



INFORMATION REPORT

TO:	Chair and Members of Audit, Finance & Administration Committee
COMMITTEE DATE:	May 12, 2014
SUBJECT/REPORT NO:	Employee Attendance Report 2013 (HUR14003) (Outstanding Business List)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Helen Hale Tomasik 905-546-2424 Ext. 4155 David Lindeman 905-546-2424 Ext. 5657 Zachary Nichol 905-546-2424 Ext. 6273
SUBMITTED BY:	Chris Murray, City Manager
SIGNATURE:	

Council Direction:

Human Resources staff has been reporting employee attendance performance measures to Audit Finance and Administration Committee since April 2011. At the December 9, 2013 meeting, during discussion of the Q3 2013 Report, staff was directed to report back semi-annually on a go forward basis. Staff was also directed to report to the General Issues Committee, respecting an aggressive strategy to reduce the number of WSIB and sick day claims, which measures have been successful and which ones have not. The Committee also directed that appropriate Managers be directed to ensure their attendance at the General Issues Committee when this strategy was discussed.

Information:

This report represents the 2013 annual report on short term disability (STD), long term disability (LTD) and workplace injuries and illnesses (WSIB) data for the entire City excluding Police and Library. The report is leveraging the capacity of the new HR Business Intelligence Technology (HRBIT) to provide a more accurate description of employee sick absences and inform corporate strategy going forward. The HRBIT has been applied to Human Resources sick absence data back to 2007 to enable staff to examine absenteeism trends among employee population segments. The report also provides an update on the progress of the 2012 Management Action Plan as well as an expanded strategy based on the information provided by the HRBIT.

Executive Summary

As this is the first report to use the new HRBIT to generate and analyze data related to employee sick absences, staff will demonstrate the power of this technology during the presentation of this report. It provides improved accuracy, precision and capability that was not available in the past and provides better data to inform decisions for managing employee absences and supporting employee needs. In future reports, the HRBIT will be used to provide estimates of the costs of employee sick absences related to overtime and staff replacement.

Business intelligence tools and techniques have led to new understanding about absence occurrences management. While in the past we were only able to drill down and report on department level general data, the new system allows us to drill all the way through divisional and sectional data to individual sick absences over the last 7 years. This has enabled us to identify trends that require follow-up or further investigation. Human Resources staff is now able to provide reports directly to management for more timely and targeted follow up with their employees. Use of the tool has changed what we are looking for and the way we look at absence data.

Short-term Disabilities

Short-term Disabilities (STD) include absences of less than 1 day up to 130 days. STD has been further categorized into either **Incidental** or **Significant** sick absences. The majority of full-time employees are covered by an Income Protection Plan¹ that provides benefits during a sick absence.

- **Incidental** sick absences are those that are less than 6 days and are managed primarily by employee's supervisor. These absences are primarily due to common ailments like colds, infections, respiratory illnesses, gastrointestinal illnesses, viruses, or minor injuries, and do not require a sick claim form. This is the primary focus area for Management in 2014.
- **Significant** absences are those that are 6 days up to 130 days, require a medical claim form(s) and are additionally managed by Return to Work Services staff. These absences are caused by more serious medical conditions, including cancers, fractures, traumatic injuries, mental illness, cardiovascular conditions, nervous disorders, as well as surgeries.
- **Modified Sick** absences are for those employees who are involved in graduated return to work programs and are paid for partial sick days. An increase in modified sick time reflects greater participation in return to work and therefore less unproductive costs.

2013 Results:

The majority of eligible employees incurred an average of **3.38 Incidental** paid sick days in 2013.

¹ Full-time firefighters are covered by the Sick Leave By-law. For this group, incidental sick absences are absences of 24 hours or less; significant sick absences are absences of more than 24 hours.

Other 2013 measures:

- 20% of staff accounted for nearly 80% of total STD absence in 2013
- 27% of eligible staff incurred zero STD in 2013
- **Significant** paid sick days accounted for 8% of occurrences and 59% of paid sick hours.
- Total **modified sick** time increased in 2013, which means more employees were transitioning back into the workforce, resulting in an overall estimated savings of \$371,000.
- **Maternity related sick** absences represent a cost of \$482,251 or 4% of all paid sick hours.

