

## **Unum submission to the Review by Lord Stevenson and Paul Farmer CBE into mental health in the workplace**

### **Summary**

- Employee benefits promote and protect mental health at work. Group life, group critical illness and workplace savings schemes help protect working people from financial distress
- Group Income Protection (GIP) is particularly beneficial for mental health. It does not only provide financial security but also helps employers prevent and mitigate mental health problems and supports people at risk of long term sickness absence to return to work successfully
- The government recognised the difference GIP can make to health and work outcomes in its Green Paper on Work, Health and Disability stating that GIP should have “a much greater role”
- To increase the number of working people with GIP, Unum has recommended that the government:
  - Introduce a temporary tax break for small and medium sized employers that invest in GIP
  - Improve the information available for employers on how to improve the wellbeing of their staff and the value of GIP to organisations like theirs
  - Consider strengthening the obligations on employers to support staff with long term health problems to stay in or return to work, such as a right to return to work after sickness absence
- Money is an important factor in mental health at work. We recommend the government implements a clear, strategic and long term plan to improve the financial capability of working people. It could have a specific focus on mental health, the role of employers and how to help working people prepare for the risk of becoming too ill to work
- This could include trialling a Protection Statement that shows working people the risk of becoming too ill to work, the financial support they would get from the state and their employers and how they can improve their financial capability and resilience
- We support the proposals in the Green Paper to make work a health outcome and to improve sickness certification. This will help ensure more people with mental health problems get support early on to help them stay in or return to work
- This response also includes a summary of the research Unum undertook with The Mental Health Foundation and Oxford Economics on workers’ experience of disclosing mental health problems and how employers can treat mental health as a business asset. We also highlight a collection of essays by leading experts on work and health Unum published in partnership with Professor Dame Carol Black.

## **How employee benefits, especially Group Income Protection, improve mental health at work**

Employee benefits, such as group protection products and workplace savings schemes, make an important contribution to supporting people with mental health problems at work.

Group protection products are bought by employers and provided to their staff, usually at no extra cost. They include Group Life cover, Group Critical Illness cover and GIP. They provide financial security at the most difficult times, which can prevent money worries from causing or aggravating mental health problems.

Except for the highest earners, there is no medical underwriting with group products – that means insurers do not ask about employees' health, lifestyle or prior or existing medical conditions. People with, or at risk, of mental health problems do not have to disclose their condition and they are covered at no extra cost.

GIP pays a high percentage of an employee's salary when they are unable to work long term due to injury or ill health. However, it also includes services that help prevent people from falling out of work for health reasons as well as helping those who become too ill to do their job to return to work successfully when they are ready to do so.

These services help to prevent and reduce sickness absence. For example, Unum encourages employers to use its On Course training for line managers. It covers topics such as how to manage people with stress and anxiety and how to manage people going through bereavement. Together with the charity Maggie's, Unum has also developed courses to help employers support staff members with cancer, where mental health co-morbidities are common.

Unum delivers the training face to face and through webinars to over a thousand people a year. The training and resources are available free online for anyone to access, regardless of whether they are clients<sup>1</sup>. To date, the stress management module has been viewed 10,700 times and the managing bereavement module over 2,000 times.

Unum also provides Employee Assistance Programmes (EAPs), which provide confidential support for employees and managers on all kinds of problems from HR concerns to debt or caring responsibilities. Employees contact the programmes by phone, apps and online.

The most common reason people use the Employee Assistance Programmes is for help with an emotional problem. They receive support over the phone and some are offered free face to face counselling. Last year, 56 per cent of people who used the EAPs did so because of an emotional problem and 56 per cent those were offered face to face counselling.

When someone is at risk of needing to take a long absence, we work with them, their employer and the health professionals treating them to help them stay in or return to work. We have an in-house medical team including psychiatrists, GPs, nurses and occupational health experts. We also have a team of vocational rehabilitation consultants. In some cases, we also fund treatments that will help people to return to work. This service is highly effective and mental health conditions are the most common problem we help people with.

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<sup>1</sup> <http://www.unum.co.uk/workplace-wellbeing#interactive-module>

In 2015-16, seven out of ten people with a serious health problem who used our service successfully returned to work<sup>2,3</sup>. Mental health problems were the most common condition - 37 per cent of those people had a mental health problem as their primary condition.

