

Introduction

The Workers' Safety and Compensation Commission (WSCC) Quarterly Management Report (QMR) provides the organization with multiple business management metrics. The WSCC's Strategic Plan contains the organization's Key Performance Indicators (KPI), which evaluate the WSCC's overall success in achieving strategic objectives. However, the business metrics available in this quarterly report allow the organization's Leadership Team to see WSCC successes and opportunities at an operational level.

The QMR is organized by Division. While a metric may be listed under a specific Division, it does not necessarily mean that the only people interested in this information will be those within that Division. For example, the business metric measuring Claims Expense variance is under the topic 'Finance.' However, Stakeholder Services will be interested in this business metric as well.

Executive Services believes that providing quantitative and qualitative information on a quarterly basis will help our organization stay knowledgeable about our current business. This information will help the WSCC make informed and effective decisions on an ongoing basis.

The Quarterly Management Report is a living document. If you believe that the WSCC needs to monitor new or different business metrics than what is available in this report please let us know.

Enjoy your reading and analysis.

Note:

Data points presented in this document are compared to historical 5 year averages or, if otherwise specified, to the greatest amount of historical data available. Unless otherwise specified, quarterly statistics are presented as Year-to-Date (YTD) values, as of the end of the reference period.

In the rare case where data in the QMR and the Annual Report conflict, always defer to the data in the Annual Report. The QMR is a snapshot in time of the WSCC's position and therefore may conflict with the Annual Report due to the timing of data collection.

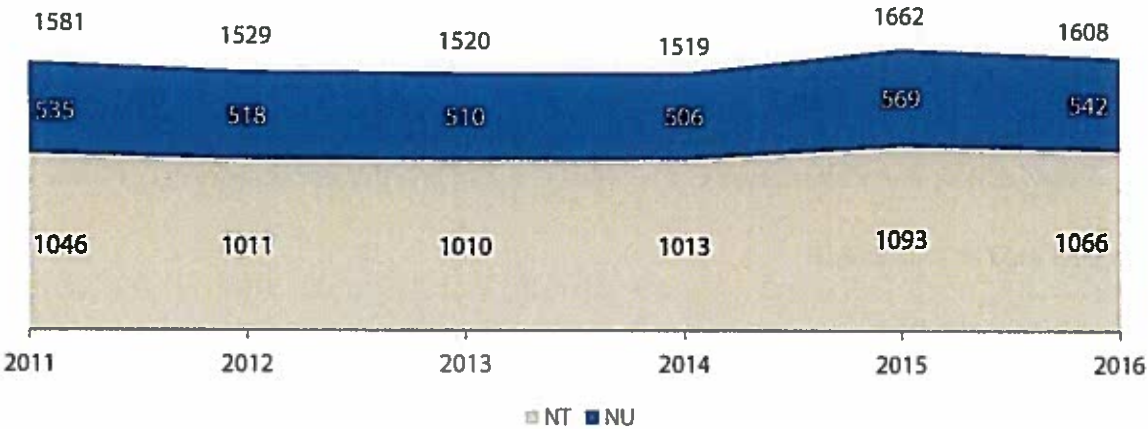
Stakeholder Services

Claims Services

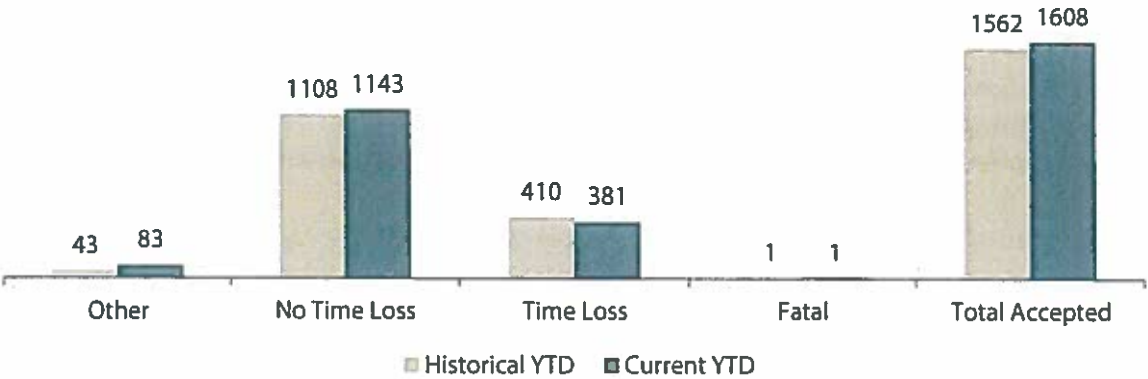
1. Claims Volume

The overall number of accepted claims for both territories YTD at the end of Q2 was 1608; down 3.3% from Q2 2015 (1662 accepted claims), and up 2.9% from the historical Q2 average (1562 accepted claims). When compared to the historical YTD averages, 2016 has seen a decrease in time-loss (TL) claims, and an increase in no time-loss (NTLSS) and 'Other' claims (which include exposures, diagnosed industrial diseases and hearing loss, inter-jurisdictional claims, and claims with no worker report submitted as of the end of Q2).

YTD Five Year Accepted Claims Trend



Historical Comparison



* There was one additional fatality reported in Q1 2016. This claim is currently under review, and acceptance has not yet been determined.

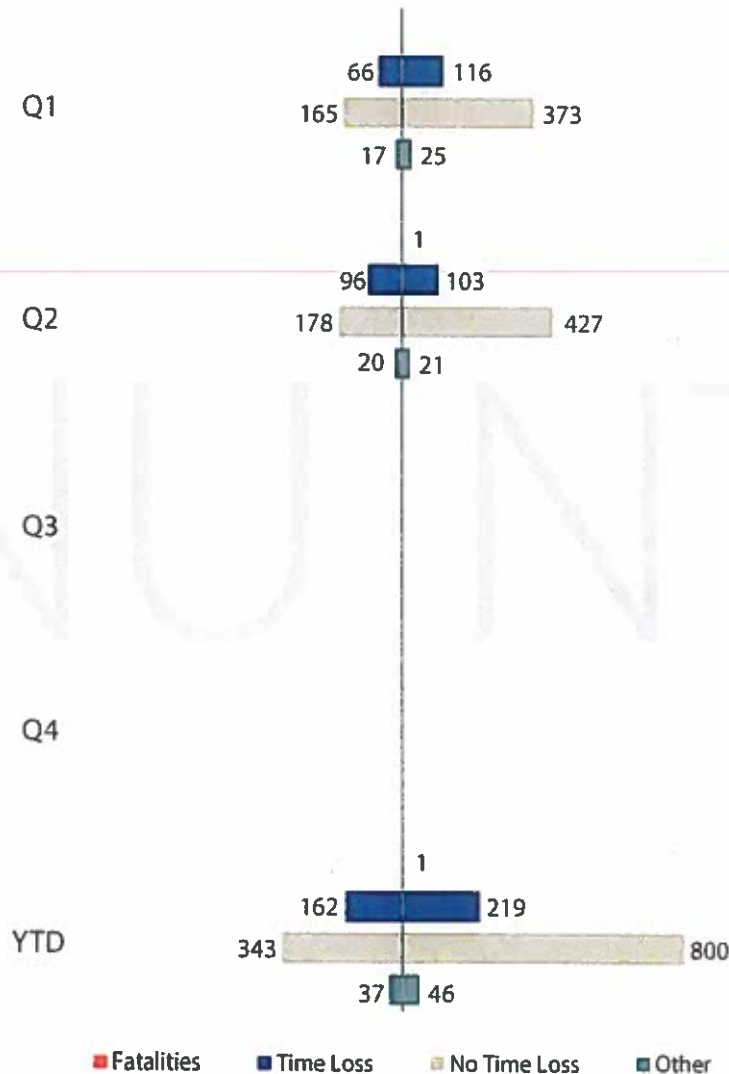
1. Claims Volume, cont.

The WSCC had 1608 accepted claims in both territories at the end of Q2 2016. When compared to the historical Q2 average, NT claims increased by 3.0%; and NU claims increased by 2.7% (resulting in a 2.9% net increase in claims volume from the historical average of 1562 accepted claims for both territories, YTD at the end of Q2). Of the 1608 accepted claims YTD, 33.7% were reported in Nunavut, and 66.3% were reported in the Northwest Territories (542 and 1066 accepted claims, respectively).

Of the 1608 accepted claims, 381 (23.7%) were TL; down 3.1% from Q2 2015 (393 claims; representing 23.6% of accepted claims), and down 7.0% from the historical Q2 average (410). Of the accepted TL claims, 162 (42.5%) were registered in Nunavut (an 8.1% decrease from the historical average of 176 TL claims); and 219 (57.5%) were registered in the Northwest Territories (a 6.3% decrease from the historical average of 234 TL claims).

NLSS claims accounted for 71.1% of accepted claims in both territories, YTD at the end of Q2.

