2012-2016 Strategic Plan:
Measuring Results

Q2 2012 Report

wsib cspaat ONTARIO

Workplace Safety & Insurance Board
Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail
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Assessment of Current Results: Comparison to Plan

Pillar	Assessment	Summary
Sufficient Funding		*Premiums covered operating expenses*
Revenue Must Cover Costs		*Employment growth continues to positively impact premium revenue*
Right Sizing Costs – Workplace Injuries		*Slight increase in registered claims due to increased employment*
Right Sizing Costs – Claims Inventory		*Workers are returning to work more quickly*
Right Sizing Costs – Recovery & Return to Work		*Efforts to help injured workers recover and return into the workplace are having a positive impact*
Efficient Administration		*The focus on modernization is having a positive effect*
Stakeholder Relationships & Service Excellence		*The WSIB is currently consulting on Appeals Modernization*

LEGEND:

 Performance meeting or exceeding target	 Performance off target	 Positive change
 Performance marginally off target	 For tracking purposes only	 Negative change

Discussion & Analysis

Introduction

The WSIB's 2012-2016 Strategic Plan establishes a range of initiatives designed to improve outcomes for injured workers and employers while bringing the WSIB to a sufficiently funded position within the timeframe established by the recent legislative change. The Measuring Results Report was developed to help the WSIB assess its performance against the objectives of the plan. This discussion and analysis provides management's perspective on key results that have impacted the performance of the organization in Q2 2012.

Summary of results

Strong results for this quarter were led by a combination of improving recovery and return to work outcomes for injured workers and increased premiums.

While the WSIB experienced a slight increase in claim volumes due to the employment growth, changes to the service delivery model continue to deliver better outcomes for injured workers and employers.

For the second consecutive quarter, premiums were equivalent to total cost indicating continued strength in our operating and financial results. In Q2 2012, the UFL of $13,740 was $459M lower than in Q4 2011 and $274M lower than budget.

Increased claim volumes

Due to a small increase in registered claims and a significant decrease in claims awaiting decisions (pending claims), Schedule 1 allowed lost-time claims increased by 8% in Q2 2012.

More registered claims

Employment levels in Ontario have increased, exceeding 2008 levels (prior to the economic downturn). With this increase in employment, however, the number of Schedule 1 registered claims has also increased, although it remains lower than in 2008. In Q2 2012, registered claims increased for the second consecutive quarter, by 418 claims or 0.8%, when compared to the prior year.

However, the LTI rate – lost time injuries as a proportion of all workers employed – continues to decline, reflecting the WSIB's focus, along with its prevention partners, on reducing the number of workers injured at work. Ontario's Q2 LTI rate of 1.03 is one of the lowest of any jurisdiction in Canada.

Once registered, initial entitlement decisions are being made more quickly

The second factor is the 32% decrease in pending claims. In Q2 2012, the combination of increased eAdjudication and the specialized Eligibility Adjudicator function has led to 93% of eligibility decisions being made within two weeks, compared to 85% in Q2 2011. This has shifted more claims from a pending to an adjudicated status.

Improving recovery and return to work outcomes

The WSIB is well positioned to manage this increase in lost-time claims. In 2011, with the anticipated increase in insurable payroll for 2012, the WSIB budgeted for an increase in claims volumes. Additionally, changes to our service delivery model are resulting in quicker, more specialized health care and return to work interventions:

- Specialized health care - 23% (1,324) more injured workers referred to specialty clinics and a 28.5% (2,967) increase in injured workers receiving treatment from programs of care;
- Reduced narcotics use - 10.7% (3,360) fewer claims where narcotics were prescribed; and
- Earlier RTW interventions – An intervention by a RTW Specialist in 50% of claims within 8 weeks of date of injury vs. 43% in Q1 2012 and 40% in December 2011.

Combined these improvements are reflected in our Q2 2012 indicators for recovery and return to work outcomes for injured workers:

- The majority (91% for Schedule 1 and 95% for Schedule 2) of injured workers returning to their pre-injury earning within one year;
- An 8.3% decrease in the percentage of non-locked-in claims on 100% loss of earnings compared to Q2 2011;
- The continued decrease in the percentage of workers on-benefit up to 48 months. A stabilization of duration at 72 months as anticipated; and
- The decrease in the percentage of workers with a permanent impairment to 9.1%, from 9.9% in Q2 2011.

Discussion & Analysis

Benefit costs paid

These improvements, combined with the reduction in the number of lost time injuries between 2008 and 2011 continue to positively impact benefit cost paid, which decreased by $46M compared to Q2 2011.

Improved premiums

Premiums increased by $64M this quarter compared to the same quarter last year. This increase was sufficient to cover expenses, and to contribute an additional $50M to the investment fund. The premium increase was the result of a 7.3% increase in insurable payroll and a 2% increase in the average premium rate.

Investment returns

Market volatility continued in Q2 2012 with a 1.0% ($165M) negative return on investments for the quarter. However, because of a very strong Q1 2012, year to date the WSIB has achieved a $538M or 4% return on investment, $151M above budget.

Appeals

While the number of resolved appeals increased in Q2, the number received continues to exceed those resolved, increasing the outstanding inventory of appeals.

To address the systemic causes of the outstanding inventory, the WSIB announced its intention to modernize the appeals process in Q2 2012. Based on stakeholder feedback, the WSIB has extended the consultation process into October 2012, with changes expected to be implemented in January 2013.

We anticipate the new model will ensure timely, fair, and transparent final resolutions of objections and rectify the current backlog. In the interim the WSIB has assigned temporary appeals officers to help manage the inventory.

The percentage of appeals allowed/allowed in part in Q2 2012 was approximately 27%, which is considered to be within the expected range given past experience.

Customer Perception Measurement Framework Results

The results for the quarterly survey continue to help us establish a baseline for the new Customer Perception Measurement Framework. In the second quarter of 2012, we saw employer satisfaction with the claims and account management decrease to 73% and 77% from 81% and 83% respectively. Service excellence scores for claims and account management decreased to 80% and 82% from 86%.

Analysis by Ipsos Reid has shown that the largest influencer of employer satisfaction is premium rates. While the survey for this quarter's results was being conducted, the WSIB received increased media coverage relating to our funding position, the UFL action plan, and the possibility of rate increases. This coverage may have influenced our results in the second quarter and can be expected to do so in the third quarter as well.

Of interest, Program and Service Excellence indexes for injured workers have stayed consistent, with 64% somewhat or very satisfied with claims programs and 71% very or somewhat satisfied with the service they received. This is a contrary indicator to the vocal opposition directed at WSIB from injured-worker stakeholders over the last few quarters. The survey goes directly to the injured workers and results are staying the course, not declining.

We are always looking for ways to improve our understanding of customer-perception results. We will take action in the next survey for the Q3 Report by adding open-ended questions. These questions will capture objective feedback from respondents that will be used to drive continuous improvement.

