

K+A Viewpoint

A Quarter Century of Service

This year, I and many of my career-long colleagues, find ourselves nearing a quarter century of service to our master, Canadian Group Benefit Plans.



changed much. People, on the whole, remain blissfully unaware and entitlement minded – although that is changing slowly and mostly because of fear. However, that is a story for another day.

For many, the event will pass unnoticed. But it stopped me in my tracks. I chose to sit awhile with a cup of my favourite coffee and quietly reflect on the past 25 years. As I started to write down my thoughts, hoping they would mold themselves into a thought provoking article for CommuniK, I started by focusing on what has tangibly changed, so here goes.

While the history, and future, of benefit plans is rich and interesting, it also belongs to the history and future of corporate Canada. Have benefit plans played a role in our progress and have they made a difference to the quality of corporate Canada and Canadians themselves? I know that answer is yes.



Do you remember:

✿ Using HB pencils and legal paper to “plot” and calculate thousands of insurance volumes with the common sound of “My God, I lost count again?;”

So, after a quarter century of service, I find myself a person who discovered a great passion in life, and one that still motivates and inspires me to this day – the treatment and well being of my fellow Canadians.

✿ When a carbon copy of a letter was actually created by using a sheet of carbon paper?;

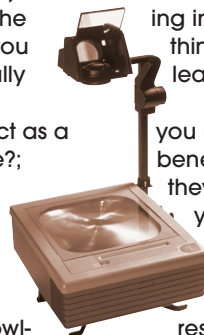
✿ Using paper punch cards to program computers? (What a test of patience and strength that was.) Did you ever pick up one of those programs with the reams of paper filled with characters, before you got to the two lines of response that were usually the wrong answer?;

My hope for the next 25 years, and the next generation, is that they too have the opportunity to share experiences and meet professionals that leave a lasting impact on their lives, open their eyes to the enormous breadth of their specialty and the seriousness of their role. That they find the same passion and endearing interest in a rich subject matter that whenever you think you know it all, shows you something new to learn or a different perspective to examine.

✿ Heavy black dial phones that could also act as a boat anchor – which four people had to share?;

✿ Smoking at your desk and women wearing “professional clothes” to be taken seriously?;

✿ The advent of consumer choice during the decadent 80s, otherwise known as flex?



Despite the 20 odd years that have passed, many still don't understand that you need knowledge to make good choices. Here, take the keys to this Rolls Royce. Too bad you don't know how to drive!;

✿ And of course, the collapse and merger activity of the insurers themselves. So long fair Confederation Life, our time together was memorable. Farewell Prudential and London. Adios Aetna, Metropolitan and Clarica. Good grief, who's left?

To Canadian plan sponsors I offer the hope that you learn to look a little deeper into the world of your benefit plan and corporate advisors, to discover what they really have to offer – insight into the health of your culture and people. That you take this subject seriously and help Canadians to overcome entitlement and paternalism and teach them more powerful skills, like the ability to be personally responsible through education and awareness. You, and your plan, are part of the Canadian system, whether you want to accept that or not. Make a difference.

Curiously, despite the time that has passed, benefit plans have not changed that much – although the world around them has. My thought is that Canadians don't want them to change – they are an important security – an assumed aspect of any compensation arrangement. In addition, the Canadian mentality about benefits, whether public or private, also hasn't

changed much. For me, I hope that I find the solution to a career long problem – how do you answer the question “What do you do for a living?” My favourite answer? “I don't know, but I sure do love it!”

Happy Anniversary!

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Dental implants – a patient’s true story . . .

An updated mouth x-ray revealed that tooth #42 no longer had a viable root, but that the remaining teeth in my lower jaw were healthy and strong. I was informed that tooth #42 should be removed.

I was not surprised given the number of times I had suffered from an abscess in exactly that spot, and the weakness of the tooth when touched.