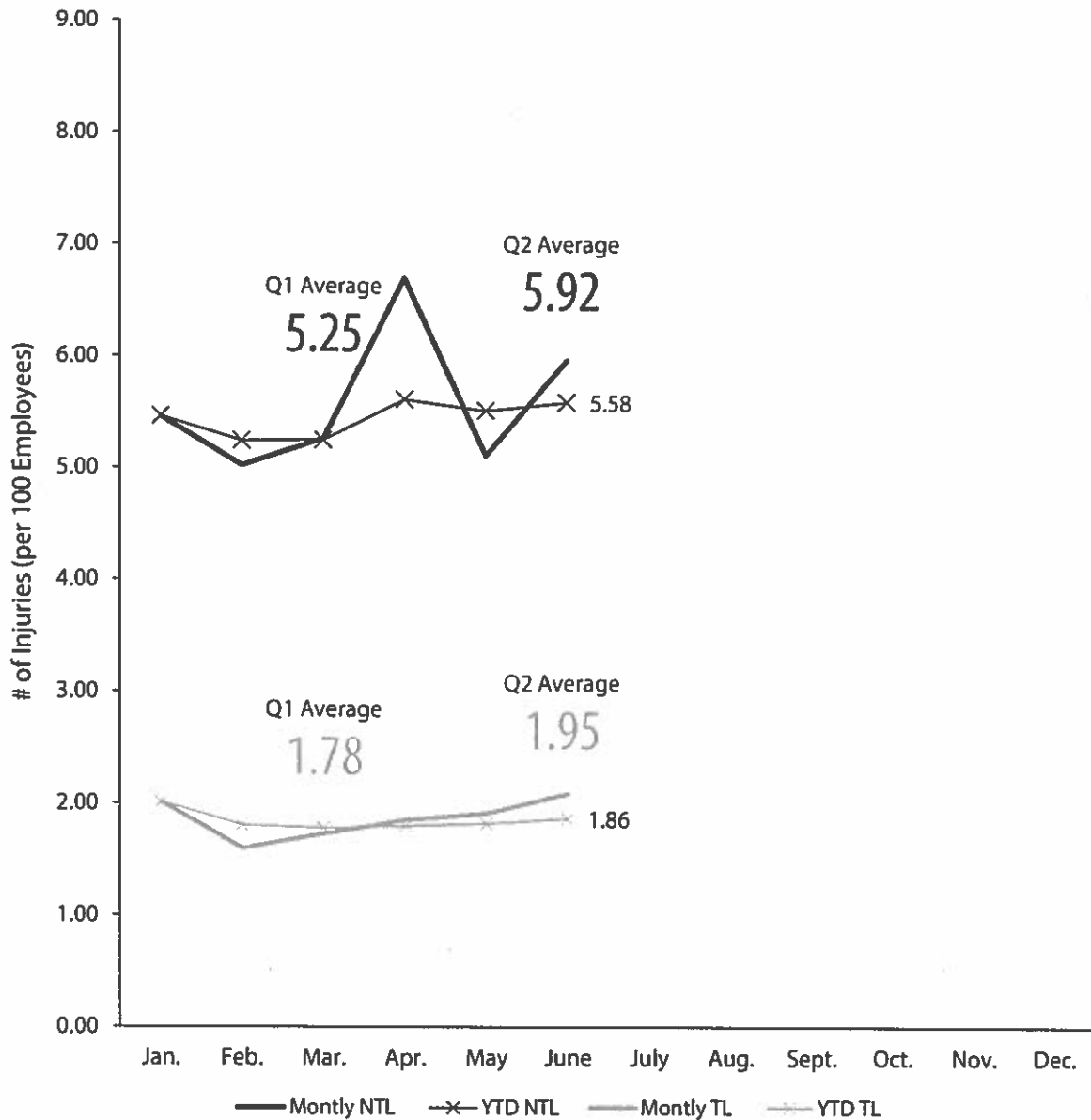
Jurisdictional Comparison



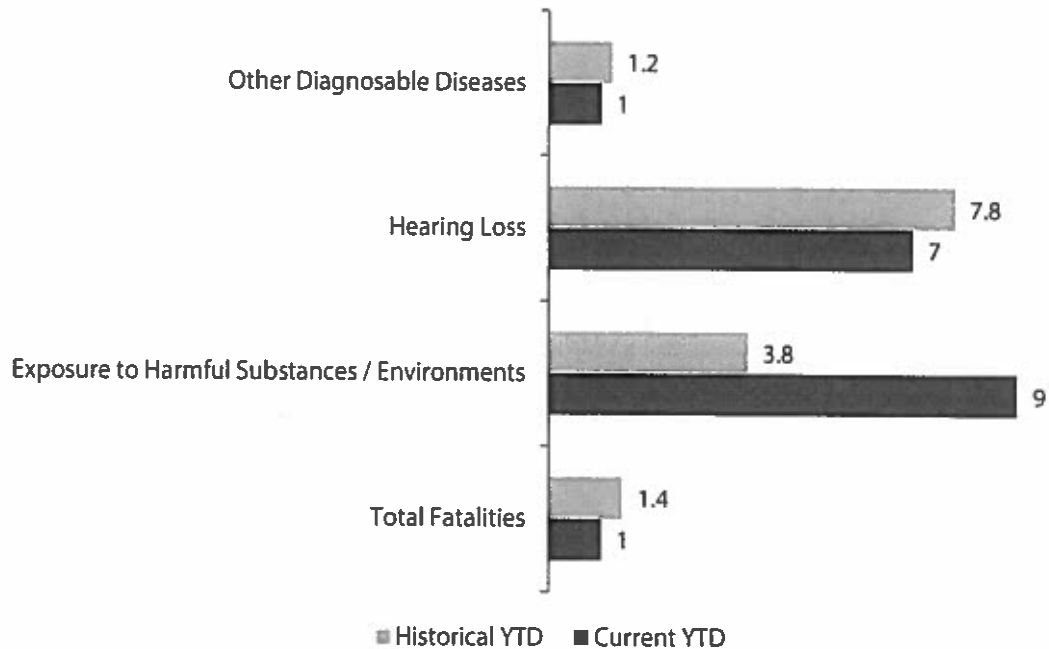
2. Injury Frequency

The frequencies presented here are the number of accepted time-loss (TL) and no time-loss (NTLSS) claims per 100 workers employed for one calendar year. The YTD TL injury frequency at the end of Q2 was 1.86 injuries per 100 workers; on par with the 2015 average of 1.85 TL injuries per 100 workers (YTD, at the end of Q2). The average injury frequency for NTLSS claims at the end of Q2 was 5.58 per 100 workers; 6.7% lower than the 2015 frequency of 5.98, for the same period.

Time-Loss and No Time-Loss Injuries (per 100 Employees)



3. Fatalities & Occupational Diseases



An occupational disease is a disabling or potentially disabling condition arising out of the course of employment. The WSCC has a historical Q2 YTD average of 12.8 occupational disease claims. By the end of Q2 2016, the number of accepted occupational disease claims was 17: one diagnosable occupational disease, seven cases of hearing loss, and nine reports of exposure to harmful substances or environments. Tracking exposures separately allows us to identify the claimants that may experience long-latency occupational diseases later in life as a result of the exposure, even though they currently have no diagnosable disease.

One workplace fatality was reported and accepted in Q2 2016. The fatality was registered in the Northwest Territories to subclass 54 (Trucking, General and Long Distance).

Note: One additional fatality was reported in Q1 2016, and is still under review. As the claim has not yet been accepted, this fatality has been excluded from the claims count and fatality statistics. If a decision is made to accept this claim, quarterly and YTD numbers will adjust accordingly.

4. Claim Volume by Industry

Subclass	Description	Subclass	Description
90	Default	54	Trucking, General & Long Distance
10	Renewable Resource & Outdoor Recreation	62	Retail, Wholesaling & Light Manufacturing
22	Mining Operations	63	Metal Fabrication, Body Work & Alterations
27	Mining Services	66	Automotive Sales & Service
36	Oil & Gas Well Drilling	71	Business Communication & Amusement Services
37	Oil & Gas Servicing, Development, Refining & Pipeline Operations	74	Health, Welfare & Emergency Services
41	General Construction	76	Accommodations, Catering, Food & Beverage Services
43	Mobile Equipment Operations, Logging & Marine Construction	79	Miscellaneous Services
46	Mechanical Installation & Servicing	81	Governments of the NWT and NU & Public Utilities
51	Air Transportation	82	Authorities & D. E. W. Line
53	Ground Transportation		

