

Announcement



## **OTIP Announces 5% Decrease in LTD Pool Rates & Continued Partnership with Manulife**

We are pleased to announce a **5% decrease** in long term disability (LTD) rates for all plans in the OTIP LTD pool, effective March 1, 2015.

This rate decrease is a result of a number of factors, including the growth of the OTIP pool, a decrease in new claims, continuous improvements in plan design, improved early intervention opportunities, and savings in administration costs. Part of the OTIP LTD pool's success reflects our commitment to the early support of members facing longer term illness. We provide the advice and tools to help members make a healthy return to work when they are able to do so.

While the factors affecting the OTIP LTD pool change from year to year, what doesn't change is our commitment to ensuring stable rates, and strong sustainable plans that protect our members when they are most vulnerable. Our commitment to this includes a prudent approach to how we manage the financial assets of the plans, including protecting the long term stability of the pool with adequate contingency reserves and prudent decisions on premium rates.

### **Continued Partnership with Manulife**

OTIP initiated a formal market review of the entire OTIP LTD pool this past summer, as part of our commitment to ensuring your LTD coverage is market competitive for things like plan design, service and price. This review was conducted by an independent third party actuarial firm.

We are pleased to announce that our current insurance partner Manulife had the successful bid, and will remain our partner for LTD pool coverage. This ensures that one of the largest non-public LTD plans in Canada is partnered with one of the largest insurance companies in Canada, providing an added degree of risk protection and peace of mind for our members.

This decision also enables OTIP to continue providing members with exceptional and tailored service (as rated by our members); one of the lowest premium rates for LTD coverage in the country; innovative product offerings; and preferred reserve interest rates reflecting the size of the pool.