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Non-Insured Health Benefits Program

First Nations and Inuit Health Branch

Annual Report
2006/2007

Canada

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Introduction

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

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

- 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 Branch; and
- Other governmental and non-governmental officials with an interest in the provision of health care to First Nations and Inuit communities.

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

Two Health Canada data systems provide information on expenditures and selected benefit utilization. The Framework for Integrated Resource Management System (FIRMS) is the source of most of the expenditure data, while 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.

Untitled, by Johnny Kaigadlak Papigatuk

Background

Section 1

The Non-Insured Health Benefits (NIHB) Program provides approximately 792,600 (as of March 31, 2007) registered First Nations and recognized Inuit with 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 other private insurance plans.

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

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

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

- All 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
- In cases where a benefit is covered under another plan, the NIHB Program will act as the primary facilitator in coordinating payment in order to ensure that the other plan meets its obligations and that clients are not denied service.

Moose on Red Ochre, by Alan Syliboy

Client Population

Section 2

As of March 31, 2007, approximately 792,600 First Nations and Inuit clients were eligible to receive benefits under the NIHB Program. This population is amongst the fastest growing population group in Canada and has been growing at approximately double the rate of the overall Canadian population over the past decade.

A higher birth rate within the Aboriginal 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 into law in 1985 which has resulted in greater numbers of individuals being able to claim or restore their status as Registered Indians.

Figure 2.1

Eligible Client Population by Region
March 2007

The total number of eligible clients on the Status Verification System (SVS) at the end of March 2007 was 792,619, an increase of 2.3% from 2006.

The Ontario Region had the largest total population, representing 21.5% of the national total, followed by the Manitoba Region at 15.8% and the Saskatchewan Region at 15.7%.

Source: Status Verification System (SVS) adapted by Program Analysis Division

Figure 2.2

Eligible Client Population by Type and Region March 2006 and March 2007

Of the 792,619 total eligible clients at the end of the 2006/07 fiscal year, 748,418 (94.4%) are First Nations clients while 44,201 (5.6%) are Inuit clients.

The number of First Nations clients increased by 2.3% while the number of Inuit clients increased by 3.8% in the past year.

From March 2006 to March 2007, Nunavut had the highest percentage change in total eligible clients with 3.9% change. The Atlantic and Saskatchewan regions followed with 3.5% and 2.9% respectively.

	First Nations		Inuit		TOTAL		% Change
REGION	March/06	March/07	March/06	March/07	March/06	March/07	2006 to 2007
Atlantic	31,723	32,371	6,144	6,820	37,867	39,191	3.5%
Quebec	54,671	55,715	765	803	55,436	56,518	2.0%
Ontario	166,724	169,822	547	474	167,271	170,296	1.8%
Manitoba	122,052	125,327	114	122	122,166	125,449	2.7%
Saskatchewan	120,603	124,072	36	39	120,639	124,111	2.9%
Alberta	96,621	99,176	380	377	97,001	99,553	2.6%
B.C.	115,328	117,521	246	200	115,574	117,721	1.9%
Yukon	7,716	7,798	72	79	7,788	7,877	1.1%
N.W.T.	16,399	16,616	7,437	7,368	23,836	23,984	0.6%
Nunavut	0	0	26,862	27,919	26,862	27,919	3.9%
Total	**731,837**	**748,418**	**42,603**	**44,201**	**774,440**	**792,619**	**2.3%**

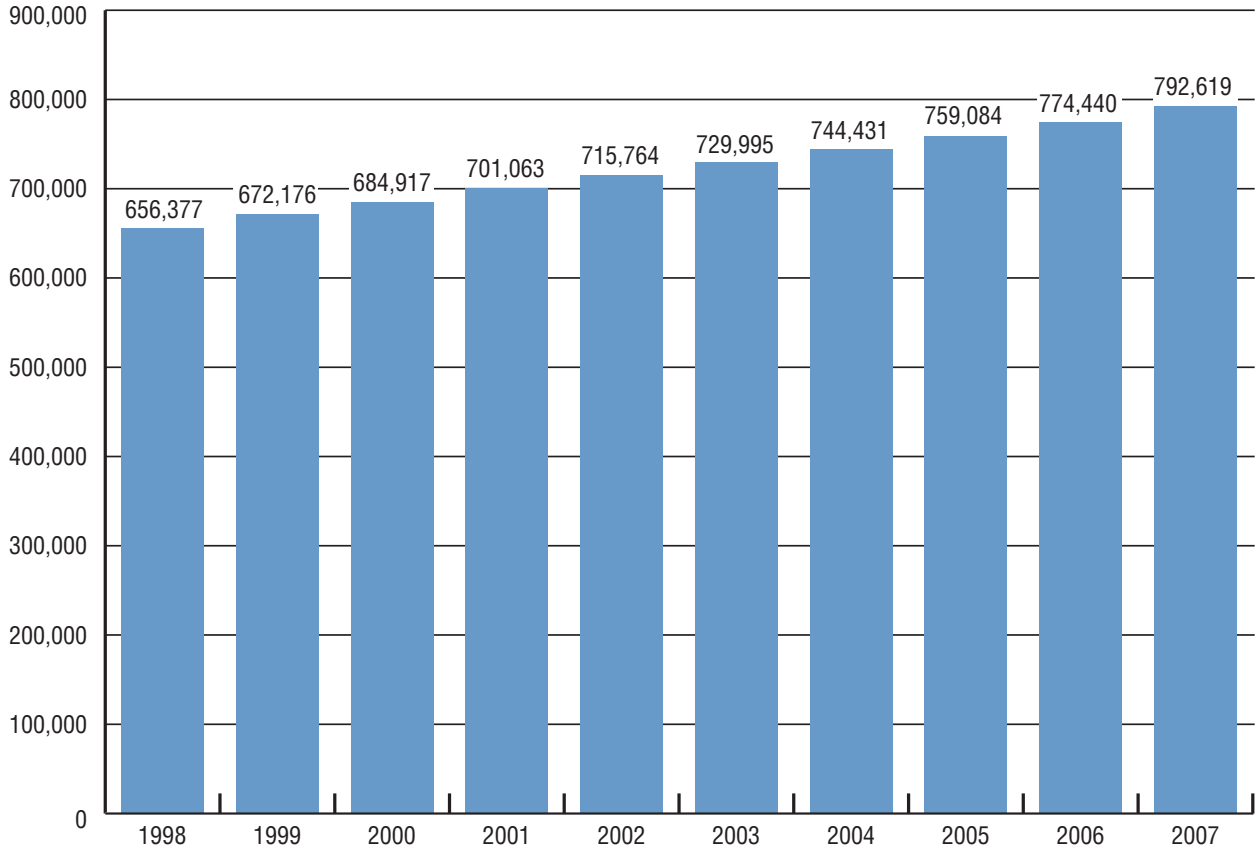
Source: Status Verification System (SVS) adapted by Program Analysis Division

Figure 2.3

Eligible Client Population
March 1998 to March 2007

The total number of eligible clients on the Status Verification System (SVS) increased from over 656,000 at the end of fiscal year 1997/98 to 792,619 in March 2007, an increase of 20.8%.

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: Status Verification System (SVS) adapted by Program Analysis Division

Original population values, as posted in previous versions of the Annual Report, along with adjusted values are included in the table below.

YEAR	1999	2000	2001	2002	2003	2004	2005	2006	2007
Original Population	672,176	690,151	706,338	721,086	735,343	749,825	764,523	779,943	792,619
Adjustment	N/A	5,234	5,275	5,322	5,348	5,394	5,439	5,503	N/A
Adjusted Population	672,176	684,917	701,063	715,764	729,995	744,431	759,084	774,440	792,619

Figure 2.4

Eligible Client Population by Region March 2003 to March 2007

The total number of eligible clients increased by 8.6% from 729,995 in 2003, to 792,619 in 2007.

Nunavut had the largest increase in eligible clients over this five year period, with a growth rate of 12.4%, followed by the Manitoba Region at 10.8%, the Atlantic Region at 10.7% and the Saskatchewan Region at 10.5%.

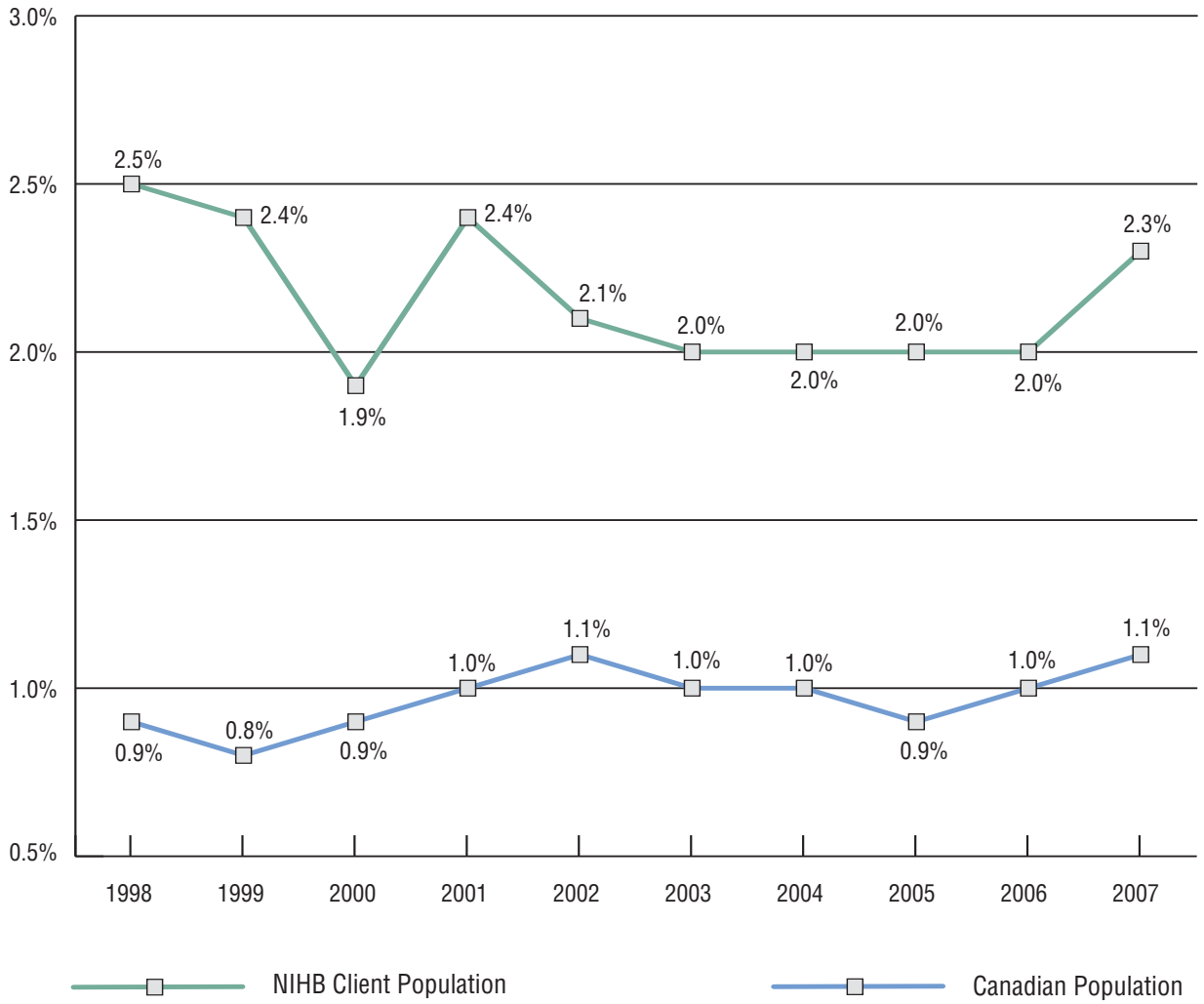
REGION	March/03	March/04	March/05	March/06	March/07
Atlantic	35,389	36,232	37,107	37,867	39,191
Quebec	53,114	53,954	54,587	55,436	56,518
Ontario	160,496	162,473	164,716	167,271	170,296
Manitoba	113,180	116,039	119,140	122,166	125,449
Saskatchewan	112,325	115,093	117,974	120,639	124,111
Alberta	90,356	92,647	94,801	97,001	99,553
B.C.	109,856	111,765	113,587	115,574	117,721
Yukon	7,571	7,647	7,711	7,788	7,877
N.W.T.	22,873	23,146	23,306	23,836	23,984
Nunavut	24,835	25,435	26,155	26,862	27,919
Total	**729,995**	**744,431**	**759,084**	**774,440**	**792,619**
% Change	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**2.3%**

Source: Status Verification System (SVS) adapted by Program Analysis Division

Figure 2.5

Annual Population Growth, Canadian Population and Eligible Client Population 1998 to 2007

From 1998 to 2007, the Canadian population grew by 9.2% while the NIHB eligible First Nations and Inuit client population registered an increase of 20.8%. Over the same period, the First Nations and Inuit client population grew at an average annual rate of 2.2% 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.



Source: Status Verification System (SVS) and Statistics Canada Catalogue No. 91-002-XWE, Quarterly Demographic Statistics

Figure 2.6

Eligible Client Population by Age Group, Gender and Region
March 2007

Of the 792,619 eligible clients on the SVS as of March 31, 2007, 50.9% are female (403,634) and 49.1% are male (388,985).

The average age of the eligible client population is 30 years. By region, this average ranges from a high of 34 years of age in the Ontario and Quebec regions and in the Yukon, to a low of 25 years of age in Nunavut.

The average age of the male and female eligible client population is 29 years and 31 years respectively. The average age for males ranges from 25 years in Nunavut to 33 years in the Ontario and Quebec regions. The average age for females varies from 25 years in Nunavut to 36 years in the Quebec Region.

The NIHB eligible First Nations and Inuit client population is relatively young with over two-thirds (68.7%) under the age of 40. Of the total population, over one-third or 37.4% are under the age of 20. Seniors (clients 65 years of age and over) represent 5.8% of the total population.

The seniors population has been slowly increasing as a proportion of the total population since 2000 while the youth have declined from 40% (2000/01) to 37.4% (2006/07). This fundamental demographic shift will add to Program cost pressures in the coming years.

REGION	Atlantic			Quebec			Ontario			Manitoba		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	1,284	1,189	2,473	1,725	1,519	3,244	3,885	3,649	7,534	6,070	5,823	11,893
5-9	1,749	1,682	3,431	2,191	2,125	4,316	6,662	6,400	13,062	7,198	6,799	13,997
10-14	1,863	1,805	3,668	2,565	2,436	5,001	7,849	7,478	15,327	7,387	7,107	14,494
15-19	1,854	1,842	3,696	2,437	2,369	4,806	7,675	7,350	15,025	6,917	6,771	13,688
20-24	1,670	1,615	3,285	2,107	2,124	4,231	7,053	6,766	13,819	5,600	5,383	10,983
25-29	1,485	1,492	2,977	2,005	1,934	3,939	6,480	6,601	13,081	4,795	4,558	9,353
30-34	1,461	1,441	2,902	1,928	1,960	3,888	6,368	6,280	12,648	4,507	4,515	9,022
35-39	1,655	1,623	3,278	2,095	2,139	4,234	6,659	6,817	13,476	4,575	4,755	9,330
40-44	1,526	1,589	3,115	2,115	2,361	4,476	6,929	7,151	14,080	4,263	4,381	8,644
45-49	1,248	1,495	2,743	2,009	2,250	4,259	6,173	6,869	13,042	3,375	3,719	7,094
50-54	1,009	1,190	2,199	1,570	2,014	3,584	4,839	5,813	10,652	2,416	2,753	5,169
55-59	735	931	1,666	1,255	1,486	2,741	3,634	4,608	8,242	1,769	1,975	3,744
60-64	521	692	1,213	941	1,275	2,216	2,723	3,548	6,271	1,281	1,511	2,792
65+	1,059	1,486	2,545	2,140	3,443	5,583	5,607	8,430	14,037	2,265	2,981	5,246
Total	**19,119**	**20,072**	**39,191**	**27,083**	**29,435**	**56,518**	**82,536**	**87,760**	**170,296**	**62,418**	**63,031**	**125,449**
Average Age	**31**	**33**	**32**	**33**	**36**	**34**	**33**	**35**	**34**	**27**	**28**	**27**

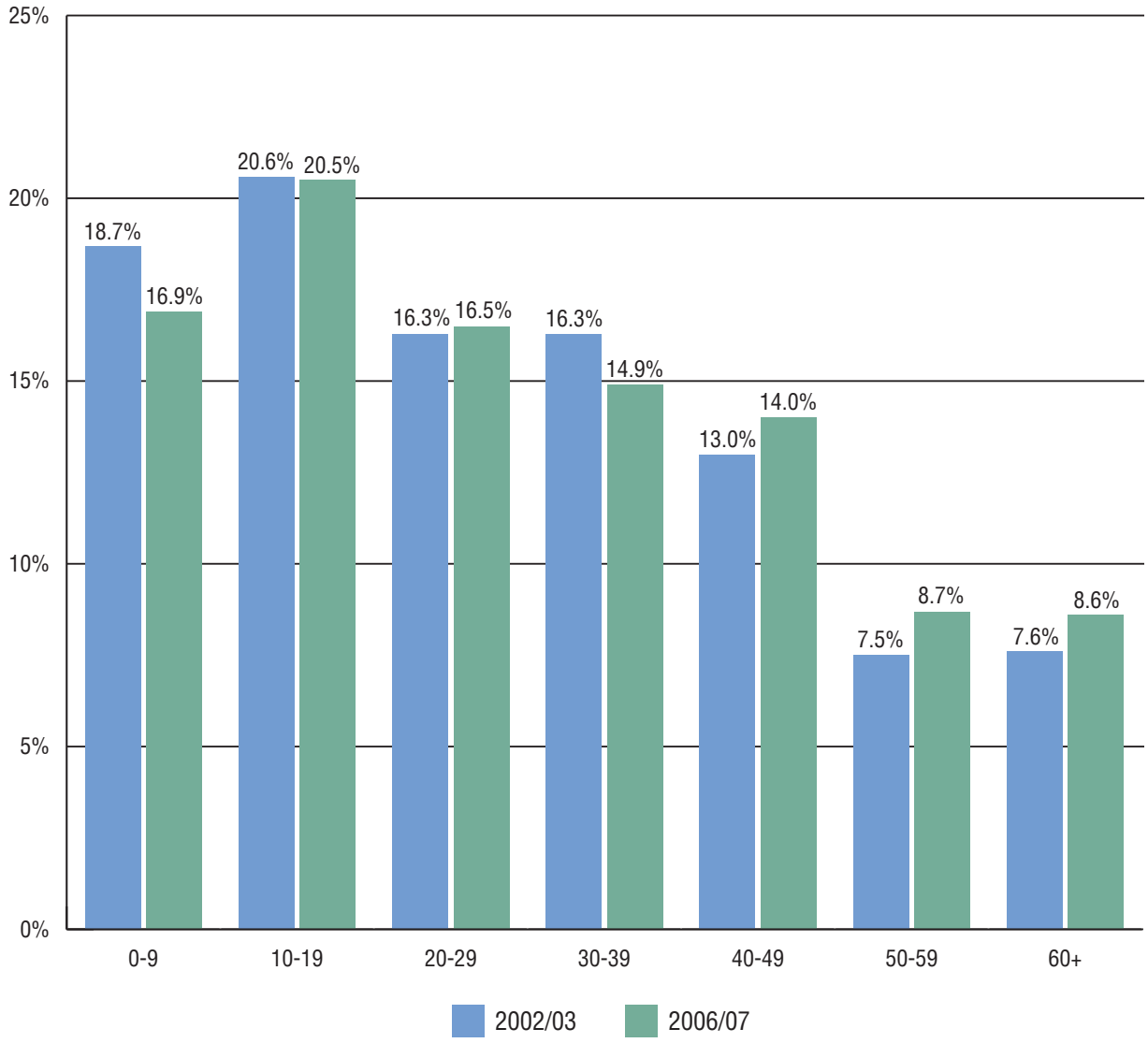
REGION	Saskatchewan			Alberta			B.C.			Yukon			N.W.T.			Nunavut			TOTAL		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	5,710	5,761	11,471	4,586	4,463	9,049	3,779	3,705	7,484	203	172	375	752	782	1,534	1,707	1,612	3,319	29,701	28,675	58,376
5-9	7,126	6,927	14,053	5,625	5,385	11,010	4,923	4,692	9,615	279	271	550	977	955	1,932	1,786	1,650	3,436	38,516	36,886	75,402
10-14	7,372	7,217	14,589	6,130	5,603	11,733	5,434	5,081	10,515	353	312	665	1,360	1,306	2,666	1,697	1,636	3,333	42,010	39,981	81,991
15-19	7,303	7,019	14,322	5,670	5,448	11,118	5,843	5,377	11,220	334	342	676	1,357	1,376	2,733	1,687	1,569	3,256	41,077	39,463	80,540
20-24	6,015	5,889	11,904	4,833	4,679	9,512	5,260	5,065	10,325	345	320	665	1,161	1,039	2,200	1,286	1,290	2,576	35,330	34,170	69,500
25-29	5,017	4,857	9,874	3,980	4,082	8,062	4,639	4,472	9,111	323	279	602	943	932	1,875	1,078	1,051	2,129	30,745	30,258	61,003
30-34	4,437	4,658	9,095	3,516	3,636	7,152	4,462	4,448	8,910	289	279	568	826	857	1,683	921	907	1,828	28,715	28,981	57,696
35-39	4,489	4,634	9,123	3,459	3,544	7,003	4,518	4,588	9,106	374	311	685	1,002	1,017	2,019	969	992	1,961	29,795	30,420	60,215
40-44	3,947	4,243	8,190	3,174	3,529	6,703	4,591	5,004	9,595	395	375	770	870	948	1,818	857	861	1,718	28,667	30,442	59,109
45-49	3,129	3,497	6,626	2,532	2,862	5,394	4,247	4,800	9,047	323	346	669	697	821	1,518	582	596	1,178	24,315	27,255	51,570
50-54	2,177	2,490	4,667	1,790	2,202	3,992	3,153	3,784	6,937	199	256	455	462	627	1,089	418	418	836	18,033	21,547	39,580
55-59	1,479	1,830	3,309	1,223	1,630	2,853	2,335	2,699	5,034	137	201	338	414	474	888	389	336	725	13,370	16,170	29,540
60-64	1,048	1,332	2,380	875	1,144	2,019	1,620	2,068	3,688	128	167	295	292	320	612	284	286	570	9,713	12,343	22,056
65+	1,903	2,605	4,508	1,653	2,300	3,953	3,001	4,133	7,134	232	332	564	622	795	1,417	516	538	1,054	18,998	27,043	46,041
Total	**61,152**	**62,959**	**124,111**	**49,046**	**50,507**	**99,553**	**57,805**	**59,916**	**117,721**	**3,914**	**3,963**	**7,877**	**11,735**	**12,249**	**23,984**	**14,177**	**13,742**	**27,919**	**388,985**	**403,634**	**792,619**
Average Age	**26**	**27**	**27**	**26**	**28**	**27**	**31**	**33**	**32**	**32**	**35**	**34**	**29**	**31**	**30**	**25**	**26**	**25**	**29**	**31**	**30**

Source: Status Verification System (SVS) adapted by Program Analysis Division

Figure 2.7

Proportion of Eligible Client Population by Age Group March 2003 to 2007

A comparison of March 2003 to March 2007 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 11.1% from 206,954 in 2003 to 247,896 in 2007.



Source: Status Verification System (SVS) adapted by Program Analysis Division

Experience Knowledge, by Roy Thomas

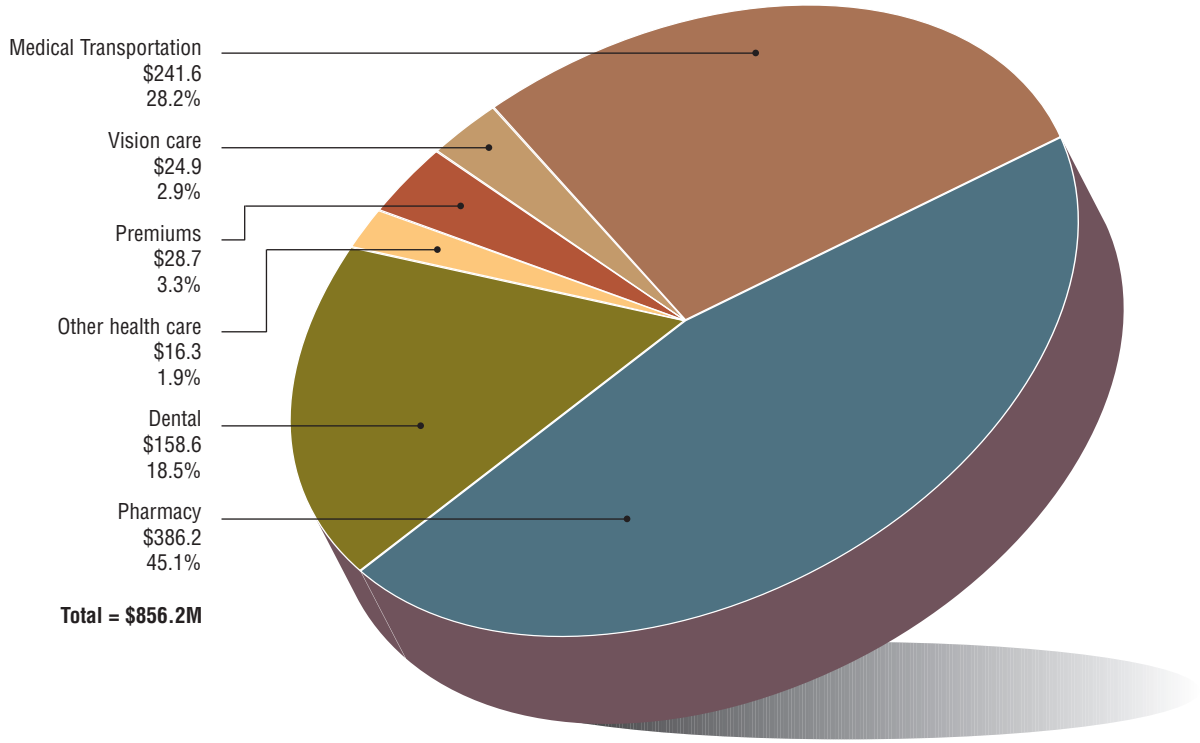
Expenditures

Section 3

Figure 3.1

NIHB Expenditures by Benefit ($ Millions) 2006/07

Total Non-Insured Health Benefits expenditures in 2006/07 were $856.2 million. Of this total, NIHB Pharmacy costs (including medical supplies and equipment) represented the largest proportion at $386.2 million (45.1%), followed by NIHB Medical Transportation costs at $241.6 million (28.2%) and NIHB Dental costs at $158.6 million (18.5%).



Source: FIRMS adapted by Program Analysis Division

Not reflected in the $856.2 million in NIHB expenditures is approximately $34 million in administration costs, including Program staff and other headquarters and regional costs.

Figure 3.2

NIHB Expenditures and Growth by Benefit 2005/06 and 2006/07

There was an overall expenditure increase from 2005/06 to 2006/07 of 4.7% or $38.5 million. This (4.7%) was the second lowest annual growth rate in the past eight years for the NIHB Program.

Pharmacy benefits increased by $17.8 million (4.8%), followed by Medical Transportation benefits at $16.2 million (7.2%) and Dental benefits at $4.7 million (3.0%).

The Other Health Care and Vision Care benefit categories showed decreases over the previous year at -4.9% and -0.3% respectively.

Medical Transportation had the highest rate of growth in 2006/07, recording a 7.2% increase over the previous year. Growth in the Dental benefit in 2006/07 (3.0%) was lower than that recorded in 2005/06, when policy changes designed to improve access to services for Program clients resulted in 7.7% growth in expenditures.

BENEFIT	Total Expenditures (000's) 2005/06	Total Expenditures (000's) 2006/07	% Change From 2005/06
Transportation	$ 225,379	$ 241,602	7.2%
Pharmacy	368,398	386,190	4.8%
Dental	153,900	158,584	3.0%
Other Health Care	17,115	16,271	-4.9%
Premiums	27,987	28,659	2.4%
Vision Care	24,968	24,894	-0.3%
Total Expenditures	**$ 817,748**	**$ 856,201**	**4.7%**

Source: FIRMS adapted by Program Analysis Division

Figure 3.3

NIHB Expenditures by Benefit and Region ($ 000's) 2006/07

The Manitoba Region accounts for the highest proportion of total expenditures at $162.4 million, or 19% of the national total, followed by the Ontario Region at $159.2 million (18.6%) and the Alberta Region at $127.8 million (14.9%).

By contrast, the lowest expenditures are in the Yukon ($8.4 million) and Northwest Territories ($21.3 million). These totals represent 1.0% and 2.5% of the national total, respectively.

Manitoba (7.1%) and Saskatchewan (5.7%) experienced high expenditure growth and represented a greater proportion of total expenditures than in the previous year. Alberta had relatively low expenditure growth (2.9%), resulting in the Region's proportion of total expenditures dropping from 15.2% to 14.9% in 2006/07.

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

REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	$ 4,401	$ 18,938	$ 5,128	$ 192	$ –	$ 1,408	**$ 30,067**
Quebec	18,473	33,486	11,603	583	–	1,270	**65,414**
Ontario	40,572	77,788	32,777	2,530	–	5,485	**159,152**
Manitoba	69,047	64,966	20,756	4,786	–	2,841	**162,396**
Saskatchewan	31,816	58,083	23,219	2,244	–	3,835	**119,197**
Alberta	32,204	52,424	21,006	4,736	12,709	4,690	**127,769**
British Columbia	20,284	50,387	22,588	1,177	15,951	3,232	**113,620**
Yukon	2,421	3,641	2,033	22	–	274	**8,392**
N.W.T.	7,116	8,151	5,249	–	–	819	**21,335**
Nunavut	15,268	5,526	8,740	–	–	1,040	**30,574**
Headquarters	–	12,800	5,486	–	–	–	**18,285**
Total	**$ 241,602**	**$ 386,190**	**$ 158,584**	**$ 16,271**	**$ 28,659**	**$ 24,894**	**$ 856,201**

Source: FIRMS adapted by Program Analysis Division

Figure 3.4

Proportion of NIHB Expenditures by Region 2006/07

In 2006/07, the Manitoba Region had the highest proportion of total NIHB expenditures (19.0%) and accounted for over one-quarter (28.6%) of total NIHB Medical Transportation expenditures. This reflects the large number of First Nation clients living in remote or fly-in only northern communities in the Manitoba Region.

The Ontario Region, which accounted for 18.6% of total NIHB expenditures in 2006/07, recorded 20.7% of total NIHB Dental expenditures and 20.1% of total NIHB Pharmacy costs.

