

Workplace Safety and Insurance System Year-End Report 2006

April 2007

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INTRODUCTION

We've Changed

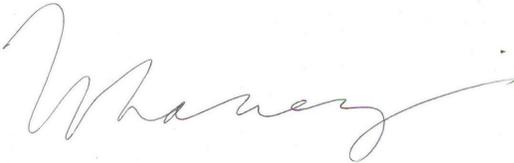
The Workplace Safety and Insurance System has changed its reporting process:

- A move from quarterly to semi-annual reporting
- A new format providing the information stakeholders said they want, in plain language
- A new set of performance measures, defined by stakeholders

This and future semi-annual reports will provide stakeholders with the information they need to better evaluate the health of the System, and to better provide System administrators with suggestions for continuous improvement. With every passing year, the information we provide will improve. We welcome and look forward to your feedback.

Sincerely,

Workplace Safety and Insurance System Coordinating Committee



William GR Lahey
Deputy Minister
Nova Scotia Environment and
Labour



H Ramsay Duff
Chair, Board of Directors
Workers' Compensation Board
of Nova Scotia

EXECUTIVE SUMMARY

Are Nova Scotian workers safer this year than last? Did fewer people get hurt on the job? If so, how long were they off work? Are we getting better or worse?

Statistics, initiatives, programs and strategies surrounding the issue of workplace safety are looking for an answer to the fundamental question: Is Nova Scotia's Workplace Safety and Insurance System (WSIS) working?

This report is meant to answer that question by providing a snapshot of where the System is today. This year we are better able to answer that question than ever before, due to the outstanding cooperation and participation from all stakeholders.

Throughout last year WSIS stakeholder groups worked to come up with a set of key indicators to measure how well the System is working - injury rate, time to return to work (i.e. duration), and stakeholder satisfaction with program delivery and System governance to name a few.

This year we can all share in the satisfaction of knowing that our System did improve, and cooperation between stakeholders allows us to pass along the specific improvement numbers before we hold our Annual General Meeting. Providing this information beforehand enables us to all be more engaged at the meeting; we can think about what questions we want to ask and be prepared to participate in an important dialogue.

Some notable statistics for the year include: 140,000 fewer days lost to injury, a reduction of 13% from last year; a 7% drop in the total injury rate; an improved return to work rate led to savings of \$4.5 million in short-term disability payments. All of this was achieved while maintaining the satisfaction levels with those injured workers and employers we serve.

Creating a safety culture in Nova Scotia is our shared goal. Clearly, understanding how to properly measure if and how our System is working is essential to reaching that goal. Having engaged, active participation from all stakeholders is the only way to move our goal from theory to practice.

So is the System working? Yes, but there is still a long way for us to go. Only with all parts of the System working in concert can we make Nova Scotia's safety culture a reality.

BACKGROUND

The WSIS is Nova Scotia's collaborative partnership of government, agencies, advisory groups, working groups and those that the System serves (workers and employers).

Workers and employers play an integral role in the WSIS by providing valuable input to the System's strategic planning and performance measurement processes. Agencies, in turn, are responsible to evaluate stakeholder expectations and feedback in the context of operational realities – to determine what is possible and/or what is required to better satisfy stakeholder needs. A System Coordinating Committee (CC) performs a role of oversight – ensuring that stakeholders and partners work together toward common goals. For a detailed description of the System's structure and key stakeholders refer to the WSIS Strategic Plan (available from any of the four partner agencies or on the WSIS website www.wsis.ns.ca).

Together all players maintain and evolve the System in a way that continuously strives to balance stakeholder needs and ensure that the services it provides are available to workers and employers in the future.

Our **mission** is to work together to help keep people healthy and safe at work, to insure against loss and to support workers' rehabilitation. We strive to be fair, open and responsible in everything we do.

Our shared **vision** is, "Safe, healthy workplaces for Nova Scotians, and sustainable safety and insurance services".

Our **goals**:

1. Improve outcomes for workers and employers;
2. Improve service delivery;
3. Ensure effective governance of the System; and
4. Ensure financial sustainability of the System.

Our vision is the destination point that we steer toward; our goals the guide posts that help us get there. This report examines our progress in 2006 along the path to that vision by evaluating progress on System-level initiatives and results for System performance measures.

The following agency-specific performance reports can be obtained from the respective agencies (for contact information, see Appendix A):

- Occupational Health and Safety Division Annual Report (available from the Nova Scotia Department of Environment and Labour, Occupational Health and Safety Division)
- Workers' Advisers Program Quarterly Report (available from the Nova Scotia Department of Environment and Labour, Workers' Advisers Program)
- Workers' Compensation Appeals Tribunal Annual Report (available from the Workers' Compensation Appeals Tribunal)
- Workers' Compensation Board Annual Report (available from the Workers' Compensation Board)

PROGRESS TO PLAN

System Initiatives

As part of 2003's original strategic planning process a list of initiatives was identified in support of achieving the stated goals and objectives. For a complete list of those initiatives and the status of each refer to Appendix B. During 2006 notable progress was made in a number of areas.

Injury Prevention

Key activity carried out in 2006 included employer workshops, prepared and delivered jointly by agency partners. Two social marketing campaigns were completed – one targeted to young workers and the other to the general public. As well, a diving strategy to improve compliance with industry standards was delivered; and a multi-year plan for regulation review was implemented to address significant health and safety risks.

Employer Account Look Up (i.e. MyAccount)

To date we have launched three releases of the MyAccount online tool. This is a new service delivery channel that provides employers with online access to claims data, rate breakdowns, assessment payments and payroll history, business tools such as industry comparisons and links to prevention information. To date, over 4,300 employers have registered and are able to submit some forms electronically to the WCB. This has led to increased self reliance and satisfaction. The take-up rate from employers has exceeded project targets and user feedback has been very positive.

Measurement and Targets

During 2006, the System Goals Advisory Committee (SGAC) provided a recommendation of System performance measures. During 2007 they will develop recommended targets.

Health Care Partnerships

The WCB is working with physicians in Nova Scotia to enhance safe and timely return to work by endorsing best practices in occupational medicine. The initiative involves educating physicians about the workers' compensation system and return to work and clarifying their role in the process. The WCB-led initiative has two components: an enhanced working relationship with physicians through a new partnership which requires physicians to provide the WCB with critical information required for return to work management; and the facilitation of an Enhanced Physician Services, physicians with additional expertise and experience in occupational medicine to assist with an injured worker's safe and timely return to work. The Enhanced Physician Service came into effect in December 2006.

