

December 12th, 2016

To: Benefit Administrators / Human Resource Personnel

From: Alana Shearer-Kleefeld
Director, Benefits Administration

Re: Pre -Annual and Annual Eligibility Measurement Process

This document was prepared to provide answers to the most frequently asked questions surrounding the Annual Eligibility Measurement activities.

The Pre-Annual Measure was successfully run on Thursday December 8th, 2016. Eligibility results in iHRIS as well as the New Eligibility Report and the Eligibility Determination Report is now available for your review.

When is the Annual Measurement being run?

The Annual Measurement will run on Thursday January 12th, 2017. Immediately following the measure, 3sHealth Employee Benefits will review the results. We anticipate the Annual Eligibility Determination Report, the Annual New Eligibility Report, the Annual Lost Eligibility Report and Annual Notification Letters will be available to you beginning on Friday January 13th, 2017. A benefits bulletin will be sent to you to advise when the reports and letters are ready for review.

Where can I review my results of the Annual Measurement?

The Annual Eligibility Determination Report, the Annual New Eligibility Report and the Annual Lost Eligibility Report will provide the results of the Annual Measurement. These reports will provide you with the details on those employees who maintained, gained or lost eligibility in one or more of the 3sHealth Benefit Plans. As well, the reports will provide you with the details on those employees who gained eligibility into the SHEPP pension plan during the Annual Measurement.

Please note that during the Annual Measure period, 3sHealth runs multiple queries to verify the accuracy of the data. As a result of the queries, we may manually update an employee's record in iHRIS. Manual updates will not be reflected in the eligibility reports. 3sHealth will send you an email notifying you of any manual updates made to your employee records.

The Annual Eligibility Determination Report, the Annual New Eligibility Report and the Annual Lost Eligibility Report are accessible through MemberNet for employers that subscribe to 3sHealth Payroll. The "Report Period" will be 2016. Step by Step instructions on how to retrieve your reports can be found in the Benefits User Manual under the section titled "Eligibility Determination Report".

Do employees have the option to convert their Group Life Insurance to an Individual Plan if they lose Group Life eligibility as a result of the Annual Measure?

Yes employees can convert their Group Life insurance to an individual policy with Great-West Life. Once again this year we are pleased to advise you that Great-West Life has agreed to extend the conversion period until February 28th, 2017, for employees losing Group Life eligibility as a result of the annual measure. This extension provides employees with a little extra time in order to exercise their conversion option as we realize that many employees will not be notified that they are losing their coverage until mid-January. Employees who wish to convert must include the enclosed **Group Life Conversion Extension Letter** with their application

Including the *Group Life Conversion Extension Letter* is very important due to the volume of conversion applications Great-West Life receives at this time of year. If the letter is not attached to the application it could be declined. More information regarding conversion can be found on page 27 of our Group Life Plan Commentary booklet.

Can I use the letters from the Annual Measurement?

Yes, the letters will be available beginning Friday January 13th, 2017. A benefits bulletin will be sent to you to advise when the letters are ready.

When will 2017 claim payments begin?

2017 claim payments will remain frozen until approximately January 16th, 2017 at which point Great-West Life will begin processing claims incurred in 2017.

Please note that the Flexible Spending Account 2017 claims for participating Out-of-Scope members will also be frozen until the end of January as we complete the Flexible Spending Account annual process.

Out-of-Country Medical Emergency Coverage During the Annual Eligibility Measure

Many employees book out-of-country vacations during the month of January. Often employees are away during this annual measure period and are unsure if they have coverage. This leaves people wondering whether they need to purchase additional medical emergency insurance for their trip.

3sHealth and Great-West Life have worked together to extend Out-of-Country Medical Emergency coverage to our plan members during the annual measure period to January 31st each year. This means that if you are an employee that had Extended Health Care coverage in 2016 and you lose coverage on December 31st, 2016 because you worked less than 780 hours, you will retain the Out-of-Country Medical Emergency portion of your coverage to January 31st, 2017. This will allow plan members to enjoy a winter vacation without worry.

What should I do if I have questions about the Annual Measurement results?

If you have questions regarding your Annual results please send an email to ebp@3sHealth.ca or contact us by telephone at 1-866-278-2301. If you are emailing your question, **please ensure that you put "ANNUAL INQUIRY" in the subject line along with the employees name and Benefit ID number.** Upon receipt of your inquiry the 3sHealth Employee Benefits team will:

- review your inquiry
- provide a timely response (our service standard is to respond within 24 hours)
- communicate to other employers if necessary

Please note that we do experience a very high volume of inquiries following the annual measure. Every effort will be made to assist you as quickly as possible.

3sHealth Group Life Conversion Extension Confirmation

Your 3sHealth Group Life Insurance Plan coverage **terminated on December 31st, 2016** based on the number of hours you worked in the 2016 calendar year. As a result of your coverage ending, your 3sHealth Group Life Insurance coverage may be converted to an individual policy with Great-West Life. You must make application for coverage and your first premium payment on or **before February 28th, 2017**. Applications for conversion received after this date will not be accepted. Additionally *this “Extension Confirmation” letter must be included with your application for Group Life Conversion in order for your application to be accepted.*

Subject to the benefit provisions of 3sHealth’s Group Life Insurance contract with Great-West Life, you may convert an amount up to \$250,000.00 in Basic Life Insurance and/or Optional Life Insurance to an individual insurance policy. Your spouse may also convert his/her insured amount of Dependent Life coverage to an individual insurance policy. Conversion will be subject to the following conditions:

- Your insurance coverage must terminate on or before your 65th birthday.
- Application for the individual policy and the first premium payment must be made within 31 days of the date of your termination.
- The amount of insurance you elect to convert must be equal to or less than the amount of insurance you had in force with the 3sHealth Group Life Insurance Plan upon your termination.
- The individual insurance policy you select shall be either:
 - ✓ Any one of the regular policies other than term insurance customarily being issued by Great-West Life at the time of your conversion, or
 - ✓ A non-renewable term insurance policy to age 65, or
 - ✓ A one-year non-renewable term insurance policy with premiums payable not more frequently than quarterly.
 - ✓ Some other restrictions may apply.

