Protection

Group Critical Illness

Guide to the annual revision of a policy

How it works

Product Guide

Running the Policy

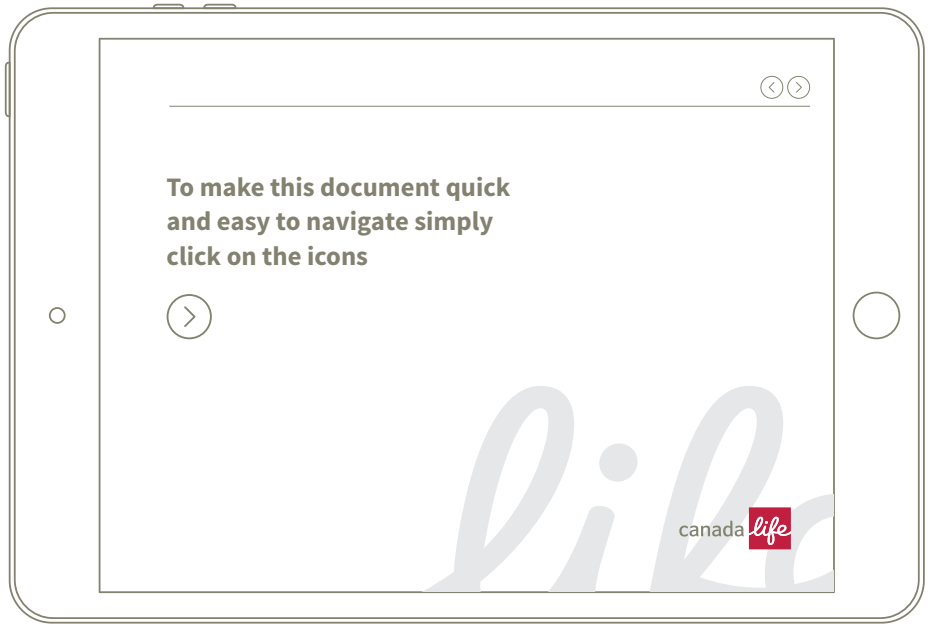
canada life™

Introduction

This guide will help you through the process and answers some of the frequently asked questions.

Although our policies are provided on a continuous insurance basis, they still operate on an annual revision principle.

The following guide will explain what information we need each year, what we will do with the information once received and what we will send the policyholder.



How to contact us

Call us on 0345 223 8000

If you have any questions.

By email

groupcsc@canadalife.co.uk

Annual revision invitation issued

90 DAYS in advance

Data requirements and Data suitability checklist documents available to assist

Cover maintained even if delays involved in providing the information needed

New policy documents issued if new policy guarantee period agreed

Contents

Prior to the annual revision date

Annual revision invitation

We write to all our customers, via their financial adviser if one is appointed, no later than 90 days prior to the annual revision date.

Our email will confirm:

- the information needed in respect of the individuals insured
- whether the existing guarantee period is due to expire
- what deposit premium is required in order to maintain cover, until accurate accounts can be produced. Further information can be found in our document **Premium payments**.

Notes

As part of the invitation, we may provide important information regarding changes to our terms and conditions, or wider reaching changes which may affect the Group Critical Illness benefits.

Information needed in respect of those insured

For consistency, we request the same information each year irrespective of whether the premium rate guarantee has expired.

To assist in the supply of correct information, our **Data requirements** and **Data suitability checklist** documents are available to use.

Further information can also be found in document **What is needed to provide a quote?** if the guarantee period is due to expire.

Information which is not always provided immediately

The following are required, but are quite often missed when the annual revision information is sent:

- category of membership
- occupation
- post code of normal place of work
- individuals absent from work
- dates of joining and leaving the policy
- company employing the individuals insured

When should the information be provided?

Rate guarantee due to expire

If the policy is costed on a unit rate basis, we are happy to provide a new quotation up to three months in advance of the annual revision date.

In order for this process to commence, we require the most up to date information that can be provided for the individuals insured.

We will normally look to guarantee the quotation provided, however, conditions will be applied to the accuracy of information used to produce the quotation, compared with that applicable at the annual revision date.

Normal annual revision

The information required should be provided as close to the annual revision date as possible.

General notes

Providing information too early to produce accounts could lead to inaccurate premiums being charged, due to the true membership/benefits not being insured.

If there is going to be a delay in providing all the information required, you should provide details of anyone whose benefit may be subject to medical underwriting. Further information can be found in our **Medical Underwriting Guide**.

If the information required is not provided or is inaccurate, the validation and subsequent payment of claims may be affected.