Issues Resolution

Toward decreasing the litigiousness of the System and improving service delivery, the Issues Resolution Working Group (IRWG) accomplished a number of initiatives during 2006, some of which include:

- The establishment of an issues appeals discussion group, resulting in the creation of a joint reference manual that will be published and used by all agencies and stakeholders as a training and research tool
- Collaboration among partner agencies regarding training and development of best practice for the effective management of chronic pain claims and appeals
- A joint training committee designed and set up sessions on evaluating evidence, assessment, chronic pain conditions and treatment, suicide prevention and tiered services
- Joint scheduling of appeals continues to be effective
- Early assistance/case conferencing – work began to develop a system to allow issue resolution as early as possible in the claim/appeal process
- Attendance of meetings with worker, employer and stakeholder groups

System Performance

System performance is monitored on an on-going basis, the results used by stakeholders and agencies alike to gauge the health of the System, measure progress towards achievement of our vision and to identify what parts of our plan are working or not. For a comprehensive description of our performance measurement methodology refer to Appendix D.

2006 saw progress with regard to a number of System performance measures. Those of particular note are discussed here. For a complete report on all measures refer to Appendix C.

Injury Rate

Nova Scotia's injury rate is showing improvement with a 7% decrease, 2006 over 2005. However, it is still high – one of the highest in the country at 2.66 injuries per \$100 of payroll at year-end 2006.

Duration

A decrease in durations 2006 over 2005 resulted in 140,000 less time-loss days in 2006 and nearly \$4.5M saved in short-term disability claims.

Stakeholder Awareness of the Importance of Workplace Health and Safety

Awareness has held steady over the past five years, varying between a low of 79% in 2003 and a high of 87% in 2005. 2006 year-end awareness is 83%.

Decisions Overturned on Appeal

In 2006, the WCB received 31,810 claims. Of those 2,318 were brought to Internal Appeals and 160 were overturned by the Internal Appeals Hearing Officer. Of the 2,318 brought to Internal Appeals 1,037 moved on to the Workers' Compensation Appeals Tribunal (WCAT). Of those 681 were resolved, of which 254 were overturned. 12 of the 1,037 brought to the WCAT ultimately went on to the Nova Scotia Court of Appeal.

In 2006, the OHS Division issued in excess of 6,500 orders and decisions. Of those, 14 appeals of officers' orders were filed, and 7 appeals of the Director's decisions were filed. There were no appeals of Appeal Board decisions to the Nova Scotia Court of Appeal. The overturn rate of officers' decisions was approximately 53% and of the Director was approximately 10%.

Percentage Funded

In response to a System-wide focus on reduced costs through reduced injury and more safe and timely return to work, as well as a sound investment strategy and changes in the legislative framework, funding of the WCB has improved from 27% in 1994 to 81% in 2006. As a result, the System is on track to be fully funded by the year 2016. However, based on Generally Accepted Accounting Principles (GAAP) for investments, there is high potential for volatility.

Average Assessment Rate

Nova Scotia currently has the second-highest average assessment rate in the country (2006 year-end at \$2.63), just ahead of Newfoundland and Labrador. This is predominantly due to the high incidence of injury in the province and long durations coupled with the legacy of the unfunded liability.

COMPLIANCE WITH STATUTORY REQUIREMENT

For each WSIS year-end period, the four agencies (OHS, WAP, WCAT and WCB) publicly report the results of their monitoring of compliance for the year. For 2006, each of the four agencies is in compliance with its respective legislation. To reference the full compliance report please refer to www.wsis.ns.ca, under the 'Reports' tab, or contact any of the four agencies directly (see Appendix A for contact information).

WHERE TO FROM HERE

By measures of progress, 2006 was a successful year: we moved forward on a number of System-level initiatives; improvement was seen on many key performance measures. However, there is still much to be done.

In preparation for the May 15th 2007 Annual General Meeting, stakeholders will have available to them a new version of the multi-year WSIS Strategic Plan. In the coming months, we will engage stakeholders in a process to identify and discuss initiatives in support of that plan.

Members of the SGAC will continue their focus on the evolution of our System performance measures and the establishment of targets, with an aim to share with a broader audience of stakeholders in the fall of 2007. Also coming in the fall will be a mid-year report with highlights on the first part of 2007.

APPENDIX A:
WORKPLACE SAFETY AND INSURANCE
SYSTEM – AGENCY CONTACT
INFORMATION

OHS Division, Department of Environment and Labour

5151 Terminal Rd.
P.O. Box 697
Halifax NS, B3J 2T8

(902)424-5400
Toll Free: 1 (800) 952-2687
www.gov.ns.ca/enla/healthandsafety

Workers' Advisers Program

5670 Spring Garden Rd., Suite 502
P.O. Box 1063
Halifax NS, B3J 2X1

(902)424-5050
Toll Free: 1(800)774-4712
www.gov.ns.ca/enla/wap

Workers' Compensation Appeals Tribunal

5670 Spring Garden Rd., Suite 1002
Halifax NS, B3J 1H6

(902)424-2250
Toll Free: 1(800)274-8281
www.gov.ns.ca/wcat

Workers' Compensation Board of Nova Scotia

HALIFAX OFFICE

5668 South St.
P.O. Box 1150
Halifax NS, B3J 2Y2

(902)491-8999
Toll Free: 1(800)870-3331
www.wcb.ns.ca

**APPENDIX B:
WORKPLACE SAFETY AND INSURANCE
SYSTEM – INITIATIVES TABLE**

WSIS INITIATIVES – PROGRESS TO DATE

GOAL: IMPROVE OUTCOMES FOR WORKERS AND EMPLOYERS

INITIATIVE	STATUS
REDUCE INJURY RATE	
Social Marketing campaign	Ongoing and operational
Core Curriculum	Ongoing and operational
Youth Education program	Ongoing and operational
Explore options for Certification of Trainers program	Not being pursued at this time
Employer Account Look Up	Ongoing and operational
Develop industry support networks	Ongoing and operational
Investigate experience rating range	Not being pursued at this time
Develop new safety incentive program	Program rolled out in Q4 2005 and implemented in 2006
Develop safety audit program	Ongoing and operational
Develop disincentive program	Ongoing and operational
Diving Strategy	Operational
Workplace Violence Strategy	Ongoing and operational
IRS improvements	In progress
RETURN TO WORK	
Develop baseline measurement and set targets	Baseline measures and targets established based on current measurement approach; will revisit once new return-to-work model is complete
Develop survey tool for return-to-work	Incorporated into an overall review of the stakeholder survey methodology (2006)
Develop strategy and train staff to educate employers	In progress; will be integrated with prevention and return-to-work redesign efforts
Consult stakeholders and train staff in best practices	In progress; will be addressed in the delivery model for return-to-work; further best practice work to occur in future
Improve management of service provider contracts	New physiotherapy contracts implemented September 2005; new contract with Drs. NS effective December 2006; other healthcare disciplines to follow
Explore certificate in Occupational Health	In progress
Support Disability Prevention and Management course	In progress; primary care physicians trained by the American College of Occupational and Environmental Medicine June 2005
Educate physicians on return-to-work	Ongoing

