

ADVISOR GUIDE



Benefits by Design's self-funded
Administrative Services Only plans for
Extended Health and/or Dental coverage

For Advisor Use Only

ASO plans are ideal for clients who have demonstrated stable claims history and are willing and financially in a position to bear some of their benefits plan risk (up to the stop-loss limit).

Allow us to introduce ourselves

BENEFITS *BY* DESIGN

As a Third Party Administrator (TPA), Benefits by Design (BBD) manages the administration of plan member benefit plans for companies across Canada. We work with insurers and other service providers that outsource administrative services to us to improve efficiency and quality of service.

Some of those administrative services include tracking plan member eligibility, maintaining plan member data, consolidated billing, reporting, and handling plan member inquiries.

We support the independent group-focused Advisor

BBD works with independent advisors who specialize in group benefits. Our goal is to help build your business and equip you with the skills and knowledge you need to be successful.

We're a benefits expert – and it's a complicated subject

Each Advisor is assigned a BBD team that works tirelessly to support you and your clients' needs. You'll gain a:

Director, Partner Solutions TPA+

Your Director supports you in conversations with clients, onboarding new groups, and answering questions regarding quotes, generating new business, and more!

Client Manager

Your Client Manager monitors your in—force clients' performance. Through regular check-ins, your Client Manager ensures the smooth operation of your clients' plan member benefits plans.

Client Specialists

Your Client Specialist handles the day-to-day administration of your clients' plans. They are the direct contact for your Plan Administrators.

All Directors, Partner Solutions TPA+ and Client Managers complete a Group Benefits Associate (GBA) designation to become specialists in group benefits.

We partner with best-in-class suppliers and make benefits administration easy

We choose supplier partners that share our philosophy around creating sustainable plan member benefits plans designed to protect Canadian employers and their plan members' health, wealth, and happiness. We own and support our technology platform, which gives us the flexibility to integrate with many different supplier partners.

ASO

ASO At-a-Glance

Non-Budgeted Administrative Services Only (ASO)

At Benefits by Design (BBD), we strive to provide options for your clients. Our non-budgeted Administrative Services Only (ASO) plans are available through Green Shield Canada (GSC). Non-budgeted ASO is a pay-as-you-go solution, where your client is billed two months in arrears for claims that were paid, plus associated fees and taxes.

Major Features:

- Minimum group size is 10 lives
- Adjudicated by **Green Shield Canada (GSC)**
- e-Claim submission for employees through the GSC Everywhere mobile app

** Exceptions to group size can and are reviewed on a case-by-case basis. Check with your Director, Partner Solutions TPA+ or BBD's Quoting Department if you require an ASO quote for a smaller group size.*

ASO

The Ideal ASO Client

Does your client check the following boxes?

While there are some risks with ASO funding arrangements, there are big advantages for the right client. How do you know if your client can handle the risks of ASO funding?

- Has a well-established company with good cash flow
- Has good or favourable claims experience
- Navigates well with the unexpected
- Is comfortable with calculated risks for the potential of gaining the reward



If you answered yes to one or more of the above, an ASO funding model may be the right fit. We are here to help! Speak to your Director, Partner Solutions TPA+ if you have any questions or want further information for your client.

ASO

Information and Associated Fees for Non-Budgeted Administrative Services Only (ASO) Plans

Advantages of a Non-Budgeted ASO Plan:

- Available to employers with or without current coverage in place looking for ASO Health and Dental, Health Only, or Dental Only.
- Clients only pay for incurred claims, associated fees, and applicable taxes. There are no regular ongoing monthly premium payments.
- A one carrier option can be provided if the group is looking to provide fully-insured health with non-budgeted dental ASO through Green Shield Canada (GSC)
- Existing clients with traditional insurance through GSC and BBD can easily change funding models to ASO without having to change carriers. In addition, they can keep the same employee ID numbers.

Non-Budgeted Fee Structure

# of Employees Participating	Administration Fee
10-49	11%
50-99	10%
100+	Negotiated

The above administration fees do not include commissions or applicable taxes.

