

WCB

Insight

online

FALL 2004



Welcome to the Fall 2004 edition of *WCB Insight online*.

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– or –

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WCB

Workers'
Compensation
Board

Alberta

Average premium rate will decrease by 7.6%



4 out of 5 employers will see a lower rate in 2005

CREDITING THE HARD WORK of employers, workers, industry, and government, WCB President and CEO Guy Kerr announced that 2005's average premium rate will drop 7.6 per cent from \$1.98 to \$1.83 per \$100 of insurable earnings.

"I am very pleased to see that employers, workers and labour organizations have stepped up to make sure people aren't getting hurt and to help those who are, return to work safely."

Guy Kerr, WCB President
and CEO

"Safer workplaces and positive return-to-work outcomes are key factors contributing to lower premium rates," Guy Kerr, president and CEO, told his audience of stakeholders at a Nov. 9 meeting. "I am very pleased to see that employers, workers and labour organizations have stepped up to make sure people aren't getting hurt and to help those who are, return to work safely."

With only one other Canadian province having a lower premium rate, Kerr explained the reasons for the decrease. Firstly, Alberta's workers are being injured less often. The injury rate decreased from 2.8, in 2003, to 2.5 injuries per 100 workers, in 2004. Secondly, injured workers are off work for a shorter period of time. The amount of time an injured worker was off work in 2001 was 57.2 days, in 2004 this figure is expected to be 41.8 days, and in 2005 it is forecasted to drop to 38.5 days.

Claims costs are also falling. In 2003, WCB paid \$640 million in health care costs, wage replacement benefits, prescriptions, and other claims-related expenses. In 2004, this amount is expected to total \$571.5 million.

With most of Alberta's industries thriving in a booming economy, how are claims costs and premium rates falling?

Kerr explains, "WCB is covering more employers and more workers now than ever before. Yet, claims costs and premium rates are going down. All of this tells me that the safety efforts are paying off. Prevention is paying off."

And, with this good news came more good news, regarding investments: improved returns. WCB expects to reach its policy-driven funding rate of 116 per cent by the end of 2005. For Alberta, this means that premium rebates,

or other performance incentives, could be on the horizon for 2006.

But before making any decisions, WCB wants to hear from employers. Currently, WCB's policy consultation process is gathering input on what to do in case of operating surpluses after WCB becomes 'fully-funded.' To learn more, or to participate in the online policy consultation process, [sign up today](#).

Employers' individual rate notices were mailed mid-November. More information about the [2005 premium rates](#). **■**

Facts & Figures

WCB-ALBERTA'S AVERAGE PREMIUM SECOND LOWEST IN CANADA.

The WCB understands how premium rates impact your bottom line. One of our key priorities is to run this business as efficiently as possible – so that our bottom line doesn't impact yours.

Although most WCBs have yet to officially set their rates for 2005, we anticipate we will have the second lowest premium rate in Canada and remain one of only three fully-funded provincial compensation boards.



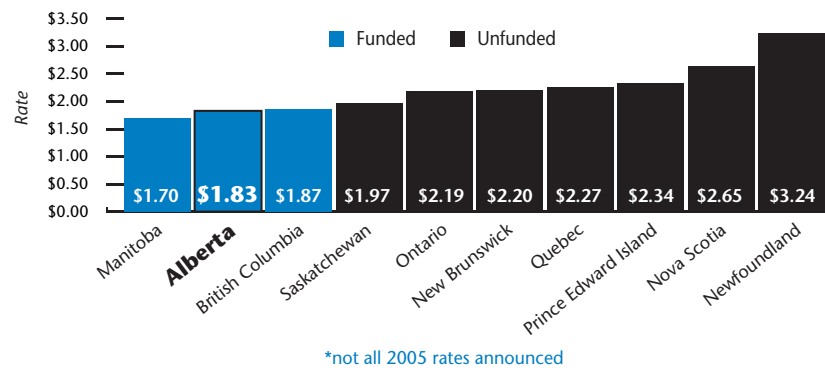
CLAIM COSTS STILL BIGGEST DRIVER OF RATES.