A study by the Centre for Economic and Business Research looked at data on people who were off work for six months or more<sup>4</sup>. They found our service reduced the length of time someone with a mental health problem was off work by 18 per cent.

Based on Fit Note data, that study also found that 5.58 workers in every 1000 are off work for six months or more through ill health every year. Among employees with GIP however, we see an absence rate of around 2.5 in every 1000. That striking difference is partly due to the employees and workplaces we cover being somewhat healthier than average to begin with but it also reflects the impact of our wellness, prevention and intervention services.

While someone is too unwell to work, GIP provides financial security that supports mental health. The Money and Mental Health Policy Institute has recommended employers invest in income protection not just for back to work support but because “by reducing the financial stress of a period away from work, these policies may speed the recovery of those experiencing poor mental health”<sup>5</sup>.

GIP providers paid out £347 million to people who were unable to work in 2015, an increase of £9 million from 2014. 84 percent of claims were paid; the average claim was £23,761 per year<sup>6</sup>. One in five claims Unum paid in the year to 31 July 2016 were to people who were unable to work due to a mental health problem<sup>7</sup>. 42 per cent of new claims for mental health problems in the last year came from people earning under £30,000 a year; 19 per cent came from people earning under £20,000<sup>8</sup>.

It is worth noting that both the claims and return to work data here may understate the incidence of mental health problems as they do not include co-morbidities. For example, we often support people who stopped working to undergo cancer treatment but who feel the main barriers preventing them from returning to work and continuing their recovery are related to their mental health. We would code that as a cancer case in our statistics but mental health support is at least as important. Such cases are very common.

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<sup>2</sup> Unum (2016) [Return to work statement: 7 in 10 people return to work with Unum's rehab service](#)

<sup>3</sup> Unum (2017) [Unum helps more people back to work.](#)

<sup>4</sup> CEBR (2015) [Benefits of early intervention.](#)

<sup>5</sup> Money and Mental Health Policy Institute (2017) [Overstretched, overdrawn, underserved](#)

<sup>6</sup> Group Risk Development (2016) [UK group risk industry paid out £1.4bn worth of claims in 2015.](#) Please note the press release uses another figure which was then updated to the figure used here

<sup>7</sup> Unum (2016) [A third of all long-term absences caused by cancer](#)

<sup>8</sup> Unpublished Unum data

## Group Income Protection case studies

Below are two of the case studies that show how Unum's GIP supports employers and employees to improve mental health at work.

### Case study one - Oracle, Unum and SWIFT absence management

Oracle is a fast moving company with a large population spread throughout the UK, including many home workers.

As part of its innovative wellbeing programme, it provides GIP from Unum and together the two companies have designed an approach to absence management called SWIFT. When a line manager becomes aware that one of their team has a health problem they immediately call the SWIFT support line, where their call is answered by one of Unum's expert vocational rehabilitation consultants.

Unum's consultants have access to all of the wellbeing resources and benefits available to Oracle employees from its GIP interventions to occupational health and the Healthcare Trust. The consultant speaks to the line manager and recommends a tailor based treatment plan for the employee so they get the best, most appropriate support, care and help to get back to work as soon as possible.

The consultant follows up with the line manager to keep adjusting the treatment plan if necessary and until the wellbeing concern is resolved.

The system means:

- Oracle gets the best value from all its wellbeing resources. Experts manage its employees' health in a standardised way and can take proactive approach. Together this minimises sickness absence
- Line managers get all the support they need to support their employees in the most efficient way possible
- Lone workers, those who work alone at home or in the field, get the same quality of wellbeing support as colleagues at head office.

One year after the introduction of Swift to its mental health resilience programme, Oracle has saved just under £1 million in sickness absence, this is further to a similar saving in the year prior to the introduction of Swift.

Speaking about SWIFT, one of Oracle's line managers said:

"As a line manager, I have 25 direct reports and I can't be expected to be an expert in occupational health and all the other areas. So it is very useful to have a team of experts when you are building a return to work plan so you can leverage their experience. Every situation and every individual is unique and you're trying to do your best for the employee. It's extremely valuable to have those experts behind you as you manage your team".

