

2016



REPORT CARD:

Evaluating workplace supports for health management

THE SANOFI CANADA HEALTHCARE SURVEY

CANADA'S PREMIER SURVEY ON HEALTH BENEFIT PLANS



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CANADA'S PREMIER SURVEY ON HEALTH BENEFIT PLANS

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THE 2016 EDITION OF *THE SANOFI CANADA HEALTHCARE SURVEY*

REPORT CARD

Evaluating workplace supports for health management



DANNY PEAK
Head of Private
Markets, National
SANOFI CANADA

When it comes to supporting personal health and productivity,

do plan members give their workplaces passing grades? Generally speaking, the answer is yes, but the 2016 edition of *The Sanofi Canada Healthcare Survey* reveals numerous opportunities for plan sponsors and their providers to do more to achieve honour roll status.

For example, this year's results bring to light connections between health and job satisfaction. The implications are especially fascinating for plan members with chronic diseases, who comprise more than half of employees. Those who are dissatisfied with their current job are not only more likely to report their chronic condition has reduced productivity, but are also much more likely to state their work environment has negatively affected their illness.

As the prevalence of chronic disease climbs, plan sponsors stand to gain

much from a health strategy that works across health benefit plans, wellness programs and workplace culture. Members of our advisory board wholeheartedly agree, noting that such an integrated strategy is as much a business priority as it is the right thing to do. To help move this conversation into action, we are pleased to share the board's vision for a modern-day health management plan.

This year's survey tells us that employers are ready to do things differently in order to minimize future claims. To supplement these findings, the report profiles plan sponsors striking new paths in health management, Sanofi Canada among them. At Sanofi, we are committed to walk the talk both internally and externally—the time is right to pool our knowledge and learn from each other, to accomplish so much more for the health and productivity of employees. ■

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SECTION 1

REPORT CARD ON BENEFITS

DUAL NATURE OF HEALTH BENEFIT PLANS

Plan sponsors appear to be divided regarding their main business objectives for offering an employee health benefit plan:

almost an equal number point to its role in maintaining productivity by protecting health (64%) or by keeping employees satisfied (60%), as they do its role in attraction and retention (60%). They are least likely to indicate that it's there as insurance in the event of catastrophic healthcare costs (32%).

The larger the organization (500 or more employees), the greater the emphasis on health and productivity (67%) rather than attraction and retention (55%).

The results reflect the dual nature of health benefit plans, notes the advisory board. On the one hand, they serve as an immediate tool to help secure employment (keeping in mind that 77%

of employees would not move to a job that did not include benefits, according to last year's survey) and on the other hand, they present a long-term approach to maximize productivity.

While these objectives are not necessarily mutually exclusive, respondents may be speaking more to theory than practice. In many industry sectors today, benefits are mainly about being competitive and retaining employees, note some members of the advisory board.

When it comes to workplace productivity, the gap between theory and practice is more apparent when one considers that almost all respondents (97%) indicate their health benefit plan is achieving its primary objective. "The fact of the matter is that few plan sponsors have written objectives for their benefit plans. If it's not in writing, it can't be measured. And if it can't be measured, how do you know if it's achieving its objectives?" asks Art Babcock, vice-president of Aon Hewitt.

Other survey results raise additional questions. "Plan sponsors say that benefits are meeting their objective

to improve productivity by improving health, but the survey also tells us that employers significantly underestimate the incidence of chronic disease, and 70% would like a better understanding of chronic disease in their employee population. There's a really strong correlation between understanding the impact of chronic disease and supporting productivity, but these results point to a big gap in understanding," says Lori Casselman, assistant vice-president, integrated health solutions, at Sun Life Financial. ■

“
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”

Art Babcock, AON HEWITT



ARE BENEFITS VIEWED AS COMPENSATION?

Forty-three percent of plan members tend to regard their health benefit plan

as something to use only to treat or prevent illness or injury, although a notable number—35%—view it more as extra compensation, to be used as much as possible to “get their money’s worth.” The remaining 23% are neutral, or see their benefits as both compensation and a resource dedicated to health.

The greater the age, the more decisive the opinions. The views of respondents aged 18 to 34, for example, are relatively evenly divided between health resource (40%), extra compensation (30%) and being neutral (30%). Almost half of employees aged 55 to 64 (49%), meanwhile, lean toward health resource, 35%

prefer extra compensation and only 16% are neutral.

Several members of *The Sanofi Canada Healthcare Survey* advisory board expressed surprise at the results.

entitlement among plan members,” says Dave Patriarche, broker, Mainstay Insurance Brokerage Inc.

Other board members point to claims data that show only a small percentage of plan members max out on capped benefits such as paramedical services, which suggests that feelings of entitlement may be sourced to a vocal minority. On the other hand, plan sponsors with total rewards programs may see the results as a reflection of efforts to raise awareness on the costs of benefits. “Some employers have by design been trying to move benefits into compensation so employees know the value of the programs and how much is being spent by their employer,” says Telena Oussoren, manager of benefits at Suncor.

Plan sponsors themselves, meanwhile, are more likely to believe that their employees regard the benefit plan as something to use only when sick or in need (54%), rather than as extra compensation (21%). “The gaps are actually quite noteworthy. If you as a plan sponsor don’t appreciate how many people think of benefits as compensation, and you make plan design changes that put more emphasis on insurance, asking members to pay for more budgetable expenses like basic dental or vision

“

Some employers have by design been trying to move benefits into compensation so employees know the value of the programs and how much is being spent by their employer.

”


Telena Oussoren, SUNCOR

“I expected the numbers to be the other way around, with the majority choosing extra compensation. My experience is that there is a strong sense of

care, you may create more challenges than anticipated,” says Lisa Callaghan, assistant vice-president of product and group benefits at Manulife. ■

SECTION 1 TAKEAWAY

The multiple objectives of health benefit plans risk working at cross purposes. It's critical to articulate, document and measure desired outcomes.



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MEMBERS' SCORECARD: TOP MARKS FOR DRUG PLANS

When asked to rate their current benefits, plan members most likely

give scores of excellent or very good for coverage of prescription drugs (60%) and basic dental services (53%). These benefits also score highest in terms of importance to members, with 94% indicating that drug plans are very or somewhat important and 93% saying the same of basic dental services.

While the alignment in rankings is a positive sign for benefit providers, perhaps the ratings of excellent or very good could be higher given the degree of importance assigned to these two benefits, notes the advisory board.

The biggest gap between ratings and importance emerges for vision care. Plan members rank vision care coverage as third in terms of importance (91%), but only 35% describe current coverage as excellent or very good and 21% describe it as poor or very poor—the highest “failure” rate among all the benefits.

Plan members would also appreciate improved coverage for major dental services. Currently, 17% describe coverage as poor or very poor and 41% describe it as excellent or very good. In terms of importance, it comes in fourth (89%) after vision care.

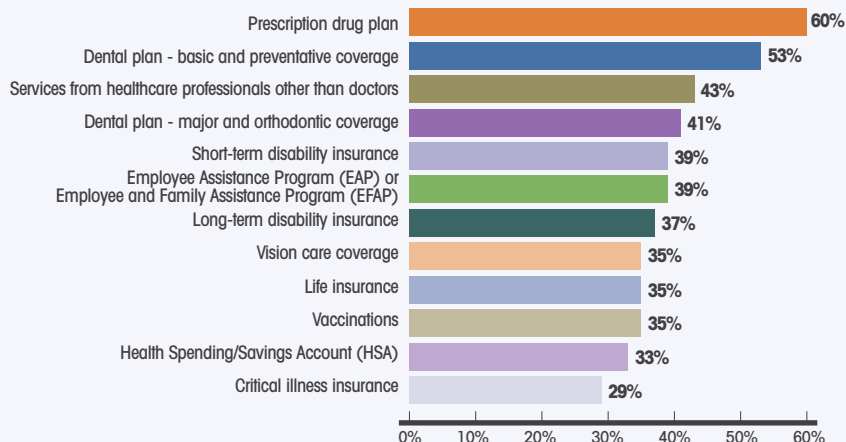
Plan members cast the fewest positive votes for critical illness insurance (29%), health spending accounts (HSAs, 33%) and vaccinations for diseases other than flu (35%). However, it's important to note that these three benefits also generate the most responses for “no opinion” (24% for critical illness insurance and HSAs, and 20% for vaccinations), which reflects their lower utilization rates and/or lower awareness.

“Generally, people don't fully understand health spending accounts,” says

PLAN MEMBERS

RATING OF PLAN COMPONENTS

Excellent/very good

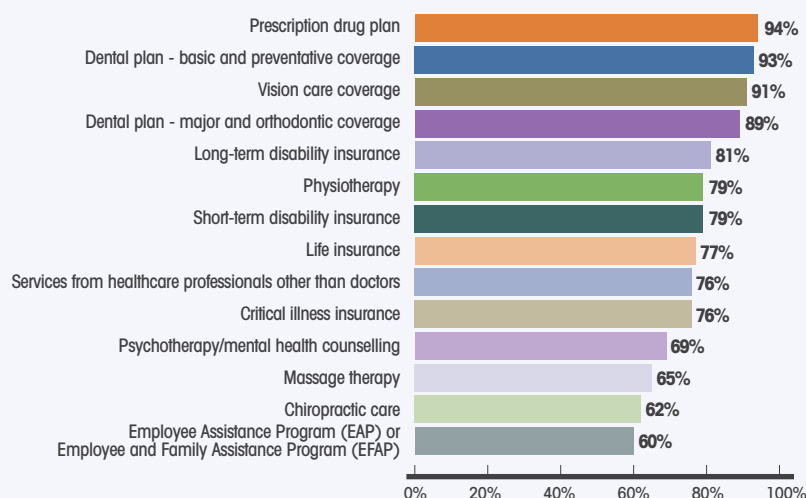


BASE: All plan members (n=range between 935-1,476)

PLAN MEMBERS

IMPORTANCE OF PLAN COMPONENTS

Very/somewhat important



BASE: All plan members (n=1,500)

Babcock. “When you consider that employees value their prescription and dental plans the most, they should value HSAs as much since they can be used for those expenses.”

Special attention should also be paid to employee assistance programs (EAPs). Current ratings are somewhat neutral—39% of plan members rate the benefit as excellent or very good, 16% have no opinion and only 8% rate it as poor or very poor. The EAP garners the lowest number of respondents who feel it is very important (23%), and 22% say it is neither important nor unimportant.

