

REPORT TO THE NINETY-EIGHTH LTD FULL BOARD

Re: Rehabilitation Report # 43

Date: June 12, 2009

From: Anthony Gould
Director, LTD Benefits & Rehabilitation

This report covers the period from January 1 to April 30, 2009.

At the beginning of the year 1446 members were in receipt of LTD benefits. This included 244 (17%) members who received collateral benefits only. At the end of April 2009, the total declined 4.5% to 1380 members on LTD. Of these, 1155 (84%) received both a cheque and collateral benefits, while 225(16%) received collateral benefits only.

Of the 1380 members receiving LTD benefits at the end of April 2009, 913 (66%) were in Category 01 (permanent total disability); 366 (27%) were in Category 03 (temporary disability), and 101(7%) were in Categories 02 or 02A (rehabilitation).

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	0	0%	< 21	0	0%
21 - 30	1	0.1%	21 - 30	8	14%
31 - 40	18	1.9%	31 - 40	19	34%
41 - 50	184	20%	41 - 50	19	34%
51 - 60	710	78%	51 - 60	10	18%
> 60	0	0%	> 60	0	0%
AVG: 54	Total 913	100%	AVG: 41	Total 56	100%

CATEGORY 02A			CATEGORY 03		
Age	Count	%	Age	Count	%
< 21	0	0%	< 21	0	0%
21 - 30	2	5%	21 - 30	15	4%
31 - 40	14	31%	31 - 40	44	12%
41 - 50	15	33%	41 - 50	138	38%
51 - 60	14	31%	51 - 60	169	46%
> 60	0	0%	> 60	0	0%
AVG: 44	Total 45	100%	AVG: 48	Total 366	100%

New LTD Claims Approved

From January 1 to April 30, 2009, the Plan approved 61 new LTD claims, a 48% reduction from the 118 new LTD claims approved over the same period last year.

Caseloads

Over the first four months of the year, there were a total of 153 new referrals to Rehabilitation Services (STD and LTD), down 62 cases or 29% from the same period last year.

At the end of April, there were 510 cases assigned to the Rehabilitation Counsellors, for a caseload average of 64. This is down 7% from an average of 69 cases per counsellor at the beginning of the year, and down 13% from an average of 74 cases at the end of April 2008.

Return to Work Outcomes

As of the end of April, the Rehabilitation Counsellors had successfully assisted a total of 89 members return to work. Of these, 77 (87%) returned to work in their own occupation with the same employer, either directly (96%) or with job modifications (4%). Of the remaining 12 members, 2 returned to work in a different occupation with the same employer; 2 found work with an alternate employer in the forest industry; and 8 secured new employment outside the forest industry.

Of the 89 members who returned to work, 57 were Early Intervention, STD cases (64%), and 32 were LTD cases (36%). Of the STD claimants, 55 returned to work in their own occupations, and 2 secured works in new occupations. Of the 32 LTD claimants, 22 returned to work in their own occupation and 10 found work in alternate occupations, both within the forest industry (3) and outside the industry (7).

The counsellors closed an additional 18 cases for return to work reasons. The latter category captures those cases where rehabilitation services are complete and a return to work is expected and pending at time of case closure. Overall, of those members who were on STD or LTD and fit to return to work, 89 successfully returned to work (70%), and 107 were either at work or expecting a return to work at time of case closure (84%).

Of those members who were fit to return to work but did not, reasons were as follows: LTD claim terminated (3); WCB or ICBC claim activated (9); relocated or unable to locate (4); and inactive/non-compliant (5).

There were an additional 20 case closures for members who retired over the first four months of 2009(13 STD; 7 LTD). This compares to a total of only 13 retirements over the entire course of 2008. The 20 retirees included 11 members who were age 60 or over, and 9 members who took early retirement. As the number of retirees will increase substantially with the upcoming changes to the LTD Plan, this will be reported as a stand-alone category of case closures in future reports.

Rehabilitation Expenses

Rehabilitation expenditures over the period January 1 through April 30, 2009, totalled \$142,928 and were \$86,168 below budget. The positive variance was primarily linked to a reduction in new referrals and caseload sizes, coupled with lower than anticipated costs of \$48,465 for physical conditioning and assessment services (\$57,145 under budget) and expenditures of \$17,842 for travel and accommodations to access services (\$27,325 under budget). Expenditures for education and training to help members secure work in alternate occupations, primarily outside the industry, totalled \$61,523 relative to a budget of \$60,067.

Canada Pension Plan Appeals & Reconsiderations

Two of our Rehabilitation Counsellors, Gordon Phillip and Steve Matovic, successfully appealed seven CPP claims over the first four months of 2009 for an estimated total offset of \$550,000. Of the seven appeals, two were won at the reconsideration stage; four at the second level Review Tribunal; and one at the Pension Appeal Board. We are currently awaiting decisions on six additional appeals submitted during this period.