

A photograph of a middle-aged man with white hair and a beard, wearing a dark blue button-down shirt, and a woman with blonde hair, wearing a light blue button-down shirt. They are both smiling and looking down at a document on a table. The man is holding a pen. The background is a blurred office or meeting room. There is a teal rectangular block in the top right corner and a vertical decorative line of white diamonds and squares on the left side.

BENEFITS FOR

Early Retirees

Thinking About Retiring Early?

EARLY RETIREE BENEFITS

The Alberta School Employee Benefit Plan (ASEBP) provides you with the opportunity to continue your ASEBP benefits coverage (excluding Extended Disability Benefits (EDB) and spending accounts) into early retirement and until you turn 65 years of age. Continuing your ASEBP benefits into your retirement allows you to:

- ▶ enjoy the same great benefits you've come to know and expect from a leader in the benefits field;
- ▶ use direct billing at the pharmacy counter so you don't have to pay out-of-pocket for covered prescription drugs; and
- ▶ keep your benefits cost-effective because, as a not-for-profit trust, ASEBP keeps its premiums as low as possible.

The information in this brochure is intended to help highlight some things you may need to consider before you decide what benefits will be right for you when you retire.

ELIGIBILITY FOR EARLY RETIREE BENEFITS

As an individual participating in an employer-sponsored ASEBP benefit plan, you can apply to continue coverage into retirement provided you meet the following conditions:

- ▶ you're between the ages of 50 and 64, inclusive;
- ▶ you're a resident of Canada (with provincial health care coverage);
- ▶ you have been working for an ASEBP participating employer for a minimum of five consecutive years leading up to your retirement;
- ▶ the participating employer you belong to continues to participate in ASEBP benefits; and you're enrolled in ASEBP benefits immediately preceding your retirement date.

Note: If your participating employer chooses to leave ASEBP in the future, you will not be eligible to continue ASEBP benefits as an early retiree.

Benefits Coverage

Please refer to your ASEBP ID card to determine which benefits you're currently participating in as this will determine what benefits are available to you if you decide to continue coverage with ASEBP (excluding EDB and spending accounts). The cost for your benefits will depend on your coverage selection (single or family) and the experience of your current employer.

Premiums

Your premiums are calculated at current rates. Premium rates are tied to the experience of your school jurisdiction and can be subject to surcharges and/or discounts from year-to-year. Additionally, if your school jurisdiction changes the coverage for your employee group, your coverage will change accordingly.

EXPERIENCE EXPLAINED

Experience is a term benefit providers use to describe the amount of money paid into and out of the plan. An employer with poor experience pays less money into the plan than is paid out in benefits. An employer with good experience pays more money into the plan than is paid out in benefits. ASEBP, as a not-for-profit trust, works to ensure that we don't collect more money in premiums than we'll need to pay out in benefits each year.

Employers with consistently poor experience receive a surcharge on their premiums and those with consistently better than average experience receive a discount. Employers with good experience may receive a discount and you, as an early retiree of that school jurisdiction, would receive the same discount on your premiums.

Conversely, if your current employer is subject to a surcharge, it will also be applied to your premiums.

COST OF BENEFITS

The cost of your benefits will depend on the coverage you choose (single or family). First, determine which benefits you have and then refer to your Premium Payment Worksheet, which is included in the early retirement application package.

Note: If your participating employer submits a retroactive salary adjustment to ASEBP, this may affect your benefit premiums. If changes to your premiums occur, you will be notified by ASEBP. Be aware that ASEBP is authorized to withdraw funds from or deposit funds into the bank account you provided to us for the purpose of administering your benefits. This includes adjustments to benefit premiums.



Points to Consider

KNOW WHAT YOU HAVE

Before making your benefits selection, it's important to know what benefits you currently have in place. You can find a list of your current benefits under Coverage on My ASEBP—which you can access at asebp.ca—or on your ASEBP ID card on the My ASEBP Mobile App or wallet card. Knowing this information will help you make the best decision.

EARLY RETIREE BENEFITS

Your benefits selection will be effective on the first day following your last day worked. Any benefits you previously waived cannot be included in your Early Retiree Benefits. Please note that if you're currently participating in Life Insurance and Accidental Death & Dismemberment benefits, these will continue as mandatory benefits. EDB and ASEBP spending accounts are not available under the Early Retiree Benefits plan.

TRAVELING OUTSIDE OF CANADA

Your Extended Health Care (EHC) plan includes Drugs, Other Medical Services & Supplies and Travel Emergencies. Furthermore, as the travel coverage included is comprehensive, purchasing additional medical travel insurance is not necessary.

If you do travel, you should advise ASEBP if your address and/or banking information will be changing during that time to ensure that your contact information remains current. Please visit asebp.ca for more details on your travel benefits and the emergency travel phone number.

RETURNING TO ACTIVE EMPLOYMENT

If, after you've retired, you choose to go back to work, your eligibility for benefits will be affected.

