

HEALTH INSURANCE

Sun Long Term Care Insurance


ADVISOR GUIDE

What's inside

Product details
Additional options
Glossary of terms



Life's brighter under the sun

In this guide, the  symbol is used to identify a Sun Life competitive advantage. Please refer to page 48 for a summary of these competitive advantages.

Why include long term care insurance (LTCI) in your portfolio of product solutions?

It's easy to take our ability to perform day-to-day activities for granted, but this can change, especially as we age.

Fortunately, most of these changes aren't dramatically different from one day to the next – it's more of a gradual process.

The level of health care and personal assistance we need, and the cost to meet these needs, will increase with age with the average Canadian experiencing four to six of the final years of their life in diminished health.¹

As you build and review retirement income plans for clients, it's important to help them recognize and consider their future health care needs and the impact their choices and expectations will have on their plans. Long term care insurance can help with financial protection for their plans and the means to pay for the level of care they want and expect.

What is the LTCI target market?

The LTCI solution can fit within the financial plan of a number of different target markets. These are best segmented by the following life stages:

- Planning for retirement
- Close to retirement
- Retirees

The LTCI product options available will be different for each market and fit into their planning differently.

The LTCI products available from Sun Life include Sun Long Term Care Insurance and Sun Retirement Health Assist. These product options fit into planning for each target market differently.

This guide contains the information you need to:

- understand Sun Long Term Care Insurance (Sun LTCI)
- successfully sell the right plan, and
- help clients manage their policy.

Product information in this guide refers to policies sold after December 6, 2013 (2013 series), unless otherwise indicated.



¹ Statistics Canada Life Expectancy 2015-2017.

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Product at a glance

Plan details	
Coverage	<p>An income-style benefit when the insured person is dependent. It's designed to help cover the cost of care services in any environment,² including:</p> <ul style="list-style-type: none"> • a personal residence, • a retirement home, or • a long-term care facility.
How we determine dependency	<p>The insured person is dependent when:</p> <ul style="list-style-type: none"> • They need constant supervision for protection from threats to their physical health and safety as the result of deterioration in or a loss of: <ul style="list-style-type: none"> • short or long-term memory, • orientation as it relates to people, place and time, • reasoning, or • judgment as it relates to safety awareness. • They require substantial physical assistance, with or without assistive devices, to safely and completely perform two or more activities of daily living (bathing, dressing, toileting, transferring, continence and feeding). • They require stand-by assistance for bathing and transferring. (Stand-by assistance³ means another person must always be within arm's reach of the insured person so they may safely and completely perform the activities of bathing and transferring).
Issue ages	21-80
Benefit amounts	<ul style="list-style-type: none"> • Minimum weekly benefit: \$150 • Maximum weekly benefit (for all LTCI coverage on one life insured): \$2,300
Benefit periods	<ul style="list-style-type: none"> • 100 weeks (1.9 years) • 150 weeks (2.8 years) • 250 weeks (4.8 years) • Unlimited
Waiting periods	<ul style="list-style-type: none"> • 90 days • 180 days <p>The waiting period is the length of time the insured person must be continuously dependent before a claim is submitted.</p>
Premium payment period	<ul style="list-style-type: none"> • The lifetime of the policy (until the policy anniversary following the 100th birthday of the insured person); or • The latest of 25 years or to the policy anniversary after age 65.

² We won't pay benefits when the insured person is outside Canada or the United States for more than eight consecutive weeks.

³ If the insured person requires stand-by assistance for only one of bathing or transferring, we consider them dependent when they also require substantial physical assistance to perform one of the other activities of daily living.

Features (Automatically included)

<p>Palliative care (end-of-life care)</p>	<p>Regardless of the waiting period, a claim may be submitted 30 days after the insured person:</p> <ul style="list-style-type: none"> • requires substantial physical assistance for at least four activities of daily living, • has been diagnosed with a terminal disease or illness by a qualified physician or another health care professional acceptable to us, and • is receiving palliative care that is supportive and provides comfort.
<p>First payment bonus</p>	<ul style="list-style-type: none"> • When we approve a new claim, the first payment includes a bonus amount, equal to 12 times the weekly amount. • When the insured person is receiving palliative care and qualifies for benefits, the bonus is equal to four times the weekly amount. • When the policy includes inflation protection, the bonus includes any accumulated increases to the weekly amount. • The first payment bonus does not affect the number of weeks remaining in the policy's benefit period.
<p>Waiver of premium</p>	<p>When we approve a claim for benefits on the insured person, we waive premiums for the policy. The premiums must be paid until we notify the policy owner that we've approved the claim.</p>
<p>Spousal waiver of premium</p>	<p>To qualify, each policy must have the spousal waiver provision and must have been continuously in effect with no approved claim from the dates they came into effect until:</p> <ul style="list-style-type: none"> • both policies have reached their 10th policy anniversary, or • the insured person and their spouse have had their 86th birthday. <p>We will waive premiums for the policy:</p> <ul style="list-style-type: none"> • When we're paying benefits for the spouse's policy. <ul style="list-style-type: none"> • This continues even if we've paid the benefits for the entire benefit period of the spouse's policy. • If the spouse dies while their insurance is in effect, regardless of whether or not we were paying benefits.
<p>Extended term insurance</p>	<p>If the premiums are not paid, coverage may automatically continue for a period of time as set out in the Extended term insurance schedule. The weekly amount, waiting period and benefit period will not change.</p>

Features (Automatically included)

<p>Premium guarantee</p>	<p>The premium won't change for the first five policy years. After this period, we may increase or decrease the premium on a policy anniversary. If we change the premium, we will tell the policy owner in advance and that premium is guaranteed for at least another five policy years.</p>
<p>LifestageCare Services (non-contractual feature)</p>	<p>Includes access to a members'-only website and toll-free telephone support service – a national, bilingual service, available 24 hours a day, seven days a week. Offers clients unbiased information about local, qualified health care and personal care providers that meets their individual and family needs, at every stage of life. LifestageCare is currently available to new and existing long-term care insurance policy owners of Sun Life. It is not a guaranteed feature of the product and may be withdrawn at any time.</p>

Additional Options

<p>Return of premium on death (ROPD)</p>	<p>Available for issue ages 21-65.</p> <p>If the insured person dies while the policy is in effect, we will pay the returnable premium amount to the ROPD beneficiary named in writing, or if none are named, the policy owner or their estate.</p> <p>The returnable premium amount is the sum of all premiums paid for the policy, minus any unpaid premiums plus interest, and any benefit payments made.</p>
<p>Inflation protection</p>	<p>While inflation protection is in effect, we increase the weekly amount on each policy anniversary.⁴</p> <p>Option A:</p> <ul style="list-style-type: none"> • Weekly benefit increases by 3% while the weekly benefit is payable. <p>Option B:</p> <ul style="list-style-type: none"> • Weekly benefit increases by 2% if the weekly benefit is not payable and it increases by 3% while the weekly benefit is payable.

LifestageCare by Assistance Services Group, a SYKES® company

⁴ There's no cap on increases; they're compounded annually and rounded to the nearest dollar.

Product details

Sun LTCI provides an income-style benefit when the insured person is dependent. It helps cover the cost of care over a lengthy period of time, giving the peace of mind that comes with knowing that the financial burden of care won't rest entirely with loved ones.

Sun Life offers the following stand-alone plan design for single lives:

- A permanent insurance policy that provides protection for the entire lifetime of the insured person when they meet the requirements to qualify, as long as the required premiums are paid or *extended term insurance* is available as set out in the policy.

Coverage will end when the insured person dies or when the policy is cancelled.*

Issue ages

- Ages 21-80

How we determine dependency

The insured person is dependent when we've determined through objective measures that there are functional limitations for either deteriorated mental ability (cognitive impairment) or activities of daily living, including stand-by assistance for bathing and transferring, as described below.

