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01

Mid-Year Benefits Review: A practical guide for Canadian HR leaders.

Waiting until renewal to understand your plan is a costly habit. By June, you have enough data to spot the patterns, ask the right questions, and walk into renewal with a plan, not a surprise.

INSIDE THIS PAPER

What's in here, and how to use it.

A structured framework, four dimensions, twenty questions, and a short list of red flags, to help you assess your group benefits plan before your renewal lands on your desk.

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The cost of waiting until renewal and what's already visible by June.

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Utilization, suitability, cost-effectiveness, and compliance.

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Twenty questions across utilization, coverage, cost, and compliance, plus a note on your advisor.

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Four findings that warrant a conversation now, not in October.

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I. INTRODUCTION · WHY THE MID-YEAR PLAN REVIEW MATTERS

Renewal shouldn't be the first time you look at your plan.

For most Canadian organizations, group benefits are reviewed once a year, typically at renewal. Waiting until then to understand plan utilization and industry trends is a costly habit. By mid-year, your plan has accumulated enough utilization data, employee feedback, and market intelligence to make proactive adjustments in preparation for renewal, ensuring that both employee engagement and cost-control targets are met.

This paper gives HR leaders, business owners, and people managers a structured framework to evaluate their current group benefits programs, proactively identify potential issues, and equip them with actionable interventions in preparation for the next renewal.

6 months

Of utilization data sitting on the table by June, enough to spot the patterns that matter.

4

Dimensions every plan should be assessed against: utilization, suitability, cost, and compliance.

20

Diagnostic questions in this paper to surface the gaps before your renewal lands.

IN SHORT

A renewal you can't predict is a renewal you can't negotiate. The mid-year is when the data is fresh, the levers are still available, and the conversation with your advisor is still about *strategy*, not damage control.

II. WHAT IS A MID-YEAR BENEFITS REVIEW?

A structured look across four core dimensions.

A mid-year benefits review is a structured assessment of how your plan is performing, and where the next renewal is likely to push back. It examines four core dimensions.

I. Utilization

Are people using the plan?

A measure of engagement, which elements employees are using, where spend is climbing, and which benefit lines aren't earning their keep. A clear picture of utilization informs design decisions that meet employee needs while managing the go-forward cost of the plan.

II. Suitability

Does coverage still fit?

Whether the plan still reflects the real needs of your workforce. Demographic and industry changes, layered against the specific needs of your employees, inform which elements are most valued, and how to adjust to keep people engaged and retained.

III. Cost-effectiveness

Is the plan financially durable?

How engagement will affect both current-year and future-year costs for employer and employee. Industry benchmarks and healthcare trends sharpen decisions on vendor selection, risk management, and building a financially durable benefits program.

IV. Compliance

Is everything in order?

Whether the business is prepared for legislative changes, provincial, federal or driven by service providers. Keeping plans and their financial arrangements compliant reduces future tax and liability risk for both employers and employees.

III. THE SELF-ASSESSMENT FRAMEWORK

Twenty questions, four lenses, one clearer picture.

Use the questions across the next three pages to assess the current state of your benefits plan and build actionable interventions in advance of renewal.

i.

Utilization review

Where is engagement climbing — and where is it not?

- [ ] **Are paramedical claims running above 80% of plan limits by June?**
  Massage, physiotherapy, and chiropractic at high utilization signal demand and may indicate under-coverage or higher-than-anticipated use.

- [ ] **Is your Employee Assistance Program utilization below 5%?**
  Low EAP uptake often points to awareness gaps or stigma, not an absence of need.

- [ ] **Are dental claims concentrated in a small subset of employees?**
  Concentration in claims is a sign that plan design may not be equitable across demographics.

- [ ] **Has short-term disability usage increased year-over-year?**
  Rising STD claims often signal workplace stress, mental health gaps, or unaddressed ergonomic issues.

- [ ] **Are extended-health drug costs exceeding your plan's projected budget?**
  Specialty drug trends are the single largest cost driver in Canadian group plans right now, and mid-year is when the pattern becomes visible.

- [ ] **Are there notable changes to your top DINs versus previous years?**
  A shift in top Drug Identification Numbers signals new treatment protocols or emerging high-cost drug usage — and informs coverage and cost-management decisions going forward.

HOW ADAMEK FINANCIAL HELPS We pull your claims experience by category each quarter and flag the categories trending past plan budget, so the conversation starts before the renewal letter arrives.

ii.

Coverage adequacy

Does the plan still reflect who your workforce actually is?

- [ ] **When did you last update your mental health practitioner coverage limits?**
  The standard $500 per year is widely considered inadequate in 2026; a single course of treatment with a psychologist can exhaust this limit in two or three sessions.

- [ ] **Does your plan include virtual care or telemedicine?**
  Employees increasingly expect it, and it reduces in-person claims costs over time.

- [ ] **Have you had significant workforce changes since your last renewal?**
  Growth, demographic shift, or a move to hybrid work, if so, your current plan may no longer reflect who your workforce actually is.

