

WCB Update

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Workers compensation - protection for you and your workers

Why should you have workers' compensation coverage and what should you know about it? Here are some highlights on the protection provided for you and your workers.

What is workers' compensation ?

Workers' compensation is disability insurance that protects you and your workers from the impact of work injuries. It compensates your injured workers and/or their spouses for lost income, permanent impairment, death, medical and other costs due to work-related injuries or illnesses. The insurance protects you from being sued by workers who are injured or develop occupational diseases from their employment.

Directors, sole proprietors, partners or family members who work for them may not be covered by the provisions of The Workers Compensation Act or protected

If you're hurt at work, we're here to help.

COMPLINK

Complink is your link to WCB coverage, information, and support.

Call us at the Claim Information Centre if you're hurt at work. We've improved our claim reporting service to make it quicker and easier to report a claim.

So, if you're hurt at work, follow these three steps:

- 1 Get medical attention, and
- 2 Tell your employer, and
- 3 Call WCB Complink, 954-4100 or 1-800-363-3340, 8 am - 7 pm Mon - Fri

www.wcb.mb.ca

Heidi
Claim Information Centre Supervisor

from legal action resulting from workers' injuries. If in doubt, check your coverage by calling the WCB's Employer Services at 954-4567.

How does the WCB decide how much each employer pays for

workers' compensation ?

The WCB collects assessments from employers to cover the costs of insuring work-related injuries. You pay an assessment based on the insurable earnings of all your workers up to the maximum annual amount per worker. Your assessment rate is the cost of coverage per \$100 of assessable earnings. For details on employer assessments see page two.

Were any changes made to the way assessments were calculated for 2002?

Yes. Two changes, new risk categories (table 2, page 2) and an increase to the upper category rate change limit, were added in 2002. In 2001 a number of changes were made to link employers' claims experience more closely to what they pay for WCB coverage. Employers with good health and safety records are rewarded with lower rates and companies with poor records are charged more.

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2002 WCB Rate Setting at a Glance

Step 1

Establish a “Target Rate” for each employer – This is the rate an employer would be required to pay based on their accident costs from October 1 to September 30 if there were no limits within the rate setting model. (These limits are explained in steps 2,3,4 & 5.) Employers with no claims costs have a target rate of zero, however, an assessment rate would still apply because of the shared costs of their industry’s claims costs and the costs of administering the WCB system.

Step 2

Apply the annual basic rate change limit – An employer’s rate will increase or decrease if their accident costs continue to go up or down year after year.

For example, the first year an employer’s accident costs go down, their basic rate will decrease five percent. If their costs go down again in the second year their rate will decrease 10 percent and so on up to a twenty-five percent decrease in the fifth year. For 2001 rate setting, all firms started at the second year. (See Table 1).

Step 3

Apply the prediction change limit – The intent of the prediction change limit is to accelerate an employer’s movement toward their Target Rate. An additional 5% rate change (+ or -) is applied when an employer’s **frequency** of time loss accidents and **claims costs** are both higher or lower than the previous year. Points are assigned each time a claim reaches a certain duration within the rate setting time period, October 1 to September 30. The points are adjusted to reflect full time equivalent workers so that the employer is compared to an average employer with the same number of workers. (See Table 2)

Step 4

Apply the category rate range – All firms are assigned to one of 220 industry codes based on their business activities. Each industry code is assigned to one of nine risk categories based on five years of claim costs experience. Each risk category has a rate range from 40 percent below to 120 percent

above the category average rate. This step ensures employers’ rates do not go beyond the upper and lower limits of the risk category.

Step 5

Apply adjustment for each fatality
The actual cost of a fatality is removed from the employer’s accident experience and replaced by an average cost of \$250,000 which is then used to calculate the employer’s Target Rate. In addition, 25% of the employer’s prior year’s rate is added to their current rate. The rate of an employer that has a fatality at their workplace will not be restricted by the upper limit of their risk category rate range, however, the fatality adjustment **will not** take the employer beyond their Target Rate.

Step 6

Apply balancing adjustment – Before running the rate setting model, the WCB calculated how much revenue would be needed for claim costs and to operate the

Table 1 Annual Basic Rate Change Limit

Year	-	+
First*	5%	10%
Second	10%	20%
Third	15%	30%
Fourth	20%	40%
Fifth +	25%	50%

*First means the first year that a firm changes from a rate increase to a rate decrease.

Table 2 Prediction Index

Occurrence in 12 months ending Sept. 30	Points
Claim reaches 2 weeks time loss	1
Claim reaches 26 weeks time loss	Additional 1
Claim reaches 104 weeks time loss	Additional 4
Fatality	6

WCB system. Because of the limits within the model, it may not generate enough or may generate too much revenue. To ensure the WCB meets its revenue requirement, a final balancing adjustment is applied to all employers. The balancing adjustment can move an employer's rate outside of the risk category rate range. In 2002 the balancing adjustment is +1 percent.

