

# Non-Insured Health Benefits Program

ANNUAL REPORT



2002 / 2003



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Canada

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# Vision Statements

Our mission is to help the people of Canada  
maintain and improve their health

*Health Canada*



First Nations and Inuit people will have  
autonomy and control of their health  
programs and resources within a time  
frame to be determined in consultation  
with the First Nations and Inuit

*First Nations and Inuit Health Branch*

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# Introduction

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

This is the ninth annual report prepared by the First Nations and Inuit Health Branch (FNIHB) of Health Canada on the Non-Insured Health Benefits (NIHB) Program as part of an overall management reporting approach.

The report includes information on NIHB Program expenditures, clients, and benefit utilization.

The report provides national and regional NIHB data for the following target audiences:

- Regional and Headquarters First Nations and Inuit Health Branch managers and staff;
- First Nations and Inuit organizations and governments at community, regional and national levels; and
- Other governmental and non-governmental officials with an interest in the provision of health care to First Nations and Inuit communities.

Information contained in the report is extracted from several databases. First Nations and Inuit population data are drawn from the Status Verification System (SVS) which is operated by FNIHB. SVS data on First Nations clients are based on information provided by Indian and Northern Affairs Canada. SVS data on Inuit clients are based on information provided by the Governments of the Northwest Territories and Nunavut, and Inuit organizations including the Inuvialuit Regional Corporation, the Nunavut Tunngavik Incorporated, the Labrador Inuit Association, and the Makivik Corporation in Quebec.

Two Health Canada systems provide information on expenditures and selected benefit utilization. The Framework for Integrated Resource Management System (FIRMS) and Systems, Applications and Products (SAP) are the sources of most of the expenditure data, while FNIHB's Health Information and Claims Processing System (HICPS) provides detailed information on the pharmacy and dental benefit areas. All tables and charts are footnoted with the appropriate data sources.





# 1 Background

The Non-Insured Health Benefits (NIHB) Program provides approximately 735,000 registered Indians and Inuit with a limited range of medically necessary health-related goods and services not provided through other private or provincial/territorial health insurance plans. The purpose of the Program is to provide non-insured health benefits to First Nations and Inuit people in a manner that:

- is appropriate to their unique health needs;
- contributes to the achievement of an overall health status for First Nations and Inuit that is comparable to that of the Canadian population as a whole;
- is sustainable from a fiscal and benefit management perspective; and
- facilitates First Nations and Inuit control at a time and pace of their choosing.

The Program provides a range of health benefits not included in provincially/territorially administered insured health care programs. The NIHB Program complements these provincially/territorially insured programs, such as physician and hospital care, as well as community-based programs and services included under the Indian and Inuit Health Envelope.

The benefits under the NIHB Program include:

- Pharmacy (including prescription and over-the-counter drugs and medical supplies/equipment);
- Dental services;
- Glasses and other vision care aids and services;
- Transportation to access medically required services;
- Health care premiums in Alberta and British Columbia only; and

- Other health care services including crisis intervention mental health counselling and selected other health services.

The principles of the NIHB Program are as follows:

- all registered Indians and recognized Inuit normally resident in Canada are eligible for non-insured health benefits regardless of location in Canada or income level;
- benefits will be provided based on professional, medical or dental judgement, consistent with the best practices of health services delivery and evidence-based standards of care;
- there will be national consistency of mandatory benefits, equitable access and portability of benefits and services;
- the Program will be managed in a sustainable and cost-effective manner;
- management processes will involve transparency and joint review structures whenever agreed to by First Nations and Inuit organizations; and
- in cases where a benefit is covered under another plan, the NIHB Program will act as the primary facilitator in coordinating payment in order to ensure that the other plan meets its obligations and that clients are not denied service.



# Client Population

The First Nations and Inuit population eligible to receive benefits under the Non-Insured Health Benefits (NIHB) Program has increased from under 400,000 in 1988 to over 735,000 as of March 31, 2003. This growth is, in part, attributable to Bill C-31, the 1985 changes to the Indian Act, which resulted in over 100,000 additional clients registering between 1985 and 1995.

This population continues to be one of the fastest growing sectors in Canada as demonstrated by the comparison to the growth rate for the overall Canadian population in Figure 2.5.

The First Nations and Inuit population data are drawn from the Status Verification System (SVS), which is operated by First Nations and Inuit Health Branch (FNIHB), and are based on information provided by Indian and Northern Affairs Canada (INAC), the Governments of the Northwest Territories and Nunavut, and Inuit organizations such as the Inuvialuit Regional Corporation, the Nunavut Tunngavik Incorporated, the Labrador Inuit Association, and the Makivik Corporation in Quebec.

**Figure 2.1**  
**Eligible Client Population by Region**  
**March 2003**

The total number of eligible clients on the Status Verification System (SVS) at the end of March, 2003, is 735,343 an increase of 2.0% from 2002.

The Ontario Region has the largest total population representing 21.8% of the national total followed by the Pacific Region at 15.7% and the Manitoba Region at 15.4%.



# Client Population

**Figure 2.2**  
**Eligible Client Population by Type and Region**  
**March 2002 and March 2003**

Of the 735,343 total eligible clients at the end of the 2002/03 fiscal year, 695,983 (94.6%) are First Nations clients while 39,360 (5.4%) are Inuit clients.

The number of First Nations clients increased by 2.0% while the number of Inuit clients increased by 2.1% in the past year.

The Alberta Region had the largest increase in total population from 2001/02 to 2002/03 at 2.5%, followed by the Manitoba and Saskatchewan regions each at 2.4% and the Atlantic Region at 2.1%.

The March, 2002, distribution of Inuit population in N.W.T. and Nunavut has been estimated based on actual March, 2003, proportions of 22% and 78% respectively.

For the purposes of this report, First Nations clients are defined as registered Indians (on the INAC Indian Registry), as well as Labrador Innu residents in Davis Inlet and Sheshatshui. Inuit clients are recognized Inuit through the Governments of the Northwest Territories (GNWT) and Nunavut (GN) and Inuit organizations including the Inuvialuit Regional Corporation, the Nunavut Tunngavik Incorporated, the Labrador Inuit Association, and the Makivik Corporation in Quebec.

Regional population figures are based on the region of band affiliation of the eligible client as reflected by the Status Verification System.

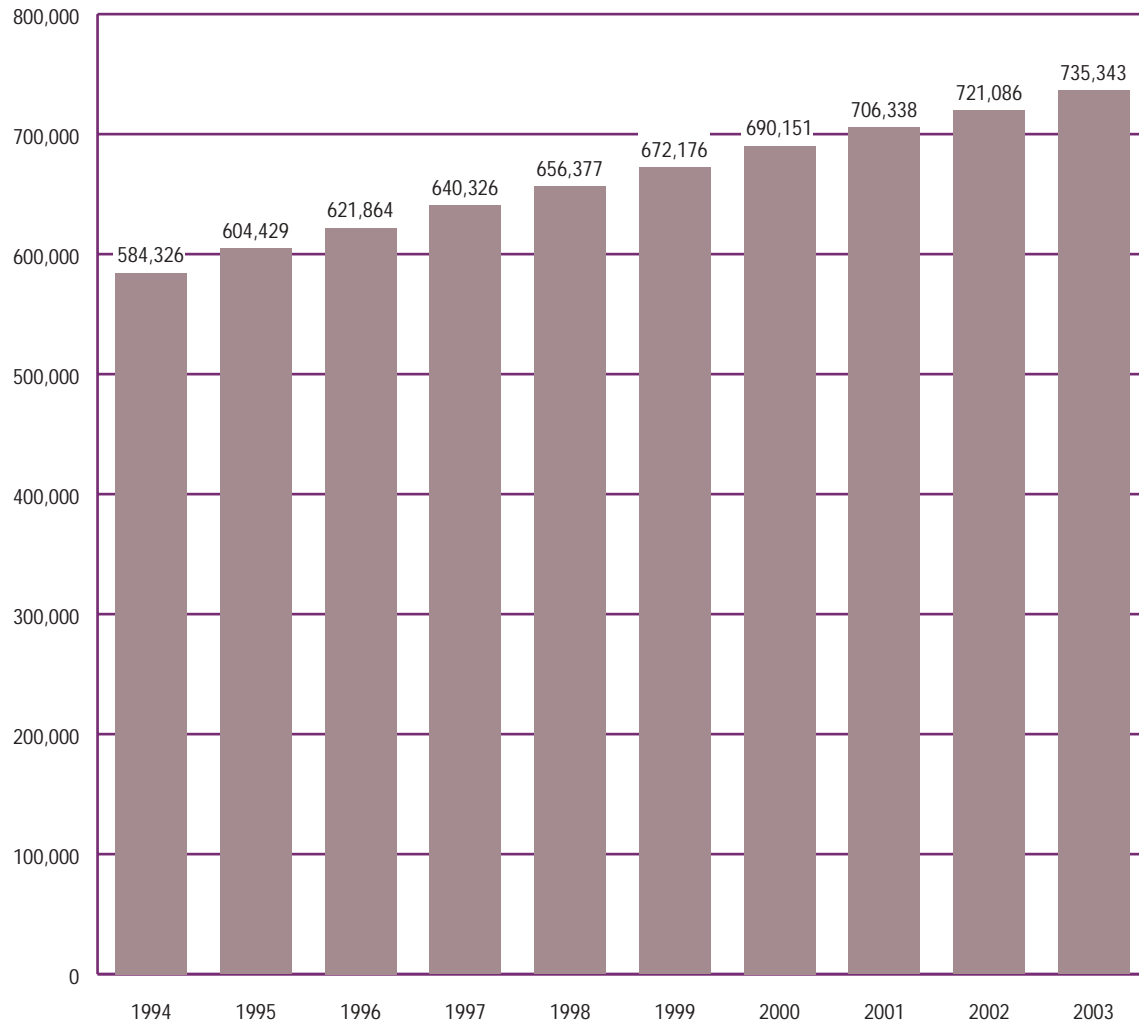
REGION	First Nations		Inuit		TOTAL		% Change 2002 to 2003
	March/02	March/03	March/02	March/03	March/02	March/03	
Atlantic	29,147	29,821	5,515	5,568	34,662	35,389	2.1%
Quebec	51,778	52,486	587	628	52,365	53,114	1.4%
Ontario	157,638	160,043	448	453	158,086	160,496	1.5%
Manitoba	110,462	113,107	55	73	110,517	113,180	2.4%
Saskatchewan	109,637	112,300	22	25	109,659	112,325	2.4%
Alberta	87,899	90,074	261	282	88,160	90,356	2.5%
Pacific	113,181	114,997	185	207	113,366	115,204	1.6%
Yukon	7,417	7,507	60	64	7,477	7,571	1.3%
N.W.T.	15,384	15,648	*7,030	7,225	*22,414	22,873	1.9%
Nunavut	-	-	*24,380	24,835	*24,380	24,835	2.0%
<b>Total</b>	<b>682,543</b>	<b>695,983</b>	<b>38,543</b>	<b>39,360</b>	<b>721,086</b>	<b>735,343</b>	<b>2.0%</b>

\* Based on 2003 proportion of 22% Inuit in N.W.T. and 78% Inuit in Nunavut

**Figure 2.3**  
**Annual Eligible Client Population**  
**1994 to 2003**

The total number of eligible clients on the Status Verification System (SVS) has increased from almost 585,000 at the end of fiscal year 1993/94 to over 735,000 in March, 2003, an increase of 25.8%.

Since 1994, annual population growth has ranged between 2.0% and 3.4%.





# Client Population

**Figure 2.4**  
**Eligible Client Population by Region**  
**March 1999 to March 2003**

The total number of eligible clients grew by 9.4% from 672,176 in 1999 to 735,343 in 2003.

The Manitoba Region had the largest increase in total eligible clients in the five-year period with a growth rate of 11.7%, followed by the Alberta Region at 11.6% and the Saskatchewan Region at 10.5%.

The March, 2002, distribution of Inuit population in N.W.T. and Nunavut has been estimated based on actual March, 2003, proportions of 22% and 78% respectively.

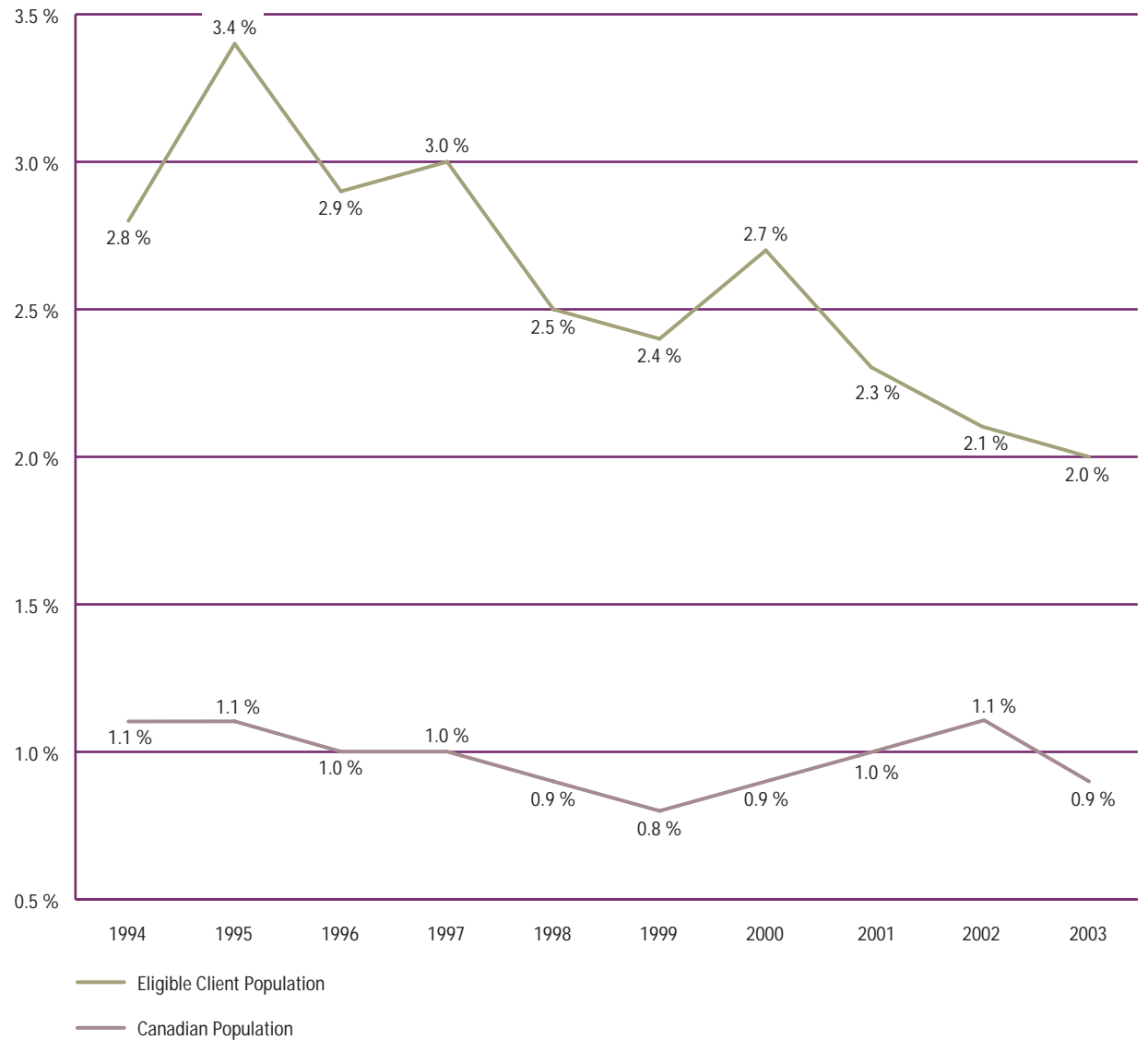
REGION	March/99	March/00	March/01	March/02	March/03
Atlantic	32,484	33,211	33,910	34,662	35,389
Quebec	49,791	50,745	51,593	52,365	53,114
Ontario	147,385	151,741	155,443	158,086	160,496
Manitoba	101,319	104,821	107,777	110,517	113,180
Saskatchewan	101,639	104,180	107,105	109,659	112,325
Alberta	80,981	83,596	85,908	88,160	90,356
Pacific	107,512	109,847	111,562	113,366	115,204
Yukon	7,159	7,272	7,373	7,477	7,571
N.W.T.	*21,031	*21,430	*21,874	*22,414	22,873
Nunavut	*22,875	*23,308	*23,793	*24,380	24,835
<b>Total</b>	<b>672,176</b>	<b>690,151</b>	<b>706,338</b>	<b>721,086</b>	<b>735,343</b>
<b>Annual % change</b>	<b>2.4%</b>	<b>2.7%</b>	<b>2.3%</b>	<b>2.1%</b>	<b>2.0%</b>

\* Based on 2003 proportion of 22% Inuit in N.W.T. and 78% Inuit in Nunavut

**Figure 2.5**  
**Annual Population Growth**  
**Canadian Population and Eligible Client Population**  
**1993/94 to 2002/03**

From 1993/94 to 2002/03, the Canadian population grew by 9.8% while the NIHB eligible First Nations and Inuit client population registered an increase of 26.1%. The First Nations and Inuit client population has grown at an average annual rate of 2.6% compared to 1.0% for the Canadian population. These trends in population growth are expected to continue primarily as a result of the higher than average birth rate of the client population.

Data revisions have been made for several years of the Canadian population. These revisions reflect more recent population estimates, sourced from Statistics Canada Quarterly Demographic Statistics - Catalogue 91-002.



# Client Population

**Figure 2.6**  
**Eligible Client Population by Age Group, Gender and Region March 2003**

Of the 735,343 eligible clients on SVS as of March 31, 2003, 51% are female (374,698) and 49% are male (360,645).

The average age of the eligible client population is 29 years. By region, this average ranges from a high of 33 years of age in the Quebec and Ontario regions to a low of 24 years of age in Nunavut.

The average age of the male and female eligible client population is 28 years and 30 years respectively. The average age for males ranges from 24 years in Nunavut to 32 years in the Quebec Region. The average age for females varies from 24 years in Nunavut to 35 years in the Quebec Region.

The First Nations and Inuit client population is relatively young with almost three-quarters (71.9%) under the age of 40. Of the total population, 39.3% are under the age of 20. Seniors (clients 65 years of age and over) represent 5.2% of the total population.

REGION Age Group	Atlantic			Quebec			Ontario			Manitoba		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	1,339	1,316	2,655	1,621	1,581	3,202	4,516	4,357	8,873	5,816	5,472	11,288
5-9	1,731	1,703	3,434	2,423	2,312	4,735	7,410	7,030	14,440	7,225	6,824	14,049
10-14	1,794	1,722	3,516	2,504	2,368	4,872	7,566	7,112	14,678	6,919	6,868	13,787
15-19	1,642	1,542	3,184	2,101	2,129	4,230	6,966	6,546	13,512	5,724	5,404	11,128
20-24	1,419	1,502	2,921	2,026	1,919	3,945	6,380	6,528	12,908	4,846	4,622	9,468
25-29	1,420	1,355	2,775	1,911	1,903	3,814	6,344	6,202	12,546	4,577	4,491	9,068
30-34	1,630	1,554	3,184	2,043	2,078	4,121	6,614	6,733	13,347	4,542	4,688	9,230
35-39	1,491	1,501	2,992	2,093	2,308	4,401	6,841	6,916	13,757	4,302	4,434	8,736
40-44	1,228	1,490	2,718	2,043	2,215	4,258	6,321	6,948	13,269	3,531	3,783	7,314
45-49	1,047	1,200	2,247	1,649	2,080	3,729	5,100	5,959	11,059	2,595	2,920	5,515
50-54	758	932	1,690	1,300	1,562	2,862	3,808	4,678	8,486	1,874	2,103	3,977
55-59	545	692	1,237	1,016	1,315	2,331	2,975	3,792	6,767	1,411	1,590	3,001
60-64	365	499	864	750	1,035	1,785	2,128	2,908	5,036	995	1,224	2,219
65+	828	1,144	1,972	1,820	3,009	4,829	4,751	7,067	11,818	1,958	2,442	4,400
<b>Total</b>	<b>17,237</b>	<b>18,152</b>	<b>35,389</b>	<b>25,300</b>	<b>27,814</b>	<b>53,114</b>	<b>77,720</b>	<b>82,776</b>	<b>160,496</b>	<b>56,315</b>	<b>56,865</b>	<b>113,180</b>
<b>Average Age</b>	<b>29</b>	<b>31</b>	<b>30</b>	<b>32</b>	<b>35</b>	<b>33</b>	<b>31</b>	<b>34</b>	<b>33</b>	<b>26</b>	<b>27</b>	<b>27</b>

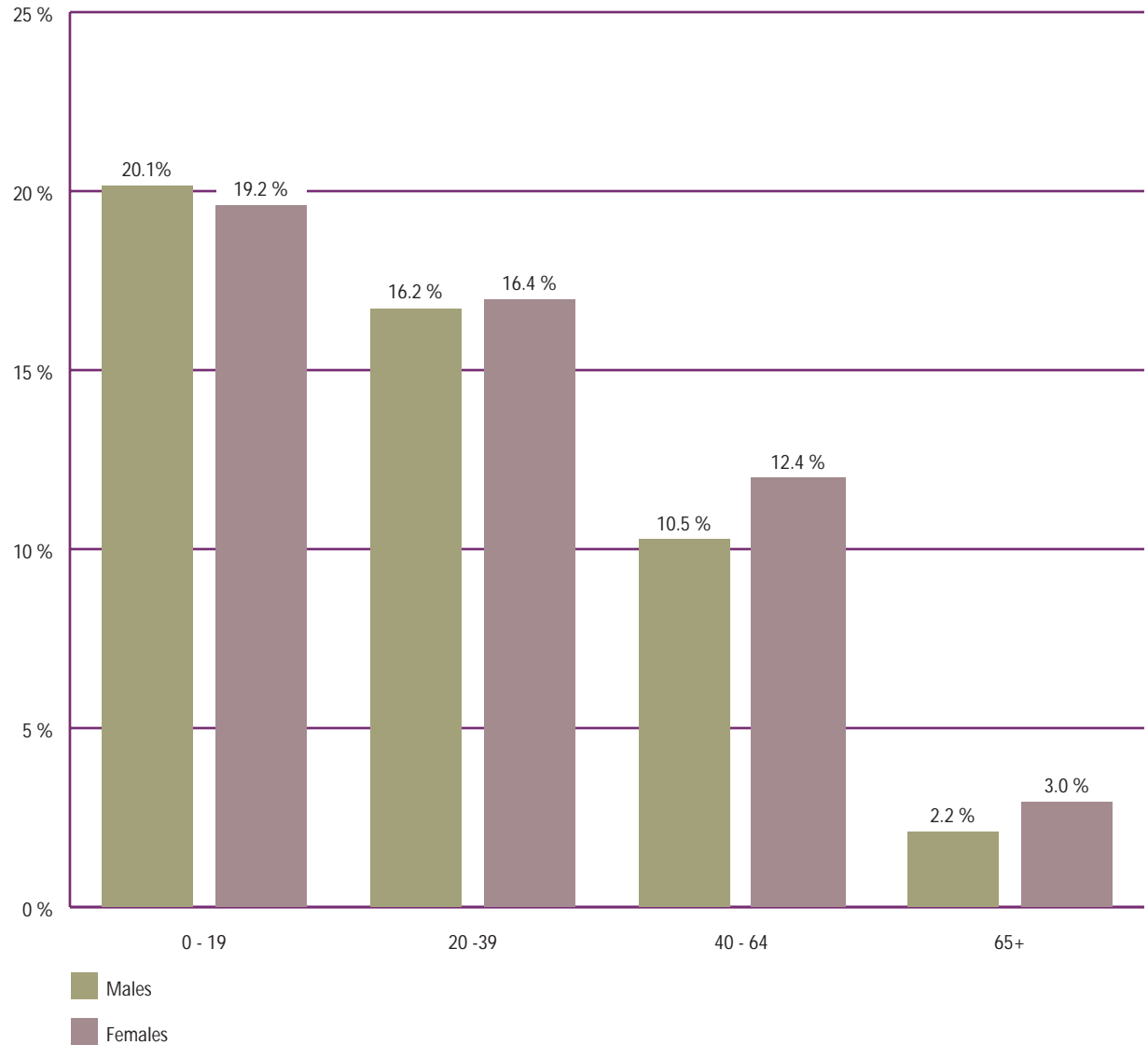
REGION Age Group	Saskatchewan			Alberta			Pacific			Yukon			N.W.T.			Nunavut			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	5,717	5,518	11,235	4,422	4,184	8,606	3,841	3,751	7,592	220	208	428	784	779	1,563	1,628	1,499	3,127	29,904	28,665	58,569
5-9	7,037	7,013	14,050	5,871	5,422	11,293	5,455	5,090	10,545	338	301	639	1,281	1,216	2,497	1,690	1,683	3,373	40,461	38,594	79,055
10-14	7,383	6,969	14,352	5,740	5,485	11,225	6,122	5,538	11,660	334	336	670	1,407	1,392	2,799	1,683	1,543	3,226	41,452	39,333	80,785
15-19	6,188	6,005	12,193	4,911	4,716	9,627	5,502	5,314	10,816	342	300	642	1,203	1,121	2,324	1,352	1,327	2,679	35,931	34,404	70,335
20-24	5,104	4,973	10,077	4,082	4,117	8,199	4,991	4,706	9,697	328	295	623	1,003	947	1,950	1,110	1,054	2,164	31,289	30,663	61,952
25-29	4,507	4,589	9,096	3,608	3,656	7,264	4,624	4,580	9,204	288	279	567	834	868	1,702	938	934	1,872	29,051	28,857	57,908
30-34	4,526	4,684	9,210	3,504	3,566	7,070	4,794	4,828	9,622	367	299	666	1,032	991	2,023	954	966	1,920	30,006	30,387	60,393
35-39	4,070	4,316	8,386	3,268	3,529	6,797	4,757	5,121	9,878	407	377	784	902	971	1,873	889	899	1,788	29,020	30,372	59,392
40-44	3,302	3,624	6,926	2,706	3,043	5,749	4,613	5,154	9,767	345	362	707	745	880	1,625	602	631	1,233	25,436	28,130	53,566
45-49	2,335	2,669	5,004	1,929	2,326	4,225	3,509	4,132	7,641	221	261	482	491	666	1,157	425	436	861	19,301	22,649	41,950
50-54	1,635	1,963	3,598	1,345	1,709	3,054	2,598	2,987	5,585	148	223	371	439	498	937	389	349	738	14,294	17,004	31,298
55-59	1,179	1,405	2,584	980	1,305	2,285	1,880	2,303	4,183	141	180	321	327	353	680	302	291	593	10,756	13,226	23,982
60-64	834	1,042	1,876	784	930	1,714	1,354	1,721	3,075	101	112	213	237	290	527	211	242	453	7,759	10,003	17,762
65+	1,597	2,141	3,738	1,353	1,865	3,218	2,512	3,427	5,939	185	273	458	564	652	1,216	417	391	808	15,985	22,411	38,396
<b>Total</b>	<b>55,414</b>	<b>56,911</b>	<b>112,325</b>	<b>44,503</b>	<b>45,853</b>	<b>90,356</b>	<b>56,552</b>	<b>58,652</b>	<b>115,204</b>	<b>3,765</b>	<b>3,806</b>	<b>7,571</b>	<b>11,249</b>	<b>11,624</b>	<b>22,873</b>	<b>12,590</b>	<b>12,245</b>	<b>24,835</b>	<b>360,645</b>	<b>374,698</b>	<b>735,343</b>
<b>Average Age</b>	<b>25</b>	<b>26</b>	<b>26</b>	<b>25</b>	<b>27</b>	<b>26</b>	<b>30</b>	<b>32</b>	<b>31</b>	<b>31</b>	<b>33</b>	<b>32</b>	<b>28</b>	<b>29</b>	<b>29</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>28</b>	<b>30</b>	<b>29</b>

# Client Population

**Figure 2.7**  
**Proportion of Total Eligible Client Population by Gender and Age Group March 2003**

Males and females under 20 years of age represent 20.1% and 19.2% of the total population, respectively.

Female clients age 65 years and over account for 3.0% of the total population, males in this age range represent 2.2%.











# The Envelope Environment

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

The Non-Insured Health Benefits (NIHB) Program operates within the fiscal environment of the First Nations and Inuit Health Program. The latter Program includes the First Nations and Inuit Health Program Envelope plus resources approved for specific initiatives. This represents the maximum resources available to fund all federal First Nations and Inuit Health programs.

The 1995 Budget set growth levels for the envelope at 3% in 1997/98. The 1996 Budget set envelope growth for 1998/99 at 3% less \$20 million. Annual envelope growth for the period 1999/2000 to 2001/02 has been set at 3%. The 2002 and 2003 Budgets approved resources to rebase the NIHB funding levels by approximately \$100 million in 2002/03 and by \$151.2 million in 2003/04.

The NIHB Program's expenditures account for over 40% of total envelope expenditures. Other programs include:

- Health Services resources for community nursing, National Native Alcohol And Drug Abuse Program (NNADAP), Solvent Abuse, mental health, Brighter Futures, transfer initiatives and management/support at the zone, regional and Headquarters (HQ) levels; and
- Hospital Services resources for the operation of First Nations and Inuit Health Branch (FNIHB) hospitals.

The information that follows in this section demonstrates the overall impact of the envelope and the significance of the Non-Insured Health Benefits Program to any strategy to manage within the envelope.

# The Envelope Environment

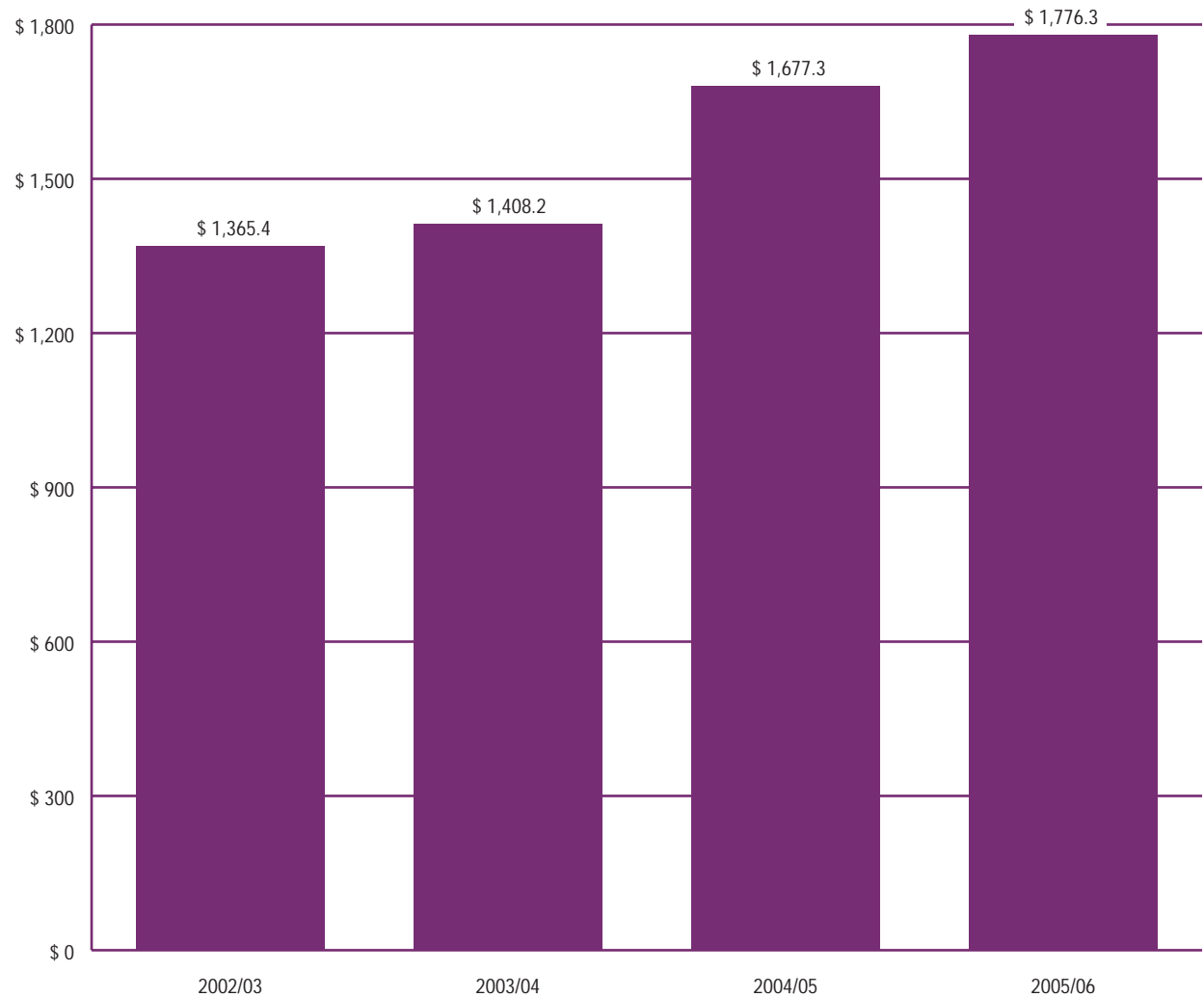
**Figure 3.1**  
**First Nations and Inuit Health Programs (\$ Million)**  
**2002/03 to 2005/06**

In 2002/03, resources within the First Nations and Inuit Health Programs totalled \$1,365.4 million. These resources are projected to grow to \$1,776.3 million by 2005/06.

Total resources, as shown in this report, vary slightly from those in the 2001/02 Annual Report as a result of some minor financial adjustments.

Resource increases are largely due to new program funding initiatives; e.g. sustainability, water, immunization, etc.

Total resources consist of envelope funds growing at 3% and non-envelope funds.

