

MetLife UK Employee Benefits and COVID-19 ('coronavirus')



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This is a summary of the impact of the coronavirus on MetLife's employee benefits propositions. It is based on the current status of coronavirus and the policy terms and conditions that apply to cover. MetLife is monitoring the position carefully and will advise if anything changes in respect of its policies going forward.

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¹ Updates since last version published indicated in dark blue copy

For intermediaries and employers

What is the coronavirus?

World Health Organisation 'WHO'² reports "Coronaviruses are a large family of viruses which may cause illness in animals or humans. In humans, several coronaviruses are known to cause respiratory infections ranging from the common cold to more severe diseases such as Middle East Respiratory Syndrome (MERS) and Severe Acute Respiratory Syndrome (SARS). The most recently discovered coronavirus causes coronavirus disease COVID-19.

COVID-19 is the infectious disease caused by the most recently discovered coronavirus. This new virus and disease were unknown before the outbreak began in Wuhan, China, in December 2019.

Common signs of infection include respiratory symptoms, fever, cough, shortness of breath and breathing difficulties. In more severe cases, infection can cause pneumonia, severe acute respiratory syndrome, kidney failure and even death.

Standard recommendations to prevent infection spread include regular hand washing, covering mouth and nose when coughing and sneezing, thoroughly cooking meat and eggs. Avoid close contact with anyone showing symptoms of respiratory illness such as coughing and sneezing."

Where can I find out information about the virus and its impact on the public and services?

It is recommended you consult reliable sources of information to find out more about the virus. The UK [Government](#) recommended sources include the [NHS](#) and the [World Health Organisation](#) website.

If you are concerned about travel, guidance for British people travelling and living overseas can be found [here](#).

What business continuity plans (BCP) does MetLife have in place should its office be closed, or multiple staff quarantined?

MetLife has robust BCP plans in place and has invoked its full working from home policy. We are working hard to minimise any impact to our customers and endeavour to continue to maintain our high service standards.

What are the ABI COVID-19: Protection Pledges?

As a protection insurer, and member of the ABI, MetLife UK has committed to the ABI COVID-19: Protection Pledges.



² World Health Organisation www.who.int/emergencies/diseases/novel-coronavirus-2019. Accessed Online 9th March 2020.

For intermediaries and employers

Claims still require information in support. As we have signed up to the ABI Protection Pledges, we will be working with you and your clients to ensure that we are able to make our normal, quick and accurate claim decisions. Our aim will be to assess claims whilst meeting our commitment to the ABI Protection Pledges.

Employee Benefits

With the outbreak of the coronavirus understandably causing global concern, the protection of our customers is of the highest priority.

Any group claims as a result of the coronavirus will be payable, subject to the usual terms and conditions of the policy. Some of our policies apply a catastrophic event limit or travel restrictions in respect of employees, so you should check if these apply to your client's cover.

What health and wellbeing services do employees have access to?

A summary of these services is below. Details about our range of services available to our employer clients can be found on our website www.metlife.co.uk.

SME Group Life Employee Assistance Programme

Employers with MetLife Group Life cover and fewer than 300 employees have access to our SME Employee Assistance Programme.

With MetLife Group Life policies covering fewer than 300 employees, we provide our Group Life Employee Assistance Programme (EAP) at no additional cost. It provides an impartial person to talk to and offers support and information 365 days a year, 24/7. So employers can be sure that their employees have the support they need, when they need it most. Plus, their loved ones in the same household receive complimentary access to the service too. This is in addition to the existing Group Life Bereavement & Probate Support (see below) employers already have access to.

Group Life Bereavement & Probate Support

Bereavement is something none of us like to think about, but employers can benefit from being prepared should an employee pass away. It also helps to let employees know support is there should they need it, whenever they need it. We offer a range of tools to support employers and employees at a difficult time.

Can the service be used if someone is diagnosed with COVID-19 as a potential terminal illness?

COVID-19 would not be treated as a terminal illness in respect of access to this service.

Group Income Protection

Wellbeing Hub

Employers with MetLife Group Income Protection cover continue to have access to our Wellbeing Hub, providing telephone and online support, and structured counselling where appropriate, should any employees be particularly concerned or feeling anxious about the coronavirus outbreak.

