

# Employee Benefit Plans

for Saskatchewan health-care employees  
2022-23 Annual Report



We take care of the caregivers



## First Nations and Métis/Michif land acknowledgment

We acknowledge that the Saskatchewan health-care system works and meets on the territory covered by Treaties 2, 4, 5, 6, 7, 8, and 10, the traditional territories of the Cree, Sauteaux, Dakota, Lakota, Nakota, Stoney, and Dene, and the Homeland of the Métis/Michif. Recognizing this history and the Truth and Reconciliation Commission Calls to Action are important to our future and our efforts to close the gap in health outcomes between Indigenous and non-Indigenous peoples.

**As treaty people, we pay respect to the traditional caretakers of this land.**



## 2022-23 Annual Report

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## Message from Karen Knelsen, Board of Trustees Chair



As use of the Employee Benefit Plans provided by 3sHealth continues to grow, the Board of Trustees that oversees the plans continues to progress to a new level of transparency and cooperation.

In last year's annual report, we noted an increase in payments to plan members during the COVID-19 pandemic. That trajectory continued in 2022, with \$162.5 million paid to plan members and their families for group life insurance, disability income plan benefits, and health and dental claim reimbursements. These payments are incredibly important to health-care system employees who rely on this support to help look after themselves and their families. The plans remain fully funded and ready to respond to the needs of members. More information on plan funding can be found in the "What are the benefit plans?" section on page 9.

The effort to transition the Board of Trustees to a joint trusteeship structure continued throughout 2022. In December, five new independent trustees were appointed from the community at large and received an extensive orientation outlining the benefit plans, their governance, our investment and financial situation, 3sHealth's role as the administrator and settlor of the trusts, and more. With the addition of these new members, the plans were successfully transitioned to achieve Employee Life and Health Trust compliance, allowing for more than \$10 million in tax avoidance. 3sHealth will continue to work with the employers and unions to achieve full joint trusteeship.

3sHealth welcomed a new benefits client in February 2023. The Saskatchewan College of Pharmacy Professionals joined as a non-payroll organization, and our Employee Benefit Plans leaders visited the College to train staff on administrative processes and to make a presentation to staff about the plans.

The events of the last few years have helped people of Saskatchewan and the world at large gain a deeper appreciation for the hard work of all health-care employees. The Board of Trustees is honoured to provide stewardship for these crucial plans that allow us to take care of the caregivers.

On behalf of the Board of Trustees, I am proud to present the Employee Benefit Plans Annual Report, and I hope that readers take the time to learn more from the pages that follow.

## Message from Mark Anderson, Chief Executive Officer

The Employee Benefit Plans are one of the largest service lines for which 3sHealth is responsible. The 10 employee benefit plan trusts that we administer include more than 46,000 active plan members and 15,000 retirees across 71 organizations. Health system employees are covered for group life insurance, extended health care, dental, and disability income through these 10 plans.

3sHealth is an organization that strives for continuous improvement, and there were several areas in which the Employee Benefit Plans team embraced positive change this year. The 2021-22 EBP Annual Report outlined the significant progress of the service line's "Path to Health" project, which redesigned 3sHealth's entire approach to how we manage disability claims. Since then, the Employee Benefit Plans team has implemented a new software solution to manage disability claims. In addition to making the process more efficient and streamlined, it also allowed the team to eliminate a majority of the paper disability files kept on-site.

Never prone to resting on their laurels, the team has already moved on to its next major project: a two-year strategic effort to advance its commitment to provide world-class customer service to plan members, employers, and union partners. Employee Benefit Plans has proven its ability to dream big and deliver, and we are all excited to see the improvements this work will bring to plan members.

Alongside these major initiatives is the thorough day-to-day work that the Employee Benefit Plans team provides. Whether they are proactively contacting retired members each year so they make the most of their benefits, measuring the benefit eligibility of tens of thousands of health-care employees, or producing newsletters twice a year to educate members, they routinely do all they can to provide the best service possible to plan members and their co-workers.

I thank the entire Employee Benefit Plans team for that dedication, and invite the reader to learn more about their accomplishments in this Annual Report.



## Employee Benefit Plans Board of Trustees



**Karen Knelsen**  
Chair

Ms. Knelsen's considerable experience as a registered nurse, Director of Nursing, and facility administrator, in addition to her board experience with health-care facilities, with the Saskatchewan Registered Nurses' Association, and as a representative of affiliated agencies, significantly contributes to the work of the 3sHealth Board of Trustees. Ms. Knelsen currently serves the Chair of the Employee Benefit Plans Board of Trustees and is a representative to the Employee Benefits Committee. She has been immersed in the health sector for several years and is known and respected for her commitment to a high-quality, patient-centred health-care system. Ms. Knelsen also serves on the 3sHealth Board of Directors. She has achieved the following certificates through the International Foundation of Employee Benefit Plans: Foundation of Trust Management Standards, Advanced Trust Management Standards, and Masters of Trust Management Standards.



**Arnie Shaw**  
Vice-chair

Mr. Shaw is a Chartered Professional Accountant (CPA, CA) and a retired Certified Management Consultant (CMC). Currently, he is the President of Centennial Plumbing, Heating & Electrical and Centennial Kitchen & Bath. Prior to that, Mr. Shaw was in public practice as a CPA for 15 years and later established a management consulting practice, which specialized in consulting and operating companies in financial difficulty. In addition to his business roles, Mr. Shaw has several current and past for-profit and not-for-profit board and committee affiliations, including Blue Cross Life of Canada, Saskatchewan Blue Cross, Canadian Association of Blue Cross Plans, Saskatoon Centennial Auditorium & Convention Centre, Nexstar Network, Rise Air, Saskatoon Fastprint, and the B'nai Brith Silver Plate Dinner. Mr. Shaw also currently serves as Vice-chair of the 3sHealth Board of Directors as well as the Chair of the 3sHealth Board's Audit, Finance, and Risk Committee. He has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans.



**Brian Barber**

Mr. Barber's insight and knowledge of the health system is a result of serving on the former Regina Qu'Appelle Health Region board since 2008. Mr. Barber also serves as the Chair of 3sHealth's Board of Directors. Mr. Barber brings significant contributions to the 3sHealth Board through his prior board and governance experience with municipal government, community, and financial organizations, as well as skills learned and applied as Senior Vice-President of Ledcor Construction. He has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans. Mr. Barber is a strong advocate of a shared services approach and understands the importance of focusing on doing fewer things and doing them better in the health system.



**Andrew Cartmell**

Mr. Cartmell's experience and leadership as a past President and CEO of SGI provide him with an excellent foundation to support innovative change within the health-care system. He is accustomed to working within a complex organization that needs to be responsive to many stakeholders. He has experience as a member of the Facility Association Board, an insurance industry association, Director on the 3sHealth Board, and with the SGI's Board. Mr. Cartmell has strong financial, insurance, and enterprise risk management skills. He is a Fellow of the Canadian Institute of Actuaries. Mr. Cartmell has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans.



**Twyla Meredith**

Ms. Meredith has assumed a variety of financial and leadership roles in the public sector and Saskatchewan Crown corporations since 1983. Most recently, she served as President and CEO of the Saskatchewan Gaming Corporation until her retirement in March 2015. She holds an administration degree and is a Chartered Professional Accountant (non-practicing), as well as being a Fellow of the Society of CPAs of Canada. She has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans. In addition, Ms. Meredith has extensive board experience, including recently serving as the Vice-Chair of the eHealth Saskatchewan Board. She has also filled a number of roles with sports, community, and volunteer organizations, all of which are beneficial in her role on the 3sHealth Board.

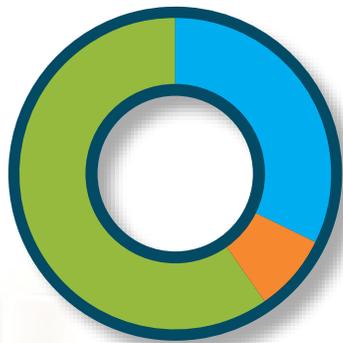
# Introduction

3sHealth administers group life, extended health care, dental, and disability income plans for health system employees. Since 1967, the 3sHealth Employee Benefits team has acted as the administrator of the employee benefit plans. 3sHealth Employee Benefits supports the Board of Trustees and is the caretaker of the employee benefit plan investments and trust fund assets of more than \$574 million.

In addition to managing day-to-day operations, the 3sHealth Employee Benefits team provides front-line customer service and support to 71 health-care employers, 46,000 active plan members and 15,000 retirees. The team adjudicates disability claims, pays disability benefits, performs the weekly and annual eligibility determination on behalf of all health-care employers, assesses lifestyle spending account claims, and facilitates life insurance claims. Most of these services are performed at or above the performance level targets the team sets each month. The Benefit Services team also provides proactive services, such as reaching out to retirees annually to confirm their personal and beneficiary information is up to date or leveraging strong relationships with health-care practitioners to ensure plan members receive proactive treatment once disability claims are approved.

