

National Business Group on Health

EMPAQ[®]

DATA DICTIONARY

Short-Term Disability



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Group on
Health

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Employer Measures of Productivity, Absence and Quality™

EMPAQ® Short-Term Disability (STD) Metrics

Metric	Calculation
Annual STD Claim Incidence per 100 Employees	$= \frac{\text{Total Number of New STD Claims}}{\text{Average Number of Employees Covered Under STD Plan}} \times 100$
Annual STD Maternity Claim Incidence Percentage	$= \frac{\text{Total Number of New STD Maternity Claims}}{\text{Total Number of Active STD Claims}} \times 100$
Average STD Claim Duration	$= \frac{\text{Lost Calendar Days Associated with Closed STD Claims}}{\text{Total Number of Closed STD Claims}}$
Cost per Active Claim	$= \frac{\text{Total Benefits Paid}}{\text{Total Number of Active STD Claims}}$
Cost per Closed Claim	$= \frac{\text{Total Benefits Paid for Closed STD Claims}}{\text{Total Number of Closed STD Claims}}$
Cost per Employee	$= \frac{\text{Total Benefits Paid}}{\text{Average Number of Employees Covered Under STD Plan}}$
Lost Workdays per 100 Employees	$= \frac{\text{Total Number of Lost Workdays}}{\text{Average Number of Employees Covered Under STD Plan}} \times 100$

EMPAQ® Short-Term Disability Metrics (continued)

Metric	Calculation
Return-to-Work (RTW) Claim Percentage	$= \frac{\text{Total Number of Claims on RTW Transitional Duty}}{\text{Total Number of Active STD Claims}}$
Return-to-Work (RTW) Transitional Workdays Percentage	$= \frac{\text{Total Number of Workdays with Employees on RTW Transitional Duty}}{\text{Total Number of Lost Workdays}}$

Definitions

Average Number of Employees Covered Under STD Plan: The average number of covered or enrolled U.S.-based employees (not the eligible employees) in the STD plan. Include employees on leave.

Note:

- If the STD plan is contributory, not all eligible employees will enroll.
- If the STD plan has an employer-paid base benefit with voluntary buy-up options, all employees covered by the base benefit STD plan should be counted.

Total Number of New STD Claims: The total number of new, approved claims with dates of disability in the reporting period. Include those claims that were approved and:

- Opened and closed during the current period; or
- Opened in the current period, and continued into the subsequent period.

If the employer has a salary continuation program, include those claims in which the employer's salary continuation program requires a medical certification.

Exclude the following claims:

- Denied and pending claims, as well as "incidence only" claims (where there was no reported lost time and no reported payments).
- Claims that opened prior to the reporting period.
- Claims in which STD benefits supplement WC benefits. (These claims will be counted in the WC data.)
- Statutory disability claims to avoid double-counting. (Examples: SDI—State Disability Insurance in California and TDI—Temporary Disability Insurance in New Jersey.)

Total Benefits Paid: The STD payments made for active claims during the reporting period, even if the claim originated in an earlier year and/or continued into a following year.

Types of payments to consider include:

- STD benefits paid, net of any offsets, such as WC payments.
- Only benefits paid after any elimination period. If the elimination period is paid by a program other than STD, exclude the waiting period pay from the Total Benefits Paid. If the elimination period is reclassified as STD time and not incidental absence, then include these reclassified days.
- The entire cost of relapse claims, as dictated by plan design - both the initial period and the second (or more) relapse periods.
- Any statutory disability claims paid (or premiums if fully-insured).
- Only supplemental payments for any claims that were determined to be Workers' Compensation indemnity claims.
- The portion of the premium used to pay wage replacement for claims (estimated if necessary), if the plan is fully-insured.

Total Number of Active STD Claims: The total number of STD claims that were ever active (eligible for payments) during the reporting period.

Include the following types:

- Claims incurred in prior period, paid and closed in current period;
- Opened and closed during the current period;
- Opened in the current period, continued into subsequent period; and
- Opened in the prior period, and remained active in current period, and continued into the subsequent period.

Exclude the following types:

- Denied or pending STD claims.
- Any claims that were initially classified as STD and then reclassified as WC claims.
- Any STD claims that solely provide supplemental payments to a concurrent WC claim.
- Statutory disability claims to avoid double-counting. (Examples: SDI—State Disability Insurance in California and TDI—Temporary Disability Insurance in New Jersey.)

Total Number of Lost Workdays: The total lost workdays attributable to active STD claims during the reporting period. This is the number of workdays for which employees, after completing the benefit elimination period, received benefit income from the STD plan.

If an administrative system tracks calendar durations of absence, estimate the number of lost workdays by multiplying the total number of elapsed (calendar days) absent by 5/7 and report the whole number (without decimal places). Partial lost workdays should be summed into full-day equivalents and included in the total.

- Exclude:
- Any days before the benefit effective date part of the initial elimination period.
- Days while the employee is still absent, but the STD claim has ended.
- Any lost workdays associated with a state-mandated or statutory disability plan.
- Days paid under LTD benefits.
- Days reported as paid under WC claims, where employees are only receiving supplemental STD benefits in addition to WC benefits. If the WC claim is closed, but the individual continues to receive STD benefits, the STD workdays incurred after the WC claim closes would be counted as STD lost workdays.

Include only authorized lost workdays for which STD benefits were paid. If a case is closed, and subsequently reopened due to relapse based on a client's plan parameters, then the additional authorized lost workdays should be included. Do not include the days in-between the return-to-work and the start of the approved disability relapse.