The WSIB remains committed to customer service excellence. We have many initiatives underway that are specifically aimed at improving service excellence results. In addition to the quarterly surveys, we are measuring our progress through:

- Proactive, regular dialogue and consultation with stakeholders through the Chairs Advisory Groups, Consultation Secretariat, and ad-hoc senior management meetings; and
- Close monitoring of daily interactions with injured workers and feedback received from programs such as the Fair Practices Commission, and other targeted survey work.

Discussion & Analysis

Other Notables

Presentation to the Standing Committee

The Ontario Legislature's Standing Committee on Government Agencies is empowered to review and report to the House its observations, opinions and recommendations on the operation of the Ontario government's agencies, boards and commissions.

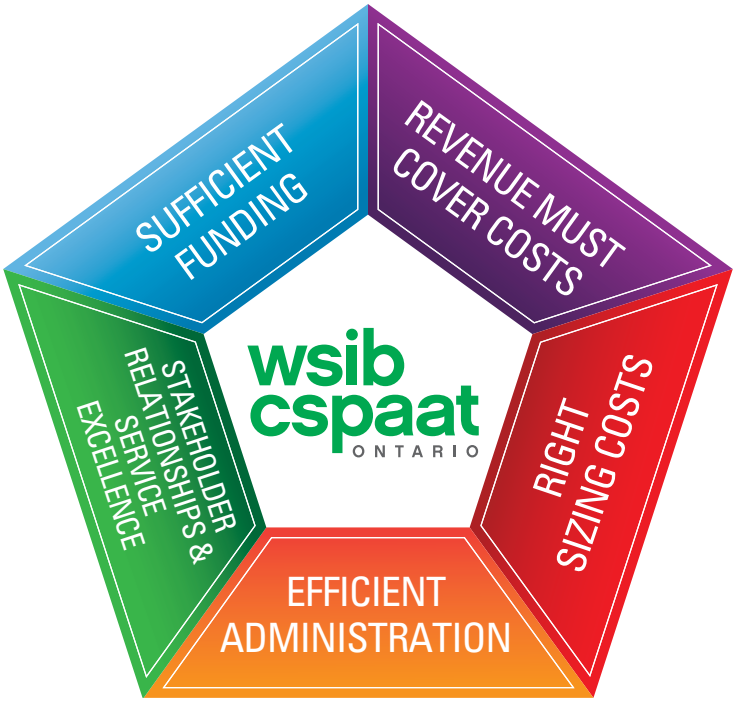
The WSIB appeared before the Standing Committee on Government Agencies on July 4 and 5, 2012. Submissions were heard from stakeholders and the WSIB fielded questions from government representatives from all three parties. The WSIB was able to highlight its recent success in improving recovery and return to work outcomes for injured workers and confirm its commitment to a better, more responsive workplace safety and insurance system that is financially stable and sufficiently funded.

New legislation requiring the WSIB to eliminate its unfunded liability

On June 5, 2012, the Government of Ontario proclaimed legislation and created an accompanying regulation requiring the WSIB to eliminate its deficit, or unfunded liability by 2027. This legislation comes into force on January 1, 2013. Our 2012-2016 Strategic Plan, supported with our commitment to rigorously monitor and assess our performance, has established the foundation necessary to achieve our funding target.

Q2 results indicate the WSIB is achieving its objectives

The results that are outlined in this report confirm that the WSIB is achieving the results and delivering on its commitment as expressed at the Standing Committee. They demonstrate that it is possible to improve outcomes for injured workers and employers while also improving the WSIB's financial viability.



Schedule 1 Results by Pillar

Sufficient Funding

Premiums covered operating expenses

For the second consecutive quarter, premiums approximated total costs indicating continued strength in operating results.

Comprehensive income attributable to WSIB stakeholders was $20M prior to the $165M or 1.0% negative investment returns for the quarter.

Benefit costs were $74M above budget primarily due to a $150M increase in benefit liabilities associated with changes in actuarial assumptions.

The UFL of $13,740, was $274M lower than budget and $459M lower than Q4 2011.

Premiums

($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	992	998	987	970	1,056
Budget	968	965	901	934	991
Variance	24	33	86	36	65
Assessment	✓	✓	✓	✓	✓

Benefit Costs*

($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	697	475	3,189	818	925
Budget	922	927	939	865	851
Variance	(225)	(452)	2,250	(47)	74
Assessment	✓	✓	✗	✓	✗

Net Investment Income/(Loss)

($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	100	(688)	614	703	(165)
Budget	230	231	230	193	193
Variance	(130)	(919)	384	510	(358)
Assessment	✗	✗	✓	✓	✗

Administrative and Other Expenses

($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	70	69	113	82	75
Budget	94	84	87	103	98
Variance	(24)	(15)	26	(21)	(23)
Assessment	✓	✓	✗	✓	✓

**Includes changes in actuarial valuation of benefit liabilities*

Unfunded Liability (UFL)					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	(12,111)	(12,333)	(14,199)	(13,595)	(13,740)
Budget	(12,368)	(12,292)	(12,294)	(14,144)	(14,014)
Variance	257	(41)	(1,905)	549	274
Assessment					

Funding Ratio					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	56.1%	55.0%	52.2%	54.3%	54.2%
Budget	55.6%	56.2%	55.8%	52.7%	53.4%
Variance	0.5%	(1.2%)	(3.6%)	1.6%	0.8%
Assessment					

Comprehensive Income/(Loss) Attributable to WSIB Stakeholders					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	241	(222)	(1,866)	604	(145)
Budget	75	76	(2)	56	129
Variance	166	(298)	(1,864)	548	(274)
Assessment					

Revenue Must Cover Costs

Employment growth continues to positively impact premium revenue

Premium revenues increased $64 million or 6.5% due to a 7.3% increase in insurable payroll and the 2.0% increase in average premium rates announced in 2010.

Improved recovery and return to work outcomes for injured workers have resulted in a decrease in benefit costs paid. This has required the WSIB to reforecast its estimated net rebate for incentive programs. The WSIB continues to take steps to balance its incentive programs; however, due to the design of the current incentive programs, premium rate increases combined with reduced benefit costs will potentially increase net rebates.

