



November 2018

Cost-sharing: Employer strategy

Rapid Response Survey

Survey date: November 2018

No. of participants: 41

To ask a question, receive an invitation to participate in our surveys or events, or to sign up to receive other valuable publications please contact:

canada.hbknowledge@aon.ca or visit solutions.aon.ca/healthbenefits/

Percentages in this report are rounded to the nearest whole number. Therefore, totals may not equal exactly 100%.

© 2018 Aon Hewitt Inc.
All rights reserved.

Cost-sharing: Employer strategy in the final year of B.C. MSP

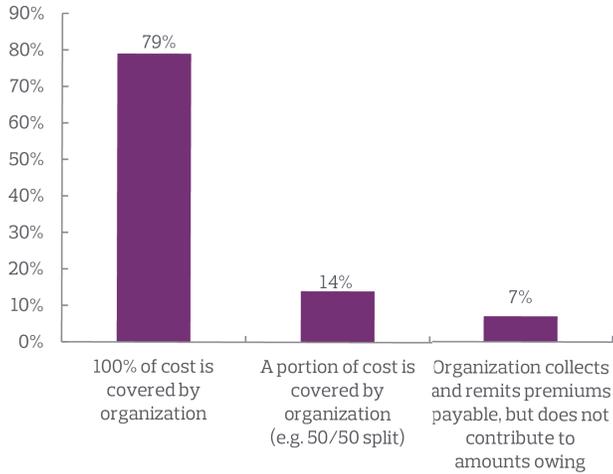
Aon periodically surveys employers on emerging issues to support our clients with their program governance. This survey asked B.C. employers if they will change current Medical Services Plan (MSP) cost-sharing in 2019 should they find themselves responsible for paying both MSP as an employee benefit and a new Employer Health Tax (EHT) on their payroll.

British Columbia MSP premiums will be eliminated on 1 January 2020. A premium revenue replacement strategy that includes the EHT takes effect on 1 January 2019. In the coming year, B.C. employers who currently pay all, or a portion of MSP premiums on behalf of their employees, may face a double obligation.

The survey results represent the practices of forty-one Canadian organizations with employees in B.C. who currently cover all, or a portion of MSP premium costs on behalf of their employees; or collect and remit premiums on behalf of their employees.

Despite the additional financial burden, most respondents (93%) do not plan to alter current practices in 2019 and will continue to shoulder MSP costs associated with an employee benefit obligation and/or payroll administration practice in addition to their new EHT obligation. There are likely many reasons for this “status quo” stance. While some may be bound by collective agreements, others may simply see more risk than value in taking away or reducing a benefit that will disappear on its own in one year.

Current MSP premium cost-sharing arrangements



Will cost-sharing arrangements change in 2019 - the final year of MSP premium obligation?

