

## WSIB Policy Agenda 2012 - 13

---

## OVERVIEW

Beginning in 2012, the Workplace Safety and Insurance Board (WSIB) will publically release an annual Policy Agenda that will identify the policy priorities for the current year and areas of policy priorities for the following years.

### **Goals of Establishing a Policy Agenda:**

- To facilitate the ongoing review and renewal of the WSIB policies; to ensure that the policies are: in alignment with the strategic direction of the WSIB, in accordance with any changes in relevant legislation and generally kept consistent and current
- To help prioritize the policy development work of the WSIB; and
- To engage stakeholders in future policy reviews. As per the [Framework for Policy Development and Renewal](#) the WSIB is committed to an ongoing and thorough process of stakeholder consultation.

### **Commitment to Ongoing Policy Renewal and Evaluation**

In alignment with the WSIB's [2012-2016 Strategic Plan](#) and the *Framework for Policy Development and Renewal*, the WSIB is committed to continual improvement and ongoing renewal of WSIB policies.

The overarching goal of the WSIB's Policy Evaluation and Renewal Initiative is to ensure policies are up to date, clear, and provide appropriate guidance to staff and the public as to how they will be applied. It is within that context that annual Policy Agendas will be developed, with those policies identified as requiring substantive revision forming part of future Policy Agendas and consultation processes. Other drivers for change, such as legislative amendments, will also continue to influence the content of the Policy Agenda from year to year.

### **2012-13 POLICY AGENDA AND UPCOMING AREAS OF POLICY PRIORITY**

The following pages provide detail on the policy priorities the WSIB has identified for analysis and public consultation, which are to be included on the Policy Agenda. The contents of the 2012-13 Policy Agenda have been shaped by a number of factors including the recommendations by Professor Harry Arthurs' in his final report [Funding Fairness: A Report on Ontario's Workplace Safety and Insurance System \(Funding Fairness\)](#). This report was released May 4, 2012 and provides important stepping stones upon which the WSIB can move forward. In addition, the Policy Agenda includes key benefits policies that are critical to the compensation system.

*Part A* provides specific details on the items identified for the 2012-13 Policy Agenda.

*Part B* provides a general description of the areas of policy priority for the following years.

For each of the policies included on the Agenda, there will be an open and transparent public consultation through which stakeholders will be able to provide advice and guidance. Details of consultation processes will continually be available on the WSIB website.

## PART A: POLICY AGENDA 2012-13

### *Transforming the System: Rate Group Structure, Rate Setting & Incentive Programs*

Funding Fairness provides critical stepping stones for the WSIB to move forward in a fair and sustainable way. Throughout 2012-13 the WSIB will engage in consultations and conduct policy reviews in key priority areas: Rate Group Structure, Rate Setting and Incentive Programs.

The WSIB currently has a complex system of Rate Groups and Classification Units. In his *Funding Fairness* recommendations, Professor Harry Arthurs identifies the benefits of simplifying the rate group structure and the associated implications and considerations that should be taken into account in the rate setting process. In 2012, the WSIB will begin a consultation on the reform of the Rate Group Structure along with Rate Setting, Experience Rating and Incentives, drawing on the principles articulated in *Funding Fairness*. Within this initiative, the WSIB will examine the methodology associated with the maximum amount of insurable earnings, in particular in construction.

Much of this policy work is transformational and is integrated with the system goals of prevention and return to work. The WSIB will work with the Ministry of Labour and its partners to determine the best path forward.

### *Benefits Policies: Compensating for the Work-Related Impairment*

The WSIB policies on recurrences, work disruptions, permanent impairments, and aggravation basis all relate to the issue of compensating for the work-related impairment. The WSIB intends to consult on this suite of policies, with the aim of creating policies that are consistent and provide clear direction to decision makers, stakeholders and the general public.

#### **Recurrences**

The WSIB will conduct a review of the Recurrences policy as it has been found that there are challenges in its administration, particularly in relation to the existing concepts of “clinical compatibility” and “continuity”, as well as challenges with conditions that occur as a result of the natural aging process.

#### **Permanent Impairments**

Timely determinations of maximum medical recovery and the existence of a permanent impairment are critical to the effective administration of the WSIB’s Permanent Impairment Program (previously called the Non-Economic Loss Program). To support this, there will be an examination of the existing policies pertaining to permanent impairments and a consideration of whether a new policy should be created to assist with identifying work-related permanent impairments - i.e., a threshold policy.

#### **Work Disruptions**

There are currently five policies that pertain to entitlement following work disruptions. The WSIB will undertake a review of these policies with the objective of improving clarity on when a worker may be entitled to additional benefits/services following an employment-related work disruption.

#### **Aggravation Basis**

The aggravation basis policy has a substantive impact on initial entitlement decisions in cases where a worker has a pre-accident impairment and suffers a minor work-related

injury or illness to the same body part or system. The policy review will look to ensure that the guidelines contained therein are clear and support consistent decision making.

The aggravation basis policy has its history in the SIEF policy and is directly related since claims that are allowed on an aggravation basis attract immediate cost relief under the SIEF. The policy review will therefore include an examination of the SIEF.

## **PART B: UPCOMING AREAS OF POLICY PRIORITY**

The *Framework for Policy Development and Renewal* commits the WSIB to releasing a Policy Agenda on an annual basis and providing information on areas of policy priority that will be consulted on in the upcoming years. All policies pertaining to benefits, revenue and occupational disease that require substantive changes will be considered for consultation through inclusion in future annual Policy Agendas.

At this juncture the following items have been identified as areas of future policy priority. However, as the Agenda evolves each year, this section will be amended as required to align with the priorities of the WSIB and the Policy Renewal process.

### ***Funding Strategy***

In his Report, *Funding Fairness*, Professor Harry Arthurs calls on the WSIB to create a Funding Strategy to help ensure the future financial stability of Ontario's workers' compensation system. The WSIB will consult on the creation of a long term Funding Policy, that is aligned with the requirements in Bill 135, *Helping Ontario Families and Managing Responsibly Act, 2010*, building on the critical advice contained in *Funding Fairness*.

### ***Last Employer of Record***

Currently, claim costs are reflected in the accident employer's record, with cost relief or cost transfer available under specific circumstances. The WSIB will consider a policy review of the process for attributing claim costs to an employer. In particular, the focus will be on the implications of current policy on those sectors where there is an increasingly transient work force.

### ***Travel & Related Expenses***

The WSIB intends to undertake a review of the policies pertaining to travel and related expenses. "Related expenses" includes expenses such as accommodations, meals and escorts. A review of these policies is critical to ensure that they provide consistent and appropriate guidelines to WSIB decision makers as well as the general public.

### ***Employer Reporting Obligations***

The current employer reporting policy allows employers to notify the WSIB within 7 business days of learning of their worker's injury by accident or disease. However, this is not in accordance with the 3 day requirement stipulated in s.21 (1) of the *Workplace Safety and Insurance Act, 1997*. The WSIB will look to amend this policy by clarifying existing reporting requirements, and to align it with the legislation.

