

# INFORMATION REPORT

<b>TO:</b> Chair and Members of Audit, Finance and Administration Committee	<b>WARD(S) AFFECTED:</b> CITY WIDE
<b>COMMITTEE DATE:</b> September 21, 2011	
<b>SUBJECT/REPORT NO:</b> Return to Work Performance Measures Q2 2011 (HUR11011) – City Wide	
<b>SUBMITTED BY:</b> Chris Murray, City Manager	<b>PREPARED BY:</b> Helen Hale Tomasik Ext. 4155 David Lindeman Ext. 5657
<b>SIGNATURE:</b>	

## Council Direction:

At the May 10, 2010 Committee of the Whole (now General Issues Committee) meeting, Human Resources staff was directed to report on the Return to Work Services Performance Measures to Audit, Finance and Administration Committee on a quarterly basis.

Staff will also provide an annual summary with the quarterly report in Q1 of each year, as was done with the Q1 2011 report. The annual summary provides a better reflection of trends as the seasonal fluctuation in STD is normalized and the WSIB quarterly costs do not correlate with the absences in any given quarter.

## Executive Summary:

This report covers short term disability (STD), long term disability (LTD) and workplace injuries and illnesses (WSIB) data for the last five quarters up to and including Q2 in 2011.

Trends from comparison of data from Q2 2010 and Q2 2011 are as follows:

### Short-term Disability (STD)

- average sick days per eligible employee have gone from 2.35 to 2.50
- total days lost is up from 13,112 to 13,862 days
- total cost of sick absences has gone from \$2,819,266 to \$2,959,982

### Workplace Safety and Insurance Board (WSIB) claims

- average days lost per new claim is down from 9.4 to 8.8 days
- days lost for new claims are down from 651 to 566 days
- days lost for all claims are down from 2764 to 2355 days
- costs for new claims are up from \$62,225 to \$82,643
- costs for all claims have gone down from \$978,079 to \$957,211

#### Long-term Disability (LTD)

- number of new approved claims rose from 9 to 11
- number of active claims went from 77 to 94
- days lost are up from 2,644 to 3,350
- benefit payments are up from \$417,766 to \$654,754

Days lost for STD claims have increased for some departments but declined for others. We continue to note an increase in the number of mental health related and cardio vascular disease LTD claims that are causing employees to miss time from work. Human Resources continues to focus on providing support to both employees and their managers through training, information sessions and access to key resources through our Employee and Family Assistance Program.

To assist employees in achieving and maintaining good overall health, we will hold another physical activity challenge this fall, increase access to seasonal influenza vaccination and provide employees with health risk assessments starting late in the year.

In response to request from General Issues Committee, this report introduces new measures on work accommodation pulled from Return to Work (RTW) Services disability management software program implemented in late 2010. The data covers Q1 and Q2 of 2011 and will be included in future quarterly reports. Employees requiring work accommodation for both occupational and non-occupational injuries and illnesses enter the City's work accommodation program. Staff returned 193 employees to full regular work and another 267 employees entered a work accommodation program during Q1 and Q2 2011.

#### **Background:**

#### **Disability Management Performance Measures of Employee Productivity**

The City's objective is to help employees stay healthy and remain at work and to return injured and ill employees back to work as quickly and safely as possible. Human Resources staff has established the performance measures in Table 1 to help determine how successful we as a City are at meeting this objective as well as to track absences and associated costs. These measurements relate to short-term sick absences (STD), long-term sick absences (LTD) and absences related to occupational injury and illness (WSIB). These metrics measure the lost productivity created by an employee's absence. In general, any employee absence will result in lost productivity in the workplace as work goes uncompleted.

Improvement in these performance measures is the responsibility of RTW Services, management in all departments, our employees and our unions.

**Table 1 Performance Measurements for Disability Management**

Measurement	Rationale
<b>Short-term Disability (STD)</b>	
Days lost to sick absences	RTW activities will return injured and ill employees back to work sooner reducing the number of claims that reach 6 days and go longer
Average sick days per eligible employee (those who have access to Income Protection Plans i.e. paid sick leave)	
Total cost of sick benefits paid to absent employees	
<b>Workplace Safety and Insurance Board (WSIB)</b>	
WSIB Days Lost for All Claims	RTW staff activities will return injured and ill employees back to work sooner
WSIB Days Lost for New Claims	
Average WSIB Days Lost per New Claim	
WSIB Costs for New Claims	Fewer lost days will result in lower WSIB costs
WSIB Costs Paid for All Claims	
<b>Long-term Disability (LTD)</b>	
# of new approved LTD Claims	RTW activities prevent short-term disabilities from becoming long-term disabilities
# of active claims	
Days lost for LTD claims	RTW activities prevent short-term disabilities from becoming long-term disabilities and facilitate RTW for active claims
Total cost of LTD	
<b>Work Accommodation (introduced with this quarterly report)</b>	
Employees permanently accommodated on their own job	RTW activities endeavour to return injured and ill employees back to their own jobs
Employees permanently accommodated on a new job	
Employees returned to full duties	
Employees who were on accommodated work but the work is no longer available or proved to be unsuitable	
Employees who had a recurrence of their injury or illness while on work accommodation	
Employees whose work accommodation ended for other reasons unrelated to RTW processes	
Total number of accommodation cases closed by the Return to Work section	
Employees starting work accommodation program (new cases)	
Employees in active work accommodation programs (all cases)	
Employees awaiting permanent accommodation	
Employees awaiting temporary accommodation	

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**Quarterly Disability Management Performance Metrics**  
**April 1, 2010 to June 30, 2011**

The following performance measurements cover the last five quarters up to and including Q2 in 2011.

