

# RETIRING WELL – CONSIDERING THE COSTS OF GOOD HEALTH

## Program Overview:

- Most common chronic conditions among seniors
- Aging related health care costs + coverages
- Financial resources



Presentation: <http://app.emaze.com/918955/retiring-well>

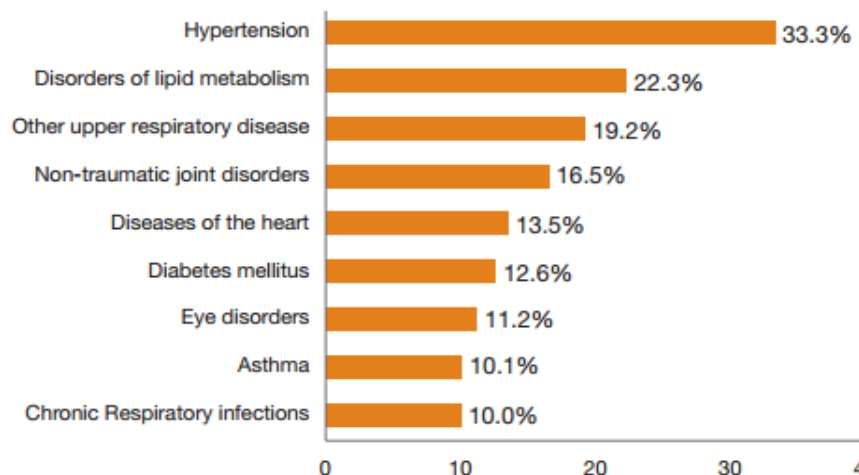
If you want to share *your* story, please contact us at: [programs@gatewayruralhealth.ca](mailto:programs@gatewayruralhealth.ca)

## A. Chronic conditions

Chronic conditions make it difficult for people to live their lives fully. They are serious problems and have deleterious effects not only on health, but also on finances. It is important to learn how to deal with these conditions and not to ignore them. You must play an active role in your health care needs and financial security, because in the end, it is you that must pay. The leading chronic conditions among people aged 65 and older are: hypertension (60%), cholesterol disorders (41%), arthritis (28%), heart disease (25%), and eye disorders (23%). These differ from the most common chronic condition in individuals of all ages, and show that special attention must be given to seniors.<sup>1</sup>

### Hypertension Is the Most Common Chronic Condition

Percentage of Non-Institutionalized People With Specific Chronic Conditions, All Ages



### **Alzheimer's disease**

A progressive brain disease that leads to "difficulty remembering things, making decisions and performing everyday activities".<sup>2</sup> Several medications are available to treat Alzheimer's however there is, as yet, no cure for the condition.<sup>2</sup>



### **Anxiety**

Everyone deals with anxiety, however when this anxiety starts to become extreme and adversely affects someone's life then it may be classified as a disorder. Anxiety often has physical, as well as mental, symptoms such as fatigue, headaches, and trembling. Anxiety can be treated using forms of therapy and counseling as well as through medication.<sup>3</sup>

### **Arthritis**

Arthritis encompasses over 100 different conditions involving joint and musculoskeletal pain.<sup>4</sup> Often, the warning signs presented are redness, swelling, heat and/or pain.<sup>5</sup> Arthritis can prevent the normal use of the joint and therefore can cause the loss of function of that joint. Treatments include physical therapy, as well as aerobic, strength-training and stretching exercises. Medications are available to reduce pain and inflammation.<sup>6</sup>

## **Cancer**

Cancer comes in many different forms but it is always characterized by the “growth and spread of abnormal cells”.<sup>7</sup> Seniors are most affected with cancer and should receive regular check-ups from their health care providers. Individuals can reduce their risk of cancer by general health changes (eating healthier and getting more exercise) and by not smoking and avoiding second hand smoke. Treatment plans differ for different types of cancer but can include medication and surgery.<sup>8</sup>



## **Cardiovascular Disease**

The chance of developing cardiovascular disease increases with age. Common types are hypertension (high blood pressure), heart attack, and stroke. Treatments include lifestyle changes (exercise, diet, quit smoking), medication (to help control blood pressure/sugar/cholesterol levels) and surgery.<sup>9</sup>



## **Depression**

Depression is a crippling mood disorder which causes the sufferer to feel “persistent feelings of sadness and loss of interest” for a long period of time.<sup>10</sup> There are also physical symptoms such as tiredness, trouble sleeping and headaches. Depression can be treated using forms of therapy and counselling as well as through medication.<sup>11</sup>

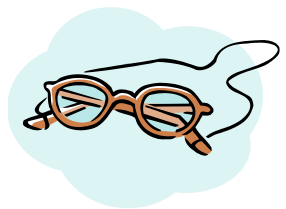
## **Diabetes – type 1 diabetes, type 2 diabetes and gestational diabetes**

Diabetes is a chronic disease (composed of Type 1, Type 2 and gestational diabetes) which impacts almost all Canadians as 2.4 million Canadians (6.8%) are living with diabetes (encompassing our family, friends and acquaintances).<sup>12</sup> Diabetes affects how your body uses blood sugar (which is an important source of fuel for your body). The most common form is type 2 diabetes, occurring when the pancreas does not produce enough insulin. People who are outside the healthy weight range, are physically inactive and are over 40 years of age are more likely to develop diabetes. Type 2 diabetes is treated, depending on the severity, with lifestyle changes, a diabetic diet, oral medications or insulin treatment.<sup>13</sup>



## **Eye conditions – cataracts, glaucoma, macular degeneration**

Common eye conditions include cataracts, macular degeneration and glaucoma. Annual comprehensive eye exams are suggested to diagnose age-related eye diseases.



