



REPORT TO THE BOARD OF TRUSTEES

From: Steve Matovic

Date: August 6, 2020

Subject: Rehabilitation Report # 79 - LTD Full Board Meeting 139

EXECUTIVE SUMMARY

This report covers from January 1 to June 30, 2020. At the beginning of the year 551 members were in receipt of LTD benefits. This included 492 members who received payments and 59 (10.7%) members who received ancillary benefits only.

At the end of June 2020, the total declined to 523 members on LTD, including 488 who received payments and 35 (6.7%) who received ancillary benefits only.

Please refer to Appendix 1 for tables with the number of members in each claim category by age range at June 30, 2020.

The average caseload based on five full time equivalents for rehabilitation counsellors was 67.8 at the end of June 2020. Only 41% of the average caseload was comprised of early rehabilitation referrals for members during the short-term disability (STD) period.

The number of early rehabilitation referrals to the Evergreen Society has dropped significantly in the first half of 2020 as detailed in the report to follow and the table in Appendix 2.

178 members returned to work in the first six months of 2020. 150 were early STD rehabilitation cases (84.3%) and 28 were LTD cases (15.7%). 174 of these workers (97.8%) returned to the same employer.

Rehabilitation expenditures (unaudited figures) for January to June 2020 totalled \$33,291 which is \$76,459 less than the YTD budget of \$109,750.

Over the period January 1 to June 30, 2020 two Canada Pension Disability benefit claims were approved with assistance from the Plan Office at the initial application stage for an estimated total offset of \$67,944.

More detailed information follows in the body of the report.

NEW LTD CLAIMS APPROVED

From January 1 to June 30, 2020, the Plan approved 60 new LTD claims, down 4.8% compared to 63 new LTD claims approved over the same period in 2019.

CASELOADS

Over the first six months of 2020 there were a total of 226 new referrals to rehabilitation services (STD* and LTD). This is a 36.5% decrease compared to the 356 new referrals for the same period in 2019. The four Pacific Blue Cross (PBC) administered H&W Plans have sent 36% fewer early referrals to the Evergreen society in the first half of 2020 compared to the same timeframe in 2019. Since mid-March 2020 PBC staff began to work remotely due to the COVID 19 pandemic measures and this might account for part of the reduction in referrals. The early referrals to Evergreen for the USW-Coastal Plan had only began to slowly resume after the strike at Western FP and the affiliated companies had concluded on February 15, 2020 and referrals from the Coastal plan have dropped by 43% in the first half of 2020 compared to the same point in 2019. The West Fraser operations that are not contracted with Evergreen during STD are also administered by PBC and their early referrals were reduced by half in the first half of 2020 compared to 2019. The USW-Canfor H&W plan is contracted with Evergreen and is administered by Sun Life Financial and their early referrals decreased by a third for the first half of 2020 compared to 2019. Please reference the table in Appendix 2 that compares the number of early referrals received from the four Evergreen contracted H&W Plans and the non-contracted West Fraser divisions (100 Mile Lumber, Williams Lake Plywood, and Quesnel Plywood) in the first half of 2020 compared to the same timeframe in 2019. It is likely that some portion of the reduction in early referrals is due to temporary curtailments or permanent closures. The primary concern is that if Evergreen does not receive early referrals for some STD cases the opportunity for early rehabilitation is lost for those members and this would be expected to result in longer STD claim durations, delayed return to work opportunities, and an increase in LTD claims.

At the end of June 2020, there were 339 cases assigned to five full time equivalent rehabilitation counsellors (four full time and two part time contractors), for a caseload average of 67.8. This is compared to a total of 401 cases assigned to six rehabilitation counsellors at the end of June 2019 and a caseload average of 67. The overall number of rehabilitation cases under management has dropped by 15.5% compared to the first half of 2019 but now there is one less full-time equivalent counsellor so the average caseload for each counsellor is essentially the same.

139 (41%) of the 339 rehabilitation cases assigned at June 30, 2020 were for members referred to Evergreen for early rehabilitation services during the weekly indemnity period. This compares to 50.4% early rehabilitation cases assigned at June 30, 2019 which is in the typical proportion expected.

In the first half of 2020 the PBC administered STD plan office has also struggled to provide timely maximum STD notices at 20 weeks to the LTD Plan. The LTD Plan staff track any early referrals received to the 20-week mark just in case no maximum notice is received. Also, when maximum notices are provided they do not always accurately identify WCB or ICBC claim involvement, so this makes it more difficult for the LTD staff to know if the WCB file request or third party claim forms need to be sent

with the LTD application packages which can cause delays when the additional forms need to be sent in follow up. If the LTD plan does not receive any early or maximum notice for an STD claim there would be no prompt to send an LTD application kit to the member.

*Note: in this report STD is an abbreviation for “short term disability” which is synonymous with weekly indemnity.

RETURN TO WORK OUTCOMES

178 members returned to work from January 1 to June 30, 2020. 150 of these were early STD rehabilitation cases (84.3%) and 28 were LTD cases (15.7%).

