



Employer's Guide to Disability Claims



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Employee absences can reduce productivity, disrupt business services and dramatically impact your company's bottom line. Effective disability claims management can help mitigate these costs. As your partner in disability claims management The Co-operators offers you leadership in managing disability claims.

As an employer, you play an important role in the disability claim process. Like other employers, you may have questions about the disability claim process. The following questions and answers (Q&A) have been developed to help you gain a better understanding of the roles and expectations during the disability claim process.

Questions and Answers

Q *How many hours are my employees required to work to be eligible for disability benefits?*

A The number of hours of work required for benefit eligibility is outlined in your policy and employee booklet under eligibility and definition of a covered employee.

Q *Who decides whether the employee is disabled?*

A It is the responsibility of The Co-operators disability case manager to determine whether the employee is "totally disabled" within the meaning of the policy. Physicians do not make this determination of disability. In making the decision we review:

- The job description and associated duties
- The medical information from physicians and health care providers
- Information received from the employee
- Information received from the employer
- The definition of total disability in the policy

Q *What can I do to promote quicker claims processing?*

A You can promote quicker claims processing by taking the following steps:

- A Guide to Claiming Disability Benefits explains the disability claim process to employees. Encourage employees to read this information which is provided with the application for disability benefits. It will help the employee understand the requirements and the process of claiming disability benefits.
- Promptly submit the fully completed claim form. Don't wait until the end of the elimination period to send in the disability claim. Rather, claims should be sent in four to six weeks before the end of the elimination period where the claimant anticipates he/she will not be able to return to work before that date. Note that in order to insure the protection of the employee's personal information, the physician's portion of the claim form should not be returned to the employer but should be sent directly to Group Disability Claims at Co-operators Life Insurance Company.
- A common delay in processing disability claims results from missing and incomplete information. You can help improve turnaround time by ensuring all forms are completed and all required information is provided.

Q *What can be done to shorten the physician's response time?*

A The employee should contact his/her physician about completing the initial application for disability benefits. Ongoing claims management requires us to request further, updated information from physicians. To help speed up the physician's response time and to reduce delay in claims adjudication, we request this information by telephone and fax. But ultimately the employee is in the best position to encourage a quick response from his/her physician.

Q *How do I find out the status of a disability claim?*

A We will provide the employer with claims status information such as: whether a claim has been approved or declined, when a cheque was issued, whether we have written for additional information. To protect the privacy and confidentiality of the employee's personal information, we will not provide any other information regarding employees' claims. You can contact us at the following toll free number:

- 1 (866) 442-3098

Q *What can The Co-operators tell me about the reason for the absence?*

A Privacy legislation governs the collection, use and disclosure of an employee's personal information. Accordingly, The Co-operators will not provide any information about the employee's claim, including the reason for the absence.

Q *If the employee's claim for disability benefits is denied and the employee doesn't return to work, should I continue to pay premiums on behalf of the employee?*

A Human resource procedures within your company may determine corporate policy for this situation. According to your group insurance policy, in order to be eligible for benefits employees must be actively at work, except for reasons outlined in the policy. It is in your best interest to seek legal advice in this situation.

Q *What can I do to support the disabled employee?*

A Recognize that disability management is a partnership between the employee, employer, insurer and healthcare provider. As the employer, you play a key role in the recovery process. You can help by keeping in touch with the employee while he/she is off work. Be prepared to offer accommodations to allow for a gradual or modified return-to-work and let the employee know you will support and help facilitate their transition back into the workplace. This contact will help the employee to feel connected to the workplace, an important criteria when facilitating a return-to-work. Staying@Work™, the Watson Wyatt 2002/2003 study of 500,000 full-time Canadian workers cites return-to-work programs as the most important tools for managing absences.

Q *How do I find out when the employee will be able to return to work?*

A By keeping in touch with the employee you will know when the employee will be able to return to work and you can take steps to facilitate the return. Our disability case managers can also provide an estimated return-to-work date based on the information we have at the time. Please note that this could change, depending on the circumstances of the claim.

