

***COLLEGE PENSION PLAN***  
***POST RETIREMENT GROUP BENEFIT RULES***

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**Background**

Until 2004, the *Public Service Benefit Plan Act*, R.S.B.C. 1996, c 386, provided legislative authority for group benefits provided to retired members of the College Pension Plan continued under the *Public Sector Pension Plans Act*, S.B.C. 1999, c 44. The Pensioner Group Benefit Funding Regulation, B.C. Reg. 141/95, set out the subsidy schedules for the payment of benefit premiums for retired plan members.

Order in Council 440/02, approved and ordered May 30, 2002, delegated authority for determining post retirement group benefits for College Pension Plan members to the College Pension Board of Trustees pursuant to section 3 of the *Public Service Benefit Plan Act*. Prior to May 30, 2002, the provincial government had entered into contracts and administered group benefits for both active government employees and retirees. As of May 30, 2002, the board was granted authority to determine the terms and conditions of group benefit coverage for its retired members and the rates and methods of contributions.

Effective January 1, 2004, the *Pension Statutes Amendment Act*, 2003 amended Schedule A to the *Public Sector Pension Plans Act* to add a new Part 1.2 - Post Retirement Group Benefits. The new part confirms the authority of the College Pension Board of Trustees to administer group benefits for retired plan members. Section 16.4 of Part 1.2 provides that the board may determine the type of group benefits, who will be eligible to receive benefits and the terms and conditions of coverage. In addition, section 16.4 authorizes the board to collect contributions for group benefit premiums and to determine contributions required from, and subsidy levels provided to, retired plan members.

Effective January 1, 2004, references to "pensioner" in the *Public Service Benefit Plan Act* were removed pursuant to the *Pension Statutes Amendment Act*, 2003, and the Pensioner Group Benefit Funding Regulation was repealed.

The *Public Sector Pension Plans Act* was amended by sections 44, 52 and 53 of the *Miscellaneous Statutes Amendment Act (No. 2), 2012* to repeal Part 1 of Schedule A and to provide in section 16.1 of Schedule A that the partners could enter into a joint management agreement for the management of the College Pension Plan and the College Pension Fund.

The partners entered into a joint trust agreement on April 4, 2011 which was made pursuant to, and constitutes a joint management agreement for the purposes of section 16.1 of Schedule A. As a result, on June 22, 2012, being the date sections 44, 52 and 53 of the *Miscellaneous Statutes Amendment Act (No. 2), 2012* came into force, the College Pension Plan and the College Pension Fund were continued under the joint trust agreement.

This document constitutes the post retirement group benefit rules of the College Pension Plan made under Article 13 of the joint trust agreement. Effective June 22, 2012, these post retirement group benefit rules made under Article 13 of the joint trust agreement replace the *College Pension Plan Post Retirement Group Benefit Regulation*, B.C. Reg. 490/2003.

Post-retirement group benefits are contingent benefits and are subject to the availability of funding. Coverage for these benefits can be increased, decreased or eliminated at the discretion of the board.

## Interpretation

- 1 (1) This document of the College Pension Board of Trustees constitutes the post retirement group benefit rules of the College Pension Plan.
- (2) In this document, unless the context requires otherwise:
  - (a) words in the singular include the plural, and words in the plural include the singular;
  - (b) where a word or expression is defined, other parts of speech and grammatical forms of the same word or expression have corresponding meanings;
  - (c) headings are used for ease of reference only and do not form part of the Plan;
  - (d) the use of the word “may” is to be construed as permissive and empowering; and
  - (e) the use of the word “must” is to be construed as imperative.

*[Note: Sections of this document that are identical or similar to, or that correspond to, the post retirement group benefit rules made for the Public Service Pension Plan, the Municipal Pension Plan, and the Teachers’ Pension Plan under the Act are given identical section numbering to the rules of those other group benefit plans, even though this means breaking the normal sequential section numbering system of this document.]*

## Definitions

- 2 (1) In this document:
  - “**carrier**” means the provider of dental and extended health care plans set out in section 3 (1);
  - “**dental plan**” means the contract for dental care entered into by the board and the carrier that relates to retired plan members and their dependents;
  - “**dependent**” in respect of the dental plan, the extended health care plan, or the Medical Services Plan, means the dependent or spouse, as those terms are defined in the respective plan, of the retired plan member;
  - “**extended health care plan**” means the contract for extended health care entered into by the board and the carrier that relates to retired plan members and their dependents;
  - “**Medical Services Plan**” means the Medical Services Plan continued under the *Medicare Protection Act*, Group 6001135;
  - “**premium**” means,
    - (a) in relation to the dental plan, the monthly amount of fees or costs payable by the retired plan member for coverage under the dental plan for the member and any of the member’s dependents,

- (b) in relation to the extended health care plan, the monthly amount of fees or costs payable by the retired plan member for coverage under the extended health care plan for the member and any of the member's dependents, and
- (c) in relation to the Medical Services Plan, the monthly premium under the *Medicare Protection Act* payable by the retired plan member for coverage under the Medical Services Plan for the member and any of the member's dependents;

**“retired plan member”** has the same meaning as in section 16.2 of Schedule A of the *Public Sector Pension Plans Act*.

