

Orchard Benefits

2023

# Bringing DEI to Group Benefits



# Bringing DEI to Group Benefits: Why Plan Sponsors Need to Make This a Priority



Many organizations' programs are still built on a one-size-fits-all mentality for their benefit plans — but Diversity, Equity, and Inclusion (DEI) are focused on the individual. DEI is changing, and it isn't going away. Leaders need to focus on their DEI strategies now more than ever to support and attract a diverse workforce while fostering an inclusive and equitable work environment.

# What Is Diversity, Equity, and Inclusion?

Many organizations prioritize diversity, equity, and inclusion, valuing and supporting individuals from various backgrounds, including people of different races, ethnicities, religions, abilities, genders, and sexual orientations. These three values are interrelated and important to foster an inclusive environment by integrating diversity, equity, and inclusion (DEI) into their benefits plans.



**Diversity** refers to who is represented in the workforce. Some examples of diversity in workplaces include:

- *Gender diversity:* What is the composition of men, women, and nonbinary people in a population?
- *Age diversity:* Are people in a group from mostly one generation, or is there a mix of ages?
- *Ethnic diversity:* Do individuals in a group share common national or cultural traditions, or do they come from diverse backgrounds?
- *Physical ability and neurodiversity:* Do organizations consider the viewpoints of individuals with disabilities, regardless of whether their disabilities are visible?



**Equity** is rooted in ensuring fair treatment for all individuals, where norms, practices, and policies are designed to prevent identity from influencing opportunities or outcomes in the workplace. Unlike equality, which suggests treating everyone equally, equity recognizes the significance of each person's circumstances and adjusts treatment accordingly to achieve equal outcomes. It acknowledges that different individuals may require different levels of support or accommodation to create a level playing field for all.



**Inclusion** encompasses the way employees perceive and engage with their workplace and the extent to which organizations value and empower all individuals to make valuable contributions. For companies committed to building a diverse workforce, it is equally important to cultivate an inclusive culture where every employee feels valued and respected and their voices are heard. This inclusivity is crucial for retaining talented employees and harnessing the full potential of a diverse workforce.

*"Plan sponsors are increasingly interested in adding benefits that serve diverse needs or expanding their core coverage to include options that speak to a broader range of life experiences." – Benefits Canada*

Orchard

# Why is DEI Important



Organizations need to focus on talent attraction, retention, engagement, and the health of their employees to make it a more welcoming place for underrepresented groups.

A new survey by Sun Life and Ipsos found an inclusive benefits plan is very important to one in four plan members and to 50 percent of plan members who identify as part of an equity-seeking group, including Black Canadians, Indigenous people, LGBTQ2S+ employees and those who have a disability.

In today's employment market, diverse, equitable, and inclusive workplaces are crucial to business development and the betterment of all personnel. When organizations prioritize DEI values and strategies, the benefits can be felt throughout every aspect of a company, including revenue gains, internal systems, and employee engagement. Companies that practice and embody diversity open themselves to more innovative policies and procedures while fostering enhanced and genuine connections with clients and peers.

It's truly a win-win.

## Diversity and Inclusion in the Insurance Industry

Unsurprisingly, Gender Affirmation benefits have gained significant popularity in recent years. Sun Life, in 2019, expanded its extended healthcare plan to include coverage for basic surgical procedures that were not covered by provinces and territories.

Medavie Blue Cross introduced gender affirmation benefits in late 2021.

Green Shield Canada made this coverage a standard part of its benefits package in the same year, with a lifetime maximum of \$10,000.

In 2021, Accenture became one of Canada's pioneering employers to support transgender employees through its benefits, offering gender affirmation coverage.

Most recently, Desjardins has included gender affirmation coverage within their group insurance plans, where insured individuals will have access to the flexibility of lifetime maximum benefits, as opposed to the traditional yearly maximums.

# DEI Terminology

Words matter. Especially when we are working to cultivate inclusive and equitable spaces, these fundamental terms are part of an expansive toolkit to help build better employment communities centered around diversity, equity, and inclusion.



## Ally

An advocate for people from underrepresented or marginalized groups. An ally takes action to support people being treated unfairly.



## Equality

Treating everyone equally, while presuming that they begin with an equitable starting point and access to comparable opportunities.



## Equity

Working towards fair outcomes for people or groups by treating them in ways that address their unique advantages or barriers



## Emotional Tax

Feeling different from peers at work because of gender, race, or ethnicity and the associated effects on health, well-being, and ability to thrive at work



## Intersectionality

The intertwining of social identities (such as gender, race, ethnicity, sexual orientation, etc.) which can result in unique experiences, opportunities, & barriers



## Unconscious Bias

Social stereotypes and unconscious beliefs about certain groups of people that individuals allow to unknowingly impact how they treat people from those groups

Credit: Cyno

Orchard



# There's a Generational Shift Leading DEI Initiatives

The workforce is undergoing a significant generational shift. Millennials have reached their peak, while Generation Z is quickly rising. This transition prompts changes in various aspects, including technology, benefits, and a company's environmental, social, and governmental (ESG) policies.

allow emerging generations who embrace diversity and represent it to shape DEI efforts. Empowering them to develop these initiatives fosters a transformative culture and nurtures your future leaders.

