



SANOFI

2017 SURVEY AT A GLANCE

20
YEARS

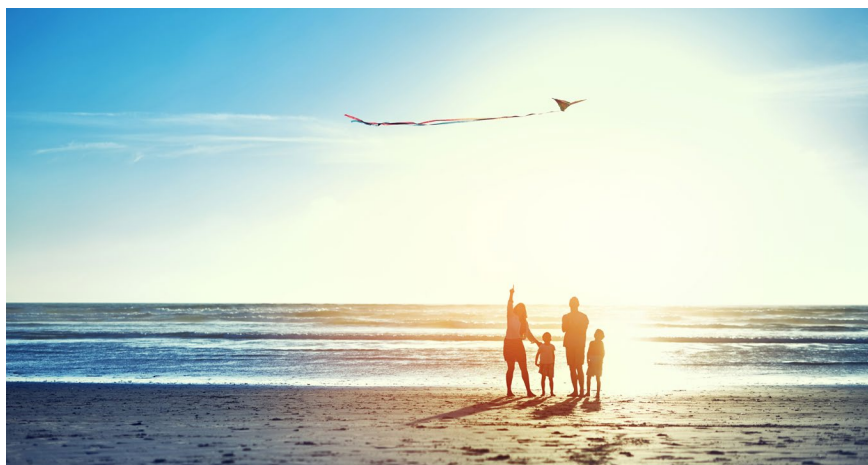
THE SANOFI CANADA HEALTHCARE SURVEY

CANADA'S PREMIER SURVEY ON HEALTH BENEFIT PLANS

“”

If insurers and consultants could come up with simple yet compelling ways to communicate so that benefits become a priority, this would help employers. Help us align the drivers of our business goals with our health benefits.

TELENA OUSSOREN, SUNCOR



Winds of change

New directions in employee health benefits

The 20th annual edition of *The Sanofi Canada Healthcare Survey* captures a readiness for change among plan members and plan sponsors on the one hand, and feelings of uncertainty and resistance on the other. And while certain basic truths remain—that employees value their health benefit plans and welcome employers' efforts to support personal health—persistent gaps continue to call for action, for example, in the areas of chronic disease management and the overall philosophy of employee health benefits.

We highlight some of these findings in this executive summary, and invite you to access the full report at www.sanofi.ca. As members of our advisory board recommend in the report, the time for strategic, collaborative and transparent change is at hand. At Sanofi Canada, we welcome the opportunity to be part of that change, to achieve better value from health benefit plans and healthier, more productive employees.



**70% of plan members
would consent to
receiving personalized
health information
sent directly to them
by insurance providers,
based on their individual
claims data.**

THE SURVEY AT A GLANCE IS BROUGHT TO YOU IN PART BY:



How good is good enough?

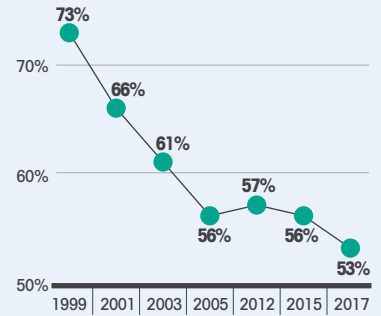


Fifty-three percent of plan members agree that their health benefit plan meets their needs extremely or very well, and another 39% say it does so somewhat well. While on the surface these numbers appear to be quite positive, the 53% represents a steady decline in results that began soon after the question was first asked in 1999, when 73% stated their benefit plan met their needs extremely or very well.

The following factors, however, exert a positive influence:

- **Wellness programs:** 63% of plan members with workplace wellness programs say their benefit plan meets their needs extremely or very well, versus just 46% among those without wellness programs.
- **Health spending accounts (HSAs):** 60% of members with HSAs give top marks, compared to 50% among those without HSAs.
- **Job satisfaction:** 58% of people who are satisfied with their job say their benefit plan meets their needs extremely or very well, compared to just 39% among dissatisfied employees.