Engaging a workforce in healthy living can bring widespread benefits including fewer absences, greater motivation and increased productivity. Our Wellbeing Hub provides free, confidential health and wellness services 24/7 and is based on two key services:

Online Portal – a web-based health service with access support guides, videos and blogs. Also available as an intuitive App.

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Employee Assistance Programme – a confidential, 24-hour freephone helpline for employees and their families.

Health Claims Bureau – new service for clients



We partner with Health Claims Bureau (HCB), a specialist provider of rehabilitation and return to work programmes, as part of our early intervention and claims management services.

HCB has recently launched a new service in response to the COVID-19 pandemic and the impact it may have on the mental health of the UK's workforce.

'Returning with you' is a scalable 2-tier service to support individuals and employers. HCB offers employers the opportunity to proactively support their staff in returning to work. This includes giving employees the space in which to discuss their concerns with an impartial and sympathetic case manager and address any workplace modification needs. The service is funded by the employer with fees payable to HCB.

If you would like to hear more about this service, please email: enquiries@hcbgroup.co.uk or call: +44(0) 1235 519 924.

Customers experiencing temporary financial difficulty as a result of coronavirus

For customers experiencing temporary financial difficulty as a result of coronavirus, please do not hesitate to contact us. The options available during this difficult time can be found below.

Reduction in salaries mid-rate guarantee period ('RGP')

In the event that an employer wants to temporarily reduce the salaries (and subsequent policy benefit) in line with the employee's actual salaries, we can provide clients with revised accounts. In the event this is requested, we will agree to keep the unit rate unchanged and issue a revised quotation on the lower sum assured.

Where a policy has paid its premium annually, the revised accounts may mean some premium will be refunded as a result of the reduction in salary. When and if salaries are subsequently increased, if there is a material change to the risk of the policy (e.g. a 30% change in workforce), our normal practice of conducting a rate review of the policy will still apply.

Extension of credit period

In the event that an employer is unable to pay their premiums within 30 days, we may consider extending this on a case by case basis. For claims that occur during this extension, any premium outstanding would be due before claim payment could be made.

For intermediaries and employers

Switching from annual to non-annual premium payments

In the event an employer would like to change their premium payment method from annual to non-annual, we can accommodate this change. Depending on the frequency and method, a small loading will apply to non-annual premium payments e.g. 2% for monthly Direct Debit payments.

If an employer has already made its annual premium payment for the coming year and wants to switch to non-annual premium payments, will you refund on a pro-rated basis the remaining premium for the year?

No. The switch to non-annual premium payments will take effect from the next premium due date.

Scheme underwriting

For some new to market schemes and requests to improve the benefit basis; to allow us to quote for as many employers as possible in this uncertain time, we may request an employer or trustee discloses its knowledge of any eligible employees and / or eligible partners who have been admitted to hospital as a result of COVID-19.

We won't ask for this if we have applied actively at work 'AAW' requirements for eligible employees and / or eligible partners to be insured from the policy commencement date.

Provision of long-term absentee information any other requested information on quotations

We are not relaxing our information requirements for new policies going on-risk and / or the re-rating and re-underwriting of existing policies.

Do I need to let you know if any employees are self-isolating as a precautionary measure, are suspected of having COVID-19 and / or have been confirmed as having COVID-19?

Subject to the above additional requirement regarding eligible employees and / or eligible partners being hospitalised as a result of COVID-19 for specific schemes, our requirements in respect of provision of long-term absentee 'LTA' information remains unchanged.

In the event we require additional information in relation to COVID-19, we will specifically request this as part of the quotation process.

Where an employer's workforce is now mainly working from home, does this change the workforce location information that needs to be provided?

We will currently still accept workplace location postcodes for the purpose of quotations. Employee home postcode information does not need to be provided unless specifically requested by us.

Does this approach continue to apply in the event members are working from home overseas?

Yes.

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Does MetLife still offer redundancy cover for new policies?

Yes, all new MetLife Group Life quotations are automatically issued with 3 months redundancy cover included. There are no current plans to change this.

If a policy does not have redundancy cover, can this be added to an existing policy?

This will be considered on a case by case basis.

If a policy already has redundancy cover, can the redundancy cover period be extended?

This will be considered on a case by case basis.

Can new employees / employers be added to existing policies, or changes be made to an existing benefit basis (including increases to termination ages) for existing policies?

This will be considered on a case by case basis.

If group life or group income protection cover is dependent on pension scheme membership, and the insured member stops contributing to the pension scheme, does this affect their group life or group income protection cover?

