



Employee Benefit Plans

for Saskatchewan health-care employees

2021-22 Annual Report

3sHealth's corporate VALUES



Collaboration

We bring the right people together to achieve common goals for the benefit of the people of Saskatchewan through active participation, two-way communication, and mutual respect. We believe that the best outcomes happen when we share insights and build on each other's strengths.



Innovation

We are creative, strategic thinkers who are open to exploring all possibilities that will improve the quality of patient care and realize better value for the health system. We fearlessly take on new opportunities and work closely with our partners to implement and sustain positive transformational change.



Respect

We listen to one another and seek to understand the diverse needs of our communities and stakeholders. We demonstrate integrity and honesty in all that we do, and we take responsibility for our actions. We follow through on the commitments we make, build trust, and enable one another's successes.



Transparency

We foster a culture in which people feel empowered to discuss and address critical issues in a safe and supportive environment. We believe engagement and the sharing of information enables good decision-making and leads to better outcomes.



Bold and courageous leadership

We are brave and willing to try new things. We put patients and families first, inspire each other and show initiative, work with others to put innovative ideas into practice, and take thoughtful risks to advance the vision of better health care in Saskatchewan.

First Nations and Métis/Michif land acknowledgement

We acknowledge that 3sHealth works and meets on the territory covered by Treaties 2, 4, 5, 6, 7, 8, and 10, the traditional territories of the Cree, Saulteaux, Dakota, Lakota, Nakota, Stoney, and Dene, and the Homeland of the Métis/Michif. Recognizing this history and the Truth and Reconciliation Commission Calls to Action are important to our future and our efforts to close the gap in health outcomes between Indigenous and non-Indigenous peoples.

As treaty people, we pay respect to the traditional caretakers of this land.



2021-22 Annual Report

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Message from Karen Knelsen, Board of Trustees Chair



The Employee Benefit Plans Board of Trustees is pleased to have 3sHealth create this first-ever Employee Benefit Plans annual report to increase transparency about the employee benefit plan trusts, inform plan members and the public about the work of the 3sHealth Employee Benefits service line, and share highlights from the 2021-22 fiscal year.

Within these pages, you will find a message from 3sHealth's Chief Executive Officer (page 5), the biographies of the Board of Trustees (page 6), an overview of the committees and bodies involved in overseeing the employee benefit plan trusts (page 10), the story of the path to joint trusteeship (page 10), financials (page 18), and more.

Since the start of the pandemic, we have seen a significant increase in plan members using their benefits. In 2021, the plans paid more than \$151 million to plan members. The plans are fully funded and prepared to meet the needs of plan members and their families. The plans play an important role in providing both financial stability and peace of mind to health-care system employees. See the service metrics section on page 11 for more information.

On behalf of the Board of Trustees, I extend our deepest gratitude to all health-care employees. We commend you for your hard work and dedication through this unprecedented time of pandemic and change. As Trustees, we are committed to our fiduciary responsibilities for the employee benefit plan trusts. Together with our union and employer partners, we work to make sure that the plans provide a comprehensive benefit package for all health-care employees and their families.

On behalf of the Board of Trustees, I am proud to present the Employee Benefit Plans annual report.

Message from Mark Anderson, Chief Executive Officer

3sHealth administers 10 health system employee benefit plan trusts for over 44,000 active plan members and 15,000 retirees across 75 organizations. The plans provide health system employees with group life, extended health care, dental, and disability income benefits. In 2021-22, the Employee Benefits service line completed a remarkable three-year project called “Path to Health.” The project redesigned 3sHealth’s approach to disability claims management. The project’s vision was “to provide collaborative support with beneficiaries on their path to health.” Although the project is now complete, Path to Health has created the foundation upon which Employee Benefits can continue to deliver a world-class customer experience to plan members.

Another highlight from the year was an update of 3sHealth’s website in April 2021. Plan members can now access documents and forms, find information organized by working group, and access service in an aesthetically pleasing and mobile-friendly virtual format by visiting 3sHealth.ca. The website revamp was guided by requirements gathered from many stakeholders, including Patient Family Partners.

3sHealth, as well as the Board of Trustees, continued to advance conversations with partners about making the benefit plans jointly trustee. Stakeholders participated in several sessions to discuss how the current trusts could be amended to improve the governance structure of the plans. This work will continue into 2022.

Finally, I would like to take this opportunity to thank each and every one of the employees from the 3sHealth Employee Benefits team. This team has always put the plan member first, working every day to provide the best plan member service possible. The last few years have been challenging. Faced with the pandemic’s many curveballs and a significant increase in employee benefits service requests, this team has been determined to rise to the occasion and continue providing world-class service. Thank you for showing us what it means to “take care of the caregiver.”



Employee Benefit Plans Board of Trustees



Karen Knelsen
Chair

Ms. Knelsen's considerable experience as a registered nurse, Director of Nursing, and facility administrator, in addition to her board experience with health-care facilities, with the Saskatchewan Registered Nurses Association, and as a representative of affiliated agencies, significantly contributes to the work of the 3sHealth Board of Trustees. Ms. Knelsen currently serves the Chair of the Employee Benefit Plans Board of Trustees and is a representative to the Employee Benefits Committee. She has been immersed in the health sector for several years and is known and respected for her commitment to a high-quality, patient-centred health-care system. Ms. Knelsen also serves on the 3sHealth Board of Directors. She has achieved the Foundation of Trust Management Standards® and Advanced Trust Management Standards™ certificates as well as the Masters of Trust Management Standards (Session A) through the International Foundation of Employee Benefit Plans.



Arnie Shaw
Vice-chair

Mr. Shaw is a Chartered Professional Accountant (CPA, CA) and a retired Certified Management Consultant (CMC) and is currently the President of Centennial Plumbing, Heating & Electrical and Centennial Kitchen & Bath. Prior to that, Mr. Shaw was in public practice as a Chartered Professional Accountant for 15 years and later established a management consulting practice, which specialized in consulting to and operating companies in financial difficulty. In addition to his business roles, Mr. Shaw has several current and past for-profit and not-for-profit board and committee affiliations, including Blue Cross Life of Canada, Saskatchewan Blue Cross, Canadian Association of Blue Cross Plans, Saskatoon Centennial Auditorium & Convention Centre, Nexstar Network, Rise Air, Saskatoon Fastprint, and the B'nai Brith Silver Plate Dinner. Mr. Shaw also currently serves as Vice-chair of the 3sHealth Board of Directors as well as the Chair of the 3sHealth Board's Audit, Finance, and Risk Committee. He has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans.



Brian Barber

Mr. Barber's insight and knowledge of the health system is a result of serving on the former Regina Qu'Appelle Health Region board since 2008. Mr. Barber also serves as the Chair of 3sHealth's Board of Directors. Mr. Barber brings significant contributions to the Board of 3sHealth through his prior board and governance experience with municipal government, community, and financial organizations, as well as skills learned and applied as Senior Vice-president of Ledcor Construction. He has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans. Mr. Barber is a strong advocate of a shared services approach and understands the importance of focusing on doing fewer things and doing them better in the health system.



Andrew Cartmell

Mr. Cartmell's experience and leadership as the President and CEO of SGI provide him with an excellent foundation to support innovative change within the health-care system. He is accustomed to working within a complex organization that needs to be responsive to many stakeholders, and he has experience as a member of the Facility Association Board, an insurance industry association, as a Director on the 3sHealth Board, and with the Board of SGI. Mr. Cartmell has strong financial, insurance, and enterprise risk management skills. He is a Fellow of the Canadian Institute of Actuaries. Mr. Cartmell has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans.



