



A Message To Our Clients

Vertus Clients:

Vertus has always been an organization with a focus on service to our families, our clients, our industry and our community. Our primary concern is for the health and safety of everyone. Today, we at Vertus, find ourselves asking questions...what can we do to help those we serve both today and in the future? How can we support our clients in a truly altruistic manner? How do we raise the bar on the service we provide? These are difficult questions to answer as each of us attempts to navigate the personal and professional challenges created by this outbreak. Below is a high-level overview of what we've been working on as well as our future thinking as we move forward:

- We are in the process of reaching out to all of our clients to offer our assistance. We know and are sensitive to the fact that everyone is besieged with inquiries from their own associates and others in need of information. Our goal is to be present but not add to the number of return calls for each of our clients.
- At the right time, we look to engage in a strategic discussion to understand the impact of the virus on each client's business plan and related employee benefits strategy. The learning of which will help direct us in terms of how future benefit plans should be provided and administered.
- We have received many questions specifically related to the leave and coverage continuation provisions under the existing policies of many companies. We have been in regular communication with our insurance company partners to understand how they intend to respond to the situation. We have learned that many carriers are willing to extend disability coverage to those employees on temporary leave as long as premiums are paid during this period. These carriers expect the temporary quarantine measures to mitigate the spread of the virus and therefore facilitate a more efficient return to work for affected employees. We all hope the need for certain expense reduction strategies such as planned absences, leaves, furloughs and other options are only temporary.
- We have also been speaking with the various insurance carriers, and other benefit providers such as EAP, telemedicine, Rx as well as other key partners in an attempt to anticipate employee needs. Clearly, the need for information and empathy for employees and their families has never been more important. Evidence of this can be seen in the call volumes for both EAP's and telemedicine programs, where utilization is soaring. People are also looking to health plans and PBM's to make sure they have

access to health maintenance drug therapies with sufficient supplies to support them during a quarantine period.

- We are also helping to support and answer the many questions related to COVID-19 testing, coverage, regulatory actions, etc. Our pharmacy practice has been contacting impacted Boards of Pharmacy, the National Boards of Pharmacy and the National Health Care Anti-Fraud Associations for updates. Our priority in pharmacy is to ensure the adequacy of the drug supply for patients. We will be sharing these answers to help guide you in the days and weeks ahead.
- Our operating model and contingency preparedness have made us fully functional from our remote sites around the country. All of our colleagues are working effectively from their homes and will continue to do so until the time makes sense for us to go back to the office. We will continue to support each other, our partners and clients by virtual meetings utilizing conference calls, Zoom meetings, etc.

We recognize consumer confidence and therefore employee confidence is near record lows. The possible impact of high unemployment, reduced value of retirement and personal savings plans will play a definitive role going forward in how employees plan for the future. There are clear indications that bipartisan legislation will swiftly move to reduce the burden on many levels ranging from deferring tax liability, reducing payroll taxes and providing direct payments to the population. The Federal Reserve has slashed rates to 0%-.25% and is actively working to provide liquidity and stability to the debt markets. A primary factor in our success of almost 30 years has been to maintain a level of thoughtful strategic planning through the most difficult of times. Our commitment is to continue to work on ways to exceed your expectations in this regard.

Sincerely,
Mike Malouf
Managing Principal