Furthermore, this shift necessitates genuine progress in diversity, equity, and inclusion (DEI) initiatives driven by Generation Z's inherent racial and ethnic diversity. An impressive 80% of Gen Z individuals prioritize DEI, with more than half desiring increased diversity in leadership positions. The challenge is that decision-makers responsible for approving DEI policies are considerably older and less diverse than the prevailing workforce sectors.

It would be wise for company leaders to step aside and

# What about Ageism in the Workplace?

*"Ageism can negatively affect the mental health and overall well-being of older workers, as they may perceive their contributions as no longer being appreciated or valued."*

When discussing diversity, equity, and inclusion (DEI), ageism and its impact on supporting older workers is often overlooked. However, a multifaceted issue can profoundly affect a company's performance and overall success. Despite legal protections against age discrimination, it remains an unaddressed problem within many organizations.

Furthermore, a tangible intersection exists between ageism and sexism, commonly called gendered ageism. Research demonstrates that women bear a disproportionate burden of ageism, particularly when factors such as race and ethnicity are considered.

When individuals encounter ageism in any manifestation, they often experience feelings of being undervalued and disrespected. Consequently, their job satisfaction and motivation tend to decline, reducing productivity and higher turnover rates.



# DEI Should Address the Costs of Family Building

Employers increasingly recognize the importance of supporting employees in their family-building journey. This includes coverage for costly fertility treatments, medications, adoption, and surrogacy costs. Accessibility and affordability in these areas can vary among different groups, so employers must address these needs.

TD Banking Group enhanced its family planning benefits for

all employees in February 2022. They increased the lifetime maximum for fertility drugs and procedures, such as in vitro fertilization, while introducing coverage for surrogacy, donor-related expenses, and adoption costs. This coverage includes legal services, embryo storage, midwife and doula classes, fees for licensed adoption agencies, and child immigration costs. Each of these benefits has a lifetime maximum coverage of \$20,000.



Snap Inc. offers coverage with up to \$65000 for fertility expenses

In addition to the mentioned employers, Cisco Canada, Pinterest, Scotiabank, and Snap Inc. are among the companies that provide coverage for family planning. Snap Inc., a social media company, offers comprehensive coverage with up to \$65,000 for fertility and adoption expenses and up to \$130,000 for surrogacy expenses. On the insurance front, Green Shield Canada has recently included fertility benefits in its group plans. This coverage provides an annual maximum of \$5,000 to cover in-vitro fertilization (IVF) and artificial insemination procedures.

## DEI: Family Building



More recently, Desjardins announced their Family Focus plan in an effort to commit to equity, diversity and inclusion that goes beyond fertility treatment. Family Focus is intended to provide support to all those looking to build a family. Extended coverage relates to services such as the

freezing and storage of reproductive cells and fertility-related laboratory testing. They've also also increased the maximums available for fertility medication and treatments and offer the option to cover a range of tools and supports, including:

- Non-medical surrogacy fees
- Adoption fees
- Fertility coaching
- Family coaching
- Sex therapists
- Nutritionists and dietitians
- Midwives
- Doulas
- Prenatal classes
- Couple's and family counsellors
- Baby safety equipment
- Medically necessary breast pumps
- Parent-child activity programs
- Perinatal bereavement support

They've also partnered with Prenato, a company that specializes in prenatal genetic screening and offers virtual support across Canada during fertility treatments and/or pregnancy.

This includes: 3 months of free access to fertility- and pregnancy-related videos on demand, as well as a preferential rate for virtual prenatal classes, prenatal screening tests, genetic advisors, virtual early pregnancy meetings, one-on-one nursing support, etc.



The Stats

# DEI by the Numbers

- 91% 91% of benefits plan sponsors believe they promote and support a diverse and inclusive workplace, with 44% strongly agreeing with this statement.
- 72% 72% have a documented strategy for DEI in the workplace.
- 88% Employers with 500 or more employees are much more likely (88%) than employers with fewer than 50 employees (45%) to have a documented strategy.



# What does a DEI Strategy look like?

Integrating DEI into benefits plans involves a holistic approach that focuses on supporting the diverse needs of employees, creating an inclusive work culture, and providing equitable opportunities for all. Here's a quick snapshot of how this shows up in the workplace.

01

**Inclusive Health Benefits:** Employers are expanding their health benefits to be more inclusive and cater to the needs of diverse employees. This may include offering coverage for gender-affirming care, mental health services, and culturally competent healthcare providers.

02

**Diverse Leadership and Representation:** Actively promoting diversity in leadership positions and decision-making roles within the organization. This includes establishing goals and initiatives to increase the representation of underrepresented groups in leadership positions.

03

**Family-Friendly Policies:** Employers are implementing family-friendly policies to support work-life balance and diverse family structures. This may include parental leave policies for all genders, flexible work arrangements, and on-site childcare facilities.

04

**Diversity Training and Education:** Many employers provide employees with diversity training and education programs. These programs aim to raise awareness, foster inclusivity, and reduce unconscious biases within the workplace.

05

**Addressing Systemic Barriers:** Identifying and addressing systemic barriers that may disproportionately affect certain groups. This can involve conducting diversity audits, reviewing policies and processes, and implementing strategies to remove barriers to advancement and success.

06

**Equal Pay Initiatives:** Employers strive to eliminate pay disparities based on gender, race, or other protected characteristics. They conduct regular pay audits, review compensation structures, and ensure transparency in pay practices.

Have questions about DEI or are looking for resources and training opportunities for your employees?

Schedule a call with us for valuable insight on how you can make DEI part of your organization's DNA.