



# INFORMATION REPORT

<b>TO:</b>	Chair and Members of Audit, Finance & Administration Committee
<b>COMMITTEE DATE:</b>	January 19, 2015
<b>SUBJECT/REPORT NO:</b>	Employee Attendance Report Q1 to Q3 2014 (HUR15001) (Outstanding Business List)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Helen Hale Tomasik 905-546-2424 Ext. 4155 Lora Fontana, 905-546-2424 Ext. 4091 David Lindeman 905-546-2424 Ext. 5657
<b>SUBMITTED BY:</b>	Chris Murray, City Manager
<b>SIGNATURE:</b>	

## 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. The last report was the 2013 annual report presented on May 12, 2014 when members of the General Issues Committee were introduced to the analytic capability of the HR Business Intelligence technology.

## Information:

This report represents the Q1 to Q3 2014 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 also provides an update on the steps taken to support employees in improving their attendance.

## Executive Summary

This is the second report to use the new HR Business Intelligence technology to generate and analyze data related to employee sick absences.

### 1. 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 Plan (IPP)<sup>1</sup> that provides benefits during a sick absence.

- **Incidental** sick absences are those that are less than 6 days and are managed primarily by an 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. These sick absences continued as the primary focus for front-line 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 (RTWS) 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.

#### **Q1 to Q3 2014 Results (compared to same period in 2013)**

Staff calculated the total short-term disability costs for all employees (IPP and sick leave) as a percentage of gross earnings. In 2014, the percentage was 3.56%. In 2013 it was 3.67%

#### **STD - Income Protection Plans**

- Total paid sick days per eligible employee dropped from 8.35 to 8.22 days
- Total paid sick days in 2014 accounted for 3.36% of gross earnings compared to 3.54% in 2013 for the IPP group.
- The portion of the paid sick days total contributed by **incidental** sick absences increased from 2.51 to 2.68 days per eligible employee. More than 100 additional employees had an incidental absence. There was a higher than normal number of incidental sick days in the first three months of 2014. By April, incidental sick levels were back to what they were in 2013 and improved by the summer months.
- The portion of the paid sick days total contributed by **significant** sick absences decreased from 5.11 to 4.76 days per eligible employee.
- Total **modified sick** time is up 6%, reflecting increased activity in return to work programs, and contributing to the drop in significant sick absences.

General Managers have followed up with employees who were identified as having higher levels of incidental sick absences and the majority of those employees have greatly reduced their number of incidental sick absences in 2014 after the direct involvement of senior management.

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<sup>1</sup> 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.

### **STD - Sick Leave Plan (Fire Services)**

- Total paid sick days per eligible employee rose from 10.37 to 10.98 days
- Total paid sick days in 2014 accounted for 4.81% of gross earnings compared to 4.46% in 2013 for the sick leave group
- The portion of that total contributed by **incidental** sick absences increased from 4.70 to 5.14 days per eligible employee. More than 100 additional employees had an incidental absence.
- The portion of that total contributed by **significant** sick absences increased from 5.67 to 5.82 days per eligible employee.

### **2. Work-related Injuries and Illnesses (WSIB)**

There was an 8.3% increase in WSIB lost-time injuries and the total days lost for those claims increased 6.6% indicating that the injuries and illness were less severe but more numerous.

Management remains focussed on the major causes of workplace injury and illnesses:

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

### **3. Long-term Disabilities (LTD)**

The number of new LTD cases declined when comparing Q1 – Q3 2014 to 2013. The number of active cases at the end of the period was down. The total cost of LTD claims was also down.

### **4. Return to Work Services Performance Measures**

The team closed 410 cases for employees who needed assistance returning to work after an injury or illness in the period of Q1 to Q3 2014 compared to 380 in 2013.

Return to Work Services assisted in returning 332 employees to full employment in Q1 to Q3 2014. The productivity gain for the period was \$288,957 for these employees who were actively contributing to City work through our Return to Work Program.