GOAL: IMPROVE SERVICE DELIVERY

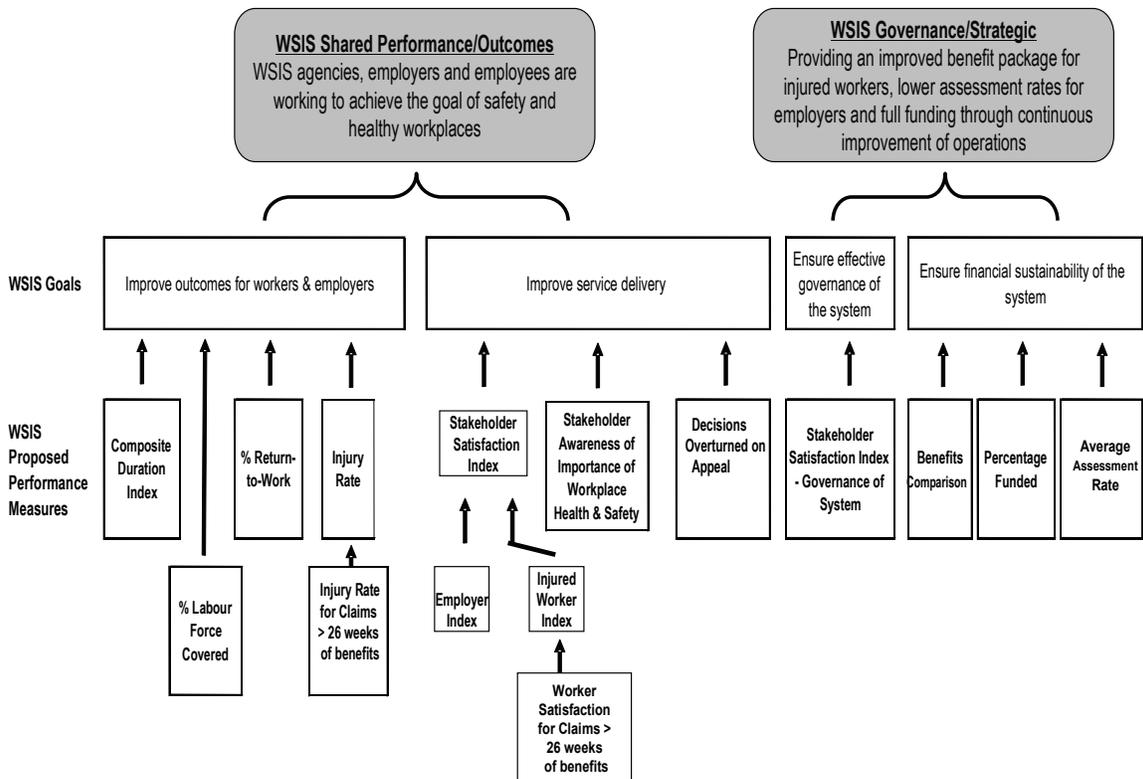
INITIATIVE	STATUS
ACCESSIBILITY	
Youth education program	Ongoing
Regional workshops	Ongoing
New service channels	Ongoing
Investigate integrated telephone inquiry service	To be investigated as part of the Service Delivery Model 2007 project
Determine reading level of clients	To be investigated as part of the Service Delivery Model 2007 project
Develop plan for communicating with special needs clients	To be investigated as part of the Service Delivery Model 2007 project
Inquiry Service Funding / Support	Ongoing
ISSUE RESOLUTION	
Joint working group to explore new forms of issue resolution	Ongoing
Develop opportunities for joint agency training	Ongoing
Provide WAP with access to expedited services	Assigned to the Issues Resolution Working Group

COMPLETED INITIATIVES

INITIATIVE	STATUS
Produce quarterly agency reports	Complete; since changed to bi-annual at suggestion of SGAC
Collaborate with Medical Society (i.e. website)	Complete, 4 th Quarter 2003
Organize first WSIS Annual General Meeting	Completed, Q2 2004 and conducted as an annual event
Develop policy for stakeholder consultation	Presented to BoD Q1 2004
Establish inter-agency policy forum	Complete, Q1 2004
OHS grant program	Complete, Q2 2005
Establish System Performance Measures group	Complete, recommendation provided July 2005
Create System website	Phase 1 complete Q4 2004
Develop priority employer program	Complete, Q4 2005 and now operational
Implement most effective delivery model for RTW	Monitoring began Q3 2005
Develop single document describing System	Incorporated into the WSIS website

APPENDIX C:
WORKPLACE SAFETY AND INSURANCE
SYSTEM – PERFORMANCE MEASUREMENT
RESULTS 2006

WSIS Performance Measures



Target Setting Process

Over the past year, the SGAC has focused on defining appropriate System measures and establishing baselines in order to understand opportunities for change or improvement to the System to better serve our stakeholders. The focus is at the system level rather than the individual agency level.

The SGAC has been engaged in analysis and reporting of System measures and determining the feasibility of long-term targets. This process will use historical data to establish a current baseline. We have also engaged in consultation with external stakeholders and the agencies to research, validate and test some proposed targets. The OH&S Advisory Council and the WCB Board of Directors have begun to review some of the targets. Once drafted, we anticipate the next round of consultation will be used to validate the measures and proposed targets.

Although the target setting process is not yet complete, we expect the targets to be fairly aggressive in some instances signaling a desire for a significant shift from the status quo. We also expect them to be longer term (5 years) rather than shorter term (1 year).

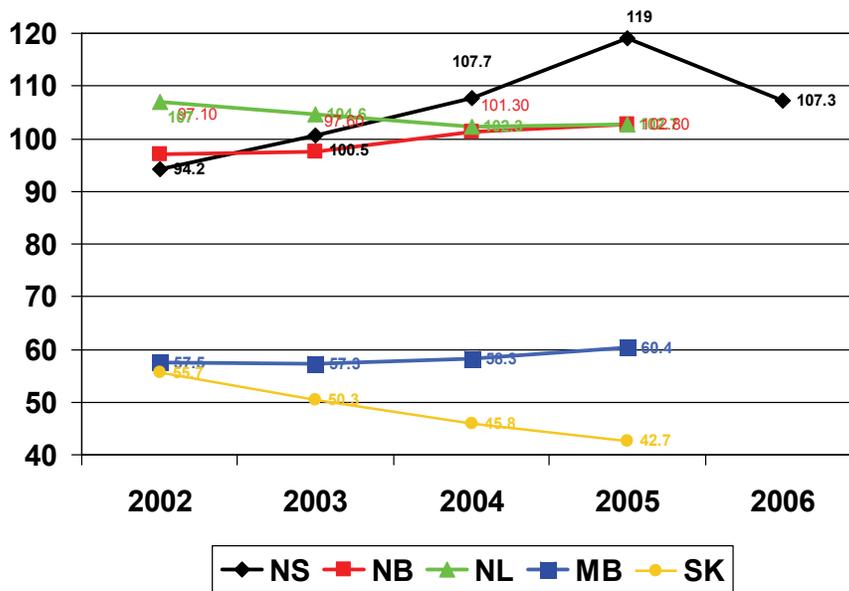
The WSIS will report on targets next year and in the interim SGAC will continue to explore the feasibility of the targets. Targets will not be published until there has been consultation with stakeholders at the fall session and subsequent sign-off by the Coordinating Committee. This committee needs some time to weigh targets and discuss their achievability with the HAC.