With an average utilization rate of just 11%, the noncommittal results are somewhat to be expected, points out Paula Allen, vice-president, research and integrative solutions, at Morneau Shepell. Yet they also reflect a missed opportunity. “Those who use EAPs have much more positive views because they understand the value. Improved communications can as much as double utilization, and 20% is considered good for ROI,” she explains. “That's still less than two percent of overall benefit costs, yet at that level we can really see reduced claims in other areas.” ■



THE DEEPER ISSUES OF MASSAGE THERAPY

For something that purportedly relaxes the body and mind, massage therapy

generates an unusual amount of attention as an employee health benefit. The survey captured the following results for plan members' use of massage for themselves or family members:

- Forty-three percent of plan members submitted at least one claim in the past year, totalling an average of 5.1 claims for the year.
- Women (46%) are somewhat more likely than men (40%) to submit claims, and do so more often (5.4 versus 4.7 claims).
- Employees aged 18 to 34 are more likely to make claims (47%) than those aged 55 to 64 (40%), but do so less often (4.2 versus 5.5).
- The most common reason for a massage is to treat a condition or injury (50%), although this drops to 33% when you take away self-diagnosed conditions or injuries.
- Thirty-eight percent get massages mainly to relax or relieve tension.
- Age is a factor: 18- to 34-year-olds are more likely to get massages to relax (47%) than for conditions or injuries (33%), while 55- to 64-year-olds are more likely to cite conditions or injuries (58%) than relaxation (31%) as their main reason for massages.

There is relatively little evidence to back up the use of massage to relax or relieve tension, point out some members of the advisory board. "Other interventions show much stronger medical evidence, yet are not covered. The best example is exercise," notes Peter Gove, innovation leader, health management, at Green Shield Canada.

Yet does a lack of medical evidence necessarily mean a lack of value? "A lot of workplace cultures, such as high-tech companies, really value these types of benefits and as long as you don't see something that jumps off

In this year's survey, plan members also state that the workplace negatively affects their ability to manage stress (for more on stress, see page 12). "So here we have plan members telling us that they're using their plan to help them relax—is that not a good thing? Massage can be considered a way to help employees be productive. The bigger question is, are we giving them enough choice to respond to work's impact on stress?" asks Anne Nicoll, vice-president, business development, at Medavie Blue Cross.

If regular massage therapy can help prevent the use of medications, such as drugs for anxiety, or if it can alleviate conditions that could otherwise result in sick days, such as back pain, then "it's a valued benefit for significant segments of the population particularly older adults with certain diagnoses," says Chris Bonnett, principal, H3 Consulting. "Insurers and advisors can help employers understand the purpose of massage therapy and for what purposes it is likely to make an important difference to either well-being or to job performance."

It goes back to having a stated philosophy with measurable objectives, stresses Babcock. "Without that, it's open season on benefits that do not meet the traditional definition of 'medically necessary.' Some plan sponsors



Plan members (are) telling us that they're using their plan to help them relax—is that not a good thing? Massage can be considered a way to help employees be productive. The bigger question is, are we giving them enough choice to respond to work's impact on stress?



Anne Nicoll, MEDAVIE BLUE CROSS

the map, which could indicate fraud, then massage therapy can be considered preventative healthcare," says John McGrath, senior vice-president, human capital benefits practice leader at Willis Towers Watson.

may find it hard to draw a straight line between massages and a better work environment, in which case, why should their plan pay for it for everybody? It could be a choice that employees pay for with a health spending account." ■



WHERE QUALITY AND NEEDS DON'T ALWAYS ALIGN

Plan members remain positive about the general quality of their health

benefit plans, yet appear to be less decisive when asked whether these plans meet their needs.

Overall, 55% of plan members describe the quality of their benefits as excellent or very good, consistent with recent years and also with 2006 (59%), when the question was first asked. Almost the same number (52%) say their needs are met extremely or very well, yet this is down from 63% in 2006—and a significant drop from 73% in 1999, when this question was first asked. Of the remaining 49% of respondents, 40% report their needs are met somewhat well, and just 9% say their needs are not met.

The diverging paths between quality and needs caught the attention of members of *The Sanofi Canada Healthcare Survey* advisory board. “Perceptions of quality are more a reflection of plan designs, which haven’t changed

much, while the meeting of needs is more about members’ experiences and expectations, which appear to be changing,” notes Callaghan.

Plan members working for organizations with wellness programs are more positive about both quality (66%) and the meeting of needs (64%), compared to 46% and 41%, respectively, for those without such programs. Job satisfaction

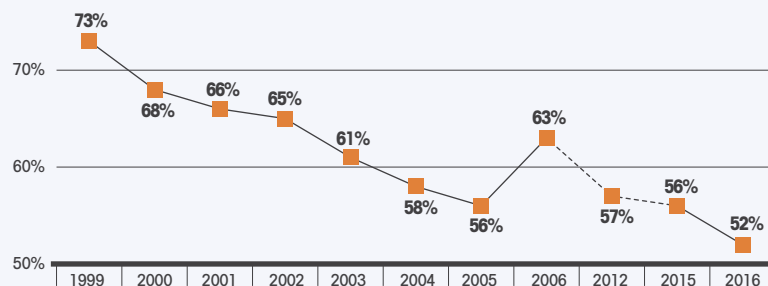
also plays a part: only 39% of dissatisfied plan members say the quality of their health benefit plan is excellent or very good, compared to 60% among those who are satisfied, and just 34% of dissatisfied employees say their plan meets their needs extremely or very well, versus 57% among satisfied employees.

Perceptions of health status also colour results. Sixty-nine percent of respondents who describe their health as excellent or very good say the same about the quality of their health benefit plan, and 65% indicate their needs are met extremely or very well. ■

PLAN MEMBERS

HEALTH BENEFIT PLAN MEETS MEMBERS' NEEDS

■ Extremely/very well



BASE: All plan members (n=1,500)

SECTION 1 TAKEAWAY

Health benefit plans are at an all-time low for meeting needs, which suggests that plan members' expectations are changing.

SHEDDING LIGHT ON COST CONTROLS AND IMPACT

Plan sponsors are concerned about the growing costs of prescription drug plans—yet less than half have a clear understanding of the most common measures available to manage those costs.

Two out of three respondents (66%) report total benefit costs have increased over the past three years. Looking ahead, 80% are concerned that growing costs

- 10% for stop-loss insurance;
- 13% for case management for higher-cost specialty pharmaceuticals; and
- 17% for managed or restricted formularies.

“Some of these tactics have been in place for many years, yet levels of understanding are surprisingly low. Clearly there’s a need for better education of advisors and plans sponsors, and better communication from providers,” says Nathalie Laporte, vice-president, product development, marketing and strategy, at Desjardins Insurance.

Levels of understanding directly affect plan sponsors’ awareness of what their

and lessen anxiety, stresses the advisory board. “When plan sponsors are more aware of what’s available and the impact of what they’re already doing, they’re better able to make decisions that incorporate investing in health, rather than only reining in costs,” says Loretta Kulchycki, vice-president of group marketing at Great-West Life.

CONNECTION TO CHRONIC DISEASE

Stepping back, it’s important to note that plan sponsors are more likely to point to traditional pharmaceutical drugs as cost drivers, rather than higher-cost specialty pharmaceuticals. This speaks to the need for education on the cost burden of chronic disease, to better understand the value of health benefits that support successful treatment.

“A huge percentage of the costs associated with chronic disease are due to poor self-management. For example, after one year about half of people treated for high blood pressure or high cholesterol stop taking their medications,” says Steve Semelman, CEO of Gemini Pharma Consultants. On the flip side, “When members take their medications properly, it may help slow or prevent the progression of disease, and that in turn prevents the use of additional drugs and even emergency hospital stays,” he adds. ■

“

When plan sponsors are more aware of what’s available (to control costs) and the impact of what they’re already doing, they’re better able to make decisions that incorporate investing in health, rather than only reining in costs.

”

Loretta Kulchycki, GREAT-WEST LIFE

will exceed the rate of inflation over the next three to five years, of whom 28% are very concerned.

When asked to identify the main causes for increased costs, plan sponsors mostly cite the overall cost of drugs (54%) and the number of claims for drugs (40%). Eighteen percent point to increased claims for biologic or other higher-cost medications.

When then presented with a list of 12 measures used today to manage drug plan costs, less than half of plan sponsors indicate having an excellent or strong understanding of these measures. They are somewhat knowledgeable about annual deductibles and/or copays paid by plan members (40%) as well as mandatory generic substitution (39%), but then levels of understanding steadily drop, reaching lows of:

own plans have in place. For example, 51% of those with a strong understanding of stop-loss insurance indicate having this measure—which drops to just 9% overall. Closing those gaps in awareness can improve decision-making



THE VALUE CONNECTION

Echoing the responses of plan members (page 6), plan sponsors most

likely indicate their organizations are very or somewhat satisfied with their benefit offerings for prescription drugs (81%), basic dental coverage (78%) and paramedical services (74%). And again like plan members, they are most likely dissatisfied with vision care (15%) and major dental services (15%).

When asked why they are dissatisfied, plan sponsors most often respond that the offerings deliver inadequate value (47%), followed by high costs for plan members (34%), high costs for the organization (34%) and negative feedback from plan members (32%).

“When plan sponsors say there is inadequate value, that’s a flag for benefit providers. We’re not meeting needs and we need to do more digging to define what constitutes value,” says Marilee Mark, vice-president of market development, group benefits, at Sun Life Financial.

Plan sponsors are relatively less satisfied with critical illness insurance (65%), vaccinations (63%) and health spending accounts (HSAs, 61%)—and these benefits also have the highest incidence of respondents being neither satisfied nor dissatisfied (28% for HSAs, 27% for vaccinations and 26% for critical illness insurance). Plan sponsors are similarly noncommittal when it comes to employee assistance programs (EAPs, 25%) and life insurance (22%).

“

When plan sponsors say there is inadequate value, that’s a flag for benefit providers. We’re not meeting needs and we need to do more digging to define what constitutes value.

”

Marilee Mark, SUN LIFE FINANCIAL

“These plan sponsors are sitting on the fence and it raises the question of whether there are communication gaps between providers and clients. Plan sponsors are paying for these benefits and they don’t have an opinion about their value—that’s something we need to respond to,” says Nicoll. ■

PLAN SPONSOR PROFILE • KELLOGG CANADA

A RECIPE FOR PHYSICAL AND MENTAL HEALTH

Variety is the spice of life, and a key ingredient for wellness programming at Kellogg Canada as well.

To boost utilization of its on-site gym—The KClub—among its 230 employees, the producer of ready-to-eat-cereal hired a wellness and fitness coordinator. By the end of 2014, 66% of employees were members, of whom 65% used the facility at least once a week.

Outside the gym, annual health risk screenings conducted by a nurse help motivate personal action. The wellness consultant conducts “wellness roves” that take information directly to employees, and juicing demonstrations in the cafeteria have proven especially popular. Email- and web-based challenges—for example, to improve sleep habits—encourage involvement from the manufacturing facility employees and home-office-based sales representatives.

In 2015, Kellogg further expanded its reach to remote workers across Canada by offering one-on-one support via telephone with its wellness consultant, who develops a personal health and fitness plan with follow-up calls. “We sparked an interest in wellness and fitness through these programs and received terrific feedback. Remote employees welcomed the convenience and access to a dedicated wellness consultant,” says Sandra Scollay, associate director total rewards & HR shared services.

Last year, the company also saw the launch of an extensive program for mental health awareness, working with the Centre for Addiction and Mental Health. “We recognized that we had a role to play in mental health and we wanted to be a leader in opening the door to critical conversations in the workplace,” says Scollay.

