

2022/05/25-01

**WORKERS' COMPENSATION BOARD
("WorkSafeBC")**

RESOLUTION OF THE BOARD OF DIRECTORS

RE: Cost Relief for the Serious and Wilful Misconduct of a Worker Claims

WHEREAS:

Pursuant to section 319 of the *Workers Compensation Act*, R.S.B.C. 2019, c. 1 (*Act*), the Board of Directors of WorkSafeBC must set and revise as necessary the policies of the Board of Directors, including policies respecting occupational health and safety, compensation, rehabilitation and assessment;

AND WHEREAS:

Section 134(1) of the *Act* directs WorkSafeBC to pay compensation for personal injury or death arising out of and in the course of the worker's employment, and there is an exception in section 134(2) of the *Act* which states if the injury is attributable solely to the serious and wilful misconduct of the worker, compensation is not payable unless the injury results in the worker's death or serious or permanent disablement;

AND WHEREAS:

Section 241 of the *Act* requires WorkSafeBC to assess, levy on and collect from employers sufficient funds to continue and maintain an adequate accident fund;

AND WHEREAS:

Section 243 of the *Act* permits WorkSafeBC to make assessments on employers in the manner and form and by the procedure WorkSafeBC considers adequate and expedient;

AND WHEREAS:

Section 247(2) of the *Act* permits WorkSafeBC to adopt a system of experience rating (ER) to establish a rate of assessment for a particular industry or plant which is different from the average of the class or subclass to which WorkSafeBC has assigned the industry or plant;

AND WHEREAS:

The cost of any compensation paid out on a claim is normally charged to the class or subclass of employers of which the worker's employer is a member and it has an impact on the employer's ER;

AND WHEREAS:

In some circumstances employers are provided with cost relief, meaning certain claim costs are excluded from ER consideration;

AND WHEREAS:

Policy related to the serious and wilful misconduct of the worker is located in Item C3-14.10, *Serious and Wilful Misconduct*, of the *Rehabilitation Services & Claims Manual*, Volume II (RS&CM);

AND WHEREAS:

Policy related to cost relief for the serious and wilful misconduct of the worker is located in Item C3-14.10, *Serious and Wilful Misconduct*, and policy item #115.30, *Experience Rating Cost Exclusions*, of the RS&CM (the cost relief policies);

AND WHEREAS:

The application of the cost relief policies has the potential to lead to an unjust outcome for employers and WorkSafeBC's Policy, Regulation and Research Department (PRRD) has developed changes to the cost relief policies to exclude all costs from an employer's ER in cases where the death or serious or permanent disability was attributable solely to the serious and wilful misconduct of the worker;

AND WHEREAS:

The PRRD has developed changes to Item AP5-247-1, *Experience Rating*, of the *Assessment Manual*, in order to clarify that fatalities due solely to the serious and wilful misconduct of the worker will be treated differently for ER purposes than other fatalities;

THE BOARD OF DIRECTORS RESOLVES THAT:

1. The amendments to policy in Item C3-14.10, *Serious and Wilful Misconduct*, and policy item #115.30, *Experience Rating Cost Exclusions*, of the RS&CM and

policy in Item AP5-247-1, *Experience Rating*, of the *Assessment Manual*, as set out in Appendix 1 attached to this resolution, are approved, and apply to all decisions, including appellate decisions, made on or after June 1, 2022.

2. This resolution is effective June 1, 2022.
3. This resolution constitutes a policy decision of the Board of Directors.

I, Jeff Parr, hereby certify for and on behalf of the Board of Directors of WorkSafeBC that the above resolutions were duly passed at a meeting of the Board of Directors hosted in British Columbia on May 25, 2022.

Original signed by Jeff Parr

JEFF PARR
Chair, Board of Directors
Workers' Compensation Board

**REHABILITATION SERVICES &
CLAIMS MANUAL****RE: Serious and Wilful Misconduct****ITEM: C3-14.10****BACKGROUND****1. Explanatory Notes**

This policy provides guidance for determining compensability for an injury or death due to the serious and wilful misconduct of a worker.

2. The Act

Section 134, in part:

- (1) If, in an industry within the scope of the compensation provisions, personal injury or death arising out of and in the course of a worker's employment is caused to the worker, compensation as provided under this Part must be paid by the Board out of the accident fund.
- (2) As an exception to subsection (1), if the injury is attributable solely to the serious and wilful misconduct of the worker, compensation is not payable unless the injury results in the worker's death or serious or permanent disablement.

