

BULLETIN

When you can apply for long-term disability benefits

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I recently suffered an injury that prevents me from working. The human resources department at my workplace told me that I have to use up all my sick leave credits before I can apply for LTD. Is this correct?



Most of us never have to learn the process required to apply for long-term disability (LTD) benefits. And when we do need to use it, we are likely to have more than enough on our plate already with illness and the personal problems that flow from it.

It is hard therefore to understand the proper steps to take, and to know the rules which apply to allow us to get our disability insurance coming in as soon as possible.

It is the duty of the human resources department to know the time limits for you to apply for LTD and to provide you with the necessary forms to fill out. Unfortunately, many HR departments are not as familiar as they should be with the various disability plans. This can result in a lot of grief for our members.

In particular, a problem frequently encountered is advice from human resources to the member that she/he must use up all their sick credits before they are eligible to receive LTD benefits.

This is not so. You do not have to use up all your sick time before getting your LTD.

What you have to remember is that there is a 120-day elimination period (as of September 1, 1998, the elimination period increases to five months or 20 weeks) from the time you last worked until you actually become eligible to receive LTD. The relevant section of the LTD plan says:

An employee who has unused sick leave credits after the Elimination Period has been satisfied shall have the option of:

(a) banking unused sick leave credits for future use, or

(b) continuing to use sick leave credits before receiving the Long Term Disability Benefit. Additional sick leave credits used will not extend the 24-month Total Disability benefit period.

What this means is that after your 120-day waiting period (five months or 20 weeks, as of September 1, 1998) has expired, you don't need to use your sick leave credits. You can save them. *And if you elect to use them, it will not extend the duration of your LTD.*

Please be aware that you need not wait until the elimination period is over before applying for LTD. By submitting your application approximately one month before completion of the elimination period, the insurer can proceed to process the paperwork immediately, thereby minimizing any delay between completion of the waiting period and receipt of your benefit payment.

You also have a *maximum* of 90 days from completion of the waiting period to file your application for LTD benefits.

In the first 24 months you receive LTD, the test for qualifying is whether you are disabled from doing *your own* occupation. After 24 months the test gets harder. Then you must be disabled from doing *any* occupation. Delaying the date at which you start to receive LTD by using your sick time will not delay the change in categories. The 24-month time limitation starts on the day you become eligible to receive LTD benefits following completion of the elimination period.

So beware of wrong advice from HR personnel. If you have come to the end of the 120-day period (five months or 20 weeks, as of September 1, 1998) and you still have sick credits left, **save them**.

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