



December 13, 2016

The Honourable William Francis Morneau
Minister of Finance
Department of Finance Canada
90 Elgin Street
Ottawa, ON K1A 0G5

Dear Minister,

RE: Taxation of Private Health and Dental Insurance Plans

On behalf of the Canadian Dental Hygienists Association (CDHA), the collective national voice of more than 28,000 dental hygienists, I am writing to express significant concern over recent media reports that the federal government is contemplating the taxation of private health and dental insurance plans. As the sixth largest regulated health profession in Canada, dental hygienists across the country strongly advise government against this taxation measure.

Twenty-four million Canadians are covered by private health and dental insurance plans. These programs play an essential role in the health and wellbeing of Canadians, as they fill the gaps in coverage that exist in the public system. While the majority of Canadians continue to benefit from these programs, Quebec experienced a 20% drop in employer-provided supplementary insurance programs when these plans were taxed in the province, with an even greater drop for small businesses. Only a limited number of those employees self-insured after losing their benefits. If the federal government were to tax private health and dental insurance plans across Canada, fewer employers would offer these plans, and less services would be included in the plans that employers do offer. This forces more Canadians to pay out-of-pocket for essential health services, placing a disproportionate burden on lower and middle income families.

Despite the perceived cost in terms of foregone tax revenue, this access to health and dental coverage helps to address health issues before they enter the publicly-funded system. For example, thousands of these Canadians present to hospital emergency rooms everyday seeking symptom relief from dental pain, costing provincial governments millions of dollars each year. In terms of workplace productivity, more than 6 million working days and school days are lost annually in Canada due to dental visits for oral health issues, and those with limited access to dental insurance plans are overrepresented in these numbers. This inefficient use of resources is of significant concern to dental hygienists because dental diseases are generally preventable, and loss of productivity and school days are avoidable.

Employer-based health coverage is a stabilizer to the health care system, but more importantly, to Canadian families. Government has committed to investments that strengthen Canada's health care system and grow our economy, but taking needed healthcare away from millions of Canadians is not the way to achieve this. The way to achieve fairness and equity is to support both the private and public

THE CANADIAN DENTAL HYGIENISTS ASSOCIATION
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sectors in meeting the health needs of Canadians. The \$2.9 billion the government does not collect in taxes incents more than \$32.2 billion in care being offered to Canadians.

Thank you for taking the time to consider the negative consequences of enacting legislation that would erode the health and dental coverage for the majority of Canadians. CDHA welcomes the opportunity to meet with you to discuss this issue in more detail so that we can work together to ensure Canada remains a thriving, sustainable and healthy community. Please contact me directly at 613-224-5515 ext.125 or olove@cdha.ca.

Sincerely,

A handwritten signature in black ink, appearing to read "O. Love".

Ondina Love, BA (Hons), CAE
Chief Executive Officer

cc: Jane Philpott, Minister of Health