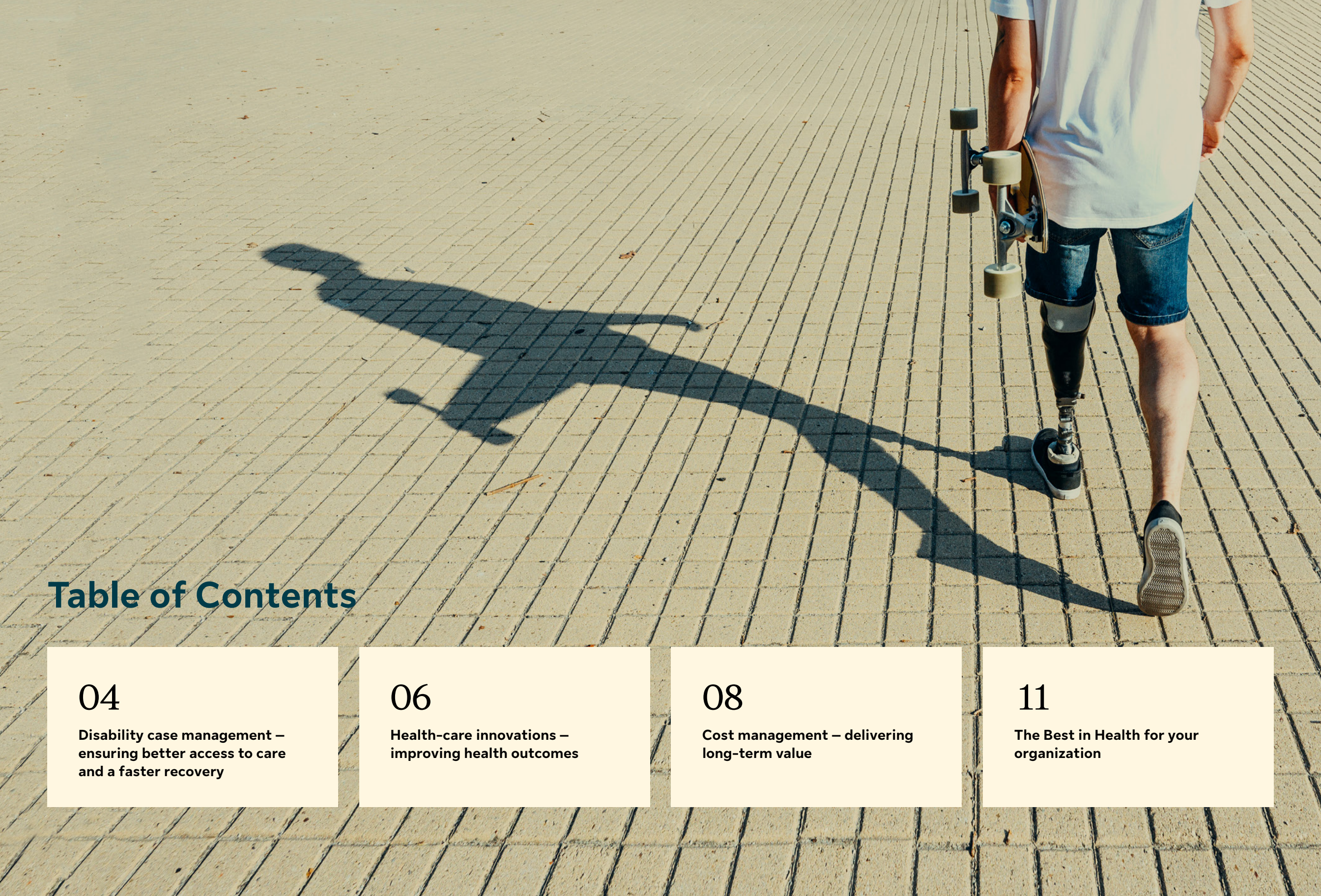


# Meeting your key challenges for workplace health

Supporting your plan today –  
and in the years ahead







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As an employer, you've put your benefits plan in place for good business reasons. A plan can help keep your plan members healthy and engaged, and its competitiveness helps you attract and retain talent. In a tight labour market, you need those competitive advantages more than ever.

