



REPORT TO THE BOARD OF TRUSTEES

From: Steve Matovic

Date: November 1, 2017

Subject: Rehabilitation report #68 – 127th LTD Full Board Meeting

EXECUTIVE SUMMARY

This report covers the period from January 1 to September 30, 2017.

At the beginning of the year, 637 members were in receipt of LTD benefits. This included 101 (16%) members who received ancillary benefits only. At the end of September 2017, the total declined by 2.5% to 621 members on LTD. Of these, 526 (85%) received both a payment and ancillary benefits, while 95 (15%) received ancillary benefits only.

Please refer to the Appendix for tables with the distributions of members in each LTD claim category by age range at September 30, 2017.

The average caseload for each of the seven (7) rehabilitation counsellors was 49 at the end of September 2017. Only 45% of the average rehabilitation caseload was comprised of members on weekly indemnity claims at September 30, 2017, compared to 57% of cases at the end of September 2016. The labour disruption at Pacific Blue Cross (PBC) meant that rehabilitation referrals from BC Life staff were interrupted from early July through September 2017 while essential service staff levels were in effect. The unionized staff at PBC returned to work on September 18 and it is expected they will deal with a backlog of files with an eventual return to a normal flow of early rehabilitation referrals to the Evergreen Rehabilitation Management Society.

361 members returned to work from January 1 to September 30, 2017. 313 returned to work during the weekly indemnity period, and 48 returned to work from LTD.

Expenditures for rehabilitation services for members during LTD were \$40,800 in excess of the year to date budget to September 30, 2017 of \$137,000.

More detailed information follows in the body of the report.

NEW LTD CLAIMS APPROVED

From January 1, 2016 to September 30, 2017, the plan approved 106 new LTD claims. This is a 26% increase from the 84 new LTD claims approved over the same period in 2016.

CASELOADS

Over the first nine (9) months of 2017, there were a total of 501 new referrals to Rehabilitation Services (STD and LTD). This is a 15% decrease over the 591 new referrals for the same period in 2016, largely due to the disruption in early rehabilitation referrals from PBC from July to September 2017.

At the end of September 2017, there were 345 cases assigned to seven (7) Rehabilitation Counsellors, for a caseload average of 49. This compares to a total of 407 cases assigned at the end of September 2016 and a caseload average of 58.

156 of the 345 cases (45%) assigned to Rehabilitation Counsellors at the end of September 2017 were for members receiving early intervention during the weekly indemnity period.

PBC SERVICE DISRUPTION

How the LTD plan mitigated the effects of the PBC service disruption from early July-September 2017

From May to early July 2017 the unionized claims staff who manage disability claims for BC Life at PBC worked to rule. On July 6 the unionized claims staff at PBC were withdrawn from their usual services and essential service staff levels took effect on July 11 and this remained until the usual complement of unionized staff returned to work on September 18.

The impact of the service disruption was to reduce communications between BC Life claims staff and rehabilitation counsellors, LTD benefits administration staff, and members. Some members on weekly indemnity benefits with BC Life during the labour disruption at PBC were impacted by delayed claim decisions and payments. There was initially delayed referrals of members for rehabilitation services followed by a stoppage of rehabilitation referrals from early July to September 2017. BC Life staff would normally send a Maximum Notice to the LTD plan for those members at 20 weeks duration of weekly indemnity benefits. The Maximum Notice prompts the LTD Benefits Coordinators to mail an LTD application kit to the member. The efficiency of BC Life staff in providing Maximum Notices was initially slowed, and then stopped as the labour disruption at PBC escalated.

The LTD Benefits Coordinators mitigated the effect of the notice disruptions by running a report to track the weekly indemnity duration for members who had been referred for rehabilitation prior to July 2017 to estimate when the 20 week duration would be reached so the members could be contacted to determine if they required an LTD application kit. This mitigation strategy was effective to prevent delayed or missed opportunities for members to apply for LTD benefits. In the absence of the referrals of members for rehabilitation services we were unable to enrol new members for rehabilitation services with the counsellors from Evergreen. The Plan Office communicated via mail and notices on the website to inform members, employers and union locals of the service disruptions at PBC and how to enrol in on-line claims processing and direct payment services for extended health claims. The LTD plan agreed to receive any urgent referrals for rehabilitation services to be passed on to the claims department at BC Life so their essential services staff could send referrals to Evergreen if they had time. It turned out that very few referrals for early rehabilitation were received during the period that essential services staffing was in effect at BC Life. The unionized staff at BC Life returned to work on September 18. As they catch up on the backlog of work and resume normal levels of service, the stream of early rehabilitation referrals at 4 weeks disability duration and the receipt of Maximum Notices at 20 weeks duration are expected return to normal levels.