Providing they remain a member of the pension scheme or keep their pension, and there is no requirement to maintain pension scheme contributions as part of their membership or to keep their pension, and / or their group life or group income protection eligibility, then their cover is unaffected.

If an employer changes what their business does e.g. a brewery temporarily manufactures hand sanitiser rather than beer, does this invalidate their cover?

We reserve the right to re-rate and re-underwrite a policy at any time if there is a change in the nature of the risk underwritten. If an employer is changing what it does, they should let us know. Unless there is a fundamental change in the nature of the business, we do not expect we would need to re-rate and / or re-underwrite the policy.

Medical underwriting

Is temporary cover affected by COVID-19?

Temporary cover provides cover for policy benefit that requires satisfactory evidence of health. This will still be provided for eligible employees, eligible partners and / or discretionary entrants in accordance with the policy terms and conditions.

Our medical underwriting team will consider extending temporary cover periods if necessary. We offer tele-underwriting, allowing employees to provide medical information over the phone.

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Will coronavirus impact the way MetLife medically underwrites and the terms which can be offered?

We may request additional information, on a case by case basis, to ascertain whether an employee has been exposed to the virus. Such requests will be limited to higher risk groups. For employees who are symptomatic at the time of underwriting we may defer cover until a full recovery has been made.

Digital forms

Our proposal forms for new Group Life and Group Income Protection policies and Employer Admission Forms for our Registered and Excepted Master Trusts, can all be completed, signed and submitted electronically. Forms must be signed by an authorised signatory.

Group Life Flexible Benefits

If an employee has been furloughed, is this considered a lifestyle event for the purpose of the policy?

A lifestyle event is defined in the MetLife policy terms and conditions as “a qualifying event in the life of the insured member upon which benefit selections may be made outside of a benefit selection period, within a fixed period of time of the event occurring. The qualifying events agreed by the insurer are stated in the final quotation and / or the policy schedule.

If being furloughed is not stated in the final quotation and / or policy schedule as an agreed qualifying event, then it is not considered a lifestyle event for the purpose of the policy.

When can insured members increase or reduce their policy benefit under a MetLife Group Life Flexible Benefits policy?

An insured member is permitted to increase or reduce their policy benefit during a benefit selection period and following a lifestyle event.

The number of benefit steps permitted, and the total number of benefit steps permitted in any one policy year, including during a benefit selection period, are set out in the policy schedule.

A benefit selection period means “the period during which eligible employees, eligible partners, and / or insured members can make benefit selections in respect of their own policy benefit.”

A benefit step means “the amount of policy benefit an insured member can increase or reduce their policy benefit by during a benefit selection period or following a lifestyle event. The level of benefit step is specified in the final quotation and / or policy schedule.”

Any changes in policy benefit are subject to the terms and conditions of the policy.

Can an employer amend a MetLife Group Life Flexible Benefits policy to include ‘being furloughed’ as a lifestyle event?

This can be considered as a policy amend; to include a lifestyle event permitting a reduction in cover in the event of a *reduction in working hours and / or basic salary by more than 15% or by more than 20% for non-ill health reasons*. The member can then increase their cover back up to the original level at the point they

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return to paid employment, and no sooner than this. Cover is subject to the member being actively at work on the day the original cover is reinstated.

Administration

Policy reviews

We expect to be able to issue rate guarantee period and mid-term review information requests as expected. Any changes to policy terms and conditions will be communicated as part of a review which has resulted in a re-rate and / or re-underwrite and an issue of a new quotation.

Rate guarantee periods

Any requests for an existing rate to apply for a further rate guarantee period on expiry of the current rate guarantee period will be considered on a case by case basis and following the re-rating and re-underwriting of the policy or linked policies.

When do I need to notify MetLife of any change in the number of employees and / or policy benefit covered under a MetLife policy?

We need to be contacted if there has been a 30% or more change in the total number of insured members and / or the total policy benefit since the later of the policy commencement date and the last review date.

Will MetLife backdate the start date of cover for new policies?

No. Our position has not changed in respect of policy commencement dates.

Will MetLife backdate the cancellation of existing policies?

No. Our position has not changed in respect of cancellations of policies.

Volunteering and alternative employment

If an employee is volunteering their time and skills or taking up alternative employment, for example during a period of furlough or in their own time outside of contracted working hours e.g. with the NHS, this does not impact their Group Life or Group Income Protection benefits and MetLife will consider a valid claim.