...

POLICY

Before section 134(2) can be considered, it must first be determined under section 134(1) that the worker's personal injury or death arose out of and in the course of the worker's employment. Item C3-14.00 is the principal policy used for making this determination.

In weighing the evidence, the actions or conduct of the worker may induce the Board to conclude that the worker's injury or death did not arise out of and in the course of the worker's employment under section 134(1). If such a conclusion is reached, the claim is disallowed, and section 134(2) is not considered. This is so even in the event of death or serious or permanent disablement.

If it is determined that the worker's injury or death did arise out of and in the course of the worker's employment and there is an indication that misconduct of the worker played a role in the worker's injury or death, section 134(2) is then considered.

**REHABILITATION SERVICES &
CLAIMS MANUAL****A. Serious and Wilful Misconduct by the Worker**

The first question to be considered is, was the worker's misconduct serious and wilful?

A worker engages in serious and wilful misconduct if the worker deliberately and intentionally violates rules, regulations or laws known to the worker. Serious and wilful misconduct is a voluntary act by a worker with reckless disregard for the worker's own safety and which the worker should have recognized as having the potential to result in personal injury.

If a worker's misconduct was not serious and wilful, the injury that arose out of and in the course of the worker's employment is compensable.

B. Attributable Solely to the Worker's Serious and Wilful Misconduct

If a worker's misconduct was serious and wilful, the second question to be considered is, was the injury attributable solely to the worker's serious and wilful misconduct?

The word "solely" in this situation means that, without the worker's misconduct, the injury would not have resulted.

If a worker's injury is not attributable solely to the worker's serious and wilful misconduct, compensation is payable.

C. Death or Serious or Permanent Disablement

If a worker's injury is attributable solely to the worker's serious and wilful misconduct, the third question to be considered is, did the worker's injury result in death or serious or permanent disablement?

In this context, the word "serious" is used in a physical rather than an economic sense. For example, if a worker has suffered a sprained wrist or finger which causes only two or three weeks of lost wages, this may not be considered as a serious disablement even though the loss of earnings may cause a serious financial problem for the worker. If an injury results in a prolonged disability, however, it may be regarded as serious even though the initial injury appears minor.

If a worker's injury that was attributable solely to the worker's serious and wilful misconduct did not result in death or serious or permanent disablement, it is not compensable, even though it also arose out of and in the course of the worker's employment.

~~If a worker's injury that was attributable solely to the worker's serious and wilful misconduct did result in death or serious or permanent disablement, it is compensable, and the employer may be eligible to have some of the costs of the wage-loss benefits excluded from its experience rating.~~

**REHABILITATION SERVICES &
CLAIMS MANUAL****D. Employer's Experience Rating**

~~Where wage-loss benefits were paid between January 1, 1994 and September 27, 2002 on a claim where the injury is attributable solely to the serious and wilful misconduct of the worker, but resulted in death or serious permanent disablement, the cost of compensation paid after the first 13 weeks of wage-loss benefits is excluded from the employer's experience rating.~~

~~Where wage-loss benefits are paid on or after September 28, 2002 on a claim where the injury is attributable solely to the serious and wilful misconduct of the worker, but resulted in death or serious permanent disablement, the cost of compensation paid after the first 10 weeks of wage-loss benefits is excluded from the employer's experience rating.~~

~~If wage-loss benefits were not paid because the claim that was attributable solely to the serious and wilful misconduct of the worker resulted in immediate death, no costs are excluded from the employer's experience rating.~~

Where the injury attributable solely to the serious and wilful misconduct of the worker resulted in death or serious or permanent disablement, the cost of all compensation paid on the claim is excluded from the employer's experience rating.

EFFECTIVE DATE:	July 1, 2010 June 1, 2022.
AUTHORITY:	Section 134(2) of the Act.
CROSS REFERENCES:	Item C3-14.00, <i>Arising Out of and In the Course of a Worker's Employment</i> ; Item C3-17.00, <i>Deviations from Employment</i> ; Policy item #115.30, <i>Experience Rating Cost Exclusions</i> , of the <i>Rehabilitation Services & Claims Manual</i> , Volume II.
HISTORY:	June 1, 2022 – Policy change to exclude from experience rating the cost of all compensation paid on claims where section 134(2) of the Act applies. April 6, 2020 – Housekeeping changes consequential to implementing the <i>Workers Compensation Act</i> , R.S.B.C. 2019, c. 1. July 1, 2010 – This policy replaced former policy item #16.60, <i>Serious and Wilful Misconduct</i> , of the <i>Rehabilitation Services & Claims Manual</i> , Volume II. The number of weeks of wage-loss benefits that must be paid before the costs of compensation will be excluded from an employer's experience rating changed from 13 weeks to 10 weeks in former policy item #16.60 effective September 28, 2002.
APPLICATION:	This item applies to all claims for injuries occurring on or after July 1, 2010. This item applies to all decisions, including appellate decisions, made on or after June 1, 2022.