### **- Cataracts**

- Cloudy areas covering the normally clear lens inside the eye leading to vision becoming hazy. New glasses and brighter lighting can help improve early cataract symptoms. Advanced cataracts can usually be removed by surgery.<sup>14</sup>

### **Hearing impairments**

Over 60% of seniors in Canada experience hearing loss. Symptoms include muffled hearing, difficulty understanding people, and feeling the need to turn television/radio volume higher than in the past. Hearing aids and assistive listening devices are available to help with hearing problems.<sup>15</sup>



### **Incontinence – bladder control**

The loss of bladder control is a common problem among seniors. This is a potentially embarrassing condition which can be a result of other bodily problems. Incontinence can be treated, depending on medical history, with lifestyle changes (diet and exercise), medication or surgery as necessary.<sup>16</sup>

### **Parkinson's disease**

A gradual neurodegenerative disease that affects our movement. Common symptoms include tremor, impaired balance, rigid muscles and slowness/stiffness. Treatments include aerobic exercise and physical therapy to control symptoms. Medications are available to help manage problems.<sup>17</sup>



### **Sleep problems**

Many seniors deal with sleep problems such as sleep apnea (disruption of breathing during sleep), insomnia (difficulty sleeping) and restless leg syndromes. The likelihood of suffering from these disorders increases with age and there may be other medical reasons for them.<sup>18</sup> Treatment options include a change in sleeping schedule, medication or the implementation of medical devices such as a CPAC machine (for sleep apnea).<sup>19</sup>



## A personal story

### **Situation**




Bill is **self-employed** and he handles all his finances himself and thinks that if he can run a business then surely he can create a retirement plan. Then an emergency happens and Bill finds himself in trouble, he has money in his RRSP and can pay for some medical expenditures; but pressure starts mounting and he considers selling his business under market value, what can he do?

### **Solution**

He should meet with a financial planner and discuss how he is going to support himself through his seniority (find the right amount of his earnings to put into RRSP and TSFA's). Also he should look into purchasing disability, life and critical injury insurance.<sup>52</sup> There are many options available to him such as ODB, Old Age pension, etc. There are also benefits that Bill may be eligible for as a self-employed individual such as the Ontario Self Employment Benefits.<sup>56</sup> With these tools, Bill can pay for his medical expenses and keep running his company.



## B. Common costs and coverages

<b>Dental Services</b> 	<b>Cost</b> You pay the cost of dental services which are provided at the dentist's office (e.g. a standard teeth cleaning can cost from \$75-200 while a root canal can cost \$1100-\$2000). <sup>20</sup> You may be able to access affordable services at universities or colleges.  <b>Covered</b> Some dental surgery that must, by medical necessity, be provided in hospitals. Some municipalities provide additional coverage (contact your local government or call 211) <sup>21</sup> .  <b>Not covered</b> Dental services provided in a dentist's office. <sup>21</sup>
<b>Diabetic Supplies</b> 	<b>Cost</b> The Canadian diabetes association administers the payment of 75% of a blood glucose monitor up to \$75 and 75% of the cost of lancets up to \$820 annually. You pay the difference. <sup>22</sup>  <b>Covered</b> Monitors and test strips for insulin-dependent diabetics. Can possibly get additional supplies, at reduced cost, from the Canadian Diabetes Association such as lancets and talking glucometers. Seniors who use insulin by injection daily receive an annual \$170 grant for the purchase of needles and syringes. <sup>21</sup>
<b>Equipment</b> 	<b>Cost</b> ADP pays up to 75 per cent of the cost of equipment, such as artificial limbs, orthopaedic braces, wheelchairs and breathing aids. For others, such as hearing aids, the ADP contributes a fixed amount. <sup>23</sup>  <b>Covered</b> Partial coverage of supplies including mobility aids, supplies for insulin dependent diabetics, respiratory equipment, oxygen and oxygen delivery equipment, wheelchairs, orthopaedic braces and breathing aids (based on income). <sup>23</sup>

## Eye care



### Cost

Generic reading glasses cost \$10-20 but bifocals can cost from \$300-1000 depending on the severity of the condition.<sup>24</sup>

### Covered

An eye examination is covered by OHIP once a year for persons under 20 and those 65 and over plus any follow-up assessments that may be required. OHIP also covers a major eye exam once every 12 months for persons aged 20 - 64 who have medical conditions requiring regular eye examinations. Specified ophthalmology services for patients of any age with specified medical conditions or diseases affecting the eyes (e.g. cataracts) are insured.<sup>25</sup>

### Not Covered

Reading or prescription glasses.<sup>25</sup>

## Gym Membership



### Cost

Membership costs vary widely depending on the gym and its location; however seniors often receive discounts on memberships.<sup>26</sup>

### Covered

Some retirement homes may include fitness classes

## Hearing



### Cost

The costs of hearing aids range from \$500-3000 depending on the quality and needs of the individual.<sup>27</sup>

### Covered

OHIP insures diagnostic tests that are ordered and performed by a doctor. Some tests performed in a hospital may also be insured.<sup>28</sup>

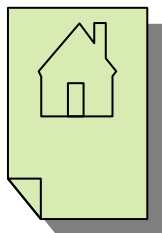
Certain types of hearing aids are covered by the ADP (behind-the-ear hearing aids, canal hearing aids, in-the-ear hearing aids, completely-in-the-canal hearing aids and certain FM systems).