Work-related Injuries and Illnesses (WSIB)

There was an increase of 418 WSIB days in 2013. However 2012 and 2013 performance has been significantly better than the previous 4 years. The lower increase in days lost reflects effective efforts at returning injured employees back to work and less severe lost time incidents that resulted in only a short time away from work.

Management is focused on the increase in new lost time injuries which went from 272 to 309 in 2013.

- The lost-time injuries are primarily due to musculoskeletal injuries (sprains and strains) and slips and trips.

Long-term Disabilities (LTD)

There has been an increase in the number of days lost, the number of active cases, and the cost of LTD absences in 2013. There was a \$523,000 increased cost due to the higher number of LTD claims and increases in rehabilitation costs, assessment fees and retraining costs. In 2012, the increase was \$360,000 compared to the previous year. This is reflective of an aging workforce and is a trend that all municipalities are experiencing.

- The greatest number of LTD cases are related to cancer, mental health and musculoskeletal disorders

Work Accommodation Measures:

In 2013, Return to Work Services successfully returned over 400 employees to work after injury or illness. Over 80% of these employees returned to full regular duties with their original job.

- At the end of the year, only 14 employees were waiting for a permanent job placement.

Return to Work Services Performance Measures

The overall number of sick absences that flow through Return to Work Services (RTWS) has increased from 11,610 in 2010 to 13,161 in 2013. The work includes recording all sick absences for City employees, collecting and reviewing medical information, communicating with absent employees and facilitating early and safety return to work. In addition, the team handles administration and return to work for WSIB and Long-Term Disability claims.

Since 2011, Return to Work Services has been tracking the caseloads of the RTW Specialists. In that time, caseloads have increased 15% to nearly 100 cases per Specialist. The team closed 511 accommodation cases in 2013.

The number of employees waiting for permanent, suitable accommodated work at the end of 2013 was 14. The number in this group was as high as 62 in 2009. This reduction is due to the efforts of the RTWS team.

The number of employees accessing paid modified work by participating in graduated return to work programs increased from 126 employees in 2010 to 219 in 2013 (a 74% increase). An increase in modified sick time is a positive indicator. Since a graduated return to work plan eventually returns an employee back to full duties and full hours by increasing work hours over time, there is paid productive time at least equal to the modified sick time. In 2013, this amounted to \$371,384 less paid sick time, a \$168,853 increase in productivity over 2010.

As our workforce continues to age, we'll be faced with managing increased *significant* sick absences related to cancers, fractures, traumatic injuries, mental illness, cardiovascular conditions, nervous disorders or other conditions, as well as surgeries. Recovery times are often longer for older workers.

Expanded Management Action Plan - 2014

Senior Management Team and Human Resources are adopting strategies to encourage improved attendance, correct poor attendance, prevent absences and control costs.

Management:

- Continue to deliver comprehensive communication to all employees including emphasis on attendance expectations, supports, roles and consequences of poor attendance
- General Managers will set expectations for attendance management activities in their respective departments and review departmental progress monthly
 - All management staff will have performance objectives in 2014 related to demonstrating their effective management of employee absences due to illness or injury
 - All management staff will hold attendance support meetings within 60 day time limit
 - Departmental Management Teams will add Sick and WSIB absences as a standing item on meeting agendas
 - General Managers will ensure that all management staff have taken the training and are maintaining communication with their absent employees
 - Management, with the support of Human Resources, will put specific plans in place/ take alternative steps with employees who have ongoing poor attendance, despite having received assistance, supports and accommodation

Human Resources will:

- Identify employees who have chronic and episodic conditions for the Occupational Health Nurse to follow up and provide support, to allow management more time to manage incidental and other absences.
- continue supervisor training on managing sick, WSIB and culpable absences with a focus on the impact of supervision on incidental absences
- identify employees who consistently approach levels of poor attendance and/or have patterned absenteeism for management to contact these employees directly to help them achieve better attendance and to avoid triggering into Attendance Support Program in the future.
- forward departmental reports with divisional and sectional analysis using HR Business Intelligence Technology; these reports will identify specific employees and 'hot spots' for management to follow up.
- schedule additional training sessions for managers and supervisors on managing sick, WSIB and culpable absences to reach more supervisors and managers sooner.
- roll out the first phase of HR Business Intelligence self-service, with the support of I.T. to General Managers to provide them with on-demand access to sick attendance information for their work groups.
- Continue to provide healthy active living support to employees to create workplaces that enhance employees mental and physical health through training, online resources, Employee and Family Assistance Program, occupational health, and healthy workplace policies and procedures.

