

THE FUTURE OF BENEFITS



Strategies for obesity management and absence reduction

Insights from Rami Halabi and Massimo Nini on integrating medical science and benefit solutions for a healthier, more productive workforce.

Rami Halabi, a Medical Science Liaison at Novo Nordisk Canada Inc. shared valuable insights on the evolving approaches to obesity management with Benefits and Pensions Monitor Meetings & Events ‘The Future of Benefits’ session sponsored by Novo Nordisk Canada Inc., and AGA Benefit Solutions.

He is joined by Massimo Nini, Vice President Consulting & Underwriting at AGA Benefit Solutions, who focuses on the crucial link between absence management and employee well-being. With a background in actuarial science and extensive experience in employee benefits consulting, Nini notes a significant shift from a focus on cost containment to a more comprehensive view of employee wellness. Today’s approach to absence management is not just about reducing expenses; it’s about rehabilitating employees and preventing issues before they arise. Healthy, engaged employees are more productive and contribute positively to the organization’s overall goals.

Addressing weight bias and stigma

Halabi who holds a PhD in Neuroscience and an MSC in Physiology and Pharmacology, delved into the complexities of obesity and the importance of a comprehensive approach to its treatment.

“Obesity is not just a matter of excess weight; it’s a complex, progressive chronic disease characterized by abnormal or excessive body fat that impairs health. In Canada, where the obesity rates have tripled over the past 30 years, almost 30% of adults live with obesity,” says Halabi emphasizing that obesity involves an interplay of various factors, including brain biology, genetics, psychological and social impacts, and environmental conditions.

Halabi highlights the Canadian clinical practice guidelines for obesity management, which have gained international recognition. These guidelines advocate for personalized treatment plans, addressing the root cause of obesity for each patient. They encompass lifestyle recommendations, behavioral counseling, pharmacotherapy, and, in some cases, surgery.

Halabi specifically discusses the role of Psychological and Behavioural Interventions, bariatric surgery and Health Canada-approved pharmacotherapy in obesity management underscoring their

importance when lifestyle interventions are insufficient.

An essential aspect of obesity management is tackling weight bias and stigma. Halabi reveals that 40% of adults experience negative attitudes, judgments, and harmful stereotypes from various sources, including family, employers, and healthcare professionals. This stigma can have profound physical, psychological, and psychosocial consequences.

He says, “individualized strategy is crucial because the causes of obesity can vary significantly from person to person.

“In terms of treatment, the guidelines recommend a multifaceted approach to obesity management. Lifestyle recommendations, encompassing diet and exercise (referred to in the guidelines as medical nutrition and physical activity), can result in a weight loss of approximately 3 to 5%.”

Individuals should consult their health care professional for complete information on this condition and available treatment options.

The Canadian context

The post-pandemic era, coupled with economic instability, has left a marked impact on Canadian society. Rising interest rates, an unpredictable housing market, and high inflation rates have affected not just the physical and mental health of Canadians but also their financial well-being. Nini points out that these three pillars - physical, mental, and financial health - are crucial in understanding the overall health of an individual.

Recent surveys indicate that a significant percentage of Canadians suffer from chronic illnesses, with mental health disorders like anxiety and depression being increasingly common. Financial stress is also a major concern, with many Canadians overwhelmed by debt and worried about their financial future. These factors contribute to a rise in absenteeism and presenteeism, with substantial costs to both employees and employers.

The data from 2020 to 2022 shows a significant increase in the number of days lost due to absenteeism and presenteeism among workers. In 2020, an estimated 41 days were lost per worker, which escalated to 48 days by 2022. This equates to about 10 weeks of work, or roughly 20% of a year’s worth of work for an average employee.

The financial implications of this loss are substantial. Calculating based on average salaries in Canada, the cost per employee amounts to approximately \$10,000 per year.

Strategies for effective absence management

Nini outlines five key areas for developing effective absence management strategies:

- 1. Knowing Your Numbers:** Understanding claims experience and data to assess the current state of benefits programs.
- 2. Investment Allocation:** Rebalancing investment between traditional group benefits and wellness initiatives.
- 3. Benefits Literacy and Communication:** Enhancing understanding of available benefits and diversifying communication channels.
- 4. Optimization of Absence Management Process:** Developing tailored strategies to cater to the varied needs of the workforce.
- 5. Focus on Small and Mid-Sized Enterprises:** Addressing the unique challenges faced by smaller businesses in offering generous benefit programs.

Nini further notes, “The reality is, most plan members are not very benefits literate. While most employees are aware they have a benefits program, many are unclear about the specifics, including what exactly their benefits cover and the full extent of the offerings. This lack of awareness can lead to underutilization of the benefits, which is particularly concerning considering employers often invest a significant portion of payroll—around 5 to 6%—into these programs.”

A key recommendation is to centralize all benefits material on a single platform, making it easier for employees to understand and access their benefits. Plan sponsors should develop a robust communication strategy and conduct surveys on a regular basis to keep up with employee needs and preferences.

Nini says, “A critical but often overlooked aspect in employee benefits is the impact of annual maximums and caps. These limits can disproportionately affect those who need the most support, as individuals reaching these caps are likely those requiring extensive care or services.

“It becomes increasingly important for employers to closely monitor their benefit programs. Regularly reviewing and adjusting the parameters of these programs is essential to ensure they remain effective and relevant. If a significant portion of employees are hitting these caps, it could indicate that they are not receiving the necessary care or support.

“Therefore, organizations should be vigilant in assessing and potentially revising their benefit structures, especially in light of economic changes like inflation, to ensure their employees’ health and well-being are adequately supported.”

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