In 2022, the employee benefit plan trusts paid \$162,567,244 in group life insurance, disability income plan benefits, and health and dental claim reimbursements to eligible plan members. Plan members received \$51,181,958 in claims reimbursement representing over 1.2 million extended health-care claims. The Core and Enhanced Dental Plans paid over \$45 million in reimbursements for plan members and their families in 2022. The group life insurance plans provided \$12,311,232 that was paid to loved ones when a plan member passed away, as well as an additional \$825,000 paid directly to plan members when their spouse or child passed away. A further \$51,654,756 million in disability income was issued, with an additional \$740,479 for treatment support provided to plan members on an approved claim.

## Benefits paid in 2022



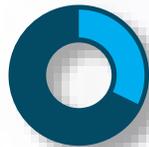
**\$162.5 million**  
paid to plan members and their families



**\$97.0 million**  
health and dental claims paid



**\$13.1 million**  
life insurance claims paid  
to beneficiaries



**\$52.4 million**  
disability income payments  
paid to plan members

# What are the employee benefit plans?

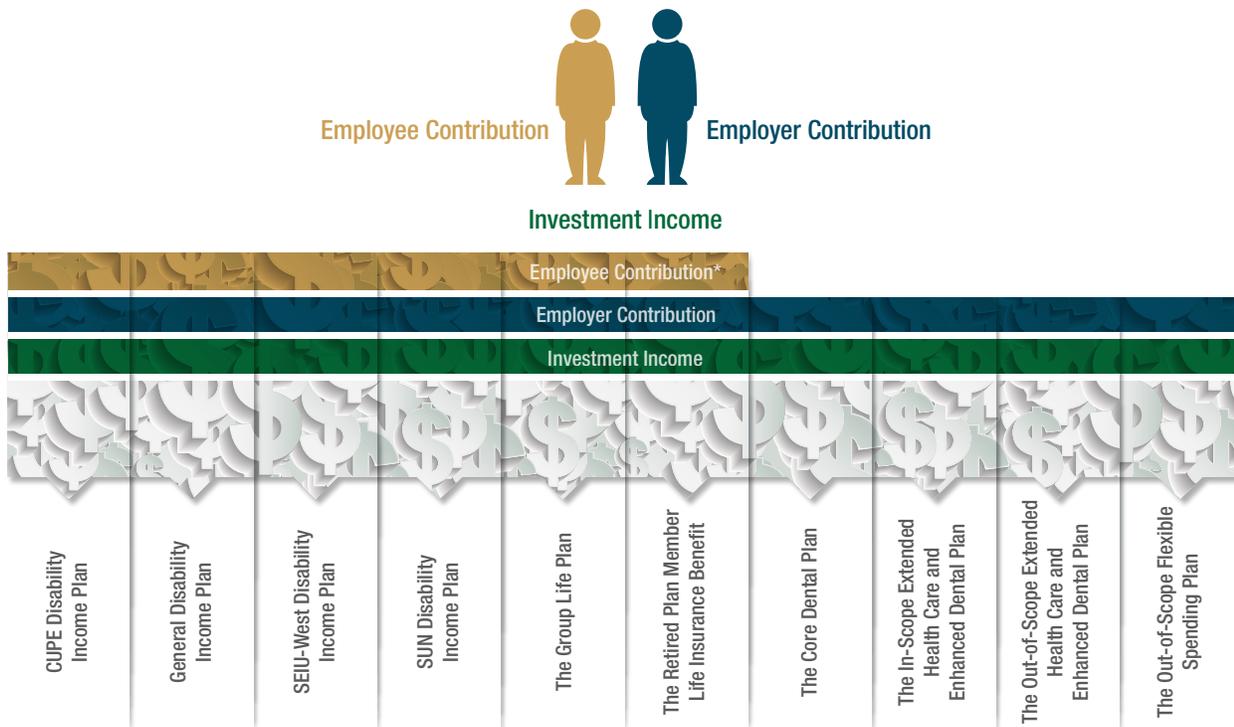
There are 10 health system employee benefit plans. Saskatchewan health-care system employees are members in these plans.

The employee benefit plans are governed with reference and adherence to the Saskatchewan Health Authority collective bargaining agreements and the out-of-scope terms and conditions. Other Saskatchewan health-care employers can participate in the benefit plans if they are an approved customer of 3sHealth. Depending on an employer’s collective bargaining agreements and/or personnel policies, premiums and contributions may be paid by the employer, the employee, or with costs shared between them. 3sHealth holds these contributions in trust.

## How are the plans funded?

Employers and employees contribute funds to these plans to be held in trust and administered on their behalf. The 3sHealth Board of Trustees has the ultimate fiduciary responsibility for the plan trusts. It oversees the governance of the plans and appoints 3sHealth to administer the plans.

Employers and employees contribute together to directly fund the plans. As depicted below, the employees contribute to six of the plans, while employers contribute to all 10, as per the tenants of various collective bargaining agreements.



\* Some participating organizations have a different cost-sharing arrangement compared to the one depicted here.

These plans are:

- CUPE Disability Income Plan
- SEIU-West Disability Income Plan
- SUN Disability Income Plan
- General Disability Income Plan
- The Core Dental Plan
- The In-Scope Extended Health Care and Enhanced Dental Plan
- The Out-of-Scope Extended Health Care and Enhanced Dental Plan
- The Group Life Plan
- The Retired Plan Member Life Insurance Benefit
- The Out-of-Scope Flexible Spending Plan

3sHealth's legislation, *The Health Shared Services Saskatchewan (3sHealth) Act*, outlines 3sHealth's ability to establish, operate, administer, support, or manage employee benefit, insurance, and disability plans and related trusts.

### **How have the plans performed?**

The stability of the plans relies on the income generated by the investment of employee and employer contributions. The Board of Trustees oversees the management of funds in conjunction with the Employee Benefit Plans Committee and Working Committee. These income investments help fund all 10 plans, including the four that do not include employee contributions.

For the year ended December 31, 2022, the funds administered by 3sHealth were subject to the same negative market performance experienced across the global financial sector. Both stocks and bonds saw significant negative returns over the course of the year, as market performance was driven down by high inflation, sharp increases in interest rates brought in as an inflationary control measure, overseas conflicts, and fears of a global recession. This negative performance drove disability income, health and dental, and group life insurance plan funds down and reversed the positive gains of the previous year. The disability income plans lost \$22.9 million in net assets, the health and dental plans saw net assets decrease by \$19.2 million, and the group life insurance plan net assets fell by \$5.7 million.

Despite these challenges, the investment portfolio performed well, thanks to changes to the plans' portfolio makeups that were made by the Employee Benefit Plans Committee, and Board of Trustees. This allowed for investments in more stable infrastructure assets, which helped mitigate losses and allowed the disability income plans' funds to outperform their market benchmarks and/or generate a positive rate of return. Vitaly, all of the plans still match or exceed their benchmarks over a 10-year period.

The annual actuarial valuation conducted after each fiscal year, which evaluates whether the plans are adequately funded to pay out current and future benefits to plan members, determined the plans administered by 3sHealth remain fully funded.

Careful management of direct contributions and investment income is the Board of Trustees' responsibility. The diligence and caution it provides helps insulate the plan funds from market fluctuations. This ensures 3sHealth remains in a position to fulfill the benefit promise on which health-system workers rely.

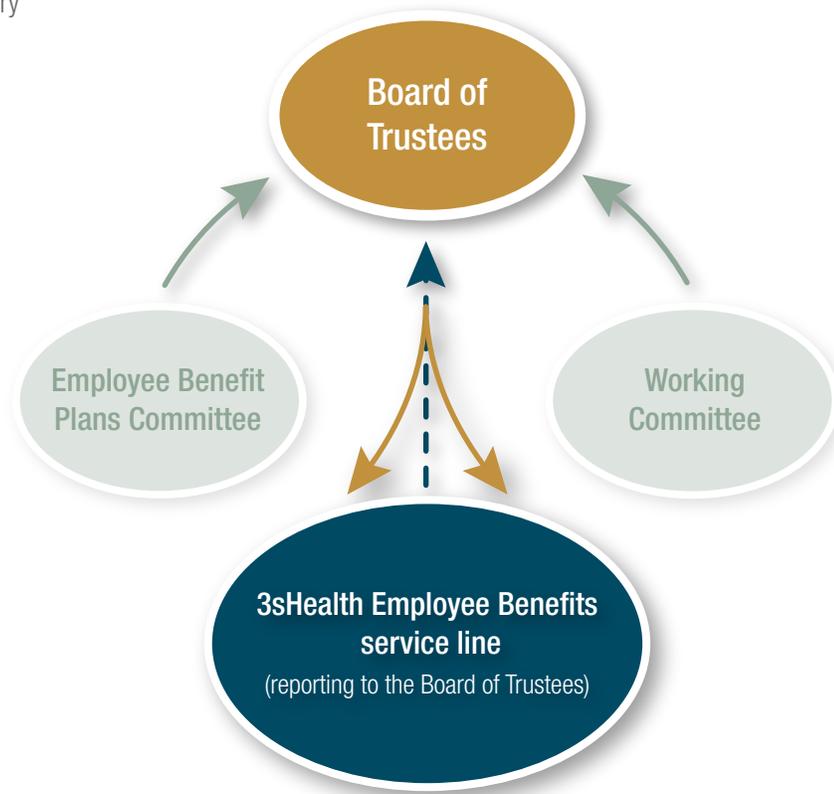
For more detail on the financial performance, please see the *Financial highlights* and *Summary financial information sections* of this report on page 22.