Overcoming stigma was a priority, which led to management training and lunch-and-learn sessions. Employees were also looking for concrete actions to manage stress, which resulted in month-long campaigns such as “Mindfulness Meditation” and “Food & Mood.”

While it’s too soon to know the impact on benefit claims, staff and management alike are having healthier conversations. “I actually overhear employees in the cafeteria talking about mental health without any trace of stigma. That’s encouraging,” says Scollay. “And managers, too, appreciate that they now have a different, clearer lens to look through when addressing absenteeism.”

Kellogg has also introduced policies—for hours of work and flex time, for example—that take psychological health and safety into consideration. ■



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SECTION
2

PERSONAL HEALTH CHECKUP

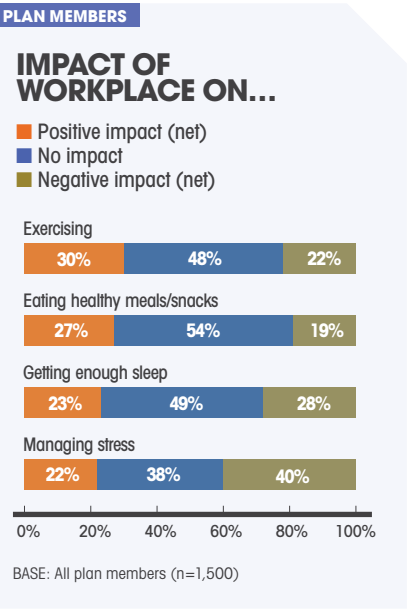
MEMBERS MOST CHALLENGED BY EXERCISE, STRESS MANAGEMENT

Thirty-five percent of plan members describe their health and fitness as very good or excellent, similar to results from the previous two years. Half of respondents (51%) say their health is good, leaving just 14% who say it is poor or very poor.

Plan members with chronic diseases (29%) and those who are dissatisfied with their current jobs (23%) are much less likely to say their health is excellent or very good, as are plan

members who report that their health benefit plan does not meet their needs (23%).

This year's survey asked plan members to rate their ability to maintain four lifestyle behaviours that directly contribute to health and fitness: eating healthy, exercising, getting enough sleep and managing stress. Exercise appears to be the biggest challenge, as almost three out of four respondents indicate they could be doing a bit better (45%) or a lot better (27%).



“

Exercise, diet and sleep influence health and chronic disease, which translate into productivity. This is an opportunity for plan sponsors and their providers to turn employees' neutral stance about the workplace's impact into a positive stance.

”

Lisa Callaghan, MANULIFE

Results for the remaining three behaviours are more evenly split, though it's worth noting that in all cases, less than half report that they are doing fine (45% for stress management, 41% for getting enough sleep and 40% for eating healthy). “A large percentage do not think they are getting enough sleep. This result is something that prudent employers will consider as part of their overall health strategy,” says Telena Oussoren, manager of benefits at Suncor.

“What we're seeing as health practitioners is an epidemic of undiagnosed sleep apnea, which directly increases the risk of obesity, high blood pressure, high cholesterol, diabetes and depression,” adds Dr. Alain Sotto, director of Medcan Wellness Clinic and occupational medical consultant for Toronto Transit Commission.

What about the workplace's impact on these four lifestyle behaviours? Stress management suffers the most, with 40% of respondents indicating that their work environment negatively affects their ability to manage stress. This jumps to 68% among those who are dissatisfied with their current job.

HEALTH BY THE NUMBERS



Almost two-thirds of plan members (63%) report having measured their blood pressure in the past year. As expected, older employees (aged 55 to 64) are much more likely to know this measurement (82%), although younger employees (aged 18 to 34) also post a relatively high level of awareness (42%).

The greater availability of reliable blood pressure machines outside of doctors' offices is likely behind this positive result, observes Sotto.

Almost half of respondents also had their cholesterol levels (47%) and blood sugar level (44%) measured in the past year, with much wider variances between older and younger employees (68% versus 18% and 61% versus 21%, respectively). Meanwhile, just 27% of respondents learned of their personal level of risk for diabetes, 21% their risk for heart disease and 23% their body mass index.

“It's really important that everyone know his or her numbers, at all ages, so we can quickly respond to changes. For every minute and every dollar spent on prevention and early detection, you shore up so much more time and money in terms of productivity and healthcare spending, not to mention reducing mortality and morbidity,” says Sotto.

Employers can facilitate access to medical testing devices that are not available to consumers through on-site health risk screenings with healthcare professionals, suggests the advisory board. Previous surveys consistently show employees' high level of willingness to participate in such screenings. ■

“Forty percent of employees are not able to manage their stress as well as they could because of their workplace. This is huge,” says Pierre Marion, market leader at Medavie Blue Cross. (For more on psychological health, see page 18).

Regarding the other lifestyle behaviours, about half report that the workplace has no impact—results that

could be worth exploring. “Exercise, diet and sleep influence health and chronic disease, which translate into productivity. This is an opportunity for plan sponsors and their providers to turn employees' neutral stance about the workplace's impact into a positive stance,” says Lisa Callaghan, assistant vice-president of product and group benefits at Manulife Financial. ■

The workplace has an impact on healthy behaviours, particularly when it comes to stress management.

**SECTION 2
TAKEAWAY**

CHRONIC DISEASE LEAVES MARK IN WORKPLACE

Fifty-nine percent of employees have at least one chronic condition, such as high blood pressure, diabetes or depression. When broken down by age, 79% of employees aged 55 to 64 have at least one condition, compared to 40% among employees aged 18 to 34.

The top three conditions are high blood pressure (21%), high cholesterol (19%) and mental illness (19%). Older employees are generally much more likely to have the eight listed conditions, with two exceptions: mental illness, where the prevalence is 23% among younger employees and 17% among older employees, and respiratory illness, such as asthma, where the prevalence is about the same (12% and 14%, respectively).

Plan sponsors, meanwhile, underestimate the prevalence of chronic conditions in the workplace: they suggest that 32% of their employees have such a condition, ranging from a low of 29% among employers with

less than 50 employees to 38% among those employing 500 or more people. Such a gap between awareness and reality likely means plan sponsors also underestimate the impact of chronic disease in the workplace, notes the advisory board.

Indeed, 70% of plan sponsors would like a better understanding of the burden of chronic disease in their employee population, increasing to 83% among those with administrative services only (ASO) benefit plans. According to last year’s survey, not quite half of plan sponsors (48%) said they knew the top disease states in their workforce.

DOUBLE-SIDED IMPACT

More than a third of plan members (38%) with chronic conditions agree that their illness has caused them to miss work (25%) and/or has made it harder to do their job (19%). This jumps to 62% for those with depression.

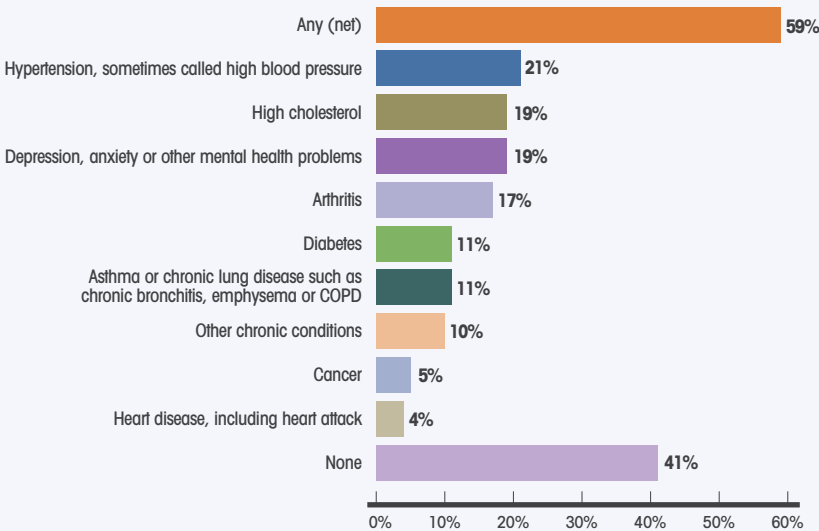
Younger employees (53%) and those who are dissatisfied with their jobs (52%) are also considerably more likely to report this to be the case.

These results need to be better quantified. “Employers can use the help of insurers and consultants to help define the dollar impact when employees miss work or find it harder to do their work due to chronic disease. For one thing, if we translate this into dollars, we can then use the information to maintain programs for chronic disease management,” says Oussoren.

What about the impact of the workplace? Thirty-three percent of plan members report that their work environment negatively affects their ability to manage their chronic condition, climbing to 63% among dissatisfied employees. The work environment should not have that much of a negative impact on employees with chronic conditions, notes the advisory board. Employers should also keep in mind that the prevalence of mental illness is among the highest, which circles back to the work environment’s impact on stress management (page 12). ■

PLAN MEMBERS

PREVALENCE OF CHRONIC DISEASE

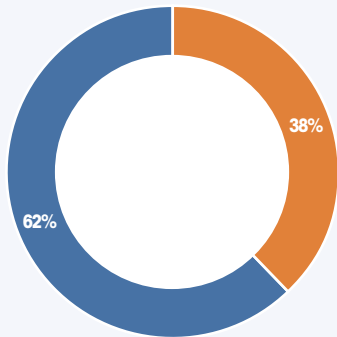


BASE: All plan members (n=1,500)

PLAN MEMBERS

HAS YOUR HEALTH CONDITION CAUSED YOU TO MISS WORK, OR MADE IT HARDER TO DO YOUR JOB?

Yes No



BASE: Plan members who have a chronic condition (n=882)

Chronic disease can reduce productivity and the work environment can negatively affect employees' ability to manage their disease—though these findings are less likely among those who are satisfied in their jobs.

SECTION 2 TAKEAWAY

GIVING A VOICE TO A “SILENT” DISEASE

It's difficult to fix what you cannot see or feel, which is why high cholesterol

can be an especially challenging diagnosis. “The biggest challenge is adherence to treatment,” says Sotto. “People with high cholesterol come to see me and they feel good. They have no symptoms. They don't want to take medications for a long period of time or change lifestyles based on an abstract number.”

Yet plan sponsors and public payers of healthcare services cannot afford to ignore the more tangible numbers. High cholesterol is a major risk factor for cardiovascular disease (such as heart attack and stroke), which is the second-highest source of healthcare costs in Canada.¹ Fifty-nine percent of Canadians aged 60 to 79 and 40% of those aged 40 to 59 have high cholesterol—and about half are unaware they have the condition.²

Meanwhile, research shows that lowering low-density lipoprotein (LDL) cholesterol by just one point can reduce the risk of cardiovascular events by 21%.³ Another recent landmark study points to the use of cholesterol medications as a form of primary prevention after finding that the risk of cardiovascular events dropped 26% in patients deemed at intermediate risk.⁴

People can reduce cholesterol through healthier eating, exercise and weight loss, without the use of medications. Most of his patients opt for this approach first, says Sotto, yet are often discouraged by the length of time and degree of effort required for results. “If they took the drugs from the start, it could improve their confidence in achieving the lifestyle measures. Then as their numbers

improve, they may be able to reduce or stop the medications,” says Sotto. However, the rate of non-adherence to cholesterol medications—currently at 43%, according to claims data⁵—presents its own challenges.

