



WILLIAMSON GROUP  
A COWAN COMPANY

Guide to Canadian  
Benefits Legislation

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SUPPLEMENT

2016



# introduction

## ■ forward

The Williamson Group is pleased to include this Supplement with the latest edition (2016) of our Guide to Canadian Benefits Legislation. This Supplement is intended to provide readers with a quick summary of major legislative updates that occurred in 2015, or are expected to occur in 2016.

The Supplement is not intended to provide a comprehensive explanation of all the details of the complex legislation governing programs. If expert advice is required, contact a TWG consultant to discuss the matter further.

It should be understood that this Supplement does not include standard informational or generally accepted basic guide updates (minor changes to dates, charts, percentages, numbers—min/max, dollar amounts, or basic wording updates). All of the aforementioned standard and basic updates have been made within the full Guide to Canadian Benefits Legislation, and should be reviewed on an as needed basis to ensure your organization remains up-to-date.

This Supplement is current and up-to-date to the time of drafting; however, given the number of stakeholders involved, details are continuously under review and may change. As changes occur, pertinent details will be communicated by The Williamson Group to clients and partners. Please check the websites provided within the Guide to obtain full details of programs and services, including any recent updates.

We hope you find this Supplement useful. Please tell us if you think it is, and where you see any opportunities to improve. Your comments will help us develop the Supplement and Guide into an even more valuable tool for you and your organization.

*To learn more about an update, please refer to the 2016 Guide to Canadian Benefits Legislation using the page numbers indicated*



## retirement income

### ■ CPP contributions

**CPP and Old Age Security (OAS) benefit amounts announced**

CPP benefits increased 1.2 percent, for those already receiving CPP benefits, and effective January retirement benefit for new recipients aged 65 is \$1,092.50 monthly—an increase of \$330 annually until December 31, 2016.

CPP benefits are revised each January and are based on changes in the Consumer Price Index over November – October.

OAS benefits—consisting of basic OAS pension, the Guaranteed Income Supplement (GIS) and the Old Age Security (OAS) Health Tax Credit—will increase by 1.2 percent for the first quarter of 2016.

### Errors & Omission Statement:

Whilst every reasonable effort has been made to ensure the accuracy of the information supplied herein, The Williamson Group cannot be held responsible for any errors or omissions. Unless otherwise indicated, opinions expressed herein are those of the author of the various sources referenced and do not necessarily represent the corporate views of The Williamson Group Inc.

To the best of our knowledge, the information contained herein is accurate and up-to-date only to the time of draft. For further clarity, information provided is a consolidation of various information sources, which are subject to regulatory and legislative changes, as such is the case, this document is intended for general information purposes and The Williamson Group makes no representations or warranties as to its accuracy or completeness.

# employment standards

## ■ leave of absence

### Manitoba

#### Domestic Violence Leave announced

On November 25, 2015, Manitoba introduced legislation allowing eligible employees who are victims of domestic violence to take a leave of absence of up to 17 weeks.

Bill 8, the Employment Standards Code Amendment Act, allows employees who have worked for the same employer for at least 90 days, to take up to 10 days off per year. Days may be taken all at once or intermittently with five days paid by the employer and additional as unpaid leave.

Employees will also be entitled to up to 17 weeks of unpaid leave, taken in one continuous period.

<http://web2.gov.mb.ca/bills/40-5/b008e.php>

### Nova Scotia

#### Nova Scotia amends Labour Standards Code to extend Compassionate Care and Bereavement Leave

On November 19, 2015, the Nova Scotia government announced changes to the Labour Standards Code, to extend the unpaid leave employees can take to care for a family member with a serious medical condition that poses a significant risk of death.

Effective January 3, 2016, the Nova Scotia Compassionate Care Bereavement Leaves were extended to 28 weeks from 8 weeks. This amendment aligns with federal labour legislation changes. The unpaid bereavement leave period will be lengthened to 5 consecutive days for employees dealing with the death of a close family member.

[http://nslegislature.ca/index.php/proceedings/bills/labour\\_standards\\_code\\_amended\\_-\\_bill\\_128](http://nslegislature.ca/index.php/proceedings/bills/labour_standards_code_amended_-_bill_128)

### Prince Edward Island

#### Critically Ill Childcare Leave and Crime-Related Child Death and Disappearance Leave announced

PEI introduced legislation on November 12, 2015 that allows eligible employees to take an unpaid leave of absence if their child is critically ill, or disappears or dies, as the probable result of crime.

Under Bill 39—An Act to Amend the Employment Standards Act—employees who have worked for the same employer for at least 3 months are entitled to up to 37 weeks of leave to provide care to a critically ill child. The bill also entitles employees to up to 52 weeks of leave related to the disappearance of a child, and up to 104 weeks for the death of a child, where the death was the probable result of a criminal offence. An employee who takes leave under these circumstances must be reinstated to the same or similar position, with at least the same wages and benefits they would have received had they not taken the leave.

