



July 2018

Group Benefits – 2018 Priorities

Rapid Response Survey

Survey date: May 2018

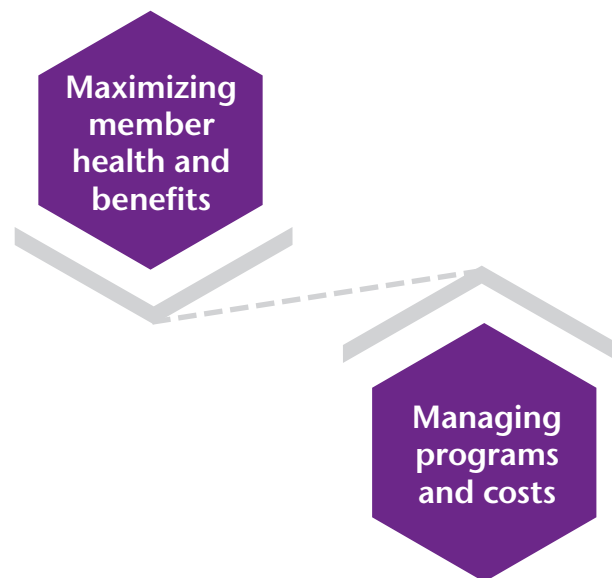
No. of participants: 193

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Increasing health and drug costs, compliance concerns, government policy and program changes, minimum wage increases, demographic pressure, demand for personalization, disability costs, employee wellness, mental health, productivity and engagement, attraction and retention -- we could go on! Canadian plan sponsors are faced with a growing list of opportunities and concerns that compete for their attention. To bring the most pressing issues into clear focus, Aon asked employers to identify their top group benefit and workforce priorities. With very few exceptions, the responses were consistent across the country and across industry lines. Plans sponsors are concerned about escalating costs and managing those costs. They are also mindful of ongoing workforce challenges such as productivity, engagement and employee health and wellness. In the current climate of rapid change and disruption, it is imperative that employers seek innovative ways to solve the cost versus outcome equation of group benefits plan sponsorship.



Finding the right balance means looking at the interaction of benefit and workforce priorities. Could tackling productivity and wellness have a positive influence on overall extended health costs? Could paying more attention to novel solutions lead to more sustainable extended health costs? Could a more personalized employee benefit

experience improve attraction, retention, and engagement outcomes, or contribute to better employee wellness? Now is the time to evaluate priorities and take a deep dive into finding creative strategies – traditional and/or innovative – that will help to achieve workforce objectives and satisfy the bottom line.

Top ten group benefits priorities

- 1 Escalating drug costs generally
- 2 Escalating specialty drug costs in particular
- 3 Escalating extended health costs generally
- 4 Chronic illness – effect on plan costs
- 5 Need to personalize employee benefits experience
- 6 Rising payroll costs (e.g., minimum wage increases, CPP contribution increases)
- 7 Compliance and/or governance obligations
- 8 Cost-shifting – public to private
- 9 Administrative hassle of employee benefits
- 10 National Pharmacare discussions

Top ten workforce priorities

- 1 Employee productivity and engagement
- 2 Employee wellness
- 3 Attracting, retaining or developing skills needed for rapidly changing business environment
- 4 Workplace mental health
- 5 Employee financial wellness
- 6 Family support obligations - effect on workplace productivity and well-being
- 7 Chronic illness – effect on productivity
- 8 Multi-generational workforce
- 9 Delayed retirement – productivity and performance challenges
- 10 Delayed retirement – growing number of employees working past normal retirement age