Twyla Meredith

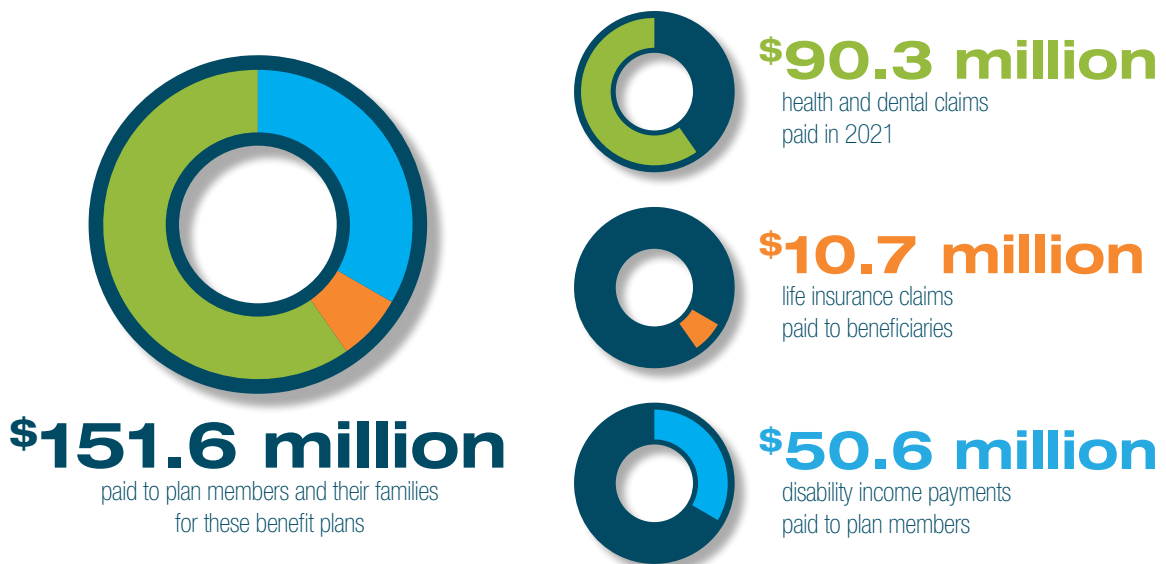
Ms. Meredith has assumed a variety of financial and leadership roles in the public sector and Saskatchewan Crown corporations since 1983. She most recently served as President and Chief Executive Officer of the Saskatchewan Gaming Corporation until her retirement in March 2015. She holds a degree in administration, is a Chartered Professional Accountant (non-practicing), and is a Fellow of the Society of Chartered Professional Accountants of Canada. She has also achieved the Foundation of Trust Management Standards and Advanced Trust Management Standards certificates through the International Foundation of Employee Benefit Plans. In addition, Ms. Meredith has extensive board experience and has filled a number of roles with sports, community, and volunteer organizations, all of which are beneficial in her role on the 3sHealth Board. Ms. Meredith also recently served as the Vice-chair of the eHealth Saskatchewan Board.

Introduction

3sHealth administers group life, extended health care, dental, and disability income plans for health system employees. Since 1967, the 3sHealth Employee Benefits team has acted as the administrator of the employee benefit plans. 3sHealth Employee Benefits supports the Board of Trustees and is the caretaker of the employee benefit plan investments and trust fund assets of \$652.3 million. In addition to managing day-to-day operations, the 3sHealth Employee Benefits team provides front-line customer service and support to 75 health-care employers, 44,000 active plan members, and 15,000 retirees. The team adjudicates disability claims, pays disability benefits, performs the weekly and annual eligibility determination on behalf of all health-care employers, assesses lifestyle spending account claims, and facilitates life insurance claims. In 2021, the plans paid out \$151.6 million in benefits to plan members.

In 2021, the employee benefit plan trusts paid \$151,676,772 in Group Life insurance, disability income plan benefits, and health and dental claim reimbursements to eligible plan members. Plan members received \$48,143,341 in claims reimbursement representing over 1,144,286 extended health care claims. The Core and Enhanced Dental Plans paid over \$42,204,880 in reimbursements for plan members and their families in 2021. The plans provided \$10,722,469 in life insurance to plan members' beneficiaries as well as \$50,606,082 million in disability income.

Benefits paid in 2021

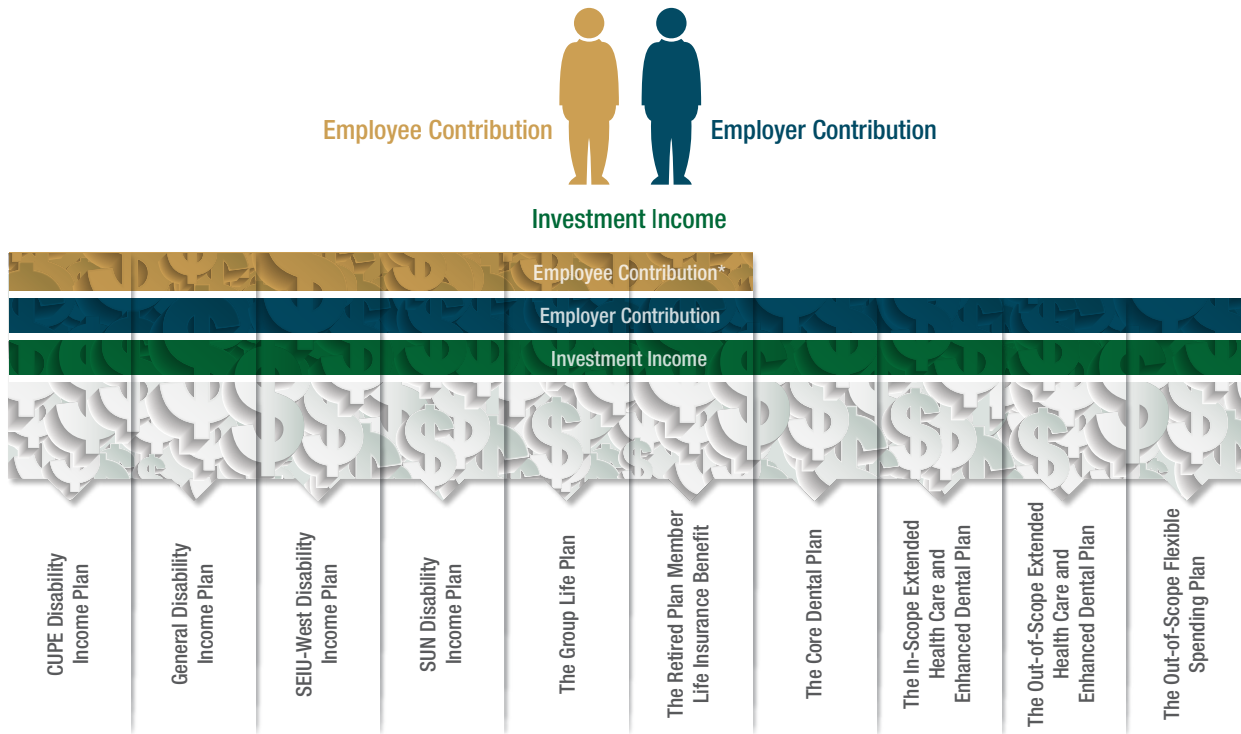


What are the Employee Benefit Plans?

