

CANADA'S HEALTHCARE PLANS

Canada Health Act

The Canada Health Act (CHA) is Canada's federal legislation for publicly funded health care insurance. The Act sets out the primary objective of Canadian health care policy, which is "to protect, promote and restore the physical and mental well-being of residents of Canada and to facilitate reasonable access to health services without financial or other barriers."

The CHA establishes criteria and conditions related to insured health services and extended health care services that the provinces and territories must fulfill to receive the full federal cash contribution under the Canada Health Transfer.

The CHA five criteria (general principles) are:

- Public Administration
- Comprehensiveness
- Universality
- Portability
- Accessibility

The two conditions are:

- Information
- Recognition

In addition, provinces and territories must ensure there is no extra-billing and user charges for insured health services.

Provincial Healthcare Plans

Although both the federal and provincial governments share funding for medical coverage, each province/territory is ultimately responsible for delivering the basic medical services based on the principles established in the Canada Health Act. They are also responsible to fund any shortfalls. Most provinces pay for these programs using general tax revenues, through payroll or other taxes such as the "Employer Health Tax" implemented in BC in 2020.

As such, each plan has differences. Healthcare plans represent a large portion of the provincial tax pie and therefore each province/territory is always looking for ways to pay for these ever escalating costs.

THE JOHNSTONE'S ADVANTAGE

Our mission is simple:
Treat each client as if they were our only client.

Our value is clear:
We are completely independent. We work for you and offer total flexibility on insurers and plans.

We offer all your group insurance services including administration, brokerage, consulting, and communications.

We provide dedicated client support, customization, and flexibility to meet all of your company's benefits needs. And we make **solid group plans simple.**



Reciprocal Agreements

Provinces and territories, with the exception of Quebec, have agreed to reimburse each other for medical costs incurred for eligible persons while travelling within Canada; typically, at the fee guide level of the resident's province/territory.

Eligibility

When moving to Canada, eligibility for government healthcare is based on proof of legal status in Canada and residence in a specific province or territory.

When moving from one province or territory to another, eligibility starts the first day of the third month.

Standard Coverage

All provincial/territorial healthcare plans cover:

- Doctor visits, including those at walk-in clinics
- Hospital visits, doctor and nursing services, services to diagnose what's wrong, such as blood tests and x-rays
- Ward room accommodation and meals while in hospital

Prescription Drugs

The CHA requires that public provincial and territorial health insurance policies must cover all medicines used within the hospital setting. Out-of-hospital drug expenditures are paid for by private insurance and individuals, as well as by provincial health insurance for certain population groups, such as seniors, youth, low income persons, persons with specific conditions, and persons in long term care.

As reported in a federal standing committee report on health (April 2018), provincial/territorial health insurance covers 43% of out-of-hospital medicine, private insurance covers 35%; and the remaining 22% is paid by individuals out-of-pocket.

Other Medical Expenses

Many provinces/territories have reduced or limited such coverages over past years due to cost, often pushing responsibility to private or employer plans.

Typical coverages include:

- Dental surgery in hospital
- Practitioner services have limited coverage under these plans, however podiatry (footcare) services are generally covered
- Optometry services often limited to youth and/or seniors, except for some medical conditions
- Ambulance services (portion of costs, depending on circumstances, or inter-facility only)
- Out-of-country medical coverage with limitations and exclusions, residents must be in province/territory for a prescribed number of days a year immediately before leaving the country
- Coverages for specific societal and health issues, specific to the province or territory

Canada's healthcare is not perfect, and it is anything but free, although this is often the perception as many services are paid by our tax dollars rather than by direct fees. What is clear is that we can anticipate more changes both in funding and coverage over the coming years.

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