

HUB

Risk & Insurance | Employee Benefits | Retirement & Private Wealth

Reinventing benefits through a Diversity, Equity & Inclusion lens

HR Tech Group SIG

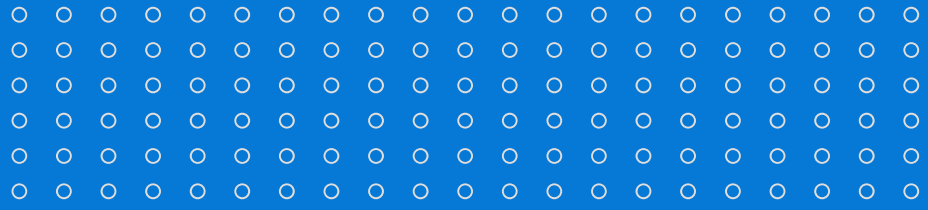
June 2021



Agenda

- 1 Why incorporate the benefit plan into DE&I strategy?
- 2 Market Scan – Where is the industry today?
- 3 Internal Scan – Where are you as an organization?
- 4 Practical considerations to guide change

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Why incorporate the benefit plan into DE&I strategy?



Why incorporate the benefit plan into your DE&I strategy?

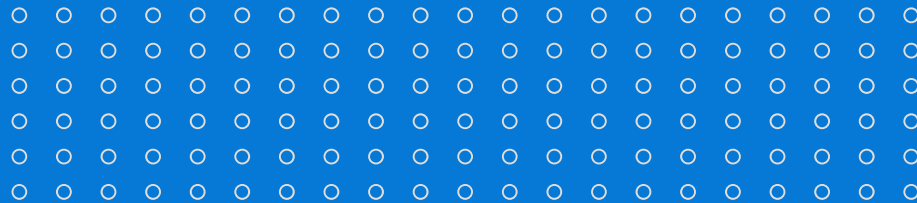


- Diversity, Equity & Inclusion (DE&I) is a broad topic and impacts all facets of an organization
 - We know the importance and value of DE&I within our organizations
- Making changes to your benefit plan aligned to your broader DE&I efforts is a way to improve inclusion
- The intent of our discussion today will support you as an HR / Benefits leader bring forward a perspective to further:
 - Support your broader team and leadership
 - Unlock value in an area that has been overlooked in traditional DE&I discussions
- To make meaningful change, these actions need to align to your organizations' larger DE&I initiative/strategy (i.e., incorporates workplace policies, senior leadership support, organizational commitments)

Challenging the Current State

- There is an increased focus on DE&I within organizations, but benefit programs have remained homogeneous
 - Many organizations strive for a diverse workforce, but struggle to achieve inclusivity, equity, and belonging; this also extends to employer benefit plans
- Organizations often do not realize that a diverse workforce has varied health risks and needs
- Insurers are often hesitant to make policy/program changes for fear of higher costs/unknown risks
 - Plan sponsors should exert pressure to hold insurers/vendors to a higher standard

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Market Scan – Where is the industry today?



Recall from 2017 Fall Business Meeting



Bill C-16 amends the *Canadian Human Rights Act* to add gender identity and gender expression to the list of prohibited grounds of discrimination

- Our research uncovered nothing from the Canadian Life and Health Insurance Association (CLHIA), Society of Actuaries (SOA) or any Canadian insurer.
- Our own surveying of insurers has uncovered that the big three insurers are not planning to update their enrolment forms and will continue to use male or female options only. However, employees can self identify gender. Also, if there is a change in gender due to a transition, employees can report this to the carrier.
- Gender continues to be used as an actuarial supported factor for insurance underwriting.
- Insurers are discussing and exploring various avenues; no two insurers are alike, and each company follows their own set of underwriting guidelines:
 - One insurer indicated that that they are preparing to provide a gender-neutral identifier on enrolment forms but what this will look like is TBD.
 - Change to “Sex at Birth”?
 - Challenge in that reporting systems for underwriting only provide option for Male/Female. When not entered carriers' default to “male”.
- CLHIA is also discussing and has many subcommittees that are addressing different questions: underwriting, administration, etc. but not much movement.

