

Summer 2017

CONNECTION BULLETIN

News and information for group benefit plan administrators from Alberta Blue Cross



Why we're doing this

We've heard from members who've asked us to make the sign-in process more user-friendly, and that's what we're doing. While there won't be noticeable differences to the site content, members will notice changes once they've completed their registration again.

1. Members will no longer need to enter their group and ID numbers to sign in. They will be able to choose their own password and login ID to sign in to the Alberta Blue Cross member web site (as long as no one else has chosen it). They can even use an email address as their login ID if that's what they would prefer.
2. If members have more than one Alberta Blue Cross benefit plan, they will be able to use one login ID and password to view them all without signing in and out of multiple accounts. To view additional plans, members can go to "Your profile" and select "Manage multiple plans" from the drop-down menu, then enter the other plan's information. **Note:** members will only be able to access the updated site using Chrome, Firefox and Internet Explorer 11 and above.
3. After completing their registration, members will be able to access the same information as before. This includes banking information for direct deposit, claim history and how much of their benefit maximum they've already used.

Members will be able to use the same password as before, provided it meets our new security requirements. It must contain between eight and 50 characters and include at least one number and one letter. Passwords are also case sensitive and cannot be the same as their login ID.

This update will enable us to provide even more self-serve and security enhancements. We trust that members will find these improvements worth the minor inconvenience of having to register again. For more details, please visit our member web site.

Changes coming to the Alberta Blue Cross member web site

As of July 10, we'll be updating the sign-in process for the Alberta Blue Cross member web site. This will require that members complete the registration process again.

Help your employees make the most of their benefits

Along with this issue of *Connection Bulletin* is the latest *For Your Benefit* newsletter, which is designed to help your group plan members make the most of their benefits. We encourage you to distribute *For Your Benefit*—which is also available as a PDF in the plan administrator's section of our web site under "Resources"—to your employees. You can save the PDF and email it to your employees or print hard copies as needed.

We welcome your comments about *Connection Bulletin* and *For Your Benefit*, and suggestions on topics for future issues. Please send your feedback to connectionbulletin@ab.bluecross.ca.





Changes to the collection of sales tax on group benefits

With the Saskatchewan government's recent announcement to start charging sales tax on group benefits effective August 1, 2017, we'll be revising our approach to the collection and payment of provincial sales tax.

Ontario, Quebec and Manitoba currently charge a sales tax on group benefits, with Saskatchewan soon to follow. Each of these provinces differs in what benefits they tax and how.

- Manitoba charges the sales tax on insured life and disability benefits.
- Ontario and Quebec charge a sales tax on Administrative Services Only (ASO) and insured health and dental benefits.
- Effective August 1, 2017, Saskatchewan will be charging sales tax on all lines of group benefits for both insured and ASO group plans.

Plan sponsors that have members who reside in these provinces are required to pay these taxes to the respective province. As a plan sponsor, you haven't been required to track members and remit the tax payment as we have performed this function on your behalf.

Since the Saskatchewan government will start taxing all lines of benefits for both insured and ASO groups, we've decided to start collecting the applicable taxes from plan sponsors who have members residing in all the affected provinces using a phased-in approach (see our 'Phased-in approach' to the right).

The current process

- *For insured groups who receive a monthly bill from us*—the amount of insured members we currently cover within Ontario, Quebec and Manitoba is not significant, so we've

been paying the tax without billing it back to you. The cost for this has always been relatively small, and when spread out over our complete book of business, it wasn't necessary for us to collect it directly from the few groups that had out-of-province members.

- *For ASO and large insured groups*—we've been collecting sales tax through the ASO invoicing process and through the renewal rating process for large insured groups. That will not change aside from the addition of the sales tax for Saskatchewan members.

Our phased-in approach (starting August 1, 2017)

- *For insured groups who receive a monthly bill from us*—we will show the provincial sales tax on monthly bills starting with the August 2017 bill (issued in July) for the Manitoba and Saskatchewan members. Tax for Ontario and Quebec members will not be billed to you at this time, so we'll maintain our current approach and remit on your behalf. In the coming months, we'll begin showing tax amounts for Ontario and Quebec members on monthly bills, and we'll inform you in advance once a future date is confirmed.
- *For ASO and large insured groups*—we'll continue with our current process as outlined above, with the exception that we will now include the sales tax for Saskatchewan members. Sales tax for these groups will also be added to the insured life benefits on the monthly premium bills, where applicable.

Please contact your Alberta Blue Cross representative if you have any questions regarding this change.

