



Medavie Blue Cross by the Numbers

Medavie Blue Cross is a premier all-in-one benefits carrier and public health program administrator, which manages health benefits for nearly 3 million Canadians annually and administers **\$3.8 billion in claims annually**.

- Founded in 1943, we are **one of the nation's most trusted insurance brands** as a member of the Canadian Association of Blue Cross plans, which collectively provide coverage to over 7 million Canadians.
- We combine **health insurance, pharmacy benefit management and disability management** all under one roof. This enables us to be more flexible, responsive and integrated in the solutions that we offer.
- In addition to our portfolio of private business, we administer various government-sponsored health programs on behalf of provincial and federal governments, including Veterans Affairs Canada, the RCMP, National Defence and Citizenship and Immigration, Refugees and Citizenship Canada.
- We are part of Medavie, a health solutions partner that also oversees Medavie Health Services, the largest private provider of emergency management services in Canada. Medavie Health Services has operations in six provinces, spanning pre-hospital emergency medical services, mobile integrated health, telehealth medical communications, public safety delivery and clinical training. In total, Medavie **employs over 6,400 Canadians**.
- Instead of paying dividends, Medavie channels a portion of our annual income into investments aimed at enhancing the experience of our clients. We also give back to the communities we serve through the Medavie Health Foundation, which is focused on developing partnerships and supporting programs in **three core cause areas**: child and youth mental health, post-traumatic stress and Type 2 diabetes.





Giving Back

Medavie Blue Cross and our employees care about the health of our communities. In fact, we've been giving back to our communities for more than 75 years. Our history of care is evident in how we do business today, with a focus to help improve the health of Canadians.

Medavie Health Foundation

Among the things that set us apart from our competitors is what we do with our income. While the majority of our income is reinvested in new technology, product development and additional resources, we commit an annual social dividend to the Medavie Health Foundation.

- Our Foundation forms partnerships and funds programs that improve the lives of those impacted by child and youth mental health, post-traumatic stress, and type 2 diabetes. To date, we have committed more than \$12.7 million to over 100 organizations.
- In Ontario, \$2.3 million has been committed in support of single and multi-year grants and partnerships including:
 - Covenant House Toronto
 - Eva's Initiatives for Homeless Youth
 - Toronto Rehab and ACCELERATION 2.0
 - Trillium Health Partners and KidFit

Community Giving

We also give back to the communities we serve by supporting charities that are close to the hearts of our employees. In the past three years, we gave almost \$1.4 million through the Community Giving program.

Children's Wish Foundation

As a member of the Canadian Association of Blue Cross Plans, we support the Children's Wish Foundation of Canada by providing travel insurance coverage to families when a wish is granted.





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Medavie Blue Cross in Ontario - *A Timeline*

Blue Cross has had a strong presence in Ontario for close to 80 years.

1941

The Ontario Hospital Association borrows \$15,000 to start the Blue Cross plan for hospital care.

1943

The Maritime Hospital Service Association (now Medavie Blue Cross) issues its first policy for supplementary hospital coverage.

1959

The Government of Ontario launches the Ontario Hospital Insurance Plan. The Ontario Hospital Association (OHA) keeps Ontario Blue Cross in operation to provide supplementary health benefits.

1995

OHA sells its Blue Cross business portfolio to Liberty Mutual Insurance. However, Liberty Mutual is not permitted to use the name Blue Cross because the name Blue Cross is owned by the Canadian Association of Blue Cross Plans, and as such, it is not part of the sale agreement.

Shortly after this sale, Blue Cross Life (owned by five Canadian Blue Cross plans) resurrects Ontario Blue Cross to ensure that health, dental and life insurance products will still be available in Ontario under the Blue Cross umbrella.

1999

Ontario Blue Cross is purchased by Blue Cross Canassurance Group (Quebec Blue Cross).

Blue Cross Canassurance and Atlantic Blue Cross divide ownership and operation of the Ontario and Quebec Blue Cross businesses into an individual health and travel division (Canassurance) and a group benefits division (Atlantic Blue Cross).

2001-2005

Atlantic Blue Cross Care assumes responsibility for marketing group benefits in Ontario and Quebec. Two years later, a new corporate entity called Medavie Inc. is formed to act as owner of Atlantic Blue Cross. In 2005, the name Medavie Blue Cross is adopted for group business in Ontario, Quebec and Atlantic Canada.





