

# WSIB –ONTARIO UP-DATE

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AWCBC Safety & Prevention Committee

May 17, 2016

# Prevention Program Review

On April 1, 2012 the prevention mandate transferred to the MoL. In the Spring of 2013 the CPO initiated a comprehensive review of existing programs (Safety Groups, Workwell, Small Business Programs (formerly SCIP) with the intent to develop evidenced based voluntary programs that align to Expert Advisory Panel (Tony Dean) on Occupational Health and Safety and the Integrated Health & Safety System Strategy (December 2010).

The review consisted of the thoughts of a Prevention Program Review Group (Labour/Employer & WSIB representation) and feedback from public consultation led by ADM, Policy Branch (MoL).

# Recommendations/WSIB Response

MoL/CPO Recommendation	WSIB Response
<p><b>Establish a continuum of prevention programs offering levels from compliance assistance to excellence</b></p>	<ul style="list-style-type: none"> <li>• The WSIB agrees with the recommendation</li> <li>• Programming available to only employers covered under <i>WSIA</i></li> <li>• The WSIB is interested in collaborating with the CPO to develop a continuum of voluntary health and safety programming to support employers from compliance assistance to Excellence (Accreditation)</li> <li>• Implementation from 2016-2019</li> </ul>
<p><b>Develop a self-assessment tool that evaluates an employer's OHS maturity and identifies the relevant programs and resources available to help</b></p>	<ul style="list-style-type: none"> <li>• The WSIB agrees with the recommendation</li> <li>• The WSIB is interested in collaborating with the CPO to develop a self assessment tool that employers could access that would help identify gaps in their health and safety management system and direct them to resources/programs to help</li> <li>• Develop concept document in 2016</li> </ul>
<p><b>Promote business case for health and safety to a greater degree</b></p>	<ul style="list-style-type: none"> <li>• The WSIB agrees with the recommendation</li> <li>• A concept document will be developed in 2016 to develop an interactive tool that will provide employers with direct access to their claims information to help create the business case for implementing health and safety initiatives</li> </ul>
<p><b>Adapt delivery models to allow programs to expand</b></p>	<ul style="list-style-type: none"> <li>• The WSIB agrees with the recommendation</li> <li>• WSIB programs will be reviewed for redesign through to 2019, which allows for expansion of service delivery to consider HSAs/private providers and multi-channel access to resources and programming</li> <li>• The CPO will be engaged to discuss HSA participation</li> </ul>

# Recommendations/WSIB Response

MoL/CPO Recommendation	WSIB Response
<b>Maintain a clear separation between enforcement and prevention</b>	<ul style="list-style-type: none"><li>• The WSIB agrees with the recommendation</li><li>• WSIB programs will be clearly marketed as “voluntary participation”</li><li>• There are no plans to restore the surcharge or legislative support for mandatory participation related to Workwell</li></ul>
<b>Do not offer incentives for compliance with minimum standards</b>	<ul style="list-style-type: none"><li>• The WSIB agrees with the recommendation</li><li>• Financial incentives associated with Safety Groups and Small Business Programs will be considered in program redesign to determine appropriateness. Financial incentives will be independent from the rate framework</li></ul>

# Health & Safety Index

- The WSIB currently measures health and safety system performance using Lost-Time Injury Rate and new registered claims, both lagging indicators of performance.
- To measure its success at meeting its legislative mandate of promoting workplace health and safety, the WSIB recognized a more comprehensive indicator of overall system performance is needed.
- The WSIB's Strategy Cluster, in consultation with the Ministry of Labour and the Prevention Office, began developing a Health and Safety Index that would aggregate various aspects of system performance into a single metric that would measure **“the health and safety of Ontario's workplaces”**.
- The purpose of the new index is to:
  - Assess the health and safety systems success at improving outcomes
  - Act as a “call to action” for system partners to improve the systems performance
  - Facilitate a conversation of health and safety amongst system partners
  - Help inform system priorities

# Creating the Index Structure

- A working group from Corporate Business and Information and Analytics, Workplace Health and Safety Services and the MoL/CPO's Office was established to create the Index structure
- The working group identified the following seven components of a healthy and safe workforce:
  - Prevention
  - Worker Empowerment
  - Workplace Culture
  - Enforcement
  - Event Frequency
  - Event Severity
  - Return to Work
- Components were chosen because they were found to be statistically unique and allowed for measurement of the elements laid out in the safe workplace frameworks
- Components were assessed against researched elements of safe workplaces:
  - The components aligned well with the elements identified in the research
  - All elements of a healthy workplace identified for inclusion in the index are covered.

# Next Steps

- Collect all data including MoL and Survey data
- Finalize methodology, including:
  - Data normalization for comparison between components or metrics
  - Weighting of metrics
  - Complete ‘white paper’ detailing research and methodology.
- Develop a communications and roll-out plan, including:
  - Engage appropriate stakeholders to build buy-in
  - Develop a marketing plan
  - Engage other provinces and encourage adoption across other jurisdictions
  
- Implementation Fall 2016

# Employer Dashboard/Tool Kit

- Opportunity for to provide employers with easy to access to actionable information/innovative tools that they can use to help identify and make informed decisions to improve their health and safety management systems
  
- Phase 1
  - Provide employers with access to reports they can currently get through our datarequest area or eservices (i.e. financial statements; generic accident history etc)
  
- Phase 2
  - Allow them to benchmark against their own performance and peers in similar industries
  - Identify actual and target WSIB rate
  
- Phase 3
  - Enable manipulation of data to allow self analysis
  - Assess the impact of health and safety improvements



# Rate Framework Modernization Overview

The WSIB coordinated the development of an Initial Concept for a new Rate Framework based on jurisdictional analysis of best practices, actuarial analysis, and **Funding Fairness**.

Concurrently, Special Advisor, Doug Stanley led a comprehensive consultation with stakeholders providing an opportunity for discussion on the development of a new Rate Framework.

This culminated in his **Pricing Fairness** report (Feb 2014), which included recommendations to reform current employer classification, rate setting and experience rating approaches.

## Funding Fairness to Pricing Fairness

## Preliminary Rate Framework

The WSIB considered the input received from stakeholders and Stanley, and conducted its own analysis of the most promising practices across other comparable jurisdictions. This resulted in the development of a proposed preliminary Rate Framework.

In March 2015, the WSIB launched a consultation on the proposed preliminary Rate Framework.

The consultation period ended on October 2, 2015 and the WSIB received over 50 submissions on the proposed preliminary Rate Framework.

The WSIB considered the various options and perspectives shared during the consultation period, and provided an update to stakeholders in December 2015.

Later in 2016, the WSIB will develop a comprehensive transition plan to support stakeholders and the WSIB's own implementation.

In the fall of 2016, the WSIB will be seeking approval of the new Rate Framework from its Board of Directors, towards a targeted implementation of January 1, 2019.

## Moving into 2016 and Beyond

# Rate Framework: Three Step Approach

**Objective:** Transparent, consistent, adaptable and responsive classification structure with fewer and larger groups for rate setting purposes, based on predominant business activity.

**STEP 1:  
Employer  
Classification**

**STEP 2:  
Class Level  
Premium  
Rate Setting**

**Risk Adjusted  
Premium Rate  
Setting**

**STEP 3:  
Employer Level  
Premium Rate  
Adjustments**

**Objective:** A *Class Projected* Premium Rate that reflects the collective experience of all employers within each class, setting the stage for a significant range of potential premium rates at the employer level in Step 3.

**Objective:** A prospective rate setting approach for all employers.