The proportion of NIHB Vision Care costs ranges from a high of 22.0% in the Ontario Region to a low of 1.1% in the Yukon.

The Manitoba Region (29.4%) and the Alberta Region (29.1%) accounted for over one half of the total NIHB Other Health Care expenditures in 2006/07.

NIHB Premium costs are paid in the B.C. (55.7%) and Alberta (44.3%) Regions.

REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL	Proportion of NIHB Population
Atlantic	1.8 %	4.9 %	3.2 %	1.2 %	0.0 %	5.7 %	**3.5%**	**4.9%**
Quebec	7.6 %	8.7 %	7.3 %	3.6 %	0.0 %	5.1 %	**7.6%**	**7.1%**
Ontario	16.8 %	20.1 %	20.7 %	15.6 %	0.0 %	22.0 %	**18.6%**	**21.5%**
Manitoba	28.6 %	16.8 %	13.1 %	29.4 %	0.0 %	11.4 %	**19.0%**	**15.8%**
Saskatchewan	13.2 %	15.0 %	14.6 %	13.8 %	0.0 %	15.4 %	**13.9%**	**15.7%**
Alberta	13.3 %	13.6 %	13.2 %	29.1 %	44.3 %	18.8 %	**14.9%**	**12.6%**
British Columbia	8.4 %	13.0 %	14.2 %	7.2 %	55.7 %	13.0 %	**13.3%**	**14.9%**
Yukon	1.0 %	0.9 %	1.3 %	0.1 %	0.0 %	1.1 %	**1.0%**	**1.0%**
N.W.T.	2.9 %	2.1 %	3.3 %	0.0 %	0.0 %	3.3 %	**2.5%**	**3.0%**
Nunavut	6.3 %	1.4 %	5.5 %	0.0 %	0.0 %	4.2 %	**3.6%**	**3.5%**
Headquarters	0.0 %	3.3 %	3.5 %	0.0 %	0.0 %	0.0 %	**2.1%**	**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 2006/07

At the national level, almost three-quarters of total NIHB expenditures occur in two benefit areas: Pharmacy (45.1%) and Medical Transportation (28.2%). Dental expenditures accounted for almost one-fifth (18.5%) of total NIHB expenditures. The more modest growth in this benefit area in 2006/07, along with higher rates of growth in Pharmacy and Medical Transportation benefits, resulted in a slightly lower proportion of overall NIHB Dental expenditures (18.5%) than was recorded in 2005/06.

NIHB Medical Transportation expenditures accounted for 49.9% of total expenditures in Nunavut compared to 14.6% in the Atlantic Region followed by B.C. with 17.9%. In the Atlantic Region, 63.0% of total expenditures were spent on Pharmacy benefits compared to a low of 18.1% in Nunavut. Dental expenditures accounted for 28.6% of total expenditures in Nunavut compared to 12.8% in the Manitoba Region.

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

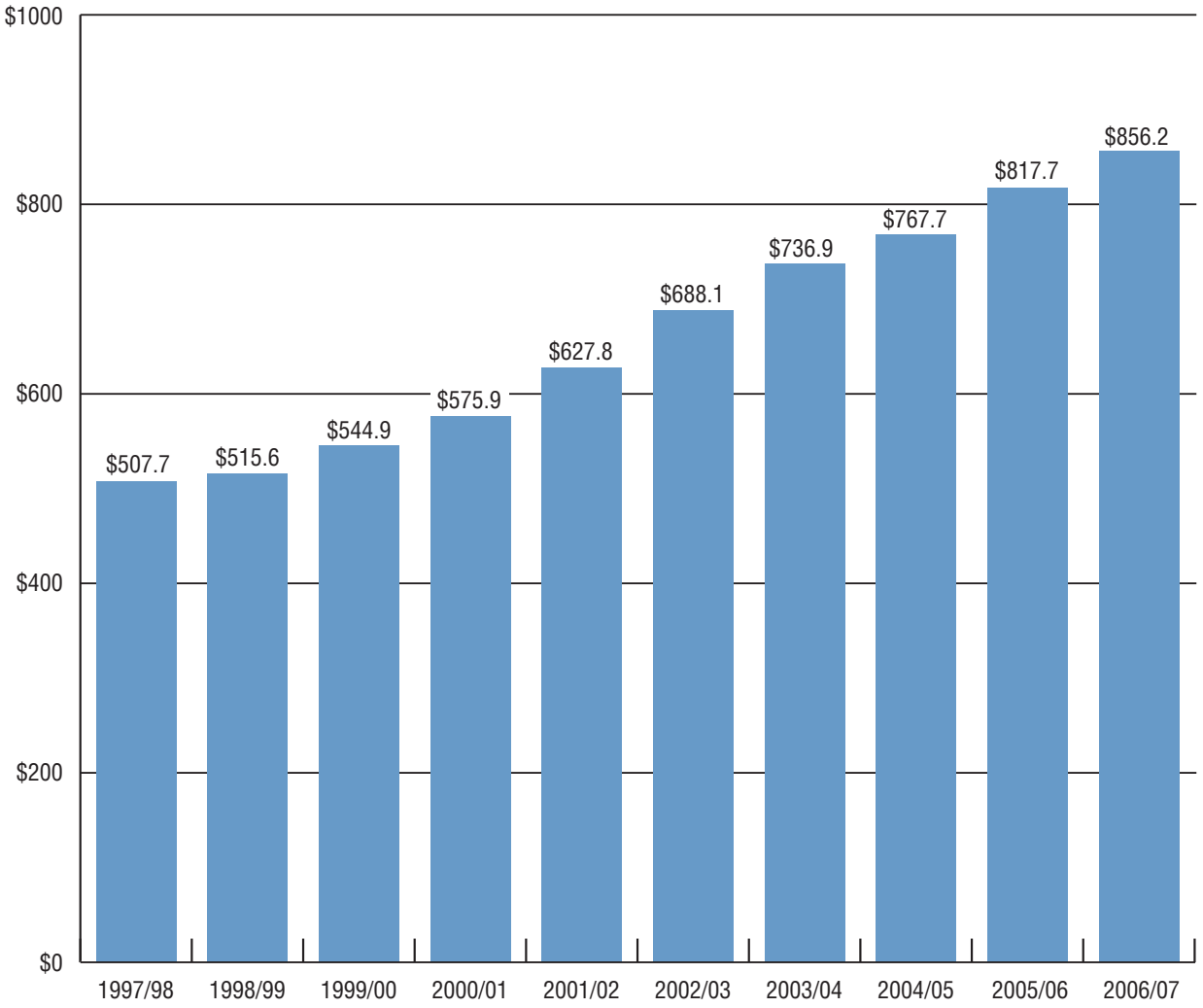
REGION	Transportation	Pharmacy	Dental	Other Health Care	Premiums	Vision Care	TOTAL
Atlantic	14.6%	63.0%	17.1%	0.6%	0%	4.7%	**100%**
Quebec	28.2	51.2	17.7	0.9	0	1.9	**100**
Ontario	25.5	48.9	20.6	1.6	0	3.4	**100**
Manitoba	42.5	40.0	12.8	2.9	0	1.7	**100**
Saskatchewan	26.7	48.7	19.5	1.9	0	3.2	**100**
Alberta	25.2	41.0	16.4	3.7	9.9	3.7	**100**
British Columbia	17.9	44.3	19.9	1.0	14.0	2.8	**100**
Yukon	28.9	43.4	24.2	0.3	0	3.3	**100**
N.W.T.	33.4	38.2	24.6	0	0	3.8	**100**
Nunavut	49.9	18.1	28.6	0	0	3.4	**100**
Headquarters	0	70.0	30.0	0	0	0	**100**
Total	**28.2%**	**45.1%**	**18.5%**	**1.9%**	**3.3%**	**2.9%**	**100%**

Source: FIRMS adapted by Program Analysis Division

Figure 3.6

NIHB Annual Expenditures ($ Millions) 1997/98 to 2006/07

In 2006/07, NIHB Program expenditures were $856.2 million, up 4.7% from $817.7 million in 2005/06. Since 1997/98, total expenditures have grown by 68.7%.



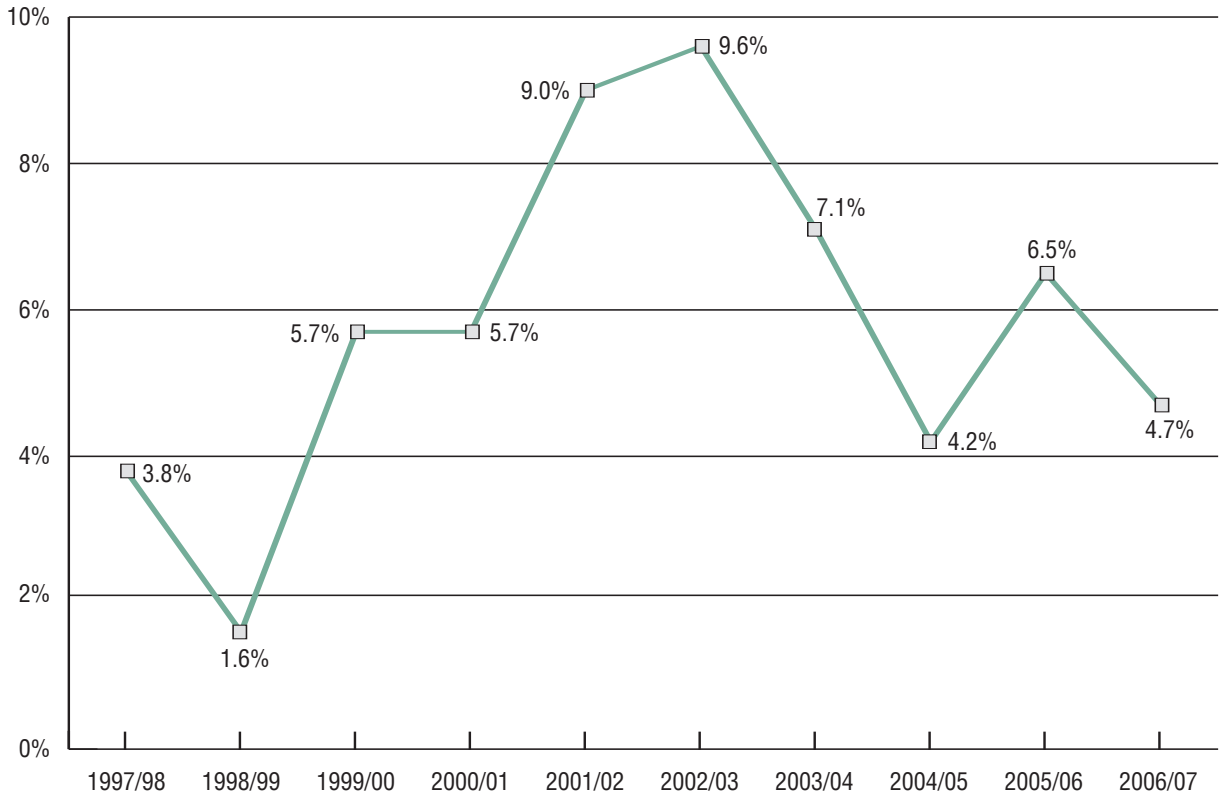
Source: FIRMS adapted by Program Analysis Division

Figure 3.7

Percentage Change in NIHB Annual Expenditures
1997/98 to 2006/07

The expenditures for the Non-Insured Health Benefits Program increased by 4.7% to $856.2 million in 2006/07. There has been wide variation of growth rates between 1997/98 and 2006/07, with a low of 1.6% in 1998/99 to a high of 9.6% in 2002/03. The average annual growth over this period was 6.0%.

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 Nation self-government initiatives and 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)
1997/98 to 2006/07

The expenditures for pharmacy benefits have grown more than other benefit areas in the period from 1997/98 to 2006/07. Pharmacy expenditures rose by 114.4% from $180.1 million in 1997/98 to $386.2 million in 2006/07. Over the same period, NIHB Transportation expenditures grew by 45.8% and Dental expenditures increased by 51.9%. Vision Care and Premiums expenditures had increases of 34.0% and 67.3% respectively over this period, while NIHB Other Health Care expenditures decreased by 25.2%.

BENEFIT	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 165,686	$ 166,229	$ 177,078	$ 182,851	$ 195,719	$ 203,952	$ 205,793	$ 211,527	$ 225,379	$ 241,602
Pharmacy	180,105	187,105	206,869	228,861	252,846	290,112	326,982	343,879	368,398	386,190
Dental	104,420	106,417	106,975	109,852	124,468	131,021	134,504	142,956	153,900	158,584
Other Health Care	21,748	19,847	16,108	16,775	14,135	16,894	16,557	16,904	17,115	16,271
Premiums	17,131	17,476	18,030	17,779	18,596	23,902	28,614	27,830	27,987	28,659
Vision Care	18,576	18,490	19,843	19,748	22,020	22,259	24,420	24,629	24,968	24,894
Total	**$ 507,666**	**$ 515,564**	**$ 544,903**	**$ 575,866**	**$ 627,784**	**$ 688,140**	**$ 736,870**	**$ 767,726**	**$ 817,748**	**$ 856,201**
Annual % Change	**3.8%**	**1.6%**	**5.7%**	**5.7%**	**9.0%**	**9.6%**	**7.1%**	**4.2%**	**6.5%**	**4.7%**

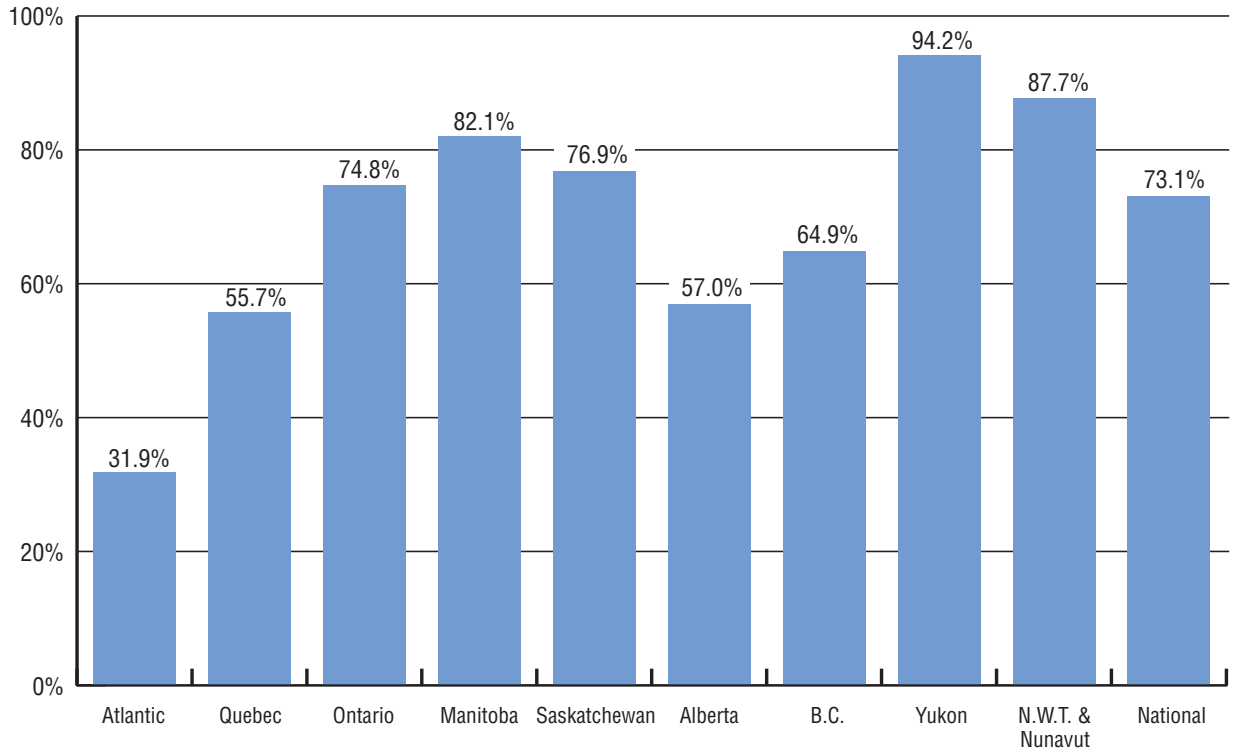
Source: FIRMS adapted by Program Analysis Division

Figure 3.9

Percentage Growth in NIHB Expenditures by Region 1997/98 to 2006/07

From 1997/98 to 2006/07, total NIHB expenditures increased at the fastest rate in the North with the Yukon and the combined Northwest Territory / Nunavut regions recording rates of growth of 94.2% and 87.7% respectively. The Manitoba (82.1%) and Saskatchewan (76.9%) regions showed the next highest rates of growth for this period.

The Atlantic Region registered the lowest increase at 31.9%. 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

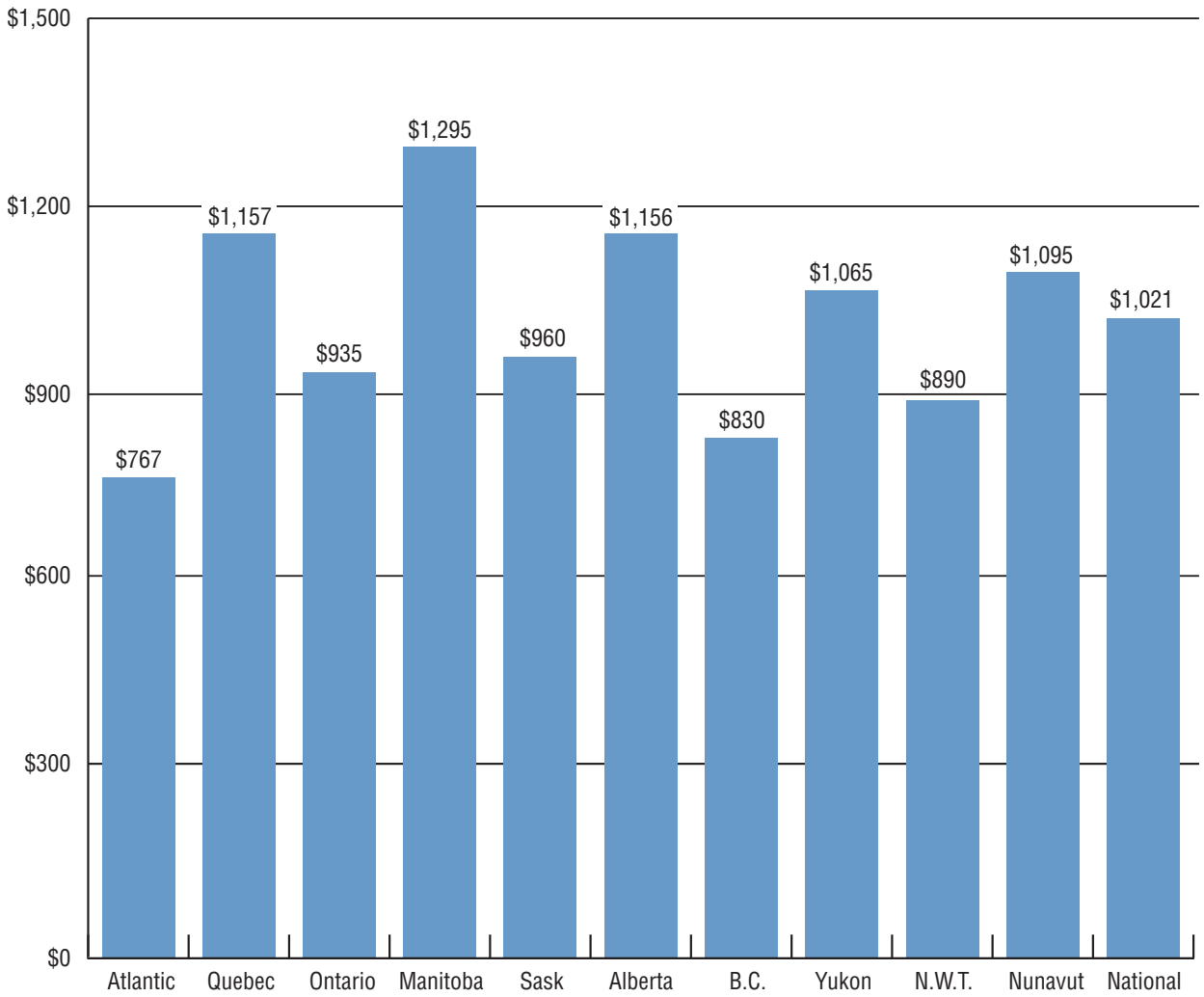
Per Capita NIHB Expenditures by Region (Excluding Premiums) 2006/07

The national per capita expenditure for all benefits in 2006/07 was $1,021. This is an increase from the 2005/06 national per capita expenditure of $999.

The Manitoba Region had the highest per capita cost at $1,295 in 2006/07. The Alberta Region ranks second in per capita expenditures at $1,156 followed by the Quebec Region at $1,157.

If premiums that are paid by the Program were included in these calculations, per capita costs in Alberta and British Columbia regions would be $1,283 and $965 respectively, with the national totals adjusted to $1,057.

The $767 per capita cost recorded in the Atlantic is somewhat misleading as it is based on a regional population total that includes clients in transition to self-government and who were eligible to receive only NIHB Dental and Other Health Care benefit coverage in 2006/07. Not including this population in eligible client calculations would result in an adjusted $916 per capita cost in the Atlantic and $1,029 at the national level.



Source: FIRMS & SVS adapted by Program Analysis Division

Fertility Moon, by Germaine Arnaktauyok

Section 4

Pharmacy Expenditure and Utilization Data

The NIHB Program funds pharmacy benefits not covered by private or provincial/territorial health insurance plans. In fiscal year 2006/07, NIHB Pharmacy benefits totalled $386.2 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 and will:

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

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

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

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

Figure 4.1

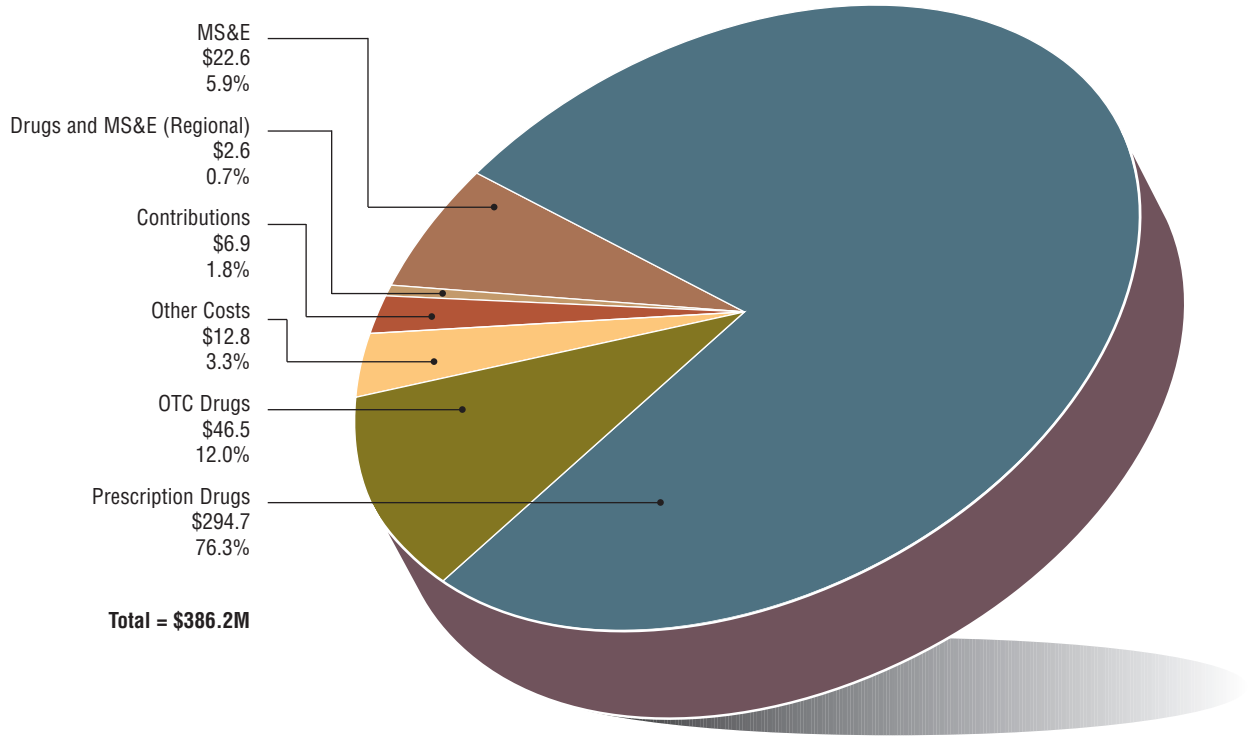
Distribution of NIHB Pharmacy Expenditures ($ Millions)
2006/07

In fiscal year 2006/07, NIHB Pharmacy benefits totalled $386.2 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) is the largest component, accounting for $294.7 million or 76.3% of all NIHB Pharmacy expenditures, followed by over-the-counter (OTC) drugs (paid through HICPS) which totals $46.5 million or 12.0%. Medical supplies and equipment (MS&E) paid through HICPS is the third highest component at $22.6 million or 5.9%. In total, the three components managed through automated claims processing account for over 94.2% of all pharmacy costs.

Drugs and MS&E (Regional), at $2.6 million or 0.7%, refers to regionally managed prescription drugs and OTC's administered through health facilities. This category also includes medical supplies and equipment costs paid through regional offices.

Contributions, which account for $6.9 million or 1.8% of total pharmacy costs, are used to fund the provision of pharmacy benefits through agreements such as that with the Mohawk Council of Akwesasne in Ontario and the Bigstone pilot project in Alberta.

Other costs totalled $12.8 million or 3.3% in 2006/07. Included in this total are Headquarters expenditures which represent costs related to automated claims payment.



Source: FIRMS adapted by Program Analysis Division

Figure 4.2

Total NIHB Pharmacy Expenditures by Type and Region ($ 000's) 2006/07

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 $294.7 million or 76.3% of all NIHB Pharmacy costs. The Ontario Region (20.9%) and the Manitoba Region (17.5%) had the largest proportions of these costs in 2006/07.

The next highest component was over-the-counter drug costs at $46.5 million or 12.0%. The Ontario Region (20.8%), Manitoba Region (20.6%) and the Saskatchewan Region (18.6%) had the largest proportions of these costs in 2006/07.

The third highest component was medical supplies and equipment (MS&E) at $22.6 million (5.9%). The Alberta Region (20.1%) and the Ontario Region (18.2%) had the highest proportions of MS&E costs in 2006/07.

REGION	OPERATING							Contribution Agreements	Total Costs
	Prescription Drugs	OTC Drugs	Drugs/MS&E Regional	Medical Supplies	Medical Equipment	Other Costs	Total Operating		
Atlantic	$ 14,738	$ 2,918	$ 13	$ 557	$ 712	–	$ 18,938	$ 0	**$ 18,938**
Quebec	28,253	4,384	16	326	498	–	33,476	10	**33,486**
Ontario	61,652	9,699	30	1,282	2,831	–	75,495	2,294	**77,788**
Manitoba	51,570	9,598	4	1,442	2,351	–	64,966	0	**64,966**
Saskatchewan	44,578	8,644	1,541	1,230	2,090	–	58,083	0	**58,083**
Alberta	37,888	5,137	677	1,280	3,271	–	48,253	4,171	**52,424**
B.C.	41,947	4,563	47	918	2,471	–	49,946	441	**50,387**
Yukon	3,068	286	39	75	173	–	3,641	0	**3,641**
N.W.T.	6,314	758	189	371	508	–	8,140	11	**8,151**
Nunavut	4,740	536	0	134	116	–	5,526	0	**5,526**
Headquarters	–	–	–	–	–	12,800	12,800	–	**12,800**
Total	**$ 294,748**	**$ 46,525**	**$ 2,556**	**$ 7,614**	**$ 15,022**	**$ 12,800**	**$ 379,264**	**$ 6,926**	**$ 386,190**

Source: FIRMS adapted by Program Analysis Division

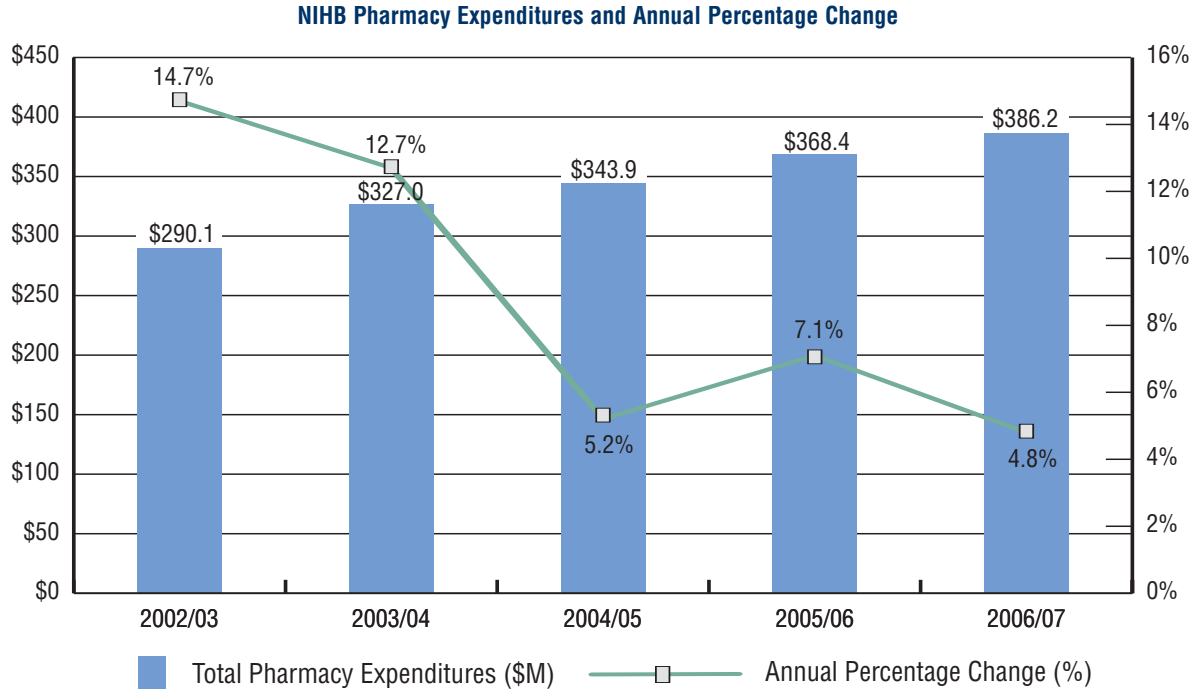
Figure 4.3

Annual NIHB Pharmacy Expenditures 2002/03 to 2006/07

NIHB Pharmacy expenditures increased by 4.8% during fiscal year 2006/07. This represents a 2.3 percentage points decrease over the previous year's growth rate. Over the past five years, growth in Pharmacy expenditures has ranged from a high of 14.7% in 2002/03 to a low of 4.8% in 2006/07. The average annual growth rate over these five years is 8.8%.

