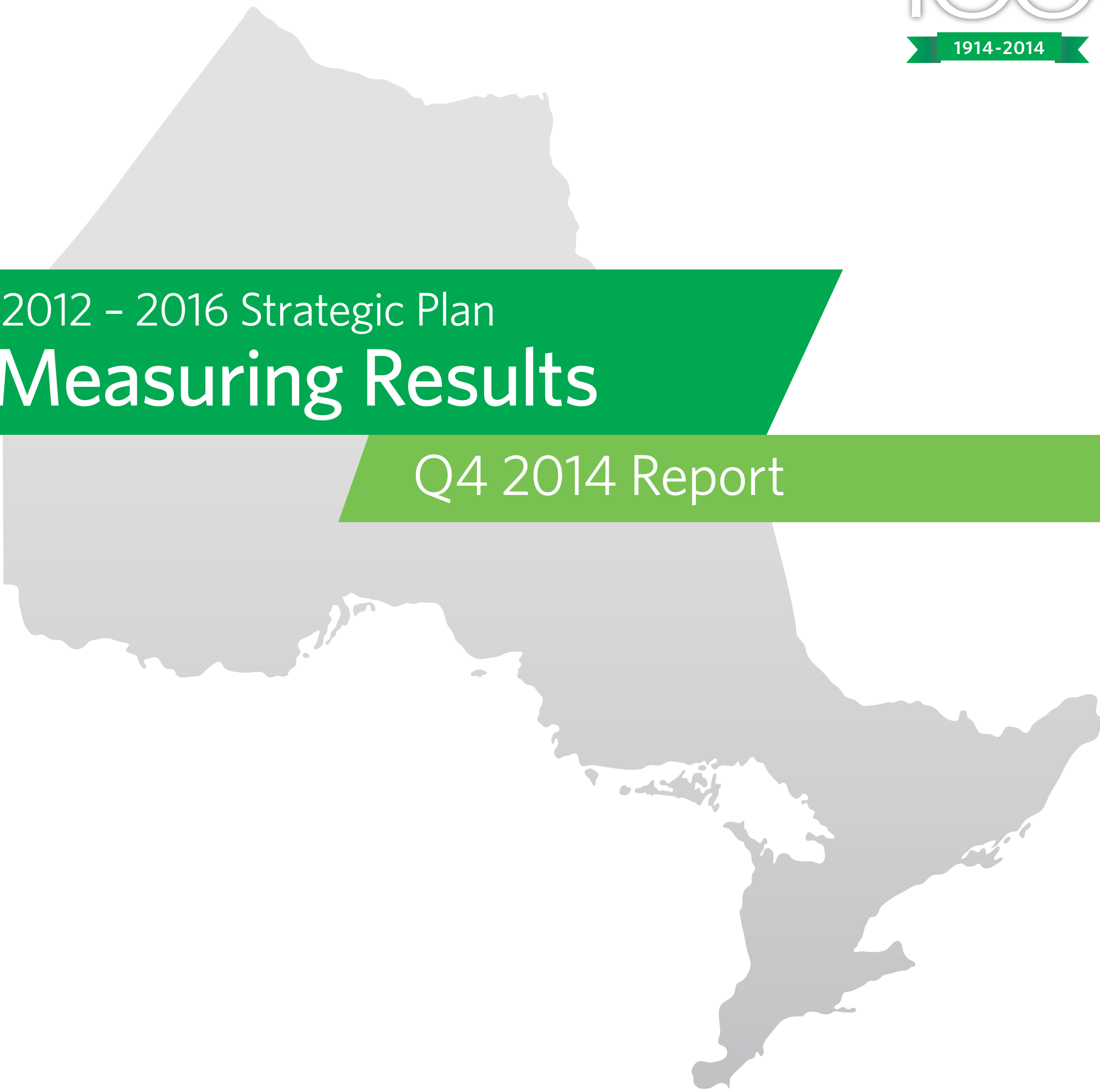
1914-2014

2012 – 2016 Strategic Plan

Measuring Results

Q4 2014 Report



Workplace Safety & Insurance Board
Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail

Published: April 23, 2015

Assessment of Q4 2014 Results

Return to Work and Fair Benefits

Non-locked-in inventory improves to historic low

Sufficient Funding

Funding position continues to strengthen

Revenue Must be Fairly Assessed and Cover Costs

Growing premiums continue to cover costs

Service Excellence and Efficient Administration

High satisfaction results sustained

Stakeholder Relationships

Benefiting from stakeholder input

LEGEND:

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

Discussion & Analysis

The WSIB begins its second century of service to Ontarians with a renewed commitment to workplace safety, return to work and fiscal responsibility. In 2014, these commitments led to another year of strong operational and financial outcomes.

Ninety-two percent of workers with a lost-time injury returned to work within 12 months with no wage loss and, for the fourth straight year, premiums covered our operational expenses. The WSIB achieved core earnings of $991M in 2014. This performance is reflected in the Sufficiency Ratio, which increased from 63.0 percent in Q4 2013 to 70.9 percent by year-end 2014.

This discussion and analysis provides management's perspective on the key results for 2014.

Operational results

Claim volumes

From 2000 to 2009, registered claim volumes decreased year-over-year. The decline was followed by a period of relatively stable claim volumes, even while employment increased. The WSIB anticipated that this trend in claims could eventually begin to reverse. As expected, for the first time in 13 years, annual registered claim volumes were marginally higher (0.6 percent or 1,112 claims) in 2014 than the prior year.

The growth in claims was the result of an increase in no-lost-time claims, while lost-time claims decreased by 0.6 percent (343 claims). The decrease in lost-time claims, combined with an increase in insurable earnings, resulted in a lost-time injury rate of 0.92 for 2014, 6.1 percent lower than the prior year. Ontario's LTI rate continues to be the lowest of any jurisdiction in Canada.

Transportation was the only large sector to experience any significant increase in registered lost-time claims (1.7 percent or 105 claims). However, even for this sector, the increase was driven primarily by results in Q1 2014, in which lost-time claims increased by 14 percent.

Chart 1: Registered lost time claims - top six sectors

Sector	2013	2014	Change	% Change
Automotive	2,516	2,414	-102	-4.1%
Construction	5,507	5,419	-88	-1.6%
Health Care	9,726	9,753	27	0.3%
Manufacturing	8,228	8,020	-208	-2.5%
Services	17,720	17,540	-180	-1.0%
Transportation	6,225	6,330	105	1.7%

Chart 2: Insurable earnings ($M) - top six sectors

Sector	2013	2014	Change	% Change
Automotive	7,076	7,288	212	3.0%
Construction	18,040	19,601	1,561	8.7%
Health Care	22,296	23,108	812	3.6%
Manufacturing	36,940	37,723	783	2.1%
Services	45,834	47,638	1,804	3.9%
Transportation	9,895	10,187	292	3.0%

Despite the increase in registered claims, the percentage of decisions made within two weeks increased from 91.7 percent in 2013 to 93.3 percent in 2014.

Improving return to work outcomes

In 2014, the WSIB enhanced its focus on supporting workers in the early stages of their claim. This increased emphasis has had an impact, with the percentage of workers on benefits at three and six months at the end of 2014 at their lowest levels observed (11.2 and 6.4 percent, respectively). We expect future results at 12 and 24 months to improve as well in 2015.

In 2014, 80.5 percent of workers who completed their Work Transition plans found employment, an improvement from 70.1 percent in 2013. The average loss of earnings award at lock-in also improved by 1.4 percent, to 45.9 percent.

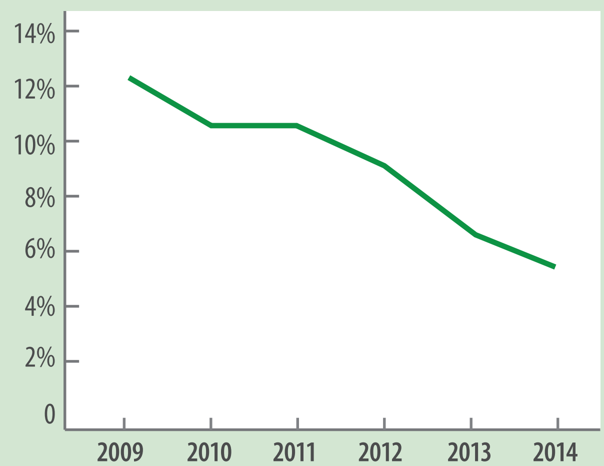
Discussion & Analysis

Better recovery, fewer permanent impairments

The WSIB continued to invest in early expert medical care, providing quick access to Specialty Clinics, Programs of Care and Regional Evaluation Centres in 2014. The percentage of services provided through these programs increased to 35.6 percent. The combined increase in costs for these programs ($3.5M or 4.2 percent) was off-set by a decrease in fee for service programs.

As a result of our earlier and improved RTW and recovery planning, the percentage of workers with a permanent impairment decreased from 6.6 percent in 2013 to 5.6 percent in 2014 while longer-term durations (48 and 72 months) have continued to improve.

