

**2023 Bulletin**  
on Prince Edward Island  
Social Legislation



**beneva**

# 2023 Beneva Bulletin

## on Prince Edward Island Social Legislation

We are pleased to present the 2023 edition of the Beneva Bulletin on Prince Edward Island Social Legislation, which summarizes the government programs available to the population. Through this bulletin, we aim to contribute to the physical and financial health of Islanders by providing relevant and current information.

This document contains clear explanations to help you better understand how government programs and group insurance plans complement each other and help improve the quality of life of Canadians. The measures presented herein reflect our society's strong sense of community and commitment to protecting people, values that we share and extend from our own mission.

**NOTES:**

The measures and programs presented in this document are the responsibility of the various government bodies that administer them. In the event of a discrepancy, the original texts in the laws and regulations will take precedence over the information provided in this Bulletin.

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## EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA

# 1. Employment Insurance Act

Canadian workers pay premiums to be eligible for coverage under the *Employment Insurance Act*. This coverage allows them to receive income in the event of job loss, illness or when they have to provide care as a caregiver. Employers also pay premiums.

## Premiums

	2023	2022
<b>Yearly maximum insurable earnings</b>	<b>\$61,500</b>	<b>\$60,300</b>
<b>Employee</b>		
Premium rate per \$100 of gross insurable earnings	1.63%	1.58%
Maximum annual premium	\$1,002.45	\$952.74
<b>Employer</b>		
Premium rate per \$100 of gross insurable earnings (1.4 times the employee's premium)	2.282%	2.212%
Maximum annual premium	\$1,403.43	\$1,333.84

## Regular Benefits

Employment Insurance (EI) provides regular benefits to people who lose their jobs through no fault of their own, who are available for and able to work, but can't find a job. To be eligible, individuals must have accumulated the number of insurable employment hours during a reference period, i.e. **between 420 and 700 hours** based on the unemployment rate in their area.

The reference period is the shorter of the following:

- the 52-week period immediately before the start date of an EI claim  
or
- the period beginning on the first day of an immediately preceding benefit period (if the person already successfully applied for benefits in the previous 52 weeks) and ending at the start of the new benefit period

## Sickness Benefits

Sickness benefits are paid to individuals who are unable to work because of sickness, injury, or quarantine, and who have seen their weekly earnings reduced by more than 40% for at least one week. To be eligible, applicants must have accumulated **600 insured hours of work**.

### Payment Details – Regular and Sickness Benefits

Specifications	Application terms and conditions
<b>Waiting period before receiving benefits</b>	7 days
<b>Benefits</b>	55% of the average insurable earnings for the best 14 to 22 weeks over the past 52 weeks, based on the unemployment rate in the region
<b>Maximum weekly benefit</b>	\$650
<b>Duration of benefits</b>	
Regular	14 to 45 weeks, based on the unemployment rate in the region
Sickness	Up to 26 weeks

## Working While on Claim

With Working While on Claim, individuals can keep receiving part of their EI benefits and all earnings from their job. This means they may keep 50 cents of their EI benefits for every dollar earned, up to 90% of the weekly insurable earnings used to calculate the benefits. Any amount earned beyond this threshold is deducted dollar for dollar from their benefits.

For more information: [Employment Insurance – Working While on Claim](#)

### A CLOSER LOOK AT GROUP INSURANCE

#### Public plans, private plans: Who pays first?

Through their programs, government departments and agencies (employment insurance, workers' compensation, public automobile insurance, etc.) act as first payers. Short and long term disability benefits under private plans serve as a complement to the basic protection offered by government programs. The private insurer therefore acts as a second payer.

## Caregiving Benefits

EI caregiving benefits provide financial assistance to individuals who must take time away from work to care for or support a critically ill or injured person or someone needing end-of-life care.

Eligible individuals must have seen their weekly income reduced by more than 40% for at least one week. They must have accumulated at least **600 insured hours of work** in the 52 weeks before the start of their claim.

Benefits are equal to 55% of the average insurable earnings for the best 14 to 22 weeks over the past 52 weeks, depending on the unemployment rate in the region. The maximum weekly amount is \$650 and the waiting period before receiving benefits is seven days. Employment Insurance offers three types of caregiving benefits.

### Caregiving Benefits

Benefits	Maximum weeks payable <sup>1</sup>	Person receiving care
<b>Family caregiver benefit for children</b>	35 weeks	Critically ill or injured person under 18
<b>Family caregiver benefit for adults</b>	15 weeks	Critically ill or injured person 18 or over
<b>Compassionate care benefits</b>	26 weeks	Person of any age who requires end-of-life care

1. Benefits can be paid for up to 52 weeks following the date the person is certified by a medical doctor or nurse practitioner as critically ill or injured or in need of end-of-life care.

