

THE INSURANCE INSIDER



HOW TO HANDLE A WORKPLACE ACCOMODATION

INSIDE THIS ISSUE:

<i>How to Handle Workplace Accommodation</i>	1
<i>Benefits Considerations for International Workers</i>	3
<i>Sharing the Burden of Benefits Costs</i>	5

“...A workplace accommodation is any change in the working environment that allows a person with limitations in their abilities to do their job.”

Your employee has come to you to tell you that they're having a difficult time with tasks at work. They don't want time off, but they need your assistance in doing their job due to an undisclosed medical condition. You had no idea they were struggling with their health, and don't really know what you can and cannot ask this employee. You certainly want to accommodate them to help them stay at work and remain effective. What should you do?

A workplace accommodation is any change in the working environment that allows a person with limitations in their abilities to do their job. These can include changes to physical workspace, adaptations to the equipment or tools used, flexible work hours or job sharing, relocation of the workspace within the greater workplace, the ability to work from home, reallocation or exchange of some non-essential tasks for others, or time off for

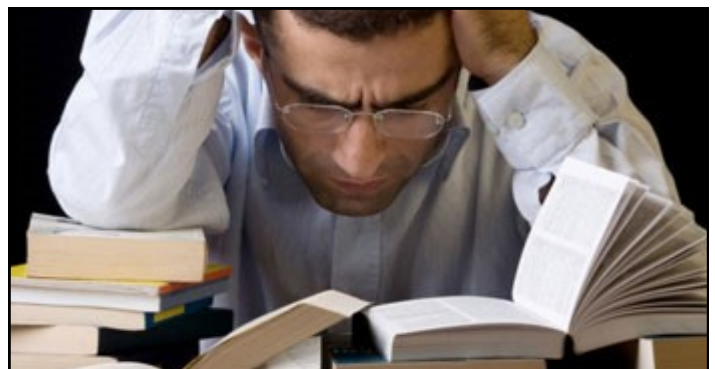
medical appointments. Accommodations can be temporary, periodic or long term, depending on the employee's medical condition.

In Canada, employers have a duty to accommodate employees with limitations due to a medical condition. This obligation is set out in human rights legislation enacted both federally in the *Canadian Human Rights Act* and at the provincial level, as well as the *Employment Equity Act*.

As an employer, you absolutely have the right to request medical information in order to support a request for workplace accommodation. This could mean asking for documentation about the em-

ployee's functional limitations and the prognosis from his or her treating physician, or depending on the extent of the accommodation request, a medical exam performed by an independent third-party medical practitioner.

While your employee may choose to share more information with you or their colleagues, employers may only request information that's relevant to the work situation and the accommodation request at hand: You may not ask for the diagnosis itself or for details of the treatment unless it has a bearing on the accommodation request. And, of course, any medical information received must be kept confidential.



WORKPLACE ACCOMMODATION CONTINUED...

Employees requesting an accommodation should be both specific and reasonable in their request. They should be clear that they're requesting an accommodation due to a barrier or limitation, identify what the barriers are, and make suggestions about what the accommodation could be in order to remove these barriers.

Employers have an obligation to do everything they can in order to accommodate a disability to the point of undue hardship. In order to prove undue hardship, an employer would need to prove that they received information about the employee's limitations due to their medical condition and explored all possible options, but that either the proposed accommodation posed an undue risk to the health and safety of the organization's other employees, or that the related cost of the proposed accommodation would greatly impact the viability of the organization.

An employer can also decline a proposed accommodation if the functional limitation is a bona fide

work requirement. For example, the management team of a manufacturing plant where specialized equipment is used in an assembly line could refuse a request to have a person on that line work from home while doing their current job.

While a request for accommodation is being explored, both the employer and employee should stay open to potential options, and be flexible. Employees need to cooperate with their employers as they gather information, explore alternatives and develop the accommodation plan.

If an employer offers a reasonable option for accommodation that both addresses the limitation and allows an employee to carry out the essential duties of their job and the employee rejects it, the employer may be absolved of their duty to accommodate.