The insured person is considered dependent when they require any or all of the following:

**Constant supervision
by another person
because of deteriorated
mental ability**

OR

**Substantial physical
assistance with at
least two activities
of daily living**

OR

**Stand-by assistance
to perform bathing
and transferring**

* The policy may end for other reasons as described on page 34 of this guide.

Deteriorated mental ability (cognitive impairment)

The insured person is dependent when they need constant supervision for protection from threats to their physical health and safety as the result of deterioration in or a loss of:

- short or long-term memory,
- orientation as it relates to people, place and time,
- reasoning, or
- judgment as it relates to safety awareness.

Deteriorated mental ability must result from an organic brain disorder such as Alzheimer's disease, irreversible dementia, or brain injury. The diagnosis must be made by a specialist licensed and practising in Canada or the United States based on:

- clinical examination,
- radiological studies, and
- psychological testing.

Activities of daily living (ADL)

The insured person is dependent when they require substantial physical assistance, with or without assistive devices, to safely and completely perform two or more activities of daily living. Activities of daily living include bathing, dressing, toileting, transferring, continence and feeding.

Activities of daily living are defined as:

Bathing means washing with or without the aid of assistive devices:

- in a bathtub or shower, including getting in and out of the bathtub or shower or
- by sponge bath.

Bathing doesn't include the ability to reach and wash the back or feet.

Dressing means putting on, taking off, fastening and unfastening, with or without the aid of assistive devices:

- clothing and
- medically necessary braces or artificial limbs.

There is no dependency if reasonable alterations to or changes in the clothing the insured person usually wears would enable them to dress without substantial physical assistance.

Toileting means getting to and from and on and off the toilet, with or without the aid of assistive devices, and performing associated personal hygiene.

Transferring means moving into or out of a bed, chair or wheelchair, with or without the aid of assistive devices.

Continence means the ability to control both bladder and bowel functions or maintain a reasonable level of personal hygiene (including caring for catheter or colostomy bag) when not able to control bowel or bladder functions.

Feeding means the ability to get food into the body, with or without the aid of assistive devices, through the mouth or by feeding tube. Feeding doesn't include cooking or preparing a meal.

NOTE: Assistive devices are aids that we determine could be used to improve the insured person's functioning. These include adjustable beds, buttonhooks, canes, crutches, grab bars, handheld showerheads, bath brushes, seat lifts, transfer benches, walkers and wheelchairs. If using an assistive device allows the insured person to perform an activity of daily living safely and completely, the insured person is not dependent for that activity.

Stand-by assistance for bathing and transferring

The insured person is also dependent when they require stand-by assistance for bathing and transferring. Stand-by assistance means another person must always be within arm's reach of the insured person so they may safely and completely perform the activities of bathing and transferring.

If the insured person requires stand-by assistance for only one of bathing or transferring, we consider them dependent when they also require substantial physical assistance to perform one of the other ADLs.

Palliative care (end-of-life care)

Regardless of the waiting period, a claim may be submitted 30 days after the insured person:

- requires substantial physical assistance for at least four activities of daily living,
- has been diagnosed with a terminal disease or illness by a qualified physician or another health care professional acceptable to us, and
- is receiving palliative care that is supportive and provides comfort.



Short or long-term memory

Orientation to people, place and time

Reasoning

Judgment as it relates to safety awareness

Bathing

Dressing

Toileting

Transferring

Contenance

Feeding

Bathing **and** transferring

OR

Bathing or transferring **and** substantial physical assistance with one or more ADL

Scenario: not dependent

- The insured person is a 55-year-old male who recently had knee surgery and struggles to dress himself.
- He is not considered dependent because he does not require assistance for any activity of daily living.

Scenario: dependent

- The insured person is a 76-year-old female who suffered a stroke and needs assistance for bathing, dressing, feeding, toileting, transferring and continence.
- She is dependent because she cannot independently perform many of the activities of daily living.

Plan details

Benefit type

We pay a weekly income-style benefit to the policy owner when the insured person qualifies for it. The claimant doesn't need to submit receipts for services to receive the benefit once the insured person qualifies for the benefit. The policy owner can use the money however they choose.

Weekly benefit amount

The benefit is calculated weekly and paid monthly.

Minimum weekly benefit amount: \$150

Maximum weekly benefit amount (for all LTCI coverage on one insured person): \$2,300

Waiting period

The waiting period is the length of time the insured person must be continuously dependent before a claim is submitted.

It starts on the date they first require assistance for two or more ADLs or the date they first require continual supervision. There are two options to choose from:

- 90 days
- 180 days

Benefit period

The benefit period is the length of time we may pay a claim.

- 100 weeks (1.9 years)
- 150 weeks (2.8 years)
- 250 weeks (4.8 years)
- Unlimited

If the benefit period is limited to a maximum number of weeks, each payment we make reduces the number of weeks eligible to be paid. The number of weeks in the benefit period does not start over with a new claim.

If the benefit period is unlimited, it's not affected by the payments we make.

Additional options that may be applied for

Inflation protection

While inflation protection is in effect, we increase the weekly amount on each policy anniversary, as described below. Increases are compounded annually and rounded to the nearest dollar and there are no caps on increases.

At the time of purchase, the client may select one of the following options.

Option A:

While inflation protection is in effect, we increase the weekly benefit amount by three per cent on each policy anniversary when benefits are payable. Increases will be compounded annually and rounded to the nearest dollar and there are no caps on increases.

If benefits are no longer payable on a policy anniversary, the weekly benefit amount will not increase. Any accumulated increase remains in effect.

Option B:

While inflation protection is in effect, we increase the weekly benefit amount on each policy anniversary. The increase we apply is:

- Two per cent if we are not paying benefits on the policy anniversary date, or
- Three per cent if we are paying benefits on the policy anniversary date

There are no caps on increases.

If an applicant wishes to obtain coverage for more than the maximum weekly benefit amount of \$2,300, this can be achieved by selecting Inflation protection option B. With this option, the initial coverage amount will double in approximately 35 years.

Return of premium on death (ROPD)

If the insured person dies while the policy is in effect, we will pay the returnable premium amount, as described below, to the ROPD beneficiary named in writing, or if none are named, the policy owner or their estate.

Returnable premium amount

The returnable premium amount is the sum of all premiums paid for the policy, minus:

- any unpaid premiums plus interest, and
- any benefit payments made.

Plan features that are automatically included

Waiver of premium (when a claim is approved)

When we approve a claim for benefits on the insured person, we waive premiums for the policy. The premiums must be paid until we notify the policy owner that we've approved the claim.

Spousal waiver

If we've issued a long term-care insurance policy on the insured person's spouse and approved a claim for benefits on that policy, we may waive premiums for the insured person's policy.

To have premiums waived, both policies must have Spousal waiver. Each policy must have been continuously in effect with no approved claim, from the dates they came into effect until:

- both policies have reached their 10th policy anniversary, or
- the insured person and their spouse have had their 86th birthday.

Spouse

Spouse means the person who is married to the insured person, is in a civil union with the insured person, or the person who lives with the insured person in a conjugal relationship for at least 12 consecutive months before the date a claim is submitted for the spouse.

To request premiums be waived, the policy number must be included on the spouse's claim form. We may ask for proof of the spouse's relationship to the insured person.

We will waive premiums for the policy when we're paying benefits for the spouse's policy. We will continue to waive premiums for the policy even after we've paid benefits for the entire benefit period for their policy.

We will also waive premiums for the policy if the spouse dies while their insurance is in effect, whether or not we were paying benefits at the time they die. We will require proof of the spouse's death.

The premiums for the policy must be paid until we notify the client that the request is approved.

Any excess premiums paid will be deposited to the policy's withdrawable premium fund.



Martin and Joanne both have Sun LTCI policies in-force for 10 years. Neither of them has received benefits from their LTCI policy during the first 10 years of coverage. In the future, if one of them becomes dependent as defined in the policy and a claim is approved, or if one of them dies, we will waive premiums on the other's policy – as long as they are still spouses at the time of the event.

