

# Capitalize on Taft-Hartley research.

Leveraging the voice of Fund managers to deliver high-quality benefits.



Approximately 10 million American union members receive health and benefits coverage from multi-employer plans, commonly known as “Taft-Hartley plans.” These union members are engaged in some of the most physically demanding, high-stress jobs in America. That’s why Cigna Healthcare<sup>SM</sup> proudly partners with Taft-Hartley trustees and plan professionals to provide these important health care services.

Delivering high-quality care to union members involves close collaboration across key stakeholder groups. A recent nationwide survey of 75 full-time Taft-Hartley Fund managers reveals the complexities of their role – and how insurers can best partner together to control costs and ensure union members achieve happier, healthier lives.



**Today, most Taft-Hartley Fund managers are pleased with the benefits packages they can offer their union members.!**

Fund professionals believe their multi-employer arrangements afford them cost-competitive and flexible plan designs. However, they acknowledge areas of opportunity to better manage their health benefits and contain costs. Additionally, Fund managers highlight the need for support to help union members and their families achieve better health and well-being.



## About the research

In fall of 2015, Cigna commissioned a study to understand how building and construction trade workers perceived medical care. Following this study, the team wanted to gain additional insights into the effectiveness of health benefit plans from the people who facilitate the benefit everyday – the Fund managers. This follow-up study, which looked at how Taft-Hartley Fund administration teams perceive medical care, was conducted between July 6, 2022, and July 17, 2022.\*

## Health benefit satisfaction

**Fund managers are satisfied with plans, but there is room for improvement.**

- **Overall, managers are satisfied.** Three in five Fund managers (61%) report feeling satisfied with their plans overall, but many are still on the fence.<sup>1</sup>
- **Others only felt “so-so” about their plan.** While virtually zero managers are outright dissatisfied, a notable percentage (37%) are decidedly neutral.<sup>1</sup>
- **Medical coverage is most common in packages, but satisfaction rates are consistent across medical, pharmacy and dental plans.** However, Fund managers still feel that there are some gaps in coverage that need to be filled to achieve more comprehensive benefits for the membership. The most common was coverage for prescription medicines, followed by paid leave. Other gaps mentioned include tobacco cessation services as a standard benefit, out-of-network care and vision coverage.<sup>1</sup>



## Challenges in designing plans

**Fund managers face four key challenges.**

**1** Addressing the behavioral health of union members help ensure productivity.

**3** Managing costs to keep their health care plan affordable.

**2** Designing a health plan to engage a population that doesn't understand their benefits.

**4** Preparing their Fund to meet the needs of the future and changing worker dynamics.

\* Due to the small number of Taft-Hartley administration teams, only a limited sample could be collected. A total of 75 Taft-Hartley Fund administrative professionals, accountants, consultants and managers employed full time in a Taft-Hartley Fund who had some influence in the decision process and at least one year of tenure are included in the study. Of those 75 participants, 31 were administrators, 22 were Fund consultants or managers, and 22 were accountants. They came from a broad range of industries, including public sector (37%), education and health services (28%), professional and business services (21%), construction (4%), and other (9%). Results also included an analysis of Cigna's Taft-Hartley business (Full Year 2021) and extant research.

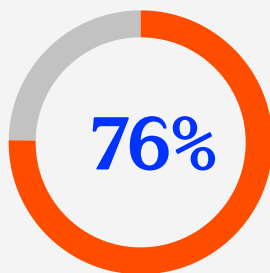
# Challenge #1:

Addressing the behavioral health of union members to help ensure productivity.

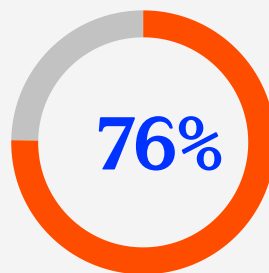


**Hard work isn't just hard on the body.** Taft-Hartley industries are not only physically demanding, but also extremely stressful.

