

Designed for Health

Paramedical and drug claims:
how the pandemic has
reshaped claiming patterns

The pandemic created many societal changes. Remote work is a prime example. And while many other changes are less visible, they're no less important. An analysis of our data can help us uncover them.

Let's start with our drug and paramedical claims. They pertain to over 3 million plan members having extended health care. The average number of claims for each plan member has changed little post-pandemic. When we compare 2019 to 2022, paramedical claim volumes are almost identical. And drug claims are only marginally higher.

When we dig deeper, we see some important changes in claiming patterns. Our analysis reveals new trends and risks across benefit types and plan member demographics.

This report – part of our Designed for Health series – looks at some of these behavioural shifts. It also summarizes supports and resources to help you to stay ahead of these changes. These supports reflect Sun Life's ongoing mission to help Canadians live healthier lives. We encourage you to learn more. Since 2020, we've evolved our products to help you meet plan member health challenges in the years ahead.



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01

Paramedical claiming trends



Rebound in paramedical claims from pandemic lows

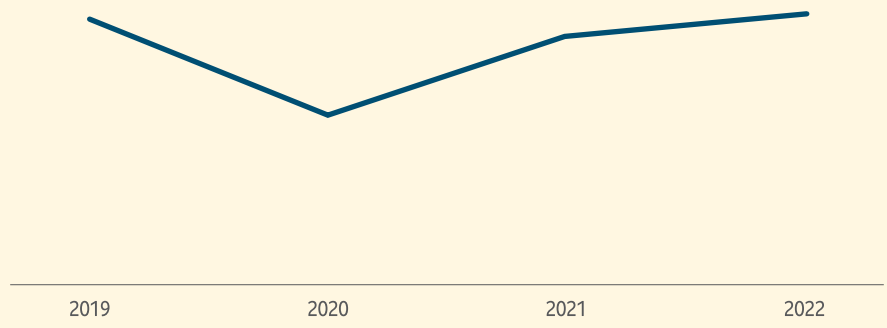
With access to many health services limited during the pandemic, it's not surprising that paramedical claims fell sharply. The chart to the right reflects this drop, along with the return to pre-pandemic claiming levels (figure 1).

With this rebound to pre-pandemic claiming levels, it may seem like nothing has changed. But if we peel back the layers, we see that claiming behaviors have shifted in important ways.



FIGURE 1

Paramedical claims per covered plan member



Sun Life data



Paramedical services

- ✓ Acupuncturist
- ✓ Audiologist
- ✓ Certified athletic therapy
- ✓ Chiropractor
- ✓ Massage therapist
- ✓ Mental health practitioners
- ✓ Naturopath
- ✓ Optometrist/Ophthalmologist
- ✓ Osteopath
- ✓ Physiotherapist
- ✓ Podiatrist/Chiropodist

Mental health practitioner claims are way up – other claim types are down

Except for vision-care claims, other non-mental health paramedical claims are currently lower than 2019. But claims for mental health practitioners are almost **2.5 times greater than 2019** (figure 2).

The large growth in mental health practitioner claims masks the decreases across other benefit types. And this growth continues in 2023, trending **20% higher year-over-year** (figure 3).

The continued rise in mental health claims applies across the Canadian population. About 1 in 5 Canadians will personally experience a mental health problem or mental disorder.¹ And by age 40, about 50% of the population will have or have had a mental disorder.²

It's also clear that the pandemic still affects us. More than one-third (35%) of employed Canadians say they're currently experiencing burnout.³ And 11% of Canadians report experiencing high levels of anxiety. Nearly as many (9%) are experiencing high levels of depression. These levels are more than double pre-pandemic levels.⁴

FIGURE 2

**2019-2022 percentage change
Paramedical claims per covered plan member**



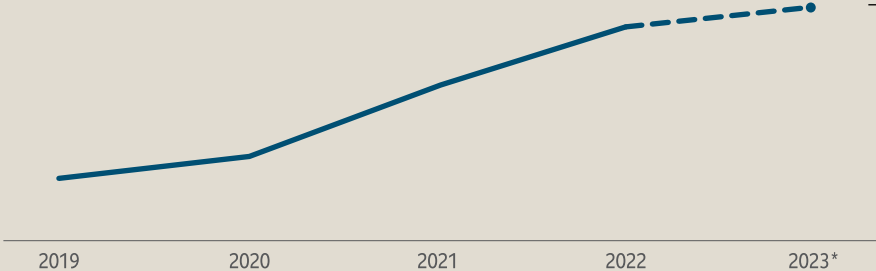
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Mental health practitioner claims are almost **2.5x greater** than 2019

FIGURE 3

Mental health practitioner claims per covered plan member



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*2023 growth projected based on Q1, Q2 2023 data



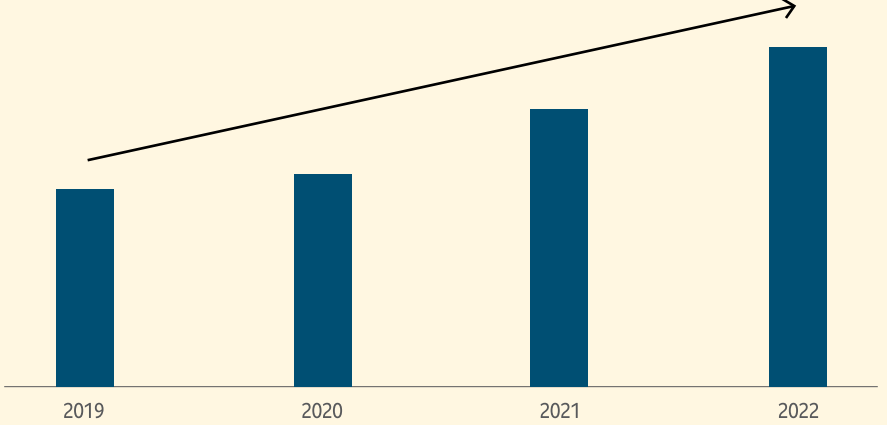
The volume of claims continued to increase this year, trending **20% year-over-year**

More plan members are making mental health practitioner claims


We've got more mental health practitioner claims because more plan members are claiming. The number of plan members making mental health practitioner claims **grew by almost 70%** between 2019 and 2022 (figure 4).

FIGURE 4

Plan members making at least one mental health practitioner claim ~70%



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The number of plan members making at least one mental health practitioner claim has **grown by almost 70%**



Rise in claims for mental health practitioners other than psychologists


The extension of coverage to other mental health providers beyond traditional psychologists also affects claim volumes. Compared to 2021, the number of claims for practitioners other than registered psychologists has increased significantly.

Treatment costs for a psychologist made up more than 60% of all claims costs in 2021. Fast forward to 2023 and claims costs for psychologists now account for less than half. We've seen strong growth in claims related to treatment by psychotherapists, clinical counsellors and social workers (figure 5).



FIGURE 5
Percentage growth in claims, 2021-2023



 Psychotherapist and clinical counsellor claims grew at almost **2x the rate** of psychologist claims

Sun Life data

SOLUTION

Expand your list of eligible practitioners for mental health

There are many types of mental health practitioners. And it's important for your benefits plan to cover them. While there are 4,242 psychologists in Canada, there are 9,086 psychotherapists and other counselling therapists.⁵ Expanding coverage to include practitioners such as psychotherapists and social workers can provide a greater choice of treatment.

