

# Standalone Group Critical Illness

## *Frequently Asked Questions & Answers*

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**Q.1. Is SmartChoice Group C.I. available on a guaranteed issue basis?**

A.1. Yes any group of 5 or more lives is available on a guaranteed issue basis.

**Q.2. Does SmartChoice offer coverage for groups under 5 lives?**

A.2. SmartChoice is available for groups of 1 to 4 provided they are registered companies. They can be a corporation, a partnership or a sole proprietor providing they have a registered business name.

**Q.3. How do groups of 1 to 4 qualify for SmartChoice?**

A.3. Each employee must initially submit a Critical Illness Statement of Health Questionnaire and be approved.

**Q.4. What amounts of SmartChoice are available to groups of 1 to 4 employees?**

A.4. Amounts of \$15K, \$25K or \$50K are available upon approval of a Critical Illness Statement of Health Questionnaire.

**Q.5. What amounts of SmartChoice C.I. are available to groups of 5 to 9 employees?**

A.5. Amounts of \$15K or \$25K are available on a guaranteed issue basis.

**Q.6. What amounts of SmartChoice C.I. are available to groups of 10 to 49 employees?**

A.6. Amounts of \$15K, \$25K or \$50K are available on a guaranteed issue basis.

**Q.7. What amounts of SmartChoice C.I. are available to groups of 50 employees and over?**

A.7. Amounts of \$15K, \$25K, \$50K, \$75K or \$100K are available on a guaranteed issue basis.

**Q.8. Is SmartChoice C.I. available in any other amounts than those already outlined above?**

A.8. No. SmartChoice is only available in amounts of \$15K, \$25K, \$50K, \$75K and \$100K.

**Q.9. Are SmartChoice C.I. rates fixed or composite?**

A.9. SmartChoice rates are fixed, as per the chart at the end of this document.

**Q.10. How long are SmartChoice C.I. rates guaranteed?**

A.10. Groups of 1 to 4 renew every May. Groups of 5 and over have their rates guaranteed for 12 months.

**Q.11. What are the issue ages for SmartChoice C.I. and when do benefits terminate?**

A.11. Issue ages are to age 69 inclusive and benefits terminate at age 70.

**Q.12. Does SmartChoice coverage remain the same until expiry at age 70?**

A.12. No. Coverage reduces by 50% at age 65.

**Q.13. Does SmartChoice C.I. offer optional coverage to top up the mandatory benefit?**

A.13. No. SmartChoice only offers an optional Dependent Coverage benefit.

**Q.14. What is Dependent Coverage and is it available to any size group?**

A.14. Dependent Coverage is all employees with eligible dependents. If this option is selected then all eligible employees with dependents must take it. Dependent Coverage is only available to groups of 5 employees or more. Coverage provides **\$15K spousal** coverage and **\$5K for each child** (under age 21).

**Q.15. Does the Dependent Coverage option provide coverage for students aged 21 and over?**

A.15. Yes. Dependent Coverage is provided to full-time students up to age 25 (under age 26) provided proof of full-time registration is submitted that they are attending an accredited educational institution, college or university. Proof of registration includes a copy of approved enrollment or copy of school identification card and will be required prior to the beginning of each school year.

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**Q.16. Does spouse include a person of the same sex?**

A.16. Spouse means a person of the same or opposite sex who is legally married to the employee and cohabitates with the employee; or, cohabitates with the employee and has been publicly represented as their domestic partner for a period of at least one year in the community in which they reside.

**Q.17. Does SmartChoice provide a waiver of premium benefit?**

A.17. Yes. SmartChoice includes a waiver of premium benefit at no additional cost.

**Q.18. What constitutes "Total Disability" with respect to waiver of premium benefit?**

A.18. Total Disability means disability resulting from injury or sickness which prevents engagement in the Employee's regular occupation during the first 24 months and thereafter any gainful employment for which he or she is reasonably qualified for because of education, training or experience.