How do patients and providers—including plan sponsors—turn the tide? For his part, Sotto finds that patients are more engaged when cholesterol levels and goals are reframed in terms of the personal risk of heart attack. And he strongly encourages patients to get outside support. “For example, working with a dietitian can make a drastic difference,” he says.

With that in mind, he urges plan sponsors to include dietitian services, personal training and other one-on-one health coaching services as benefits for those diagnosed with conditions

such as high cholesterol and high blood pressure. To raise awareness and improve detection, dietitians and other experts (who can be sourced through local health organizations) can deliver education sessions, and nurses or other trained health professionals can conduct on-site screenings to determine personal levels of cardiovascular risk. ■

1. Public Health Agency of Canada. Costs due to disease for the leading 20 diagnostic categories, by direct and indirect costs, Canada, 2000. Accessible at www.phac-aspc.gc.ca/cd-mc/cvd-mcv/cvd_ebhc-mcv_femc-eng.php
2. Statistics Canada. Health Fact Sheets: Cholesterol levels of adults, 2012 to 2013. Canadian Health Measures Survey, 2012 to 2013. Catalogue no. 82-625-X. Accessible at www.statcan.gc.ca/pub/82-625-x/2014001/article/14122-eng.htm
3. Cholesterol Treatment Trialists' (CTT) Collaborators. The effects of lowering LDL cholesterol with statin therapy in people at low risk of vascular disease: meta-analysis of individual data from 27 randomised trials. *Lancet* 2012;380:581-90.
4. Yusuf S, Bosch J, Dagenais G, et al. Cholesterol lowering in intermediate-risk persons without cardiovascular disease. *N Engl J Med* April 2016. *NEJM.org*. DOI: 10.1056/NEJMoal600176.
5. 2014 GSC Drug Study. Analysis of Green Shield Canada claims data, July 2013-June 2014.

HAPPIER EMPLOYEES, HEALTHIER EMPLOYEES

Are employees happy with their jobs?

By and large, yes—and this year's

survey reveals how feelings of job satisfaction can directly influence personal health (page 18) and ratings of the quality of health benefit plans (page 8).

“It's important for employers to understand the difference that job satisfaction can make when it comes to employees choosing to do something to improve their health,” says Susan Belmore-Vermes, director, group benefits solutions at Health Association Nova Scotia.

Adds Carol Craig, director of HR, benefits and pensions at TELUS: “It can be very difficult for employers to know how

much to invest in personal health, and to know whether they're getting anything back. But if employers understand the connection to job satisfaction, which ties into engagement, then that could have a big impact on their willingness to invest.”

According to this year's survey, 70% of plan members are satisfied with their current jobs. However, this is down somewhat from 77% in 2009, when the question was last asked. Managers (77%) are more likely than staff (66%) to be satisfied, as are employees who work for smaller companies (74% in workforces with less than 50, compared to 65% in companies of 10,000 or more employees).

As well, plan members working for organizations with health and wellness programs are far more likely to be satisfied (80%) than those without such programs (66%). ■

LIVING WITH DISEASE, ONE STEP AT A TIME

Plan sponsors and their providers cannot underestimate the challenges that come

with treating chronic disease, stress members of the advisory board for *The Sanofi Canada Healthcare Survey*.

“Health behaviour changes are really tough because they’re influenced by social, cultural and psychological systems. Ultimately the goal is to create environments that improve the odds that people will behave differently, and the workplace can be a really positive part of that,” says Peter Gove, innovation leader, health management, at Green Shield Canada.

“I see patients every day who are in complete shock when diagnosed with type 2 diabetes or hypertension,” says Sotto. There can be months or even years of denial, and even after acceptance it can be difficult to change deeply set lifestyle behaviours. Successful treatment is a combination of factors that typically occurs in small steps over an extended period of time.

For their part, 57% of plan members with a chronic condition agree it’s hard

when they don’t experience symptoms of their condition.

Perhaps most disconcerting is the fact that 84% of respondents would like to know more about their conditions and treatments in the first place. “This tells us that we need to start with the basics. Plan members need to fully understand their disease and the difference that treatment will make, before they can even begin to embrace behavioural change,” says Steve Semelman, CEO of Gemini Pharma Consultants.

The result also signals that the public healthcare system currently does not appear up to the task. While plan spon-

completed in 2014 using Canadian data, showed that the incidence of short-term disability leaves was trending lower among plan members who were adherent to their medications.⁶

One-on-one support could be an important part of the solution, as 64% of plan members with a chronic condition say they would meet with a healthcare coach to get help with their condition, if this were part of the health benefit plan.

“The time has come to review the way we approach the benefit plan so it better supports the high number of people with chronic disease. Think of it: the drug plan is our biggest spend and 70% of it is for maintenance drugs. Sixty-four percent of plan members with chronic diseases say they want more support, yet that kind of support is not covered, even though things like chiropractic and massage therapy are covered,” says Marion.

Adds Loretta Kulchyski, vice-president of group marketing at Great-West Life: “Medical evidence and claims data confirm that personal knowledge does not always translate into action when it comes to chronic disease management. When additional resources and supports are in place, people can do much better.” ■

“

The time has come to review the way we approach the benefit plan so it better supports the high number of people with chronic disease. Think of it: the drug plan is our biggest spend and 70% of it is for maintenance drugs. Sixty-four percent of plan members with chronic diseases say they want more support, yet that kind of support is not covered.

”

Pierre Marion, MEDAVIE BLUE CROSS

to make the lifestyle changes that are recommended as part of treatment. This jumps to 71% among dissatisfied employees. As well, 41% of respondents agree it is hard to keep up treatment

sors can’t be expected to close gaps in the public system, they can take steps to minimize the negative impact of poorly managed chronic disease in the workplace. For example one analysis,

6. Integrated Analytics Initiative: Summary of Key Findings. Cubic Health, Great-West Life, Sanofi Canada. Analysis of drug, short-term disability and long-term disability data sets for 38,000 Canadian employee claimants, 2010–2012.



Are your employees distracted at work?

Our study shows Canadians with low levels of financial wellness are significantly more likely to say they are distracted at work*

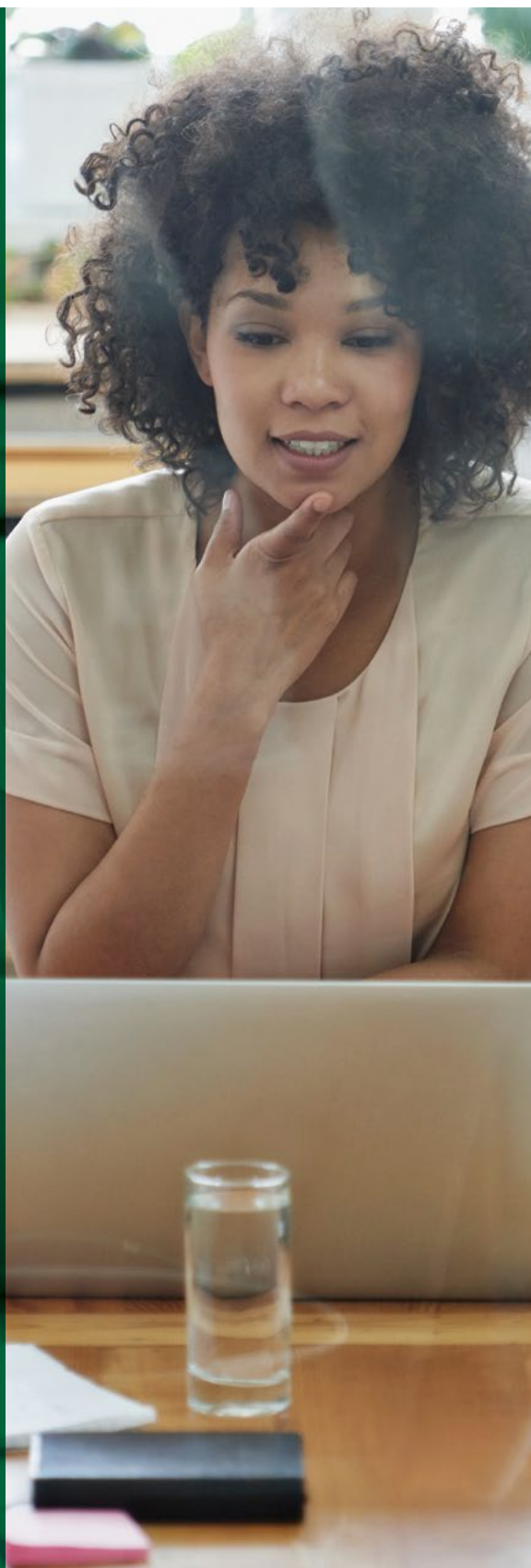
Through our continued Health and Wealth research, we found that Canadians with low levels of financial wellness have a broad range of financial concerns and are over 2.5X more likely to be distracted at work than those who are financially well*.

Financial wellness is key to having healthy and engaged employees who can help your business thrive. That's why we've developed the **Financial Wellness Assessment**: an easy-to-use online assessment that measures a member's financial wellness level and provides them with a personalized action plan and resources to improve it.

Having poor financial wellness can impact company productivity. Do you know where your employees stand?

Talk to a Manulife representative or visit manulifehealthandwealth.ca to **download the study** and obtain information about our **Financial Wellness Assessment**.

*Manulife's Financial Wellness Study – 2015 Benchmark: Distraction at work, financially unwell (45%) vs financially well (17%)



SECTION 2
TAKEAWAY

The work environment does not measure up on key indicators for psychological health, such as reasonable workloads.

WORKPLACES FALL SHORT ON PSYCHOLOGICAL HEALTH

Today's work environments fail to make top grades for psychological safety, even among satisfied employees.

The 2016 edition of *The Sanofi Canada Healthcare Survey* queried plan members using statements from an employer's guide for psychologically safe workplaces, developed for the Great-West Life Centre for Mental Health in the Workplace. According to this guide, agreement levels of 85% or more indicate a psychologically safe work environment.⁷

Results, however, fall well below the 85% target. For example, 67% of

employees agree the amount of work expected of them is reasonable for their position, dropping to 56% among employees working for the largest organizations (10,000 or more employees). Sixty-six percent agree their supervisor supports them in getting their work done, and only 53% feel praised or recognized for their work efforts.

As expected, results differ significantly based on job satisfaction. However, while satisfied employees are much closer to the target for reasonable workload (81%), supervisor support (81%), and fairness

and respect (80%), they still fall somewhat short on involvement with decision-making (72%), recognition (68%) and being informed of changes (64%).

Members of the advisory board caution that the target of 85% is a lofty one, keeping in mind that 75% is considered a top mark for employee engagement surveys. "Having said that, I am still flabbergasted that about a third of plan members are not satisfied in terms of involvement, recognition and being informed," says Jacques L'Espérance, president of J. L'Espérance Actuariat Conseil Inc. "Thirty years ago, we were reading that the biggest reasons for employee stress were a lack of control over the work environment, for example over things like work deadlines, and lack of support from supervisors or colleagues. This is still a problem."

