



INFORMATION REPORT

TO:	Chair & Members Audit, Finance and Administration Committee
COMMITTEE DATE:	March 21, 2019
SUBJECT/REPORT NO:	Employee Annual Attendance Report 2018 (HUR19003) (City Wide)
WARD(S) AFFECTED:	City Wide
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SIGNATURE:	

Council Direction:

Human Resources staff report employee attendance performance measures to Audit Finance and Administration Committee on an annual and semi-annual basis. This report presents sick absence data covering January 1, 2018 to December 31, 2018 with comparisons from 2014 through 2018.

Information:

This report includes the days lost to Short-Term Disability (STD), Personal Emergency Leave (PEL), Work Accommodation and Long-Term Disability (LTD) activity for full-time employees for the City, excluding Police and Library. The report also provides an update on the Human Resources related initiatives supporting employees in improving their health and well being as well as overall attendance.

Executive Summary:

This report provides an overall summary of the City's employee attendance performance measures and programs.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

The total number of hours lost due to sick absences for employees covered by Income Protection Plans (IPP) rose 4% in 2018 compared to 2017. The average number of days lost per employee rose 2% in the same period. Of note is that a large portion of this increase is due to employees being off for absences that are longer than 5 days (i.e. significant absences). These absences are far more difficult to mitigate due to the nature of the medical conditions giving rise to these absences. The days lost to employees being off for shorter sick absences has increased slightly.

The number of hours lost for employees covered by Sick Bank entitlements (Fire Department) dropped 9% in 2018 compared to 2017 and are comparable to the number of days lost in 2014.

There was a 5% increase in the number of Long-Term Disability claims received in 2018 (77) compared to 2017 (73), however the number of new claims has remained at about the same level for the last 4 years.

Human Resources and departmental management teams have made employee health and well-being, especially mental health, a priority in our programming and policies. Guided by our mental health strategy, we are endeavouring to create safe and healthy workplaces where employees feel supported and engaged. We are making sure we have systems in place that will better capture attendance issues and allow us to respond to employee and workplace needs effectively.

Action plans that were generated by Our People Survey (OPS) will ensure fairness, promote work/life balance, learning opportunities, positive interactions, violence and harassment prevention, collaboration and teamwork. We will also continue to offer training that will build resiliency and provide access to programs and services that will help improve employee health.

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.

