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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...

While the brand drug and the generic drug have to release the same active ingredient in the same way, Health Canada allows for a slight variation in this. However, that variation is not considered clinically significant, meaning it does not make a difference in the effectiveness of the drugs.

In fact, a similar variation can exist from one batch of a brand drug to another batch of the same brand drug.

When it comes right down to it, not even every pill in a bottle is exactly the same. There is always a small degree of variability in the manufacturing.

From GSC Follow the Script summer 2013

BRAND OR GENERIC: MAKING THE SUBSTITUTION

This is a re-print from Green Shield Canada's newsletter "Follow the Script" Summer 2013 edition and taken from the "Behind the Counter" section where they ask Pharmacist Cheryl Bielicz about dispensing generics.

YOU DISPENSE AT A CHAIN PHARMACY, SO YOU SEE PLENTY OF PRESCRIPTIONS. WHICH DO YOU FIND ARE PRESCRIBED MORE OFTEN – BRAND-NAME DRUGS OR GENERICS?

Cheryl: The majority of prescriptions are for generic drugs but recently there seems to be an increase in the number of brand drug prescriptions that are marked "no substitution" by the doctor.

CAN YOU SUBSTITUTE THE GENERIC DRUG FOR THE BRAND NAME EVEN WHEN THE DOCTOR HAS WRITTEN "NO SUBSTITUTION" ON THE PRESCRIPTION?

Cheryl: If the drugs are declared interchangeable by Health Canada and the provincial governments, pharmacists are able to make the substitution. If the doctor has written "no substitution," I'll talk to the patient to ensure they understand what this means. If the patient then wants to go ahead and try the generic drug, I document on the

prescription that the patient understands the generic will be dispensed, despite the "no substitution" notation. The patient then signs the prescription as authorization. If the patient wishes to stick to the brand because that's what the doctor indicated and/or it's what they prefer, I dispense the brand.

SO IF SOMEONE'S DRUG PLAN ONLY PAYS FOR GENERIC DRUGS – HOW DO YOU KNOW THAT?

Cheryl: When a claim is submitted into the system at the pharmacy, I'll be able to see what drug the plan will cover. If a plan has mandatory generic substitution, I'll explain that the plan has cut back to the generic price and, if the patient still wants to have the brand name, they can pay for the difference. Usually after a discussion regarding potential differences in reimbursement and the similarities in brand versus generic, they are okay to have their prescription filled with the generic.

DO YOU FIND THAT THE PATIENTS HAVE AN AWARENESS OF WHAT GENERIC DRUGS ARE ALL ABOUT?

Cheryl: Sometimes. But often a conversation is needed to ensure patients understand that generics

are as safe and effective as brand drugs. As well, they often don't realize that their drug plan might cover only the cost of a generic drug and not the cost of the brand drug.

WHAT IF THEY THINK THE BRAND IS BETTER JUST BECAUSE THAT'S WHAT THE DOCTOR ORDERED?

Cheryl: Sometimes patients have a few doubts about going against what their doctor has written. For them, I address their concerns and answer their questions. Usually it's about the quality or effectiveness of the generics.

Once I explain that generics have the same active ingredients and will work the same way as the brand drug, patients are usually okay for me to substitute the generic for the brand. Of course, sometimes the plan member just wants to have the brand version and is willing to pay any difference.

To view the entire article and others on the topic...

http://www.greenshield.ca/sites/corporate/en/Documents/Follow%20the%20Script/2013/Follow%20the%20Script_%20Summer%20EN_FINAL.pdf



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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...

The CRA is making some changes. They recognize the value that interpretation bulletins have to brokers, accountants, insurers and tax professionals.

They have undertaken an initiative to introduce a new technical publication product to update the information currently found in the income tax interpretation bulletins.

The new publications are known as the [income tax folios](#) and will replace old Interpretation Bulletins that we have used in the past such as IT-519r2 to determine eligible Medical Expenses.

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.

EMPLOYEE BENEFITS: HOW LONG IS LONG ENOUGH?

One of the most frequent questions I am asked by employers is: "how long do I have to continue benefits for an employee who is absent from work as a result of disability"?

Employees suffering from significant disabilities may be absent from work for lengthy periods of time.

Normally, as long as the person remains an employee, the obligation to provide benefits continues. Those who are absent for lengthy periods of time tend to be suffering from more serious illnesses and their medical and drug costs will often exceed those of active employees. This can have a significant effect on the premiums that active employees are required to pay for benefits. Sometimes, especially in the case of smaller groups, the premiums can become prohibitively expensive.

At the same time employees on disability leave are vulnerable. This is the time in their lives where they need the benefits most. It may be seen as very cold-hearted of an employer to cancel benefits for an employee in need.

The issue, especially with smaller companies,

becomes one of where to strike the balance between providing your employees with benefits when they need them most and avoiding the sometimes crippling cost of the premiums for those benefits.

The best way to do this is with an employment policy that provides for the continuation of benefits for a specified period of time after which benefits will no longer be provided.

It is not acceptable to centre out disabled employees for such treatment. All employees who are absent due to leave of absence must be treated in a similar fashion. Further there are certain statutes in Ontario which require that benefits be maintained for a certain period of time during specific leaves of absence such as pregnancy leave, parental leave and workers compensation leave. The statutes normally require that benefits be continued for at least one year. Therefore any properly crafted policy must provide for benefit continuation for all those on a leave of absence for at least the minimum period.

It is important to ensure that the policy is well communicated to all employees in order to be enforceable.

Such a policy will not apply to employees who are already on disability leave as it is impossible to change this term of their employment once the leave has begun.

Smaller companies are often reluctant to incur the legal fees involved in crafting such a policy. Some have even attempted to cancel the benefit coverage for employees on disability leave. In the absence of such a policy these employers can expect that the employee will apply for an injunction restraining the employer from cancelling their benefits.

A small investment in an enforceable policy may lead to long term savings for both the employer and the employer's active employees.

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