

## The Impacts of Employee Disability on your Bottom Line

By Cameron Brine (Certified Disability Management Professional)

**W**e are all familiar with the fields of human resource management, change management, risk management and others . . . well, how about *disability management*?

A quick online search or review of the current literature in the field of disability management will provide the reader with as many variations in definitions as there are sources.

Well, here is another one . . . disability management is a collaborative strategy that optimizes the health and productivity of an organization's workforce through prevention, education, rehabilitation, stay at work, and return to work efforts.

Employee absenteeism due to injury and/or illness is a major cost burden to employers and the costs are projected to increase in

the future. Successful companies in all industries have found ways to maintain a healthy and productive workforce. Effectively managing disability issues at the workplace can help companies reduce their costs and increase productivity. Disability management can no longer be considered just a fixed expenditure, but a mechanism to enhance corporate value.

### *The Cost of Disabilities (as suggested by literature)*

- Employers spend, on average, 6% to 17% of their payroll on disability related costs.
- Direct costs of absenteeism in Canada during 2000 averaged \$3,550 per employee.
- The effect of disability on BC's economy is over \$3.6 billion per year or eight cents on every dollar earned in the province.

Continue next page (FEATURE) . . .

### HEALTH TIPS

By Sundeep Thinda (Psychologist)

## A S.M.A.R.T. Resolution for the New Year

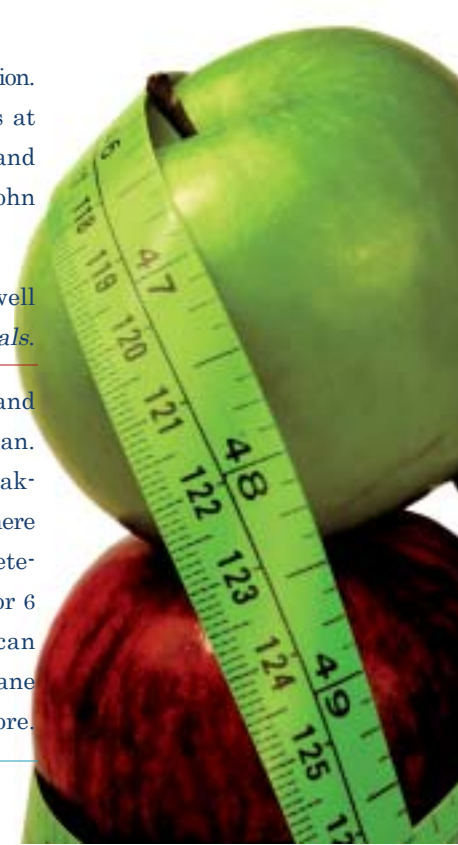
**J**ohn begins each New Year bright-eyed and bushy-tailed, ready to conquer his chosen resolution. Unlike others, John hasn't grown cynical over the years by broken promises and failed attempts at overcoming his personal mountains. Every year Jane laughs at John. Actually, Tom, Dick, and Harriet also laugh at John's naïve approach to his resolution. But what they don't know is that John recently visited BiM and learned how to make this year's resolution a success.

First, John learned that he must make a strong initial commitment to change, one that has been well thought out. He was then introduced to a technologically advanced goal setting system — *SMART goals*.

- S** — Be **S**pecific (Who, what, where, when?)
- M** — Be able to **M**easure success (How much, how many?)
- A** — Are the goals **A**ction-oriented? (Write down the plan, tell others, use graphs, make reminders)
- R** — Is the plan **R**ealistic? (Break the big goal into smaller ones)
- T** — Create a **T**ime-frame for the accomplishment

Next, John thought about possible problems (triggers for

relapse and other obstacles) and created a coping strategy plan. He realized if he has a breakdown, he will continue from where he was, not jump ship completely. If John can keep this up for 6 months, chances are he can make a permanent change. Jane and the gang will laugh no more.



**FEATURE** “Employers spend, on average, 6% to 17% of their payroll on disability related costs.”

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**Breaking Down & Calculating Your Company’s Costs Due to Disabilities**

The true costs of disability are often underestimated. They include both *direct* and *indirect* costs due to *occupational* and *non-occupational* disabilities.

Your company’s *direct costs* include the annual premiums paid to the Workers’ Compensation Board (WCB), the short term disability provider, the long term disability provider, the employee assistance provider, and the self insurance plan.