Claim costs continue to be the largest factor in premium rates and account for 80 per cent of the premium rate before the fund balance levy of 25 cents. The premium strategy will rebuild the fund balance from 113 per cent to the required 116 per cent by the end of 2005.

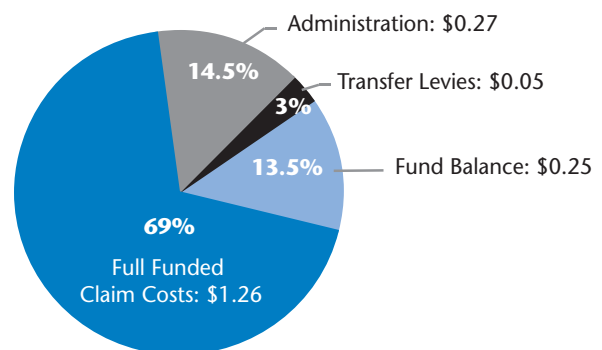
WCB's 2.1 per cent increase in Administration costs for 2005 reflects inflationary pressures.



Cross Canada Provincial Comparison, 2005 Rates*



Percentage Breakdown of Rate Components, 2005



WORKPLACE GROWTH – NUMBERS OF WORKERS AND EMPLOYERS

Employers

The WCB's business has grown alongside the tremendous growth in the Alberta economy.

The number of registered employers in the province over the past five years has increased approximately 13.8 per cent, rising from 96,194 in 2000 to 109,451 in 2004.

Workers Covered

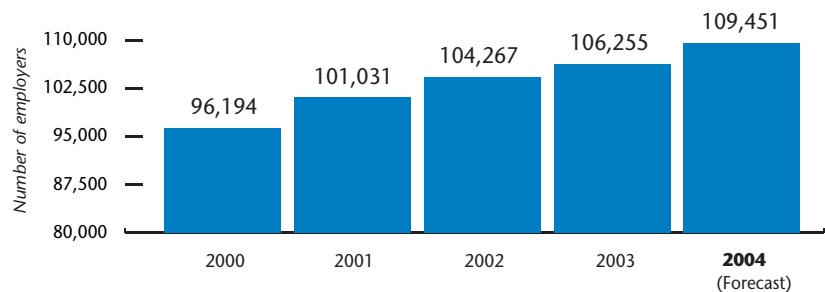
In 2000, the WCB-Alberta provided insurance coverage for 1.16 million workers in the province. Since then, that number has risen by more than 300,000 to 1.49 million workers covered (full-time equivalent).

Workplace Injuries

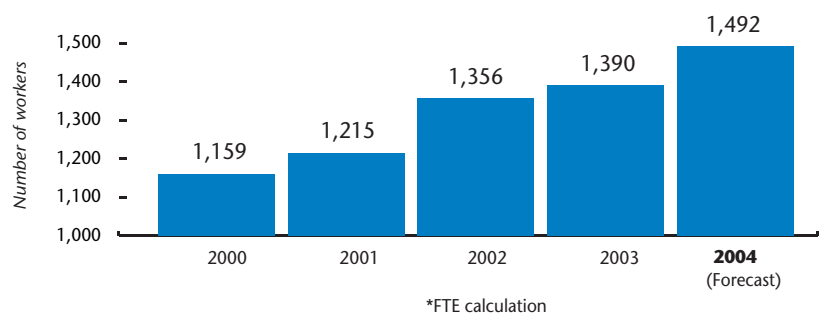
More employers + more workers = greater opportunity for injuries. Although the number of workers and employers has grown, the rate of injuries has not grown with it and that is a testament to the safety efforts of workers and employers. The time-lost claim rate for 2004 is forecasted to be 2.5 per 100 workers.

Prevention remains the best strategy to reduce the cost of workplace injury.