Optional: Travel Coverage

Travel Rates	
30 Days, \$5 Million per Lifetime	Single \$4.17 / Family \$7.56
60 Days, \$5 Million per Incident	Single \$4.51 / Family \$8.61
90 Days, \$5 Million per Incident	Single \$5.79 / Family \$11.11
120 Days, \$5 Million per Incident	Single \$11.55 / Family \$20.23

Travel coverage is optional and is available up to age 75. Rates above include 10% Advisor commission.

The standard Stop-Loss threshold level for Non-Budgeted ASO through GSC is \$10,000 per person, per year. Stop-loss charges are calculated based on the employees' province(s) of residence, drug maximums, and other applicable factors.

Non-Budgeted ASO Stop-Loss Coverage

Stop-Loss Coverage at \$10,000 Threshold		
	PharmaCare Provinces (BC, SK, MB)	Non-PharmaCare Provinces (All other provinces)
No Drug Maximum	9.50%	22.90%
\$10,000 Drug Maximum	7.00%	12.66%
<\$10,000 Drug Maximum	6.70%	9.16%

These charges are subject to adjustment. Please refer to the cover email sent with your client’s proposal to view the applicable stop-loss charge.

Important things to note:

- Any client with individual(s) who are currently in or trending towards having claims over and above the stop-loss threshold will need to be reviewed prior to the approval of stop-loss coverage.
- Stop-loss coverage for non-budgeted ASO plans through GSC work similarly to traditional plans. Claims for an individual that exceed the threshold of \$10,000 are removed from claims owed by the employer. It is important to note that this works differently from a traditional plan, as employers are responsible to pay for claims exceeding the threshold at the time of claim. After the renewal, GSC will reconcile these additional claims above the threshold and they are returned to the employer. This means your client needs to be able to support high cost claims, even those above the threshold throughout the year as they are billed for these claims until they are reconciled.

A True Back Office

Whether you require assistance understanding products, quoting a group, handling a claims issue, or getting up to speed on a renewal, your BBD team is here to help.

Nomad

Our secure Nomad Advisor portal provides a dashboard of your active business with BBD. Nomad is easy to use and includes resources that support your client conversations.

Marketing Materials:

Our marketing materials are available electronically through Nomad.

Nomad Advisor Portal



ASO

Request to Quote

You can request a quote for an ASO plan by emailing our quoting department: quotes@bbd.ca. Our proposals include a breakdown of the costs incurred by the organization and each individual employee.

To ensure a timely turnaround, BBD requires the following information:

- Name of Client/Employer
- Province the business is located in
- Nature of the business
- Requested plan design
- Employee census data
- Length of time in business
- Current plan design
- Rate history
- Claims experience

Please also specify the following information:

- Are there eligible employees not participating?
- Do all employees work at least 20 hours/week?
- Are the employees covered by the Worker's Compensation Board (WCB)?
- What is the percentage of family content?
- Do they have any full time contract employees? If yes, what coverage is required?
- Do they have any seasonal employees?
- Are any eligible employees currently absent from work? If yes, please provide the details.
- Are any eligible employees currently disabled? If so, please provide the following:
 - Date of disability
 - Nature of disability
 - Prognosis
 - If the life waiver was approved