Percentage of Workers with a Permanent Impairment



Sustaining customer satisfaction results

In the past year, the WSIB maintained some of the organization's highest customer satisfaction results for both workers and employers. Injured workers' service excellence index score improved to 77 percent from 75 percent in Q3 2014, while their program index score increased to 72 percent from 69 percent in Q3 2014.

For claims management, the WSIB received the highest satisfaction rates from employers in four areas: being referred to the right person as quickly as possible (92 percent); providing answers in a timely fashion (91 percent); meeting customer service expectations (91 percent); and taking a reasonable amount of time to receive the service (90 percent). For account management, employers were particularly satisfied with regard to getting the information they needed and having their questions answered (91 percent) and with the knowledge and competence of WSIB staff (91 percent).

Notably, the WSIB's focus on fairness as a key organizational value is being reflected in responses from both registered employers and injured workers, whose impressions of fairness on items such as how they are treated during the claims process continued to improve from the previous quarter (increased to 9 in 10 employers and nearly 8 in 10 injured workers).

In 2015, the WSIB will be updating its customer satisfaction survey. The new survey will provide us with more insight to continue to enhance our service for employers and workers.

Favourable results from appeals modernization

In 2014, the modernized appeals program continued to demonstrate timely and fair resolution of objections. The Appeals Services Division (ASD) registered 9,995 appeals compared to 12,501 in 2012, while the percentage of appeals allowed and allowed/denied in part has remained relatively consistent pre- and post-modernization.

Effective July 1, 2014, additional process changes were made based on feedback received to allow more time for the parties or their representatives to prepare certain forms and rebuttal submissions. Although the extended timelines have added slightly to the overall time needed to resolve appeals, these changes have helped ensure greater procedural fairness by providing more time for the parties to present their arguments in support of the appeal. For Q4 this meant that, on average, 108 days were required to resolve an appeal (86 percent resolved within six months) as compared to early modernization results of 82 days on average (95 percent resolved within six months). Overall 2014 results showed that, on average, appeals were resolved in 97 days—a vast improvement from 223 days in 2012.

Even with the recent changes, a total of 9,728 appeals were resolved in 2014, effectively avoiding any back-log of appeals.

Policy development and renewal

In 2014, a key milestone was the development of a suite of new and revised Benefits Policies, which came into effect in November. These policies are intended to improve clarity and fairness and give decision-makers the tools they need

Discussion & Analysis

to make timely, transparent and consistent decisions. This is particularly the case for claims involving pre-existing conditions. The Benefits Policies were one part of nearly 30 operational policies covering nine subject areas that were renewed in 2014.

This year also marked significant progress with respect to the WSIB's efforts to modernize its employer classification structure and premium rate setting process. In early 2015, the next phase of public consultation will begin on the proposed preliminary rate framework that was developed in 2014.

Financial results

Continued, slow growth in insurable earnings

The WSIB's insurable earnings for 2014 were up 3.3 percent compared to last year, slightly below budgeted growth of 4.7 percent. This growth was driven by increased insurable earnings from each of WSIB's large industry sectors, most notably from Construction (insurable earnings up 8.7 percent since 2013) and the Service sector (up 3.9 percent). Manufacturing, while still showing an increase in insurable earnings, was the large sector that grew the least (2.1 percent growth). The Conference Board of Canada is predicting that 2015 will be a stronger year for Manufacturing in Ontario as the industry registers the impact of a lower Canadian dollar and a stronger U.S. economy.

The WSIB did not change the premium rates charged to employers in 2014, meaning that any change in premiums compared to 2013 resulted entirely from increases in insurable earnings. In 2014, premiums were $4,467M, 1.8 percent ($80M) higher than 2013 and 1.1 percent ($47M) higher than budgeted.

Positive core earnings

The WSIB has been able to increase the Sufficiency Ratio and lower the UFL this year in part due to core earnings which are once again positive. Compared to last year, 2014 core earnings of $991M were 39 percent higher than in 2013 and exceeded the budget by 24 percent, or $192M.

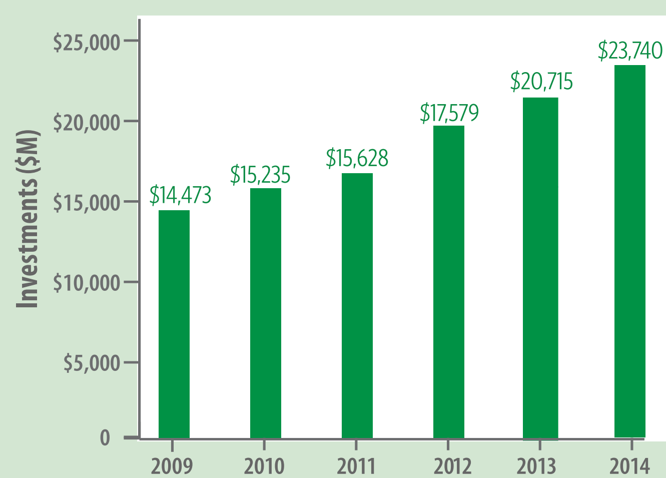
Contributing to these strong core earnings results were the growth in insurable earnings described above, along with lower benefit payments resulting from fewer lost-time claims, improved recovery and improved RTW outcomes. Benefit payments decreased to $2,420M from $2,518M in 2013. Also, administrative expenses fell compared to 2013, from a total of $806M to $702M. Lower administrative expenses in 2014 are, in part, explained by a decrease in our long-term benefit plans resulting from an increase in the interest rate used to value our pension and other post-retirement obligations.

Strong markets support strong investment returns

From January 1, 2014 to December 31, 2014, WSIB's investment portfolio increased by $3,025 from $20,715M to $23,740M arising from capital contributions of $925M and investment returns of $2,100M (10.3 percent), 0.1 percent higher than benchmark. Gross investment returns for 10 and 15 years were 6.5 percent and 5.7 percent, respectively, relative to our 6 percent total return target.

Equity markets were strong in the fourth quarter and the year, supported by ongoing U.S. economic strength. Canadian equities were also positive in 2014 as eight of ten investment sectors delivered double digit returns.

Investment Portfolio



U.S. and Global GDP growth are forecasted to remain positive, albeit at a slower pace than prior recoveries due to uncertainties in Europe and Japan. The recovery in U.S. home prices, the rising stock market, falling interest rates and energy prices are all supporting U.S. consumer spending, while Europe continues to grow slowly. Bond yields are very low, held down by continued declines in overall inflation including energy.

Real estate returns, historically strong, moderated in 2014. Future returns are expected to remain modest, providing good

Discussion & Analysis

income returns even as the tail wind from falling interest rates abates and dampens capital appreciation for this strategy.

As a cautionary note, while we may expect to see continued improvement in economic conditions, it is uncertain whether the global recovery can be sustained at the pace currently discounted by markets.

Establishing a strong foundation for the future

WSIB's strong financial performance in 2014, as detailed in this report, has allowed the organization to increase its sufficiency more quickly than anticipated. The current Sufficiency Ratio is 70.9 percent, ahead of the legislated requirement for 2017 of 60 percent. The UFL now stands at $8.9B on a Sufficiency Basis, down from $11.3B at the end of 2013.

The Quarterly Focus in this report provides a look at the history of the WSIB's unfunded liability (UFL) and demonstrates how easily gains can be undone. Nevertheless, we believe that if we stay the course, and if we continue to focus on helping injured workers return to work and recover in a timely manner, we can achieve our sufficiency requirements while maintaining high standards of service.

Schedule 1 Results by Pillar

Pillar 1: Return to Work and Fair Benefits

Non-locked-in inventory improves to historic low

Registered claim volumes were marginally higher than 2013 levels. Q4 2014 registered claims increased by 1 percent from 48,648 in 2013 to 49,126 in 2014. The increase was due to a 1.9 percent increase in registered no-lost-time injuries from 34,777 in Q4 2013 to 35,449 in Q4 2014. Registered lost-time claims decreased by 0.6 percent (343 claims).

Even with the increase in claims, we continue to make eligibility decisions quickly. In Q4, 94.7 percent of decisions were made within two weeks.

Durations at 12 and 24 months have stabilized and longer-term durations (48 and 72 months) continue to improve. As a result of the fewer lost-time claims and improvements across the duration measures, the non-locked-in claims inventory decreased by 3,007 claims (17.7 percent) to 13,967—the lowest level since we began tracking in 2005.

OBJECTIVES

1-1 We will work with the Chief Prevention Officer and the Ministry of Labour to promote healthy and safe workplaces.

1-2 We will support injured workers and employers in Return to Work.

1-3 We will administer benefits and services, for work-related injuries or illnesses, in a fair and equitable manner.

1-4 We will focus on improving recovery and Return to Work outcomes to reduce the incidence of permanent impairment caused by all injuries.

1-5 We will approach health care as an investment on behalf of injured workers, and manage medical recovery and Return to Work together.

