Non-Insured Health Benefits Program

First Nations and Inuit Health Branch

Annual Report 2007/2008

Canada

Cover Artwork: Uppitt, by Kenojuak Ashevak

HEALTH CANADA
FIRST NATIONS AND INUIT HEALTH BRANCH
NON-INSURED HEALTH BENEFITS DIRECTORATE

Manulife Place
55 Metcalfe St.
Postal Locator 4006A
Ottawa, Ontario
K1A 0K9

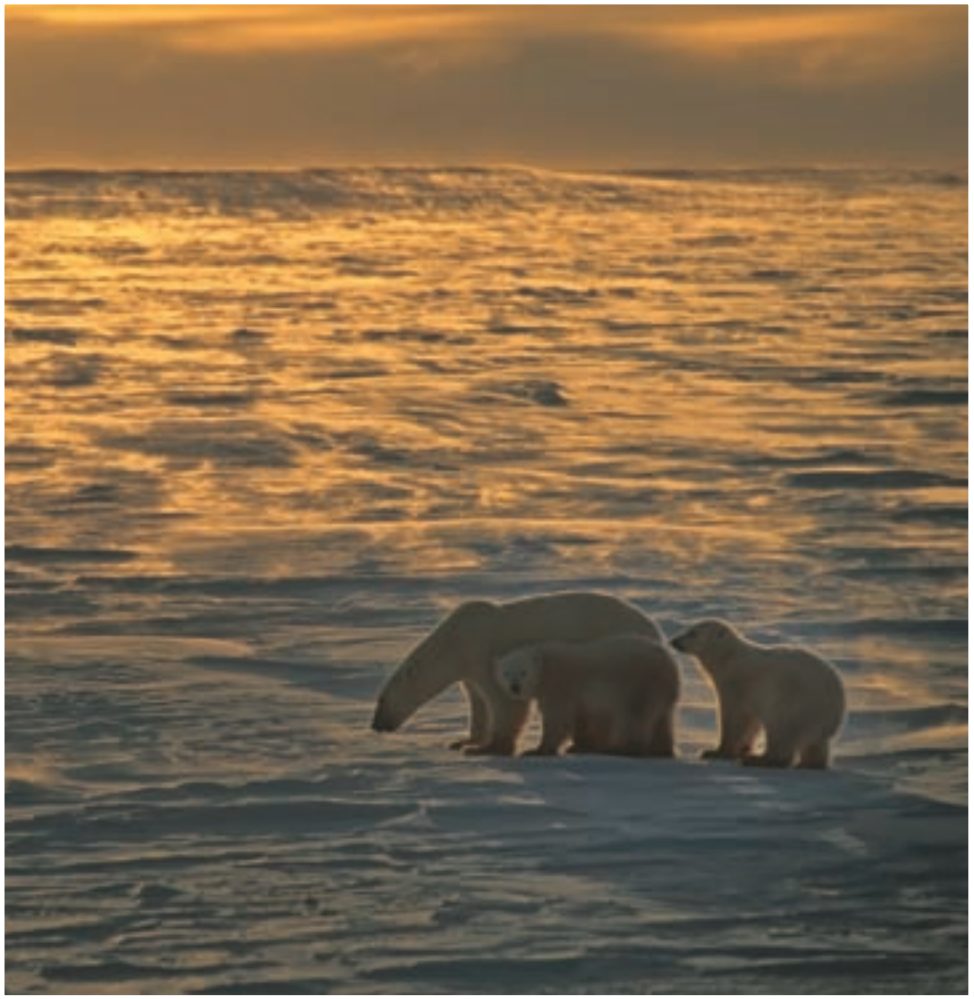
Telephone: 613-952-7385

http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna_e.html

Artwork supplied courtesy of Indian and Northern Affairs Canada

Cat. No.: H33-1/2-2008E-PDF
ISBN: 978-0-662-48963-4
Publication Number: 3560

Table of Contents



Introduction

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

As part of performance management, 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:

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

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

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 the system for the Program's Health Information and Claims Processing Services (HICPS) provides detailed information on the pharmacy (including Medical Supplies and Equipment) 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.

Serpent Forms, by Susan Point

SECTION 1

Background

The Non-Insured Health Benefits (NIHB) Program provides coverage for 799,213 (as of March 31, 2008) registered First Nations and recognized Inuit on a limited range of medically necessary health-related goods and services when they are not otherwise insured.

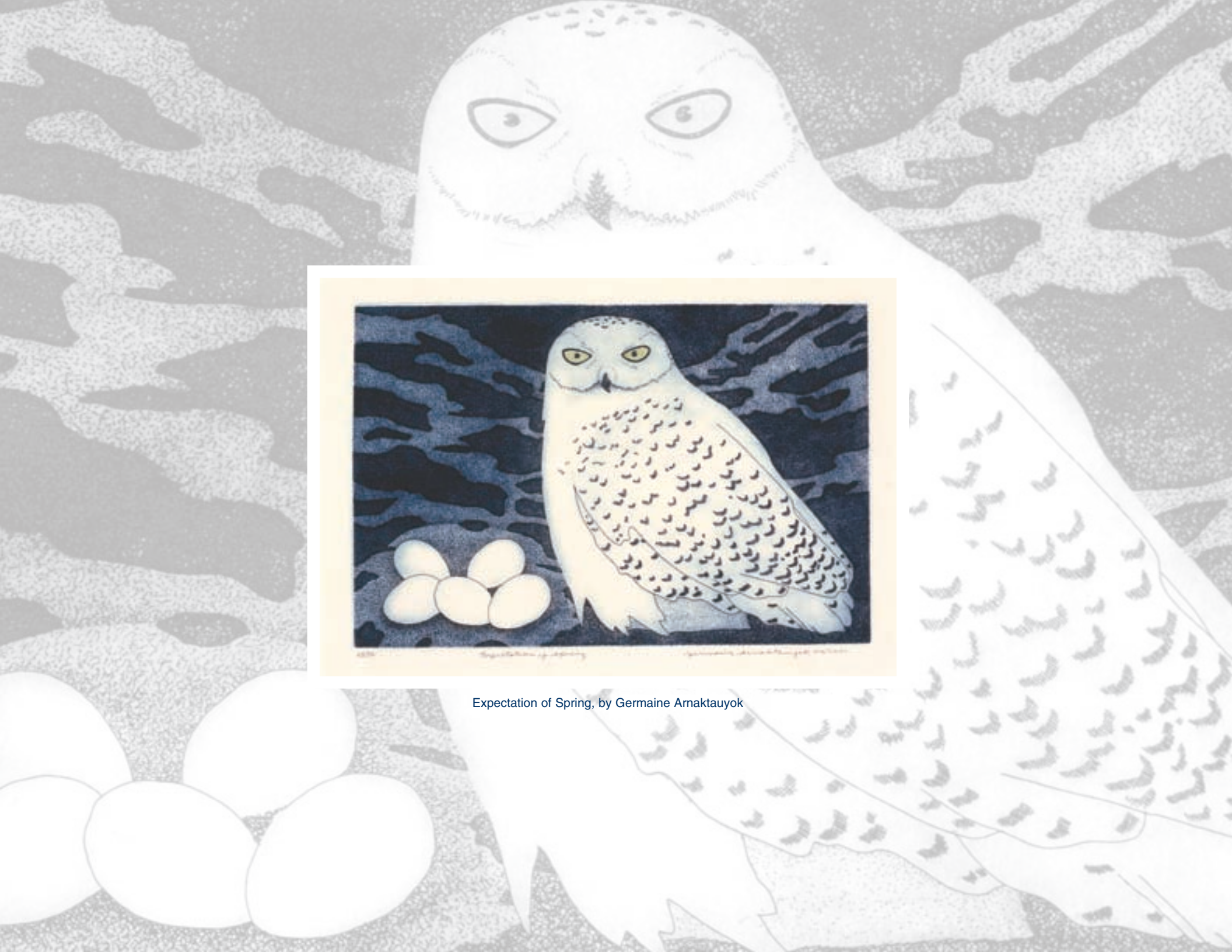
Provinces and territories are responsible for delivering health care services, guided by the provisions of the *Canada Health Act.* These services include insured hospital care and primary health care and the services of physicians and other health professionals. Like all Canadian residents, First Nations 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 private insurance plans.

To support First Nations and Inuit in reaching an overall health status that is comparable with other Canadians, the NIHB Program covers a specified range of medically necessary benefits. These include:

- Pharmacy (including prescription and over-the-counter drugs as well as medical supplies and equipment);
- Dental services;
- Transportation to access medically required services;
- Eye and vision care 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 First Nations and recognized Inuit normally resident in Canada, and not otherwise covered under a separate agreement with federal or provincial governments, are eligible for non-insured health benefits, regardless of location 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 jointly agreed to with First Nations and Inuit organizations; and
- When an NIHB-eligible client is also covered by another public or private health care plan, claims must be submitted to the client's other health care/benefits plan first. NIHB will then coordinate payment with the other payor on eligible benefits.



Expectation of Spring, by Germaine Arnaktauyok

SECTION 2

Client Population

The NIHB client population has been growing steadily at an average rate of 2.0% over the last ten years. As of March 31, 2008, 799,213 First Nations and Inuit clients were registered in the Status Verification System (SVS) and were eligible to receive benefits under the NIHB Program.

A higher birth rate within the First Nations and Inuit population is the principal reason for the divergence between its growth rate and that of the Canadian population as a whole. A second explanation for this discrepancy can be found in amendments to the *Indian Act*, such as the passage of Bill C-31, which have resulted in greater numbers of individuals being able to claim or restore their status as Registered Indians.

To become eligible under the Program, an individual must be a resident of Canada and be either:

- A registered Indian according to the *Indian Act*;
- An Inuk recognized by one of the Inuit Land Claim organizations; or
- An infant less than one year of age, whose parent is an eligible client.

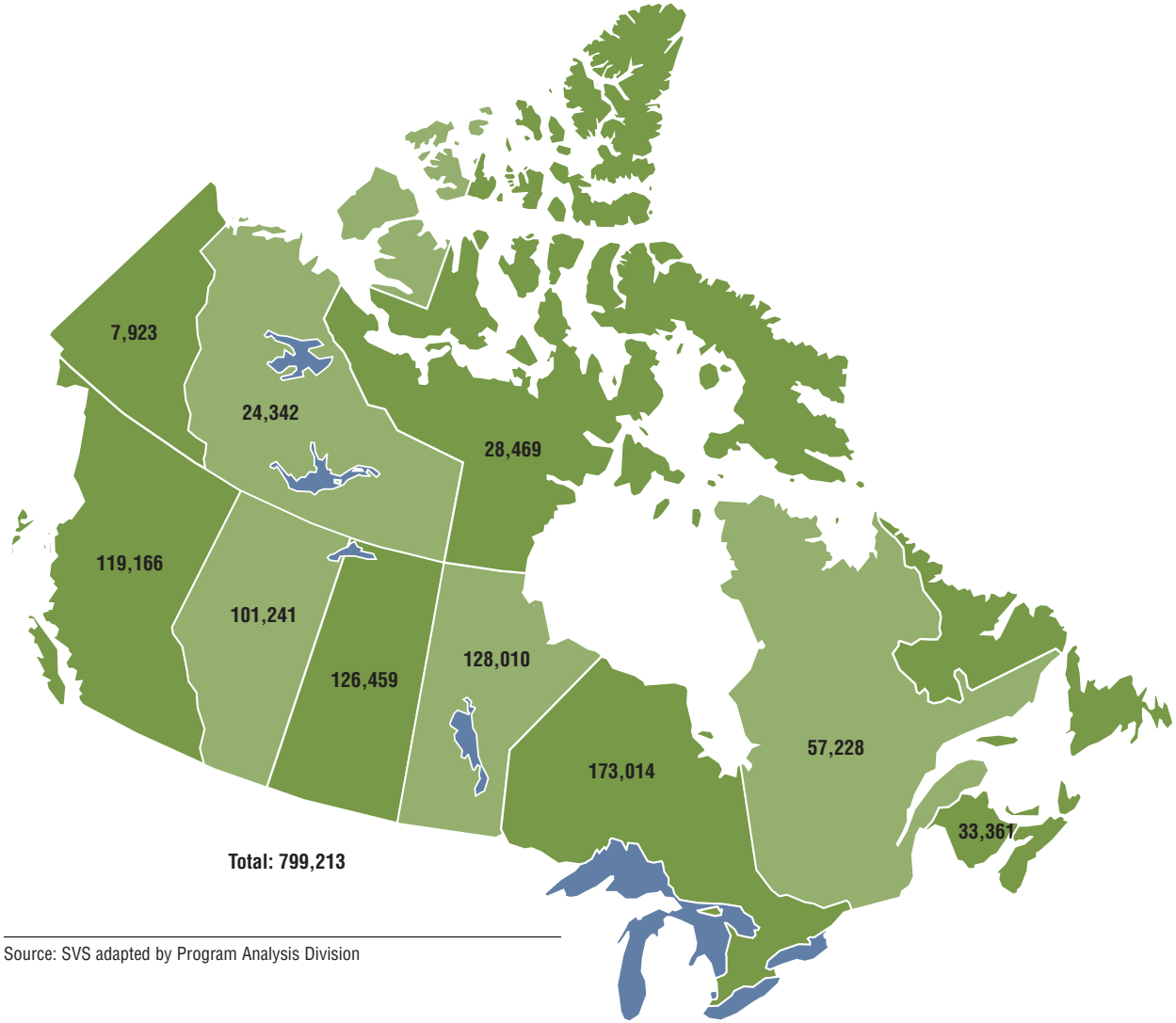
When clients are eligible for benefits under a private health care plan, public health or social program, claims must be submitted to those plans and programs first before submitting them to the NIHB Program.

FIGURE 2.1

Eligible Client Population by Region
March 2008

NIHB Program client eligibility information is provided by the Status Verification System (SVS). The total number of eligible clients on the SVS at the end of March 2008 was 799,213, an increase of 0.8% from 2007.

The Ontario Region had the largest eligible population representing 21.6% of the national total. The Manitoba Region followed with 16.0% and the Saskatchewan Region at 15.8%.



Source: SVS adapted by Program Analysis Division

FIGURE 2.2

Eligible Client Population by Type and Region
March 2007 and March 2008

	First Nations		Inuit		TOTAL		% Change
REGION	March/07	March/08	March/07	March/08	March/07	March/08	2007 to 2008
Atlantic	32,371	32,964	6,820	397	39,191	33,361	-14.9%
Quebec	55,715	56,372	803	856	56,518	57,228	1.3%
Ontario	169,822	172,510	474	504	170,296	173,014	1.6%
Manitoba	125,327	127,876	122	134	125,449	128,010	2.0%
Saskatchewan	124,072	126,418	39	41	124,111	126,459	1.9%
Alberta	99,176	100,848	377	393	99,553	101,241	1.7%
B.C.	117,521	118,954	200	212	117,721	119,166	1.2%
Yukon	7,798	7,844	79	79	7,877	7,923	0.6%
N.W.T.	16,616	16,823	7,368	7,519	23,984	24,342	1.5%
Nunavut	0	0	27,919	28,469	27,919	28,469	2.0%
Total	**748,418**	**760,609**	**44,201**	**38,604**	**792,619**	**799,213**	**0.8%**

Source: SVS adapted by Program Analysis Division

Of the 799,213 total eligible clients at the end of the 2007/08 fiscal year, 760,609 (95.2%) were First Nations clients while 38,604 (4.8%) were Inuit clients.

As of March 31, 2008 the SVS population statistics reflect a 0.8% growth rate, showing a lower growth rate than previous years. This lower growth rate is mainly attributed to the removal of the Labrador Inuit Association (LIA) population transferred under the Nunatsiavut self-government agreement. These individuals are no longer eligible for the NIHB Program; they receive services through separate funding arrangements and are, therefore, excluded from the NIHB Program client population totals.

From March 2007 to March 2008, Nunavut and the Manitoba Region had the highest percentage change in total eligible clients with a 2.0% change. The Saskatchewan Region followed closely with 1.9%. The Atlantic Region showed a 14.9% decrease over the previous year, attributed to the removal of the LIA population.

QUICK FACT

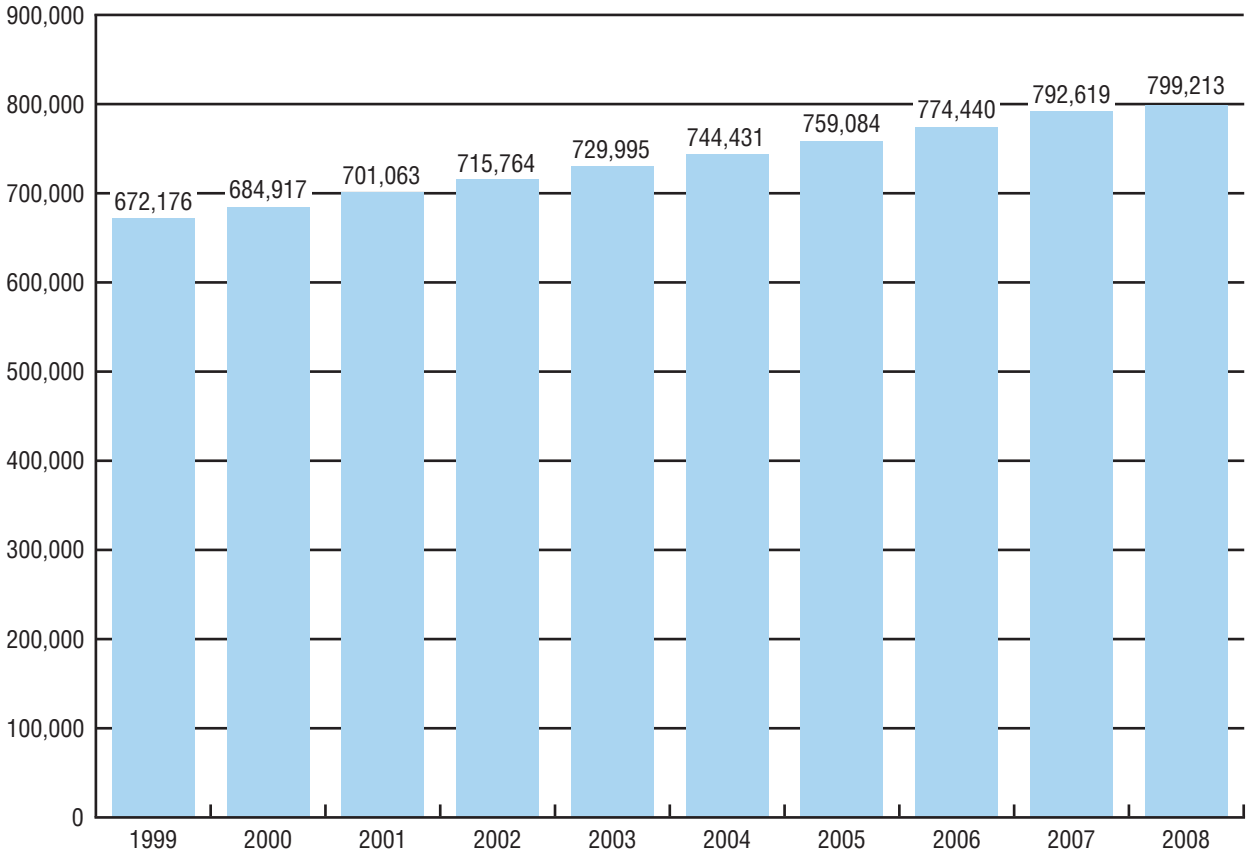
NIHB client population under 20 years of age (37.3%) is high compared to the overall Canadian population (23.7%). There is a much higher percentage of seniors (65 and over) in the Canadian population (13.4%) than in the NIHB client population (5.9%). The average age of NIHB clients is 30 which is well below the Canadian average of 38.

FIGURE 2.3

Eligible Client Population
March 1999 to March 2008

The total number of eligible clients on the SVS increased from 672,176 at the end of fiscal year 1998/99 to 799,213 in March 2008, an increase of 18.9% over this period.

The population totals presented in Figure 2.3 show minor variation from those presented in previous publications of the NIHB Annual Report. The 1999/00 through 2005/06 editions of the NIHB Annual Report included population totals for Nisga'a First Nations individuals under the jurisdiction of the Nisga'a Lisims Government. Under the terms of this self-government agreement and associated funding arrangement with the Department of Indian Affairs and Northern Development, the Nisga'a Lisims Government has assumed responsibility for the delivery of non-insured health benefit coverage. Clients covered under the Nisga'a Lisims Government agreement are no longer eligible to receive benefits through Health Canada's NIHB Program.



Source: SVS adapted by Program Analysis Division

FIGURE 2.4

Eligible Client Population by Region
March 2004 to March 2008

The NIHB Program's total number of eligible clients increased by 7.4% from 744,431 in 2004, to 799,213 in 2008.

Nunavut had the largest increase in eligible clients over this period, with a growth rate of 11.9%, followed by the Manitoba Region at 10.3% and the Saskatchewan Region at 9.9%.

The decrease in the annual percentage change in March 2008 is mainly attributed to the decrease in eligible clients in the Atlantic Region which reflects the removal of Nunatsiavut clients transitioning to self-government, as mentioned in Figure 2.2.

REGION	March/04	March/05	March/06	March/07	March/08
Atlantic	36,232	37,107	37,867	39,191	33,361
Quebec	53,954	54,587	55,436	56,518	57,228
Ontario	162,473	164,716	167,271	170,296	173,014
Manitoba	116,039	119,140	122,166	125,449	128,010
Saskatchewan	115,093	117,974	120,639	124,111	126,459
Alberta	92,647	94,801	97,001	99,553	101,241
British Columbia	111,765	113,587	115,574	117,721	119,166
Yukon	7,647	7,711	7,788	7,877	7,923
N.W.T.	23,146	23,306	23,836	23,984	24,342
Nunavut	25,435	26,155	26,862	27,919	28,469
Total	**744,431**	**759,084**	**774,440**	**792,619**	**799,213**
Annual % Change	**2.0%**	**2.0%**	**2.0%**	**2.3%**	**0.8%**

Source: SVS adapted by Program Analysis Division

FIGURE 2.5

Eligible Client Population by Age Group, Gender and Region
March 2008

Of the 799,213 eligible clients on the SVS as of March 31, 2008, 50.9% were female (407,011) and 49.1% were male (392,202).

The average age of the eligible client population was 30 years of age. By region, this average ranged from a high of 35 years of age in Quebec Region to a low of 25 years of age in Nunavut.

The average age of the male and female eligible client population was 29 years and 31 years respectively. The average age for males ranges from 25 years in Nunavut to 33 years in the Ontario and Quebec regions as well as in the Yukon. The average age for females varied from 26 years in Nunavut to 36 years in the Quebec and Ontario regions as well as in the Yukon.

The NIHB eligible First Nations and Inuit client population is relatively young with over two-thirds (68.5%) under the age of 40. Of the total population, over one-third or 37.3% are under the age of 20. Seniors (clients 65 years of age and over) represent 5.9% of the total population.

REGION	Atlantic			Quebec			Ontario			Manitoba		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	1,199	1,080	2,279	1,815	1,545	3,360	4,251	3,924	8,175	6,364	6,141	12,505
5-9	1,534	1,486	3,020	2,155	2,118	4,273	6,620	6,401	13,021	7,218	6,901	14,119
10-14	1,587	1,582	3,169	2,538	2,399	4,937	7,839	7,429	15,268	7,384	7,042	14,426
15-19	1,633	1,548	3,181	2,539	2,424	4,963	7,881	7,529	15,410	7,055	7,012	14,067
20-24	1,412	1,348	2,760	2,116	2,185	4,301	7,130	6,801	13,931	5,802	5,500	11,302
25-29	1,242	1,299	2,541	2,040	1,951	3,991	6,480	6,681	13,161	4,852	4,680	9,532
30-34	1,190	1,163	2,353	1,920	1,947	3,867	6,392	6,304	12,696	4,589	4,518	9,107
35-39	1,368	1,335	2,703	2,074	2,116	4,190	6,664	6,837	13,501	4,530	4,743	9,273
40-44	1,240	1,311	2,551	2,109	2,364	4,473	6,901	7,011	13,912	4,321	4,460	8,781
45-49	1,050	1,281	2,331	2,059	2,229	4,288	6,329	7,038	13,367	3,511	3,800	7,311
50-54	864	1,050	1,914	1,626	2,103	3,729	5,067	6,034	11,101	2,550	2,893	5,443
55-59	584	798	1,382	1,278	1,550	2,828	3,726	4,647	8,373	1,807	2,064	3,871
60-64	438	599	1,037	995	1,305	2,300	2,818	3,733	6,551	1,314	1,537	2,851
65+	848	1,292	2,140	2,189	3,539	5,728	5,791	8,756	14,547	2,322	3,100	5,422
Total	**16,189**	**17,172**	**33,361**	**27,453**	**29,775**	**57,228**	**83,889**	**89,125**	**173,014**	**63,619**	**64,391**	**128,010**
Average Age	**30**	**33**	**31**	**33**	**36**	**35**	**33**	**36**	**34**	**27**	**28**	**27**

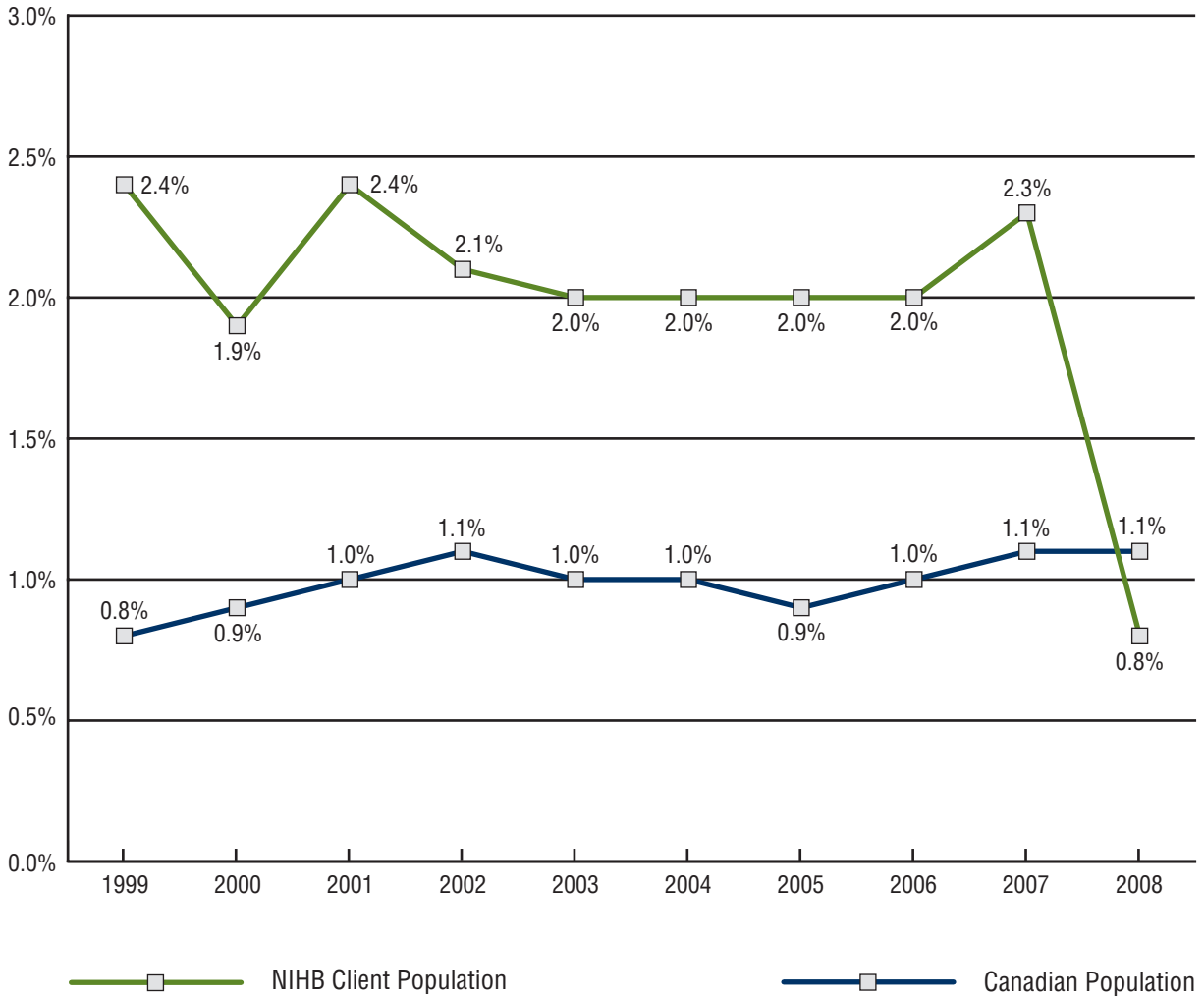
Source: SVS adapted by Program Analysis Division

REGION	Saskatchewan			Alberta			British Columbia			Yukon			N.W.T.			Nunavut			TOTAL		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	6,041	5,975	12,016	4,664	4,569	9,233	3,903	3,793	7,696	199	169	368	817	808	1,625	1,769	1,658	3,427	31,022	29,662	60,684
5-9	7,201	6,960	14,161	5,712	5,388	11,100	4,837	4,743	9,580	284	266	550	953	981	1,934	1,796	1,660	3,456	38,310	36,904	75,214
10-14	7,192	7,192	14,384	6,052	5,623	11,675	5,359	5,031	10,390	347	308	655	1,288	1,234	2,522	1,698	1,672	3,370	41,284	39,512	80,796
15-19	7,507	7,118	14,625	5,826	5,587	11,413	5,935	5,367	11,302	336	342	678	1,414	1,395	2,809	1,681	1,554	3,235	41,807	39,876	81,683
20-24	6,192	6,095	12,287	4,932	4,769	9,701	5,325	5,152	10,477	347	309	656	1,180	1,110	2,290	1,339	1,335	2,674	35,775	34,604	70,379
25-29	5,106	4,992	10,098	4,062	4,171	8,233	4,772	4,554	9,326	323	299	622	978	941	1,919	1,106	1,064	2,170	30,961	30,632	61,593
30-34	4,490	4,604	9,094	3,588	3,665	7,253	4,394	4,381	8,775	284	277	561	813	868	1,681	949	927	1,876	28,609	28,654	57,263
35-39	4,493	4,683	9,176	3,458	3,559	7,017	4,533	4,613	9,146	364	299	663	1,018	986	2,004	962	960	1,922	29,464	30,131	59,595
40-44	4,030	4,299	8,329	3,190	3,505	6,695	4,533	4,916	9,449	401	377	778	891	961	1,852	890	901	1,791	28,506	30,105	58,611
45-49	3,253	3,608	6,861	2,653	3,008	5,661	4,374	4,896	9,270	338	354	692	720	865	1,585	608	632	1,240	24,895	27,711	52,606
50-54	2,283	2,637	4,920	1,876	2,279	4,155	3,304	3,916	7,220	212	254	466	478	648	1,126	431	442	873	18,691	22,256	40,947
55-59	1,547	1,915	3,462	1,268	1,662	2,930	2,434	2,806	5,240	139	214	353	415	485	900	386	345	731	13,584	16,486	30,070
60-64	1,083	1,356	2,439	888	1,222	2,110	1,696	2,137	3,833	133	175	308	302	334	636	297	286	583	9,964	12,684	22,648
65+	1,919	2,688	4,607	1,711	2,354	4,065	3,120	4,342	7,462	234	339	573	647	812	1,459	549	572	1,121	19,330	27,794	47,124
Total	**62,337**	**64,122**	**126,459**	**49,880**	**51,361**	**101,241**	**58,519**	**60,647**	**119,166**	**3,941**	**3,982**	**7,923**	**11,914**	**12,428**	**24,342**	**14,461**	**14,008**	**28,469**	**392,202**	**407,011**	**799,213**
Average Age	**26**	**28**	**27**	**26**	**28**	**27**	**31**	**33**	**32**	**33**	**36**	**34**	**30**	**31**	**30**	**25**	**26**	**25**	**29**	**31**	**30**

FIGURE 2.6

Annual Population Growth, Canadian Population and Eligible Client Population
1999 to 2008

From 1999 to 2008, the Canadian population increased by 9.6% while the NIHB eligible First Nations and Inuit client population registered an increase of 18.9%. Over the same period, the First Nations and Inuit client population grew at an average annual rate of 2.0% 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 First Nations and Inuit populations. As mentioned in Figure 2.2, the decrease in NIHB Program client population growth is mainly attributed to the removal of the Labrador Inuit Association (LIA) population in the Atlantic Region who transitioned to the Nunatsiavut self-government agreement.



Source: SVS and Statistics Canada Catalogue No. 91-002-XWE, Quarterly Demographic Statistics

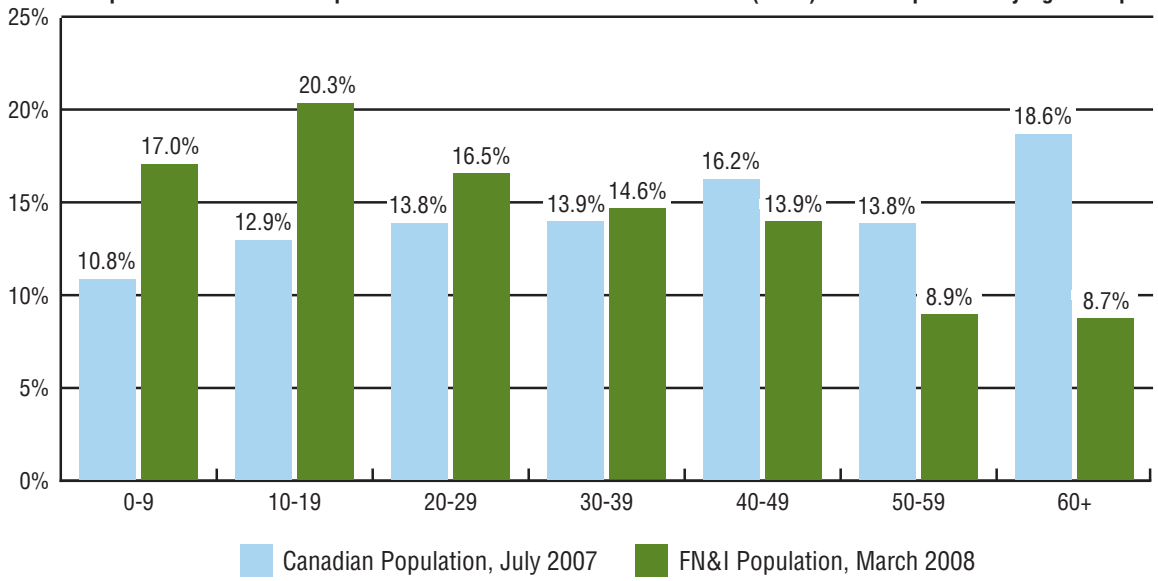
FIGURE 2.7

Population Analysis by Age Group

The overall Aboriginal population is relatively young compared to the general Canadian population. However, due to the aging of the Aboriginal population, it is anticipated that the costs associated with delivering non-insured health benefits, particularly pharmacy benefits, to this population will increase significantly in the coming years.