Premiums					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	992	998	987	970	1,056
Budget	968	965	901	934	991
Variance	24	33	86	36	65
Assessment	✓	✓	✓	✓	✓

Insurable Payroll					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	42,074	39,304	36,066	42,168	45,115
Budget	41,359	38,725	35,326	40,851	41,581
Variance	715	579	740	1,317	3,534
Assessment	✓	✓	✓	✓	✓

Net Surcharge / (Rebate) Incentive Programs					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	(9)	(2)	(2)	(11)	(16)
Budget	(12)	(13)	(12)	(11)	(11)
Variance	3	11	10	0	(5)
Assessment	✓	✓	✓	✓	✗

Revenues					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	1,092	310	1,601	1,673	891
Budget	1,198	1,196	1,132	1,127	1,184
Variance	(106)	(886)	469	546	(293)
Assessment					

Net Investment Income/(Loss)					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	100	(688)	614	703	(165)
Budget	230	231	230	193	193
Variance	(130)	(919)	384	510	(358)
Assessment					

Insurance Fund Total Returns				
	1 Year	5 Years	10 Years	15 Years
Q2 2012	3.5	1.7	5.3	5.8
Q4 2011	2.3	1.2	4.6	6.1
Assessment				

Right Sizing Costs – Workplace Injuries

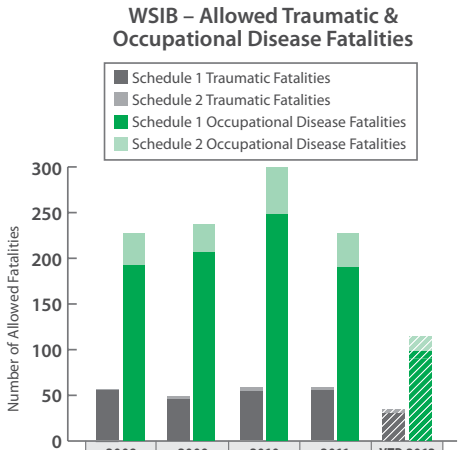
Slight increase in registered claims due to increased employment

The number of new claims registered was up by 0.8% (418 claims) from Q2 2011, a reflection of increased employment. This was the second straight quarter that the WSIB experienced a slight increase in the number of registered claims. Even with this small increase, proportionally the number of lost time injuries continues to decline. In Q2 2012, the YTD lost time injury/illness rate was 1.03, compared to 1.05 in Q2 2011.

With the increase in allowed lost time claims (see discussion and analysis) there was a 1.5% (56 claims) increase in the number of high impact claims.

Unfortunately, year to date Ontario has experienced an increase in traumatic and occupational disease fatalities compared to 2011. The WSIB continues to work closely with the Chief Prevention Officer to reduce the number of injuries, illnesses and fatalities in Ontario.

FIVE-YEAR TREND



	2008	2009	2010	2011	YTD 2012
	55	46	54	55	30
	1	3	4	4	4
TRM Fatalities Total	**56**	**49**	**58**	**59**	**34**
	194	208	250	191	98
	35	30	51	38	17
OD Fatalities Total	**229**	**238**	**301**	**229**	**115**

Traumatic Fatalities

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	8	15	24	18	12
Prior Year	8	20	15	8	8
Variance	0	(5)	9	10	4
Assessment	*	*	*	*	*

Occupational Disease Fatalities

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	39	55	50	45	53
Prior Year	76	64	53	47	39
Variance	(37)	(9)	(3)	(2)	14
Assessment	*	*	*	*	*

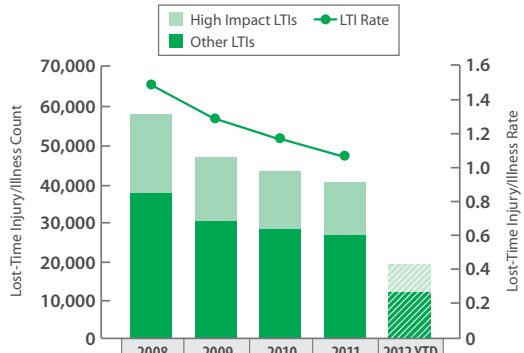
New Claims					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Registered	49,662	51,568	48,106	47,836	50,080
Pending	6,059	5,971	5,600	5,034	4,092
Denied	3,191	3,206	3,238	3,475	3,841
Abandoned	4,838	5,000	4,658	4,594	4,687
Allowed	35,574	37,391	34,610	34,733	37,460
	81.6%	82.0%	81.4%	81.1%	81.5%

YTD Lost-Time Injury/Illness Rate					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	1.05	1.05	1.07	1.11	1.03
Prior Year	1.15	1.18	1.17	1.21	1.05
Variance	(8.7%)	(11.0%)	(8.5%)	(8.3%)	(1.9%)
Assessment	✓	✓	✓	✓	✓

Number of New High Impact Claims					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	3,638	3,004	3,922	3,173	3,694
Target	3,576	3,620	3,916	3,310	3,383
Variance	1.7%	(17.0%)	0.2%	(4.1%)	9.2%
Assessment	▽	✓	▽	✓	✗

FIVE-YEAR TREND

Lost-Time Injury/Illness Count & Rate



	2008	2009	2010	2011	2012 YTD
	20,366	16,475	14,752	13,960	6,511
	37,538	30,204	28,251	26,633	12,950
Total Allowed LTIs	57,905	46,679	43,003	40,593	19,461
	1.50	1.29	1.17	1.07	1.03
High Impact as a % of Total LTIs	35%	35%	34%	34%	33%

Right Sizing Costs – Claims Inventory

Workers are returning to work more quickly

Claims inventory continues to decline quarter over quarter. The inventory of non-locked-in claims has decreased by 3,137 claims (11.8%) in 2012.

Improvements can be attributed to the continued decrease in the percentage of claims on benefits. The percentage of claims on benefits at 3, 6, 12, 24 and 48 months decreased by 1.9%, 1.5%, 1.1%, 2.2% and 0.4% respectively compared to Q2 2011. Percentage of claims on benefits at 72 months continued to be stable.

MEASURING DURATION

Percentage on Benefits at 3 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	14.5%	14.2%	13.9%	13.3%	12.6%
Prior Year	14.9%	14.5%	14.3%	14.4%	14.5%
Variance	(0.4%)	(0.3%)	(0.4%)	(1.1%)	(1.9%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 6 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	8.9%	8.6%	8.2%	7.7%	7.4%
Prior Year	9.9%	9.3%	9.2%	8.9%	8.9%
Variance	(1.0%)	(0.7%)	(1.0%)	(1.2%)	(1.5%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 12 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	6.1%	5.9%	5.6%	5.3%	5.0%
Prior Year	8.1%	7.5%	7.0%	6.5%	6.1%
Variance	(2.0%)	(1.6%)	(1.4%)	(1.2%)	(1.1%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 24 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	6.6%	6.0%	5.5%	4.9%	4.4%
Prior Year	7.6%	7.6%	7.4%	7.0%	6.6%
Variance	(1.0%)	(1.6%)	(1.9%)	(2.1%)	(2.2%)
Assessment	✓	✓	✓	✓	✓

Total Wage Loss Claims Inventory						
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Assessment
Total Claims	183,485	181,318	179,009			
Variance (prior year)	(6,219)	(7,649)	(7,798)			
Locked-in Claims	156,911	156,056	155,572			
Variance (from base)	(1,835)	(855)	(1,339)			
Non-locked-in Claims	26,574	25,262	23,437			
Variance (prior year)	(4,384)	(5,537)	(5,763)			

