

employer

BULLETIN

**PENSION
CORPORATION**

To College Pension Plan employers, unions and associations
From Pension Corporation
December 18, 2007

Health Benefits Now Available for Retired

College Pension Plan Members with Small Pensions

Effective January 1, 2008, post-retirement extended health (EHB) and dental benefits will be available for retiring members whose pension payment is not large enough to pay the premiums.

While these members will not be able to have the premiums deducted directly from their pension payment, they will be able to arrange payment for EHB and dental coverage to Blue Cross via direct withdrawal from their bank account. This option is available for EHB and dental coverage, but is not available for Medical Services Plan (MSP) coverage.

The pay-direct option will be available to the following members:

- Those whose pension is effective January 1, 2008 or later, and whose pension is too small at retirement or in the future to cover their portion of the premiums, or
- Those who are already on pension, but after January 1, 2008, their pension payment becomes insufficient to cover their portion of the premiums. This includes beneficiaries in receipt of a survivor pension and members who retired prior to 2008.

Members who retired before January 1, 2008 and had pensions too small to cover their portion of the premiums at the time they retired are not eligible for direct payment. Members who retired before January 1, 2008 and whose pension payment became insufficient to cover their portion of the premiums any time before January 1, 2008 are also not eligible for direct payment.

This option will be available to the member's surviving spouse if the pension continues, and the spouse had EHB or dental coverage at the time of the member's death.

Premiums will be based on the member's total pensionable service. For the current premium schedule, see the College Pension Plan *Retirement Health Benefit Premiums* rate sheet, available on the Retired Members Publications page of our website at college.pensionsbc.ca, or by contacting College Pension Services.

This change will be communicated to members through updates to retirement seminars and the *Retirement Planning Package*, as well as letters going to plan members who have requested a pension estimate for January 2008 and later. A message will be included in *After Work*, the newsletter for retired members.

If you have questions or concerns about this change, please contact the College Pension Plan in Victoria at 250 953-4324, or toll-free in BC at 1 888 440-0111.

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