



Retrospective

In 1996, the pooling plan that was set up was intended to protect clients in the private sector against the financial impact of very large claims for medications brought about by the elimination of the "Outpatient Circular". The main characteristics of the plan submitted at that time appear on the following pooling table, adopted for 1997 and 1998, and retained in 1999.

1997-1998-1999

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$750	\$50	\$137
Between 10 and 24	\$1,200	\$32	\$86
Between 25 and 49	\$3,000	\$8	\$21
Between 50 and 124	\$6,000	\$3	\$7
125 and over	Free market		

The pooling factors had been established to cover the anticipated costs in 1997 (claims and operating costs of the system), with a margin of 10%, meaning that a loss ratio of 90% was expected for each stratum.

The following elements were confirmed:

1. All groups with fewer than 125 certificates are protected by a formula applied uniformly throughout the industry.
2. The thresholds per certificate were established under the assumption that a group should not face a rate increase of more than 20% based on poor experience.
3. Groups of 125 certificates and more are free to negotiate with insurers the form of protection they wish, and its cost.
4. Beginning in 1999, *insured* groups of 125 participants and over have been protected by a pooling threshold of \$50,000 for the cost of drugs covered under the Basic Plan.
5. Pooling protects a group's insurance file against the aggregate of drug costs exceeding a certain threshold per certificate; the threshold varies according to the size of the group.
6. Medications covered in these calculations are those that are submitted and reimbursed during the year insofar as they are eligible under the definition in each insurer's contracts.

2000

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$850	\$73	\$200
Between 10 and 24	\$1,500	\$36	\$97
Between 25 and 49	\$3,750	\$17	\$44
Between 50 and 124	\$7,500	\$7	\$17
125 and over	Free market*		

2001

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$1,000	\$95	\$260
Between 10 and 24	\$1,750	\$52	\$141
Between 25 and 49	\$4,400	\$25	\$66
Between 50 and 124	\$8,850	\$11	\$25
125 and over	Free market*		

2002

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$1,200	\$108	\$296
Between 10 and 24	\$2,000	\$63	\$169
Between 25 and 49	\$5,000	\$29	\$77
Between 50 and 124	\$10,000	\$13	\$30
125 and over	Free market*		

* Considering the pooling of amounts exceeding \$50,000 for insured plans.

2003

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$1,500	\$123	\$335
Between 10 and 24	\$2,500	\$87	\$229
Between 25 and 49	\$6,000	\$38	\$92
Between 50 and 124	\$12,000	\$16	\$43
Between 125 and 249 *	\$20,000	\$7	\$17
250 and over**	50,000	No charge	No charge

2004

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$1,700	\$121	\$334
Between 10 and 24	\$2,500	\$80	\$221
Between 25 and 49	\$6,000	\$27	\$74
Between 50 and 124	\$12,000	\$10	\$28
Between 125 and 249 *	\$20,000	\$3	\$8
250 and over**	\$50,000	No charge	No charge

* Insured groups only – Private plan coverage

** Insured groups only – Basic Prescription Drug Insurance Plan (RGAM)

2005

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$2,000	\$127	\$351
Between 10 and 24	\$2,900	\$85	\$236
Between 25 and 49	\$6,900	\$35	\$97
Between 50 and 124	\$13,800	\$15	\$41
Between 125 and 249 *	\$23,000	\$4	\$12
250 and over **	\$50,000	No charge	No charge

2006

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$2,000	\$130	\$358
Between 10 and 24	\$3,000	\$88	\$244
Between 25 and 49	\$7,500	\$38	\$104
Between 50 and 124	\$15,000	\$16	\$44
Between 125 and 249 *	\$25,000	\$7	\$18
250 and over **	\$50,000	No charge	No charge

* Insured groups only – Private plan coverage

** Insured groups only – Basic Prescription Drug Insurance Plan (RGAM)

2007

Size of group, determined by the number of certificates	Threshold per certificate	Annual factor <i>No</i> dependants	Annual factor <i>With</i> dependants
Fewer than 10	\$2,100	\$130 ⁽¹⁾	\$358 ⁽¹⁾
Between 10 and 24	\$3,300	\$95	\$261
Between 25 and 49	\$8,500	\$45	\$125
Between 50 and 124	\$17,000	\$21	\$58
Between 125 and 249 *	\$28,000	\$8	\$23
250 and over **	\$50,000	No charge	No charge

* Insured groups only – Private plan coverage

** Insured groups only – Basic Prescription Drug Insurance Plan (RGAM)

(1) The factors remain at the 2006 level despite an increase in the threshold.

Compensation formula

The compensation formula applies 80% up to the maximum annual disbursement prescribed by the government and 100% on the remainder.

Year	Threshold	Maximum disbursement
1997-1998-1999	\$3,750	\$750
2000	\$3,750	\$750
2001	\$3,750	\$750
2002	\$3,750	\$750
2003	\$4,110	\$822
2004	\$4,195	\$839
2005	\$4,285	\$857
2006	\$4,285	\$857
2007	\$4,405	\$881
2008	\$4,520	\$904