However, if either of them becomes dependent as defined in the policy and is approved for benefits in the first 10 years of their policies being in-force, the Spousal waiver becomes null and void. The 10 year period does not start over.

First payment bonus

When we approve a new claim, the first payment includes a bonus amount. It is equal to 12 times the weekly amount.

If the insured person is receiving palliative care and qualifies for benefits (as described earlier), the bonus is equal to four times the weekly amount.

If this policy includes inflation protection, the bonus includes any accumulated increases to the weekly amount.

The first payment bonus does not affect the number of weeks remaining in the policy's benefit period.

We will not pay a bonus if:

- there is a continuation of a previous claim, or
- the policy continues as Extended term insurance, if available.



Elizabeth owns a Sun LTCI policy which has a 90 day waiting period, a \$750 weekly benefit and an unlimited benefit period.

When Elizabeth suffers a stroke she becomes unable to bathe, dress and feed herself. After meeting the 90 day waiting period she submits a claim which is approved. When she receives her first benefit payment it includes an additional \$9000 ($\750×12 weeks) which can help to offset some of the costs that might have been incurred while satisfying the waiting period.

Extended term insurance

If premiums are not paid and the policy has been in effect for the number of years set out in the *Extended term insurance schedule* in the policy, the policy will automatically continue for a period of time. At the end of that period, the policy ends.

The policy continues in effect if:

- we do not receive the required premium within 31 days after it is due,
- there is not enough money in the withdrawable premium fund to pay the required premium, and
- extended term insurance is available.

The weekly amount, waiting period and benefit period will not change.

While the policy continues as extended term insurance:

- the policy owner may not pay premiums,
- the policy owner may not put money into the withdrawable premium fund,
- we will not pay a first payment bonus,
- Return of premium on death ends, if included in the policy, and
- Inflation protection ends, if included in the policy. (Any accumulated increase to the weekly amount remains in effect).

If we approve a claim while extended term insurance is in effect, the policy continues as set out in the schedule. If we stop paying a claim before the end of the last available year shown in the schedule, the policy continues as extended term insurance.

If we're still paying benefits at the end of the last available year shown in the schedule, we will continue to pay benefits while the insured person qualifies. On the date they no longer qualify, the policy ends.

The table presented on the following page is an example of an Extended term insurance schedule based on a 53 year old female, who has purchased the following policy:

- \$650 Weekly Benefit
- Unlimited Benefit period
- 90 day Waiting Period
- Without additional option
- Paid for annually on a lifetime basis (until the anniversary after age 100)

Number of years this policy has been in effect	Client Age	Number of policy years Extended term insurance is available
1	54	0
2	55	0
3	56	0
4	57	0
5	58	0
6	59	0
7	60	0
8	61	0
9	62	0
10	63	0
11	64	0
12	65	0
13	66	1
14	67	2
15	68	3
16	69	4
17	70	5
18	71	5
19	72	5
20	73	5
21	74	5
22	75	5
23	76	4
24	77	4
25	78	4
26	79	3
27	80	3
28	81	3
29	82	3
30	83	2
31	84	2
32	85	2
33	86	2
34	87	2
35	88	1
36	89	1
37	90	1
38	91	1
39	92	1
40	93	0
41	94	0
42	95	0
43	96	0
44	97	0
45	98	0
46	99	0
47	100	0

Reversing Extended term insurance

The policy owner can apply to reverse extended term insurance and resume paying premiums for this policy if the insured person is alive.

To reverse extended term insurance:

- apply within two years of the date the required premium was not paid,
- give us new evidence of insurability that we consider satisfactory, and
- make a payment equal to the reinstatement charge we set.

If we don't approve the application, we refund any amount paid when the request was submitted.

Plan of care

The insured person is entitled to one free plan of care. A request for a plan of care can be made after a claim has been approved and while the insured person is dependent.

The plan of care will outline the type and amount of care the insured person requires. It will also explain how care can be provided and if government programs are available.

LifestageCare service

From the moment the policy is issued and as long as it remains in force, the policy owner has immediate and unlimited access to the valuable resources provided through LifestageCare services.

LifestageCare is currently available to new and existing long term-care insurance policy owners of Sun Life. It is not a guaranteed feature of the product and may be withdrawn at any time.

Accessing LifestageCare

The policy owner can access this unique service immediately after the policy is issued and without having to make a claim, as long as the policy remains in force. LifestageCare services are for the policy owner's personal use but can also be used to help any family member.

Accessing LifestageCare is easy – log into the LifestageCare website or call the toll-free number. The LTCI policy number is the client identifier. The client can start using LifestageCare services immediately:

- www.sunlife.mylifestagecare.ca
- 1 877-301-1515

Supporting Families with resources and solutions for children, seniors and caregivers.

LifestageCare is a national, bilingual service, available by phone or online, 24 hours a day, seven days a week.

The service offers unbiased information about local, qualified health care and personal care providers that can help meet the Client's individual and family needs, at every stage of life.

Seniors – for information on aging, retirement residences, nursing homes, home care, and community care.

Self-care – for information about personal well-being, treatment, counselling, and physical rehabilitation.

Children and teens – for information on parenting, childcare, and special needs services.

Expert advice. Specific information. Confidential service.

Live – Live agents and navigators are available 24 hours a day, 7 days a week to answer questions by phone or email.

Specific – helps plan and manage family care responsibilities and find resources based on specific requirements and postal code. The information received is matched specifically to the individual's needs.

Confidential – complete, unbiased service; any information provided is kept strictly confidential.

Resources. Support. Solutions. For all of your family's care giving needs.

Search the database for health and support services for senior, disability and child care services.

Ask experts in gerontology and child psychology for advice.

Find costs for child care and care for seniors.

Link to federal and provincial government assistance programs.

Read informative articles about children, teens, seniors and care giving matters.

Applying for a Sun LTCI policy

Residency requirements

Non-residents

We consider residents of Canada to be individuals who reside in Canada for six months or more each year. Sun Life products are priced for individuals living in Canada. We do not accept applications for individuals who do not live in Canada.

Permanent residents of Canada

If the individual has permanent resident status, they can be considered. However, if they live in Canada less than 12 months per year, we will require a paramedical and blood profile.

Non-landed immigrants

Generally speaking, non-landed immigrants are not eligible to apply for long-term care insurance. However, exceptions may be made for doctors, professionals, investors, entrepreneurs and other individuals approved under a provincial nominee program (with the exception of refugees). In these cases we will require a copy of their employment contract and work visa or provincial nominee acceptance letter.

- If there is medical history requiring treatment or follow-up, we expect the proposed insured person to have a medical doctor in Canada before we can consider them.
- Maximum LTCI coverage of \$1,000 per week may be considered.
- If they have resided in Canada less than 12 months, we will require a paramedical and blood profile.

Temporary work visa

LTCI is generally not available.

Exception: The proposed insured person must be a resident of Canada for a minimum of one year before application. They must provide a copy of their employment contract and work visa and confirm they intend to apply for their permanent resident status when eligible.

- If there is medical history requiring treatment or follow-up, we expect the client to have a medical doctor in Canada before we could can them.
- Maximum LTCI coverage of \$750 per week may be considered.

Other temporary residents (including those on a student visa)

LTCI is generally not available.

Backdating

We permit backdating to save age up to a maximum of three months.

Backdating is only permitted to reduce premiums as a result of the lower issue age. A policy cannot be backdated in order to apply for coverage that would otherwise be unavailable.

For example, we cannot backdate to age 80 to apply for a Sun LTCI policy.

If a policy is backdated to retain age, evidence requirements are based on the proposed insured person's actual age at the time the application is submitted. For example, if the client turned 70 in the last three months, they can backdate to retain age 69 rates but the evidence requirements would be based on their actual age of 70.