<http://www.assembly.pe.ca/bills/onebill.php?session=1&generalassembly=65&number=39>

# employment standards

## ■ general minimum wage

jurisdiction	general minimum wage	effective date
Federal	Provincial or territorial rates apply	December 18, 1996
British Columbia	\$9.50	November 1, 2011
	\$10.25	May 1, 2012
Alberta	\$10.45	September 15, 2015
	\$9.95	September 1, 2013
	\$10.20	September 1, 2014
Saskatchewan	\$11.20	October 1, 2015
	\$10.00	December 1, 2012
	\$10.20	October 1, 2014
Manitoba	\$10.50	October 1, 2015
	\$10.45	October 1, 2013
	\$10.70	October 1, 2014
Ontario	\$11.00	October 1, 2015
	\$10.25	March 31, 2010
	\$11.25	June 1, 2014
Quebec	\$10.15	October 1, 2015
	\$10.35	May 1, 2013
	\$10.50	May 1, 2014
Newfoundland and Labrador	\$10.50	May 1, 2015
	\$10.00	July 1, 2010
	\$10.25	October 1, 2014
Nova Scotia	\$10.50	October 1, 2015
	\$10.40	April 1, 2014
	\$10.60	April 1, 2015
New Brunswick	\$10.70	April 1, 2016
	\$10.00	April 1, 2012
	\$10.30	December 31, 2014
Prince Edward Island	\$10.65	April 1, 2016
	\$10.50	July 1, 2015
	\$10.75	June 1, 2016
North West Territories	\$11.00	October 1, 2016
	\$10.00	April 1, 2011
Yukon	\$12.50	June 1, 2015
	\$10.72	April 1, 2014
	\$10.86	April 1, 2015

# human rights

## ■ duty to accommodate

All jurisdictions in Canada have A Duty To Accommodate regulation in their Human Rights Code.

### What Is Duty to Accommodate?

According to the Canadian Human Rights Commission (CHRC), duty to accommodate is a legal principle that requires employers to identify and change any rules, practices, expectations or procedures that have or may have a discriminatory impact based on the CHRA's prohibited grounds; namely, race, national or ethnic origin, colour, religion, age, sex (including pregnancy), sexual orientation, marital status, family status and disability. Furthermore, in accordance with the Canadian Human Rights Act and the Employment Equity Act, All employers are legally obligated to provide a work environment that is barrier free and in which all people have equal access to opportunity. Federal public sector employers must identify and remove any such barriers to ensure full participation in the federal public service. Canadian human rights legislation recognizes that all employees should be treated equitably and with respect.

### What Is a Disability?

While there are many different kinds of disabilities, the following list highlights some of them:

- blindness or other severe visual impairment
- deafness or other severe hearing impairment
- mobility
- chronic pain
- environmental sensitivities
- addictions
- learning disabilities
- speech impairment
- chronic conditions such as diabetes
- psychiatric disabilities
- developmental disabilities
- other permanent or temporary conditions that cause pain or limit or restrict activities

To learn more about the Duty To Accommodate, please reference your provincial Human Rights Code, Regulations and policies.

### AODA Information & Compliance

Effective January 1, 2016, Ontario employers with 50 or more employees in Ontario will be required to develop formalized individual accommodation / return to work plans for employees returning to work after a disability leave.

Under the Integrated Accessibility Standard ("IAS")—a regulation under the Accessibility for Ontarians with Disabilities Act, 2005—employers will be obligated to develop a process that determines and documents the accommodation needs of employees with disabilities, including documenting employee return to work plans.

TWG's Disability Solutions Return To Health® team has developed a generic kit to assist employers in complying with the AODA's Section 28 Documented Accommodation Plans and Section 29 Return To work Process. The kit includes the necessary forms and instructions to help guide you through the compliance process, as well as to help you determine your individual company's needs. All forms are provided in a generic and editable format so that organizations may use the content within their own policy templates, as apply their own branding where necessary.

To download the kit online visit: <http://www.williamsongroup.com/en/aoda-information-compliance-kits>

# retirement income

## ■ CPP contributions

### CPP and Old Age Security (OAS) benefit amounts announced

CPP benefits increased 1.2 percent, for those already receiving CPP benefits, and effective January 1, 2016. The 2016 maximum CPP retirement benefit for new recipients aged 65 is \$1,092.50 monthly—an increase of \$330 annually. The new CPP rates will be in effect until December 31, 2016.

CPP benefits are revised each January and are based on changes in the Consumer Price Index over the previous 12-month period of November – October.

OAS benefits—consisting of basic OAS pension, the Guaranteed Income Supplement (GIS) and the Allowances—increased by 0.1 percent for the first quarter of 2016.

The basic OAS pension increased from \$569.95 to \$570.52 per month, effective January 1, 2016.

🌐 <http://news.gc.ca/web/article-en.do?nid=1026259&tp=1>

🌐 <http://www.budget.gc.ca/2015/docs/plan/ch4-1-eng.html>

### CPP to be enhanced

Federal Finance Minister, Bill Moreau announced that the Canadian Pension Plan will be enhanced in 2016.