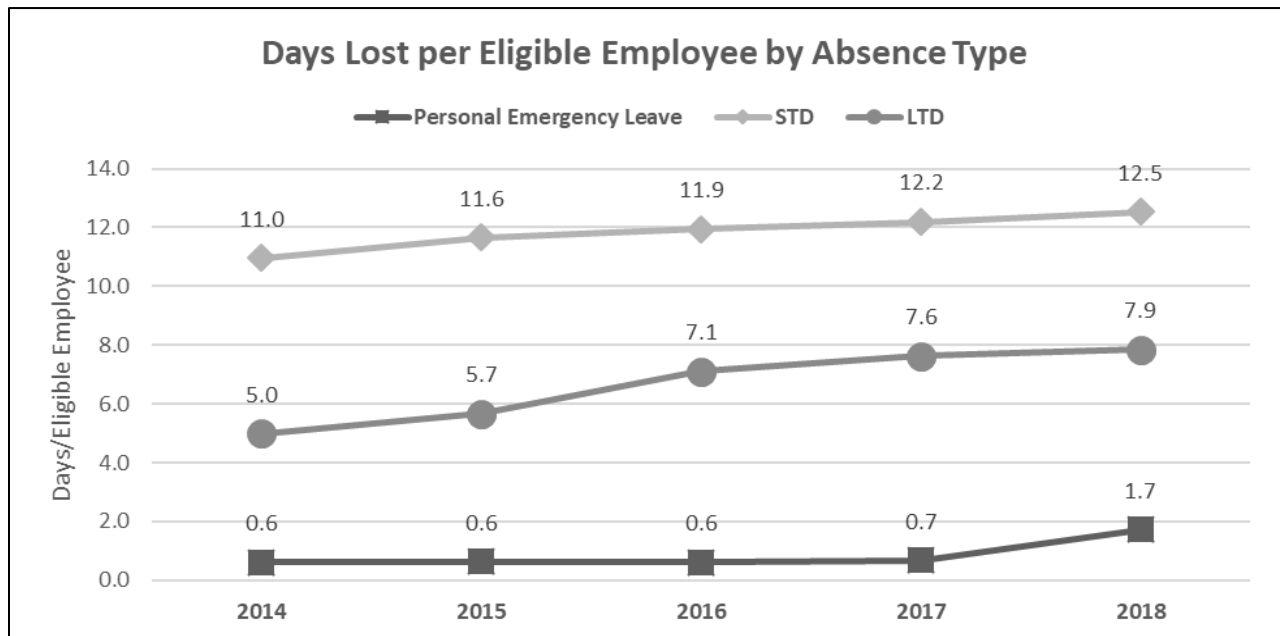
Definitions

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) that provides benefits during a sick absence.

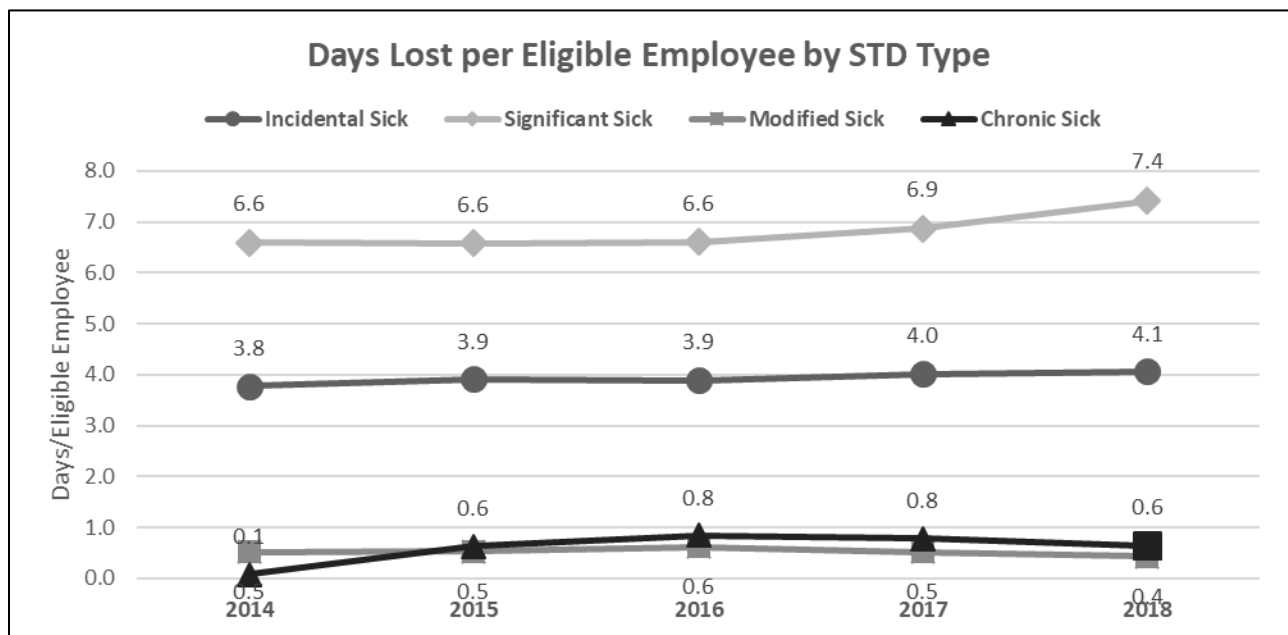
- **Incidental** sick absences are those that are less than 6 days and are managed primarily by an employee's supervisor. These absences are primarily due to common ailments like colds, infections, respiratory illnesses, gastrointestinal illnesses, viruses, or minor injuries, and do not require a sick claim form. These sick absences continued as the primary focus for front-line management in 2018.
- **Significant** sick absences are those that are 6 days up to 130 days require a medical claim form(s) and are additionally managed with the assistance of Return to Work Services staff in Human Resources. 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 resulted in a reduction in unproductive costs.
- **Chronic Sick Absence:** Either a chronic condition (disease) of long duration and generally slow progression or a long-term condition which has fluctuating periods of poor health and deterioration or relapse while the person generally maintains a level of functionality. These are self-identified by employees and monitored by the Occupational Health Nurse in Human Resources.
- **Personal Emergency Leave (PEL):** Personal Emergency Leave under the Employment Standards Act that can be used by an employee for personal illness, family illness or family emergency. In 2018, the *Act* changed to require 2 days of the entitlement to be employer-paid. Those paid days were removed in 2019.