Step 7

Apply safety association charge for specific industries – As a service, the WCB has agreed to collect revenue to fund the safety programs of four independent safety associations – Prairie Implements Manufacturers, Manitoba Heavy Construction, Winnipeg Construction and Manitoba Restaurant Association. The addition of the safety association charge may move an employer outside of the risk category rate range.

Step 8

Apply mid-year rate increase – WCB's revenue is generated by employer assessments and investment revenue. Decreasing investment revenue and a downturn in the Canadian economy have had a significant effect on the WCB investment portfolio.

Therefore, effective July 1, 2002 **all employers** will receive a 4.7% increase in their assessment rates. Although the rate increase is effective July 1, 2002 employers will not see the increase on their statements until October 2002.

What to do if your worker is injured

The employer is responsible for transporting the injured worker to the nearest location for medical treatment and for paying the cost of transportation.

The employer must report all workplace accidents to the WCB within five working days. If the WCB does not receive your injury report within five business days, your firm may be charged a penalty of \$150.

To report a claim:

- Call the WCB Claim Information Centre at 954-4100, or toll free at 1-800-362-3340; or
- Open the Employer's Accident Report form on the WCB's website at www.wcb.mb.ca in the "Filing a Claim" section; fill the report out online, then print and fax it to (204) 954-4999 or toll free 1-877-872-3804, or mail it to 333 Broadway, Winnipeg, Manitoba R3C 4W3.
- If you are interested in submitting your report through the internet please visit our website at www.wcb.mb.ca/oars for more information and to learn how to register to use this service.

The employer should keep in touch with the injured worker and help him or her return to work as quickly and as smoothly as possible. If modified duties are available, advise the injured worker and the WCB. We can then obtain medical information to determine if a return to modified duties would be appropriate.

Call for Proposals

The Workers Compensation Board of Manitoba, Community Initiatives and Research Program is seeking proposals from new or existing industry or community-based safety and health associations to establish new initiatives that would:

- a) develop and provide health and safety orientation, education and awareness programs for member employers and their supervisory staff; and
- b) implement workplace risk assessment and management programs; and
- c) develop and provide orientation and training programs (including advanced training) in safety and health for new and existing employees.

For a copy of the Request for Proposal contact Janice Meszaros, Manager, Community Initiatives & Research Program at:
(204) 954-4650
Fax 1-204-954-4995
E-Mail jmeszaro@wcb.mb.ca

Deadline for submissions: August 30, 2002

Report calls for WCB, WSHD to improve workplace safety culture in Manitoba

Review Committee aims to reduce injury rate by 25 percent over five years

Last year over 20 Manitobans were killed on the job, while more than 18,000 others missed work due to workplace injuries. In response to public outcry over such high injury rates, the Manitoba Government established the Workplace Safety and Health Review Committee.

The Committee, led by WCB Chairperson Wally Fox-Decent, developed *Building a Workplace Safety and Health Culture* - a blueprint that sets clear goals to reduce workplace injuries. In fact the report, derived from a series of public hearings held in 2001, aims to reduce the workplace time-loss injury rate by 25 percent over five years.

To achieve this goal, the report recommends that the government's Workplace Safety and Health Division (WSHD), in partnership with the WCB, lead a sustained effort to create a new, strong workplace safety culture in our province. The report also includes 62 specific recommendations to help ensure that the target of a 25 percent reduction in the time-loss injury rate is met.

“These recommendations are natural complements of our goal of minimizing the risk of injury and illness to Manitoba workers,” says WCB President and CEO Doug Sexsmith.

Of the recommendations, five are most pertinent to the WCB. The Review Committee proposes that the WCB:

- promote public awareness of safety and health issues;

- enhance training and education;
- develop strategies to improve the prevention and reporting of occupational diseases;
- use WCB data and methodologies to measure our progress; and
- build partnerships with others in the community – specifically the WSHD.

The WCB and WSHD will develop a joint planning process, including budgets and resources. The two organizations have met to begin creating this continuing link.

Among the many recommendations, the report also underscores the heightened risks faced by young workers. The WCB strongly supports safety and health training in the provincial school curriculum.

“The WCB looks forward to working with the Workplace Safety and Health Division, workers, employers and other partners to achieve the goals outlined by the Committee,” says Sexsmith.

“When implemented, the Committee’s recommendations will go a long way toward the creation of a sustained safety culture in Manitoba.”

Continued from page 1

How can I reduce my WCB assessments?

Effective health and safety programs lead to fewer accidents, fewer claims to the WCB and lower costs for everyone. When accidents happen, let the WCB know as soon as possible to ensure your workers quickly get the help they need to recover and get back to work.

You can call our Claim Information Centre at 954-4100 (toll free, 1-800-362-3340) and give us the information by phone. Also, work closely with the WCB adjudicator or case manager assigned to your firm to develop effective return to work plans.

A sound disability management program can lead to a reduction in lost work time, maintaining productivity, a reduction in the time between an injury and a worker’s safe return to work and a reduction in disability costs, including WCB assessments.

Check the WCB website at www.wcb.mb.ca under publications for our guides on occupational health and safety, and disability and risk management. The guides provide a list of resources that could help you develop safer workplaces and disability management programs.

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