This can better meet a plan member's needs and provide greater access and affordability of care. About 7 in 10 Canadians say wait times to see a psychologist are a significant barrier to getting treatment.⁶

Younger plan members have highest growth in mental health practitioner claims

The growth in mental health practitioner claims has been especially significant among younger plan members. Those in the 30–39 age cohort stand out – with both high volumes and high growth (figure 6).

The pandemic exacerbated many of the stressors already experienced by young adults. During the pandemic, 12% of those aged 18–34 reported being newly diagnosed with anxiety or depression. This compares to 7% of 35–54 year olds and 3% of those 55 years or older.⁷

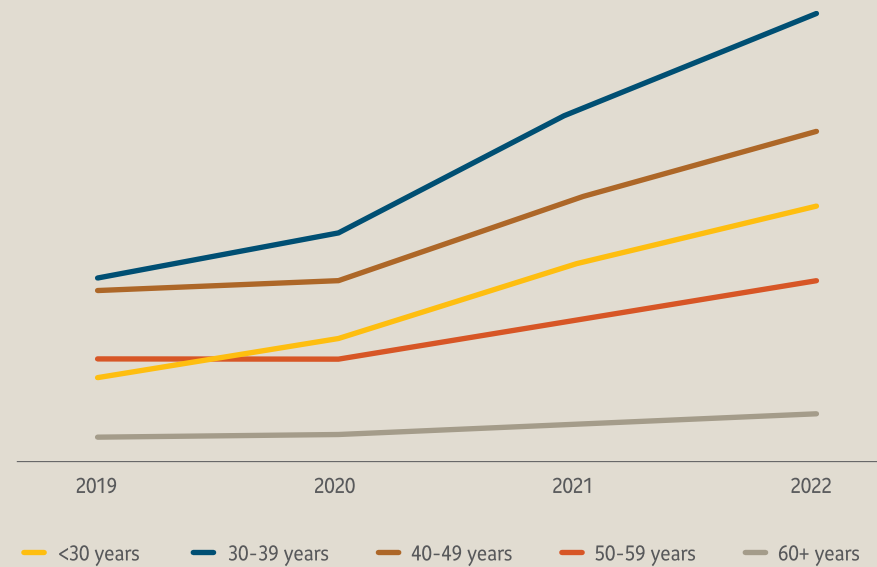
There could be several reasons for this.

Younger people tend to be in more precarious financial situations, with the pandemic affecting their employment more. This can cause greater stress and uncertainty.⁸ Distinct generational differences may also be at play. Younger adults have grown up during the rise in awareness around mental health – as well as anti-stigma campaigns. Those experiencing mental health disorders may be more likely to seek support.

This highlights the importance of access to mental health care. The research is clear that early treatment can lead to quicker recoveries and better long-term outcomes.

FIGURE 6

Mental health practitioner claims per covered plan member



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12% of Canadians between the ages of 18 and 34 reported being **newly diagnosed** with anxiety or depression during the pandemic compared to those 35–54 years old (7%) and those 55+ (3%)

Mental Health Research Canada, 2022



Women's mental health practitioner claims growth has significantly outpaced men's

In Canada, women have a 1.7 times higher prevalence of depression than men.⁹ Not surprisingly, women also have higher rates of mental health practitioner claims. And since 2019, women's claims have grown more sharply than men's (figure 7).

Research shows that the pandemic affected the mental health of women more than men. There may be a few reasons for this. For one, women tend to be overrepresented in many frontline workforces, such as the health-care, education, and retail sectors. Lockdowns and health protocols affected these occupations the most. Also, competing demands

from domestic responsibilities – such as child care and online schooling – negatively influenced women's mental health.¹⁰

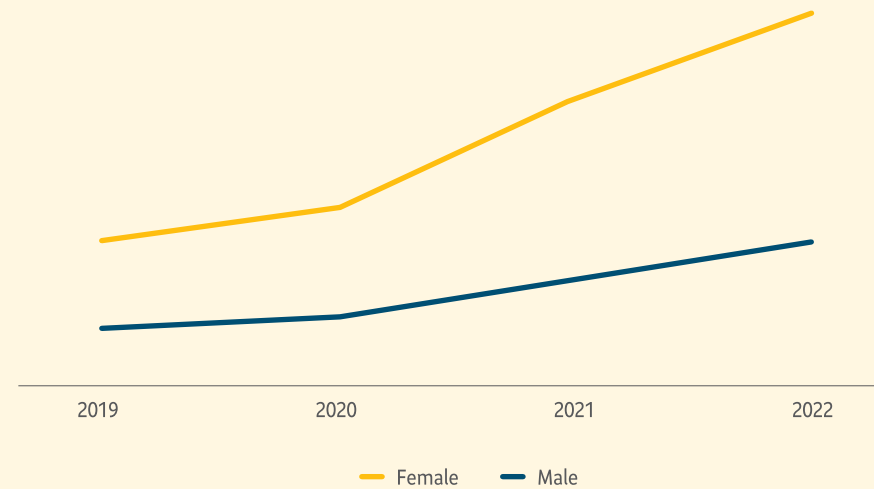
Our [2025 Designed for Health report on long-term disability claims](#) also highlights how the pandemic affected women's health. Mental disorder claims among women continued to increase through 2022 (figure 8). By comparison, men's claims plateaued at the start of the pandemic and began to increase again in 2021. Overall, 40% of long-term disability claims for women relate to mental disorders, compared to less than 30% for men.



Our recent Bright Paper report, [Working together to support women's health](#), takes a close look at the health challenges impacting women. It also examines how group benefits plans and workplace solutions can support them.

FIGURE 7

Mental health practitioner claims per covered plan member



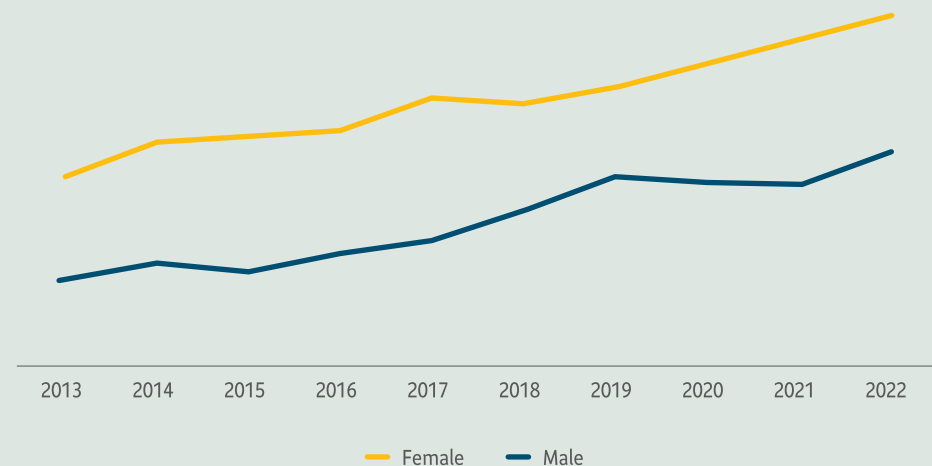
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The pandemic took a disproportionate toll on women's mental health

FIGURE 8

Proportion of long-term disability claims that are mental disorder claims (new approved claims)



Sun Life data

SOLUTION

Mental Health Coach, provided by CloudMD

Our **Mental Health Coach**, provided by Kii Health (formerly CloudMD), is an industry first. The program engages plan members who are the most at-risk of mental health-related absences. It then prompts them to access care before their symptoms worsen.

The program encourages at-risk plan members to complete an evidence-based mental health assessment. If the plan member chooses to engage, they're prompted to meet with a Mental Health Coach. The Coach works with them to create a personalized

action plan. This includes focused recommendations for accessing care, whether through the group benefits plan, employer or public health resources.