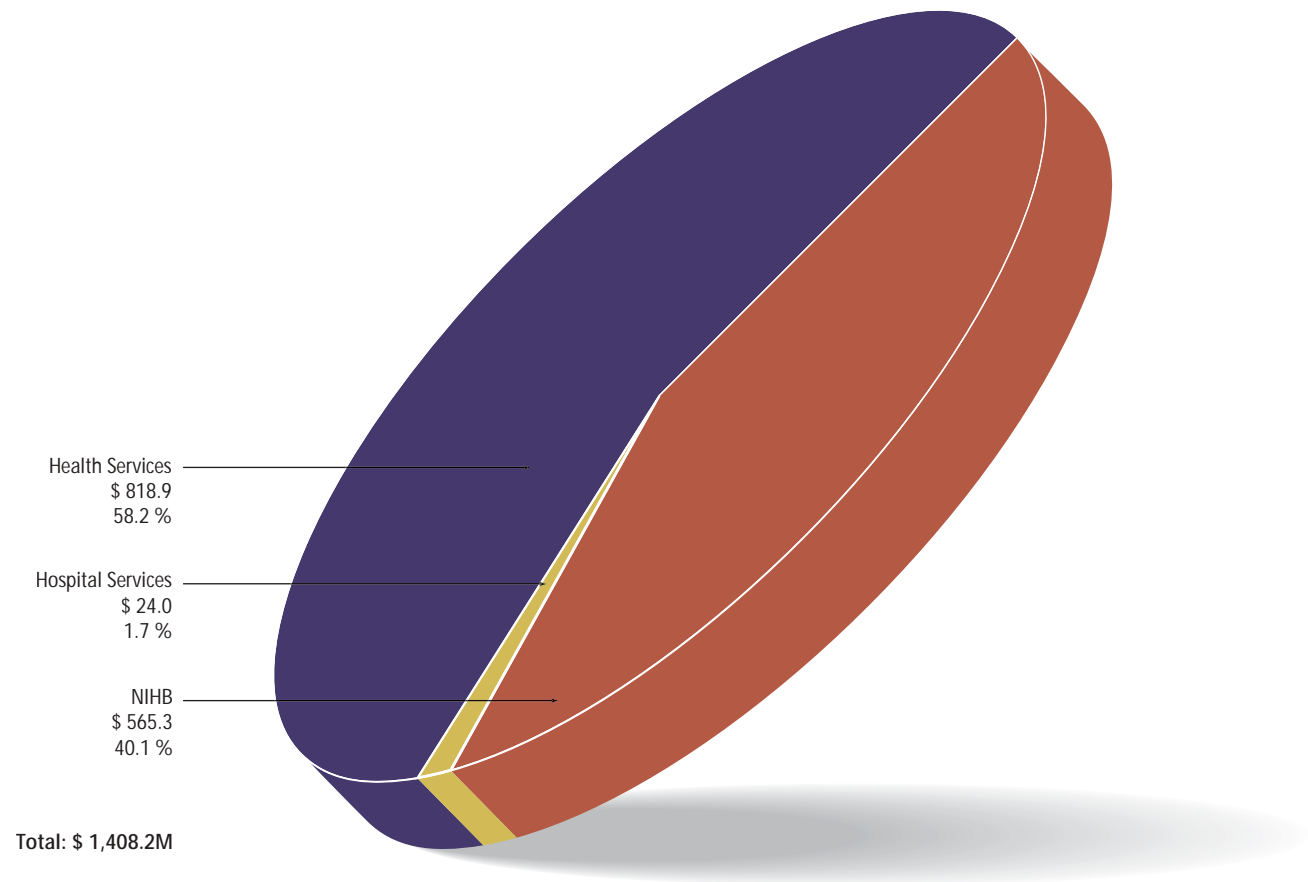


**Figure 3.2**  
**First Nations and Inuit Health Programs (\$ Million)**  
**2003/04 (Estimates)**

In 2003/04, the available resources for the First Nations and Inuit Health Programs Envelope are set at \$1,408.2 million. Total resources for the NIHB Program, both operating and contributions, account for \$565.3 million (40.1%) compared to \$818.9 million (58.2%) for Health Services.

Health Services resources are for direct First Nations and Inuit management of health programs including community nursing, alcohol/drug counselling, Brighter Futures, transfer initiatives and management/support at the zone, regional and HQ levels.

Hospital Services resources account for \$24.0 million (1.7%) and are used for the operation of FNIHB hospitals.







# 4 NIHB Expenditure Trends

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

From 1988/89 to 1995/96, expenditures for the Non-Insured Health Benefits (NIHB) Program grew steadily from approximately \$214 million to over \$500 million. Factors contributing to this growth were: the rising cost of benefits, First Nations and Inuit population growth, an increase in eligible clients accessing benefits, provincial health care reform, the delisting of NIHB clients from provincial and territorial extended health care services, and de-insurance. The growth trend changed in 1996/97 where actual expenditures decreased from \$505.3 million in 1995/96 to \$489.3 million in 1996/97, a 3.2% reduction. In 1997/98, 1998/99, 1999/00, 2000/01 and 2001/02 expenditures increased by 3.8%, 1.6%, 5.7%, 5.7%, and 9.0% respectively.

In 2002/03, expenditures increased by 9.6% to \$688.1 million from \$627.8 million in 2001/02 as a result of the following factors:

- increased population and utilization;
- increased benefit costs;
- inflation, and
- changes to provincial health care systems.

The rate of growth in Program expenditures declined over the past ten years from 11.9% in 1992/93 to 9.6% in 2002/03. This reduction is the result of NIHB management initiatives including:

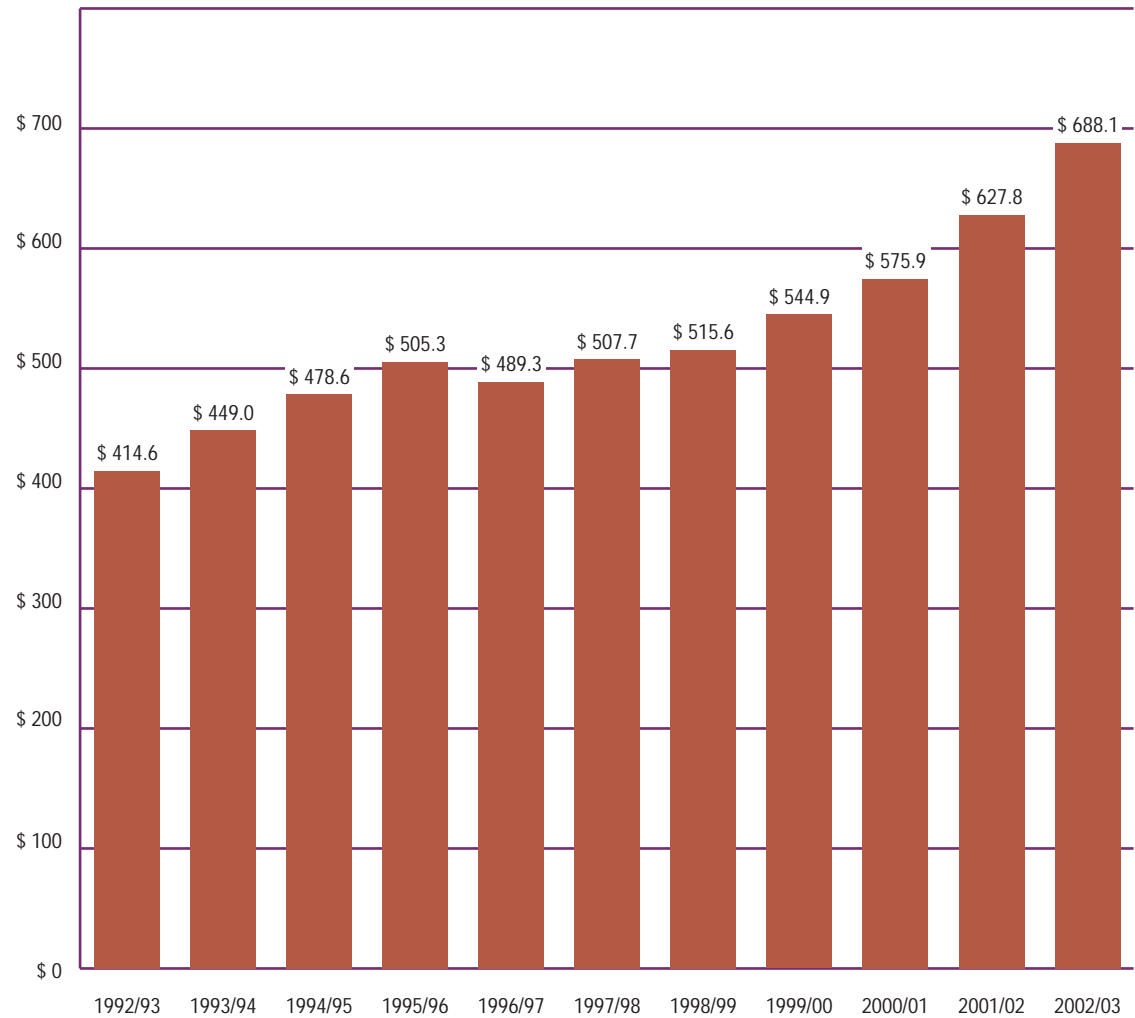
- automation of client benefit claims payment processes;
- establishment of community funding for mental health and solvent abuse (Building Healthy Communities);
- improved financial and management practices;
- improved management of medical transportation costs in most regions;
- establishment of special authorization on high cost drugs;
- predetermination of dental benefits;
- improved management of mental health services in targeted areas;
- ongoing drug benefit list reviews, and
- improved audit and accountability measures.

# NIHB Expenditure Trends

**Figure 4.1**  
**NIHB Annual Expenditures (\$ Million)**  
**1992/93 to 2002/03**

In 2002/03, NIHB expenditures are \$688.1 million, up 9.6% from \$627.8 million in 2001/02.

Annual rates of growth have declined from 11.9% in 1992/93 to 9.6% in 2002/03.



**Figure 4.2**  
**Percentage Change in the NIHB Annual Expenditures**  
**1992/93 to 2002/03**

Expenditures on the Non-Insured Health Benefits Program totalled \$688.1 million in 2002/03. This represents a 9.6% increase from 2001/02.

NIHB expenditures have risen 66.0% from \$414.6 million in 1992/93 to \$688.1 million in 2002/03. Annual growth rates peaked in 1992/93 with an increase of 11.9%. From 1993/94 to 1997/98, growth rates declined from 8.3% to 6.6%, 5.6% and -3.2% during the first four years, and increased to 3.8% in the final year.

During the last five years, annual growth rates have steadily risen from 1.6% in 1998/99 to 9.6% in 2002/03.



# NIHB Expenditure Trends

**Figure 4.3**  
**NIHB Annual Expenditures by Benefit (\$ 000's)**  
**1992/93 to 2002/03**

Expenditures on pharmacy benefits increased more than the other benefits in the period from 1992/93 to 2002/03. Pharmacy costs rose by 140% from \$120.9 million in 1992/93 to \$290.1 million in 2002/03. Transportation costs grew by 79%, while dental costs grew by 34%. Vision care cost increases have been moderate, rising only 36% in the ten year period. By comparison, other health care and premium costs decreased by 59% and 2% respectively.

From 2001/02 to 2002/03, premium expenditures grew by 29% followed by 20% in other health care, 15% and 5% in pharmacy expenditures and dental costs. Smaller increases were registered in transportation and vision costs, 4% and 1% respectively.

BENEFIT	All Regions										
	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 113,844	\$ 128,007	\$ 139,400	\$ 150,019	\$ 157,472	\$ 165,686	\$ 166,229	\$ 177,078	\$ 182,851	\$ 195,719	\$ 203,952
Pharmacy	120,856	133,481	146,131	157,297	166,541	180,105	187,105	206,869	228,861	252,846	290,112
Dental	97,976	110,346	116,273	123,303	104,302	104,420	106,417	106,975	109,852	124,468	131,021
Other Health Care	41,196	36,735	32,150	27,307	21,824	21,748	19,847	16,108	16,775	14,135	16,894
Premiums	24,387	26,350	28,610	30,094	22,125	17,131	17,476	18,030	17,779	18,596	23,902
Vision Care	16,386	14,101	16,040	17,242	17,017	18,576	18,490	19,843	19,748	22,020	22,259
<b>Total</b>	<b>\$ 414,645</b>	<b>\$ 449,020</b>	<b>\$ 478,604</b>	<b>\$ 505,262</b>	<b>\$ 489,281</b>	<b>\$ 507,666</b>	<b>\$ 515,564</b>	<b>\$ 544,903</b>	<b>\$ 575,866</b>	<b>\$ 627,784</b>	<b>\$ 688,140</b>
<b>Annual % Change</b>	<b>11.9%</b>	<b>8.3%</b>	<b>6.6%</b>	<b>5.6%</b>	<b>-3.2%</b>	<b>3.8%</b>	<b>1.6%</b>	<b>5.7%</b>	<b>5.7%</b>	<b>9.0%</b>	<b>9.6%</b>

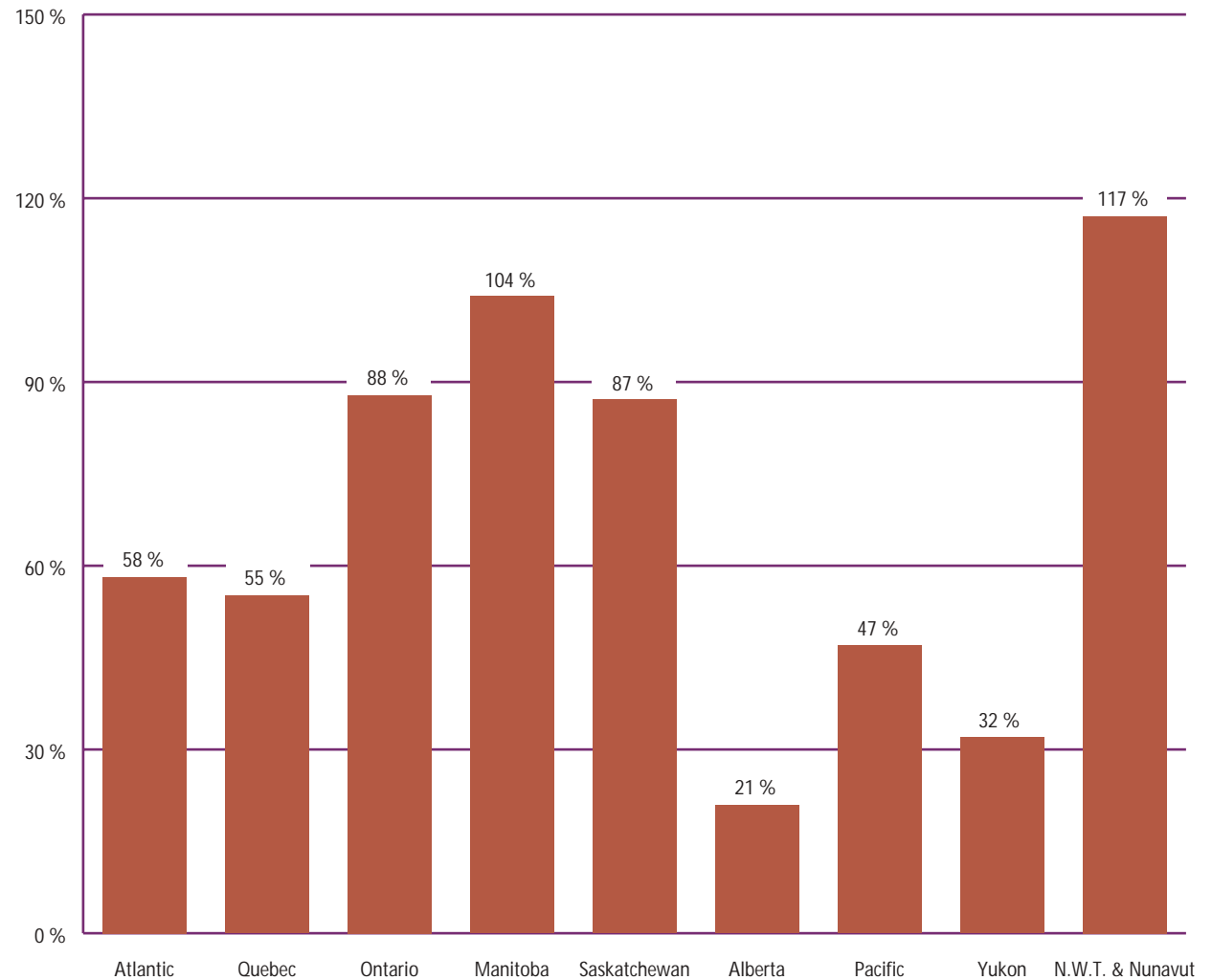
**Figure 4.4**  
**Percentage Growth in NIHB Expenditures by Region**  
**1992/93 to 2002/03**

In the period from 1992/93 to 2002/03, total NIHB expenditures have increased at a faster rate in the N.W.T./Nunavut (117%) than in any other region. The Manitoba Region (104%) and Ontario Region (88%) had the next largest growth rates. The Alberta Region had the lowest increase at 21% (this is primarily the result of significant reductions in expenditures in the premiums and other health care benefits). The Yukon registered the next lowest increase at 32% (this is largely the result of coding changes to remove costs related to services provided to non-First Nations clients in the Yukon previously charged to NIHB). Growth rates over the ten year period in other regions are: Saskatchewan (87%), Atlantic (58%), Quebec (55%) and Pacific (47%).

Pharmacy expenditures in the N.W.T./Nunavut rose by 222% in the ten year period ending in 2002/03. The next three largest regional increases were Manitoba (216%), Ontario (176%) and Saskatchewan (176%).

Expenditures in transportation grew most in the N.W.T./Nunavut (115%) and the Manitoba Region (113%) and least in the Quebec Region (14%).

Growth rates in dental expenditures are highest in the N.W.T./Nunavut (72%), the Saskatchewan Region (58%) and the Manitoba Region (52%).





# NIHB Expenditure Trends

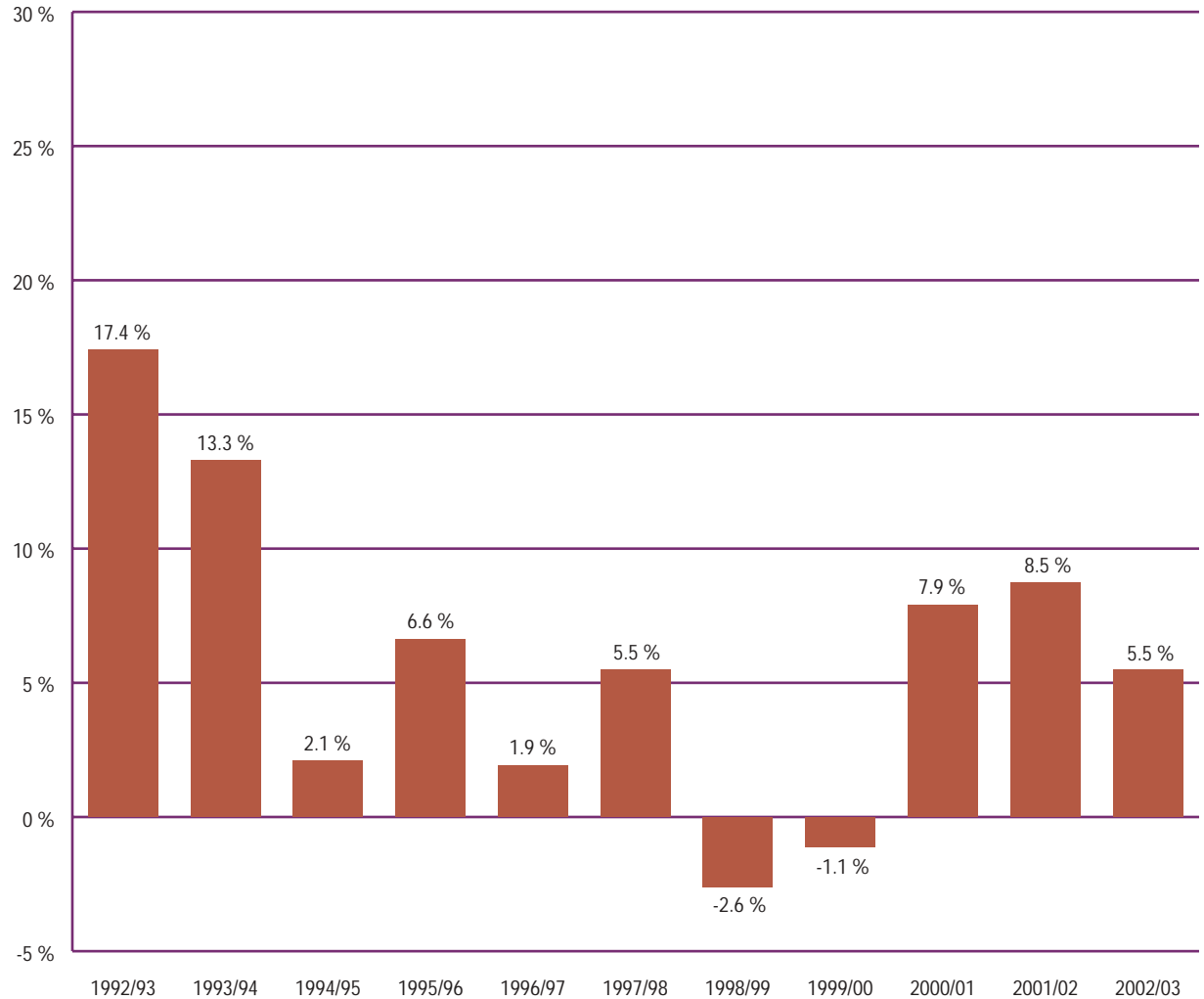
**Figure 4.5**  
**NIHB Annual Expenditures in Atlantic Region**  
**by Benefit 1992/93 to 2002/03**

Total expenditures in the Atlantic Region were \$27.1 million in 2002/03, an increase of 5.5% from the previous year.

Other health care costs increased by 14.0% in 2002/03. The next largest increases were pharmacy costs (13.1%) and vision costs expenditures (11.9%).

Expenditures in transportation rose by 1.3% while dental costs decreased by 9.7% in 2002/03.

Growth Rate in Total NIHB Expenditures, Atlantic Region 1992/93 to 2002/03



**Figure 4.5**  
**NIHB Annual Expenditures in Atlantic Region**  
**by Benefit (\$ 000's) 1992/93 to 2002/03**

	Atlantic Region										
BENEFIT	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 4,776	\$ 5,256	\$ 5,862	\$ 6,144	\$ 6,416	\$ 6,416	\$ 6,396	\$ 6,425	\$ 6,098	\$ 6,235	\$ 6,313
Pharmacy	7,116	7,474	8,253	8,954	9,543	10,165	9,572	10,126	11,371	12,667	14,322
Dental	3,508	3,626	4,113	4,564	4,199	4,636	4,663	3,819	4,511	5,196	4,691
Other Health Care	843	2,149	318	217	201	141	158	123	138	173	198
Vision Care	971	993	1,360	1,343	1,263	1,443	1,427	1,479	1,583	1,433	1,604
<b>Total</b>	<b>\$ 17,214</b>	<b>\$ 19,498</b>	<b>\$ 19,906</b>	<b>\$ 21,222</b>	<b>\$ 21,622</b>	<b>\$ 22,801</b>	<b>\$ 22,216</b>	<b>\$ 21,972</b>	<b>\$ 23,701</b>	<b>\$ 25,704</b>	<b>\$ 27,128</b>
<b>Annual Percentage Change</b>	<b>17.4%</b>	<b>13.3%</b>	<b>2.1%</b>	<b>6.6%</b>	<b>1.9%</b>	<b>5.5%</b>	<b>-2.6%</b>	<b>-1.1%</b>	<b>7.9%</b>	<b>8.5%</b>	<b>5.5%</b>

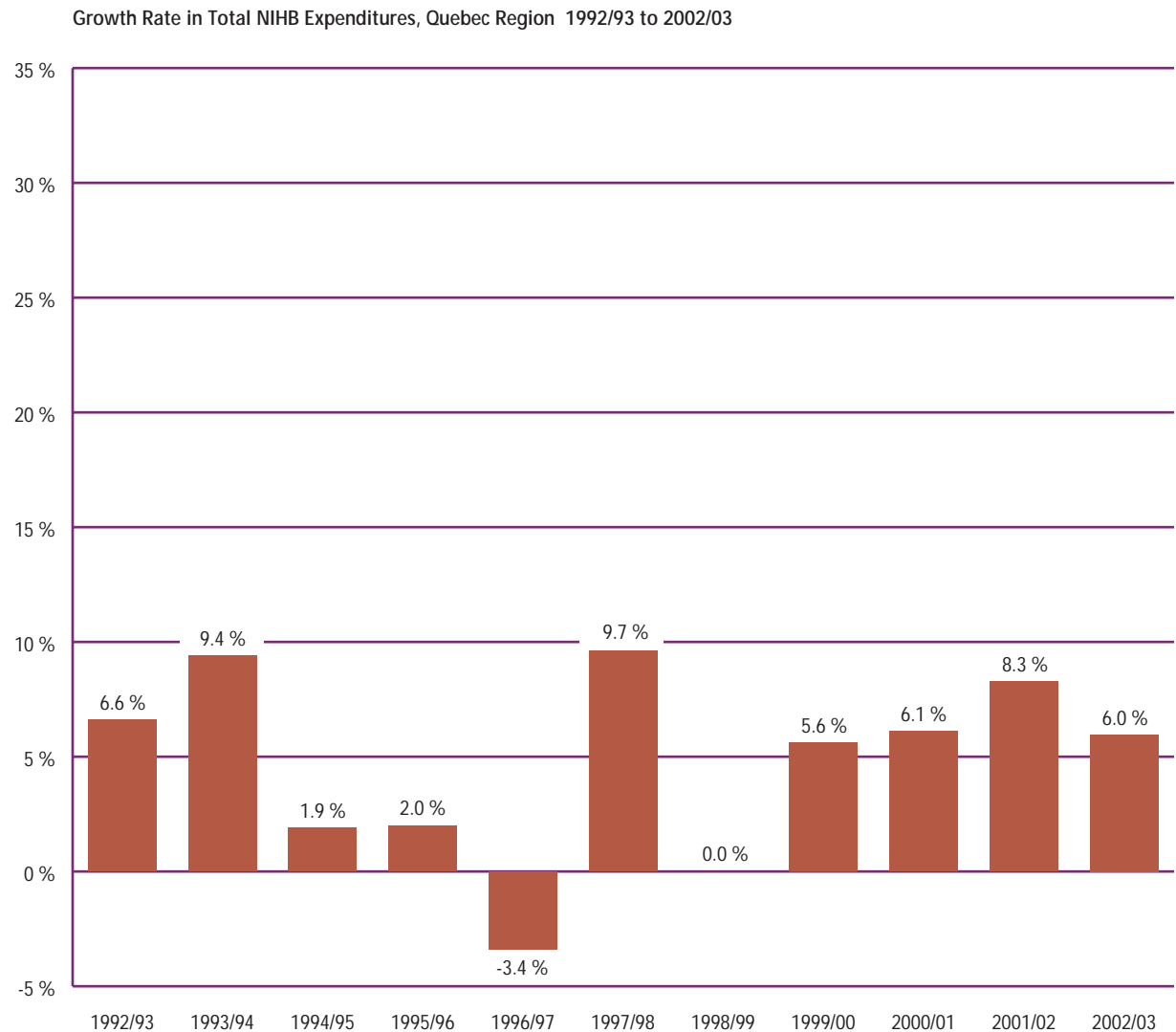
# NIHB Expenditure Trends

**Figure 4.6**  
**NIHB Annual Expenditures in Quebec Region**  
**by Benefit 1992/93 to 2002/03**

Total expenditures in the Quebec Region were \$54.0 million in 2002/03, an increase of 6.0% from the previous year.

In comparison with other benefits in the region, other health care costs had the largest increase from the previous year at 28.0%, followed by pharmacy expenditures at 12.6%, vision costs at 4.8%, and transportation costs at 1.7%.

Dental costs registered a small decline of 2.0% in 2002/03.



**Figure 4.6**  
**NIHB Annual Expenditures in Quebec Region**  
**by Benefit (\$000's) 1992/93 to 2002/03**

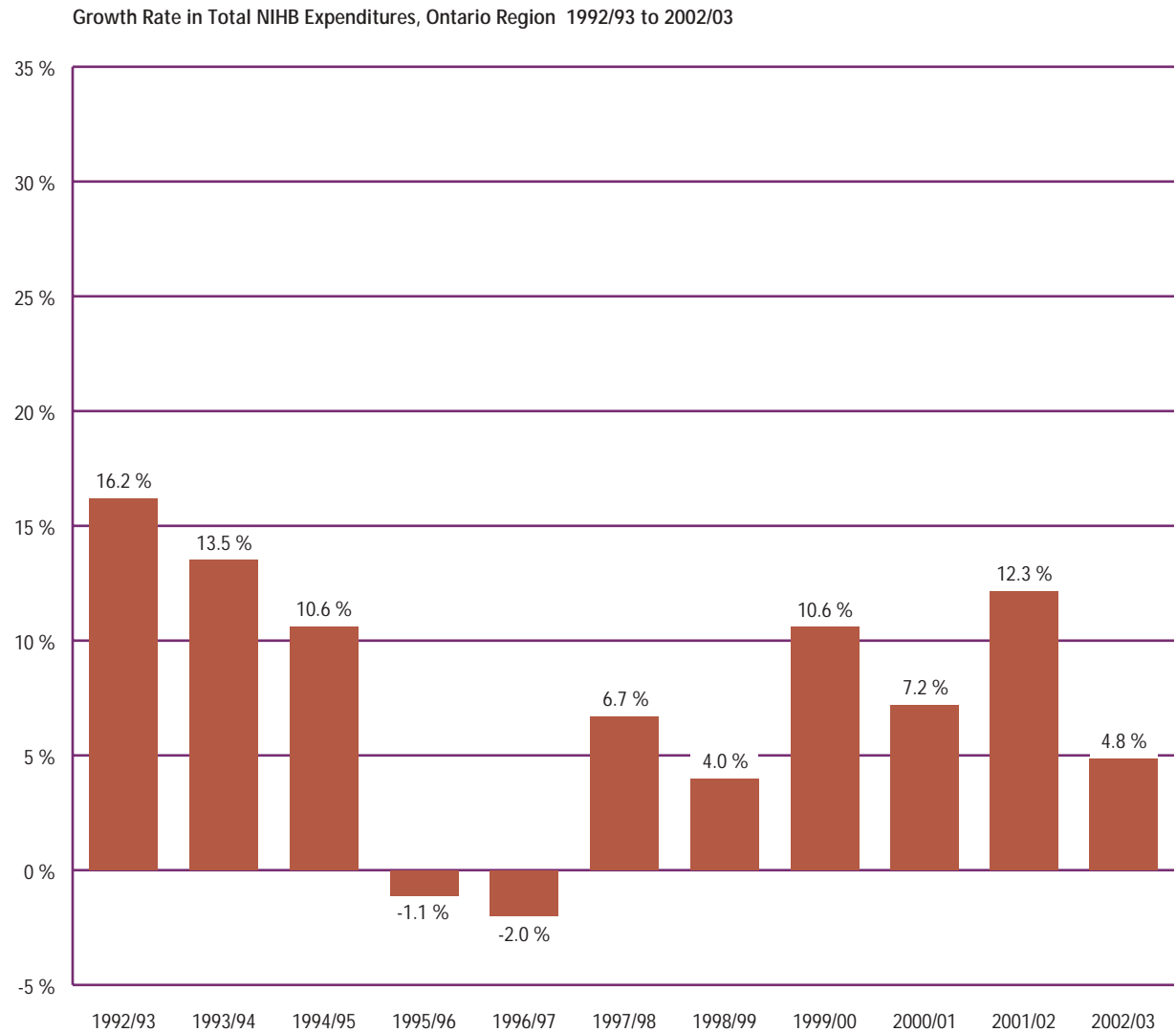
	Quebec Region										
BENEFIT	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 14,823	\$ 16,535	\$ 16,693	\$ 15,307	\$ 15,840	\$ 16,062	\$ 15,050	\$ 15,761	\$ 15,475	\$ 16,589	\$ 16,876
Pharmacy	9,447	10,086	10,483	11,961	11,312	15,017	16,611	17,388	19,680	22,209	25,005
Dental	8,300	9,446	9,928	10,237	8,906	9,494	8,831	9,015	9,574	10,505	10,292
Other Health Care	1,619	1,356	982	1,441	1,397	554	544	1,278	1,355	544	695
Vision Care	675	710	776	691	841	892	977	910	984	1,119	1,173
<b>Total</b>	<b>\$ 34,864</b>	<b>\$ 38,133</b>	<b>\$ 38,862</b>	<b>\$ 39,637</b>	<b>\$ 38,296</b>	<b>\$ 42,019</b>	<b>\$ 42,013</b>	<b>\$ 44,352</b>	<b>\$ 47,068</b>	<b>\$ 50,966</b>	<b>\$ 54,041</b>
Annual Percentage Change	6.6%	9.4%	1.9%	2.0%	-3.4%	9.7%	0.0%	5.6%	6.1%	8.3%	6.0%

# NIHB Expenditure Trends

**Figure 4.7**  
**NIHB Annual Expenditures in Ontario Region**  
**by Benefit 1992/93 to 2002/03**

Total expenditures in the Ontario Region were \$132.1 million in 2002/03, an increase of 4.8% from the previous year.

Other health care costs had the largest increase at 16.7% in 2002/03, followed by pharmacy costs at 13.2%, dental expenditures at 5.3% and vision care costs at 4.1%. Transportation costs declined by 6.9%.



