



INSIGHTS

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How Much Is a Life Worth?

We must find a solution to ensure that Canadians are able to receive the drugs they need without bankrupting themselves

How Much Is A Life Worth? was the headline of a March 2010 Waterloo Region Record newspaper. The article tells of the tragic story of a lady who had suffered with kidney damage and advanced cancer. Her story may not be unique, but what happened to her is a plight that anyone of us could face.

Her private insurer stopped paying for the drug that kept her cancer in check and the province refused to fund her treatment. She was left with a stark choice: bankrupting her family or staying alive.

For five years, the medication she was taking had kept her cancer under control, but when her husband's group insurance plan was changed to another provider, a cap on the coverage put the expensive drug financially out of reach. The medication cost \$3,200 per month.

In situations like this Ontarians can apply to the Trillium Drug Plan. This is Ontario's provincial program that financially assists people with prescription drug costs. However, it denied her application. She chose to stop taking the drug that had kept her alive by slowing the growth of the kidney cancer. She suffered a drastic decline and died at age 59.

Her only choice would have been to sell the home she shared with her husband and bankrupting her family. She chose not to do this.

Why must individuals be faced with these choices? Why should people be suffering due to not being able to afford their drugs?

The province has eligibility protocols that applicants must comply with. If an applicant is requesting a drug that is not on the provincial formulary they then ask their doctor to complete an exception application. The application must outline the reasons why a patient should be an exception and given a drug that isn't on the formulary.

Each application to the Exceptional Access program is considered individually according to criteria established by an expert advisory committee. The criteria are very specific- a drug in a specific dosage and duration is available for certain conditions when a detailed treatment protocol has been followed. Along with the guidelines, a patient's case, clinical circumstances and broader scientific evidence are reviewed. The committee does take into account a patient's condition, but not everyone is successful.

Many employer sponsored plans have a stop loss benefit built into their extended health care benefit. The stop loss benefit allows for claims beyond a certain threshold to be 'pooled' amongst the insurer's entire book of business. For this the employer pays a premium to protect themselves from catastrophic claims. The problem with this is that at some point the insurer may increase the stop loss level for that plan, or surcharge the stop loss rate, maybe both. Employers, mindful that costs are increasing, want to protect the financial integrity of the plan, so they look for options which allow them to contain expenses and to keep a plan in place for all of their employees.

A report on cancer drug access released last year by the Canadian Cancer Society said one in twelve Canadian families face catastrophic drug costs (which is considered more than three per cent of net household income).

Although the nation's health system provides cancer drugs administered in hospital for free, half of newer cancer drugs are taken at home, making them the patient's responsibility.

The Canadian Cancer Society says the recent introduction of expensive cancer drugs has exposed gaps in drug access for Canadians, with no national standard for families burdened by high-priced prescription drugs but rather a patchwork of reimbursement and coverage under public and private insurance plans.

It's time for action. Both the group life and health insurance community and the provinces need to put their heads together to find solutions to ensure that Canadians are able to receive the drug they need without bankrupting themselves.

Creative solutions to catastrophic drug costs that affect employer sponsored health plans will need to be made by insurance companies, employers, government, and group life and health benefit advisors. Otherwise, I'm afraid some Canadians will have to go it alone, and for a nation that prides itself on providing universal health care that just isn't acceptable.

Until next time...

Government Commentary

New Employment Insurance Special Benefits for Self-Employed People

As of January 31, 2010 self-employed individuals can register for Employment Insurance (EI) special benefits. The four types of special benefits are:

- Maternity benefits*
- Parental benefits*
- Sickness benefits
- Compassionate care benefits

Register online using My Service Canada Account anywhere you can access the internet, including at a Service Canada Centre near you.

Visit our website at www.servicecanada.gc.ca for more information. You can also call our EI Telephone Information Service at **1-800-206-7208**.

For registrations after April 1, 2010, you will have to wait 12 months before you can apply for benefits.

* Self-employed people in Quebec are already eligible to apply for maternity and parental benefits under the Quebec Parental Insurance Plan.

Medical Expense Tax Credit – Purely Cosmetic Procedures

Budget 2010 proposes that expenses incurred for purely cosmetic procedures (including related services and other expenses such as travel) be ineligible to be claimed under the Medical Expense Tax Credit. This generally includes surgical and non-surgical procedures purely aimed at enhancing one's appearance such as liposuction, hair replacement procedures, botulinum toxin injections, and teeth whitening.

A cosmetic procedure, including those identified above, will continue to qualify for the Medical Expense Tax Credit if it is required for medical or reconstructive purposes, such as surgery to improve a deformity arising from, or directly related to, a congenital abnormality, a personal injury resulting from an accident or trauma, or a disfiguring disease.

This measure will apply to expenses incurred after March 4, 2010.

TRAVEL BULLETIN

Cuba has recently announced that as of May 1st, 2010, all persons entering the country must present proof of medical insurance issued by an approved carrier.

TRAVELLERS WHO ARE UNABLE TO SHOW PROOF OF COVERAGE FROM AN APPROVED CARRIER WILL BE REQUIRED TO PURCHASE INSURANCE FROM CUBAN COMPANIES AT POINT OF ENTRANCE TO THEIR COUNTRY.

RWAM's Out-of-Canada insurance provider, Mondial Assistance, has confirmed they are a recognized provider by the Republic of Cuba's government due to their long standing contractual agreement with the Cuban assistance company ASISTUR. Further information regarding this approval can be found at:

<http://havanajournal.com/travel/entry/list-of-approved-cuba-health-insurance-providers-402a/>

For entry into Cuba on or after May 1, 2010, please ensure that you carry the following:

1. The form entitled "Confirmation of Emergency Medical Insurance for entry into Cuba" - available by contacting extension below
2. The enclosed confirmation letter from William Breckles, the President and CEO of Mondial Assistance Canada
3. RWAM Travel Assist brochure
4. RWAM wallet card - "Emergency Travel Assist" phone #'s on back of wallet card

Please note the following:

- Refer to the "RWAM Travel Assist" brochure for details pertaining to the Out-of-Province/Canada emergency medical coverage.
- Ensure that "Travel Assist" is contacted prior to seeking medical treatment.
- "Travel Assist" coverage administered by Mondial Assistance, which is a provider recognized by the Republic of Cuba's government and a trusted partner of the Cuban Assistance company, ASISTUR.
- Coverage confirmation is subject to each traveller meeting the terms, conditions and eligibility requirements of the master travel insurance policy as well as verification of coverage at time of incident.

Should you have any further questions, please contact RWAM Insurance Administrators at:

1-877-888-7926 or 519-669-5694 ext. 221, or e-mail haguiar@rwam.com