Disability Management

We take a proactive and fully integrated approach to managing employee disability claims that provides tools and opportunities at every stage of the member journey

- We offer access to a **robust network of resources and service providers** to facilitate assessments and optimize return to health and work for employees.
- Our case management process focuses on functional abilities and coordinating a successful and **timely resolution of all claims**, delivering consistent, **ongoing case management status updates** to employers and their employees through our structured communication practices.
- Our claims onboarding and ongoing case management practices deliver a reliable and timely claims administration service for employers and their employees.
- Our **reporting tools** allow employers to leverage information from our case management system to better understand the trends that impact their plans and workplaces.
- We partner with clients to promote prevention and a self-care approach to health for all employees, through access to our **suite of multi-disciplinary health management resources** (e.g. pharma management, wellness, EFAP, and educational materials).
- We offer **program analysis** and ongoing recommendations to enhance the performance of our client's disability benefit plans.



Drug Solutions

To ensure the drug plans that we manage remain viable and relevant into the future, we are committed to achieving the right balance between plan sustainability and member access to quality care.

By integrating health insurance, pharmacy benefits management and disability management all under one roof, our in-house capabilities provides us the direct insights, levers and connections to plan members, health providers and drug suppliers that are essential to delivering comprehensive, responsive drug management solutions. This means greater flexibility and innovation in plan design, benefit management and customer service offerings.

Right Focus

Proactive pipeline monitoring can identify potential opportunities or issues related to drugs in development. That research can help us prepare for potential new plan costs, and can also mean we are ready to quickly take advantage of new treatments that could reduce costs and improve outcomes for a condition.

Right Drug

Our experts analyze the health and cost implications of every drug considered for inclusion on our formulary, and provide options on if, when and how to provide coverage.

Right Price

We negotiate Product Listing Agreements (PLAs) and Pharmacy Agreements for lower costs and additional services.

Right Time

Depending on the drug, our technology can apply a range of criteria for coverage, along with other limits and controls.

Right Supports

When a drug is approved for coverage, we work to make sure the patient has what they need to receive the full benefit.

This includes our unique Patient First Network that seamlessly integrates all support tools available, access to our Managing Chronic Disease network of health professionals, and drug adherence support.





Drug Formularies

When good drugs are used appropriately, they can have significant positive impact on the health & productivity of plan members. In many ways, drugs have become a cornerstone in patient health management.

Our rules-based adjudication engine allows the flexibility to create, implement and manage a variety of formularies. Working closely with advisors, consultants and plan sponsors, we help ensure the drug management approach chosen reflects the philosophy and objectives of the organization.

The core of our drug management approach is our **Medication Advisory Panel (MAP)**. This unique panel of GPs, specialists, pharmacists, and pharmacoeconomists ensures all drugs considered for coverage are proven effective, medically necessary and affordable. Based on their review, recommendations are made for how a drug is to be listed on our various formulary models.

Open Formulary

Sometimes referred to as a “non-managed” formulary, our open formulary provides coverage for all prescription with a Health Canada drug identification number (DIN). Life-sustaining over the counter (OTC) medications are also included on this formulary, which can also be extended to include non-life sustaining OTCs. Prior authorization is required for high cost specialty drugs.

Managed Formulary

Our evidence based formulary provides coverage for prescription drugs that have been recommended to list by our MAP. Life-sustaining over the counter (OTC) medications are also included on this formulary.

New plan sponsors also have the option to maintain the current formulary, and follow the decisions of our MAP on a go-forward basis for new treatments that come to market.

Tiered Formulary

Our tiered formulary, Rx Choices™, takes our managed formulary and separates the drugs into two tiers, with the coinsurance (amount the plan covers) varying amongst the tiers, encouraging members to choose effective, lower-cost medications when starting a new prescription.

Drugs included on Tier 1 are recognized as first line therapy for many acute and chronic conditions, and typically are the more cost-effective options within the therapeutic category. While 80% of eligible drugs are on the Tier 1, the majority of the Tier 2 drugs have alternatives available on Tier 1. Members can choose a drug on Tier 2, but will be required to pay a higher copay.

Our tiered formulary is unique in how it adapts to members who have unsuccessfully tried the Tier 1 option for a variety of conditions. Our Conditional Copay technology uses the member's claim history to determine if first line Tier 1 drugs have already been tried. Once the validation has been confirmed, the system will reimburse the Tier 2 drug at the Tier 1 copay, right at the pharmacy counter.

Provincial Formulary Mimic

Provincial governments in Canada also build and maintain drug formularies, and we can administer coverage that mimics the public provincial formulary of a particular province. The formularies vary by province, are not managed by Medavie Blue Cross, and don't follow the recommendations of the MAP.



Cost Containment Options

With new, effective (and costly) medications continually becoming available, ensuring an organization's drug spend is deployed effectively is essential.