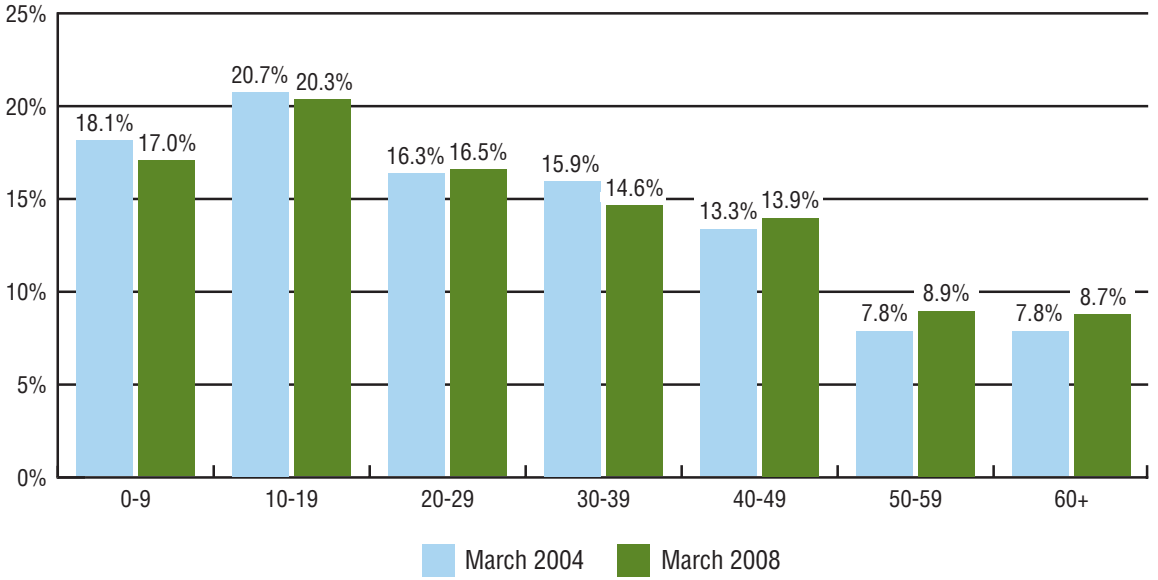
A comparison of eligible client population shows an aging population. Although there has been a population increase for all age groups, the proportional share of the client population 40 and above increased by 8.8% from 217,279 in 2004 to 252,006 in 2008.

Proportion of Canadian Population and of the First Nations and Inuit (FN&I) Client Population by Age Group



Source: SVS adapted by Program Analysis Division and Statistics Canada CANSIM table 051-0001, Population by Age and Sex Group

Proportion of Eligible First Nations and Inuit Client Population by Age Group



Source: SVS adapted by Program Analysis Division

Thoughts, by Rocky Barstad

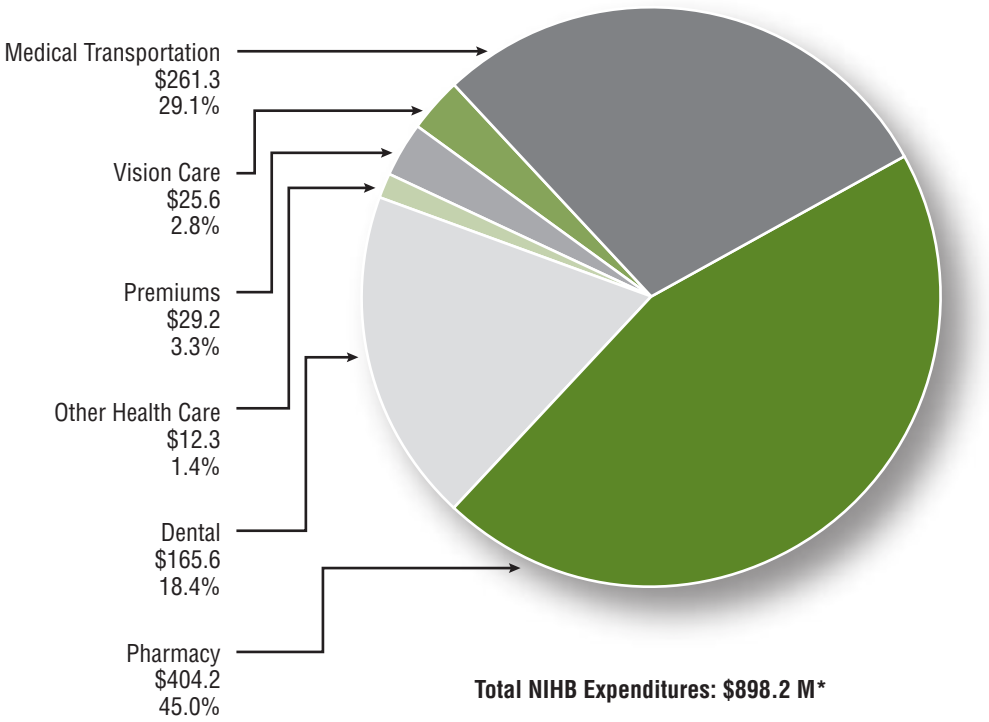
SECTION 3

Expenditures

FIGURE 3.1

NIHB Expenditures by Benefit ($ Millions)
2007/08

Total Non-Insured Health Benefits expenditures in 2007/08 were $898.2 million. Of this total, NIHB Pharmacy costs (including medical supplies and equipment) represented the largest proportion at $404.2 million (45.0%), followed by NIHB Medical Transportation costs at $261.3 million (29.1%) and NIHB Dental costs at $165.6 million (18.4%).



Source: FIRMS adapted by Program Analysis Division

* *Not reflected in the $898.2 million in NIHB expenditures is approximately $36.5 million in administration costs including Program staff, other headquarters and regional costs.*

FIGURE 3.2

NIHB Expenditures and Growth by Benefit
2006/07 and 2007/08

There was an overall increase in NIHB expenditures from 2006/07 to 2007/08 of 4.9% or $42.0 million. This increase (4.9%) was the third lowest annual growth rate in the past eight years for the NIHB Program.

The highest growth in expenditures over fiscal year 2006/07 was medical transportation benefits at $19.7 million followed by pharmacy benefits which increased by $18.0 million and dental benefits by $6.9 million.

Medical transportation had the highest growth rate in 2007/08, recording an 8.2% increase over the previous year.

The NIHB Other Health Care category (comprised mainly of short-term crisis mental health counselling) was the only benefit to show a decrease over the last fiscal year at -24.5% ($4 million). The decrease over the last fiscal year is mainly attributed to an accounting methodology change which affected the other health care and medical transportation benefit categories. This decrease can be also partly attributed to funding arrangements allocated for crisis mental health counselling services through the Indian Residential Schools (IRS) Resolution Health Support Program.

BENEFIT	Total Expenditures ($ 000's) 2006/07	Total Expenditures ($ 000's) 2007/08	% Change from 2006/07
Medical Transportation	$ 241,602	$ 261,316	8.2%
Pharmacy	386,190	404,248	4.7%
Dental	158,584	165,576	4.4%
Other Health Care	16,271	12,289	-24.5%
Premiums	28,659	29,211	1.9%
Vision Care	24,894	25,599	2.8%
Total Expenditures	**$ 856,201**	**$ 898,239**	**4.9%**

Source: FIRMS adapted by Program Analysis Division

FIGURE 3.3

NIHB Expenditures by Benefit and Region ($ 000's)
2007/08

The Manitoba Region accounted for the highest proportion of total expenditures with approximately $173 million, or 19.3% of the national total, followed by the Ontario Region at $163.8 million (18.2%), and the Alberta and Saskatchewan regions with $131.1 (14.6%) and $126.6 (14.1%) million respectively.

By contrast, the lowest expenditures are in the Yukon ($9.0 million) and Northwest Territories ($21.6 million). These totals represented 1.0% and 2.4% of the national total, respectively.

Manitoba experienced the highest expenditure growth over the last fiscal year of 6.5% and represented the greatest proportion of total expenditures at 19.3%. In comparison, Alberta had relatively low expenditure growth of 2.6% and had a 14.6% proportional share of NIHB expenditures. The Northern Region had relatively low growth rates with the Northwest Territories at 1.1% over the last fiscal year.

Headquarters expenditures in the table represent costs paid for health information claims processing services.

REGION	Medical Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	$ 4,585	$ 18,984	$ 5,204	$ 272	$ –	$ 1,495	**$ 30,539**
Quebec	20,133	35,372	12,141	471	–	1,257	**69,374**
Ontario	45,618	77,191	33,467	2,172	–	5,366	**163,814**
Manitoba	76,082	69,317	21,696	2,964	–	2,936	**172,994**
Saskatchewan	36,108	60,749	24,636	942	–	4,126	**126,561**
Alberta	32,107	54,353	22,391	4,343	12,961	4,942	**131,096**
British Columbia	21,613	54,290	22,968	1,120	16,250	3,120	**119,361**
Yukon	1,957	4,802	1,998	4	–	208	**8,970**
N.W.T.	6,943	7,863	5,752	–	–	1,011	**21,570**
Nunavut	16,171	6,579	9,002	–	–	1,139	**32,890**
Headquarters	–	14,750	6,321	–	–	–	**21,071**
Total	**$ 261,316**	**$ 404,248**	**$ 165,576**	**$ 12,289**	**$ 29,211**	**$ 25,599**	**$ 898,239**

Source: FIRMS adapted by Program Analysis Division

FIGURE 3.4

Proportion of NIHB Expenditures by Region
2007/08

In 2007/08, the Manitoba Region had the highest proportion of total NIHB expenditures (19.3%) and accounted for over one-quarter (29.1%) of the total NIHB Medical Transportation expenditures. This reflected the large number of First Nations clients living in remote or fly-in only northern communities in the Manitoba Region.

The Ontario Region, which accounted for 18.2% of total NIHB expenditures in 2007/08, recorded 20.2% of total NIHB Dental expenditures and 19.1% of total NIHB Pharmacy costs.

The proportion of NIHB Vision Care expenditures ranged from a high of 21.0% in the Ontario Region to a low of 0.8% in the Yukon.

The Manitoba Region (24.1%) and the Alberta Region (35.3%) combined accounted for over one half of the total NIHB Other Health Care expenditures in 2007/08.

NIHB Premium costs are paid in the British Columbia (55.6%) and Alberta (44.4%) regions.

REGION	Medical Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	Proportion of NIHB Expenditures	Proportion of NIHB Population
Atlantic	1.8%	4.7%	3.1%	2.2%	0%	5.8%	**3.4%**	**4.2%**
Quebec	7.7%	8.7%	7.3%	3.8%	0%	4.9%	**7.7%**	**7.2%**
Ontario	17.5%	19.1%	20.2%	17.7%	0%	21.0%	**18.2%**	**21.6%**
Manitoba	29.1%	17.1%	13.1%	24.1%	0%	11.5%	**19.3%**	**16.0%**
Saskatchewan	13.8%	15.0%	14.9%	7.7%	0%	16.1%	**14.1%**	**15.8%**
Alberta	12.3%	13.4%	13.5%	35.3%	44.4%	19.3%	**14.6%**	**12.7%**
British Columbia	8.3%	13.4%	13.9%	9.1%	55.6%	12.2%	**13.3%**	**14.9%**
Yukon	0.7%	1.2%	1.2%	0%	0%	0.8%	**1.0%**	**1.0%**
N.W.T.	2.7%	1.9%	3.5%	0%	0%	4.0%	**2.4%**	**3.0%**
Nunavut	6.2%	1.6%	5.4%	0%	0%	4.4%	**3.7%**	**3.6%**
Headquarters	0%	3.6%	3.8%	0%	0%	0%	**2.3%**	**N/A**
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: FIRMS adapted by Program Analysis Division

FIGURE 3.5

Proportion of NIHB Regional Expenditures by Benefit
2007/08

At the national level, almost three-quarters of total Program expenditures occurred in two benefit areas: pharmacy (45.0%) and medical transportation (29.1%). Dental expenditures accounted for almost one-fifth (18.4%) of total NIHB expenditures.

NIHB Medical Transportation expenditures accounted for 49.2% of total expenditures in Nunavut compared to 15.0% in the Atlantic Region. In the Atlantic Region, 62.2% of total expenditures were spent on pharmacy benefits compared to a low of 20.0% in Nunavut.

The proportion of dental expenditures ranged from 12.5% in Manitoba Region to 27.4% in Nunavut.

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.

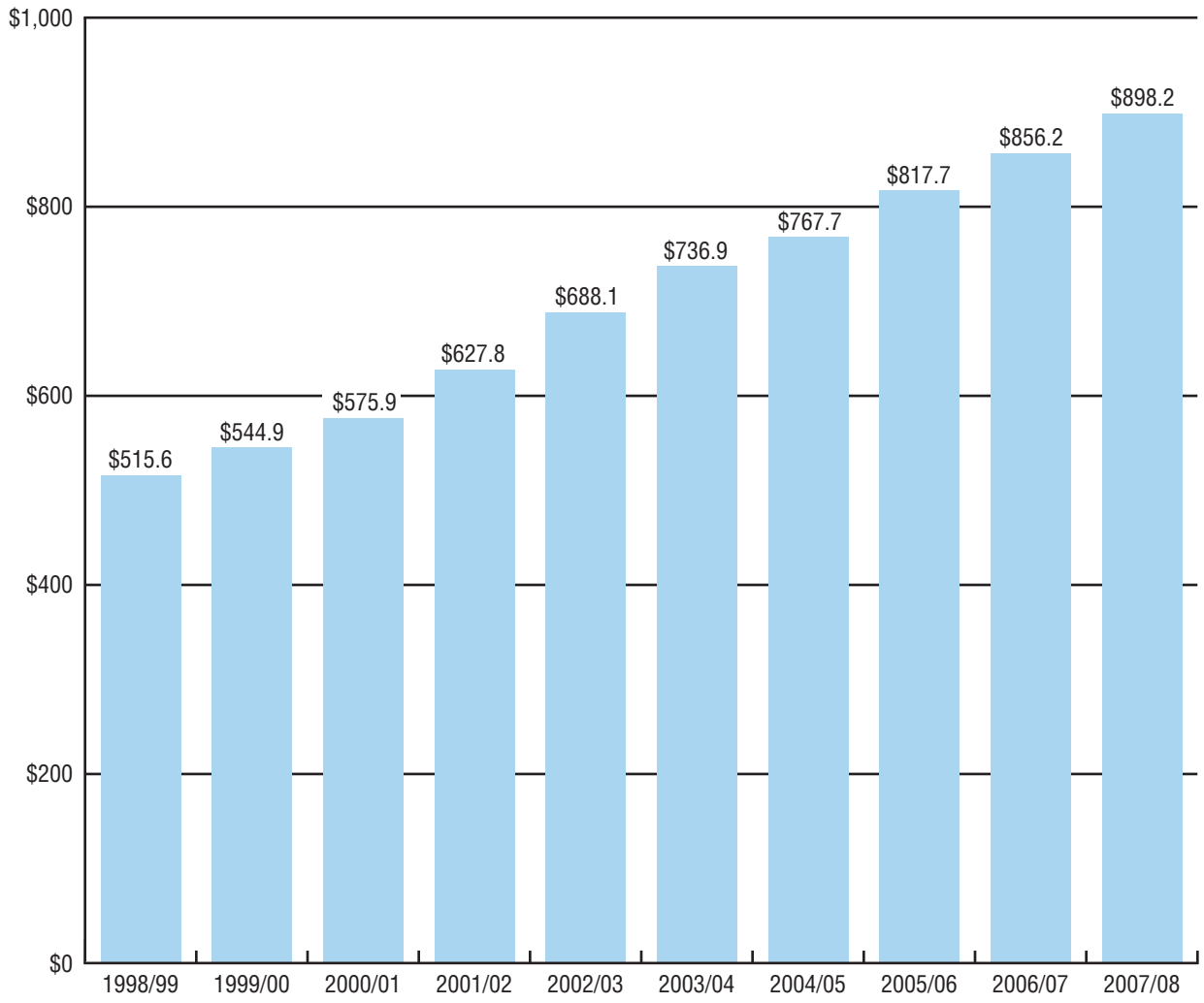
REGION	Medical Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	15.0%	62.2%	17.0%	0.9%	0%	4.9%	100%
Quebec	29.0%	51.0%	17.5%	0.7%	0%	1.8%	100%
Ontario	27.8%	47.1%	20.4%	1.3%	0%	3.3%	100%
Manitoba	44.0%	40.1%	12.5%	1.7%	0%	1.7%	100%
Saskatchewan	28.5%	48.0%	19.5%	0.7%	0%	3.3%	100%
Alberta	24.5%	41.5%	17.1%	3.3%	9.9%	3.8%	100%
British Columbia	18.1%	45.5%	19.2%	0.9%	13.6%	2.6%	100%
Yukon	21.8%	53.5%	22.3%	0%	0%	2.3%	100%
N.W.T.	32.2%	36.5%	26.7%	0%	0%	4.7%	100%
Nunavut	49.2%	20.0%	27.4%	0%	0%	3.5%	100%
Headquarters	0%	70.0%	30.0%	0%	0%	0%	100%
National	**29.1%**	**45.0%**	**18.4%**	**1.4%**	**3.3%**	**2.8%**	**100%**

Source: FIRMS adapted by Program Analysis Division

FIGURE 3.6

NIHB Annual Expenditures ($ Millions)
1998/99 to 2007/08

In 2007/08, NIHB Program expenditures were $898.2 million, up 4.9% from $856.2 million in 2006/07. Since 1998/99, total expenditures have grown by 74.2%.



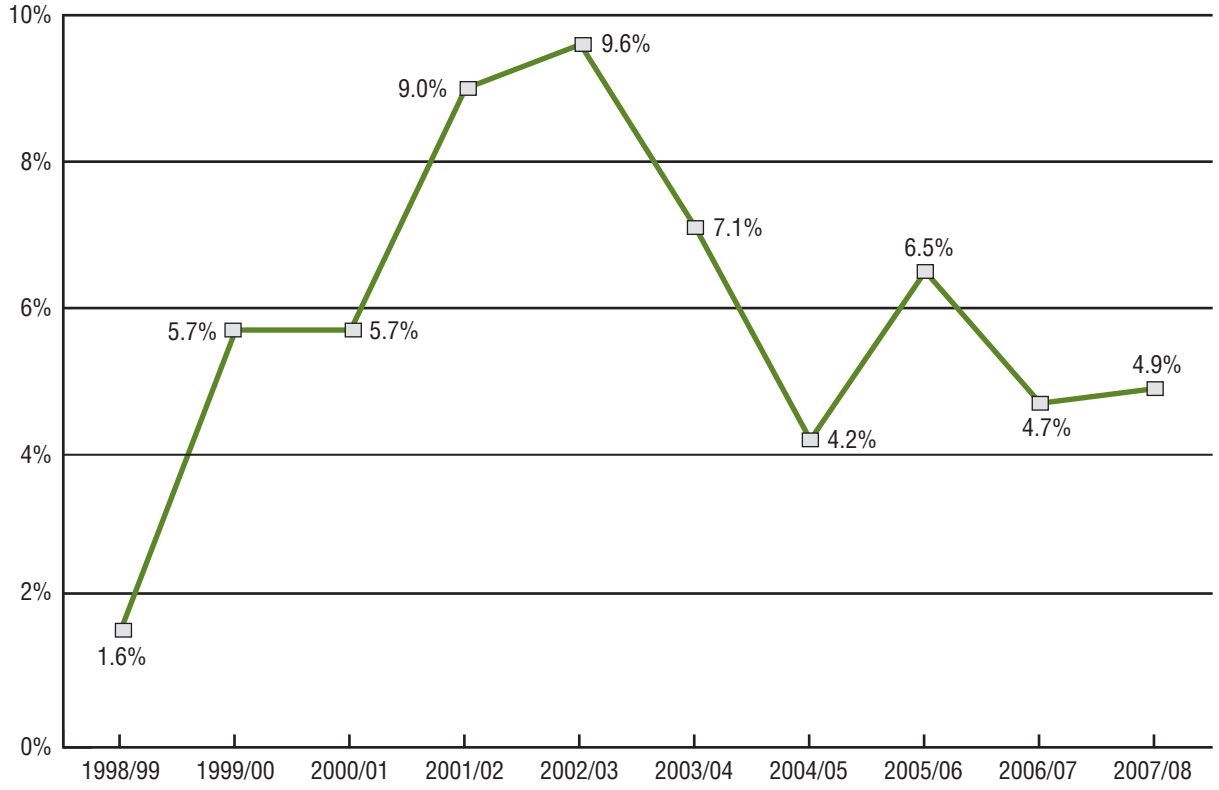
Source: FIRMS adapted by Program Analysis Division

FIGURE 3.7

Percentage Change in NIHB Annual Expenditures
1998/99 to 2007/08

The expenditures for the Non-Insured Health Benefits Program increased by 4.9% to $898.2 million in 2007/08. There has been wide variation in growth rates between 1998/99 and 2007/08, with a low of 1.6% in 1998/99 to a high of 9.6% in 2002/03. The average annualized growth over this period was 5.9%.

Fluctuations in NIHB expenditure growth rates reflect a variety of contributing factors. These include policy changes designed to improve access to the Program and directives intended to promote Program sustainability. Variations in the rates of growth have also resulted from First Nations self-government initiatives, changes in service delivery models within the Program and between the federal government and the provinces and territories.



Source: FIRMS adapted by Program Analysis Division

FIGURE 3.8

NIHB Annual Expenditures by Benefit ($ 000's)
1998/99 to 2007/08

The expenditures for pharmacy benefits have grown more than other benefit areas in the period from 1998/99 to 2007/08. Pharmacy expenditures rose by 116.1% from $187.1 million in 1998/99 to $404.2 million in 2007/08. Over the same period, NIHB Medical Transportation expenditures grew by 57.2% and dental expenditures increased by 55.6%. Vision care and premiums expenditures had increases of 38.4% and 67.2% respectively over this period.

NIHB Other Health Care expenditures (comprised mainly of short-term crisis mental health counselling) decreased by 38.1% over this same time period. A negative 24.5% growth rate was recorded in fiscal year 2007/08. This decrease over the last fiscal year is mainly attributed to an accounting methodology change which affected the other health care and medical transportation benefit categories. This benefit area continues to decrease each fiscal year due to funding arrangements allocated for crisis mental health counselling services through the Indian Residential Schools (IRS) Resolution Health Support Program.

BENEFIT	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Medical Transportation	$ 166,229	$ 177,078	$ 182,851	$ 195,719	$ 203,952	$ 205,793	$ 211,527	$ 225,379	$ 241,602	$ 261,316
Pharmacy	187,105	206,869	228,861	252,846	290,112	326,982	343,879	368,398	386,190	404,248
Dental	106,417	106,975	109,852	124,468	131,021	134,504	142,956	153,900	158,584	165,576
Other Health Care	19,847	16,108	16,775	14,135	16,894	16,557	16,904	17,115	16,271	12,289
Premiums	17,476	18,030	17,779	18,596	23,902	28,614	27,830	27,987	28,659	29,211
Vision Care	18,490	19,843	19,748	22,020	22,259	24,420	24,629	24,968	24,894	25,599
Total	**$ 515,564**	**$ 544,903**	**$ 575,866**	**$ 627,784**	**$ 688,140**	**$ 736,870**	**$ 767,726**	**$ 817,748**	**$ 856,201**	**$ 898,239**
Annual % Change	**1.6%**	**5.7%**	**5.7%**	**9.0%**	**9.6%**	**7.1%**	**4.2%**	**6.5%**	**4.7%**	**4.9%**

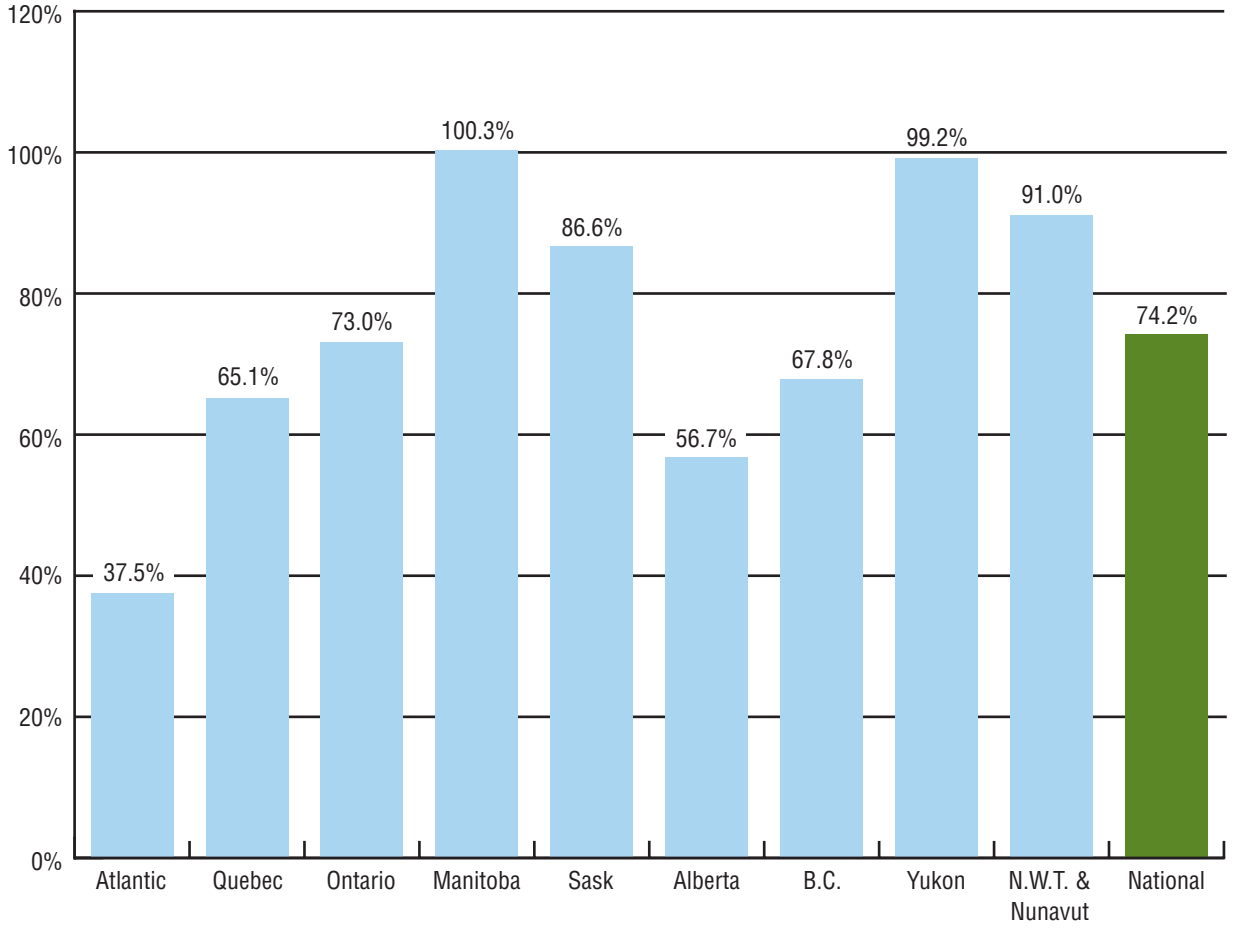
Source: FIRMS adapted by Program Analysis Division

FIGURE 3.9

Percentage Growth in NIHB Expenditures by Region
1998/99 to 2007/08

From 1998/99 to 2007/08, total NIHB expenditures in the Manitoba Region increased the most (100.3%) followed by the Yukon and the combined Northwest Territories and Nunavut recorded rates of growth of 99.2% and 91.0% respectively.

The Atlantic Region registered the lowest increase at 37.5%. This low rate of growth can be attributed primarily to the movement towards self-government for Nunatsiavut Inuit that commenced in December of 2005. This transition process has resulted in an incremental reallocation of funding previously identified for Atlantic Region clients to the Nunatsiavut Government.



Source: FIRMS adapted by Program Analysis Division

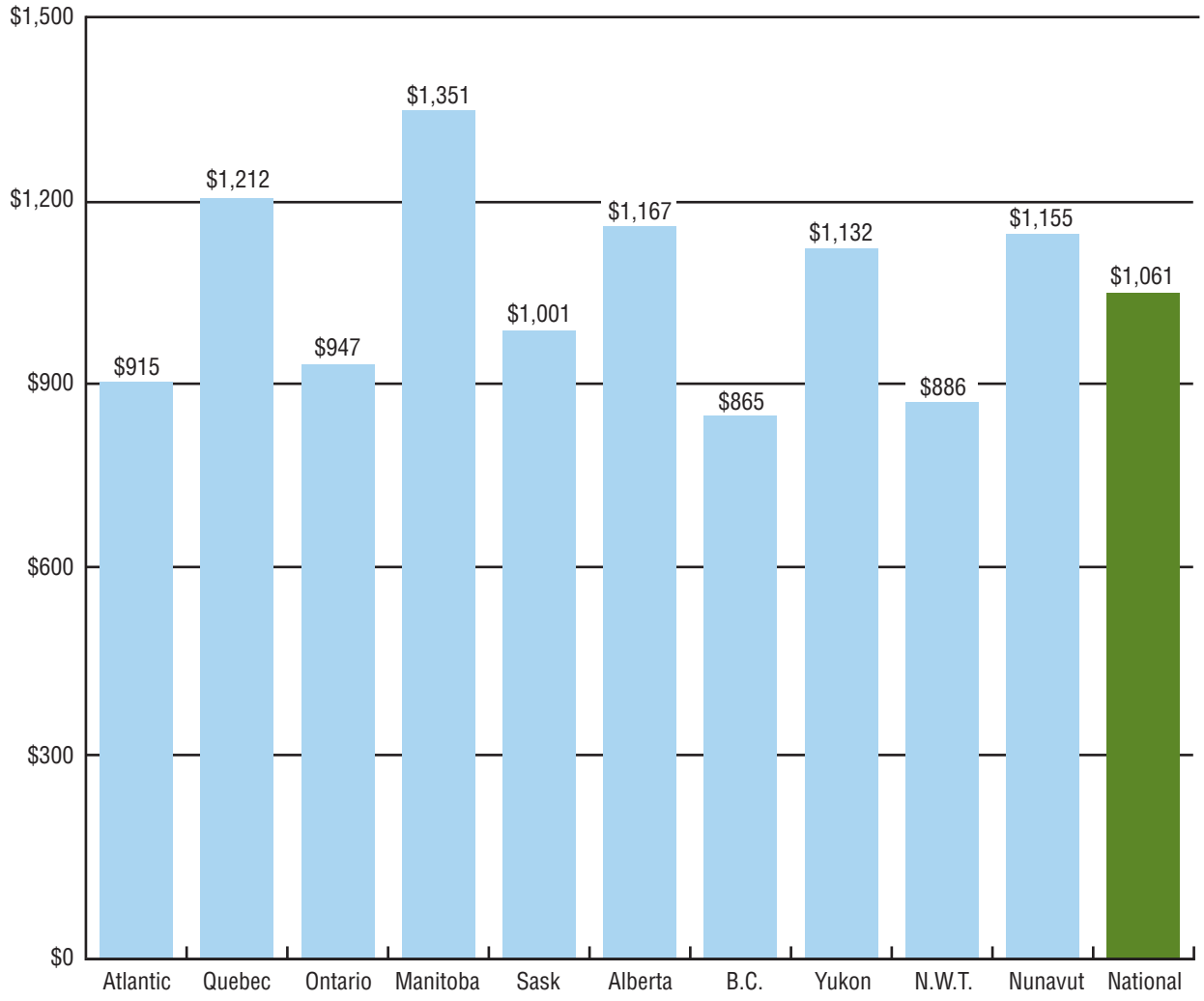
FIGURE 3.10

Per Capita NIHB Expenditures by Region (Excluding Premiums)
2007/08

The national per capita expenditure for all benefits in 2007/08 was $1,061. This is an increase from the 2006/07 national per capita expenditure of $1,021.

The Manitoba Region had the highest per capita cost at $1,351 in 2007/08. The Quebec Region ranks second in per capita expenditures at $1,212 followed by the Alberta Region at $1,167.

If premiums that are paid by the Program were included in these calculations, per capita costs in Alberta and British Columbia regions would be $1,295 and $1,002 respectively, with the national total adjusted to $1,098.



Source: FIRMS & SVS adapted by Program Analysis Division

Transition, by Susan Point

SECTION 4

Pharmacy Expenditure and Utilization Data

The NIHB Program covers claims for pharmacy benefits not covered by private or provincial/territorial health insurance plans. In fiscal year 2007/08, NIHB Pharmacy benefits totalled $404.2 million or 45.1% 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, recognizing the unique health needs of First Nations and Inuit clients; and
- Provide drug benefits and services based on professional judgment, consistent with the current best practices of health services delivery and evidence-based standards of care.

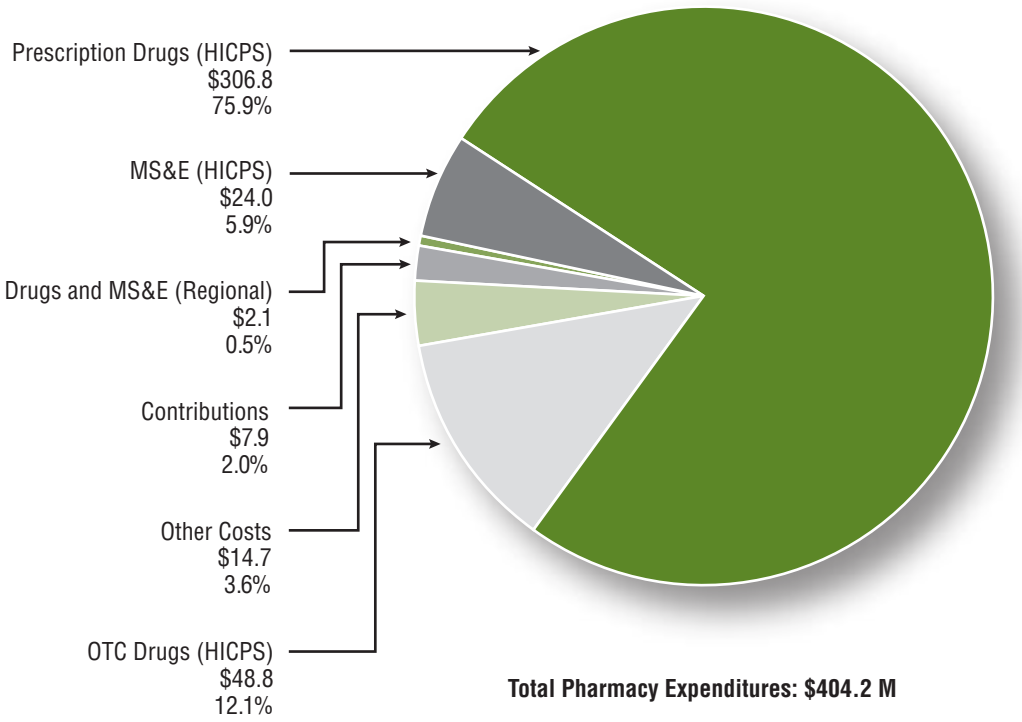
The NIHB Program covers prescription drugs listed on the Non-Insured Health Benefits Drug Benefit List and approved over-the-counter medications. NIHB policy is to pay the 'lowest cost alternative drug', and to reimburse only the best price alternative or equivalent product in a group of interchangeable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

Like prescription and over-the-counter medications, medical supplies and equipment benefits are covered in accordance with Program policies. Recipients must obtain a prescription from a physician or other licensed prescriber for medical supplies and/or equipment, and have the prescription filled at a pharmacy or approved medical supply and equipment provider. 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.