New Claims

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Registered	48,648	47,842	47,882	50,874	49,126	195,554
Pending	5,011	4,676	3,906	3,977	3,975	4,666
Allowed	35,287	34,756	35,180	37,813	35,809	150,277
	80.9%	80.5%	80.0%	80.6%	79.3%	78.7%

YTD Lost-time Injury/Illness Rate

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Result	0.98	0.98	0.91	0.90	0.92
Prior Year	1.04	0.99	0.92	0.94	0.98
Variance	(6.0%)	(0.4%)	(1.6%)	(4.3%)	(6.1%)
Assessment	✓	✓	✓	✓	✓

Total Wage Loss Claims Inventory

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Assessment
Total Claims	170,434	169,285	166,779	165,214	164,444	✓
Locked-in Claims	153,460	152,639	151,746	150,877	150,477	✓
Non-locked-in Claims	16,974	16,646	15,033	14,337	13,967	✓

Pillar 1: Return to Work and Fair Benefits

Benefit Payments

($M)	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	629	612	612	586	610	2,420
Prior Year	649	640	636	613	629	2,518
Variance	(20)	(28)	(24)	(27)	(19)	(98)
Assessment	✔	✔	✔	✔	✔	✔

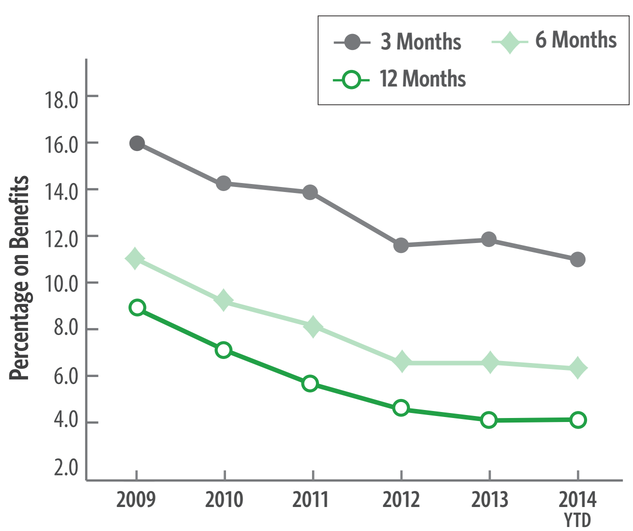
RTW at 100% Pre-Injury Earnings at 12 Months (Allowed Lost-time Claims)

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	91.0%	91.2%	91.3%	91.6%	91.0%	91.3%
Target	91.4%	92.0%	92.0%	92.0%	92.0%	92.0%
Variance	(0.4%)	(0.8%)	(0.7%)	(0.4%)	(1.0%)	(0.7%)
Assessment	▽	▽	▽	▽	▽	▽

Duration

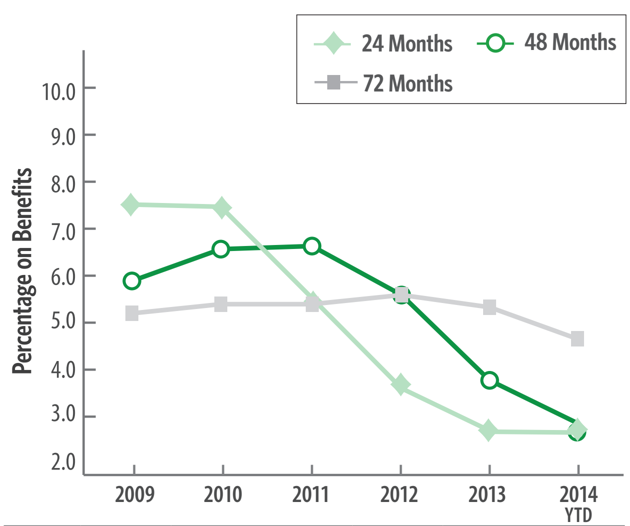
	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Target	Assessment
3 months	11.9%	12.1%	11.9%	11.6%	11.2%	11.5%	✔
6 months	6.6%	6.8%	6.7%	6.6%	6.4%	6.4%	✔
12 months	4.0%	4.1%	4.0%	4.1%	4.0%	3.9%	▽
24 months	2.7%	2.7%	2.7%	2.8%	2.7%	2.7%	✔
48 months	3.9%	3.5%	3.1%	2.9%	2.6%	3.5%	✔
72 months	5.5%	5.4%	5.2%	5.0%	4.8%	5.5%	✔

Measuring Short-term Duration



	2009	2010	2011	2012	2013	2014 YTD
●	16.0	14.3	13.9	11.8	11.9	11.2
◆	11.2	9.2	8.2	6.6	6.6	6.4
○	8.9	7.0	5.6	4.2	4.0	4.0

Measuring Long-term Duration



	2009	2010	2011	2012	2013	2014 YTD
◆	7.5	7.4	5.5	3.6	2.7	2.7
○	5.9	6.5	6.6	5.6	3.9	2.6
■	5.1	5.4	5.4	5.6	5.5	4.8

Pillar 1: Return to Work and Fair Benefits

Our continued focus on integrating return to work and recovery using specialized services, such as Programs of Care and Specialty Clinics, resulted in a 3.4 percent increase in the percentage of workers using integrated health care programs this quarter. In Q4 2014, the percentage of workers with a PI improved from 6.3 percent in Q4 2013 to 5.9 percent, while the average PI award improved from 9.8 percent in Q4 2013 to 9.2 percent.

The emphasis on recovery has also benefited workers who cannot return to their pre-injury level of employment. The Q4 2014 average loss of earnings (LOE) percentage at lock-in improved marginally to 46.6 percent from 46.7 percent for Q4 2013.

Average PI Award Percentage

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	9.8%	9.9%	9.6%	9.4%	9.2%	9.5%
Benchmark	11.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Variance	(1.2%)	(0.1%)	(0.4%)	(0.6%)	(0.8%)	(0.5%)
Assessment	✓	✓	✓	✓	✓	✓

Percentage of Workers with a PI

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	6.3%	5.6%	5.8%	5.2%	5.9%	5.6%
Benchmark	9.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Variance	(2.7%)	(2.4%)	(2.2%)	(2.8%)	(2.1%)	(2.4%)
Assessment	✓	✓	✓	✓	✓	✓

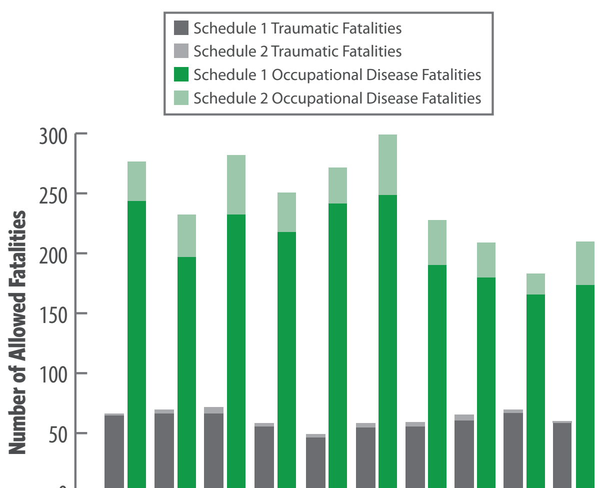
Average LOE Entitlement Award at Lock-in

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	46.7%	45.7%	45.6%	45.7%	46.6%	45.9%
Prior Year	49.1%	48.7%	47.0%	46.6%	46.7%	47.3%
Variance	(2.4%)	(3.0%)	(1.4%)	(0.9%)	(0.1%)	(1.4%)
Assessment	✓	✓	✓	✓	✓	✓

Percentage of Claims in Integrated Health Care Programs

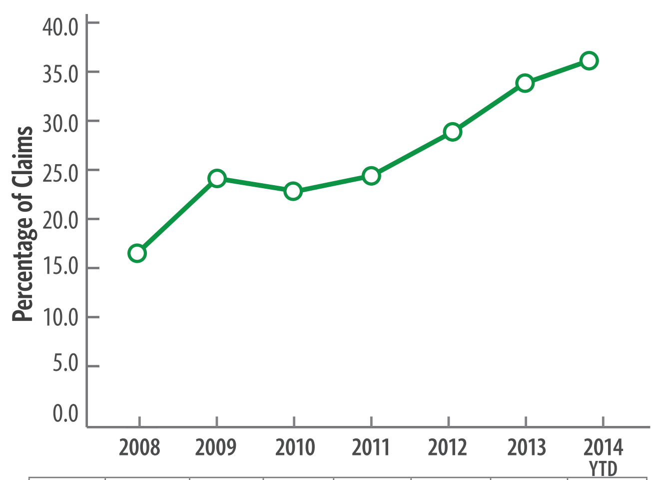
	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	33.5%	35.4%	36.4%	35.4%	36.9%	35.6%
Prior Year	29.4%	32.2%	33.2%	33.3%	33.5%	32.8%
Variance	4.1%	3.3%	3.2%	2.1%	3.4%	2.8%
Assessment	✓	✓	✓	✓	✓	✓