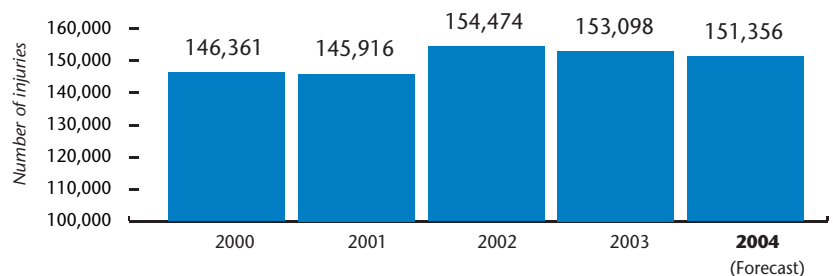
Number of Registered Employers (2000-2004)



Number of Workers Covered (2000-2004 – in thousands)



Total Workplace Injuries (2000-2004)





Alberta Oil Tool, an oilfield equipment manufacturer, shut down operations of its 80,000 sq. foot Edmonton facility to host the 2004 Heads Up launch. AOT is the sole Canadian manufacturer of conventional sucker rods (a rod used in the oil pumping process).

Priceless pursuit of safety

Alberta Oil Tool's safety investment pays off with huge returns

SEVEN YEARS AGO Alberta Oil Tool (AOT) made the decision to safeguard its employees no matter what the cost. This priceless investment continues to pay off, with its employees heading home safe and sound each day.

INSIDE STORY

“I guess we have an unlimited safety budget,” laughs Melony Erickson, director of quality, safety and human resources for AOT. “Seriously, we made the decision to make an investment in safety and we’ll pay whatever it takes to keep our employees safe.”

The decision came when AOT began to realize the impact workplace injuries were having – not only on its 160 employees – but also on its increasing workers’ compensation premiums.

USING THE RIGHT TOOLS

Since then, AOT has implemented a safety program that includes month-

ly committee meetings, an employee ‘toolbox’ meeting to discuss safety concerns and tips, a safety rewards and recognition program, incident investigation and followup, and a proactive disability management program with modified work opportunities.

AOT is proud to say its hard work has paid off. This past spring, it celebrated 35 months without a time-lost claim. And it now receives a 35 per cent discount on its workers’ compensation premium rate.

THE BEST REWARD OF ALL

Recently, AOT received recognition on a grander, more public scale. This past spring it was a finalist in this year’s WCB-sponsored WorkSafe™ Award of Distinction. AOT also received the 2003 Best Safety Performer Award from Alberta Human Resources and Employment.

Although the various awards that line AOT’s walls are impressive, Erickson puts it all into perspective saying, “It’s about sending our employees home, safe and sound, at the end of the day. That’s the best reward of all.” ■

WorkSafe™ is a registered trademark used under license from WCB-B.C.



“We investigate every incident whether an injury occurred or not.

Follow through is a must because staff have to trust that management has their well-being at heart.”

- Melony Erickson, director of quality, safety and human resources, Alberta Oil Tool.

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Critically injured Alberta man shares his unique story with employers



Bernie Inman (inset) and the Inman family.

“Safety starts with awareness – and awareness starts with you.”

Bernie Inman

SAFETY IS NOT SEXY... and sometimes it's a tough sell, even for the most committed business owner. A half-hour with Bernie Inman's new video, *The Other Side*, made us sit up and pay attention.

Bernie survived a serious exposure to methanol while doing a routine task ten years ago. As is too often the case, the incident happened in what appeared to be a harmless work situation.

Today, the Bonnyville, Alberta father of three is in a wheelchair and his story serves as inspiration for all of us. His message is simple, “safety starts with awareness – and awareness starts with you.”

“What a powerful story,” said Marcela Matthew, WCB's communications director, moments after viewing Bernie's video. “I was struck by how his wife and children were impacted by what happened. The implications of a permanent injury like this go far beyond the worker.”

Bernie is still coming to grips with living as a quadriplegic. However, he'll continue to share his story either in person or through his gripping 20-minute video, to help all of us stay safe. Bernie can be reached through his website at: www.bernieinman.com. **■**

It's about

fairness



Fighting abuse of the system

Abuse of the Workers' Compensation system is something WCB-Alberta takes seriously, regardless of the dollar value.