Absence Summary for City of Hamilton excluding Police, Fire, & Library

Graph 1: Days Lost per Eligible Employee, PEL, LTD, STD



Graph 2: Lost Days per Eligible Employee by STD Type

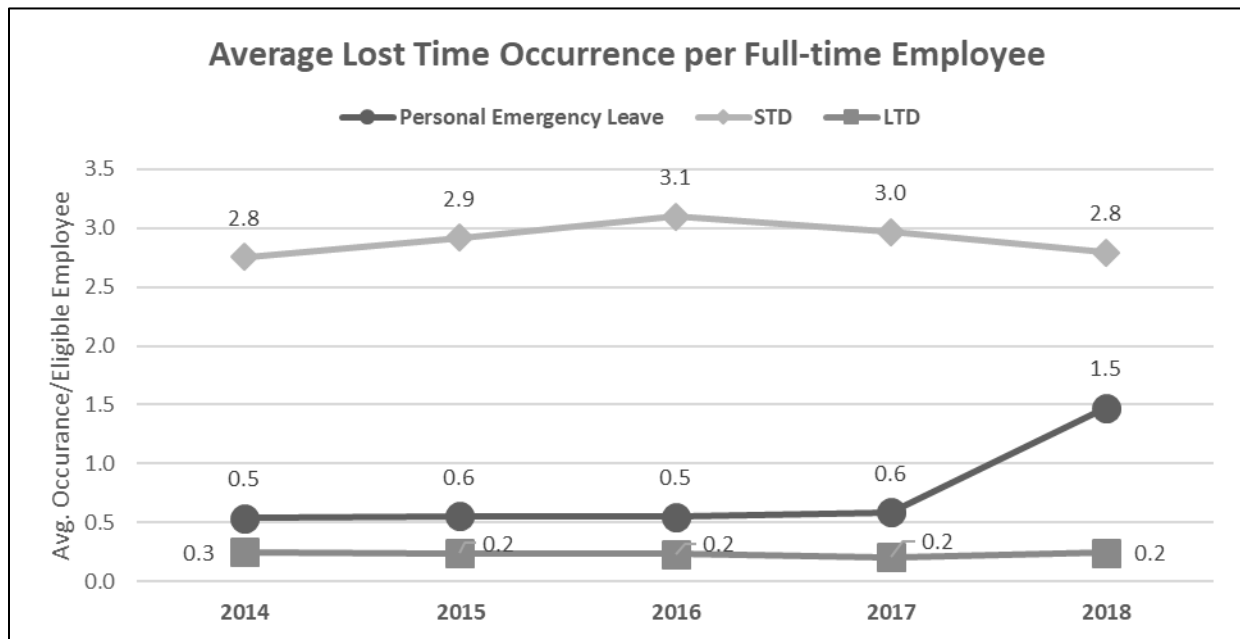


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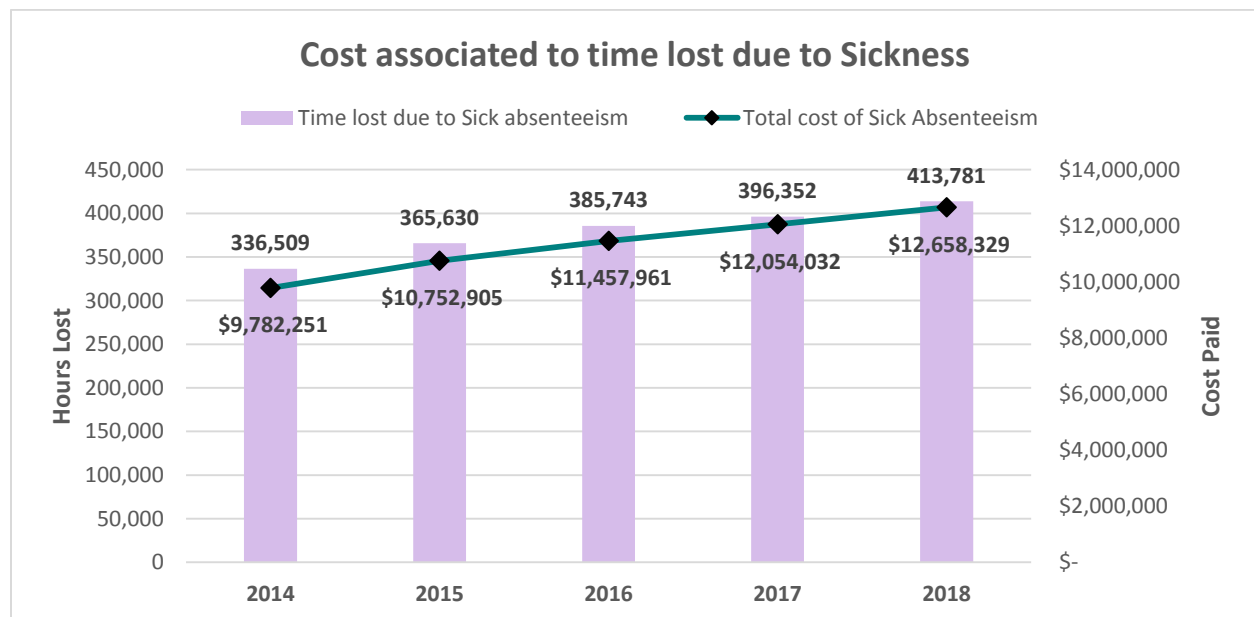
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Graph 3: Average Lost Time Occurrence per Full-time Employee, PEL, LTD, STD