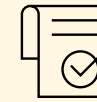
The Coach helps ensure they're making the best use of the resources available to them for their situation. The Coach also provides follow-up support as plan members move along their care journey.

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



Meeting with the Mental Health Coach is key.

For members who met with a Coach, we found:



50%

fewer claims transitioned to long-term disability (LTD)*



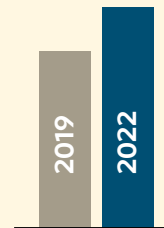
5.6-week

shorter short-term disability (STD) duration for all mental disorder diagnoses**



13.7-week

shorter STD duration for adjustment disorder diagnosis**



Increase in Adjustment/Stress disorder claims since 2019 ***

* Sun Life pilot data from May 2021 to November 2022. Experience may vary by plan sponsor. Preliminary data for the pilot group only compared to the control group. Not all claims have resolved.

** between disability date and STD resolution date

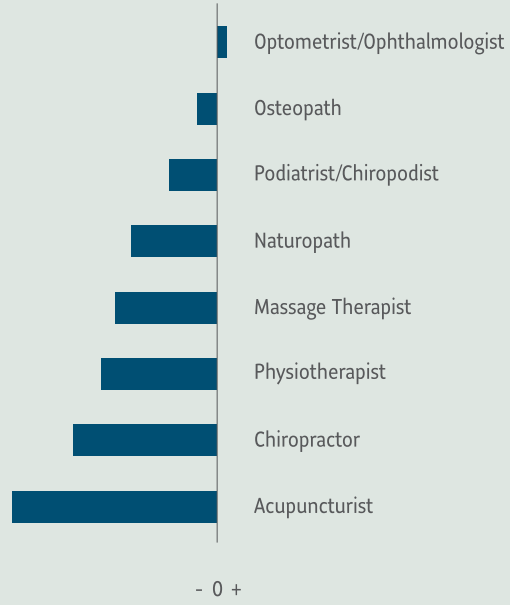
*** Sun Life data - 2022 data is based on Q1 & Q2

Claiming for most other practitioner types is down – especially for middle-aged plan members

Plan member claims for optometrists/ ophthalmologists rose marginally. But as noted earlier, claims for non-mental health paramedical practitioners were down in every other category (figure 9).

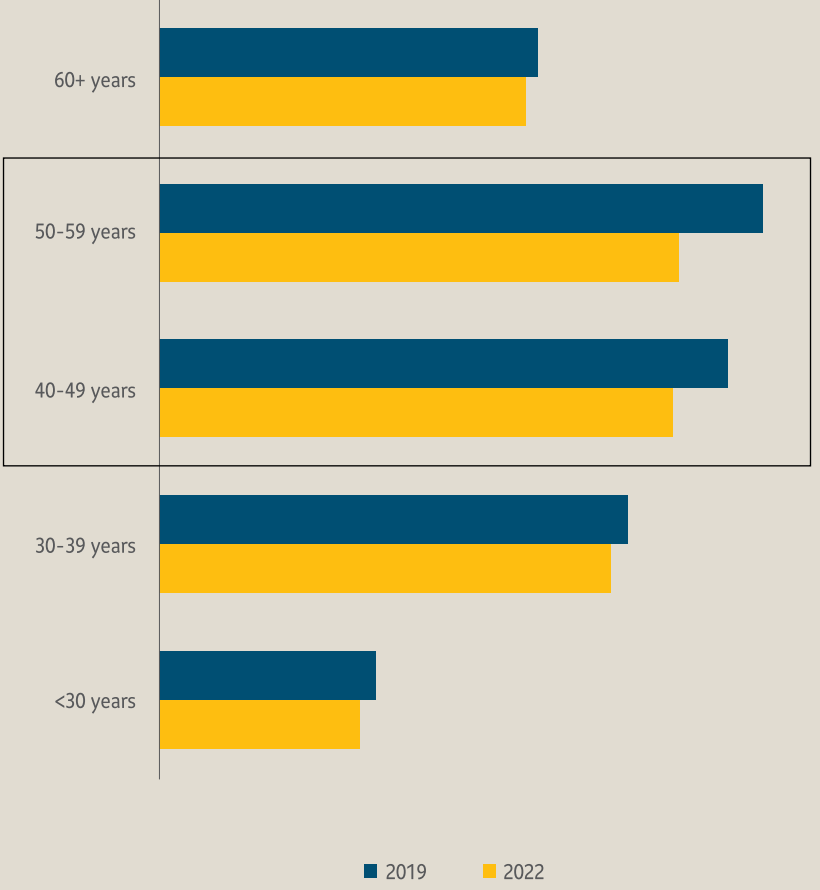
Paramedical claims were down across all age groups. But the decrease was most significant among middle-aged plan members (figure 10).

FIGURE 9
2019-2022 percentage change in claims per covered plan member



Sun Life data

FIGURE 10
2019-2022 percentage change in claims per covered plan member
(all paramedical claims excluding mental health)



Sun Life data

The decreases across acupuncturist, chiropractor and physiotherapist claims are consistent with a downward trend in LTD musculoskeletal claims. We highlighted this trend in our [2025 Designed for Health report](#), which focuses on long-term disability claims.

There could be a few reasons for the decline in musculoskeletal-related treatments and LTD claims. During the pandemic, many people were working from home. For those with existing musculoskeletal issues, they may have managed better in that environment. People also curtailed other activities, such as contact sports. For many, the potential for injury or aggravating an existing injury was likely lower.



Decreases across physiotherapist, chiropractor and acupuncturist claims are consistent with a downward trend seen in **long-term disability musculoskeletal claims**



LTD musculoskeletal claims aren't increasing at the same rate as mental disorder claims. But as the chart to the right shows, there are early indications that these claims may be beginning to increase (figure 11).

As people transition away from home workspaces and return to office life, we anticipate musculoskeletal claims to rise. Delayed treatment due to the pandemic could also mean more serious conditions and prolonged recoveries in the future.

Finally, an aging workforce means age-related musculoskeletal conditions will become increasingly prominent among employees. This is likely to further drive up the incidence of musculoskeletal claims in the years to come. For these reasons, workplace strategies to promote musculoskeletal health will be more important than ever.

SOLUTION

Musculoskeletal toolkit

We developed our free, online workplace [Musculoskeletal Health Strategy Toolkit](#) to help you reduce musculoskeletal health impacts within your workplace.