FIGURE 4.1

Distribution of NIHB Pharmacy Expenditures ($ Millions)
2007/08



Source: FIRMS adapted by Program Analysis Division

In fiscal year 2007/08, NIHB Pharmacy benefits totalled $404.2 million. Figure 4.1 illustrates the components of pharmacy expenditures under the NIHB Program. The cost of prescription drugs paid through the system used for Health Information and Claims Processing Services (HICPS) was the largest component, accounting for $306.8 million or 75.9% of all NIHB Pharmacy expenditures, followed by over-the-counter (OTC) drugs (paid through HICPS) which totalled $48.8 million or 12.1%. Medical supplies and equipment (MS&E) paid through HICPS was the third largest component in the pharmacy benefit at $24.0 million or 5.9%. In total, the three components managed through automated claims processing accounted for 93.9% of all pharmacy costs.

Drugs and MS&E (Regional), at $2.1 million or 0.5%, refers to regionally managed prescription drugs and OTC medication. This category also includes medical supplies and equipment costs paid through regional offices.

Contributions, which accounted for $7.9 million or 2.0% of total pharmacy costs, are used to fund the provision of pharmacy benefits through agreements such as those with the Mohawk Council of Akwesasne in Ontario and the Bigstone pilot project in Alberta.

Other costs totalled $14.7 million or 3.6% in 2007/08. 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)
2007/08

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 $306.8 million or 75.9% of all NIHB Pharmacy costs. The Ontario Region (19.7%) and the Manitoba Region (18.0%) had the largest proportions of these costs in 2007/08.

The next highest component was over-the-counter drug costs at $48.8 million or 12.1%. The Ontario Region (21.2%), Manitoba Region (20.3%) and the Saskatchewan Region (18.3%) had the largest proportions of these costs in 2007/08.

The third highest component was the combined medical supplies and medical equipment (MS&E) category at $24.0 million (5.9%). The Alberta Region (20.2%) and the Manitoba Region (17.4%) had the highest proportions of MS&E costs in 2007/08.

REGION	OPERATING						Total Operating Costs	Total Contribution Costs	TOTAL COSTS
	Prescription Drugs	OTC Drugs	Drugs/ MS&E Regional	Medical Supplies	Medical Equipment	Other Costs			
Atlantic	$ 14,878	$ 2,662	$ 10	$ 433	$ 661	–	$ 18,644	$ 340	**$ 18,984**
Quebec	29,819	4,681	17	340	504	–	35,362	10	**35,372**
Ontario	60,375	10,344	27	1,159	2,854	–	74,758	2,433	**77,191**
Manitoba	55,214	9,920	3	1,580	2,600	–	69,317	0	**69,317**
Saskatchewan	46,385	8,914	1,694	1,361	2,395	–	60,749	0	**60,749**
Alberta	39,340	5,456	51	1,178	3,668	–	49,692	4,661	**54,353**
British Columbia	45,098	5,073	58	932	2,688	–	53,849	441	**54,290**
Yukon	4,192	297	29	77	207	–	4,802	0	**4,802**
N.W.T.	6,111	805	0	326	600	–	7,842	21	**7,863**
Nunavut	5,341	608	182	214	232	–	6,579	0	**6,579**
Headquarters	–	–	–	–	–	14,750	14,750	–	**14,750**
Total	**$ 306,754**	**$ 48,761**	**$ 2,072**	**$ 7,599**	**$ 16,407**	**$14,750**	**$396,343**	**$ 7,905**	**$ 404,248**

FIGURE 4.3

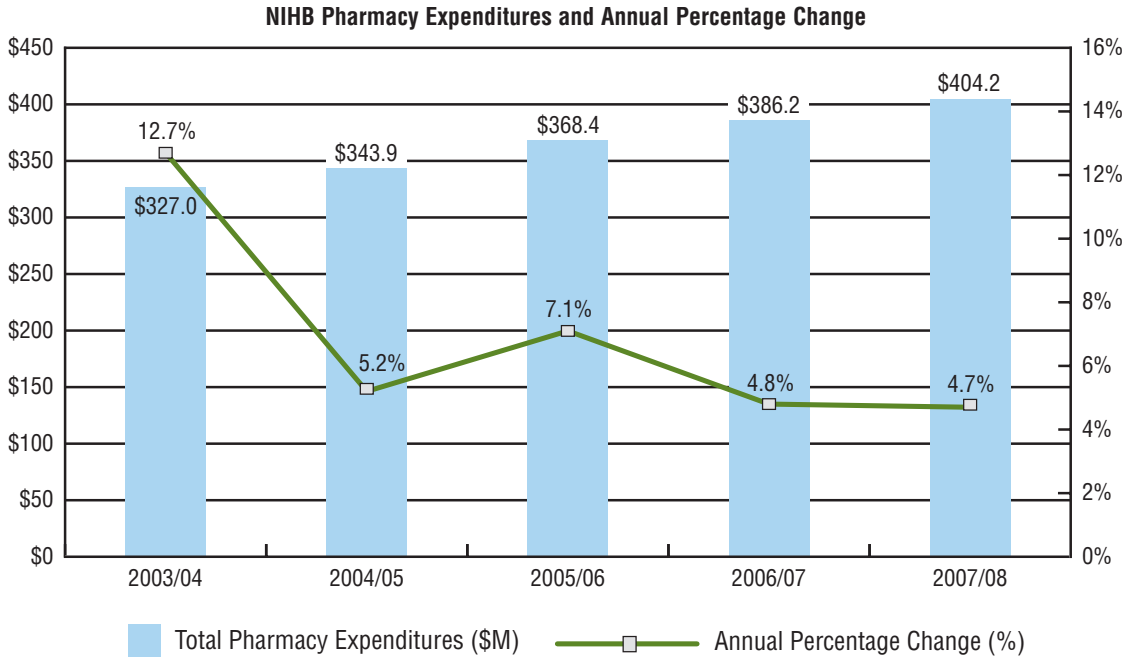
Annual NIHB Pharmacy Expenditures
2003/04 to 2007/08

NIHB Pharmacy expenditures increased by 4.7% during fiscal year 2007/08. This represents a 0.1 percentage point decrease over the previous year's growth rate. Over the past five years, growth in pharmacy expenditures has ranged from a high of 12.7% in 2003/04 to a low of 4.7% in 2007/08. The annualized growth rate over these five years is 6.9%.

Over the past four years there has been movement towards increased stability in NIHB Pharmacy expenditures. Reasons for this trend include the introduction of additional lower cost generic drugs as they become available on the market, heightened review of client drug utilization by professionals, and policy changes designed to promote NIHB Program sustainability.

The highest rate of growth in NIHB Pharmacy expenditures in 2007/08 took place in the Yukon, which increased by 31.9% over the previous fiscal year. The British Columbia Region had the second highest growth rate at 7.7%, followed by the Manitoba Region at 6.7%.

The only region not showing growth in NIHB Pharmacy expenditures in 2007/08 was the Ontario Region (-0.8%). This decrease is attributed in part to the NIHB Program adopting pricing rules set out in Bill 102 for the Ontario Drug Benefit Program. The drop in expenditures resulted from NIHB reducing the drug mark-up (tolerance) and from the implementation of new pricing rules on generic drugs.



Source: FIRMS adapted by Program Analysis Division

NIHB Pharmacy Expenditures ($ 000's)					
REGION	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Atlantic	$ 16,265	$ 17,533	$ 18,293	$ 18,938	$ 18,984
Quebec	27,436	29,959	31,771	33,486	35,372
Ontario	62,953	67,508	73,223	77,788	77,191
Manitoba	48,519	53,998	59,409	64,966	69,317
Saskatchewan	48,952	52,636	55,687	58,083	60,749
Alberta	45,588	48,207	51,141	52,424	54,353
British Columbia	44,141	46,670	49,734	50,387	54,290
N.W.T./Nunavut	11,310	12,278	12,912	13,677	14,441
Yukon	3,214	3,476	3,655	3,641	4,802
Headquarters	18,605	11,615	12,574	12,800	14,750
Total	**$ 326,982**	**$ 343,879**	**$ 368,398**	**$ 386,190**	**$ 404,248**

Source: FIRMS adapted by Program Analysis Division

FIGURE 4.4

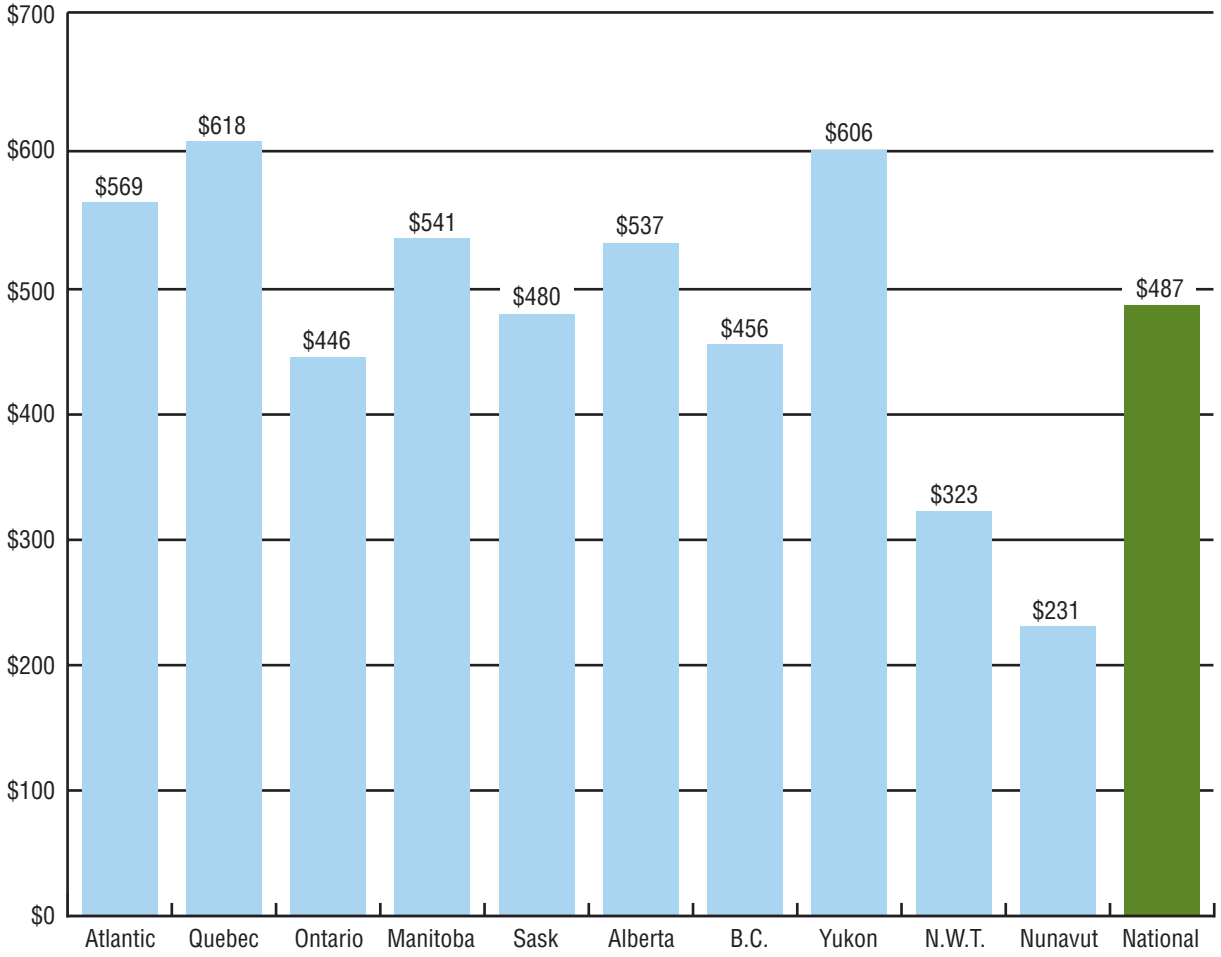
Per Capita NIHB Pharmacy Expenditures by Region
2007/08

In 2007/08, the national per capita expenditure for NIHB Pharmacy benefits was $487. This was an increase of $12 from the previous year's figure of $475.

The Quebec Region had the highest per capita NIHB Pharmacy expenditure at $618, followed by the Yukon at $606. The Atlantic Region saw a slight decrease from the previous fiscal year at $569.

Per capita rates in Nunavut increased; however, they still remained the lowest nationally. The highest increases in per capita costs were in the Yukon, $144 per capita and Nunavut, $33 per capita.

A relatively low per capita expenditure in the Northwest Territories and Nunavut is partially attributed to lower than average utilization rates. (Refer to Figure 4.6)



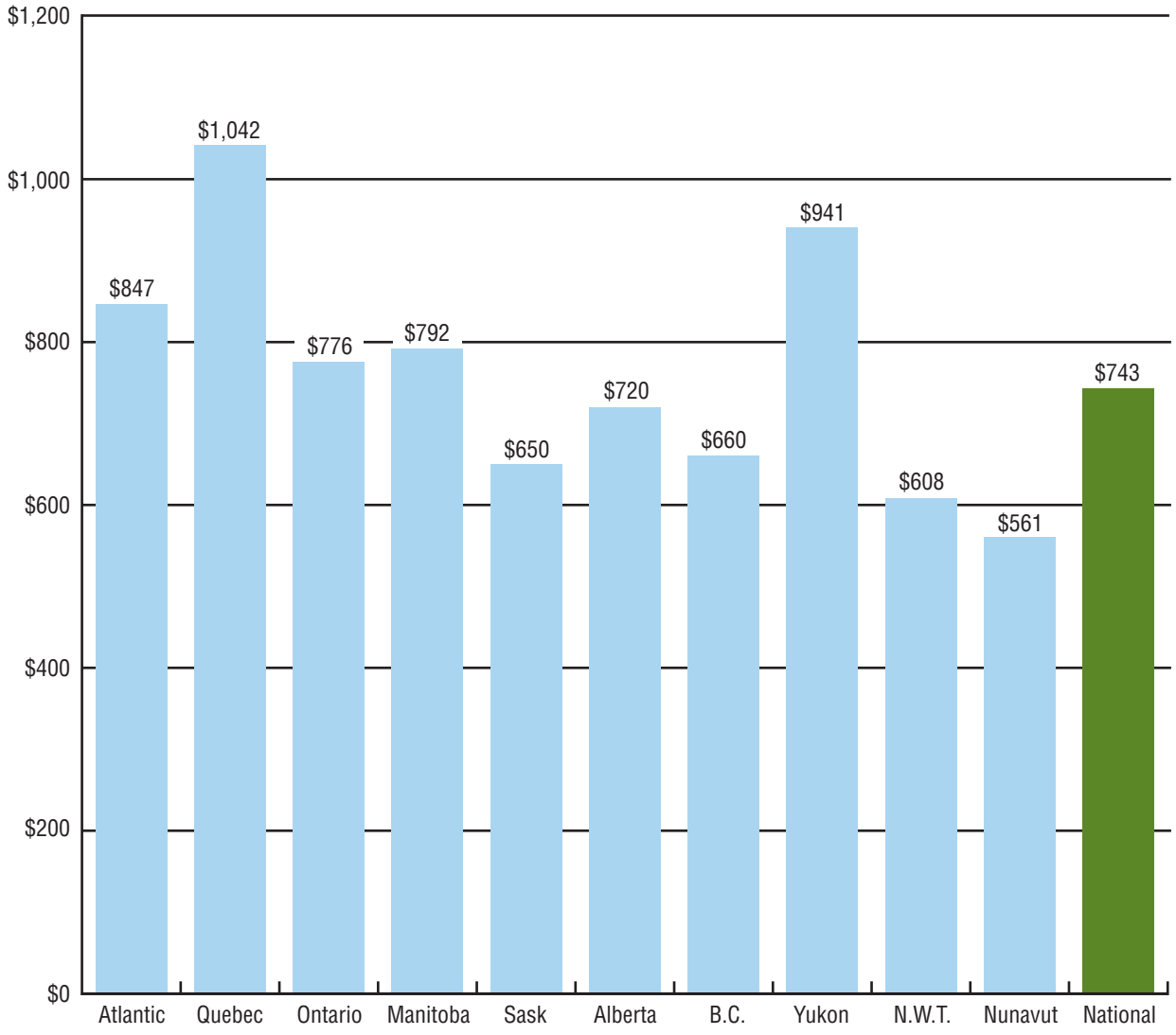
Source: FIRMS and SVS adapted by Program Analysis Division

FIGURE 4.5

NIHB Pharmacy Operating Expenditures per Claimant by Region
2007/08

In 2007/08, the national average expenditure per eligible client receiving at least one pharmacy benefit was $743, a slight increase over the recorded amount of $720 in 2006/07.

The Quebec Region had the highest average NIHB Pharmacy expenditure per claimant at $1,042, followed by the Yukon at $941 and the Atlantic Region at $847. Nunavut had the lowest expenditure per claimant at $561, followed by the Northwest Territories at $608.



Source: HICPS and FIRMS adapted by Program Analysis Division

QUICK FACT

An analysis of NIHB expenditures by claimant, based on age, indicates that costs increase relative to age. In early childhood, these expenditures are quite low, but they increase with age and reach a peak in the older age groupings. In 2007/08, a claimant between the ages of 0 and 4 years of age incurred approximately $160 in expenditures on average, while a 65 year plus claimant cost approximately $2,143. The highest costs were observed among claimants aged 60-64 years with average expenditures of almost $2,192.

FIGURE 4.6

NIHB Pharmacy Utilization Rates by Region
2003/04 to 2007/08

Utilization rates represent those clients who received at least one pharmacy benefit paid through the system used for 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 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. For example, if the Bigstone pilot project client population were excluded from the Alberta Region's population because the HICPS data do not capture any services utilized by this population, the utilization rate for pharmacy benefits in Alberta would have been 73% in 2007/08. The same scenario would apply for Ontario Region. If the Akwesasne client population in Ontario were to be removed, the utilization rate for pharmacy benefits would have been 59%.

In 2007/08, the national utilization rate was 64% for pharmacy benefits paid through the system used for HICPS. Regional rates ranged from 47% in the Northwest Territories and Nunavut to 74% in the Saskatchewan Region.

The increased utilization rate recorded in the Atlantic Region (66%), an 8 percentage points increase over 2006/07, is a partial consequence of the removal of the Nunatsiavut clients that transitioned to self-government and who are no longer eligible to receive coverage for pharmacy benefits under the NIHB Program.

Pharmacy Utilization					
REGION	2003/04	2004/05	2005/06	2006/07	2007/08
Atlantic	61%	60%	59%	58%	66%
Quebec	61%	61%	60%	60%	59%
Ontario	57%	56%	56%	56%	56%
Manitoba	68%	68%	69%	69%	68%
Saskatchewan	77%	76%	76%	74%	74%
Alberta	75%	70%	70%	68%	68%
British Columbia	69%	69%	70%	69%	68%
Yukon	62%	64%	65%	65%	64%
N.W.T./Nunavut	49%	47%	47%	47%	47%
National	**67%**	**65%**	**65%**	**64%**	**64%**

Source: HICPS and SVS adapted by Program Analysis Division

FIGURE 4.7

NIHB Pharmacy Claimants by Age Group, Gender and Region
2007/08

Of the 799,213 clients eligible to receive benefits under the NIHB Program, 513,582 (64%) claimants received at least one pharmacy item paid through the system used for Health Information and Claims Processing Services (HICPS) in 2007/08.

Of this total, 287,880 were female (56%) and 225,702 were male (44%). This compares to the total eligible population where 51% were female and 49% were male. These proportions remain unchanged from 2006/07.

The average age of pharmacy claimants was 31 years. The average age for male and female claimants was 30 and 32 years of age, respectively. The highest average age of pharmacy claimants was found in the Yukon and Quebec Region (36 years of age), while the lowest was in the Saskatchewan Region (27 years of age) which remained unchanged from the last fiscal year.

Over 34.5% of pharmacy claimants were under 20 years of age. Thirty-seven percent of male claimants were in this age group while females accounted for 32%. Approximately 6% of all pharmacy claimants were seniors (age 65 and over) in 2007/08.

REGION	Atlantic			Quebec			Ontario			Manitoba		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	980	945	1,925	1,277	1,076	2,353	2,719	2,518	5,237	4,896	4,735	9,631
5-9	931	960	1,891	1,026	990	2,016	3,176	3,040	6,216	4,106	4,065	8,171
10-14	892	981	1,873	1,054	1,132	2,186	3,213	3,464	6,677	3,748	4,082	7,830
15-19	823	1,112	1,935	979	1,708	2,687	3,103	4,672	7,775	3,471	4,950	8,421
20-24	718	1,087	1,805	883	1,618	2,501	2,961	4,673	7,634	2,916	4,354	7,270
25-29	712	994	1,706	895	1,428	2,323	2,934	4,630	7,564	2,824	3,846	6,670
30-34	719	952	1,671	958	1,467	2,425	2,983	4,332	7,315	2,819	3,769	6,588
35-39	801	983	1,784	1,100	1,550	2,650	3,330	4,508	7,838	3,012	3,895	6,907
40-44	744	936	1,680	1,185	1,662	2,847	3,696	4,887	8,583	2,972	3,635	6,607
45-49	675	902	1,577	1,153	1,611	2,764	3,508	4,511	8,019	2,513	3,120	5,633
50-54	563	763	1,326	982	1,381	2,363	2,857	3,782	6,639	1,844	2,397	4,241
55-59	415	578	993	784	1,081	1,865	2,289	2,957	5,246	1,450	1,745	3,195
60-64	277	389	666	659	941	1,600	1,769	2,371	4,140	1,063	1,304	2,367
65+	447	723	1,170	1,268	2,095	3,363	2,899	4,527	7,426	1,645	2,326	3,971
Total	**9,697**	**12,305**	**22,002**	**14,203**	**19,740**	**33,943**	**41,437**	**54,872**	**96,309**	**39,279**	**48,223**	**87,502**
Average Age	**30**	**32**	**31**	**35**	**37**	**36**	**34**	**36**	**35**	**28**	**30**	**29**

Source: HICPS adapted by Program Analysis Division

REGION	Saskatchewan			Alberta			British Columbia			Yukon			N.W.T.			Nunavut			TOTAL		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	5,376	5,339	10,715	3,914	3,732	7,646	3,117	3,094	6,211	116	111	227	405	406	811	689	618	1,307	23,489	22,574	46,063
5-9	4,791	4,962	9,753	3,304	3,286	6,590	2,899	2,851	5,750	135	118	253	370	385	755	391	349	740	21,129	21,006	42,135
10-14	4,381	4,690	9,071	3,209	3,246	6,455	2,777	2,951	5,728	146	140	286	427	415	842	326	420	746	20,173	21,521	41,694
15-19	4,063	5,589	9,652	2,898	3,939	6,837	3,066	4,230	7,296	163	235	398	456	786	1,242	359	867	1,226	19,381	28,088	47,469
20-24	3,457	5,078	8,535	2,705	3,770	6,475	2,896	4,174	7,070	173	256	429	399	741	1,140	342	901	1,243	17,450	26,652	44,102
25-29	3,192	4,222	7,414	2,454	3,276	5,730	2,641	3,672	6,313	198	237	435	359	730	1,089	301	734	1,035	16,510	23,769	40,279
30-34	2,976	4,088	7,064	2,240	2,907	5,147	2,693	3,584	6,277	169	230	399	343	657	1,000	294	575	869	16,194	22,561	38,755
35-39	3,090	3,890	6,980	2,318	2,779	5,097	2,757	3,670	6,427	216	232	448	463	714	1,177	358	599	957	17,445	22,820	40,265
40-44	2,862	3,618	6,480	2,190	2,814	5,004	3,020	3,953	6,973	239	283	522	415	645	1,060	301	517	818	17,624	22,950	40,574
45-49	2,372	3,007	5,379	1,803	2,299	4,102	2,820	3,742	6,562	186	264	450	392	583	975	252	398	650	15,674	20,437	36,111
50-54	1,695	2,195	3,890	1,300	1,806	3,106	2,258	2,970	5,228	128	196	324	263	445	708	218	290	508	12,108	16,225	28,333
55-59	1,252	1,618	2,870	938	1,322	2,260	1,686	2,078	3,764	103	159	262	257	346	603	251	256	507	9,425	12,140	21,565
60-64	882	1,162	2,044	675	933	1,608	1,244	1,639	2,883	85	136	221	202	252	454	178	216	394	7,034	9,343	16,377
65+	1,498	2,136	3,634	1,211	1,722	2,933	2,147	2,991	5,138	179	268	447	436	612	1,048	336	394	730	12,066	17,794	29,860
Total	**41,887**	**51,594**	**93,481**	**31,159**	**37,831**	**68,990**	**36,021**	**45,599**	**81,620**	**2,236**	**2,865**	**5,101**	**5,187**	**7,717**	**12,904**	**4,596**	**7,134**	**11,730**	**225,702**	**287,880**	**513,582**
Average Age	**27**	**28**	**27**	**27**	**29**	**28**	**32**	**33**	**33**	**35**	**37**	**36**	**33**	**34**	**34**	**30**	**31**	**31**	**30**	**32**	**31**

FIGURE 4.8

NIHB Pharmacy Claimants and Non-Claimants by Age Group and Gender
2007/08

Sixty-four 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 2007/08. Thirty-six percent of eligible clients did not access the Program through the HICPS system for any pharmacy benefits.

The use of pharmaceutical services and the costs associated with such use varied according to age. Unchanged from 2006/07, more than 50% of eligible clients in each age group received pharmaceutical services or products in 2007/08. The highest utilization rate was observed among eligible clients aged 0 to 4 years, where 76% of eligible clients were claimants. The age group where pharmacy utilization was lowest in 2007/08 was the 10 to 14 age group, where 52% of clients received at least one pharmacy benefit.

Of the 285,631 non-claimants in 2007/08, 166,500 were male (58%) while 119,131 were female (42%). Forty-two percent of all non-claimants were under 20 years of age, while 72% were under 40 years of age.

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	23,489	22,574	46,063	7,533	7,088	14,621	31,022	29,662	**60,684**
	76%	76%	76%	24%	24%	24%	100%	100%	**100%**
5-9	21,129	21,006	42,135	17,181	15,898	33,079	38,310	36,904	**75,214**
	55%	57%	56%	45%	43%	44%	100%	100%	**100%**
10-14	20,173	21,521	41,694	21,111	17,991	39,102	41,284	39,512	**80,796**
	49%	54%	52%	51%	46%	48%	100%	100%	**100%**
15-19	19,381	28,088	47,469	22,426	11,788	34,214	41,807	39,876	**81,683**
	46%	70%	58%	54%	30%	42%	100%	100%	**100%**
20-24	17,450	26,652	44,102	18,325	7,952	26,277	35,775	34,604	**70,379**
	49%	77%	63%	51%	23%	37%	100%	100%	**100%**
25-29	16,510	23,769	40,279	14,451	6,863	21,314	30,961	30,632	**61,593**
	53%	78%	65%	47%	22%	35%	100%	100%	**100%**
30-34	16,194	22,561	38,755	12,415	6,093	18,508	28,609	28,654	**57,263**
	57%	79%	68%	43%	21%	32%	100%	100%	**100%**
35-39	17,445	22,820	40,265	12,019	7,311	19,330	29,464	30,131	**59,595**
	59%	76%	68%	41%	24%	32%	100%	100%	**100%**
40-44	17,624	22,950	40,574	10,882	7,155	18,037	28,506	30,105	**58,611**
	62%	76%	69%	38%	24%	31%	100%	100%	**100%**
45-49	15,674	20,437	36,111	9,221	7,274	16,495	24,895	27,711	**52,606**
	63%	74%	69%	37%	26%	31%	100%	100%	**100%**
50-54	12,108	16,225	28,333	6,583	6,031	12,614	18,691	22,256	**40,947**
	65%	73%	69%	35%	27%	31%	100%	100%	**100%**
55-59	9,425	12,140	21,565	4,159	4,346	8,505	13,584	16,486	**30,070**
	69%	74%	72%	31%	26%	28%	100%	100%	**100%**
60-64	7,034	9,343	16,377	2,930	3,341	6,271	9,964	12,684	**22,648**
	71%	74%	72%	29%	26%	28%	100%	100%	**100%**
65+	12,066	17,794	29,860	7,264	10,000	17,264	19,330	27,794	**47,124**
	62%	64%	63%	38%	36%	37%	100%	100%	**100%**
Total	**225,702**	**287,880**	**513,582**	**166,500**	**119,131**	**285,631**	**392,202**	**407,011**	**799,213**
	58%	**71%**	**64%**	**42%**	**29%**	**36%**	**100%**	**100%**	**100%**

Source: HICPS and SVS adapted by Program Analysis Division

FIGURE 4.9

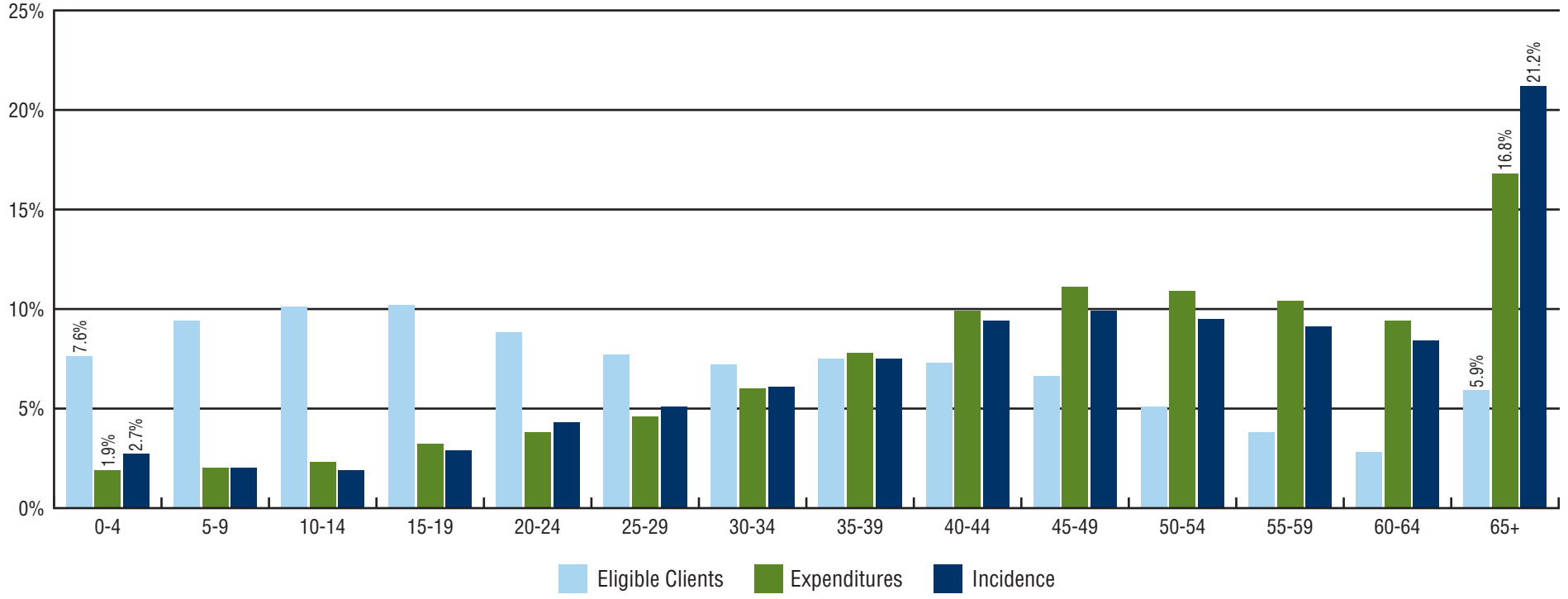
Distribution of Eligible NIHB Population, Pharmacy Expenditures and Pharmacy Incidence by Age Group
2007/08

The utilization rate of NIHB Pharmacy benefits within a given age group is not the primary determinant of expenditures. Rather, it is the frequency of claims[1] submitted that acts as the principal driver of NIHB Pharmacy expenditures. In 2007/08, for example, 7.6% of all clients were in the 0-4 age group, but this group accounted for only 2.7% of all pharmacy claims made and only 1.9% of total pharmacy expenditures. In contrast, the 65+ age group represented 5.9% of all eligible clients, but accounted for 21.2% of all pharmacy claims submitted and 16.8% of total pharmacy expenditures, a slight increase over 2006/07.

During fiscal year 2007/08, the average claimant aged 65 or more submitted 85 claims versus 62 claims for his or her counterpart in the 60-64 age group and 7 claims for the average claimant in the 0-4 age group.

QUICK FACT

An examination of pharmacy services utilization rates by NIHB claimants, based on age, indicates that these rates vary according to age. Pharmacy benefit use is highest in early childhood. In 2007/08, 75.9% of children ages 0 to 4 years received pharmaceutical services. A reduction occurs between the ages of 5 and 14 with the upward trend resuming around age 15. Claimants aged 60 to 64 years show the highest utilization rate (72.3%) after children aged 0 to 4 years.



Source: HICPS and SVS adapted by Program Analysis Division

[1] Claims are not equal to prescriptions, for further clarification see section 9.1.1.