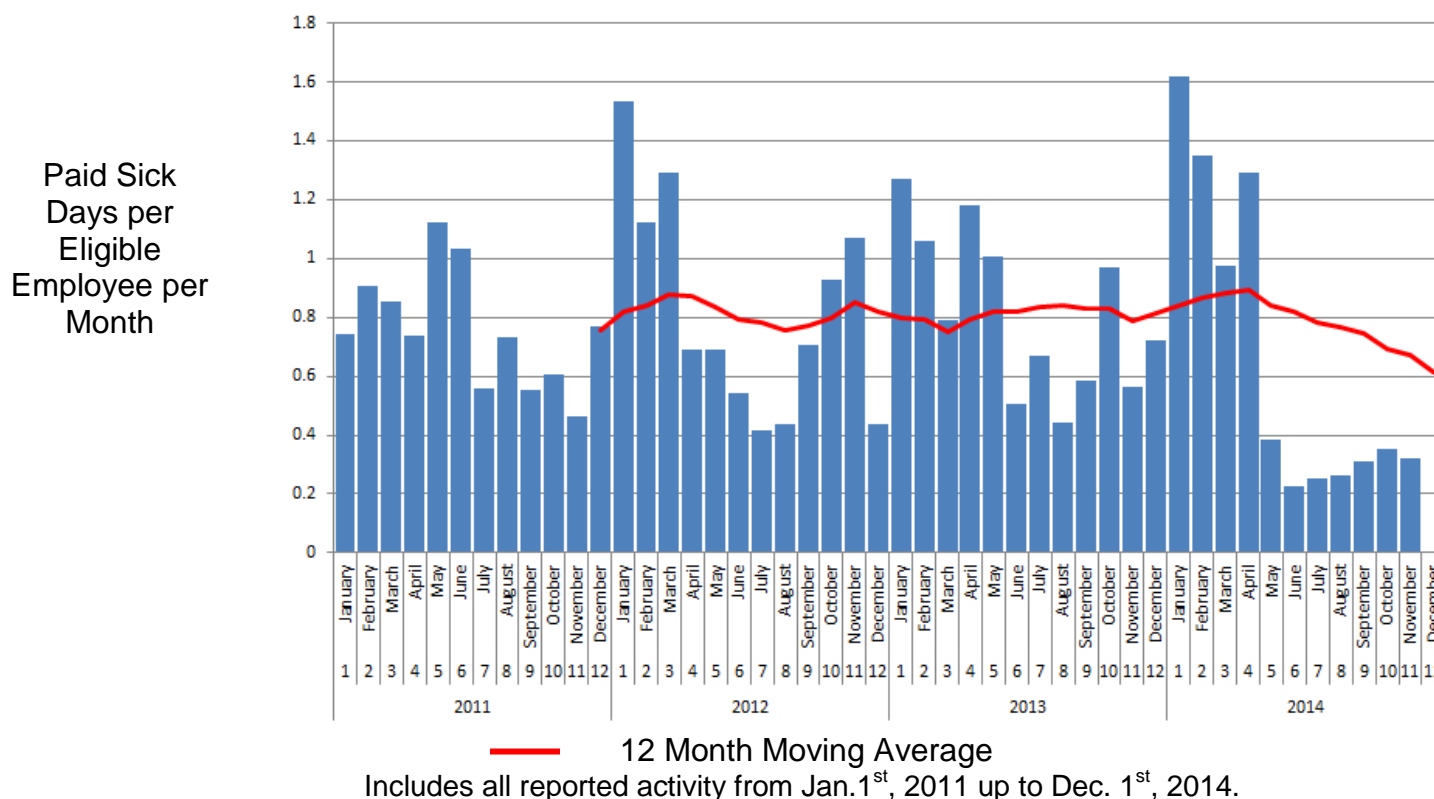
The number of employees waiting for permanent, suitable accommodated work at the end of Q3 2014 was 8. The number in this group was as high as 62 in 2009 and was down to 14 by the end of 2013. This continued reduction is due to the efforts of the RTWS team and others in Human Resources in working with all parties (management and unions) to find suitable employment for these employees with significant permanent injuries or illnesses.

