DECISION ITEM	
BOARD/COMMITTEE:	**BOARD OF DIRECTORS**
MEETING DATE:	**APRIL 29, 2026**
AGENDA ITEM:	**Using Reserve Funds to Subsidize Health Care Costs of New Arrivals**
SPONSOR:	**Finance Committee**

RECOMMENDATION

The Finance Committee recommends that the Board approve the use of RODS' Newcomer Emergency Reserve to provide short-term support to government assisted refugees who fall under the "Special IFH" category with respect to public health care coverage.

SUMMARY OF KEY ISSUES:

- At March 31, 2025, the Newcomer Emergency Reserve had a balance of $49,280.
- Effective May 1, 2026, Government Assisted Refugees (GARs) will face changes to their health care coverage. These changes will require:
    - A $4.00 co-payment for prescription medications and renewals; and,
    - a 30% co-pay on supplies and services, including vision care, assistive devices, urgent dental care, counselling and occupational therapy.
- After GARs have been in Canada for 3 months, they become eligible for the provincial health plan.
- Refugee claimants (i.e. asylum seekers) are ineligible for the provincial health plan until their refugee claims are established.

BACKGROUND AND ANALYSIS:

RODS' Newcomer Emergency Reserve was created in 2023-24, with $50,000 set aside for amounts incurred by refugees that do not qualify for RODS' funded programs.

RODS and other settlement agencies have provided emergency support to newcomers for decades, however at RODS, there was no formal mechanism for doing this and no accountability for amounts being provided. The workings of this account are codified in the Board's policy manual (see Appendix A).

Key items eligible for coverage by the Newcomer Emergency include:

- Temporary accommodation
- Basic staple food
- Infant needs
- Essential non-prescription drugs
- Personal hygiene supplies
- Mobility devices
- Emergency transportation

GARs would now be able to request approval for:

- The $4.00 co-pay prescription fee
- Urgent dental care (30% co-pay)
- Limited vision care (30% co-pay)
- Home care and long-term care (30% co-pay)
- Other health care practitioners (30% co-pay)

Canada's Parliamentary Budget Office has tracked the health care costs of refugees and refugee claimants for many years. Appendix B shows an estimated per capita annual cost of $1,083 for 2026-27 for in-Canada resettled refugees (i.e. GARs), which is $271 for 3 months.

With RODS estimating 150-200 people needing coverage for 3 months, that suggests a cost estimate of $41,000 to $54,000 for a 12 month fiscal year for RODS. The change commences May 1, 2026, so it affects only 11 months of the 2026-27 fiscal year, reducing the cost estimate to $37,600 to $49,500 for 2026-27. For 2027-28, the cost is forecast to be $44,000 to $58,000.

Appendix C contains a Toronto Star article on the change in health care benefits to newcomers.

The costs noted above would be over and above the assistance already being provided by the Newcomer Emergency Reserve, so **it is possible that the Reserve could be depleted by March 31, 2027.**

Controls would be established (similar to existing controls regarding utilization of the Newcomer Emergency Reserve) to ensure that the system is not being abused.

The ED would report to the Finance Committee on a pre-established date (e.g. September 30) regarding costs that have been incurred to date and the sustainability of the program.

ALTERNATIVES:

1. Establish limitations to the scope of RODS' support
2. Do not provide supplemental support

The financial impact here is expected to be modest and aligns well with RODS' mission. The two alternatives noted above are not recommended.

ADVANCED CONSULTATION:

None at this time. Future consultation with other settlement agencies (e.g. which agencies are doing this? What has their experience been re: cost and effort) is expected to occur following program implementation.

COMMUNICATION STRATEGY:

To be determined by the ED.

REQUIRED APPROVAL:

Board of Directors

STRATEGIC ALIGNMENT:

- 5.1.1 expand programming to address core service and client gaps.

TIMEFRAME/CONSEQUENCES OF DEFERRING DECISION:

Delaying a decision will mean that RODS' management will not be able to implement the program in time for the May 1 reduction in health benefits for newcomers.

APPENDIX A

V. The Newcomer Emergency Reserve

The Newcomer Emergency Reserve is intended to provide for emergency short-term financial needs of newcomers to Regina who lack access to the necessary funding. The Newcomer Emergency Reserve is intended solely for emergency transition support involving costs for which there is a reasonable expectation that such costs would not qualify for reimbursement from funders under current programs.