## Governance of the Employee Benefit Plans

The Board of Trustees has fiduciary responsibility for the employee benefit plan trusts.

Along with the Board of Trustees, two committees support trust governance.

Made up of an equal number of union and employer representatives, the Employee Benefit Plans Committee makes recommendations to the Board of Trustees for matters related to the Group Life Insurance, Retired Plan Member Life Insurance Benefit, Core Dental, and the Disability Income plans. In addition, the committee makes recommendations to the Board of Trustees on investments and the asset mix. The collective bargaining agreements stipulate the composition of the Employee Benefit Plans Committee.



The Working Committee comprises 10 union representatives and makes recommendations to the Board of Trustees for matters related to the In-Scope Extended Health Care and Enhanced Dental Plan.

## The path to joint trusteeship

Significant progress was made in 2022 to move the Board of Trustees to a joint trusteeship structure.

As reported in last year’s Annual Report, this work is a joint effort between the Board of Trustees and all stakeholders involved in the governance of the employee benefit plans. Joint trusteeship is a governance model wherein both unions and employers have equal representation on the Board of Trustees. Considered a governance “best practice” for many public sector benefit and pension plans across Canada, this model ensures the responsibility for the plan trusts is shared equally.

The path to joint trusteeship began in 2017. Since then, 3sHealth has facilitated stakeholder events, conducted individual consultation with stakeholders, prepared and presented draft amendments to the trust agreements, and consulted legal and tax experts for support to work towards joint trusteeship.

Discussions continued with stakeholders throughout 2022. An interim step was taken in December when the 3sHealth Board of Directors appointed five new trustees from the community to serve as independent trustees. The five new trustees received briefings on the trust agreements and attended an orientation day where they learned

about the benefit plans, their governance, the Board of Trustees' investment and financial situation, and 3sHealth's role as the administrator and settlor of the trusts. They began attending meetings in 2023.

The addition of these independent trustees brought the 10 benefit plans into Employee Life and Health Trust (ELHT) compliance. This designation stems from changes made to the federal Income Tax Act in 2021. Achieving ELHT compliance is important because it puts the plans in the most favourable tax position possible.

3sHealth will continue to work with the employers and unions to achieve joint trusteeship.

## Board of Trustees Chair honoured

This was a monumental year for the Employee Benefit Plans Board of Trustees' Chair Karen Knelsen, who was awarded one of Canada's most prestigious honours in September 2022.

Knelsen received the Queen Elizabeth II Platinum Jubilee Medal, recognizing her extensive contributions to health care in Saskatchewan. The commemorative medal was designed to celebrate the 70th anniversary of the late monarch becoming Queen and was awarded to people who made an impact on the province during her reign.

Knelsen was nominated by the CEO of Jubilee Residences, a long-term care home in Saskatoon whose board she has served on since 2016.

Her board work is just the latest phase of her 60-year career in health care. Her first position was a surgery ward nurse in 1962, where she said she first became aware of the shortcomings in care provided to the elderly. She made it her goal to advocate for seniors and ensure they received the same level of care as everyone else in the health-care system, no matter where they lived.

She began working in long-term care in 1981 and would go on to work as a registered nurse, a director of nursing, and a facility administrator. Continuing her advocacy into her retirement, she has also served on the Employee Benefit Plan Board of Trustees, Jubilee Residences' board, and the Provincial Affiliate Resource Group. In the past she has also had positions (including some board seats) with Saskatoon Convalescent Home, Saskatchewan Association of Health Organizations (SAHO), Saskatchewan Registered Nurses' Association, Canadian Nurses Association, and Accreditation Canada.

Despite receiving this significant honour, Knelsen said she had no plans to scale back on her board positions.

"There's still a lot of work to be done," she said. "You owe it to people to help them live every day as best they can when you're in health care."

## "Path to Health"

For the past four years, 3sHealth worked to redesign its approach to disability claims management. The vision of the "Path to Health" project was, "To provide collaborative support with beneficiaries on their path to health."

"Path to Health" began in 2019 and officially moved from project to business-as-usual status in September 2022. The overall goal of the project was to make the disability claims management process easier, provide additional support during the claim, and communicate with plan members earlier and more often. This was done through the implementation of improvements outlined in the 2021-22 report.

One final major component of the "Path to Health" work took place in the last year, as Employee Benefits implemented a new disability claims management system called CHIPs (or Claims Health-Care Information Program). This new digital technology has allowed Employee Benefit Plans team to gain significant efficiencies by moving all client file management from paper "hard" copies to digital documents. This work has helped create a new system that makes it timelier to access information, allowing the team to provide better service to our plan members.

The software proved so effective, Employee Benefit Plans team was able to set and achieve a target to eliminate 80 per cent of all paper files by March 31, 2023. Eliminating a significant number of paper files, and the storage needed to house them, freed up more than 700-square-feet of office space. This allowed the Employee Benefit Plans team to re-integrate its Partner Services Team, which had previously been moved to a different floor of the 3sHealth office due to lack of space.

## World-class customer service

After concluding the “Path to Health” effort, the Employee Benefit leadership team held a strategic planning session for the department and a visioning session with a group of employer and union partners and plan members to identify strategic priorities to focus on over the next year.

The team’s next major initiative was identified: advancing their commitment to providing world-class customer service to the caregivers they serve. This will be an ambitious project with several phases.

The first completed element of this project was the creation of a **“Who do I contact when?” infographic/poster**. This was designed to make it clear to plan members which organization to contact when they have a benefits-related inquiry. We developed this at-a-glance poster based on employer and plan member feedback. It was published as part of the EBP Spring Newsletter and was shared by the Saskatchewan Health Authority in its Rounds newsletter, which is distributed to SHA employees. The Rounds story included a link to download and print the poster and encouraged health-system workers to post it in their workplace to help spread the word. The poster was also shared with all employers and union partners.



Further work has begun on an effort to restructure how information is presented on the Employee Benefit Plans page of the 3sHealth.ca website to maximize the user experience and reflect trends seen on other benefits provider and insurer sites. Changes will include categorizing information based on life events and the addition of short videos and other infographics.

## Service metrics

3sHealth’s Employee Benefits team prides itself on providing world-class customer service to plan members to “take care of the caregivers.”

The charts below show how the volume of service requests has increased significantly year over year since 2018. 3sHealth has increased its staffing complement and continued to improve its processes to meet the increased demand for service.

The Employee Benefits team measures service metrics monthly. These reports are provided to the 3sHealth senior leadership team and the Board of Trustees.

Each Board of Trustees meeting and report starts with a plan member story, such as this one:

### Carla’s story (in her own words)

“I suffered a back injury in February of 2021. In the beginning I had high hopes of being back to my normal self! I returned to work after two weeks on a Return to Work Plan. I started treatments physiotherapy, massage, and chiropractor treatments, which unfortunately did not improve my symptoms.

“I was one of those employees who only took one sick day a year before my injury, so I really had no knowledge of short- or long-term disability. I really was uneducated about the program until it became apparent that the injury was not improving. I worked for a year on a Return to Work Plan, hoping the pain would improve, until it was determined surgery was the best outcome for this type of illness. I ended up having three surgeries in the span of a year and half.

“When I began my medical journey I was also dealing with a chronic illness, so I had to learn to navigate my health issues. Thankfully I received wonderful support from my 3sHealth Disability adjudicators, along with my medical team. I was guided on what information was needed and was supported with treatment funding options. This was so helpful, especially when my benefits were being used up as I was attending physical therapy, massage, and chiropractor treatments.

“Dealing with chronic illness and then three surgeries was often debilitating. Having the support of 3sHealth’s disability team really helped as I was working on rehabilitation after the surgeries and dealing with recovery.

“I really appreciated the kind support and understanding I received when calling for information or to provide updates. I felt there was compassion and understanding for the illness, so I did not feel alone, but more so guided.

