

# Renewal for **ABC COMPANY**

EFFECTIVE NOVEMBER 1, 2020

**Life's brighter under the sun**

Group Benefits are offered by Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies



# TABLE OF CONTENTS

YOUR RATES AT-A-GLANCE..... 2

YOUR PLAN STATISTICS ..... 3

HOW WE ADD VALUE ..... 4

LIFE INSURANCE ..... 6

ACCIDENTAL DEATH & DISMEMBERMENT ..... 10

LONG TERM DISABILITY ..... 11

EXTENDED HEALTH CARE ..... 14

DENTAL CARE..... 20

FINANCIAL DETAILS ..... A

ADDITIONAL INFORMATION ..... B

## YOUR RATES AT-A-GLANCE

We are pleased to present this renewal report for ABC COMPANY. This report covers the analysis period ending June 30, 2020 for the following benefits provided under Group Insurance Contract No. 012345.

OVERVIEW OF FINANCIAL ARRANGEMENTS & RATE CHANGES			
BENEFIT	FUNDING BASIS	NUMBER OF LIVES	RATE CHANGE
Basic Life	Non-Refund	81	No Change
Optional Life (Employee and Spouse)	Non-Refund	0	No Change
Dependent Life	Non-Refund	63	No Change
Basic Accidental Death & Dismemberment	Fully Pooled	80	No Change
Long Term Disability	Non-Refund	78	No Change
Extended Health Care	Non-Refund	79	+17%
Dental Care	Non-Refund	80	+7%

A detailed premium illustration is provided in the Financial Details section. The proposed renewal premium rates and expenses will be effective on November 1, 2020. They are valid assuming all benefits are renewed and the current financial arrangements remain unchanged.

Please provide written confirmation of the intent to renew coverage. If we have not received a response by October 15, 2020, we will assume acceptance of the renewal rates and fees, as illustrated.

## YOUR PLAN STATISTICS

Over the past year, Sun Life has been pleased to provide the following services for the plan:

- We processed 1,461 Extended Health Care claims
- We processed 486 Dental claims
- 93% of Health claims were processed within 1 day of submission, 95% were processed within 2 days
- 80% of Dental claims were processed within 1 day of submission, 84% were processed within 2 days
- 215 Health and Dental claims were submitted electronically by the member
- 43 plan members visited our mysunlife.ca website, 11 members visiting more than 10 times
- 60 plan members registered on our website are also registered for Electronic Funds Transfer (EFT) direct deposit of their benefit payments

*Note: Figures do not include Pay Direct Drug claims.*

# HOW WE ADD VALUE

## INDUSTRY-LEADING INNOVATIONS

Sun Life is redefining benefits, with smart, accessible innovations that make benefit dollars work harder to help Canadians live healthier lives. We offer innovative products and solutions that can help empower your employees to act as smart consumers. Our goal is to create behavioural changes that will ultimately leads to lower claim costs.

Your employee needs are changing and we're continuously one step ahead to meet them. We have created an engaging, integrated, end-to-end Client experience. With our digital innovations, you and your employees can benefit from:

- **Better access** – we eliminate barriers to access for services and higher levels of care. With the use of our ever-ready self-serve tools, we're making it easy to manage your benefits plan.
- **Better choice** - we leverage artificial intelligence, data analytics and technology to expand the choices available to your employees – and help them make better decisions. With personalized messages, we help them make healthier choices and improve their engagement.
- **Better value** - we leverage our scale and buying power to deliver cost efficiencies and educate plan members on effective health-care options. With our cost transparency and education tools on effective health-care options, we're helping lower benefits plan costs.

## HELPING YOU LOWER BENEFIT COSTS

Benefits costs are rising – but Sun Life brings innovations and strategies that can help drive these costs down. With our *Bending the benefits cost curve* strategy, we can help you ensure the viability of your benefits plan. This innovative strategy, for which we introduce initiatives every quarter, supports the following cost-containment features:

- **Health consumerism** – empowering employees with information and tools that help identify products and services best suited for them based on quality and value.
- **Product listing agreements** – leveraging insurance carrier scale to negotiate better prices with pharmaceutical manufacturers. These discounts lower the drug cost for you and, in many cases, your plan members' directly at point of sale. Over the past five years, our Clients and their employees have saved more than \$100 million.
- **Fraud risk management** – using the power of technology and fraud professionals to detect suspicious activity and to delist suspect health-care providers.
- **Health-care innovations** – enabling technology to deliver health-care services in better and more cost-effective ways. Online cognitive behavioural therapy and pharmacogenomics testing are now part of our disability management tool kit, an industry first. These lower the time employees are absent from work due to a mental condition.
- **Provider discounts** – leveraging scale to negotiate discounts on health-care products and services, so that employees get great products at a lower price – and at a lower cost to the plan.

## LEADING THE FIGHT AGAINST BENEFITS FRAUD

Active fraud risk management is a key component of plan sustainability, one where we have the most comprehensive fraud and plan abuse investigation capabilities in our industry. We take proactive measures to prevent fraud or plan abuse from happening. These include:

- Our **strong, dedicated Fraud Risk Management teams** help with prevention, preparedness, response and recovery. They include data scientists, billing specialists, ex-law enforcement professionals and trained investigators.
- We put a strong focus on developing systems and processes to **quickly detect and stop paying claims from providers who show suspicious claiming patterns**. To date, over 2,500 providers have been delisted, representing over \$150 million in savings to our Clients since 2014. In 2019, we saw:
  - Our Dental Provider Profiling team drastically improved behaviour change with savings of \$2.2M.
  - Our Disability team investigated 295 cases, and 51 of those investigations closed with confirmed suspicion, with a total financial impact of \$16M.
  - Our Major Case team investigated 64 new cases related to plan sponsors. Of those, 12 investigations brought a total savings of \$5M.
  - Our Medical Provider Profiling team investigated 3,659 providers/facilities, for a total savings of \$27.3M, and 293 providers and 550 facilities delisted.
  - Our Member Investigation team communicated 316 plan sponsor notifications with estimated fraud of \$1.7M.
- **Investing and growing our FastForward PlanProtect technology**. FastForward is an intelligence-lead feature of our claim system. It proactively leverages data mining information and analytics to identify irregular claiming patterns and potentially fraudulent behaviour.

## SHAPING THE FUTURE OF HEALTH CARE

We bring the latest health-care innovations to Canadians so they can live healthier lives. We're opening access to health care and developing innovative approaches to mental health. Our offering include:

- Coast-to-coast access to online health-care providers
- Multi-channel health care - live by video, telephone or test
- Quality health care - no matter where you live
- Pharmacogenomics to identify the most effective medication faster
- Online cognitive behavioural therapy to remove obstacles to effective care.