WE'RE COMMITTED TO actively protecting the accident fund through both prosecution and recovery of funds. What that means for those who choose to intentionally abuse the system is the possibility of criminal and civil proceedings, as well as fines. In past cases, those convicted have faced outcomes that have included:

- time in jail
- a permanent criminal record
- probation
- community service
- additional fines by the court
- orders to repay WCB
- loss of employment
- loss of reputation in the community

Although criminal prosecution investigations make up less than one per cent of total investigations, **more than 90 per cent of them result in conviction.**

To educate stakeholders about fraud and its consequences, WCB-Alberta has begun posting information about [recent convictions](#) online. Now, you can read about the case scenario, what made it fraud, and the consequences that resulted from the actions of the accused.

The following example is an actual case that concluded in May 2004.

It's about

fairness

WCB-Alberta is committed to deterring, detecting, and prosecuting those who abuse the funds held in trust for workers and employers.

[Learn more](#)

Report suspected abuse:

780-498-3999 (Edmonton)
403-517-6000 (Calgary)

1-866-WCB-WCB1
(toll free in Alberta)

1-800-661-9608
(toll free outside Alberta)



The case

In April 2002, a roofer was walking a plank when it broke. As a result, he fell and fractured his right arm. Three days later, he returned to modified duties. In mid-June, his doctor and chiropractor stated to WCB that he was no longer fit to work as a roofer. WCB began payment of Temporary Total Disability (TTD) benefits. In September, medical and functional evaluation revealed he still had decreased range of motion and strength in his right arm, which prevented him from returning to roofing. He was prescribed more treatment and upon completion was found fit to return to work as a roofer.

In January 2003, the worker went to his doctor about pain in his right elbow. He told his case manager that he had not worked since November because of it. WCB resumed TTD benefits, upon his doctor's recommendation.

In March 2003, WCB received a tip that an Edmonton-area roofing company employed the worker in November and December 2002. This tip prompted an investigation. On several occasions, investigators saw the worker load and unload numerous bundles of packing shingles and tarpaper from his truck and install roofing material. In June 2003, he was interviewed at WCB. He admitted to working independently and for two roofing companies while he received benefits.

What makes this fraud

The worker was knowingly working while receiving benefits, misrepresenting / exaggerating his injury and making false / misleading statements to the WCB.

The consequences

The worker was charged with fraud exceeding \$5,000. In May 2004, he pled guilty. He received a 15-month conditional sentence: eight months of house arrest, followed by seven months with a curfew. He was ordered to pay back the WCB, to pay a victim fine surcharge, and to complete 25 hours of community service.

By Doug Mah, WCB Secretary and General Counsel

Employers behaving *badly*

WORKERS' COMPENSATION IN CANADA IS A SOCIAL CONTRACT that places benefit and burden on both employers and workers. For employers, the main benefit is protection from the economic uncertainty of lawsuit by injured workers. For workers, the primary benefit is automatic coverage for work-related injury and illness regardless of fault. But it's a two-way street. With these benefits come obligations.

Injured workers must co-operate with their treatment and rehabilitation and use best efforts to return to work safely. Employers are required to fund the system through the payment of premiums. As part of this obligation to fund, the Workers' Compensation Act (WCA) creates a set of additional rules, which prohibit the following:

Unauthorized deductions. Employers pay the cost of workers' compensation, not workers. Employers are therefore not permitted, directly or indirectly, to deduct the cost of workers' compensation from the earnings of their workers. Should this occur, the WCB may collect the amount of the unauthorized deduction from the employer as if it were a premium and pay that amount to the worker who was short-changed. (Section 139)

Agreements to waive benefits. Workers and dependants are entitled to receive their benefits under the WCA. An employer may not enter into an agreement with a worker or dependant to waive benefits. This would include an agreement that a worker will not make a claim if injured. Any such agreement is void at law. (Section 140)