While performance measures have improved in Return to Work Services, the average caseload for each Return to Work Specialist approached 90 cases in 2014. The work includes

short-term disability, long-term disability and Workplace Safety and Insurance Board absences along with participation in Attendance Support Program meetings and arranging medical assessments. The caseload level is above the capacity for staff to effectively and efficiently manage individual cases. In response, the Occupational Health Nurse and Supervisor will assume some of the caseload in 2015. Human Resources will monitor the transfer of this work to assess the overall impact on return to work operations.

## 5. Current and Recent Initiatives to Address Employee Absenteeism

- General Managers have followed up with employees who were identified as having higher levels of incidental sick absences (i.e., an average of 9 or more absences over the last 3 years). The majority of these employees have greatly reduced their number of **incidental** sick absences in 2014 after the direct involvement of senior management. Staff will continue to monitor absences to identify employees with higher levels of sick absence and ensure they continue to be counselled and supported. The graph below illustrates the success in reducing **incidental** sick absences amongst this employee group.



- Human Resources staff has updated the Attendance Support Program by adding a stream to exclude sick absences related to chronic and episodic illnesses from the program. To date, 50 employees have been approved. Employees in this stream no longer trigger into the program for those absences related to their medical condition. These employees are monitored by the Occupational Health Nurse.

- Human Resources delivered a 6 week pilot program for chronic pain management to staff. Twelve employees attended a weekly three hour workshop provided by the Occupational Health Nurse and Healthy Workplace Specialist. An evaluation was undertaken and a second session for another group of employees will commence in January 2015. Human Resources will continue to follow these employees to gauge the long-term effect on these employees' health self-management and ability to attend work.
- Human Resources staff continues to offer monthly training sessions on managing sick, WSIB and culpable absences to managers and supervisors. To date 457 people leaders have been trained in Managing Sick and WSIB Absences and 428 in Attendance Management. Courses will continue to run in 2015. Approximately 70% of all supervisors and above have been trained since these courses were initiated in 2012.
- Human Resources delivered mandatory worker and supervisor health and safety awareness training to employees in all departments to equip them with knowledge of their rights and responsibilities under the *Occupational Health and Safety Act*
- Human Resources staff has developed a plan to improve our short-term disability program within Return to Work Services in response to recommendations from a third-party assessment.
- Key Human Resources employees are completing the Mental Health @ Work Leadership Certificate Program in partnership with Queen's University and our Employee and Family Assistance Program provider, Morneau-Shepell. The program will be evaluated with anticipated roll-out to other people leaders in the organization in 2015.
- Human Resources extended the rollout out of HR Business Intelligence self-service, to the director level in most departments to provide them with on-demand access to sick attendance information for their work groups.
- Fire Services has used the HR Business Intelligence tool to identify patterns of sick absence among fire fighters and senior management has followed up directly with those employees with patterned or questionable absenteeism.
- With support from SMT, Human Resources continued 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.
- Human Resources is considering how best to align the current Attendance Support Program with our focus on **incidental** sick absences but is holding off making any further changes to the program until we see the results and recommendations from the internal audit of this program (expected in Q1 2015).

### **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.

Expressing absenteeism as a percentage of gross earnings provides an indication of the “rate” of sick absences that accounts for differences in hours worked and income changes over time. In 2014, the total sick cost percentage of gross earnings for all employees was 3.56%. In 2013, the total sick cost was higher, accounting for 3.67% of the gross earnings for all employees.