WSIB – Allowed Traumatic & Occupational Disease Fatalities

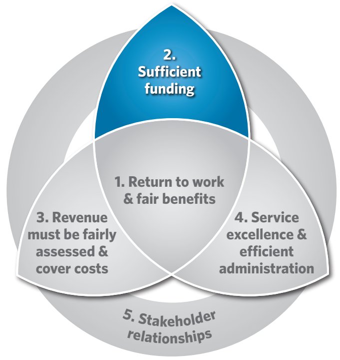


	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 YTD
	62	66	66	55	46	54	55	60	70	59
	1	2	5	1	3	4	4	5	3	1
TRM Fatalities Total	**63**	**68**	**71**	**56**	**49**	**58**	**59**	**65**	**73**	**60**
	230	197	229	221	229	250	191	189	159	167
	30	34	51	37	32	51	38	32	23	42
OD Fatalities Total	**260**	**231**	**280**	**258**	**261**	**301**	**229**	**221**	**182**	**209**

Percentage of Claims in Integrated Health Care Programs



	2008	2009	2010	2011	2012	2013	2014 YTD
-o-	17.5%	24.3%	23.2%	24.3%	28.9%	32.8%	35.6%



Pillar 2: Sufficient Funding

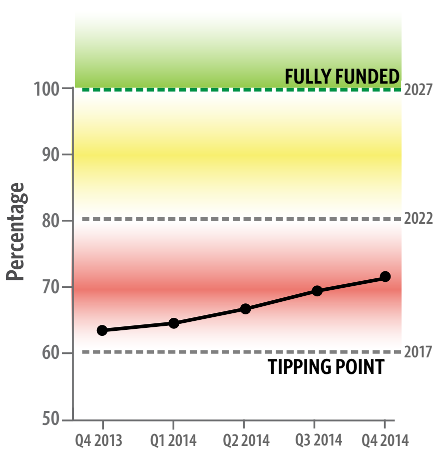
Funding position continues to strengthen

Strong operational performance and gains on investments allowed the WSIB to continue making progress towards financial sustainability. The Unfunded Liability: Sufficiency Basis* (UFL) decreased by $632M, from $9,537M in Q3 2014 to $8,905M in Q4 2014. The Sufficiency Ratio has increased by 1.8 percent from 69.1 percent in Q3 2014 to 70.9 percent in Q4 2014.

OBJECTIVES

2-1 We will achieve funding requirements as prescribed in regulation.

Sufficiency Ratio Trend



Sufficiency Ratio	63.0%	64.5%	66.2%	69.1%	70.9%

Sufficiency Ratio

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Result	63.0%	64.5%	66.2%	69.1%	70.9%
Budget	N/A	61.4%	62.6%	63.7%	64.3%
Variance	N/A	3.1%	3.6%	5.4%	6.6%
Assessment					

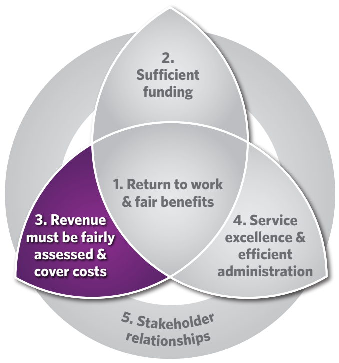
Unfunded Liability (Sufficiency Basis)*

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Result	(11,325)	(10,905)	(10,457)	(9,537)	(8,905)
Budget	N/A	N/A	N/A	N/A	N/A
Variance	N/A	N/A	N/A	N/A	N/A
Assessment					

* The UFL is reported on a Sufficiency Basis (defined in the glossary). As a result, prior quarters have been re-stated and will not match previously published reports.

Revenue	
Premiums	Investments

Costs	
Benefit Costs	Administrative Expenses



Pillar 3: Revenue Must be Fairly Assessed and Cover Costs

Growing premiums continue to cover costs

In 2014, for the fourth straight year, premium revenue covered operating expenses and the WSIB achieved core earnings of $991M.

Growth in insurable earnings resulted in a 9 percent ($93M) increase in premium revenues from $1,034M in Q4 2013 to $1,127M in Q4 2014. Core earnings were $247M for Q4 2014, $145M higher than prior year.

The WSIB achieved a fourth quarter return of 2.7 percent on its investments, which was slightly (0.1 percent) lower than benchmark. However, strong returns in Q1 and Q2 allowed for a 2014 return of 10.3 percent, 0.1 percent higher than benchmark. Returns for 10 and 15 years were 6.5 percent, and 5.7 percent respectively.

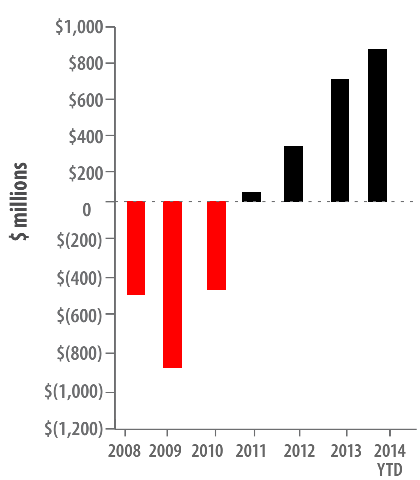
OBJECTIVES

3-1 We will collect premium revenue each year at a level that ensures all required payments can be made as they become due, and the UFL can continue to be retired.

3-2 We will continue to manage the Investment Fund with prudence and due regard for risk management and liability structures.

3-3 We will ensure a fair and transparent rate setting framework.

Core Earnings Trend



Core Earnings	(496)	(894)	(493)	34	307	715	991

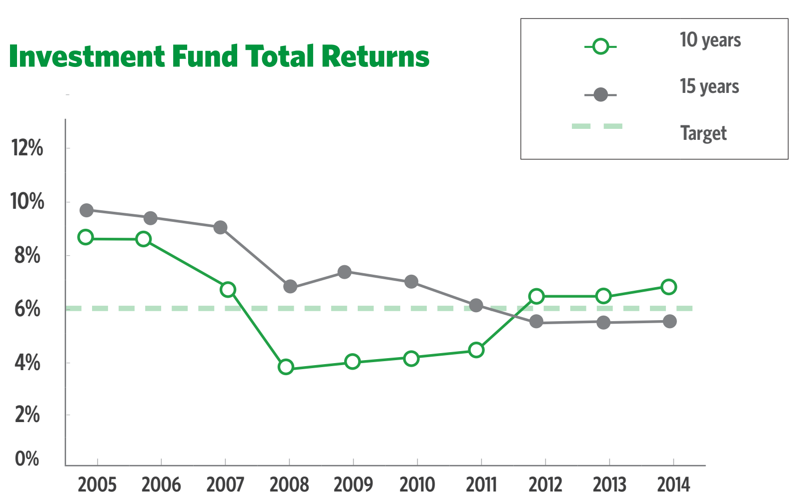
Core Earnings

($M)	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	102	247	217	280	247	991
Budget	35	183	248	222	144	799
Variance	67	64	(31)	58	103	192
Assessment	✓	✓	✗	✓	✓	✓

Premiums

($M)	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	1,034	1,127	1,093	1,120	1,127	4,467
Budget	996	1,097	1,160	1,118	1,045	4,420
Variance	38	30	(67)	2	82	47
Assessment	✓	✓	✗	✓	✓	✓

Investment Fund Total Returns



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
10 years	8.6%	8.6%	6.9%	4.0%	4.1%	4.2%	4.6%	6.3%	6.3%	6.5%
15 years	9.8%	9.7%	9.1%	6.6%	7.6%	7.0%	6.1%	5.7%	5.8%	5.7%

Pillar 4: Service Excellence and Efficient Administration

High satisfaction results sustained

Results remained largely consistent in the latest Customer Satisfaction Survey. Injured workers' impressions of the WSIB have sustained the improvements seen over the course of the past year. We continued to see that nearly eight in ten injured workers were satisfied with claims related services. Employer service excellence scores for accounts and claims improved to 89 percent from 87 percent in Q4 2013 and to 89 percent from 84 percent, respectively.

OBJECTIVES

4-1 We will update policies so that they are clear and provide appropriate guidance to staff and customers.

4-2 We will ensure every interaction with customers is based on the values of trust, integrity and fairness.

4-3 We will enhance our ability to deliver excellent customer service.

4-4 We will administer an effective Appeals Resolutions process that efficiently responds to workers and employers.

4-5 By improving efficiencies, we will reduce the cost to administer the system.

Service Excellence Index* (Schedule 1 & 2)

		Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Assessment vs. Prior Year
Claims - Employers	% Very Satisfied or Somewhat Satisfied	84%	85%	87%	86%	89%	✓
	Average Rating	7.6	7.7	7.7	7.6	7.8	
Claims - Injured Workers	% Very Satisfied or Somewhat Satisfied	77%	76%	76%	75%	77%	✓
	Average Rating	7.4	7.2	7.2	7.2	7.4	
Account Management	% Very Satisfied or Somewhat Satisfied	87%	89%	90%	89%	89%	✓
	Average Rating	7.8	8.0	7.9	7.9	7.9	

* the percentage of injured workers or employers who are satisfied with the customer service they received.

Program Index* (Schedule 1 & 2)

		Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Assessment vs. Prior Year
Claims - Employers	% Very Satisfied or Somewhat Satisfied	81%	80%	81%	79%	83%	✓
	Average Rating	7.2	7.3	7.2	7.2	7.4	
Claims - Injured Workers	% Very Satisfied or Somewhat Satisfied	71%	69%	69%	69%	72%	✓
	Average Rating	6.9	6.7	6.6	6.7	7.0	
Account Management	% Very Satisfied or Somewhat Satisfied	81%	84%	86%	84%	83%	✓
	Average Rating	7.4	7.6	7.6	7.5	7.4	

* the percentage of injured workers or employers who are satisfied with WSIB's programs.