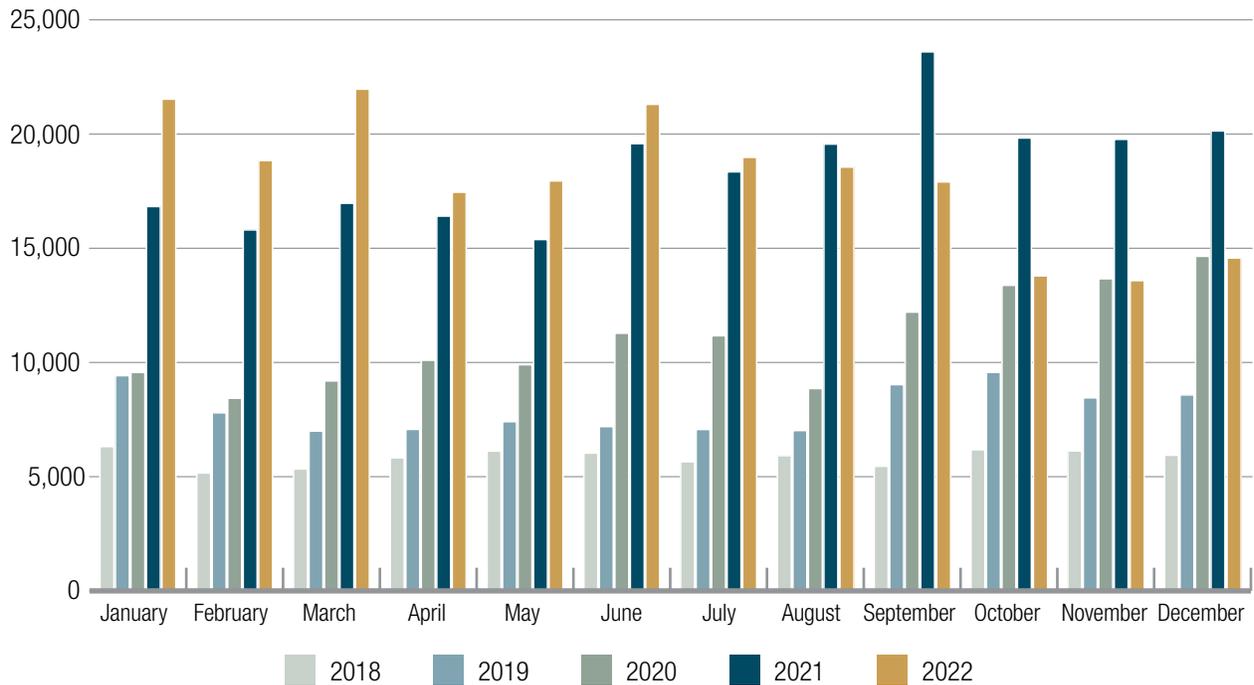
“Dealing with chronic illness can definitely be crippling, both mentally and physically, as your whole world is turned upside down. There is a transition of acceptance that must happen in order to remain hopeful in your day-to-day life, even though things may never be the same.

“I remain hopeful as I continue to navigate through my healing journey, but the light comes from 3sHealth disability staff, who help members who are often in a very dark place.

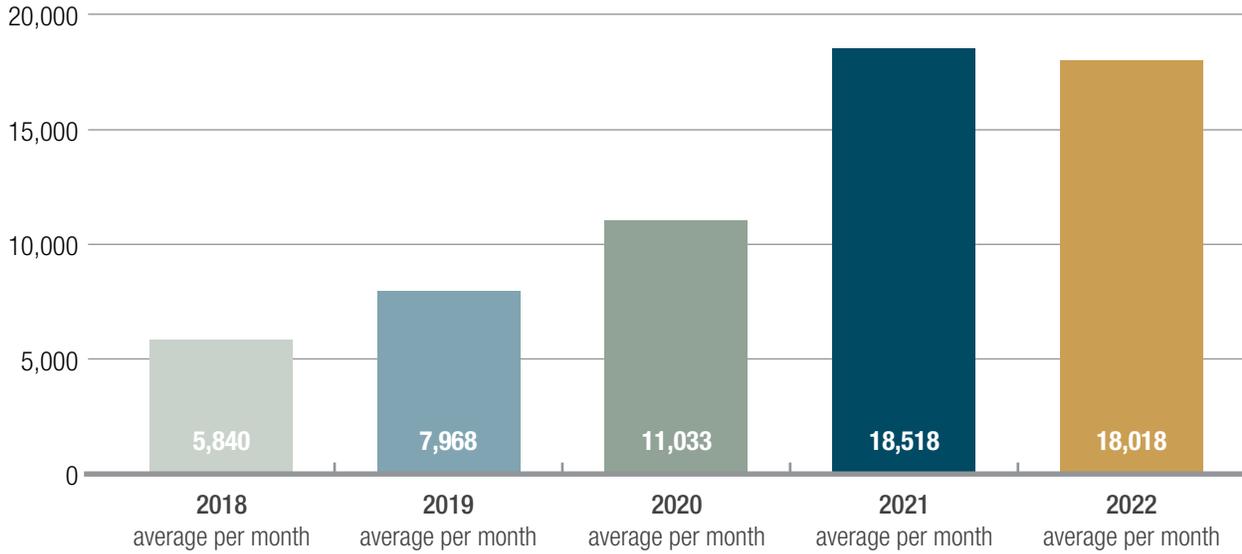
“Thank you for this opportunity to share my story.”

### All work by month for the Benefit Services team

Includes incoming and outgoing phone calls, chats, emails, paper and electronic requests, welcome packages, initial disability application setup, and system queries.



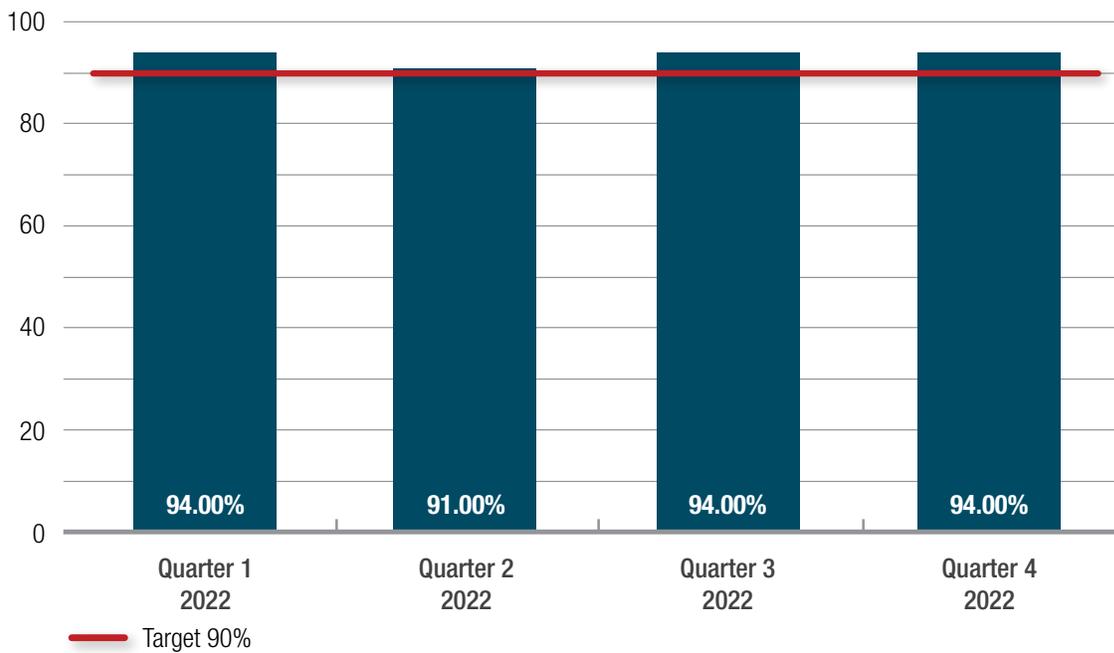
### Average service request per month



The following charts explain 3sHealth’s commitment to providing world-class customer service. 3sHealth Employee Benefits sets service standard targets to ensure that plan members are receiving prompt responses to all of their benefits inquiries. Striving to meet and exceed these targets is one way that the Employee Benefits team takes care of the caregiver.

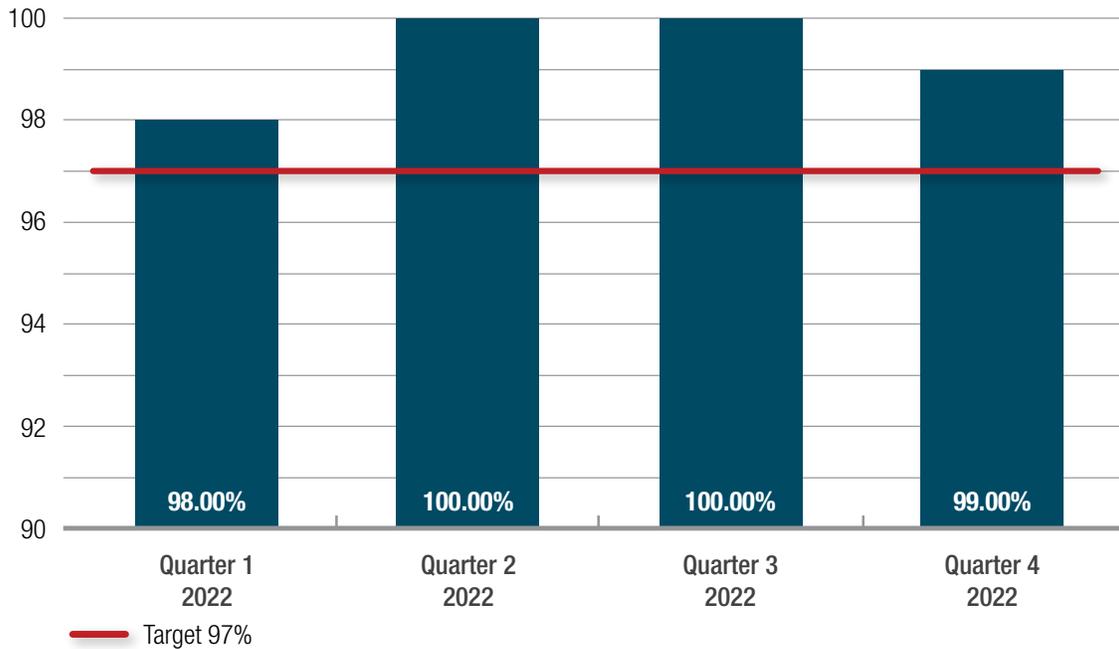
### Benefits customer contact - quarterly