There are 10 health system employee benefit plans. Saskatchewan health-care system employees are plan members in these plans depending on where they work and the union to which they belong.

The employee benefit plans are governed with reference and adherence to the Saskatchewan Health Authority collective bargaining agreements and the out-of-scope compensation policy. Other Saskatchewan health-care employers can participate in the benefit plans. Depending on an employer's collective bargaining agreements and/or personnel policies, premiums and contributions may be paid by the employer, the employee, or with costs shared between them. 3sHealth holds these contributions in trust.

How are the plans funded?



* Some participating organizations have a different cost-sharing arrangement compared to the one depicted here.

Employers and employees contribute funds to these plans to be held in trust and administered on their behalf. The 3sHealth Board of Trustees has the ultimate fiduciary responsibility for the plan trusts. It oversees the governance of the plans and appoints 3sHealth to administer the plans.

These plans are:

- CUPE Disability Income Plan
- SEIU-West Disability Income Plan
- SUN Disability Income Plan
- General Disability Income Plan
- The Core Dental Plan
- The In-Scope Extended Health Care and Enhanced Dental Plan
- The Out-of-Scope Extended Health Care and Enhanced Dental Plan
- The Group Life Plan
- The Retired Plan Member Life Insurance Benefit
- The Out-of-Scope Flexible Spending Plan

3sHealth’s legislation, *The Health Shared Services Saskatchewan (3sHealth) Act.*, sets out that 3sHealth may establish, operate, administer, support, or manage employee benefit, insurance, and disability plans and related trusts.

Governance of the Employee Benefit Plans

The Board of Trustees has fiduciary responsibility for the employee benefit plan trusts. Along with the Board of Trustees, two committees support trust governance.

Made up of an equal number of union and employer representatives, the Employee Benefit Plans Committee makes recommendations to the Board of Trustees for matters related to Group Life insurance, Retired Plan Member Life Insurance Benefit, Core Dental, and the disability income plans. In addition, the committee makes recommendations to the Board of Trustees on investments and the asset mix. The collective bargaining agreements stipulate the composition of the Employee Benefit Plans Committee.

The Working Committee comprises 10 union representatives and makes recommendations to the Board of Trustees for matters related to the In-Scope Extended Health Care and Enhanced Dental Plan.



The Path to Joint Trusteeship

3sHealth’s Board of Trustees and all the stakeholders involved in the governance of these employee benefit plans have been working towards what is called “joint trusteeship.”

The joint trusteeship model represents a governance best practice. In the model, there is both union and employer representation on the Board of Trustees. The Board of Trustees has the ultimate fiduciary responsibility for the employee benefit plan trusts. Many public sector benefit and pension plans across Canada currently govern with a jointly trustee model.

Since 2017, 3sHealth has facilitated stakeholder events, conducted individual consultation with stakeholders, prepared and presented draft amendments to the trust agreements, and consulted legal and tax experts for support to work towards a joint trusteeship governance model.

The 2018 federal budget proposed changes to trust provisions of the *Income Tax Act*. On June 29, 2021, an act making these changes to the *Income Tax Act* received royal assent. The changes introduced new “Employee Life and Health Trust” provisions to replace the former “Health and Welfare Trust” provisions. The new changes require that all Health and Welfare Trusts, such as the 10 employee benefit plans, become Employee Life and Health Trust compliant. In order for the employee benefit plan trusts to be Employee Life and Health Trust compliant, 50 per cent of the Board of Trustee members must be at an “arm’s length” from the employers according to the legislation. The best way to achieve this provision is to implement joint trusteeship.

It is important for the employee benefit plan trusts to become Employee Life and Health Trusts to ensure the most favorable tax position for the trusts. The Employee Benefit Plans Board of Trustees has a duty to use the trust funds for the benefit of the beneficiaries.

Achieving Employee Life Health Trust compliance by December 31, 2022, is one of 3sHealth's corporate targets.

Path to Health

For the past three years, 3sHealth worked to redesign its approach to disability claims management. The vision of the Path to Health project was *to provide collaborative support with beneficiaries on their path to health*.

"We will always be focused on ways to continuously improve our processes for the benefit of plan members. These three years have yielded many new ways of supporting our plan members throughout the claim process. It's just the beginning. Path to Health is more than a project: it is the foundation we've created to deliver a world-class customer service experience at a time when plan members need us the most."

- Alana Shearer-Kleefeld, 3sHealth's Vice-president of Employee Benefits.

Path to Health began in 2019. The overall goal of the project was to make the disability claims management process easier for plan members, provide additional support during the claim, and communicate with plan members earlier and more often.

Here are just a few improvements for plan members that came about through Path to Health:

- Making forms and booklets easier to use;
- Creating the new case management checklist to ensure a clear, concise, consistent process for every plan member;
- Increasing the number of Adjudicators to ensure a more personalized service experience;
- Embedding Mental Health and Rehabilitation Advisors on the team;
- Proactively providing treatment funding to support recovery and return to work;
- Procuring a new rehabilitation services partner;
- Helping plan members through the CPP disability application process; and
- Implementing a new disability case management technology platform to build efficiency and eliminate paper files.

Service metrics

3sHealth's Employee Benefits team prides itself on providing world-class customer service to plan members to "take care of the caregivers."

The charts below show how the volume of service requests has increased drastically year over year since 2018. 3sHealth has increased its staffing complement and continued to improve its processes to meet the increased demand for service.

The Employee Benefits team measures service metrics monthly. These reports are provided to the 3sHealth senior leadership team as well as the Board of Trustees.

Each Board of Trustees meeting and report starts with a plan member story, such as this one:

Gwen's story

Gwen is an employee with the Saskatchewan Health Authority who volunteered to share her story.

