

2011

The sanofi-aventis Healthcare Survey



LEVERAGING WORKPLACE BENEFITS
FOR SUSTAINABLE HEALTH

sanofi aventis

Because health matters

2011

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LEVERAGING WORKPLACE BENEFITS FOR SUSTAINABLE HEALTH

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Taking Health Benefits to the Next Level

Plan members and plan sponsors alike recognize the value of health benefits, yet we appear to be standing on a precipice. On the one hand we are on solid ground with respect to traditional benefits, such as drug and dental, which seem to deliver an immediate return. The growing availability and utilization of paramedical services suggest an increased understanding of the value of longer-term, more holistic self care. Perhaps most significant is the emergence of the workplace as a viable, accepted platform for health education, maintenance and promotion.

On the other hand, ongoing challenges threaten to throw us off balance. The pressure of containing costs makes it difficult to maintain plan designs, let alone explore new approaches to employee well-being. Despite growing evidence of their benefits, workplace wellness programs suffer low participation rates and very few plan sponsors measure ROI in a rigorous way. Employers lack systems to track workplace programs and only a handful among the leading organizations are aligning workplace health programs with a broader goal, such as human capital management or workforce productivity. Poor organizational health, particularly stress in the workplace, casts a shadow over employee engagement. Last but not least, baby boomers have just begun their encounters with chronic disease—and too many are unprepared for, or even unaware of, their responsibilities in preventative care and chronic disease management. Similarly, only a minority of employers are seeking out measurement and support tools in chronic disease management.

How do we bridge the gap between the challenges and the opportunities? How do we fully leverage health benefits as tools to

maximize engagement and productivity? What is needed for employers to recognize that a healthy workforce can be an important measure within the P&L statement, and a metric for success? What commitment is required to set events in motion?

The 2011 edition of *The sanofi-aventis Healthcare Survey* explores the answers to these questions. The 14th annual survey of plan members probes their value assessments of health benefits, in both the private and public sectors. It examines participation in health education and wellness programs, commitment levels to preventative care and personal barriers to optimal health and fitness.

Interviews with employers across Canada, as well as a survey of plan sponsors, expand upon the challenges and leading practices of those who offer progressive benefits and wellness programs. This year's report also presents diverse opinions on the role of government—or lack thereof—as a partner in workplace health promotion, based on the premise that a healthier workforce can help alleviate growing pressure on the public healthcare system.

Governments, plan sponsors, employees—all bear unique responsibilities to achieve sustainable health. Each contributes particular assets or tools. As the second decade of the 21st century unfolds, it will be the coordination and collaboration of those responsibilities, assets and tools that will move us back from the precipice, in order to appreciate a new view.



Danny Peak
Senior Manager,
Private Payers and
Strategic Partnerships
SANOFI-AVENTIS CANADA INC.

A handwritten signature in black ink that reads "Danny Peak". The signature is stylized and cursive.

THE SANOFI-AVENTIS HEALTHCARE SURVEY ADVISORY BOARD

The *sanofi-aventis 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 review every stage of *The sanofi-aventis Healthcare Survey*, from the questions asked to Canadian plan members and employers to promoting the report and answering questions about the findings. Their continuing support of this important project is most valuable.



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METHODOLOGY

The sanofi-aventis Healthcare Survey respondents

Ipsos-Reid fielded the plan member survey on behalf of Rogers Business and Professional Publishing using an online (Internet survey) methodology from January 12–16, 2011. In total, a national sample of 1,598 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 180,000+ members of the Ipsos Reid Canadian i-Say Panel.

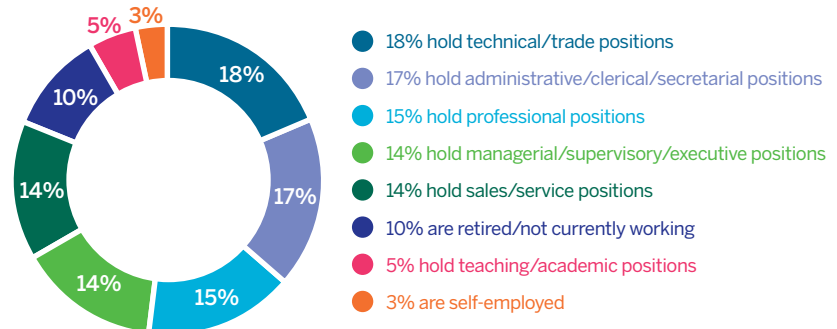
We can say with a 95% certainty that the total results are within +/- 2.5% of what they would have been had the entire population of Canadian plan members been polled. It is important to note, though, that the margin of error is larger among sub-sample respondent groups. The data has been statistically weighted to ensure that the age, gender and regional composition of the sample reflect those of the adult population according to the 2006 Census data. The figures to the right provide a demographic breakdown of this year's respondents. 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, Rogers Business and Professional Publishing conducted 50 online surveys with benefit plan sponsors from across the country, from January 13–19, 2011. Further, in-depth telephone interviews were conducted with representatives of 10 benefit plan sponsors from February 14–March 2, 2011.

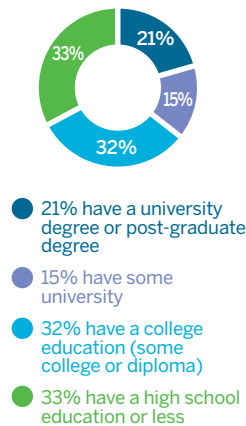
ORGANIZATION SIZE



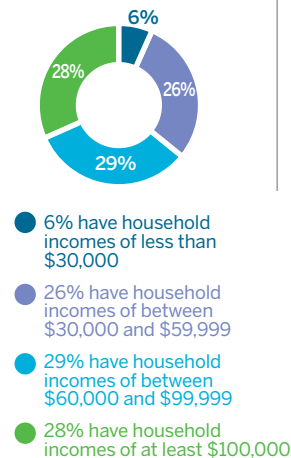
POSITION



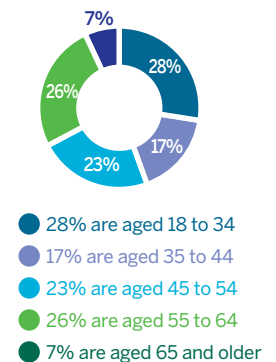
EDUCATION



INCOME



AGE



LOCATION

13% live in British Columbia
 10% live in Alberta
 7% live in Saskatchewan/Manitoba
 38% live in Ontario
 24% live in Quebec
 7% live in Atlantic Canada

LANGUAGE

75% of the interviews were conducted in English
 25% of the interviews were conducted in French

GENDER

52% are female
 48% are male

SECTION ONE

The Value of Health Benefits

HIGHLIGHTS

Plan members continue to think highly of their health benefits, although not as strongly as in previous years. Communication also maintains a considerable influence: the better the rating for communication efforts, the more positive respondents are about quality and loyalty to the employer. When offered a choice between their benefits and up to \$20,000 in cash, respondents prefer to keep their benefits, with age being a major determinant.

Quality of benefits

Canadians with health benefit plans through their employers are generally positive about the quality of their benefits, although less likely to describe them as excellent. Just 13% do so, down from 17% in 2010 and 20% in 2006, when the question was first asked. Respondents are more likely to describe their benefits as good (40%) or very good (41%). Just 6% say they are poor or very poor.

When the national results are broken down, no single demographic appears to be responsible for the decline in excellent ratings. There are, however, a number of notable variations: respondents in Manitoba and Saskatchewan, for example, are least likely to describe the quality of their benefits as excellent (9%), while those in British Columbia are most likely (17%); and women aged 18 to 34 are also least likely (8%), offset by men aged 55 and older (18%).

As in previous years, the perception of excellence appears to be related to effectiveness in communication. Among respondents who say their employer does a very good job communicating what is covered in their benefit plan, a

compelling 36% also describe the quality of their benefits as excellent. This drops to just 4% among those who say their employer does a poor or very poor job in communicating.

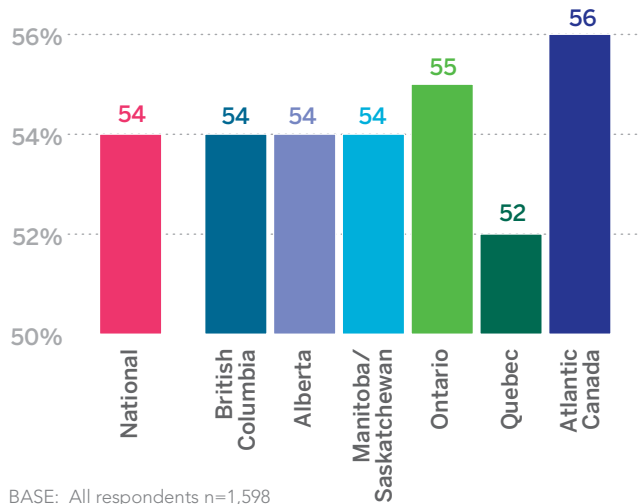
Effective communication focuses on the experiences of employees, notes the advisory board. "How easy is it to find information? Is it written in plain English, not insurance-speak? How easy is it to make a claim? These are the types of things plan sponsors need to address to ensure the whole experience is easier, faster and more effective," says board member Sarah Beech, central region director, Aon Hewitt Consulting.

A long-term plan also needs to be put in place. "There's often a lot of excitement around the launch of a program, but not enough is put toward communicating to new hires, or addressing employees' changing needs," notes Beech. "Plan sponsors need to build a strategy around how to create and keep momentum, which always answers the question, 'What's in it for your employees?'"

Plan members who have access to workplace wellness programs are somewhat more likely to describe their benefits as excellent (19%, versus 11% among those without access), and

QUALITY OF HEALTH BENEFIT PLANS

Excellent/Very Good



BASE: All respondents n=1,598

those who identify their own health and fitness as excellent are also more satisfied with their benefits (28%). The survey of plan sponsors shows employers are also generally positive about the quality of the benefits they offer—51% describe them as very good, and 34% as good. However, just 15% regard them as excellent.