Goal: Improve Outcomes for Workers and Employers

Performance Measure: Duration Index

Provides a summary indication of the length of time to resolve claims, including the most serious claims that may extend over a long period of time. This measure indicates the effectiveness of return to work efforts and disability management. This reflects the number of days lost from work.

Historical Performance:

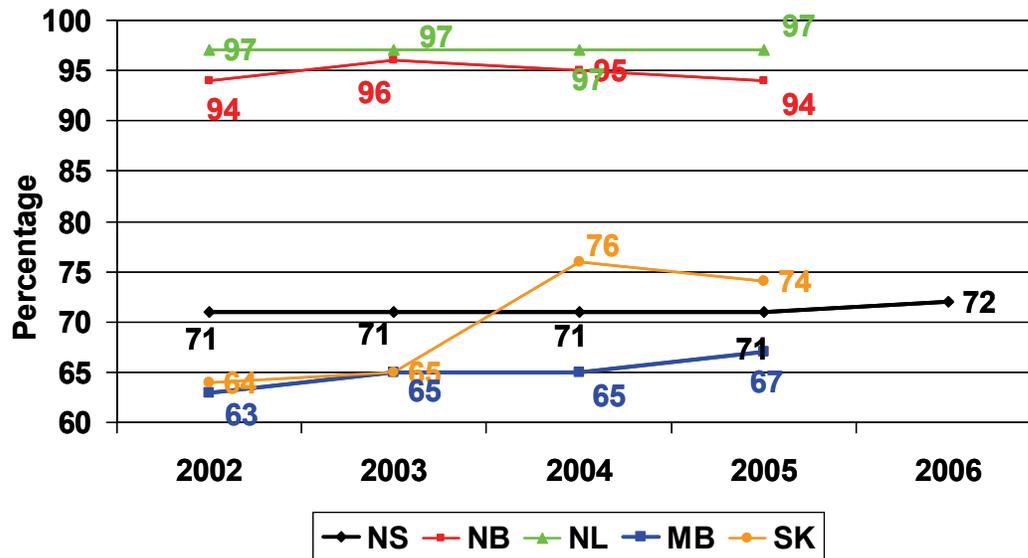


Goal: Improve Outcomes for Workers and Employers

Performance Measure: Percentage of Labour Force Covered

Measures the proportion of the employed labour force that is eligible for benefits under the provincial, territorial and federal workers' compensation system.

Historical Performance:

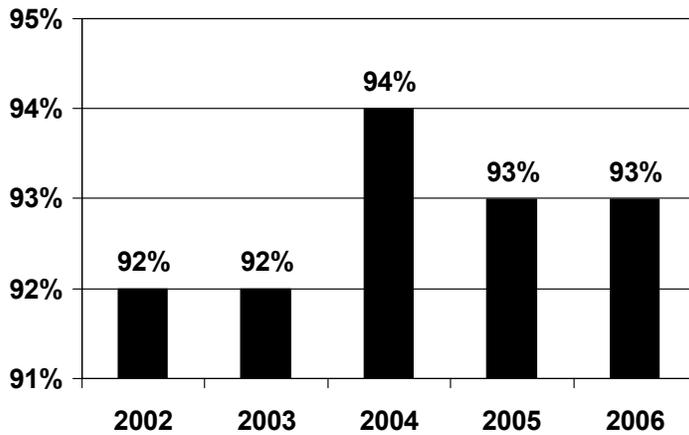


Goal: Improve Outcomes for Workers and Employers

Performance Measure: Percentage Return to Work at 100% Pre-injury Earnings

Measures the percentage of injured workers returning to work at 100% of pre-injury earnings.

Historical Performance:

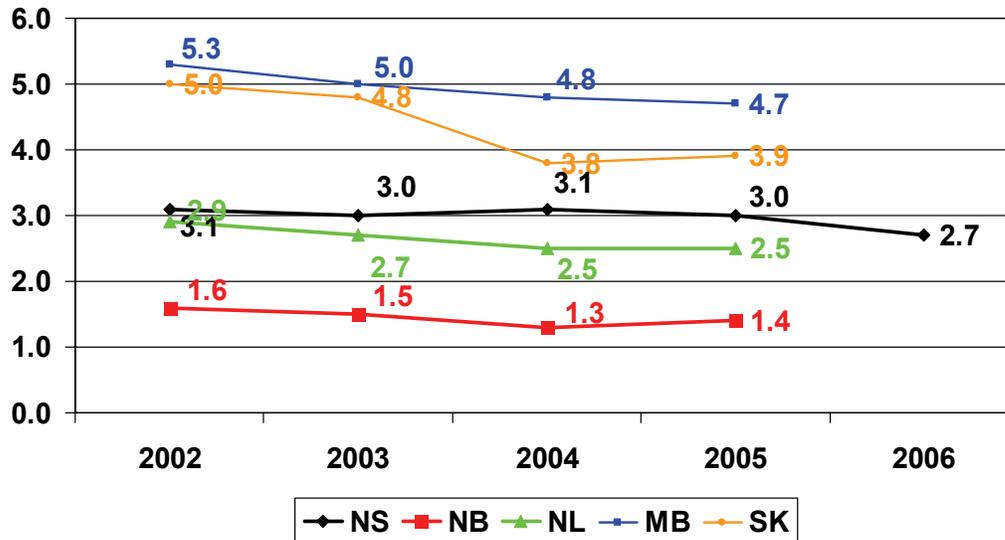


Goal: Improve Outcomes for Workers and Employers

Performance Measure: Injury Rate

Measures the risk of workplace injury for workers in each jurisdiction in terms of the proportion of workers who suffer a lost-time work injury.

Historical Performance:



Performance Measure: Injury Rate for Injured Workers Where Short-Term Disability Benefits Exceed 26 Weeks

Measures the risk of workplace injury for workers in each jurisdiction in terms of the proportion of workers who suffer a lost-time work injury and received short-term disability benefits exceeding 26 weeks.

Historical Performance:

2006: **0.18%** (based on 2 months maturation)

2005: **0.24%** (based on 2 months maturation)

2005: **0.36%** (based on 6 months maturation)

Based on 2005 data, approximately 10% of injured workers suffer a lost-time injury where short-term disability payments exceed 26 weeks.

