

Visit our website to learn how Sun Life is helping Clients during the COVID-19 pandemic: [www.sunlife.com/coronavirus](http://www.sunlife.com/coronavirus)

MARCH 20, 2020

## Addressing your COVID-19 questions

We are actively monitoring the changing situation related to COVID-19 (Coronavirus) and are focused on how we can best serve our Clients. As a result, we'd like to share a few frequently asked questions.

### Does COVID-19 qualify a person for Short-Term Disability benefits?



We have received some questions about how we define a disability related to COVID-19. Sun Life will promptly pay all valid claims in which an eligible member has a qualifying and documented medical event, including an event related to COVID-19.

If the employee tests positive for COVID-19, is quarantined, and is unable to work, the employee is considered Totally or Partially disabled during the period of medically required confinement.

If the employee tests positive for COVID-19 and is quarantined, but their symptoms allow them to perform work duties from home, the employee would generally not be considered Totally or Partially Disabled and will be considered Actively at Work.

Due to the nature and typical length of isolation, we expect that some absences will fall under employers' paid sick or PTO plans. Sun Life is here to help if you'd like to review how your disability benefits plan fits with other paid leave policies.

### Does COVID-19 qualify a person for FMLA?

Eligible employees may be eligible for a leave under the FMLA for their own serious health condition or to care for a family member with a serious health condition.



Under the FMLA, employers may request medical certification to support the existence of a serious health condition. However, the CDC and the EEOC have cautioned that it may be difficult for individuals to be seen by healthcare providers and/or to obtain medical documentation. The EEOC has encouraged employers to consider being flexible about the type of medical documentation that may be required. The EEOC has suggested considering accepting forms, stamps or emails from healthcare providers.

### What are the requirements of the new federal Emergency COVID-19 leave law?

The new law, which goes into effect on April 2, 2020, only applies to employers with fewer than 500 employees, although the paid sick leave component (discussed below) also applies to public employers of any size. As noted, the emergency legislation has two leave-related components: paid sick leave and a limited expansion of the FMLA. Both requirements are temporary and expire on December 31, 2020.



**Paid Sick Leave.** Employers with fewer than 500 employees and public employers of any size must offer up to 80 hours of paid sick leave that is immediately available for use when leave is needed for certain reasons related to COVID-19, including leave because of the employee's own personal COVID-19 circumstances as well as leave that the employee needs to care for someone who is subject to a quarantine or isolation order from either a public official or a healthcare provider or to care for a child if their school or place of care is closed or unavailable due to COVID-19 precautions. The rate of pay that the employer is required to pay the employee varies depending on whether the leave is needed to address the employee's own circumstances or is for caregiving. For the employee's own circumstances, the employer must pay full pay but there is a cap of \$511 per day and \$5,111 in aggregate. For caregiving, the employer must pay two thirds the employee's regular pay with a cap of \$200 per day and \$2,000 in aggregate.

If an employer already has paid leave, the law expressly states that the employee is entitled to use the statutory paid sick leave first and the employer cannot require otherwise. The statutory paid leave needs to be immediately available (no accrual) to all employees regardless of length of service. The paid

sick leave seems to only be a “one-time” use and if an employee uses the paid sick leave and returns to work before it is exhausted, the balance of the paid sick leave is forfeited.

**Expanded FMLA.** Employers with fewer than 500 employees are required to offer job protected FMLA leave for employees who have worked for the employer for at least 30 days to care for a child under the age of 18 whose school or child care provider is closed or unavailable due to COVID-19. The first two weeks of this special FMLA leave are unpaid and it is contemplated that employees will use the paid sick leave described above. The employer must pay the remaining ten weeks of FMLA at the rate of two thirds of the employee’s regular rate of pay subject to a cap of \$200 per day and \$10,000 in aggregate.

**Exclusions/Exceptions.** The law expressly provides that the employer of an individual who is a health care provider or emergency responder can elect not to provide either the paid sick leave or the expanded paid FMLA to those individuals. In addition, employers with fewer than 50 employees can apply to the Department of Labor for an exemption from the requirements of the law if complying would pose a threat to their continuing viability as a business.

**Tax Credits.** Employers who pay the mandatory paid sick leave or paid FMLA are eligible for tax credits comparable to the maximum payments listed above.

### Will employees be eligible for continuation of insurance as a result of the COVID-19 pandemic?



We recognize that changes in the workplace are impacting the ability of employees to work, work full-time hours, or work from their usual work location.

As a result, providing the premium is paid and the Policy stays in force, we are administratively extending our period of continuation on all group coverages to the earlier of:

- 90 days or
- the end of the period when a person is unable to work, is working reduced hours, or is not working from their usual work location

This administrative extension of the continuation timeframe is available for the period of March 13, 2020 until September 1, 2020 and should be applied uniformly at the employer level and not by individual selection. **Note: The longest period of continuation is 90 days. The 90 days could start now or it could start later, but it cannot go beyond September 1, 2020.**

Continuation of insurance benefits will be allowed due to:

- reduction of work hours resulting in an eligible and insured individual becoming ineligible for coverage,
- temporary furlough or leave of absence, or
- temporary layoff,
- inability to work regularly scheduled hours due to Quarantine without medical necessity.

### What if I have difficulty paying my bill on time?



We understand the COVID-19 crisis creates challenges for all of us, and we are committed to supporting you and your employees. Given the disruption, we are extending our standard policy grace period for another 30 days, should you need it, on all coverages. There is no need to contact us as it will be applied automatically.

**Note: We are continuing to monitor activity from our state regulators, and may further extend the grace period as required by applicable mandates.**

If you have any questions, please contact the Client Services Support team at 800-247-6875, Monday through Friday from 8 a.m. to 8 p.m. ET or call your Client Relationship Executive.

**We’re here to help. Visit <http://sunlife.com/us> to learn how Sun Life will continue to keep you informed and answer your questions.**

This content is not to be considered legal advice. We recommend Clients speak with legal counsel specializing in labor and employment law to ensure your organization meets requirements.

Group insurance policies are underwritten by Sun Life Assurance Company of Canada (Wellesley Hills, MA) in all states except New York. In New York, group insurance policies are underwritten by Sun Life and Health Insurance Company (U.S.) (Lansing, MI). Product offerings may not be available in all states and may vary depending on state laws and regulations.

© 2020 Sun Life Assurance Company of Canada, Wellesley Hills, MA 02481. All rights reserved. Sun Life and the globe symbol are trademarks of Sun Life Assurance Company of Canada. Visit us at [www.sunlife.com/us](http://www.sunlife.com/us).

GMPFL-9279f

SLPC 30025 03/20 (exp. 03/21)