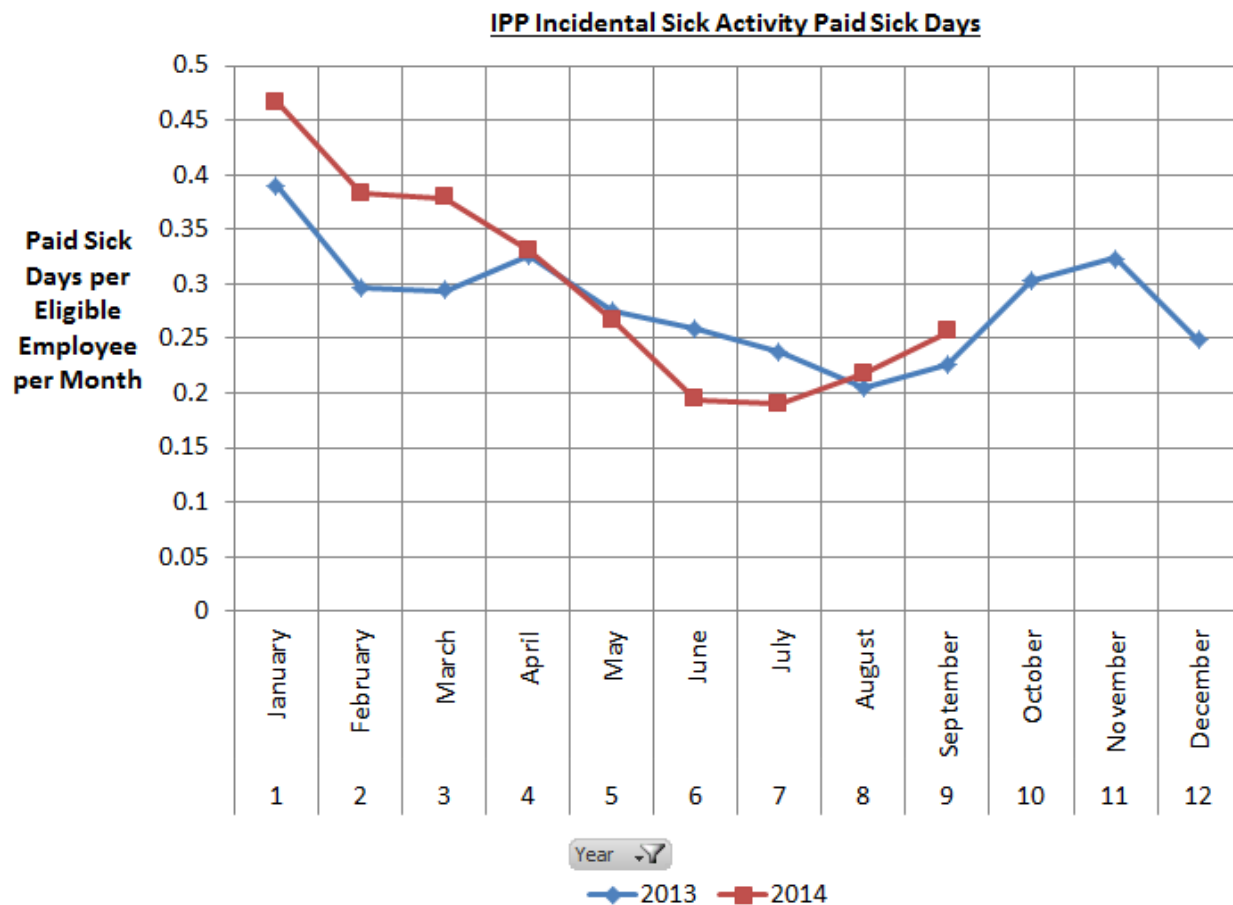
Table 1 shows the breakdown of all types of paid sick time that are included in the overall calculation of total paid sick time for employees covered by an Income Protection Plan (IPP).

