2012-2016 Strategic Plan:
Measuring Results

Q4 2012 Report

wsib cspaat ONTARIO

Workplace Safety & Insurance Board
Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail
Published: April 15, 2013

Assessment of Current Results: Comparison to Plan

Pillar	Assessment	Summary
Sufficient Funding		*The UFL has stabilized*
Revenue Must Cover Costs		*Premiums covered operating cost*
Right Sizing Costs – Workplace Injuries		*The rate of lost-time injuries continues to improve*
Right Sizing Costs – Claims Inventory		*More workers are getting back to work quicker*
Right Sizing Costs – Recovery & Return to Work		*Greater success at helping workers mitigate their wage loss*
Efficient Administration		*The WSIB has held the line on administrative costs*
Stakeholder Relationships & Service Excellence		*The percentage of appeals allowed remains at historic lows*

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 *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. 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 2012.

The WSIB is on the path to sustainability

In 2012, the WSIB's transformation began to take root and we achieved significant operational and financial improvements. For the first time since 1997, our premiums not only covered operating cost, but we were able to contribute $300M to our investment fund. This increase in premium revenue, combined with investment returns and improved benefit costs resulted in the WSIB's funding ratio increasing by 4.4% to 56.5%.

Operationally, our focus on recovery and return to work resulted in 92% of injured workers returning to work within one year of their injury with no wage loss. Our medical strategy is ensuring that workers receive timely health care services to assist in their recovery and our specialized case managers are making quality decisions faster, ensuring that injured workers receive the benefits they are entitled to quicker and can focus on their recovery and return to work.

Getting back to what matters

The WSIB is achieving these outcomes by focusing on what matters to injured workers and employers – recovery and return to work and a financially stable system for future generations. This along with the continued decrease in lost time claims has resulted in strong operational results and declining benefit payments.

Better outcomes for injured workers

In 2012, the WSIB continued building on its commitment to better support return to work. Staff made over 23,000 site visits to workplaces to negotiate appropriate accommodations for return to work between employers and injured workers. This commitment is producing results. Short and medium term durations continue to improve, while duration at 72 months has stabilized.

For injured workers not able to completely recover and return to work, we are achieving greater success at helping them mitigate their wage loss. This quarter, the percentage of non-locked-in claims on 100% Loss of Earnings (LOE) decreased to 48.1% from 58.7% in Q4 2011. The average LOE entitlement award at lock-in decreased to 51.0% from 54.4% over the same period. These results indicate that the WSIB's approach to claims management, health care, and work reintegration support is resulting in more injured workers recovering, returning to work, and mitigating their wage loss.

Health care as an investment

Recognizing that appropriate and timely medical care is important to an injured worker's recovery and return to work, the WSIB continues to invest in health care. In 2012, the average health care cost per claim for Schedule 1 increased by 1.4% to $1,555.

We expanded the use of Specialty Clinic Programs and Programs of Care, with a focus on high impact claims. In 2012, the WSIB increased spending on these programs by $9.3M (17.9%) and $2.7M (24.5%) respectively, making referrals earlier in the claims process. We reduced the availability of harmful narcotic medication by providing alternative non-addictive medications, resulting in an 11.6% (4,220) decrease in the number of claims receiving narcotic analgesics.

As a result of these focused improvements, injured workers are recovering sooner resulting in less chronic disability. Compared to 2011, the percentage of Schedule 1 workers with a permanent impairment (PI) decreased to 8.9% from 10.3%, and the average PI award decreased to 10.4% from 13.1%. These results bring us more in-line with outcomes observed in other provinces.

Fewer lost-time claims

The WSIB registered 1,400 (0.7%) fewer Schedule 1 claims in 2012. The decreases occurred even while employment increased and the WSIB's quarterly claim-allowance rate remained steady at 81%.

Once claims are registered, we continue to focus on making quality decisions faster. In 2012, 91.8% of Schedule 1 eligibility decisions were made within two weeks, compared to 86.9% in 2011. These quicker eligibility decisions ensure that workers receive benefits faster and can focus on recovery and return to work.

Discussion & Analysis

Prevention Transition

In 2012, the responsibility for prevention moved from the WSIB to the Ministry of Labour. However, the promotion of health and safety continues to be a significant part of the WSIB's mandate as we recognize how vital the prevention of workplace injuries and illnesses are for keeping Ontario productive.

The WSIB continues to fund the Ministry of Labour's administration of the Occupational Health and Safety Act and the prevention system. This includes the Health and Safety Associations, and research, ensuring that employers and workers have access to industry specific information, training and services.

Increased financial stability

Premiums covering costs

The 2% increase in the average premium rate combined with a 5.3% increase in insurable earnings resulted in premiums of $4,061M, 4.8% higher than 2011. This increase in premiums contributed to core earnings[1] of $345M in 2012. Moving forward, premiums must continue to cover cost to ensure that the WSIB meets its first regulated funding requirement of 60% by 2017.

An area that we continue to monitor closely is incentive programs. The continued improvement in recovery and return to work, combined with fewer lost time claims resulted in a net rebate for incentive programs of $75M, $30M (67%) higher than budget. Given the absence of a balancing feature for these programs, we anticipate a continued increase in the net rebate in 2013.

Investment Returns

In 2012, the WSIB achieved a 10.5% return on investments, compared to the 5.5% budgeted return. Given the volatility in the investment market, this result must be viewed with caution. The WSIB continues to target a long term average return of 6% on its investment portfolio.

[1] Core Earnings is defined as the total comprehensive income excluding the impacts of investment income, changes in actuarial valuation and any items that are considered as material and exceptional in nature

Benefit Payments

Fewer claims combined with improved outcomes for injured workers have resulted in a $186M (6.5%) decrease in benefit payments. Since 2009, benefit payments have declined by $514 (16%). The Quarterly Focus section discusses the continued decrease in benefit payments experienced since 2009 and how it has been achieved.

Administration expenses

In 2012, two one-time charges impacted administration expenses. The first was $22M in termination benefits used to fund our transformational efforts. The second was $79M related to an increase in the cost of long-term benefit plans as the result of more conservative actuarial assumptions. After adjusting for these one-time charges, administration expenses, before allocation to benefit cost decreased $18 million or 2.6%.

Improved customer service and transparency

We changed the way we do business by becoming a more flexible, more modern organization. With a focus on removing barriers, we increased our offerings of 24/7 online access to employers and workers through our eServices suite, expanded our hours of operation and enhanced our telephone services to make it easier for our customers to get back to what matters.

