



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...

Influenza "the flu" is a contagious respiratory (breathing) illness caused by influenza viruses that infect the nose, throat, and lungs. It can cause mild to severe illness, sometimes leading to hospitalization and death.

You can catch the flu at any time of the year, but infections are more likely to occur in colder, dryer seasons. In Canada, "flu season" usually happens between November and April.

Flu shot clinics begin at the end of October and run to the end of November and are usually free of charge.

From: York Region Public Health Web site

Do You Have Full Time Students Back At School?

Each year we run the following article as a reminder to parents.

If you have a child who has entered post secondary education or who returned, it is your responsibility to ensure that their personal information is kept up to date with the 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 a phone call providing a verbal statement that your child is enrolled full time and that will be recorded on file.

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 services might be needed. An emergency is NOT the time to find out that your child has been removed from the 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 allows group benefit plans to maintain coverage. This coverage is NOT always 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).

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 benefit plan. They must enroll in the plan provided by their own employer or obtain personal individual coverage of their own. Having them enrolled on your employers benefit plan but not in compliance with the contract will result in their claims being declined.

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 company website at:

www.mainstayinsurance.ca



Mainstay Insurance Brokerage Inc.

10 Linton Court
Thornhill, Ontario
L3T 5M9

PHONE:
(905) 886-9203

TOLL FREE:
1-877-624-6789
1-877-MAINSTY

FAX:
(905) 707-0216

E-MAIL:
inquiries@mainstayinsurance.ca

WEBSITE:
Mainstayinsurance.ca

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...

In most of Canada, employee benefit plans continue to be one of the best ways to compensate your staff.

The fact that your employees have access to this level of health benefits that are non-taxable (except for Quebec where it is taxable) makes it a very effective form of compensation.

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.

Misuse, Abuse and Fraud... Exactly what is it?

We continue to see an increase in the frequency and financial costs of fraud affecting benefit plans. In the Greater Toronto Area (GTA), the hardest hit areas have been medical services including orthotics, and paramedical services.

This fraud can be performed with or without the employees consent and in many cases the employees are complicit. An example of smaller dollar items is a health spa performing manicures or pedicures and then providing a registered massage therapy receipt. The employee then submits this RMT receipt for reimbursement.

THIS IS FRAUD.

Some "spas" provide a "service" where they will review an employee benefit booklet to see how they can "best service" the person and their family. They look for areas where they have "arrangements" with providers and add them all up. For example they might say, "your plan has \$500 for chiropractor treatment, massage therapy, registered acupuncture treatments, physiotherapy and naturopathic treatments. These combined will add up to \$2,500. You pay us \$2,500 cash and we'll give you \$2,500 on account to use for whatever services you want. Massage, haircuts, waxing, facials etc.

Married? We can add the same amount for your spouse and each eligible child." **THIS IS FRAUD.**

Employees may be offered orthotics or braces that are "off the shelf" products that are not custom made and therefore not eligible for reimbursement under most plans. The provider will identify it as a custom made product and provide a receipt for the employee to submit to their plan. **THIS IS FRAUD.**

Another type of fraud is to offer everything from designer shoes and handbags to colour TV's, often at prices higher than retail. Receipts are provided however so they can obtain reimbursement for apparent "legitimate services" through their benefit plan. In these cases no treatment of any kind is provided. The employee is knowingly submitting fake receipts. **THIS IS FRAUD.**

Some areas of fraud are less obvious to employees. A dentist providing legitimate treatment that offers to forgive the 20% coinsurance on an 80% plan for example. Is that fraud? The insurer is not paying any more for the claim, and the employee is not paying their full portion. **YES, THIS IS FRAUD!!!** A dentist may choose to offer you a discount, but you are

required under the terms of your contract to pay 20% of that discounted price and the insurer will pay the other 80%

There is a new "vertically integrated" type of fraud that is perpetuated at all levels, often without the knowledge of employees or the health care practitioners. Employee data can be obtained from a variety of sources some as low tech as rummaging through dumpsters near health care clinics to find names or receipts. The organizers will steal the practitioners' registration numbers and file claims using the employee data and the practitioners' registration information.

While insurers are constantly on the watch for these kinds of fraud, they are very difficult to catch and police are slow to respond to these "smaller" white-collar crimes. If you are aware of these types of situations happening at your workplace, you can call the insurer (many have tip lines where you can remain anonymous) or call us at Mainstay to report the problem.

Ultimately any misuse, abuse or fraud of your benefit plan drives prices up causing employers to reduce plan coverage. Fraud is stealing from your employer (NOT the insurer) and it costs both employees and the employer.