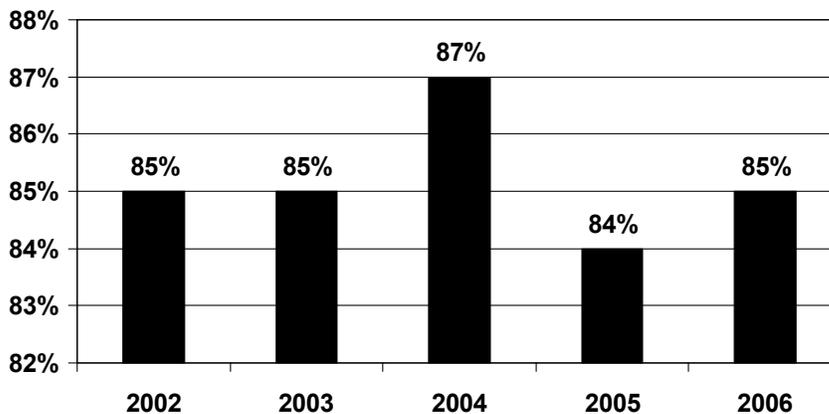
Goal: Improve Service Delivery

Performance Measure: Stakeholder Satisfaction Index – Program Delivery

Injured Worker Satisfaction Index

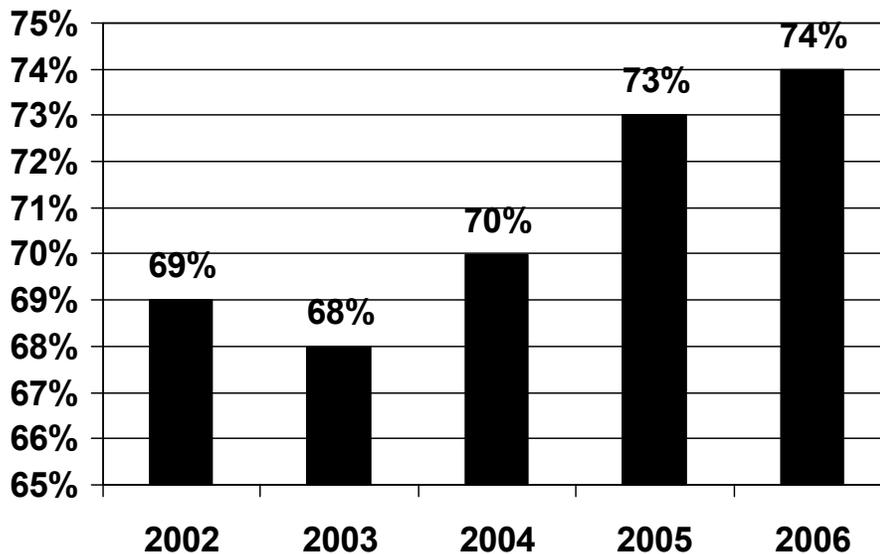
Provides an overall rating of satisfaction of injured workers with the services they received from the Workplace Safety and Insurance System. In the future, the results for all four agencies will be reported separately. The historical performance below is the result based on the responses to the survey questions “treated fairly, outcome, employee effectiveness, ability to answer questions, respect, flexible, and understands needs” which are questions that analysis has indicated drive injured worker satisfaction.

Historical Performance:



Employer Satisfaction Index

Provides an overall rating of satisfaction of employers with the services they received from the Workplace Safety and Insurance System. In the future, the results for all four agencies will be reported separately. The historical performance below is the result based on the responses to “ability to answer questions, employee effectiveness, and treated fairly” which are questions that analysis has indicated drive employer satisfaction.



The WCB is currently developing a new satisfaction index measure (based on a roll-up of a number of drivers) to determine how the WCB is satisfying the priorities of stakeholders. The goal is to develop a satisfaction index for injured workers and employers that has sound statistical properties, broad acceptability, and reflective of the determinants of overall satisfaction. The new measure weights the drivers of satisfaction which can be validated on a regular basis. Recently focus groups have been conducted to determine stakeholder priorities. New survey questions are currently being developed in accordance with the new index.

Goal: Improve Service Delivery

Performance Measure: Satisfaction Index for Injured Workers Where Short-Term Disability Benefits Exceed 26 Weeks

Provides an overall rating of satisfaction of injured workers, where short-term disability benefits exceed 26 weeks, with the services and outcomes they received from the Workplace Safety and Insurance System. The intent of the survey is to determine if the satisfaction rating of these workers differ from the overall injured worker population.

Historical Performance:

This is a new measure. Based on the survey and index methodology discussed above, results will be measured and a baseline will be determined in 2007 for future years. Other agencies' survey results will be included in subsequent reports.

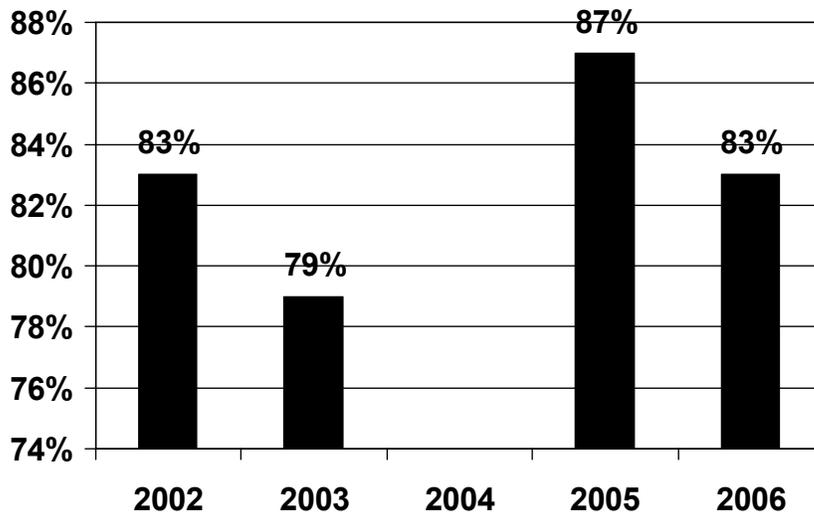
Goal: Improve Service Delivery

Performance Measure: Stakeholder Awareness of Importance of Workplace Health & Safety

Gauge whether Nova Scotians are recognizing health and safety as an important workplace issue.

A future measure may look at the amount of participation in training programs, but we cannot currently measure participation. The Heads of Agencies will be encouraged to develop and track this measure. An index may be the most appropriate way to measure awareness with a series of questions such as how many employers have a Certificate of Recognition and/ or a combination of questions from the Omnibus survey.