ADP will pay the registered vendor 75 per cent up to a maximum of \$500 of the cost of the hearing aid listed with ADP, including the earmold, and dispensing fee. For FM systems, ADP will pay the registered vendor 75 per cent up to a maximum of \$1,350 of the cost of the ADP listed device and dispensing fee.<sup>29</sup>

### Not Covered

Some types of hearing aids are not covered by the ADP, such as: hearing aids/FM systems that are used for a single purpose, batteries, service plans, repairs and used hearing aids/FM systems.<sup>29</sup>

## In-Home Services



### Cost

Different services have different costs, personal care can cost \$25/hour or \$3,800 a month (35 hours a week) whereas skilled nursing can cost around \$50/hour or \$650 a month (3 hours a week).

### Covered

A case manager will work with you to determine which in-home services you are eligible for, these may include: nursing care, physiotherapy, occupational therapy, palliative care, dietetic services, social work, and personal support services.<sup>28</sup>

## Long Term Care



### Cost

The costs of long-term care homes are standardized throughout the province and depend on the type of accommodation you wish to receive. Basic accommodation costs \$57 a day (\$1732 a month), semi-private rooms cost \$68 a day (\$2066 a month) and private rooms cost \$80 a day (\$2439 a month).<sup>31</sup>

### Covered

Long term care homes are covered under a co-payment system, this means that you pay up to a certain amount and the government pays the rest. Residents in basic accommodation can apply for a further rate reduction if they cannot afford the co-payment amount.<sup>31</sup>

## Massage therapy



### Cost

The cost of massage therapy can vary greatly based on the company however a general range is \$70-100.<sup>32</sup>

### Covered

Massage therapy is not currently covered under any Ontario governmental plan.<sup>32</sup>

## Retirement Homes



### Cost

Retirement homes vary greatly in cost dependent on the location and the services they provide. Costs generally range from \$1500-5000 a month for a private room, with other services coming at additional cost.

### Covered

Retirement homes are not subsidized by the government.<sup>33</sup>



## A personal story



### **Situation**

Don and Jane have been married for **40 years**; they share everything together – the same house and the same taste in movies. Don planned on pooling their modest incomes so that they could have a secure retirement. She is in her mid 50's and he thinks that now after they have paid off the house they can really start saving. However the worst happens, Jane gets in a traffic accident and passes away. Now Don is struggling, he has to pay the funeral costs and change his whole retirement plans, what can he do?

### **Solution**

He can apply for an Allowance for a Survivor and receive up to \$1,198.58 per month until his 65<sup>th</sup> birthday (after which he is eligible for the Old Age Security pension).<sup>57</sup> He can also rent or sell his house and move into a smaller, more affordable property. By doing this and utilizing other programs such as ODB and OHIP, he can still pay for retirement costs.

## Government programs

### **1. Ontario Drug Benefit (ODB) Program**

The Ontario Drug Benefit (ODB) Program covers most of the cost of 3,800 prescription drug products, some nutrition products and some diabetic testing agents (with some products only covered for a limited amount of time or in special circumstances). Prescription drugs that you buy outside Ontario or through a doctor not linked to the ministry's Health Network System are not covered.



To receive ODB benefits (when you are eligible), take your prescription and health card to your pharmacy and tell the pharmacist that you are now eligible for the ODB program.<sup>34</sup>

Under the rules of ODB, you may pay a small yearly fee and a per prescription fee to have your prescriptions filled. Most seniors will pay the first \$100 of their prescription drug costs at their drug store – this is called a “deductible”. You pay your deductible by purchasing approved prescription products at your drug store. Once the deductible is paid, most seniors will then be asked to pay up to \$6.11 for each approved prescription filled – this is called the “co-payment”.

Lower income seniors can apply to have their deductible waived and only have to pay up to \$2 each time they fill a prescription for an approved product. This is called the “Seniors Co-Payment Program”, you must apply to this in order to receive the benefits. To get an application kit for the Seniors Co-Payment Program, ask at your local pharmacy or call 1-800-575-5386.<sup>35</sup>



## 2. The Trillium Drug Program (TDP)

The TDP aids those whose prescription drug costs are high relative to their household income. It covers all drugs under the ODP- your doctor may apply for other products through the Exceptional Access Program (EAP).

You may qualify for the Trillium Drug Program if you have a valid Ontario health card and you are not covered under ODB or you don't have private health insurance or your private insurance does not cover 100% of your prescription drug costs.



Under the TDP, you will pay a set amount (a "deductible") of your prescription drug costs each year (about 4% of your household's combined net income for most people). You pay your deductible by purchasing ODB approved prescription drug products at your pharmacy. After you pay your deductible, your pharmacist may ask you to pay up to \$2 for each prescription that the ODB covers. To apply ask at your local pharmacy or call 1-800-575-5386.<sup>36</sup>

## 3. Ontario Health Insurance Plan (OHIP)

The ministry covers a wide range of health services; however, it does not pay for services that are not medically necessary, such as cosmetic surgery. The ministry covers all insured medically necessary services provided by physicians. Physicians may bill you for uninsured services or if you miss an appointment or your health card is not valid. Services provided by some health care providers such as podiatrists are partially covered under OHIP. For more details, please contact your nearest ministry office.<sup>37</sup>



### A personal story

#### **Situation**

Stacy has worked on the farm her entire life, she always let her father or her husband manage her finances. So when he gets diagnosed with crippling dementia she has no idea what to do. They both require medication and treatment for their conditions, what should she do, where should she go?