PLAN MEMBERS WHO SAY THEIR BENEFIT PLAN MEETS THEIR NEEDS EXTREMELY OR VERY WELL



BASE: All plan members (2017: n=1500)

A question of value

Plan sponsors and plan members may be drifting apart on how they value health benefit plans. Since 2009, about two-thirds of plan members (62% in 2017) have consistently stated they value their benefit plan more for its coverage of routine rather than unexpected healthcare costs. Sixty-eight percent of plan sponsors agree with this assessment, an alignment that likely reflects the successful positioning of benefits as part of compensation to help attract and retain employees.

However, plan sponsors' own perspectives appear to be changing. When asked which aspect of the plan they'd prefer employees to value more, their responses are more evenly divided between routine (56%) and unexpected (43%) costs. These results could reflect employers' growing awareness of higher-cost specialty medications, which could in turn reflect a desire to do more to promote the value of health benefits as insurance, note members of *The Sanofi Canada Healthcare Survey* advisory board.



TAKEAWAY TIP



The time may be right to strengthen messaging around the value of employee health benefit plans as insurance for unexpectedly high healthcare costs.

Mixed feelings on cost management

Plan members are less likely to feel obligated to help control costs ...



... and more likely to feel employers are more concerned about controlling costs than providing the best health benefits.



TAKEAWAY TIP



Transparent communication is key to nurturing a sense of responsibility and behaviour change, to support sustainability amidst deeply rooted feelings of entitlement.

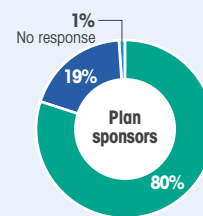


Balance between choice and simplicity

While plan members are somewhat more likely to prefer a flexible benefit plan (54%) over traditional plan designs (46%), the fact remains that only 19% of plans are currently flex plans, according to plan sponsors.

Plan sponsors, meanwhile, are somewhat more likely to prefer traditional (55%) over flex plans (44%). These results generated debate among members of the advisory board, who emphasize the need to keep flex plans simple to encourage participation by members and to minimize additional administrative costs for plan sponsors.

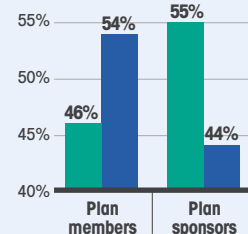
CURRENT BENEFIT PLAN DESIGN OFFERED



● Traditional ● Flex

BASE: All plan members (n=1,500); All plan sponsors (n=461)

PREFERRED PLAN DESIGN

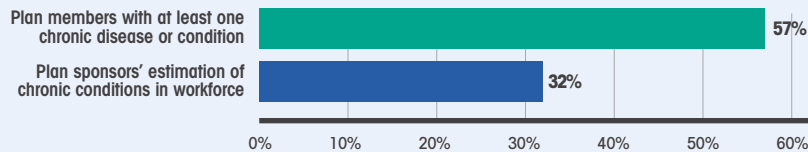


Chronic disease: chronic lack of awareness



Year after year, plan sponsors underestimate the presence—and therefore the impact—of chronic disease in the workplace. They estimate that 32% of their employees have a chronic condition, such as diabetes or high blood pressure, when in fact 57% of plan members report being diagnosed with at least one condition. This climbs to 72% among members aged 55 to 64.

The gap in awareness could be due in part to lack of information: just 19% of plan sponsors say they regularly receive reports on the top disease states in their organization, based on claims data, and another 29% get such reports occasionally or when requested. Among those who do not get such reports, 63% would like to.



BASE: All plan members (n=1,500); All plan sponsors (n=461)

TAKEAWAY TIP

Simplified, action-oriented reporting from insurance carriers to benefits advisors, and from advisors to plan sponsors, is needed to draw attention to the prevalence and impact of chronic disease.



Growing readiness for targeted education

A convincing 70% of plan members would consent to receiving personalized health information, sent directly to them by insurance providers, based on their individual claims data. That's up from 58% last year.

Plan members are most interested in getting information about how to manage their personal health conditions (65%), about their general health (57%) and about their medications (55%).

