

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MAY 1, 2018
FROM:	WILLIAM C. COXHEAD MANAGING DIRECTOR, CORPORATE SERVICES AND CHIEF HUMAN RESOURCES OFFICER
SUBJECT:	EMPLOYEE ABSENTEEISM 2017

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and Chief Human Resources Officer, the following Report **BE RECEIVED** for information purposes.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Report to Corporate Services Committee – September 26, 2017 – Update: Employee Absenteeism 2017 Mid-Year Review

BACKGROUND

The purpose of this report is to provide an overview of the City of London’s level of absenteeism in 2017, as well as outline the collaborative processes involved in ensuring employees a safe and early return to work following an absence from the workplace.

Civic Administration remains committed to continuous improvements with respect to assisting employees off work due to medical reasons. Despite these efforts, fluctuations in absenteeism levels are expected and will occur overtime due to a variety of factors. Civic Administration monitors these fluctuations closely to determine whether any long term concerns exist and actions are required. As noted in this report, there are recent increases in regards to Paid Sick, Short Term Disability, Long Term Disability, and WSIB. This is due in part to the changing age demographics of City of London employees. Specifically, the percentage of employees that fall within the age range of 50 to 75. It is expected that the percentage of employees that fall within these age ranges will continue to increase over the next few years.

1. Overview of Claims Management, Return to Work Program and Statistics

The Corporation has various supports and resources available to assist employees that are off work due to medical reasons. Return to work supports include Union/Association - Management Return to Work Committees, modified work and accommodation programs, access to Occupational Health Physicians and Nurses, as well as benefits for Sick Leave, Short Term Disability (STD), Long Term Disability (LTD) and Workplace Safety and Insurance Board (WSIB) benefits. Civic Administration works collaboratively with our employees and Unions/Associations to implement supports (e.g., Mental Health Strategy), and resources in this regard to provide employees a safe and healthy workplace.

2. Claims Management (Sick, STD, LTD, WSIB)

Civic Administration works together with our employees in regards to applying for Sick, STD, LTD and WSIB benefits. This includes meeting with employees to ensure they understand the process, and making sure they provide the appropriate documentation to the applicable party and/or insurer for determination of eligibility for benefits.

During the lifetime of a claim, Civic Administration maintains regular communication with the employee, manager, and insurer (if applicable) to ensure:

- ongoing medical documentation is provided to support the absence and ongoing benefits entitlement;
- the employee is referred to the appropriate health care provider;
- the employee is seeking and adhering to the recommended treatment plan;
- appropriate benefits are issued in accordance with the *Workplace Safety and Insurance Act (WSIA)*, contracts of insurance, applicable collective agreement, and applicable policies and/or procedures; and,
- modified work is offered, as required.

3. Return to Work Program

The Corporation has a pro-active Return to Work Program based on a “functional” model. This model focuses on the employee’s abilities and capabilities, rather than their specific medical condition.

Generally, when the Corporation is notified of an employee’s illness or injury, the employee is contacted and provided documentation to take to their health care practitioner so their capabilities can be identified and applicable supports can be provided. Civic Administration makes contact with the employee’s manager to identify potential modified work options, if appropriate. Civic Administration also maintains a list of potential suitable modified work options that are available across the organization.

If the employee cannot be accommodated in his or her pre-disability position, alternative work may also be explored with the appropriate Union/Association – Management Return to Work Committee, where applicable.

Reasonable attempts are made to ensure employees, who are medically fit to return to work, do so in a timely manner. Employee progress is monitored with the objective of returning the employee to their pre-disability position. If this is not possible, permanent accommodation outside their pre-disability position is considered.

4. Statistical Overview - Sick, STD, LTD, WSIB

A. Sick

All full time employees and some part time employees are eligible for paid sick leave. Sick leave is payable at 100% of an employee’s regular earnings to the extent of their sick leave credits. Sick leave earning provisions vary across employee groups. Eligibility for sick leave is dependent on an employee providing medical documentation in accordance with the applicable collective agreement and/or relevant policies and procedures.

The Corporation’s mean lost hours due to paid sick has increased from 61.8 hours in 2016 to 67.2 hours in 2017 (see Appendix A.1).