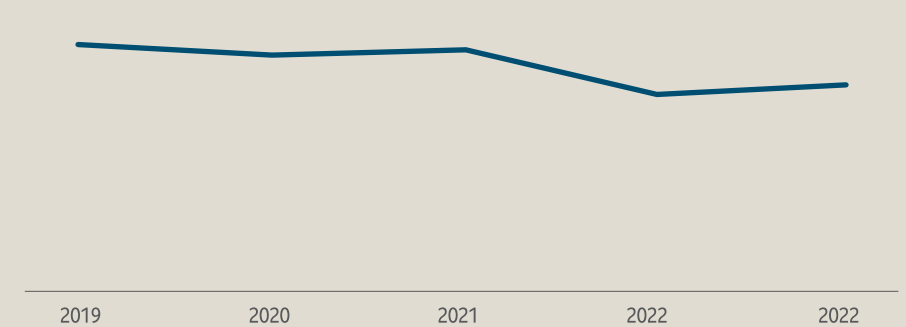
The toolkit can help you:

- 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



FIGURE 11

Proportion of long-term disability claims that are musculoskeletal claims (new approved claims)



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Since the onset of the pandemic, musculoskeletal (MSK) claims are down as a proportion of long-term disability (LTD) claims

Middle-aged plan members have the highest incidence of musculoskeletal claims

02

Drug claiming trends



Overall drug claiming is up modestly

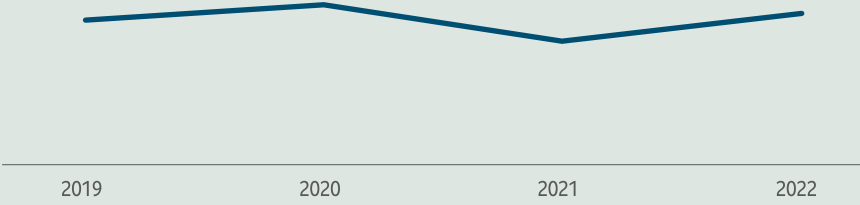
By the beginning of 2023, drug claims had increased modestly. As the chart to the right shows, claims rose in 2020 – at the start of the pandemic. At that time, people sought prescription refills, fearing they wouldn't have access to medications because of lockdowns. Claiming was lower in 2021, as fewer plan members engaged with the medical system. Volumes increased through 2022 as the pandemic eased and restrictions lifted (figure 12).

But growth among drug categories varies. We've seen a decline in some claims, such as those for antibiotics and opioids (narcotic analgesics). Others, such as drugs for diabetes and depression, have increased significantly (figure 13).



FIGURE 12

Claims per covered plan member (all drugs)



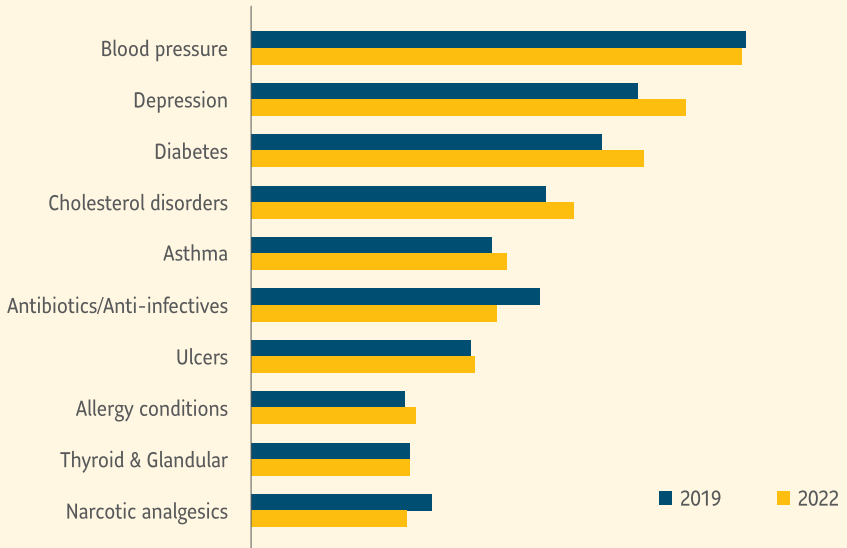
Sun Life data



Overall, drug claims have increased modestly since the onset of the pandemic

FIGURE 13

Claims per covered plan member (Top 10 drug categories by number of claims per plan member, 2022)



Sun Life data



Growth among categories varies - **drugs to treat many chronic conditions have increased significantly**

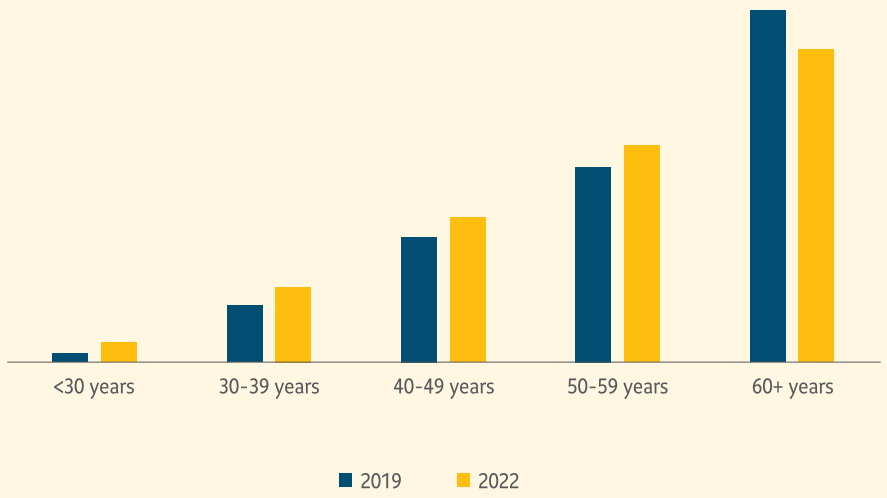
Younger plan members are claiming more; claims for those aged 60+ have not yet returned to pre-pandemic levels

Claiming patterns from 2019 to 2022 differ by age. Across our block, claiming among plan members aged 60+ has decreased, while claiming is up across younger age groups (figure 14).

Because prescription usage increases with age, older plan members account for a disproportionate amount of drug claims. While those aged 60+ make up just 19% of total plan members, they represent 41% of all drug claims (figure 15).

FIGURE 14

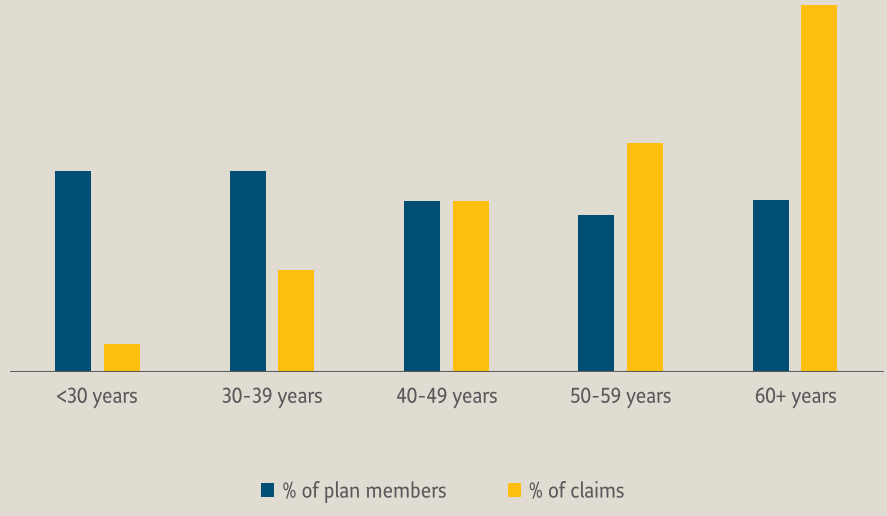
Claims per covered plan member (all drugs)