Over the past five 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 2006/07 took place in the Manitoba Region, which increased by 9.4% over the previous fiscal year. Ontario had the second highest growth rate at 6.2%, followed by NWT/Nunavut at 5.9%. The only region not showing growth in NIHB Pharmacy expenditures was the Yukon Region (-0.4%).



Source: FIRMS adapted by Program Analysis Division

NIHB Pharmacy Expenditures (000's)					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Atlantic	$ 14,322	$ 16,265	$ 17,533	$ 18,293	$ 18,938
Quebec	25,005	27,436	29,959	31,771	33,486
Ontario	57,929	62,953	67,508	73,223	77,788
Manitoba	42,525	48,519	53,998	59,409	64,966
Saskatchewan	44,394	48,952	52,636	55,687	58,083
Alberta	41,590	45,588	48,207	51,141	52,424
B.C.	38,922	44,141	46,670	49,734	50,387
Yukon	10,157	11,310	12,278	12,912	13,677
N.W.T./Nunavut	3,048	3,214	3,476	3,655	3,641
Headquarters	12,219	18,605	11,615	12,574	12,800
National	**$ 290,112**	**$ 326,982**	**$ 343,879**	**$ 368,398**	**$ 386,190**

Source: FIRMS adapted by Program Analysis Division

Figure 4.4

Per Capita NIHB Pharmacy Expenditures by Region 2006/07

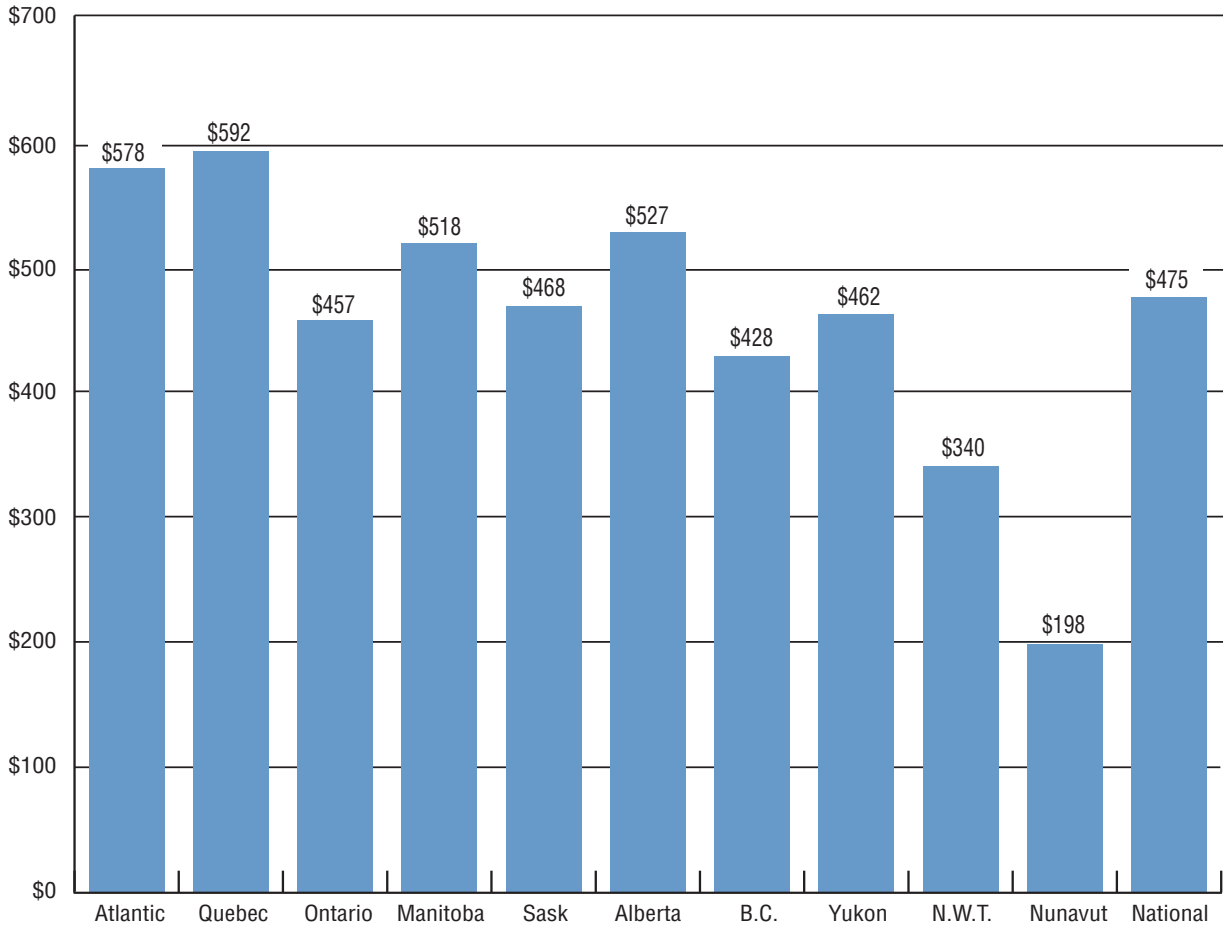
In 2006/07, the national per capita expenditure for NIHB Pharmacy benefits was $475. This was an increase from the previous year's figure of $461.

The Quebec Region had the highest per capita NIHB Pharmacy expenditure at $592, followed by the Atlantic Region at $578 and the Alberta Region at $527 which remained unchanged from 2005/06. Nunavut had the lowest per capita expenditure at $198.

Per capita drug costs declined in two regions, in British Columbia, from $431 (2005/06) to $428 (2006/07) and in the Yukon from $469 (2005/06) to $462 (2006/07).

The highest increases in per capita costs were in the Atlantic Region, $67 per capita and Manitoba Region, $32 per capita.

The $578 per capita cost recorded in the Atlantic Region reflects the removal of Nunatsiavut clients who were in the process of transitioning to self-government and who did not receive coverage for Pharmacy benefits under the NIHB program in 2006/07. The national per capita NIHB Pharmacy expenditure of $475 also reflects this adjustment.



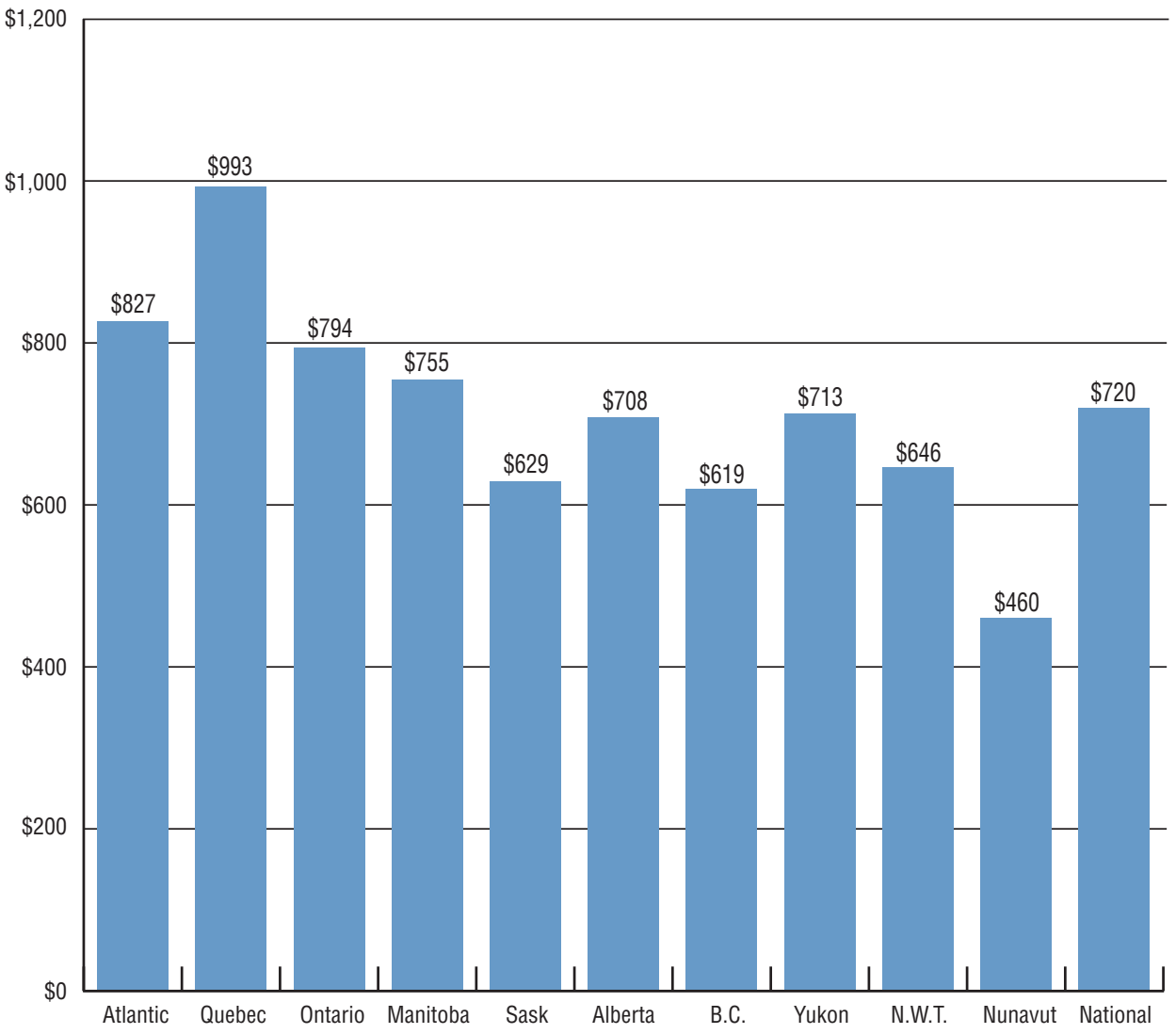
Source: FIRMS and SVS adapted by Program Analysis Division

Figure 4.5

NIHB Pharmacy Operating Expenditures per Claimant by Region 2006/07

In 2006/07, the national average expenditure per claimant in NIHB Pharmacy was $720.

The Quebec Region had the highest average NIHB Pharmacy expenditure per claimant at $993, followed by the Atlantic Region at $827 and Ontario Region at $794. Nunavut had the lowest expenditure per claimant at $460, followed by the BC Region at $619.



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 in proportion 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 2006/07, a claimant 0 to 4 years of age cost the program $140 on average, while a 65 year plus claimant cost $2,190. The highest costs were observed among claimants aged 60-64 years, with average expenditures of $2,213.

Figure 4.6

NIHB Pharmacy Utilization Rates by Region 2002/03 to 2006/07

Utilization rates represent those clients who receive 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 will somewhat understate the actual level of service as the data do not include pharmacy services provided through contribution agreements and benefits provided through community health facilities.

In 2006/07, the national utilization rate was 64% for pharmacy benefits paid through the system used for HICPS. Regional rates ranged from 74% in the Saskatchewan Region to 47% in N.W.T./Nunavut.

The 58% utilization rate recorded in the Atlantic Region reflects the removal of Nunatsiavut clients transitioning to self-government and who were not eligible to receive coverage for pharmacy benefits under the NIHB Program in 2006/07. The national NIHB Pharmacy utilization rate of 64% also reflects this adjustment.

Quick Fact:

An examination of pharmacy services utilization rates by NIHB claimants, based on age, indicates that these rates vary according to age. The pharmacy benefit use is highest in early childhood. In 2006/07, 80% of children aged 0 to 4 years received pharmaceutical services. A reduction occurs between the ages of 5 and 19, with the upward trend resuming around age 20. Claimants aged 55 to 59 years show the highest utilization rate (71%) after children aged 0 to 4.

Pharmacy Utilization					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Atlantic	60%	61%	60%	59%	58%
Quebec	61%	61%	61%	60%	60%
Ontario	57%	57%	56%	56%	56%
Manitoba	68%	68%	68%	69%	69%
Saskatchewan	78%	77%	76%	76%	74%
Alberta	76%	75%	70%	70%	68%
B.C.	69%	69%	69%	70%	69%
Yukon	63%	62%	64%	65%	65%
N.W.T./Nunavut	48%	49%	47%	47%	47%
Total	**68%**	**67%**	**65%**	**65%**	**64%**

Utilization rates over the last five fiscal years have been updated to reflect the new population totals for British Columbia and at the national level.

Source: HICPS and SVS adapted by Program Analysis Division

Figure 4.7

NIHB Pharmacy Claimants by Age Group, Gender and Region 2006/07

Of the 792,619 clients eligible to receive benefits under the NIHB Program, 508,730 (64%) claimants received at least one pharmacy item paid through the system used for Health Information and Claims Processing Services (HICPS) in 2006/07.

Of this total, 284,833 were female (56%) and 223,897 were male (44%). This compares to the total eligible population where 51% are female and 49% are male.

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

Over 35.3% of pharmacy claimants are under 20 years of age. Thirty-eight percent of male claimants are in this age group while females account for 33%. Approximately 6% of all pharmacy claimants were seniors (age 65 and over) in 2006/07.

REGION	Atlantic			Quebec			Ontario			Manitoba		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	1,058	971	2,029	1,208	1,132	2,340	2,703	2,471	5,174	4,990	4,703	9,693
5-9	1,023	1,030	2,053	1,121	1,019	2,140	3,257	3,170	6,427	4,163	4,173	8,336
10-14	967	1,007	1,974	1,079	1,210	2,289	3,308	3,498	6,806	3,890	4,096	7,986
15-19	840	1,165	2,005	944	1,650	2,594	3,100	4,593	7,693	3,271	4,707	7,978
20-24	752	1,151	1,903	879	1,576	2,455	2,939	4,730	7,669	2,885	4,230	7,115
25-29	764	1,028	1,792	897	1,443	2,340	2,934	4,525	7,459	2,749	3,772	6,521
30-34	771	982	1,753	997	1,544	2,541	3,043	4,442	7,485	2,919	3,791	6,710
35-39	844	1,068	1,912	1,121	1,561	2,682	3,420	4,506	7,926	2,982	3,809	6,791
40-44	752	1,003	1,755	1,191	1,596	2,787	3,639	4,848	8,487	2,867	3,676	6,543
45-49	677	927	1,604	1,123	1,612	2,735	3,366	4,397	7,763	2,367	2,917	5,284
50-54	542	747	1,289	950	1,272	2,222	2,645	3,585	6,230	1,738	2,289	4,027
55-59	421	579	1,000	762	1,102	1,864	2,194	2,896	5,090	1,395	1,696	3,091
60-64	267	378	645	632	864	1,496	1,627	2,193	3,820	956	1,201	2,157
65+	458	728	1,186	1,207	2,032	3,239	2,730	4,349	7,079	1,602	2,238	3,840
Total	**10,136**	**12,764**	**22,900**	**14,111**	**19,613**	**33,724**	**40,905**	**54,203**	**95,108**	**38,774**	**47,298**	**86,072**
Average Age	**29**	**32**	**31**	**34**	**36**	**35**	**34**	**35**	**35**	**28**	**29**	**29**

REGION	Saskatchewan			Alberta			B.C.			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	5,432	5,418	10,850	3,933	3,786	7,719	3,268	3,175	6,443	128	125	253	408	411	819	839	788	1,627	23,967	22,980	46,947
5-9	4,775	4,981	9,756	3,416	3,354	6,770	2,906	2,906	5,812	157	123	280	405	371	776	442	390	832	21,665	21,517	43,182
10-14	4,525	4,890	9,415	3,210	3,302	6,512	2,882	3,016	5,898	148	143	291	439	468	907	334	402	736	20,782	22,032	42,814
15-19	3,952	5,464	9,416	2,934	3,826	6,760	3,015	4,219	7,234	174	250	424	436	772	1,208	381	835	1,216	19,047	27,481	46,528
20-24	3,332	4,953	8,285	2,609	3,690	6,299	2,826	3,981	6,807	173	263	436	368	755	1,123	336	846	1,182	17,099	26,175	43,274
25-29	3,105	4,183	7,288	2,361	3,135	5,496	2,663	3,653	6,316	177	217	394	327	674	1,001	303	728	1,031	16,280	23,358	39,638
30-34	2,976	4,097	7,073	2,282	2,968	5,250	2,673	3,591	6,264	177	223	400	351	666	1,017	317	603	920	16,506	22,907	39,413
35-39	3,122	3,875	6,997	2,302	2,843	5,145	2,850	3,704	6,554	230	225	455	423	688	1,111	378	596	974	17,672	22,875	40,547
40-44	2,779	3,553	6,332	2,181	2,698	4,879	2,965	4,044	7,009	245	298	543	404	682	1,086	304	502	806	17,327	22,900	40,227
45-49	2,252	2,882	5,134	1,687	2,215	3,902	2,685	3,606	6,291	170	244	414	345	543	888	246	368	614	14,918	19,711	34,629
50-54	1,632	1,997	3,629	1,210	1,683	2,893	2,130	2,758	4,888	136	193	329	251	417	668	207	295	502	11,441	15,236	26,677
55-59	1,164	1,588	2,752	901	1,276	2,177	1,573	1,953	3,526	93	143	236	249	351	600	247	272	519	8,999	11,856	20,855
60-64	875	1,066	1,941	661	878	1,539	1,177	1,584	2,761	89	122	211	185	221	406	150	188	338	6,619	8,695	15,314
65+	1,455	2,063	3,518	1,138	1,642	2,780	2,038	2,841	4,879	175	262	437	436	564	1,000	336	391	727	11,575	17,110	28,685
Total	**41,376**	**51,010**	**92,386**	**30,825**	**37,296**	**68,121**	**35,651**	**45,031**	**80,682**	**2,272**	**2,831**	**5,103**	**5,027**	**7,583**	**12,610**	**4,820**	**7,204**	**12,024**	**223,897**	**284,833**	**508,730**
Average Age	**26**	**28**	**27**	**27**	**29**	**28**	**32**	**33**	**32**	**35**	**37**	**36**	**33**	**34**	**34**	**29**	**30**	**30**	**30**	**31**	**31**

Source: HICPS adapted by Program Analysis Division

Figure 4.8

NIHB Pharmacy Claimants and Non-Claimants by Age Group and Gender 2006/07

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 2006/07. 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 vary according to age. Interestingly, more than 50% of eligible clients in each age group received pharmaceutical services or products in 2006/07. The highest utilization rate was observed among eligible clients aged 0 to 4 years, where 80% of eligible clients were claimants. The age group where pharmacy utilization was lowest in 2006/07 was the 10 to 14 age group, where 52% of clients received at least one pharmacy benefit.

Of the 283,889 non-claimants in 2006/07, 165,088 were male (58%) while 118,801 were female (42%). Forty-one percent of all non-claimants were under 20 years of age, while 71% were under 40 years of age.

	Claimants			Non-Claimants			TOTAL		
Age Group	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
0-4	23,967	22,980	46,947	5,734	5,695	11,429	29,701	28,675	**58,376**
	81%	80%	80%	19%	20%	20%	100%	100%	**100%**
5-9	21,665	21,517	43,182	16,851	15,369	32,220	38,516	36,886	**75,402**
	56%	58%	57%	44%	42%	43%	100%	100%	**100%**
10-14	20,782	22,032	42,814	21,228	17,949	39,177	42,010	39,981	**81,991**
	49%	55%	52%	51%	45%	48%	100%	100%	**100%**
15-19	19,047	27,481	46,528	22,030	11,982	34,012	41,077	39,463	**80,540**
	46%	70%	58%	54%	30%	42%	100%	100%	**100%**
20-24	17,099	26,175	43,274	18,231	7,995	26,226	35,330	34,170	**69,500**
	48%	77%	62%	52%	23%	38%	100%	100%	**100%**
25-29	16,280	23,358	39,638	14,465	6,900	21,365	30,745	30,258	**61,003**
	53%	77%	65%	47%	23%	35%	100%	100%	**100%**
30-34	16,506	22,907	39,413	12,209	6,074	18,283	28,715	28,981	**57,696**
	57%	79%	68%	43%	21%	32%	100%	100%	**100%**
35-39	17,672	22,875	40,547	12,123	7,545	19,668	29,795	30,420	**60,215**
	59%	75%	67%	41%	25%	33%	100%	100%	**100%**
40-44	17,327	22,900	40,227	11,340	7,542	18,882	28,667	30,442	**59,109**
	60%	75%	68%	40%	25%	32%	100%	100%	**100%**
45-49	14,918	19,711	34,629	9,397	7,544	16,941	24,315	27,255	**51,570**
	61%	72%	67%	39%	28%	33%	100%	100%	**100%**
50-54	11,441	15,236	26,677	6,592	6,311	12,903	18,033	21,547	**39,580**
	63%	71%	67%	37%	29%	33%	100%	100%	**100%**
55-59	8,999	11,856	20,855	4,371	4,314	8,685	13,370	16,170	**29,540**
	67%	73%	71%	33%	27%	29%	100%	100%	**100%**
60-64	6,619	8,695	15,314	3,094	3,648	6,742	9,713	12,343	**22,056**
	68%	70%	69%	32%	30%	31%	100%	100%	**100%**
65+	11,575	17,110	28,685	7,423	9,933	17,356	18,998	27,043	**46,041**
	61%	63%	62%	39%	37%	38%	100%	100%	**100%**
Total	**223,897**	**284,833**	**508,730**	**165,088**	**118,801**	**283,889**	**388,985**	**403,634**	**792,619**
	58%	**71%**	**64%**	**42%**	**29%**	**36%**	**100%**	**100%**	**100%**

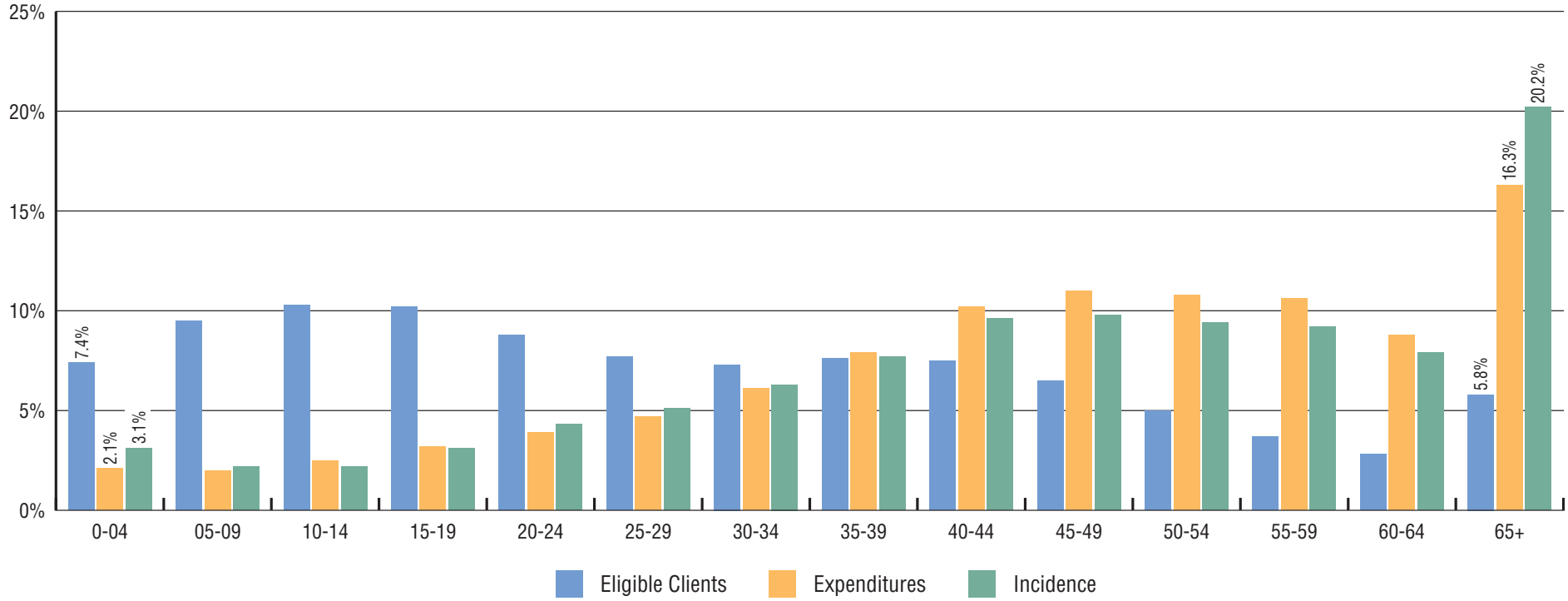
Source: HICPS and SVS adapted by Program Analysis Division

Figure 4.9

Distribution of Eligible NIHB population, Pharmacy Expenditures and Pharmacy Incidence by Age Group 2006/07

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 2006/07, for example, 7.4% of all clients were in the 0-4 age group, but this group accounted for only 3.1% of all pharmacy claims made and only 2.1% of total pharmacy expenditures. In contrast, the 65+ age group represented 5.8% of all eligible clients, but accounted for 20.2% of all pharmacy claims submitted and 16.3% of total pharmacy expenditures. During fiscal year 2006/07, the average claimant aged 65 or more submitted 79 claims, versus 58 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.

Population aging is a significant factor in the growth in medical expenditures occurring in all industrialized countries. The NIHB population is younger than the Canadian average at the present time. Previous censuses have shown that the Aboriginal population is growing much faster than the total population, and is a trend that is forecast to continue. The Aboriginal population is expected to grow at an average annual rate of 1.8%, more than twice the rate of 0.7% for the general population. It is anticipated that the costs associated with delivering pharmacy benefits to this population will increase significantly in the coming years. NIHB Pharmacy expenditures for claimants aged 65 or more could double in seven years, relative to 2006/07 expenditures.



Source: HICPS, FIRMS 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

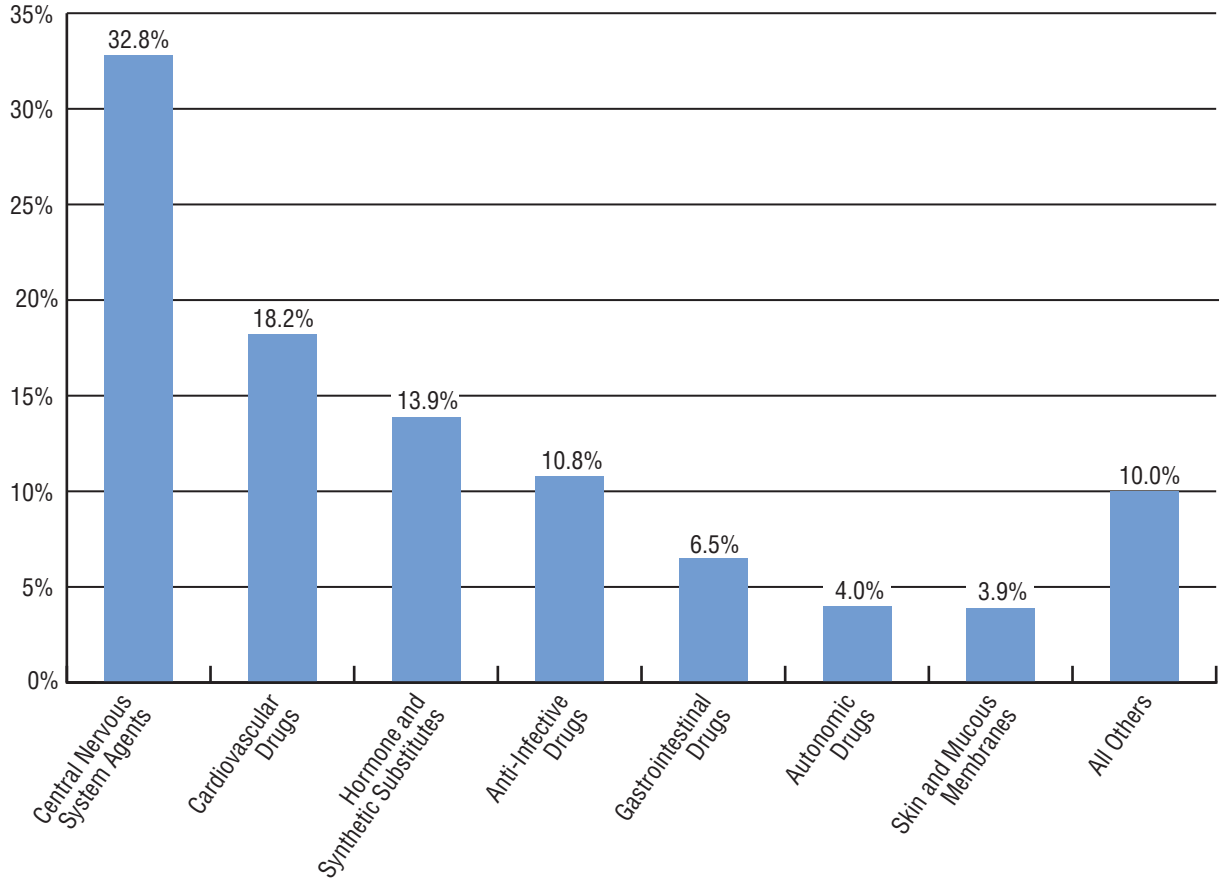
NIHB Prescription Drug Utilization by Pharmacologic Therapeutic class, by Incidence 2006/07

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

Central Nervous System agents, which include such drug classes as analgesics and sedatives, account for 32.8% of all prescription drug claims. This therapeutic class has a very slight variance from the 33.1% recorded in 2005/06.

Cardiovascular drugs had the next highest share of prescription drug claims at 18.2% followed by hormones, which consist primarily of oral contraceptives and insulin, at 13.9%.

The most significant change among all drugs classes was cardiovascular drugs as their share of the total utilization increased by 1.2% percentage points or 7%.



