

OHS Index

AWCBC Meeting

May 18, 2016

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History - Target Employer/EIIPP

- **Targeted Employer Program began in 2002 based on the Lost Time Claim Rate (LTCR)**
 - Employers with the highest LTCR compared to the provincial average were selected.
- **Over time the metric was changed to use the Disabling Injury Rate (DIR)**
 - Employers had implemented effective modified work programs which reduced the number of lost time claims but workers were still being injured
 - DIR includes both lost time claims and no-time lost claims with modified work
- **Target Employer Program and EIIPP achieved success**
 - Average reductions of 10% per year in reduction in DIR and 20% per year on average LTCR

Needs Assessment

- **Office of the Auditor General of Alberta**
 - **2010 report**
 - **Recommendations to develop a high risk employer profile**
 - **How do we define high risk?**

Proactive inspection systems are in place, but can be improved

Proactive inspections

While our audit revealed areas for improvement, the Department's proactive inspection system is well designed and implemented. The Department conducts proactive, risk-based inspections and can demonstrate an overall injury rate reduction for targeted employers. However, criteria for employer selection under some proactive inspection initiatives are not clearly defined, and not consistently followed by all compliance staff.

Development of a New Approach

- Stakeholder feedback questioned the fairness of comparing all employers to the provincial average rather than to their own industry
- The use of a single metric for one measurement year did not uncover patterns or trends in performance over time
- Auditor General recommendation from the 2010 Report highlighted the need to deal with persistent non-compliance by some employers
- A comprehensive review of all of our proactive programs and strategies undertaken as part of our Strategic plan

OHS Index

- Originally developed for Employer Review
- Synergy of OHS Delivery & Policy
- Four-year measurement window (2010 to 2013)
- Based on multiple metrics:
 - Disabling Injury Rate
 - Lost Time Claim Rate
 - Occurrence of Fatality(s)
 - Days Lost Frequency Rate
- Employers are compared to their industry average
- Points are scored when an employer is 100% (or more) higher than industry average

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Proactive strategic programs

OHS carries out inspection and education programs to help employers understand their legislated health and safety requirements.

Through proactive strategic programs, Occupational Health and Safety (OHS) works with employers to improve health and safety at provincially regulated work sites. Every year, Alberta OHS selects employers for enhanced inspection and education activity. For many of the proactive strategic programs, an index is used to help identify those that will benefit the most from additional interaction with OHS.

Employers selected for one of the OHS strategic programs are not generally included in a second program. An exception to this is the Employer Review Program.

What's important to know

An OHS index is a model of employer health and safety performance over a 4-year period. The OHS index is built from statistics collected by the Alberta Workers' Compensation Board.

Selection criteria are specific to each of the proactive strategic programs. Participation is not optional for employers selected into these programs.

Contact OHS

1-866-415-8690 (toll-free)

780-415-8690 (Edmonton)

TTY: 780-427-9999 (Edmonton)

TTY: 1-800-232-7215

[View more contact options](#)

Related information

- [OHS laws](#)
- [OHS Index: How it works \(PDF, 2 pages\)](#)

Related services

- [Report an incident](#)
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Large Employer Index Calculation

- Employers with 40 or more person-years
- The Index compares Disabling Injury Rate (DIR), Lost Time Claim Rate (LTCR) and Days Lost Frequency Rate (DLFR) to industry average **rates**
- Points are generated when an employer's rate on any of the metrics is more than 100% of the industry rate for that year
- Points are also generated for any WCB accepted occupational fatalities

Small Employer Index Calculation

- Employers with less than 40 person-years
- Index measures the **employer's number** of DI, LTC and Days Lost (rather than the rates per 100 person years)
- Employers are compared to average numbers in each metric for their industry and their size band
- Industry averages are developed in four bands: greater than zero to 9, 10-19, 20-29 and 30-39 person years
- Points are generated when an employer's performance on any of the metrics is more than 100% of the industry average for that year
- Minimum employer size for program selection is 10 person years

Maximum Points Available by Category

Year	Disabling Injury Rate	Loss Time Claim Rate	Occurrence of Fatality(s)	Days Lost Frequency Rate	Total Points
<i>(Weighting % shown in brackets)</i>	<i>(40%)</i>	<i>(30%)</i>	<i>(20%)</i>	<i>(10%)</i>	
2013 <i>(40%)</i>	16	12	8	4	40
2012 <i>(20%)</i>	8	6	4	2	20
2011 <i>(20%)</i>	8	6	4	2	20
2010 <i>(20%)</i>	8	6	4	2	20
Total Points	40	30	20	10	100

