

February 18, 2014

To: All Ontario Public Service Employees

From: Kevin Costante
Deputy Minister, Ministry of Government Services
Associate Secretary of the Cabinet and
Secretary of Management Board of Cabinet

Subject: Post-Retirement Insured Benefits Changes

The government is making changes to bring the Ontario Public Service (OPS) post-retirement benefits in line with other public sector organizations. As part of this, the government intends to make changes to the post-retirement insured benefits (retiree benefits for health, dental and life insurance) applicable to certain persons who will receive a pension under the Public Service Pension Plan (PSPP) or the OPSEU Pension Plan. Changes to the retiree benefits eligibility requirements as well as the introduction of premium cost sharing are effective January 1, 2017.

Currently, the government provides health, dental and \$2000 in basic life insurance benefits to former employees who will receive a pension under the PSPP or OPSEU Pension Plan based on at least 10 years of pension credit. Retiree benefits are not a provision of the Public Service Pension Plan or the OPSEU Pension Plan, nor are they a pension benefit.

The changes would require members who do not have 10 years pension credit in the pension plans by January 1, 2017, to meet the following two criteria in order to qualify for retiree benefits:

- have at least 20 years of pension credit; and
- retire to an immediate unreduced pension.

Further, any eligible member who has not commenced receipt of a pension before January 1, 2017, would be required to pay 50 per cent of the retiree benefits premium costs to participate in the benefit plan.

These changes to the retiree benefits terms would apply to Ontario Public Service employees and eligible employees of other employers with membership in the PSPP or OPSEU pension plans, including former employees who are deferred pensioners, who are not in receipt of a pension before January 1, 2017. These changes will not affect current retirees.

For additional information on the changes, please see the questions & answers located on the [HROntario Services Portal](#). Your HR Advisors are also available to

assist you if you have further questions.

Communication material including an updated retiree benefits guide will be developed and distributed in the months leading up to January 1, 2017.

Kevin Costante
Deputy Minister, Ministry of Government Services
Associate Secretary of the Cabinet and
Secretary of Management Board of Cabinet