**Table 1: Employee Attendance Q1 to Q3 2013 and 2014 – Short Term Disability (IPP)**

	<b>Average Eligible Employee (EE) Head count (A)</b>	<b>Paid Sick Hours (B)</b>	<b>Paid Sick Days* Per Eligible Employee (B/7hrs)/A</b>	<b>% of All EE With Zero Paid Sick Hours</b>	<b>Number of EEs Who Called in Sick</b>	<b>Number of Sick Occurrences</b>	<b>Sick Cost</b>
<b>Q1 to Q3 2013 Income Protection Plan (IPP)</b>	<b>4,347</b>	<b>254,197</b>	<b>8.35</b>	<b>36.1 %</b>	<b>2884</b>	<b>8,361</b>	<b>\$7,639,934</b>
<b>Q1 to Q3 2014 (IPP)</b>	<b>4,401</b>	<b>253,168</b>	<b>8.22</b>	<b>33.9 %</b>	<b>3014</b>	<b>8,922</b>	<b>\$7,700,813</b>
Q1 to Q3 2013 Incidental Sick Absences	4,347	76,281	2.51	42.3 %	2606	4,707	\$2,497,969
Q1 to Q3 2014 Incidental Sick Absences	4,401	82,547	2.68	39.1 %	2770	5,147	\$2,763,755
Q1 to Q3 2013 Significant Sick Absences	4,347	155,563	5.11	86.7 %	600	613	\$4,499,138
Q1 to Q3 2014 Significant Sick Absences	4,401	145,208	4.76	87.8 %	557	537	\$4,178,081
<b>Q1 to Q3 2013 Modified Sickness</b>	<b>4,347</b>	<b>10,062</b>	<b>0.33</b>		<b>179</b>	<b>2,979</b>	<b>\$275,446</b>
<b>Q1 to Q3 2014 Modified Sickness</b>	<b>4,401</b>	<b>10,901</b>	<b>0.35</b>		<b>169</b>	<b>3,156</b>	<b>\$288,957</b>
<b>Q1 to Q3 2013 Maternity Related Sickness</b>		<b>12,290</b>	<b>0.40</b>		<b>54</b>	<b>62</b>	<b>\$367,380</b>
<b>Q1 to Q3 2014 Maternity Related Sickness</b>		<b>12,777</b>	<b>0.41</b>		<b>60</b>	<b>69</b>	<b>\$415,895</b>

\* represents a standard calculated 7 hour day

In 2014, the total sick cost accounted for 3.36% of the gross earnings for all employees in this group, which was a decrease from 3.54% for the same time period in 2013. Expressing absenteeism as a percentage of gross earnings provides an indication of the “rate” of sick absences while accounting for differences in hours worked and income changes over time.



The City of Hamilton experienced a higher than usual number of short sick absences in the first three months of 2014. As the chart for **incidental** sick absences under Income Protection Plans above illustrates, our sick absence days per eligible employee returned to more normal levels as the year progressed. Anecdotally, there appears to have been more gastro-intestinal and flu-like illnesses amongst our employee population at the beginning of the year.

Table 2 shows the breakdown of all types of paid sick time that are included in the overall calculation of total paid sick time for employees covered by **Sick Bank**.