# LIFE INSURANCE

## BASIC LIFE

### Underwriting basis

The plan is underwritten on a Non-Refund basis.

### Rate calculation

Our premium rates for renewal of Basic Life benefits are based on the manual rate.

Our manual rates are based on a combination of Sun Life's book of business and industry-wide studies, taking into account the benefit plan design, the demographic and occupational characteristics of the plan members, and the group's location and industry.

### Experience history

EXPERIENCE PERIOD		AVERAGE	BILLED	PAID CLAIMS
FROM	TO	NUMBER OF LIVES	PREMIUM	
2016-10-01	2017-12-31	90	\$9,112	\$12,500
2018-01-01	2018-12-31	88	\$7,131	–
2019-07-01	2020-06-30	85	\$12,401	–

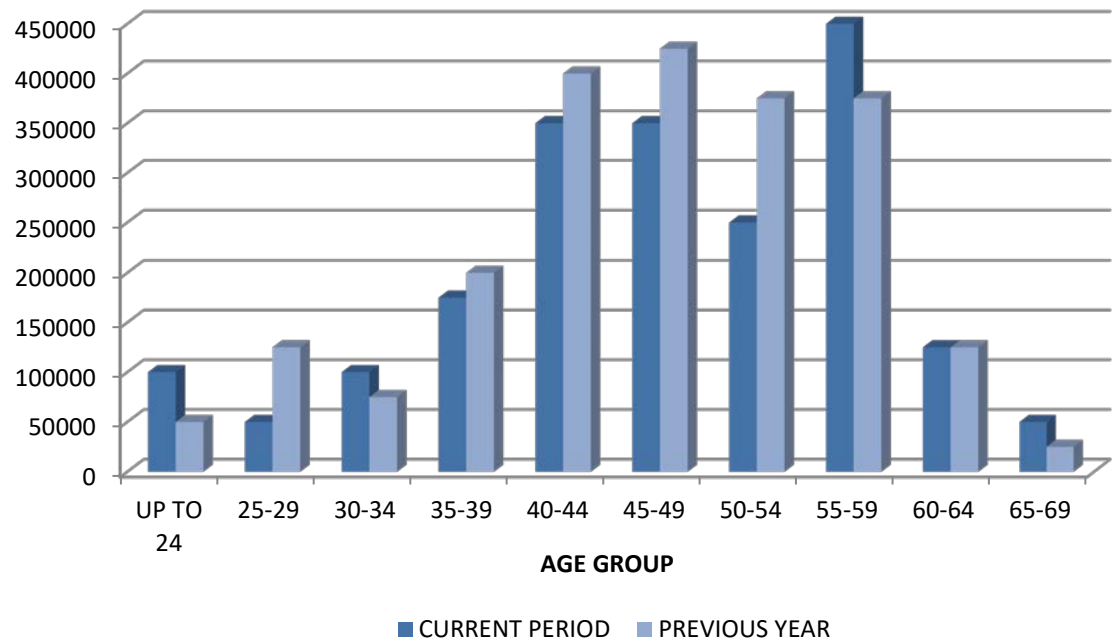
### Waiver of premium claimants

There are 2 waiver of premium claimants.

**Demographic change**

The group has seen a change of +8.1% in demographics over the period.

**Demographic Distribution - Life**



**Rate action**

No change to the current rates is required due to rate guarantee.



# OPTIONAL LIFE (EMPLOYEE AND SPOUSE)

## Underwriting basis

The plan is underwritten on a Non-Refund basis.

## Rate calculation

Our premium rates for renewal of Optional Life benefits are based on the manual rate. Our manual rates are based on the experience of our entire book of business, including adjustments for occupation and industry.

## Experience history

EXPERIENCE PERIOD FROM	TO	AVERAGE NUMBER OF LIVES	BILLED PREMIUM	PAID CLAIMS
2016-10-01	2017-12-31	3	\$1,358	–
2018-01-01	2018-12-31	1	\$667	–
2019-07-01	2020-06-30	0	\$1,450	–

## Rate action

No change to the current rates is required due to rate guarantee.

## DEPENDENT LIFE

### Underwriting basis

The plan is underwritten on a Non-Refund basis.

### Rate calculation

Our premium rates for renewal of Dependent Life benefits are based on the manual rate. Our manual rates are based on the experience of our entire book of business, including adjustments for occupation and industry.

### Experience history

EXPERIENCE PERIOD FROM	EXPERIENCE PERIOD TO	AVERAGE NUMBER OF LIVES	BILLED PREMIUM	PAID CLAIMS
2016-10-01	2017-12-31	75	\$3,120	–
2018-01-01	2018-12-31	73	\$2,405	\$10,000
2019-07-01	2020-06-30	67	\$4,287	–

### Waiver of premium claimants

There are 2 waiver of premium claimants.

### Rate action

No change to the current rates is required due to rate guarantee.

# ACCIDENTAL DEATH & DISMEMBERMENT

## Underwriting basis

The plan is underwritten on a Fully Pooled basis.

## Rate calculation

Our Accidental Death & Dismemberment (AD&D) premium rates are based on manual rates. Our manual rates are based on the experience of our entire book of business, including adjustments for occupation and industry.

## BASIC ACCIDENTAL DEATH & DISMEMBERMENT

### Experience history

EXPERIENCE PERIOD		AVERAGE	BILLED	PAID CLAIMS
FROM	TO	NUMBER OF LIVES	PREMIUM	
2017-02-01	2017-12-31	86	\$841	–
2018-01-01	2018-12-31	84	\$899	–
2019-07-01	2020-06-30	84	\$1,744	–

### Rate action

No change to the current rates is required due to rate guarantee.

# LONG TERM DISABILITY

## Underwriting basis

The plan is underwritten on a Non-Refund basis.

## Rate calculation

The Long Term Disability rates reflect our manual rates, which are based on a combination of Sun Life's book of business and industry-wide studies. They take into account the benefit plan design and the group's demographics, occupational characteristics, location and industry.

