



Business Resiliency at The Standard in Response to COVID-19

Updated March 31, 2020

As the scope and complexity of the coronavirus/COVID-19 outbreak grows, The Standard is confident in our response and in our continued ability to meet and exceed customer expectations.

Our preparations

In February, The Standard activated its emergency operations center to guide planning and execute an effective response to this rapidly evolving situation. Our response has focused on safeguarding the health of our employees and protecting our business operations so we can continue to provide exceptional customer service.

Our customer-facing employees work from multiple locations across the U.S., and we have ample work-from-home capacity and time zone coverage should the virus affect any of our regional locations. We have also confirmed with our third-party providers that they have comprehensive business continuity plans and capabilities similar to ours. We will continue to monitor and adjust our plans as the situation evolves.

Despite external factors, our focus has not changed — we will provide continued support and the best possible experience for our customers.

Frequently Asked Questions Regarding COVID-19

The rapid global spread of the virus and heightened concerns regarding business disruptions are prompting an increase in questions from our customers. As always, The Standard will remain flexible and work with affected customers and employers on a case-by-case basis. We are exploring all contingencies to support our customers and their employees as we all navigate through this outbreak.

Will The Standard consider deferring renewal rate increases for small business customers during this time?

As we face the challenges surrounding coronavirus/COVID-19 together, The Standard recognizes that this may be taking a particular toll on our small business customers. To help with that, **we are holding rates on all groups up to 500 employees** with renewal dates of May, June and July 2020.

Will employees' Group Life, Disability, Supplemental, Dental and Vision coverage continue if their work hours are reduced, they are on an unpaid leave of absence, or they are subject to a furlough or a temporary layoff?

Group Life, Disability, Supplemental (including Accident, Critical Illness and Hospital Indemnity), Dental and Vision coverage normally ends when an employee loses eligibility because the employee is no longer working the required minimum number of hours or they are on an unpaid leave of absence.

However, as an accommodation to our policyholders during this time of uncertainty, subject to continued payment of premium, these coverages can be continued through June 30, 2020, while employees are not working due to a partial or full furlough or temporary layoff occurring on or after March 1, 2020. The Standard is continually monitoring the situation and we will update the potential extensions beyond June 30, 2020 date as needs evolve.

For employees who are not yet insured, will they meet the active work requirement if their work hours are reduced or they are subject to a furlough or a temporary layoff?

Our group insurance policies require the employee to be Actively At Work at least a specified number of hours each week. Our language specifies Actively At Work includes regularly scheduled days off, holidays, or vacation days, so long as the employee is capable of Active Work on those days. However, an employee who is on furlough does not meet the Active Work requirement of the group policy.

Will The Standard allow Life and Dental coverage for dependents of insured employees to continue through June 30, 2020, as well?

Coverage for dependents in effect when employees' work hours are reduced during a furlough or a temporary layoff may also be continued through June 30, 2020, subject to continued payment of premiums through that date.

Do any of your Voluntary benefits – Accident, Critical Illness, Hospital Indemnity – contain specific provisions relating to coverage of COVID-19?

Yes. The Standard's Hospital Indemnity product provides daily benefits for hospitalization due to an illness. Members are eligible for a benefit if they spend at least 20 consecutive hours for examination by a physician for diagnosis or treatment of an illness in a hospital setting. In addition, The Standard's Hospital Indemnity product includes a waiver of premium provision which waives the premium after a member has been hospitalized for 30 days or more.

Do any of your Voluntary benefits – Life, STD, LTD, Accident, Critical Illness, Hospital Indemnity – include exclusions for pandemics?

No. These benefits do not include pandemic exclusions.

Are employees eligible for Short Term Disability benefits if placed under quarantine?

There are a wide variety of scenarios under which an individual may be quarantined, ranging from a voluntary self-quarantine without a COVID-19 diagnosis to a mandated quarantine with a diagnosis.

If an individual is quarantined as directed by a licensed health care professional or government agency, we will assess a claim for benefits as follows:

- If the individual has been diagnosed with COVID-19 and is unable to work from home, they will remain insured and eligible under the group STD policy.
- If the individual has not been diagnosed and is unable to work from home, they will retain coverage and eligibility under the STD policy should they eventually become disabled.

It is important to remember that under most STD policies a covered individual must be unable to work, either at their place of employment or from home, and must experience a loss of income to be eligible for STD benefits in all cases.

How will Pre-Disability Earnings be determined if an employee becomes disabled while on furlough?