To lessen the reporting requirements on employers, we reduced the amount of mandatory data required for reporting No Lost Time Claims by 60%. Additionally, we have changed the electronic Workers Report of Injury/Disease (Form 6) to make it easier for workers to submit the details of their claim. In 2013, we will be introducing a Teleclaim service that allows both employers and workers to submit both their lost-time and no-lost-time injury reports over the phone making it even easier to meet their reporting obligations.

We established a new operating model in our Employer Service Centre. Since the implementation of this live-answer approach, 98% of telephone calls from employers were answered live within one minute, compared to 93% in 2011 and 50% in 2010. To improve the quality of the service, we developed and implemented front-line customer

service training for all accounts staff and management and introduced a quality management program.

To increase transparency, we published our strategic plan, as well as quarterly financial and operational results on our website. We continue to implement our policy renewal process with a strong focus on stakeholder consultation. The WSIB is committed to maintaining consistent stakeholder engagement and consultations, and to providing regular communications to stakeholders and the public.

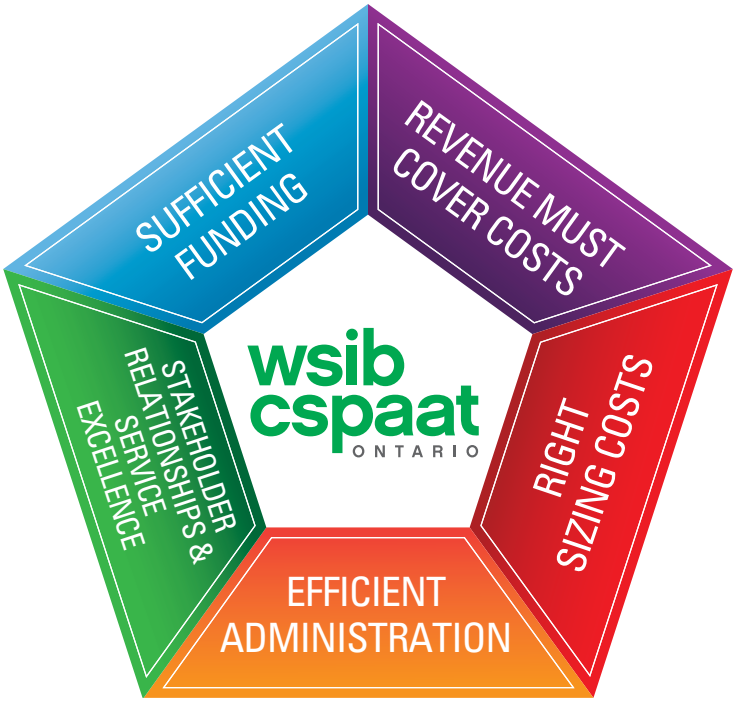
Other notables

As discussed in the Q3 report, the WSIB will be required to implement an amended accounting standard on January 1, 2013, relating to how we account for employee benefits. With the move to this standard, the WSIB expects to add approximately $762 million to the unfunded liability.

We are on track

The WSIB has embraced sound, effective, and proven approaches to managing its business, and as a result we are on the path to becoming the leading workplace compensation board. In 2012, premium rate increases have translated into higher premium revenues; and better recovery and return outcomes for injured workers have resulted in strong operational results and declining benefit payments. More workers are returning to work faster after an injury, decisions on claims are being made more quickly without a negative impact on quality, and workers have access to first class services and programs to assist in their recovery. We are covering our costs and contributing to a positive bottom line.

In 2013, we will continue to invest in our people, processes and technology focused on delivering value to our stakeholders and building a sustainable system for workers and employers. With our continued focus on helping injured workers recover and return to work and a prudent approach to our finances, we expect to stay on track to meet our regulated funding requirements.



Schedule 1 Results by Pillar

Sufficient Funding

The UFL has stabilized

Strong investment returns and operational performance led to a reduction in the UFL this quarter to $13,299M. The funding ratio for Q4 2012 was 56.5%, a 4.4% increase from 2011 and 2.6% over budget.

As a result of an increase in benefit liabilities of $512M, and claims administration costs of $125M, Q4 benefit costs were $1,286M, $448M higher than budget. YTD benefit costs were $379M (11%) higher than budget.

In Q4 2012, comprehensive income attributable to WSIB stakeholders was a loss of $120M; YTD the WSIB experienced a gain of $923M, $524M over budget.

Premiums

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	987	970	1,056	1,058	977	4,061
Budget	901	934	991	998	923	3,844
Variance	86	36	65	60	54	217
Assessment	✓	✓	✓	✓	✓	✓

Net Investment Income/(Loss)

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	613	703	(165)	488	433	1,459
Budget	230	193	193	193	193	774
Variance	383	510	(358)	295	240	685
Assessment	✓	✓	✗	✓	✓	✓

Benefit Costs*

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	3,189	818	925	744	1,286	3,773
Budget	939	865	851	840	838	3,394
Variance	2,250	(47)	74	(96)	448	379
Assessment	*	*	*	*	*	*

Administrative and Other Expenses

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	113	82	75	71	100	328
Budget	87	103	98	97	105	403
Variance	26	(21)	(23)	(26)	(5)	(75)
Assessment	✗	✓	✓	✓	✓	✓

**Includes changes in actuarial valuation of benefit liabilities*

Unfunded Liability (UFL)					
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	(14,222)	(13,618)	(13,763)	(13,179)	(13,299)
Budget	(12,294)	(14,144)	(14,014)	(13,866)	(13,772)
Variance	(1,928)	526	251	687	473
Assessment					

Funding Ratio					
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	52.1%	54.3%	54.2%	56.3%	56.5%
Budget	55.8%	52.7%	53.4%	54.2%	53.9%
Variance	(3.7%)	1.6%	0.8%	2.1%	2.6%
Assessment					

Comprehensive Income/(Loss) Attributable to WSIB Stakeholders						
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	(1,867)	604	(145)	584	(120)	923
Budget	(2)	56	129	149	67	399
Variance	(1,865)	548	(274)	435	(187)	524
Assessment						

Revenue Must Cover Costs

Premiums covered operating cost

Premiums covered operating expenses in 2012. As a result of higher than budgeted insurable earnings of 5.3% and the 2012 increase in average premium rates, premiums were $54M above budget for Q4 2012 and $217M above budget YTD.