B. Short Term Disability

Within the Corporation there are a number of STD plans that vary based on employee group. Typically this benefit commences upon exhaustion of sick time or a five day waiting period, and pays between 60 to 75 percent of the employee’s pre-disability earnings. Medical documentation is provided by the employee to the insurer to determine if the employee qualifies for STD benefits in accordance with the relevant contract of insurance. Generally, if approved, STD benefits are payable for up to 26 weeks at which time the employee may be entitled to make application for LTD. During the STD period, medical documentation is required to determine ongoing entitlement.

The Corporation’s mean lost hours due to STD claims has increased from 13.4 hours in 2016 to 16.6 hours in 2017 (see Appendix B.1).

Despite the increase noted in Short Term Disability claims in 2017, it should be noted that the Corporation’s Claims Management and Return to Work Programs have been successful in ensuring employees an early and safe return to work and closing 91 active claims during 2017 (see Appendix B.2). Civic Administration will continue to monitor the increase in Short Term Disability Claims.

C. Long Term Disability Claims

Upon exhaustion of STD benefits, or sick leave benefits for those employee groups who do not have STD benefits, employees may be entitled to make application for LTD benefits. LTD benefits typically pay between 66 to 75 percent of an employee’s pre-disability earnings. Further medical documentation is required to determine if the employee qualifies for LTD benefits in accordance

with the relevant contract of insurance. If approved, the first two years of LTD benefits are assessed based on an employee's ability to perform their own job. Generally, after two years, LTD benefits are assessed based on an employee's ability to perform any job.

The Corporation's mean lost hours due to LTD claims has increased from 40.1 hours in 2016 to 48.5 hours in 2017 (see Appendix C.1).

It is important to note that the Corporation has approximately 36 employees on LTD whom the insurance carrier has deemed "unlikely ever to return to work." These are claims in which there is no reasonable likelihood that the employee will ever return to work with or without active claims management. With the removal of these LTD claimants, the Corporation's mean lost hours due to LTD claims has increased from 12.3 hours in 2016 to 15.0 hours in 2017 (see Appendix C.2).

Similar to Short Term Disability, Civic Administration has noted an increase in Long Term Disability claims in 2017 (see Appendix C.3) and will continue to monitor.

D. Workplace Safety and Insurance Board Claims

WSIB benefits are payable to any employee who is deemed to have incurred a workplace injury or illness as determined by WSIB. In order to qualify for WSIB loss of earning benefits, employees are required to submit medical documentation to authorize any absence. WSIB loss of earning benefits are typically paid at 85% of an employee's pre disability net earnings.

The Corporation's mean lost hours due to WSIB claims has increased from 11.7 hours in 2016 to 12.4 hours in 2017 (see Appendix D.1).

Similar to LTD, it is important to note that the Corporation has approximately 7 employees on WSIB whom the insurance Carrier has deemed "unlikely ever to return to work." These are claims in which there is no reasonable likelihood that the employee will ever return to work with or without active claims management. With the removal of these WSIB claims the mean lost hours due to WSIB decreased from 6.9 hours in 2016 to 5.7 hours 2017 (see Appendix D.2.).

The Corporation's Claims Management and Return to Work Program focuses on ensuring employees an early and safe return to work. This has resulted in a return to work rate of approximately 99% (see Appendix D.3.).

E. Time off Based on Total Annual Hours

This chart provides information regarding the percentage of total time off based on annual hours typically scheduled by employee group and by category of claim.

SUMMARY

Civic Administration remains committed to working together with our employees and Unions/Associations with respect to absenteeism. Together we have taken steps to reduce the level of absenteeism in the workplace. As previously discussed, fluctuations in absenteeism levels are expected and will occur overtime due to a variety of factors. Civic Administration monitors these fluctuations closely to determine whether any long term concerns exist and actions are required. As noted, the age demographics of City of London employees continues to change. Specifically, the percentage of employees that fall within the age range of 50 to 75 continues to increase across a majority of employee groups, albeit some greater than others. It is expected that the percentage of employees that fall within these age ranges will continue to increase over the next few years. This has impacted absenteeism levels. Despite this factor, the City of London's absenteeism for 2017 (67.2 hours per employee) continue to be significantly lower than in 2007 (74.8 hours per employee).

