Cannot force disabled worker to take HOOPP disability

We alert you to cases where an LTD benefits provider tried to require LTD recipients to take a HOOPP Disability Pension. In these cases, the LTD provider said that unless the recipient applied for HOOPP Disability Pension, their LTD benefits would be clawed back by an amount deemed equivalent to HOOPP Disability entitlement.

The impact of this requirement on LTD recipients is not insignificant. To receive HOOPP Disability benefits, an LTD recipient must retire or otherwise terminate their employment. The recipient thereby loses all of the benefits associated with employment, including the option to freely accrue pension credits.

How does this violate the collective agreement?
Requiring LTD recipients to apply for HOOPP Disability Pension violates Article 13.01:
"The Hospital will pay 75% of the billed premium towards coverage of eligible employees under the long-term disability portion of the Plan (HOODIP or an equivalent plan as described in the August, 1992 booklet (Part B)), the employee paying the balance of the billed premium through payroll deduction."
Article 13.01 obliges the Hospital to supply and pay a portion of the premium toward HOODIP or an equivalent plan as described in the August, 1992 booklet. Thus, to meet the requirements of Article 13, the LTD must be equivalent to HOODIP as described in the August, 1992 booklet ("the Booklet").

The Booklet does not require an employee to apply for and elect to receive the HOOPP Disability Pension. At most, the Booklet permits the LTD provider to reduce LTD benefits by "the amount of any disability or retirement pension receivable from an employer's pension plan" [emphasis added]. Where an LTD recipient has chosen to remain employed, and to continue to freely accrue pension credits, it cannot be said that their disability or retirement pension is “receivable” within the meaning of the Booklet. If a HOOPP pension is considered “receivable” in these circumstances, then the recipient’s decision to remain employed – an important personal choice that is protected under the Collective Agreement – would be rendered meaningless.

Therefore, a hospital would violate Article 13.01 by providing an LTD Plan that requires employees to “receive” a HOOPP Disability pension.

Sue McIntyre discharge arbitration continues before arbitrator Herlich. Sue was fired after speaking up about violence at work. Union activists are protected from reprisal for speaking out on behalf of their members. She has been supported legally and financially by CUPE.