Source: HICPS adapted by Program Analysis Division

Figure 4.11

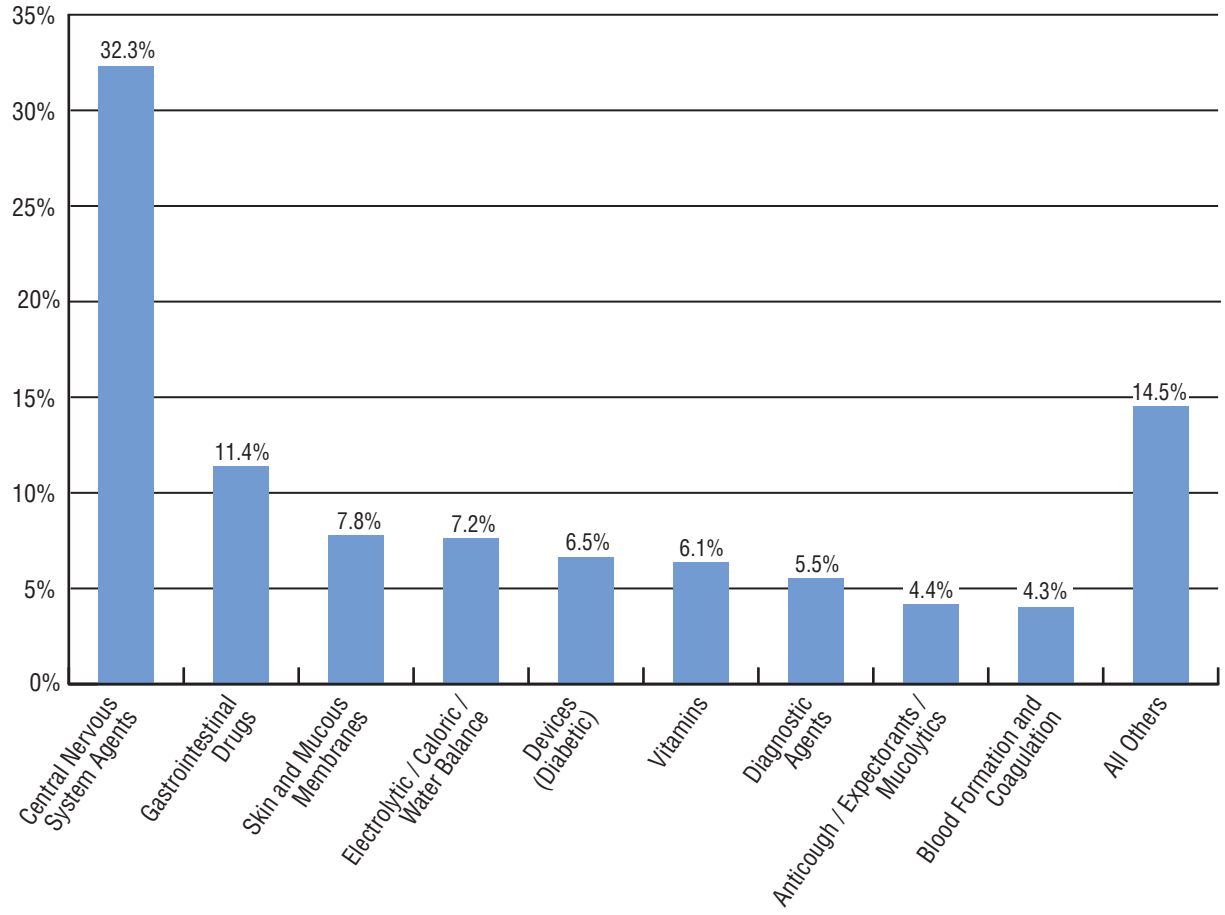
NIHB Over-the-Counter Drug (Including Controlled Access Drugs – CAD) by Pharmacologic Therapeutic Class, by Claims Incidence 2006/07

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

Central Nervous System agents, which include such drugs as acetaminophen, is the highest ranking therapeutic class, accounting for 32.3% of all OTC drug claims.

Gastrointestinal products such as antacids and laxatives are the next highest category of OTC medication at 11.4%, followed by skin and mucous membrane agents, such as special skin creams and pediculicides, at 7.8%.

The most significant shifts from the last fiscal year (2005/06) in utilization of OTCs by therapeutic class were among gastrointestinal drugs up 0.7 percentage points, electrolytic/caloric class up 0.8 percentage points, anti-cough/expectorants down 0.7 percentage points and skin and mucous membrane class also down 0.9 percentage points 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 2006/07

Figure 4.12 ranks the top ten therapeutic classes according to claims incidence. In 2006/07, Non-Steroidal Anti-Inflammatory Agents (NSAIDs) had the highest claims incidence total at 777,287. There was a significant increase in claims for this class of drugs over the recorded number of 737,070 in 2005/06. 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 2006/07 with 747,959 and 527,411 claims respectively.

The Pharmaceutical Aids class which contains such drug products as diabetic test strips and methadone had the largest percentage change over the last fiscal year. The HMG-COA Reductase Inhibitors (Statins) and Proton Pump Inhibitor classes had a 17.5% and 17.4% change in incidence over the fiscal year 2005/06. The NSAID class of drugs had the next largest percentage increase with 14.8%. The class with the largest decrease in incidence over the last fiscal year is the Anxiolytic, Sedative and Hypnotic class with a decrease of 4.2% due to new restrictions upon the concurrent use of multiple benzodiazepines.

Therapeutic Classification	Claims Incidence	% Change from 2005/06	Examples of Drug Product in the Therapeutic Class
Non-Steroidal Anti-Inflammatory Agents (NSAID)	777,287	14.8%	Diclofenac
Opiate Agonists	747,959	1.8%	Acetaminophen w/codeine
Antidepressants	527,411	10.3%	Venlafaxine
Angiotensin-Converting Enzyme Inhibitors	453,648	8.3%	Ramipril
Anxiolytics, Sedatives and Hypnotics – Benzodiazepines	439,878	-4.2%	Lorazepam
Pharmaceutical Aids (Miscellaneous)	363,802	40.2%	Diabetic Test Strips
Miscellaneous Analgesics and Antipyretics	335,712	-2.8%	Acetaminophen
HMG-COA Reductase Inhibitors (Statins)	325,309	17.5%	Rosuvastatin
Proton Pump Inhibitors	303,182	17.4%	Omeprazole
Penicillins	302,622	-3.0%	Amoxicillin

Source: HICPS adapted by Program Analysis Division

Figure 4.13

NIHB Top Ten Therapeutic Classes by Expenditure 2006/07

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 $19.7 million in 2006/07. This is a significant increase of 15.1% over fiscal year 2005/06.

Antidepressants, which ranked third in terms of claims incidence, were the second largest therapeutic class by expenditure at $18.5 million. Effexor (Venlafaxine) and Prozac (Fluoxetine) are examples of drug products listed in this therapeutic classification.

The third largest expenditure was a class of anti-hypertensive agents, Angiotensin Converting Enzyme (ACE) Inhibitors, at $18.0 million.

The therapeutic class with the highest percentage change increase by expenditure over fiscal 2005/06 was the NSAID agents. The second and third highest percentage changes were in the HMG-CoA Reductase Inhibitors (Statins) and Thiazolidinediones classes at 15.1% and 13.5% respectively.

Therapeutic Classification	Expenditure (000's)	% Change from 2005/06	Examples of Drug Product in the Therapeutic Class
HMG-CoA Reductase Inhibitors (Statins)	$19,655	15.1%	Lipitor (Rosuvastatin)
Antidepressants	18,473	5.7%	Effexor (Venlafaxine)
Angiotensin-Converting Enzyme Inhibitors	18,012	6.6%	Altace (Ramipril)
Opiate Agonists	17,611	3.4%	Tylenol no.3 (Acetaminophen w/codeine)
Proton Pump Inhibitors	15,779	-0.9%	Losec (Omeprazole)
Antipsychotic Agents	14,684	8.8%	Risperdal (Risperidone)
Non-Steroidal Anti-Inflammatory Agents (NSAIDs)	12,556	36.3%	Arthrotec (Diclofenac/Misoprostol)
Biguanides	10,727	5.6%	Glucophage (Metformin)
Thiazolidinediones	9,389	13.5%	Avandia (Rosiglitazone)
Hormones and substitutes	$ 7,734	1.7%	Alesse (Oral contraceptive)

Source: HICPS adapted by Program Analysis Division

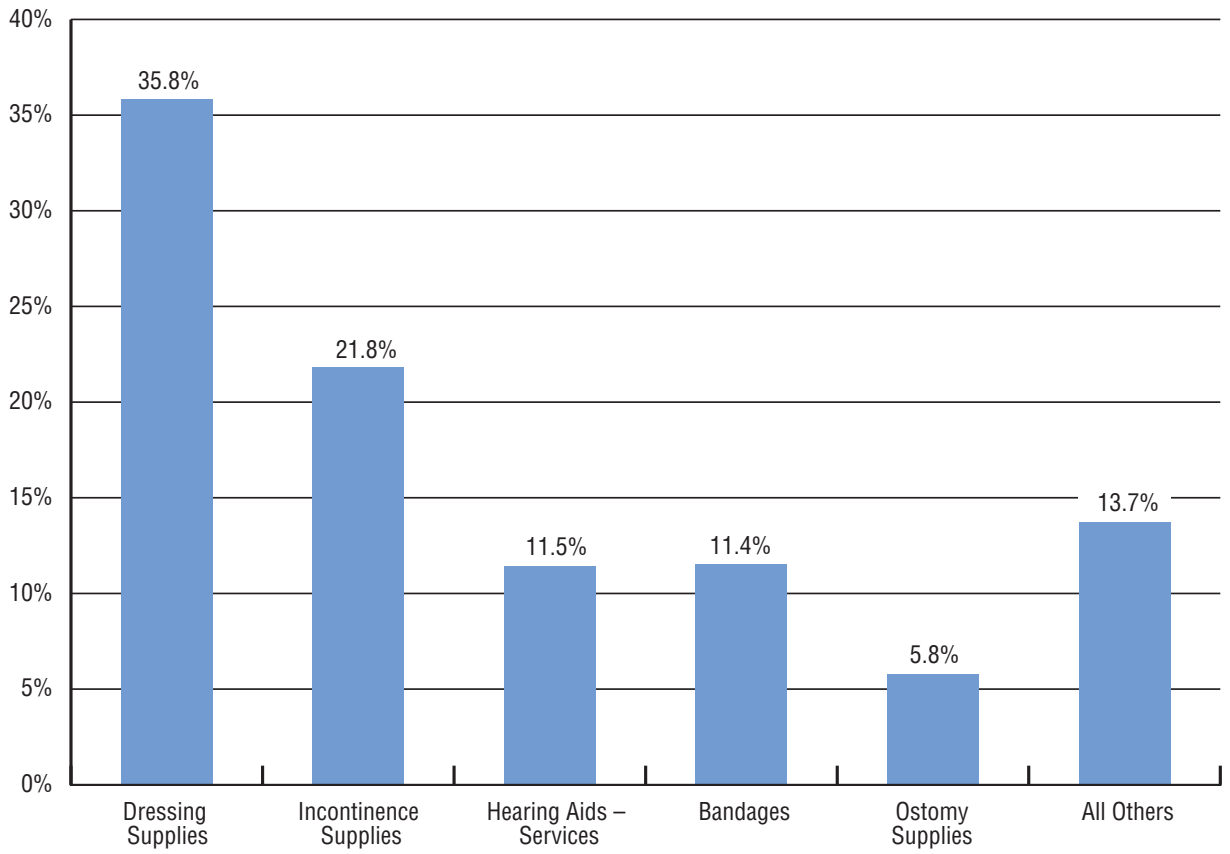
Figure 4.14

NIHB Medical Supplies by Category, by Claims Incidence 2006/07

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

Dressing supplies accounted for 35.8% of all medical supply claims in 2006/07. Incontinence supplies are the next highest category of medical supplies at 21.8% followed by hearing aids at 11.5% and bandages at 11.4%.

The most significant shift from the fiscal year 2005/06 was in bandages, which declined by 1.6 percentage points as a share of the total claims for medical supplies, and ostomy supplies which increased by 0.7 percentage points as a share of total claims.



Source: HICPS adapted by Program Analysis Division

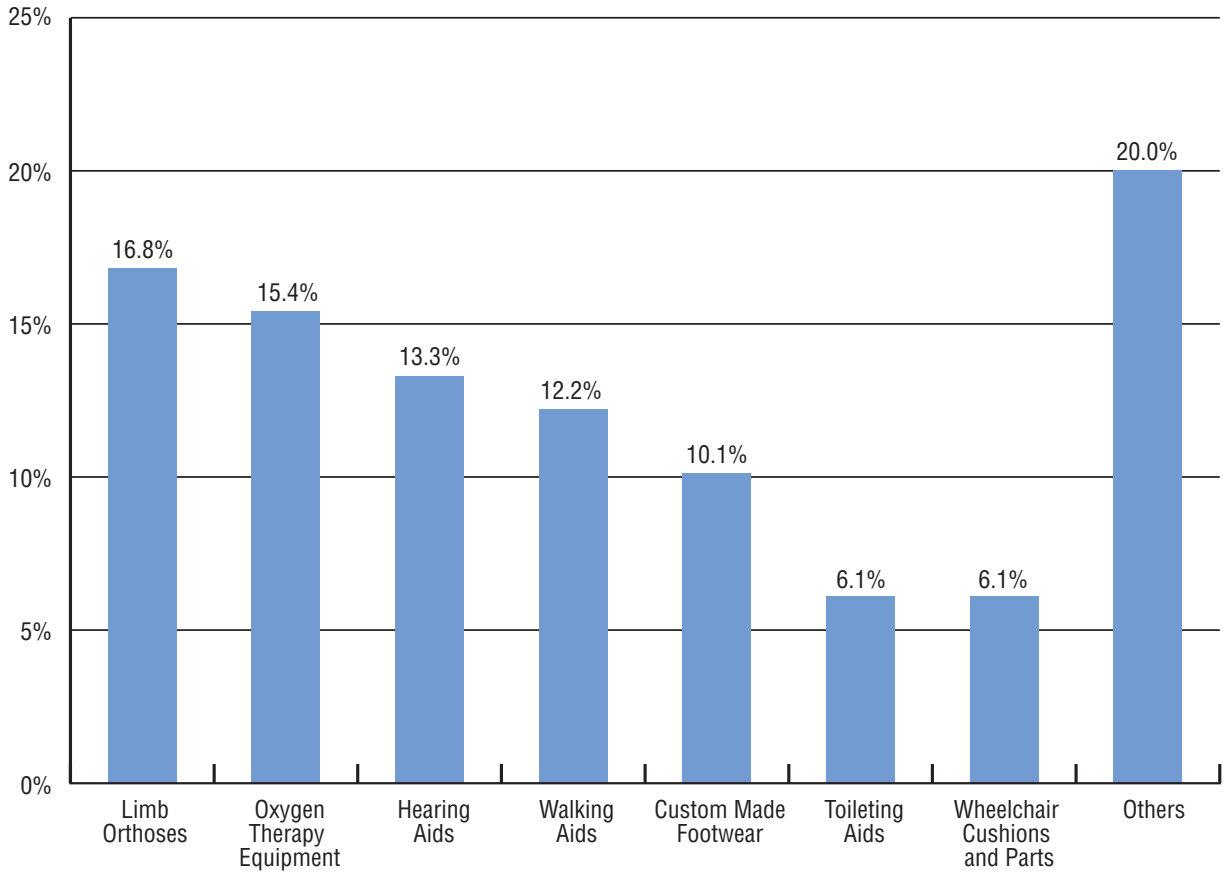
Figure 4.15

NIHB Medical Equipment by Category, by Claims Incidence 2006/07

Figure 4.15 demonstrates variation in medical equipment claims by category.

Claims for limb orthoses accounted for 16.8% of all medical equipment claims in 2006/07. Oxygen therapy equipment was the next highest at 15.4% followed by hearing aids at 13.3% and walking aids at 12.2%.

The most significant shift in the proportion of total medical equipment claims over the fiscal year 2005/06 was in limb orthoses which increased by 0.7 percentage points, reflective of a higher incidence of diabetes among the client population, and a decline in the use of oxygen therapy equipment as a share of total medical supply claims.



Source: HICPS adapted by Program Analysis Division

Aittaa, by Germaine Arnaktauyok

Section 5

Dental Expenditure and Utilization Data

In 2006/07 NIHB Dental expenditures amounted to $158.6 million, accounting for 18.5% 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, and are 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 (predetermination applies);
- Oral surgery such as simple extractions of teeth*;
- Orthodontics to correct irregularities in teeth and jaws (predetermination applies);
- Adjunctive services such as sedation (predetermination applies).

* *Predetermination applies for some dental services*

Figure 5.1

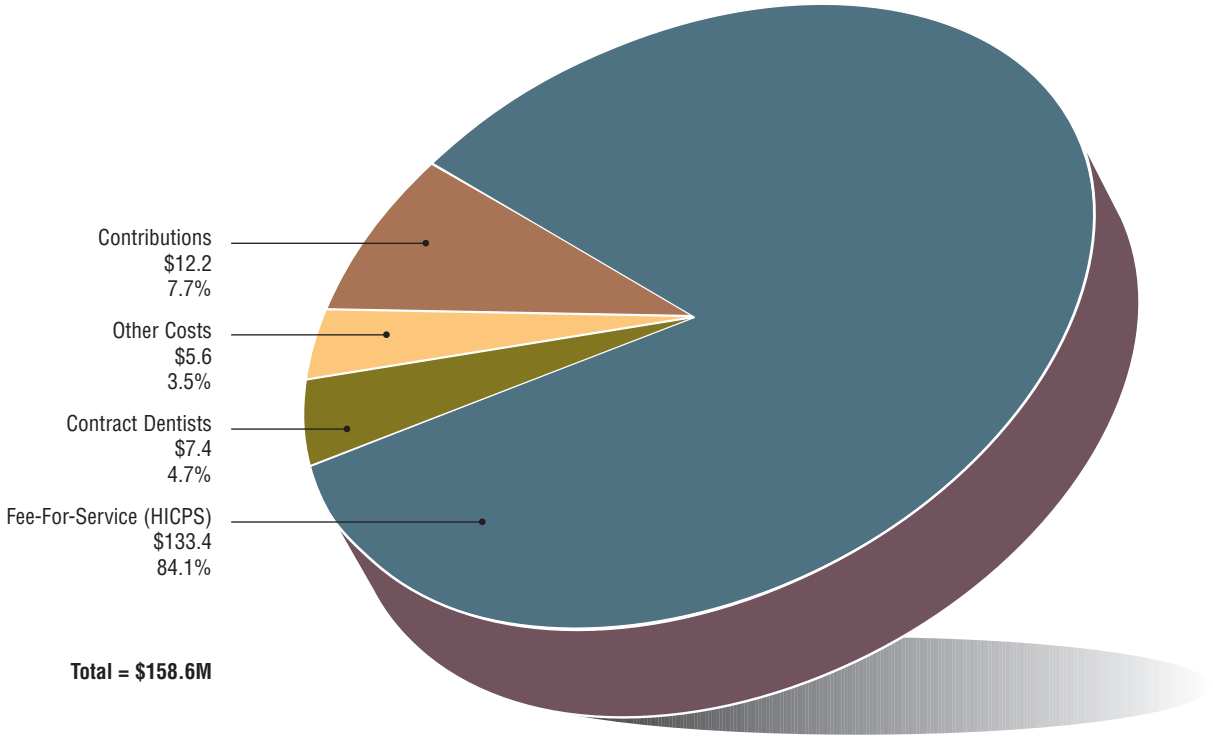
Distribution of NIHB Dental Expenditures ($ Millions) 2006/07

Dental expenditures totalled $158.6 million in 2006/07. Fee-for-service dental costs paid through the Health Information and Claims Processing Services (HICPS) system represented the largest component, which accounted for $133.4 million or 84.1% of all NIHB Dental costs.

Contributions, which accounted for $12.2 million or 7.7% of total dental expenditures, were the next highest component. Contribution costs are used to fund the provision of dental benefits through agreements such as those with the Governments of the Northwest Territories and Nunavut, the Mohawk Council of Akwesasne in Ontario and the Bigstone pilot project in Alberta.

Expenditures for contract dentists, providing services to clients in remote communities, totalled $7.4 million or 4.7% of total costs.

Other costs totalled $5.6 million or 3.5% in 2006/07. These include the purchasing of dental supplies and equipment as well as Headquarters costs related to automated claims payment.



Source: FIRMS adapted by Program Analysis Division

Figure 5.2

Total NIHB Dental Expenditures by Type and Region ($ 000's) 2006/07

Dental expenditures totalled $158.6 million in 2006/07. The Ontario (20.7%), Saskatchewan (14.6%) and British Columbia (14.2%) regions had the largest proportion of overall dental costs.

Of the $158.6 million, $146.4 million (92.3%) were operating expenditures while $12.2 million (7.7%) were contribution expenditures.

Fee-for-service costs accounted for $133.4 million (84.1%) of total dental expenditures while contract dentist costs accounted for $7.4 million (4.7%).

REGION	OPERATING			Total Operating Costs	Total Contribution Costs	Total Costs
	Fee-For-Service	Contract Dentists	Other Costs			
Atlantic	$ 4,978	$ 0	$ 1	$ 4,979	$ 149	**$ 5,128**
Quebec	11,563	39	0	11,603	0	**11,603**
Ontario	26,814	1,664	97	28,575	4,202	**32,777**
Manitoba	16,356	3,782	0	20,138	618	**20,756**
Saskatchewan	20,881	125	3	21,009	2,209	**23,219**
Alberta	18,948	363	2	19,313	1,693	**21,006**
B.C.	21,018	1,123	3	22,144	445	**22,588**
Yukon	1,743	290	1	2,033	0	**2,033**
N.W.T.	4,776	18	0	4,795	454	**5,249**
Nunavut	6,347	0	0	6,347	2,392	**8,740**
Headquarters	–	–	5,486	5,486	–	**5,486**
Total	**$ 133,426**	**$ 7,404**	**$ 5,592**	**$ 146,422**	**$ 12,162**	**$ 158,584**

Source: FIRMS adapted by Program Analysis Division

Figure 5.3

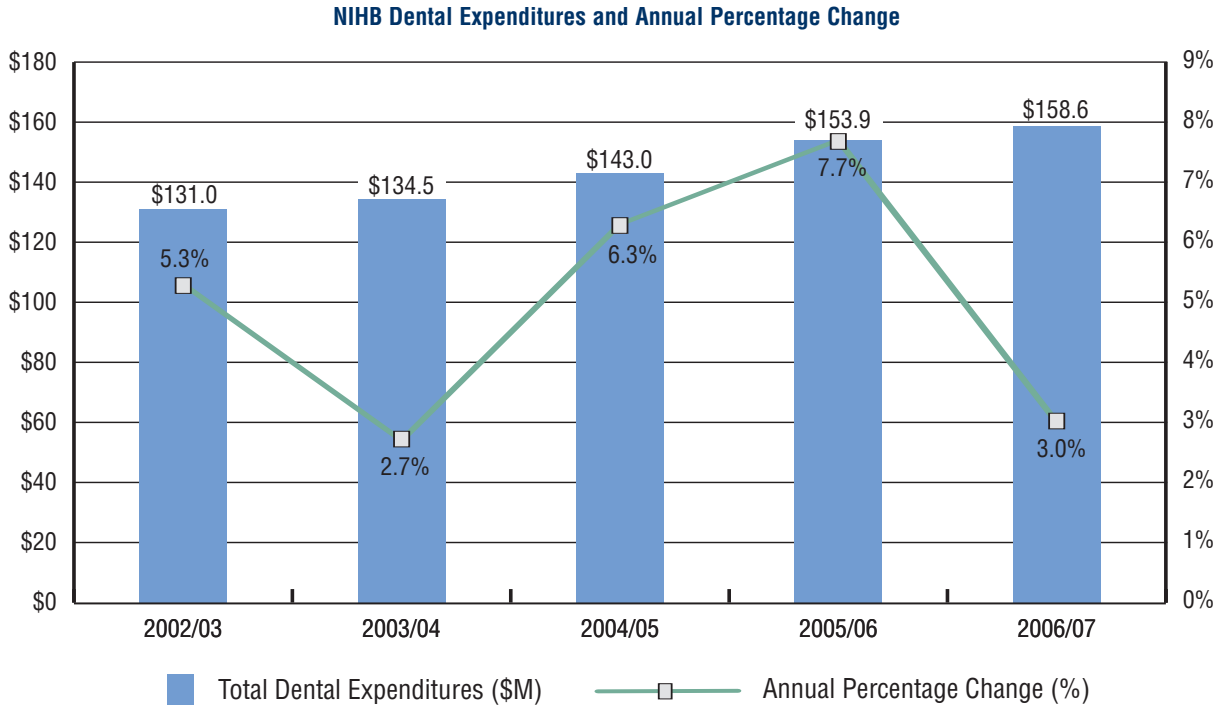
Annual NIHB Dental Expenditures 2002/03 to 2006/07

NIHB Dental expenditures increased by 3.0% in fiscal year 2006/07. This growth is significantly lower than the previous year.

The NIHB Program introduced changes to streamline program administration, to encourage provider participation and most importantly to improve client access to services. The increase in dental expenditures in 2005/2006 can be attributed to the following Program changes: 1) removal of the $800 threshold. Previously, when a client exceeded $800 in dental services within a one year period, prior approval was required before any additional services could be provided. This specific policy change has improved accessibility for clients and simplified billing procedures for dental practitioners providing services on behalf of the NIHB Program; 2) removal of the predetermination requirement for root canal therapy on anterior teeth; and 3) the acceptance of various standard dental claim forms for claim payment. The dental benefit policies are outlined in the NIHB Dental Policy Framework.

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 annual increase being 5.0%.

In 2006/07, the highest rate of growth in NIHB Dental expenditures was in the Yukon Region, which increased by 9.1% compared to the previous year. This increase has been attributed to a change in service delivery within the Region. The largest increase in expenditures took place in the Saskatchewan and Ontario regions where total dental costs grew by $1.2 million and $0.7 million respectively.



Source: FIRMS adapted by Program Analysis Division

NIHB Dental Expenditures (000's)					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Atlantic	$ 4,691	$ 4,857	$ 4,934	$ 4,831	$ 5,128
Quebec	10,292	10,277	10,525	10,970	11,603
Ontario	29,042	27,760	29,655	32,064	32,777
Manitoba	16,600	17,313	18,705	20,326	20,756
Saskatchewan	17,649	18,297	19,530	22,038	23,219
Alberta	18,375	19,237	19,306	20,594	21,006
B.C.	19,224	18,338	20,357	22,439	22,588
NWT/Nunavut	9,468	11,657	13,738	13,386	13,989
Yukon	1,236	1,365	1,229	1,863	2,033
Headquarters	4,444	5,402	4,978	5,389	5,486
National	**$ 131,021**	**$ 134,504**	**$ 142,956**	**$ 153,900**	**$ 158,584**

Source: FIRMS adapted by Program Analysis Division

Figure 5.4

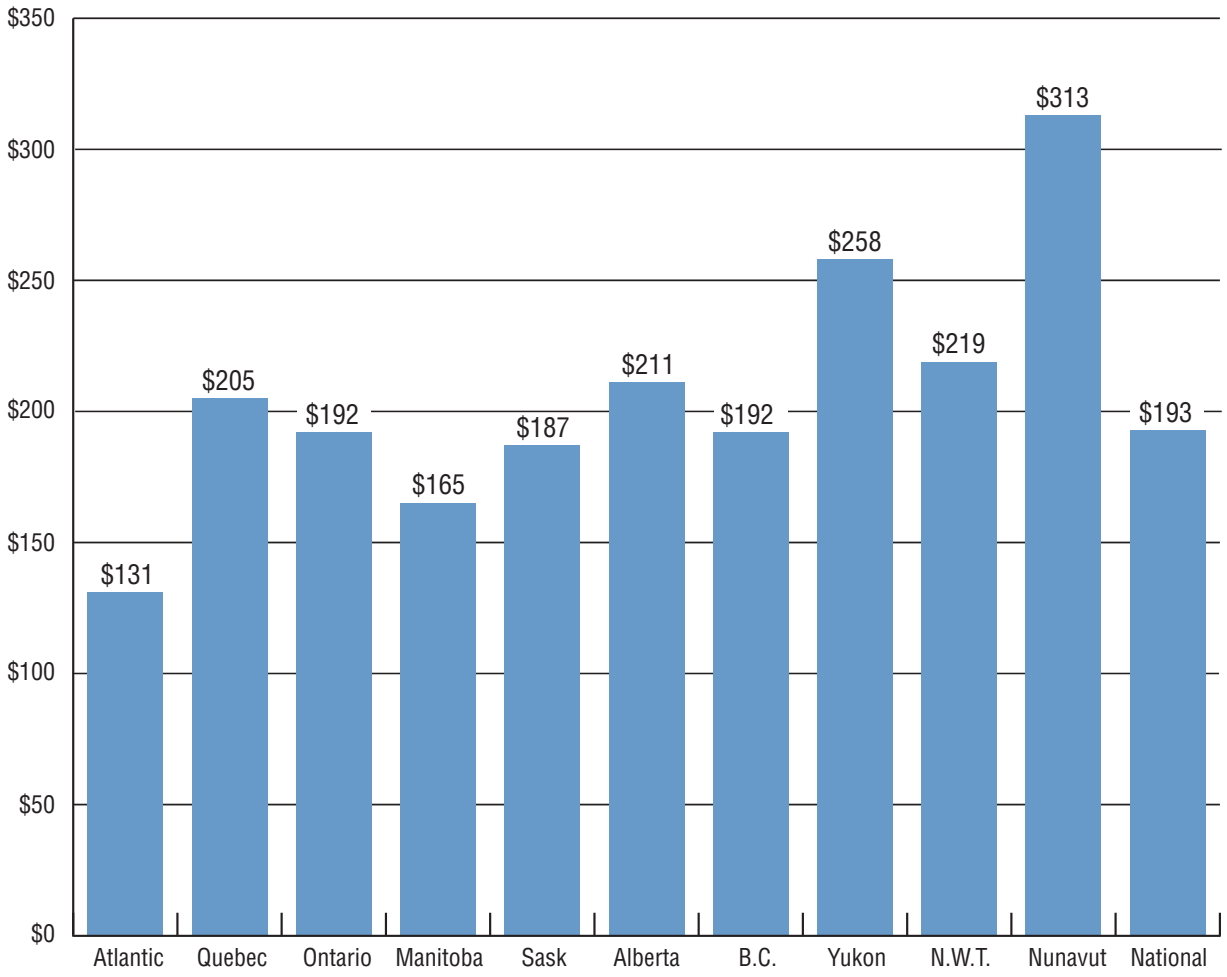
Per Capita NIHB Dental Expenditures by Region 2006/07

In 2006/07, the national per capita NIHB Dental expenditure was $193, a slight increase from the previous year's figure of $192.

Nunavut had the highest per capita dental expenditure at $313, an increase from $303; followed by the Yukon at $258, a significant increase from $239; and the Northwest Territories at $219, a slight decrease from $220.

The Atlantic Region had the lowest per capita dental cost at $131 per eligible client.

Per capita values do not include population totals for clients currently covered under a self-government agreement, or served by Health Canada dental clinics, contract dentists and dental services provided by Health Canada Dental Therapists.



