

The integration of EAP with
disability management programs
fosters better disability outcomes
and economic advantages



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INTRODUCTION

A new study completed by the Morneau Shepell Research Group clearly demonstrates that combining the services of an Employee Assistance Program (EAP) with a Short-Term Disability (STD) Management program can significantly shorten the duration of disability claims.

Many Canadian organizations offer short-term disability coverage for employees, with some or all of the premiums paid by the employer. This investment, assumed by organizations to protect employee income while on non-occupational related illness or injury, is a significant contributor to the rising benefit costs for many employers. Organizations are financially impacted not only by the obvious direct costs of workplace disruption from absence, including medical and pharmacological interventions, salary continuance, replacement workers, decreased production, and litigation but also by indirect costs, such as recruitment and training, productivity output, quality and customer service issues and management's time. These considerable and growing costs mean that organizations must act strategically to influence the underlying issues of absence and the barriers for a successful return to work.

Research clearly indicates that many STD claims have causes that, while medical in diagnosis, have multiple issues—behavioural, psychological or psychosocial—which affect both the incidence and the duration of absence. To effectively understand how to mitigate the risk of absence or to impact the duration of absence, it is important to consider the interdependence between behavioural, mental and physical issues and the effect on the severity of the condition.

Traditional, stand alone Disability Management programs are challenged to address the complex, interrelated issues that contribute to disability claim duration and outcome. Without specialized assessment and the right support, recovery and return to work can be delayed significantly, *even when mental health issues are not the primary reason for absence.*

An integrated EAP and STD program is a form of 'risk management,' an emerging area of workforce risk management and health care cost containment designed to better understand the underlying and interrelated behavioural and mental health aspects of claims, and to provide additional information and supports as early as possible.

A combined program has the unique ability to be planned and implemented specifically to address issues along the entire continuum of health—from prevention through to recovery.

METHODOLOGY

For the purpose of this review, Morneau Shepell examined EAP and STD data for 198 organizations in a one-year period from January 1st to December 31st, 2010. The study featured a two group model including a study group of 108 organizations that had integrated EAP and STD Management programs with Morneau Shepell. A group of 90 organizations which only had their STD Management program with Morneau Shepell were tracked within the non-EAP group and were used for comparison.

The available data was derived from EAP and STD Management client organizations across the country, and in 2010, represented a total of 33,098 closed STD Management cases. Of these closed STD cases, 25,866 were derived from organizations with an integrated EAP and STD Management program with Morneau Shepell, while 7,232 were derived from organizations with only their STD Management program managed by Morneau Shepell.

2010 Short-Term Disability Management Case Breakdown

	Integrated EAP + STD Program	STD Program Alone
Number of Organizations	108	90
Total Closed Cases	25,866	7,232

All 33,098 closed disability management cases were analyzed relative to the following standard reporting measures:

Duration/Days Lost:

Morneau Shepell's standard operating protocol includes the measurement of total hours lost as well as total days lost as a means of providing feedback on claim duration. Each measure is tracked on a per case basis by Morneau Shepell's STD Case Managers and is based on the metrics which calculates the lost time from the first day that an individual becomes disabled from work through to the last day of the claim.

For the purpose of this analysis, the number of days lost—or the duration of the claim—is measured and reported as the number of business days between the date the disability is filed and the date it is terminated. This relates to closed claims only.

Duration by International Classification of Diseases (ICD):

The World Health Organization defines International Classification of Diseases as the international standard diagnostic classification for general epidemiological use, health management purposes and clinical use. Using the diagnostic report completed and provided by the claimant's physician, the STD case manager codes the claim by ICD which is used as a basis for identifying the health condition as the cause for the disability claim. The duration by ICD is therefore the number of days absent from the workplace according to the therapeutic condition.

FINDINGS

Duration

A review of claims data revealed differences in the average duration of absence with a combined EAP and STD Management program from Morneau Shepell compared with organizations with STD Management programs not integrated with the EAP. Organizations with a combined EAP and STD program had an average of 27.18 days lost compared with an average of 39.42 days lost among organizations not having a fully integrated program. The sample group having integrated EAP and STD Management programs with Morneau Shepell had a lower rate of absence (average duration) compared with the non-integrated EAP and STD Management program group. This amounts to a 31.05% shorter STD duration for integrated programs.