Pillar 4: Service Excellence and Efficient Administration

The WSIB was able to improve on decision timeliness for eligibility decisions as the Q4 2014 percentage of decisions made within two weeks increased by 3.9 percent, from 90.8 percent in Q4 2013 to 94.7 percent.

The modernized appeals process has improved the timeliness of appeals decisions, while also maintaining the quality of decisions. The active inventory of appeals decreased 6 percent, from 2,820 cases in Q3 2014 to 2,646 in Q4 2014.

Total Administrative Expenses

($M)	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	217	177	177	168	180	702
Budget	210	201	206	203	201	811
Variance	7	(24)	(29)	(35)	(21)	(109)
Assessment						

Administrative Expenses per $100 of Insurable Earnings

($ / $100)	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	$0.58	$0.37	$0.39	$0.39	$0.45	$0.40
Budget	$0.56	$0.43	$0.44	$0.46	$0.50	$0.46
Variance	$0.02	($0.06)	($0.05)	($0.07)	($0.05)	($0.06)
Assessment						

Appeals (Schedule 1 & 2)

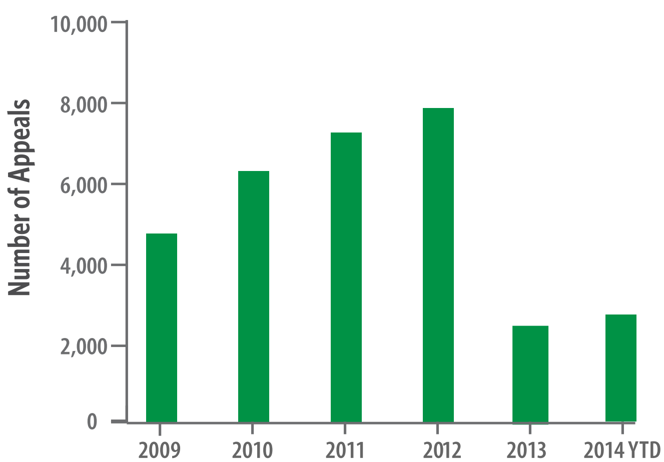
		Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
# of Appeals Received		2,225	2,956	2,480	2,273	2,279
# of Appeals Resolved		3,090	2,623	2,577	2,116	2,392
% of Resolved Appeals	Allowed	15%	16%	16%	16%	16%
	Allowed/Denied in Part	12%	13%	14%	16%	14%
% Appeals Resolved in 6 months		60.6%	94.0%*	95.0%*	91.5%*	86.1%*

* restated for new appeals only

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

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	90.8%	89.5%	93.4%	95.0%	94.7%	93.3%
Target	85.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Variance	5.8%	(0.5%)	3.4%	5.0%	4.7%	3.3%
Assessment						

Appeals Year-End Inventory



Appeals	4,683	6,222	7,140	7,958	2,519	2,646

Pillar 5: Stakeholder Relationships

Benefiting from stakeholder input

On November 1, 2014, revised benefits policies came into effect at the WSIB. The new policies were made stronger by stakeholder input provided in consultations throughout the two-year development process. In particular for the pre-existing conditions policy, stakeholder input resulted in significant changes to the final version. The final policies are expected to improve the consistency of decision-making, leading to greater fairness.

In Q4 2014, the WSIB began a process to redevelop our customer satisfaction survey. When launched in 2015, the WSIB will be better positioned to capture and incorporate the latest views and suggestions from its customers.

OBJECTIVES

5-1 We will develop and implement a proactive Communication Strategy that includes stakeholder engagement.

5-2 We will operate in a transparent manner.

5-3 We will build stakeholder confidence by promptly responding to stakeholder needs and concerns, and provide opportunities for engagement.

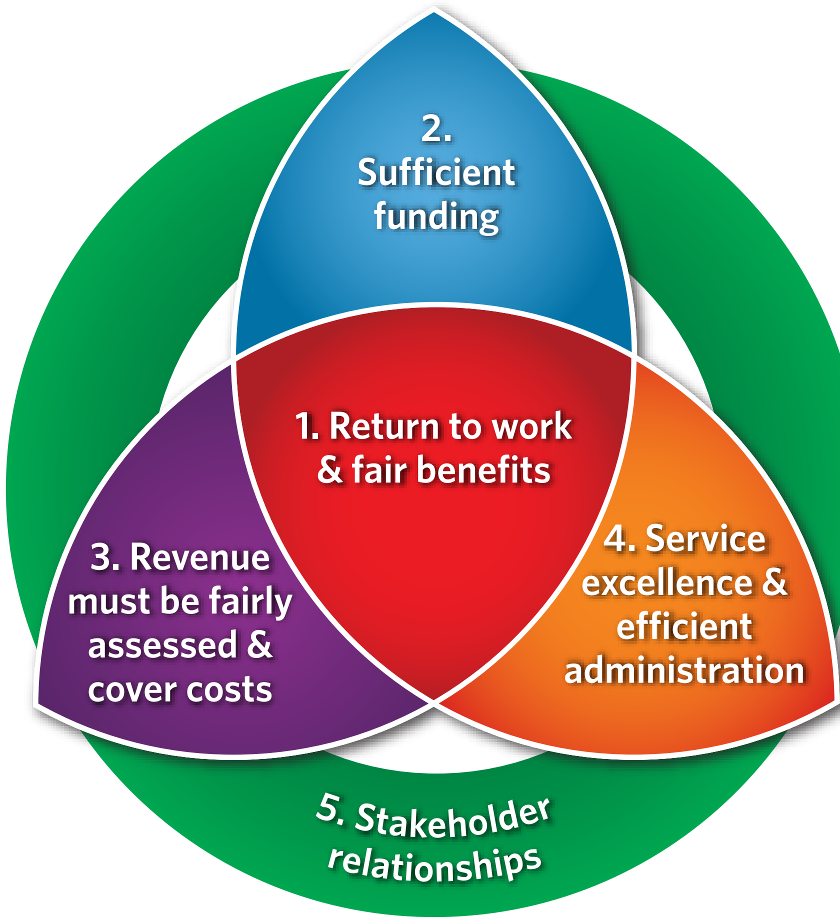
5-4 We will engage with the Chief Prevention Officer and the Ministry of Labour to ensure accountability for funding of Ontario's occupational health and safety system.

2013 Annual Reputation Index

	Injured Workers	Employers	Non-clients
% Very or Somewhat Favourable	64%	70%	64%
Average Rating	6.4	6.6	6.2

Legislated Obligations (Schedule 1 & 2)

($M)	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014	2014 YTD Budget	Assessment
Prevention	60	66	63	64	64	257	265	✓
Non-Prevention	11	10	9	8	11	38	38	✓
Total	71	76	72	72	75	295	303	✓



Schedule 2 Results

Pillar 1: Return to Work and Fair Benefits

Improved outcomes despite increase in claims

Both registered claims and allowed lost-time claims increased in 2014 compared to 2013. The number of registered claims increased by 0.8 percent (300 claims) while allowed lost-time claims increased by 2.0 percent (247 claims) compared to last year. The result was a 2.6 percent increase in the lost-time injury rate for Schedule 2 employers from 1.90 in Q4 2013 to 1.95 in 2014.

2014 results for all durations performed at or better than the prior year, with the exception of the percentage of workers on benefits at 24 months (up 0.1 percent). Long-term durations continue to improve.

OBJECTIVES

1-1 We will work with the Chief Prevention Officer and the Ministry of Labour to promote healthy and safe workplaces.

1-2 We will support injured workers and employers in Return to Work.

1-3 We will administer benefits and services, for work-related injuries or illnesses, in a fair and equitable manner.

1-4 We will focus on improving recovery and Return to Work outcomes to reduce the incidence of permanent impairment caused by all injuries.

1-5 We will approach health care as an investment on behalf of injured workers, and manage medical recovery and Return to Work together.