Retention value of benefits

When plan members are asked if they think more positively of their employer because of their health benefit plan, the results mirror those for perceived quality of benefits: respondents are generally positive, but not significantly so. Sixty-two percent agree that they do think more positively of their employer,

STRENGTH IN NUMBERS

“As part of Interuniversity Services Inc., we work with other universities and colleges in Atlantic Canada in a volume-purchasing arrangement, which allows us to enjoy benefit cost savings normally associated with a larger employer. On our own, we’re just 350 employees, but combined we are 17,000 employees with \$48 million in premiums. It means we can pool our risk and share information on utilization, while still having unique plan designs. We probably save \$2 million a year collectively, which is reflected in lower premiums. To my knowledge, we are the only cluster of universities doing this.”

—Lois Devoe, director, HR, Cape Breton University

POSITIVE VIEW TOWARDS EMPLOYER DUE TO HEALTH BENEFIT PLANS

I think of my employer more positively because of the health plan that I have.

62% agree

2008: 75%; 2009: 63%; 2010: 67%

My health benefit plan is a strong incentive for me to stay with my current employer.

65% agree

2010: 66%

BASE: All respondents; 2008 n=1,500; 2009 n=2,090; 2010 n=1,508; 2011 n=1,598

down from 67% in 2010 and 75% in 2008. Those who strongly agree number just 18%, compared with 24% a year ago and 31% in 2008.

“There has always been a close linkage between the quality of the plan and loyalty to the employer, and it seems to be eroding,” says advisory board member Chris Bonnett, president, H3 Consulting. “I suspect it’s because there’s a growing sense that the employer plan is not keeping up with employee needs or expectations.”

“Benefits have not significantly improved, but expectation always increases,” agrees board member Paula Allen, vice-president and national practice leader, health solutions, Morneau Shepell.

Bringing employees into the decision-making process helps manage expectations. “Having union and non-union employees on the benefits committee is key to communicating value,” says Lois Devoe, director, HR, Cape Breton University. “They develop an appreciation of how plans work, and the need for a long-term strategic approach. They come back with ideas, and they understand there may need to be a trade-off, and that extra benefits usually mean higher premiums. We work together finding solutions.”

Results are comparatively soft in Quebec, where 53% say they think of their employers more positively due to their benefit plan. A similar response can be found in households with an income of less than \$30,000 (54%). On the other hand, agreement rises to 71% among employees in mid-sized companies (250 to 499 employees), and to 75% among employees who have access to workplace wellness programs.

It's also worth noting that, once again, effective communication appears to drive positive results. Among employees who say their company is very good at communicating their health benefits, 79% say they think of their employer more positively.

The economic connection

A rebounding economy has also likely influenced plan members' expectations for benefit plans. "Some of the recessionary pressures have lessened," says Telena Oussoren, director, pension and benefits, Scotiabank, Total Rewards. "Last year, people were grateful to have a job and highly focused on their work. Now, they're more likely to be re-engaged in their benefits coverage."

This is borne out by the fact that the results for perceptions of quality and loyalty to the employer, although lower than in 2010, suggest a return to levels recorded for 2009 (note the 2009 survey was fielded in December 2008, before the worst of the recession). In both 2009 and 2011, 54% of plan

members described the quality of their benefits as excellent or very good, compared with 59% in 2010. And 63% of respondents in 2009 agreed they think of their employer more positively, a result that is virtually repeated in 2011 with 62%—following a jump to 67% in 2010.

"The numbers went up a bit last year possibly because people were seeing their benefit plan as more important during a time when they could lose their jobs," says advisory board member Jacques L'Espérance, president, J. L'Espérance Actuariat Conseil Inc.

Cash or benefits?

Plan members value peace of mind over cold cash—when offered a choice between \$10,000 and their health benefits, 59% opt to keep their benefits. Thirty-one percent would take the money, and 10% do not know. In 2009, when this question was last asked, 56% preferred their benefits, 38% the cash and 6% did not know.

TRENT DIXON
Canadian Natural
Alberta



Employee health: mission possible

Leadership's commitment is to good health at Western oil and gas company

Good health is part and parcel of employee development at Canadian Natural, a producer of crude oil and natural gas based in Calgary, Alberta. It's a commitment that's firmly entrenched and at times unconventional, as reflected in a mission statement that's employee-driven, with a twist: "To develop people to work together to create value for the Company's shareholders by doing it right, with fun and integrity."

It began just over 20 years ago with the vision of one of the company's founders, Allan Markin, now chair of the board. "Employee health is going to be the legacy he leaves behind. He's a huge advocate of healthy choices for employees," says Trent Dixon, manager of benefits and employee development.

The company partners with an outside health consultant to bring health education and wellness to 1,600 employees at head office and more than 2,600 employees at field offices across British Columbia, Alberta and Saskatchewan. Five years ago, it established a permanent wellness office that is staffed by two of the consultant's health professionals. Open Mondays and Wednesdays, the health professionals guide employees through an online health risk assessment and the

development of a follow-up program. A dietitian also comes in one day a week. Whether it's weight loss or tips on staying active during business trips, employees receive individual attention as often as needed. "The health offices are always booked solid," says Dixon.

Field staff can schedule phone appointments with the wellness office, and Markin regularly goes to them for team meetings, often with a health expert or even healthcare professional in tow.

Health is often part of the agenda during quarterly meetings for all staff, and it comes up during "mission statement meetings," which are smaller group discussions scheduled throughout the year to "talk about what's working, what's not, and whether we are living up to our mission statement," says Dixon.

"Because we talk about health at the same meetings where we're talking about business results, it has become part of the fabric of the company," says Dixon. As for return on investment, "it's always a struggle to quantify something like this. We'd spend more time and money actually debating the numbers than getting the programs out there. Intuitively we know there's return on this, and that's good enough."

When the money is doubled to \$20,000, 48% of those asked would choose their benefits, while 38% would take the cash and 14% do not know. This could mark the beginning of a reversal from 2009 when respondents were more evenly divided (47% chose the cash, 45% the benefits and fewer people were unsure, 8%).

"I'm surprised the results have stayed this strong in light of the economic downturn and its lingering hangover. You'd think more people would take the money," says Marilee Mark, advisory board member and vice-president, group marketing services at Manulife Financial. "There's obviously a lot more awareness of the value of benefits, particularly as a safety net."

The age of plan members is also a major determinant: among respondents aged 55 and older, 66% would keep their benefits over extra cash (whether \$10,000, \$15,000 or \$20,000), compared with just 34% among 18- to 34-year-olds (52% of whom would rather have the cash, versus 23% among those aged 55 and older).



Cost-sharing scenarios

The largest proportion of plan members (41%) continues to say they would prefer to pay higher premiums to maintain their current benefits, in the event their employer is unable or unwilling to pay for increased costs. As well, it appears that more (28%) are leaning towards increased co-pays based on an individual's actual use of a medical service. This compares with 43% and 23%, respectively, two years ago. Meanwhile, just 12% prefer reduced benefits to avoid higher premiums, unchanged from 2010, and 18% do not know what they would do (down from 24%).

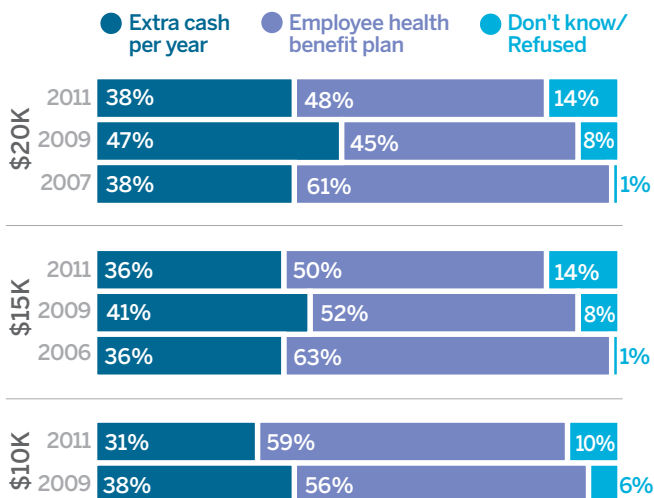
Younger plan members (aged 18 to 34) are more likely to support increased co-pays based on actual use (32%), while 31% support higher premiums in general. The situation is different among those aged 55 and older, with 50% preferring a general increase in premiums and 25% higher individual co-pays. Regionally, Atlantic Canadians are most supportive (56%) of generally higher premiums, and plan members in Quebec are least supportive (34%).

"The one thing that's clear is the reluctance to reduce benefits," notes advisory board member Art Babcock, vice-president, Aon Hewitt Consulting. "At 12%, that's the lowest it's been historically. People are saying, 'We don't want to change what we've got.' Nobody wants to take away benefits."

Quebec numbers are not as strong—20% prefer to reduce benefits rather than pay more in premiums, well ahead of the rest of Canada (where this result ranges from 7% in Atlantic Canada to 13% in British Columbia).

This year's survey also found that 66% of respondents feel that plan members should pay lower premiums for health benefits, if it were possible, based on certain measures of health status; namely, if they are non-smokers (60%), can demonstrate they live a healthy lifestyle (44%) or are not obese (42%). Just 34% of plan members feel everyone should pay the same for health benefits.