These tools provide plans with maximum savings without impacting member health, and also allow greater ability to provide coverage for other emerging treatments.

Pharmacy Partners – Preferred Network

Leveraging our strong pharmacy and client relationships, our retail Pharmacy Partners – Preferred Network option ensures value for the plan sponsor and plan member by: optimizing plan performance; improving health outcomes for members; and delivering plan savings.

Plan sponsors can choose between a member (Option #1) or plan (Option #2) savings model. Depending on your current drug benefit plan design, and which option you choose, plan sponsors could see savings up to 13% off drug spend by implementing this product offering. Preferred pharmacy networks are not permitted in Quebec.

Mandatory Generic Drug Substitution

By using generic drugs when available, members can reduce out-of-pocket costs, including copays and insurance premiums, while also protecting the sustainability of their plan. Sixty five per cent of all brand name drugs having a generic drug equivalent.

Under our Mandatory Generic Substitution provision, even if the member submits a prescription with a physician “No substitution” at the pharmacy, the plan will only reimburse up to the lowest interchangeable price, and if the member chooses to have the brand drug dispensed, they are responsible for the ingredient cost differential.

For the very small percentage of members that may have an adverse reaction or a therapeutic failure to a generic drug, our Exception Process allows members with a proven need for the brand drug to be reimbursed at the drug's full price.

Maximum Allowable Cost

While the focus of Mandatory Generic Substitution (MGS) is on the brand drug and its interchangeable generic drug, Maximum Allowable Cost (MAC) focuses on all the drugs within the certain therapeutic category.

When a plan sponsor chooses MAC, the dispensed drug only reimburses to the ingredient cost of the lowest option in the category. If the member does not choose this drug, they are responsible for the additional cost of the drug they have chosen.

To help promote a positive member experience with MAC, we recommend pairing it with Pharmacy Partners – Preferred Network. Pharmacists in our network are educated about our offering and can coordinate a prescription change (therapeutic substitution) at the pharmacy counter.





Managing *Chronic Disease*

Almost 6 in 10 Canadian employees have a chronic condition. Empower them with the support they need to take charge of their health, while you improve productivity and mitigate costs for your organization.

Expert care - Employees get direct access to and reimbursement for one-on-one coaching and education services from certified health professionals with specialized expertise - without a doctor's referral.

Covered conditions:

- lung health (asthma, COPD)
- diabetes
- heart health (high blood pressure, high cholesterol), and
- quit smoking services.

Personalized services - Health professionals coach employees to better understand their condition, develop personalized plans to treat and manage their symptoms, and provide support for administering their medications, adhering to treatment, and making appropriate lifestyle adjustments.

Accessible from anywhere - Our national network of approved health professionals provides expert services that are delivered in-person, through online video, or by telephone - in both official languages.

Easy to use - Employees can find an approved health professional near them using the provider search function on our website or Medavie Mobile app. They can also easily submit claims for reimbursement - the same way they would for other benefits.

High value - This is a benefit you'll want to promote. In addition to better health outcomes, studies consistently demonstrate that improving health literacy, self-care and adherence to treatment leads to positive returns on the plan sponsors' benefit investment - with less absenteeism, fewer disability claims, and lower drug spends.

Minimal investment - This benefit is subject to an annual combined maximum of \$500 per participant per year - comparable to other extended health care benefits. And it's included in all standard insured group plans.

To learn more, visit medaviebc.ca/livebetter





Optional Benefits

Optional Benefits is a comprehensive program that allows plan members to get added protection against the impact of a sudden illness, injury or death and includes Critical Illness, Optional Life Insurance and Accidental Death and Dismemberment.

Greater protection

Should the unexpected occur, these benefits provide lump-sum cash payments to help plan members meet their financial obligations – and protect their savings.

Flexibility

All benefits put cash in their pocket to spend as they wish – no questions asked.

Choice

Members can choose Critical Illness, Optional Life Insurance or both and add Accidental Death & Dismemberment when Optional Life Insurance is chosen.

Special Saving

Plan members can qualify for rates that are typically lower than they might find on their own.

Simple Process

Members can easily apply for coverage online and make payments through payroll deduction.

Accessible

No medical underwriting is required for Critical Illness and Optional Life Insurance during the open enrolment period, up to certain dollar amounts.

Greater Coverage

Our Critical Illness benefit covers 36 conditions – more than most products on the market.

Optional Benefits is underwritten from the first dollar for all group sizes.





Wellness Programs

We offer a variety of additional programs to help plan members access the tools and resources they need to improve their physical and mental wellbeing.