My dentist outlined the many options available to me to replace tooth #42 – after it was extracted. I could choose a traditional fixed bridge or I could opt for an implant. As the traditional form would cause some reduction of the healthy teeth on either side of tooth #42, I decided that an implant might be a better choice in my quest to save my remaining healthy teeth. This decision was cemented when I learned that the average length of survival for a bridge is 12 years, while implants far surpass this.

**Clearly for me
the implant was
the best route.**

I dutifully submitted an x-ray and a pre-determination to see what my Insurance coverage would accept. Imagine my surprise when I received a letter telling me that my coverage would not cover anything as the tooth had been extracted prior to my insurance coverage being in effect. They were talking about a tooth that was still in my mouth!

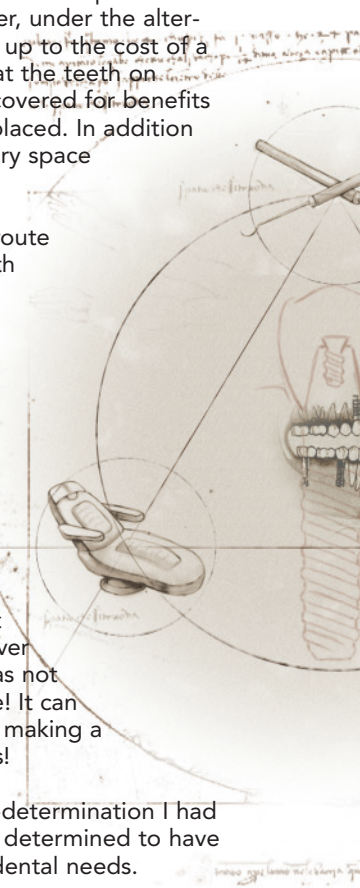
After correcting this faux pas the real pre-determination was

received. The Insurer considered an implant as experimental in nature and it was not covered. However, under the alternate benefits provision they would cover up to the cost of a fixed bridge. In addition they advised that the teeth on either side of the implant would not be covered for benefits for 5 years from the date the implant is placed. In addition there would be no coverage for temporary space maintainers.

Clearly for me the implant was the best route – both in terms of saving my healthy teeth and the lifespan of the treatment. Why then would the Insurer not endorse it? Why would the benefits not be the same as those for the fixed bridge? And why would there be an exclusion placed on the surrounding teeth for a procedure that is kinder to them than the traditional procedure? Does this mean that if I got a cavity in one of those surrounding teeth that I would not have coverage for 5 years?

I reviewed our Company benefits booklet and became even more confused. We cover temporary space maintainers and yet I was not going to be given access to this coverage! It can take up to a year to complete an implant making a space maintainer vital to ensuring success!

I was so confused after receiving my pre-determination I had to visit HR. I’m still confused, but no less determined to have the most appropriate procedure for my dental needs.



Naturopathy ND or NP?

The re-entry of homeopathic medicine into modern day practice has us wondering, “How are insurers, and how can people, ensure that this now more common form of treatment is being delivered by legitimate professionals?”

When elements of homeopathic medicine entered benefit plans some years ago, they were considered a minor issue in terms of potential use and costs. Not so today. So while we have the chance to educate new consumers to this expense category while controlling future costs, we decided to look a little deeper into the category of Naturopaths – a growing area of natural medicine. We started by asking two major group insurers how they pay Naturopath claims.

Their response was that they only pay claims for treatment given by a N.P. or Naturopathic Practitioner. So what is a N.P.? And let’s not get that confused with a N.D., a doctor of naturopathic medicine.



It seems that we opened a bit of a Pandora’s box. This issue of who is what and who regulates what seems to be one of the most controversial and confusing subject matters that we have encountered in some time. Before we continue, this is definitely one area where “let the buyer beware” absolutely applies to every consumer.