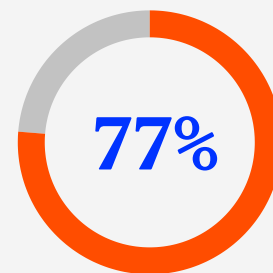
## Industries with highest burnout rates.<sup>2</sup>



Construction



Education



Manufacturing

**Vitality is directly associated with workforce engagement and productivity.** Recent Cigna Healthcare vitality research highlights the importance of promoting wellness and behavioral health. When comparing high-vitality workers with low-vitality workers, we see behavioral health differences:

### More confident on the job.<sup>1</sup>



feel confident they can do things well at work

compared with just



of those with low vitality.<sup>3</sup>

### More successful on the job.<sup>1</sup>

- **31% of high-vitality workers** have taken on additional responsibilities at work in the past year

- **38%** received a raise

- **19%** received a promotion

vs.

- **23% of low-vitality workers** took on more responsibility

- **27%** received a raise

- **9%** received a promotion

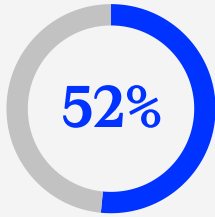
### Happier at work.<sup>1</sup>

People with high vitality are almost universally satisfied with their jobs (**97%**) and report greater chances for advancement at work (**92%**).

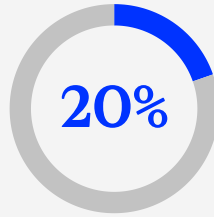
In contrast, **71%** of those with low vitality are satisfied with their jobs and **49%** are satisfied with their chances for advancement.

## Challenge #1 (continued)

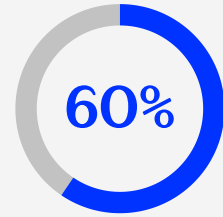
The behavioral health of Taft-Hartley members has seen some improvements. But the percentage of the union members experiencing these issues is still higher.<sup>3</sup>



of Fund managers suggest utilization of behavioral health services has increased in the past two years.<sup>3</sup>



of Taft-Hartley members in 2021 received with a behavioral health diagnosis. These union members resulted in plan spend three times higher than those without a behavioral health diagnosis.<sup>1</sup>



And these figures don't tell the entire story since nearly 6 in 10 people who suffer from behavioral conditions don't get care.<sup>4</sup>

**Similar Diagnoses.** Top behavioral diagnoses include depression, anxiety and stress – which is in line with other similar industries.<sup>1</sup>

**To help improve the behavioral health of union members, Fund managers may want to consider providing additional solutions.**

### **Fresh new approaches.**

Other organizations are considering providing enhanced employee assistance program (EAP) services (67%), adding online resources and digital tools (62%), offering manager training (35%), steering people to behavioral health resources (26%), and running anti-stigma campaigns (25%).<sup>5</sup>

### **Social determinants of health (SDOH) frameworks.**

As part of a behavioral health strategy, broader needs may also be considered. A substantial number of Taft-Hartley members live in areas with high Social Determinants Index (SDI) ratings (51%), meaning there are a good number who may be in areas where food scarcity, housing issues and other social issues are present. This should be a consideration in terms of what to address for behavioral health.<sup>1</sup>

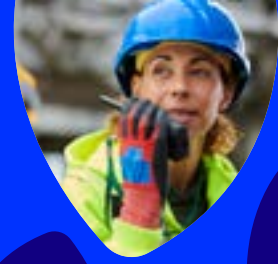


**“We know that for many union members, predominantly older males, there is a stigma around mental health. That’s why it’s so important that those responsible for providing benefits to this population offer comprehensive mental health benefits.”**

**Jason Youngblood**  
Senior Director,  
Cigna Healthcare  
Well-being Center  
of Excellence

# Challenge #2:

Designing a health plan to engage a population that doesn't understand their benefits.



## Needs

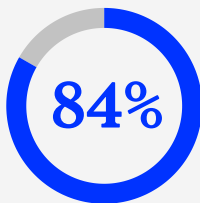
### Fund managers understand needs.

They are committed to developing plans that support the overall vitality of their union members.