This was announced on the same day that the Ontario Government announced the delay of its Ontario Registered Pension Plan by one year to give employers more time to prepare for the reforms.

🌐 <http://www.cbc.ca/news/politics/cpp-canada-pension-plan-1.3450676>

🌐 <http://news.ontario.ca/m/35891>

🌐 <http://www.cbc.ca/news/canada/toronto/ontario-pension-plan-1.3450336>

### Canada Revenue Agency (CRA) Maximum pensionable earnings for 2016

The maximum pensionable earnings under the Canada Pension Plan (CPP) for 2016 will be \$54,900—up from \$53,600 in 2015. The amount is determined based on a legislated formula that takes into account the growth in average weekly wages and salaries in Canada.

Contributors who earn more than \$54,900 in 2016 are not required or permitted to make additional contributions to the CPP based on earnings exceeding this amount.

The basic exemption amount for 2016 remains \$3,500.

The employee and employer contribution rates for 2016 will remain unchanged at 4.95 percent; the self-employed contribution rate will remain unchanged at 9.9 percent.

The maximum employee and employer contribution to the plan for 2016 will be \$2,544.30 each, and the maximum self-employed contribution will be \$5,088.60. Maximums in 2015 were \$2,479.95 and \$4,959.90, respectively.

🌐 <http://news.gc.ca/web/article-en.do?mthd=index&crtr.page=5&nid=1019329>

# retirement income

## ■ British Columbia

### New Pension Standards legislation introduced

The new Pension Benefits Standards Act (PBSA) came in to force in the Fall of 2015, to help accommodate alternative pension plan designs and improve plan governance. The new legislation modernizes the existing policy and regulatory framework of British Columbia's occupational pension plans.

🌐 <http://www.newsroom.gov.bc.ca/2015/05/new-pension-standards-legislation-in-force-this-fall.html>

🌐 [http://www.fic.gov.bc.ca/index.aspx?p=pension\\_plans/index](http://www.fic.gov.bc.ca/index.aspx?p=pension_plans/index)

### BC Pension Benefits Standards Act Deadline Extended

The British Columbia PBSA that came into effect on September 30, 2015 included a list of compliance issues and dates for consideration. Pension plan amendments required to comply with the legislation were to be filed with the Superintendent of Pensions by December 31, 2015, but were extended until March 31, 2016. Deadline for having a funding policy (benefit formula provisions), a participation agreement (non-collectively bargained multi-employer plans), and a governance policy in place, were also granted the three-month extension.

🌐 [http://www.bclaws.ca/Recon/document/ID/freeside/10\\_433\\_93](http://www.bclaws.ca/Recon/document/ID/freeside/10_433_93)

## ■ Ontario

### ORPP Details Announced

Initial details of the proposed Ontario Retirement Pension Plan (ORPP) were released on August 11, 2015.

On January 26, 2016, Ontario announced further ORPP design details:

- By 2020, every eligible worker in Ontario will be part of either the ORPP or a comparable workplace pension plan, with benefit payment commencing in 2022
- Employers will be required to pay, collect, and remit contributions on behalf of workers employed in Ontario
- Persons will be considered employed in Ontario if they report to work, full- or part-time, at an employer's establishment in Ontario, including workers whose salary or hourly wages are paid from an Ontario-based employer
- Benefits payments will be indexed according to the Consumer Price Index (CPI) and survivor benefits will be payable to the surviving spouse, beneficiary or estate—survivor benefits will equal 60 per cent of the plan member's adjusted pension after a member dies
- A funding policy was established to require appropriate adjustments to be made, in the event that the ORPP becomes underfunded

🌐 <https://news.ontario.ca/mof/en/2015/08/the-ontario-retirement-pension-plan.html>

🌐 <https://news.ontario.ca/mof/en/2016/01/ontario-retirement-pension-plan-additional-design-details.html>

# retirement income

## ■ Ontario

### ORPP Phase-in of Contributions Delayed until January 2018

Ontario and federal governments announced an agreement regarding the ORPP on February 16, 2016. In response to requests for more time to enroll from larger businesses, the Ontario government has proposed to delay phase-in of the ORPP by starting the first phase of contributions in January 2018.

Ontario and federal governments will be working to explore potential CPP enhancements. If a CPP enhancement is not reached, the federal government has “agreed to facilitate plan registration and data sharing arrangements, and will work with Ontario to ensure that key elements of plan administration, such as the collection of employer and employee contributions, are completed efficiently and cost-effectively.”