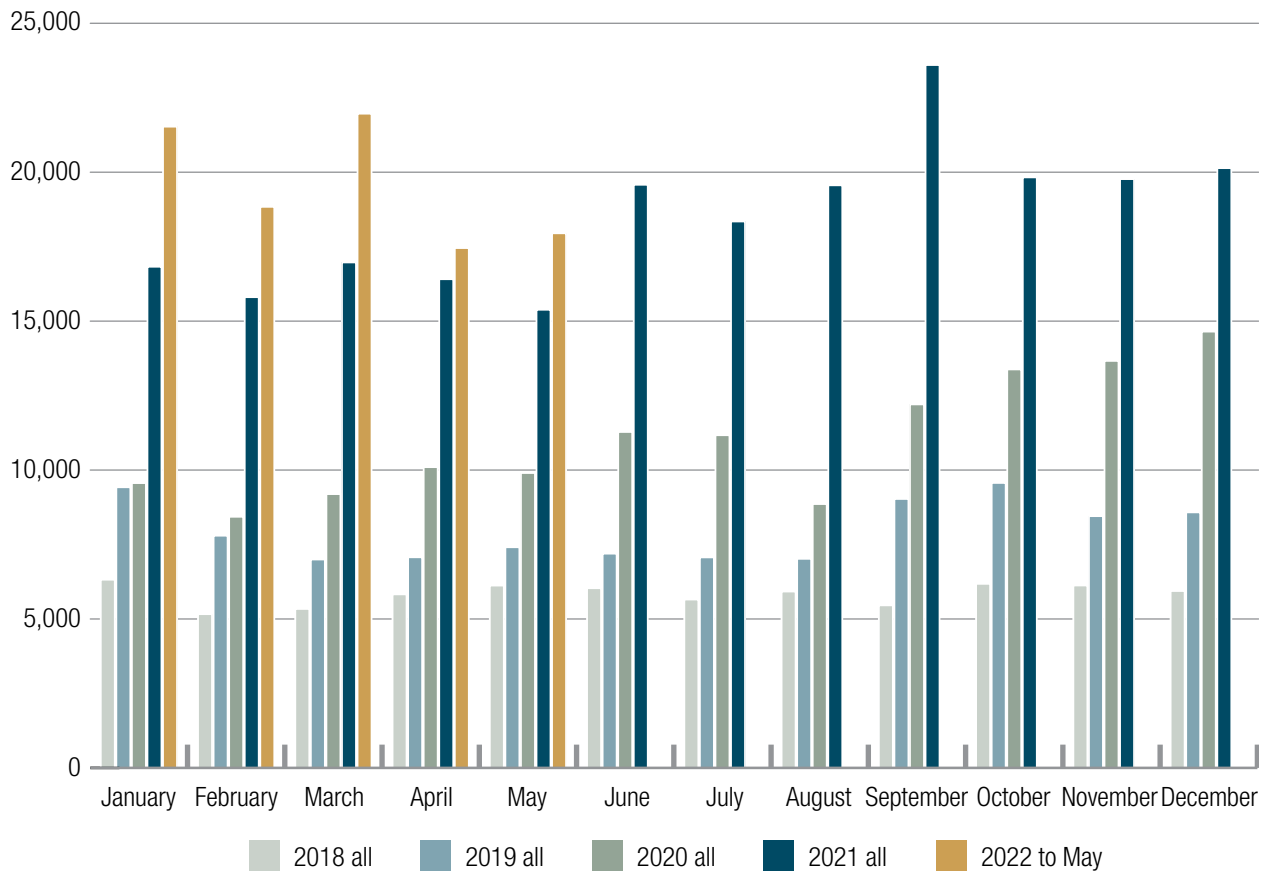
She was unable to work and applied for disability benefits. As a part of 3sHealth's path to health for plan members, Gwen's Adjudicator Shelley connected Gwen with CBI Health, 3sHealth's trusted partner providing rehabilitation. CBI Health identified that Gwen would benefit from a multidisciplinary treatment program, including physical therapy, kinesiology, occupational therapy, and social work. The occupational therapist, in combination with the social worker, helped Gwen establish a routine for completing her daily activities and her self care. The care team worked with Gwen to develop strategies for coping in social settings, which helped Gwen participate and engage in her treatment program.

Gwen successfully returned to work after two years. When Gwen was able to start the return-to-work program, the occupational therapist supported her by monitoring her progress.

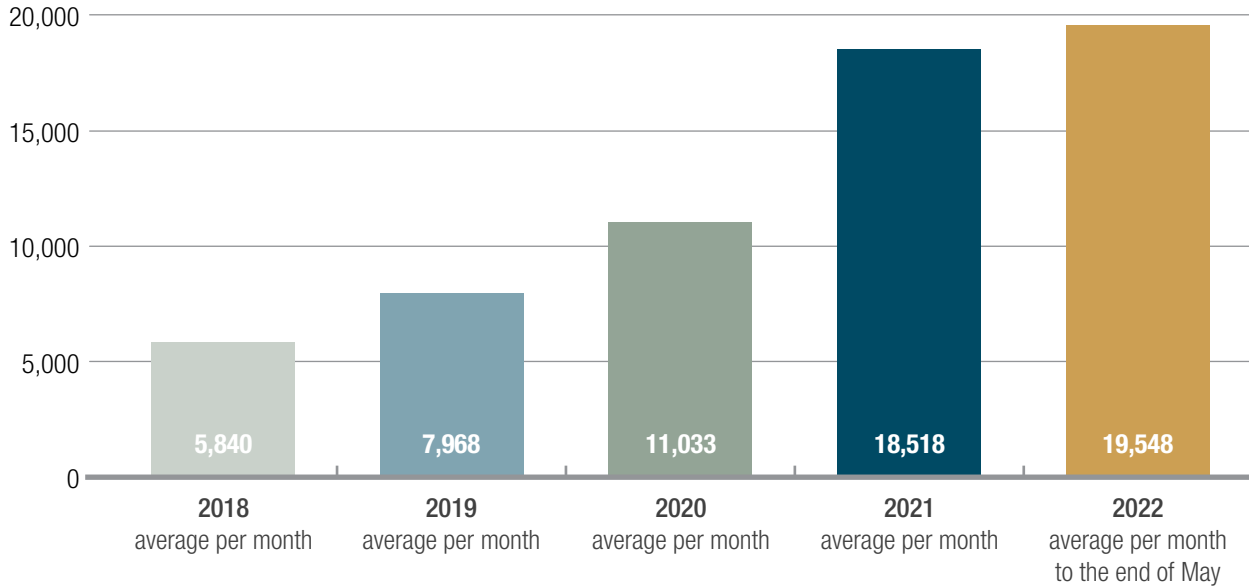
"I am so thankful to 3sHealth for helping me get through my disability experience," shared Gwen. "Shelley my Adjudicator listened to me when I told her I needed help. I don't think I would have been back to work yet if I didn't get the help from everyone involved."

All work combined by month for Employee Benefits

Includes initial disability applications, incoming and outgoing phone calls, chats, emails, paper and electronic requests, welcome packages, and system queries.



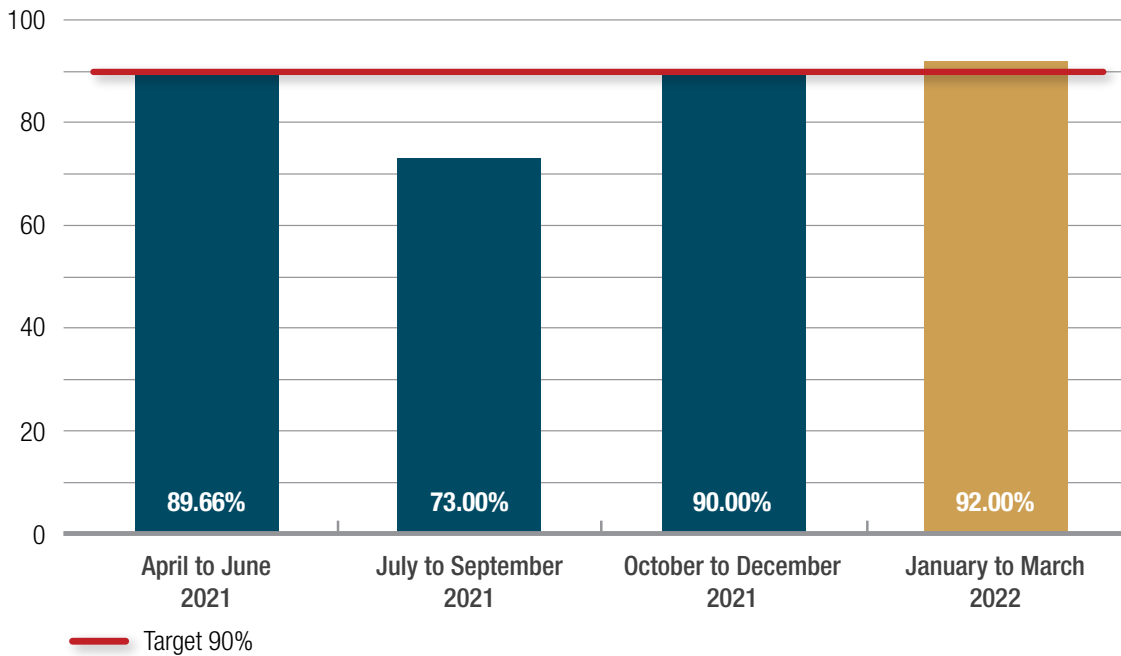
Average service request per month



The following charts explain 3sHealth's commitments of providing world-class plan member service. 3sHealth Employee Benefits sets service standard targets to ensure that plan members are receiving prompt responses to all of their benefits inquiries. Striving to meet and exceed these targets is one way that the Employee Benefits team takes care of the caregiver.

