



# RETIREMENT REFERENCE INFORMATION

December 2015

*Should there be any discrepancy between this document and official program details, the official program details of the providers and government agencies will prevail.*

## Table of Contents

Page 3 ..... Key Contacts

Page 4 ..... Pension overview and Pension eligibility

Page 5 ..... How to apply for your LAPP and your LAPP checklist

Page 6 ..... Pension Option Definitions

Page 7 ..... Disability Pension with LAPP

Page 8 ..... Benefits at Retirement

Page 9 ..... Government Programs and Contacts

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## Key Contacts

### Carewest Human Resources

Ruth Zwolinski, 403-943-8172

- To review your retirement from Carewest and drawing your LAPP
- Processing of your LA21 Retirement application to LAPP
- Notary for your LAPP documents

### Local Authorities Pension Plan (LAPP)

1-877-649-5277

5103 Windermere Blvd SW,  
Edmonton, AB T6W 0S9

### Government Programs

For more information on these individual government programs, please contact the agencies below, directly:

- Canada Pension Plan (CPP) 1-800-277-9914  
<http://www.esdc.gc.ca/en/cpp/index.page>
- Old Age Security (OAS) 1-800-277-9914  
<http://www.esdc.gc.ca/en/cpp/oas/index.page>
- Alberta Senior's Information Line: 1-877-644-9992
- Alberta Health 403-310-0000 then dial 780-427-1432
- Alberta Blue Cross 403-234-9666

### Counselling

- Homewood Human Solutions – (EFAP) Employee & Family Assistance Program  
Pre Retirement Planning  
1-800-663-1142  
[www.homewoodhealth.ca](http://www.homewoodhealth.ca)

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## **LAPP Pension Overview**

The Local Authorities Pension Plan (LAPP) is a contributory defined-benefit pension plan for employees of health authorities, municipalities, school boards, colleges and technical institutions of Alberta. LAPP is administered by the Alberta Pensions Administration (APA) on behalf of the Minister of Finance and Enterprise.

The amount of pension you will receive is based on your pensionable salary and years of pensionable service. Your pension is calculated based on the formula, below:

1.4% of your highest average earnings up to the average YMPE (Yearly Maximum Pensionable Earnings)

### Plus

2.0% of your highest average earnings above the YMPE

### Multiplied by

Your total pensionable years of service

## **When are you eligible to receive your LAPP Pension?**

You are eligible to receive a pension if you are 55 years of age or older and meet one of the following criteria:

1. Unreduced pension at age 65 with a minimum of two years of pensionable service (pension plan membership);
2. Unreduced pension if your age plus pensionable years of service is equal to 85 (referred to as the 85 Factor);
3. If you have not reached the 85 factor, you may retire at the minimum age of 55 however your pension will be reduced by 3% per year for each year that is prior to your earliest unreduced date.

It is recommended to have a pension estimate calculated to see how much your monthly benefit will be as of the date you are considering retirement. Pension estimate calculators are available to use at [www.lapp.ca](http://www.lapp.ca). To have your username and password set up you will need to contact LAPP at 1-877-649-5277. If you do not have access to a computer, you may also call LAPP to request your pension estimate. Pension estimates will be mailed to your home address.

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## How do I apply for my LAPP Retirement pension?

*NOTE: In order to receive your retirement pension from LAPP you must leave your pensionable position by either: terminating from Carewest, going casual, going to a non-benefit-eligible position of less than 30 hours bi-weekly, or going to an optional LAPP position of 30 bi-weekly hours to 59.95 bi-weekly hours. Your options will be based on your current position and bi-weekly hours.*

*You would need to speak to your manager about changing your status or FTE as criteria will need to be met.*

First you must determine the date what will be your last day worked, and your pension commencement date will be the following date. (For example if you want your pension to start on January 1<sup>st</sup> then your last day worked/paid will be December 31<sup>st</sup>).

1. Request a retirement application (LA21 form) from Human Resources by contacting the Manager Compensation & Benefits at 403-943-8172. The form will be mailed out to you. You will also need to notify your manager of your retirement and the date you have chosen. You can also print a LA21 from LAPP at [http://www.lapp.ca/fs\\_mem.htm](http://www.lapp.ca/fs_mem.htm) or on Careweb, on the LAPP page.
2. Complete the LA21 form and return to Carewest Human Resources, who will complete the employer portion of the form and mail it to Alberta Pensions Administration (APA) – Local Authorities Pension Plan (LAPP) for processing.
3. Within approximately 3 to 4 weeks you receive a Pension Options package from APA.
4. You will need to complete all the forms and indicate your pension option and return the forms and any requested supporting documentation to APA. You can call the Manager Compensation & Benefits to sign as a Commissioner of Oaths for your statutory declination form, which may also be required dependent on individual circumstances.