Pre-Disability Earnings will be based on the employee's last day of active work prior to the furlough, temporary layoff or reduction in hours.

For In Force groups, will you waive the ability to increase rates if enrollment changes for companies with layoffs due to COVID-19?

The Standard will take into consideration the reasons for enrollment changes. Plans that are being reviewed for renewal pricing during COVID-19 and experience layoffs will be addressed on a case-by-case basis. Our contracts have a 25% enrollment change clause.

What amount of Group Life insurance will be in effect during a furlough, temporary layoff or reduction in hours?

The amount of Life insurance, dependent Life insurance and spousal Life insurance during a furlough, temporary layoff or reduction in hours shall be the amount in force on the employee's last day of active work prior to the furlough, temporary layoff or reduction in hours.

Does a work-from-home arrangement for my employees affect their coverage?

No. If the employer has approved work-from-home arrangements due to COVID-19 public health concerns, we will consider the covered employee actively at work under the group STD policy.

Does The Standard anticipate any change in timing of renewals, delivery of renewal rates or time it will take to respond to requests for quotes?

The Standard plans to continue renewing our policies as scheduled and we do not currently foresee any delays. Our underwriting teams are working remotely and have not experienced delays in RFP responses.

Does a diagnosis of COVID-19 qualify an employee for STD benefits?

Such individuals will retain coverage under the STD policy for the duration of the quarantine, and we will evaluate any claim for disability benefits individually.

Will The Standard reinstate employees' coverage when employees regain eligibility and return to work?

For employees who return to work within 12 months as of March 1, 2020, and become covered again within 30 days of returning, any coverage that was in effect when the employees' work hours were reduced will be reinstated for both the employees and their dependents.

Any coverage requirements (e.g., preexisting condition for Long Term Disability, two-year suicide exclusion for Life, late enrollment penalty for Dental insurance, etc.) that were not fully met when the employees' work hours were reduced will continue to apply until the balance of the requirement period is served. Evidence of Insurability requirements for late enrollments will also apply.

Employees who return to work after March 1, 2021, and employees who were not insured prior to the reduction in the employee's work hours, may become insured as a new employee.

What options does an employee have when insurance ends?

When coverage terminates, the continuation, conversion and portability provisions contained in the applicable Group Insurance policy will be available according to the terms of the policy.

When Dental or Vision coverage stops, members may have the option to elect COBRA. Upon notification within 30 days of their return to work, coverage will resume as normal.

What if a policyholder is unable to make premium payments within the applicable grace period?

The Standard has extended the premium payment grace period to 90 days for all customers in order to help those who may need additional time to collect and remit premiums during the COVID-19 crisis. Additionally, we will honor existing policy grace periods that are longer than 90 days. For all policyholders, we will align the grace period for a longer duration in accordance with any applicable State insurance directive. The extended grace periods will be effective through June, 2020 payments and reviewed at that time.

Given that we have had to cancel face-to-face and group meetings for open enrollments, what advice is The Standard offering on how to conduct enrollment meetings?

We have a nationwide network of trained and licensed benefits counselors to help with virtual group meetings for our entire product portfolio, including our suite of Supplemental products.

Will The Standard allow extensions for clients currently in open enrollment?

Given the circumstances we understand that enrollments in process will require additional time, and we will re-engage on this activity as business conditions normalize. Since enrollment completion is a dependency to onboard customers, our priority in this period is to work with our customers to get their policies in force on their effective date so that claims can be paid. We will work with in-force customers currently in annual or open enrollment on a case-by-case basis.

If the current enrollment doesn't meet minimum participation requirements due to cancelled enrollment meetings, will The Standard waive minimum participation requirements?

We will temporarily suspend application of the minimum participation requirements for groups through July 1, 2020 effective dates with the understanding that those groups will complete an additional open enrollment as business conditions normalize. Once business conditions are deemed to have normalized, all group policy provisions will be applied as written.

If employees are traveling and unable to return home due to COVID-19 concerns, can they use the Travel Assistance benefit under our group policy?

Yes. Travel Assistance for employers with that benefit will remain available to your covered employees. If an individual has tested positive for COVID-19, their request would be treated like a standard medical case. If the individual is eligible for transport benefits, those benefits would be arranged in accordance with the departing and receiving country's government clearance on flying.

All individuals should ensure they have the latest travel advisories regarding the coronavirus and their intended destination. This information can be accessed here:
<https://travel.state.gov/content/travel/en/traveladvisories/traveladvisories.html/>