The employee must remain an employee of the policyholder and included in any membership data provided to us, with the appropriate premium being paid for cover. In determining whether they are actively at work, we will consider their insured role rather than the role in which they are volunteering or in respect of their alternative employment.

Please see the 'Making a claim' section of this document for how we will calculate policy benefit where it is based on an employee's salary.

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Medical trials

If an employee is participating in a medical trial e.g. for a COVID-19 vaccine, this does not impact their Group Life or Group Income Protection benefit and MetLife will consider a valid claim. The employee must remain an employee of the policyholder and included in any membership data provided to us, with the appropriate premium being paid for cover.

Catastrophic event limits

How do I know if a catastrophic event limit applies to a MetLife group risk policy?

Details of any such limit can be found on the final quotation accepted at the later of the policy commencement date and the last rate guarantee period review date.

What is MetLife's definition of a catastrophe in its policy terms and conditions?

- **Group Life** *"one originating event, accident, cause, occurrence or incident or a series of related originating events, accidents, causes, occurrences or incidents, that directly or indirectly results in the deaths of more than 1 insured member, irrespective of the date of those deaths or the period of time or area over which the originating events, accidents, causes, occurrences and incidents took place."*
- **Group Income Protection** *"one originating event, accident, cause, occurrence or incident or a series of related originating events, accidents, causes, occurrences or incidents, that directly or indirectly results in the incapacity of more than one insured member, irrespective of the date of the Incapacity or the period of time or area over which the originating events, accidents, causes, occurrences and incidents took place."*

Could the coronavirus trigger the catastrophic event limit clause?

Yes, it could. Any agreed catastrophic event limit will apply to the total amount of policy benefit payable under a policy in respect of insured members whose deaths occur directly or indirectly as a result of any one catastrophic event. The definition of catastrophic event includes any one originating cause, occurrence or incident.

The catastrophic event limit would apply if the total claims value of deaths due to the coronavirus exceeded the relevant event limit i.e. the definition of catastrophe is met in relation to the catastrophic event limit.

The catastrophic event limit is not applied on a per policy year basis, and applies to '*...one originating event, accident, cause, occurrence or incident or a series of related originating events, accident, causes, occurrences or incidents...*'. Where an event occurs, which is not considered part of the originating or related originating event, then a new catastrophic event limit would apply.

Does a pandemic have to be formally declared for a catastrophic event limit to be triggered?

No. There is no such requirement to be met to trigger a catastrophic event limit.

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Can the clause be applied retrospectively?

It is not triggered from a certain date. The catastrophic event limit would apply if the total claims value of deaths due to the coronavirus exceeded the relevant event limit i.e. the definition of catastrophe is met in relation to the catastrophic event limit.

Are there any time limits which apply to deaths due to a catastrophe?

No.

Foreign Office 'FO' travel restrictions

The Foreign Office currently advises British Nationals against all but essential international travel. Travel to some countries and territories is currently exempted. This advice is kept under constant review.³

Do MetLife's policy terms require adherence to FO travel guidance?

A requirement to adhere to Foreign Office (FO) guidance can be applied as part of the underwriting of a scheme and depending on what travel is disclosed.

How do I know if an FO travel restriction applies to a policy?

Details of any such restriction can be found on the final quotation accepted at the later of the policy commencement date and the last rate guarantee period review date.

What kind of travel does an FO travel restriction apply to?

FO travel restrictions to policy benefit apply to business travel only. They do not apply to personal travel.

What happens if an employee travels against FO guidance when insured by a policy that includes an FO travel restriction?

If a policy includes an FO travel restriction, and an employee dies or is incapacitated for any reason whilst not adhering to FO travel guidance, a claim may not be payable. FO travel restrictions are not applied retrospectively i.e. if the FO travel advice changes whilst an employee is already overseas.

Is MetLife requesting additional travel information for new quotes and its upcoming rate reviews?

For Group Life, we do not require additional information regarding travel history beyond what we already currently request. Where any overseas travel is disclosed, we will apply an FO travel restriction and this stance is being monitored on a regular basis. Any FO travel restrictions are stated on issued quotations.

For Group Income Protection, we currently do not require additional information regarding travel history beyond what we already currently request. There is currently no change to how travel restrictions are applied for GIP.

