

## Rate changes for 3sHealth Disability Income Plan capture savings

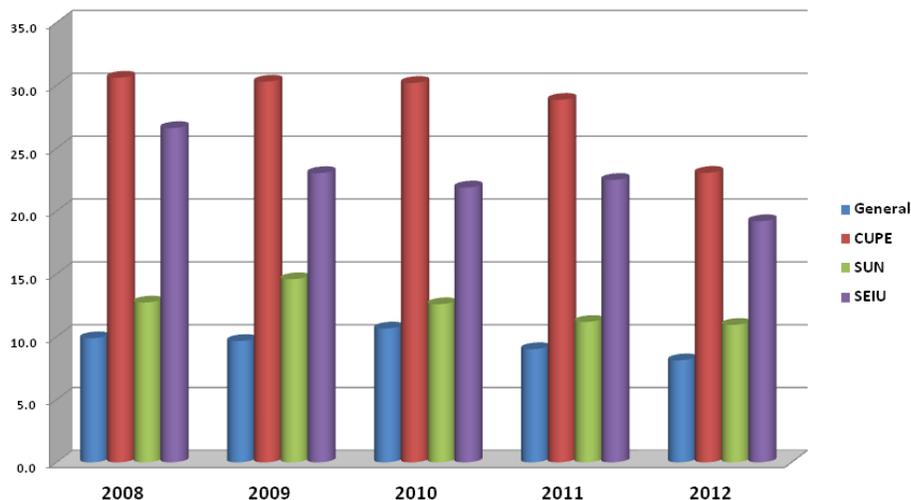
3sHealth has projected savings of approximately \$5.1 million for health sector employers and employees due to a decrease in Disability Income Plan (DIP) contribution rates. While the rates will not decrease for the General Plan, rates for the Saskatchewan Nurses Union (SUN), Service Employees International Union - West (SEIU-West), and Canadian Union of Public Employees (CUPE) plans have all decreased.

The decrease is a result of several factors. In 2009, 3sHealth (then SAHO) raised premiums to mitigate deficits in the CUPE and SUN Disability Income Plans. A number of enhancements in attendance management and claims management have resulted in improved claims experience. Health employers across the province are doing excellent work in accommodating employees with injuries and illness, allowing these employees to remain in the workplace and return to work much earlier than they would have in the past. 3sHealth has dedicated additional resources and attention to their claims processes resulting in more timely and proficient claims evaluation and management. The efforts of participating employers, their dedicated employees and 3sHealth have resulted in a steady decrease in disability incidence rates and improved financial health for the 3sHealth Disability Plans.

“This is great news for everyone,” says Bud Anderson, Director of the 3sHealth Employee Benefits Plan. “Employees have a bit more in their pay cheque and the savings that are captured by employers can be reallocated to other high priority areas in the health system.”

## Incidence Rates (per 1000 covered employees)

The following chart illustrates the Long Term Disability incidence rates (per 1000 covered employees) for each disability plan for 2008 to 2012



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Disability Income Plan	2013-14 Contribution Rate	2014-15 Contribution Rate (% change)	Total Savings to Employers and Employees
General Plan	1.30%	1.30% (no change)	\$0
SUN (all health regions)	2.65%	2.10% (-21%)	**\$2,400,000
SEIU	3.00%	2.78% (-7%)	\$550,000
CUPE	4.40%	3.58% (-19%)	\$2,400,000
<b>Total Savings for April to December, 2014*</b>			<b>\$5,350,000</b>

*\*Approximation provided by AON Hewitt based on estimated payroll for 2014*

*\*\*Employer saves approximately 54% of the total while approximately 46% of the total is passed on to individual employees*