But there are challenges in maintaining competitiveness – and meeting the health needs of your organization. The incidence of chronic disease is rising, disability claims are increasing, and employees are seeking better mental health supports. In addition, new high-cost specialty drugs can sometimes test the limits of plan affordability.

This report outlines some of the service features and health solutions that can help you meet these challenges. Our focus remains on providing solutions that plan members need for optimum health, at an affordable long-term cost.



## Disability case management – ensuring better access to care and a faster recovery

Even with the best in health prevention, disability claims will inevitably occur. And disability claims have been rising in recent years. The rise in claims for mental health disorders is a key driver.

Shortening the length of time an employee is on leave can yield significant benefits for employers. These include less workforce planning disruption, lower costs, and higher productivity by getting an experienced employee back sooner. A key focus is getting employees faster access to the care they need. This can help them return to work earlier.



Here are some examples of how we're promoting a faster recovery.



### Psychosocial questionnaire

We're piloting a psychosocial questionnaire for select disability claims. The questionnaire assesses psychosocial factors that can significantly influence a plan member's disability recovery. These include:

- the drive to get better,
- support networks,
- psychological state, with mental health scale measures,
- physical abilities,
- financial and lifestyle situations, and
- work and job satisfaction.

We want to understand all the barriers that may be affecting a plan member's recovery and return to work. The psychosocial questionnaire helps us capture this information at the beginning of the claim. The sooner we can do this the faster we can help plan members get the support they need.



### Easier health-care system navigation

Our partner, Medical Confidence, provides one-on-one support to help plan members navigate specialist resources within the health-care system. **They've been able to save plan members an average of 216 wait days<sup>1</sup> for specialist appointments.** And over 96% of participants who completed the Medical Confidence survey said they would recommend the service to others.



### Virtual independent medical exams – less stress, fewer delays

When conducted virtually, independent medical exams (IMEs) can result in faster, less stressful mental health assessments. Plan members can have the assessment without leaving their homes, eliminating the time and inconvenience of travel. We've made virtual IMEs available for any mental health examination where a virtual option is appropriate. Our pilot results have shown that virtual IMEs take place earlier than in-person IMEs. They allowed our plan members to start their recovery plan up to two weeks sooner. **In 2022, psychologists or psychiatrists assessed 1/3 of plan members' IMEs virtually.<sup>2</sup>**



### Helping plan members find the right drug treatment – faster

Pharmacogenomic testing analyzes a person's genetics to find out how they will respond to a drug. This can potentially eliminate or reduce the trial-and-error process of finding the right medication. We offer this testing to plan members on disability leave with either a mental or a chronic pain disorder. **Over half (56%) of participants surveyed had a change to their medications after the test.** These new medications were a better match to their genetic profile. Testing also helps confirm that plan members are on the optimal treatment plan. Over 90% of those who used the testing said it was valuable.<sup>3</sup>

During our joint pilot program with the Center for Addiction and Mental Health (CAMH), pharmacogenomic testing early in a claim was associated with returning to work much faster. We compared participants who were tested when they had been on disability for less than 12 months with those who were tested when they had been on disability for a longer period. **The early intervention group had claims that were four months shorter than those tested after 12 months on leave.<sup>4</sup>**

# Health-care innovations – improving health outcomes

Health-care innovations can provide better prevention, improved access and more efficient, cost-effective health-care delivery. This is especially important for mental health. Rising mental disorder claims are affecting employee lives, workplace productivity and plan costs.

Sun Life has recently launched several innovations that can improve health outcomes for plan members. Two examples are the Mental Health Coach and the Lumino Health Virtual Care platform.

## Mental Health Coach

Our [Mental Health Coach](#), provided by CloudMD is the first of its kind in the industry. The program engages plan members who are the most at-risk of mental health-related absences. It then prompts them to access care before their symptoms worsen.

