Conversion FAQs

November 8, 2018

This document includes questions and answers related to the legacy Assurant Employee Benefits (AEB) Conversion effort.

Questions are grouped into the following categories; you can jump directly to a category by clicking the category name.

General

1. What is this Conversion effort?

We are offering Clients who came to Sun Life as part of the Assurant Employee Benefits (AEB) acquisition the opportunity to convert their existing plans (USIC/USLICoNY) to Sun Life plans (SLOC/SLHICUS) with similar provisions.

Conversions are being done in a phased rollout of products beginning in late 2017 and continuing each month. We will move all plans on a policy at the same time and will not disrupt any rate guarantees.

2. What do all the acronyms stand for? USIC, USLICoNY, SLOC and SLHICUS

USIC and USLICoNY are the AEB underwriting entities. USIC is Union Security Insurance Company and USLICoNY is Union Security Life Insurance Company of New York.

SLOC and SLHICUS are the Sun Life underwriting entities. SLOC is Sun Life Assurance Company of Canada and SLHICUS is Sun Life and Health Insurance Company (U.S.).

3. How does this conversion differ from a renewal?

A renewal would keep legacy AEB policies on USIC or USLICoNY forms. A conversion moves AEB policies onto SLOC or SLHICUS forms.

As the conversion offer will coincide with the next scheduled rate review for the Client’s plan(s), Clients may receive a rate change per the standard pricing philosophy.

4. What types of policies are converting?

This effort involves policies with lines of coverage for Life, Disability, Dental, Vision, Prepaid, Accident, Critical Illness and Cancer.

5. Are there policies that will not go through conversion?

We will not be converting Gap plans because Gap policies are not underwritten by USIC; they are underwritten by Fidelity Security Life Insurance Company (FSL). These plans will remain on the policy forms and systems that they are administered on today.

6. How will I know when my policy (or my Client’s policy) will be eligible for conversion?

- The renewal date of a Client’s policy generally initiates the conversion communication process, which will occur in monthly waves starting with Fall of 2017 renewals.
Generally 75 days prior to the policy conversion date (or rate effective date), brokers will receive a copy of each Client conversion package along with a cover letter that details what is occurring and what to expect.

Generally 65 days prior to the policy conversion date, we will send each Client a detailed conversion offer package. This is consistent with when they would typically receive renewal communications.

7. What if I (or my client) requests enrollment materials for SLF plan(s) before the conversion effective date?

Employees hired and enrolled prior to the conversion plan(s) effective date should use the existing enrollment materials—not materials for the new plan(s). Enrollment of employees and their dependents, if any, will be moved automatically to the Sun Life plan(s) by our Transition Services team. No re-election of coverage will be required.

Once the new Sun Life plan(s) is effective, you (or your clients) can request new enrollment materials for ongoing hires.

8. How do I accept the conversion offer?

Payment of the first bill for the new Sun Life policy will tell us that you have accepted the SLOC or SLHICUS conversion offer. Please ensure that payment is made for the new policy number and not the current policy number which is also branded Sun Life Financial.

Sun Life Connect offers conversion Clients the opportunity to accept their conversion offer during registration.

For conversion Clients only, Sun Life Connect offers the primary contact/SLC registrant the opportunity to tell us they accept the conversion offer(s) before payment of their premium. Coverage under the new plan(s) is still subject to payment of the premium.

The primary contact/SLC registrant will see this opportunity only once, during the initial SLC registration process. Users are first required to accept or agree to the site’s Terms and Conditions. Following acceptance of the T&C, the user will receive a second pop-up screen where the user acknowledges they are authorized to accept, and then can agree to a short statement.

- This will appear for Clients with conversion effective dates of 12/2017 or later.
- Registrants are not required to agree/accept the conversion statement in order to continue through the registration process.
- Not accepting through SLC does not affect the conversion offer—Clients may choose to accept solely through payment of premium.
- Payment of premium is the official acceptance.

9. What if I have multiple policies?

We want the conversion experience to be a positive one for you. If you have more than one plan on a policy or multiple policies, it is important to know:

- We are not unbundling any plans, except when written with Gap.
- If you have multiple policies that do not renew together, we will convert separately based upon the rate guarantee for plans under each policy.
- If you have multiple policies that renew together, they will all convert based on the expiration of the longest running plan rate guarantee.
- If you have multiple plans under the same policy, they will all convert based on the expiration of the longest-running plan rate guarantee.
Example 1: You have a Disability plan with an October 2018 rate guarantee but your Life plan has an October 2019 rate guarantee. The conversion for the Disability and Life will both occur in October 2019.