**Figure 4.7**  
**NIHB Annual Expenditures in Ontario Region**  
**by Benefit (\$000's) 1992/93 to 2002/03**

	Ontario Region										
BENEFIT	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 17,987	\$ 20,853	\$ 23,533	\$ 23,823	\$ 24,349	\$ 25,134	\$ 28,276	\$ 32,713	\$ 35,072	\$ 40,264	\$ 37,493
Pharmacy	21,009	24,397	27,525	29,356	31,967	35,237	36,518	40,346	45,244	51,167	57,929
Dental	20,713	23,378	25,330	26,187	22,498	22,902	22,244	23,558	23,255	27,568	29,042
Other Health Care	7,344	7,806	7,670	3,738	2,738	3,620	3,790	3,431	3,899	2,183	2,548
Vision Care	3,162	3,237	4,047	4,023	3,816	4,168	3,842	4,672	4,792	4,886	5,085
<b>Total</b>	<b>\$ 70,215</b>	<b>\$ 79,671</b>	<b>\$ 88,105</b>	<b>\$ 87,127</b>	<b>\$ 85,368</b>	<b>\$ 91,061</b>	<b>\$ 94,670</b>	<b>\$ 104,720</b>	<b>\$ 112,262</b>	<b>\$ 126,068</b>	<b>\$ 132,097</b>
Annual Percentage Change	16.2%	13.5%	10.6%	-1.1%	-2.0%	6.7%	4.0%	10.6%	7.2%	12.3%	4.8%



# NIHB Expenditure Trends

**Figure 4.8**  
**NIHB Annual Expenditures in Manitoba Region**  
**by Benefit 1992/93 to 2002/03**

Total expenditures in the Manitoba Region were \$117.6 million in 2002/03, an increase of 9.3% from the previous year.

Pharmacy expenditures had the highest increase at 17.9% from the previous year, followed by other health care costs at 16.2%, transportation costs at 6.0%, and dental expenditures 1.7%. Vision care costs decreased by 7.7% during this period.



**Figure 4.8**  
**NIHB Annual Expenditures in Manitoba Region**  
**by Benefit (\$000's) 1992/93 to 2002/03**

	Manitoba Region										
BENEFIT	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 24,037	\$ 29,345	\$ 32,431	\$ 37,672	\$ 40,379	\$ 43,520	\$ 40,499	\$ 44,413	\$ 46,089	\$ 48,320	\$ 51,199
Pharmacy	13,472	19,889	20,142	21,286	21,647	24,805	25,395	31,132	35,533	36,078	42,525
Dental	10,927	10,467	13,054	14,734	11,171	11,575	11,836	10,189	11,832	16,319	16,600
Other Health Care	6,940	4,721	5,431	6,099	6,330	7,164	6,624	4,399	3,218	4,023	4,675
Vision Care	2,337	1,551	1,305	2,114	1,788	2,128	2,034	1,899	1,748	2,860	2,639
<b>Total</b>	<b>\$ 57,713</b>	<b>\$ 65,973</b>	<b>\$ 72,363</b>	<b>\$ 81,905</b>	<b>\$ 81,315</b>	<b>\$ 89,192</b>	<b>\$ 86,388</b>	<b>\$ 92,032</b>	<b>\$ 98,420</b>	<b>\$ 107,600</b>	<b>\$ 117,638</b>
Annual Percentage Change	7.9%	14.3%	9.7%	13.2%	-0.7%	9.7%	-3.1%	6.5%	6.9%	9.3%	9.3%

# NIHB Expenditure Trends

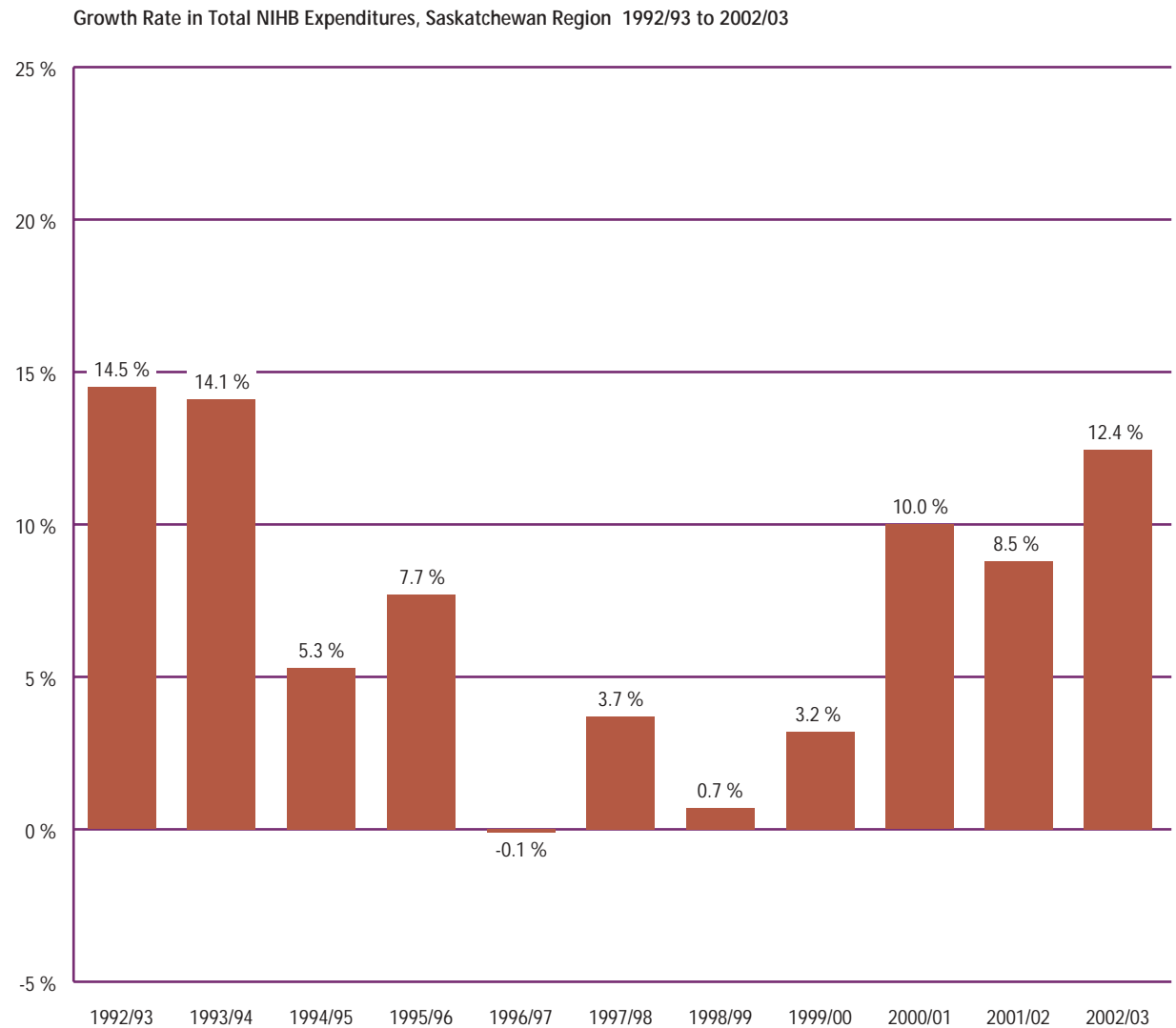
**Figure 4.9**  
**NIHB Annual Expenditures in Saskatchewan Region**  
**by Benefit 1992/93 to 2002/03**

Total expenditures in the Saskatchewan Region were \$93.9 million in 2002/03, an increase of 12.4% from the previous year.

Pharmacy expenditures increased by 16.1% followed by dental costs at 12.4%.

Expenditures in transportation and vision care rose by 8.3% and 7.9% respectively.

Other health care costs increased slightly by 0.3% in 2002/03.



**Figure 4.9**  
**NIHB Annual Expenditures in Saskatchewan Region**  
**by Benefit (\$000's) 1992/93 to 2002/03**

	Saskatchewan Region										
BENEFIT	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 16,246	\$ 18,007	\$ 19,079	\$ 20,649	\$ 19,952	\$ 21,648	\$ 21,814	\$ 22,038	\$ 24,438	\$ 23,862	\$ 25,853
Pharmacy	16,110	20,762	22,919	23,563	26,053	26,645	28,450	30,983	34,926	38,240	44,394
Dental	11,164	12,389	12,196	13,701	11,813	11,703	11,980	12,307	12,731	15,708	17,649
Other Health Care	5,000	4,739	4,382	5,367	4,729	4,808	2,894	1,948	2,032	2,663	2,671
Vision Care	1,782	1,489	1,859	1,783	2,434	2,578	2,702	2,755	2,890	3,113	3,360
<b>Total</b>	<b>\$ 50,302</b>	<b>\$ 57,386</b>	<b>\$ 60,435</b>	<b>\$ 65,063</b>	<b>\$ 64,981</b>	<b>\$ 67,382</b>	<b>\$ 67,840</b>	<b>\$ 70,031</b>	<b>\$ 77,017</b>	<b>\$ 83,586</b>	<b>\$ 93,927</b>
Annual Percentage Change	14.5%	14.1%	5.3%	7.7%	-0.1%	3.7%	0.7%	3.2%	10.0%	8.5%	12.4%

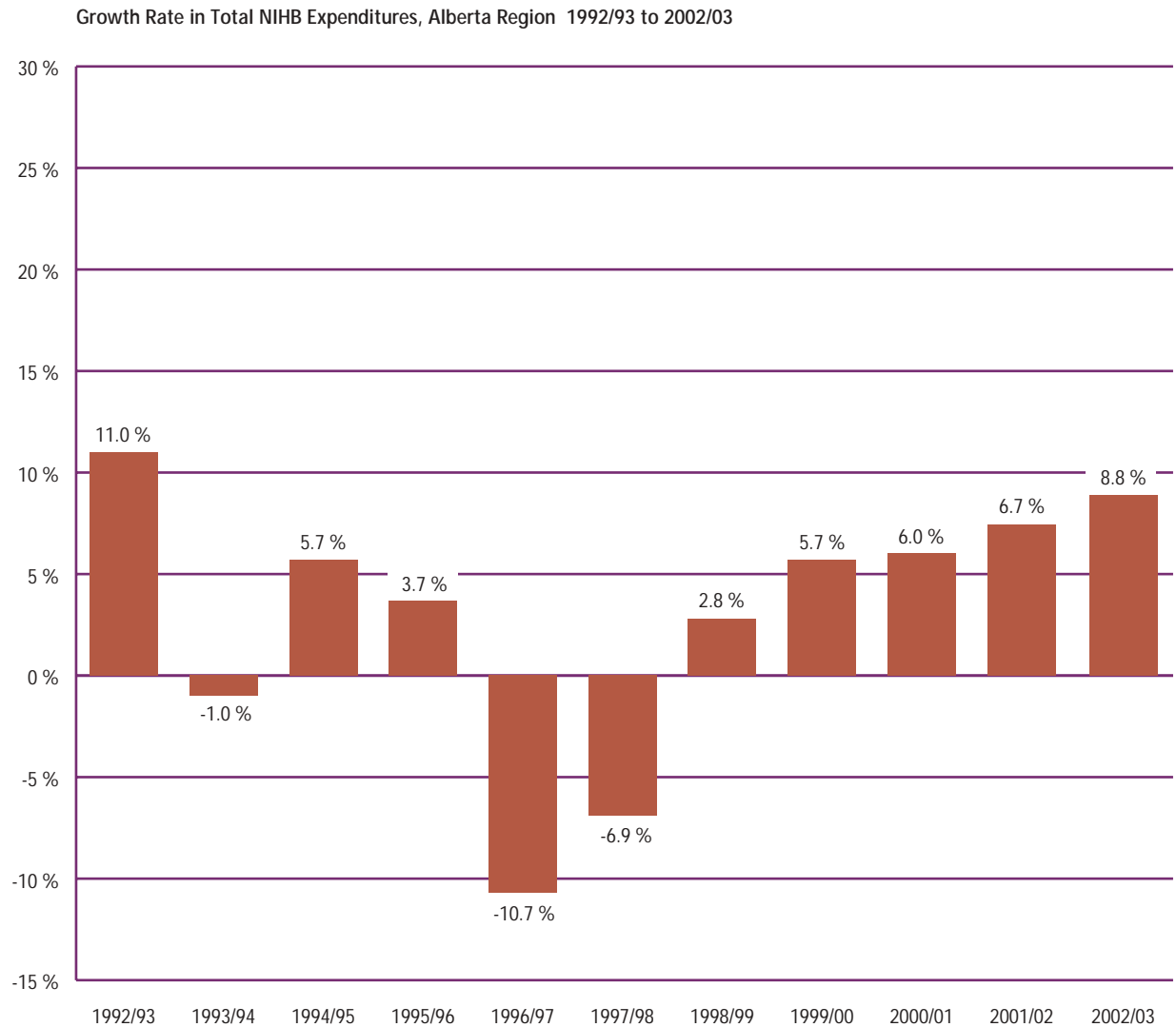
# NIHB Expenditure Trends

**Figure 4.10**  
**NIHB Annual Expenditures in Alberta Region**  
**by Benefit 1992/93 to 2002/03**

Total expenditures in the Alberta Region were \$108.7 million in 2002/03, an increase of 8.8% from the previous year.

Premium costs had the highest increase at 32.3% followed by other health care costs at 14.4%, pharmacy costs at 13.1%, and dental costs at 10.2%.

Vision care and transportation costs registered declines of 3.6% and 3.2% respectively.



**Figure 4.10**  
**NIHB Annual Expenditures in Alberta Region**  
**by Benefit (\$000's) 1992/93 to 2002/03**

	Alberta Region										
BENEFIT	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 17,262	\$ 18,752	\$ 20,783	\$ 21,700	\$ 24,952	\$ 25,659	\$ 27,723	\$ 27,774	\$ 28,116	\$ 29,796	\$ 28,856
Pharmacy	25,807	23,525	24,563	26,195	26,541	25,741	26,373	28,843	33,365	36,781	41,590
Dental	14,173	16,274	17,697	19,265	16,215	15,540	14,319	16,455	15,527	16,680	18,375
Other Health Care	14,054	9,857	8,295	5,984	3,853	3,135	3,666	2,944	4,285	3,371	3,856
Premiums	16,339	18,119	20,105	21,297	12,638	7,579	8,004	8,480	8,689	8,914	11,790
Vision Care	2,565	2,758	2,966	3,439	3,233	3,707	3,570	3,894	3,696	4,397	4,239
<b>Total</b>	<b>\$ 90,200</b>	<b>\$ 89,285</b>	<b>\$ 94,409</b>	<b>\$ 97,880</b>	<b>\$ 87,432</b>	<b>\$ 81,361</b>	<b>\$ 83,655</b>	<b>\$ 88,390</b>	<b>\$ 93,678</b>	<b>\$ 99,939</b>	<b>\$ 108,706</b>
<b>Annual Percentage Change</b>	<b>11.0%</b>	<b>-1.0%</b>	<b>5.7%</b>	<b>3.7%</b>	<b>-10.7%</b>	<b>-6.9%</b>	<b>2.8%</b>	<b>5.7%</b>	<b>6.0%</b>	<b>6.7%</b>	<b>8.8%</b>



# NIHB Expenditure Trends

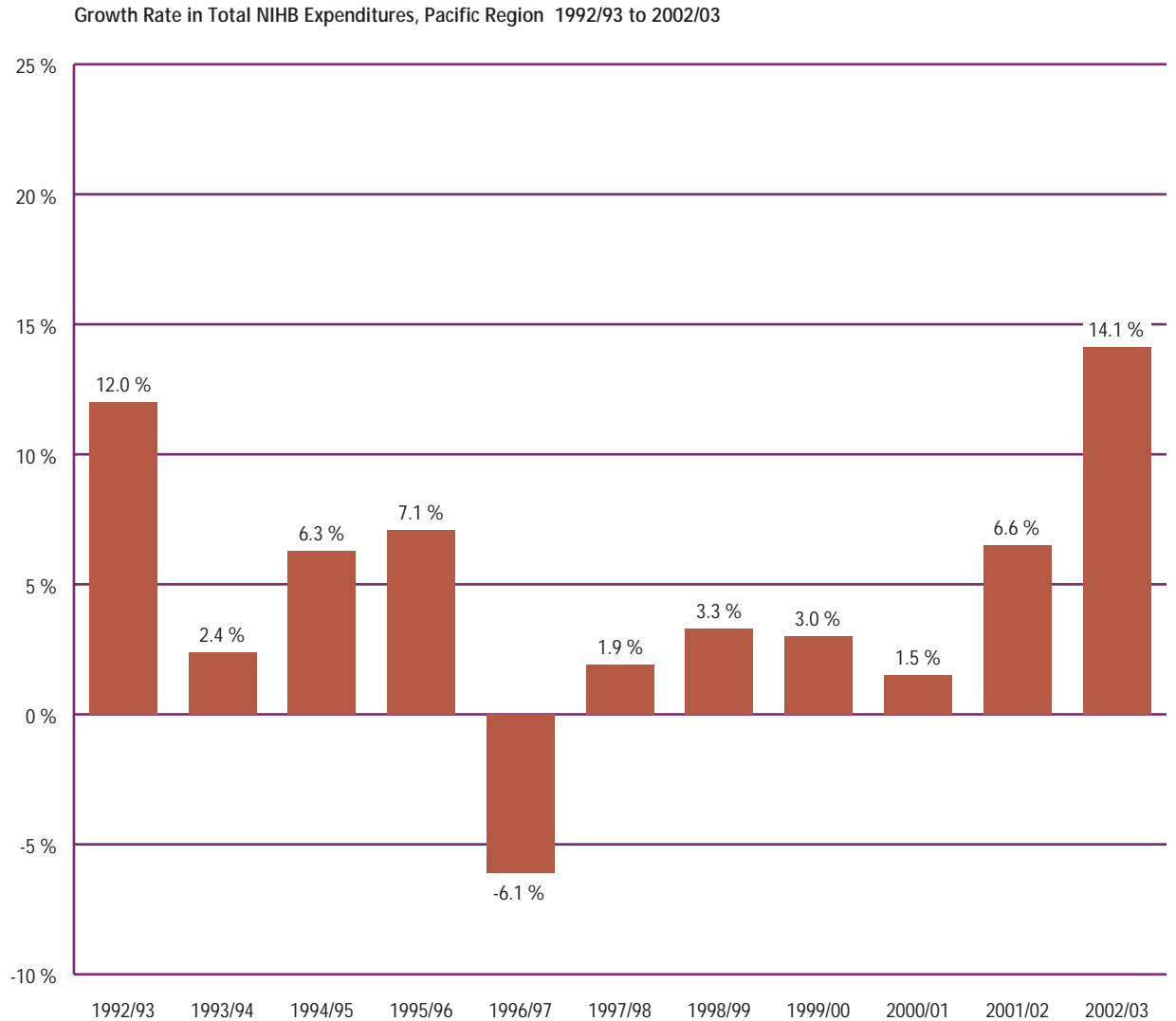
**Figure 4.11**  
**NIHB Annual Expenditures in Pacific Region by Benefit**  
**1992/93 to 2002/03**

Total expenditures in the Pacific Region were \$90.5 million in 2002/03, an increase of 14.1% from the previous year.

Premium costs showed the largest increase at 25.1%, followed by transportation costs at 16.9%.

Pharmacy costs, other health care costs and dental costs have increased by 15.9%, 6.5% and 5.5% respectively.

Vision care costs declined slightly by 0.8%.



**Figure 4.11**  
**NIHB Annual Expenditures in Pacific Region by Benefit**  
**(\$000's) 1992/93 to 2002/03**

BENEFIT	Pacific Region										
	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 8,767	\$ 9,921	\$ 10,655	\$ 12,520	\$ 11,930	\$ 13,046	\$ 12,284	\$ 12,954	\$ 12,718	\$ 14,039	\$ 16,410
Pharmacy	19,246	18,615	21,774	23,752	24,480	25,714	25,986	28,748	30,185	33,592	38,923
Dental	17,938	19,683	19,634	20,855	16,899	15,881	18,703	17,490	18,078	18,230	19,224
Other Health Care	3,946	4,512	4,218	3,627	2,387	2,134	2,048	1,903	1,831	1,165	1,240
Premiums	7,989	8,143	8,456	8,797	9,487	9,552	9,472	9,551	9,091	9,682	12,112
Vision Care	3,824	2,342	2,474	2,463	2,420	2,566	2,647	2,656	2,518	2,622	2,601
<b>Total</b>	<b>\$ 61,710</b>	<b>\$ 63,216</b>	<b>\$ 67,211</b>	<b>\$ 72,014</b>	<b>\$ 67,603</b>	<b>\$ 68,893</b>	<b>\$ 71,140</b>	<b>\$ 73,302</b>	<b>\$ 74,421</b>	<b>\$ 79,330</b>	<b>\$ 90,510</b>
<b>Annual Percentage Change</b>	<b>12.0%</b>	<b>2.4%</b>	<b>6.3%</b>	<b>7.1%</b>	<b>-6.1%</b>	<b>1.9%</b>	<b>3.3%</b>	<b>3.0%</b>	<b>1.5%</b>	<b>6.6%</b>	<b>14.1%</b>

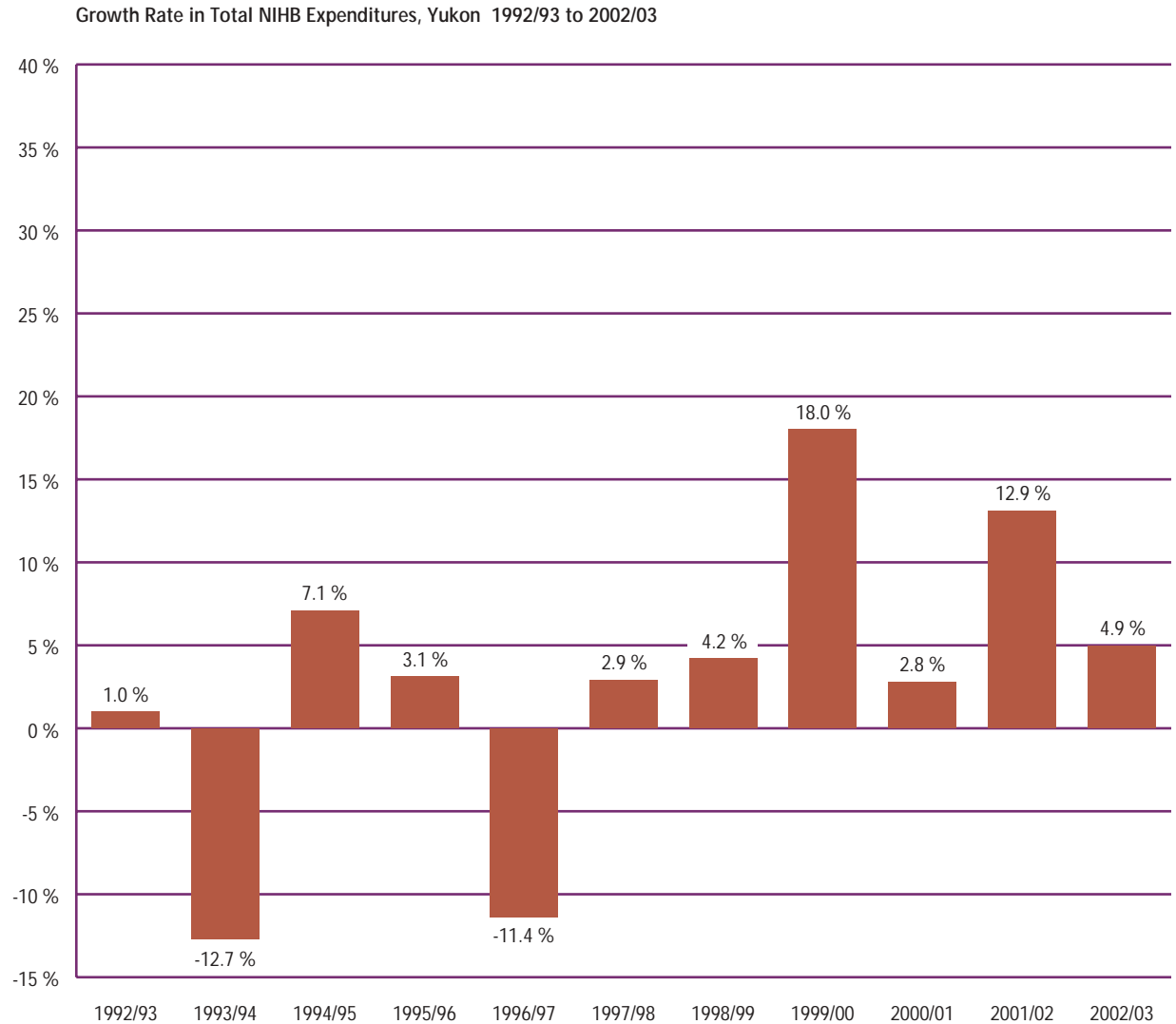
# NIHB Expenditure Trends

**Figure 4.12**  
**NIHB Annual Expenditures in Yukon by Benefit**  
**1992/93 to 2002/03**

Total expenditures in the Yukon were \$6.5 million in 2002/03, an increase of 4.9% from the previous year.

Pharmacy expenditures increased by 15.1% from \$2.6 million to \$3.0 million. Vision care costs increased by 9.5%.

Other health care costs, dental expenditures and transportation declined by 19.1%, 3.7%, and 3.1% respectively.



**Figure 4.12**  
**NIHB Annual Expenditures in Yukon by Benefit**  
**(\$000's) 1992/93 to 2002/03**

BENEFIT	Yukon										
	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 1,111	\$ 1,175	\$ 1,275	\$ 1,308	\$ 1,452	\$ 1,513	\$ 1,490	\$ 1,865	\$ 1,852	\$ 2,020	\$ 1,957
Pharmacy	1,413	1,375	1,519	1,582	1,409	1,560	1,577	1,953	2,393	2,649	3,048
Dental	1,262	1,435	1,459	1,562	1,122	1,024	1,122	1,184	994	1,284	1,236
Other Health Care	986	219	177	90	32	22	123	82	16	13	11
Vision Care	143	87	166	195	183	201	191	229	208	199	218
<b>Total</b>	<b>\$ 4,915</b>	<b>\$ 4,291</b>	<b>\$ 4,596</b>	<b>\$ 4,737</b>	<b>\$ 4,198</b>	<b>\$ 4,320</b>	<b>\$ 4,503</b>	<b>\$ 5,313</b>	<b>\$ 5,463</b>	<b>\$ 6,165</b>	<b>\$ 6,470</b>
<b>Annual Percentage Change</b>	<b>1.0%</b>	<b>-12.7%</b>	<b>7.1%</b>	<b>3.1%</b>	<b>-11.4%</b>	<b>2.9%</b>	<b>4.2%</b>	<b>18.0%</b>	<b>2.8%</b>	<b>12.9%</b>	<b>4.9%</b>

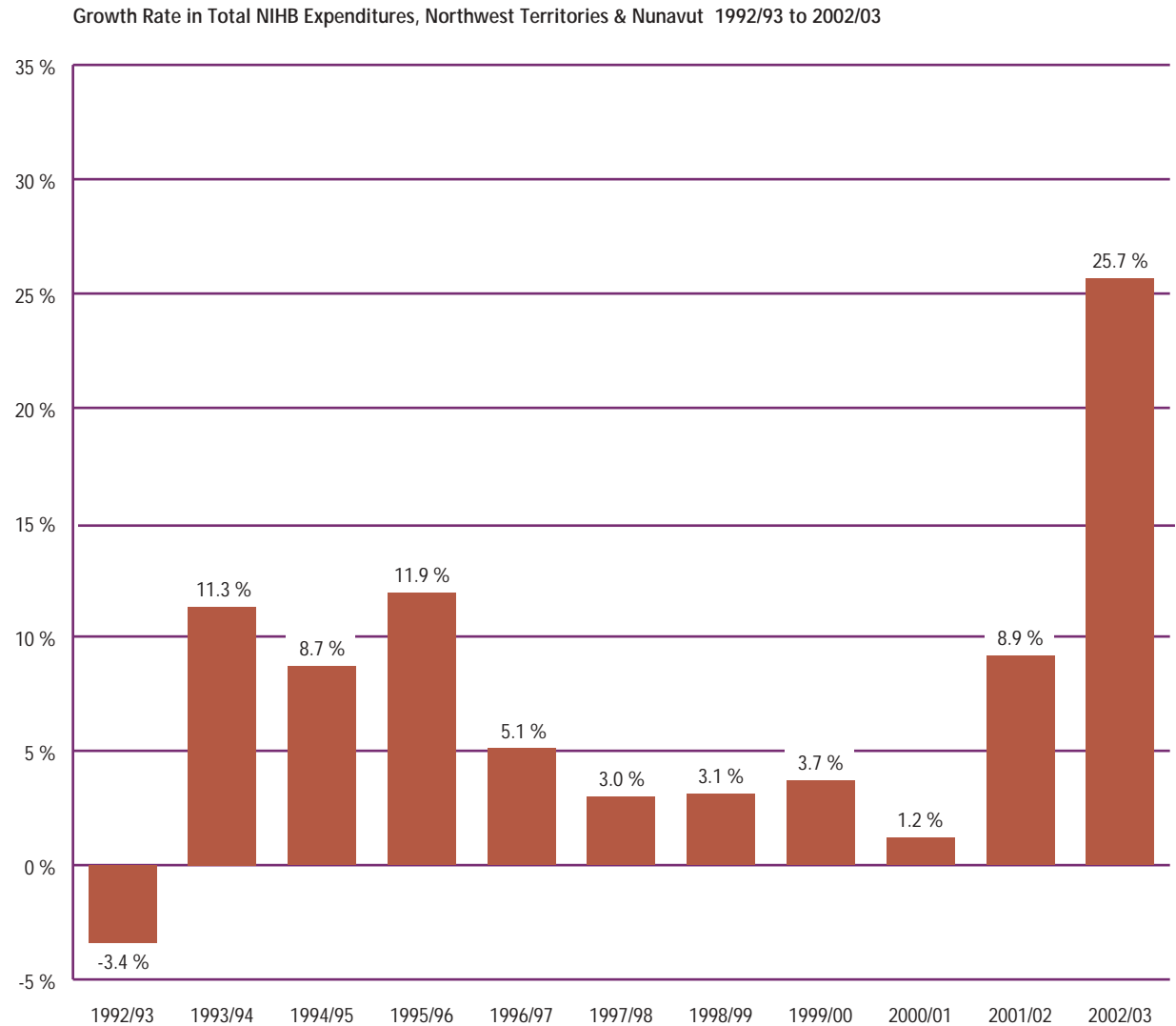
# NIHB Expenditure Trends

**Figure 4.13**  
**NIHB Annual Expenditures in the Northwest Territories & Nunavut by Benefit 1992/93 to 2002/03**

Total expenditures in the N.W.T./Nunavut were \$41.0 million in 2002/03, an increase of 25.7% from the previous year.

Transportation and pharmacy costs had the highest increases at 30.2% and 21.2% respectively.

Dental costs increased by 15.1%, and vision care costs decreased by 3.6%.



**Figure 4.13**  
**NIHB Annual Expenditures in the Northwest**  
**Territories & Nunavut by Benefit (\$000's)**  
**1992/93 to 2002/03**

	Northwest Territories & Nunavut										
BENEFIT	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Transportation	\$ 8,835	\$ 9,246	\$ 9,087	\$ 10,895	\$ 12,200	\$ 12,688	\$ 12,697	\$ 13,136	\$ 12,993	\$ 14,594	\$ 18,995
Pharmacy	3,157	5,086	4,085	4,622	5,501	5,872	6,381	6,697	7,605	8,382	10,157
Dental	5,514	5,125	7,993	8,259	7,954	8,028	8,330	8,393	8,013	8,228	9,468
Other Health Care	450	577	585	580	158	170	0	0	0	0	1,000
Vision Care	927	982	1,088	1,191	1,041	893	1,100	1,349	1,329	1,391	1,340
<b>Total</b>	<b>\$ 18,883</b>	<b>\$ 21,016</b>	<b>\$ 22,838</b>	<b>\$ 25,547</b>	<b>\$ 26,854</b>	<b>\$ 27,651</b>	<b>\$ 28,508</b>	<b>\$ 29,575</b>	<b>\$ 29,940</b>	<b>\$ 32,595</b>	<b>\$ 40,960</b>
<b>Annual Percentage Change</b>	<b>-3.4%</b>	<b>11.3%</b>	<b>8.7%</b>	<b>11.9%</b>	<b>5.1%</b>	<b>3.0%</b>	<b>3.1%</b>	<b>3.7%</b>	<b>1.2%</b>	<b>8.9%</b>	<b>25.7%</b>





# 5 Expenditure Analysis By Benefit Category

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002/2003 ANNUAL REPORT

Information in Section 5 provides a breakdown of expenditures by benefit category and region in 2002/03. Comparisons are made to expenditures in 2001/02.

Overall expenditures increased in 2002/03 by 9.6% from the previous year.

Pharmacy expenditures increased from \$252.8 million in 2001/02 to \$290.1 million in 2002/03, an increase of 14.7%. The highest increase in pharmacy expenditures was in N.W.T./Nunavut at 21.2%, followed by the Manitoba Region at 17.9%. The Saskatchewan, Pacific, Yukon, Ontario, Alberta, Atlantic and Quebec regions also registered increases in pharmacy expenditures at a rate of 16.1%, 15.9%, 15.1%, 13.2%, 13.1%, 13.1% and 12.6% respectively.

Expenditures for medical transportation were \$204.0 million registering an increase of 4.2% in 2002/03. The N.W.T./Nunavut had the highest growth rate at 30.2% followed by the Pacific at 16.9%, Saskatchewan at 8.3% and Manitoba at 6.0%. The Quebec and Atlantic regions reported increases of 1.7% and 1.3% respectively. The Ontario, Alberta and Yukon registered decreases at 6.9%, 3.2% and 3.1% respectively.