Fast forward to 2021...

- Carriers, for the most part, can offer unisex rate tables for optional life / critical illness
- Plan member facing communications (forms and portals) are beginning to become gender neutral and offer alternates – still under development.
 - Forms are requesting sex at birth, not gender
 - Employee portals

	Manulife	Blue Cross	SSQ	Sun Life	Canada Life	DFS
If Sex at Birth / Gender is blank on form	Male unless unisex tables are used	Blended rate	System requires M or F	Male	Lowest gender risk	Case by case – reviewing soon

- Manulife: Taking necessary steps to accommodate each member’s preferred gender identity/expression. For example, eliminating the use of salutations, striving towards gender-neutral communications and have provided sensitivity training to claims and call center staff.

Industry Trend: Adoption of Gender Affirmation Benefits

- Coverage is **supplemental to provincial coverage** – which is not consistent amongst provinces
- These products typically have two levels of coverage
 - **Basic** component – procedures not covered by province: vocal surgery, chest contouring, hair removal
 - **Enhanced** coverage would include procedures to align to characteristic features of the members desired sex: such as jawbone reduction/reshaping, chin/cheek augmentation

- 3 carriers offering a program today
- Another 3 have it in development

- Sun Life was first to market in 2019. They also recommended reviewing the annual maximums for mental health services.
- GSC offering is standard in their book of business. Existing clients can opt out of coverage before the June 11 deadline.
- Manulife offers to ASO / Refund clients only
- While several carriers do not offer benefits now, there are a few ways that the benefit program can support some of the transitioning members' needs through: Hormone therapy drugs, Mental health practitioners

Scotiabank offering enhanced gender affirmation coverage to employees

By: Staff | May 17, 2021 | 09:00

Green Shield Canada adding gender-affirmation offering to group benefits plans

By: Staff | April 30, 2021 | 15:00

KPMG Canada added gender affirmation as an enhancement to its benefits plan in December 2018.



11% of organizations have benefits packages which cover medical transition related costs.

11% of organizations are in conversation with their insurance providers around this issue.

Pride at Work Survey (2017)

Supporting language and accessibility needs

- For the most part, carriers offer translation services for calls other than English / French (ranges from 150-240 languages) through third parties
 - Translator joins call with carrier
- Forms used are in either English or French
- Movement in terms of accessibility in forms (i.e., lower reading comprehension, vision impairment)
 - Several insurers have developed guiding principles to make communication simpler

Ancillary Providers – EFAP and Virtual Care

- Seeing proactive steps to ensure diverse network and modalities
 - Vision and hearing impairment modifications to video/chat capabilities
 - From an EFAP perspective, providers noted strides to ensure appropriate support for diverse backgrounds, life experiences, religious beliefs and culture
- Specifically, from Lifeworks:

Language and Comprehension

- Call center and forms are English/French
- Forms are written to a Grade 7 reading comprehension level
- Various modalities (video counselling, tele-counselling, telephonic consultation and online group counselling)

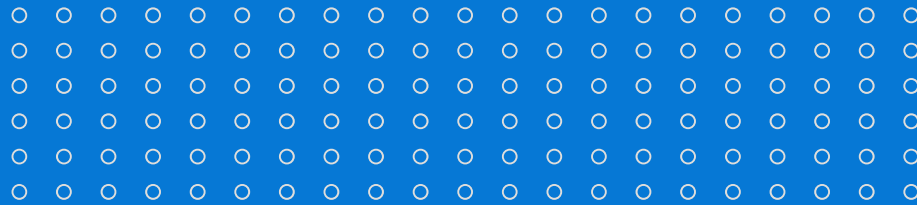
Sexuality and Gender

- Gender neutral forms, web portals
- Offers a transgender support program which includes seminars and workshops
- Workplace Referral Program has manager training to support transgender employees

Race, ethnicity and Culture

- Working to develop a provider list that offers diversity of lived experiences
 - i.e., surveying counsellors to encourage them to self-identify their ethnic / cultural backgrounds
- Intention to survey counsellors twice a year

3



Internal Scan - Where are you as an organization?



