



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

Share This with Your Employees BEFORE They Travel

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 access to other websites.

Did you know that...

...there are **Free** online telemedicine services available in Ontario, Quebec, British Columbia and Alberta including:

<https://tiahealth.com/>

You can reach out to a doctor to get assistance with simple medical issues, a referral, lab requisitions, prescriptions (& refills), mental health support, and more.

There are also mail order pharmacies with great rates and free delivery. We have had very good success with:

<https://www.pocketpills.com/>

Need help finding a form, phone number, or just help in general, please do not hesitate to call us at: 1-905-886-9203

or send us an e-mail at:
Dave@mainstayinsurance.ca

At your annual renewal meeting we review issues related to emergency medical travel coverage in order to ensure our clients are educated and aware of limitations that may exist in their group coverage.

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". Plans also state that "any illness previously diagnosed or treated in Canada may not be covered".

Most travel coverage also includes a stability clause that excludes coverage for any medical issues that have changed or been treated 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:

- You are in a high-risk pregnancy or beyond your 32nd -35th week of pregnancy
- You have recently had or are scheduled to have surgery or treatment for a medical condition
- It has been suggested that you have, are scheduled for or are awaiting a test, or test results
- Your physician would say

or has said that you are not medically stable or safe to travel

- You have had recent changes to medication, or it has been recommended that you do so; or it is recommended that you start on a new medication or treatment; even a change in dosage for the same medication could qualify as such a change.

It is important to note that you may still be covered for other illnesses or injuries that are **NOT** in any way related to your pre-existing condition.

Another issue that can be problematic with a travel claim is the requirement to contact the carrier **immediately** when treatment is required. This is a key requirement, as many plans will **NOT** pay if not immediately notified of a medical issue arising.

When an individual seeks medical attention in a foreign country (including the US) they typically 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 on your behalf. In fact, the hospital may intentionally NOT contact the insurer in an effort to run additional tests that may not otherwise be approved. Some insurers

specifically state that they will not pay for any PET/CAT, or MRI's unless they are pre-authorized for this very reason. Some insurers will also 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 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 card, travel insurance card and plan 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/>

In our annual renewal package, we include brochures describing your travel coverage, how to access it, and general claim information including plan limitations. If you would like a pdf copy sent to you please e-mail us at:
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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 plus any relevant legislation shall always take precedence. Always obtain appropriate legal, human resource or accounting advice.

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...

While attending CGIB events with employment and disability lawyers, we get to see many of the problem areas that insurers, employees, advisors and employers sometimes experience. The majority of these involve employee and benefit terminations. If you have what you think is an unusual or causal termination, or involve a longer-term employee, please reach out. While the Employment Standards Act (ESA) outlines the legal requirements that is just the beginning.

Rising salaries need to be reported, and the excess applied for, to ensure employees get proper coverage

As we've seen inflation floating in the 7 to 8% range in recent months, many employers are increasing salaries in response.

As always, any changes in earnings must be reported to the insurer promptly if you have either life insurance or disability coverage that is based on the employees earnings. This is to ensure that the employee has the proper coverage level in the event of a claim.

In some cases, those salary adjustments may be higher than the insurer is willing to cover without obtaining additional information. This request for more information could be triggered by an increase in earnings of 10%-15% or more. It could also arise from a promotion to a bigger role (with a corresponding higher salary),

or even an increase in hours.

It is essential that employees who have had additional medical information requested, complete and submit that information in a timely manner in order to obtain their proper new level of coverage. Failing to do so can create a liability to your firm in the event of a claim with the employee being underinsured.

Often employees pay the LTD premium in order to obtain a tax-free benefit at time of claim. Employees with higher salary increases, or after higher increases will often say "I'm okay with this level of coverage and don't want to pay more. Leave it as it is."

This is NOT okay.

Issues arise when an employee is disabled for a longer period and the shortfall can result in them not receiving hundreds of thousands of dollars of income over the duration of the disability. This liability is often passed to the employer for failing to ensure the employee had the level of coverage offered.

We have many ways of reducing this liability (removing the benefit, or capping it at a lower level are common), but this means that employees get a reduced benefit which is not ideal.

If you have questions or concerns as you make changes in salaries or bonuses, please give us a call.

NEW – First of its kind hybrid benefit plan in Canada

On occasion, I have had the opportunity to work with providers to help create and enhance products for the small business marketplace. This provides us with an opportunity to influence change and create some great solutions that our clients can benefit from.

During the pandemic, I had the opportunity to create a one of a kind fully pooled and transparent hybrid benefit plan. I know that's a mouthful, but it's part of my goal of bringing "insurance" back to small companies (<100 employees).

The plan is with Benefits By Design (BBD) and is based on their Benaccount program

that many of you already use, but with a twist.

The plan provides insurance for the items requiring it (high cost, but low incidence rate claims like life, disability and catastrophic drugs), and uses a Health Spending Account (HSA) to pay day to day claims not requiring insurance (such as dental, vision, paramedical and lower cost drugs). This design provides rate stability and lower costs to employers, while giving flexibility to employees. The chance of fraud is also reduced as employees see it as

their money, rather than the insurers.

The twist is the "Fully pooled" part which means that any claims incurred over the \$1,000 deductible do not directly affect your rates. They go into the pool shared by all the employers in the plan.

The first renewal had only a 2% increase which is fantastic and half of what traditional plans are seeing. The HSA portion will also see an increase in utilization, but the limit is set, so the employer is protected.

Ask us for details if you're interested in learning