

KSM Definition Review (May 2016)

For Committee Approval

Overview

At the May 2015 CFO Meeting, it was decided that the [KSM Definitions](#) should be reviewed for readability and consistency.

This document compares current KSM Definitions to proposed draft revisions.

In general, the following changes were made when drafting the proposed revisions:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier for reader (particularly KSM submitter) to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM (if KSM has a formula).
- Removed excess wording in Intent of Measures and KSM names (e.g. change name “Number of Claims Reported” to “Claims Reported”, etc).
- Shortened “Intent of Measure” to “Intent”.
- Shortened KSM Names to save space in [Detailed KSM Report](#) table. (e.g. removing detail provided in the Definition itself such as “Excludes admin costs” or “for Assessable Employers”)
- Where appropriate, moved detailed text from Intent section to Definition or Calculation sections.
- Edited for plain language where appropriate (taking into account that many KSMs require technical explanation)
- Cleaned up consistent terminology use and formatting throughout (e.g. always use “Lost Time Claims”)
- If the definition referred to another KSM, linked to that KSM

Below are our current KSM Definitions compared to proposed revisions for each KSM. For each KSM, there is a rationale for the changes. Also, when drafting revisions, some KSMs presented specific questions that require Committee feedback. These questions are presented at the end of each KSM. There is also an [Appendix](#) which groups all questions required to be answered by the Committee.

The KSMs below are listed in numerical order. It is recommended that the revised definitions be presented on AWCBC’s website under category headings in the order they appear in the [Detailed KSM Report](#). There could also be an option to sort Definitions by KSM number or by category.

1. Number of Claims Reported

Current Definition	Proposed Revision
KSM Name	KSM Name
Number of Claims Reported	Claims Reported
Intent of Measure	Intent
To measure the volume of claims reported reflecting adjudicative activity for the year.	To measure adjudicative activity.
Definition	Definition
Number of new claims reported within the reference year regardless of injury year.	<i>No change.</i>
Calculation	Calculation
Includes all lost-time, no lost-time, health care only, occupational disease and fatal claims. Count self-insurer claims and Inter-Jurisdictional Agreement claims where reported. Count only those claims that have been assigned a claim number by the end of the reference year.	<p><i>Includes:</i></p> <ul style="list-style-type: none"> • all lost time, no lost time, healthcare only, occupational disease and fatality claims reported in the reference year regardless of injury year • claims for assessable and self-insured employers • Interjurisdictional Agreement claims where reported <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • claims that have not been assigned a claim number by the end of the reference year

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Removed excess wording.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.

2. Total number of Lost-Time Claims

Current Definition	Proposed Revision
KSM Name	KSM Name
Total number of Lost-Time Claims	Total Lost Time Claims
Intent of Measure	Intent
<p>To measure the volume of compensated lost-time claims resulting from injuries, which occurred in the reference year, and diseases, which were diagnosed/reported in the reference year. Also a system cost driver.</p>	<p>To measure the volume of compensated Lost Time Claims resulting from injuries and diseases. Also a system cost driver.</p>
Definition	Definition
<p>A lost-time claim is a claim where an employee is compensated for a loss of wages following a work-related injury (or exposure to noxious substance), or receives compensation for a permanent disability with or without any time lost in his or her employment (for example, if an employee is compensated for a loss of hearing resulting from excessive noise in the work place). For assessable and self-insured employers.</p>	<p>A Lost Time Claim is when a worker: (a) is compensated for a loss of wages following a work-related injury or disease; or (b) receives compensation for a permanent disability with or without any time lost in his or her employment.</p>
Calculation	Calculation
<p>The standard reference period for reporting lost-time claims statistics is the calendar year. This KSM counts lost-time injuries which occurred in the reference year (or which were reported/diagnosed in the case of disease) which were accepted for payment during the reference year, or the three-month period immediately following the reference year. Note: This is consistent with the definition used for the National Work Injuries Statistics Program (NWISP).</p>	<p><i>Includes:</i></p> <ul style="list-style-type: none"> • claims where a worker is compensated for a loss of wages following a work-related injury (or exposure to noxious substance) • claims where a worker receives compensation for a permanent disability with or without any time lost in his or her employment (for example, if a worker is compensated for a loss of hearing resulting from excessive noise in the workplace) • only Lost Time Claims within the reference period (below) • assessable and self-insured employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • claims without compensation to the worker for a loss of wages or permanent disability • healthcare only claims <p><i>Reference Period:</i></p> <ul style="list-style-type: none"> • This KSM counts Lost Time Claims which (a) occurred in the reference year (or which were reported/diagnosed in the case of disease); and (b) which were accepted for payment during the reference year, or the three-month period immediately following the reference year. <p><i>Formula:</i></p> <p>A + B, where:</p> <ul style="list-style-type: none"> A = Lost Time Claims for Assessable Employers (KSM #2.1) B = Lost Time Claims for Self-Insured Employers (KSM #2.2). <p>Note: This is consistent with the definition used for the National Work Injuries Statistics Program (NWISP).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Removed excess wording (which is included in the Calculation section).

Definition: Reworded. Moved some technical text into Calculation. Enumerated for clarity.

Calculation:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.
- Highlighted Reference Period and enumerated for clarity.
- Moved some detailed text from Intent and Definition to Calculation.

2.1. Number of New Lost-Time Claims for Assessable employers

Current Definition	Proposed Revision
KSM Name	KSM Name
Number of New Lost-Time Claims for Assessable employers	Lost Time Claims for Assessable Employers
Intent of Measure	Intent
To measure the volume of compensated lost-time claims resulting from injuries, which occurred in the reference year, and diseases, which were diagnosed/reported in the reference year. Also a system cost driver.	To identify, among Total Lost Time Claims, how many are related to assessable employers.
Definition	Definition
A lost-time claim is a claim where an employee is compensated for a loss of wages following a work-related injury (or exposure to noxious substance), or receives compensation for a permanent disability with or without any time lost in his or her employment (for example, if an employee is compensated for a loss of hearing resulting from excessive noise in the work place). For assessable employers only.	Number of Total Lost Time Claims (KSM #2) related to assessable employers.
Calculation	Calculation
The standard reference period for reporting lost-time claims statistics is the calendar year. This KSM counts lost-time injuries which occurred in the reference year (or which were reported/diagnosed in the case of disease) which were accepted for payment during the reference year, or the three-month period immediately following the reference year. Note: This is consistent with the definition used for the National Work Injuries Statistics Program (NWISP).	<p><i>Includes:</i></p> <ul style="list-style-type: none"> only the portion of Total Lost Time Claims (KSM #2) related to assessable employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> the portion of Total Lost Time Claims (KSM #2) related to self-insured employers <p>Note: The total of Lost Time Claims for Assessable Employers (KSM #2.1) and Lost Time Claims for Self-Insured Employers (KSM #2.2) must equal Total Lost Time Claims (KSM #2).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded. Removed excess wording (which is included in the Calculation section of Total Lost Time Claims (KSM#2)).

Definition: Reworded. Removed excess wording (which is included in the Calculation section of Total Lost Time Claims (KSM#2)). Added link.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Removed excess wording (which is included in the Calculation section of Total Lost Time Claims (KSM#2)). Added links.

2.2. Number of New Lost-Time Claims for Self-Insured employers

Current Definition	Proposed Revision
KSM Name	KSM Name
Number of New Lost-Time Claims for Self-Insured employers	Lost Time Claims for Self-Insured Employers
Intent of Measure	Intent
To measure the volume of compensated lost-time claims resulting from injuries, which occurred in the reference year, and diseases, which were diagnosed/reported in the reference year. Also a system cost driver.	To identify, among Total Lost Time Claims, how many are related to self-insured employers.
Definition	Definition
A lost-time claim is a claim where an employee is compensated for a loss of wages following a work-related injury (or exposure to noxious substance), or receives compensation for a permanent disability with or without any time lost in his or her employment (for example, if an employee is compensated for a loss of hearing resulting from excessive noise in the work place). For self-insured employers only.	Number of Total Lost Time Claims (KSM #2) related to self-insured employers.
Calculation	Calculation
The standard reference period for reporting lost-time claims statistics is the calendar year. This KSM counts lost-time injuries which occurred in the reference year (or which were reported/diagnosed in the case of disease) which were accepted for payment during the reference year, or the three-month period immediately following the reference year. Note: This is consistent with the definition used for the National Work Injuries Statistics Program (NWISP).	<p><i>Includes:</i></p> <ul style="list-style-type: none"> only the portion of Total Lost Time Claims (KSM #2) related to self-insured employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> the portion of Total Lost Time Claims (KSM #2) related to assessable employers <p>Note: The total of Lost Time Claims for Assessable Employers (KSM #2.1) and Lost Time Claims for Self-Insured Employers (KSM #2.2) must equal Total Lost Time Claims (KSM #2).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded. Removed excess wording (which is included in the Calculation section of Total Lost Time Claims (KSM#2)).

Definition: Reworded. Removed excess wording (which is included in the Calculation section of Total Lost Time Claims (KSM#2)). Added link.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Removed excess wording (which is included in the Calculation section of Total Lost Time Claims (KSM#2)). Added links.

3. Number of Fatalities Accepted

Current Definition	Proposed Revision
KSM Name	KSM Name
Number of Fatalities Accepted	Fatalities Accepted
Intent of Measure	Intent
To measure in aggregate the most serious workplace injuries within the system. Useful for monitoring trends.	To measure the most serious workplace injuries and occupational diseases.
Definition	Definition
A fatality is a death resulting from a work-related incident(including disease) that has been accepted for compensation by a Board/Commission.	<i>No change.</i>
Calculation	Calculation
A fatality is recorded during the year when the claim was accepted by a Board/Commission, not the year when the incident causing the death occurred. Note: This is consistent with the definition used for the National Work Injuries Statistics Program (NWISP).	<p><i>Reference Period:</i></p> <ul style="list-style-type: none"> A Fatality is recorded during the year when the claim was accepted by a Board/Commission, not the year when the incident causing the death occurred. <p><i>Formula:</i></p> <p>A + B, where:</p> <p>A = Fatalities Accepted – Occupational Disease (KSM #3.1) B = Fatalities Accepted - Injury (KSM #3.2).</p> <p>Note: This is consistent with the definition used for the National Work Injuries Statistics Program (NWISP).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Removed excess wording. Added reference to “occupational diseases”.

Calculation: Added Reference Period. Added the formula used to calculate the KSM. Added links.

Question for Committee related to this KSM:

Okay to add specific reference to occupational disease in Definition?

3.1. Number of Fatalities Accepted - Occupational Disease

Current Definition	Proposed Revision
KSM Name	KSM Name
Number of Fatalities Accepted - Occupational Disease	Fatalities Accepted - Occupational Disease
Intent of Measure	Intent
To identify, among the accepted fatalities reported in KSM 3, how many result from an occupational disease.	To identify, among Fatalities Accepted, how many result from an occupational disease.
Definition	Definition
Number of accepted fatalities that are related to occupational disease.	Number of Fatalities Accepted (KSM #3) that are related to occupational disease.
Calculation	Calculation
<p>If a jurisdiction already separates KSM3.1 and KSM3.2 for any publication, those figures are used. Each jurisdiction uses its own definition of Occupational Disease.</p> <p>Note: The total of KSM3.1 (Occupational Disease) and KSM3.2 (Injury) must equal KSM 3.</p>	<p>If a jurisdiction already separates fatalities into occupational diseases and/or injury for any publication, those figures are used. Each jurisdiction uses its own definition of occupational disease.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> only the portion of Fatalities Accepted (KSM #3) related to occupational disease <p><i>Excludes:</i></p> <ul style="list-style-type: none"> the portion of Fatalities Accepted (KSM #3) related to injury <p>Note: The total of Fatalities Accepted - Occupational Disease (KSM #3.1) and Fatalities Accepted - Injury (KSM #3.2) must equal Fatalities Accepted (KSM #3).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Removed excess wording.

Definition: Reworded. Added link.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Added links.