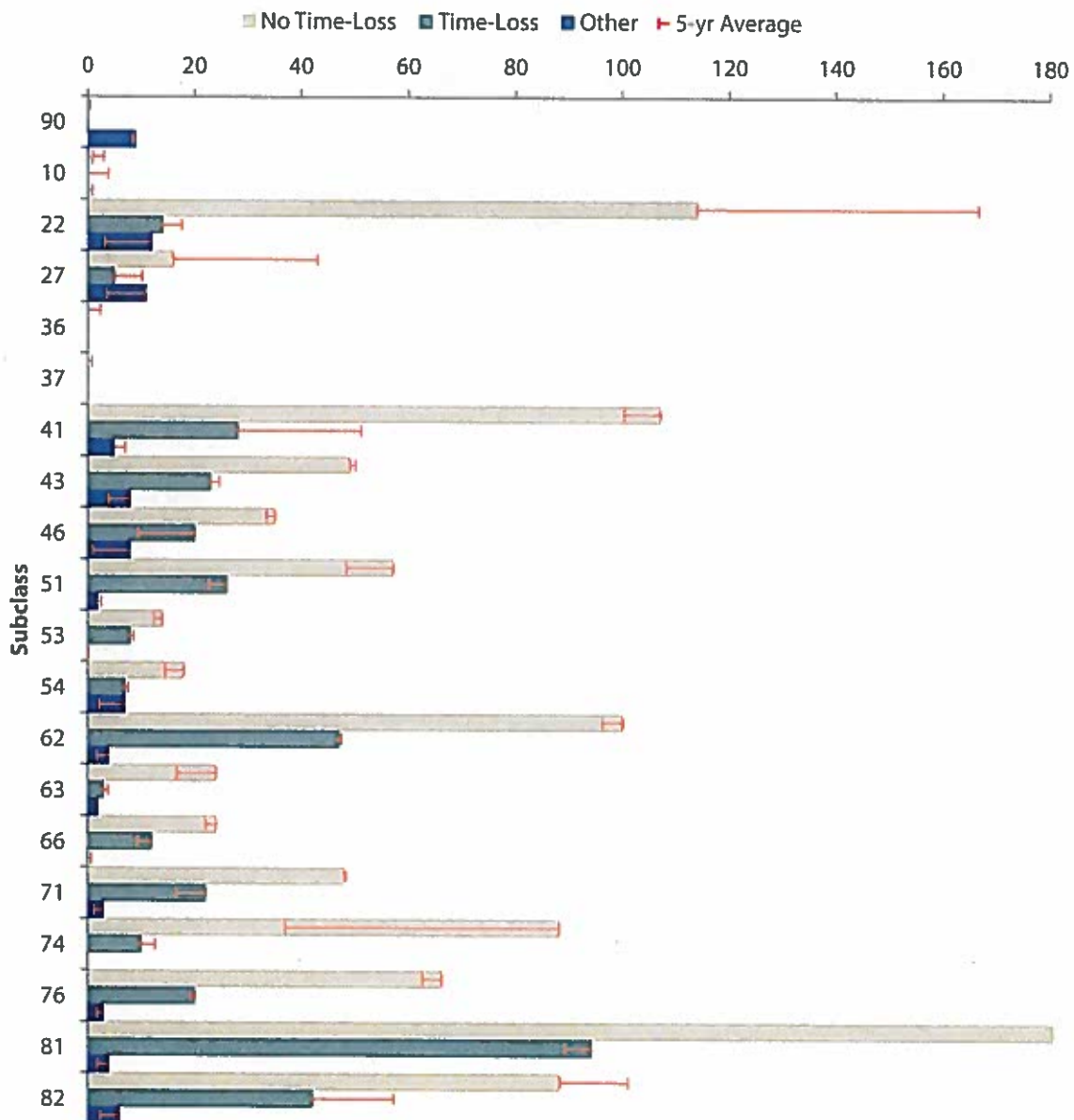
* Please refer to the WSCC Rate Guide for further details on Subclasses.

Industry Subclass	Time Loss YTD		No Time Loss YTD		Other YTD		Total	
	2016	Historical	2016	Historical	2016	Historical	2016	Historical
90	0	0	0	0.4	9	8.4	9	8.8
10	0	3.8	1	3	0	0.8	1	7.6
22	14	17.6	114	166.6	12	3.2	140	187.4
27	5	10.2	16	43	11	3.6	32	56.8
36	0	0	0	2.4	0	0	0	2.4
37	0	0	0	0.8	0	0	0	0.8
41	28	51	107	100.4	5	7	140	158.4
43	23	24.6	49	50	8	4	80	78.6
46	20	9.4	35	33.4	8	1	63	43.8
51	26	22.6	57	48.4	2	2.6	85	73.6
53	8	8.6	14	12.4	0	0.2	22	21.2
54	7	7.6	18	14.4	7	2.2	32	24.2
62	47	38.6	100	76.8	4	1.6	151	117
63	3	3.8	24	16.6	2	2	29	22.4
66	12	9.2	24	22	0	0.6	36	31.8
71	22	16.4	48	48.2	3	1.2	73	65.8
74	10	12.6	88	36.8	0	0	98	49.4
76	20	19.2	66	62.4	3	1.8	89	83.4
79	0	8.8	0	19.4	0	0.2	0	28.4
81	94	88.8	294	249.6	4	1.8	392	340.2
82	42	57	88	100.8	6	2.4	136	160.2
Total	381	410	1143	1108	84	44	1608	1562

4. Claim Volume by Industry, cont.

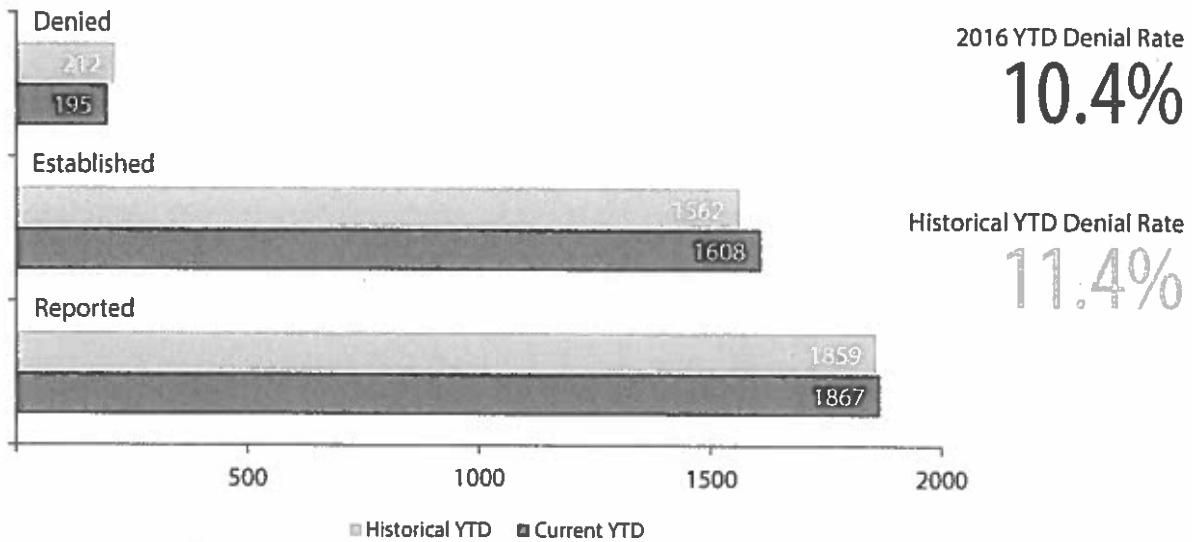
The previous page shows the YTD and Historical YTD claims volume for time-loss, no time-loss and "other" (which includes diagnosed occupational diseases, exposures, interjurisdictional claims, time-loss claims with no worker reports, and fatalities). Below is a graphical representation of the information from the previous page. The red whiskers on the bar graph show the historical five-year averages for time-loss, no time-loss, and "other" claims as at the end of Q2. The largest share of time-loss and no time-loss claims originate within Class 8 (Public Administration & Defense- the Government and Public Utilities sector); which accounts for 34.0% of the total TL and NTLSS claims (35.7% of TL claims; and 33.4% of NTLSS claims).

While the overall number of TL claims at the end of Q2 2016 is down 7.0% from the historical average, three Classes (5, 6 and 7) have seen a net increase in TL claims. Similarly, three Classes (1, 2 and 3) saw a net decrease in NTLSS claims in the current year, even though the general trend has been upwards.



5. Claim Denial Rate

Reported claims are injuries that are reported and registered within the reference period. Established claims are those that have been accepted by the WSCC at the time of report creation and exclude claims that are denied, duplicated, not established, or belonging to other workers compensation boards.



The overall number of reported and established claims in both territories at the end of Q2 2016 shows a slight increase over previous years. By the end of Q2, a total of 1867 claims had been reported; up 0.4% from the historical average of 1859 reported claims. Of the 1867 reported claims, 643 (34.4%) were reported in Nunavut and 1224 (65.6%) were reported in the Northwest Territories. As of the end of Q2, 1608 of the 1867 reported claims have been established and accepted (542 accepted claims in NU, and 1066 in NT).

