



A sound night's sleep is a sound business investment

Understanding the five hidden business costs of poor sleep

A productive day begins with a good night's sleep,
but for half of the population that simple
idea remains a dream.

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The five hidden business costs of poor sleep

There are 5 significant sleep-related business costs that are hurting your organization.

Let's review each of them under the assumption that your employees earn an average salary of \$80,000ⁱ per year.

1. Increased productivity losses

Employees with poor sleep will miss work up to 3 times more often than good sleepers and have their productivity negatively impacted up to 46 days per year.¹



Poor sleepers

(Sub-clinical insomnia symptoms)



Sleepers with clinical insomnia

(Moderate to severe insomnia)

The cost of lost productivity and absenteeism

	Poor sleepers (Sub-clinical insomnia symptoms)	Sleepers with clinical insomnia (Moderate to severe insomnia)
Percentage of Workforce ²	32%	19%
Annual days absent, vs. a good sleeper ¹	4.2	7.0
Annual days impaired, vs. a good sleeper ¹	6.3	38.8
Total annual sleep-related productivity losses per affected employee	\$3,341ⁱⁱ	\$14,106ⁱⁱⁱ

Over half of us (51%) suffer from poor sleep to some degree,³ including the 19%² of the general population that experience chronic insomnia. In professions with non-daytime schedules or rotating shifts, the chronic insomnia rate can be twice as high. No matter your organization, sleep-related issues are creating a real but often invisible productivity burden.

2. More frequent and higher disability leave costs

Poor sleepers are 4.6 times more likely to go on disability leave than good sleepers.⁴ With that in mind, it's no wonder that 33% of all claimants experience chronic insomnia at the time they go on disability.⁴

The cost of disability leave and absenteeism

Cost driver	Employer cost per affected employee
Salary replacement	\$20,884
Disability admin	\$5,221
Total	\$26,104

Poor sleep has been shown by repeated studies to be strongly associated with mental health issues, including anxiety and depression.⁴

It's also an important factor when addressing, treating, and mitigating burnout, chronic pain, substance abuse disorders, and symptoms of PTSD. Poor sleep has also been shown to lead to cardiovascular issues and other often chronic physical symptoms.

If not directly addressed, sleep issues can become a major problem for any individual. They can also be hard to overcome without meaningful and practical support. With good support, however, treating your employees' poor sleep can often be more straightforward than treating most other mental health concerns.

3. Increased absence-replacement costs

High rates of sleep-related absenteeism and disability leave also drive higher replacement costs for roles that require replacement workers when an employee doesn't show up.

The cost of replacement

Cost driver	Employer cost per affected employee
Non-disability replacement	\$832
Disability replacement	\$10,442
Total	\$11,274

4. More frequent and costly workplace accidents and errors

Poor sleep is responsible for nearly 25% of the total cost of all workplace accidents and errors.⁶ Being awake for 17 hours is similar to having a blood alcohol concentration (BAC) of 0.05%, while being awake for 24 hours is similar to having a BAC of 0.10% (above the legal limit of 0.08%).⁷

The cost of workplace accidents and errors⁶

Cost driver	Employer cost per affected employee
Accidents and errors greater than \$500	\$42,001^{iv}

Poor sleep drives a range of symptoms that have an insidious effect on safety, including difficulty concentrating and focusing as well as poor decision-making.