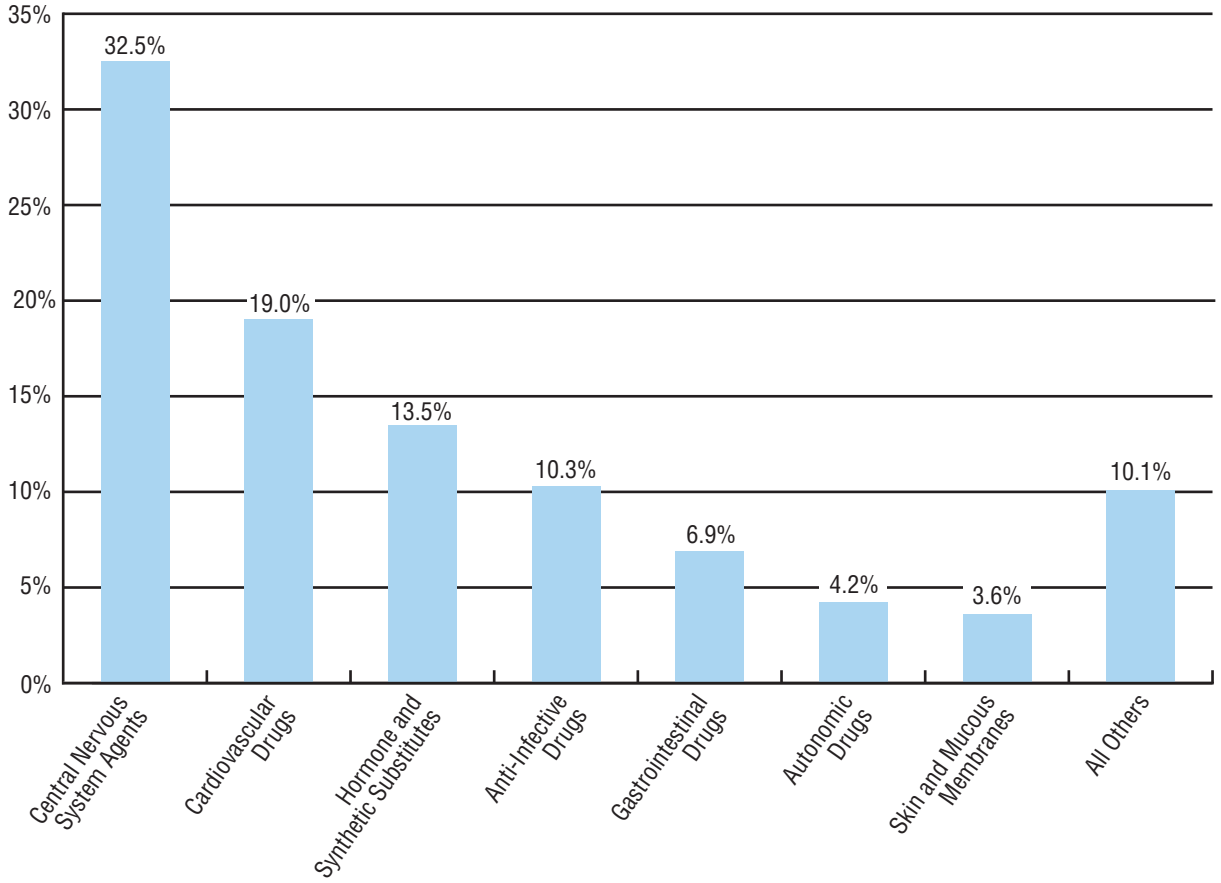
FIGURE 4.10

NIHB Prescription Drug Utilization by Pharmacologic Therapeutic Class, by Incidence
2007/08

Figure 4.10 demonstrates variation in utilization by therapeutic classification for prescription drugs.

Central Nervous System agents, which include drug classes such as analgesics and sedatives, accounted for 32.5% of all prescription drug claims. Cardiovascular drugs had the next highest share of prescription drug claims at 19.0% followed by hormones, which consist primarily of oral contraceptives and insulin, at 13.5%.

Similar to 2006/07, the most significant change among all drug classes in 2007/08 was Cardiovascular Drugs. Its share of the total utilization increased by 0.8 percentage points or 4.4%.



Source: HICPS adapted by Program Analysis Division

FIGURE 4.11

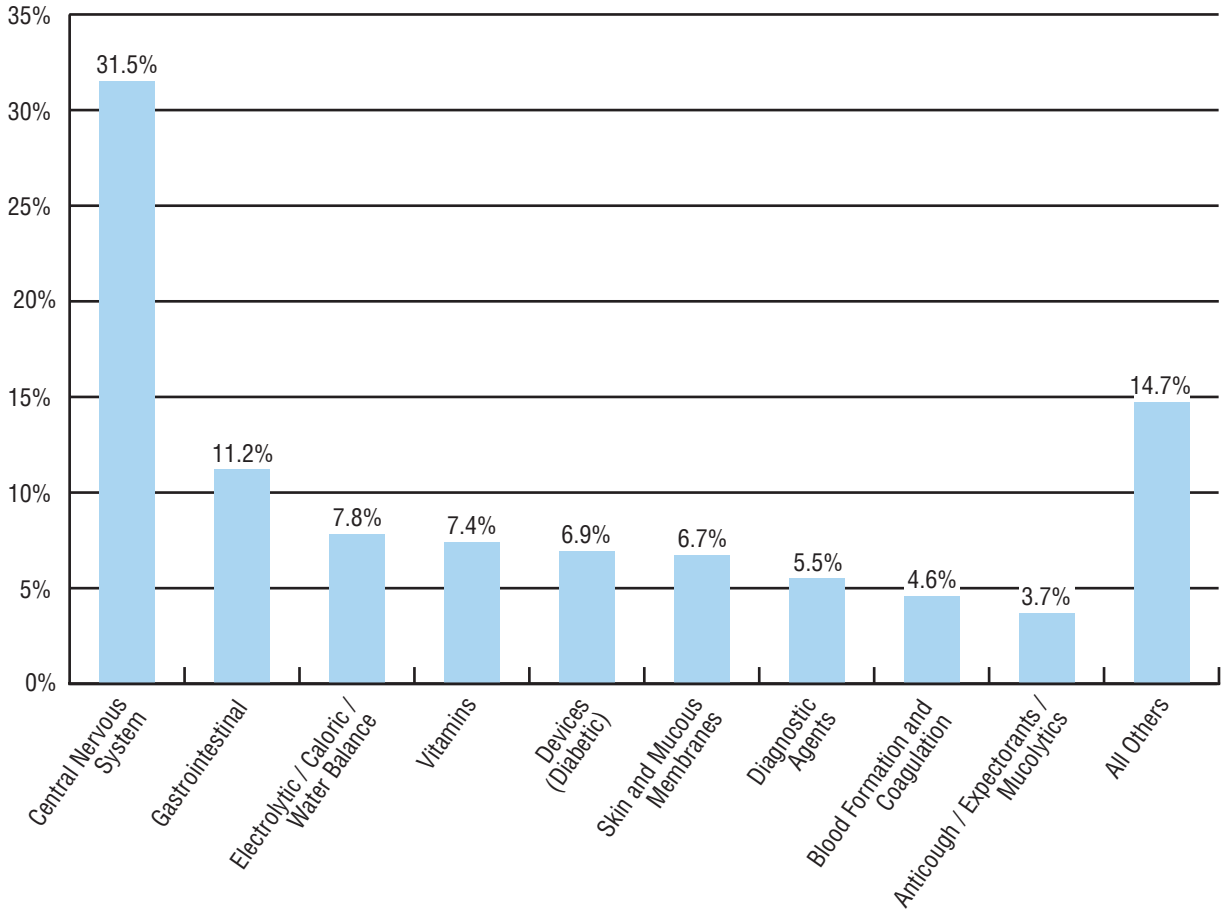
NIHB Over-the-Counter Drug (Including Controlled Access Drugs – CAD) by Pharmacologic Therapeutic Class, by Claims Incidence
2007/08

Figure 4.11 demonstrates variation in utilization by therapeutic classification for over-the-counter (OTC) drugs.

Central Nervous System agents, which include drugs such as acetaminophen, was the highest ranking therapeutic class, accounting for 31.5% of all OTC drug claims.

Gastrointestinal products such as antacids and laxatives are the next highest category of OTC medication at 11.2%, followed by the Electrolytic/ Caloric/Water Balance class (7.8%) and Vitamins at 7.4%.

The most significant shifts from the last fiscal year (2006/07) in utilization of OTCs by therapeutic class were among the Vitamins and the Electrolytic/Caloric/Water Balance classes which increased by 1.3 and 0.6 percentage points respectively. The most significant decreases were in the Skin and Mucous Membrane class and the Central Nervous System class which decreased by 1.1 and 0.8 percentage points respectively as a proportion of all the OTC medication dispensed.



Source: HICPS adapted by Program Analysis Division

FIGURE 4.12

NIHB Top Ten Therapeutic Classes by Claims Incidence
2007/08

Figure 4.12 ranks the top ten therapeutic classes according to claims incidence. In 2007/08, Non-Steroidal Anti-Inflammatory Agents (NSAIDs) had the highest claims incidence total at 832,864. There was a significant increase in claims (55,577) for this class of drugs over the recorded number of 777,287 in 2006/07. 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), in 2007/08 with 771,537 and 589,699 claims, respectively.

Within the top ten therapeutic classes, the Pharmaceutical Aids class (which mainly contains the drug product methadone) had the largest percentage increase (26.8%) over the last fiscal year. The HMG-COA Reductase Inhibitors (Statins) and Proton Pump Inhibitor (PPIs) classes had a 17.0% and 19.6% change in incidence over the fiscal year 2006/07 respectively.

The class with the largest decrease in incidence over the last fiscal year was the Miscellaneous Analgesics and Antipyretics class with a decrease of 2.8%. As in the last fiscal year, the Anxiolytics, Sedatives and Hypnotics-Benzodiazepines class decreased (-0.2%); this is in part due to new restrictions upon the concurrent use of multiple benzodiazepines.

Therapeutic Classification	Claims Incidence	% Change from 2006/07	Examples of Drug Product in the Therapeutic Class
Non-Steroidal Anti-Inflammatory Agents (NSAIDs)	832,864	7.2%	Diclofenac
Opiate Agonists	771,537	3.2%	Acetaminophen w/codeine
Antidepressants	589,699	11.8%	Venlafaxine
Angiotensin-Converting Enzyme Inhibitors	492,662	8.6%	Ramipril
Pharmaceutical Aids	461,477	26.8%	Methadone
Anxiolytics, Sedatives and Hypnotics – Benzodiazepines	439,153	-0.2%	Lorazepam
HMG-COA Reductase Inhibitors (Statins)	380,554	17.0%	Rosuvastatin
Proton-Pump Inhibitors (PPIs)	362,679	19.6%	Omeprazole
Biguanides	331,230	11.3%	Metformin
Miscellaneous Analgesics and Antipyretics	326,191	-2.8%	Acetaminophen

Source: HICPS adapted by Program Analysis Division

FIGURE 4.13

NIHB Top Ten Therapeutic Classes by Expenditure
2007/08

Figure 4.13 ranks the top ten therapeutic classes according to expenditure. Cholesterol reducers in the HMG-CoA Reductase Inhibitors class (Statins) such as Lipitor (Rosuvastatin) had expenditures of $22 million in 2007/08. This is a significant increase of 11.8% over fiscal year 2006/07 but less than the increase observed in the previous year, 15.1% from 2005/06 to 2006/07.

Proton Pump Inhibitors (known as PPIs), which ranked eighth in terms of claims incidence, were the second largest therapeutic class by expenditure at $18.2 million. Losec (Omeprazole) is an example of a drug product listed in this therapeutic classification.

The third largest expenditure class was Antidepressants, at $17.4 million.

Within the top ten therapeutic classes, the therapeutic class with the highest percentage change increase by expenditure over fiscal 2006/07 was the Proton Pump Inhibitor class (15.2%). The second and third highest percentage changes were in the Beta Adrenergic Agonist and HMG-CoA Reductase Inhibitors (Statins) classes at 12.6% and 11.8% respectively.

Angiotensin-Converting Enzyme Inhibitors decreased by 10.8% in expenditures over fiscal year 2006/07. Antidepressants decreased by 6.1% in expenditures over the previous fiscal year.

Therapeutic Classification	Expenditure ($ 000's)	% Change from 2006/07	Examples of Drug Product in the Therapeutic Class
HMG-CoA Reductase Inhibitors (Statins)	$ 21,984	11.8%	Lipitor (Rosuvastatin)
Proton Pump Inhibitors (PPIs)	18,176	15.2%	Losec (Omeprazole)
Antidepressants	17,351	-6.1%	Venlofaxine (Effexor)
Opiate Agonists	17,228	-2.2%	Tylenol no. 3 (Acetaminophen w/codeine)
Angiotensin-Converting Enzyme Inhibitors	16,068	-10.8%	Altace (Ramipril)
Antipsychotic Agents	14,838	1.0%	Risperdal (Risperidone)
Non-steroidal Anti-Inflammatory Agents (NSAIDs)	12,932	3.0%	Arthrotec (Diclofenac/Misoprostol)
Biguanides	11,149	3.9%	Glucophage (Metformin)
Beta Adrenergic Agonist	8,332	12.6%	Salbutamol (Ventolin)
Dihydropyridines	$ 8,096	9.2%	Amlodipine (Norvasc)

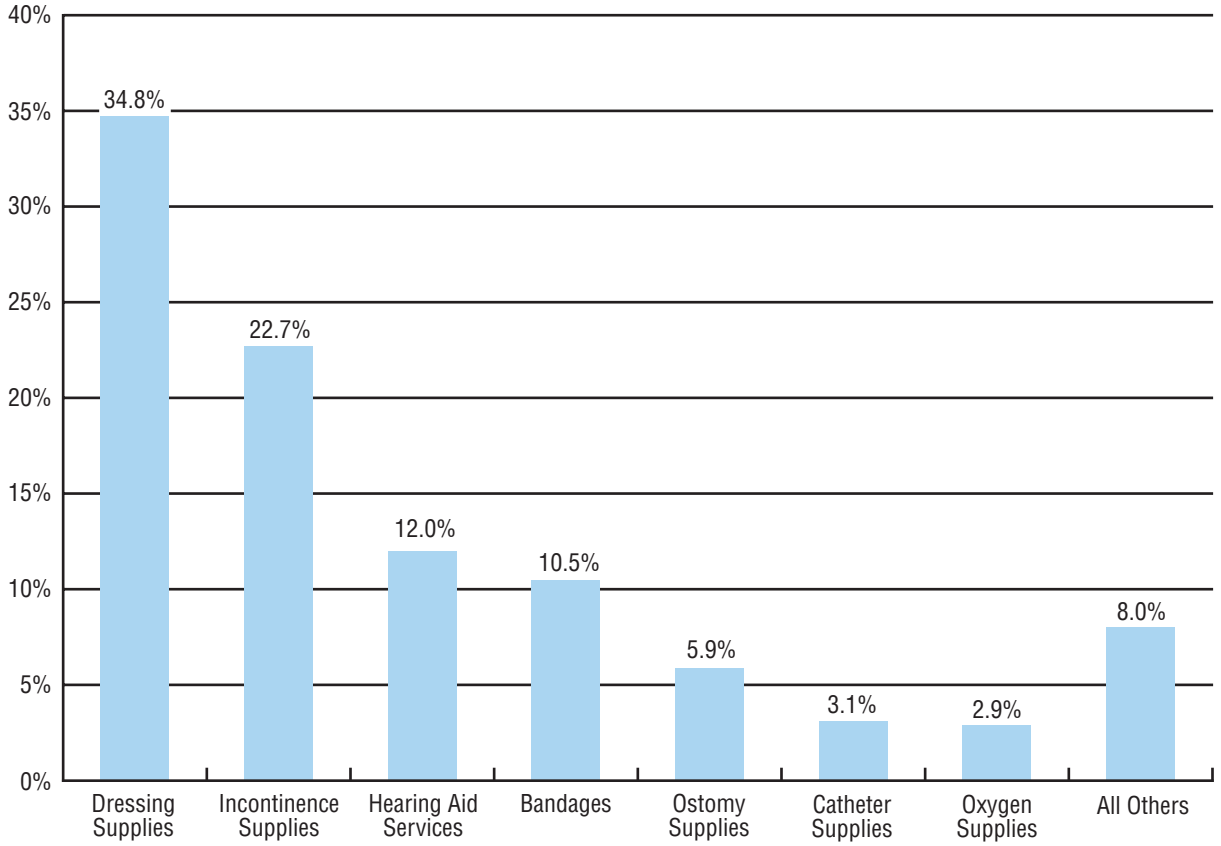
Source: HICPS adapted by Program Analysis Division

FIGURE 4.14

NIHB Medical Supplies by Category, by Claims Incidence
2007/08

Figure 4.14 demonstrates variation in medical supply claims by specific category.

Dressing supplies accounted for 34.8% of all medical supply claims in 2007/08. Incontinence supplies represented the second highest category of medical supplies at 22.7% followed by hearing aid services at 12.0% and bandages at 10.5%.



Source: HICPS adapted by Program Analysis Division

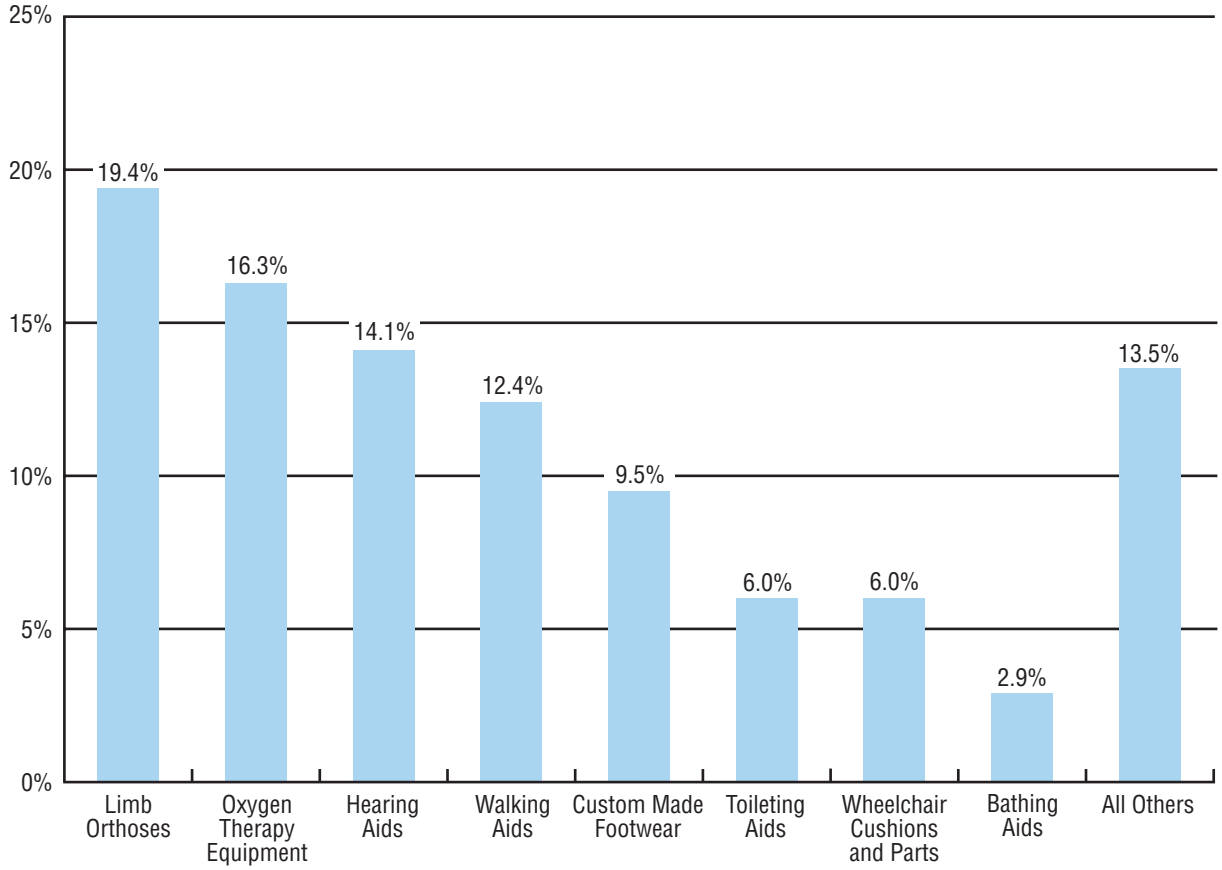
FIGURE 4.15

NIHB Medical Equipment by Category, by Claims Incidence
2007/08

Figure 4.15 demonstrates variation in medical equipment claims by category.

Claims for limb orthoses accounted for 19.4% of all medical equipment claims in 2007/08. Oxygen therapy equipment was the next highest at 16.3% followed by hearing aids at 14.1% and walking aids at 12.4%.

The most significant shift in the proportion of total medical equipment claims over the fiscal year 2006/07 was in limb orthoses which increased by 2.6 percentage points. This is partly attributed to the re-grouping of upper and lower limb orthoses, pressure garments and pressure orthoses data, but also reflective of a higher incidence of diabetes among the client population.



Source: HICPS adapted by Program Analysis Division

Ktagmkuk Kitpu, by Jerry Evans

SECTION 5

Dental Expenditure and Utilization Data

In 2007/08, NIHB Dental expenditures amounted to $165.6 million, accounting for 18.4% of total NIHB expenditures.

Coverage for NIHB Dental services is determined on an individual basis, taking into consideration 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 Nations and Inuit clients through the NIHB Program.

NIHB dental services are determined on an individual basis, based on current Program policies. Some dental services require predetermination prior to the initiation of treatment. Predetermination is a review to determine if the proposed dental services can be paid under the Program's criteria and policies. During the predetermination process, the NIHB Program reviews the dental services submitted against its established Dental Policy Framework which outlines clear definitions of the types of benefits available to clients.

The range of dental services covered by the NIHB Program, include:

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

* *Predetermination applies for some dental services.*

FIGURE 5.1

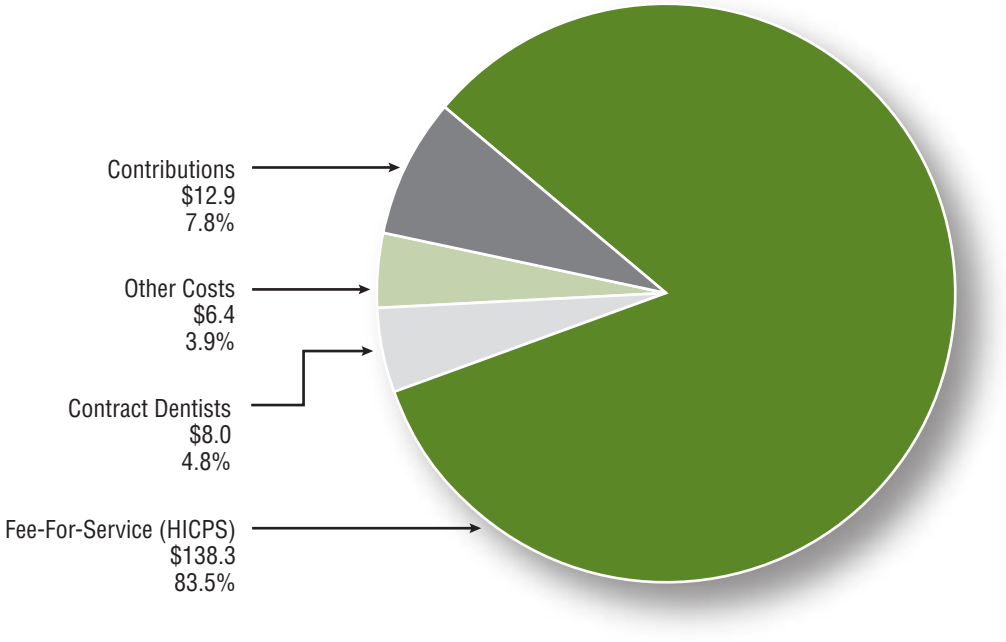
Distribution of NIHB Dental Expenditures ($ Millions)
2007/08

Dental expenditures totalled $165.6 million in 2007/08. Fee-for-service dental costs paid through the Health Information and Claims Processing Services (HICPS) system represented the largest component, which accounted for $138.3 million or 83.5% of all NIHB Dental costs.

Contributions, which accounted for $12.9 million or 7.8% of total dental expenditures, were the next highest component. Contribution costs were 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 the Bigstone pilot project in Alberta.

Expenditures for contract dentists, providing services to clients in remote communities, totalled $8.0 million or 4.8% of total costs.

Other costs totalled $6.4 million or 3.9% in 2007/08. These included the purchasing of dental supplies and equipment as well as Headquarters costs related to automated claims payment.



Total Dental Expenditures: $165.6 M

Source: FIRMS adapted by Program Analysis Division

FIGURE 5.2

Total NIHB Dental Expenditures by Type and Region ($ 000's)
2007/08

Dental expenditures totalled $165.6 million in 2007/08. The Ontario (20.2%), Saskatchewan (14.9%) and British Columbia (13.9%) regions had the largest proportion of overall dental costs.

Of the $165.6 million, $152.7 million (92.2%) were operating expenditures while $12.9 million (7.8%) were contribution expenditures.

REGION	OPERATING			Total Operating Costs	Total Contribution Costs	TOTAL COSTS
	Fee-For-Service	Contract Dentists	Other Costs			
Atlantic	$ 4,584	$ 0	$ 0	$ 4,584	$ 620	**$ 5,204**
Quebec	12,111	30	0	12,141	0	**12,141**
Ontario	27,247	1,690	112	29,049	4,418	**33,467**
Manitoba	17,472	4,224	0	21,696	0	**21,696**
Saskatchewan	22,018	40	1	22,058	2,578	**24,636**
Alberta	20,134	523	6	20,662	1,729	**22,391**
British Columbia	21,351	1,148	0	22,499	469	**22,968**
Yukon	1,676	322	0	1,998	0	**1,998**
N.W.T.	4,969	19	0	4,987	765	**5,752**
Nunavut	6,712	0	0	6,712	2,290	**9,002**
Headquarters	–	–	6,321	6,321	–	**6,321**
Total	**$ 138,273**	**$ 7,994**	**$ 6,441**	**$ 152,708**	**$ 12,868**	**$ 165,576**

Source: FIRMS adapted by Program Analysis Division

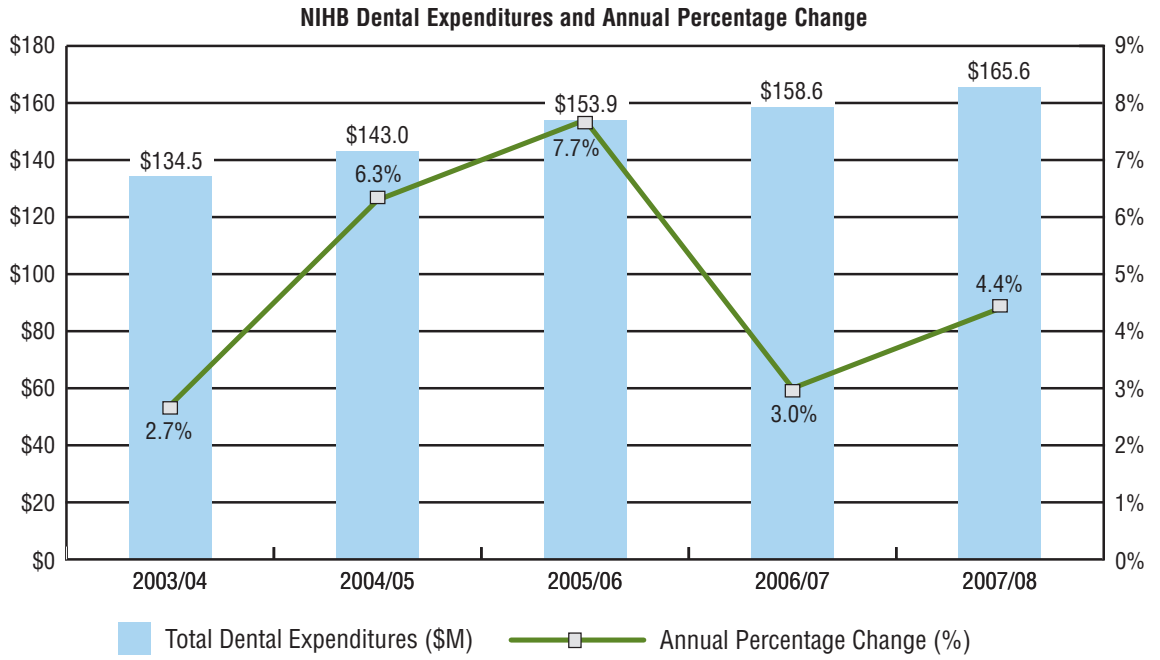
FIGURE 5.3

Annual NIHB Dental Expenditures
2003/04 to 2007/08

NIHB Dental expenditures increased by 4.4% in fiscal year 2007/08, an increase of 1.4 percentage points over the previous fiscal year's growth.

In the last five years, growth rates for NIHB dental expenditures have ranged from a high of 7.7% in 2005/06 to a low of 2.7% in 2003/04, with the average annualized growth rate being 4.8%.

In 2007/08, the highest rate of growth in NIHB Dental expenditures was in the Alberta Region, which increased by 6.6% compared to the previous year. The largest increase in expenditures took place in Alberta and Saskatchewan where total dental costs grew by $1.4 million in each region.



Source: FIRMS adapted by Program Analysis Division

NIHB Dental Expenditures by Region ($ 000's)

REGION	2003/04	2004/05	2005/06	2006/07	2007/08
Atlantic	$ 4,857	$ 4,934	$ 4,831	$ 5,128	$ 5,204
Quebec	10,277	10,525	10,970	11,603	12,141
Ontario	27,760	29,655	32,064	32,777	33,467
Manitoba	17,313	18,705	20,326	20,756	21,696
Saskatchewan	18,297	19,530	22,038	23,219	24,636
Alberta	19,237	19,306	20,594	21,006	22,391
British Columbia	18,338	20,357	22,439	22,588	22,968
N.W.T./Nunavut	11,657	13,738	13,386	13,989	14,754
Yukon	1,365	1,229	1,863	2,033	1,998
Headquarters	5,402	4,978	5,389	5,486	6,321
Total	**$ 134,504**	**$ 142,956**	**$ 153,900**	**$ 158,584**	**$ 165,576**

Source: FIRMS adapted by Program Analysis Division

FIGURE 5.4

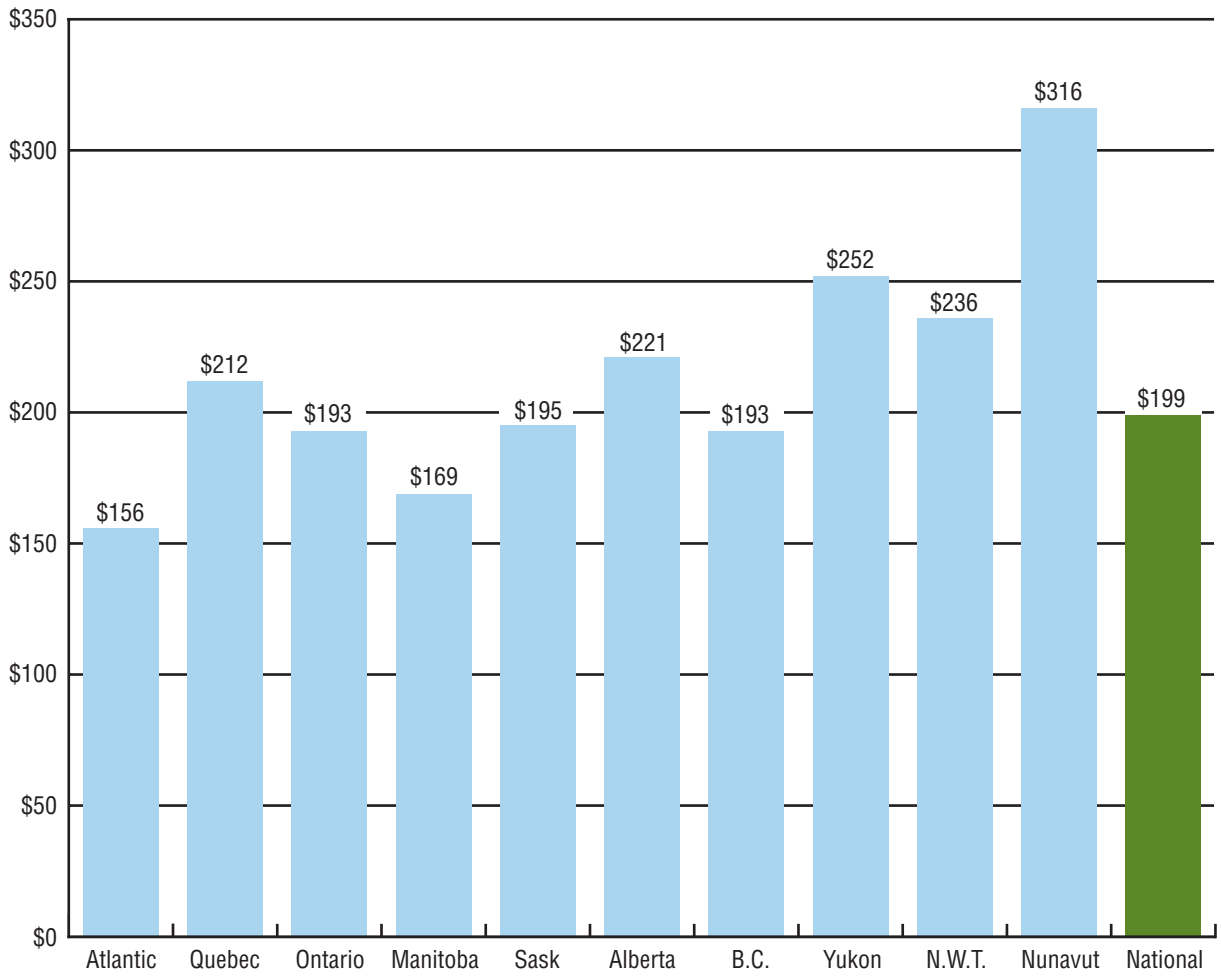
Per Capita NIHB Dental Expenditures by Region
2007/08

In 2007/08, the national per capita NIHB Dental expenditure was $199, an increase from the previous year's figure of $193.

Nunavut had the highest per capita dental expenditure at $316, a slight increase from $313 in the previous year; followed by the Yukon at $252, a decrease from $258; and the Northwest Territories at $236, a moderate increase from $219.

The Atlantic Region had the lowest per capita dental cost at $156 per eligible client, an increase from the $131 registered in 2006/07.

Per capita values reflect total NIHB expenditures as divided by total eligible NIHB client population. These values do not include additional financial resources provided to First Nations and Inuit populations through other Health Canada programs or through self-government arrangements.



