United Nurses of Alberta

Understanding and applying for

Disability Benefits

Members of the United Nurses of Alberta may experience disabling medical conditions that fall on a broad spectrum of severity and duration.

Most UNA members know that the benefits provided by the UNA Collective Agreement address situations in which a member is able to return to their position or another position with their employer.

This document is designed to assist UNA Labour Relations Officers, local executives and members who must deal with a medical condition so severe and prolonged it prevents the member from returning to a position with their employer or in any other workplace.

If a member cannot return to any workplace, they may be eligible for disability benefits through Canada Pension Disability, their employer-provided disability insurer and Local Authorities Pension Plan (LAPP) Disability.

The information in this leaflet explains how to access these sources of income, and how the income providers interact with one another.

Important Note

To access LAPP Disability, a member must resign from their job. The LAPP Disability application will only be processed if the member resigns their employment. While the normal analysis is that a person in receipt of CPP Disability will qualify for LAPP Disability, there is some risk if the member does not qualify for LAPP Disability.

One consequence of resigning before the first 30 months of disability coverage has been completed is the loss to the employee of the Supplemental Health and Dental Benefits and Life Insurance provided by the employers at no cost to the employee.

For many nurses, their benefit plan is not easily replaced in the marketplace. Some members can tolerate reduced coverage and are able to calculate the utility of losing benefits and finding their own benefit coverage in exchange for the higher monthly income.

For these reasons, members should ensure they speak with their UNA LRO before making a decision to resign their position.

TO SPEAK WITH YOUR LRO, CONTACT UNA AT 1-800-252-9394

DEFINITIONS OF DISABILITY

The Insurance Provider

The Insurance Provider changes its definition of disability after a member has been receiving disability benefits for 30 months. For the first 30 months, the Insurance Provider pays benefits to the recipient who are unable to work in their own occupation. After 30 months, the definition of disability changes from unable to work at own occupation to unable to work in any occupation for which the member has minimum qualifications. The Insurance Provider is obligated to provide notice of the upcoming change in status.

Canada Pension Disability

The application kit for Canada Pension Disability is available through the Service Canada government website or by contacting Service Canada directly. The employer does not provide these forms.

To qualify for a disability benefit under the Canada Pension Plan (CPP), a disability must be both "severe" and "prolonged," and it must prevent you from being able to work at any job on a regular basis.

Severe means that you have a mental or physical disability that regularly prevents you from doing any type of substantially gainful work.

Prolonged means that your disability is long-term and of indefinite duration or is likely to result in death.

Local Authorities Pension Plan Disability

Members accessing LAPP Disability can receive the application form from AHS or LAPP. Forms submitted by the employer are processed somewhat quicker than submitting an application directly to LAPP.

LAPP members can access LAPP disability if they are permanently and totally disabled (incapable of any work). Accepted claims will receive an unreduced pension at any age based on the member's years of pensionable service.

What do each of these sources of income offer the disabled member?

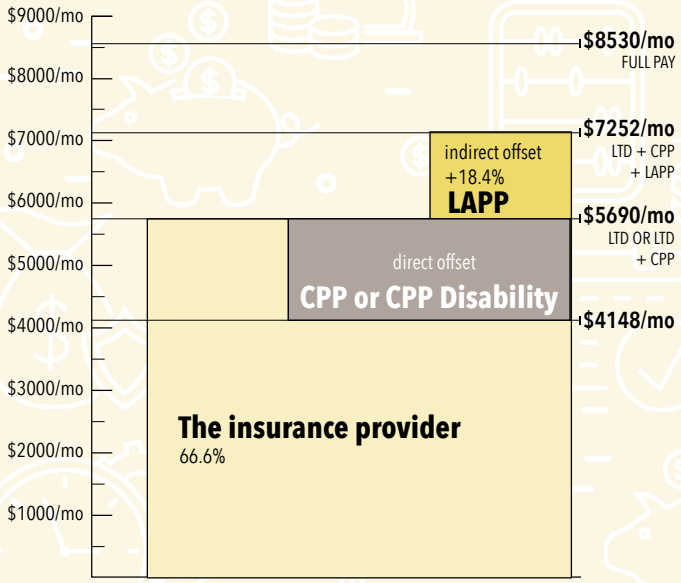
The insurance provider normally requests employees who are on LTD to apply for CPP Disability. Income from CPP Disability directly offsets income from the insurance provider so employees receive payment from the insurance provider and CPP Disability to a maximum of 66 ⅔ % of their regular earnings.

LAPP has a disability component which is declared to be "indirect income" by the insurance provider. The insurance provider rules allow employees to retain up to 85% of their pre-disability income when combining LTD, CPP Disability and LAPP Disability (or regular LAPP pension).

Example 2023

[Note: The amounts used in this chart are examples only. Calculations will vary according to actual earnings and entitlements.]

55 year old full time nurse at top increment = $102,379 year



LTD – 66.67% $5,690/month
CPP Disability (2022) (direct offset) – $1,542/month
Total income CPP Disability – $1,542 + LTD-$4,148 + =$5,690 total income

LTD + LAPP Disability allows the member to retain a maximum of 85% of former earnings= $7,252 / month.
The member accessing LTD + CPP + LAPP Disability gains an additional $1,560/month in this example.

This pay is contingent on the amount of LAPP earned. LAPP Disability pays the pension to a member of any age as if the member were age 65. In the example used the member at the top rate would need at least 12 years of pensionable service to access the additional $1,560 per month.

If you are disabled and unable to return to work then UNA strongly encourages you to explore your options with LAPP Disability. If you find it difficult to obtain information or co-operation from either your employer or LAPP, please do not hesitate to contact UNA for assistance.

Contact UNA at 1-800-252-9394