Once a request for accommodation has been accepted, both the employer and employee have a responsibility in ensuring that the accommodation plan is

successful and that the essential requirements of the job are being met. Clear communication is key. Employers could:

- keep a written record about the key elements of the plan, including what was agreed to, who is responsible for what, with milestones detailed;
- while respecting the accommodated employee's confidentiality, communicate the parameters of the plan with the coworkers it will impact; and
- regularly review the effectiveness of the plan and make adjustments as the need for accommodation changes.

The decision to ask for help at work is generally not an easy one. An employee asking for an accommodation might be concerned with how "tipping his hand" about the limitations caused by his medical condition might be viewed by his coworkers, or how his opportunities for job advancement might be affected. He might even be concerned about losing his job. Sensitivity about how the employee might be feeling about their disclosure and request will go a long way to building trust.

-BenefitsCanada



"...While a request for accommodation is being explored, both the employer and employee should stay open to potential options, and be flexible"

BENEFITS CONSIDERATIONS FOR INTERNATIONAL WORKERS

The global economy continues to drive employers to send their employees abroad. But you, as the employer, need to have a solid plan in place for moving those employees to your operations outside of Canada.

Aside from looking at compensation, relocation and support for adapting to local customs and culture, you'll also need to navigate the global and expatriate benefits landscape, which can be complex and frustrating.

Employee categories

But you first need to know into which category of employee your internationally assignee falls. Consider the following three categories of employees.

- **Expatriates** – Canadian employees sent outside of Canada temporarily with the intention of returning after the assignment is over. (Generally, a

person is considered an expatriate when he or she will be working away from Canada for more than six months.)

- **Third-country nationals** – Employees from outside of Canada who work for a Canadian company are sent to another country outside of Canada (e.g., an Italian citizen working for your Canadian company who is going to work in your new division in Switzerland).

- **Locally engaged staff** – Employees working for a Canadian company in their own country of origin.

The category of employee will determine your approach to benefits coverage. For example, for expatriates, can your Canadian group plan insurer implement a plan for your internationally assigned employees that will form an extension of your Canadian group benefits plan? Or will you need to engage a specialty provider for an individual or group expatriate or local benefits solution? For locally engaged

staff, you may need to work with an insurer in the new country to provide benefits for them.

Often, Canadian employers end up providing benefits for employees from more than one of these categories. One benefits plan may not be possible for everyone, so you may need several solutions by different providers.

Location, location, location

The location of your international division is also key in determining benefits coverage. While all countries will have different legislative or compliance requirements, there are regional differences on what benefits are available or are customarily provided by employers, as well as benefits that are mandated by local government. An insurer specializing in international benefits can help you navigate requirements in the target country and ensure your benefits are compliant.

There may be sanctions associated with the target country or restrictions on the nationality of insurers that are able to do business there. Ask your international insurer if there are any countries to which it's unable to extend



“...for expatriates, can your Canadian group plan insurer implement a plan for your internationally assigned employees that will form an extension of your Canadian group benefits plan? ...”



INTERNATIONAL BENEFITS CONSIDERATIONS...

benefits.

Location will also determine whether you should be including additional policies or riders that cover risks such as war, terrorism, non-medical evacuation, or kidnap or ransom, for example.

Employee dependents and visits

If your employee has dependents, you need to know if they're relocating with them or remaining in Canada. "Trailing dependents" as they're called may require you to continue benefits in Canada, so you'll need to make special arrangements with your Canadian insurer to accommodate them.

Will your expatriate employee be returning to Canada during their posting for periods of time? You may need to maintain benefits in Canada to cover any expenses incurred while they're visiting home.

Regardless, whenever possible, ensure your expatriate employee maintains their provincial health coverage. Although rules vary, all provinces allow some degree of benefits extension for employees working abroad. (Generally, employees simply submit a letter from their employer confirming international employment.) Maintaining provincial health coverage also allows your returning expatriate to be eligible for provincial healthcare without having to satisfy a waiting period in order to qualify.

