



SUPPLEMENTAL HEALTH | JULY 2020

## Products/Solutions at a glance

### Learn more about:

- Hospital Indemnity
- Critical Illness
- Cancer
- Accident
- Medical Gap
- Issue-age Short-term disability

When you add supplemental health coverages alongside your medical plan, employees have a way to help protect their savings against out-of-pocket medical expenses, making your preferred medical plan more attractive.

### Full suite of Supplemental Health coverages

Employees want more choice in their benefits program and Sun Life's suite of products lets you bring employees this flexibility.

### Benefits communication and administration solutions

Through our flexible, tiered partnership approach, we focus on connecting you to the right digital solution and experience that best fits your needs and the needs of your employees. We have you covered, whether it's a streamlined, educational, end-to-end benefits solution like Maxwell Health, or you want to connect your current benefits administration platform to Sun Life.

### One-stop shopping for your employee benefits needs

In addition to our Supplemental Health plans and enrollment support, we offer these plans on a voluntary and/or employer-paid basis: Life and AD&D, Dental, Vision, Disability. We are also a leading provider of Absence Management Services and Stop-Loss.

Ask us for details about these coverages and services.



The product provisions available to employers may vary depending on case characteristics and state laws and regulations. Not for use in New Mexico, New York, or Wyoming.

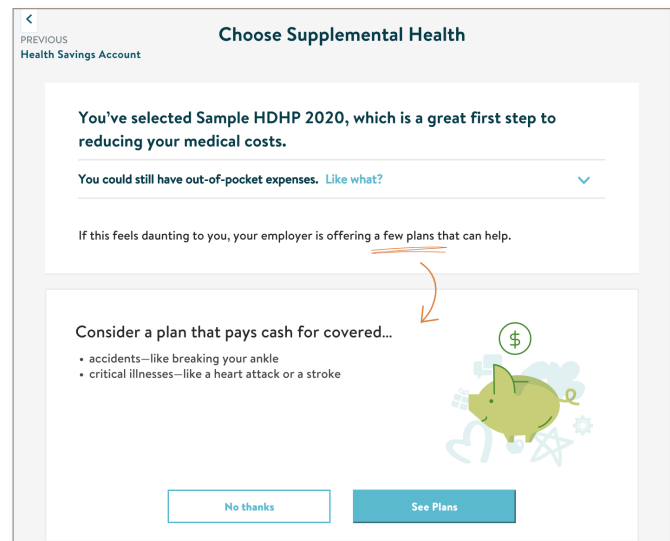
# Virtual benefits communication and administration solutions that fit your needs

## Maxwell Health

Sun Life's robust, easy-to-use benefits administration technology platform makes shopping for and understanding benefits simple and intuitive for employees. Maxwell helps you

- **Streamline** your administrative tasks
- **Provide** your employees with a modern, virtual benefits experience
- **Educate** them on the benefits you're offering and empower them to navigate benefits on their own.

For example, check out our built-in supplemental health educator tool that helps employees connect the dots between their medical benefits coverage and supplemental health offerings.



Find Sun Life on our preferred digital partner platforms



## Connections with other ben admin platforms

We have vetted over 150 platforms for connectivity readiness. Our experienced EDX team is dedicated to maintaining these relationships and is available to advise on platform compatibility.

## Get advice from experienced Enrollment Managers

with expertise in all facets of benefits communication and enrollment planning and execution.

## Did you know?

Sun Life has advanced features available for certain groups.

- Sun Life's Enhanced Partnership Agreement waives participation for certain groups that allow Sun Life to manage their events. 
- Sun Life offers support with the cost of enrollment when Clients use a third-party benefits administrator. (Subject to Sun Life approval and underwriting guidelines.) 

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# Full suite of Supplemental Health coverages

Employees want more choice in their benefits program and Sun Life's suite of products lets you bring employees this flexibility.

## Hospital Indemnity

| Features                                |   |
|---|---|
| Rate Type                               | Employee only, Employee/spouse, Employee/child, Family, Composite Rates   |
| Rate Guarantee                          | 36 months   |
| Benefits                                | Pays fixed daily benefits for hospital confinements due to a covered sickness or injury including: <ul style="list-style-type: none"> <li>• Routine pregnancy (waiting period may apply)</li> <li>• Complications of pregnancy</li> <li>• Newborn complications resulting in confinement</li> <li>• Mental/Nervous/Substance Abuse</li> </ul> |
| Employer choices                        | Low and High plans available<br>Options for daily benefit amounts and confinement days  |
| Hospital Confinement benefits           | <ul style="list-style-type: none"> <li>• First Day Hospital</li> <li>• Daily Hospital confinement</li> <li>• ICU confinement</li> <li>• Rehabilitation unit<sup>1</sup></li> <li>• Extended Hospitalization</li> </ul>  |
| <b>Extended Hospitalization benefit</b> | <b>Covered employees and dependents with Hospital/ICU confinements of 10 consecutive days or more receive additional benefits.</b>  |
| Wellness Screening                      | \$50 for employee and dependents 1x per benefit year  |
| Limitations                             | <ul style="list-style-type: none"> <li>• Plans may include a pregnancy waiting period or pre-existing conditions limitation</li> <li>• For groups with fewer than 26 employees, either low or high plan is offered and a pre-existing conditions limitation applies</li> </ul>  |
| Guarantee Issue                         | Available   |
| Portability/Continuation                | Available, depending on state   |