³ Foreign travel advice <https://www.gov.uk/foreign-travel-advice>. Accessed Online 7th October 2020.

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Are you making any changes to how you cover overseas employees?

For Group Life and Group Income Protection there are currently no changes to how we cover overseas employees. If we do make changes, these will be clearly communicated in the issued quotation either in respect of the overall scheme or for specific individuals.

Actively at Work 'AAW' requirements

What is MetLife's AAW definition in its policy terms and conditions?

“Actively at work means, in relation to an employee employed by the employer or a partner of the employer at any relevant date, that they have not received medical advice to refrain from and are actively engaged in or are otherwise following their normal occupation on that date. Actively means the employee or partner is, in the opinion of the insurer, mentally and physically capable of working their normal contracted number of hours, either at their usual place of business or at the location to which business requires them to travel.

Absence from work does not include holidays, maternity, paternity and adoption leave, or any other authorised leave to be approved by the Insurer.”

Can cover be affected by the coronavirus?

Yes. New cover and increases in cover could be affected if the employee does not satisfy the definition of 'Actively at work' set out above and our AAW requirements.

If they are actively at work but are working from a different location e.g. at home, this does not in itself fail the actively at work definition / requirements.

If they satisfy the AAW definition / requirements, then the requirement is met. In assessing whether a member is *actively* at work, we would consider whether, in our opinion, the member was mentally and physically capable of working their normal contracted number of hours.

If an employer has put its staff on furlough, but an employee is still mentally and physically capable of working their normal contracted number of hours, we would still consider them to be actively at work for the purpose of cover.

If an employee is working from home, either because they are self-isolating as a precautionary measure or because their employer has told them to, does this in itself mean they fail the AAW definition / requirements?

No. If they are actively at work but are working from a different location e.g. at home, this does not in itself fail the actively at work definition / requirements.

If they satisfy the AAW definition / requirements, then the requirement is met. In assessing whether a member is *actively* at work, we would consider whether, in our opinion, the member was mentally and physically capable of working their normal contracted number of hours.

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Does working from home or self-isolating as a precautionary measure count towards whether an employee is a long-term absentee i.e. has been unable to work for at least 3 months, for the purpose of new quotations or rate guarantee period reviews?

No.

Does 'shielding' affect an employee's ability to satisfy any AAW requirements?

Shielding means a clinically extremely vulnerable individual protecting themselves, by staying at home at all times and avoiding any face to face contact. People who are clinically extremely vulnerable and are advised to shield themselves have been contacted. Government guidance on shielding can be found [here](#).

If an employee has been advised to shield themselves, we do not consider this to be a failure of our AAW requirements. As with self-isolating, we would consider whether, in our opinion, the member was mentally and physically capable of working their normal contracted number of hours.

If an employee has been advised by the Government to shield themselves, and they choose to disregard this guidance, this does not in itself impact any existing group life or group income protection cover they might have with us.

Making a claim

Will MetLife still require original documents for claims?

Where it is not possible for a client and / or employee to submit original documents or sign forms in ink, we will accept claim forms (and other claims documents) completed electronically and submitted to us via email. The submission can be as a PDF or as photos of original documents/forms. This applies to both Group Life and Group Income Protection.

How will any delays in submitting claims impact the claim decision?

We will pay all valid claims and would not impose any late notification clauses that are in policy terms where the late notification is due to issues arising from the COVID-19 pandemic. This applies to both Group Life and Group Income Protection.

What is your approach in respect of the signing of claim forms?

We will accept electronic signatures to initiate a claim. Acceptance of electronic signatures by GP practices for medical report consents can vary and so we may need claimants to then contact their GP to authorise the report to be released to us.

Group Life

Will you change your approach for Group Life claims if pandemic deaths reach levels where it becomes difficult to register deaths within a reasonable timeframe?

This will be monitored, and we will continue to review its approach as the pandemic develops.

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Group Income Protection

Does 'shielding' affect an employee's ability to satisfy the definition of incapacity for the purpose of a claim?

It is important to differentiate between individuals who are incapacitated as a result of an accident or illness and are unable to work, and those who are otherwise fit and able to work but have been advised to shield because of an underlying condition.

Someone shielding themselves as a preventative measure does not in itself mean an individual is not capable of working.

We recognise every individual's circumstances are different, and we assess each on their own merits. We continue to assess individuals in accordance with the policy terms and conditions.