Employer Selection for Industry Programs & EIIPP

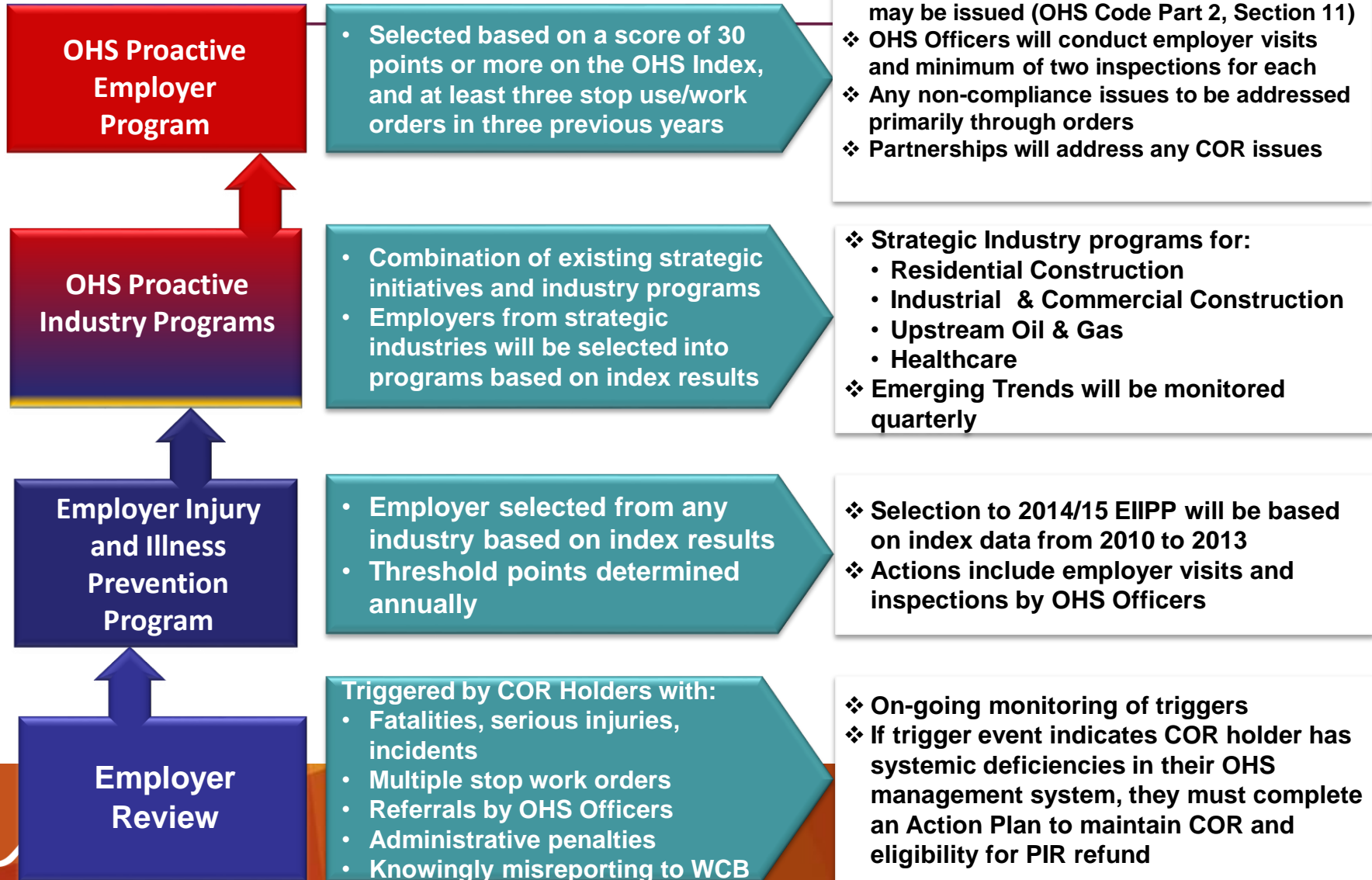
- Index points are determined for each employer
- Index points are calculated for each industry.
- The employer's points are adjusted by the industry points to make the final selections

Employer	Employer Points (A)	Industry	Industry Points (B)	Adjusted Points (= A X B/100)
Employer X	70	42143 Framing Contractor	96	67.2
Employer Y	70	40401 Construction Trade Services	60	42.0
Employer Z	70	42111 Painting and Decorating	14	9.8


Employers to be selected by OHS Index


Initiatives	Approx. No. of Employers
Proactive Employer Program (PEP)	39
Residential Construction	96
Industrial & Commercial Construction	100
Upstream Oil & Gas	102
Healthcare (except Alberta Health Services)	75
EIIPP	255
Total	667