### Case study two - Helen, working for a small consultancy

Helen was a senior medical writer with a small firm. Her job involved project work and carrying out research into medical conditions and treatments.

Although Helen had previously suffered from depression, she was always able to work through it but this time a longer and more severe attack badly affected her concentration and left her feeling very fatigued and unable to work.

Helen had become almost phobic about communication and socialising. Even receiving emails brought her to the point of panic. Her absence from work became prolonged and her employer was starting to worry.

Helen's employer had GIP with Unum. The employer referred her case to Unum's rehabilitation team to see how they could support her and help her return to work.

Helen really felt that it was only when she met a Unum representative that she received a thorough assessment.

Her employer had already made some significant adjustments to her role in conjunction with recommendations made by her GP. However, the rehabilitation team, Helen and her employer felt that further support would help her return to work part time, increase her hours and manage her condition as she worked towards returning to full time work.

Helen had some initial concerns about meeting her vocational rehabilitation consultant, but as soon as she started speaking to Tracey, she felt supported and reassured for the first time. Tracey arranged a meeting to discuss a manageable plan with Helen and her employer. She also suggested that some sessions of Cognitive Behavioural Therapy (CBT) would help Helen build up her resilience and develop coping strategies. Tracey made a referral, and Unum funded Helen's initial assessment and 12 extra sessions.

The CBT taught Helen relaxation techniques, advised her how to tackle her stress triggers and how she could use her negative thoughts more constructively to work towards preventing a relapse. Tracey was careful to coordinate her intervention and recommendations with Helen's treating psychiatrist - speaking to the consultant on a number of occasions to discuss Helen's progress. She also organised regular reviews with Helen and her employer to monitor the successful graduated return to work.

In addition, Tracey developed a very useful condition management plan where Helen could use some of her CBT techniques. It also included help to manage her fatigue and regular exercise.

Helen's depression made it difficult for her to relax, so Tracey also devised a relaxation plan including aspects of time management. With Tracey's support and increased confidence, Helen gradually took more control, increased her working hours and successfully returned to work. Throughout Helen's recovery, she and Tracey had regular reviews and updates. Even when Helen experienced setbacks and felt like giving up, Tracey provided encouragement and reassured Helen that she was making great progress.

## Action to increase the number of working people with Group Income Protection

Currently, fewer than ten per cent of employees in the UK have GIP but they include businesses of all sizes and people on a wide range of salaries. Unum is the market leader and it has published data on the 780,582 employees from 6,600 organisations it provided GIP to on 31 October 2016<sup>9</sup>. Over half (55 per cent) of those employees earned less than £40,000 – 17 per cent earn under £20,000, 22 per cent earn £20-£30,000 and 16 per cent earn £30-40,000. Half were under 40 years old. Just 37 per cent of those covered were female despite women being more likely to acquire a disability and more likely to use its services. A fifth (22 per cent) of those covered worked for an organisation with fewer than 250 employees.

Increasing the number of working people with GIP would benefit public health, the economy and taxpayers. The government has recognised the benefits of GIP for people with mental health problems and other long term health conditions. The Green Paper on Work, Health and Disability called for a “much greater role” for GIP. Encouraging more employers to invest in this product would contribute to the compelling vision set out in the Green Paper by helping:

- Increase the employment rate of disabled people and those with long term health problems
- Employers to retain talent and in turn giving them more confidence about recruiting people with long term health problems
- Facilitate a culture where employers are ambitious for employees with long term health problems, with inclusive workplaces that enable disclosure and support, nurture wellbeing and provide early action as needed to stay in or return to work
- Integrate health and work services
- Access to rapid financial support when needed.

In our response to the Green Paper, we recommended the government take the following steps to increase the uptake and effectiveness of GIP and support working people with long term health problems:

- Introduce a temporary tax break for small and medium sized enterprises that buy GIP. The tax break is supported by the employers’ body, EEF<sup>10</sup>, the Association of British Insurers, and by Group Risk Development, which represents insurance brokers and intermediaries
- Improve the information available to employers on how to support employees with health problems and on GIP and its value to organisations like theirs
- Consider strengthening the requirements for employers to support staff with long term health problems to stay in or return to work. For example, the Resolution Foundation<sup>11</sup> and the Taylor Review<sup>12</sup> have both suggested employees be given ‘a right to return’ period after the start of sickness absence during which employers must keep jobs open, as happens with maternity leave.