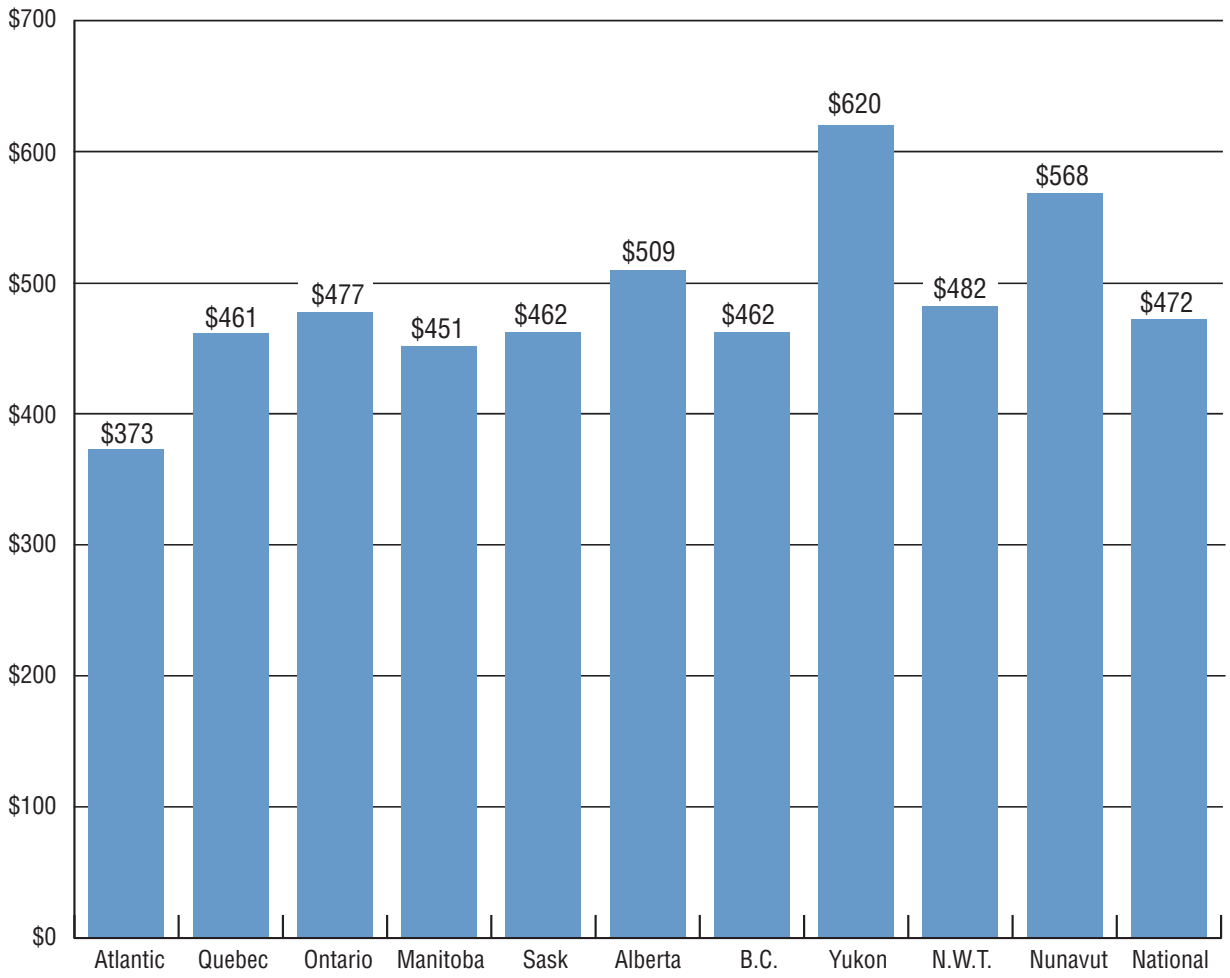
Source: SVS and FIRMS adapted by Program Analysis Division

Figure 5.5

NIHB Dental Fee-For-Service Expenditures per Claimant by Region 2006/07

In 2006/07, the national NIHB Dental expenditure per eligible client receiving at least one dental benefit was $472.

Yukon had the highest dental expenditure per claimant at $620, followed by Nunavut at $568 and the Alberta Region at $509. The Atlantic Region registered the lowest dental expenditure per claimant at $373.



Source: HICPS adapted by Program Analysis Division

Figure 5.6

NIHB Dental Utilization Rates by Region 2002/03 to 2006/07

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

- Health Canada dental clinics;
- Contract dental services provided in some regions;
- Services provided by Health Canada Dental Therapists; and
- Dental services provided through Contribution Agreements, pilot agreements or self-government agreements.

The national utilization rate in 2006/07 for dental benefits paid through the Health Information and Claims Processing Services (HICPS) system was 36%, a decrease of 1% 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 (29%). It should also be noted, however, that the Manitoba Region had the largest expenditure in 2006/07 for contract dental services.

Dental Utilization					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Atlantic	36%	36%	36%	36%	34%
Quebec	46%	46%	46%	46%	44%
Ontario	33%	33%	33%	34%	33%
Manitoba	21%	22%	23%	30%	29%
Saskatchewan	38%	37%	38%	38%	36%
Alberta	44%	42%	39%	39%	37%
B.C.	40%	39%	39%	40%	39%
Yukon	34%	33%	31%	34%	36%
N.W.T. & Nunavut	44%	45%	46%	44%	41%
Total	**36%**	**36%**	**36%**	**37%**	**36%**

Utilization rates over the last five fiscal years have been updated to reflect the new population totals for British Columbia and at the national level.

Source: HICPS and SVS adapted by Program Analysis Division

Figure 5.7

NIHB Dental Claimants by Age Group, Gender and Region 2006/07

Of the 792,619 clients eligible to receive dental benefits through the NIHB Program, 282,853 (36%) claimants received at least one dental procedure paid through the Health Information and Claims Processing Services (HICPS) system in 2006/07. Of this total, 157,906 were female (56%) while 124,947 were male (44%).

The average age of dental claimants was 27 years, indicating clients tend to access dental services at a younger age than pharmacy services. The highest average age of dental claimants was found in the Yukon (33 years of age) while the lowest was in Nunavut and Alberta at 24 years of age.

Forty-three percent of all dental claimants were under 20 years of age. Forty percent of male claimants were in this age group while females accounted for forty-seven percent. Three percent of all claimants were seniors (age 65 and over) in 2006/07.

REGION	Atlantic			Quebec			Ontario			Manitoba		
Age Group	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-4	242	258	500	624	598	1,222	1,349	1,347	2,696	1,720	1,607	3,327
5-9	634	621	1,255	1,503	1,495	2,998	3,341	3,269	6,610	2,251	2,391	4,642
10-14	848	908	1,756	1,675	1,711	3,386	3,479	3,627	7,106	2,321	2,538	4,859
15-19	641	785	1,426	992	1,265	2,257	2,354	2,928	5,282	1,605	2,167	3,772
20-24	466	731	1,197	718	1,026	1,744	1,752	2,520	4,272	1,196	1,780	2,976
25-29	423	644	1,067	765	1,002	1,767	1,649	2,432	4,081	1,113	1,613	2,726
30-34	493	638	1,131	764	1,098	1,862	1,647	2,439	4,086	1,174	1,617	2,791
35-39	473	698	1,171	877	1,127	2,004	1,774	2,467	4,241	1,138	1,578	2,716
40-44	423	633	1,056	871	1,142	2,013	1,872	2,675	4,547	1,141	1,570	2,711
45-49	345	569	914	738	1,049	1,787	1,696	2,374	4,070	866	1,203	2,069
50-54	293	431	724	575	705	1,280	1,217	1,890	3,107	622	815	1,437
55-59	208	294	502	408	578	986	933	1,348	2,281	409	577	986
60-64	92	176	268	288	376	664	576	953	1,529	251	329	580
65+	168	217	385	466	672	1,138	873	1,480	2,353	285	426	711
Total	**5,749**	**7,603**	**13,352**	**11,264**	**13,844**	**25,108**	**24,512**	**31,749**	**56,261**	**16,092**	**20,211**	**36,303**
Average Age	**28**	**30**	**30**	**29**	**31**	**30**	**28**	**31**	**30**	**25**	**27**	**26**

REGION	Saskatchewan			Alberta			B.C.			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	1,757	1,804	3,561	1,731	1,694	3,425	1,654	1,631	3,285	60	66	126	239	303	542	633	583	1,216	10,009	9,891	19,900
5-9	3,230	3,248	6,478	2,812	2,789	5,601	2,720	2,720	5,440	130	84	214	482	491	973	592	599	1,191	17,695	17,707	35,402
10-14	2,905	3,334	6,239	2,677	2,809	5,486	2,840	2,901	5,741	100	114	214	607	661	1,268	647	877	1,524	18,099	19,480	37,579
15-19	1,970	2,751	4,721	1,673	2,221	3,894	2,138	2,536	4,674	111	133	244	509	644	1,153	631	923	1,554	12,624	16,353	28,977
20-24	1,495	2,437	3,932	1,247	1,892	3,139	1,477	2,102	3,579	106	158	264	377	530	907	496	772	1,268	9,330	13,948	23,278
25-29	1,514	2,137	3,651	1,166	1,610	2,776	1,412	1,967	3,379	95	136	231	320	499	819	369	594	963	8,826	12,634	21,460
30-34	1,445	2,096	3,541	1,066	1,602	2,668	1,415	1,978	3,393	91	143	234	306	431	737	342	486	828	8,743	12,528	21,271
35-39	1,521	2,057	3,578	1,044	1,486	2,530	1,422	2,002	3,424	119	128	247	355	491	846	370	448	818	9,093	12,482	21,575
40-44	1,312	1,798	3,110	1,008	1,425	2,433	1,488	2,133	3,621	122	168	290	330	445	775	280	320	600	8,847	12,309	21,156
45-49	1,034	1,404	2,438	759	1,158	1,917	1,302	1,839	3,141	77	128	205	245	356	601	174	198	372	7,236	10,278	17,514
50-54	675	896	1,571	517	816	1,333	934	1,250	2,184	72	109	181	178	254	432	140	151	291	5,223	7,317	12,540
55-59	408	574	982	359	518	877	623	747	1,370	48	65	113	132	185	317	122	127	249	3,650	5,013	8,663
60-64	272	342	614	217	294	511	404	543	947	34	59	93	103	96	199	61	73	134	2,298	3,241	5,539
65+	330	456	786	294	350	644	571	745	1,316	57	99	156	147	190	337	83	90	173	3,274	4,725	7,999
Total	**19,868**	**25,334**	**45,202**	**16,570**	**20,664**	**37,234**	**20,400**	**25,094**	**45,494**	**1,222**	**1,590**	**2,812**	**4,330**	**5,576**	**9,906**	**4,940**	**6,241**	**11,181**	**124,947**	**157,906**	**282,853**
Average Age	**24**	**26**	**25**	**23**	**25**	**24**	**27**	**29**	**28**	**31**	**34**	**33**	**28**	**29**	**28**	**23**	**24**	**24**	**26**	**28**	**27**

Source: HICPS adapted by Program Analysis Division

Figure 5.8

NIHB Dental Claimants and Non-Claimants by Age Group and Gender 2006/07

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 2006/07. Sixty-four percent of eligible clients did not access the Program through HICPS for any dental benefits.

Of the 509,766 non-claimants in 2006/07, 264,038 were male (52%), while 245,728 were female (48%). 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.

	Claimants			Non-Claimants			TOTAL		
Age Group	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
0-4	10,009	9,891	19,900	19,692	18,784	38,476	29,701	28,675	**58,376**
	34%	34%	34%	66%	66%	66%	100%	100%	**100%**
5-9	17,695	17,707	35,402	20,821	19,179	40,000	38,516	36,886	**75,402**
	46%	48%	47%	54%	52%	53%	100%	100%	**100%**
10-14	18,099	19,480	37,579	23,91	20,501	44,412	42,010	39,98	**81,991**
	43%	49%	46%	57%	51%	54%	100%	100%	**100%**
15-19	12,624	16,353	28,977	28,453	23,110	51,563	41,077	39,463	**80,540**
	31%	41%	36%	69%	59%	64%	100%	100%	**100%**
20-24	9,330	13,948	23,278	26,000	20,222	46,222	35,330	34,170	**69,500**
	26%	41%	33%	74%	59%	67%	100%	100%	**100%**
25-29	8,826	12,634	21,460	21,919	17,624	39,543	30,745	30,258	**61,003**
	29%	42%	35%	71%	58%	65%	100%	100%	**100%**
30-34	8,743	12,528	21,271	19,97	16,45	36,425	28,715	28,981	**57,696**
	30%	43%	37%	70%	57%	63%	100%	100%	**100%**
35-39	9,093	12,482	21,575	20,702	17,93	38,640	29,795	30,420	**60,215**
	31%	41%	36%	69%	59%	64%	100%	100%	**100%**
40-44	8,847	12,309	21,156	19,820	18,133	37,953	28,667	30,442	**59,109**
	31%	40%	36%	69%	60%	64%	100%	100%	**100%**
45-49	7,236	10,278	17,514	17,07	16,97	34,056	24,315	27,255	**51,570**
	30%	38%	34%	70%	62%	66%	100%	100%	**100%**
50-54	5,223	7,317	12,540	12,810	14,230	27,040	18,033	21,547	**39,580**
	29%	34%	32%	71%	66%	68%	100%	100%	**100%**
55-59	3,650	5,013	8,663	9,72	11,157	20,877	13,370	16,170	**29,540**
	27%	31%	29%	73%	69%	71%	100%	100%	**100%**
60-64	2,298	3,241	5,539	7,415	9,102	16,517	9,713	12,343	**22,056**
	24%	26%	25%	76%	74%	75%	100%	100%	**100%**
65+	3,274	4,725	7,999	15,724	22,318	38,042	18,998	27,043	**46,041**
	17%	17%	17%	83%	83%	83%	100%	100%	**100%**
Total	**124,947**	**157,906**	**282,853**	**264,038**	**245,728**	**509,766**	**388,985**	**403,634**	**792,619**
	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 2006/07

Expenditures for Restorative Services (crowns, fillings, etc.) were the highest of all dental sub-benefit categories at $57.0 million in 2006/07.

Diagnostic Services (examinations, x-rays, etc.) at $16.1 million and Preventive Services (scaling, sealants etc.) at $15.2 million were the next highest sub-benefit categories, followed by Oral Surgery (Extractions) at $11.9 million.

In 2006/07 the three largest dental procedures by expenditure were composite restorations ($39.6 million), scaling ($10.3) and extractions ($8.3 million).

Fee-For-Service Top 5 Dental Sub-Benefits (Millions)	
Dental Sub-Benefit	**2006/07**
Restorative Services	$ 57.0
Diagnostic Services	16.1
Preventive Services	15.2
Oral Surgery	11.9
Removable Prosthodontics	$ 8.8

Fee-For-Service Top 5 Dental Procedures (Millions)	
Dental Procedures	**2006/07**
Composite Restorations	$ 39.6
Scaling	10.3
Extractions	8.3
Amalgam Restorations	6.9
Root Canal Therapy	$ 5.8

Source: HICPS adapted by Program Analysis Division

Weesahkay Jack and the Great Flood, by Roy Kakegamic

Medical Transportation Expenditure and Utilization Data

Section 6

In 2006/07, Non-Insured Health Benefits Medical Transportation expenditures amounted to $241.6 million or 28.2% 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 funding of medical transportation benefits by the First Nations and Inuit Health Program through 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); and
- Living Expenses (accommodations and meals).

Medical Transportation (MT) data for the Annual Report have been provided for previous publications through the FIRMS financial systems only. However, MT data is also collected regionally through other electronic systems. Operational data at the regional level is tracked through the Medical Transportation Reporting System (MTRS) for most regions, while Alberta and Ontario use their own systems. Contribution Agreement data is 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. This MTDS will serve as a repository for selected operational data, as well as the data collected from MT 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.

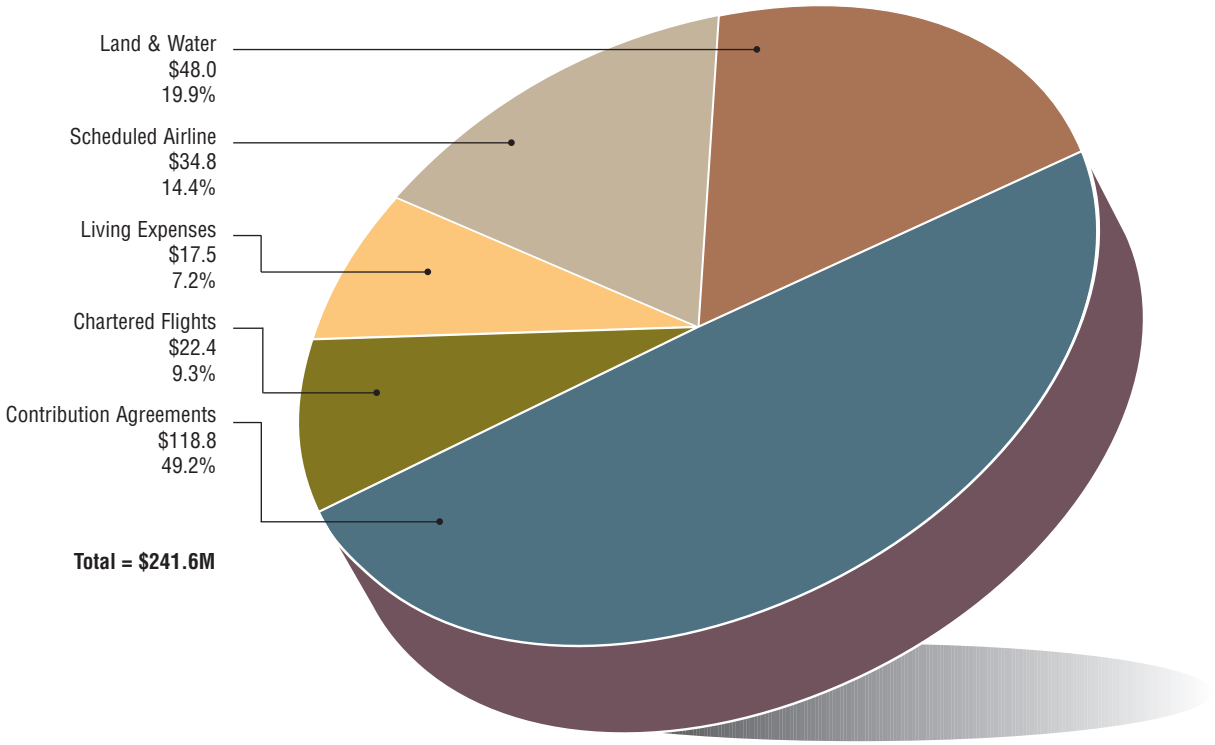
Currently, the MTDS is a pilot for testing purposes. Data submissions from all regions are ongoing. The MTDS will maintain data as of the fiscal period of 2006/07.

Figure 6.1

Distribution of NIHB Medical Transportation Expenditures ($ Millions)
2006/07

Medical Transportation expenditures totalled $241.6 million in 2006/07. Contribution agreements represented $118.8 million, or 49.2% of the total benefit. There were 285 bands delivering Medical Transportation services under contribution agreements. Medical Transportation services for 250 bands are being managed by a mixed regime of regional offices and bands.

Land and Water transportation at $48.0 million and Scheduled Airline at $34.8 million were the largest Medical Transportation operational expenditures, accounting for 34.3% of the total benefit.



Source: FIRMS adapted by Program Analysis Division

Figure 6.2

NIHB Expenditures on Medical Transportation by Type and Region ($ 000's) 2006/07

Total NIHB Medical Transportation expenditures increased by 7.2% to $241.6 million in 2006/07. The B.C. Region had the largest percentage increase in Medical Transportation expenditures in 2006/07 at 19.7%. This growth has been attributed to a number of one time costs to reimburse for previous year's expenditures including the implementation of a new community travel system and the location of specialty medical care outside of communities.

The only region to register a decrease in total transportation expenditures was the Atlantic Region at -21.3%. This decrease was largely due to the completion of the transfer of responsibility and funds for Medical Transportation pursuant to the Nunatsiavut self-government agreement.

The Manitoba Region had the highest overall NIHB Medical Transportation expenditure at $69.0 million, mostly as a result of air transportation which totalled over $34.4 million. High Medical Transportation costs in the region reflect the large number of First Nation clients living in remote or fly-in only northern communities. The Ontario and Alberta Regions registered $40.6 million and $32.2 million respectively, and represented the next highest Medical Transportation expenditure totals in 2006/07.

TYPE	Atlantic	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	B.C.	Yukon	N.W.T.	Nunavut	TOTAL
Scheduled Airline	$ 574	$ 370	$ 12,022	$ 17,548	$ 2,560	$ 668	$ 396	$ 649	$ 0	$ 0	**$ 34,786**
Chartered Flights	19	3	992	16,885	2,908	864	0	702	0	0	**22,374**
Living Expenses	202	14	5,488	7,447	1,844	1,657	396	501	0	0	**17,548**
Land & Water	1,344	991	4,433	8,848	17,769	13,036	1,044	569	0	0	**48,036**
Outside Canada	0	0	35	0	4	0	0	0	0	0	**39**
Total Operating	**$ 2,139**	**$ 1,379**	**$ 22,969**	**$ 50,729**	**$ 25,084**	**$ 16,226**	**$ 1,836**	**$ 2,421**	**$ 0**	**$ 0**	**$ 122,783**
Total Contributions	2,262	17,094	17,602	18,318	6,732	15,978	18,448	0	7,116	15,268	**118,819**
Total	**$ 4,401**	**$18,473**	**$ 40,572**	**$ 69,047**	**$ 31,816**	**$ 32,204**	**$ 20,284**	**$ 2,421**	**$ 7,116**	**$ 15,268**	**$ 241,602**
% Change from 05/06	**-21.1%**	**3.3%**	**5.2%**	**9.0%**	**10.5%**	**4.9%**	**19.7%**	**15.3%**	**6.1%**	**3.3%**	**7.2%**

Source: FIRMS adapted by Program Analysis Division

Figure 6.3

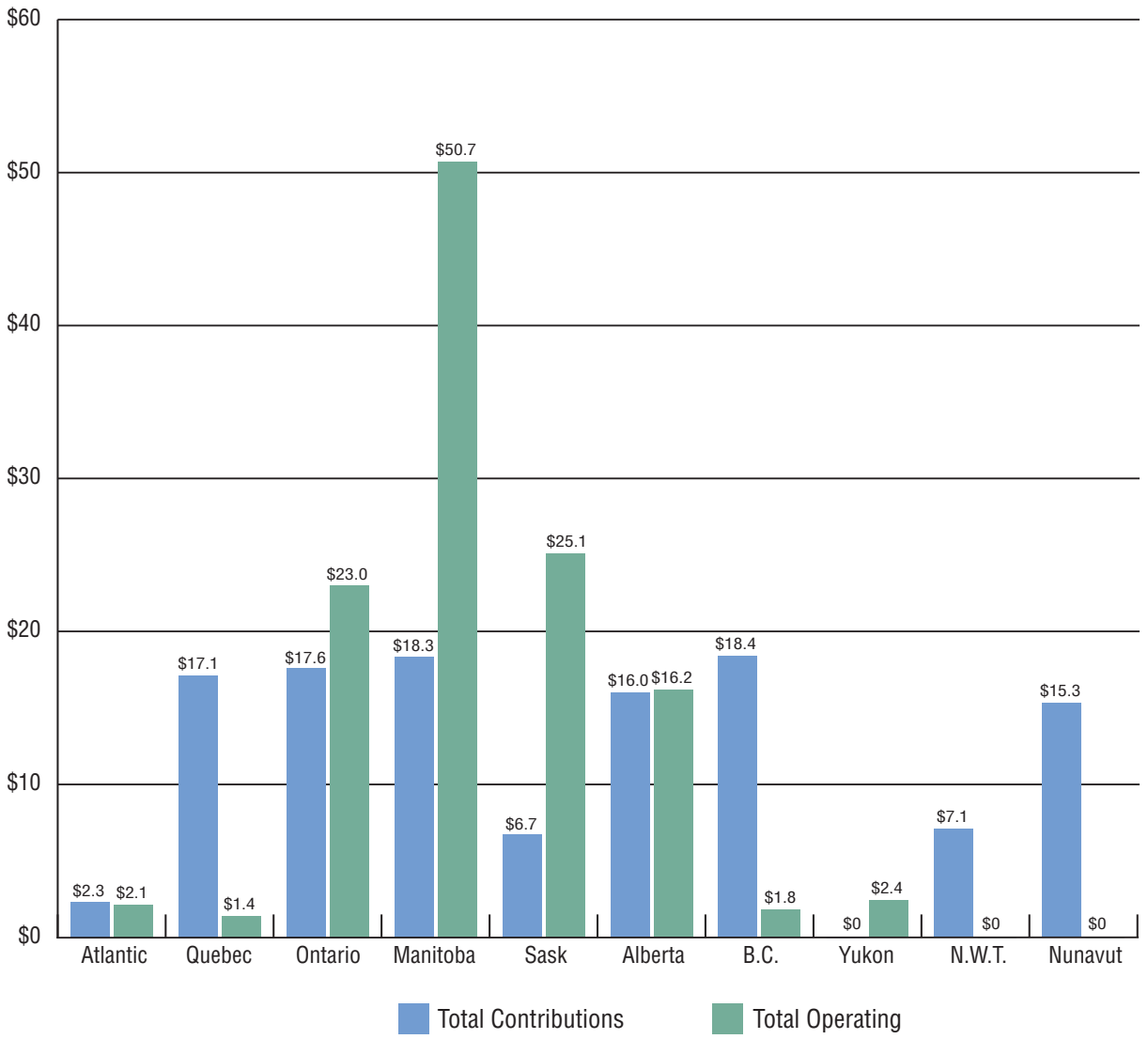
NIHB Medical Transportation Contribution and Operating Expenditures by Region ($ Millions) 2006/07

Figure 6.3 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 program (e.g. coordinating accommodations, managing ground transportation, etc.)

The Manitoba Region had the largest operating expenditure for NIHB Medical Transportation in 2006/07 at $50.7 million. The Saskatchewan Region was the next largest at $25.1 million, followed by Ontario at $23.0 million. Together these three regions account for 80.5% of all operational expenditures on medical transportation.

The largest contribution expenditures for NIHB Medical Transportation were registered as follows: the B.C. Region ($18.4 million), the Manitoba Region ($18.3 million), the Ontario Region ($17.6 million), and the Quebec Region ($17.1 million). Almost all Medical Transportation services are delivered via contribution agreements in Quebec, B.C., N.W.T. and Nunavut.

Contribution costs in the Atlantic Region declined by $1.1 million; this is a result of these funds being transferred to the Nunatsiavut Government as part of a self-government agreement.

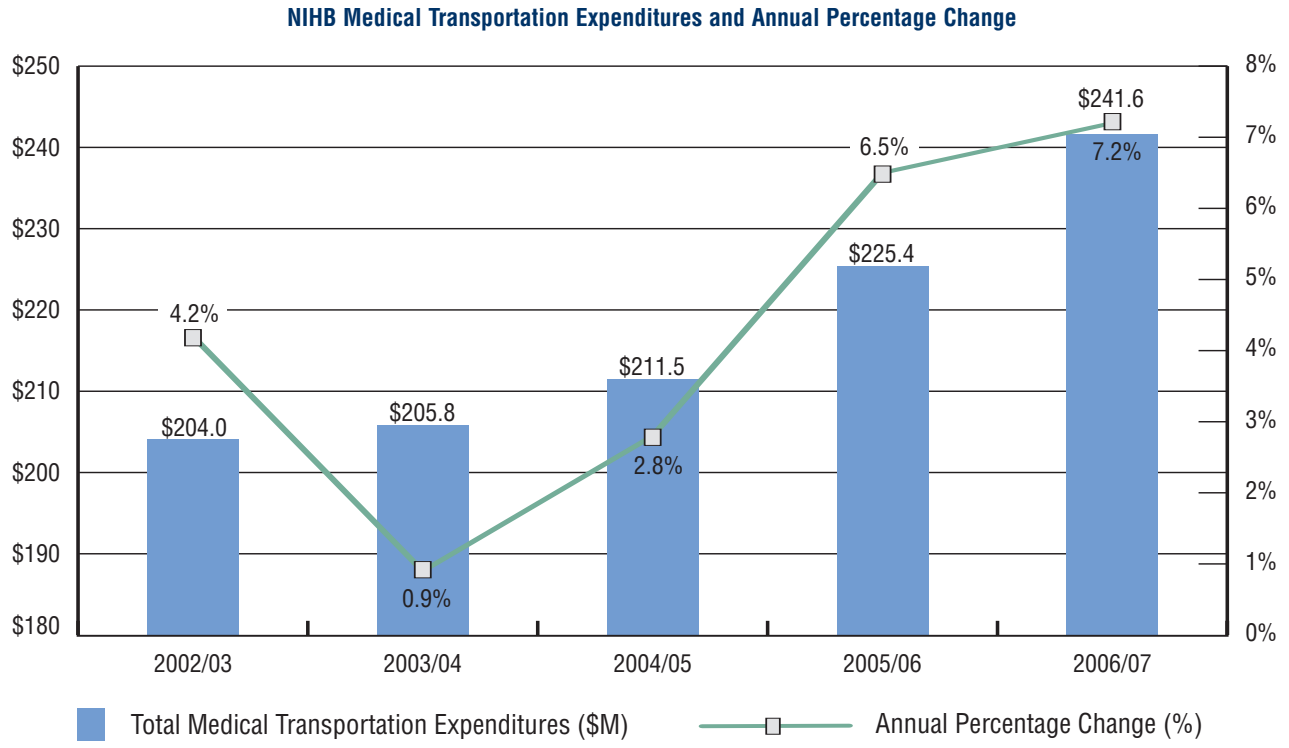


Source: FIRMS adapted by Program Analysis Division

Figure 6.4

Annual NIHB Medical Transportation Expenditures 2002/03 to 2006/07

NIHB Medical Transportation expenditures increased by 7.2% in 2006/07, 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 7.2% in 2006/07 to a low of 0.9% in 2003/04, with an average annual increase of 5.7%.



