

# Non-Insured Health Benefits Program

## ANNUAL REPORT



2005 / 2006



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FIRST NATIONS AND INUIT HEALTH BRANCH  
NON-INSURED HEALTH BENEFITS DIRECTORATE  
Manulife Place Building  
55 Metcalfe St.  
Postal Locator 4006A  
Ottawa (Ontario)  
K1A 0K9

Tel.: 613-954-8825

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Two-Headed Serpent, by Susan Point

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Woman and Children, 1996, by Annie Michael

# Introduction

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

This is the twelfth annual report prepared by the First Nations and Inuit Health Branch (FNIHB) of Health Canada on the Non-Insured Health Benefits (NIHB) Program.

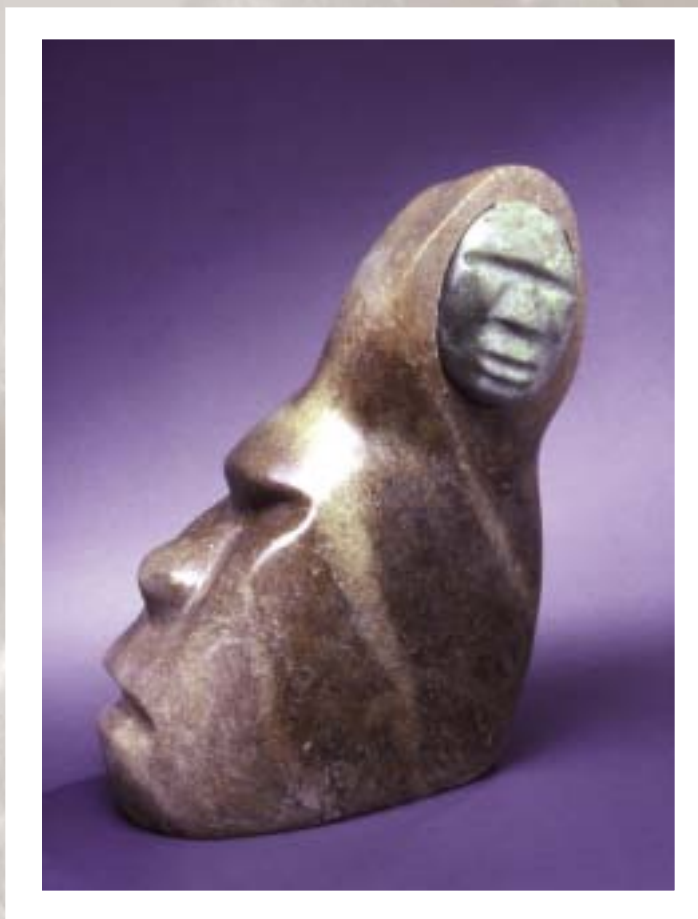
The report provides national and regional NIHB data, including information on NIHB Program clients, expenditures, benefit types and benefit utilization, for the following target audiences:

- Regional and Headquarters managers and staff of the First Nations and Inuit Health Branch;
- 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.

A number of revisions have been made to the 2005/06 NIHB Annual Report. New sections have been added to the report and the previous content has been updated and re-organized to make the information more accessible to readers.

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 (INAC). 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 data systems provide information on expenditures and selected benefit utilization. The Framework for Integrated Resource Management System (FIRMS) is the source of most of the expenditure data, while FNIHB's system for Health Information and Claims Processing Services (HICPS) provides detailed information on the pharmacy and dental benefit areas. All tables and charts are footnoted with the appropriate data sources. These data sources are considered to be of very high quality but, as in any administrative data set, some data may be subject to coding errors or other anomalies. In addition, some table totals may not add due to rounding procedures.



Faces in the Mountain, 2000, by John Terriak



# 1 Background

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The Non-Insured Health Benefits (NIHB) Program provides approximately 780,000 registered First Nations and Inuit with a limited range of medically necessary health-related goods and services when they are not insured elsewhere.

Provinces and territories are responsible for delivering health care services, guided by the provisions of the *Canada Health Act*. These services include insured hospital care and primary health care and the services of physicians and other health professionals. Like all Canadian residents, First Nations and Inuit access these insured services through provincial and territorial governments. There are, however, a number of health-related goods and services, that are not insured by provinces and territories or other private insurance plans.

To support First Nations people and Inuit in reaching an overall health status that is comparable with other Canadians, the NIHB Program funds claims for a specified range of needs-based benefits. These include:

- Pharmacy (including prescription and over-the-counter drugs and medical supplies/equipment);
- Dental services;
- Transportation to access medically required services;
- Glasses and other vision care aids and services;
- Health care premiums in Alberta and British Columbia only; and
- Other health care services including short-term crisis intervention mental health counselling.

The NIHB Program operates according to a number of guiding principles:

- All registered First Nations 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 judgment, consistent with the best practices of health services delivery and evidence-based standards of care;
- There will be national consistency with respect to 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.



Inukshuk at Dawn, 2002, by Annie Michael

# Client Population

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As of March 31, 2006, approximately 780,000 First Nation and Inuit clients were eligible to receive benefits under the NIHB Program. The current population is almost double the 400,000 eligible clients recorded in 1988. Rapid growth is attributable, in part, to Bill C-31 and changes made to the Indian Act in 1985 which resulted in over 100,000 additional clients being registered between 1985 and 1995. An additional factor for this increase is a population growth rate that is significantly higher than that of the overall Canadian population.

**Figure 2.1**  
**Eligible Client Population by Region**  
**March 2006**

The total number of eligible clients on the Status Verification System (SVS) at the end of March 2006, was 779,943, an increase of 2.0% from 2005. The Ontario Region has the largest total population, representing 21.4% of the national total, followed by the Manitoba Region at 15.7% and both the Pacific and Saskatchewan Regions at 15.5%.

Eligible client totals for 2006 and for all previous years presented in Section 2 include First Nation and Inuit clients covered under contribution, pilot or self-government agreements.



# Client Population

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**Figure 2.2**  
**Eligible Client Population by Type and Region**  
**March 2005 and March 2006**

Of the 779,943 total eligible clients at the end of the 2005/06 fiscal year, 737,340 (94.5%) are First Nations clients while 42,603 (5.5%) are Inuit clients.

The number of First Nations clients increased by 2.0% while the number of Inuit clients increased by 3.1% in the past year.

The Nunavut (2.7%), Manitoba (2.5%), Saskatchewan (2.3%), Alberta (2.3%) and NWT (2.3%) Regions showed the largest percentage increases in total population from 2004/05 to 2005/06.

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 Natuashish and Sheshatshiu. Inuit clients are recognized Inuit through 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.

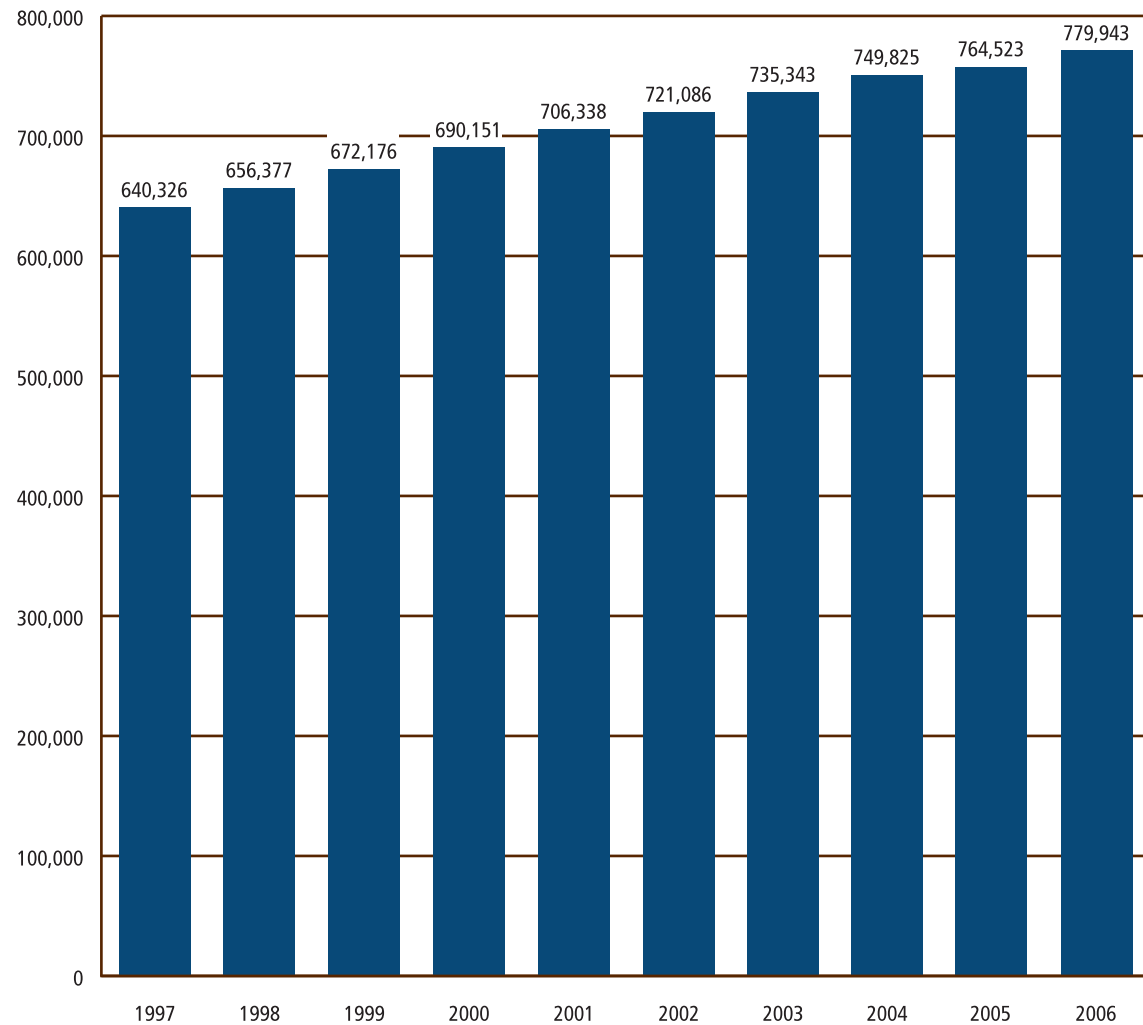
Regional population figures are based on a client's region of band affiliation as reflected by the Status Verification System.

REGION	First Nations		Inuit		TOTAL		% Change 2005 to 2006
	March/05	March/06	March/05	March/06	March/05	March/06	
Atlantic	31,159	31,723	5,948	6,144	37,107	37,867	2.0%
Quebec	53,880	54,671	707	765	54,587	55,436	1.6%
Ontario	164,191	166,724	525	547	164,716	167,271	1.6%
Manitoba	119,045	122,052	95	114	119,140	122,166	2.5%
Saskatchewan	117,941	120,603	33	36	117,974	120,639	2.3%
Alberta	94,437	96,621	364	380	94,801	97,001	2.3%
Pacific	118,785	120,831	241	246	119,026	121,077	1.7%
Yukon	7,641	7,716	70	72	7,711	7,788	1.0%
N.W.T	16,139	16,399	7,167	7,437	23,306	23,836	2.3%
Nunavut	0	0	26,155	26,862	26,155	26,862	2.7%
<b>Total</b>	<b>723,218</b>	<b>737,340</b>	<b>41,305</b>	<b>42,603</b>	<b>764,523</b>	<b>779,943</b>	<b>2.0%</b>

**Figure 2.3**  
**Eligible Client Population**  
**March 1997 to March 2006**

The total number of eligible clients on the Status Verification System (SVS) has increased from over 640,000 at the end of fiscal year 1996/97 to nearly 780,000 in March 2006, an increase of 21.8%.

Since March 1997, annual population growth has ranged between 2.0% and 3.0%. The rate of increase has shown a pattern of decline over this period. The one anomaly was between 1999 and 2000 when growth increased from 2.4% to 2.7%.





# Client Population

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**Figure 2.4**

## **Eligible Client Population by Region March 2002 to March 2006**

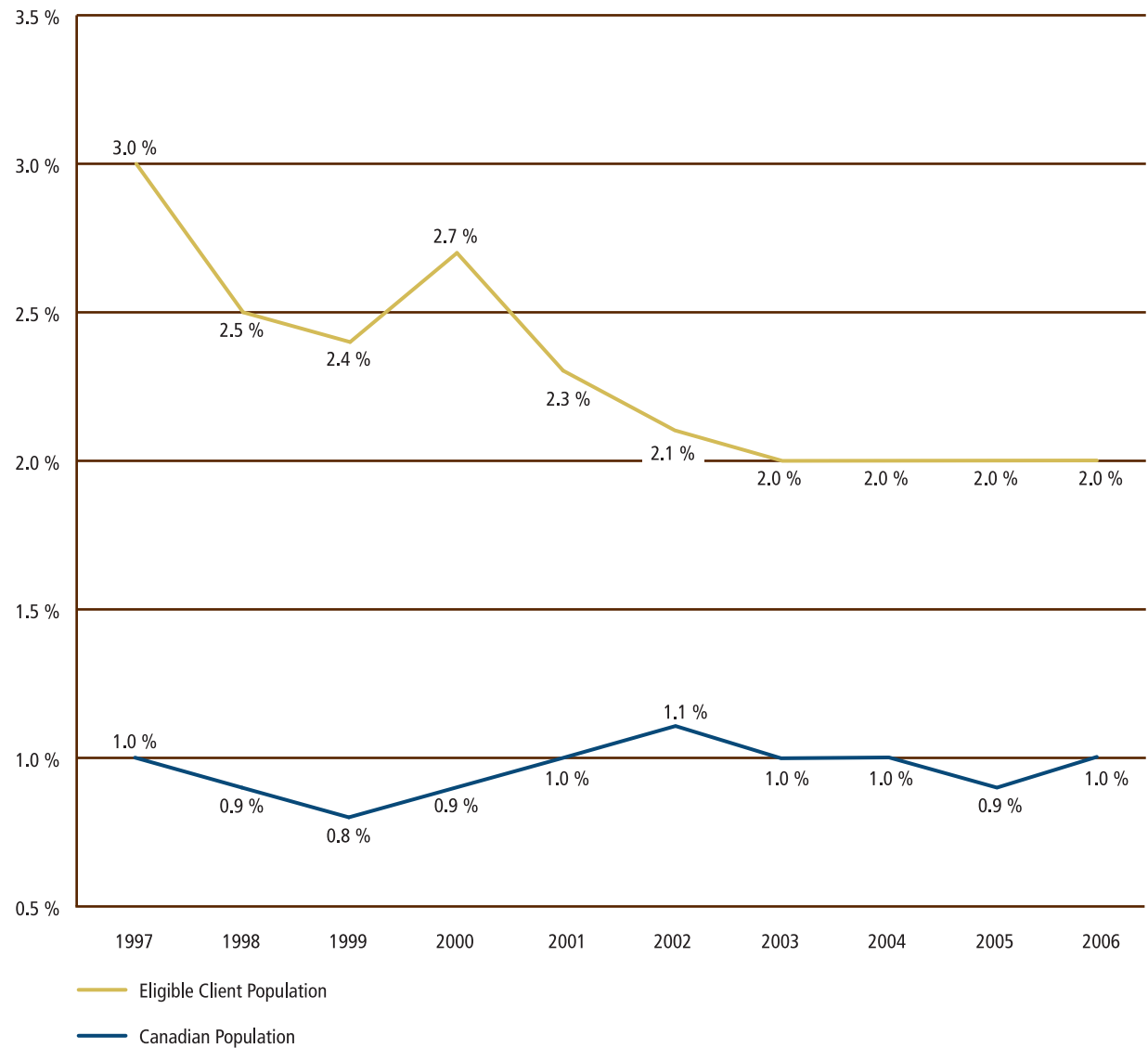
The total number of eligible clients increased by 8.2% from 721,086 in 2002 to 779,943 in 2006.

The Manitoba Region had the largest increase in eligible clients over this five-year period with a growth rate of 10.5%, followed by the Nunavut Region at 10.2% and the Alberta and Saskatchewan Regions at 10.0%.

REGION	March/02	March/03	March/04	March/05	March/06
Atlantic	34,662	35,389	36,232	37,107	37,867
Quebec	52,365	53,114	53,954	54,587	55,436
Ontario	158,086	160,496	162,473	164,716	167,271
Manitoba	110,517	113,180	116,039	119,140	122,166
Saskatchewan	109,659	112,325	115,093	117,974	120,639
Alberta	88,160	90,356	92,647	94,801	97,001
Pacific	113,366	115,204	117,159	119,026	121,077
Yukon	7,477	7,571	7,647	7,711	7,788
N.W.T	22,414	22,873	23,146	23,306	23,836
Nunavut	24,380	24,835	25,435	26,155	26,862
<b>Total</b>	<b>721,086</b>	<b>735,343</b>	<b>749,825</b>	<b>764,523</b>	<b>779,943</b>
<b>Annual % change</b>	<b>2.1%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>

**Figure 2.5**  
**Annual Population Growth, Canadian Population**  
**and Eligible Client Population**  
**1996/97 to 2005/06**

From 1996/97 to 2005/06, the Canadian population grew by 9.0% while the NIHB eligible First Nations and Inuit client population registered an increase of 21.8%. Over the same period, the First Nations and Inuit client population grew at an average annual rate of 2.3% 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 within the client population.



# Client Population

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**Figure 2.6**  
**Eligible Client Population by Age Group, Gender and Region**  
**March 2006**

Of the 779,943 eligible clients on the SVS as of March 31, 2006, 50.9% are female (397,145) and 49.1% are male (382,798).

The average age of the eligible client population is 30 years. By region, this average ranges from a high of 34 years of age in the Quebec and Ontario Regions to a low of 26 years of age in Nunavut.

The average age of the male and female eligible client population is 29 years and 31 years respectively. The average age for males ranges from 25 years in Nunavut to 32 years in the Quebec, Ontario and Yukon Regions. The average age for females varies from 25 years in Nunavut to 36 years in the Quebec Region.

The First Nations and Inuit client population is relatively young with almost three-quarters (69.7%) under the age of 40. Of the total population, 38.1% are under the age of 20. Seniors (clients 65 years of age and over) represent 5.6% 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	1,371	1,209	2,580	1,659	1,574	3,233	3,993	3,653	7,646	6,205	5,880	12,085
5 - 9	1,686	1,688	3,374	2,239	2,138	4,377	6,916	6,693	13,609	7,165	6,806	13,971
10 - 14	1,870	1,788	3,658	2,567	2,469	5,036	7,837	7,462	15,299	7,440	7,220	14,660
15 - 19	1,777	1,751	3,528	2,351	2,297	4,648	7,492	7,167	14,659	6,485	6,331	12,816
20 - 24	1,601	1,593	3,194	2,080	2,033	4,113	6,859	6,646	13,505	5,381	5,061	10,442
25 - 29	1,444	1,440	2,884	1,959	1,914	3,873	6,390	6,451	12,841	4,666	4,521	9,187
30 - 34	1,493	1,430	2,923	1,956	2,028	3,984	6,473	6,406	12,879	4,580	4,598	9,178
35 - 39	1,594	1,602	3,196	2,085	2,175	4,260	6,634	6,779	13,413	4,511	4,606	9,117
40 - 44	1,446	1,550	2,996	2,130	2,325	4,455	6,880	7,245	14,125	4,000	4,320	8,320
45 - 49	1,176	1,418	2,594	1,905	2,270	4,175	5,926	6,659	12,585	3,207	3,400	6,607
50 - 54	902	1,083	1,985	1,501	1,814	3,315	4,468	5,450	9,918	2,188	2,563	4,751
55 - 59	689	865	1,554	1,168	1,491	2,659	3,476	4,414	7,890	1,691	1,894	3,585
60 - 64	436	613	1,049	892	1,166	2,058	2,497	3,230	5,727	1,139	1,327	2,466
65 +	985	1,367	2,352	1,984	3,266	5,250	5,242	7,933	13,175	2,151	2,830	4,981
Total	18,470	19,397	37,867	26,476	28,960	55,436	81,083	86,188	167,271	60,809	61,357	122,166
Average Age	30	32	31	32	36	34	32	35	34	26	28	27

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	5,728	5,759	11,487	4,609	4,493	9,102	4,012	3,883	7,895	202	196	398	783	805	1,588	1,715	1,613	3,328	30,277	29,065	59,342
5 - 9	7,093	6,903	13,996	5,745	5,410	11,155	5,169	4,920	10,089	312	257	569	1,035	990	2,025	1,731	1,642	3,373	39,091	37,447	76,538
10 - 14	7,480	7,268	14,748	6,038	5,604	11,642	5,893	5,457	11,350	339	329	668	1,454	1,372	2,826	1,651	1,611	3,262	42,569	40,580	83,149
15 - 19	7,030	6,737	13,767	5,428	5,270	10,698	6,003	5,585	11,588	342	340	682	1,340	1,335	2,675	1,622	1,500	3,122	39,870	38,313	78,183
20 - 24	5,682	5,598	11,280	4,618	4,541	9,159	5,355	5,113	10,468	337	320	657	1,090	1,014	2,104	1,221	1,190	2,411	34,224	33,109	67,333
25 - 29	4,854	4,716	9,570	3,820	3,841	7,661	4,725	4,632	9,357	311	265	576	909	927	1,836	1,019	1,034	2,053	30,097	29,741	59,838
30 - 34	4,371	4,672	9,043	3,534	3,658	7,192	4,733	4,633	9,366	309	288	597	878	880	1,758	899	927	1,826	29,226	29,520	58,746
35 - 39	4,420	4,527	8,947	3,405	3,600	7,005	4,781	4,891	9,672	384	303	687	994	986	1,980	968	940	1,908	29,776	30,409	60,185
40 - 44	3,759	4,085	7,844	3,081	3,384	6,465	4,826	5,356	10,182	402	397	799	849	965	1,814	772	793	1,565	28,145	30,420	58,565
45 - 49	2,918	3,251	6,169	2,338	2,693	5,031	4,141	4,760	8,901	263	321	584	630	783	1,413	543	535	1,078	23,047	26,090	49,137
50 - 54	1,996	2,247	4,243	1,627	2,031	3,658	3,126	3,668	6,794	187	252	439	449	569	1,018	394	386	780	16,838	20,063	36,901
55 - 59	1,356	1,755	3,111	1,159	1,548	2,707	2,246	2,601	4,847	136	181	317	394	468	862	389	356	745	12,704	15,573	28,277
60 - 64	1,004	1,179	2,183	836	1,045	1,881	1,632	2,052	3,684	126	146	272	277	286	563	227	228	455	9,066	11,272	20,338
65 +	1,784	2,467	4,251	1,516	2,129	3,645	2,907	3,977	6,884	216	327	543	615	759	1,374	468	488	956	17,868	25,543	43,411
Total	59,475	61,164	120,639	47,754	49,247	97,001	59,549	61,528	121,077	3,866	3,922	7,788	11,697	12,139	23,836	13,619	13,243	26,862	382,798	397,145	779,943
Average Age	26	27	26	26	28	27	30	33	31	32	35	33	29	31	30	25	25	25	29	31	30

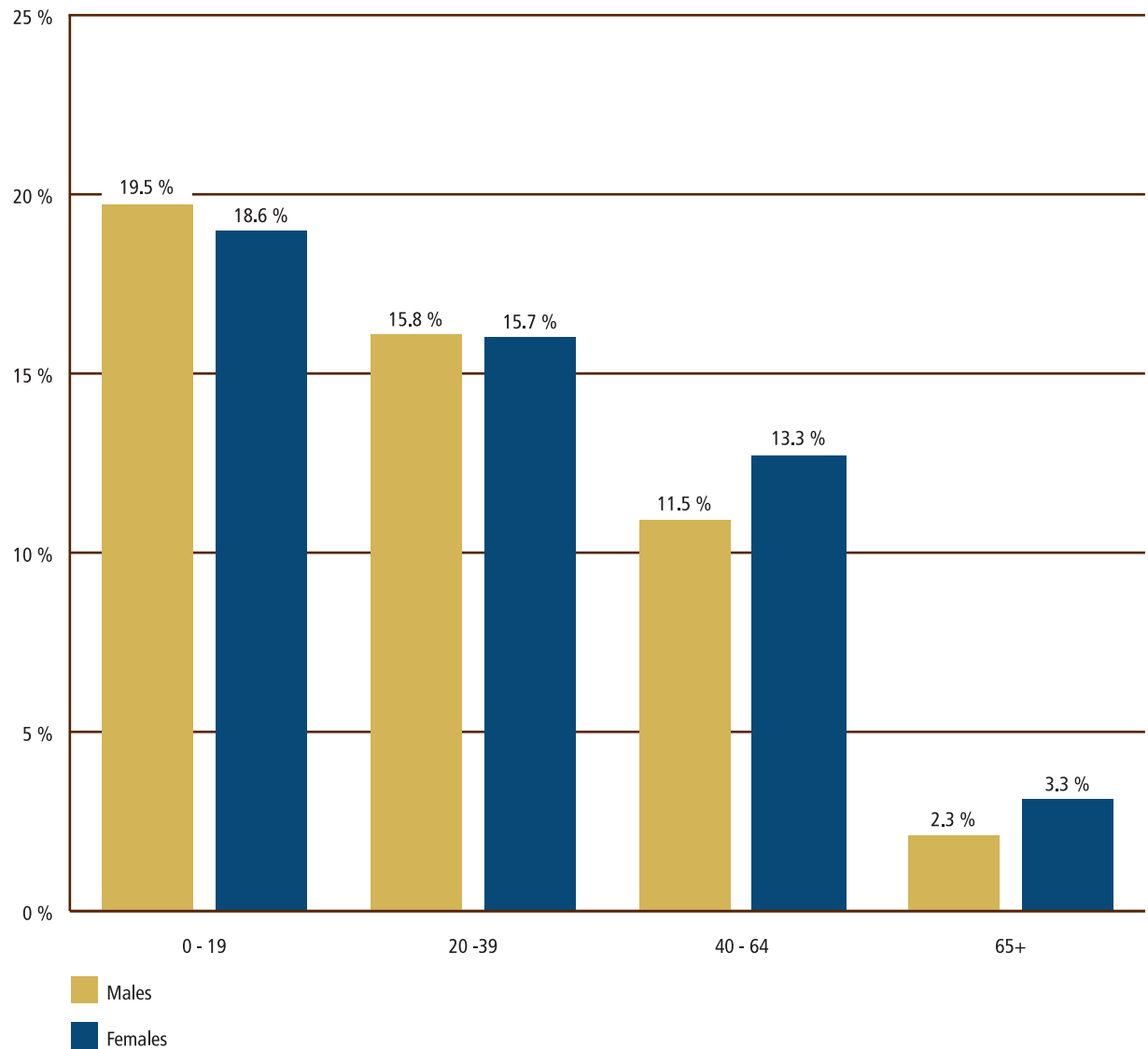
# Client Population

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**Figure 2.7**  
**Proportion of Eligible Client Population,**  
**Gender and Age Group**  
**March 2006**

Males and females under 20 years of age represent 19.5% and 18.6% of the total population, respectively.

Male clients age 65 years and over account for 2.3% of the total population, while females in this age range represent 3.3%.









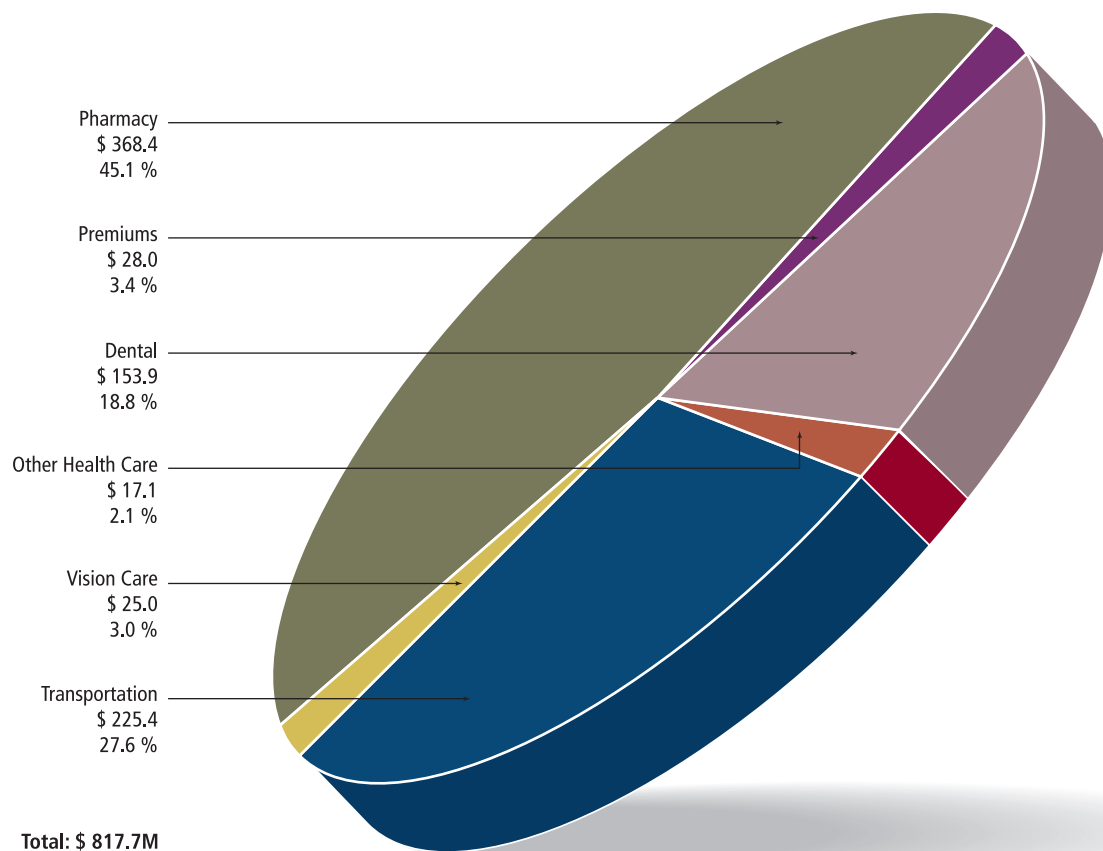
Leadership, 1994, by Roy Thomas

# NIHB Program Expenditures

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

**Figure 3.1**  
**NIHB Expenditures by Benefit (\$ Millions)**  
**2005/06**

Total Non-Insured Health Benefits expenditures in 2005/06 were \$817.7 million. Of this total, NIHB Pharmacy costs represent the largest proportion at \$368.4 million (45.1%), followed by NIHB Medical Transportation costs at \$225.4 million (27.6%) and NIHB Dental costs at \$153.9 million (18.8%).



