



Canada Life - BSIA of BC Employee Group Benefits Plan

We have been working with your insurer to obtain clarification on specific details within your contracts as it relates to eligibility due to reduced hours/earnings, benefit extensions during layoff, premium payment timelines, conversion information if benefits are terminated, and renewals if applicable. As the details of COVID-19 and Government orders continue to change, the below measures are based on current positions (as at Mar 31/20) and could change in the future. We will do our best to update you of any changes to the below in a timely manner:

Access to Health/Dental Coverage

As you are likely aware, some service providers, such as Paramedical Practitioners and Dentists, are not currently available in the short term, however this is really considered a delay in service availability and it is expected that there will be a sharp rebound of these services once everyone gets back to work. If there is any reduction in claims, this will be accounted for at your next renewal. Note that prescription drugs, major dental, along with an expanded list of "virtual" paramedical services continue to be available to employees during this time.

Premiums

Premium payments in arrears

Canada Life has confirmed that if April premiums are not paid by the end of the 30-day payment term, they **will not** suspend claims. Payment deferral terms will be considered on a case by case basis. Therefore, if payments are not able to be made at the end of the 30-day period ***please contact ZLC***, the BSIA's group benefits plan advisor, to coordinate and/or discuss further options.

Eligibility

Reduction of work hours and application of the minimum hours worked requirement

If currently enrolled employees or employees who are reaching the end of their waiting period, are no longer meeting the minimum hour requirement in your contract, Canada Life has confirmed they will waive the hour requirement for enrolment and claims eligibility, beginning now until May 31st, 2020. This will be their standard handling. If you choose to terminate an employee for not meeting this requirement, you will need to process/request a termination of coverage accordingly.

Earnings-related covered benefit amounts

Unless instructed otherwise by the employer, benefits that are based on salary will be honored and adjudicated based on the coverage for which the premium is being paid. This will be their standard handling. Employers would need to request a salary reduction for employees working



less hours if they do not want those employees to be covered for their standard Life, AD&D, STD and LTD benefits.

This will only be temporary and is only an administrative handling practice so no formal changes to contracts will be made.

Benefit Extensions due to temporary layoff / leaves of absence / termination

Temporary layoffs and leaves of absence

Canada Life's standard contract terms provide for the ability to extend Short and Long-Term Disability benefits for up to 31 days and up to 6 months for all other benefits. Canada Life has confirmed they would allow for an extension of short and long-term disability coverage for up to 60 days, upon request. It is important to note that, if an employee satisfies their disability elimination/waiting period while on temporary layoff or leave of absence, disability benefits would not be payable until the employee's declared return to work date as indicated by a recall letter from their employer.

Termination of employment

In cases where you are looking at permanent termination of employment instead of a temporary lay-off, Canada Life will consider the ability to extend benefits as part of the severance package. If an extension of benefits due to employment termination is needed, written request and approval is required by Canada Life. Please provide your ZLC Advisor/Team with the appropriate details and we will assist in the coordination accordingly.

Suspension of benefit plans

Canada Life has confirmed they will allow plans to "suspend" all coverage (premium and claims) for a maximum of 60 days with no penalty for reinstating. Employers are responsible for communicating the impact of changes to coverage to their employees. It is extremely important to note that if a death or disability was to occur during the time the plan was suspended, it would not be covered. Claims will only be covered if incurred while coverage was in force, or after the plan is reinstated. For this reason, it's recommended that Life and short/long-term-disability benefits remain in-force. This offer is for clients that need it and must enter into an agreement that the employer fully acknowledges the consequences. Please note for Quebec, if long-term disability is offered on the plan, drugs cannot be terminated.

If you have any questions, please do not hesitate to contact the BSIA/ZLC Advisor Team.

John McGrath, ZLC – jmcgrath@zlc.net or call 604-688-7208 ext. 341, and press "7"
Jonathan Leung, ZLC – joleung@zlc.net or call 604-688-7208 ext. 242 and press "7"
Jackie Trafton, BSIA – jackie@bsiabc.ca or call 604-513-2205

Please note – due to the current COVID-19 situation, the BSIA and ZLC Financial have implemented a remote work protocol for our employees. This decision was made to protect the well-being of our employees, clients, suppliers and communities and to flatten the curve. Be assured that your e-mail will be responded to in a timely manner.