CHOICE BETWEEN BENEFITS AND CASH

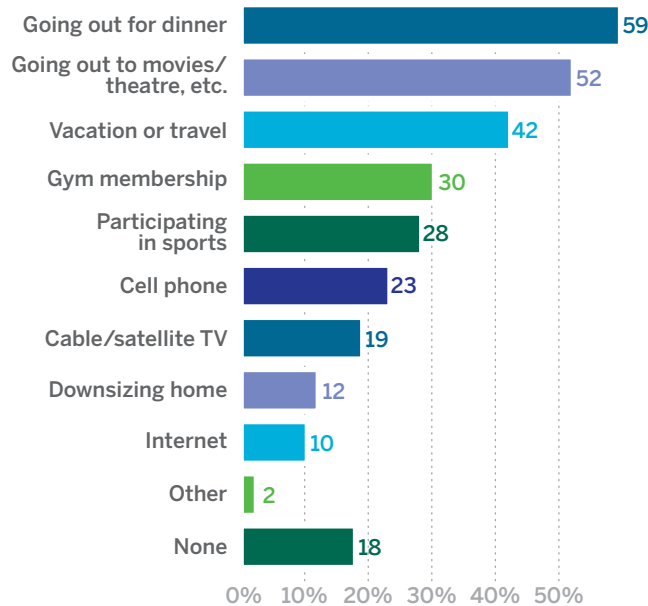


BASE: [20K]; 2007 n=1,700; 2009 n=688; 2011 n=533
 [15K]; 2006 n=1,500; 2009 n=694; 2011 n=536
 [10K]; 2009 n=708; 2011 n=529

Access to prescription drugs

One hundred percent of respondents agree that it's very important (91%) or somewhat important (9%) for their health benefit plan to cover costly prescription drugs to treat a serious disease such as cancer, diabetes or heart disease.

TRADE-OFFS FOR ACCESS TO NEW PRESCRIPTION MEDICATION



BASE: All respondents n=1,598

When asked if they'd pay out-of-pocket if their plan did not cover the cost of a new drug, only 6% say they "absolutely" would and another 14% "very likely" would. Eight percent would not pay for the drug. The remaining 72% said it depends on the cost (35%), or the reason for the prescription (37%).

Plan members living in households with incomes of at least \$100,000 are more likely to say they would pay for the drug (26%), compared with just 15% among those with household incomes of less than \$30,000. Age also appears to be

a factor—25% of those aged 55 and older say they would pay, compared with 17% of those aged 18 to 34. Regionally, Albertans are less likely to pay out-of-pocket (14%), while plan members in Quebec are most likely (25%).

It is also worth noting that respondents who describe their benefits as excellent are more likely to pay for drugs that are not covered (26%), or to pay dependent on the reason for the prescription (44%) rather than the cost (22%).

The survey then asked plan members what they would be willing to cut back or eliminate from their lives in order to have access to a new prescription drug that's not covered by their plan. Respondents are most likely to say they would give up recreational activities; namely, going out for dinner (59%), going to movies/theatre (52%) or vacation or travel (42%). They are then most willing to forgo costs associated with fitness, such as a gym membership (30%) or participating in sports (28%). They are least likely to give up daily multimedia devices or services, such as cell phone (23%), cable/satellite TV (19%) or the Internet (10%).

Plan sponsors' perception of value

Among the plan sponsors interviewed, 51% state that their organization places a great deal of value on their health benefit plan and 42% state it places some value on it, leaving just 6% who place little or no value. Virtually all plan sponsors surveyed (96%) agree that it would be useful to link the health status of employees to measures of profitability in order to better demonstrate the value of benefits—for example, by tying reduced absenteeism to increased productivity. Almost half (47%) strongly agree with this statement.

"Employers now have a better understanding about the return on investment, not just in terms of absenteeism, but also presenteeism," says Rhonda Porter, manager, compensation & benefits, DuPont Canada. "It's simple really—a healthier workforce, both physically and mentally, is a more productive workforce."

EMPLOYERS' TIPS & TACTICS

- Invite employees to sit as members of the benefits committee so they can appreciate the decision-making process and bring forward ideas.
- When communicating benefits information, always include the costs to both employees and employer. Market their value in terms of delivering peace of mind.
- If you're a smaller employer, consider collaborating with others in your sector to generate savings and pool your risk.

KEY FINDINGS

- Plan members are less positive about both the quality of their benefits and their sense of loyalty to their employer, which may reflect changing expectations.
- A recovering economy likely plays a role in changing expectations, as employees are less concerned about losing their jobs.
- Older plan members prefer benefits over cash, and appear willing to pay increased premiums to maintain benefits; they are also more likely to pay out of pocket for drugs not covered by their plan.
- Plan sponsors believe it would be useful to link the health status of employees to measures of profitability in order to better demonstrate the value of benefits.



SECTION TWO

Perceptions of Healthcare and the Role of Government

HIGHLIGHTS

Plan members appear to be exceptionally positive about Canada's healthcare system, even among those who describe their own health and fitness as poor or very poor. A clear majority also agrees that governments should actively support employers that promote better health and fitness, although they would prefer tax incentives to go to them rather than their employer. Plan sponsors, meanwhile, strongly support corporate tax incentives, particularly for wellness and smoking cessation.

Canada's healthcare system

Plan members are significantly more positive in their perception of healthcare in Canada, as 50% describe it and the quality of its medical services as excellent or very good, up from 37% when last asked two years ago. In fact, this year's result is the highest rating since the question was first asked in 1997 (36%). Remaining respondents describe it as good (39%, compared with 49% in 2009) and poor or very poor (11% compared with 15%).

A number of factors have come together in recent years to encourage this more positive outlook, notes the advisory board. Provincial governments "have put more money into their systems in the last three or four years, resulting from deals with the federal government. It takes some time for results to show," says advisory board

member Jacques L'Espérance, president, J. L'Espérance Actuariat Conseil Inc. "At least in Quebec, you don't hear as much anger about things going bad in the system."

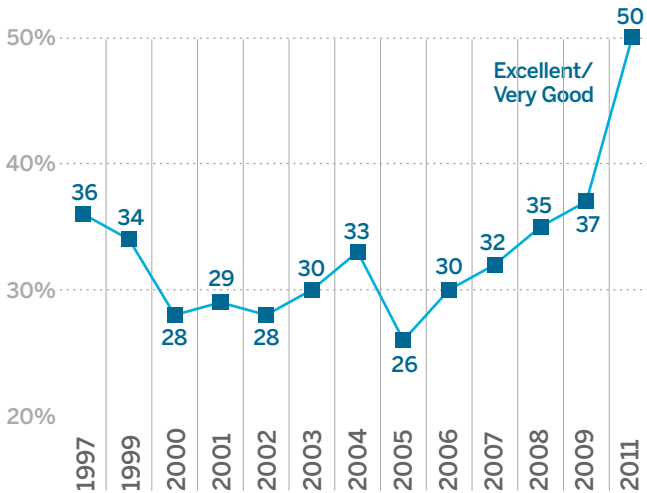
"It could be as simple as being able to say, 'I have a family practitioner,'" adds Steven Semelman, board member and

TAX BREAKS FOR WELLNESS

"Government can play an even bigger role, by supporting employers that promote health and wellness. For example, perhaps the Employer Health Tax [in Ontario] could have a range of contribution rates, similar to the Workplace Safety and Insurance Board, with lower rates for employers who contribute to the health of their employees."

—Rhonda Porter, manager, compensation and benefits, DuPont Canada

THE QUALITY OF CANADA'S HEALTHCARE SYSTEM



BASE: All respondents 2011 n=1,598

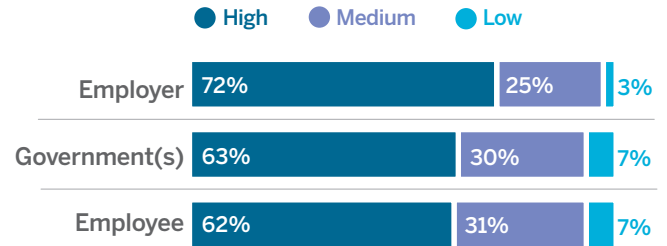
president, Gemini Pharma Consultants Ltd. "Much of it is perception. They're not saying that all of a sudden the level of care is better."

It could also reflect a general acceptance with the system's shortcomings, suggests advisory board member Telena Oussoren, director, pension and benefits, Scotiabank, Total Rewards. "We all now know that you're going to wait hours in a waiting room. A few years ago we were up in arms about it, and now it's just the reality."

The economy, again, plays a part. "[The past couple of years] were pretty nasty for the economy, and people start to think about how they would manage if they don't have jobs," says Paula Allen, vice-president and national practice leader, health solutions, Moreneau Shepell. "One of the things that people in Canada are not really having to worry about is access to medical care if unemployed. People are more grateful for this social safety net, and don't take it as much for granted during difficult times."

While the improved impression of the Canadian healthcare system may be just a change in perspective, the Canadian

LEVEL OF INVOLVEMENT IN HEALTH



BASE: All respondents n=1,598

Institute for Health Information has reported an increase in the number of doctors (+4% in 2009 versus population growth of 1%)¹ and nurses (+9% between 2005 and 2009 versus population growth of 5%)² working in Canada.

One also can't overlook the proactivity of governments, stresses board member Rhona Green, vice-president, HR, Marine Atlantic Inc. "In Nova Scotia, the provincial government and health districts are communicating more when they have issues. They're doing studies and they're actually going out to the public. Whether there's a huge difference in treatment, I don't know, but the perception is that things are improving."

Other provinces have also put more emphasis on public relations. "They're running ads and there's a fair bit of promotion on health services and general education. Some are providing and promoting free vaccinations. They're trying to make things move," says Theresa Rose, board member and director, group product management, Medavie Blue Cross. "This type of conversation wasn't happening as much a few years ago."

When looking beyond the national results, a number of demographic variations emerge. Respondents who describe their own health and fitness as poor or very poor are less positive, although not to a great extent: 41% still regard the Canadian healthcare system as excellent or very good, and 45% describe it as good. Meanwhile, those who say they are in excellent health are the

most positive, with 60% stating that the healthcare system in Canada is excellent or very good. Interestingly, similar results emerge among respondents who regard their own private health plan as excellent or very good—62% say the same of the public system.

Regionally, those in Quebec are somewhat less likely to rate Canada's healthcare system as excellent or very good (36%), while plan members in Manitoba and Saskatchewan (57%) and British Columbia (56%) are the most positive.