Ensure your employees confirm provider eligibility before their visit

Before your employees visit a health provider, it's critical that they visit our member web site first to see if the provider is eligible for reimbursement. The ineligible provider list is a quick and easy way for members to determine which providers are ineligible—before the member pays. Members can access the ineligible provider list at www.ab.bluecross.ca by signing in to their member account and clicking the "**Find out if your provider is eligible**" link.

Claims for products or services provided by ineligible providers won't be covered or reimbursed through your benefit plan.

Part of Alberta Blue Cross's role in managing and administering benefit plans is ensuring that our service providers follow the rules set out in our Code of Conduct. The majority of health care providers who deliver products and services to our members conduct themselves professionally and ethically.

We are obligated to ensure that the claims we receive are legitimate and medically necessary. As part of our provider management practice, we ensure that our benefit plans are protected from abuse or misuse by taking action against those providers whose behaviour may range from suspicious claiming practices to illegal activity. We actively investigate and pursue all questionable activities and have extensive measures in place to detect and combat plan abuse.

We take a firm stance if a provider's conduct negatively affects your group benefit plan. In these cases, we consider several courses of action—from filing a complaint with the provider's governing body to removing them from our provider eligibility list. In some cases, we may even take legal action. If we remove them from this list, all future claims for products or services from that provider are ineligible for coverage, payment or reimbursement.

As of March 31, 2017, more than 167,000 Canadians were registered for access to medical marijuana from licensed producers—an increase of more than 310 per cent in the total number of Canadians registered as of March 2016, according to Health Canada figures.

This escalating demand has raised concerns around medical marijuana's impacts on employer benefit plans and workplace accommodations for employees. As Alberta's largest benefits provider, Alberta Blue Cross would like to share our insights with those employers that may be concerned with the impact increased medical marijuana use may have on their benefit plans and in their workplaces.

What exactly is the current status of medical marijuana?

Marijuana, the common name for cannabis, is not currently considered an approved drug in Canada. Health Canada's official position states that "Cannabis is not an approved therapeutic drug in Canada. At present, while pointing to some potential therapeutic benefits, the scientific evidence does not establish the safety and efficacy of cannabis, to the extent required by the Food and Drug Regulations for marketed drugs in Canada." For these reasons, marijuana has not been issued a notice of compliance by Health Canada and does not have a Drug Identification Number (DIN).

Are there any pricing controls or dosage guidelines in place?

Health Canada doesn't provide pricing oversight for medical marijuana, which means licensed producers set their own prices. As of June 2017, there are 50 licensed producers in Canada.

Similarly, medical marijuana dosing is highly variable. Health Canada states that "there is no scientifically defined dose of cannabis for any specific medical condition ... current available information suggests most individuals use less than 3 grams daily." As such, dosages are determined on a case-by-case basis.

The current monthly possession limit for registered Canadians is the lesser of either 150 grams or a 30-day supply at the individual's dosage.

What are the cost implications of covering medical marijuana as part of a core benefit plan?

There are currently few employer group plans that have included medical marijuana as part of their core benefit plan; as a result, we have little industry utilization information to draw upon. There have, however, been a few plans that have added it as an eligible benefit. For example, in March of 2017, Loblaw Companies began offering coverage for it under their benefit plan. At present, coverage is restricted to an annual maximum of \$1,500, and is limited to treatment for spasticity and neuropathic pain associated with multiple sclerosis and for nausea and vomiting resulting from chemotherapy among cancer patients.

As another example, the Veterans Affairs Canada (VAC) plan provides a clear illustration of the potential cost implications of

core medical marijuana coverage. An auditor general's report of the plan over the period from April 1, 2013, to December 31, 2015, found that actual utilization on the plan accounted for one-third of the VAC plan's total drug costs, significantly exceeding initial estimates. Average authorized dosages greatly exceeded initial projections, while per-gram costs escalated from \$5 to upwards of \$14 following the implementation of new Health Canada regulations in June of 2013.

While this example is intended to be illustrative, it should be noted that VAC is not representative of a typical plan, given that a significant proportion of the authorizations were for the treatment of post-traumatic stress disorder.

What options do you have for covering medical marijuana with an Alberta Blue Cross plan?

If you'd like to facilitate coverage for your employees, you can do so through a Health Spending Account (HSA). Medical marijuana qualifies as a medical expense under the Canada Revenue Agency's guidelines and can be claimed through an HSA. HSAs are a common means through which we process medical marijuana claims for group plan members.

What happens if medical marijuana is issued a DIN?

Should medical marijuana be issued a DIN by Health Canada, we'll consult with our plan sponsors and the industry at large to discuss plan considerations going forward. It would still follow a drug review process at that point to determine whether it would be eligible for coverage as a core benefit.

What are some considerations influencing workplace accommodations for medical marijuana?