3.2. Number of Fatalities Accepted - Injury

Current Definition	Proposed Revision
KSM Name	KSM Name
Number of Fatalities Accepted - Injury	Fatalities Accepted - Injury
Intent of Measure	Intent
To identify, among the accepted fatalities reported in KSM 3, how many result from a work injury.	To identify, among Fatalities Accepted, how many result from a work injury (as opposed to an occupational disease).
Definition	Definition
Number of accepted fatalities involving work-related incidents or injuries.	Number of Fatalities Accepted (KSM #3) involving work-related incidents or injuries (as opposed to occupational diseases).
Calculation	Calculation
<p>If a jurisdiction already separates KSM3.1 and KSM3.2 for any publication, those figures are used.</p> <p>Note: The total of KSM3.1 (Occupational Disease) and KSM3.2 (Injury) must equal KSM 3.</p>	<p>If a jurisdiction already separates fatalities into occupational diseases and/or injury for any publication, those figures are used.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> only the portion of Fatalities Accepted (KSM #3) related to injury <p><i>Excludes:</i></p> <ul style="list-style-type: none"> the portion of Fatalities Accepted (KSM #3) related to occupational disease <p>Note: The total of Fatalities Accepted - Occupational Disease (KSM #3.1) and Fatalities Accepted - Injury (KSM #3.2) must equal Fatalities Accepted (KSM #3).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded.

Definition: Reworded. Added link.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Added links.

4. Current Year Benefit Costs Incurred (\$millions)

NOTE: This KSM only exists for 1996 -1998. In 1999, it was split out into assessable (KSM 4.1) and self-insured (KSM 4.2). During the recent KSM Review, KSM 4.2 (self-insured) was discontinued. So, we are left with KSM 4 (Current Year Benefit Costs Incurred) for years 1996-1998 and KSM 4.1 (Current Year Benefit Costs Incurred for Assessable Employers) for years 1999 to present.

Current Definition	Proposed Revision
KSM Name	KSM Name
Current Year Benefit Costs Incurred (\$millions)	Current Year Benefit Costs (\$ millions)
Intent of Measure	Intent
Definition	Definition
As of 1999, KSM 4 (Current Year Benefit Costs Incurred) was split out into assessable and self-insured employers. See KSM 4.1 and 4.2.	As of 1999, Current Year Benefit Costs Incurred (KSM #4) was split out into assessable employers only. See Current Year Benefit Costs Incurred for Assessable Employers (KSM #4.1).
Calculation	Calculation

Rationale for changes:

KSM Name: Removed “Incurred”.

Definition: Removed reference to KSM 4.2 (self-insured) which was discontinued. Added link.

Questions for Committee related to this KSM:

1. To reduce the number of KSMs, should this be absorbed into KSM 4.1 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only?
2. Can we remove “Incurred” from name?

4.1. Current Year Benefit Costs Incurred for Assessable employers. Excludes admin. costs (\$millions)

Current Definition	Proposed Revision
<p>KSM Name</p> <p>Current Year Benefit Costs Incurred for Assessable employers. Excludes admin. costs (\$millions)</p>	<p>KSM Name</p> <p>Current Year Benefit Costs (\$ millions)</p>
<p>Intent of Measure</p> <p>To measure the cost of benefits related to injuries and diseases that occurred in the year.</p>	<p>Intent</p> <p><i>No change.</i></p>
<p>Definition</p> <p>Total benefit costs incurred for injuries that occurred in the reference year and diseases that were reported/diagnosed in the reference year. For assessable employers only.</p>	<p>Definition</p> <p>Total benefit costs incurred for injuries that occurred in the reference year and diseases that were reported/diagnosed in the reference year. For assessable employers only. Excludes administration costs.</p>
<p>Calculation</p> <p>The cost is composed of two items: (1) the payments made during the year for the injuries that occurred in the reference year and diseases that were reported/diagnosed in the reference year, and (2) the benefits liabilities related to those injuries and diseases at December 31 of the year. Includes all benefits (i.e. short-term disability, long-term disability, survivors' benefits, healthcare and rehabilitation services). Excludes any administration expense.</p>	<p>Calculation</p> <p>The cost is composed of two items: (1) the payments made during the year for injuries that occurred in the reference year and diseases that were reported/diagnosed in the reference year; and (2) the benefits liabilities related to those injuries and diseases at December 31 of the year.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • all benefits (i.e. short-term disability, long-term disability, survivors' benefits, healthcare and rehabilitation services) <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • any administration expense • self-insured employers • latent occupational diseases yet to be reported/diagnosed <p>Note: For years 1996 – 1998, this KSM may include self-insured employers. For years 1999 to present, this KSM is for assessable employers only.</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “Incurred”. Removed reference to assessable employers, which is in Definition. Removed “Excludes admin costs” which is in Definition.

Definition: Added “excludes administration costs” (moved from KSM name).

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Added note for 1996-1998 if merged with KSM 4. Added a specific exclusion for “Latent occupational diseases yet to be reported/diagnosed,”

Questions for Committee related to this KSM:

- 1) **To reduce the number of KSMs, should this KSM absorb KSM 4 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only? KSM would be renumbered as simply KSM 4 as there are no longer any sub-KSMs.**
- 2) **Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM? (* self-insured related KSM was discontinued)**
- 3) **Can we remove “Incurred” from name?**
- 4) **In Calculation, can we add specific exclusion for “Latent occupational diseases yet to be reported/diagnosed”?**

5. Benefit Payments for All Years Paid During the Year. Excludes admin. Costs (\$millions)

NOTE: This KSM only exists for 1996 -1998. In 1999, it was split out into assessable (KSM 5.1) and self-insured (KSM 5.2). During the recent KSM Review, KSM 5.2 (self-insured) was discontinued. So, we are left with KSM 5 (Benefit Payments for All Years Paid During the Year) for years 1996-1998 and KSM 5.1 (Benefit Payments for All Years Paid During the Year for Assessable Employers) for years 1999 to present.

Current Definition	Proposed Revision
KSM Name	KSM Name
Benefit Payments for All Years Paid During the Year. Excludes admin. Costs (\$millions)	Benefits Paid During the Year (\$ millions)
Intent of Measure	Intent
Definition	Definition
As of 1999, KSM 5 (Benefit Payments for All Years Paid During the Year) was split out into assessable and self-insured employers. See KSM 5.1 and 5.2.	As of 1999, Benefit Payments for All Years Paid During the Year (KSM #5) was split out into assessable employers only. See Benefit Payments for All Years Paid During the Year for Assessable Employers (KSM #5.1).
Calculation	Calculation

Rationale for changes:

KSM Name: Removed “Excludes admin. Costs”. Removed “for All Years”. Name shortened to Benefits Paid During the Year.

Definition: Removed reference to KSM 5.2 (self-insured) which was discontinued. Added link.

Questions for Committee related to this KSM:

- 1) To reduce the number of KSMs, should this be absorbed into KSM 5.1 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only?
- 2) For KSM 5 and 5.1, do we need “for All Years” in the name?

5.1. Benefit Payments for All Years Paid During the Year for Assessable employers. Excludes admin. Costs (\$millions)

Current Definition	Proposed Revision
<p>KSM Name</p> <p>Benefit Payments for All Years Paid During the Year for Assessable employers. Excludes admin. Costs (\$millions)</p>	<p>KSM Name</p> <p>Benefits Paid During the Year (\$ millions)</p>
<p>Intent of Measure</p> <p>To measure payments made for compensation during the year.</p>	<p>Intent</p> <p>To measure benefit payments made during the financial year (for claims of all current and prior injury years).</p>
<p>Definition</p> <p>Total benefit payments made, for current and prior injury years, for all benefits types (i.e. short-term disability, long-term disability, survivors' benefits, healthcare and rehabilitation services) as reported in Annual Report. For assessable employers only.</p>	<p>Definition</p> <p>Total benefit payments made, for current and prior injury years, for all benefits types (i.e. short-term disability, long-term disability, survivors' benefits, healthcare and rehabilitation services) as reported in the Annual Report. For assessable employers only. Excludes administration costs.</p>
<p>Calculation</p> <p>Total amount of benefits paid for assessable employers. The data is generally available in the financial statements note concerning benefit liabilities. Excludes any administration expense. Includes the costs of treatment and direct services to injured workers provided by rehabilitation centers managed by the Board/Commission. Excludes self-insured employers.</p>	<p>Calculation</p> <p>Total amount of benefits paid for assessable employers. The data is generally available in the financial statements' note concerning benefit liabilities.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • all benefits types (i.e. short-term disability, long-term disability, survivors' benefits, healthcare and rehabilitation services) as reported in the Annual Report • current and prior injury years • the costs of treatment and direct services to injured workers provided by rehabilitation centres managed by the Board/Commission <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • any administration expense • self-insured employers <p>Note: For years 1996 – 1998, this KSM may include self-insured employers. For years 1999 to present, this KSM is for assessable employers only.</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed reference to assessable employers, which is in Definition. Removed “Excludes admin costs” which is in Definition. Removed “for all Years”. Name shortened to Benefits Paid During the Year.

Intent: Reworded. Added reference to current and prior years.

Definition: Added “excludes administration costs” (moved from KSM name).

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Added note for 1996-1998 if merged with KSM 5.

Question for Committee related to this KSM:

- 1) **To reduce the number of KSMS, should this KSM absorb KSM 5 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only? KSM would be renumbered as simply KSM 5 as there are no longer any sub-KSMs.**
- 2) **Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM? (*self-insured related KSM was discontinued)**
- 3) **For KSM 5 and 5.1, do we need “for all Years” in the name?**

6. Benefit Costs Incurred - excludes admin. costs (\$millions)

Current Definition	Proposed Revision
KSM Name	KSM Name
Benefit Costs Incurred - excludes admin. costs (\$millions)	Benefit Costs Incurred (\$ millions)
Intent of Measure	Intent
To measure the expenditure in the statement of revenues and expenditures directly related to the compensation system.	<i>No change.</i>
Definition	Definition
Amount of expenditure with respect to benefits paid to injured workers incurred in the reference year as reported in the Annual Report.	Benefit costs incurred in the reference year, for current and previous years' claims, as reported in the Annual Report. Excludes administration costs.
Calculation	Calculation
This is the sum of two elements: (1) all payments made during the year for the injuries and diseases irrespective of the year in which they occurred, and (2) the difference between the liabilities as at December 31 of the reference year and the liabilities of the prior reference year. Benefits types are short-term disability, long-term disability, survivors' benefits, healthcare and rehabilitation services, including commuted values which are incurred. Excludes any administration expense. Data of self-insured employers should be included as long as liabilities are calculated for these employers and this should be disclosed in a footnote.	<p><i>Includes:</i></p> <ul style="list-style-type: none"> • short-term disability, long-term disability, survivors' benefits, healthcare and rehabilitation services, including commuted values which are incurred • current and prior injury years <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • any administration expense • latent occupational diseases yet to be reported/diagnosed • data of self-insured employers <u>unless</u> their liabilities are calculated (this should be disclosed in a footnote). <p><i>Formula:</i></p> <p>This is the sum of two elements: A + B, where:</p> <p style="padding-left: 40px;">A = all payments made during the year for injuries and diseases regardless of the year in which they occurred; and</p> <p style="padding-left: 40px;">B = the difference between the liabilities as at December 31 of the reference year and the liabilities of the prior reference year.</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “excludes admin costs” which is in Definition and Calculation.

Definition: Reworded. Added reference to current and previous years’ claims to distinguish between KSM 4.1.

Calculation: Added specific inclusion that “current and prior years” are included, to distinguish between KSM 4.1. Added specific exclusion for latent occupational diseases yet to be reported/diagnosed. Added exclusion for self-insured employers unless their liabilities are calculated. Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted formula.

Questions for Committee related to this KSM:

- 1) **Instead of including self-insured employers whose liabilities are calculated, should we simply exclude SI employers altogether from this KSM, to be coherent with the other financial KSMs (4, 5 and 7)?**
- 2) **In Calculation, can we add specific exclusion for “Latent occupational diseases yet to be reported/diagnosed”?**

7. Total Benefit Liabilities. Excludes admin. costs (\$millions)

NOTE: This KSM only exists for 1996 -1998. In 1999, it was split out into assessable (KSM 7.1) and self-insured (KSM 7.2). During the recent KSM Review, KSM 7.2 (self-insured) was discontinued. So, we are left with KSM 7 (Total Benefit Liabilities) for years 1996-1998 and KSM 7.1 (Total Benefit Liabilities for Assessable Employers) for years 1999 to present.

Current Definition	Proposed Revision
KSM Name	KSM Name
Total Benefit Liabilities. Excludes admin. costs (\$millions)	Benefit Liabilities (\$ millions)
Intent of Measure	Intent
Definition	Definition
As of 1999, KSM 7 (Total Benefit Liabilities) was split out into assessable and self-insured employers. See KSM 7.1 and 7.2.	As of 1999, Total Benefit Liabilities (KSM #7) was split out into assessable employers only. See Total Benefit Liabilities for Assessable Employers (KSM #7.1).
Calculation	Calculation

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “Excludes admin. Costs”.