Dental expenditures increased by 5.3% to \$131.0 million in 2002/03. The N.W.T./Nunavut had the largest increase at 15.1% followed by the Saskatchewan Region at 12.4%. All other regions had increases except in the Atlantic Region (-9.7%), Yukon (-3.7%) and Quebec (-2.0%).

Total expenditures on vision care increased by 1.1% in 2002/03. The Atlantic Region had the largest increase at 11.9% followed by the Yukon at 9.5%, Saskatchewan Region at 7.9%, Quebec at 4.8%, and Ontario at 4.1%. The Manitoba, Alberta, N.W.T./Nunavut and Pacific all recorded decreases of 7.7%, 3.6%, 3.6% and 0.8% respectively.

Other health care expenditures increased by 19.5% in 2002/03. The costs in this benefit area increased by 28.0% in the Quebec Region, followed by 16.7% in the Ontario Region and 16.2% in the Manitoba Region. Increases in other health care expenditures were also recorded in the Alberta (14.4%), Atlantic (14.0%), Pacific (6.5%) and Saskatchewan (0.3%) regions. The Yukon registered a decrease of 19.1%.

Premium expenditures rose by 28.5% in 2002/03.

# Expenditure Analysis By Benefit Category

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

**Figure 5.1**  
**NIHB Expenditures by Benefit (\$ 000)**  
**2001/02 and 2002/03**

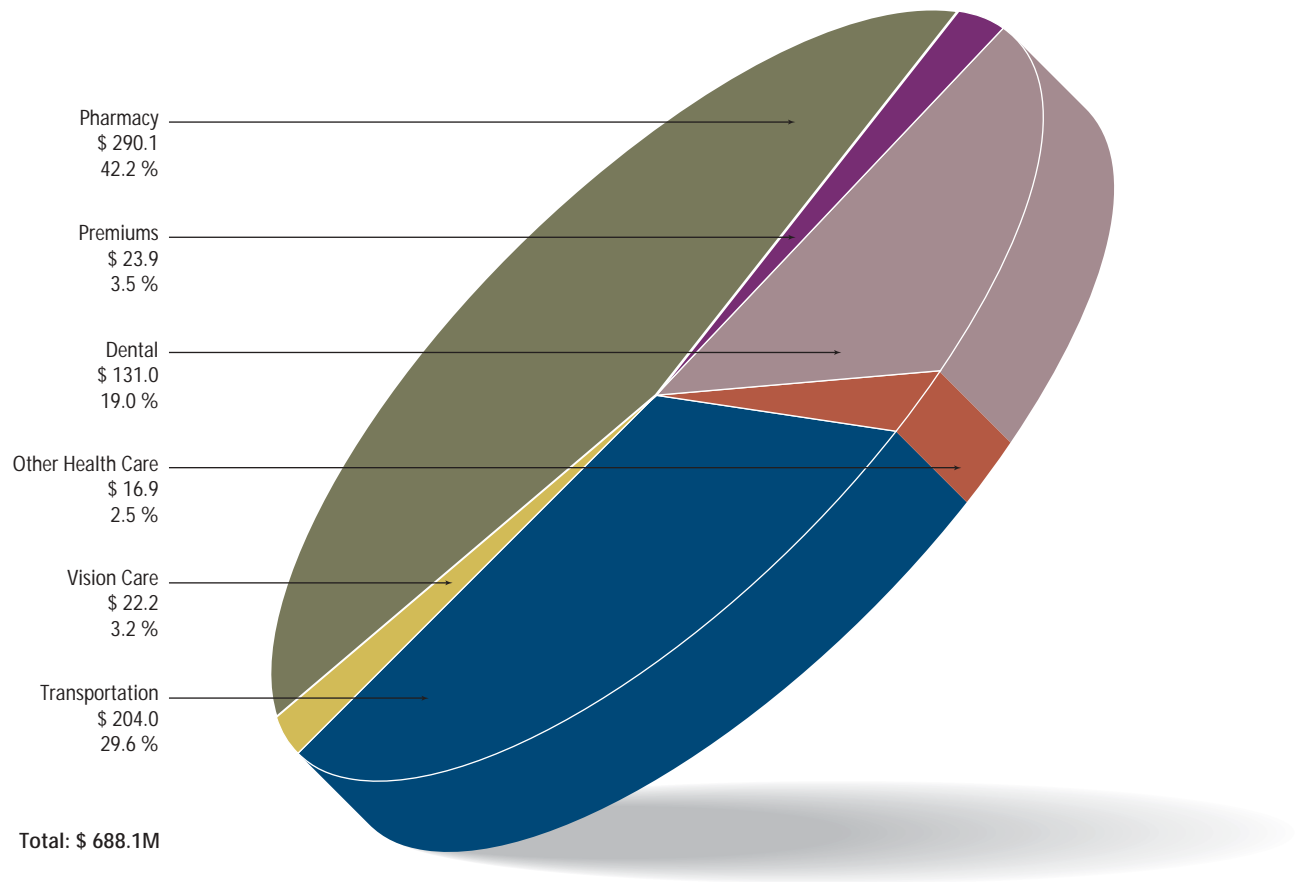
All benefit areas registered an increase in expenditures in 2002/03 over 2001/02.

Premium costs increased by 28.5%, other health care costs were up 19.5%, pharmacy costs grew by 14.7%, dental costs, transportation and vision care costs rose by 5.3%, 4.2%, and 1.1% respectively.

BENEFIT	Total Expenditures 2001/02	Total Expenditures 2002/03	% Change From 2001/02
Transportation	\$ 195,719	\$ 203,952	4.2%
Pharmacy	252,846	290,112	14.7%
Dental	124,468	131,021	5.3%
Other Health Care	14,135	16,894	19.5%
Premiums	18,596	23,902	28.5%
Vision Care	22,020	22,259	1.1%
<b>Total Expenditures</b>	<b>\$ 627,784</b>	<b>\$ 688,140</b>	<b>9.6%</b>

**Figure 5.2**  
**NIHB Expenditures by Benefit (\$ Million)**  
**2002/03**

Of the total Non-Insured Health Benefits (NIHB) expenditures in 2002/03 (\$688.1 million), pharmacy costs (\$290.1 million) represent the largest proportion at 42.2%, followed by transportation costs (\$204.0 million) at 29.6% and dental costs (\$131.0 million) at 19.0%.



# Expenditure Analysis By Benefit Category

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

**Figure 5.3**  
**NIHB Expenditures by Benefit and Region**  
**2002/03**

The Ontario Region accounts for the highest proportion of total expenditures at \$132.1 million, 19.2% of the national total, followed by the Manitoba Region at \$117.6 million (17.1%) and the Alberta Region at \$108.7 million (15.8%).

By contrast, the lowest expenditures are in the Yukon at \$6.5 million (0.9%) of the national total, followed by the Atlantic Region at \$27.1 million (3.9%).

Headquarters expenditures represent costs related to automated claims payments.

REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	\$ 6,313,600	\$ 14,322,100	\$ 4,690,900	\$ 197,600	\$ —	\$ 1,603,700	\$ 27,127,900
Quebec	16,876,600	25,005,000	10,292,300	695,300	—	1,172,500	54,041,700
Ontario	37,492,500	57,929,300	29,042,100	2,548,300	—	5,084,800	132,097,000
Manitoba	51,198,900	42,524,700	16,599,700	4,674,700	—	2,639,500	117,637,500
Saskatchewan	25,853,300	44,394,100	17,648,700	2,671,400	—	3,359,900	93,927,400
Alberta	28,856,100	41,589,900	18,375,400	3,855,500	11,789,600	4,239,000	108,705,500
Pacific	16,409,700	38,922,400	19,224,300	1,240,200	12,112,600	2,600,500	90,509,700
Yukon	1,956,900	3,048,100	1,235,900	10,600	—	218,300	6,469,800
N.W.T. & Nunavut	18,994,700	10,157,200	9,467,800	1,000,000	—	1,340,800	40,960,500
Headquarters	—	12,218,900	4,443,800	—	—	—	16,662,700
<b>Total</b>	<b>\$203,952,300</b>	<b>\$290,111,700</b>	<b>\$131,020,900</b>	<b>\$ 16,893,600</b>	<b>\$ 23,902,200</b>	<b>\$ 22,259,000</b>	<b>\$688,139,700</b>

**Figure 5.4**  
**Proportion of NIHB Regional Expenditures by Benefit**  
**2002/03**

Just over one-quarter (25.1%) of the total transportation expenditures were spent in the Manitoba Region.

The Ontario Region accounts for 20.0% of total pharmacy expenditures and 22.2% of total dental costs in 2002/03.

The Manitoba Region (27.7%) and the Alberta Region (22.8%) account for over one-half of the total other health care expenditures in 2002/03.

Premium costs are paid only in the Pacific Region (50.7%) and the Alberta Region (49.3%).

The proportion of vision care costs ranges from a high of 22.8% in the Ontario Region to 1.0% in the Yukon.

REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	3.1%	4.9%	3.6%	1.2%	0.0%	7.2%	3.9%
Quebec	8.3%	8.6%	7.8%	4.1%	0.0%	5.3%	7.9%
Ontario	18.4%	20.0%	22.2%	15.1%	0.0%	22.8%	19.2%
Manitoba	25.1%	14.7%	12.7%	27.7%	0.0%	11.9%	17.1%
Saskatchewan	12.7%	15.3%	13.5%	15.8%	0.0%	15.1%	13.6%
Alberta	14.1%	14.3%	14.0%	22.8%	49.3%	19.0%	15.8%
Pacific	8.0%	13.4%	14.7%	7.3%	50.7%	11.7%	13.2%
Yukon	1.0%	1.1%	0.9%	0.1%	0.0%	1.0%	0.9%
N.W.T. & Nunavut	9.3%	3.5%	7.2%	5.9%	0.0%	6.0%	6.0%
Headquarters	0.0%	4.2%	3.4%	0.0%	0.0%	0.0%	2.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

# Expenditure Analysis By Benefit Category

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**Figure 5.5**  
**Proportion of NIHB Benefit Expenditures by Region**  
**2002/03**

Over two-thirds of total expenditures occur in two benefit areas: pharmacy (42.2%) and medical transportation (29.6%). Dental expenditures account for almost one-fifth (19.0%) of total costs in 2002/03.

The N.W.T./Nunavut used 46.4% of its expenditures for medical transportation compared to 18.1% in the Pacific Region. The Atlantic Region used 52.8% of its expenditures for pharmacy compared to 24.8% in the N.W.T./Nunavut. The N.W.T./Nunavut used 23.1% of its expenditures for dental care compared to 14.1% in the Manitoba Region.

Pharmacy costs represented the highest percentage of total expenditures in all regions except N.W.T./Nunavut and Manitoba Region where medical transportation had the largest proportion.

REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	23.3%	52.8%	17.3%	0.7%	0.0%	5.9%	100.0%
Quebec	31.2%	46.3%	19.0%	1.3%	0.0%	2.2%	100.0%
Ontario	28.4%	43.9%	22.0%	1.9%	0.0%	3.8%	100.0%
Manitoba	43.5%	36.2%	14.1%	4.0%	0.0%	2.2%	100.0%
Saskatchewan	27.5%	47.3%	18.8%	2.8%	0.0%	3.6%	100.0%
Alberta	26.5%	38.3%	16.9%	3.5%	10.9%	3.9%	100.0%
Pacific	18.1%	43.0%	21.2%	1.4%	13.4%	2.9%	100.0%
Yukon	30.2%	47.1%	19.1%	0.2%	0.0%	3.4%	100.0%
N.W.T. & Nunavut	46.4%	24.8%	23.1%	2.4%	0.0%	3.3%	100.0%
Headquarters	0.0%	73.3%	26.7%	0.0%	0.0%	0.0%	100.0%
<b>Total</b>	<b>29.6%</b>	<b>42.2%</b>	<b>19.0%</b>	<b>2.5%</b>	<b>3.5%</b>	<b>3.2%</b>	<b>100.0%</b>







# Per Capita Expenditures By Benefit Category

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This section presents benefit costs by region on a per capita basis for 2002/03. The calculations are based on expenditures per region as reported in the Framework for Integrated Resource Management System (FIRMS). FIRMS attributes costs to the region of the home community of First Nations and Inuit clients whenever possible. These figures are then divided by the total eligible population per region as determined by the Status Verification System (SVS). SVS reflects the population of the region on the basis of the client's band affiliation regardless of where that client may currently be living.

Expenditures within each region include some costs for clients from other regions, however, this amount is less than 2% of total Non-Insured Health Benefits (NIHB) expenditures and would not materially affect per capita expenditures. Per capita data depict variations from region to region in most benefit categories. The following factors contribute to these variations:

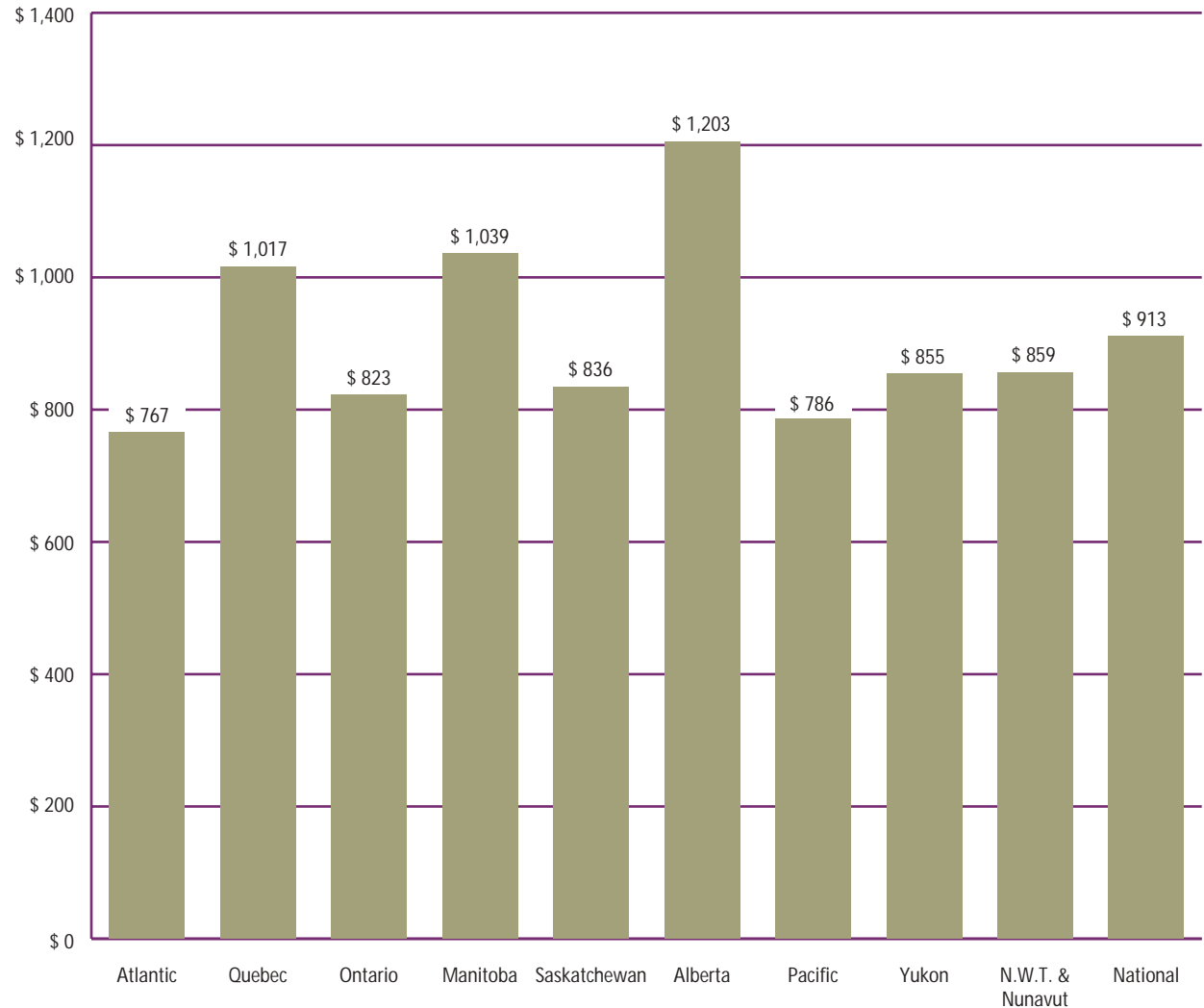
- differences in geography (e.g. community isolation leading to higher utilization of some benefits such as medical transportation);
- variations in professional fees from province to province (e.g. dispensing fees and dental fee schedules);
- differing provincial programs;
- varying prescriber/provider practices;
- regional differences in treatment approaches (e.g. the diversity of utilization of fee-for-service mental health counselling); and
- annual fluctuations in payment processes and utilization which affect patterns for vision care and other health care services.

# Per Capita Expenditures By Benefit Category

**Figure 6.1**  
**NIHB Per Capita Expenditures by Region**  
**2002/03**

The national per capita expenditure for all benefits in 2002/03 totals \$913. This is an increase from the 2001/02 national per capita expenditure of \$849.

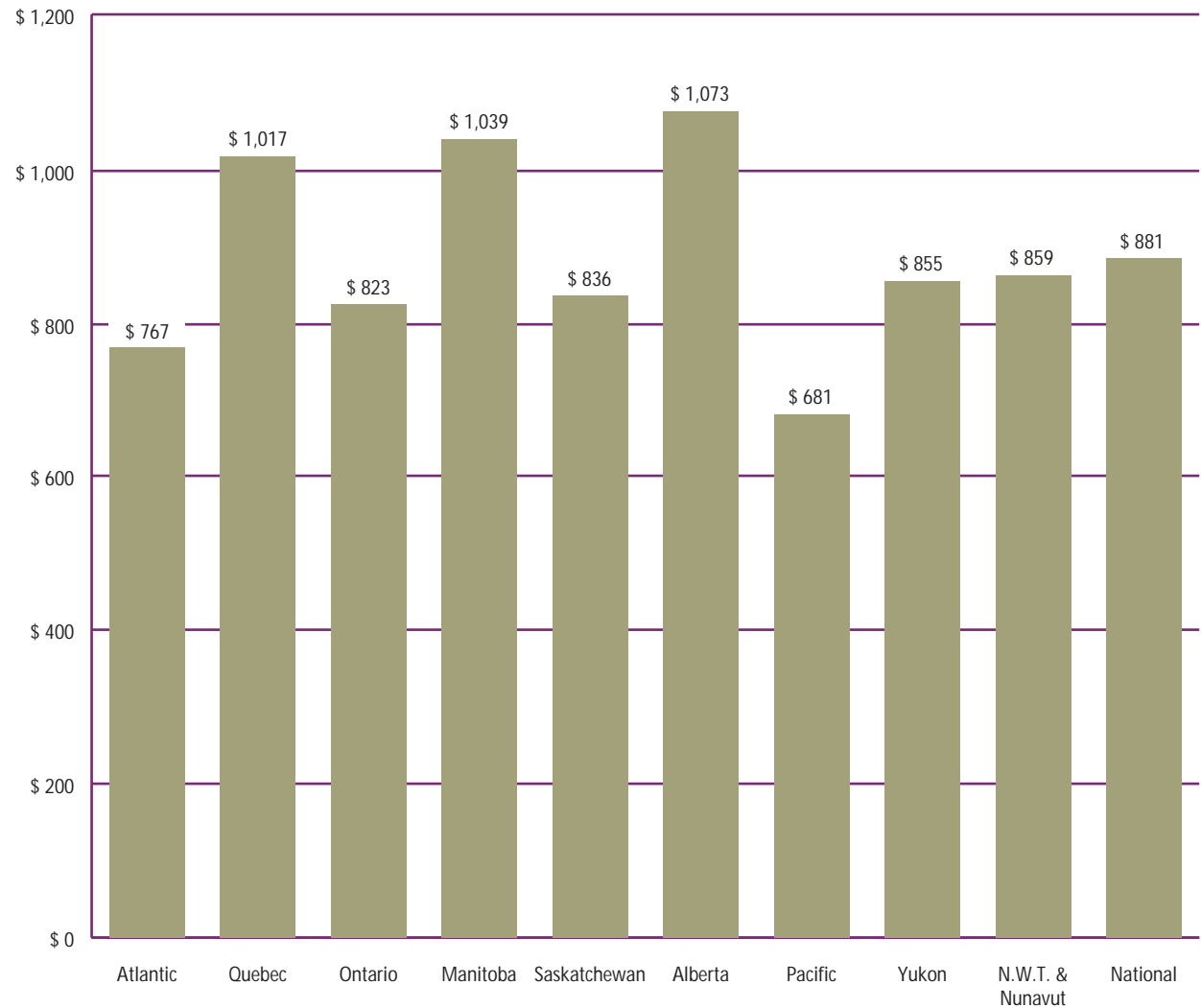
The Alberta Region has the highest per capita expenditure at \$1,203 in 2002/03. The Manitoba Region ranks second in per capita expenditure at \$1,039 followed by the Quebec Region at \$1,017.



**Figure 6.2**  
**NIHB Per Capita Expenditures (Excluding Premiums)**  
**by Region 2002/03**

Excluding premiums, the national per capita expenditure in 2002/03 is \$881, an increase from the previous year's figure of \$823.

The Alberta Region shows the highest per capita expenditure, excluding premiums, at \$1,073 followed by the Manitoba Region at \$1,039 and the Quebec Region at \$1,017.

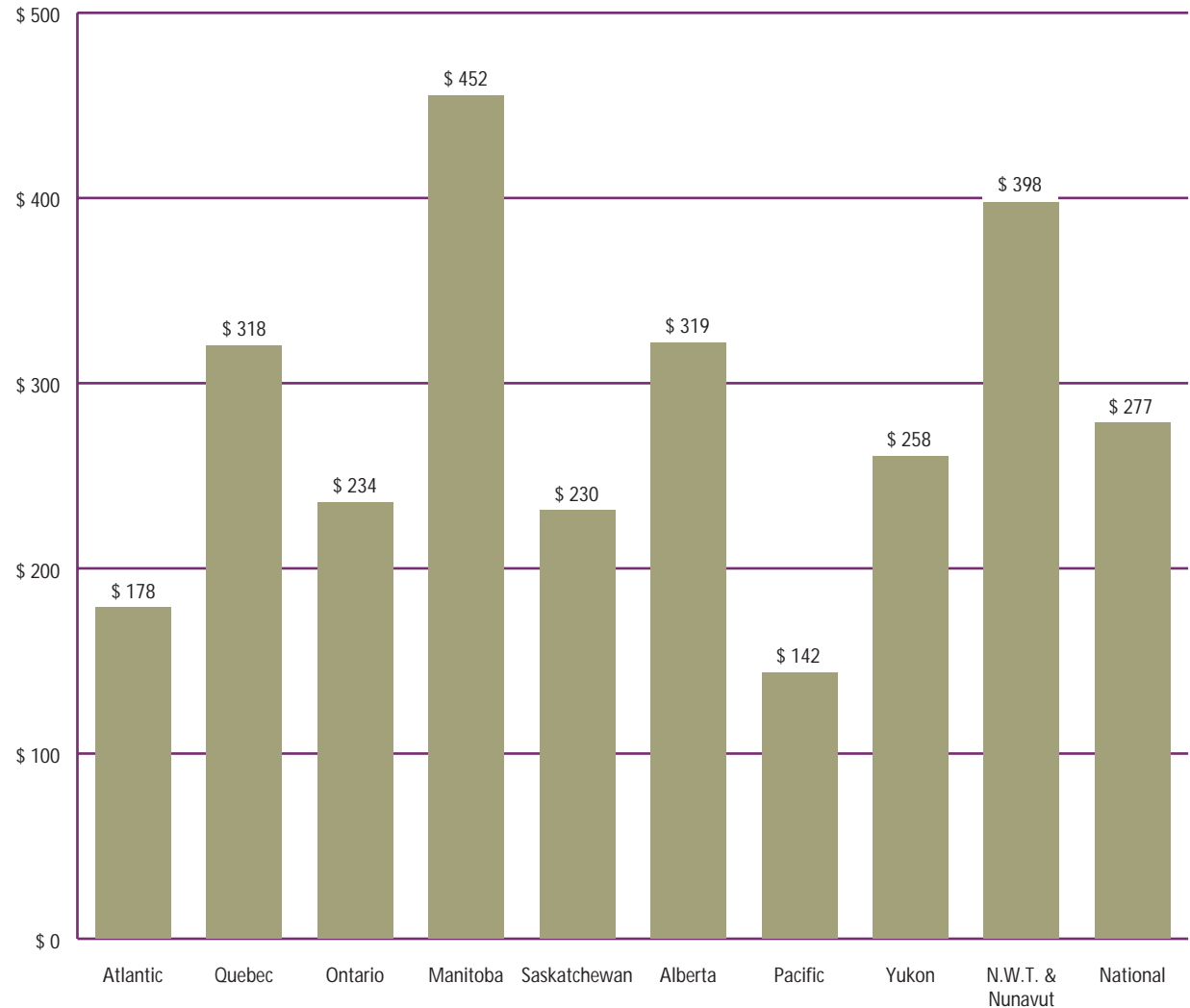


# Per Capita Expenditures By Benefit Category

**Figure 6.3**  
**NIHB Per Capita Transportation Expenditures by Region**  
**2002/03**

In 2002/03, the national per capita expenditure in transportation is \$277. This is an increase from the 2001/02 expenditure of \$271.

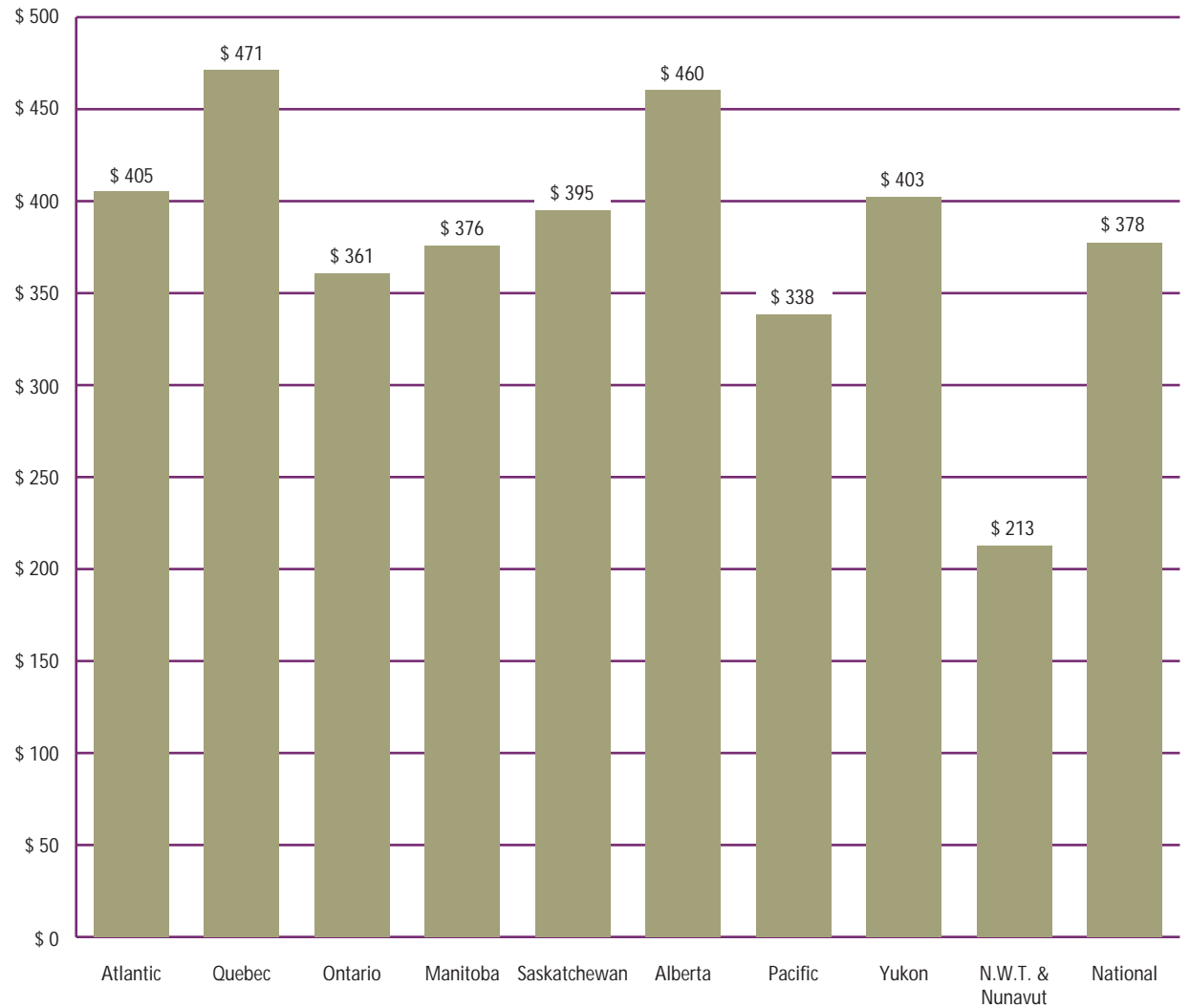
The Manitoba Region recorded the highest per capita expenditure in transportation at \$452 followed by N.W.T./Nunavut at \$398 and the Alberta Region at \$319. The Pacific Region has the lowest per capita expenditure at \$142.



**Figure 6.4**  
**NIHB Per Capita Pharmacy Expenditures by Region**  
**2002/03**

In 2002/03, the national per capita expenditure in pharmacy is \$378. This is an increase from the previous year's figure of \$335.

The Quebec Region has the highest per capita pharmacy expenditure at \$471, followed by the Alberta Region at \$460 and the Atlantic Region at \$405. The N.W.T./Nunavut has the lowest per capita expenditure at \$213.

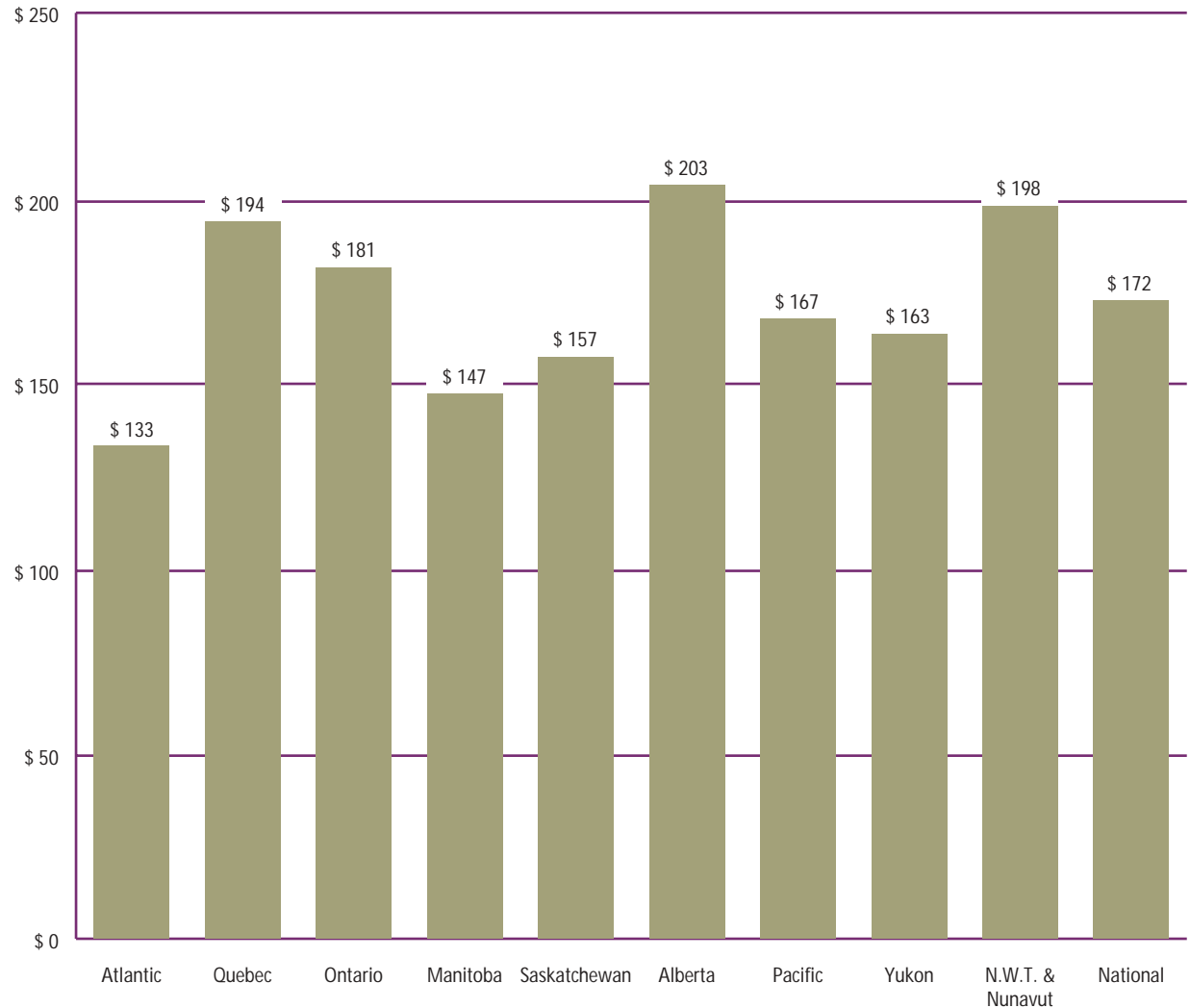


# Per Capita Expenditures By Benefit Category

**Figure 6.5**  
**NIHB Per Capita Dental Expenditures by Region**  
**2002/03**

In 2002/03, the national per capita dental expenditure is \$172. This is an increase from the previous year's figure of \$166.