New Claims

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Registered	9,704	10,931	9,306	8,348	9,654	38,184
Pending	1,265	1,230	1,045	1,085	1,334	1,544
Allowed	6,622	7,751	6,463	5,576	6,435	28,015
	78.5%	79.9%	78.2%	76.8%	77.3%	76.5%

YTD Lost-Time Injury/Illness Rate

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Result	1.90	2.84	2.22	2.02	1.95
Prior Year	1.87	2.34	2.07	1.95	1.90
Variance	1.6%	21.4%	7.0%	3.9%	2.6%
Assessment					

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

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	94.7%	94.4%	95.0%	95.3%	94.4%	94.8%
Prior Year	95.1%	95.3%	94.9%	94.7%	94.7%	94.9%
Variance	(0.4%)	(0.9%)	0.1%	0.6%	(0.3%)	(0.1%)
Assessment						

Pillar 1: Return to Work and Fair Benefits

Benefit Payments

($M)	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	62	60	62	60	59	241
Prior Year	61	62	62	58	62	242
Variance	1	(2)	0	2	(3)	(1)
Assessment						

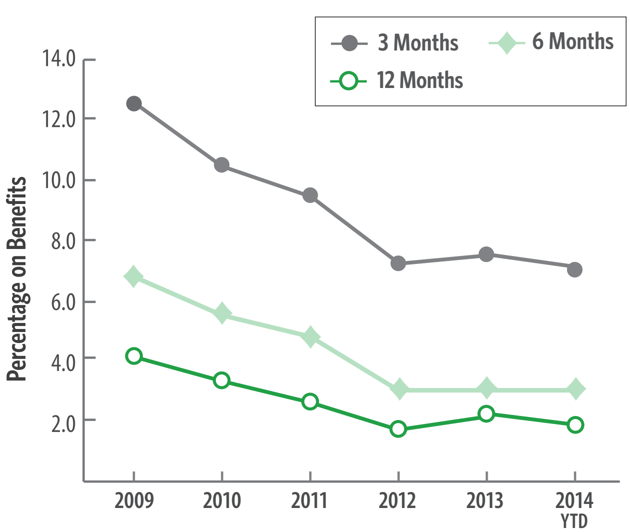
Average LOE Entitlement Award at Lock-in

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	42.9%	42.1%	41.7%	52.5%	45.2%	45.5%
Prior Year	49.9%	49.2%	52.2%	40.5%	42.9%	46.2%
Variance	(7.0%)	(7.1%)	(10.6%)	12.0%	2.3%	(0.7%)
Assessment						

Duration

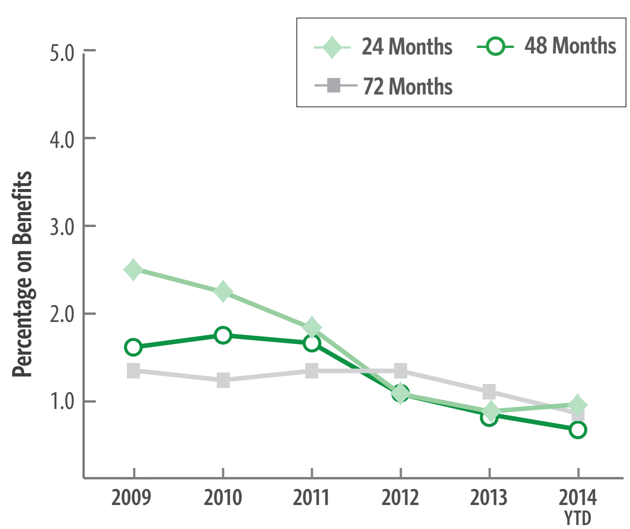
	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Assessment
3 months	7.8%	7.7%	7.4%	7.7%	7.5%	
6 months	3.6%	3.5%	3.5%	3.5%	3.6%	
12 months	2.1%	2.0%	1.9%	2.0%	1.9%	
24 months	0.9%	0.9%	0.8%	0.9%	1.0%	
48 months	0.8%	0.8%	0.6%	0.6%	0.6%	
72 months	1.1%	1.0%	1.0%	0.9%	0.8%	

Measuring Short-term Duration



	12.3	10.3	9.6	7.6	7.8	7.5
	6.8	5.7	4.9	3.6	3.6	3.6
	4.0	3.4	2.6	1.8	2.1	1.9

Measuring Long-term Duration



	2.5	2.3	1.8	1.1	0.9	1.0
	1.5	1.7	1.6	1.1	0.8	0.6
	1.3	1.2	1.3	1.3	1.1	0.8

Pillar 1: Return to Work and Fair Benefits

Investments in integrating recovery and return to work continued and resulted in a 4.9 percent increase in the Q4 2014 percentage of workers using integrated health care programs. This has led to improved recovery results as the 2014 percentage of workers with a PI improved from 2.7 percent in 2013 to 1.8 percent in 2014. However, the average PI award increased from 8.7 percent in 2013 to 11.4 percent in 2014.

Percentage of Claims in Integrated Health Care Programs

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	35.2%	34.9%	38.0%	38.3%	40.1%	39.4%
Prior Year	30.7%	32.5%	35.1%	35.5%	35.2%	36.4%
Variance	4.6%	2.3%	2.9%	2.8%	4.9%	3.0%
Assessment						

Average PI Award Percentage

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	8.6%	10.5%	11.2%	12.0%	12.0%	11.4%
Prior Year	9.1%	9.2%	9.3%	7.6%	8.6%	8.7%
Variance	(0.5%)	1.3%	1.9%	4.4%	3.4%	2.7%
Assessment						

Percentage of Workers with a PI

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	2.3%	1.9%	1.9%	1.9%	1.6%	1.8%
Prior Year	4.0%	3.5%	2.3%	2.6%	2.3%	2.7%
Variance	(1.7%)	(2.6%)	(0.4%)	(0.7%)	(0.7%)	(0.9%)
Assessment						

Pillar 4: Service Excellence and Efficient Administration

Timelier decision-making

Improvements in decision timeliness for eligibility decisions continued in the fourth quarter of 2014. The percentage of eligibility decisions made within two weeks increased by 3.9 percent, from 90.6 percent in Q4 2013 to 94.5 percent.

OBJECTIVES

4-1 We will update policies so that they are clear and provide appropriate guidance to staff and customers.

4-2 We will ensure every interaction with customers is based on the values of trust, integrity and fairness.

4-3 We will enhance our ability to deliver excellent customer service.

4-4 We will administer an effective Appeals Resolutions process that efficiently responds to workers and employers.

4-5 By improving efficiencies, we will reduce the cost to administer the system.

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

	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	YTD 2014
Result	90.6%	89.8%	92.9%	93.5%	94.5%	92.6%
Target	85.0%	90.0%	90.0%	90.0%	90.0%	90.0%
Variance	5.6%	(0.2%)	2.9%	3.5%	4.5%	2.6%
Assessment	✓	▽	✓	✓	✓	✓

Quarterly Focus

The WSIB's Unfunded Liability: Why it Matters

Over the course of its 100-year history, the Workplace Safety and Insurance Board (WSIB) has remained committed to the workers and employers of Ontario. We provide collective liability insurance to employers, protecting them from costly litigation, and ensure that workers who are injured on the job or who suffer from an occupational disease receive benefits and support in their recovery and return to work efforts.

> "The growth and magnitude of the unfunded liability .....could result in the WSIB being unable to meet its existing and future financial commitments to provide worker benefits."
>
> — 2011 Annual Report of the Office of the Auditor General of Ontario

Each year, the WSIB provides benefits to over 200,000 workers. The benefits that they receive are among the most comprehensive in North America. A worker injured on the job gets medical care that is significantly beyond what Ontario Health Insurance (OHIP) would cover for someone not injured at work. They receive wage replacement for up to 85 percent of lost wages until they are able to return to work. Wage replacement continues to age 65, if needed. And after that, a retirement benefit becomes payable, also provided by the WSIB. In thousands of cases, the WSIB provides workers with retraining services to help them return to the workforce. For dependents of a worker who has passed away as a result of a workplace injury or illness, the WSIB provides lump sum or monthly survivor benefit payments in addition to training for the worker's spouse, if desired, to assist them in entering the workforce. What we do impacts the majority of businesses in Ontario and the lives of millions. So how the WSIB is managed, and how well it does its job, matters greatly.

To pay for all this, the WSIB collects over $4B a year in premium revenue from employers. The WSIB receives no funding from the Government of Ontario. In fact, the WSIB transfers over $250M of employer premiums annually to the Ministry of Labour to pay for the enforcement of the Occupational Health and Safety Act and Prevention activities. To remain viable, a system of this size demands that every dollar be spent wisely. Managed poorly, it can quickly become an unbearable burden on employers, which brings the real risk that workers' benefits or employment capacity—or both—would have to be cut.

What are benefit liabilities?

Every year the WSIB re-calculates the amount of funds required to provide for the lifetime costs of all claims in the system. These total required funds are commonly referred to as benefit liabilities.

Benefit liabilities can be described as the total expected future costs for past injuries, illnesses and workplace exposures causing occupational diseases. These costs include all expected future payments to the injured or ill workers for occupational accidents or diseases occurring on or before the valuation date. The total future payments that WSIB will need to make for existing claims are estimated to be approximately $45 billion. With adjustments for the expected interest to be earned on funds held for future payments (the discount rate), the WSIB estimates that it needs to hold approximately $27 billion today—our benefit liabilities—to support existing claims through their lifetime.

Benefit liabilities are calculated by the WSIB Actuarial Services Division. They are best estimates at the time based on a number of assumptions that reflect long-term expectations. These include economic assumptions such as the long-term inflation rate, wage growth assumptions (including indexation—wage increases to account for inflation), assumptions for future healthcare cost increases and changes in workforce demographics such as patterns of return to work or mortality rates. Legislative changes, such as increases in benefits (e.g., presumptive legislation) are also considered.

This Quarterly Focus discusses how the Unfunded Liability (UFL) developed, why it is important to over five million workers and 290,000 employers in Ontario and the steps the WSIB has taken since 2009 to bring the system to full funding.