PEOPLE SHOULD BENEFIT, NOT EMPLOYERS

"A tax break for employers who spend on wellness could be a neat idea. On the other hand, smaller companies just can't afford to do wellness. It could create an 'us versus them' type of scenario. If government really wants to get involved in health, they should do a tax credit for all Canadians who do something relative to sports or health."
 —Mark Goldenberg, vice-president, HR, Superior Propane

1. CIHI, 'More physicians than ever; greatest percentage increase in physicians in 20 years', December 9, 2010
 2. CIHI, 'Canada's nursing workforce grows 9% in five years', December 9, 2010

UNTAPPED RESOURCES

“The government needs to make it easier to navigate the healthcare system, and they need to do a better job promoting—how many services are out there that people don’t know about? Flu shots and Telehealth are examples of what they’ve promoted well. They need to do the same with things like elder care and how to get medical attention when you don’t have a GP.”

—Jan Neiman, manager, pensions and benefits, Ryerson University

“It would be good to see tax breaks for post-retirement benefits—they’re becoming so expensive that more people are without coverage,” adds Redmond. “We’re also seeing more employees who work past retirement just for the benefits—that’s not necessarily good for us or them.”

The support for tax incentives sends a strong message to government, concludes the advisory board. “These numbers are compelling,” says Lori Casselman, assistant vice-president, health and productivity solutions, Sun Life Financial. “It’s a matter of setting criteria around a strategic approach to health management, particularly in the areas of disease management and risk management.”

Role of government in healthy workplaces

Eighty-six percent of plan members strongly or somewhat agree that governments should actively support workplaces that promote better health and fitness. Similarly, when asked what level of involvement governments should have in encouraging healthy workplaces and healthy employees, 93% believe they should have a high (63%) or medium (30%) level of involvement.

“Government has been more visible in the workplace over the last while,” says Paula Allen. “During the 2009 pandemic, for example, many employers used provincial health information to promote health and hygiene in the workplace.”

“Employees are saying that they’re encouraged by what the government is doing on the public stage and they want more,” says advisory board member Lisa Redmond, manager, pension and benefits, Insurance Corporation of British Columbia.

As well, employers need to capitalize on existing government programs and services, continues Redmond, giving BC Cancer Agency’s mammography screenings and publicly funded smoking cessation support as two examples. “We need to ‘partner’ in the sense that everyone has the same agenda, and that is to help people access services.”

Seventy-three percent of plan members say governments should offer tax incentives for individuals who participate in workplace wellness activities, while 64% support tax incentives for employers that have wellness initiatives. Surveyed plan sponsors believe that governments should provide tax incentives for the following: wellness programs (e.g., fitness challenges), 81%; smoking cessation programs, 79%; health education, 74%; on-site vaccination programs, 73%; and healthy food alternatives in the cafeteria, 72%.

KEY FINDINGS

- A shaky economy, improved public relations and injections of cash have likely improved Canadians’ perceptions of the public healthcare system.
- The increased visibility of government in the workplace—for example, free flu vaccinations—may play a role in plan members’ strong support for government involvement in workplace wellness.
- Plan members and plan sponsors strongly agree that governments should offer tax incentives to encourage workplace wellness.



SECTION THREE

The Role of the Employer in Health Promotion and Wellness

HIGHLIGHTS

Plan members certainly agree that their employers should promote health, though their role should be access rather than the management of personal health. However, notable differences of opinion occur by region, gender and type of work. The actual availability of wellness programs, meanwhile, continues to decline according to plan members, despite the fact that the majority of surveyed plan sponsors say they are active in this area.

Employer involvement ... to a point

A strong majority of plan members (72%) feel their employers should be highly involved in encouraging healthy workplaces and employees. On the other hand, only 41% agree that it would be appropriate for their employer to actively help them manage their health. Twenty-three percent strongly disagree with this statement.

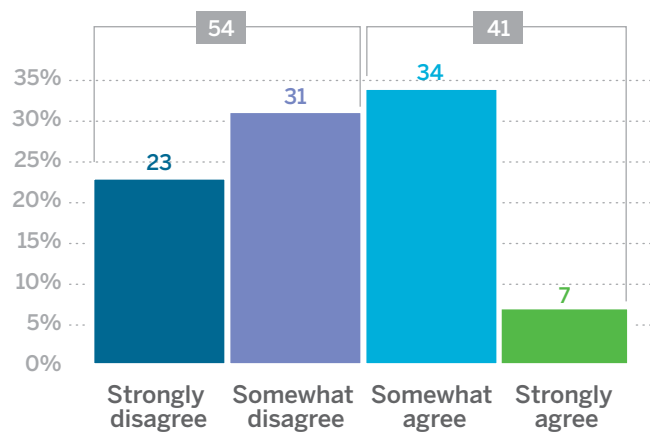
“Plan members are saying, ‘Don’t manage me personally, but give me access to the programs or services that I can choose to use,’” says advisory board member Marilee Mark, vice-president, group marketing services, Manulife Financial.

“Our goal is to try to influence people who have risk factors to make incremental improvements, but the biggest opportunity probably lies with supporting employees to maintain their good health and to make good lifestyle choices,” notes Rhonda Porter, manager, compensation and benefits, DuPont Canada.

“Employers should build a wellness strategy that incorporates the use of health risk assessments, health screenings and the appropriate follow-on communication and support,” adds board member Sarah Beech, central region director, Aon Hewitt Consulting.

This is an important takeaway for plan sponsors, agrees Serafina Morgia, advisory board member and director, benefits, George Weston Ltd. “Most employers don’t think about

EMPLOYER INVOLVEMENT IN PERSONAL HEALTH MANAGEMENT



BASE: All respondents n=1,598

health screenings and early detection as a benefit, but in fact they are a really good way to support employees, particularly now with all the difficulty in getting to your doctor. We can provide a platform for personal, confidential health education.”

Young men (aged 18 to 34) are more likely (53%) to agree it’s appropriate for their employer to actively help them manage their health, versus just 38% of older women (aged 55 and older). Regionally, 53% of Atlantic Canadian plan members agree their employer should actively manage their personal health, compared to just 36% in Quebec.

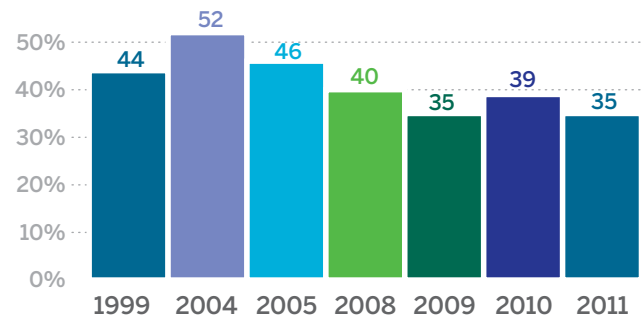
Wellness programs continue to decline

Fewer plan members report that their employers promote or provide wellness programs: this year’s result of 23% is down from 29% a year ago and 31% two years ago. When the question was first asked in 1999, 38% of respondents replied in the affirmative, climbing to a high of 43% in 2004. Nineteen percent of this year’s respondents indicate they don’t know if their employer offers such programs.

The availability of wellness programs is lowest in work environments with fewer than 50 employees (13%) and between 50 and 249 employees (18%), then climbs steadily to reach 33% in workplaces with 5,000 to 9,999 employees, and to 36% where employees number 10,000 or more. Personal health status also appears to influence a plan member’s perception of the availability of wellness programs. Thirty-four percent of those who consider their own health and fitness to be excellent say their employer offers wellness programs, versus just 18% among those who say their health is poor or very poor. Twenty-eight percent of the latter group also admits they don’t know if their employer offers wellness programs.

“These results are an interesting reflection of the fact that the more personally interested or active you are in health, the

PARTICIPATION IN WELLNESS PROGRAMS



BASE: Those with a wellness program; 1999 n=573; 2004 n=641; 2005 n=617; 2008 n=564; 2009 n=673; 2010 n=437; 2011 n=378

more you’re aware of what’s available to support it,” notes Chris Bonnett, president, H3 Consulting. “Especially as we age, health behaviours must become an active decision; that is, we have to work at it. If we don’t care about health, we’ll happily ignore all the ‘noise’ out there about it.”

Among those who say they have access to wellness programs through their employer, 35% report they participate, of whom 10% definitely do so and 25% “kind of” do so. These results are comparable to previous years. The rate of participation appears to decrease as plan members age, declining from 43% of respondents aged 18 to 34 years who say they regularly participate, to 29% among those aged 55 to 64 years.

Plan sponsors on board

The survey of plan sponsors, meanwhile, indicates solid support for health promotion or wellness programs. Sixty percent say they already offer such programs, and 68% plan to invest more money in this area within the next year. The gap between the employer response (60%) and plan member recall (23%) can be attributed to significant differences in the employee and employer survey samples.

That nearly one in five (19%) plan members don’t know if their employer offers health promotion plans highlights an important need, suggests the advisory board. “Human resources professionals have to evolve to become more like marketers,” says Scotiabank’s Telena Oussoren, director, pension and benefits.

A key driver for wellness initiatives is to make information available, agrees advisory board member Mark Goldenberg, vice-president, HR, Superior Propane. “People are going to do what they’re going to do, but as with any good marketing, if you do that well, there is an uptake. It’s about putting the thought in people’s heads.”

A PROACTIVE RESPONSE TO ABSENTEEISM

“We are strict about recording attendance and the supervisor receives and reviews the reports on a quarterly basis. If an employee demonstrates excessive or chronic absenteeism he or she may be coached through the attendance management program. It is not at all punitive. All of our supervisors have been trained and follow a formal plan. All employees are also educated about the plan. If need be, the supervisor refers the employee to our Employee & Family Assistance Plan. We began in January 2010, and already our absenteeism has decreased from 9.5 to 7.0 days, and lost hours have decreased by 23%. Just as important, it is bringing supervisors closer to their employees—they notice their employees more, and the employees feel that their supervisors care.”

—Suzanne Mancer, senior HR analyst, FortisBC Inc.

Before employers can even begin to market what they do, however, they need a wellness strategy, stresses the advisory board. "You've got to have a strategy before you can begin doing anything tactical," says Art Babcock, vice-president, Aon Hewitt Consulting.

"It starts with policy," continues Oussoren. "You need to change and create the right culture by building policies that support and encourage your wellness goals. Vacation and leave policies, disability programs and benefit plans should be looked at through a wellness lens. For example, does your culture encourage employees to use their vacations? How can your vacation policy be changed to promote this?"