Benefits document processing - quarterly

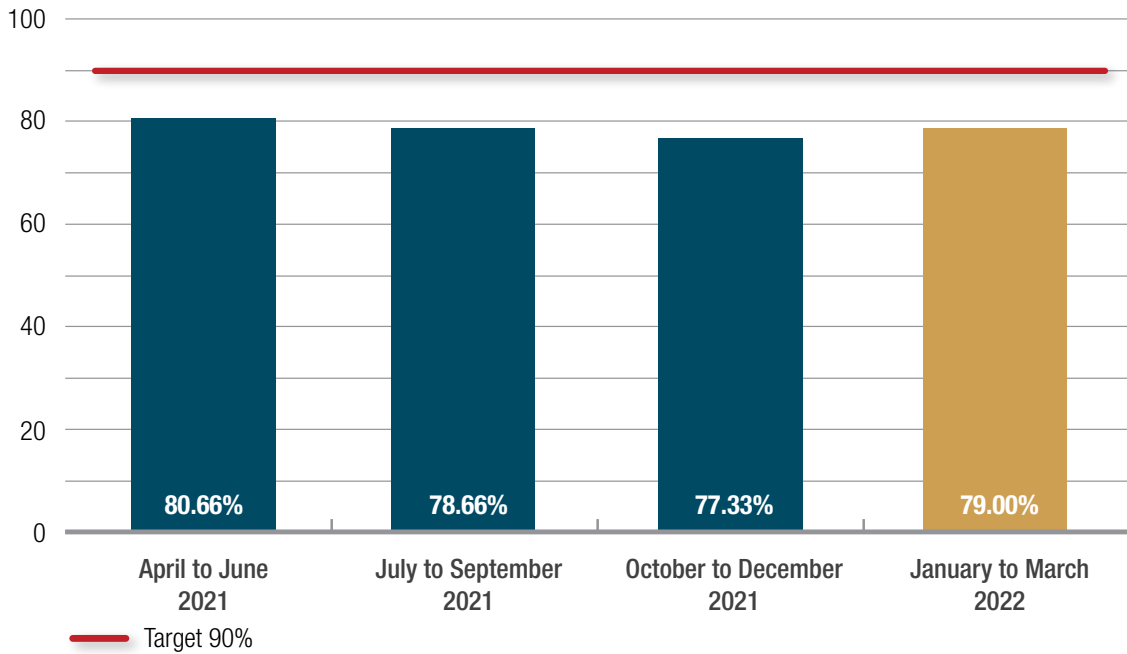
Percentage of documents and forms processed within standard of three business days



The Employee Benefits team processed 234,943 documents and forms during this time period.

Disability initial claims processed - quarterly

Percentage of disability claims adjudicated within standard of eight business days

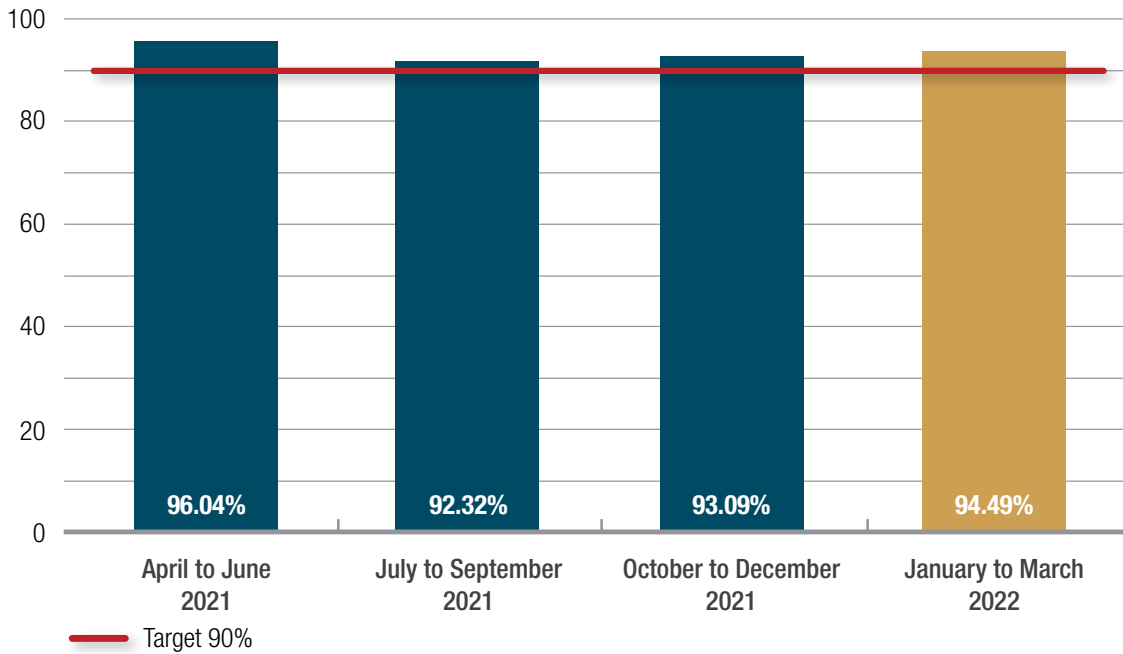


Disability income application volumes have increased since the start of the pandemic. In 2021-22, 3sHealth paid 3,263 disability income claims compared with 2,805 in 2020-21. This is an increase of 16.3 per cent year over year. Before application volumes increased during the pandemic, 3sHealth was consistently meeting its service standards. 3sHealth has taken many steps to get back on track. For example, in April of 2021, the Employee Benefits team created an internal unit of five Benefit Services Officers dedicated to focusing on processing new disability applications. Then, in January of 2022, 3sHealth began cross training other Benefit Services Officers to learn the disability application process to help ensure these applications are processed in a timely manner for adjudication.

3sHealth has also been implementing a new disability claims management system and anticipates productivity gains from the new technology. See the “Path to Health” section (page 11) for more information on 3sHealth’s efforts to make the disability claims management process easier for plan members.