PREPARED BY:	RECOMMENDED BY:
GARY BRIDGE MANAGER III, HUMAN RESOURCES AND CORPORATE SERVICES	WILLIAM C. COXHEAD MANAGING DIRECTOR, CORPORATE SERVICES AND CHIEF HUMAN RESOURCES OFFICER

Appendix A.1 Paid Sick – Mean Lost Hours 2007 - 2017

Employee Group	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs
CUPE 101	60.9	52.1	49.7	47.5	51.4	51.6	52.1	57.0	46.9	55.9	55.2
CUPE 107	80.7	67.4	64.2	69.4	70.3	69.7	68.6	63.9	72.9	66.9	77.6
DEARNNESS SEIU LOCAL 1.ON	33.6	21.6	67.9	50.6	45.2	36.2	27.8	52.2	66.1	25.7	19.5
DEARNNESS UNIFOR 302 (CAW)	81.9	52.3	57.9	71.0	57.0	53.5	54.7	50.9	45.4	54.8	57.0
FIRE, CM	66.7	66.5	62.0	101.3	63.4	98.5	73.0	70.4	95.5	109.4	187.7
FIRE, PV	83.9	70.6	70.1	66.1	55.5	64.0	66.3	76.7	71.9	52.1	129.2
FIRE SP	123.4	101.6	99.4	96.8	90.8	80.2	103.5	101.0	101.6	104.5	99.3
MANAGEMENT	44.5	33.6	37.6	35.8	35.3	40.0	37.7	46.5	40.3	37.4	48.4
RNFT	-	-	97.0	89.7	174.8	183.5	87.7	78.2	40.6	57.6	45.8
MEAN	74.8	61.0	60.2	60.7	60.0	59.1	61.6	63.2	60.4	61.8	67.2

Note: Management Employees paid sick and STD benefits are combined into one Program and reported collectively under Paid Sick.

Appendix B.1 - Short Term Disability - Mean Lost Hours 2007 – 2017

Employee Group	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs
CUPE 101	13.3	19.0	21.5	12.7	16.5	17.5	16.5	14.2	23.1	23.4	26.3
CUPE 107	15.0	10.3	9.6	9.1	4.8	21.3	12.9	26.1	12.9	12.4	17.8
DEARNESS SEIU LOCAL 1.ON	56.0	88.1	7.6	27.0	0.0	0.0	0.0	0.0	0.0	24.0	67.5
DEARNESS UNIFOR 302 (CAW)	31.4	38.2	56.6	54.9	39.3	54.8	49.0	39.0	53.8	16.6	40.0
FIRE, CM	0.0	0.0	0.0	36.4	0.0	0.0	0.0	0.0	0.0	0.0	5.0
FIRE, PV	0.0	7.7	27.4	25.4	2.4	36.0	37.7	27.2	3.1	33.4	4.4
FIRE SP	3.2	6.1	0.0	1.7	9.8	*(1.4)	2.2	6.1	11.9	8.3	8.7
MANAGEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RNFT	-	-	0.0	12.0	0.0	0.0	0.0	212.0**	0.0	0.0	0.0
MEAN	10.5	12.3	13.0	10.4	10.5	*14.3	12.3	15.0	15.7	13.4	16.6

*result of historical change

**Due to the small employee group, one absences can have a significant impact

Appendix B.2 - Short Term Disability – Opened and Closed Claims

Year	Total New Claims Opened in Year	Total Claims Closed/RTW in Year*
2007	61	54
2008	70	60
2009	71	68
2010	70	88
2011	81	91
2012	78	81
2013	67	63
2014	79	76
2015	76	81
2016	89	79
2017	105	91

*Total Claims Closed/RTW in Year may include claims opened in prior years.

