



The Facts about Non-Insured Health Benefits:

A Need for Transformative Change and The Way Forward





The Facts about Non-Insured Health Benefits



- Many Canadians receive health programs through provinces and territories.
- The federal government is responsible for providing health services to military personnel, veterans, Mounties, Members of Parliament and First Nations clients.
- In a 2006 review of the programs, NIHB rates were shown to be lower than other federal programs. [\[1\]](#)

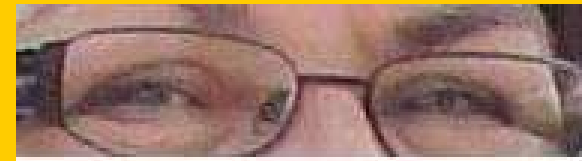
[\[1\]](#) Lemchuk-Favel, L. 2006. *Medical Transportation Reimbursement Rates in the Non-Insured Health Benefits Program*. Report for the Assembly of First Nations.



The Facts about Non-Insured Health Benefits: *Growing Restrictions limit health services*



- Despite the stated objectives of the Canadian Health Act to "to protect, promote and restore the physical and mental well-being of residents of Canada and to facilitate reasonable access to health services without financial or other barriers" the NIHB program contains a growing number of restrictions that limit First Nations right to access the same health services that most Canadians take for granted.



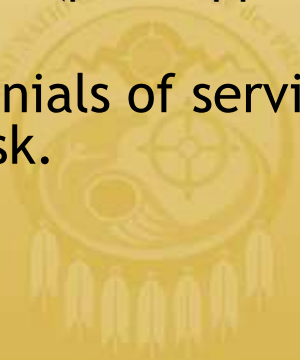
An elderly woman living in Northern Ontario required corneal implants. Because she was a Type 2 Diabetic her doctor recommended foldable intraocular lenses which was not covered by the province. The province only covers hard lenses. Without this treatment she risked losing her sight. The extra cost for foldable lenses was \$200.00 per eye. Without the implants the woman would have lost her sight. Initially, NIHB refused to cover the implants, and agreed only after the AFN intervened. Considering the large number of First Nations who have diabetes with visual impairments, NIHB would benefit as a leader by adopting appropriate treatment policies for diabetics.



The Facts about Non-Insured Health Benefits: *Cost controls put health of clients at risk*



- Inflation, provincial/territorial health care reforms (such as early discharge policies), a growing and aging population are putting new pressures on NIHB.
- As a result, the program has been subject to cost management measures which include:
 - delisting of benefits, changes to eligibility for benefits, reductions in pharmacist service costs (mark ups and dispensing fees),
 - enforcement of low cost pharmaceutical alternatives (generic drugs),
 - prior approval requirements for limited use/special authority drugs, and pre-determination (prior approval) of some dental services.
- This has resulted in denials of services that can put the health of individual clients at risk.





The Facts about Non-Insured Health Benefits: *Health Canada's operating costs grow faster than benefits*



- Operating costs of the NIHB Program have not been subject to the same scrutiny as the cost of actual health services.
- Total NIHB operating costs were \$41.9 million in 2003/04, an increase of 56.1%, or approximately 16% per year, from 2000/01.
- This means Health Canada's administrative costs grew at ***twice the average annual rate*** of health benefits for First Nations clients.



In 2003, a 10-year-old boy from Kasabonika First Nation fractured his arm while on vacation in Thunder Bay.

The doctor who treated him made a referral for a follow-up. The boy and his mother then went to Sioux Lookout.

NIHB denied travel for the client and escort because the incident happened during vacation.



A Need for Transformative Change: Access



- **Half** of all First Nations adults reported a problem accessing NIHB funded services over the course of a year
- **One in five** First Nations adults experienced a barrier to health care because the treatment was not offered under NIHB; this number rose to one in three for First Nations adults with disabilities
- First Nations adults with disabilities were **twice as likely** than their non-disabled counterparts to report barriers to health care access directly related to the NIHB Program
- **Women were significantly more likely than men** to have problems accessing NIHB funded services such as: Medication (20.1%), vision care (19.4%), dental care (19.1%), and transportation (11.3)



**data provided by Regional Longitudinal Health Survey (RHS)*



A Need for Transformative Change: *Fairness*



- Within NIHB, regional offices are given latitude to interpret policies on benefits, which has resulted in inconsistencies and inequities from one region to another.
- In a 2006 review of the programs, NIHB rates were shown to be lower than other federal programs. [\[1\]](#)
- Dentists are paid 10 percent less for serving First Nations clients.

