



INSIGHTS

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Communication is Key

Continuation of EHC and Dental Benefits for Disabled Employees

Whether you are an employer in Canada or elsewhere in the world, one thing remains the same: managing fiscal constraints, human resource requirements, and the well-being of employees is a constant juggling act. And there are many balls in the air right now; the rapidly increasing costs of drugs and dental benefits are two of them, and they are profoundly impacting employer's plans, but in a way that too few employers have addressed.

Given the rising proportion of drug and dental plan costs, employers would be well advised to understand the potential implications to their employee benefit plans should an employee become disabled. Many employees believe that they will continue to have coverage as long as they are disabled, and without written policy to the contrary, they may very well be right.

This is an issue whose time has arrived. Why? Because disability costs are mounting. According to Watson Wyatt Worldwide, long-term disability rates, another driver of benefit costs rose 27% to 1.4% of payroll between 2002/2003 and 2005. For employers providing EHC and dental benefits to employees on LTD, every day of coverage matters.

Not too many months go by without someone asking me, "What is the length of time an employer should continue coverage on behalf of a disabled employee?" It's a question that is almost always asked when it is too late - after an employee has gone off on long term disability.

However, for the employer who is proactive, the one who puts policy

wording in place prior to a disability claim, there is an answer. But certain educational steps are critical in avoiding litigation.

There are several routes an employer can take. For one, employers who have a well-articulated policy - be it in the employee handbook, HR manual or employee communications material - and what they feel is a manageable coverage period, can simply choose the education route. That means ensuring employees are always informed about just how much coverage they will receive if they become disabled.

But for a company wanting to implement cost-cutting measures, the option of capping the duration of coverage does exist. For example, if a firm currently pays out EHC and dental until age 65, it can cap it at one year - or even six months after the date of disability.

The key to making the change is awareness. The policy should be communicated in a number of ways: in the employee handbook, and then reinforced once again at the time of claim. HR personnel need to fully aware of what the policy is. If they are having trouble recollecting what that policy is (Is it a year? Or are benefits paid out until 65?), and employees are left in the dark, the seeds of litigation are sown. However, if employers carry out 'due diligence,' by adequately informing their plan members of the coverage periods for EHC and dental benefits, there will be less likelihood of a disabled employee claiming they believed extended coverage was in place and commencing a lawsuit.

There are no guidelines for employers to follow. The patchwork of legislation that exists in Canada is confusing, but employers need to know that they can and should change their EHC and dental coverage period, saving themselves a lot of money in an environment where LTD costs are increasing. But along with this they have to remember that communicating the policy, or any change in policy to employees, is critical in preventing future lawsuits.

Until next time....

Safety Guidelines For Avoiding Carcinogens At home



- Read all labels carefully before using products. Be aware of their uses & dangers.
- Leave products in their original container with the label that clearly identifies the contents.
- Never put household products in food or beverage containers.
- Do not mix products unless the label directs you to do so. Even different brands of the same product may contain incompatible ingredients.
- If you are pregnant, avoid toxic chemical exposure as much as possible.
- Use products in well-ventilated areas to avoid inhaling fumes. Be sure to use adequate skin, eye, and respirator protection.
- Do not eat, drink, or smoke while using hazardous products.

Carcinogens At Home

According to a National Academy of Sciences workshop, approximately 15 percent of the American population suffers from chemical sensitivity. Researchers have traced this increased sensitivity to the proliferation of synthetic chemicals in consumer products and furnishings.

According to the EPA, indoor air pollution is one of the nation's most pressing personal health concerns. Peak concentrations of 20 toxic compounds - some linked with cancer and birth defects - were 200 to 500 times higher inside some homes than outdoors, according to a 5-year EPA study that surveyed 600 homes in six cities.

Residues of more than 400 toxic chemicals - some found in household products and foods - have been identified in human blood and fat tissue.