Online health portal

My Good Health® offers a health risk assessment tool and comprehensive health information to help members assess their health, set and track personal goals and make lifestyle changes. My Good Health is available for all plan members.

My Good Health Enhanced is an optional product, which leverages the data from member participation to provide organizations with insightful reporting tools to understand the health of their employees, track areas of concern and potentially make changes to their plan design to address these internal indicators.

Expert medical review

Second Opinion provides members with the opportunity to have their medical files, diagnosis and treatment plan reviewed by specialists at world class medical institutions.

Employee and Family Assistance Program

Our comprehensive Employee and Family Assistance program, inConfidence, offers voluntary and confidential counselling to address work and life challenges. Services are available 24-7, 365 days a year.





Optional Medical Cannabis Benefit

Medavie Blue Cross offers an optional Group Extended Health Care Benefit for medical cannabis based on review of the best-available clinical evidence supporting the use of cannabis for medical purposes.

Eligible conditions

Prior authorization of coverage is required and will be considered for:

- Chronic neuropathic pain
- Refractory pain in palliative cancer care
- Nausea and vomiting due to cancer chemotherapy
- Spasticity in multiple sclerosis or spinal cord injury

Approval Process

To be pre-authorized for coverage, a member and their health care practitioner need to submit information to Medavie Blue Cross for review:

- A medical cannabis prior authorization form that includes confirmation that cannabis is a second or third line treatment for the eligible conditions
- A copy of the patient's medical documentation authorizing the use of cannabis for medical purposes by Health Canada

Annual benefit maximum options

- \$1,500 or \$3,000 or \$6,000
- Insured plans with less than 100 lives are limited to \$1,500

Eligible items

- Fresh and dried cannabis flower and cannabis oil purchased directly from a licensed producer authorized by Health Canada

Ineligible items

- Any cannabis product not purchased from a licensed producer authorized by Health Canada
- Whole cannabis plants, cannabis seeds and seedlings, and edibles
- Products related to consumption of cannabis

Alternate coverage option - HSA

Members of group benefit plans with Health Spending Accounts, or HSAs, can receive reimbursement for medical cannabis independent of the Extended Health Care Benefit. Coverage amounts are limited to existing HSA maximums. While prior authorization is not required, plan members still need to purchase medical cannabis from a licensed producer authorized by Health Canada and have a valid medical document authorizing the use of cannabis for medical purposes.





Standard Travel Benefit

Our superior, market-leading Group Travel benefit helps to arrange care, payment to hospitals and health care providers anywhere in the world.

Comprehensive

Coverage is provided for emergency medical services including hospitalization, medical devices, drugs and ambulance services

Member friendly language

Illnesses and injuries must simply be “sudden and unexpected” to qualify for coverage. The determining factor for coverage is if a claim related to a medical condition that existed prior to a trip was sudden and unexpected, and not part of an established treatment program.

Trip duration

Trip duration to 180 days for all covered members until age 75. Coverage then reduces to 60 days.

Coverage until retirement

Travel coverage will terminate when the member leaves the organization or retires, no matter their age (up to 99 years).

Member support

Worldwide Travel Assistance – with 24/7 toll-free support, Trip Cancellation and Interruption Coverage, and Baggage Coverage.





Spending Accounts

Our spending account options offer greater flexibility to help you meet the diverse needs of your workforce, delivering added value and cost certainty to your benefit plan, and providing coverage for a wider range of health, wellness and lifestyle options.

Health Spending Account (HSA)

- Reimburses medical and health-related expenses not covered by your regular benefit plan.
- Helps with co-insurance payments, deductibles and amounts in excess of health and dental plan limits. This benefit is tax-free (outside Quebec).
- Can be used by members toward any medical and health-related expenses allowed under Canada Revenue Agency guidelines.

Personal Spending Account (PSA)

- A taxable benefit that provides even more flexibility over and above your regular benefit plan, further incenting members to invest in their personal health and wellness. You can customize a PSA that's right for your organization by choosing to cover all or a combination of options:
 - » Health & Wellness Support
 - » Fitness & Sports Activities and Equipment
 - » Alternative Health Treatments
 - » Family Care
 - » Green Living
 - » Insurance Premiums
 - » Other Medical
 - » Supplements & Meal Replacements
 - » Personal Development
 - » Recreation & Leisure
 - » General Lifestyle

Spending accounts give plan members greater choice over how their benefit dollars are used and creates more opportunities to enhance their health and wellness. This in turn supports your efforts to attract top talent and retain loyal employees, acting as an all-in-one employee wellness, engagement and recruitment tool.

