



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:

Dave@mainstayinsurance.ca

Did you know that...

You are required to update your employer within 30 days of any changes that affect your group benefits. This includes life changes such as; marriage, divorce, childbirth, common law cohabitation, or the loss or the addition of spousal benefits.

Keeping your employer up to date ensures that you get the coverage you are entitled to and can save you from experiencing bigger problems down the road. Not doing so could cause you to become a "late applicant" and can result in benefit reductions or even a refusal by the insurer to offer ANY health benefits.

If you have gone through a life change, this may also be a good time to update your beneficiary designation. Remember to add a trustee if you plan to leave your life insurance proceeds to a minor.

Please Read this BEFORE you Travel !

Each year we mention the limitations of emergency medical travel coverage. These limitations exist in every plan (both group and individual) and everyone should be aware of them.

Most important is the definition of **emergency** travel coverage. Many insurers define it as "an accident or injury or an **unforeseen illness** that **begins** while the insured is traveling". They often clarify the bolded words above saying "any illness previously diagnosed or treated in Canada may not be covered". Firms such as Manulife, Desjardins and Equitable have gone one step further and added a stability clause that excludes medical issues that have changed or been treated from 30 to 90 days before the date of travel.

WHAT DOES THIS REALLY MEAN?

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 you have, you or are scheduled for or are awaiting a test, or 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 medication, or it has been recommended that you do so; or that you start on a new medication/treatment. Even a different dosage could qualify as a change.

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

The second item that can cause a problem is the requirement to contact carriers immediately when medical treatment is required. This is significant, as many carrier plans 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 provide 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

that they will not pay for any PET/CAT, or MRI's unless pre-authorized. Some insurers will not pay a claim for an emergency incurred in a country or region for which the Canadian government has issued either an "avoid non-essential travel" or "avoid all travel" warning.

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

1. Ensure you are in good, stable health and are not traveling against doctor's orders.
2. Take your OHIP and 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.

4. Check the website <http://www.voyage.gc.ca/> When traveling, consider the use of a service such as Canada Direct (1-800-561-8868).

This provides a local phone number that you can call from most countries to contact Canada. This is done with an English-speaking operator and allows services such as collect calling and third party billing.

Call or visit their web site infocanadadirect.com



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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...

We are pleased to continue hosting the "Mainstay Bleed 'n Feeds" in 2013.

These blood donor clinics are held at the Hillcrest Mall every 56 days at 9350 Yonge Street in Richmond Hill.

Clients and friends are welcome to come out, donate, and I will buy lunch after.

To book a spot or for more info, please visit our website at mainstayinsurance.ca or click on [community](#)

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.

T-4's Correct? New Tax Changes Applied?

Each year at your plans renewal we review some of the taxation issues that impact your benefit plan. Your accountant or bookkeeper may also raise these issues.

To ensure that issues are dealt with in a timely manner, we also continue to include an annual reminder in this newsletter. This is not intended to offer advice but simply to remind you to discuss tax issues with your accountant to ensure that your situation is handled in the most appropriate manner.

As a result of changes in the March 29th, 2012 federal budget, any contributions made by employers to group sickness and accident

plans will change the status to a [TAXABLE](#) benefit. Both Accidental Death & Dismemberment (AD&D) plans and Critical Illness (CI) plans are the benefits directly affected.

The above noted change is similar to the taxation of employee and dependent life insurance that is employer paid. It is also a taxable benefit in all provinces and ALL amounts must be shown on your employee's T-4. If your employee pays the premium for these benefits then this is not an issue.

Long-term disability premiums paid by the employer are generally NOT a taxable benefit but the actual disability benefits WILL be taxed at the time they are received.

An alternative may be to your employees contribute 100% of this cost of the premium through the year, to maintain a tax-free benefit for them should a disability claim be approved and the benefits received. The tax bulletin [IT-428](#) can provide information on how to best handle this benefit.

Health and dental premiums (including Health Care Spending Accounts) are a taxable benefit to Quebec employees only.

Because of the complexity of these issues, it is always best to discuss them with your human resources professional or accountant to find the method best suited to your particular situation. Pre-planning now can save larger problems later.

What other Insurance Services can we provide?

Mainstay Insurance Brokerage Inc. specializes in providing employee benefit plans for small and mid-sized firms. We do not sell individual life insurance, travel, home and auto, disability, pension or business insurance. That said, we can always refer you to people who you can contact if you need assistance in these areas.

Our web site mainstayinsurance.ca has a page called "[Need Help](#)" that provides contact info for many of these areas. When evaluating a broker, always use your own judgment to find the best fit for your and your firms' style.

Clients often ask us about making changes to their plans (both enhancements and cost controls) and about other products that can be added to group plans. With benefit plan costs rising higher than inflation, we often take a more reactive than proactive role in these areas. As the majority of our clients have insured plans, any large increase in claims can be handled with changes at renewal before rates are affected. This prevents employees from viewing employers as "taking away" benefits when things are good and instead allows you to make modifications when there are signs of abuse or dramatic claim shifts. There are a variety of

benefits that we can add to your plan at any time. Employee Assistance Programs (EAP's) are a great benefit that provides counseling support to employees and their families in the event of personal or family issues, addition, loss etc.

We can also amend your plan to add benefits that are not always chosen when plans are initiated such as: short and long-term disability, critical illness insurance, upgrades to vision and the addition of items such as major dental and orthodontics.

If you are interested in any extras please do not hesitate to ask us for pricing.