Appendix C.1 Long Term Disability – Mean Lost Hours 2007 – 2017

Employee Group	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs
CUPE 101	32.1	31.4	43.2	55.2	49.6	55.3	56.7	58.4	57.2	62.1	68.5
CUPE 107	86.5	75.2	67.0	28.0*	52.2	51.6	54.4	50.3	46.1	34.6	56.7
DEARNESS SEIU LOCAL 1.ON	0.0	87.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.5
DEARNESS UNIFOR 302 (CAW)	94.6	107.7	129.3	189.5	186.5	143.1	142.7	157.2	127.1	137.6	130.0
FIRE, CM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIRE, PV	0.0	0.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.6
FIRE SP	0.0	0.5	6.2	1.3	4.0	5.7	0.7	0.0	4.9	16.9	18.5
MANAGEMENT	29.9	17.9	15.7	15.6	13.0	10.1	11.7	3.9	5.5	5.4	12.0
RNFT	-	-	0.0	0.0	0.0	0.0	0.0	16.0	0.0	0.0	0.0
MEAN	42.4	38.3	41.5	38.5*	42.3	41.4	42.2	41.2	38.9	40.1	48.5

*Note: includes a significant historical adjustment as a result of a WSIB appeals decision

Appendix C.2 - Long Term Disability **WITHOUT** Claims which have been deemed “Unlikely to Ever Return to Work” – Mean Lost Hours 2007 – 2017

Employee Group	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs
CUPE 101	9.6	9.1	13.1	17.7	14.0	20.6	12.7	14.3	17.4	24.5	18.2
CUPE 107	12.1	9.9	10.2	11.3	6.3	14.4	12.3	13.7	14.4	(4.1)*	18.1
DEARNESS SEIU LOCAL 1.ON	0.0	82.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.5
DEARNESS UNIFOR 302 (CAW)	15.1	23.4	48.9	84.2	53.5	48.0	45.2	42.0	23.9	23.4	16.2
FIRE, CM	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FIRE, PV	0.0	0.0	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	27.6
FIRE SP	0.0	0.5	6.2	1.3	4.0	6.3	0.7	0.0	4.9	16.9	18.7
MANAGEMENT	6.3	4.6	1.0	4.9	2.6	0.0	4.3	0.0	5.5	5.4	3.3
RNFT	-	-	0.0	0.0	0.0	0.0	0.0	16.0	0.0	0.0	0.0
MEAN	8.1	7.9	10.7	14.7	10.2	14.0	10.6	10.5	12.4	12.3*	15.0

*Note: includes a significant historical adjustment as a result of a WSIB appeals decision

Appendix C.3 - Long Term Disability – Opened and Closed Claims

Year	Total New Claims Opened in Year	Total Claims Closed/RTW in Year*
2007	67	21
2008	66	17
2009	66	11
2010	75	22
2011	70	18
2012	80	23
2013	75	22
2014	75	24
2015	79	24
2016	75	24
2017	86	19

*Total Claims Closed/RTW in Year may include claims opened in prior years.

Appendix D.1 - WSIB – Mean Lost Hours - 2007 – 2017

Employee Group	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs
CUPE 101	3.8	2.3	4.2	5.6	5.2	2.7	3.3	2.1	0.8	0.8	4.6
CUPE 107	30.9	34.0	28.1	52.4*	28.4	19.1	16.7	17.6	21.5	31.3	25.3
DEARNESS SEIU LOCAL 1.ON	0.0	0.0	0.0	0.0	0.0	0.0	9.8	0.2	0.0	0.0	0.0
DEARNESS UNIFOR 302 (CAW)	41.9	61.7	25.8	27.0	18.7	18.7	19.7	24.1	36.0	11.8	10.0
FIRE, CM	0.0	0.0	0.0	0.0	0.0	15.7	0.0	0.0	0.0	0.0	0.0
FIRE, PV	21.8	17.5	65.9	0.0	4.9	9.2	4.2	0.0	30.1	86.3	159.8
FIRE SP	1.8	9.2	13.9	9.6	11.7	20.8	18.6	18.7	21.7	14.2	12.6
MANAGEMENT	0.3	0.4	0.0	0.1	0.0	0.8	1.1	1.3	0.4	0.8	0.5
RNFT	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MEAN	11.9	14.3	13.1	17.6*	11.4	10.1	9.2	9.2	11.1	11.7	12.4