The WSIB achieved excellent investment returns in 2012, which positively impacted our funding ratio. Investment returns for the year were 10.5% resulting in a net investment income of $1,459M, $685M higher than budget. While these returns were welcome, given the continued volatility in investment markets they should be viewed with caution and cannot be expected to continue.

Due to the absence of a balancing feature for incentive programs the net rebate for these programs was $75M, $30M (67%) higher than budget. We anticipate a continued increase in the net rebate in 2013.

Premiums

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	987	970	1,056	1,058	977	4,061
Budget	901	934	991	998	923	3,844
Variance	86	36	65	60	54	217
Assessment	✓	✓	✓	✓	✓	✓

Insurable Earnings

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	36,066	42,168	45,115	40,717	37,154	165,154
Budget	35,326	40,851	41,581	38,858	35,496	156,786
Variance	740	1,317	3,534	1,859	1,658	8,368
Assessment	✓	✓	✓	✓	✓	✓

Net Surcharge / (Rebate) Incentive Programs

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	(2)	(11)	(16)	(22)	(26)	(75)
Budget	(12)	(11)	(11)	(11)	(11)	(45)
Variance	10	0	(5)	(11)	(15)	(30)
Assessment	✓	✓	✗	✗	✗	✗

Revenues						
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	1,600	1,673	891	1,546	1,410	5,520
Budget	1,132	1,127	1,184	1,191	1,116	4,618
Variance	468	546	(293)	355	294	902
Assessment	✓	✓	✗	✓	✓	✓

Insurance Fund Total Returns				
	1 Year	5 Years	10 Years	15 Years
Q4 2012	10.5	3.4	6.3	5.7
Q4 2011	2.3	1.2	4.6	6.1
Assessment	*	*	✓	✓

Net Investment Income/(Loss)						
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	613	703	(165)	488	433	1,459
Budget	230	193	193	193	193	774
Variance	383	510	(358)	295	240	685
Assessment	✓	✓	✗	✓	✓	✓

Right Sizing Costs – Workplace Injuries

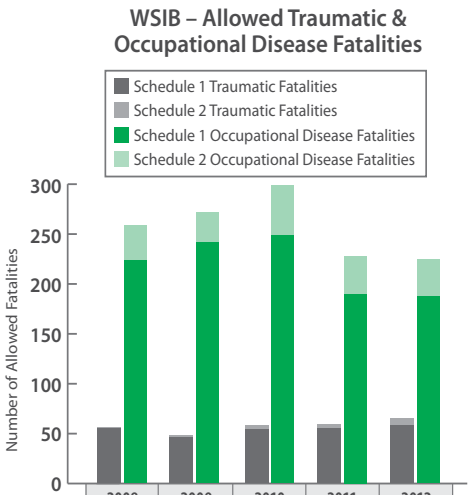
The rate of lost-time injuries continues to improve

The number of registered claims in Q4 2012 decreased by 2.4% (1,152 claims) compared to Q4 2011. Overall, 0.7% (1,400) fewer claims were registered in 2012 compared to last year. This decrease in claims, combined with increased employment resulted in a 2.8% improvement in the LTI rate. The percentage of claims allowed remained stable throughout the year at approximately 81.0%.

Faster decisions as a result of increased eAdjudication continued to decrease the number of pending claims in the system. This quarter 44.8% of all Schedule 1 registered claims were eAdjudicated which contributed to the 25.7% decrease in pending claims.

The number of high impact claims decreased by 2.1% (77 claims) this quarter compared to Q4 2011. In 2012, the number of high impact claims decreased by 0.9% (121 claims) compared to 2011.

FIVE-YEAR TREND



	2008	2009	2010	2011	2012
	55	46	54	55	60
	1	3	4	4	5
TRM Fatalities Total	**56**	**49**	**58**	**59**	**65**
	221	229	250	191	189
	37	32	51	38	32
OD Fatalities Total	**258**	**261**	**301**	**229**	**221**

Traumatic Fatalities

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	24	18	12	13	17	60
Prior Year	15	8	8	15	24	55
Variance	9	10	4	(2)	(7)	5
Assessment	*	*	*	*	*	*

Occupational Disease Fatalities

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	50	45	53	43	48	189
Prior Year	53	47	39	55	50	191
Variance	(3)	(2)	14	(12)	(2)	(2)
Assessment	*	*	*	*	*	*

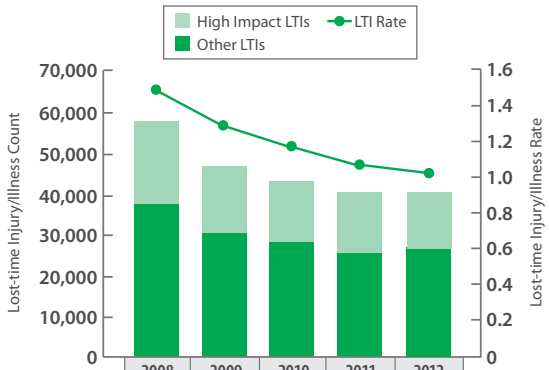
New Claims					
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Registered	48,106	47,836	50,080	50,441	46,954
Pending	5,600	5,034	4,092	4,312	4,160
Allowed	34,610	34,733	37,460	37,859	34,657
	81.4%	81.1%	81.5%	82.1%	81.0%

YTD Lost-time Injury/Illness Rate					
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	1.07	1.11	1.03	1.02	1.04
Prior Year	1.17	1.21	1.05	1.05	1.07
Variance	(8.5%)	(8.3%)	(1.9%)	(2.9%)	(2.8%)
Assessment	✓	✓	✓	✓	✓

Number of New High Impact Claims						
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	3,667	3,173	3,694	3,382	3,590	13,839
Prior Year	4,211	2,967	3,669	3,657	3,667	13,960
Variance	(6.9%)	12.9%	0.7%	(7.5%)	(2.1%)	(0.9%)
Assessment	✓	✗	▽	✓	✓	✓

FIVE-YEAR TREND

Lost-time Injury/Illness Count & Rate



	2008	2009	2010	2011	2012
	20,366	16,475	14,752	13,960	13,839
	37,539	30,204	28,251	26,633	26,662
Total Allowed LTIs	57,905	46,679	43,003	40,593	40,501
	1.50	1.29	1.17	1.07	1.04
High Impact as a % of Total LTIs	35%	35%	34%	34%	34%

Right Sizing Costs – Claims Inventory

More workers are getting back to work quicker

Our focus on recovery and return to work is reflected in the continued improvement in the claims inventory. This quarter, the number of workers receiving non-locked in benefits decreased by 23.4% (6,206 claims) compared to the same quarter last year.