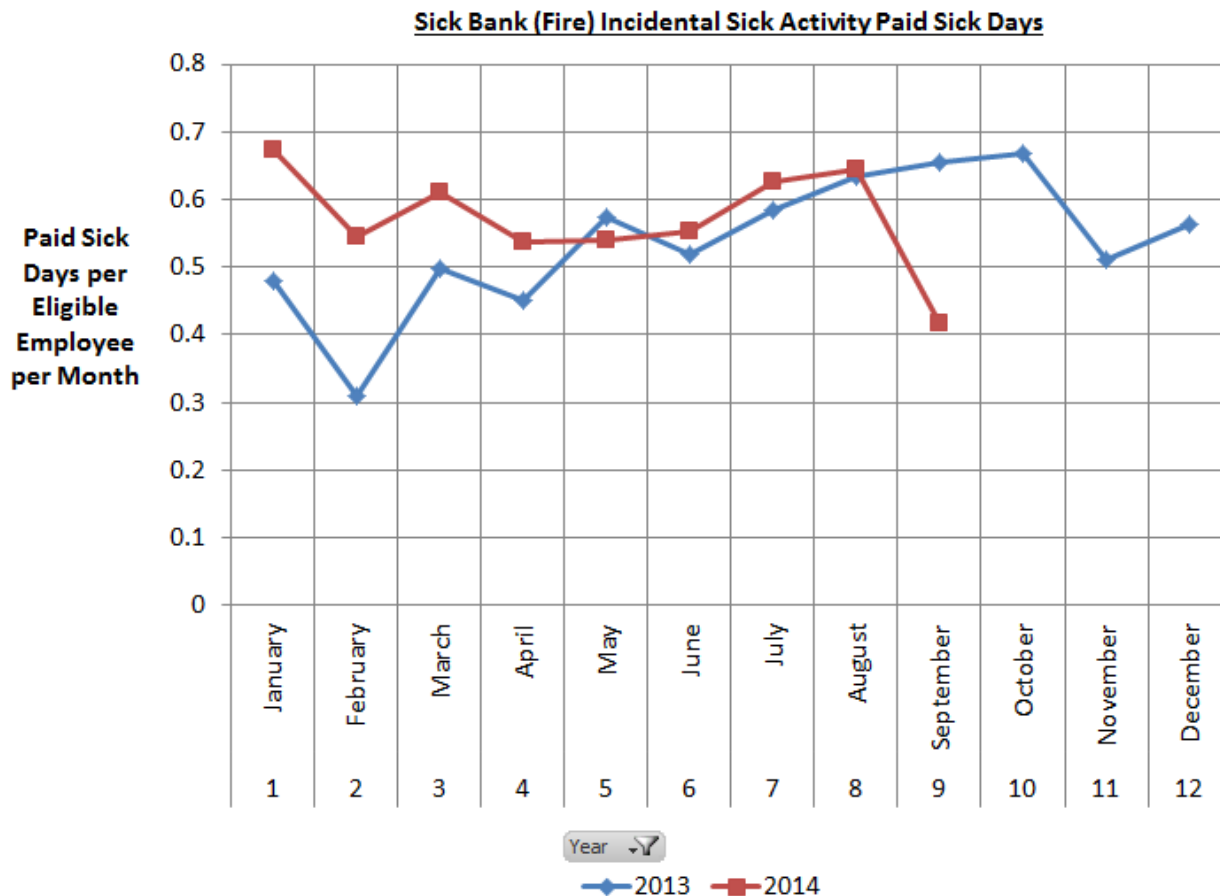
**Table 2: Employee Attendance Q1 to Q3 2013 and 2014 – Short Term Disability Breakdown (Fire Services Sick Bank)**

	Average Eligible Employee (EE) Head count (A)	Paid Sick Hours (B)	Paid Sick Days* Per Eligible Employee (B/7hrs)/A	% of All EE With Zero Paid Sick Hours	Number of EEs Who Called in Sick	Number of Sick Occurrences	Sick Cost
<b>Q1 to Q3 2013 Sick Bank / HPFFA Local 288 Fire</b>	<b>525</b>	<b>38,094</b>	<b>10.37</b>	<b>23.1 %</b>	<b>415</b>	<b>1,025</b>	<b>\$1,651,656</b>
<b>Q1 to Q3 2014 Sick Bank / HPFFA Local 288 Fire</b>	<b>528</b>	<b>40,534</b>	<b>10.98</b>	<b>22.1 %</b>	<b>427</b>	<b>1,106</b>	<b>\$1,762,847</b>
Q1 to Q3 2013 Incidental Sick Absences	525	17,252	4.70	29.8 %	379	838	\$734,436
Q1 to Q3 2014 Incidental Sick Absences	528	18,977	5.14	27.2 %	399	893	\$808,923
Q1 to Q3 2013 Significant Sick Absences	525	20,842	5.67	70.9 %	157	187	\$917,220
Q1 to Q3 2014 Significant Sick Absences	528	21,504	5.82	70.3 %	163	195	\$951,783

In 2014, the total sick cost accounted for 4.81% of the gross earnings for all employees in this group, which was an increase from 4.46% for the same time period in 2013. Expressing absenteeism as a percentage of gross earnings provides an indication of the “rate” of sick absences while accounting for differences in hours worked and income changes over time.

