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Employer Benefit Plans to Resume Responsibility for Dependent Children Rx Coverage on March 1, 2019

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The prior Ontario government implemented OHIP+, under which OHIP-insured children and youth under age 25 receive free prescription drug coverage. Effective January 1, 2018, OHIP+ became the first payer at 100% of the cost for eligible drugs. OHIP+ effectively removed from employer-sponsored benefit plans the cost of eligible prescription drugs for dependent children of Ontario employees.

As previously announced in its fall 2018 Ontario Economic Outlook and Fiscal Review, the new Ontario government is changing OHIP+ effective March 2019 by restricting it to children and youth under age 25 who are not covered by private plans. Earlier this month the government released for consultation [draft regulations](#) to the *Ontario Drug Benefit Act* which will implement the changes.

The New OHIP+

Under the proposed new OHIP+ rules, children and youth under age 25 who have a “private plan” will have no coverage under OHIP+. The proposed new rules define a “private plan” as any type of employer, group or individual plan, program or account that could provide coverage for any drug product regardless of:

1. Whether the private plan provides coverage for the particular drug that has been prescribed;
2. Whether the private plan requires a premium, co-payment, deductible or other expense to be paid; or
3. Whether no coverage is provided under the private plan because the annual maximum under the private plan has been reached.

The proposed new rules introduce a new “either or” prescription drug coverage regime for OHIP-insured children and youth under age 25. Starting in March 2019, if such individuals have coverage under any private plan, they must look solely to the private plan(s) for coverage. If they do not have any form of private plan coverage, they will continue to have coverage under OHIP+. Various other government-sponsored programs that provide coverage and/or financial assistance in specific circumstances (for example, the Trillium Drug Program, which provides financial support for individuals



and families who have significant out-of-pocket prescription drug costs, despite having private insurance coverage), are unchanged under the new OHIP+ regime.

The new OHIP+ rules will effectively reinstate dependent children prescription drug costs for Ontario employees under employer-sponsored benefit plans that provide prescription drug coverage to dependent children.

The consultation period on the draft regulations ends on January 31, 2019. Comments can be submitted directly online, [here](#).

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If you have any questions regarding this update please do not hesitate to call a sidebar with any of us – we're here to help.

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