### Retirement Check List

- Retirement date chosen \_\_\_\_\_.
- Last day of work \_\_\_\_\_.
- Request Retirement application LA21 from Carewest Human Resources 943-8172
- Complete employee portion of LA21 and return to Human resources
- Received Pension Options package from APA
- Obtain Commissioner of oath signature by calling 943-8172 for an appointment

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- Mail all completed forms and requested documents back to APA

### **How are your payments received?**

Your monthly benefit will be directly deposited to your bank account at the end of each month by APA.

At the beginning you will be set up on “advance” payments, which means that you will receive approximately 90% of your pension while APA conducts an audit of your account. Once completed, any applicable adjustments will be applied retroactively.

### **Pension Options and what they mean**

The different pension options that you have to choose from will determine your monthly benefit. All options are payable to you for your lifetime. ***The joint life options are payable to you for your lifetime and your pension partner’s lifetime.*** If you have a pension partner, you would have the following options:

1. Joint life not reduced, guaranteed for five years.
2. Joint life reduced by 1/3, guaranteed for five years.
3. Life guaranteed for five years.\*
4. Life guaranteed for ten years.\*
5. Life guaranteed for fifteen years.\*
6. Single life.\*

\*Note: Options 3 to 6 in the above may only be chosen if your pension partner signs a waiver, giving up their rights to your pension.

If you are single, you will have the following options:

1. Life guaranteed for five (5) years
2. Life guaranteed for ten (10) years.
3. Life guaranteed for fifteen (15) years.
4. Single life.

### **What is the co-ordination option?**

If you are under the age of 65, you maybe eligible for co-ordination. This option allows you a temporary increase in your monthly pension from the date of retirement until the age of 65. Then, at the age of 65 the increase is stopped and your monthly payment is reduced for as long as you live. LAPP provides this option as a possible way to level your income throughout retirement, as they have taken into consideration the approximate amounts you might receive from CPP and OAS at the age of 65.

When you receive your pension option package from APA it will provide actual dollar amounts and will have more detailed information on all of the above.

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## **Disability Pension**

If you are unable to work because of a disability, you may qualify to apply for a LAPP disability pension. However this also depends on your employment status. Disability pensions may be payable at anytime.

If you are currently on a leave of absence collecting short- or long-term disability, you continue to be a member of LAPP but not making contributions. You are given the option to buy back the pensionable service at the end of the year. If you are still disabled after two years or more and your employment terminates, you may then qualify to apply for a LAPP Disability pension.

There are two types of LAPP Disability pensions; total disability and partial disability. A total disability pension is an unreduced pension, and a partial disability pension is reduced by 3% per year before you reach either the age of 65 or the 85 factor (whichever is closer).

If you are in receipt of long term disability benefits, they may be partially reduced by your LAPP disability pension. You will be asked to provide LAPP with medical information and the contact information for your doctors.

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## **Benefit Coverage**

Retirement benefits are not provided by Carewest.

When you leave a benefit-eligible position your benefits will end as follows:

### Extended Health & Dental

Cease the end of the month in which you leave the position.

You would have 31 days to convert to an individual policy, contact Alberta Blue Cross.

### Life Insurances

End the last day of regular employment.

### Accidental Death & Dismemberment (AD&D)

End the last day of regular employment.

### Disability benefits (STD & LTD)

End the last day of regular employment.

### Vacation

Any unused earned vacation will be paid out to you when you leave your benefit eligible position. If you are taking approved vacation prior to retirement, you will be required to return and work for your last day, prior to retiring.

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## **Government Benefit Programs and contacts**

### Alberta Health and Wellness

403-310-0000, then dial 780-427-1432

### Alberta Senior's Benefit Program and Information Line

1-877-644-9992

<http://www.seniors.alberta.ca/seniors/seniors-benefit-program.html>

The Alberta Senior's Benefit program provides support in addition to the federal benefits received under Old Age Security, Guaranteed Income Supplement, CPP and the GST credit. It is based on income and provides monthly cash benefits to eligible seniors.

### Canada Pension Plan (CPP)

You will need to contact Service Canada direct to apply for the CPP benefit.

1-800-277-9914

<http://www.esdc.gc.ca/en/cpp/index.page>

### Old Age Security

You will need to contact Service Canada direct to apply for the OAS benefit.

1-800-277-9914

<http://www.esdc.gc.ca/en/cpp/oas/index.page>

### Guaranteed Income Supplement

You will need to contact Service Canada direct to apply for the GIS benefit.

1-800-277-9914

<http://www.esdc.gc.ca/en/cpp/oas/gis/index.page>

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