**Short-term Disability (STD) Performance Measurements**

Most eligible employees covered by income protection plans are entitled to up to 26 weeks of short-term disability (some still have sick banks). For absences of six working days or longer, employees are required to submit a claim form, completed by their healthcare practitioner, to Return-to-Work Services. Shorter absences do not require a sick absence form to receive benefits. Return-to-Work Services staff take a more active role in managing the claims lasting six days or greater. The shorter claims are managed by individual departments, with the support of RTW Services staff, as required.

**Quarterly Review of STD Measurements**

Table 2 presents a quarterly review of Sick Day absenteeism from Q2 2010 to Q2 2011.

**Table 2 Sick Days for Eligible Employees Q2 2010 – Q2 2011**

Quarter	Total Sick Days	Avg Sick Days per Eligible Employee	Total Cost
2010 Q2	13,112	2.35	\$2,819,266
2010 Q3	12,978	2.30	\$2,766,287
2010 Q4	14,298	2.57	\$2,773,160
2011 Q1	14,809	2.61	\$3,079,012
2011 Q2	13,862	2.50	\$2,959,982

Both the total number of sick days lost and total costs related to benefits paid to employees for those days increased at close to the same rate. The increase in the total cost of benefits also includes any salary and wage increases from 2010 to 2011. Half of the departments had increases in days lost; the other half had decreases.

**Workplace Safety and Insurance Board (WSIB) Measurements**

All employees are eligible to receive WSIB benefits for the injuries and illnesses they develop as a result of work activities. The costs associated with these claims include lost time and healthcare. The City of Hamilton is responsible for paying the WSIB directly for all costs related to our WSIB claims. The WSIB also applies an administration fee of 21.76% on top of all of our lost time and healthcare costs.

**Quarterly Review of WSIB Measurements**

Table 3 presents a quarterly review of WSIB absences from Q2 2010 to Q2 2011.

**Table 3 WSIB Days and Costs Q2 2010 – Q2 2011**

Quarter	Days Lost for New Claims in Quarter	Days lost for all Claims in Quarter	Avg. Days Lost per New Claim	Total Cost of New Claims in Quarter	Total Cost of all Claims in Quarter
2010 Q2	651	2764	9.4	\$62,225	\$978,079
2010 Q3	852	2935	9.2	\$100,308	\$927,736
2010 Q4	390	2704	7.96	\$58,440	\$855,419
2011 Q1	536	2056	8.00	\$92,389	\$1,261,497
2011 Q2	566	2355	8.8	\$82,643	\$957,211

There has been a reduction in both the total days lost for all WSIB claims and the average days lost for new claims compared to Q2 2010. These reductions reflect the efforts of department management with support of Human Resources to prevent workplace injury and illness and to facilitate early and safe return to work for injured employees.

While the total costs of all claims in Q2 decreased in 2011 as compared to the same time period in 2010, the costs associated with new claims increased. The increased costs for new claims is likely due to increased fees for medical costs, differences in employee insurable earnings and/or the timing of billing from WSIB.

**Long-term Disability (LTD) Measurements**

Most eligible employees covered by income protection plans are entitled to long-term disability benefits for total-disability absences that extend beyond the 26 weeks of short-term disability. To receive benefits, employees must be totally disabled from their own occupation during the first two years of the LTD period and must be totally disabled from any occupation to continue to receive benefits after two years.

**Quarterly Review of LTD Measurements**

Table 4 presents a quarterly review of LTD absenteeism from Q2 2010 to Q2 2011.

**Table 4 LTD Activity Q2 2010 to Q2 2011**

Quarter	New Approved Claims	Active Claims	Day Lost, current employees	Total cost of LTD
2010 Q2	9	77	2,644	\$417,766
2010 Q3	14	81	2,473	\$395,922
2010 Q4	11	78	2,681	\$466,306
2011 Q1	17	91	3,044	\$497,333
2011 Q2	11	94	3,350	\$654,754

RTW Services staff continues to identify opportunities for employees on LTD to re-enter the workforce through modified duties and graduated return to work. Efforts are made to identify suitable and sustainable work for those employees who are unlikely to qualify for benefits beyond the 2-year mark.

This report identifies only new claims and active claims that have been approved by the City's LTD provider. It does not include pending or denied claims. Active claims include ongoing approved claims, new approved claims and re-instatements.