ASO

Sales Process

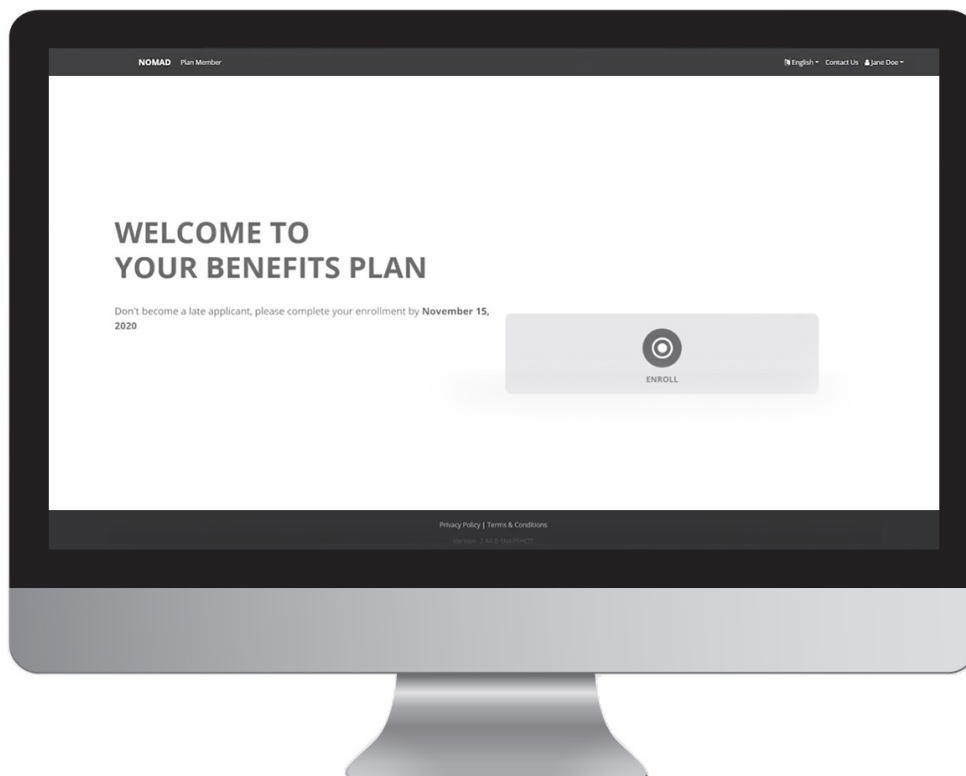
To enroll in an ASO plan, clients complete BBD's Master Application, and Green Shield Canada's Addendum or the ASO addendum, before forwarding them to sales@bbd.ca.

Online Enrollment

Clients can streamline the benefits enrollment process (and save a few trees) by using BBD's online enrollment tool. The online enrollment tool allows plan members to easily enroll themselves in their new group benefits plan, and the Plan Administrator can monitor their progress. This reduces the administrative burden on your clients and the amount of physical paperwork required.

Paper Enrollment

If your clients prefer, they can complete their benefits plan enrollment using BBD's paper forms. Once all of the forms are collected, our Implementation Team sends the information to our carriers. Upon successful receipt and implementation of the plan, our Implementation Team transfers the sale over to our Client Services Team who will reach out to the Plan Administrator to introduce themselves and get them started with their benefits plan.



ASO

After the Sale

Things You Need to Know

- Your BBD Client Manager will reach out to you by email with information, including:
 - Group policy numbers
 - Renewal dates
 - Commissions
 - Details of timing and processing of the sale
- Your BBD Client Manager will also loop you in on the Welcome email to the Plan Administrator once their plan is effective
- BBD is here to help you navigate your client's benefits plan through our Focus 3/6/9 program.
 - At three months after your client's plan starts with us, you'll receive a personalized check-in from your BBD Client Services team. We make sure every question is answered.
 - At six months, we review the claims experience of the group and bring any high claiming patterns to your attention. We ensure the plan design is still a good fit for the group and offer suggestions if plan changes are recommended.
 - At nine months, we guide you through our renewal process. We make sure your clients can look forward to another successful year.
- Nomad, BBD's online benefits administration platform, contains all of the information about your clients' group benefits plans. View their booklet, plan summary, benefits coverage, invoices, and claims experience from your desktop, tablet, or phone.

Plan Amendments

If your client would like to make adjustments to their plan at any point throughout the year, please feel free to reach out to your designated Client Manager. Your Client Manager will be able to advise on any cost adjustments to make the requested change.

Things Your Client Needs to Know

- Your clients will receive a Welcome email which includes:
 - Policy ID numbers
 - Invoicing details
 - General details of their plan
 - Nomad information
 - Digital Employee Onboarding Kits
- Your clients will also receive their Nomad Plan Administrator portal access via email. Should they request it, our Client Services team is happy to provide a walk through of Nomad.
- To ensure the best possible onboarding experience for your clients, your Client Services team:
 - Reaches out within one week to check in on the Plan Administrator, set up Nomad training and answer any questions.
 - Provides Nomad training within 2 weeks if requested.
 - Reaches out within three weeks to see if the group has any questions about their digital employee packages.
 - Reaches out at three months, as a general touch base on their plan.

