CLAIMS EXPERIENCE REPORT · ANNUAL EXPERIENCE SUMMARY

Humberwood Trading Co.

CARRIER
Sun Life

EXPERIENCE PERIOD
January 1, 2025 to December 31, 2025

POLICY NUMBER
GRP-448120

PRESENTED BY
blankit

Claims At A Glance

What Humberwood Trading Co. paid out in health and dental claims over the reporting window, and how that compares with the premium Sun Life collected. Loss ratio is claims as a share of premium — at 50%, half of every premium dollar went back out in claims. Everything here describes experience that has already happened; it is not a forecast of the renewal.

TOTAL HEALTH (EHC) CLAIMS
$238,900
▲ +6.5% YoY Jan–Dec 2025

HEALTH (EHC) LOSS RATIO
82%
▲ +1.7pp YoY Jan–Dec 2025

PHARMACY SHARE OF EHC
55%
Drug claims as % of health claims

PARAMEDICAL SHARE OF EHC
22%
Paramedical claims as % of health claims

TOTAL DENTAL CLAIMS
$119,400
▲ +2.8% YoY Jan–Dec 2025

DENTAL LOSS RATIO
78%
▼ −0.9pp YoY Jan–Dec 2025

Executive summary

- Taken together, claims tracked close to the level Sun Life needs to break even on this group.
- Over January 2025 to December 2025, Humberwood Trading Co. paid $358,300 in health and dental claims.
- Extended Health Care ran at an 82% loss ratio — 82¢ of claims for every premium dollar — tracking close to the 78.0% break-even line.
- Dental Care ran at a 78% loss ratio, tracking close to the 80.0% break-even line.
- Extended Health Care is in line with its 3-year experience — the current year is not a one-off.
- Dental Care is in line with its 3-year experience — the current year is not a one-off.
- Prescription drugs accounted for the largest share of Extended Health Care claims, at 55% of the total — ahead of Paramedical practitioners at 22%.

Annual Experience Summary

Claims used 81.9% of the premium Sun Life billed for extended health care over Jan–Dec 2025 — against the 78.0% break-even line Sun Life prices this group to.

Extended Health Care

DATE	CARRIER	BILLED PREMIUM	NET COLLECTED	PAID CLAIMS	INCURRED CLAIMS	LOSS RATIO	NET LOSS RATIO
Jan–Dec 2023	Sun Life	$268,400	$250,954	$205,100	$217,406	76.4%	81.7%
Jan–Dec 2024	Sun Life	$279,600	$261,426	$224,300	$237,758	80.2%	85.8%
* Jan–Dec 2025	Sun Life	$291,800	$272,833	$238,900	$253,234	81.9%	87.6%
Target Loss Ratio (carrier's break-even point)						**78.0%**	

Loss ratio on incurred claims, net of pooling (current period)	**92.8%**

** Current period — these numbers can still shift as late claims come in.*

HOW TO READ THIS TABLE

Billed premium — what Sun Life charged your group for this benefit over the period.

Net collected — billed premium less the 6.5% pooling charge, so the “net” columns show what was actually left to pay your group’s own claims.

Paid claims — claims your plan members submitted that Sun Life paid out inside the period.

Incurred claims — what the period is expected to cost once claims that happened inside it but were submitted or paid after the cut-off are counted (an “IBNR” loading of 6.0%). It can sit either side of paid claims, depending on how much of the period’s cost has come in.

Loss ratio — paid claims as a share of billed premium: at 50%, half of every premium dollar went back out in claims. The **net loss ratio** measures the same claims against net collected premium, so it always reads higher.