Impeding injury reporting. Workers or dependants are entitled to make their claims. An employer may not, directly or indirectly, by agreement,

threats, promises or intimidation, prevent, discourage or impede a worker or dependent from reporting an injury to the WCB. This includes subtle or implicit forms of persuasion. (Section 140.1)

Uttering a forged clearance certificate. Clearance certificates from the WCB are typically used by employers to enable them to collect their receivables free and clear of any claim by the WCB. No person is allowed to use a document that purports to be a clearance certificate unless it is validly issued by the WCB. [Section 151.1(2)]

Unlawful activities of this nature are often detected during the routine audit process or uncovered as a result of complaint by a worker or someone else to the WCB. Once a contravention has been established, the WCB may proceed with an administrative penalty or prosecution in provincial court, but not both. (Section 152)

The WCB's policy regarding administrative penalties and prosecution is contained at [Policy 01-09](#). Employers who wish to ensure their business practices do not contravene the WCA should consult their WCB account manager. **■**

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New certified safety association begins work in early 2005

The WCB would like to welcome the newly created Alberta Long Term Care Safety Association (ALTCSA).

THE ALTCSA'S SPONSOR, the Alberta Long Term Care Association (ALTC) was incorporated in 1981. ALTC's membership base includes executives from the private, public and voluntary sectors throughout the province. Its membership has grown to include representatives from approximately 30 service organizations, providing care to almost 9,500 clients in long-term care facilities, as well as caring for seniors in the community.

"Our organization's three staff members have been juggling administration of the Partners in Injury Reduction (PIR) program – audit updates and the auditor retraining programs for years," says Dianne Nielsen, executive director, ALTC. "With rates, claims and severity of injuries on the rise, in 2002 we hired a consultant to recommend ways to change this. They suggested we concentrate on the source of the problem and provide more training on how to prevent injuries. Resources are tight but we have made some strides in the last two years. Claim rates are down, but more resources are required to reduce injuries further – thus the introduction of a long-term care safety association."

The ALTCSA's vision is to provide the foundation, education, expertise and leadership to meet current challenges by engaging the membership to continue to improve health, safety and incident prevention for employees.

"This group saw the challenges of their industry and came together to do something about it. Long-term care facilities have unique challenges and this group worked with its members to identify opportunities to address safety issues and formed a safety association that will be focused on their unique

"This group saw the challenges of their industry and came together to do something about it."

Guy Kerr, WCB-Alberta
President and CEO

safety concerns,” stated Guy Kerr, WCB-Alberta President and CEO, at the recent stakeholder update meeting. “It takes long-term commitment and hard work to become a certified safety association – congratulations.”

The formation of the ALTCSA will also assist Alberta Human Resources and Employment and the WCB in supporting the Partners in Injury Reduction (PIR) program. It will allow more PIR participants to qualify for premium refunds based on the establishment of a certified health and safety program and on demonstrated claim cost reductions.

The ALTCSA will have a first year budget of \$291,900; the majority of which will be recovered through a levy of about 4.2 per cent of the industry rate or \$.07 per \$100 of insurable earnings assessed on all employers within Industry 82808 – Long Term Care Facilities, starting in 2005.

For more information about the ALTCSA please call 780-435-0699. ■



**BACK
PAIN**
DON'T
TAKE IT
LYING
DOWN

Did you know?

If you experience back pain, resting for a day or more may actually prolong pain and recovery. Your back is designed for movement. The sooner you get moving, and back to regular activities, the sooner you will feel better.

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It's almost Annual Return time

How can you ensure your workers' insurable earnings are calculated correctly on the Annual Return?

▶ **Subcontractors' earnings.**

Include the earnings of subcontractors (individuals or partnerships) who do not have their own WCB accounts. Subcontractors operating as a limited company should not be reported on your return.

