



**Mainstay Insurance Brokerage Inc. Phone: (905)886-9203**

## In order to serve you better

To assist you with your employee benefit plan, we are continually updating our website. Located at:

[www.mainstayinsurance.ca](http://www.mainstayinsurance.ca)

The site provides easy access to many insurance company's websites and to the health and dental claim forms you utilize on a regular basis. We have also added links to the log on pages for members (employees) in order to provide quick entry to other websites.

If you use a form that is not on our website and would like it added, please send us an e-mail at:

[feedback@mainstayinsurance.ca](mailto:feedback@mainstayinsurance.ca)

## Did you know that..?

Are you looking for a family doctor that is accepting patients in Ontario? This can be tougher today than ever before especially for older patients or in growing neighbourhoods that are facing doctor shortages.

The College of Physicians and Surgeons of Ontario is trying to help by providing a web-based solution at their site [www.cpso.on.ca](http://www.cpso.on.ca).

Click on "Doctor Search" and you can look for family physicians (or areas of specialty) in your area to find those that are accepting patients.

College of Physicians and Surgeons of Ontario Website

## Update your beneficiary designation

You should review and update your beneficiary designations regularly to incorporate any personal changes that might affect your benefit coverage.

Typically these changes include status changes such as marriage, common law or same sex partners that are co-habiting, the birth or adoption of a child, changes in spousal coverage, a separation or divorce, or the loss of a spouse.

If you do NOT complete a beneficiary designation form, the life insurance proceeds will be directed

to your estate. This is a less than advantageous option as the insurance proceeds may be used to pay final costs and taxes rather than be distributed as you had expected or desired.

In the case of underage minor children, a trustee should ALWAYS be listed. If one is not included then the insurer will hold the life insurance proceeds until the children reach the age of majority and the funds can be legally paid out. This may result in a financial hardship for those raising the child(ren).

You should always consult a lawyer experienced in wills and estate planning to review these issues. It makes sense to have a will prepared (or updated) at the same time you are revising your beneficiary information. By doing so, you can ensure that your wishes are carried out upon your death and that there is no confusion as to who should receive what.

In situations such as these a change of beneficiary form must be completed and submitted to the insurer. You can get the form from your plan administrator or from the insurer on their website.

## Please don't read this if you KNOW you are going to live forever

In the article above we talked about the importance of keeping your group plan beneficiary updated. This is just one part of your financial plan. A well-written will is one of the most important preplanning activities you can undertake to care for your loved ones.

Wills should be written by a lawyer who can help you chose options to best fit your situation. Costs can range anywhere from \$100 to \$1,500 depending on the complexity of the estate, and time required. A lawyer may also make suggestions for estate planning and powers of attorney at the same time.

Things to consider when planning for a will include who the funds go to in the event of your death. If you are married, it will probably be your surviving spouse. If you pass away together, then what? What about children? Other family?

When individuals are single, living common law, separated, divorced, or widowed, the choices and the actual will may be more complex.

A will also lays out your choice of guardians, executors and trustees and can ensure that proceeds from life insurance policies, investments, your home

and any other assets that make up your estate are distributed in the manner that you wish.

Remember that the time to ensure your matters are in order is NOW, while you have the ability to do so.

Some things to consider:

1. Review your beneficiary(ies)
  - If they are underage, appoint a trustee
  - If there is more than one, indicate the percentage split
  - Appoint a contingent beneficiary in the event the first dies with, or before you.
2. Contact a lawyer and start the process TODAY.



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Note: This side of the newsletter is intended for you, the plan administrator. The information on the 'front' is targeted more to your staff and can be copied and distributed for their reference.

### *Just in case you were wondering...*

Tough times CAN be a good time to enhance benefits. We have many of our clients considering additions to their plans. The rationale is to show staff that they are appreciated and that they want to keep them through these tumultuous times.

Adding major dental to a plan might cost \$100/year for single and \$250 for family coverage, Orthodontics are another \$100/year for family coverage. This may have a great effect on staff with a lot less cost than a raise.

From Mainstay Insurance

This information is provided as a reference to clients of Mainstay Insurance Brokerage Inc. It is not intended as advice. Your situation and the contract provided by your insurer as well as any relevant legislation shall always take precedence. Always obtain appropriate legal, human resource or accounting advice.

## Do you have Ontario employees over age 65?

If you have employees who are living and working in Ontario, aged 65 or older who are still active on your plans healthcare coverage, you may see some changes taking place.

In the past the Ontario Drug Benefit (ODB) plan paid for a good majority of a seniors drugs from a set formulary. In an effort to bring down their skyrocketing costs, the provincial government announced that it would look at a single source supplier for some of the most commonly prescribed drugs. Their intent is that by appointing one manufacturer as the sole supplier of that drug to the province, a better price could be negotiated and hence larger savings realized.

That process has been happening over the past few months with four drugs identified for this new tendering process. One has been approved but has not yet been

announced to the public. The tendering process for two of the drugs was abandoned by the province and one has now been approved and announced.

Thae approved drug's brand name is Vasotec (generic name Enalapril Maleate) and it is used for the treatment of high blood pressure.

Merck Frosst Canada Ltd. has been selected as the supplier of that drug and the other 62 interchangeable drugs (generics from various suppliers for example), will no longer be listed under the ODB formulary effective January 8<sup>th</sup> 2009.

How does this affect you? If you have an employee who is over age 65 and taking the generic version of Vasotec last year, the province paid for the drug cost and your benefit plan would have covered the deductible. With this change, the ODB will now see the generic product as

ineligible and no longer pay the cost. This now means that your plan will incur the cost of both the drug and deductible amount.

In most firms there are few staff working who are over age 65 so the effect is not anticipated to be significant at least initially. As more drugs are tendered and approved in this manner however, that may change. Additionally, with an aging population and a depressed economy, we are likely to see more seniors continuing to work rather than retiring and this too will have an effect.

Employees who are effected by this and other pending changes should speak to their pharmacists and or doctors so they ensure that they are being prescribed the drug that is covered by the ODB formulary so that both the employee and you the employer pay only what is necessary.

## Please keep Insurers up to date

It is imperative that employers (plan administrators) keep employee data up to date with the insurer. Any and all changes that affect an employee's coverage MUST be sent to the insurer within 31 days of the effective date.

These changes can include; new hires, terminations, marriages, cohabitations, divorces separations, birth of children, change in student status, changes in

salary or hours worked, a change in spousal coverage, in employee class or a change in co-ordination of benefits information. Often the employer is not aware of these situations. It is a good idea to raise this issue with your staff at least once a year in order to capture this information appropriately. This can help to ensure that any retroactive changes that may be required will have a minimal effect on staff or premiums.

All changes by the employer should be sent to the insurer immediately. Plans with benefits tied to earnings (such as life & LTD coverage) must be done within 31 days of becoming effective. Making **annual** salary adjustments to the carrier is NOT adequate as the coverage that an employee would receive in the event of death or disability could be less than anticipated creating a position of risk for the employer.