

REPORT TO THE 108th LTD FULL BOARD

Re: Rehabilitation Report # 49

Date: June 22, 2011

From: Anthony Gould
Director, LTD Benefits & Rehabilitation

This report covers the period from January 1, 2011 to April 30, 2011.

At the beginning of the year, 1145 members were in receipt of LTD benefits. This included 453 (40%) members who received collateral benefits only. At the end of April 2011, the total declined by 1.4 % to 1129 members on LTD. Of these, 698 (62%) received both a cheque and collateral benefits, while 431 (38%) received collateral benefits only.

Of the members receiving LTD benefits at the end of April 2011, 771 (68%) were in Category "01" (permanent total disability); 289 (26%) were in Category "03" (temporary disability), and 69 (6%) 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 - 30 | 2 | 0.2% | 21 - 30 | 3 | 7.9% |
| 31 - 40 | 19 | 2.5% | 31 - 40 | 11 | 28.9% |
| 41 - 50 | 141 | 18.3% | 41 - 50 | 11 | 28.9% |
| 51 - 54 | 168 | 21.8% | 51 - 54 | 8 | 21.1% |
| 55-59 | 441 | 57.2% | 55-59 | 5 | 13.2% |
| AVG: 54 | Total 771 | 100% | AVG: 44 | Total 38 | 100% |

| CATEGORY 02A | | | CATEGORY 03 | | |
|----------------|-----------------|-------------|----------------|------------------|-------------|
| Age | Count | % | Age | Count | % |
| 21 - 30 | 1 | 3.2% | 21 - 30 | 10 | 3.5% |
| 31 - 40 | 8 | 25.8% | 31 - 40 | 36 | 12.5% |
| 41 - 50 | 6 | 19.4% | 41 - 50 | 101 | 34.9% |
| 51 - 54 | 10 | 32.3% | 51 - 54 | 75 | 25.9% |
| 55-59 | 6 | 19.3% | 55-59 | 67 | 23.2% |
| AVG: 47 | Total 31 | 100% | AVG: 49 | Total 289 | 100% |

New LTD Claims Approved

From January 1, 2011 to April 30, 2011, the Plan approved 56 new LTD claims. This is unchanged from the 56 new LTD claims approved over the same period in 2010.

Caseloads

Over the first four months of the year, there were a total of 119 new referrals to Rehabilitation Services (STD and LTD). This is up 25 cases (26%) from the same period last year.

At the end of April 2011, there were 376 cases assigned to seven (7) Rehabilitation Counsellors, for a caseload average of 54. This compares to a total of 410 cases assigned to eight (8) counsellors at the end of April 2010 and a caseload average of 51.

Return to Work Outcomes

From January 1 to April 30, 2011, the Rehabilitation Counsellors successfully assisted a total of 64 members return to work. Of these, 56 (88%) returned to work in their own occupation with the same employer, either directly (89%) or with job modifications (11%). Of the remaining 8 members, 2 returned to work in a different occupation with the same employer; 1 found work with an alternate employer in the forest industry (non-union); and 5 secured new employment outside the forest industry.

Of the 64 members who returned to work, 40 were Early Intervention, STD cases (62%), and 24 were LTD cases (38%). Of the 40 STD claimants, 38 returned to work in their own occupations, and 2 secured work in new occupations. Of the 24 LTD claimants, 18 returned to work in their own occupations and 6 found work in alternate occupations, both within the forest industry (2) and outside the industry (4).

The counsellors closed an additional 9 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 the 77 members who were on STD or LTD and fit to return to work, 64 successfully returned to work at time of case closure (83%), and a combined total of 73 were either at work or expecting a return to work at time of case closure (95%).

Of the 4 members who were fit to return to work, but did not, reasons were as follows: WCB claim activated (1); inactive/non-compliant (2); LTD claim terminated (1).

There were an additional 2 rehabilitation case closures for members who retired in the first four months of the year. This compares to 5 retirements over the same period in 2010.

Rehabilitation Expenses

Rehabilitation expenditures over the period January 1 through April 30, 2011, totalled \$60,945 and were \$47,120 under budget. The largest segment of rehabilitation expenditures was applied to the funding of physical conditioning and assessment services to prepare members for return to work (\$21,264), the associated costs of travel and accommodation to help members access services (\$12,445), and the sponsorship of education and training programs to help members secure work in alternate occupations (\$13,165).

Canada Pension Plan Appeals and Reconsiderations

Over the period January 1 to April 30, 2011, two of our Rehabilitation Counsellors, Gordon Philip and Steve Matovic, successfully appealed six (6) Canada Pension Disability claims for an estimated total offset of \$593,400.

Of the six (6) appeals, all were won at the reconsideration stage. We are currently awaiting decisions on two (2) additional appeals that have been submitted to the Review Tribunal.

Service Agreement with Southern Interior Health & Welfare Plan

The service agreement for the provision of early intervention, rehabilitation management services to the Southern Interior Health & Welfare Plan has been signed and the delivery of services through Evergreen Rehabilitation Management Society will commence June 1, 2011.