The program encourages at-risk plan members to complete an evidence-based mental health assessment. If the plan member chooses to engage, they're prompted to meet with a Mental Health Coach. The Coach works with them to create a personalized action plan. This includes focused recommendations for accessing care, whether through the group benefits plan, employer and/or public health resources. The Coach helps ensure they're making the best use of the resources available to them for their situation. The plan member then receives follow-up support from the Coach as they move along their care journey.

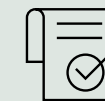
### Learn how employers like you are addressing mental health.

Take a look at our [mental health case study Bright Paper reports](#). They show how some plan sponsors are working to support and improve workplace mental health.



## Meeting with the Mental Health Coach is key.

For members who met with a Coach, we found:



**50%**

**fewer** claims transitioned to long-term disability (LTD)\*



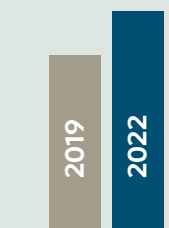
**5.6-week**

**shorter** short-term disability (STD) duration for all mental disorder diagnoses\*\*



**13.7-week**

**shorter** STD duration for adjustment disorder diagnosis\*\*



Increase in Adjustment/Stress disorder claims since 2019 \*\*\*

\* Sun Life pilot data from May 2021 – November 2022. Experience may vary by plan sponsor. Preliminary data for the pilot group only compared to the control group. Not all claims have resolved.

\*\*between disability date and STD resolution date

\*\*\* SunLife data – 2022 data is based on Q1 & Q2



## The Lumino Health Virtual Care platform

Virtual primary care is the foundation of our Lumino Health Virtual Care platform, provided by Dialogue. The platform evolved to offer two additional solutions. This lets plan members experience an integrated and seamless approach to health care. Available on mobile and web, one platform serves plan members' needs.



### The Stress Management and Well-Being program

Over half of Canadian employees (52%) report being stressed a lot of the day while at work.<sup>5</sup> Our Stress Management and Well-Being program provides employees and their eligible dependents with fast, convenient access to quality mental health care without the worry of out-of-pocket costs. They have access to goal-focused therapy that is free and unlimited until remission. This therapy can help resolve acute or situational mental health issues.

The program can help break down many of the barriers people face when trying to access mental health treatment. Employees begin by completing a simple online assessment, available 24/7. The platform then quickly connects them to a mental health specialist in a virtual environment. Based on their needs, the specialist matches the employee to a mental health practitioner. These might include a psychologist, social worker, psychotherapist, doctor, or nurse practitioner. The program leads the industry in shortest wait times to connect with the care team – within 24 hours. Follow-up connections are made after each appointment.

The Stress Management and Well-Being program can have significant outcomes for plan members and their employers. **The response time for therapeutic improvements was 30 days for depression<sup>6</sup> and 31 days for anxiety<sup>7</sup> in 2022.** Our Stress Management and Well-Being program is based on Dialogue's mental health program. This has been shown by Dialogue's research to provide plan sponsors with **a five-time return on investment** as plan members avoid disability leave through early preventative action.



### Employee Assistance Program

This digital-first Employee Assistance Program (EAP) provides fast, convenient support for mental health and legal, financial, relationship, work and career issues. Employees can get appointments within 24 hours. They also have the option of continuing with the same counselor, and they receive follow-ups after every session. This helps ensure employees get care fast and receive the support they need along the way. Self-led educational material is also available to complement therapist-led care.

When offered alongside Lumino Health Virtual Care, employees have access to primary care for their physical and mental health. This integration means that employees engaging with the EAP can be easily supported by virtual primary care and vice-versa. Those requiring additional mental health supports can easily transition to the Stress Management and Well-Being program when it's included in the benefits plan.

Research by Dialogue shows that plan members are **77% more likely to seek the support they need** through this integrated experience.<sup>8</sup>

Overall, our Lumino Health Virtual Care platform has **saved 185,000 hours in absenteeism.**<sup>9</sup>

# Cost management – delivering long-term value

Keeping benefits plans affordable over the long term is a key concern and ongoing challenge for plan sponsors. We continue to maintain a strong focus on providing value for your group plan investment. That means providing solutions that plan members need for optimum health at an affordable cost over the long term. Here are some of the service features and health solutions that can help manage your plan costs.



