###### 4.Current Year Benefit Costs ($ millions)

Current Definition:

*Updated: Decisions May 2016 and May 2017, updated on website June 2017*

Intent of Measure

To measure the cost of benefits related to injuries and diseases that occurred in the year. For assessable employers only.

Definition

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.

Calculation

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.

*Includes*:

* + - all benefits (i.e. short-term disability, long-term disability, survivors’ benefits, healthcare and rehabilitation services)
    - assessable employers only

*Excludes*:

* + - any administration expense
    - self-insured employers
    - latent occupational diseases yet to be reported/diagnosed

Prior Definitions:

Name: **Current Year Benefit Costs Incurred for Assessable employers. Excludes admin. costs ($millions)**

Intent of Measure

To measure the cost of benefits related to injuries and diseases that occurred in the year.

Definition

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.

Calculation

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.

Original Definition:

*Original definition for this KSM needs to be input.*

Decisions related to this KSM:

* + - Updated Intent to include “assessable employers only”. See KSM-related decisions [May 2017](#_bookmark84).
    - Updated Calculation to specifically exclude latent occupational diseases yet to be reported/diagnosed. See KSM-related decisions [May 2016](#_bookmark85) and [May 2017](#_bookmark84).
    - Updated wording for easier readability. See KSM-related decisions [May 2016](#_bookmark85).
    - KSM 4.1 (Current Year Benefit Costs) should be replaced with IR2 (Current Year Benefit Costs per

$100 Assessable Payroll) in the highlight report. See KSM-related decisions [May 2015](#_bookmark88).

Years valid:

* + - 1999 – present

Used to Calculate other KSMs:

* + - [IR2 Current Year Benefit Costs Per $100 of Assessable Payroll](#_bookmark50)

[IR5 Current Year Average Benefit Cost per Lost Time Claim](#_bookmark55)

###### 15.Percentage Funded

This measure is part of the [Canadian Workers’ Compensation System – Year at a Glance Report](https://aoc.awcbc.org/KsmReporting/KsmSubmissionReport/4).

Current Definition

*Updated: Decision May 2016, updated on website June 2017*

Intent of Measure

To measure the overall financial situation of Boards/Commissions at the end of the reference year.

Definition

Ratio of total assets to total liabilities.

Calculation

*Formula*:

A / B x 100, where:

A = total assets

B = total liabilities.

Prior Definitions:

Name: **Percentage Funded**

Intent of Measure

To measure the overall financial situation for the reference year.

Definition

Ratio of total assets to total liabilities.

Calculation

Total assets divided by total liabilities x 100.

Original Definition:

*Original definition for this KSM needs to be input.*

Decisions related to this KSM:

* + Updated wording for easier readability. See KSM-related decisions [May 2016](#_bookmark85).
  + Recommended to be part of [Year at a Glance](https://aoc.awcbc.org/KsmReporting/KsmSubmissionReport/4) report. See KSM-related decisions [May 2015](#_bookmark88).
  + The definition of Percentage Funded (KSM 15) was reviewed with respect to reserves. KSM 15 was presented two ways: (a) as assets divided by liabilities plus reserves; and (b) assets divided by liabilities (no reserves). It was decided that the calculation of KSM 15 will be changed to assets divided by liabilities and will exclude reserves. KSM 15 will be restated using this new definition (for years 1996 to 2007). Jurisdictions (AB, BC, NL, NWT, SK, YT) are to submit revised 1996 to 2007 figures using new definition. It should be noted that the definition changed. See KSM-related decisions [November 2008](#_bookmark106).
  + There was discussion about AWCBC's calculation of funding ratio and the possibility of creating a supplementary funding ratio measure that includes OD reserves. The definition of funding ratio (KSM

15) will be clarified with respect to OD reserves and will be presented at Fall CFO meeting. The definition of KSM 15 to be monitored as IFRS is implemented. AWCBC to make all jurisdictions’ current funding policies available online. See KSM-related decisions [May 2008](#_bookmark107).

Years valid:

* + 1996 – present

Used to Calculate other KSMs:

* + None