Example 2: You have a dental plan with a rate guarantee of October 2017 and life and disability plans with a rate guarantee of October 2018. The plans will convert in October 2018 as that is the longest running rate guarantee.

10. Why is my policy's anniversary moving to 3 months later with conversion?

A small segment of AEB policies were set up to have any annual rate change occur three (3) months after the policy’s anniversary date. For most of our Clients, the rate changes on the anniversary date of the policy. As we convert our Clients, we are taking the opportunity to update these policies by aligning the anniversary with the date any rate change takes effect.

Example 1: AEB policy:
Policy anniversary date and renewal communications - 6/1
Policy rate change date - 9/1

Example 2: SLF conversion policy:
Policy renewal communications - 6/1
Policy anniversary date and rate change date - 9/1

This change should have little to no impact on our Clients as we will still communicate the renewal information on the same schedule and any rate change will occur on the same schedule.

11. Will Sun Life cancel plans/policies?

Our goal is to transition all of our Clients, and their plans, to Sun Life. We are obligated, though, to cancel the existing USIC or USLICO NY plan if it is categorized as a cancellable plan. We will provide a Sun Life offer only if minimum participation requirements under the current plan are met.

12. Will there be a rate increase at conversion?

Converting plans will be included in the normal underwriting and pricing processes, consistent with our overall renewal pricing philosophy. Rates for the Sun Life contract/policy are based on a typical, normal renewal rate action. In limited instances, we are not able to provide a similar Sun Life plan. When this happens, the new rates offered will take into account the benefits that are either no longer available or the new option(s) offered.

13. How will rate increases be communicated?

Brokers and Clients will receive an offer packet that contains a detailed product page for each product eligible for conversion. It will include the existing rates and the new rates as a part of the annual rate review.

14. Will my new Sun Life policy be combined with my existing Sun Life policy?

You new Sun Life coverages will come with a new policy number. Existing Sun Life coverages will continue to run under the current policy number with no changes due to the conversion.

15. Will my new Sun Life policy be managed through my existing Sun Life Connect credentials?

If you have an existing Sun Life coverage(s), and you use Sun Life Connect, we will make every effort to link them together so that they can both be administered through your current credentials. Please note that you will need to administer each policy separately even though both will appear in the same instance of Sun Life Connect.

If we are unable to make the appropriate match, your new Sun Life policy will be need to be administered through new credentials.
16. Why would I have received one or more revised bills (for AEB plan(s)) around my conversion time?

If adjustments to your AEB plan(s) are required after your conversion date, you will receive a revised bill(s) for each month impacted reflecting the change. Such changes may be due to adding a newly eligible employee, removing an employee who left your employment or making changes in benefit amounts for active employees.

If an adjustment results in a credit to you, and you have paid the first bill/accepted the conversion plan(s), we will carry the credit forward to your new Sun Life plan(s), unless you direct us otherwise. The credit will appear on a future statement for the Sun Life plan(s).

Product

17. What do conversion Clients with a disability plan(s) need to know about FICA and/or W-2 services once they convert to a Sun Life plan(s)?

Clients with a disability plan converting to Sun Life will continue to receive the same FICA and/or W-2 services available on their existing plan(s). Agreements for these services will be assigned to Sun Life Assurance Company of Canada (SLOC) or Sun Life Health Insurance Company U.S. (SLHICUS). We will send the Client a Notice of Assignment once the Sun Life plan(s) is effective.

- FICAPlus was a feature of the existing Disability contract where we paid both the employee and employer FICA and Medicare contribution for taxable LTD benefits paid to a covered employee during the Initial FICA Period which is the first six calendar months following the last day worked.

- W-2 services was a feature of the existing Disability contract where we prepared and filed the Form W-2 for all Short-Term Disability payments made.

18. Will the new Sun Life contract be equivalent to or better than my current plan?

Sun Life plan(s) will be similar and most often, will match your current plan(s). We’ll generally match core elements and schedules. If we aren’t able to provide a match, we are offering the closest comparable option.

It’s important to note that the underlying structure and format of the policy may be different as well as some of the language.

MGIS

19. We have a partnership with MGIS for physician group clients. What is the conversion strategy for the physician business with USIC/USLICO/NY?

As we convert, the USIC/USLICO/NY business written within the approved SIC codes for MGIS will receive a conversion offer that will provide an opportunity to transition to the MGIS administration model.

20. What is the MGIS conversion process?

The conversion process will follow the same steps as the rest of the business. However, MGIS will be involved in the installation and set up of the converted plan; they also will handle the account management functions.

21. MGIS disability plans are specialized plans for the physician group market. What product/plan will the business convert to?

