



The Ontario Budget

On May 18th 2004, the Ontario provincial government delivered the Spring Budget, which included significant changes to the Ontario Health Insurance Plan (OHIP). The changes included the addition of three (3) new vaccines to the children's immunization program (chickenpox, meningitis and pneumonia) as well as the de-listing of the following "non-essential" services:

Chiropractic Services
Physiotherapy Services
Routine Eye Examinations

The de-listed services will fall down to the private sector, which means they will affect your group insurance policy. The intent of this edition of the JSL Newsletter is summarize the changes, announce the effective dates, provide you with some idea of the potential rate impact and lastly, to offer some plan alternatives to consider. The changes, while disappointing to some, will bring OHIP in line with most other provincial health plans in Canada.

Current OHIP Coverage

Outlined below is a summary of what OHIP currently covers:

Chiropractic Services -

OHIP currently covers the initial visit at \$11.75 and then each subsequent visit at \$9.65 to a maximum of \$150 per year.

Physiotherapy -

OHIP currently covers physiotherapy claims if performed at an authorized government facility.

Routine Eye Exams -

Ontario Residents between the ages of 19 and 65 -

- OHIP currently pays for one eye exam every 24 months

OHIP residents under age 19 and over age 65 -

- OHIP currently pays for one eye exam every 12 months

OHIP Changes

Chiropractic Services -

December 1, 2004 - coverage will be terminated

Physiotherapy -

April 1, 2005 - coverage will be terminated

Routine Eye Exams -

November 1, 2004 - coverage will be terminated for Ontario Residents between the ages of 19 and 65

Rate Implications

Depending on your group insurance provider, the rate adjustments could fall between one of the following ranges. You should be receiving a notification regarding any rate impact from the insurer directly. Should you wish to discuss it further, please do not hesitate to contact us.

Rate Changes	Chiropractor		Physiotherapy	Eye Exams
	"Top-Up" Plan	"No Top-Up" Plan	0.00%	+0.25% to +1.50%
	+0.25% to +2.00%	+3.25% to +4.19%		

Top-up plan—a plan that reimburses the employee the difference between the full claimed amount and the OHIP per visit allowance.
 No Top-Up plan—a plan that does not reimburse the employee until the OHIP maximum has been exhausted.

Plan Design Alternatives

For your convenience, we have compiled a list of plan options below. These are a few suggestions that will either limit or remove the additional exposure to your plan. Due to insurance company claims systems constraints, some of these options may not be possible by all insurers. Please contact us to discuss your options.

- Remove Chiropractic coverage from the group plan altogether;
- Reduce co-insurance of Chiropractic services;
- Reduce Chiropractic annual maximum;
- Implement a deductible equivalent to what the employee would have been out-of-pocket prior to the change.
- Implement a "per-visit" maximum for all paramedical practitioners;
- Lump all paramedical practitioners together with one combined annual maximum;
- Remove Eye Examination coverage from your group plan;

Claims Trend Analysis

Over the past few years, we have been noticing an increasing trend in claims paid for products/ services associated with Custom Hose, Orthotics, Wrist and Knee Braces. In speaking with several of the major insurance companies, they have confirmed that this trend has been occurring in their blocks of business as well. With this in mind, we want to notify you that we will be taking a close look at these claims for all of our clients during the coming months. One suggestion we would like you to consider, is whether you feel these products/ services should be covered under your policy or removed altogether. Removing them may have little premium impact initially but based on our concern regarding the increase in claims, they may save you money in the future.

If you have any questions regarding the content of this newsletter, please do not hesitate to contact David Schock or Tom Lowden of Johnson Schock Lowden Inc.



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