2014/15 OHS Index – An Approach to Proactive Strategic Programs



OHS Index

		40%	30%	20%	10%	
	Year	DIR	LTCR	Fatality	Days Lost Frequency Rate	Total Points
	2014					
	2013					
	2012					
	2011					



 = Full Score
 Doubled Industry Average
 = 0

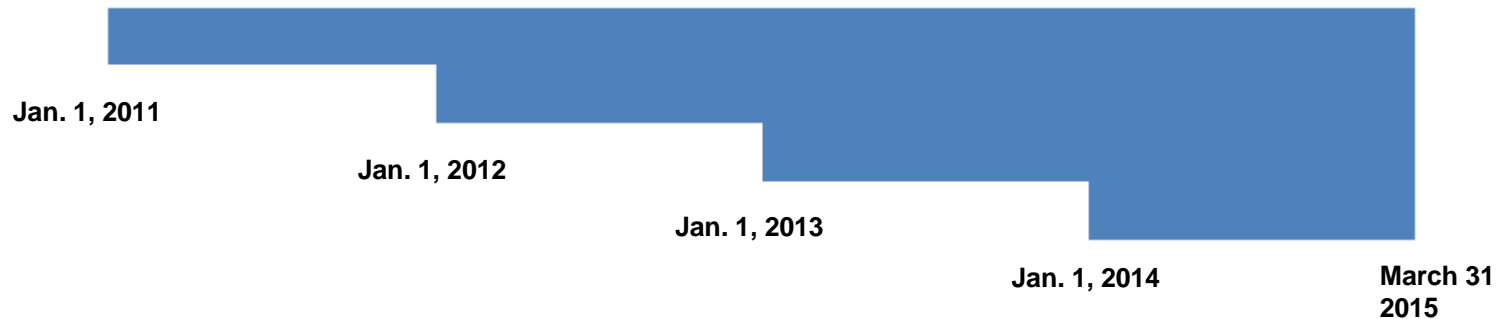
Issues

- 1. Current OHS Index calculation is very sensitive to size difference of employers**
 - One injury claim may put a small employer on a provincial top 100 list.
 - Small employer defined as 40PY or less

- 2. Current OHS Index score is not on a continuous scale**
 - Zero vs. Full Score

Issues

3. Days lost for a given year may include days lost for injuries that occurred in the previous years but lasted for multiple years.



4. Current OHS Index weightings need to be adjusted to achieve a better balance between small and large employers

What Does The OHS Index Approach Accomplish?

- Meets expectations of OAG
- Supported by external stakeholders
- Supported by internal stakeholders
- Supports a new Compliance Policy approach
- First of its kind in Canada