Will existing MetLife Group Income Protection claims in payment still be reviewed on a regular basis?

We continue to review claims as normal. We have a commitment to our clients to do what we can to validate that claims remain valid. We understand some claims might face challenge with gaining medical evidence. We will continue to use all available information sources to validate claims such as claimant telephone contact, claimant activity questionnaires, occupational health reports, telephone calls from our clinicians, telephone calls from our vocational rehabilitation service and medical evidence provided by claimants.

Would you consider paying group income protection claims for an initial short period whilst evidence is being obtained?

We will consider this on a case by case basis.

If an employer ceases to carry on business, enters into a voluntary arrangement, has a liquidator, receiver or manager appointed or if an order / resolution is passed for the winding-up of the employer, will MetLife Group Income Protection claims continue to be paid?

There is existing wording in the policy which gives us a discretion to consider continuing any such payments. Any such cases will be considered on a case by case basis.

If the business of the employer is assigned or succeeded to by another person or organisation which undertakes all the duties and responsibilities of that employer, then provided we agree in writing, that new person or organisation shall be treated as the employer of that individual, for the purposes of the policy from the date of the assignment or succession.

For intermediaries and employers

What is MetLife's approach to claim payments if an employee...?

- Has had their salary reduced either by reduction in hours or contractual annual salary;
- Is not currently being paid at all by their employer but remains an employee;
- Has been granted a leave of absence e.g. they have been 'furloughed'; and / or
- Is in receipt of government payments in lieu of their contracted salary.

What Government advice is available for employees, employers and businesses?

Guidance in respect of COVID-19 for employees, employers and businesses, including in respect of the Coronavirus Job Retention Scheme, can be found [here](#).

Introduction of the Government's Job Support Scheme

The opening of the scheme has been delayed.

The Job Support Scheme is designed to protect viable jobs in businesses who are facing lower demand over the winter months due to Covid-19, to help keep their employees attached to the workforce.

The company will continue to pay its employee for time worked, but the cost of hours not worked will be split between the employer, the Government (through wage support) and the employee (through a wage reduction), and the employee will keep their job.

The Government will pay a third of hours not worked up to a cap, with the employer also contributing a third. This will ensure employees earn a minimum of 77% of their normal wages, where the Government contribution has not been capped.

Employers using the Job Support Scheme will also be able to claim the Job Retention Bonus if they meet the eligibility criteria.

For every hour not worked by the employee, the Government and employer will pay a third each of the usual hourly wage for the employee. The Government factsheet can be found [here](#), and further guidance will be published.

In early October 2020, an expansion of this scheme was announced, to pay two-thirds of employee wages for businesses legally required to shut as part of local or national government restrictions. This will sit alongside the original job support scheme, and the job retention bonus.

Changes to the Government's Coronavirus Job Retention Scheme 'flexible furloughing'

"From 1 July, employers can bring back to work employees that have previously been furloughed for any amount of time and any shift pattern, while still being able to claim the Coronavirus Job Retention Scheme grant for their normal hours not worked. When claiming the grant for furloughed hours employers will need to report and claim for a minimum period of a week.

The scheme will close to new entrants from 30 June. From this point onwards, employers will only be able to furlough employees that they have furloughed for a full 3 week period prior to 30 June.

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This means that the final date by which an employer needs to agree with their employee and ensure they place them on furlough is 10 June. Employers will have until 31 July to make any claims in respect of the period to 30 June.”⁴

The Government will taper the level of grant provided through the job retention scheme. Employers will be asked to contribute a share, increasing over time, ensuring individuals continue to receive 80% of salary for the time they are not able to work. The employer will be responsible for paying an employee’s wages whilst they are in work.

The Coronavirus Job Retention Scheme has been extended until **31st March 2021**.

Calculation of policy benefit for equity partners

The definition of earnings for equity partners insured by a MetLife Group Life or Group Income Protection policy is agreed between the employer / trustee and us, and is set out in the policy schedule or any subsequently accepted final quotation.

Where salary is based on average of earnings, this may mean the average earnings used for the purpose of calculating policy benefit are significantly higher or lower than the last year’s earnings. Intermediaries need to bear this potential volatility in equity partner earnings in mind when speaking with their clients.

Group Life

Individuals must remain employees of the employer in order to remain covered under a Group Life policy, unless redundancy or early retirement cover applies.

The employee must be included in any membership data provided to MetLife, with the appropriate premium being paid for cover.