### Fund managers are also time constrained and may not fully understand plan details.

When asked to describe the pain points in their health benefits journey, Fund professionals frequently cite difficulty managing their workload and understanding the various benefits and plans offered by health benefits carriers (75%).<sup>1</sup>

### Importance of prevention.



84% of Fund managers believe union member wellness programs help prevent more costly care in the future.<sup>1</sup>

### Importance of programs and incentives.



6 in 10

Fund managers believe their wellness programs have had a direct impact on union member health. Wellness programs, incentives, coaching and engagement programs are seen as key influencers.<sup>1</sup>

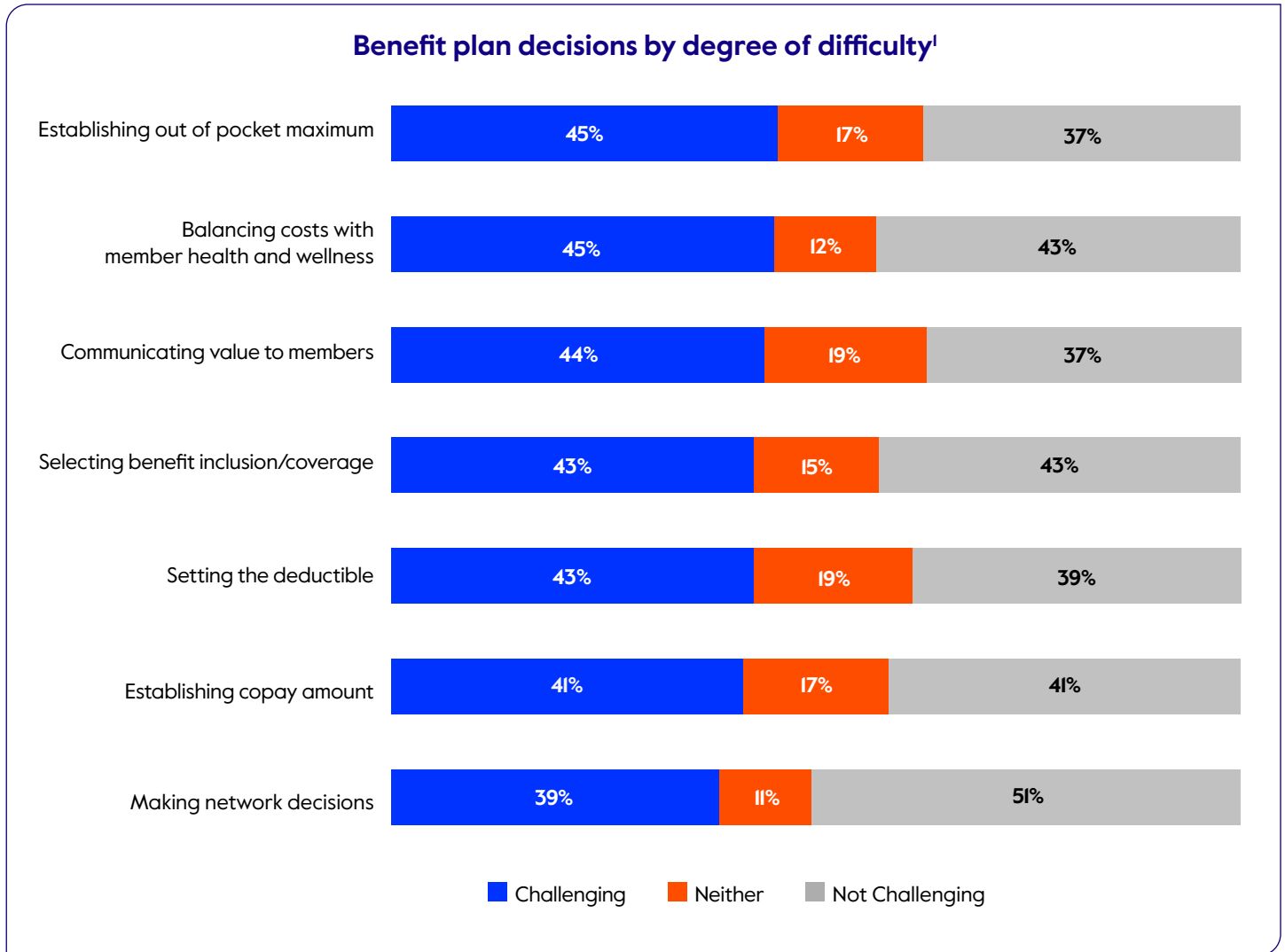
## Benefit design challenges

**We know that Funds that focus on health see better performance as a result.** Fund manager focus has shifted – 87% of Funds have a well-being strategy in place, and nearly half of Funds (47%) have an increased focus on well-being as a priority.<sup>6</sup>