Lost Calendar Days Associated with Closed STD Claims: The number of calendar days attributed to closed STD claims. This is the amount of lost time elapsed between the date an employee becomes disabled (first day of absence) and the date STD benefits end. Intermittent STD days should be totaled into whole days if they are part of the same claim. Exclude any lost workdays associated with a statutory disability plan to avoid double-counting.

The count of lost calendar days includes any time intervals for claims that are closed within the reporting period. This includes the benefit elimination period, periods of absence covered by STD prior to and within the reporting period.

The end date of a closed claim is defined as the point in time when the employee ceases to be eligible for benefits for one of several reasons:

- Employee returns to work either full-time/full-duty or as part of a transition work program and is no longer receiving STD benefits.
- Claim is settled.
- Claim is terminated because the employee is no longer disabled.
- Employee dies.
- Benefit end date is reached (i.e., 180 days per the STD plan design).

Include only authorized lost calendar days for which STD benefits were paid. If a case is closed, and subsequently reopened due to relapse based on a client's plan parameters, then the additional authorized lost calendar days should be included. Do not include the days in-between the return-to-work and the start of the approved disability relapse.

Total Benefits Paid for Closed STD Claims: The claim costs for all payments made throughout the life of the claim, for any claim that closed in the reporting period. These are claims that were:

- Opened in a prior year as long as they closed in the reporting period; or
- Opened in the reporting period and closed in the reporting period.

(Exclude claims that opened in the reporting period and were not closed by the end of the reporting period.)

Include the following:

- STD benefits paid, net of any offsets, such as WC payments but including supplemental STD benefits paid on top of WC claims.
- Only STD benefits paid after any elimination period.
- Any statutory disability claims paid (or premiums if fully-insured).
- Only supplemental payments for any claims that were determined to be WC Indemnity claims.
- If the plan is fully-insured, only the portion of the premium used to pay wage replacement for claims (estimated if necessary) should be counted, not the portion used for plan administration fees and carrier retention charges.

Total Number of Closed STD Claims: The number of claims that closed during the reporting period, even if they were opened in a previous period. Exclude claims where lost time was included under a WC program and any statutory disability claims (to avoid double-counting).

Closed claims are defined as claims that:

- Opened in a prior year as long as they closed in the reporting period; or
- Opened in the reporting period and closed in the reporting period.

(Exclude claims that opened in the reporting period and were not closed by the end of the reporting period.)

Include STD claims that transition to LTD benefits after STD benefits are exhausted (as long as the transition date is in the reporting period).

The end date of a closed claim is defined as the point in time when the employee ceases to be eligible for benefits for one of several reasons:

- Employee returns to work either full time/full duty or as part of a transitional work program and is no longer receiving STD benefits.
- Claim is settled.
- Claim is terminated because the employee is no longer disabled.
- Employee dies.
- Benefit end date is reached (i.e., 180 days per the STD plan design).

Total Number of New STD Maternity Claims: The total number of approved STD claims that are maternity-related (normal and/or with complications) that opened within the reporting period regardless of when the claim is closed.

Total Number of Claims on RTW Transitional Duty: The total number of claims in which an employee previously on STD has returned to work (RTW) with reduced hours or in a restricted capacity.

This includes the following categories of work restriction: Full-Time, Restricted, Permanent; Full-Time Restricted, Temporary; Reduced Hours, Restricted, Permanent; and Reduced Hours, Restricted, Temporary.

Include claims where an employee returned to work in a prior period, but continues on restricted duty during the reporting period. Exclude claims for a statutory disability plan to avoid double-counting.

Total Number of Workdays with Employees on RTW Transitional Duty: The workdays in the reporting period where an employee has worked in any capacity other than full-time unrestricted (i.e., the employee is on work restrictions). Exclude any lost workdays associated with a statutory disability plan to avoid double-counting.

This includes the following categories of work restriction: Full-Time, Restricted, Permanent; Full-Time Restricted, Temporary; Reduced Hours, Restricted, Permanent; and Reduced Hours, Restricted, Temporary.

Include workdays for a claim that was closed in a prior period (with the employee still on restricted duty in the reporting period).

Other Helpful Definitions

Active Claim: Synonymous with open claim—refers to a claim which has not been settled, with an expectation that further payments will be made.

The following categories are available for Active Claims in the reporting period:

- Claims incurred in the prior period, and paid and closed in current period;
- Opened and closed during the current period;
- Opened in the current period, and continued into the subsequent period; and
- Opened in the prior period, remained active in current period, and continued into the subsequent period.

Active claims do not include denied and pended claims, nor "incidence only" claims (where there was no reported lost time and no reported payments).

Approved Claim: Claims that have been reviewed for benefit determination and payments have been approved under the plan provisions.

Closed Claim: Claims that have been closed during the reporting period based on either a full return to work or an expiration of benefits. A Closed Claim means that there are no more payments to be made under the plan provisions. Excludes denied and pended claims.

New Claim: Refers to a newly received claim that has been reported for the determination of benefits under the plan provisions during the reporting period. New Claims are opened when:

- The employee has not previously experienced a recorded injury or illness of the same type that affects the same part of the body; or
- The employee previously experienced a recorded injury or illness of the same type that affected the same part of the body but had recovered.

Return to Work (RTW): A claimant returns to the company in partial duty, temporary duty or full-time, regular job. The claimant is no longer fully disabled and unable to perform some duty/job at the work location. Once an employee has returned to work in some capacity, chances are good that the Workers' Compensation/disability benefits will eventually end.