Definition: Removed reference to KSM 7.2 (self-insured) which was discontinued. Added link.

Question for Committee related to this KSM:

To reduce the number of KSMs, should this be absorbed into KSM 7.1 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only?

7.1. Total Benefit Liabilities for Assessable employers. Excludes admin. costs (\$millions)

Current Definition	Proposed Revision
KSM Name	KSM Name
Total Benefit Liabilities for Assessable employers. Excludes admin. costs (\$millions)	Benefit Liabilities (\$ millions)
Intent of Measure	Intent
To measure the liabilities related to benefits of assessable employers.	<i>No change.</i>
Definition	Definition
Total benefit liabilities for assessable employers only.	Total benefit liabilities for assessable employers only. Excludes administration costs.
Calculation	Calculation
The benefit liabilities are the present value of future payments to be made for injuries that occurred and diseases that were reported/diagnosed as at the valuation date. Excludes any administration expense. 7.1 is for assessable employers. 7.2 is for self-insured employers.	Benefit liabilities are the present value of future payments to be made for injuries that occurred and diseases that were reported/diagnosed as at the valuation date. <i>Excludes:</i> <ul style="list-style-type: none"> any administration expense self-insured employers latent occupational diseases yet to be reported/diagnosed <p>Note: For years 1996 – 1998, this KSM may include self-insured employers. For years 1999 to present, this KSM is for assessable employers only.</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed reference to assessable employers, which is in Definition. Removed “Excludes admin costs” which is in Definition.

Definition: Added “excludes administration costs” (moved from KSM name).

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Added note for 1996-1998 if merged with KSM 7.

Question for Committee related to this KSM:

- 1) To reduce the number of KSMs, should this KSM absorb KSM 7 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only? KSM would be renumbered as simply KSM 7 as there are no longer any sub-KSMs.
- 2) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM? (*self-insured related KSM was discontinued)?
- 3) In Calculation, can we add specific exclusion for “Latent occupational diseases yet to be reported/diagnosed”?

8. Administration Costs for Assessable Employers (\$millions)

Current Definition	Proposed Revision
KSM Name	KSM Name
Administration Costs for Assessable Employers (\$millions)	Administration Costs (\$ millions)
Intent of Measure	Intent
<p>To measure the cost of administering the system (except OH&S and other legislated obligations). To provide a comparable administration cost figure, focusing on the administration of claims and employer services, with inclusions and exclusions from the financial statement figure due to operating or legislated differences between jurisdictions.</p>	<p>To measure the cost of administering the workers' compensation system (except OH&S and other legislated obligations). To provide a comparable administration cost figure, focusing on the administration of claims and employer services, with inclusions and exclusions from the financial statement figure due to operating or legislated differences between jurisdictions.</p>
Definition	Definition
<p>Incurred expenses, which relate to the management and administration of the Board/Commission.</p>	<p>Incurred expenses related to the management and administration of the Board/Commission. For assessable employers only.</p>
Calculation	Calculation
<p>Use, as a basis, the financial statement administration cost figure appearing in the note to the financial statement which describes in detail the components of administration costs (rather than the dollar amount shown in the Income Statement). In order to capture the value of administration costs incurred for the year, exclude administration cost liabilities. Use the costs prior to the deduction of claims administration costs. Deduct any administration expense recovered from self-insured employers and miscellaneous revenue/recoveries related to operational activities. Examples of costs to be included in the administration costs are internal health staff not directly involved in the treatment of injured workers, consulting costs, professional fees (except certain types of medical and legal fees) and professional dues. Examples of costs to be excluded are: treasury costs, legal costs incurred for subrogations or recoveries, external medical service providers and external medical review panels, cost of external appeals and cost of employer or worker advisor offices, grants for research on prevention or occupational health and safety, prevention and occupational health and safety administration costs. Explain in a footnote any exclusion or inclusion which is judged particular to your jurisdiction.</p>	<p>As a basis, the financial statement's administration cost figure appearing in the note to the financial statement is used which describes in detail the components of administration costs (rather than the dollar amount shown in the Income Statement). Costs prior to the deduction of claims administration costs are used. Exclusions or inclusions which are particular to a certain jurisdiction are explained in the footnotes.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • internal health staff not directly involved in the treatment of injured workers • consulting costs • professional fees (except certain types of medical and legal fees) • professional dues • claims administration costs <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • administration cost liabilities • any administration expense recovered from self-insured employers and miscellaneous revenue/recoveries related to operational activities • treasury costs • legal costs incurred for subrogations or recoveries • external medical service providers and external medical review panels • cost of external appeals and cost of employer or worker advisor offices • grants for research on prevention or occupational health and safety, prevention and occupational health and safety administration costs • self-insured employers' administration costs

Rationale for changes:

KSM Name: Removed “for Assessable Employers” (since this is identified in Definition). Shortened to save space in [Detailed KSM Report](#) table.

Intent: For clarity, changed “system” to “workers’ compensation system”.

Definition: Added reference to assessable only.

Calculation: Reworded for readability. Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.

Question for Committee related to this KSM:

Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?

9. Total OH&S Costs Paid by Boards During Year (\$millions)

Current Definition	Proposed Revision
KSM Name	KSM Name
Total OH&S Costs Paid by Boards During Year (\$millions)	OH&S Costs (\$ millions)
Intent of Measure	Intent
To measure monies invested in occupational health and safety activities. Due to legislative and operating differences, occupational health and safety costs vary considerably from jurisdiction to jurisdiction.	To measure occupational health and safety costs paid by Boards/Commissions. Due to legislative and operating differences, OH&S costs vary considerably from jurisdiction to jurisdiction.
Definition	Definition
The cost of all activities of the Board/Commission in occupational health and safety for assessable employers.	The cost of all Board/Commission occupational health and safety (OH&S) activities carried out during the reference year. For assessable employers only.
Calculation	Calculation
<p>Occupational health and safety (OH&S) costs can be broken down into the following components :</p> <p>(a) Levies collected for Occupational Health and Safety</p> <p>Funds collected by the Board/Commission to pay for the administration of the OH&S Act. These funds are transferred to a governmental body in charge of applying the OH&S Act, generally the Ministry of Labour.</p> <p>(b) Internally administered prevention programs (exclude related overhead)</p> <p>The cost of developing and implementing programs designed to raise awareness and increase knowledge on prevention practices. Programs are designed and implemented by Board/Commission staff. These programs may be legislated or Board/Commission initiatives. They can also be sector specific. Examples of prevention programs are : Farm Safety initiatives, Mine Rescue programs.</p> <p>(c) Inspection costs</p> <p>Costs of enforcement of safety rules and of inspection of work environments in those jurisdictions where it is a specific mandate of the Board/Commission.</p> <p>(d) Research Grants</p> <p>Any research grant paid by the Board/Commission including sums paid to research institutes devoted to the study of occupational health and safety.</p>	<p>Occupational health and safety (OH&S) costs are broken down into the following components:</p> <p>(a) Levies collected for occupational health and safety</p> <p>Funds collected by the Board/Commission to pay for the administration of the OH&S Act. These funds are paid to a governmental body in charge of applying the OH&S Act, generally the Ministry of Labour.</p> <p>(b) Internally administered prevention programs (excluding related overhead)</p> <p>The cost of developing and implementing programs designed to raise awareness and increase knowledge on prevention practices. Programs are designed and implemented by Board/Commission staff. These programs may be legislated or Board/Commission initiatives. They can also be sector specific. Examples: Farm Safety initiatives, Mine Rescue programs.</p> <p>(c) Inspection costs</p> <p>Costs of enforcement of safety rules and of inspection of work environments in those jurisdictions where it is a specific mandate of the Board/Commission.</p> <p>(d) Research grants</p> <p>Any research grant paid by the Board/Commission including sums paid to research institutes devoted to studying of occupational health and safety.</p>

Current Definition	Proposed Revision
<p>(e) Funding of OH&S associations</p> <p>Funds paid to associations devoted to the promotion of occupational health & safety.</p> <p>(f) Amounts paid to public health system to conduct OH&S activities</p> <p>Amounts paid by Board/Commission to public health boards which manage the health system of the jurisdiction and which are involved in occupational health and safety activities.</p> <p>(g) Other (specify in footnote)</p> <p>Other OH&S costs which are not already included in a prior category. May include non recurrent prevention activities (ex: prevention training sponsored by Board/Commission but executed by an external provider).]</p> <p>(h) Self-Insured Portion (negative number)</p> <p>Any costs attributable to self-insured employers and financed by these employers. These costs are deducted from the total OH&S costs paid during the year.</p>	<p>(e) Funding of OH&S associations</p> <p>Funds paid to associations devoted to the promotion of occupational health & safety.</p> <p>(f) Amounts paid to public health system to conduct OH&S activities</p> <p>Amounts paid by the Board/Commission to public health boards which manage the health system of the jurisdiction and which are involved in occupational health and safety activities.</p> <p>(g) Other (specified in footnote)</p> <p>Other OH&S costs which are not already included in a prior category. May include non-recurring prevention activities (e.g. prevention training sponsored by the Board/Commission but executed by an external provider).</p> <p>(h) Self-insured portion (negative number)</p> <p>Any costs attributable to and financed by self-insured employers. These costs are deducted from the total OH&S costs paid during the year.</p> <p><i>Formula:</i></p> <p>(a) Levies collected for occupational health and safety + (b) Internally administered prevention programs + (c) Inspection costs + (d) Research grants + (e) Funding of OH&S associations + (f) Amounts paid to public health system to conduct OH&S activities + (g) Other + (h) Self-Insured portion (negative number).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “Paid by Boards” and paid “During the Year”

Intent: Reworded. Changed “monies invested in occupational health and safety activities” to “occupational health and safety costs paid by WCBs”.

Definition: Reworded. Added “carried out during the reference year.”

Calculation: Added the formula used to calculate the KSM.

10. Assessment Revenue for Assessable Employers (\$ millions)

Current Definition	Proposed Revision
KSM Name	KSM Name
Assessment Revenue for Assessable Employers (\$ millions)	<i>No change.</i>
Intent of Measure	Intent
To measure the charges made to assessable employers for the current assessment year and the adjustments to assessment revenues of previous assessment years.	To measure the revenue received from assessable employers.
Definition	Definition
Assessment income received and accrued from rate assessed employers during the reference year for all assessment years.	Assessment income received and accrued from rate assessed employers during the reference year for all assessment years. Includes adjustments to assessment revenues of previous assessment years. For assessable employers only.
Calculation	Calculation
Includes the amounts accrued for the current assessable year and any adjustment regarding previous assessable years. Includes interest and penalties, experience rating surcharges and discounts, variation of receivable provisions and variation of any other adjustment. Should be net of assessment bad debts expense, if any. Amounts are usually available in the statement of operations for assessable employers. Excludes self-insured employers.	<p>Amounts are usually available in the statement of operations for assessable employers.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • the amounts accrued for the current assessable year and any adjustment regarding previous assessable years • interest and penalties • experience rating surcharges and discounts • variation of receivable provisions • variation of any other adjustment <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • self-insured employers • assessment bad debts expense, if any.

Rationale for changes:

Intent: Reworded. Moved detail into Definition section. Changed “charges made to assessable employers” to “revenue received from assessable employers”.

Definition: Added detail from Intent section. Added reference to assessable.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.

11. Total Premium Revenue (\$millions)

Current Definition	Proposed Revision
KSM Name	KSM Name
Total Premium Revenue (\$millions)	<i>No change.</i>
Intent of Measure	Intent
To measure the total income from employer contributions during the year as reported in the Annual Report.	To measure the total income from employer contributions (including self-insured employers) during the year as reported in the Annual Report.
Definition	Definition
Sum of Assessment Revenue (KSM #10) and any income received from self-insured employers.	Sum of Assessment Revenue for Assessable Employers (KSM #10) plus any income received from self-insured employers.
Calculation	Calculation
KSM #10 plus any premium revenue accrued from self-insured employers. Includes interest and penalties, experience rating surcharges and discounts, variation of receivable provisions and variation of any other adjustment. Should be net of assessment bad debts expense, if any.	<p><i>Includes:</i></p> <ul style="list-style-type: none"> the amounts accrued for the current assessable year and any adjustment regarding previous assessable years self-insured employers interest and penalties experience rating surcharges and discounts variation of receivable provisions variation of any other adjustment <p><i>Excludes:</i></p> <ul style="list-style-type: none"> assessment bad debts expense, if any <p><i>Formula:</i></p> <p>A + B, where</p> <p>A = Assessment Revenue for Assessable Employers (KSM #10)</p> <p>B = any premium revenue accrued from self-insured employers.</p>

Rationale for changes:

Definition: Added link.