Inquire about state availability. Not available in New York.



### More protection with Extended Hospitalization

**Example:** John is confined to the hospital for 12 days. He spends 3 days in the ICU before being transferred to a regular room.

**High Plan with Extended Hospitalization pays \$7,400**

High Plan without Extended Hospitalization pays \$5,000

| Sample Standard Plan     | Days           | Amount   |
|--------------------------|----------------|----------|
| First Day Hospital       | 1              | \$2,000  |
| ICU confinement          | 3 (\$200/day)  | \$600    |
| Hospital confinement     | 12 (\$200/day) | \$2,400  |
| Extended Hospitalization | 12 (\$200/day) | +\$2,400 |

Example is for illustrative purposes only. Actual results will depend upon plan design elected.

1. Rehabilitation Unit confinement benefits are not payable on the same day as Hospital or ICU confinement benefits, and are not eligible for the Extended Hospitalization benefit.

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# Critical illness

| Features  |   |
|---|---|
| Rate Type   | Issue Age or Attained Age available   |
| Rate guarantee  | 3 years   |
| Core conditions—<br>Employer Choice with or<br>without Cancer | Heart Attack, Stroke, Major Organ Failure, Occupational Infectious Disease, End-Stage Kidney Disease, Coronary Artery Bypass Graft, Angioplasty (Optional add-on)   |
| Cancer conditions—<br>Employer Choice with or<br>without Core | Invasive Cancer, Non-Invasive Cancer, Skin Cancer (Optional add-on)   |
| Other conditions—<br>Employer Choice of any<br>or all options | <p><b>Option 1</b><br/>Complete Blindness, Loss of Speech, Complete Loss of Hearing</p> <p><b>Option 2</b><br/>Benign Brain Tumor, Paralysis, Coma, Severe Burns</p> <p><b>Option 3</b><br/>Advanced ALS/Lou Gehrig's Disease, Advanced Alzheimer's Disease, Advanced Parkinson's Disease</p> |
| Childhood conditions—<br>Employer Choice                      | Down Syndrome<br>Cerebral Palsy<br>Complex Congenital Heart Disease<br>Cystic Fibrosis<br>Spina Bifida<br>Cleft Lip/Palate<br>Type 1 Diabetes Mellitus<br>Muscular Dystrophy  |
| Additional information  |   |
| Benefit amounts   | \$5,000 up to \$40,000, depending on group size<br>Spouse: 100% of Employee's benefit up to \$40,000. Child: 50% of Employee's benefit up to \$20,000.<br>Employee must apply for insurance in order to apply for Spouse or Dependent Children insurance.                                     |
| Benefit payment   | Lump sum; pays full or partial benefit depending on condition   |
| Guaranteed Issue  | Yes   |
| Recurrence Waiting Period                                     | 12 months   |
| Wellness Benefit  | \$50, \$75 or \$100 for employees and dependents 1x per benefit year  |
| Additional Occurrence Waiting Period                          | 6 months  |
| Age Reduction   | Optional, 50% for Employees at age 70   |
| Pre-ex Limitation   | 12/12   |
| Portability/Continuation                                      | Available, depending on state.  |

# Stop-Loss Cancer rider – help for employers

Cancer is the most costly high-cost claim condition according to the 2020 Sun Life Stop-Loss high-cost claims and injectable drug trends report. The Sun Life Stop-Loss Cancer rider provides a Sun Life Specific Stop-Loss deductible reduction of up to \$10,000 when we reimburse our Stop-Loss customers for an eligible catastrophic cancer claim. To receive the deductible reduction, employers must offer their employees a Sun Life Critical Illness or Cancer plan. This combined solution helps address the impact of cancer from an employee and employer perspective.