- **Benefit design is challenging.**  
Due to rising costs, Fund managers are trying to deliver as much value as they can for the money.<sup>1</sup>
- **Approximately half of Fund professionals feel all areas of health benefit design are a challenge.**  
They highlight costs and trade-offs on plan benefits as the largest concern.<sup>1</sup>
- **Fund managers often exclude certain benefits from their plan.**  
The primary reason they exclude benefits is due to cost (85%), followed by availability of benefits (81%), and they aren't familiar with the benefit option (75%).<sup>1</sup>
- **Wellness incentives are not often included in plan designs.**  
This is likely due to the perception of Fund managers that wellness incentives have a much lower impact on cost (69%).<sup>1</sup>

**The most challenging tasks.**

Fund professionals find the following tasks most challenging: balancing cost with union member health and wellness (46%), establishing out-of-pocket maximums (45%), communicating value to union members (44%), setting the deductible (43%), and setting benefit inclusion/coverage (43%).<sup>1</sup>



### Engagement challenges

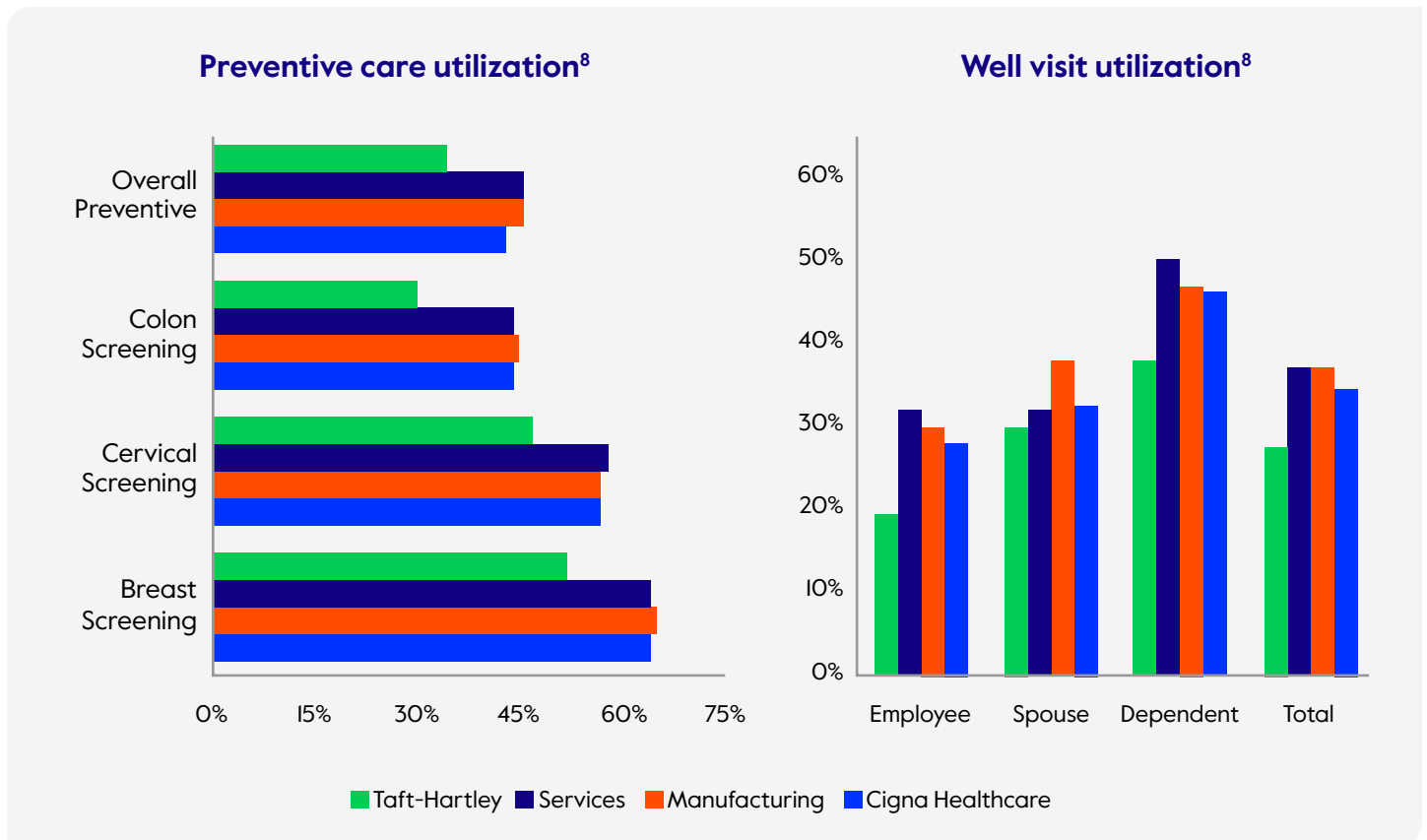
While health and well-being are seen as a key way for Fund managers to contain healthcare costs, many note difficulty getting union members to engage in managing their health.