Q *How will the employee receive the disability benefit payment?*

A The recommended method of payment is by direct deposit to the employee's bank account. Alternate methods include payment by cheque mailed to the employee, or at the employer's option the disability cheque can be sent to the employer.

Q *How do I know what the employee's limitations and restrictions are?*

A Human Rights legislation prohibits discrimination on the basis of disability and requires employers to accommodate employees with disabilities to the point of undue hardship. If we are arranging a gradual or modified return-to-work for the employee, we will advise what limitations and restrictions, if any, the employee has, as supported by the medical information.

Q *What happens if I terminate the disabled employee?*

A If the termination date is after the date of disability it will not affect the status of the employee's disability claim, however there may be legal considerations or consequences for other group benefits. It is in your best interest to seek legal advice prior to termination of employees who are absent due to illness.

How often will I hear from The Co-operators and with whom will you communicate?

For new claims we will advise you if the claim has been approved or declined. For an ongoing claim we will contact you when we have information to relay or require information from you. In order to prevent a delay in processing the claim, we may call you if we need to verify information on the employer's portion of the claim form.

Please feel free to contact us at any time. We will notify the employer and claimant of the decision by letter at the same time. Unless otherwise advised, we correspond with the individual in your organization who signed the claim form on behalf of the employer.

Q *What is the role of the rehabilitation case manager?*

A Successful rehabilitation requires co-operation from all parties involved; the employee, employer and the insurance company as well as support from the treating medical practitioners. Participation in rehabilitation is a requirement of our policies.

The rehabilitation case manager will work with certain claimants who may require assistance in a variety of areas. The case manager will focus mainly on planning and implementing return-to-work plans but may also provide or facilitate treatment and vocational assistance. In rare cases we will provide some basic upgrading of skills to improve employability.

We work with the recognized hierarchy of rehabilitation outcomes. In order of priority, the goals are as follows:

1. A return to work at the same job with the same employer;
2. A different job with the same employer;
3. The same job with another employer;
4. A different job with a different employer.

Q *Why do I have to provide a job description?*

A Since the definition of total disability in most policies requires that the employee be disabled from performing the duties of his/her job, to make a claims adjudication decision, we need to understand the duties of the current job.

Q *What impact do workplace issues have on the disability claim?*

A Problems in the workplace can be the precipitating event that may eventually lead to an illness. Creating a positive work environment, addressing problems as they arise and facilitating the employee's return to the workplace will reduce the high cost of absenteeism.

Q

If The Co-operators denies the claim for disability benefits or ceases paying disability benefits and the employee does not return to work, may I terminate employment for that individual?

A

An employer's decision to terminate employment should not be based on the insurer's decision to deny a claim or cease paying disability benefits. There may be reasons other than the employee's ability to return to work upon which the insurer's decision to deny or cease disability benefits is based. Determination of entitlement to disability benefits is a separate and distinct issue from termination of employment. One decision should not be based on the other. It is in your best interest to seek legal advice in this situation.

Additional Information

If you have additional questions about the disability claim process, please contact our call centre at 1 (866) 442-3098.

The Co-operators offers a number of products and services to assist clients in managing absenteeism. For more information, contact your group benefits advisor or visit our website at www.cooperators.ca/life/group.

Here is a list of additional resources to help you manage absenteeism in your workplace:

- The National Institute of Disability Management and Research (NIDMAR) provides a number of publications, videos, presentation materials as well as online training programs. All are available at www.nidmar.ca.
- The Watson Wyatt study of Canadian employers, *Staying@Work™* provides helpful insights into disability management. Visit their website at www.watsonwyatt.com to order the study.
- *Barrier-Free Employers: A Practical Guide for Employment Accommodation for People with Disabilities* is available from the Canadian Human Rights Commission website at www.chrc-ccdp.ca/.
- Our absenteeism consultant has written *Tips for Managing Absenteeism*, a series of articles to help employers reduce absenteeism in the workplace. The articles are published in our client newsletter, the *Connection* and on our website www.cooperators.ca/life/group under *Education & Resources - Plan Sponsor Learning Centre*.

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