Historical Performance:

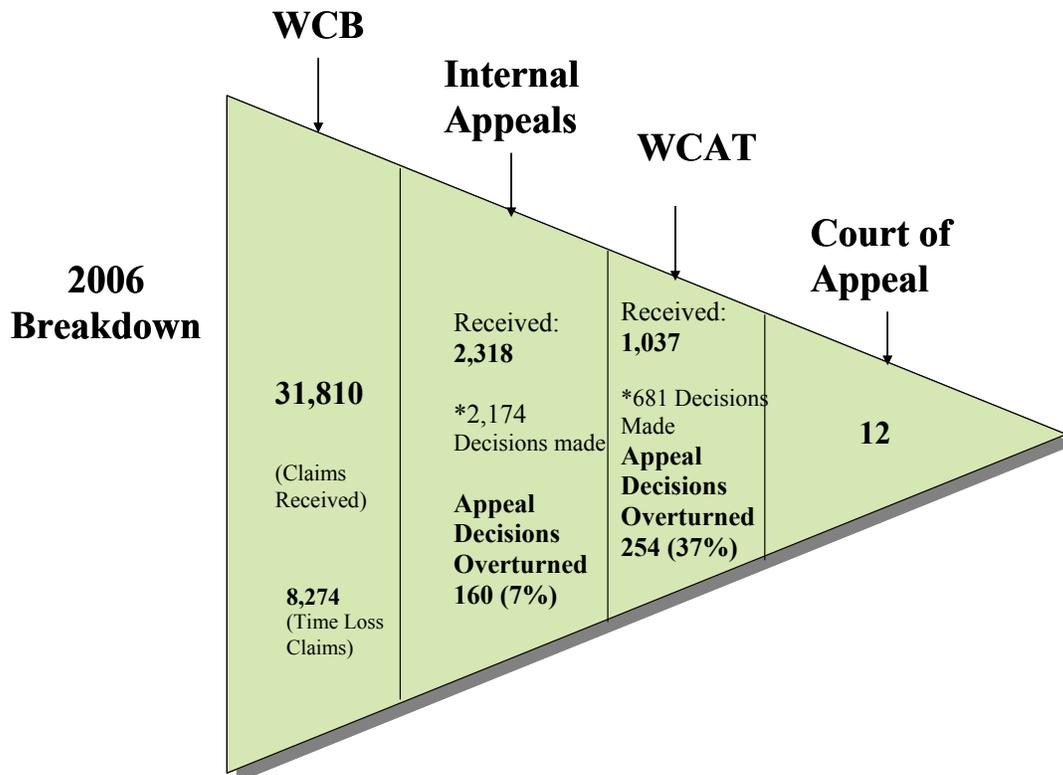


Goal: Improve Service Delivery

Performance Measure: Decisions Overturned on Appeal

Measure of how often decisions are challenged.

Historical Performance:



* The difference between the appeals received at each level and the decisions made are those appeals that are still in progress and have yet to be decided.

Goal: Ensure Effective Governance of the System

Performance Measure: Stakeholder Satisfaction Index

Provide an overall rating of satisfaction of injured workers and employers with the overall direction of the Workplace Safety and Insurance System. The Committee is considering an index measure would be most suitable looking at some factors as follows: Whether consultations occur, quality of documentation, accessibility of documents, reports to the community, whether regular meetings occur, whether performance measures are reported out, and satisfaction with governance changes based on a survey of key stakeholders.

Historical Performance:

This is a new measure. The results will be measured using this survey and a baseline will be determined in 2007 for future years.

Goal: Ensure Financial Sustainability of the System

Performance Measure: Benefit Comparison

Table C.1 provide a summary comparison of the “package” of benefits provided within the workers’ compensation system. The Benefit Comparison incorporates the following components:

1. Percentage of Earnings Covered – Long term
2. Fatality Benefits Other than Pensions – Immediate Lump Sum
3. Maximum Earnings Covered
4. Annuity – Retirement Benefit
5. Consumer Price Index or Average Industrial Wage Index – Inflation Protection
6. Waiting Period for Benefits
7. Canada Pension Plan Offset Reduction for Earnings Loss Benefits
8. Supplementary Benefits for Low Income Workers

Table C.2 indicates the benefit amounts available under various earnings and claim duration scenarios.

Table C.1 Comparison of Compensation Benefits

Index Area	NS	NB	NL	MB	SK
Component	Description	Description	Description	Description	Description
Waiting period	2/5ths	3/5ths	No	No	No
CPP offset for earnings loss benefit	Yes, 50% is offset	Yes	Yes, 75% of net CPP benefits is offset	Yes	Yes, after 12 months of loss of earnings capacity, 50%
Percentage of earnings covered: Long-term	85% of net	85% loss of earnings	80% of net	80% of net	90% of net
Fatal benefits other than pensions - immediate lump sum	\$15,000 at date of death	None	\$15,000 or 26 times the worker's avg weekly net earnings at time of injury, whichever is greater	\$60,490	None
Maximum Earnings covered	\$46,700	\$53,200	\$48,425	no maximum	\$55,000
Average PMI/PIB	8.4%	11.8%	10.01%	6.8%	10.74%
Annuity	Yes, 5% extended earnings replacement benefit	Yes, 5% extended earnings replacement benefit	Worker paid a pension replacement benefit at age 65 if loss of a pension benefit due to compensable injury can be proven.	Yes, 5% extended earnings replacement benefit	Yes, 5% extended earnings replacement benefit
CPI Index or AIW index	Yes, 1/2 of CPI	Yes, CPI	Yes, CPI	Yes, AIW	Yes, CPI
Supplementary Benefits	Yes	No	No	No	No