- (2) The definitions in Part 13 of the College Pension Plan rules, except where a contrary definition is set out in this document, apply to this document.

### **Group benefit program to be provided to retired plan members**

- 3 (1) The program of post retirement group benefits for retired plan members and their dependents are those set out in the following:
  - (a) the dental plan;
  - (b) the extended health care plan;
  - (c) the Medical Services Plan.
- (2) The terms and conditions under which the group benefits may be provided to retired plan members and their dependents are as set out in each plan referred to in subsection (1).

### **Dental plan premiums**

- 4 (1) The plan administrative agent must pay to the dental plan carrier the fees or costs required by the contract for dental care, if a retired plan member
  - (a) applies for and is enrolled in, or continues to be enrolled in, the dental plan,
  - (b) commences to receive or is in receipt of a pension, the amount of which is, subject to section 9, sufficient to pay the monthly dental plan premium which the member is required to pay under the dental plan, and
  - (c) elects or has elected, in writing to the plan administrative agent, to have the member's payment of the monthly premium deducted from the member's pension and remitted to the dental plan, unless he or she elects under section 9 (2) to pay directly the monthly premium.
- (2) The payment of fees or costs under subsection (1) must be funded by deducting from the retired plan member's pension 100% of the monthly premium for coverage under the dental plan for the member and any of the member's dependents.

### **Extended health care plan premiums**

- 5 (1) The plan administrative agent must pay to the extended health care plan carrier the fees or costs required by the contract for extended health care, if a retired plan member

- (a) applies for and is enrolled in, or continues to be enrolled in, the extended health care plan,
  - (b) commences to receive or is in receipt of a pension, the amount of which is, subject to section 9, sufficient to pay the monthly extended health care plan premium which the member is required to pay under the extended health care plan, and
  - (c) elects or has elected, in writing to the plan administrative agent, to have the member's payment of the monthly premium deducted from the member's pension and remitted to the extended health care plan, unless he or she elects under section 9 (2) to pay directly the monthly premium.
- (2) The payment of fees or costs under subsection (1) must be funded by deducting from the retired plan member's pension 100% of the monthly premium for coverage under the extended health care plan for the member and any of the member's dependents.

**Medical Services Plan premiums**

- 6 (1) The plan administrative agent must pay to the Medical Services Plan the premiums required by the Medical Services Plan, if a retired plan member
- (a) is or becomes a subscriber to the Medical Services Plan,
  - (b) commences to receive or is in receipt of a pension, the amount of which, after deducting the aggregate of all amounts payable under sections 4 (2) and 5 (2) is, subject to section 9, sufficient to pay the monthly Medical Services Plan premium which the member is required to pay, and
  - (c) elects or has elected, in writing to the plan administrative agent, to have the member's monthly premium deducted from the member's pension and remitted to the Medical Services Plan.
- (2) The payment of the premium under subsection (1) must be funded by deducting from the retired plan member's pension 100% of the premium.

7 [Section Not Used]

8 [Section Not Used]

**Insufficient monthly pension to cover monthly premiums**

- 9 (1) If the retired plan member's monthly pension payment does not continue to be sufficient to pay the monthly premiums required under sections 4 (2), 5 (2) and 6 (2), the plan administrative agent must cancel the retired plan member's or dependent's coverage under one or more of the plans as of the date determined by the plan administrative agent.
- (2) Despite subsection (1) and sections 4, 5, and 6, a retired plan member
- (a) whose pension effective date is January 1, 2008 or later and whose monthly pension is not or ceases to be sufficient to pay the monthly premiums required under sections 4 (2), 5 (2) and 6 (2), or

(b) whose pension effective date is before January 1, 2008 and whose monthly pension ceases, after December 31, 2007, to be sufficient to pay the monthly premiums required under sections 4 (2), 5 (2) and 6 (2),

may elect to have coverage under one or both plans referred to in section 3 (1) (a) and (b) by paying directly to the carrier the premium which the member is required under sections 4 (2) or 5 (2) to pay.

- (3) If the retired plan member described in subsection (2) does not make an election under subsection (2), or if after making such election the retired plan member's monthly pension payment is still insufficient to pay all of the monthly premiums required under sections 4 (2), 5 (2) and 6 (2), the plan administrative agent must cancel the coverage of the retired plan member and his or her dependents under one or both of the dental plan or the extended health care plan as of the date determined by the plan administrative agent.
- (4) Before canceling coverage under subsection (1) or (3), the plan administrative agent must give the retired plan member 30 days written notice of the intention to cancel coverage and the options available to the retired plan member, if any, that would allow the retired plan member to retain coverage under one or more of the plans.
- (5) Any shortfall in the amounts owing by a retired plan member under sections 4 (2), 5 (2) and 6 (2) remains an obligation of the retired plan member.