Salary multiple benefit basis

If an employee dies during this period, and the lump sum benefit is based on a multiple of salary, MetLife will use the salary stated in the membership data provided as at the policy commencement date or the last rate guarantee period review date.

Where the salary is based on salary as at the date of death, if an employee’s salary has subsequently increased between the later of the policy commencement date and the last rate guarantee period review date, and any COVID-19-related salary reduction, MetLife will use the employee’s salary as of immediately prior to a COVID-19-related salary reduction.

This is a temporary relaxation of MetLife policy terms and conditions made in response to the current COVID-19 pandemic, and we do not expect employers to make any changes to contractual salary definitions set out in the policy in circumstances where an insured member may not be currently receiving their full salary or a temporary reduction in salary has been made in response to COVID-19.

This temporary relaxation of the policy terms and conditions applies to existing policies already on-risk with us. It also applies to new opportunities (whether new to market or switching from another insurer) for which we have already issued a guaranteed quotation and subsequently go on-risk. This is subject to the assumptions, statements and information requirements set out in any quoted terms.

This policy benefit position can be maintained temporarily until **31st March 2021**, at which point it will be subject to our review. We will review sooner if there is a change in Government support.

⁴ Source: UK Government. www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme. Accessed Online 11th June 2020.

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Subsequent rate guarantee period policy reviews

When a policy reaches the expiry of the rate guarantee period between now and **31st March 2021**, we need to be provided the following information as part of the membership data:

- The insured members' current contracted salaries that would normally be provided;
- The insured members' pre-COVID-19 salary that would be considered for the purpose of calculation of policy benefit if different from their current contracted salaries;

If an employer wants to take advantage of this temporary relaxation of MetLife's policy terms and conditions in the event of a claim, the above additional information must be provided.

Fixed benefits

Fixed lump sum benefits i.e. those not based on a salary multiple, will not be affected by any change in an employee's contracted salary, working hours or period of absence, providing they satisfied the eligibility requirements of cover and remained a contracted employee when they died.

Group Income Protection

Individuals must remain employees of the employer in order to remain covered under a Group Income Protection policy.

The employee must be included in any membership data provided to MetLife, with the appropriate premium being paid for cover.

If an employee becomes incapacitated due to accident or sickness, and the deferred period is met, MetLife will use the salary stated in the membership data provided as at the policy commencement date or the last rate guarantee period review date. If an employee's salary has subsequently increased between the later of the policy commencement date and the last rate guarantee period review date, and any COVID-19-related salary reduction, MetLife will use the employee's salary as of immediately prior to a COVID-19-related salary reduction.

Where applicable to the policy, we will continue to insure employer National Insurance Contributions, and employer and employee pension scheme contributions.

This is a temporary relaxation of MetLife policy terms and conditions made in response to the current COVID-19 pandemic, and we do not expect employers to make any changes to contractual salary definitions set out in the policy. This position can be maintained temporarily until **31st March 2021**, at which point it will be subject to MetLife review. We will review sooner if there is a change in Government support.

This temporary relaxation of the policy terms and conditions applies to existing policies already on-risk with us. It also applies to new opportunities (whether new to market or switching from another insurer) for which we have already issued a guaranteed quotation and subsequently go on-risk. This is subject to the assumptions, statements and information requirements set out in any quoted terms.

For intermediaries and employers

GIP claim scenarios

From 1st July 2020, employers can bring furloughed employees back part-time and they will be responsible for paying their wages whilst they are in work. From 1st August 2020, the level of government grant will be tapered, and employers will be expected to contribute an increasing share to ensure furloughed employees continue to receive 80% of their salary for the time they are not able to work.

The Coronavirus Job Retention Scheme has been extended until **31st March 2021**.