## Experience history

EXPERIENCE PERIOD FROM	EXPERIENCE PERIOD TO	AVERAGE NUMBER OF LIVES	BILLED PREMIUM	PAID CLAIMS
2017-02-01	2017-12-31	83	\$67,042	–
2018-01-01	2018-12-31	82	\$73,330	\$13,349
2019-07-01	2020-06-30	83	\$143,714	\$98,072

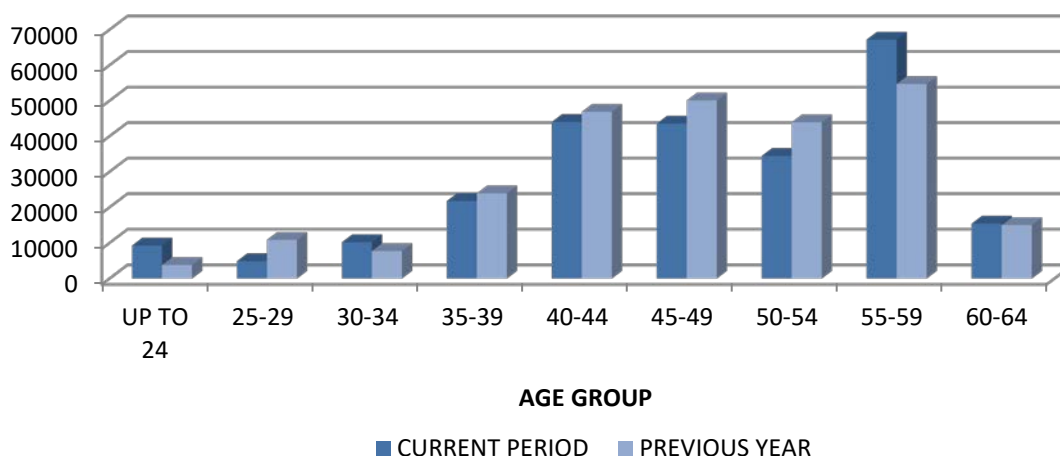
## Claimants

There are 2 LTD claimants.

## Demographic change

There has been a change of +1.3% in the demographics over the period.

## Demographic Distribution Long Term Disability



## Rate action

No change to the current rates is required due to rate guarantee.

## Our Digital Disability Strategy

Disability management is a key area of focus for Sun Life. We invest heavily in technology and business process management to maintain our leading position in the industry. Our vision is to set ourselves apart as the top disability provider in Canada. Our solutions provide a sustainable, unique and consistent experience to our Clients and their employees.

We listened to our Client feedback. This allowed us to make significant improvements to the digital disability claims experience. These enhancements remove barriers and make it easier to work with us.

### Digital experience for Clients

Our Group Benefits Absence and Disability online tool is available on the plan sponsor website. It gives immediate access to the information needed on all active disability claims, while protecting employees' privacy. It helps minimize the work associated with managing absences and is easy to use. It allows you to:

- Submit documents using a secure platform. There is no need to fax, email or mail documents.
- Run reports to help manage your disability benefits
- Access detailed claims information in a self-serve platform, including:
  - Disability Case Manager (DCM) contact information
  - Detailed case management notes to stay up-to-date with member absences
  - Expected return-to-work date
  - Benefit payment details
  - Which claim forms are received and outstanding.

### Digital experience for employees

We have developed a variety of digital options to submit claims forms and any related documentation in a convenient way:

- Securely complete and submit electronic forms with pre-population of known fields through **mySunLife.ca**. In addition to the electronic validation, which requires no signature, this makes the process quicker and easier.
- Upload completed claim forms and other relevant documents through **mySunLife.ca** or the **my Sun Life mobile** app
- Download, complete, save and submit by email an electronic copy of the forms. (We cannot guarantee the privacy or security of email communications).
- For those who provide their email address, they get an email confirmation when all required forms are received and their claim is under review.

Other web and mobile features include:

- Step-by-step guide on the claim submission process.
- Claim status, key claim data information and payment details.
- The name of their assigned Disability Case Manager (DCM), if applicable.
- Which claim forms are received and outstanding
- FAQs.

## Case management technology

Our proprietary case management system is one of the most advanced in the industry. It is the repository for all case management files (case management plans, documents, records, reports and file notes), for online access by disability team members at any time. It contains over 500 disability-related diagnoses, based on the World Health Organizations ICD-10 coding classifications, to support high-quality assessment decisions. And its workflow management framework has a myriad of built-in triggers and flags to ensure all action items in our case management plans are completed as scheduled. Flags examples include:

- all contact points with plan sponsor, plan member and physician to obtain or provide status updates;
- pended absences at scheduled intervals, i.e., where we are awaiting required information;
- monitoring of gradual return-to-work program so the disability case manager (DCM) can intervene if there are any delays;
- short-term disability absences that are within eight weeks of the maximum benefit period, to ensure that all required actions are completed for a smooth transition to LTD (if applicable);
- long-term disability claims that are within six months of the change of definition (COD) date, to ensure we have clear strategies and plans in place;
- claims expected to end within 12 weeks, to ensure that we have communicated with the employee and plan sponsor; and
- follow-up on appeals where we have asked a plan member to apply for CPP disability benefits and such application is declined

Our case management system is supported by a benefit payment system which handles functions such as employee eligibility checks and benefit/offset calculations.

# EXTENDED HEALTH CARE

## Rate calculation

Our review is based on the experience over the past 24 months, adjusted for pooling, expenses and trend. Due to cumulative rounding among reporting systems, claims amounts appearing in experience analyses may vary up to \$3 if compared with claims amounts appearing in other reports. These small discrepancies have no effect on the experience results and pricing.

The premiums in your experience analysis do not reflect any pandemic premium credits.

As a result of the pandemic, there has been an unusual drop in EHC claims. To more accurately project expected claims for your renewal period, we have normalized your experience results. Refer to our COVID-19 website ([link](#)) for more information on how we are supporting you during the pandemic.

## Rate action

We have calculated a change of +17% to the rates.

## Extended health care experience analysis

### All Eligible Employees

Period Covered		From To	1-Jul-2018 30-Jun-2019	1-Jul-2019 30-Jun-2020
	Average Number of Insureds		86	82
A)	Paid Premiums		\$258,497	\$230,125
	Adjusted Premiums (excludes plan change impact)		\$241,033	\$230,125
	Pooling Premiums		\$(42,864)	\$(40,924)
	Quebec Drug Insurance Pooling Premiums		—	—
B)	Non Pooled Adjusted Premiums		<b>\$198,169</b>	<b>\$189,201</b>
	Paid Claims (Net of Cost Plus)		\$135,098	\$139,511
	Normalized Paid Claims		\$135,098	\$150,672
	Pooling Credit		\$(261)	\$(220)
	Quebec Drug Insurance Pooling Credit		—	—
	Change in IBNR Reserve		\$(2,336)	\$356
C)	Non Pooled Incurred Claims		<b>\$132,501</b>	<b>\$150,808</b>
D)	Loss Ratio		<b>66.9%</b>	<b>79.7%</b>
E)	Trend		29.0%	15.7%
F)	Retention Factor		22.4%	22.4%
G)	Adjusted Loss Ratio		111.2%	118.8%
H)	Weighting		25.0%	75.0%
<hr/>				
	<b>Weighted Loss Ratio</b>			<b>116.9%</b>
	Credibility			100.0%
	Adjusted Loss Ratio after Credibility			116.9%
	Final Loss Ratio			117.0%
	Rate Adjustment			17%
	<b>Final Rate Adjustment</b>			<b>17%</b>



## Pooling details

The Extended Health Care (EHC) benefit is subject to Large Amount Pooling (LAP) which spreads the risk of high cost health claims across many policies mitigating the impact of high claims on the pricing of any one group. As a fully insured benefit, pool charges are set to cover the future cost of pooled claims. Past experience of Sun Life's portfolio is one consideration in determining the pool charge, as is the impact of leveraging and the impact of the rapid introduction of new, expensive and previously unavailable drugs.