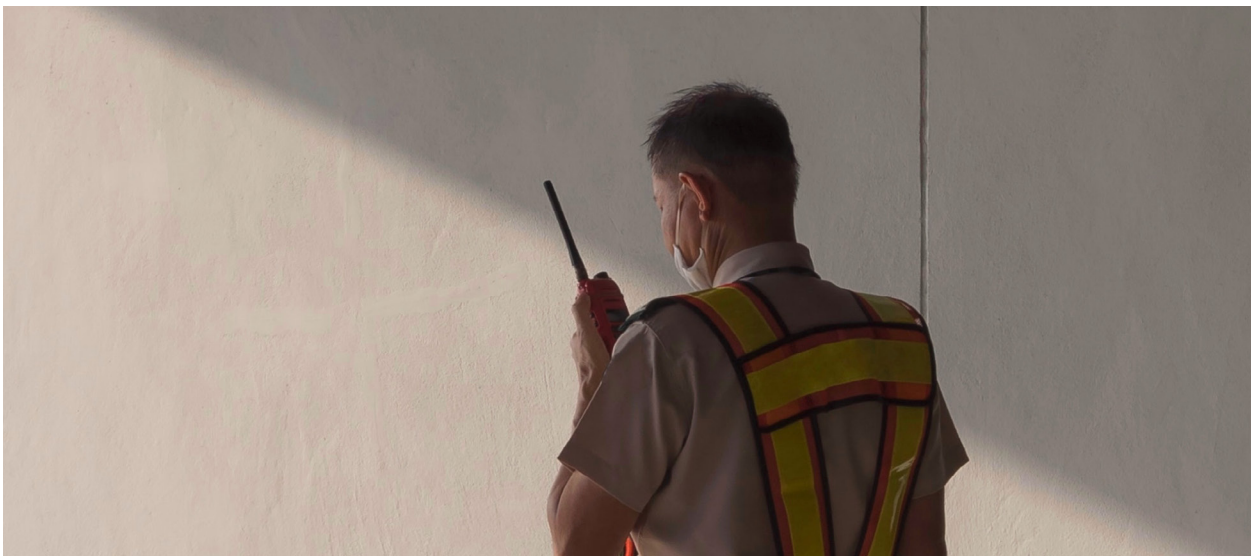
Sun Life data

FIGURE 15

Distribution of plan members and claims (all drugs)



Sun Life data



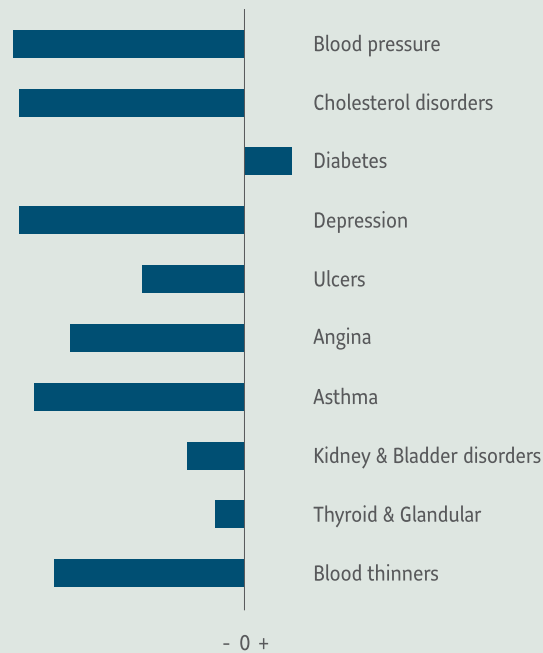
This means that claiming behaviour changes in this age group will significantly affect drug costs. There were two claiming impacts for this age cohort:

- Claims for plan members aged 60+ decreased more than younger plan members at the height of the pandemic
- While the claiming patterns for other age groups has increased, claims for those aged 60+ remain lower than 2019. For this age cohort, our data shows that only claims for diabetes increased since 2019 (figure 16).


This data may be a troubling sign. It may mean that some older plan members aren't optimally adhering to their drug treatments. Public health reports show that many older Canadians had fewer interactions with the health-care system during the pandemic. This could be a factor behind the declining claims trend in our data. If the trend continues, it could lead to increased health risks for older plan members with chronic conditions.

FIGURE 16

2019-2022 percentage change in claims per covered plan member, 60+ years old (Top 10 drug categories by number of claims per plan member, 2022)



Sun Life data



Claiming decreased more among plan members 60+ years than younger plan members during the height of the pandemic and has not yet fully recovered

SOLUTION

Access to care: Lumino Health Virtual Care, provided by Dialogue

Lumino Health Virtual Care, provided by Dialogue breaks down barriers to accessing high-quality primary medical care.

Through a user-friendly web or mobile application, it provides 24-7 access to a team of multidisciplinary health-care providers. Online medical assessments, prescription renewals and refills, wellness resources, and specialist referrals are all part of the service. Follow-ups after every appointment ensure the plan member's care needs are met.

Easily accessible, high-quality care like this can help plan members whose treatment plan lapsed get back on track.

In addition to delivering primary care, mental health support can be provided to plan members who may be struggling with their mental health post-pandemic, or those wanting to check in on their mental health. A plan member can participate in one consultation with a mental health specialist. Following the evaluation, the mental health specialist will refer them to external resources if support is required, including locating a clinic, specialist, and/or community resources.



Claims are up for younger plan members across many drug categories

The number of drug claims of plan members younger than 60 now exceeds pre-pandemic levels.

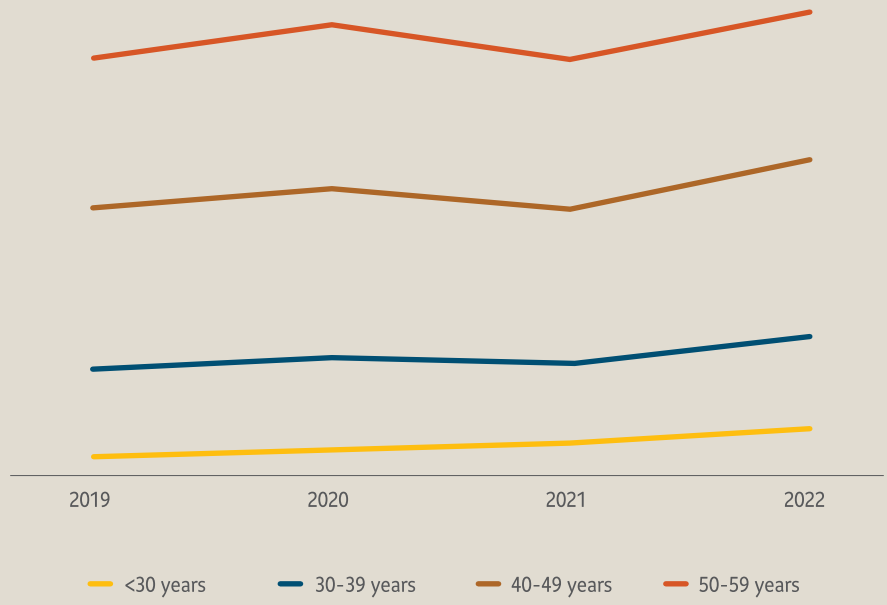
Those aged 40-59 saw a dip in claiming behaviour similar to that of participants aged 60+. However, unlike the older group in our data set, they saw a sharp rise in claiming in 2022 (figure 18).

While younger plan members have lower drug plan usage, their claims are up significantly since 2019. These plan members may be reaching out to primary caregivers for mental health issues. This results in screening and care for other health issues.