How are benefit plans evolving?



Typical benefit plans

“One-size-fits-all” approach

- Minimal flexibility in programming options
- Siloed approach
- Mimics benefit programs of 'most' employers
- Programs offered as a 'perk'
- Address core health and retirement needs

Evolving benefit plans

Toe in the Water

- Evidence of optimization of programs across employee populations
- Wide variety of programs but reluctance to acknowledge societal trends
- Programs and resources offered through traditional vendors
- High focus on mental health resources, typically with increased maximums or expanded providers
- Programs focus on top clinical conditions

Leading benefit plans

Benefit programs continuously reviewed and enhanced as part of the broader DE&I strategy

- Focus on employee experience and the workforce of tomorrow
- Benefits are viewed as a valuable investment in human capital
- Employee wellbeing is a focus and is reflected in benefit programs
- Benefit programs reflect the changing face of the workforce
- Shifts in programming result from employee listening

Employee Experience and Perception of Value

Questions to consider as you do an internal scan

Are our benefit programs reflective of our desire to future-proof our workforce?

What are the viable alternatives to traditional western medicine?

Are we truly understanding of specific employee needs in the moments that matter?

Do we provide support for neurodiversity?

How do we recognize gender differences in our benefit program?

What are the unique obstacles to access of care and benefits for employees?

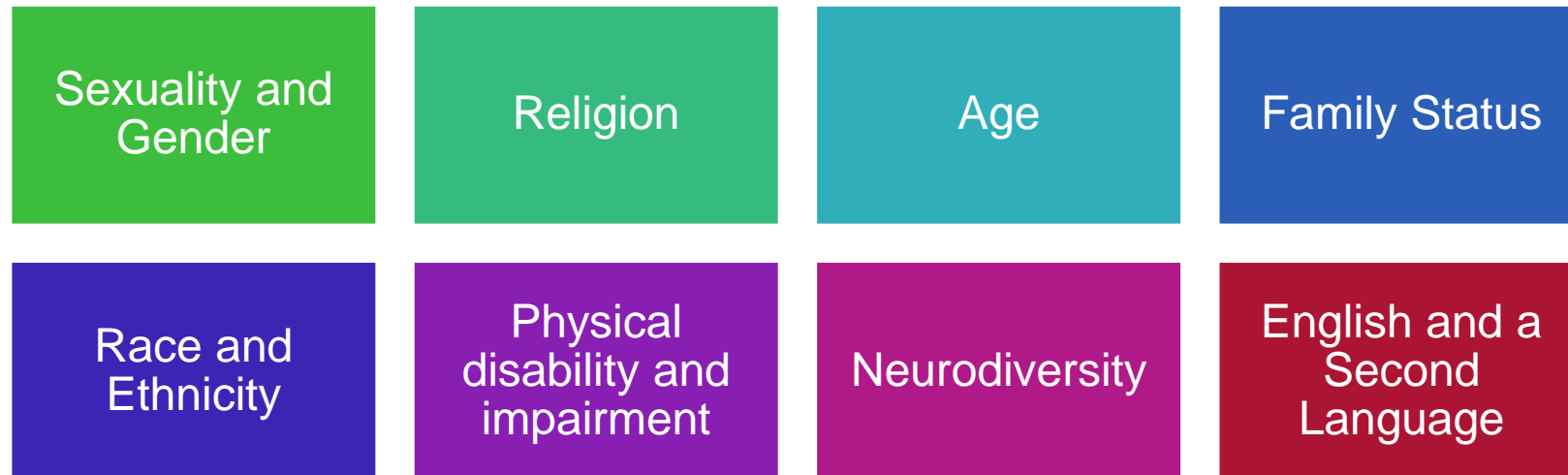
Where have we relied on assumptions rather than information?

