Letter of Intent
On Long Term Disability

Between

Carleton University Academic Staff Association (CUASA)
And
Carleton University

The University recognizes the right of CUASA to administer its own LTD plan. Within sixty (60) days of the ratification of this agreement the Bilateral Health Benefits Committee established in Article 40.6 of the CU-CUASA Collective Agreement will be convened to discuss a method by which CUASA could withdraw from the University LTD plan and engage their own insurer in a manner fair to both parties.

Within sixty (60) days of the ratification of this agreement, the Bilateral Health Benefits Committee will commission an actuary to ~~identify~~assess the financial position of the LTD plan. Upon receipt of this report, the determination will be made of the distribution of any surplus or deficit associated with the LTD plan's financial status. In addition, the Bilateral Health Benefits Committee will develop a plan for the equitable distribution of administrative costs associated with CUASA's withdrawal from the University's LTD plan.

Should CUASA choose to leave the University's LTD plan, on the basis of the actuarial information and the agreed upon arrangements for CUASA withdrawal, a final accounting will be completed by a jointly appointed actuary at the end of two years.

~~**The parties agree that CUASA has complete discretion regarding its member's Long Term Disability contributions and coverage. That discretion extends to all elements of managing a Long Term Disability plan for its members, including selecting a carrier, choosing plan design and funding arrangements as well as establishing a trust fund and appointing trustees.**~~

~~Within 60 days of ratification of the new agreement CUASA will advise Carleton University of its intent to stay within the Carleton University Plan or to establish its own plan. The university will provide all necessary documents to allow the faculty association to compare options. These will include but not necessarily be limited to;~~

1. ~~A current copy of the LTD contract.~~
    a. ~~A list of all amendments in the last five years~~
2. ~~A copy of the last three renewals of the faculty LTD plan.~~
    a. ~~Including detailed premiums vs claims (all information for faculty only)~~
    b. ~~List of all claimants and their date of birth, date of disability, gross and net payments and their current status.~~
    c. ~~List of all reserves (I&U, DLR,etc.)~~
    d. ~~Copy of the financial report including surpluses and deficits~~

~~If CUASA decides to establish its own plan;~~

1. ~~The University will continue to make payroll deduction services available to CUASA, thereby continuing to deduct LTD premium at the requested level and forwarding to the trust fund or its designated administrator.~~

2. ~~The University will continue to coordinate and actively assist in return to work programs, as per its duty to accommodate.~~

3. ~~The University will advise their insurance company of CUASA's decision to terminate the coverage for its members. They will also advise the insurer and CUASA of all people not at work on the day of termination.~~

4. ~~The current program will be responsible for all members not actively at work on the day of termination. That is to say any claim incurred prior to termination date will be the responsibility of the current carrier.~~

5. ~~At termination an interim accounting will be completed by a jointly appointed actuary to identify the financial position of the LTD plan. At that time 50% of any accumulated surplus generated by CUASA will be returned to CUASA.~~

~~6.~~1. ~~At the end of two years a final accounting will be completed by a jointly appointed actuary, with all CUASA member generated surpluses returned to CUASA.~~