



Designed for Health

Shifting tides in disability claims –
Addressing mental health and
chronic disease in the workplace



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01

Introduction





The long-term disability (LTD) claims landscape continues to evolve. Mental disorders remain the main driver of claims overall – making up a growing percentage of disability leaves. But the type of mental disorders driving these claims is changing.

What's increased significantly are claims involving an adjustment disorder, followed by anxiety-related conditions. Adjustment disorder is a condition that involves a negative and excessive response to a stressful life event or change. It's also known as stress response syndrome or situational depression. It often happens when our ability to cope is overwhelmed.

The triggers can be personal, such as relationship issues, sickness or death, or home or job changes. But triggers can be broader-based as well, from wars, to wildfires to economic concerns. And while we haven't reflected recent trade war concerns in this report, these could have future mental health impacts.

Chronic disease claims are also increasing in the wake of delayed screenings and treatment during the pandemic. For example, while cancer-related claims declined in the early stages of the pandemic, these claims are now rising. And the fastest proportional rise is amongst younger employees, those under age 50.

These are just some of the many insights you'll find in this report.

About this report

This report is part of our [Designed for Health](#) series. It provides an analysis of our database of LTD claims. This database is comprised of over 1.5 million plan members with disability insurance. We also examined our drug claims data to add further insights to the trends we uncovered.

In addition, this report highlights the solutions and resources available to you to better support at-risk employees. And we continue to innovate, with disability management processes designed to get employees back to health, and work, faster.

This report reflects Sun Life's mission to help Canadians live healthier lives. We hope it provides the insights you need to better support employees and maintain a healthy workforce. As always, we are here to help.

02

LTD – the big picture view



Mental disorder claims continue to drive overall volumes

Mental health remains the most common diagnostic category for LTD claims, representing almost 40% of claims in 2024. And they continue to grow in proportion to other claim types (Figure 1). The proportion of new mental disorder short-term disability (STD) and salary continuance claims is also rising. This tracks public health data, which shows that many Canadians continue to struggle with mental health challenges post-pandemic.

While more people are struggling with mental health, more are also reaching out for help. Our data shows that claims for mental health

practitioners have tripled since 2019 (Figure 2). And the number of plan members making at least one mental health practitioner claim has almost doubled. While stigma remains a significant concern when it comes to mental disorders, we are witnessing a growing recognition that mental health is critical to overall health. Shifting societal attitudes may also account for these increases. Further, the public health system has struggled to meet the growing mental health needs of Canadians. Many Canadians in need of care are relying on their group benefits plans or out-of-pocket spending for care not available in the public system.



Canadians continue to struggle with mental health challenges

- Diagnoses of depression and anxiety-related disorders are up 33% and 50% respectively since pre-2020.
- 2/5 of Canadians report having received a mental disorder diagnosis in their lifetime.

Source: Mental Health Research Canada, February 2025

FIGURE 1

Proportion of LTD claims (new approved claims)

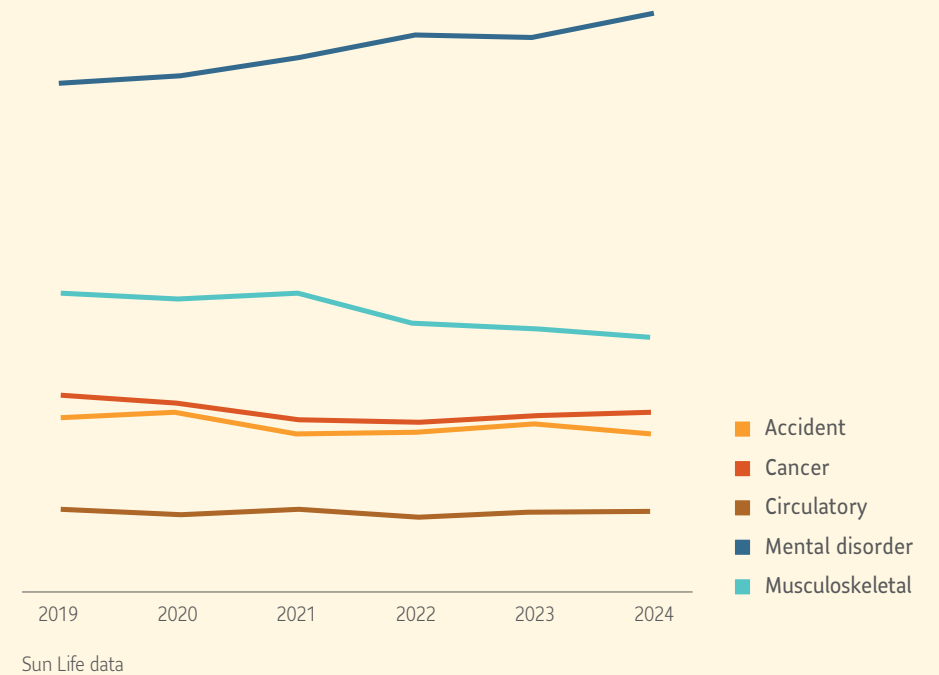
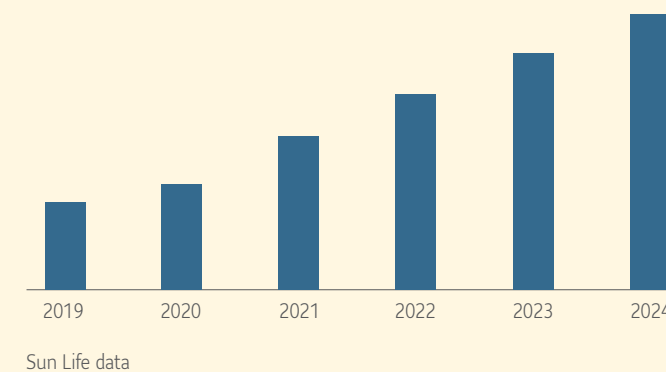


FIGURE 2

Mental health practitioner claims volumes



Cancer and circulatory claims rise. Musculoskeletal claims continue to fall.

Cancer and circulatory LTD claims have also risen, although this trend is more modest relative to mental disorders. Still, it's a trend worth noting. Public health data is clear that chronic conditions are on the rise, impacting Canadians at younger ages than before.

The category of LTD that continues to decline is musculoskeletal-related claims. This downward trend gathered steam during the pandemic, with many people working from home and curtailing activities. We expected this trend to be temporary as pandemic restrictions lifted. However, despite an aging population and a return to normal activities, these claims continue to steadily decline.

We don't know the specific causes of this decline. But it could be a combination of factors:

- The continuation of a less active work-from-home lifestyle
- Greater individual awareness of musculoskeletal issues and the adoption of preventative measures
- Greater workplace awareness of these issues – with steps to reduce the frequency of work-related injury.



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Support for musculoskeletal health – our free online toolkit

While musculoskeletal-related claims are declining, they are still the second most common disability claim type overall.

Our free, online [musculoskeletal health strategy toolkit](#) can help you reduce musculoskeletal health impacts within your workplace.

The toolkit can help you:

- Identify opportunities to improve workplace musculoskeletal health, with a data-driven, strategic approach
- Set the priorities and objectives of your strategy to have the greatest impact
- Take action, with evidence-based tools and resources that can reduce time off work and improve employee musculoskeletal health
- Measure your success – and evolve your strategy through a continual review process.