Not reflected in the \$817.7 million in NIHB Benefits in 2005/06 is approximately \$32 million in administration costs.

# Program Expenditures

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

**Figure 3.2**

**NIHB Expenditures (\$ 000's) and Growth (%)  
by Benefit  
2004/05 and 2005/06**

All NIHB benefit areas registered increases in expenditures in 2005/06 over 2004/05, with a total year over year expenditure increase of \$50.0 million, or 6.5%.

Pharmacy benefits increased by \$24.5 million (7.1%), followed by transportation benefits at \$13.9 million (6.5%) and dental benefits at \$10.9 million (7.7%).

NIHB Vision Care, Other Health Care and Premiums all showed modest growth over the previous year at 1.4%, 1.2% and 0.6% respectively.

BENEFIT	Total Expenditures 2004/05	Total Expenditures 2005/06	% Change From 2004/05
Transportation	\$ 211,527	\$ 225,379	6.5%
Pharmacy	343,879	368,398	7.1%
Dental	142,956	153,900	7.7%
Other Health Care	16,904	17,115	1.2%
Premiums	27,830	27,987	0.6%
Vision Care	24,629	24,968	1.4%
<b>Total Expenditures</b>	<b>\$ 767,726</b>	<b>\$ 817,748</b>	<b>6.5%</b>

**Figure 3.3**  
**NIHB Expenditures by Benefit and Region (\$ 000's)**  
**2005/06**

The Manitoba Region accounts for the highest proportion of total expenditures at \$151.6 million, or 18.5% of the national total, followed by the Ontario Region at \$151.5 million (18.5%) and the Alberta Region at \$124.1 million (15.2%).

By contrast, the lowest expenditures are in the Yukon at \$7.8 million (1.0%) of the national total, followed by the Northwest Territories at \$20.7 million (2.5%).

The Headquarters expenditures in the table below represent costs paid to the claims processor related to automated pharmacy and dental claims payments.

REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	\$ 5,590	\$ 18,293	\$ 4,831	\$ 201	\$ —	\$ 1,614	\$ 30,529
Quebec	17,886	31,771	10,970	750	—	1,135	62,512
Ontario	38,553	73,223	32,064	2,213	—	5,458	151,510
Manitoba	63,322	59,409	20,326	5,690	—	2,864	151,610
Saskatchewan	28,786	55,687	22,038	2,237	—	4,072	112,820
Alberta	30,712	51,141	20,594	4,537	12,381	4,762	124,127
Pacific	16,944	49,734	22,439	1,486	15,606	3,049	109,259
Yukon	2,100	3,655	1,863	1	—	228	7,847
N.W.T.	6,710	8,010	5,249	—	—	743	20,712
Nunavut	14,776	4,902	8,137	—	—	1,044	28,860
Headquarters	—	12,574	5,389	—	—	—	17,962
Total	\$ 225,379	\$ 368,398	\$ 153,900	\$ 17,115	\$ 27,987	\$ 24,968	\$ 817,748



# Program Expenditures

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

**Figure 3.4**  
**Proportion of NIHB Expenditures by Region**  
**2005/06**

In fiscal year 2005/06, over one-quarter (28.1%) of total NIHB Medical Transportation expenditures were spent in the Manitoba Region. This reflects the large number of First Nation clients living in remote or fly-in only communities in the Manitoba Region.

The Ontario Region accounted for 20.8% of total NIHB Dental expenditures and 19.9% of total NIHB Pharmacy costs in 2005/06.

The proportion of NIHB Vision Care costs ranges from a high of 21.9% in the Ontario Region to a low of 0.9% in the Yukon.

The Manitoba Region (33.2%) and the Alberta Region (26.5%) accounted for over one-half of the total NIHB Other Health Care expenditures in 2005/06.

NIHB Premium costs are paid only in the Pacific (55.8%) and the Alberta (44.2%) Regions.

REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	2.5%	5.0%	3.1%	1.2%	0.0%	6.5%	3.7%
Quebec	7.9%	8.6%	7.1%	4.4%	0.0%	4.5%	7.6%
Ontario	17.1%	19.9%	20.8%	12.9%	0.0%	21.9%	18.5%
Manitoba	28.1%	16.1%	13.2%	33.2%	0.0%	11.5%	18.5%
Saskatchewan	12.8%	15.1%	14.3%	13.1%	0.0%	16.3%	13.8%
Alberta	13.6%	13.9%	13.4%	26.5%	44.2%	19.1%	15.2%
Pacific	7.5%	13.5%	14.6%	8.7%	55.8%	12.2%	13.4%
Yukon	0.9%	1.0%	1.2%	0.0%	0.0%	0.9%	1.0%
N.W.T.	3.0%	2.2%	3.4%	0.0%	0.0%	3.0%	2.5%
Nunavut	6.6%	1.3%	5.3%	0.0%	0.0%	4.2%	3.5%
Headquarters	0.0%	3.4%	3.5%	0.0%	0.0%	0.0%	2.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Figure 3.5**  
**Proportion of NIHB Regional Expenditures by Benefit**  
**2005/06**

At the national level, over two-thirds of total NIHB expenditures occur in two benefit areas: Pharmacy (45.1%) and Medical Transportation (27.6%). Dental expenditures accounted for almost one-fifth (18.8%) of total costs in 2005/06.

NIHB Medical Transportation expenditures accounted for 51.2% of total expenditures in Nunavut compared to 15.5% in the Pacific Region. In the Atlantic Region, 59.9% of total expenditures were spent on pharmacy benefits compared to a low of 17.0% in Nunavut. Dental expenditures accounted for 28.2% of total expenditures in Nunavut compared to 13.4% in the Manitoba Region.

Pharmacy costs represented the highest percentage of total expenditures in all regions except Nunavut and the Manitoba Region, where transportation accounted for the largest share of costs.

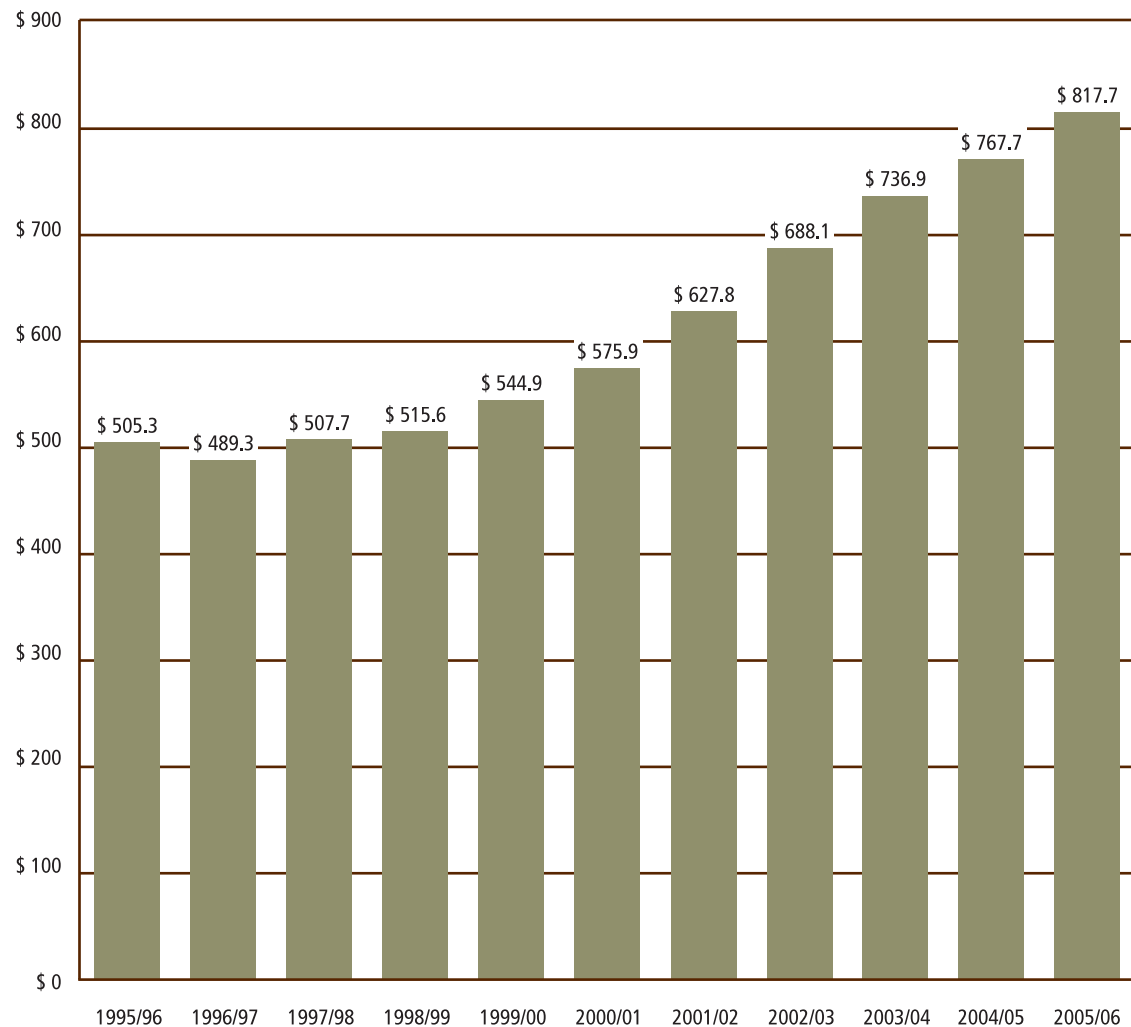
REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	18.3%	59.9%	15.8%	0.7%	0.0%	5.3%	100%
Quebec	28.6%	50.8%	17.5%	1.2%	0.0%	1.8%	100%
Ontario	25.4%	48.3%	21.2%	1.5%	0.0%	3.6%	100%
Manitoba	41.8%	39.2%	13.4%	3.8%	0.0%	1.9%	100%
Saskatchewan	25.5%	49.4%	19.5%	2.0%	0.0%	3.6%	100%
Alberta	24.7%	41.2%	16.6%	3.7%	10.0%	3.8%	100%
Pacific	15.5%	45.5%	20.5%	1.4%	14.3%	2.8%	100%
Yukon	26.8%	46.6%	23.7%	0.0%	0.0%	2.9%	100%
N.W.T.	32.4%	38.7%	25.3%	0.0%	0.0%	3.6%	100%
Nunavut	51.2%	17.0%	28.2%	0.0%	0.0%	3.6%	100%
Headquarters	0.0%	70.0%	30.0%	0.0%	0.0%	0.0%	100%
Total	27.6%	45.1%	18.8%	2.1%	3.4%	3.1%	100%

# Program Expenditures

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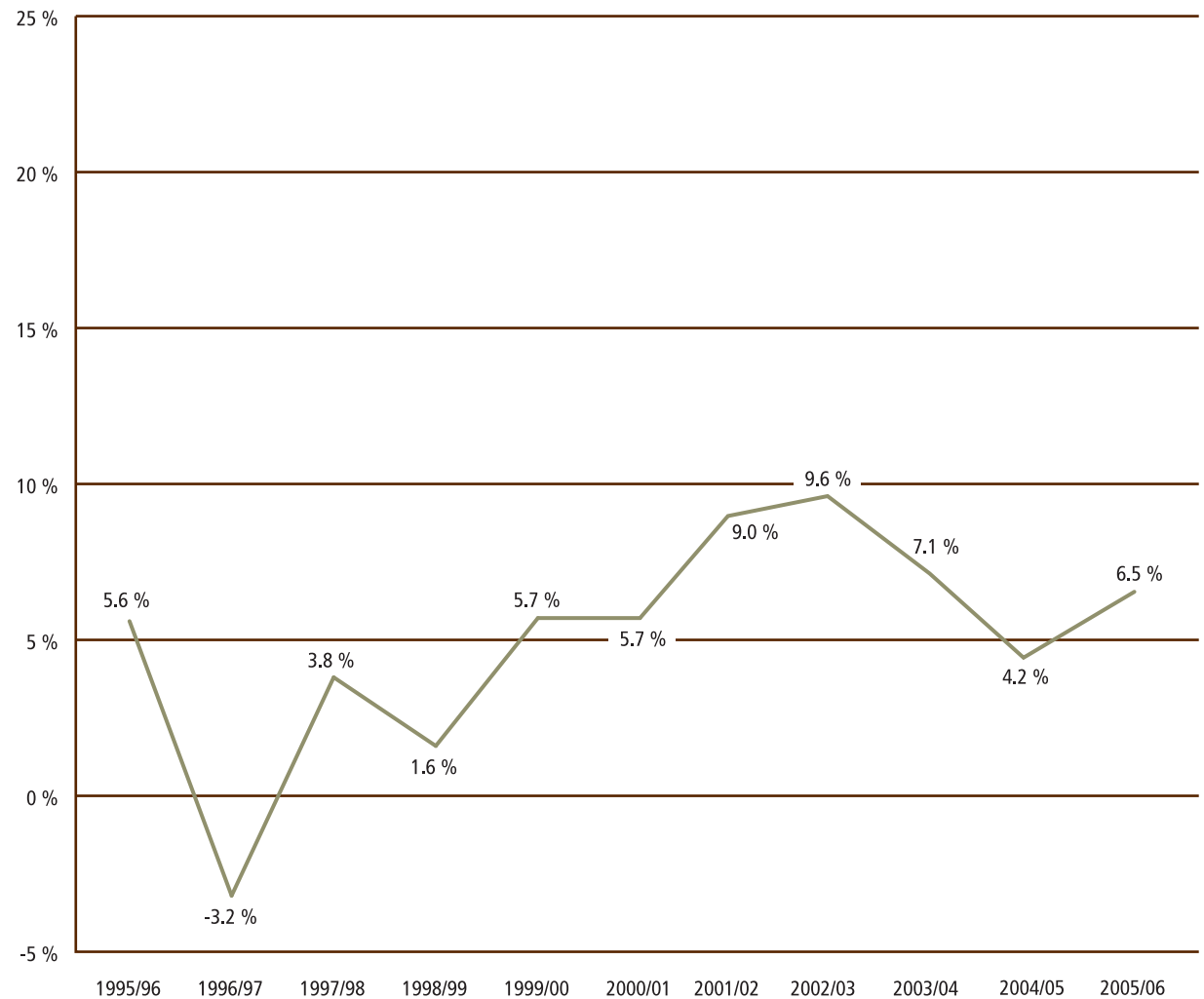
**Figure 3.6**  
**NIHB Annual Expenditures (\$ Millions)**  
**1995/96 to 2005/06**

In 2005/06, NIHB expenditures were \$817.7 million, up 6.5% from \$767.7 million in 2004/05. Since 1995/96, total expenditures have grown by 61.8%.



**Figure 3.7**  
**Percentage Change in NIHB Annual Expenditures**  
**1995/96 to 2005/06**

Expenditures on the Non-Insured Health Benefits Program increased by 6.5% to \$817.7 million in 2005/06. There has been wide variation of growth rates between 1995/96 to 2005/06, with a low of -3.2% in 1996/97 to a high of 9.6% in 2002/03. The average annual growth over the last ten years is 5.1%.



# Program Expenditures

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

**Figure 3.8**  
**NIHB Annual Expenditures by Benefit (\$ 000's)**  
**1995/96 to 2005/06**

Expenditures on NIHB Pharmacy benefits increased more than other benefits in the period from 1995/96 to 2005/06. Pharmacy costs rose by 134.2% from \$157.3 million in 1995/96 to \$368.4 million in 2005/06. NIHB Vision Care costs increased by 44.8%, Transportation costs grew by 50.2%, while Dental costs grew by 24.8%. In contrast, NIHB Other Health Care costs decreased by 37.3% and Premiums costs decreased by 7.0%.

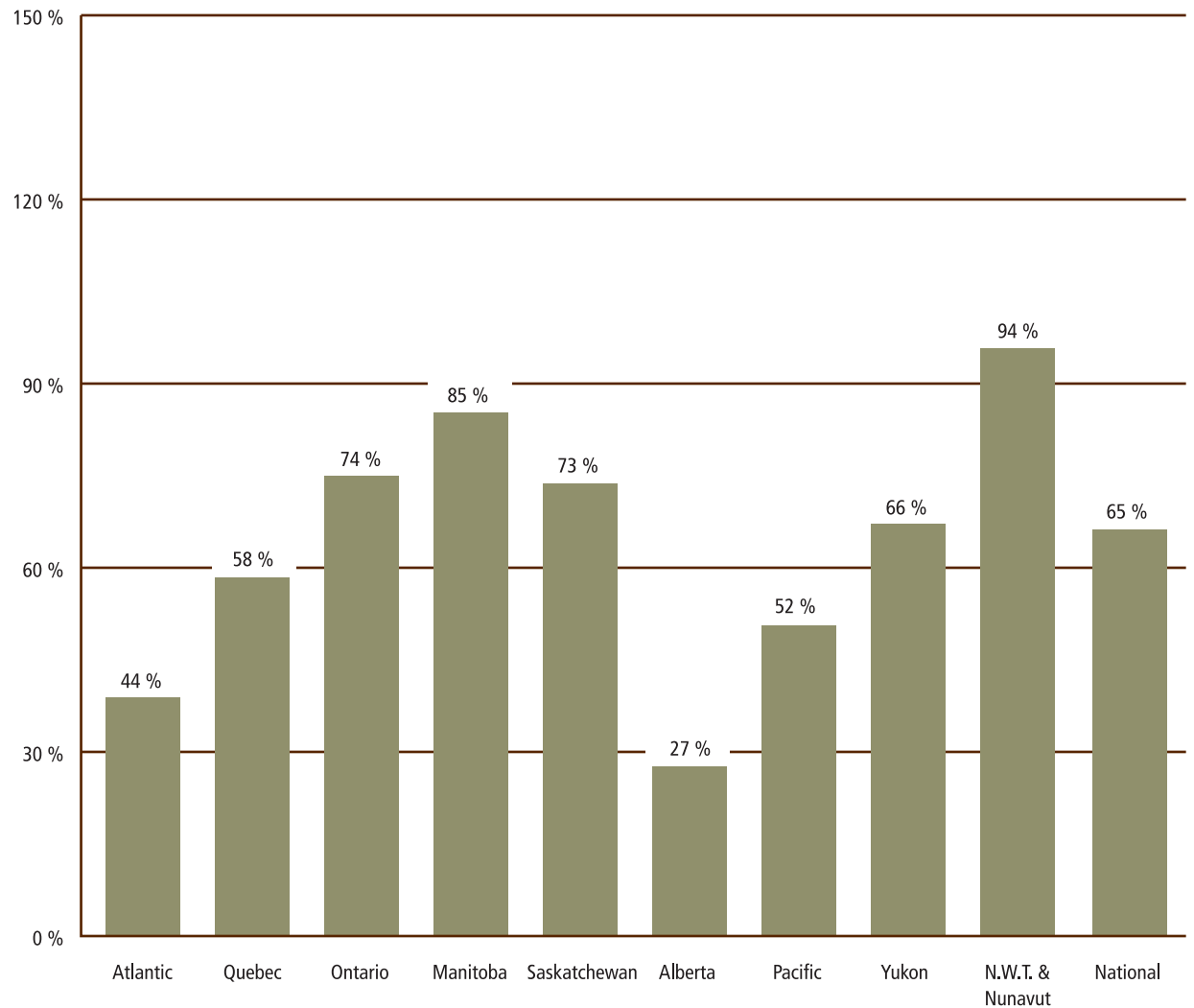
In 2005/06, NIHB Dental costs, Pharmacy expenditures, Transportation costs, Vision Care costs and Other Health Care costs increased by 7.7%, 7.1%, 6.5%, 1.4% and 1.2% respectively. Premium costs showed a marginal increase of 0.6%.

BENEFIT	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 150,019	\$ 157,472	\$ 165,686	\$ 166,229	\$ 177,078	\$ 182,851	\$ 195,719	\$ 203,952	\$ 205,793	\$ 211,527	\$ 225,379
Pharmacy	157,297	166,541	180,105	187,105	206,869	228,861	252,846	290,112	326,982	343,879	368,398
Dental	123,303	104,302	104,420	106,417	106,975	109,852	124,468	131,021	134,504	142,956	153,900
Other Health Care	27,307	21,824	21,748	19,847	16,108	16,775	14,135	16,894	16,557	16,904	17,115
Premiums	30,094	22,125	17,131	17,476	18,030	17,779	18,596	23,902	28,614	27,830	27,987
Vision Care	17,242	17,017	18,576	18,490	19,843	19,748	22,020	22,259	24,420	24,629	24,968
Total	\$ 505,262	\$ 489,281	\$ 507,666	\$ 515,564	\$ 544,903	\$ 575,866	\$ 627,784	\$ 688,140	\$ 736,870	\$ 767,726	\$ 817,748
Annual % Change	5.6%	-3.2%	3.8%	1.6%	5.7%	5.7%	9.0%	9.6%	7.1%	4.2%	6.5%



**Figure 3.9**  
**Percentage Growth in NIHB Expenditures by Region**  
**1995/96 to 2005/06**

In the period from 1995/96 to 2005/06, total NIHB expenditures have increased at a faster rate in N.W.T./Nunavut (94%) than in any other region. The Manitoba Region (85%) and Ontario Region (74%) had the next largest growth rates. The Alberta Region had the lowest increase at 27% as a result of significant reductions in expenditures on Premiums. The Atlantic Region registered the next lowest increase at 44%. Other regional growth rates over this period are: Saskatchewan (73%), Yukon (66%), Quebec (58%) and Pacific (52%).



# Program Expenditures

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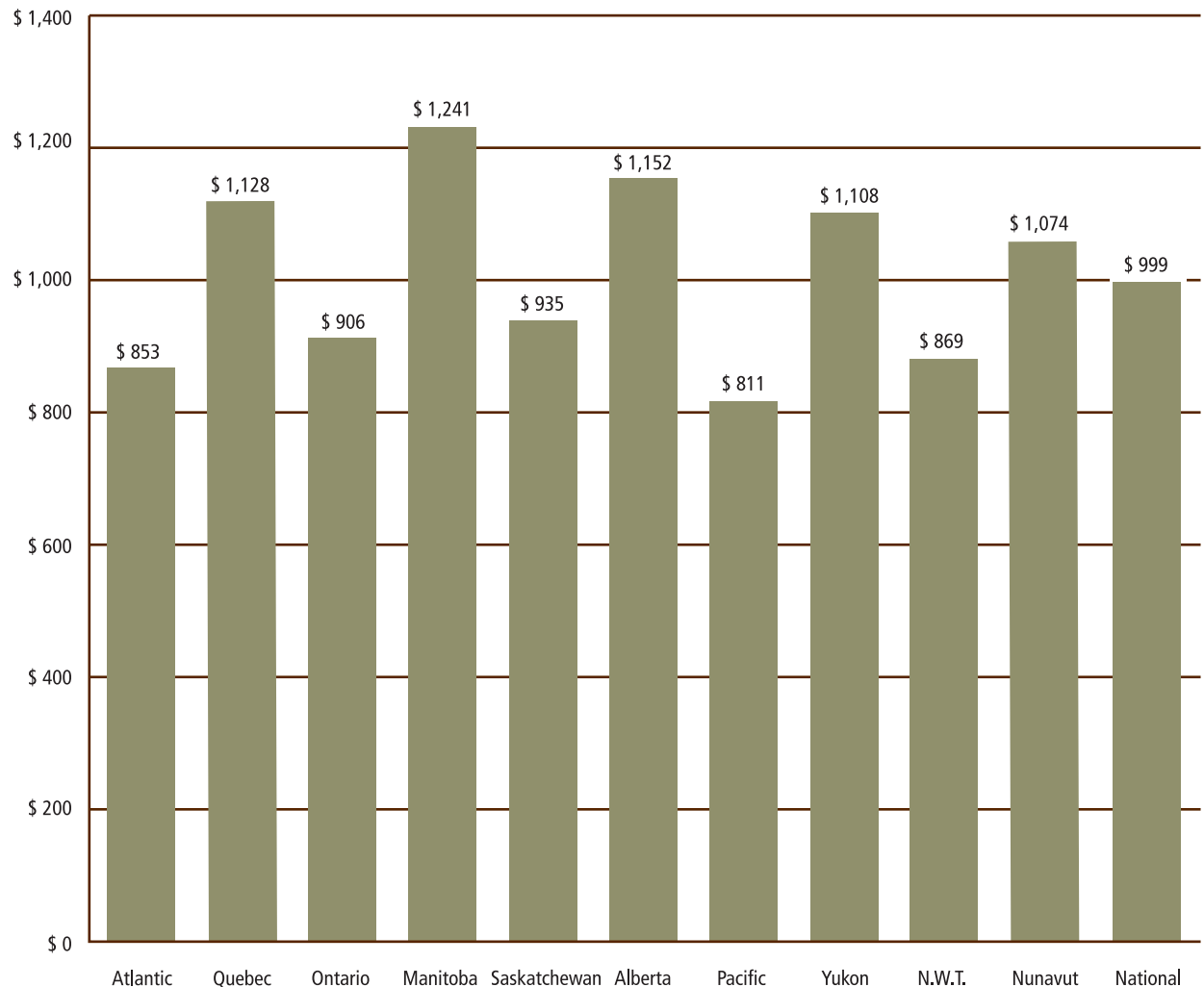
**Figure 3.10**  
**Per Capita NIHB Expenditures by Region**  
**(Excluding Premiums)**  
**2005/06**

The national per capita expenditure for all benefits in 2005/06 was \$999. This is an increase from the 2004/05 national per capita expenditure of \$946.

The Manitoba Region had the highest per capita expenditure at \$1,241 in 2005/06. The Alberta Region ranks second in per capita expenditure at \$1,152 followed by the Quebec Region at \$1,128.

If premiums were included in this calculation, per capita costs in Alberta and Pacific Regions would be \$1,280 and \$946 respectively, with the National totals adjusted to \$1,036.

Per capita values for the Atlantic and Pacific Region reflect the removal of population totals for clients currently covered under self-government agreements.







Untitled, by Sanford Fisher

# 4 Pharmacy Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

The Non-Insured Health Benefits (NIHB) Program funds pharmacy benefits not covered by other private or provincial/territorial health insurance plans. In fiscal year 2005/06, NIHB Pharmacy benefits totaled \$368.4 million, or 45% of total NIHB expenditures.

The objective of the drug benefit program is to provide eligible clients with access to pharmacy services that will contribute to optimal health outcomes in a fair, equitable and cost-effective manner and will:

- Contribute to improving the overall health status of First Nations and Inuit clients recognizing their unique health needs and the context of health service delivery; and
- Fund drug benefits and services based on professional judgment, consistent with the current best practices of health services delivery and evidence-based standards of care.

The NIHB Program covers prescription drugs listed on the Non-Insured Health Benefits Drug Benefit List and approved over-the-counter medication. NIHB policy is to fund the 'lowest cost alternative drug' which is commonly known as a generic drug, and to reimburse only the best price alternative or equivalent product in a group of interchangeable drug products.

Like prescription and over-the-counter medications, medical supplies and equipment benefits are funded in accordance with Program policies. Recipients must obtain a prescription from a physician or other licensed prescriber for medical supplies and/or equipment, and take the prescription to a pharmacy or approved medical supply and equipment provider to be filled. Items covered in this category of benefit include:

- Audiology items, such as hearing aids;
- Medical equipment including wheelchairs and walkers;
- Medical supplies, such as bandages and dressings;
- Orthotics and custom footwear;
- Pressure garments;
- Prosthetics;
- Oxygen therapy; and
- Respiratory therapy.