In Canada, Naturopathy schools are private institutions that are registered as corporations or associations. Private institutions issue naturopathy diplomas and the diploma’s value depends entirely on the value of the school and its naturopathy program. Certain schools benefit from partial government recognition and are accredited by Human Resources Development Canada (HRDC) to develop skills for employment. Accreditation translates to tax deductible tuition fees. For example, HRDC and the Association Nationale des Naturopathes recognize the Alternative Medicine College (alternativemedicinecollege.com) that issues N.P. diplomas. Alternatively, the Canadian College of Naturopathic Medicine, the only Canadian college approved by the United States Council of Naturopathic Medical Education, issues N.D diplomas.

To put things into context, in 1995 a letter from the office of the Ontario Ministry of Education to Dr. Stephen Nugent stated “Degree granting authority in Ontario is regulated under the provincial Degree Granting Act. CCNM (Canadian College of Naturopathic Medicine) is

nd The Benefit Expert's Opinion

Historically insurers have taken a very conservative approach towards the adoption of new medical and dental services under group benefit plans. There are very sound reasons for this approach, the biggest one being the protection of your investment and the quality of their services. But, there is often a negative side – it can take too long to recognize and adopt accepted change. One example of this is coverage for dental implants.

When the procedure first came to volition some years ago insurers classed it as "experimental" mainly because the service had not yet proven its worth in all but the most serious cases. Being new technology, it was not widely used or understood by the dental profession and treatment was extremely expensive. The technology, however, was valuable and a major step in the improvement of dental care. It provided a specific group of patients an option where none may have existed before.

Time has passed and implants have proven their worth as a legitimate dental procedure. This procedure is now an important technique in a modern dentist's arsenal of treatments.

Today, implants are commonly elected by dentists to replace the loss of a single tooth where the teeth on either side remain healthy. Why do they do this?

Bridges, the traditional method of repairing a lost tooth, involve drilling into the two healthy teeth on opposite sides of the gap to secure the bridge. This greatly increases the chances of future problems to the healthy teeth. Bridges also have a known "shelf life" and can break, resulting in repairs

and additional costs and trauma to the patient – never mind costs to your plan. A single implant does not involve any other teeth in the mouth and is expected to last a lifetime. Finally and of great significance, the costs of a single implant now compare to the cost of a bridge.

Rather than simply add coverage for this item, insurers remain conservative and now act to restrict the item monetarily by stating that the plan will only pay up to the equivalent cost of a bridge. In addition, many have chosen to confuse the consumer by applying standard replacement and repair provisions (such as restricting coverage for repair until the appliance is 5 years old) to the payment of an implant claim when the clause cannot be logically applied – it was written to address bridges and crowns. So rather than develop specific provisions applicable to implant procedures, they chose to use what exists – similar to putting a square peg in a round hole.

Our opinion is that the conservative position taken by the insurance industry towards this expense item may be working at odds with the plan – it may be causing poor decision-making and potentially greater expenses for the plan over the long term. If the treatment is legitimate and in the best interests of a patient and the plan, then poorly designed provisions and antiquated thinking no longer belong in the arena. Either recognize the expense properly and develop correspondingly appropriate provisions to control abuse, or exclude it until you can. Continually requiring dentists and patients to run around the same track time and time again benefits no one and sets up an adversarial relationship between two important service providers – the insurers and the dentists – something we adamantly oppose.

If you are a plan sponsor that self-insures your dental plan, you have the means and the control to correct this situation now. While we do not support open-ended coverage for any type of dental expense, you can safely cover implants by using common sense, knowledge, and a little dose of creativity. Caution is always best when dealing with "what's new" but at some point new becomes a tried and true routine. **K**


a private institution which does not have degree-granting status, although it grants certificates and diplomas."

The federal and different provincial governments recognize Naturopathy at different levels.

They fall into 2 major categories:

1. The Medical Allopathic Naturopathy approach, which forms Medical Naturopathic Physicians. This means that medical doctors are becoming Naturopaths.
2. The Causal Holistic Natural Health approach, which forms Naturopaths or Natural Health Practitioners.

