

Chapter 8

3sHealth—Managing Disability Claims

1.0 MAIN POINTS

Health Shared Services Saskatchewan (3sHealth) administers four disability benefit plans for certain healthcare employees (e.g., healthcare staff working in hospitals, emergency services, and long-term care facilities). 3sHealth receives approximately 3,000 applications for disability benefit claims each year.

By September 2025, 3sHealth strengthened its processes to manage disability claims by implementing the two remaining recommendations we first made in 2022.

Since February 2025, 3sHealth sent completed disability benefit claim applications to adjudicators within its expected three-day timeframe, resulting in timely claim decisions. 3sHealth also consistently met its target of adjudicators making claim decisions within eight days, 90% of the time.

Since April 2024, 3sHealth completed appeal reviews on disability claims within the required 30 days or documented reasons for significant delays.

By having effective processes to manage disability claims, 3sHealth minimizes delays in plan members receiving the appropriate support and treatment needed to improve their health and return to work.

2.0 INTRODUCTION

2.1 Disability Benefit Plans and Claims

Through its service agreement with the Employee Benefit Plans' Board of Trustees, 3sHealth is responsible for administering 10 employee benefit plans (e.g., disability benefits, extended healthcare benefits) for certain healthcare employees (i.e., over 46,000 plan members) in Saskatchewan.¹ Plan members include healthcare workers in hospitals, emergency services, and long-term care facilities across the province.

The disability plans protect plan members against loss of income due to injury or illness (e.g., mental disorders, cancer). In 2024, 3sHealth issued over \$57.5 million in disability income payments to plan members (2023: \$56.1 million).^{2,3}

3sHealth receives approximately 3,000 applications for disability benefit claims each year (see **Figure 1**).

¹ 3sHealth's Board of Directors signed a formal trust agreement with the Employee Benefit Plans' Board of Trustees in January 2015, effectively making it the governing authority for four disability plans. The four disability benefit plans are: Canadian Union of Public Employees (CUPE), Service Employees International Union–West (SEIU–West), the General Plan, and the Saskatchewan Union of Nurses (SUN).

² 3sHealth, *Annual Report 2024–25*, p. 12.

³ 3sHealth, *Annual Report 2023–24*, p. 11.

**Figure 1—Annual Applications for Disability Benefits**

	2020	2021	2022	2023	2024	2025 (to September)
Total Annual Applications	2,786	3,075	3,255	3,072	2,857	2,284

Source: Adapted from information provided by 3sHealth.

Effective methods to process incoming applications and review appeals reduce plan members' stress when waiting for decisions on their disability claims and subsequent payment of benefits.

2.2 Focus of Follow-Up Audit

This chapter describes our second follow-up audit of 3sHealth's actions on the recommendations we first made in 2022.

We concluded, for the 12-month period ended October 31, 2021, Health Shared Services Saskatchewan (3sHealth) had effective processes, other than the areas identified in our four recommendations, to manage disability claims for certain healthcare employees.⁴ By January 2024, 3sHealth implemented two recommendations.⁵

To conduct this audit engagement, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate 3sHealth's progress toward meeting our recommendations, we used the relevant criteria from the original audit. 3sHealth management agreed with the criteria in the original audit.

To carry out our follow-up audit, we interviewed staff responsible for managing disability claims, analyzed appeals data, and tested a sample of disability claim applications and appeals.

3.0 STATUS OF RECOMMENDATIONS

This section sets out each recommendation including the date on which the Standing Committee on Public Accounts agreed to the recommendation, the status of the recommendation at September 30, 2025, and 3sHealth's actions up to that date.

3.1 Incoming Claim Applications Processed Timely

We recommended Health Shared Services Saskatchewan send completed disability benefit claim applications to adjudicators on time. (2022 Report – Volume 1, p. 30, Recommendation 1; Public Accounts Committee agreement December 14, 2023)

Status—Implemented

Since February 2025, 3sHealth sent completed disability benefit claim applications to adjudicators on time, which results in timely claim decisions.

⁴ 2022 Report – Volume 1, Chapter 3, pp. 23–43.

⁵ 2024 Report – Volume 1, Chapter 8, pp. 143–148.

3sHealth expects its benefit service officers to process incoming claim applications and provide them to adjudicators within three business days. After setting up plan member profiles in the claims management IT database and contacting the member to confirm that the application is complete, benefit service officers submit applications to adjudicators for assessment of members' eligibility and coverage. 3sHealth expects adjudicators to make claim decisions within eight business days of receiving complete applications (this includes the time taken by benefit service officers to process and submit claims to adjudicators).

We tested 30 claims applications and found benefit service officers generally processed applications and adjudicators made claim decisions within expected timeframes. We found:

- Benefit service officers sent applications to the adjudicators within the 3-day timeline for 28 claims. Officers sent the remaining two applications to adjudicators only 1–2 days late.
- Adjudicators made claim decisions within the 8-day timeline for 22 claims. For six of the delayed claims, adjudicators failed to meet the deadline due to delays in receipt of additional information (e.g., insurer information, medical records) from claimants. For the remaining two claims, adjudicators made claim decisions only 1–2 days late.

3sHealth monitors its timeliness in processing applications. Its goal is to have benefit service officers process applications within three days 90% of the time and have adjudicators complete claim decisions within eight days 90% of the time.

From April 2024 to September 2025, we found 3sHealth:

- Met the 3-day goal of sending applications to adjudicators, 90% of the time, for 11 of 18 months. Since February 2025, 3sHealth met its target of sending applications to adjudicators, 90% of the time, except for July and August 2025 (85% and 79% respectively). During this same timeframe, we found overall it met the 8-day target of adjudicators making claim decisions within eight days, 90% of the time.
- Met the 8-day target of adjudicators making claim decisions, 90% of the time, in 14 out of 18 months. Since February 2025, 3sHealth has consistently met its target of adjudicators making claim decisions within eight days, 90% of the time.

Management indicated that the additional effort to implement the new Administrative Information Management System (AIMS) in late 2024, along with staff turnover, impacted 3sHealth's ability to meet its targets every month.

Quick processing of incoming applications improves the timeliness of decisions on disability claims and subsequent benefit payments to plan members.



3.2 Appeal Reviews Completed Within Expected Timelines

We recommended Health Shared Services Saskatchewan follow its established timelines to complete appeal reviews on disability claims and document reasons for significant delays. (2022 Report – Volume 1, p. 37, Recommendation 2; Public Accounts Committee agreement December 14, 2023)

Status—Implemented

Since April 2024, 3sHealth completed appeal reviews on disability claims within established timelines or had documented reasons for significant delays.

Pursuant to the collective bargaining agreements, 3sHealth requires staff to review and decide on all appeals within 30 business days of their receipt.

3sHealth tracks appeals in a spreadsheet containing calculations for timeliness of review, including noting when appeals were received, time spent waiting for additional information (e.g., documentation from a medical professional), and reasons for delays.

Our analysis found 3sHealth processes appeals timely, with 99% of appeals completed on time. Between April 2024 and September 2025, 3sHealth conducted 84 appeals. Staff completed 83 appeals within 30 business days and one appeal within 34 business days. We found staff documented reasonable rationale (i.e., difficult appeal requiring a peer review) for the one appeal that took longer to review.

In our testing of nine appeals, we found 3sHealth reviewed and made a decision on all nine appeals within the 30-day timeframe.

Effective appeal reviews result in members receiving benefit decisions timely.