**Key union member issues include:**

- **Lack understanding** (quote – “Lack of general interest or motivation.”)
- **Improper use,**
- **Busy personal lives** (quote – “Lack of knowledge and a busy schedule”, “Social Barriers”),
- **Overwhelming information** (quote – “Union members also don’t pay attention” to benefit information), and;
- **Motivation to manage health** (quote – Lack of union member engagement [for their] own health”).

**Lack of engagement has led to lower levels of preventive and health improvement activities among Taft-Hartley members.**

- **Lower health maintenance.** Only 20% of the Taft-Hartley segment are engaged in health maintenance and health improvement activities, below the Cigna Healthcare norm of 30%.<sup>8</sup>
- **Lower preventive care.** Overall preventive care metrics of Cigna Healthcare’s Taft-Hartley book performed below benchmarks:
  - Preventive care utilization was 34% below the Cigna Healthcare norm of 43%.<sup>8</sup>
  - Well visits were at 20% below the Cigna Healthcare norm of 30%.<sup>8</sup>
  - Preventive dental cleanings were 35% below the Cigna Healthcare norm of 53%.<sup>8</sup>
  - Cancer screenings were also below the Cigna Healthcare norm.<sup>8</sup>



## Challenge #2 (continued)

**Better communication, as well as more time and incentives may help increase member engagement.**

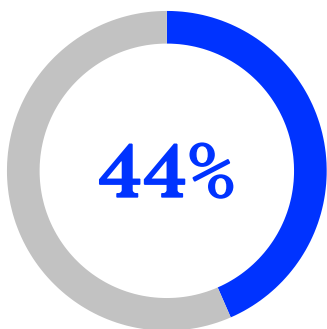
- **Already very healthy.** Workers in Taft-Hartley industries index much higher on their concern about overall health and well-being compared to other industries. According to Taft-Hartley industry insights most of the population consists of “Busy Healthy and Employed” and “Aspiring Young Singles” segments which are both very healthy.<sup>3</sup>
- **Lack of time.** Trade workers often highlight time as one of their biggest barriers.<sup>4</sup>
- **Lack of incentives.** Trade workers indicated incentives might encourage participation.<sup>4</sup>

“In order to improve engagement from union members, Fund managers should design plans that address barriers to care. Such things as access to virtual care for afterhours care, building incentives into their plan to encourage preventive and well visits, and supporting them with 24/7 guidance and customer support.”

**Dr. Vitiello, M.D.**  
FACFE, FACFM,  
Medical Senior  
Director, Cigna  
Healthcare

### Benefit communication

**Challenges exist in communicating to union members about their health benefits.**



of managers note communicating value to union members as a key challenge when making health benefit decisions.<sup>3</sup>

Union members don't understand benefits and its challenging to communicate the value to them.