For their part, 64% of plan sponsors are also interested in a plan design that includes the delivery of targeted health information; more than half (59%), however, are concerned about the cost.

TAKEAWAY TIP

Explore and test options for targeted health information sent directly to consenting employees, particularly those taking multiple medications for chronic conditions.

Personal health measures



Plan members with chronic conditions who take three or more medications: **37%**

Plan members taking three or more medications who are interested in:



Coaching support from a pharmacist, if available, in health benefit plan: **73%**



Pharmacogenomic or DNA testing for certain categories of drugs, to determine which drug will likely work best: **76%**



Plan members who would likely participate in screenings for:

Screening Type	Percentage
Cancer	83%
Heart disease	80%
Diabetes	71%



Plan members who would likely take advantage of coverage for vaccinations for:

Vaccination Type	Percentage
Travel	79%
Shingles	68%
HPV	61%

Stress (dis)connections

- When asked about their personal goals for health, plan members are most likely to say the **workplace is a barrier for stress management** (22%), ahead of sleep health (16%), eating healthier foods (9%), achieving fitness goals (8%) and achieving weight targets (8%).
- 49% of plan members agree it's more **difficult to balance work and life responsibilities**, up from 35% in 2002.
- 50% agree their employers effectively help employees manage stress; however, 31% state their workplace stress has been so bad in the past year that **they have felt physically ill**.



Reflections on change



Forty-five percent of plan sponsors made changes to their health benefit plan design in the past two years, and 31% anticipate changes in the next two years. Among those who made changes, 59% added benefits or increased levels of coverage. On the other hand, 24% removed or reduced benefits and 23% increased cost-sharing with employees. Looking ahead, those who plan to make changes are most likely to restructure their plan design (39%), increase or add benefits (38%) or seek to bring in more benefits tied to wellness or the prevention of illness (36%). Just under a third also anticipate increased cost-sharing (29%) and the removal or reduction of benefits (28%).

The biggest challenges associated with change are concerns about employees' negative reactions (30%) and the fact that other business issues take priority (20%).

Members of the advisory board also warn against making changes in isolation, particularly when it comes to drug plans, the most-utilized health benefit. Limiting or removing coverage, particularly in response to higher-cost specialty drugs, could cause unwanted consequences on productivity and disability claims.

TAKEAWAY TIP

Understand the burden of chronic disease across all benefits, particularly disability, to avoid the unintended consequences of managing benefits in silos.

Wellness losing momentum?

Despite the fact that employees with access to wellness programs think more highly of their benefit plans and their employers, some survey results are disconcerting:



- **51% of plan sponsors** offer wellness programs or policies, virtually unchanged from previous years.
- **31% plan to invest** more in health education or wellness in the next year, down from 51% in 2012 and 68% in 2011.
- **17% of plan members** do not know if their workplace offers wellness programs or policies.
- **53% of plan members** agree their workplace culture encourages health and wellness, down from 62% in 2012.

Five best practices for better value

Members of the advisory board for the 2017 edition of *The Sanofi Canada Healthcare Survey* offer up the following best practices.

1. Get the right advice from a broker, advisor or consultant who:

- Specializes in group health benefits.
- Helps identify and address long-term as well as short-term objectives across all benefits.

2. Use benefit plan philosophy as the touchstone

- Determine and document why benefits are needed and link to business strategy.

3. Involve plan members

- When considering changes to health benefit plans, gather employees' input.

4. Communicate

- Keep it simple, short and relatable. Ban insurance-speak!

5. Commit to wellness and chronic disease management

- Foster a work environment or culture that supports personal health and wellness, which translates into happier, more productive and more loyal employees.

There's more! Go to the full report for:

- ✓ Survey results from 1,500 plan members and 461 plan sponsors
- ✓ Analysis and tips from the advisory board
- ✓ In-depth breakdowns of data
- ✓ Profiles of innovative plan sponsors
- ✓ The advisory board's suggested Best Practices for Better Value, which can be used as a framework to help guide future decisions



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