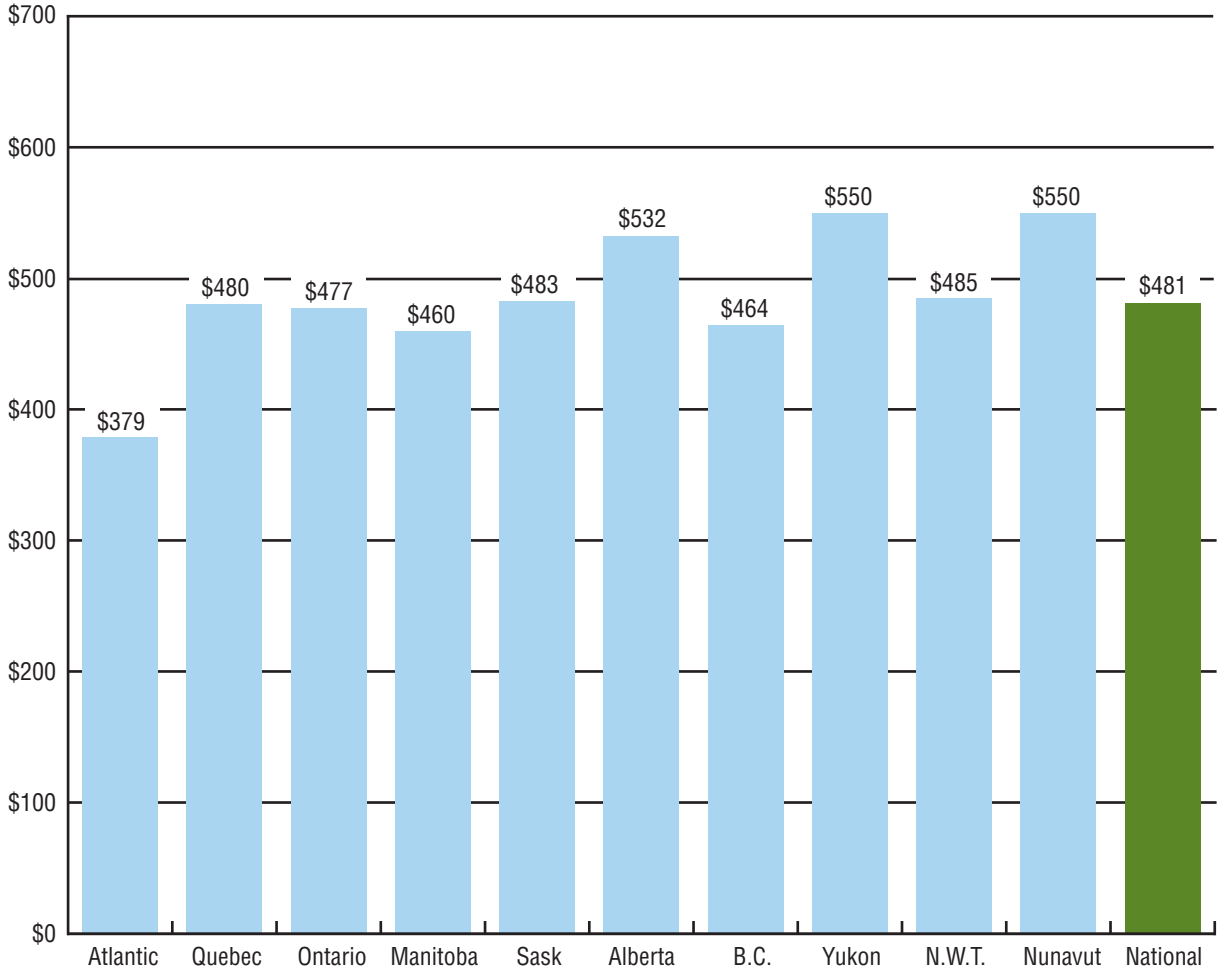
Source: SVS and FIRMS adapted by Program Analysis Division

FIGURE 5.5

NIHB Dental Fee-For-Service Expenditures per Claimant by Region
2007/08

In 2007/08, the national NIHB Dental expenditure per eligible client receiving at least one dental benefit was $481.

Yukon and Nunavut had the highest dental expenditure per claimant at $550, followed by Alberta at $532 and the Northwest Territories at $485. The Atlantic Region registered the lowest dental expenditure per claimant at $379.



Source: HICPS adapted by Program Analysis Division

FIGURE 5.6

NIHB Dental Utilization Rates by Region
2003/04 to 2007/08

Utilization rates reflect those clients who received at least one dental service paid through the Health Information and Claims Processing Services (HICPS) system during 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 national utilization rate in 2007/08 for dental benefits paid through the HICPS system was 36%, unchanged from the previous year. The highest dental utilization rate (44%) was found in the Quebec Region. The lowest rate was recorded in the Manitoba Region (30%). It should also be noted, however, that the Manitoba Region had the largest expenditure in 2007/08 for contract dental services.

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

- Health Canada dental clinics (except in the Yukon);
- Contract dental services provided in some regions;
- Services provided by Health Canada Dental Therapists or other FNIHB dental programs such as Children's Oral Health Initiative (COHI); and
- Dental services provided through contribution agreements, pilot agreements or self-government agreements.

For example, if the Bigstone pilot project client population were excluded from the Alberta Region's population, because the HICPS data do not capture any services utilized by this population, the utilization rate for dental benefits for Alberta would have been 40% in 2007/08. The same scenario would apply for Ontario Region. If the Akwesasne client population in Ontario were to be removed, the utilization rate for dental benefits would have been 35%.

Dental Utilization					
REGION	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Atlantic	36%	36%	36%	34%	36%
Quebec	46%	46%	46%	44%	44%
Ontario	33%	33%	34%	33%	33%
Manitoba	22%	23%	30%	29%	30%
Saskatchewan	37%	38%	38%	36%	36%
Alberta	42%	39%	39%	37%	37%
British Columbia	39%	39%	40%	39%	39%
Yukon	33%	31%	34%	36%	38%
N.W.T./Nunavut	45%	46%	44%	41%	42%
National	**36%**	**36%**	**37%**	**36%**	**36%**

Source: HICPS and SVS adapted by Program Analysis Division

FIGURE 5.7

NIHB Dental Claimants by Age Group, Gender and Region
2007/08

Of the 799,213 clients eligible to receive dental benefits through the NIHB Program, 287,411 (36.0%) claimants received at least one dental procedure paid through the Health Information and Claims Processing Services (HICPS) system in 2007/08. Of this total, 160,419 were female (55.8%) while 126,992 were male (44.2%).

The average age of dental claimants was 28 years, indicating clients tend to access dental services at a younger age compared to pharmacy services (31 years of age). The highest average age of dental claimants was found in the Yukon (33 years of age) while the lowest was in Nunavut at 24 years of age.

Approximately forty-three percent of all dental claimants were under 20 years of age. Almost 46% of male claimants were in this age group while females accounted for nearly 39%. Three percent of all claimants were seniors (age 65 and over) in 2007/08.

REGION	Atlantic			Quebec			Ontario			Manitoba		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	208	217	425	616	575	1,191	1,351	1,310	2,661	1,806	1,734	3,540
5-9	570	549	1,119	1,452	1,453	2,905	3,305	3,213	6,518	2,378	2,422	4,800
10-14	807	859	1,666	1,640	1,653	3,293	3,489	3,618	7,107	2,320	2,665	4,985
15-19	582	686	1,268	1,045	1,296	2,341	2,545	2,908	5,453	1,705	2,430	4,135
20-24	432	605	1,037	714	1,060	1,774	1,759	2,502	4,261	1,189	1,846	3,035
25-29	398	574	972	748	1,012	1,760	1,650	2,470	4,120	1,196	1,657	2,853
30-34	388	564	952	762	1,031	1,793	1,620	2,339	3,959	1,139	1,597	2,736
35-39	423	578	1,001	898	1,132	2,030	1,732	2,446	4,178	1,213	1,704	2,917
40-44	414	565	979	874	1,124	1,998	1,881	2,683	4,564	1,175	1,535	2,710
45-49	357	539	896	752	1,075	1,827	1,748	2,460	4,208	942	1,245	2,187
50-54	265	391	656	605	778	1,383	1,369	2,008	3,377	660	938	1,598
55-59	194	277	471	411	562	973	991	1,415	2,406	482	584	1,066
60-64	103	182	285	324	418	742	644	1,084	1,728	297	391	688
65+	147	217	364	477	719	1,196	953	1,574	2,527	300	472	772
Total	**5,288**	**6,803**	**12,091**	**11,318**	**13,888**	**25,206**	**25,037**	**32,030**	**57,067**	**16,802**	**21,220**	**38,022**
Average Age	**29**	**31**	**30**	**29**	**31**	**30**	**29**	**32**	**30**	**25**	**27**	**26**

Source: HICPS adapted by Program Analysis Division

REGION	Saskatchewan			Alberta			British Columbia			Yukon			N.W.T.			Nunavut			TOTAL		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	1,801	1,777	3,578	1,765	1,695	3,460	1,733	1,654	3,387	57	68	125	260	303	563	683	626	1,309	10,280	9,959	20,239
5-9	3,082	3,248	6,330	2,740	2,786	5,526	2,720	2,669	5,389	125	100	225	474	509	983	646	703	1,349	17,492	17,652	35,144
10-14	2,880	3,286	6,166	2,667	2,772	5,439	2,745	2,819	5,564	113	128	241	578	695	1,273	693	938	1,631	17,932	19,433	37,365
15-19	2,027	2,771	4,798	1,697	2,224	3,921	2,175	2,585	4,760	102	149	251	499	695	1,194	631	1,015	1,646	13,008	16,759	29,767
20-24	1,592	2,499	4,091	1,233	1,935	3,168	1,486	2,186	3,672	122	154	276	397	586	983	557	803	1,360	9,481	14,176	23,657
25-29	1,510	2,136	3,646	1,237	1,717	2,954	1,418	1,979	3,397	99	151	250	322	506	828	426	609	1,035	9,004	12,811	21,815
30-34	1,407	2,113	3,520	1,053	1,540	2,593	1,376	1,914	3,290	97	138	235	301	456	757	340	510	850	8,483	12,202	20,685
35-39	1,463	2,012	3,475	1,081	1,499	2,580	1,432	1,978	3,410	140	144	284	371	522	893	371	495	866	9,124	12,510	21,634
40-44	1,380	1,793	3,173	1,020	1,474	2,494	1,466	2,101	3,567	134	179	313	329	433	762	314	374	688	8,987	12,261	21,248
45-49	1,080	1,478	2,558	839	1,183	2,022	1,362	1,967	3,329	121	153	274	257	392	649	206	260	466	7,664	10,752	18,416
50-54	693	983	1,676	536	893	1,429	1,008	1,402	2,410	73	105	178	178	266	444	139	188	327	5,526	7,952	13,478
55-59	477	632	1,109	402	561	963	687	810	1,497	52	74	126	158	191	349	135	146	281	3,989	5,252	9,241
60-64	276	390	666	226	327	553	438	575	1,013	41	71	112	108	106	214	81	102	183	2,538	3,646	6,184
65+	350	488	838	325	420	745	621	758	1,379	68	89	157	152	198	350	91	119	210	3,484	5,054	8,538
Total	**20,018**	**25,606**	**45,624**	**16,821**	**21,026**	**37,847**	**20,667**	**25,397**	**46,064**	**1,344**	**1,703**	**3,047**	**4,384**	**5,858**	**10,242**	**5,313**	**6,888**	**12,201**	**126,992**	**160,419**	**287,411**
Average Age	**25**	**26**	**26**	**24**	**26**	**25**	**27**	**29**	**28**	**33**	**34**	**33**	**28**	**29**	**29**	**24**	**24**	**24**	**26**	**29**	**28**

FIGURE 5.8

NIHB Dental Claimants and Non-Claimants by Age Group and Gender
2007/08

Thirty-six percent of all eligible clients received at least one dental procedure paid through the Health Information and Claims Processing Services (HICPS) system in 2007/08. Sixty-four percent of eligible clients did not access the Program through HICPS for any dental benefits.

Of the 511,802 non-claimants in 2007/08, 265,210 were male (51.8%), while 246,592 were female (48.2%). Over one-third (34%) of all non-claimants were under 20 years of age, while approximately two-thirds (66%) were under 40 years of age.

The claimants under the age of twenty accounted for 42.6% of all NIHB eligible clients who received dental benefits through the HICPS system, while the claimants 65 years and older accounted for 3%.

Age Group	Claimants			Non-Claimants			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	10,280	9,959	20,239	20,742	19,703	40,445	31,022	29,662	**60,684**
	33%	34%	33%	67%	66%	67%	100%	100%	**100%**
5-9	17,492	17,652	35,144	20,818	19,252	40,070	38,310	36,904	**75,214**
	46%	48%	47%	54%	52%	53%	100%	100%	**100%**
10-14	17,932	19,433	37,365	23,352	20,079	43,431	41,284	39,512	**80,796**
	43%	49%	46%	57%	51%	54%	100%	100%	**100%**
15-19	13,008	16,759	29,767	28,799	23,117	51,916	41,807	39,876	**81,683**
	31%	42%	36%	69%	58%	64%	100%	100%	**100%**
20-24	9,481	14,176	23,657	26,294	20,428	46,722	35,775	34,604	**70,379**
	27%	41%	34%	73%	59%	66%	100%	100%	**100%**
25-29	9,004	12,811	21,815	21,957	17,821	39,778	30,961	30,632	**61,593**
	29%	42%	35%	71%	58%	65%	100%	100%	**100%**
30-34	8,483	12,202	20,685	20,126	16,452	36,578	28,609	28,654	**57,263**
	30%	43%	36%	70%	57%	64%	100%	100%	**100%**
35-39	9,124	12,510	21,634	20,340	17,621	37,961	29,464	30,131	**59,595**
	31%	42%	36%	69%	58%	64%	100%	100%	**100%**
40-44	8,987	12,261	21,248	19,519	17,844	37,363	28,506	30,105	**58,611**
	32%	41%	36%	68%	59%	64%	100%	100%	**100%**
45-49	7,664	10,752	18,416	17,231	16,959	34,190	24,895	27,711	**52,606**
	31%	39%	35%	69%	61%	65%	100%	100%	**100%**
50-54	5,526	7,952	13,478	13,165	14,304	27,469	18,691	22,256	**40,947**
	30%	36%	33%	70%	64%	67%	100%	100%	**100%**
55-59	3,989	5,252	9,241	9,595	11,234	20,829	13,584	16,486	**30,070**
	29%	32%	31%	71%	68%	69%	100%	100%	**100%**
60-64	2,538	3,646	6,184	7,426	9,038	16,464	9,964	12,684	**22,648**
	25%	29%	27%	75%	71%	73%	100%	100%	**100%**
65+	3,484	5,054	8,538	15,846	22,740	38,586	19,330	27,794	**47,124**
	18%	18%	18%	82%	82%	82%	100%	100%	**100%**
Total	**126,992**	**160,419**	**287,411**	**265,210**	**246,592**	**511,802**	**392,202**	**407,011**	**799,213**
	32%	**39%**	**36%**	**68%**	**61%**	**64%**	**100%**	**100%**	**100%**

Source: HICPS and SVS adapted by Program Analysis Division

FIGURE 5.9

NIHB Fee-for-Service Dental Expenditures by Sub-Benefit
2007/08

Expenditures for Restorative Services (crowns, fillings, etc.) were the highest of all dental sub-benefit categories at $61 million in 2007/08. This is a 6.9% increase over the previous fiscal year. Crowns, a restorative procedure, accounted for $5.3 million of all dental expenditures in 2007/08. This was a 5.0% increase over 2006/07.

Diagnostic Services (examinations, x-rays, etc.) at $17 million and Preventive Services (scaling, sealants etc.) at $16 million were the next highest sub-benefit categories, followed by Oral Surgery (Extractions) at $13 million.

In 2007/08, the three largest dental procedures by expenditure were composite restorations ($42.8 million), scaling ($10.8 million) and extractions ($9.1 million).

Fee-For-Service Top 5 Dental Sub-Benefits ($ Millions) and Percentage Change		
Dental Sub-Benefit	**2007/08**	**% Change from 2006/07**
Restorative Services	$ 61.0	6.9%
Diagnostic Services	$ 17.0	5.7%
Preventive Services	$ 16.0	4.7%
Oral Surgery	$ 13.0	8.8%
Removable Prosthodontics	$ 9.1	4.1%

Fee-For-Service Top 5 Dental Procedures ($ Millions) and Percentage Change		
Dental Procedure	**2007/08**	**% Change from 2006/07**
Composite Restorations	$ 42.8	8.1%
Scaling	$ 10.8	5.4%
Extractions	$ 9.1	10.3%
Amalgam Restorations	$ 6.8	-1.6%
Root Canal Therapy	$ 5.9	2.7%

Source: HICPS adapted by Program Analysis Division

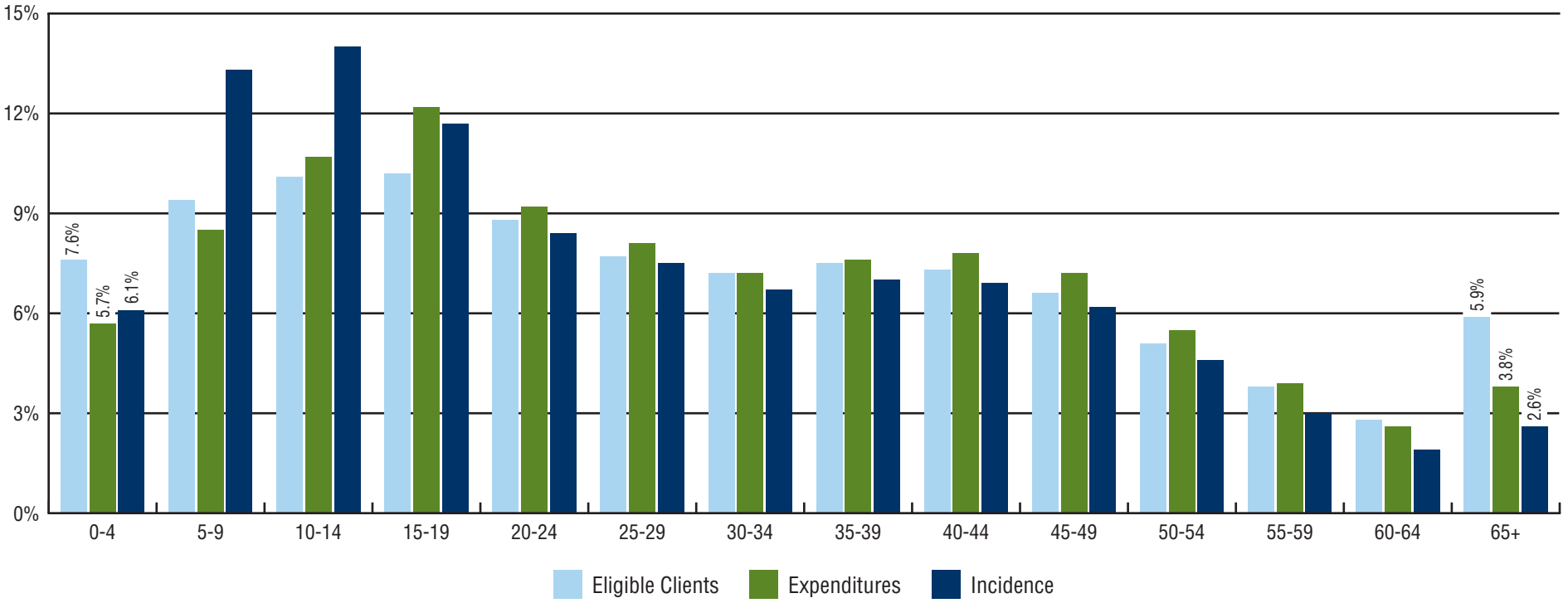
FIGURE 5.10

Distribution of Eligible NIHB Population, Dental Expenditures and Incidence by Age Group
2007/08

The principal drivers of NIHB Dental expenditures were increases in utilization rates and increases in the fees charged for services by dental professionals. The type of dental services provided also had an impact on expenditures.

A stable ratio between expenditures and incidence can be seen across most age groupings; however, there are notable exceptions. For children and youth aged 5-14, a larger number of low-cost procedures (e.g., low-cost restorative procedures such as fillings and stainless steel crowns) are provided. The result was a ratio of incidence to expenditures of 27.4% to 19.2%.

With respect to the ratio of eligible clients to expenditures, a rather stable relationship exists across most age groups. The notable exceptions to this pattern are at each end of the age spectrum where the NIHB Program's youngest (0-4) and oldest (65+) clients are less likely to receive dental services. The ratios of eligible clients to expenditures for these two groups are 7.6% to 5.7% and 5.9% to 3.8% respectively.



Source: HICPS and SVS adapted by Program Analysis Division

Midewiwin Women's Colours,1999, by Alice Olsen Williams

SECTION 6

Medical Transportation Expenditure and Utilization Data

In 2007/08, Non-Insured Health Benefits Medical Transportation (MT) expenditures amounted to $261.3 million or 29.1% 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 NIHB Medical Transportation Policy Framework applies to the medical transportation benefit which is provided by the NIHB Program. This benefit is operationally managed by Regional Offices; or by First Nations or Inuit Health Authorities, organizations or territorial governments who, under a contribution agreement, have assumed responsibility for the administration and funding of medical transportation benefits to eligible clients.

Medical Transportation benefits include:

- Ground Travel (private vehicle; commercial taxi; 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);
- Living Expenses (accommodations and meals); and
- Transportation costs for health professionals to provide services to isolated communities.

Medical transportation data for the NIHB Annual Report have been provided for previous publications through the FIRMS financial systems only. However, MT data are also collected regionally through other electronic systems. Operational data at the regional level are tracked through the Medical Transportation Reporting System (MTRS) for most regions, while Alberta and Ontario use their own systems. Contribution agreement data are also collected, but in a limited manner. Some communities report on spreadsheet templates, others by paper reports. Other information, such as ambulance data, is collected separately.

In 2005, an initiative was launched to collect medical transportation data on a national basis. The Medical Transportation Data Store (MTDS) has been created to act as a centralized system for cross regional data. The MTDS will serve as a repository for selected operational data, as well as the data collected from medical transportation contribution agreements, and ambulance data systems. The objective of the MTDS is to enable aggregate reporting on medical transportation at a national level in order to further strengthen Program management, provide enhanced data analysis and reporting and aid in decision making.

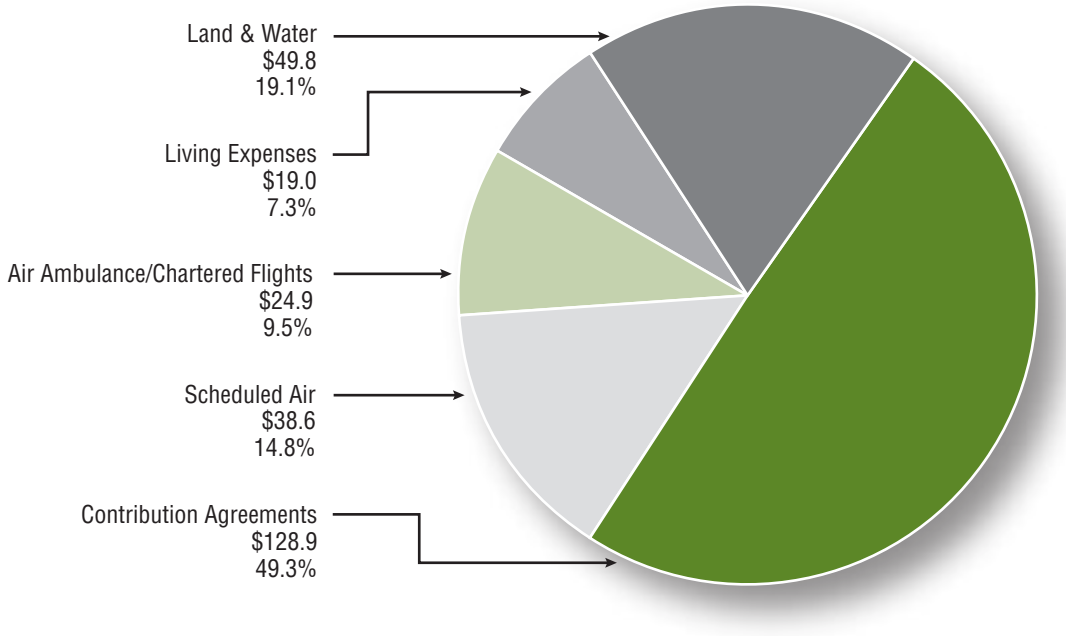
The MTDS has been maintaining data since the fiscal period of 2006/07. Significant improvements were made in data collection and populating MTDS in 2007/08. Most regions have successfully submitted operating data, although some issues still remain to be resolved before all operating expenditures will be available through MTDS. In addition, steps are underway to improve data collection related to contribution agreements.

FIGURE 6.1

Distribution of NIHB Medical Transportation Expenditures ($ Millions)
2007/08

Medical transportation expenditures totalled $261.3 million in 2007/08. Contribution agreements represented $128.9 million, or 49.3% of the total benefit.

Land and water transportation at $49.8 million (19.1%) and scheduled air at $38.6 million (14.8%) were the largest medical transportation operating expenditures, accounting for over one-third of the total benefit.



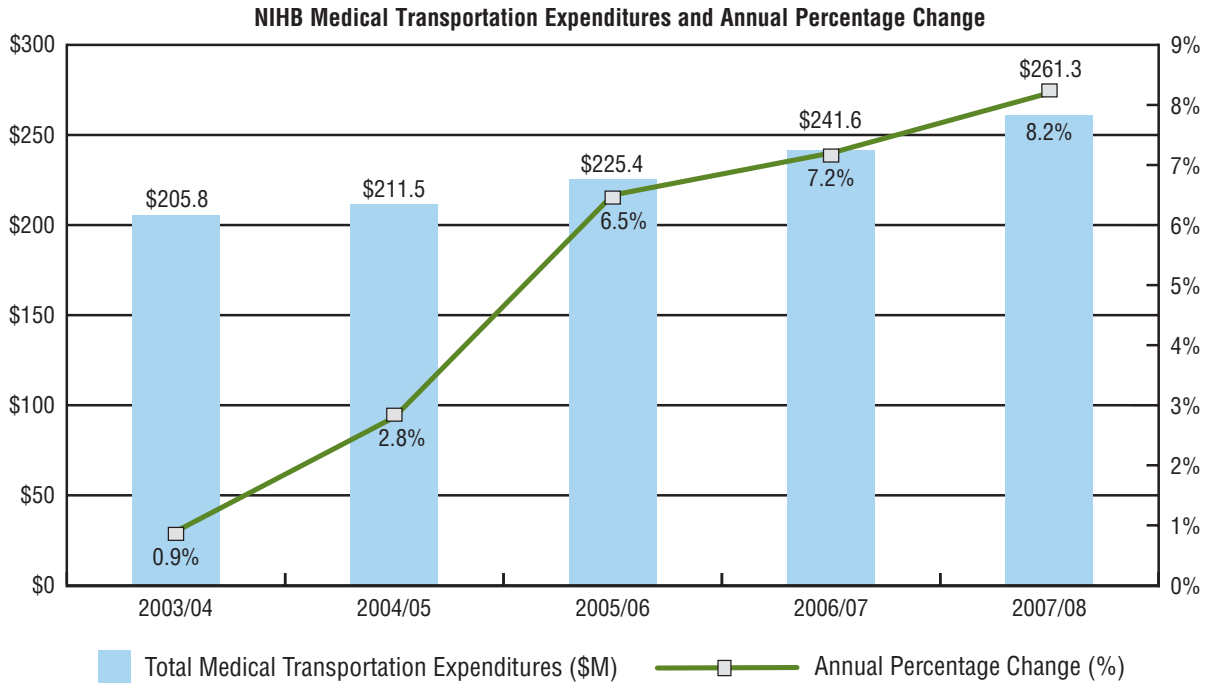
Total Medical Transportation Expenditures: $261.3 M

Source: FIRMS adapted by Program Analysis Division

FIGURE 6.2

Annual NIHB Medical Transportation Expenditures
2003/04 to 2007/08

NIHB Medical Transportation expenditures increased by 8.2% in 2007/08, which was the highest rate of growth of all benefits. Over the last five years, growth in NIHB Medical Transportation expenditures has ranged from a high of 8.2% in 2007/08 to a low of 0.9% in 2003/04, with a five year annualized growth rate of 5.1%.



Source: FIRMS adapted by Program Analysis Division

NIHB Transportation Expenditures ($ 000's)					
REGION	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Atlantic	$ 6,498	$ 6,124	$ 5,590	$ 4,401	$ 4,585
Quebec	16,985	17,291	17,886	18,473	20,133
Ontario	36,620	35,258	38,553	40,572	45,618
Manitoba	53,533	55,895	63,322	69,047	76,082
Saskatchewan	25,854	26,758	28,786	31,816	36,108
Alberta	29,030	29,686	30,712	32,204	32,107
British Columbia	16,408	17,340	16,944	20,284	21,613
N.W.T./Nunavut	19,265	21,401	21,486	22,384	23,114
Yukon	1,600	1,774	2,100	2,421	1,957
Total	**$ 205,793**	**$ 211,527**	**$ 225,379**	**$ 241,602**	**$ 261,316**

Source: FIRMS adapted by Program Analysis Division

FIGURE 6.3

NIHB Expenditures on Medical Transportation by Type and Region ($ 000's)
2007/08

NIHB Medical Transportation expenditures increased by 8.2% to $261.3 million in 2007/08. This growth was partly attributed to a change in accounting methodology for physician travel to communities in approximately half of the regions. In previous fiscal years, these expenditures were reported under other health care. Other factors contributing to the growth were one-time expenditures on new vans and computers in some regions. With the removal of these expenditures, growth would have been 5.1% instead of 8.2%.

The Saskatchewan Region had the largest percentage increase in medical transportation expenditures in 2007/08 at 13.5%. This growth was in part attributed to the accounting methodology used for the transportation of medical services personnel, as well as the one time expenditure on computers, without which the growth rate would have been 8.6%.

Ontario Region's 12.4% increase was due partly to a one time cost of new vans and computers to manage medical transportation benefits for certain communities. Similarly, the 10.2% increase in Manitoba Region can be attributed in part to one time costs for vans and computers. New accounting methodology for physician travel also accounts for the growth reported in these regions. Without these expenditures, the growth rates in the Ontario and Manitoba regions would have been 5.7% and 5.6% respectively.

The regions that registered a decrease in total transportation expenditures were the Yukon at -19.2%, Northwest Territories at -2.4% as well as Alberta Region at -0.3%. The significant decrease in the Yukon was due to a data coding error registered during fiscal year 2006/07. (See Figure 8.8)

The Manitoba Region had the highest overall NIHB Medical Transportation expenditure at $76.1 million, mostly as a result of air transportation which totalled over $39 million. High medical transportation costs in the region reflect the large number of First Nations clients living in remote or fly-in only northern communities.

The Ontario and Saskatchewan regions registered $45.6 million and $36.1 million respectively, and represented the next highest medical transportation expenditure totals in 2007/08.

TYPE	Atlantic	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	B.C.	Yukon	N.W.T.	Nunavut	TOTAL
Scheduled Air	$ 574	$ 234	$ 11,899	$ 19,806	$ 4,566	$ 574	$ 429	$ 519	$ 0	$ 0	$ 38,601
Chartered Flights	27	38	1,018	19,270	3,015	990	7	555	0	0	24,920
Living Expenses	304	25	5,817	7,833	2,177	1,961	409	515	0	0	19,040
Land & Water	1,436	271	4,666	10,949	18,127	12,914	1,078	369	0	0	49,810
Outside Canada	0	0	26	0	0	0	0	0	0	0	26
Total Operating	$ 2,341	$ 568	$ 23,426	$ 57,858	$ 27,884	$ 16,440	$ 1,922	$ 1,957	$ 0	$ 0	$ 132,396
Total Contributions	$ 2,244	$ 19,566	$ 22,192	$ 18,224	$ 8,224	$ 15,667	$ 19,690	$ 0	$ 6,943	$ 16,171	$ 128,920
TOTAL	$ 4,585	$ 20,133	$ 45,618	$ 76,082	$ 36,108	$ 32,107	$ 21,613	$ 1,957	$ 6,943	$ 16,171	$ 261,316
% Change from 2006/07	4.2%	9.0%	12.4%	10.2%	13.5%	-0.3%	6.5%	-19.2%	-2.4%	5.9%	8.2%

Source: FIRMS adapted by Program Analysis Division

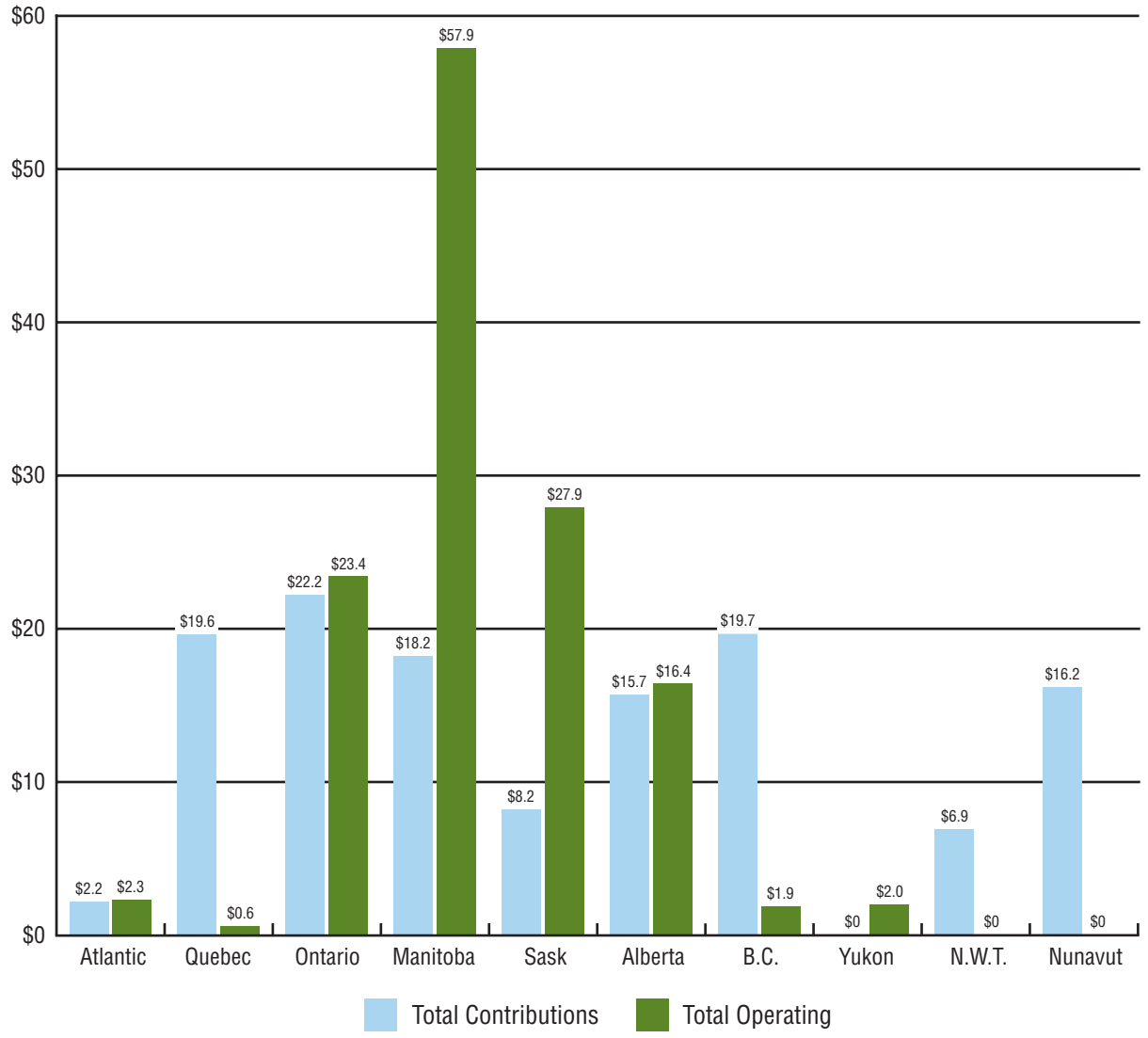
FIGURE 6.4

NIHB Medical Transportation Contribution and Operating Expenditures by Region ($ Millions)
2007/08

Figure 6.4 compares contribution funding to direct operating costs in NIHB Medical Transportation. Contribution funds are provided to First Nations bands and other organizations to manage elements of the medical transportation benefit (e.g. coordinating accommodations, managing ground transportation, etc.)