Expanded Management Action Plan – 2014+

Management:

- Senior Management Team will align creating a health workplace with corporate culture work plan
- All Departments will work with their Joint Health & Safety Committees to develop a comprehensive musculoskeletal disorder prevention strategy to impact both occupational and non-occupational injuries.

Human Resources will:

- with assistance of Finance staff, use the HRBIT to estimate the impact that absences have on additional costs related to overtime and replacement workers. As more divisions adopt new time and attendance technology programs, Finance and Human Resources staff will use the opportunity to more accurately analyze the additional costs related to overtime and replacement workers.

- use the HRBIT to dive further into sick absence trends and relationships with workforce demographics to inform strategies for improvement
- in collaboration with Public Health Services, share and compare data on outbreaks in the community with City sick absences, in particular, influenza, respiratory and gastrointestinal illnesses to identify correlations that may account for variances in sick absence levels and to plan for and mitigate the impact of future outbreaks.

Background

The City of Hamilton proactively manages occupational illnesses and injuries through programs and policies that: control employee absences; identify employees whose attendance needs improving; support employees in improving attendance; and, prevent illness and injury amongst our employees.

Staff have been reporting on sick absence performance using a definition of paid sick time that not only included employees covered by Income Protections Plans (IPP) and the Sick-leave By-law (Sick Bank), but also included sick absences related to maternity leave and paid modified sick hours for those employees who have returned to work on reduced hours as part of a graduated return to work program.

With the benefit of the Human Resources Business Intelligence Tool, staff has been able to break apart this total sick time number into more meaningful components, which focuses our analysis, and informs management's intervention strategies.

Table 1: IPP Employee Attendance 2013 – Overall Short Term Disability

	Average Eligible Employee (EE) Head count (A)	Paid Sick Hours (B)	Paid Sick Days* Per Eligible Employee (B/7hrs)/A	% of All EE Paid Sick Hours	Number of EEs Who Called in Sick	Number of Sick Occurrences	Sick Cost
Income Protection Plan (IPP)	4,355	306,331	10.05	79%	3,252	7,325	\$9,174,306
Incidental Sick Absences		103,137	3.38	27%	3,017	6,547	\$3,374,295
Significant Sick Absences		203,194	6.67	52%	724	778	\$5,800,012
Modified Sickness		13,458	0.44	3%	220	3,948	\$371,384
Maternity Related Sickness		16,056	0.53	4%	65	78	\$482,251

* represents a standard calculated 7 hour day

- The incidental absenteeism of **3.38 days per eligible employee** is a primary focus area for Management in 2014.

Table 2: Sick Bank Employee Attendance 2013 – Overall Short Term Disability

	Average Eligible Employee (EE) Head count (A)	Paid Sick Hours (B)	Paid Sick Days* Per Eligible Employee (B/7hrs)/A	% of All EE Paid Sick Hours	Number of EEs Who Called in Sick	Number of Sick Occurrences	Sick Cost
Sick Bank / HPFFA Local 288 Fire	523	52,058	14.23	13%	450	1,387	\$2,250,789
Incidental Sick Absences		23,545	6.44	6%	417	1,142	\$1,002,170
Significant Sick Absences		28,512	7.79	7%	179	245	\$1,248,619
Crossing Guards**	241	2,342	1.39	1%	163	429	\$29,211

* represents a standard calculated 7 hour day

** some crossing guards have sick bank balances but none are accumulating new credits.

- **Incidental** sick absences (single absences of less than 6 days for IPP; 24 hours or less for sick bank)
- **Significant** sick absences (single absences of illness or non-occupational injuries of 6 days up to 130 days for IPP, more than 24 hours for Sick Bank).

- **Modified** Sick Absence – paid sick time for partial days incurred during a Return to Work plan. Employees are encouraged and supported to return to modified work with reduced hours during their recovery from illness or non-occupational injury. An increase in modified sick time reflects greater participation in return to work and therefore less unproductive costs.
- **Maternity Related** Sick Absence – sick absences related directly to pregnancy including post-delivery recovery. They have been coded and tracked since the beginning of 2012 and have always been included in paid sick time calculations

New Performance Measures for Employee Attendance

Going forward, staff will create two separate reports for employees who have an Income Protection Plan and employees who have a Sick Bank Plan as the plans are very different and the management strategies for sick absences for the employees in these two plans is very different.