Symptoms such as runny nose, itchy eyes, a scratchy throat, headaches, fatigue, dizziness, skin rash, and respiratory infections are all common reactions to indoor air pollution. Left untreated, long-term exposure to indoor pollution can result in lung cancer, or damage to the liver, kidney and central nervous system. Young children are especially vulnerable to impaired lung function and respiratory infection.

The risk for leukemia increases by four to seven times for children, ages 10 and under, whose parents use home or garden pesticides.

The risk of childhood brain cancer is associated with the use of pesticide "bombs" in the home, pesticides to control termites, flea collars on pets, insecticides in the garden or orchard, and herbicides to control weeds in the yard, including exposure to two common pesticides available in garden shops - carbaryl and diazinon.

In 1990, more than 4,000 toddlers under age four were admitted to hospital emergency rooms as a result of household cleaner-related injuries. That same year, 18,000 pesticide-related hospital emergency room admissions were reported with almost three-fourths for children age fourteen and under.

Methylene chloride, the propellant used in many aerosol products, is carcinogenic. Some products containing methylene chloride have been pulled from the market, but the carcinogen continues to be found in many consumer products such as spray paint and stripper.

Not a single cosmetic company warns consumers of the presence of carcinogens in its products - despite the fact that a number of common cosmetic ingredients are carcinogenic or carcinogenic precursors.

Some experts estimate that 20 percent of non-Hodgkin's lymphoma cases among women are attributable to their use of hair dyes.

Source: Cancer Prevention Coalition



Household Products & Chemicals Q&A



Q. What role do chemicals play in household products?

A. Production rates for synthetic petrochemicals skyrocketed from 1 billion pounds per year in 1940 to over 400 billion pounds per year in the 1980s. Approximately 70,000 chemicals are now in commercial production, many of which are used in household products. Many of these chemicals accumulate in the human body and cause cancer and other diseases, yet they have been inadequately tested or remain completely untested for their safety. Only about 600 of these chemicals are known to cause cancer. Many chemicals used in household products are volatile. That means they become gaseous at room temperature or are sprayed from an aerosol can or hand pump and thus take the form of microscopic particles that are easily inhaled. They can cause damage to the lungs or other organs as they are taken into the bloodstream.

Q. Are hazardous chemicals from household products more dangerous than outdoor pollutants?

A. Because indoor pollutants are not as easily dispersed or diluted as outdoor pollutants, concentrations of toxic chemicals may be much greater indoors than outdoors. Peak concentrations of twenty toxic compounds - some linked with cancer and birth defects - were 200 to 500 times higher inside some homes than outdoors, according to an Environmental Protection Agency Study. Not surprisingly, EPA experts say that indoor air pollution is one of the nation's most pressing personal health concerns.

Q. Have products been pulled from the market because of their chemical hazards?

A. In the last few years consumers have discovered that some of the chemicals in household products whose safety was taken for granted are hazardous. For instance, methylene chloride (also known as dichloromethane), the propellant used in many aerosol products, is carcinogenic. Although some products containing methylene chloride have been pulled from the market, this carcinogen continues to be found in many consumer products such as spray paint and stripper. More recently, it was learned that indoor latex paints used widely for decades contained highly neurotoxic mercury-based fungicides. But it was not until 1990 that manufacturers finally removed most of these potent neurotoxins.

Q. What are some of the symptoms caused by chemicals in household products?

A. Symptoms such as a runny nose, itchy eyes, a scratchy throat, headaches, fatigue, dizziness, skin rash, and respiratory infections are all common reactions to indoor air pollution. Long-term exposure to indoor pollution can result in lung cancer, or damage to the liver, kidneys, and central nervous system. Young children are especially vulnerable to impaired lung function and respiratory infection.

Q. What types of products have the biggest cancer risks?

A. Certain cleansers and many brands of cat litter contain the carcinogen crystalline silica. Some car cleaning products contain formaldehyde. Fortunately, there are safe alternative household products