

**MINISTRY OF HEALTH
INFORMATION BRIEFING NOTE
CONFIDENTIAL**

Cliff #1064396

September 1, 2016

PREPARED FOR: Honourable Terry Lake, Minister - **FOR INFORMATION**

TITLE: Medical Services Plan Premiums and Premium Assistance Program

PURPOSE: To provide the Minister with an update on the status of changes to Premiums and the Premium Assistance Program that were announced in the 2016 Provincial Budget.

BACKGROUND:

The 2016 Provincial Budget announced changes to Medical Services Plan (MSP) premiums and the Premium Assistance Program effective January 1, 2017, including:

- a four percent increase to premium rates;
- no premiums for children; and
- enhancements to the Premium Assistance Program, including the addition of four new income bands and an increase to the maximum adjusted net income threshold to qualify for some level of assistance.

DISCUSSION:

Premium Increase:

Since that announcement, the Ministry of Finance (Finance) have advised the four percent premium increase will not proceed in 2017 (rates for 2017 will remain the same as current rates), and 2017 premium assistance rates will decrease slightly. The decision to exempt children from the collection of premiums remains, effective January 1, 2017.

Although Finance is not proceeding with the four percent premium increase, the remaining changes require an amendment to the Medical and Health Care Services Regulation, under the *Medicare Protection Act*. Key dates relevant to this:

- The Order in Council (OIC) to enact this amendment is scheduled for Cabinet on September 14, 2016.
- Upon approval of the OIC, an announcement is expected shortly thereafter on September 14 or 15, 2016, by the Premier or Minister de Jong – this is yet to be determined.
- An announcement of these changes by Minister de Jong will be separate from the scheduled Quarterly Budget update.

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ADVICE:

The OIC to enact changes to Premiums and Premium Assistance is scheduled for Cabinet on September 14, 2016.

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