Advisory Council, an annual cost-of-living allowance (COLA) increase may be applied to the basic monthly salary each October 1. The maximum increase payable is 3 per cent.

TERMINATION OF BENEFITS

Disability benefits will terminate on the first date on which any of the following events occur:

- you are no longer Occupationally Disabled;
- you are no longer Totally Disabled;
- you commence work at a Reasonable Occupation;
- the date you fail to furnish proof of the continuance of Occupational or Total Disability, or refuse to be examined, when so required in accordance with the Plan;
- the last day of the calendar month in which you turn 65 years of age;
- the date you commence receiving a pension or retirement benefit from your employer;
- the last day of the calendar month in which your death occurs;
- the date you refuse to participate in an Approved Rehabilitation Program;
- the date you refuse to take, continue or follow appropriate and recommended treatment for your disability.

RESUMPTION OF BENEFITS

When the payment of benefits has terminated and you suffer a subsequent disability, benefits are again payable:

- in the case in which you suffer a subsequent disability within one month of having returned to work, in an amount equal to the disability benefit payable prior to termination;
- in the case in which you suffer a subsequent disability after having returned to work for more than one month but less than six months, in an amount equal to the disability benefit payable prior to termination or 75% of your basic monthly salary, whichever is greater;
- in the case in which you are participating in an Approved Rehabilitation Program, but in the opinion of your physician you are unable to continue in such a program due to disability, in an amount to which you are otherwise entitled pursuant to the Plan.

EXCLUSIONS TO COVERAGE

No coverage is provided and no benefits will be paid under this Plan for a disability:

- due to intentionally self-inflicted injuries; or
- resulting from the commission or attempt to commit an offence under the Criminal Code of Canada; or
- due to war or any act of war (whether war is declared or not); or
- due to insurrection, rebellion or participation in a riot or civil commotion.

TERMINATION OF COVERAGE

Employee coverage under the Plan will cease on the first date on which any of the following events occur:

- the complete discontinuance of this Plan;
- you cease to be employed by a Participating Employer;
- you are suspended by a Participating Employer with a recommendation for dismissal and the dismissal is upheld;
- you cease to be employed in a category of employees designated to be eligible for coverage;
- you are on lay-off or approved leave of absence in excess of 30 days and do not elect to continue coverage while on lay-off or approved leave of absence in accordance with the Plan;
- you refuse to take, continue or follow appropriate and recommended treatment for your disability;
- your employer ceases to participate in the Plan;
- the last day of the calendar month in which you attain the age of 64 years and 35 weeks; or
- you fail to pay premiums to the Plan on a regular and timely basis.

Rehabilitation and Mitigation

REHABILITATION

Rehabilitation services are provided by the Plan. When appropriate, the rehabilitation counsellor will work with you, your physician and your employer to set up an Approved Rehabilitation Program.

APPROVED REHABILITATION PROGRAM

An Approved Rehabilitation Program means:

- a program of vocational, medical or physical rehabilitation or a combination thereof whether formal or informal; or
- a period of part-time work for the purposes of rehabilitation for a period of time commencing when PEBA and your physician give written approval thereto and ending when such approval is withdrawn by either PEBA or your physician.

MITIGATION

Upon applying for and receiving Disability Income Plan Benefits, you have an obligation to:

- co-operate with and actively participate in any Approved Rehabilitation Program that may be developed for you; and
- mitigate (alleviate) your loss arising from your disability.

Rehabilitation and Mitigation

REHABILITATION BENEFIT CALCULATION

If you return to work as part of an Approved Rehabilitation Program, your monthly disability benefit will be adjusted for the earnings received from your employer.

If you are a unionized employee with the following:

Basic Monthly Salary	\$5,000
Pension Contributions	5%
Union Dues	2%
Rehabilitation earnings paid to you by your employer for hours worked	\$1,000

Your pre-tax monthly Disability Benefit would be:

Basic Monthly Salary		\$5,000
Less: Rehabilitation Earnings		\$1,000
Adjusted Basic Monthly Salary		\$4,000
Gross DIP Benefit	$(\$4,000 \times 75\%)$	\$3,000
Less: Pension	$(\$4,000 \times 5\%)$	\$200
Less: Union Dues	$(\$3,000 \times 2\%)$	\$60
Pre-tax monthly Disability Benefit		\$2,740

By returning to work on a part-time Approved Rehabilitation Program, total gross income is \$1,000 (rehabilitation earnings from your employer) plus \$3,000 (gross disability benefit), or \$4,000.

This amount is \$250 greater than the \$3,750 gross disability benefit that would otherwise be payable ($\$5,000 \times 75\% = \$3,750$) if in receipt of disability benefits alone.

Other Benefits While Disabled

GROUP LIFE INSURANCE PLAN

If you are insured under the Public Employees Group Life Insurance Plan on your date of disability, your Group Life Insurance premiums will be waived, and your coverage will continue while you are in receipt of Disability Income Plan benefits.