What we do after we receive the required information

Validation of the information received

We will carry out the following checks when data is received:

- has all the information requested and required been provided, i.e. dates of birth, sex, salaries, benefits, occupations and post codes
- is there anyone shown on the data who falls outside of the terms and conditions of the policy; for example age and temporary absence limitations
- have appropriate dates of joining and leaving employment been given where the policy is costed on a single premium basis

In addition, we will also assess whether the existing method of charging premium, i.e. unit rate or single premium costed remains appropriate.

For policies which are costed on a unit rate basis, we will also assess whether the number of lives or benefits insured have changed by more than 25% since we last reviewed the rate. If either have changed, the premium rate will have to be reviewed.

When the rate is due to be reviewed

Unit rated policies

Our Scheme Underwriting department will use the information provided to produce a formal quotation, showing the rate we will charge from the annual revision date.

Single premium costed policies

We do not issue a formal quotation, unless requested, as the cost of providing the cover will be the same as is shown on our accounts.

Notes

Further information regarding the information we use to calculate both unit and single premium rates can be found in documents **What is needed to provide a quote?** and **How is the cost calculated?**

Confirm whether any medical underwriting is required

Once we have received details of the individuals to be insured and their benefits, we will reassess the level of free cover limit, if any, we can allow on a policy from the annual revision date.

We use the new free cover limit, together with any previously accepted benefits, to calculate whether any individuals currently insured will need to be medically underwritten. Temporary Cover, if allowable, will commence on the effective date of the increased benefit, if advised, or the annual revision date.

If cover for anyone's benefits is subject to medical underwriting, we will confirm what forms, if any, need to be completed by the individuals involved.

Notes

Further information can be found in our **Medical Underwriting Guide**.

Producing the accounts

We always look to use the information provided to produce accounts. Certain assumptions will be made if the following information is absent:

Total benefits applicable at the day before the annual revision date

We will use the total benefits calculated at the annual revision date in the calculation of the reconciliation account.

Dates of joining the policy and mid-year salary/benefit increases

Where a policy is costed on a unit rate basis, if these dates are not provided, we will assume everyone joined the policy or were eligible for any benefit increases, half-way through the previous accounting period.

Where a policy is costed on a single premium basis, if these dates are not provided, we will assume that everyone joined the policy or were eligible for any benefit increases on the annual revision date.

Dates of leaving the policy

Where benefits are costed on a unit rate basis, we assume that everyone left half-way through the previous accounting period.

Where any benefits, including medical loadings, are costed on a single premium basis, we assume everyone left on the day before the annual revision date.

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What we do after we receive the required information (continued)

When will accounts be produced?

For policies costed on a unit rate basis where rates have been reviewed

We will not usually issue accounts until such time as:

- correct data has been received
- we have received formal acceptance of our quotation, or a period of 30 days has elapsed since the date our formal quotation was issued

Notes

If the policy insures fewer than 100 lives, we will produce the accounts making assumptions as shown in section titled Producing the accounts.

For policies costed on a single premium basis or where a unit rate has not been reviewed

We will issue formal accounts as soon as possible after all the information required has been received.

We will delay producing accounts to reflect accurate payment information if premiums are about to be paid via Direct Debit.

What will we provide?

As standard, the following will be issued:

- Statement of account for the period commencing on the annual revision date
- Reconciliation account detailing any adjustments to the premiums charged for the accounting period used previously
- Invoice detailing all the premiums due, for all policies which do not pay premiums via Direct Debit
- Letter confirming the level of premiums to be collected, for all policies where premiums are paid by Direct Debit. This will be sent directly to the Policyholder. A copy will also be sent to any other relevant parties
- Details of any amendments made to the data used to produce the accounts; e.g. individuals removed, benefits reduced
- Details of any individuals whose benefits are subject to medical underwriting

Further information can be found in our Accounts guides, Single Premium or Unit Rated and documents Premium payments and Medical Underwriting Guide.

Policy Document

When the annual revision date coincides with the start of a new guarantee period we will send you an updated Policy Document shortly after the accounts have been produced.

Delays in providing the required information

We understand it may take time to compile all the information required to review rates and produce accounts. Cover will remain in place after the annual revision date, provided any deposit premiums requested are paid.

Please contact us if you believe delays are likely, as non provision of information could mean:

- additional information being required to validate claims
- delayed payment of claims

How to contact us

By email

groupcsc@canadalife.co.uk

By post

Customer Services
Canada Life Limited,
Canada Life Place, Potters Bar,
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Call us

0345 223 8000

Monday to Friday 9am to 5pm