Staff are breaking down the measures into more meaningful categories. As management has no control over maternity-related illness, we will be removing the paid sick days due to maternity leave from our reports. Staff will also report separately on **Incidental** and **Significant** sick absences. As it is desirable to increase **Modified** Sick Absences, staff will also report on this category separately. Staff will identify where management interventions are making improvements in the performance measures associated with each category of absence.

Modified Sick Absence

Modified sick time is a separate measure used to gauge a particular category of paid sick time where **increases** would demonstrate improved performance:

- **modified sick time** (paid sick hours for those employees actively at work on reduced hours as part of a graduated return to work program)

Approved Modified Sick Time represents those employees who are being returned to work with work accommodations to help re-integrate them back into the workplace as quickly and safely as possible. This is an important function of the Return to Work Services Team.

Table 3: Modified Sick Absence 2007 - 2013

Year	Average Eligible Employee Headcount	Paid Calculated Sick Days (7 Hour Day) Per Eligible Employee	No. of employees who registered a sick occurrence	Number of Absence Occurrences	Sick Cost
2007	4,054	0.28	126	1,988	\$189,243
2008	4,135	0.26	112	1,631	\$198,482
2009	4,255	0.25	132	1,857	\$189,767
2010	4,283	0.26	126	1,995	\$202,031
2011	4,279	0.30	154	2,461	\$220,996
2012	4,305	0.37	186	3,200	\$291,531
2013	4,355	0.44	219	3,933	\$371,384

The data shows that since 2010, there has been a consistent improvement in the productivity gains associated with Modified Sick Time. After averaging .26 days per employee for 3 consecutive years, the average days increased to .44 in 2013, a 70% increase. The number of employees accessing modified work also increased from 126 employees to 219 in the same time period. Since a modified return to work plan eventually returns an employee back to full duties and full hours, there is paid productive time at least equal to the modified sick time. In 2013, this productive time equated to \$371,384, a \$168,853 increase in productivity over 2010.

Attendance Support Program (ASP)

The ASP provides support to employees whose level of sick absences negatively impacts the team and delivery of our services. Employees who trigger into the program, or who are progressing through the program, meet with management to develop plans to help the employees improve their attendance by looking at workplace accommodations along with internal and external supports to help the employee with health and life issues. The program

applies to both *significant* and *incidental* illnesses where occurrences exceed 4 occasions or days lost exceed 7 days in a 12 month period.

Human Resources continues to train all supervisors and above in how to manage sick and WSIB absences and how to assist employees through the Attendance Support Program. Refinements to the program are made when required and the Return to Work Specialists and the Occupational Health Nurse continue to support employees and management through participation in the meetings with employees.

Data analysis shows that the years when the City falls behind in meetings are the same years that paid sick day averages go up and vice versa.

Workplace Safety and Insurance Board (WSIB) Claims

In 2013 our top injury types included:

- Musculoskeletal Disorders (sprains and strains)
- Slips and trips
- Struck by/against
- Motor vehicle accidents
- Mental health issues

Management is working closely with the Health, Safety and Wellness team to recognize, assess and control the workplace hazards that are leading to these types of injuries, engaging Joint Health and Safety Committees, inspecting workplaces, training employees, adopting safe work procedures and investigating accidents.

Table 4: Occupational Illness and Injury Claims (WSIB) 2018 - 2013

Year	Average Eligible Employee Headcount	WSIB Days Lost	WSIB Days Lost Per Eligible Employee	New Lost Time Injuries	Costs for all claims (new and old)
2008	7,728	11,469	1.48	282	\$4,850,943
2009	7,812	10,102	1.29	276	\$4,801,976
2010	7,739	11,163	1.44	268	\$4,777,351
2011	7,733	9,097	1.18	248	\$4,737,220
2012	7,674	7,232	0.94	272	\$4,716,217
2013	7,773	7,650	0.98	309	\$5,150,578

Long-term Disability (LTD)

The largest number of LTD claims is related to:

