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From the Masthead



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...

Your staff with dependent children that are turning 21 will lose coverage unless they are returning to post secondary school full-time. Those who are over 21 and returning to school must have their information updated with the insurer to continue their coverage.

If dependents are not returning to school or are married or working full-time, they are no longer eligible for coverage under their parents benefit plan. They should enroll in their employers' benefit plan or obtain individual.

If you are unsure about your dependents coverage, please call your insurer for details or to obtain the proper forms to update coverage.

Why the Flu shot is worth getting.

While it may seem a bit late to discuss the flu shot, considering flu rates this year, it is always a good time to discuss the positives of getting the flu shot.

This year Canada has been hit particularly hard with influenza. By the start of the new year there were over 3500 cases of officially DIAGNOSED influenza across the country, compared to only 182 cases in the same time last year. This is attributed to a number of factors including weather and the H3N2 variety that is more aggressive than previous strains.

The flu tends to strike between November and April with the peak time being January of each year. The seasonal flu is the number one reason for lost time from work. A StatsCan report for 2009 (most recent available) showed that in one month (November) 1.5 million people were absent from work due to the flu for an average of 2 days each. That adds up to 3 million lost days of productivity!

Once you have the flu, the experts say that it is best to stay home to avoid spreading it to your co-workers. You should then wait for 24 hours after your fever ends before returning.

Is there a better way to solve this lost time dilemma? Sure there is: the flu shot.

The flu shot is usually about 60% effective in preventing the flu. There are always a number of factors and a variety of strains that reduce its effectiveness, but 60% is still pretty good odds.

There are many people who swear they "got the flu from the shot", which I understand, is not possible. The side effects CAN include: soreness and/or swelling in your arm, cold-like symptoms, including sniffles, headache, runny nose, sore throat, cough, and body aches for a day or two after getting the shot. Serious side effects are very rare, and are often noted within minutes after getting the shot.

Do we really know it works? Sure we do. Ontario has been studied at length due to the fact that we have such a high amount of the population being inoculated thanks to provincial funding and an excellent public communication and education program.

An excellent research paper that came out in 2010 illustrates the importance of getting flu shots. It analyzed the effectiveness of the Ontario Universal Influenza

Immunization Program that has been in place since 2000, and that provides free vaccine to the entire province.

What the study found was that each year, due to the flu shot, 111 deaths were prevented. That alone should be enough reason for everyone to get it. On top of that there are an estimated 786 influenza-related hospitalizations that are avoided and 7,745 influenza-related emergency room visits that do not need to occur. The final benefit is the estimated 30,306 doctor's office visits per season that do not have to take place.

Think for a minute about the load we could take of the health care system, the break we could give both employers and the employees covering for their co-workers, just by taking the flu shot.

There are clinics in every city and region organized by public health and many pharmacies are also now providing the shot free of charge.

Not convinced? Do it for the reason we do...to save the life of someone you could come into contact with: the young, the old, or those who are immune compromised such as people going through chemo treatment. You owe it to them.



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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" on April 30th at noon.

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 and donate, and we will buy you 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.

Ensuring employee info is kept up to date

As Plan Administrator (PA), you are required to update your provider with any changes that affect your plan members benefit coverage. This must be done within 31 days of the change taking place. These changes can include things like: a hire or termination of an employee; a change in salary; a change in student status once over age 21; a change in hours or class of employee (if you classes); a marriage or common-law relationship; a separation that would make an ex-spouse ineligible for benefits; or a loss of spousal benefits.

Employees are not always good at remembering to

keep this information up to date, however failing to do so can cause benefit reductions or even outright denials of benefit coverage in the event of late applicants.

As a PA, you are aware and responsible for the new hires, terminations and salary changes, but most of the remaining changes require the employee to alert you. Regular reminders to staff to keep their info up to date are a great way to make sure that they get the benefits they are entitled to and avoid future problems.

During these reminders it is also a good time to

suggest that staff update their beneficiary designations.

The beneficiary of their life and AD&D coverage should be an adult of legal age. If your employee wishes to leave the proceeds to an underage child, then a trustee should be appointed to handle the funds or the funds will be held until the child reaches legal age.

This suggestion can also provide a valuable reminder for employees to take a moment to create or review and update their personal wills and estate information.

What other employers are paying for benefits?

Each year we meet to discuss your renewal. In it we review the change in rates based on changes in your staff demographics and in your claims as well as the pool of all small business claims. Some of you see higher increases and others experience lower increases or even decreases on occasion.

The average increase in rates over the past 5 years has been about 4.6% overall. Over 10 years it has been 4.15%: the lowest period since 1985.

We have included the highest increases and decreases in the chart following to illustrate the range our clients have encountered. These

numbers are compiled from our current existing Mainstay clients only and are un-weighted.

Average Annual Premium Changes

Year	Best	Avg.	Worst
2008	-29%	3.5%	+38%
2009	-27%	5.0%	+38%
2010	-17%	5.2%	+57%
2011	-17%	4.6%	+30%
2012	-13%	4.6%	+39%

The initial response to these numbers is "we want that 29% rate decrease".

The firm that had that rate reduction grew their staff population considerably

while at the same time REDUCED their overall claim costs. They were really overpaying at their old rates, until their pricing was adjusted to reflect the new population and claims of the firm.

What this summary tells us is that the average client paid a benefit cost slightly higher than inflation, but not as high as many expected.

Is it likely to get better or worse? We never know for sure but we can expect costs to continue to increase as we see more biologics hit the market causing drug claim costs to rise, services to be utilized more and provincial downloading to increase.