

SUBJECT:

BOARD APPROVAL:

APPROVAL DATE:

BOARD ORDER NO.:

POLICY NO.: CL-50

EFFECTIVE DATE: 95-10-31

POLICY STATEMENT

SECTION REFERENCE:

41, 42, 55, 56, 57, 76, 87, 89

REVOKED

POLICY:

CLAIMS COST RELIEF AND CLAIMS COST TRANSFER

GENERAL INFORMATION

The principle of claims cost relief and of claims cost transfer is to ensure an employer's experience account is not charged claims costs for a disability which exceeds the employer's responsibility.

All charges to an employer's experience in the year of occurrence affect an employer's merit rebate. In turn, the amount of claims costs applied against an employer's experience account determines whether an employer is assessed a super-assessment. As a result, it is important that only appropriate claims costs are charged to an employer's experience account.

All claims decisions are appealable to the Workers' Compensation Health and Safety Board.

POLICY

DEFINITIONS A.

CLAIMS COST RELIEF (a)

Claims cost relief means claims costs are removed from the cost experience of an employer and charged to the employer's class.

(b) CLAIMS COST TRANSFER

Claims cost transfer means claims costs are moved from the cost experience of one employer to another employer.

B. CLAIMS COST RELIEF AND/OR CLAIMS COST TRANSFER

A disabled worker's present employer may be eligible for claims cost relief and/or claims cost transfer under the following circumstances:

- if a claim is accepted, but, based on further investigation, the claim is subsequently denied;
- (b) if a claim is accepted, but, based on the outcome of an appeal, the claim is denied;
- if claims costs are the result of administrative errors of the Workers' Compensation Health and Safety Board;
- (d) if claims costs are the result of a fraudulent claim;
- (e) if claims costs are recovered through a subrogated claim;
- (f) if claims costs are recovered through the Interjurisdictional Agreement;
- (g) if a worker's disability is the result of the actions of another employer, or a worker of another employer;
- if a worker suffers a subsequent disability as a consequence of a workrelated disability;
- (i) if claims costs are the result of an occupational disease which cannot be attributed to a disabled worker's employer; or
- (j) if claims costs are the result of a pre-existing condition which contributes to or delays recovery of a work-related disability.

C. EXCEPTION CLAUSE

Exceptions to policy may be made by the Director of Claims Branch. Notification of any exception must be immediately provided to the President with reasons for the exception.

D. REVIEW CLAUSE

The Claims Cost Relief and Claims Cost Transfer Policy Statement shall be evaluated in three years time from the effective date of the policy.

REFERENCES

Workers' Compensation Health and Safety Board:
Fraud Policy Statement
Graduated Return-to-Work Program Policy Statement
Pre-Existing Conditions Policy Statement
Recovery of Overpaid Compensation Policy Statement
Subrogated Claims Policy Statement