Benefit consultants have a role to play, adds John McGrath, board member and senior account executive, Great-West Life. "Often when we're working with employers we talk about their philosophy towards benefits. We need to expand that to include their objectives around prevention and wellness."

Budget is usually the next consideration. "The perception is you have to spend more for wellness. That's not necessarily the case," says Marilee Mark. "Often you can carve something out of the existing benefit plan, such as things that really show limited use, or providers charging more than they should, or the changing dynamics of generic drug pricing. You then agree to reinvest the savings into wellness. It's a start."

The coordination of strategy, budget and execution is also key. "The people who are managing the dollars and cents in execution may not always be the strategists," says Paula Allen, vice-president and national practice leader, health solutions, Morneau Shepell. "You need to align all current actions, with both current and future needs and objectives. We are talking about improving health outcomes, which almost always means changing behaviour. That does not happen without impactful and sustained action. There needs to be a balance of immediate value and longer-term commitment."

RHONDA PORTER
DuPont Canada
Ontario



An ounce of prevention, a dose of leadership DuPont parlay's success with workplace safety into a focus on wellness

DuPont has established a reputation as a world leader in occupational health and safety, and a conversation with representatives of its Canadian division reveals that it's not about to rest on its laurels.

"Previously we had a lot of wellness initiatives that were managed by individual sites," says Norma Segreto, occupational health nurse, DuPont Canada. "We are now standardizing and centralizing where it makes sense. Why should every site have to reinvent the wheel?"

When asked to describe their most successful program for promoting health, neither Segreto nor Rhonda Porter, manager, compensation and benefits, could choose one over another. Every piece plays an important part, and collectively they contribute to reduced absenteeism (just 2.5 days per year, versus the industry average of at least 8), very few long-term disability cases and improved productivity and loyalty.

"The increase in costs of prescription drug claims has also been significantly below the trend," says Porter. "We like to think it's because our employees are healthier. Part of it might be plan design as well. We are careful to provide coverage for medications that employees need to be healthy—so they are sure to take them—while we also keep an eye on costs."

As with safety, the emphasis is always on prevention, rather than treatment. "These days, it's difficult to maintain current benefit levels without increasing costs. Therefore, we help employees to put safety and health first to try to avoid situations or conditions that can lead to the utilization of acute healthcare services," says Porter.

This is especially true in light of DuPont's older work population, and the growing trend for employees to stay active in the workplace and delay retirement. In addition to an online health risk assessment, called Wellness Checkpoint, the company regularly conducts on-site screenings in partnership with regional health departments, the Heart and Stroke Association, and other health organizations. "We are now partnering with Rexall Pharmacy to provide various initiatives such as Know Your Numbers, where employees learn their cholesterol, blood sugar and blood pressure levels," says Porter.

Perhaps most important, however, is that "leadership walks the talk," says Segreto. "At the kick-off employee Town Hall meeting this year, our president announced that in 2011 we would be emphasizing wellness, in addition to safety, which is always our number one focus."

Indeed, “it’s going to be three to five years before you see your return,” stresses Morgia. “We have to be realistic.”

The survey also asked plan sponsors if they felt they needed more support or tools for employees with three specific health conditions: mental health, cancer and diabetes. Plan sponsors overwhelmingly point to mental health as an underserved area, with 89% agreeing that they need more resources. Agreement levels are also high for cancer (71%) and diabetes (65%).

Plan sponsors who use their benefits to support chronic disease management will “improve the health and employability of their employees, and can actually reduce total benefit costs,” notes advisory board member Steven Semelman. “Large studies in both the private and public sectors show these results when you increase access to chronic medications and support services, such as coaching by a pharmacist or nurse.”

At the same time, however, “there needs to be a balance between supporting those with disease and not losing focus on trying to keep the healthy people healthy,” advises Theresa Rose, director, group product management, Medavia Blue Cross.



Offerings and level of use

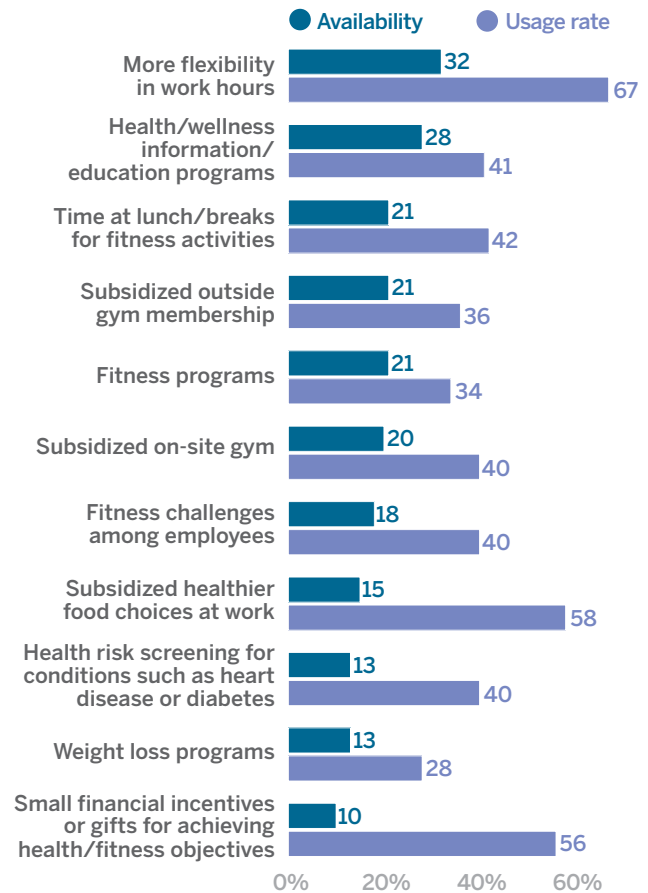
This year’s survey asked plan members to indicate the availability and personal use of 11 possible programs or policies that encourage health in the workplace. More flexibility in work hours emerges as number one for both availability (32%) and utilization (67%). Health and wellness education ranks second in availability at 28%, although usage drops to 41%.

After flexible hours, the second highest utilization rate—58%—goes to subsidized healthy food choices; however, only 15% of respondents say this is available at their workplace. Similarly, only 10% say their employers give small financial incentives or gifts for achieving health or fitness goals; utilization, meanwhile, scores quite high at 56%.

Among plan members who indicate that a program or policy is not available, they are most likely, at 78%, to cite fitness programs as something that would be useful. Currently, 21% say they are available and, among those, just 34% have used them in the past 12 months. Similarly, 76% of those without subsidized outside gym memberships say it would be useful, compared with a current availability of 21% and a utilization rate of 36%.

Surveyed plan sponsors, meanwhile, are most likely to say they offer health and wellness education (81%), followed by more flexible work hours (69%) and health risk assessments (66%). When asked what they think employees most appreciate, plan sponsors most often select flexible work hours (50%), a subsidized on-site gym (34%) or health and wellness education (31%).

BECOMING HEALTHIER



BASE: All respondents 2011 n=1,598

Unfortunately, there is no easy formula that determines what programs or services will connect with a workforce, notes the advisory board. As well, low utilization should not necessarily translate into discontinuation of a service. "With a diverse workforce you have to do a lot of different things to cater to different needs and states of readiness," says Bonnett. "On the other hand, you can use information from your workforce demographics, an aggregate health risk assessment report and a satisfaction or engagement survey to narrow the range of options that will work and reduce the trial and error."

"Employers should spend what they can afford to spend, but make your offerings as innovative and creative as possible, because everybody has different needs," adds Goldenberg.

Time is also an essential ingredient for success. "All employees are given four hours to attend [our annual Wellness Fair]," says Nancy Mackenzie, benefits specialist, Boeing Canada Operations Limited. "It's an event that combines fun and learning. There are numerous healthcare providers who set up booths with information, demos, products and assessments. We have contests and team events. Last year a group of employees shaved their heads in support of cancer. The winner of our Lighter Side weight challenge is announced. It's a fun time for all employees."

Workplace stress casts shadow

Thirty-five percent of plan members agree that their workplace stress has been so overwhelming that it has made them physically ill at times during the past year, down slightly from 38% in 2009 when this question was asked last. Thirteen percent strongly agree with this statement.

The level of agreement with this statement jumps to 61% among respondents who describe their own health and fitness as poor or very poor, compared with just 24% among those who say their health and fitness are excellent or very good.

Gender and age also appear to influence results: 21% of men 55 years and older agree they've been physically ill due to workplace stress, compared with 43% of women aged 35 to 54, and 40% of women aged 18 to 34.

Forty-two percent of all respondents say their employer is very (5%) or somewhat (37%) effective in helping employees deal with workplace stress-related issues. Thirty-nine percent say they're not very effective, and 19% not at all effective. A closer look at demographics does not reveal major variations, with two exceptions: 61% of those who describe the quality of their benefits as excellent say their employer effectively manages stress issues, compared with just 17% among those who describe their benefits as poor or very poor. Similarly, 65% of plan members with access to wellness programs agree their

CATHY McKAIG
Innovation Credit Union
Saskatchewan



Where time is of the essence

Flexible work arrangements and wellness during work hours boost engagement

At Innovation Credit Union in Swift Current, Saskatchewan, employees regularly exercise wellness habits. In the fall of 2010, the branch agreed to partner with the local Pharmasave drugstore and health region to host the School of Wellness, a fitness challenge that saw 26 of its 134 employees strike yoga poses, start a walking club and learn about chronic conditions during their lunch hour. Although the challenge is officially over, the lunch and learn sessions continue, using local health experts.