# Pharmacy Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

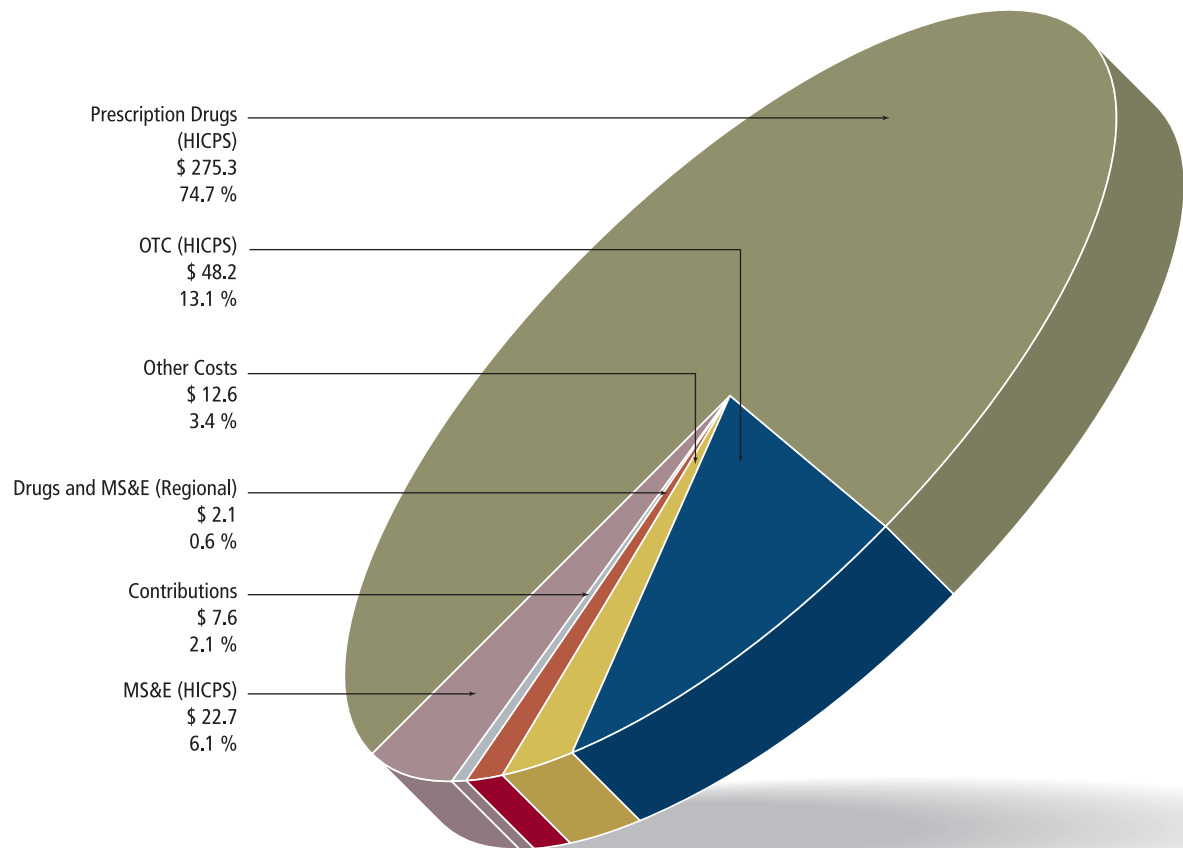
**Figure 4.1**  
**Distribution of NIHB Pharmacy Expenditures (\$ Millions)**  
**2005/06**

Figure 4.1 illustrates the components of pharmacy expenditures under the NIHB Program. The cost of prescription drugs paid through the system used for the Health Information and Claims Processing Services (HICPS) is the largest component, accounting for \$275.3 million or 74.7% of all NIHB Pharmacy expenditures followed by over-the-counter (OTC) drugs (paid through HICPS) which totals \$48.2 million or 13.1%. Medical supplies and equipment (MS&E) paid through HICPS is the third highest component at \$22.7 million or 6.1%. In total, the three components managed through automated claims processing account for over 93.9% of all pharmacy costs.

Drugs and MS&E (Regional), at \$2.1 million or 0.6%, 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 \$7.6 million or 2.1% 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, and regional pilot projects.

Other costs totaled \$12.6 million or 3.4% in 2005/06. Included in this total are Headquarters expenditures which represent costs related to automated claims payment.



**Figure 4.2**  
**Total NIHB Pharmacy Expenditures by Type and Region**  
(\$ 000's)  
2005/06

Prescription drug costs paid through the system used for Health Information and Claims Processing Services (HICPS) represented the largest component of total costs accounting for \$275.3 million or 74.7% of all NIHB Pharmacy costs. The Ontario Region (20.6%) and the Manitoba Region (16.8%) had the largest proportion of these costs in 2005/06.

The next highest component was over-the-counter drug costs at \$48.2 million or 13.1%. The Ontario Region (21.3%), Manitoba Region (19.9%) and the Saskatchewan Region (18.7%) had the largest proportion of these costs in 2005/06.

The third highest component was medical supplies and equipment (MS&E) at \$22.7 million (6.1%). The Alberta Region (19.2%) and the Ontario Region (17.7%) had the highest proportion of MS&E costs in 2005/06.

REGION	Operating							Contributions	Total Costs
	Prescription Drugs	OTC Drugs	Drugs/MS&E Regional	Medical Supplies	Medical Equipment	Other Costs	Total Operating	Contribution Agreements	
Atlantic	\$ 13,338	\$ 2,756	\$ 31	\$ 452	\$ 661	—	\$ 17,238	\$ 1,056	\$ 18,293
Quebec	26,341	4,481	87	345	508	—	31,762	9	31,771
Ontario	56,779	10,255	44	1,226	2,781	—	71,084	2,138	73,223
Manitoba	46,190	9,582	3	1,397	2,237	—	59,409	0	59,409
Saskatchewan	41,952	8,998	1,209	1,303	2,225	—	55,687	0	55,687
Alberta	36,812	5,426	630	1,224	3,128	—	47,220	3,921	51,141
Pacific	40,369	5,071	46	954	2,853	—	49,294	441	49,734
Yukon	2,970	315	30	103	236	—	3,655	0	3,655
N.W.T.	6,319	805	1	346	518	—	7,988	22	8,010
Nunavut	4,212	473	59	110	48	—	4,902	0	4,902
Headquarters	0	0	0	0	0	12,574	12,574	0	12,574
<b>Total</b>	<b>\$ 275,281</b>	<b>\$ 48,162</b>	<b>\$ 2,140</b>	<b>\$ 7,461</b>	<b>\$ 15,195</b>	<b>\$ 12,574</b>	<b>\$ 360,812</b>	<b>\$ 7,586</b>	<b>\$ 368,398</b>

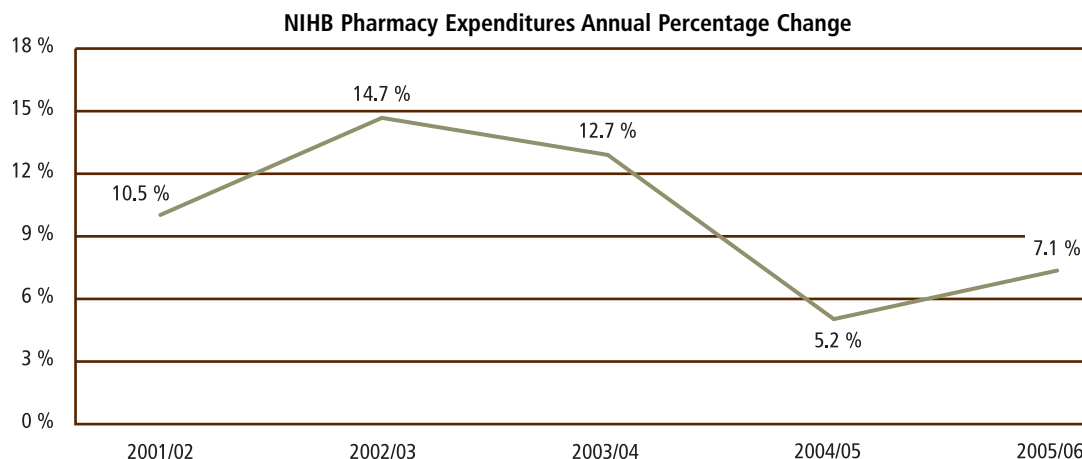
# Pharmacy Expenditure and Utilization Data

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**Figure 4.3**  
**Annual NIHB Pharmacy Expenditures by Region**  
**2001/02 to 2005/06**

NIHB Pharmacy expenditures increased by 7.1% in 2005/06, an increase from the 5.2% previous year's growth rate. Over the past five years, growth in Pharmacy expenditures has ranged from a high of 14.7% in 2002/03 to a low of 5.2% in 2004/05. The average annual growth rate over these five years is 10%.

In 2005/06, the highest rate of growth in NIHB Pharmacy expenditures took place in the Manitoba Region, which increased by 10%. Ontario had the second highest growth rate at 8.5%, followed by the Pacific Region at 6.6% and the Quebec and Alberta Regions at 6.1%. The lowest rate of NIHB Pharmacy expenditure growth in 2005/06 took place in the Atlantic Region (4.3%). The decreased level of growth for the Atlantic Region results from the transfer of resources to DIAND pursuant to the Nunatsiavut self-government agreement.



NIHB Pharmacy Expenditures (\$ 000's)					
REGION	2001/02	2002/03	2003/04	2004/05	2005/06
Atlantic	\$ 12,667	\$ 14,322	\$ 16,265	\$ 17,533	\$ 18,293
Quebec	22,209	25,005	27,436	29,959	31,771
Ontario	51,167	57,929	62,953	67,508	73,223
Manitoba	36,078	42,525	48,519	53,998	59,409
Saskatchewan	38,240	44,394	48,952	52,636	55,687
Alberta	36,781	41,590	45,588	48,207	51,141
Pacific	33,592	38,922	44,141	46,670	49,734
NWT/Nunavut	8,383	10,157	11,310	12,278	12,912
Yukon	2,649	3,048	3,214	3,476	3,655
Headquarters	11,081	12,219	18,605	11,615	12,574
National	\$ 252,846	\$ 290,112	\$ 326,982	\$ 343,879	\$ 368,398

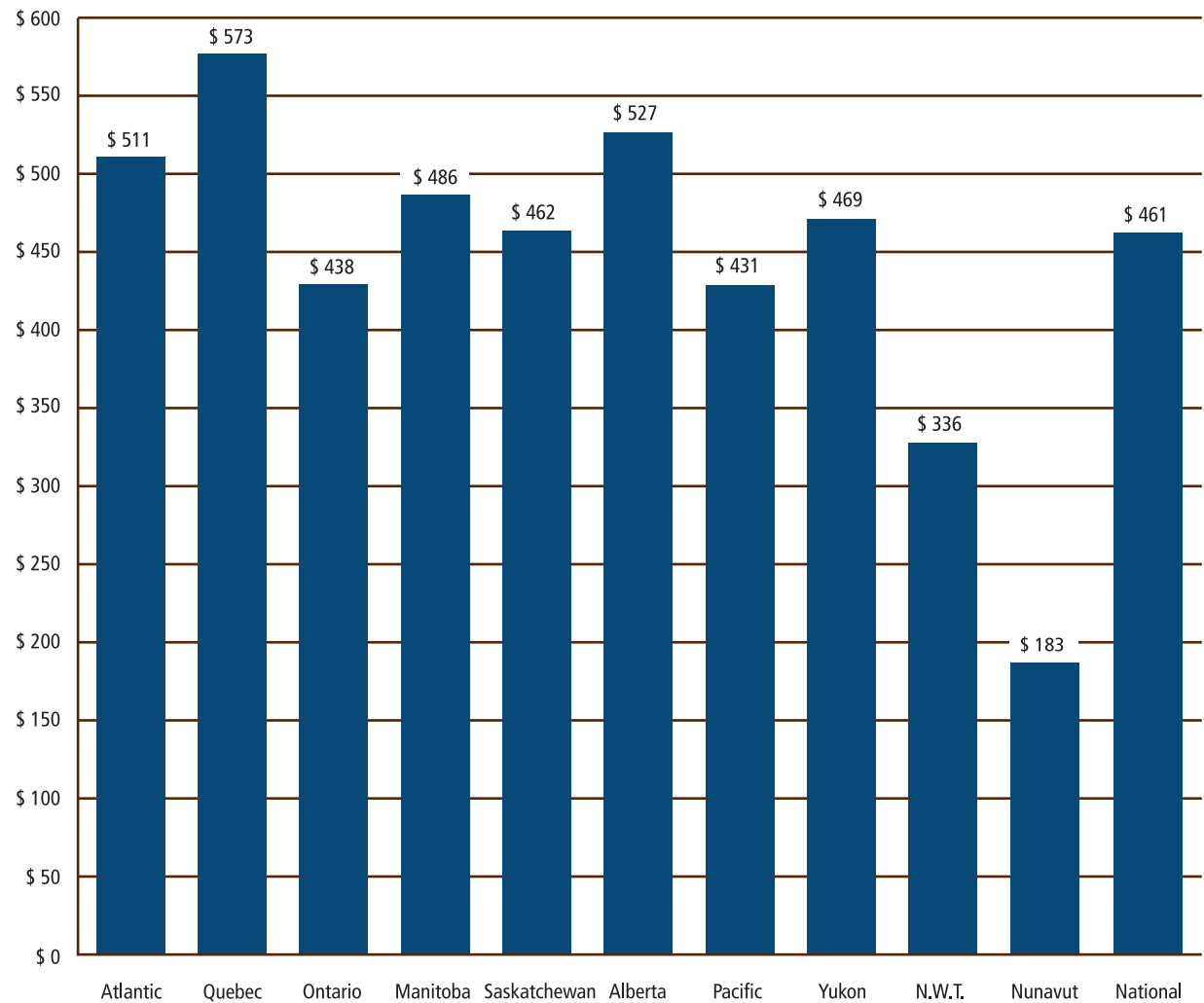


**Figure 4.4**  
**Per Capita NIHB Pharmacy Expenditures by Region**  
**2005/06**

In 2005/06, the national per capita expenditure for NIHB Pharmacy benefits was \$461. This is an increase from the previous year's figure of \$435.

The Quebec Region had the highest per capita NIHB Pharmacy expenditure at \$573, followed by the Alberta Region at \$527 and the Atlantic Region at \$511. Nunavut has the lowest per capita expenditure at \$183.

Per capita values for the Atlantic and Pacific Regions reflect the removal of population totals for clients currently covered under self-government agreements.



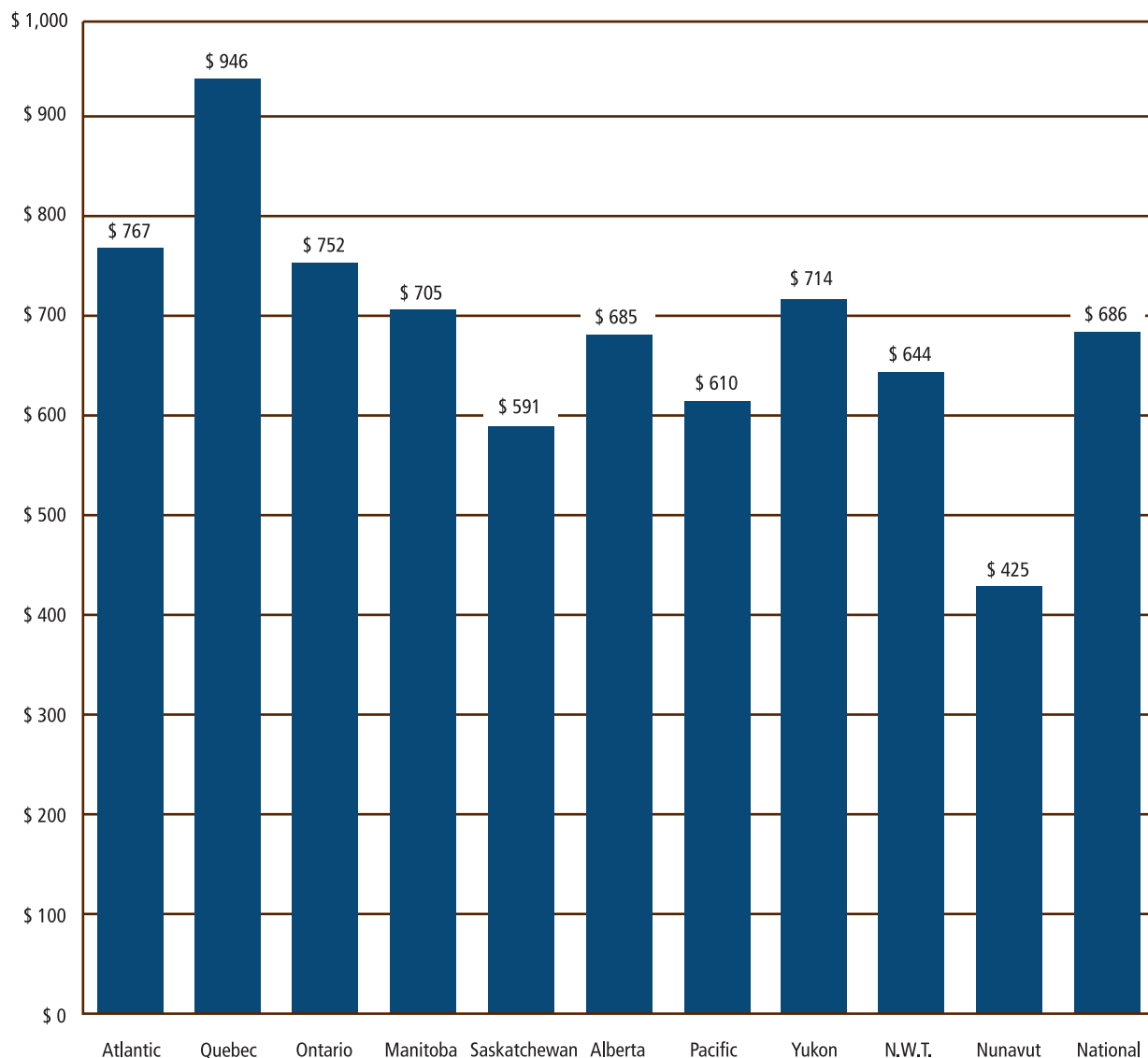
# Pharmacy Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

**Figure 4.5**  
**NIHB Pharmacy Operating Expenditures Per Claimant**  
**by Region**  
**2005/06**

In 2005/06, the national average expenditure per claimant in NIHB Pharmacy was \$686.

The Quebec Region had the highest average NIHB Pharmacy expenditure per claimant at \$946, followed by the Atlantic Region at \$767 and Ontario at \$752. Nunavut had the lowest expenditure per claimant at \$425, followed by the Saskatchewan Region at \$591.



**Figure 4.6**  
**NIHB Pharmacy Utilization Rates by Region**  
**2001/02 to 2005/06**

Utilization rates represent those clients who receive at least one pharmacy benefit paid through the system used for the Health Information and Claims Processing Services (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 pharmacy services provided through contribution agreements and benefits provided through community health facilities.

In 2005/06, the national utilization rate increased slightly to 65%, from 64% in 2004/05, for pharmacy benefits paid through the HICPS. Regional rates ranged from 76% in the Saskatchewan Region to 47% in N.W.T./Nunavut.

REGION	Pharmacy Utilization				
	2001/02	2002/03	2003/04	2004/05	2005/06
Atlantic	58%	60%	61%	60%	59%
Quebec	62%	61%	61%	61%	60%
Ontario	56%	57%	57%	56%	56%
Manitoba	68%	68%	68%	68%	69%
Saskatchewan	78%	78%	77%	76%	76%
Alberta	77%	76%	75%	70%	70%
Pacific	66%	66%	66%	66%	67%
Yukon	61%	63%	62%	64%	65%
N.W.T. & Nunavut	45%	48%	49%	47%	47%
<b>Total</b>	<b>65%</b>	<b>66%</b>	<b>66%</b>	<b>64%</b>	<b>65%</b>

# Pharmacy Expenditure and Utilization Data

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Figure 4.7

## NIHB Pharmacy Claimants by Age Group, Gender and Region 2005/06

Of the 779,943 clients eligible to receive benefits under the NIHB Program, 504,488 (65%) claimants received at least one pharmacy item paid through the system used for Health Information and Claims Processing Services (HICPS) in 2005/06.

Of this total, 281,358 were female (56%) while 223,130 were male (44%). This compares to the total eligible population where 51% are female and 49% are male.

The average age of pharmacy claimants is 31 years. The average age for male and female claimants is 30 and 32 years of age, respectively. The highest average age of pharmacy claimants is found in the Yukon and Quebec Region (36 years of age), while the lowest is in the Saskatchewan Region (27 years of age).

Over 38.1% of pharmacy claimants are under 20 years of age. Forty percent of male claimants are in this age group while females account for 37%. Approximately 6% of all pharmacy claimants were seniors (age 65 and over) in 2005/06.

REGION Age Group	Atlantic			Quebec			Ontario			Manitoba		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	869	766	1,635	1,002	923	1,925	2,114	1,899	4,013	3,970	3,749	7,719
5 - 9	1,054	1,041	2,095	1,116	1,048	2,164	3,396	3,435	6,831	4,327	4,200	8,527
10 - 14	1,012	1,001	2,013	1,142	1,131	2,273	3,462	3,480	6,942	4,057	4,165	8,222
15 - 19	845	1,087	1,932	1,002	1,611	2,613	3,124	4,453	7,577	3,383	4,453	7,836
20 - 24	745	1,151	1,896	876	1,578	2,454	2,864	4,699	7,563	2,889	4,145	7,034
25 - 29	727	1,035	1,762	919	1,470	2,389	2,880	4,564	7,444	2,702	3,779	6,481
30 - 34	798	990	1,788	980	1,511	2,491	3,054	4,500	7,554	2,854	3,786	6,640
35 - 39	833	1,037	1,870	1,106	1,568	2,674	3,385	4,536	7,921	2,959	3,761	6,720
40 - 44	757	974	1,731	1,194	1,623	2,817	3,605	4,818	8,423	2,802	3,651	6,453
45 - 49	676	909	1,585	1,131	1,615	2,746	3,278	4,394	7,672	2,388	2,909	5,297
50 - 54	553	745	1,298	937	1,274	2,211	2,635	3,594	6,229	1,722	2,257	3,979
55 - 59	424	582	1,006	774	1,097	1,871	2,216	2,890	5,106	1,393	1,698	3,091
60 - 64	251	363	614	629	870	1,499	1,660	2,199	3,859	968	1,196	2,164
65 +	479	734	1,213	1,245	2,111	3,356	2,850	4,512	7,362	1,735	2,363	4,098
Total	10,023	12,415	22,438	14,053	19,430	33,483	40,523	53,973	94,496	38,149	46,112	84,261
Average Age	30	32	31	35	37	36	34	36	35	28	30	29

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	4,434	4,325	8,759	3,182	3,055	6,237	2,674	2,515	5,189	107	110	217	311	335	646	631	566	1,197	19,294	18,243	37,537
5 - 9	5,145	5,228	10,373	3,675	3,579	7,254	3,191	3,047	6,238	162	129	291	422	352	774	464	413	877	22,952	22,472	45,424
10 - 14	4,840	5,029	9,869	3,490	3,407	6,897	3,099	3,145	6,244	161	134	295	456	421	877	350	367	717	22,069	22,280	44,349
15 - 19	4,179	5,389	9,568	3,030	3,778	6,808	3,170	4,115	7,285	160	233	393	433	710	1,143	376	716	1,092	19,702	26,545	46,247
20 - 24	3,380	4,991	8,371	2,670	3,695	6,365	2,800	4,042	6,842	160	248	408	343	755	1,098	348	828	1,176	17,075	26,132	43,207
25 - 29	3,183	4,222	7,405	2,404	3,153	5,557	2,638	3,705	6,343	167	222	389	355	708	1,063	317	706	1,023	16,292	23,564	39,856
30 - 34	2,999	4,142	7,141	2,248	2,988	5,236	2,739	3,600	6,339	193	230	423	358	647	1,005	279	594	873	16,502	22,988	39,490
35 - 39	3,184	3,893	7,077	2,321	2,860	5,181	2,814	3,717	6,531	234	225	459	439	669	1,108	369	600	969	17,644	22,866	40,510
40 - 44	2,815	3,564	6,379	2,184	2,735	4,919	2,995	4,079	7,074	239	295	534	426	671	1,097	302	483	785	17,319	22,893	40,212
45 - 49	2,271	2,855	5,126	1,714	2,242	3,956	2,710	3,611	6,321	161	250	411	325	543	868	244	359	603	14,898	19,687	34,585
50 - 54	1,622	2,015	3,637	1,243	1,697	2,940	2,105	2,760	4,865	136	197	333	252	415	667	193	293	486	11,398	15,247	26,645
55 - 59	1,154	1,610	2,764	919	1,286	2,205	1,601	1,962	3,563	101	146	247	253	360	613	238	263	501	9,073	11,894	20,967
60 - 64	895	1,070	1,965	681	882	1,563	1,186	1,607	2,793	89	126	215	186	221	407	160	182	342	6,705	8,716	15,421
65 +	1,537	2,170	3,707	1,223	1,703	2,926	2,142	2,966	5,108	183	278	461	460	584	1,044	353	410	763	12,207	17,831	30,038
Total	41,638	50,503	92,141	30,984	37,060	68,044	35,864	44,871	80,735	2,253	2,823	5,076	5,019	7,391	12,410	4,624	6,780	11,404	223,130	281,358	504,488
Average Age	27	28	27	27	29	28	32	34	33	35	37	36	34	35	34	30	31	31	30	32	31

# Pharmacy Expenditure and Utilization Data

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Figure 4.8

## NIHB Pharmacy Claimants and Non-Claimants by Age Group and Gender 2005/06

Sixty-five percent of all eligible clients received at least one pharmacy benefit paid through the system used for Health Information and Claims Processing Services (HICPS) in 2005/06. Thirty-five percent of eligible clients did not access the Program through the HICPS for any pharmacy benefits.

Of the 275,455 non-claimants in 2005/06, 159,668 were male (58%) while 115,787 were female (42%).

Forty-five percent of all non-claimants were under 20 years of age, while 75% were under 40 years of age.

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	19,294	18,243	37,537	10,983	10,822	21,805	30,277	29,065	59,342
	64%	63%	63%	36%	37%	37%	100%	100%	100%
5 - 9	22,952	22,472	45,424	16,139	14,975	31,114	39,091	37,447	76,538
	59%	60%	59%	41%	40%	41%	100%	100%	100%
10 - 14	22,069	22,280	44,349	20,500	18,300	38,800	42,569	40,580	83,149
	52%	55%	53%	48%	45%	47%	100%	100%	100%
15 - 19	19,702	26,545	46,247	20,168	11,768	31,936	39,870	38,313	78,183
	49%	69%	59%	51%	31%	41%	100%	100%	100%
20 - 24	17,075	26,132	43,207	17,149	6,977	24,126	34,224	33,109	67,333
	50%	79%	64%	50%	21%	36%	100%	100%	100%
25 - 29	16,292	23,564	39,856	13,805	6,177	19,982	30,097	29,741	59,838
	54%	79%	67%	46%	21%	33%	100%	100%	100%
30 - 34	16,502	22,988	39,490	12,724	6,532	19,256	29,226	29,520	58,746
	56%	78%	67%	44%	22%	33%	100%	100%	100%
35 - 39	17,644	22,866	40,510	12,132	7,543	19,675	29,776	30,409	60,185
	59%	75%	67%	41%	25%	33%	100%	100%	100%

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
40 - 44	17,319	22,893	40,212	10,826	7,527	18,353	28,145	30,420	58,565
	62%	75%	69%	38%	25%	31%	100%	100%	100%
45 - 49	14,898	19,687	34,585	8,149	6,403	14,552	23,047	26,090	49,137
	65%	75%	70%	35%	25%	30%	100%	100%	100%
50 - 54	11,398	15,247	26,645	5,440	4,816	10,256	16,838	20,063	36,901
	68%	76%	72%	32%	24%	28%	100%	100%	100%
55 - 59	9,073	11,894	20,967	3,631	3,679	7,310	12,704	15,573	28,277
	71%	76%	74%	29%	24%	26%	100%	100%	100%
60 - 64	6,705	8,716	15,421	2,361	2,556	4,917	9,066	11,272	20,338
	74%	77%	76%	26%	23%	24%	100%	100%	100%
65 +	12,207	17,831	30,038	5,661	7,712	13,373	17,868	25,543	43,411
	68%	70%	69%	32%	30%	31%	100%	100%	100%
Total	223,130	281,358	504,488	159,668	115,787	275,455	382,798	397,145	779,943
	58%	71%	65%	42%	29%	35%	100%	100%	100%

# Pharmacy Expenditure and Utilization Data

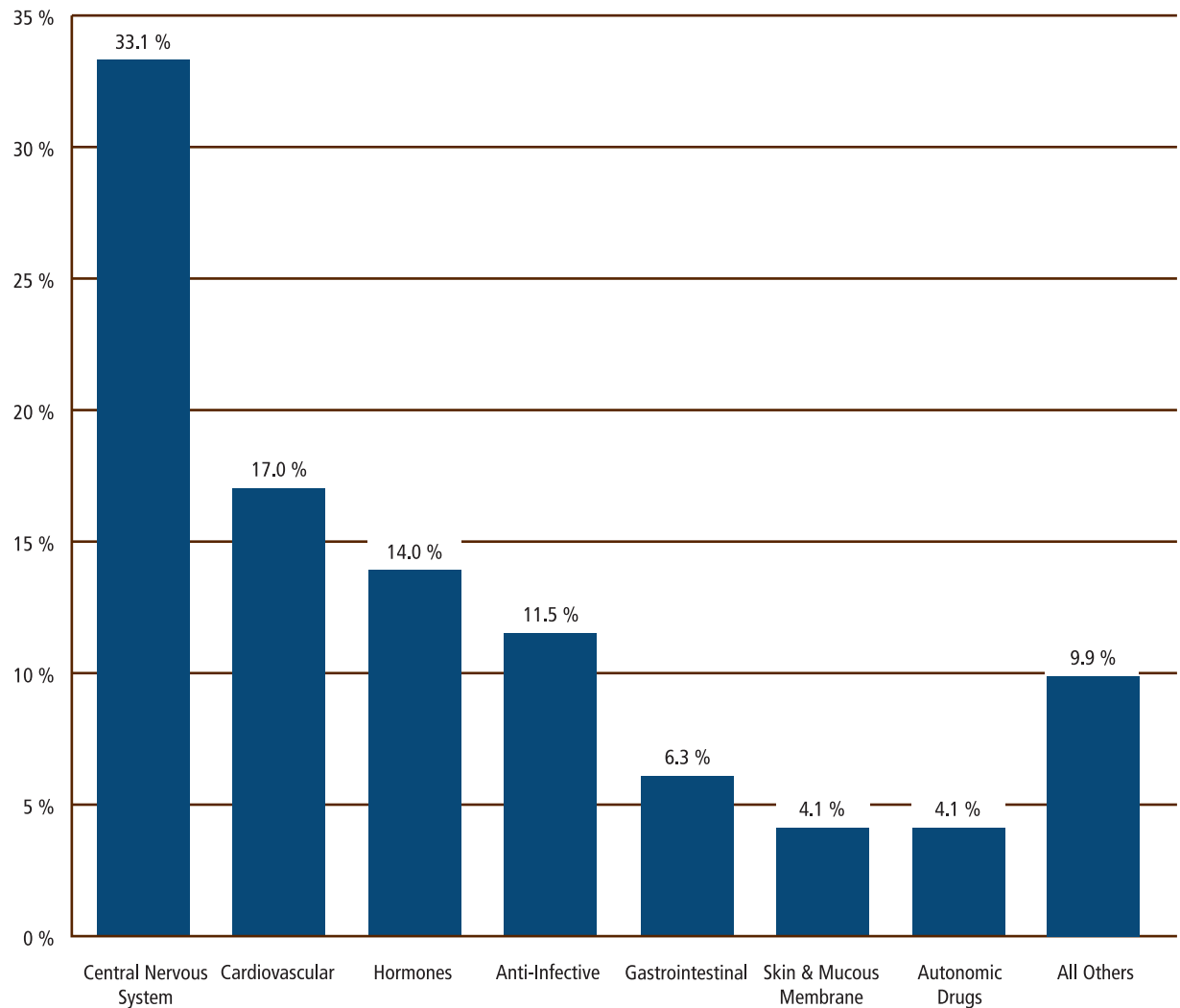
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**Figure 4.9**  
**NIHB Prescription Drug Utilization by Therapeutic Category**  
**2005/06**

Figure 4.9 demonstrates variation in utilization by therapeutic category for prescription drugs.

