



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](http://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](mailto:feedback@mainstayinsurance.ca)

### Did you know that..?

The ratio of Ontarians who experience a mental illness in their lifetime: 1 in 5 (Health Canada).

As many Canadians suffer from major depression as from other leading chronic conditions including heart disease. 4% of Canadians surveyed reported having symptoms of depression as compared to 5 % who reported heart disease (Statistics Canada: CCHS 2003).

For resources to help yourself or someone around you visit [www.camh.net](http://www.camh.net)

Excerpt from Centre for Addiction and Mental Health website

CAMH is Canada's leading addiction and mental health teaching hospital.

## 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 key words highlighted above are often further clarified by the insurer 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 32-35<sup>th</sup> 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, or recently had and/or 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...

Our average (unweighted) increase in renewal rates for 2008 was just 3.92%. Within this average, we have seen some rates rise as much as 35% and drop as much as 30%.

2008 continues the lower trends we have seen over the past 5 years with increases of 7.3, 4.7, 6.1 and 2.5% for the calendar years 2007, 2006, 2005, and 2004 respectively.

From Mainstay Insurance Brokerage Inc. client data

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 Reminders – Don't Forget !!!!

Each year at your plans renewal time 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 continue to include an annual reminder in this newsletter. This is not intended to offer advice but simply to remind you so that you can discuss them with your accountant to ensure that your situation is handled in the most appropriate manner.

Employee and dependent life insurance that is employer paid is 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 this benefit

then this is not an issue. Accidental Death & Dismemberment (AD&D) premiums paid for by employers in QUEBEC ONLY are considered taxable and are treated like life insurance premiums.

Long-term disability premiums paid by the employer are generally NOT a taxable benefit but WILL be taxed at the time a claim is received. An alternative may be to have the employees contribute 100% of this premium cost throughout the year, to maintain a tax free benefit for them at the time a claim is approved and the benefit 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. There are a number of pieces of legislation that interact and contradict each other. An example of this affects plans with Quebec employees. The provincial rules dictate that any benefit paid to an employee (such as HCSA amounts or cost plus benefits) must be included as a taxable benefit for that individual. However, privacy legislation indicates that this data may not always be provided to the employer to ensure the employees right to privacy. This makes the first piece of legislation difficult to comply with.

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.

## Thank you to clients, providers and friends

Mainstay Insurance Brokerage has been supporting the Evergreen Centre for Street Youth for almost 10 years. The center provides support to disadvantaged youth under the age of 25.

The Evergreen meal program is just one way that we help to support these youth. At these dinners, volunteers supply and cook a meal for anywhere between 40 to 100 street youth.

In prior years friends and associates have volunteered their time (and many still do) to help prepare and serve the

meals. As the years have passed we have grown from doing one meal per year to one per month to a high of 18 booked for this season.

In past years employees from both our clients and insurance companies have volunteered their time to help out. This has further supported the growth of these dinners. Most go even further and help to both fund and cook the dinners as well as make other donations throughout the year.

These corporate groups include: *Manulife-Victoria Park, Empire Life,*

*Accerta, Greenshields, Manulife Affinity, Straitline Transportation and Apotex Inc.*

We would like to take this opportunity to thank each and every one of them for their efforts in making this possible.

If you would like more information about getting involved in hosting a dinner or about Evergreen in general, please visit our website at [www.mainstayinsurance.ca](http://www.mainstayinsurance.ca)

Click on "Info/Links" and then on "Evergreen Dinner Program" or call Dave at 905-886-9203.