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Supervisors' Role in Disability Claims Management

Disability claims can impact a company's bottom line in more ways than one: The work done by the absent employee must either be picked up by co-workers, leading to expensive overtime, or be done by a temporary replacement, which can increase payroll and training costs. Disability claims can also impact benefit plan costs – not only for short- and long-term disability, but also for health care. These rising costs are one reason why many employers are shifting from a “disability claims management” system to an “employee health management” concept led by front-line supervisors.

Recent research indicates that supervisors have the ability to influence the disability claim patterns of their team members by providing a supportive work environment. In the research report, being supportive meant providing positive feedback, two-way communication, respect, fair and consistent application of policies, and access to coaching and mentorship. Employees who recognized these attributes in their supervisors were more likely to report higher job satisfaction, lower levels of job stress, lower levels of fatigue, depression and poor health, a better work/life balance, lower absenteeism and had a greater

intent to stay with the organization. Furthermore, employees who were absent due to a disability cited “responsiveness of their supervisors” as a major factor in their decision to return to work.

Charging supervisors with the task of employee health management makes sense because they work with employees on an intimate level daily and are therefore better able to detect early warning signals that something may be wrong. However, a survey conducted by Sheppel-fgi shows that supervisors often lack the necessary training, resources and tools to effectively influence employee behaviour when it comes to health and wellness.

What's Missing?

To have a successful health management campaign, you cannot simply issue a directive and leave it pinned to the bulletin board. You have to build it into your corporate culture. It needs to be so ingrained in the daily activities of all employees that it becomes second nature. It starts at the top with a real commitment by the executive team to the program. It also means arming supervisors with the tools and resources to carryout the corporate objective. This may include providing supervisors with real-time access to employee absences, and providing structured processes to handle absenteeism, return to work processes and addressing changes in productivity and/or

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behaviour.

Training Dollars Make Sense

A 2006 study by Liberty Mutual provides evidence that an investment in training will benefit your bottom line. The report showed that once supervisors were trained to detect, respond, communicate and problem solve, new disability claims reduced by a whopping 47% and active lost time claims fell by 18%. The costs of developing a structured response plan and training supervisors cannot be viewed as a barrier to implementing a health care management program because the long-term benefits are far too significant. Invest in your team and your team will invest in you.

Helping Supervisors Help

Supervisors need to know that health care management is their responsibility. They must be given the tools and the time to make this initiative part of their job. Setting goals and incentives for supervisors will help as will incorporating results and feedback into their performance evaluations.

Supervisors will need to be supported to achieve the goals and positive performance reviews. Training opportunities on a couple of fronts will need to be explored:

People Management Skills

Good communication and problem solving skills will help supervisors better manage relationships with team members. Mentoring is a great way to transfer this skill set.

Issue Identification

Supervisors work closely with their employees and may be able to pick up on changes in employee's attitudes, behaviours, and performance but they may not be able to properly interpret those changes and know how to manage them. Supervisors need to be taught how to recognize brewing issues and how to effectively deal with them while respecting the employee's right to privacy.

Policies & Procedures

Structured policies and procedures will help guide supervisors through absentee management. They will also help when it comes time to help employees on disability return to work. A structured plan helps to ensure that each case is handled in a fair and consistent manner thereby reducing employee discontent.

A well-structured, well-communicated and fully supported health care management program lead by a team of respected supervisors

can lead to a more engaged workforce that makes fewer health care claims and makes a concerted effort to return to work after a period of disability. The convergence of these elements can improve the bottom line costs of your benefit program and works to helping you become an employer of choice.

A Word about Haiti

Canadians have been generous in donating their time to help with the recovery efforts in Haiti. However, the Canadian government has issued a travel advisory for that country. As a result, some insurance companies are temporarily excluding Haiti as a covered destination. If you intend to travel to Haiti, please verify coverage with your insurance company before leaving. Travel advisory updates are available at www.voyage.gc.ca.

Sources:

The Missing Link: Supervisor's Role in Employee Health Management, Shepell-fgi, 2009 Series, Vol 5 Issue 2

Quiz Corner

Put your mental mettle to the test and a \$50 prize in your pocket!

I can flutter and take your breath away.

I can take a beating, but do not bruise.

If I stopped you would be sure to lose.

Everyday I am with you.

What am I?

Answers can be sent to: info@gmsinsurance.com or by fax to 905-670-4146. We will draw a winner from the correct answers.