Benefits customer contact - quarterly

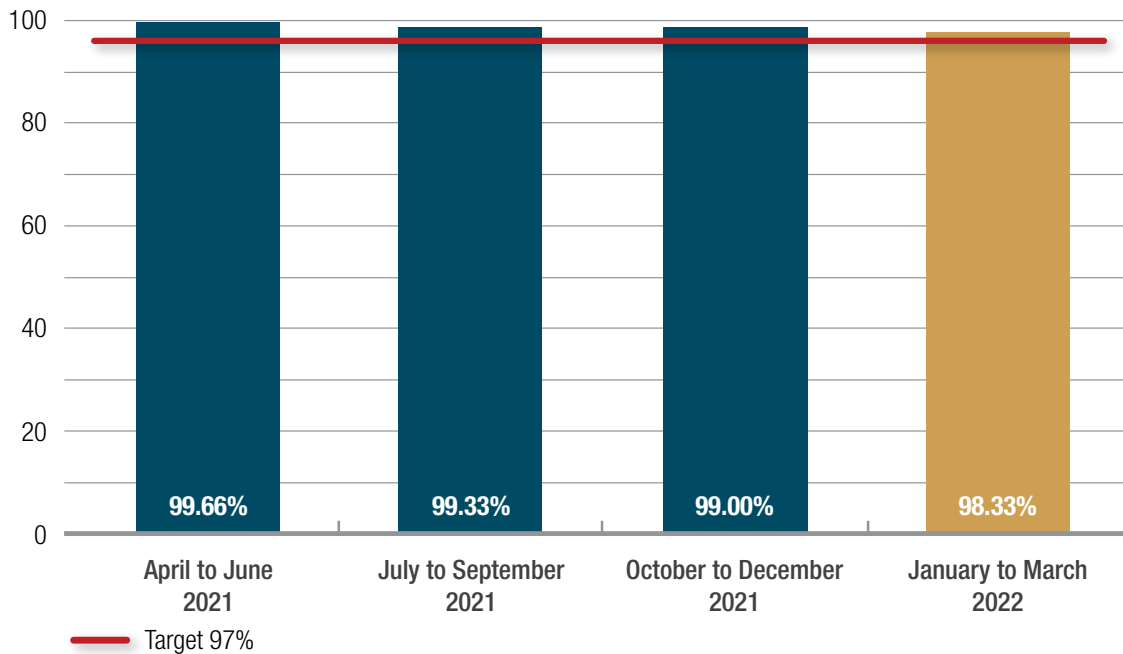
Percentage of phone calls and chats responded to within the standard of 30 seconds



The Employee Benefits team answered 56,812 calls and chats during this time period representing a 31.9 per cent increase from the previous year that saw 43,066 calls and chats.

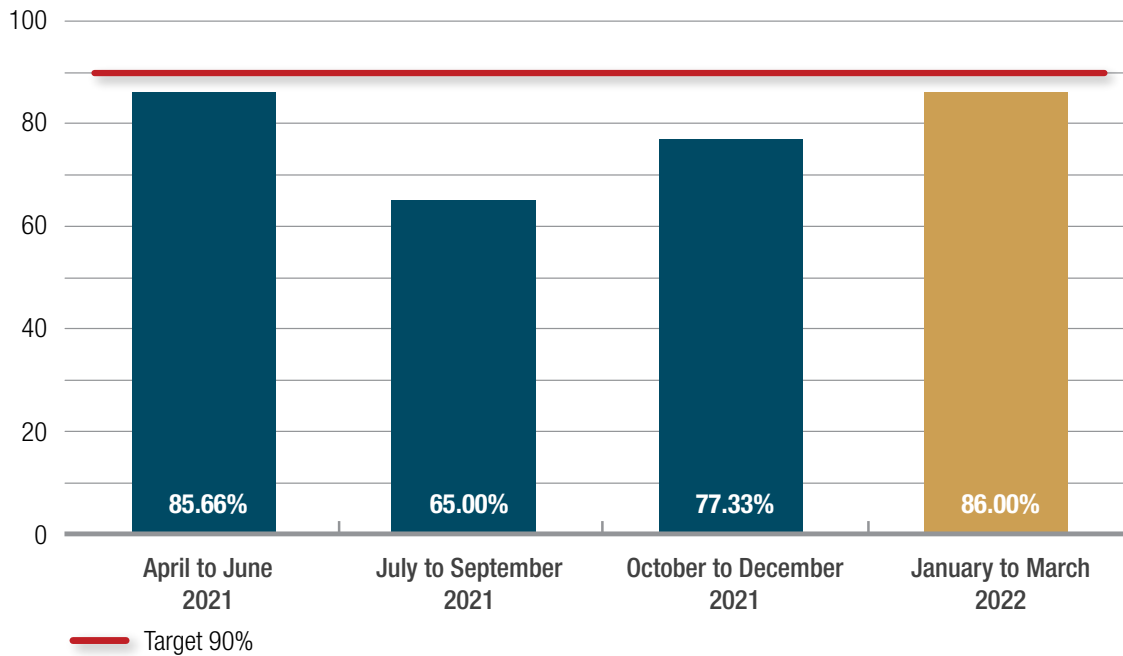
Employee benefits phone Quality - quarterly

Percentage of audited calls within standard of 97 per cent audited



Benefit Services Officers are also empowered to audit their own calls. By reviewing their own performance, Benefit Services Officers are able to build improvement plans to provide better service to plan members.

Benefits email correspondence – quarterly
Percentage of email messages responded to within 24 hours



The Employee Benefits team responded to 14,682 email messages during this time period, which is a 22.9 per cent increase compared to the 11,949 emails received in 2020-21.

Learn more about the benefits we provide

[Click to view online](#)



Financial Highlights

The Employee Benefit Plans' financial statements are prepared in accordance with Canadian accounting standards for pension plans as prescribed by the Chartered Professional Accountants of Canada (CPA Canada) Handbook section 4600, Pension Plans. Key financial information has been summarized for the purpose of this annual report, based on the information presented in the audited financial statements. Copies of the audited financial statements are available online at <https://bit.ly/2021-EBP-FS> or upon request. The financial highlights are intended to be read in conjunction with the December 31, 2021, Summary of Financial Information, beginning on page 21 of this annual report.

Disability Income Plans

For the year ended December 31, 2021, all four disability income plans (CUPE, SEIU-West, General, and SUN) saw an increase in net assets. The total increase across the four plans was \$12.3 million, compared to a decrease in net assets of \$4.5 million in the prior fiscal year (2020).

Investment performance during the year was a key item causing an increase in net assets. All four disability income plans experienced large realized gains through the sale of investments, primarily as a result of rebalancing the investment portfolio. The plans also experienced large unrealized gains as the global equity markets rebounded in 2021 after a volatile year in 2020. Contribution revenue increased over the prior year due to a combination of increased membership, ratification of collective bargaining agreements during the year, and annual salary increases.

2021 saw an increase in disability applicants across all plans, resulting in an increase in total disability benefit payments made to plan members. Operating expenses increased during the year, largely as a result of the Path to Health Claims Management Re-design project. A new technology solution began development during 2021, increasing consulting and software costs. The project successfully increased the number of plan members receiving treatment funding to support their recovery, resulting in higher treatment funding expenses.

The disability plans perform an actuarial valuation annually to account for the future disability obligations to be paid from the plans. This estimate accrues future disability obligations, based on plan experience and a number of assumptions about future events. For the year ended December 31, 2021, all four disability income plans saw an increase in the future disability obligation over the prior year.

The actuary also calculates a funding ratio, which identifies whether the plans hold enough assets to pay out disability benefits to its current and future members. All four disability income plans were considered fully funded in both the current and prior fiscal years.

Health and Dental Plans

For the year ended December 31, 2021, the Core Dental Plan and the In-Scope Extended Health Care & Enhanced Dental Plan both saw an increase in net assets, while the Out-of-Scope Extended Health Care & Enhanced Dental Plan experienced a decrease in net assets. The overall change in net assets was significantly lower across all three plans compared to 2020, when all three plans had large increases in net assets.

The largest contributing factor to the year over year change was the increase in dental claims and expenses and extended health care premiums in 2021. Health and dental claims were lower across all three plans in 2020 due to the pandemic and the temporary closure of health practitioners and dental clinics across the country. The health and dental plans also calculate an annual estimate of costs that have been incurred but not yet reported at year-end. For the year ended December 31, 2021, there was an increase in this provision across all three plans, largely due to the lower volumes in the previous year, which is used as a base for this estimate.

