PEPP *Talk* . . .

on Terminal Illness Payout

This PEPP *Talk* provides members of the Public Employees Pension Plan (PEPP) with information on the procedure for applying for a lump-sum payment as a result of a terminal illness.

Definitions

Terminal Illness - PEPP defines terminal illness as an active, progressive disease leading to death within one year.

Adjudicator – For purposes of this provision, an adjudicator is an independent authority that evaluates the medical evidence, and provides a recommendation as to whether the application meets PEPP's definition of terminal illness. The current adjudicator is Canada Life Assurance Company.

Application Process

PEPP members may apply for a partial or complete payout of their PEPP account balance on the basis of terminal illness. This allows the member to access additional funds at a critical time.

The process is as follows:

1. Contact PEPP. Phone, write or email asking for information on Terminal Illness Payout.
2. PEPP will send you:
   - a letter with your current PEPP account balance and an explanation of the procedure;
   - an *Application for Terminal Illness Payout* form to initiate the request fill out Section A; and
   - forms for you and your attending physician to complete:
     - an *Authorization for Release of Information* form; and
     - a *Medical Status Statement*. This statement supplies the adjudicator with:
       - a brief description of your medical condition and diagnosis
       - the names, addresses, and telephone numbers of the physicians who are currently treating your condition.

   Note: PEPP does not have access to any of the medical information provided. Use the enclosed envelope addressed to Canada Life to send the forms directly to the adjudicator.
3. The adjudicator compiles and reviews all medical information, and provides a recommendation to PEPP as to whether the application meets PEPP's definition of terminal illness.

4. Plannera Pensions & Benefits (Plannera) will inform you of the adjudicator's decision. If you meet the medical definition of terminal illness, PEPP will return your application for you to complete Section B of the *Application for Terminal Illness Payout* and provide a spousal waiver to be completed, if applicable.

When Your Request for Payout is Received

If you are single, you will receive a cheque for the requested amount less withholding tax.

If you have a spouse (see the PEPP website for the definition of a spouse), your spouse will be required to sign a *Spousal Waiver of Survivor Benefits Prior to Retirement*. Your spouse must waive all rights to the portion of your pension funds that you have applied for access to.

Your spouse is normally entitled to survivor benefits from your pension. Under the terminal illness provision you are entitled to withdraw the entire balance, which would leave your spouse with no survivor benefit in the event of your death. Therefore, your spouse's consent is required prior to the benefit being paid out. The waiver will be included with the application. Once the waiver is received at PEPP, the benefit will be paid out accordingly (less withholding tax).

If you are a member of a Disability Income Plan or working, your contributions to PEPP will continue.

> If you apply for a payout of your full PEPP account balance, there may be no survivor benefits or pension payable.

If Your Application is Denied

If you disagree with the adjudicator's decision, you may appeal to the Public Employees Pension Board (The Board) to have your application and medical information re-evaluated. The Board will make a final decision by, with the member's written consent, reviewing the information that was provided to the Adjudicator.

Should your condition change, you may re-apply at any time.

Questions

For further information on Plan provisions regarding terminal illness, contact:

Public Employees Pension Plan (PEPP)
110 - 1801 Hamilton Street
REGINA, SK S4P 4W3

Phone: 306-787-5442, in Regina
or toll-free at 1-877-275-7377 (from outside the Regina calling area)

Fax: 306-787-0244
Email: pepp@plannera.ca

Administered by **Plannera Pensions & Benefits**

The information contained in this issue of PEPP *Talk* does not replace or supersede *The Public Employees Pension Act* or *The Pension Benefits Act, 1992* or related regulations. In the event of any misunderstanding or conflict, the Acts and Regulations will prevail. Please contact PEPP if you are or were working outside Saskatchewan. Your pension may be subject to the legislation of another province.

The Public Employees Pension Plan produces issues of PEPP *Talk* as a service to its members. These documents provide information on specific provisions of the Plan. Plan information is available in a variety of other forms including: issues of PEPP *Talk* on other topics; our newsletter, *Pension Perspectives*; PEPP Member Booklet; and the PEPP home page pepp.plannera.ca

March 2025