The Central Nervous System (CNS) category, which includes such therapeutic classifications as analgesics and sedatives, accounts for 33.1% of all prescription drug claims.

Cardiovascular drugs are the next highest category of prescription drug claims at 17.0% followed by hormones, primarily oral contraceptives and insulin, at 14.0%.

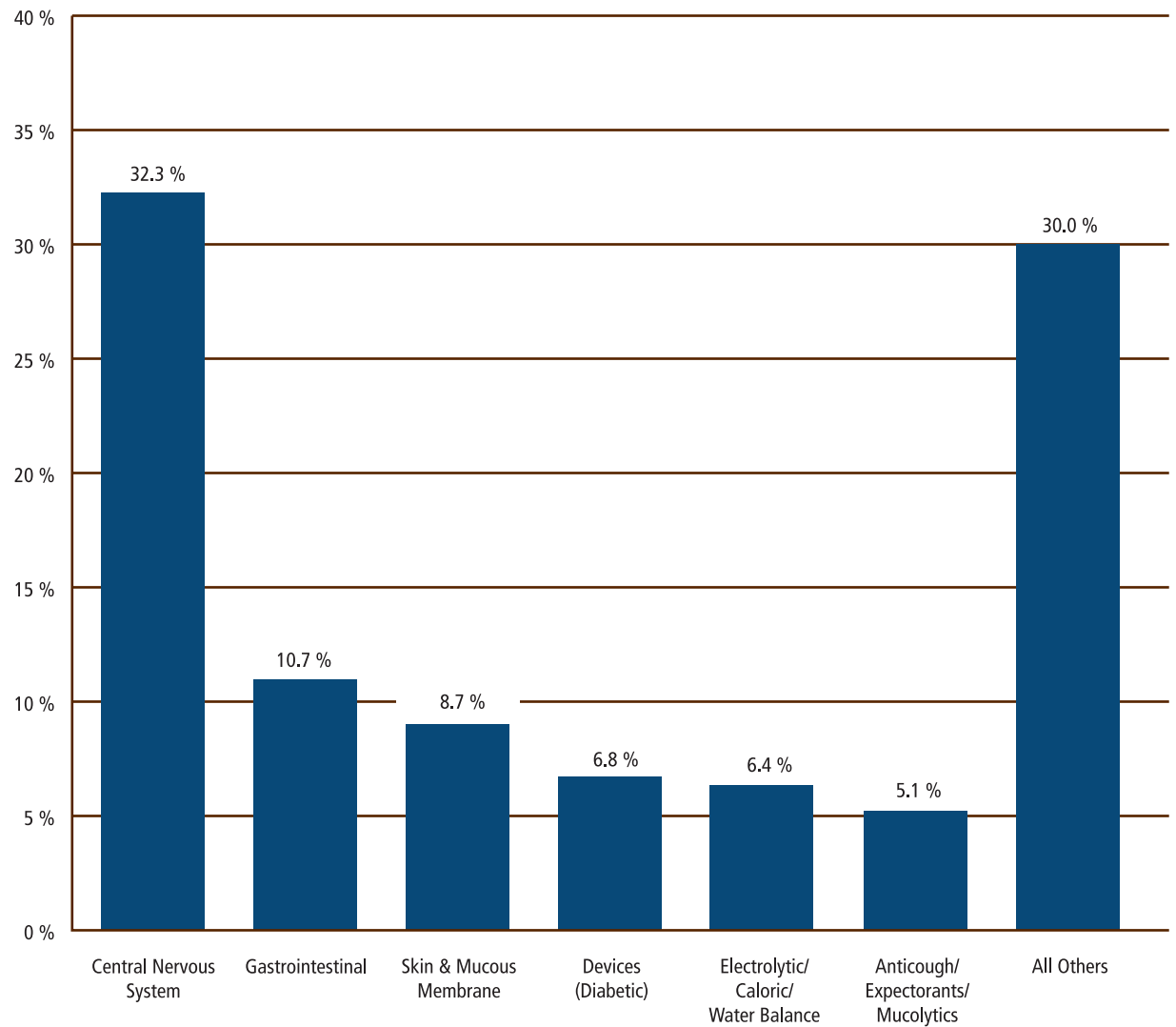




**Figure 4.10**  
**NIHB Over-the-Counter Drug (Including Controlled Access Drugs – CAD) Utilization by Therapeutic Category 2005/06**

Figure 4.10 demonstrates variation in utilization by therapeutic category for over-the-counter (OTC) drugs. Central Nervous System agents are the highest ranking therapeutic classification, accounting for 32.3 % of all OTC drug claims.

Gastrointestinal products such as antacids and laxatives are the next highest category of OTC medication at 10.7 % followed by skin and mucous membrane agents, such as special skin creams and pediculicides, at 8.7 %.



# Pharmacy Expenditure and Utilization Data

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**Figure 4.11**  
**NIHB Top Ten Therapeutic Classes by Claims Incidence**  
**2005/06**

Figure 4.11 ranks the top ten therapeutic classifications according to claims incidence. In 2005/06, Non-Steroidal Anti-Inflammatory Agents (NSAID) had the highest claims incidence total at 737,070. Examples of drug products within this therapeutic class are Voltaren (Diclofenac) and Aspirin (ASA).

Opiate Agonists such as Tylenol no.3 (Acetaminophen w/codeine) ranked second in claims incidence followed by Antidepressants like Effexor (Venlafaxine) and Prozac (Fluoxetine), with 734,652 and 478,053 claims respectively.

Therapeutic Classification	Claims Incidence	Examples of Drug Products within the Therapeutic Class
Non-Steroidal Anti-Inflammatory Agents (NSAID)	737,070	Voltaren (Diclofenac)
Opiate Agonists	734,652	Tylenol no.3 (Acetaminophen w/codeine)
Antidepressants	478,053	Effexor (Venlafaxine)
Anxiolytics, Sedatives and Hypnotics - Benzodiazepines	459,237	Ativan (Lorazepam)
Angiotensin-Converting Enzyme Inhibitors	418,893	Altace (Ramipril)
Miscellaneous Analgesics and Antipyretics	346,533	Tylenol (Acetaminophen)
Penicillins	311,796	Amoxil (Amoxicillin)
HMG-COA Reductase Inhibitors (Statins)	276,703	Lipitor (Rosuvastatin)
Biguanides	269,785	Glucophage (Metformin)
Pharmaceutical Aids (Miscellaneous)	266,414	One Touch Strips (Diabetic Test Strips)

**Figure 4.12**  
**NIHB Top Ten Therapeutic Classes by Expenditure (\$ 000's)**  
**2005/06**

Figure 4.12 ranks the top ten therapeutic classifications according to expenditure. Antidepressants, which ranked third in terms of claims incidence, had expenditures of \$17.5 million in 2005/06. Effexor (Venlafaxine) and Prozac (Fluoxetine) are examples of drug products listed in this therapeutic classification.

HMG-COA Reductase Inhibitors (Statins) such as Lipitor (Rosuvastatin) and Opiate Agonists such as Tylenol no.3 (Acetaminophen w/codeine) ranked second and third in terms of total expenditures at \$17.1 and \$17.0 million respectively.

Therapeutic Classification	Expenditure	Examples of Drug Products within the Therapeutic Class
Antidepressants	\$17,476	Effexor (Venlafaxine)
HMG-COA Reductase Inhibitors (Statins)	\$17,070	Lipitor (Rosuvastatin)
Opiate Agonists	\$17,028	Tylenol no.3 (Acetaminophen w/codeine)
Angiotensin-Converting Enzyme Inhibitors	\$16,886	Altace (Ramipril)
Non-Steroidal Anti-Inflammatory Agents (NSAID)	\$12,204	Arthrotec (Diclofenac/Misoprostol)
Anxiolytics, Sedatives and Hypnotics - Benzodiazepines	\$5,478	Ativan (Lorazepam)
Biguanides	\$5,216	Glucophage (Metformin)
Penicillins	\$4,498	Amoxil (Amoxicillin)
Pharmaceutical Aids (Miscellaneous)	\$4,205	One Touch Strips (Diabetic Test Strips)
Miscellaneous Analgesics and Antipyretics	\$3,191	Tylenol (Acetaminophen)

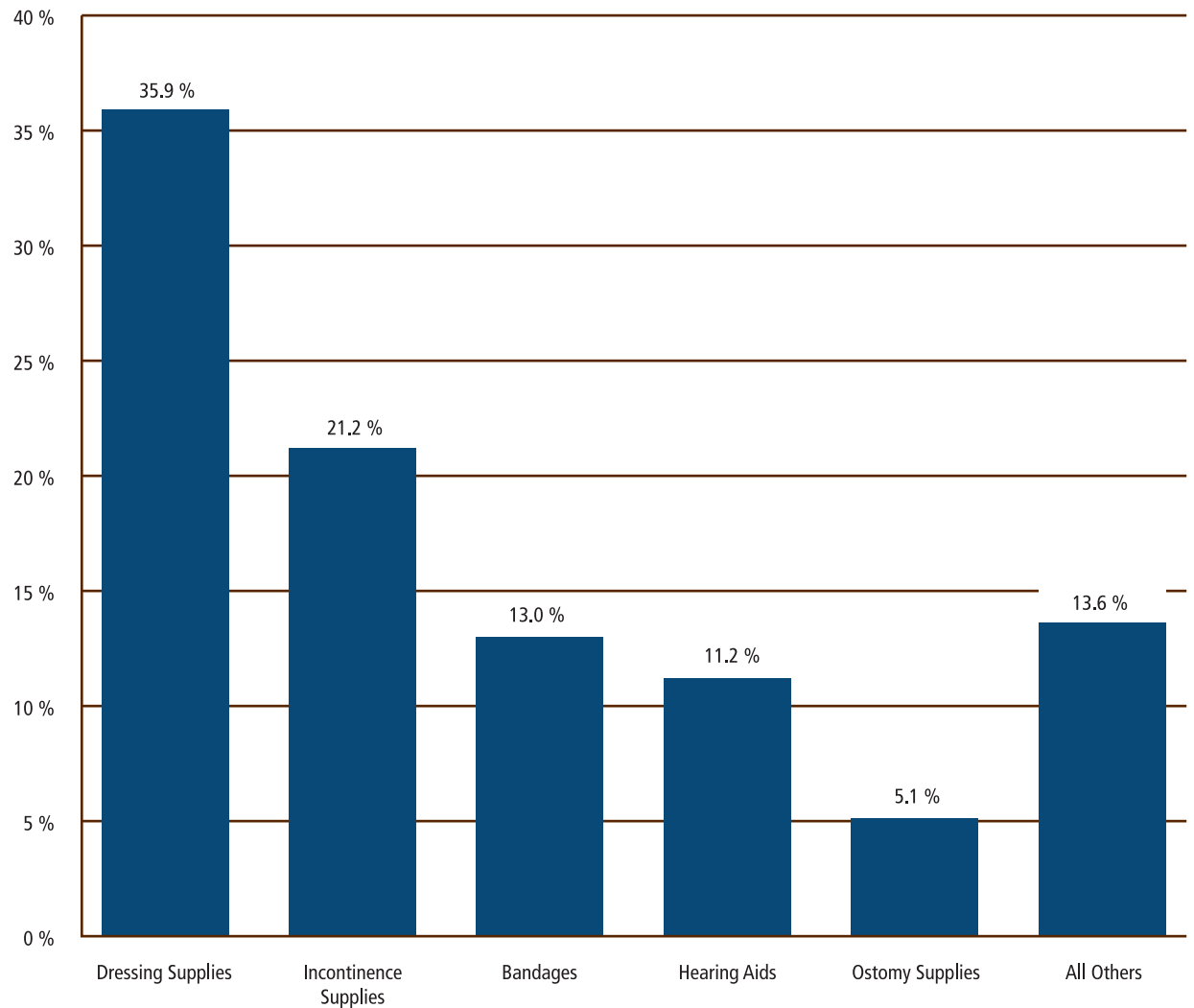
# Pharmacy Expenditure and Utilization Data

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**Figure 4.13**  
**NIHB Medical Supplies by Category**  
**2005/06**

Figure 4.13 demonstrates variation in medical supply claims by specific category.

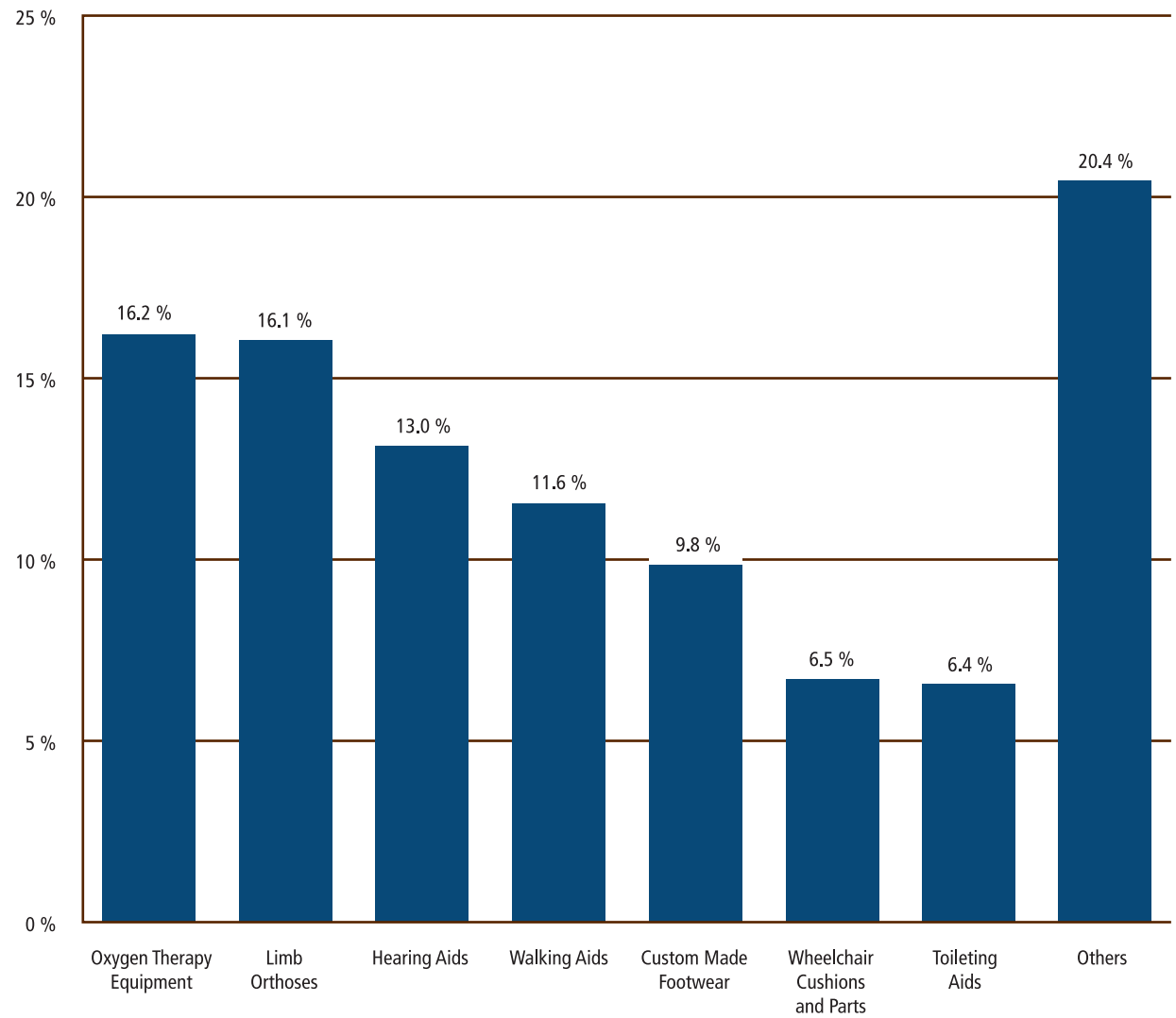
Dressing supplies accounted for 35.9% of all medical supply claims in 2005/06. Incontinence supplies are the next highest category of medical supplies at 21.2% followed by bandages at 13.0% and hearing aids at 11.2%.



**Figure 4.14**  
**NIHB Medical Equipment by Category**  
**2005/06**

Figure 4.14 demonstrates variation in medical equipment claims by category.

Claims for oxygen therapy equipment accounted for 16.2% of all medical equipment claims in 2005/06. Prosthetic limbs were the next highest at 16.1% followed by hearing aids at 13.0% and walking aids at 11.6%.





Untitled, by Sanford Fisher

# Dental Expenditure and Utilization Data

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In 2005/06 NIHB Dental expenditures amounted to \$153.9 million, accounting for 18.8% of total NIHB expenditures.

Coverage for Non-Insured Health Benefits (NIHB) Dental services is determined on an individual basis, taking into consideration the current oral health status, recipient history, accumulated scientific research, and availability of treatment alternatives. Dental services must be provided by a licensed dental professional, such as a dentist, dental specialist, or denturist, who has agreed to provide services to First Nation and Inuit clients through the NIHB Program. Recipients must make an appointment with a dental provider who will complete an examination, establish a treatment plan, and discuss the services required with the recipient. The dental provider will advise the recipient which dental services may or may not be funded under the NIHB Program. Some dental services require predetermination prior to the initiation of treatment. Predetermination is a review to determine if the proposed dental services can be funded under the Program's criteria and policies.

A range of dental services are covered by the NIHB Program, including:

- Diagnostic services such as examinations or radiographs;
- Preventive services such as polishing, fluorides and, sealants;
- Restorative services such as fillings (predetermination applies for some dental services);
- Endodontics such as root canal treatments (predetermination applies for some dental services);
- Periodontic services such as scaling (predetermination applies for some dental services);
- Prosthodontics including removable dentures (predetermination applies);
- Oral surgery such as simple extractions of teeth (predetermination applies for some dental services);
- Orthodontics to correct irregularities in teeth and jaws (predetermination applies);
- Adjunctive services such as sedation (predetermination applies).

# Dental Expenditure and Utilization Data

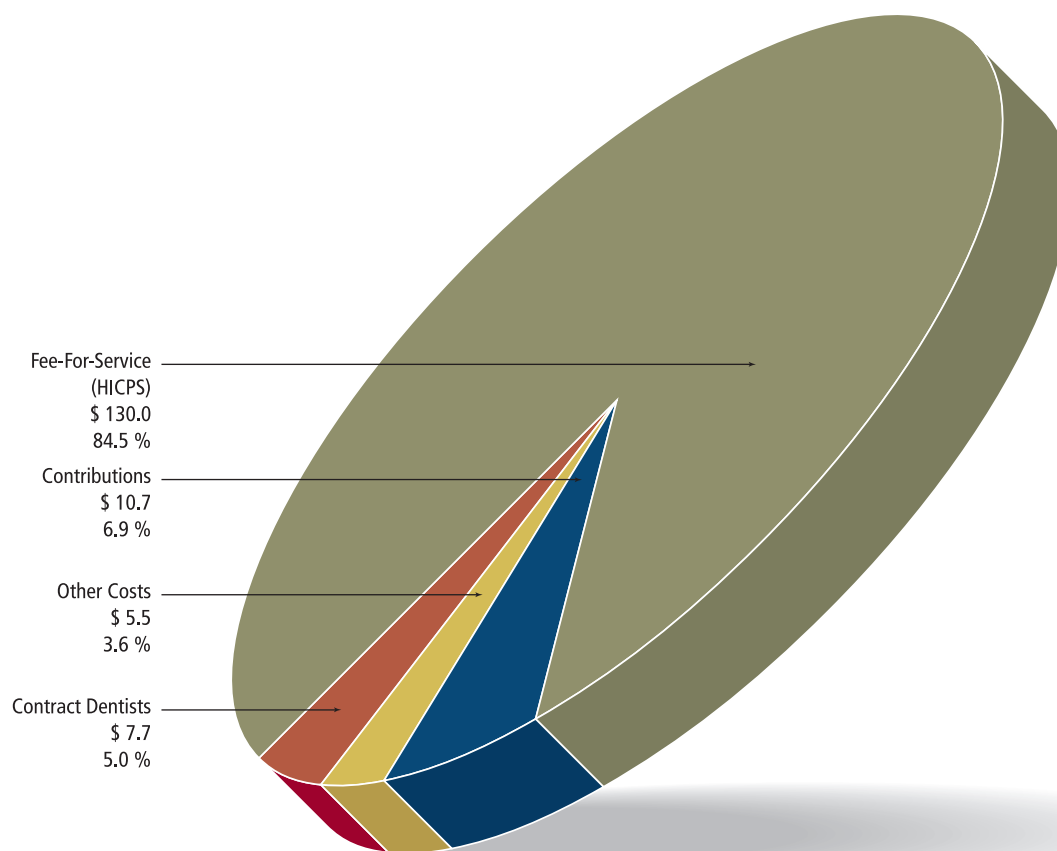
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**Figure 5.1**  
**Distribution of NIHB Dental Expenditures (\$ Millions)**  
**2005/06**

Dental expenditures totaled \$153.9 million in 2005/06. Fee-for-service dental costs paid through the system used for Health Information and Claims Processing Services (HICPS) represent the largest component, accounting for \$130.0 million or 84.5% of all NIHB Dental costs.

Contributions, which account for \$10.7 million or 6.9% of total dental costs, were 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. Contribution dollars dropped significantly in 2005/06, as a result of the return to the NIHB Program of Anishinaabe Mino-Ayaawin (AMA) clients previously covered under a contribution agreement. Expenditures for contract dentists totaled \$7.7 million or 5.0% of total costs.

Other costs totaled \$5.5 million or 3.6% in 2005/06. These include the purchasing of dental supplies and equipment as well as Headquarters costs related to automated claims payment.





**Figure 5.2**  
**Total NIHB Dental Expenditures by Type and Region**  
(\$ 000's)  
2005/06

Dental expenditures totaled \$153.9 million in 2005/06. The Ontario (20.8%), Pacific (14.6%) and Saskatchewan (14.3%) Regions had the largest proportion of overall dental costs.

Of the \$153.9 million, \$143.2 million (93.1%) were operating expenditures, while \$10.7 million (6.9%) were contribution expenditures.

Fee-for-service costs accounted for \$130.0 million (84.5%) of total dental expenditures while contract dentist costs accounted for \$7.7 million (5.0%).

REGION	Operating				Contributions	Total Costs
	Fee-For-Service	Contract Dentists	Other Costs	Total Operating	Contribution Agreements	
Atlantic	\$ 4,823	\$ 0	\$ 1	\$ 4,823	\$ 8	\$ 4,831
Quebec	10,923	47	0	10,970	0	10,970
Ontario	26,106	1,899	79	28,083	3,981	32,064
Manitoba	16,299	3,611	1	19,911	415	20,326
Saskatchewan	20,164	259	5	20,428	1,610	22,038
Alberta	18,720	262	5	18,986	1,608	20,594
Pacific	20,674	1,376	0	22,050	389	22,439
Yukon	1,569	295	0	1,863	0	1,863
N.W.T.	4,859	0	0	4,859	390	5,249
Nunavut	5,857	0	0	5,857	2,280	8,137
Headquarters	0	0	5,389	5,389	0	5,389
Total	\$ 129,993	\$ 7,748	\$ 5,479	\$ 143,220	\$ 10,680	\$ 153,900

# Dental Expenditure and Utilization Data

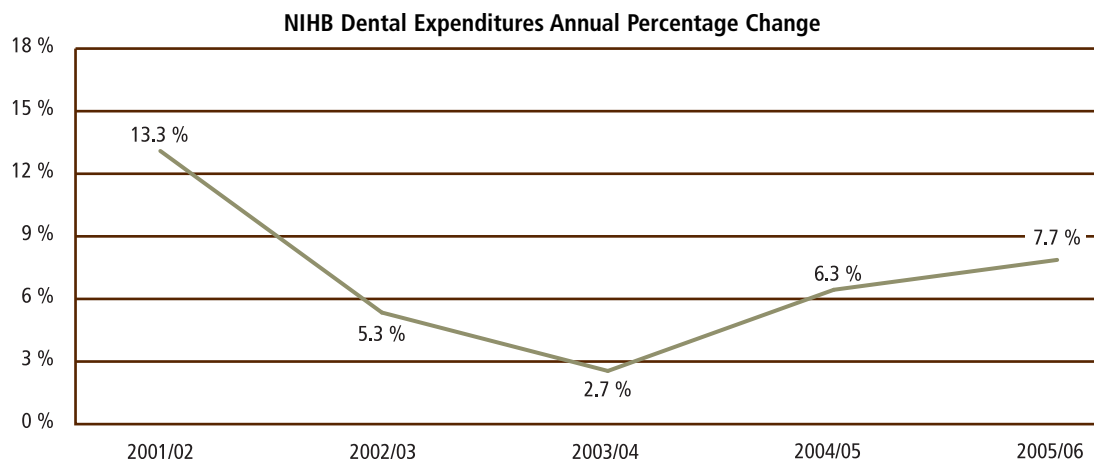
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**Figure 5.3**  
**Annual NIHB Dental Expenditures by Region**  
**2001/02 to 2005/06**

NIHB Dental expenditures increased by 7.7% in 2005/06. This growth has been attributed to an increase in client population and to policy changes designed to improve access to services for Program clients. As of July 1, 2005 the \$800 threshold on NIHB dental services was removed. Previously, when a client exceeded \$800 in dental services within a one year period, prior approval was required before any additional services could be provided. This specific policy change has improved accessibility for clients and simplified billing procedures for dental practitioners providing services on behalf of the NIHB Program.

In the last 5 years, growth in dental expenditures have ranged from a high of 13.3% in 2001/02 to a low of 2.7% in 2003/04, with the average annual increase being 7.0%.

In 2005/06, the highest rate of growth in NIHB Dental expenditures was in the Yukon Region, which increased by 51.6% compared to the previous year. This increase has been attributed to a change in service delivery within the Region. The largest increases in expenditures took place in the Saskatchewan and Ontario Regions where total dental costs grew by \$2.5 and \$2.4 million respectively.