The Manitoba Region had the largest operating expenditure for NIHB Medical Transportation in 2007/08 at $57.9 million. The Saskatchewan Region was the next largest at $27.9 million, followed by Ontario at $23.4 million. Together these three regions accounted for 82.5% of all operating expenditures on medical transportation.

The largest contribution expenditures for NIHB Medical Transportation were registered as follows: the Ontario Region ($22.2 million), British Columbia Region ($19.7 million), Quebec Region ($19.6 million), and Manitoba Region ($18.2 million). Almost all Medical Transportation services were delivered via contribution agreements in Quebec, British Columbia, Northwest Territories and Nunavut.



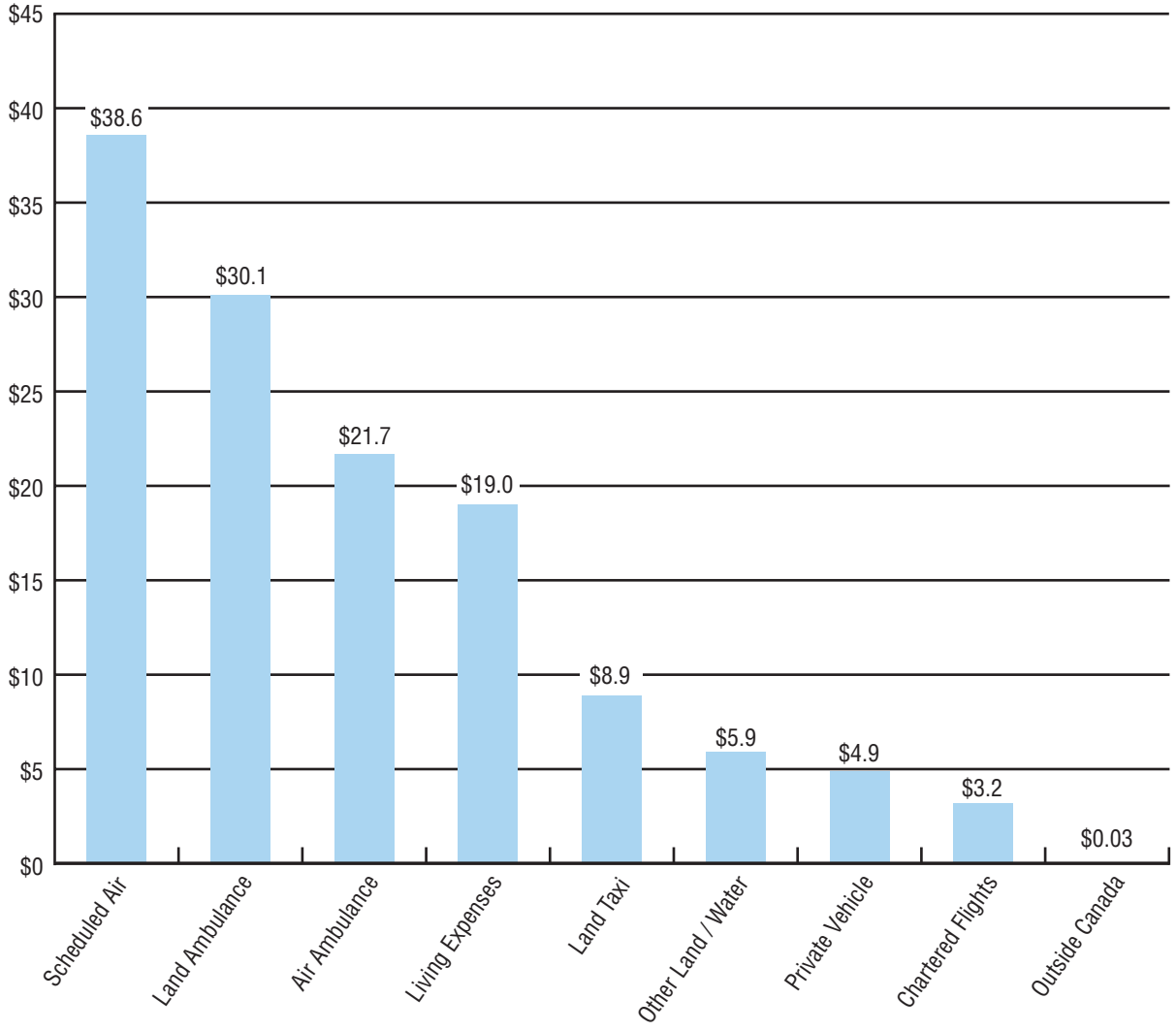
Source: FIRMS adapted by Program Analysis Division

FIGURE 6.5

NIHB Medical Transportation Operating Expenditure by Type ($ Millions)
2007/08

The largest portion of NIHB Medical Transportation operating expenditures fell under scheduled air ($38.6 million) representing 29.2%. Ambulance costs follow closely with land ambulance ($30.1 million) representing 22.7%, and air ambulance ($21.7 million) at 16.4%. Living expenses ($19.0 million), which include accommodations and meals, comprised 14.4% of all operating medical transportation costs.

Private vehicle expenditures (3.7%) consist of the costs reimbursed through a per-kilometre allowance for private vehicle use by a client to access medically required eligible health services. In 2008, the NIHB base private mileage rates were directly linked to the National Joint Council (NJC) Government Commuting Rates. The NIHB rates are updated on April 1st of each year according to the NJC rates in effect as of January 1st of that year.



Source: FIRMS adapted by Program Analysis Division

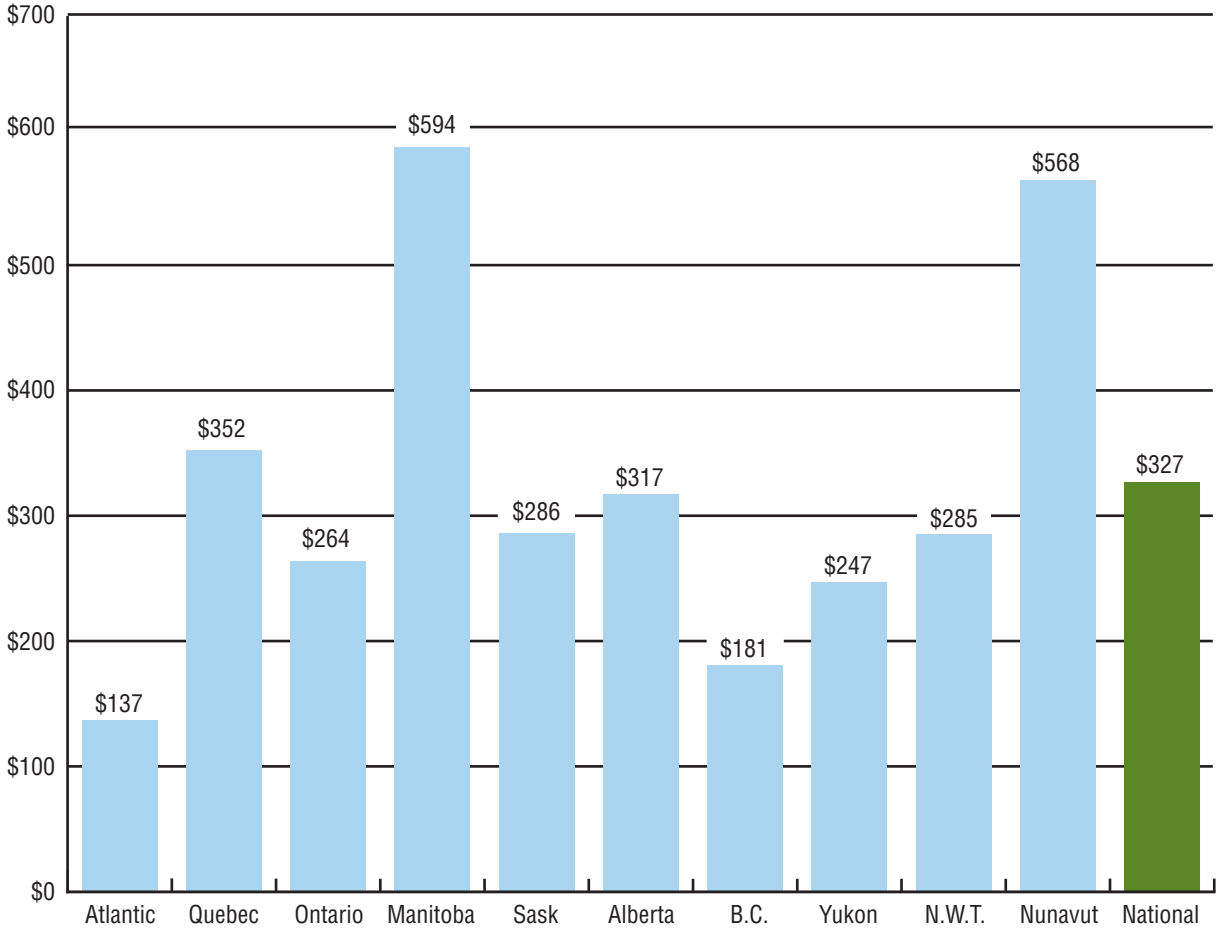
FIGURE 6.6

Per Capita NIHB Medical Transportation Expenditures by Region
2007/08

In 2007/08, the national per capita expenditure in NIHB Medical Transportation was $327. This is a 6.5% increase over the 2006/07 per capita expenditure of $307.

The Manitoba Region recorded the highest per capita expenditure in transportation at $594, followed by Nunavut at $568. These expenditures reflected the large number of First Nations and Inuit clients living in remote or fly-in only northern communities that need to be sent south for medical and dental services.

In contrast, the Atlantic Region recorded the lowest per capita expenditure at $137.



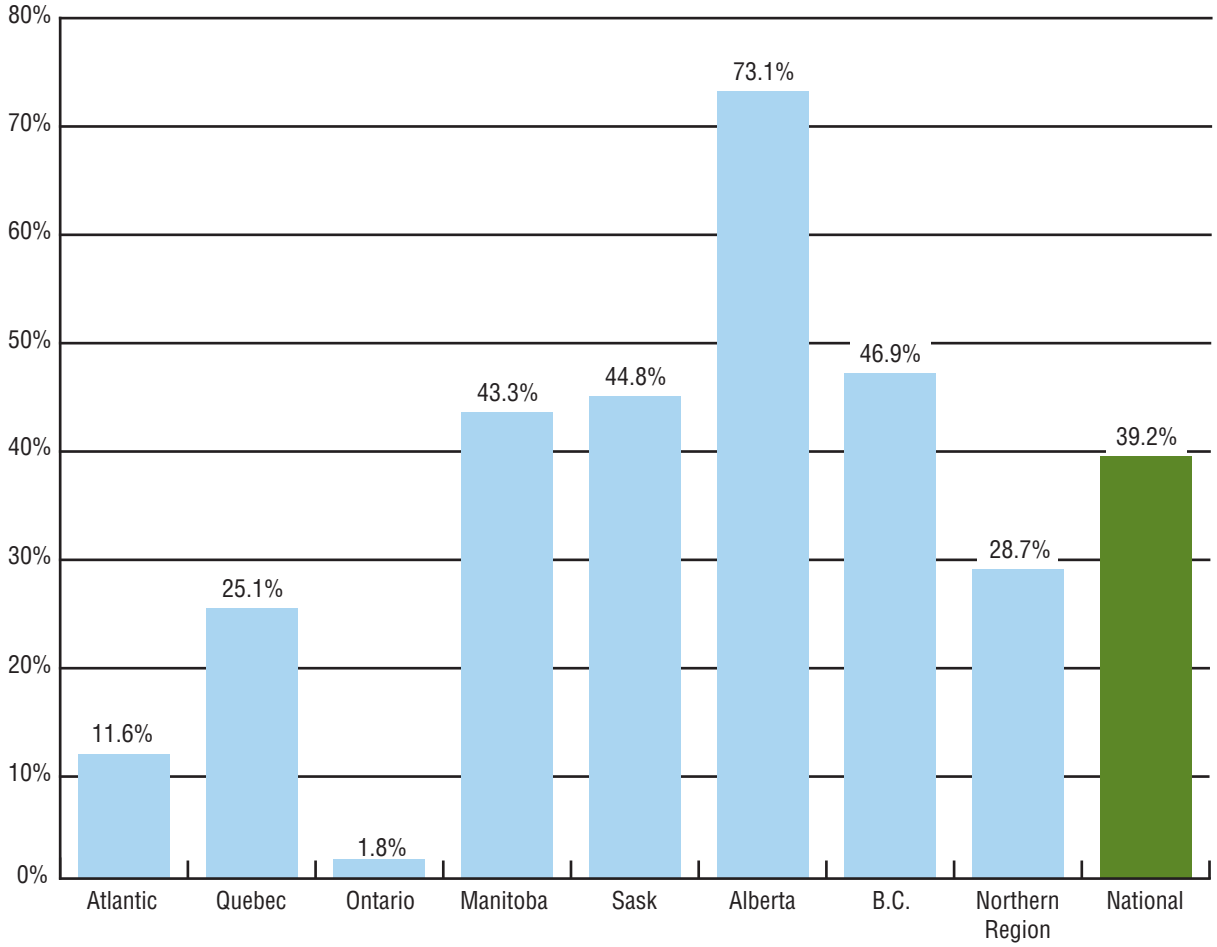
Source: SVS and FIRMS adapted by Program Analysis Division

FIGURE 6.7

NIHB Medical Transportation Emergency (Ambulance) Operating Expenditures by Region
2007/08

In 2007/08, operating costs in NIHB Medical Transportation totalled $132.4 million. Of this total, $51.9 million or 39.2% were emergency operating expenditures. Emergency operating costs (defined as "ambulance") include all ambulance costs both land and air ambulance service.

Emergency costs varied considerably from region to region, largely as a result of different provincial/territorial government coverage for emergency transportation. In regions such as Manitoba, Saskatchewan and Yukon, NIHB pays for the entire cost of land and air ambulances for NIHB clients. In the remaining regions, NIHB covers certain user fees or flat rates depending on the coverage agreements with the provincial/territorial governments.



Source: FIRMS adapted by Program Analysis Division

In 2007/08, Manitoba Region ambulance expenditures were $25.0 million dollars, comprising nearly half of the total ambulance expenditures. The high total cost was due to several factors such as the size of the client population in the Manitoba Region living in remote or fly-in only communities in the Region.

The majority of the medical transportation operating expenditures within the Alberta Region consisted of emergency costs (73.1%). These costs included land and air ambulance. Alberta Region's high proportion of emergency costs is due to the provincial system not paying for any share of these costs on a universal basis (except for seniors and social assistance recipients). Nearly half (46.9%) of transportation operating expenditures in the British Columbia Region were for emergency transportation; the proportion was similar to both Saskatchewan and Manitoba regions, at 44.8% and 44.3% respectively.

Ontario Region had the lowest percentage spent on emergency transportation, only 1.8% of the Region's total operating expenditures.

In terms of absolute expenditures, Manitoba Region recorded the highest emergency operating expenditures in 2007/08 at $25.0 million, followed by Saskatchewan Region at $12.5 million and Alberta Region at $12.0 million.

Emergency (Ambulance) Expenditures by Type and Region ($ 000's), 2007/08

TYPE		Atlantic	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Northern Region	TOTAL
Ambulance Operating Costs	Air Ambulance	$ 7.5	$ 16.3	$ 16.7	$ 17,928.5	$ 2,233.1	$ 984.2	$ 6.7	$ 554.8	$ 21,747.8
	Land Ambulance	264.1	126.4	410.4	7,132.0	10,252.8	11,026.8	895.0	6.4	30,113.8
	Total	**271.6**	**142.7**	**427.1**	**25,060.5**	**12,485.9**	**12,011.0**	**901.7**	**561.2**	**51,861.6**
Share of Ambulance Costs	Air Ambulance	2.8%	11.4%	3.9%	71.5%	17.9%	8.2%	0.7%	98.9%	41.9%
	Land Ambulance	97.2%	88.6%	96.1%	28.5%	82.1%	91.8%	99.3%	1.1%	58.1%
Total Operating Costs		**$ 2,341.0**	**$ 567.5**	**$ 23,425.5**	**$ 57,858.1**	**$ 27,884.3**	**$16,439.9**	**$ 1,922.4**	**$ 1,957.3**	**$ 132,396.0**
Emergency Operating Costs as % of Total Operating		**11.6%**	**25.1%**	**1.8%**	**43.3%**	**44.8%**	**73.1%**	**46.9%**	**28.7%**	**39.2%**

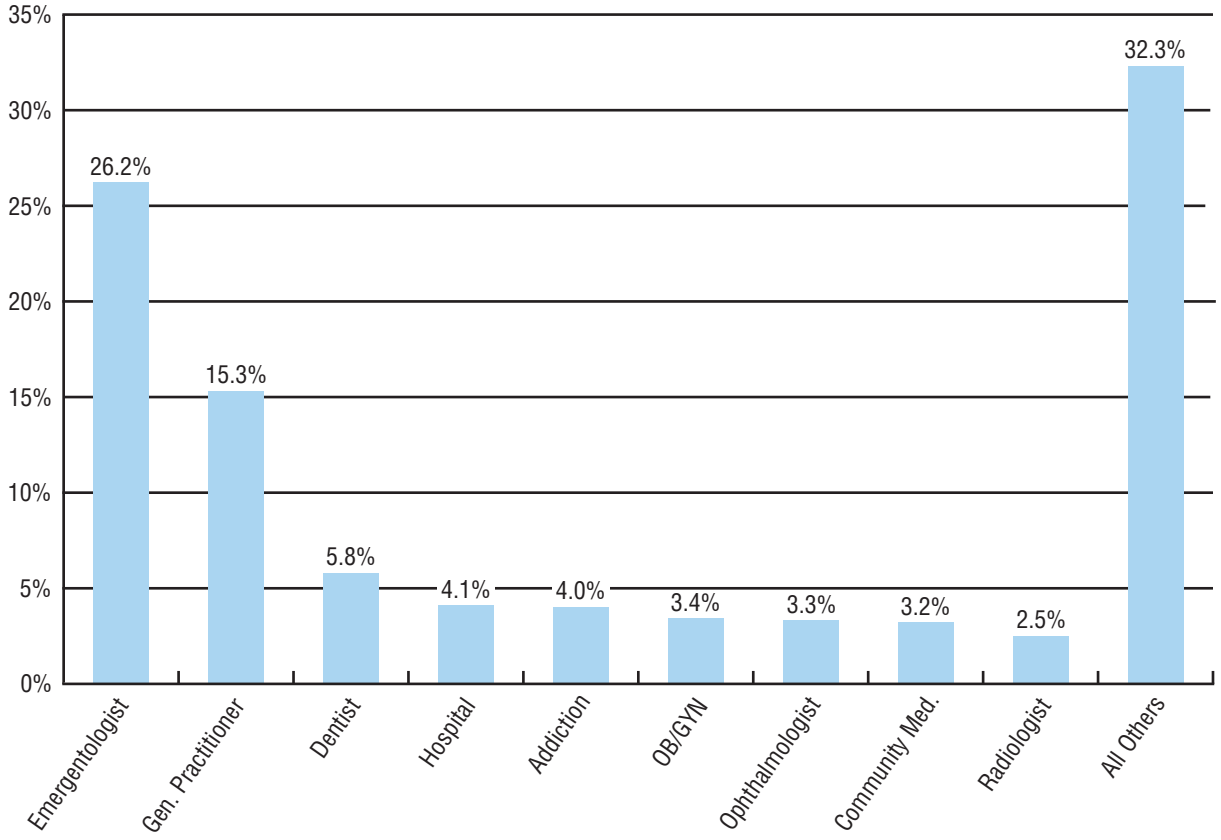
Source: FIRMS adapted by Program Analysis Division

FIGURE 6.8

Distribution of Client Appointments by Health Specialty
2007/08

According to the Medical Transportation Data Store (MTDS), in 2007/08 over one-quarter of all appointments were with emergentologists. Approximately 15% of appointments which required some form of medical transportation were with general practitioners and 5.8% were with dentists.

Figure 6.8 shows the top ten most visited health care specialists. The remaining 32.3% of all appointments include other specialists such as traditional healers, physiotherapists, and neurosurgeons. There are over 80 types of health care specialists identified in the MTDS.



Source: Medical Transportation Data Store (MTDS) adapted by Program Analysis Division

Untitled, by Randy Knott

SECTION 7

Vision Benefits, Other Health Care Benefits and Premiums Expenditure Data

In 2007/08, total expenditures for Non-Insured Health Benefits Vision ($25.6 million), Other Health Care Benefits ($12.3 million) and Premiums ($29.2 million) amounted to $67.1 million, or 7.5% of total NIHB expenditures for the fiscal year.

Vision care benefits are covered 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 the specific medical needs of recipient.

Other health care comprises primarily 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 funds provincial health premiums for eligible clients in Alberta and British Columbia.

FIGURE 7.1

NIHB Vision Expenditures by Region ($ 000's)
2007/08

In 2007/08, NIHB expenditures for vision care benefits amounted to $25.6 million. Regional operating expenditures accounted for 83.7% of total expenditures with contribution costs accounting for the remaining 16.3%.

The Ontario Region had the highest percentage share in NIHB Vision Care benefit costs at 21.0% followed by the Alberta (19.3%) and Saskatchewan (16.1%) regions.

REGION	Operating	Contributions	Total
Atlantic	$ 1,472	$ 23	$ 1,495
Quebec	1,207	50	1,257
Ontario	4,934	432	5,366
Manitoba	2,708	228	2,936
Saskatchewan	4,112	14	4,126
Alberta	4,165	776	4,942
British Columbia	2,609	510	3,120
Yukon	208	0	208
N.W.T.	0	1,011	1,011
Nunavut	0	1,139	1,139
Total	**$ 21,415**	**$ 4,184**	**$ 25,599**

Source: FIRMS adapted by Program Analysis Division

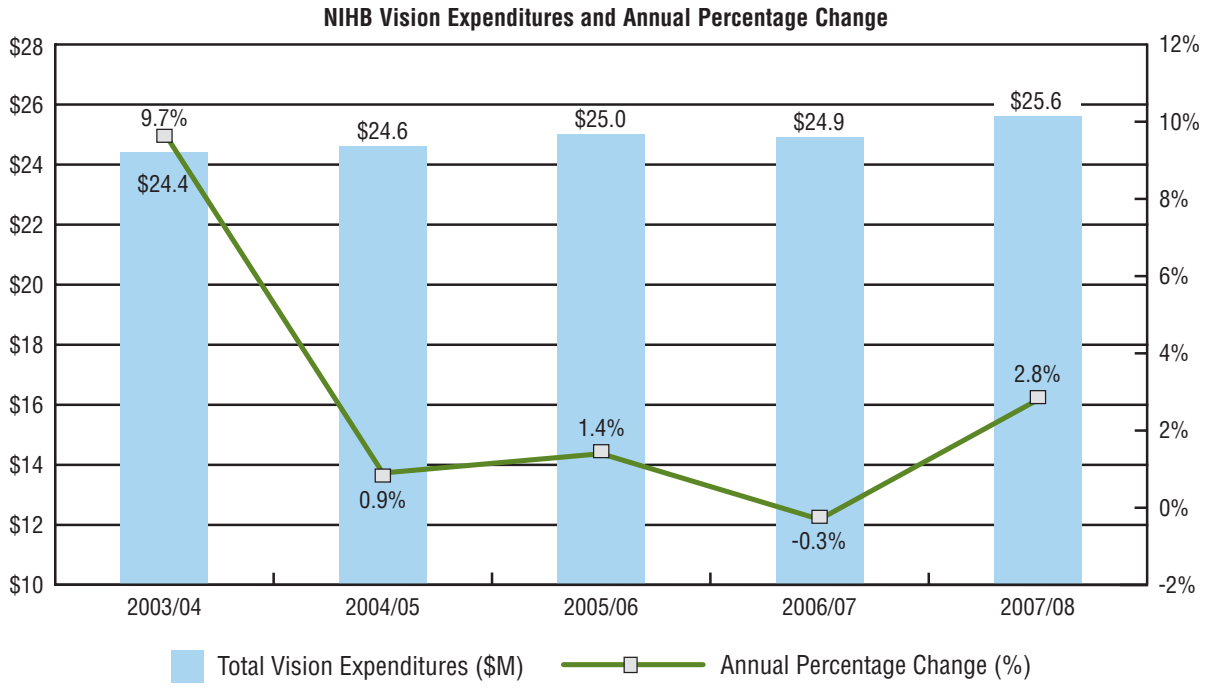
FIGURE 7.2

Annual NIHB Vision Expenditures
2003/04 to 2007/08

In 2007/08, NIHB Vision expenditures increased by 2.8%, compared to a decrease of 0.3% recorded in 2006/07. Over the previous five fiscal years the highest growth rate was recorded in 2003/04 at 9.7%, with the annualized growth rate in this benefit area being 2.8%.

In 2007/08, the highest percentage change in NIHB Vision expenditures was in the Yukon, which decreased by 24.1% compared to the previous year's increase of 20.6%. British Columbia Region also saw a decrease in vision expenditures at -3.5%. Although Ontario Region had a negative growth rate (-2.2%), it had the highest expenditures in vision benefits with approximately $5.4 million dollars in 2007/08.

The combined Northwest Territories and Nunavut had the highest growth rate (15.7%) in 2007/08. The Saskatchewan Region had the next largest increase at 7.6%, followed by the Alberta Region at 5.4%.



Source: FIRMS adapted by Program Analysis Division

NIHB Vision Expenditures ($ 000's)					
REGION	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Atlantic	$ 1,631	$ 1,619	$ 1,614	$ 1,408	$ 1,495
Quebec	1,097	1,349	1,135	1,270	1,257
Ontario	5,196	5,428	5,458	5,485	5,366
Manitoba	2,888	2,684	2,864	2,841	2,936
Saskatchewan	3,375	3,431	4,072	3,835	4,126
Alberta	4,576	4,720	4,762	4,690	4,942
British Columbia	3,259	3,249	3,049	3,232	3,120
N.W.T./Nunavut	2,175	1,669	1,787	1,859	2,150
Yukon	223	480*	228	274	208
Total	**$ 24,420**	**$ 24,629**	**$ 24,968**	**$ 24,894**	**$ 25,599**

* Data anomaly due to possible FIRMS coding error. Please refer to Section 8.8 for further details.

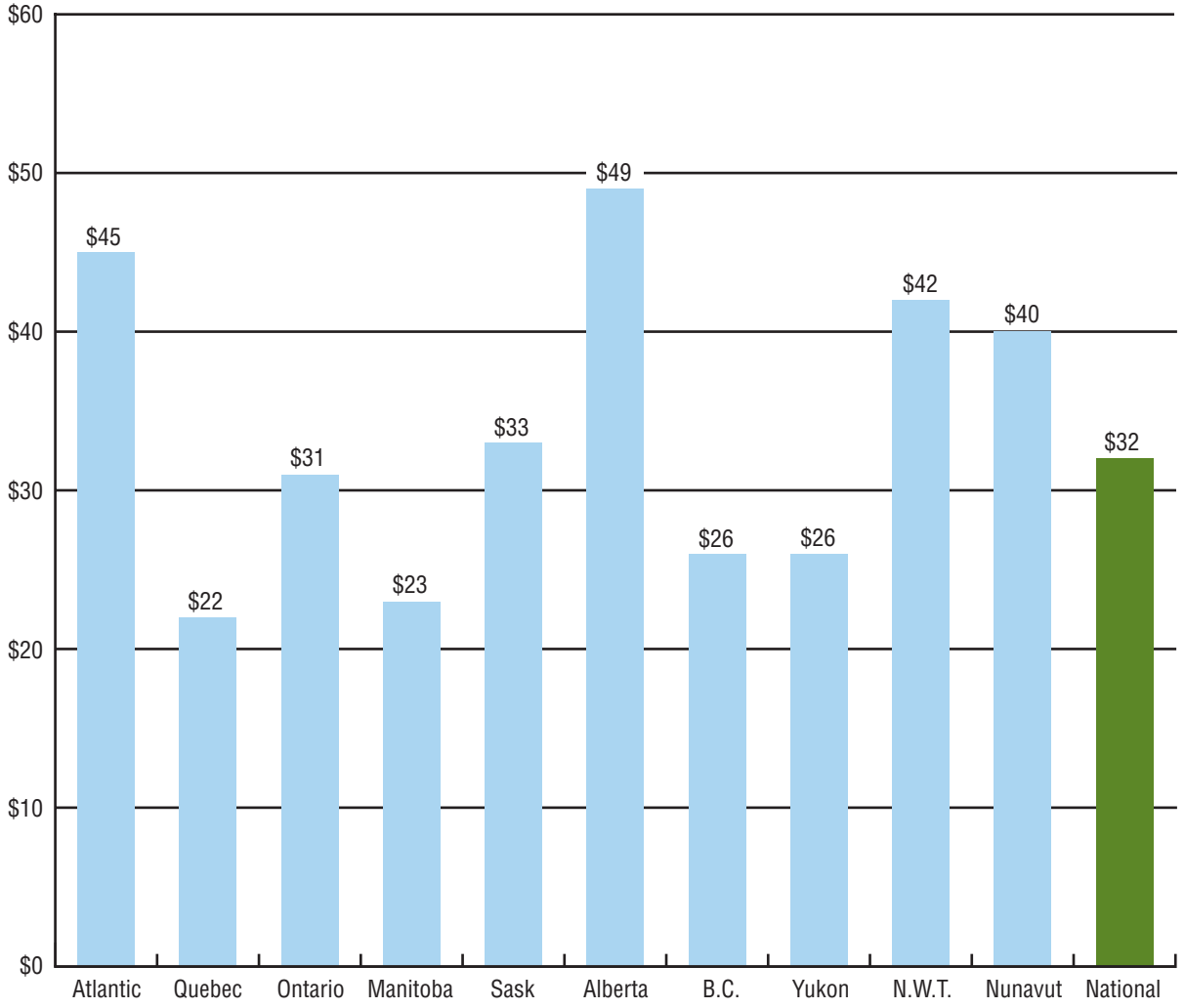
Source: FIRMS adapted by Program Analysis Division

FIGURE 7.3

Per Capita NIHB Vision Expenditures by Region
2007/08

In 2007/08, the national per capita expenditure in NIHB Vision Care was $32. This remains unchanged since fiscal year 2004/05.

The Alberta Region had the highest per capita expenditure at $49, followed by the Atlantic Region at $45. The Quebec Region registered the lowest per capita expenditure at $22, unchanged from 2006/07.



Source: SVS and FIRMS adapted by Program Analysis Division

FIGURE 7.4

NIHB Other Health Care Expenditures by Region ($ 000's)
2007/08

In 2007/08, NIHB expenditures for other health care benefits, which includes short-term crisis mental health counselling, amounted to $12.3 million. Regional operating expenditures accounted for 69.8% of total expenditures with contribution costs accounting for the remaining 30.2%.

The Alberta Region had the highest percentage share in other health care costs at 35.3% followed by the Manitoba (24.1%) and Ontario (17.7%) regions.

In the Northwest Territories and Nunavut, the NIHB Program does not provide crisis intervention mental health counselling services, the largest component of other health care costs, as this is the responsibility of the territorial governments.

REGION	Operating	Contributions	Total
Atlantic	$ 113	$ 159	$ 272
Quebec	361	110	471
Ontario	2,172	0	2,172
Manitoba	2,064	900	2,964
Saskatchewan	537	405	942
Alberta	3,003	1,340	4,343
British Columbia	326	794	1,120
Yukon	4	0	4
N.W.T.	0	0	0
Nunavut	0	0	0
Total	**$ 8,582**	**$ 3,707**	**$ 12,289**

Source: FIRMS adapted by Program Analysis Division

FIGURE 7.5

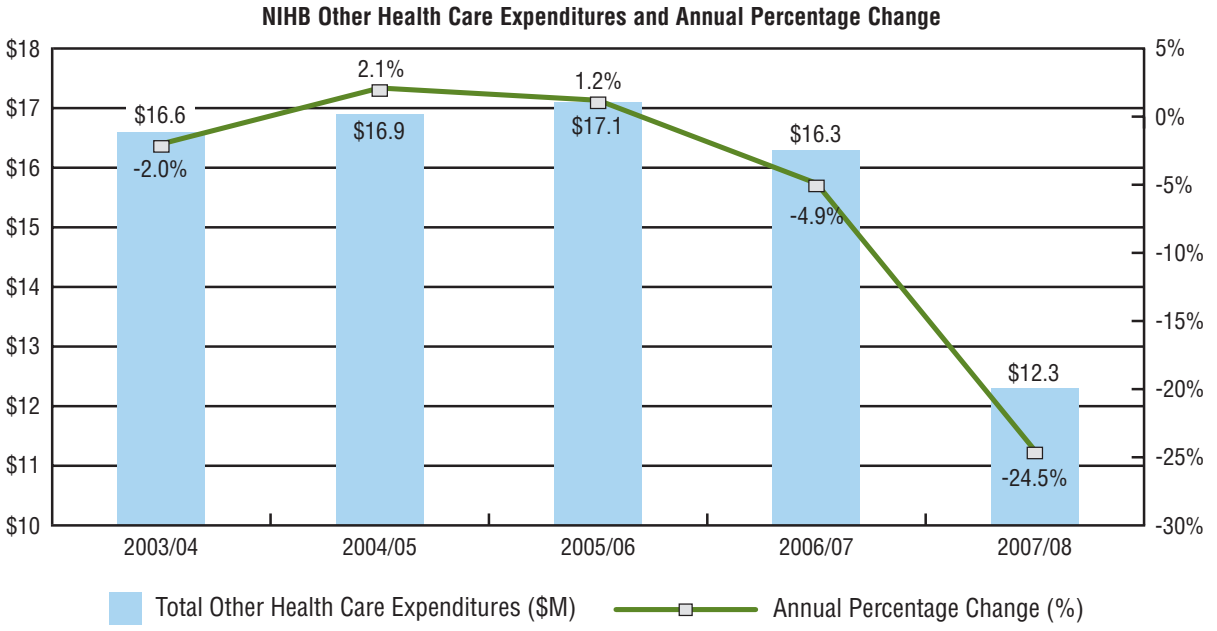
Annual NIHB Other Health Care Expenditures
2003/04 to 2007/08

In 2007/08, NIHB Other Health Care expenditures decreased by 24.5%, a significant change compared to the decrease of 4.9% in 2006/07. Over the previous five fiscal years the annualized growth rate in this benefit area was -6.2%.