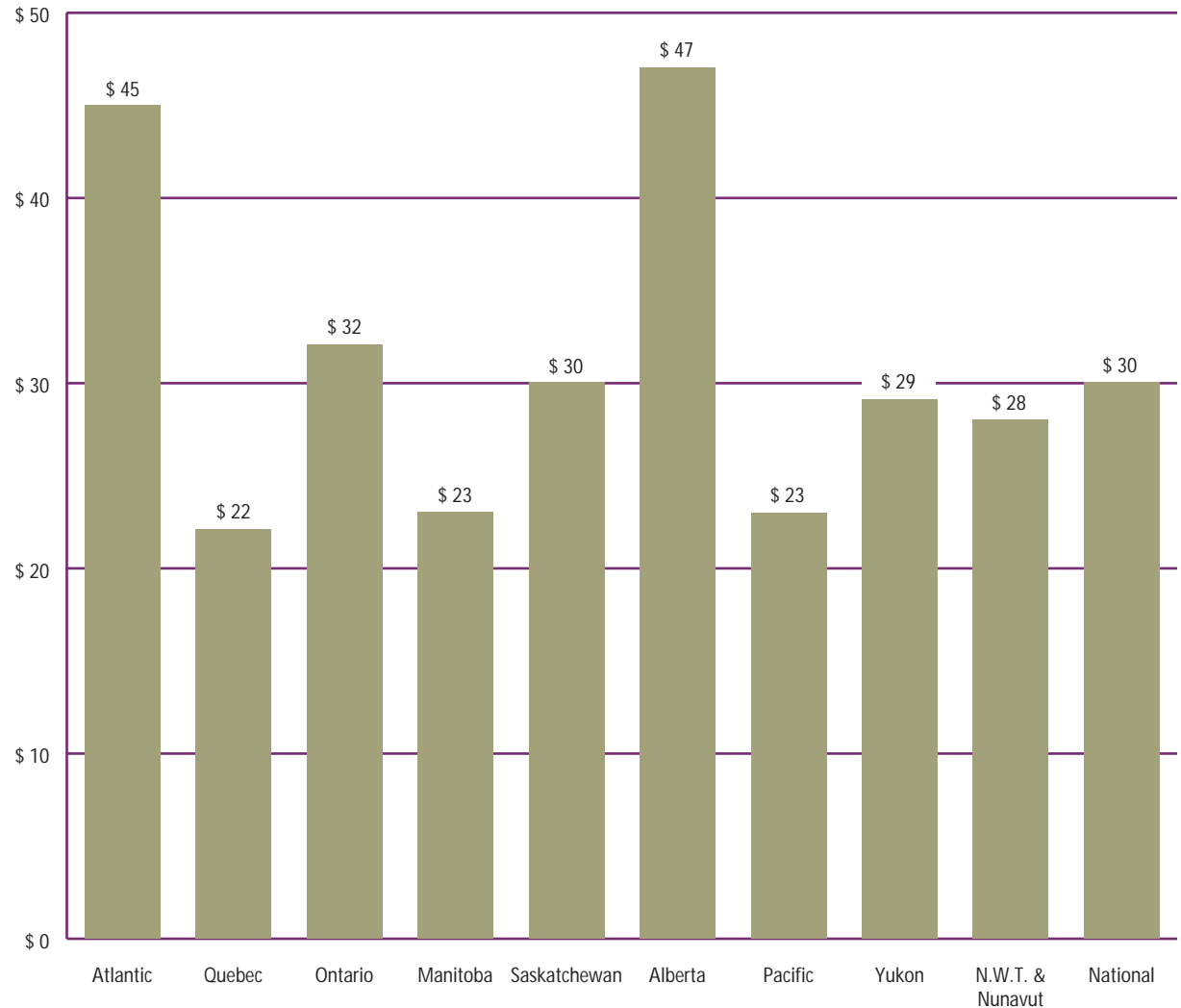
The Alberta Region has the highest per capita dental expenditure at \$203, followed by N.W.T./Nunavut at \$198 and the Quebec Region at \$194. The Atlantic Region registered the lowest per capita expenditure at \$133.



**Figure 6.6**  
**NIHB Per Capita Vision Care Expenditures by Region**  
**2002/03**

In 2002/03, the national per capita expenditure in vision care is \$30, slightly lower than the previous year's figure of \$31.

The Alberta Region had the highest per capita expenditure at \$47, followed by the Atlantic Region at \$45. The Quebec Region registered the lowest per capita expenditure at \$22, followed by the Manitoba and Pacific regions, both at \$23.





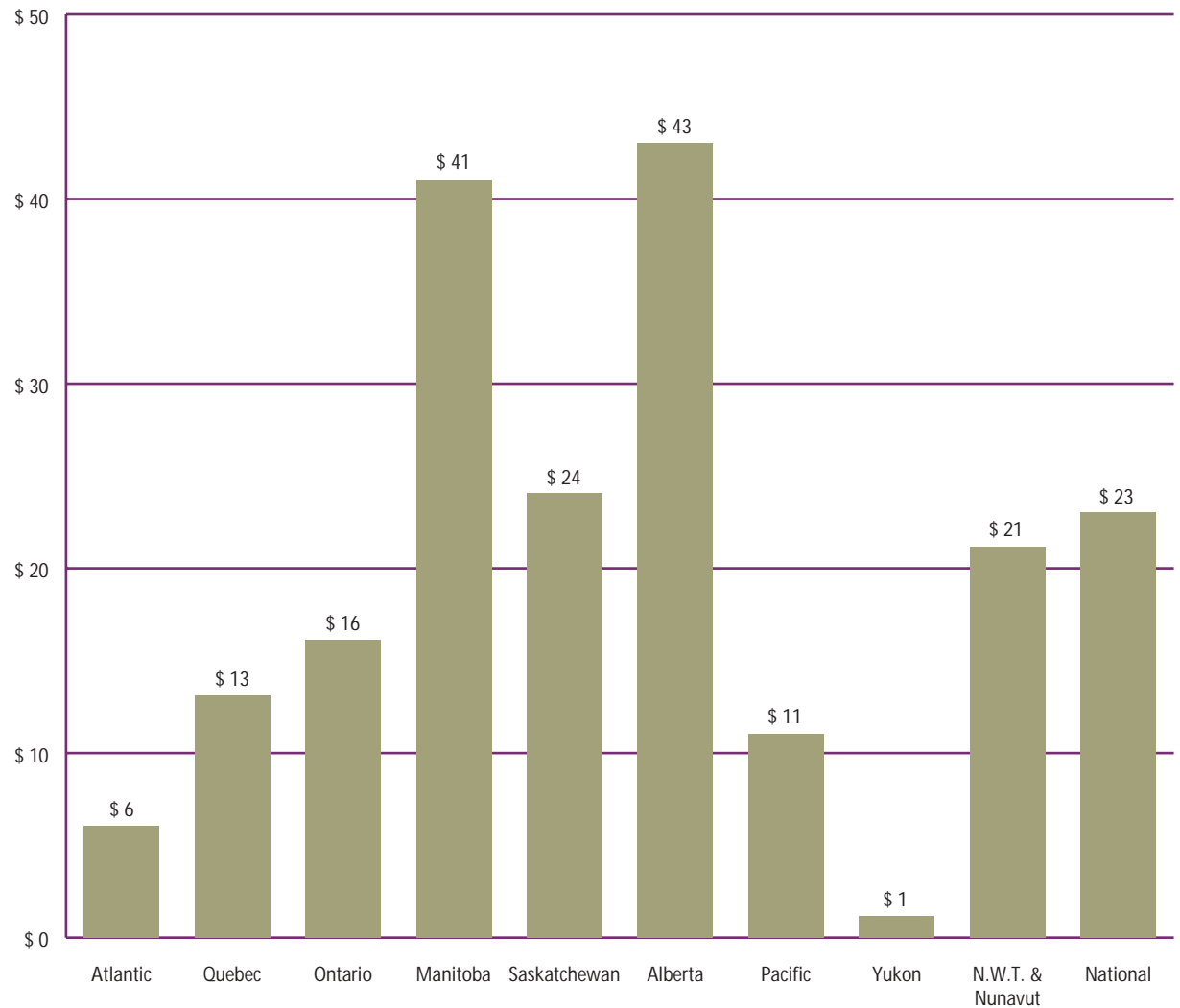
# Per Capita Expenditures By Benefit Category

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**Figure 6.7**  
**NIHB Per Capita Other Health Care Expenditures by Region 2002/03**

In 2002/03, the national per capita expenditure in other health care is \$23. This is an increase from the 2001/02 total of \$20.

The Alberta Region has the highest per capita expenditure at \$43. This is an increase from the 2001/02 total of \$38. The next highest region is Manitoba with a total of \$41.







# 7 Benefit Utilization And Expenditure Data

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Section 7 highlights utilization and expenditure data from major benefit categories within the Non-Insured Health Benefits (NIHB) Program.

Figures 7.1 and 7.2 display data on pharmacy and dental utilization rates. Figures 7.3 to 7.6 provide demographic information on NIHB claimants and non-claimants of these two nationally automated benefit areas.

Detailed information on pharmacy benefits is displayed in Figures 7.7 to 7.16, while comparable dental data can be found in Figures 7.17 to 7.22. Figures 7.23 to 7.25 depict the NIHB expenditure trends for medical transportation.

Pharmacy and dental data are drawn largely from the Health Information and Claims Processing System administered under contract by First Canadian Health. The Framework for Integrated Resource Management System is the source of the remaining data.

# Benefit Utilization And Expenditure Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

**Figure 7.1**  
**Dental and Pharmacy Utilization Rates by Region**  
**1998/99 to 2002/03**

Utilization rates represent those clients who receive at least one dental service or pharmacy benefit paid through the Health Information and Claims Processing System (HICPS) in the fiscal year, as a proportion of the total number of clients eligible to receive benefits as registered on the Status Verification System (SVS) in that year.

The rates will somewhat understate the actual level of service as the data do not include:

- contract dental services provided in some regions, primarily Ontario and Manitoba;
- services provided by First Nations and Inuit Health Branch dental therapists;
- pharmacy and dental services provided through contribution agreements; and
- pharmacy benefits provided through community health facilities.

REGION	Dental Utilization					Pharmacy Utilization				
	1998/99	1999/00	2000/01	2001/02	2002/03	1998/99	1999/00	2000/01	2001/02	2002/03
Atlantic	38%	40%	39%	39%	36%	61%	60%	59%	58%	62%
Quebec	45%	49%	47%	48%	46%	64%	63%	63%	62%	63%
Ontario	31%	33%	31%	32%	33%	57%	57%	56%	56%	58%
Manitoba	24%	27%	23%	22%	21%	70%	70%	68%	68%	71%
Saskatchewan	35%	39%	38%	39%	38%	79%	82%	79%	78%	82%
Alberta	42%	46%	43%	43%	44%	80%	80%	78%	77%	79%
Pacific	42%	43%	39%	40%	39%	70%	69%	67%	66%	68%
Yukon	34%	39%	32%	36%	34%	59%	61%	61%	61%	63%
N.W.T. & Nunavut	42%	40%	40%	43%	44%	44%	44%	44%	45%	48%
<b>Total</b>	<b>36%</b>	<b>38%</b>	<b>36%</b>	<b>36%</b>	<b>36%</b>	<b>67%</b>	<b>67%</b>	<b>65%</b>	<b>65%</b>	<b>68%</b>

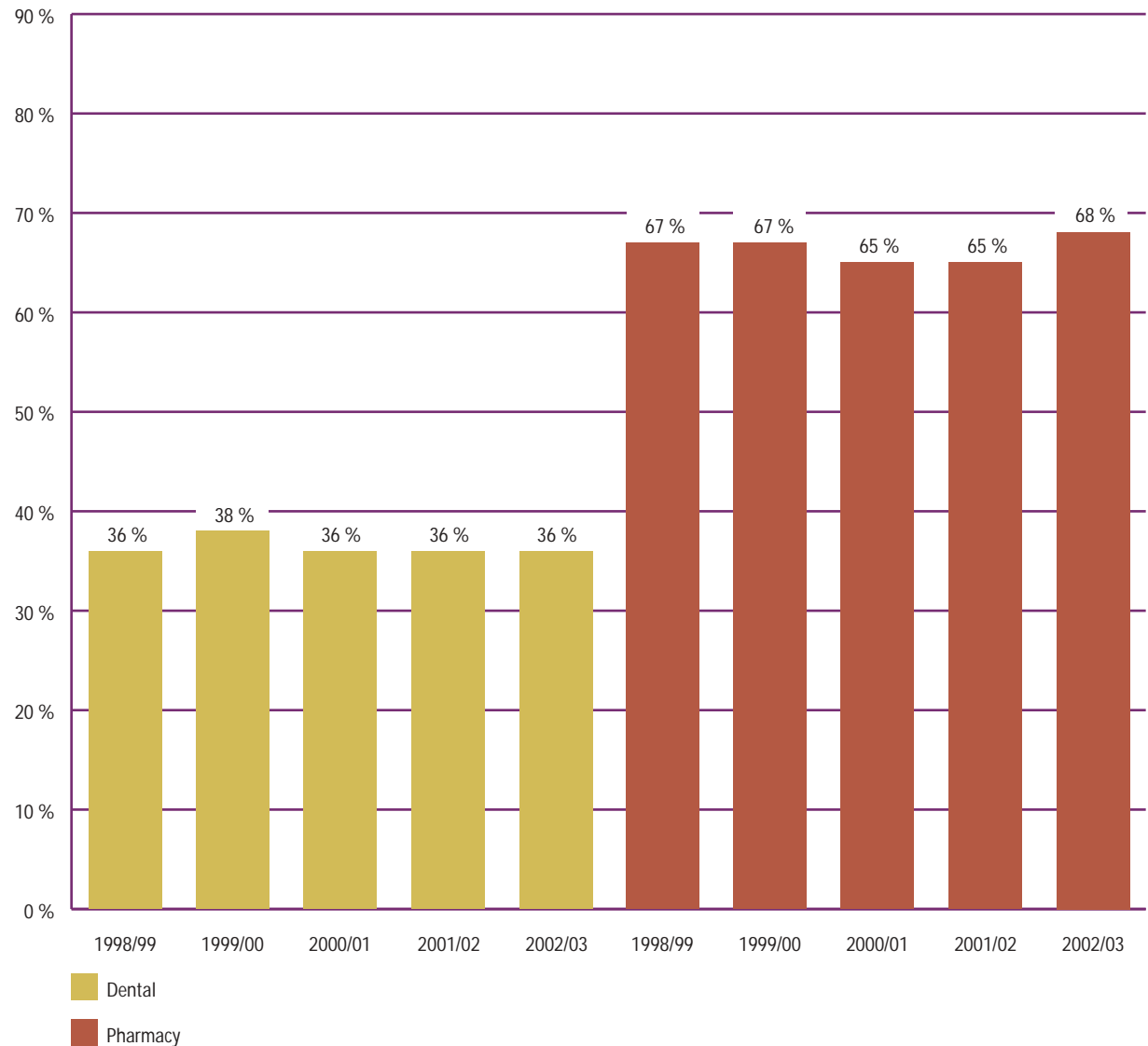
**Figure 7.2**  
**National Dental and Pharmacy Utilization Rates**  
**1998/99 to 2002/03**

The utilization rates will somewhat understate the actual level of service as the data do not include:

- contract dental services provided in some regions, primarily Ontario and Manitoba;
- services provided by First Nations and Inuit Health Branch dental therapists;
- pharmacy and dental services provided through contribution agreements; and
- pharmacy benefits provided through community health facilities.

The national utilization rate in 2002/03 for dental benefits paid through the HICPS was 36%, the same as in 2001/02. The highest dental utilization rate (46%) was found in the Quebec Region, followed by the Alberta Region and N.W.T./Nunavut each at 44%. The lowest rates were recorded in the Ontario Region (33%) and the Manitoba Region (21%). It should be noted that these two regions have the largest expenditures in 2002/03 for contract dentists.

In 2002/03, the national utilization rate for pharmacy benefits paid through the HICPS was 68%, up from 65% in 2001/02. Regional rates ranged from 82% in the Saskatchewan Region and 79% in the Alberta Region to 58% in the Ontario Region and 48% in N.W.T./Nunavut.



Source: HICPS adapted by Program Analysis Division

# Benefit Utilization And Expenditure Data

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**Figure 7.3**  
**Pharmacy Claimants by Age, Gender and Region**  
**2002/03**

Of the 735,343 clients eligible to receive benefits on the NIHB Program, 497,992 (68%) claimants received at least one pharmacy item paid through the HICPS in 2002/03.

Of this total, 276,303 were female (55%) while 221,689 were male (45%). This compares to the total eligible population where 51% are female and 49% are male.

The average age of the pharmacy claimants is 29 years. The average age for female claimants is 30 years, two years older, on average, than their male counterparts.

The highest average age of pharmacy claimants is found in the Yukon (35 years of age), while the lowest is in the Saskatchewan Region (25 years of age).

Almost four out of ten (38%) pharmacy claimants are under 20 years of age. Forty-two percent of male claimants are in this age group while females account for 35%.

Over 5% of all claimants are seniors (age 65 and over) in 2002/03.

REGION Age Group	Atlantic			Quebec			Ontario			Manitoba		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	1,230	1,184	2,414	1,404	1,369	2,773	3,816	3,491	7,307	5,529	5,113	10,642
5 - 9	1,118	1,134	2,252	1,310	1,225	2,535	3,710	3,609	7,319	4,194	4,177	8,371
10 - 14	989	970	1,959	1,104	1,134	2,238	3,402	3,358	6,760	3,716	3,879	7,595
15 - 19	773	1,032	1,805	918	1,501	2,419	2,897	4,027	6,924	2,924	3,852	6,776
20 - 24	664	1,062	1,726	884	1,502	2,386	2,693	4,671	7,364	2,626	3,703	6,329
25 - 29	699	987	1,686	921	1,475	2,396	2,823	4,445	7,268	2,659	3,707	6,366
30 - 34	827	1,056	1,883	1,066	1,579	2,645	3,227	4,656	7,883	2,787	3,786	6,573
35 - 39	789	963	1,752	1,159	1,660	2,819	3,464	4,651	8,115	2,776	3,557	6,333
40 - 44	654	931	1,585	1,152	1,548	2,700	3,337	4,576	7,913	2,473	3,165	5,638
45 - 49	594	810	1,404	1,010	1,434	2,444	2,829	3,896	6,725	1,903	2,487	4,390
50 - 54	454	620	1,074	780	1,129	1,909	2,290	3,067	5,357	1,456	1,830	3,286
55 - 59	334	437	771	715	964	1,679	1,863	2,554	4,417	1,158	1,395	2,553
60 - 64	224	313	537	521	764	1,285	1,383	1,955	3,338	794	1,083	1,877
65 +	395	609	1,004	1,073	1,908	2,981	2,505	3,895	6,400	1,511	2,028	3,539
<b>Total</b>	<b>9,744</b>	<b>12,108</b>	<b>21,852</b>	<b>14,017</b>	<b>19,192</b>	<b>33,209</b>	<b>40,239</b>	<b>52,851</b>	<b>93,090</b>	<b>36,506</b>	<b>43,762</b>	<b>80,268</b>
<b>Average Age</b>	<b>28</b>	<b>30</b>	<b>29</b>	<b>32</b>	<b>35</b>	<b>34</b>	<b>32</b>	<b>34</b>	<b>33</b>	<b>26</b>	<b>28</b>	<b>28</b>

REGION Age Group	Saskatchewan			Alberta			Pacific			Yukon			N.W.T.			Nunavut			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	6,847	6,544	13,391	4,686	4,474	9,160	3,468	3,302	6,770	151	128	279	592	452	1,044	593	555	1,148	28,316	26,612	54,928
5 - 9	5,264	5,383	10,647	4,030	3,824	7,854	3,233	3,175	6,408	155	143	298	472	411	883	474	432	906	23,960	23,513	47,473
10 - 14	5,075	5,055	10,130	3,665	3,716	7,381	3,277	3,269	6,546	137	145	282	490	457	947	325	351	676	22,180	22,334	44,514
15 - 19	3,781	4,890	8,671	3,036	3,709	6,745	2,835	3,864	6,699	125	208	333	395	635	1,030	324	693	1,017	18,008	24,411	42,419
20 - 24	3,171	4,410	7,581	2,599	3,579	6,178	2,610	3,744	6,354	156	240	396	364	722	1,086	360	726	1,086	16,127	24,359	40,486
25 - 29	3,056	4,150	7,206	2,406	3,264	5,670	2,589	3,614	6,203	158	219	377	345	683	1,028	333	670	1,003	15,989	23,214	39,203
30 - 34	3,178	4,147	7,325	2,529	3,147	5,676	2,675	3,733	6,408	197	231	428	409	719	1,128	379	632	1,011	17,274	23,686	40,960
35 - 39	2,965	3,778	6,743	2,451	3,125	5,576	2,822	3,883	6,705	236	274	510	403	659	1,062	366	592	958	17,431	23,142	40,573
40 - 44	2,517	3,173	5,690	2,054	2,670	4,724	2,846	3,892	6,738	199	275	474	380	615	995	245	396	641	15,857	21,241	37,098
45 - 49	1,825	2,359	4,184	1,560	2,059	3,619	2,300	3,123	5,423	145	201	346	261	476	737	178	312	490	12,605	17,157	29,762
50 - 54	1,359	1,792	3,151	1,116	1,537	2,653	1,731	2,268	3,999	103	168	271	245	379	624	198	266	464	9,732	13,056	22,788
55 - 59	1,026	1,284	2,310	827	1,198	2,025	1,324	1,764	3,088	102	145	247	204	268	472	182	212	394	7,735	10,221	17,956
60 - 64	743	941	1,684	701	844	1,545	998	1,342	2,340	71	94	165	144	234	378	141	194	335	5,720	7,764	13,484
65 +	1,409	1,929	3,338	1,192	1,643	2,835	1,792	2,504	4,296	151	233	384	421	514	935	306	330	636	10,755	15,593	26,348
<b>Total</b>	<b>42,216</b>	<b>49,835</b>	<b>92,051</b>	<b>32,852</b>	<b>38,789</b>	<b>71,641</b>	<b>34,500</b>	<b>43,477</b>	<b>77,977</b>	<b>2,086</b>	<b>2,704</b>	<b>4,790</b>	<b>5,125</b>	<b>7,224</b>	<b>12,349</b>	<b>4,404</b>	<b>6,361</b>	<b>10,765</b>	<b>221,689</b>	<b>276,303</b>	<b>497,992</b>
<b>Average Age</b>	<b>24</b>	<b>26</b>	<b>25</b>	<b>25</b>	<b>28</b>	<b>27</b>	<b>30</b>	<b>32</b>	<b>31</b>	<b>34</b>	<b>36</b>	<b>35</b>	<b>31</b>	<b>33</b>	<b>32</b>	<b>29</b>	<b>30</b>	<b>30</b>	<b>28</b>	<b>30</b>	<b>29</b>



# Benefit Utilization And Expenditure Data

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**Figure 7.4**  
**Pharmacy Claimants and Non-Claimants by Age Group and Gender 2002/03**

Sixty-eight percent of all eligible clients received at least one pharmacy benefit paid through the HICPS in 2002/03. Thirty-two percent of eligible clients did not access the Program through the HICPS for any pharmacy benefits.

Of the 237,351 non-claimants in 2002/03, 138,956 were male (59%), while 98,395 were female (41%).

Forty-two percent of all non-claimants were under 20 years of age, while three-quarters (75%) were under 40 years of age.

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	28,316	26,612	54,928	1,588	2,053	3,641	29,904	28,665	<b>58,569</b>
	95%	93%	94%	5%	7%	6%	100%	100%	<b>100%</b>
5 - 9	23,960	23,513	47,473	16,501	15,081	31,582	40,461	38,594	<b>79,055</b>
	59%	61%	60%	41%	39%	40%	100%	100%	<b>100%</b>
10 - 14	22,180	22,334	44,514	19,272	16,999	36,271	41,452	39,333	<b>80,785</b>
	54%	57%	55%	46%	43%	45%	100%	100%	<b>100%</b>
15 - 19	18,008	24,411	42,419	17,923	9,993	27,916	35,931	34,404	<b>70,335</b>
	50%	71%	60%	50%	29%	40%	100%	100%	<b>100%</b>
20 - 24	16,127	24,359	40,486	15,162	6,304	21,466	31,289	30,663	<b>61,952</b>
	52%	79%	65%	48%	21%	35%	100%	100%	<b>100%</b>
25 - 29	15,989	23,214	39,203	13,062	5,643	18,705	29,051	28,857	<b>57,908</b>
	55%	80%	68%	45%	20%	32%	100%	100%	<b>100%</b>
30 - 34	17,274	23,686	40,960	12,732	6,701	19,433	30,006	30,387	<b>60,393</b>
	58%	78%	68%	42%	22%	32%	100%	100%	<b>100%</b>
35 - 39	17,431	23,142	40,573	11,589	7,230	18,819	29,020	30,372	<b>59,392</b>
	60%	76%	68%	40%	24%	32%	100%	100%	<b>100%</b>

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
40 - 44	15,857	21,241	37,098	9,579	6,889	16,468	25,436	28,130	<b>53,566</b>
	62%	76%	69%	38%	24%	31%	100%	100%	<b>100%</b>
45 - 49	12,605	17,157	29,762	6,696	5,492	12,188	19,301	22,649	<b>41,950</b>
	65%	76%	71%	35%	24%	29%	100%	100%	<b>100%</b>
50 - 54	9,732	13,056	22,788	4,562	3,948	8,510	14,294	17,004	<b>31,298</b>
	68%	77%	73%	32%	23%	27%	100%	100%	<b>100%</b>
55 - 59	7,735	10,221	17,956	3,021	3,005	6,026	10,756	13,226	<b>23,982</b>
	72%	77%	75%	28%	23%	25%	100%	100%	<b>100%</b>
60 - 64	5,720	7,764	13,484	2,039	2,239	4,278	7,759	10,003	<b>17,762</b>
	74%	78%	76%	26%	22%	24%	100%	100%	<b>100%</b>
65 +	10,755	15,593	26,348	5,230	6,818	12,048	15,985	22,411	<b>38,396</b>
	67%	70%	69%	33%	30%	31%	100%	100%	<b>100%</b>
<b>Total</b>	<b>221,689</b>	<b>276,303</b>	<b>497,992</b>	<b>138,956</b>	<b>98,395</b>	<b>237,351</b>	<b>360,645</b>	<b>374,698</b>	<b>735,343</b>
	<b>61%</b>	<b>74%</b>	<b>68%</b>	<b>39%</b>	<b>26%</b>	<b>32%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

# Benefit Utilization And Expenditure Data

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**Figure 7.5**  
**Dental Claimants by Age, Gender and Region**  
**2002/03**

Of the 735,343 clients eligible to receive benefits on the NIHB Program, 264,858 (36%) claimants received at least one dental procedure paid through the HICPS in 2002/03.

Of this total, 147,209 are female (56%) while 117,649 are male (44%). This compares to the total eligible population where 51% are female and 49% are male.

The average age of the dental claimants is 27 years.

The highest average age of dental claimants is found in the Yukon (33 years of age), while the lowest is in Nunavut (24 years of age).

Forty-three percent of all dental claimants are under 20 years of age. Forty-seven percent of male claimants are in this age group while females account for 40%.

Three percent of all claimants are seniors (age 65 and over) in 2002/03.

REGION Age Group	Atlantic			Quebec			Ontario			Manitoba		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	159	147	306	318	349	667	942	938	1,880	788	765	1,553
5 - 9	621	622	1,243	1,570	1,607	3,177	3,422	3,419	6,841	1,699	1,684	3,383
10 - 14	865	852	1,717	1,751	1,748	3,499	3,474	3,484	6,958	1,545	1,742	3,287
15 - 19	651	768	1,419	1,020	1,271	2,291	2,396	2,688	5,084	1,005	1,447	2,452
20 - 24	439	687	1,126	778	1,053	1,831	1,564	2,450	4,014	795	1,192	1,987
25 - 29	490	646	1,136	795	1,090	1,885	1,556	2,368	3,924	859	1,182	2,041
30 - 34	563	730	1,293	879	1,161	2,040	1,708	2,498	4,206	873	1,203	2,076
35 - 39	525	666	1,191	923	1,242	2,165	1,782	2,572	4,354	850	1,187	2,037
40 - 44	416	655	1,071	849	1,089	1,938	1,814	2,537	4,351	763	1,010	1,773
45 - 49	348	513	861	700	943	1,643	1,460	2,146	3,606	568	729	1,297
50 - 54	240	345	585	470	614	1,084	1,063	1,507	2,570	370	511	881
55 - 59	165	199	364	380	462	842	702	1,116	1,818	241	307	548
60 - 64	102	131	233	236	322	558	498	757	1,255	131	221	352
65 +	123	175	298	410	652	1,062	733	1,228	1,961	188	271	459
<b>Total</b>	<b>5,707</b>	<b>7,136</b>	<b>12,843</b>	<b>11,079</b>	<b>13,603</b>	<b>24,682</b>	<b>23,114</b>	<b>29,708</b>	<b>52,822</b>	<b>10,675</b>	<b>13,451</b>	<b>24,126</b>
<b>Average Age</b>	<b>28</b>	<b>30</b>	<b>29</b>	<b>28</b>	<b>30</b>	<b>29</b>	<b>28</b>	<b>30</b>	<b>29</b>	<b>25</b>	<b>27</b>	<b>26</b>

REGION Age Group	Saskatchewan			Alberta			Pacific			Yukon			N.W.T.			Nunavut			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	1,094	1,094	2,188	1,271	1,255	2,526	1,109	1,077	2,186	33	29	62	200	156	356	517	474	991	6,431	6,284	12,715
5 - 9	3,256	3,278	6,534	3,167	3,131	6,298	2,928	2,841	5,769	108	89	197	579	569	1,148	794	840	1,634	18,144	18,080	36,224
10 - 14	3,286	3,491	6,777	3,019	3,209	6,228	3,101	3,061	6,162	79	115	194	615	690	1,305	731	843	1,574	18,466	19,235	37,701
15 - 19	1,904	2,684	4,588	1,956	2,427	4,383	2,136	2,596	4,732	113	114	227	484	575	1,059	531	837	1,368	12,196	15,407	27,603
20 - 24	1,441	2,226	3,667	1,309	1,914	3,223	1,384	2,029	3,413	107	143	250	356	528	884	475	680	1,155	8,648	12,902	21,550
25 - 29	1,455	2,129	3,584	1,270	1,870	3,140	1,398	2,017	3,415	84	129	213	326	500	826	399	592	991	8,632	12,523	21,155
30 - 34	1,554	2,194	3,748	1,266	1,768	3,034	1,450	2,152	3,602	101	132	233	403	508	911	406	573	979	9,203	12,919	22,122
35 - 39	1,391	2,023	3,414	1,275	1,831	3,106	1,599	2,231	3,830	150	183	333	345	481	826	363	460	823	9,203	12,876	22,079
40 - 44	1,207	1,668	2,875	1,052	1,511	2,563	1,556	2,125	3,681	110	145	255	296	446	742	257	295	552	8,320	11,481	19,801
45 - 49	808	1,125	1,933	785	1,087	1,872	1,087	1,612	2,699	71	89	160	185	317	502	176	192	368	6,188	8,753	14,941
50 - 54	522	752	1,274	534	700	1,234	787	950	1,737	53	78	131	153	224	377	173	190	363	4,365	5,871	10,236
55 - 59	352	442	794	310	488	798	532	645	1,177	38	57	95	142	153	295	116	135	251	2,978	4,004	6,982
60 - 64	252	286	538	223	299	522	340	458	798	32	30	62	86	104	190	70	90	160	1,970	2,698	4,668
65 +	287	394	681	332	411	743	514	664	1,178	50	79	129	161	190	351	107	112	219	2,905	4,176	7,081
<b>Total</b>	<b>18,809</b>	<b>23,786</b>	<b>42,595</b>	<b>17,769</b>	<b>21,901</b>	<b>39,670</b>	<b>19,921</b>	<b>24,458</b>	<b>44,379</b>	<b>1,129</b>	<b>1,412</b>	<b>2,541</b>	<b>4,331</b>	<b>5,441</b>	<b>9,772</b>	<b>5,115</b>	<b>6,313</b>	<b>11,428</b>	<b>117,649</b>	<b>147,209</b>	<b>264,858</b>
<b>Average Age</b>	<b>24</b>	<b>26</b>	<b>25</b>	<b>24</b>	<b>26</b>	<b>25</b>	<b>26</b>	<b>28</b>	<b>27</b>	<b>32</b>	<b>34</b>	<b>33</b>	<b>27</b>	<b>29</b>	<b>28</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>26</b>	<b>28</b>	<b>27</b>

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**Figure 7.6**  
**Dental Claimants and Non-Claimants by Age Group and Gender 2002/03**

Thirty-six percent of all eligible clients received at least one dental procedure paid through the HICPS in 2002/03. Sixty-four percent of eligible clients did not access the Program through the HICPS for any dental benefits.

Of the 470,485 non-claimants in 2002/03, 242,996 were male (52%), while 227,489 were female (48%).

Over one-third (37%) of all non-claimants were under 20 years of age, while over two-thirds (70%) were under 40 years of age.