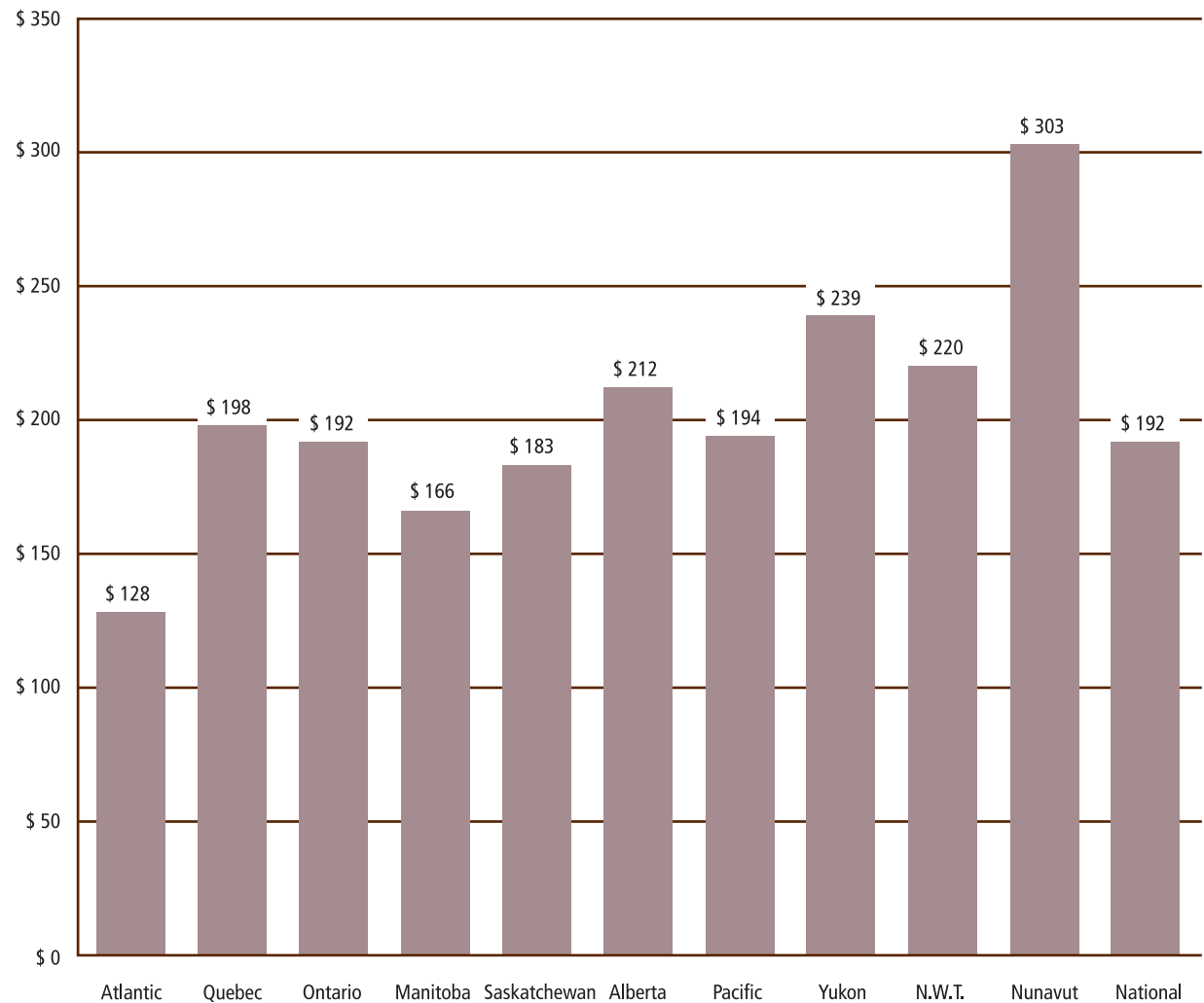
NIHB Dental Expenditures (\$ 000's)					
REGION	2001/02	2002/03	2003/04	2004/05	2005/06
Atlantic	\$ 5,196	\$ 4,691	\$ 4,857	\$ 4,934	\$ 4,831
Quebec	10,505	10,292	10,277	10,525	10,970
Ontario	27,568	29,042	27,760	29,655	32,064
Manitoba	16,319	16,600	17,313	18,705	20,326
Saskatchewan	15,708	17,649	18,297	19,530	22,038
Alberta	16,680	18,375	19,237	19,306	20,594
Pacific	18,231	19,224	18,338	20,357	22,439
NWT/Nunavut	8,228	9,468	11,657	13,738	13,386
Yukon	1,284	1,236	1,365	1,229	1,863
Headquarters	4,749	4,444	5,402	4,978	5,389
National	\$ 124,468	\$ 131,021	\$ 134,504	\$ 142,956	\$ 153,900

**Figure 5.4**  
**Per Capita NIHB Dental Expenditures by Region**  
**2005/06**

In 2005/06, the national per capita NIHB Dental expenditure was \$192, an increase from the previous year's figure of \$180.

Nunavut has the highest per capita dental expenditure at \$303, followed by the Yukon Territories at \$239 and the Northwest Territories at \$220.

Per capita values for the Pacific Region reflects the removal of population totals for clients currently covered under self-government agreements.



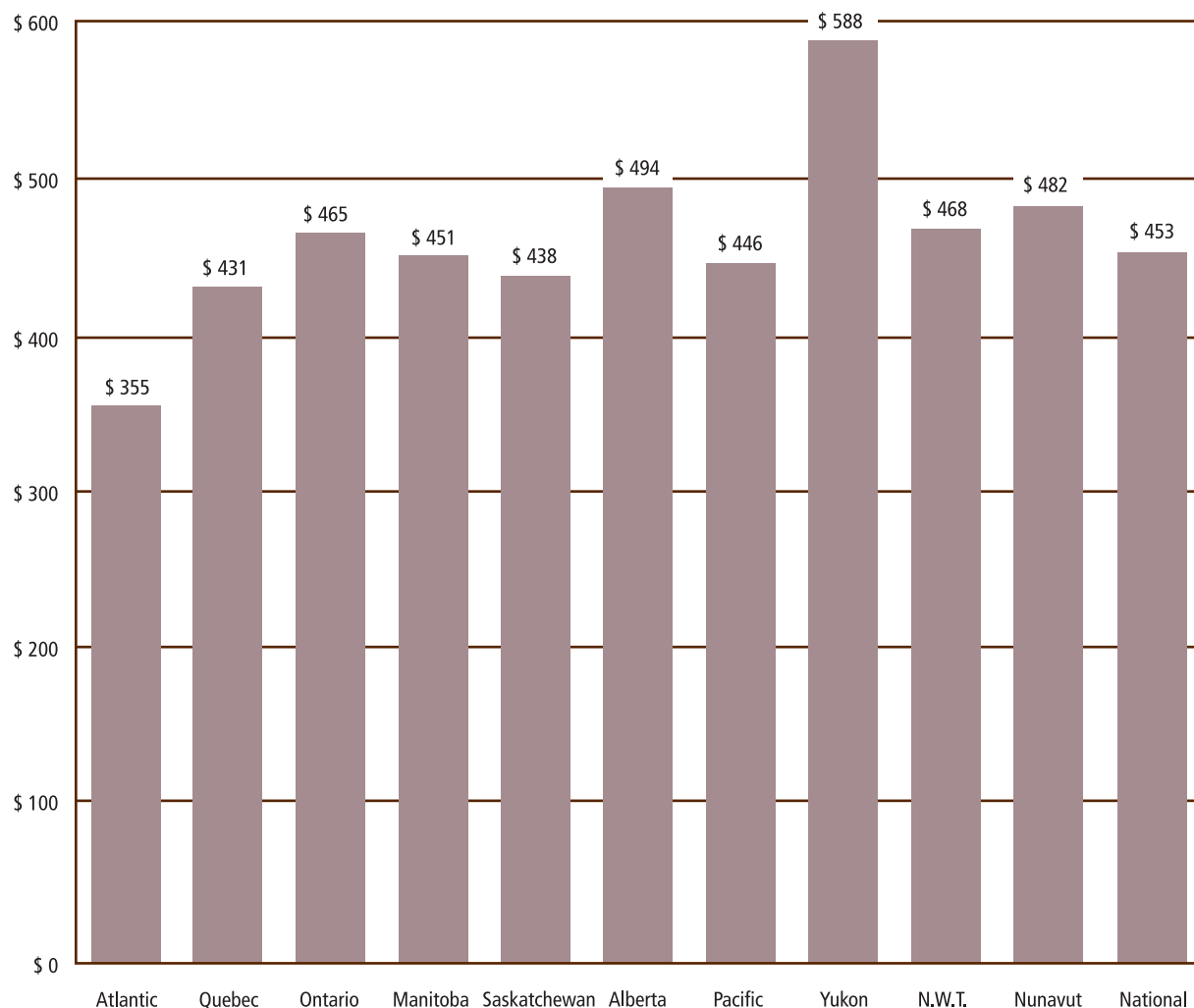
# Dental Expenditure and Utilization Data

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**Figure 5.5**  
**NIHB Dental Fee-For-Service Expenditures Per Claimant by Region**  
**2005/06**

In 2005/06, the national NIHB Dental expenditure per claimant was \$453.

Yukon has the highest dental expenditure per claimant at \$588, followed by the Alberta Region at \$494 and Nunavut at \$482. The Atlantic Region registered the lowest dental expenditure per claimant at \$355.



**Figure 5.6**  
**NIHB Dental Utilization Rates by Region**  
**2001/02 to 2005/06**

Utilization rates represent those clients who receive at least one dental service paid through the system used for the Health Information and Claims Processing Services (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 in Ontario and Manitoba;
- Services provided by First Nations and Inuit Health Branch dental therapists; and
- Dental services provided through contribution agreements, pilot agreements or self-government agreements.

The national utilization rate in 2005/06 for dental benefits paid through the system used for Health Information and Claims Processing Services (HICPS) was 37%, an increase of 1% over the previous year. The highest dental utilization rate (46%) was found in the Quebec Region. The lowest rate was recorded in the Manitoba Region (30%). However, this represented a large increase over the previous year's rate of 23% with the increase being attributed to the return of Anishinaabe Mino-Ayaawin (AMA) clients previously covered under a contribution agreement. It should also be noted that the Manitoba Region had the largest expenditure in 2005/06 for contract dentists.

REGION	Dental Utilization				
	2001/02	2002/03	2003/04	2004/05	2005/06
Atlantic	39%	36%	36%	36%	36%
Quebec	48%	46%	46%	46%	46%
Ontario	32%	33%	33%	33%	34%
Manitoba	22%	21%	22%	23%	30%
Saskatchewan	39%	38%	37%	38%	38%
Alberta	43%	44%	42%	39%	39%
Pacific	40%	39%	37%	38%	38%
Yukon	36%	34%	33%	31%	34%
N.W.T. & Nunavut	43%	44%	45%	46%	44%
<b>Total</b>	<b>36%</b>	<b>36%</b>	<b>35%</b>	<b>36%</b>	<b>37%</b>

# Dental Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

**Figure 5.7**  
**NIHB Dental Claimants by Age Group, Gender and Region**  
**2005/06**

Of the 779,943 clients eligible to receive benefits on the NIHB Program, 286,722 (37%) claimants received at least one dental procedure paid through the system used for Health Information and Claims Processing Services (HICPS) in 2005/06. Of this total, 159,837 were female (56%) while 126,885 were 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 28 years, indicating clients tend to access dental services at a younger age than pharmacy services. The highest average age of dental claimants is found in the Yukon (34 years of age), while the lowest is in Nunavut (24 years of age).

Forty-two percent of all dental claimants are under 20 years of age. Forty-six percent of male claimants are in this age group while females account for 39%. Three percent of all claimants are seniors (age 65 and over) in 2005/06.

REGION Age Group	Atlantic			Quebec			Ontario			Manitoba		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	150	146	296	357	378	735	877	849	1,726	1,277	1,223	2,500
5 - 9	641	621	1,262	1,507	1,502	3,009	3,226	3,176	6,402	2,368	2,454	4,822
10 - 14	875	882	1,757	1,780	1,768	3,548	3,641	3,637	7,278	2,281	2,564	4,845
15 - 19	757	825	1,582	1,088	1,311	2,399	2,599	3,030	5,629	1,703	2,335	4,038
20 - 24	471	708	1,179	722	1,058	1,780	1,765	2,569	4,334	1,235	1,730	2,965
25 - 29	488	664	1,152	744	1,035	1,779	1,657	2,508	4,165	1,136	1,629	2,765
30 - 34	507	677	1,184	772	1,115	1,887	1,643	2,440	4,083	1,136	1,580	2,716
35 - 39	499	704	1,203	923	1,175	2,098	1,813	2,503	4,316	1,162	1,672	2,834
40 - 44	457	649	1,106	885	1,169	2,054	1,925	2,651	4,576	1,152	1,580	2,732
45 - 49	400	561	961	754	1,096	1,850	1,729	2,432	4,161	928	1,182	2,110
50 - 54	298	443	741	570	709	1,279	1,260	1,870	3,130	596	867	1,463
55 - 59	205	303	508	413	588	1,001	937	1,385	2,322	431	566	997
60 - 64	106	174	280	293	403	696	640	970	1,610	243	320	563
65 +	168	224	392	484	726	1,210	887	1,560	2,447	298	460	758
<b>Total</b>	<b>6,022</b>	<b>7,581</b>	<b>13,603</b>	<b>11,292</b>	<b>14,033</b>	<b>25,325</b>	<b>24,599</b>	<b>31,580</b>	<b>56,179</b>	<b>15,946</b>	<b>20,162</b>	<b>36,108</b>
<b>Average Age</b>	<b>29</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>31</b>	<b>30</b>	<b>29</b>	<b>32</b>	<b>31</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	1,257	1,232	2,489	1,221	1,210	2,431	1,182	1,175	2,357	29	42	71	171	230	401	556	514	1,070	7,077	6,999	14,076
5 - 9	3,188	3,296	6,484	2,859	2,802	5,661	2,756	2,770	5,526	104	92	196	500	492	992	789	780	1,569	17,938	17,985	35,923
10 - 14	3,293	3,553	6,846	2,881	2,947	5,828	3,047	3,020	6,067	94	93	187	621	676	1,297	716	919	1,635	19,229	20,059	39,288
15 - 19	2,218	2,966	5,184	1,918	2,481	4,399	2,411	2,840	5,251	98	120	218	571	734	1,305	662	980	1,642	14,025	17,622	31,647
20 - 24	1,588	2,452	4,040	1,290	1,935	3,225	1,495	2,180	3,675	101	161	262	421	561	982	532	785	1,317	9,620	14,139	23,759
25 - 29	1,501	2,250	3,751	1,173	1,690	2,863	1,446	2,023	3,469	84	130	214	351	535	886	417	621	1,038	8,997	13,085	22,082
30 - 34	1,488	2,207	3,695	1,134	1,638	2,772	1,440	1,951	3,391	97	138	235	307	477	784	387	542	929	8,911	12,765	21,676
35 - 39	1,529	2,144	3,673	1,087	1,543	2,630	1,500	2,070	3,570	114	130	244	378	503	881	384	520	904	9,389	12,964	22,353
40 - 44	1,386	1,920	3,306	1,053	1,507	2,560	1,578	2,237	3,815	120	185	305	335	471	806	292	363	655	9,183	12,732	21,915
45 - 49	1,050	1,437	2,487	803	1,202	2,005	1,349	1,880	3,229	87	116	203	260	370	630	200	221	421	7,560	10,497	18,057
50 - 54	657	906	1,563	538	801	1,339	987	1,292	2,279	60	102	162	179	266	445	143	182	325	5,288	7,438	12,726
55 - 59	438	607	1,045	379	543	922	620	796	1,416	37	68	105	151	203	354	129	148	277	3,740	5,207	8,947
60 - 64	288	344	632	225	293	518	414	527	941	35	53	88	114	104	218	71	79	150	2,429	3,267	5,696
65 +	343	466	809	336	422	758	625	774	1,399	67	110	177	186	215	401	105	121	226	3,499	5,078	8,577
Total	20,224	25,780	46,004	16,897	21,014	37,911	20,850	25,535	46,385	1,127	1,540	2,667	4,545	5,837	10,382	5,383	6,775	12,158	126,885	159,837	286,722
Average Age	25	26	26	24	26	25	27	29	28	33	35	34	29	30	29	24	24	24	27	29	28

# Dental Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

**Figure 5.8**  
**NIHB Dental Claimants and Non-Claimants by Age Group and Gender**  
**2005/06**

Thirty-seven percent of all eligible clients received at least one dental procedure paid through the system used for Health Information and Claims Processing Services (HICPS) in 2005/06. Sixty-three percent of eligible clients did not access the Program through HICPS for any dental benefits.

Of the 493,221 non-claimants in 2005/06, 255,913 were male (52%), while 237,308 were female (48%). Over one-third (36%) of all non-claimants were under 20 years of age, while over two-thirds (67%) were under 40 years of age.

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0 - 4	7,077	6,999	14,076	23,200	22,066	45,266	30,277	29,065	59,342
	23%	24%	24%	77%	76%	76%	100%	100%	100%
5 - 9	17,938	17,985	35,923	21,153	19,462	40,615	39,091	37,447	76,538
	46%	48%	47%	54%	52%	53%	100%	100%	100%
10 - 14	19,229	20,059	39,288	23,340	20,521	43,861	42,569	40,580	83,149
	45%	49%	47%	55%	51%	53%	100%	100%	100%
15 - 19	14,025	17,622	31,647	25,845	20,691	46,536	39,870	38,313	78,183
	35%	46%	40%	65%	54%	60%	100%	100%	100%
20 - 24	9,620	14,139	23,759	24,604	18,970	43,574	34,224	33,109	67,333
	28%	43%	35%	72%	57%	65%	100%	100%	100%
25 - 29	8,997	13,085	22,082	21,100	16,656	37,756	30,097	29,741	59,838
	30%	44%	37%	70%	56%	63%	100%	100%	100%
30 - 34	8,911	12,765	21,676	20,315	16,755	37,070	29,226	29,520	58,746
	30%	43%	37%	70%	57%	63%	100%	100%	100%
35 - 39	9,389	12,964	22,353	20,387	17,445	37,832	29,776	30,409	60,185
	32%	43%	37%	68%	57%	63%	100%	100%	100%



Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
40 - 44	9,183	12,732	21,915	18,962	17,688	36,650	28,145	30,420	58,565
	33%	42%	37%	67%	58%	63%	100%	100%	100%
45 - 49	7,560	10,497	18,057	15,487	15,593	31,080	23,047	26,090	49,137
	33%	40%	37%	67%	60%	63%	100%	100%	100%
50 - 54	5,288	7,438	12,726	11,550	12,625	24,175	16,838	20,063	36,901
	31%	37%	34%	69%	63%	66%	100%	100%	100%
55 - 59	3,740	5,207	8,947	8,964	10,366	19,330	12,704	15,573	28,277
	29%	33%	32%	71%	67%	68%	100%	100%	100%
60 - 64	2,429	3,267	5,696	6,637	8,005	14,642	9,066	11,272	20,338
	27%	29%	28%	73%	71%	72%	100%	100%	100%
65 +	3,499	5,078	8,577	14,369	20,465	34,834	17,868	25,543	43,411
	20%	20%	20%	80%	80%	80%	100%	100%	100%
Total	126,885	159,837	286,722	255,913	237,308	493,221	382,798	397,145	779,943
	33%	40%	37%	67%	60%	63%	100%	100%	100%

# Dental Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005 / 2006 ANNUAL REPORT

Figure 5.9

## Top Five Fee-for-Service Dental Sub-Benefits and Procedures 2005/06

Expenditures on Restorative Services (crowns, fillings, etc.) were the highest of all dental sub-benefit categories at \$58.1 million in 2005/06.

Diagnostic Services (examinations, x-rays, etc.) at \$16.0 million and Preventive Services (scaling, polishing etc.) at \$15.5 million were the next highest sub-benefit categories, followed by Oral Surgery at \$11.7 million.

In 2005/06 the three largest dental procedures by expenditure were composite restorations (\$39.5 million), scalings (\$10.4 million) and extractions (\$8.3 million).

### Fee-for-Service Top 5 Dental Sub-Benefits

Dental Sub-Benefit	FY 2005/06
Restorative Services	\$58.1
Diagnostic Services	\$16.0
Preventive Services	\$15.5
Oral Surgery	\$11.7
Removable Prosthodontics	\$9.2

### Fee-for-Service Top 5 Dental Procedures

Dental Procedures	FY 2005/06
Composite Restorations	\$39.5
Scaling	\$10.4
Extractions	\$8.3
Amalgam Restorations	\$7.6
Major Orthodontic Treatment	\$6.6





Voices, 1992, by Susan Point

# Medical Transportation Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005/2006 ANNUAL REPORT

In 2005/06 Non-Insured Health Benefits Medical Transportation expenditures amounted to \$225.4 million or 27.6% of total NIHB expenditures.

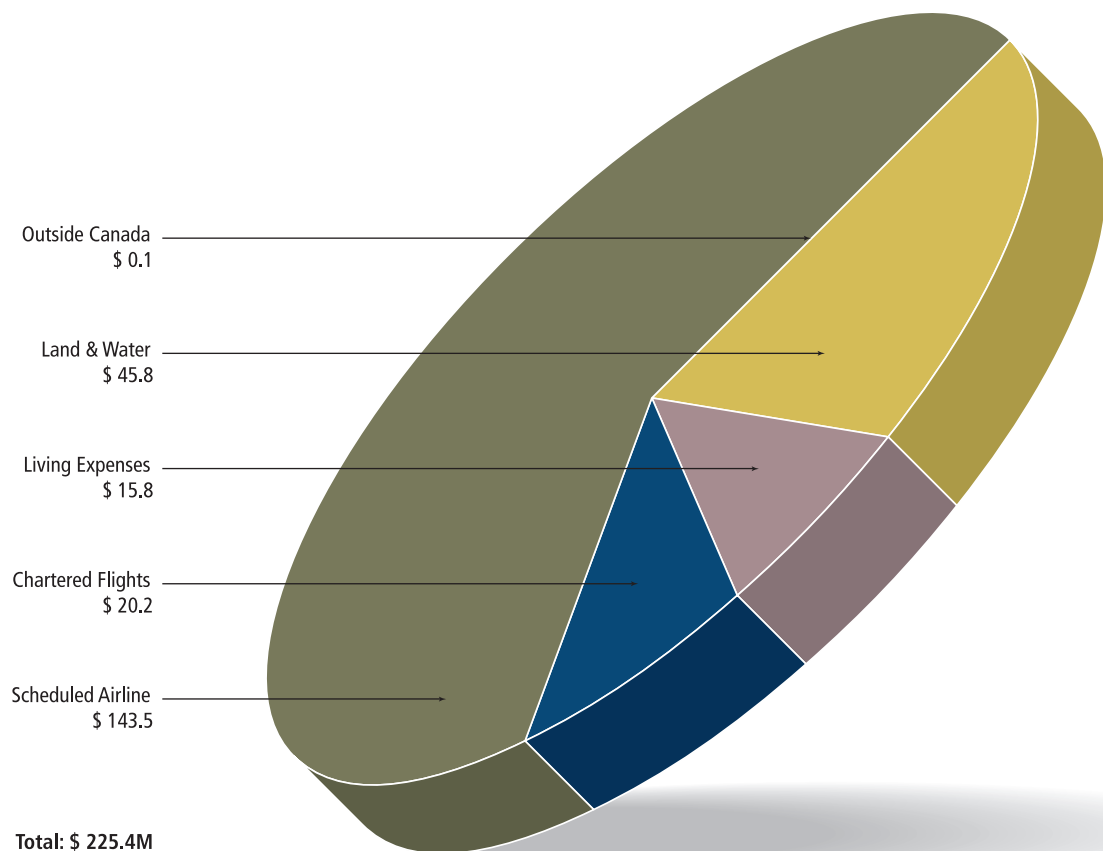
NIHB Medical Transportation benefits are funded in accordance with the policies set out in the NIHB Medical Transportation Policy Framework to assist eligible recipients to access medically required health services that cannot be obtained on Reserve or in the community of residence. The following modes of transport are eligible for coverage under the NIHB Program:

- Ground Travel (private vehicle, commercial tax, fee for service driver and vehicle, band vehicle, bus, train, snowmobile taxi, and ground ambulance);
- Air Travel (scheduled flights, charter flights, helicopter, air ambulance and Medevac);
- Water Travel (motorized boat, boat taxi, and ferry).

**Figure 6.1**  
**Distribution of NIHB Medical Transportation Expenditures (\$ Millions)**  
**2005/06**

Scheduled airline expenses comprised the largest single NIHB Medical Transportation expenditure in 2005/06, accounting for \$143.5 million, or 63.7% of total expenditures.

Land and Water transportation at \$45.8 million was the second largest NIHB Medical Transportation expenditure, accounting for 20.3% of these expenditures.



# Medical Transportation Expenditure and Utilization Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005/2006 ANNUAL REPORT

Figure 6.2

## NIHB Expenditures on Medical Transportation by Type and Region (\$ 000's) 2005/06

Total NIHB Medical Transportation expenditures increased by 6.5% to \$225.4 million in 2005/06. The Yukon (18.3%) and Manitoba (13.3%) Regions had the largest percentage increases in transportation expenditures in 2005/06. The largest decrease in transportation expenditures was in the Northwest Territories at -9.7%, followed by the Atlantic Region at -8.7%.

The Manitoba Region had the highest overall NIHB Medical Transportation expenditure at \$63.3 million, largely as a result of air transportation which totaled over \$29.8 million. The Ontario Region at \$38.6 million and the Alberta Region at \$30.7 million had the next highest expenditures in 2005/06.

TYPE	Atlantic	Quebec	Ontario	Manitoba
Schedule Airline	\$ 459	\$ 341	\$ 11,358	\$ 15,159
Chartered Flights	22	28	1,013	14,690
Living Expenses	218	12	5,059	6,536
Land & Water	1,454	1,189	4,412	8,321
Outside Canada	0	0	74	3
<b>Total Operating</b>	<b>\$ 2,152</b>	<b>\$ 1,569</b>	<b>\$ 21,915</b>	<b>\$ 44,710</b>
<b>Total Contributions</b>	<b>3,438</b>	<b>16,317</b>	<b>16,638</b>	<b>18,613</b>
<b>Total</b>	<b>\$ 5,590</b>	<b>\$ 17,886</b>	<b>\$ 38,553</b>	<b>\$ 63,322</b>
<b>% Change from 04/05</b>	<b>-8.7%</b>	<b>3.4%</b>	<b>9.3%</b>	<b>13.3%</b>

TYPE	Saskatchewan	Alberta	Pacific	Yukon	N.W.T.	Nunavut	Total
Schedule Airline	\$ 2,350	\$ 763	\$ 551	\$ 529	\$ 0	\$ 0	\$ 31,510
Chartered Flights	2,730	744	0	933	0	0	20,159
Living Expenses	1,425	1,585	629	380	0	0	15,843
Land & Water	15,976	13,109	1,104	258	0	0	45,823
Outside Canada	15	0	0	0	0	0	92
Total Operating	\$ 22,494	\$ 16,200	\$ 2,284	\$ 2,100	\$ 0	\$ 0	\$ 113,425
Contributions	6,292	14,511	14,660	0	6,710	14,776	111,953
Total	\$ 28,786	\$ 30,712	\$ 16,944	\$ 2,100	\$ 6,710	\$ 14,776	\$ 225,379
% Change from 04/05	7.6%	3.5%	-2.3%	18.3%	-9.7%	5.8%	6.5%

# Medical Transportation Expenditure and Utilization Data

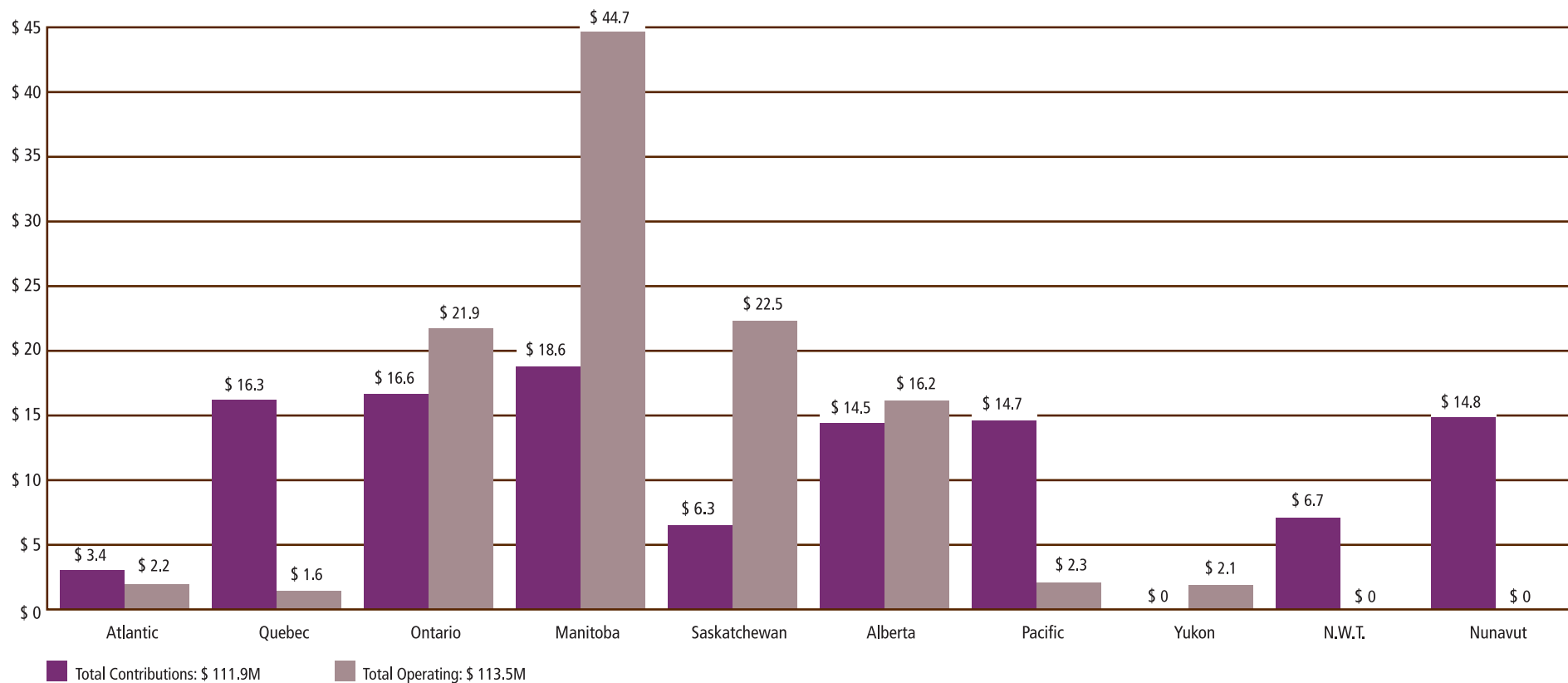
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**Figure 6.3**  
**NIHB Medical Transportation Contribution and**  
**Operating Expenditures by Region (\$ Millions)**  
**2005/06**

Figure 6.3 compares contribution funding to direct operating costs in NIHB Medical 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 NIHB Medical Transportation in 2005/06 at \$44.7 million. The Saskatchewan Region was the next largest at \$22.5 million.