## TOP 3 HIGH-COST CLAIM CONDITIONS

|  |   | Stop-loss claim reimbursements, 2016–2019 |                      |  |
|--|---|---|----------------------|--|
|  |   | Rank                                      | Total reimbursements | % of employers with at least one stop-loss claim for this condition* |
| Diagnoses that may result in a benefit payable from a Sun Life Critical Illness plan | Malignant neoplasm (cancer)                           | 1   | \$744.1M             | 53.0%  |
|  | Leukemia, lymphoma, and/or multiple myeloma (cancers) | 2   | \$276.0M             | 19.5%  |
|  | Chronic/end-stage renal disease (kidneys)             | 3   | \$165.7M             | 15.8%  |

**CANCER** is the leading high-cost claim condition.



\*Methodology note: Employer reimbursement incidence reporting requires calculating claims on a policy-year basis. Likelihood represents the probability that an employer will experience a claim in any one policy year for each policy year from 2015-2018.

Source: 2016-2019 Sun Life Stop-Loss claims reimbursements that Sun Life provided to its policyholders. PLEASE NOTE: This rider is only available with Critical Illness/Cancer plans underwritten by Sun Life Assurance Company of Canada (SLOC) or Sun Life and Health Insurance Company U.S. (SLHIC).

## Cancer

| Features                          |  |
|-----------------------------------|--|
| Rate Type                         | Issue Age, Age banded<br>4-tier rate structure: Employee, Employee + Spouse, Employee + Child(ren), Employee + Family  |
| Guarantee Issue                   | Yes  |
| Employer Choices                  | Employer may offer:<br>Cancer Level 1 only<br>Cancer Level 2 only<br>Employee Choice of Cancer Level 1 or 2  |
| Level 1                           | Hospital Confinement, Hospital Attending Physician, Radiation/Chemotherapy, Inpatient Surgical, Anesthesia, Skin Cancer Surgery, Prosthesis, Blood and Plasma, Second Surgical Opinion, Ambulance (ground), Extended Care Facility, Hospice  |
| Level 2                           | Level 1 plus First Occurrence, Post Hospital Doctor Visits, Medical Imaging, Experimental Treatment, Immunotherapy, Anti-Nausea, Private Nurse, Outpatient Hospital Surgical, Reconstructive Surgery, NCI Evaluation/Consultation, Ambulance (air), Lodging, Transportation, Bone Marrow Transplant, Stem Cell, Home Health Care, Alternative Care Benefit |
| Cancer screening                  | \$50 for employees and dependents, 1x per calendar year  |
| Pre-existing condition limitation | 12/12  |
| Portability/Continuation          | Available, depending on state.   |

The product provisions available to employers may vary depending on case characteristics and state laws and regulations.

# Accident

| Features                      |  |
|-------------------------------|--|
| Employer Plan Choices         | Low and High plans available   |
| Life and Dismemberment Losses | Accidental Death, Accidental Death Common Carrier, Catastrophic Loss   |
| Accidental Dismemberment      | One hand, foot, leg, arm, eye, two or more fingers or toes, one finger and/or one toe  |
| Dislocations                  | Hip, knee, ankle, bones of the foot, elbow or wrist, shoulder, collarbone, bones of the hand, finger(s) or toe(s), lower jaw   |
| Fractures                     | Hip or thigh, skull-depressed, skull-simple, non-depressed, vertebral process, bones of the face, nose, leg, vertebrae, body of, sternum, pelvis, upper jaw or upper arm, lower jaw, collarbone, shoulder, elbow, wrist, hand, foot, ankle, heel, kneecap, ribs, finger, toe, coccyx |
| Additional injuries           | Eye injury-surgery or object remove, gunshot wound, paralysis, coma, concussion  |
| Lacerations                   | No sutures treated by doctor, single laceration under 5cm with sutures, 5-15cm with sutures (total of all lacerations), greater than 15cm with sutures (total of all lacerations)  |
| Burns                         | 21-40 sq. cm, 41-65 sq. cm, 66-160 sq. cm, 161-225 sq. cm, 225+ sq. cm, skin graft   |
| Medical services              | Diagnostic exams (CT, CAT, EKG, EEG, or MRI), X-Ray, emergency treatment- non emergency room, physician follow up visit, physical therapy, medical devices, epidural, prescription drug, prosthesis, blood, plasma or platelet transfusion   |
| Hospital                      | Admission, confinement, ICU, ambulance, emergency room, family lodging, transportation, rehab  |
| Surgery                       | Miscellaneous surgery, open surgery, exploratory or debridement, tendon/ligament/rotator cuff tear, ruptured/herniated disc, torn knee cartilage   |
| Emergency dental              | Extraction, crown  |
| Wellness benefit              | \$50 for employees and dependents, 1x per calendar year  |
| Portability/Continuation      | Available, depending on state  |
| Rate guarantee                | 3 years  |

