

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:

feedback@mainstayinsurance.ca

Did you know that..?

One of the most common reasons for denied drug or dental claims is due to mismatched dates of birth.

It is very important that the dates are correct on ALL of your health records and forms.

This problem often occurs when the employee completes an enrolment or change form and "guesses" the birth date of their spouse or kids. When the claim is processed, the date doesn't match and the claim is declined.

In most cases this error can be corrected by your pharmacist, dentist or other health practitioner or by a phone call to the insurer.

Reduce Dispensing Fees – Save Money

We are all facing higher drug costs each year. The cost of prescription drugs is made up of two primary components. The first is the actual cost of the drug. This pricing is generally set on a national level by the Patented Medicines Prices Review Board (PMPRB) and varies very little across the country unless a province specifically allows an adjustment (which is currently happening in Ontario).

The second component of the drug cost is the dispensing fee. This is the fee the pharmacy charges for the act of dispensing the drug to you, the consumer. This fee is posted by each pharmacy (in Ontario), typically near the cash register or where you place or pick up your script. This fee varies significantly from one pharmacy to another.

A survey of the average Ontario dispensing fees in the first half of 2008 shows the following:

Shoppers	\$11.05
Pharma Plus	\$9.88
IDA	\$9.81
Indep. Pharmacies	\$9.43
A&P/Dominion	\$9.35
Rexall	\$9.30
Loblaws	\$9.28
Wal-Mart	\$8.62
Sobeys	\$7.75

Mail Order	\$6.69
Costco	\$4.11

With a range of almost seven dollars per script, this cost can add up significantly.

As an example, let's look at the monthly purchase of the birth control pill. If the cost of the drug is \$20 per script and the patient purchased a one month supply at a time, the total cost per script at Shoppers would be \$31.05 versus \$24.11 at Costco. This works out to an annual cost of \$372.60 versus \$289.32 or a potential savings of \$83.28 per year by choosing a pharmacy with a less expensive dispensing fee. On just ONE drug.

Want to save even MORE money? If that same person bought three months of medication at a time, they would save even more on the dispensing. Using the same examples, the Costco shopper buying a three month supply would have an annual cost of \$256.44 or a savings of \$116.16 per year over the monthly Shoppers client.

So why should you care? Why should you try and save money when it is the insurance company that is paying? In reality it is

NOT the insurer paying, it is YOUR employer paying these costs.

Today employers are choosing to share these costs with their employees more and more.

Ultimately it's you the employee who ends up saving money over the long term. Another reason why you the employee should be concerned about costs is because of the cost sharing that is built in to plan designs. If you have an 80% drug card for example, that change in shopping habits described earlier would save you as well. The \$116 total cost difference would translate into a \$25 savings in your own pocket.

If you have a dispensing fee deductible, the difference between monthly purchases at a Shoppers and quarterly at a Costco would result in a savings of \$116 directly to you.

With drug costs continuing to rise, we all share a responsibility to keep those costs down. Speak to your pharmacist and ask what dispensing fee you are paying. Is there another option available to you? It might help save both you and your employer, hundreds of dollars each year.



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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...

Canada has one of the poorest organ donation records with about 13 donors per million people each year compared to the US at 20 per million and Spain at 31 per million.

Each donor can provide enough organs and tissues to help up to 80 recipients.

Sign your donor card & make your family aware of your wishes.

from Edmonton Journal

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.

Do you need help in other insurance areas?

Mainstay Insurance Brokerage specializes in providing employee benefits for small and mid sized firms based primarily in the Greater Toronto Area (GTA).

Our client base ranges from the small two person "mom and pop shops" to larger multi-national corporations starting up Canadian operations for the first time. Clients come from a cross section of industries and have a variety of needs.

As a result of this specialization, there are many areas of insurance that we do not provide directly to our clients. We have made this decision so

that we can provide the best possible level of service in our area of expertise – employee health and dental benefits. This leaves the other areas available for those who specialize in them.

In an effort to assist our clients in sourcing providers of other insurance products and services, we have added a page to our website that provides contact information for brokers in other areas of expertise.

By visiting this page, you can find brokers with both group and individual insurance and financial planning solutions to best fit your

situation, or to address a specific problem or area of concern.

Many of these brokers can also provide much more support than in just those areas highlighted on the site. Be sure to ask them about their areas of specialization.

Visit the website at www.mainstayinsurance.ca The link to these brokers is on the "Contact" page.

Mainstay does not share commissions and is NOT compensated by these brokers for any transactions that you may choose to do with them (apart from the odd coffee or lunch).

Are your employees' kids back to school?

Do you have staff that has dependent children who have returned to full time post secondary studies? If so, many plans provide health care coverage for these students until they attain the age of 25.

It is the employees' responsibility to keep both their employer and the insurer apprised of the status of their dependents.

With some carriers this means filling out a form each year to provide the name of the school and

the program they are enrolled in. Others require a statement from the school showing that the child is enrolled on a full time basis.

If the student is attending school out of the country then they will be required to apply for an extension of their provincial health care coverage. This ensures that there are no gaps in coverage either when they are absent or upon their return. With this in hand, they can contact the insurer to request

an extension of the emergency medical coverage. Many insurers will grant this extension but ask to be sure.

Alternatively, students can often purchase health coverage through the foreign university they are attending that is geared specifically to students.

Whatever the situation, make sure that your staff handles it BEFORE the students have a claim and not after.