

A TEAM APPROACH TO MANAGING ABSENCES

Proper claims management will benefit us all

In recent years, all insurers have experienced an increase in the number of disability claims. The significant factors affecting disability expenses are:

- Longer duration claims. Insurers are finding it more difficult to return employees to work, often experiencing resistance from the employer, the employee and the physician.
- A higher incidence of stress, mental illness and depression related claims.

Increasing rates is not the only solution

The insurance industry's go to solution to the increased number of claims is to increase premiums; however, this is no longer considered a viable solution by insurers or plan sponsors.

A better solution is to prevent or shorten disability claims. For this to happen the employee, the physician and the employer must all take an active interest in this process. For example:

- **Employees** must seek earlier intervention in consultation with their physicians, and seek ways to maintain their involvement in the workplace (even if on a reduced basis).
- **Physicians** need to actively develop return-to-work or continued-work strategies (therapies??) rather than support continued absences.
- **Employers** need to be prepared to look at workplace accommodations, and to actively manage even short-term absences.
- It is vital that all parties view disabilities as a *temporary* absence from the workplace. Most important of all is the employee's active participation in returning to work.

NOTE: Disability management firms often facilitate faster access to specialists. Quicker diagnosis helps get employees back to work sooner!

The solution lies with the employees

Many claims are preventable. It is important to develop a system that involves the employee, the physician, the employer, and possibly the insurer before an employee becomes completely disabled.

THE JOHNSTONE'S ADVANTAGE

Our mission is simple:
Treat each client as if they were our only client.

Our value is clear:
We are completely independent. We work for you and offer total flexibility on insurers and plans.

We offer all your group insurance services including administration, brokerage, consulting, and communications.

We provide dedicated client support, customization and flexibility to meet all of your company's benefits needs. And we make **solid group plans simple.**



For claims that are not preventable, once the insurer has accepted a claim, all parties need to actively work together to see if the employee can return to work and/or if retraining and rehabilitation is required.

Preventing the claim, or returning the employee to productive work, means a cost saving to the insurer, retention of a valuable employee to the employer, and minimal loss of income to the employee. This is truly a win-win-win scenario. The physician, the employer and the insurer must all support the employee. But the employee must look to all of these parties for help in returning to work, not for continued support for the absence. This may require a more aggressive—but compassionate—approach than those involved took in the past.

Here's what can be done

Most insurers will now consider a claim as early as the employer and employee want to submit it. Upon their review, the insurer will assess opportunities for job modification, rehabilitation or retraining that will minimize or eliminate the claim. They will make their rehabilitation departments available, and provide consulting services—prior to the elimination period. In some cases, they may even consider the costs of job modification, while in other cases they may recommend another occupation. So, if you see a potential claim, don't wait: contact us to determine the best "next steps" to take.

When a claim is work related - Workers Compensation Boards

Workers' Compensation Boards (WCB), also known as WorkSafe or Workplace Safety, protect workers from economic hardship when they suffer a work-related injury or disease. When a worker is injured on the job, wage loss and medical costs including rehabilitation and retraining costs needed to return a worker to work are generally covered by WCB. At the

same time, WCB protects employers against lawsuits from injured workers. Most employers are required by law to register with the WCB and pay premiums. For more information on all provincial WCB programs, go to www.awcbc.org.

When WCB approves a claim, many employees and employers assume they don't have to take further action. However, to ensure employees continue to be eligible under the group disability plan, they must also file the disability claim with the group insurer.

To avoid future problems, it is important to apply for waiver of life insurance and disability benefits premiums concurrently with the claim under Workers' Compensation.

Benefits integrated with WCB

Although WCB is the primary payer for work related disabilities, group insurance policies integrate their benefits with WCB and may provide other benefits WCB does not (such as education allowance for a spouse). Sometimes it is many years later when the group insurer is asked to pick up a claim because WCB has reduced, or stopped paying benefits and the employee is still medically unable to return to work.

NOTE: Even if you are receiving WCB benefits, you need to complete a Long Term Disability (LTD) claim before the deadline in case your WCB claim is reduced or declined in the future. Contact us for details about claiming deadlines.

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