Intent: Added reference to self-insured employers (to distinguish between KSM 10).

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted formula. Added link.

12. Assessable Payroll for Assessable employers (\$billions)

Current Definition	Proposed Revision
KSM Name	KSM Name
Assessable Payroll for Assessable employers (\$billions)	Assessable Payroll (\$ billions)
Intent of Measure	Intent
To provide a measure of economic activity of assessable employers through their collective payroll.	To measure economic activity of assessable employers through their collective payroll.
Definition	Definition
Rate assessable payroll for the reference year.	Assessable payroll for the reference year. For assessable employers only.
Calculation	Calculation
Payroll of rate assessable employers for a given reference year including reported actual payroll and payroll estimated for cut-off purposes in preparing the audited financial statements for all rate assessed, insured employers. When unavailable, use the assessable payroll known 3 months after the end of the reference year (for example, if fiscal year ends December 31, this would be March 31). Excludes self-insured employers.	Payroll of assessable employers for a given year including reported actual payroll and payroll estimated for cut-off purposes in preparing the audited financial statements for all assessable employers. When unavailable, the assessable payroll known 3 months after the end of the reference year is used (for example, if fiscal year ends December 31, this would be March 31). <i>Excludes:</i> <ul style="list-style-type: none"> self-insured employers

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “for assessable employers” which is highlighted in Definition.

Intent: Removed excess wording.

Definition: Reworded. Added reference to assessable only.

Calculation: Reworded. Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.

Question for Committee related to this KSM:

Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?

13. Actual Average Assessment Rate

NOTE: This KSM only exists for 1996 and 1997. In 1998, it was replaced by KSM 13.1 (Actual Average Assessment Rate for Assessable Employers).

Current Definition	Proposed Revision
KSM Name	KSM Name
Actual Average Assessment Rate	<i>No change.</i>
Intent of Measure	Intent
Definition	Definition
See Definition for KSM 13.1.	As of 1998, Actual Average Assessment Rate (KSM #13) was replaced by Actual Average Assessment Rate for Assessable Employers (KSM #13.1).
Calculation	Calculation

Rationale for changes:

Definition: Added information about KSM 13.1 which replaced this KSM.

Question for Committee related to this KSM:

Should this be absorbed into KSM 13.1 (Actual Average Assessment Rate for Assessable Employers) as they are effectively the same measure? This KSM is only available for years 1996-1997.

13.1. Actual Average Assessment Rate for Assessable Employers

Current Definition	Proposed Revision
KSM Name	KSM Name
Actual Average Assessment Rate for Assessable Employers	Actual Average Assessment Rate
Intent of Measure	Intent
To measure the average rate actually collected from the assessable payroll. Comparison of this rate with the forecasted rate (KSM #13.2) gives information on the changes in the mix of economic activity.	To measure the average rate actually collected from assessable payroll. Comparison of this rate with the forecasted rate (KSM #13.2) gives information on the changes in the mix of economic activity.
Definition	Definition
Assessment revenue related to the reference year only divided by the assessable payroll.	Average rate actually collected from assessable payroll. Assessment revenue related to the reference year only divided by the assessable payroll. For assessable employers only.
Calculation	Calculation
Total rate assessed income for the reference year (including experience rating adjustments and other adjustments) divided by assessable payroll for the fiscal year for all rate assessed, insured employers (KSM #12), as of the date used in Board/Commission financial statements. Expressed per \$100 of assessable payroll.	<p>Total assessment revenue for the reference year divided by assessable payroll for the fiscal year for all assessable employers (KSM #12), as of the date used in Board/Commission financial statements.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • experience rating adjustments and other adjustments • assessment revenue related to the reference year only <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • self-insured employers <p><i>Formula:</i></p> <p>A / B, where:</p> <p style="padding-left: 40px;">A = Assessment revenue related to the reference year only</p> <p style="padding-left: 40px;">B = Assessable payroll for assessable employers</p> <p>Expressed per \$100 of assessable payroll.</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “for Assessable Employers” as that’s highlighted in the Definition.

Intent: Removed excess wording. Added link.

Definition: Reworded. Added reference to assessable only.

Calculation:

- Reworded. Changed “rate assessed income” to “assessment revenue”. Changed “rate assessed, insured employers” to “assessable employers”?
- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.

Questions for Committee related to this KSM:

- 1) **To reduce the number of KSMs, should this KSM absorb KSM 13 as they are effectively the same measure?**
- 2) **Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?**

13.2. Provisional Average Assessment Rate for Assessable Employers

Current Definition	Proposed Revision
KSM Name	KSM Name
Provisional Average Assessment Rate for Assessable Employers	Provisional Average Assessment Rate
Intent of Measure	Intent
To measure the financial rate assessed income needed for the year.	To measure the average rate that would need to be collected from assessable payroll for the reference year. Comparison of this rate with the actual rate (KSM #13.1) gives information on the changes in the mix of economic activity.
Definition	Definition
The established average assessment rate, which is set prior to the beginning of the reference year, based on estimates of costs charged to employers.	The established average assessment rate, set prior to the beginning of the year, based on estimates of costs charged to employers. For assessable employers only.
Calculation	Calculation
In some jurisdictions, this rate is decreed (and rates for each risk class are calculated in another step). In other jurisdictions, unit rates are set first and the provisional rate is the average of these rates weighted by the estimated assessable payroll. The breakdown (included in the Preface report to accompany the Key Statistics) reflects estimates that cover compensation costs, administration expenditures, OH&S costs, the amortisation of past deficits or surplus, the credit for anticipated investment earnings expected in the assessment year, and any other items unique to individual jurisdictions. Expressed per \$100 of payroll.	In some jurisdictions, this rate is decreed (and rates for each risk class are calculated in another step). In other jurisdictions, unit rates are set first and the provisional rate is the average of these rates weighted by the estimated assessable payroll. <i>Excludes:</i> <ul style="list-style-type: none"> self-insured employers See the Breakdown of Assessment Rates Report for estimates of what makes up this rate, including compensation costs, administration expenditures, OH&S costs, amortization of past deficits or surplus and other items unique to individual jurisdictions. Expressed per \$100 of assessable payroll.

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “for Assessable Employers” as that’s highlighted in the Definition.

Intent: Reworded. Added note similar to KSM 13.1 about comparing 13.1 and 13.2.

Definition: Reworded. Added reference to assessable only.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Linked to Breakdown of Assessment Rates.

Question for Committee related to this KSM:

Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?

14. Market Rate of Return

Current Definition	Proposed Revision
KSM Name	KSM Name
Market Rate of Return	<i>No change.</i>
Intent of Measure	Intent
To measure gross investment performance of the fund during the year irrespective of any smoothing mechanism.	To measure investment performance of the fund.
Definition	Definition
Rate of investment return for the reporting period on a market value basis for all portfolio assets, including investment cash, net of external investment expenses.	Rate of investment return for the year on a market value basis for all portfolio assets, including investment cash, net of external investment expenses. Measures gross investment performance of the fund during the year regardless of any smoothing mechanism.
Calculation	Calculation
<p>2I / (A+B-I) where</p> <p>I : total investment income on a market value basis net of external investment expenses</p> <p>A : market value of assets at the beginning of the year</p> <p>B : market value of assets at the end of the year.</p>	<p><i>Includes:</i></p> <ul style="list-style-type: none"> • investment cash <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • external investment expenses/fees <p><i>Formula:</i></p> <p>2I / (A+B-I), where:</p> <p>I = total investment income on a market value basis net of external investment expenses</p> <p>A = market value of assets at the beginning of the year</p> <p>B = market value of assets at the end of the year.</p>

Rationale for changes:

Intent: Removed excess wording. Moved to Definition section

Definition: Added wording from Intent.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted the formula used to calculate the KSM.

15. Percentage Funded

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage Funded	<i>No change.</i>
Intent of Measure	Intent
To measure the overall financial situation for the reference year.	To measure the overall financial situation of Boards/Commissions at the end of the reference year.
Definition	Definition
Ratio of total assets to total liabilities.	<i>No change.</i>
Calculation	Calculation
Total assets divided by total liabilities x 100.	<i>Formula:</i> A / B x 100, where: A = total assets B = total liabilities.

Rationale for changes:

Intent: Reworded. Added reference to Boards/Commissions. Added “at the end of” reference year.

Calculation: Highlighted the formula used to calculate the KSM.

16. Average Calendar Days from Injury to First Payment Issued

Current Definition	Proposed Revision
KSM Name	KSM Name
Average Calendar Days from Injury to First Payment Issued	Average Days from Injury to First Payment
Intent of Measure	Intent
To measure the performance of the industry as it relates to service to injured workers with respect to income continuity for those entitled to compensation. Thus, measures industry performance from the injured worker's point of view.	To measure timeliness of the first payment and workers income continuity from the injured worker's point of view.
Definition	Definition
Time period from date of injury to date of first payment issued for all new lost-time claims.	Average time period (calendar days) from date of injury to date of first payment issued for all new Lost Time Claims.
Calculation	Calculation
<p>Total number of calendar days from the date of injury, to the date of first payment for all new lost-time claims where a claim number has been assigned within the reference year, divided by the number of new lost-time claims for the reference year (KSM # 2). Includes occupational diseases and self-insured employers. Excludes the conversion period for those claims where no lost-time claims are converted to lost-time claims. Excludes payments made to employers. Excludes appeals.</p>	<p>Total number of calendar days from the date of injury to the date of first payment for all new Lost Time Claims where a claim number has been assigned within the reference year, divided by Total Lost Time Claims (KSM #2).</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • all new Lost Time Claims (including occupational diseases) where a claim number has been assigned within the reference year • occupational diseases • self-insured employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • the conversion period for those claims where no lost time claims are converted to Lost Time Claims • payments made to employers • appeals <p><i>Formula:</i></p> <p>A / B, where:</p> <p>A = total number of calendar days from the date of injury to the date of first payment (for all new Lost Time Claims where a claim number has been assigned within the reference year)</p> <p>B = Total Lost Time Claims (KSM #2).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded. Removed excess wording. Removed reference to “the industry”, i.e. the workers’ compensation industry to avoid confusion with actual industries. Added reference to timeliness to first payment.

Definition: Reworded.

Calculation:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.
- Added links.

17. Average Calendar Days from Registration to First Payment Issued

Current Definition	Proposed Revision
KSM Name	KSM Name
Average Calendar Days from Registration to First Payment Issued	Average Days from Registration to First Payment
Intent of Measure	Intent
To measure industry performance as it relates to service delivery to injured workers from the Board/Commission's point of view and from the injured worker's point of view.	To measure operational performance in handling new claims.
Definition	Definition
Time period from date of registration to date of first payment issued for all new lost-time claims.	Average time period (calendar days) from date of registration to date of first payment issued for all new Lost Time Claims.
Calculation	Calculation
<p>Total number of calendar days from date injury is first reported to the Board/Commission, to date of first payment for all new lost-time claims where a claim number has been assigned within the reference year, divided by number of new lost-time claims for the reference year (KSM #2). Includes occupational diseases, and self-insured employers. Excludes the conversion period for those claims where no lost-time claims are converted to lost-time claims. Excludes payments made to employers. Excludes appeals.</p>	<p>Total number of calendar days from the date injury is first reported to the Board/Commission to the date of first payment for all new Lost Time Claims where a claim number has been assigned within the reference year, divided by Total Lost Time Claims (KSM #2).</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • all new Lost Time Claims (including occupational diseases) where a claim number has been assigned within the reference year • occupational diseases • self-insured employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • the conversion period for those claims where no lost time claims are converted to Lost Time Claims • payments made to employers • appeals <p><i>Formula:</i></p> <p>A / B, where:</p> <p>A = total number of calendar days from date injury is first reported to the Board/Commission to date of first payment (for all new Lost Time Claims where a claim number has been assigned within the reference year)</p> <p>B = Total Lost Time Claims (KSM #2).</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded. Changed wording to distinguish it from KSM 16. Removed reference to “industry performance”, i.e. the workers’ compensation industry to avoid confusion with actual industries.