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	6,431	6,284	12,715	23,473	22,381	45,854	29,904	28,665	<b>58,569</b>
	22%	22%	22%	78%	78%	78%	100%	100%	<b>100%</b>
5 - 9	18,144	18,080	36,224	22,317	20,514	42,831	40,461	38,594	<b>79,055</b>
	45%	47%	46%	55%	53%	54%	100%	100%	<b>100%</b>
10 - 14	18,466	19,235	37,701	22,986	20,098	43,084	41,452	39,333	<b>80,785</b>
	45%	49%	47%	55%	51%	53%	100%	100%	<b>100%</b>
15 - 19	12,196	15,407	27,603	23,735	18,997	42,732	35,931	34,404	<b>70,335</b>
	34%	45%	39%	66%	55%	61%	100%	100%	<b>100%</b>
20 - 24	8,648	12,902	21,550	22,641	17,761	40,402	31,289	30,663	<b>61,952</b>
	28%	42%	35%	72%	58%	65%	100%	100%	<b>100%</b>
25 - 29	8,632	12,523	21,155	20,419	16,334	36,753	29,051	28,857	<b>57,908</b>
	30%	43%	37%	70%	57%	63%	100%	100%	<b>100%</b>
30 - 34	9,203	12,919	22,122	20,803	17,468	38,271	30,006	30,387	<b>60,393</b>
	31%	43%	37%	69%	57%	63%	100%	100%	<b>100%</b>
35 - 39	9,203	12,876	22,079	19,817	17,496	37,313	29,020	30,372	<b>59,392</b>
	32%	42%	37%	68%	58%	63%	100%	100%	<b>100%</b>

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
40 - 44	8,320	11,481	19,801	17,116	16,649	33,765	25,436	28,130	<b>53,566</b>
	33%	41%	37%	67%	59%	63%	100%	100%	<b>100%</b>
45 - 49	6,188	8,753	14,941	13,113	13,896	27,009	19,301	22,649	<b>41,950</b>
	32%	39%	36%	68%	61%	64%	100%	100%	<b>100%</b>
50 - 54	4,365	5,871	10,236	9,929	11,133	21,062	14,294	17,004	<b>31,298</b>
	31%	35%	33%	69%	65%	67%	100%	100%	<b>100%</b>
55 - 59	2,978	4,004	6,982	7,778	9,222	17,000	10,756	13,226	<b>23,982</b>
	28%	30%	29%	72%	70%	71%	100%	100%	<b>100%</b>
60 - 64	1,970	2,698	4,668	5,789	7,305	13,094	7,759	10,003	<b>17,762</b>
	25%	27%	26%	75%	73%	74%	100%	100%	<b>100%</b>
65 +	2,905	4,176	7,081	13,080	18,235	31,315	15,985	22,411	<b>38,396</b>
	18%	19%	18%	82%	81%	82%	100%	100%	<b>100%</b>
Total	117,649	147,209	264,858	242,996	227,489	470,485	360,645	374,698	735,343
	33%	39%	36%	67%	61%	64%	100%	100%	100%

# Benefit Utilization And Expenditure Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

**Figure 7.7**  
**Distribution of Pharmacy Expenditures (\$ Million)**  
**2002/03**

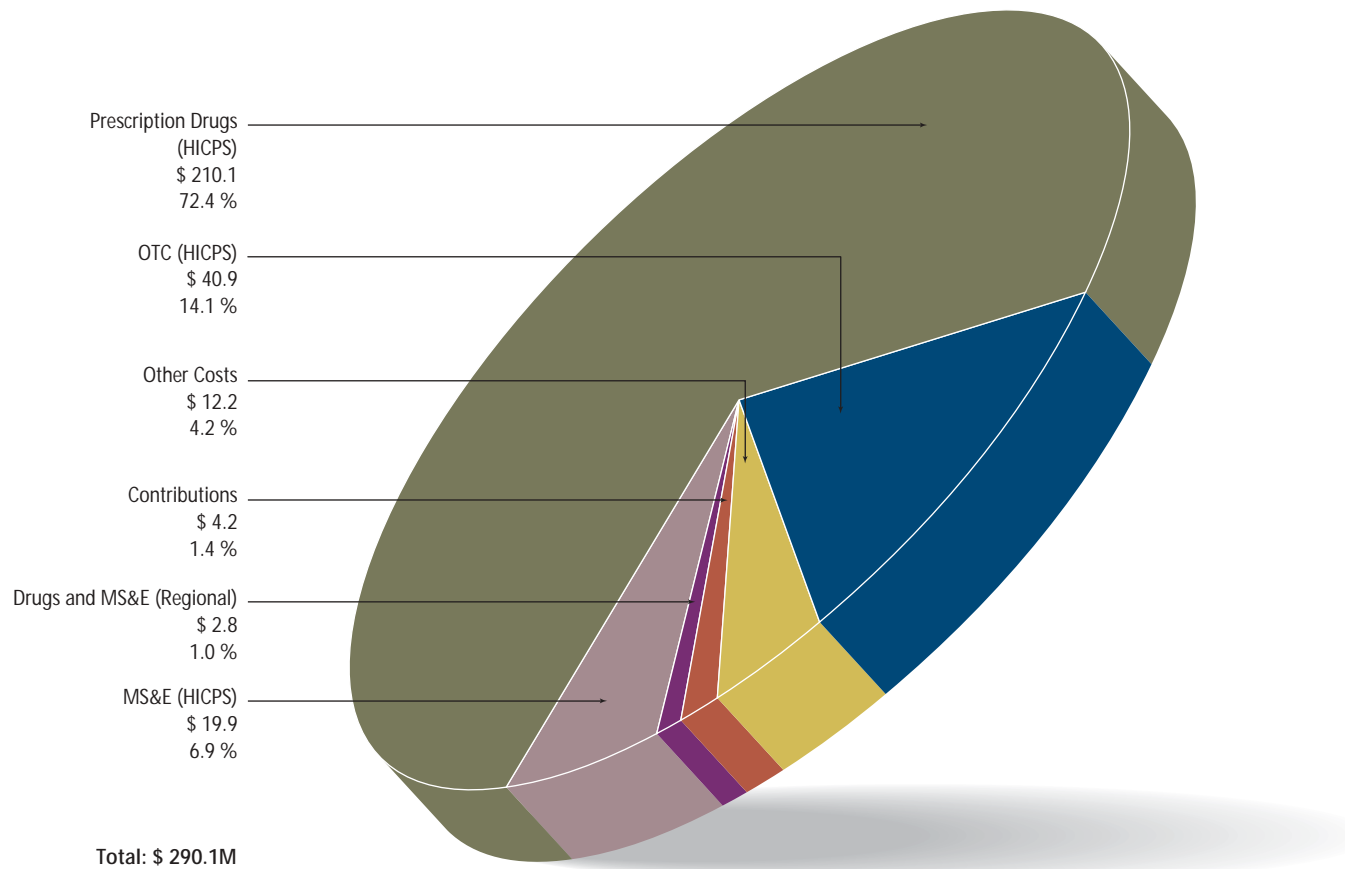
Figure 7.7 illustrates the components of pharmacy expenditures under the Non-Insured Health Benefits (NIHB) Program.

The cost of prescription drugs paid through the Health Information and Claims Processing System (HICPS) is the largest component, accounting for \$210.1 million or 72.4% of all NIHB pharmacy expenditures followed by over-the-counter (OTC) drugs (paid through HICPS) which totals \$40.9 million or 14.1%. Medical supplies and equipment (paid through HICPS) is the third highest component at \$19.9 million or 6.9%. In total, the three components managed through automated claims processing account for over 93.0% of all pharmacy costs.

Drugs and MS&E (Regional) at \$2.8 million or 1.0% refers to regionally managed prescription drugs and OTC's administered through health facilities. This category also includes medical supplies and equipment costs paid through regional offices.

Contributions, which account for \$4.2 million or 1.4% of total pharmacy costs, are used to fund the provision of pharmacy benefits through agreements, such as with the Mohawk Council of Akwesasne in Ontario, the Labrador Inuit Health Commission, the Governments of the Northwest Territories and Nunavut and regional pilot projects.

Other costs totalled \$12.2 million or 4.2% in 2002/03. Included in this total are Headquarters expenditures which represent costs related to automated claims payment.



**Figure 7.8**  
**Total NIHB Pharmacy Expenditures by Type and Region**  
**2002/03**

Pharmacy expenditures totalled \$290.1 million in 2002/03.

Prescription drug costs paid through the Health Information and Claims Processing System (HICPS) represented the largest component accounting for \$210.1 million or 72.4% of all NIHB pharmacy costs. The Ontario

Region (20.9%) and the Saskatchewan Region (15.3%) had the largest proportion of these costs in 2002/03.

The next highest component of total costs was OTC drugs at \$40.9 million or 14.1%. The Ontario Region (21.5%) and the Saskatchewan Region (19.8%) had the largest

proportion of these costs in 2002/03.

The third highest component was medical supplies and equipment at \$19.9 million (6.9%). The Alberta Region (19.8%) and the Manitoba Region (17.5%) had the highest proportion of medical supplies and equipment costs.

REGION	Operating						Contributions	Total Costs	
	Prescription Drugs	OTC Drugs	Drugs/MS&E Regional	Medical Supplies	Medical Equipment	Other Costs	Total Operating		Contribution Agreements
Atlantic	\$ 9,753,200	\$ 2,257,500	\$ 141,800	\$ 319,500	\$ 521,300	\$ 0	\$ 12,993,300	\$ 1,328,800	\$ 14,322,100
Quebec	20,485,900	3,582,300	23,300	314,000	579,500	0	24,985,000	20,000	25,005,000
Ontario	43,937,200	8,788,000	145,000	892,000	2,535,800	0	56,298,000	1,631,300	57,929,300
Manitoba	31,023,100	7,784,200	2,400	1,303,100	2,194,200	0	42,307,000	217,700	42,524,700
Saskatchewan	32,047,200	8,077,400	1,065,900	1,142,200	2,025,100	0	44,357,800	36,300	44,394,100
Alberta	31,000,000	4,940,600	1,202,700	1,098,300	2,852,500	0	41,094,100	495,800	41,589,900
Pacific	31,292,100	4,094,600	89,100	717,900	2,294,000	0	38,487,700	434,700	38,922,400
Yukon	2,453,500	270,100	79,900	75,600	169,000	0	3,048,100	—	3,048,100
N.W.T. & Nunavut	8,123,300	1,089,800	—	410,500	498,800	0	10,122,400	34,800	10,157,200
Headquarters	0	—	—	—	—	12,218,900	12,218,900	—	12,218,900
<b>Total</b>	<b>\$ 210,115,500</b>	<b>\$ 40,884,500</b>	<b>\$ 2,750,100</b>	<b>\$ 6,273,100</b>	<b>\$ 13,670,200</b>	<b>\$ 12,218,900</b>	<b>\$ 285,912,300</b>	<b>\$ 4,199,400</b>	<b>\$ 290,111,700</b>

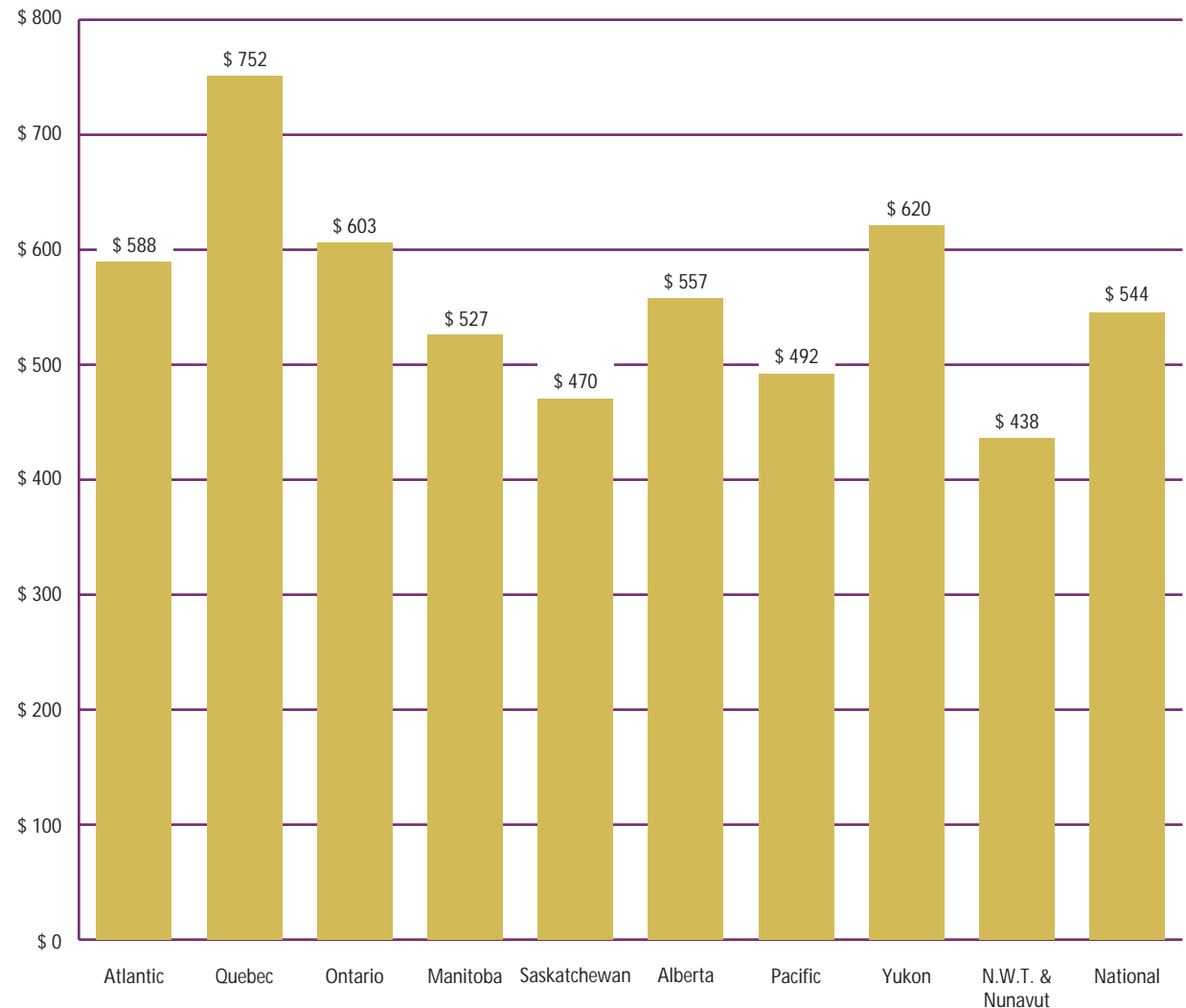


# Benefit Utilization And Expenditure Data

**Figure 7.9**  
**NIHB Pharmacy Operating Expenditures Per Claimant**  
**by Region 2002/03**

In 2002/03, the national average expenditure per claimant in pharmacy is \$544.

The Quebec Region has the highest pharmacy expenditure per claimant at \$752, followed by the Yukon at \$620, and the Ontario Region at \$603. N.W.T./Nunavut have the lowest expenditure per claimant at \$438, followed by the Saskatchewan Region at \$470.

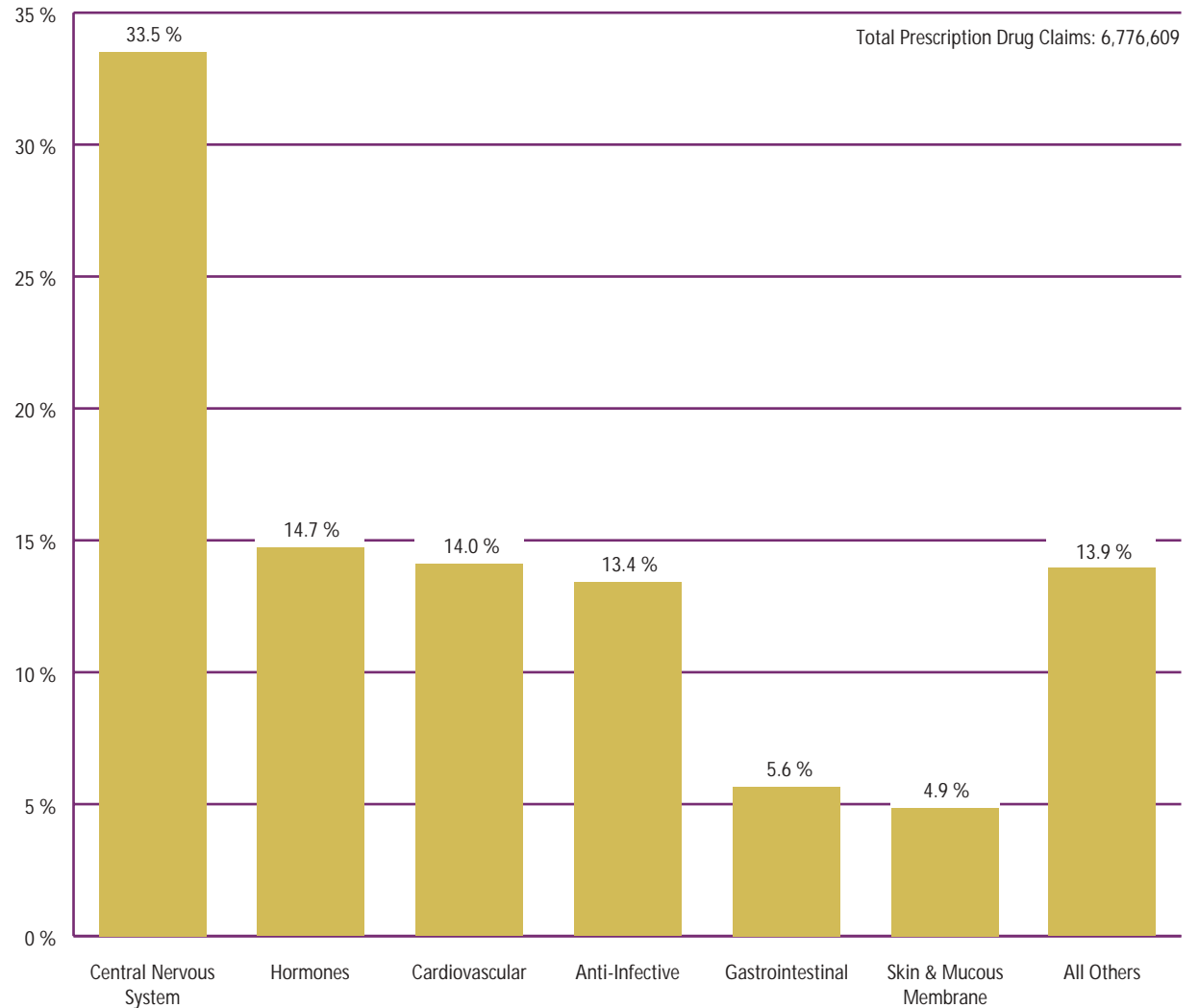


**Figure 7.10**  
**Prescription Drug Utilization by Therapeutic Category**  
**2002/03**

Figure 7.10 and Figure 7.11 demonstrate variations in utilization by therapeutic category for both prescription and over-the-counter (OTC) drugs.

Central Nervous System (CNS) agents, which include analgesics (e.g. Tylenol 3), antidepressants (e.g. Prozac) and sedatives (e.g. Halcion), account for 33.5% of all prescription drug claims.

Hormones, primarily oral contraceptives and insulin, are the next highest category of prescription drug claims at 14.7% followed by cardiovascular drugs at 14.0%.



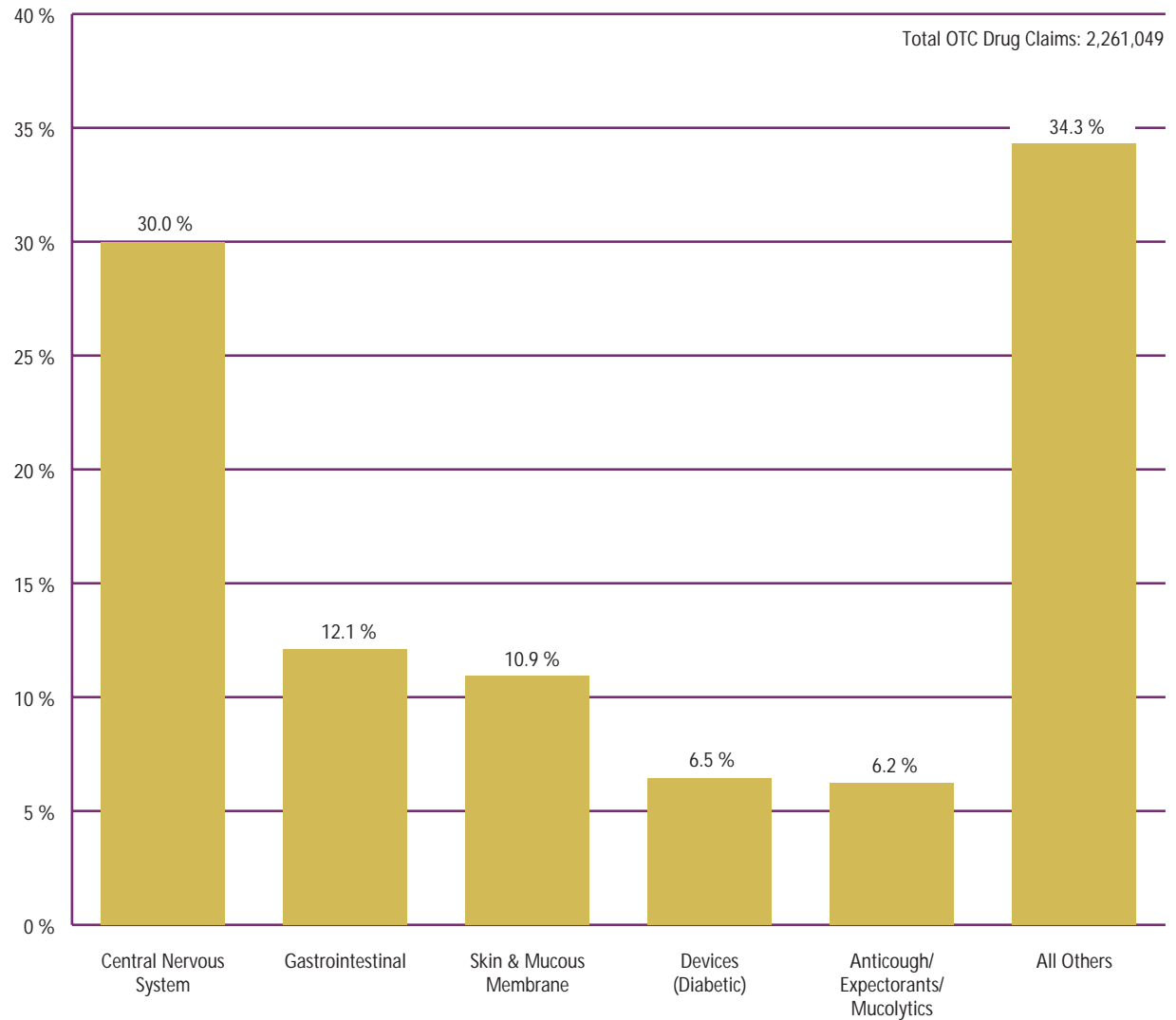
# Benefit Utilization And Expenditure Data

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**Figure 7.11**  
**Over-the-Counter Drug (including Controlled Access Drugs - CAD) Utilization by Therapeutic Category 2002/03**

Central Nervous System agents account for 30.0% of all OTC drug claims.

Gastrointestinal products such as antacids and laxatives are the next highest category of OTC medication at 12.1% followed by skin and mucous membrane agents such as special skin creams and pediculicides at 10.9%.



**Figure 7.12**  
**National Top 10 Drug Products (DINs) by Claims**  
**Incidence 2002/03**

Figure 7.12 ranks the drug products (both prescription and over-the-counter) most frequently dispensed nationally based on Health Information and Claims Processing System (HICPS) data. Incidence refers to both original prescriptions and refills.

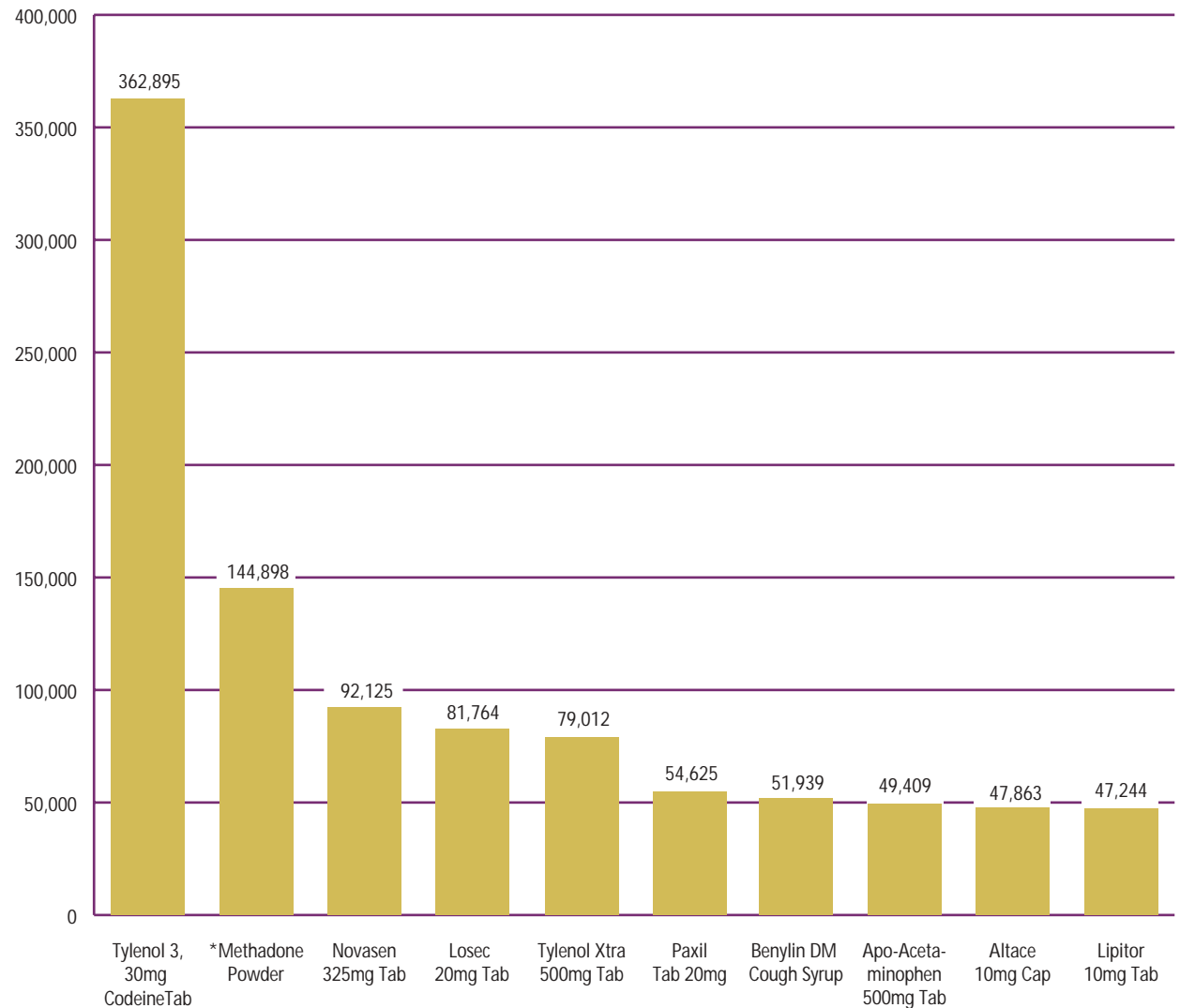
The data represent individual drug products (with distinct Drug Identification Numbers or DINs) therefore, brand name drugs and generic equivalents are shown separately.

Tylenol 3, 30 mg Codeine Tablets was the drug prescribed most often in 2002/03 with over 362,800 claims. Methadone Powder was the second most dispensed item at just over 144,800 claims, a decrease of 16.9% from the previous year.

Other drugs in the top 10 grouping by utilization are:

- Novasen 325 mg Tablets;
- Losec 20 mg Tablets;
- Tylenol Xtra 500 mg Tablets;
- Paxil Tablets 20 mg;
- Benylin DM Cough Syrup;
- Apo-Acetaminophen 500 mg Tablets;
- Altace 10 mg Capsules; and
- Lipitor 10 mg Tablets.

Dispensing and administering of Methadone Powder must be done for patients on a daily basis. This accounts for the high claim frequency.



\* Dispensed daily in accordance with regulations

# Benefit Utilization And Expenditure Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2002 / 2003 ANNUAL REPORT

**Figure 7.13**  
**National Top 10 Drug Products (DINs) by Expenditures**  
**(\$ Million) 2002/03**

Figure 7.13 displays the drugs products (both prescription and over-the-counter) which account for the highest expenditures.

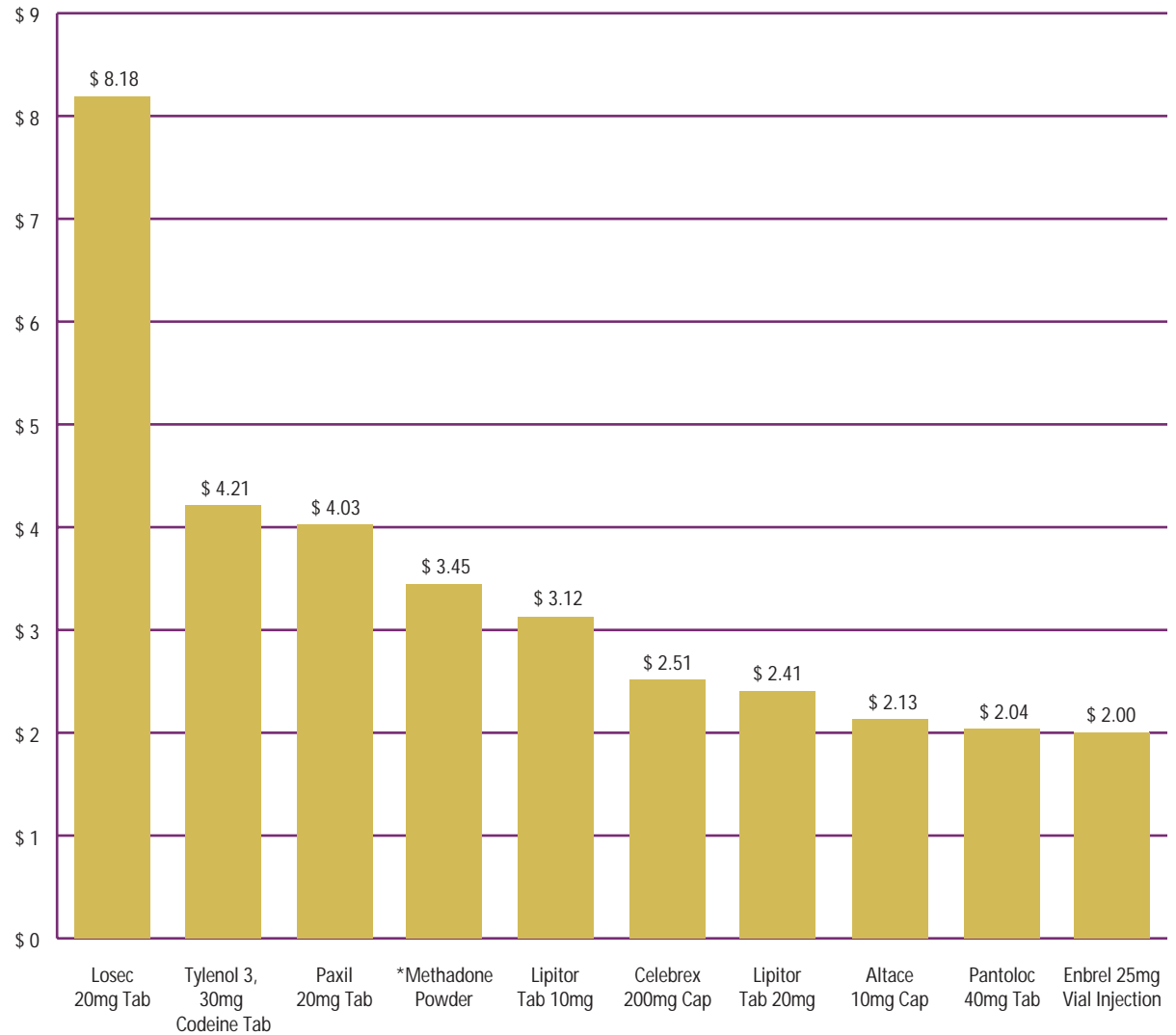
The data represent individual drug products (with distinct Drug Identification Numbers or DINs), therefore, brand name drugs and generic equivalents are shown separately.

The drug with the largest expenditure was Losec 20 mg Tablets. Almost \$8.2 million was spent on this drug in 2002/03, a 19.6% increase from 2001/02. Losec is used in the treatment of ulcers and other gastric conditions.

Other drugs in the top 10 grouping by expenditures include:

- Tylenol 3, 30 mg Codeine Tablets;
- Paxil 20 mg Tablets;
- Methadone Powder;
- Lipitor Tablets 10 mg;
- Celebrex 200 mg Capsules;
- Lipitor Tablets 20 mg;
- Altace 10 mg Capsules;
- Pantoloc 40 mg Tablets; and
- Enbrel 25 mg Vial Injection.

Dispensing and administering of Methadone Powder must be done for patients on a daily basis. This accounts for the high claim frequency.