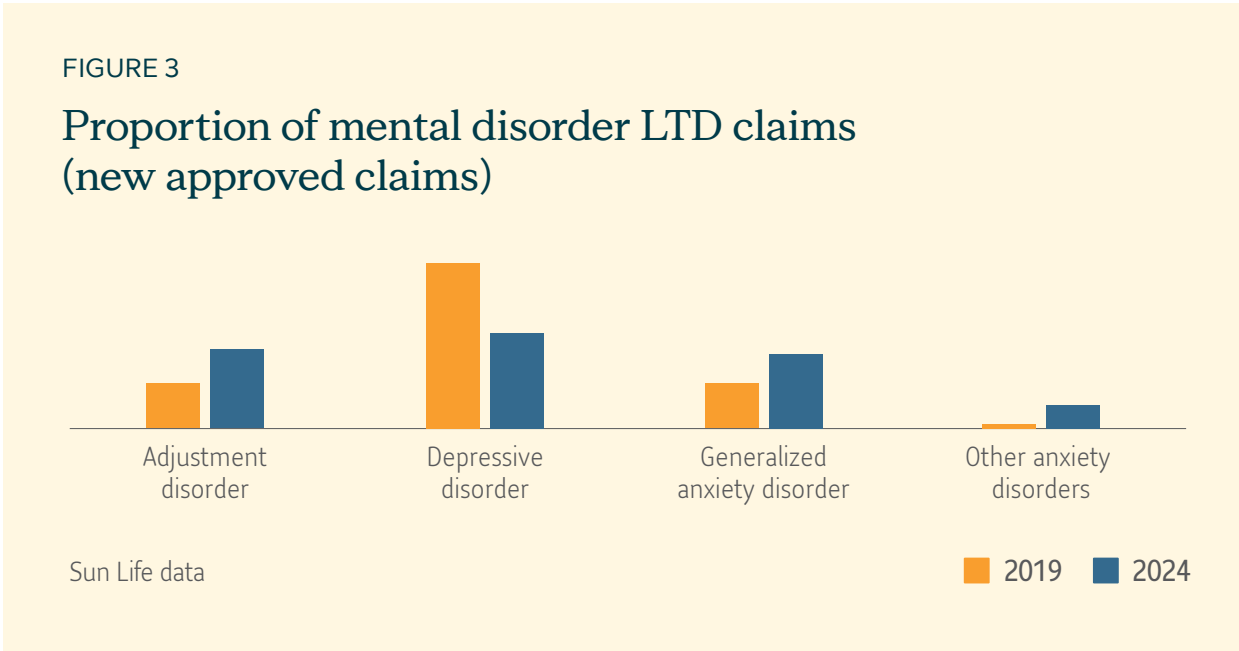




The composition of mental disorder claims is changing

There's been a distinct change in the composition of mental disorder claims in the past several years. Adjustment disorder and anxiety claims have been making up an increasing share of total claims (Figure 3). Conversely, depression-related claims have fallen as a proportion of total claims.

This trend began around 2017 but accelerated through the pandemic to present.



The change is significant because adjustment and other anxiety disorders can differ from depression in important ways. Adjustment disorder is typically diagnosed as a time-limited condition, with symptoms lasting six months or less after a stressor. However, if not treated promptly, it can become chronic, leading to more severe functional impairment and difficulty resolving the disorder. Chronic adjustment disorders are associated with more severe symptoms and can lead to the development of other mental health issues, such as anxiety, depression, or substance misuse.¹

This change in the composition of mental health claims puts even greater emphasis on ensuring plan members have access to care early and that they have enough coverage to support a complete course of treatment.



Understanding adjustment disorder

An adjustment disorder involves emotional or behavioural symptoms that develop in response to an identifiable stressor or life change. Symptoms can include anxiety, depression, difficulty concentrating, social withdrawal, and changes in behaviour.

These symptoms can cause significant distress or impairment in social, occupational, or other important areas of functioning.

Source: Diagnostic and Statistical Manual of Mental Disorders, 5th edition

Societal stressors may be driving some of the increase in adjustment and anxiety disorders. For example, adjustment issues arise when an individual has a poor response to stressful life events or changes. While these changes may be personal in nature, they can also be precipitated and exacerbated by societal stressors. And there are many growing societal stressors and uncertainties to contend with. These include:



New economic and political changes and uncertainty



Changes in the way we work, and workplace demands post-pandemic



Climate change and severe weather events



The impact of recent high inflation years



Housing and food insecurity



The increasing use of social media



Health system capacity issues

Another factor to consider is social health. We've witnessed significant trends in increased isolation and social disconnection during and following the pandemic—particularly amongst young people. When stress hits, being able to access adequate support can play a vital role in guarding against the stressor becoming overwhelming or eroding our coping abilities. But, if the support is not there, or if it's there and we don't use it, coping can become compromised and a stressor that may not have otherwise overwhelmed can take on a life of its own and feel insurmountable.²

Helping employees become more resilient in the face of change and uncertainty

The rise of claims related to adjustment and anxiety disorders places a focus on a trait that can help prevent and manage it: individual resilience.

Emotional or psychological resilience is the ability of an employee to adapt when things don't go as expected. It involves being able to bounce back from difficult situations. Resilience is not static – employees can increase it. And employers are uniquely positioned to help employees do this.

By providing a supportive environment and resources, including adequate coverage for mental health care, they can help employees better handle stress, stay healthy, and productive. This benefits both employees and organizations as a whole, leading to a more robust and adaptable workforce.



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We created our [Guide to Organizational Resilience](#) to help employers develop a supportive environment and resources that build employee resilience. This can help employees better handle stress, stay healthy, and stay productive during times of change and uncertainty.



Innovative ways we are helping plan members access mental health care

Mental Health Coach – Proactive help for those with mental health risks

Our [Mental Health Coach](#), provided by Kii Health, can play a critical role in connecting plan members to the resources and treatment they need. The program is proactive and personalized. It uses messaging designed to engage employees who are at risk of mental health-related absences.

Employees work with a registered health-care practitioner to create a personalized action plan. This includes focused recommendations for accessing care, whether through the group benefits plan, employer or public health resources. The Coach helps ensure they are making the best use of the resources available for their situation. The Coach also provides follow-up support as the plan member moves along their care journey to help ensure their symptoms are improving.*

* Mental Health Coach is a valuable add-on to your Extended Health Coverage. It's available for employers with over 50 employees.

Lumino Health Provider Search – Empowering plan members to find the care that is right for them

[Lumino Health Provider Search](#) platform allows plan members and all Canadians to search over 210,000 health-care providers in Canada, including mental health-care practitioners. Plan members can search for a provider that is right for them based on detailed provider profiles that include location, conditions treated, services offered, the clientele and diverse communities served, and languages spoken. All profiles feature a relative cost comparison as well as verified ratings provided by other plan members who have used the provider's services. Some profiles, including rehabilitation practitioners, also feature reviews from plan members.

Chronic physical disease claims rising

Much of the attention on LTD claims recently has focused on mental disorders. And for good reason, given the rising rates of mental disorder-related leaves. But chronic physical conditions like cancer, diabetes and cardiovascular (circulatory) disease are also rising among Canadian employees.

We can see this growth in chronic physical conditions through the growth in drug claims for certain conditions. The incidence of diabetes in particular has seen a significant increase (Figure 4). While diabetes isn't always a direct cause of disability claims, it is associated with an increased risk of several chronic conditions, including cardiovascular disease,³ certain types of cancer,⁴ mental health disorders,⁵ and musculoskeletal issues.⁶ This means individuals with diabetes may face higher chances of disabilities related to these co-existing conditions.

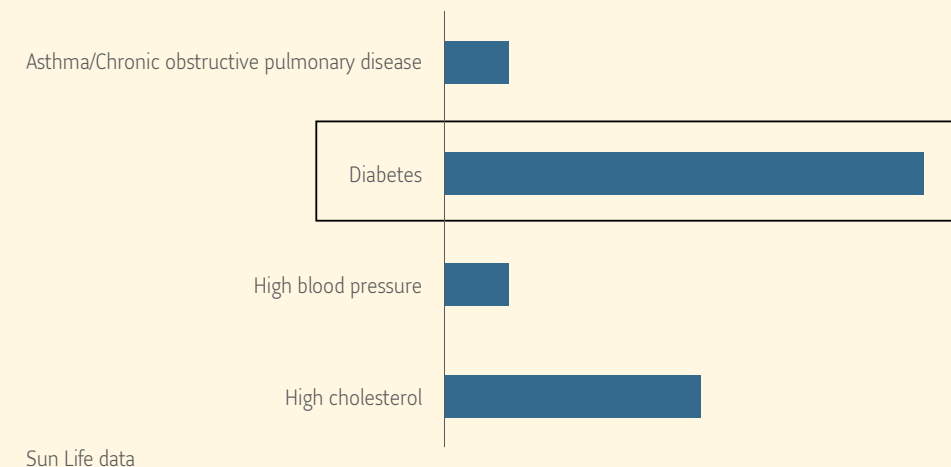
Poor diets, sedentary lifestyles, high stress and rising rates of obesity are all contributing factors. In addition, the pandemic accelerated physical chronic disease incidence. We relate this mainly to missed screenings, cancelled appointments, and challenges in following a healthy lifestyle.

