



# Your PENSION AND BENEFITS *Liaison*

INFORMATION FOR RETIRED MEMBERS OF THE FEDERAL PUBLIC SERVICE PENSION PLAN



## ISSUE 6 - 2012

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### Appealing a Health or Dental Claim

Your Public Service Health Care Plan (PSHCP) and Pensioners' Dental Services Plan (PDSP) claims are processed by the Sun Life Assurance Company of Canada. If an expense is declined by Sun Life, the reason will be provided in *Your Claim Statement*.

If you disagree with Sun Life's decision regarding your claim, it is recommended you first discuss the issue by contacting Sun Life:

**National Capital Region:**  
613-247-5100

**Anywhere in North America:**  
1-888-757-7427 (toll free)

Should your discussion with Sun Life fail to address your concerns, you can request a review of Sun Life's decision by sending an appeal to:

**PSHCP Appeals:**  
Federal PSHCP Administration Authority  
Box 2245 Station "D"  
Ottawa ON K1P 5W4

**Note:** An appeal must be made within one year of receipt of *Your Claim Statement*.

**PDSP Appeals:**  
Pensioners' Dental Services Plan Board  
300 Laurier Avenue West  
Ottawa ON K1A 0R5

Once your appeal is reviewed, a letter will be sent to advise you of the outcome.

### PSHCP Prescription Drugs Days Supply Limit

Effective November 19, 2010, the dispensing limit for all PSHCP-eligible prescription drugs was adjusted to allow a maximum of 100 days supply. If for travel reasons you require more than the maximum supply limit, please contact Sun Life. A notation will be added to your file that will allow you to obtain an additional supply.

**Note:** This file update will take two business days to reach your pharmacist.

## How the Bridge Benefit Works

The 2011 edition of *Liaison* introduced the terms lifetime pension and bridge benefit to better explain what happens to your pension at age 65.

When you retire, you receive a lifetime pension that is payable from the date your pension begins until your death. If you retire before the age of 65, you also receive a temporary bridge benefit amount payable until age 65 or until you start receiving Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) disability benefits. The bridge benefit will continue to be paid until age 65 even if you are in receipt of early retirement benefits from the CPP or QPP.

Essentially, the bridge benefit is intended to supplement your retirement income until you are entitled to receive an unreduced CPP or QPP pension.

The following explains how to calculate the bridge benefit and how it affects the total amount of pension you receive when the bridge benefit ends.

### Example:

- John retires in 2012 at age 63 with 27 years of pensionable service and an average salary of \$60,000. He will reach age 65 in 2014.
- He receives a lifetime pension of **\$24,408** plus a bridge benefit amount of **\$7,992** for a total public service pension of **\$32,408** per year.

The bridge benefit portion is calculated using the following formula:

<b>Bridge benefit factor*</b> <small>(see table below)</small>	<b>X</b>	Number of years of pensionable service since January 1, 1966 <small>(maximum 35 years)</small>	<b>X</b>	The lower of: the <b>AMPE**</b> OR your average salary
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\*The **bridge benefit factor** is determined by the year you reach age 65 (using your year of birth as indicated below). Since John was born in 1949, the bridge benefit factor used is 0.625%.

Your year of birth	1942 or earlier	1943	1944	1945	1946	1947 or later
Bridge benefit factor	0.700%	0.685%	0.670%	0.655%	0.640%	0.625%

**\*\*AMPE** or Average Maximum Pensionable Earnings means the yearly maximum pensionable earnings under the CPP or QPP for the year of your retirement and the four preceding years. The AMPE for 2012 is \$47,360. Since the AMPE is lower than John's average salary of \$60,000, the AMPE is used to calculate the bridge benefit.

$$0.625\% \times 27 \text{ years} \times \$47,360 \text{ (2012 AMPE)} = \$7,992$$

John's bridge benefit amount is **\$7,992**. During his career, John paid less into the public service pension plan on the portion of his salary up to the yearly maximum pensionable earnings under the CPP or QPP. He will stop receiving the bridge benefit amount at age 65 (which is normally when CPP or QPP unreduced benefits begin) or earlier, if receiving CPP or QPP disability benefits. His lifetime pension of **\$24,408** will continue to be paid until his death.

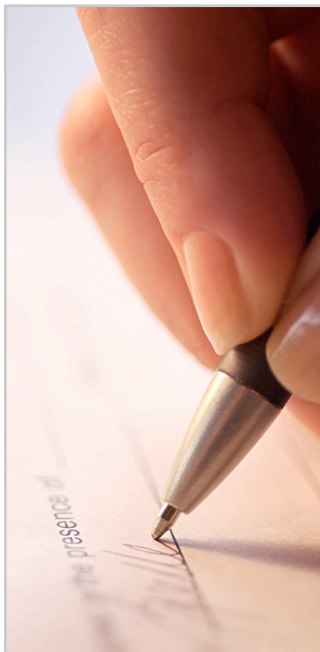
Lifetime Pension		Bridge Benefit		Total Public Service Pension
<b>Before age 65:</b>				
\$24,408	+	\$7,992	=	<b>\$32,408</b>
<b>From age 65:</b>				
\$24,408	+	0	=	<b>\$24,408</b>

### Note:

- Indexation amounts are not included in this example. Since the indexation payable is directly related to the total amount of pension you receive, the indexation amount payable will be lower when the bridge benefit ends.
- CPP or QPP payments are not included in this example.

For more information, consult *Your Public Service Pension and Benefits Web Portal* at [www.pensionandbenefits.gc.ca](http://www.pensionandbenefits.gc.ca).