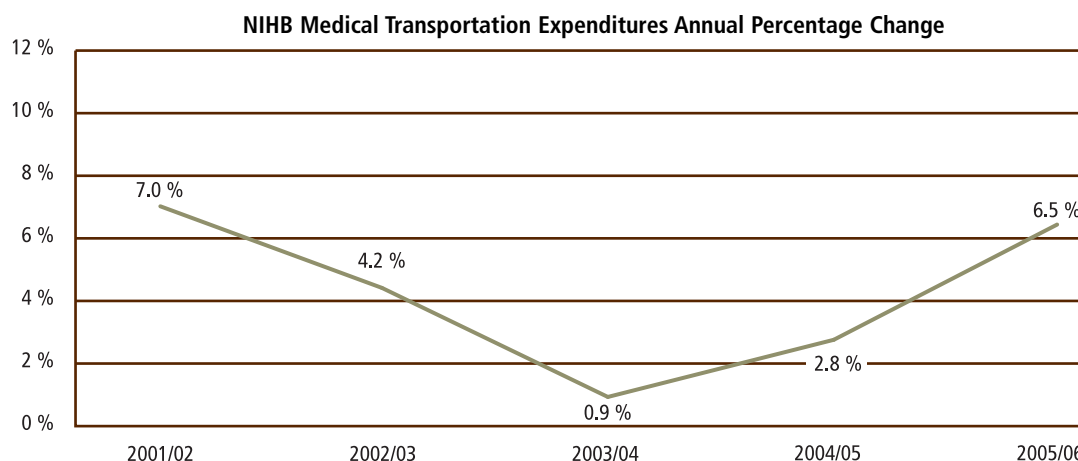
The largest contribution expenditures for NIHB Medical Transportation were registered as follows: the Manitoba Region (\$18.6 million), the Ontario Region (\$16.6 million), the Quebec Region (\$16.3 million), and the Nunavut Region (\$14.8 million).





**Figure 6.4**  
**Annual NIHB Medical Transportation Expenditures**  
**by Region**  
**2001/02 to 2005/06**

NIHB Medical Transportation expenditures increased by 6.5% in 2005/06. Over the last five years, growth in NIHB Medical Transportation expenditures has ranged from a high of 7.0% in 2001/02 to a low of 0.9% in 2003/04, with an average annual increase of 4.3%.



NIHB Medical Transportation Expenditures (\$ 000's)					
REGION	2001/02	2002/03	2003/04	2004/05	2005/06
Atlantic	\$ 6,235	\$ 6,314	\$ 6,498	\$ 6,124	\$ 5,590
Quebec	16,589	16,877	16,985	17,291	17,886
Ontario	40,264	37,493	36,620	35,258	38,553
Manitoba	48,320	51,199	53,533	55,895	63,322
Saskatchewan	23,862	25,853	25,854	26,758	28,786
Alberta	29,797	28,856	29,030	29,686	30,712
Pacific	14,039	16,410	16,408	17,340	16,944
NWT/Nunavut	14,594	18,995	19,265	21,401	21,486
Yukon	2,020	1,957	1,600	1,774	2,100
National	\$ 195,720	\$ 203,952	\$ 205,793	\$ 211,527	\$ 225,379

# Medical Transportation Expenditure and Utilization Data

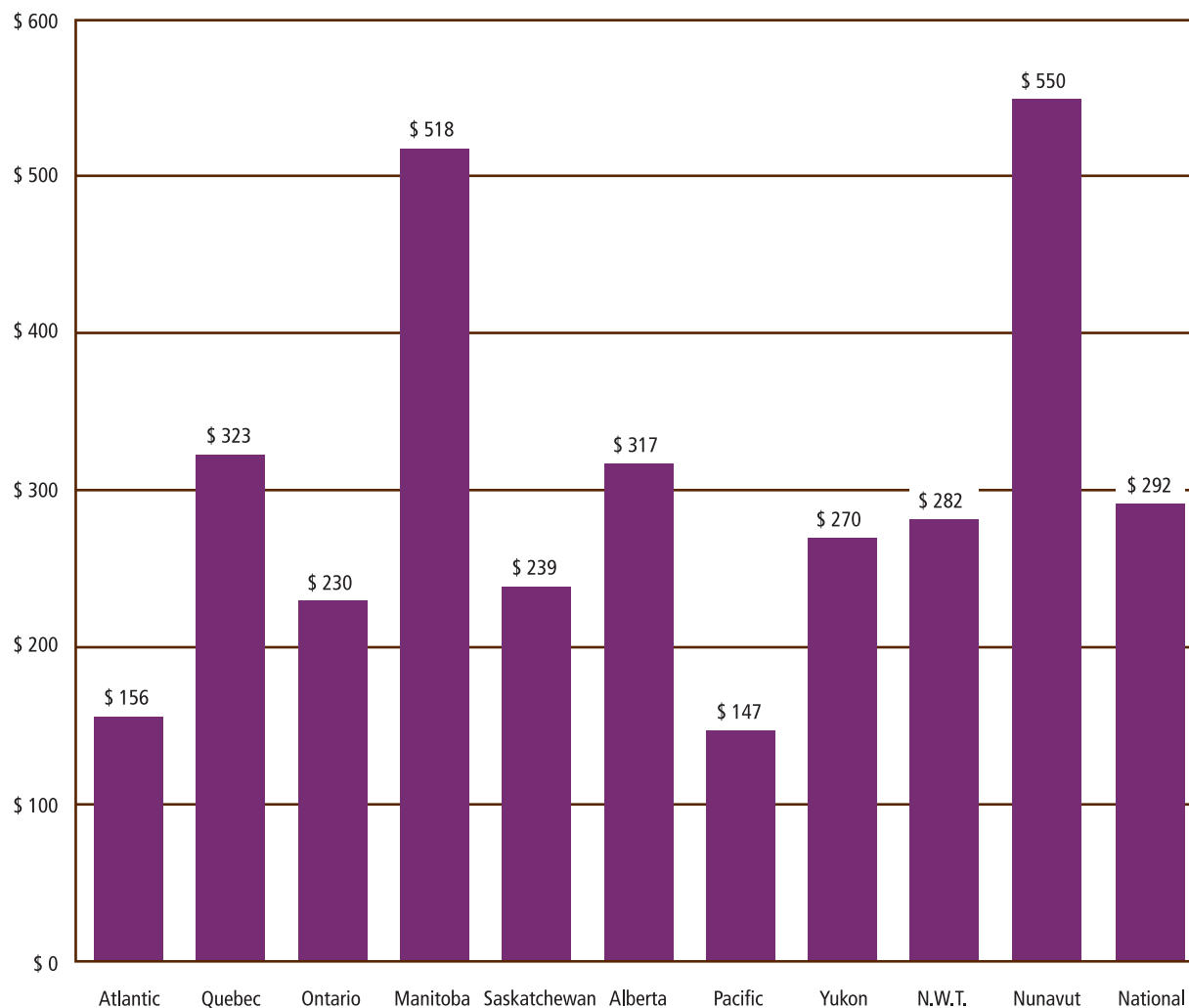
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**Figure 6.5**  
**Per Capita NIHB Medical Transportation Expenditures**  
**by Region**  
**2005/06**

In 2005/06, the national per capita expenditure in NIHB Medical Transportation was \$292. This is an increase from the 2004/05 expenditure of \$277.

Nunavut recorded the highest per capita expenditure in transportation at \$550, followed by the Manitoba Region at \$518 and the Quebec Region at \$323.

Per capita values for the Atlantic and Pacific Regions reflect the removal of population totals for clients currently covered under self-government agreements.







Untitled, 1965, by Sanford Fisher

# 7 Vision, Other Health Care and Premiums Expenditure Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005/2006 ANNUAL REPORT

In 2005/06, total expenditures for Non-Insured Health Benefits Vision (\$25.0 million), Other Health Care (\$17.1 million) and Premiums (\$28.0 million) amounted to \$70.1 million, or 8.6% of total NIHB expenditures for the year.

Vision care benefits are funded in accordance with the policies set out in the Non-Insured Health Benefits Vision Care Framework. The NIHB Program covers:

- Eye examinations, when they are not insured by the province/territory;
- Eyeglasses that are prescribed by a vision care provider;
- Eyeglass repairs;
- Eye prosthesis (an artificial eye); and
- Other vision care benefits depending on specific medical needs of recipient.

Other Health Care comprises primarily of short-term crisis intervention mental health counselling. These services may be provided by a recognized professional mental health therapist when no other services are available to the recipient. The NIHB Program covers:

- The initial assessment;
- Development of a treatment plan; and
- Fees and associated travel costs for the professional mental health therapist when it is deemed cost-effective to provide such services in a community.

The NIHB Program also funds provincial health premiums for eligible clients in Alberta and British Columbia.

# Vision, Other Health Care and Premiums Expenditure Data

PROGRAM ANALYSIS DIVISION • NON-INSURED HEALTH BENEFITS • 2005/2006 ANNUAL REPORT

**Figure 7.1**  
**NIHB Vision Expenditures by Region (\$ 000's)**  
**2005/06**

In 2005/06, NIHB expenditures for Vision Care benefits amounted to \$25.0 million. Regional operating expenditures accounted for 84.1% of total expenditures with contribution costs accounting for the remaining 15.9%.

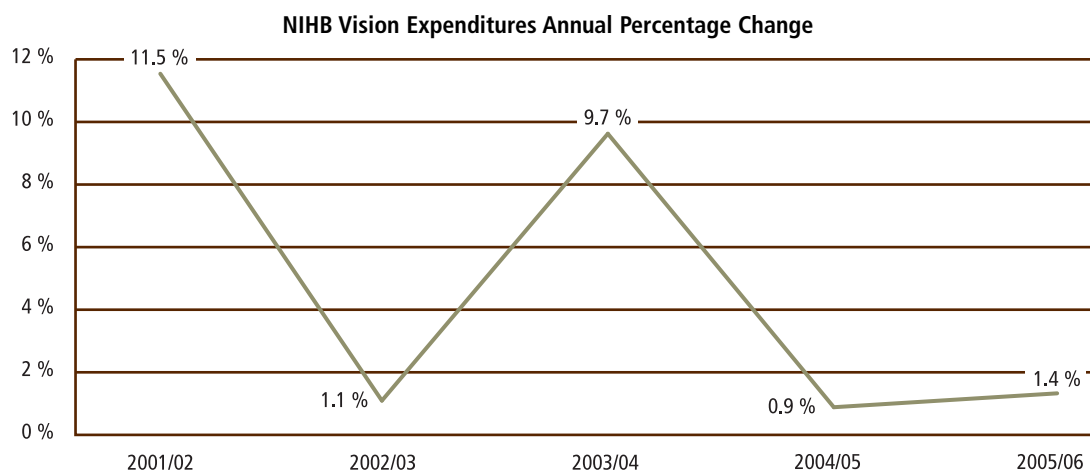
The Ontario Region had the highest percentage share in NIHB Vision Care benefit costs at 21.9% followed by the Alberta (19.1%) and Saskatchewan (16.3%) Regions.

Region	Operating	Contributions	Totals
Atlantic	\$ 1,319.6	\$ 294.0	\$ 1,613.6
Quebec	1,085.3	50.0	1,135.3
Ontario	5,047.8	409.9	5,457.7
Manitoba	2,661.3	202.5	2,863.8
Saskatchewan	4,058.1	14.1	4,072.2
Alberta	4,052.5	709.9	4,762.4
Pacific	2,538.2	510.4	3,048.6
Yukon	227.5	0.0	227.5
NWT	0.0	743.1	743.1
Nunavut	0.0	1,043.9	1,043.9
National	\$20,990.3	\$3,977.8	\$24,968.1

**Figure 7.2**  
**Annual NIHB Vision Expenditures by Region**  
**2001/02 to 2005/06**

In 2005/06 NIHB Vision expenditures increased by 1.4%, a marginal increase over the 0.9% recorded in 2004/05. Over the previous five years the highest growth rate was recorded in 2001/02 at 11.5%, with the average annual increase in this benefit area being 4.8%.

In 2005/06, the highest rate of growth in NIHB Vision expenditures was in the Saskatchewan Region, which increased by 18.7% compared to the previous year.



**NIHB Vision Expenditures (\$ 000's)**

REGION	2001/02	2002/03	2003/04	2004/05	2005/06
Atlantic	\$ 1,433	\$ 1,604	\$ 1,631	\$ 1,619	\$ 1,614
Quebec	1,119	1,173	1,097	1,349	1,135
Ontario	4,886	5,085	5,196	5,428	5,458
Manitoba	2,860	2,640	2,888	2,684	2,864
Saskatchewan	3,113	3,360	3,375	3,431	4,072
Alberta	4,397	4,239	4,576	4,720	4,762
Pacific	2,622	2,601	3,259	3,249	3,049
NWT/Nunavut	1,391	1,341	2,175	1,669	1,787
Yukon	199	218	223	480*	228
National	\$ 22,020	\$ 22,259	\$ 24,420	\$ 24,629	\$ 24,968

\* Data anomaly due to possible FIRMS coding error. Data should be interpreted with caution.

# Vision, Other Health Care and Premiums Expenditure Data

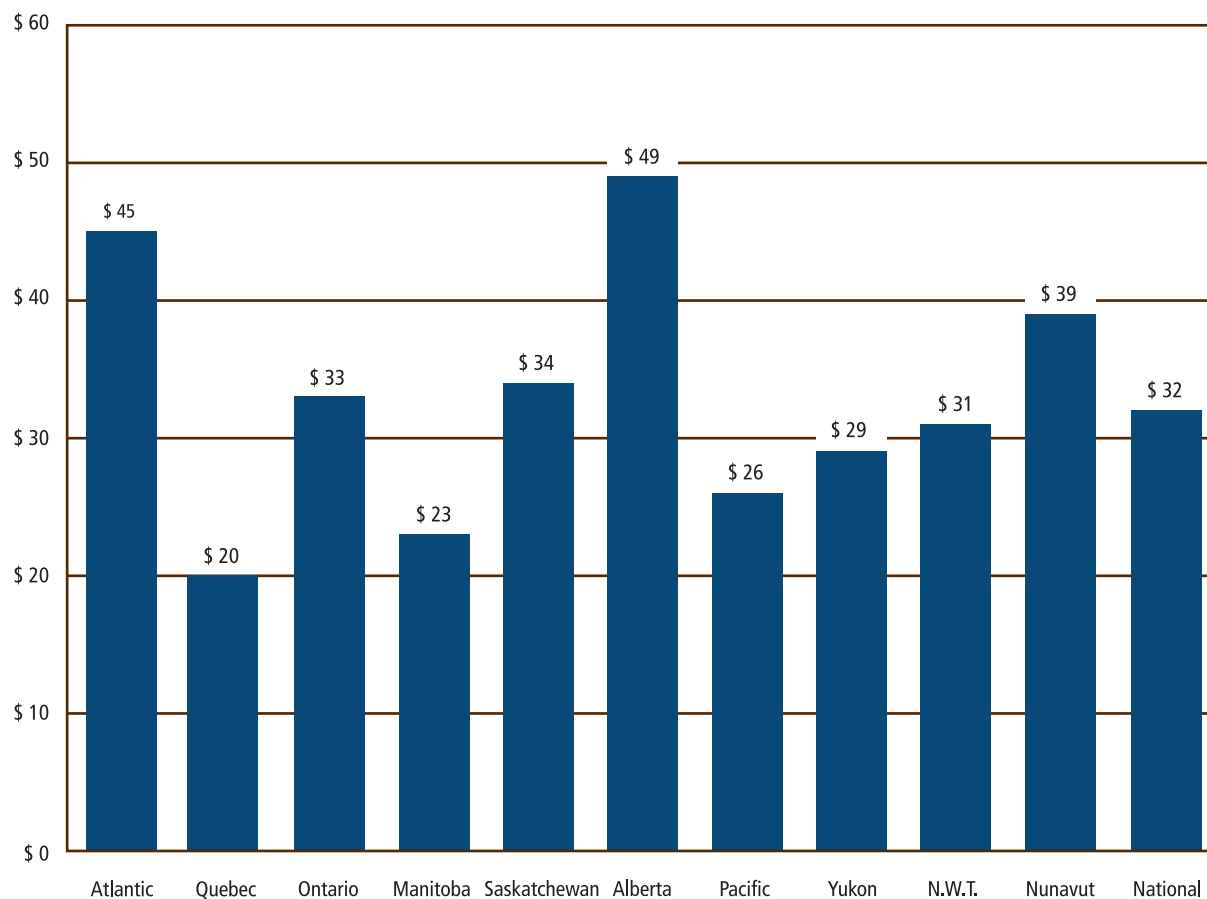
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**Figure 7.3**  
**Per Capita NIHB Vision Expenditures by Region**  
**2005/06**

In 2005/06, the national per capita expenditure in NIHB Vision Care was \$32, unchanged from the previous year.

Alberta had the highest per capita expenditure at \$49, followed by the Atlantic Region at \$43. The Quebec Region registered the lowest per capita expenditure at \$20.

Per capita values for the Atlantic and Pacific Regions reflect the removal of population totals for clients currently covered under self-government agreements.





**Figure 7.4**  
**NIHB Other Health Care Expenditures by Region (\$ 000's)**  
**2005/06**

In 2005/06, NIHB expenditures for Other Health Care benefits amounted to \$17.1 million. Regional operating expenditures accounted for 78.3% of total expenditures with contribution costs accounting for the remaining 21.7%.

The Manitoba Region had the highest percentage share in Other Health Care benefit costs at 33.2% followed by the Alberta (26.5%) and Saskatchewan (13.1%) Regions.

Region	Operating	Contributions	Totals
Atlantic	\$ 100.3	\$ 101.0	\$ 201.3
Quebec	624.4	126.0	750.4
Ontario	2,212.6	0.0	2,212.6
Manitoba	5,024.5	665.0	5,689.5
Saskatchewan	1,892.0	345.0	2,237.0
Alberta	3,170.3	1,367.1	4,537.4
Pacific	382.3	1,103.8	1,486.1
Yukon	1.0	0.0	1.0
NWT	0.0	0.0	0.0
Nunavut	0.0	0.0	0.0
National	\$13,407.4	\$3,707.9	\$17,115.3

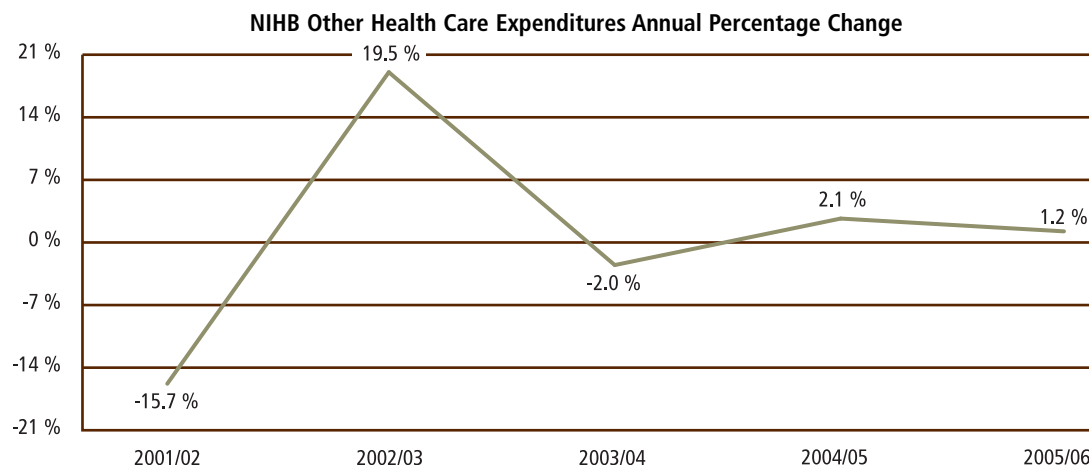
# Vision, Other Health Care and Premiums Expenditure Data

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**Figure 7.5**  
**Annual NIHB Other Health Care Expenditures**  
**by Region**  
**2001/02 to 2005/06**

In 2005/06 NIHB Other Health Care expenditures increased by 1.2%, a marginal decrease over the 2.1% recorded in 2004/05. Over the previous five years the highest growth rate was recorded in 2002/03 at 19.5%, with the average annual increase in this benefit area being 0.4%.

In 2005/06, the largest expenditures for Other Health Care were recorded in Manitoba and Alberta at \$5.7 million and \$4.5 million respectively.



**NIHB Other Health Care Expenditures (\$ 000's)**

REGION	2001/02	2002/03	2003/04	2004/05	2005/06
Atlantic	\$ 173	\$ 198	\$ 141	\$ 161	\$ 201
Quebec	543	695	726	697	750
Ontario	2,183	2,548	2,250	2,404	2,213
Manitoba	4,024	4,675	5,621	5,685	5,690
Saskatchewan	2,663	2,671	2,370	2,295	2,237
Alberta	3,371	3,856	3,794	4,078	4,537
Pacific	1,165	1,240	1,653	1,581	1,486
NWT/Nunavut	0	1000*	0	0	0
Yukon	13	11	2	4	1
<b>National</b>	<b>\$ 14,135</b>	<b>\$ 16,894</b>	<b>\$ 16,557</b>	<b>\$ 16,904</b>	<b>\$ 17,115</b>

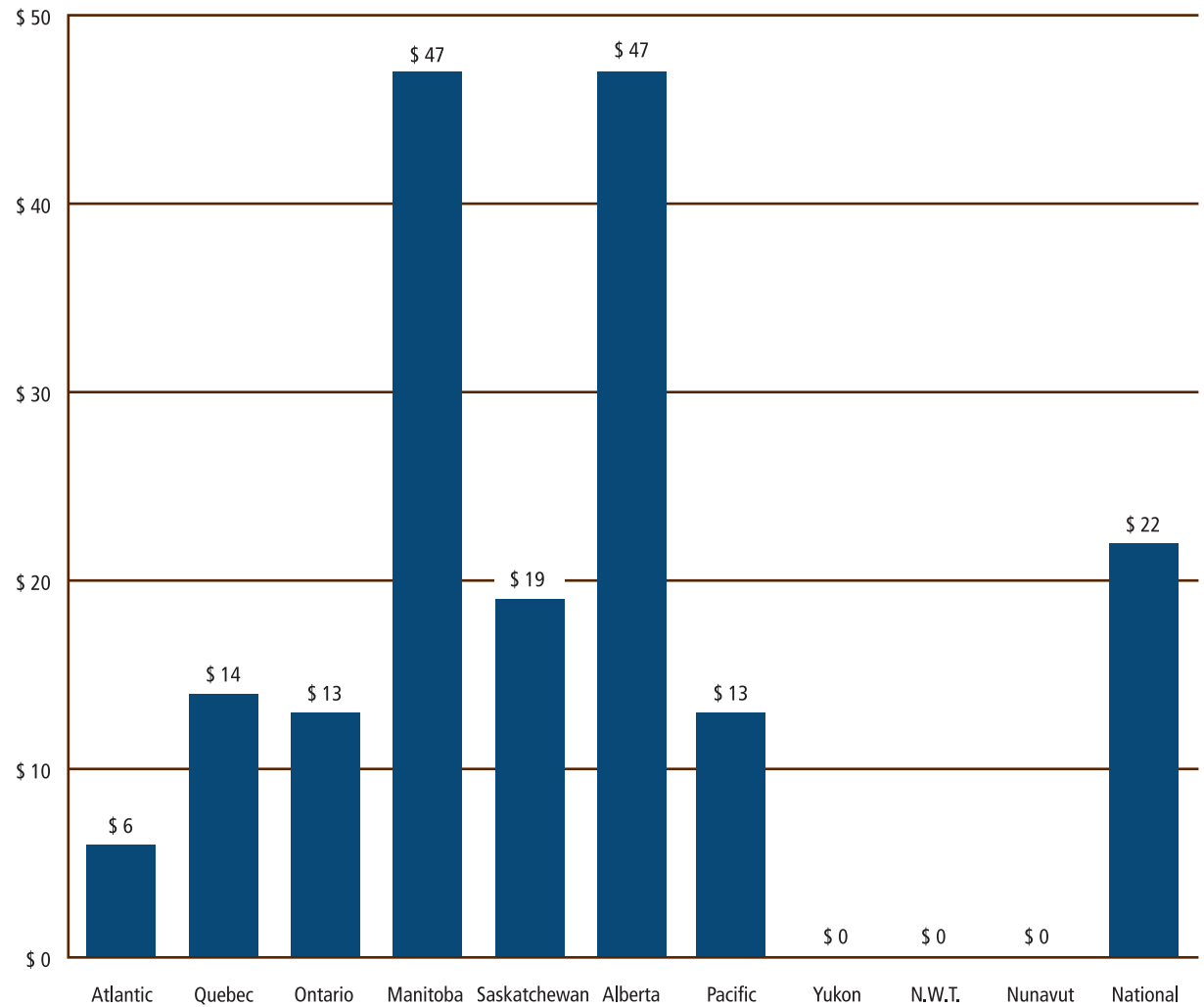
\* Data anomaly due to possible FIRMS coding error. Data should be interpreted with caution.

**Figure 7.6**  
**Per Capita NIHB Other Health Care Expenditures**  
**by Region**  
**2005/06**

In 2005/06, the national per capita expenditure in Other Health Care was \$22, remaining unchanged from the previous year.

The Manitoba and Alberta Regions had the highest per capita expenditures at \$47, followed by the Saskatchewan Region with a total of \$19 per eligible client.

Per capita values for the Atlantic and Pacific Regions reflect the removal of population totals for clients currently covered under self-government agreements.



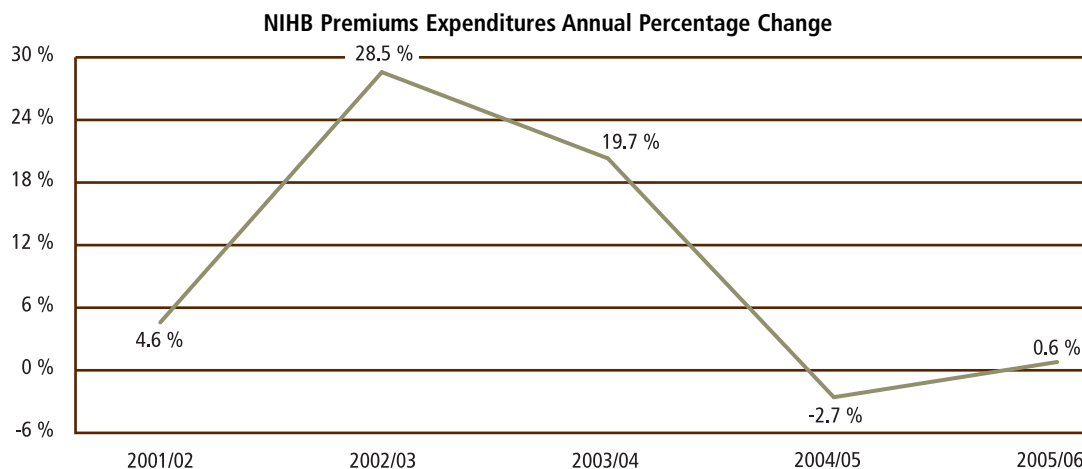
# Vision, Other Health Care and Premiums Expenditure Data

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**Figure 7.7**

## **Annual NIHB Premium Expenditures by Region 2001/02 to 2005/06**

In 2005/06 NIHB Premium expenditures increased by 0.6%, an increase over the -2.7% decrease recorded in 2004/05. Over the previous five years the highest growth rate was recorded in 2001/02 at 28.5%, with the average annual increase in this benefit area being 9.5%.



**NIHB Premiums Expenditures (\$ 000's)**

REGION	2001/02	2002/03	2003/04	2004/05	2005/06
Alberta	\$ 8,914	\$ 11,790	\$ 12,203	\$ 12,377	\$ 12,381
Pacific	9,682	12,113	16,411	15,453	15,606
National	\$ 18,596	\$ 23,902	\$ 28,614	\$ 27,830	\$ 27,987





Plate - Salmon Design, 1995, by Susan Point



# Regional Expenditure Trends (1996/97 to 2005/06)

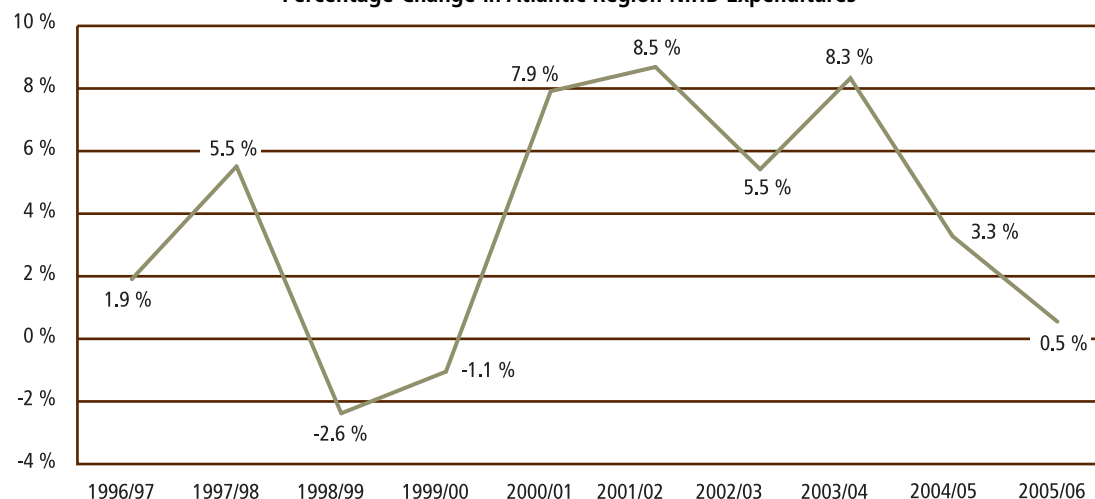
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**Figure 8.1 NIHB Annual Expenditures in Atlantic Region by Benefit  
1996/97 to 2005/06**

Annual expenditures in the Atlantic Region for 2005/06 totaled \$30.5 million, an increase of 0.5% from the \$30.4 million spent in 2004/05. Pharmacy expenditures increased for the seventh consecutive year by 4.3% to \$18.3 million in 2005/06 from \$17.5 million in 2004/05. Transportation expenditures decreased 8.7% to \$5.6 million and Dental costs decreased 2.5% to \$4.8 million. Other Health Care costs increased by 24.9% while Vision Care costs decreased by 0.3%. The low levels of increase were in part due to the transfer of health delivery responsibility and funds under the terms of the Nunatsiavut self-government arrangement that came into effect in December of 2005.