*Note: includes a significant historical adjustment as a result of a WSIB appeals decision

Appendix D.2 – WSIB WITHOUT Claims which have been deemed “Unlikely to Ever Return to Work” – Mean Lost Hours - 2007 – 2017

Employee Group	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs	Hrs
CUPE 101	3.8	2.3	4.2	5.6	2.8	0.3	0.9	2.1	0.8	0.8	4.6
CUPE 107	27.0	30.1	15.7	5.4	12.4	5.0	4.6	5.0	4.9	14.6	7.5
DEARNESS SEIU LOCAL 1.ON	0.0	0.0	0.0	0.0	0.0	0.0	9.8	0.1	2.1	0.0	0.0
DEARNESS UNIFOR 302 (CAW)	41.9	61.7	25.8	27.0	18.8	18.7	19.9	24.1	36.0	11.8	0.6
FIRE, CM	0.0	0.0	0.0	0.0	0.0	15.7	0.0	0.0	0.0	0.0	0.0
FIRE, PV	21.8	17.5	65.9	0.0	4.9	9.2	0.0	0.0	30.1	86.3	105.0
FIRE SP	1.8	9.2	13.9	3.5	5.4	3.0	1.6	5.8	8.6	7.5	3.9
MANAGEMENT	0.3	0.4	0.0	0.1	0.0	0.8	1.0	1.4	0.4	0.8	0.5
RNFT	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MEAN	10.9	13.3	10.0	5.2	5.9	3.2	3.0	4.4	5.3	6.9	5.7

Appendix D.3 - WSIB – Returned to Work %

Year	Claims	Returned to Work	% Returned to Work
2007	344	344	100%
2008	290	289	99%
2009	300	300	100%
2010	239	238	99%
2011	263	262	99%
2012	247	245	99%
2013	225	224	100%
2014	234	232	99%
2015	265	263	99%
2016	207	205	99%
2017	308	305	99%

Note: this chart reflects the number of claims opened during a year and how many of those same claims have returned to work

Appendix E.1 – Time off Based on Total Annual Hours – 2017

Employee Group	Paid Sick %	STD %	LTD %	WSIB %	Total %
CUPE 101	3.0%	1.4%	3.8%	0.3%	8.5%
CUPE 107	3.7%	0.9%	2.7%	1.2%	8.5%
DEARNESS SEIU LOCAL 1.ON	0.9%	3.2%	0.2%	0.0%	4.4%
DEARNESS UNIFOR 302 (CAW)	2.8%	1.9%	6.3%	0.5%	11.5%
FIRE, CM	8.6%	0.2%	0.0%	0.0%	8.8%
FIRE, PV	6.4%	0.2%	1.4%	7.9%	15.9%
FIRE, SP	4.6%	0.4%	0.9%	0.6%	6.4%
MANAGEMENT	2.6%	0.0%	0.7%	0.0%	3.3%
RNFT	2.2%	0.0%	0.0%	0.0%	2.2%
MEAN	3.4%	0.9%	2.5%	0.6%	7.4%

Appendix E.2 – Time off Based on Total Annual Hours – 2017 WITHOUT Claims which have been deemed “Unlikely to Ever Return to Work”

Employee Group	Paid Sick %	STD %	LTD %	WSIB %	Total %
CUPE 101	3.1%	1.5%	1.4%	0.3%	6.3%
CUPE 107	3.8%	0.8%	0.9%	0.4%	5.9%
DEARNESS SEIU LOCAL 1.ON	0.9%	3.2%	0.2%	0.0%	4.4%
DEARNESS UNIFOR 302 (CAW)	2.9%	1.9%	0.8%	0.0%	5.7%
FIRE, CM	8.6%	0.2%	0.0%	0.0%	8.8%
FIRE, PV	6.5%	0.2%	1.4%	5.3%	13.3%
FIRE, SP	4.6%	0.4%	0.9%	0.2%	6.0%
MANAGEMENT	2.6%	0.0%	0.2%	0.0%	2.9%
RNFT	2.2%	0.0%	0.0%	0.0%	2.2%
MEAN	3.5%	0.8%	0.9%	0.3%	5.6%