🌐 <http://news.ontario.ca/m/35891>

🌐 <http://www.cbc.ca/news/canada/toronto/ontario-pension-plan-1.3450336>

🌐 <http://www.benefitscanada.com/pensions/governance-law/orpp-delay-a-wise-move-77040>

### ORPP Administration Corporation announced

Governed by a board of directors and consisting of nine to fifteen members, and supported by audit, HR, governance, and investment committees, the corporation’s main function is:

- to administer the ORPP (including making it operational) and to invest the pension fund as trustee
- to report annually on the corporation’s affairs and hold an annual meeting

It is a not-for-profit Crown corporation, but the Crown is not liable for any obligations or liabilities incurred. Fees and expenses associated with administering and investing the ORPP—including those to establish the plan—will be paid from the fund. ORPP assets will not be public money and will be held and invested separately. The verification process was to start in early 2016, with information being collected from employers on existing pension plans and contribution levels.

🌐 <https://www.ontario.ca/laws/statute/15o20b>

### Renewed Dialogue between Ontario and Federal Government regarding CPP and the ORPP

The federal government has agreed to facilitate registration, share data, and administer ORPP contributions on behalf of Ontario. This will eliminate duplication and allow Ontario to piggyback on the existing infrastructure of the CPP. As the ORPP is implemented, Ontario will continue a two-track strategy to negotiate CPP reform with the federal and other provincial governments.

Ontario also announced a one-year delay ORPP premium remittance from large companies by moving the deadline to January 2018.

🌐 <http://news.ontario.ca/m/35891>

🌐 <http://www.cbc.ca/news/canada/toronto/ontario-pension-plan-1.3450336>

### LIF and LRIF Tables Approved

The 2016 Life Income Fund (LIF) and Locked-In Retirement Income Fund (LRIF) Maximum Annual Income Payment Amount Table took effective January 2016, and replaces L200-414.

For more information, visit the *Financial Services Commission of Ontario's Pension Policies* link at:

🌐 <http://fSCO.gov.on.ca/en/pensions/Pages/admin.aspx>

# retirement income

## ■ Ontario—*continued*

### Financial Services Commission of Ontario amends the Statement of Investment Policies and Procedures

Under section 78(1) of Regulation 909 under the Pension Benefits Act (PBA), a pension plan administrator is required to establish a statement of investment policies and procedures (SIPP) for the plan. This statement should meet the requirements of the federal investment regulations (FIR), as modified in sections 47.8 and 79 of the Regulation.

Effective January 1, 2016, plan administrators are required to file their SIPP and SIPP amendments with the Financial Services Commission of Ontario.

<http://www.fsco.gov.on.ca/en/pensions/legislative/Pages/sipp.aspx>

## ■ Quebec

### Quebec Pension Plan Maximum pensionable earnings announced

The basic exemption and maximum employer and employee contributions effective January 1, 2016 are as follows:

- Basic exemption remains at \$3,500
- Year's maximum pensionable earnings increase to \$54,900 from \$53,600
- Employer contribution rate increases to 5.325 percent from 5.25 percent
- Maximum employer contribution increases to \$2,737.05 from \$2,630.25
- Employee contribution rate increases to 5.325 percent from 5.25 percent
- Maximum employee contribution increases to \$2,737.05 from \$2,630.25
- The maximum monthly retirement benefit (at age 65) will be \$1,092.50, up from \$1,065.00.

[http://www.rrq.gouv.qc.ca/en/retraite/rrq/regime\\_chiffres/Pages/regime\\_chiffres.aspx](http://www.rrq.gouv.qc.ca/en/retraite/rrq/regime_chiffres/Pages/regime_chiffres.aspx)

### Quebec Premium Rates and Maximum Insurable Earnings for 2016

Quebec maximum insurable earnings for 2016 increased to \$71,500, effective January 1, 2016. Quebec Parental Insurance Plan premium rates decreased 2 percent on the same date. Premiums and maximum insurable earnings for salaried workers decreased from 0.559 percent to 0.548 percent; employer's premiums decreased from 0.782 percent to 0.767 percent; and self-employed workers premiums decreased from 0.993 percent to 0.973 percent.

[http://www.rqap.gouv.qc.ca/quoi-de-neuf\\_en.asp?idDoc=142078](http://www.rqap.gouv.qc.ca/quoi-de-neuf_en.asp?idDoc=142078)

# retirement income

## ■ Quebec—*continued*

### Private Sector Defined Benefit Pension Plan Funding Rule changes

On January 1, 2016, major changes to rules governing funding of private sector defined benefit pension plans took effect in Quebec. Changes resulting from Bill 57 include: the elimination of solvency funding, requirements that going-concern funding be augmented by funding towards a stabilization provision (the amount to be specific to each plan's investment policy), and a change in the rules for use of surplus in ongoing plans and on termination.

The bill also changes provisions of the Supplemental Pensions Plans Act (SPPA), such as eliminating the additional pension benefit and changing rules for commuted value payments when members elect portability.

Provisional changes also impact the stabilization provision, actuarial valuations, the employer's reserve and use of surplus and annuity buy-outs and availability of variable payments for defined contribution pension plans.

 <http://www.assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-57-41-1.html>

# employment insurance

## ■ regular benefits

### El Benefits

Effective January 1, 2016, the Maximum Insurable Earnings increased to \$50,800 annually, and the Maximum EI benefit amount increased to \$537 per week (fifty-five per cent of \$50,800, divided over 52 weeks).