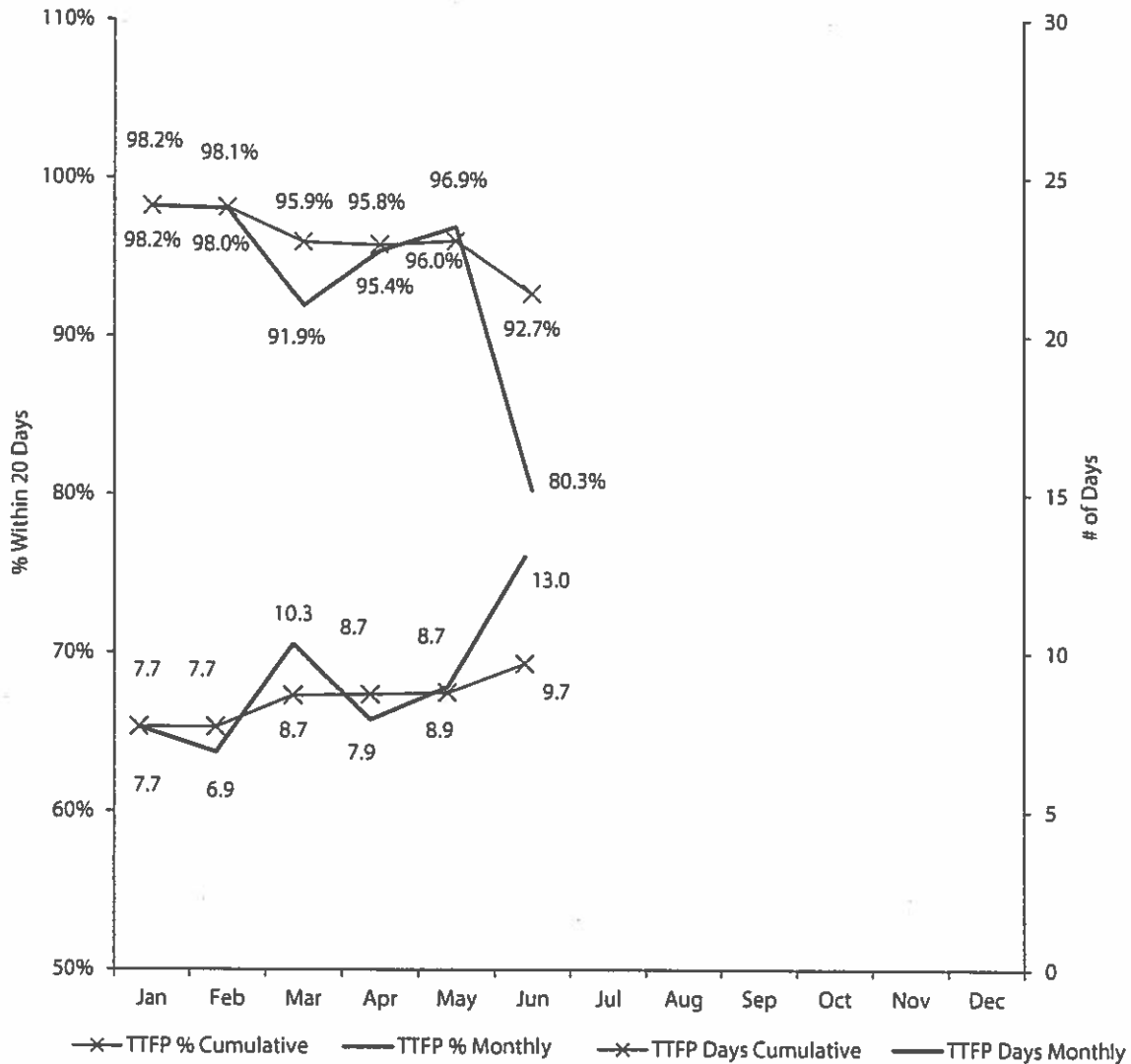
Altogether, 195 claims have been denied YTD at the end of Q2. The combined denial rate for both territories at the end of the quarter was 10.4%; down from the historical YTD average of 11.4%. For Nunavut registrations, the denial rate was 13.5%; on par with the historical average denial rate for the territory (13.4%). The YTD denial rate for NT registrations at the end of Q2 was 8.8%; down from the historical average of 9.3%.

6. Time to First Payment

This chart provides information concerning the percentage of claimants who received their first compensation payment within 20 days of their claim being accepted as TL; and the average number of days to first payment for all time-loss claims. The WSCC strives to provide 90% of first payments to time-loss claimants within 20 days.

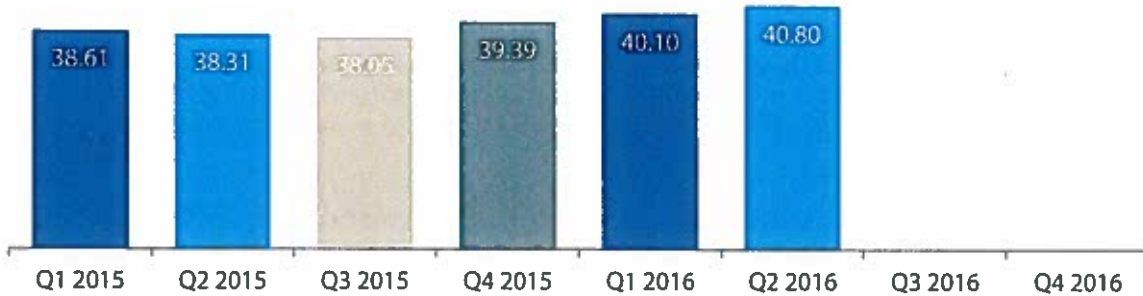
The WSCC provided compensation in 20 days or less to 92.7% of time-loss claimants in 2016 YTD. The average TTFP for all claims which became, or were accepted as TL in 2016 (YTD at the end of Q2) was 9.66 days. With the exception of June, which saw a TTFP of 80.3% within 20 days, the WSCC has continually met and exceeded its goal of providing a TTFP of 90%.

It's important to keep in mind that there was the potential for a postal disruption in the month of June. The Finance Department held off on issuing cheques for that period as a precaution. Since cheques were not issued until the threat of postal disruption was over, claims receiving payment through cheque had them issued several days after they were authorized. If we considered 'authorized date' (rather than 'date paid') for claims affected by the potential disruption, the percentage of claims meeting TTFP in June would have been 86.4% (94.0%, YTD)



*The methodology for calculating TTFP has been updated in 2016 and is now measured from the latest of registration date, update to TL date, and first work loss date; whereas it was previously measured strictly from registration date. The updated methodology recognizes that TL claims do not always start off as TL and should coincide with the date a claim is accepted as TL.

7a. Average Claim Duration

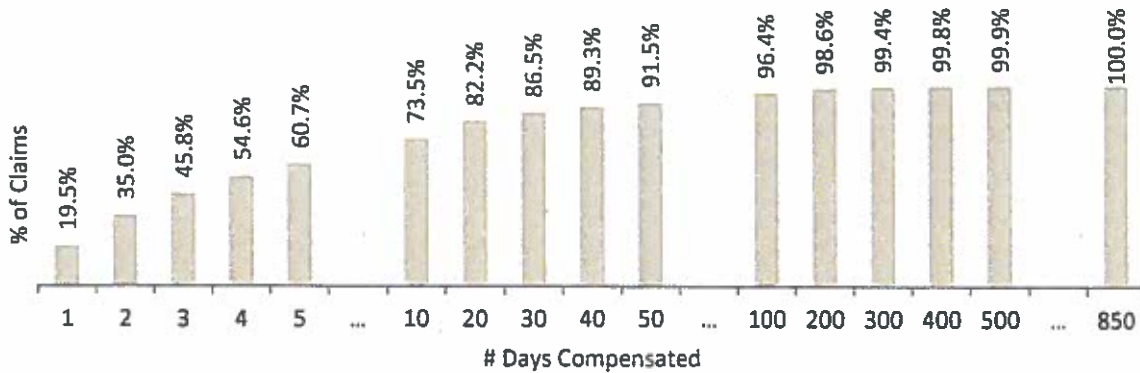


The average claim duration (calculated as the number of days paid in a rolling one-year period, divided by the number of claims paid in the same period) in Q2 2016 was 40.80 days; up 1.7% from the Q1 2016 average of 40.10 days.

7b. Claim Duration

The graph below summarizes claim duration; which is defined as the number of calendar days compensated for Total Temporary Disability (TTD) for all closed claims registered within the last five years. The horizontal axis shows the number of calendar days compensated for TTD, and the vertical axis shows the percentage of claims which were paid TTD for a specified number of days or less.

