



DKK 75 million extra for incapacitated employees

Since 2016, WTW has secured an average of DKK 744,000 in additional compensation for 101 clients after the pension companies had initially dismissed the cases.

By Martin Wex

What does an incapacitated employee who has just had his or her claim for loss of earning capacity or critical illness rejected? Some choose to accept the decision, while others choose to appeal to the pension company that made the decision. And then there are those who choose to contact WTW to get an impartial assessment of the case and possibly assistance in appealing the decision.

Since 2016, WTW has had the decision overturned in 101 cases of loss of earning capacity, critical illness, death and social benefits, and this has resulted in DKK 75 million in additional compensation. With 74 cases and DKK 70 million, loss of earning capacity is by far the most important item in the statistics.

»We typically choose to appeal against the decision in cases where the pension company, in our opinion, has made a mistake in the handling of the case and has therefore made a wrong decision. In cases of loss

of earning capacity, it will often require new health information, which has not previously been included in the assessment, if the decision is to be successfully overturned,« says social worker Anne-Kathrine Vestergaard of WTW.

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Anne-Kathrine Vestergaard | Social Worker

Different health assessments

Health is generally the central point of contention when disagreements arise as to whether an insured employee is entitled to compensation for loss of earning capacity. Even if the job centre has assessed that an employee's ability to

work is so reduced that he or she could be entitled to an insurance payment, the pension company may have a different view of the matter with reference to that they do not assess ability to work but the earning capacity.

»It has previously been the norm for pension companies to give the employee the benefit of the doubt, but some pension companies are increasingly challenging the job centre's description of how much the employee is actually able to work. This is especially evident in cases where the employee's illness cannot be weighed and measured,« says Anne-Kathrine Vestergaard.

In some cases, employees on sick leave have their work ability tested to determine the number of hours they can work when all health-related considerations have been complied with.

»The job centre makes an assessment of the ability to work and doesn't only look at the health-related issues but can also – in accordance with the legislation – emphasize other conditions that are not purely medical. The pension company, however, makes its assessment based solely on the medical information and is not obliged to follow the decision made by the job centre. In cases where the job centre has made a thorough assessment of the employee's ability to work and provided a clear description of what happens when the employee works more than the number of hours included in a flexible job, we are surprised that the pension company, with reference to the medical information, can assess that the employee should be able to work more,« says Anne-Kathrine Vestergaard.

»In cases of loss of earning capacity, it is the employee who has the burden of proof, and it can be almost impossible to meet when the pension company does not recognise the result of the work ability test.«

Few mistakes by the pension companies

Her colleague, claims specialist Tanja Gunnlögsson, emphasises that WTW in most cases agrees with the pension companies' decisions because there are always thorough considerations behind rejections.

»The pension companies have a thorough process where they have colleagues who double-check the rejections, and if the client appeals against the decision, there is a reassessment process, where the legal department or external consultants may be involved. But mistakes occur, and when they do, we take over and conduct the cases on behalf of our clients,« says Tanja Gunnlögsson.

In 2022, WTW secured a total of DKK 5.6 million for its clients in 10 rejected cases concerning loss of earning capacity, critical illness and non-payment of pension contributions.

2016-2022	Cases	Added value for clients
Loss of earning capacity	74	70,037,809
Critical illness	8	889,000
Invalidity and death	7	2,353,351
Social benefits and pensions	12	1,871,332
Total	101	75,151,492

More clients have received treatment

WTW also offers assistance to employees who have been denied treatment through their health insurance. In 2022, 115 clients approached WTW because they believed they had their claim wrongfully rejected. WTW found grounds for appealing against the decision in 45 of the cases and had the decision overturned in 32 of the cases – corresponding to 71 percent.

»It is crucial that ill and injured employees can receive treatment as quickly as possible so that they have the best chances of recovery. Therefore, they must of course have the treatment covered through their health insurance when they are eligible for it. And we are happy to assist them when we believe that the health insurance company has rejected their claim on the wrong basis,« says Tanja Gunnlögsson.

Since 2018, WTW has had the decision overturned in 122 cases, so that clients have had their treatment covered through their health insurance after they initially had their claims rejected.

Loss of earning capacity

Most company pension schemes contain an insurance package that covers loss of earning capacity, certain critical illnesses and death. In particular, loss of earning capacity can be a point of contention, as compensation can amount to several million Danish kroner.

- You are entitled to compensation if your earning capacity – for example after an accident or due to serious illness – has been reduced by at least 50 per cent for more than three months.
- The compensation is paid monthly and continues until you get well or reach the state pension age.
- As long as you are paid a salary, the compensation will be paid to your employer.