5. Prescription medication costs

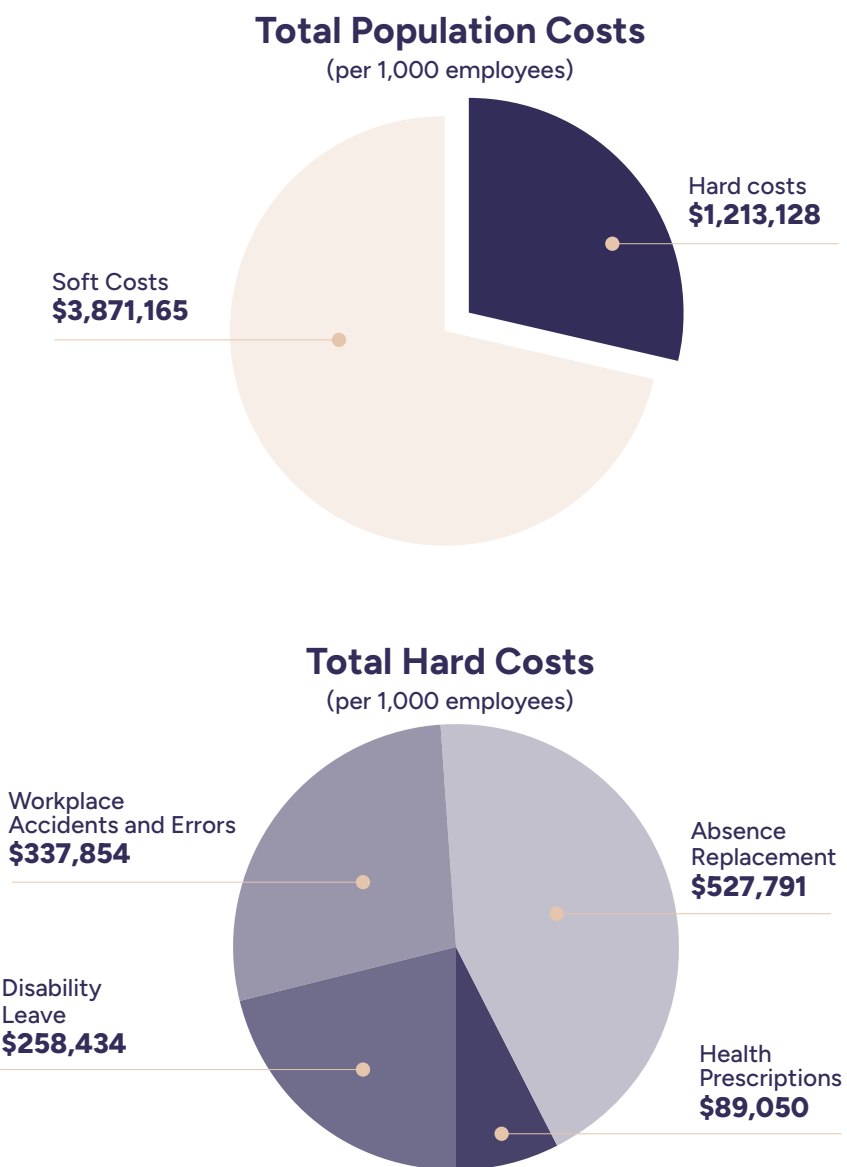
On average, roughly 10% of workers depend on prescription medication to sleep.⁸ In professions with non-daytime schedules or rotating shifts the prescription medication rate for sleep can be significantly higher.⁹

The cost of health plan prescriptions

Cost driver	Employer cost per affected employee
Medication	\$826
Dispensing	\$65
Total	\$891

Putting it all together: the cost burden of lost sleep across the employee population

If we evaluate these 5 cost drivers in the context of a medium or large organization, the true cost burden of poor sleep becomes clear, and it is hugely expensive – over \$5 million per year for every 1,000 employees!





The HALEO Solution

HALEO is a therapist-led, clinically proven behavioural sleep health solution, designed to be deployed in organizations.

It helps employees who need to sleep better, whether they're plagued by insomnia, experiencing nightmares, working non-standard hours, or even adapting to the challenges of being a new parent.

HALEO is a one-on-one professional solution delivered by licensed therapists as a virtual program, with no wait times and no travel times.

Best-in-class clinical outcomes

over 85%

of HALEO patients complete their treatment.

94%

of HALEO patients no longer show clinically significant symptoms post-treatment, typically within 5 weeks.

- **Over 85%* of HALEO patients complete their treatment**, compared to less than 50% with internet-based cognitive behavioural therapy (iCBT) and other self-guided solutions in real-world settings,¹⁰ and around 70%¹¹ with traditional therapist-led interventions in the community.
- Patients give HALEO a **90%* satisfaction score**.
- **94%* of HALEO patients no longer show clinically significant symptoms post-treatment, typically within 5 weeks.**
- Our proprietary and exclusive Cognitive Behavioural Therapy for Insomnia (CBT-I) approach is proven and clinically validated. Thanks to its brief, engaging session format, the duration and burden of treatment are significantly reduced compared to a traditional, group therapy-based clinical setting.

* Percentage of individuals with moderate to severe symptoms during evaluation who no longer have clinically significant symptoms after treatment; clinical results for Q4 2020.

HALEO is designed to save employers money by keeping their people at work, with fewer injuries, fewer errors, and more focus.