Over the past year (July 2010 – June 2011) as compared to the same prior year (July 2009 – June 2010), there has been a significant increase in lost time related to cardio vascular disease (259%) and mental health disorders (158%). During this period there has been a reduction in lost time related to musculoskeletal disorders (66%) and cancers (13%). This information is helping to form our healthy workplace strategy. The significant increase in cardio vascular disease and mental health disorders is a common challenge for most workplaces as the workforce ages, lifestyles become more sedentary and individuals face increasing stress in all aspects of their lives.

**Work Accommodation**

In response to questions from General Issues Committee during the presentation of the Q1 2011 RTW Services measures, this report introduces new measures on work accommodation. This data was pulled from the RTW Services disability management software program implemented fully in late 2010.

Work accommodation activity is measured by:

- employees permanently accommodated on their own job
- employees permanently accommodated on a new job
- employees returned to full duties
- employees who were on accommodated work but the work is no longer available or proved to be unsuitable
- employees who had a recurrence of their injury or illness while on work accommodation
- employees whose work accommodation ended for other reasons unrelated to RTW processes, e.g. maternity leave, retirement
- total number of accommodation cases closed by Return to Work Services
- employees starting work accommodation program (new cases)
- employees in active work accommodation programs (all cases)
- employees in permanent accommodation
- employees in temporary accommodation

### **Quarterly Review of Work Accommodation Measurements**

Employees who have been absent as a result of a non-occupational injury or illness, or a WSIB injury or illness, all participate in the work accommodation program. Staff in RTW Services facilitate work accommodation by working with the employee, management, union and medical professionals to design appropriate return to work plans based on the employee's physical and cognitive restrictions and limitations. The employee's needs are matched with job demands with the focus on returning the employee to their own job first and, secondly, looking at other opportunities for permanent or temporary accommodations.

Table 5 provides data on the number of employees involved in a work accommodation program for the first 2 quarters of 2011.

**Table 5 Work Accommodation Activity Q1 2011 to Q2 2011**

Quarter	Employees starting work accommodation program (new cases)	Employees in active work accommodation programs (all cases)
2011 Q1	133	217
2011 Q2	134	238

Table 6 provides data on the outcomes of the work accommodation activity of RTW Services staff for the first 2 quarters of 2011. In most cases, employees returned to their regular, full duties. Others were permanently accommodated in new jobs. In 5 cases, employees had to end their work accommodation program due to modified work no longer being available or suitable; 24 employees had a recurrence of their injury or illness while on work accommodation, and 8 employees ended their work accommodation for other reasons, unrelated to return to work processes.

**Table 6 Overview of Work Accommodation Activity Q1 2011 and Q2 2011**

Quarter	RTW full duties own job	Perm Accom. own job	Perm Accom. new job	Accom. work no longer available or not suitable	Recurrence	other	Total cases closed
2011 Q1	91	1	2	2	12	3	111
2011 Q2	102	0	4	5	24	8	143

Human Resources staff strive to place employees into a work accommodation program in a timely basis. However, there are always some employees, who as a result of their restrictions, skills and abilities, have to wait for a period of time before suitable work is identified. Table 7 presents the number of employees who were waiting for placement in accommodated work at the end of the quarter.

**Table 7 Waiting for Accommodation Placement Q1 2011 and Q2 2011**

Quarter	Awaiting permanent accommodation	Awaiting temporary accommodation
2011 Q1	8	0
2011 Q2	9	4

### **Current Activities Related to Managing Sick and WSIB Absences**

Human Resources continues to work on initiatives to assist departments in controlling sick and WSIB absences and thereby controlling costs related to those absences as follows:

- A review of our Attendance Support Management Plan (ASMP) has been completed and will be shared with Senior Management team in Q4. We expect to institute changes to the program based on the recommendations in 2012.

- Monthly training for managers and supervisors on their roles and responsibilities with respect to disability management begins on September 26. The first three sessions are full.
- We continue to work with Public Works and Community Services to pilot absence reporting that will track the cost of overtime that arises when employees are off work due to injury or illness. Tracking this cost will further measure the success of our joint disability and attendance management efforts. We anticipate tracking in HSR, Waste Collection and the long-term care facilities.
- Senior Management Team has supported a new service delivery model for our employee influenza vaccination to be delivered by our Occupational Health Nurse instead of contracted provider. The new service delivery model provides greater flexibility in delivering the vaccinations in a more timely fashion and at locations more convenient to our employees with the anticipated result of greater participation amongst all employees. Influenza vaccination has been proven to lower instances of employee illness and sick absences.
- Occupational Health Nurse will be offering employee health screening for blood pressure, cholesterol and diabetes in an effort to promote good health and help employees with early detection of health problems. This program is slated to begin after the completion of our influenza immunization program.
- To address emerging workplace mental health issues, Human Resources staff is continuing to offer a full day of mental health training for managers and supervisors.
- A Healthy Workplace Advisory Committee has been established for the City and is in the process of finalizing a strategic plan to assist in establishing and maintaining a healthy workplace for all employees.