As a result, more than 50% of Canadian group benefits plan members live with at least one chronic illness.⁷ Research also shows that younger Canadians are experiencing chronic disease at earlier ages than before. When combined with Canada's aging population (and workforce), we expect chronic disease LTD claims to continue rising.

Diabetes drug claims grew by approximately 30% from 2019 to 2023.

FIGURE 4

Growth in number of drug claims per covered plan member (2019-2023)



Reducing the impact of chronic disease in the workplace

Our 2024 Designed for Health report [Chronic disease in the workplace](#) examines the impact of chronic disease in more detail. It also highlights support that can reduce the incidence and impact of chronic disease in the workplace.



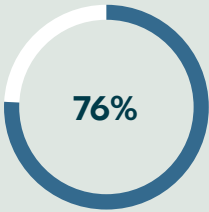
Chronic disease coaching to help plan members live healthier lives

Many people with chronic diseases can live healthy lives if their conditions are well managed. However, it's estimated that only half of those living with chronic diseases are closely adhering to their treatment plans.⁸ There can be many barriers to optimal disease management, including costs, medication side effects, lack of health literacy and self-management skills, and stigma.

Our recently launched specialized care programs offered through Lumino Health™ Pharmacy*, provided by Pillway**, are designed to help overcome many of these barriers and provide plan members with the support they need to live healthier lives. We currently offer coaching programs to support employees with diabetes, asthma, and chronic obstructive pulmonary disease (COPD).***

These care programs are offered at no cost to employers and employees. Employees who enrol will receive a focused and comprehensive assessment. They then are provided with one-on-one coaching and follow-ups with a trusted and dedicated pharmacist. Employees will work with their pharmacist to develop a personalized care plan to support ongoing self-management of their condition(s). The care plan includes treatment optimization, proper use of medication(s), and comorbidity education.

The preliminary results from our diabetes care program are very promising:



76% of employees who have completed the program* have seen improvement to their A1C.



40% of employees who have completed the program* have achieved an A1C in a range where deprescribing could be discussed, i.e., in remission range.**



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^{*} Pharmacy services are provided by Pillway.
^{**} SHG Pharmacy Inc. and SHG West Pharmacy Inc, doing business as Pillway pharmacies, are partially owned by Simpill Health Group Inc. For your information, and as a point of disclosure, Sun Life Assurance Company of Canada has partial ownership in Simpill Health Group Inc.
^{***} At this time, coaching for Quebec-based plan members is not available. We are currently exploring opportunities to provide coaching services in the province of Quebec.
⁺ Employees who had enrolled in and completed LifestyleRx's 12-week program, as part of the Diabetes Care Program, as of February 2025.
⁺⁺ Type 2 diabetes remission is defined as achieving specified glycated hemoglobin (A1C) thresholds without any antihyperglycemic medications for a minimum of 3 months:
- Remission to prediabetes (A1C between 6.0% and 6.4%)
- Remission to normal glucose concentrations (A1C <6.0%)
- Remission may not be possible for some individuals with type 2 diabetes. Remission of diabetes is not synonymous with cure. Ask your health-care professional for more information.

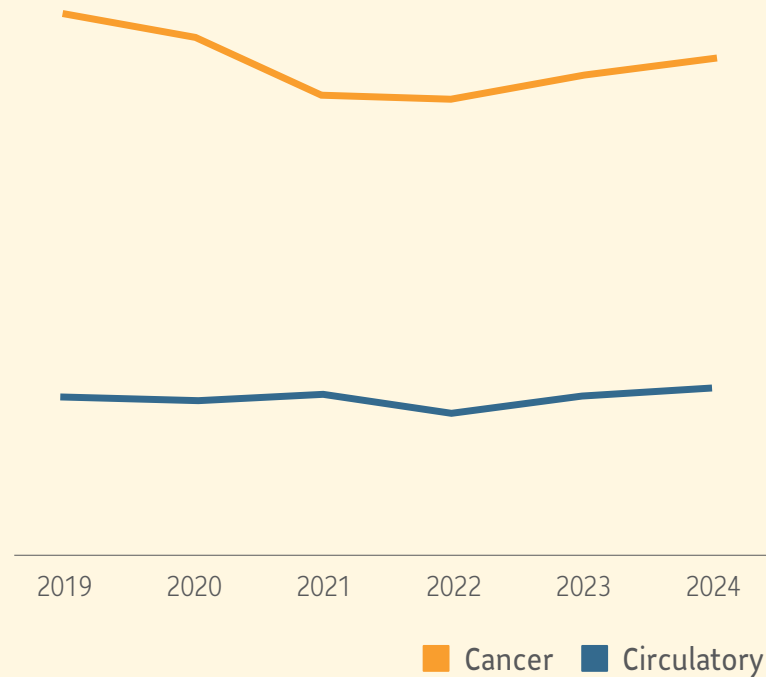
A closer look at cancer and circulatory claims

What our LTD data shows

We examined two of the most frequent chronic disease-related types of claims: cancer and circulatory disorders (cardiovascular conditions). After declining during the early years of the pandemic, cancer claims are now on the rise. Circulatory claims have remained comparatively stable – but have been rising since 2021 (Figure 5).

FIGURE 5

Proportion of LTD claims (new approved claims)

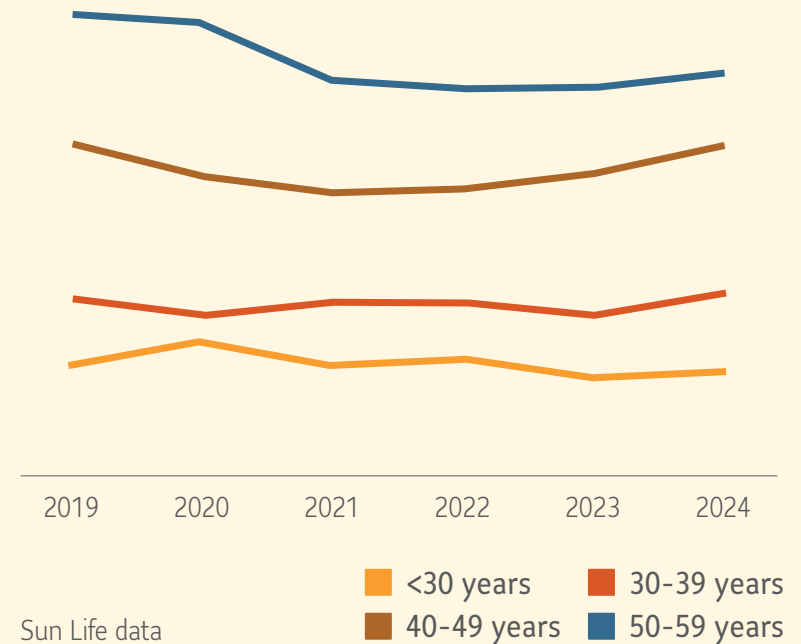


Sun Life data

When we look at cancer specifically, those in their 40s have the largest proportionate rise in cancer claims. And public health data confirms rising cancer rates in this age group, as well as those in their 30s. The rise is especially pronounced for colon and breast cancers. The causes are likely a combination of lifestyle and environmental toxins, with a strong link to rising obesity rates (Figure 6).⁹

FIGURE 6

Proportion of LTD claims that are cancer claims (new approved claims)



Sun Life data



Supporting employees with cancer return to work

Many employees with cancer require time off work for treatment. But most often they are motivated to return to work. Aside from financial benefits, a return to work can provide employees with structure, purpose, social support, and connections with parts of their life beyond their illness.

Here are four ways that employers can make a positive difference for a cancer patient's return to work.

01

Communicate early and often. Employees battling a serious illness need reassurance that people at work care – and look forward to their return. The employee's manager, supervisor, or human resources professional can provide this. They can reach out to let the employee know they look forward to welcoming them back when they're ready, even on a transitional basis.

→ 02

Put accommodations in place. Cancer and its treatment can involve profound physical and mental changes, both temporary and permanent. Work accommodations are among the most influential components of a successful return-to-work experience for cancer survivors.¹⁰ These accommodations can include shorter or more flexible work hours, modified job duties, or additional supports such as paid time for medical appointments.

→ 03

Build co-worker support. Research has shown that the social support of co-workers is a key component of a successful return to work.¹¹ Ensure team members understand the returning employee's needs and the return-to-work strategy. This can help ensure a positive, supportive co-worker attitude.

