



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 access to other websites.

Did you know that...

... Canada is home to one of the world's first hospital-based blood banks.

The concept of blood banking was pioneered by Dr. Norman Bethune, a Canadian physician. In the 1930s, Dr. Bethune established the first-ever mobile blood transfusion service during the Spanish Civil War.

He set up the first hospital-based blood bank in Montreal in 1935. This allowed for the storage, and transfusion of blood during surgeries, medical emergencies, and other conditions that required blood replacement.

Need help finding a form, phone number, or just support in general, please do not hesitate to call us at:
1-905-886-9203
or send us an e-mail at:
Dave@mainstayinsurance.ca

Students Back to School ? Time to update coverage !

If you have a child who has entered post secondary education or has just returned to school, it is your responsibility to ensure that their information is kept up to date with your insurer in order to maintain their benefit coverage.

Most group benefit plans define a dependant child as "an employee's natural or adopted child, or stepchild, who is

- Unmarried;
- Not employed on a full-time basis;
- Not eligible for insurance under another group policy; AND
- Either under 21 years of age or, if a full-time student at an accredited school, college or university, under 25 years of age.

Depending on the insurer, you may be asked to complete a form providing details such as the name of the school, the length of the program etc. Some may ask for proof of full-time enrolment and others may simply ask for confirmation via a phone call to verify that your child is enrolled full time, and that call will be recorded.

In most cases you will be required to update information with the insurer each year that your child is returning to school and remains eligible for coverage. Most carriers require the information by the end of August.

Keeping this information updated is EXTREMELY important. By ensuring coverage is up to date, it ensures quick and easy claims payment should your child need prescription drugs or a dental visit while at school. It also ensures that the appropriate out of country coverage is in force. This is very important if your child were to leave the country and require emergency medical treatment. School or spring break trips are good examples of when emergency services might be needed. An emergency is NOT the time to find out that your child has been removed from the benefit plan because you forgot to update their information.

If your child is enrolled in a post secondary school that is outside of Canada, there are a number of other issues that also need to be considered.

The student will require an extension from OHIP (or your provincial health insurance plan). This extension does two things: it ensures your child's ongoing OHIP coverage upon their return from school and MAY allow group benefit plans to be extended to maintain coverage. This coverage is NOT automatic and in most cases the insurer will

need to be notified that your child will be attending school out of the country, that the OHIP coverage extension has been approved, and that they are enrolled in school fulltime (the same requirement for an in province student). Due to changes in US legislation (Affordable Care Act), US schools will no longer accept extensions of group coverage for students studying there. This is due to the fact that it is emergency only coverage and below their minimum requirements. Coverage made specifically for US students may provide the best option in these cases.

If your child is no longer a full-time post secondary student, is married or is working full-time, they are no longer eligible to be on your plan. They must enroll in the plan provided by their own employer or obtain personal individual coverage of their own.

Speak to your plan administrator or call the insurer directly if you have any questions or concerns, or to verify your child's coverage.

Insurer contact information can be obtained from your employee booklet or through our website at: www.mainstayinsurance.ca



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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...

For healthcare consumers in Ontario, it's important to be aware of the Trillium Drug Program (TDP), which provides financial assistance for prescription drug costs. If your prescription drug expenses are a significant portion of your income and not fully covered by insurance, the TDP can help by capping your out-of-pocket expenses based on your income. This program ensures that essential medications remain affordable for Ontarians, even those at a very high cost.

A National Dental Care Program... Really?

In Canada, access to quality dental care has long been an issue for many individuals and families. The cost of dental procedures, even routine check-ups, can be a significant financial burden.

Employers have helped bridge this gap by providing health and dental benefits to their employees, but many still remain without coverage. As a result, the government is introducing the Canadian Dental Care Plan, aimed at providing affordable dental services to Canadians. It aims to bridge the gap in access to dental care by helping low and moderate-income Canadians receive coverage for a range of dental services.

Many Canadian employers offer private benefit plans to their employees as part of their compensation package. These plans often include coverage for dental care and vary in their level of coverage and cost-sharing arrangements. They typically provide employees with access to services that will go well beyond the basic coverage to be offered by the CDCP.

Employers offering private dental plans will be required by the Dental Care Measures Act to report employer provided dental coverage via T4 and T4A tax slips each year.

The legislation requires employers to report on a tax slip whether an employee, and/or a dependant was eligible on December 31 of the reporting tax year, to access dental insurance or dental coverage of any kind,

through the employers benefit plan.

As a result, the following new boxes will be added to the T4 and T4A slips for the 2023 tax year along with specific codes:

T4 Box 45: Employer-Offered Dental Benefits

T4A Box 015: Payer-Offered Dental Benefits

- **Code 1** - No access to any dental care insurance, or coverage of dental services of any kind.
- **Code 2** - Access to any dental care insurance, or coverage of dental services of any kind for only the payee.
- **Code 3** - Access to any dental care insurance, or coverage of dental services of any kind for payee, spouse and dependants.
- **Code 4** - Access to any dental care insurance, or coverage of dental services of any kind for only the payee and their spouse.
- **Code 5** - Access to any dental care insurance, or coverage of dental services of any kind for only the payee and dependants.

The reporting of this data will ensure that employees and their families who have private dental coverage are

prevented from claiming through the CDCP.

At this point and with this structure, we do not see any potential savings for employers or employees.

We have heard that some employers currently offering comprehensive dental benefits may consider dropping dental coverage to push their employees to the CDCP and save the expense.

While we understand the "hope" for savings, we do not anticipate this will happen, as employer provided plans generally provide access to a broader range of services, with much higher coverage limits than the CDCP will offer. In fact, most traditional dental plans have a \$1,000/person annual limit at the bare minimum. The expected coverage through the CDCP will be closer to a \$600/person average spend. On top of that, we have not received any information or details on what specific treatments will or will not be covered.

Also on our radar is the National Pharmacare plan due out in the new year. Although there has been no budget assigned to the programs, it is being seriously discussed and could affect employers.

We'll continue to monitor both situations and update as further details develop. Please feel free to reach out if you have any questions.