## Negotiating lower drug costs

Drug costs are the largest group benefits plan expense. And with a pipeline of expensive but highly effective specialty drugs emerging, many organizations face increasing cost challenges.

Specialty drugs are those that cost more than \$10,000 for each plan member in a year. While specialty drugs represent less than 1% of all claims, they make up almost 30% of drug plan costs.<sup>10</sup> And there are many more speciality drugs in the pipeline. In addition, the cost of traditional drugs, although not growing as quickly as specialty drugs, is also increasing.

Plan sponsors continue to play a key role in managing these costs. Several plan design features can help offset the increasing cost pressures on drug plans. These include prior authorization, preferred provider networks and managed formularies. And they do this without limiting plan members' access to effective drug therapies.

As a provider, Sun Life is playing an important role too. We leverage our scale in the industry

to negotiate discounts with pharmaceutical manufacturers. The industry refers to these as **"product listing agreements."**

It all starts from the investments we've made in our expertise and our rigorous in-house Drug Review process. Our Drug Review process incorporates pipeline monitoring, as well as the management and listing decisions within our Drug Risk Management (DRM) and Prior Authorization (PA) programs. As part of this process, we've also invested heavily in developing our capability to negotiate discounts for our Clients. With a team of specialists, including a health economist, we approach the negotiating table with strong, data-driven positions. With this strategy, we remain focused on managing costs for drug plans and any out-of-pocket costs for plan members.

Our strong negotiating capability lets us:

- Ensure drug plans remain sustainable in light of more high-cost specialty drugs coming to market
- Ensure that plan members have access to the most effective and innovative drug therapies



## Huge savings through negotiated drug price agreements

Since 2014, Sun Life has saved plan sponsors more than **\$500 million in drug plan costs** through product listing agreements. We generated 25% of this amount in 2022 alone – accelerating the impact of the program.

We've now expanded our focus beyond new drugs to existing drugs that represent a high spend for employers. This includes traditional drugs. This expansion lets us capture significant savings immediately, as savings for new drugs typically materialize over time as more people are prescribed the drug.



# Cost management - delivering long-term value

## Helping plan members find lower-cost health services

Many health product and service costs can vary a great deal by provider. Buying at a lower price not only reduces a plan member's out-of-pocket cost, it may also help manage plan costs.



We provide plan members with the tools they need to make smart health service and product decisions. Here are important ways we promote health consumerism to manage plan costs.



### Cost transparency through our online provider search

Our Lumino Provider Search tool is unique in the industry. It's available on [mysunlife.ca](https://mysunlife.ca), **my Sun Life mobile app** and [luminohealth.sunlife.ca](https://luminohealth.sunlife.ca). It doesn't just help plan members locate a provider near them. It also helps them compare relative costs between providers.

The search result assigns a cost category to providers based on their service price relative to other similar providers. Plan members can filter the results by cost and other categories to find the right provider for their needs. By choosing a lower-cost provider, plan members may save themselves out-of-pocket expenses. This can also reduce the amount claimed against their plan. The cost transparency of the tool also encourages providers to keep their fees at appropriate levels.



### Millions of provider searches

Canadians conducted more than **7 million provider searches** on Lumino Provider Search in 2022.



### Proactive awareness of provider discounts

Sun Life proactively engages with plan members through email, online, and through the **my Sun Life mobile app**. This engagement includes specific, relevant, and personalized savings tips to plan members over the life of their health journey.

We partner with health and wellness companies to create exclusive discounts for Sun Life plan members. These offers don't cost anything for plan sponsors but provide plan members with additional choice and potential cost savings.

For example, in 2022, we partnered with leading vision care providers such as Bailey Nelson. These are quality vision providers whose products and services are available nationally and span various price ranges. We created targeted campaigns to tell plan members about the discounts they could get. In 2022, **the plan members who leveraged these discounts saved between \$80 and \$338 per vision claim.**

In 2022, Sun Life provided over **30 million smart consumerism tips to plan members – including provider discounts.**

Our newly launched [Lumino Health™ Pharmacy](https://luminohealth.sunlife.ca), provided by Pillway, is an app-based, online pharmacy that provides plan members with easy access to medications and pharmacist support. It can provide plan members with convenience, easy one-on-one online pharmacist support and cost savings.