Percentage on Benefits at 48 Months					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	6.6%	6.6%	6.6%	6.4%	6.2%
Prior Year	6.3%	6.5%	6.5%	6.5%	6.6%
Variance	0.3%	0.1%	0.1%	(0.1%)	(0.4%)
Assessment					

Percentage on Benefits at 72 Months					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	5.4%	5.3%	5.4%	5.5%	5.6%
Prior Year	5.3%	5.4%	5.4%	5.3%	5.4%
Variance	0.1%	(0.1%)	0.0%	0.2%	0.2%
Assessment					

FIVE-YEAR TREND

	2008	2009	2010	2011	2012 YTD
1 Year	8.1	8.9	7.0	5.6	5.0
2 Years	6.8	7.5	7.4	5.5	4.4
4 Years	5.6	5.9	6.5	6.6	6.2
6 Years	4.5	5.1	5.4	5.4	5.6

Right Sizing Costs – Recovery & Return To Work

Efforts to help injured workers recover and return into the workplace are having a positive impact

In Q2 2012, 91% of workers returned to work at 100% pre-injury earnings within 1 year.

Overall health care costs stayed steady this quarter as we continue to focus on early, specialized evidence based care. Spending on programs that improve recovery and return to work outcomes for injured workers such as Specialty Clinics and Programs of Care increased by 30.7% ($7.2M) and 48.8% ($2.3M) respectively, while cost for narcotics decreased by 15.8% ($2.6M).

Worker recovery indicators, average PI award (10.8%) and the percentage of workers with a PI (9.1%), continue to improve. Better return to work outcomes are reflected in the improvement in the percentage of non-locked-in claims at 100% LOE (58.0%) and the average LOE entitlement award at lock-in (52.8%).

MEASURING BENEFIT AWARDS
(as at end of quarter)

			Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Assessment: Prior Quarter	Assessment: Current Quarter
NON-LOCKED-IN CLAIMS ON 100% LOE (as a % of Total Current Claims)	Total	%	66.3%	62.1%	58.7%	63.0%	58.0%	✓	✓
		Prior Year	71.9%	70.3%	65.1%	69.9%	66.3%		
		Variance	(5.7%)	(8.2%)	(6.3%)	(6.8%)	(8.3%)		
	< 2 Years	Assessed Against Prior Year Rate						✓	✓
	2 – 4 Years	Assessed Against Prior Year Rate						✓	✓
	4 – 6 Years	Assessed Against Prior Year Rate						✓	✓
	> 6 Years	Assessed Against Prior Year Rate						▽	✓

		Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Assessment: Last Quarter	Assessment: Current Quarter
AVERAGE LOE ENTITLEMENT AWARD AT LOCK-IN	%	55.7%	53.7%	54.4%	53.2%	52.8%	✓	✓
	Prior Year	56.0%	55.4%	58.9%	60.7%	55.7%		
	Variance	(0.3%)	(1.7%)	(4.5%)	(7.5%)	(2.9%)		

Benefit Costs Paid					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	719	695	692	705	673
Prior Year	777	757	757	744	719
Variance	(58)	(62)	(65)	(39)	(46)
Assessment	✓	✓	✓	✓	✓

MEASURING PERMANENT IMPAIRMENT

Percentage of Workers with a PI					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	9.9%	9.9%	10.2%	9.8%	9.1%
Benchmark	9.5%	9.3%	9.0%	9.0%	9.0%
Variance	0.4%	0.6%	1.2%	0.8%	0.1%
Assessment	▽	▽	✗	✗	▽

Average PI Award Percentage					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	11.9%	13.1%	14.0%	10.6%	10.8%
Benchmark	14.3%	14.2%	14.0%	13.0%	13.0%
Variance	(2.4%)	(1.1%)	0.0%	(2.4%)	(2.2%)
Assessment	✓	✓	✓	✓	✓

MEASURING RETURN TO WORK

RTW at 100% Pre-Injury Earnings at 12 Months (Allowed Lost-Time Claims)					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	90.5%	90.4%	90.5%	89.7%	91.0%
Prior Year	N/A	N/A	N/A	90.5%	90.5%
Variance	N/A	N/A	N/A	(0.8%)	0.5%
Assessment	*	*	*	▽	✓

MEASURING HEALTH CARE

Health Care Costs					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	114	112	113	129	113
Prior Year	125	124	121	130	114
Variance	(11)	(12)	(8)	(1)	(1)
Assessment	✓	✓	✓	✓	✓

Efficient Administration

The focus on modernization is having a positive effect

In Q2 2012, 41% of the registered claims were eAdjudicated compared to 30% in Q1 2012 leading to 93.3% of eligibility decisions being made within two weeks. Quicker eligibility decisions result in faster payments on worker claims, ensuring that workers are able to focus on their recovery and return to work.

Due to higher than budgeted claims administration costs allocated to benefits costs ($15M) and lower than budgeted bad debt expense of $7M, administrative and other expenses were $23M (23.5%) below budget.

Administrative expenses per $100 of insurable payroll were 11.4% ($0.05) below budget.

Percentage of Eligibility Decisions Made within Two Weeks from the Claim Registration Date

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	85.9%	87.6%	88.7%	87.9%	93.3%
Target	85.0%	85.0%	85.0%	85.0%	85.0%
Variance	0.9%	2.6%	3.7%	2.9%	8.3%
Assessment					

Administrative and Other Expenses					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	70	69	113	82	75
Budget	94	84	87	103	98
Variance	(24)	(15)	26	(21)	(23)
Assessment	✓	✓	✗	✓	✓

Administrative Expense per $100 of Insurable Payroll					
($ / $100)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	$0.38	$0.40	$0.58	$0.49	$0.39
Budget	$0.42	$0.45	$0.49	$0.47	$0.44
Variance	($0.04)	($0.05)	$0.10	$0.02	($0.05)
Assessment	✓	✓	✗	▽	✓

Stakeholder Relationships & Service Excellence

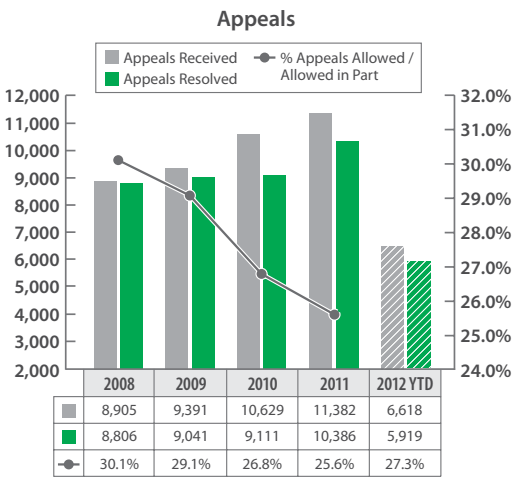
The WSIB is currently consulting on Appeals Modernization

In Q2 2012, the number of appeals received increased by 22.5% (616 cases). At the same time the number of appeals resolved increased by 17% (443 cases). As the number of received cases continues to exceed those resolved, the outstanding inventory of appeals is increasing.