The Extended Health Care pooling arrangement includes the following features:

LAP LEVEL	LAP POOLING METHOD	OOC POOLING LEVEL
\$15,000	Individual	1st dollar

For residents of Quebec the pooling level is the lower of the applicable QIP level or the Industry Pooling ongoing threshold. The level applies to drugs only per certificate and Quebec drug insurance pooling charges will apply.

The chart below outlines pooling information based on the current experience period as well as the renewal pool charge effective November 1, 2020.

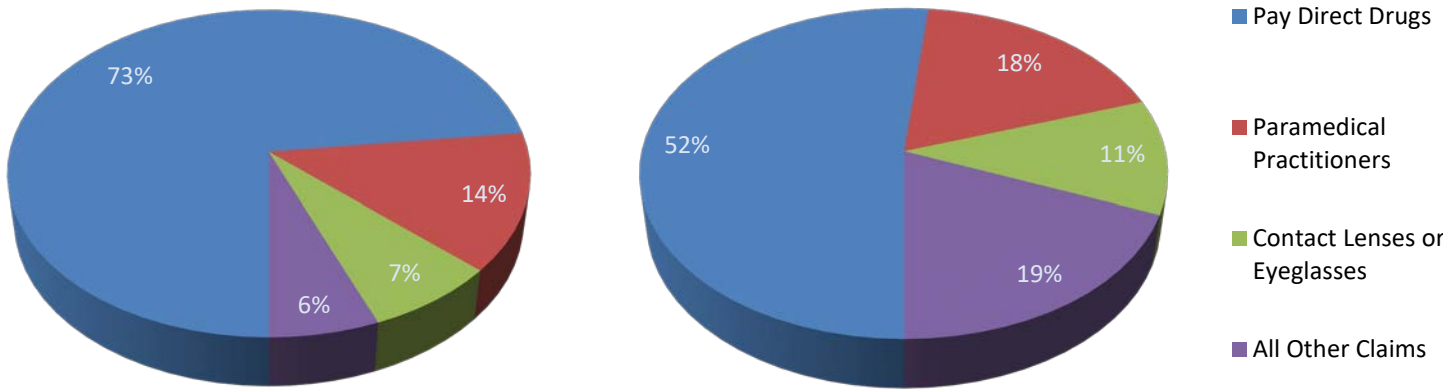
TOTAL POOLED CLAIMS	LARGE AMOUNT POOLED CLAIMS	OOC POOLED CLAIMS FROM 1ST DOLLAR	SEPARATE QIP POOLED CLAIMS	NUMBER OF CLAIMANTS ABOVE LAP	RENEWAL POOL CHARGE
\$220	\$0	\$220	\$0	Less than 10	13.80%

The Canadian Life and Health Insurance Association has industry-wide drug pooling standards. These standards help lower the impact of high drug costs on fully insured employer drug plans. We have included an Inter-Company EP3 Statement to confirm that the plan is covered by Sun Life's Extended Health Policy Protection Plan (EP3), which meets the Canadian Drug Insurance Pooling Corporation's EP3 minimum standards for drug insurance. This statement provides valuable details on industry pooling. It should be retained for future reference.

Extended health care claims paid by type of service

Jul 2019 to Jun 2020

Jul 2018 to Jun 2019



The above charts exclude Out of Canada and Cost Plus claims to better illustrate the plan’s claims experience  
Note: % distribution may vary from other claims reports.

## Drug Cost Management

With drugs costs continuing to rise, we focus on making it easier for our clients to manage their workplace drug plans. All the while, we create cutting-edge solutions that allow plan members to live healthier lives.

Our drug benefits strategy aims to:

- **Drive value** – by engaging clinicians, negotiating savings with drug manufacturers, giving competitive pricing and integrating with public plans.
- **Drive change** – by maintaining leadership in the industry, collaborating with partners and influencing public policy.
- **Drive innovation** – by delivering innovative and flexible solutions.

Our priority for the coming years will be to improve and evolve our solutions. More details are below.

## Product development

We leverage our partnership with TELUS Health (TELUS) to develop solutions that will maximize cost savings for our clients. Our unique solutions address both traditional and specialty drugs.

- **Traditional:** Stand for 0 to 80% of a plan's drug spend. Solutions like Generic Substitution free up capital to cover treatment that is more expensive. This offers great value on the specialty side.
- **Specialty:** Remaining 20 to 30% of drug spending happens here. Cost increases are between 10 and 12% annually. This group is growing and our Clinical Drug Management process focuses on managing these drugs through a suite of programs and products.

## Drug Risk Management

We watch new drugs approved by Health Canada and drugs approved for new usages. Doing so allows us to assess their clinical effectiveness and the affect they have on plan sustainability.

Drug Risk Management (DRM) is an extra layer of review. It gives us the ability to 'pause' the process of automatically adding drugs to plans. This gives us time to complete our internal review. It also helps us better manage the risks associated with new high-cost drugs coming to market.

Our clinical pharmacists work with physicians to decide which drugs to include under our plans. They review comparative analysis of the drug cost and its clinical effectiveness.

## Evidence-based Drug Plan

Managed formularies are plans with a limited list of drugs, covered under the drug plan. Our clients do not want to limit the list of available drugs to their employees. Our Evidence-based Drug Plan addresses these concerns, as potential savings do not justify plan design change.

Instead of limiting the list of drugs, we pay drug claims in three-tiered plan design. In other words, we cover the drugs with the highest value at the highest percentage. We determine drugs value by comparing the drug cost and its clinical effectiveness. Another variable is the negotiated savings from the pharmaceutical industry.

This innovative formulary, in partnership with Reformulary Group Inc., delivers significant cost savings to plan sponsors.

## **Prior Authorization Program**

Our Prior Authorization (PA) program is dynamic and follows new drugs coming to market. We check each new drug before including in our PA program. Our program ensures member have access to the right drug, at the right time for the right medical condition. Our clients will know that the dollars spent are on members who need these high-cost drugs. We see this as a good drug plan governance.