Please note that Short Term Disability (STD) plans that have a maximum set at the EI max—including The Williamson Group's Return to Health® program—will automatically increase to the new rates on the effective date.

[http://www.esdc.gc.ca/en/ei/regular\\_benefit/benefit\\_amount.page](http://www.esdc.gc.ca/en/ei/regular_benefit/benefit_amount.page)

## ■ special benefits

### Compassionate Care Benefits to be extended

EI Compassionate Care Benefits will be extended from 6 weeks to 6 months as part of the 2015 federal budget plan, to better support Canadians caring for gravely ill family members.

<http://www.budget.gc.ca/2015/docs/plan/ch4-1-eng.html>

### Budget 2015 builds on "Small Business Job Credit" announced last year

Beginning last January 1, 2015, small and medium-sized Canadian businesses have been able to take advantage of paying lower employer EI premiums due to the "Small Business Job Credit."

This federal program—previously announced on September 11, 2014—reduces the portion of Employment Insurance premiums that is paid by employers over a two-year period.

<http://www.budget.gc.ca/2015/docs/plan/ch3-2-eng.html>

### Child Tax Benefit Increased

Effective July 20, 2015 and retroactive to January 1, 2015, the Canada Child Tax Benefit increased from \$100 to \$160 per month for each child under the age of 6.

A new benefit of \$60 / month was introduced for each child aged 6 through 17.

<http://www.cra-arc.gc.ca/bnfts/cctb/menu-eng.html>

# health insurance plans

## ■ British Columbia

### Changes to MSP Premiums announced

The February 16, 2016 provincial budget announced changes to MSP Premiums and Premium Assistance that will come into effect January 1, 2017. Current MSP Premium Rates and Programs remain unchanged for 2016. MSP premium rates will increase by approximately 4 percent, or a maximum of \$3 per month per adult.

Two changes will be made to the MSP premium rate structure:

1. Children will be excluded from the calculation of MSP premiums
2. The MSP premium rate paid by couples will increase to double the premium paid by single adults.

Effective January 1, 2017, the government will also enhance MSP premium assistance sharing by increasing the threshold at which a household receives full premium assistance by \$2,000.

🌐 <http://www2.gov.bc.ca/gov/content/health/health-drug-coverage/msp/bc-residents/premiums/regular-premium-assistance>

🌐 <http://www2.gov.bc.ca/gov/content/health/health-drug-coverage/msp/bc-residents/premiums>

### Medical Services plan premiums increase

British Columbia medical services plan premiums increased by approximately 4 percent per month, effective January 1, 2016.

🌐 [http://bcbudget.gov.bc.ca/2015/bfp/2015\\_budget\\_and\\_fiscal\\_plan.pdf](http://bcbudget.gov.bc.ca/2015/bfp/2015_budget_and_fiscal_plan.pdf)

### Public Drug Plan Coverage for Hepatitis C Drug

British Columbia will provide public drug plan coverage of a new generation hepatitis C drug—Holkira Pak. This has been followed by Nova Scotia, Saskatchewan, and Manitoba.

🌐 <https://news.gov.bc.ca/releases/2015HLTH0053-001186>

## ■ Alberta

### Changes to MSP Premiums announced

On March 26, 2015, the Alberta Government delivered their provincial budget, with proposed insurance tax premium increases—a healthcare contribution levy to take effect July 1, 2015, and an increase to insurance tax premiums to paid for life, accidental and sickness insurance.

On April 7, 2015, however, the legislature was dissolved in advance of a general election on May 5, 2015. Given that legislation had not yet passed to support the proposed budget provisions, none of the proposed provisions came into effect.

# health insurance plans

## ■ Saskatchewan

### Workers' Compensation Board Maximum Earnings

In 2016, Saskatchewan WCB's 2016 maximum assessable earning will be \$69,242.

<http://www.wcbask.com/wcbs-2016-assessable-earnings>

### Saskatchewan Workers' Compensation Board Rates

The Saskatchewan Workers' Compensation Board (WCB) proposed an 8.2 percent drop to its 2016 average premium rate, from \$1.46 to \$1.34 per hundred dollars of payroll. The average increase is 7.2 percent.

<http://www.wcbask.com/3202-2>

### Workers' Compensation Board Employer Premium Rate

The Saskatchewan WCB approved the 2016 average employer premium rate for employers covered by workers' compensation. In 2016, the average employer premium decreased from the 2015 level of \$1.46 to \$1.34 (an 8.2 percent decrease).

<http://www.wcbask.com/wcb-approves-2016-employer-premium-rates>

### Amount of Time spent Out-Of-Province Amended

Effective January 1, 2016, Saskatchewan amended regulations to increase the amount of time residents are allowed to be out-of-province while still maintaining their health care benefit—from six months, to a maximum of seven months outside of Saskatchewan.