The duty to accommodate, as required by federal and provincial human rights legislation, extends to disabled employees who have been medically authorized to use marijuana. Workplace accommodations for employee medical marijuana use should be managed similarly to accommodations for other disability issues and, while increased medical marijuana use may be a relatively new workplace issue, established accommodation processes do provide effective guidelines for how to approach it.

The Supreme Court of Canada has ruled that an employer has a legal duty to take reasonable steps to accommodate individual employee needs on a protected ground under human rights legislation up to the point of undue hardship. To establish appropriate accommodations, employers should attempt to determine how medical marijuana use may impact an employee's ability to carry out their assigned duties safely and successfully, particularly in safety-sensitive jobs.

For example, an employee in an office environment who has difficulty concentrating could be accommodated with a more flexible schedule and frequent rest periods. It may be more

Continued on next page ...

difficult, however, to accommodate a construction worker who works on a site with a zero-tolerance drug and alcohol policy.

Further complicating this issue is how to determine impairment, as employees receive varying dosages and may respond differently to their authorized dosage. Medical marijuana can still be authorized in much the same way that more traditional prescription medications are, and—with no clear parameters in place for evaluating impairment—this presents its own set of challenges.

What constitutes undue hardship?

The duty for employers to accommodate employees who have a disability requires that you make every reasonable effort, short of undue hardship, to accommodate those who may require differing treatment to limit workplace barriers and reduce discrimination. This governs accommodations for disability and illness generally, and includes accommodations for employees who've been authorized to use medical marijuana. This is not limitless, however. For example:

- An employee with a medical condition for which they've been medically authorized to use marijuana should not be impaired at work, particularly if their impairment could threaten the health or safety of both the employee and others.
- A prescription for medical marijuana does not entitle the employee to smoke in the workplace—smoking laws still apply as they would for regular cigarette smoking.

So what does undue hardship entail? The duty to accommodate varies based on the capacity of the employer and an accommodation might be considered to create undue hardship if it

- results in excessive costs,
- exposes you to additional health and safety risks,
- creates significant and unnecessary conflict between employees, or
- contradicts an existing collective bargaining agreement.

While undue hardship establishes a general framework for making informed decisions, even with these guidelines in place, the Canadian Human Rights Commission notes that “there is no precise legal definition of undue hardship or a standard formula for determining undue hardship.” It's important to note that you must also prove undue hardship and not simply declare it—the accommodation must be shown to have a demonstrable and substantive effect on your business's ability to continue its operations.

What confidentiality issues should be taken into consideration?

Employee confidentiality around medical diagnoses and accompanying marijuana use should be treated no differently than other medical and accommodation information. While some medical information may be necessary to establish specific accommodations, it's best to limit your requests to be as respectful to the employee's privacy as possible. According to the Alberta Human Rights Commission, “an employee has the right to refuse to disclose medical information such as the diagnosis of their disability.” However, if the employee has had a medical absence or needs accommodation, you can request information from their doctor, in writing, confirming that they're fit to return to work and what accommodations will be needed.

In all cases, any medical information that you do obtain should be treated as confidential and should only be shared as is absolutely necessary to establish the appropriate accommodations.

What's next?

We look forward to having continued conversations as the subject of medical marijuana continues to evolve. As it does, we'll monitor future changes and notify you of those that might impact workplace accommodations or your benefit plan. If you have any questions about this topic in the meantime, please don't hesitate to contact your Alberta Blue Cross sales representative.

Connect with us

Why wait for the next issue of *Connection Bulletin*? Keep yourself and your employees up-to-date about the latest Alberta Blue Cross news by following us on **Facebook**, **Twitter** and **LinkedIn** or reading our blog, *Blue notes*, at www.ab.bluecross.ca/blue-notes-blog/blue-notes-blog.php. We'll share interesting health news, information about our community sponsorships, tips to make the most of your benefit plan and keep you informed regarding potential plan or coverage changes. Connect with us today.



Paperless billing coming for all plan administrators this fall

To improve the efficiency of our services and reduce our environmental impact, we're pleased to announce that we'll be moving exclusively to electronic billing for all plan administrators. This will take effect with your November 2017 statement of account, which will be accessible through our plan administrator site in October.



What will this mean?

If you currently receive paper versions of your bills, the last paper bill you'll receive will be October's (issued in September). **All bills from your November 2017 bill onward will only be accessible by logging in to the administrator site.**

Please contact our Group Administration Contact Centre at either number provided at the bottom of the page if you don't already have both

- a **valid email address** on file with us—which allows us to notify you whenever your monthly bills are ready to be viewed online—and
- a **registered site account.**

Informational inserts will be included with both your September and October bills (issued in August and September, respectively) to remind you of this upcoming change and provide further information.