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<sup>9</sup> Unum (2017) [Unum proves Group Income Protection is shaking off ‘exclusive’ image.](#)

<sup>10</sup> EEF (2016) [EEF/Jelf survey – Industry urges radical action to tackle sickness absence](#)

<sup>11</sup> Resolution Foundation (2016) [Retention deficit: a new approach to boosting employment for people with health problems and disabilities](#)

<sup>12</sup> Department for Business, Energy & Industrial Strategy (2017) [Good work: the Taylor review of modern working practices](#)

## Work as a health outcome – the role of sickness certification

We also strongly supported the government’s proposal to “create a health system where work is seen as a health outcome and where all health professionals are sufficiently trained and confident to have work-related conversations with individuals to increase their chances of maintaining or returning to employment”. We agreed that reviewing sickness certification and Fit Notes was critical to achieving that.

We cited ample evidence that problems with Fit Notes continue to contribute to unhealthily long sickness absences and people falling out of work avoidably<sup>13,14,15,16,17,18</sup>. Sickness certification is a key milestone in people’s return to work journey. It is usually the first time the broader health and welfare system has an opportunity to offer support and it can set expectations among people about if and when they can return to work.

Wherever possible, appropriate and in the patient’s interest, health professionals should use the Fit Note process to:

- Emphasise that returning to work is a positive health outcome
- Set an expectation that patients will return to work where possible
- Help patients understand how to decide to return to work earlier than the date in their Fit Note if they feel ready to
- Advise patients and their employers what support they might need to return effectively.

We would also encourage those GPs who feel a lack of time or expertise leaves them unable to deliver their Fit note responsibilities in their patients’ best interest to make better use of the Fit for Work service.

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<sup>13</sup> Unum (2017) [What next for health at work: five years on from the Black/Frost review of sickness absence](#).

<sup>14</sup> DWP (2013) [Evaluation of the Statement of Fitness for Work \(fit note\): quantitative survey of fit notes](#)

<sup>15</sup> Money, A et al (2010) Work-related sickness absence negotiations: GPs’ qualitative perspectives, Br J Gen Pract. 2010 Oct 1; 60(579): 721–728.

<sup>16</sup> DWP (2011) [General Practitioners’ attitudes towards patients’ health and work](#)

<sup>17</sup> Cooley, C et al (2013) How do GPs complete fit note comments?, Occup Med (2013) 63 (8): 575-578

<sup>18</sup> Coole, C et al (2015) Completion of fit notes by GPs: a mixed methods study, Perspectives in public health, Volume: 135 issue: 5, page(s): 233-242

## Financial capability, money and mental health

Unum has called for government action to improve people's financial capability, which would also improve mental health. The Money and Mental Health Policy Institute has described the two way relationship between money and mental health<sup>19</sup>. Money worries can be a cause of mental health problems and people with mental health conditions are more likely to have financial difficulties.

This relationship between money and mental health is important for working people and employers. Nine out of ten employers believe money worries affect employee performance<sup>20</sup> and financial distress adds four per cent to the payroll costs of UK firms<sup>21</sup>. 27 million working age people do not have enough savings to cope with a significant income shock, such as becoming too ill to work<sup>22</sup>. Two thirds of problem debt cases are caused by those sudden income shocks<sup>23</sup> and people with debt problems are twice as likely to develop major depression<sup>24</sup>. The challenge may be growing too – 50 per cent more working people report money worries now than in 2006<sup>25</sup>.

Unum has recommended the government deliver a coordinated and long term plan to build the financial capability of working people so they can prepare for the risk of becoming too ill to work<sup>26</sup>. This plan could include specific help for people with mental health problems and plans to improve financial capability and resilience through the workplace.

Employees would welcome financial education at work. In a recent survey of 1010 employees almost half said they would find financial education and guidance as part of a benefits package relevant and useful<sup>27</sup>. Six out of ten said knowing their employer supported their financial wellbeing would make them feel reassured.