[\[1\]](#) Lemchuk-Favel, L. 2006. *Medical Transportation Reimbursement Rates in the Non-Insured Health Benefits Program*. Report for the Assembly of First Nations.

Delays receiving payment from the NIHB Program, and being paid lower rates for serving First Nations clients, have caused dentists and orthodontists to ask First Nations clients to pay upfront for services. Instituting a cash basis for remuneration is an immediate deterrent to care, as individuals requiring service may not have the resources to pay upfront and therefore do not seek treatment.

The Canadian Association of Pharmacists has also considered a payment upfront policy unless the NIHB Audit Program is reformed.



A Need for Transformative Change: *Fairness*



Children are often denied orthodontic benefits because of an unclear requirement that the malocclusion be significantly severe and functionally handicapping. In many cases children are not receiving minor interventions which could prevent larger and more costly problems later in life.

In 1990-91, a national study by J.L. Leake examined the oral health of Aboriginal children aged six and twelve. Leake found that almost half of the children suffered from malocclusion. By treating moderate or severe malocclusion, the teeth are easier to clean and there is less risk of tooth decay and periodontal diseases (gingivitis or periodontitis).

Treatment eliminates strain on the teeth, jaws, and muscles, which lessens the risk of breaking a tooth and may reduce symptoms of temporomandibular joint disorders. The NIHB Program provides funding only for severe and functionally handicapping malocclusion. Over one quarter of all first level appeals to the Program between 2002 and 2006, and almost all third level appeals, were related to orthodontic treatment.



A Need for Transformative Change: *Denials*



- One in six First Nations adults were denied a service offered by NIHB over the course of one year.
- Services have been denied by NIHB, even after being recommended by one or more health care professionals.
- NIHB provides no reason for a denial to the client or health care provider.
- Often the person denying the service does not have a medical background, and is merely interpreting a policy, rather than making an assessment based on the needs of the client.



A six-month old infant diagnosed as an Insulin Dependant Type 1 diabetic suffered from drastically fluctuating blood sugar levels and became seriously ill.

At times he was at risk of going into a diabetic coma.

An expert in juvenile diabetes recommended an insulin pump, but they were denied by NIHB.

The family was finally given a pump after the AFN intervened. It took 18 months to secure the insulin pump for the child.



A Need for Transformative Change: *Denials*



- First Nations clients have the right to file an appeal when a service has been denied.
- However the appeal may be adjudicated by the same official who originally denied the service.
- There are no national service standards for the appeals process, turn around times or reporting.



A needs-based review of medical transportation directives is required. First Nations regions have reported unreasonably restrictive medical transportation benefits, for example, denial of an escort to accompany a young child for medical treatment who is developmentally delayed and visually impaired.



The Way Forward: *First Nations Action Plan on NIHB*



- The First Nations Action Plan on NIHB provides a comprehensive plan to achieve transformative change in the longer term, as well as immediate support to improving First Nations' access to quality NIHB services.

- The Action Plan is premised on three key concepts:
 - Meeting the health needs of First Nations through timely, quality care
 - Fostering reciprocal accountability
 - Adopting a community health approach



The Way Forward: *First Nations Action Plan on NIHB*



Highlights of the First Nations Leadership Action Plan on NIHB include:

- Improved transparency in federal corporate administration expenditures.
- Allowing for cost-savings.
- Clear nation-wide policies and guidelines.
- Ensuring needs-based eligibility criteria. Tri-partite Service Agreements.
- NIHB needs to embrace and Adopt Jordan's Principle by ensuring coverage for a client to avoid putting the client at risk.
- Developing a First Nation Charter of Rights and Responsibilities
- Linkages with Community-Based Programming.
- First Nations Health Reporting Framework.
- Establishing a fair and Independent Appeals Process.
- Implementing a reasonable rate of annual growth.



The Way Forward: *First Nations Action Plan on NIHB*



- ***The complete First Nations Leadership Action Plan on NIHB is available ...***