## **Preferred Pharmacy Network**

We include our Preferred Pharmacy Network (PPN) in Pay-direct Drug plans that include our PA program or the Evidence-based Drug plan. The PPN is a group of participating pharmacies across Canada (apart from Québec). You will benefit from:

- Reduce claim costs on specialty drugs.
- Offer value-added<sup>[1]</sup> health-related services for members (e.g., injection services, smoking cessation clinics, e-refills, and more).
- Provide convenience for members.
- Improve plan costs for plan sponsors.
- Include the broadest network of specialty drug pharmacies across Canada (outside Quebec).
- Access to co-pay assistance counselling.

We collaborate with our partner McKesson Canada to find ways to improve and give more offerings through the PPN.

## **Sun Life Product Listing Agreements**

We negotiate with many drug manufacturers to give significant savings to our clients.

Our Remicade Savings Program was the first private payer discount of its kind, in Canada. Our clients and their employees experience out of pocket or plan cost savings.

## **Plan member education**

Educated members bring to life, our core values and our mission. We build member education campaigns into every launch to help members achieve lifetime financial security and live healthier lives.

---

<sup>1</sup> These benefits are not Sun Life sponsored services.

# DENTAL CARE

## Underwriting basis

The plan is underwritten on a Non-Refund basis.

## Rate calculation

Our review is based on the experience over the past 24 months, adjusted for expenses and trend.

Due to cumulative rounding among reporting systems, claims amounts appearing in experience analyses may vary up to \$3 if compared with claims amounts appearing in other reports. These small discrepancies have no effect on the experience results and pricing.

The premiums in your experience analysis do not reflect any pandemic premium credits.

As a result of the pandemic, there has been an unusual drop in dental claims. To more accurately project expected claims for your renewal period, we have normalized your experience results. Refer to our COVID-19 website ([link](#)) for more information on how we are supporting you during the pandemic.

## Rate action

We have calculated a change of +7% to the rates.

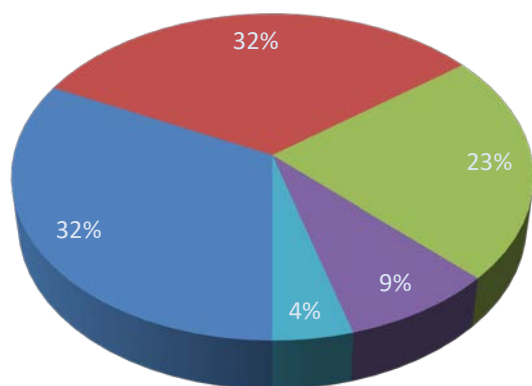
## Dental experience analysis

### All Eligible Employees

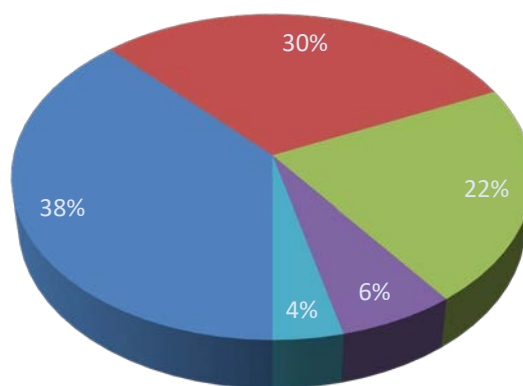
Period Covered		From To	1-Jul-2018 30-Jun-2019	1-Jul-2019 30-Jun-2020
Average Number of Insureds			87	83
A)	Paid Premiums		\$152,037	\$142,741
B)	Adjusted Premiums (excludes plan change impact)		<b>\$149,496</b>	<b>\$142,741</b>
C)	Paid claims (Net of Cost Plus)		\$113,654	\$83,298
D)	Normalized Paid Claims		\$113,654	\$109,120
E)	Change in IBNR Reserve		\$(1,736)	\$(3,036)
F)	Incurred Claims		<b>\$111,918</b>	<b>\$106,085</b>
G)	Loss Ratio [ F / B ]		<b>74.9%</b>	<b>74.3%</b>
H)	Fee Guide and Trend		18.4%	9.2%
I)	Retention Factor		22.3%	22.3%
J)	Adjusted Loss Ratio [ G × ( 1 + H ) / ( 1 - H ) ]		114.1%	104.5%
K)	Weighting		25.0%	75.0%
<hr/>				
Weighted Loss Ratio				<b>106.9%</b>
Credibility				100.0%
Adjusted Loss Ratio after Credibility				106.9%
Final Loss Ratio				107.0%
Rate Adjustment				7%
Final Rate Adjustment				<b>7%</b>

## Dental claims paid by type of service

**Jul 2019 to Jun 2020**



**Jul 2018 to Jun 2019**



- Periodontics, Endodontics
- Surgical, Restorative
- Diagnostic, Preventive
- Orthodontics
- All Other Claims

*The above charts exclude Cost Plus claims to better illustrate the plan's claims experience.  
Note: % distribution may vary from other claims reports.*

# FINANCIAL DETAILS

- Detailed Premium Illustration
- Optional Life Rates
- Renewal Factors



## DETAILED PREMIUM ILLUSTRATION

Contract Numbers: 012345  
 Policyholder Name: ABC COMPANY  
 Rate Effective Date: November 1, 2020

		Current Rates		Renewal Rates		
Benefit	Volume	Rate	Monthly premium	Rate	Monthly premium	Rate Adjustment
Employee Life (/(\$1,000))						
All Eligible Employees	2,000,000	0.256	512.00	0.256	512.00	0%
Average rate / Total monthly premium		0.256	512.00	0.256	512.00	0%
Dependent Life						
All Eligible Employees	63	2.78	175.14	2.78	175.14	0%
Average rate / Total monthly premium		2.78	175.14	2.78	175.14	0%
Accidental Death and Dismemberment (/(\$1,000))						
All Eligible Employees	1,987,500	0.036	71.55	0.036	71.55	0%
Average rate / Total monthly premium		0.036	71.55	0.036	71.55	0%
Long Term Disability						
All Eligible Employees - per \$100 of benefit	250,636	2.323	5,822.27	2.323	5,822.27	0%
Average rate / Total monthly premium		2.323	5,822.27	2.323	5,822.27	0%
Extended Health Care						
All Eligible Employees - Single	17	98.45	1,673.65	115.19	1,958.23	17%
All Eligible Employees - Family	62	270.07	16,744.34	315.98	19,590.76	17%
Average rate / Total monthly premium (single)		98.45	18,417.99	115.19	21,548.99	17%
Average rate / Total monthly premium (family)		270.07		315.98		17%
Dental Care						
All Eligible Employees - Single	18	58.40	1,051.20	62.49	1,124.82	7%
All Eligible Employees - Family	62	168.15	10,425.30	179.92	11,155.04	7%
Average rate / Total monthly premium (single)		58.40	11,476.50	62.49	12,279.86	7%
Average rate / Total monthly premium (family)		168.15		179.92		7%
Total Monthly Premium		36,475.45		40,409.81		11%
Life		758.69		758.69		0%
Long Term Disability		5,822.27		5,822.27		0%
Extended Health Care, Dental Care		29,894.49		33,828.85		13%

All Sun Life rates and other financial conditions such as expenses, pooling charges, are valid until the next renewal unless:

- there are plan changes impacting the pricing;
- there are changes in legislation, taxation, government-sponsored plan or any other change that affects the cost of the plan;
- there are customizations to our systems or processes required to support the administration of your benefit program;
- the cumulative change in number of covered employees exceeds 15% since the last evaluation of any financial factor.

