



EFFECTIVE FERTILITY BENEFITS MANAGEMENT

Understanding the True Value
of Providing a Best-In-Class
Fertility Benefit Solution



When it comes to fertility benefits, a tipping point has arrived. With the US unemployment rate at its lowest in decades and the economy nearing “full employment”¹, employers are searching for innovative ways to attract, recruit, and retain top talent. Employees and candidates recognize the worth that a rich benefits package provides; no longer do plain vanilla medical, dental and vision plans suffice. 84% of employees with high benefits satisfaction report high job satisfaction and 74% say they will remain with their employer for more than five years².

Also at this time, infertility as a health issue is receiving significant attention, and with good reason. One in eight individuals is diagnosed with infertility³, and 17% of women age 25-44 trying to get pregnant have utilized an infertility service⁴. And this need for infertility services is growing because people are starting families later in life; for the first time ever, the birth rate among 30-34 year olds now surpassed the birth rate for 25-29 year olds⁵. This trend has a direct impact on the infertility rate; as a person gets older, so does the incidence of infertility. This also is not simply a “female work force” issue. Nearly 10% of men 25-44 have also utilized an infertility service⁴, and 69% of male employees said they would also change jobs to ensure fertility coverage⁶.

1 in 8 individuals is diagnosed with infertility

Corporate America has also recognized the necessity in providing equal treatment and opportunities for women. Employers’ diversity practices are being scrutinized by the media and investors. As such, the public is hyper-focused on discriminatory and unfair practices in the work force and whether a company supports the advancement of

their female employees and cultivates a “family-friendly culture.” Providing a fertility and family-building benefit sends a strong cultural message to employees and the public that the company recognizes the importance of its female work force by supporting women as they struggle with a health issue of unique concern to them.

Thus, fertility benefits are now front and center as a way for a company to remain competitive in attracting and retaining talent. This is particularly true for organizations reliant on Millennial employees. 70% of Millennials have stated they are willing to change jobs to ensure fertility coverage if they have difficulty conceiving⁶. As a result, what was once seen as a “luxury benefit” for trailblazing technology companies will become a standard part of medical benefits across all industries.

Unfortunately, today only one in four employers with more than 500 employees provide any fertility coverage⁷. For those companies that provide a fertility benefit, the coverage is often inadequate and does not deliver optimal outcomes for either the employer or their employees. In this paper, we will explore the various issues of fertility benefits management, and how employing certain best practices can help optimize the value that employers get from their healthcare costs, improve employee productivity, retention and morale, and ultimately provide employees what they value most in life: the opportunity to grow their family.

Mind the “Dollar Cap” Gap

Despite infertility being officially recognized as a disease by both the World Health Organization and the American Medical Association, insurance coverage for infertility varies widely. Due to the historical behavior of considering fertility treatment as an “elective” procedure, many com-

% OF EMPLOYEES WILLING TO CHANGE JOBS TO ENSURE FERTILITY COVERAGE⁶



panies have taken the approach of providing a one-time, fixed financial benefit (e.g. \$15,000 lifetime maximum per employee for fertility treatment.) When that dollar benefit is applied in a typical insurance carrier’s plan, with its complex medical protocols and pre-certification requirements, the financial benefit is often exhausted before a successful pregnancy is achieved. Because of the high cost of treatment, patients experience financial pressure and risk of running out of coverage in mid-treatment. As a result, the patient may make poor clinical decisions and pursue a treatment course that results in costly and dangerous multiple births.

For example, if an organization provides \$15,000 towards fertility treatment, that dollar cap often will not fully cover the cost of a single in vitro fertilization (IVF) cycle. If the first IVF cycle is unsuccessful, which the average statistics say is likely approximately 50% of the time, then the results are unsatisfactory for both constituents: a \$15,000 expense for the company with a failed result for the employee, whose only option is another IVF cycle at their own expense. Therein lies the “gap,” the covered cost by the employer does not produce the desired outcome.