Investment earnings for the health and dental plans were down year over year due to a poor performing bond market in 2021, stemming from low interest rates and increasing inflation. This was partially offset by an increase in contribution revenue due to a combination of increased membership and ratification of various collective bargaining agreements during the year.

All three health and dental plans have restricted a portion of net assets (Rate Stabilization Fund), intended to absorb negative plan experience fluctuations and promote rate stability.

Group Life Insurance Plan

For the year ended December 31, 2021, the Group Life insurance plan saw an increase in net assets of \$12.1 million, compared to an increase of \$8.7 million in 2020. The plan saw higher investment earnings and large unrealized gains as the global equity markets rebounded in 2021 after a volatile year in 2020. In addition to this, large realized gains were experienced during the year as a result of rebalancing the investment portfolio.

The Group Life insurance plan utilizes two restricted amounts from net assets as a way to manage fluctuations and unforeseen circumstances. The Rate Stabilization Fund is intended to absorb negative plan experience fluctuations and to promote rate stability. This fund can be drawn upon if claims exceed contributions while the Multi-year Catastrophic Loss Reserve is held to provide the plan with a temporary additional funding source during an event, such as a pandemic. This fund can only be accessed with approval from the Board of Trustees based on identified criteria.

The Group Life insurance plan performs two actuarial valuations annually to estimate future benefit obligations for the plan. These are based on plan experience and a number of assumptions about future events. For the year ended December 31, 2021, there was an increase in the benefit obligations over the prior year.

Flexible Spending Plan

For the year ended December 31, 2021, the Out-of-Scope Flexible Spending Plan saw an increase in net assets of \$302,000, compared to an increase of \$58,000 in 2020. The largest contributing factor to the year over year increase was the elimination of the forfeiture expense in 2021. Prior to 2021, a plan member's unused Health Spending credits were returned to the employer at the end of the second year. In order to meet certain criteria for upcoming income tax legislation changes, the plan was required to discontinue the return of unused credits. Contribution revenue also saw an increase in 2021 due to a combination of an increase in the annual allocation and an increase in participants.

The plan calculates an annual year-end accounting estimate for financial reporting purposes to estimate the cost of claims that have been incurred but not yet reported at year-end. For the year ended December 31, 2021, there was an increase in the provision for unpaid claims as a result of higher volumes submitted during the 60-day period after the end of the calendar year. Other operating expenses also increased during the year, largely due to costs for advising on impending income tax legislation changes.

Management's Responsibility for Financial Information

The Employee Benefit Plans are administered by Health Shared Services Saskatchewan (3sHealth). The summary of financial information and all other information contained in the Annual Report is the responsibility of 3sHealth management and has been approved by the Board of Trustees.

Management prepared the nine sets of financial statements in accordance with Canadian public sector accounting standards. Copies of the audited financial statements and the Auditor's Reports are available online at <https://bit.ly/2021-EBP-FS> or upon request. Key financial information from the audited financial statements has been summarized for the purpose of this Annual Report. Management is responsible for the reliability and integrity of the financial summaries and other information contained in the Annual Report. All financial information presented in this Annual Report is consistent with that in the audited financial statements.

Management maintains a comprehensive system of internal controls to ensure that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. The adequacy and operation of the control systems are monitored on an ongoing basis by the internal audit department.



Mark Anderson
CEO



Tim Frass
Vice-president, Supply Chain Services
and Chief Financial Officer

Summary financial information
Health Shared Services Saskatchewan
Employee Benefit Plans'
As at December 31, 2021

Disability Income Plans
Health Shared Services Saskatchewan
Summary of Financial Information
As at December 31, 2021
(thousands of dollars)

	Disability Income Plan - CUPE		Disability Income Plan - SEIU-West		Disability Income Plan - General		Disability Income Plan - SUN		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Assets										
Investments	\$ 83,756	\$ 81,177	\$ 58,273	\$ 56,884	\$ 63,669	\$ 61,535	\$ 91,542	\$ 87,007	\$ 297,240	\$ 286,603
Cash	1,096	1,239	1,148	633	1,127	766	1,536	904	4,907	3,542
Accounts receivable employees	472	405	379	332	290	251	391	343	1,532	1,331
Accounts receivable employers	472	405	379	332	290	251	458	403	1,599	1,391
Accounts receivable other	144	148	368	124	182	27	117	47	811	346
Total Assets	85,940	83,374	60,547	58,305	65,558	62,830	94,044	88,704	306,089	293,213
Liabilities										
Accounts payable	549	475	590	394	604	351	504	469	2,247	1,689
Total Liabilities	549	475	590	394	604	351	504	469	2,247	1,689
Net Assets Available for Benefits	85,391	82,899	59,957	57,911	64,954	62,479	93,540	88,235	303,842	291,524
Provision for future disability obligation	34,156	33,507	31,119	28,655	38,827	37,474	50,938	48,244	155,040	147,880
Surplus	\$ 51,235	\$ 49,392	\$ 28,838	\$ 29,256	\$ 26,127	\$ 25,005	\$ 42,602	\$ 39,991	\$ 148,802	\$ 143,644
Increase in Net Assets										
Contributions - Employees	\$ 5,473	\$ 5,285	\$ 4,808	\$ 4,325	\$ 3,381	\$ 3,186	\$ 4,650	\$ 4,097	\$ 18,312	\$ 16,893
Contributions - Employers	5,473	5,285	4,808	4,325	3,381	3,186	5,458	4,810	19,120	17,606
Dividend income	528	616	371	434	397	450	567	646	1,863	2,146
Commingled fund income	210	370	148	261	163	270	233	388	754	1,289
Interest income	846	1,028	575	716	671	793	947	1,104	3,039	3,641
Partnership income	275	16	199	12	200	12	289	17	963	57
Realized gain on investments	4,537	1,990	3,227	1,412	3,201	1,433	4,595	2,044	15,560	6,879
Unrealized gain on investments	2,905	252	2,066	139	2,157	259	3,174	302	10,302	952
Recoveries	344	299	351	292	93	138	214	200	1,002	929
Total Increase in Net Assets	20,591	15,141	16,553	11,916	13,644	9,727	20,127	13,608	70,915	50,392
Decrease in Net Assets										
Disability benefits	15,793	14,943	12,470	12,089	9,324	8,329	12,840	12,556	50,427	47,917
Administrative expenses	1,066	1,062	1,067	1,064	1,037	989	1,037	992	4,207	4,107
Consulting fees	691	386	468	289	265	153	383	204	1,807	1,032
Custodian fees	10	10	9	9	9	8	10	10	38	37
Fund management fees	445	360	317	255	333	266	471	381	1,566	1,262
Professional fees	94	147	176	147	201	121	81	105	552	520
Total Decrease in Net Assets	18,099	16,908	14,507	13,853	11,169	9,866	14,822	14,248	58,597	54,875
Change in Net Assets for the Year	2,492	(1,767)	2,046	(1,937)	2,475	(139)	5,305	(640)	12,318	(4,483)
Net Assets Available for Benefits, Beginning of Year	82,899	84,666	57,911	59,848	62,479	62,618	88,235	88,875	291,524	296,007
Net Assets Available for Benefits, End of Year	\$ 85,391	\$ 82,899	\$ 59,957	\$ 57,911	\$ 64,954	\$ 62,479	\$ 93,540	\$ 88,235	\$ 303,842	\$ 291,524

The Summary of Financial Information above provides information on the four Disability Income Plan's as presented in their audited financial statements at December 31, 2021. Copies of the audited financial statements are available upon request.