Plan sponsors, meanwhile, appear to overestimate certain indicators of job satisfaction. For example, significantly more—81%, versus 67% of employees—would say workloads are reasonable, although this drops to 70% among the largest employers.



Whether it's psychological health, personal health or chronic disease, the survey results really speak to the value for plan sponsors and their providers to formalize a strategy that integrates health and well-being and worker effectiveness. Right now, there are too many missing connected dots.

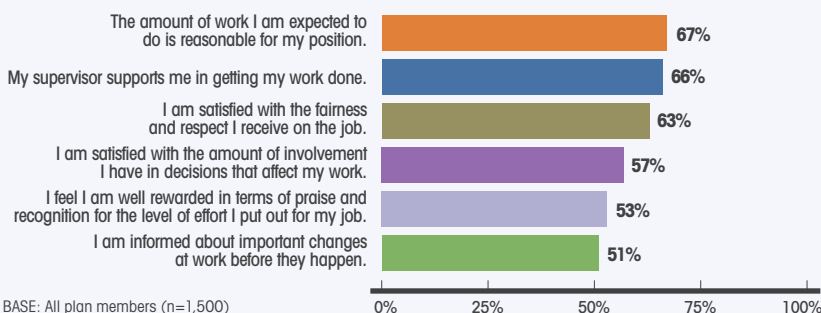


John McGrath, WILLIS TOWERS WATSON

PLAN MEMBERS

PLAN MEMBERS' OPINIONS ON THE WORK ENVIRONMENT

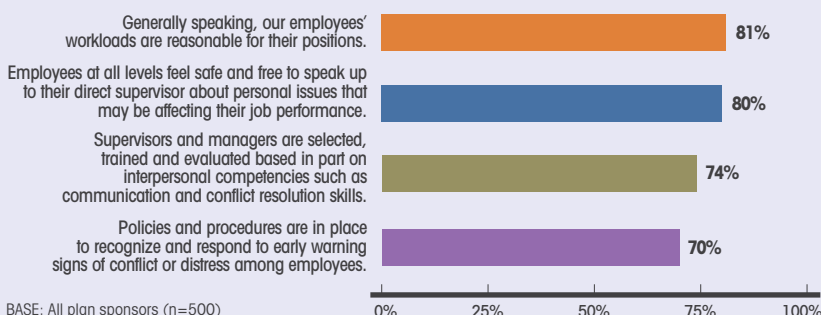
Those who agree that:



PLAN SPONSORS

PLAN SPONSORS' OPINIONS ON THE WORK ENVIRONMENT

Those who agree that:



Seventy percent of plan sponsors also say policies and procedures are in place to recognize and respond to early signs of conflict or distress. Yet are they effective? “Often, employers think that if policies and procedures are in place, then they’ve done what they need to do, when in fact they have to make sure those policies are understood and put into action,” says Craig.

Thirty-two percent of plan sponsors indicate they’ve implemented a program that specifically supports the mental or psychological health of employees. Another 23% plan to do so. Organizations with 500 or more employees (48%) are much more likely than those with fewer than 50 employees (21%) to have such a program in place.

Given the prevalence of employee assistance programs (EAPs), especially

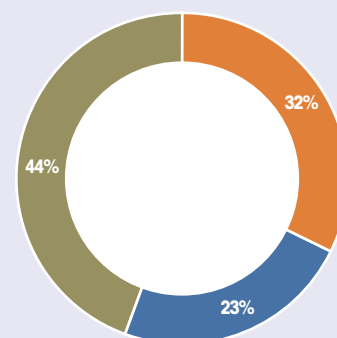
for mid-size and large employers, the implementation of mental health programs seems low, notes the advisory board. “Employees can go to EAPs for psychological health issues, but perhaps employers are not considering that. Or are they interpreting a mental health program to be outside of an EAP, as more of a separate strategy?” asks Callaghan.

“Whether it’s psychological health, personal health or chronic disease, the survey results really speak to the value for plan sponsors and their providers to formalize a strategy that integrates health and well-being and worker effectiveness. Right now, there are too many missing connected dots,” observes John McGrath, senior vice-president, human capital benefits practice leader at Willis Towers Watson. ■

PLAN SPONSORS

IMPLEMENTATION OF PROGRAM TO SUPPORT PSYCHOLOGICAL HEALTH

■ Yes ■ No but we plan to ■ No



BASE: All plan sponsors (n=500)

7. Shain M. Towards a Psychologically Safer Workplace: An employer's guide. Great-West Life Centre for Mental Health in the Workplace. Accessible at www.workplaces-strategiesformentalhealth.com/job-specific-strategies/towards-a-psychologically-safer-workplace-an-employers-guide

PLAN SPONSOR PROFILE • NIAGARA CASINOS

IMPROVING THE ODDS FOR HEALTH AND PRODUCTIVITY

Niagara Casinos would be the first to agree that investment in employee health is a sure bet, particularly when the “winnings” are reinvested to achieve even better results.

The employer of 4,000 people in Niagara Falls, Ontario, has seen total health benefit costs decrease by double digits over the past five years—an outcome it largely attributes to a wide range of evolving support for occupational health and safety as well as wellness programs. Rebecca Rooney, the company’s full-time health promotion and safety coordinator, boils it down to three best practices:

- Stick with programs most likely to have the biggest impact on claims costs. “We developed a scorecard that helps us see the big picture. Our health and safety, benefits, and disability teams work collaboratively

to reduce claim duration and cost,” says Rooney.

- Reward results. Whether incentives are points-based or in the form of prizes, participation rates are much better when personal action leads to rewards.
- Evaluate every program. If participation does not meet a minimum expectation, drop or change the program. For example, the company replaced on-site fitness classes with discounted external offerings, and participation more than doubled.

The employer is currently stepping up its game when it comes to workplace health challenges. Knowing that 30- or 60-day challenges may not be enough to achieve lasting behavioural change, Niagara Casinos and its employee assistance program provider are piloting a year-long challenge with 80 employees who volunteered to take

part. Mini challenges are peppered throughout the year to keep up interest, and prizes are awarded for most points and for most improved scores.

Participants are outfitted with a fitness device that is synched with a central web site to capture aggregate results, and participants do a health risk assessment at the start and end of the program to measure outcomes.

Niagara Casinos is also piloting on-site alternative treatment therapies. Naturopathic doctors and massage therapists began giving presentations and booking on-site consultations in 2015, and reflexologists came on board in 2016. Managers help raise awareness during regular pre-shift meetings. “Our paramedical benefits are robust. We’ve recently added osteopathic coverage,” says Rooney. “The goal is to educate employees on alternatives not only for treatment but also prevention.” ■



SECTION 3

WELLNESS WANTS AND NEEDS

GAPS PERSIST IN WELLNESS AWARENESS

Again this year, *The Sanofi Canada Healthcare Survey* reveals that wellness programs may not

be achieving their full potential because employees are simply not aware of them. "Communication is clearly an issue [regarding workplace wellness programs]. Employers may be sending out messages but for whatever reason employees are not understanding those messages," says Jacques L'Espérance, president of J. L'Espérance Actuariat Conseil Inc.

Thirty-three percent of plan members report that their workplace

offers programs or policies to promote health and wellness, and 20% do not know. A separate survey of plan sponsors, meanwhile, indicates that almost half (47%) provide such programs or policies. The larger the organization, the greater the gap in awareness: 63% of large employers (500 or more employees) report being active in this area, yet just 38% of plan members working in large organizations say the same.

Interestingly, lack of awareness may be linked with personal state of mind. Dissatisfied employees (26%) are less aware than satisfied employees (38%), for example, as are those who feel unsupported by their managers (24% versus 40%).

When it comes to participation, 66% of plan members with access to workplace wellness programs indicate they

“

Communication is clearly an issue (regarding workplace wellness programs). Employers may be sending out messages but for whatever reason employees are not understanding those messages.

”

Jacques L'Espérance,
J. L'ESPÉRANCE ACTUARIAT CONSEIL INC.

participate all the time (13%) or sometimes (53%). Eleven percent never take part. Those with chronic diseases are more likely to participate (72% versus 60%), as are those who are satisfied with their job (70% versus 58%). ■

SECTION 3 TAKEAWAY

Flexible work arrangements rank first among members' preferences for wellness support; plan sponsors, meanwhile, would like to take more direct action on health.

WISH LISTS FOR WELLNESS

When asked whether they would personally take advantage of 13 possible

programs or policies that support personal wellness, plan members' top five preferences are:

- flexible work arrangements (41%);
- discounts for off-site gym memberships or fitness classes (36%);
- healthy foods and snacks at work (36%);
- flu shots at work (35%), particularly in Atlantic Canada (49%); and
- a fitness centre or gym at work (32%).

The top ranking for flexible work arrangements highlights the importance of workplace culture, notes the advisory board for *The Sanofi Canada Healthcare Survey*. It also suggests that plan sponsors can reconsider how they define wellness offerings. "Right now, most employees probably don't view flexible work arrangements as an example of a wellness program. Employers can be more strategic about what they're delivering and how they're communicating it," says Serafina Morgia, senior consultant, health and group benefits, at Willis Towers Watson.

"Flexible work arrangements and other HR policies are practical actions that can make an important difference, and where costs need not be a barrier," says Nathalie Laporte, vice-president, product development, marketing and strategy, at Desjardins Insurance.

At the other end of the scale, plan members appear less likely to take advantage of group programs at work (19%), access to coaching sessions to set personal health goals (18%), workplace health or fitness challenges (18%), health/wellness fairs (17%), or mobile health tools or personal fitness devices (15%).

On the employer side, plan sponsors most often indicate addressing wellness through HR policies (38%) and

healthy personal work spaces (36%). Their offerings then closely parallel plan members' preferences of flexible work arrangements (32%), flu shots (28%), discounts for gym memberships or fitness classes (24%), and healthy foods and snacks (22%). Large employers are more likely to provide almost all of these offerings, although small employers are equally likely to offer healthy foods, flexible work arrangements and healthy shared work environments.

Plan sponsors are least likely to offer health/wellness fairs (12%), vaccinations at work for diseases other than flu (11%), mobile health tools or fitness devices (6%), or a points-based incentive or rewards program for healthy activities (5%).

The survey then asked plan sponsors which wellness items they would offer if they could, setting aside all barriers. The following rank highest:

- access to a healthcare professional to learn about personal health and risks (35%);
- a fitness centre or gym at work (29%); and
- access to coaching sessions with a healthcare professional to set health goals and an action plan for health management (27%).