▶ **Wages for all workers.**

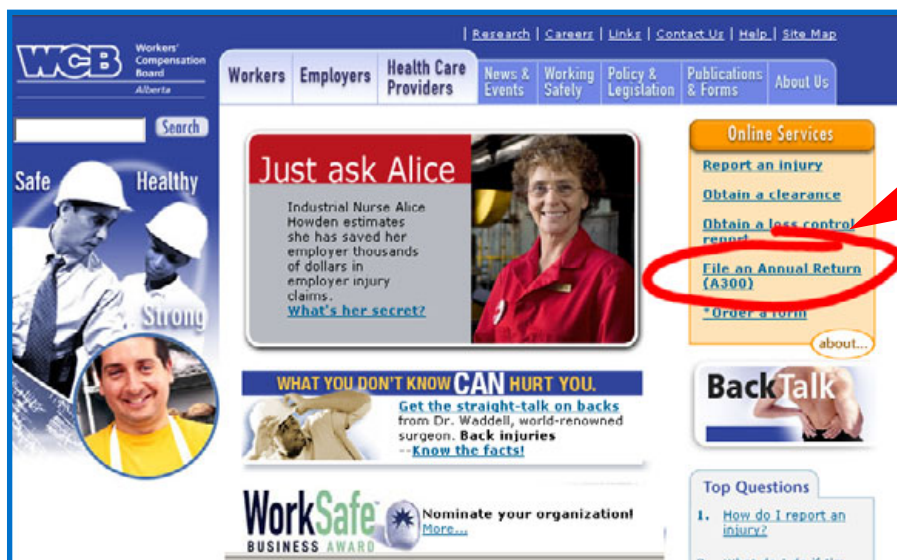
Full-time, part-time, casual and family member earnings must be included in your return.

▶ **Owners' earnings.**

Do not include the earnings of directors of a limited company or owners of the business in the insurable earnings reported. Owners must purchase Personal Coverage to be covered by workers' compensation.

▶ **Annual worker maximum.**

The maximum gross insurable earnings amount per worker for 2004 is \$61,200. If a worker makes more than the maximum, the excess should be deducted.



The screenshot shows the WCB Alberta website interface. At the top, there is a navigation bar with links for Research, Careers, Links, Contact Us, Help, and Site Map. Below this is a secondary navigation bar with categories: Workers, Employers, Health Care Providers, News & Events, Working Safely, Policy & Legislation, Publications & Forms, and About Us. The main content area features several articles and service links. A red circle highlights the 'File an Annual Return (A300)' link under the 'Online Services' section. Other visible links include 'Report an injury', 'Obtain a clearance', and 'Obtain a loss control report'. A red arrow points from the 'File an Annual Return (A300)' link to the text box on the right.

www.wcb.ab.ca

To access the A300 online click on the [File an Annual Return \(A300\)](#) link under Online Services.

Please complete your form and submit it online, by fax, e-mail, or phone by February 28, 2005.

Taking a Swing for Charity

152 tee up to raise \$33,000 for burn treatment

AS GOLFERS TOOK A SWING FOR CHARITY, the 13th annual WCB Charity Golf tournament raised \$33,000 for the Calgary Firefighters Burn Treatment Society.

WCB President & CEO Guy Kerr presented the \$33,000 cheque to Gary Baker, President, Calgary Firefighter Burn Treatment Society. The proceeds raised through this event will be used to upgrade specialized equipment used in treating burns, and for continuing education for the burn unit health care team.

Over 150 golfers spent the day on the course at Lynx Ridge Golf Club in Calgary. The winning score (59) was carded by Murray Lengyel, Mylo Stromsmoe, Dave Meller and Bob Ackerman of CBI Lethbridge.

“It was fantastic that everybody had such a good day and that we raised so much money for the Calgary Firefighters Burn Treatment Society,” said Suzanne McIntosh, tournament organizer.

Thank you to all of the **corporate sponsors** and participants, and to all of the volunteers for their help and support. Your contributions to the event made it a success! ■



Pictured above: The Canadian Back Institute Lethbridge carded the winning score (59).

