



Retired Member eNews

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Retiree Benefit Program Fund Update

RBP Committee anticipates Canada Revenue Agency decision, welcomes LPN representatives

BCNU continues to await a Canada Revenue Agency (CRA) decision on the tax status of the Nurses' Bargaining Association (NBA) Retiree Benefit Program (RBP) fund that it requested earlier this year.

The request for an advance income tax ruling was made to the CRA Income Tax Rulings Directorate to confirm the tax treatment of the fund that supports the RBP and determine if health benefits covered through a health-care spending account would be provided on a tax-free basis.

RBP members who responded to the RBP Committee's 2023 survey conducted as part of a plan design review process to identify future benefits options said they highly prioritize health benefits that are not taxable to them.

Following the survey, the RBP Committee identified a health-care spending account as a possible RBP design option that would achieve this goal. No changes are being made to the RBP fund or benefits paid from it while BCNU awaits the advance income tax ruling. Additional updates will be provided to members as this work continues.

The RBP Committee welcomes Marlene Goertzen, retired LPN member and retired regional council member from the Central Vancouver region to serve on the committee. Goertzen joins Danette Thomsen, regional council member from the North East region, who was appointed in December as the committee's active LPN member.

Goertzen and Thomsen will serve alongside fellow committee representatives appointed by BCNU and one representative appointed by the Health Sciences Association. Committee work includes monitoring RBP fund investments, determining member benefits, reviewing appeals and overseeing service providers contracted to administer the program. The committee meets a minimum of four times a year at BCNU's head office in Burnaby.

The RBP is a negotiated entitlement available to qualified retired members covered by the NBA collective agreement and designed to provide retirees with retirement benefits and inflation protection.

Since 2008, this unique program has been funded exclusively from the one (1) percent market adjustment of payroll collected from employers by the Health Employers Association of BC and subsequently transferred to BCNU on behalf of the NBA. The RBP Committee is responsible for administering the RBP fund.

In accordance with language negotiated in the 2022 – 2025 NBA collective agreement, employers of LPN members are now contributing to the RBP fund, as they have been for RNs and RPNs. The application process for LPNs to enrol is under development.

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