	Non-Integrated EAP + STD Program	Integrated EAP + STD Program
Average STD Duration	39.42 days	27.18 days *

** 31.05% Reduction in STD Duration*

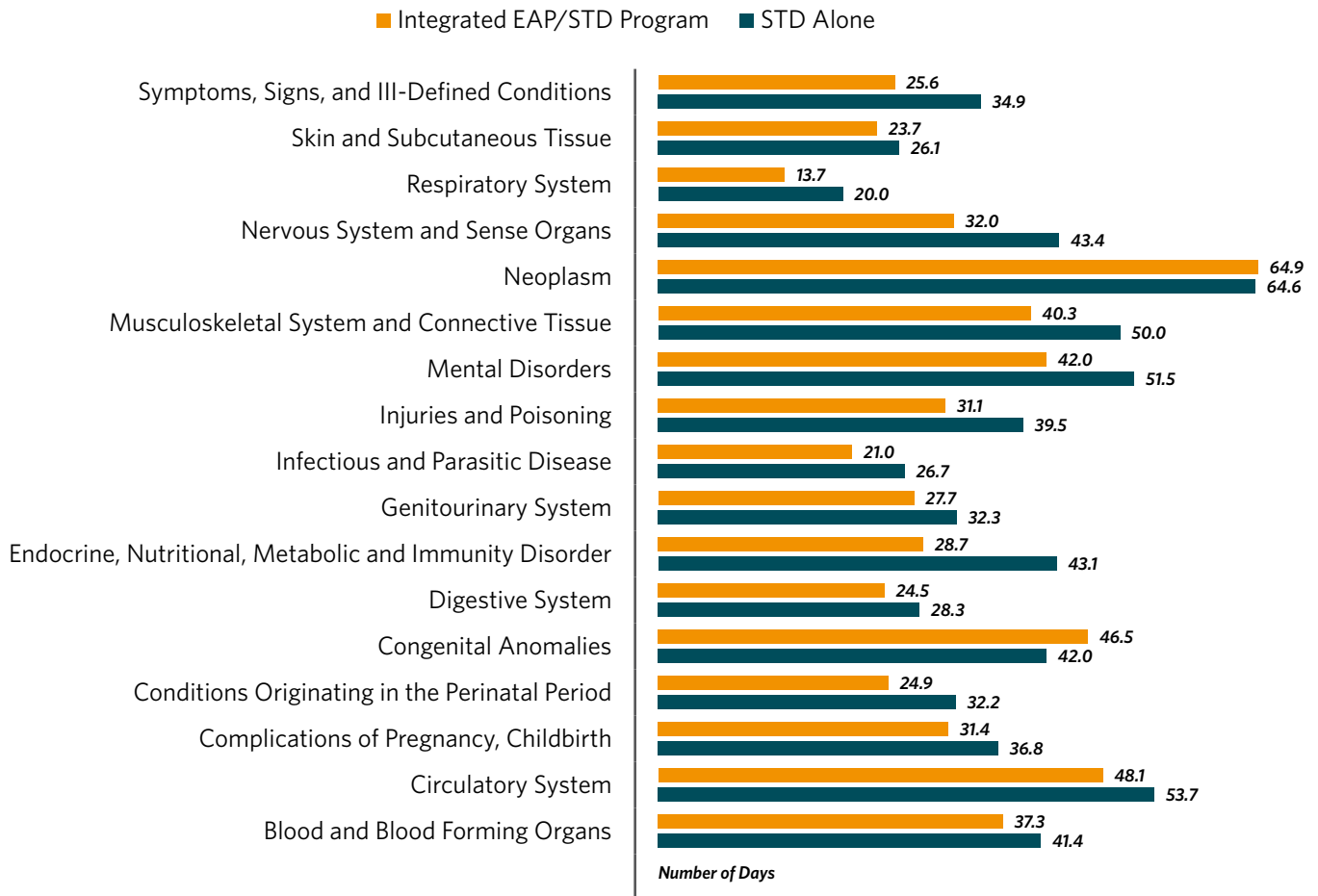
This significant reduction in STD duration has direct and indirect costs associated with the absence which will be lower within the combined group compared with the same costs for organizations in the non-integrated EAP – STD program group.

Duration by Health Issue

Claim durations in the Integrated Program group are notably shorter for almost all health conditions. Most notably, a reduction in claims duration (on average 10 days) is evident within the following therapeutic categories:

- Endocrine, Nutritional, Metabolic and Immunity Disorders’ average STD duration is 43.1 days versus 28.7 days for an integrated EAP and STD program.
- Nervous System and Sense Organ Disorders’ average STD duration is 43.4 days versus 32.0 days for an integrated EAP and STD program.
- Musculoskeletal System and Connective Tissue Disorders’ average STD duration is 50.0 days versus 40.3 days for an integrated EAP and STD program.
- Mental Disorders’ average STD duration is 51.5 days versus 42.0 days for an integrated EAP and STD program.