This trend in the inventory is further confirmed in the duration indicators. The percentage of workers on LOE benefits between 3 months and 48 months has improved quarter over quarter. The percentage of workers on benefits at 72 months has remained fairly stable at 5.6%, a positive result.

MEASURING DURATION

Percentage on Benefits at 3 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	13.9%	13.3%	12.6%	12.1%	11.8%
Prior Year	14.3%	14.4%	14.5%	14.2%	13.9%
Variance	(0.4%)	(1.1%)	(1.9%)	(2.1%)	(2.1%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 6 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	8.2%	7.7%	7.4%	6.9%	6.6%
Prior Year	9.2%	8.9%	8.9%	8.6%	8.2%
Variance	(1.0%)	(1.2%)	(1.5%)	(1.7%)	(1.6%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 12 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	5.6%	5.3%	5.0%	4.5%	4.2%
Prior Year	7.0%	6.5%	6.1%	5.9%	5.6%
Variance	(1.4%)	(1.2%)	(1.1%)	(1.4%)	(1.4%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 24 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	5.5%	4.9%	4.4%	4.0%	3.6%
Prior Year	7.4%	7.0%	6.6%	6.0%	5.5%
Variance	(1.9%)	(2.1%)	(2.2%)	(2.0%)	(1.9%)
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	176,560	175,696	
Variance (prior year)	(6,219)	(7,649)	(7,798)	(7,974)	(7,789)	
Locked-in Claims	156,911	156,056	155,572	155,484	155,328	
Variance (from base)	(1,835)	(855)	(1,339)	(1,427)	(1,583)	
Non-locked-in Claims	26,574	25,262	23,437	21,076	20,368	
Variance (prior year)	(4,384)	(5,537)	(5,763)	(6,301)	(6,206)	

Percentage on Benefits at 48 Months					
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	6.6%	6.4%	6.2%	6.0%	5.6%
Prior Year	6.5%	6.5%	6.6%	6.6%	6.6%
Variance	0.1%	(0.1%)	(0.4%)	(0.6%)	(1.0%)
Assessment					

Percentage on Benefits at 72 Months					
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	5.4%	5.5%	5.6%	5.7%	5.6%
Prior Year	5.4%	5.3%	5.4%	5.3%	5.4%
Variance	0.0%	0.2%	0.2%	0.4%	0.2%
Assessment					

FIVE-YEAR TREND

	2008	2009	2010	2011	2012
1 Year	8.1	8.9	7.0	5.6	4.2
2 Years	6.8	7.5	7.4	5.5	3.6
4 Years	5.6	5.9	6.5	6.6	5.6
6 Years	4.5	5.1	5.4	5.4	5.6

Right Sizing Costs – Recovery & Return To Work

Greater success at helping workers mitigate their wage loss

Fast intervention and a focused health care strategy are improving outcomes for injured workers. Less than half (48.1%) of non-locked-in claims were on 100% LOE, indicating that more workers are returning to partial employment. This quarter 91.4% of injured workers returned to work with no wage loss at 12 months – a 0.9% improvement from Q4 2011.

As the result of improved health care and the consistent assessment and application of policy, the percentage of workers with a PI has decreased by 1.9% from Q4 2011. The average PI award percentage decreased to 9.7% from 14.0%.

While the average health care cost per claim increased by 1.4% to $1,555M, the overall decrease in claims volumes resulted in an $11M (2.4%) decrease in health care costs.

These improved recovery and return to work outcomes resulted in a $43M (6.2%) decrease in benefit payments for the quarter.

MEASURING BENEFIT AWARDS
(as at end of quarter)

			Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Assessment: Prior Quarter	Assessment: Current Quarter
NON-LOCKED-IN CLAIMS ON 100% LOE (as a % of Total Current Claims)	Total	%	58.7%	63.0%	58.0%	52.2%	48.1%	✓	✓
		Prior Year	65.1%	69.9%	66.3%	62.1%	58.7%		
		Variance	(6.3%)	(6.8%)	(8.3%)	(9.9%)	(10.6%)		
	< 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						✓	✓

		Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Assessment: Prior Quarter	Assessment: Current Quarter
AVERAGE LOE ENTITLEMENT AWARD AT LOCK-IN	Result	54.4%	53.2%	52.8%	52.0%	51.0%	✓	✓
	Prior Year	58.9%	60.7%	55.7%	53.7%	54.4%		
	Variance	(4.5%)	(7.5%)	(2.9%)	(1.7%)	(3.4%)		

Benefit Payments						
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	692	705	673	638	649	2,664
Prior Year	757	744	719	694	692	2,850
Variance	(65)	(39)	(46)	(56)	(43)	(186)
Assessment	✓	✓	✓	✓	✓	✓

MEASURING PERMANENT IMPAIRMENT

Percentage of Workers with a PI						
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	10.2%	9.8%	9.1%	8.1%	8.3%	8.9%
Benchmark	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Variance	1.2%	0.8%	0.1%	(0.9%)	(0.7%)	(0.1%)
Assessment	✗	✗	▽	✓	✓	✓

Average PI Award Percentage						
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	14.0%	10.6%	10.8%	10.2%	9.7%	10.4%
Benchmark	14.0%	13.0%	13.0%	13.0%	13.0%	13.0%
Variance	0.0%	(2.4%)	(2.2%)	(2.8%)	(3.3%)	(2.6%)
Assessment	✓	✓	✓	✓	✓	✓

MEASURING RETURN TO WORK

RTW at 100% Pre-Injury Earnings at 12 Months (Allowed Lost-Time Claims)						
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	90.5%	89.7%	91.0%	91.3%	91.4%	90.8%
Prior Year	N/A	90.5%	90.5%	90.5%	90.5%	90.5%
Variance	N/A	(0.8%)	0.5%	0.8%	0.9%	0.3%
Assessment	✱	▽	✓	✓	✓	✓

MEASURING HEALTH CARE

Health Care Costs						
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	113	129	113	106	108	457
Prior Year	127	130	114	112	113	468
Variance	(14)	(1)	(1)	(6)	(5)	(11)
Assessment	✓	✓	✓	✓	✓	✓

Efficient Administration

The WSIB has held the line on administrative costs.

This quarter, 90.3% of eligibility decisions were made within 2 weeks compared to 88.7% in Q4 2011.

Administration and other expenses were $5M lower than budget for the quarter.