The WSIB has extended the consultation process to modernize the appeals program into October 2012, with changes expected to be implemented in January 2013.

Results for the Q2 customer satisfaction survey are discussed in detail in the discussion and analysis on page 4.

FIVE-YEAR TREND



	2008	2009	2010	2011	2012 YTD
Appeals Received	8,905	9,391	10,629	11,382	6,618
Appeals Resolved	8,806	9,041	9,111	10,386	5,919
% Appeals Allowed / Allowed in Part	30.1%	29.1%	26.8%	25.6%	27.3%

MEASURING APPEALS SCHEDULE 1 & 2

Appeals	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
# of Appeals Received	2,734	2,906	2,853	3,263	3,350
# of Appeals Resolved	2,596	2,420	2,798	2,857	3,039
% of Resolved Appeals Allowed / Allowed in Part	26.0%	24.3%	26.1%	27.3%	27.1%
% Appeals Resolved in 12 months	88.4%	86.9%	84.6%	80.9%	82.3%

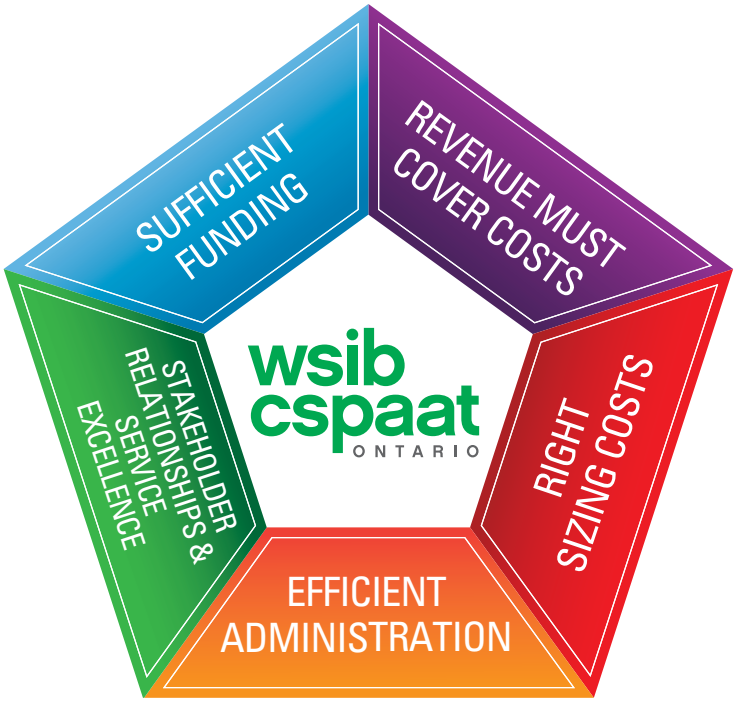
2011 Annual Reputation Index*			
	Injured Workers	Employers	Non-clients
% Very or Somewhat Favourable	62%	65%	61%
Average Rating	6.2	6.4	6.3%

MEASURING CUSTOMER SATISFACTION SCHEDULE 1 & 2

PROGRAM INDEX		Q1 2012	Q2 2012	Q3 2012	Q4 2012	Assessment
CLAIMS – Employers	% Very Satisfied or Somewhat Satisfied	81%	73%			
	Average Rating	7.3	6.8			
CLAIMS – Injured Workers	% Very Satisfied or Somewhat Satisfied	66%	64%			
	Average Rating	6.5	6.2			
ACCOUNT MANAGEMENT	% Very Satisfied or Somewhat Satisfied	83%	77%			
	Average Rating	7.6	7.1			

SERVICE EXCELLENCE INDEX		Q1 2012	Q2 2012	Q3 2012	Q4 2012	Assessment
CLAIMS – Employers	% Very Satisfied or Somewhat Satisfied	86%	80%			
	Average Rating	7.7	7.4			
CLAIMS – Injured Workers	% Very Satisfied or Somewhat Satisfied	72%	71%			
	Average Rating	6.9	6.8			
ACCOUNT MANAGEMENT	% Very Satisfied or Somewhat Satisfied	86%	82%			
	Average Rating	7.8	7.5			

**Ipsos Reid Annual WSIB Satisfaction Survey 2011*



Schedule 2 Results by Pillar

Right Sizing Costs – Workplace Injuries

In Q2 2012 Schedule 2 firms registered 6.7% (697) fewer claims than in the prior year. However, this quarter a higher percentage of claims (76.8% vs. 73.9% in Q2 2011) were allowed.

A 23.7% decrease in pending claims, due to quicker initial entitlement decisions, resulted in a 5.2% (47 claims) increase in high impact claims.

New Claims					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Registered	10,319	8,993	9,450	10,324	9,622
Pending	1,626	1,438	1,575	1,531	1,240
Denied	858	643	696	906	891
Abandoned	1,409	1,369	1,163	1,392	1,053
Allowed	6,426	5,543	6,016	6,495	6,438
	73.9%	73.4%	76.4%	73.9%	76.8%

Traumatic Fatalities					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	1	2	0	3	1
Prior Year	3	1	0	1	1
Variance	(2)	1	0	2	0
Assessment					

YTD Lost-Time Injury/Illness Rate					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	2.07	1.99	1.92	2.25	2.00
Prior Year	2.15	2.08	2.02	2.46	2.07
Variance	(3.7%)	(4.3%)	(5.0%)	(8.5%)	(3.4%)
Assessment					

Occupational Disease Fatalities					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	12	9	6	9	8
Prior Year	16	14	3	11	12
Variance	(4)	(5)	3	(2)	(4)
Assessment					

Number of New High Impact Claims					
	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	912	741	1,055	876	959
Target	962	826	1,057	987	848
Variance	(5.2%)	(10.3%)	(0.2%)	(11.2%)	13.1%
Assessment					

Right Sizing Costs – Claims Inventory

Continued improvements in recovery and return to work outcomes for injured workers are reflected in the results for the percentage of claims on benefit.