→ 04

Continue to monitor and communicate. Continue communicating with the employee to determine how they are adapting to the work environment. Checking in, providing regular feedback and reassurance can help to reinforce the confidence of an employee who may have been on leave for an extended period. This can also strengthen the relationship between manager and employee.

To learn more about supporting employees living with cancer, see our Bright Paper report [Changing the face of cancer](#).

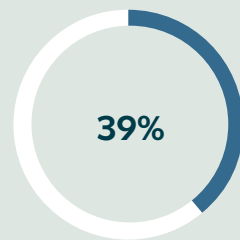
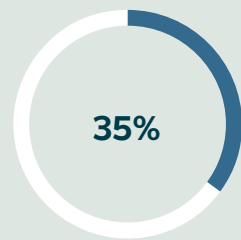
The challenge of comorbidities – managing multiple chronic health conditions

Our data shows that many employees on disability leave have multiple chronic conditions (known as “comorbidities”). These conditions are affecting their health and may exacerbate the primary condition that is causing their disability leave.

The Sun Life data in the chart below provides a window into these comorbidities. It shows the drug claiming patterns of plan members on LTD who are also claiming for chronic disease drugs.

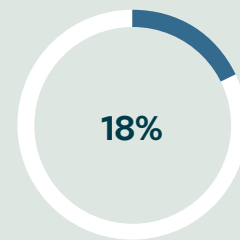
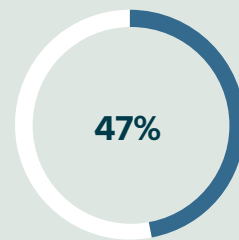
This is consistent with research that focuses on chronic disease comorbidities. For example, there is a significantly higher prevalence of mental disorders for those with diabetes, and rheumatoid arthritis.¹² This is also clear in our own data. Plan members on LTD are two times more likely to be claiming for a chronic disease drug and three times more likely to be claiming for chronic disease drugs to treat two or more conditions than those not on LTD.¹³

Many LTD claimants are also claiming for chronic disease drugs



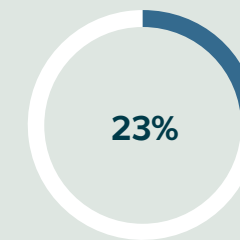
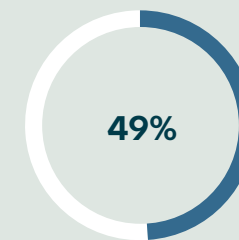
Circulatory LTD plan members

- **35%** submit drug claims to treat diabetes
- **39%** submit drug claims to treat mental disorders



Cancer LTD plan members

- **47%** submit drug claims for cardiovascular conditions
- **18%** submit drug claims to treat diabetes



Musculoskeletal LTD plan members

- **49%** submit drug claims to treat mental disorders
- **23%** submit drug claims to treat diabetes

Plan members who are on LTD and claiming at least one chronic disease drug. Chronic disease drug is defined as having six months of consecutive claims for the drug class.

A critical part of managing disability claims successfully is considering an employee’s health holistically. That’s why we’ve developed processes to identify factors, including comorbidities, that can affect an employee’s recovery and absence duration.



Gaining a holistic view of plan member health so we can provide better support faster

All disability leaves involve a serious illness or injury. But there may be other factors beyond these that can significantly impact an employee's recovery and return to work. These can include:

- Any co morbid health conditions (physical or mental health) they may have
- Their level of support from family and friends and the impact of the plan member's health on those with whom they have close relationships
- Their personal finances and related stresses
- Their motivation to recover
- Their relationship with co-workers – and their attitude towards work itself.

That's why we take a *biopsychosocial approach* to claims management. This holistic approach considers medical (biological) as well as psychological and social factors that drive health outcomes and the ability to return to work.

We've developed our innovative Psychosocial Questionnaire to allow us to gain this more holistic view of plan member health – quickly and conveniently. After extensive piloting, we've made this questionnaire part of our claims management process. It's completed online by the plan member. The information it provides helps us determine the right level of support at the right time to help the plan member achieve an optimal health outcome.

By completing the questionnaire, plan members can provide us with additional information that our claim forms may not capture.

This lets our disability case managers:

- ✓ **Better focus** their conversations with plan members and plan sponsors.
- ✓ **Dig deeper** into influencing factors impacting a plan member's recovery.
- ✓ **Help identify** which claims may need a referral to a rehabilitation or more specialized health professional.

You can learn more about this approach and new innovative tool [here](#).



03

Demographics and industry sectors – their influence on LTD claim trends



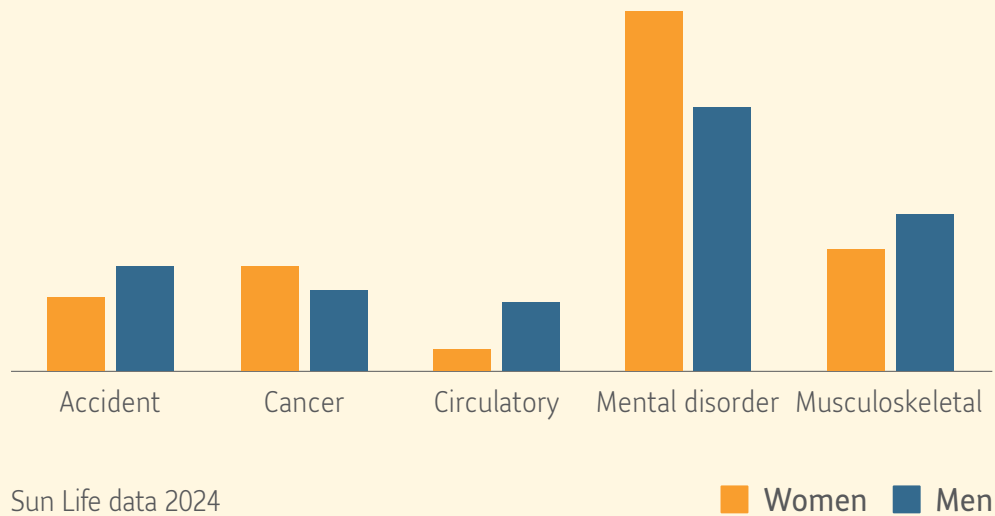
A look at the claiming patterns of men and women

Mental disorder claims growth has been consistently strong in recent years for both men and women. However, women continue to have a significantly higher proportion of these claims than men.

Approximately 45% of women's claims are for mental disorders compared to about 33% for men (Figure 7).

FIGURE 7

Proportion of LTD claims (new approved claims)

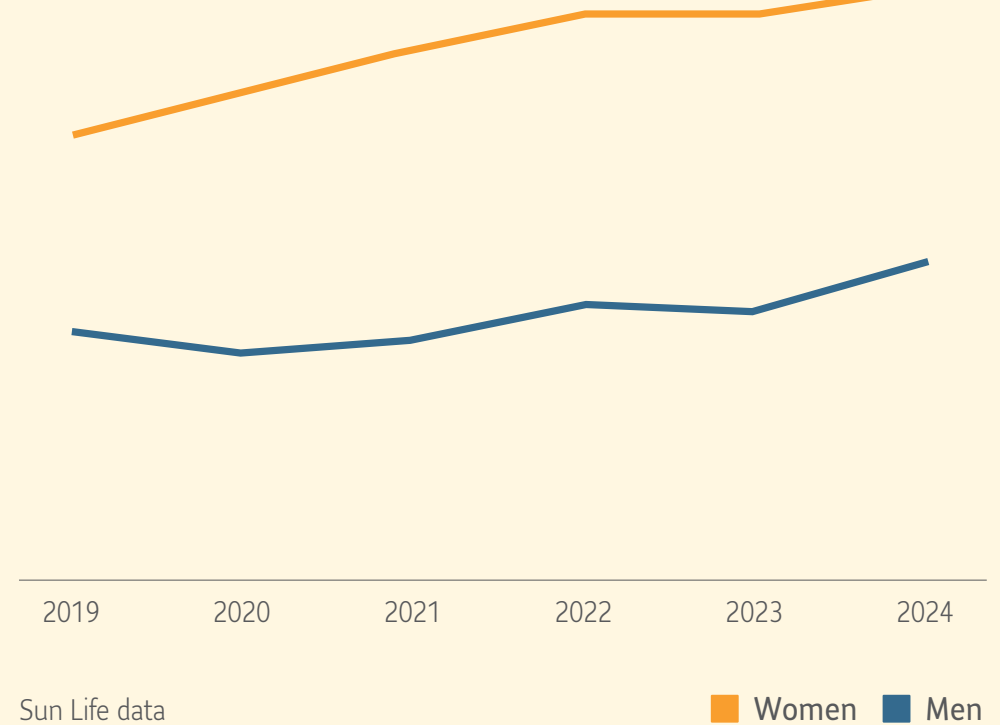


As the chart below shows, the pandemic took a disproportionate toll on women's mental health. Women make up a high percentage of the frontline services sector – and carried much of the caregiving burden.