Graph 4: Costs Associated with STD

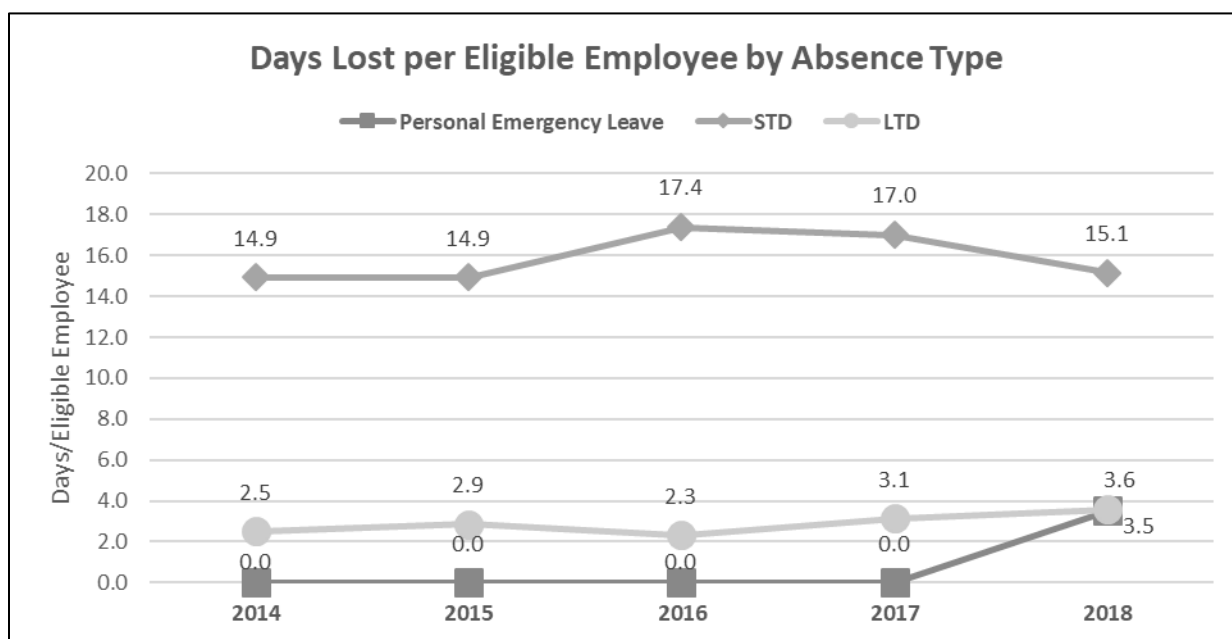


Summary of the graphs above:

Overall, absenteeism levels continue to rise which is primarily driven by significant sick time (i.e. absences of 6 days or more in length). In 2019, Return to Work Services has incorporated processes that will better track and manage absenteeism. This will better inform how our programs and benefits could help shorten absent duration and promote a quicker return to work.

