

Yves Giroux  
Parliamentary Budget Officer  
Office of the Parliamentary Budget Officer  
94 Sparks Street, Suite 005  
Ottawa, ON K1A 0A9

October 2<sup>nd</sup>, 2024

**Subject: Reconsideration of C-64 Legislative Costing Note Conclusions**

Dear Mr. Giroux,

On behalf of the Smart Health Benefits Coalition, we are writing to seek reconsideration of the Legislative Costing Note for Bill C-64 issued on May 15, 2024, and which you reiterated recently in your Senate testimony of September 18, 2024. We are writing concerning recent clarification provided by the Health Minister to the Committee, confirming that a publicly administered, single-payer, first-dollar program would be implemented and that taxpayers would assume these costs.

As experts in employer-sponsored benefit plans, we believe this requires that governments must now assume the full cost otherwise borne by group insurance plans. In our Canadian system, health benefit insurance policies do not, and can not, pay for publicly insured universal health services as a matter of standard practice. Therefore, it can be expected that the limited list of therapies proposed within C-64 for public payment will cease to be eligible for private coverage, as insurance policies are updated to align with this standard practice.

With this in mind, we also want to ensure employers are fairly treated in this discussion, including that changes in people's existing workplace plans will be a result of government policy choices, not employers. The workplaces we serve across the country – employers in small and large private sector businesses, unions, non-profits and governments alike – care deeply for their employees, their health and wellbeing, and that of their families.


In the examples you cited in the Senate where regulation or contractual agreements with provinces could apply in the context of C-64, each of those *multi-payer* systems (Quebec, PEI) would not be eligible under the terms of C-64, precisely because they are multi-payer models where government can layer coverage and require certain minimum requirements of private plans. C-64 effectively disallows these models from being negotiated and funded by the federal government.

Concerning public expenditures, the facts as we understand them leave no room for interpretation that *any* private insurance coverage will offset public costs. Your May 15<sup>th</sup>, 2024, analysis sets forth that approximately \$2.48 billion of private insurance is accounted for as savings to the government, which we respectfully ask you to reconsider considering these concerns, expressed by several stakeholders, which have been validated recently by the Minister. This reconsideration would result in a more accurate accounting of a total 5-year cost projection of \$4.37B, rather than the current \$1.89 billion estimate.

We recognize that time is limited before the Senate is expected to take final legislative steps, and the government may then proceed with Royal Assent, however, it is essential to ensure

Canadians and Parliamentarians are accurately informed of the implications and costs of this program as soon as possible.

Sincerely,



Carolyne Eagan  
Principal Representative  
Smart Health Benefits Coalition

***About the Smart Health Benefits Coalition:***

*The Smart Health Benefits Coalition (SHBC) is a united advocate for smart, innovative solutions that result in timely and positive change for uninsured and underinsured Canadians. Formed in 2023, the SHBC is comprised of over a thousand workplace advisors across every province who help employers implement and manage their group benefits and group retirement plans. Through seven member organizations, SHBC's local businesspeople support more than 65,000 small and medium-sized private, public and non-profit employers with their employee drug plans, including over 4,800 union member drug plans. Together, these leading organizations support robust benefit plans for 10 million Canadians.*