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March 27, 2020

Grandeur Group Benefits Inc.

### **Continuing benefits coverage during COVID-19**

We know that many employers have employees who are not able to work right now. We want to ensure that these employees have continued access to the coverage they need at a time when they really need it.

Here are our guidelines on continuing coverage.

#### **Temporary lay-off**

Clients may choose to either maintain or terminate coverage during a temporary layoff. Before they make a decision, we're asking that they review the continuation of coverage provision of their benefit plan.

#### **Maintain coverage**

Clients may maintain coverage for benefits. Their benefit plan may set out a different temporary lay-off period. If so, this period will apply. They must apply their coverage decision equally to all employees within the same class. We know that plan administrators may not be able to collect employee contributions at this time. In such cases, they should remit the full payment now. They can then collect employee contributions when employees are back at work. This will not affect benefit taxability.

#### **Terminate coverage**

We strongly recommend that plan sponsors maintain coverage to continue to protect the health of their employees. If their benefit plan allows them to terminate coverage during a temporary layoff, they must apply the decision equally to all employees within the same class.

Terminating coverage means that employees won't have access to any of their benefits.

#### **Suspending coverage**

Even if a client's benefit plan does not provide for suspension of coverage, they can suspend coverage for all employees for up to three months. Suspending coverage means that employees won't have access to any of their benefits. To suspend or terminate coverage, plan sponsors can process member terminations in our Plan Sponsor Services website or their own administrative system. They can also contact Client Services at [Service@GrandeurBenefits.com](mailto:Service@GrandeurBenefits.com).

#### **Minimum hour requirements**

Some employees may be working reduced hours and fall under the minimum number of hours required in the contract. Clients can maintain coverage for employees on reduced hours, on a temporary basis. Clients should not reduce salary amounts. We want to ensure employees are covered for their full benefit if they submit a claim.

Should you have any questions or concerns, please let us know.

Thank you and have an excellent day,

**Dennis Parker | EVP, Operations**