MEASURING DURATION

Percentage on Benefits at 3 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	10.2%	10.1%	9.6%	8.9%	8.0%
Prior Year	11.2%	10.8%	10.3%	10.3%	10.2%
Variance	(1.0%)	(0.7%)	(0.7%)	(1.4%)	(2.2%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 6 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	5.4%	5.2%	4.9%	4.5%	3.8%
Prior Year	6.4%	6.0%	5.7%	5.4%	5.4%
Variance	(1.0%)	(0.8%)	(0.8%)	(0.9%)	(1.6%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 12 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	2.8%	2.7%	2.6%	2.3%	2.2%
Prior Year	3.7%	3.6%	3.4%	3.0%	2.8%
Variance	(0.9%)	(0.9%)	(0.8%)	(0.7%)	(0.6%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 24 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	2.0%	2.0%	1.8%	1.6%	1.4%
Prior Year	2.6%	2.5%	2.3%	2.2%	2.0%
Variance	(0.6%)	(0.5%)	(0.5%)	(0.6%)	(0.6%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 48 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	1.6%	1.5%	1.6%	1.4%	1.4%
Prior Year	1.7%	1.7%	1.7%	1.6%	1.6%
Variance	(0.1%)	(0.2%)	(0.1%)	(0.2%)	(0.2%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 72 Months

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	1.3%	1.3%	1.3%	1.3%	1.3%
Prior Year	1.2%	1.3%	1.2%	1.3%	1.3%
Variance	0.1%	0.0%	0.1%	0.0%	0.0%
Assessment	▽	✓	▽	✓	✓

Right Sizing Costs – Recovery & Return To Work

As a result of WSIB's focus on recovery and return to work, 95% of injured workers returned to work at 100% pre-injury earnings at 12 months.

MEASURING PERMANENT IMPAIRMENT

Percentage of Workers with a PI

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	5.0%	5.5%	5.7%	5.4%	5.7%
Prior Year	N/A	N/A	N/A	6.0%	5.0 %
Variance	N/A	N/A	N/A	(0.6%)	0.7%
Assessment					

Average PI Award Percentage

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	10.8%	14.0%	12.7%	9.6%	10.7%
Prior Year	13.9%	13.5%	12.9%	13.7%	10.8%
Variance	(3.1%)	0.5%	(0.2%)	(4.1%)	(0.1%)
Assessment					

MEASURING RETURN TO WORK

RTW at 100% Pre-Injury Earnings at 12 Months (Allowed Lost-Time Claims)

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	94.9%	95.0%	94.1%	94.5%	95.0%
Prior Year	N/A	N/A	N/A	94.7%	94.9%
Variance	N/A	N/A	N/A	(0.2%)	0.1%
Assessment					

MEASURING HEALTH CARE

Health Care Costs

($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	15	15	14	16	15
Prior Year	17	16	15	16	15
Variance	(2)	(1)	(1)	0	0
Assessment					

Benefit Costs Paid					
($M)	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	71	68	65	67	65
Prior Year	77	75	78	73	71
Variance	(6)	(7)	(13)	(6)	(6)
Assessment	✓	✓	✓	✓	✓

MEASURING BENEFIT AWARDS
(as at end of quarter)

		Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Assessment	
							Last Quarter	Current Quarter
AVERAGE LOE ENTITLEMENT AWARD AT LOCK-IN	%	54.9%	48.8%	59.8%	60.3%	52.7%	✗	✓
	Prior Year	65.1%	56.5%	57.0%	56.1%	54.9%		
	Variance	(10.2%)	(7.7%)	2.8%	4.2%	(2.2%)		

Efficient Administration

Increased eAdjudication has resulted in 92.3% of eligibility decisions being made within two weeks of the claims registration date.

Percentage of Eligibility Decisions Made within Two Weeks from the Claim Registration Date

	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Result	83.4%	84.1%	86.7%	86.2%	92.3%
Target	85.0%	85.0%	85.0%	85.0%	85,0%
Variance	(1.6%)	(0.9%)	1.7%	1.2%	7.3%
Assessment					

Quarterly Focus – The WSIB's Compliance Framework

Introduction

A sustainable WSIB is founded on trust, fairness and integrity for workers and employers. Compliance plays an integral role in ensuring a level playing field for all - where injured workers receive the benefits to which they are entitled and employers contribute their fair share. When there is non-compliance, all parties are affected: employers abiding by the requirements pay more to make up the difference and workers may not receive the benefits to which they are entitled. Full and fair participation of all parties is the key to the integrity and sustainability of the WSIB.

Although the WSIB has a number of programs and tools in place to address specific incidents of non-compliance such as, allegations of claims suppression, payroll under-reporting and discrimination based on disability, these non-compliances still persist, fuelling the perception that the system lacks integrity.

Building trust through fairness and integrity is an integral part of our *2012-2016 Strategic Plan*. A commitment to compliance achieved through cooperation and engagement builds confidence in the system and in the ability of workplace parties to effectively manage workplace risks.

The Framework for Compliance at the WSIB – From Commitment to Action

The Framework for Compliance guides the WSIB in building system integrity through compliance. It sets out the purpose and authority for WSIB compliance functions, outlines the principles governing compliance activities, and describes our approach for addressing non-compliance. By applying the Framework we lay the groundwork for more effective stakeholder relationships and service excellence by building trust in the integrity of the system.

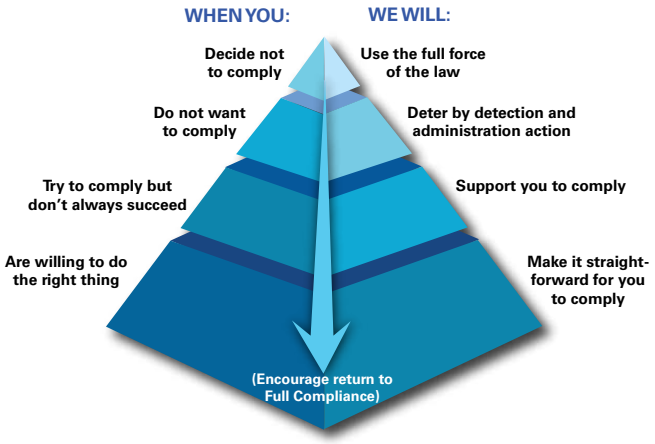
The Framework is based upon the principle that ensuring and maintaining compliance with the *Workplace Safety and Insurance Act*:

- Drives trust in the system;
- Promotes accountability in workplaces regarding workers' and employers' rights and obligations;
- Creates a fair and level playing field among employers operating similar businesses; and
- Is essential to providing customer service excellence.

The Model – How is it Different

Our framework is anchored in a commitment to education and communication as foundational components of all of our actions and programs.

Responsive Compliance Model



The new model moves the WSIB from a focus on responding to individual cases to an integrated approach that proactively identifies systemic compliance problems and commits to solving them. The model supports a range of responses to ensure robust and fair decisions that demonstrate the integrity of the system and its partners. The model is built on:

- A commitment to education and communication;
- A compliance framework that adheres to fairness;
- Timeliness of action, consistent outcomes and knowledgeable staff;
- A focus on gaps and developing a range of interventions to ensure we pick the right problems and fix them, integrating and aligning our actions;
- Compliance as a mutual obligation; and
- A commitment to bringing parties into full compliance.