Of the 150 STD cases; 141 (94%) returned to work to the same employer and occupation, seven (4.7%) returned to a modified occupation with the same employer, and two (1.3%) returned to work with a new forest industry employer.

Of the 28 LTD cases; 23 (82.2%) returned to work to the same employer and occupation, three (10.7%) returned to the same employer to modified work, and two (7.1%) to self-employment outside of the forest industry.

Overall, out of a total of 199 members who were on STD or LTD and fit to return to work, 178 (89.4%) successfully returned to work at time of case closure. The following is a break down of cases where members were fit to return but did not return to work at closure: In seven cases during the STD period and five cases on LTD the members were fit to return to work but were pending availability of work at closure. Three members on STD and four on LTD were fit to return to work but had no job to return to. One STD case closed due to another job focus and one LTD case closed when the member was fit to return to another employer but his commitment agreement for job search ended before he was able to find employment.

Eight rehabilitation cases were closed for reasons other than return to work or fitness to return to work. Five cases were closed as unable to locate when members did not engage with rehab services offered during STD. Two members transitioned from STD to a WCB claim and one member filed an application for LTD but was confirmed to have ongoing WCB planning payments equivalent to wage loss, so his LTD application was closed without being sent to FIDAS for review.

21 rehabilitation cases were closed for retirement in the first six months of 2020.

REHABILITATION EXPENSES

Rehabilitation expenditures (unaudited figures) for January to June 2020 totalled \$33,291 which is \$76,459 less than the YTD budget of \$109,750. The largest segment of rehabilitation expenditures was applied to the funding of physical conditioning, physical activation and assessment services to prepare members to return to work (\$25,547). The other main expenses were costs of travel and accommodation to help members to access services (\$4,141), and psychological/clinical counselling services (\$10,073). Since the shutdown of health, rehabilitation, recreation and educational training

services due to the pandemic response since mid-March, there was limited access to rehabilitation and activation services for members. Some service providers, such as clinical counsellors offered services by phone or video conference, but other options such as physiotherapy or work conditioning were not available until late-May or early June when some services began to resume under phase 3 of the BC government phased re-opening plan. Please also note that for claims that involved ICBC third party claims the coverage for health services from ICBC has been greatly improved since April 2019 so that members who used to look for supplementary funding from LTD rehabilitation services no longer require it, so this has helped to reduce the LTD Plan's rehabilitation expenses.

CPP DISABILITY BENEFIT: APPLICATIONS, RECONSIDERATIONS & APPEALS

The Plan's rehabilitation counsellors continue to work in cooperation with the medical adjudicators from FIDAS to identify members who require assistance to apply or appeal for the Canada Pension Plan Disability (CPP-D) benefit.

Over the period January 1 to June 30, 2020 they have successfully assisted with two Canada Pension Disability benefit claims at the initial application stage for an estimated total offset of \$67,944.

There are at least two reconsideration level appeals being assisted by rehabilitation services that are pending decisions.

Some members will not qualify for the CPP-D benefit because they have insufficient contributions to the CPP within the timeframe required to support eligibility, some do not meet the CPP definition of disability, and others have exhausted the opportunity for any further appeal.

APPENDIX 1

AGE DISTRIBUTIONS FOR LTD CLAIM CATEGORIES – JUNE 30, 2020

Of the 523 members receiving LTD benefits at June 30, 2020, 297 (56.8%) were in Category “01” (permanent total disability); 211 (40.3%) were in Category “03” (temporary disability), and 15 (2.9%) were in Categories “02” (commitment agreement in place) or “02A” (rehabilitation assessment and planning).

CATEGORY 01			CATEGORY 02		
Age	Count	%	Age	Count	%
21 - 30	0		21 - 30	0	
31 - 40	10	3.4%	31 - 40	3	30 %
41 - 50	41	13.8%	41 - 50	3	30%
51 – 54	55	18.5%	51 - 54	1	10%
55-59	191	64.3%	55-59	3	30%
AVG: 54	Total: 297	100%	AVG: 47	Total: 10	100%

CATEGORY 02A			CATEGORY 03		
Age	Count	%	Age	Count	%
<21	0		<21	1	0.50%
21 – 30	2	40%	21 – 30	12	5.7%
31 – 40	0		31 – 40	27	12.8 %
41 – 50	1	20%	41 – 50	63	29.8%
51 – 54	2	40%	51 – 54	23	10.9%
55-59	0		55-59	82	38.9%
>60	0		>60	3	1.4%
AVG: 40	Total: 5	100%	AVG: 49	Total: 211	100%

APPENDIX 2

Early Referrals to the Evergreen Society Jan. 1 – June 30, 2020 compared to Jan. 1 – June 30, 2019

EG Referrals	CANFOR- USW	COASTAL	SOUTHERN	NORTHERN	WEST FRASER Non EG*
Jan-Jun 2020	36	59	50	51	18
Reduced # (%) Jan-Jun 2020	-18 (-33%)	-45 (-43%)	-30 (-37.5%)	-5 (-9%)	-19 (-51%)
Jan-June 2019	54	104	80	56	37

* West Fraser Non-Evergreen: 100 Mile Lumber, Williams Lk. Plywood & Quesnel Plywood