How an Unfunded Liability Gets Created

Most people injured at work recover quickly, go back to work and their benefits end. A small minority of workers takes longer and some never get well enough to work. To make sure that these workers receive the benefits they are owed, the WSIB has to not only collect enough premiums to pay the current year's benefits, it must also set aside enough money in a trust fund to support and pay benefits in future years.

If the WSIB sets aside enough money in the trust fund to meet future needs, it is fully funded. If it does not, it is short and this shortfall is commonly referred to as the Unfunded Liability (UFL). Simply put, the UFL is the money that the WSIB owes to injured workers for future benefits that it does not have. In 2009, the WSIB's insurance fund needed to have a balance of $26B to meet its future obligations, but the balance was $14B. So the shortfall, or UFL, of the insurance fund was $12B.

Did you know? The UFL is a debt we owe Ontario's injured workers. It is the difference between our anticipated future obligations to them versus the money we actually have on hand to pay.

So how can the WSIB pay workers their benefits in future years if there is not enough money in the trust fund? The WSIB does this in two ways. First, it can increase premiums on future employers. A second way is for the WSIB to borrow some of its own savings, which were supposed to be set aside for future payments, and use them to pay current benefits. This second way of paying the bills increases the shortfall in the trust fund.

Unfortunately, between 1999 and 2009, the WSIB followed the second route and borrowed the money that was supposed to be set aside for future years to pay today's benefits. Over a ten-year period to 2010, the WSIB cashed in over $5B of savings from its insurance fund, so the debt of the trust fund, the UFL, grew.

Why the UFL is a Threat to Workers' Benefits

Using up too much of the trust fund can get you into trouble when the future bills come due. You would have to raise employer premiums to such an extent that it would become an unbearable burden on employers and the WSIB could end up being unable to meet its obligations to workers. That is what the Auditor General (AG) concluded in 2009. The AG determined that because the WSIB had not collected enough premiums from employers to pay current and future benefits, the UFL had grown too large. In just three years, the shortfall had doubled. When Dr Harry Arthurs looked at the situation in 2011, he said that the WSIB's fund had gotten so far behind in what it owed workers that it was at a "tipping point." What he meant was that if the WSIB suffered any one of several possible severe economic shocks the WSIB would be unable to recover and would put workers' benefits at risk.

The WSIB's UFL puts workers' benefits at risk in one other way. As the debt gets too high, Governments are not only constrained in increasing benefits for workers but also feel pressure to cut benefits. This has been done on at least two occasions in the past.

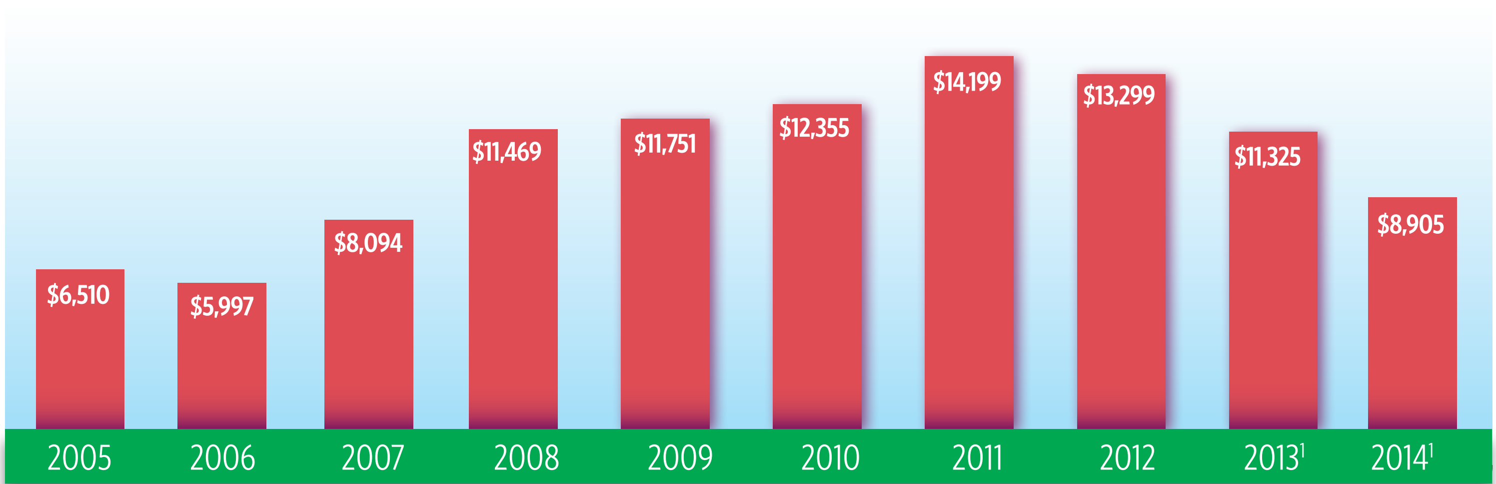
Why the UFL is Bad for Employers and Bad for Ontario's Economy

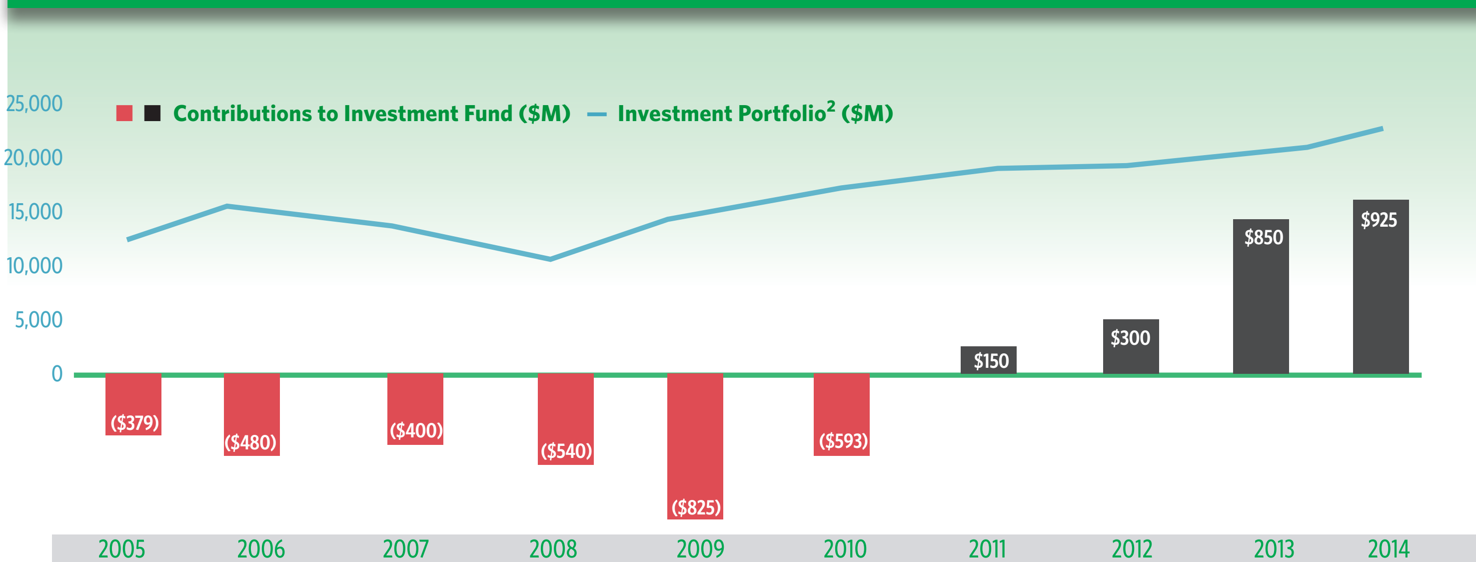
Any shortfall in the insurance fund must be made up by future employers. In Ontario about twenty thousand employers go out of business each year and a slightly larger number of employers start up a business. These new employers are therefore saddled with paying off a debt that they had no part in creating.

Additionally, as a result of the UFL, premium rates must be kept higher than necessary. This is exactly what has happened in Ontario. For many years Ontario's UFL has caused premiums to be about 30 percent higher than they would be if no UFL existed and much higher than premiums in the other provinces. This is the case even though Ontario has the lowest injury rate of any jurisdiction in Canada. This means that current employers are unable to hire as many new employees, pay their employees as much and makes Ontario less competitive because of the high WSIB insurance premiums.

Finally, if this situation persists, the Auditor General has signaled that the Province would have to take the UFL. This would shift the burden of paying the debt to the general taxpayers of the province and the size of the debt could negatively impact the credit rating of the province.

The Unfunded Liability: A 10-Year Retrospective





1. UFL on Sufficiency Basis
2. IFRS basis since 2009

Is the UFL Big Enough to be Worried About?

Ontario's UFL amounts to billions of dollars and is big enough to cause real economic pain. The UFL grew from about $6B in 2006 to about $12B in 2009 when the Auditor General reported on it, and it continued to grow after that.