Pharmacy costs accounted for more than half of the Atlantic Region's total expenditures at 59.9%, while Transportation expenditures came second at 18.3%, followed by Dental at 15.8%. Vision Care and Other Health Care accounted for 5.3% and 0.7% of total expenditures respectively.

**Percentage Change in Atlantic Region NIHB Expenditures**



BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 6,416	\$ 6,416	\$ 6,396	\$ 6,425	\$ 6,098	\$ 6,235	\$ 6,313	\$ 6,498	\$ 6,124	\$ 5,590
Pharmacy	9,543	10,165	9,572	10,126	11,371	12,667	14,322	16,265	17,533	18,293
Dental	4,199	4,636	4,663	3,819	4,511	5,196	4,691	4,857	4,934	4,831
Other Health Care	201	141	158	123	138	173	198	140	161	201
Vision Care	1,263	1,443	1,427	1,479	1,583	1,433	1,604	1,631	1,619	1,614
<b>Total</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>\$ 29,391</b>	<b>\$ 30,371</b>	<b>\$ 30,529</b>

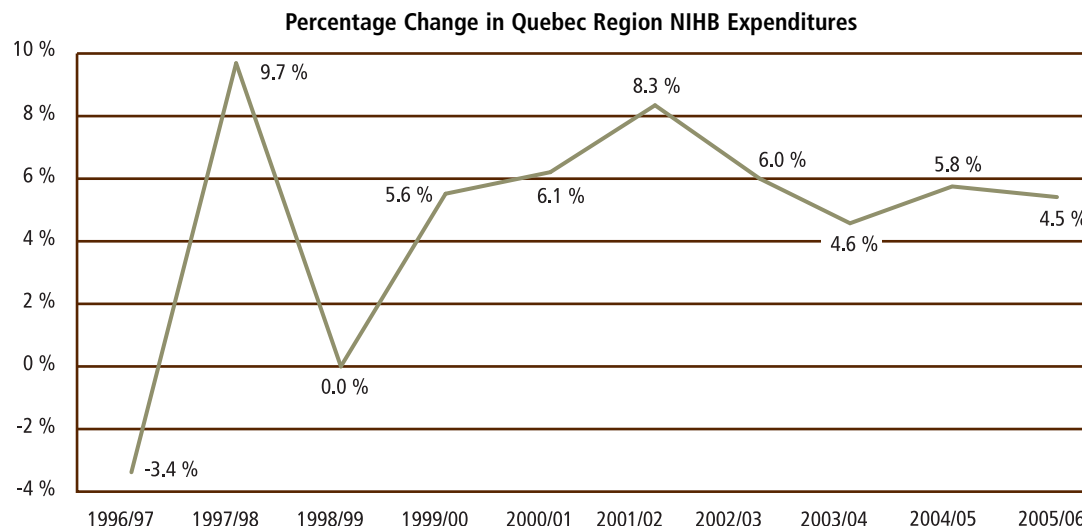
# Regional Expenditure Trends (1996/97 to 2005/06)

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**Figure 8.2**  
**NIHB Annual Expenditures in Quebec Region**  
**by Benefit**  
**1996/97 to 2005/06**

Annual expenditures in the Quebec Region for 2005/06 totaled \$62.5 million, an increase of 4.5% from the \$59.8 million spent in 2004/05. Pharmacy expenditures in 2005/06 increased by 6.1% to \$31.8 million from \$30.0 million in 2004-2005. Meanwhile Dental expenditures increased by 4.2% to \$11.0 million and Transportation costs increased by 3.4% to \$17.9 million. Other Health Care costs increased by 7.7%, while Vision Care expenditures decreased by 15.8%.

Pharmacy costs accounted for 50.8% of the Quebec Region's total expenditures, while Transportation expenditures came second at 28.6% followed by Dental at 17.5%. Vision Care and Other Health Care accounted for 1.8% and 1.2% of total expenditures respectively.



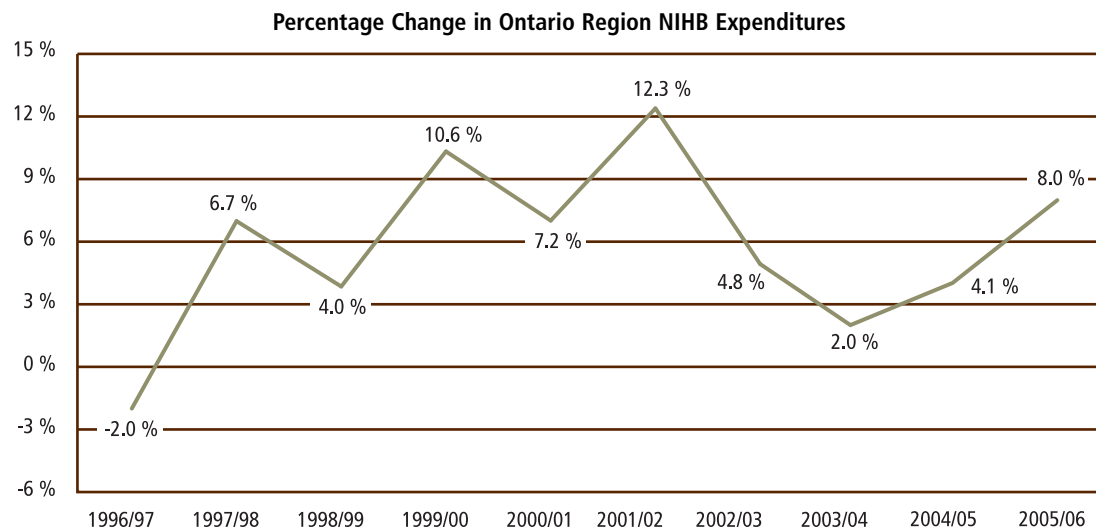
BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 15,841	\$ 16,062	\$ 15,050	\$ 15,761	\$ 15,475	\$ 16,589	\$ 16,877	\$ 16,985	\$ 17,291	\$ 17,886
Pharmacy	11,312	15,017	16,611	17,388	19,680	22,209	25,005	27,436	29,959	31,771
Dental	8,906	9,494	8,831	9,015	9,574	10,505	10,292	10,277	10,525	10,970
Other Health Care	1,397	554	544	1,278	1,355	544	695	726	697	750
Vision Care	841	892	977	910	984	1,119	1,173	1,097	1,349	1,135
<b>TOTAL</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>\$ 54,042</b>	<b>\$ 56,521</b>	<b>\$ 59,820</b>	<b>\$ 62,512</b>



**Figure 8.3**  
**NIHB Annual Expenditures in Ontario Region**  
**by Benefit**  
**1996/97 to 2005/06**

Annual expenditures in the Ontario Region for 2005/06 totaled \$151.5 million, an increase of 8.0% from the \$140.3 million spent in 2004/05. Pharmacy expenditures in 2005/06 increased by 8.5% to \$73.2 million, while Transportation costs increased by 9.3% to \$38.6 million and Dental expenditures increased by 8.1% to \$32.1 million. Vision Care expenditures increased by 0.5% while Other Health Care costs decreased by 8.0%.

Pharmacy expenditures accounted for 48.3% of the Ontario Region's total expenditures, while Transportation costs came second at 25.4%, followed by Dental at 21.2%. Vision Care and Other Health Care accounted for 3.6% and 1.5% of total expenditures respectively.



BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 24,349	\$ 25,134	\$ 28,276	\$ 32,713	\$ 35,072	\$ 40,264	\$ 37,493	\$ 36,620	\$ 35,258	\$ 38,553
Pharmacy	31,967	35,237	36,518	40,346	45,244	51,167	57,929	62,953	67,508	73,223
Dental	22,498	22,902	22,244	23,558	23,255	27,568	29,042	27,760	29,655	32,064
Other Health Care	2,738	3,620	3,790	3,431	3,899	2,183	2,548	2,250	2,404	2,213
Vision Care	3,816	4,168	3,842	4,672	4,792	4,886	5,085	5,196	5,428	5,458
<b>Total</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>	<b>\$134,779</b>	<b>\$140,253</b>	<b>\$151,510</b>

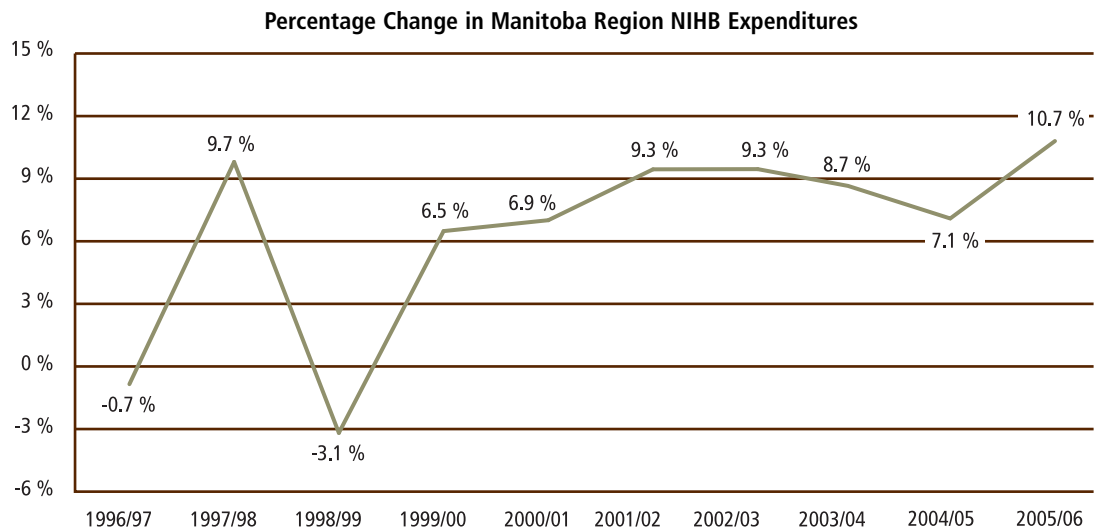
# Regional Expenditure Trends (1996/97 to 2005/06)

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**Figure 8.4**  
**NIHB Annual Expenditures in Manitoba Region**  
**by Benefit**  
**1996/97 to 2005/06**

Annual expenditures in the Manitoba Region for 2005/06 totaled \$151.6 million, an increase of 10.7% from the \$137.0 million spent in 2004/05. Pharmacy expenditures in 2005/06 increased by 10.0% to \$59.4 million, while Transportation costs increased by 13.3% to \$63.3 million and Dental benefit expenditures increased by 8.7% to \$20.3 million. Vision Care and Other Health Care costs increased by 6.7% and 0.1% respectively.

Transportation expenditures made up the largest portion of Manitoba Region's total expenditures at 41.8%, followed by Pharmacy at 39.2% and Dental at 13.4%. Other Health Care and Vision Care expenditures accounted for 3.8% and 1.9% respectively.



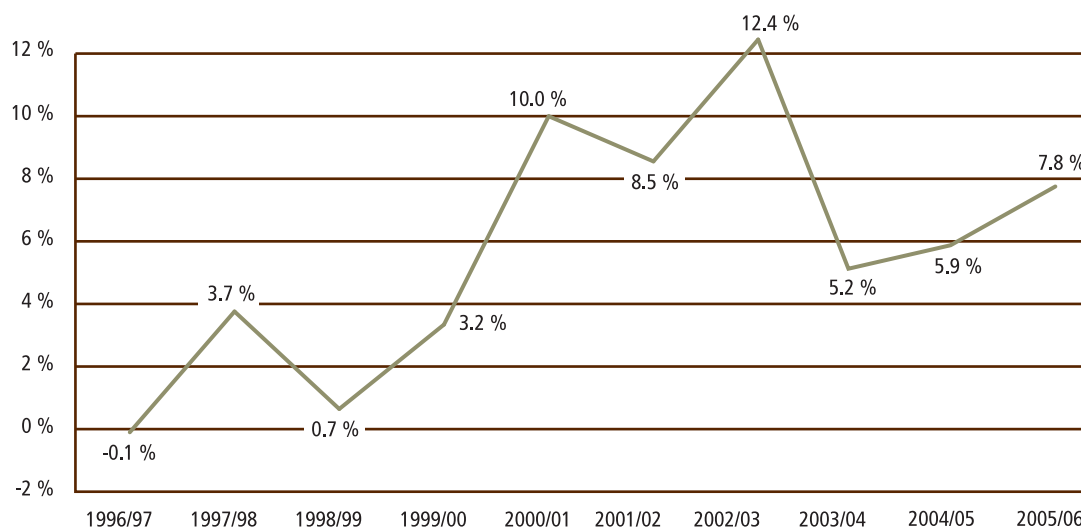
BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 40,380	\$ 43,520	\$ 40,499	\$ 44,413	\$ 46,089	\$ 48,320	\$ 51,199	\$ 53,533	\$ 55,895	\$ 63,322
Pharmacy	21,647	24,805	25,395	31,132	35,533	36,078	42,525	48,519	53,998	59,409
Dental	11,171	11,575	11,836	10,189	11,832	16,319	16,600	17,313	18,705	20,326
Other Health Care	6,330	7,164	6,624	4,399	3,218	4,023	4,675	5,621	5,685	5,690
Vision Care	1,788	2,128	2,034	1,899	1,748	2,860	2,640	2,888	2,684	2,864
Total	\$ 81,315	\$ 89,192	\$ 86,388	\$ 92,032	\$ 98,420	\$ 107,600	\$117,638	\$127,874	\$136,967	\$151,610

**Figure 8.5**  
**NIHB Annual Expenditures in Saskatchewan Region**  
**by Benefit**  
**1996/97 to 2005/06**

Annual expenditures in the Saskatchewan Region for 2005/06 totaled \$112.8 million, an increase of 7.8% from the \$104.7 million spent in 2004/05. Pharmacy expenditures in 2005/06 increased by 5.8% to \$55.7 million, while Dental expenditures jumped by 12.8% to \$22.0 million and Transportation costs increased by 7.6% to \$28.8 million. Vision Care costs increased by 18.7% while Other Health Care expenditures decreased by 2.5%.

Pharmacy expenditures accounted for almost half of the Saskatchewan Region's total expenditures at 49.4%, while Transportation expenditures came second at 25.5%, followed by Dental costs at 19.5%. Vision Care and Other Health Care expenditures accounted for 3.6% and 2.0% respectively.

**Percentage Change in Saskatchewan Region NIHB Expenditures**



BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 19,952	\$ 21,648	\$ 21,814	\$ 22,038	\$ 24,438	\$ 23,862	\$ 25,853	\$ 25,854	\$ 26,758	\$ 28,786
Pharmacy	26,054	26,645	28,450	30,983	34,926	38,240	44,394	48,952	52,636	55,687
Dental	11,813	11,703	11,980	12,307	12,731	15,708	17,649	18,297	19,530	22,038
Other Health Care	4,729	4,808	2,894	1,948	2,032	2,663	2,671	2,370	2,295	2,237
Vision Care	2,434	2,578	2,702	2,755	2,890	3,113	3,360	3,375	3,431	4,072
Total	\$ 64,981	\$ 67,382	\$ 67,840	\$ 70,031	\$ 77,017	\$ 83,586	\$ 93,927	\$ 98,847	\$104,651	\$112,820

# Regional Expenditure Trends (1996/97 to 2005/06)

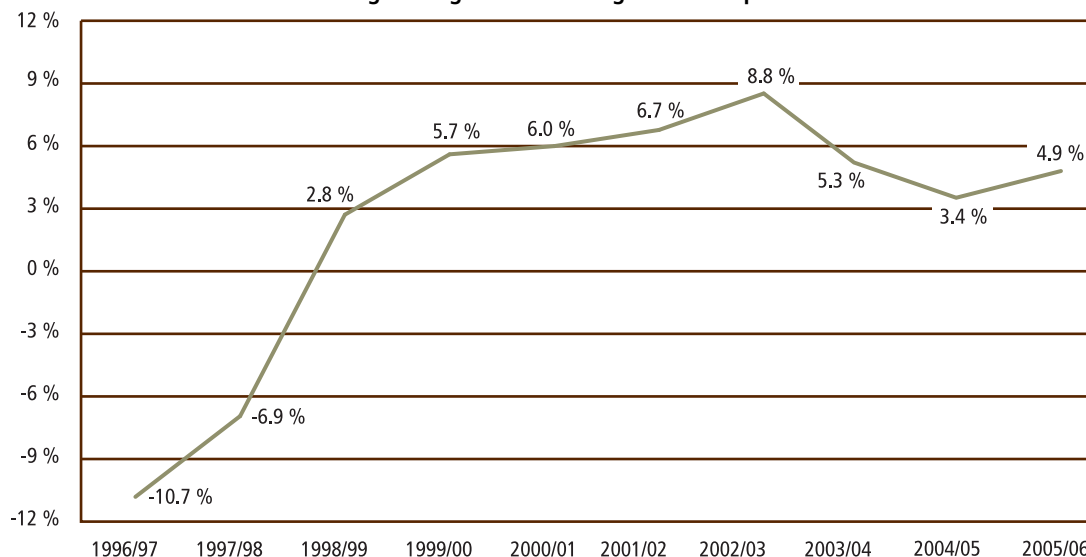
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**Figure 8.6 NIHB Annual Expenditures in Alberta  
Region by Benefit 1996/97 to 2005/06**

Annual expenditures in the Alberta Region for 2005/06 totaled \$124.1 million, an increase of 4.9% from the \$118.4 million spent in 2004/05. Pharmacy expenditures in 2005/06 increased for the eighth consecutive year, growing by 6.1% to \$51.1 million. Meanwhile Dental expenditures increased by 6.7% to \$20.6 million and Transportation costs increased by 3.5% to \$30.7 million. Other Health Care and Vision Care costs increased by 11.3% and 0.9% respectively, while costs for Premiums remained stable at \$12.4 million.

Pharmacy expenditures accounted for 41.2% of the Alberta Region's total expenditures, while Transportation costs came second at 24.7%, followed by Dental at 16.6%. Premiums, Vision Care and Other Health Care accounted for 10.0%, 3.8% and 3.7% of total expenditures respectively.

**Percentage Change in Alberta Region NIHB Expenditures**



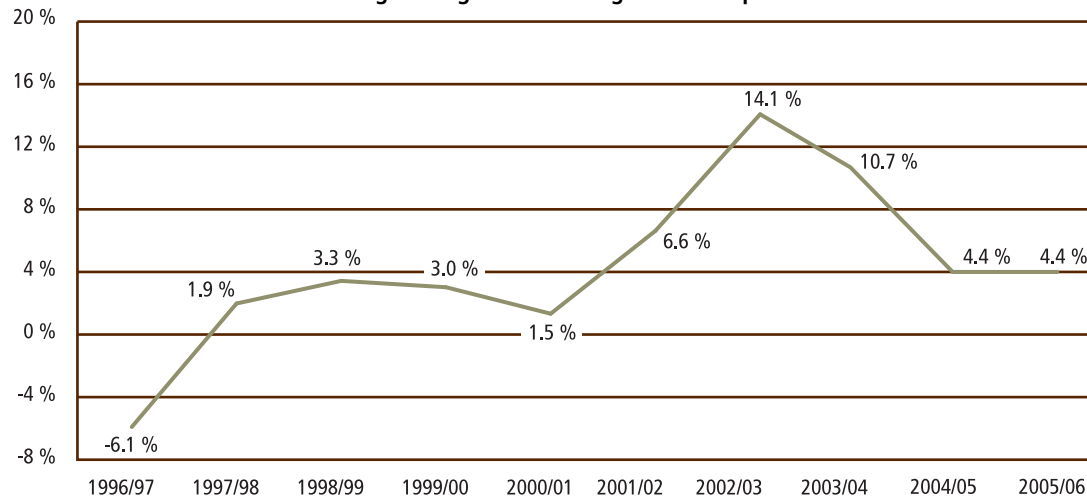
BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 24,952	\$ 25,659	\$ 27,723	\$ 27,774	\$ 28,116	\$ 29,796	\$ 28,856	\$ 29,030	\$ 29,686	\$ 30,712
Pharmacy	26,541	25,741	26,373	28,843	33,365	36,781	41,590	45,588	48,207	51,141
Dental	16,215	15,540	14,319	16,455	15,527	16,680	18,375	19,237	19,306	20,594
Other Health Care	3,853	3,135	3,666	2,944	4,285	3,371	3,856	3,794	4,078	4,537
Vision Care	3,233	3,707	3,570	3,894	3,696	4,397	4,239	4,576	4,720	4,762
Sub-total	\$ 74,794	\$ 73,782	\$ 75,651	\$ 79,910	\$ 84,989	\$ 91,025	\$ 96,916	\$102,224	\$105,996	\$111,746
Premiums	\$ 12,638	\$ 7,579	\$ 8,004	\$ 8,480	\$ 8,689	\$ 8,914	\$ 11,790	\$ 12,202	\$ 12,377	\$ 12,381
Total	\$ 87,432	\$ 81,361	\$ 83,655	\$ 88,390	\$ 93,678	\$ 99,939	\$108,706	\$114,426	\$118,373	\$124,127

**Figure 8.7**  
**NIHB Annual Expenditures in Pacific Region by Benefit**  
**1996/97 to 2005/06**

Annual expenditures in the Pacific Region for 2005/06 totaled \$109.3 million, an increase of 4.4% from the \$104.7 million spent in 2004/05. Pharmacy expenditures in 2005/06 increased by 6.6% to \$49.7 million, while Dental costs increased by 10.2% to \$22.4 million and Transportation decreased by 2.3% to \$16.9 million. The cost of Premiums increased by 1.0%, while Vision Care and Other Health Care expenditures decreased by 6.2% and 6.0% respectively.

Pharmacy expenditures accounted for 45.5% of the Pacific Region's total expenditures, while Dental costs came second at 20.5%, followed by Transportation costs at 15.5%. Premiums, Vision Care and Other Health Care accounted for 14.3%, 2.8% and 1.4% of total expenditures respectively.

**Percentage Change in Pacific Region NIHB Expenditures**



BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 11,930	\$ 13,046	\$ 12,284	\$ 12,954	\$ 12,718	\$ 14,039	\$ 16,410	\$ 16,408	\$ 17,340	\$ 16,944
Pharmacy	24,480	25,714	25,986	28,748	30,185	33,592	38,922	44,141	46,670	49,734
Dental	16,899	15,881	18,703	17,490	18,078	18,230	19,224	18,338	20,357	22,439
Other Health Care	2,387	2,134	2,048	1,903	1,831	1,165	1,240	1,653	1,581	1,486
Vision Care	2,420	2,566	2,647	2,656	2,518	2,622	2,601	3,259	3,249	3,049
Sub-total	\$ 58,116	\$ 59,341	\$ 61,668	\$ 63,751	\$ 65,330	\$ 69,648	\$ 78,397	\$ 83,800	\$ 89,197	\$ 93,652
Premiums	\$ 9,487	\$ 9,552	\$ 9,472	\$ 9,551	\$ 9,091	\$ 9,682	\$ 12,113	\$ 16,411	\$ 15,453	\$ 15,606
Total	\$ 67,603	\$ 68,893	\$ 71,140	\$ 73,302	\$ 74,421	\$ 79,330	\$ 90,510	\$100,212	\$104,650	\$109,259

# Regional Expenditure Trends (1996/97 to 2005/06)

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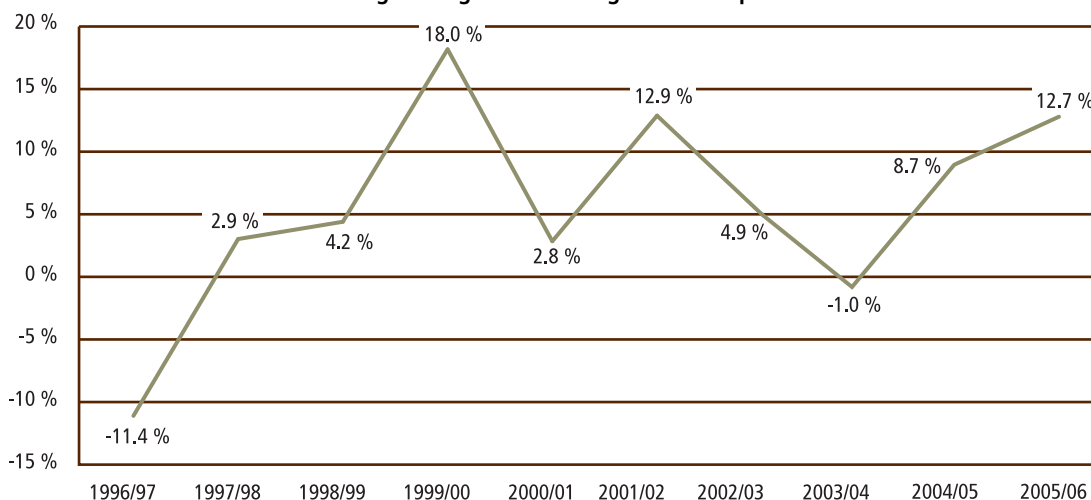
Figure 8.8

## NIHB Annual Expenditures in Yukon Region by Benefit 1996/97 to 2005/06

Annual expenditures in the Yukon Region for 2005/06 totaled \$7.8 million, an increase of 12.7% from the \$7.0 million spent in 2004/05. Pharmacy expenditures in 2005/06 increased by 5.1% to \$3.7 million, while Dental costs showed a significant increase of 51.6% to \$1.9 million and Transportation expenditures increased by 18.3% to \$2.1 million. Other Health Care and Vision Care costs decreased by 73.7% and 52.6% respectively.

Pharmacy expenditures, at 46.6%, accounted for slightly less than half of the Yukon Region's total expenditures, while Transportation expenditures came second at 26.8%, followed by Dental at 23.7%. Vision Care accounted for 2.9% of total expenditures.

Percentage Change in Yukon Region NIHB Expenditures



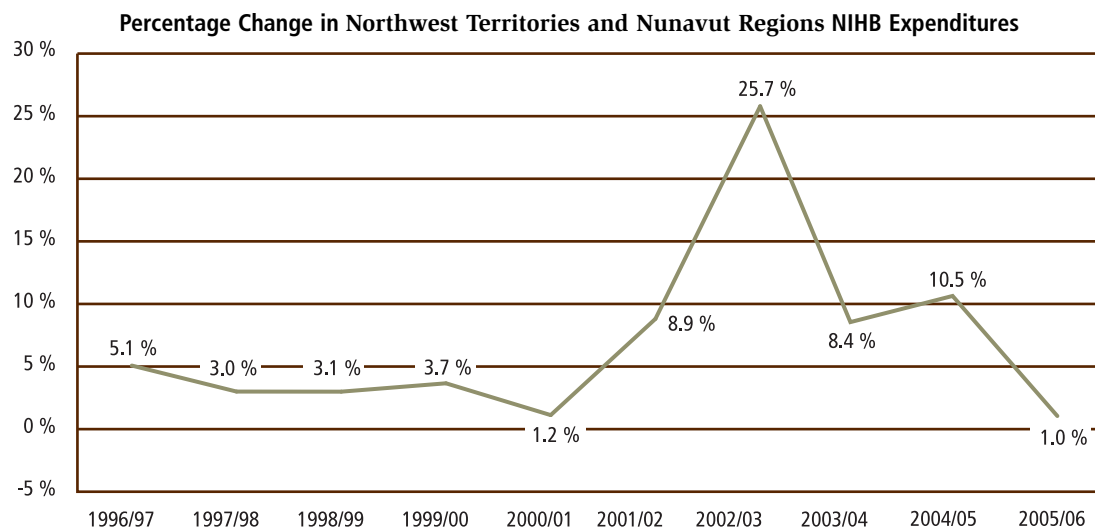
BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 1,453	\$ 1,513	\$ 1,490	\$ 1,865	\$ 1,852	\$ 2,020	\$ 1,957	\$ 1,600	\$ 1,774	\$ 2,100
Pharmacy	1,410	1,560	1,577	1,953	2,393	2,649	3,048	3,214	3,476	3,655
Dental	1,122	1,024	1,122	1,184	994	1,284	1,236	1,365	1,229	1,863
Other Health Care	32	22	123	82	16	13	11	2	4	1
Vision Care	183	201	191	229	208	199	218	223	480*	228
Total	\$ 4,198	\$ 4,320	\$ 4,503	\$ 5,313	\$ 5,463	\$ 6,165	\$ 6,470	\$ 6,405	\$ 6,963	\$ 7,847

\* Data anomaly due to possible FIRMS coding error. Data should be interpreted with caution.

**Figure 8.9**  
**NIHB Annual Expenditures in Northwest Territories**  
**and Nunavut Regions by Benefit**  
**1996/97 to 2005/06**

Annual expenditures in the Northwest Territories and Nunavut Region for 2005/06 totaled \$49.6 million, an increase of 1.0% from the \$49.1 million spent in 2004/05. Transportation expenditures in 2005/06 increased by 0.4% to \$21.5 million, while Pharmacy costs increased by 5.2% to \$12.9 million and Dental costs decreased by 2.6% to \$13.4 million. Vision Care costs increased by 7.1% while there were no Other Health Care costs to be reported.

Transportation costs accounted for 43.3% of total expenditures, while Dental expenditures came second at 27.0%, followed by Pharmacy at 26.0%. Vision Care made up 3.6% of total expenditures.



