



REPORT TO THE LTD FULL BOARD OF TRUSTEES

From: Steve Matovic Date: March 9, 2022
Subject: Rehabilitation report # 85 – LTD Full Board Meeting 145

EXECUTIVE SUMMARY

This report covers the period from January 1 to December 31, 2021.

At the beginning of the year 459 members were in receipt of LTD benefits. This included 427 (93%) members who received payments and 32 (7%) members who received ancillary benefits only.

On December 31, 2021, total LTD claimants declined to 456 members, including 428 (94%) who received payments, and 28 (6%) who received ancillary benefits only. Appendix 1 provides the numbers of members in each claim category by age range on December 31, 2021. Appendix 2 reports on the performance milestones for LTD and FIDAS compared to the 2019 benchmarks.

On December 31, 2021, there were 299 cases assigned to three full time and two contracted part time rehabilitation counsellors (4 full time equivalents), for a caseload average of 75. Cliff Dundas, Senior Counsellor worked 0.6 FTE from August 1 to retirement at year end.

Early rehabilitation referrals to the Evergreen Society in 2021 continued at reduced levels similar to 2020. There was a 23.9% reduction in early referrals for 2020 compared to 2019.

268 members returned to work (RTW) in 2021. 222 members RTW during the weekly indemnity period, and 46 RTW from LTD. 259 members (96.6%) RTW with their own employer.

The COVID 19 pandemic transitioned from the Delta variant predominant since the summer to the highly transmissible but less deadly Omicron variant in November. Adult vaccinations in the spring with second doses in the summer and a vaccine for children aged 5 to 12 years by the fall have helped to reduce hospitalizations and deaths. Health orders for masks, reduced occupancies and isolation returned in response to Omicron. LTD, rehabilitation, and medical adjudication staff continued to work remotely with only essential staff working in the Plan Office.

BC forest fires intensified after a heat dome in late June. Severe flooding in Merritt, Princeton, Spences Bridge, and the Fraser Valley in mid-November that caused extensive damage to townsites, rail and highway corridors that negatively impacted travel and supply chains. Lumber production slowed in regions affected by fires and floods. Some communities were evacuated, and members there had to cope with damage to their properties.

Rehabilitation expenditures (unaudited figures) for 2021 totalled \$120,926 and were \$59,000 under budget. In 2021 staff assisted CPP disability applications and appeals that yielded estimated total LTD offsets of \$466,915. More details follow in the full report.

NEW LTD CLAIMS APPROVED

From January 1 to December 31, 2021, the Plan approved 116 new LTD claims, compared to 115 new LTD claims approved in 2020.

CASELOADS

In 2021, there were a total of 432 new referrals to rehabilitation services (STD* and LTD). This is a 2.9% decrease compared to the total of 445 referrals in 2020. The decrease in rehabilitation cases is due in part to the number of operations that closed or curtailed operations in recent years, and also reflects the reduction in early rehabilitation referrals during the pandemic since March 2020.

On December 31, 2021, there were 299 cases assigned to three full time and two contracted part time rehabilitation counsellors (4 full time equivalents), for a caseload average of 74.8 cases. This compares to a total of 286 cases and a caseload average of 57.2 at the end of 2020.

121 of the 299 rehabilitation cases assigned on December 31, 2021, were for members referred for early rehabilitation services during the weekly indemnity period. 40.5% of the average rehabilitation caseload was comprised of members on weekly indemnity claims. In 2019 and prior years the percentages of early rehabilitation cases were typically near 50%.

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

RETURN TO WORK OUTCOMES

268 members returned to work during 2021, a 21% decrease from 339 in 2020. 237 members returned to the same occupation and 22 to a modified or different job with their employer, so 259 members (96.6%) returned to the same employer in the forest industry. One member found work with a different employer in the forest industry, 7 members found jobs outside of the forest industry, and one member retrained during LTD and found work as a truck driver.

Of the 268 members who returned to work, 222 were STD cases and 46 were LTD cases.