The conversion offer for physician group clients within the approved SIC codes for MGIS will receive an offer for a plan similar to the plan they have in force prior to conversion. The Client offer letter will outline any differences.
EDX (Electronic Data Exchange)

22. Will the conversion have any impact on my set up with an EDX feed?

Today, we work with trading partners in a variety of file formats. The amount of change and testing will vary, depending on the file format. In most instances, the changes to the file will be minimal, and the set up and testing minimal. In limited instances, the changes to the file will require new set up and full testing.

As part of the conversion process, a member of our team will reach out to Clients with existing EDX feeds to share more about how conversion will impact electronic feeds, answer questions, and most importantly, start the process.

23. What is the approach for EDX Clients?

We will take proactive steps in advance of the renewal date, or conversion effective date, to ensure a timely decision and to minimize disruption during the updates to the data feed.

The EDX Partner Management team will work with the trading partner once the Client has confirmed their intent to accept the Sun Life policy(ies).

However, it is important that the Client makes the trading partner aware as well to ensure the platform is set up appropriately with the new plans.

Additionally, the EDX Partner Management team will keep you and your broker informed along the way to ensure there is full transparency through the process.

24. Will there be any gap in file feed connectivity from the old policy to the new policy?

Our EDX Partner Management team attempts to avoid a gap in connectivity by promoting an early response from you to adjust your feed as a part of conversion. We need your approval to move forward, which then allows us to work with the trading partner on the adjustment of the feed. If there are delays in response from you or delays on the trading partner side, there may be a gap in connectivity. In this case, the EDX Partner Management team will discuss interim enrollment options, if necessary, with you.

25. How will annual enrollment files that coincide with the conversion be managed?

The EDX Partner Management team will make every attempt to process your annual enrollment file prior to the conversion date. In the event the trading partner is unable to provide the annual enrollment via the existing file prior to the conversion date, we will discuss other arrangements with the trading partner and you to ensure the enrollment is captured in our administration system.

Clients

26. What are you communicating to Clients?

We will send each Client a detailed conversion offer package generally 65 days prior to the conversion effective date. This is consistent with when they would typically receive with their renewal communications. Click here to see a sample Client conversion offer letter.

27. What happens if a Client does not want to convert their policy to Sun Life?

Policyholders with guaranteed renewable plan(s) have the option to renew their current plan(s); however, it is our goal to convert these plans to SLOC or SLHICUS. There is a section in the Client conversion offer letter that provides instructions if they want to renew their existing plan(s).

If a policyholder has a cancellable plan(s) we must cancel the plan(s) and will make an offer to replace the coverage with a Sun Life plan(s).

28. Will new policy numbers be assigned?

Yes, policy numbers will change. As Clients convert to their new Sun Life plan, a detailed conversion-specific transition guide will provide guidance on the impact of new policy numbers.
29. Who can my Client contact with questions regarding this conversion?

We have a dedicated team that is available to support inquiries about this conversion. The Transition Services team can be reached at 877-645-4363 or at transition.services@sunlife.com.

Brokers

30. I have multiple legacy AEB clients. Can I convert all of my Clients at the same time?

No, we will not convert blocks of business at the same time. Clients will generally be eligible for conversion based on the policy renewal date. When a Client has multiple plans that are renewed together, they will all convert based on the expiration of the longest-running plan rate guarantee as long as minimum participation requirements are met.

There are several reasons why converting at renewal/policy anniversary is beneficial to the Client; these include:

- Alignment to plan year for elections and age band changes
- Alignment to Client Section 125 plans

31. Will I receive multiple communications about each Client or a bundled package with all my Clients in each wave?

You will receive one Client conversion offer package for each Client policy number that is eligible to convert to a comparable Sun Life plan(s). If the Client has multiple policy numbers that renew together, you will receive multiple conversion offer packages. Clients with multiple policies also receive a conversion offer package for each policy number and its associated plan(s).

32. As the Broker or Consultant for a Client, what information will I receive?

Approximately 75 days prior to the policy renewal date (or rate effective date), you will receive a copy of each Client conversion offer package along with a cover letter that details what is occurring and what to expect. We will email this information to you if we have your email address; otherwise, we will mail it via the U.S. Postal Service.

33. Who do I or my Client contact with questions regarding the conversion?

We have a dedicated team available to support inquiries about the conversion. The Transition Services team can be reached at 877-645-4363 or at transition.services@sunlife.com. We strongly encourage Clients and their advisors to take advantage of this service, and we welcome the opportunity to assist with questions.

34. Can I contact this team on behalf of my Client(s)?

Yes, you may contact The Transition Services team on behalf of your Client(s).