Source: FIRMS adapted by Program Analysis Division

NIHB Medical Transportation Expenditures (000's)					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Atlantic	$ 6,314	$ 6,498	$ 6,124	$ 5,590	$ 4,401
Quebec	16,877	16,985	17,291	17,886	18,473
Ontario	37,493	36,620	35,258	38,553	40,572
Manitoba	51,199	53,533	55,895	63,322	69,047
Saskatchewan	25,853	25,854	26,758	28,786	31,816
Alberta	28,856	29,030	29,686	30,712	32,204
B.C.	16,410	16,408	17,340	16,944	20,284
NWT/Nunavut	18,995	19,265	21,401	21,486	22,384
Yukon	1,957	1,600	1,774	2,100	2,421
National	**$ 203,952**	**$ 205,793**	**$ 211,527**	**$ 225,379**	**$ 241,602**

Source: FIRMS adapted by Program Analysis Division

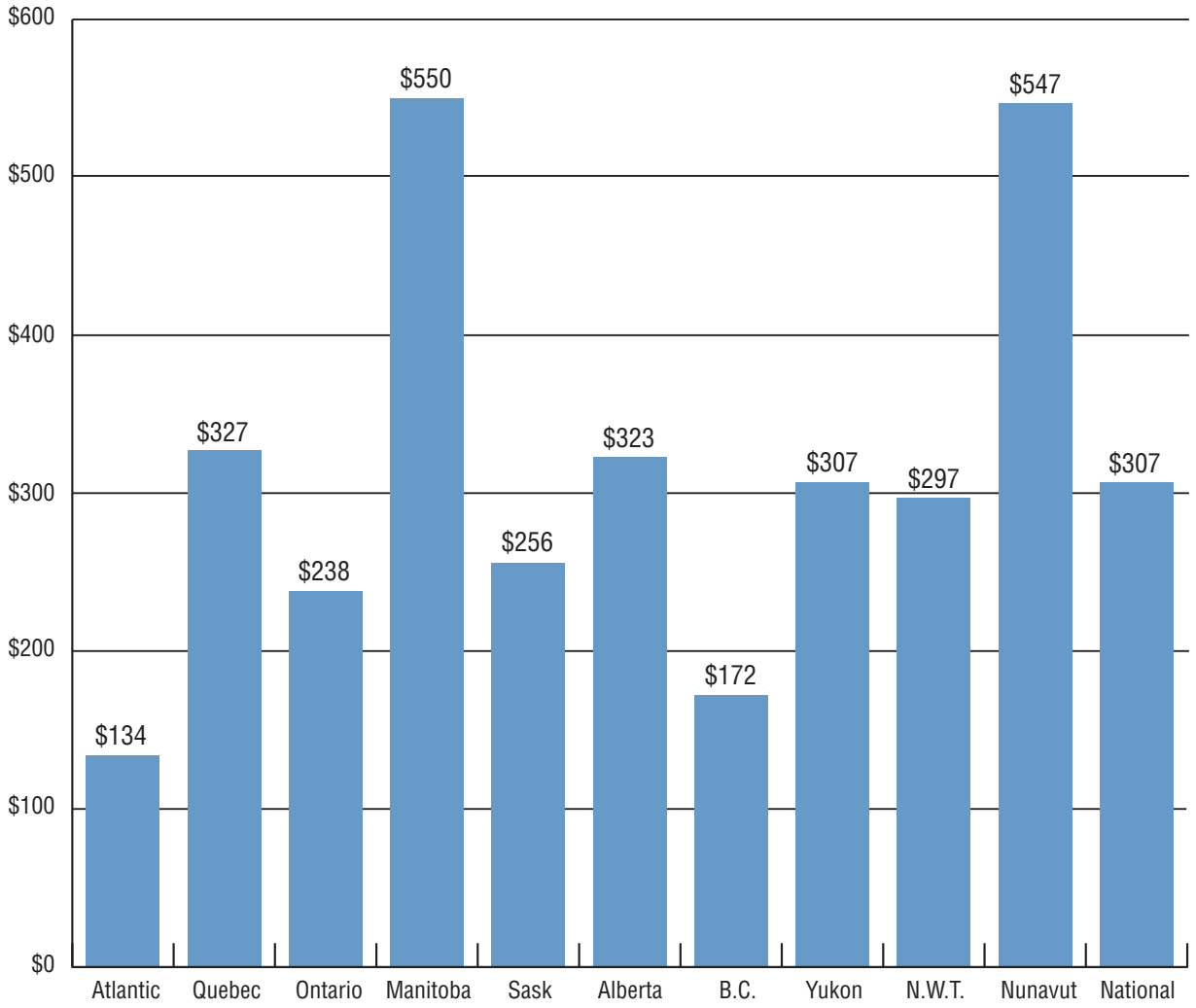
Figure 6.5

Per Capita NIHB Medical Transportation Expenditures by Region 2006/07

In 2006/07, the national per capita expenditure in NIHB Medical Transportation was $307. This is an increase from the 2005/06 expenditure of $292.

The Manitoba Region recorded the highest per capita expenditure in transportation at $550, followed by Nunavut at $547 and the Quebec Region at $327.

The $134 per capita cost recorded in the Atlantic Region reflects the transfer of Nunatsiavut clients to the Nunatsiavut Government in 2006/07.



Source: SVS and FIRMS adapted by Program Analysis Division

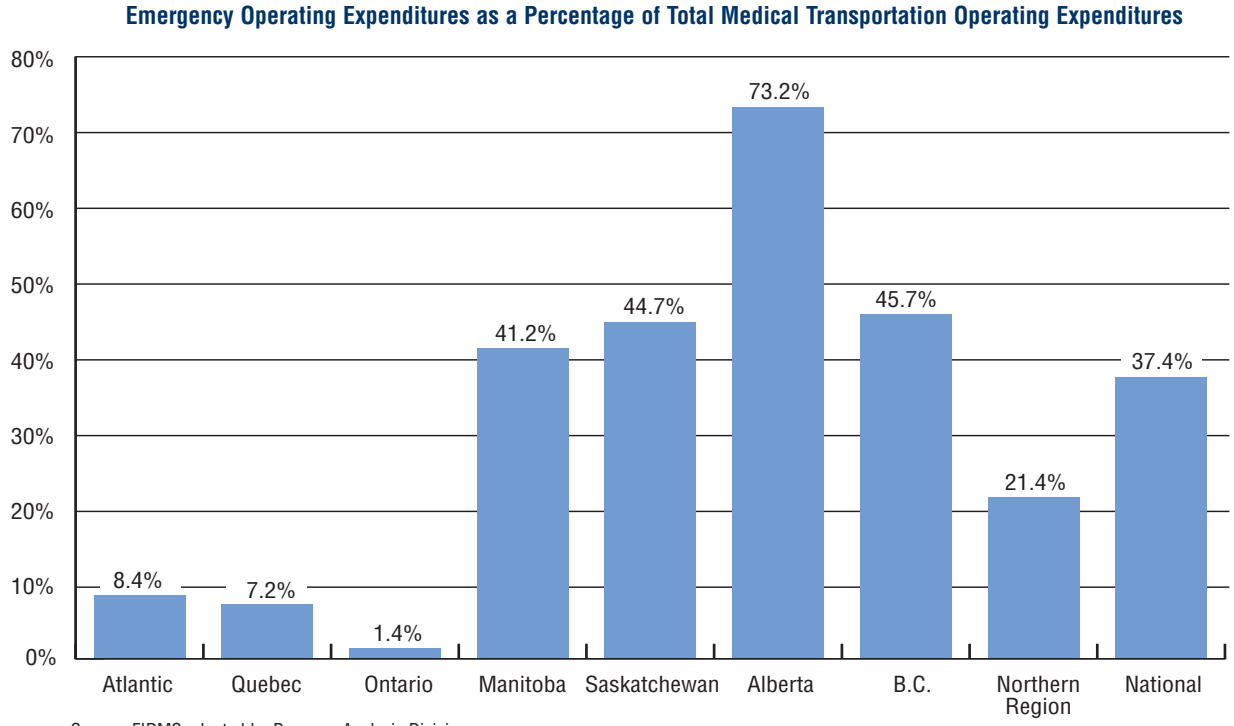
Figure 6.6

NIHB Medical Transportation Emergency Operating Expenditures by Region 2006/07

In 2006/07, operating costs in NIHB Medical Transportation totalled $122.8 million. Of this total, $46.0 million or 37.4% were considered as emergency operating expenditures.

Alberta recorded the highest percentage of emergency operating expenditures at 73.2%, followed by the B.C Region at 45.7% and the Saskatchewan Region at 44.7%. Ontario Region had the lowest percentage of emergency operating costs at 1.4%, followed by Quebec Region at 7.2% and Atlantic Region at 8.4%.

In terms of dollars, Manitoba Region recorded the highest emergency operating expenditures in 2006/07 at $20.9 million, followed by Alberta Region at $11.9 million and Saskatchewan Region at $11.2 million.



Source: FIRMS adapted by Program Analysis Division

Emergency vs. Non-Emergency Expenditures by Medical Transportation Type and Region (000's)

TYPE	Atlantic	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	B.C.	Northern Region	Total
Scheduled Air									
Non-Emergency	$ 573.6	$ 370.1	$ 12,021.9	$ 17,547.8	$ 2,560.0	$ 668.2	$ 396.1	$ 648.7	$ 34,786.4
Chartered Flights									
Emergency	2.8	0	2.6	15,385.7	2,129.2	858.7	0	516.9	18,895.9
Non-Emergency	16.0	3.4	988.9	1,499.8	779.0	5.6	0	185.4	3,478.2
Living Expenses									
Non-Emergency	202.1	14.3	5,487.6	7,447.4	1,843.5	1,656.6	395.7	500.8	17,547.9
Land & Water									
Emergency	176.8	98.9	327.3	5,526.5	9,089.2	11,024.3	839.9	1.7	27,084.7
Non-Emergency	1,167.3	892.4	4,105.8	3,321.8	8,679.7	2,012.2	204.3	567.6	20,951.3
Outside Canada									
Non-Emergency	0	0	35.0	0	3.7	0	0	0	38.7
Total Operating	2,138.6	1,379.1	22,969.1	50,729.0	25,084.3	16,225.6	1,836.0	2,421.1	122,783.1
Total Emergency Operating Costs	**$ 179.6**	**$ 98.9**	**$ 329.9**	**$20,912.2**	**$ 11,218.4**	**$ 11,883.0**	**$ 839.9**	**$ 518.6**	**$ 45,980.6**
Emergency Operating Costs as % of Total Operating	8.4%	7.2%	1.4%	41.2%	44.7%	73.2%	45.7%	21.4%	37.4%

Source: FIRMS adapted by Program Analysis Division

World Joy, by Alex Janvier

Vision Benefits, Other Health Benefits and Premiums Expenditure Data

Section 7

In 2006/07, total expenditures for Non-Insured Health Benefits Vision ($24.9 million), Other Health Benefits ($16.3 million) and Premiums ($28.7 million) amounted to $69.9 million, or 8.2% of total NIHB expenditures for the year.

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

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

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

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

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

Figure 7.1

NIHB Vision Expenditures by Region ($ 000's) 2006/07

In 2006/07, NIHB expenditures for Vision Care benefits amounted to $24.9 million. Regional operating expenditures accounted for 84.8% of total expenditures with contribution costs accounting for the remaining 15.2%.

The Ontario Region had the highest percentage share in NIHB Vision Care benefit costs at 22.0% followed by the Alberta (18.8%) and Saskatchewan (15.4%) regions.

REGION	Operating	Contributions	Totals
Atlantic	$ 1,408	$ 0	$ 1,408
Quebec	1,220	50	1,270
Ontario	5,064	421	5,485
Manitoba	2,639	203	2,841
Saskatchewan	3,823	12	3,835
Alberta	3,962	728	4,690
B.C.	2,722	510	3,232
Yukon	274	0	274
N.W.T.	0	819	819
Nunavut	0	1,040	1,040
National Total	**$ 21,111**	**$ 3,782**	**$ 24,894**

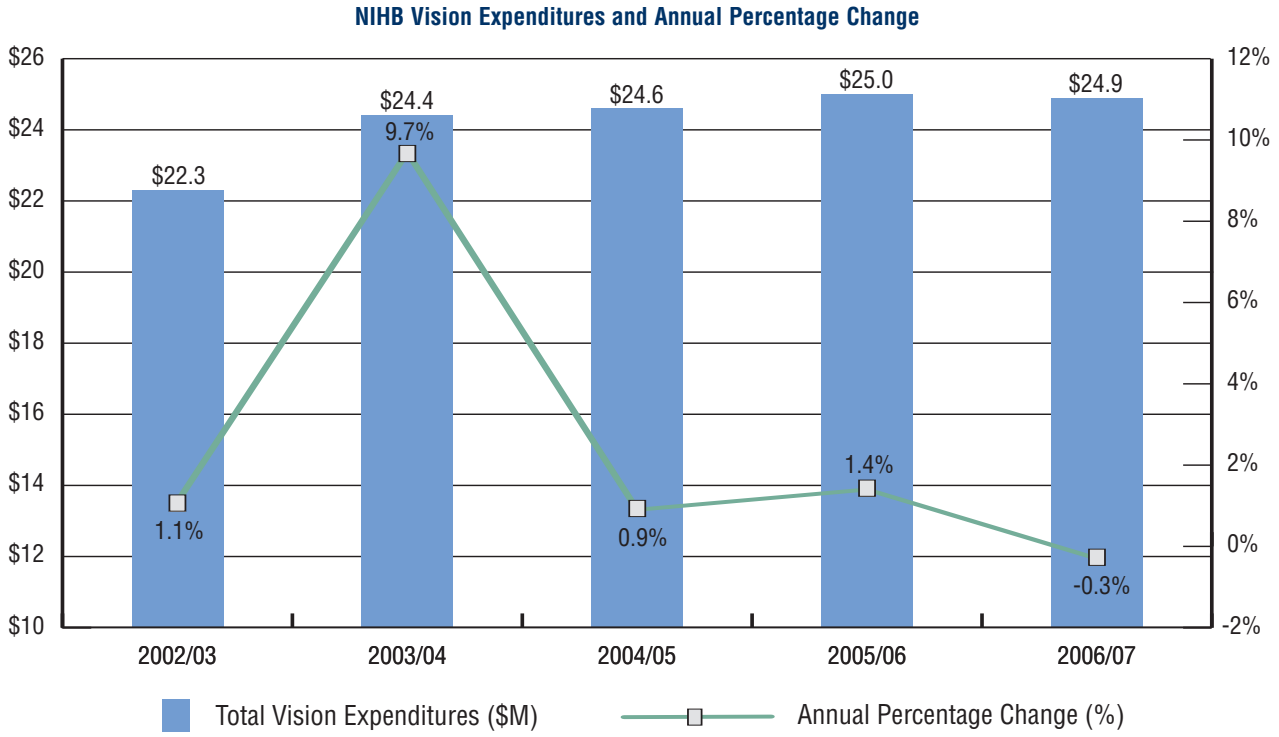
Source: FIRMS adapted by Program Analysis Division

Figure 7.2

Annual NIHB Vision Expenditures 2002/03 to 2006/07

In 2006/07 NIHB Vision expenditures decreased by -0.3%, compared to an increase of 1.4% recorded in 2005/06. Over the previous five years the highest growth rate was recorded in 2003/04 at 9.7%, with the average annual increase in this benefit area being 2.5%.

In 2006/07, the highest rate of growth in NIHB Vision expenditures was in the Yukon, which increased by 20.6% compared to the previous year. Atlantic Region Vision Care expenditures experienced the most significant decrease (-12.8%) over the previous fiscal year. This decrease is attributable to the Nunatsiavut self-government agreement.



Source: FIRMS adapted by Program Analysis Division

NIHB Vision Expenditures (000's)					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Atlantic	$ 1,604	$ 1,631	$ 1,619	$ 1,614	$ 1,408
Quebec	1,173	1,097	1,349	1,135	1,270
Ontario	5,085	5,196	5,428	5,458	5,485
Manitoba	2,640	2,888	2,684	2,864	2,841
Saskatchewan	3,360	3,375	3,431	4,072	3,835
Alberta	4,239	4,576	4,720	4,762	4,690
B.C.	2,601	3,259	3,249	3,049	3,232
Yukon	1,341	2,175	1,669	1,787	1,859
N.W.T. & Nunavut	218	223	480*	228	274
National	**$ 22,259**	**$ 24,420**	**$ 24,629**	**$ 24,968**	**$ 24,894**

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

Source: FIRMS adapted by Program Analysis Division

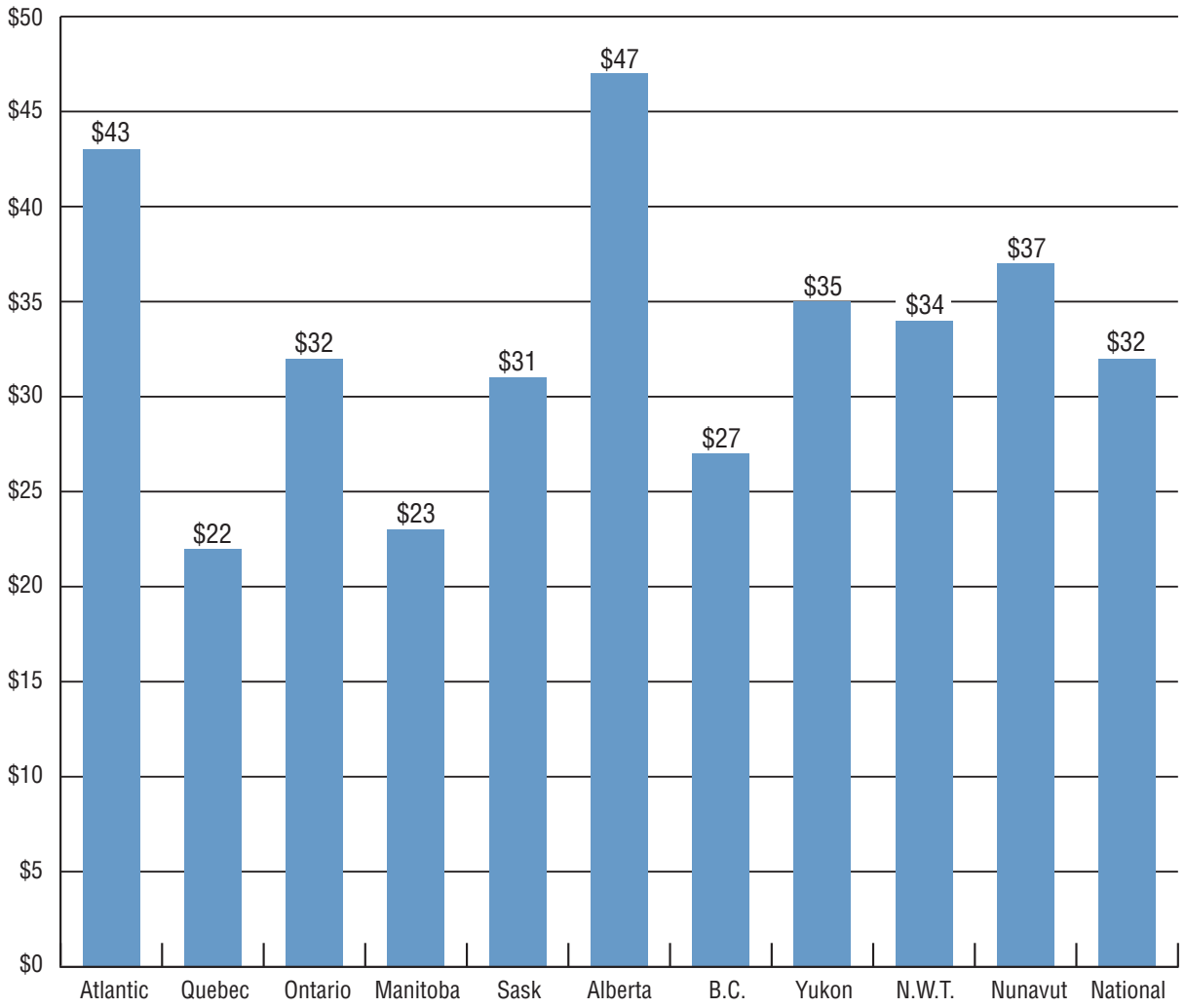
Figure 7.3

Per Capita NIHB Vision Expenditures by Region 2006/07

In 2006/07, the national per capita expenditure in NIHB Vision Care was $32, unchanged from the previous year.

Alberta had the highest per capita expenditure at $47, followed by the Atlantic Region at $43. The Quebec Region registered the lowest per capita expenditure at $22.

The $43 per capita cost recorded in the Atlantic Region reflects the transfer of Nunatsiavut clients to the Nunatsiavut Government in 2006/07. The national per capita NIHB Vision Care expenditure of $32 also reflects this adjustment.



Source: SVS and FIRMS adapted by Program Analysis Division

Figure 7.4

NIHB Other Health Care Expenditures by Region ($ 000's) 2006/07

In 2006/07, NIHB expenditures for Other Health Care benefits which include Crisis Mental Health Counselling amounted to $16.3 million. A very small amount was also spent on premiums for private insurance for migrant workers and students outside of Canada. Regional operating expenditures accounted for 77.1% of total expenditures with contribution costs accounting for the remaining 22.9%.

The Manitoba Region had the highest percentage share in the Other Health Care category benefit costs at 29.4% followed by the Alberta (29.1%) and Ontario (15.6%) regions.

In the NWT and Nunavut, the NIHB Program does not provide crisis intervention Mental Health services, the largest component of Other Health Care costs, as these are the responsibilities of the territorial governments.

REGION	Operating	Contributions	Totals
Atlantic	$ 92	$ 100	$ 192
Quebec	473	110	583
Ontario	2,530	0	2,530
Manitoba	3,781	1,005	4,786
Saskatchewan	1,839	405	2,244
Alberta	3,453	1,283	4,736
B.C.	350	828	1,177
Yukon	22*	0	22*
N.W.T.	0	0	0
Nunavut	0	0	0
National Total	**$ 12,540**	**$ 3,731**	**$ 16,271**

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

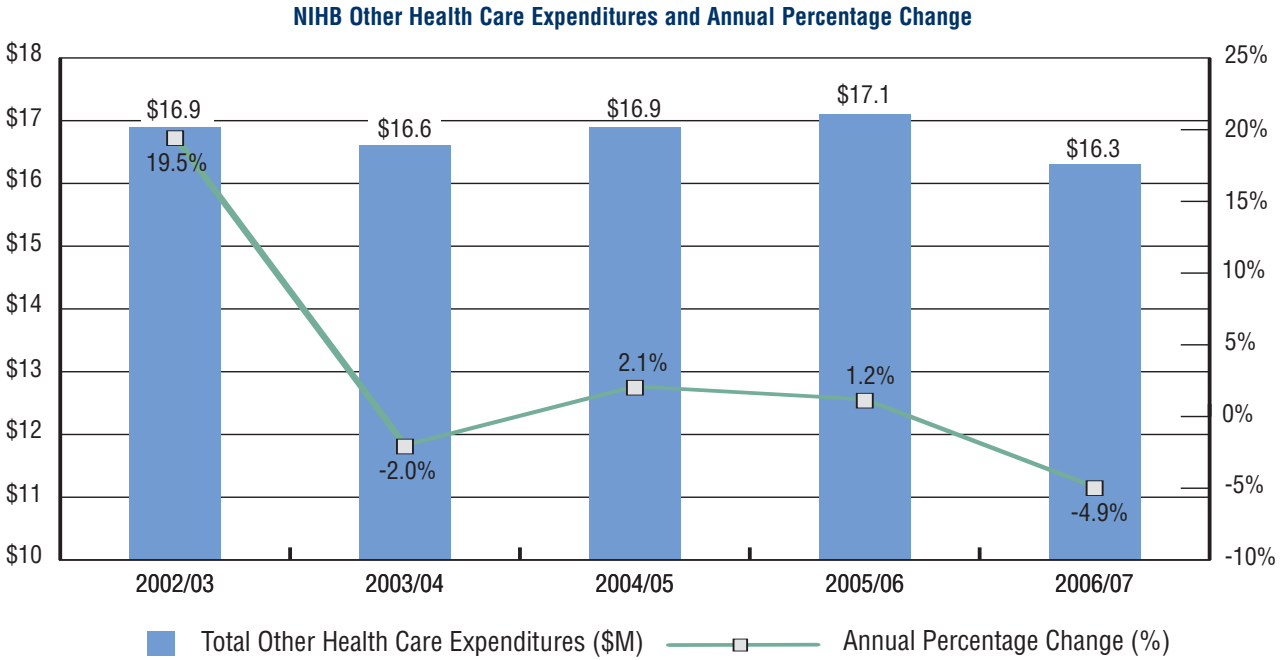
Source: FIRMS adapted by Program Analysis Division

Figure 7.5

Annual NIHB Other Health Care Expenditures 2002/03 to 2006/07

In 2006/07 the NIHB Other Health Care expenditures decreased by 4.9%, compared to an increase of 1.2% in 2005/06. Over the previous five years the highest growth rate was recorded in 2002/03 at 19.5%, with the average annual increase in this benefit area being 2.9%.

In 2006/07, the largest expenditures for Other Health Care were recorded in Manitoba and Alberta regions at $4.8 million and $4.7 million respectively.



Source: FIRMS adapted by Program Analysis Division

Quick Fact:

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 may in part be a result of clients accessing services through other service points such as counselling and mental health services through the Indian Residential Schools Resolution Health Support Program.

NIHB Other Health Care Expenditures (000's)					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Atlantic	$ 198	$ 141	$ 161	$ 201	$ 192
Quebec	695	726	697	750	583
Ontario	2,548	2,250	2,404	2,213	2,530
Manitoba	4,675	5,621	5,685	5,690	4,786
Saskatchewan	2,671	2,370	2,295	2,237	2,244
Alberta	3,856	3,794	4,078	4,537	4,736
B.C.	1,240	1,653	1,581	1,486	1,177
N.W.T. & Nunavut	11	2	4	1	22*
Yukon	1,000*	0	0	0	0
National	**$ 16,894**	**$ 16,557**	**$ 16,904**	**$ 17,115**	**$ 16,271**

* *Data anomaly due to possible FIRMS coding error. Data should be interpreted with caution. Please refer to Section 8.8 and 8.9 for further details.*

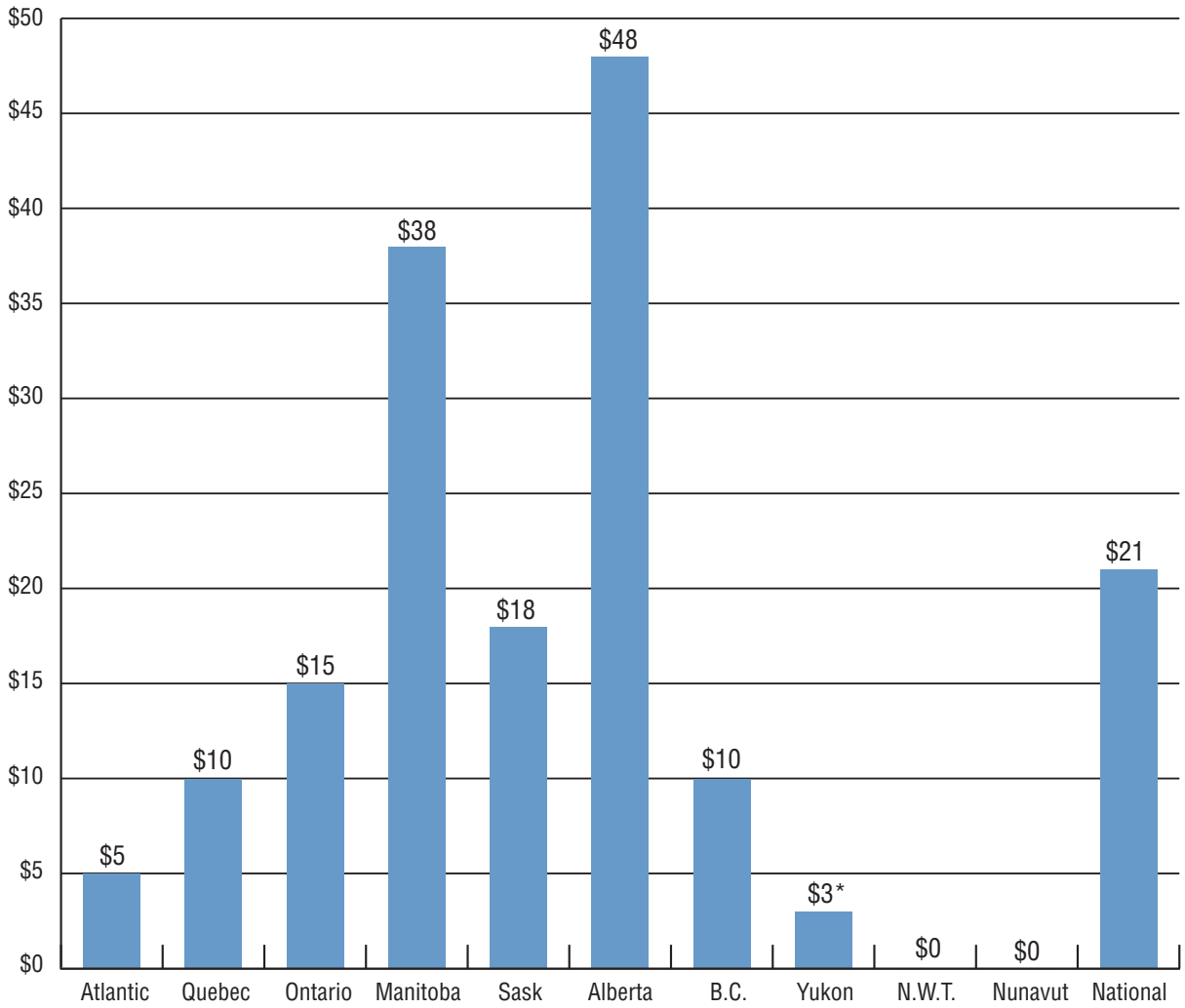
Source: FIRMS adapted by Program Analysis Division

Figure 7.6

Per Capita NIHB Other Health Care Expenditures by Region 2006/07

In 2006/07, the national per capita expenditure in Other Health Care was $21, a marginal decrease from $22 in 2005/06.

The Alberta and Manitoba regions had the highest per capita expenditures at $48 and $38 respectively, followed by the Saskatchewan Region with a total of $18 per eligible client.