### Seniors' Drug Plan

Changes in eligibility for the Saskatchewan Seniors' Drug Plan—effective July 1, 2015— the individual income threshold that determines eligibility for this program will be lowered from the federal age credit to the provincial age credit.

<https://www.saskatchewan.ca/residents/health/accessing-health-care-services/seniors-drug-plan>

<http://www.saskatchewan.ca/government/news-and-media/2015/november/17/snowbirds-health-coverage>

### Pharmacists' Scope of Practice Expanded

Saskatchewan has expands pharmacists' scope of practice. Effective October 5, 2015, pharmacists in the province are permitted to administer vaccines and drugs, such as flu shots and vitamin B12 injections.

[http://scp.in1touch.org/uploaded/web/files/Important\\_Legislative\\_Update\\_Bill151Proclam\\_20151005.pdf](http://scp.in1touch.org/uploaded/web/files/Important_Legislative_Update_Bill151Proclam_20151005.pdf)

# health insurance plans

## ■ Manitoba

### 2015 Provincial Budget tabled

Delivered on April 30, 2015, the 2015 Manitoba Budget proposed to extend the Rewarding Work Health Plan—providing up to two years of drug, dental, and optical coverage—to cover all Employment and Income Assistance participants who leave the program for employment or to attend training funded by the department. Previously, the coverage was extended only to single parents (and their children) who start work or training.

A 10 percent increase to the Primary Caregiver Tax Credit was also included for caregivers who help individuals live independently in their own homes.

 <http://www.gov.mb.ca/finance/budget15>

### Wage Enhancement Fund Announced

Manitoba announced a Wage Enhancement Fund (WEF) available July 1, 2015, for employees of agencies that serve adults with intellectual disabilities. Agencies offering community living disability services can apply for starting wages for direct service workers who are employed in residential care facilities at \$13.00 per hour—up from the current starting hourly wage of \$12.50.

 <http://news.gov.mb.ca/news/index.html?item=35373>

### WCB Rate Model Enhancements to be introduced

The Workers Compensation Board of Manitoba has announced that rate model enhancements will be introduced in 2016 and phased in over five years. Changes include: a narrowing of the risk category range; a reduction in the basic annual rate change limit to reduce volatility; and, starting in 2018, an experience factor will weight claims experience depending on size. Also beginning in 2018, a three year experience window will be implemented so that by 2020, rate-setting costs will be accumulated over three years instead of one.

 <http://www.wcb.mb.ca/balance-and-fairness-in-the-rates-you-pay-long-version>

### WCB Assessment Rates decreased

The Workers Compensation Board of Manitoba decreased the WCB assessment rate for 2016. The average WCB assessment rate dropped to \$1.25 from \$1.30 per \$100 of assessable payroll, beginning January 1, 2016.

 <http://wcb.mb.ca/average-wcb-assessment-rates-set-to-drop-in-2016>

# health insurance plans

## ■ Ontario

### Additional funding to be budgeted for IVF

The Ontario Ministry of Health and Long-Term Care announced plans to budget an additional \$50 million annually for fertility services, beginning December 2015.

Amendments have also been proposed to the Schedule of Benefits for Physician services and Regulation 552 of the Health Insurance Act, to remove IVF and intra-uterine insemination (IUI) as insured services under the Ontario Hospital Insurance Plan. These services will be publicly funded under the new program.

<http://www.fin.gov.on.ca/en/budget/ontariobudgets/2015/ch1f.html>

### Generic Drug Pricing Amended

The Ontario Ministry of Health and Long-Term Care amended generic drug pricing retroactive to April 1, 2013 with changes to regulations made under the Ontario Drug Benefit Act to support the implementation of generic drug pricing.

Under the amendments to Regulation 201/96, the following rules now apply to generic drugs listed under the Ontario Drug Benefit Formulary:

- Where there is only one generic drug listed on the formulary, the maximum benefit payable for that drug will be 75 percent of the brand reference product; 85 percent if no province or territory has a volume discount agreement with the manufacturer
- Where there are two generic drugs listed on the formulary, the maximum benefit payable will be 50 percent of the brand reference product;
- Where there are three or more generic drugs available, the standard 25 percent and 35 percent pricing will continue to apply

Prior to these changes, manufacturers were required to set generic prices at 25 percent of the brand reference product for solid dosage forms, and 35 percent for non-solid dosage forms. Changes are expected to have little impact on private plans where the generics approved by the ODB continue to have more than two suppliers.

[http://www.health.gov.on.ca/en/pro/programs/drugs/opdp\\_eo/notices/exec\\_office\\_20150520.pdf](http://www.health.gov.on.ca/en/pro/programs/drugs/opdp_eo/notices/exec_office_20150520.pdf)

### Ontario Introduces PTSD legislation to support first responders

On February 18, 2016, the Ontario government introduced legislation which would set a presumption that post-traumatic stress disorder (PTSD) diagnosed in first responders is “work related”.

Once passed, Bill 163 will entitle workers to benefits under the Workplace Safety and Insurance Act.