Definition: Reworded.

Calculation:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.
- Added links.

18. Average Composite Duration of Claim

Current Definition	Proposed Revision
KSM Name	KSM Name
Average Composite Duration of Claim	<i>No change.</i>
Intent of Measure	Intent
To provide a system measure of injury severity. System cost driver. Is related to the effectiveness of return to work efforts and disability management. Tries to reflect the number of days lost from work.	To measure injury severity and the effectiveness of return to work efforts and disability management. To reflect the number of days lost from work. Also a system cost driver.
Definition	Definition
The estimated 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 if current conditions are continued for the future years. Short-term disability benefits are all income benefits during the initial period after the injury, before the injury has stabilized, plateaued or consolidated.	The estimated total number of calendar days compensated for short-term disability over the first five calendar years of a typical Lost Time Claim (if current conditions are continued for future years). Short-term disability benefits include all income benefits during the initial period after the injury, before the injury has stabilized, plateaued or consolidated.
Calculation	Calculation
The composite method is the days paid in the reference year for each injury year, divided by the number of lost-time claims (KSM #2) of the corresponding injury year, then the results are added together for the designated number of years. All short-term disability benefits related to income loss including rehabilitation benefits are included up to the point where long-term disability benefits commence. The days paid for claims that are not in KSM #2 are removed and the claims in KSM #2 for which no days are paid are also removed. The current year plus four prior injury years are to be used in the calculation.	<p>The composite method used is the days paid in the reference year for each injury year, divided by Total Lost Time Claims (KSM #2) of the corresponding injury year, then the results are added together for the designated number of years. The current year plus four prior injury years are used in the calculation.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> all short-term disability benefits related to income loss including rehabilitation benefits up to the point where long-term disability benefits commence <p><i>Excludes:</i></p> <ul style="list-style-type: none"> days paid for claims that are not included in Total Lost Time Claims (KSM #2) claims in Total Lost Time Claims (KSM #2) for which no days are paid <p><i>Formula:</i></p> <p>A + B + C + D + E, where:</p> <p>t = reference year</p> <p>A = days paid during Year t for Lost Time Claims of Year t ÷ Total Lost Time Claims (KSM #2) of Year t</p> <p>B = days paid during Year t for Lost Time Claims of Year t-1 ÷ Total Lost Time Claims (KSM #2) of Year t-1</p> <p>C = days paid during Year t for Lost Time Claims of Year t-2 ÷ Total Lost Time Claims (KSM #2) of Year t-2</p> <p>D = days paid during Year t for Lost Time Claims of Year t-3 ÷ Total Lost Time Claims (KSM #2) of Year t-3</p> <p>E = days paid during Year t for Lost Time Claims of Year t-4 ÷ Total Lost Time Claims (KSM #2) of Year t-4.</p>

Rationale for changes:

Intent: Reworded for readability.

Definition: Reworded for readability.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted formula. Added links.

19. Average New Impairment Award Percentage

Current Definition	Proposed Revision
KSM Name	KSM Name
Average New Impairment Award Percentage	Average Impairment Award (%)
Intent of Measure	Intent
To provide a system measure of injury severity. One of two measures used to monitor trends in permanent impairment awards over time. System cost driver.	To measure injury severity. To monitor trends in permanent impairment awards. Also a system cost driver.
Definition	Definition
The average permanent impairment percentage adjudicated to claims awarded permanent impairment for the first time during the reference year.	The average impairment percentage awarded on a permanent impairment claim. Applies only to claims awarded permanent impairment for the first time during the reference year.
Calculation	Calculation
Total of the percentage of impairment for new awards divided by the number of new impairment awards for the period. In WCBs with a pension system, this represents the percentage rating at which pension benefits are calculated. In WCBs with a “dual award” system, this represents the lump-sum benefit corresponding to the non-economic loss or pain and suffering portion of the total long-term disability award. Includes new awards for current year and prior years claims and is the amount at the time the award is made. Excludes fatalities.	<p>Total of the percentage of impairment for new awards divided by the number of new impairment awards for the period. In Boards/Commissions with a pension system, this represents the percentage rating at which pension benefits are calculated. In Boards/Commissions with a “dual award” system, this represents the lump-sum benefit corresponding to the non-economic loss or pain and suffering portion of the total long-term disability award.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • new awards for current year and prior years claims and is the amount at the time the award is made • assessable and self-insured employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • Fatalities • claims previously awarded permanent impairment benefits <p><i>Formula:</i></p> <p>A / B, where:</p> <p style="padding-left: 40px;">A = total of the percentage of impairment for new awards B = number of new impairment awards for the period.</p>

Rationale for changes:

KSM Name: See Questions for Committee below.

Intent: Reworded. Removed excess wording.

Definition: Reworded for clarity. See Questions for Committee below.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted formula.

Questions for Committee related to this KSM:

- 1) It can be difficult to distinguish Average New Impairment Award Percentage (KSM 19) from Proportion of Claims Awarded Impairment Benefits (KSM 20). KSM 19 is the average permanent impairment percentage given out on claims (i.e. the percentage of impairment assigned) and KSM 20 is the percentage of claims awarded permanent impairment benefits. Any suggested wording for definition or changes to name to make KSM 19 clearer and to distinguish the two? E.g. change “Average New Impairment Award Percentage” to “Average Impairment Award (%)” or “Average Impairment Percentage Assigned”?
- 2) The definition previously didn’t specifically include or exclude self-insured employers, so the assumption is that SI employers should be included. Should SI claims be specifically included? Should SI claims be specifically excluded? A survey was sent out to KSM submitters to see whether they include SIs in this KSM. All jurisdictions that responded include both SI and assessable, except Quebec, which footnotes that SI are excluded.

20. Proportion of Claims Awarded Impairment Benefits

Current Definition	Proposed Revision
KSM Name	KSM Name
Proportion of Claims Awarded Impairment Benefits	<i>No change.</i>
Intent of Measure	Intent
To provide a system measure of injury severity. One of two measures used to monitor trends in permanent impairment awards over time. System cost driver. Also used to monitor trends in permanent impairment awards over time.	To measure injury severity. To monitor trends in permanent impairment awards. Also a system cost driver.
Definition	Definition
The estimated proportion of lost-time injuries, which are eventually awarded permanent impairment benefits if current conditions are continued for future years.	The estimated proportion of Lost Time Claims that are awarded permanent impairment benefits (if current conditions are continued for future years).
Calculation	Calculation
<p>The composite method is used where the number of new awards of impairment benefits in the reference year for a certain number of injury years are divided by the lost-time claims of each injury year (KSM #2), then the results for the designated number of years is added together. The accuracy of the composite proportion increases with the number of components (injury years) used in the calculation. Practically, the number of components has to be limited. Use 10 injury years, or indicate number of years used if less than 10.</p> <p>Note: The injuries awarded impairment benefits should follow the same selection criteria as specified in the calculation of KSM #19. The total number of awards of KSMs #19 and #20 should be equal if the same number of injury years are retained.</p>	<p>The composite method is used where the number of new impairment awards in the reference year for a certain number of injury years are divided by the Total Lost Time Claims (KSM #2) of each injury year, then the results are added together. Accuracy increases with the number of injury years used in the calculation. Practically, the number of components has to be limited, so 10 injury years are used unless otherwise noted.</p> <p>Note: The injuries awarded impairment benefits follow the same selection criteria as in Average New Impairment Award Percentage (KSM #19). The total number of awards of KSMs #19 and #20 should be equal if the same number of injury years are retained.</p> <p>Includes:</p> <ul style="list-style-type: none"> assessable and self-insured employers <p><i>Formula:</i></p> <p>A + B + C + D + E + F + G + H + I + J, where:</p> <p>t = reference year</p> <p>A = number of new impairment benefits awards in Year t for claims of Year t ÷ Total Lost Time Claims of Year t</p> <p>B = number of new impairment benefits awards in Year t for claims of Year t-1 ÷ Total Lost Time Claims of Year t-1</p> <p>C = number of new impairment benefits awards in Year t for claims of Year t-2 ÷ Total Lost Time Claims of Year t-2</p> <p>D = number of new impairment benefits awards in Year t for claims of Year t-3 ÷ Total Lost Time Claims of Year t-3</p> <p>E = number of new impairment benefits awards in Year t for claims of Year t-4 ÷ Total Lost Time Claims of Year t-4</p> <p>F = number of new impairment benefits awards in Year t for claims of Year t-5 ÷ Total Lost Time Claims of Year t-5</p> <p>G = number of new impairment benefits awards in Year t for claims of Year t-6 ÷ Total Lost Time Claims of Year t-6</p> <p>H = number of new impairment benefits awards in Year t for claims of Year t-7 ÷ Total Lost Time Claims of Year t-7</p> <p>I = number of new impairment benefits awards in Year t for claims of Year t-8 ÷ Total Lost Time Claims of Year t-8</p> <p>J = number of new impairment benefits awards in Year t for claims of Year t-9 ÷ Total Lost Time Claims of Year t-9.</p>

Rationale for changes:

Intent: Reworded for readability.

Definition: Reworded for readability.

Calculation: Added “includes” list. Added formula used to calculate KSM. Added links.

Question for Committee related to this KSM:

The definition previously didn't specifically include or exclude self-insured employers, so the assumption is that SI employers should be included. Should SI claims be specifically included? Should SI claims be specifically excluded? A survey was sent out to KSM submitters to see whether they include SIs in this KSM. All jurisdictions that responded include both SI and assessable, except Quebec, which footnotes that SI are excluded.

21. Injury Frequency (per 100 workers of assessable employers)

Current Definition	Proposed Revision
KSM Name	KSM Name
Injury Frequency (per 100 workers of assessable employers)	Injury Frequency
Intent of Measure	Intent
To measure the risk of workplace injury for workers in each jurisdiction in terms of the proportion of workers who suffer a lost-time work injury.	To measure the proportion of workers who suffer a Lost Time Claim.
Definition	Definition
Number of new lost-time claims for assessable employers per 100 workers of assessable employers.	Number of new Lost Time Claims per 100 covered workers. For assessable employers only.
Calculation	Calculation
<p>Injury frequency = $N / C1 \times 100$</p> <p>N = total number of new lost-time claims for assessable employers (KSM # 2.1).</p> <p>C1 = number of workers of assessable employers or self-employed workers opting for coverage.</p> <p>This is the first component of the numerator of the percentage of workforce covered (KSM #22).</p> <p>Caveat</p> <p>The reliability of the injury frequency is subject to limitations of its denominator, described in the calculation of the percentage of workforce covered.</p>	<p><i>Excludes:</i></p> <ul style="list-style-type: none"> self-insured employers <p><i>Formula:</i></p> <p>$N / C1 \times 100$, where:</p> <p>N = Lost Time Claims for Assessable Employers (KSM #2.1).</p> <p>C1 = number of workers of assessable employers and self-employed workers opting for coverage. This is the first component of the numerator of the Percentage of Workforce Covered (KSM #22).</p> <p>Caveat</p> <p>The reliability of the injury frequency is subject to limitations of its denominator, described in the calculation of the Percentage of Workforce Covered (KSM #22).</p>

Rationale for changes:

KSM Name: Removed “for assessable employers” which is in Definition. Removed “per 100 workers” which is in Definition. Shortened to save space in [Detailed KSM Report](#) table.

Intent: Removed excess wording.

Definition: Reworded.

Calculation: Added the formula used to calculate the KSM. Added links.

Questions for Committee related to this KSM:

1. Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?
2. Does the name need to include “Lost Time” (i.e. Lost Time Injury Frequency) to distinguish it from Total Injury Rates some provinces produce? The definition is clear that it is for Lost Time Claims only.