## Variable Best Weeks

The EI benefits rate is based on the best paid weeks of the previous year. The number of weeks used in the calculation varies from 14 to 22 depending on the unemployment rate in the economic region where the claimant resides.

For more information: [Variable Best Weeks](#)

## EI Maternity and Parental Benefits

EI maternity and parental benefits provide financial assistance to:

- women who are away from work because they're pregnant or have recently given birth
- parents who are away from work to care for their newborn or newly adopted child

### Eligibility conditions

To be eligible for benefits, applicants must:

- have experienced a drop in earnings of more than 40% for at least one week
- have accumulated **600 hours** in the 52 weeks preceding the start of the claim, or since the start of the last claim, whichever is the shorter

## Maternity Benefits

Maternity benefits are paid to biological mothers, including surrogate mothers, who cannot work because they are pregnant or have recently given birth. They cannot be shared between the two parents. The person receiving maternity benefits may also be entitled to receive parental benefits.

## Parental Benefits

Parental benefits are paid to the parents of a newborn or newly adopted child. Parents must choose between two options: standard parental benefits or extended parental benefits.

Parents sharing benefits must each choose the same option. They can receive their weeks of benefits at the same time or one after another. Once they start receiving parental benefits, they cannot change options. Each parent must submit their own application.

## Calculating Benefits

Benefits	Maximum weeks	Benefit rate	Weekly maximum
<b>Maternity</b>	15 weeks	55%	\$650
<b>Parental</b>			
Standard	40 weeks Can be shared, but one parent cannot receive more than 35 weeks of standard benefits	55%	\$650
Extended	69 weeks Can be shared, but one parent cannot receive more than 61 weeks of extended benefits	33%	\$390

## Canada Training Benefit

The Canada Training Benefit is designed to help Canadian workers develop the skills they need to succeed in an ever-changing labour market. It includes the following measures:

- Canada Training Credit

This non-taxable credit aims to help Canadians with the cost of training.

Eligible workers accumulate a credit balance at a rate of \$250 per year, up to a lifetime maximum of \$5,000. The credit can be used to refund up to half the costs of taking a course or enrolling in a training program.

- Employment Insurance Training Support Benefit

This benefit provides workers with up to four weeks of income support paid at 55% of their average weekly earnings. It aims to help workers cover their living expenses, providing support for ongoing payments such as mortgage payments, electricity bills and other life expenses while on training and without their regular paycheque.

- Leave provisions

These measures allow workers to take time away from work to pursue training without risk to their job security.

For more information: [Backgrounder—Canada Training Benefit](#)

## Additional Information

[Employment Insurance benefits and leave](#)

## 2. Canada Child Benefit

The Canada Child Benefit (CCB) is a tax-free monthly payment made to eligible families to help them with the cost of raising children under 18 years of age. The CCB may include the Child Disability Benefit (CDB), where applicable.

### Primary Caregiver

The person primarily responsible for the care and upbringing of the child should apply for the CCB. The person primarily responsible for the care and upbringing of the child is someone who:

- supervises the child's daily activities and needs
- sees to it that the child's medical needs are met
- arranges for child care when necessary

When parents live together in the same household as the child, the Canada Revenue Agency (CRA) automatically considers the mother to be the person primarily responsible for the care and upbringing of the child. It is therefore up to the mother to submit the application for benefits.

If, however, the father is the person primarily responsible for the care and upbringing of the child, he must attach a signed letter from the mother to his application. The father then becomes the designated person primarily responsible for the care and upbringing of all the children in the household.

In the case of same-sex parents living together in the same household as the child, either of the parents may apply for all children in the household.

In the case of shared custody on a more or less equal basis, both parents can be deemed to be primarily responsible for the child's care and upbringing. Each eligible individual will get 50% of the benefit they would have received if the child lived with them full time.

### Eligibility

To be eligible for the CCB, the individual primarily responsible for the child's care and upbringing must:

- live with the child who is under age 18
- be a resident of [Canada](#) for tax purposes

If in a relationship, at least one spouse must have one of the following statuses:

- Canadian citizen
- permanent resident
- protected person
- temporary resident of Canada for the last 18 months and have a valid permit as of month 19
- First Nation member or citizen

### Benefits

The CRA uses the information in the income tax return to calculate the CCB payments. This means the primary caregiver and their spouse or common-law partner (if applicable) must file an income tax return every year to receive the benefit, regardless of whether or not they earned any income.

Benefits are paid over a 12-month period from July of one year to June of the following year.