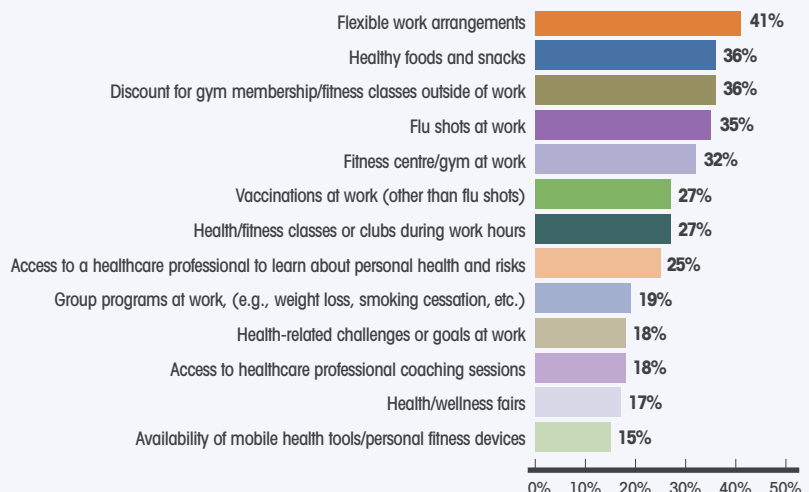
It's interesting to note that plan sponsors appear to lean more toward personal or targeted interventions, through access to healthcare professionals, than plan members themselves—particularly when these interventions may be relatively costly. To counter the cost barrier, the advisory board suggests that publicly funded public health units may be able to help with on-site screenings or consultations, and telephonic coaching is an option. Plan members could use their health spending account to pay for the service or claim it as a paramedical benefit.

More importantly, these results may signal a shift in mindset among employers. "Plan sponsors would like to create opportunities to engage in wellness that are more personal to employees. It's about providing more choice and more tools for employees," says Anne Nicoll, vice-president, business development, at Medavie Blue Cross.

The return on investment would likely be especially worthwhile among plan members diagnosed with chronic diseases, many of whom would like to know more about their condition and get personal coaching if it were to be covered as a health benefit (page 14). ■

PLAN MEMBERS

WELLNESS PROGRAMS PLAN MEMBERS WOULD PREFER



BASE: All plan members (n=1,500)

PLAN SPONSORS PUT ONUS ON PREVENTION

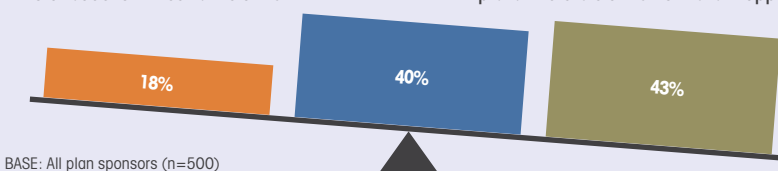
Plan sponsors appear to be more willing to invest in programs or services that prevent future claims (43%) than they are in programs/services that reduce current claims (18%). Having said that, 40% are neutral or would invest in programs that both prevent and reduce claims.

The results raise questions among members of *The Sanofi Canada Healthcare Survey* advisory board. “The numbers seem upside down at first—wouldn’t employers feel more strongly about reducing current claims?” asks

PLAN SPONSORS

PLAN SPONSORS WOULD BE MORE WILLING TO INVEST IN...

■ Programs/services that could lead to a reduction in current claims ■ Neutral ■ Programs/services that could help to prevent future claims from ever happening



BASE: All plan sponsors (n=500)

Nicoll. “Perhaps the low rating reflects the perception that the incidence of chronic disease is low in their population. Do they not see enough of an opportunity?”

Plan sponsors may look mainly to cost controls to manage existing claims, and as a result underestimate what can be done to reduce utilization in the first

place. For example, plan members with chronic conditions such as hypertension or diabetes who successfully maintain a lower weight are often able to reduce or even drop the use of medications.

On the other hand, the preference to prevent future claims could reflect concerns over rising costs. “The good news

PLAN SPONSOR PROFILE • SANOFI CANADA

WALKING THE TALK: WELLNESS FOR ALL

As publisher of *The Sanofi Canada Healthcare Survey*, Sanofi Canada

believes firmly in the potential of workplace wellness programs to improve employee health and fuel strong business performance. And when the opportunity came to do more to “walk the talk,” employees leaped out of the starting blocks.

In 2015, Sanofi set out to better leverage its investment in wellness by re-launching all activities as one cohesive package. A new wellness statement—“Sanofi aims to provide a healthy, supportive and positive work environment where everyone is empowered to do their best”—helped drive efforts, as did the selection of a compelling activity that would boost wellness and complement the company’s existing engagement strategy.

The chosen activity had to be simple to administer, accommodate Sanofi’s remote workforce and incorporate ways to measure success. First, however, the company knew it needed to find

the right vendor to make it all happen. It hired Global Corporate Challenge (GCC), which brought the following to the table: a proven 100-day wellness challenge, easy-to-use technology, metrics for evaluation and engaging promotional materials. “GCC has proven to be a great partner,” says Caroline Guerru, advisor, HR and total compensation.

At a meeting attended by hundreds of employees, Sanofi Canada’s leadership team launched the program by announcing their personal participation. “From the very beginning, we saw management participation as key to success,” says Marie-Pierre Lalande, director of HR. “Sneakers and T-shirts were *de rigueur* for all of us!”

With the leadership team stepping up and setting the example, an incredible 85% of employees signed up for the challenge—well ahead of Sanofi’s goal of 30% participation.

The wellness challenge’s evidence-based approach, which gradually incor-

porated new supports for wellness—for example, treadmill desk stations—was a hit with participants over the 100 days. Seventy-four percent reported that the program enabled them to take personal accountability for their own health. “We were really motivated to get moving, eat better and improve our sleep habits. And the metrics provide us with valuable insights we can use to better respond to employees’ health and wellness needs,” says Guerru.

Sanofi Canada realized results far beyond expectations: 90% of participants rated their overall health as good or better (compared to 66% at the start), and 74% reported a decrease in stress levels. As an added bonus, Sanofi Canada employees reported a 36% increase in their engagement scores over the course of 100 days, with more than 55% reporting improved productivity or concentration. And 81% of participants said that they were more aware of Sanofi’s commitment to health and well-being. ■



This year's survey demonstrates that health and wellness programs engage employees. For instance, employees with access to such programs are happier and more likely to say their benefit plan meets their needs."



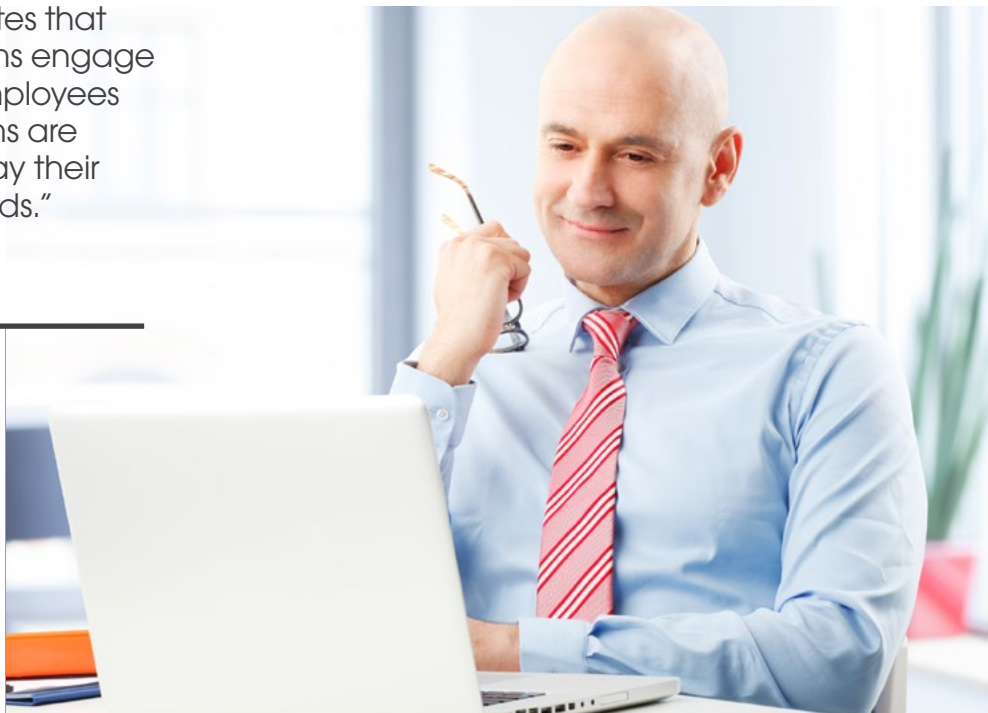
Barb Martinez, GREAT-WEST LIFE

is plan sponsors recognize that they can do things to prevent future claims," says Laporte.

What is the first step? "It's important that plan sponsors step back and articulate the prevention of future claims as an objective, and then strategically look at that in the context of current plan design," says Lisa Callaghan, assistant vice-president of product and group benefits at Manulife. "Is there a willingness to shift current investments? This can be a difficult exercise to go through but it's necessary if plan sponsors want to prevent future claims."

The survey also asked plan sponsors which organizational outcomes, out of four possibilities, would motivate them to invest more in employees' health. They gravitate most toward reduced absenteeism and disability leaves (59%), especially among larger employers (70%) and unionized environments (72%), as well as improved employee engagement (50%).

Improved employee engagement is likely a sure bet, notes Barb Martinez, practice leader, benefits solutions, group benefits at Great-West Life. "This year's survey demonstrates that health and wellness programs engage employees. For instance, employees with access to such programs are happier and more likely to say their benefit plan meets their needs." (See related survey results on pages 12 and 8). ■



MAKING IT PERSONAL: PERMISSION GRANTED

Fifty-eight percent of plan members would consent to receive health-related

information, based on their own use of benefits, from insurance companies. "There's a huge opportunity here and perhaps it's time to start moving on this, to help people become more accountable for their health and use of benefits," says Susan Belmore-Vermes, director, group benefits solutions at Health Association Nova Scotia.

The remaining respondents are evenly split between those who would not consent (22%) and those who are unsure (20%). Results do not differ by age, income, health status or job satisfaction, although plan members who say that their health benefit plan meets their needs (63%) are more

likely to consent than those who say it does not (52%).

"We have some experience with this, targeting claimants who are starting medications that can be linked to specific disease states. Once we have permission to communicate with them by email, we provide targeted information about their disease states. So far we've had absolutely no pushback from plan members," says Peter Gove, innovation leader, health management, at Green Shield Canada. He adds that the intent is to make the information more actionable, for instance, by suggesting coaching support.

"We've been pleasantly surprised at on-site screening clinics as well, where up to 70% of participants consent to receive follow-up information,"

More than half of plan members would consent to receiving health information based on their use of benefits. Such targeted communication can improve health outcomes by reducing the high rates of nonadherence to some of the most prescribed chronic medications.

SECTION 3 TAKEAWAY

adds Lori Casselman, assistant vice-president, integrated health solutions, at Sun Life Financial. “This is very positive and compelling, and you would probably not have seen this level of willingness five years ago.”

The opportunities for meaningful education are endless, emphasizes Dr. Alain Sotto, director of Medcan Wellness Clinic and occupational medical consultant for Toronto Transit Commission. “You could explain clinical treatment guidelines for hypertension in simple terms, or remind people with diabetes to get their vision or blood pressure checked. Right now, less than one in five people with diabetes meet all three critical treatment targets for blood sugar, blood pressure and cholesterol. Employees are hungry for information.”

