



QUOTING FAQ

What assumptions does Benefits by Design make in quoting fully-insured, group plans?

The following assumptions are in place for Benefits by Design to quote on providing coverage:

- Group has been in business for a minimum of one year.
- Not more than 50% of the group is related (family) unless otherwise indicated in Request to Quote.
- All eligible employees listed in the census data provided have Canada Pension Plan (CPP) and Employment Insurance (EI) deducted at the source.
- At time of quoting, there are no employees off work due to disability — if so, they are disclosed at time of quoting.
- All employees have Workers Compensation Board (WCB) coverage, unless otherwise indicated.
- There must be at least 50% common ownership of the participating companies in cases of common ownership of multiple companies.
- There are no claims exceeding stop-loss unless otherwise indicated in the Request to Quote.
- If there are any employees currently with Native Status on the plan, it is disclosed at time of sale, as this could impact the taxability status of disability benefits for these employees.
- Quotes are based on the assumption that any employees on work visas have provincial replacement coverage and work visas that have expiry dates that are at least two years from the effective date or that there are no employees on work visas.

Groups who don't meet these requirements are encouraged to learn more about our Standalone® product line, which offers health and dental coverage through a Health Care Spending Account (HCSA) with no minimum number of lives, years in business, or premium requirements.

What are BBD's stop-loss charges for insured groups?

All groups with 2 or more lives are eligible for the \$10,000 stop-loss protection. Groups with 25 lives and over can choose between the \$10,000 and \$15,000 stop-loss pooling threshold. Groups below 25 lives can have the \$15,000 threshold if it matches their current plan design.

\$10,000 Stop-Loss:

PharmaCare Provinces (BC, MB, SK)

No Drug Max — 12.04%

\$10,000 Drug Max — 8.01%

Less than \$10,000 Drug Max — 6.97%

Non-PharmaCare Provinces

No Drug Max — 21.98%

\$10,000 Drug Max — 10.74%

Less than \$10,000 Drug Max — 7.55%

\$15,000 Stop-Loss:

PharmaCare Provinces (BC, MB, SK)

No Drug Max — 8.47%

\$10,000 Drug Max — 5.72%

Less than \$10,000 Drug Max — 4.68%

Non-PharmaCare Provinces

No Drug Max — 14.74%

\$10,000 Drug Max — 7.76%

Less than \$10,000 Drug Max — 5.47%

What are Benefits by Design's benefits standards?

The following outlines Benefits by Design's standards for fully-insured group benefit plans:

- Employers must pay a minimum of 50% of the total premium for their plan, excluding Long Term Disability (LTD) Insurance premiums, which are 100% employee-paid when non-taxable.
- 75% participation is required for contributory plans, and 100% participation is required for non-contributory plans, when a group has 10+ employees.
- 100% participation in the plan is required for groups with less than 10 employees.
- Employees must be under the age of 70 in order to be eligible for Life, Accidental Death & Dismemberment (AD&D), Dependent Life, Short Term Disability (STD), Extended Health Care (EHC), Dental, and Critical Illness benefits (unless current coverage is in place).
- Waiver of premium commences after six months of total disability.
- Prescription drug reimbursement is based on Direct Pay Mandatory Generic substitution.
- Groups with less than 10 employees, whose family content is more than 50%, may not be eligible for Critical Illness Insurance through Industrial Alliance Insurance and Financial Services Inc. (iA Financial). For groups with 10+ employees, whose family content is 51% to 75% (inclusive), iA Financial is prepared to consider coverage provided the family members submit medical evidence.
- Standard Termination age for Long Term Disability is 65
- Standard Termination age for Short Term Disability is 70
- Standard Termination age for Life, Accidental Death & Dismemberment, Dependent Life, Extended Health Care, and Dental is 75
- Annual trend/inflation factors are Health 11.60% for renewals and Dental 10.50% for renewals

What are Benefits by Design's rate guarantees?

Rates are guaranteed for 28 months from the effective date for the following benefits:

- Accidental Death & Dismemberment (AD&D) Insurance
- Life Insurance
- Dependent Life Insurance
- Long-Term Disability (LTD) Insurance

Please note that a 15% or greater change in demographics renders the 28-month guarantee void, and rates then renew after 16 months.

Rates are guaranteed for 16 months from the effective date for the following benefits:

- Critical Illness Insurance
- Dental Insurance
- Extended Health Care (EHC)
- Short-Term Disability (STD) Insurance

For expiration of proposed rates, please refer to your detailed proposal.

How does Benefits by Design define salary?

Salary refers to regular monthly salary, not including bonuses, overtime, or commissions.

- In the case of **commissioned employees**, salary means commissions averaged over the previous 24 months, not including bonuses or overtime.
- If **self-employed**, salary means the average of the income received from employment, less deductible expenses, as reported for federal tax purposes in the last two calendar years.
- For **owners of an incorporated company**, salary means the average of the salary received from the incorporated company, and the share of the profit (net of expenses and after income tax) of the same company, as reported for federal tax purposes in the last two fiscal years.

Does BBD have grandfathering maximums?

Yes. For benefits provided through Empire Life®, grandfathering maximums are based on the number of lives participating in the benefit. The maximums are outlined below; any amounts in excess of the grandfathering maximums will require medical underwriting.

Group Size	Life Insurance Grandfathering Maximum	Long Term Disability Grandfathering Maximum
3 - 14 lives	\$300,000	\$5,000
15 - 30 lives	\$400,000	\$6,500
30+ lives	\$500,000	\$7,000

The Non-Evidence Maximum (NEM) will be calculated based on the group size at time of sale.