Average STD Duration by Health Issue



With the exception of Neoplasm, (tumours traditionally associated, although not synonymous with cancer), and Congenital Anomalies (defects present at birth), all therapeutic categories in the integrated EAP and STD group have a lower claim duration when compared with claims in the non-integrated EAP and STD group.

The findings highlight the effectiveness of a combined EAP and STD model wherein the total health perspective of the individual is considered towards optimizing return to health and return to work outcomes.

RECOMMENDATIONS

Absence, resulting from an inability to work because of illness or injury, is often coupled with factors outside of the diagnosis, including perception of health, personal, workplace, and/or environmental factors—any of which can increase the duration of absence. This implies that health is not one-dimensional and that the factors which influence the whole health of the individual cannot be considered in isolation. The traditional approach of addressing behavioural, psychological and psychosocial issues independent from one another does not achieve the same outcomes that an integrated program combining the expertise and resources available within EAP and STD Management affords. The solution: reframe the model that addresses absence to examine and provide support for the physical and non-physical barriers for return to work.

Integrated Risk Management

Employee assistance programs have historically been engaged to impact emotional and mental health. With the expansion of services to address work-life issues including dependent care, legal and financial support, workplace support, stress management, behavioural health programs and physical health concerns, the EAP is ideally suited to assist in the reduction of injury and illness that leads to absence and more importantly, to help improve the mental, physical and social conditions of the workforce that are essential for optimal functioning and maximum engagement.

Leveraging the EAP in disability case management can lessen the impact of workplace and personal barriers to change that threaten successful return to work. The EAP is an essential part of an integrated process that considers the absence in its entirety rather than focusing solely on the medical basis for the disability claim. Valuable supports and issue resolution provided through the EAP leads to a greater ability to deal more effectively with the underlying concerns surrounding a disability claim. This is especially critical for mental health claims wherein there is a greater risk of relapse and return to disability status.

Integrated Program Management and Case Management

This study signals that overall workplace health is optimally achieved through a collaborative approach to risk management that incorporates policies, practices, resources and measures that are aligned. Clearly, when programs are planned and implemented in an integrated manner, better outcomes can be achieved. Organizations are well advised to review how their disability programs are linked to EAP and how they specifically assess complex issues, mental health contributors to disability claims and the support options provided to an employee when they are experiencing a disability.

Another pivotal role in the coordination of care is a Disability Management program Case Manager who needs to have the ability to address complex physical, mental, behavioural and psychosocial factors in a case. In an integrated EAP and STD model, the Case Manager is better able to identify underlying causes of absence and barriers to return to work. Comprehensive issue identification and support at the beginning of a claim provides more opportunity for a sustainable return to health and return to work. Establishing a link between absence prevention and absence management resources ensures that the appropriate type and level of care is engaged as early as possible.

In this model, issues related to family and work relationships as well as practical challenges, can be more seamlessly supported through the resources available in a combined EAP and STD program.

CONCLUSION

An integrated EAP and STD program can result in better disability outcomes for employees and significant cost savings for employers. Through understanding and addressing all causes of absence including personal, environmental and workplace issues, organizations will be better able to:

- address medical and non-medical barriers for return to work;
- triage individuals to appropriate care tools and resources for support for their needs;
- identify cost and risk drivers for absence;
- decrease the incidence and duration of STD claims;
- reduce the direct and indirect costs associated with absence;
- provide support for managers to identify and address risk;
- increase employee morale and engagement;
- increase productivity; and
- improve the health status of the workforce.

Integrated EAP and STD Management programs work together to reduce absenteeism, reduce the duration of claims when an absence does occur, facilitate a successful return to work and increase productivity and engagement. This best practice model reinforces the value of combining prevention, early intervention, and recovery as part of an integrated approach towards an effective health management program.

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About Morneau Shepell Inc.

Morneau Shepell is the largest company in Canada offering human resources consulting and outsourcing services. The Company is the leading provider of Employee and Family Assistance Programs, as well as the largest administrator of pension and benefits plans and the health and productivity focused disability management provider. Through health and productivity, administrative, and retirement solutions, Morneau Shepell helps clients reduce costs, increase employee productivity, and improve their competitive position.

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