The amount is recalculated in July based on the information provided in the income tax and benefit return of the previous year. The information used to calculate the benefit is:

- the number of children living with the person primarily responsible for their care and upbringing
- the age of the children concerned
- the primary caregiver's marital status
- the adjusted family net income (AFNI), which appears on line 236 of the income tax return and to which is added the net income of the spouse or partner, where applicable
- the eligibility of a child for the child disability benefit

## Basic Benefit – July 2022 to June 2023

The CCB is calculated as follows:

- \$6,997 per year (\$583.08 per month) for each eligible child under age 6
- \$5,903 per year (\$491.91 per month) for each eligible child ages 6 to 17

The CCB amount is reduced when the adjusted family net income is over \$32,797. The reduction is calculated as shown in the chart below.

### CCB Reduction Based on Family Income

Number of children	Family Income from \$32,797 to \$71,060	Family income above \$71,060
1	7% of income	\$2,678 + 3.2% of income
2	13.5% of income	\$5,166 + 5.7% of income
3	19% of income	\$7,270 + 8% of income
4 or more	23% of income	\$8,801 + 9.5% of income

## Child Disability Benefit

The CCB may include an additional amount for the CDB. For the period of July 2022 to June 2023, the CDB could provide up to \$2,985 (\$248.75 per month) for each eligible child. The CDB starts being reduced when adjusted family net income is greater than \$71,060. The reduction is calculated as follows:

### CDB Reduction Based on Family Income

Number of eligible children	Family income above \$71,060
1	3.2% of income
2 or more	5.7% of income

## How and When to Apply?

The individual primarily responsible for the child's care and upbringing must submit a CCB application as soon as possible, namely:

- as of the child's birth
- as soon as the child lives with them full time
- as soon as they or their spouse meet the eligibility conditions

There are three ways to submit a CCB application:

- **Automated Benefits Application:** Possible through the partnership with the CRA and the provincial vital statistics office. The CRA uses the information on the child's birth registration form to determine the primary caregiver's eligibility for benefits and tax credits.
- **My Account:** The primary caregiver can apply online using their personal CRA account. They need to sign in, go to *Apply for Child Benefits*, and follow the instructions.
- **RC66 Canada Child Benefits Application:** This form can be used to apply for all federal, provincial and territorial child benefit programs.

## Additional Information

[Canada Child Benefit](#)

## WORKERS COMPENSATION BOARD OF PEI

# 3. Workers' Compensation Act

The Workers Compensation Board (WCB) of PEI provides compensation to workers who sustain a work-related injury or illness.

## Premium Rate

The 2023 average premium rate is set at \$1.37 per \$100 of company payroll. This is a \$0.06 decrease from 2022.

## Temporary Wage-Loss Benefits

Wage-loss benefits are paid to workers who are unable to perform their job due to a work-related injury.

The benefits payable to workers are calculated using their pre-injury income. As of January 1, 2023, they are equal to 90% of net annual earnings up to the maximum annual insurable earnings, which is \$65,000. This amount is adjusted on January 1 of each year, and was \$58,300 in 2022.

Benefits for work-related injuries prior to 2023 are equal to 85% of the worker's pre-injury income.

## Impairment Awards

A lump-sum indemnity may be paid to workers who have sustained permanent physical or psychological impairment. The dollar value of impairment awards is based on the percentage of total body impairment. It is equal to 1% of the maximum insurable annual earnings in effect on the date of the injury for each 1% of whole person impairment.

### Example:

If a worker has a 5% whole person impairment for an injury that occurred in 2023, the impairment award would be calculated as follows:  $5\% \times \$65,000 = \$3,250$ .

The minimum award is \$500 and the maximum corresponds to the maximum annual insurable earnings in effect on the date of the injury.

## Extended Wage-Loss Benefits

Workers whose work injury has a long-term impact on their ability to work may receive compensation for prolonged loss of earnings. A medical assessment must confirm that the impairment was indeed caused by the work injury.

Benefits are equal to 90% of the difference between the worker's pre-accident earnings and the worker's post-rehabilitation earnings, up to the maximum annual insurable earnings.

Because extended wage loss benefits compensate for a long-term or permanent loss of earning capacity, they are reviewed or adjusted in the following circumstances:

- 36 months after the effective date of the benefit, and again 24 months later
- annually on July 1 to reflect cost of living increases, if any
- following a measurable change in the degree of impairment
- at any time, if it is determined that benefits were based on a false statement

Benefits end in any of the following situations:

- the loss of earnings ends
- the worker reaches the age of 65
- the worker dies



## Death Benefits

A lump-sum payment and monthly benefits may be available to the dependent spouse and children of a worker who dies as the result of a work-related injury.

