Focus Update



July 9, 2020

Update: You can now continue benefits coverage up to six months for employees on reduced hours

On <u>March 25, 2020</u>, we let you know about your options for continuing coverage for employees on reduced hours. Because of COVID-19, many employees have been working reduced hours. They could fall under the minimum number of hours required for benefits coverage.

In the March communication, we let you know that you could maintain coverage for reduced-hour employees for up to three months. We also recommended for you to not reduce salary amounts in your administration system. This would ensure that we covered employees for their full benefit.

We've extended coverage for reduced-hour employees to 6 months

With the ongoing pandemic, we've made a change to this temporary practice. You may now maintain coverage for employees on reduced hours for six months, instead of three months.

However, after three months of reduced hours, you must update employee salaries in your administration system for premium payment purposes. The updated salaries need to reflect the true amount of compensation paid.

This change can give employees on reduced hours continued access to the group benefits coverage they depend on.

Questions? We're here to help.

Please check our Group Benefits <u>COVID-19</u> website daily for updates. If you have questions about our response to COVID-19, please don't hesitate to call your Client Service Administrator at 1-877-786-7227.