Percentage of phone calls and chats responded to within the standard of 30 seconds



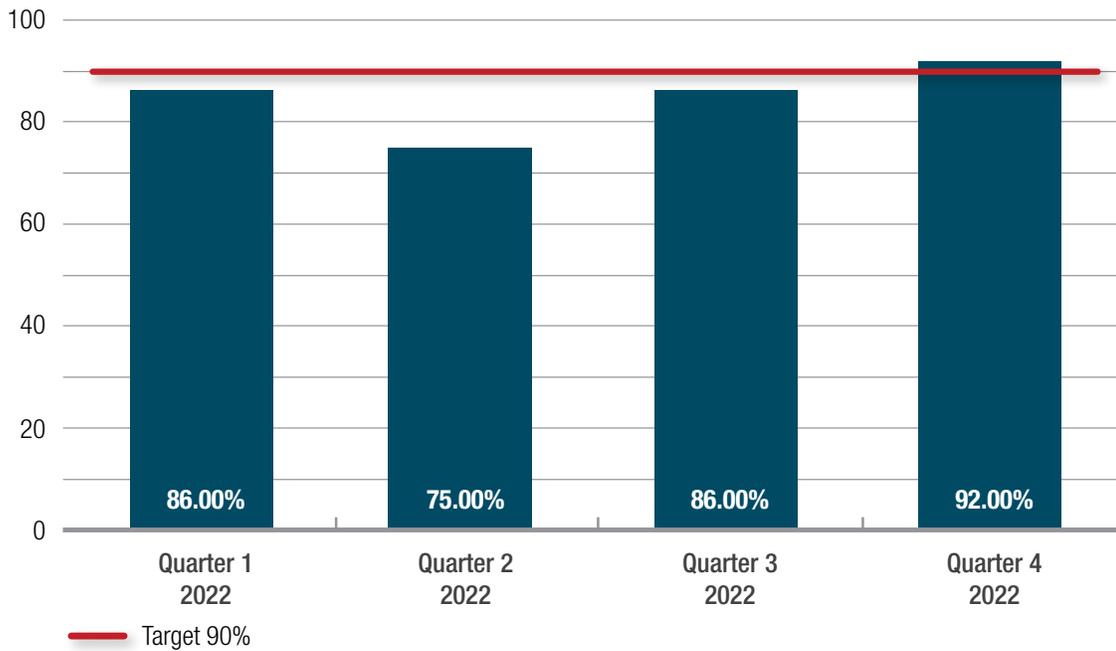
The Employee Benefits team answered 53,228 calls and chats during this time period representing a 1.59 per cent decrease from the previous year that saw 54,093 calls and chats.

**Employee Benefits phone quality - quarterly**  
 Percentage of audited calls within standard of 97 per cent audited



Benefit Services Officers are also empowered to audit their own calls. By reviewing their own performance, Benefit Services Officers are able to build improvement plans to provide better service to plan members.

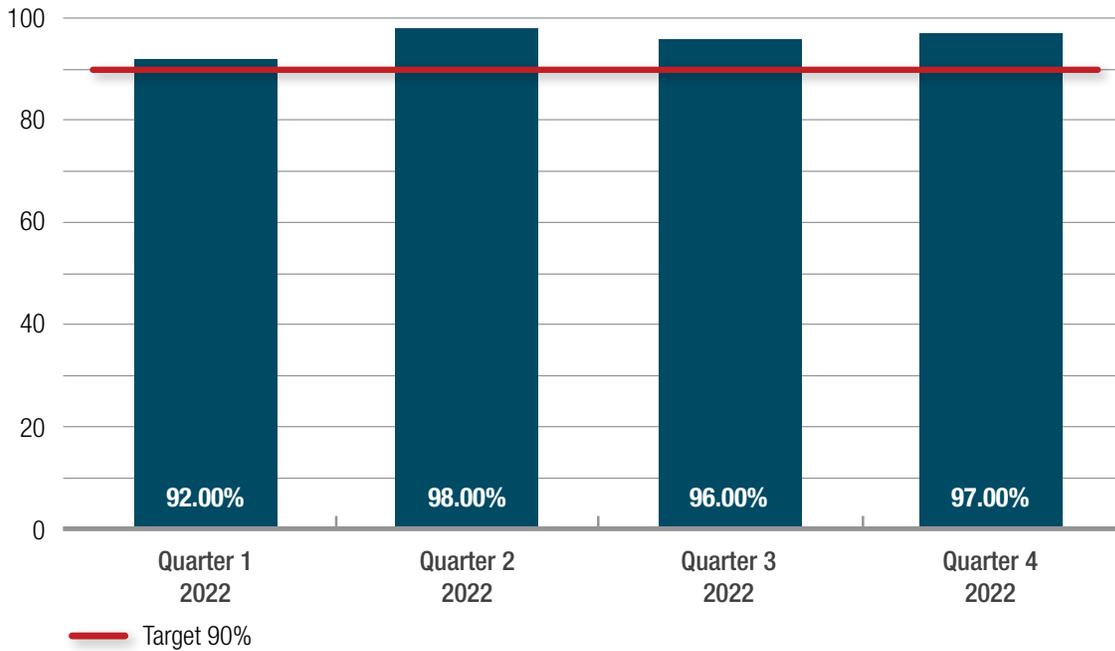
**Benefits email correspondence – quarterly**  
 Percentage of email messages responded to within 24 hours



The Employee Benefits team responded to 15,234 email messages during this time period, which is a two per cent increase compared to the 14,933 emails received in 2022.

### Benefits document processing - quarterly

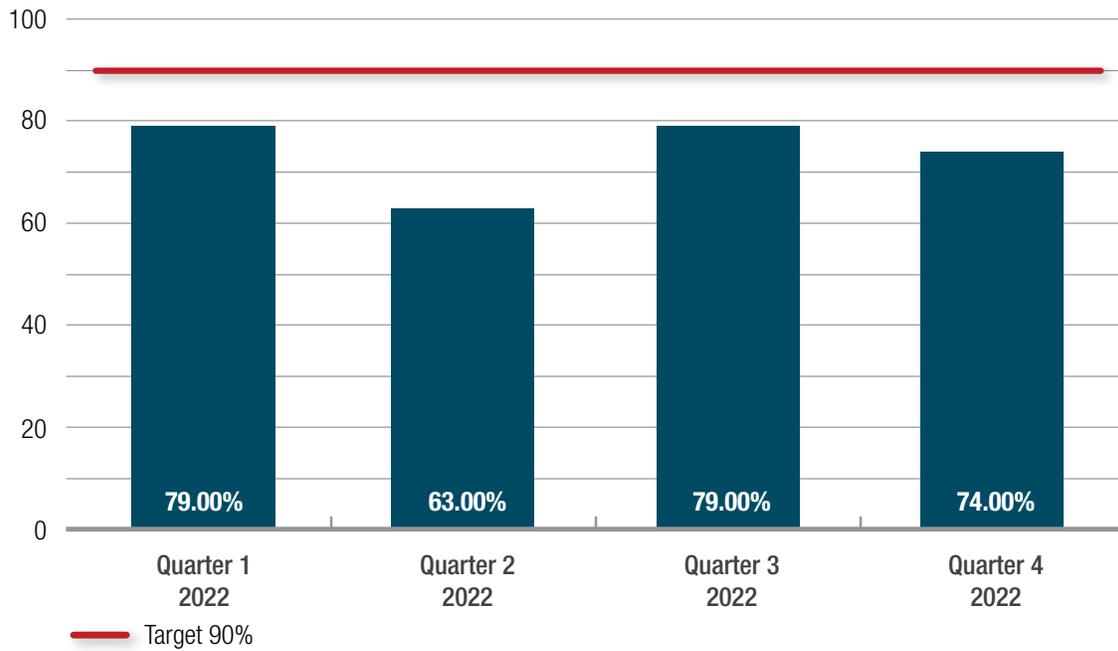
Percentage of documents and forms processed within standard of three business days



The Employee Benefits team processed 216,219 documents and forms during this time period.

### Disability initial claims processed - quarterly

Percentage of disability claims adjudicated within standard of four business days



The trend of increasing disability income applications continued. In 2022, 3sHealth paid 3,539 disability income claims, compared with 3,479 in 2021. This was an increase of 1.7 per cent year over year.