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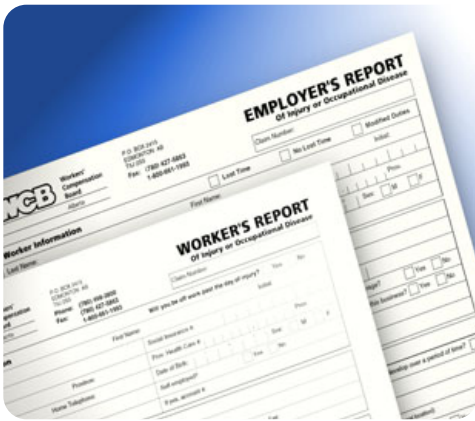
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Are you using the most current version of WCB Injury Reports?

Using the most current version of the Employer's Report of Injury or Occupational Disease (C040) and the Worker's Report of Injury or Occupational Disease (C060) ensures you are providing all of the information necessary to efficiently process a claim for compensation.

[Download Employer's Report](#)

[Download Worker's Report](#)

You may also request forms by contacting the WCB at **780-498-3999** (Edmonton), **403-517-6000** (Calgary) or toll free (in Alberta) at **1-866-WCB-WCB1** (922-9221).

New form now online!

Damaged Eyeglasses – no personal injury form (C697)

This form is to be used when a worker's eyeglasses have been damaged due to an accident in the workplace but there has been no eye injury.

[Download form](#)

Did you know?

- You must report disabling or potentially disabling accidents to the WCB **within 72 hours**.
- An injured worker is entitled to a copy of the Employer's Report submitted to the WCB.
- Workers should also receive a copy of any documentation regarding injuries that occur on the worksite.

EMPLOYER INFORMATION WORKSHOPS

A general overview of information related to maintaining a WCB account will be provided in these sessions. Topics include: fundamentals of workers' compensation, subcontractor liabilities, insurable earnings, coverage for business owners, managing your workers' compensation account, and the impact of claim costs on premiums.

[Register now](#)

UNDERSTANDING THE REVIEW AND APPEALS PROCESSES

This one-day seminar is designed specifically for employers. It will show them how to participate effectively in the processes used to review and appeal a WCB decision, whether it is claim or premium-related. It also gives employers an overview of the review and appeal processes.

[Register now](#)

DISABILITY MANAGEMENT SEMINARS

This seminar is designed to help employers understand the relationship between claim costs and WCB premiums, and how both can be controlled through an effective disability management program. The seminar discusses the six key elements of a disability management program.

[Register now](#)

PREVENTING VIOLENCE AT WORK SEMINAR

A seminar geared towards employers who are interested in developing a workplace violence prevention program.

[Register now](#)



Once the form is submitted you will receive an e-mail confirmation and a map. If you have questions, call toll-free at 1-866-498-4694. Workshops and seminars are free of charge to WCB account holders.

NUMBERS TO REMEMBER

Customer Contact Centre WCB-Alberta – Street address: 9912-107 St., Edmonton, AB

EDMONTON

Mailing address:
Box 2415
Edmonton, AB T5J 2S5

Claims and Employer Enquiries

Phone: (780) 498-3999
Fax: (780) 498-7999
Hours: 8 a.m. to 4:30 p.m., weekdays

Access to Information

Phone: (780) 498-3999
Fax: (780) 498-7867

CALGARY

300-6th Avenue, S.E.
Calgary, AB T2G 0G5

Claims and Employer Enquiries

Phone: (403) 517-6000
Fax: (403) 517-6201
Hours: 8 a.m. to 4:30 p.m., weekdays

Access to Information

Phone: (403) 517-6000
Fax: (403) 517-6001

Millard Health

131 Airport Road
Edmonton, AB T5G 0W6

Phone: (780) 498-3200
Fax: (780) 498-3907
Hours: 7 a.m. to 5 p.m., Monday & Friday
7 a.m. to 7 p.m., Tuesday, Wednesday, Thursday

Partners in Injury Reduction (PIR)

Phone: (780) 498-7936
Fax: (780) 498-7874

Decision Review Body

Phone: (780) 498-4480
Fax: (780) 498-7855

Deaf, Hearing and Speech Impaired

Phone: (780) 498-7895

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