- ▶ If you return to work for an employer participating in ASEBP benefits and you're eligible for employer group benefits, your Early Retiree Benefits will be suspended for the duration of that contract or until you cease to be eligible for Early Retiree Benefits (e.g. reach age 65).
Note: You cannot maintain your Early Retiree Benefits if you're eligible for ASEBP employer group benefits.
- ▶ It is your responsibility to notify ASEBP within 31 days of your contract end date to reinstate your Early Retiree Benefits. You can do this by completing the *Early Retiree Change Application* (found on asebp.ca). ASEBP will not accept late applicants.
- ▶ If ASEBP is not notified within 31 days of your contract end date, your Early Retiree Benefits will terminate and you will need to re-qualify for these benefits by fulfilling the eligibility requirements, including working for an ASEBP participating employer for another five consecutive years and being under the age of 65.
- ▶ Any questions related to how returning to active employment will affect your pension will need to be directed to your employer.
- ▶ If you return to work for an employer who doesn't offer ASEBP benefits, you may qualify to receive benefits from your new employer. If benefits are offered, you may keep or reduce your ASEBP Early Retiree Benefits. If you choose to terminate your ASEBP Early Retiree Benefits, you will not be eligible to re-apply if your new employer benefits are lost.

WILL MY FAMILY HAVE BENEFITS COVERAGE IF I DIE?

If you have family coverage for EHC, Dental and/or Vision Care, dependant benefits may continue, on a premium-free basis, until the earliest of the following:

- ▶ one year following your death (or when coverage would have otherwise terminated, e.g. age 65);
- ▶ the date on which your spouse remarries;
- ▶ for spousal benefits only, the date your spouse dies; or
- ▶ for dependant child benefits only, the date your dependant child dies or ceases to be eligible under the definition of a dependant.

If the surviving members of your family wish to continue these benefits after your death, they should contact ASEBP for details.

Changing your Coverage

Once your application has been approved, there are limited opportunities for changing your benefits. You may cancel your participation at any time, but in order to re-enroll at a later date, you will have to re-qualify.

INDIVIDUAL CHANGES

You cannot change from "single" to "family" unless you have a qualifying life event (e.g. you get married, lose spousal coverage, gain a dependant) but you can switch from "family" to "single" at any time. You're also able to change from "single" or "family" to "covered under spouse/alternative coverage."



You have 31 days from a life event to inform ASEBP that you want to make a change by completing an *Early Retiree Change Application*. After that time, you're no longer eligible to apply for the desired change in coverage.

If at the time of retirement, you're not participating in EHC, Dental Care and/or Vision Care due to comparable spousal/alternative coverage, you can enrol in these benefits at a later date if coverage is lost. You must apply within 31 days from the date you lose spousal/alternative coverage by completing an *Early Retiree Change Application* and provide proof of loss of coverage or you will be unable to apply.

If you choose single coverage for EHC, Dental Care and/or Vision Care at retirement, you can revise your coverage level to family if spousal/alternative coverage is lost. You must apply within 31 days from the date you lose spousal/alternative coverage by completing an *Early Retiree Change Application* and providing proof of loss of coverage or you will be unable to apply.

LOSS OF COVERAGE

Loss of spousal coverage happens when you're covered under your spouse's benefit plan and that coverage is involuntarily lost. Involuntarily lost means that your spouse's employment was terminated or that the coverage was removed or changed in a way that makes you ineligible as a dependant under that plan.

Coverage must be lost entirely, not just reduced. You cannot simply decide to stop being covered under your spouse's plan to qualify for ASEBP benefits.

GROUP CHANGES

Your Early Retiree Benefits are provided as an extension of the group plan provided by your current employer. As such, you're still tied to the group benefits your current employer group is enrolled in. Changes to those benefits will affect you. Changes may include, but are not limited to, adding or removing benefits, changes to maximums, moving between plan options (e.g. EHC plan 2 to plan 1).

Be advised that ASEBP also reserves the right to make changes to its Early Retiree Benefits Plan at any time, including after retirement of early retirees. Any changes made (e.g. adding or removing any benefits, reducing or increasing benefits, etc.) may affect the benefits you have enrolled in as a retiree, even if you enrolled in the benefit plan prior to the changes being implemented. Note that these changes are usually effective annually on January 1. You can find the most up-to-date information on plan changes online at asebp.ca.



How do I Apply?

Note that you cannot apply for benefits after your retirement date.

To apply for coverage, follow these simple steps:

1. Carefully read the entire *Early Retiree Benefit Coverage Application* form and complete Parts 1 and 3.
2. Attach a photocopy of your birth certificate or government issued proof of age to your application.
3. Attach a personalized blank cheque (clearly showing your name) marked VOID or bank account information obtained from your financial institution (required for automated monthly withdrawals for premium payments) to your application.
4. Attach completed *Appointment of Beneficiary(ies)* (*Life Insurance and Accidental Death & Dismemberment*) forms.
5. Have your employer complete Part 4 of the *Early Retiree Benefit Coverage Application*.

Your employer will forward your *Early Retiree Benefit Coverage Application*, along with original *Appointment of Beneficiary(ies)*, *Group Insurance Enrolment* and *Change Application* forms to ASEBP on your behalf along with all of your attachments.

Your completed application and all attachments must be received by ASEBP from your employer within 31 days of your retirement date. Please ensure you provide the application with your portions completed to your employer in advance of your retirement date to ensure this deadline is met. If your application is received after the application deadline, it will be declined. Use the checklist found in the application package to ensure you haven't missed any steps.

WHEN SHOULD I APPLY?

You can send your application to your employer as soon as all of your information is gathered. ASEBP must receive this application from your employer within 31 days of your retirement date.

Contact ASEBP

For more information about benefits coverage after retirement, contact an ASEBP benefit specialist:

Edmonton area: 780-431-4786

Toll free: 1-877-431-4786

Email: benefits@asebp.ca