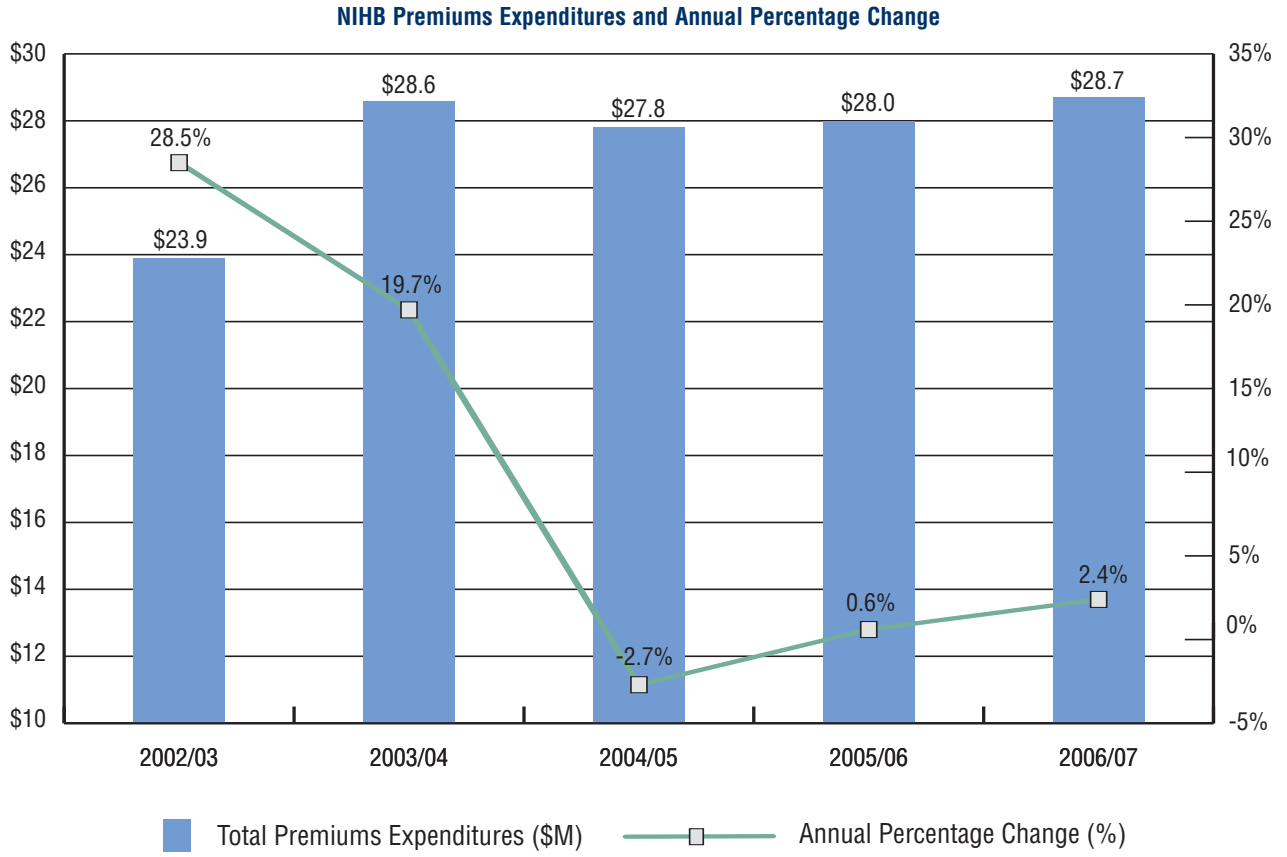
* *Data anomaly due to possible FIRMS coding error. Data should be interpreted with caution. Please refer to Section 8.8 for further details.*

Source: SVS and FIRMS adapted by Program Analysis Division

Figure 7.7

Annual NIHB Premiums Expenditures 2002/03 to 2006/07

In 2006/07, NIHB Premiums expenditures increased by 2.4%, a greater increase than the 0.6% increase recorded in 2005/06. Over the previous five years the highest growth rate was recorded in 2002/03 at 28.5%, with the average annual increase in this benefit area being 9.1%.



Source: FIRMS adapted by Program Analysis Division

NIHB Premiums Expenditures (000's)					
REGION	**2002/03**	**2003/04**	**2004/05**	**2005/06**	**2006/07**
Alberta	$ 11,790	$ 12,203	$ 12,377	$ 12,381	$ 12,709
B.C.	12,113	16,411	15,453	15,606	15,951
National	**$ 23,902**	**$ 28,614**	**$ 27,830**	**$ 27,987**	**$ 28,659**

Source: FIRMS adapted by Program Analysis Division

Dancer 3, by Rocky Barstad

Regional Expenditure Trends 1997/98 to 2006/07

Section 8

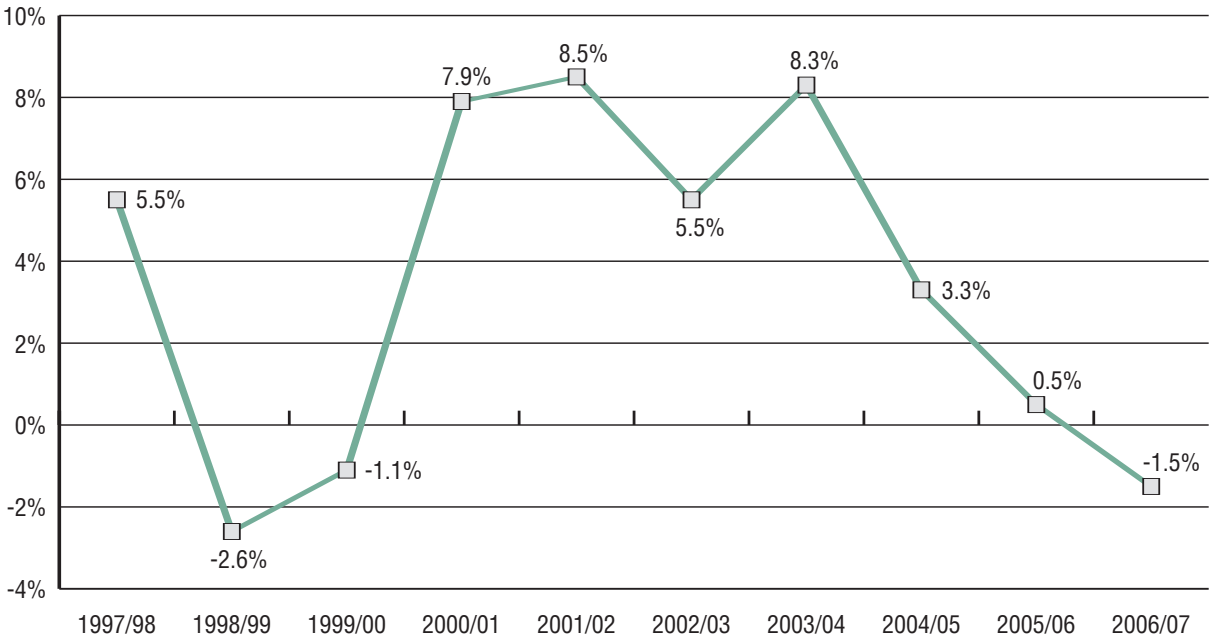
Figure 8.1

NIHB Annual Expenditures in Atlantic Region by Benefit ($ 000's)
1997/98 to 2006/07

Annual expenditures in the Atlantic Region for 2006/07 totalled $30.1 million, a decrease of 1.5% from the $30.5 million spent in 2005/06. Pharmacy expenditures increased for the eighth consecutive year by 3.5% to $18.9 million in 2006/07 from $18.3 million in 2005/06. Transportation expenditures decreased 21.3% to $4.4 million and Dental costs increased 6.2% to $5.1 million. Other Health Care and Vision Care costs decreased by 4.4% and 12.8% respectively. The reduced growth rate over the past two years can be attributed primarily to the movement towards self-government for Nunatsiavut Inuit which commenced in December of 2005. This transition process has resulted in an incremental reallocation of funding previously identified for Atlantic Region clients.

Pharmacy costs accounted for more than half of the Atlantic Region's total expenditures at 63.0%, Dental expenditures came second at 17.1%, followed by Transportation at 14.6%. Vision Care and Other Health Care accounted for 4.7% and 0.6% of total expenditures respectively. NIHB provided funding for emergency Dental and Other Health Care benefits to Nunatsiavut clients in 2006/07.

Percentage Change in Atlantic Region NIHB Expenditures



Atlantic Region	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 6,416	$ 6,396	$ 6,425	$ 6,098	$ 6,235	$ 6,314	$ 6,498	$ 6,124	$ 5,590	$ 4,401
Pharmacy	10,165	9,572	10,126	11,371	12,667	14,322	16,265	17,533	18,293	18,938
Dental	4,636	4,663	3,819	4,511	5,196	4,691	4,857	4,934	4,831	5,128
Other Health Care	141	158	123	138	173	198	141	161	201	192
Vision Care	1,443	1,427	1,479	1,583	1,433	1,604	1,631	1,619	1,614	1,408
TOTAL	**$ 22,801**	**$ 22,216**	**$ 21,972**	**$ 23,701**	**$ 25,704**	**$ 27,128**	**$ 29,391**	**$ 30,371**	**$ 30,529**	**$ 30,067**

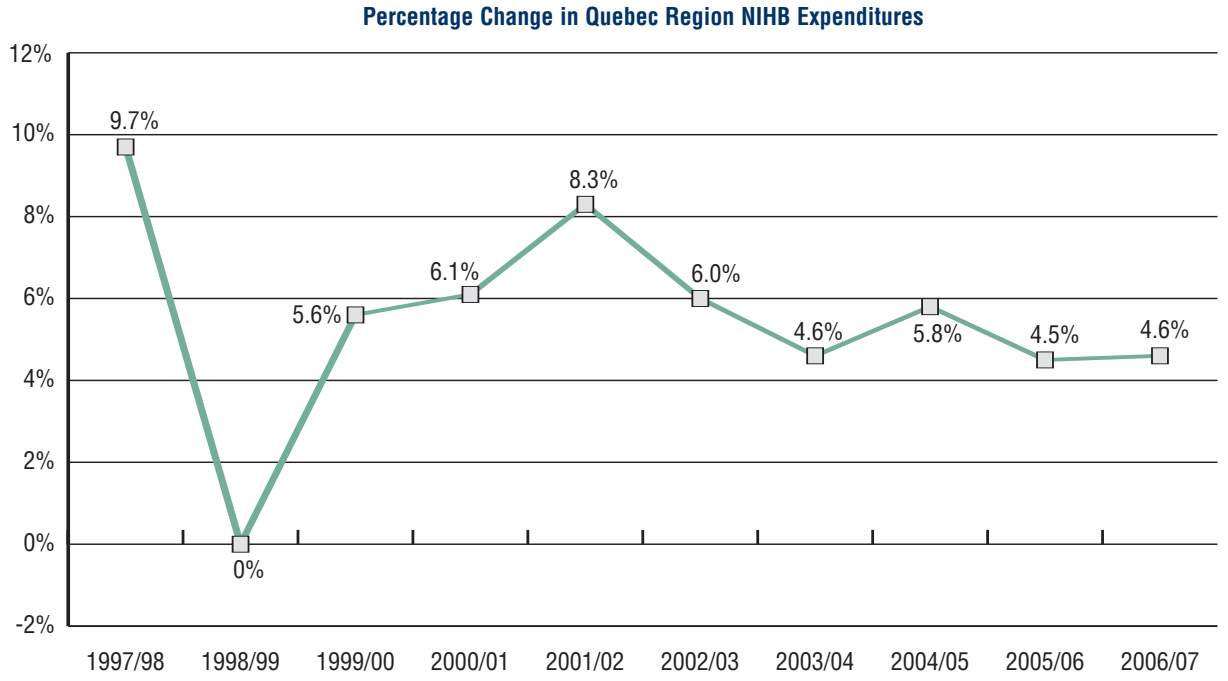
Source: FIRMS adapted by Program Analysis Division

Figure 8.2

NIHB Annual Expenditures in Quebec Region by Benefit ($ 000's)
1997/98 to 2006/07

Annual expenditures in the Quebec Region for 2006/07 totalled $65.4 million, an increase of 4.6% from the $62.5 million spent in 2005/06. Pharmacy expenditures in 2006/07 increased by 5.4% to $33.5 million from $31.8 million in 2005/2006. Dental expenditures increased by 5.8% to $11.6 million and Medical Transportation costs increased by 3.3% to $18.5 million. Other Health Care costs decreased by 22.3%, while Vision Care expenditures increased by 11.9%.

Pharmacy costs accounted for 51.2% of the Quebec Region's total expenditures, while Medical Transportation expenditures came second at 28.2% followed by Dental at 17.7%. Vision Care and Other Health Care accounted for 1.9% and 0.9% of total expenditures respectively.



Quebec Region	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 16,062	$ 15,050	$ 15,761	$ 15,475	$ 16,589	$ 16,877	$ 16,985	$ 17,291	$ 17,886	$ 18,473
Pharmacy	15,017	16,611	17,388	19,680	22,209	25,005	27,436	29,959	31,771	33,486
Dental	9,494	8,831	9,015	9,574	10,505	10,292	10,277	10,525	10,970	11,603
Other Health Care	554	544	1,278	1,355	544	695	726	697	750	583
Vision Care	892	977	910	984	1,119	1,173	1,097	1,349	1,135	1,270
TOTAL	**$ 42,019**	**$ 42,013**	**$ 44,352**	**$ 47,068**	**$ 50,966**	**$ 54,042**	**$ 56,521**	**$ 59,820**	**$ 62,512**	**$ 65,414**

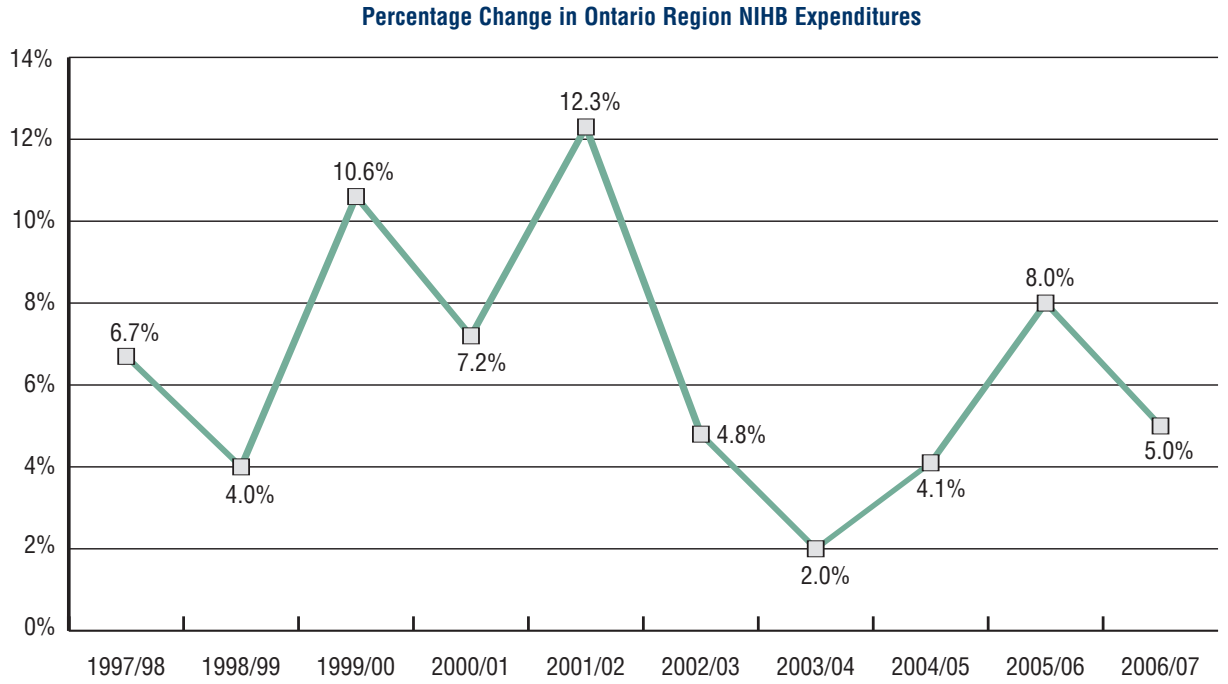
Source: FIRMS adapted by Program Analysis Division

Figure 8.3

NIHB Annual Expenditures in Ontario Region by Benefit ($ 000's)
1997/98 to 2006/07

Annual expenditures in the Ontario Region for 2006/07 totalled $159.2 million, an increase of 5.0% from the $151.5 million spent in 2005/06. Pharmacy expenditures in 2006/07 increased by 6.2% to $77.8 million, while Medical Transportation costs increased by 5.2% to $40.6 million and Dental expenditures increased by 2.2% to $32.8 million. Other Health Care and Vision Care expenditures increased by 14.4% and 0.5% respectively.

Pharmacy expenditures accounted for 48.9 % of the Ontario Region's total expenditures, Medical Transportation costs came second at 25.5%, followed by Dental at 20.6%. Vision Care and Other Health Care accounted for 3.4% and 1.6% of total expenditures respectively.



Ontario Region	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 25,134	$ 28,276	$ 32,713	$ 35,072	$ 40,264	$ 37,493	$ 36,620	$ 35,258	$ 38,553	$ 40,572
Pharmacy	35,237	36,518	40,346	45,244	51,167	57,929	62,953	67,508	73,223	77,788
Dental	22,902	22,244	23,558	23,255	27,568	29,042	27,760	29,655	32,064	32,777
Other Health Care	3,620	3,790	3,431	3,899	2,183	2,548	2,250	2,404	2,213	2,530
Vision Care	4,168	3,842	4,672	4,792	4,886	5,085	5,196	5,428	5,458	5,485
TOTAL	**$ 91,061**	**$ 94,670**	**$104,720**	**$112,262**	**$126,068**	**$132,097**	**$134,779**	**$140,253**	**$151,510**	**$159,152**

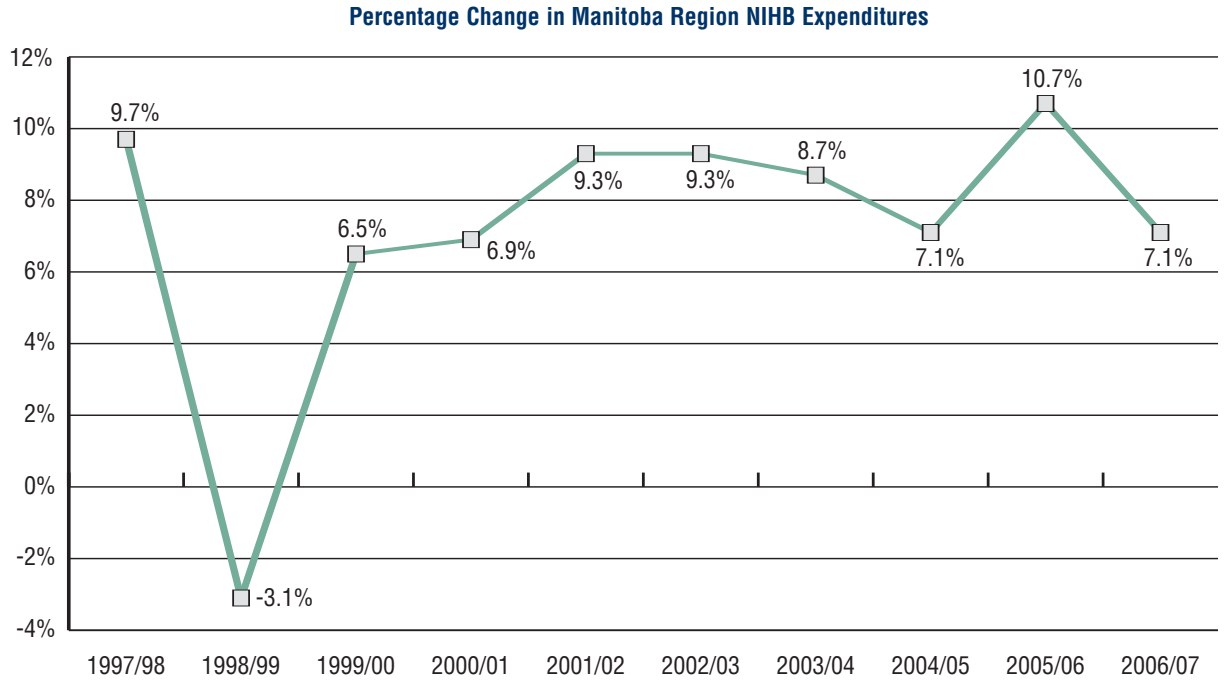
Source: FIRMS adapted by Program Analysis Division

Figure 8.4

NIHB Annual Expenditures in Manitoba Region by Benefit ($ 000's) 1997/98 to 2006/07

Annual expenditures in the Manitoba Region for 2006/07 totalled $162.4 million, an increase of 7.1% from the $151.6 million recorded in 2005/06. Pharmacy expenditures in 2006/07 increased by 9.4% to $65.0 million, Medical Transportation costs increased by 9.0% to $69.0 million and Dental benefit expenditures increased by 2.1% to $20.8 million. Other Health Care and Vision Care costs decreased by 15.9% and 0.8% respectively.

Medical Transportation expenditures comprised the largest portion of Manitoba Region's total expenditures at 42.5%, followed by Pharmacy at 40.0% and Dental at 12.8%. Other Health Care and Vision Care expenditures accounted for 2.9% and 1.7% respectively.



Manitoba Region	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 43,520	$ 40,499	$ 44,413	$ 46,089	$ 48,320	$ 51,199	$ 53,533	$ 55,895	$ 63,322	$ 69,047
Pharmacy	24,805	25,395	31,132	35,533	36,078	42,525	48,519	53,998	59,409	64,966
Dental	11,575	11,836	10,189	11,832	16,319	16,600	17,313	18,705	20,326	20,756
Other Health Care	7,164	6,624	4,399	3,218	4,023	4,675	5,621	5,685	5,690	4,786
Vision Care	2,128	2,034	1,899	1,748	2,860	2,640	2,888	2,684	2,864	2,841
TOTAL	**$ 89,192**	**$ 86,388**	**$ 92,032**	**$ 98,420**	**$107,600**	**$117,638**	**$127,874**	**$136,967**	**$151,610**	**$162,396**

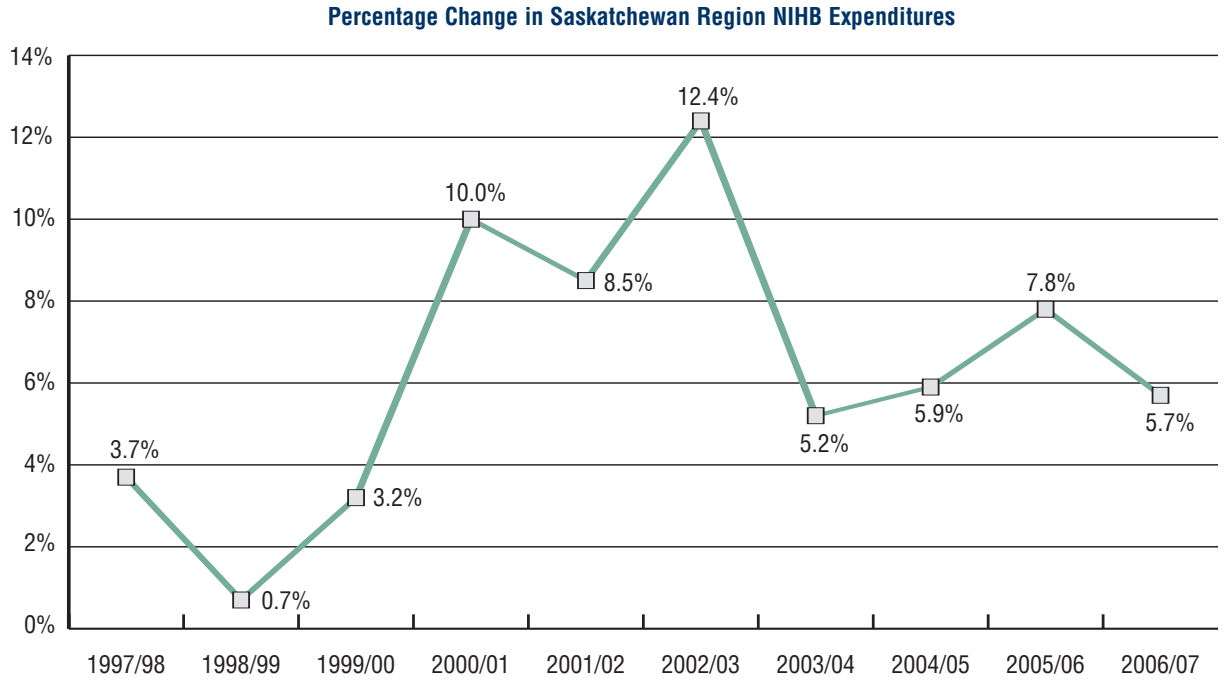
Source: FIRMS adapted by Program Analysis Division

Figure 8.5

NIHB Annual Expenditures in Saskatchewan Region by Benefit ($ 000's) 1997/98 to 2006/07

Annual expenditures in the Saskatchewan Region for 2006/07 totalled $119.2 million, an increase of 5.7% from the $112.8 million spent in 2005/06. Pharmacy expenditures in 2006/07 increased by 4.3% to $58.1 million, Dental expenditures by 5.4% to $23.2 million and Medical Transportation costs increased by 10.5% to $31.8 million. Vision Care costs decreased by 5.8% while Other Health Care expenditures increased by 0.3%.

Pharmacy expenditures accounted for almost half of the Saskatchewan Region's total expenditures at 48.7%, while Medical Transportation expenditures ranked second at 26.7%, followed by Dental costs at 19.5%. Vision Care and Other Health Care expenditures accounted for 3.2% and 1.9% respectively.



Saskatchewan Region	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 21,648	$ 21,814	$ 22,038	$ 24,438	$ 23,862	$ 25,853	$ 25,854	$ 26,758	$ 28,786	$ 31,816
Pharmacy	26,645	28,450	30,983	34,926	38,240	44,394	48,952	52,636	55,687	58,083
Dental	11,703	11,980	12,307	12,731	15,708	17,649	18,297	19,530	22,038	23,219
Other Health Care	4,808	2,894	1,948	2,032	2,663	2,671	2,370	2,295	2,237	2,244
Vision Care	2,578	2,702	2,755	2,890	3,113	3,360	3,375	3,431	4,072	3,835
TOTAL	**$ 67,382**	**$ 67,840**	**$ 70,031**	**$ 77,017**	**$ 83,586**	**$ 93,927**	**$ 98,847**	**$104,651**	**$112,820**	**$119,197**

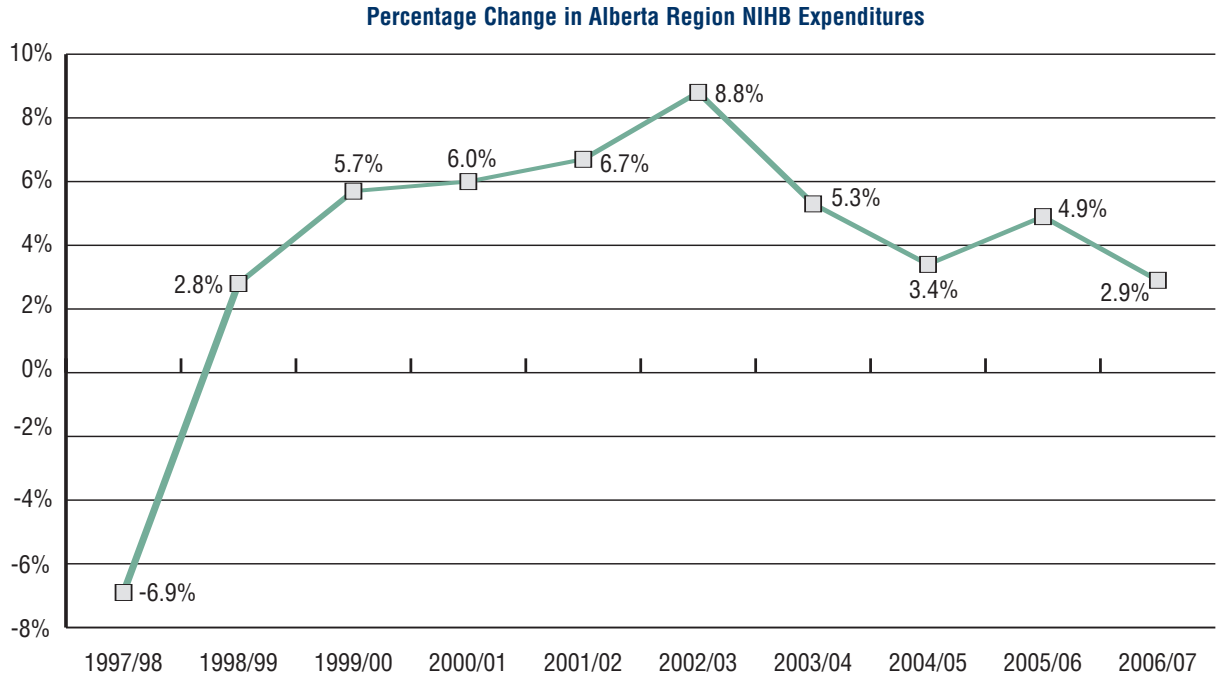
Source: FIRMS adapted by Program Analysis Division

Figure 8.6

NIHB Annual Expenditures in Alberta Region by Benefit ($ 000's)
1997/98 to 2006/07

Annual expenditures in the Alberta Region for 2006/07 totalled $127.8 million, an increase of 2.9% from the $124.1 million spent in 2005/06. Pharmacy expenditures in 2006/07 increased by 2.5% to $52.4 million. Dental expenditures increased by 2.0% to $21.0 million and Medical Transportation costs increased by 4.9% to $32.2 million. The cost of Other Health Care and Premiums increased by 4.4% and 2.6% respectively, while Vision Care costs decreased by 1.5%.

Pharmacy expenditures accounted for 41.0% of the Alberta Region's total expenditures, while Medical Transportation costs came second at 25.2%, followed by Dental at 16.4%. Premiums, Vision Care and Other Health Care accounted for 9.9%, 3.7% and 3.7% of total expenditures respectively.



