



**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 access to other websites.

## Did you know that...

... the first community in Canada to implement water fluoridation was Brantford, Ontario.

They began fluoridating the water supply in 1945, just a few months after Grand Rapids, Michigan.

Since then, water fluoridation has been adopted in various other communities across Canada as a public health measure to improve dental health by reducing tooth decay. However, not all communities in Canada fluoridate their water as the decision is typically made at the municipal or regional level.

Need help finding a form, phone number, or just help in general, please do not hesitate to call us at: 1-905-886-9203

or send us an e-mail at:  
[Dave@mainstayinsurance.ca](mailto:Dave@mainstayinsurance.ca)

## The National Dental Care Program is here...

The federal government has finally begun to release details of the national dental plan and we have been getting questions from clients about how this affects their employees who have dental plans and health spending accounts.

The Canadian Dental Care Plan will become available to seniors over the next six months, followed by eligible youth under the age of 18 and people with disabilities. The remaining Canadians who meet the program criteria can apply in **2025**.

The vast majority of Canadians will NOT be eligible for the program because they have dental coverage through their employer. Those who have no employer coverage, a family net income less than \$90,000, are a resident of Canada, and who filed a tax return in the previous year, will qualify for the program.

The program will start with those aged 87 and up and they can begin applying now. Those 77 to 86 can apply in January 2024, followed by those aged 72 to 76 in February. If you are between the ages of 70 and 71, you can apply in March, 2024.

Seniors will receive a letter with instructions on how to enrol and will have to attest that they don't currently have a private or employer dental plan. This information will be passed to Sun Life who will produce dental payment

cards and administer the program.

In May 2024 a website will be established where seniors can apply (those over age 65), and in June, anyone with a Disability Tax Credit certificate, plus youth under 18, can also begin applying online. Anyone else who meets the criteria can apply in 2025.

Seniors are expected to be able to visit a dentist in May 2024, with others commencing soon after.

There will be no cost sharing if your total family net income is under \$70,000. If your net family income is between \$70,000 and \$79,999, you will have to pay 40 per cent of dental costs. If your family income is between \$80,000 and \$89,999 you will have to pay 60 per cent of the cost.

Starting next year, service providers will be able to enrol to participate in the program. Those include dentists, denturists, dental hygienists and dental specialists.

Preventative services (cleanings) will be covered, plus restorative services (fillings), root canals, some dentures, and oral surgeries (extractions).

Many questions remain about how accessible these services will be.

## Will dentists enrol in the program?

Currently there are provincial dental programs that cover low income seniors and children, but dentists are often paid less than 50% of the cost of the service, so getting someone to provide treatment can be very difficult. This may occur in the federal program as well.

## Will employers drop their dental programs and expect their employees to be covered by this new program?

We hope not, and are suggesting employers not even contemplate this route until 2025 or later when we know what the coverage and availability will really look like. Many employees depend on their dental benefits and may not qualify for the government plan due to family income, spousal benefit plans etc. Others may not be able to access the program if the dentists in their area do not sign up, or are overloaded due to demand. If provincial dental programs are an example of the funding model, people may end up with NO dental coverage if employer plans are cancelled.



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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 plus any relevant legislation shall always take precedence. Always obtain appropriate legal, human resource or accounting advice.

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...

If you are looking for articles on the new federal dental program, the ones below provide info on the program, eligibility, levels of coverage, coding employees T4's and T4A's plus the timetable for the proposed rollout.

[Blog post and Q&A](#)

[Toronto Star Article](#)

[CP24 Article.](#)

## More on the federal dental and pharmacare programs

We have been sending regular updates (through our blog posts) on these programs as they have moved from platforms, to ideas in principle, to minority government coalition agreements, and now as they are starting to be implemented.

Along the way we have had only limited information to share unfortunately. In typical government fashion programs are agreed to before any consideration is given to asking groups who will be affected (like patients, affiliated businesses, dentists, pharmacists, insurers and advisors), for their input on how these programs will affect the end user, in this case patients.

In the previous article we focussed on the Canadian Dental Care Plan (CDCP). Here we will address the proposed Pharmacare plan that was due to be in place by the end of 2023.

As anticipated, this program has now been delayed with negotiations ongoing and legislation not expected until March 2024. We knew that an extension was likely, as the alternative, to scrap the confidence-and-supply agreement between the NDP and Liberals would force a no confidence vote which would likely put the Conservatives back in power, and would not benefit either party.

Be it the drug or dental program, we are suggesting that clients take a "wait and see" approach before making any changes to their employee benefit plans as it will be 2025 before any regular working age Canadians will be eligible to

participate. With the pharmacare program we have no details on who will be covered, to what limit, and what drugs.

What we do know is that the pharmacare program is estimated to cost \$12 billion a year and has no budget other than the Drugs for Rare Disease (DRD) part of the program.

For that, the federal government has said they will provide funding of up to \$1.4 billion over three years to provinces and territories via bilateral funding agreements for DRD's. As a result, we could see high cost drugs, costing over \$100,000/year, for rare diseases being the first step of the pharmacare program.

We have had many clients experience higher cost drugs (over \$10,000/year) and face the challenges that these can have on benefit plans, and specifically the sustainability of the benefit plan cost.

We have had more plan design options introduced and at our disposal to provide solutions (such as; drug caps, and exclusionary formularies etc.). Some work better than others, and none are full proof as all the programs (public and private) are constantly changing, requiring adjustments to plans.

We think a good public DRD strategy that would remove drugs over \$100,000/year from employer plans, would be

of great benefit to employers in ensuring the long term sustainability of their plans overall (not just drugs).

How prevalent are these drugs? It is hard to get an accurate count, because the number is constantly changing, but the number of drugs with an annual cost of more than \$10,000, has grown from 32 in 2005 to 141 in 2017 and is now over 200, with many of the new product introductions costing well over \$100,000/year.

It is important to understand that many of these drugs being paid for by employers are chronic (including chemo drugs) and may remain a cost as long as an employee is on the plan. Some of these, like the new drug for Cystic Fibrosis Trikafta, at \$365,000/year, may run for as long as 50 years.

Others are acute drugs that are used for a short duration, such as Hepatitis C or the new gene therapies. These may range in cost from \$35,000 to \$2 million dollars, but are only taken once (or for one duration) and the person is then cured for life.

Depending on IF the government pharmacare plan is implemented, and what drugs it covers will determine how the plan will actually help employers.

We will stay on top of the issues and share info through this newsletter and our blog posts.