Proposed rates do not include any applicable provincial sales tax (PST) on group insurance premiums.

## OPTIONAL LIFE RATES

Contract Numbers: 012345  
Policyholder Name: ABC COMPANY  
Rate Effective Date: November 1, 2020

Age Band	Male		Female	
	Smoker	Non Smoker	Smoker	Non Smoker
0 - 24	0.129	0.065	0.053	0.027
25 - 29	0.124	0.063	0.065	0.033
30 - 34	0.124	0.063	0.092	0.046
35 - 39	0.144	0.072	0.135	0.068
40 - 44	0.225	0.114	0.205	0.103
45 - 49	0.364	0.184	0.325	0.164
50 - 54	0.620	0.313	0.512	0.258
55 - 59	1.103	0.511	0.778	0.392
60 - 64	1.390	0.701	0.993	0.500

- Optional Life Rates are per \$1,000 of coverage
- Member units of:  
\$10,000
- Spouse units of: \$10,000
- Sun Life requires a minimum participation level of five lives and \$250,000 of volume at policy inception,  
if sold in conjunction with a Basic Life plan
- A non-smoker is defined as a person who has not used any nicotine products during the 12 month period immediately  
preceding the date of application of insurance

# RENEWAL FACTORS

Contract Numbers: 012345  
Policyholder Name: ABC COMPANY

Incurred but not Reported Reserves	EHC	8%	(Pay-Direct Drugs)	Annualized Experience-rated
	Dental	10.0%		Paid Claims*
	*For 50 lives and more, IBNR basis is Paid Claims less Pooled Claims annualized (For the first year renewal, the IBNR Reserve is based on Non-pooled Adjusted Premium less retention charges annualized). For less than 50 lives, the basis is Adjusted Premium for all years.			
Trend Factors	EHC			11.5%
	Dental			5.5% + fee guide
Target Loss Ratio	EHC			77.6%
	Dental			77.7%
Commissions/Override	Life			9%
	AD&D			9%
	LTD			9%
	EHC			9%
	Dental			9%

**ABC COMPANY**  
**Contract No. 012345**

**DEMOGRAPHIC DISTRIBUTION  
SUMMARY**

LONG TERM DISABILITY

AGE GROUP	CURRENT				MARKETING				VARIATIONS			
	MALE		FEMALE		MALE		FEMALE		MALE		FEMALE	
	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume
UP TO 24	3	6,754	1	2,500	2	3,781	-	-	1	2,973	1	2,500
25-29	2	4,869	-	-	4	9,012	1	1,847	(2)	(4,143)	(1)	(1,847)
30-34	4	10,183	-	-	3	7,715	-	-	1	2,468	-	-
35-39	6	18,912	1	2,843	7	21,174	1	2,738	(1)	(2,262)	-	105
40-44	13	41,124	1	2,892	15	44,065	1	2,785	(2)	(2,941)	-	107
45-49	13	41,565	1	1,978	14	46,124	2	3,929	(1)	(4,559)	(1)	(1,951)
50-54	10	34,434	-	-	12	37,665	2	6,250	(2)	(3,231)	(2)	(6,250)
55-59	15	53,633	3	13,552	14	47,670	1	7,000	1	5,963	2	6,552
60-64	4	13,605	1	1,792	4	13,205	1	1,792	-	400	-	-
65-69	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS	70	225,079	8	25,557	75	230,411	9	26,341	(5)	(5,332)	(1)	(784)

BASIC LIFE

AGE GROUP	CURRENT				MARKETING				VARIATIONS			
	MALE		FEMALE		MALE		FEMALE		MALE		FEMALE	
	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume	# of Insureds	Monthly Volume
UP TO 24	3	75,000	1	25,000	2	50,000	-	-	1	25,000	1	25,000
25-29	2	50,000	-	-	4	100,000	1	25,000	(2)	(50,000)	(1)	(25,000)
30-34	4	100,000	-	-	3	75,000	-	-	1	25,000	-	-
35-39	6	150,000	1	25,000	7	175,000	1	25,000	(1)	(25,000)	-	-
40-44	13	325,000	1	25,000	15	375,000	1	25,000	(2)	(50,000)	-	-
45-49	13	325,000	1	25,000	14	350,000	3	75,000	(1)	(25,000)	(2)	(50,000)
50-54	10	250,000	-	-	12	300,000	3	75,000	(2)	(50,000)	(3)	(75,000)
55-59	15	375,000	3	75,000	14	350,000	1	25,000	1	25,000	2	50,000
60-64	4	100,000	1	25,000	4	100,000	1	25,000	-	-	-	-
65-69	3	50,000	-	-	2	25,000	-	-	1	25,000	-	-
70-74	-	-	-	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-	-	-	-
85-89	-	-	-	-	-	-	-	-	-	-	-	-
90-94	-	-	-	-	-	-	-	-	-	-	-	-
95-99	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS	73	1,800,000	8	200,000	77	1,900,000	11	275,000	(4)	(100,000)	(3)	(75,000)

