



### ***Guideline G16***

## **QUEBEC DRUG INSURANCE - ELIGIBLE PERSONS IN PUBLIC AND PRIVATE PLANS AND COMPLIANCE WITH THE ACT RESPECTING PRESCRIPTION DRUG INSURANCE**

*This Guideline has been approved by the Board of Directors of the Canadian Life and Health Insurance Association Inc. (CLHIA). Member Companies are expected to adopt this CLHIA Guideline having regard to the company's structure, products and business practices, including distribution channels. Member Companies are urged to incorporate this Guideline into the company's ongoing compliance program.*

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### **G16**

Quebec drug insurance - Eligible persons in public and private plans and compliance with the *Act respecting prescription drug insurance*  
Document updated in 2023

## **Guideline G16**

# **QUEBEC DRUG INSURANCE - ELIGIBLE PERSONS IN PUBLIC AND PRIVATE PLANS AND COMPLIANCE WITH THE ACT RESPECTING PRESCRIPTION DRUG INSURANCE**

## **1. INTRODUCTION**

All Quebec residents must have insurance coverage for prescription drugs. Where an individual does not have access to a Private Plan, he or she must enroll in the Public Plan administered by the Régie de l'assurance maladie du Québec (the Régie) under the *Act respecting prescription drug insurance* (R.S.Q., chapter A-29.01), (the Act).

The Régie and CLHIA member insurers have collaborated on the development of principles concerning the eligibility of certain persons to a Private Plan. These principles will be assessed jointly and continuously by the Régie and CLHIA members in order to clarify the eligibility of Quebec residents to either a Private Plan or the Public Plan.

The Régie and CLHIA member insurers have agreed on a list of items that will be included in life and health insurers' compliance processes. Insurers will produce every three years a certification of compliance with article 6 of this Guideline.

In the event of any conflict between the provisions of this Guideline and any applicable law, the law takes precedence over the Guideline to the extent of the conflict.

## **2. PURPOSE**

This Guideline is intended to set out a standard of practice for insurers and ensure that industry practices are administered and applied in a consistent manner for all persons with drug coverage in Quebec under Group Insurance Contracts and Employee Benefit Plans underwritten or administered by insurers.

## **3. DEFINITIONS**

In this Guideline:

- a) "**Basic Drug Plan**" means the plan administered by the Régie which provides coverage to every eligible person for the cost of pharmaceutical services and medications provided in Québec, to the extent provided for in the Act, regardless of the risk associated with that person's state of health. The same protection must be provided by insurers under a Private Plan when coverage for illness, accident or disability is offered to Quebec residents.
- b) "**Certification**" means a statement of compliance with the items agreed upon in the CLHIA reference document titled "Particulars of article 6 of Guideline G16, Quebec drug insurance – Eligible persons in public and private plans and compliance with the *Act respecting prescription drug insurance*".

- c) **“Employee Benefit Plan”**, commonly known as ASO arrangement, means a funded or unfunded uninsured employee benefit plan that provides coverage administered by a member company which may otherwise be obtained under a contract of insurance of persons.
- d) **“Group Insurance Contract”** means insurance whereby the lives of two (2) or more persons, and in some cases their family members and dependents, are covered under a master policy issued by an insurer to a group policyholder. Any individual insurance contract that includes coverage for accident, illness or disability, that has one or more of the distinctive characteristics of group insurance, and that is offered or made available to, or is maintained for, a group of persons, or that is facilitated for such persons by any means whatsoever, as long as the contract includes coverage at least equivalent to that of the Basic Drug Plan is deemed to be a Group Insurance Contract.
- e) **“Insurer”** means an insurer that is a member of the CLHIA.
- f) **“Private Plan”** means a plan offering at least the same coverage as the Basic Drug Plan coverage under a Group Insurance Contract under an Employee Benefit Plan.
- g) **“Public Plan”** means the public drug insurance plan administered by the Régie in accordance with the Act.

#### 4. SCOPE

This Guideline applies to every Private Plan where the Basic Drug Plan must be offered according to the Act. More particularly, this Guideline clarifies industry practices for determining eligibility as between the Public Plan and a Private Plan in those situations where the eligibility under the Private Plan may be broader than that of the Public Plan, for example in respect of certain independent contractors and the definitions under the Act of “spouse”, “child” or “person suffering from a functional impairment”.

However, benefit plans and plans not subject to the *Act respecting prescription drug insurance* are not subject to article 6 of this Guideline.

#### 5. ELIGIBILITY FOR PRIVATE PLAN COVERAGE

The eligibility for Private Plan coverage principle is that drug coverage may be extended to individuals who meet the eligibility criteria under a Private Plan and in such cases individuals covered under a Private Plan will be deemed to have fulfilled their obligations to obtain drug coverage in compliance with the Act. As the most effective means of ensuring all individuals resident in Quebec have drug insurance coverage, member companies agree to provide or administer coverage until such time as the insurer, or the plan sponsor on its behalf, notifies the individual who no longer meets the eligibility criteria under the Private Plan that he or she must enroll in the Public Plan, unless the individual is covered under another Private Plan.

6. **COMPLIANCE WITH THE ACT RESPECTING PRESCRIPTION DRUG INSURANCE**

The Régie and CLHIA member insurers have agreed that insurers' compliance processes will include those items set out in the reference document titled "Particulars of article 6 of Guideline G16, Quebec drug insurance – Eligible persons in public and private plans and compliance with the Act respecting prescription drug insurance". Should any gaps in compliance be identified, insurers will take the necessary measures to correct them.

Every three years, CLHIA member companies will produce and sign, as of May 31, a certification of compliance with article 6 of this Guideline.