Placing a dollar limit on a fertility benefit has a significant negative effect on the patient’s clinical decision-making. Rather than determining a treatment plan based on achieving the desired outcome of a healthy singleton pregnancy, patients and their doctors will often find themselves in the role of accountants: how can they achieve the highest likelihood of pregnancy within the confines of the available dollar benefit. What often

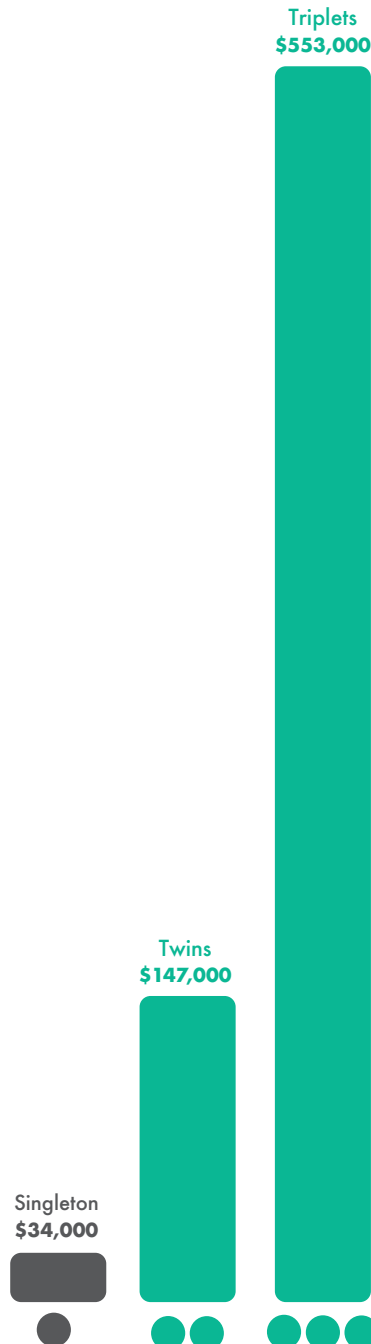
happens is directly contrary to the employer’s objective of offering fertility benefits in the first place: to help their

employees grow their family while mitigating the company’s cost of doing so. How does that happen?

Knowing the dollar cap limitation, and that they may only have a single opportunity to ensure pregnancy under the employer benefit, employees may attempt one of two strategies. First, they may opt for less expensive, less effective fertility treatments first, such as artificial insemination (IUI), which may exhaust the benefit before the employee can seek IVF (a more effective treatment plan). More commonly, and with more financial impact to the employer, patients will pursue IVF, but will ask their doctors to “hedge their bets.” In the fertility sense, this often means transferring two or more embryos to improve the chance of pregnancy. This is the primary cause of multiple births – twins and triplets – associated with fertility treatment. The multiples birth rate for women undergoing fertility treatment is approximately 19%⁹ due to this financially motivated strategy.

The medical costs of multiple births compared to a singleton child are exponential in nature: \$34,000 for a single child compared to \$147,000 for twins and over \$500,000 for triplets¹⁰, with medical expenses for multiple births exceeding \$1MM not unheard of. These costs occur because the majority of twin and triplet pregnancies result in pre-term deliveries by caesarean section and/or extended hospital stays in the neonatal intensive care unit (NICU), the most expensive department of a hospital.

HEALTHCARE EXPENSES FOR MULTIPLE AND SINGLETON PREGNANCIES⁴



This financial cost is in addition to the impact on employee productivity when the new mother is the covered employee; parents of multiples have a 4.4x greater risk of absenteeism from work¹¹, and 55.8% of all mothers of twins took 9-12 months maternity leave, with 14.6% extending their leave beyond a year¹². Ultimately, these costs will fall upon the employer to bear.

IVF FERTILITY TREATMENT FACTS⁸

Average cost of an IVF cycle:	\$17,000
Average cost of medication:	\$8,000
Average success rate:	49%
Average number of cycles for a successful pregnancy:	2.2

The Fertility Medication Issue

Medications are integral to fertility treatments. These medications are very expensive, costing approximately \$8,000 per treatment cycle. Most fertility medications are self-administered injectables that require a specialty pharmacy to fulfill the prescription.