218 members (98.2%) of the 222 STD cases returned to work with the same employer: 201 to the same occupation, and 17 to modified or alternate work. Four members found work with a new employer outside the forest industry.

41 (89.1%) of the 46 LTD claimants returned to work with the same employer, 36 in the same occupation, and five in a modified or alternate occupation. One member found work with a new employer in the forest industry. Three members found work in new jobs outside of the forest industry. One member retrained during LTD and is working as a truck driver outside of the forest industry.

Overall, out of a total of 279 members who were on STD or LTD and fit to return to work, 268 (96%) successfully returned to work. 11 cases involved members fit to return to work at the time of case closure who had not returned to work. Four cases were for members pending a job available to return to. Three members had no job to return to. Three members decided not to return to work

with their current employer. One member received retraining from LTD to complete a CNC machinist program but was not working at closure of their claim.

25 rehabilitation cases closed for reasons other than return to work or fitness to return to work. Seven (28%) transitioned from STD to WCB, and two (8%) from LTD to a WCB claim. One case (4%) closed from STD as inactive/non-compliant with rehabilitation. 13 (52%) STD cases closed due to failure to locate the members, and six of these later returned to work to the same employer, with no applications filed for LTD from any of these 13 cases. Two (8%) STD cases closed due to these members transitioning to leaves of absences for maternity and family care leave.

There were 23 rehabilitation case closures for members who retired in 2021. This compares to 43 case closures due to retirements over the same period in 2020. At least three cases closed for retirements in 2021 were associated with members opting for the BC provincial bridging to retirement program. This bridging program suspended when fully prescribed earlier in 2021, but resumed accepting applications from November 1, 2021, in response to the expected further mill curtailments due to the provincial old growth deferral policy announcement.

REHABILITATION EXPENSES

Rehabilitation expenditures (unaudited figures) for 2021 totalled \$120,926 and were \$59,000 under budget. The largest segment of rehabilitation expenditures was for the funding of physical conditioning, physical activation, and assessment services to prepare members for return to work (\$66,453). The other main expenses were the sponsorship of vocational assessments, education, and training programs to help members secure work in alternate occupations (\$19,132), costs of travel and accommodation to help members to access services (\$7,795), and psychological counselling services (\$23,649 – up 44% vs.2020).

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 or the CPP Post Retirement Disability Benefit.

From January 1 to December 31, 2021, they have successfully assisted with six claims accepted at the initial application stage for a total estimated offset of \$153,915. These estimates assume that four of these members would remain on LTD benefits to age 60. Two members were over age 60 and received the CPP post-retirement disability benefit, so the offset recovery period was limited to 12 months on LTD, less the 15 week EI sickness period.

One member's reconsideration appeal was successful for an estimated total offset of \$313,000.

The total estimated CPP-D offsets for files assisted by rehabilitation counsellors or the director during 2021, is \$466,915.

Members will not qualify for the CPP-D benefit if they have insufficient contributions to the CPP within the timeframe required to support eligibility, do not meet the CPP definition of disability, or have exhausted the opportunity for any further appeal.

PERCENTAGES OF 01 & 03 CATEGORY CLAIMS WITH THE CPP DISABILITY BENEFIT

201 (77.3%) of the 260 members in the 01 claim category; and 32 (16.8%) of the 191 members in the 03 claim category had qualified for the CPP disability benefit as of December 31, 2021.

APPENDICES

See Appendix 1 for the distribution of LTD claimants by claim category and age on December 31, 2021. Appendix 2 provides the report on the 2021 LTD and FIDAS performance milestones compared to the 2019 benchmark data.