22. Percentage of Workforce Covered

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage of Workforce Covered	Workforce Covered (%)
Intent of Measure	Intent
To measure the proportion of the employed labour force that is eligible for benefits under the provincial, territorial and federal workers' compensation system.	To measure the proportion of the employed labour force eligible for workers' compensation benefits.
Definition	Definition
<p>The percentage of the workforce that is effectively covered by the compensation system. The number of persons covered by the compensation system is the sum of two main components, the first being the workers of assessable employers and self-employed workers opting for coverage, the second being the workers of self-insured employers and workers of the government of Canada. Excluded from this measure are persons eligible for personal coverage not opting for coverage and workers explicitly excluded by the jurisdiction's legislation.</p>	<p>Percentage of the workforce that is covered by workers' compensation. The number of persons covered is the sum of two main components: (1) the workers of assessable employers and self-employed workers opting for coverage; and (2) the workers of self-insured employers and workers of the Government of Canada. Excludes persons eligible for personal coverage not opting for coverage and workers explicitly excluded by the jurisdiction's legislation.</p>
Calculation	Calculation
<p>Percentage of workforce covered = $C / P \times 100$.</p> <p>$C = C1 + C2$ where</p> <p>$C1$ = number of workers of assessable employers or self-employed workers opting for coverage.</p> <p>$C2$ = number of workers of self-insured employers and workers of the Government of Canada.</p> <p>P = the reference population. This is the "employed labour force" such as published by Statistics Canada or an alternate for territories where this statistic is not available.</p> <p>The numerator is calculated by each jurisdiction through the technique that is most suitable to its circumstances. The numerator should represent the average number of covered workers during the year. In order to achieve consistency with the denominator, each part-time worker must be considered as one worker. Two families of methods are used. One of them is applied in jurisdictions where the law covers all salaried workers with minor exceptions only. The number of excluded workers is calculated by using general statistical data on the labour force. The number of self-employed workers is extracted from the database of the Board/Commission. The other family of methods</p>	<p>The numerator is calculated by each jurisdiction using the technique most suitable to its circumstances. The numerator represents the average number of covered workers during the year. For consistency with the denominator, each part-time worker is considered as one worker. Two methods are used: (1) in jurisdictions where the law covers all salaried workers with only minor exceptions, the number of excluded workers is calculated using general statistical data on the labour force. The number of self-employed workers is extracted from the database of the Board/Commission; (2) The other method estimates the number of workers covered from the assessable payroll provided to the Board/Commission by employers. This is achieved by dividing the payroll by the appropriate average salary.</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> • workers of assessable employers and self-employed workers opting for coverage • workers of self-insured employers and workers of the Government of Canada • part-time workers (counted as one worker) <p><i>Excludes:</i></p> <ul style="list-style-type: none"> • persons eligible for personal coverage not opting for coverage • workers explicitly excluded by the jurisdiction's legislation

Current Definition

consists of estimating the number of workers covered from the assessable payroll provided to the Board/Commission by employers. This is achieved by dividing the payroll by the appropriate average salary.

Caveat

The reliability of this indicator is subject to certain limitations resulting from the absence of a detailed count of workers in the database of the Boards/Commissions. In order to achieve a reasonable result, each Board/Commission uses the technique that best suits its circumstances. The techniques involve the setting of assumptions that are subject to a degree of uncertainty. Full accuracy is not achievable at a reasonable cost in terms of collecting data in each jurisdiction. Nevertheless, this indicator is considered the best estimate of the proportion of the employed labour force that is eligible to benefits provided by the workers' compensation system in case of work injury. Prudence is recommended to the users of these statistics.

Proposed Revision

Formula:

$C / P \times 100$, where:

$$C = C1 + C2$$

C1 = number of workers of assessable employers and self-employed workers opting for coverage.

C2 = number of workers of self-insured employers and workers of the Government of Canada.

P = the reference population. This is the "employed labour force" such as published by Statistics Canada or an alternate for territories where this statistic is not available.

Caveat

The reliability of this indicator is subject to limitations due to the absence of a detailed count of workers in the databases of the Boards/Commissions. To achieve a reasonable result, each Board/Commission uses the technique that best suits its circumstances. The techniques involve assumptions that are subject to a degree of uncertainty. Full accuracy is not achievable at a reasonable cost in terms of collecting data in each jurisdiction. Nevertheless, this indicator is considered the best estimate of the proportion of the employed labour force that is eligible to benefits provided by the workers' compensation system. Prudence is recommended to the users of these statistics.

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded for readability.

Definition: Reworded for readability.

Calculation:

- Grouped specific "inclusions" and "exclusions" into include/exclude lists to make it easier to know what is/isn't included in the measure.
- Highlighted the formula used to calculate the KSM
- Reworded for readability.

23. Real Rate of Return to Discount Fully Indexed Benefits (previously called Discount Rates)

Current Definition	Proposed Revision
KSM Name	KSM Name
Real Rate of Return to Discount Fully Indexed Benefits (previously called Discount Rates)	Real Rate of Return Assumption (%)
Intent of Measure	Intent
To measure the strength of liabilities or the expectations regarding future investment performance.	To present the most significant economic assumption used in the calculation of benefit liabilities. To measure the strength of liabilities or the expectations regarding future investment performance
Definition	Definition
Interest rate net of increases in the Consumer Price Index used in the valuation of liabilities.	Actuarial assumption for the real rate of return used in the valuation of benefit liabilities, i.e. the rate used to discount fully indexed benefits.
Calculation	Calculation
{ (1+i) / (1+P) } - 1, where i is the nominal rate of interest and P is the change in the Price Index for the twelve months period. When i and P have changing values over the projection period, the ultimate ones are reported and explanations regarding the other ones are given in footnotes. Footnotes may also include information regarding the discount rate used for benefits not linked to the Price Index.	<p><i>Formula:</i></p> <p>{ (1+i) / (1+P) } - 1, where:</p> <p style="padding-left: 40px;">i = the nominal rate of interest</p> <p style="padding-left: 40px;">P = the change in the Price Index for the twelve month period.</p> <p>When i and P have changing values over the projection period, the ultimate ones are reported and explanations regarding the other ones are given in footnotes. Footnotes may also include information regarding the discount rate used for benefits not linked to the Price Index.</p>

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “previously called Discount Rates”. Removed “to discount fully indexed benefits”.

Intent: Reworded for clarity (particularly non-financial users).

Definition: Reworded for clarity (particularly non-financial users).

Calculation: Highlighted formula used to calculate KSM.

Question for Committee related to this KSM:

This KSM is confusing to non-financial people. Intent and Definition completely reworded and Name changed. Are new Name, Intent and Definition okay?

24.1. Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 2nd year after the injury year

Current Definition	Proposed Revision
<p>KSM Name</p> <p>Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 2nd year after the injury year</p>	<p>KSM Name</p> <p>Claims on Wage-Loss Benefits after 2 years (%)</p>
<p>Intent of Measure</p> <p>To provide a system measure of the persistency of claims on wage-loss benefits. Is related to the severity of claims. To measure the extent to which injured workers are unable to return to work in the longer term. System cost driver.</p>	<p>Intent</p> <p>To measure injury severity as the persistency of claims on wage-loss benefits and the extent to which injured workers are unable to return to work in the longer term. Also a system cost driver.</p>
<p>Definition</p> <p>Ratio of the number of lost-time claims receiving any type of wage-loss benefits for December 31 of the second/sixth calendar year after the injury year to the total number of lost-time claims reported for that injury year.</p>	<p>Definition</p> <p>Ratio of: (a) the number of Lost Time Claims receiving any type of wage-loss benefits for December 31 of the second calendar year after the injury year; to (b) the Total Lost Time Claims for that injury year.</p>
<p>Calculation</p> <p>Let t = the calendar year under report</p> <p>Percentage of Lost-Time Claims Receiving Wage-Loss Benefits at the End of the 2nd Year After the Injury Year =</p> $A/B \times 100$ <p>A = Number of claims for injury year t-2 with any wage-loss benefits >\$1 paid for December 31 of year t regardless of payment interruptions prior to this date. In counting claims receiving payment, files should be read by March 31 of the third calendar year after the injury year.</p> <p>B = Number of lost-time claims for injury year t-2 (KSM #2)</p> <p>Percentage of Lost-Time Claims Receiving Wage-Loss Benefits at the End of the 6th Year After the Injury Year =</p> $C/D \times 100$	<p>Calculation</p> <p><i>Includes:</i></p> <ul style="list-style-type: none"> claims for injury year t-2 with any wage-loss benefits >\$1 paid for December 31 of year t regardless of payment interruptions prior to this date claims for assessable employers and self-insured employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> survivor benefits claims <p><i>Reference Period:</i></p> <ul style="list-style-type: none"> In counting claims receiving payment, files are read by March 31 of the third calendar year after the injury year. <p>When this KSM is influenced by lump-summing or pension review practices, this should be indicated in a footnote.</p> <p><i>Formula:</i></p> <p>A / B x 100, where:</p> <p>t = reference year</p> <p>A = number of claims for injury year t-2 with any wage-loss benefits >\$1 paid for December 31 of year t regardless of payment interruptions prior to this</p>

Current Definition

C = Number of claims for injury year t-6 with any wage-loss benefit >\$1 paid for December 31 of year t regardless of payment interruptions prior to this date. In counting claims receiving payment, files should be read by March 31 of the seventh calendar year after the injury year.

D = Number of lost-time claims for injury year t-6 (KSM #2)

In counting the number of claims with any wage-loss benefit, exclude survivor benefits. Indicate in a footnote when this KSM is influenced by lump-summing or pension review practices.

Claims from all types of employers should be included (assessable employers and self-insured).

Example :

t : Year 2006 (reference year under report)

C : Number of claims for injury year 2000 with any wage-loss benefits >\$1 paid for December 31, 2006

D : Number of lost-time claims for 2000 (KSM #2)

Proposed Revision

date. In counting claims receiving payment, files should be read by March 31 of the third calendar year after the injury year.

B = [Total Lost Time Claims](#) for injury year t-2 (KSM #2).

Example:

t: year 2014 (reference year)

A: number of claims for injury year 2012 with any wage-loss benefits >\$1 paid **for** December 31, 2014

B: Total Lost Time Claims for 2012 (KSM #2)

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded for readability.

Definition: Reworded for readability. Removed text referring to KSM 24.2.

Calculation:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.
- Highlighted Reference Period.
- Removed text referring to KSM 24.2.

Question for Committee related to this KSM:

Should it be Lost Time Claims receiving wage-loss benefits “on” or “at” December 31, instead of “for”?

24.2. Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 6th year after the injury year

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 6th year after the injury year	Claims on Wage-Loss Benefits after 6 years (%)
Intent of Measure	Intent
To provide a system measure of the persistency of claims on wage-loss benefits. Is related to the severity of claims. To measure the extent to which injured workers are unable to return to work in the longer term. System cost driver.	To measure injury severity as the persistency of claims on wage-loss benefits and the extent to which injured workers are unable to return to work in the longer term. Also a system cost driver.
Definition	Definition
Ratio of the number of lost-time claims receiving any type of wage-loss benefits for December 31 of the second/sixth calendar year after the injury year to the total number of lost-time claims reported for that injury year.	Ratio of: (a) the number of Lost Time Claims receiving any type of wage-loss benefits for December 31 of the sixth calendar year after the injury year; to (b) the Total Lost Time Claims for that injury year.
Calculation	Calculation
<p>Let t = the calendar year under report</p> <p>Percentage of Lost-Time Claims Receiving Wage-Loss Benefits at the End of the 2nd Year After the Injury Year =</p> $A/B \times 100$ <p>A = Number of claims for injury year t-2 with any wage-loss benefits >\$1 paid for December 31 of year t regardless of payment interruptions prior to this date. In counting claims receiving payment, files should be read by March 31 of the third calendar year after the injury year.</p> <p>B = Number of lost-time claims for injury year t-2 (KSM #2)</p> <p>Percentage of Lost-Time Claims Receiving Wage-Loss Benefits at the End of the 6th Year After the Injury Year =</p> $C/D \times 100$	<p><i>Includes:</i></p> <ul style="list-style-type: none"> claims for injury year t-6 with any wage-loss benefit >\$1 paid for December 31 of year t regardless of payment interruptions prior to this date claims for assessable employers and self-insured employers <p><i>Excludes:</i></p> <ul style="list-style-type: none"> survivor benefits claims <p><i>Reference Period:</i></p> <ul style="list-style-type: none"> In counting claims receiving payment, files are read by March 31 of the seventh calendar year after the injury year. <p>When this KSM is influenced by lump-summing or pension review practices, this should be indicated in a footnote.</p> <p><i>Formula:</i></p> <p>C / D x 100, where:</p> <p>t = reference year</p> <p>C = number of claims for injury year t-6 with any wage-loss benefit >\$1 paid for December 31 of year t regardless of payment interruptions prior to this</p>

Current Definition

C = Number of claims for injury year t-6 with any wage-loss benefit >\$1 paid for December 31 of year t regardless of payment interruptions prior to this date. In counting claims receiving payment, files should be read by March 31 of the seventh calendar year after the injury year.

D = Number of lost-time claims for injury year t-6 (KSM #2)

In counting the number of claims with any wage-loss benefit, exclude survivor benefits. Indicate in a footnote when this KSM is influenced by lump-summing or pension review practices.