[http://www.ontla.on.ca/web/bills/bills\\_detail.do?locale=en&BillID=3713&detailPage=bills\\_detail\\_the\\_bill](http://www.ontla.on.ca/web/bills/bills_detail.do?locale=en&BillID=3713&detailPage=bills_detail_the_bill)

### Legislation for Injured Workers Amended

On December 10, 2015, Ontario passed legislation amending three separate acts for injured workers, broader public sector employees, and firefighters. These amendments will potentially increase the amount of support survivors receive and make it an offence for employers to prevent workers from reporting workplace injury or illness to the WSIB while increasing maximum corporate penalties for convictions of an offence under the Workplace Safety and Insurance Act.

<http://news.ontario.ca/m/35278>

# health insurance plans

## ■ Quebec

### RAMQ adjusts Public Prescription Drug Insurance Plan

Effective July 1, 2015, for Quebec residents between the ages of 18 and 64, as well as seniors 65 and older not receiving the GIS (or receiving the GIS at the rate of 1 to 93 percent), the maximum annual out-of-pocket maximum increased from \$1,006 to \$1,029. The monthly deductible increased from \$16.65 to \$18.00. The co-pay increased from 32.5 percent to 34 percent. The maximum monthly out-of-pocket amount increased from \$83.83 to \$85.75. The premium increased from \$611 to \$640.

🌐 <http://www.ramq.gouv.qc.ca/en/citizens/prescription-drug-insurance/Pages/amount-to-pay-prescription-drugs.aspx>

### RAMQ List of Medications Updated

On February 8, 2016, the Board published an update of the list of drugs covered by the public drug plan.

<http://www.ramq.gouv.qc.ca/en/regie/press-room/news/2016/Pages/updated-list-of-medications-february-2016.aspx>

<http://www.ramq.gouv.qc.ca/en/publications/citizens/legal-publications/Pages/list-medications.aspx>

### List of covered procedures expanded

The Quebec government has expanded the list of covered procedures and emergency services for treating oral and maxillofacial conditions, including: cleft palate and the use of botox for the treatment of temporomandibular articulation.

🌐 <http://www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=1&file=3635>

### Provincial Budget tabled

The Quebec Provincial Budget tabled on March 26, 2015 included:

- reductions to business and individual health contributions
- reductions to the employer health services fund and individual HSF contributions
- a gradual increase to eligibility for age tax credit—from 65 to 70, age of eligibility will increase by one year annually beginning in 2016, reaching age 70 in 2020

🌐 [http://www.budget.finances.gouv.qc.ca/budget/2015-2016/index\\_en.asp](http://www.budget.finances.gouv.qc.ca/budget/2015-2016/index_en.asp)

# health insurance plans

## ■ Quebec —*continued*

### Bill 20 receives Royal Assent

Bill 20—an Act to enact the Act to promote access to family medicine and specialized medicine services and to amend various legislative provisions related to assisted procreation—received royal assent on November 10, 2015.

Under the new legislation, in-vitro fertilization coverage is removed from the Quebec Health Insurance Plan. Women between the ages 18 and 42, who qualify for IVF, will be able to receive an income-based tax credit instead.

🌐 <http://www.assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-20-41-1.html>

### Bill 28

The March 26, 2015 Budget confirmed the Government of Quebec's intention to pass Bill 28—an act implementing provisions from the June 4, 2014 Budget Speech.

Amendments to health and prescription drug legislation include reimbursement for brand name drugs where a generic exists, remuneration of certain professional services rendered in-pharmacy (previously framed under Bill 41) and approval by the Quebec government to conduct confidential listing agreements with prescription drug manufacturers.

🌐 <http://www.budget.finances.gouv.qc.ca/Budget/2015-2016/index.asp>

### Bill 81—an Act reducing cost of medications covered by basic prescription drug insurance announced

On November 24, 2015, Quebec introduced competitive tendering to control drug costs via Bill 81—an Act to reduce the cost of certain medications covered by basic prescription drug insurance. The bill will amend the current act and allow the government to issue a competitive tender process with accredited drug manufacturers to establish the price of a medication. The successful manufacturer would add their product to the List of Medications covered by Quebec's basic prescription drug insurance plan for a specified exclusivity period. This would allow a brand-name drug to be made available when a prescription is marked as "do not substitute" by a physician.

🌐 <http://www.assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-81-41-1.html>

## ■ Newfoundland & Labrador

### Newfoundland and Labrador budget amends vaccine and drug programs

The Newfoundland and Labrador Budget delivered on April 30, 2015 amends vaccine and drug programs and includes a commitment to cover Rotavirus vaccination. The addition of new drug therapies to the Prescription Drug Program was also promised, including those for the treatment of Hepatitis C, cancer, and pulmonary hypertension.

🌐 <http://www.releases.gov.nl.ca/releases/2015/btcrd/0430n07.aspx>

# health insurance plans

## ■ Nova Scotia

### Seniors' Pharmacare maximums announced

Nova Scotia Seniors' Pharmacare 2015/2016 annual maximum premium and co-payment amounts will remain unchanged from 2014/2015. The maximum premium payment will remain at \$424 per person annually.