# Cost management – delivering long-term value

## Leading our industry in fraud risk management



### Benefits fraud is big business – accounting for many millions of dollars in losses each year in Canada.

The RCMP reported that losses due to fraud and cybercrimes grew 40% in 2022. The recent pandemic, inflation, and other economic disruptions have created many financial pressures. These are all contributing factors to different kinds of fraud, including benefits fraud.

That's why we're working harder than ever to protect our plan sponsors and plan members. We've built a team of 95+ fraud risk management professionals. Our team includes data scientists, former law enforcement professionals, certified fraud examiners, and specialists from each line of business.

Sun Life leads the industry in both the size and capabilities of our fraud risk management team. This includes our fast action to identify and delist service providers who exhibit suspicious claiming patterns. We've delisted over 4,100 providers as of June 30, 2023.



### Fraud prevention saves money.

Through our profiling and delisting program alone, we've saved plan sponsors **over \$200 million** since 2014.



### We didn't let COVID-19 slow our fraud prevention and investigation activities.

Our team is flexible – we are constantly adapting our practices to the changing landscape. When the pandemic hit, we pivoted to virtual, conducting dozens of video-based audits, interviews, and site visits. These activities are critical to fraud risk management and our commitment to protecting our Clients.



# The Best in Health for your organization

Plan sponsors face many challenges in improving workplace health. These include the rising incidence of disability, increasing mental health struggles and the expense of covering high-cost specialty drugs. Ironically, these are also making benefits plans more important than ever to plan members and your organization.

As a trusted health-solutions partner, we continue to innovate to meet your workplace health needs. We're proud to bring you the Best in Health, driving measurable value for you and your workforce through positive health outcomes.

- <sup>1</sup> Cumulative average for the 2021 calendar year, as measured and reported by Medical Confidence. Wait days saved are measured based on confirmed wait times for appointments with a specialist (where a specialist referral was already in place) or using published research on median regional and provincial wait times (where a specialist referral was not already in place). Wait days saved do not reflect the additional savings associated with Medical Confidence coordinating tests and investigations prior to the first specialist appointment. They also do not reflect any additional time a member may have waited for a specialist referral, without the involvement of Medical Confidence.
- <sup>2</sup> Sun Life data, 2022
- <sup>3</sup> Results based on Sun Life plan members who completed the survey in 2022
- <sup>4</sup> From pilot to launch: closing the gaps around access to mental health care, Sun Life 2020: <https://www.sunlife.ca/content/dam/sunlife/regional/canada/documents/gb/from-pilot-to-launch-oh9004.pdf>
- <sup>5</sup> Gallup: State of the Global Workplace: 2023 Report.
- <sup>6</sup> Response to therapy is defined as a 40% improvement in PHQ-9 for patients with moderate or severe symptoms of depression as measured by the Patient Health Questionnaire 9 (PHQ-9). Results from Dialogue of Sun Life block of business for 2022.
- <sup>7</sup> Response to therapy is defined as a 40% improvement in GAD-7 for patients with moderate or severe symptoms of anxiety as measured by the Generalized Anxiety Disorder-7 (GAD-7) questionnaire. Results from Dialogue of Sun Life block of business for 2022.
- <sup>8</sup> Based on a survey conducted by Dialogue, comprising 6938 responses from January 1 to December 31, 2019
- <sup>9</sup> Based on employees' self-reported average time savings away from work of 3.7 hours per virtual care session. Total savings figure is based on 50,000 sessions.
- <sup>10</sup> 2022 Prescription Drug Trend Report, Express Scripts Canada.

This report provides general information only. It doesn't provide employment, legal, health, or financial advice. Consult with the appropriate professional advisor to meet your organization's needs.

Life's brighter under the sun

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