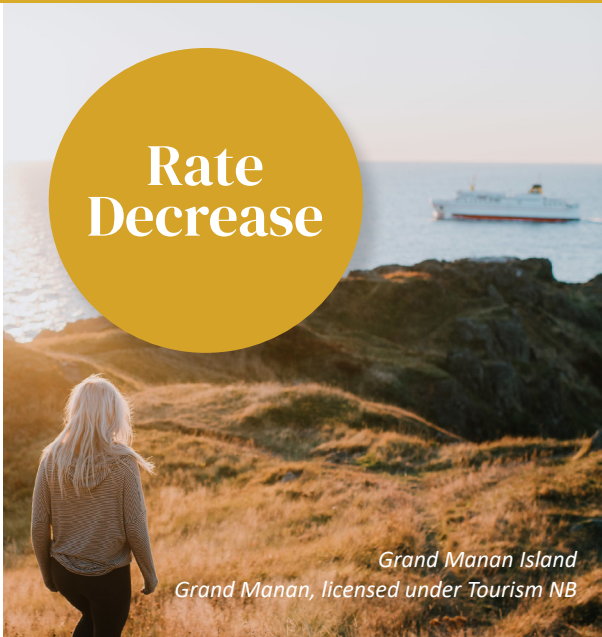


LTD BENEFITS

AT-A-GLANCE

MARCH 2025



Long term disability (LTD) coverage provides income should you be unable to work for more than four months due to a non-work-related illness or injury. The LTD Plan is 100% funded by employees which ensures that the LTD benefits, when received, are non-taxable.

The Committee for LTD collaborates with the Plan Actuary, Investment Consultant, and other key stakeholders to assess and establish required rates. Committed to effective and efficient plan management, the Committee continuously evaluates options to ensure that the Plan delivers on its promised benefits.

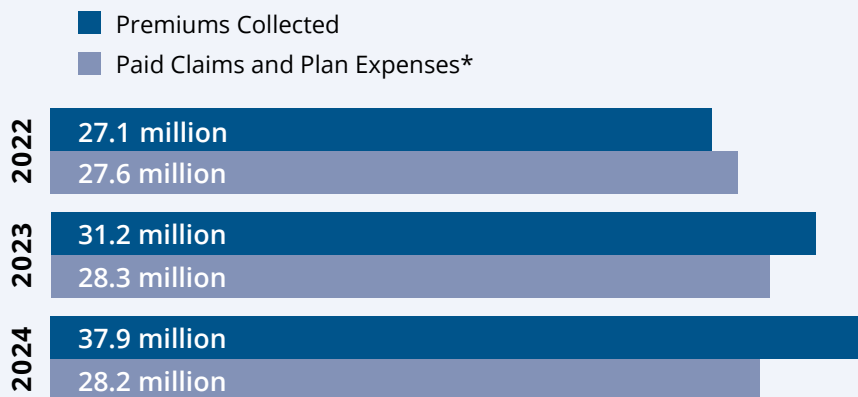
The 2023-2024 plan year marks the second year in a row of rate decreases. Total active claims as a percentage of Plan participants saw a slight decrease over the previous year. The Plan's Actuary recommended decreases to each division while maintaining a premium surcharge until net assets exceed liabilities.

During the month of April 2025, there will be a change in your premium deductions as a result of the decrease in LTD rates. The rate decreases below reflect the difference in claims experienced by each group.

The following example is based on an annual salary of \$60,000 and a net monthly LTD benefit of \$2,725.

	Net Monthly Benefit	March Rate Per \$100 Benefit	Current Monthly Deduction	April Rate Per \$100 Benefit	New Monthly Deduction	Monthly Decrease
GENERAL	\$2,725.00	\$3.18	\$86.65	\$2.88	\$78.48	\$8.17
NURSES	\$2,725.00	\$6.59	\$179.58	\$5.77	\$157.23	\$22.35
CUPE 1251	\$2,725.00	\$6.06	\$165.13	\$4.27	\$116.36	\$48.77

PLAN REVIEW



* Plan expenses include claim-related charges, administration, investment fees, and other services.

Employees Paying into the LTD Plan

19,838

20,615

21,831

Employees Receiving a Monthly Benefit

1,044

1,092

1,126

PRIMARY DIAGNOSES

1. Mental Disorders



2. Musculoskeletal



3. Neoplasms (cancer)



Claims attributable to mental health continue to be the top diagnosis for approved claims, which has been consistent year over year.

Fact or Fiction

An employee can only receive LTD benefits for two years.

Fiction

The truth: In some cases, an employee can be on LTD until they reach age 65.

Most LTD applications are denied.

Fiction

The truth: Over 90% of submitted claims are approved.

An employee is required to pay income tax when they are receiving LTD benefits.

Fiction

The truth: The Plan is 100% paid for by employees which makes the benefit non-taxable.

Claim-related expenses such as physiotherapy and counselling are covered by the Plan.

Fact

The truth: When an employee is on an approved LTD claim, their claim-related expenses are covered by the Plan.

For more information on this benefit, please contact the Member Services team at Vestcor, our Plan's administrator, at 1-800-561-4012 or 506-453-2296 or consult the LTD Booklet at www.gnb.ca/employeebenefits.