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#115.30 Experience Rating Cost Exclusions

Section 247 provides, in part:

- (1) The Board must establish subclassifications, differentials and proportions in the rates as between the different kinds of employment in the same class, as the Board considers just.
- (2) If the Board considers that a particular industry or plant is circumstanced or conducted such that the hazard or cost of compensation differs from the average of the class or subclass to which the industry or plant is assigned, the Board
 - (a) must establish a special rate, differential or assessment for that industry or plant to correspond with the relative hazard or cost of compensation of that industry or plant, and
 - (b) for the purpose referred to in paragraph (a), may also adopt a system of experience rating.

The Board has adopted an experience rating plan (ER) under this section of the *Act*. The plan compares the ratio between an employer's claim costs and assessable payroll with the ratio between the total claim costs and assessable payroll of the employer's rate group. Subject to maximums, discounts are assigned for favourable ratios and surcharges for unfavourable ratios. The discount or surcharge takes the form of a percentage increase or decrease in the usual assessment rate. Details of ER can be found in the policy in Item AP5-247-1 of the *Assessment Manual*.

As a general rule, all acceptable claims coded to a particular employer are counted for experience rating purposes. It makes no difference whether the injury was or was not the employer's fault. There are, however, some types of claim costs which are excluded from consideration. These are:

1. Costs recovered by way of a third party action (see policy item #111.25).
2. Investigation and/or compensation costs paid out prior to the disallow of a claim or reversal of a decision by the Board, or the Workers' Compensation Appeal Tribunal (see policy item #113.10).
3. Costs transferred to the rate group of another employer under section 249 (see policy item #114.10).
4. Costs assigned to the funds created by section 240(1)(c) and (d) (see policy item #114.30, and policy item #114.40).

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5. Occupational disease claims which on average require exposure for, or involve latency periods of, two or more years before manifesting into a disability. The diseases presently excluded on this ground are:

Non-traumatic hearing loss, excluding hearing loss resulting from other injuries

Silicosis

Asbestosis

Other diagnosed pneumoconioses, for example, anthracosis and siderosis

Pneumoconioses not specifically diagnosed

Heart disease

Cancer

Hand-arm vibration syndrome, vinyl chloride induced Raynaud's phenomenon, disablement from vibrations

(see policy item #113.20)

6. **Costs** ~~Until September 27, 2002, costs after 13 weeks where section 134(2) applies (see Item C3-14.10). Effective September 28, 2002, costs after 10 weeks where section 134(2) applies (see Item C3-14.10).~~
7. Costs from accidents substantially due to personal illness, e.g. epilepsy (see Item C3-16.00).
8. Injuries covered by Items C11-88.10, C11-88.40, and C11-88.50.
9. The situations covered by policy item #115.31 and policy item #115.32 below.
10. The situation covered by policy item #115.33.
11. The costs of certain compensable consequences that occur at a place, or en route to or from a place, of treatment, surgery, or Board-related assessment, as set out in policy item #115.34.

The decision whether a claim falls within one of the exclusions will usually be made by the Board. In the case of third party actions (Exclusion 1), a Board solicitor makes the decision.

EFFECTIVE DATE: January 1, 2016 **June 1, 2022**

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HISTORY:

June 1, 2022 – policy amended to update claim costs to be excluded from consideration for experience rating purposes as set out in Item C3-14.10, *Serious and Wilful Misconduct*.

April 6, 2020 – Housekeeping changes consequential to implementing the *Workers Compensation Act*, R.S.B.C. 2019, c. 1.

January 1, 2016 – policy amended to add new type of claim costs to be excluded from consideration for experience rating purposes, as set out in policy item #115.34, *Experience Rating Exclusions for Certain Compensable Consequences*.

August 1, 2010 – Consequential amendments to address whether an employer should receive cost relief where a worker continues to receive temporary wage-loss benefits for a compensable disability when a subsequent non-compensable incident delays the worker's recovery from the compensable disability.