The highest expenditures for other health care were recorded in Alberta Region at $4.3 million followed by Manitoba Region with approximately $3 million.

Expenditures under other health care comprise primarily crisis mental health services. Like other NIHB benefits, these services are demand-driven. The decline in expenditures experienced over the past several years is a result of clients accessing services through other service points such as counselling and mental health services through the Indian Residential Schools (IRS) Resolution Health Support Program.

The decreased growth rate over the last fiscal year is attributed primarily to an accounting methodology change which affected the other health care and medical transportation benefit categories. In previous fiscal years, physician travel to communities was reported under other health care in approximately half of the regions. This change in methodology for reporting medical transportation and other health care resulted in a decrease of 24.5% in other health care expenditures over the last fiscal year.



Source: FIRMS adapted by Program Analysis Division

NIHB Other Health Care Expenditures ($ 000's)					
REGION	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Atlantic	$ 141	$ 161	$ 201	$ 192	$ 272
Quebec	726	697	750	583	471
Ontario	2,250	2,404	2,213	2,530	2,172
Manitoba	5,621	5,685	5,690	4,786	2,964
Saskatchewan	2,370	2,295	2,237	2,244	942
Alberta	3,794	4,078	4,537	4,736	4,343
British Columbia	1,653	1,581	1,486	1,177	1,120
N.W.T./Nunavut	0	0	0	0	0
Yukon	2	4	1	22*	4
Total	**$ 16,557**	**$ 16,904**	**$ 17,115**	**$ 16,271**	**$ 12,289**

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

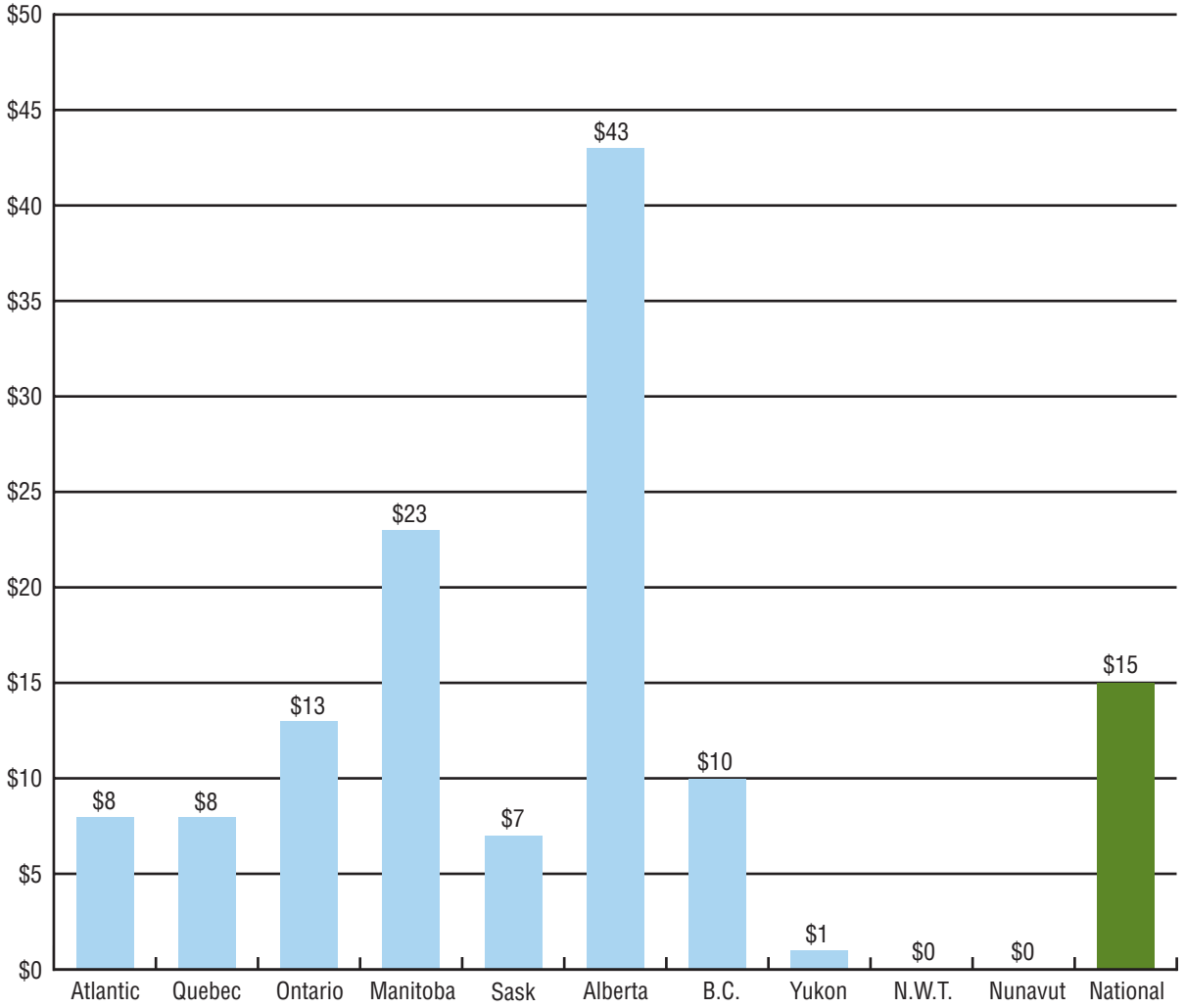
Source: FIRMS adapted by Program Analysis Division

FIGURE 7.6

Per Capita NIHB Other Health Care Expenditures by Region
2007/08

In 2007/08, the national per capita expenditure in other health care was $15, a decrease from $22 in 2006/07. This decrease can be attributed to funding arrangements allocated for crisis mental health counselling services through the Indian Residential Schools (IRS) Resolution Health Support Program and to the change in accounting methodology for physician travel to communities in approximately half of the regions. Short-term mental health crisis counselling was the largest component of the other health care benefit.

The Alberta and Manitoba regions had the highest per capita expenditures at $43 and $23 respectively, followed by the Ontario Region with a total of $13 per eligible client.

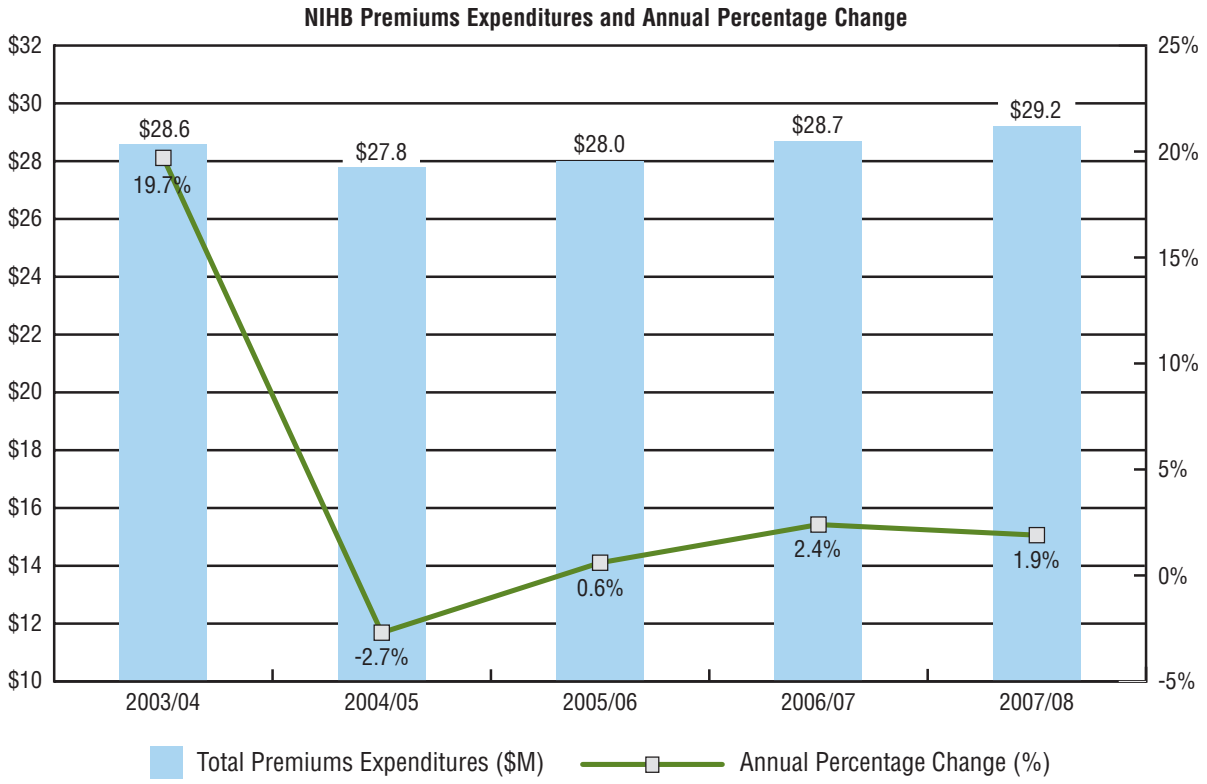


Source: SVS and FIRMS adapted by Program Analysis Division

FIGURE 7.7

Annual NIHB Premiums Expenditures
2003/04 to 2007/08

In 2007/08, NIHB Premiums expenditures increased by 1.9%, a lower increase than the 2.4% recorded in 2006/07. Over the previous five fiscal years the highest growth rate was recorded in 2003/04 at 19.7%, with the annualized growth rate for this benefit area being 4.1%.



Source: FIRMS adapted by Program Analysis Division

NIHB Premiums Expenditures ($ 000's)					
REGION	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Alberta	$ 12,203	$ 12,377	$ 12,381	$ 12,709	$ 12,961
British Columbia	16,411	15,453	15,606	15,951	16,250
Total	**$ 28,614**	**$ 27,830**	**$ 27,987**	**$ 28,659**	**$ 29,211**

Source: FIRMS adapted by Program Analysis Division

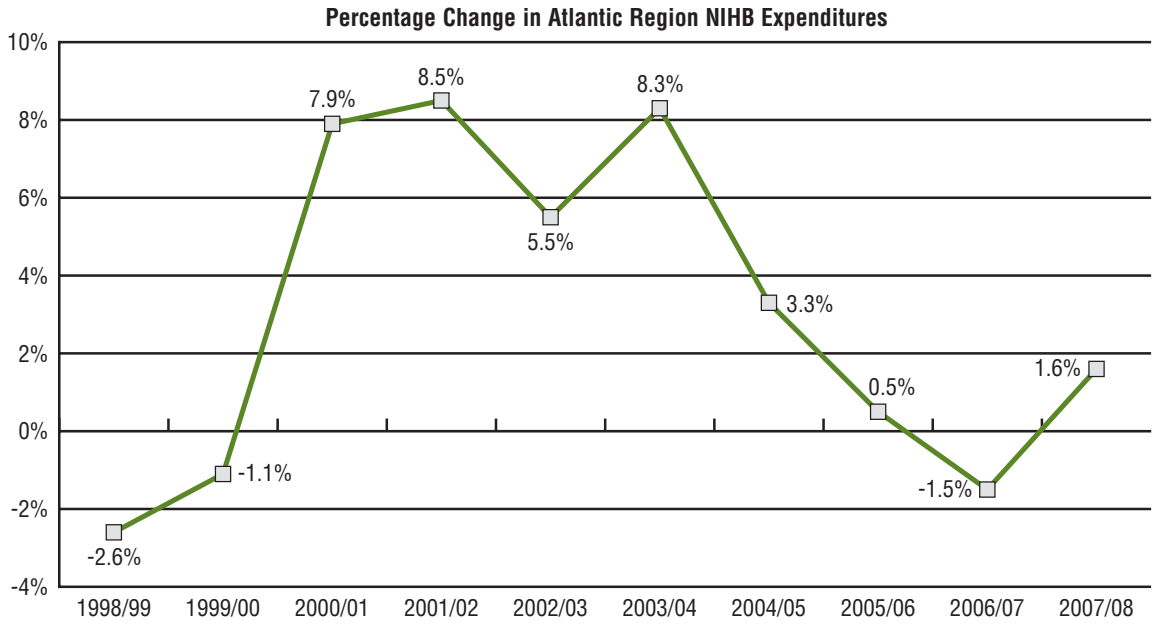
Caribou Migrations, by Jerry Evans

SECTION 8

Regional Expenditure Trends 1998/99 to 2007/08

FIGURE 8.1

Atlantic Region
1998/99 to 2007/08



Annual expenditures in the Atlantic Region for 2007/08 totalled $30.5 million, an increase of 1.6% over 2006/07. Pharmacy expenditures stabilized in 2007/08 at approximately $19 million, a marginal increase over the $18.9 million recorded in 2006/07. Medical transportation costs increased by 4.2% to $4.6 million and dental costs increased slightly to $5.2 million. Other health care costs increased by 41.4%. This increase is attributed to one time funding for mental health, specifically Chapel Island, at a cost of approximately $37 thousand, one time funding for Atlantic Policy Congress – Social Conference at almost $10 thousand and funding arrangements through contribution agreements of approximately $31 thousand to the Nunatsiavut Government. If these additional expenditures were not present in other health care in 2007/08, the benefit growth rate would have been less than 1%.

Pharmacy benefits accounted for more than half of the Atlantic Region's total expenditures at 62.2%; dental expenditures ranked second at 17.0%, followed by medical transportation at 15.0%. Vision care and other health care accounted for 4.9% and 0.9% of total expenditures respectively.

Annual Expenditures by Benefit ($ 000's)										
Atlantic Region	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Medical Transportation	$ 6,396	$ 6,425	$ 6,098	$ 6,235	$ 6,314	$ 6,498	$ 6,124	$ 5,590	$ 4,401	$ 4,585
Pharmacy	9,572	10,126	11,371	12,667	14,322	16,265	17,533	18,293	18,938	18,984
Dental	4,663	3,819	4,511	5,196	4,691	4,857	4,934	4,831	5,128	5,204
Other Health Care	158	123	138	173	198	141	161	201	192	272
Vision Care	1,427	1,479	1,583	1,433	1,604	1,631	1,619	1,614	1,408	1,495
Total	**$ 22,216**	**$ 21,972**	**$ 23,701**	**$ 25,704**	**$ 27,128**	**$ 29,391**	**$ 30,371**	**$ 30,529**	**$ 30,067**	**$ 30,539**

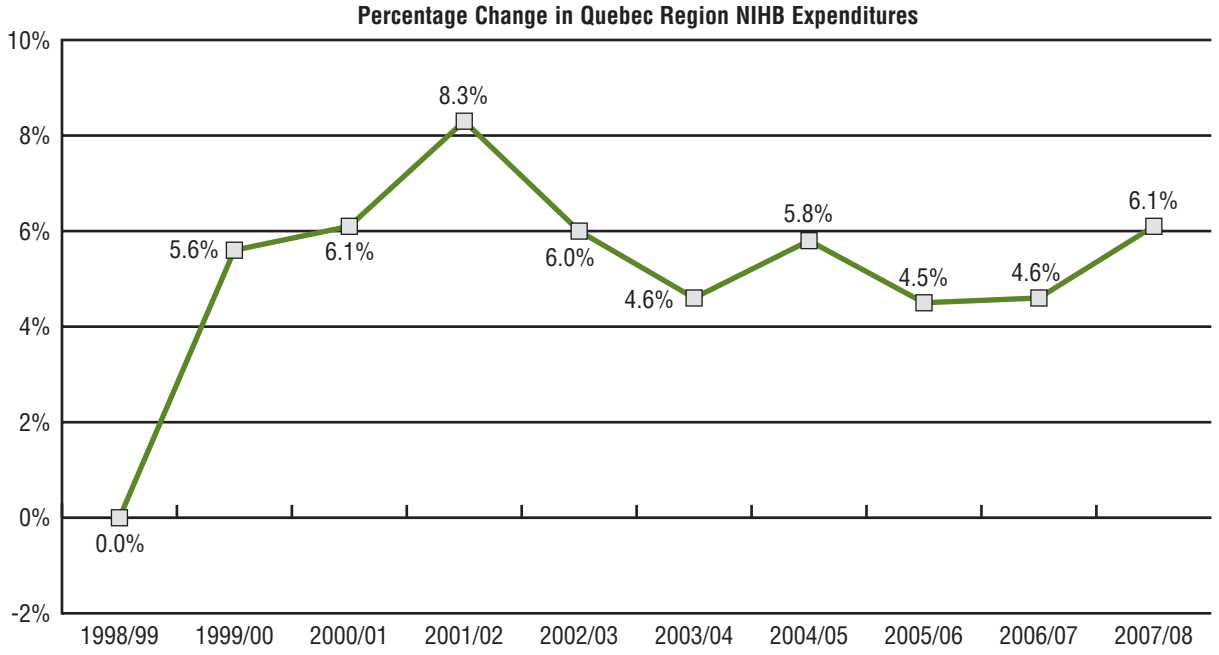
Source: FIRMS adapted by Program Analysis Division

FIGURE 8.2

Quebec Region
1998/99 to 2007/08

Annual expenditures in the Quebec Region for 2007/08 totalled $69.4 million, an increase of 6.1% from the $65.4 million spent in 2006/07. Pharmacy expenditures in 2007/08 increased by 5.6% to $35.4 million from 2006/2007. Dental expenditures increased by 4.6% to $12.1 million and medical transportation costs increased by 9.0% to $20.1 million. Other Health Care and Vision Care expenditures decreased by 19.2% and 1.0% respectively.

Pharmacy costs accounted for 51.0% of the Quebec Region's total expenditures, while medical transportation expenditures ranked second at 29.0% followed by dental at 17.5%. Vision care and other health care accounted for 1.8% and 0.7% of total expenditures respectively.



Annual Expenditures by Benefit ($ 000's)

Quebec Region	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Medical Transportation	$ 15,050	$ 15,761	$ 15,475	$ 16,589	$ 16,877	$ 16,985	$ 17,291	$ 17,886	$ 18,473	$ 20,133
Pharmacy	16,611	17,388	19,680	22,209	25,005	27,436	29,959	31,771	33,486	35,372
Dental	8,831	9,015	9,574	10,505	10,292	10,277	10,525	10,970	11,603	12,141
Other Health Care	544	1,278	1,355	544	695	726	697	750	583	471
Vision Care	977	910	984	1,119	1,173	1,097	1,349	1,135	1,270	1,257
Total	**$ 42,013**	**$ 44,352**	**$ 47,068**	**$ 50,966**	**$ 54,042**	**$ 56,521**	**$ 59,820**	**$ 62,512**	**$ 65,414**	**$ 69,374**

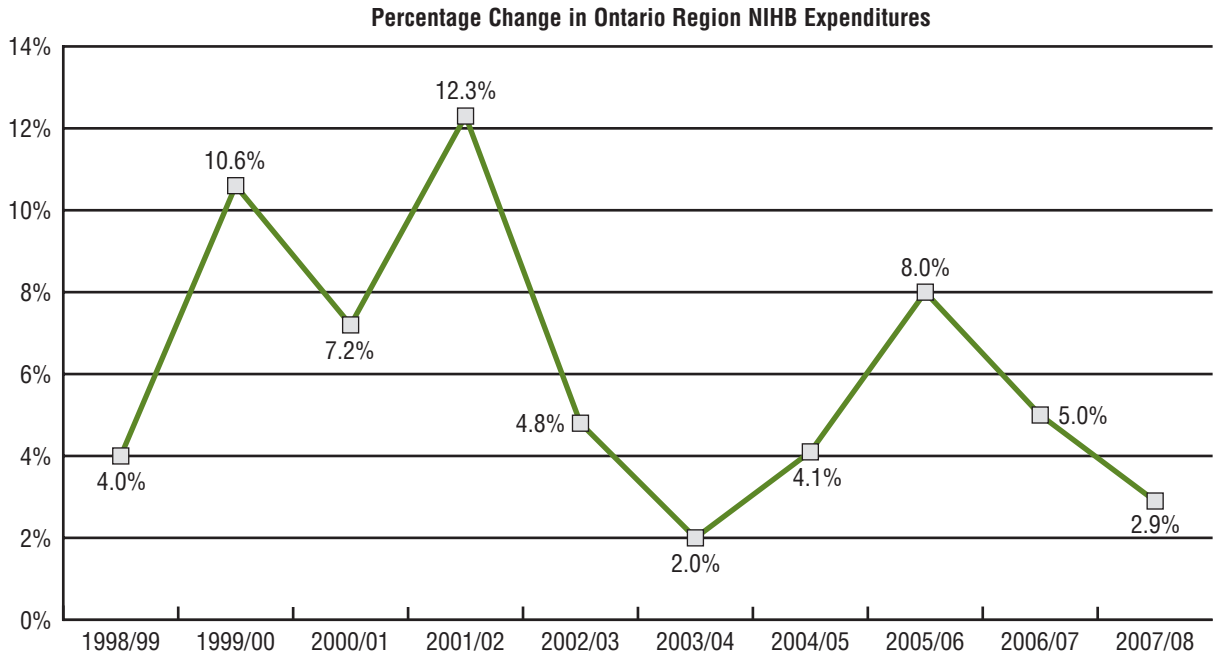
Source: FIRMS adapted by Program Analysis Division

FIGURE 8.3

Ontario Region
1998/99 to 2007/08

Annual expenditures in the Ontario Region for 2007/08 totalled $163.8 million, an increase of 2.9% from the $159.2 million spent in 2006/07. Pharmacy expenditures in 2007/08 decreased by 0.8% to $77.2 million, while medical transportation costs increased by 12.4% to $45.6 million and dental expenditures increased by 2.1% to $33.5 million. Other health care and vision care expenditures decreased by 14.1% and 2.2% respectively.

Pharmacy expenditures accounted for 47.1% of the Ontario Region's total expenditures, medical transportation costs ranked second at 27.8%, followed by dental at 20.4%. Vision care and other health care accounted for 3.3% and 1.3% of total expenditures respectively.



Annual Expenditures by Benefit ($ 000's)										
Ontario Region	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Medical Transportation	$ 28,276	$ 32,713	$ 35,072	$ 40,264	$ 37,493	$ 36,620	$ 35,258	$ 38,553	$ 40,572	$ 45,618
Pharmacy	36,518	40,346	45,244	51,167	57,929	62,953	67,508	73,223	77,788	77,191
Dental	22,244	23,558	23,255	27,568	29,042	27,760	29,655	32,064	32,777	33,467
Other Health Care	3,790	3,431	3,899	2,183	2,548	2,250	2,404	2,213	2,530	2,172
Vision Care	3,842	4,672	4,792	4,886	5,085	5,196	5,428	5,458	5,485	5,366
Total	**$ 94,670**	**$ 104,720**	**$ 112,262**	**$ 126,068**	**$ 132,097**	**$ 134,779**	**$ 140,253**	**$ 151,510**	**$ 159,152**	**$ 163,814**

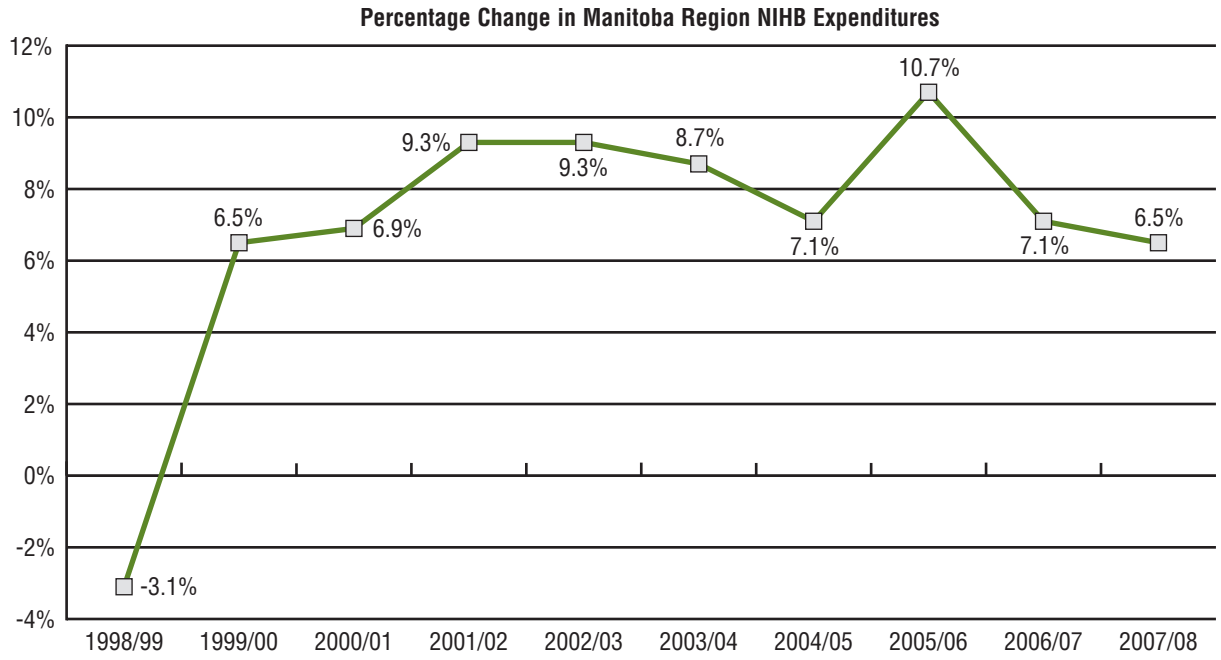
Source: FIRMS adapted by Program Analysis Division

FIGURE 8.4

Manitoba Region
1998/99 to 2007/08

Annual expenditures in the Manitoba Region for 2007/08 totalled $173.0 million, an increase of 6.5% from the $162.4 million recorded in 2006/07. Pharmacy expenditures in 2007/08 increased by 6.7% to $69.3 million, medical transportation costs increased by 10.2% to $76.1 million and dental benefit expenditures increased by 4.5% to $21.7 million. Vision care costs increased by 3.3% and other health care decreased by 38.1%.

Medical transportation expenditures comprised the largest portion of Manitoba Region's total expenditures at 44.0%, followed by pharmacy at 40.1% and dental at 12.5%. Other health care and vision care expenditures each accounted for 1.7%.



Annual Expenditures by Benefit ($ 000's)

Manitoba Region	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Medical Transportation	$ 40,499	$ 44,413	$ 46,089	$ 48,320	$ 51,199	$ 53,533	$ 55,895	$ 63,322	$ 69,047	$ 76,082
Pharmacy	25,395	31,132	35,533	36,078	42,525	48,519	53,998	59,409	64,966	69,317
Dental	11,836	10,189	11,832	16,319	16,600	17,313	18,705	20,326	20,756	21,696
Other Health Care	6,624	4,399	3,218	4,023	4,675	5,621	5,685	5,690	4,786	2,964
Vision Care	2,034	1,899	1,748	2,860	2,640	2,888	2,684	2,864	2,841	2,936
Total	**$ 86,388**	**$ 92,032**	**$ 98,420**	**$ 107,600**	**$ 117,638**	**$ 127,874**	**$ 136,967**	**$ 151,610**	**$ 162,396**	**$ 172,994**

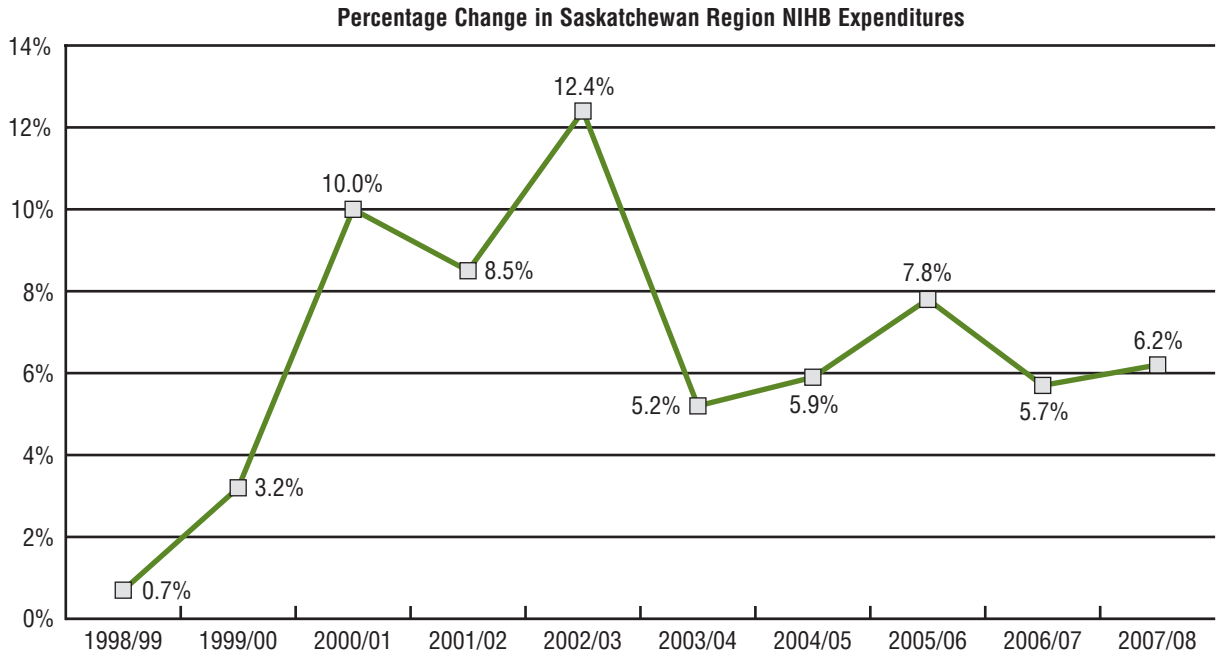
Source: FIRMS adapted by Program Analysis Division

FIGURE 8.5

Saskatchewan Region
1998/99 to 2007/08

Annual expenditures in the Saskatchewan Region for 2007/08 totalled $126.6 million, an increase of 6.2% from the $119.2 million spent in 2006/07. Pharmacy expenditures in 2007/08 increased by 4.6% to $60.7 million, dental expenditures increased by 6.1% to $24.6 million and medical transportation costs increased by 13.5% to $36.1 million. Vision care costs increased by 7.6% while other health care expenditures decreased by 58.0%.

Pharmacy expenditures accounted for almost half of the Saskatchewan Region's total expenditures at 48.0%, while medical transportation expenditures ranked second at 28.5%. Dental costs were unchanged from the last fiscal year at 19.5%. Vision care and other health care expenditures accounted for 3.3% and 0.7% respectively.



Annual Expenditures by Benefit ($ 000's)

Saskatchewan Region	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Medical Transportation	$ 21,814	$ 22,038	$ 24,438	$ 23,862	$ 25,853	$ 25,854	$ 26,758	$ 28,786	$ 31,816	$ 36,108
Pharmacy	28,450	30,983	34,926	38,240	44,394	48,952	52,636	55,687	58,083	60,749
Dental	11,980	12,307	12,731	15,708	17,649	18,297	19,530	22,038	23,219	24,636
Other Health Care	2,894	1,948	2,032	2,663	2,671	2,370	2,295	2,237	2,244	942
Vision Care	2,702	2,755	2,890	3,113	3,360	3,375	3,431	4,072	3,835	4,126
Total	**$ 67,840**	**$ 70,031**	**$ 77,017**	**$ 83,586**	**$ 93,927**	**$ 98,847**	**$ 104,651**	**$ 112,820**	**$ 119,197**	**$ 126,561**

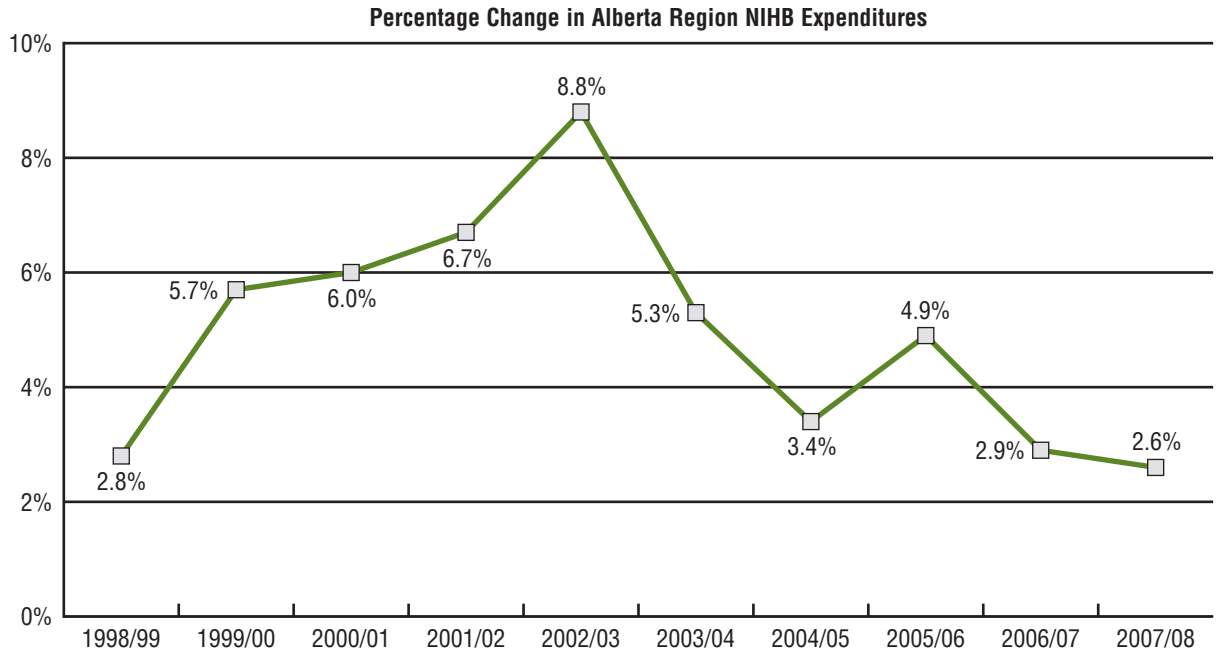
Source: FIRMS adapted by Program Analysis Division

FIGURE 8.6

Alberta Region
1998/99 to 2007/08

Annual expenditures in the Alberta Region for 2007/08 totalled $131.1 million, an increase of 2.6% from the $127.8 million spent in 2006/07. Pharmacy expenditures in 2007/08 increased by 3.7% to $54.4 million. Dental expenditures increased by 6.6% to $22.4 million and medical transportation costs decreased by 0.3% to $32.1 million. The cost of premiums and vision care increased by 2.0% and 5.4% respectively, while other health care costs decreased by 8.3%.

Pharmacy expenditures accounted for 41.5% of the Alberta Region's total expenditures. Medical transportation costs ranked second at 24.5%, followed by dental at 17.1%. Premiums, vision care and other health care accounted for 9.9%, 3.8% and 3.3% of total expenditures respectively.