In addition to providing for the costs of new claims incurred after 2009, the WSIB had to recognize that workers were living longer and that their benefits for health care and loss of wages were costing more. The WSIB also had to recognize that occupational diseases were going to cost a lot more than had been estimated at the end of 2009 and that our long-term investment returns were likely going to be lower than anticipated. The cumulative effect of all these "one time" adjustments after 2009 amounted to an addition of $6B to the UFL. This meant that, to be fully funded, the WSIB did not only have to close a gap of $12B, but actually a gap of $18B. And this had to be done post-2009 when Ontario was already challenged to revive its economy and create new jobs.

Quarterly Focus

Did you know? Without the UFL, the WSIB would have one of the lowest premium rates in Canada.

A Journey Towards Sustainability

In 2010, the WSIB began a comprehensive analysis of how we do business by conducting a systematic and thorough review of all key levers (benefits, coverage, premiums and investments). This analysis led to fundamental changes to the business, a solid understanding of what our strategy needed to be and relentless execution.

We developed a new Strategic Plan along with a Sufficiency Plan that focused on premiums, investments and recovery and return to work. We developed a new Service Delivery Model including a new Return to Work Program and a new Health Care Strategy. We developed a new Strategic Investment Plan to decrease the volatility in investment returns and meet long-term funding requirements. We made modest premium increases for three years in a row to ensure that we cover operating costs. Regular readers of the Measuring Results report are quite familiar with the resulting progress since 2010. Some of the key highlights include:

> "Clearly, the very existence of the unfunded liability demonstrates that, over the years, the province's employers have not fully funded the costs of injuries and occupational diseases, so these liabilities will need to be funded by future employers."
>
> —2009 Annual Report of the Office of the Auditor General of Ontario

- **Recovery and return to work:** For about 10 years from 1998 to 2009, the WSIB had taken its eye off the most important part of our business, helping workers recover from their injuries and get back to work. Workers were taking longer to get back to work and the cost of medical care and loss of earnings benefits for injuries that should have resolved earlier grew by 60 percent while the incidence of injuries actually dropped by 40 percent. After a decade of deteriorating outcomes, the WSIB's new approach is resulting in workers recovering and getting back to work faster. They get access to specialized health care faster. The WSIB also hired 300 staff who make on average 26,000 on-site visits with employers each year in order to negotiate return to work for injured workers. As a result, workers are better off because they are leading more healthy and productive lives. The rate of injuries has continued to come down thanks to continued prevention efforts. After a decade of benefit cost increases despite falling claim volumes, improved recovery and return to work outcomes for injured workers combined with fewer new claims have reversed the trend. Between 2009 and 2014, benefit costs decreased by $758M.
- **Premiums:** Premium rate increases for three years in a row combined with employment growth have contributed to a 39 percent increase ($1.2B) in additional annual premium revenues between 2009 and 2014. Premium revenues now not only cover current costs but also generate a surplus. While injury claims have actually come down, the WSIB increased premiums and held them there in order to be able to reduce the UFL.
- **Investments:** The Strategic Investment Plan has allowed the WSIB to maintain a reasonable level of long-term investment return while decreasing volatility. Since 2009, the investment fund has increased by 64 percent to $23.7B, while volatility has decreased.
- **Administrative improvements:** While much focus has been placed on financial improvements, less attention has been paid to administrative improvements that have been achieved. The WSIB has improved all channels through which employers and workers communicate with us. The improvements include eServices that allow employers to register new accounts, report and pay premiums and get clearance certificates online 24-7. Workers and employers are also able to register claims online or directly via the

Quarterly Focus

telephone. These improvements were achieved while the WSIB held the line on administrative expenses and, as a result, the WSIB now has some of the best customer satisfaction results it has ever achieved.

A Strong Foundation for the Future

As a result of the collective efforts of all stakeholders and the WSIB, there is reason to be optimistic about the future. The UFL (Sufficiency Basis) has decreased to $8.9B and the Sufficiency Ratio has risen to 70.9 percent. While the recovery is still fragile, the progress made to date is helping to establish a strong foundation as we move towards full funding.

A strong and well-functioning WSIB allows workers to be secure in the knowledge that services and support are available when needed. It also enables employers to sustain and grow their businesses with protection from the financial consequences of workplace injuries and illnesses. As the WSIB enters its second century, recent progress—while still fragile—has positioned it well to become the leading workplace compensation board in Canada.

> "We think that there has to be a real focus on dealing with that unfunded liability because it jeopardizes the whole system. It is a disincentive to retaining and attracting business to Ontario, which jeopardizes job creation, which we all want."
>
> — The Canadian Manufacturers and Exporters presentation to the Standing Committee on Government Agencies, July 4, 2012

Glossary

Measure	Definition	Notes	Page
Administrative Expenses	Total cost of administering the Workplace Safety and Insurance Act (WSIA).	Includes operating expenses, project costs, and administrative costs associated with claims administration allocated to benefit costs Excludes Schedule 2	14
Administrative Expenses per $100 of Insurable Earnings	The administrative costs to operate the system per $100 of 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	14
Appeals Received	The volume of appeals received by the Appeals Services Division in the denoted period.	Schedule 1 and 2	14
Appeals Resolved	The volume of appeals resolved by the Appeals Services Division in the denoted period.	An appeal resolution includes an appeal decision, a return or a withdrawal of an appeal Schedule 1 and 2	14
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	14
Appeals - % of Appeals Resolved in 6 Months	The percentage of appeals resolved by the Appeals Services Division within six months of receipt.	An appeal resolution includes an appeal decision, a return or a withdrawal of an appeal Schedule 1 and 2	14
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 six measures equally weighted Schedule 1 and 2	15
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 four measures equally weighted Schedule 1 and 2	15
Average LOE Entitlement Award at Lock-in	The average entitlement percent for workers having reached Loss of Earnings (LOE) lock-in in the denoted period.	By quarter of lock-in decision for Bill 99 claims This measure does not use a lag period	10, 18

Measure	Definition	Notes	Page
Average PI Award Percentage	The average 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	10, 19
Benefit Payments	Benefit costs paid (or Benefit payment) represent the amount paid to or on behalf of injured and ill workers	Includes LOE, Workers' Pension, Health Care, Future Economic Loss (FEL), Survivor Benefits, External Providers and NEL Excludes changes in benefit liabilities and claims administration costs	9, 18
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		12
Duration	The year-to-date percentage of injured or ill workers that continue to receive full or partial LOE benefits on the specified anniversary		9, 18
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		12
Legislative Obligations	Reimbursement to the Government of Ontario for Prevention (all administrative costs of the Occupational Health and Safety Act and Ministry of Labour prevention costs) and non-prevention (the Workplace Safety and Insurance Appeals Tribunal, the Office of the Worker Adviser and the Office of the Employer Adviser).		15
New Claims	The distribution of new registered claims by allowed and pending 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), fatalities and abandoned claims Pending claims are claims for which a decision has not yet been made Excludes amalgamated and PEIR (Program for Exposure Incident Reporting) claims	8, 17
Occupational Disease Fatalities	The number of allowed occupational disease fatal claims by decision date	By year of entitlement (regardless of injury year) Data is un-matured	10
Percentage of Claims in Integrated Health Care Programs	The percentage of claims that received a service from an integrated Health Care program versus all claims that received a direct Health Care service.	Integrated Health Care programs include: Low Back Examinations, Physician Case File Reviews, Programs of Care, RECs, Shoulder Assessments, and Specialty Clinic Programs Direct Health Care Services includes services that are provided directly to injured workers.	10, 19

Measure	Definition	Notes	Page
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, pre-1990, serious injury, fatality, withdrawn, abandoned and re-opened claims	14, 20
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	10, 19
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	12
Program Index – Account Management	The percentage of registered employers that are very satisfied or somewhat satisfied with the WSIB's account management processes	External survey results: index calculated using a straight average of eight measures equally weighted Schedule 1 and 2	13
Program Index – Employers **Program Index – Injured Workers**	The percentage of registered employers and injured workers that are very satisfied or somewhat satisfied with the WSIB's claims processes	External survey results: index calculated using a straight average of eight measures equally weighted Schedule 1 and 2	13
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 three months	9, 17
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	External survey results: index calculated using a straight average of nine measures equally weighted Schedule 1 and 2	13
Service Excellence Index – Employers **Service Excellence Index – Injured Workers**	The percentage of registered employers and injured workers that are very satisfied or somewhat satisfied with their interactions relating to claims	External survey results: index calculated using a straight average of 12 measures equally weighted Schedule 1 and 2	13
Sufficiency Ratio	The ratio of total assets of the WSIB, less non-controlling interests, to the total liabilities of the WSIB, as presented in the Sufficiency Statement, and is expressed as a percentage.		11

Measure	Definition	Notes	Page
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	8
Traumatic Fatalities	The number of allowed traumatic fatal claims in the period specified	By year of death Data is un-matured	10
Unfunded Liability (Sufficiency Basis)	The deficiency of net assets attributable to WSIB stakeholders as at the end of the reporting period. Valuations of assets and liabilities are based on actuarial valuations that are consistent with accepted actuarial practices for going concern valuations.	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	11
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	8
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 derived 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).	17

Workplace Safety & Insurance Board
Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail
Published: April 23, 2015