Although administrative expenses per $100 of insurable payroll was higher than budget for the quarter at $0.61, YTD administrative expenses were $0.47 per $100 of insurable earnings (3.3% lower than budget).

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

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	88.7%	87.9%	93.3%	94.9%	90.3%	91.8%
Target	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
Variance	3.7%	2.9%	8.3%	9.9%	5.3%	6.8%
Assessment						

Administrative and Other Expenses						
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	113	82	75	71	100	328
Budget	87	103	98	97	105	403
Variance	26	(21)	(23)	(26)	(5)	(75)
Assessment						

Administrative Expense per $100 of Insurable Earnings						
($ / $100)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	$0.58	$0.49	$0.39	$0.41	$0.61	$0.47
Budget	$0.49	$0.47	$0.44	$0.47	$0.54	$0.48
Variance	$0.09	$0.02	($0.05)	($0.06)	$0.07	($0.01)
Assessment						

Stakeholder Relationships & Service Excellence

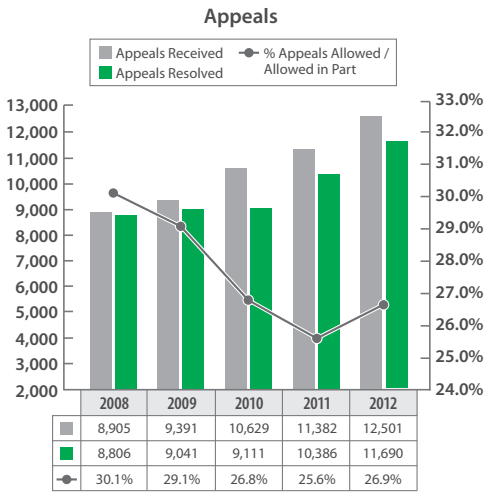
The percentage of appeals allowed remains at historic lows.

Results across all customer perception indices are generally holding steady without major swings from quarter to quarter. Worker program and service index scores (claims) decreased slightly from the previous quarter (5% and 4% respectively). Employer program and service index scores for claims and account management also decreased slightly; however, the average ratings show little movement. When we look at the areas for improvement identified in the survey and compare with our current strategic plan, projects and initiatives, we are confident that the right focus is in the right areas to drive improvements across all indices.

Year to date the number of appeals received and resolved continues to increase. In 2012, there were 1,119 (9.8%) more appeals registered and 1,304 (12.5%) more appeals resolved compared to 2011. The percentage of decision allowed or allowed in part continues to be at historical lows at 26.9%.

The new modernized appeals process became effective February 1, 2013. Improvements to the appeals process, based on consultations with stakeholders, are expected to lead to faster resolutions to injured worker's and employer's appeals. Going forward, performance metrics will capture the new service level commitments for new appeals received on or after February 1, 2013.

FIVE-YEAR TREND



	2008	2009	2010	2011	2012
Appeals Received	8,905	9,391	10,629	11,382	12,501
Appeals Resolved	8,806	9,041	9,111	10,386	11,690
% Appeals Allowed / Allowed in Part	30.1%	29.1%	26.8%	25.6%	26.9%

MEASURING APPEALS SCHEDULE 1 & 2

Appeals	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
# of Appeals Received	2,853	3,263	3,350	2,468	3,409
# of Appeals Resolved	2,798	2,857	3,039	2,517	3,244
% of Resolved Appeals Allowed / Allowed in Part	26.1%	27.3%	27.1%	27.1%	26.2%
% Appeals Resolved in 12 months	84.6%	80.9%	82.3%	81.7%	78.8%

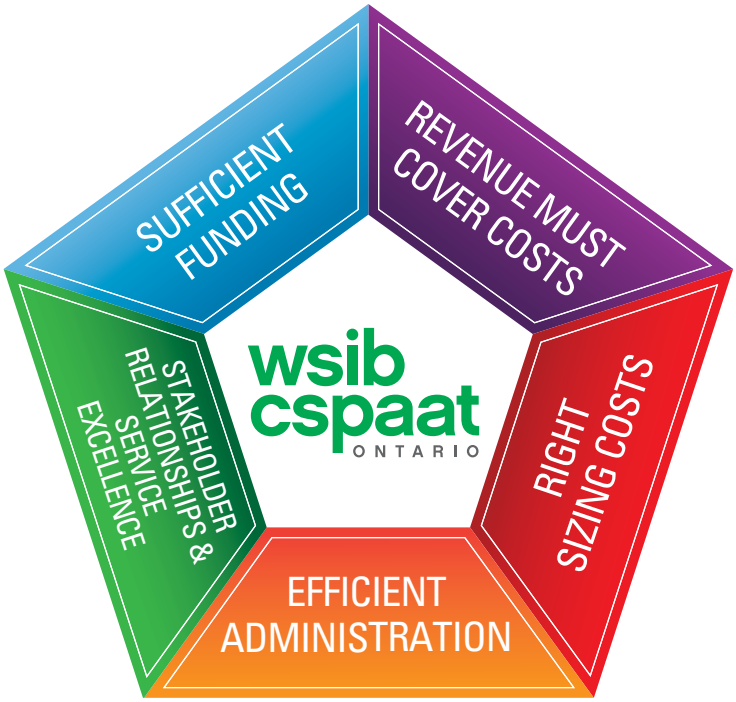
2011* Annual Reputation Index			
	Injured Workers	Employers	Non-clients
% Very or Somewhat Favourable	62%	65%	61%
Average Rating	6.2	6.4	6.3

**2012 Reputational Index results will be available in Q1 2013*

MEASURING CUSTOMER SATISFACTION SCHEDULE 1 & 2

PROGRAM INDEX		Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Assessment
CLAIMS – Employers	% Very Satisfied or Somewhat Satisfied	82%	81%	73%	77%	76%	
	Average Rating	7.1	7.3	6.8	7.0	7.1	
CLAIMS – Injured Workers	% Very Satisfied or Somewhat Satisfied	62%	66%	64%	67%	62%	
	Average Rating	6.1	6.5	6.2	6.4	6.0	
ACCOUNT MANAGEMENT	% Very Satisfied or Somewhat Satisfied	81%	83%	77%	81%	78%	
	Average Rating	7.3	7.6	7.1	7.3	7.3	

SERVICE EXCELLENCE INDEX		Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Assessment
CLAIMS – Employers	% Very Satisfied or Somewhat Satisfied	86%	86%	80%	83%	81%	
	Average Rating	7.4	7.7	7.4	7.5	7.5	
CLAIMS – Injured Workers	% Very Satisfied or Somewhat Satisfied	68%	72%	71%	73%	69%	
	Average Rating	6.6	6.9	6.8	6.9	6.6	
ACCOUNT MANAGEMENT	% Very Satisfied or Somewhat Satisfied	88%	86%	82%	87%	84%	
	Average Rating	7.8	7.8	7.5	7.7	7.6	



Schedule 2 Results by Pillar

Right Sizing Costs – Workplace Injuries

Overall, the WSIB registered 3.3% (1,288) fewer Schedule 2 claims in 2012.