June 1, 2009 – Deleted references to the Review Division, Medical Review Panel and the Worker and Employer Services Division.

March 1, 2005 – Updated language as to the use of the phrase “rate group”, consistent with rate-making system in *Assessment Manual*; updated and incorporated cross-references to policy items #113.20 and C11-88.10, to make all items consistent and accurate. This policy continues the substantive requirements as they existed prior to the effective date. Applied to all decisions on or after March 1, 2005.

March 18, 2003 – “Discount”, “Surcharge” and the numerical reference to the policy in then Item AP1-42-1 in the *Assessment Manual* were incorporated.

APPLICATION:

This policy applies to all decisions, **including appellate decisions**, made on or after ~~January 1, 2016~~ **June 1, 2022.**

RE: Experience Rating

ITEM: AP5-247-1

BACKGROUND

1. Explanatory Notes

Experience rating is a means of adjusting individual employers' assessment rates to reflect their actual claims cost experience. Employers whose experience is better than their rate group average receive a discount. Employers whose experience is worse than their rate group average pay a surcharge.

The experience rating program attempts to promote positive safety attitudes and to provide equity through a system of recognition and accountability for claims costs. The goal is to encourage employers with high injury costs to reduce them, and to encourage employers with low injury costs to keep them low. The desired outcome is a reduction in the social and economic costs of work-related injuries and diseases.

2. The Act

Section 247, in part:

- (1) The Board must establish subclassifications, differentials and proportions in the rates as between the different kinds of employment in the same class, as the Board considers just.
- (2) If the Board considers that a particular industry or plant is circumstanced or conducted such that the hazard or cost of compensation differs from the average of the class or subclass to which the industry or plant is assigned, the Board
 - (a) must establish a special rate, differential or assessment for that industry or plant to correspond with the relative hazard or cost of compensation of the industry or plant, and
 - (b) for the purpose referred to in paragraph (a), may also adopt a system of experience rating.

...

POLICY

(a) The Experience Rating Plan

The main features of the experience rating (“ER”) plan are:

- (1) The ER plan applies to all employers and independent operators in rated classification units.
- (2) The ER plan is prospective in application. ER adjustments are calculated on the basis of past claims costs and payroll and are applied to employers’ assessments. Thus, a firm’s experience is a measure of a firm’s performance relative to its rate group based on information derived by the Board from appropriate past claims costs and payroll.
- (3) ER adjustments are based solely on claims costs. The costs used are those directly associated with compensation claims. The cost used for fatal claims is the five-year moving Board-wide average rather than the actual cost of each claim. **Costs incurred in fatal claims that fall under section 134(2) of the Act are not included in an employer’s ER.**
- (4) The Board’s administrative costs are not included in the ER calculation.
- (5) The ER plan uses claims costs arising from claims commenced in the three calendar years prior to the year in which the calculation is made (the “ER Window”). This includes all costs of those claims up to and including June 30th of the year of calculation.
- (6) The costs included are subject to maximum limits for each claim as follows:
 - 100% of the first \$70,000;
 - 50% of the next \$50,000; and
 - 10% of all costs above \$120,000.
- (7) An employer’s cost to assessable payroll ratio is compared to the cost to assessable payroll ratio of the rate group to which the employer is assigned.
- (8) The payroll used is the total assessable payroll used to calculate employers’ assessments in the ER Window. This amount excludes

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earnings above the maximum wage, and includes Personal Optional Protection amounts.

- (9) In determining the cost to assessable payroll ratio in the ER Window, the most recent year is weighted at 50%, the prior year at 33.3%, and the most distant year at 16.7%.
- (10) The calculation involves combining an employer's cost experience in the ER window with its ER factor for the previous year. The ER factor reflects the fact that employers participate at different levels, based on the size of the employer's assessment before the ER adjustment. The higher an employer's base assessment, the higher its level of participation in the plan. A higher level of participation means an employer's ER adjustment is more responsive to its claims costs experience in the current ER window.
- (11) The minimum participation level is set at 10%.
- (12) The maximum ER discount is 50%. The maximum ER surcharge is 100%, except where an excess cost surcharge applies.
- (13) Employers enter the plan for the first time when they have had some payroll within the current ER window.
- (14) Where any part of an employer's payroll has been estimated, any resulting discount will not be applied. If a surcharge results, it will be applied. If an estimate is replaced by the actual payroll information, the experience rating will be recalculated.
- (15) The employer for experience rating purposes is the legal entity operating the business. If an employer operates divisions, whether they are separately registered with the Board or not, the employer's combined experience determines the rating for all the employer's business operations.
- (16) Employers registered voluntarily under sections 5 to 7 of the *Act* or by a variance from a general exemption order under section 4(1) of the *Act* are excluded from participating in the experience rating plan.
- (17) For simplicity, ER discounts or surcharges are generally expressed as percentage adjustments to employers' base assessment rates.