\* Dispensed daily in accordance with regulations

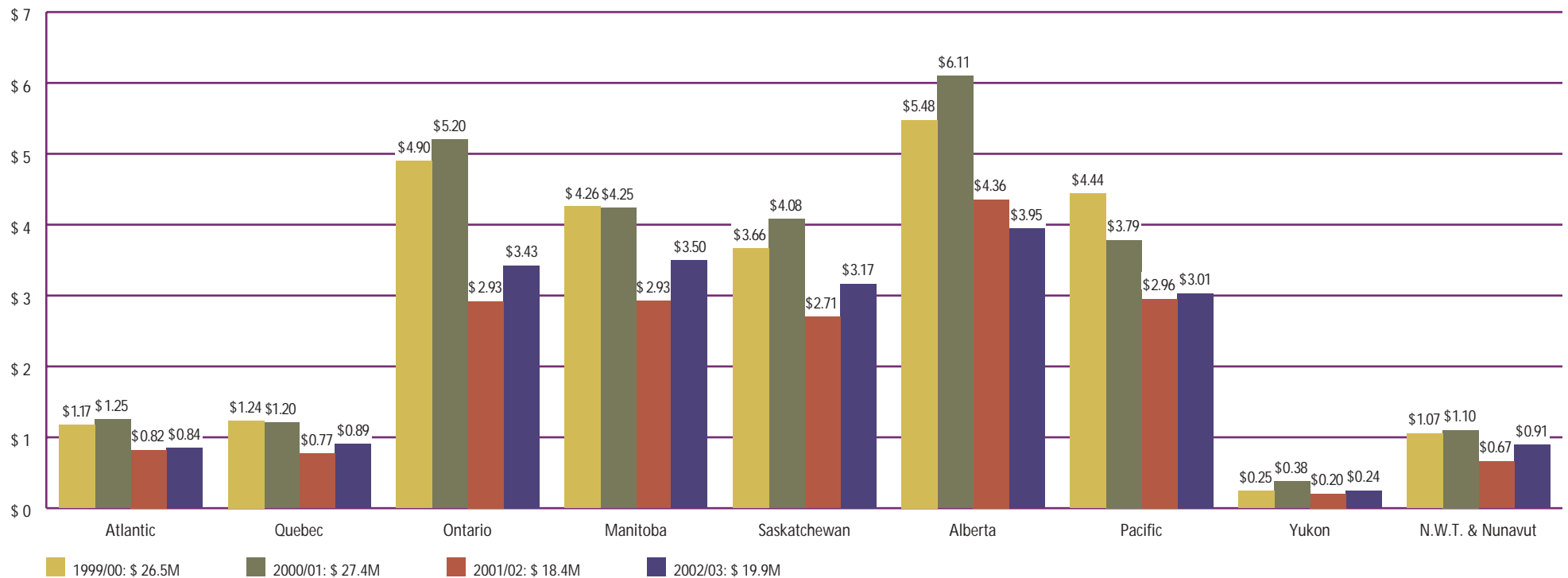
**Figure 7.14**  
**Expenditures on Medical Supplies and Equipment**  
**by Region (\$ Millions)**  
**1999/00, 2000/01, 2001/02, 2002/03**

Expenditures on medical supplies/equipment (MS&E) totalled \$19.9 million in 2002/03, up 8.2% from \$18.4 million in the previous year.

increase in expenditures from 2001/02 to 2002/03. The Alberta Region (-9.3%) was the only region registering a drop in expenditures during this period.

N.W.T./Nunavut (35.5%), the Yukon (20.6%) and the Manitoba Region (19.2%) had the largest percentage

The Alberta Region (\$3.95 million), and the Manitoba Region (\$3.50 million) recorded the largest expenditures.



# Benefit Utilization And Expenditure Data

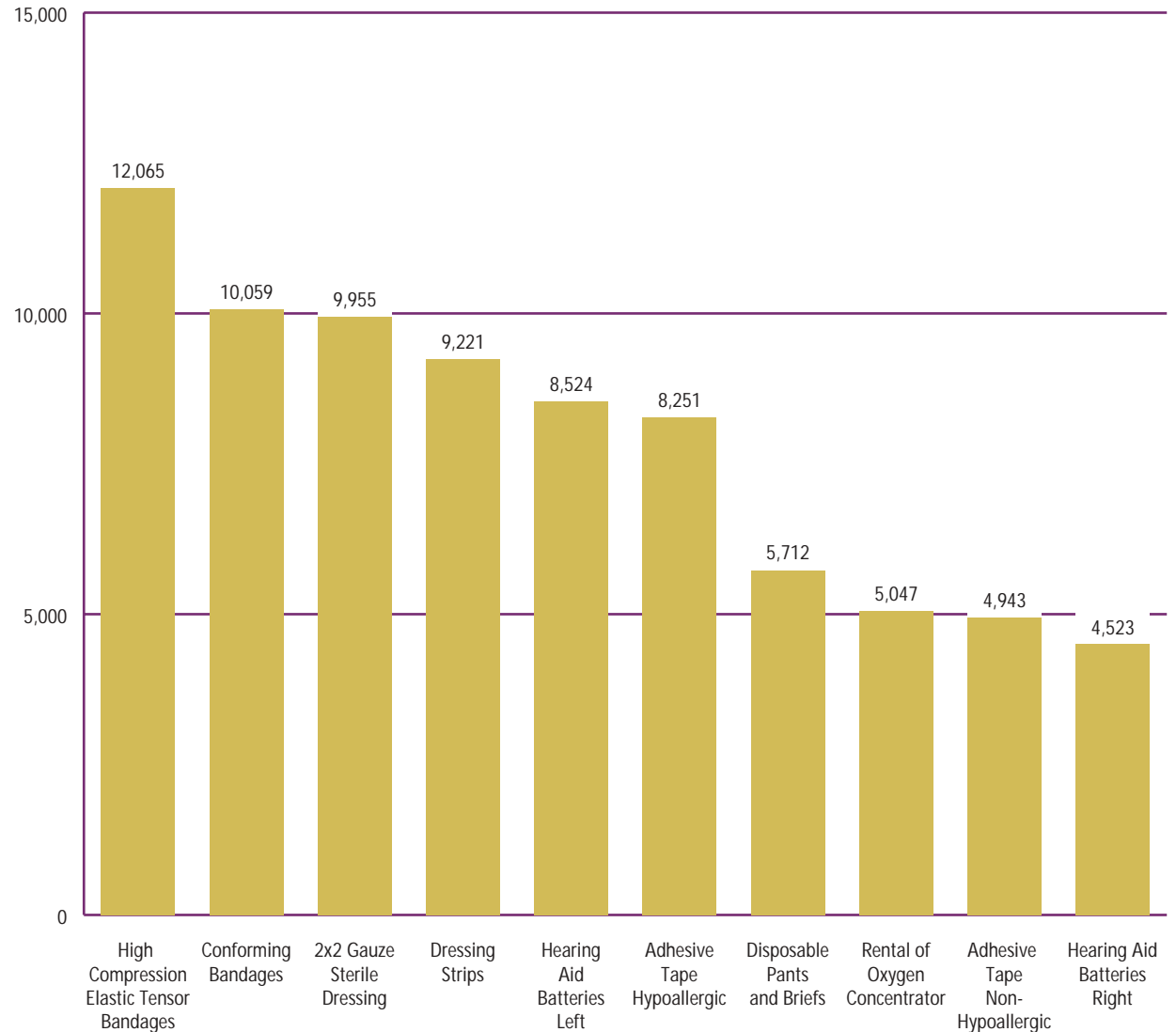
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**Figure 7.15**  
**National Top 10 Medical Supplies and Equipment by**  
**Claims Incidence 2002/03**

High compression elastic tensor bandages were the most frequently dispensed medical supplies and equipment item in 2002/03. Over 12,000 claims were filed, followed by conforming bandages at over 10,000 claims.

Other medical supplies and equipment by utilization in the top 10 are:

- 2 x 2 Gauze Sterile Dressing;
- Dressing Strips;
- Hearing Aid Batteries, Left;
- Adhesive Tape Hypoallergic;
- Disposable Pants and Briefs;
- Rental of Oxygen Concentrator;
- Adhesive Tape Non-Hypoallergic; and
- Hearing Aid Batteries, Right.



**Figure 7.16**  
**National Top 10 Medical Supplies and Equipment by Expenditures (\$ Million) 2002/03**

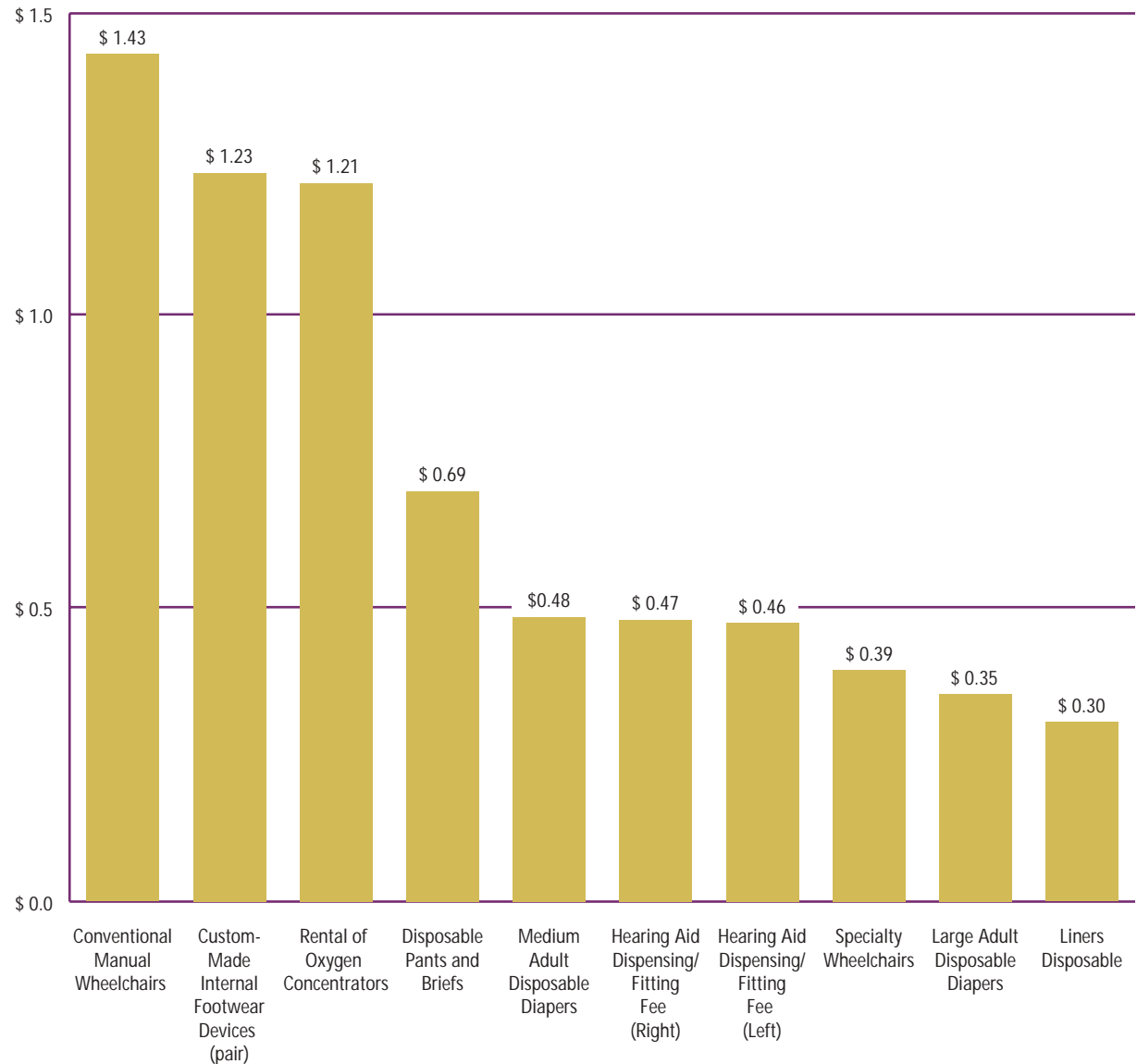
Figure 7.16 ranks the national top ten costs in medical supplies and equipment based on expenditures.

Conventional manual wheelchairs accounted for the highest costs in medical supplies and equipment with \$1.43 million spent in 2002/03.

The second highest expenditure was for custom-made internal footwear devices (pair) at \$1.23 million, followed by rental of oxygen concentrators at \$ 1.21 million.

Other medical supplies and equipment in the top 10 by expenditures include:

- Disposable Pants and Briefs;
- Medium Adult Disposable Diapers;
- Hearing Aid Dispensing/Fitting Fee (Right);
- Hearing Aid Dispensing/Fitting Fee (Left);
- Specialty Wheelchairs;
- Large Adult Disposable Diapers; and
- Liners - Disposable.



Source: HICPS adapted by Program Analysis Division



# Benefit Utilization And Expenditure Data

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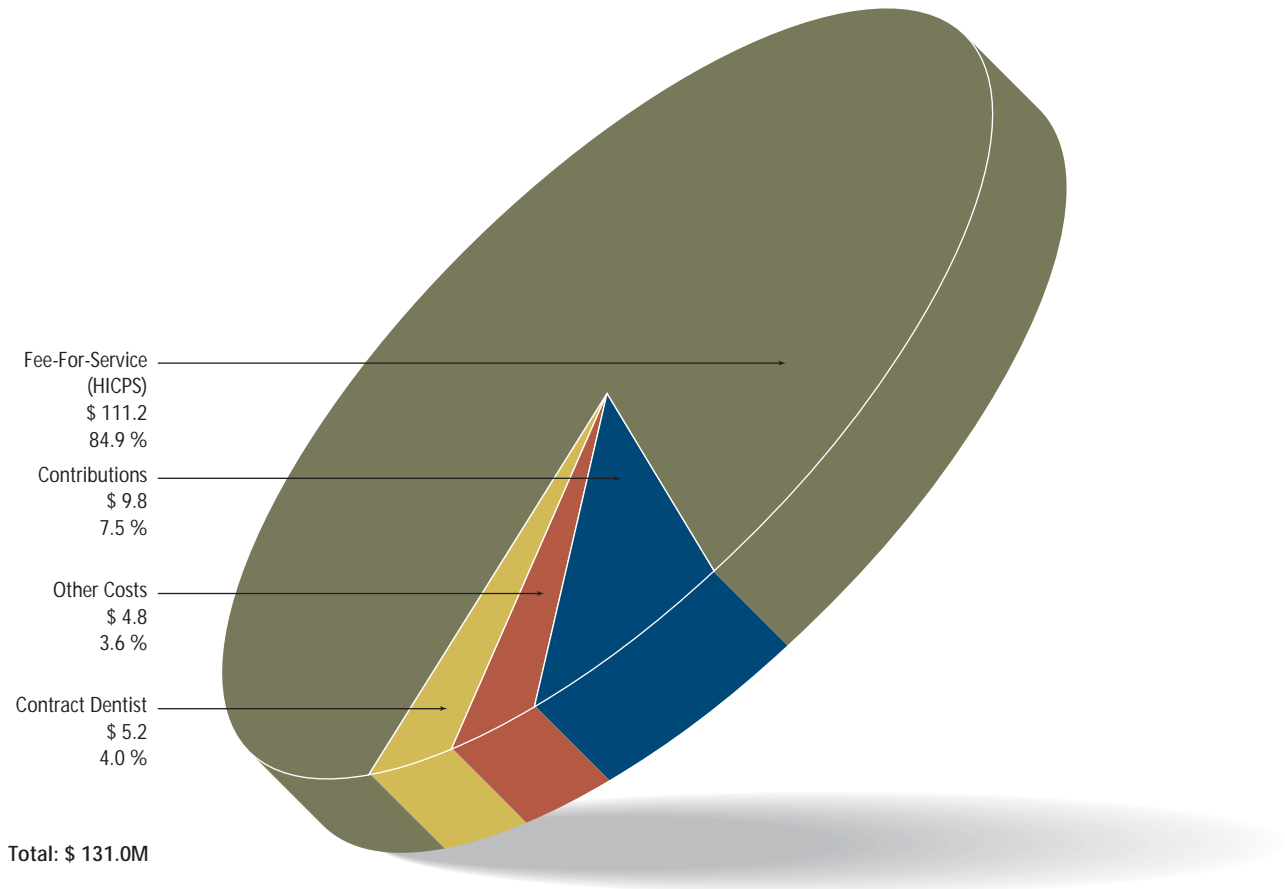
**Figure 7.17**  
**Distribution of Dental Expenditures (\$ Million)**  
**2002/03**

Dental expenditures totalled \$131.0 million in 2002/03. Fee-for-service dental costs paid through the Health Information and Claims Processing System (HICPS) represent the largest component accounting for \$111.2 million or 84.9% of all NIHB dental costs.

Contributions, which account for \$9.8 million or 7.5% of total dental costs was the next highest component. Contribution costs are used to fund the provision of dental benefits through agreements such as those with the Governments of the Northwest Territories and Nunavut, the Mohawk Council of Akwesasne in Ontario and regional pilot projects.

Expenditures for contract dentists totalled \$5.2 million or 4.0% of total costs.

Other costs totalled \$4.8 million or 3.6% in 2002/03. These include the purchasing of dental supplies and equipment, as well as Headquarters costs related to automated claims payment.



**Figure 7.18**  
**Total NIHB Dental Expenditures by Type and Region**  
**2002/03**

Dental expenditures totalled \$131.0 million in 2002/03. The Ontario Region (22.2%), the Pacific Region (14.7%) and the Alberta Region (14.0%) had the largest proportion of overall dental costs.

Of the \$131.0 million, \$121.2 million (92.5%) were operating expenditures, while \$9.8 million (7.5%) were contribution expenditures.

Fee-for-service costs accounted for \$111.2 million (84.9%) of total dental expenditures while contract dentist costs accounted for \$5.2 million (4.0%).

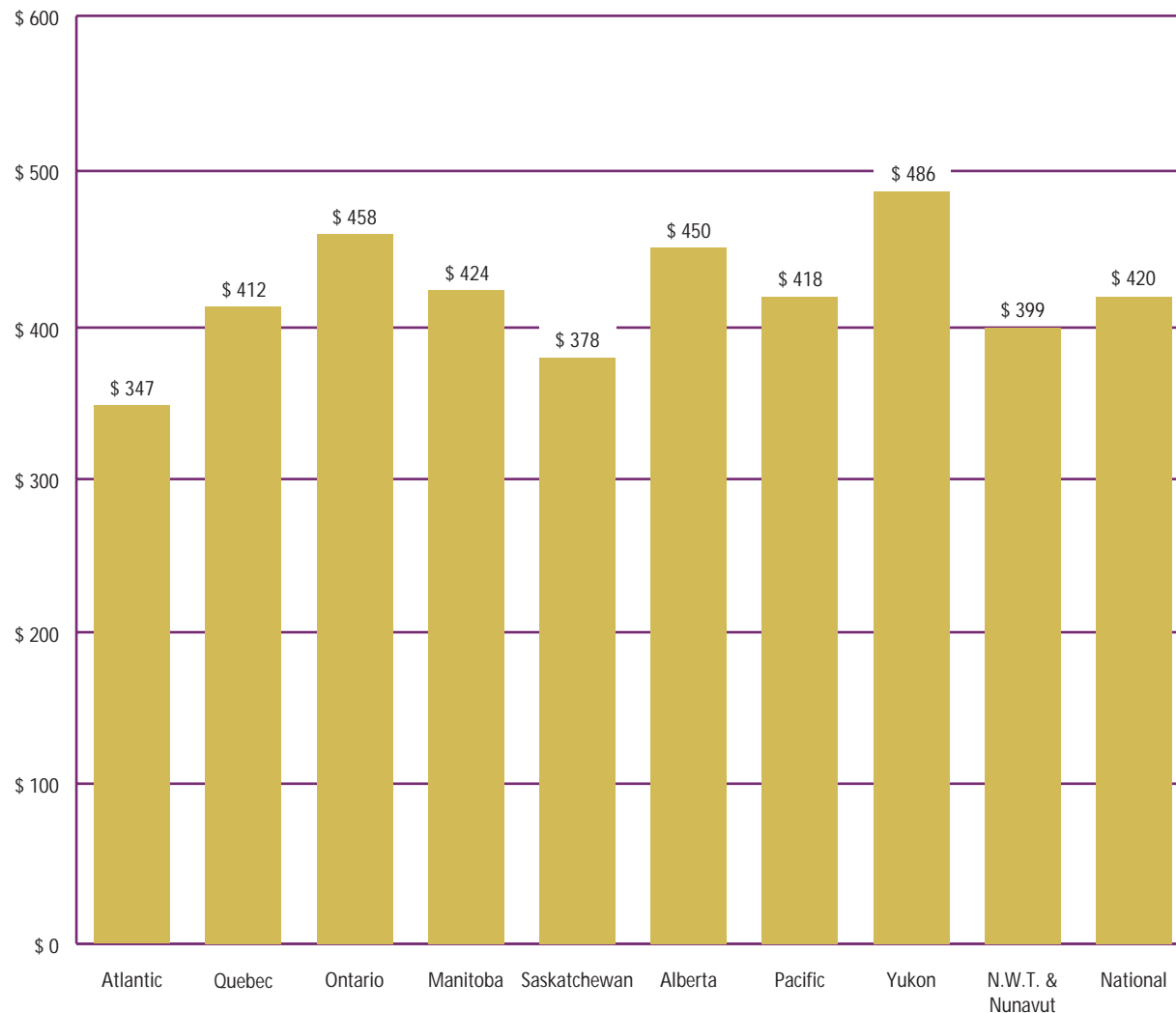
REGION	Operating				Contributions	Total Costs
	Fee-For-Service	Contract Dentists	Other Costs	Total Operating	Contribution Agreements	
Atlantic	\$ 4,458,500	\$ 0	\$ 223,000	\$ 4,681,500	\$ 9,400	\$ 4,690,900
Quebec	10,159,500	93,100	39,700	10,292,300	0	10,292,300
Ontario	24,168,500	1,511,000	63,600	25,743,100	3,299,000	29,042,100
Manitoba	10,219,500	3,139,900	400	13,359,800	3,239,900	16,599,700
Saskatchewan	16,081,500	108,200	1,700	16,191,400	1,457,300	17,648,700
Alberta	17,840,700	299,700	11,100	18,151,500	223,900	18,375,400
Pacific	18,562,600	112,600	300	18,675,500	548,800	19,224,300
Yukon	1,235,900	0	0	1,235,900	0	1,235,900
N.W.T & Nunavut	8,468,200	0	0	8,468,200	999,600	9,467,800
Headquarters	—	—	4,443,800	4,443,800	—	4,443,800
<b>Total</b>	<b>\$ 111,194,900</b>	<b>\$ 5,264,500</b>	<b>\$ 4,783,600</b>	<b>\$ 121,243,000</b>	<b>\$ 9,777,900</b>	<b>\$131,020,900</b>

# Benefit Utilization And Expenditure Data

**Figure 7.19**  
**NIHB Dental Fee-For-Service Expenditures Per Claimant by Region 2002/03**

In 2002/03, the national dental expenditure per claimant is \$420.

The Yukon has the highest dental expenditure per claimant at \$486, followed by the Ontario Region at \$458, and the Alberta Region at \$450. The Atlantic Region registered the lowest dental expenditure per claimant at \$347.

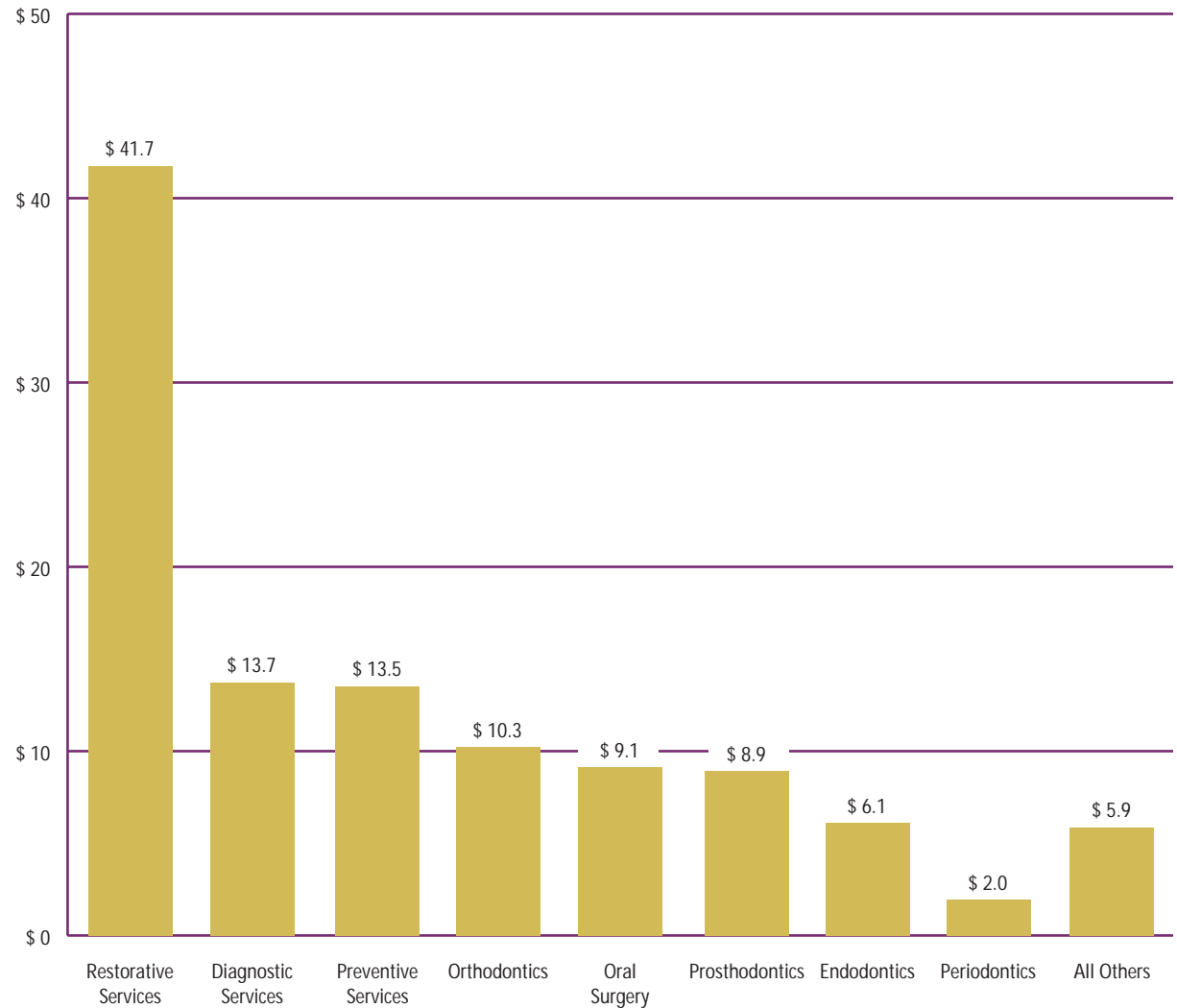


**Figure 7.20**  
**Fee-for-Service Dental Expenditures by Sub-Benefit**  
**(\$ Million) 2002/03**

Expenditures on Restorative Services (crowns, fillings, etc.) were the highest of all dental sub-benefit categories at \$41.7 million in 2002/03.

Diagnostic Services (examinations, x-rays, etc.) at \$13.7 million and Preventive Services (scaling, polishing etc.) at \$13.5 million were the next highest sub-benefit categories, followed by Orthodontic Services (braces, etc.) at \$10.3 million.

Denturist expenditures and adjunctive services are captured with "All Others".



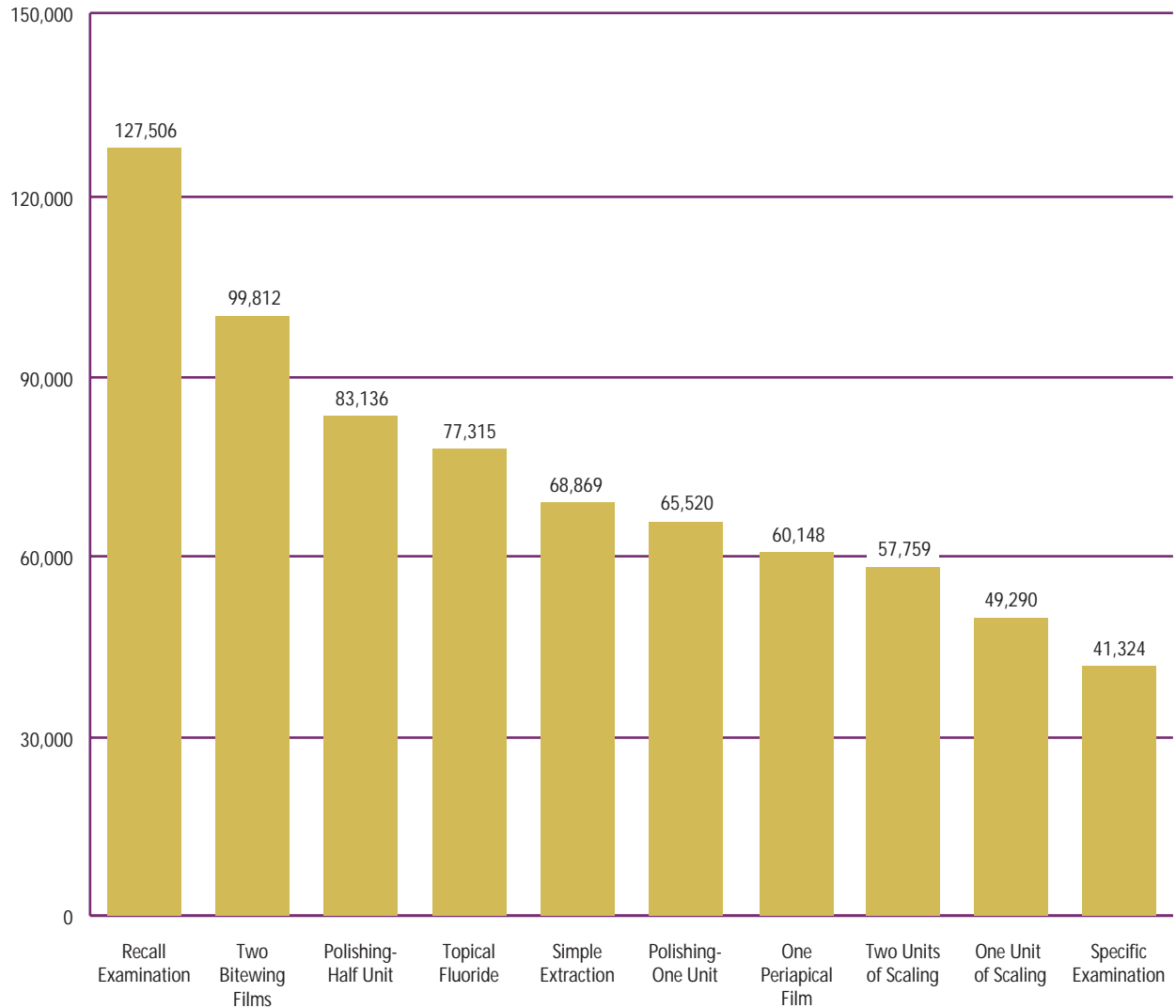
# Benefit Utilization And Expenditure Data

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**Figure 7.21**  
**National Top 10 Dental Procedures by Claims Incidence**  
**2002/03**

Recall examination was the dental procedure performed most often in 2002/03 with over 127,000 claims, followed by two bitewing films at almost 100,000 claims.

Polishing - half unit was the next highest dental procedure at over 83,000 claims.

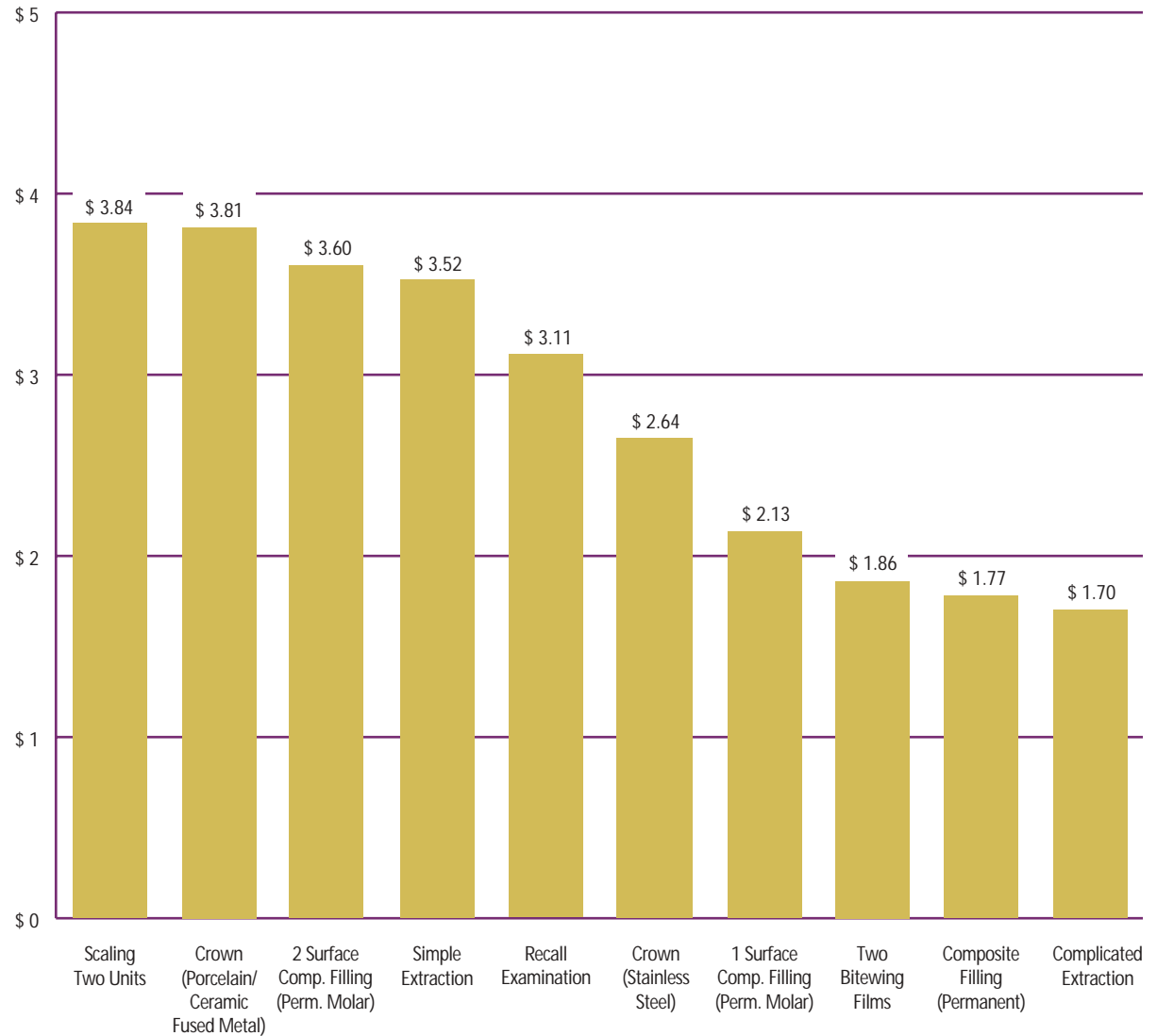


**Figure 7.22**  
**National Top 10 Dental Procedures by Expenditures**  
**(\$ Million) 2002/03**

Two units of scaling are the most costly dental procedure in 2002/03 at \$3.84 million, an increase of 5% from the previous year.