35. I am no longer the Broker of Record (BOR) but received conversion paperwork for a previous client. What should I do?

In the event that another broker at the same or different firm has taken over as BOR on a given policy, email a signed letter of instruction from an officer of the firm to Sun Life at EBG_Licensing@sunlife.com. Direct questions to EBG_Licensing@sunlife.com or 800-440-1311, option 2 (M–F, 8:30–5:00 ET).

36. Will my commissions change?

If we are unable to match the commission scale of the USIC or USLICoNY policy, we will employ the available commission scale that most closely resembles the USIC or USLICoNY commission scale. The timing of commission payments will be similar to what they have been.
In some instances for specific policies, we will convert to a commission scale that closely resembles your prior commissions. In a few instances, we will pay a lower commission as a result of a reduction in your Client’s rates. You will be made aware of these commission changes in the cover letter to you that accompanies the Client conversion offer package.

37. Will I continue to receive my commission payments in the same way?

Action is required. To continue receiving commission payments, you’ll need to be appointed with SLOC (or SLHICUS in New York). If you are not currently appointed to sell Sun Life plans, please visit our Get appointed webpage to download and complete the applicable forms within the appointment package.

You also need to sign up for direct deposit with SLOC or SLHICUS. Complete and return the direct deposit form within the appointment package on our Get appointed webpage or you could set up your direct deposit on Online Advantage.

38. Will my website access change? Will I need new forms moving forward?

You will continue to use Online Advantage to view your block of business and commissions. Note: converted business will not immediately be viewable within your block of business in Online Advantage.

If you administer a plan(s) on behalf of your Client(s), you will begin to do this through a different portal called Sun Life Connect. Each Client will need to designate you within Sun Life Connect with the authority and access to continue that service. Instructions on how to do this can be found in the Transition Guide which will be available at the time new policy materials are provided.

39. Whom do I contact with commission and/or licensing questions?

Licensing questions may be directed to EBG_Licensing@sunlife.com or you can call 800-440-1311, option 2 (M–F, 8:30–5:00 ET).

Commission questions may be directed to EBG_Commissions@sunlife.com.

40. Will any of my Sun Life contacts change?

Your current Sun Life contact list will remain the same.

Claims—Employees

41. What is required to complete a claim form?

STD: We require a completed and signed Employer Statement, completed and signed Employee Statement, and a completed (including date of disability) and signed Attending Physician’s Statement.

LTD: We need either an Employee or Employer Statement to initiate a claim. If an Attending Physician’s Statement is received, we will send a letter to the employee (if the address is available), advising him/her that paperwork was received but a claim has not been created, and where he/she can find the required paperwork online.

Life: Any paperwork involving a life claim is enough to initiate a claim.

Here are some helpful employee handouts:
How to file a Life insurance claim
How to file your Short-Term Disability claim
How to file your Long-Term Disability claim
Your Critical Illness benefits, How to submit a claim
Your Accident benefits, How to submit a claim

42. How can I submit my claim and/or documentation?

43. **How long will it take for my documentation to be reviewed?**

Once sent to Sun Life, claim forms are typically reviewed and sent to the appropriate area within 24 hours of receipt.

44. **How will I know if my claim is complete/under review?**

If your claim submission is missing information necessary to send it to a claims analyst, you will be notified on the fifth day after the initial documentation is received, and again on the 10th day.

STD: If the claim is complete, you will be contacted by your Case Manager within five business days with an initial decision on your claim.

LTD and Worksite: Once the claim is setup the Case Manager will contact you within 5 business days.

45. **May I use an old claim form?**

You may file using an old claim form. We have updated policy information internally and can match your claim documentation to the correct policy/employer.

46. **How will I know when you have made a decision on my claim?**

Your claims examiner will call you as soon as an initial decision on your claim has been made. If for some reason additional information is required, you will be notified by phone.

47. **How often and when are benefits paid/released?**

Any past-due benefits will go out at the time of approval; afterward, STD claims benefits are sent weekly and LTD benefits go out monthly.

48. **How long will my benefits last?**

Your benefits will continue as long as you provide proof of continued disability and proper treatment. Your claims analyst will provide more details when you are contacted to discuss your claim. The maximum benefit period is outlined in your employer’s benefit booklet.

49. **My STD period is ending; how do I file for LTD?**

If you're still on claim 45 days prior to the end of your STD expiry date, we will send the LTD claim form to you and your employer. Forms can also be obtained online.