### Death Benefits

Type of benefit	Amount
<b>Burial Expenses</b>	Up to \$15,000
<b>Lump-sum</b>	140% of the maximum annual insurable earnings in effect at the time of the of the accident

### Survivor Benefits

Recipient	Payment amount and terms
<b>Surviving spouse</b>	70% of the wage-loss benefits that would have been payable to the worker, less a percentage of any Canada Pension Plan (CPP) survivor benefits Benefits are payable until one of the following situations, whichever is the later date: <ul style="list-style-type: none"> <li>• the spouse dies</li> <li>• the spouse reaches age 65</li> <li>• the deceased worker would have reached age 65</li> </ul>
<b>Dependent spouse</b>	A lump-sum payment equal to 100% of the maximum annual insurable earnings
<b>Dependent children</b>	A monthly payment of up to 10% of the deceased worker's net earnings Benefits are payable until the child reaches age 18, or age 22 if the child continues to be enrolled in an educational institution The total payment for all dependent children may not exceed 30% of the wage-loss benefits that would have been payable to the worker
<b>Guardian of a dependent child</b>	An amount equal to 20% of the wage-loss benefits that would have been payable to the worker for each child under the age of 18 years, up to a maximum of 60% in wage-loss benefits that would have been payable to the worker
<b>Other dependents</b>	An amount proportionate to the financial loss to the dependents, up to the following monthly benefits: <ul style="list-style-type: none"> <li>• \$250 per dependent</li> <li>• \$500 for all dependents</li> </ul>

## Additional Information

[Workers Compensation Board of PEI](#)

## WORKFORCE, ADVANCED LEARNING AND POPULATION

## 4. Employment Standards Act

The *Employment Standards Act* (ESA) provides the minimum standards for most employees working in PEI. It sets out the rights and responsibilities of employees and employers in most PEI workplaces. It provides a regulatory framework for minimum wage, hours of work limits, public holidays, vacation and some types of leave, as well as layoffs and termination of employment.

### Job-Protected Leaves

Employees may take job-protected leaves of absence each year to meet family obligations or for personal events. Here is an overview of the conditions surrounding these leaves based on the situation.

#### Leaves of Absence and Requirements

Leave	Eligibility	Maximum length	Conditions for employees
<b>Family leave</b>	All employees	3 days per calendar year	n/a
<b>Sick leave</b>	Worked at least 90 days for the same employer	5 days per calendar year	The employer may request a medical certificate for a leave of 4 days or more
<b>Bereavement leave</b>	All employees	5 consecutive days	The leave must begin no later than the day of the funeral
<b>Compassionate care leave</b>	All employees	28 weeks	Provide a written note stating a serious medical condition that carries a significant risk of death within 28 weeks Leave can be divided into several periods of at least 1 week over the 28-week period
<b>Domestic violence, intimate partner violence or sexual violence leave</b>	Worked at least 90 days for the same employer	Per calendar year <ul style="list-style-type: none"> <li>• 10 days intermittently or in one continuous period</li> <li>• 16 consecutive weeks</li> </ul>	First 5 days are paid
<b>Leave for care of a critically ill child</b>	Be the parent or other family member of a critically ill child under 18 years old	Leave ends on the last day of the week during which the child dies, up to a maximum of 37 weeks	Give written notice of leave as soon as possible and a doctor's certificate indicating the start date and anticipated duration of the leave
<b>Leave for crime related disappearance or death of a child</b>	Be the parent of a child under 18 years old who has died or disappeared as the probable result of a crime	37 weeks Child found alive: leave ends 14 days after the child is found Child found dead: up to 37 weeks from the day the child is found dead	Provide written notice indicating the start date and anticipated duration of the leave The employer may request reasonable proof of leave entitlement

## Leaves of Absence and Requirements (continued)

Leave	Eligibility	Maximum length	Conditions for employees
<b>Maternity leave</b>	Any pregnant employee	17 consecutive weeks	<p>Leave can begin up to 13 weeks before the expected date of birth</p> <p>Advise employer 4 months prior to the expected delivery date or as soon as the pregnancy is confirmed</p> <p>Provide a medical certificate confirming pregnancy and the expected delivery date</p>
<b>Parental leave</b> (birth or adoption)	All parents, natural or adoptive	62 consecutive weeks	<p>Leave may be taken by either parent or shared between them</p> <p>Leave must be taken within 78 weeks following the date the baby is born or comes into the care of the employee</p>

NOTE: The ESA provides for other job-protected leaves, including reservists leave and court leave.

