


A guide to the new...

# Partners in Injury Reduction (PIR) Executive PIR Summary Report

How to read the new monthly report which summarizes your status in PIR.

**Partners in Injury Reduction  
Executive PIR Summary Report**

SAMPLE COMPANY  
ATTN: JOHN SMITH  
PO BOX 1234  
ANYTOWN, AB T0A 1B2



**Workers' Compensation Board**  
Alberta

**1a** Incentive Status as of March 29, 2000  
Measurement Type: Individual  
Simulation Year: 2000

Sample

	<b>1b</b> Account	Industry	Description		<b>1c</b> Eligibility Factor
	0000001	50714	TRUCKING SERVICE, GENERAL		1

Your PIR discount for the rate year 2000 will be based on the best result among the following three measures:

**A. Improving Your Performance Measure**

2000 Transactions	1999 Transactions
Costs from 1998-2000: <b>A1</b> \$2,416.69	Costs from 1997-1999: <b>A4</b> \$7,800.91
1998-2000 Earnings: <b>A2</b> \$3,000,000	1997-1999 Earnings: <b>A5</b> \$1,919,651
Expected Costs: <b>A3</b> \$12,192.00 (0.004064 x \$3000,000)	Employer Ratio (Claims/IE): <b>A6</b> 0.004064
<b>Prorated Discount using this measure:</b> <b>A7</b> 20.00% (Prorated Costs / Expected Costs - 1) * Eligibility Factor	

**B. Maintaining Industry Leadership**

Current Period	Prior Period
Costs to date 1998-2000: \$14,370.47	Costs from 1997-1999: \$19,203.85
Ave. Claim Costs: \$21,843.11	Ave. Claim Costs: \$29,765.97
Difference: 52% lower	Difference: 55% lower
<b>Projected Discount using this measure:</b> 10.00% (Percentage * Eligibility Factor)	

**C. Certificate of Recognition (COR)**

COR: Yes      Projected Discount using this measure: 5.00%

**D** Based on your performance to date, your projected 2000 PIR discount is 20.00%

Leaders: The following account/industries were included in calculating the measurements:

Account	Industry	Description
0000001	30100	STEEL/METAL FABRICATION

## Section 1 – Account/Report Information

- 1a** Calculations use data up to this date.
- 1b** The account(s) and industry(ies) used in the calculations.
- 1c** The number of years an employer's account was open during the three-year PIR measurement period divided by three. Please refer to the report glossary for details.


## Section A – Improving Your Performance Measure

*Improving Your Performance (IYP)* measures your improvement in preventing injuries and managing claims by comparing your current claims performance to your historical claims performance.

- A1** PIR costs paid in 2000 for claims from 1998, 1999 and 2000.
- A2** The sum of insurable earnings from 1998 to 2000.
- A3** The expected amount of claim costs for the 2000 measurement period, based on your claims history and insurable earnings. These expected costs are calculated by multiplying your employer ratio (A6) by your total estimated insurable earnings (A2).
- A4** PIR costs paid in 1999 for claims from 1997, 1998 and 1999.
- A5** The sum of insurable earnings from 1997 to 1999.
- A6** Your employer ratio indicates your historical claims to insurable earnings ratio. This is calculated by dividing claim costs in 1999 (A4) by your insurable earnings from 1997 to 1999 (A5).
- A7** Your annualized *Improving Your Performance* discount should your claims performance continue as it has to date.

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*Incentive Status as of March 29, 2001*  
Measurement Type: Individual  
Simulation Year: 2000

Sample

Account	Industry	Description	Eligibility Factor
0000001	50714	TRUCKING SERVICE, GENERAL	1

Your PIR discount for the rate year 2000 will be based on the best result among the following three measures:

**A. Improving Your Performance Measure**

2000 Transactions		1999 Transactions	
Costs from 1998-2000:	\$2,416.69	Costs from 1997-1999:	\$7,800.91
1998-2000 Earnings:	\$3,000,000	1997-1999 Earnings:	\$1,919,651
Expected Costs: (0.004064 x \$3,000,000)	\$12,192.00	Employer Ratio (Claims/IE):	0.004064
Prorated Discount using this measure: (Prorated Costs / Expected Costs - 1) * Eligibility Factor		20.00%	

**B. Maintaining Industry Leadership**

Current Period	Prior Period
Costs to date 1998-2000: <b>B1</b> \$14,370.47	Costs from 1997-1999: <b>B4</b> \$19,203.85
Ave. Claim Costs: <b>B2</b> \$21,843.11	Ave. Claim Costs: <b>B5</b> \$29,765.97
Difference: <b>B3</b> 52% lower	Difference: <b>B6</b> 55% lower
Projected Discount using this measure: (Percentage * Eligibility Factor) <b>B7</b> 10.00%	

**C. Certificate of Recognition (COR)**

**C1** COR: Yes **C2** Projected Discount using this measure: 5.00%

**D** Based on your performance to date, your projected 2000 PIR discount is 20.00%

Lenders: The following account/industries were included in calculating the measurements:

Account	Industry	Description
<b>D1</b> 0000001	30100	STEEL/METAL FABRICATION

## Section B – Maintaining Industry Leadership

*Maintaining Industry Leadership (MIL)* measures improvements in your claims experience in comparison to the average in your industry's rate group over the same period.

- B1** Your total PIR costs paid *to date* for claims occurring in 1998, 1999 and 2000.
- B2** The industry average claim costs paid in the 2000 measurement period, weighted by your insurable earnings.
- B3** The percentage indicates whether your claim performance is higher or lower than industry average.
- B4** Your total PIR costs for claims occurring in 1997, 1998 and 1999.
- B5** The industry average claim costs paid in the 1999 measurement period, weighted by your insurable earnings.
- B6** The percentage indicates whether your claim performance is higher or lower than industry average.
- B7** Your projected *Maintaining Industry Leadership* discount is determined according to the following guidelines:

Percentage lower than industry average claim costs for two consecutive years	PIR Premium Discount (including COR discount)
50% or lower	10%
65% or lower	12.5%
80% or lower	15%
90% or lower	20%

## Section C – Certificate of Recognition

A *Certificate of Recognition (COR)* provides an immediate 5% premium discount and is required to achieve discounts with both the *Improving Your Performance* and *Maintaining Industry Leadership* measures.

- C1** Indicates whether a COR has been achieved according to data from Alberta Human Resources and Employment. This status is updated monthly and is valid only at the time the report is printed.
- C2** Your projected discount should your COR status remain the same.

## Section D – Projected Discount

**The best of the three projected discounts. This is the premium discount you will receive if you continue performing as you have to date.**

- D1** The term "lender" refers to an employer whose insurable earnings and claim costs have been added to another employer's experience record to determine applicable premium adjustments.