## Extended Health Care Claims Paid by Type of Service

ABC COMPANY

Contract Number: 012345

Jul 14 2020

### Summary

	Current Period July 1, 2019 to June 30, 2020				Prior Period July 1, 2018 to June 30, 2019			
	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid
<b>Relation : All</b>								
<b>Hospital, in Canada</b>								
Semi-private own-province	480.00	0.00	0.00	0.00	825.00	825.00	825.00	0.61
Private own-province	60.00	60.00	9.00	0.01	35.00	35.00	35.00	0.03
	<b>540.00</b>	<b>60.00</b>	<b>9.00</b>	<b>0.01</b>	<b>860.00</b>	<b>860.00</b>	<b>860.00</b>	<b>0.64</b>
<b>Out of Canada</b>								
Out of Canada	220.21	220.21	220.21	0.16	261.46	261.46	261.46	0.19
	<b>220.21</b>	<b>220.21</b>	<b>220.21</b>	<b>0.16</b>	<b>261.46</b>	<b>261.46</b>	<b>261.46</b>	<b>0.19</b>
<b>Pay Direct Drugs</b>								
Diabetic/Ostomy Supplies	1,468.17	1,310.78	1,210.78	0.86	1,272.53	1,215.04	1,044.92	0.77
Erectile Dysfunction	2,951.61	2,895.04	1,336.79	0.95	2,702.49	2,507.53	1,181.19	0.87
Fertility	0.00	0.00	0.00	0.00	77.02	77.02	36.01	0.03
Injectibles	265.62	260.42	90.77	0.06	141.02	140.72	69.86	0.05
Insulin	1,984.20	1,736.16	1,671.16	1.19	2,327.65	2,245.61	2,180.61	1.61
Miscellaneous	16,976.60	16,726.01	16,562.07	11.76	4,523.12	4,499.12	4,404.12	3.25
Prescription	106,115.70	93,880.96	80,985.32	57.52	79,856.59	70,368.65	60,778.27	44.88
	<b>129,761.90</b>	<b>116,809.37</b>	<b>101,856.89</b>	<b>72.34</b>	<b>90,900.42</b>	<b>81,053.69</b>	<b>69,694.98</b>	<b>51.47</b>
<b>Reimbursement Drugs</b>								
Prescription	50.74	0.00	0.00	0.00	77.02	0.00	0.00	0.00
Non-Prescription	235.17	0.00	0.00	0.00	145.30	0.00	0.00	0.00
	<b>285.91</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>222.32</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Medical Services &amp; Equipment</b>								
Private Duty Nursing	180.00	0.00	0.00	0.00	585.00	225.00	225.00	0.17
Ambulance	45.00	0.00	0.00	0.00	253.95	45.00	45.00	0.03
Laboratory	287.00	196.00	196.00	0.14	243.00	233.00	233.00	0.17

Sun Life Assurance Company of Canada

This report is intended for the use of authorized persons only and may contain information that is privileged, proprietary and confidential. Any unauthorized dissemination, distribution or copying of this report is strictly prohibited. If you have received this communication in error, please notify us immediately and destroy the report.

## Extended Health Care Claims Paid by Type of Service

ABC COMPANY

Contract Number: 012345

Jul 14 2020

### Summary

	Current Period July 1, 2019 to June 30, 2020				Prior Period July 1, 2018 to June 30, 2019			
	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid
<b>Relation : All</b>								
<b>Medical Services &amp; Equipment</b>								
Equipment	2,254.38	1,761.38	1,638.88	1.16	7,417.99	3,306.99	3,066.99	2.26
Orthotics/Orthopaedic Shoes	6,170.00	6,170.00	6,170.00	4.38	25,095.00	21,445.00	21,105.00	15.59
Hearing Aids	895.00	400.00	400.00	0.28	0.00	0.00	0.00	0.00
	<b>9,831.38</b>	<b>8,527.38</b>	<b>8,404.88</b>	<b>5.97</b>	<b>33,594.94</b>	<b>25,254.99</b>	<b>24,674.99</b>	<b>18.22</b>
<b>Paramedical Practitioners</b>								
Physiotherapist	3,085.53	2,015.00	2,015.00	1.43	10,461.89	6,471.00	6,363.90	4.70
Chiropractor	6,431.00	5,126.00	5,126.00	3.64	9,207.00	5,182.00	5,142.00	3.80
Psychologist	2,132.50	1,600.00	1,178.75	0.84	1,890.00	1,185.00	1,027.75	0.76
Massage Therapist	7,263.65	4,276.25	4,144.25	2.94	15,749.02	5,073.24	4,897.24	3.62
Podiatrist/Chiropodist	1,280.00	885.00	885.00	0.63	2,925.00	1,487.00	1,423.25	1.05
Other Practitioners	240.00	240.00	240.00	0.17	0.00	0.00	0.00	0.00
Acupuncturist	843.00	690.00	690.00	0.49	1,364.00	1,314.00	1,314.00	0.97
Naturopath	1,169.52	949.31	949.31	0.67	1,192.69	1,167.69	997.69	0.74
Optometrist/Ophthalmologist	3,428.70	1,519.50	1,442.25	1.02	3,412.50	1,508.50	1,473.50	1.09
Osteopath	2,710.00	2,220.00	2,220.00	1.58	3,168.60	1,870.00	1,870.00	1.38
	<b>28,583.90</b>	<b>19,521.06</b>	<b>18,890.56</b>	<b>13.42</b>	<b>49,370.70</b>	<b>25,258.43</b>	<b>24,509.33</b>	<b>18.10</b>
<b>Contact Lenses or Eyeglasses</b>								
Contact Lenses or Eyeglasses	21,827.47	10,040.12	9,944.59	7.06	28,557.43	15,281.00	15,096.71	11.15
Single Vision	505.00	200.00	200.00	0.14	0.00	0.00	0.00	0.00
	<b>22,332.47</b>	<b>10,240.12</b>	<b>10,144.59</b>	<b>7.20</b>	<b>28,557.43</b>	<b>15,281.00</b>	<b>15,096.71</b>	<b>11.15</b>
<b>Miscellaneous</b>								
Miscellaneous	531.00	0.00	0.00	0.00	613.56	0.00	0.00	0.00
	<b>531.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>613.56</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Sun Life Assurance Company of Canada

This report is intended for the use of authorized persons only and may contain information that is privileged, proprietary and confidential. Any unauthorized dissemination, distribution or copying of this report is strictly prohibited. If you have received this communication in error, please notify us immediately and destroy the report.

## Extended Health Care Claims Paid by Type of Service

ABC COMPANY

Contract Number: 012345

### Summary

	Current Period July 1, 2019 to June 30, 2020				Prior Period July 1, 2018 to June 30, 2019			
	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid
<b>Relation : All</b>								
<b>Unallocated</b>								
Unallocated	0.00	0.00	(14.60)	(0.01)	0.00	0.00	0.00	0.00
	<b>0.00</b>	<b>0.00</b>	<b>(14.60)</b>	<b>(0.01)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Cost Plus</b>								
Cost Plus	1,295.00	1,295.00	1,295.00	0.92	320.00	320.00	320.00	0.24
	<b>1,295.00</b>	<b>1,295.00</b>	<b>1,295.00</b>	<b>0.92</b>	<b>320.00</b>	<b>320.00</b>	<b>320.00</b>	<b>0.24</b>
<b>Canadian Dollars Total Claims</b>	<b>193,381.77</b>	<b>156,673.14</b>	<b>140,806.53</b>	<b>100.00%</b>	<b>204,700.83</b>	<b>148,289.57</b>	<b>135,417.47</b>	<b>100.00%</b>

Sun Life Assurance Company of Canada

This report is intended for the use of authorized persons only and may contain information that is privileged, proprietary and confidential. Any unauthorized dissemination, distribution or copying of this report is strictly prohibited. If you have received this communication in error, please notify us immediately and destroy the report.