Porcelain/ceramic fused metal crowns was the next most costly dental procedure at \$3.81 million.

Composite filling (permanent molar) was the third most costly dental procedure at \$3.60 million, followed by single extractions at \$3.52 million.



Source: HICPS adapted by Program Analysis Division

# Benefit Utilization And Expenditure Data

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**Figure 7.23**  
**NIHB Expenditures on Medical Transportation**  
**by Type and Region 2002/03**

Figure 7.23 provides expenditures by region and type of transportation.

Total transportation expenditures increased by 4.2% to \$204.0 million in 2002/03. The N.W.T/Nunavut (30.2%), the Pacific Region (16.9%) and the Saskatchewan Region (8.3%) had the largest proportional increases in transportation expenditures in 2002/03 from the previous year. The region with the largest decrease in transportation expenditures was Ontario at -6.9%.

The Manitoba Region had the highest overall medical transportation expenditure at \$51.2 million, largely as a result of air transportation which totalled over \$22.5 million. The Ontario Region at \$37.5 million and the Alberta Region at \$28.9 million had the next highest expenditures in 2002/03.

TYPE	Atlantic	Quebec	Ontario	Manitoba
Schedule Airline	\$ 333,000	\$ 367,100	\$ 6,335,600	\$ 10,848,700
Chartered Flights	19,800	18,500	5,183,300	11,614,700
Living Expenses	195,500	23,800	3,873,600	5,505,900
Land & Water	2,170,200	995,400	3,610,300	6,128,900
Outside Canada	0	0	8,900	2,100
<b>Total Operating</b>	<b>\$ 2,718,500</b>	<b>\$ 1,404,800</b>	<b>\$ 19,011,700</b>	<b>\$ 34,100,300</b>
<b>Contributions</b>	<b>3,595,100</b>	<b>15,471,800</b>	<b>18,480,800</b>	<b>17,098,600</b>
<b>Total</b>	<b>\$ 6,313,600</b>	<b>\$ 16,876,600</b>	<b>\$ 37,492,500</b>	<b>\$ 51,198,900</b>
<b>% Change from 01/02</b>	<b>1.3%</b>	<b>1.7%</b>	<b>-6.9%</b>	<b>6.0%</b>

TYPE	Saskatchewan	Alberta	Pacific	Yukon	N.W.T & Nunavut	Total
Schedule Airline	\$ 2,490,600	\$ 94,000	\$ 547,700	\$ 555,100	\$ 0	\$ 21,571,800
Chartered Flights	2,450,700	1,272,100	47,600	888,800	0	21,495,500
Living Expenses	1,100,400	1,584,900	535,000	315,800	0	13,134,900
Land & Water	13,512,600	11,502,200	1,066,000	197,100	0	39,182,700
Outside Canada	5,300	0	0	100	0	16,400
<b>Total Operating</b>	<b>\$ 19,559,600</b>	<b>\$ 14,453,200</b>	<b>\$ 2,196,300</b>	<b>\$ 1,956,900</b>	<b>\$ 0</b>	<b>\$ 95,401,300</b>
Contributions	6,293,700	14,402,900	14,213,400	0	18,994,700	108,551,000
<b>Total</b>	<b>\$ 25,853,300</b>	<b>\$ 28,856,100</b>	<b>\$ 16,409,700</b>	<b>\$ 1,956,900</b>	<b>\$ 18,994,700</b>	<b>\$ 203,952,300</b>
% Change from 01/02	8.3%	-3.2%	16.9%	-3.1%	30.2%	4.2%



# Benefit Utilization And Expenditure Data

**Figure 7.24**  
**Proportion of Medical Transportation Expenditures**  
**by Operating and Contributions 1992/93 to 2002/03**

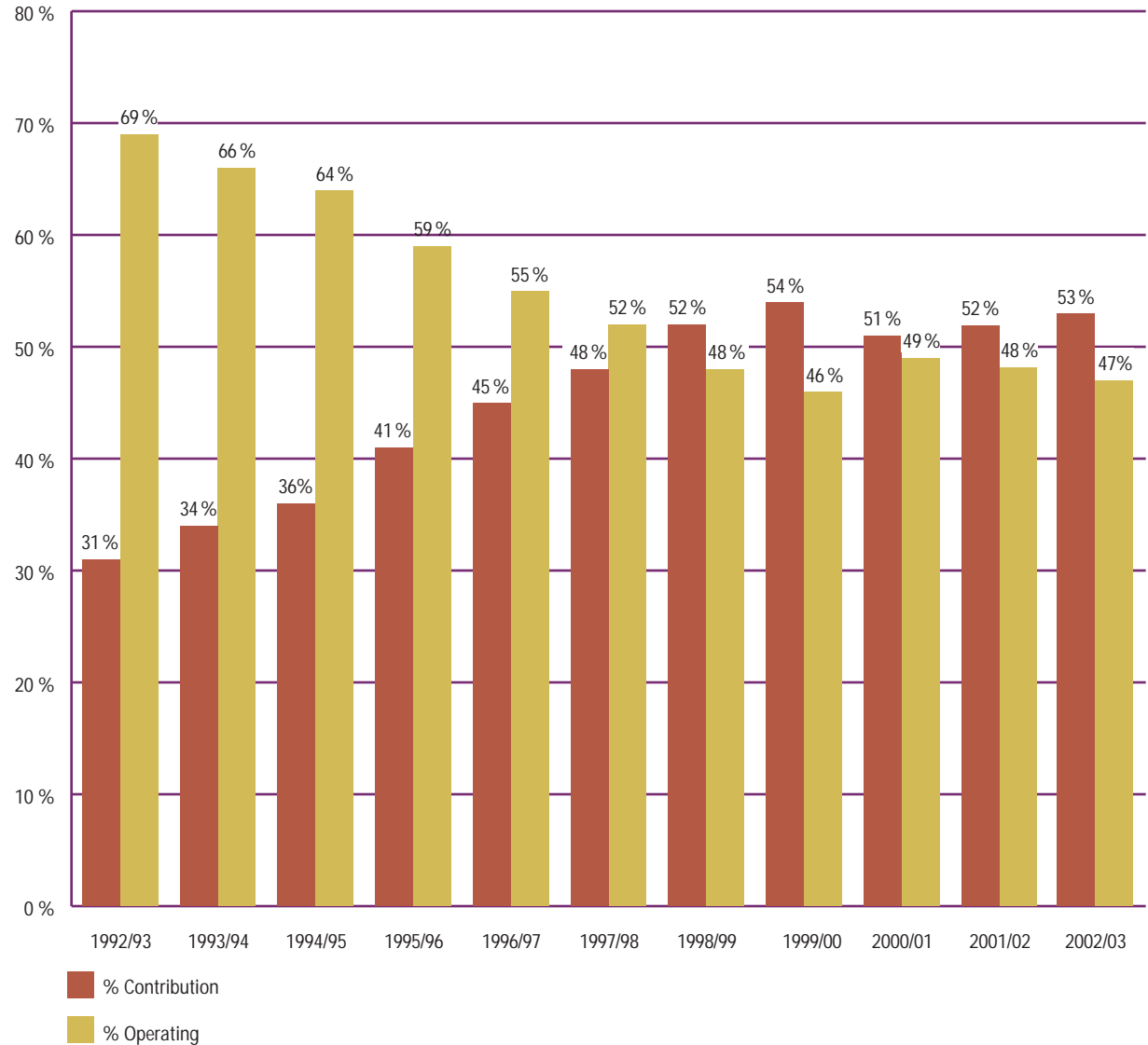
Figure 7.24 shows a continuous increase in the proportion of contribution funding for medical transportation compared to direct operating costs in the 1990's. This trend changed in 2000/01. In 2002/03, contribution funds accounted for 53% while operating costs totalled 47%.

The contribution agreement with the Governments of the Northwest Territories and Nunavut provides funding for all medical transportation in the N.W.T./Nunavut.

All of the N.W.T./Nunavut medical transportation funding is through contribution agreements. The Quebec Region at 91.7%, the Pacific Region at 86.6%, the Atlantic Region at 56.9%, the Alberta Region at 49.9%, and the Ontario Region at 49.3% are the next highest.

The Yukon had no contribution expenditures while the Saskatchewan Region and the Manitoba Region had the next lowest proportion of contribution funding at 24.3% and 33.4%, respectively.

Contribution expenditures include medical transportation funding for pilot projects.

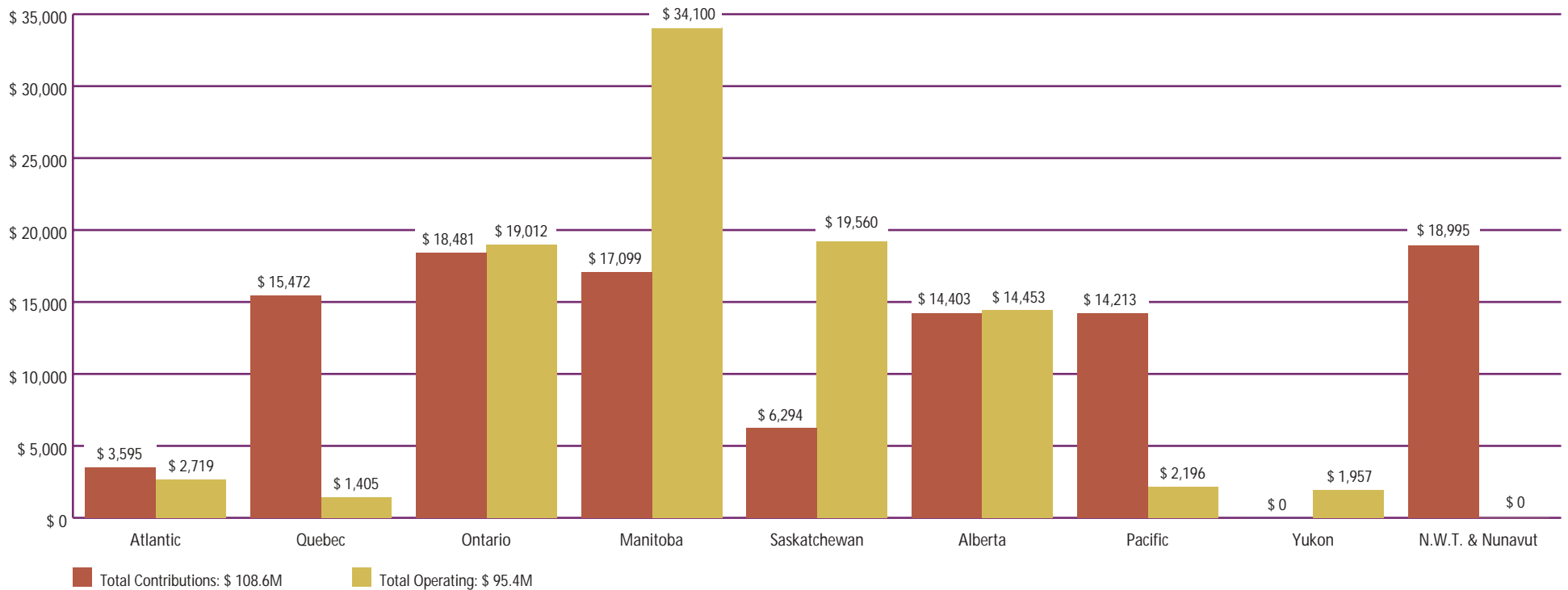


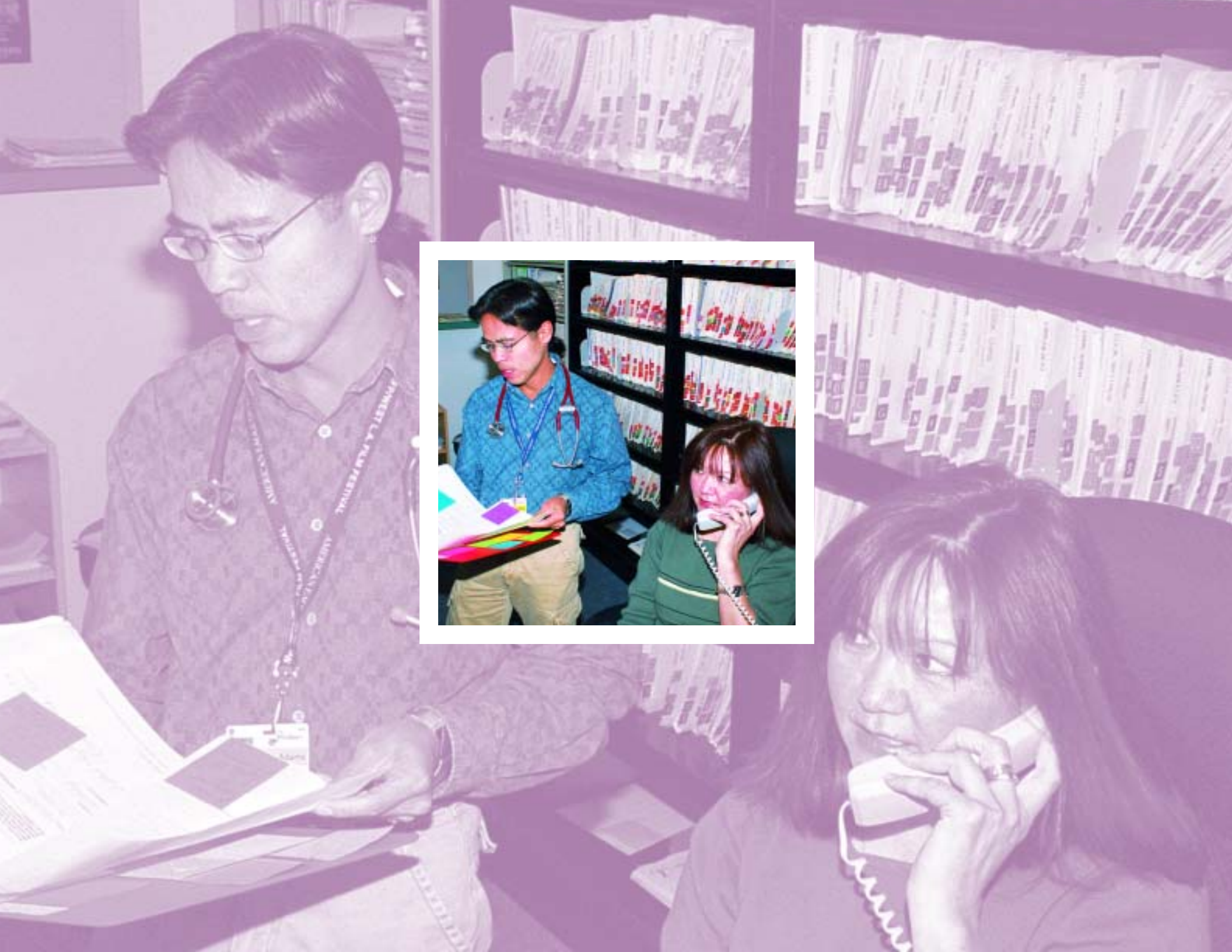
**Figure 7.25**  
**Medical Transportation Expenditures**  
**2002/03**

Figure 7.25 compares contribution funding to direct operating costs in transportation. Contribution funds are provided to First Nations and Inuit communities to manage elements of the medical transportation program (e.g. coordinating accommodations, managing ground transportation, etc.).

The Manitoba Region had the largest operating expenditure for transportation in 2002/03 at \$34.1 million. The Saskatchewan Region was the next largest at \$19.6 million, with an increase of 9.7% from the previous year.

The largest contribution expenditures for transportation were registered as follows: N.W.T./Nunavut (\$19.0 million), the Ontario Region (\$18.5 million), the Manitoba Region (\$17.1 million), the Quebec Region (\$15.5 million), the Alberta Region at (\$14.4 million), and the Pacific Region (\$14.2 million). The smallest totals were recorded in Atlantic Region at \$3.6 million and Saskatchewan Region at \$6.3 million.







# Program Initiatives

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This section provides a summary of the prominent initiatives of the Non-Insured Health Benefits (NIHB) Directorate in 2002/03. The program initiatives described in this section are outlined below.

- 8.1 Provider Audit Activities
- 8.2 Health Information and Claims Processing System
- 8.3 NIHB Drug Exception Centre
- 8.4 Federal Pharmacy and Therapeutics Committee
- 8.5 Federal Dental Care Advisory Committee
- 8.6 Health Care Coordination Initiative
- 8.7 NIHB Pilot Projects
- 8.8 Privacy Initiatives
- 8.9 Medical Transportation Review

# Program Initiatives

**Figure 8.1**  
**Provider Audit Activities**  
**2002/03**

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First Canadian Health Management Inc. (FCH) has been the administrator of Health Canada's Health Information and Claims Processing System (HICPS) since December 1, 1998.

Providers submit claims to FCH for reimbursement of pharmacy, dental and medical supplies and equipment benefits provided to First Nations and Inuit clients under the Non-Insured Health Benefits (NIHB) Program. As the administrator of HICPS, FCH provides audit control on health service providers for the purpose of detecting and addressing billing irregularities and to ensure that services paid for through the HICPS were, in fact, received by NIHB clients.

There are four components of the FCH Provider Audit Program for the pharmacy, dental and medical supplies/equipment benefit areas. These are:

- 1) Next Day Claims Verification Program which consists of a review of a defined sample of claims submitted by providers the day following receipt by FCH;
- 2) Client Confirmation Program which consists of a quarterly mailout to a randomly selected number of NIHB clients to confirm the receipt of the benefit that has been billed on their behalf;

- 3) Provider Profiling Program which consists of a review of the billings of all providers against selected criteria and the determination of the most appropriate follow up activity if concerns are identified; and,

- 4) On-Site Audit Program which consists of the selection of a sample of claims for administrative validation with a provider's records through an on-site visit. The sample of claims reviewed is proportionate to the volume of NIHB clients serviced by the provider.

The following table identifies recoveries or savings from all components of the FCH Provider Audit Program during the fiscal year 2002/03.

The on-site audit component, by the nature of the process, can spread over more than one year until resolution of the audit is complete. For the purposes of the annual report, both on-site audits that have been initiated and those reaching the final resolution phase in 2002/03 are reported in the table.

**Figure 8.1.1**  
**Provider Audit Activities - All Components**  
**2002/03**

REGION	PHARMACY		MS&E		DENTAL		TOTAL	
	On-Site Audits Completed	Total Identified Recoveries/Savings	On-Site Audits Completed	Total Identified Recoveries/Savings	On-Site Audits Completed	Total Identified Recoveries/Savings	On-Site Audits Completed	Total Identified Recoveries/Savings
Atlantic	5	\$ 4,643	2	\$ 31	7	\$ 56,911	14	\$ 61,585
Quebec	25	155,201	6	18,808	8	7,581	39	181,590
Ontario	54	438,635	9	24,127	18	87,706	81	550,468
Manitoba	10	97,067	3	21,753	12	61,846	25	180,666
Saskatchewan	11	31,558	2	505	11	163,277	24	195,340
Alberta	28	142,933	10	31,614	0	124	38	174,671
Pacific	8	1,350,424	5	12,541	0	0	13	1,362,965
Yukon	1	29,880	2	40	1	34,776	4	64,696
N.W.T. & Nunavut	4	57,714	2	24,848	1	54,045	7	136,607
<b>Total</b>	<b>146</b>	<b>\$ 2,308,055</b>	<b>41</b>	<b>\$ 134,267</b>	<b>58</b>	<b>\$ 466,266</b>	<b>245</b>	<b>\$ 2,908,588</b>

# Program Initiatives

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## 8.2

### Health Information and Claims Processing System

Claims for dental services, drugs and medical supplies and equipment for all eligible First Nations and Inuit in Canada are processed through the national Health Information and Claims Processing System (HICPS).

The HICPS is currently in operation through a contract with First Canadian Health Management Corporation Inc. (FCH). The effective date of operations was December 1, 1998.

The current FCH contract will be in effect until November 30, 2005.

**8.3**  
**NIHB Drug Exception Centre**

The NIHB Drug Exception Centre handles all prior approvals required for drugs subject to the Limited Use Drug policy, for drugs not on the NIHB Drug Benefit List and for prescriptions for which the physician has indicated “No Substitution”. The Centre is an important management component to ensuring a needs-based approach to the provision of drug benefits. Additional information on the NIHB Drug Exception Centre follows.

**Figure 8.3.1**  
**Total NIHB Drug Exception Centre**  
**Requests/Approvals 2002/03**

Status	Benefit	Exceptions	Limited Use	Total
Total Requested	1,209	37,965	136,053	175,227
Total Approved	1,117	30,901	126,858	158,876

Benefit: Drugs included in the NIHB Drug Benefit List for which the total dollar value exceeds Point of Sale limit or for which more than a three month supply is requested

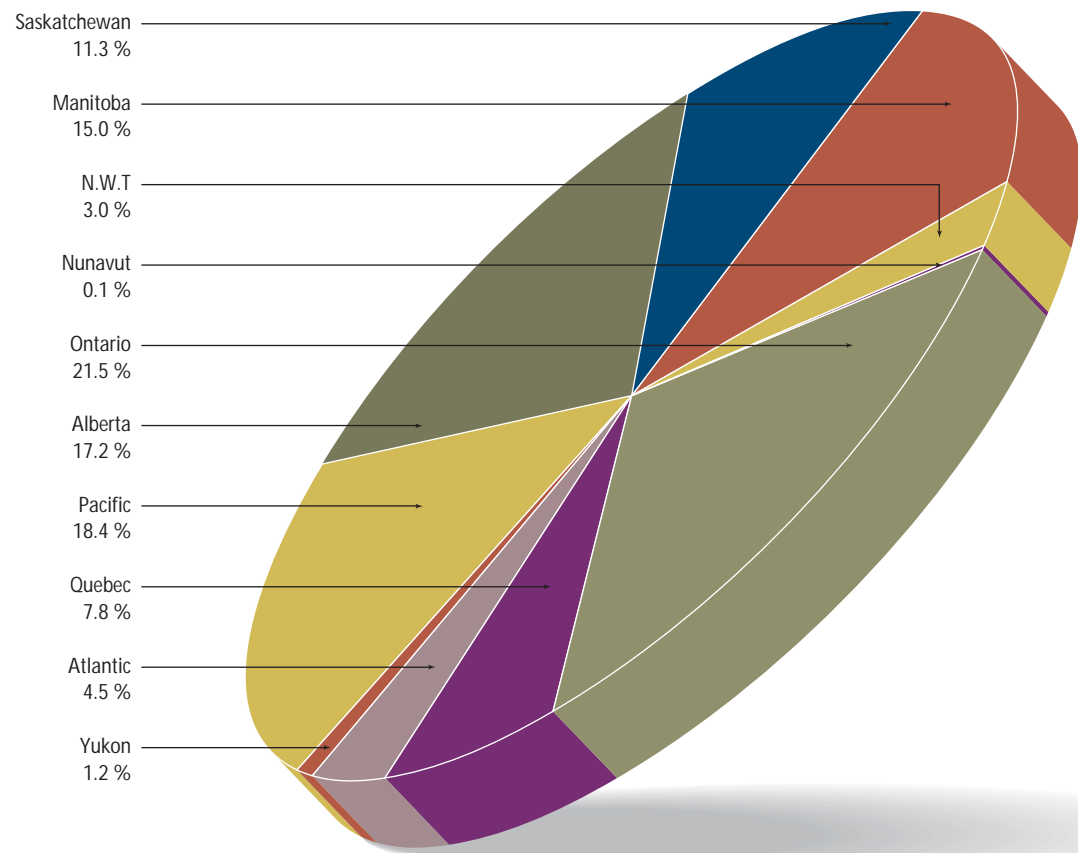
Exceptions: Drugs not included on the NIHB Drug Benefit List (also includes requests for drugs for which the physician has indicated “No Substitution”)

Limited Use: Drugs covered only if they are prescribed for conditions which meet specific criteria for Program coverage



# Program Initiatives

**Figure 8.3.2**  
**Proportion of NIHB Drug Exception**  
**Centre Requests by Region 2002/03**



## 8.4

### **Federal Pharmacy and Therapeutics Committee**

The Federal Pharmacy and Therapeutics (P&T) Committee is an advisory body of health professionals established to provide evidence-based pharmacy and medical advice to participating federal departments, which include: Health Canada, Veterans Affairs Canada, Royal Canadian Mounted Police, Correctional Services Canada, Citizenship and Immigration Canada and National Defence.

The Federal Pharmacy and Therapeutics (FP&T) Committee provides formulary listing recommendations for drugs products to participating federal drug plans, including the NIHB Program. The NIHB Program and other federal drug plans make listing decisions based on FP&T Committee recommendations and other specific relevant factors, such as mandate, priorities and resources.

The Committee generally meets two to four times a year and members serve for two to three years. Individual members are selected based on their specific areas of expertise and experience with consideration being given to providing a balance between scientific knowledge and practical community experience.

Since March 2002, the NIHB Program has been participating in the Interim Common Drug Review (CDR) process, whereby new chemical entities and new combination drug products are reviewed. The interim process uses a distributive model steered by the Common Drug Review Committee and coordinated by a secretariat housed at Canadian Coordinating Office for Health Technology Assessment (CCOHTA). Manufacturers make submissions directly to individual drug plans. One drug plan conducts the clinical or the pharmacoeconomic review and shares the review with all participating drug plans. The Interim CDR does not provide a common listing recommendation as this remains under the authority of each participating drug plan. The Interim CDR will continue until the permanent CDR is implemented in late 2003. Under the permanent CDR process, a Canadian Expert Drug Advisory Committee (CEDAC) will be established to reduce duplication of effort and replace the role of existing federal, provincial and territorial expert drug advisory committees that currently provide recommendations for listing decisions for new chemical entities and new combination drugs.

#### **NIHB Drug Bulletin**

The NIHB Drug Bulletin was launched in June 1997, as a vehicle for providing timely information about NIHB drug benefits to prescribers and providers. The objectives of this publication are to announce changes to the Drug Benefit List, to provide relevant drug information and to announce management or program changes. Bulletins can be found on the Internet at:

<http://www.hc-sc.gc.ca/fnihb/nihb/pharmacy/bulletin/index.htm>

# Program Initiatives

## 8.5

### **Federal Dental Care Advisory Committee**

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The Federal Dental Care Advisory Committee (FDCAC) is an advisory body of dental health professionals established to provide evidence-based dental advice to participating federal departments, which include: Health Canada, Veterans Affairs Canada, Royal Canadian Mounted Police, Correctional Services Canada, Citizenship and Immigration Canada and National Defence.

The Committee facilitates the sharing and flow of best practices and dental information among the participating departments, encourages sharing of positive and proven initiatives and reduces duplication of effort.

The Committee generally meets three times per year and members serve for two to three years. Individual members are selected based on their specific areas of expertise and experience with consideration being given to providing a balance between dental knowledge and community experience.

The approach of the Committee reflects dental and scientific knowledge, current clinical practice, health care delivery and specific client health needs. Implementation of the recommendations of FDCAC are at the discretion of each federal department and are in accordance with each department's specific relevant factors, such as mandate, priorities and resources.

The Committee also reviews and assesses appeals submitted by clients prior to making a recommendation to the Director General of the NIHB Program.

### **NIHB Dental Bulletin**

The NIHB Dental Bulletin was launched in September 1999, as a vehicle for providing information about NIHB dental benefits to providers. The objectives of this publication are to provide relevant benefit information and to announce management or program changes. Bulletins can be found on the Internet at <http://www.hc-sc.gc.ca/fnihb/nihb/dental/bulletin/index.htm>.

## 8.6

### Health Care Coordination Initiative (HCCI)

The Health Care Coordination Initiative (HCCI) was created under the leadership of Veterans Affairs Canada. The Initiative involves the following federal departments and agencies: Health Canada, Royal Canadian Mounted Police, Correctional Services Canada, National Defence and Citizenship and Immigration Canada.

The Federal Government, as the sixth largest health care jurisdiction in Canada, provides a wide variety of health care services and products through its programs. The purpose of the HCCI is to share information and experience, thereby limiting duplication of effort and to identify potential savings through the combined purchasing power of the member departments and through the coordination of health care benefits.

The HCCI has four objectives:

- to establish a collective philosophy and strategy for services to be provided to federal clients including the development of a coordinated health care services strategy, which identifies the issues that departments face;
- to coordinate mechanisms for information-sharing, collective decision-making and policy development;
- to collectively negotiate agreements, contracts and standing offers with provider associations, suppliers, and retailers for the provision of health care services and products which enhance competition and cost savings while maintaining or improving the quality of care for federal clients, and
- to represent or coordinate representation of the Federal departments at Federal, Provincial and Territorial task groups.

# Program Initiatives

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## 8.7

### Non-Insured Health Benefits (NIHB) Pilot Projects

The June 21, 1994, Cabinet decision provided that management options for the transfer of the Non-Insured Health Benefits Program be tested on a pilot basis. The 1994 Cabinet Authority included all benefit areas of the NIHB Program except drugs and dental benefits. In 1997, Cabinet approved the phasing in of drug and dental benefits for pilot project management.

Initially there were sixteen (16) pilot projects. One (1) pilot went into self-government, thirteen (13) have reverted to Contribution Agreements, one (1) joined with a larger pilot and currently one (1) has continued on as a pilot project. In addition, one (1) new pilot was approved. An extension to the Treasury Board authority was given until March 31, 2005, to enable NIHB pilot projects to continue testing various options and models for the management and delivery of NIHB under First Nations and Inuit control. In general, pilot projects are expected to meet the following criteria:

- assume all benefit areas;
- manage the current national benefit levels; and,
- serve all members regardless of residency.

Another aspect of the pilot projects is the evaluation process consisting of three phases. The first phase is the collection and review of impacts on past pilot processes. This phase is expected to be completed by November, 2003. The second phase is the implementation of the Administrative Survey Instrument and the collection of base line data and is expected to be completed in early 2004. The last phase of the evaluation process will be to implement the comprehensive evaluation process and provide a final Evaluation Report in late 2004 which will comprise a component of the Treasury Board submission.

**8.8****Privacy Initiatives**

The Non-Insured Health Benefits Program (NIHB) of Health Canada recognizes an individual's right to control who has access to his or her personal information and the purpose for which that information will be used. The Program is committed to protecting an individual's privacy and safeguarding the personal information in its possession. When a request for benefits is received, the NIHB Program collects, uses, discloses and retains an individual's personal information according to the applicable privacy legislation. The information collected is limited only to information needed for the NIHB Program to provide benefits.

As a program of the federal government, NIHB must comply with the Privacy Act, the Charter of Rights and Freedoms, the Access to Information Act, Treasury Board policies and guidelines, including the Treasury Board of Canada Government Security Policy and the Health Canada Security Policy. The NIHB Privacy Code addresses the requirements of these acts and policies.

Objectives of the NIHB Privacy Code:

- to set out the commitments of the NIHB Program to ensure confidentiality through responsible and secure handling of personal information collected for program delivery, administration and management; and
- to foster transparency, accountability, increased awareness of the NIHB Program's privacy procedures and practices.

The NIHB Privacy Code is based on the ten principles set out in the Canadian Standards Association (CSA), Model for the Protection of Personal Information (The CSA Model Code) which is also Schedule 1 to the Personal Information Protection and Electronic Documents Act (PIPEDA). The ten principles are commonly regarded as the national privacy standard for Canada.

The Privacy Code can be found on the Health Canada website at <http://www.hc-sc.gc.ca/fnihb/nihb/index.htm>, or contact your First Nations and Inuit Health Branch Office.

# Program Initiatives

## 8.9

### **Medical Transportation Review**

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In April 2003, the NIHB Program implemented the national Interim NIHB Medical Transportation Framework which defines the terms and conditions under which assistance is provided to eligible clients to access medically required health services. These terms and conditions support the overall objective of the NIHB Program as outlined in the Background section of this report.

The Framework gathers regional policies and guidelines into a single national document to ensure a consistent approach to the management and delivery of medical transportation. The Framework applies to the provision of medical transportation benefits by the First Nations and Inuit Health Branch Regional Offices, or First Nations /Inuit and third party (e.g. territorial governments) health authorities who receive funds from Health Canada. The funds are used to provide medical transportation benefits to eligible clients in accordance with the terms and conditions of a signed Contribution Agreement.

The Framework contains definitions for frequently used terms as well as sections on policy provisions, criteria used to determine client eligibility, client escorts, meals, accommodation, emergency transportation, requirements for confirmation of appointments, travel to access traditional healer services, reimbursement of travel expenses, non-benefits and appeal procedures.

To support the management of Medical Transportation benefits, the NIHB Program has developed the Medical Transportation Records System (MTRS) for use by First Nations and Inuit Health Branch Regional offices and First Nations and Inuit health authorities delivering benefits at the community level. MTRS is a user-friendly, internet-based application that enables users to capture medical transportation benefit and program related information. The system includes on-line verification of client eligibility for benefits and assists with coordinating trip arrangements for individuals who are required to travel to and from their respective communities to attend medical appointments.

The implementation of a national framework and development of MTRS provide important management tools to the NIHB Program and will allow it to develop benefit management strategies as well as a medical transportation audit framework.