



INFOSHEET

Programs and Services



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In the Event of the Death of a Member of the NLTA

Introduction

No one likes to contemplate the death of a relative or friend. However, when this unfortunate event occurs, it is important for those closest to the deceased to know what is involved in settling the estate. This Infosheet outlines the NLTA policy on procedures in the event of the death of a member of the Association and gives additional information regarding benefits to which survivors may be entitled.

Information

Principals, teachers, the NLTA Branch, etcetera, are requested to inform the Programs and Services staff of the death of a member.

Recognition

In recognition of the member's service to education and to the Association, a professional obituary supplied by the family or colleagues may be published in *The Bulletin*. The obituary is limited to 250-300 words, and a small picture should be included. Deceased members will be recognized at the NLTA Biennial General Meeting by the observance of one minute's silence.

Assistance to Survivors

The NLTA staff will assist in the retrieval of benefits to the estate (NLTA group insurance, Canada Pension, severance pay, teachers' pension, etc.) where applicable. Some benefits are controlled in disbursements through the provisions of a personal will. However, there are other benefits which may be designated.

(i) Life Insurance

The NLTA Group Insurance Plan provides for six life insurance options for teachers/spouses:

- A1 – Basic Life Insurance;
- A2 – Voluntary Life Insurance (Member);
- A3 – Basic Accidental Death and Dismemberment Insurance;
- A4 – Voluntary Accidental Death and Dismemberment Insurance;
- A5 – Voluntary Life Insurance (spouse); and

- Post-65 Life Insurance.

Options A1 and A3 are part of the basic plan co-funded with government and each provides benefits of twice the annual salary or pension up to age 65. The benefits under options A2, A4 and A5 will depend upon the amount of insurance purchased by the member. The Post-65 Life Benefit is \$15,000.

The naming of a beneficiary, both primary and contingency beneficiaries, for all life insurance policies is extremely important.

(ii) Health and Dental Insurance

All members are automatically enrolled in Option B – Health Insurance and B2 – Dental Insurance of the NLTA Group Insurance Plan with the option to opt out. The surviving partner or eligible dependents may continue coverage under these options. More detailed information is available in the NLTA Group Insurance Program Booklet or on-line at www.nlta.nl.ca. Surviving spouses should contact the Plan Administrator: Johnson Inc., 10 Factory Lane, St. John's, NL A1C 6H5; Tel: 709-737-1528 or 1-800-563-1528; Fax: 709-737-1021; www.johnson.ca/nlta.

(iii) Teachers' Pension Death Benefits

(a) Before Retirement (at least 5 years of pensionable service)

In the event of pre-retirement death of a teacher, the surviving spouse/partner is called the principal beneficiary and has the option to receive: (1) a monthly survivor pension equal to 60 percent of the teacher's accrued pension after integration with CPP and payable until the surviving spouse's death; or (2) to receive a lump sum payout based on commuted value of the pension.

Surviving spouses/partners should consult a financial planner prior to exercising their option.

Where there is no surviving spouse/partner (principal beneficiary) entitled to a survivor benefit, the commuted value of the pension entitlement of the teacher, calculated at the date of death, shall be transferred to the teacher's estate.

(b) After Retirement

If a pensioner dies, leaving a surviving spouse or partner, a survivor pension equal to 60 percent of the teacher's actual pension, after integration with CPP if applicable, is payable to the surviving spouse until the surviving spouse/partner's death.

In the event of no surviving spouse or the death of the surviving spouse, the survivor benefit shall be paid to any surviving children under the age of 18, or under the age of 24 while they are in full-time post-secondary school attendance.

In the case of a pensioner who dies leaving no surviving spouse or orphan(s), pension payments cease. If the amount which the pensioner has received in benefits is less than the total amount of contributions paid, the difference is paid to the estate of the deceased in accordance with the Teachers' Pensions Act.

(c) Designated Beneficiary

In the case of a teacher who does not have a designated beneficiary (no spouse/partner or child entitled to a survivor benefit), the teacher may designate a beneficiary under limited conditions, including the designate, being financially dependent upon the teacher and unable to support themselves due to mental or physical infirmity.

For more information on teachers' pensions, consult the booklet "The Teachers' Pension Plan" and Programs and Services Infosheet Number 3 entitled "The Teachers' Pension Plan" available on the NLTA website at www.nlta.nl.ca; or contact the Teachers' Pension Plan Corporation, 130 Kelsey Drive, Suite 101, St. John's, NL A1B 0T2; Telephone: 709-793-8772 or toll free: 1-833-345-8772; Fax: 709-793-4055; email: memberservices@tppcnl.ca.

(iv) Canada Pension

The Canada Pension Plan provides two benefits:

(a) a maximum \$2500 lump sum death benefit if the contributor meets the minimum qualifying requirements; and

(b) a survivor's benefit which includes a monthly pension payable to the surviving spouse and monthly benefits for the dependent children of the deceased contributor.

The necessary information and application forms may be obtained from: (a) a funeral director; (b) Service Canada – Income Security Program, 1 Regent Square, PO Box 2004, Corner Brook NL A2H 6J6; or (c) Income Security Program, PO Box 9430, St. John's NL A1A 2Y5; Telephone 1-800-277-9914. Further information can be obtained from www.servicecanada.gc.ca.

(v) Severance Pay

Upon the death of an active teacher, the collective agreements provide for the payment of severance pay to the estate. The amount is based on two percent per year of service to a maximum of 40 percent of the teacher's annual salary, provided other provisions of the appropriate articles are met.

(vi) Salary

When an active teacher dies, the teacher's salary is payable to the estate to the end of the month in which the teacher dies. Furthermore, that portion of the teacher's annual salary which has been held back for salary during the summer months will also be reimbursed.

For salary and severance pay information, contact:

Teachers' Payroll Division, Department of Education, PO Box 8700, St. John's, NL A1B 4J6; Telephone: 709-729-2996; education@gov.nl.ca.