Absence Summary for Fire Department

Graph 5: Days Lost per Eligible Employee by Absence Type, PEL, LTD, STD

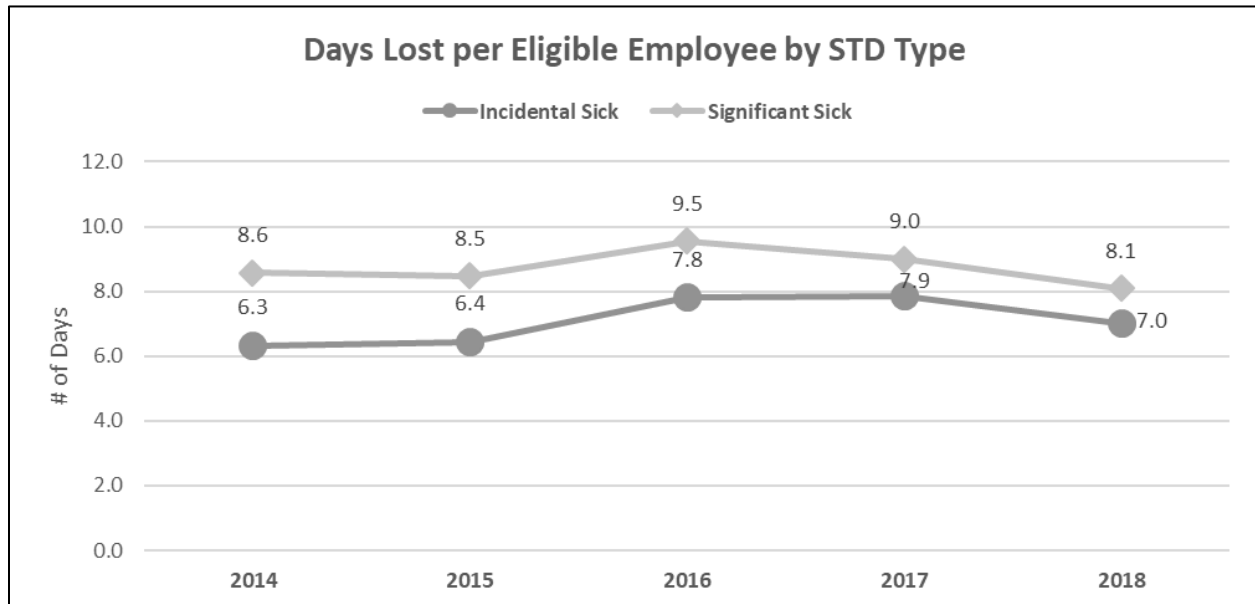


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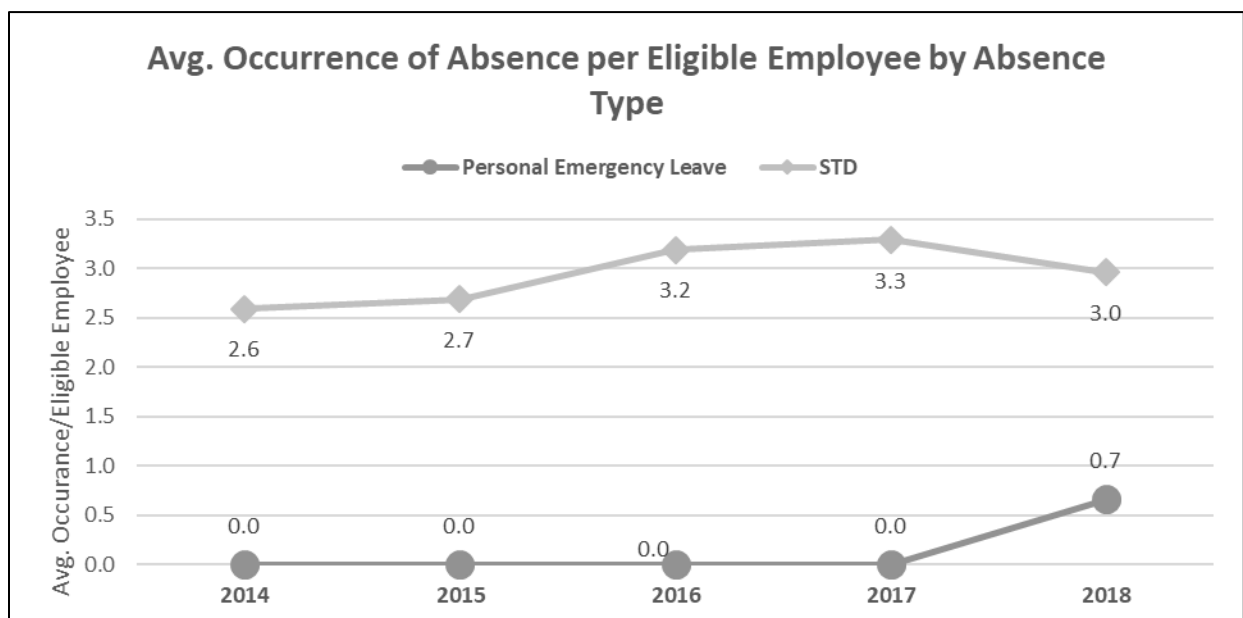
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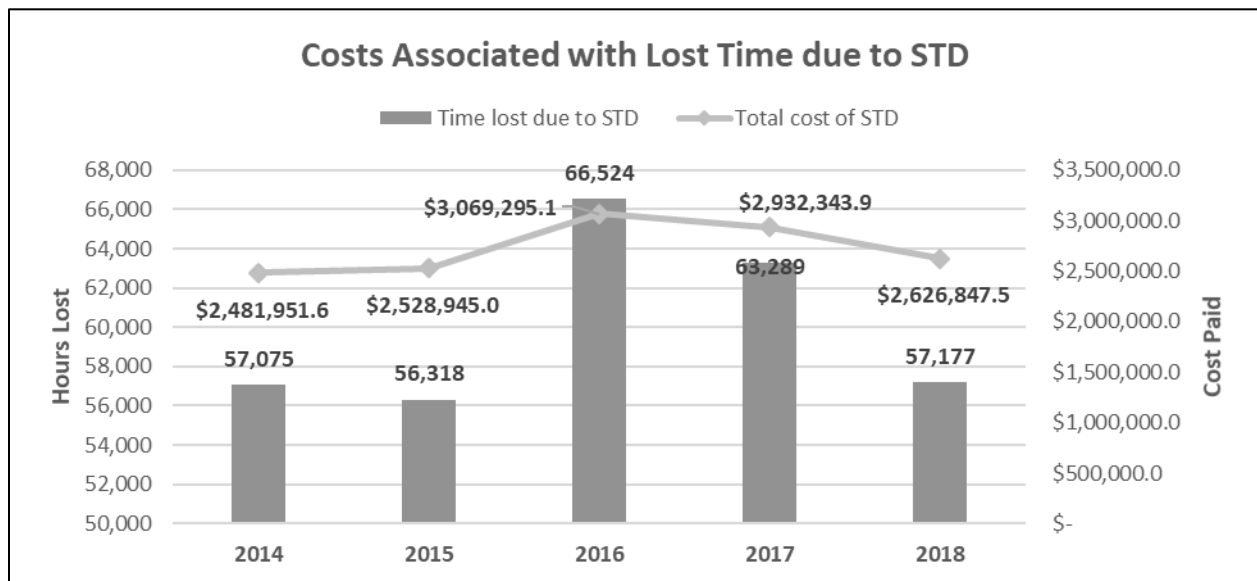
Graph 6: Days Lost per Eligible Employee STD Type



Graph 7: Avg. Occurrence of Absence per Eligible Employee by Absence Type, PEL, STD



Graph 8: Costs Associated with Lost Time due to STD



Summary graphs above for the Fire Department (Sick Leave Plan):

- Number of Days lost due to absenteeism per eligible employee is highest for short term disability (STD) absences (15.1 days in 2018) – This is higher than the rest of the organization average by 2.6 days.
- Number of days lost due to significant sickness is gradually decreasing for past 3 years (8.1 days in 2018) – This is also higher than the rest of the organization average by 0.7 days.
- Average occurrence of an eligible employee taking a PEL was 0.7 times – first time in last 5 years.
- Average occurrence of an eligible employee taking a short-term disability leave was 3.0 times – slightly higher than the rest of the organization by 0.2 days
- Total cost paid for sick leave is decreasing every year since 2016.