What is Benefits by Design’s eligibility requirement for plan members?

In order to qualify to be on a Benefits by Design group plan, employees must work a minimum regular schedule of 20 hours/week. Groups with employees who do not meet these requirements, such as those with seasonal or part-time workers, should consider our Standalone® product line.

Does Benefits by Design have products available for individuals who require coverage?

For individuals seeking health and dental coverage, we offer Green Shield Canada (GSC)'s Health Assist ZONE and LINK. Health Assist offers advisors and their clients these advantages:

- Guaranteed acceptance plans available, regardless of medical condition.
- Coverage for life (including travel!), as long as premiums are paid.
- A simple online application process.

Can I email Benefits by Design a request for a quote?

Please email all request for quotes to the following email address: quotes@bbd.ca

What are Benefits by Design's service standards?

We strive to return quotes within five business days of receiving complete quote information. Please note that any quote received after 12:00 PM is noted as received on the next business day.

Can seasonal or temporary employees obtain fully-insured coverage?

Under certain conditions, seasonal or temporary employees can be covered. Employees must work for at least eight consecutive months at a minimum of 25 hours per week, with a maximum layoff period of four months. It is expected that employers remit a full 12 months of premium based on the employee's real earnings. A flat Life benefit and a waiting period of at least six months are required. If Disability is included, payments would not begin until the later of a return to work or completion of the elimination period.

Alternatively, coverage is available through our Standalone® product line, providing health and dental coverage through a Health Care Spending Account (HCSA) with no minimum number of lives, hours worked, years in business, or premium requirements.

Can coverage be provided to independent contractors?

Yes, we are able to provide coverage to contract workers, provided they work for the plan sponsor on a regular, full-time basis (i.e., at least 25 hours per week). Standard participation requirements apply at the group level and also separately within the contractor class itself.

Depending on group size, participation for contract workers must be 100% and at least 75% for all other employees. A minimum 12-month contract is required for Benefits by Design to provide coverage to the contractors, and benefits will cease when the individual's contract with the plan sponsor ends.

Only income earned from the plan sponsor is considered insurable for Disability benefits (or multiple of earnings Life benefits). If the contract worker receives earnings from other employers, they are typically not eligible for coverage.

Coverage for contract workers is intended to protect “permanent” workers, meaning those employees who have set themselves up as contract workers for beneficial tax reasons. However, it is important to note that extending benefits to contract workers could jeopardize the tax treatment of the benefit plan for the plan sponsor.

What specialty products and services can I get added to my quote?

We have a whole suite of additional products beyond traditional, fully-insured plans.

Our aim is to help grow your relationships with your clients by providing them the kinds of insurance solutions that protect and promote their health, wealth, and happiness. The alphabetical list below outlines additional dimensions to help groups proactively manage their health and support employees. Contact your Benefits by Design Inc. Director, Partner Solutions, TPA+ to talk about any of the following:

- **Catastrophic Health** – a plan that combines the cost-certainty and flexibility of a Health Care Spending Account (HCSA) with the catastrophic coverage of a traditional insured plan.
- **Standalone®** – an easy-to-use digital platform that enables employers to offer a Health Care Spending Account, Wellness Spending Account (WSA), or a combination of the two. The product is cost-contained yet grants flexibility for employees to use their funds for what they choose. With no monthly invoice or regular payment required, coverage is provided via a completely paperless system with two- to four-day turnaround on claims reimbursement.
- **Wellness/Personal Spending Accounts (WSA/PSA)** – an add-on feature of benefits, a Wellness or Personal Spending Account introduces flexibility and choice to employees while helping them be proactive about good health. Available from a number of providers, these types of Spending Accounts are increasing in popularity as employers introduce cost-effective ways to help employees make healthy choices.
- **Critical Illness Insurance** – coverage for 25 pre-determined illnesses, while allowing for multiple claims for unrelated illnesses. Provides an advance of 10% benefit payment on specific non life-threatening conditions.
- **Diagnostic and Specialist Access Insurance (DSAI)** – access for insured employees to diagnostic exams (MRI, CT Scans) and specialist consultations in Canada within 21 days if on a medical waitlist.
- **Employee Assistance Plans (EAP)** – available from a variety of providers, and with differing solutions included. Provides counselling and support for employees for when life happens, and their work could be impacted.

- **Virtual Care** – provides employees and their eligible dependents with direct, online access to a general practitioner via their phones, tablets, or computers, to help manage acute and chronic health issues.
- **Health Care Spending Account (HCSA)** – an affordable way to help employees access required services without the hardship of being out-of-pocket for the expense. These can be offered as part of a group benefits plan, or on a standalone basis.
- **Supplementary Travel Insurance** – to top up current coverage, or to purchase as a one-off, it's help for seniors, snowbirds, extreme athletes and even non-Canadians to have coverage for their travels!

I would like clarification on paramedical services and how Benefits by Design defines/includes them?

The following is a list of paramedical services provided under Extended Health Care (EHC) plans:

- Acupuncturist – physician/surgeon or anyone licensed through the Acupuncture Foundation of Canada
- Chiropodist or Podiatrist
- Chiropractor
- Registered Massage Therapist
- Physiotherapist or Certified Athletic Therapist
- Clinical Psychologist or Master of Social Work (only the services of a registered Psychologist are eligible)
- Speech Therapist
- Naturopath
- Osteopath
- Registered Dietician (Physician (MD) recommendation is required. Dieticians must be registered with their Provincial Association and a provider number is required for all claims. Registered Nutritional Consultants (RNC) and Registered Nutritional Consulting Practitioners (RNCP) are not eligible.