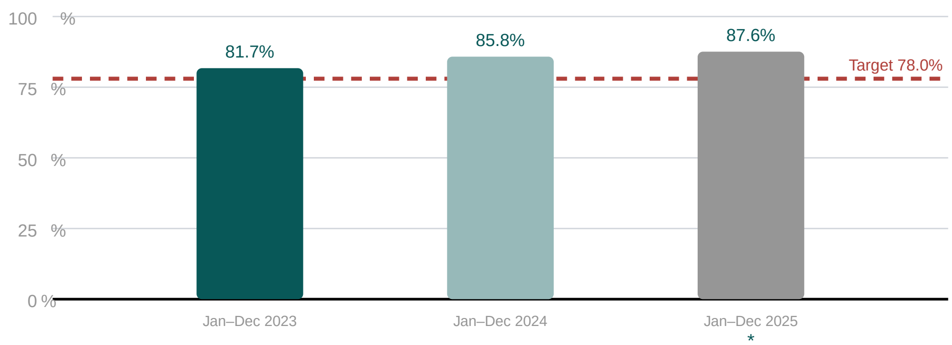
Why two loss ratios — the columns are calculated on paid claims, which is what reconciles this table to Sun Life’s own statement. The row beneath the table restates the current period on incurred claims instead, which is the basis their underwriters price on.

Target loss ratio — Sun Life’s break-even line: the share of premium they expect claims to consume before the group stops being profitable for them.

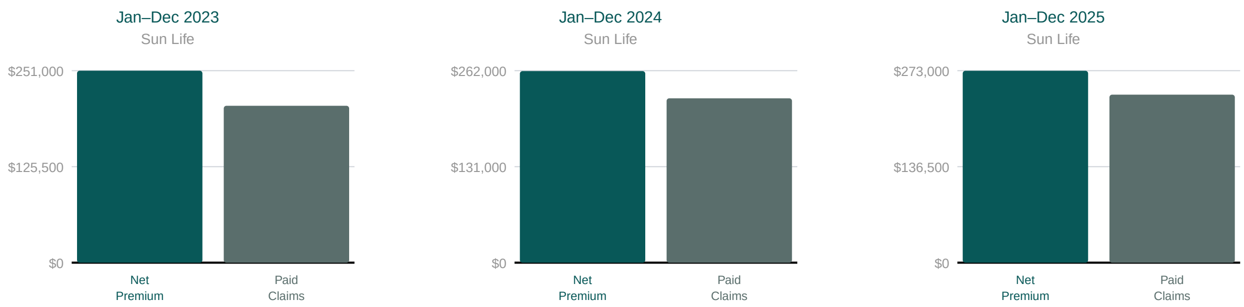
About pooling: 6.5% of every premium dollar goes into a shared pot the insurer uses to cover unusually large claims — specialty drugs, long hospital stays, out-of-country emergencies. Those claims are rare and unpredictable, so the cost is spread across every group the insurer covers rather than billed back to the one group unlucky enough to have one.

When Sun Life prices your renewal it weights the most recent 2 years of this experience (75/25), so a single high year is smoothed against the years around it. These figures are billed premium and paid claims as reported by the carrier. No renewal adjustments have been applied — trend, credibility, and the target loss ratio are only brought to bear at renewal.

Year Over Year Loss Ratio Comparison



Experience By Year



Extended Health Care — Claims Breakdown by Type of Service

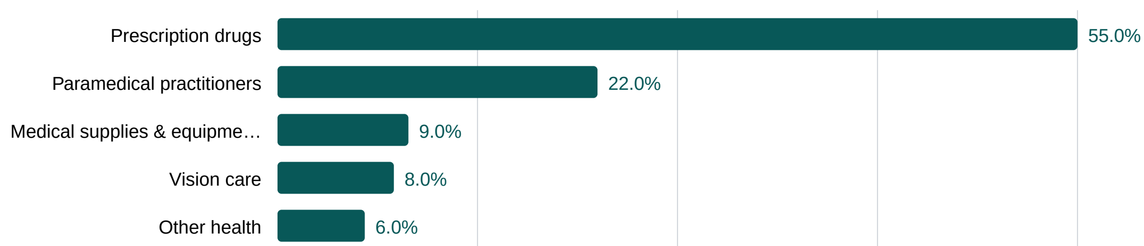
Sun Life

Jan–Dec 2025

TYPE OF SERVICE	AMOUNT PAID	% OF ALL AMOUNT PAID
Prescription drugs	$131,400	55.0%
Paramedical practitioners	$52,600	22.0%
Medical supplies & equipment	$21,500	9.0%
Vision care	$19,100	8.0%
Other health	$14,300	6.0%
Total	**$238,900**	**100.0%**

Note: Totals may not exactly match the experience summary due to rounding.