Ownership rules

When the owner(s) and insured person are not the same:

Owner	Insured person	Example
Individual person	Individual person (different from the owner)	<ul style="list-style-type: none">• Husband owns the policy; wife is the insured person• Adult child owns the policy; father is the insured person
Corporation	Individual person	<ul style="list-style-type: none">• Corporation owns the policy; employee is the insured person

Contingent ownership:

The owner can appoint a contingent owner at the time of application.

- The name of the contingent owner must be included in the Special Instructions in the Advisor Statement section of the paper application. If the contingent owner is not specifically indicated in Special Instructions, the policy will be issued without a contingent owner

To make the change after the policy has been issued, submit form E28 – *Contingent owner change form*.

Transferring ownership:

The policy owner may transfer ownership to another person. Transferring ownership is also known as absolute assignment and could have tax implications.

There may be tax consequences if the transfer is from a corporation to a shareholder, to another corporation or unincorporated business, or from an unincorporated business to an owner or employee.

The rollover rules in the Income Tax Act (Canada) that permit tax-free transfers of life insurance policies in certain circumstances do not apply to LTCI policies.

To transfer ownership, complete form E82 – *Assignment of policy absolute (transfer of ownership)*.

Who receives payment

Claim payment

The weekly benefit is paid to the policy owner or the policy owner's estate.

Return of premium on death (ROPD)

The ROPD beneficiary payee can be designated when completing the application. The name of the beneficiary must be included in the Special Instructions section of the paper application. Indicate the full name(s) of the ROPD beneficiary(ies) (with a percentage, if applicable), the relationship to the insured person for Common law policies (or policy owner for Quebec), and if naming a spouse, indicate whether the appointment is revocable or irrevocable. If this is not specified on the application, the ROPD beneficiary will be the owner or estate of the owner.

Future changes can be submitted in writing to Sun Life head office. The request must include the policy owner's name, policy name and number and new beneficiary appointment (as above). The request must be signed and dated by the policy owner. If the beneficiary was irrevocable, they must also sign giving their consent to change.

Completing the application

For information on insurance coverage before the policy is approved, please refer to the advisor site.

Once the application is received, it will be assigned to an underwriter. Application status can be checked on the advisor site.

For information on how to submit the application, please refer to the advisor site or contact the Advisor service centre.

Payments

Depending on the premium frequency chosen by the client, payments can be made on a monthly basis through our pre-authorized chequing (PAC) process or annually by cheque.

If PAC is chosen, monthly payments are deducted automatically from the payor's bank account and applied to the premium owing. Monthly premiums are calculated by multiplying the annual premium (including the \$150 policy fee) by 0.09 (the modal factor)

- For example, a Sun LTCI policy with an annual premium of \$3,000 will have a monthly premium of \$270.

$$\text{Monthly premium: } \$3,000 \times .09 = \$270$$

If the policy owner chooses to pay annually by cheque, payments can be remitted to our head office before the policy anniversary date. An annual statement is sent to the owner approximately three weeks before the policy anniversary, reminding them that their annual premium is due.

Underwriting

The underwriting process for LTCI evaluates the risk of a proposed insured person becoming dependent on another person for daily assistance. The underwriting requirements for LTCI differ from those of life insurance, which evaluates the risk of death, and critical illness insurance, which evaluates the risk of being diagnosed with specific covered conditions.

Underwriting evidence requirements

Evidence required to underwrite Sun LTCI will depend on the plan type selected and the age of the proposed insured person.

Plan type	Sun LTCI Example		
Ages	21-49	50-69	70-80
Requirements	<ul style="list-style-type: none"> • Application 	<ul style="list-style-type: none"> • Application • Phone Interview 	<ul style="list-style-type: none"> • Application • Face-to-face Interview • Medical records

Please refer to the following Sun LTCI underwriting resources for more information:



[Pre-screening checklist \(810-3579\)](#) – saves you time and helps increase your placement rate by identifying common risks that lead to a decline; and it provides you with contact information if you have questions.



[The health interview / The memory exercise \(810-3852\)](#) – helps you prepare each client for the health interview and includes contact information if the client has questions or concerns about the process.



[The Long term care insurance field underwriting guide \(downloadable PDF\)](#) – provides guidance to help you determine if a particular condition would be considered for LTCI, as well as information about stability period restrictions.

Risk classes

- Male
- Female

Types of underwriting decisions



While life, critical illness (CII) and disability insurance (DI) products can be rated, Sun LTCI cannot.

Like DI products, Sun LTCI can be modified to a longer waiting period (i.e. from 90 days to 180 days), a shorter benefit period (i.e. from unlimited to 250 weeks) or an overall maximum (i.e. \$250,000) to be paid out.

In those situations you'll be asked to work with the client to determine if they are interested in a smaller amount over a longer benefit period or a larger amount over a shorter benefit period (see the example below).

If a **modified** offer is made, the premiums are adjusted to the new waiting period and benefit period, and there is no extra premium charge.

Example: The underwriter might indicate that the maximum amount we can offer is \$250,000.

You would determine the various options which would include \$1,000 weekly for 250 weeks or \$1,650 weekly for 150 weeks. You would then discuss the options with the client to determine which would best meet their needs.

When we **postpone** a Sun LTCI application, the underwriter will indicate when we could reconsider our decision. However, when we **decline** an application, reconsideration of the decision is generally not possible.

Financial underwriting

The total amount of LTCI must be reasonable compared to the client's current standard of living.

To determine if the amount is reasonable, we'll look to ensure the premium is not a financial hardship and that the client isn't better off financially than they were before becoming physically dependent. We expect that the majority of the time the amount applied for fits with the client's financial circumstances.

Our pricing assumes the insured person is motivated to recover from physical dependency if their condition permits recovery. If a person is better off financially while receiving benefits, there may be less motivation to recover.

When completing an application, you will be asked for the total annual income and net worth for the proposed insured person and their spouse/partner, if applicable. Making sure the amount applied for is aligned with the client's financial situation will help you submit quality business and maintain your referral relationships.

Bankruptcy (personal/business bankruptcy, current not yet discharged)

In this situation, the following factors are taken into account when considering eligibility:

- Stable employment
- A minimum gross annual salary of \$30,000
- If self-employed use gross income less business expenses
- If applications are received on both spouses, one with bankruptcy not yet discharged and the other not working, a minimum gross annual salary of \$60,000
 - Maximum weekly benefit amount of \$500 for all applicants
 - Unlimited benefits, if all is favourable; otherwise, we may consider a reduced benefit amount

Premium details

All premiums must be paid in Canadian funds and drawn from an account at a Canadian financial institution.

Premium frequency – monthly or annually

Monthly payments

If the policy owner chooses to pay monthly by pre-authorized chequing (PAC), monthly payments are deducted automatically from the payor's bank account and applied to the premium owing. Monthly premiums are calculated by multiplying the annual premium (including a \$150 policy fee) by 0.09 (the modal factor).

Example: A Sun Long Term Care Insurance policy with an annual premium of \$3,000.00 will have a monthly premium of \$270.00.

Annual payment

If the policy owner chooses to pay annually by cheque, payments can be remitted to Sun Life head office before the policy anniversary date. An annual statement is sent to the policy owner approximately three weeks before the policy anniversary to remind them that their annual premium is due.

Withdrawable premium fund

If we receive more money than is owed in premiums, we will hold the excess amount in the withdrawable premium fund. We may set a maximum amount that can be in the fund. This fund can be used to pay premiums at any time.

The amount in the withdrawable premium fund will earn interest daily. We set the interest rate each day based on short-term interest rates. Interest earned on the premium fund is taxable.

The money from this fund can be withdrawn at any time. There may be limits on withdrawal amounts and we may charge a fee for these withdrawals. You'll be informed of any rules and limitations when you submit a withdrawal request.

