

## Improvements to our Drug Benefit Wording

This update amends the drug benefit wording in the extended health care provisions of your contract to provide you and your plan members with a clearer description of eligible expenses.

Periodically, we review our contracts to ensure wording aligns with our claims adjudication practices, the current drug benefits environment and plain language. After a recent review of our drug benefit wording, we are making several changes.

These changes are for clarification purposes only. They do not modify coverage under your plan. And, since we are not altering our claims adjudication practices, the processing of your plan members' claims will not be impacted.

### Overview of wording changes

We have endeavored to summarize the key amendments to your contract in the following chart. Based on your plan design, you may find that some of the changes described below are not applicable to your plan. You may also find that your revised contract contains additional changes that are not reflected in this chart. We have not listed every amendment, as many of those additional changes pertain to style or grammar.

What's changing	Why
<b>Clarification of drug eligibility</b>	
<p>Drugs covered must have a Drug Identification Number (DIN) in order to be eligible.</p>	<p>Health Canada regulates therapeutic products that are available for sale in Canada. Once approved, these products are assigned a DIN or in the case of Natural Health Products, a Natural Product Number (NPN.)</p> <p>Natural Health Products include herbal remedies, homeopathic medicines, vitamins, minerals, traditional medicines, probiotics, and smoking cessation products such as Nicorettes and Nicotine patches. In addition, many consumer items such as certain toothpastes, antiperspirants, shampoos etc. are classified as Natural Health Products because of their intended use. Natural Health Products are not eligible under the terms of your plan.</p> <p>This change clarifies that to be eligible under the terms of the plan; a drug must have a Drug Identification Number (DIN).</p>
<p>Eligible products include Life-sustaining drugs that may not legally require a prescription.</p>	<p>Life-sustaining OTC is a term commonly used to refer to over-the-counter products that may be of significant benefit in the continuous treatment of certain conditions.</p> <p>We consider life-sustaining drugs to be eligible under our contracts, even though some of these drugs may not legally require a prescription. For example, we consider nitro-glycerine and insulin, but they are not classified by Health Canada as legally requiring a prescription.</p>

	Please note that, under the terms of our contract, these products must be prescribed by a physician, or other practitioner legally allowed to prescribe, and dispensed by a pharmacist.
Compounded preparations are eligible provided the principal active ingredient is an eligible expense.	Compounded preparations are mixtures prepared by the pharmacist that contain 2 or more ingredients.  This change clarifies that, for a compound to be covered, the "principal active ingredient" in the compound must be an eligible drug under the plan (that is, it must have a DIN). Where an eligible ingredient is added simply to ensure eligibility and is not the primary ingredient, the compound is not covered.
(for plans that cover over-the-counter drugs) We have removed the reference to eligible OTCs being only available for purchase at an accredited pharmacy and having a known therapeutic value.	For OTCs to be eligible, they must be prescribed by a physician and dispensed by a pharmacist.
(for plans that cover prescription requiring smoking cessation products) Products, which help you to quit smoking and that legally require a prescription are eligible.	Only smoking cessation products that require a prescription by law are eligible.  There are a number of products available for sale to help one quit smoking. Over-the-counter products such as Nicorettes and nicotine patches do not have a DIN and are not eligible under your plan.
(for plans that cover erectile dysfunction drugs) Drugs used to treat sexual dysfunction are eligible.	This change ensures that coverage is not gender-based and remains current as new drugs are developed to treat sexual dysfunction in both genders.
(for plans that have a generic substitution clause) Charges in excess of the lowest priced equivalent drug are not covered.	For generic substitution drug plans, our practice is to limit coverage to the price of the lowest cost interchangeable/equivalent product. In most cases, the lowest-priced drug is a generic drug. However, in the current market, some brand drugs are priced lower than the equivalent generic drug(s). For plans with generic substitution, this change clarifies that we limit payment to the price of the lowest cost equivalent drug, regardless of whether it is a generic or brand drug.
<b>Clarification of drug exclusions:</b>	
Drugs that are used for cosmetic purposes are not eligible.	We cover drugs used to treat a medical condition. This wording clarifies that drugs prescribed for cosmetic use are not eligible.

<p>(for plans that exclude erectile dysfunction drugs)</p> <p>Drugs used to treat <i>sexual dysfunction</i> are not eligible.</p>	<p>This change will ensure that the exclusion is not gender-based and remains current as new drugs are developed to treat sexual dysfunction in both genders.</p>
<p>Natural Health Products, whether or not they have a Natural Product Number (NPN), are not eligible.</p>	<p>To be eligible for coverage under our drug benefit, a drug must have a Drug Identification Number (DIN). As Natural Health Products do not have a DIN, they are not eligible.</p>
<p>Drugs and treatments, and any services and supplies relating to the administration of the drug and treatment, administered in a hospital on an in-patient or out-patient basis or in a government-funded clinic or treatment facility, are not eligible.</p>	<p>Our contracts exclude services or supplies payable or available under any government-sponsored plan or program.</p> <p>Drugs administered in a hospital are the responsibility of the hospital. As governments become more selective in the funding of certain drugs, it's important that our contracts contain an explicit exclusion that reflects our claims adjudication practice.</p>
<p>(For plans that have an in-province Hospital benefit that covers out-patient services, wording will also be updated to clarify that the administration of drugs and treatment are not eligible out-patient hospital services.)</p>	
<p><b>Additional Changes:</b></p>	
<p>Your plan may have reference to the Compendium of Pharmaceuticals and Specialties. We are removing this reference.</p>	<p>The Compendium of Pharmaceuticals and Specialties is a reference book that lists many, but not all, drug monographs and features.</p> <p>As the Compendium is updated on an annual basis only, and given that manufacturers of drugs may or may not choose to list their products in the Compendium, this document is not a comprehensive resource that is useful for determining the eligibility of drugs under your plan.</p>
<p>We are removing the direction to use the Pay Direct Drug card for specific purposes.</p> <p>We are also removing the direction to submit claims to Sun Life Financial for reimbursement of select expenses.</p>	<p>As the pharmacist is aware of the products for which the Pay Direct Drug card can be used, this wording is no longer required.</p> <p>While we've removed direction on submission for certain products such as varicose vein injections, these products are still identified as eligible in the contract.</p>
<p>We are making changes in style or word placement to provide greater clarity</p>	

## What do these changes mean for you?

Beginning March 1, 2011, we will include the updated wording in all our contracts. This includes new contracts we issue, as well as revisions to existing contracts. The next time you amend your benefits plan, the updated wording will be included in your contract. Your plan design will determine which of these changes are included.

As previously indicated these wording changes are for clarification only and do not impact coverage under your plan.

**This Focus Update serves as an amendment to your contract wording. Please file this notice with your Sun Life Financial contract for future reference.**

Sun Life Financial is committed to ongoing improvements in how we communicate information to our customers on our products and services. For our contracts, our goal is to use plain language, which clearly articulates the intent of our products and how we administer claims.

We are continuing to review our contract wording and anticipate changes across other benefits, similar to the type of changes being made to our drug benefit. We will communicate details to you, as we move forward with this initiative.

## Questions?

Please contact your Sun Life Financial group benefits representative.