Claims Cost as a % of Total



Extended Health Care — Paramedical Breakdown

Sun Life

Jan–Dec 2025

PARAMEDICAL SERVICE	AMOUNT PAID	% OF ALL HEALTH CLAIMS	% OF ALL PARAMEDICAL CLAIMS
Psychology & counselling	$18,400	7.7%	35.0%
Physiotherapy	$13,100	5.5%	24.9%
Massage therapy	$11,600	4.9%	22.1%
Chiropractic	$9,500	4.0%	18.1%
Total Paramedical	**$52,600**		**100.0%**

Note: Totals may not exactly match the experience summary due to rounding.

Paramedical Share of Total

Extended Health Care — Employee vs Dependents

How extended health care paid claims split across employees and their dependants, as reported by Sun Life.

RELATIONSHIP	PAID CLAIMS	SHARE
Employee	$138,600	58%
Spouse	$63,400	27%
Dependent child	$36,900	15%
Total	**$238,900**	**100%**

Annual Experience Summary

Claims used 77.7% of the premium Sun Life billed for dental care over Jan–Dec 2025 — against the 80.0% break-even line Sun Life prices this group to.

Dental Care

DATE	CARRIER	BILLED PREMIUM	PAID CLAIMS	INCURRED CLAIMS	LOSS RATIO
Jan–Dec 2023	Sun Life	$142,300	$108,900	$118,701	**76.5%**
Jan–Dec 2024	Sun Life	$147,800	$116,200	$126,658	**78.6%**
* Jan–Dec 2025	Sun Life	$153,600	$119,400	$130,146	**77.7%**
Target Loss Ratio (carrier's break-even point)					**80.0%**

Loss ratio on incurred claims (current period)	**84.7%**

** Current period — these numbers can still shift as late claims come in.*

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Loss ratio — paid claims as a share of billed premium: at 50%, half of every premium dollar went back out in claims.

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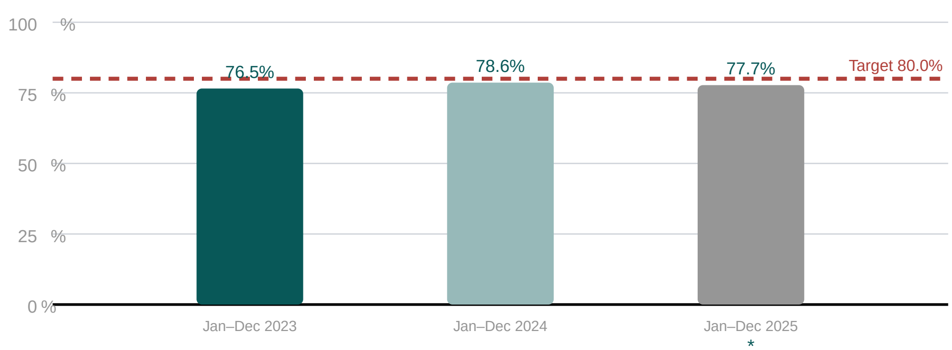
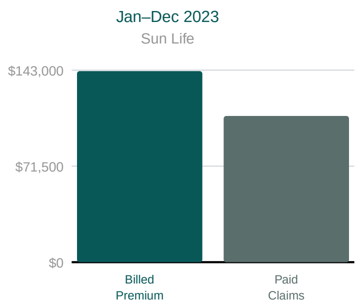
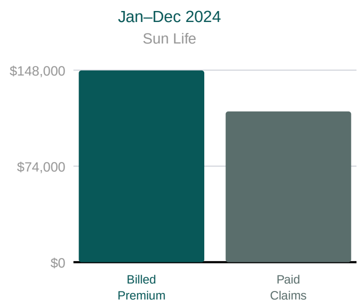
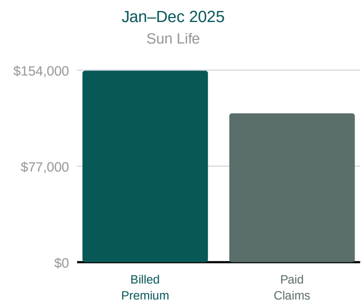
Year Over Year Loss Ratio Comparison



