

Cost plus benefit coverage



Mailing instructions:

Please read carefully.

Please forward your completed Sun Life Assurance Company of Canada claim form, claim receipts and only documents pertaining to your Sun Life Assurance Company of Canada claim to:

The Montreal Health Claims Office if you live in the Atlantic provinces or Quebec.

Sun Life Assurance Company of Canada
PO Box 11658 Stn CV
Montreal QC H3C 6C1

The Waterloo Health Claims Office for all other provinces.

Sun Life Assurance Company of Canada
PO Box 2010 Stn Waterloo
Waterloo ON N2J 0A6

Check list:

Have you . . .

- Calculated the administration fee and applicable taxes?
- Enclosed a cheque equivalent to line G? Be sure to staple your cheque to the back of the claim form. For claims over \$10,000, a certified cheque or bank draft must be received.
- Enclosed all original expense invoices/receipts/Explanation of Benefits?

Important notice:

If information is missing, incomplete or inaccurate, your cheque and Cost Plus documents may be returned to you.

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.

Before submitting a claim for payment, the plan sponsor should consult with their tax advisor to evaluate the cost plus request and understand the tax impact to both their organization and the claimant. Not all claim payment requests made under this arrangement qualify as an eligible expense payable under a private health services plan. For example, when a claim is paid solely for the benefit of a shareholder/owner, it may not qualify as an expense deduction for the organization and may be a taxable benefit to the claimant.

How to calculate “cost plus” payments

In addition to the plan sponsor paying for the “cost plus” claims, the following administration fee and taxes will apply as well:

- 10% of claims subject to a maximum of \$250 and a minimum of \$50
- Applicable provincial premium tax applied against the total value of the claims.
- Provincial sales tax (provinces of Ontario and Quebec only) applied against the total of the claims, the fee and the premium tax.

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)	\$2,500.00
B.	Total Dental Claims Amount(s)	\$1,500.00
C.	Total Medical and Dental Claims (A + B)	\$4,000.00
D.	Fee:	
	i) 10% of claims (C) subject to a maximum of \$250 and a minimum of \$50:	\$ 250.00
	ii) Applicable premium tax	+ \$ 85.00
	Total Fee:	= \$ 335.00
E.	Sub-total (C + D)	\$4,335.00
F.	8% Provincial Sales Tax (E x .08)	\$346.80
G.	Amount payable to Sun Life Assurance Company of Canada (E + F)	\$4,681.80

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.
 For claims over \$10,000, a certified cheque or bank draft must be received.
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.

Provincial Premium Tax:

BC = 2.00%
AB = 2.00%
SK = 3.00%
MB = 2.00%
ON = 2.00%
QC = 2.55%
NB = 2.00%
NF = 4.00%
NS = 3.00%
PE = 3.50%
NT = 3.00%
YT = 2.00%

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

Company name		Contract number		
Plan administrator		Plan administrator phone number	E-mail	
Employee last name	First 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.

Provincial Premium Tax:

- BC = 2.00%
- AB = 2.00%
- SK = 3.00%
- MB = 2.00%
- ON = 2.00%
- QC = 2.55%
- NB = 2.00%
- NF = 4.00%
- NS = 3.00%
- PE = 3.50%
- NT = 3.00%
- YT = 2.00%

A.	Total Medical Claims Amount(s)	\$
B.	Total Dental Claims Amount(s)	\$
C.	Total Medical and Dental Claims (A + B)	\$
D.	Fee: i) 10% of claims (C) subject to a maximum of \$250 and a minimum of \$50: \$ _____ ii) Applicable provincial premium tax + \$ _____ 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) For claims over \$10,000, a certified cheque or bank draft must be received.	\$

Upon receipt of the following:

- cheque in the amount of G (for claims over \$10,000, a certified cheque or bank draft must be received),
- 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.

Canada Revenue Agency indicates that a cost-plus plan that is solely for the benefit of shareholders/owners may not qualify as a Private Health Services Plan and therefore any cost plus claims processed on this basis may not receive tax exemption as either a valid business expense or as nontaxable income to the claimant. Please consult your tax advisor and or refer to the CRA website www.cra-arc.gc.ca for details.

I certify that consent has been obtained from the member to collect, use and disclose 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 member's claim, including the plan sponsor, for the purposes of administration and adjudication of this claim.

Plan administrator signature X	Title	Date (yyyy-mm-dd) - -
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 Montreal QC H3C 6C1

The Waterloo Health Claims Office for all other provinces.

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