

Understanding Evidence of Insurability Requirements

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**Sun Life
of Canada**

Wellesley Hills, MA

What is “evidence of insurability”?

Evidence of insurability is a statement or proof of an employee’s or dependent’s medical history which will be used by Sun Life to determine whether coverage will or will not be provided.

When is this information required?

Evidence of insurability requirements vary by policy.

In general, evidence of insurability is required when the amount of insurance applied for under the policy is greater than the guaranteed issue amount. The guaranteed issue amount is the maximum amount of coverage offered—without requiring medical information—for various classes of employees.

In addition, for **contributory** benefits (those benefits in which the employee pays all or a portion of coverage), evidence of insurability is required when:

A. The employee fails to enroll himself or his dependent(s) within their initial eligibility period, then subsequently elects coverage. The employee or dependent is known as a *late entrant*.

B. The employee initially enrolls himself or his dependent(s), then subsequently elects to increase coverage.

C. It is part of the benefit design. (For example, a benefit offering coverage of one to five times earnings may require evidence of insurability on coverage of “four times earnings or more.”

There are two exceptions:

A. The first time a salary increase causes coverage to go over the guaranteed issue amount, evidence of insurability is required.

B. Any subsequent salary increases which cause the amount of life insurance coverage to increase more than 15% **and** \$20,000.

It is important to note that failure to comply with evidence of insurability requirements may result in denial of benefits to the employee or dependent(s). Please review the requirements outlined in your group policy from Sun Life. Do not hesitate to contact us if you have any questions regarding any of these requirements. Our representatives are here to help you understand the various aspects of your group policy.