The YTD lost-time injury/illness rate decreased by 2.6% to 1.87. At year end there was 1.9% decrease in high impact claims (70) compared to 2011.

New Claims

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Registered	9,450	10,324	9,622	8,775	9,527
Pending	1,575	1,531	1,240	1,257	1,443
Allowed	6,016	6,495	6,438	5,557	6,224
	76.4%	73.9%	76.8%	73.9%	77.0%

Traumatic Fatalities

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	0	3	1	1	0	5
Prior Year	0	1	1	2	0	4
Variance	0	2	0	(1)	0	1
Assessment	*	*	*	*	*	*

YTD Lost-Time Injury/Illness Rate

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	1.92	2.25	2.00	1.91	1.87
Prior Year	2.02	2.46	2.07	1.99	1.92
Variance	(5.0%)	(8.5%)	(3.4%)	(4.0%)	(2.6%)
Assessment	✓	✓	✓	✓	✓

Occupational Disease Fatalities

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	6	9	8	6	9	32
Prior Year	3	11	12	9	6	38
Variance	3	(2)	(4)	(3)	3	(6)
Assessment	*	*	*	*	*	*

Number of New High Impact Claims

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	981	876	959	827	976	3,638
Prior Year	1,137	877	937	913	981	3,708
Variance	(13.7%)	(0.1%)	2.3%	(9.4%)	(0.5%)	(1.9%)
Assessment	✓	✓	▽	✓	✓	✓

Right Sizing Costs – Claims Inventory

Durations across all cohorts are starting to stabilize.

MEASURING DURATION

Percentage on Benefits at 3 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	9.6%	8.9%	8.0%	7.9%	7.6%
Prior Year	10.3%	10.3%	10.2%	10.1%	9.6%
Variance	(0.7%)	(1.4%)	(2.2%)	(2.2%)	(2.0%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 6 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	4.9%	4.5%	3.8%	3.6%	3.6%
Prior Year	5.7%	5.4%	5.4%	5.2%	4.9%
Variance	(0.8%)	(0.9%)	(1.6%)	(1.6%)	(1.3%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 12 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	2.6%	2.3%	2.2%	2.0%	1.8%
Prior Year	3.4%	3.0%	2.8%	2.7%	2.6%
Variance	(0.8%)	(0.7%)	(0.6%)	(0.7%)	(0.8%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 24 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	1.8%	1.6%	1.4%	1.2%	1.1%
Prior Year	2.3%	2.2%	2.0%	2.0%	1.8%
Variance	(0.5%)	(0.6%)	(0.6%)	(0.8%)	(0.7%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 48 Months

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
Result	1.6%	1.4%	1.4%	1.3%	1.1%
Prior Year	1.7%	1.6%	1.6%	1.5%	1.6%
Variance	(0.1%)	(0.2%)	(0.2%)	(0.2%)	(0.5%)
Assessment	✓	✓	✓	✓	✓

Percentage on Benefits at 72 Months

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

Right Sizing Costs – Recovery & Return To Work

A focused health care strategy and earlier intervention is resulting in injured workers recovering and returning to the workplace faster. This quarter 95.1% of injured workers returned to work at 100% pre-injury earnings within 12 months, a 1% improvement compared to Q4 2011. The average LOE entitlement at lock-in decreased to 51.7%, 8.1% lower than Q4 last year.

Consistent assessment and application of policy has resulted in a 0.7% decrease in the percentage of workers with a PI and a 3.1% decrease in the average PI award compared to 2011.

These improvements worked together to reduce benefit payments by $4M or 6.1% this quarter and $22M (8.0%) for the year.

MEASURING PERMANENT IMPAIRMENT

Percentage of Workers with a PI

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	5.7%	5.4%	5.7%	4.3%	4.0%	4.9%
Prior Year	N/A	6.0%	5.0%	5.5%	5.7%	5.6%
Variance	N/A	(0.6%)	0.7%	(1.2%)	(1.7%)	(0.7%)
Assessment						

Average PI Award Percentage

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	12.7%	9.6%	10.7%	10.0%	9.1%	9.8%
Prior Year	12.9%	13.7%	10.8%	14.0%	12.7%	12.9%
Variance	(0.2%)	(4.1%)	(0.1%)	(4.0%)	(3.6%)	(3.1%)
Assessment						

MEASURING RETURN TO WORK

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

	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	94.1%	94.5%	95.0%	95.3%	95.1%	95.0%
Prior Year	N/A	94.7%	94.9%	95.0%	94.1%	94.1%
Variance	N/A	(0.2%)	0.1%	0.3%	1.0%	0.9%
Assessment						

MEASURING HEALTH CARE

Health Care Costs

($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	14	16	15	14	14	59
Prior Year	15	16	15	15	14	60
Variance	(1)	0	0	(1)	0	(1)
Assessment						

Benefit Payments						
($M)	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	65	67	65	60	61	254
Prior Year	72	73	71	68	65	276
Variance	(7)	(6)	(6)	(8)	(4)	(22)
Assessment	✓	✓	✓	✓	✓	✓

MEASURING BENEFIT AWARDS
(as at end of quarter)

		Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012
AVERAGE LOE ENTITLEMENT AWARD AT LOCK-IN	Result	59.8%	60.3%	52.7%	53.0%	51.7%
	Prior Year	57.0%	56.1%	54.9%	48.8%	59.8%
	Variance	2.8%	4.2%	(2.2%)	4.2%	(8.1%)
	Assessment	▽	✗	✓	✗	✓

Efficient Administration

This quarter 87.5% of eligibility decisions were made within two weeks compared to 86.7% in Q4 2011.