Among plan members under age 60, claiming is up significantly for drugs to treat many chronic diseases. These include diabetes, cardiovascular disease and asthma (figure 17). This is consistent with public health data showing that chronic disease is increasing among Canadians across age groups.^{11,12}

FIGURE 18

Claims per covered plan member, <60 years old (all drugs)



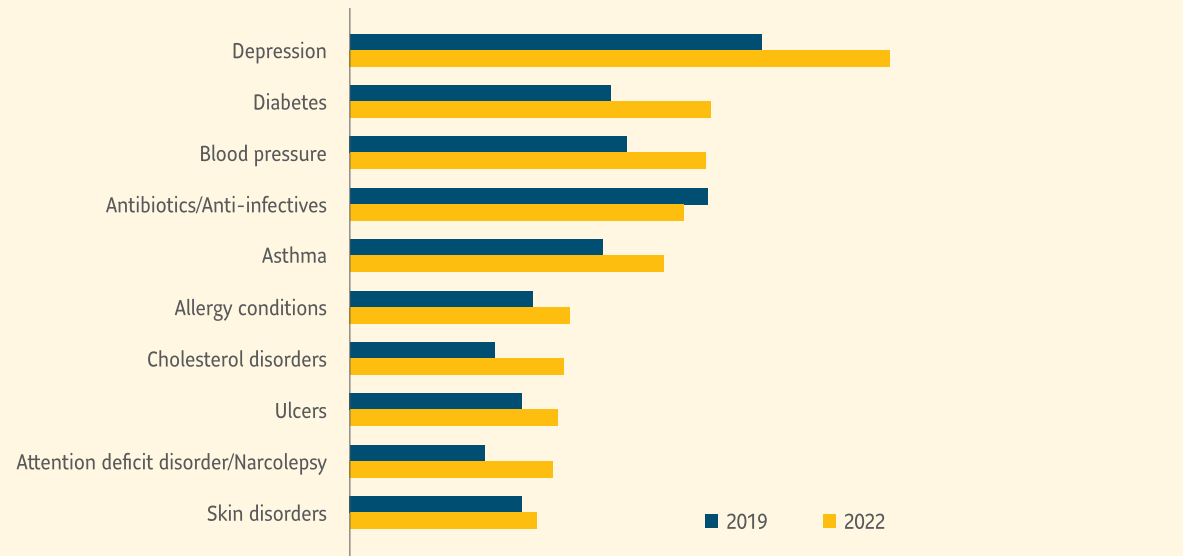
Sun Life data



- Younger plan members' claiming behaviour was not as impacted during the early stages of the pandemic, but began to increase in 2022
- Claiming is up significantly for many chronic diseases – diabetes, cardiovascular and asthma

FIGURE 17

Claims per covered plan member, <60 years old Top 10 drug categories by number of claims per plan member, 2022



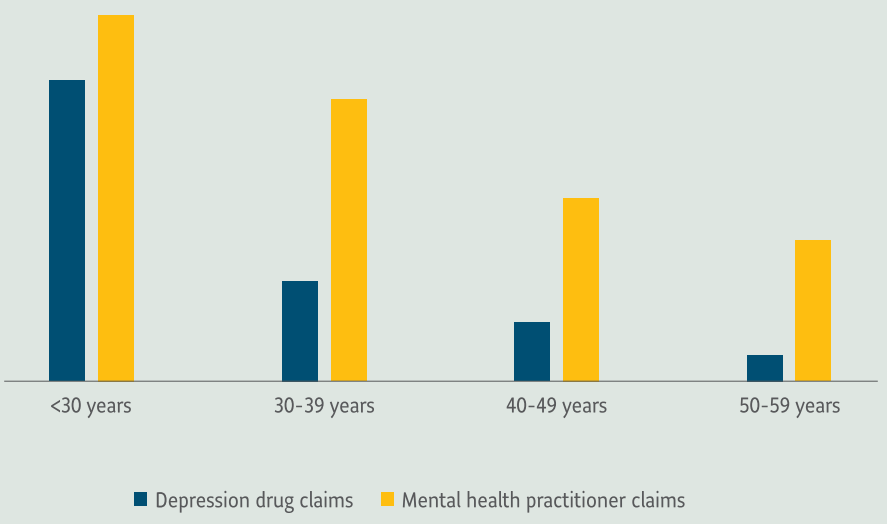
Sun Life data

Depression drug claiming up significantly, especially among younger plan members

We've shown how the pandemic affected paramedical claims for mental health practitioners. But it also affected mental health drug claims in a significant way. Claims for anti-depressants caused an overall claims growth for "under 60" age groups. These claims were up 40% since 2019. And for plan members under age 30, claims for depression drugs has more than doubled (figure 20).

However, the growth in drug claims was not as high as the growth in mental health paramedical claims. In particular, those aged 30 to 59 saw far less growth in drug claims than for mental health practitioners (figure 19).

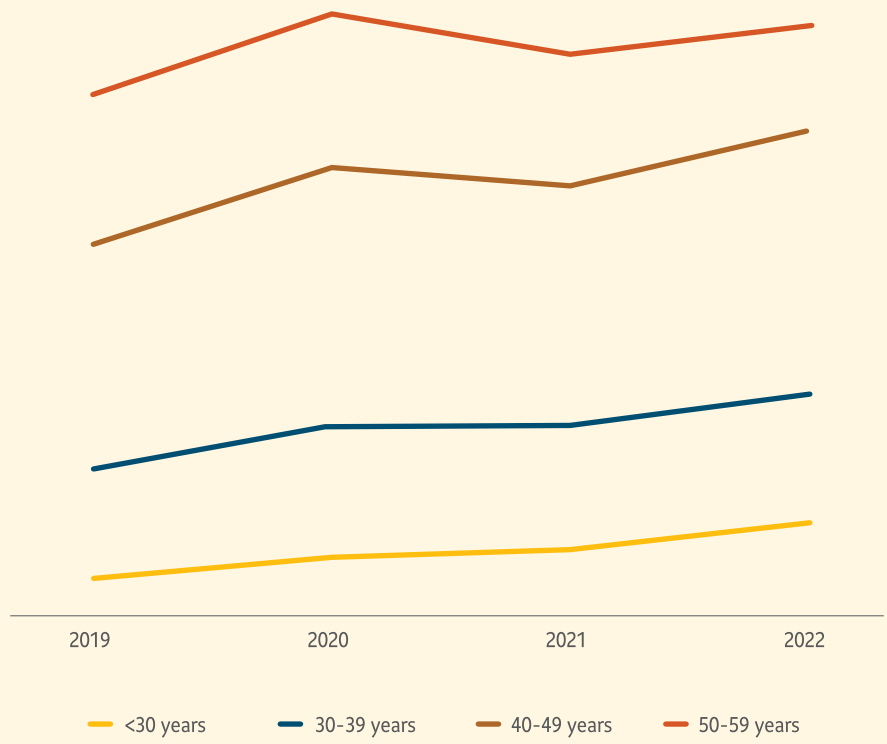
FIGURE 19
Growth in claims per covered plan member, <60 years old, 2019-2022




Sun Life data

FIGURE 20

Depression drug claims per covered plan member, <60 years old



Sun Life data



- Depression drug claims are up significantly for those <60 years old
- For plan members <30 years old, claims have more than doubled