\* represents a standard calculated 7 hour day





The City of Hamilton experienced a higher than usual number of short sick absences in the first four months of 2014 for this employee group. As the chart for **incidental** sick absences under the sick bank plan above illustrates, our sick absence days per eligible employee returned to more normal levels as the year progressed. Anecdotally, there appears to have been more gastro-intestinal and flu-like illnesses amongst our employee population at the beginning of the year. Fire Services leadership also identified employees with patterned or questionable sick absence histories and counselled them starting in the summer months.

For the above tables and graphs:

- **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.

### **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**

<b>Year</b>	<b>Average Eligible Employee Headcount</b>	<b>Paid Calculated Sick Days (7 Hour Day) Per Eligible Employee</b>	<b>Distinct Sick Employee Headcount</b>	<b>Number of Modified Work Absence Occurrences</b>	<b>Sick Cost</b>
Q1 to Q3 2013	4,347	.33	179	2,979	\$275,446
Q1 to Q3 2014	4,401	.35	169	3,156	\$288,957

The productivity gains associated with Modified Sick Time have increased since 2011. The performance in this area continued to improve in the first three quarters of 2014 although the number of employees participating dropped slightly.

### **Workplace Safety and Insurance Board (WSIB) Claims**

In 2014, there were 273 new lost time injuries in the first three quarters of the year. This is higher than the previous year.

The top injury types include:

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

**Table 4: Occupational Illness and Injury Claims (WSIB)**

<b>Year</b>	<b>WSIB Days Lost all claims</b>	<b>WSIB Days Lost new claims</b>	<b>New Lost Time Injuries</b>	<b>Costs for all claims (new and old)</b>
Q1 to Q3 2013	5,871	1,808	252	\$4,137,878
Q1 to Q3 2014	6,569	2,052	280	\$4,102,657

The extreme conditions encountered during the prolonged and severely cold and icy winter resulted in an increase in slips and falls and musculoskeletal injuries in departments with workers who work out of doors. Management in these areas is working with Human Resources on strategies to prevent future injuries and illnesses. The strategies include looking at the root causes of the incidents, consulting with the joint health and safety committees, completing physical demands analysis and conducting ergonomic assessments. Two university kinesiology students will be completing their co-operative education terms with the City in 2015. Their work will focus on areas with higher risks of musculoskeletal injuries.

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

**Table 5: Long-term Disability (LTD) Claims Q1 to Q3 2013 and 2014**

<b>Year</b>	<b>LTD new claims Q1 to Q3</b>	<b>LTD Days for employees Q1 to Q3</b>	<b>LTD Active Cases at end of Q3</b>	<b>Costs</b>
Q1 to Q3 2013	42	13,283	122	\$2,316,974
Q1 to Q3 2014	37	16,584	118	\$2,276,976

There was a decrease in new and active LTD cases in 2014.

#### **Occupational Health 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). In addition the OHN coordinates the Critical Incident Peer Support (CIPS) Program, conducts Employee Wellness Screening and delivers Non-Violent Crisis Intervention training as described below.

**Critical Incident Peer Support (CIPS) Program**

- In Q1 to Q3 2014, there were 16 requests for CIPS support. Seven of the requests required on-site response by CIPS team members.
- Seven new members were recruited to the CIPS team
- Nine members were trained in Mental Health First Aid

**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 Q1 to Q3 2014, 171 wellness screening tests were provided to staff.

**Non-violence Crisis Intervention**

- The OHN and twenty other employees completed a train-the-trainer program for delivery of the *Nonviolent Crisis Intervention*® training program through the Crisis Prevention Institute.

**Appendices**

Appendix A to Report HUR15001 – Departmental Short-term Disability Absences

Appendix B to Report HUR15001 – Departmental Workplace Safety and Insurance Board  
Claims

Appendix C to Report HUR15001 – Work Accommodation Activity