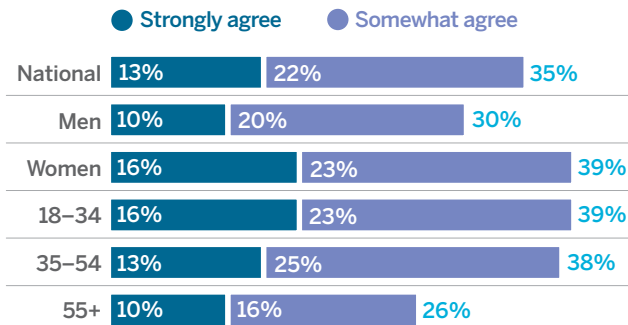
"Employees are very generous to give of their own time. We do a lot of things at lunch, such as delivery of Meals on Wheels, bake sales and luncheons to raise money for charity, which allows employees to give back to their community," says Cathy McKaig, manager, compensation and rewards. "We also allow one hour per week for learning related to the job."

Laying the foundation for all of this is a flexible work environment that encourages employees to create schedules that support work/life balance, be it through job sharing, reduced work weeks or compressed days. Almost 100 out of 380 eligible employees throughout the organization take advantage of the program.

Another cornerstone is a training program, called Excellence in Action, that focuses on setting and achieving personal goals. Department managers guide employees through a curriculum of monthly topics, such as changing habit patterns.

"Our staff has an average age of 41, with the majority female, and they've indicated they want to have a better work/life balance for themselves and their family," says McKaig. "We simply help give them that balance, and it all really does lead to employee engagement."

WORKPLACE STRESS HAS BEEN OVERWHELMING IN LAST 12 MONTHS



BASE: All respondents n=1,598

employer is effective, versus 31% among those without wellness programs.

Plan sponsors themselves are not much more positive about their efforts. Although 59% say their organization effectively helps employees manage stress, only 4% say they are very effective. Thirty-six percent say they are not very effective and 6% say they are not at all effective.

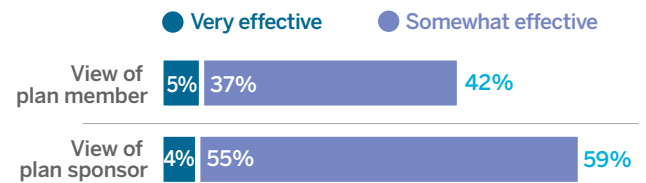
"It's actually a positive message, in that employers are recognizing personal and workplace stress," says ICBC's Lisa Redmond, manager, pension and benefits.

"These results are not surprising in light of the economy," adds Beech. "Employers have been so busy trying to manage their businesses, they haven't been able to focus on workplace balance."

EMPLOYERS' TIPS & TACTICS

- Make flexible work hours a priority to support work/life balance, and encourage employees to take their lunch breaks.
- Train managers to be the formal liaison with the employee assistance program (EAP).
- Partner with healthcare providers, public health agencies or health organizations to host regular on-site screenings for health risks.
- Don't just communicate your wellness offerings, insert them in your overall business strategy, market them and seek to measure health outcomes.
- Use management to communicate and engage plan members. To rouse curiosity and secure buy-in, use online and print media, personal testimonials and small incentives.

EMPLOYER EFFECTIVENESS IN HELPING EMPLOYEES MANAGE STRESS



BASE: Plan members n=1,598; Plan sponsors n=53

Now that the economy is more stable, and with the growing recognition of work-related stress, the advisory board expressed hope that employers will be able to tackle this issue—though it won't be easy. "Employers are a bit scared of going too deep and being able to manage stress," says Allen. "They're fine with having EAPs, which put a lot of the onus on employees to self-identify and get help. But there are organizational factors around stress, and it's very difficult to get an organization to truly grasp what that means, and what they can do about it. That takes more corporate buy-in than anything else, because you're talking about really taking a hard look at what culture, systems, leaders, risks and supports you have in place."

"Employers generally don't want to look at their own organizational design," agrees Bonnett. "They sometimes avoid looking at management qualities, levels of stress, workloads and job fit. These are things that employers can control, and so all the responsibility for health should not rest only with plan members. The result is a really complex interpersonal and employer-employee tension that is going to take much more than great statements of direction to change. But change is essential because excessive and prolonged stress harms both people and organizations."

KEY FINDINGS

- Improved and tailored marketing is a good opportunity to improve employees' perceptions of the availability of wellness programs.
- Plan members rank flexible work hours at the top of a list of initiatives to encourage health, in terms of both availability and utilization.
- Low utilization rates do not necessarily lessen the value of a wellness program; diversity is required to meet differing needs and states of readiness.
- Organizational health lays the groundwork for wellness, and plan members and employers alike recognize workplace stress needs to be addressed more effectively.
- A successful health and wellness strategy addresses plan members with disease states while trying at the same time to keep the healthy people healthy.

SECTION FOUR

Personal Health and Adherence to Treatment

HIGHLIGHTS

Plan members tend to rate themselves highly in terms of personal health and fitness and basic self-care, including annual check-ups with their physician and dentist. They also claim to be somewhat diligent about screening for risk factors; not unexpectedly, older plan members clearly lead in this regard. Almost half of plan members say they take at least one medication to manage a chronic condition.

Barriers to health and fitness

Plan members generally describe themselves as healthy: 48% say their level of health and fitness is good and 41% say it's excellent or very good, leaving just 10% who say it is poor or very poor. A correlation to household income appears to exist: the number of those in excellent or very good health climbs to 46% where income is \$100,000 or more, and drops to 31% where income is below \$30,000.

When presented with a list of challenges for staying healthy, respondents most frequently selected: staying active or exercising (cited by 56%), self-motivation (53%), eating a well-balanced diet (46%), hours at work (31%) and affordability (30%, e.g., gym membership). Hours at work appear to be more of a challenge for plan members aged 18 to 34 (40%, compared with 20% for those aged 55 and older), as well as among those who describe their benefits as poor or very poor (49%, compared with 19% for those who describe their benefits as excellent).

The survey asked respondents to describe what would help them achieve their health and fitness goals. Lifestyle items (28%) come out on top, followed by financial support (23%),

personal support (14%), self-discipline (12%) and more free time (8%).

Plan sponsors, meanwhile, are firmly of the opinion that employees need to be more accountable for their health by eating better, exercising, taking their medications properly and so on. Ninety-four percent agree with this statement, with 66% strongly agreeing.

Personal health literacy

Sixty-eight percent of plan members say they first turn to their family physician when they have a health issue and require information. Thirty-six percent go to the Internet, while 26% indicate they would go first to a walk-in clinic. Rounding out the list are: a pharmacist (18%), family or friends (18%), a nurse or nurse practitioner (7%) and a government toll-free line (7%).

Age significantly affects results. Plan members aged 18 to 34 are as likely to consult the Internet first as they are to look to their doctor (both at 48%), and they are much more likely to talk to family or friends (29%). Those aged 55 and older, meanwhile, are firmly allied with their physicians (83%), while the Internet (26%) and family or friends (9%) follow at a distance.

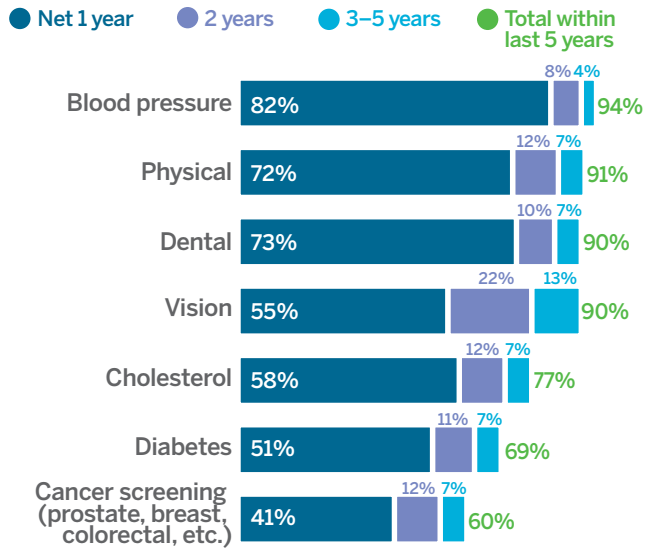
Regionally, Quebec stands out. Respondents are somewhat less likely to consult physicians first (55%), while pharmacists rank second with the Internet (both 31%).

In general, plan members appear to be good stewards of their own health: 72% say they've had a check-up with their physician in the past year, climbing to 84% in the past two years. Not unexpectedly, older employees are more likely to get annual physicals, particularly men aged 55 and older (82%).

Health risk screenings

The survey also asked plan members when they were last tested or screened for blood pressure, cholesterol, diabetes, vision and cancer. They are most likely to check blood pressure: 82% did so in the past year, including 42% who did so in the past three months. Fifty-eight percent had their cholesterol checked during the past year, and similar numbers had their vision (55%) checked or were tested for diabetes (51%). Forty-one percent say they had undergone screenings for cancer.

HEALTH CHECK-UPS AND TESTS



BASE: All respondents n=1,598

The personal touch

Large employer stays focused on the individual as part of wellness strategy

As a crown corporation with 1,700 employees at head office and more than 5,500 at community sites across the province, it's not easy for the Insurance Corporation of British Columbia (ICBC) to communicate health benefits in a meaningful way—which is why it redoubles its efforts to do just that.

For instance, its Intranet features employees who share their experiences and advice after using a benefit or a service. "We try to bring it down to a personal level," says Lisa Redmond, manager, pension and benefits.

The company has also increased the frequency of face-to-face meetings to explain benefits, after revamping the content to focus on total compensation, including an explanation of costs to the employer and employee. "People are saying they understand better," says Redmond, who conducted about 20 sessions last year, plus numerous audio webinars for isolated sites.

The most profound impact comes from face-to-face health risk screenings. Launched almost two years ago with a wellness provider, a nurse comes in for two days of 20-minute appointments, when she conducts and discusses the results of tests for hypertension, high cholesterol, diabetes and

body mass index. So far, 1,500 employees have participated in 60 clinics at multiple sites.

"It's always completely booked," says Redmond. "It's successful not only because it's personal, but also because it's offered annually. [Discussing the process with co-workers] helps allay the fear of the test results, and we're reaching the people who need this most."

The BC Cancer Agency is also a regular visitor to head office and some offsite locations, using private meeting rooms to set up mobile mammography equipment. "We've had amazing feedback. One woman did learn she might have cancer, and she was very positive about it because she said she would never have found out otherwise," says Redmond.