Premium payment options

The applicant must select one of the following:

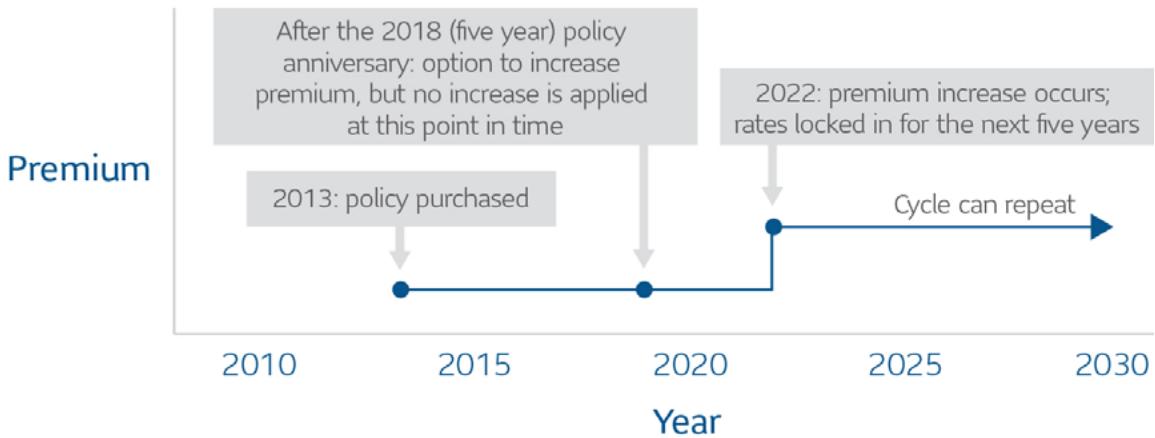
- Premiums are payable for the lifetime of the policy (until the policy anniversary following the 100th birthday of the insured person, or
- Premiums are payable to the latest of 25 years **or** to the policy anniversary after age 65.

Premium guarantee

The premium shown on the *Policy summary* won't change for the first five policy years. After this period, we may increase the premium on a policy anniversary. If we change the premium, we will tell the policy owner in advance and that premium is guaranteed for at least another five policy years.

Any premium change is based on the insured person's age on the policy date. We do not consider the insured person's health when we make a premium change.

In this scenario, the purchase date of the policy was January 20, 2013.



When we waive premiums

When we approve a claim for benefits, we waive premiums for the policy. The premiums must be paid until we notify the policy owner that we've approved the claim.

Non-forfeiture provision (Extended term insurance)

If premiums are not paid and the policy has been in effect for the number of years set out in the *Extended term insurance schedule* in the policy, the policy will automatically continue for a period of time. At the end of that period, the policy ends.

For more details about this provision please see *Extended Term Insurance* on page 17.

Issuing a Sun LTCI policy

Policy date

The policy date indicated in the LTCI policy is the start date of that policy.⁵

The policy date will be the date the policy is issued, or the retained age date if requested.

Please refer to the Sun Life advisor website for more details on policy delivery requirements

⁵ For tax and legal purposes, the policy issue date will be determined according to relevant provincial and/or federal legislation where applicable.

Plan changes

Changing coverage options

There are a variety of changes possible including:

- decreasing the weekly benefit amount,
- decreasing the benefit period,
- lengthening the waiting period,
- changing the inflation protection option from two per cent/three per cent to zero per cent/ three per cent,
- decreasing the benefit amount attributed to inflation protection increases, and
- changing the premium payment frequency.

To request any of these changes use form E220 – Change form – Long term care insurance.

We determine the minimum benefit amount that must remain in effect.

Terminating an option

It is possible to terminate an option, such as:

- Inflation protection, or
- Optional Return of premium on death.

To request any of these changes use form *E220 – Change form – Long term care insurance*.

Conversions

Sun Long Term Care Insurance doesn't have any conversion options.

Internal replacements

An internal replacement allows for a plan change outside of the contractual right. Under most circumstances, evidence of insurability must be submitted for internal replacements. A new application is always required. Quebec specific – In Quebec, advisors must follow the replacement procedure.

Examples of internal replacements include:

- increasing the benefit amount,
- increasing the benefit period,
- shortening the waiting period,
- adding optional Return of premium on death (ROPD),
- adding Inflation protection,
- changing Inflation protection benefit from zero per cent/three per cent while receiving benefits to two per cent/three per cent while receiving benefits, and
- lengthening premium payment period.

Note: Because this is not a contractual right, the rules for internal replacements may change.

Exception – An internal replacement without evidence is possible for Sun LTCI in the following scenarios:

If the new application is exactly the same as the old one except the client wishes to:

a) Shorten the premium payment period.

b) Shorten the premium payment period in combination with any of the following:

- If the original policy (either Clarica or Sun Life) has ROPD, no underwriting is required to have ROPD on the new policy.
- If the original policy is a Sun Life plan with Inflation protection, no underwriting is required to have Inflation protection on the new policy.
- If the original policy (either Clarica or Sun Life) has accumulated Inflation protection amounts and the client selects a plan amount totalling the existing base benefit plus any accumulated amounts for the new policy, no underwriting is required. (Example: The existing policy has a \$500 base benefit with \$75.00 add-in Inflation protection accumulation, the new plan can have \$575.00 with no underwriting required).

Reinstatements

The required premiums for the policy must be paid by the due date. If premiums are not paid when due, we will withdraw the unpaid premium from the withdrawable premium fund if it has sufficient funds.

The policy will end if:

- premiums are not received before the end of the 31st day after they are due,
- there are insufficient funds in the withdrawable premium fund, and
- extended term insurance is not available.

If the policy ends this way, it is called a lapse. If the policy ended because it lapsed, the policy owner can apply to have it put back into effect (reinstated) if the insured person is alive.

To reinstate the policy, the policy owner must:

- apply within two years of the date the policy ended,
- provide new evidence of insurability that we consider satisfactory, and
- make a payment equal to the reinstatement charge we set.

If we don't approve the application, we refund the amount paid to put the policy back into effect.

Reinstatement rules at a glance

Number of days from the premium due date	Amount and type of insurance	Evidence requirements
Less than 62	Any	None
62 to 180	Any	<ul style="list-style-type: none"> • Application for reinstatement – Clarica or Sun Long Term Care Insurance, form E226
Greater than 180	Any	<ul style="list-style-type: none"> • Application for reinstatement – Clarica or Sun Long Term Care Insurance, form E226 • Medical information and functional ability questionnaire for LTCI form E223, and • Usual underwriting evidence, based on attained age at reinstatement

Making a claim for Sun Long Term Care Insurance benefits

When to make a claim

The policy must be in effect on the date a claim is submitted. The insured person must be continuously dependent for longer than the waiting period, and the conditions described under the heading, *How we determine dependency* must be satisfied.

A claim may be submitted when a 30-day waiting period is satisfied if the insured person is receiving palliative care. This is described under the heading, *Palliative care (end-of-life care)*.

We must receive the claim immediately following the end of the waiting period and no later than 120 days from that date. Any claim received after that time is late and we may decline it without assessing dependency.

We'll consider a late claim exception if:

- we receive the claim no later than one year from the date the insured person became dependent, and
- the claimant provides a written explanation describing why the claim is late and we agree the explanation is reasonable.

How to make a claim

Step 1: Notify us

Contact us – To make a claim, the claimant should contact Sun Life using the toll free number listed in their policy. This number is 1 877-SUN-LIFE (786-5433). We will then send the appropriate claim form to be completed. You can call Individual Claims Services toll free or email ltclaims@sunlife.com.

Form – The person making the claim must complete the form(s) and give us the information we need to assess the claim.

The insured person must be in Canada or the United States at the time a claim is made. If they are not, they must return to be assessed by a physician licensed and practising in Canada or the United States.

Before we approve the claim, the insured person's date of birth must be verified. If the date of birth given on the application is incorrect, we'll adjust the amount we pay to reflect the insured person's correct age.

Pay premiums – Policy premiums must continue to be paid until we advise that we've approved the claim.