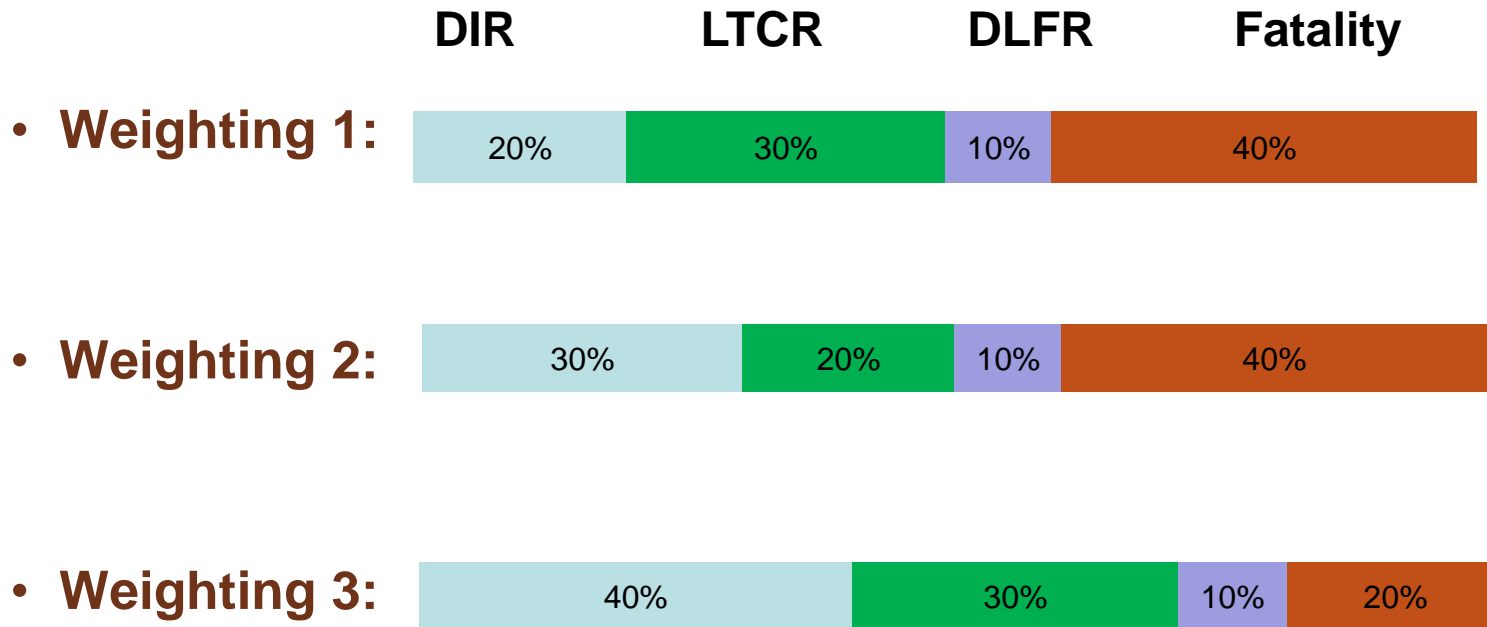
Version 1 evaluation

- How can we address the identified issues?
- How can we help the employers who need it the most?
- **OHS Index 2.0...**

Comparison of Four Small Employer Cut-offs - 2014

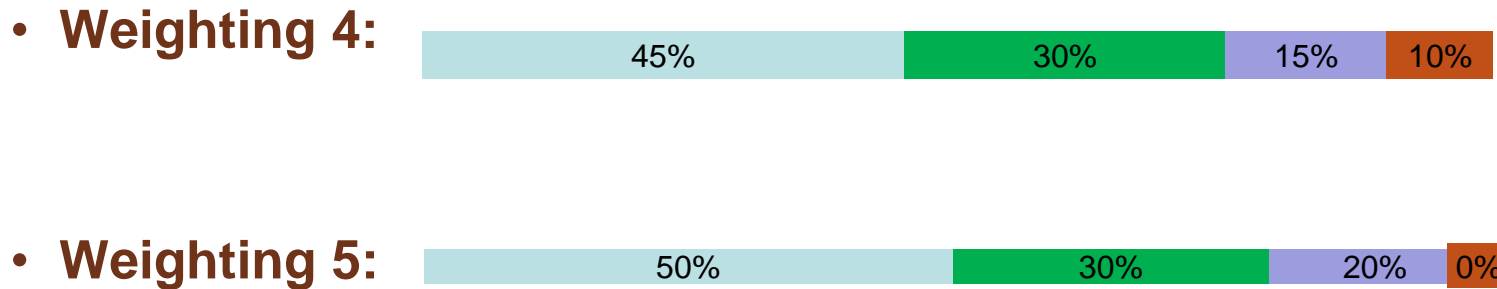
Small Employer Cut-off	Number of Employer			Disabling Injury			Person-years		
	Small Employer	Percentage	Rate of Increase	Small Employer	Percentage	Rate of Increase	Small Employer	Percentage	Rate of Increase
PY<10	168,485	88%		5,380	10%		268,539	13%	
PY<20	177,749	93%	5%	8,305	15%	5%	399,452	19%	6%
PY<30	181,703	95%	2%	10,786	20%	4%	496,007	24%	5%
PY<40	183,849	96%	1%	12,721	23%	4%	570,387	27%	4%
PY<50	185,184	97%	1%	14,348	26%	3%	629,864	30%	3%

Weighting of OHS Index Factors



Weighting of OHS Index Factors Cont.