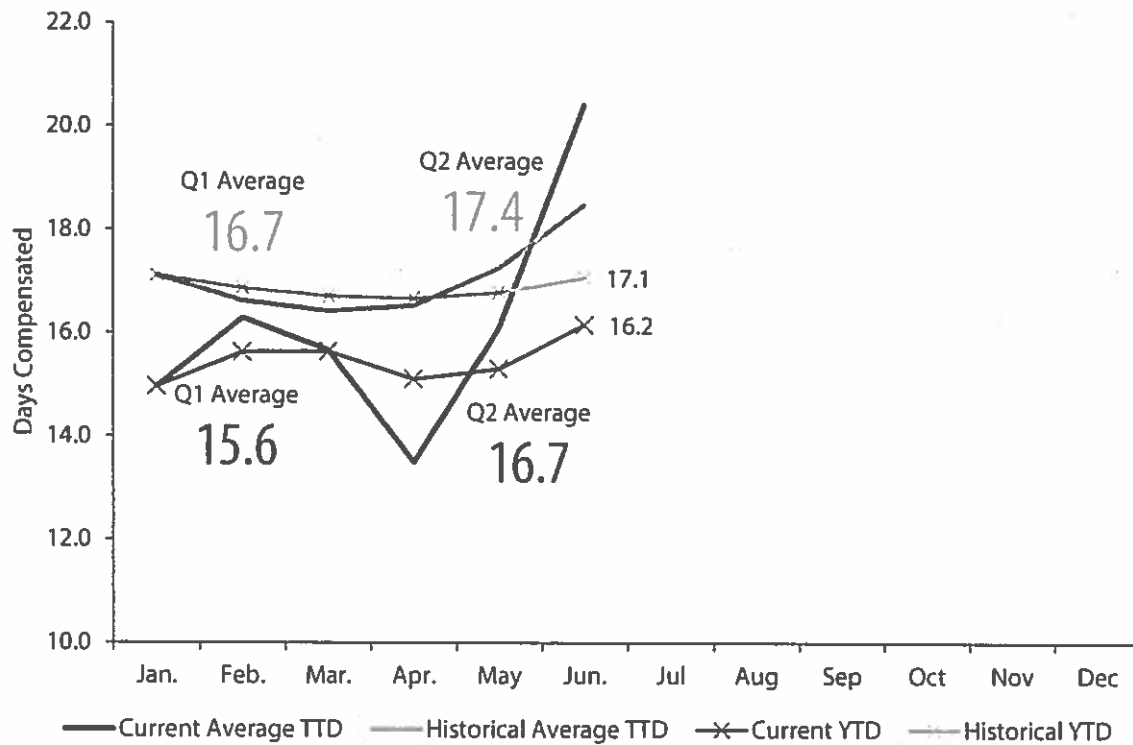
In Q2 2016, the median number of compensation days paid on a time-loss claim was 4 days; and 54.6% of claimants were paid a total of 4 days compensation or less. The average claim duration for closed claims within the past five years was 17.9 days; with 80.5% of claims being paid for 17.9 days or less.



7c. Average Monthly TTD

The average monthly TTD is the number of days paid for Total Temporary Disability (TTD) wage compensation in the month, divided by the number of open time-loss claims that received TTD compensation.

The average monthly TTD days paid, YTD at the end of Q2 2016, was 16.2; down 0.9 days (5.3%) from the historical average of 17.1 days paid.



8. Return to Work

This data provides a complete picture of the proportion of time-loss claimants that are in each stage of returning to work, reflective of return-to-work efforts and disability management.

	TL Claims Registered in 2016	Paid for TTD	Paid for Modified Duties (TPD)	Referred to V.R.	Returned to Work	Claims Closed	%Closed
Jan	67	59	24	0	66	41	61.2%
Feb	55	53	13	0	54	34	61.8%
Mar	60	57	15	0	53	25	41.7%
Q1	182	169	52	0	173	100	54.9%
Apr	63	56	14	0	60	30	47.6%
May	65	58	15	0	51	18	27.7%
Jun	71	21	3	0	3	2	2.8%
Q2	199	135	32	0	114	50	25.1%
Jul							
Aug							
Sep							
Q3							
Oct							
Nov							
Dec							
Q4							
YTD	381	304	84	0	287	150	39.4%

8. Return to Work, cont.

The table below highlights claim activity occurring within a given quarter which is reflective of return-to-work efforts. For each quarter, the table shows the number of open time-loss claims; the number of claimants who received TTD or TPD payments for time loss within the quarter, participated in Vocational Rehabilitation within the quarter, or returned to work within the quarter; and the number of claims which were closed, or transferred to Pensions within the quarter.

* Please note that claims which are open at the end of a quarter will carry over to the next.

	Open TL Claims	Paid for TTD	Paid for Modified Duties (TPD)	Participated in V.R.	Returned to Work in Quarter	Returned to Work	Claims Closed	Transferred to Pensions	% Closed or Transferred to Pensions
Q1	1043	261	57	17	149	879	395	19	39.7%
Q2	970	264	54	16	153	787	189	37	23.3%
Q3									
Q4									

Paid for Total Temporary Disability is the number of the above Time-loss claimants who have been compensated for short term disability (TTD).

Referred to Vocational Rehabilitation Refers to the number of the above registered time-loss claimants that have been referred for vocational rehabilitation for assistance in returning to work (they have CMS-type payments associated with their account), typically associated with more serious injuries and longer-term claimants.

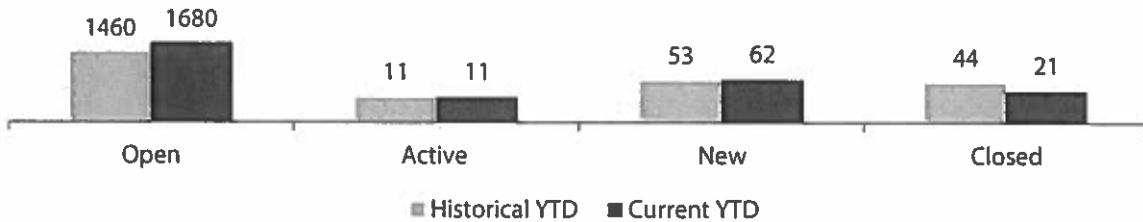
Paid for Modified Duties is a count of the above time-loss claimants who have received compensation for temporary partial disability (TPD) and have returned to work part-time, as of the end of the reference period.

Returned to Work is the number of claimants who have been medically cleared to return to work and have not received compensation for short-term disability (either TTD or TPD) within the last month of the reference period..

9a. Pensions Volume

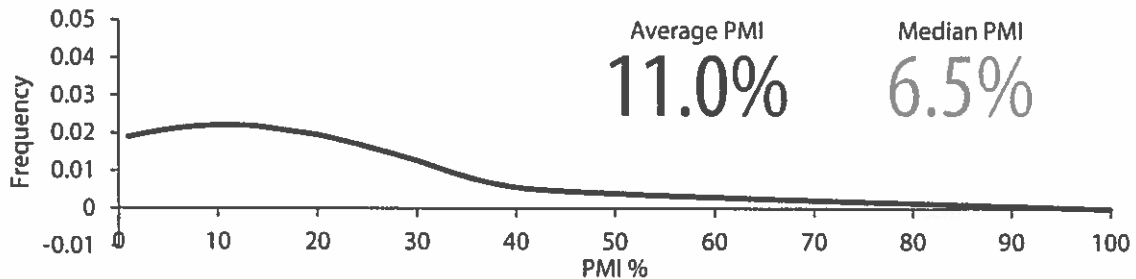
There have been 1680 pensions open in 2016, as measured at the end of Q2. YTD, the WSCC has opened 62 new pensions, closed 21 pensions and provided active compensation to 11 pensioners. When compared to the historical averages YTD at the end of Q2, 2016 saw 220 more pensions open during the year (15.1% increase); 9 more pensions established (16.1% increase); 23 fewer pensions closed (52.5% decrease); and a similar number of active compensation pensioners.

Active Compensation refers to the number of pensioners that received wage-loss benefits during the reference period, in addition to regular pension payments. Wage-loss benefits are any of the following transaction types: temporary total disability benefits (TTD), temporary partial disability benefits (TPD), vocational exploration benefits (VEXP), job search benefits (JOBS), work assessment program benefits (WAP), retraining living allowance (RALL), or advances (ADV).



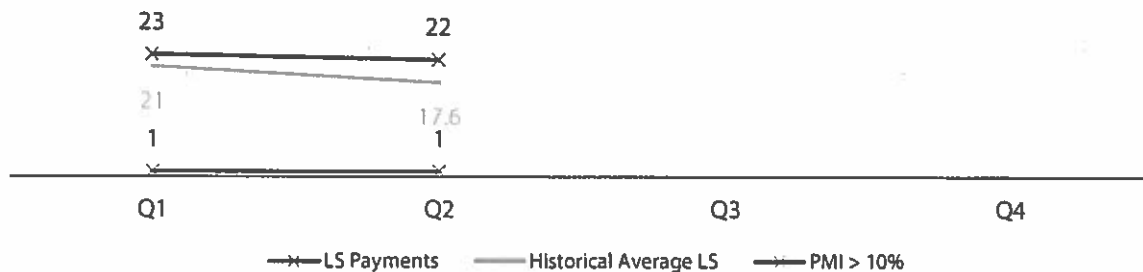
9b. New Pensions: Permanent Medical Impairment (PMI)

There have been 62 new pensions capitalized YTD in 2016 (32 in Q1, and 30 in Q2), having an average permanent medical impairment (PMI) percentage of 11.0%, and a median PMI percentage of 6.5%; both of which are well-above the historical average for pensions created YTD at the end of Q2 (8.1%, and 4.0%, respectively).