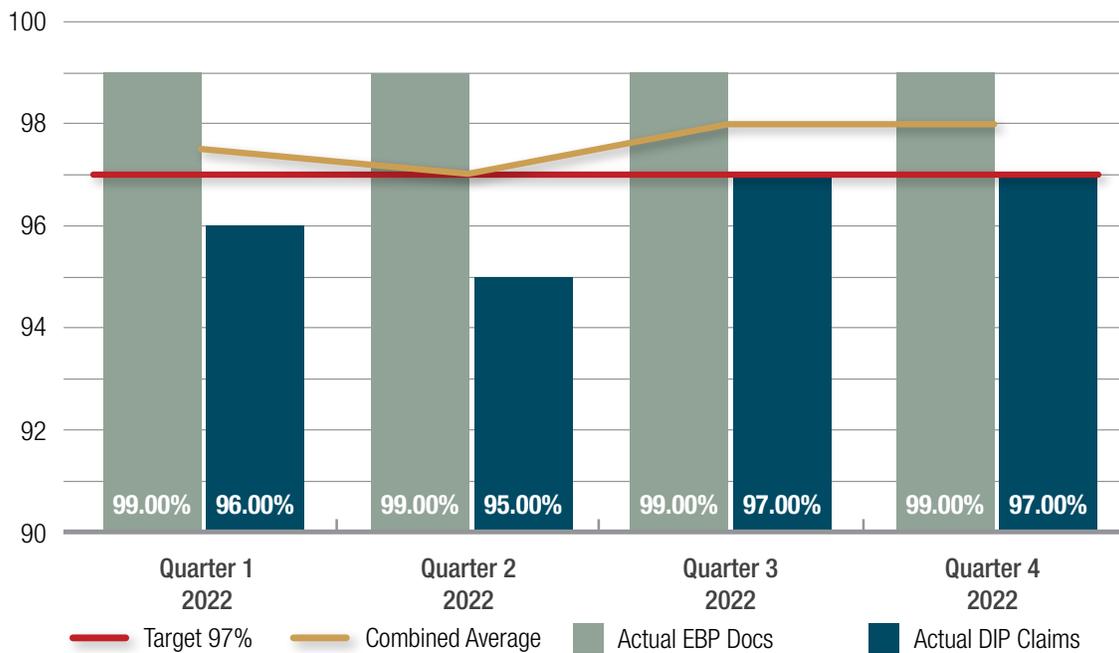
The Employee Benefit Plans team worked very hard to meet its service standards during a year of change. After redesigning the entire disability claims management process during the “Path to Health” project (see page 12), a new software solution was put in place to move all client file management into the digital realm. CHIPs created significant efficiencies by allowing multiple employees to view files concurrently and by making all claims documentation digital. The program was extensively tested before going live in early May. EBP employees ran the two systems in parallel for eight weeks as CHIPs was continually assessed and improved. Dual processing and an elevated number of applications in June resulted in lower processing times in the second quarter of the year, but the team bounced back with the help of other teams who helped work through the backlog of claims.

CHIPs was refined and improved with the software provider through the remainder of the year, and vacant adjudicator positions were filled. By the first week of January 2023, the team was meeting service standards once again.

In 2022, the Employee Benefit Plans Committee, comprised of employer and union partners, reviewed the current policy of limiting nurse practitioners (NPs) ability to provide medical information for disability applicants to a maximum of eight weeks. The review found that it has since become common for disability benefit providers to accept forms from NPs with fewer or no restrictions. It also revealed that the eight-week limitation could add a greater burden to already-distressed patients who had to find a physician after that period. NPs are registered nurses whose additional education and nursing experience allows them to independently diagnose and treat illnesses, order and interpret tests, prescribe medications, and perform medical procedures.

As a result of that review, NPs are now able to complete attending physician forms on behalf of plan members and provide medical information for the full duration of a claim. This enhancement to the plan text provisions brings the Employee Benefit Plans in line with other disability benefit providers and simplifies the paperwork connected to claims for those who are unable to work.

**Employee Benefit processing quality - quarterly**  
Percentage of documents processed without errors



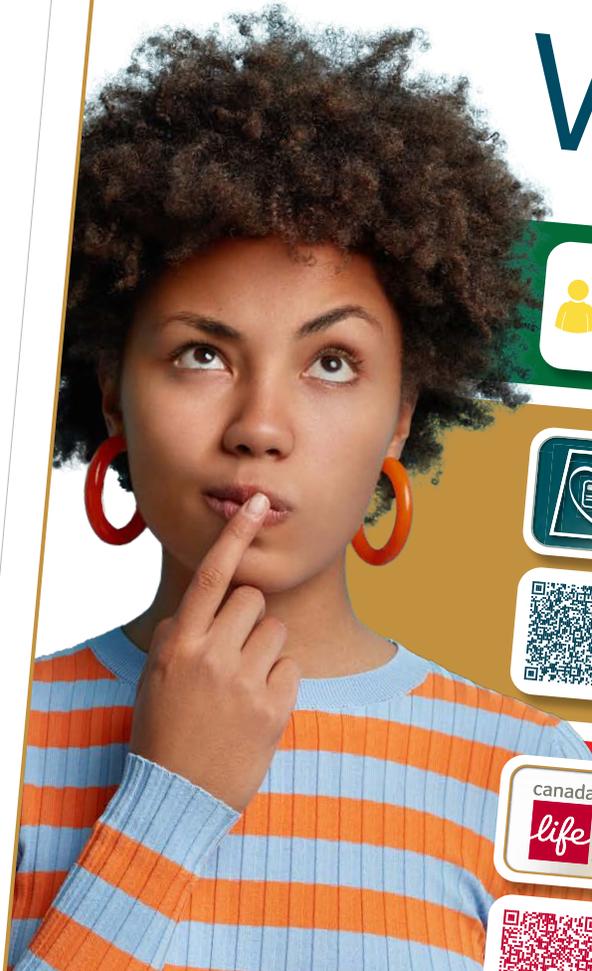
Learn more about the benefits we provide

[Click to view online](#)



# Benefits at a Glance

# Who do I contact when?



## My Employer

- Leave of absence
- Other employment and HR inquiries



## 3sHealth Employee Benefits

- General plan inquiries
- Life claims
- Disability applications
- Dependent changes to plan
- Retirement (health and dental, group life)



We are here to help at [ebp@3sHealth.ca](mailto:ebp@3sHealth.ca) or 1.866.278.2301. Add it to your phone!



## Canada Life

Canada Life's [MyCanadaLifeAtWork.com](http://MyCanadaLifeAtWork.com) for online claims

- Submit or check status of health or dental claim
- Claims estimates
- Coverage inquiries



Your dedicated line to Canada Life is 866.408.0213. Add it to your phone!

When you need to access your benefits or are looking for more information, the last thing you want is to waste time contacting the wrong organization. While 3sHealth administers your Employee Benefit Plan, we are not always the best contact for your questions or requests. Your employer, 3sHealth, and Canada Life all play important roles in the process. Please download **this poster for printing** to ensure you are contacting the right organization for the right reasons.



**3sHealth**  
better together



## Financial highlights

The 3sHealth Employee Benefit Plans' financial statements are prepared in accordance with Canadian accounting standards for pension plans, as prescribed by the Chartered Professional Accountants of Canada (CPA Canada) Handbook, section 4600, Pension Plans. Key financial information has been summarized for the purpose of this annual report based on the information presented in the audited financial statements. The financial highlights are intended to be read in conjunction with the December 31, 2022, Summary of Financial Information, beginning on page 25 of this annual report.

### Disability Income Plans

For the year ended December 31, 2022, all four disability income plans (CUPE, SEIU-West, General, and SUN) saw a decrease in net assets. The total decrease across the four plans was \$22.9 million, compared to an increase in net assets of \$12.3 million in the prior fiscal year (2021).

Investment performance during the year was a key item leading to the decrease. All four disability income plans experienced large unrealized losses during the year as a result of poor market conditions stemming from inflation control measures and conflicts overseas. This was a significant contrast to the prior year, which saw large realized and unrealized gains in a rebounding post-pandemic market. Contribution revenue increased over the prior year due to a combination of increased membership, annual salary increases, and increased contribution rates in the CUPE and SEIU-West disability income plans.

In 2022 there was an increase in disability applicants across most plans, resulting in an increase in total disability benefit payments made to plan members in all disability income plans except CUPE, which saw a decrease. Operating expenses also increased year over year, once again largely attributed to the "Path to Health" Claims Management Redesign project and the new disability application processing software system that was implemented in 2022. The plans also saw an increase in operating expenses as a result of the restructuring of the Employee Benefits Department, as well as the first full year of service for a new fund manager that was brought on in late 2021.

The disability plans perform an actuarial valuation annually to account for the future disability obligations to be paid from the plans. This estimate accrues future disability obligations based on plan experience and a number of assumptions about future events. For the year ended December 31, 2022, the CUPE and SUN disability income plans saw a decrease in the future disability obligation over the prior year, whereas SEIU-West and General disability income plans saw an increase in the future disability obligation.

The actuary also calculates a funding ratio, which identifies whether the plans hold enough assets to pay out disability benefits to its current and future members. All four disability income plans were considered fully funded in both the current and prior fiscal years.

### Health and Dental Plans

For the year ended December 31, 2022, all three health and dental plans saw a decrease in net assets. The total decrease across the three plans was \$19.2 million, compared to an increase in net assets of \$4.3 million in the prior fiscal year (2021).

Investment performance during the year was a key item causing the decrease in net assets. Although all three plans saw an increase in interest income, this was completely offset by large realized and unrealized investment losses during the year. Both of these outcomes were directly tied to the bond markets and the effects of increased interest rates as an inflationary control measure.

Another contributing factor to the year-over-year decrease in net assets was the increase in dental claims and health premiums in 2022. This increase is consistent with the trending of dental claim volumes since the removal of pandemic restrictions, as well as the increase in medical costs, growing number of participants, and increased rates in health premiums.