Table C.2 Benefits Amounts under Various Earnings and Duration Scenarios

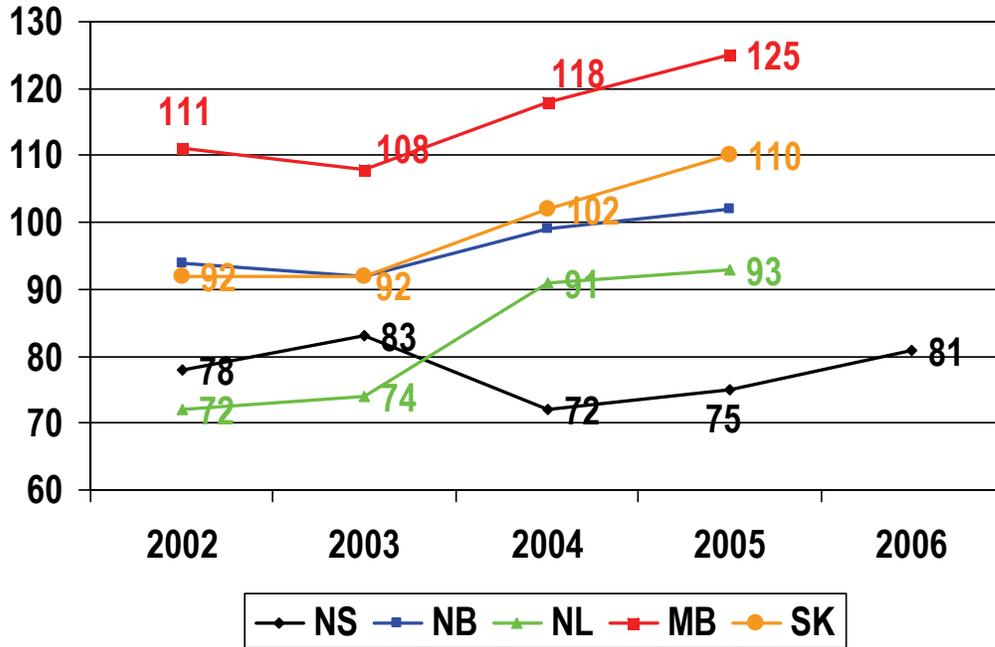
Annual Earnings	Claim Duration (weeks)	NS		NB		MB		NL		SK	
		Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt	Weekly Benefit Amt
\$11,000	2	75% of Net	\$87.35 (1 st week benefit)	85% of Net	\$66.60 (1 st week of benefit)	100% of Net	\$185.48	80% of Net	\$154.50	90% of Net	(min) \$324.77
	6	75% of Net	\$145.58	85% of Net	\$166.49	100% of Net	\$185.48	80% of Net	\$154.50	90% of Net	(min) \$324.77
	52	85% of Net	\$164.99	85% of Net	\$166.49	100% of Net	\$185.48	80% of Net	\$154.50	90% of Net	(min) \$324.77
\$34,000	2	75% of Net	\$225.52 (1 st week benefit)	85% of Net	\$169.76 (1 st week of benefit)	90% of Net	\$432.32	80% of Net	\$394.77	90% of Net	\$496.12
	6	75% of Net	\$375.86	85% of Net	\$424.40	90% of Net	\$432.32	80% of Net	\$394.77	90% of Net	\$496.12
	52	85% of Net	\$425.98	85% of Net	\$424.40	90% of Net	\$432.32	80% of Net	\$394.77	90% of Net	\$496.12
\$55,000	2	75% of Net	\$292.75 (1 st week benefit)	85% of Net	\$242.30 (1 st week of benefit)	90% of Net	\$658.78	80% of Net	\$528.31	90% of Net	\$688.61
	6	75% of Net	\$487.91	85% of Net	\$605.74	90% of Net	\$658.78	80% of Net	\$528.31	90% of Net	\$688.61
	52	85% of Net (max \$46,700)	\$552.97	85% of Net (max \$53,200)	\$605.74	90% of Net (no max)	\$658.78	80% of Net (max \$48,425)	\$528.31	90% of Net (max \$55,000)	\$688.61

Goal: Ensure Financial Sustainability of the System

Performance measure: Percentage Funded

Measures the overall financial health of the system.

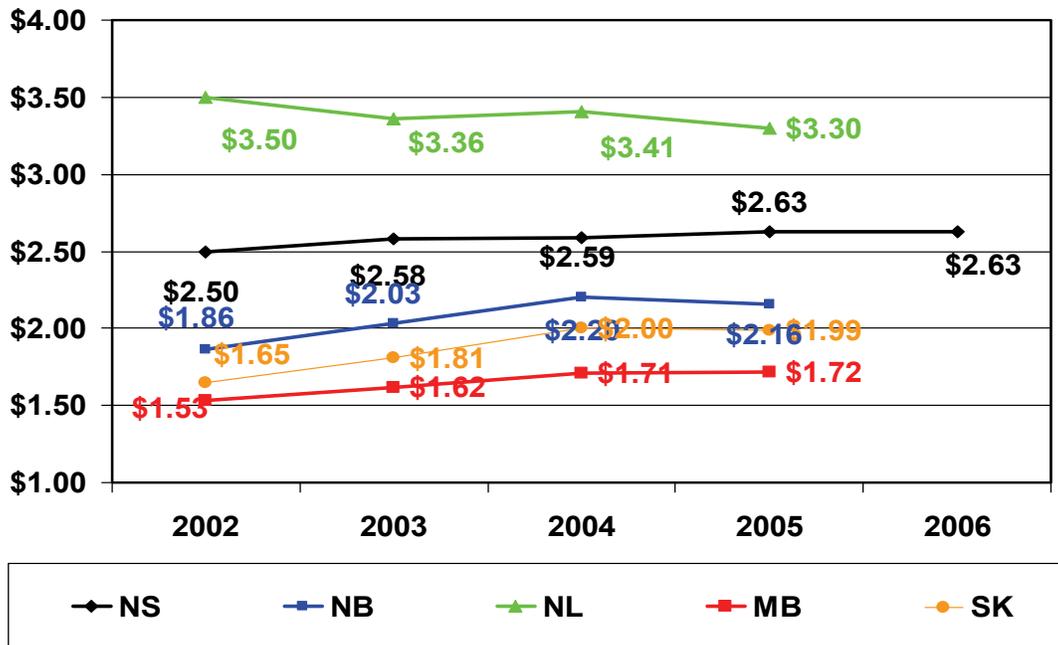
Historical Performance:



Performance Measure: Average Assessment Rate

To measure the average assessment rate actually collected from insured employers.

Historical Performance:



APPENDIX D:
WORKPLACE SAFETY AND INSURANCE
SYSTEM – PERFORMANCE MEASUREMENT
METHODOLOGY

System Performance Measures Definition

Definition Process

Performance measures for the WSIS are defined in direct correlation with the System's goals. For a complete list of goals and objectives refer to Table D.1.

Table D.1 - WSIS GOALS AND OBJECTIVES

Improve outcomes for workers and employers
Reduce Workplace Injury
<ol style="list-style-type: none">1. Increase worker and employer awareness and knowledge of rights, responsibilities, risks and best practice related to illness and injury prevention2. Encourage positive health and safety attitudes and behaviours3. Increase compliance with legislative standards and the adoption of best practice4. Improve health and safety outcomes
Return to Work
<ol style="list-style-type: none">1. Ensure safe and timely return to work2. Improve the satisfaction of injured workers and employers with their return to work experience3. Increase awareness of the benefits of safe and timely return to work
Improve service delivery
Accessibility of Information and Information Sharing
<ol style="list-style-type: none">1. Increase awareness and understanding of the system2. Increase accessibility of service3. Increase accessibility of information
Issue Resolution
<ol style="list-style-type: none">1. Issue the correct decision the first time2. Increase the understandability of letters and decisions3. Increase the efficiency of issue resolution4. Increase worker and employer involvement in decision-making5. Increase the fairness of the System

Table D.1 - WSIS GOALS AND OBJECTIVES(Cont'd)

Ensure effective governance of the System
Formal Accountability Structure
<ol style="list-style-type: none">1. Establish an on-going agency committee to oversee the day-to-day implementation of the System plan2. Produce agency quarterly reports and a semi-annual update on the System plan
Stakeholder Consultation
<ol style="list-style-type: none">1. Increase stakeholders' understanding of how they can influence policy/corporate decisions2. Improve stakeholders' level of satisfaction with the meaningful opportunities they have to provide input into the policy development process, including inter-agency consultation3. Adhere to agreed-to consultation process for policy development4. Improve stakeholders' level of satisfaction with the meaningful opportunities they have to provide input into corporate decisions for the Workplace Safety and Insurance System
Ensure financial sustainability of the System
<ol style="list-style-type: none">1. Full funding as outlined in the Funding Strategy2. In the event of surplus funds in any given year, discuss gains sharing opportunities to: increase benefits for injured workers; reduce employer assessment rates; and/or expedite retirement of the unfunded liability

Which measures are used to monitor system performance is heavily influenced by stakeholders through the System Goals Advisory Committee (SGAC). The SGAC recommends measures and targets to the partner agencies in the form of the Heads of Agencies Committee (HAC). Once agreement is reached, it is those measures that are monitored by agency employees and stakeholders alike. Currently agreed-upon measures are depicted in Figure D.1.