Percentage of Eligibility Decisions Made within Two Weeks from the Claim Registration Date						
	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	YTD 2012
Result	86.7%	86.2%	92.3%	92.9%	87.5%	89.8%
Target	85.0%	85.0%	85.0%	85.0%	85.0%	85.0%
Variance	1.7%	1.2%	7.3%	7.9%	2.5%	4.8%
Assessment	✓	✓	✓	✓	✓	✓

Quarterly Focus – Trends in Benefit Costs

Introduction

Between 2009 and 2012, benefit costs decreased by $514M or 16%. Some stakeholders have suggested that this reduction is the result of the WSIB slashing worker benefits. This is not the case. Ensuring that injured workers recover, return to work and are provided with fair and equitable benefits is fundamental to the WSIB's mandate and we take this duty very seriously. To understand why costs have decreased over the last three years we must take a look back at how the system has evolved.

Over the last two decades the number of claims has been steadily decreasing. However, costs in the Ontario workers compensation system have varied considerably. During the 1990's, costs more or less tracked the volume of claims entering the system. Beginning in 1999, and for the next decade, costs began to climb sharply despite the continued decrease in claim volume. In 2009, costs once again started tracking the decline in registered claims.

These changes raise several questions: What caused them? What do the numbers mean to injured workers and employers? What does the future look like? This Quarterly Focus explains the changes, what caused them and their impact on workers, employers and the system.

1993-1998: Focus on Recovery and Return to Work (RTW)

Between 1993 and 1998, the volume of lost time claims dropped steadily. Under the service model in place at the time, Integrated Service Units consisted of specialized adjudicators to manage specific stages of a claim and case workers managed labour market re-entry services. Staff were required, by legislation, to regularly contact workers to assist them in return to work and to monitor their recovery.

During this period the percentage of workers still on benefits 12 months after their injury decreased from a high of 7.7% to 4.3% in 1999. An increasing number of injured workers were able to recover and return to their normal lives and as a result costs followed the natural downward trend in both claim duration and new claim volumes.

1999-2009: Deteriorating recovery and RTW results

Starting in 1999 there was an inflection point. The *Workplace Safety and Insurance Act* was introduced the year before which established a prevention mandate, and reduced benefit entitlements from 90% to 85% of earnings. The WSIB also introduced a self-reliance model that shifted responsibility for return to work to employers and injured workers.

Specialized claims management was replaced by a consolidated case manager who dealt with all aspects of the claim. Labour market re-entry activities were outsourced to private sector providers whose function was to administer retraining and job search activities of workers. Medical care was managed by family physicians and the medical profession at large, which was not specifically geared towards aiding in the return-to-work effort.

Significant challenges began to emerge and by 2009 our costs escalated from $2.0B to $3.2B despite the continued decline in lost time claims.

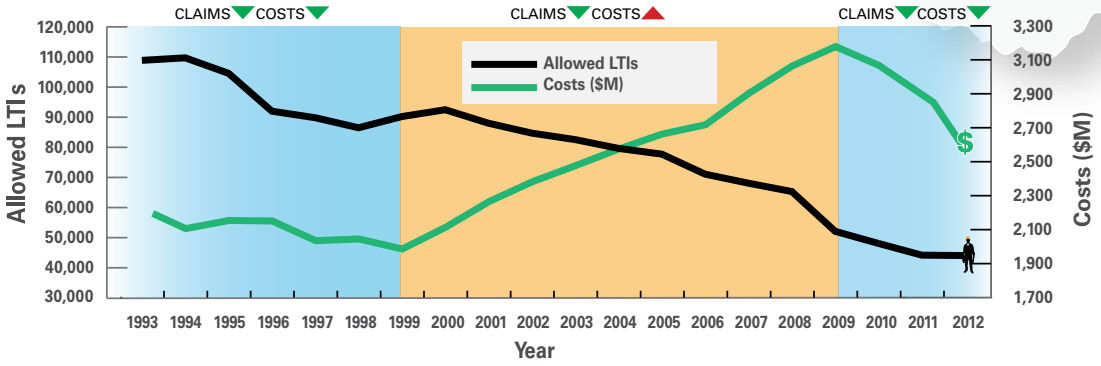
If claim volumes were decreasing, why were costs increasing?

Could it be that workers were unable to go back to work because of the economy? In fact, Ontario's economy was doing quite well during most of this decade, with significant employment growth.

Did benefit policies change during this period to allow more generous awards? Benefit policies did not change materially, except for the reduction in the loss of earnings benefit rate in 1998.

These factors – increasing benefit costs despite fewer new claims each year and lower benefit entitlement; longer time off work despite employment growth – contributed significantly to the cost escalation between 1999 and 2009. Ontario's injured workers were worse off by almost any measure compared to other jurisdictions in Canada. We were not adequately supporting workers in their recovery and return to work and as a result the percentage of workers on benefits at 12 months more than doubled to 8.9%. Our finances clearly showed the strain and by 2009, the Auditor General reported that the system was in crisis.

Better Results
for Ontario's Injured Workers and Employers



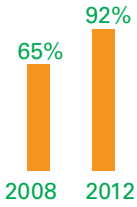
IMPROVED RECOVERY AND RETURN TO WORK IS GETTING BENEFIT COSTS BACK UNDER CONTROL.

Faster decision-making

WE APPROVE THE VAST MAJORITY OF CLAIMS FROM INJURED WORKERS.

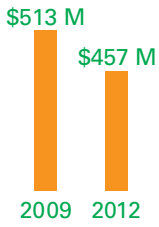
THE ALLOWANCE RATE HAS REMAINED UNCHANGED FOR 10 YEARS AT 80%.

ELIGIBILTY DECISIONS WITHIN TWO WEEKS



Better health care for less

HEALTH CARE COSTS

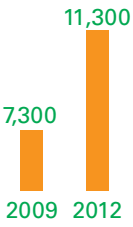


TOTAL MEDICAL SPEND IS DOWN, BUT TOTAL CLAIMS ARE ALSO DOWN.

AVERAGE MEDICAL SPEND PER WORKER

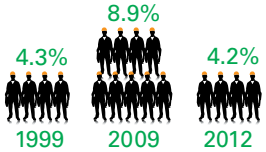
HAS INCREASED FROM **$1,511 IN 2009** TO **$1,555 IN 2012.**

CLAIMS REFERRED TO SPECIALTY CLINICS

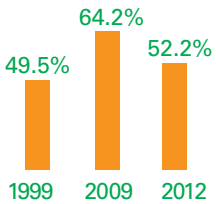


Better recovery and return to work

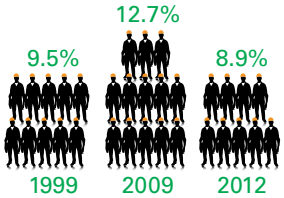
WORKERS ON BENEFITS ONE YEAR AFTER INJURY



AVERAGE LOSS OF EARNING AWARD AT LOCK IN



WORKERS WITH A PERMANENT IMPAIRMENT



THE WSIB'S RETURN TO WORK SPECIALISTS MAKE MORE THAN

23,000 WORKPLACE VISITS PER YEAR.