There is no governing body in Canada that formally regulates either profession, in all its forms. The topic, and the movement of N.D.s to gain formal medical recognition, makes this expense category one that we should all pay close attention to and ensure that both our claim managers and consumers understand how to successfully manage this growing area of care and controversy.

Ask your claims manager how they protect your investment and the consumer from fraud. Instruct your plan members regarding the facts about natural medicine and your plan. Impress upon them the importance of discussing their intentions with their family doctor. One thing we did learn is that something seemingly harmless has the potential to be dangerous when misused or misunderstood. Get educated before you buy and make sure your plan is sending the right messages. 



Have you seen these feet before?

If not, you may not have received our **Fall Contest CD-ROM**. With it, you can enter and have a chance to **WIN** a catered holiday lunch for your office for ten people. For a copy of the CD, and a chance to win, call us at

416.363.1221
(in the Toronto area) or at
1.877.KRIEGER

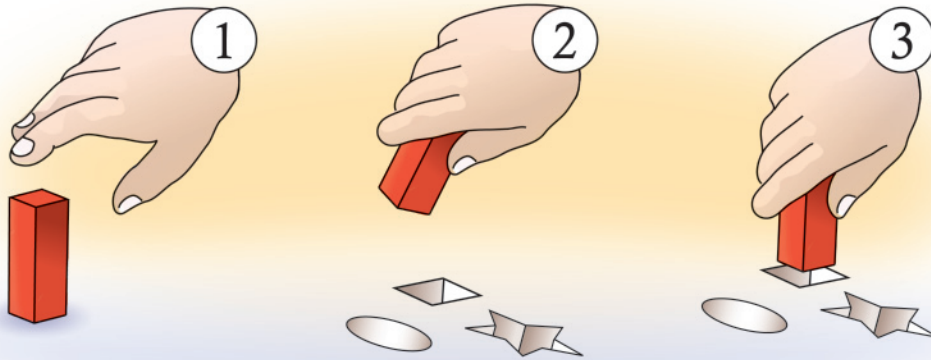
Picking the Right Benefit Plan Design

Do you ever wonder whether your benefit plan design is the right one for your organization? Or, how to get the perfect fit between your plan and your company's culture and business objectives?

The easy way is to hire an expert to help you. But how do you know if the expert is taking you down the right path? You, as the plan sponsor, have a critical role to play in providing your expert with the proper direction and input to ensure the advice you receive aims you in the right direction. The most important fact to remember is that there is no "right" or perfect group benefit plan. Success, in our minds, is when a plan quantifi-

You may be asking yourself, "Why do they need to know all this about us? Aren't all benefit plans pretty much the same?" The quick answer – an expert needs to know this in order to ensure that every aspect of a benefit plan, from funding to coverage, addresses the specifics of your unique organization. Plans are not the same and there is a world of options and choices available to a plan sponsor. In addition, the quality of a plan is not necessarily what you see on the outside but how the plan operates and functions from the inside – much like a business.

Before you decide what type of benefit plan works



ably meets its business objectives over the long term while creating a responsible and educated benefits consumer.

So, what are the most important items you, the plan sponsor, need to address when deciding on the type of plan that works for your organization?

They should include:

- ◆ Short and long term business strategies;
- ◆ Your company's actual and/or intended culture;
- ◆ Budget and financial risk tolerances;
- ◆ Philosophies towards sharing costs with employees;
- ◆ Issues of affordability to the individual and the company;
- ◆ The characteristics of your employee population;
- ◆ Attitudes and expectations of service suppliers, such as your insurer and advisor;
- ◆ The structure and location of different business units;
- ◆ Use of and access to technology;
- ◆ Competitive influences and/or targets;
- ◆ Other forms of cash and non-cash compensation, and
- ◆ Capabilities and work commitments of Human Resources staff.

best for your company and employee population, take a moment and discover the unique characteristics of your business. You may be surprised to find out how these characteristics translate into specific and important elements of your benefit plan.

In our next issue we address the question of how to pick the right expert for your organization. **K**

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