



# SHEPP

SASKATCHEWAN HEALTHCARE  
EMPLOYEES' PENSION PLAN

*Participating Employer Newsletter*



*April 2015*

## Two Months Grace For Retroactive Pension Applications

*Clarification regarding rules around retroactive pension applications*

The January 2015 Employer Newsletter provided important information regarding the restated Plan Text, and in particular, changes that participating employers need to be aware of. One such change was the strengthening of the rules regarding the commencement of pension benefits. The restated Plan Text states: "Retroactive applications for the commencement of pension benefits under the Plan are not permitted."

SHEPP recognises there may be special circumstances which warrant consideration of retroactive payments. Therefore, in conjunction with the restated Plan Text SHEPP adopted an administrative practice which includes a two month grace period from retirement date to pension commencement. SHEPP's administrative practice with regard to retroactive pension payments is outlined below.

**Retroactive applications for pension benefits will not be accepted if more than two months past retirement date.** If a member's completed application forms are received beyond the two month window, the pension benefit will commence on a go-forward basis only and no retroactive payments will be issued. For example, if a member wishes to start their pension January 1, 2016, SHEPP must receive the completed pension application forms on or before March 1, 2016 in order to process with retroactive payments back to January 1<sup>st</sup>. If received after March 1, 2016, the pension will be paid on a go-forward basis only.

**If there are legitimate reasons the member makes application for their monthly pension outside of the two month time frame that are out of the member's control, then payment of retroactive pension will be considered.** For example, where an employee is off on disability and requests a retroactive retirement date, SHEPP will accept the notice of retirement from the employer with the retroactive date. SHEPP will then send a retirement package to the member and provide them two months from that time to return their completed forms. If they fail to submit their completed application forms within that two month deadline, their pension will be payable on a go-forward basis only.

These changes do not affect how or what you are required to report on the *Notice of Termination* when a member retires. If you are advised of a retirement after the fact, please continue to report the actual retirement date and SHEPP will communicate the retroactive practice to the member in the retirement options that are mailed out.

## Thank You For Making Year-end Easy Again

The 2014 Annual Data Verification (ADV) went exceptionally well with a significant decrease in unresolved variances. Throughout the year, employers took special care in attending to those variances by responding to and addressing errors that typically occur while processing payroll for over 36,000 active members. Your diligence resulted in one of our best years ever. Thank you!

## Member's Annual Statements Will Be Mailed End Of April

*With a Brand New Look!*

Each year, SHEPP provides all active Plan members with an Annual Statement summarising the benefit entitlements earned up to December 31 of the preceding year.

We've recently redesigned the statement to provide members with a better explanation of each component and its relevance to the pension benefit they are entitled to.



Unlike previous versions, the new statement does not provide the pre-retirement death benefit estimate. This estimate is calculated using interest rates which fluctuate, and

as such the amount can differ from month to month. The omission of this estimate from the statement does not change the fact that a death benefit is indeed payable from the Plan in the unfortunate event a member dies before retirement.

A guide to understanding the Member's Annual Statement is on the back of the statement and in the mid-career members' section at [www.shepp.ca](http://www.shepp.ca).



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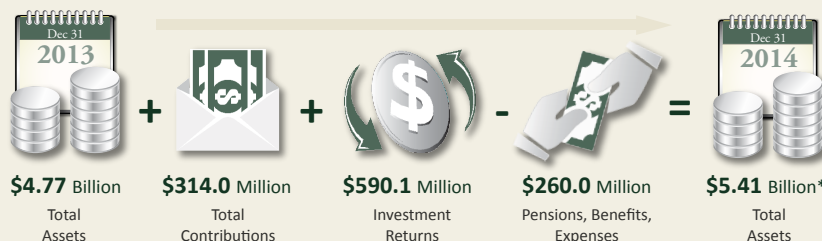
*Delivering futures by valuing today.*

1

# PLAN Highlights

## 2014 AT A GLANCE

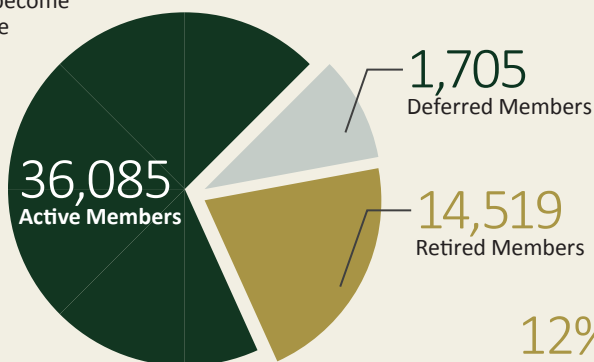
MARKET VALUE OF THE FUND EXCEEDS \$5.4 BILLION\*



### SERVING MEMBERS FOR OVER 50 YEARS

Established in 1962 by the Saskatchewan Hospitals Association, with initial enrolment of only a few hundred members, the Plan has grown to become the pension Plan for over 36,000 healthcare workers in Saskatchewan.

1 in 16 people employed in Saskatchewan is a SHEPP member



### OVER 14,000 PENSION PAID EACH MONTH

96% to members  
3% to spouses  
1% to beneficiaries

1,152 DOLLARS was the amount of the average pension paid in December 2014

12% of Plan members are male  
88% of Plan members are female

## Book A Pension Information Session For Your Employees In 2015

SHEPP is committed to providing Plan members with the pension benefit information they need to plan for retirement. Every spring

and fall we travel throughout the province making presentations to Plan members at employer sponsored seminars and union conferences. These information sessions provide a general overview of the Plan and more specific information regarding:

- normal retirement and early retirement eligibility;
- the pension formula and how we calculate a pension benefit;
- normal and optional forms of pension;
- termination options and other pre-retirement benefits; and
- how to use the online pension calculators.

Participants have told us they find the information very useful and would recommend the presentation to other Plan members.

If you are interested in scheduling a presentation for your employees in 2015 please contact:

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Phone: 306.751.8346

If you don't believe you have enough participants to warrant a session in your workplace, consider participating via Telehealth. A calendar of scheduled presentations (including those that will be broadcast via Telehealth) can be found at [www.shepp.ca](http://www.shepp.ca).