As important of a role that medications play in an individual's treatment plan, the process by which they are fulfilled in the traditional fertility benefit model is also flawed. Multiple authorizations are often required for the employee to receive the medications essential to their treatment plan: both from the insurance carrier and the pharmacy benefit manager.

These multiple authorizations cause delays in receipt of the prescriptions critical to the individual's treatment. Delays of 10 days or more for approval and receipt of medications are not uncommon. Fertility treatments are particularly time-sensitive. Delays of even a short duration can result in missed cycles, requiring individuals to put off treatment until the next menstrual cycle once they have the medications in hand.

Additionally, the storage and administration of fertility med-

ications is complex. Some medications require refrigeration, while others do not. Injections must be performed by the individual or their partner, who likely has little to no training on how to administer these medications properly. Individuals often turn to online resources to help them through the process, but rarely have any dedicated resources available to them from the benefit provider should they have any questions about either the medications or how to administer them. These issues related to medication can further contribute to the anxiety felt by patients going through an already stressful process.

The Emotional Cost of Infertility

Infertility is a condition that takes an unusual physical and emotional toll on those affected. A woman beginning fertility treatment has already experienced the strain of failing to conceive naturally for one to two years. That strain is compounded when treatment begins as an IVF treatment requires weeks of self-administered hormone injections, multiple required physician visits, and blood monitoring. The emotional roller coaster continues with the uncertainty of the success of egg retrieval, embryo fertilization and embryo transfer.

*55% of individuals suffering from infertility believe it is **more stressful than unemployment***

*61% believe it is **more stressful than divorce***

As you can imagine, this results in a highly stressed employee – either the woman, her partner, or both – which may also have a negative impact on productivity for the employer. 55% of individuals suffering from infertility believe it is more stressful than unemployment, and 61% believe it is more stressful than divorce⁹.

While some companies try to address the financial aspect of fertility treatment, few if any are prepared to address

the emotional strain on employees utilizing the coverage. These workers are then left on their own to find a support system. As much as the fertility providers themselves can provide some level of support, their time is often limited to delivering treatment. Traditional medical carriers rarely, if ever, have the dedicated resources to provide specific fertility education and knowledge to support individuals who are utilizing their coverage for treatment and have questions, require information or simply are looking for emotional support during what may be one of the most difficult experiences in their lives.

Companies should ensure their employees have access to fertility experts that provide education, guidance and emotional support as part of their benefit program

The Precertification Hurdle

Another issue with how fertility benefits are traditionally managed is the requirement for precertification and/or a formal diagnosis of infertility approved by the carrier managing the benefit before fertility treatments can begin.

Requiring a formal diagnosis of infertility prevents the use of fertility treatments by LGBTQ+ employees and single mothers by choice. As a result, the benefit could be perceived as discriminatory against these employee populations also looking to start families.

In summary, there are many issues with how fertility benefits are traditionally offered by employers, from insufficient coverage, to precertification requirements and multiple authorizations for treatment and medications, to a lack of resources for the significant emotional impact of infertility.

Best Practices in a Fertility Benefits Program

What are the components of a best-in-class fertility benefit that maximizes clinical outcomes and delivers the most value to employers and their employees? Several key best practices follow:

Avoid “Dollar Cap” Maximum Constructs

Rather than using a dollar lifetime maximum model for fertility benefits, which run the risk of being exhausted mid-treatment and encourage treatment decisions that result in greater incidences of multiple births and higher healthcare costs, a better methodology is to create a fully-bundled fertility benefit, where treatments are covered from start to finish. Additionally, technologies that improve the chances of having a healthy singleton pregnancy should be included in the benefit, such as preimplantation genetic screening (PGS), assisted hatching, and intracytoplasmic sperm injection (ICSI.) A fully bundled benefit design results in a better experience for the member, and better clinical outcomes for the employer.

Integrate Medications into the Fertility Benefit Program

As discussed, the process by which the medications necessary for fertility treatment are currently provided to members is flawed, resulting in delays in treatment, over-prescription of medications, higher costs for the employer, and a sub-optimal experience for the employee. The ideal process eliminates the multiple authorizations and integrates the medication approval with the treatment authorization.