The corporation developed its wellness strategy after months of research and consultations with wellness providers and healthcare professionals. It also used information from the Conference Board of Canada and assessed its employees' level of readiness. "The key to our wellness strategy is that it is linked to our corporate strategies of improving the employee experience and maintaining financial stability," says Redmond.

LISA REDMOND
ICBC
British Columbia



Twenty percent of respondents say they have never had their cholesterol checked, while 26% report never having been tested for diabetes and 36% say the same for cancer.

For both cholesterol and diabetes, as well as some cancers, healthcare professionals recommend annual screenings upon reaching the age of 40; however, the survey results for 35- to 54-year-olds remain virtually identical to the national trend. Sixty-one percent have had their cholesterol checked in the past year, compared with the average of 58%, while 14% say they have never had it checked. Similarly, 52% have been tested for diabetes (versus 23% who say they have never been tested) and 40% for cancer (36% never). In contrast, the incidence of screenings among respondents aged 55 and older jumps to 80% for cholesterol, 69% for diabetes and 63% for cancer.

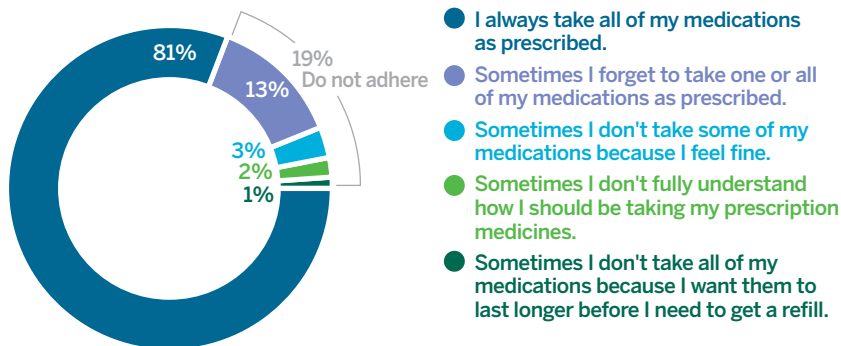
It is one thing to be tested, but perhaps another to understand the results. Twenty-one percent of plan members say they don't fully understand their doctor's explanation of their test results. Respondents who describe their health and fitness as poor or very poor, as well as those with household incomes of less than \$30,000, are more likely to agree (both at 27%).

Despite the generally positive results regarding check-ups and screenings, more than half of plan members (59%) feel they should follow up on health issues more often with their physicians than they do. Middle-aged men (aged 35 to 54) are most likely to agree with this statement (69%).

Adherence to medication

Sixty-six percent of plan members believe that drugs launched on the market today improve their quality of life, down from 73% when this question was last asked in 2004. This varies

TAKING PRESCRIPTION MEDICATIONS



BASE: Those who take at least one medication; 2011 n=704

somewhat by age: 57% of younger respondents (aged 18 to 34) agree with this statement, compared with 72% of those 55 and older.

Forty-five percent of plan members regularly take at least one prescription medication to manage a chronic condition, such as diabetes or hypertension. These respondents report taking an average of 2.7 medications each, ranging from 1.6 among young plan members (aged 18 to 34) to 3.3 among those aged 55 and older. Plan members who describe their health and fitness as poor or very poor take an average of four prescriptions.

Eighty-one percent of those with prescriptions for chronic conditions state they always take all of their medications as prescribed, while 13% admit they sometimes forget to take one or all of their medications. The remaining 6% say they sometimes do not take all of their medications because they feel fine, they don't fully understand how to take them or they want to stretch supplies before getting a refill.

These results are a good example of how consumers may overestimate their positive behaviours, whether intentionally or not, observes the advisory board. "Multiple studies show that the average refill or persistence rate for chronic medications is between 55% and 60% after one year and drops below that in subsequent years," says Steven Semelman, president, Gemini Pharma Consultants Ltd.

EMPLOYERS' TIPS & TACTICS

- Remove the barriers to better health by focusing on access to services and offering fun activities. Research shows that working with a group or "health coach" significantly improves motivation.
- Generate excitement using in-house experts: for example, invite an employee who has run a marathon to share tips on running.
- Market the importance of screening for chronic conditions, then make it easy for them by bringing in a nurse or pharmacist to conduct confidential screenings.

KEY FINDINGS

- Plan members cite regular exercise and self-motivation as the biggest challenges for staying healthy and fit. Work hours rank fourth out of the top five challenges.
- Older respondents still go to their doctor first with a health issue; the youngest employees, meanwhile, are as likely to consult the Internet as they are a physician.
- A significant number of employees say they check their blood pressure at least once a year; however, far fewer seek to be screened for cholesterol, diabetes and cancer.
- Plan members with chronic conditions say they take all their medications as prescribed, yet studies show that non-adherence is a real issue that plan sponsors can address.



SECTION FIVE

Benefits Availability and Use

HIGHLIGHTS

A clear majority of plan members say their employer provides coverage for paramedical services, and half say they take advantage of this benefit. Health spending accounts enjoy a similarly high usage rate, although relatively few employers appear to offer them. Respondents are generally positive about communication efforts for benefits, although only a third say they have access to health education materials through their Intranet or other reading materials.

Current availability

After basic drug and dental coverage, plan members are most likely to say the following three benefits are available to them: paramedical services (83%), a pay-direct prescription drug card (74%) and an employee assistance program (EAP, 65%). Almost half also cite in-house vaccinations (48%) and general health awareness or education programs (43%).

Availability of the pay-direct drug card increased five points over 2010, which is in line with general trends, points out the advisory board. "You can't afford not to have a pay-direct drug card now because of the environment we're in," says board member John McGrath, senior account executive, Great-West Life. "The cards include interventions to help offset costs, such as tiered formularies and per script deductibles."

Not unexpectedly, plan members who describe their benefit plan as excellent report higher rates of availability across the board. Those working for government also report greater availability for half of the 10 listed benefits, particularly an EAP (83%), a pay-direct prescription drug card (87%) and on-site vaccinations (58%). On the other hand, government-employed respondents are least likely to say they have access to health spending accounts (HSAs, 23% versus the average of 32%). Albertans, meanwhile, report the highest availability of HSAs, at 41%.

An EAP appears to be directly related to the size of workplace, with availability ranging from just 39% among those in organizations with less than 50 employees to 76% among those in organizations with 10,000 or more employees.

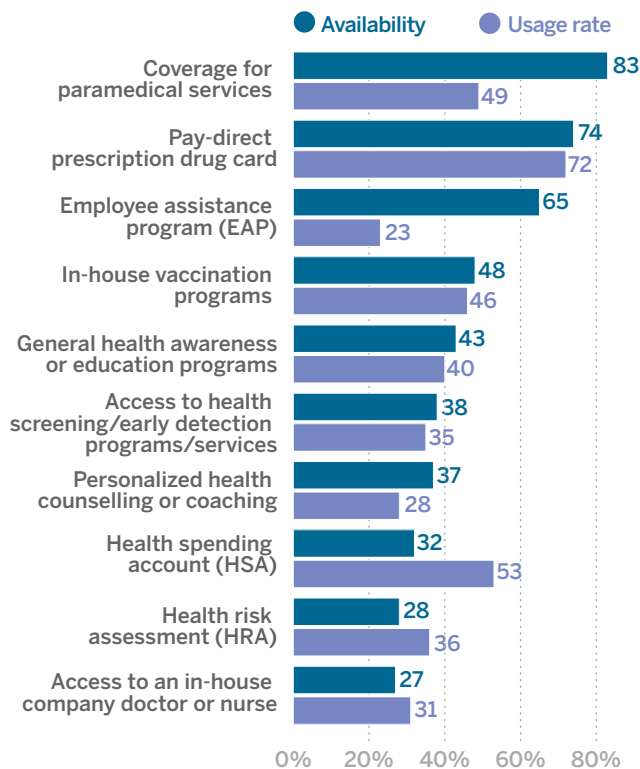
Just 28% of plan members say they have access to health risk assessments (HRAs), notes the advisory board, despite the fact that all large insurers offer HRAs as an online questionnaire. "There is a tremendous amount of health information on insurers' websites, but people don't know it's there," comments Sarah Beech, central region director, Aon Hewitt Consulting. "Plan sponsors are not taking advantage of it, and that's a lost opportunity."

Current utilization

In some cases, utilization of a service is a reflection of anticipated need for that service: for example, it is not unexpected that of those with an EAP, just 23% report having used it within the last year; whereas in comparison, the utilization of pay-direct prescription drug cards is much higher (72%). Among the more discretionary benefits, the highest utilization rates are for HSAs (53%), paramedical services (49%) and in-house vaccinations (46%).

Respondents who describe their own health and fitness as poor or very poor appear more likely to use the services of an

AVAILABILITY AND USAGE OF HEALTH PLAN



BASE: All respondents 2011 n=1,598

EAP (32%), as well as take advantage of health risk screenings (42%) and HSAs (65%). Regionally, plan members in Manitoba and Saskatchewan report lower utilization rates for seven of the 10 listed benefits or services: pay-direct drug cards (62%), HSAs (43%), general health education (31%), HRAs (24%), health screenings (24%), EAP (15%) and access to an in-house doctor or nurse (12%). Respondents in Alberta are most likely to report using their health spending accounts (58%).

Lastly, plan members who work in the health or social services sector as well as the education sector report the highest rates of utilization for available on-site vaccinations (both at

57%, compared with the national average of 46%). Cape Breton University likely boasts an even higher utilization, after taking the flu shot directly to employees—even right to their desk. “Flu shots are another thing that people mean to do but don’t have time, so our nurse and her assistant packed a cart and went to them,” says Lois Devoe, director, HR, Cape Breton University. “Wellness is about making things like flu shots convenient and easy. Communication is also key, and needs to be more like marketing. Not only must employees be aware, but they need to be enticed to become interested and want to participate.”