BENEFIT (\$ 000's)	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Transportation	\$ 12,200	\$ 12,688	\$ 12,697	\$ 13,136	\$ 12,993	\$ 14,594	\$ 18,995	\$ 19,265	\$ 21,401	\$ 21,486
Pharmacy	5,501	5,872	6,381	6,697	7,605	8,382	10,157	11,310	12,278	12,912
Dental	7,954	8,028	8,330	8,393	8,013	8,228	9,468	11,657	13,738	13,386
Other Health Care	158	170	0	0	0	0	1,000*	0	0	0
Vision Care	1,041	893	1,100	1,349	1,329	1,391	1,341	2,175	1,669	1,787
<b>Total</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>\$ 40,961</b>	<b>\$ 44,407</b>	<b>\$ 49,086</b>	<b>\$ 49,571</b>

\* Data anomaly due to possible FIRMS coding error. Data should be interpreted with caution.





Thunderbird, 1983, by Susan Point



# Program Initiatives

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## Section 9.1 Health Information and Claims Processing Services (HICPS) 2005/06

Claims for dental, pharmacy and medical supplies and equipment services (MS&E) rendered to all eligible First Nations and Inuit clients in Canada under the NIHB Program are processed through the Health Information and Claims Processing Services (HICPS).

HICPS includes services and automated systems used to process claims to ensure client eligibility and compliance with NIHB Program policies and pricing. The NIHB Program is responsible for developing, maintaining and managing key business processes, systems and services required to deliver HICPS. Since 1990, Health Canada has retained the services of a Contractor to administer the following core services on its behalf:

- Provider registrations and communications;
- Claims adjudication systems development and maintenance;
- Claims processing and payment operations;
- Provider audit programs and audit recoveries; and
- Reporting.

The current HICPS contract is with First Canadian Health (FCH) and started on December 1, 1998. NIHB Program manages the HICPS contract in conjunction with Public Works and Government Services Canada (PWGSC), the contract authority. Key planning activities for new procurement for this contract were accomplished in 2005/06.

In fiscal year 2005/06, 23,741 active NIHB providers were registered with FCH to deliver services under HICPS. To be considered active, a provider has participated in the NIHB Program at least once over the past 24 months. NIHB providers can verify client eligibility and benefit eligibility and policies by calling the HICPS Toll-Free Inquiry Centre. There are two HICPS Toll-Free Inquiry Centres, one of which responds to calls from dental providers and MS&E providers and, a second, which responds to calls from pharmacy providers. Figure 9.1.1 outlines the total number of calls handled by the NIHB Toll-Free Inquiry Centres according to region and benefit area during the 2005/06 fiscal year.

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Figure 9.1.1

## Number of Provider Telephone Inquiries Processed Through the NIHB Toll-Free Inquiry Centre 2005/06

Overall, the level of provider inquiries was down 4.4% over the previous fiscal year from 230,322 in 2004/05 to 220,092. The bulk of the reduction in call volumes was in the dental area where the number of calls decreased by 17,840 (9.7%). The decline in dental provider calls can be attributed to the dental policy changes which streamlined processes and reduced administrative burden on providers.

REGION	PHARMACY	MEDICAL SUPPLIES AND EQUIPMENT	DENTAL	TOTAL
Atlantic	2,829	85	1,958	4,872
Quebec	2,771	217	27,436	30,424
Ontario	14,176	875	23,582	38,633
Manitoba	9,910	170	14,307	24,387
Saskatchewan	4,652	51	21,018	25,721
Alberta	10,496	546	44,113	55,155
Pacific	5,974	1,211	21,607	28,792
Yukon	94	1	1,813	1,908
NWT	385	16	2,726	3,127
Nunavut	74	1	6,998	7,073
Total	51,361	3,173	165,558	220,092

**Figure 9.1.2**  
**Number of Claim Lines Settled Through the System for Health Information and Claims Processing Services in 2005/06**

Figure 9.1.2 identifies the total number of drug, MS&E and dental claims settled through the Health Information and Claims Processing System during fiscal year 2005/06.

REGION	DRUG	MEDICAL SUPPLIES AND EQUIPMENT	DENTAL	TOTAL
Atlantic	553,825	20,636	99,472	<b>673,933</b>
Quebec	1,302,374	14,692	162,533	<b>1,479,599</b>
Ontario	2,668,927	36,231	476,707	<b>3,181,865</b>
Manitoba	2,098,456	66,998	299,091	<b>2,464,545</b>
Saskatchewan	1,871,773	57,319	318,459	<b>2,247,551</b>
Alberta	2,009,767	52,373	411,464	<b>2,473,604</b>
Pacific	2,038,766	40,144	453,691	<b>2,532,601</b>
Yukon	87,764	3,405	15,120	<b>106,289</b>
NWT	148,941	5,343	73,025	<b>227,309</b>
Nunavut	95,131	2,285	93,865	<b>191,281</b>
<b>Total</b>	<b>12,875,724</b>	<b>299,426</b>	<b>2,403,427</b>	<b>15,578,577</b>

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## Section 9.2

### Provider Audit Activities 2005/06

First Canadian Health (FCH) Management Corporation Inc. is the claims administrator for the pharmacy, medical supplies and equipment and dental benefit areas of the Non-Insured Health Benefits (NIHB) Program. In addition to claims adjudication, FCH's role includes the implementation of a provider audit program. FCH carries out audit activities as directed by the NIHB Program. The audit activities address the need of the NIHB Program both to comply with accountability requirements for the use of public funds and to ensure provider compliance with the terms and conditions of the Program, as outlined in the NIHB Provider Information Kits and other relevant documents. The objectives of the audit program are to detect billing irregularities, to validate active licensure of providers, to ensure that any required signatures on claim submissions are valid, to ensure that services paid for were received by NIHB clients and to ensure that providers have retained appropriate documentation in support of each claim. Claims not meeting the billing requirements of the NIHB Program are subject to audit recovery.

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

1) Next Day Claims Verification (NDCV) 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 (CCP) which consists of a quarterly mail-out to a randomly selected sample 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;

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; and

5) Desk Audit Program which consists of the selection of a sample of claims for administrative validation with a provider's records. Unlike on-site audits, a desk audit serves to validate records through the use of fax or mail. Generally, a smaller number of claims are reviewed during a desk audit.

The primary on-site audit observations for 2005/06 are as follows:

- Documentation to support paid claims was either not available for audit review or did not meet the NIHB Program requirements;
- Paid claims did not match the item/service provided to the client;
- Items/services were claimed prior to client(s) receiving the services/items;
- Professional fee submitted is higher than the NIHB approved rate; and
- Overcharging of drugs/items and/or associated fees/markup.

Completion of the audit process often spans more than one fiscal year. Although the complete audit recovery for any audit may overlap into another fiscal year period, recoveries from on-site audits are recorded in the fiscal year in which they are received.

Figure 9.2.1 identifies audit recoveries, Next Day Claims Verification (NDCV) and Client Confirmation Program (CCP) savings from all components of the FCH Provider Audit Program during the 2005/06 fiscal year.

**Figure 9.2.1**  
**Provider Audit Activities, 2005/06**  
**Pharmacy, Medical Supplies and Equipment**  
**and Dental Benefits**

REGION	PHARMACY				MEDICAL SUPPLIES AND EQUIPMENT				DENTAL				TOTAL			
	Audits	Recoveries	NDCV/CCP	Total	Audits	Recoveries	NDCV/CCP	Total	Audits	Recoveries	NDCV/CCP	Total	Audits	Recoveries	NDCV/CCP	Total
	Completed		Savings	Recovery/Savings	Completed		Savings	Recovery/Savings	Completed		Savings	Recovery/Savings	Completed		Savings	Recovery/Savings
Atlantic	7	\$ 18,308	\$ 23,708	\$ 42,016	0	\$ 0	\$ 3,013	\$ 3,013	0	\$ 54,059	\$ 5,275	\$ 59,334	7	\$ 72,367	\$ 31,996	\$ 104,363
Quebec	6	0	40,630	40,630	1	50	1,261	1,311	0	0	8,646	8,646	7	50	50,537	50,587
Ontario	5	260,786	174,831	435,617	1	3,034	9,739	12,773	1	508	68,218	68,726	7	264,328	252,788	517,116
Manitoba	14	86,931	80,604	167,535	0	90,529	9,889	100,417	1	54,710	22,362	77,072	15	232,170	112,855	345,024
Saskatchewan	12	197,468	66,192	263,660	2	15,530	1,666	17,196	3	38,699	21,211	59,910	17	251,697	89,069	340,766
Alberta	21	69,279	71,916	141,195	4	1,975	13,061	15,036	6	7,903	47,732	55,635	31	79,157	132,709	211,866
Pacific	41	581,591	75,430	657,020	2	4,112	6,157	10,269	7	24,106	46,550	70,656	50	609,809	128,137	737,945
Yukon	1	1,316	10,115	11,431	0	0	2,213	2,213	2	3,967	721	4,688	3	5,283	13,049	18,332
N.W.T.	1	979	13,239	14,219	0	0	497	497	1	17,953	19,375	37,327	2	18,932	33,111	52,043
Nunavut	0	0	10,090	10,090	0	0	1,626	1,626	7	62,437	0	62,437	7	62,437	11,716	74,153
Total	108	\$1,216,658	\$566,755	\$1,783,413	10	\$115,230	\$49,121	\$164,351	28	\$264,341	\$240,089	\$504,430	146	\$1,596,229	\$855,965	\$2,452,194

# Program Initiatives

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## Section 9.3

### **Medical Transportation 2005/06**

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Additional work is underway in the Program to continue to improve NIHB's national Medical Transportation Record System (MTRS), a Web application which manages medical transportation. The application provides NIHB regional offices and First Nations/Inuit communities with an effective and reliable tool to coordinate, manage, and report on medical transportation benefit expenditures. The application elements also assist NIHB and First Nations/Inuit users in scheduling, approving, authorizing and reconciling client medical transportation requests.

## Section 9.4

### **Federal Dental Care Advisory Committee (FDCAC)**

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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 on matters requested by federal departments. Participating federal departments 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 approach of the Committee reflects dental and scientific knowledge, current clinical practice, health care delivery and specific client health needs. Implementations 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 generally meets two or three times per year and members serve for two 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 responsibility for the FDCAC Secretariat was assumed by the Office of the Chief Dental Officer as of April 1, 2006. The NIHB Program remains an active member of the FDCAC Committee.

## Section 9.5

### Drug Review Process

The review process for drug products that are considered for inclusion as a benefit under the NIHB Program depends on the type of drug. The process is different depending on whether the product represents a new chemical entity or new combination drug product, or does not.

Since March of 2002, the NIHB Program has been a member of the Federal/Provincial/Territorial (F/P/T) Common Drug Review (CDR) process, whereby drugs that are new chemical entities or new combination drug products on the Canadian market are reviewed on behalf of all participating F/P/T public drug programs (with the exception of Québec). For these drug products, the CDR, through the Canadian Expert Drug Advisory Committee, helps support and inform public drug plan listing decisions about new drugs by providing rigorous reviews of the clinical evidence, cost effectiveness of drugs, and detailed listing recommendations. The CDR was set up by F/P/T public drug programs to reduce duplication of effort in reviewing drug submissions, to maximize the use of limited resources and expertise, and to enhance the consistency and quality of drug reviews, thereby contributing to the quality and sustainability of Canadian public drug plans.

As of September 1, 2003, drug submissions for new chemical entities and new combination drug products must be sent to the Canadian Agency for Drugs and Technologies in Health (CADTH). Clinical and pharmacoeconomic reviews are coordinated by the Common Drug Review (CDR) Directorate and forwarded to the Canadian Expert

Drug Advisory Committee (CEDAC) for recommendations on formulary listing. These recommendations are forwarded to participating drug plans, including the NIHB Program, for consideration. The NIHB Program and other drug plans make listing decisions based on CEDAC recommendations and other specific relevant factors, such as mandate, priorities and resources.

Please refer to the Canadian Agency for Drugs and Technologies in Health (CADTH) for a list of requirements for manufacturers' submissions and a summary of procedures for the Common Drug Review Process. Inquiries about the CDR process should be directed to:

#### Common Drug Review (CDR)

Canadian Agency for Drugs and Technologies in Health  
865 Carling Avenue, Suite 600  
Ottawa, Ontario K1S 5S8  
Telephone: (613) 226-2553  
Website: [www.cadth.ca](http://www.cadth.ca)

Existing drug products on the Drug Benefit List with new indications and/or line extension drug products are referred to the Federal Pharmacy and Therapeutics (FP&T) Committee for recommendations on formulary listing to the NIHB Program and other participating federal drug plans. The FP&T Committee is an advisory body of health professionals established by federal drug programs 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 FP&T Committee generally meets three 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. As a result, the membership of this Committee includes practicing physicians and pharmacists from community and hospital settings and includes First Nations physicians. In its review of drugs, the Committee follows an evidence-based approach and considers current medical and scientific knowledge, current clinical practice, health care delivery and specific client health needs. The NIHB Program and other federal drug plans make their formulary listing decisions based on the recommendations of the FP&T Committee and other specific relevant factors, such as the mandate of the program, priorities and resources. In doing so, it is the goal of the NIHB Program to develop a comprehensive list of cost-effective drugs which will allow practitioners to prescribe an appropriate course of therapy for its clients.

Other drug products, such as generic drug products, are reviewed internally. Generic drug products are considered for inclusion on the NIHB formulary based on provincial interchangeability lists and other relevant factors.

# Program Initiatives

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## Section 9.6

### Drug Use Evaluation (DUE)

The issue of prescription drug misuse is a problem which affects many Canadians and is not limited to First Nations and Inuit. In order to effectively address the issue, it must be understood in the context of health status and health program issues impacting First Nations and Inuit, in particular First Nations and Inuit Health Branch (FNIHB) community based mental health and substance abuse programs.

Optimal drug use means the right drug to the right client in the right dose at the right time. FNIHB recognizes that, in order to address medication issues and improve health outcomes, the Branch must work with First Nations and Inuit communities, organizations and stakeholders to develop and implement strategies around awareness, promotion, prevention and treatment. This includes:

- Reviewing of aggregate FNIHB information to identify trends and issues;
- Engaging First Nations and Inuit communities organizations and stakeholders in working together on approaches and materials; and
- Working with prescribers, pharmacists and clients to address specific individuals at risk.

The Non-Insured Health Benefits (NIHB) recognizes the value of drug use evaluation as a tool to support these activities. Programs and strategies based on DUE can work to improve the quality of client care, enhancing therapeutic outcomes, and optimize pharmaceutical expenditures and hence health outcomes.

To assist the First Nations and Inuit Health Branch, a Drug Use Evaluation Advisory Committee (DUEAC) has been established. The DUEAC is an independent advisory body of licensed health care professionals - experts in drug use evaluation, Aboriginal health issues and drug utilization. Importantly, the membership of the Committee includes a number of First Nations health care professionals.

The DUE Advisory Committee provides advice and recommendations to support a comprehensive DUE Program within FNIHB to promote safe, therapeutically effective and efficient use of drug therapy as it contributes to health outcomes of eligible First Nations and Inuit clients of the NIHB Program.

The objectives of the Committee include:

- Providing recommendations that lead to improved prescribing, dispensing and use of drugs among First Nations and Inuit clients;
- Where appropriate, facilitating partnerships with First Nations and Inuit communities and FNIHB regional offices in order to recommend culturally appropriate educational interventions and strategies as well as tools for their implementation; and
- Evaluating the effectiveness of the intervention strategies, as required.

NIHB has performed many DUE activities since the inception of the Committee in December of 2003. All DUE activities conducted by NIHB are done in a manner respecting existing privacy legislation and guidelines. For further information please see Drug Use Evaluation Bulletins at:

[http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna\\_e.html](http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna_e.html)

Finally, FNIHB has also established the Drug Utilization and Prevention and Promotion Working Group (DUPPWG). The purpose of the DUPPWG is to ensure a coordinated and consistent approach to the implementation of all DUE client and population level initiatives across the Program to promote the improvement in health outcomes of First Nations and Inuit clients through effective use of pharmaceuticals.

#### Drug Utilization Review

A drug utilization review, which is part of the point-of-service or on-line adjudication system, provides an analysis of both previous claims data and current claims data to identify potential drug-related problems.

Messages are returned to pharmacists to alert them of the potential problems. These messages are intended to enhance pharmacy practice with additional information. For a listing of these messages, please refer to:

[http://www.hc-sc.gc.ca/fnih-spni/nihb-ssna/provide-fournir/pharma-prod/pay-paie/index\\_e.html#drug\\_review](http://www.hc-sc.gc.ca/fnih-spni/nihb-ssna/provide-fournir/pharma-prod/pay-paie/index_e.html#drug_review)



### Section 9.7

#### Federal Healthcare Partnership Initiative

The Federal Healthcare Partnership (FHP) 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 fifth largest health care jurisdiction in Canada, provides a wide variety of health care services and products through its programs. The purpose of the FHP 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 FHP undertakes the following activities:

- 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;
- Coordinate mechanisms for information-sharing, collective decision-making and policy development;
- 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
- Represent or coordinate representation of the federal departments in Federal, Provincial and Territorial task groups.

### Section 9.8

#### NIHB Program National Drug Exception Centre (DEC)

The NIHB DEC was established in December 1997 to process and expedite pharmacists' requests for drug benefits that require prior approval, to ensure consistent application of the NIHB drug benefit policy across the country, and to ensure an evidence-based approach to funding drug benefits. The DEC handles requests for prior approval from pharmacy providers across Canada.

In November 2005, the NIHB DEC was successfully relocated from the Ontario NIHB Regional Office to NIHB Headquarters. The DEC staff continues to provide prior approval services to pharmacy providers. Pharmacist and technician positions are being integrated into the organization to support a more efficient and effective decision-making process thus expanding the review functions for cases where there may be patient safety concerns.

Figure 9.8.1

#### Total NIHB Drug Exception Centre Requests/Approvals 2005/06

**Benefit:** Drugs included on 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, as well as 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.

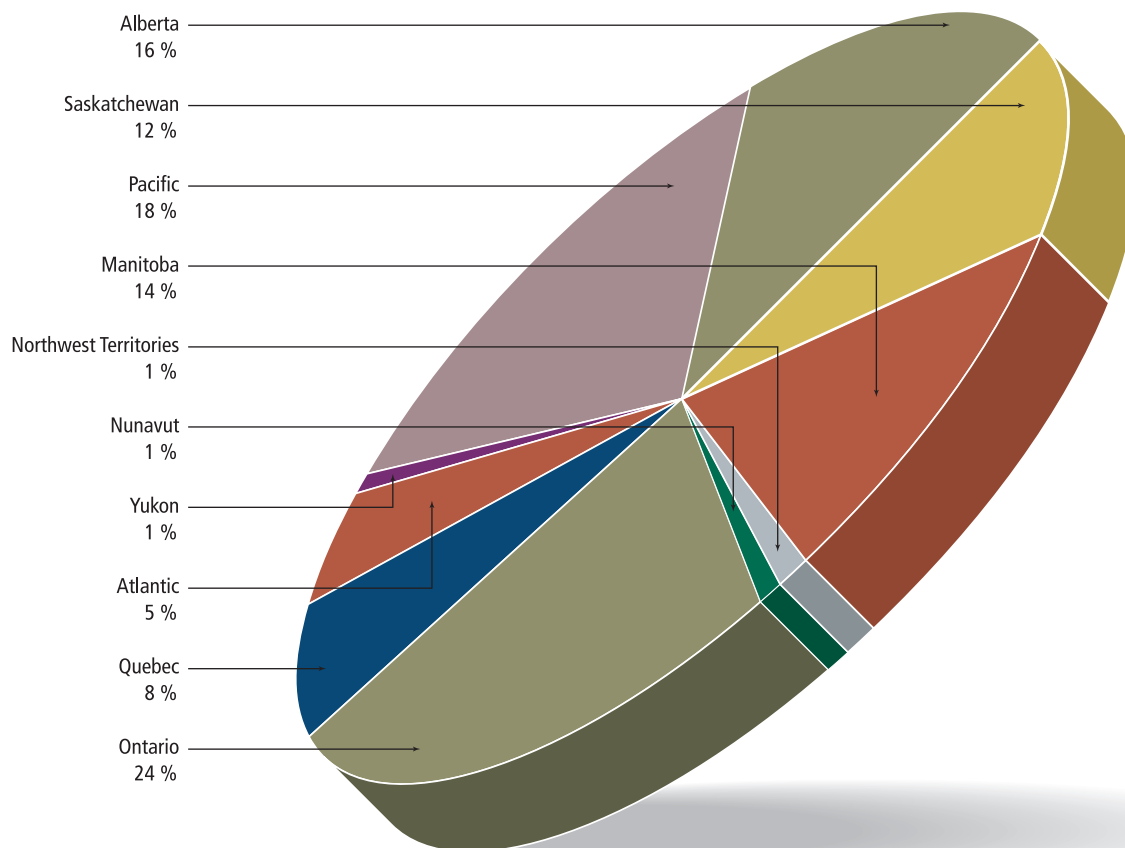
Status	Benefit	Exceptions	Limited Use	Total
Total Requested	1,984	47,454	159,243	208,681
Total Approved	1,789	37,999	149,536	189,324

# Program Initiatives

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**Figure 9.8.2**  
**NIHB Drug Exception Centre (DEC) Provider Calls**  
**Proportion per Region**  
**2005/06**

The Ontario Region (24%) had the highest proportion of total calls to the NIHB Drug Exception Centre in 2005/06, followed by the Pacific (18%) and Alberta (16%) Regions.



### Section 9.9 NIHB Pilot Projects

The Bigstone Cree Nation Health Authority has operated the Bigstone pilot project since 1996. In March 2005, Treasury Board approved an extension for the pilot project. The initial pilot delivered Medical Transportation services, however the current pilot covers all of the non-insured health benefits (except premiums).

A two-pronged review of the Bigstone pilot project, including a financial audit and a performance review will be undertaken. A review committee with representatives from Health Canada and the Bigstone Cree Nation are guiding this process. It is anticipated that the review and subsequent recommendations will be completed by March 2007.

### Section 9.10 Privacy Initiative

The Non-Insured Health Benefits (NIHB) Program recognizes an individual's right to privacy and is committed to protecting this right and to 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 to administer the NIHB Program.

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, as well as Treasury Board of Canada Secretariat privacy policies including the Privacy Impact Assessment (PIA) Policy. The latter requires all federal government programs to conduct PIA's on its processes, services and systems involved with the collection, use, disclosure and retention of personal information in order to identify any privacy related risks and to mitigate or eliminate these risks.

During 2005-2006, the NIHB Program completed a PIA and remedial Action Plan on the NIHB Medical Transportation Record System in preparation for submission to the Office of the Privacy Commissioner of Canada. NIHB will continue its efforts and ongoing commitment to privacy by proceeding with PIA's on other NIHB systems and processes in the next fiscal year.

### Section 9.11 Consent Initiative

The NIHB Program no longer requires a signed consent form for day-to-day processing activities and Program administration as was announced in Health Canada's new approach to the Non-Insured Health Benefits Program's consent initiative in February 2004.

As a result of the previous initiative, The Program received 122 new consent forms from its clients in 2005/06. During the year, there were 6 requests to withdraw consent. As previously mentioned, the NIHB Program now uses its administrative authorities as the basis for client safety measures.

# Program Initiatives

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## Section 9.12

### NIHB Program Sustainability

Cost and service pressures on the Aboriginal Health system have been linked to factors such as demographic growth and the types of goods and services provided to First Nations and Inuit clients, including pharmaceuticals, the fastest growing health expenditure. The federal government recognized these pressures and committed funding in 2001/02 and 2002/03 to stabilize the system, with cost containment measures undertaken to address program sustainability. Budget 2003 included resources of over \$1 billion (over five years) to help sustain the First Nations and Inuit Health system, with funding equivalent to a 7.7% annual increase until 2005/06 for the NIHB program. However, this funding returned to the pre-Budget 2003 growth rate of 3% at the end of 2005/06. Additional temporary funding was successfully secured to ensure no reduction in current benefits would be experienced the following year.

In 2005/06, NIHB completed an analysis to assess alternative delivery models for the program. NIHB is continuing to implement measures and examine options to ensure long-term sustainability of the program.

## Section 9.13

### NIHB Pharmacy and Dental Bulletins

The NIHB Drug Bulletin was launched in June 1997 as a vehicle for providing timely information about NIHB drug benefits to prescribers, providers, client groups and other stakeholders. 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. Drug Bulletins can be found on the Internet at:

[http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna\\_e.html#drug\\_med\\_bull-lebull](http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna_e.html#drug_med_bull-lebull)

The NIHB Dental Bulletin, first released in September 1999, provides information about NIHB dental benefits to providers. Like the Drug Bulletin, the objectives of this publication are to provide relevant benefit information and to announce management or program changes. Dental Bulletins can be found on the Internet at:

[http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna\\_e.html#dent\\_bull-lebull](http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna_e.html#dent_bull-lebull)





Welcoming the Fire, 1995, by Roy Thomas

# 10 Envelope and Administration Costs

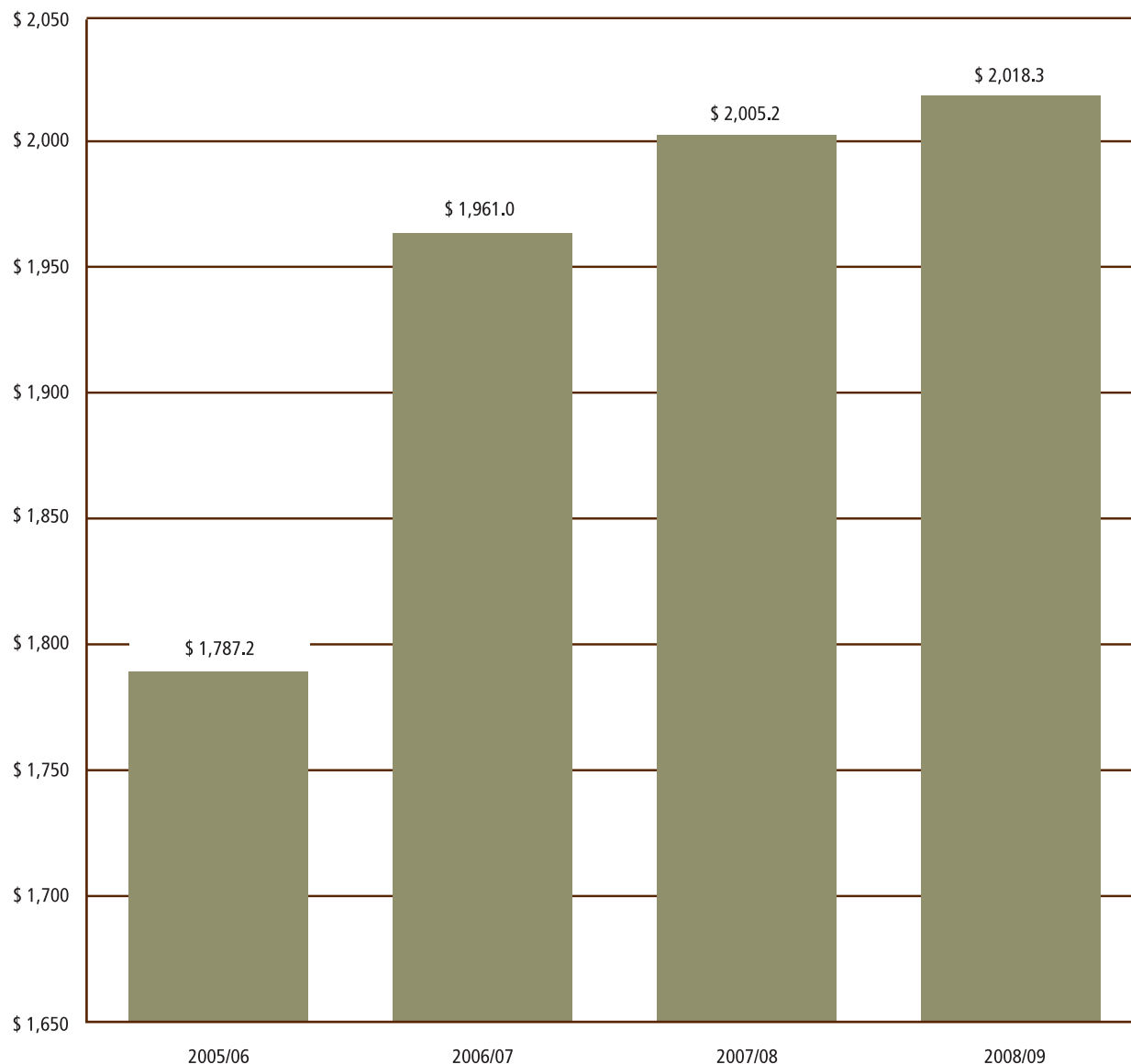
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The Non-Insured Health Benefits Program operates within the fiscal environment of the First Nations and Inuit Health Program. The latter Program includes the First Nations and Inuit Health Program Envelope plus resources approved for specific initiatives. The NIHB Program's expenditures account for over 47.5% of total 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 levels; and
- Hospital Services resources for the operation of First Nations and Inuit Health Branch (FNIHB) hospitals.

**Figure 10.1**  
**First Nations and Inuit Health Programs (\$ Millions)**  
**2005/06 to 2008/09**

In 2005/06, resources within the First Nations and Inuit Health Programs totalled \$1.79 billion. These resources are projected to grow to \$2.02 billion by 2008/09 subject to parliamentary approval of appropriations.



# Envelope and Administration Costs

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**Figure 10.2**

## **First Nations and Inuit Health Programs (\$ Millions) 2006/07 (Estimates)**

In 2006/07, the available resources for the First Nations and Inuit Health are \$1.96 billion. Total resources for the NIHB Program, both operating and contribution, account for \$851.0 million (43.4%) compared to \$1.09 billion (55.4%) for Health Services.

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

Hospital Services resources account for \$24.0 million (1.2%) and are used for the operation of FNIHB hospitals.

