



DUPUIS LANGEN
FINANCIAL MANAGEMENT

The benefit brief

The employee solutions newsletter for the clients and friends of Dupuis Langen

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210 – 13900 Maycrest Way
Richmond, BC V6V 3E2
Phone: (604) 270-1142
Toll Free: 1-888-766-6390
Fax: (604) 270-3662
Toll Free Fax: 1-888-636-1430

Web: www.dupuislangen.com
Email: info@dupuislangen.com

We have updated our website.
Please come take a look!

Thank you for your referrals

Business is great but new
clients are always welcome!

If you know of others who
may like to receive our
newsletter or who would
appreciate an audit of their
group benefits plan, please
let us know!

Words of Wisdom

"Money never made a man
happy yet, nor will it. The
more a man has, the more
he wants. Instead of filling a
vacuum, it makes one."

~ Benjamin Franklin

Taming Benefit Costs

It's a delicate balancing act: the desire to provide excellent benefits to employees, but at the same time, to manage costs. As the cost of maintaining employee benefit programs continues to rise, one report revealed that some companies have learned that prevention is the best medicine to keep costs down.

"Indeed, medical insurance is far and away the most expensive benefit item being offered by organizations, and it can be a budget buster," says the Aberdeen Group report, *Taming the Benefits Management Beast: Driving Costs Down and Satisfaction Up*. "The answer isn't found in reducing medical insurance coverage, but in finding ways to make it less needed."

Two cases in point are wellness programs and disease management programs—both of which attempt to reign in the need and cost of other healthcare by keeping employees healthier to begin with.

Getting there is only half the battle as there are obstacles in the way for managing an effective benefits management program, for example:

72% of all organizations cite budget as the top challenge; 24% cite resistance to change; 18% cite the lack of automation of benefits data collection and management; and 15% cite a lack of visibility into the overall benefits program.

"Adopting an effective benefits management program starts with ensuring that the benefit elements being offered to employees are competitive, serve the entire demographic population of the staff, and include input from individual workers," the report says.

Research from the 2008 *30 Best Pension and Benefits Plan* report, conducted by Hewitt Associates shows that the employers that ranked among the top 30 for employee engagement didn't offer "Cadillac" pension and benefit plans. However, they've done a superior job of communicating the value of the

benefits they do offer so that employees understand and appreciate them.

It finds the greatest gains in benefits management programs have been with those organizations that clearly communicate the benefits program to employees, routinely survey employees for their satisfaction with the program, and regularly measure the plan's overall effectiveness.

To evaluate market competitiveness, most organizations cite published benefits reports and compensation surveys as their primary source while others rely on benefits data directly from other companies in their market.

Ensuring that employees understand and appreciate the value of the entire employment deal is key, notes Sarah Beech, Managing Principal, Consulting with Hewitt Associates. She says we see a continued focus from employers on total rewards strategies as a means of communicating this message.

The main message: money alone can't buy employee happiness. Instead there should be a focus on how the benefit plan fits into the overall compensation and HR objectives – and how well it's communicated to employees.

NEW!!

Starting this month a quarterly *Employee Wellness Report* will be sent out via e-mail to plan sponsors with the Benefit Brief. In response to the growing trend and focus on wellness, we have taken an initiative to create a communication piece that can be distributed to employees at your discretion. The Wellness report will contain health information that may be of interest to employees and their families.

Note: the Wellness report is for information purposes only and is not intended to provide medical advice.

SANOFI-AVENTIS HEALTH CARE SURVEY 2008

The annual *sanofi-aventis Health Care Survey* checks in with more than 1,000 plan members from across the country. These plan members get to have their say on their employer-sponsored health benefits plans and express their concerns and perceptions about the Canadian health care system as a whole. Their feedback provides valuable insight for plan sponsors, who can then use the snapshot when reviewing the kind of health coverage they want to offer to their employees.

This year's *sanofi-aventis Health Care Survey* indicates plan members are willing to continue to take a proactive role in helping their employers control costs. The survey shows plan members have taken an active interest in their health, lifestyle and benefits choices, and are willing to accept a level of personal responsibility for their health and their benefits plans. They also want to expand their choices, looking for more flexibility in their selections, more user pay options, and lower costs for plan members who have adopted healthy lifestyle choices.