In 2017, a collaboration between Fire and Human Resources provided for greater Return to Work Services support. It would appear that this collaboration has resulted in improved absenteeism levels for the Fire department.

Return to Work Services Performance Measures (see Appendix B to Report HUR19003)

- The Return to Work Services (RTWS) team closed 533 cases for employees requiring accommodation in returning to work after an injury or illness in 2018, down from 550 in 2017. This includes both occupational and non-occupational cases.
- RTWS team assisted in securing modified duties for 457 employees, who then successfully returned to their full-time hours, and regular work duties in 2018.
- The number of employees waiting for permanent, suitable accommodated work remained low in 2018 (N=17). In 2018, 12 employees found permanent accommodation in their own job or another job within the City. This success in finding permanent work is the result of the efforts of the RTWS team, Human Resources staff as well as other management and union stakeholders in working collaboratively to find suitable employment for employees with significant permanent injuries or illnesses.

Initiatives to Assist Employees to Improve Attendance

- There are a number of Human Resource Policies and Procedures that support employee work/life balance. These policies continue to be reviewed and amended in order to better address employee related needs on a regular basis.
- In 2019, Return to Work Services (RTWS) began collecting and tracking data to better understand reasons for absences with a view to developing and implementing more targeted disability management strategies.
- RTWS staff will work in close partnership with the HR Business Partners to analyze and interpret absence data to identify trends and opportunities for targeted attendance and disability management strategies. The attendance statistics will be shared with City departments in a more consistent and regular basis to help them manage attendance more effectively.
- In 2019, RTWS will reallocate resources to increase focus on the management of employee attendance. Furthermore, RTWS will undergo an independent functional review to identify opportunities to promote a best-practices approaches to disability and attendance management with a view to improving employee wellbeing and reducing absenteeism levels.
- In 2018, Human Resources launched a new Attendance Management Program (AMP) that was piloted in the Transit and Lodges divisions. This program monitors both the amount and patterns of absences and focuses on the more problematic and incidental absence areas within specific work groups. It is anticipated that this more narrowed focus will result in the identification of more culpable absences, and with proper intervention, will likely result in improved attendance.

- Our People Survey (OPS) Action Plans – Several sections and divisions within the City have made employee health and wellness a key consideration in driving their OPS Action Plans.
- Workplace Mental Health Strategy – The Mental Health Action Committee (MHAC) has completed its evaluation of our workplace programs and practices using the Canadian standards for workplace mental health. The Committee will be bringing forward recommendations to Senior Leadership Team (SLT) in coming months aimed at improving efforts for creating psychologically safe workplaces and increasing employee resiliency.
- The Committee will continue to raise awareness on mental health stigma using its Shifting Minds campaign materials. It will also disseminate its tool kit for People Leaders designed to help managers and supervisors access resources to help with the workplace challenges affecting their teams. These challenges include stress, relationships, communication, workload, poor performance, bullying and conflict.
- The Health, Safety and Wellness Team will be reaching out to departments to garner a commitment to deliver the workplace mental health programs to front-line staff.

Long-term Disability (LTD)

These are sick absences that extend beyond 130 days and are managed by a third party.

Table 1: Long-term Disability (LTD) Claims 2014 to 2018

	2014	2015	2016	2017	2018
LTD new claims	63	77	72	73	77
LTD Active Cases at end of year	123	148	169	181	196
Incident rate for new claims per 1000 employees	14.31	17.10	15.11	15.96	13.93
LTD Costs (benefit payments, ASO fees, legal fees, vacation payouts and severances)	\$3,881,123	\$4,163,605	\$5,489,513	\$6,453,839	\$6,561,209