#### **Solution**

She should go to her health care provider and receive a list of the medications they take and try to become comfortable with what they are for and when they should be taken. There is often a lot of valuable information on brochures given out in clinics, hospitals and financial institutions which may help her. After consulting these resources she might find that her family is eligible for various financial benefits from the government, such as the OAS, ODB, GIS as well as the CPP. It is very important to stay informed about the medication you are taking in case there is an emergency.



#### 4. Assistive Devices Program

The Assistive Devices Program (ADP) supports Ontario residents who have long-term physical disabilities by providing access to personalized assistive devices appropriate for their basic needs.



##### Coverage

ADP covers over 8,000 separate pieces of equipment or supplies in the following categories : prostheses; wheelchairs/mobility aids and specialized seating systems; enteral feeding supplies; monitors and test strips for insulin-dependent diabetics (through an agreement with the Canadian Diabetes Association); hearing aids; insulin pumps for children; respiratory equipment; orthoses; visual and communication aids; oxygen and oxygen delivery equipment.

##### Eligibility

Eligibility includes any Ontario resident who has a valid Ontario Health card issued in their name and has a physical disability of six months or longer. Equipment cannot be required exclusively for sports, work or school.

##### Accessing ADP

Initial contact is usually through a medical professional who provides a diagnosis. In most device categories, an authorizer assesses the specific needs of the person and prescribes equipment (if necessary). Registered authorizers work in hospitals, home care agencies or private practice. The program will only help pay for equipment that is purchased from vendors registered with the ADP.

##### Financial Assistance

ADP pays up to 75% of the cost of equipment, such as artificial limbs, orthopaedic braces, and wheelchairs. For others, such as hearing aids, the ADP contributes a fixed amount.<sup>232</sup>

#### A personal story

##### **Situation**

Jim has worked minimum wage jobs all of his life and he is scared that come retirement time he won't have enough money to cope. He is 61 years old and still working 50 hours a week to make sure that he doesn't fall behind and so he can build a nest egg. However he is aware of his circumstance and is wondering what other options he can pursue?

##### **Solution**

Jim should look into his company plan, as a long term worker he may have a pension plan or coverage. As well, as a person from 60 to 64 he may be eligible for an allowance from the government up to a maximum of ~\$1000 a month. Also, once he retires he might be eligible for a lower drug payment plan, the Trillium drug benefit program and the GIS (~750\$/month) in addition to his Old Age Security.<sup>60</sup> He should also meet with a financial planner to ensure that he is saving his money in a beneficial manner (some experts recommend that a RRSP is not beneficial for low income Canadians due to GIS clawback and a TSFA may be a better option).<sup>61</sup>



## C. Typical Financial Resources

If you are getting close to retirement, you'll want to get an idea as to the retirement income you could expect from:

- Canada Pension Plan
- Old Age Security
- Guaranteed Income Supplement
- Defined Benefit Plans
- Defined Contribution Plans
- Deferred Profit Sharing Plans
- Locked-in RRSPs
- RRSPs
- TFSAs
- Savings<sup>38</sup>

### Benefits<sup>39</sup>

Your situation	Maximum monthly payment amount	Maximum annual income to receive the OAS pension
<a href="#">Old Age Security (OAS) pension</a>		
Regardless of your marital status	\$563.74	\$114,815 (individual income)
<a href="#">Guaranteed Income Supplement</a> (GIS) is for individuals receiving a full (OAS) pension.		
If you are a single, widowed or divorced pensioner	\$764.40	\$17,088 (individual income)
If your spouse/common-law partner receives the full OAS pension	\$506.86	\$22,560 (combined income)
If your spouse/common-law partner does not receive an OAS pension	\$764.40	\$40,944 (combined income)
<a href="#">Allowance</a>		
If spouse/common-law partner receives the GIS and the full OAS pension	\$1,070.60	\$31,584 (combined income)
<a href="#">Allowance for the Survivor</a>		
If you are a surviving spouse or common-law partner	\$1,198.58	\$23,016 (individual income)

## Old Age Security

The Old Age Security (OAS) pension is a monthly payment (the eligibility criteria for which is below)

### Full pension

You may qualify for a full Old Age Security pension in one of two ways: (information directly from government of Canada website)



1. You resided in Canada for at least 40 years after turning age 18, **or**
2. You were born on or before July 1, 1952, **and**
  - on July 1, 1977, you resided in Canada, **or**
  - on July 1, 1977, you did not reside in Canada but after turning 18, you did reside in Canada for a period of time, **or**
  - on July 1, 1977, you possessed a valid Canadian immigration visa.
    - **In addition**, you must have resided in Canada continuously for the 10 years immediately before the approval of your OAS pension. If you were absent from Canada during that 10-year period, you may still qualify for a full pension if:
      - you resided in Canada for at least one year immediately before the approval of your OAS pension, **and**
      - you had periods of prior residence in Canada that were equal to at least three times the period of absence during the 10-year period (i.e., three years of residence for every year of absence). For example, an absence of two years between the ages of 60 and 62 could be offset by six years of residence in Canada after age 18 and before age 55.<sup>40</sup>

### Partial pension

If you do not qualify for the full Old Age Security (OAS) pension, you may qualify for a partial OAS pension. A partial OAS pension is calculated at the rate of 1/40th of the full OAS pension for each complete year of residence in Canada after age 18 (the minimum time to receive it is 10 years in Canada after the age of 18).<sup>41</sup>

### When do I apply?

**The month after you turned 64 years old, you should receive a letter from Service Canada**

- informing you that you could be eligible for the Old Age Security (OAS) pension
  - you will need to apply for your OAS pension as soon as possible by completing and mailing the application form enclosed in your letter
- informing you that you were selected for [automatic enrollment](#)
  - you will not have to apply for your OAS pension provided that the information in your letter is accurate.