Similar but different

While your goal will likely be to keep your employee whole during their foreign assignment and when they return home, you'll both have to be prepared that benefits will likely be comparable but not equal to those offered by your Canadian plan. There will be benefits offered in your Canadian plan (e.g., critical illness) that either

aren't available or aren't customary in the target country, while there may be additional benefits (e.g., meal assistance through vouchers) you'll need to include that aren't part of your Canadian offering.

You'll also need to be prepared for the cost differential for international benefits and what sharing the cost of benefits looks like on an international scale. Clearly communicate these differences to your employee and manage their expectations.

Sending an employee to an assignment abroad is a challenging endeavour for both you and your employee. Make sure you understand the context of your international location and have a solid strategy in place to help you source and implement a comprehensive benefits plan.

-BenefitsCanada

Christy Insurance Agencies Ltd.

#110-1861 Welch Street
North Vancouver, BC
V7P 1B7

T: 604-987-2474
F: 604-987-9534



"...be prepared for the cost differential for international benefits and what sharing the cost of benefits looks like ..."

SHARING THE BENEFITS BURDEN

Employers are divided when it comes to drugs.

On the one hand, 90% of participants in *Benefits Canada's* 2015 online survey strongly or somewhat agree that it would be worth it to pay for a high-cost drug if it meant their employee continued to be healthy and productive. On the other hand, they want financial help in providing all of that largesse. A whopping 90% of plan sponsors believe that plan members need to pick up more of the tab on benefits costs, according to *Benefits Canada's* research.

And that's a challenge. "With many plans still offering 100% co-pay, there's very little financial incentive for employees to take accountability for their spending," said Lisa Callaghan, assistant vice-president, product, Group Benefits for Manulife Financial, during *Benefits Canada's* Face-to-Face Drug Plan Management Conference in Toronto on Dec. 2.

According to Ned Pojskic, pharmacy strategy leader at Greenshield Canada, "Research has unequivocally shown that there's a

direct inverse relationship between cost sharing and adherence. As cost sharing goes up, adherence goes down. So those programs have to be carefully designed."

Glenn Monteith, vice-president, innovation and health sustainability at Rx&D, agreed. "Depending on the thresholds, [cost sharing] can be a barrier to access."

He said that selling employers on the benefits of picking up the costs themselves is a tricky proposition. To begin with, there's an education gap. "It's a cost conversation, not an investment conversation," he said.

Pojskic felt that although there's still "a positive view" of the return on investment, the entry of new

medications is causing a shift in health-care costs that's presenting challenges for employers that are torn between paying those costs or facing a less functional workplace.

Louise Binder, a health policy consultant at the Canadian Cancer Survivor Network, felt that carefully reviewing a plan can help sponsors to understand the value of covering high-cost drugs. So can an intensive education session with senior managers and human resource staffers available to inform them about the issues facing their plan.

"Where are the best points of entry to ensure best access but also best use of limited resources?" she said. "You may actually save money when only the right people get these drugs."



"A whopping 90% of plan sponsors believe that plan members need to pick up more of the tab on benefits costs."

SHARING THE BENEFITS BURDEN

Kevin West, vice-president of operations at Innomar Strategies, believed case management improvements could assist sponsors in seeing the payoff. “When we’re paying for drugs, particularly in the specialty areas, we’re investing thousands and thousands of dollars and we’re hoping that the health-care system is going to manage the patient for us. And I think that’s where case management kicks in.” He said that patients need to be tracked to ensure the drug prescribed is having the right outcome “for that patient.”

“If I’m going to invest the money, I want to make sure that that return is the best return,” said West.

What does the future hold? Panelists were wary. Many like Pojskic felt that “we are going down an unsustainable path.” Others, like Binder, worry that sponsors will follow the example of the public sector and “silo” everything, ultimately reducing care for employees.

“Nobody is coming to the table saying, ‘We have deep pockets and we can take on even more of the costs and spend more,’” said Callaghan. “We are at an inflection point. If stakeholders simply continue to talk about solutions without action, it is unlikely that employers can afford to simply sit and wait.”

“They will start making decisions to manage costs that may significantly change how employers are participating in the health-care ecosystem.”

-BenefitsCanada



“If stakeholders simply continue to talk about solutions without action, it is unlikely that employers can afford to simply sit and wait”