Our Plan and Initiatives

Using data, high risk non-compliance problems are identified and tackled. As part of the new framework, specific annual initiatives will be reviewed with stakeholders for input and to ensure our approach addresses the key compliance gaps identified. Actions will be focused on ensuring that those required to

Quarterly Focus – The WSIB's Compliance Framework

comply know and understand their obligations and are able and willing to comply.

The Plan focuses on four key areas that are tracked and measured for their impact:

1. Educate and Communicate

Workers and employers who comply want better customer service that makes meeting their obligations straightforward, easy and understandable. That starts with education and communication. The WSIB will focus on actions, tools and communications to ensure all workplace parties understand why we do what we do and why it is important to them. We start from the premise that all workplace parties intend to comply.

Key Initiatives

A compliance landing page on our website will merge existing material into one easy-to-locate area and will include information on the WSIB's Privacy Policy, Employer Audit Services, Collections, and Appeals.

Did you know?

- Protecting the privacy of the injured worker is essential to good customer service and our core values. This year the WSIB is launching a new Customer Privacy course for all our employees as mandatory training.
- In 2011 Employer Audit Services was in contact with over 13,000 Employers.

2. Analyze and Support

The WSIB will make it straightforward and easy for workplace parties to be in compliance. Our activities are supported by data analysis that focuses on the issues that drive non-compliance, so they can be addressed and improved on.

Key Initiatives

- Payment programs to assist employers facing financial hardship pay arrears;
- Field and desk audits to verify that employers are properly classified and reporting accurate payroll;
- Reviewing clearance certificates;
- Monitoring WSIAT submissions and decisions for accuracy, fairness and equality; and
- An Early Contact team that contacts employers personally, directly and early when they have not paid their premiums.

Did you know?

- In 2011, a Pension Confirmation Unit stopped payments to 93 non-residents of Ontario that were confirmed deceased. This initiative resulted in savings of over $47,000 a month in pension payments.
- In 2011, the Early Contact team received accounts valued at over $1 billion and successfully collected over $965 million or 87%.

3. Investigate and Action

Most workplace parties intend to comply and, once informed of their responsibilities, stay in compliance. This element of the program focuses on the minority of workplace parties that do not want to comply. For example, while 76% of employers audited continued to be compliant one year post audit, 24% are once again non-compliant. For these workplace parties the WSIB has tools and processes in place to detect non-compliance and take administrative action. In other words we use the penalties and other measures available under the Workplace Safety and Insurance Act to bring the party back into compliance.

Key Initiatives

- Sharing information with the Canada Revenue Agency;
- Examining employers ability and assets available to pay by way of judgment debtor proceedings; and
- Reviewing provider billings for discrepancies and risk flags.

Did you know?

- In 2011, Regulatory Services received 2,263 leads through its Action Line.
- In 2011 as part of the WSIB CRA initiative 1,696 employers were registered. This resulted in additional premiums of $8.0 million.
- In 2012, the Compliance Division is partnering with the Strategy Cluster to lead a third party review on employer claim suppression.

4. Enforce

When necessary, we prosecute wrongdoing that involves serious, deliberate actions that warrant our strongest enforcement measures.

Key Initiatives

- Collecting arrears through tax rolls;
- Third party actions;
- Collection of outstanding payments through garnishments;
- Investigations and prosecutions.

Did you know?

- The WSIB laid 322 charges against individuals and companies in 2011 for offences committed under the Workplace Safety and Insurance Act. Our prosecution success rate in 2011 was 98%.
- In 2011 as a result of audits, $12 million in premiums was refunded and $41 million in premiums was billed to employers.
- In 2011, we recovered: over $14 million for asbestos-related claims, over $200,000 in overpayments, and over $114,000 in bankruptcy proceedings. This year, to date, we have recovered over $3.4 million through personal injury litigation.

Conclusion

We know that effective compliance can be achieved when all workplace parties know and understand their obligations, are able to comply with those obligations and are willing to comply.

Effective and sustainable compliance is instilled through consistently applied, fair and balanced programs. It is achieved when our system partners see value in compliance over avoidance.

By revitalizing our compliance program, we aim to achieve system integrity for worker, employers and our system partners.

The WSIB sought input from a number of stakeholder groups through the Chair's Advisory Committees to determine if our new approach laid the ground work for building more effective stakeholder relationships, enhanced service excellence and demonstrated system integrity. Their support was received and the new framework was subsequently approved by the WSIB Board of Directors.

The new Compliance Framework is a demonstration of the WSIB's commitment to clarity, transparency and service excellence in the development of strategies and actions to enhance compliance with the Workplace Safety and Insurance Act.

Glossary

Measure	Definition	Notes	Page
Administrative and Other Expenses	Total cost of administering the Workplace Safety and Insurance Act (WSIA).	Includes operating expenses and project costs less administrative costs associated with claims administration allocated to benefit costs Excludes Schedule 2	8, 19
Administrative Expenses per $100 of Insurable Payroll	The administrative costs to operate the system to insurable payroll (applicable payroll required by legislation to determine premiums submitted by employers to the WSIB)	Includes operating expenses and project costs prior to the allocation of administrative costs associated with claims administration and Schedule 2 reimbursements	19
Annual Reputation Index **Employers or Injured Workers**	The percentage of registered employers or injured workers that have a positive perception of the WSIB in the specified year Average rating of the questions in the index	External survey results: index calculated using a straight average of 6 measures equally weighted Schedule 1 and 2	21
Annual Reputation Index **Non-clients**	The percentage of non-registered employers and general workers (without a WSIB claim) that have a positive perception of the WSIB in the specified year Average rating of the questions in the index	External survey results: index calculated using a straight average of 4 measures equally weighted Schedule 1 and 2	21
Appeals - % of Resolved Appeals Allowed/Allowed in part	The percentage of resolved appeals allowed, in full or in part	Represents a percentage of total appeal resolutions Schedule 1 and 2	20
Average LOE Entitlement Award at Lock-in	The year-to-date average entitlement percent for workers having reached Loss of Earnings (LOE) lock-in	By injury year This measure does not use a lag period	16, 27
Average PI Award Percentage	The average Non-Economic Loss (NEL) award quantum (permanent impairment %) for awards made in the specified period	By NEL award year, including lost-time and no lost-time claims This measure does not use a lag period	17, 26
Benefit Costs	Benefit costs consist of benefit costs paid (the amount paid to or on behalf of injured and ill workers), the change in benefit liabilities (the adjustment to the actuarially determined estimates for future claim costs for current and prior-year claims) and claims administration costs	Excludes Schedule 2	8

