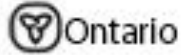


Ontario Budget Positive for Employers' Benefits Programs

March 26, 2008 | Craig Sebastiano

The 2008 Ontario Budget could have a positive impact on employers offering benefits programs to their workers in that province, says an Aon Consulting *InfoFlash*.



As part of the government's illness prevention and cancer screening program, the budget proposes that the provincial healthcare plan will cover the cost of prostate-specific antigen (PSA) tests used to diagnose and monitor the treatment of prostate cancer. "Group benefit programs typically cover costs associated with lab fees," says Aon. "If the government provides coverage of PSA tests, private healthcare costs are anticipated to reduce."

The budget also proposes to provide \$190 million over three years to implement a new chronic disease prevention and management strategy, beginning with diabetes. As well, \$47 million would be directed to an e-health system, including a diabetes registry.

Prevention and management strategies will give residents the knowledge and support to actively manage chronic diseases, says Aon, which "could have a positive ripple effect on employer-sponsored drug and disability benefit programs."

The government plans to make nicotine replacement therapies permanently exempt from retail sales tax (RST), provided that they have been assigned a drug identification number (DIN) or a Natural Product Number by the federal government. Aon says for private drug plans that cover smoking cessation products, this exemption will result in savings equivalent to the RST currently paid on these products.

The province also proposes to expand the Children in Need of Treatment (CINOT) program as of January 2009 to cover children in low-income families until they turn 18, up from the current 14. In addition, starting this year, the government will work with public health units, community health centres, dentists and dental hygienists to deliver prevention and treatment services for low-income Ontarians over a three-year period.

"Depending on their eligibility for these services, low-income earners who are currently covered under their employer-sponsored benefits program may be required to coordinate benefits between the two programs," says Aon. "Group insurance contracts may need to be altered to exclude any services or supplies that an employee or his dependents may obtain as a benefit under the provincial health insurance plan and any government-sponsored program such as the CINOT program."

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