9c. Lump Sum Payments

The WSCC has paid out 45 pensions in lump sums, YTD in 2016 (23 in Q1, and 22 in Q2); which is a 17.8% increase from the 5-year historical average number of lump sum payouts by the end of Q2 (38). Of the 45 lump sum payments, two (4.4%) were for PMIs greater than 10%; up from the historical average of 1.6%.



Medical Services

10. Claims Cost Analysis

Claims cost are split into three overarching categories: the compensation category includes all transaction types for wage loss benefits, including retraining or job search benefits and allowances paid to the claimant; the medical category includes all medical costs (all transactions under the MAID payment group excluding a claimant's subsistence) as well as funeral costs, all academic and vocational retraining fees, and home or equipment modifications; and the pensions category includes all regular pension payments including cost-of-living (SPI) increases. These definitions are consistent with the categories used by our actuaries.

Cost Type	Historical Average		2015		2016
	Q2	% Change	Q2	% Change	Q2
Compensation	\$4,373,623	9.68%	\$4,644,064	3.30%	\$4,797,185
Medical	\$3,657,945	1.48%	\$4,505,929	-17.62%	\$3,712,125
Pensions	\$7,253,121	18.71%	\$7,550,917	14.03%	\$8,610,136
Grand Total	\$15,284,689	12.00%	\$16,700,909	2.51%	\$17,119,445

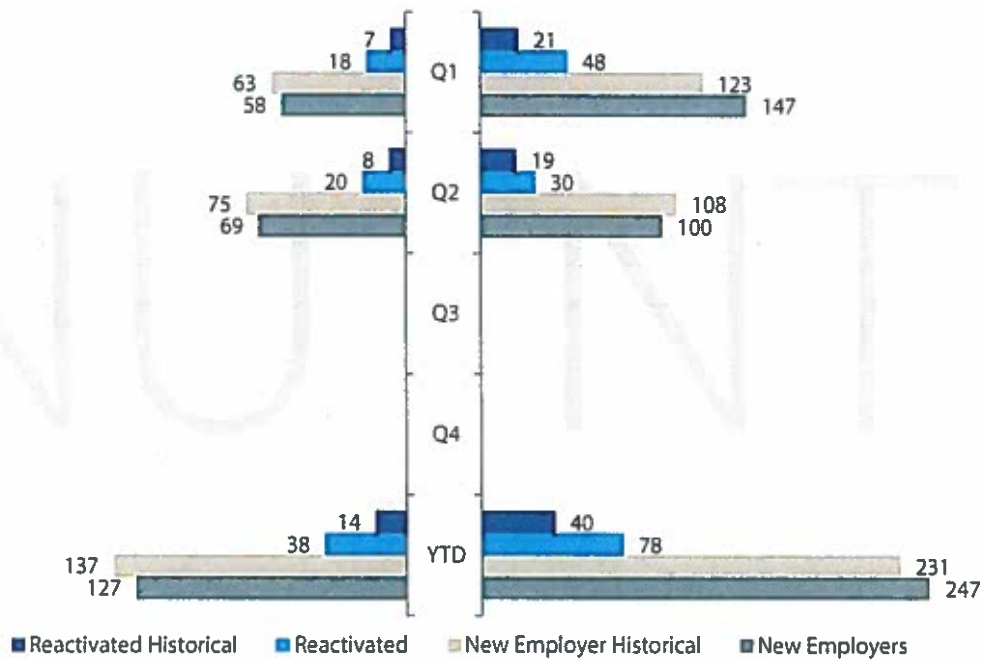
Cost Type	2011 Q2	2012 Q2	2013 Q2	2014 Q2	2015 Q2	2016 Q2
Compensation	\$4,468,592	\$4,688,401	\$4,105,108	\$3,961,948	\$4,644,064	\$4,797,185
Medical	\$3,279,646	\$4,103,242	\$3,212,688	\$3,188,219	\$4,505,929	\$3,712,125
Pensions	\$6,490,564	\$7,705,614	\$7,328,815	\$7,189,697	\$7,550,917	\$8,610,136
Grand Total	\$14,238,802	\$16,497,258	\$14,646,612	\$14,339,863	\$16,700,909	\$17,119,445

Medical Category	Transaction Types	Historical Average		2015		2016
		YTD (\$)	% Change	YTD (\$)	% Change	YTD (\$)
Medical Transportation	ADVT/TRAN, INMT, ADVS/SUBS, ESCT,	\$849,710	45.31%	\$824,613	49.73%	\$1,234,683
Medical Treatments	HLCT, HOSN/HOSP, DI, MED/MEDM/MEDN/MEDT, NURS/NURT, XNTL/XTL	\$1,137,787	-2.48%	\$1,478,671	-24.96%	\$1,109,593
Other Professionals	DENN/DENT, MASN/MAST, CHRO/CHRT, ALT, PHYS	\$357,774	25.39%	\$501,106	-10.47%	\$448,630
Prescriptions	RX	\$101,299	-4.48%	\$125,998	-23.20%	\$96,761
Reports	LEG, RPTN, RPTT, FAF	\$92,413	14.17%	\$125,235	-15.75%	\$105,506
Other	CHC, CLOT/CLOTH, GLAS, PROT, INV, MDEV, ADM, MISC/MISCH	\$259,843	-25.58%	\$329,331	-41.28%	\$193,386

Employer Services

11a. New & Reactivated Employers

New registrations are new employer accounts that were created during the reference period. Reactivated employer accounts are those that were already registered, but had an “inactive” account status that was changed to active during the reference period.



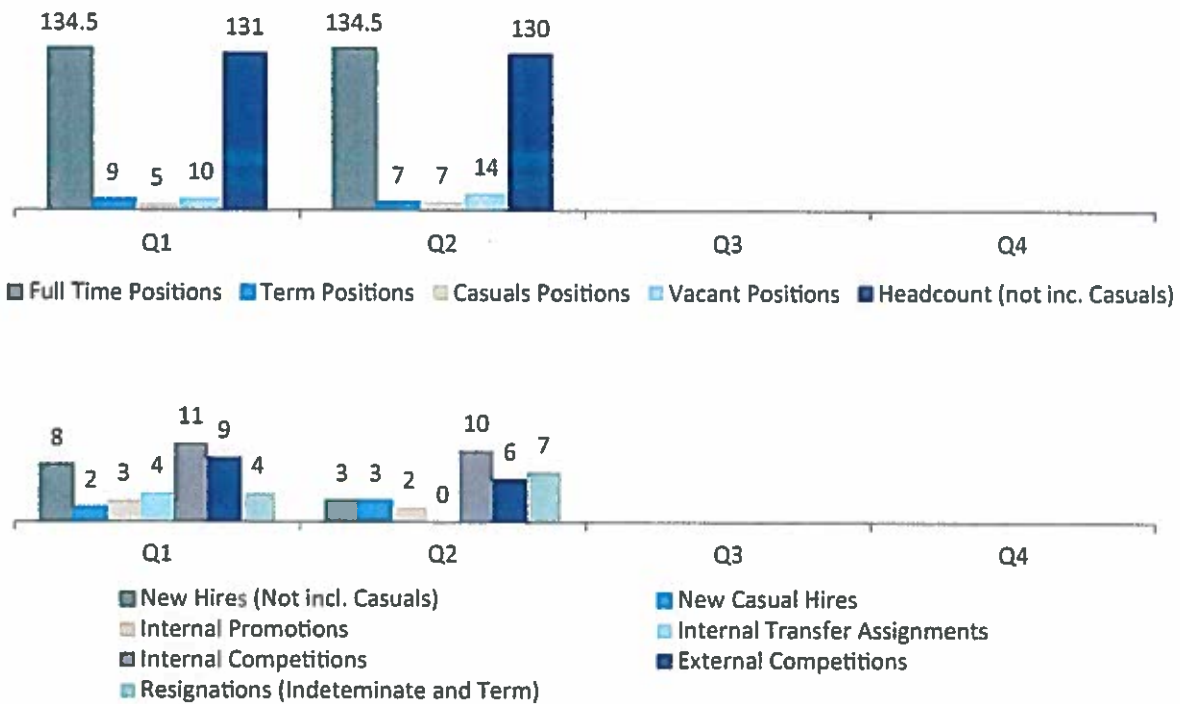
In the first two quarters of 2016, the WSCC registered a total of 374 new employers; and reactivated a total of 116 existing employer accounts. New registrations (overall, in both territories) were up 1.6% from the historical Q2 average of 368; and reactivations in both territories were more than double the historical average (116 in the current year, compared to the historical Q2 average of 55).

NT saw 247 new registrations (up 6.9% from the historical average of 231); and 78 employer reactivations (almost double the historical YTD average of 40). In NU, new registrations totaled 127 (down 8.0% from historical average of 137); and employer reactivations totaled 38, which is more than double what we’ve seen in previous years historical YTD average of 14.

