



REJOINING HOOPP AFTER RETIREMENT

Many HOOPP pensioners ask us if returning to work will somehow reduce their HOOPP benefits. The answer is no, and in fact, there is a way you can increase your HOOPP benefits.

If you find work after retirement with an employer that offers HOOPP, you have two choices:

- you can continue to receive your HOOPP pension while working, or
- you can suspend your pension, re-enrol in HOOPP, and start contributing again.

If you return to work anywhere other than a HOOPP employer, your pension is unaffected. You'll continue to receive it for the rest of your life.

RE-ENROLLING IN HOOPP

Re-enrolling in HOOPP is a way to increase the size of your pension. When you re-enrol in HOOPP, you stop receiving your HOOPP pension temporarily, and resume making contributions to HOOPP. When you stop working and begin to collect your pension again, it will be increased to reflect the additional benefits you have built since re-enrolling.

Temporarily stopping a pension and resuming contributions may not make sense for everyone. Some of the factors you should consider are:

- Can you afford to forgo your pension income, including any bridge or transition benefit you are receiving?
- Will you accumulate sufficient benefits to make forgoing the income worthwhile? Not only will you forgo your monthly pension, but you must also resume making contributions to HOOPP, which reduces your take-home pay as well.
- Will resuming contributions allow you to reach a membership milestone, such as 15 years of eligibility service? The more eligibility service you have, the less your pension is reduced if you retire before age 60. For example, if you retire at age 55 with 14 years of eligibility service, the percentage of pension payable to you is 70%. But once you reach 15 years of eligibility service, the percentage of pension payable jumps to 77.5%.

You must also consider that if you stop your pension when you go back to work, and turn 65 while you are working, you will no longer be eligible to receive a bridge or transition benefit when you resume collecting your pension.

Please be aware that the type of pension you selected at retirement can't be changed and neither can your qualifying spouse. The spouse you had at retirement is still the only person who is entitled to a spousal pension upon your death, even if you later re-marry.

EXAMPLE:

The following example demonstrates the impact re-enrolling in HOOPP can have on your pension income.

Sarah retired at age 55, commencing her pension on Jan. 1, 2007. She had 14 years of eligibility and contributory service and average annualized earnings of \$50,000.

In January 2010 at age 58, she decides to go back to work for 3 years, with annualized earnings of \$53,000 during her re-enrolment period.

Without adjusting for interest or cost of living adjustments, Sarah forgoes just over \$30,000 in pension payments for the 3 years she is working, but when she resumes her pension on Jan. 1, 2013 at age 61, she would be earning an extra \$420 per month until age 65, and \$325 per month thereafter.

It would take Sarah about seven years after resuming her pension to recoup the \$30,000 foregone during re-enrolment. However, if she lives to age 75, for example, the extra three years of contributions will have earned Sarah an additional \$31,200 in pension payments over and above the payments she had to recoup.

SARAH'S EXAMPLE:

Sarah's monthly income before resuming contributions and going back to work		Sarah's monthly income after resuming contributions while working		Sarah's monthly income after restarting her pension after quitting work	
Basic lifetime monthly pension:	\$665	Monthly pension:	\$0	Basic lifetime monthly pension:	\$990
Bridge benefit (payable to age 65):	\$170	N/A	N/A	Bridge benefit (payable to age 65):	\$265
Total monthly pension:	\$835	N/A	N/A	Total monthly pension:	\$1255
Monthly pay from work:	N/A	Monthly pay from work: <i>gross amount, less HOOPP contributions and any other payroll deductions</i>	\$4,417	Monthly pay from work:	N/A

GET AN ESTIMATE

Results vary from member to member as income and service differ. It is best to get an estimate from HOOPP based on your personal information to decide on whether re-enrolling in HOOPP makes sense for you.

If you're receiving a HOOPP pension and are – or will be – working for a HOOPP employer, you can get an estimate of what your pension would be if you temporarily stopped receiving it, and began building pension benefits again.

Just complete a [Re-enrolment Estimate Request Form](#). HOOPP will provide an estimate that can help you decide whether or not to re-enrol.

Detailed information about the Plan's provisions and member entitlements can be found in the Healthcare of Ontario Pension Plan Text (the Plan Text), the official Plan document, which is available on hoopp.com. In cases where the information provided in this brochure, by an employer or by any other source differs from that contained in the Plan Text, the Plan Text will govern.