

Group Insurance Sustainability: Prevention and Cost Management



Good prevention means a healthier workforce, increased productivity, reduced absenteeism, and, ideally, improved viability and profitability of drug plans, says Charles Déragon, Product Leader, Disability, Life and Critical Illness, at iA Financial Group. In the Benefits and Pensions Monitor ‘Group Insurance Sustainability: Prevention and Cost Management’ session he said today’s employers face a huge workforce shortage and new employees can be choosy about where to work. “So, employers really need to work hard on the attraction and retention of employees,” he said. If the primary objective is to retain and attract people, plans need to be competitive.

Preventive Measures

Sound management starts with knowing what members want. Employers need to know the overall health of their workforce and if their health and wellness offer addresses the needs of employees.

It’s simple things, Charles Déragon said, like regular meetings with employee to find their stress level “today.” And while that’s not possible with 200 employees, there’s tools for that. Many tools are available that can help managers listen to employees through targeted questions. They get a score on the net employee satisfaction rate that serves as an indicator of the well-being of the team.

With this, they will be able to plan a proper strategy to address issues by directing employees to the tools or services they need.

Employees benefits can be difficult and intimidating, said Déragon. The more choice there is means “sometimes, we fall back on the default one.” This makes it really important to use targeted and personalized communication, adapted to the reality of the employees.

With four generations in the workplace, digital platforms, digital EAPs, virtual care, and even smartphone apps can address dif-

ferent needs for different people. “But you have to make sure that these are easily accessible, reliable, useful, and also timely,” said Déragon.

Vaccinations

Vaccines are another area that can generate savings and provide positive impacts on productivity and work performance, said Frédéric Leblanc, Pharmacist, Strategic Leader, Drug Programs, at iA Financial Group.



IT’S IMPORTANT TO REMEMBER THERE ARE A NUMBER OF CONSIDERATIONS TO MAKE PLANS SUSTAINABLE, INCLUDING PROACTIVE AWARENESS AND EFFECTIVE COMMUNICATION OF PREVENTIVE MEASURES.

While the childhood vaccination programs in every province have been so successful that “we don’t even hear about some diseases anymore,” he said there’s a drop in vaccinations after age 18, even though some are still important for adults. The challenge with some vaccines is, although they are recommended, that the provinces and territories each decide what is covered, typically based on how much it is going to cost.

There are several infections which impact the workplace that vaccines can prevent, said Leblanc. These include shingles for Canadians over age 50, pneumonia, and HPV. With these three diseases, there is a coverage gap. This means there

is a role for private payers, Leblanc said.

In iA’s book of business, 43 per cent of groups representing 70 per cent of the lives are covered, “which is good news,” he said.

Biosimilars

Two growing conditions among employees are inflammatory conditions and cancer. As there is a high proportion of biologic medications that are reimbursed within those categories, it “brings us to the important topic of biosimilars. The hope is that biosimilar substitution follows the same path as generic substitution to bring down drug costs for plan sponsors.”

iA’s approach is that all new patients use biosimilars. However, it also asks patients on biologics to switch to a biosimilar. “What we did is contact all of our plan members that were actually on a biologic and explained to them the benefits of switching and the application of the lowest price rules. Basically, it’s similar to a generic plan, where we would continue to pay for reference biologic drugs, but we would limit the reimbursement to the price of the least expensive biosimilars available on the market,” said Leblanc.

As of last October, the result of iA’s efforts is a 75 per cent utilization rate of biosimilars of targeted biologics. Biosimilars represent an average of 41 per cent saving compared with their corresponding reference biologics. For an average drug plan, those savings may represent up to 4.6 per cent per year.

Conclusion

Leblanc concluded that it’s important to remember there are a number of considerations to make plans sustainable, including proactive awareness and effective communication of preventive measures, the use of vaccinations as a preventive measure, and, from the financial health perspective and sustainability of drug plan, effective biosimilar savings strategies. **BPM**