# Medical Gap (Issued by Fidelity Security Life Insurance Company)

| Features                            |  |
|-------------------------------------|--|
| Rate Type                           | Attained Age, Age banded   |
| Rate Guarantee                      | 12 months  |
| Benefits                            | Medical Gap is a supplemental health product that covers certain portions of actual out of pocket medical expenses associated with an insured's major medical plan up to a maximum amount per calendar year. Benefits are payable for in-hospital and outpatient treatment as a result of a non-work related sickness or injury. Note: a person cannot be enrolled in both Gap and an HSA. |
| Inpatient Benefit                   | \$500-\$10,000 per covered person. Inpatient benefit applies to each insured per calendar year.  |
| Outpatient Benefit                  | \$500-\$2,500 per calendar year (not more than 50% of inpatient benefits). Outpatient benefit is subject to a 2x cap. i.e. if Outpatient benefit is \$1,000, then the most that could be paid is \$2,000 for family coverage per calendar year and no individual could receive more than \$1,000.  |
| Eligibility                         | To qualify for benefits, a person must be covered by the employer's major medical plan and any condition being claimed on Gap must be subject to the medical plan's deductible, co-insurance or copay.   |
| Coverage Options                    | Employee, Spouse and Children  |
| Pre-existing Conditions Limitations | None. Note: A condition must be covered under the insured's Major Medical / Comprehensive plan in order for benefits to be payable under this plan. Therefore, any pre-existing condition limitation applied to the Major Medical / Comprehensive plan would limit coverage under this plan.   |
| Additional comments                 | Medical Gap is underwritten by Fidelity Security Life Insurance Company. Enrollment forms and master applications are FSL's forms. Agent must be licensed with FSL. FSL adjudicates all Gap claims, but coverage is billed by Sun Life. Gap is not HSA compatible and unable to be ported or continued except through COBRA  |

The product provisions available to employers may vary depending on case characteristics and state laws and regulations.

# Issue Age STD

| Features                                   |   |
|--|---|
| Rate Type                                  | Issue Age, Age Banded   |
| Rate Guarantee                             | Up to 24 months*<br>*Subject to underwriting guidelines   |
| Rate Basis                                 | Per \$10 Weekly Benefit   |
| Benefit Increments                         | Increments of \$50, but not more than 60% of covered weekly pay   |
| Maximum Weekly Benefit                     | Up to \$1,000, higher maximums available*<br>*Subject to underwriting guidelines  |
| Minimum Weekly Benefit                     | \$25  |
| Guaranteed Issue                           | Yes   |
| Accident Elimination/<br>Qualifying Period | up to 30 days   |
| Sickness Elimination/<br>Qualifying Period | up to 30 days   |
| Maximum Benefit Duration                   | up to 52 weeks  |
| Partial Disability Benefit                 | 100% Return to Work benefit for the duration of the claim is standard   |
| Rehabilitation Services Benefit (optional) | Employees can partner with vocational rehabilitation counselors to create an individualized return to work plan. Return to work plans may include job modifications, accommodations, etc. |
| Zero-Day Residual Benefit (optional)       | Allows employees who are partially disabled and working part-time to satisfy the Elimination Period.  |
| Pre-existing condition limitation          | 6/12  |
| Additional optional benefits               | For Employers: W-2 service, FICA match<br>For Employees: Survivor, Advanced Survivor, Portability   |
| Definition of Disability                   | Own Job Test or 80% Earnings Test   |
| Portability/Continuation                   | Available, depending on state and other provisions  |



## To learn more, call your local Sun Life Employee Benefits Representative.

This coverage does not constitute comprehensive health insurance (often referred to as "major medical coverage") and does not satisfy the requirement for Minimum Essential Coverage under the Affordable Care Act.

Supplemental Health Insurance plans are limited benefit policies. They do NOT provide basic hospital, basic medical, or major medical insurance.

The certificates may have exclusions, limitations, and benefit waiting periods for certain conditions, all of which may affect any benefits payable. Benefits payable are subject to all terms and conditions of the certificates. For more information, please refer to the certificate. The policies, certificates and riders, if applicable, may not be available in all states and may vary based on state laws and regulations.

Not available for use in New Mexico, New York, or Wyoming.

Hospital Indemnity, Critical Illness, Cancer and Disability Insurance products are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) (SLOC) in all states, except New York, under Policy Form Series 15-GP-01, 16-DI-C-01, 16-AC-C-01, 16-SD-C-01, 16-CAN-C-01, 20-HI-C-01. Medical Gap insurance is underwritten by Fidelity Security Life Insurance Company (Kansas City, MO) under Group Master Policy MG-111, MG-122; Policy Form No. M-9054, M-9111, and is administered by SLOC. Product offerings may not be available in all states and may vary depending on state laws and regulations. All products, brands, and names are the property of their respective owners.

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