What biases are built into our programs?

What groups are NOT represented in the current benefit programs?

What is missing for me?

- Start by assessing gaps in your benefit plan
 - Employee feedback / Employee Resource Groups (ERGs), broader objectives of your DE&I strategy
- A sample of dimensions that could be explored



Example of an exercise you can undergo

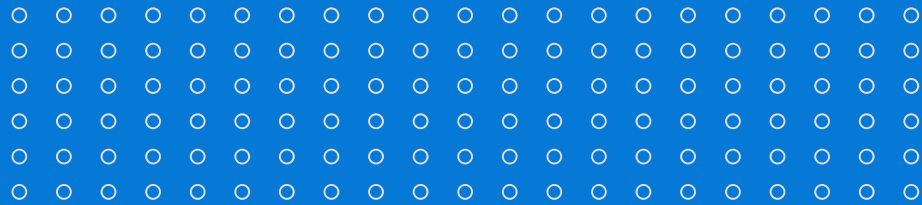
Who Am I? - Race and Ethnicity	What's Missing for Me
Life & Accident	<ul style="list-style-type: none"> Ability to opt out on a religious basis
Disability	<ul style="list-style-type: none"> Ease of process – support network
Health & Dental	<ul style="list-style-type: none"> Practitioners outside scope of Western traditional health practitioners Coverage for health conditions that could be prevalent for different ethnic groups (i.e., Critical Illness) Broader definitions allow for more needs to be met
EFAP	<ul style="list-style-type: none"> Counselors with similar lived experience
Retirement	
Other/General	<ul style="list-style-type: none"> Language and culture understanding HCSA CRA definition

Who Am I? - Age	What's Missing for Me
Life & Accident	<ul style="list-style-type: none"> Plan design (i.e., declining scale)
Disability	<ul style="list-style-type: none"> Offsetting provisions (i.e., prior retirement income)
Health & Dental	<ul style="list-style-type: none"> What happens once my employer plans end? (i.e., unable to purchase affordable coverage)
EFAP	
Retirement	<ul style="list-style-type: none"> Assumptions based on age and retirement Funds locked in – need support now
Other/General	<ul style="list-style-type: none"> Dependents (i.e., Grandchildren or dependent children living at home and financially dependent post age 26) Termination age (i.e., not ready to retire)

When reviewing gaps and what is missing

- Summarize the gaps and where key support is missing for your employees
- Key points:
 - ✓ Benefit changes should align to the broader DE&I and Wellbeing strategies
 - ✓ Ensure employee listening and feedback from ERG's is utilized to enhance programs
 - ✓ Hold vendors accountable to provide services by diverse, culturally competent professionals
 - ✓ Offer benefits that meet employees where they are in their own journey
 - ✓ Assess benefits regularly to ensure they continue to meet the diverse needs of the workforce
 - ✓ Put in place a strategy to reduce stigma, as this is often a barrier to accessing benefits for some groups

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Practical considerations to guide change



Employee benefits are being challenged to better target employee wants and needs *but must align* to the broader DE&I efforts



Optimal Process and Employee Experience

- ✓ Ensure gender neutral language is employed during enrollment right through to policy language
- ✓ Provide access to benefits that address unique health concerns of marginalized and vulnerable groups

Choice and Flexibility

- ✓ Ensure core protection is offered to meet the needs of most employees
- ✓ Enhance plan with the addition of voluntary benefits
- ✓ Ensure vendors offer flexibility in offering, including virtual and onsite access to respond to employees' need to engage in care on their terms

Clarity and Simplicity

- ✓ Employ simplified contract/policy language
- ✓ Ensure ease of access to benefits
- ✓ Review rules for different benefits
- ✓ Use clear and concise language when communicating to employees

Thank you.

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