All three health and dental plans have restricted a portion of net assets (ie. Rate Stabilization Fund), intended to absorb negative plan experience fluctuations and promote rate stability. As this is tied to the health and dental costs of the plan, all three health and dental plans saw an increased restriction in net assets related to the Rate Stabilization Fund over 2021.

### **Group Life Insurance Plan**

For the year ended December 31, 2022, the Group Life Insurance Plan saw a decrease in net assets of \$5.7 million, compared to an increase of \$12.1 million in 2021. The largest contributing factor was the decrease in investment earnings and large unrealized losses as the global equity markets were impacted by rising inflation. This was a significant contrast to the prior year, which saw large realized and unrealized investment gains in a rebounding post-pandemic market.

The Group Life Insurance Plan uses two restricted amounts from net assets as a way to manage fluctuations and unforeseen circumstances. The Rate Stabilization Fund is intended to absorb negative plan experience fluctuations and to promote rate stability. This fund can be drawn upon if claims exceed contributions while the Multi-Year Catastrophic Loss Reserve is held to provide the plan with a temporary additional funding source during an event, such as a pandemic. This fund can only be accessed with approval from the Board of Trustees, based on identified criteria.

The Group Life Insurance Plan performs an actuarial valuation annually to estimate future benefit obligations for the plan. These are based on plan experience and a number of assumptions about future events. For the year ended December 31, 2022, there was a decrease in the benefit obligations over the prior year.

### **Out-of-Scope Flexible Spending Plan**

For the year ended December 31, 2022, the Out-of-Scope Flexible Spending Plan saw an increase in net assets of \$150,000 compared to an increase of \$302,000 in 2021. The largest contributing factor to the year-over-year decrease was lower contribution revenue as the result of a change in the way the plan is funded. Prior to 2022, the full Health Spending Account credits for all eligible members were invoiced to participating organizations and any unused credits were returned at the end of the second year. In order to meet certain criteria for income tax legislation changes, the plan was required to discontinue the return of unused credits. The plan now assesses estimated funding requirements on an annual basis and uses unused credits to offset contributions for the next plan year.

The Health Spending Account claims expense also increased year over year. This expense will fluctuate based on the number of claims submitted during the year. In 2022, the plan experienced an increased number of claims, as well as an increase in participants in the plan.

The plan calculates an annual year-end accounting estimate for financial reporting purposes to estimate the cost of claims that have been incurred but not yet reported at year-end. For the year ended December 31, 2022, there was a decrease in the provision for unpaid claims as a result of lower claim volumes submitted during the 60-day period after the end of the calendar year.

## Management's Responsibility for Financial Information

The Employee Benefit Plans are administered by Health Shared Services Saskatchewan (3sHealth). The summary of financial information and all other information contained in the Annual Report is the responsibility of 3sHealth management and has been approved by the Board of Trustees.

Management prepared the nine sets of financial statements in accordance with Canadian public sector accounting standards. Copies of the audited financial statements and the Auditor's Reports are available online at <https://bit.ly/2022EBP-FS> or upon request. Key financial information from the audited financial statements has been summarized for the purpose of this Annual Report. Management is responsible for the reliability and integrity of the financial summaries and other information contained in the Annual Report. All financial information presented in this Annual Report is consistent with that in the audited financial statements.

Management maintains a comprehensive system of internal controls to ensure that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. The adequacy and operation of the control systems are monitored on an ongoing basis by the internal audit department.



Mark Anderson  
CEO



Tim Frass  
Vice-president, Supply Chain Services  
and Chief Financial Officer

**Summary financial information**  
Health Shared Services Saskatchewan  
Employee Benefit Plans'  
As at December 31, 2022

**Disability Income Plans**  
**Health Shared Services Saskatchewan**  
**Summary of Financial Information**  
**As at December 31, 2022**  
*(thousands of dollars)*

	Disability Income Plan - C.U.P.E.		Disability Income Plan - S.E.I.U. West		Disability Income Plan - General		Disability Income Plan - S.U.N.		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Assets</b>										
Investments	\$ 76,945	\$ 83,756	\$ 52,347	\$ 58,273	\$ 58,130	\$ 63,669	\$ 85,775	\$ 91,542	\$ 273,197	\$ 297,240
Cash	1,157	1,096	1,505	1,148	1,255	1,127	1,546	1,536	5,463	4,907
Accounts receivable employees	498	472	419	379	277	290	380	391	1,574	1,532
Accounts receivable employers	498	472	419	379	277	290	446	458	1,640	1,599
Accounts receivable other	402	144	241	368	109	182	251	117	1,003	811
<b>Total Assets</b>	<b>79,500</b>	<b>85,940</b>	<b>54,931</b>	<b>60,547</b>	<b>60,048</b>	<b>65,558</b>	<b>88,398</b>	<b>94,044</b>	<b>282,877</b>	<b>306,089</b>
<b>Liabilities</b>										
Accounts payable	534	549	468	590	411	604	514	504	1,927	2,247
<b>Total Liabilities</b>	<b>534</b>	<b>549</b>	<b>468</b>	<b>590</b>	<b>411</b>	<b>604</b>	<b>514</b>	<b>504</b>	<b>1,927</b>	<b>2,247</b>
<b>Net Assets Available for Benefits</b>	<b>78,966</b>	<b>85,391</b>	<b>54,463</b>	<b>59,957</b>	<b>59,637</b>	<b>64,954</b>	<b>87,884</b>	<b>93,540</b>	<b>280,950</b>	<b>303,842</b>
Provision for future disability obligation	33,473	34,156	32,408	31,119	40,261	38,827	50,799	50,938	156,941	155,040
<b>Surplus</b>	<b>\$ 45,493</b>	<b>\$ 51,235</b>	<b>\$ 22,055</b>	<b>\$ 28,838</b>	<b>\$ 19,376</b>	<b>\$ 26,127</b>	<b>\$ 37,085</b>	<b>\$ 42,602</b>	<b>\$ 124,009</b>	<b>\$ 148,802</b>
<b>Increase in Net Assets</b>										
Contributions - Employees	\$ 5,634	\$ 5,473	\$ 4,934	\$ 4,808	\$ 3,486	\$ 3,381	\$ 4,705	\$ 4,650	\$ 18,759	\$ 18,312
Contributions - Employers	5,634	5,473	4,934	4,808	3,486	3,381	5,523	5,458	19,577	19,120
Dividend income	575	528	402	371	441	397	629	567	2,047	1,863
Commingled fund income	275	210	193	148	214	163	305	233	987	754
Interest income	981	846	665	575	747	671	1,122	947	3,515	3,039
Partnership income	107	275	77	199	78	200	112	289	374	963
Realized gain on investments	1,119	4,537	726	3,227	853	3,201	1,379	4,595	4,077	15,560
Unrealized gain on investments	-	2,905	-	2,066	-	2,157	-	3,174	-	10,302
Recoveries	510	344	304	351	264	93	231	214	1,309	1,002
<b>Total Increase in Net Assets</b>	<b>14,835</b>	<b>20,591</b>	<b>12,235</b>	<b>16,553</b>	<b>9,569</b>	<b>13,644</b>	<b>14,006</b>	<b>20,127</b>	<b>50,645</b>	<b>70,915</b>
<b>Decrease in Net Assets</b>										
Disability benefits	15,279	15,793	13,082	12,470	9,960	9,324	13,055	12,840	51,376	50,427
Administrative expenses	1,213	1,066	1,213	1,067	1,206	1,037	1,206	1,037	4,838	4,207
Consulting fees	619	691	622	468	433	265	509	383	2,183	1,807
Custodian fees	8	10	7	9	7	9	9	10	31	38
Fund management fees	674	445	462	317	493	333	708	471	2,337	1,566
Unrealized loss on investments	3,303	-	2,203	-	2,688	-	4,075	-	12,269	-
Professional fees	164	94	140	176	99	201	100	81	503	552
<b>Total Decrease in Net Assets</b>	<b>21,260</b>	<b>18,099</b>	<b>17,729</b>	<b>14,507</b>	<b>14,886</b>	<b>11,169</b>	<b>19,662</b>	<b>14,822</b>	<b>73,537</b>	<b>58,597</b>
<b>Change in Net Assets for the Year</b>	<b>(6,425)</b>	<b>2,492</b>	<b>(5,494)</b>	<b>2,046</b>	<b>(5,317)</b>	<b>2,475</b>	<b>(5,656)</b>	<b>5,305</b>	<b>(22,892)</b>	<b>12,318</b>
Net Assets Available for Benefits, Beginning of Year	85,391	82,899	59,957	57,911	64,954	62,479	93,540	88,235	303,842	291,524
<b>Net Assets Available for Benefits, End of Year</b>	<b>\$ 78,966</b>	<b>\$ 85,391</b>	<b>\$ 54,463</b>	<b>\$ 59,957</b>	<b>\$ 59,637</b>	<b>\$ 64,954</b>	<b>\$ 87,884</b>	<b>\$ 93,540</b>	<b>\$ 280,950</b>	<b>\$ 303,842</b>

The Summary of Financial Information above provides information on the four Disability Income Plan's as presented in their audited financial statements at December 31, 2022. Copies of the audited financial statements are available upon request.