**Q.19. What is the qualifying period for waiver of premium?**

A.19. Employee must be disabled for a continuous period of 180 days for stand alone C.I..

**Q.20. Can a group apply for different amounts of coverage on different employees?**

A.20. One benefit amount must be selected by "class" of employees and there cannot be more than a "3 times" benefit difference by class, rounded to the next highest amount available. "Class" is defined either by title or occupational description.

**Q.21. What is the "Second Event Benefit" and what does it cost?**

A.21. With the "Second Event Benefit", two Principal Sum payments may be paid from the plan: if an insured person is paid the full Principal Sum for a First Event condition of Cancer or a Cardiovascular Condition, they are eligible to later receive a Principal Sum payment for another Insured Condition. "Cardiovascular Condition" includes Heart Attack, Stroke, Coronary Bypass, Aorta Surgery or Heart Valve Replacement.

In other words, if the First Event is Cancer, then the Second Event can be any one of the covered conditions under the plan, other than Cancer - OR - if the First Event is one of the Cardiovascular Conditions (i.e. Heart Attack, Stroke, Coronary Bypass, Aorta Surgery or Heart Valve Replacement), then the Second Event can be any other of the covered conditions, other than Heart Attack, Stroke, Coronary Bypass, Aorta Surgery or Heart Valve Replacement.

To be eligible to receive the Second Event Benefit payment, the insured must fully recover from the First Event condition, must return to work for at least 90 days subsequent to the First Event, and must have ended active treatment for the First Event condition. The second Principal Sum payment will be reduced by any partial benefit payment made after the First Event full Principal Sum payment.

The "Second Event Benefit" is included in the premium at **no additional cost**.

**Q.22. Does SmartChoice have a Pre-Existing conditions restriction?**

A.22. No. SmartChoice groups, regardless the size, do not have a pre-existing conditions restrictions.

**Q.23. How many covered conditions does SmartChoice provide and are they all for the full benefit?**

A.23. SmartChoice provides 22 covered conditions, or 27 if listed individually. It also provides two additional coverages for partial benefits.

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**Q.24. What are the partial benefit coverages and what amounts do they pay?**

A.24. **Ductal Carcinoma In Situ** (DCIS) and **Loss of Independence** Benefits are the partial benefits. DCIS pays the Insured person 20% of the Principal Sum to a maximum of \$20,000. Loss of Independence pays the Insured Person 25% of the principal sum insured.

**Q.25. What happens to an employee's coverage if they are absent for any length of time, such as for maternity leave, etc?**

A.25. Coverage shall be extended for a period of twelve (12) months following the beginning of any such event subject to payment of premiums.

**Q.26. Can coverage be converted if an employee leaves the group plan?**

A.26. Yes. Coverage can be converted to an individual policy which covers Cancer, Heart Attack, Kidney Failure and Stroke. Conversion will be for the face amount of the group coverage or \$25K, whichever is less.

**Q.27. Would the conversion option be available to an employee terminated for cause?**

A.27. Yes. The conversion privilege is available to employees terminated for cause.

**Q.28. If an insured was covered for an amount greater than \$25K is there any means by which they would be able to maintain the identical amount of coverage upon termination of their employment?**

A.28. No. The maximum amount that can be converted is \$25K.

**Q.29. What is involved if an employee changes from one class to another class?**

A.29. All employee changes must be reported to **SmartChoice** Benefits within 31 days of the date of change for the new coverage to take effect.

**Q.30. If a group of 50 & over drops below the minimum participation level of 50 what happens?**

A.30. All existing coverages will be grandfathered, but any new employees will be subject to the new category limits until such time the group has increased to 50 employees or over, by the next renewal.

**Q.31. If a group of 10 to 49 drops below the minimum participation level of 10 what happens?**

A.31. All existing coverages will be grandfathered, but any new employees will be subject to the new category limits until such time the group has increased to 10 employees or over, by the next renewal.