RETURN TO WORK OUTCOMES

361 members returned to work from January 1 to September 30, 2017, compared to 434 for the same period in 2016. Of these, 351 (97%) returned to work in their own occupation with the same employer, either directly (95%) or with job modifications (5%). One member returned to work to another occupation with the same employer. Four members found new employment inside the forest industry, and five members returned to work outside of the forest industry. Of the 361 members who returned to work, 313 were early intervention STD cases (87%), and 48 were LTD cases (13%).

Of the 313 STD claimants, 306 (98%) returned to work with the same employer, either in the same occupation (288), or in a modified or alternate occupation (18); three members returned to work with new employers in the forest industry and four members found new employment outside the industry.

Of the 48 LTD claimants, 46 (96%) returned to work with the same employer, either in the same occupation (44) or in a modified or alternate occupation (2). One member returned to work with another employer in the forest industry and one member found new employment outside of the industry.

The rehabilitation counsellors closed an additional 13 cases for return to work reasons. This included 12 cases where rehabilitation services were complete and a return to work is expected and pending at time of case closure (e.g. lay-offs, fit to RTW to own job but decide to look for new work) and also includes one member who completed retraining but had not yet secured employment at closure.

Overall, out of a total of 374 members who were on STD or LTD and fit to return to work, 361 successfully returned to work at the time of case closure (97%). The remaining 13 members were considered fit to return to work at case closure.

11 rehabilitation cases were closed due to termination of the STD or LTD claims. Most of the LTD claims closed due to members aging out of benefits at age 60. One member whose LTD claim was terminated then appealed unsuccessfully and returned to work with the same employer.

18 rehabilitation cases were closed due to inactivity or non-compliance with rehabilitation, and in four of those cases members returned to work to the same employer without filing any application for LTD after completing the maximum period of STD benefits.

12 rehabilitation cases were closed because the WCB assumed responsibility for the claims. Two of these members later returned to work with the same employer.

There were 16 rehabilitation case closures for members who retired. This compares to 21 retirements over the same period in 2016.

REHABILITATION EXPENSES

Rehabilitation expenditures over the period January 1 to September 30, 2017 totalled \$177,838 and were \$40,813 over budget YTD. The largest segment of rehabilitation expenditures for this period was applied to the funding of physical conditioning and assessment services to prepare members for return to work (\$75,529), followed by the sponsorship of educations and training programs to help members secure work in alternate occupations (\$54,597), the associated costs of travel and accommodation to help members to access services (\$31,212), and psychological/counselling services (\$9,700).

CPP DISABILITY BENEFIT APPLICATIONS, RECONSIDERATIONS AND APPEALS

Two of the plan’s rehabilitation counselors, Gordon Philip and Brian Lukyn, continue to work in cooperation with the medical adjudicators from FIDAS to identify members who require assistance to apply or appeal for the CPP Disability benefit. Over the period January 1, 2017 to September 30, 2017, they have successfully assisted with and appealed six (6) Canada Pension Disability claims for an estimated total offset of \$ 421,256. Five appeals were approved at the reconsideration stage and one appeal was approved at the Social Security Tribunal.

APPENDIX

Of the 621 members receiving LTD benefits at the end of September 2017, 393 (63%) were in Category “01” (permanent total disability); 200 (32%) were in Category “03” (temporary disability), and 28 (4.5%) were in Categories “02” or “02A” (rehabilitation participation or rehabilitation assessment period). The chart below shows the number of members in each category by average age and age range.

CATEGORY 01			CATEGORY 02		
Age	Count	%	Age	Count	%
21 - 30	1	.3%	21 - 30	1	5.9%
31 - 40	6	1.5%	31 - 40	9	52.9%
41 - 50	52	13.2%	41 - 50	2	11.8%
51 - 54	76	19.3%	51 - 54	1	5.9%
55-59	258	65.7%	55-59	4	23.5%
>60	0	0%	>60	0	0%
AVG: 55	Total 393	100%	AVG: 41	Total 17	100%

CATEGORY 02A			CATEGORY 03		
Age	Count	%	Age	Count	%
21 - 30	2	18.2%	21 - 30	8	4.0%
31 - 40	2	18.2%	31 - 40	32	16.0%
41 - 50	2	18.2%	41 - 50	43	21.5%
51 - 54	0	0%	51 - 54	46	23.0%
55-59	4	36.3%	55-59	68	34.0%
>60	1	9.1%	>60	3	1.5%
AVG: 46	Total 11	100%	AVG: 49	Total 200	100%