APPENDIX 1

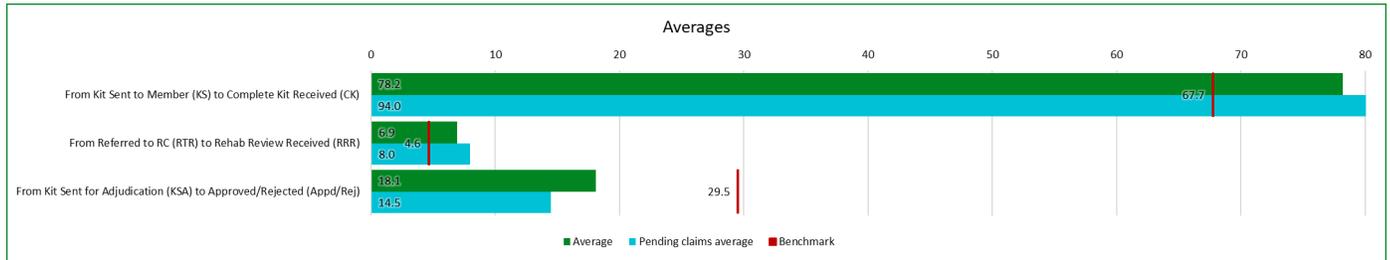
AGE DISTRIBUTIONS FOR LTD CLAIM CATEGORIES - DECEMBER 31, 2021

Of the 456 members receiving LTD benefits at year-end, 260 (57%) were in Category “01” (permanent total disability); 191 (41.9%) were in Category “03” (temporary disability), and 5 (1.1%) 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	0%	21 - 30	0	0%
31 - 40	9	3.46%	31 - 40	0	0%
41 - 50	36	13.85%	41 - 50	1	33.3%
51 - 54	48	18.46%	51 - 54	1	33.3%
55-59	165	63.46%	55-59	1	33.3%
>60	2	0.77%	>60	0	0%
AVG: 54	Total: 260	100%	AVG: 51	Total: 3	100%

CATEGORY 02A			CATEGORY 03		
Age	Count	%	Age	Count	%
<21	0	0%	<21	0	0%
21 - 30	0	0%	21 - 30	9	4.7%
31 - 40	1	50%	31 - 40	33	17.28%
41 - 50	0	0%	41 - 50	51	26.7%
51 - 54	0	0%	51 - 54	24	12.57%
55-59	1	50%	55-59	55	28.8%
>60	0	0%	>60	19	9.95%
AVG: 49	Total: 2	100%	AVG: 49	Total: 191	100%

Appendix 2: LTD Milestones 2021 (green bars) versus 2019 baseline (red lines)



The 2021 LTD performance milestones for claims administration, rehabilitation reviews, and adjudication decisions are displayed above in the respective green horizontal bars in calendar days, in comparison to the average duration for the benchmark year of 2019 indicated by the red vertical lines. In 2021 the COVID 19 pandemic continued to disrupt the service environment.

LTD Admin cycle for completed LTD applications: 78.2 days in 2021 (top green bar) measured from when the LTD application kit is sent to when the completed kit was received, in comparison to 78.6 days in 2020, and 67.7 days in 2019 (top red vertical line on chart). Impacted by mail and medical form delays during the pandemic from mid-March 2020 and during 2021.

Rehab review cycle: 6.9 days in 2021 (middle green bar), compared to 4.6 days in 2020 and 4.6 days in 2019 (middle red vertical line) measures the duration for the rehabilitation counsellor to complete a rehab review of the LTD application, or to complete a third party review for work-related disability cases that are more time consuming because it involves a review of the member’s WCB file disclosure. Rehabilitation counsellor staffing decreased during 2021 with one full time counsellor moving to 0.6 FTE from August until he retired at the end of December. Rebalancing of the rehabilitation case assignments required adjustments during the third and fourth quarters of 2021. The rehabilitation team adapted well, but the rehab reviews of applications took longer.

Adjudication decision: 18.1 days in 2021 (bottom green bar) a considerable improvement, compared to 27.7 days in 2020 and 29.5 days in 2019 (bottom vertical red line). In late February 2021, the FIDAS office assistant (who also follows up on the O1 category claims) went off work due to disability. In August, a junior medical adjudicator/office assistant began working to help restore the adjudication caseloads. The medical adjudicators continued to work well during challenging times.

2021: a snapshot of the last milestone reached, and status results for LTD applications - 214 cases

