

Special Communication



April 17, 2020

Premium credits for dental and extended health care

The pandemic has been a challenge for everyone. We know it's been a great challenge for many small businesses. We continue to seek ways to ease the burden – while still providing the coverage your plan members need.

We're pleased to provide a new solution – premium credits for dental and non-drug-related extended health care benefits.

Plan member use of dental benefits and some extended health care benefits has declined during the pandemic. The premium credits we're providing reflect this lower usage – and we hope this can help our Clients with their cash flow needs.

Here are the changes we're making for all non-refund Clients:

- **50% credit against dental premiums paid.** Most routine dental visits have stopped during the pandemic. We're providing a 50% dental premium credit per month. We will apply the April credit to the Client's June 1 invoice. We will continue to assess on a monthly basis.
- **20% credit against non-drug-related extended health care premiums paid.** Prescription drug usage has not declined during the pandemic. However, while plan members are using an increased volume of virtual care across their paramedical providers, we are still seeing a reduction in claims activity. To reflect this, we're providing a 20% premium credit on the non-drug coverage portion of each Client's extended health care benefits which approximates 8% to 9% of the overall extended health care premium. As with the dental premium credit, we'll apply the April credit to their June 1 invoice. We will continue to assess on a monthly basis.

We will be revisiting these credits on a monthly basis going forward. We expect plan usage to return to normal levels once current pandemic restrictions are lifted. Until then, we'll be here for you and your plan members, who will continue to have full access to their benefits coverage throughout the pandemic and beyond.

Thank you

Your input on our COVID-19 response continues to be valuable. We hope these premium credits can help you and your business at a difficult time.

Questions

If you have any questions about these premium credits, please contact your Sun Life Group Benefits representative.