*Please note: As changes to employer account status are not specifically tracked in CAAPS (no historical data available), account reactivations are tracked by searching for the key terms “reactivated” or “reactivate” in the notes to file (comment description field).

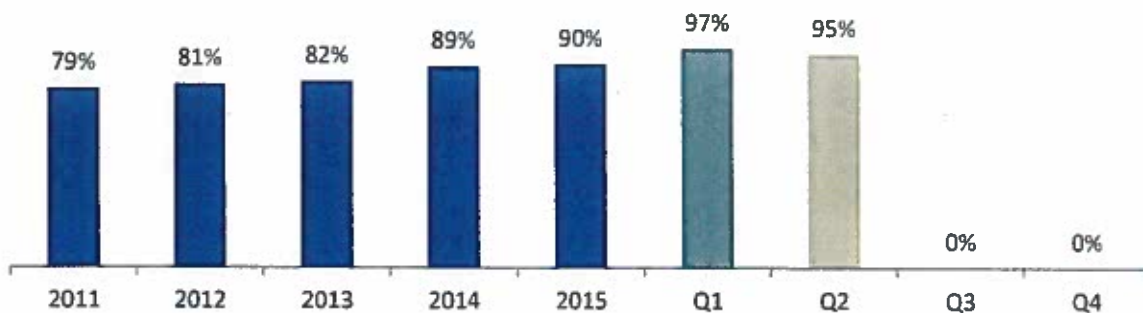
32a. Staffing: Positions Leaving/Hiring

There were three full-time positions filled and seven full-time staff resignations in Q2. The WSCC hired three casuals in the quarter; and initiated 10 internal, and six external competitions. The second quarter of 2016 saw two employees promoted internally, and two employee relocations. At the end of the quarter, there were seven casuals on staff with the WSCC; and 14 unfilled positions. The total headcount (excluding casuals) at the end of Q2 was 130.



32b. Staffing: Retention Rate

Retention is tracked on a quarterly and year-to-date basis. Quarterly retention is based on the staff head count (FTE and term positions) at the start and end of the reference quarter. The year-to-date headcount is based on the average headcount to date and calculated from the total number of staff leaving to date. In Q2 the retention rate was 95%.

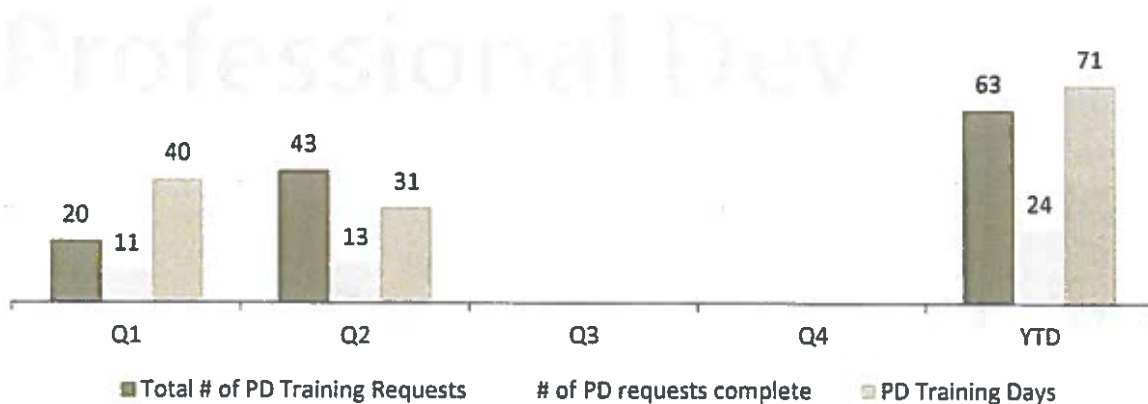
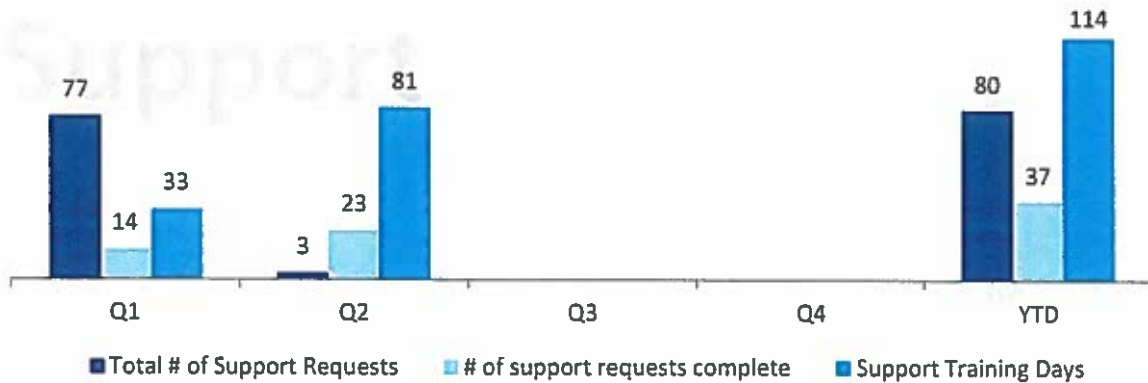
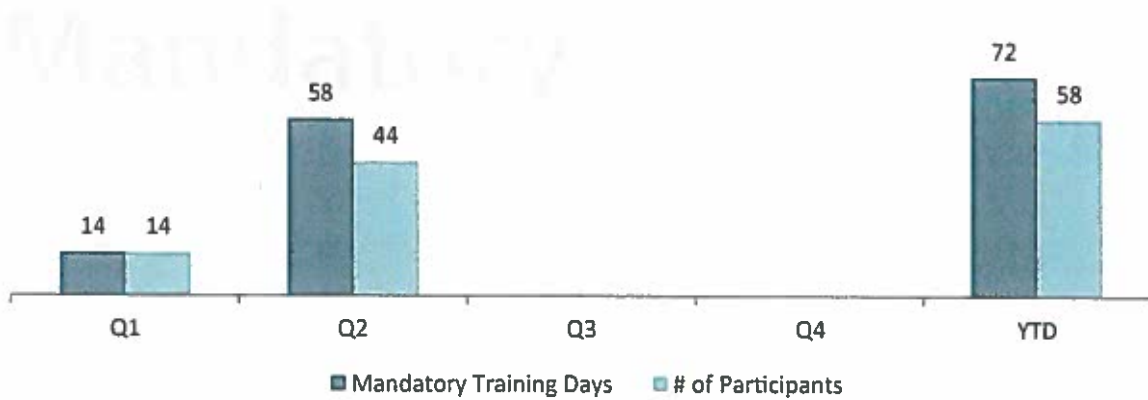


33. Staff Training

In Q2, a total of 170 Mandatory, Support and Professional Development training days were completed. This works out to 1.31 training days taken per employee on average in Q2, or 1.98 training days per employee to date in 2016.

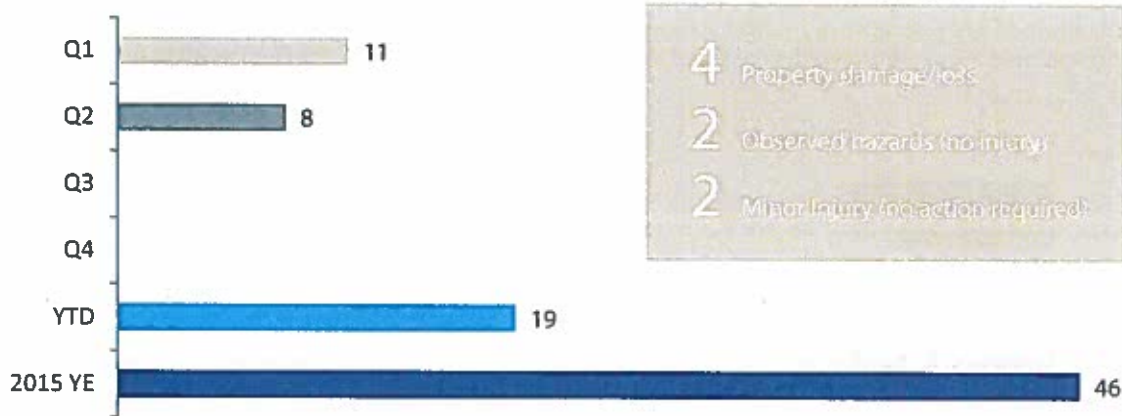
In Q2, three new support training requests were approved, 23 were completed. In professional development, there were 43 new requests, and 13 completed, and 10% of staff utilized their PD dollars to date.

As of the end of the quarter, 18% of the 2016 training budget had been spent.



34a. WSCC Safety: Hazard & Incidents, Staff Concerns

In Q2, there were 8 Hazard and Incident (H&I) reports submitted; down from the 11 H&I reports submitted in Q1. There were 2 minor injuries but no major injuries sustained in connection to any of the H&I reports received by the end of Q2. There was an increase in property damage this quarter, with four cases in Q2 up from one case in Q1.