# Dental Claims Paid by Type of Service

ABC COMPANY

Contract Number: 012345

Jul 14 2020

## Summary

	Current Period July 1, 2019 to June 30, 2020				Prior Period July 1, 2018 to June 30, 2019			
	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid
<b>Relation : All</b>								
<b>Cost Plus</b>								
Cost Plus	21.00	21.00	21.00	0.03	2,610.00	2,610.00	2,610.00	2.24
	<b>21.00</b>	<b>21.00</b>	<b>21.00</b>	<b>0.03</b>	<b>2,610.00</b>	<b>2,610.00</b>	<b>2,610.00</b>	<b>2.24</b>
<b>Diagnostic, Preventive</b>								
Bite Wing Radiographs	4,125.00	3,521.00	3,086.80	3.70	4,394.70	3,848.00	3,525.75	3.03
Complete Radiographs	1,311.00	1,111.00	904.00	1.08	1,508.00	1,313.00	1,313.00	1.13
Fluoride Treatment	2,072.00	1,747.00	1,203.65	1.44	2,668.00	2,386.00	1,752.30	1.51
Initial Oral Exam	2,242.00	1,837.00	1,470.20	1.76	2,429.46	2,007.23	1,982.23	1.70
Other Examination	5,220.00	3,415.00	2,980.40	3.58	5,837.25	3,211.25	3,054.25	2.63
Other Radiographs	1,406.00	1,137.00	1,063.30	1.28	1,593.00	1,194.00	1,065.80	0.92
Prophylaxis	4,329.71	3,580.00	3,317.90	3.98	5,945.71	5,378.00	4,988.75	4.29
Recall Oral Exam	4,922.34	4,303.34	3,987.94	4.79	6,638.00	6,006.00	5,566.50	4.79
Routine Extraction	1,851.00	1,267.00	704.00	0.84	1,661.00	1,460.00	1,307.00	1.12
Space Maintainers	448.00	448.00	89.60	0.11	286.00	223.00	44.60	0.04
	<b>27,927.05</b>	<b>22,366.34</b>	<b>18,807.79</b>	<b>22.57</b>	<b>32,961.12</b>	<b>27,026.48</b>	<b>24,600.18</b>	<b>21.16</b>
<b>Major Restorative</b>								
Crowns	8,618.40	4,702.07	3,662.07	4.40	11,680.05	4,869.15	4,367.08	3.76
Fixed Bridges	0.00	0.00	0.00	0.00	12,044.17	0.00	0.00	0.00
Fixed Prosthodontic Repairs	0.00	0.00	0.00	0.00	929.00	0.00	0.00	0.00
Partial Dentures	0.00	0.00	0.00	0.00	6,025.78	0.00	0.00	0.00
	<b>8,618.40</b>	<b>4,702.07</b>	<b>3,662.07</b>	<b>4.40</b>	<b>30,679.00</b>	<b>4,869.15</b>	<b>4,367.08</b>	<b>3.76</b>
<b>Orthodontics</b>								
Orthodontics	28,833.75	9,978.15	7,003.72	8.41	14,117.00	9,071.50	7,279.50	6.26
	<b>28,833.75</b>	<b>9,978.15</b>	<b>7,003.72</b>	<b>8.41</b>	<b>14,117.00</b>	<b>9,071.50</b>	<b>7,279.50</b>	<b>6.26</b>

Sun Life Assurance Company of Canada

This report is intended for the use of authorized persons only and may contain information that is privileged, proprietary and confidential. Any unauthorized dissemination, distribution or copying of this report is strictly prohibited. If you have received this communication in error, please notify us immediately and destroy the report.



# Dental Claims Paid by Type of Service

ABC COMPANY

Contract Number: 012345

## Summary

	Current Period July 1, 2019 to June 30, 2020				Prior Period July 1, 2018 to June 30, 2019			
	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid	Amount Submitted	Amount Eligible	Amount Paid	% of Total Amount Paid
<b>Relation : All</b>								
<b>Periodontics, Endodontics</b>								
Endodontics	1,709.00	652.00	391.20	0.47	0.00	0.00	0.00	0.00
Periodontics	36,054.02	28,464.52	24,356.77	29.23	57,180.70	47,051.77	40,628.27	34.95
Root Canals	3,834.80	2,176.00	2,176.00	2.61	3,752.00	2,486.80	2,486.80	2.14
	<b>41,597.82</b>	<b>31,292.52</b>	<b>26,923.97</b>	<b>32.31</b>	<b>60,932.70</b>	<b>49,538.57</b>	<b>43,115.07</b>	<b>37.08</b>
<b>Surgical, Restorative</b>								
Amalgams	1,820.00	1,815.00	1,815.00	2.18	1,296.00	1,296.00	1,296.00	1.11
Other	1,262.00	460.00	325.40	0.39	4,489.00	376.00	276.00	0.24
Other Surgeries and Anaesthesia	5,249.00	620.00	390.00	0.47	2,406.00	0.00	0.00	0.00
Other Types of Restorations	625.00	495.00	470.00	0.56	797.32	537.32	537.32	0.46
Silicate, Composite, Acrylic	33,086.00	28,779.00	22,646.40	27.18	38,020.00	32,932.00	30,806.30	26.50
Surgical Extraction	15,138.00	1,907.00	1,253.00	1.50	1,737.00	1,401.00	1,376.00	1.18
	<b>57,180.00</b>	<b>34,076.00</b>	<b>26,899.80</b>	<b>32.29</b>	<b>48,745.32</b>	<b>36,542.32</b>	<b>34,291.62</b>	<b>29.49</b>
<b>Canadian Dollars Total Claims</b>	<b>164,178.02</b>	<b>102,436.08</b>	<b>83,318.35</b>	<b>100.00%</b>	<b>190,045.14</b>	<b>129,658.02</b>	<b>116,263.45</b>	<b>100.00%</b>

Sun Life Assurance Company of Canada

This report is intended for the use of authorized persons only and may contain information that is privileged, proprietary and confidential. Any unauthorized dissemination, distribution or copying of this report is strictly prohibited. If you have received this communication in error, please notify us immediately and destroy the report.