Plan administrator web site improvements

Have you noticed the recent changes to our administrator site? For example, as a lead up to our full paperless transition, you were provided the opportunity to transition to electronic billing by requesting access to the site and receiving email notifications whenever your bills become ready.

What's coming next?

We're working towards additional site improvements in the coming months:

- Late this summer, plan administrators will have the ability to enter banking information on our site, which will enable Electronic Fund Transfers (EFT's) for any claims submissions.
- In the fall, we'll also be adding functionality that allows you to pull draft bills so you can review your account standing prior to your monthly bill being issued.

Retaining original, signed applications

You've probably noticed an addition to our administrator site—a small checkbox asking for confirmation that you've retained original, signed applications. This is meant as a critical reminder to not discard original forms once they're submitted.

You must retain original application and change forms for employees either for the entirety of their employment or until the date at which the employee is no longer eligible to make applications for claims under their policy—whichever is later. Application and change forms must be duly signed, dated and stored in a secure place.

Why is this important?

Failure to provide necessary supporting documentation when requested to do so can severely impact the coverage provided. If the original form is required for examination, and it's found to be unsigned and undated, the application will be considered void.

As an example, when a claim for life insurance benefits for an employee or their dependant is made, you must forward all original applications and change forms on file for that employee or dependant with the claim submission. Beneficiary information—including the latest beneficiary change—must be retained for two years following the submission of the claim.

Contact us

If you have questions about any of the changes above, please don't hesitate to contact our Group Administration Contact Centre at **780-498-5925** or toll free at **1-866-498-5925**.



In this situation, if we can't substantiate and confirm the existence of the original, signed application, any life insurance paid would go to the estate rather than directly to the beneficiary, which can result in costly probate fees. A beneficiary designation provides the insurer with clear instructions on how the proceeds are to be distributed. If the insurer finds itself in a position where it's unable to establish the rightful beneficiaries—for example, if two or more persons make a claim to the same insurance proceeds—the insurer would then be forced to make the payment into the court system, a process that can be both costly and time-consuming.

In general, we also reserve the right to conduct on-site audits to verify the existence and integrity of any application or change form submitted online, and may request that the original application or change form be forwarded to us at any time.

The most effective workplace wellness programs take a multi-faceted approach to positive health outcomes, relying on multiple strategies for encouraging lasting behavioural changes.

Our Balance online wellness platform provides a practical blend of tools for both employees and employers who are looking to improve wellness outcomes.

- At the employee level, it offers a points-based reward program and key health resources that encourage employees to make and maintain positive behavioural changes, resulting in healthier, more productive employees.
- At the employer level, it offers a step-by-step road map that employers can use to promote wellness within their workplaces—this results in a healthier workforce, reduced absenteeism and fewer medical costs. With aggregate reporting, employers can also generate valuable data to inform their benefit plan design.

Developed in partnership with Excellence Canada—the national authority on quality and healthy workplace practices—Balance is just one tool to support your overall workplace wellness approach, but it can be a valuable one. If your organization isn't using Balance yet, or if you have questions about how the platform works, contact us today to find out more.

A quick note about privacy

Balance is 100 per cent confidential and secure. Individually identifying information is only viewable by the employee, while information for employers is kept aggregated and anonymous.

Please note: Balance and the Healthy Workplace Essentials Challenge are available only to groups that have this benefit as part of their plan design.



Workplace Wellness Online: your one-stop shop for wellness

Don't forget to check out our online wellness resource, updated regularly, at www.workplacewellnessonline.ca. It's a one-stop wellness shop that features

- wellness best practices and success stories,
- wellness resources and references,
- event listings, and
- a downloadable "toolkit" that provides a step-by-step approach for incorporating wellness into your workplace.

We update this site regularly, so check in often for resources and information—it can be a helpful tool for any employer looking to improve its overall workplace health.



For more information about topics in this Connection Bulletin, please call your Alberta Blue Cross group sales or service representative.

We value your comments

Connection Bulletin is published to communicate with Alberta Blue Cross employer group plan sponsors. Back issues may be found on the Alberta Blue Cross web site at www.ab.bluecross.ca

Please send your feedback via email to connection@ab.bluecross.ca, by fax to 780-498-8096 or via mail to Corporate Communications, Alberta Blue Cross, 10009 108 Street, Edmonton, AB T5J 3C5.



**The Blue Cross symbol and name are registered marks of the Canadian Association of Blue Cross Plans, an association of independent Blue Cross plans. Licensed to ABC Benefits Corporation for use in operating the Alberta Blue Cross Plan. *† Blue Shield is a registered trade-mark of the Blue Cross Blue Shield Association. ABC 83694 2017/06