34b. WSCC Safety: Tailgate Presentations

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Presentations

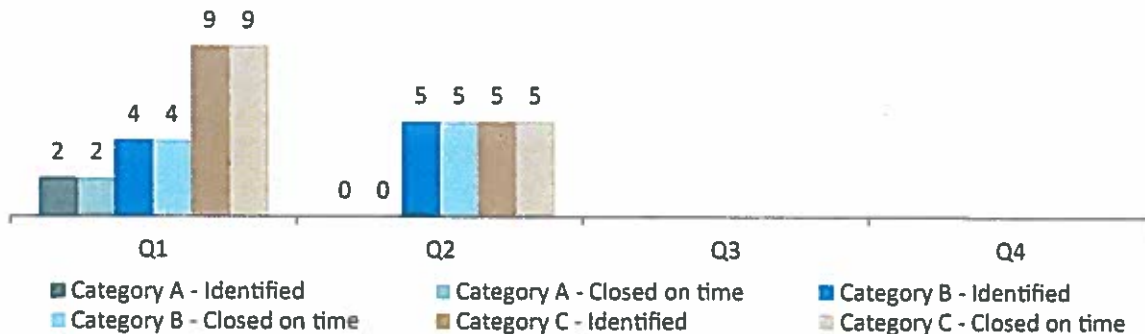
In Q2, there were two Safety presentations delivered to all staff. They were: Site specific WHMIS (April 26th, 2016) and Hazard & Incident Report redesign (May 24, 2016).

34c. WSCC Safety: OHSC Inspection Reports

100%
Issues closed on time

Safety issues are identified from WSCC workplace inspections; and fall into one of three categories: Category A items are the most urgent, and are to be closed within 12 hours; Category B items are to be closed within 7 days; and Category C items are to be closed in 28 days. In Q2, there were 10 issues identified; and all were closed on time, according to their category.

There were no OH&S recommendations made in Q2.

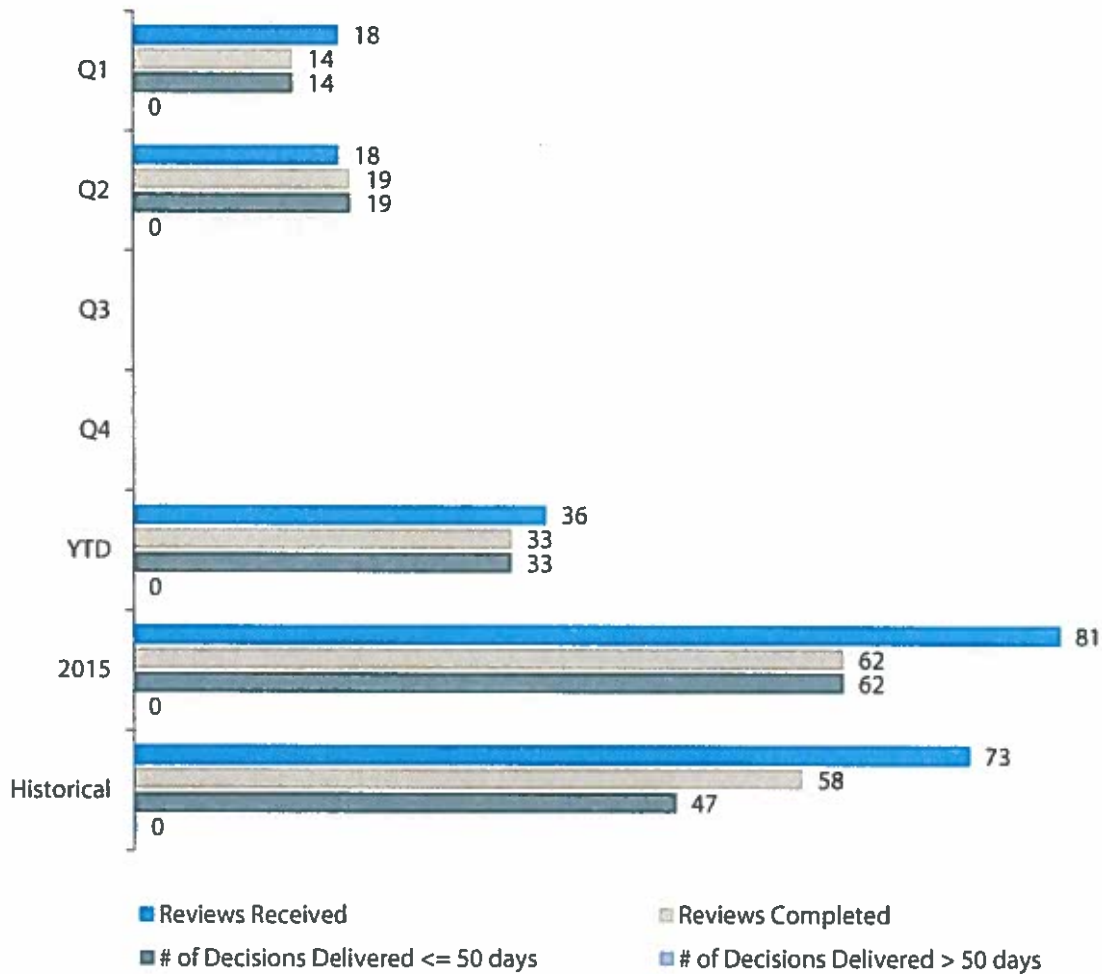


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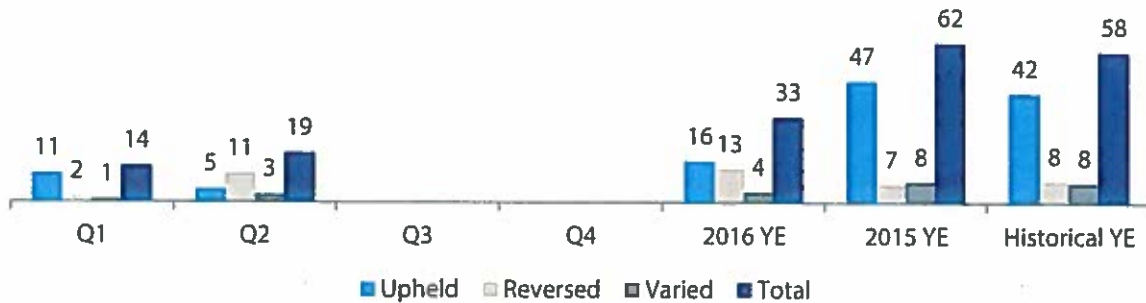
35a. Reviews: Received, Completed, & Delivery Time

In Q2, there were 18 new reviews registered, 2 reviews cancelled (both by the Review Committee), and 19 reviews completed. All decisions within the quarter were delivered within the 50 day service standard.



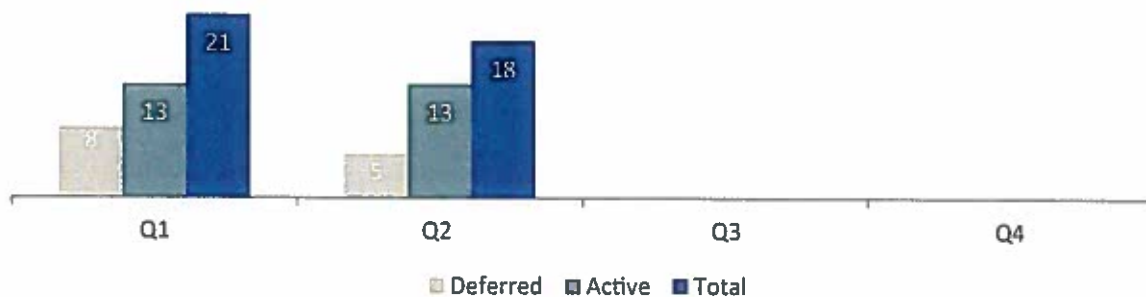
35b. Reviews: Upheld, Reversed, & Varied

Out of the 19 reviews completed in Q2, five decisions were upheld, 11 were reversed, and three were varied. The number of reversals for Q2 was unusually high. For comparison, Q1 only had two reversals the historically there has been an average of eight reversals each year. The majority of the reversals were for decisions made in 2015 and 2016, a period where there were many new claims staff. The reasons for the reversals trace mainly to misinterpretation of policy and the Workers Compensation Acts.



35c. Reviews: Active or Deferred

At the end of Q2, there were a total of 18 files with the Review Committee. Of the 18 files, 13 were active and five were deferred. Of the five reviews that were deferred, four were deferred by the Review Committee and one was deferred at the request of the appellant.



35d. Reviews: Cancelled

There were two reviews cancelled in Q2. Both reviews were cancelled by the Review Committee. Cancellations by the Review Committee were due to a review being deferred over 6 months with no contact from appellant, and one having passed the 3-year limitation period.



36. Appeals Tribunal

There were two appeals concluded by the Appeals Tribunal in Q2, both were upheld.