The *indirect costs* are more difficult to track and are often overlooked. They include lowered productivity, lost revenue, additional administrative and supervisory

time, additional labour costs, replacement worker costs, decreased employee morale, and decreased customer satisfaction.

*Occupational* disabilities are those that occur during the course of employment and involve the WCB. *Non-occupational* disabilities are those that occur outside the course of work and may involve short/long term disability. The total costs of non-occupational disabilities are more than twice those of occupational disabilities, and this ratio has been increasing since 1997.

Unfortunately, employers often place most of their efforts in trying to minimize the effects of work related (WCB) incidents without paying much attention to incidents that occur outside of the workplace.

**BENEFITS OF AN EFFECTIVE DISABILITY MANAGEMENT PROGRAM**

**EMPLOYEE BENEFITS:**

- Able to maintain meaningful and gainful employment
- Decreased physical impacts of injury/illness
- Decreased emotional impacts of injury/illness
- Overall: less disruption to their financial, social, and employment situation

**EMPLOYER BENEFITS:**

- Lowered insurance premiums
- Greater productivity
- Reduced absenteeism
- Increased employee and customer satisfaction
- Decreased training and other human resource costs

“... through a disability management program ... savings range from 5% to 25% for short term/long term disability and 20% to 50% for WCB.”

The literature suggests that indirect costs are anywhere from 2 to 4 times the direct costs. Therefore;

At the **lower end**, the total costs to your company due to disabilities = (WCB premiums + STD premiums + LTD premiums + EAP premiums + self insurance costs) x 2

At the **higher end**, the total costs to your company due to disabilities = (WCB premiums + STD premiums + LTD premiums + EAP premiums + self insurance costs) x 4

**DM Cost Savings**

On average, total disability costs are cut by 16% through a comprehensive disability management program. In general, possible savings range from 5% to 25% for short term/long term disability and 20% to 50% for WCB .

**How to Make the Biggest Impact on Your Company’s Bottom Line**

1. Prevent incidents from occurring (both occupational and non-occupational) through initiatives such as workplace modifications, worker education and health and wellness incentives
2. Help workers that are experiencing pain symptoms remain safe and productive at work
3. Implement an effective return to work program designed to help injured workers return to work as soon as safely possible.

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This article is an adaptation of the one published on [www.hrvoice.org](http://www.hrvoice.org).

## CATCH A GLIMPSE

Interview by Jason Jang (Job Coach)

# OWEN GARRETT



Owen with dog, Hopper.

Dr. Owen Garrett is heading up Back in Motion's newest program, InFOCUS Psychological Services. We turn the tables and ask the questions to catch a glimpse into Dr. Garrett's head.

JJ: As a Psychologist, how would you describe your profession?

OG: Being a Psychologist is completely fascinating to me. You basically have a front row seat on human behaviour and people allow you the privilege of entering into their lives. The older I get, the more I respect the intricacies and subtleties of the journey we are all on.

JJ: Professionally, how would you describe how you got to where you are today?

OG: I've devoted most of my professional life to helping people learn how to gain insight and live life more effectively. Most of my career has been in the area of Health and Rehabilitation Psychology so I've been very involved in helping people deal with stress and related health problems. The area of rehab is particularly fascinating to me

because it serves as an intersecting point between the psychology of the individual and the morals, ethics and values of the society we live in.

JJ: From a Psychologist's point of view, what winter Olympic sport do you find intriguing?

OG: I think speed skating is quite intriguing because their posture reminds me so much of Groucho Marx doing a fast walk. I never thought of Groucho Marx as particularly athletic so I don't know why they devoted an entire sport to his way of walking, let alone on skates. The other sport that is intriguing is the two-man Luge. I would like to know the motivation for two men to lie on top of each other going 100 mph on what is basically an ice skate. This is a mystery to me.

JJ: Would you consider yourself to be a thrill-seeker?

OG: Not intentionally. Sometimes though, I will eat yogurt even after the expiry date but I'm not so sure that is in the same category as thrill-seeking.

## SUCCESS STORY

By Pat G. (Back in Motion Client, December 2005)

I am a 54-year-old bus driver and have worked for Coast Mountain Bus Company (BC Transit) for the last 16 years. During that time I had little or no regular physical activity.