(b) The Excess Cost Surcharge

The excess cost surcharge is a component of the ER plan allowing the Board to more properly rate firms with ongoing high costs. A firm qualifies for an excess cost surcharge where:

- the firm is active and its average claim cost to payroll ratio, as calculated by the Board, is three or more times that of its rate group for three consecutive assessment years;
- the firm has a calculated ER surcharge adjustment of 90 percent or more; and,
- the firm has had 50 or more non-health care only claims in the five consecutive years ending with the most recent year in the ER window.

The Board will determine a required rate for a qualifying firm to enable calculation of the firm's excess cost surcharge. The required rate will be set annually based on the following:

- (1) In the first year a firm qualifies for an excess cost surcharge, the Board will determine the required rate using claims costs arising from claims commenced in a period of up to 15 calendar years prior to the year in which the calculation is made.
- (2) After the first year the required rate will be the lower of:
 - (i) a rate set as described in Section (1), above; or
 - (ii) a rate set using a weighting determined by the Board that blends a rate using:
 - claims costs arising from claims commenced in the five years prior to the year in which the calculation is made, and,
 - a rate set as described in Section (1), above, where the five-year rate is lower than the rate set as described in Section (1).
- (3) Since the required rate is set annually, subsequent changes in claim cost or payroll information will be reflected in the next year's required rate calculation.
- (4) The required rate is capped at 500 percent of a firm's yearly-established classification base assessment rate.

Once qualified for an excess cost surcharge, a firm is stepped toward the required rate over four years, and will be charged premiums at the required rate

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in the fifth and subsequent years. The progression toward the required rate functions as follows:

	(A) Starting Rate	(B) Yearly Calculated Required Rate	(C) ECS Calculation	(D) ECS Adjusted Net assessment rate Calculation For Year
Year 1	Firm's net assessment rate from the prior year as calculated under the ER plan	Required rate for Year 1	$\frac{(B) - (A)}{5}$	(A) + (C)
Year 2	Excess cost surcharge adjusted net assessment rate from prior year	Required rate for Year 2	$\frac{(B) - (A)}{4}$	(A) + (C)
Year 3	Excess cost surcharge adjusted net assessment rate from prior year	Required rate for Year 3	$\frac{(B) - (A)}{3}$	(A) + (C)
Year 4	Excess cost surcharge adjusted net assessment rate from prior year	Required rate for Year 4	$\frac{(B) - (A)}{2}$	(A) + (C)
Year 5 (and subsequent years)	Excess cost surcharge adjusted net assessment rate from prior year	Required rate for Year 5	$\frac{(B) - (A)}{1}$	(A) + (C) (equals the yearly calculated required rate)

Once qualified, a firm will be subject to an excess cost surcharge until, for two consecutive years:

- the firm's ER surcharge as calculated under the conventional ER plan is below 90 percent; or,
- the firm's claim cost to payroll ratio, as calculated by the Board within the ER window, is less than three times that of its rate group.

Policies concerning classification changes and experience rating transfers apply to firms subject to an excess cost surcharge. If a firm changes classifications, the Board determines the firm's qualification for, and/or the amount of, an excess cost surcharge within the new classification.

(c) Net Rate Transitioning for Classification Changes

A firm qualifies for net rate transitioning where:

- the firm has had a change in classification for a reason other than a change in operations, fraud or misrepresentation;
- the firm is facing a net rate increase of more than 33.3% to the prior year's net rate as a result of the classification change; and

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- the firm has met its reporting and payment requirements as set out in the *Act* and policy.

