

Cost plus benefit coverage



Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies, is committed to keeping your information confidential.

What is a “cost plus” plan?

Group benefit plans provided by Sun Life Assurance Company of Canada include comprehensive coverage for most medical and dental services available. Reimbursement for these services is generally subject to some level of coinsurance and/or deductible, and there may be a maximum amount paid for certain services. In addition, there may be some expenses that are not covered under a group plan.

Generally, plan sponsors provide a “cost plus” arrangement in order to extend coverage beyond the base group benefits plan for designated employees and their eligible dependents. These benefits could be reimbursed on a “cost plus” basis if such expenses qualify as an Eligible Medical Expense under the Federal Income Tax Act.

How to calculate “cost plus” payments

In addition to the plan sponsor paying for the “cost plus” claims, there is a fee on the payment as follows:

- 12% of the first \$2,500 of paid claims, plus
- 5% of the balance.

These amounts are subject to a minimum fee of \$50 per submission*, and also are subject to Provincial Sales Tax in Ontario and Quebec for both the amount of the “cost plus” claim and the administrative fee.

Here is an example of the calculation for an Ontario claimant:

Claims details		Subject to a minimum charge of \$50	
A.	Total Medical Claims Amount(s)		\$ 2,500
B.	Total Dental Claims Amount(s)		\$ 1,500
C.	Total Medical and Dental Claims		\$ 4,000
D.	Fee:		
	i) 12% of the first \$2,500 of claims, subject to a minimum charge of \$50:	\$ 300	
	ii) 5% of the balance	\$ 75	
	Total Fee:	\$ 375	\$ 375
E.	Sub-total (C + D)		\$ 4,375
F.	8% Provincial Sales Tax		\$ 350
G.	Amount payable to Sun Life Assurance Company of Canada (E + F)		\$ 4,725

How does the “cost plus” process work?

1. Plan sponsor identifies employees who are eligible for the “cost plus” arrangement.
2. Claim submissions are forwarded to the plan administrator.
(We encourage claims to be accumulated and submitted twice per year for each employee.)
3. Plan administrator completes the attached form.
4. Plan administrator sends the completed form with the following attachments:
 - payment and
 - original receipts and/or Explanation of Benefits.
5. Claim cheques will be forwarded in the same manner as regular claim cheques.

* If all claims for a certificate holder are submitted as a single mailing, this is considered as one submission.

Note: The costs incurred by the plan sponsor may be eligible as a deduction against income on the financial statements of the plan sponsor. Please consult your tax advisor.

Cost plus claims payment form



Please PRINT clearly. Sun Life Assurance Company of Canada, a member of the Sun Life Financial group of companies, is committed to keeping your information confidential.

1 To: Sun Life Assurance Company of Canada Health Insurance Member Services

Service representative name				
Company name		Contract number		
Plan administrator		Plan administrator's phone number/E-mail		
Employee name		Certificate number		
Address (street number and name)	Apartment or suite	City	Province	Postal code

2 Claim details

Subject to a minimum charge of \$50.

If any part of the submission is not an eligible expense, the entire submission, with comments, will be returned to the plan administrator for review and re-submission.

Sun Life Assurance Company of Canada must currently insure the underlying benefit for claims to be allowed on a "cost plus" basis.

A.	Total Medical Claims Amount(s)		\$
B.	Total Dental Claims Amount(s)		\$
C.	Total Medical and Dental Claims		\$
D.	Fee:		
	i) 12% of the first \$2,500 of claims, subject to a minimum charge of \$50:	\$ _____	
	ii) 5% of the balance	\$ _____	
	Total Fee:	\$ _____	\$
E.	Sub-total (C + D)		\$
F.	Ontario and Quebec Provincial Sales Tax		
	If the employee resides in either the province of Ontario or Quebec, calculate the applicable provincial retail sales tax as follows:		\$
		Ontario (E x .08) = \$ _____	
		Quebec (E x .09) = \$ _____	
G.	Cheque payable to Sun Life Assurance Company of Canada (E + F)		\$

Upon receipt of the following:

- cheque (in the amount of G),
- this form completed in full, and
- original expense invoices/receipts/Explanation of Benefits,

Sun Life Assurance Company of Canada will consider reimbursement of the above non-contractual claim.

I certify that consent has been obtained from the member to use and exchange information with Sun Life Assurance Company of Canada, its agents and service providers, or with any other person or organization who has relevant information pertaining to the Cost Plus claim, including the plan sponsor, for the purposes of administration and adjudication of this Cost Plus claim.

Plan administrator signature X	Title	Date (yyyy-mm-dd) - -
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Please mail to the nearest Sun Life Assurance Company of Canada Claims Office:

**Waterloo Health Claims
Cost Plus**
PO Box 2010 Stn Waterloo
Waterloo ON N2J 0A6

**Montreal Health Claims
Cost Plus**
PO Box 11658 Stn CV
Montreal QC H3C 6C1