



## Long Term Disability (LTD) Insurance

Members of the Registered Nurses' Association of Ontario (RNAO) are sometimes in the position of needing to obtain insurance benefits for themselves. RNAO and Morneau Shepell have partnered to design and offer a benefits program to assist you with your insurance needs. This includes a long term disability benefit available at a low cost through the combined purchasing power of the association.

According to statistics, due to the nature of your work as a nurse, you have more than a 1 in 3 chance of being disabled before age 65. If you remain disabled for more than 90 days, there is a strong possibility that the disability will continue for at least 3 years. This can have a devastating impact on your ability to meet family expenses and prepare for retirement.

The plan is designed to protect your most valuable asset - your ability to earn an income.

**Protect your income.**

## Eligibility

The plan is available to all members and associates of the RNAO who are under the age of 65. You can protect your income with benefits up to \$5,000 per month, as long as you work a minimum of 15 hours per week.

## Definition of disability

You will be considered disabled if you are unable to perform the duties of your own occupation for the first 2 years of disability. This means you will not be forced to take a job outside the nursing profession during this time.

## Benefit payments

There are three different plans available. You can choose benefits that will pay for 2 years, 5 years, or to age 65. All benefits will begin after a 120 day waiting period from the date of disability.

## Limitations/Termination

Benefits will not be paid beyond:

- Your 65th birthday
- The date you are no longer disabled
- The end of the month for which premiums have been paid
- Your retirement
- Your death

If necessary, your benefit will be offset by disability benefits from any other source, so that your total income does not exceed 85% of your pre-disability net income.

## Coverage details

Benefit schedule	
Percentage of salary	66.7% of first \$2,500 plus 50% of the next \$4,000 plus 40% of the balance
Maximum monthly benefit	\$5,000
Waiting period	120 days
Duration of benefit	2 years, 5 years, or to age 65
Progressive Return to Work Program	Yes
Definition of disability	2 year own occupation
Waiver of premiums	After 6 months of disability
Termination age	Earlier of retirement or age 65

## Sample cost

A 35 year old nurse with an annual income of \$40,000 would be eligible for a monthly benefit of \$2,085\* payable to age 65, and the premium would be \$53.11 per month.

$$\$40,000 / 12 = \$3,333$$

$$\$2,500 \times .667 = \$1,667.75 \text{ (66.7\% of first \$2,500)}$$

$$\$833 \times .50 = \$416.50 \text{ (50\% of next \$4,000)}$$

$$\$1,667.75 + \$416.50 = \$2,084.25$$

## When does coverage take effect?

The insurer, SSQ Life Insurance Company Inc., must medically approve all amounts of LTD coverage. Coverage becomes effective on the first of the month following the approval of your application.

## When are premiums due?

Premiums are due on the first of each month and cover that month. Billing statements and invoices are sent monthly. Monthly pre-authorized deductions or payment by credit card are available and will be made on the first of each month.

## How do I get a quote and enrol?

- STEP 1:** Please email us at [businesssolutions@morneaushepell.com](mailto:businesssolutions@morneaushepell.com) and include 'RNAO' in the subject line. Include your RNAO membership ID, date of birth and salary in your message when you send us your request for an LTD quote.
- STEP 2:** Once you are ready to apply, complete an RNAO Personal Insurance Application and indicate how you would like to pay. Any RNAO member under age 65 may apply for coverage. No binder cheque is required.
- STEP 3:** Mail your completed application and payment form to: Business Solutions - Morneau Shepell, 895 Don Mills Road, Suite 700, Tower One, Toronto, Ontario M3C 1W3

Please keep a copy for your files. Include a specimen cheque marked "VOID" if you have chosen the monthly preauthorized deduction.

Contact us for a free, no obligation quote at **1.866.432.8427** or [businesssolutions@morneaushepell.com](mailto:businesssolutions@morneaushepell.com).