



**WORKERS' COMPENSATION AND INJURY MANAGEMENT ACT 1981
EMPLOYERS' INDEMNITY POLICIES (PREMIUM RATES) ACT 1990**

**Guidelines for completing Form WC20 – Semi-Annual
Summary of Cost of Claims**

Date Issued: 30 June 2022 **2022/23 Year**

Due Date: 20 January 2023

This file has been replaced with a version that can be submitted through WorkCover Online. This format should ONLY be used if your systems have not been updated to the new format.

ALL WC20s henceforth MUST be in the new format and submitted through WorkCover Online.

Penalties

For late or non-submission

Section 103A of the *Workers' Compensation and Injury Management Act 1981* (the Act) stipulates a **\$2,000** fine for refusing or failing to furnish to WorkCover WA information or returns requested in writing by WorkCover WA to enable it to compile and record statistics, records, and reports for the better administration of the Act.

A suspension and/or revocation of approval may also be invoked under section 161 of the Act.

For actuarial time after the first revision

Insurers requiring more than one revision of returns conducted by the Actuary of WorkCover WA may be billed directly by WorkCover WA for the additional processing time for subsequent revisions.

Information that is collected on the Form WC20

WC20-Semi-Annual consists of the following information classified by the Fiscal Year of the accident date

- a. Number of claims lodged in the current Fiscal Year.
- b. Total amount of claim payments in the current Fiscal Year.
- c. Number of claims outstanding as at the end of current Fiscal Year.
- d. Provision for claim outstanding estimates as at the end of current Fiscal Year.

The **WC20-Semi-Annual** should contain data reported for the six-month period of Fiscal Year 1st July to 31st December.

There are two requirements for WC20-Semi-Annual Data:

- All data including null values must be provided for the last ten Fiscal Years, inclusive of the current Fiscal Year.
- Data for accident year older than ten years must be provided if one or more values is greater than zero (do not combine into “All earlier years”).

Important notes before completing the Form WC20

1. Claim Payments should be reported as the real net cost to the Insurer. That is, claim payments should be exclusive of any GST payable. For example, if a payment is made of \$1100 (inclusive of GST) and the Insurer was entitled to an ITC of \$100 (the GST component) then the Insurer would report \$1000 (the net cost, exclusive of GST).
2. Payments include all legal, assessor, witness and surveillance fees directly attributable to workers' compensation cases.
3. Exclude office or administration expenses.
4. Claim payments are to be classified by Accident Year, regardless of when the claims were reported.
5. Include any recoveries received (for example, compulsory motor vehicle third party recoveries, recoups against payments, stopped payments, cancelled cheques, et cetera).
6. Exclude any reinsurance recoveries.
7. Claim payments are to be reported according to Transaction Date, regardless of when the payments were reported to WorkCover WA via monthly returns (NIDS).

Remember

1. The following fields are to be filled in on the checklist tab only (the information will automatically flow through to all other Forms):
 - Name of Insurer(s) included on Forms

- Insurer Number(s)
 - Date report generated
 - Name of person completing the Forms
 - Date the Forms are signed off
2. Forms that do not clearly identify the Insurer on the Form, will be returned.
 3. The Electronic versions are to be emailed by the authorised officer to schemeinformation@workcover.wa.gov.au.
 4. Hardcopies are no longer required.

How to complete this Form

Section (a): Number of claims

The number of claims lodged in the current period, apportioned by Accident Year. Include all reported claims, even those where no payments have been made or estimates provided.

Section (b): Total Sum of Claims Payments

The amount paid for claims in the current period, apportioned by Accident Year. This refers to the amounts actually paid in respect of claims gross of reinsurance recoveries but net of other recoveries.

Section (c): Number of Reported Claims Outstanding

The number of reported claims that remain outstanding at the end of the current period, apportioned by Accident Year.

That is, claims that have not yet been finalised. This includes those on which no payments have been made.

Section (d): Provision for claims Outstanding Case Estimates

The total amount estimated to be owing for claims that are outstanding at the end of the current period, apportioned by Accident Year.

Case estimate is defined as the estimate straight from the claim file, less any amounts that have already been paid, without adjustment for any reinsurance.

Case estimates are not to be reduced for any reinsurance recoveries.

Checks

Before forwarding the completed spreadsheet to WorkCover WA, please ensure that you have been through the checklist tab and rectified any “fails” and/or provided an explanation for any “checks”. For further information regarding the checklist tab, refer to “Guidelines - Annual Forms & Checklist”.

Other information

Date report generated

Is the date that the data was extracted from your computer system to complete the Premium Rating returns.

Accident year

Is the Fiscal Year (1 July in a year to 30 June the following year) in which the accident event occurred, irrespective of when the claim is reported, paid, or finalised

Financial year

Fiscal Year is from 1 July in a year to 30 June of the following year.

Returns to Insurance Commissioner

The information required on Form WC20 is similar to that required by the Australian Prudential Regulatory Authority (APRA) under the Insurance Act 1973, with the relevant Forms being 105 and 106. Where provisions are included in the Form 106, over and above those made as a result of local case estimates, similar provisions should be included in the Form WC20.

Name of company

If the return is being submitted on behalf of a group of companies, each individual company comprising the group must be named.

Automatic sum totals

Enter the data into the cells as indicated. All amounts are to be shown to the nearest dollar.

The spreadsheet will automatically total the number of claims and/or amounts paid in each column.

Reporting the cost of claims by Insurers involved in mergers/takeovers

Insurers are to include all relevant claims data where one Insurer takes over another and manages the claims on behalf of the merged Insurer.

Claim data, including number of claims (both reported and active), claim payments and case estimates outstanding is required to ensure that:

- all claims experience is reported
- claims experience for a group of policies/portfolio is not excluded
- claims experience for a group of policies/portfolio is not double counted (that is, included in the merged Insurer's returns).

Reinsurance

Do not allow for claims estimated, paid or recovered in respect of any reinsurance contract. Enter the information as though **no** reinsurance in any Form had been affected.



Recoveries

Include compulsory motor vehicle third party recoveries, recoups against payments, stopped payments and cancelled cheques, etcetera but **exclude** reinsurance recoveries.

Nearest dollar

Do not include cents in the return. Round each entry to the nearest dollar.

Nil return

If you have a nil return, an electronic version with null values is still required to be submitted until all claims are finalised and approval in writing has been provided by WorkCover WA exempting the Insurer from having to complete this Form.