

Ministry of Finance
BRIEFING DOCUMENT

To: Honourable Michael de Jong, Q.C.
Minister of Finance

Date Requested: August 3, 2016
Date Required: August 16, 2016

Initiated by: Pat Parkinson
Executive Lead
Ministry of Finance

Date Prepared: August 15, 2016

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Ministry of Finance

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Cliff #: 352475

TITLE: Rollback of 2017 MSP Premium Rates

PURPOSE:

(X) FOR DECISION

Executive Director approval: _____

ADM approval: _____

DM approval: _____

DATE PREPARED: August 15, 2016

TITLE: Rollback of 2017 MSP Premium Rates

ISSUE: s.12,s.13

BACKGROUND:

Government's stated policy is to increase MSP premiums annually to help pay for rising health care costs. Following seven years of no increases, MSP premiums were increased by 6 per cent from 2010 to 2012 and by 4 per cent from 2013 to 2016.

When MSP premiums increase, premium assistance was increased to ensure that those on premium assistance pay the same dollar amount from year to year.

Budget 2016 announced an increase to the MSP premium rates, an increase to premium assistance thresholds and structural changes to the program as follows:

- Monthly MSP premiums increase by 4 per cent to \$78 for singles and \$156 for couples;
- Full regular premium assistance is available for persons with adjusted net income of \$24,000 or less (an increase from the current \$22,000);
- Partial premium assistance is available for adjusted net income between \$24,001 and \$42,000 (an increase from the current range of \$22,000 to \$30,000);
- No MSP premiums for children under 19 years of age;
- MSP premium rates determined by the number of adults in the family (the MSP account holder and, if applicable, a spouse); and
- The MSP premium rate for two adults is twice the amount of the single adult rate.

DISCUSSION:

Cabinet agreed, on July 14, 2016, to not proceed with the planned 2017^{s.12,s.13} premium increases. The purpose of this BN is to confirm how the 2017^{s.12,s.13} rollback is to apply^{s.12,s.13}

s.12,s.13

Options:

s.12,s.13

RECOMMENDATION:

s.12,s.13

DECISION:

Option 1 / Option 2

Michael de Jong, Q.C.
Minister

Date

APPENDIX

s.12,s.13

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Withheld pursuant to/removed as

s.12