Send forms – The form(s) and information must be sent to:

Individual Claims Services
Sun Life Assurance Company of Canada
227 King St S, PO Box 1601, Stn Waterloo
Waterloo ON Canada N2J 4C5

Fees – Physicians may charge a fee to complete certain forms. The person making the claim is responsible for any fees for this information.

Step 2: Collection of medical information

Information we need – The claimant must give us the information we need to assess the claim. This includes our form which must be completed by a physician or another health care professional acceptable to us. The physician must describe the insured person's medical condition, limitations and functional abilities and provide objective medical information about their dependence.

Additional information – We'll advise if we need any other information to assess the claim. This could include medical records, clinical tests, physiotherapy reports, psychological tests and any other objective medical information that supports the claim.

Fees – Any fees charged by physicians to complete forms or provide information are the claimant's responsibility.

Doctors – Physicians, specialists or healthcare practitioners who provide information to us must be licensed and practising in Canada or the United States. They may not be the policy owner, insured person, anyone entitled to make a claim under this policy, or any relative or business associate of these people.

Documentation by us – We may require the insured person to be examined by any healthcare practitioners that we appoint. These may be licensed physicians, physiotherapists, occupational therapists, psychiatrists, psychologists or others. We pay for these examinations.

We may also require the insured person to authorize us to gather and use information from other insurers or government agencies.

Step 3: Making the claims decision

Once we receive all information we require, we will assess the information and make a decision. We communicate this decision and pay the benefit to the policy owner or the estate, if applicable.

If we deny a claim, we send a letter explaining the decision to the policy owner. If the policy owner and the insured person are not the same person, we will send two decline letters:

- one letter to the claimant, fully explaining our policy decision, and
- a second letter to the policy owner, confirming our denial of the claim. No medical information is given to the policy owner for privacy reasons.

To contact the Individual Claims Services department, use:


Email: ltcclaims@sunlife.com

Fax: 1 866-487-4745

Exclusions and limitations

The policy ends and benefits are not payable if the insured person's dependency started before the later of:

- the most recent date an application for this policy was signed,
- the policy date shown under the heading Policy summary, or
- the most recent date this policy was put back into effect, if the policy has been reinstated.

We won't pay benefits when the insured person is outside Canada or the United States for more than eight consecutive weeks. If we've paid beyond the eight consecutive week limitation, we have the right to deduct the overpayment from any future benefits. 

We won't pay benefits if the insured person's dependency is directly or indirectly caused by or associated with the insured person operating a vehicle while their blood alcohol level is more than 80 milligrams of alcohol per 100 millilitres of blood. A vehicle includes any form of ground, air or marine transportation that can be put into motion by any means, including muscular power. We do not take into account whether or not the vehicle is in motion.

We won't pay benefits if the insured person's dependency is directly or indirectly caused by or associated with the insured person:

- committing or attempting to commit a criminal offence,
- attempting to take their own life, regardless of whether the insured person has a mental illness or understands or intends the consequences of their action(s),
- causing themselves bodily injury, regardless of whether the insured person has a mental illness or understands or intends the consequences of their action(s),
- intentionally taking any drug other than as prescribed by a licensed medical practitioner and in accordance with the instructions given, and/or
- intentionally taking any intoxicant, narcotic or poisonous substance. This does not include smoking cigarettes, cigarillos, cigars, chewing tobacco or occasional use of alcohol.

We won't pay benefits if the insured person's dependency is directly or indirectly caused by or associated with civil disorder or war, whether declared or not.

Tips for an efficient claims process

- Make sure you understand the claim triggers and that the insured person meets the definition of dependence as defined by the contract. This will help reduce ineligible claims, set better expectations for the insured person and reduce potential expenses.
- Verify the waiting period set out in the policy. After the waiting period has been met, complete and submit the claim form.
- Make sure the form is complete, signed and dated before you submit it. You need to include:
 - the full address (including postal code) of all doctors the insured person has consulted, and
 - the phone number of all doctors the insured person has consulted.
- Verify the insured person's date of birth and check it against that shown in the policy.
- It is important that we obtain all medical reports from the physician to support the claim. If the reports are not sent to us, we cannot do a full evaluation and this will cause delays.

Taxation

There are no specific tax laws governing LTCI policies.

Based on current tax laws and guidance from the Canada Revenue Agency, we expect that:

- Premiums paid for a long-term care insurance policy owned by an individual or individuals will not be tax deductible.
- Any cash benefits paid from a long-term care insurance policy will be tax-free when the policy owner and benefit payee are the same.

If the policy is owned by a corporation, different tax laws may apply to some circumstances:

- Premiums paid for a long-term care insurance policy owned by a corporation will not be tax deductible, except in strictly limited circumstances that are beyond the scope of this guide.
- Any cash benefits paid from a long-term care insurance policy will be tax-free when the policy owner and benefit payee are the same.
- Payment of any part of the cash benefit from the corporation or an unincorporated business to an employee or shareholder could produce tax consequences for the recipient.
- Since long-term care insurance is not life insurance, no part of the long-term care insurance benefit that a corporation receives can be paid to its shareholders as a tax-free capital dividend.
- If the corporation transfers ownership of a long-term care insurance policy to one of its shareholders or employees, there may be tax consequences for the recipient.

The foregoing is only a general summary. A tax professional should be consulted for more information. For more information consult the Canadian Health Insurance Tax Guide:

www.sunlife.ca/advisor/HealthTaxGuide.

Product history

Clarica Long Term Care Insurance (LTCI) (Aug. 1999 to Dec. 3, 2000)

Plan details	
Issue ages	31-80
Coverage type	<p>Comprehensive</p> <p>When the insured person qualifies for this income-style benefit, we pay it no matter where they live or receive care within Canada or the United States.</p> <p>With income-style benefits, clients do not need to submit receipts to receive their weekly benefit; they can use the money however they choose.</p>
Claim triggers	<p>A claim is paid when the insured person:</p> <ul style="list-style-type: none"> • always needs substantial physical assistance from another person to complete two or more of the activities of daily living (bathing, dressing, toileting, moving to or from a bed or chair, continence, and feeding), or • has deteriorated mental ability.
Weekly benefit amounts	<ul style="list-style-type: none"> • Minimum \$150 • Maximum \$2,000
Waiting periods	<ul style="list-style-type: none"> • 30 days • 90 days • 180 days
Benefit periods	<ul style="list-style-type: none"> • 100 weeks • 150 weeks • 250 weeks • 500 weeks • Unlimited
Payment period options	<ul style="list-style-type: none"> • Lifetime

Plan details

<p>Inflation protection</p>	<p>Every three years an increase in coverage is offered, without new evidence of insurability, based on the increase in long-term care costs.</p> <p>The offer will be priced according to attained age.</p> <p>Offers are not made if:</p> <ul style="list-style-type: none"> • two offers have been declined, • there has been a claim against the policy, • premiums are being waived under the spousal waiver benefit, • the policy is paid up, • or the insured person has reached age 85.
<p>Waiver of premium when claim is approved</p>	<ul style="list-style-type: none"> • Premiums are not required while benefits are being paid, but premiums are payable during the waiting period. • Premiums are also not payable if we've paid the total number of weeks of the benefit payment period.
<p>Spousal discounted premium</p>	<p>Premiums are discounted by 5% if both spouses are approved for long-term care insurance and each policy is kept in force for at least 3 months.</p>
<p>Extended term insurance</p>	<p>If premiums are not paid, coverage will continue for an additional period of time determined by how long coverage has been in place, age, gender and premium payment period. Benefits will not change.</p>
<p>Premium guarantee</p>	<p>Premiums are guaranteed on a five year rolling basis.</p>
<p>Plan of care</p>	<ul style="list-style-type: none"> • Yes
<p>Withdrawable premium fund</p>	<ul style="list-style-type: none"> • Yes
<p>Support services</p>	<p>LifestageCare services</p> <p>In 2012, LifestageCare* services were retroactively made available to all LTCI policy owners.</p> <ul style="list-style-type: none"> • It includes access to a members-only website and toll-free telephone support service – a national, bilingual service, available 24 hours a day, 7 days a week. • It offers clients unbiased information about local, qualified health care and personal care providers that meet their individual and family needs, at every stage of life. <p><small>*LifestageCare isn't part of the policy. We can't guarantee its availability. It may be withdrawn or modified at any time without any notice.</small></p>
<p>Policy fee</p>	<ul style="list-style-type: none"> • \$95.00