You can chose to delay receipt of your OAS pension, if you do so you can apply up to 11 months before the date you want your OAS pension to start.<sup>40</sup>

## **Guaranteed Income Supplement**

The Guaranteed Income Supplement (GIS) provides a monthly non-taxable benefit to Old Age Security (OAS) recipients who have a low income and are living in Canada.



### **When do I apply?**

You can apply for this benefit at various times depending on your situation:

#### **You have not yet applied for your Old Age Security pension**

On the Old Age Security (OAS) pension application form, you can indicate your wish to apply for the GIS you will be sent an application form.

#### **You were selected for automatic enrollment in the Old Age Security pension**

If you were automatically enrolled in the OAS pension, you can apply for your GIS three months before your 65th birthday.

#### **You are already receiving your Old Age Security pension**

If you are already receiving an OAS pension, you should apply for your GIS as soon as possible so you don't lose any payments (we may be able to give you a retroactive payment for up to 11 months from the date we receive your application).

### **How do I apply?**

You must apply in writing for the GIS. Complete and mail the application form for the payment year that applies to you. You will find this form on the Old Age Security forms page on the government of Canada website.<sup>42</sup>

## **A personal story**



### **Situation**

Jill worked as a senior engineer before retiring and she feels like she has control over her finances. She doesn't want support from the government and knows that she can afford retirement (and the associated medical costs) herself. As a high income individual she shouldn't worry about government plans right?

### **Solution**

As a high income individual she has been paying higher taxes all of her life and contributing more to CPP, which means that if she chooses to receive her money now she will receive a significant amount of capital and may be able to start her retired life earlier than she thinks.<sup>61</sup> Higher income individuals often have the benefit of having enough money saved up to afford most medical problems, however medical costs can very soon become overwhelming for even them. She should meet with a financial planner to ensure that she is making the most of her money, as a high income earner she is subject to OAS recovery but she can avoid these using methods such as spending her RRSP early.<sup>63</sup>

## Canada Pension Plan

Almost all individuals who work in Canada contribute to the Canada Pension Plan (CPP). The CPP provides benefits when contributors retire, become disabled, or die.<sup>43</sup>



### - Retirement pension

You must have worked and made at least one valid contribution (payment) to the CPP to qualify for a CPP retirement pension. The amount you receive is determined by your contributions to the plan – if you have contributed the maximum amount each year you have been working then you will receive the maximum pension, if you contribute less than the maximum it scales proportionally.. The standard age to begin receiving the pension is 65. However, you can take a permanently reduced CPP retirement pension as early as age 60 or take a permanently increased pension after age 65.<sup>44</sup> If you continue to work while receiving your CPP retirement pension, your CPP contributions will go toward post-retirement benefits, which will increase your retirement income.<sup>45</sup>

### - Disability Benefits

If you become severely disabled to the extent that you cannot work at any job on a regular basis, you and your children may receive a monthly benefit.<sup>46</sup>

### - Survivor benefits

When you die, CPP survivor benefits may be paid to your estate, surviving spouse or common-law partner and children.<sup>47</sup>



### - Pension sharing

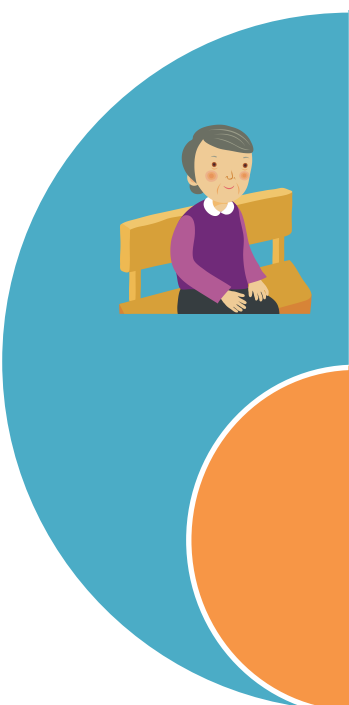
Married or common-law couples in an ongoing relationship may share their CPP pensions.<sup>48</sup>

### - Credit splitting for divorced or separated couples

The CPP contributions you and your spouse or common-law partner made during the time you lived together can be equally divided after a divorce or separation.<sup>49</sup>



## A personal story



### Situation

Sophie was once an active person (though a heavy smoker); however since she retired from full-time work 5 years ago she hasn't exercised much or participated in community events. She pays for her expenses using the income she receives from her **part-time job** at the grocery store and is comfortable. One day while she is walking around the farm she has a heart attack. After she gets treated her doctor recommends that she take it slow and not return to work for the time being. This causes her extra stress as without that revenue she will have difficulty paying her bills. What can she do?

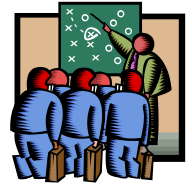
### Solution

The first thing she should do is stop smoking, that will not only be good for her health but will also save her a lot of money (a pack a day at 10\$/pack costs 300\$ a month!). She can also use the ODB plan to save money on any medications she receives for her heart attack. If she decides to retire fully she can also, if she hasn't already, use her Old Age security pension to pay for costs. Going forward, she should take better care of her health and be more active and eat healthier (as should we all!).