Adherence support can also be valuable, given the high rates of nonadherence to some of the most prescribed chronic medications, but advisory board members caution against going too far. “People are not going to want letters telling them they are not taking their medications properly,” says Art Babcock, vice-president of Aon Hewitt.

“When looking at programs to target adherence, we must be mindful to strike the right balance between managing costs and managing health outcomes,” adds Martinez. “When people are not adherent, they are not getting the best health outcomes from their medications, and from the plan member perspective, this must be the focus over cost management.”

Targeted communications need to both push and pull employees, concludes the advisory board. For example, nonadherent plan members can receive an invitation to download an app that reminds them to take or refill prescriptions. “People need to have the choice whether or not participate. That balance between push and pull is the most important piece for such communications,” says Nicoll. ■

PLAN SPONSOR PROFILE • ROYAL BANK OF CANADA

WELLNESS THRIVES WITH PERSONAL TOUCH

With more than 54,000 employees at over 1,200 locations across

Canada, wellness programming at Royal Bank of Canada may appear to be challenging, if not downright difficult. Yet Andrejka Massicotte, director, Canadian benefits and wellness, and her manager of financial education and wellness—a mighty team of two—prove that it can be done. A fully realized employee assistance program (EAP), annual campaigns that emphasize and reward personal achievements, and ground-level ambassadors are among the contributors to success.

The company’s EAP, the EmployeeCare program, includes a toll-free help line staffed by nurses around the clock. Plan members also have 24/7 access to resources for a wide range of needs, from depression counselling to financial planning. Front-line managers can also book these experts for group sessions in the workplace. “We’ve had a number of successful wellness offerings, but first and foremost is our EmployeeCare program. It lays the foundation,” says Massicotte.

Layered on top of the EAP are four annual wellness campaigns. One always focusses on the completion of an online health risk assessment (HRA) and the remaining three revolve around physical activity, nutrition and mental health. Aggregate results of the HRA help identify areas of focus for the annual campaigns. For

example, the most recent campaign for physical activity tackled sedentary lifestyles and the health risks associated with inactivity.

Participation levels have been consistently strong (for example, 25% of employees completed the HRA in 2015), motivated in part by wellness credits. “Up to \$140 a year can be deposited into a wellness account, which employees can use for almost anything health-related such as gym memberships and yoga classes,” says Massicotte. Each campaign includes action steps where credits can be earned and logged into an online portal, which can be accessed from work or home.

Gamification is a recent addition to the process. During last fall’s Quiet Your Mind campaign, for example, employees could play a fun and interactive game that addressed personal sleep habits. “We got a lot of really great feedback. Gamification is part of our efforts to be more upbeat about wellness,” notes Massicotte.

Last but not least, a network of 265 employee wellness champions in Canada—up from 190 just a year ago—is vital. “They are our voices on the ground who really help push things forward,” says Massicotte. A dedicated monthly newsletter helps keep these employees engaged. “Interest in becoming a wellness champion is increasing, which we’re really excited about. Peer support is vital for engagement.” ■

**Chronic
Disease** + **X** = **Healthier
Employees**

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VISION FOR HEALTH MANAGEMENT



SECTION 4 TAKEAWAY

The time is right to integrate benefits and wellness to create health

BRAVE NEW WORLD: THE REINVENTION OF PLAN DESIGN

Health benefit plans must change if they are to survive—and fulfill their potential as agents for

productivity in the workplace, urge members of *The Sanofi Canada Healthcare Survey* advisory board.

“We have a tremendous opportunity to stop thinking about wellness and benefits as two separate things and to start thinking about an integrated

health management plan,” says Lori Casselman, assistant vice-president, integrated health solutions, at Sun Life Financial.

Most health benefit plans today still follow basic rules established decades ago. “Benefit plans came into being during very different times. They’ve become like legacy software—clearly out of date but difficult to replace because everyone’s using it. It really is time for a refresh,” says



management plans, built upon the principle of personal accountability.

Peter Gove, innovation leader, health management, at Green Shield Canada.

“We could be bolder. We have the knowledge, tools and technology and frankly, the market’s expectation, to do more to create a better health benefit plan. Health metrics should be built right in,” agrees Chris Bonnett, principal, H3 Consulting.

According to the advisory board, a new health management benefit

plan can be boiled down to two main components:

- insurance to protect against catastrophic healthcare costs;
- flexible or modular benefits that encourage positive behaviours.

To be successful, however, plan sponsors must begin with the end in mind. “Sit down with your providers to determine your philosophy and to set down objectives. Communicate those objectives

“

We could be bolder. We have the knowledge, tools and technology and frankly, the market’s expectation, to do more to create a better health benefit plan. Health metrics should be built right in.

”

Chris Bonnett, H3 CONSULTING

to employees and measure outcomes, including measures of absenteeism,” says Nathalie Laporte, vice-president,

tool to help attract and retain employees, traditional benefit and wellness offerings may be enough. For



Sit down with your providers to determine your philosophy and to set down objectives. Communicate those objectives to employees and measure outcomes, including measures of absenteeism.



Nathalie Laporte, DESJARDINS INSURANCE

product development, marketing and strategy, at Desjardins Insurance.

For plan sponsors who determine that benefits are mainly a competitive

those more interested in an integrated plan for health management, the advisory board offers the following suggestions.

HEALTH SPENDING ACCOUNTS

Plan sponsors need to reboot health spending accounts (HSAs), which can be underutilized and misunderstood by plan members. The advisory board envisions more of a “defined contribution, super health spending account,” summarizes Casselman. All claims would go through this account, including claims for drugs, dental services and vision care, plus all eligible paramedical services. It would also layer in a wellness account for taxable items, such as personal trainers, nutritionists and financial advisors.

Such an approach could essentially replace traditional, sponsor-subsidized corporate wellness programs because employees could use their account for



PLAN SPONSORS PUT HEALTH AHEAD OF COSTS

Improved supports for health—not cost containment measures—top plan sponsors’ wish lists for health benefit plans.

When asked how they would change their plan if they could, setting aside all barriers, plan sponsors were most likely to select more benefits to prevent

illness (36%) and support for managing chronic diseases (31%) from a list of nine options. Improved coverage for higher-cost specialty drugs comes in third (26%), and 22% would like to revamp their plan design.

Large employers (46%) feel more strongly about more benefits to prevent illness (versus 25% of small employers) and 40% of unionized environments would like more support for managing chronic diseases (versus 26% among non-unionized).

Meanwhile, more or stricter measures to reduce costs (16%) and a managed formulary (12%) sit at the bottom of the list. Regarding the latter result, however, it should be noted that only 17% of plan sponsors claim to have a strong understanding of this cost-saving measure (page 9).

The results illustrate plan sponsors’ desire to put health first, stress members of the advisory board for *The Sanofi Canada Healthcare Survey*. “Employers

products or services that best suit their own needs. “The ownership is less on plan sponsors to determine what universal wellness programs will look like, and to search for investment dollars and ROI figures to sustain them year over year,” says Casselman. “Instead they can focus on strategies for communication and engagement with the more personalized model.”

Incentives, technology and protected access to personal information are key. “For example, if employees participate in biometric screenings,



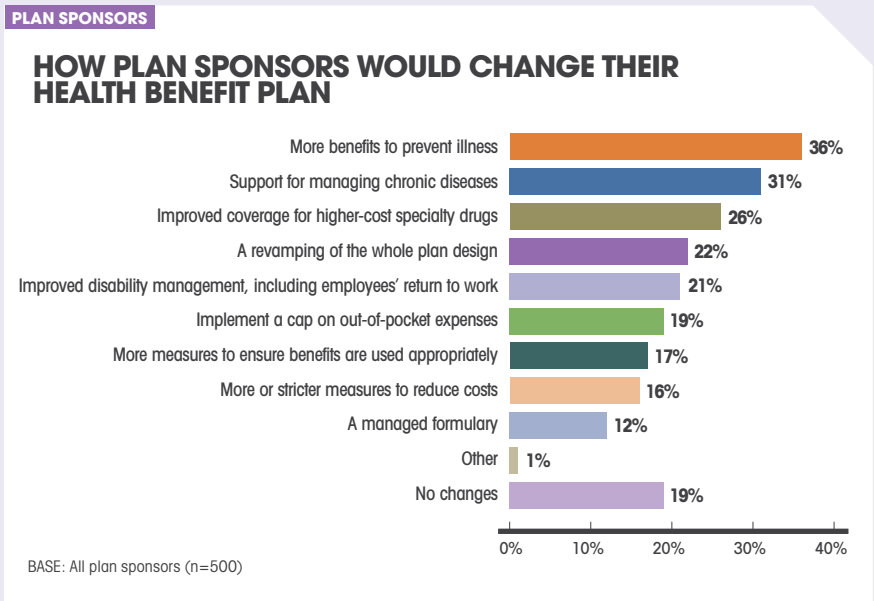
Plan sponsors want to put health ahead of cost containment—but need more guidance and practical tools from providers.

**SECTION 4
TAKEAWAY**

really want to do the right thing,” says Carol Craig, director of HR, benefits and pensions at TELUS. “Benefits today are reactive because they kick in after illness. We want to try to turn the focus around so benefits can either prevent illness or lessen the impact so employees can feel healthy and be at work.”

When asked why they have not pursued these changes, lack of funding is, as expected, the most cited barrier (38%). Plan sponsors then appear to lay the blame with providers: 27% report a lack of offerings from providers, increasing to 37% among small employers, and 21% feel they receive inadequate support or guidance from consultants or providers.

“Many things are out there that have been available for years. This tells me that as an industry, we are doing a really poor job letting our clients know the options available,” says Dave Patriarche, broker, Mainstay Insurance Brokerage Inc. For example, public health units may be available for local



employers to run smoking cessation clinics as well as clinics to help manage chronic disease. Pharmacists can also provide these types of services as part of paramedical benefits.

“Part of our responsibility as providers is to make these types of things

easier for plan sponsors, especially for small or mid-size employers. If we can serve them up, then plan sponsors don’t have to set aside a lot of time or budget,” adds Marilee Mark, vice-president of market development, group benefits, at Sun Life Financial. ■

get dental checkups, eye exams or other assessments, they receive more funds in the account the following year. But if they don't, they get less. Sometimes people are more likely to change behaviour when there is something at stake," says Serafina Morgia, senior consultant, health and group benefits, at Willis Towers Watson.

Plan sponsors can take this one step further and engage employees in plan management, brainstorm the advisory board. "Let's say we want to get no more than a 5% cost increase in our benefit plan this year. If we can demonstrate that plan members have responded to our communication and actual use was below this target, then let's consider increasing HSA dollars or find other ways to reinvest that difference to benefit employees. I think most would respond to that, especially if it goes along with education about how to spend your HSA dollars wisely and get better health outcomes," says Bonnett.

INCOME-BASED DEDUCTIBLES

Several members of the advisory board suggest that annual deductibles be tied to income levels, with a cap on total out-of-pocket spending. As well, providers and employers can better communicate that HSAs can help pay for deductibles. And under a new health management plan, positive health behaviours can reduce the deductible amount for the following year.