Clarica Long Term Care Insurance (Dec. 4, 2000 to Dec. 11, 2003)

Plan details	
Issue ages	31-80
Coverage type	<p>Comprehensive</p> <p>When the insured person qualifies for this income-style benefit, we pay it no matter where they live or receive care within Canada or the United States.</p> <p>With income-style benefits, clients do not need to submit receipts to receive their weekly benefit; they can use the money however they choose.</p>
Claim triggers	<p>A claim is paid when the insured person:</p> <ul style="list-style-type: none"> • always needs substantial physical assistance from another person to complete two or more of the activities of daily living (bathing, dressing, toileting, moving to or from a bed or chair, continence, and feeding), or • has deteriorated mental ability.
Weekly benefit amounts	<ul style="list-style-type: none"> • Minimum \$150 • Maximum \$2,000
Waiting periods	<ul style="list-style-type: none"> • 30 days • 90 days • 180 days
Benefit periods	<ul style="list-style-type: none"> • 100 weeks • 150 weeks • 250 weeks • 500 weeks • Unlimited
Payment period options	<ul style="list-style-type: none"> • 15 years • 20 years • Lifetime
Return of premium on death (ROPD)	<ul style="list-style-type: none"> • The returnable amount is based on how long the policy has been in force. • Claims are subtracted from the returnable amount. • There is no return of premium if the policy is on extended term coverage.

Inflation protection	<p>Every three years an increase in coverage is offered, without new evidence of insurability, based on the increase in long-term care costs.</p> <p>The offer will be priced according to attained age.</p> <p>Offers are not made if:</p> <ul style="list-style-type: none"> • two offers have been declined, • there has been a claim against the policy, • premiums are being waived under the spousal waiver benefit, • the policy is paid up, or • the insured person has reached age 85.
Waiver of premium when claim is approved	<ul style="list-style-type: none"> • Premiums are not required while benefits are being paid, but premiums are payable during the waiting period. • Premiums are also not payable if we've paid the total number of weeks of the benefit payment period.
Spousal waiver of premium	<p>To qualify for this benefit, all required premiums must have been paid on both spouses' policies and both policies have been continuously in effect and without claim for 10 years (or until both spouses have reached age 86 if earlier).</p> <p>Premiums are waived if:</p> <ul style="list-style-type: none"> • benefits are being paid on the spouse's policy, or • the spouse dies (whether or not they were on claim at the time).
Extended term insurance	<p>If premiums are not paid, coverage will continue for an additional period of time determined by how long coverage has been in place, age, gender and premium payment period. Benefits will not change.</p>
Premium guarantee	<p>Premiums are guaranteed on a five-year rolling basis.</p>
Plan of care	<ul style="list-style-type: none"> • Yes
Withdrawable premium fund	<ul style="list-style-type: none"> • Yes
Support services	<p>LifestageCare services</p> <p>In 2012, LifestageCare* services were retroactively made available to all LTCI policy owners.</p> <ul style="list-style-type: none"> • It includes access to a members-only website and toll-free telephone support service – a national, bilingual service, available 24 hours a day, 7 days a week. • It offers clients unbiased information about local, qualified health care and personal care providers that meet their individual and family needs, at every stage of life. <p><small>*LifestageCare isn't part of the policy. We can't guarantee its availability. It may be withdrawn or modified at any time without any notice.</small></p>
Policy fee	<ul style="list-style-type: none"> • \$150.00

Clarica Long Term Care Insurance (Dec. 12, 2003 to Sep. 18, 2005)

Plan details	
Issue ages	31-80
Coverage type	<p>Comprehensive</p> <p>When the insured person qualifies for this income-style benefit, we pay it no matter where they live or receive care within Canada or the United States.</p> <p>With income-style benefits, clients do not need to submit receipts to receive their weekly benefit; they can use the money however they choose.</p>
Claim triggers	<p>A claim is paid when the insured person:</p> <ul style="list-style-type: none"> • always needs substantial physical assistance from another person to complete two or more of the activities of daily living (bathing, dressing, toileting, moving to or from a bed or chair, continence, and feeding), or • has deteriorated mental ability.
Weekly benefit amounts	<ul style="list-style-type: none"> • Minimum \$150 • Maximum \$2,000
Waiting periods	<ul style="list-style-type: none"> • 30 days • 90 days • 180 days
Benefit periods	<ul style="list-style-type: none"> • 100 weeks • 150 weeks • 250 weeks • 500 weeks • Unlimited
Payment period options	<ul style="list-style-type: none"> • 15 years • 20 years • Lifetime
Return of premium on death (ROPD)	<ul style="list-style-type: none"> • The returnable amount is based on how long the policy has been in force. • Claims are subtracted from the returnable amount. • There is no return of premium if the policy is on extended term coverage.

Plan details

<p>Inflation protection</p>	<p>Every three years an increase in coverage is offered, without new evidence of insurability, based on the increase in long-term care costs.</p> <p>The offer will be priced according to attained age.</p> <p>Offers are not made if:</p> <ul style="list-style-type: none"> • two offers have been declined, • there has been a claim against the policy, • premiums are being waived under the spousal waiver benefit, • the policy is paid up, or • the insured person has reached age 85.
<p>Waiver of premium when claim is approved</p>	<ul style="list-style-type: none"> • Premiums are not required while benefits are being paid, but premiums are payable during the waiting period. • Premiums are also not payable if we've paid the total number of weeks of the benefit payment period.
<p>Spousal waiver of premium</p>	<p>To qualify for this benefit, all required premiums must have been paid on both spouses' policies and both policies have been continuously in effect and without claim for 10 years (or until both spouses have reached age 86 if earlier).</p> <p>Premiums are waived if:</p> <ul style="list-style-type: none"> • benefits are being paid on the spouse's policy, or • the spouse dies (whether or not they were on claim at the time). • We paid the maximum long-term care insurance benefit under the other policy if applicable.
<p>Extended term insurance</p>	<p>If premiums are not paid, coverage will continue for an additional period of time determined by how long coverage has been in place, age, gender and premium payment period. Benefits will not change.</p>
<p>Premium guarantee</p>	<p>Premiums are guaranteed on a five-year rolling basis.</p>
<p>Plan of care</p>	<ul style="list-style-type: none"> • Yes
<p>Withdrawable premium fund</p>	<ul style="list-style-type: none"> • Yes

Plan details

Support services	LifestageCare services In 2012, LifestageCare* services were retroactively made available to all LTCI policy owners. <ul style="list-style-type: none">• It includes access to a members-only website and toll-free telephone support service – a national, bilingual service, available 24 hours a day, 7 days a week.• It offers clients unbiased information about local, qualified health care and personal care providers that meet their individual and family needs, at every stage of life. <p><i>*LifestageCare isn't part of the policy. We can't guarantee its availability. It may be withdrawn or modified at any time without any notice.</i></p>
Policy fee	• \$150.00

Sun Long Term Care Insurance (Sep. 19, 2005 to Dec. 6, 2013)

Plan details		
Issue ages	21-80	
Coverage type	Comprehensive When the insured person qualifies for this income-style benefit, we pay it no matter where they live or receive care within Canada or the United States.	Facility Care We pay this income-style benefit if care is provided in a long-term care facility in Canada. A similar facility in the United States may be considered, subject to our approval.
	With income-style benefits, clients do not need to submit receipts to receive their weekly benefit; they can use the money however they choose.	
Claim triggers	A claim is paid when the insured person: <ul style="list-style-type: none"> • always needs substantial physical assistance from another person to complete two or more of the activities of daily living (bathing, dressing, toileting, moving to or from a bed or chair, continence, and feeding), or • requires continual supervision to protect their health. 	
Weekly benefit amounts	<ul style="list-style-type: none"> • Minimum (for each coverage selected) : \$150 	<ul style="list-style-type: none"> • Maximum (for all selected coverage): \$2,000
	If both benefit types are selected, the comprehensive weekly benefit amount must be at least 50% of the facility care weekly benefit amount. For example, if the facility care benefit is \$1,000, the comprehensive benefit must be at least \$500.	
Waiting periods	Comprehensive <ul style="list-style-type: none"> • 30 days • 90 days 	Facility Care <ul style="list-style-type: none"> • 0 days (only available if both coverage types are selected) • 30 days • 90 days
Benefit periods	<ul style="list-style-type: none"> • 100 weeks • 150 weeks 	<ul style="list-style-type: none"> • 250 weeks • Unlimited
	The policy owner may choose a different benefit duration for each benefit type.	

