The Financial Impact of Cancer and Strategies for Returning to Work

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Cancer...
Work...
Where to Start?
Overview to Workshop

What are the Issues?

- Complexity of the income sources
- The Financial Impact is larger than reported
- Long Term Disability

Returning to Work

- The Pros and Cons of Work
- Long Term Disability and Returning to Work

Advice from Experts

- Professionals and Survivors
The Financial Impact of Cancer

The true and untold story
There are 4 Broad Categories of Income Replacement:

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The typical previously-employed breast cancer patient is accessing one to four different income-replacement programs over the course of their treatment

• For those with workplace benefits, generally Short Term Disability, Employment Insurance, Long Term Disability and Canada Pension Plan
• For those who have assets, generally Employment Insurance, Canada Pension Plan and any workplace benefits
• For those with no assets or workplace benefits, generally local/provincial welfare/disability, Employment Insurance and CPP
The 2009 CBCN Survey reported that 80% of respondents experienced a financial impact amounting to 10% loss of mean annual household income.

This implies the financial impact is manageable.

The reality – cancer has a much greater financial impact
Financial Hardship – what the research is saying

- 60% of respondents indicated their income decreased following their diagnosis ('Return to Work Concerns Faced by People Dealing with Cancer', Canadian Partnership Against Cancer)

- 80% of respondents experienced a financial impact. On average, a $12,000 drop in annual household income was reported ('Breast Cancer: Economic Impact and Labour Force Re-Entry', Canadian Breast Cancer Network)

- 12% decrease in wages. Lower education levels further exacerbate the decline in wages ('Cancer’s impact on employment and earnings – A population-based study from Norway', Journal of Cancer Survivorship)
New cancers resulted in wage losses of up to $3.18 billion in Canada and $17,729 per person lost annual wage from cancer (‘Estimating the National Wage Loss from Cancer in Canada’, Current Oncology, 2010)

91% of households suffered a loss of income or rise in expenses as a result of a cancer diagnosis (ibid)

A false sense of security seems to cloud Canadian’s understanding of these issues (‘Financial Hardship of Cancer: A Call to Action’, CCAN and CCS Manitoba Division)
What else causes financial hardship?

- The largest financial impact is lost income
- Lost income from caregivers (estimated to be as high as 25% lost income)
- Out of pocket drug costs, partial drug coverage, over-the-counter medications
- Travel to appointments, parking, hospital meals
- Child care, housekeeping
- Prosthetics, medical supplies
- Complementary and alternative treatments
How do patients cope with financial hardship?

- 44% used savings and investments
- 27% took on debt
- 26% returned to work before ready
- 19% worked during treatment
- 9% unable to get drugs/prosthesis/supplies
- 6% Suboptimal treatment plan
- Stress/anxiety/insomnia/fear reported by almost all

(‘Breast Cancer: Economic Impact and Labour Force Re-entry’)
Long Term Disability
Long Term Disability

Definition:

“a type of coverage that gives you protection against the chance of losing income if you become disabled and you are not able to pay your expenses”

(‘A Guide to Disability Insurance’, The Canadian Life and Health Insurance Association)
Long Term Disability

- A unique business contract between employer and insurer
- About 30% of workers have LTD through their employer
- Typical contract pays 67%, taxable, starts >121 days after leaving work
- Definition of Disability changes over time (own vs. any occupation); tends to mirror CPPD
Long Term Disability Statistics

Percent of Claims

- Mental and Nervous: 36%
- Musculo-skeletal: 22%
- Neoplasms (mostly cancers): 11%
- Accidents: 9%
- All Other Identified Causes: 19%
- Not Stated or Unknown: 4%

Source – Canadian Institute of Actuaries, 2011
Returning to Work
In 2013, about 72,000 people will be diagnosed with cancer in Ontario; ~10,000 breast cancer patients.

About 70% of Breast Cancer patients are between the ages of 20-69 years of age.
Research indicates that on average 62% of people are well enough to return to work, and within 12 to 18 months after leaving work.

_Breast cancer patients have one of the highest return to work statistics and one of the shortest times away from work._
Factors associated with a negative return to work experience:

- A non-supportive work environment
- Manual labour
- Changing attitude toward work (reduced importance and aspirations)
- Age
What are the positives?

Factors associated with a positive return to work:

- Supportive work environment
- Positive attitude of co-workers
- Discretion over work hours and amount of work
- Number of months since treatment
- Mobilizing social support
Intake, Assessment, Referrals, Case Management

Helping to navigate the maze of income replacement programs

Long Term Disability and Employment Law Legal Clinic

Financial Advice Clinic

• Wellspring Birmingham Gilgan House (Halton)
  • 905-257-1988
• Wellspring Downtown Toronto
  • 416-961-1928
Thank you for attending

Thank you for listening