In the early part of 2005, I suffered a severe disk problem in my lower back, pinching a nerve and causing a lot of pain and numbness in my left leg. After completing three weeks of physiotherapy without much improvement, I was offered a rehab alternative. In collaboration with my doctor, Coast Mountain Rehabilitative staff and my health insurance provider, I commenced the program offered by Back in Motion (BiM).

I was very impressed with BiM's innovative

**QUARTERLY OUTCOMES**

## August – October 2005

*By Yvonne Yua (Marketing Assistant)*

|                                                      |                |
|------------------------------------------------------|----------------|
| <b>Total number of clients served:</b>               | 533            |
| <b>Average client satisfaction score:</b>            | 93.86% (N=222) |
| <b>% of clients "very satisfied":</b>                | 97.31% (N=223) |
| <b>% of clients who would refer BiM to a friend:</b> | 93.78% (N=209) |
| <b>% of clients working 3 months post-discharge:</b> | 73.68% (N=19)  |

rehab methods as well as their knowledgeable, dedicated and committed staff. During my five weeks as a program participant, I discovered that I thoroughly enjoyed going to the [gym]. This I felt, was due to the fact that I experienced no sense of intimidation in using the equipment. I was always fully supervised and personally guided by the trained staff. The atmosphere at [BiM] was friendly and helpful. I soon noticed that the condition of my back improved as did my overall level of personal fitness.

I highly recommend BiM's programs and staff to anyone seeking this type of service.

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*I experienced no sense of intimidation in using the equipment. I was always fully supervised and personally guided by the trained staff.*

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# Experiencing the Gift of Giving

## CIBC Run for the Cure

*By Vicky Forsyth (PT, Rehab Services Manager) & Cynthia Abbott (Vocational Coach)*

The CIBC Run for the Cure in October of 2005 held special meaning for me (Vicky), as I had just recently completed a course of surgery and radiation treatment for breast cancer. Upon my return to work just prior to the run, I was extremely touched to discover that my wonderful colleagues from Back in Motion had recruited a sizeable team in support of the Canadian Breast Cancer Foundation. To be surrounded by such caring friends was inspiring, and I wore my pink shirt with a strange sense of pride, as well as gratitude that I was still able to work, run, and enjoy life!

This year was the most successful run to date. BC raised over three million dollars, of which BiM contributed a total of \$1,435 towards cancer care and research. I sincerely hope that I won't have to spend any more of this money personally, but will never forget the strong sense of family that I felt at the start line! Thanks so much for all your support, team!

## BiM Doctor off to the Olympics!

*By Yvonne Yua (Marketing Assistant)*

BiM's very own Dr. Jeff Purkis has been selected by the Canadian Olympic Committee to work as a volunteer physician at the Winter Olympics in Turin this February. With a sports medicine background and a love for skiing, Dr. Purkis is ecstatic about



Dr. Jeff Purkis preparing for the Turin Winter Olympics.



BiM staff & family at the CIBC Run for the Cure in Vancouver (October 2, 2005).

this once in a lifetime opportunity to work with the Olympians. We wish him bon voyage as he helps Canada bring home gold!

## Hurricane Katrina Relief Fund

*By Shirin Kiani (OT)*

In response to the great tragedy in New Orleans, BiM staff came together to raise a total of \$988.95 to be contributed to the Katrina Relief Fund.

## Open House

*By Yvonne Yua (Marketing Assistant)*

On November 24, 2005 BiM hosted an Open House at our Surrey location. It was a great opportunity for our customers to meet our clinicians, tour our facilities, and find out more about our InFOCUS Psychological Services, headed by Dr. Owen Garrett. The eventful afternoon consisted of a visit to the Nutritionist's booth, an interactive magic show, some light-hearted mingling, delicious appetizers,

and quirky door prizes. Thank you to everyone who attended!

## Operation Christmas Child

*By Shirin Kiani (OT)*

Christmas time is the time of year when people across the world can connect through the act of giving. This year was no exception. BiM staff filled 18 Operation Christmas Child Shoeboxes with a variety of goods and toys to be sent to less privileged children all over the world.

## Salvation Army Christmas Dinner

*By Cameron Brine (Marketing Coordinator, Kinesiologist)*

Keeping within the spirit of giving, over 20 of BiM's staff gave their time and volunteered at this year's Salvation Army Christmas Dinner. A turkey dinner with all the fixings was served to over 100 people as they were treated to a Christmas Story play put on by the local children.

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