Experience By Year







Dental Care — Claims Breakdown by Type of Service

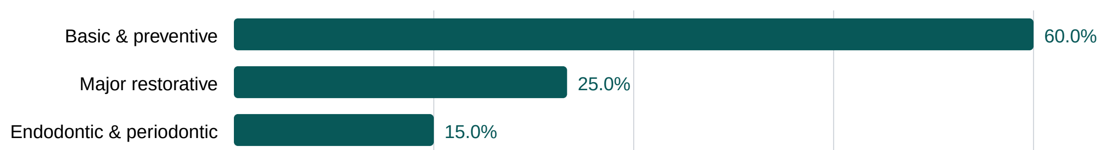
Sun Life

Jan–Dec 2025

TYPE OF SERVICE	AMOUNT PAID	% OF ALL AMOUNT PAID
Basic & preventive	$71,600	60.0%
Major restorative	$29,900	25.0%
Endodontic & periodontic	$17,900	15.0%
Total	**$119,400**	**100.0%**

Note: Totals may not exactly match the experience summary due to rounding.

Claims Cost as a % of Total

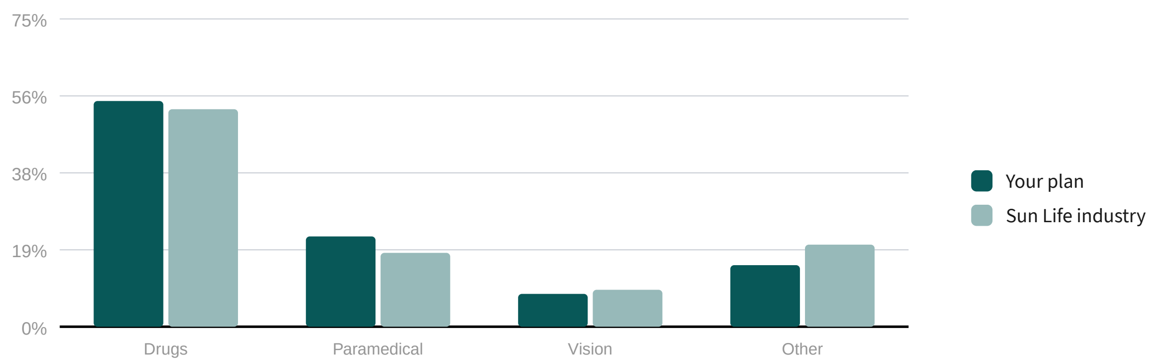


Claims Benchmark — How Your Plan Compares

Each category below shows the share of Sun Life claims it represents for this group, compared with Sun Life's national, industry, and regional books for plans with similar coverage. Use it to spot where the group's claiming pattern diverges from comparable plans.

Extended Health Care

Extended Health Care · Wholesale Trade · Ontario



CLAIM CATEGORY	YOUR PLAN	NATIONAL	INDUSTRY	REGIONAL
Drugs	**55.0%**	51.0%	53.0%	52.0%
Paramedical	**22.0%**	19.0%	18.0%	20.0%
Vision	**8.0%**	9.0%	9.0%	8.0%
Other	**15.0%**	21.0%	20.0%	20.0%

Source: Sun Life benchmark report. Shares are of total paid claims for each benefit and may not sum to 100% due to rounding.