## Annual Vacation

Employees with less than eight years of employment are entitled to two weeks of vacation time after each 12 months of work. Employers must give employees vacation time within four months following the 12-month earning period. Employees with eight or more years of employment are entitled to three weeks of vacation time.

### Calculating Vacation Time and Pay

Employment period	Vacation time (whichever is shorter)	Vacation pay
<b>Less than 8 years</b>	1 day for each month worked or 2 weeks per reference year	4% of gross earnings
<b>8 years or more</b>	1.25 day for each month worked or 3 weeks per reference year	6% of gross earnings

## Minimum Wage

Effective date	Hourly rate
<b>January 1, 2023</b>	\$14.50
<b>October 1, 2023</b>	\$15.00

## Standard Work Week

A standard work week is 48 hours. The standard work week is used to determine at what point workers begin to do overtime, in which case the regular hourly rate must be increased by 50% (time and a half). Some exceptions are provided for under the ESA.

## Public Holidays

Most employees are entitled to take public holidays off work and be paid public holiday pay. An employee who works on a holiday and who qualifies to be paid holiday pay is entitled to receive:

- a regular day's pay + one and one-half times the employee's regular rate of wages for the number of hours worked on that holiday  
or
- regular rate of wages for the number of hours worked on that day + another day off on a date agreed upon by the employer and employee before the employee's next paid vacation

If the holiday falls on the employee's regular day off, the employer must give the employee a different day off with pay.

## Additional Information

[Employment Standards in PEI](#)

## EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA

## 5. Canada Pension Plan

The Canada Pension Plan (CPP) retirement pension is a taxable monthly benefit that provides partial income replacement upon retirement. Those who qualify receive the CPP retirement pension for the rest of their lives.

### Eligibility

To be eligible for the CPP, individuals must:

- be at least 60 years old
- have made at least one valid contribution to the CPP

### Contributions

Every person over the age of 18 who works in Canada and earns more than \$3,500 per year must contribute to the CPP. Employees pay half the required contributions and their employer pays the other half. Those who are self-employed pay 100% of the contribution.

At age 70, workers no longer contribute to the CPP, even if they are still working.

The contribution amount is based on employment income. The contribution rate is indexed on January 1 of each year.

### Benefits

The standard age to start collecting CPP benefits is 65. Workers, however, can take a permanently reduced pension as early as age 60.

Contributions entitle workers to the following benefits:

- Retirement pension
- Post-retirement benefit
- Disability benefits
- Survivor's pension

The CPP allows pension splitting for married or common-law couples and credit splitting for divorced or separated couples under certain conditions.

A contributor who wishes to receive benefits must [submit an application](#).

### Overview of CPP Amounts

Basic amounts for 2023	
Maximum annual pensionable earnings	\$66,600
Basic exemption	\$3,500
Contribution rate	
Employee and employer	5.95%
Self-employed worker	11.90%
Maximum contribution	
Employee and employer	\$3,754.45
Self-employed worker	\$7,508.90
Maximum amount for lump-sum payment	
Death benefit	\$2,500

## Overview of CPP Amounts (continued)

**Maximum monthly amounts****Retirement and post-retirement pensions**

Retirement pension (at age 65)	\$1,306.57
Post-retirement benefit	\$40.25

**Disability benefits**

Disability benefit	\$1,538.67
Post-retirement disability benefit	\$558.74
Children of disabled CPP contributor	\$281.72

**Survivor's pension**

Contributor younger than age 65	\$707.95
Contributor age 65 and older	\$783.94
Children of deceased CPP contributor	\$281.72

**Additional Information**

[Canada Pension Plan](#)

## EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA

## 6. Old Age Security Act

The *Old Age Security Act* provides for the payment of four benefits in accordance with the following conditions:

Benefits	Eligibility
<b>Old Age Security (OAS) pension</b>	<ul style="list-style-type: none"> <li>• Must be a Canadian citizen</li> <li>• Must be at least 65 years old</li> </ul>
<b>Guaranteed Income Supplement (GIS)</b> Provides additional income to low-income seniors living in Canada	<ul style="list-style-type: none"> <li>• Receive the OAS pension</li> <li>• Meet requirements related to income</li> </ul>
<b>Allowance</b> Offered to low-income seniors	<ul style="list-style-type: none"> <li>• Must be aged 60 to 64</li> <li>• Must be a Canadian citizen or a person authorized to reside in Canada at the time the Allowance application is approved, or had been approved the last time they travelled outside of Canada</li> <li>• Must be the spouse or common-law partner of a person who receives the OAS pension and GIS, or who is eligible to receive them</li> <li>• Must have lived in Canada for at least 10 years after turning age 18</li> <li>• Have an annual income below the prescribed limit</li> </ul>
<b>Allowance for the Survivor</b> Additional income for low-income seniors	<ul style="list-style-type: none"> <li>• Must be aged 60 to 64</li> <li>• Must be a Canadian citizen or a person authorized to reside in Canada at the time the Allowance application is approved, or had been approved the last time they travelled outside of Canada</li> <li>• Has a spouse or common-law partner who has died, and has not remarried or lived in a common-law union for more than 12 months since the death</li> <li>• Must have lived in Canada for at least 10 years after turning age 18</li> <li>• Have an annual income below the prescribed limit</li> </ul>