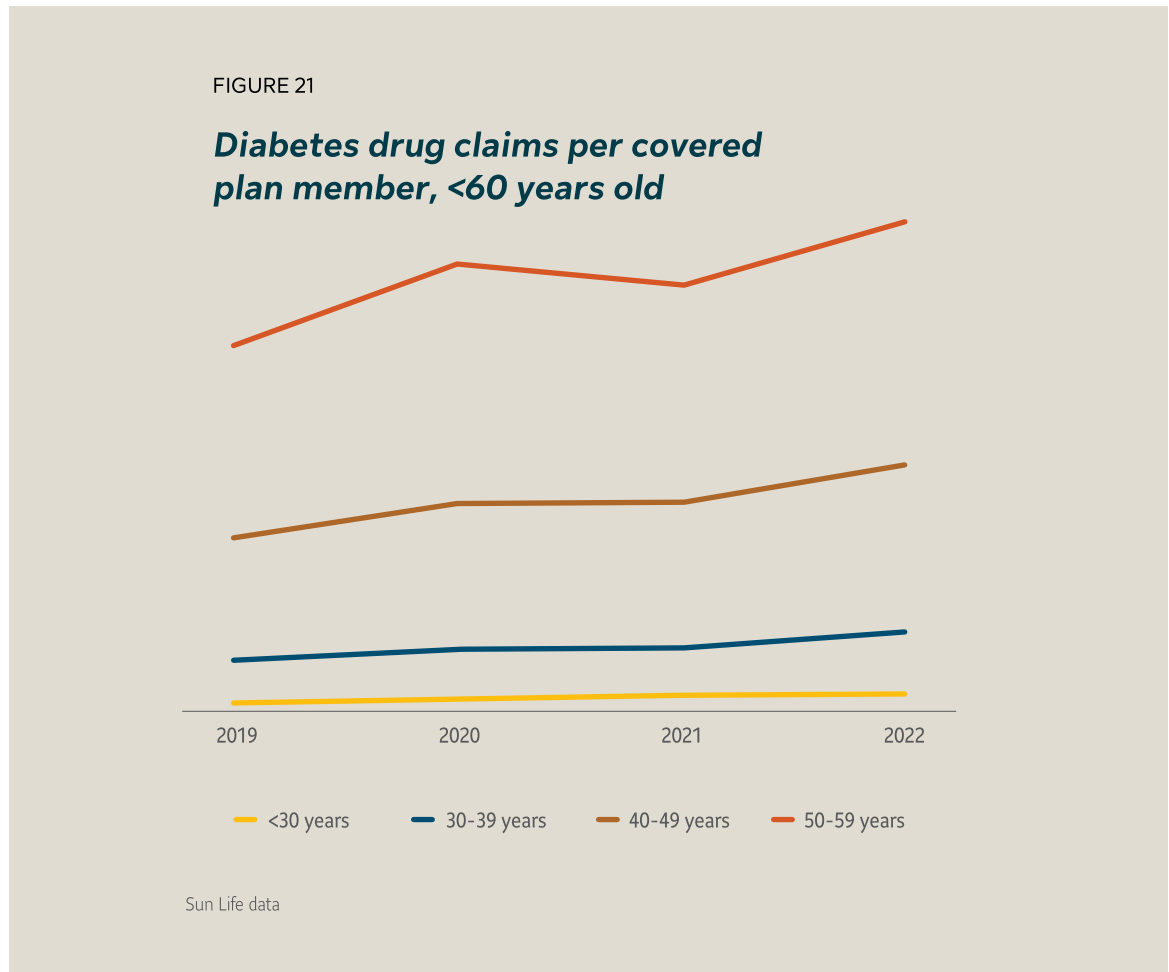
A closer look at chronic disease drug claims

Like mental health drug claims, there's been strong claims growth for treating chronic diseases in those under age 60. These include diseases such as diabetes and asthma.

Diabetes claims growth continues

Diabetes Canada reports a more than 50% increase in the number of Canadians diagnosed over the last 10 years. One-quarter of Canadians are now pre-diabetic or diabetic. The aging population (and workforce) and rising rates of obesity are driving factors.¹³

Our claims data reflects this trend. Drug claims for diabetes are up over 30% for plan members under age 60. While these claims are much lower for those under age 40 than for older groups, there's a troubling trend of elevated growth among this cohort (figure 21).



There has been strong growth in claims for diabetes across age groups

- Although younger plan members still make far fewer claims for diabetes drugs, they had the highest growth rate in these claims between 2019 and 2022
- Canadians are being diagnosed with Type 2 diabetes at earlier ages (Diabetes Canada)
- Given the increase in diabetes incidence, we know that members require comprehensive solutions:
 - Strong adherence to medication
 - Medical device to manage blood glucose levels
 - Coaching to improve behavioural choices for better long-term outcomes

Asthma claims rebound above pre-pandemic levels

Asthma drug claims were also up – almost 25% among those under age 60. Asthma is an often underestimated health issue affecting workplaces. It's the 3rd most common chronic condition behind diabetes and heart disease, affecting one in 10 Canadians.

As the chart shows, asthma claiming dropped significantly during the pandemic peak among those aged 40-59 (figure 22). But it has since risen to above pre-pandemic levels. This recovery was at least partially driven by health professionals prescribing asthma drugs to treat respiratory syncytial virus (RSV).

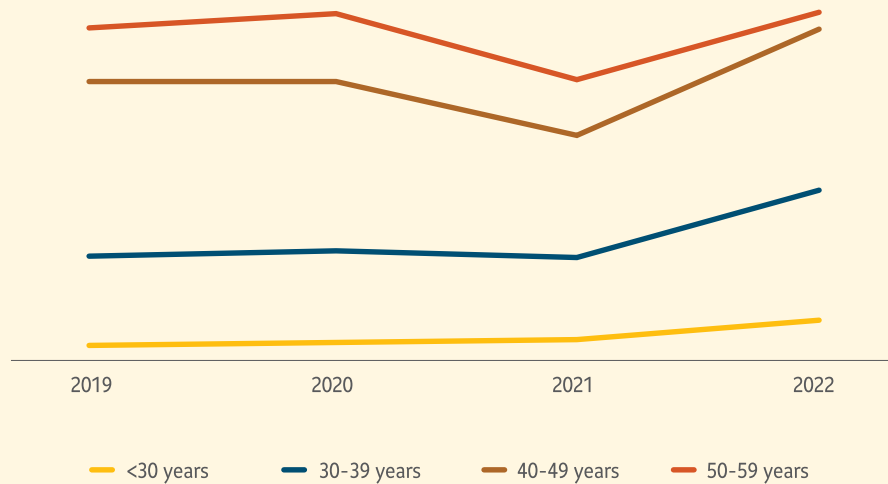
Claiming by younger plan members didn't have the same pandemic drop as those of

older cohorts. But RSV drove a sharp increase in claims in 2022.

Unfortunately, many patients face challenges in adhering to asthma treatment. It has been estimated that less than 50% of Canadian patients may be adhering to an optimal treatment plan.¹⁴ The spike in claims to treat RSV may have masked lower levels of adherence, especially among those age 60+.