**Q.32. If a group of 5 to 9 drops below the minimum participation level of 5 what happens?**

A.32. All existing coverages will be grandfathered, but any new employees will be subject to the submission and approval of Critical Illness Statement of Health Questionnaires until such time as the group is back up to 5 or more employees

**Q.33. What happens when an Insured suffers a covered condition and survives the required qualifying time period but dies before the claim is paid?**

A.33. If the Insured is deceased at the time a benefit is paid, the benefit will be paid to a named beneficiary, usually the deceased's spouse. If there is no beneficiary, it will be paid to the deceased's estate.

**Q.34. Is there PST and/or GST on SmartChoice?**

A.34. **SmartChoice** is currently subject to PST only. Ontario: 8%, Quebec: 9%, All Other Provinces:0%.

**Q.35. Is this plan affected in any way by other benefits, such as workers' compensation?**

A.35. No. This plan is a first payer.

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**Q.36. What if enrollment occurs while some employees are away on vacation, leave of absence, etc how are they handled?**

A.36. Enrollment for such employees will take effect on the next day they are again actively at work.

**Q.37. If a new employee is hired after the effective date of a group plan how is he/she treated?**

A.37. A new employee, subject to satisfying the group’s waiting period, must be enrolled within 31 days of being eligible; otherwise he/she will be required to provide medical evidence with the completion of a Critical Illness Statement of Health Questionnaire.

**Q.38. How many hours a week does an employee require to be considered actively at work?**

A.38. An employee needs to be working on a permanent, full time basis for at least 20 hours per week.

**Q.39. How does a group remit payments or make employee changes?**

A.39. [SmartChoice Admin Inc.](#) will make monthly automatic EFT withdrawals. The group administrator can use [SmartChoice Admin Inc.’s](#) website to make any additions, deletions or other changes they require. If they are adding a new employee they can do so on line but then must submit an enrollment form directly to [SmartChoice Admin Inc.](#)

**Q.40. Which carrier is underwriting SmartChoice C.I. and what experience does it have?**

A.40. ACE INA Life Insurance, a member of the ACE Group of Companies, underwrites [SmartChoice](#) group Critical illness. ACE Group of Companies is one of the world’s leading insurance and reinsurance organizations. ACE has operations in more than 50 countries and conducts business with clients from over 140 countries. Financial Strength – Standard & Poor’s (A); Moody’s (N/A); A.M. Best (A+). Senior Debt (Counter-party credit rating) – Standard & Poor’s (A); Moody’s (N/A); A.M. Best (A+).

**Q.41. How long does it take for SmartChoice Benefits Inc. to set up a new group?**

A.41. Each group is different; but, a general rule of thumb is 2 weeks for groups under 10; 3 weeks for groups of 10 to 49; and 4 weeks for groups of 50 or over.

**Q.42. How long does it take to obtain a SmartChoice quote?**

A.42. You can instantly calculate a group based on the figures listed below:

PREMIUM CALCULATOR				
Amount of Coverage	Monthly Premium	Total Monthly Premium		
		Ontario (8% PST)	Quebec (9% QST)	All Other Provinces
\$15,000	\$ 15.36	\$ 16.59	\$ 16.74	\$ 15.36
\$25,000	\$ 25.60	\$ 27.65	\$ 27.90	\$ 25.60
\$50,000	\$ 51.20	\$ 55.30	\$ 55.81	\$ 51.20
\$75,000	\$ 76.80	\$ 82.94	\$ 83.71	\$ 76.80
\$100,000	\$ 102.40	\$ 110.59	\$ 116.62	\$ 102.40
Optional Benefit: DEPENDENT COVERAGE				
Amount of Coverage	Monthly Premium	Ontario (8% PST)	Quebec (9% QST)	All Other Provinces
Spouse/Child \$15,000/\$5,000	\$ 16.11	\$ 17.40	\$ 17.56	\$ 16.11

Rates are fixed. Groups of 1 to 4 rates renew every May. All other groups’ rates are guaranteed for 12 months.