Annual Expenditures by Benefit ($ 000's)										
Alberta Region	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Medical Transportation	$ 27,723	$ 27,774	$ 28,116	$ 29,796	$ 28,856	$ 29,030	$ 29,686	$ 30,712	$ 32,204	$ 32,107
Pharmacy	26,373	28,843	33,365	36,781	41,590	45,588	48,207	51,141	52,424	54,353
Dental	14,319	16,455	15,527	16,680	18,375	19,237	19,306	20,594	21,006	22,391
Other Health Care	3,666	2,944	4,285	3,371	3,856	3,794	4,078	4,537	4,736	4,343
Vision Care	3,570	3,894	3,696	4,397	4,239	4,576	4,720	4,762	4,690	4,942
Sub-Total	**75,651**	**79,910**	**84,989**	**91,025**	**96,916**	**102,224**	**105,996**	**111,746**	**115,060**	**118,135**
Premiums	8,004	8,480	8,689	8,914	11,790	12,202	12,377	12,381	12,709	12,961
Total	**$ 83,655**	**$ 88,390**	**$ 93,678**	**$ 99,939**	**$ 108,706**	**$ 114,426**	**$ 118,373**	**$ 124,127**	**$ 127,769**	**$ 131,096**

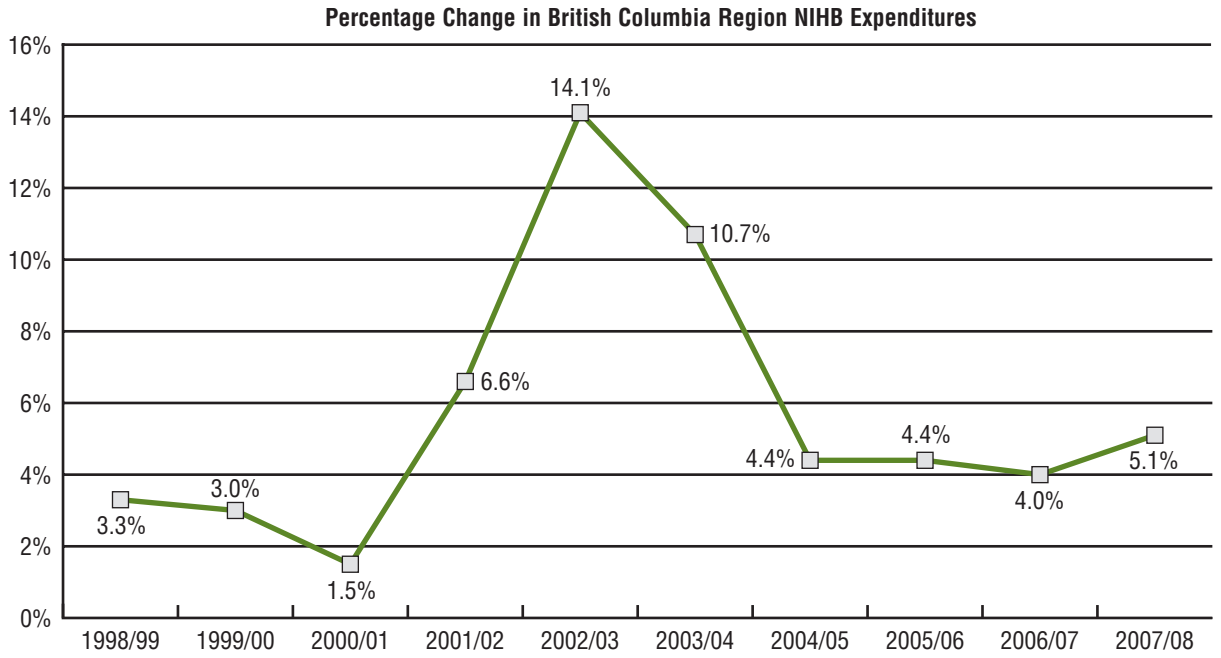
Source: FIRMS adapted by Program Analysis Division

FIGURE 8.7

British Columbia Region
1998/99 to 2007/08

Annual expenditures in the British Columbia Region for 2007/08 totalled $119.4 million, an increase of 5.1% from the $113.6 million spent in 2006/07. Pharmacy expenditures in 2007/08 increased by 7.7% to $54.3 million, while dental costs increased by 1.7% to $23.0 million and medical transportation increased by 6.5% to $21.6 million. The cost of premiums increased by 1.9%, while other health care and vision care expenditures decreased by 4.8% and 3.5% respectively.

Pharmacy expenditures accounted for 45.5% of the British Columbia Region's total expenditures, dental costs ranked second at 19.2%, followed by medical transportation costs at 18.1%. Premiums, vision care and other health care accounted for 13.6%, 2.6% and 0.9 % of total expenditures respectively.



Annual Expenditures by Benefit ($ 000's)										
British Columbia Region	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Medical Transportation	$ 12,284	$ 12,954	$ 12,718	$ 14,039	$ 16,410	$ 16,408	$ 17,340	$ 16,944	$ 20,284	$ 21,613
Pharmacy	25,986	28,748	30,185	33,592	38,922	44,141	46,670	49,734	50,387	54,290
Dental	18,703	17,490	18,078	18,230	19,224	18,338	20,357	22,439	22,588	22,968
Other Health Care	2,048	1,903	1,831	1,165	1,240	1,653	1,581	1,486	1,177	1,120
Vision Care	2,647	2,656	2,518	2,622	2,601	3,259	3,249	3,049	3,232	3,120
Sub-Total	61,668	63,751	65,330	69,648	78,397	83,800	89,197	93,652	97,669	103,111
Premiums	9,472	9,551	9,091	9,682	12,113	16,411	15,453	15,606	15,951	16,250
Total	**$ 71,140**	**$ 73,302**	**$ 74,421**	**$ 79,330**	**$ 90,510**	**$ 100,212**	**$ 104,650**	**$ 109,259**	**$ 113,620**	**$ 119,361**

Source: FIRMS adapted by Program Analysis Division

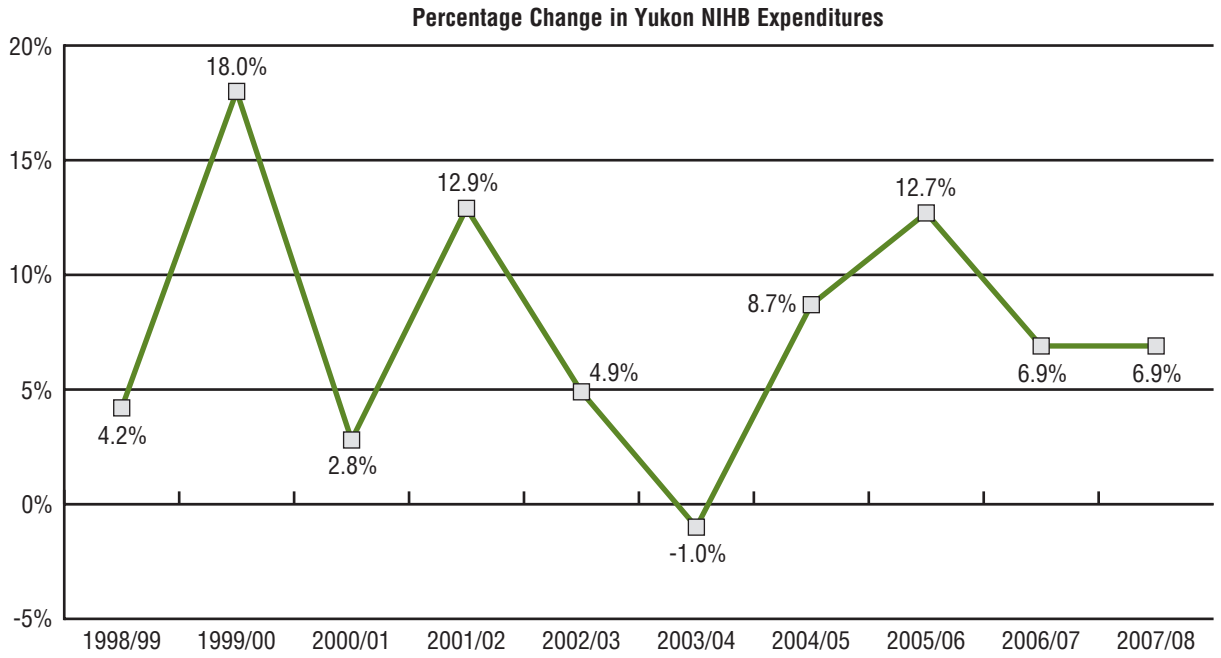
FIGURE 8.8

Yukon
1998/99 to 2007/08

Annual expenditures in Yukon for 2007/08 totalled $9.0 million, an increase of 6.9% from the $8.4 million spent in 2006/07. Pharmacy expenditures in 2007/08 increased by 31.9% to $4.8 million. Dental costs recorded a decrease of 1.7% to $2.0 million and medical transportation expenditures decreased by 19.2% to $2.0 million.

Pharmacy expenditures, at 53.5%, accounted for more than half of Yukon's total expenditures, while dental expenditures ranked second at 22.3%, followed by medical transportation and vision care at 21.8% and 2.3% respectively.

The other health care benefit category decreased by 80.0% over the last fiscal year due to a data anomaly of $20 thousand in medical transportation benefits that were coded in other health care in fiscal year 2006/07.



Annual Expenditures by Benefit ($ 000's)

Yukon	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Medical Transportation	$ 1,490	$ 1,865	$ 1,852	$ 2,020	$ 1,957	$ 1,600	$ 1,774	$ 2,100	$ 2,421	$ 1,957
Pharmacy	1,577	1,953	2,393	2,649	3,048	3,214	3,476	3,655	3,641	4,802
Dental	1,122	1,184	994	1,284	1,236	1,365	1,229	1,863	2,033	1,998
Other Health Care	123	82	16	13	11	2	4	1	22*	4
Vision Care	191	229	208	199	218	223	480*	228	274	208
Total	**$ 4,503**	**$ 5,313**	**$ 5,463**	**$ 6,165**	**$ 6,470**	**$ 6,405**	**$ 6,963**	**$ 7,847**	**$ 8,392**	**$ 8,970**

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

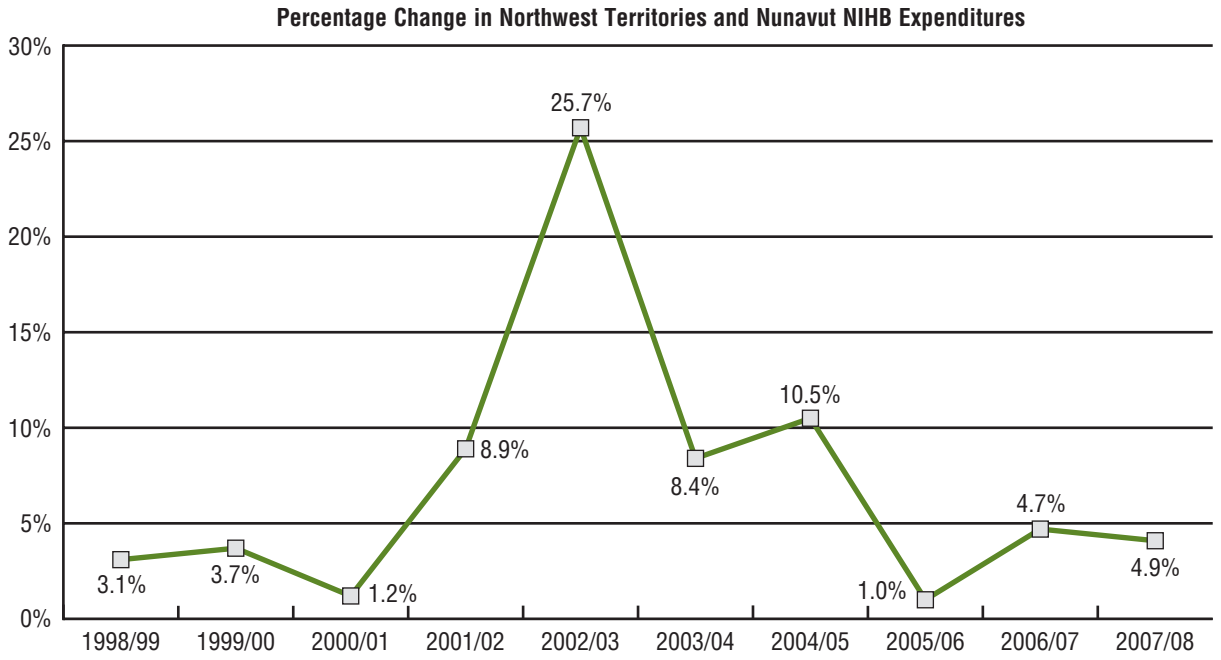
Source: FIRMS adapted by Program Analysis Division

FIGURE 8.9

Northwest Territories and Nunavut
1998/99 to 2007/08

Annual expenditures in the Northwest Territories and Nunavut for 2007/08 totalled $54.5 million, an increase of 4.9% from the $51.9 million spent in 2006/07. Medical transportation expenditures in 2007/08 increased by 3.3% to $23.1 million, pharmacy costs increased by 5.6% to $14.4 million, while dental costs increased by 5.5% to $14.8 million. Vision care costs increased by 15.7% to $2.2 million. There were no other health care costs to be reported as this benefit category is primarily comprised of crisis mental health services, which is covered by the territorial governments.

Medical transportation costs accounted for 42.4% of total expenditures, dental expenditures ranked second at 27.1%, followed by pharmacy at 26.5%. Vision care made up 3.9% of total expenditures.



Annual Expenditures by Benefit ($ 000's)

Northwest Territories and Nunavut	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Medical Transportation	$ 12,697	$ 13,136	$ 12,993	$ 14,594	$ 18,995	$ 19,265	$ 21,401	$ 21,486	$ 22,384	$ 23,114
Pharmacy	6,381	6,697	7,605	8,382	10,157	11,310	12,278	12,912	13,677	14,441
Dental	8,330	8,393	8,013	8,228	9,468	11,657	13,738	13,386	13,989	14,754
Other Health Care	0	0	0	0	1,000*	0	0	0	0	0
Vision Care	1,100	1,349	1,329	1,391	1,341	2,175	1,669	1,787	1,859	2,150
Total	**$ 28,508**	**$ 29,575**	**$ 29,940**	**$ 32,595**	**$ 40,961**	**$ 44,407**	**$ 49,086**	**$ 49,571**	**$ 51,909**	**$ 54,460**

* Due to possible coding error, one million dollars in medical transportation costs were reported as other health care expenditures. Data should be interpreted with caution.

Source: FIRMS adapted by Program Analysis Division

A Test of Strength, by Elisapee Ishulutak & Anna Etoangat

SECTION 9

Initiatives & Activities

SECTION 9.1

Health Information and Claims Processing Services (HICPS)
2007/08

Health Information and Claims Processing Services (HICPS) includes technical support, administrative services and automated information management systems used to process claims by ensuring client/benefit eligibility and compliance with Non-Insured Health Benefits (NIHB) Program policies and pricing. Claims submitted under the NIHB Program are processed through the HICPS system for dental, pharmacy and medical supplies and equipment (MS&E) services rendered to all eligible First Nations and Inuit clients in Canada.

The NIHB Program is responsible for developing, maintaining and managing key business processes, systems and services required to deliver the HICPS requirements. Since 1990, the NIHB Program has retained the services of a private sector contractor to administer the following core claims processing services on its behalf:

- Provider registration and communications;
- Claim adjudication and reporting systems development and maintenance;
- Claim processing and payment operations;
- Systems in support of benefit prior approval and predetermination operations;
- Provider audit programs and audit recoveries; and
- Standard and ad hoc reporting.

The current HICPS contract is with First Canadian Health Management Corp (FCH). The NIHB Program manages the HICPS contract as the project authority in conjunction with Public Works and Government Services Canada (PWGSC), the contract authority. The current contract expires on November 30, 2009. The NIHB Program has completed a competitive re-procurement process for the HICPS and the new HICPS contract has been awarded to ESI Canada. A process has been initiated with FCH and ESI Canada for the transition to the new HICPS system, which is scheduled to begin its operations on December 1, 2009.

In fiscal year 2007/08, a total number of 24,631 active[1] NIHB providers were registered with the HICPS claims processor. This represented an increase of 550 over the previous fiscal year.

[1] An active provider has participated in the NIHB Program at least once over the past 24 months.

FIGURE 9.1.1

Number of Claim Lines Settled Through the Health Information and Claims Processing Services System in 2007/08

REGION	Dental	MS&E	Pharmacy	Total
Atlantic	87,775	19,253	620,920	**727,948**
Quebec	158,853	14,912	1,525,529	**1,699,294**
Ontario	483,684	33,046	3,402,597	**3,919,327**
Manitoba	310,132	69,617	2,336,162	**2,715,911**
Saskatchewan	302,852	52,367	1,933,057	**2,288,276**
Alberta	431,086	55,708	2,175,860	**2,662,654**
British Columbia	439,940	37,580	2,358,682	**2,836,202**
Yukon	23,436	3,663	99,733	**126,832**
N.W.T.	69,642	6,251	160,994	**236,887**
Nunavut	92,876	4,338	127,397	**224,611**
Total	**2,400,276**	**296,735**	**14,740,931**	**17,437,942**

Source: HICPS adapted by Program Analysis Division

Figure 9.1.1 sets out the total number of drug, MS&E and dental claims settled through the HICPS system in fiscal year 2007/08. During this time, 17,437,942 claim lines were processed through HICPS, an increase of 6.5% over the previous fiscal year.

Claim Lines vs. Prescriptions

It is important to note that the Program reports annually on claim lines. This is an administrative as opposed to a health care unit of measure. A claim line represents a transaction on the claims processing system and is not equivalent to a prescription. Prescriptions can contain a number of different drugs with each one represented by a separate claim line. Prescriptions for a number of drugs may be repeated and refilled many times throughout the year. In the case of repeating prescriptions, each time a prescription is refilled, the system will log another transaction (claim line). Therefore, it is possible for an individual who has a prescription that repeats multiple times in a year to have numerous related claim lines associated with the single prescription. Some prescriptions (e.g. methadone) are dispensed on a weekly or sometimes daily frequency, which will also augment the per capita number of claim lines.

SECTION 9.2

Provider Audit Activities
2007/08

The NIHB Program is a publicly-funded program that must account for the expenditure of those public funds. The Provider Audit Program contributes to the fulfillment of this overall requirement. As part of Health Information Claims Processing Services system financial controls, Health Canada has mandated the claims processor to maintain a set of pre-payment as well as post-payment verification processes including 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 eligible NIHB clients and to ensure that providers 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.

During 2007/08, the primary issues identified in on-site audits were 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 was 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, recoveries from on-site audits are recorded in the fiscal year in which they are received.

FIGURE 9.2.1

Audit Recoveries by Benefit by Region, 2007/08

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 2007/08 fiscal year. It should be noted that approximately $46 thousand of the recoveries in the pharmacy benefit were completed for Health Canada by the Department of Justice rather than by the claims processor. All funds were returned to the Receiver General for Canada.

Dental				
REGION	Audits Completed	Recoveries	NDCV/CCP Savings	Total Recoveries/ Savings
Atlantic	12	$ 0	$ 13,943	**$ 13,943**
Quebec	2	2,955	16,570	**19,525**
Ontario	2	0	85,689	**85,689**
Manitoba	11	75,343	29,749	**105,092**
Saskatchewan	4	53,488	35,736	**89,223**
Alberta	13	59,672	79,867	**139,539**
British Columbia	3	621	60,385	**61,006**
Yukon	0	0	1,496	**1,496**
N.W.T.	0	187	8,252	**8,439**
Nunavut	4	8,605	9,242	**17,847**
Total	**51**	**$ 200,869**	**$ 340,930**	**$ 541,799**

Pharmacy				
REGION	Audits completed	Recoveries	NDCV/CCP Savings	Total Recoveries/ Savings
Atlantic	5	$ 60,427	$ 24,029	**$ 84,456**
Quebec	3	10,307	29,157	**39,465**
Ontario	11	43,078	163,272	**206,350**
Manitoba	54	591,819	109,481	**701,300**
Saskatchewan	16	95,239	56,236	**151,475**
Alberta	10	261,074	78,601	**339,675**
British Columbia	3	142,244	65,873	**208,117**
Yukon	0	0	4,287	**4,287**
N.W.T.	0	0	20,709	**20,709**
Nunavut	0	0	23,798	**23,798**
Total	**102**	**$ 1,204,188**	**$ 575,444**	**$ 1,779,632**

MS&E				
REGION	Audits completed	Recoveries	NDCV/CCP Savings	Total Recoveries/ Savings
Atlantic	0	$ 8,725	$ 2,714	**$ 11,439**
Quebec	0	0	11,580	**11,580**
Ontario	1	0	326	**326**
Manitoba	2	0	7,094	**7,094**
Saskatchewan	0	0	10,436	**10,436**
Alberta	0	0	762	**762**
British Columbia	2	0	3,681	**3,681**
Yukon	0	0	340	**340**
N.W.T.	0	0	6,979	**6,979**
Nunavut	0	0	0	**0**
Total	**5**	**$ 8,725**	**$ 43,911**	**$ 52,636**

SECTION 9.3

Federal Dental Care Advisory Committee (FDCAC)

The Federal Dental Care Advisory Committee (FDCAC) is an advisory body of oral health professionals established to provide advice on dental matters as requested by federal departments.

The mandate of the FDCAC is to advise the Chief Dental Officer and each of the federal departments on oral health policy, on best practices and evidence based oral health as well as on specific clinical issues, including current issues, new technologies, procedures as well as complementary issues that will impact on the oral and dental health and needs of their clients.

Participating federal departments include: Health Canada, Veterans Affairs Canada, Royal Canadian Mounted Police, Correctional Services Canada, Citizenship and Immigration Canada and National Defence. Observers are included at FDCAC meetings at the discretion of the Chair in consultation with the federal departments. The total number of observers shall not exceed three. The suggested composition is two observers from the Assembly of First Nations (AFN) and one from the Inuit Tapiriit Kanatami (ITK).

The approach is evidence-based. The professional advice reflects dental and scientific knowledge, current best practice in all aspects of clinical practice as well as health and health care delivery appropriate to specific client health needs. The expert dental health professional advice assures federal clients of a dental program which considers their health and oral health needs, facilitates decision-making within resource allocation and fosters communication with the practising dental health professionals.

The Committee may have up to four scheduled meetings each year, and may be required to meet for an additional meeting depending upon the needs of the federal departments. The appointment of members is carried out by the Chair in consultation with the federal departments and the Secretariat to determine the expertise required. A normal term of appointment for members is three years renewable. Rotation of members is gradual to ensure continuity of membership on the FDCAC.

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 participant on the FDCAC.

SECTION 9.4

The 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, as set out below.

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. For these drug products, the CDR, through the Canadian Expert Drug Advisory Committee (CEDAC), 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 October 1, 2007 drug submissions for new chemical entities, new combination drug products and existing drug products with new indications 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 Directorate and forwarded to the 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 the particular circumstances of NIHB clients.

The Canadian Agency for Drugs and Technologies in Health provides 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**

Existing drug products on the Drug Benefit List with new formulations, drug class reviews and/or line extension drug products are the subject of a different process. Such products are referred to the Federal Pharmacy and Therapeutics (FP&T) Committee for recommendations on formulary listing for 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, the 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 particular circumstances of NIHB clients. 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 NIHB 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.

SECTION 9.5

Drug Use Evaluation (DUE)

Prescription drug misuse is an issue which affects many Canadians. In order to effectively address the issue for NIHB clients, prescription drug misuse must be understood in the context of health status and health program issues impacting First Nations and Inuit.

Optimal drug use means providing the right drug to the right client in the right dose at the right time. The First Nations and Inuit Health Branch (FNIHB) of Health Canada 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 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.

In the context of FNIHB community-based mental health and substance abuse programs, the Non-Insured Health Benefits Program 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, enhance therapeutic outcomes, and optimize pharmaceutical expenditures and hence health outcomes.

To assist the NIHB Program, 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. The membership of the Committee includes a number of First Nations and Inuit health care professionals.

The DUE Advisory Committee provides advice and recommendations to support a comprehensive DUE Program to promote safe, therapeutically effective and efficient use of drug therapy and contribute to positive health outcomes for 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 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 undertaken 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**

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 Reviews

A drug utilization review, which is part of the point-of-service or online 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 potential problems. These messages are intended to enhance pharmacy practice with additional information. Please refer to **http://www.hc-sc.gc.ca/fniah-spnia/nihb-ssna/provide-fournir/pharma-prod/pay-paie-eng.php#drug_review** for a listing of these messages.

NIHB Prescription Monitoring Program (PMP)

The PMP was established in early 2007 by the NIHB Program consistent with the continuing focus on protecting client safety and improving health outcomes. The PMP allows the NIHB Program to make effective interventions with individual clients and prescribers/providers of potential misuse/abuse of benzodiazepine and opioid drug products at the point-of-sale in pharmacies. The pharmacy provider must call the Drug Exception Centre (DEC) for a client in the PMP when a point-of-sale message indicates to do so. The prescriber has to complete a specific form for the client and send it back to the DEC. Both the prescribers' and providers' collaboration are a critical aspect of the PMP process. The NIHB PMP has been implemented first in the Alberta Region. The NIHB Program is working to expand the PMP to other regions.

More information on these initiatives, is provided in the *Report on Client Safety* on the Health Canada web site: **http://www.hc-sc.gc.ca/fniah-spnia/pubs/nihb-ssna/2008_secur_rpt/index-eng.php**

SECTION 9.6

Federal Healthcare Partnership

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, Citizenship and Immigration Canada, Veterans Affairs Canada and the Public Health Agency of Canada.

The federal government 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:

- Establishes a collective philosophy 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;
- Coordinates mechanisms for information sharing, collective decision making and policy development;
- Collectively negotiates 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
- Represents or coordinates representation of the federal departments in federal, provincial and territorial task groups.

Through the FHP, NIHB has successfully reached a number of pharmacy agreements with provincial pharmacy associations. In addition, a joint agreement with the Canadian Audiology Manufacturers Association is in place. Other opportunities for joint negotiation continue to be explored in all regions.

SECTION 9.7

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 help 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.

FIGURE 9.7.1

Total NIHB Drug Exception Centre Requests/Approvals
2007/08

The DEC is a single call centre to provide efficient responses to all requests for drugs that are not on the NIHB Drug Benefit List or require prior approval, for extemporaneous mixtures containing exception or limited use drugs, for prescriptions on which prescribers have indicated "No Substitution", and for claims that exceed $999.99.

SECTION 9.8

Bigstone Pilot Project

The Bigstone Health Commission has operated the Bigstone NIHB Transfer Pilot project since 1996 providing NIHB benefits to members of Bigstone Cree Nation across Canada. In March 2005, the Treasury Board approved an extension of the authority for this pilot project. The initial pilot delivered Medical Transportation services. The current pilot transfer agreement covers all non-insured health benefits (except premiums).

A two-pronged review of the Bigstone NIHB Agreement, including a financial audit and a performance review, has been completed. The results of the audit and performance review were positive and point to the successful performance of the Bigstone pilot project.

Status	Benefit	Exceptions	Limited Use	Total
Total Requested	2,842	42,074	154,111	**199,027**
Total Approved	2,373	30,682	140,156	**173,211**

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.

SECTION 9.9

Privacy

The 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.

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 privacy and data protection 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.

In addition, since June 2007, NIHB has been working with Indian and Northern Affairs Canada (INAC) on an Information Sharing Agreement (ISA) concerning the exchange of personal information between the Indian Registration System at INAC and the Status Verification System at Health Canada. This new agreement will outline the authority, the roles and responsibilities each party has when handling personal information. This ISA is in the process of receiving approval from both parties and will be implemented shortly.

SECTION 9.10

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/fniah-spnia/pubs/nihb-ssna/index-eng.php#drug-med**

The NIHB Dental Bulletin, first released in September 1999, provides information about NIHB dental benefits to providers. The purpose of this publication is to provide relevant information on benefit and Program changes. Dental Bulletins can be found on the Internet at: **http://www.hc-sc.gc.ca/fniah-spnia/pubs/nihb-ssna/index-eng.php#dent**

Mi'kmaq World View, 2005, by Teresa Marshall

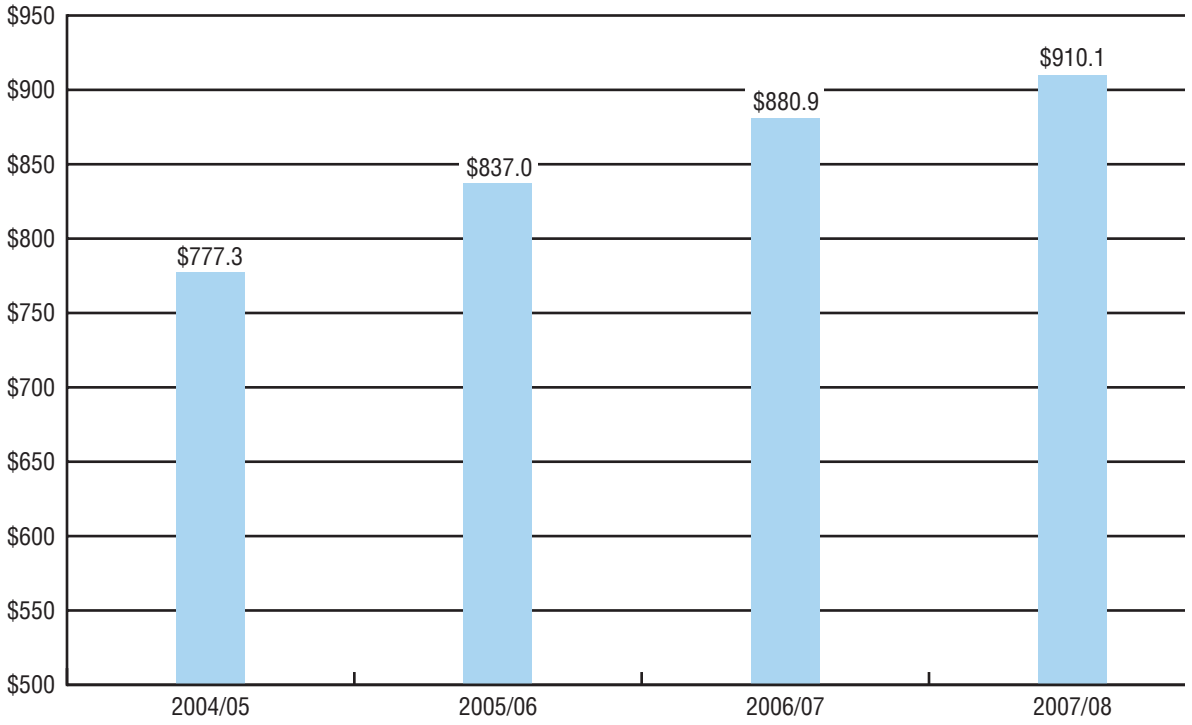
SECTION 10

Financial Resources

The Non-Insured Health Benefits (NIHB) Program operates within the fiscal environment of the First Nations and Inuit Health Branch (FNIHB). Available NIHB financial resources include funds in the FNIHB reference levels for the Program, as well as any supplementary funding approved by Parliament through the course of the fiscal year.

FIGURE 10.1

Non-Insured Health Benefits Program Resources ($ Millions)
2004/05 to 2007/08



Source: Main Estimates

In 2007/08, total resources available to the NIHB Program were $910.1 million. This represented a 3.3% increase over the $880.9 million in available funds in 2006/07.

NIHB Program Sustainability

Cost and service pressures on the Canadian health system have been linked to factors such as an aging population and the increased demand for and utilization of health goods, particularly pharmaceuticals, and services. In providing its benefits to First Nations and Inuit clients, the NIHB Program faces additional challenges linked to growth in its client base, which is growing at two times the Canadian population growth rate, as well as challenges associated with assisting clients in small and remote communities to access medical services.

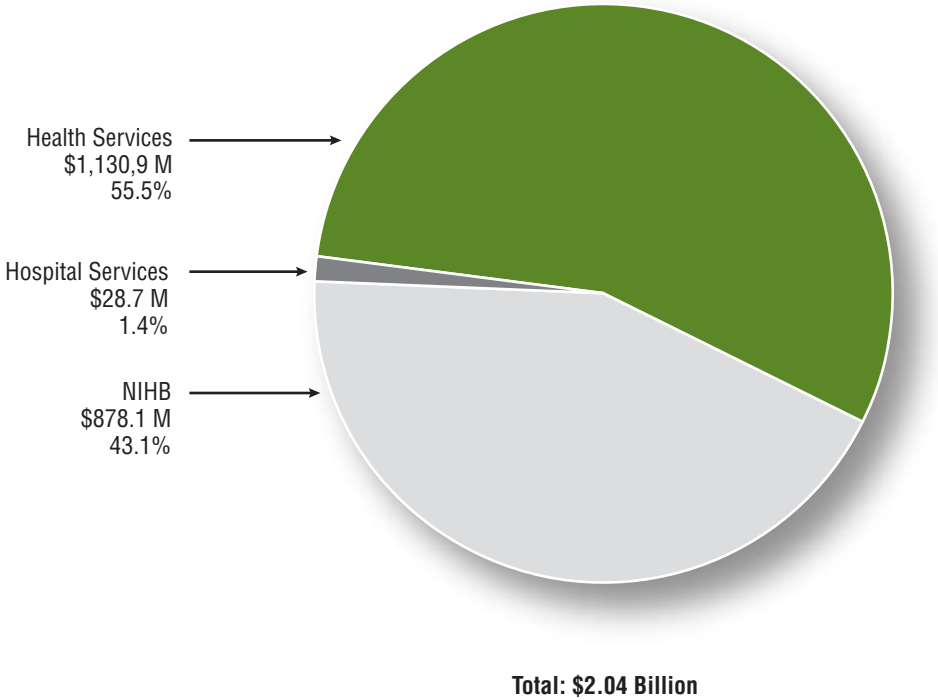
The NIHB Program constantly strives to address these pressures by implementing measures, such as promoting the use of generic drug products, to ensure that it delivers its benefits within its Parliamentary allocations, while maintaining high quality and timely services to its clients.

FIGURE 10.2

First Nations and Inuit Health Programs
2008/09 (Main Estimates)

In 2008/09, the available resources for the First Nations and Inuit Health (FNIH) Program approved by Parliament through the main estimates were $2.04 billion. Total resources for the NIHB Program, both operating and contribution, accounted for $878.1 million (43.1%) compared to $1.1 billion (55.5%) for Health Services. Hospital Services resources accounted for $28.7 million (1.4%) and were used for the operation of FNIH hospitals. These totals do not include any supplementary funds that were secured through the course of 2008/09.

Health Services includes Community Programs, which support a suite of community-based and community delivered programs, initiatives and strategies that collectively aim to improve the health outcomes and reduce health risks in three targeted areas: Children and Youth; Chronic Disease and Injury Prevention; and Mental Health and Addictions.



Total: $2.04 Billion

Source: Main Estimates