### Payment Amounts

Old Age Security payments are revised on a quarterly basis (January, April, July and October) to reflect the cost of living increase as measured by the Consumer Price Index.

#### Maximum Payments and Income Thresholds – April to June 2023

Benefits	Maximum amount <sup>1</sup>	Income level cut-off <sup>2</sup>	Income level cut-off for top-ups
<b>Old Age Security (OAS) pension<sup>3, 4</sup></b>			
Ages 65 to 74	\$691.00	\$129,757	n/a
Age 75 and older <sup>NEW</sup>	\$760.10	\$129,757	n/a
<b>Guaranteed Income Supplement (GIS)</b>			
Single, widowed or divorced	\$1,032.10	\$20,952	\$9,680
Spouse/common-law partner of someone who:			
Does not receive the OAS pension	\$1,032.10	\$50,208	\$19,360
Receives the OAS pension	\$621.25	\$27,648	\$8,416
Receives the Allowance	\$621.25	\$38,736	\$8,416
<b>Allowance<sup>4</sup></b>	\$1,312.25	\$38,736	\$8,416
<b>Allowance for the Survivor</b>	\$1,564.30	\$28,224	\$9,680

1. The maximum amount includes top-ups to the Guaranteed Income Supplement and Allowances.

2. The income level cut-offs do not include the OAS pension, the first \$5,000 of employment or self-employment income and 50% of employment or self-employment income between \$5,000 and \$15,000.

3. The OAS pension repayment range in 2023 is for net world income from \$86,912 to \$141,917, for individuals ages 65 to 74. For those aged 75 and over, the upper threshold is \$147,418. Net worth income includes the OAS pension.

4. Individuals can defer receiving the OAS pension beyond age 65 in exchange for a higher pension. The monthly OAS pension is increased by 0.6% for every month it is delayed up to a maximum of 36% at age 70.

### Additional Information

#### [Old Age Security Pension](#)

## DEPARTMENT OF HEALTH AND WELLNESS

## 7. Health Insurance

PEI Health is the provincial plan for all Islanders that provides coverage for most basic healthcare services.

### Eligibility

To qualify for coverage, applicants must:

- be legally in Canada
- make PEI their primary residence for at least six months plus a day each year

It is the responsibility of each individual to register themselves and their dependents who reside in the province. Individuals covered by the plan receive a unique identifier on their PEI Health Card. They must present their PEI Health Card each time they visit a medical office or undergo medical testing or treatment at a publicly funded health facility. Pharmacists will also require the health card to record prescription medications in the PEI Drug Information System.

### A CLOSER LOOK AT GROUP INSURANCE

#### Keeping employees engaged and healthy

PEI Health provides basic coverage for many healthcare services. Private insurance through a group plan offers more generous coverage that allows employers to rely on healthy workers. Benefits are also an excellent way to stand out as an employer of choice. When it comes to choosing an employer, many workers consider the possibility of, for example, protecting their children while they are in school, getting coverage for vaccinations and tests that would not otherwise be covered, or paying a fraction of the fees of other healthcare services with comprehensive health insurance coverage.

### Overview – Care and Services Covered

Care or services	Coverage
<b>Physician</b>	Care or treatment in a clinic or hospital, including: <ul style="list-style-type: none"> <li>• emergency care</li> <li>• out-patient care</li> <li>• surgery or a diagnostic test</li> <li>• in-patient care further to surgery or for chronic illnesses</li> <li>• maternity care provided by a physician or midwife</li> <li>• services provided by a nurse practitioner</li> </ul>
<b>Hospital services</b>	Accommodation in a standard ward For a room with one or two beds, the patient must have private insurance
<b>Optometry</b> (vision care)	Kindergarten students, per year: <ul style="list-style-type: none"> <li>• 1 eye exam</li> <li>• 1 pair of glasses, if required</li> </ul>
<b>Dental care</b>	All children: <ul style="list-style-type: none"> <li>• preventative dental services (screening, fluoride, cleaning, and sealants)</li> </ul> Children who are not covered under a private dental insurance plan: <ul style="list-style-type: none"> <li>• basic dental diagnosis and treatment (annual checkup, x-rays, fillings, extractions, root canals, and dentures limited to anterior teeth)</li> <li>• orthodontic treatment for children born with a cleft palate</li> </ul> Adults: <ul style="list-style-type: none"> <li>• certain dental treatment is provided to residents in long-term care facilities</li> </ul>



