

Working it Out: Benefit plan design tips for employers



Canadian
Psoriasis
Network



Réseau
canadien
du psoriasis



Benefit plans are ways to attract, recruit and retain employees and is part of an employee's total compensation package. For people with chronic illnesses, like psoriasis and psoriatic arthritis (referred to as psoriatic disease), benefit plans offered by employers (known as plan sponsors) are an important part of the total compensation package.

The purpose of this tip sheet is to describe the benefit plan design features and workplace support that is helpful to people with psoriatic disease. Employers can consider these strategies, tools, and supports as they design benefit plans and other workplace programs and strategies.

A Brief Recap

Psoriasis is a chronic inflammatory condition of the skin, causing itchiness, pain, and discomfort among other symptoms.

Psoriatic arthritis is a chronic, autoimmune form of arthritis that causes joint inflammation, pain, and stiffness in the joints and irreversible joint damage.

These conditions are increasingly being known as psoriatic disease – recognizing the impact of these conditions on the whole body.



Impact of psoriatic disease on the workplace

- Results from the [Working it Out survey](#) and research have shown that psoriatic disease has a significant impact on workplace participation and productivity¹. Many people reported unmet workplace accommodation needs and the need for employer and other support. Actively offering and evaluating workplace accommodation is a critical part of supporting people living with psoriatic disease in the workplace.
- Early and ongoing employer support can help employees stay healthy and remain at work. Employer support can also help:
 - reduce employee absenteeism (periods away from work beyond what is expected)
 - reduce employee presenteeism (the lost productivity when employees are not fully functioning in the workplace)
 - reduce short and long-term disability claims
 - improve workplace productivity
 - support equity, diversity, and inclusion goals and programs
- Living with a chronic illness, like psoriatic disease, has a significant impact on the person or employee as they need to manage the disease symptoms, health needs and work and financial needs (refer to the visual). We spoke with people with psoriatic disease to identify how they use benefit plans and what plan features were most helpful in managing their health.

Needs Of People With Psoriatic Disease





The value of benefit plans

- For people with disabilities, like psoriatic disease, employer-provided benefit plans can help these employees stay healthy and productive at work. It is often easier for people with psoriatic disease to access these supports since it is typically available to all or most employees. Employees do not need to disclose their health status or work restrictions and/or limitations to a direct supervisor to access benefit plans.
- People living with psoriatic disease said that access to prescription medications and allied health care professionals are the most important feature of employer-provided benefit plans. Private benefit plans often offer [greater access to medications](#) than those offered by government plans. Many people with psoriatic disease cannot purchase or afford the premiums for additional private benefit plan coverage due to their “pre-existing” condition.





Benefit plan features that matter

- The **most important** plan feature is access to a wide variety of prescription drugs. Many people with psoriatic disease highlighted the need for access to biologics or biosimilar medications which are considered specialty drugs and cost more than \$10,000 per year.
- A less restrictive drug formulary can provide medication choice options to people with psoriatic diseases and allows for personalized health care decisions. When treating psoriatic disease, there is a process of trial and error as a person with psoriatic disease and their physician find a treatment that works best. Often people with psoriatic disease must try a variety of medications to find the combination of medications that reduces symptoms and inflammation. Medications can take months to take effect, and people with psoriatic disease undergo monitoring or regular bloodwork and experience medication side effects which may require ongoing changes until their health is stabilized. Medications may not work, and the process of trial and error continues until the right treatment plan is established.
- A simple prior authorization process with established service standards is important to provide timely access to medications and support treatment decisions.
- Paramedical service coverage allows access to allied health care professionals like physiotherapy, occupational therapy, and massage therapy and other types of treatment (e.g., acupuncture) which are needed to optimize health.
- Coverage for mental health providers is useful to complement services offered by Employee and Family Assistance Programs (EFAP).
- A health care spending account can be beneficial if it has flexible terms that reimburse allied health care professionals and over the counter medications like creams, lotions, shampoos, narrowband home-based phototherapy devices, and eye drops.
- Life insurance and pension or savings plans are an important part of the total compensation package as it provides additional financial security to people with psoriatic disease.