**Health & Dental Benefit Plans**  
**Health Shared Services Saskatchewan**  
**Summary of Financial Information**  
**As at December 31, 2022**  
*(thousands of dollars)*

	Core Dental Plan		In-Scope Extended Health/ Enhanced Dental Plan		Out-of-Scope Extended Health/ Enhanced Dental Plan		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<b>Assets</b>								
Investments	\$ 16,470	\$ 20,560	\$ 191,514	\$ 205,584	\$ 3,315	\$ 4,468	\$ 211,299	\$ 230,612
Contributions and other receivables	2,883	2,972	310	173	116	171	3,309	3,316
Receivable from Canada Life Assurance Company	-	-	4,415	4,756	490	661	4,905	5,417
Cash	3,835	2,282	5,011	4,281	770	1,081	9,616	7,644
<b>Total Assets</b>	<b>23,188</b>	<b>25,814</b>	<b>201,250</b>	<b>214,794</b>	<b>4,691</b>	<b>6,381</b>	<b>229,129</b>	<b>246,989</b>
<b>Liabilities</b>								
Dental Claims and other accounts payable	2,823	2,603	1,914	1,102	361	150	5,098	3,855
Deferred Contributions	-	-	3,583	3,598	-	-	3,583	3,598
Provision for unpaid claims	930	814	2,112	2,101	324	330	3,366	3,245
<b>Total Liabilities</b>	<b>3,753</b>	<b>3,417</b>	<b>7,609</b>	<b>6,801</b>	<b>685</b>	<b>480</b>	<b>12,047</b>	<b>10,698</b>
<b>Net Assets</b>	<b>19,435</b>	<b>22,397</b>	<b>193,641</b>	<b>207,993</b>	<b>4,006</b>	<b>5,901</b>	<b>217,082</b>	<b>236,291</b>
Net Assets Available for Benefits, restricted for Rate Stabilization Fund	16,896	15,560	61,629	57,612	4,407	3,946	82,932	77,118
<b>Net Assets Available for Benefits</b>	<b>\$ 2,539</b>	<b>\$ 6,837</b>	<b>\$ 132,012</b>	<b>\$ 150,381</b>	<b>\$ (401)</b>	<b>\$ 1,955</b>	<b>\$ 134,150</b>	<b>\$ 159,173</b>
<b>Increase in Net Assets</b>								
Contributions - Employees and Employers	\$ 32,378	\$ 32,923	\$ 61,361	\$ 60,854	\$ 7,474	\$ 7,279	\$ 101,213	\$ 101,056
Interest income	702	452	6,945	5,713	150	137	7,797	6,302
Change in provision for unpaid claims	-	-	-	-	7	-	7	-
Realized gain on investments	-	44	-	423	-	24	-	491
<b>Total Increase in Net Assets</b>	<b>33,080</b>	<b>33,419</b>	<b>68,306</b>	<b>66,990</b>	<b>7,631</b>	<b>7,440</b>	<b>109,017</b>	<b>107,849</b>
<b>Decrease in Net Assets</b>								
Dental claims	32,548	29,962	11,631	10,743	1,635	1,499	45,814	42,204
Health premiums	-	-	49,581	46,493	7,117	6,337	56,698	52,830
Administrative expenses <sup>1</sup>	1,575	1,443	1,617	1,397	307	256	3,499	3,096
Consulting fees	26	44	57	95	13	22	96	161
Professional fees	109	95	562	537	46	41	717	673
Unrealized loss on investments	1,378	269	18,775	3,551	319	102	20,472	3,922
Realized loss on investments	322	-	424	-	89	-	835	-
Change in provision for unpaid claims	84	354	11	276	-	62	95	692
<b>Total Decrease in Net Assets</b>	<b>36,042</b>	<b>32,167</b>	<b>82,658</b>	<b>63,092</b>	<b>9,526</b>	<b>8,319</b>	<b>128,226</b>	<b>103,578</b>
<b>Change in Net Assets for the Year</b>	<b>(2,962)</b>	<b>1,252</b>	<b>(14,352)</b>	<b>3,898</b>	<b>(1,895)</b>	<b>(879)</b>	<b>(19,209)</b>	<b>4,271</b>
Net Assets, Beginning of Year	22,397	21,145	207,993	204,095	5,901	6,780	236,291	232,020
<b>Net Assets, End of Year</b>	<b>\$ 19,435</b>	<b>\$ 22,397</b>	<b>\$ 193,641</b>	<b>\$ 207,993</b>	<b>\$ 4,006</b>	<b>\$ 5,901</b>	<b>\$ 217,082</b>	<b>\$ 236,291</b>

<sup>1</sup> Includes administrative expenses and adjudication fees

The Summary of Financial Information above provides information on the three Health & Dental Benefit Plan's as presented in their audited financial statements at December 31, 2022. Copies of the audited financial statements are available upon request.

**Group Life Insurance Plan**  
**Health Shared Services Saskatchewan**  
**Summary of Financial Information**  
**As at December 31, 2022**  
*(thousands of dollars)*

	<b>Group Life Insurance Plan</b>	
	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Investments	\$ 91,964	\$ 94,471
Cash	778	706
Receivable from Canada Life Assurance Company	312	2,667
Other receivables	13	11
<b>Total Assets</b>	<b>93,067</b>	<b>97,855</b>
<b>Liabilities</b>		
Accounts payable	1,146	168
Provision for unpaid claims	1,160	1,235
<b>Total Liabilities</b>	<b>2,306</b>	<b>1,403</b>
<b>Net Assets</b>	<b>90,761</b>	<b>96,452</b>
Net Assets Available for Benefits, restricted for Rate Stabilization Fund		
	2,257	2,330
Net Assets Available for Benefits, restricted for Multi-Year Catastrophic Loss Reserve		
	2,646	2,678
<b>Net Assets Available for Benefits</b>	<b>85,858</b>	<b>91,444</b>
<b>Benefit Obligations</b>		
Disabled life waiver	17,156	17,772
Retired Plan Member Life Insurance Benefit	27,610	29,770
<b>Total Benefit Obligations</b>	<b>44,766</b>	<b>47,542</b>
<b>Surplus</b>	<b>\$ 41,092</b>	<b>\$ 43,902</b>
<b>Increase in Net Assets</b>		
Member premiums	\$ 15,112	\$ 15,951
Dividend income	987	1,990
Interest income	1,335	808
Recovery of excess premiums	-	965
Realized gain on investments	670	1,170
Unrealized gain on investments	-	5,527
Other income	108	109
Change in provision for unpaid claims	75	14
<b>Total Increase in Net Assets</b>	<b>18,287</b>	<b>26,534</b>
<b>Decrease in Net Assets</b>		
Premium expense	14,544	12,876
Life claims expense	222	207
Administrative expense	976	821
Investment management fees	495	330
Professional fees	118	159
Consulting fees	40	66
Unrealized loss on investments	7,583	-
<b>Total Decrease in Net Assets</b>	<b>23,978</b>	<b>14,459</b>
<b>Change in Net Assets for the Year</b>	<b>(5,691)</b>	<b>12,075</b>
Net Assets, Beginning of Year	96,452	84,377
<b>Net Assets, End of Year</b>	<b>\$ 90,761</b>	<b>\$ 96,452</b>

The Summary of Financial Information above provides information on the Group Life Insurance Plan as presented in the audited financial statements at December 31, 2021. Copies of the audited financial statements are available upon request.

**Out-of-Scope Flexible Spending Plan**  
**Health Shared Services Saskatchewan**  
**Summary of Financial Information**  
**As at December 31, 2022**  
*(thousands of dollars)*

	<b>Out-of-Scope Flexible Spending Plan</b>	
	<b>2022</b>	<b>2021</b>
<b>Assets</b>		
Cash	\$ 352	\$ 133
Short term investments	1,059	1,159
Contributions and other receivables	11	16
Receivable from Canada Life Assurance Company	67	67
<b>Total Assets</b>	<b>1,489</b>	<b>1,375</b>
<b>Liabilities</b>		
Accounts payable	31	62
Claims payable	104	94
Provision for unpaid claims	99	114
<b>Total Liabilities</b>	<b>234</b>	<b>270</b>
<b>Net Assets Available for Benefits</b>	<b>\$ 1,255</b>	<b>\$ 1,105</b>
<b>Increase in Net Assets</b>		
Contributions - Employers	\$ 906	\$ 1,061
Administrative contributions	251	234
Interest income	31	4
Change in provision for unpaid claims	15	-
<b>Total Increase in Net Assets</b>	<b>1,203</b>	<b>1,299</b>
<b>Decrease in Net Assets</b>		
Health Spending Account claims expense	794	719
Administrative expense	259	244
Change in provision for unpaid claims	-	34
<b>Total Decrease in Net Assets</b>	<b>1,053</b>	<b>997</b>
<b>Change in Net Assets for the Year</b>	<b>150</b>	<b>302</b>
Net Assets Available for Benefits, Beginning of Year	1,105	803
<b>Net Assets Available for Benefits, End of Year</b>	<b>\$ 1,255</b>	<b>\$ 1,105</b>

The Summary of Financial Information above provides information on the Out-of-Scope Flexible Spending Plan as presented in the audited financial statements at December 31, 2022. Copies of the audited financial statements are available upon request.



**3sHealth**  
*better together*

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