Eligible newcomers include immigrants and refugees who reside or intend to reside in the Regina Census Metropolitan Area and would not normally include individuals who have arrived for the purpose of post-secondary education or pursuant to a temporary employment agreement.

Amounts approved by the Board for inclusion in the Newcomer Emergency Reserve will be treated as a "revolving" authority. This means that management does not need Board approval for individual expenditures as long as the reserve contains sufficient funds to meet the expense.

Management must report to the Board at least annually regarding the nature of the major revenue and expenditure activity of the Reserve since the prior report.

APPENDIX B

Estimated annual health care costs of asylum claimants and refugees

	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29
Asylum Claimants and Others	$555	$706	$801	$908	$1,196	$1,340	$1,212	$1,307	$1,645	$1,799	$1,951	$2,099	$2,239
In-Canada Resettled Refugees	$466	$459	$450	$540	$509	$999	$886	$877	$913	$998	$1,083	$1,165	$1,242
Overseas Resettled Refugees		$512	$518	$412	$343	$484	$386	$411	$347	$381	$381	$381	$381

Note: the estimated inflation rate on health care costs for in-Canada resettled refugees is 8.8% for the 10 years ending March 31, 2027

Report: *Projecting the Cost of the Interim Federal Health Program*

February 12, 2026

Office of the Parliamentary Budget Officer

APPENDIX C

TORONTO STAR

January 27, 2026

"CANADA

Canada will require refugees and asylum seekers to co-pay for health care starting in May"

Starting May 1, Ottawa will require sponsored refugees and asylum seekers to co-pay for their health-care coverage, a move that critics worry will lead to delayed and possibly denied access to care."

Patients will still be fully covered under the Interim Federal Health Program's basic plan to see doctors and specialists, access hospital care, and for diagnostics.

However, they will now be asked to pay out of pocket 30 per cent of the costs of services such as dental, optometry and physiotherapy under its supplemental benefit plan. They will also be charged a $4 flat rate on each prescription."

"Introducing co-payments will help keep supplemental health care accessible for eligible beneficiaries while responsibly managing growing demand," the Immigration Department said in a notice on Tuesday. "This change supports the long-term sustainability of the IFHP so it can continue providing essential support to current and future beneficiaries."

Advocates say full access to supplemental care, especially for things such as dental health and trauma counselling, is crucial to this vulnerable population in their initial settlement in the country, when they lack financial resources and struggle to find jobs.

"Four dollars doesn't sound like a lot, but we have many patients who are on four or five, six medications because they're diabetic and hypertensive," said Dr. Meb Rashid, medical director at The Crossroads Clinic in Toronto, which provides comprehensive medical services to refugees.

"All of a sudden, it adds up. When refugees arrive, you want to settle their health down, so they can enter the workforce, be productive and thrive. This will be an ill-advised impediment to that."

Who's covered by the Interim Federal Health Program

The Interim Federal Health Program was established in 1957 to offer temporary, publicly funded health coverage to refugees and protected persons who were"

Advocacy groups took the government to the Federal Court, which later ruled that the cuts were "cruel and unusual" and ordered the health services for refugees be reinstated. As a result, some of the service cuts were restored.

When Justin Trudeau became prime minister, the Liberal government fully restored health-care coverage for all refugees and asylum claimants to the pre-2012 levels.

"It's surprising to see that this government that dropped the appeal of the former government's challenge is putting in cuts of their own," said immigration lawyer Maureen Silcoff, who was part of the legal team representing the community. Although co-payment doesn't sound as drastic as eliminating health-care coverage, she said this creates a new financial barrier for access to care that wasn't there before.

Rashid said the number of refugee claims reported in Canada has fallen significantly as a result of strengthened border patrols and enforcement, as well as more stringent visa requirements and an expanded agreement with the U.S. to restrict access to asylum by irregular migrants who cross at official land ports of entry.

Government data showed the annual intake of new asylum claims referred to the refugee board dropped significantly, from 190,039 in 2024 to 108,060 in 2025

Rashid believes the new trend will continue under a new bill currently before the Senate to bar individuals from making refugee claims if they've been here for more than a year. The change is means to preclude temporary residents such as foreign students and workers from seeking asylum to prolong their stay in Canada.

"No one can predict the future, but the interim federal health costs are going to go down even if you do nothing," he said. "There won't be cost savings from denying people health care."