PUBLIC EMPLOYEES DENTAL PLAN

If you are insured under the Public Employees Dental Plan on your date of disability, your dental coverage will continue while you are in receipt of Disability Income Plan Benefits

EXTENDED HEALTH CARE PLAN

If you are insured under your employer-sponsored Extended Health Care Plan on your date of disability, your coverage will continue while you are in receipt of Disability Income Plan benefits.

CANADA PENSION PLAN DISABILITY BENEFIT

If you are approved for Disability Income Plan benefits, you may be required to apply for disability benefits under the Canada Pension Plan (CPP). Your monthly benefit under the Disability Income Plan will be reduced by the original amount of your Canada Pension Plan (CPP) disability benefit (dependent benefits and cost-of-living allowance increases are not offset).

While in receipt of Canada Pension Plan (CPP) disability benefits, you will continue to accrue pensionable service under that plan.

Other Benefits While Disabled



EMPLOYER PENSION PLAN

Pension contributions are deducted from your monthly Disability Income Plan benefit and forwarded to your pension plan administrator on your behalf.

Pension contributions will cease should you terminate employment while in receipt of Disability Income Plan benefits.

Premiums

MONTHLY PREMIUM

Your monthly premium is 1.94% of Basic Monthly Salary.

COST-SHARING OF PREMIUMS

At the discretion of each Participating Employer, the entire premium may be paid for by the employer, or it may be cost-shared as indicated below:

- 0.97% - Employee share
- 0.97% - Employer share

ADDITIONAL PREMIUMS

Participating Employers pay an additional premium to fund the employer's matching share of pension plan contributions.

LEAVE OF ABSENCE/LAYOFF

Employees electing to continue coverage while on approved leave of absence or lay-off are required to pay the entire premium of 1.94% of Basic Monthly Salary while on approved leave or lay-off.

Claim Process

MAKING A CLAIM

If you cannot perform the duties of your own occupation due to a disability, inform your employer as soon as possible.

You must be under the care of a physician during the entire 119 day Qualifying Period and for the time you are receiving benefits under the Plan.

[Application forms](#) are available from your Human Resources Branch or from the PEBA website at www.peba.gov.sk.ca. Once completed, all forms should be submitted to PEBA by your 13th week of disability.

MEDICAL INFORMATION REQUIRED

Your physician must provide objective medical information supporting your condition for the duration of the Qualifying Period and from time to time while you are in receipt of benefits.

Your physician may charge for the completion of claim forms. It is your responsibility to pay these costs.

The insurance carrier may also contact your physician directly to obtain additional information or schedule an Independent Medical Examination with a physician of its choice. The Plan will pay the associated costs in these situations.

Claim Process

ADJUDICATION

You will be contacted in writing by the insurance carrier following the adjudication of your claim.

If your claim is approved, an approval letter outlining the terms and conditions of your benefits will be sent to you. A rehabilitation counsellor will also contact you to set up a rehabilitation program, if appropriate.

If your claim is not approved, a detailed explanation will be provided to you explaining the reason(s) for the denial. You may appeal the denial of benefits to the insurance carrier. If the insurance carrier is unable to change the decision you may make a written appeal to the Disability Income Plan Advisory Council (DIP Council) c/o The Public Employees Benefits Agency.



Appeal Process

APPEAL PROCESS

If you are not satisfied with the adjudication of your claim, you may submit a written appeal to the insurance carrier within 60 days from the date you received the decision from the insurance carrier. Objective medical evidence and any other relevant information must accompany your appeal. If the insurance carrier does not change its decision, your appeal will be presented to the Disability Income Plan Advisory Council (DIP Council) for review.

DIP COUNCIL

The DIP Council meets monthly except in July and August.

An employee who makes an appeal to the DIP Council is entitled to make written submissions and provide written information or argument to the DIP Council as he or she sees fit.

The DIP Council will consider the written appeal submitted by the employee, all existing information including medical evidence and consider any additional medical information submitted by the employee when making a decision. The Council may also consider further circumstances such as severe illness of an immediate family member, a likelihood that the Employee may benefit from rehabilitation assistance or a likelihood that additional medical evidence not yet available will verify the disability. In considering the appeal, the DIP Council may accept any evidence that it considers appropriate, fix its own procedures and processes and is not bound by the rules of law concerning evidence.

A written explanation outlining the DIP Council's decision on the appeal is forwarded directly to the employee.

Contact Information

Mail	Public Employees Disability Income Plan c/o Public Employees Benefits Agency 110 - 1801 Hamilton St. REGINA SK S4P 4W3
Phone	306-787-3440
Fax	306-787-8822
E-mail	dipcoord_inquiry@peba.gov.sk.ca
Website	www.peba.gov.sk.ca
Forms	Forms associated with the Disability Income Plan application can be found on the PEBA website. <ol style="list-style-type: none">1. Employee's Statement2. Attending Physician's Statements<ul style="list-style-type: none">• Cancer• Cardiac• Mental Health• Musculo-Skeletal• General or Other Conditions