## Power of Attorney



When you appoint someone as your general power of attorney, you are giving that person the power to make financial decisions on your behalf. The Public Service Pension Centre generally allows this person to take actions such as request a change in your mailing address or request that your pension payments be deposited into your bank account.

Please inform the person who holds your power of attorney that the Pension Centre requires the **original**, a **notarized copy** or a **certified true copy** bearing the **original signature** of the lawyer, notary, commissioner of oaths or justice of the peace in order to comply with the request being made on your behalf. For your protection, the Pension Centre will not action any request made on your behalf without this document.

If you simply wish to allow someone to make enquiries and receive information about your pension matters, but not make decisions on your behalf, you can provide the Pension Centre with a written consent to that effect.



### More information on *Your Public Service Pension and Benefits Web Portal*

Several new and useful features have been introduced on *Your Public Service Pension and Benefits Web Portal* at [www.pensionandbenefits.gc.ca](http://www.pensionandbenefits.gc.ca).

#### ➤ Your Pension at a Glance

For a summary of the main features of the public service pension plan, select:

**Retired Member** > *Plan Information* > *Your Pension at a Glance*;

#### ➤ Top 10 Frequently Asked Questions

For helpful answers to the most common pension and group insurance benefits questions, select **Top 10 FAQs** from the right hand menu bar.

#### ➤ Learn to navigate the Web Portal

To help you navigate through the Portal to find all you need to know about your pension and group insurance benefits watch our new video. Select **Video** from the right hand menu bar.

## Our Telephone Service



At the Pension Centre, we are always working to improve our telephone services and to reduce call wait times. To ensure you are directed to the proper pension expert and improve your service experience, please read the following information.

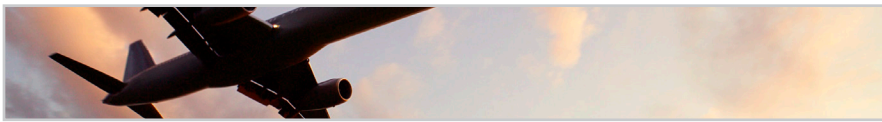
Before calling, be sure to have your pension number available. When you call, you will be asked:

- to select your service language (English or French);
- to identify the subject of your call from the service options provided. Choosing the option that best matches the subject of your inquiry will ensure that our system directs your call to the appropriate pension expert.

**Note:** Press the star key (\*) at any time if you want to hear the list of options again.

When we receive higher than normal call volumes, you may experience longer wait times. It is important that you remain on the line to retain your call priority. If you hang up and dial again, you will lose your call priority and your wait time will increase.

## Moving Outside of Canada?



If you are planning on moving outside of Canada you have to inform the Pension Centre of your new address and discuss how your move may affect your pension or group insurance benefits coverage.

### Public Service Pension

You can receive your pension cheques in your new country of residence. Payments will be made in the currency of that country.

### Group Insurance Benefits Coverage

For the Public Service Health Care Plan (PSHCP):

- As you will no longer be covered under a provincial or territorial health insurance plan or a non-government hospital insurance plan when outside of Canada, call the Pension Centre to discuss your coverage options;
- Update your mailing address with Sun Life;

- Submit all international health claims to Allianz Global Assistance, formerly Mondial Assistance, using the *PSHCP Claim Form, Out-of-Country Claims (Comprehensive Coverage)*:

Allianz Global Assistance  
Public Service Health Care Plan  
PO Box 880  
Waterloo ON N2J 4C3

For the Pensioners' Dental Services Plan (PDSP), the only action required is to change your mailing address by calling Sun Life. All claims can continue to be sent to the address found on your claim form.

**Note:** When you incur expenses outside of Canada, the reasonable and customary charges for eligible expenses will be used to determine the amount payable on your claims.

For more information about moving outside of Canada, please view the *Retired Member Living Outside of Canada* life event on the *Your Public Service Pension and Benefits* Web Portal.

**Please note** that some federal agencies, Crown corporations and territorial governments do not participate in the public service group insurance benefit plans. However, former employees of those agencies or corporations may be eligible to participate in these plans as retired members.

## Direct Deposit

### Within Canada

Remember, you can receive your pension payments and group insurance reimbursements through direct deposit and reduce paper consumption at the same time!

To sign up for direct deposit for your pension payments, send a written request and a void cheque to the Pension Centre. Please include your pension number on both documents.

To sign up for direct deposit for your health and dental reimbursements you can call Sun Life or register online at [www.sunlife.ca/pshcp](http://www.sunlife.ca/pshcp) and [www.sunlife.ca/pdsp](http://www.sunlife.ca/pdsp) respectively. Once logged in, select *Update Direct Deposit*.

### Outside of Canada

Your pension payments can be sent to a bank outside of Canada by direct deposit. Please visit the *Foreign Direct Deposit Web page* at [www.tpsgc-pwgsc.gc.ca/recgen/txt/depot-deposit-eng.html#a3](http://www.tpsgc-pwgsc.gc.ca/recgen/txt/depot-deposit-eng.html#a3) for more information on participating countries.

If you are a PSHCP and/or PDSP member and you wish to have your reimbursements sent to a bank outside of Canada, send a written request and a void cheque to Allianz Global Assistance, formerly Mondial Assistance.



**DISCLAIMER** *Liaison*, your pension and benefits newsletter, is provided for information purposes only and is not a legal document on your rights and obligations. Should there be any discrepancy between the information in this document and that contained in the *Public Service Superannuation Act (PSSA)* and related regulations or other applicable laws, the legislative provisions will apply. Similarly, should there be any discrepancy between information in this document and that contained in the group insurance benefits plan provisions or insurance contracts, the plan provisions or insurance contracts will apply.