Benefit plan barriers

- People living with psoriatic disease identified a number of barriers in using an employer-provided benefit plan:
 - there was a long and complicated prior authorization process (paperwork, signatures) which delay treatment, require significant out of pocket costs, and cause additional stress.
 - step therapy or requiring certain drugs to be prescribed before accessing others had a negative impact on treatment decisions and health.
 - delayed listing programs mean people with psoriatic disease cannot access the medications they need to control their health.
 - case management of high-cost specialty drugs places additional stress on people with psoriatic disease.

“I paid out of pocket for almost everything. I was cutting back on everything else and my parents had to help me out financially.”

Person living with psoriatic disease

“My pharmacist advanced a month’s supply of the biologic while I waited for prior authorization approval. I am thankful for the support of the pharmacist, but others may not be as fortunate.”

Person living with psoriatic disease





The basics of benefit plan design

- Employer-provided benefit plans complement what is provided through publicly provided health care and social programs. Healthcare programs and services vary by province or territory, so it is important to consider what is provided through publicly funded health care services when designing the benefit plan.
- Cost is a significant component of how much an employer pays for the benefit plan. The cost is determined by a “Target Loss Ratio” (TLR) which influences the premiums or rates at renewal and affects what benefit plans can be offered to employees. The TLR is determined by a range of factors including the total number of employees covered by a plan.
- Consider how the cost of the benefit plan can reduce other employer costs. For example, some research has suggested that access to systemic therapies for psoriasis correlated with increased workplace productivity² and reduced absenteeism and presenteeism³.
- To learn more about benefit plans, visit the [Canadian Life and Health Insurance Association](#) website to learn about key terms, supplemental health coverage, and disability insurance.



Managing the risks

- Designing a benefit plan is about managing risk. The risk is shared between the employer (plan sponsor), insurer, and the employee. It is important to consider what you can do to help manage and share the risk equally between these parties. Actively consider the risks being passed on to the person with psoriatic disease.
- Consider catastrophic claims protection, also known as a Large Amount Pooling (LAP) threshold which covers health care and drug claims more than a set threshold, usually \$10,000 to \$15,000. When considering past claim experience, LAP thresholds protect employers from large rate increases. The cost of LAP can be significant at 15-25% of total health care plan cost.



HR programs and supports that matter

- Offer [workplace accommodations](#) including when returning to work after a period of short- or long-term disability. Often workplace accommodations do not cost much and simply requires a flexible approach and perspective in how the work can be accomplished. Ensure accommodations are actively offered and evaluated.
- Be aware of [legal rights and responsibilities](#) around workplace accommodation including the amount of [medical information](#) requested and shared with the employer.
- Consider virtual or hybrid working options. A [Benefits Canada Health Care Survey](#) found that three in four respondents said their home environment resulted in less work missed due to their health condition. A [recent report](#) from Sun Life Canada about long-term disability claims reports that musculoskeletal (MSK) claims remain lower than pre-pandemic suggesting that MSK issues may have been managed better at home.
- Be aware of transition from sick leave to short or long-term disability. A seamless transition from sick leave and short- and long-term disability can reduce stress and make a difference to the employee.
- Actively inform employees and their families about the benefit plan and employer programs available to them. Many employees do not understand what is included in their benefits package and related services like Employee and Family Assistance Programs, and how these programs can help them stay healthy. Employers can consider adding other wellness programs like telemedicine and vaccination programs in the workplace to help employees stay healthy.
- If you receive a request for an exception to the benefit plan from an employee, consider approving it. People with chronic health conditions, like psoriatic disease, do not typically request things that are not recommended or fully discussed with their physician.
- Consider how periods of sick leave and disability affect Human Resources policies like pension, employment status, and attendance programs. Sometimes people with disabilities (like psoriatic disease) can be negatively impacted by these HR policies when they have reduced hours of work or work absences due to flares of the disease.