- Mental Health 29%
- Musculoskeletal 18%
- Cancer 11%
- Brain & Nervous 9%
- Cardiovascular 7%

Table 5: Long-term Disability Claims 2008 – 2013

Year	LTD Days for employees	LTD Active Cases at year end	LTD new claims	Costs
2008	12,966	75	47	\$1,840,222
2009	13,601	74	46	\$1,978,369
2010	10,701	78	57	\$1,658,598
2011	13,472	93	57	\$2,358,512
2012	17,952	106	56	\$2,718,730
2013	18,411	124	56	\$3,242,228

Occupational Health Nurse and Program

The Occupational Health Nurse (OHN) is responsible for developing and maintaining a comprehensive occupational health program including employee health surveillance protocols, coordinating access to disability and rehabilitative services, and providing health consultation on Long Term Disability (LTD), Short Term Disability (STD) and occupational illnesses and injuries (WSIB absences).

Employee Immunization

- The City of Hamilton provides employee influenza immunization. The OHN coordinates and delivers the annual workplace influenza clinics for City of Hamilton employees. In 2013, 1,222 vaccinations were delivered through 34 clinics at \$2.50 less per shot than past private contractors. The Chief Medical Officer of Health for Ontario recognized the City of Hamilton for their workplace influenza immunization program in 2013.
- The OHN also assists departments in the development of their immunization procedures, policies, guidelines and information for employees at risk of contracting or spreading communicable diseases. These include outbreaks at the lodges, day care centre, recommendations for pre-placement immunization, contacts with tuberculosis, among others (Response to the recent measles outbreak included an important role for the OHN who collected and verified Public Health Services staff immunization information).

Reporting of Occupational Diseases

- Under the *Occupational Health and Safety Act*, the City is required to report incidents of reported occupational illness or disease to the Ministry of Labour. In 2013, the OHN made 16 reports to the Ministry.

Coordination of Critical Incident Peer Support (CIPS) Program

- The OHN coordinates deployment of the City's Critical Incident Peer Support Team, arranges professional development opportunities for the team, chairs team meetings and debriefings, and provides administrative support. In 2013, there were 25 requests for CIPS support. Twenty of the requests required on-site response by CIPS team members.

Employee Wellness Screening

- Wellness screening is an onsite test that provides immediate results to employees. These results can assist in detecting life threatening illness and provides employees with the information to seek treatment or change to healthier behaviour(s). In 2013, 152 wellness screening tests were provided to staff.

Current and Recent Initiatives to Address Employee Absenteeism

- Human Resources has updated the Attendance Support Program policy and procedures, eNet web pages and letter templates to align with emphasis on supporting employees to improve attendance.
- Phase One of the Business Intelligence tool implementation is complete and is now being used to generate and analyze data related to employee sick absences. It provides improved accuracy, precision and capability that was not available in the past and allows a deeper dive into the data to better inform decisions for managing employee absences and supporting employee needs.
- Human Resources staff continue to offer monthly training sessions on managing sick, WSIB and culpable absences to managers and supervisors. To date over 400 people leaders have been trained. This training is actively championed by the City Manager.
- Hosted a Mental Health Summit for senior management and union leadership.
- New online healthy activities web site was launched. *Sprout* provides tracking of individual activities, coordination of corporate healthy living challenges and provides access to healthy living resources.
- *LifeSpeak* online video library has been expanded to now include 20 modules on overcoming life's challenges.
- Human Resources launched mandatory worker and supervisor health and safety awareness training to equip all employees with knowledge of their rights and responsibilities under the *Occupational Health and Safety Act*.

- SMT has made day-long due-diligence/Health & Safety training mandatory for all employees with supervisory responsibilities
- Human Resources recently completed a third-party assessment of our short-term disability management program, The interim recommendations include regular reporting and evaluation with SMT through a disability management scorecard, ensuring managers maintain contact with absent employees, establishing accountability systems for all workplace parties, adopting dispute resolution processes, documentation of processes for Human Resources and departmental staff and aligning disability management activities with prevention and wellness.

Appendices

Appendix A to Report HUR14003 - Incidental Sick Absences

Appendix B to Report HUR14003 - Departmental WSIB Claims Data

Appendix C to Report HUR14003 - Work Accommodation Performance Measures