Plan details

<p>Payment period options</p>	<ul style="list-style-type: none"> • Lifetime 	<ul style="list-style-type: none"> • The longer of 20 years or to age 55
<p>Return of premium on death (ROPD)</p>	<p>This optional benefit returns a portion of premiums to the owner of the policy (or the owner's estate) if the insured person dies.</p> <ul style="list-style-type: none"> • Returnable amount is based on how long the policy has been in force. • Calculated separately for each benefit type. • Claims are subtracted from the returnable amount. • Does not include premiums for inflation protection benefit. • If both benefit types are selected, this option applies to both. 	
<p>Inflation protection</p>	<p>Option A</p> <ul style="list-style-type: none"> • Weekly benefit increases by 3% each policy anniversary – the date the policy became effective – while the weekly benefit is payable. <p>Option B</p> <ul style="list-style-type: none"> • Weekly benefit increases by 2% each policy anniversary if the weekly benefit is not payable. • Weekly benefit increases by 3% each policy anniversary while the weekly benefit is payable. • The same option must be chosen for both benefit types but it works independently for each. • Increases are compounded annually. • No cap on increases. • Benefit maximum may exceed \$2,000 per week due to inflation protection increases. 	
<p>Waiver of premium when claim is approved</p>	<ul style="list-style-type: none"> • Premiums are not required while benefits are being paid, but premiums are payable during the waiting period. • Premiums are also not payable if we've paid the total number of weeks in either the comprehensive or facility care benefit period. 	
<p>Spousal waiver of premium</p>	<p>To qualify for this benefit, all required premiums must have been paid on both spouses' policies and both policies have been continuously in effect and without claim for 10 years (or until both spouses have reached age 86 if earlier).</p> <p>Premiums are waived if:</p> <ul style="list-style-type: none"> • Benefits are being paid on the spouse's policy. • We've paid the total number of weeks in the comprehensive or facility care benefit period for the spouse's policy. • The spouse dies (whether or not they were on claim at the time). 	

Plan details

Extended term insurance	<p>If premiums are not paid, coverage may continue for a limited time based on:</p> <ul style="list-style-type: none"> • base benefit type (comprehensive or facility care) • age at purchase • gender • premium payment period • the number of years the policy has been in force <p>While extended term insurance is in effect:</p> <ul style="list-style-type: none"> • no return of premium on death benefit is paid • no inflation protection increases are made
Premium guarantee	<p>Premiums are guaranteed on a five-year rolling basis.</p>
Plan of care	<ul style="list-style-type: none"> • Yes
Withdrawable premium fund	<ul style="list-style-type: none"> • Yes
Support services	<p>LifestageCare services</p> <ul style="list-style-type: none"> • It includes access to a members-only website and toll-free telephone support service – a national, bilingual service, available 24 hours a day, 7 days a week. • It offers clients unbiased information about local, qualified health care and personal care providers that meet their individual and family needs, at every stage of life. <p><i>*LifestageCare isn't part of the policy. We can't guarantee its availability. It may be withdrawn or modified at any time without any notice.</i></p>
Policy fees	<ul style="list-style-type: none"> • \$150.00

Competitive advantages – summary

Stand-by assistance for bathing and transferring

When it comes to LTCI, definitions make all the difference. Stand-by assistance is an important part of our definition of dependence. It means that the insured person may be eligible to make a claim sooner or longer than with a policy that doesn't include this as part of their dependence definition.

Palliative care (end-of-life care)

Regardless of the waiting period, the policy owner can submit a claim 30 days after the insured person:

- has been diagnosed with a terminal disease or illness,
- requires substantial physical assistance for at least four activities of daily living, and
- is receiving palliative care that is supportive and provides comfort.

Income-style benefit

Many LTCI plans offer an income-style benefit which is designed to offset the cost of care services provided by professional or family caregivers whether in a personal residence, retirement home or long-term care facility because of a loss of independence. This type of plan offers:

- flexibility– the benefit can be used for any purpose, and
- simplicity – there's no need to submit proof of service.

Unlimited benefit period option

An unlimited benefit period is an excellent option for clients who are looking for the peace of mind that comes from having access to an unlimited stream of benefits in case of a prolonged care need. This means that when they need the care, clients don't have to worry about the benefits ending.

Inflation protection option

The impact of inflation on the future cost of care is often overlooked. Talk to clients about adding inflation protection to their coverage or purchasing a larger amount of coverage to offset inflation risk.

Return of premium on death (ROPD)

With Sun LTCI, clients can enhance their coverage with a simple, easy-to-understand Return of premium on death (ROPD) option. If the insured person dies while the policy is in effect, we will pay the returnable premium amount to the ROPD beneficiary named in writing. If none is named, we pay to the policy owner or their estate. The returnable premium amount is the sum of all premiums paid for the policy, minus any unpaid premiums (plus interest) and any benefit payments made.

Spousal waiver

The spousal waiver benefit is unique to Sun Life. If both spouses are covered under policies that include spousal waiver, premiums will be waived if one spouse dies or if we're paying benefits on either policy. Even after we've paid benefits for the entire benefit period on the spouse's policy, premiums will be waived.

To qualify for the benefit, each spouse must have a policy that has been continuously in effect with no approved claim from the dates they came into effect until:

- both policies have reached their 10th policy anniversaries, or
- both spouses have had their 86th birthdays.

First Payment bonus

When we approve a new claim, the first payment includes a bonus amount equal to 12 times the weekly amount. If the insured person is receiving palliative care and qualifies for benefits, the bonus is equal to four times the weekly amount. This bonus can help offset some of the costs that might have been incurred while satisfying the waiting period.

Extended term insurance

With Sun LTCL, if the client can't pay the premiums, extended term insurance may help. If this provision applies, the policy may stay in force for a specified time, and the benefit amount, benefit period and waiting period don't change.

LifestageCare* services

The policy owner has immediate and unlimited access to LifestageCare – a national, bilingual information service available 24 hours a day, seven days a week – once the policy is issued and as long as it's in force.

Clients get access to unbiased information about local, qualified health and personal care providers that meets their individual and family needs at every stage of life. The policy owner can use LifestageCare services to help any family member.

**LifestageCare isn't part of the policy. We can't guarantee its availability. It may be withdrawn or modified at any time without any notice.*

Premium guarantee

All insurers guarantee their rates for the first five policy years. However, many may change their rates any time afterward. At Sun Life, if we change our rates, we won't change them again for at least another five years.

Coverage extended outside of Canada and the United States

Most insurers don't provide coverage for any amount of time spent outside of Canada or the United States. Sun LTCI provides coverage for eight consecutive weeks when the insured person travels outside either country.



It's important to meet with clients regularly to review their coverage and help them with any contractual conversions or renewals to ensure they have the protection that meets their needs.

Where to go for more information?

For more information on the features and benefits of Sun Long Term Care Insurance, contact your Sales Director or visit Sun Life's advisor website



Sun Life

Life's brighter under the sun