



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

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

Did you know that..?

...a dentist that "forgives" your 20% coinsurance is committing fraud.

...a spa offering to provide a massage (RMT) receipt for a manicure and pedicure is committing fraud?

... a clinic that offers deals on items (like TV's) by providing false receipts that you can submit to your plan is committing fraud?

These "DEALS" are all examples of fraud and can lead to loss of employment or in some cases criminal charges.

Anyone who participates in these schemes is actually stealing from their employer, not the insurer. Report suspicious activity to ensure your plan will be around when you need it.

Please READ THIS before you travel !

Each year we meet with clients at renewal time to discuss issues that impact your benefit plan. A topic that is often discussed is the limitations of your plan's emergency travel coverage. These limitations exist in every plan to some degree (both group and individual coverage) and everyone should be aware of them.

The most important item is the definition of what **Emergency** travel coverage is in the first place. Most insurers define it as "an accident or injury or an **unforeseen illness** that **begins** while the insured person is traveling". The insurer often further clarifies the key words highlighted above, as "any illness previously diagnosed or treated in Canada may not be covered". **WHAT DOES THIS MEAN TO YOU?**

These definitions may mean that you are **NOT** covered when you travel out of Canada if:

1. You are in a high-risk pregnancy or beyond your 32nd -35th week of pregnancy.
2. You have recently had or are scheduled to have surgery or treatment for a medical condition.
3. It has been suggested that you have a medical test, have been scheduled for one, or recently had one and are awaiting test

results.

4. Your physician would say or has said that you are not medically stable or safe to travel.
5. You have had recent changes to your medication such as the introduction of a new drug or dosage changes to existing drugs.

It is important to note that your out of country coverage may still be in effect for other illnesses and injuries that are **NOT** related to your pre-existing condition.

The second item that can cause a problem is the requirement by most carriers to contact them immediately when medical treatment is required. This is becoming more significant as many carriers are amending plans to say that they will **NOT** pay if they are not notified immediately of a medical issue.

Often when someone seeks medical attention in a foreign country (this includes the US) they are asked for their insurance information and are assured that the hospital will "take care of everything". This **DOES NOT** mean that the hospital will contact the insurer. In fact, they may intentionally **NOT** contact them in an effort to run additional and possibly unnecessary tests. Some

insurers specifically state for example, that they will not pay for any PET/CAT scans, or MRI's unless they are pre-authorized.

What can you do to ensure that you are going to have full medical coverage in place when you travel?

1. Ensure you are in good, stable health and are not traveling against doctor's orders. Speak to your doctor if you have concerns. Your health should come ahead of a trip to the beach.

2. Take your travel insurance card and brochure with you when you travel.

3. Call the insurer the moment an event arises. Do not wait for a hospital or clinic to do so on your behalf.

When you are traveling, consider the use of a service such as Canada Direct (1-800-561-8868). This service provides you with a local phone number (at your destination) so that you can place a call from most countries back to Canada. This is done with an English-speaking operator and allows services such as collect calling and third party billing. Calling the number above or checking the front pages of your local phone directory can provide more information.



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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...

There are a large variety of new benefits you can add to your benefit plan. In recent years we have seen products like "Best Doctors", Group Critical Illness (CI), Employee Assistance Programs (EAP), and Health Spending Accounts (HSA's) become available.

If you are interested in adding new benefits to your plan, we would be pleased to provide a quotation.

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.

Dispensing fees, rising costs and new legislation

In June 2010, the Ontario Ministry of Health and Long Term Care announced a number of changes to the Ontario Drug Benefit (ODB) program.

The insurers and PBM's (Pharmacy Benefits Managers) have followed the responses from pharmacies in reaction to the legislative changes.

One area that is of particular note is the dispensing fees that are charged. Since the change, it appears that over 25% of pharmacies that use electronic claims submission have increased their dispensing fee. We have also seen

that illustrated locally. A recent survey of local dispensing fees in the Richmond Hill / Thornhill (near Toronto) Ontario area produced the following results. Note that the amount in brackets was from the January 2010 survey prior to the change.

Wal-Mart \$9.97 (\$8.97)
Costco \$4.11 (same)
Loblaws \$9.49 (same)
Shoppers \$11.99 (same)
IDA \$11.99 (\$11.49)

Others who we looked at who had not been previously surveyed include the following;

Metro Stores \$8.99
Sobeys Stores \$8.99

Rexall/Meditrust mail order pharmacy \$7.99

A majority of pharmacies (almost 90%) still continue to submit fees below \$12. In larger cities and rural areas, you may find costs lower due to competition or higher due to a lack of competition.

If you have questions regarding your prescription costs, please speak to your pharmacist. A change in the dosage, frequency of filling, the introduction of a generic option or turning age 65, can change the amount that you pay. They know your situation better than anyone and are best positioned to help you.

Watch for fraud that may be costing your plan.

Over the past few years we have seen a significant increase in both the frequency and the financial costs of fraud affecting plans. In the Greater Toronto Area (GTA), the hardest hit areas are medical equipment and services including orthotics, surgical stockings and paramedical services.

This fraud can be performed with or without the employees consent and in many cases the employees are complicit. It can range from small dollar items such as a health spa providing manicures or pedicures and then providing a receipt for registered massage therapy treatment (RMT) that never occurred. Other examples include employees being

offered everything from designer shoes and handbags to colour TV's in exchange for being provided a receipt in order to obtain reimbursement from their benefit plan. In these cases no treatment of any kind is provided and the employee is the one committing fraud as they are knowingly submitting fraudulent receipts.

Other areas of fraud are less obvious. A dentist providing legitimate treatment that offers to forgive the 20% coinsurance on an 80% plan for example. Is that fraud? The insurer is not paying any more for the claim, and the employee is not paying their full portion. YES, THIS IS FRAUD!!! A dentist may choose to offer you a discount, but you are required to pay 20% of that

discounted price and the insurer will pay the other 80%.

While insurers are constantly on the watch for these kinds of fraud, they are very difficult to catch and police are slow to respond to these "smaller" white-collar crimes.

If you are aware of these types of issues happening at your workplace, you can call the insurer (many have tip lines where you can remain anonymous) or feel free to give us a call to report the problem.

Ultimately any misuse, abuse and fraud of your benefit plan drives prices up causing employers to reduce plan coverage. Fraud is stealing from your employer and it costs all employees.