## Overview – Care and Services Covered (continued)

Care or services	Coverage
<b>Paramedicals</b>	Physiotherapy services provided in a hospital
<b>Ostomy supplies</b>	60% to 100% coverage, up to \$2,400 per full program year (July 1 to June 30) Coverage percentage based on annual income <a href="#">Details and application</a>
<b>Insulin pumps</b>	60% to 100% coverage, up to the established amounts, per full program year (July 1 to June 30) Coverage percentage and maximum amounts based on annual income Supplies eligible for coverage: <ul style="list-style-type: none"> <li>• insulin pump from a government-approved vendor: 1 pump every five years</li> <li>• infusion sets: 140 sets per year</li> <li>• reservoirs: 140 per year</li> <li>• site inserts: 1 replacement device per year</li> <li>• skin adhesive wipes: 150 per year</li> <li>• sterile transparent dressings: 200 per year</li> </ul> <a href="#">Details and application</a>
<b>Cancer</b>	Some expenses are reimbursed through the Cancer Financial Assistance Program <a href="#">Details</a>
<b>Home care</b>	Various care or services: nursing, palliative care, dietitian services, physiotherapy, etc. Requests considered on a case-by-case basis <a href="#">Details</a>

## A CLOSER LOOK AT GROUP INSURANCE

Anything can happen when you're travelling. Do you have private insurance?

The cost of healthcare services is generally higher when outside your province of residence. It is essential to take out private travel insurance that will cover you in case of illness or accident while travelling. Most group insurance contracts include travel insurance. In addition to covering the costs to obtain emergency health care not covered by public insurance, this type of insurance often comes with trip cancellation insurance or travel assistance services.

## Pharmacare

PEI Pharmacare helps Islanders with the cost of eligible prescription drugs, certain medical supplies, and pharmacy services. Several drug cost assistance programs are offered depending on a person's financial situation or medical condition. They include the following.

### Seniors' Drug Program

This program is for seniors age 65 and older. It covers prescription medications and medical supplies listed in the [PEI Pharmacare Formulary](#).

For each eligible prescription, seniors pay \$8.25 plus \$7.69 of the pharmacy dispensing fee. Any remaining cost is covered by the program.

## Family Health Benefit Drug Program

The program supports low-income families by covering the cost of approved prescription medication. The program covers parents and their children under age 19, or under age 25 if full-time students. They must pay the pharmacy dispensing fee. Assistance is based on family size and household income

### Eligibility Based on Income Levels and Family size

Number of children	Maximum family income
<b>1 child</b>	\$24,800
<b>2 children</b>	\$27,800
<b>3 children</b>	\$30,800
<b>4 children</b>	\$33,800
<b>Each additional child</b>	Add \$3,000 to threshold

## High Cost Drug Program

The program helps pay for high cost medication. Coverage is based on household income and covers approved medications for certain specific illnesses namely:

- ankylosing spondylitis
- some types of cancer
- Crohn's disease
- multiple sclerosis
- plaque psoriasis
- psoriatic arthritis
- pulmonary hypertension
- rheumatoid arthritis
- wet age-related macular degeneration

## Catastrophic Drug Program

The program provides support to any individual or family whose eligible prescription drug costs are affecting their household's ability to maintain life essentials.

With this program, annual out-of-pocket costs for eligible prescription medications, from July 1 to June 30, are capped so that they do not to exceed a set percentage of household income. When this limit is reached, the costs are covered by the Catastrophic Drug Coverage Program.

### Household Contribution Based on Family Income

Annual income	Household contribution (family income %)
<b>\$0 to \$20,000</b>	3%
<b>\$20,001 to \$50,000</b>	5%
<b>\$50,001 to \$100,000</b>	8%
<b>More than \$100,000</b>	12%

For information on all of PEI's public drug insurance programs and how they work, see [Drug Programs](#).

## Additional Information

[Health PEI](#)

## 8. Canada Dental Benefit <sup>NEW</sup>

The interim Canadian Dental Benefit is a two-year program that covers part of the dental care costs for children under the age of 12. Families receiving the Canada Child Benefit whose annual income is less than \$90,000 and who do not have access to a private dental insurance plan are eligible.

Depending on adjusted family net income, a tax-free payment of \$260, \$390, or \$650 is available for each eligible child. This interim dental benefit is only available for two periods and is administered by the CRA.