By comparison, men's claims plateaued at the start of the pandemic. However, they began to increase again in 2021 and have begun to rise more steeply recently (Figure 8).

FIGURE 8

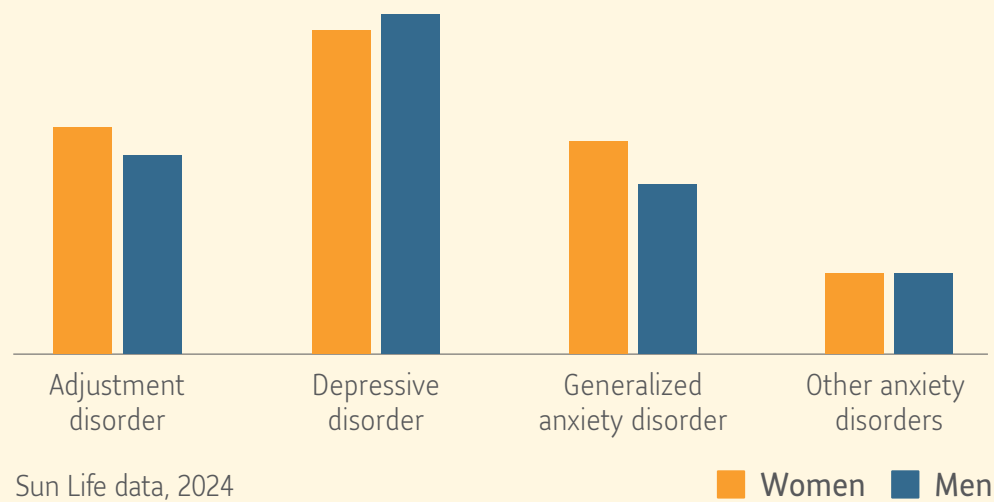
Proportion of LTD claims that are mental disorder claims (new approved claims)



While women have more disability claims for mental disorders than men, the claims composition is similar for both. Depressive disorders are still the most common claims type, followed by adjustment disorders and generalized anxiety disorder (Figure 9).

FIGURE 9

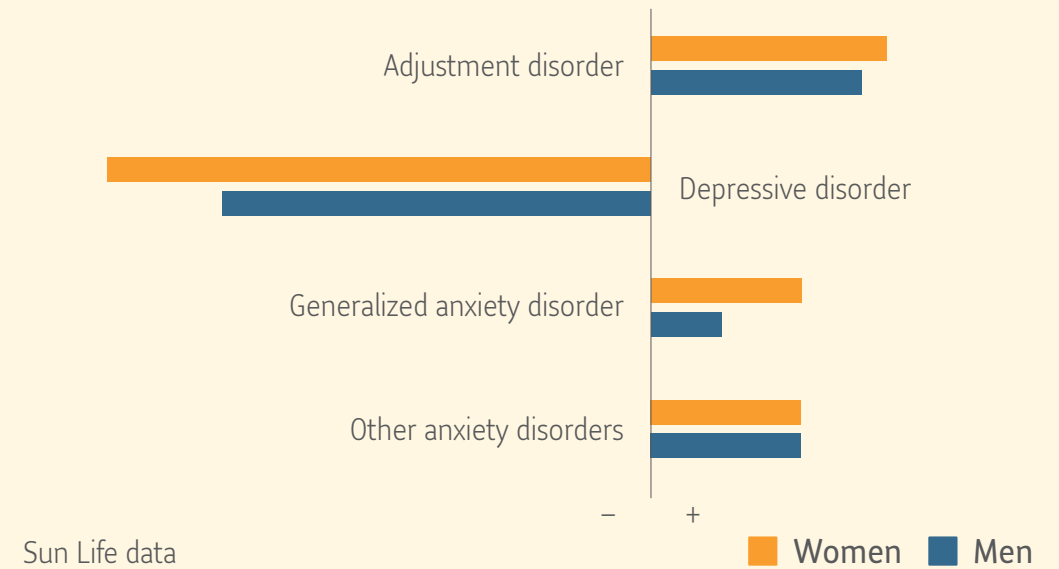
Proportion of mental disorder LTD claims (new approved claims)



We also see similar trends for men and women in the composition of mental disorder claims. For both genders, adjustment disorder and anxiety-related claims are proportionately increasing. At the same time, the proportion of depression-related claims is decreasing significantly (Figure 10).

FIGURE 10

Change in proportion of mental disorder LTD claims 2019-2024 (new approved claims)





Understanding differences in mental disorders between men and women

Studies have shown that for many mental disorders, the incidence rates between women and men are similar. So why is there such a pronounced gender difference in LTD claiming for mental disorders?

Some of this difference could be due to the different mental disorder symptoms that each gender exhibits.

For example, health professionals diagnose women with depression more than men. But many studies question whether men actually experience less depression or if depression among men often just remains undetected. This could be due to the different symptoms of depression in women and men.

- **Symptoms in women can be more obvious.** Women can show sadness – and a loss of energy, motivation and interest in life when depressed.
- **Symptoms in men can be hidden.** Men are more prone to anger attacks, irritability and overreaction. In fact, irritability by some measures is the strongest indicator of depression in men. Studies have also shown strong associations between alcohol misuse and depression. In fact, our data shows that men have more than 3 times the LTD substance use disorder claims than women.

Women are often more likely to seek help, with more women accessing formal support than men. Men may be under-diagnosed because of their reluctance to get treatment and the different symptoms they present.

The reasons behind the symptom differences

When we look at the reasons behind these differences, research shows that it's likely part biology and part societal factors.

Biological sex differences, primarily driven by hormones and brain structure, can influence mental health outcomes. However, researchers are still working to confirm the exact mechanisms.

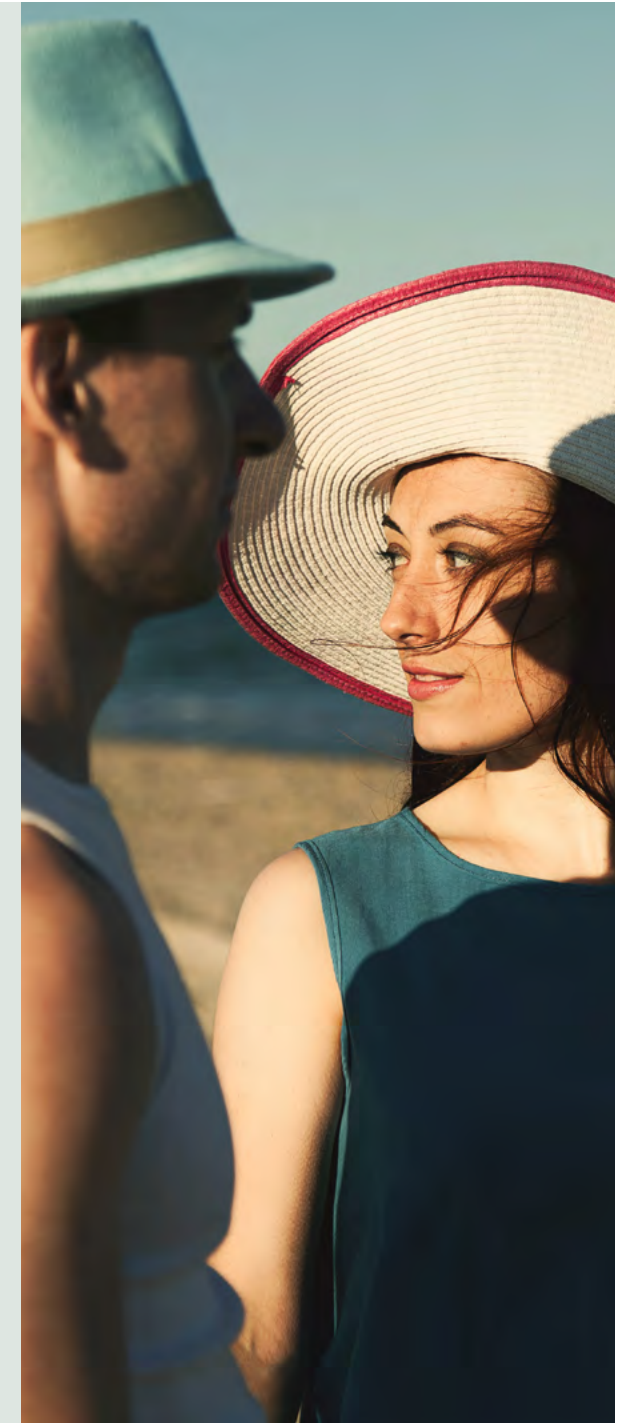
In terms of societal factors, there are many that influence the differences in mental health. For example:

- **We still socialize men** to prioritize traits like strength, independence, emotional stoicism, and self-reliance. This can lead to behaviours like aggression or substance use rather than seeking help.
- **We still expect women** to be nurturing, emotionally expressive, and relationship-oriented. These contribute to a social pressure to “do it all.” Balancing things like caregiving, work and personal responsibilities can contribute to high degrees of stress.

Employer support

Employer supports for mental health benefit both genders. But here are two examples of how support can be targeted to address gender-specific needs.

- **For men.** Recent years have seen the emergence of peer support programs that bring together men who have experienced or are experiencing mental health challenges. These can help overcome stigma and be a great starting point for seeking help. Consider partnering with or promoting these groups within your workplace.
- **For women.** Women tend to play a primary caregiver role. And that role can create mental distress when demands are high. If a significant proportion of your workforce is female, policies like paid care days and schedule flexibility can provide a safety net and have a positive mental health impact. This can make a significant difference for women – and all caregivers in the workplace.



Key differences between younger and older employees

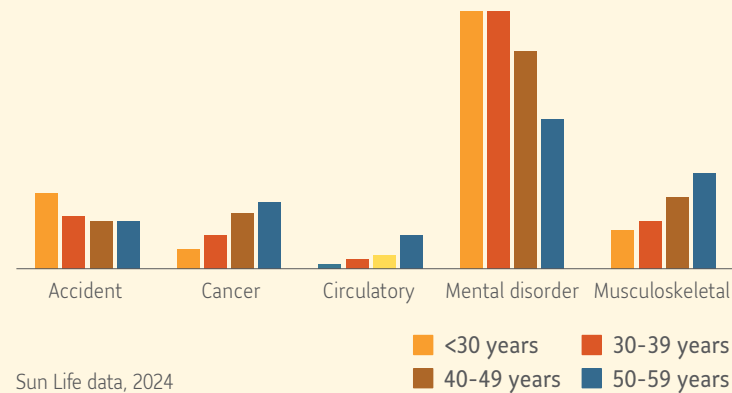
When analyzing claims by age, we see many differences emerge.

Among younger employees, mental disorders dominate the proportion of claims. Over half of disability claims among those under 40 years old are for mental disorders.

For older age groups, aging-related conditions increase significantly. For example, musculoskeletal claims make up approximately ¼ claims for those over 50 years of age. This compares to less than 1/10 for those under 30 years of age (Figure 11).

FIGURE 11

Proportion of LTD claims (new approved claims)

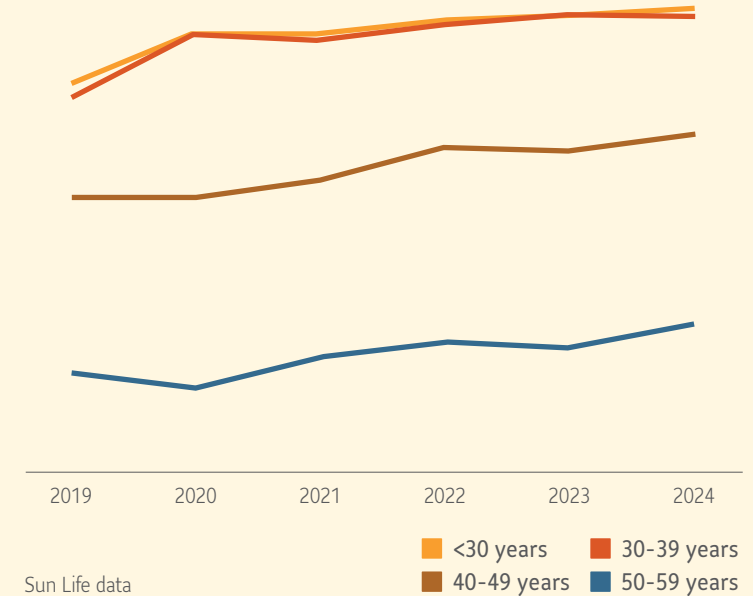


For claims growth, we saw a rise in mental disorder claims for employees below age 40 during the first stages of the pandemic (Figure 12). This accelerated a trend that had been building previously. This cohort had fewer supports when the pandemic hit, with more precarious employment and less established social networks. During this time, we also saw steep rises in claims for mental disorder drugs and mental health practitioners. Younger plan members were particularly impacted. These claim types more than doubled from 2019-2022 for those under 30 years old.

More recently, mental disorder claims as a proportion of disability claims are rising across all age groups. This could be because current societal stress points – such as inflation and economic uncertainty – are impacting everyone.

FIGURE 12

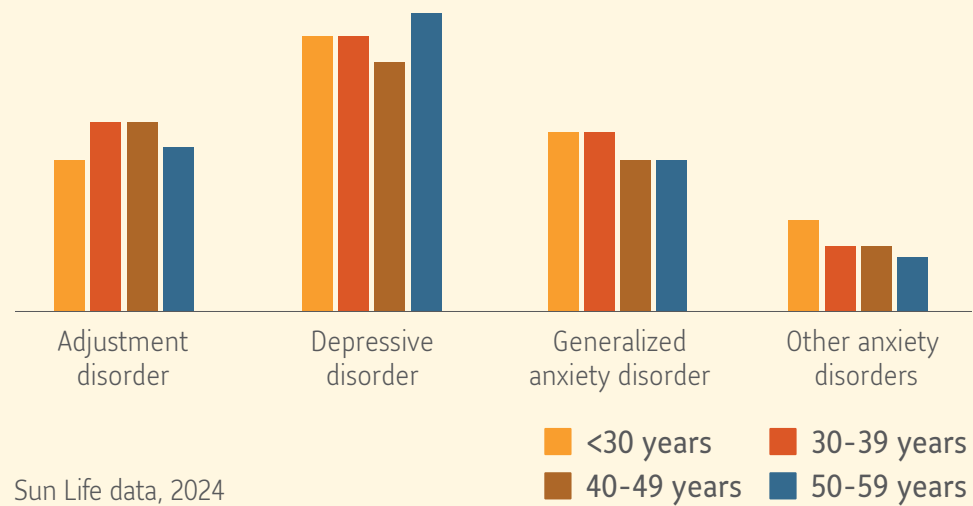
Proportion of LTD claims that are mental disorder claims (new approved claims)



While mental disorder claims are proportionately higher for younger employees, the distribution of the claims within this category is similar across age groups (Figure 13).