Performance is reported to stakeholders semi-annually – a Mid-Year Performance report in the fall (prior to the fall stakeholder consultation session) and a Year-End Performance report in the spring (prior to the Annual General Meeting (AGM)). Reports are intended to provide stakeholders with the information necessary to determine whether their expectations are being met and to provide partner agencies with valuable feedback.

Measures Description

Goal: Improve Outcomes for Workers and Employers

Duration Index

The AWCBC methodology to calculate 'Composite Duration' is used. It is defined as the total number of calendar days compensated for short-term disability over the first five calendar years of duration/lifetime of a typical lost-time claim.

Short-term disability benefits are all income benefits during the initial period after the injury, before the injury has stabilized, plateaued or consolidated. This measure includes chronic pain claims in the Transitional Services Unit.

Percentage of Labour Force Covered

This measure is defined as the following:

$$\text{Percentage of workforce covered} = C/P \times 100$$

Where $C = C1 + C2$ and $C1$ = number of workers of assessable employers or self-employed workers opting for coverage

$C2$ = number of workers of self-insured employers (workers of the Government of Canada and the Province of NS)

P is the reference population. This is the "employed labour force" published by Statistics Canada.

Percentage Return to Work at 100% Pre-injury Earnings

The Return to work measure is based on closed claims. If a claim is closed for whatever reason, it is included in the denominator of the calculation. The numerator is simply the denominator reduced by the sum of claims awarded an Extended Earnings Replacement Benefit (EERB) and the number of claims with outcome codes indicating no return to work or no suitable return to work. Claims with an Estimated Potential Earnings Ability (deemed claims) are given one of these outcome codes and therefore would be excluded from the numerator. Deemed claims are included in the denominator, but not in the numerator, therefore they are not in the 93% return to work number; rather they would fall within the 7% that did not return to work. Workers with deemed earnings are not included as having returned to work. They are included in the group that did not return to work.

Injury Rate

The AWCBC calculation is used where the injury rate is defined as follows:

$$N / C1 \times 100$$

Where N = total number of new lost-time claims for insured employers

C1 = number of workers of insured employers or self-employed workers opting for coverage.

This measure differs slightly from the WCB Annual Report measure which looks at the rate of injury for all covered employers.

Injury Rate for Injured Workers Where Short-Term Disability Benefits Exceed 26 Weeks

The AWCBC calculation is used where the injury rate is defined as follows:

$$N / C1 \times 100$$

Where N = total number of new lost-time claims for insured employers for injured workers that have received short-term disability benefits in excess of 26 weeks.

C1 = number of workers of insured employers or self-employed workers opting for coverage

To be complete, the benefit payment information must be matured six months following year end to allow for those claims registered at the end of the year to potentially reach the 26 week mark.

Goal: Improve Service Delivery

Stakeholder Satisfaction Index – Program Delivery

To be developed.

Injured Worker Satisfaction Index

Current WCB Measure: An independent third party research firm is hired to randomly survey current injured workers. The results are grouped based on the responses to the survey questions regarding the following:

- Treated fairly
- Outcome
- Employee effectiveness
- Ability to answer questions
- Respect
- Flexible
- Understands needs

Analysis has indicated that these questions are linked to injured worker satisfaction. Approximately 1,600 workers with a compensable time loss injury (medium and high risk injuries only) completed the survey, resulting in a confidence level of 95%.

Employer Satisfaction Index – Program Delivery

Current WCB Measure: An independent third party research firm is contracted to randomly survey current employers. The results are grouped based on the responses to the survey questions regarding the following:

- Ability to answer questions
- Employee effectiveness
- Treated fairly

Analysis has indicated that these questions are linked to employer satisfaction. Approximately, 1,000 employers are annually surveyed.

Program Effectiveness for Injured Workers Where Short-Term Disability Benefits Exceed 26 Weeks

An independent third party research firm will be hired to randomly survey current injured workers where benefit payments exceeds 26 weeks. The responses will be rolled up based on a number of drivers to determine how each agency is satisfying the priorities of these injured workers and to determine if there are any differences in the results as compared to the overall injured worker population. A satisfaction index will be developed that has sound statistical properties, broad acceptability, and is reflective of the overall determinants of satisfaction. The measure will weight these drivers and they will be validated on a regular basis. New survey questions will be under development in accordance with this new index.

Stakeholder Awareness of Importance of Workplace Health & Safety

This measures the percentage of Nova Scotians responding “critically important” or “important” to the question “How important is Occupational Health & Safety to you in your day to day work?” as part of the Atlantic Omnibus Survey. A future measure may look at the amount of participation in training programs, but we cannot currently measure participation. Heads of Agencies will be encouraged to develop and track this measure. It has been suggested that an index may be the most appropriate way to measure awareness with a series of questions such as how many employers have a ‘Certificate of Recognition’ or a combination of questions from the current Omnibus survey.

Decisions Overturned on Appeal

The overturn rate of appeal decisions issued by the Workers’ Compensation Appeals Tribunal (WCAT) and WCB Internal Appeals.

Goal: Ensure Effective Governance of the System

Stakeholder Satisfaction Index - Governance

An independent third party research firm will be hired to survey stakeholders to determine overall satisfaction with the direction of the Workplace Health and Insurance System. The responses will be rolled-up based on a number of indices to determine the priorities of stakeholders. Survey questions will be drafted with potential questions such as the following:

- Do you feel heard by the system
- Do you believe you have had an opportunity to express your concerns to the system
- Is the system making progress
- Do you believe you have been consulted about the direction of the system

Goal: Ensure Financial Sustainability of the System

Percentage Funded

This measure is the ratio of total assets to total liabilities x 100; updated annually based on audited financial statements.

Benefit Comparison

Under development.

Average Assessment Rate

Total assessment revenue for the year (including experience rating adjustments and other adjustments) divided by assessable payroll for the fiscal year for all rate assessed, insured employers. The measure is expressed per \$100 of assessable payroll.