Health & Dental Benefit Plans
Health Shared Services Saskatchewan
Summary of Financial Information
As at December 31, 2021
(thousands of dollars)

	Core Dental Plan		In-Scope Extended Health/ Enhanced Dental Plan		Out-of-Scope Extended Health/ Enhanced Dental Plan		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Assets								
Investments	\$ 20,560	\$ 18,106	\$ 205,584	\$ 197,419	\$ 4,468	\$ 5,213	\$ 230,612	\$ 220,738
Contributions and other receivables	2,972	2,831	173	2	171	53	3,316	2,886
Receivable from Canada Life Assurance Company	-	-	4,756	8,835	661	1,227	5,417	10,062
Cash	2,282	3,076	4,281	4,458	1,081	710	7,644	8,244
Total Assets	25,814	24,013	214,794	210,714	6,381	7,203	246,989	241,930
Liabilities								
Dental Claims and other accounts payable	2,603	2,437	1,102	1,089	150	155	3,855	3,681
Deferred Contributions	-	-	3,598	3,705	-	-	3,598	3,705
Provision for unpaid claims	814	431	2,101	1,825	330	268	3,245	2,524
Total Liabilities	3,417	2,868	6,801	6,619	480	423	10,698	9,910
Net Assets	22,397	21,145	207,993	204,095	5,901	6,780	236,291	232,020
Net Assets Available for Benefits, restricted for Rate Stabilization Fund	15,560	-	57,612	47,929	3,946	3,216	77,118	51,145
Net Assets Available for Benefits	\$ 6,837	\$ 21,145	\$ 150,381	\$ 156,166	\$ 1,955	\$ 3,564	\$ 159,173	\$ 180,875
Increase in Net Assets								
Contributions - Employees and Employers	\$ 32,923	\$ 31,954	\$ 60,854	\$ 56,222	\$ 7,279	\$ 6,886	\$ 101,056	\$ 95,062
Interest income	452	382	5,713	5,873	137	167	6,302	6,422
Change in provision for unpaid claims	-	265	-	268	-	36	-	569
Realized gain on investments	44	134	423	1,586	24	30	491	1,750
Unrealized gain on investments	-	249	-	5,160	-	140	-	5,549
Total Increase in Net Assets	33,419	32,984	66,990	69,109	7,440	7,259	107,849	109,352
Decrease in Net Assets								
Dental claims	29,962	22,202	10,743	7,975	1,499	1,172	42,204	31,349
Health premiums	-	-	46,493	39,669	6,337	5,260	52,830	44,929
Administrative expenses ¹	1,443	1,161	1,397	1,212	256	220	3,096	2,593
Consulting fees	44	46	95	100	22	21	161	167
Professional fees	95	76	537	484	41	38	673	598
Unrealized loss on investments	269	-	3,551	-	102	-	3,922	-
Change in provision for unpaid claims	354	-	276	-	62	-	692	-
Total Decrease in Net Assets	32,167	23,485	63,092	49,440	8,319	6,711	103,578	79,636
Change in Net Assets for the Year	1,252	9,499	3,898	19,669	(879)	548	4,271	29,716
Net Assets, Beginning of Year	21,145	11,646	204,095	184,426	6,780	6,232	232,020	202,304
Net Assets, End of Year	\$ 22,397	\$ 21,145	\$ 207,993	\$ 204,095	\$ 5,901	\$ 6,780	\$ 236,291	\$ 232,020

¹ Includes administrative expenses and adjudication fees

The Summary of Financial Information above provides information on the three Health & Dental Benefit Plan's as presented in their audited financial statements at December 31, 2021. Copies of the audited financial statements are available upon request.

Group Life Insurance Plan
Health Shared Services Saskatchewan
Summary of Financial Information
As at December 31, 2021
(thousands of dollars)

	Group Life Insurance Plan	
	2021	2020
Assets		
Investments	\$ 94,471	\$ 81,644
Cash	706	923
Receivable from Canada Life Assurance Company	2,667	3,256
Other receivables	11	12
Total Assets	97,855	85,835
Liabilities		
Accounts payable	168	208
Provision for unpaid claims	1,235	1,250
Total Liabilities	1,403	1,458
Net Assets	96,452	84,377
Net Assets Available for Benefits, restricted for Rate Stabilization Fund	2,330	2,279
Net Assets Available for Benefits, restricted for Multi-Year Catastrophic Loss Reserve	2,715	-
Net Assets Available for Benefits	91,407	82,098
Benefit Obligations		
Disabled life waiver	17,772	17,284
Retired Plan Member Life Insurance Benefit	29,770	29,042
Total Benefit Obligations	47,542	46,326
Surplus	\$ 43,865	\$ 35,772
Increase in Net Assets		
Member premiums	\$ 15,951	\$ 15,859
Dividend income	1,990	1,136
Interest income	808	463
Recovery of excess premiums	965	1,777
Realized gain on investments	1,170	309
Unrealized gain on investments	5,527	3,402
Other income	109	109
Change in provision for unpaid claims	14	-
Total Increase in Net Assets	26,534	23,055
Decrease in Net Assets		
Premium expense	12,876	12,936
Life claims expense	207	165
Change in provision for unpaid claims	-	28
Administrative expense	821	751
Investment management fees	330	304
Professional fees	159	161
Consulting fees	66	55
Total Decrease in Net Assets	14,459	14,400
Change in Net Assets for the Year	12,075	8,655
Net Assets, Beginning of Year	84,377	75,722
Net Assets, End of Year	\$ 96,452	\$ 84,377

The Summary of Financial Information above provides information on the Group Life Insurance Plan as presented in the audited financial statements at December 31, 2021. Copies of the audited financial statements are available upon request.

**Out-of-Scope Flexible Spending Plan
Health Shared Services Saskatchewan
Summary of Financial Information
As at December 31, 2021
(thousands of dollars)**

	Out-of-Scope Flexible Spending Plan	
	2021	2020
Assets		
Cash	\$ 133	\$ 103
Short term investments	1,159	1,089
Contributions and other receivables	16	11
Receivable from Canada Life Assurance Company	67	67
Total Assets	1,375	1,270
Liabilities		
Accounts payable	62	19
Claims payable	94	97
Provision for unpaid claims	114	80
Forfeitures payable	-	270
Total Liabilities	270	466
Net Assets Available for Benefits	\$ 1,105	\$ 804
Increase in Net Assets		
Contributions - Employers	\$ 1,061	\$ 986
Administrative contributions	234	221
Interest income	4	9
Change in provision for unpaid claims	-	23
Total Increase in Net Assets	1,299	1,239
Decrease in Net Assets		
Health Spending Account claims expense	719	704
Administrative expense	244	207
Forfeiture expense	-	270
Change in provision for unpaid claims	34	-
Total Decrease in Net Assets	997	1,181
Change in Net Assets for the Year	302	58
Net Assets Available for Benefits, Beginning of Year	803	746
Net Assets Available for Benefits, End of Year	\$ 1,105	\$ 804

The Summary of Financial Information above provides information on the Out-of-Scope Flexible Spending Plan as presented in the audited financial statements at December 31, 2021. Copies of the audited financial statements are available upon request.



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3sHealth
700 - 2002 Victoria Avenue
Regina, SK S4P 0R7
306-347-5500
www.3sHealth.ca