FIGURE 22

Asthma drug claims per covered plan member, <60 years old



Sun Life data



Asthma is a significant and growing health concern

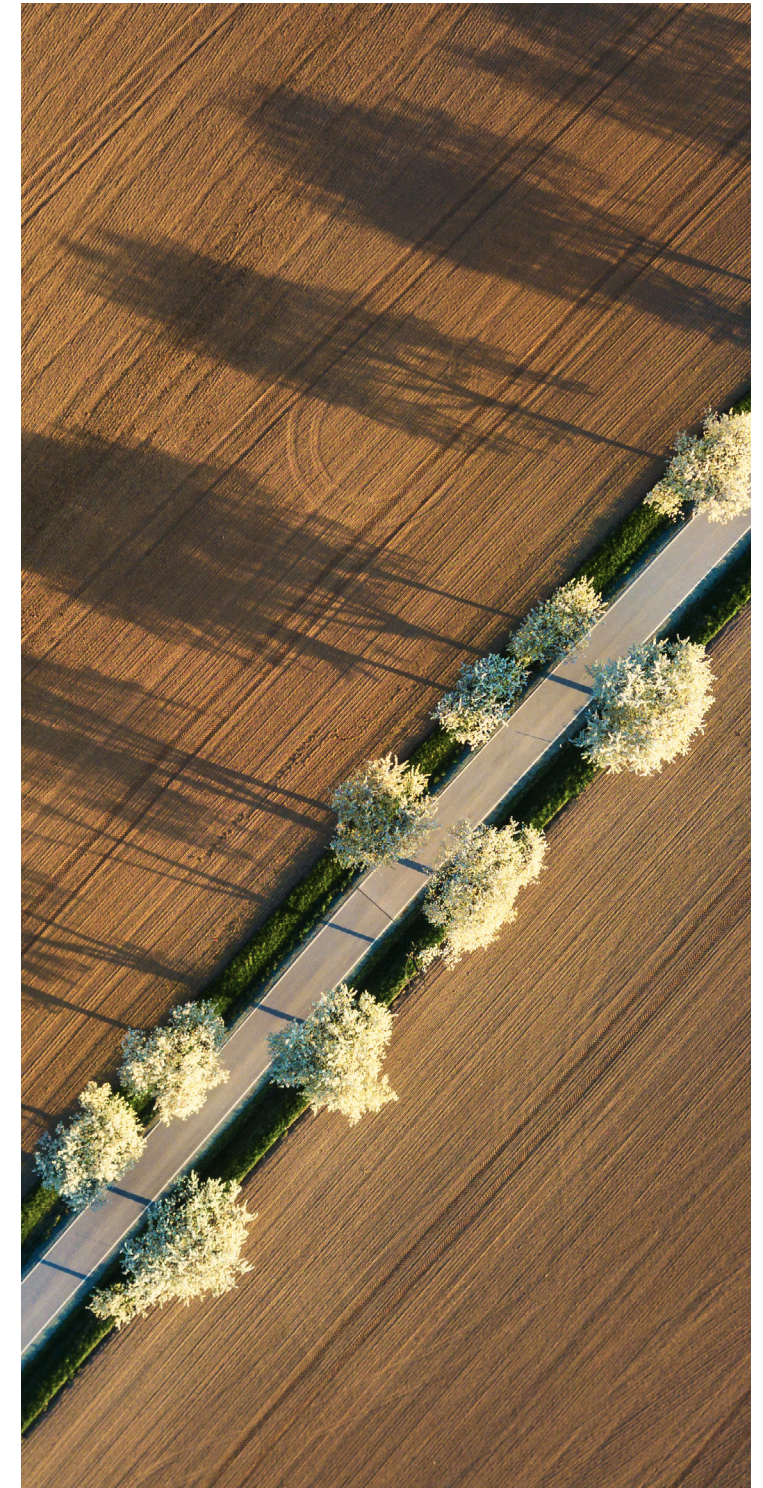
- Asthma claims are up almost 25% among those <60 years of age.
- Asthma is the 3rd most common chronic condition, affecting 1/10 Canadians.
- Those with asthma have been found to have 1.5-2 times more absences from work.
- Adherence to optimal treatment is low (estimated at 50%).
- Asthma triggers are on the rise – poor air quality (smog, wildfires), extended and more intense pollen seasons.

Sources:

Asthma Canada

Jacob L, Shin J, López-Sánchez GF, et al. Association between asthma and work absence in working adults in the United State. *J Asthma*. 2022;60(6):1115-1122. doi: 10.1080/02770903.2022.2132959

Beauchesne MF, Lemiere C. Global initiative for asthma report: how will new recommendations affect practice in Canada? *CMAJ*. 2020;192:E456-8. doi: 10.1503/cmaj.191445



The issue of comorbidities

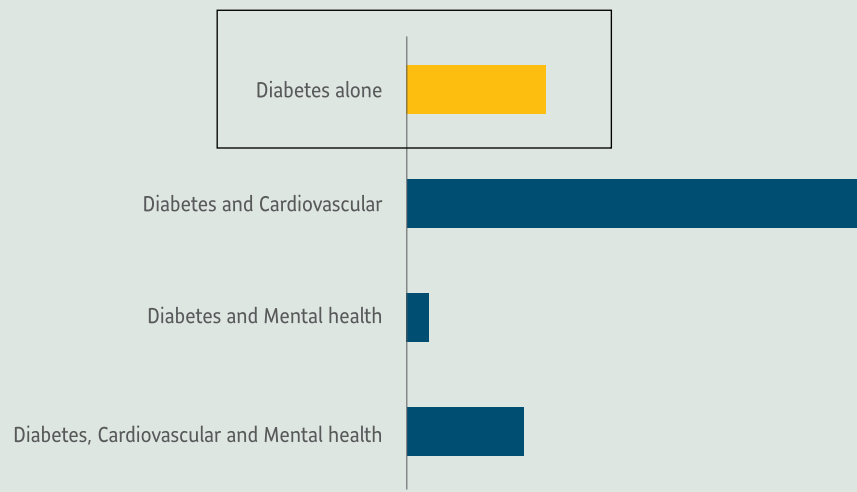
A concern with chronic diseases that many overlook is comorbidities with other health conditions. For example, anxiety and depression are **1.5 to 2.4 times** more common in people with asthma than people without.¹⁵

As the data below shows, those with diabetes also have significant comorbidity risks (figure 23).

Comorbidities can complicate disease management and treatment, leading to poor health outcomes. The potential for comorbidities underlines the importance of having access to personalized disease management support and coaching. This can help ensure plan members understand their condition(s) and gain support to adhere to their treatment plans.

FIGURE 23

Proportion of plan members with at least one drug claim in 2022



Sun Life data

SOLUTION

Advice and coaching through our Lumino Health™ Pharmacy

Lumino Health™ Pharmacy*, is our online pharmacy provided by Pillway** that gives employees easy access to a pharmacist virtually for medication, consultations and a simple way to manage their prescriptions online. It's available to all plan members at no additional cost. It's an "always on" digital pharmacy experience that helps employees manage their medications and take them as prescribed. Employers have the option of customized plan designs and offerings that include dispensing fee reductions and other ways to enhance the plan member experience.



In 2024, Lumino Health Pharmacy will launch a specialized integrated health coaching program for plan members with asthma, chronic obstructive pulmonary disease (COPD) and diabetes. We estimate that over 40% of Sun Life plan members currently live with one or more of these conditions. This new program is an important opportunity to optimize health outcomes for these plan members and provides unique opportunities to manage the cost of their care. Plan members who wish to enrol in the program will receive a focused assessment and, 1:1 personalized coaching and follow-ups with trusted health-care providers such as pharmacists and doctors

to develop personalized action plans. The program focuses on developing sustainable lifestyle habits that fit your plan members', unique needs and schedules. Meeting plan members where they are at means we can optimize their health outcomes and best support them to reach their goals. Through the program, sponsors may see savings in areas such as drug costs and productivity.

These coaching programs through Lumino Health Pharmacy are currently available to Sponsors with no additional costs.

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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.

03

Learn more
about how our
solutions can
help you



These past few years have brought both challenges and changes. Claiming dynamics have shifted, reflecting changes in employee health behaviours and risk profiles. Many employees will need a wider breadth and deeper level of support across mental health and chronic physical conditions.

We're also seeing key differences across demographics. This makes it more important than ever to understand your employee base and their particular risks. This can ensure your efforts are placed and shaped to optimally support them.

We're here to help. Despite pandemic challenges, the years have also been a time of innovation and new opportunities. Together, we can work to create new solutions that fit your organization – and maintain a sustainable plan.



For more information,
talk to your Sun Life Group
Benefits representative.



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

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