Provide Dedicated Fertility Advocates and Education to Employees

Infertility is a complex and sensitive issue, and can have a significant psychological toll on an individual. Companies that look to provide fertility support should ensure that their employees have access to fertility experts who can provide education, guidance and emotional support as part of their benefit program. Dedicated advocates can provide a customized, concierge-level of support to each individual employee based on their unique situation, and answer any questions that arise related to fertility treatment, medications, or other family-building options. In addition, companies should provide ongoing educational resources to their workforce to ensure they understand the benefit,

and the various treatments that are available to them as a covered employee.

Create a Benefit Accessible to All Employees

Providing a fertility benefit is a significant offering to employees that shows their employer is concerned about their family-building needs. As part of that benefit, employers should ensure that all employees have equal access to the benefit, and that no populations within their workforce are excluded. Eliminating precertification and a formal diagnosis of infertility requirements ensures that individuals without a partner and LGBTQ+ members of the workforce can access the benefit equally.

The Progyny Benefits Solution

Recognizing the shortcomings that accompany the traditional fertility benefits model, Progyny created its solution to address all of the aforementioned issues:

- A bundled benefit design that covers fertility treatments from start to finish and includes all of the latest fertility technologies
- An integrated fertility medication program
- Unlimited, personalized member support from Patient Care Advocate fertility experts
- Accessible benefit with no precertification/infertility diagnosis requirements

In addition to the differentiators above, Progyny's network

of high-quality fertility providers is the largest in the country, and includes many leading clinics that do not accept any other form of coverage. This is due to Progyny's bundled benefit design that enables the physician to create a custom treatment plan for the member, inclusive of the latest fertility technologies, without needing to compromise on best clinical practices due to a fixed-dollar maximum.

As a result, the clinical outcomes seen by our members who undergo fertility treatment are significantly better when compared to the national averages for pregnancy rate, miscarriage rate, and incidence of multiple births.

About Progyny

Progyny is a leading fertility benefits management company that combines clinical and emotional guidance, science, technology and data to provide comprehensive value-based fertility solutions for self-insured employers. Progyny's benefit plans are designed to improve outcomes, shorten time to pregnancy and reduce total fertility-related costs.

To learn more about how we improve the fertility outcomes and reduce healthcare costs for our clients, and help build families for our members, contact us at education@progyny.com.



progyny.com

¹ CNN: <http://money.cnn.com/2017/06/02/news/economy/jobs-full-employment/index.html>

² Guardian Workplace Benefits Study 4th Annual: 4th Annual Workplace Benefits Study

³ CDC: <https://www.cdc.gov/reproductivehealth/infertility/index.htm>

⁴ CDC: <https://www.cdc.gov/nchs/data/nhsr/nhsr073.pdf>

⁵ CDC: <https://www.cdc.gov/nchs/data/vsrr/report002.pdf>

⁶ RMANJ: http://www.rmanj.com/wp-content/uploads/2015/04/RMANJ_Infertility-In-America-SurveyReport_04152015.pdf

⁷ IFEBP: <https://www.ifebp.org/aboutus/pressroom/releases/Pages/Survey-Report-Family-Friendly-Benefits-Gain-Popularity-in-the-Workplace.aspx>

⁸ CDC: <https://www.cdc.gov/art/artdata/index.html>, and internal Progyny data

⁹ CDC: <https://www.cdc.gov/art/artdata/index.html>

¹⁰ Lemos, E. V., Zhang, D., Voorhis, B. J., & Hu, X. H. (2013). Healthcare expenses associated with multiple vs singleton pregnancies in the United States. *American Journal of Obstetrics and Gynecology*, adjusted for medical inflation

¹¹ EMD Serono: <https://resolve.org/wp-content/uploads/2017/09/employers-and-evidence-based-infertility-benefits.pdf>

¹² Mcaslan Fraser, E. (2013, March). Multiple Births Parents' Experience of Maternity and Paternity Leave, Costs of births