Lower income seniors will have their premiums reduced or eliminated. Seniors on a guaranteed income supplement will continue to be exempt, and co-payment will remain at 30 percent to a maximum of \$382 per year.

<http://novascotia.ca/news/release/?id=20160218003>

## ■ New Brunswick

### Prescription and Catastrophic Drug Insurance Act

The New Brunswick Prescription and Catastrophic Drug Insurance Act was amended to include the elimination of a previously announced requirement for all residents to have prescription drug coverage. This was in response to the introduction of Bill 4, An Act to Amend the Prescription and Catastrophic Drug Insurance (effective April 1, 2015) which included measures to repeal mandatory coverage and minimum standard for private plans.

The NBDP will continue as a voluntary plan until a program review is completed by the government.

<http://www.gnb.ca/legis/bill/FILE/58/1/Bill-4-e.htm>

### Shared Services Agency announced

Government of New Brunswick announced a "new shared services agency" operational in the fall of 2016, that will consolidate and modernize the way services are delivered across governments, and to regional health authorities.

[http://www2.gnb.ca/content/gnb/en/news/news\\_release.2015.05.0468.html](http://www2.gnb.ca/content/gnb/en/news/news_release.2015.05.0468.html)

## ■ Prince Edward Island

### PEI introduces Generic Drug Program

Effective October 1, 2015, the maximum out-of-pocket price of more than 1,000 generic drugs on the provincial formulary will be capped at \$19.95 (maximum three month supply, for residents under age 65 who do not have insurance. Exceptions include diabetes medications (which are already covered under another program), and narcotics and controlled / targeted substances (which are not covered).

<http://www.liberalpei.ca/new-generic-drug-plan-becomes-effective-october-1st>

# health insurance plans

## ■ North West Territories

### Occupational Health and Safety Regulations

New Occupational Health and Safety Regulations became effective June 1, 2015.

🌐 <http://www2.worksafebc.com/Publications/OHSRegulation/changestoohsregulation.asp?ReportID=33523#27April2010>

## ■ Yukon

### Pharmacy and Drug Act

The Yukon Pharmacy and Drug Act became effective April 15, 2015.

🌐 [http://www.gov.yk.ca/news/15-130.html#.VYmz\\_2fbKUK](http://www.gov.yk.ca/news/15-130.html#.VYmz_2fbKUK)

## ■ Nunavut

### Senior Citizen Supplementary Benefit

Effective April 1, 2015, changes to the Senior Citizen Supplementary Benefit increased the amount paid to eligible seniors from \$175 to \$200 per month.

🌐 <http://gov.nu.ca/family-services/news/changes-senior-citizen-supplementary-benefit>

# taxation

## Federal

### Canada Revenue Agency takes a new position on private health services plans

The Canada Revenue Agency (CRA) has taken a new position on what qualifies as a private health services plan (PHSP).

<http://www.cra-arc.gc.ca/whtsnw/tms/phsp-rpam-eng.html>

## Provincial

### Alberta

#### Insurance Premium Tax Rates to Increase

The 2015 Alberta Budget Tax, released on October 27, 2015, confirmed that insurance premium tax rates would increase one percent on April 1, 2016. As of April 1, 2016, the tax rate on life, accident and sickness insurance is 3 percent—4 percent on premiums for all other insurance.

<http://finance.alberta.ca/publications/budget/budget2015-october/fiscal-plan-complete.pdf>

### Manitoba

#### Insurance Act Amended

Amendments to Manitoba's Insurance Act took effect September 1, 2014. The following changes, however—which are not applicable to ASO plans—took effect March 1, 2015, and have potential group benefit plan implications:

- Upon request, an insurer must give a plan member a copy of their insurance policy, application and any written statement or record provided to the insurer as evidence of insurability
- If an insurance contract replaces another contract covering some or all members, the insurer of the replacement contract must let affected members know if the beneficiary designations they made under the original contract will continue
- Every policy must state that any legal action against the insurer must be brought within time limits set out in the Act

<http://web2.gov.mb.ca/laws/statutes/2012/c02912e.php>

### Quebec

#### Disability Benefit reporting for ASO plans / page 135

Québec changed the procedure for reporting disability benefits received from Administrative Services Only (ASO) plans. The amounts will now be reported as employment income in Box A of the employees' Relevé 1 form, beginning with the 2014 tax year.

[http://www.revenuquebec.ca/documents/en/formulaires/tp/tp-1015.g-v\(2015-01\).pdf](http://www.revenuquebec.ca/documents/en/formulaires/tp/tp-1015.g-v(2015-01).pdf)

### New Brunswick

#### HST increase announced

New Brunswick plans to increase the current HST rate by 2 percent from 13 percent to 15 percent, effective July 1, 2016. This will impact group benefits goods and services, where the HST is applicable.

<http://www.fin.gov.nl.ca/fin/budget/index.html>



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