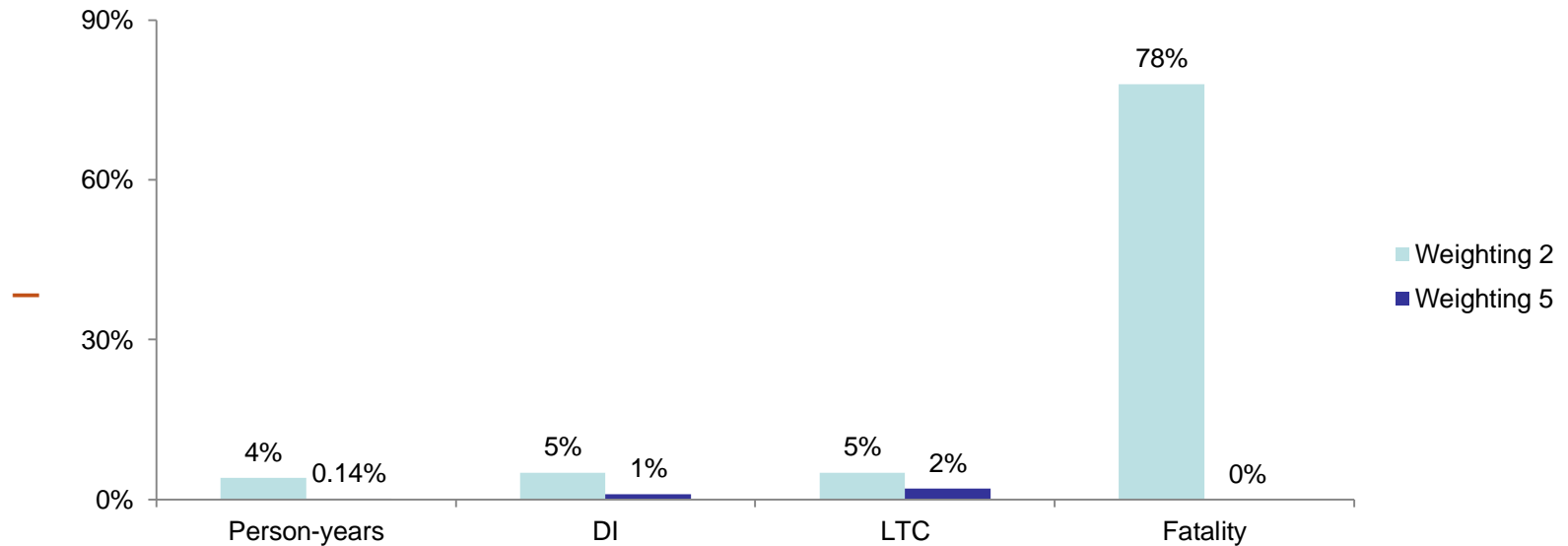
DIR **LTCR** **DLFR** **Fatality**



Top 100 Employers (person-years ≥ 10)

- In 2014

- Similar results for weighting 1, 2 and 3; Similar results for weighting 4 and 5.



Top 100 Employers (person-years \geq 10, 30, 40)

- **Weighting 2: DIR 30% LTCR 20% DLFR 10% Fatality 40%**
- **In 2014**

Person-years cut-off in the OHS Index Algorithm	Top 100 %Representation of PY	Top 100 %Representation of LTC	Top 100 %Representation of DI	Top 100 %Representation of days lost	Top 100 %Representation of Fatality
≥ 10	4.06	5.46	5.15	5.15	78.48
≥ 30	4.34	6.76	7.09	6.29	55.70
≥ 40	4.53	7.88	8.17	6.75	50.63

- **When comparing the top 100 lists to each other using the different person-years cut-offs:**

The PY \geq 10 and PY \geq 30 top 100 lists captured **57/100** of the same employers.

The PY \geq 10 and PY \geq 40 top 100 lists captured **50/100** of the same employers.

The PY \geq 30 and PY \geq 40 top 100 lists captured **75/100** of the same employers.

Top 100 Employers (person-years \geq 10, 30, 40)

- **Weighting 5: DIR 50% LTCR 30% DLFR 20% Fatality 0%**
- In 2014

Person-years cut-off in the OHS Index Algorithm	Top 100 %Representation of PY	Top 100 %Representation of LTC	Top 100 %Representation of DI	Top 100 %Representation of days lost	Top 100 %Representation of Fatality
≥ 10	0.14	1.5	1.25	1.87	0
≥ 30	0.54	3.82	4.03	3.21	2.53
≥ 40	0.63	4.11	4.42	3.18	2.53

- **When comparing the top 100 lists to each other using the different person-year cut-offs:**

The PY \geq 10 and PY \geq 30 top 100 lists captured **18/100** of the same employers.
 The PY \geq 10 and PY \geq 40 top 100 lists captured **10/100** of the same employers.
 The PY \geq 30 and PY \geq 40 top 100 lists captured **60/100** of the same employers

Changes to the Index

- 1. Only count days lost in the year that an injury occurred.**
- 2. Set Small employer cut-off at 30 person-years**
- 3. Only calculate OHS Index for large employers and develop a separate program for small employers**
- 4. Progressive year weighting with more weights assigned to the most current year**
- 5. Weighting 2: DIR 30%LTCR 20% DLFR 10% Fatality 40%**

Index 2.0 Implementation

- **Selected employers**
- **Program starts Sept 2016**
 - **18 month follow up**
 - **Officers**
 - **Partnerships Consultants**
- **Approximately 1000 employers selected**
- **Evaluate!**

Questions?

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