In order to convert any amount of your Basic Life or Optional Life insurance coverage to an individual policy, you must consult with a financial security advisor. Consulting with a financial security advisor will ensure that you receive the professional advice required to make an informed decision. If you do not have a financial security advisor, you must contact the Great-West Life Resource Centre:

By telephone in Regina at 761-7500 or toll free at 1-888-495-7275, or
Visit www.greatwestlife.com and click on “Contact Us” or www.freedom55financial.com and click on “Find an advisor” to find an advisor in your area.

The forms you will require are the Group Life Conversion Privilege Notification Form (M5725) and the Group Life Conversion Privilege Member Fact Sheet (M6236). The forms are available from your employer or from the 3sHealth website <http://www.3shealth.ca/our-work/employee-benefits-by-plan-type>.

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700 - 2002 Victoria Avenue, Regina, Saskatchewan S4P 0R7
3sHealth.ca t. 306.347.5500 f. 306.525.1960

Group Life Conversion

***Has your group life coverage from Great-West Life ended or been reduced?
You may be able to convert to an individual life contract with no medical evidence.***

You can do this if:

- You are age 65 or younger,
- It is in the terms of your group benefits plan, and
- You send us the following within **31 days** of your group life coverage ending or being reduced:
 - a completed application form
 - your first premium payment

How to apply

- Ask your group plan administrator an application form, called Group Life Conversion Privilege Notification (M5725). Your plan administrator will fill out the part that says the amount of coverage you can convert.
- Contact a financial security advisor licensed to sell Great-West or Freedom 55 products. If you need help finding an advisor, ask your plan administrator.
- Give your completed application form to the advisor. He or she will help you finish the process.

Other options

If you want more options for your individual life coverage, you can also apply for a non-conversion life plan. However, then you would need to give medical evidence to the insurer.

For information on your conversion options, please check your group coverage booklet or contact your plan administrator.

Common questions

If I apply for a non-conversion life plan but do not qualify medically, can I still apply for the conversion life plan?

If you do not qualify medically when you apply for non-conversion life coverage, and you are eligible for a conversion life plan, we will automatically proceed with the conversion life plan that does not require medical evidence.

Will the new individual life plan cost the same as the group life plan?

Premium rates for conversion and non-conversion individual life coverage depend on a number of factors.

For example, your age and gender. Based on these factors, the individual plan rates may be higher than the group life rates you're currently paying.

If I convert to an individual contract, will you pay back any group life premium I've already paid?

No. Your group life coverage is "term insurance," which does not have a cash value.

When do I need to decide?

You must apply for your conversion life contract and pay the first premium within 31 days of your group life coverage ending or being reduced.

If I choose to convert my life coverage, will I be covered during the conversion period?

Yes. Your group life coverage in effect before the date of termination or reduction will continue during the conversion period.

Please note that this page is a summary only. The coverage plan documents and group policies, as amended from time to time, are the governing documents. If there is any difference between the information in this summary and those governing documents, the governing documents will prevail.



Plan Member/Spouse Section

If your Great-West Life group life insurance has been terminated or reduced, you may be entitled to purchase a conversion life insurance policy, without providing medical evidence of insurability if:

- It is within the provisions of your group insurance contract, and
- Your completed application for conversion to individual insurance and the first premium is received by Great-West or Freedom 55 Financial within **31 days** after your group insurance terminates or reduces.

You can also apply for an individual insurance policy, which provides more flexible and personalized coverage; however, you'll be required to provide medical evidence of insurability. If you apply for a Great-West or Freedom 55 individual life insurance policy within 31 days of your group insurance reduction/termination, you don't qualify medically, we'll automatically proceed with a conversion life insurance policy that doesn't require medical evidence.

To convert your group life insurance policy, you'll need to:

- Contact a Great-West or Freedom 55 financial security advisor
- Provide a Group Life Conversion Privilege Notification form

If your advisor is licensed to sell Great-West or Freedom 55 products, he or she can assist you in the conversion process. Otherwise, please visit greatwestlife.com - **Contact Us - Connect to our sales and marketing team** or freedom55financial.com - **Contact Us**.

Plan Administrator Section

Complete the fields below, give a copy of the form to the plan member upon termination or reduction of coverage, and keep a copy for your files.

1. Financial security advisor information (if applicable)

Conversion contact	Telephone no. ()	Fax no. ()
Address		

2. Plan member/spouse information

Plan member's name	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Month	Date of Birth Day	Year
Spouse's name (if eligible for spousal conversion)	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Month	Date of Birth Day	Year
Address			Telephone no. ()	

3. Group life insurance information

Group plan name:					
		Plan no.:	Reduced/terminated amount:	Combined conversion maximum:	Date insurance reduced/terminated (Month/Day/Year)
Plan member	Basic		\$	\$	(Month/Day/Year)
	Optional		\$		(Month/Day/Year)
	Supplementary		\$		(Month/Day/Year)
Spouse	Basic		\$	\$	(Month/Day/Year)
	Optional		\$		(Month/Day/Year)

4. Plan administrator information

Date (Month/Day/Year)	Plan administrator's name (Please print)
Telephone No. ()	Plan administrator signature