CASE MANAGEMENT

The principles underlying case management for disability leaves and higher-cost pharmaceuticals can evolve so that the heaviest users of benefits—and those at risk of

PIECING TOGETHER THE UTILIZATION PUZZLE

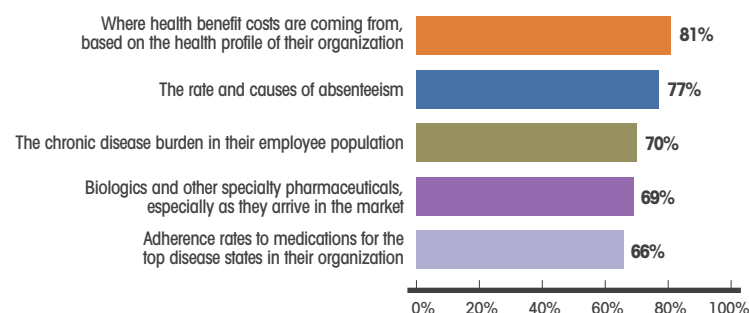
A better understanding of the underlying trends that drive the utilization of benefits can make the case for increased investments, stresses the advisory board—and survey results show that plan sponsors are hungry for this type of information.

Four out of five (81%) would like to better understand where costs are coming from based on the health profile of their own organization, of whom 30% strongly agree. Almost the same number (77%) would like to know more about the rate and causes of absenteeism, with 31% strongly agreeing. As well, 70% would like to better understand the chronic disease burden in their employee population, 69% would like to know more about biologics and other specialty pharmaceuticals, especially as they arrive on the market, and 66% would like to know adherence rates to medications for the top disease states in their organizations. Large employers feel more strongly across the board; for example, 81% of large employers would like a better understanding of the chronic disease burden (compared to 56% among small employers).

Some providers and employers are already moving in this direction. "I'm seeing more clients shift away from traditional expectations to do with return on investment toward an understanding of the broader value of investment. In other words, they're looking for outcomes in terms of workplace culture, productivity and absenteeism, things you may not necessarily see in year one," says John McGrath, senior vice-president, human capital benefits practice leader at Willis Towers Watson. ■

PLAN SPONSORS

PLAN SPONSORS WOULD LIKE A BETTER UNDERSTANDING OF...



SECTION 4 TAKEAWAY

Plan sponsors seek reporting that helps make connections between benefits, health outcomes and productivity.

**59% OF EMPLOYEES
LIVE WITH A CHRONIC
HEALTH CONDITION.¹**

**BY 2020, 50% OF THE
GLOBAL WORKFORCE
WILL BE MILLENNIALS.²**

THE WORKFORCE IS CHANGING

EMPLOYEE NEEDS AND EXPECTATIONS ARE CHANGING TOO.

86% of employees expect employer support for psychological health, and
84% expect support for physical health.³

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¹ 2016 Sanofi Canada Healthcare Survey

² PWC, "Millennials at work, Reshaping the workplace," November 2011

³ 2015 Sun Life Financial Canadian Health Index

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becoming heavy users—can achieve the best possible health outcomes.

Therefore if claims use reveals prescriptions for chronic conditions, providers can personalize access to—and ideally monitor the use of—resources for chronic disease management. Participation and positive health outcomes can be rewarded with additional funds in the health spending or wellness account. “This is a unique and great way to help keep the focus on engaging employees to take accountability for their health and to offer support cost-effectively, so that plan sponsors get the biggest value for their investment,” says Marilee Mark, vice-president of market development, group benefits, at Sun Life Financial. ■

SPENDING WILL REMAIN THE SAME OR GROW

Just over half of plan sponsors (54%) expect they’ll invest the same amount on health benefits per capita over the next five years. This excludes increases for inflation. About a third (32%) will invest more and only 8% expect to spend less, leaving 6% who do not know.

The results are consistent whether plan sponsors have ASO or insured plans, and there are no variations by size of organization or region. Only two notable variations emerge: first, and not unexpectedly, plan sponsors who are concerned about the growing costs of benefits are more likely (36%) than those who are not concerned (17%) to anticipate increased spending.

Second, plan sponsors with wellness programs are much more likely to say they will invest more (41%) than those not active in the wellness arena (27%). “This clearly reflects that employers see the value of their involvement in wellness and are committed for the long term. That’s great news,” says Loretta Kulchyski, vice-president of group marketing at Great-West Life. ■

PLAN SPONSOR PROFILE • ARMOUR TRANSPORTATION SYSTEMS

MAPPING OUT SUPPORT FOR CHRONIC DISEASE MANAGEMENT

Armour Transportation Systems is proving that plan sponsors can help steer positive health behaviours to prevent or manage chronic diseases. For this particular plan sponsor, that translates into “drug benefit utilization that’s trending below average with zero increases in group insurance premiums for the past 10 years,” says Alisha Armour, the company’s internal marketing and wellness manager.

Truck drivers are at particularly high risk for chronic diseases due to the job’s sedentary nature, irregular hours and the long stretches away from home cooking. It’s also difficult for drivers to see physicians for regular checkups. With that in mind, Armour Transportation offers annual on-site 15-minute health risk screenings as well as flu shots with registered nurses at all of its 26 locations throughout Atlantic Canada.

Participation has been steadily climbing among the company’s 2,000 employees. To encourage uptake, the complimentary screenings—and indeed all of the offerings of the company’s Shift Gears, Live Well program—are available to spouses as well.

The plan sponsor also takes aim at two risk factors associated with chronic disease: tobacco use and sleep apnea. The benefit plan covers 50% of the cost of smoking cessation products, and coaching support is available through the employee assistance program. The program has helped nearly 200 employees and their spouses quit smoking since 2008.

Sleep apnea raises additional challenges because many people are unaware they have the condition, and stigma can be a barrier to treatment. To raise awareness, sleep apnea is on the agenda at driver orientation and safety meetings,

and senior executives speak openly about the condition. The benefit plan covers the full cost of testing and 80% of continuous positive airway pressure (CPAP) machines, which can cost several thousand dollars. Over 10 years, the company has covered claims for 130 CPAP machines—a relatively small investment for the resulting gains, says Armour. “So many people have shared that the machine has really changed their lives. Our drivers have become our biggest advocates. It’s been a wonderful success.”

Armour Transportation takes other steps, big and small, to support chronic disease management. Diabetes, for example, is its annual corporate cause for charitable fundraising, and managers are trained to accommodate employees with diabetes so they can test blood sugar levels and inject insulin. Larger locations also provide receptacles for the disposal of lancets and needles. ■

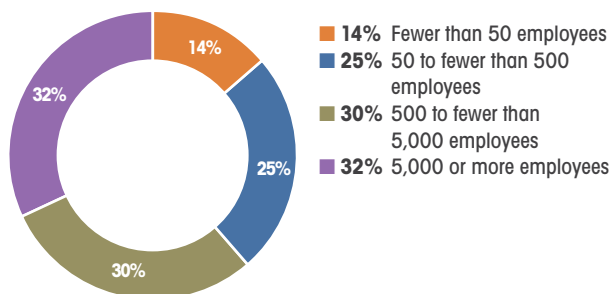
METHODOLOGY

Ipsos Reid fielded the plan member survey on behalf of Rogers Insights Research group using an online (Internet survey) methodology from January 4-6, 2016. In total, a national sample of 1,500 primary holders of group health benefit plans completed the study. At the time of each interview, these adults were the primary holders of employee plans with a health benefits portion. The online completes were conducted using a random sample drawn from the 200,000+ members of the Ipsos Reid Canadian i-Say Panel. The total results of a probability sample of this size would be considered accurate to within +/- 2.5%, with 95% certainty of what they would have been had the entire population of Canadian plan members been polled. It is important to note,

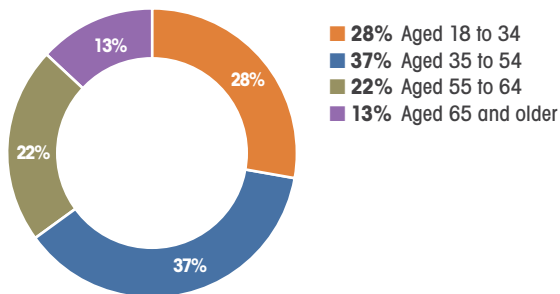
though, that the margin of error is higher among sub-sample respondent groups. The data has been statistically weighted to ensure that the age, gender and regional composition of the sample reflect those of the adult population according to the 2011 Census data. Additionally, some response categories in this report do not add up to 100%—this is due either to the rounding of numbers or questions that allowed plan members to provide multiple responses. In addition, Ipsos Reid also fielded a separate online survey for Rogers Insights with 500 plan sponsors from across the country, from January 4-12, 2016. The data was statistically weighted to accurately reflect the geographic distribution of business and business size according to the Statistics Canada.

PLAN MEMBER DEMOGRAPHICS

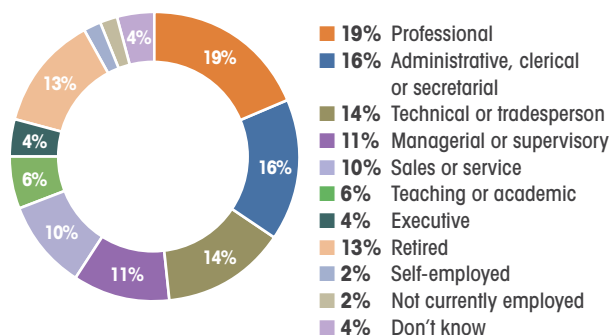
ORGANIZATION SIZE



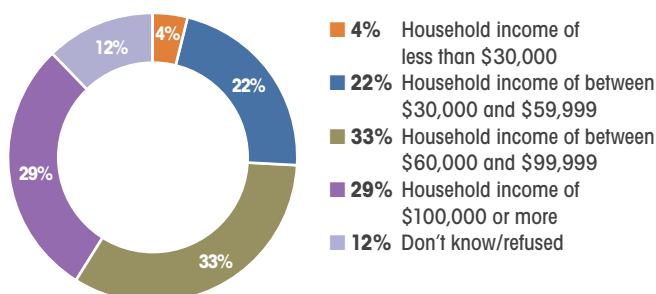
AGE



POSITION



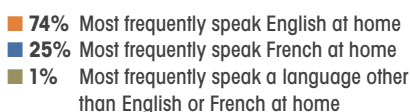
INCOME



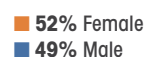
LOCATION



LANGUAGE



GENDER



Note: Due to rounding, response categories may not add up to 100%.

ADVISORY BOARD

The Sanofi Canada Healthcare Survey is shaped through the guidance and expertise of the advisory board. The members of the advisory board tapped into the concerns of today's plan members and plan sponsors. Throughout the year, they took time out of their schedules—as key stakeholders in the Canadian health benefits industry—to participate in every stage of *The Sanofi Canada Healthcare Survey*, from reviewing the questions asked of Canadian plan members and employers to promoting the report and answering questions about the findings. Their continuing support of this important project is essential.



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