The government has taken some positive steps already with the plan to create a new financial guidance body and the appointment of a Minister for Financial Inclusion in the Department for Work and Pensions.

The Financial Guidance and Claims Bill proposes a single financial guidance body to replace the Money Advice Service, the Pensions Advisory Service and Pension Wise.

The Money Advice Service has overseen a Financial Capability Strategy for the UK, which recognised the important role the workplace can play in building financial capability and that unexpected negative life events (such as acquiring a serious health problem) are the financial challenges people most struggle to prepare for<sup>28</sup>.

<sup>19</sup> Money and Mental Health Policy Institute (2017) [Overstretched, overdrawn, underserved](#)

<sup>20</sup> Financial Advice Working Group (2017) [Financial Well-being in the Workplace: A Way Forward](#)

<sup>21</sup> Financial Advice Working Group (2017) [Financial Well-being in the Workplace: A Way Forward](#)

<sup>22</sup> Money Advice Service (2015) [Financial Capability Strategy for the UK](#)

<sup>23</sup> FCA (2015) [Occasional paper no.8: consumer vulnerability](#)

<sup>24</sup> Skapinakis P et al (2006) Socio-economic position and common mental disorders: Longitudinal study in the general population in the UK. *British Journal of Psychiatry* 2006; 189: 109-17.

<sup>25</sup> Financial Advice Working Group (2017) [Financial Well-being in the Workplace: A Way Forward](#)

<sup>26</sup> Unum (2017) [Building a healthy, productive workforce](#).

<sup>27</sup> Unum (2017) [Workplace Communications Blueprint](#)

<sup>28</sup> Money Advice Service (2015) [The Financial Capability Strategy for the UK](#)

The Bill states that the functions of the new single financial guidance body will include:

- “Money guidance... to provide, to members of the public, information and guidance designed to enhance people’s understanding and knowledge of financial matters and their ability to manage their own financial affairs”
- A “strategic function to support and co-ordinate the development of a national strategy to improve the financial capability of members of the public, the ability of members of the public to manage debt”.

We very much welcome that the body will have these critical roles, which can support the mental and financial wellbeing of working households. It is important that they are not lost among the body’s higher profile objectives for debt advice and pensions. Financial capability helps prevent problems with debt and retirement savings from arising in the first place. To deliver an improvement in financial capability however the body will also need the right resources, skills and partnerships with those who can build financial capability in the workplace.

To help working people understand the risk of becoming too ill to work, how they can prepare for that risk and to facilitate conversations with employers, Unum has also recommended the government trial a Protection Statement<sup>29</sup>. This would show employees the chance of becoming too ill to work, the income they could expect from their employer and the state over time, and signpost them to information on how to improve their financial resilience. We hope the government and the new body will take this idea forward.

With the appointment of a Minister for Financial Inclusion, the government has created an opportunity for strong, accountable leadership in this area. The Minister’s responsibilities cover financial guidance and the single financial guidance body. We look forward to hearing more about the Minister’s plans to help working people who have, or who are at risk of, mental health problems to manage their money. We would encourage the Minister to consider the role employers, the workplace and employee benefits can play.

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<sup>29</sup> Unum (2017) [Building a healthy, productive workforce](#).

## Unum's work with The Mental Health Foundation on mental health in the workplace

We would like to draw your attention to research we carried out on workers' experiences of disclosing mental health problems and how organisations can treat mental health as an asset to protect and grow<sup>30</sup>. We did this in partnership with The Mental Health Foundation and Oxford Economics, and it included:

- Qualitative research by the Mental Health Foundation comprising 25 in-depth qualitative interviews with people with mental health problems; with line managers; and with HR directors, collecting detailed accounts of personal experience
- A workplace mental health and wellbeing survey commissioned from YouGov with a sample of around 1,000 people who had self-defined as having mental health problems with a further sample of around 1,000 people with line management responsibilities
- A cost analysis by Oxford Economics.

It found that:

“An estimated £25 billion in foregone gross value added to the UK economy is missed out on because of the cost of mental health problems to individuals and to business. This includes the cost of absence and staff turnover, lost productivity, carers leaving the workforce, and people with mental health problems not being employed. An estimated £19 billion (or 76 percent) of this total foregone gross value added is estimated to affect the private sector”.