50. **Why does Sun Life require LTD forms to be completed when transitioning from STD prior to initiating the claim?**

Many of our Claimants return to work after the STD expiry so we do not initiate an LTD claim in all instances. While its an added step, Sun Life will initiate notifications to the Claimant and Employer directly to facilitate the process.

51. **Can I get direct deposit instead of a check?**

Yes, a Direct Deposit form and a copy of voided check will be needed. [New York direct deposit form](#) [Non-NY direct deposit form](#)

52. **Can I check the status of my claim online?**

Yes, you can check the status of an STD or LTD claim online at [www.sunlife.com/onlineadvantage](http://www.sunlife.com/onlineadvantage).

53. **Are all claims submitted to the same place?**
Claims for converted policies should be sent to the following if the claim date is after the conversion date.

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Email</th>
<th>Fax</th>
<th>Mail</th>
</tr>
</thead>
<tbody>
<tr>
<td>STD</td>
<td><a href="mailto:myclaimdocuments@sunlife.com">myclaimdocuments@sunlife.com</a></td>
<td>781-304-5599</td>
<td>Sun Life Assurance Company of Canada Group STD Claims P.O. Box 81915 Wellesley Hills, MA 02481</td>
</tr>
<tr>
<td>LTD – New York</td>
<td></td>
<td>781-235-0784</td>
<td>Sun Life and Health Insurance Company Group Long-Term Disability, SC 3208 One Sun Life Executive Park P.O. Box 81830 Wellesley Hills, MA 02481</td>
</tr>
<tr>
<td>LTD – Non New York</td>
<td></td>
<td>781-304-5537</td>
<td>Sun Life Financial Group Long-Term Disability, SC 4328 P.O. Box 81830 Wellesley Hills, MA 02481</td>
</tr>
<tr>
<td>Worksite</td>
<td><a href="mailto:SLFWorksiteclaims@disabilityrms.com">SLFWorksiteclaims@disabilityrms.com</a></td>
<td>866-376-9480</td>
<td>Sun Life Financial 300 Southborough Drive Suite 200 South Portland ME 04106+6914</td>
</tr>
<tr>
<td>Life</td>
<td><a href="mailto:USEBGLifeClaimsinbox@sunlife.com">USEBGLifeClaimsinbox@sunlife.com</a></td>
<td>800-979-5128</td>
<td>Sun Life Financial PO Box 81365 SC 4375 Wellesley Hills, MA 2481</td>
</tr>
</tbody>
</table>

54. **Will I need a new beneficiary designation form?**

No. If you’ve already provided a valid designation form and it is signed and dated by the insured, a new one will not be required.

55. **How will I know whether to submit claims via the old process or the new?**

Any new claims with dates of disability or death incurred prior to the conversion date should follow the legacy paper claims submission process. Claims forms are available on www.sunlife.com/formslibrary. New claims incurred after the conversion date can be submitted on www.sunlife.com/onlineadvantage. (Note: STD online claim submission is not available in New York.)

56. **Is my disability payment schedule different with Sun Life than it was with Assurant Employee Benefits?**

**STD:** Payments are issued on a weekly basis with Sun Life. This helps you—payments with Assurant were normally issued biweekly, meaning you will receive your benefit sooner. Depending on your
onset date of disability, a partial payment could be issued, which will bring you up to the normal payment schedule. As long as you meet the definition of disability, a payment will be issued on Monday and a check will be sent to you by mail on Tuesday.

**LTD:** If benefits are approved, payments are issued on a monthly basis. Depending on your onset date of disability, a partial payment could be issued to bring you up to your normal payment schedule. As long as you continue to meet the definition of disability, payments will be issued around the 18th or 20th of each month. This payment schedule is a benefit to you, providing a consistent date for you to pay bills and take care of all your needs. If you don’t have direct deposit, please consider this service, which allows your benefit payments to be sent directly to your bank account.

57. **Why do legacy AEB and Sun Life process FICA withholdings differently?**

Both companies withhold FICA for the first six full months of disability, but the accounting philosophies between the two organizations differ. Legacy AEB will withhold FICA only if the benefits are paid during the first six full months of disability. If the benefits are released after that time frame, no taxes are withheld. Legacy Sun Life withholds FICA regardless of when the benefits are paid, because the company goes by the time frame the benefit represents.

58. **Will there be a change in any reporting?**

Yes. As a general rule, any claim reporting will be affected, because new claims with disability dates after the conversion date will be placed and administered under the new policy number. Existing claims will still be reported under the old policy number.

59. **What will happen if current employees are out on leave and have approved Life Waiver of Premium claims?**

These claims will remain open and active and will not be impacted by the conversion. They will continue to be administered under the policy in force at the time of the employees’ disability.

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