Claims from all types of employers should be included (assessable employers and self-insured).

Example :

t : Year 2006 (reference year under report)

C : Number of claims for injury year 2000 with any wage-loss benefits >\$1 paid for December 31, 2006

D : Number of lost-time claims for 2000 (KSM #2)

Proposed Revision

date. In counting claims receiving payment, files should be read by March 31 of the seventh calendar year after the injury year.

D = [Total Lost Time Claims](#) for injury year t-6 (KSM #2).

Example:

t: year 2014 (reference year)

C: number of claims for injury year 2008 with any wage-loss benefits >\$1 paid **for** December 31, 2014

D: Total Lost Time Claims for 2008 (KSM #2)

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table.

Intent: Reworded for readability.

Definition: Reworded for readability. Removed text referring to KSM 24.1.

Calculation:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.
- Highlighted Reference Period.
- Removed text referring to KSM 24.1.

Question for Committee related to this KSM:

Should it be Lost Time Claims receiving wage-loss benefits “on” or “at” December 31, instead of “for”?

25.1. Percentage of Wage-Loss Claims off Compensation at 30 days

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage of Wage-Loss Claims off Compensation at 30 days	<i>No change.</i>
Intent of Measure	Intent
To measure how soon injured workers leave the wage-loss compensation system permanently.	To be a proxy of return to work. To measure how soon injured workers leave the wage-loss compensation system permanently.
Definition	Definition
Percentage of new lost-time claims, as determined according to KSM #2, that have received their last day of wage-loss benefits 30 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.	Percentage of Total Lost Time Claims (KSM #2) that have received their last day of wage-loss benefits 30 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.
Calculation	Calculation
<p>The components of the measure are as follows:</p> $P_{30} = C(D \leq 30) \div LTC$ <p>Where :</p> <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<30) = The number of claims for which the difference D is smaller or equal to 30.</p> <p>LTC = The total number of lost-time claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>	<p><i>Formula:</i></p> $P_{30} = C(D \leq 30) \div LTC, \text{ where :}$ <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<30) = The number of claims for which the difference D is smaller or equal to 30.</p> <p>LTC = Total Lost Time Claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>

Rationale for changes:

Intent: Added reference to Return to Work (category heading).

Definition: Added link.

Calculation: Highlighted formula. Added link.

25.3. Percentage of Wage-Loss Claims off Compensation at 90 days

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage of Wage-Loss Claims off Compensation at 90 days	<i>No change.</i>
Intent of Measure	Intent
To measure how soon injured workers leave the wage-loss compensation system permanently.	To be a proxy of return to work. To measure how soon injured workers leave the wage-loss compensation system permanently.
Definition	Definition
Percentage of new lost-time claims, as determined according to KSM #2, that have received their last day of wage-loss benefits 90 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.	Percentage of Total Lost Time Claims (KSM #2) that have received their last day of wage-loss benefits 90 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.
Calculation	Calculation
<p>The components of the measure are as follows:</p> $P_{90} = C(D \leq 90) \div LTC$ <p>Where :</p> <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<90) = The number of claims for which the difference D is smaller or equal to 90.</p> <p>LTC = The total number of lost-time claims (KSM #2).</p>	<p><i>Formula:</i></p> $P_{90} = C(D \leq 90) \div LTC, \text{ where :}$ <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<90) = The number of claims for which the difference D is smaller or equal to 90.</p> <p>LTC = Total Lost Time Claims (KSM #2).</p>
Caveat	Caveat
This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.	This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.

Rationale for changes:

Intent: Added reference to Return to Work (category heading).

Definition: Added link.

Calculation: Highlighted formula. Added link.

25.4. Percentage of Wage-Loss Claims off Compensation at 120 days

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage of Wage-Loss Claims off Compensation at 120 days	<i>No change.</i>
Intent of Measure	Intent
To measure how soon injured workers leave the wage-loss compensation system permanently.	To be a proxy of return to work. To measure how soon injured workers leave the wage-loss compensation system permanently.
Definition	Definition
Percentage of new lost-time claims, as determined according to KSM #2, that have received their last day of wage-loss benefits 120 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.	Percentage of Total Lost Time Claims (KSM #2) that have received their last day of wage-loss benefits 120 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.
Calculation	Calculation
<p>The components of the measure are as follows:</p> $P_{120} = C(D \leq 120) \div LTC$ <p>Where :</p> <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<120) = The number of claims for which the difference D is smaller or equal to 120.</p> <p>LTC = The total number of lost-time claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>	<p><i>Formula:</i></p> $P_{120} = C(D \leq 120) \div LTC, \text{ where:}$ <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<120) = The number of claims for which the difference D is smaller or equal to 120.</p> <p>LTC = Total Lost Time Claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>

Rationale for changes:

Intent: Added reference to Return to Work (category heading).

Definition: Added link.

Calculation: Highlighted formula. Added link.

25.5. Percentage of Wage-Loss Claims off Compensation at 180 days

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage of Wage-Loss Claims off Compensation at 180 days	<i>No change.</i>
Intent of Measure	Intent
To measure how soon injured workers leave the wage-loss compensation system permanently.	To be a proxy of return to work. To measure how soon injured workers leave the wage-loss compensation system permanently.
Definition	Definition
Percentage of new lost-time claims, as determined according to KSM #2, that have received their last day of wage-loss benefits 180 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.	Percentage of Total Lost Time Claims (KSM #2) that have received their last day of wage-loss benefits 180 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.
Calculation	Calculation
<p>The components of the measure are as follows:</p> $P_{180} = C(D \leq 180) \div LTC$ <p>Where :</p> <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<180) = The number of claims for which the difference D is smaller or equal to 180.</p> <p>LTC = The total number of lost-time claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>	<p><i>Formula:</i></p> $P_{180} = C(D \leq 180) \div LTC, \text{ where:}$ <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<180) = The number of claims for which the difference D is smaller or equal to 180.</p> <p>LTC = Total Lost Time Claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>

Rationale for changes:

Intent: Added reference to Return to Work (category heading).

Definition: Added link.

Calculation: Highlighted formula. Added link.

25.6. Percentage of Wage-Loss Claims off Compensation at 360 days

Current Definition	Proposed Revision
KSM Name	KSM Name
Percentage of Wage-Loss Claims off Compensation at 360 days	<i>No change.</i>
Intent of Measure	Intent
To measure how soon injured workers leave the wage-loss compensation system permanently.	To be a proxy of return to work. To measure how soon injured workers leave the wage-loss compensation system permanently.
Definition	Definition
Percentage of new lost-time claims, as determined according to KSM #2, that have received their last day of wage-loss benefits 360 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.	Percentage of Total Lost Time Claims (KSM #2) that have received their last day of wage-loss benefits 360 days after the injury. The last day of wage-loss benefits is determined at December 31 of the year following the reference year.
Calculation	Calculation
<p>The components of the measure are as follows:</p> $P_{360} = C(D \leq 360) \div LTC$ <p>Where :</p> <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<360) = The number of claims for which the difference D is smaller or equal to 360.</p> <p>LTC = The total number of lost-time claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>	<p><i>Formula:</i></p> $P_{360} = C(D \leq 360) \div LTC, \text{ where:}$ <p>D = The difference, in days, between the injury date and the last date for which an injured worker received any wage-loss benefits. The last date of benefits is determined on December 31 of the year following the reference year. One-day medical visits or appointments can be excluded when determining the last date of benefits.</p> <p>C(D<360) = The number of claims for which the difference D is smaller or equal to 360.</p> <p>LTC = Total Lost Time Claims (KSM #2).</p> <p>Caveat</p> <p>This is not a return to work measure although it can be seen as a proxy. Injured workers may stop receiving wage-loss benefits for a number of reasons other than returning to work. Also note that the measure makes no distinction with regards to what happens between the injury and the last day of wage-loss benefits. For instance, a worker that has temporarily returned to work before experiencing an aggravation is treated the same as if the wage-loss benefits never stopped. All aggravations or claim reopenings that occur after December 31 of the year following the reference year are not accounted for.</p>

Rationale for changes:

Intent: Added reference to Return to Work (category heading).

Definition: Added link.

Calculation: Highlighted formula. Added link.

IR1. Administration Costs Per \$100 of Assessable Payroll

Current Definition	Proposed Revision
KSM Name	KSM Name
Administration Costs Per \$100 of Assessable Payroll	<i>No change.</i>
Intent of Measure	Intent
To measure the observed cost of administering the system per \$100 of assessable payroll to make it comparable between Boards/Commissions. Useful for monitoring trends.	To measure the cost of administering the system from a rate setting point of view. To compare to the administration costs component of the provisional assessment rate (available in the Breakdown of Assessment Rates). Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions.
Definition	Definition
Total administration costs for assessable employers, divided by the assessable payroll.	Administration costs per \$100 of assessable payroll. Ratio of: (a) Administration Costs for Assessable Employers; to (b) Assessable Payroll for Assessable Employers. For assessable employers only.
Calculation	Calculation
$100 \times A / (B \times 1000)$ A = Administration Costs (\$ millions) (KSM #8) B = Assessable Payroll for Assessable Employers (\$ billions) (KSM #12) Express in dollars per \$100 of assessable payroll.	<i>Excludes:</i> <ul style="list-style-type: none"> self-insured employers <i>Formula:</i> $100 \times A / (B \times 1000)$, where: A = Administration Costs for Assessable Employers (\$ millions) (KSM #8) B = Assessable Payroll for Assessable Employers (\$ billions) (KSM #12). Expressed in dollars per \$100 of assessable payroll.

Rationale for changes:

Intent: Reworded. Added reference to [Breakdown of Assessment Rates](#) Report. Added note about comparability of IRs.

Definition: Defined ratio components used for this IR.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted the formula used to calculate the KSM. Added links to component KSMs.

Question for Committee related to this KSM:

For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

IR2. Current Year Benefit Costs Per \$100 of Assessable Payroll

Current Definition	Proposed Revision
KSM Name	KSM Name
Current Year Benefit Costs Per \$100 of Assessable Payroll	<i>No change.</i>
Intent of Measure	Intent
To measure the fully funded cost of injuries occurring in the year from a rate setting point of view. To provide an indication of what rate should have been charged to finance the cost of injuries occurring in the year when compared to the component for the compensation costs in the provisional assessment rate (available in the Preface Reports). To improve comparability of key statistical measures. Useful for monitoring trends.	To measure benefit costs from a rate setting point of view. To compare to the component for the compensation costs in the provisional assessment rate (available in the Breakdown of Assessment Rates Report). Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions.
Definition	Definition
Total benefit costs incurred for injuries that occurred in the reference year and diseases that were reported/diagnosed in the reference year, divided by the assessable payroll. For assessable employers only.	Current year benefit costs per \$100 of assessable payroll. Ratio of: (a) Current Year Benefit Costs Incurred for Assessable Employers; to (b) Assessable Payroll for Assessable Employers. For assessable employers only.
Calculation	Calculation
$100 \times A / (B \times 1000)$ A = Current Year Benefit Costs Incurred for Assessable Employers (\$ millions) (KSM #4.1) B = Assessable Payroll for Assessable Employers (\$ billions) (KSM #12) Express in dollars per \$100 of assessable payroll.	<i>Excludes:</i> <ul style="list-style-type: none"> self-insured employers <i>Formula:</i> $100 \times A / (B \times 1000)$, where: A = Current Year Benefit Costs Incurred for Assessable Employers (\$ millions) (KSM #4.1) B = Assessable Payroll for Assessable Employers (\$ billions) (KSM #12) Expressed in dollars per \$100 of assessable payroll.

Rationale for changes:

Intent: Reduced wording. Reworded for clarity. Added link to [Breakdown](#). Added note about comparability of IRs.

Definition: Defined ratio components used for this IR.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted the formula used to calculate the KSM. Added links to component KSMs.