## **RRSP**

An RRSP is a retirement savings plan to which you or your spouse or common-law partner can contribute. Any income you earn in the RRSP is exempt from tax as long as the funds remain in the plan; you generally have to pay tax when you receive payments from the plan.<sup>50</sup>

You set up a registered retirement savings plan through a financial institution (e.g. a bank) which will advise you on the types of RRSP and the investments they can contain. You can contribute up to 18 per cent of your earned income from the previous year to an RRSP. That contribution amount is then deducted from that income at tax time. The maximum amount that you can put in your RRSP for 2011 is 22,450. There is great value in allowing an investment to grow tax-free.



An RRSP works best if you are in a high-income tax bracket while working, and you drop to a low tax bracket after retirement. If you're in a low tax bracket during your working life, you won't benefit from a big refund if you contribute to an RRSP.<sup>51</sup>

## **TFSA**

The TFSA helps seniors meet ongoing savings needs, even after they reach age 71 and are required to convert their registered retirement savings into a retirement income vehicle.



Neither the income earned in a TFSA nor withdrawals from it affect eligibility for federal income-tested benefits and credits such as Old Age Security, Guaranteed Income Supplement benefits and GST credit.<sup>52</sup>

## **Private Insurance Plans**

There are various private insurance plans available for purchase, such as those from CAA, Ontario Blue Cross and Great West Life. These plans may be a good idea for those who are not currently eligible for governmental assistance or who want additional coverage.

### **CAA Health and Dental Insurance for Seniors**

[http://www.caahealth.ca/caa/build/plan\\_detail.jsp?lang=E&province=ON&assocId=CAACO&webPlanId=000122&webCoverageId=P](http://www.caahealth.ca/caa/build/plan_detail.jsp?lang=E&province=ON&assocId=CAACO&webPlanId=000122&webCoverageId=P)



### **Ontario Blue Cross**

<http://www.useblue.com/assurance-sante/trouver-produit/liste-protections.en.html>

### **Great West Life**

[http://www.greatwestlife.com/001/Home/Individual\\_Products/Insurance/Health\\_Dental\\_Insurance/ForPeopleAbouttoRetire-Prelude/index.htm](http://www.greatwestlife.com/001/Home/Individual_Products/Insurance/Health_Dental_Insurance/ForPeopleAbouttoRetire-Prelude/index.htm)