FIGURE 13

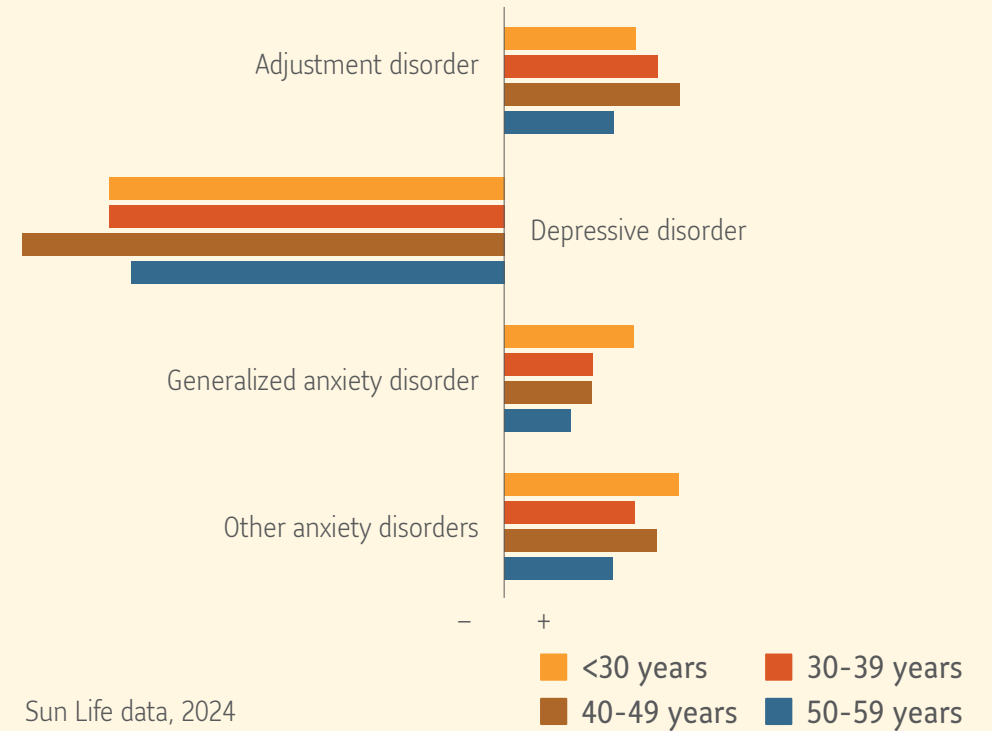
Proportion of mental disorder LTD claims (new approved claims)



When looking at claim trends, adjustment disorder and anxiety-related claims are proportionately increasing across all age groups as well. At the same time, the proportion of depression-related claims is decreasing (Figure 14).

FIGURE 14

Change in proportion of mental disorder LTD claims 2019-2024 (new approved claims)



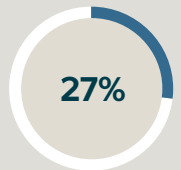


Canadian employees are experiencing anxiety around climate change and severe weather

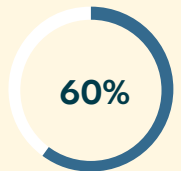
Climate change worries many Canadians.¹⁴ For some, that worry can become “climate anxiety.” Climate anxiety can involve intrusive thoughts and feelings of distress about the future. It can also negatively impact social relationships and performance at work.¹⁵

While not yet a recognized mental illness, the Mental Health Commission of Canada observes that many experts characterize climate anxiety through a variety of symptoms. These include intrusive thoughts about the climate, existential dread, depression, anxiety, feelings of helplessness and grief.¹⁶

In December 2024, we partnered with Environics Research to conduct a national survey of 2,000 Canadian employees on the impact of climate change and extreme weather on health and work from their perspectives.



More than one-quarter (**27%**) of respondents said that they have experienced or are currently experiencing climate anxiety. This was especially prominent among Gen Z (those less than 30 years old), where almost half (47%) reported experiencing climate anxiety.



Among employees reporting mental health impacts from climate change or severe weather, **60%** said it had affected their work. Key productivity impacts included taking time off and feeling less productive and engaged while at work.

These climate-related mental health impacts place even greater importance on workplace mental health supports. We will continue to strive to help Canadian employees access the supports they need to remain resilient to emerging stresses, change and uncertainty.



The pattern of disability claims varies by industry

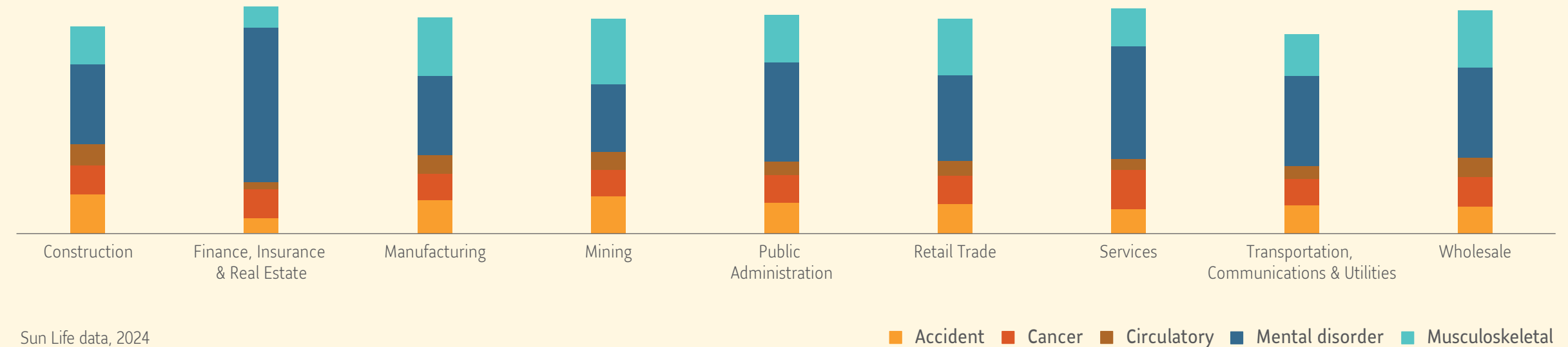
Across industries, mental disorders are the leading claim type in all but one sector (mining). However, there is variation in these claims across industries. This reflects the nature of the work as well as demographics.

For instance, the finance/insurance/real estate sector and services sector have the highest proportion of mental disorder claims (Figure 15). These sectors are mostly comprised of knowledge work. They tend to have psychological stressors rather than physical demands. The representation of women also tends to be higher in these sectors.¹⁷

Musculoskeletal claims are the second most common claim type, with significant variations across industries as well. Not surprisingly, musculoskeletal disorders are most prominent in industries involving more physical work. This includes manufacturing and mining, representing approximately ¼ of all claims in these sectors.

FIGURE 15

Proportion of LTD claims (new approved claims)



Sun Life data, 2024

Mental disorder trends by industry

We took a closer look at claims patterns for three different industries (Figure 16). We wanted to see how claims patterns have varied recently – and consider why these variations may have occurred.

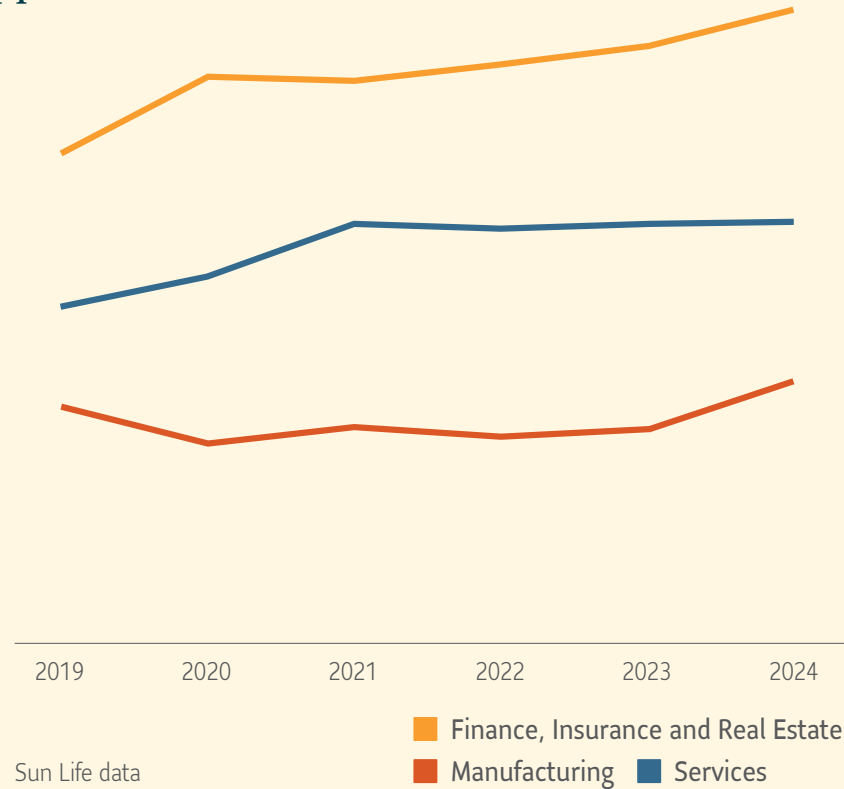
For example, the services sector includes many frontline health and service jobs. It stands out for its rise in mental disorder claims during the first two years of the pandemic. This was driven by the significant stress many plan members in this sector faced during that time.

