Do you have enough health insurance?

Does your provincial health plan cover as much as you think? What about your employee benefits? Your protection may have gaps you don't know about.

Along with hockey and politeness, universal health care is often said to define us as Canadians. But there's a good chance you don't have as much protection against health costs as you think you do — or as you really need.

A substantial number of Canadians surveyed in the 2013 Sun Life Canadian Health Index believed they wouldn't need to pay anything at all for medical costs such as physiotherapy, living in a nursing or retirement home, or prescription drugs. The fact is, however, that provincial health plans are mandated by the Canada Health Act to cover only "medically necessary" services such as those provided in a hospital. Various provinces have expanded the scope of their plans to cover expenses such as prescription drugs or eye exams, but usually only for certain segments of the population, such as seniors, children or the indigent. That leaves a range of health or health-related expenses uncovered for most of us.

If you have benefits at work, you may think that will take care of the gaps left by your provincial plan. A closer review of your employee benefits, however, may reveal only partial coverage — or, in some basic-level plans, no coverage at all — for the cost of things like eyeglasses, orthodontia or laser eye surgery. Your child's braces may cost five or six thousand dollars, for example, but your workplace plan may cover only half that amount. These and other restrictions and limitations — deductibles, co-payments, annual and lifetime maximums — may leave you significantly out of pocket for health care expenses for yourself and your family.

And what of your medical expenses after you retire? Most Canadians don't have a company pension; if you do have one, the odds are increasing that it won't include medical benefits. For retirees, this looms as a pressing financial concern. The 2014 Sun Life Canadian Health Index found that two-thirds of Canadians are worried about their health deteriorating as they age, but only one-fifth had saved money or otherwise planned financially to deal with the cost of poor health.

Types of health insurance

Health insurance in its various forms can help address these gaps. Personal health insurance covers medical and dental expenses not covered by your provincial plan. Critical illness insurance pays you a sum of money to use as you wish if you're diagnosed with a serious health issue that's covered by your policy (provided the waiting period required by your policy has passed). Long-term care insurance covers health care costs over an extended period of time. Your expenses will be reimbursed, or you will receive an income benefit during the period you require care. Disability insurance pays you a percentage of your salary if you are under age 65 and can't continue working due to an injury or illness. Travel insurance is another form of health care coverage, protecting you against medical costs when you are travelling to another province or another country.

When you're reviewing your finances with an advisor, it can also be a good idea to review your health protection.