### Fund managers and participants are busy.



Busy schedules and work overload prevent Fund professionals from delivering better union member experiences. One manager shared they struggled to interface with union members because they only have “limited appointment availability due to busy office hours.” Another respondent shared that they now have “added responsibilities with day-to-day duties”<sup>3</sup>

“Knowing the ACA and understanding the union members benefits plan is very challenging. To be able to update and inform everyone is tough since every individual has chosen different offerings.”

Verbatim from  
2023 Taft-Hartley  
research report!



## Challenge #2 (continued)

To help union members understand their benefits better and increase engagement, Fund managers may want to consider offering additional guidance as part of their plan.



**Personalized health advocacy:** Cigna Healthcare offers OneGuide<sup>®</sup>, personal guides who help members find more appropriate care to achieve better results.

**46%**

using high-performing providers.<sup>9</sup>

**23%**

fewer avoidable ER visits.<sup>10</sup>

**52%**

higher medical case management engagement.<sup>10</sup>

**3.5X**

more likely to engage in coaching.<sup>11</sup>



**Virtual care:** Cigna Healthcare offers primary, urgent and behavioral virtual care options. Ensuring union members have more convenient access to virtual care can lead to increased engagement and improved costs.

Studies from MDLIVE<sup>®</sup> show:

**\$121**

weighted average savings per visit compared to more costly channels.<sup>12</sup>

**11%**

fewer than expected follow-up visits for the same low-acuity urgent care episodes seen by in-office providers.<sup>13</sup>

**16%**

less duplication of care in urgent care visits vs. other virtual primary care doctors and specialist.<sup>14</sup>

# Challenge #3:

Managing costs to keep their health care plan affordable.



**Fund managers are focused on costs.** Fund managers are in a delicate balancing act of managing costs and benefits. They are concerned about rising health care costs and how to more cost-effectively keep providing the best care for union members. They have found some ways to contain costs, but need more guidance.

**Managing costs versus benefits.** In the prior section, we noted the challenge of balancing costs and benefits. 84% of Fund managers agree that cost is determinative – and cite it as the most important factor in their benefit decision-making process.<sup>2</sup>



### Costs are rising.

Professionals note health care, pharmacy and chronic condition costs as key concerns.<sup>6</sup>



### Taft-Hartley clients are sharing a substantial amount of costs with union members already.

41% of clients share 11-20% of medical/pharmacy costs and 21% share more than 20% with union members.<sup>6</sup>

There are several challenging utilization issues for Taft-Hartley.



### Higher spend overall and more catastrophic.

\$5,194 PMPY average plan spend and catastrophic spend is higher than similar industries (43% of spend vs 40% manufacturing).<sup>6</sup>



### More out of network usage.

Out-of-network utilization is higher for Taft-Hartley funds than other industry (6% vs 4% for manufacturing).<sup>6</sup>



### More chronic conditions.

39% chronic condition prevalence accounts for 73% of total spend. Musculoskeletal conditions rank at the top, above the Cigna Healthcare national average.<sup>6</sup>

## Challenge #3 (continued)

**They recognize some opportunities for controlling costs, but there is opportunity to help.** Despite industry headwinds, there are many recognized strategies for controlling costs, including many not mentioned by managers (e.g., digital).

**Managers control cost with utilization, coverage and case management.**

More than

**8 in 10**

Fund managers see many efforts such as utilization management, coverage and case management as top influencers to contain costs.<sup>6</sup>

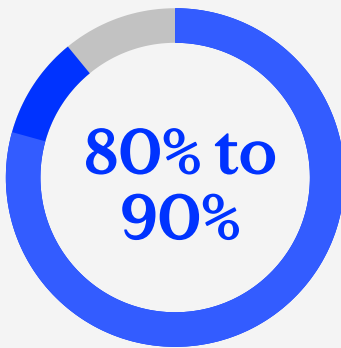
**Managers may not be considering other strategies.**

**Pharmacy** prior authorizations, site of care, high-touch case management, etc.

**Digital health care tools** to find appropriate and lower cost clinics, preventive care, expanded wellness and engagement programs, etc.

**Virtual care** is now also being seen as a method to help contain costs.

**Address Social Determinants of Health (SDOH) to improve access to care.**



of overall health outcomes are impacted by SDOH.<sup>7</sup> These are the conditions in the environment where people are born, live, learn, work, play, worship and age that affect a wide range of health functioning and quality-of-life outcomes.