While claims levels are still elevated, the increases in mental disorder claims for services sector workers has now subsided. By contrast, claims in the finance/insurance/real estate sector have continued to climb. This could be partially due to recent downsizings in the sector, and the pressure that places on remaining employees.

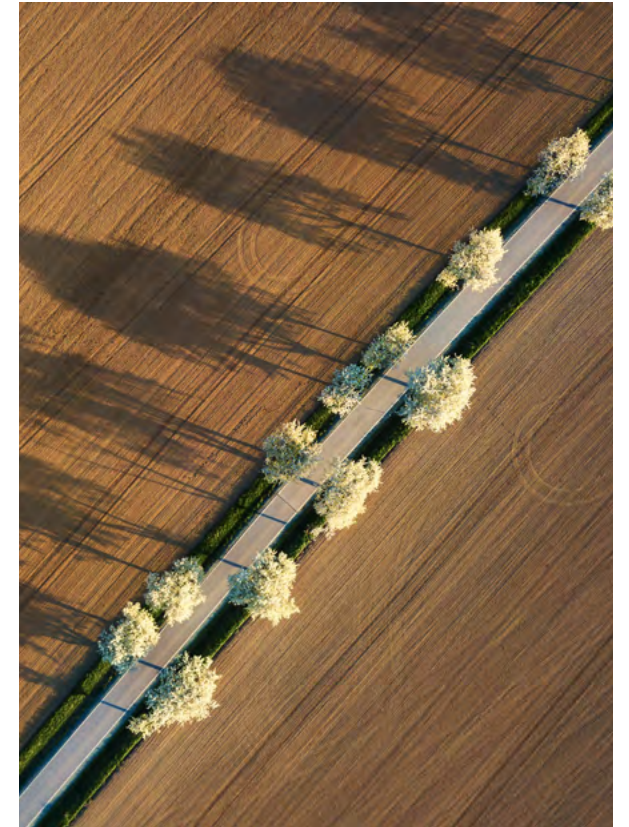
Manufacturing has recently seen a significant increase after being relatively flat through the pandemic. This could reflect job losses and the current soft outlook for this sector. For male-dominated manufacturing companies, it could also reflect the recent general increase in mental health claims for men across our block of data.

FIGURE 16

Proportion of LTD claims that are mental disorder claims (new approved claims)



For employers, every workplace is unique – and a proper risk assessment can involve many inputs. As a starting point, examine your industry's trends, the demographic mix in your workplace, and your own claims data.



04

Working together to improve disability outcomes





How we are improving workplace disability outcomes: early assessment and intervention

We know how challenging disability claims can be for any organization. Our personalized case management approach means we deliver the right early-stage resources for plan members who need them most. This can make a lasting impact on health and recovery.

Expanding mental health resources for early interventions

Mental disorder claims continue to be the leading cause of long-term disability for most employers, representing almost 40% of all LTD claims.¹⁸ These mental disorder claims have also increased in complexity. We want to ensure you have access to best in mental health supports.

How we're helping

Our in-house mental health registered clinicians consult on complex claims.

We train our team to support complex claims through a comprehensive program that incorporates the latest evidence-based research and best-practice advances.

We work with external partners and the broader community to create better partnerships, education, and collaboration for inclusive treatments.

Providing value-driven disability solutions – the right resources at work

Our value-driven health solutions are the result of innovation and testing. These solutions work to help get plan members back to work – and optimum health – sooner.

How we're helping

Faster access to specialists. Medical Confidence saves plan members an average of **317** wait days for specialist appointments.¹⁹

Finding the right drug treatment faster.

Pharmacogenomic testing can potentially eliminate or reduce the trial-and-error process of finding the right medication. Over half of plan members have had their medication changed to a more suitable one based on their test results.

Access to online assessments and treatments.

This includes specialists for both musculoskeletal issues and mental disorders. This helps overcome barriers to care such as availability, mobility issues, cost and stigma.

Digging deeper into influencing factors that impact a plan member's recovery

Many different factors can influence a plan member's recovery, including comorbidities, relationships, financial stress, and more. Gaining holistic understanding of each plan member's unique situation can help identify the supports they need to recover faster.

How we're helping

We've developed our innovative Psychosocial Questionnaire to allow us to gain this more holistic view of plan member health – quickly and conveniently. Completed online by the plan member, the questionnaire helps us identify case complexity and triage disability claims. This helps ensure plan members get the timely, additional support they need.

Leveraging digital tools to speed up information-gathering – and plan member recovery

The faster we get critical health information, the faster we can put a recovery plan in place. We continue to innovate to enhance our processes – and accelerate the recovery timeline.

How we're helping

Faster medical information-gathering.

We've streamlined our processes to gather medical information digitally.

Faster health updates. We've digitized the plan member update form. This makes it easier and faster for plan members on long-term disability to provide us with regular updates.

Digitized provider model. We've introduced a new digitized provider model. This model better matches treatment and provider skills to the plan member's level of impairment.

Looking ahead

We're continuously refining our model to address new trends and risks – and promote early intervention and plan member recovery.

Working with you to improve outcomes

The insights in this report can help you identify the trends that may affect your organization – today and into the future. They can help you develop strategies that can contribute to workplace wellness, increase productivity and reduce disability costs.

As a partner committed to improving the lives of your employees, we are here to help.



For more information on how Sun Life can help, talk to your Sun Life Group Benefits representative.



The data used in this report relates to men and women – the genders that we collect when we underwrite coverage. We recognize that gender can be fluid and is not limited to the genders noted in this report.

This report provides general information only. It does not provide employment, legal, health, or financial advice. Consult with the appropriate professional advisor to meet your organization's needs.

¹ <https://www.psychologytoday.com/ca/conditions/adjustment-disorder>

² Szkody E, Stearns M, Stanhope L, McKinney C. Stress-buffering role of social support during COVID-19. *Fam Process*. 2021; 60(3):1002-1015. doi: 10.1111/famp.12618. Epub 2020 Nov 21. PMID: 33220082; PMCID: PMC7753728.

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⁴ Giovannucci E, Harlan DM, Archer et al. Diabetes and cancer: a consensus report. *Diabetes Care*. 2010;33(7):1674-1685. doi: 10.2337/dc10-0666. PMID: 20587728; PMCID: PMC2890380.

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⁶ Piva SR, Susko AM, Khoja SS, Josbeno DA, Fitzgerald GK, Toledo FG. Links between osteoarthritis and diabetes: implications for management from a physical activity perspective. *Clin Geriatr Med*. 2015;31(1):67-87, viii. doi: 10.1016/j.cger.2014.08.019. Epub 2014 Oct 7. PMID: 25453302; PMCID: PMC4254543.

⁷ Benefits Canada Health Care Survey, 2024.

⁸ World Health Organization. Adherence to long-term therapies: evidence for action. <https://iris.who.int/bitstream/handle/10665/42682/9241545992.pdf>.

⁹ Zhao J, Xu L, Sun J et al. Global trends in incidence, death, burden and risk factors of early-onset cancer from 1990 to 2019. *BMJ Oncol*. 2023;2:e000049.

¹⁰ Spelten ER, Sprangers MAG, Verbeek JHAM. Factors reported to influence the return to work of cancer survivors: A literature review. *Psychooncology*. 2002;11(2):124-131.

¹¹ Spelten ER, Sprangers MAG, Verbeek JHAM. Factors reported to influence the return to work of cancer survivors: A literature review. *Psychooncology*. 2002;11(2):124-131.

¹² Canadian Mental Health Association. The relationship between mental health, mental illness and chronic physical conditions. <https://ontario.cmha.ca/documents/the-relationship-between-mental-health-mental-illness-and-chronic-physical-conditions/>

¹³ Sun Life data, 2024.

¹⁴ Abacus Data National survey, 2024. <https://abacusdata.ca/from-climate-action-to-immediate-relief/>.

¹⁵ "Yale experts explain climate anxiety," March 13, 2023. <https://sustainability.yale.edu/explainers/yale-experts-explain-climate-anxiety>

¹⁶ <https://mentalhealthcommission.ca/resource/understanding-and-coping-with-eco-anxiety/>

¹⁷ Statistics Canada. Labour force characteristics by industry.

¹⁸ Sun Life data, 2022.

¹⁹ Cumulative average for the 2023 and 2024 calendar years, as measured and reported by Medical Confidence.