ASO

Invoicing for ASO Benefits

Every month, clients will receive an email notification that their invoice is ready on Nomad. The invoice will reflect charges for all employees eligible for benefits that billing month. If adjustments need to be made to their invoice, your clients can contact their BBD Client Manager to notify them of the changes and have the adjustments added to the next invoice.

For ASO benefits, there are some specific things your client should know about the billing of their benefits.

Non-Budgeted ASO

Non-budgeted ASO through GSC is billed two months in arrears. The client will not see the claim charges on their first two invoices. They will start to see the claims submitted and paid out from the first month of their coverage on their third invoice.

As the billing is done in arrears, a deposit is required on the account that is held for the duration of the benefit plan. This is two months of anticipated claims, administrative fees, commissions, and taxes when Pre-Authorized Debit (PAD) is set up on the account, and three months if no PAD is set up. The deposit is reviewed at renewal and may require adjustment if demographics have changed significantly.

ASO

Getting Paid Your Commissions for ASO Benefits

General commission for ASO plans range from 4 - 7% depending on the size of the group, monthly premiums and the advisor's request. We typically quote 4% unless otherwise specified.

Non-Budgeted ASO Commission

As non-budgeted ASO plans are billed in arrears, you can expect that commissions on health and/or dental claims will not start until after two months into the benefits plan, when your client will receive their first billing on health and dental claims. Your commission is paid on a per claim basis, based on the amount agreed upon at the time of sale.

Note: The commissions for other benefits taken in conjunction with ASO may be paid on a monthly or annualized basis. Ensure you verify at time of sale how you would like the remaining benefits commissions to be set up.

ASO

Renewal Process

Fee Updates

Administration fees will be reviewed and adjusted at the time of your client's renewal. You can expect to receive information on revised administration charges, travel rates, and stop-loss charges in your renewal package. In addition, if the group has added on any features, there may be adjustments to rates or potential savings at this time.

The group can expect to have their first renewal 16 months after the effective date of coverage for Extended Health Care and Dental benefits, and every 12 months after that. See the chart below for examples:

Standard Renewal Dates		
(16 months STD, EHC, Dental and Critical Illness) (28 Months Life, Dependent Life, AD&D, LTD)		
Effective Month	Renewal Month	EHC/ Dental Claims Experience Period
January	May	January 1-December 31
February	June	February 1-January 31
March	July	March 1-February 28(29)
April	August	April 1-March 31
May	September	May 1-April 30
June	October	June 1-May 31
July	November	July 1-June 30
August	December	August 1-July 31
September	January	September 1- August 31
October	February	October 1-September 30
November	March	November 1-October 31
December	April	December 1- November 30

Your Client's Renewal Package

The renewal package will be provided 60 days before the revised fees/rates become effective. You will receive a renewal package that includes a rate illustration of proposed new rates or applicable fees, a Benefit Summary, along with other necessary pages for other applicable benefits.

Once the renewal date is reached, the fees/rates will automatically be adjusted and the client will be billed based on the new estimated fees/rates going forward.

Please note, renewal packages are not sent directly to the Client. You will need to provide them notice of any applicable changes to the rating prior to their renewal date.



ASO

Common FAQ's

Q: How do I know if my client is a fit for an ASO plan?

A: There are a number of factors to consider when determining if your client is a good fit for an ASO plan. Here are a few considerations:

- **Are they a well-established company with good cash flow?**
- **Do they have good or favourable claims experience?**
- **Are they comfortable with calculated risks for the potential of gaining rewards?**

If you answered yes to one or all of the above, an ASO plan may be a good fit. If you have further questions about determining the fit, please talk to your Director, Partner Solutions TPA+.

Q: Are there any deposits required for ASO plans?

A: Since non-budgeted ASO plans are pay-as-you-go and are billed in arrears, there is a deposit required. The deposit is equal to two months of anticipated claims costs for your client, plus any applicable fees and taxes. If your client chooses to not opt for a Pre-Authorized Payment Plan, they will be required to pay three months of anticipated claims, applicable fees, and taxes. This deposit is held throughout the duration of the benefit plan and is adjusted yearly at renewal based on participating employee demographics.



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