Question for Committee related to this KSM:

For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

IR4. Occupational Health & Safety Costs paid by Boards/Commissions. per \$100 of Assessable Payroll

Current Definition	Proposed Revision
KSM Name	KSM Name
Occupational Health & Safety Costs paid by Boards/Commissions. per \$100 of Assessable Payroll	OH&S Costs per \$100 of Assessable Payroll
Intent of Measure	Intent
To measure the cost of occupational health and safety activities from a rate setting point of view. To provide an indication of what rate should have been charged to finance the cost of occupational health & safety (OH&S) when compared to the component for the OH&S costs in the provisional assessment rate (available in the Preface Reports). To improve comparability of key statistical measures.	To measure occupational health and safety costs from a rate setting point of view. To compare to the OH&S costs component of the provisional assessment rate (available in the Breakdown of Assessment Rates). Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions.
Definition	Definition
Total occupational health & safety costs for assessable employers, divided by the assessable payroll.	OH&S costs paid by Boards/Commissions per \$100 of assessable payroll. Ratio of: (a) OH&S Costs Paid by Boards/Commissions; to (b) Assessable Payroll for Assessable Employers. For assessable employers only.
Calculation	Calculation
$100 \times A / (B \times 1000)$ A = Total OH&S Costs Paid by Boards/Commissions during Year (\$ millions) (KSM #9) B = Assessable Payroll for Assessable Employers (\$ billions) (KSM #12) Express in dollars per \$100 of assessable payroll.	Excludes: <ul style="list-style-type: none"> self-insured employers Formula: $100 \times A / (B \times 1000)$, where: A = OH&S Costs Paid by Boards/Commissions (\$ millions) (KSM #9) B = Assessable Payroll for Assessable Employers (\$ billions) (KSM #12) Expressed in dollars per \$100 of assessable payroll.

Rationale for changes:

KSM Name: Shortened to save space in [Detailed KSM Report](#) table. Removed “paid by Boards/Commissions”.

Intent: Reworded. Added reference to [Breakdown of Assessment Rates](#) Report. Added note about comparability of IRs.

Definition: Defined ratio components used for this IR.

Calculation: Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure. Highlighted the formula used to calculate the KSM. Added links to component KSMs.

Questions for Committee related to this KSM:

- 1) Okay to remove “Paid by Boards/Commissions” in KSM Name?
- 2) Added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

IR5. Current Year Average Benefit Cost per Lost Time Claim

Current Definition	Proposed Revision
KSM Name	KSM Name
Current Year Average Benefit Cost per Lost Time Claim	<i>No change.</i>
Intent of Measure	Intent
To measure the average severity per lost-time claim in monetary terms. System cost driver. To improve comparability of key statistical measures. Useful for monitoring trends.	To measure the average severity per Lost Time Claim in monetary terms. Also a system cost driver. Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions.
Definition	Definition
Total benefit costs incurred for injuries that occurred in the reference year and diseases that were reported/diagnosed in the reference year, divided by new lost-time claims of the reference year. For assessable employers only.	Current year average benefit cost per Lost Time Claim. Ratio of: (a) Benefit Costs Incurred for Assessable Employers; to (b) Lost Time Claims for Assessable Employers. For assessable employers only.
Calculation	Calculation
$1000000 \times A / B$ A = Current Year Benefit Costs Incurred for Assessable Employers (\$ millions) (KSM #4.1) B = Number of New Lost-Time Claims for Assessable Employers (KSM #2.1) Express in \$.	<i>Excludes:</i> <ul style="list-style-type: none"> self-insured employers <i>Formula:</i> $1,000,000 \times A / B$, where: A = Current Year Benefit Costs Incurred for Assessable Employers (\$ millions) (KSM #4.1) B = Lost Time Claims for Assessable Employers (KSM #2.1). Expressed in dollars.

Rationale for changes:

Intent: Added note about comparability of IRs.

Definition: Defined ratio components used for this IR.

Calculation:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.
- Added links to component KSMS.

Question for Committee related to this KSM:

For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

IR6. Administration Costs per Lost Time Claim

Current Definition	Proposed Revision
KSM Name	KSM Name
Administration Costs per Lost Time Claim	<i>No change.</i>
Intent of Measure	Intent
To give an indication of the cost of administering the system from the compensation mission point of view measured by the total amount of resources spent per lost-time claim. To improve comparability of key statistical measures. Useful for monitoring trends.	To measure the cost of administering the system. To measure the amount of resources spent per Lost Time Claim. Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions.
Definition	Definition
Administration costs, divided by new lost-time claims during the year. For assessable employers only.	Administration costs per Lost Time Claim. Ratio of: (a) Administration Costs for Assessable Employers; to (b) Lost Time Claims for Assessable Employers. For assessable employers only.
Calculation	Calculation
$1000000 \times A / B$ A = Administration Costs (\$ millions) (KSM #8) B = Number of New Lost-Time Claims for Assessable Employers (KSM #2.1) Express in \$.	<i>Excludes:</i> <ul style="list-style-type: none"> self-insured employers <i>Formula:</i> $1,000,000 \times A / B$, where A = Administration Costs for Assessable Employers (\$ millions) (KSM #8) B = Lost Time Claims for Assessable Employers (KSM #2.1). Expressed in dollars.

Rationale for changes:

Intent: Reworded. Added note about comparability of IRs.

Definition: Defined ratio components used for this IR.

Calculation:

- Grouped specific “inclusions” and “exclusions” into include/exclude lists to make it easier to know what is/isn’t included in the measure.
- Highlighted the formula used to calculate the KSM.
- Added links to component KSMs.

Question for Committee related to this KSM:

For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

Appendix - Questions for Committee related to specific KSMs

The following questions arose from the definition review:

Questions related to overall presentation of KSM Definitions

- 1) Should Definitions be re-ordered using same category listing and category headings as [Detailed KSM Report](#)? If yes, do we also want an option to sort by “KSM number”?
- 2) Should we add an introduction to KSM Definitions? For example:

AWCBC’s Key Statistical Measures (KSMs) are financial and statistical indicators related to workers’ compensation. Because provinces and territories use different methodologies in their own jurisdictions, standard definitions are used for increased comparability of national data. This document contains those definitions.

Questions related to certain types of KSMs:

- 3) Merging old and new KSMs, to make 1 KSM:

For benefit KSMs (KSMs 4, 5 and 7), now that we discontinued self-insured and healthcare can we amalgamate KSM 4 into 4.1, KSM 5 into 5.1 and KSM 7 into 7.1? We only have KSM 4, 5 and 7 for 1996-1998 and then 4.1, 5.1 and 7.1 for assessable employers after that. Can we merge these so there are 3 KSMs instead of 6 and make a note in the definitions that years 1996-1998 may include self-insured employers?

- 4) Indicator Ratios Intent of Measure:

For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent of Measures. Is this okay?

Questions related to specific KSMs:

KSM 3. Number of Fatalities Accepted

- 5) Okay to add specific reference to occupational disease in Definition?

KSM 4. Current Year Benefit Costs Incurred (\$millions)

- 6) To reduce the number of KSMs, should this be absorbed into KSM 4.1 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only?
- 7) Can we remove “Incurred” from name?

KSM 4.1. Current Year Benefit Costs Incurred for Assessable employers. Excludes admin. costs (\$millions)

- 8) To reduce the number of KSMs, should this KSM absorb KSM 4 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only? KSM would be renumbered as simply KSM 4 as there are no longer any sub-KSMs.

- 9) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM? (* self-insured related KSM was discontinued)
- 10) Can we remove “Incurred” from name?
- 11) In Calculation, can we add specific exclusion for “Latent occupational diseases yet to be reported/diagnosed”?

KSM 5. Benefit Payments for All Years Paid During the Year. Excludes admin. Costs (\$millions)

- 12) To reduce the number of KSMs, should this be absorbed into KSM 5.1 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only?
- 13) For KSM 5 and 5.1, do we need “for All Years” in the name?

KSM 5.1. Benefit Payments for All Years Paid During the Year for Assessable employers. Excludes admin. Costs (\$millions)

- 14) To reduce the number of KSMs, should this KSM absorb KSM 5 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only? KSM would be renumbered as simply KSM 5 as there are no longer any sub-KSMs.
- 15) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM? (*self-insured related KSM was discontinued)
- 16) For KSM 5 and 5.1, do we need “for all Years” in the name?

KSM 6. Benefit Costs Incurred - excludes admin. costs (\$millions)

- 17) Instead of including self-insured employers whose liabilities are calculated, should we simply exclude SI employers altogether from this KSM, to be coherent with the other financial KSMs (4, 5 and 7)?
- 18) In Calculation, can we add specific exclusion for “Latent occupational diseases yet to be reported/diagnosed”?

KSM 7. Total Benefit Liabilities. Excludes admin. costs (\$millions)

- 19) To reduce the number of KSMs, should this be absorbed into KSM 7.1 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only?

KSM 7.1. Total Benefit Liabilities for Assessable employers. Excludes admin. costs (\$millions)

- 20) To reduce the number of KSMs, should this KSM absorb KSM 7 with a note that years 1996-1998 may include self-insured employers and years 1999 and later are for assessable employers only? KSM would be renumbered as simply KSM 7 as there are no sub-items.
- 21) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM? (*self-insured related KSM was discontinued)
- 22) In Calculation, can we add specific exclusion for “Latent occupational diseases yet to be reported/diagnosed”?

KSM 8. Administration Costs for Assessable Employers (\$millions)

- 23) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?

KSM 12. Assessable Payroll for Assessable employers (\$billions)

- 24) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?

KSM 13. Actual Average Assessment Rate

- 25) Should this be absorbed into KSM 13.1 (Actual Average Assessment Rate for Assessable Employers) as they are effectively the same measure? This KSM is only available for years 1996-1997.

KSM 13.1. Actual Average Assessment Rate for Assessable Employers

- 26) To reduce the number of KSMs, should this KSM absorb KSM 13 as they are effectively the same measure?
- 27) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?

KSM 13.2. Provisional Average Assessment Rate for Assessable Employers

- 28) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?

KSM 19. Average New Impairment Award Percentage

- 29) It can be difficult to distinguish Average New Impairment Award Percentage (KSM 19) from Proportion of Claims Awarded Impairment Benefits (KSM 20). KSM 19 is the average permanent impairment percentage given out on claims (i.e. the percentage of impairment assigned) and KSM 20 is the percentage of claims awarded permanent impairment benefits. Any suggested wording for definition or changes to name to make KSM 19 clearer and to distinguish the two? E.g. change “Average New Impairment Award Percentage” to “Average Impairment Award (%)” or “Average Impairment Percentage Assigned”?
- 30) The definition previously didn’t specifically include or exclude self-insured employers, so the assumption is that SI employers should be included. Should SI claims be specifically included? Should SI claims be specifically excluded? A survey was sent out to KSM submitters to see whether they include SIs in this KSM. All jurisdictions that responded include both SI and assessable, except Quebec, which footnotes that SI are excluded.

KSM 20. Proportion of Claims Awarded Impairment Benefits

- 31) The definition previously didn’t specifically include or exclude self-insured employers, so the assumption is that SI employers should be included. Should SI claims be specifically included? Should SI claims be specifically excluded? A survey was sent out to KSM submitters to see whether they include SIs in this KSM. All jurisdictions that responded include both SI and assessable, except Quebec, which footnotes that SI are excluded.

KSM 21. Injury Frequency (per 100 workers of assessable employers)

- 32) Since the definition identifies that this is for Assessable Employers only, should/can we remove “for Assessable Employers” in the name of this KSM?
- 33) Does the name need to include “Lost Time” (i.e. Lost Time Injury Frequency) to distinguish it from Total Injury Rates some provinces produce? The definition is clear that it is for Lost Time Claims only.

KSM 23. Real Rate of Return to Discount Fully Indexed Benefits (previously called Discount Rates)

- 34) This KSM is confusing to non-financial people. Intent and Definition completely reworded and Name changed. Are new Name, Intent and Definition okay?

KSM 24.1. Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 2nd year after the injury year

- 35) Should it be Lost Time Claims receiving wage-loss benefits “on” or “at” December 31, instead of “for”?

KSM 24.2. Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 6th year after the injury year

- 36) Should it be Lost Time Claims receiving wage-loss benefits “on” or “at” December 31, instead of “for”?

KSM IR1. Administration Costs Per \$100 of Assessable Payroll

- 37) For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

KSM IR2. Current Year Benefit Costs Per \$100 of Assessable Payroll

- 38) For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

KSM IR4. Occupational Health & Safety Costs paid by Boards/Commissions. per \$100 of Assessable Payroll

- 39) Okay to remove “Paid by Boards/Commissions” in KSM Name?
- 40) For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

KSM IR5. Current Year Average Benefit Cost per Lost Time Claim

- 41) For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?

KSM IR6. Administration Costs per Lost Time Claim

- 42) For IRs, added “Ratio measures such as this allow for easier comparisons between smaller and larger Boards/Commissions” to Intent. Is this okay?