Glossary

Measure	Definition	Notes	Page
Benefit Costs Paid	Benefit costs paid (or benefit payment) represent the amount paid to or on behalf of injured and ill workers	Includes Loss of Earnings (LOE), Workers' Pension, Health Care, Future Economic Loss (FEL), Survivor Benefits, External Providers and Non-Economic Loss (NEL) Excludes benefit liabilities and claims administration costs	17, 27
Comprehensive Income/(Loss) Attributable to WSIB Stakeholders	Total revenue less total expenses and non-controlling interests	Excludes Schedule 2	9
Funding Ratio	The ratio of total assets to total liabilities as at the end of the reporting period (expressed as a percentage)	Excludes non-controlling interest in pooled investments Excludes Schedule 2	9
Health Care Costs	The cumulative cost associated with health benefits for injured workers related to health services and drugs	Includes health care costs paid to the Ministry of Health (MOH)	17, 26
Insurable Payroll	Applicable payroll required by legislation to determine premiums submitted by employers to the WSIB	Payroll is a factor of employment times average wages Excludes Schedule 2	10
Insurance Fund Total Returns	The total compounded annual returns for the Insurance Fund as at the end of the reporting period over one-, five-, 10- and 15- year periods		11
Net Investment Income/(Loss)	The sum of all realized and unrealized gains and losses earned on insurance fund, non-controlling interests and the loss of retirement income investment portfolio, net of investment expenses		8, 11
Net Surcharge/ (Rebate) Incentive Program	Provision on 'surcharges to be paid by employers' net of 'refunds to be paid to employers' for all experience rating programs	Includes NEER, CAD-7, Safety Group, SCIP, Workwell and MAP	10

Glossary

Measure	Definition	Notes	Page
New Claims	The distribution of new registered claims by allowed, denied, pending and abandoned status that were registered in the specified period % Allowed excludes pending	By registration year (regardless of injury year) Includes Lost-Time Injuries (LTIs), No Lost-Time Injuries (NLTIs) and Fatalities Denied claims are claims determined to be non-work related, or claims by workers who were not covered under the Workplace Safety and Insurance Act (WSIA) Pending claims are claims for which a decision has not yet been made Abandoned claims are claims that have been withdrawn by the worker or the WSIB could not gather sufficient information to make an entitlement decision Excludes amalgamated, and PEIR (Program for Exposure Incident Reporting) claims	13, 24
Non-locked-in Claims on 100% LOE (as a % of Total Current Claims)	The percentage of all non-locked-in claims, excluding new and other claims, which are awarded 100% full benefits	The higher the percentage of claims that are awarded 100% benefits, the higher the number of workers not returned to work or modified work	16
Number of New High Impact claims	The number of new allowed high impact claims for the period specified	By injury year Based on first allowed Lost-Time Injuries (LTIs) including fatalities regardless of costs, for lower back, shoulder and fracture	13, 24
Occupational Disease Fatalities	The number of allowed occupational disease fatal claims by decision date	By year of entitlement (regardless of injury year) Data is unmatured Includes sequelae	12, 24
Percentage of Eligibility Decisions made within two weeks from the Claim Registration Date	The percentage of claims where eligibility decisions are made within the targeted timeframe of 10 business days after their registration date	Excludes occupational disease, serious injury, fatality, withdrawn, abandoned and re-opened claims	18, 28
Percentage of Workers with a PI	The percentage of allowed lost-time cases with a Non-Economic Loss (NEL) award	By injury year Data has a three year lag	17, 26

Glossary

Measure	Definition	Notes	Page
Percentage on Benefits	The year-to-date percentage of injured or ill workers that continue to receive full or partial Loss of Earnings (LOE) benefits on the specified anniversary		14, 15, 25
Premiums	Premiums that are charged to Schedule 1 employers to cover the cost of the current year's claims, the future cost of administering these claims, overhead expenses, and the cost of incentive programs	Excludes Schedule 2 reimbursement of benefits paid	8, 10
Program Index – Account Management	The percentage of registered employers that are very satisfied or somewhat satisfied with the WSIB's account management processes Average rating of the questions in the index	External survey results: index calculated using a straight average of 8 measures equally weighted Schedule 1 and 2	21
Program Index – Claims Employers or Injured Workers	The percentage of registered employers or injured workers that are very satisfied or somewhat satisfied with the WSIB's claims processes Average rating of the questions in the index	External survey results: index calculated using a straight average of 8 measures equally weighted Schedule 1 and 2	21
Revenues	The sum of premiums and net investment income.	Investment income includes both realized and unrealized gains / (losses) on investment assets Excludes Schedule 2	11
RTW at 100% Pre-injury Earnings at 12 months (Allowed Lost-time Claims)	The percentage of allowed lost-time claims returned to work with no wage loss within 12 months of injury date	Data is matured 3 months	17, 26
Service Excellence Index - Account Management	The percentage of registered employers that are very satisfied or somewhat satisfied with their interactions relating to their account management Average rating of the questions in the index	External survey results: index calculated using a straight average of 9 measures equally weighted Schedule 1 and 2	21

Glossary

Measure	Definition	Notes	Page
Service Excellence Index – Claims **Employers or Injured Workers**	The percentage of registered employers or injured workers that are very satisfied or somewhat satisfied with their interactions relating to claims Average rating of the questions in the index	External survey results: index calculated using a straight average of 12 measures equally weighted Schedule 1 and 2	21
Total Wage Loss Claims Inventory	The distribution of wage loss claims	Includes Schedule 1 locked-in and non-locked-in claims Includes claims from all legislations (Pre-1990, Bill 162, Bill 99) Excludes health care claims and no lost-time claims	15
Traumatic Fatalities	The number of allowed traumatic fatal claims in the period specified	By year of death Includes suicides and sequelae Data is un-matured	12, 24
Unfunded Liability	The deficiency of net assets attributable to WSIB stakeholders as at the end of the reporting period	Reflects the WSIB's ability to meet all future payment obligations based on existing assets and liabilities, expressed as an absolute dollar value Excludes Schedule 2	9
YTD Time Injury/ Illness Rate **Schedule 1**	The year-to-date number of allowed lost-time injury and illness claims per 100 Full-Time Equivalent (FTE) workers for the injury year specified	A calculation based on total allowed lost-time injuries/illness/fatalities and derived FTE Derived FTE is based on employer's insurable earnings and average hourly wage defined by the WSIB's Actuarial Services Excludes fatalities that were not entitled to Loss of Earnings (LOE) Data is unmatured	13
YTD Time Injury/ Illness Rate **Schedule 2**	The year-to-date number of allowed lost-time injury and illness claims per 100 Full-Time Equivalent (FTE) workers for the Injury Year specified	A calculation based on total allowed lost-time injuries/illness/fatalities and an estimated FTE Since the WSIB does not collect Schedule 2 payroll information the same methodology cannot be used to derive Schedule 2 FTE. The Schedule 2 FTE is an estimate based on data from Statistics Canada's Survey of Employment, Payrolls and Hours (SEPH) Excludes fatalities that were not entitled to Loss of Earnings (LOE) Data is unmatured	24

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