- [ ] **Is your life and disability coverage still appropriate for your pay structure?**
  Pay increases and promotions can quietly create coverage gaps if benefit amounts aren't reviewed alongside compensation.

- [ ] **Have you considered an employee survey?**
  First-hand feedback on how your team views their coverage and experience with the provider is the fastest way to surface what's missing.

iii.

Cost efficiency

Where is the spend going — and is it still earning its keep?

- [ ] **Are you benchmarking your plan costs against comparable Canadian employers?**
  Good benchmarking keeps designs in line with employee expectations and prevents over-spending versus the market.

- [ ] **When did you last test the market for cost and coverage competitiveness?**
  Marketing your plan to the carrier community is a best practice; it keeps your vendor honest and surfaces what others are offering.

- [ ] **Do you know your Target Loss Ratio (TLR)?**
  The ratio of claims paid to premiums paid. A higher TLR delivers longer-term, structural savings versus a provider offering a first-year discount followed by steep increases.

- [ ] **Are there benefit categories with near-zero utilization?**
  If you're still paying to maintain them, they may be candidates for reallocation of spend.

iv.

Compliance and legislative alignment

The quiet liability layer most plans skip until audit time.

- [ ] **Are your plan documents up to date with recent CRA guidelines on taxable benefits?**
  A frequently overlooked compliance gap and one of the easier ones to close before it costs you.
- [ ] **Have recent changes to provincial health premium structures affected your cost allocation?**
  Ontario and BC in particular have shifted in ways that can alter how plan design and cost-share land.
- [ ] **Are you aware of your obligations under the Accessible Canada Act?**
  The Act applies to benefit plan design in ways many employers haven't yet mapped against their current plan.
- [ ] **Is your administrative service provider maintaining required documentation for self-insured or ASO plans?**
  Missing documentation is a liability risk that surfaces most often at audit time.

V. Your advisor, what are they doing for you?

Many of the questions in this paper, and the work behind them, should be coming to you from your advisor on a semi-annual basis. Great advisors are proactive; they use available data to inform decisions, educate their clients, and make sure renewals are well-planned for member needs and durable financial performance.

If you're only hearing from your advisor at renewal, that's a signal to review your service providers. A proactive advisor relationship surfaces market intelligence, cost pressures, and product innovations before they become surprises.

SECTION IV

Red flags — when to act *before* renewal.

Some findings warrant immediate attention. If any of the following are sitting on your mid-year report, don't wait for the renewal conversation to surface them.

FLAG 01

Drug spend has grown more than 15% year-over-year.

Specialty medications are now the fastest-growing cost segment in Canadian group benefits. If you're seeing unusual growth here, it's time for a direct conversation about drug-management strategy: formulary management, mandatory generic substitution, and dispensing-fee controls are all available levers.

FLAG 02

Voluntary turnover is up and you haven't surveyed employees.

Compensation and benefits consistently rank among the top three reasons Canadians leave jobs. If attrition has been unusual in the past six months and you haven't asked employees what they think of their plan, you may be missing information that could change how you approach renewal.

FLAG 03

The plan hasn't been reviewed since before the pandemic.

Remote work, the normalization of mental health conversations, and the shifting demands of the care economy have fundamentally changed what employees need from a group plan. A plan last designed in 2019 or earlier almost certainly needs a refresh.

FLAG 04

Employees don't know what their benefits cover.

Low awareness leads to underutilization, which leads to the perception that benefits aren't delivering value. That perception is hard to correct and can undermine HR's ability to advocate for the benefits budget. Education sessions on a regular cadence help close the gap.

V. CONCLUSION · MAKE THE MID-YEAR YOUR COMPETITIVE EDGE

A plan you manage is a plan that works harder.

Canadian employers who treat benefits as a set-and-forget cost will increasingly find themselves outpaced by organizations that actively manage their plans. A mid-year audit isn't a bureaucratic exercise; it's a strategic opportunity to make sure your plan is meeting the needs of your organization.

Work with your advisor to ensure your plan is retaining top talent, controlling costs, and delivering great health outcomes for your workforce. The four dimensions and twenty-odd questions in this paper are designed to give you a starting point and a shared vocabulary to bring to that conversation.

WORTH REPEATING

A renewal you can't predict is a renewal you can't negotiate. Treat the mid-year as the moment to *steer*, not the moment to react.

ABOUT ADAMEK FINANCIAL

Adamek Financial works with HR leaders across Canada to conduct structured benefits reviews, benchmark plans against industry peers, and develop actionable renewal strategies. **We provide free benefits assessments to companies across Canada.** Reach out, and we'll happily assist with your next review.

BOOK YOUR FREE MID-YEAR REVIEW

Let's walk through your plan, and *build the case* for your next renewal together.

Ready to strengthen your benefits offering? An Adamek Financial advisor can walk through your plan, identify opportunities, and share recommendations.

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THIS PAPER

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