**Specifically, SDOH includes:**

- Economic stability
- Education access and quality
- Health care access and quality
- Neighborhood and built environment
- Social and community context

They can be addressed by embedding health equity into the core of the benefits programs, such as comprehensive and convenient access points to care (virtual, digital, onsite clinics, pharmacy home delivery), inclusive benefits for LGBTQ+ populations, including specialized gender affirmation support and case management, and specialized training to help identify and support individuals with SDOH.

# Challenge #4:

Preparing their Fund to meet the needs of the future and a changing worker dynamic.



## Taft-Hartley populations

**Adapting to needs of changing populations will be important going forward.** While Taft-Hartley members are slightly older, that may change, as unions become more popular. Fund managers should be prepared for a younger, more diverse and digital-savvy generation who may also have a different mindset as they age.

### Potential increase in younger generations.

U.S. workers are now more open to unions.

**65%**

approve of unions.<sup>17</sup>

**48%**

don't belong to a union but say they would join one if they could.<sup>17</sup>

Favorable acceptance among young adults (18-34).

**71%**

approve of of labor unions.<sup>17</sup>

### Diverse and digital.



Younger generations are more diverse, more globally connected and more digital savvy. Unions are also continuing the trend of having more female and diverse members.<sup>18</sup>

## Digital

The next generation has grown up with phones that have the power of a PC, robots that clean the home and a web of interconnectivity. Digital tools may help engage a new generation of union members, which also may help to manage costs.

### Improved perceptions and engagement.

47% of union members “Strongly Agree” (71% “Agree”) that digital wellness improves perception of employers. 65% agreement that these programs increase engagement.<sup>19</sup>

### Most popular digital tools.

Cost estimators, search tools to help find low-cost facilities and incentive program redemption.

### Barriers are dropping for older generations.



As time moves on and digital becomes an expectation, older generations are becoming more digitally capable.



of those 55+ are a “low-use” digital segment.<sup>13</sup>

**Fund managers should focus communication efforts to increase adoption and usage of available digital tools.**

**1.**

#### Onboarding new members

Digital tools should offer easy-to-use account activation, guided onboarding and spousal engagement.

**2.**

#### Search functionality

Provider search tools should guide union members to high quality, virtual or in-person providers and offer comprehensive provider profiles and verified patient reviews.

**3.**

#### Easy access

Union members should have easy access to cost transparency tools, digital ID card and bill-pay features from their phone or desktop.

## The take-aways

The research presented here makes it clear that Fund managers are motivated to improve the health and well-being of their members. The challenges they face in reaching their goals can be overcome with the right benefit solutions.



### Time constraints

Fund managers struggle with time constraints and competing priorities but also in designing the right benefit package to fit the needs of their population.

### Mental well-being

Behavioral health is a huge concern and many Fund managers are considering fresh new approaches, such as adding EAP services, online digital tools and manager training programs, and addressing member SDOH issues.

### Benefit education and engagement

Engaging members in their health plan is difficult due to busy schedules and lack of basic health plan knowledge. Fund managers can only do so much – so it's important that plans offer 24/7 health advocacy and virtual care options that fit the busy schedule of their members.

### Managing costs

Costs are always a concern, and for unions this is primarily driven by catastrophic spend, out of network utilization and chronic conditions. Fund managers are seeking utilization management support, pharmacy solutions, digital tools and virtual care to help drive lower costs.

### Tomorrow's workforce

As Fund managers prepare for the next wave of union workers, they need to stay abreast of the latest technologies to keep their members healthy.

### What does all of this mean for union Fund managers?

Cigna Healthcare is committed to bringing better health and well-being to members and their families. And we have the ability to do so. Our Taft-Hartley team is solely dedicated to creating benefit solutions based on the challenges and opportunities specific to union labor.

**To learn more, talk to your broker or Cigna Healthcare representative or visit [Cigna.com/employers-brokers/who-we-serve/taft-hartley](https://www.cigna.com/employers-brokers/who-we-serve/taft-hartley).**



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