“Disability insurance was the most helpful to me as I figured out the treatment plan however, I had to wait months without pay.”

Person living with psoriatic disease

About Working it Out

The Working it Out project is a multi-year initiative with the aim of supporting the inclusion of people with psoriatic disease in the workplace. The first phase of the project culminated in the creation of the [Working it Out report](#) which highlighted the workplace experiences of people with psoriatic disease and informed the creation of [workplace resources](#). A [White Paper](#) on income and employment policy was developed in phase two of the project and presented to policymakers as part of an advocacy campaign. This tip sheet is part of the third phase of the project which emphasizes how workplaces and private plans can best support people with psoriatic disease.

Acknowledgement

We appreciate the insights provided by the project advisory committee as they had a significant impact on the content of this tool. Many thanks to Shane Bennett ([Bennett Insurance](#)), Jennifer Miller (person living with psoriatic disease and former Chief Underwriter), Grégoire Gagnon ([Cultural Human Resources Council](#)), and Megan Graham (human resources specialist). This resource was developed by Laurie Proulx, human resource consultant and patient advocate.

Disclaimer

There are websites linked to and from this site that are operated or created by or for outside organizations. Those organizations are solely responsible for the operation and information found on their respective websites. The linking to or from this site does not imply any endorsement or guarantee of any of the organizations or information found on their respective web sites. We are not responsible for any liability whatsoever for the linking of any of these linked web sites, the operation or content of any of the linked websites, nor for any of the information, interpretation, comments, or opinions expressed in any of the linked websites. Any comments or inquiries regarding the linked web sites are to be directed to the particular organization for whom the particular website is being operated.

¹ Ayala, F., Sampogna, F., Romano, G. V., Merolla, R., Guida, G., Gualberti, G., Papparatti, U. D., Amerio, P., Balato, N., Potenza, C., & Daniele Study Group (2014). The impact of psoriasis on work-related problems: a multicenter cross-sectional survey. *Journal of the European Academy of Dermatology and Venereology* : JEADV, 28(12), 1623–1632. <https://doi.org/10.1111/jdv.12233>

² Daudén, E., Vidal, D., Romero, A., Bordel, M. T., Rivera, R., Márquez, J., Zamora, E., Martínez, L., Ocaña, M. J., Vila, C., Iribarren, P., Corona, N., & Zulaica, A. (2023). Psoriasis severity, health-related quality of life, work productivity, and activity impairments among patients with moderate to severe psoriasis receiving systemic treatment: real-world data from clinical practice in Spain. *Actas dermo-sifiliograficas*, S0001-7310(23)00530-6. Advance online publication. <https://doi.org/10.1016/j.ad.2023.07.001>

³ Tillett, W., Coates, L. C., Kiri, S., Taieb, V., Willems, D., & Mease, P. J. (2022). Achievement of more stringent disease control is associated with reduced burden on workplace and household productivity: results from long-term certolizumab pegol treatment in patients with psoriatic arthritis. *Therapeutic advances in musculoskeletal disease*, 14, 1759720X221140846. <https://doi.org/10.1177/1759720X221140846>

About the Canadian Psoriasis Network (CPN)

CPN is a national not-for-profit organization with a mission to enhance the quality of life of people with psoriasis and psoriatic arthritis. We do this in part by providing current information on research and treatment options and by working with others to build awareness and advocacy about the complexity of these conditions.

www.canadianpsoriasisnetwork.com

About the Canadian Association of Psoriasis Patients (CAPP)

CAPP is a national not-for-profit organization that was formed to better serve the needs of people living with psoriasis and psoriatic arthritis in Canada. We raise awareness about the burden of psoriatic disease, provide education, support research into psoriatic disease and advocate on behalf of our community.

www.canadianpsoriasis.ca

About Unmasking Psoriasis

Unmasking Psoriasis is a Saskatchewan-based awareness group looking to educate employers and the public. We support patients with psoriasis through education and changing the way we think of psoriasis.

www.unmaskingpsoriasis.org

Canadian
Psoriasis
Network



Réseau
canadien
du psoriasis

