



COUNTY OF WELLINGTON

Committee Report

To: Chair and Members of the Administration, Finance and Human Resources Committee
From: Susan Farrelly, Director of Human Resources
Date: Tuesday, September 19, 2023
Subject: **Sun Life Benefit Plan Enhancements**

Background:

Benefits are an investment into the health and wellbeing of employees as well as an important investment in workplace culture. The employee group benefits programme for the County of Wellington is underwritten by Sun Life Financial and the Accidental Death and Dismemberment (AD&D) benefit is underwritten by AIG, a specialty carrier. Mosey & Mosey is the County's benefit consultant that helps to develop the County's benefit plan philosophy, control plan expenditures and provide specialized assistance to effectively manage the County's employee benefits programme.

Continuous Glucose Monitors

Effective November 8, 2023, Sun Life is making changes to the Extended Health Care Plans with regard to Continuous Glucose Monitors. Currently, people with Type 1 diabetes have access to Continuous Glucose Monitor coverage. This coverage includes the receivers, transmitters and sensors. Effective November 8, 2023, this coverage is being expanded to include people with Type 2 diabetes who need insulin. This coverage is available to plan members and eligible dependents to help people manage their health. A doctor's note confirming both the diagnosis and insulin use will be required. This change is being applied by Sun Life automatically to all extended health care plans with no change in premiums.

Anti-Obesity Drugs

Experts have long advocated for the treatment of obesity as a chronic condition in order for these drugs to be covered under benefits plans. Similar to managing high blood pressure or diabetes, obesity management requires a multidisciplinary approach, including pharmacological interventions. Weight bias and stigma continue to result in obesity-related health disparities and can prevent people living with obesity from receiving adequate coverage for life-enhancing medications and other related interventions. Obesity is a medical condition with co-morbidities; helping people on that health journey can help mitigate risk associated with other medical conditions and ultimately costs.

The County benefits plans do not currently include coverage for anti-obesity drugs. The County is not the only plan that currently excludes the category, but this is more commonly included as an eligible expense with some limitations. Other alternative / optional drug categories include drugs for smoking cessation, erectile dysfunction and fertility; all of which are currently included in our plans. It has been recommended by our benefits consultant Mosey and Mosey to consider the addition of anti-obesity drugs as soon as possible in light of ensuring the competitiveness and inclusivity of our benefits plan.

Therefore, it is recommended that anti-obesity drugs be added as an eligible expense for the Non-union benefits plans effective November 1, 2023, subject to prior authorization as well as Reasonable and Customary limits (pricing, frequency of prescriptions) for the treatment of obesity. Prior authorization is an important cost-management tool for drugs in this category and it is important to note that a diagnosed medical condition of obesity would be required for eligibility; coverage would not be provided for general weight loss.

Combined Maximums for Chiropractic and Massage Therapy

At this year's annual negotiations with the Roads Employee Group, the employee representatives requested consideration that the current separate annual maximums of \$700 annually for Chiropractic and Massage Therapy be combined for a total of \$1,400 maximum coverage for Chiropractic and Massage Therapy. The employee group expressed their desire for flexibility of coverage between these two paramedical health care categories by combining the annual maximums.

Sun Life has agreed to combining these maximums, with no increase to the annual premiums for the adjustment. It is important to note that by combining these maximums, there will likely be an increase in utilization which may likely increase premiums at renewal. This needs to be balanced by being a responsive employer and providing coverage that is beneficial and impactful for our employees.

All of these improvements align with the 2023 County of Wellington Strategic Action Plan to ensure recruitment and retention of employees remains a top priority for the County, by enhancing the competitiveness of our County benefits plan.

Financial Implications

The financial implication is an approximate increase of \$25,000 annually for the addition of anti-obesity drugs to the Non-union benefit plans.

Recommendation:

That anti-obesity drugs will be added as an eligible expense for the Non-union benefits plans effective November 1, 2023, subject to prior authorization as well as Reasonable and Customary limits, for the treatment of obesity as a medical condition; and

That the separate annual coverage maximums of \$700 for Chiropractor and Massage Therapy be combined to \$1,400 for these two paramedical categories, effective January 1, 2024 for the Non-union benefit plans.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Susan', with a stylized flourish at the end.

Susan Farrelly
Director of Human Resources