Supporting a culture of disclosure was identified as an area where employers could make a real difference. The research found that across all sample groups, it was common to take absence for a mental health problem but to give another reason. As one worker put it, “we are not in the position yet where you can phone in to work sick with a mental health issue.”

Just under half of respondents (45 percent) who had been diagnosed with a mental health problem had chosen not to disclose this to an employer in the past five years. Among responding line managers who also had lived experience of mental health problems, 43 percent had chosen not to disclose. Of those who had disclosed, 54 percent reported mainly positive consequences, 30 percent a mainly neutral response and 14 percent mainly negative consequences, such as being forced out or discriminated against.

Disclosure was clearly a carefully made decision, with many respondents choosing to tell one employer and not another. Among the barriers to disclosure identified were:

- Employees felt unsure what would happen after they disclosed and some felt it could put their job in jeopardy
- Fear of being discriminated against or harassed
- A sense of shame
- A negative experience of disclosing previously.

Overall, the research recommended employers and wider society approach mental health as a business asset. That means employers “should develop a strategy for maximising mental health and wellbeing as a business asset. The aim of this should be to enable every member of staff in the business to recognise, value, improve and protect their mental health, whether or not they have experienced a mental health problem”.

<sup>30</sup> The Mental Health Foundation & Unum (2016) [Added value: mental health as a workplace asset](#).

Participants identified three top priority principles to increase the value of a company's mental health asset:

- A workplace culture that supports mental health and enables people to seek help when they need it
- A clear commitment from senior leadership to support mental health and wellbeing in the company
- Clear mental health policies within the company that are implemented at all levels.

To address discrimination and support disclosure, it recommended taking steps to:

- Ensure that discrimination on grounds of mental health status is seen to be as unacceptable as discrimination in relation to protected characteristics such as race, gender or sexual orientation
- Build a disclosure premium by undertaking specific activities to create an organisational culture that values authenticity and openness so employees feel they will benefit from disclosure
- Ensure that staff know how to disclose and are aware that the company regards the decision to come forward as courageous and valued
- Value the diversity and transferable skills that lived experience of mental health problems brings
- Include mental health in diversity and inclusion strategies, and recognise that mental health is a relevant factor in wider diversity and inclusion programmes
- Nurture and develop peer support in the workplace, both formally and informally.

### **Unum's work with Professor Dame Carol Black on health at work**

Working with Professor Dame Carol Black, Unum recently published a collection of essays by leading health and work experts on what more could be done to help people with long term health problems to stay in work<sup>31</sup>.

A number of these essays are relevant to mental health at work and may be of interest to the review team, such as the contributions from:

- Professor Dame Carol Black, Expert Adviser on Health and Work to Public Health England and the National Health Service England. Principal of Newnham College Cambridge
- Stephen Bevan, Head of HR Research Development, Institute for Employment Studies
- Jenny Edwards CBE, Chief Executive, Mental Health Foundation
- Dr Richard Heron, Vice President Health and Chief Medical Officer, BP plc. President, Faculty of Occupational Medicine
- Professor Sayeed Khan, Chief Medical Adviser and Terry Woolmer, Head of Health and Safety Policy, EEF
- Liz Walker, Director of Human Resources and Dr Chris Schenk, Chief Medical Officer, Unum

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<sup>31</sup> Unum (2017) [What next for health at work? Five years on from the Black/Frost review of sickness absence](#)

## **About Unum**

Unum is an employee benefits provider with more than 40 years' experience in the UK.

Unum helps employers protect their workers by providing employee benefits. These help to prevent their workforce becoming ill, allow them to step in at the first sign of illness and provide financial protection if they need it. As part of this, Unum now also offers workplace dental cover.

At the end of 2015, Unum protected over 1.4 million people in the UK and paid claims of £294 million - representing in excess of £5.5 million a week in benefits to our customers - providing security and peace of mind to individuals and their families.

Its US parent company, Unum Group, is one of the leading providers of employee benefits products and services, and the largest provider of group and individual disability insurance in the United States.

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## **About this submission**

The author is John Letizia, Head of Public Affairs and CSR, responding on a corporate basis for Unum UK on 29 August 2017.