## References

1. Agency for Healthcare Research and Quality. United States Medical Expenditure Panel Survey 2006. Published 2007. Accessed Sept 17, 2014.
2. Alzheimer's Society of Canada. What is Alzheimer's disease. Alzheimer's Society. <http://www.alzheimer.ca/en/About-dementia/Alzheimer-s-disease/What-is-Alzheimer-s-disease>. Updated July 28 2014. Accessed Sept 17 2014.
3. Lawson K;Towey S, Anxiety and Depression. TAKING CHARGE OF YOUR HEALTH AND WELLBEING. <http://www.takingcharge.csh.umn.edu/conditions/anxiety-depression>. Accessed Sept 17, 2014.
4. The Arthritis Society. About Arthritis. The Arthritis Society. <http://www.arthritis.ca/aboutarthritis>. Accessed Sept 17, 2014.
5. Resource Centre – Pain information. DEEPRELIEF. <http://www.deeprelief.ca/en/pages/painInformation.html>. Accessed Sept 17, 2014
6. Zelman D. Arthritis Treatment Options. WebMD. <http://www.webmd.com/osteoarthritis/guide/options-basics>. Updated June 24, 2013. Accessed Sept 17, 2014.
7. Health Concerns. Health Canada. <http://www.hc-sc.gc.ca/hc-ps/dc-ma/cancer-eng.php>. Updated April 3, 2012. Accessed Sept 17, 2014.
8. HJ. Seniors and Cancer. Comfort life. <http://www.comfortlife.ca/retirement-community-resources/seniors-and-cancer>. Accessed Sept 17, 2014
9. Treatment and Prevention of Cardiovascular Disease if You Have Diabetes. SecondsCount. <http://www.scai.org/secondscount/treatment/TreatmentandPreventionofCardiovascularDiseaseifYouHaveDiabetes.aspx>. Published April 30, 2012. Accessed Sept 17, 2014.
10. Dryden-Edwards R. Depression Symptoms, Types, Tests and Treatment. [http://www.medicinenet.com/depression\\_overview\\_pictures\\_slideshow/article.htm](http://www.medicinenet.com/depression_overview_pictures_slideshow/article.htm). Updated February 10, 2014. Accessed Sept 17, 2014
11. Mayo Clinic Staff. Depression (major depressive disorder). MayoClinic. <http://www.mayoclinic.org/diseases-conditions/depression/basics/definition/con-20032977>. Published Feb 21, 2014. Accessed Sept 18, 2014
12. Diabetes in Canada: Facts and figures from a public health perspective. Public Health Agency of Canada. <http://www.phac-aspc.gc.ca/cd-mc/publications/diabetes-diabete/facts-figures-faits-chiffres-2011/highlights-saillants-eng.php>. Updated December 15, 2012. Accessed Sept 18, 2014
13. Stoppler MC. Diabetes Treatment. MedicineNet. [http://www.medicinenet.com/diabetes\\_treatment/article.htm](http://www.medicinenet.com/diabetes_treatment/article.htm). Updated April 4, 2013. Accessed Sept 18, 2014
14. Mayo Clinic Staff. Cataracts. MayoClinic. <http://www.mayoclinic.org/diseases-conditions/cataracts/basics/definition/con-20015113>. Published Jul 30, 2013. Accessed Sept 18, 2014
15. Hearing Loss. WebMD. <http://www.webmd.com/a-to-z-guides/hearing-loss-symptoms>. Updated Aug 8, 2014. Accessed Sept 18, 2014.
16. Seniors and Aging – Bladder Control Problems (Incontinence). Health Canada. <http://www.hc-sc.gc.ca/hl-vs/iyh-vsv/med/incont-eng.php>. Published Dec 2006. Accessed Sept 18, 2014.
17. What is Parkinson's. Parkinson Society Canada. [http://www.parkinson.ca/site/c.kgLNWODKpF/b.5184077/k.CDD1/What\\_is\\_Parkinsons.htm](http://www.parkinson.ca/site/c.kgLNWODKpF/b.5184077/k.CDD1/What_is_Parkinsons.htm). Accessed Sept 18, 2014
18. Segal R; Robinson; L, How to Sleep Well as You Age. HELPGUIDE. [http://www.helpguide.org/life/sleep\\_aging.htm](http://www.helpguide.org/life/sleep_aging.htm). Published May 2013. Accessed Sept 18, 2014
19. Preidt, R. Sleep Apnea Treatment Helps Seniors, Study Finds HeadDay. <http://consumer.healthday.com/senior-citizen-information-31/senior-citizen-news-778/sleep-apnea-treatment-helps-seniors-study-finds-691159.html>. Updated aug 27, 2014. Accessed Sept 18, 2014
20. Tooth Cleaning Cost. Costhelp health. <http://health.costhelper.com/teeth-cleaning.html>. Accessed Sept 18, 2014
21. Dawson T, Health Care Coverage and Costs in Retirement. RetirementAdvisor. <https://www.retirementadvisor.ca/retadv/apps/articles/articles.jsp?articlePage=HealthCare&learningMenu=articles>. Accessed Sept 18, 2014
22. Health Coverage. MINISTRY OF HEALTH. [http://www.health.gov.on.ca/en/public/programs/diabetes/docs/diabetes\\_factsheets/English/Coverage\\_21july09.pdf](http://www.health.gov.on.ca/en/public/programs/diabetes/docs/diabetes_factsheets/English/Coverage_21july09.pdf). Accessed Sept 18, 2014
23. Assistive Devices Program. MINISTRY OF HEALTH AND LONG-TERM CARE. <http://www.health.gov.on.ca/en/public/programs/adp/>. Accessed Sept 18, 2014
24. Seymour R. Why do glasses cost so much. Best Health. <http://www.besthealthmag.ca/look-great/beauty/why-do-glasses-cost-so-much>. Published Feb 2011. Accessed Sept 18, 2014
25. OHIP Coverage for Eye Care Services. MINISTRY OF HEALTH AND LONG-TERM CARE. <http://www.health.gov.on.ca/en/public/publications/ohip/eyecare.aspx>. Published April 2013. Accessed Sept 18, 2014
26. The Y is so much more than a gym, it's a community. YMCA. <http://www.ymcaywca.ca/membership-rates/>. Accessed Sept 18, 2014
27. Hearing Aids Cost and Financing. Robillard Hearing Centres. <http://www.hearingisbelieving.com/solutions/purchase-hearing-aids/cost-financing/>. Accessed Sept 18, 2014
28. A Guide to Programs and Services for Seniors in Ontario. Ontario Seniors' Secretariat. <http://www.caw4304.ca/retirees/SeniorsGuide.English.pdf>. Accessed Sept 18, 2014
29. Assistive Devices Program: Hearing Aids. MINISTRY OF HEALTH AND LONG-TERM CARE. <http://www.health.gov.on.ca/en/public/programs/adp/publications/hearaid.aspx>. Accessed Sept 18, 2014
30. Carrick R. Will you have enough money to cover health care bills in retirement? THE GLOBE AND MAIL. <http://www.theglobeandmail.com/globe-investor/personal-finance/retirement-rsps/checkup-overdue-on-retirement-health-costs/article17074471/>. Published Feb 24, 2014. Updated Feb 24, 2014. Accessed Sept 18, 2014
31. Senior's Care: Long-Term Care Homes. MINISTRY OF HEALTH AND LONG-TERM CARE. [http://www.health.gov.on.ca/en/public/programs/ltc/15\\_facilities.aspx](http://www.health.gov.on.ca/en/public/programs/ltc/15_facilities.aspx). Accessed Sept 18, 2014.
32. Bowman J. Will a health crisis tarnish your golden years?. <http://www.thespec.com/community-story/4479773-will-a-health-crisis-tarnish-your-golden-years/>. Published May 1, 2014. Accessed Sept 18, 2014
33. Home, Community and Residential Care Services: Retirement Homes. MINISTRY OF HEALTH AND LONG-TERM CARE. [http://www.health.gov.on.ca/en/public/programs/ltc/14\\_retirement.aspx](http://www.health.gov.on.ca/en/public/programs/ltc/14_retirement.aspx). Accessed Sept 18, 2014

