FOCUS update

#411

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Government of New Brunswick consulting on implementation of prescription and catastrophic drug coverage

New Brunswick and Prince Edward Island are the only two provinces in Canada that do not have catastrophic drug coverage in place for their residents. A complete prescription and catastrophic drug plan is in the works for New Brunswick for implementation before September 2014 according to the Minster of Health, Hugh Flemming. This drug program is being created to cover the estimated 70,000 families in the province with no drug coverage.

Drug plan recommendation

group benefits news

Former Minister of Health, Dennis Furlong, chaired a government committee that released a report in December 2012 titled, *An Insurance Plan for Prescription Drugs for Uninsured New Brunswickers*. In the report, Furlong recommended a mandatory insurance plan for prescription drugs with a premium.

The report found that 20% of New Brunswick residents – approximately 70,000 families – do not have drug coverage and these uninsured families were spending \$120-150 million a year paying for prescription drugs. Furlong's recommendation would spread the cost of these drugs amongst the 70,000 families to ease the burden of expensive drug treatments. The plan is not intended to replace employer sponsored benefit plans that include prescription drug coverage, although it is likely to require that minimum standards be met.

Sun Life and New Brunswick

Sun Life currently provides coverage to a little over 137,000 plan members in over 2600 group benefits plans in New Brunswick. The Canadian Life and Health Insurance Association (CLHIA) is facilitating consultations between the life insurance industry and the government of New Brunswick as they finalize the details of the plan, and Sun Life is an active participant in these calls. At this time we cannot share any more information than is publicly available as the government has yet to confirm any decisions.

We will be following the developments of this coverage plan closely and will share more details with you as they become available.

Questions?

Contact your Sun Life Financial group benefits representative.