Desired availability

Among plan members who say certain health benefits or services are not available to them, they are most likely to indicate that the following would be useful: paramedical services (83% out of the 17% who say they’re not available), a pay-direct prescription drug card (82% out of 26%) and health screenings or early detection services (79% out of 62%). Usefulness ratings for the remaining benefits or services are also relatively high, ranging from 60% for an in-house doctor or nurse to 69% for general health education as well as personal counselling or coaching.

Age and region appear to affect results: 59% of plan members aged 18 to 34, for example, say they would find HRAs to be useful, compared with 72% among those aged 55 and older. The situation is reversed for health spending accounts, where 73% of those aged 18 to 34 would find them useful, compared with 57% among respondents aged 55 and older.

Regionally, plan members in Atlantic Canada are relatively more interested in the EAP (71%), health screenings (89%) and general health awareness programs (76%). Usefulness ratings for the pay-direct prescription drug card are highest in British Columbia (92%) and Alberta (87%), and lowest in Atlantic Canada (67%) and Quebec (72%). Lastly, respondents in Alberta are most likely to indicate that paramedical services would be useful (94%).

Evolution in usage

The results for availability and usage tell the story of a market in transition, notes the advisory board.

“Historically, health benefits were designed to pay for medically necessary services after a medical condition was identified,” says Marilee Mark, vice-president, group marketing services at Manulife Financial. “But look at how benefits are utilized today: massage therapy for example is one of the fastest-growing benefits and is also used for prevention or relaxation in addition to treating medical conditions. Practitioners are also businesses looking for growth through marketing and extending their service offering. Physiotherapy in some cases can begin to extend into what could be considered specialized fitness training.”

Employees value and certainly benefit from the broader range of services, but they do drive

GROUP DISCUSSIONS FOR FAQs

“I found that I was explaining some things over and over again to people. For instance, no one seems to understand life insurance. So I put together five-minute presentations that I take to crew meetings, and post on the Intranet. We’ve had really positive feedback. The sessions foster other questions, and people get to know who I am. I do about three a week, including sessions at six in the morning for the midnight shift and at our three facilities in Winnipeg.”

—Nancy Mackenzie, benefits specialist, Boeing Canada Operations Ltd.

up utilization and cost. “We’ve come to a crossroads,” continues Mark, “and on the one hand it’s good because it’s a shift toward wellness and delivering what employees value, but on the other hand it’s a challenge to determine the intent of the plan design and manage overall cost sustainability. Is it time to revisit overall plan design and make informed decisions?”

A better understanding of the expectations of younger employees can help the decision-making process, suggests Lori Casselman, assistant vice-president, health and productivity solutions, Sun Life Financial. “In 2010, Sun Life partnered with Ipsos-Reid to take a look at generational views on employee benefits. The younger ‘generation Y’ focus groups indicated that they largely view their benefits as an entitlement, and are looking for greater flexibility, convenience and, overwhelmingly, more wellness options as part of their overall plan. This points to a great opportunity for employers to support flexible plan options or defined spending/wellness accounts which promote proactive health management for this growing segment of the workforce.”

When it comes to plan design, integration is key. “The infrastructure for employers to buy is not yet integrated,” explains

CHANGING THE MINDSET OF EMPLOYEES

“We are moving to a wellness approach but first we need to move away from a reimbursement mentality. Right now employees tend to measure the value of their group benefit plan by how much they can claim or how many times they can go to the massage therapist. Employees should be asking what their employer does for health overall. The value should lie more with prevention and education. Our first step as an employer is finding the partners to do that, and then promoting regularly to employees.

—Jan Neiman, manager, pensions and benefits, Ryerson University

Telena Oussoren, director, pension and benefits, Scotiabank, Total Rewards. “We can buy a benefit plan, we can buy an EAP and disability and so on, but none of it is integrated. Progressive employers are trying to move that way, but we as an industry need to work together to develop this.”

An integrated plan will give stakeholders a clearer picture of how programs interact and how plan sponsors and members alike can maximize results. “It’s not about developing more budgets or finding more money,” continues Oussoren. “It’s about building initiatives for stakeholders to work on together, which maximize

Just a phone call away

Employee Service Centre is a vital link to employees across Canada

With 4,000 employees and partners spread out over 1,000 sites in Canada, including 400 NAPA stores for automotive parts, UAP Inc. knew that communication would be a challenge. While it offers information using printed materials and the Intranet, it wanted to be available to answer real-time questions and concerns. The resulting Employee Service Centre, established in 2003, has been a resounding success.

There are four categories of calls: benefits, payroll, health and safety and general. Benefits account for 50% of the calls; of those about 80% are to do with group insurance, and 20% with pensions. People most often ask about what’s covered, enrollment and how to make claims. And then there’s often a minute or two just to chat.

“People like to talk. In fact, it was demanded by the field and that’s why it was set up,” says Serge Vidal, benefits specialist. “It’s [especially appreciated] by our working population, which is probably older than typical retail businesses. Our employees are typically 30 years and older.”

Vidal is one of five HR staff who takes the calls. “It’s not 24/7. We take shifts and then take calls while working on our regular tasks. I’d say we get a call every 10 to 15 minutes.”

The call centre has laid the foundation for dialogue, which will come in good stead as the company rolls out details of a new employee assistance program (EAP). “We’re still in the promotional phase. The focus is not only the traditional one of assistance at times of extreme need. For instance, the EAP is holding meetings in head office and promoting services that address topics such as work/life balance and retirement planning.”

The new direction is partly in response to “so many studies these days that demonstrate we can’t ignore the health of our population anymore,” says Vidal. “In the past, employers were paternalistic — they still cared about employees, but they would throw Christmas parties or create social clubs to show it. That was how they were a good ‘father.’ Today, they need to show they care by supporting better health.”

SERGE VIDAL
UAP Inc.
Quebec



goals, strategies and dollars invested. Take smoking cessation or weight management for example—does your benefit plan support your goals; what tools are available from your benefit plan provider; have you maximized the offerings from your EAP; does your disability provider use these products to manage claims; do you have other programs or solutions that could be added to the mix; and ultimately, do your programs support your wellness goals with a consistent message? A lot of opportunity exists there.”

Suzanne Mancer, senior HR analyst with FortisBC Inc., couldn’t agree more. In November 2010 the company integrated its Employee and Family Assistance Plan (EFAP) with short-term disability. “With short-term disability, we only deal with the physical recovery. But if you are on disability after a heart attack, for example, part of the recovery could be dealing with depression. We also noticed an increase in stress-related disability leave,” says Mancer. “By partnering with an integrated EFAP disability provider, the transition between short-term disability and EFAP is seamless. Employees have a great appreciation for it, as it is so completely confidential.”

Proper integration will also help remove a common challenge for unionized environments, adds Chris Bonnett, president, H3 Consulting. “A traditional union view is that if you invest in something new it requires more money and will come at the expense of something else. A collaborative plan will help labour and management see the whole picture of health at the worker and organization levels, and find common ground.”

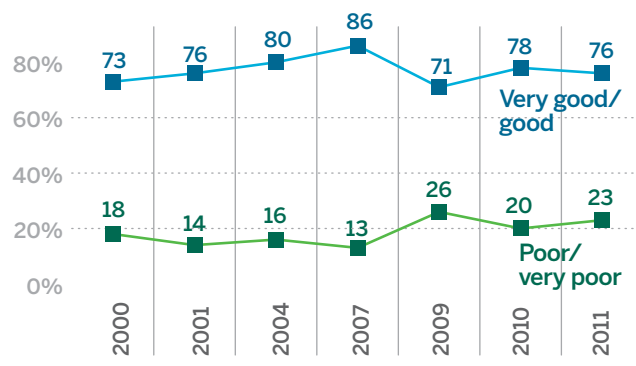
Communication of benefits

Seventy-six percent of plan members say their employers do a very good or good job communicating what is available in their health benefit plan, comparable with 78% in 2010. This climbs to 87% among those who rate the quality of their benefits as very good or excellent.

EMPLOYERS’ TIPS & TACTICS

- If you’re a large employer spread out over multiple sites, consider a “benefits roadshow” to answer frequently asked questions. Keep the presentation short to encourage discussion.
- Establish and promote a toll-free number to answer employees’ questions, staffed by existing HR employees who take shifts.
- Take advantage of the tools and other resources for health education that already exist on insurers’ websites.
- Advocate for integrated disability, EAP and wellness providers to remove siloed budgets and maximize results for plan sponsors and members alike.

HEALTH BENEFIT PLAN COMMUNICATIONS



BASE: All respondents; 2000 n=1,506; 2001 n=1,500; 2004 n=1,503; 2007 n=1,700; 2009 n=2,090; 2010 n=1,508; 2011 n=1,598

When asked about health education materials, 37% of plan members indicate they are available through the company website and 38% through other reading materials such as brochures or emails. These numbers are virtually unchanged from last year. Utilization rates (health education on website, 43%, and other reading materials, 47%) are also close to 2010 results.

The highest utilization rate goes to health newsletters, at 51%; however, only 27% of respondents say they have access to this source of health education. Nineteen percent report courses, seminars or guest speakers are available through their workplace, with a utilization rate of 44%, while 17% indicate lunch and learn sessions are available, with a utilization of 38%. In all instances, results are virtually unchanged from 2010.

Not unexpectedly, a higher proportion of plan members aged 18 to 34 report utilizing online information (47%) compared with those aged 55 and older (38%). At the same time, this younger cohort is also more likely to attend lunch and learn sessions (43%) than do those aged 55 and older (31%).

“There is an assumption that younger employees only want electronic information, but they also like to have their questions answered in person and benefit from hearing about other employees’ situations and potential solutions, and these results support that,” notes board member Beech. “Communication efforts need to target different generations and learning styles. The one-size-fits-all approach does not meet everyone’s needs.”

KEY FINDINGS

- Trends in utilization demonstrate the growing popularity of paramedical services.
- On-site screenings for specific conditions appear to be reaching those who need them most, as usage among those who describe their health and fitness as poor or very poor is higher than the average.
- Utilization rates for health education materials and services score relatively high; however, at most only a third of plan sponsors appear to offer them.

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