34. The Ontario Drug Benefit (ODB) Program. MINISTRY OF HEALTH AND LONG-TERM CARE. <http://www.health.gov.on.ca/en/public/programs/drugs/programs/odb/odb.aspx>. Accessed Sept 18, 2014
35. Ontario Drug Benefit Program: Once you turn age 65. MINISTRY OF HEALTH AND LONG-TERM CARE. [http://www.health.gov.on.ca/en/public/programs/drugs/programs/odb/opdp\\_after65.aspx](http://www.health.gov.on.ca/en/public/programs/drugs/programs/odb/opdp_after65.aspx). Accessed Sept 18, 2014
36. The Trillium Drug Program. MINISTRY OF HEALTH AND LONG-TERM CARE. [http://www.health.gov.on.ca/en/public/programs/drugs/programs/odb/opdp\\_trillium.aspx](http://www.health.gov.on.ca/en/public/programs/drugs/programs/odb/opdp_trillium.aspx). Accessed Sept 18, 2014
37. Health Services. MINISTRY OF HEALTH AND LONG-TERM CARE. <http://www.health.gov.on.ca/en/public/publications/ohip/services.aspx>. Accessed Sept 18, 2014
38. Field B. Ease Your Financial Stress. Comfort Life. <http://www.comfortlife.ca/retirement-community-resources/ease-financial-stress>. Accessed Sept 18, 2014
39. Old Age Security payment amounts. Government of Canada. <http://tinyurl.com/k3z9gdb>. Updated July 30, 2014. Accessed Sept 18, 2014
40. Old Age Security pension. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/oas/pension/index.shtml>. Updated Apr 11, 2014. Accessed Sept 18, 2014
41. How the Old Age Security pension is calculated. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/oas/pension/calculate.shtml>. Updated September 24, 2014. Accessed October 23, 2014.
42. Guaranteed Income Supplement. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/oas/gis/index.shtml>. Updated Mar 14, 2014. Accessed Sept 29, 2014
43. Canada Pension Plan. Government of Canada. <http://tinyurl.com/lcryokj>. Updated July 9, 2014. Accessed Sept 29, 2014
44. Retirement Pension. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/cpp/retirement/index.shtml>. Updated May 20, 2014. Accessed Sept 29, 2014
45. Working and aged 60 and over. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/cpp/prb/index.shtml>. Updated May 22, 2014. Accessed Sept 29, 2014
46. Disability Benefits. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/cpp/disability/index.shtml>. Updated Dec 4, 2014. Accessed Sept 29, 2014
47. Benefits after a death. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/after-death.shtml>. Updated January 6, 2014
48. Pension Sharing. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/cpp/retirement/sharing.shtml>. Updated Nov 6, 2013.
49. Divorced or separated. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/cpp/credit-split.shtml>. Updated Mar 14, 2014
50. Registered Retirement Savings Plan (RRSP). Canada Revenue Agency. <http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/rrsp-reer/rrsps-eng.html>. Updated Jan 8, 2014. Accessed Sept 29, 2014
51. Achayara-Tom M. Do you really need an RRSP?. Toronto Star. [http://www.thestar.com/business/personal\\_finance/retirement/2012/01/15/do\\_you\\_really\\_need\\_an\\_rrsp.html](http://www.thestar.com/business/personal_finance/retirement/2012/01/15/do_you_really_need_an_rrsp.html). Published Jan 15, 2012. Accessed Sept 29, 2014
52. TSFA and Seniors. Government of Canada. <http://www.tfsa.gc.ca/tfsaseniors-eng.html>. Updated Jan 2, 2009. Accessed Sept 29, 2014
53. Uppal S; LaRochelle-Cote. The financial well-being of the self-employed. Statistics Canada. <http://www.statcan.gc.ca/pub/75-001-x/2011004/article/11535-eng.htm>. Updated Sept 23, 2011. Accessed Sept 29, 2014
54. CIBC World Markets. Are Canadian Entrepreneurs Ready for Retirement. CIBC Small Business. <https://www.cibc.com/ca/pdf/retirement-05-en.pdf>. Accessed Sept 29, 2014
55. Bokma A, How to set up your own pension plan. Canadian Living. [http://www.canadianliving.com/life/money/how\\_to\\_set\\_up\\_your\\_own\\_pension\\_plan.php](http://www.canadianliving.com/life/money/how_to_set_up_your_own_pension_plan.php). Published Mar 2011. Accessed Sept 29, 2014
56. Ontario Self-Employment Benefit (OSEB) Program. Toronto Business Development Centre. <http://www.tbdc.com/oseb.php>. Accessed Sept 29, 2014
57. Allowance for the Survivor. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/oas/allowance-survivor.shtml>. Updated Sept 16, 2014. Accessed Sept 29, 2014
58. Statistics. Heart & Stroke Foundation. <http://www.heartandstroke.com/site/c.iQlLcMWJtE/b.3483991/k.34A8/Statistics.htm>. Accessed Sept 29, 2014
59. Jill A. Health effects of retirement have proved hard for researchers to assess. The Washington Post. <http://tinyurl.com/l8o7ftz>. Published Feb 25, 2013. Accessed Sept 29, 2014
60. Allowance for people aged 60 to 64. Government of Canada. <http://www.servicecanada.gc.ca/eng/services/pensions/oas/allowance.shtml>. Updated Mar 13, 2014. Accessed Sept 29, 2014
61. Stapleton J, Planning for Retirement on a Low Income. Open Policy Ontario. <http://openpolicyontario.com/wordpress/wp-content/uploads/2012/09/allinonelowincomeretirement.pdf>. Accessed Sept 29, 2014
62. Ontario's Drug Plans: How much do I pay?. MINISTRY OF HEALTH AND LONG-TERM CARE. [http://www.health.gov.on.ca/en/public/programs/drugs/programs/odb/opdp\\_pay.aspx](http://www.health.gov.on.ca/en/public/programs/drugs/programs/odb/opdp_pay.aspx). Accessed Sept 29, 2014
63. Yih J, Minimizing Old Age Security Clawback. Retirehappy. <http://retirehappy.ca/minimizing-old-age-security-clawback/>. Updated Mar 2012. Accessed Sept 29, 2014
64. Canada's health system failing women in rural and remote regions. Canadian Women's Health Network. <http://www.cwhn.ca/en/node/39507>. Accessed Sept 29, 2014.