- First period: October 1, 2022, to June 30, 2023
- Second period: July 1, 2023, to June 30, 2024

### Eligibility

#### First Benefit Period: October 1, 2022, to June 30, 2023

For expenses to qualify for payment, the following criteria must be met:

- the child must be under 12 years old as of December 1, 2022
- the dental care services were received between October 1, 2022, and June 30, 2023
- the child does not have access to a private dental insurance plan
- the child's dental costs are not fully covered by another dental program provided by any level of government

### Benefit Amount

The benefit amount is based on adjusted family net income and does not change based on dental costs.

Adjusted family net income	Payment amount (full custody)	Payment amount (shared custody)
Less than \$70,000	\$650	\$325
\$70,000 to \$79,999	\$390	\$195
\$80,000 to \$89,999	\$260	\$130
\$90,000 or more	Not eligible	Not eligible

### Additional Payment for Higher Dental Costs

The interim Canada Dental Benefit can provide an additional payment for some children who have dental costs higher than \$650 in one of the benefit periods. The additional payment is the same amount the family received for the benefit period it applied for.

#### First Benefit Period: October 1, 2022, to June 30, 2023

To be eligible for an additional payment, the following criteria must be met:

- the family was eligible and received a payment for the first benefit period (October 1, 2022, to June 30, 2023)
- no one applied for this benefit for the child in the second benefit period (July 1, 2023, to June 30, 2024)
- the child's dental costs were more than \$650 for services received between October 1, 2022, and June 30, 2023

#### Second Benefit Period: July 1, 2023, to June 30, 2024

Families can apply for an additional payment on or after July 1, 2023. They must apply for their child's first payment for the second benefit period before they can apply for the additional payment.

### Additional Information

#### [Canada Dental Benefit](#)

## DEPARTMENT OF SOCIAL DEVELOPMENT AND HOUSING

## 9. Social Assistance

The Social Assistance Program helps low-income Islanders meet their basic needs when they cannot. It provides help, on case-by-case basis, with costs for:

- food
- shelter
- health care (eye glasses, medication, basic dental, etc.)

### Benefits

The amount granted depends on household income and family size. It also depends on whether the recipients own their own home or rent.

#### Basic Benefit Based on Household Composition

Household members	Benefit
<b>Adult</b>	\$511
<b>Children ages 0 to 11 years</b>	\$293
<b>Children ages 12 to 18 years</b>	\$388

#### Shelter Benefit Based on Household Composition

Household composition	Maximum benefit
<b>Recipients – no children</b>	\$850
<b>Recipients – 1 child</b>	\$1,000
<b>Recipients – 2 children</b>	\$1,168
<b>Recipients – 3 children</b>	\$1,241
<b>Recipients – 4 or more children</b>	\$1,292

### Earnings Exemption

People receiving assistance can earn employment income, up to the annual amounts presented in the following table, without having their benefits reduced.

#### Exemption Based on Household Composition

Household composition	Monthly exemption
<b>Single person</b>	\$250 + 30% of any additional income
<b>Couple</b>	\$400 + 30% of any additional income
<b>Single person or couple with a disability</b>	\$500 + 30% of any additional income

### Employment Assistance

The program provides coaching and financial assistance to support recipients in their efforts to obtain employment, such as:

- financial help to buy clothes, get a driver's license
- life-skills training
- coaching on how to look for a job
- help developing skills
- transportation options for getting to work

### Additional Information

[Social Assistance Program](#)

## 10. Tax Impact of Group Insurance

From a fiscal standpoint, some of the group insurance premiums that the employer pays for its employees are considered taxable employment benefits. For the employer, these taxable benefits increase the total payroll and, as a result, increase the contributions to various governmental programs. For employees, these employment benefits are added to their income and thus indirectly increase income taxes.

The table below shows the tax impact of the various benefits included in group insurance plans.

Coverage	Contribution deductible for the employer	Employer contribution taxable for employee	Benefits taxable for the employee
<b>Life</b>	Yes	Yes	–
<b>Accidental death and dismemberment, dismemberment due to illness and critical illness</b>	Yes	Yes	–
<b>Dependents' life</b>	Yes	Yes	–
<b>Short term disability</b>	Yes	–	Yes <sup>1</sup>
<b>Long term disability</b>	Yes	–	Yes <sup>1</sup>
<b>Health</b>	Yes	–	–
<b>Dental care</b>	Yes	–	–

1. If the employer pays any part of the premium, regardless of the amount.

If you have any comments or questions about this Bulletin, please write to [bulletin@beneva.ca](mailto:bulletin@beneva.ca).