Alberta Region	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 25,659	$ 27,723	$ 27,774	$ 28,116	$ 29,796	$ 28,856	$ 29,030	$ 29,686	$ 30,712	$ 32,204
Pharmacy	25,741	26,373	28,843	33,365	36,781	41,590	45,588	48,207	51,141	52,424
Dental	15,540	14,319	16,455	15,527	16,680	18,375	19,237	19,306	20,594	21,006
Other Health Care	3,135	3,666	2,944	4,285	3,371	3,856	3,794	4,078	4,537	4,736
Vision Care	3,707	3,570	3,894	3,696	4,397	4,239	4,576	4,720	4,762	4,690
Sub-Total	**$ 73,782**	**$ 75,651**	**$ 79,910**	**$ 84,989**	**$ 91,025**	**$ 96,916**	**$102,224**	**$105,996**	**$111,746**	**$115,060**
Premiums	7,579	8,004	8,480	8,689	8,914	11,790	12,202	12,377	12,381	12,709
TOTAL	**$ 81,361**	**$ 83,655**	**$ 88,390**	**$ 93,678**	**$ 99,939**	**$108,706**	**$114,426**	**$118,373**	**$124,127**	**$127,769**

Source: FIRMS adapted by Program Analysis Division

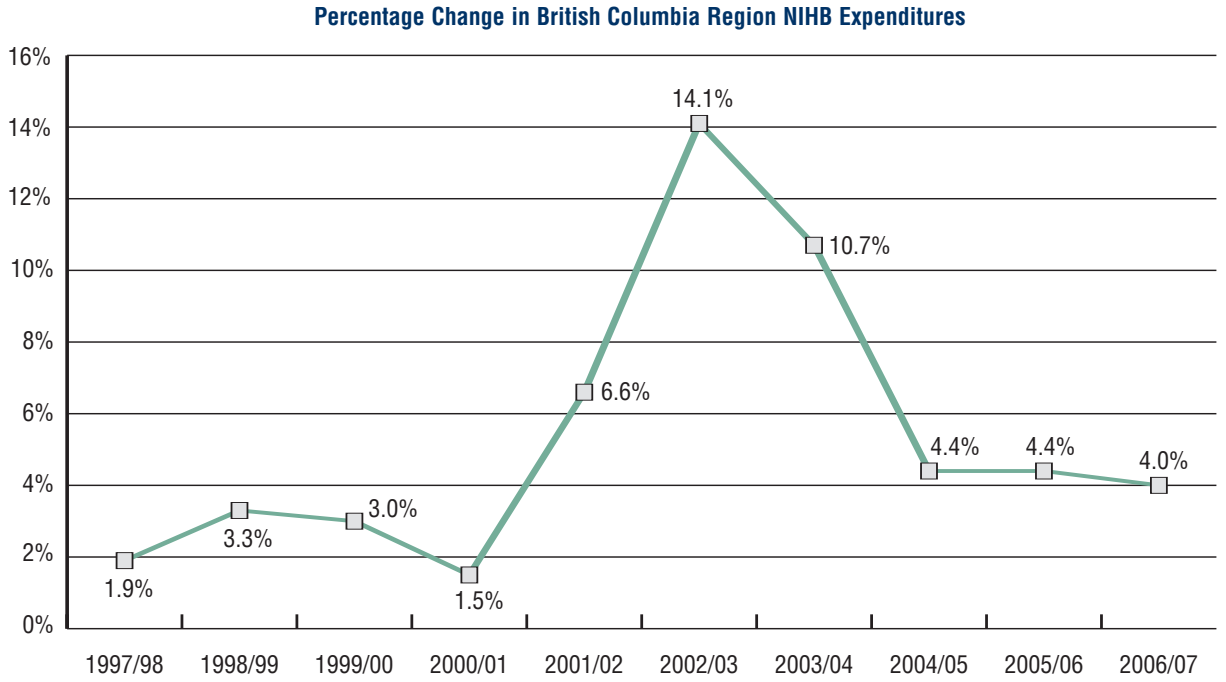
Figure 8.7

NIHB Annual Expenditures in British Columbia Region by Benefit ($ 000's) 1996/97 to 2006/07

Annual expenditures in the B.C. Region for 2006/07 totalled $113.6 million, an increase of 4.0% from the $109.3 million spent in 2005/06. Pharmacy expenditures in 2006/07 increased by 1.3% to $50.4 million, while Dental costs increased by 0.7% to $22.6 million and Medical Transportation increased by 19.7% to $20.3 million. The cost of Vision care and Premiums increased by 6.0% and 2.2% respectively, while Other Health Care expenditures decreased by 20.8%.

The B.C. Region had the largest percentage increase in Medical Transportation expenditures in 2006/07 at 19.7%. This growth can be attributed to a number of one time costs to reimburse for previous year expenditures including the implementation of a new community travel system and the location of specialty medical care outside a community.

Pharmacy expenditures accounted for 44.3% of the B.C. Region's total expenditures, Dental costs ranked second at 19.9%, followed by Medical Transportation costs at 17.9%. Premiums, Vision Care and Other Health Care accounted for 14.0%, 2.8% and 1.0 % of total expenditures respectively.



British Columbia Region	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 13,046	$ 12,284	$ 12,954	$ 12,718	$ 14,039	$ 16,410	$ 16,408	$ 17,340	$ 16,944	$ 20,284
Pharmacy	25,714	25,986	28,748	30,185	33,592	38,922	44,141	46,670	49,734	50,387
Dental	15,881	18,703	17,490	18,078	18,230	19,224	18,338	20,357	22,439	22,588
Other Health Care	2,134	2,048	1,903	1,831	1,165	1,240	1,653	1,581	1,486	1,177
Vision Care	2,566	2,647	2,656	2,518	2,622	2,601	3,259	3,249	3,049	3,232
Sub-Total	**$ 59,341**	**$ 61,668**	**$ 63,751**	**$ 65,330**	**$ 69,648**	**$ 78,397**	**$ 83,800**	**$ 89,197**	**$ 93,652**	**$ 97,669**
Premiums	9,552	9,472	9,551	9,091	9,682	12,113	16,411	15,453	15,606	15,951
TOTAL	**$ 68,893**	**$ 71,140**	**$ 73,302**	**$ 74,421**	**$ 79,330**	**$ 90,510**	**$100,212**	**$104,650**	**$109,259**	**$113,620**

Source: FIRMS adapted by Program Analysis Division

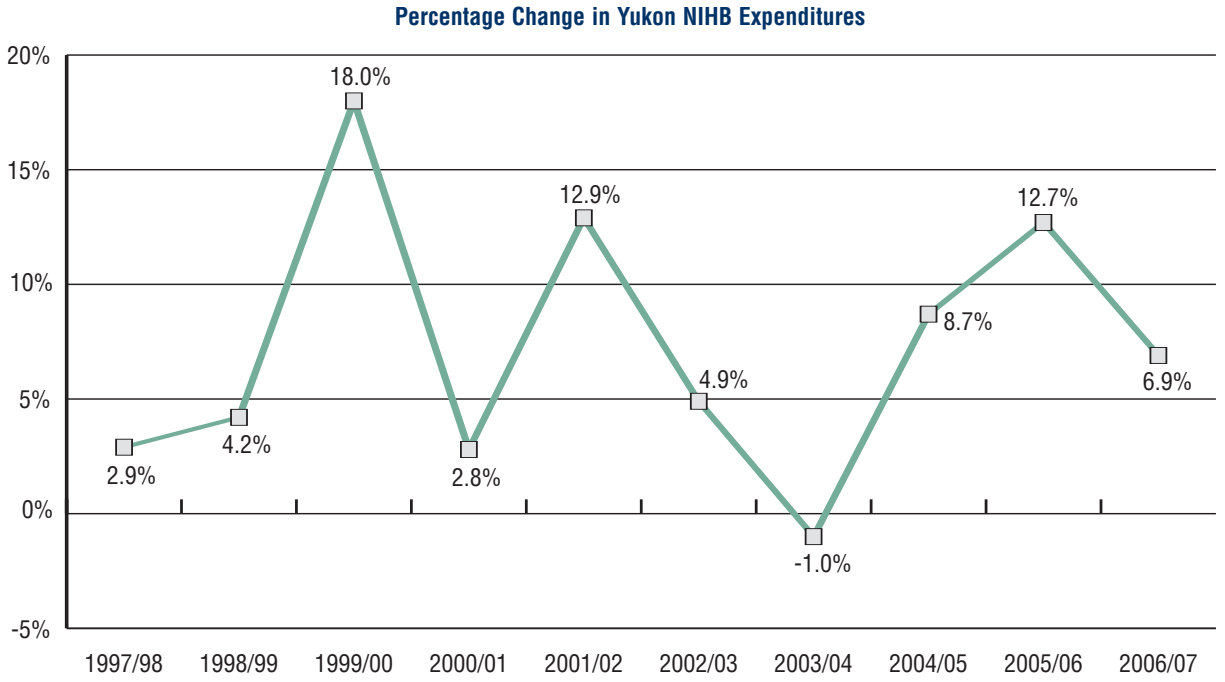
Figure 8.8

NIHB Annual Expenditures in Yukon by Benefit ($ 000's) 1997/98 to 2006/07

Annual expenditures in Yukon for 2006/07 totalled $8.4 million, an increase of 6.9% from the $7.8 million spent in 2005/06. Pharmacy expenditures in 2006/07 decreased by 0.4% to $3.6 million. Dental costs showed an increase of 9.1% to $2.0 million and Medical Transportation expenditures increased by 15.3% to $2.4 million.

Pharmacy expenditures, at 43.4%, accounted for slightly less than half of Yukon's total expenditures, while Medical Transportation expenditures was second at 28.9%, followed by Dental at 24.2%. Vision Care and Other Health Care accounted for 3.3% and 0.3% of total expenditures respectively.

Two anomalies have been identified in Yukon. In 2006/07, Medical Transportation expenditures of $20 thousand were coded in error to Other Health Care. Also, the Northern Region has identified that a total of $217 thousand in actual Vision benefit expenditures were recorded in 2004/05 as opposed to the reported $480 thousand. These data values should be interpreted with caution.



Yukon	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 1,513	$ 1,490	$ 1,865	$ 1,852	$ 2,020	$ 1,957	$ 1,600	$ 1,774	$ 2,100	$ 2,421
Pharmacy	1,560	1,577	1,953	2,393	2,649	3,048	3,214	3,476	3,655	3,641
Dental	1,024	1,122	1,184	994	1,284	1,236	1,365	1,229	1,863	2,033
Other Health Care	22	123	82	16	13	11	2	4	1	22*
Vision Care	201	191	229	208	199	218	223	480*	228	274
TOTAL	**$ 4,320**	**$ 4,503**	**$ 5,313**	**$ 5,463**	**$ 6,165**	**$ 6,470**	**$ 6,405**	**$ 6,963**	**$ 7,847**	**$ 8,392**

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

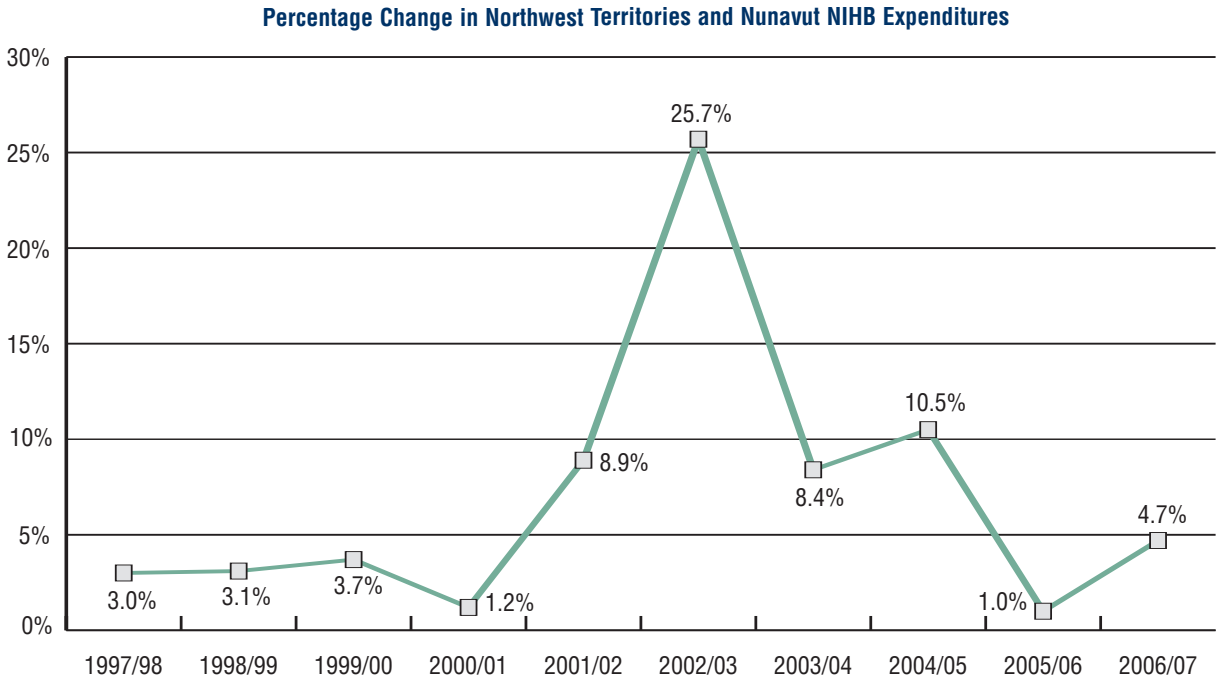
Source: FIRMS adapted by Program Analysis Division

Figure 8.9

NIHB Annual Expenditures in Northwest Territories and Nunavut by Benefit ($ 000's) 1997/98 to 2006/07

Annual expenditures in the Northwest Territories and Nunavut for 2006/07 totalled $51.9 million, an increase of 4.7% from the $49.6 million spent in 2005/06. Medical Transportation expenditures in 2006/07 increased by 4.2% to $22.4 million, Pharmacy costs increased by 5.9% to $13.7 million, while Dental costs increased by 4.5% to $14.0 million. Vision Care costs increased by 4.0% while there were no Other Health Care costs to be reported.

Medical Transportation costs accounted for 43.1% of total expenditures, Dental expenditures came second at 26.9%, followed by Pharmacy at 26.3%. Vision Care made up 3.6% of total expenditures.



N.W.T. & Nunavut	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Transportation	$ 12,688	$ 12,697	$ 13,136	$ 12,993	$ 14,594	$ 18,995	$ 19,265	$ 21,401	$ 21,486	$ 22,384
Pharmacy	5,872	6,381	6,697	7,605	8,382	10,157	11,310	12,278	12,912	13,677
Dental	8,028	8,330	8,393	8,013	8,228	9,468	11,657	13,738	13,386	13,989
Other Health Care	170	0	0	0	0	1,000*	0	0	0	0
Vision Care	893	1,100	1,349	1,329	1,391	1,341	2,175	1,669	1,787	1,859
TOTAL	**$ 27,651**	**$ 28,508**	**$ 29,575**	**$ 29,940**	**$ 32,595**	**$ 40,961**	**$ 44,407**	**$ 49,086**	**$ 49,571**	**$ 51,909**

** 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

Mi'kmaq women of the shore 1857-59, by Jerry Evans

Initiatives & Activities

Section 9

Section 9.1

Health Information and Claims Processing Services (HICPS) 2006/07

Claims submitted for dental, pharmacy and medical supplies and equipment services (MS&E) provided to all eligible First Nations and Inuit clients in Canada under the NIHB Program are processed through the Health Information and Claims Processing Services (HICPS) system. HICPS includes services and automated systems used to process claims to ensure client eligibility and compliance with NIHB Program policies and pricing.

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

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

The current HICPS contract is with First Canadian Health Management Corp (FCH). The NIHB Program manages the HICPS contract in conjunction with Public Works and Government Services Canada (PWGSC), the contract authority. The Program has initiated the re-procurement for the HICPS contract which is scheduled to begin on December 1, 2009.

In fiscal year 2006/07, a total number of 25,181 active[1] NIHB providers were registered with the HICPS claims processor. This represented an increase of 1,440 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 2006/07

Figures 9.1.1 sets out the total number of drug, MS&E and dental claims settled through the HICPS system in fiscal year 2006/07. During this time, 16.4 million claim lines were processed through HICPS, an increase of 5.1% 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 any number of drugs may be repeated / be 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 a numerous related claim lines associated with the single prescription. Some prescriptions (e.g. methadone) are dispensed on a weekly or sometimes daily frequency, which can also inflate the per capita number of claim lines.

PROVIDER REGION	Drug	MS&E	Dental	Total
Atlantic	612,930	23,028	95,421	**731,379**
Quebec	1,398,395	13,963	160,789	**1,573,147**
Ontario	2,990,528	35,157	484,141	**3,509,826**
Manitoba	2,212,193	67,341	303,504	**2,583,038**
Saskatchewan	1,879,226	52,105	299,572	**2,230,903**
Alberta	2,093,303	51,636	417,458	**2,562,397**
B.C.	2,175,101	36,706	438,397	**2,650,204**
Yukon	96,331	3,790	15,600	**115,721**
N.W.T.	155,284	6,524	67,763	**229,571**
Nunavut	104,580	3,168	82,688	**190,436**
Total	**13,717,871**	**293,418**	**2,365,333**	**16,376,622**

Source: HICPS adapted by Program Analysis Division

Section 9.2

Provider Audit Activities 2006/07

First Canadian Health Management Corporation Inc. (FCH) is the claims administrator for the pharmacy, medical supplies and equipment and dental benefit areas of the NIHB Program through the HICPS system. In addition to claims adjudication, FCH's role includes 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.

The primary issues identified in on-site audits for 2006/07 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, 2006/07

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 2006/07 fiscal year. It should be noted that approximately $1.8 million 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 of Canada.

Dental

REGION	Audits Completed	Recoveries	NDCV/CCP Savings	Total Recoveries/ Savings
Atlantic	0	$ 2,199	$ 11,564	$ 13,762
Quebec	3	62	15,846	15,908
Ontario	3	11,650	96,796	108,447
Manitoba	26	30,633	25,933	56,566
Sask	13	39,846	30,538	70,384
Alberta	7	16,284	62,850	79,134
B.C.	0	9,981	57,907	67,888
Yukon	0	0	5,160	5,160
N.W.T.	0	9,375	8,970	18,344
Nunavut	0	55,188	7,363	62,551
Total	52	$ 175,218	$ 322,926	$ 498,145

Pharmacy

REGION	Audits Completed	Recoveries	NDCV/CCP Savings	Total Recoveries/ Savings
Atlantic	6	$ 44,693	$ 42,423	$ 87,117
Quebec	7	33,730	50,850	84,580
Ontario	5	1,140	63,675	64,816
Manitoba	26	141,448	66,150	207,598
Sask	13	68,964	100,462	169,426
Alberta	11	87,296	13,284	100,579
B.C.	58	2,158,329	21,246	2,179,575
Yukon	0	0	6,779	6,779
N.W.T.	0	0	10,379	10,379
Nunavut	0	0	10,591	10,591
Total	126	$ 2,535,599	$ 385,840	$ 2,921,439

MS&E

REGION	Audits Completed	Recoveries	NDCV/CCP Savings	Total Recoveries/ Savings
Atlantic	2	$ 3,000	$ 2,840	$ 5,840
Quebec	0	0	3,959	3,959
Ontario	0	104	2,019	2,123
Manitoba	0	96	5,680	5,776
Sask	2	4,307	11,913	16,220
Alberta	0	3,180	1,313	4,493
B.C.	0	0	2,138	2,138
Yukon	0	0	381	381
N.W.T.	0	1,975	2,233	4,209
Nunavut	0	0	0	0
Total	4	$ 12,662	$ 32,477	$ 45,139

Section 9.3

Federal Dental Care Advisory Committee (FDCAC)

The Federal Dental Care Advisory Committee (FDCAC) is an advisory body of dental 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 and procedures, 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 (2) observers from the Assembly of First Nations (AFN) and one (1) from the Inuit Tapariit 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 communications 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 departmental participant on the FDCAC Committee.

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 or not 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 (with the exception of Quebec). For these drug products, the CDR, through the Canadian Expert Drug Advisory Committee, helps support and inform public drug plan listing decisions about new drugs by providing rigorous reviews of the clinical evidence, cost effectiveness of drugs, and detailed listing recommendations. The CDR was set up by F/P/T public drug programs to reduce duplication of effort in reviewing drug submissions, to maximize the use of limited resources and expertise, and to enhance the consistency and quality of drug reviews, thereby contributing to the quality and sustainability of Canadian public drug plans.

As of September 1, 2003, drug submissions for new chemical entities and new combination drug products must be sent to the Canadian Agency for Drugs and Technologies in Health (CADTH). Clinical and pharmacoeconomic reviews are coordinated by the Common Drug Review Directorate and forwarded to the Canadian Expert Drug Advisory Committee (CEDAC) for recommendations on formulary listing. These recommendations are forwarded to participating drug plans, including the NIHB Program, for consideration. The NIHB Program and other drug plans make listing decisions based on CEDAC recommendations and other specific relevant factors, such as mandate, priorities and resources.

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 indications and/or line extension drug products are the subject of a different process. Such products are referred for 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, Royal Canadian Mounted Police, Correctional Services Canada, Citizenship and Immigration Canada and National Defence.

The FP&T Committee generally meets three times a year and members serve for two to three years. Individual members are selected based on their specific areas of expertise and experience, with consideration being given to providing a balance between scientific knowledge and practical community experience. As a result, the membership of this Committee includes practicing physicians and pharmacists from community and hospital settings and includes First Nations physicians. In its review of drugs, the Committee follows an evidence-based approach and considers current medical and scientific knowledge, current clinical practice, health care delivery and specific client health needs. The NIHB Program and other federal drug plans make their formulary listing decisions based on the recommendations of the FP&T Committee and other specific relevant factors, such as the mandate of the program, priorities and resources. 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)

The issue of prescription drug misuse is an issue which affects many Canadians. In order to effectively address the issue for NIHB clients, the issue 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 First Nations and Inuit Health Branch, a Drug Use Evaluation Advisory Committee (DUEAC) has been established. The DUEAC is an independent advisory body of licensed health care professionals – experts in drug use evaluation, Aboriginal health issues and drug utilization. Importantly, the membership of the Committee includes a number of First Nations and Inuit health care professionals.

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

The objectives of the Committee include:

- Providing recommendations that lead to improved prescribing, dispensing and use of drugs among First Nations and Inuit clients;
- Where appropriate, facilitating partnerships with First Nations and Inuit communities and 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 Review

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/fnih-spni/nihb-ssna/provide-fournir/pharma-prod/pay-paie/index_e.html #drug_review** for a listing of these messages.

Prescription Monitoring Program (PMP)

The PMP was established in early 2007 by the NIHB Program consistent with the continuing focus of 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 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 Improvements on the Health Canada web site: **http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna/2007_secur_rpt/index_e.html**

Section 9.6

Federal Health Partnership (FHP) Initiative

The Federal Healthcare Partnership (FHP) was created under the leadership of Veterans Affairs Canada. The initiative involves the following federal departments and agencies: Health Canada, Royal Canadian Mounted Police, Correctional Services Canada, National Defence, and Citizenship and Immigration Canada and Veterans Affairs Canada.

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

The FHP undertakes the following activities:

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

Through the FHP, NIHB implemented agreements in 2006/07 on pharmacy rates in the B.C and Saskatchewan Regions. The feasibility of joint negotiations was also assessed in other regions and new joint agreement pharmacy negotiations are ongoing.

In addition to the ongoing agreement with the Canadian Audiology Manufacturers Association, negotiations for vision care have resulted in agreements in Atlantic and Quebec while opportunities in other regions continue to be explored.

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 2006/07

The DEC is a single call centre to provide efficient responses to all prior approval 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 claims that exceed $999.99.

	Benefit	Exceptions	Limited Use	TOTAL
Total Requested	1,927	46,776	147,867	196,570
Total Approvals	1,686	34,156	137,175	173,017

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 9.8

NIHB Pilot Projects

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

A two-pronged review of the Bigstone pilot project, including a financial audit and a performance review is being undertaken. A review committee with representatives from Health Canada and the Bigstone Cree Nation is guiding this process.

Section 9.9

Privacy Initiative

The Non-Insured Health Benefits 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.

During 2006/07, the NIHB Program completed a PIA and remedial Action Plan on the NIIHB Health Information and Claims Processing Services System (HICPS) and the Drug Exception Centre (DEC) in preparation for submission to the Office of the Privacy Commissioner of Canada. NIHB will continue its efforts and ongoing commitment to privacy by proceeding with PIA's on other NIHB systems and processes in the next fiscal year.

The NIHB Program has developed a Privacy Code addressing the requirements of the applicable Privacy Acts and Policies. **http://www.hc-sc.gc.ca/fnih-spni/pubs/priv/2005_code/index_e.html**

Section 9.10

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 Non-Insured Health Benefits Program faces additional challenges linked to growth in its client base, which grows 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. The Program also continues to examine options to help ensure the long-term sustainability of the benefits it delivers.

Section 9.11

NIHB Pharmacy and Dental Bulletins

The NIHB Drug Bulletin was launched in June 1997 as a vehicle for providing timely information about NIHB drug benefits to prescribers, providers, client groups and other stakeholders. The objectives of this publication are to announce changes to the Drug Benefit List, to provide relevant drug information and to announce management or program changes. Drug Bulletins can be found on the Internet at: **http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna_e.html# drug_med_bull-lebull**

The NIHB Dental Bulletin, first released in September 1999, provides information about NIHB dental benefits to providers. The objectives of this publication are to provide relevant information on benefit and program changes. Dental Bulletins can be found on the Internet at: **http://www.hc-sc.gc.ca/fnih-spni/pubs/nihb-ssna_e.html#dent_bull-lebull**

Ktagmkuk Mi'kmaq, by Jerry Evans

Financial Resources

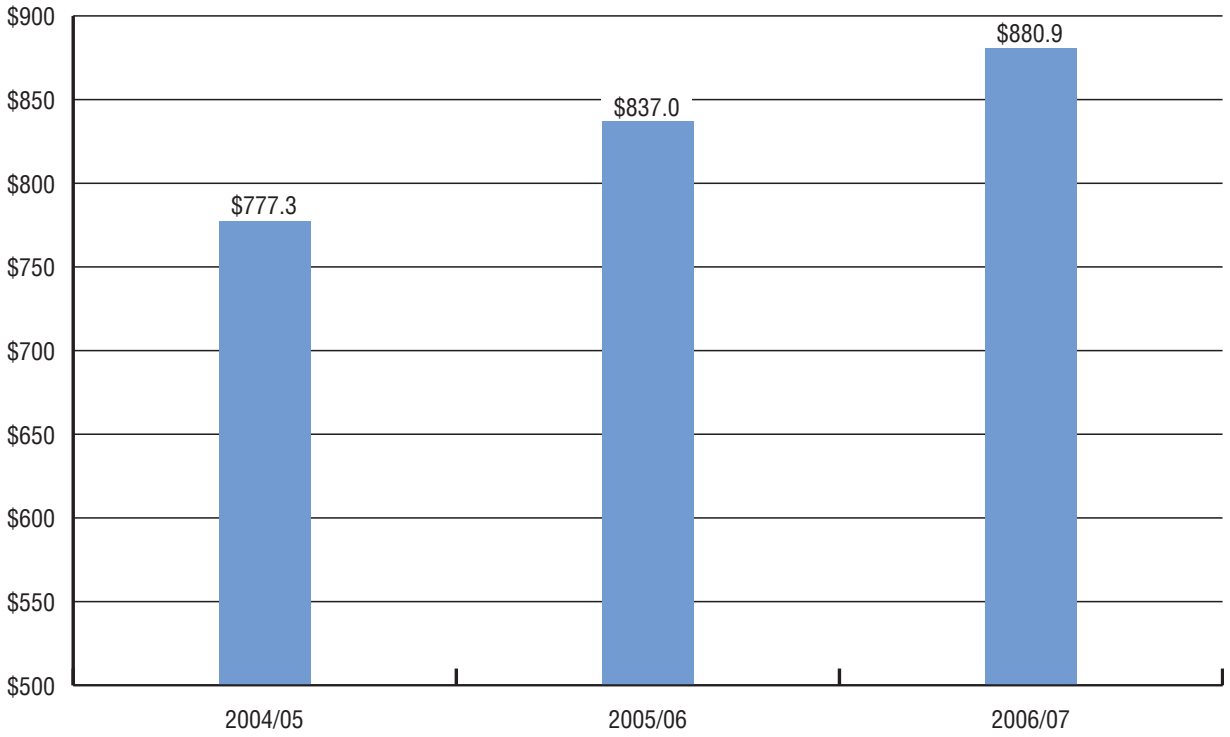
Section 10

The Non-Insured Health Benefits 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 2006/07

In 2006/07, total resources available to the NIHB Program were $880.9 million. This represented a 5.2% increase over the $837.0 million in available funds in 2005/06 and a 13.3% increase over the $777.3 in resources available for 2004/05.



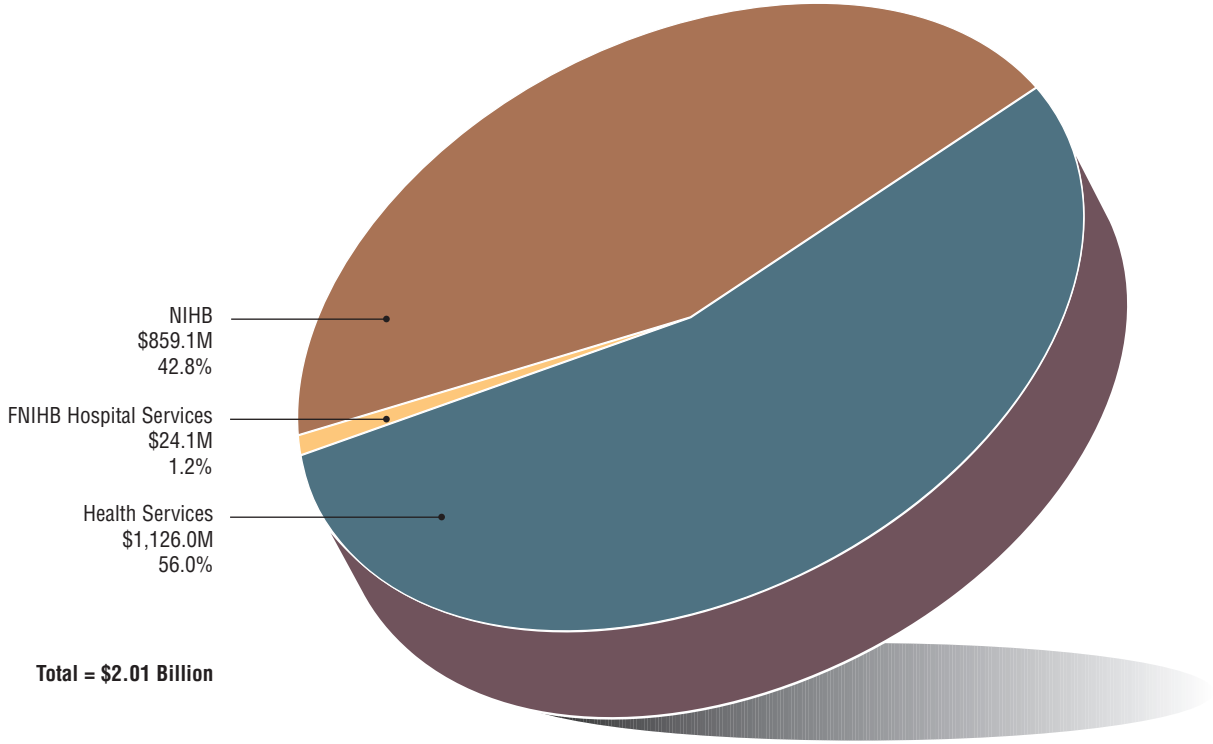
Source: Main Estimates

Figure 10.2

First Nations and Inuit Health Programs 2007/08 (Main Estimates)

In 2007/08, the available resources for the First Nations and Inuit Health Program approved by Parliament through the main estimates were $2.01 billion. Total resources for the NIHB Program, both operating and contribution, accounted for $859.1 million (42.8%) compared to $1.13 billion (56.0%) for Health Services. Hospital Services resources accounted for $24.1 million (1.2%) and were used for the operation of FNIHB hospitals. These totals do not include any supplementary funds that were secured through the course of 2007/08.

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. Community Programs deliver services to improve the mental health outcomes of First Nations and Inuit.



Source: Main Estimates