AREAS OF CONCERN FOR PLAN MEMBERS

The survey confirms that workplace stress is a serious, costly issue affecting 4 in 10 plan members. 39% of respondents said that workplace stress has made them physically ill in the past. The risk of developing chronic diseases was also flagged as an issue of concern, with cancer being cited as the leading worry by 78% of plan members (up from 60% in 2001). Heart disease was flagged by 70% of plan members (up from 57% in 2001), and diabetes was a concern for 54% (up from 39% in 2001).

These survey results indicate growing concern among plan members, many of whom are looking to their employers for support and access to health education and programming. Closing the information gaps is just one measure to prevent, or at least reduce, the effects of certain conditions.

Condition	2001 Very/Somewhat concerned	2008 Very/Somewhat Concerned	Importance of Screening Clinics
Cancer	60%	78%	8.4
Heart Disease	57%	70%	8.0
Diabetes	39%	54%	7.3
Obesity	Not asked	36%	6.0
Mental Illness	Not asked	34%	6.7

ENGAGED PLAN MEMBERS

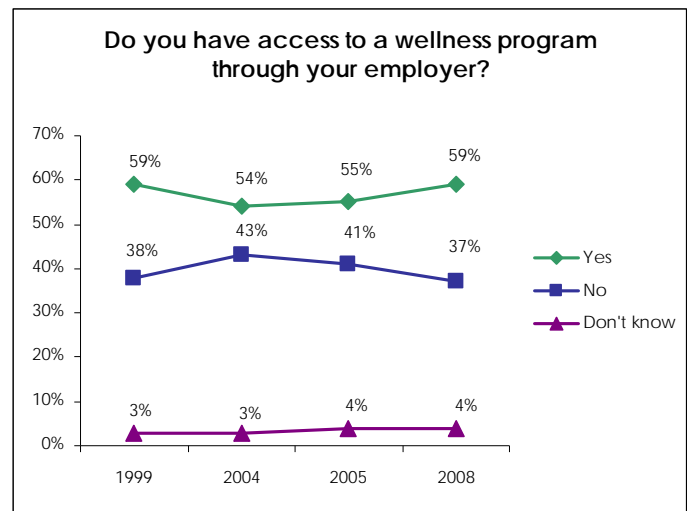
With today's plan members emerging as engaged health care consumers, plan sponsors have an important and increasing role to play in their employees' health in order to help ensure that their well-being and productivity remain optimal. And the survey shows that plan members are ready to recognize and reward employers for doing so.

RETENTION STRATEGY

Eighty-three per cent of respondents indicate that if they believe their employers are interested in helping them look after their health, the employees will be more likely to stay with that employer. When the same question was asked of employees between the ages of 35 and 54, the

percentage of people agreeing jumped to 88 per cent. And it increased to 92 per cent when the question was asked specifically of men.

Today, the majority of plan members (57 per cent, up from 39 per cent in 2003) acknowledge that their employer provides health education, but only a third of plan members (30 per cent) strongly agree that their employer is sufficiently promoting health information. The challenge for plan sponsors is to continue to offer health and wellness opportunities to their employees, but expand these horizons to respond to plan members' emerging concerns about chronic illness, workplace stress, and the information gaps on disease prevention. Prevention tactics include greater coverage for vaccines and advanced drug therapies, programs to help plan members with smoking cessation, and providing access to physical activity, disease screening, and weight loss programs. With educational 'lunch and learn' sessions and tools such as newsletters now considered "fairly passive", plan sponsors are encouraged to take health and wellness initiatives to the next level.



At a time when Canadians of all ages are faced with alarming rates of obesity and its related chronic illnesses, it's encouraging that 67 per cent of Canadian plan members report their health as being excellent or very good. Those same plan members are looking for their plan sponsor to help them maintain that good health. By doing so, employers can help ensure there are many happy, smiling faces to be seen when future surveys take a snapshot of their plan members' feelings about their group benefits programs.

You can read the full *sanofi-aventis Health Care Survey* at <http://www.sanofi-aventis.ca>

PLAN ADMINISTRATOR'S CORNER

For groups with MSP billed through GroupHealth Global, you are no longer required to have your employees complete the Group MSP Enrolment form if the employee already has a Personal Health Number (PHN), as long as the PHN is clearly stated on their enrolment forms.

If the employee has recently moved from another country or province they will still need to complete the MSP Enrolment form, as they will need to obtain Personal Health Number.