Scenario	Position	MetLife outcome
Existing GIP claimant on full policy benefit	<p><u>Option 1</u> The employer opts to keep the employee on Statutory Sick Pay (“SSP”).</p> <p><u>Option 2</u> If they are eligible, the employer utilises Government support. Employer will no longer be able to reclaim expenditure through the SSP rebate scheme.</p> <p>They apply for and receive the relevant grants from the Government.</p>	<p><u>Option 1</u> We will continue to pay policy benefit whilst the employee is incapacitated.</p> <p><u>Option 2</u> The policy benefit paid in respect of the existing GIP claimant may be impacted as set out below.</p> <p>As per the policy terms and conditions, the income benefit plus income from any other sources shall not exceed 80% of the member’s gross earnings (as per their pre-COVID-19 earnings). Income from any other sources includes any payments made to the member by the employer separate from the MetLife Group Income Protection policy.</p> <p>Where the total income benefit and income from any other sources exceeds this 80%, we will reduce its policy benefit by the amount of any other income being received by the member from the employer.</p>
Existing GIP claimant on proportionate benefit and employer furloughs its staff	<p>If they are eligible, the employer utilises Government support.</p> <p>They apply for and receive the relevant grants from the Government.</p>	<p>From 1st July 2020, employers can bring furloughed employees back part-time. In the event the employer chooses to do that with an existing GIP claimant who was previously on proportionate benefit, we will pro-rata the policy benefit accordingly as per the policy terms and conditions. The limitation of policy benefit provision continues to apply.</p> <p>As per the policy terms and conditions, the income benefit plus income from any other sources shall not exceed 80% of the member’s gross earnings (as per their pre-COVID-19 earnings). Income from any other sources includes any payments made to the member by the employer separate from the MetLife Group Income Protection policy.</p> <p>Where the total income benefit and income from any other sources exceeds this 80%, we will reduce its policy benefit by the</p>

For intermediaries and employers

		amount of any other income being received by the member from the employer.
Employee becomes incapacitated while furloughed	<p>Furloughed employees retain their right to SSP and if they become ill, they must be paid at least SSP. The employer decides whether to move the employee onto SSP or to keep them on furlough.</p> <p>If a furloughed employee is moved onto SSP, the employer can no longer claim for the furloughed salary.</p> <p>We must be notified as soon as reasonably possible if an employee has been incapacitated due to illness or injury for at least 4 weeks.</p>	<p>Our approach applies regardless of whether the employee remains on furlough or is moved onto SSP.</p> <p>We will assess the claim and if deemed valid, will pay policy benefit subject to the policy terms and conditions, including the limitation of policy benefit provision.</p> <p>This means the income benefit plus income from any other sources shall not exceed 80% of the member's gross earnings (as per their pre-COVID-19 earnings). Income from any other sources includes any payments made to the member by the employer separate from the MetLife Group Income Protection policy.</p> <p>Where the total income benefit and income from any other sources exceeds this 80%, we will reduce its policy benefit by the amount of any other income being received by the member from the employer.</p>

Subsequent rate guarantee period policy reviews

When a policy reaches the expiry of the rate guarantee period between now and **31st March 2021**, we need to be provided the following information as part of the membership data:

- The insured members' current contracted salaries that would normally be provided;
- The insured members' pre-COVID-19 salary that would be considered for the purpose of calculation of policy benefit if different from their current contracted salaries;

If an employer wants to take advantage of the temporary relaxation of MetLife's policy terms and conditions in the event of a claim, the above additional information must be provided.

Will an employee be covered if they are on an unpaid sabbatical?

Employees can remain covered under a policy whilst on unpaid sabbatical, providing they remain an employee and are included in the membership data whenever it is provided to MetLife.

- For Group Life, the sabbatical period must be no longer than 36 months in duration and is considered temporary absence for a reason other than accident or sickness.
- For Group Income Protection, the sabbatical period must be no longer than 12 months in duration and payment of any claim commences at the later of the end of the sabbatical period and the expiry of the deferred period.

For intermediaries and employers

Are there any changes to the need to notify MetLife of absences due to accident or sickness?

No.

Are there any changes to the definition of salary and / or earnings for the purpose of policies?

No.

Summary

- Information about the coronavirus can be found on the NHS and WHO websites.
- MetLife has invoked its full working from home policy as part of its robust BCP plans.
- Any claims as a result of the coronavirus will be payable, subject to the usual terms and conditions of the policy.
- If an employee is actively at work but working from a different location e.g. at home, this does not in itself fail the actively at work definition / requirements.
- Some of our group policies apply a catastrophic event limit or travel restrictions in respect of employees, so you should check if these apply to your client's cover.
- Employees have access to a range of health and wellbeing services, depending on whether they are covered by a MetLife Group Life and / or Group Income Protection policy.

Next steps

MetLife continues to monitor the situation regarding the spread of the coronavirus. MetLife takes its customer responsibilities very seriously; and is committed to ensuring its customers are at the centre of its operations.

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