A qualified firm is transitioned toward its net rate as calculated under the ER plan, or “target rate”, over a period of up to three years. The progression towards the target rate functions as follows:

	(A) Target Rate	(B) Starting Rate	(C) Net Rate Transitioning Calculation	(D) Transitioned Net Rate
Year 1	Firm's target rate for Year 1	Firm's net rate from the prior year as calculated under the ER plan	$\frac{(A) - (B)}{3}$	<p>If (C) less than or equal to 33.3% increase in the starting rate, then firm pays (B) X 1.333</p> <p>If (C) more than 33.3% increase in the starting rate, then firm pays (C) + (B)</p>
Year 2	Firm's target rate for Year 2	Transitioned net rate from Year 1	$\frac{(A) - (B)}{2}$	<p>If (A) – (B) less than 33.3% increase in the starting rate, then firm pays (A)</p> <p>If (A) – (B) is equal to or greater than 33.3% increase in the starting rate, then:</p> <ul style="list-style-type: none"> If (C) less than or equal to 33.3% increase in the starting rate, then firm pays (B) X 1.333 If (C) more than 33.3% increase in the starting rate, then firm pays (C) + (B)
Year 3	Firm's target rate for Year 3			

PRACTICE

For further information on the experience rating system and any other relevant PRACTICE information, readers should consult the Assessment Department's Practice Directives and other materials available on the WorkSafeBC website at www.worksafebc.com.

EFFECTIVE DATE:	November 22, 2017 June 1, 2022
AUTHORITY:	Section 247 of the Act.
CROSS REFERENCES:	<p>Item AP1-4-2, <i>Requesting a Variance from a General Exemption</i>;</p> <p>Item AP1-4-3, <i>Personal Optional Protection</i>;</p> <p>Item AP1-5/6/7-1, <i>Extending Application of the Act</i>, with respect to sections 5 to 7 of the Act;</p> <p>Item AP5-244-3, <i>Classification – Changes</i>;</p> <p>Item AP5-245-1, <i>Registration of Employers</i>;</p> <p>Item AP5-245-4, <i>Payroll Estimates</i>;</p> <p>Item AP5-246-1, <i>Maximum Wage</i>;</p> <p>Item AP5-247-2, <i>Experience Rating Cost Inclusions/Exclusions</i>;</p> <p>Item AP5-247-3, <i>Transfer of Experience Between Firms</i>, of the <i>Assessment Manual</i>.</p> <p>Item C3-14.10, <i>Serious and Wilful Misconduct</i>;</p> <p>Policy item #115.30, <i>Experience Rating Cost Exclusions</i>, of the <i>Rehabilitation Services & Claims Manual</i>, Volume II.</p>
HISTORY:	<p>June 1, 2022 – policy change to exclude from ER all costs incurred in fatal claims that fall under section 134(2) of the Act.</p> <p>April 6, 2020 – Housekeeping changes consequential to implementing the <i>Workers Compensation Act</i>, R.S.B.C. 2019, c. 1.</p> <p>November 22, 2017 – Updated to no longer include the capitalized values of permanent disability awards in ER determinations. Firms' ER determinations for rate years before 2018, which had included these capitalized values, were not affected by the change.</p> <p>January 1, 2017 – 14 firms identified by WorkSafeBC as having experience deterioration in their 2017 experience rating, owing solely to the change in their industry's rate group membership, had their 2017 experience calculated in such a manner as to adjust their net premium rates to a level consistent with what was envisioned when the experience rating plan was implemented.</p> <p>January 1, 2013 – Consequential changes related to the consolidation of the classification policies were made effective.</p> <p>October 11, 2012 – Updated to add Net Rate Transitioning.</p> <p>January 1, 2009 – Updated to add the Excess Cost Surcharge.</p> <p>January 1, 2008 – Employers identified by WorkSafeBC as having experienced a greater than 10% deterioration in their 2008 experience rating, owing solely to the change in the criteria for the minimum size of rate groups within the Employer Classification System, had their 2008 and 2009 experience rating calculated based on comparing the employer's cost to assessable payroll ratio to the cost to assessable payroll of a simulated rate group that replicated the employer's 2007 rate group.</p> <p>June 1, 2005 – Updated to define "experience".</p> <p>January 1, 2003 – This Item resulted from the 2002 "editorial" consolidation of all assessment policies into the <i>Assessment Manual</i>. The POLICY in this Item continued the substantive requirements of the policies and items referred to in the HISTORY as they existed prior to the Effective Date, with any wording changes necessary to reflect legislative and other</p>

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APPLICATION:

changes since the policies and items referred to in the HISTORY were issued.

Replaced Policies No. 30:50:10 and 30:50:41 of the *Assessment Policy Manual* and Decision No. 401 in Volumes 1 - 6 of the *Workers' Compensation Reporter*.

~~The amended policy applies to rate determinations for the 2018 and later rate years.~~ **Applies to all decisions, including appellate decisions, made on or after June 1, 2022, regarding rate determinations for the 2018 and later rate years.**