

June 2009

# bulletin - human resource services

## Claims Cost Statements Changing

WorkSafeBC claims cost statements are changing, and it's more important than ever that you review them very closely.

WSBC implemented a new claims management system (Claims Management Solutions, or CMS) on May 11. As with any new system there have been, and will continue to be, some difficulties - including claims coded to companies for workers who aren't theirs.

*It is important that you review your claims cost statements very carefully!*

There are several changes to claim cost statements:

- Costs will be organized by classification units, instead of by claim cost location code. This means you will not have as much detail as you are used to at first glance.
- They will look slightly different. The payment (P) benefit (B) types will be consolidated into seven broad payment categories, such as health care only or vocational rehabilitation.

- While prior statements displayed only the month of injury, it will now show both the year and the month (this information is in the second column from the left). This is important as claim numbers will no longer show the year of the claim. You need to ensure that claim costs are charged to the appropriate year for Experience Rating purposes.

- ALL claims cost statement formats

will be changed. If you download your statement into your own computer system, you will likely have to make some changes before it will work correctly.

Remember - you only have 90 days to dispute any costs shown on your claims cost statement!

For questions or further insights working with the new format, call Dave Earle at 604-524-4911.

## Assessment of Dividends

CLR identified an issue that could affect any principal receiving dividends as all or part of their pay.

WSBC is proposing that the current rules for assessing dividends be changed. Currently, active principals only pay assessments on dividends if those dividends account for more than half (for 2008, \$34,250) of their income. The board identified 4 options - status quo, making all divi-

dividends regardless of amount assessable, requiring employers to complete an "evaluation of service" for each principal, or excluding dividends from assessment entirely.

Of the 4 options, CLR advised WSBC that excluding dividends entirely is the most straightforward and least costly option for members. A decision is expected by the end of summer, to take effect for the 2010 calendar year.

## Annual Classification Cycle

Currently, if your company is misclassified and paying too much (or too little) to WSBC, there's not a lot you can do about it. That all may change this fall.

Right now, WSBC cannot change a classification if more than 75 days have passed since the decision was made. This has led to some companies having a competitive advantage over others in the same industry as one company may have a significantly lower rate than another. In other

circumstances, some companies have been forced to pay thousands of dollars more to WSBC than they should have as the law prevented changes to decisions.

WSBC has proposed a new policy that once a year, would create an opportunity to change an employer's classification. CLR believes this policy will bring as much fairness to the system as possible and will allow mistakes to be corrected. A decision is expected this summer.

## Legal Seminar June 24th

Join us to explore issues related to the administration of the Construction Industry of BC's Drug and Alcohol Policy, at the CLR office from 11:00am to 1:30pm.

Graeme McFarlane and Kim Thorne of Roper Greyell LLP will lead the discussions, together with CLR president Clyde Scollan.

To register or for further information, contact Dave Earle via email at [davee@clra-bc.com](mailto:davee@clra-bc.com).

Hurry - space is limited!