Our solution helps retain employees, while significantly reducing dependency on prescription sleep medication and risks related to short- and long-term disability leave.

Good sleep, with less reliance on medication, leads to better productivity, and higher job satisfaction.

An investment in HALEO leads to a 10x return

25%

25% of their workforce is engaged.

10x

ROI gain with HALEO.

When we implement HALEO within an organization, we work with our customers to ensure a high rate of employee engagement.

Through clear communication and education for employees on the benefits and importance of good sleep, many HALEO customers are able to engage more than 25%.

High engagement drives high clinical utilization. We start by asking employees to complete a short, clinically validated questionnaire, which generates a report on their sleep quality.

Many HALEO customers' achieve a return on investment of over 10 times the cost of the solution.

Improved sleep leads to improved mental health

With existing corporate wellness and mental health initiatives, ongoing stigma and preconceptions can mean employees are wary of making use of the resources available to them.

The uptake of clinical mental-health solutions offered by employers is often well below 1%. Fortunately, employees are much less reluctant when it comes to enrolling in sleep programs, as it can be easier and less stigmatizing to talk about sleep habits than depression or other mental health concerns.

Furthermore, a large body of research demonstrates that improving sleep significantly improves symptoms of depression, anxiety, and other mental issues.

In real-world use, many HALEO customers achieve engagement rates of 25% or higher.

By treating sleep, we can put employees on the path to improving their overall health and well-being, significantly reducing stress, as well as symptoms of depression and anxiety.

75%

of individuals with co-morbid depression or anxiety achieve significant clinical improvement in their symptoms.

75% of individuals who enter our clinic with symptoms of insomnia, and who also show moderate to severe depression and/or anxiety, show significant clinical improvement of these symptoms by the end of treatment.



Who trusts HALEO?

HALEO is there when lives are on the line. It is trusted by workforces in industries including health care, law enforcement, public safety, manufacturing, and transportation, where disruptive sleep patterns can have a devastating impact on the organization and communities. It's also trusted by major insurers and benefits platforms, including Greenshield Canada.

The privacy and safety of our clients and their workforces is our highest priority. HALEO's commitment to data security is demonstrated through our SOC2 and ISO27001 certifications.





The HALEO employee experience

- **Easy to access, one-on-one virtual sessions with a licensed therapist trained in sleep** and supervised by HALEO.
- **Assured privacy** – employers are not given access to personal information or individual results.
- **Clinical interventions that provide effective solutions for everyone** regardless of:
 - > *the severity of their insomnia symptoms.*
 - > *comorbidities such as anxiety disorders, depression and chronic pain.*
 - > *specific needs such as nightmares and shift work.*
- **Sessions last 30 minutes each and run over the course of five weeks.**
- **1:1 messaging available** with a therapist during the course of the program.
- **Access to a mobile app that supports therapy** by providing personalized content and digital tools, such as a sleep diary, sleep analytics and relaxation exercises. Available for as long as the employee wishes.

The science behind HALEO

HALEO uses several clinically validated questionnaires, including the Insomnia Severity Index (ISI), to assist with determining the optimal course of treatment for each employee.

The approach is personalized to the specific needs of the industry and the employer, as well as to each employee's particular sleep concerns.

Our programs – including Cognitive Behavioural Therapy for Insomnia (CBT-I), Image Rehearsal Therapy (IRT), and other sleep optimization protocols – are designed and supervised by sleep experts with years of clinical experience. Our team includes psychologists, psychotherapists, and social workers.

Every HALEO therapist is licensed and insured to practice in the province/state of residence of each individual they treat. Their conduct and ethical codes are regulated by professional associations.

Notes

ⁱ All calculations presented here are based on an annual salary of \$80,000.

ⁱⁱ Based on a salary of \$80,000 a year (\$308 per workday), 10.5 hrs of lost productivity (6.3 days of presenteeism + 4.2 days of absenteeism) translates into losses of \$3,344 (10.5 days x \$308) due to poor sleep.

ⁱⁱⁱ Based on a salary of \$80,000 a year (\$308 per workday), 45.8 days of lost productivity (38.8 days of presenteeism + 7 days of absenteeism) translates into \$14,106 (45.8 days x \$308) of productivity losses due to chronic insomnia.

^{iv} The average costs of insomnia-related accidents and errors estimated by Victoria Shahly (Shahly et coll., 20 128) – converted from USD to CAD at a 1.309 exchange rate.

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