IN 2012, THERE WERE

OVER TWO MILLION FEWER PRODUCTIVE DAYS LOST

TO INJURY VS. 2009

2009-2011: The WSIB returns to norms

Starting in 2009, the WSIB introduced changes to make the system sustainable.

A new Service Delivery Model reintroduced specialized case management roles to support RTW and recovery planning. Today, eligibility teams determine eligibility upon receipt of a claim, short-term case managers build integrated RTW and recovery plans and complex injuries and illnesses are supported by specialized teams, Return to Work specialists, Work Transition specialists and Nurses.

A new health care strategy was introduced that includes specialized programs of care for high-impact injuries. The number of specialty clinics providing immediate care to workers was doubled. Today an injured worker gets access to expert medical diagnoses, tests such as MRIs and surgery if needed many times faster than they would otherwise receive on their own.

A results-based fee structure was introduced for medical service providers that reduced the average time to receive a second medical opinion. Due to their potential harmful effect, the WSIB was the first jurisdiction in Canada to limit the use of addictive painkillers.

A new work reintegration strategy was developed, labour market re-entry was in-sourced and the WSIB hired 300 new specialized staff to support it. During the period 1999-2009, workers had to negotiate their own return with their injury employer. If this failed, they were referred to an outside firm for help with labour market re-entry. Today, the WSIB is involved with the worker as early as four weeks after the injury and staff make over 23,000 visits each year to employer premises to help negotiate return to work.

How this investment paid off

With this background, it is easier to understand the large drop in costs between 2009 and 2012. Figure 1 breaks down the overall costs into two distinct groups. Approximately 44% ($226M) of the reduction in costs was due to a natural reduction of older claims and the in-sourcing of Work-Reintegration. The balance of the reduction occurred in the Loss of Earnings (LOE), Health Care and Non-Economic Loss categories.

Loss of Earnings Benefit

This reduction of $181M (see figure 1) was the result of improvements in recovery and return to work outcomes. Between 2009 and 2012, the percentage of workers on-benefits at 12 months decreased from 8.9% to 4.2%. We were also having more success helping mitigate wage loss where return to work at full wages was not possible. The percentage of wage replacement awarded to workers at lock-in, which rose from 49.5% in 1999 to a high of 64.2% in 2009, is back down to 52.2% in 2012.

Importantly, the drop in cost was not attained by cutting benefit levels. In 2012 we allowed virtually the same percentage of claims filed as we have done for the previous ten years, and the amount of wage replacement we paid per day of lost time, after adjusting for inflation, has actually increased from $118 in 2009 to $120 in 2012.

We focused on improving workers lives by helping them get back to what matters to them. In fact, in 2012, 92% of all injured workers returned to work at full wages within 12 months, compared to just 85% in 2008, a significant improvement.

Figure 1 – Schedule 1 Costs by Category – 2009 and 2012 Costs

Benefit Category	Year 2009 Costs ($M)	Year 2012 Costs ($M)	Cost Variance ($M)
Worker Pensions	$723	$652	($71)
Future Economic Loss (FEL)	$315	$259	($56)
External Providers	$164	$65	($99)
Loss of Earnings	$1,149	$968	($181)
Health Care	$513	$457	($56)
Non-Economic Loss (NEL)	$129	$60	($69)
Survivor Benefits	$167	$176	$9
Other	$18	$27	$9
Total Costs	$3,178	$2,664	($514)

$226M decrease in costs due to natural attrition of older claims (pre-1997) and in-sourcing of Labour Market Re-entry work resulting in a shift of costs to administrative budget

$306M decrease in costs due to fewer claims and better management practices

Non-Economic Loss (Permanent Impairments Awards)

As indicated earlier, the percentage of claims with a PI award rose substantially between 1999 and 2009, while serious injuries as a percentage of all lost-time claims remained relatively stable. The percentage of PI awards is now trending closer to where it was before 1999 and is more in line with other jurisdictions.

More efficient and effective medical care and earlier return to work for injured workers are the primary reasons for this reduction. Both result in less time off work and fewer chronic conditions from injuries that are readily treatable if addressed early. Additionally, the WSIB introduced more consistent application of eligibility rules for PI awards.

Health Care Costs

The reduction in health care costs has been achieved despite the general increase in cost experienced in Ontario's healthcare system. Once again, part of the reason for the drop is the continued decrease in the number of claims entering the system.

The WSIB's new medical strategy stresses early and expert medical care appropriate to the injury involved. We have doubled the availability of speciality clinics for surgery and other specialized procedures which has resulted in a 21% increase in this cost category. This increase has been off-set by better procurement and paying for outcomes instead of processes. Since 2009, better procurement efforts have seen a decrease of $7M (52%) in the cost of MRIs, a 57% ($18M) decrease in the cost of hearing aids, and a $15M (18%) overall decrease in the cost of drugs.

We expect these improvements to continue

Today, as a result of these improvements, just over 92% of all workers with lost time injuries are returning to work with at full wages within one year, medical care has been improved, there are fewer PIs and fewer workers needing full wage replacement six years post-injury. To put this in perspective, in 2012 as a result of fewer injuries and better return-to-work, there were over two million fewer productive days lost to injury than in 2009. That's a tremendous direct gain to workers and employers across the Ontario economy.

However, we are not done and we expect the trend of a decrease in costs to continue as claim volumes continue to decline and we refine and improve our service. In 2013, we will continue to introduce new technology and enhance programs to deliver even more value to workers and employers.

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 Earnings	The ratio of administrative costs to operate the system (excludes legislated obligation costs) to $100 of insurable earnings (applicable insurable earnings 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 average entitlement percent for workers having reached Loss of Earnings (LOE) lock-in for the specified period	By lock-in date. 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 Payments	Benefit payments 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
Core Earnings	The total comprehensive income excluding the impacts of investment income, changes in actuarial valuation and any items that are considered as material and exceptional in nature		4
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 Earnings	Applicable insurable earnings required by legislation to determine premiums submitted by employers to the WSIB	Insurable earnings 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	6
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	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 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 Lost-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 Lost-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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Workplace Safety & Insurance Board
Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail
Published: April 15, 2013