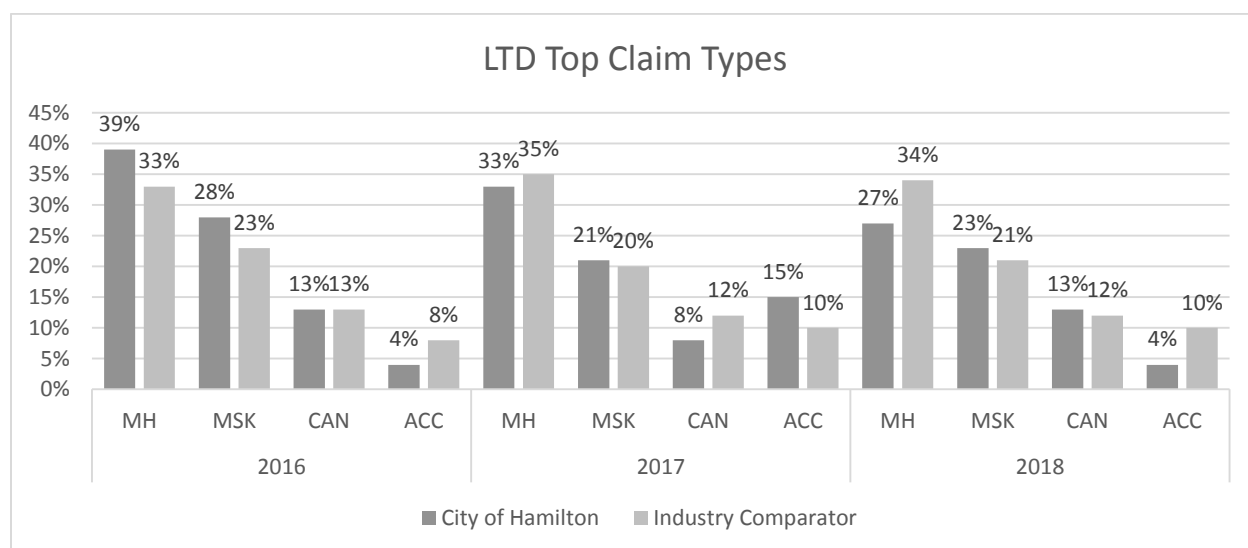
The above table indicates 77 new LTD were received by Manulife in 2018, representing a 5% increase. However, of the 77 claims received, 64 were approved, an approval rate which is 9% lower than 2017. Furthermore, the incident rate (which is calculated by number of claims per eligible 1000 employees), decreased in 2018 to 13.93%. Overall, based on employee population, the number of approved LTD claims decreased in 2018, primarily for mental health related claims.

Over the last three years, top diagnosis categories for new LTD claims were: Mental Health; Musculoskeletal; Cancer; and, Non-Occupational Accidents.

Table 2: LTD Top Claim types 2016-2018

Year	2016				2017				2018			
Type	MH	MSK	CAN	ACC	MH	MSK	CAN	ACC	MH	MSK	CAN	ACC
City of Hamilton	39%	28%	13%	4%	33%	21%	8%	15%	27%	23%	13%	4%
Industry Comparator	33%	23%	13%	8%	35%	20%	12%	10%	34%	21%	12%	10%
MH = Mental Health MSK = Musculoskeletal CAN = Cancer ACC = Non-occupational Accidents												

Graph 9: LTD Top Claim Types compared to Similar Industry 2016-2018



In 2016, mental health diagnoses accounted for 39% of LTD claims received, and as noted above, this percentage reduced to 27% of all claims in 2018, which is now lower than the industry average. This reduction is a positive indicator that the numerous initiatives to provide increased mental health resources have aligned to improve our employees' mental health and reduce lost time due to mental health concerns. Our mental health strategy has promoted reducing stigma and improving resiliency. People Leaders have also been trained to better understand mental health and provided with tools to assist them with keeping struggling employees at work and contributing to their teams. They also have a better understanding of their role in the return to work process when an employee returns from an absence.

In 2019, Return to Work Services is working more closely with Manulife to reduce overall claim duration. The City of Hamilton has progressive workplace accommodation programs, and we will focus on accommodation opportunities for musculoskeletal disorders and non-occupational accidents; conditions where accommodation options are often the most viable.

APPENDICES AND SCHEDULES ATTACHED

Appendix A to Report HUR19003 - Departmental Short-term Disability Absences
Appendix B to Report HUR19003 - Workplace Accommodation Activity