

150 – 4600 Jacombs Road Richmond, BC V6V 3B1 Telephone: (604) 664-7800 Toll Free: 1-800-663-2782 Fax: (604) 664-7898

WORKERS' COMPENSATION APPEAL TRIBUNAL (WCAT) QUARTERLY REPORT TO THE COMMUNITY FOR THE PERIOD ENDED JUNE 30, 2004

WCAT commenced operations on March 3, 2003. Our mandate is to decide appeals brought by workers and employers from decisions of the Workers' Compensation Board (WCB). WCAT receives compensation, assessment, and prevention appeals from decisions of the Review Division of the WCB. We also receive direct appeals from WCB decisions regarding compensation claim reopenings by application, discriminatory action complaints, and applications for certificates to the Court.

Our current inventory consists of:

- backlog appeals that we inherited from the Workers' Compensation Review Board (WCRB) and the Appeal Division when both tribunals ceased operations on February 28, 2003;
- transition appeals consisting primarily of appeals to WCAT from findings for appeals that were seized by the WCRB when it ceased operations; and
- new appeals arising from WCB decisions made on and after March 3, 2003.

WCAT started operations with a backlog of 22,440 appeals. During our first 16 months of operation ended June 30, 2004, we reduced the backlog from 22,440 to 8,731 appeals. This represents a reduction of 13,709 appeals, or 61.1% of the backlog.

As of June 30, 2004, our total active inventory was 12,313 appeals, consisting of 8,731 backlog appeals, 3,276 new WCAT appeals and 306 transition appeals.

Our goal is to reduce the size of the backlog by 75% by March 31, 2005 and we believe that we will meet this target. The rate of reduction of the backlog is significantly affected by the volume of appeals that we receive from Review Division decisions. While it is still too early to accurately forecast the future intake of Review Division appeals, we continue to feel confident that we will meet our goal of eliminating the backlog by February 28, 2006.

Our intake of new appeals has increased steadily since March 3, 2003, and continues to parallel the Review Division's capacity to complete reviews. In the second quarter of 2004, our intake amounted to 1,629 appeals. This included appeals that had been suspended by the Appeal Division and WCRB and that were reactivated by WCAT. The vast majority of new appeals continue to be related to compensation matters. During

this quarter, we decided 2,289 appeals on their merits and made summary decisions on a further 1,137 appeals that were rejected, abandoned, withdrawn, or suspended.

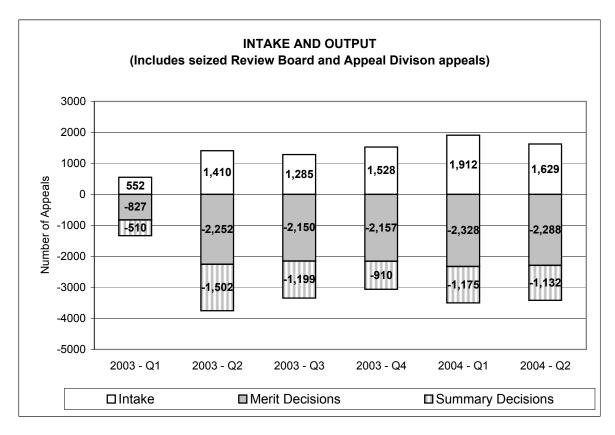
During this quarter, where WCAT made merit decisions on appeals that were not seized by the WCRB or the Appeal Division, we confirmed the decision of the WCB or the previous decision-maker in 56.6% of the cases, and varied these decisions in whole or in part in 43.4% of cases.

Attached are a number of graphs and tables that contain further details. These graphs and tables show a summary of WCAT's activities for all appeals, and for new appeals and backlog appeals separately.

Jill Callan Chair

Attachment

A. SUMMARY STATISTICS - ALL APPEALS



1. OUTCOMES OF MERIT DECISIONS:

| Outcome | 2004 -Q2 | In YTD |
|-----------|----------|--------|
| Confirmed | 56.3% | 56.6% |
| Varied | 43.7% | 43.4% |
| Cancelled | 0.0% | 0.0% |
| Total | 100.0% | 100.0% |

2. OUTCOMES OF ISSUES:

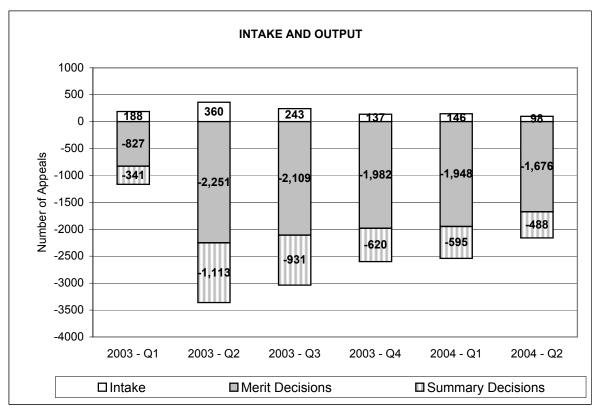
| Outcome | 2004 - Q2 | In YTD |
|-----------------|-----------|--------|
| Denied | 59.7% | 60.1% |
| Allowed | 29.3% | 30.3% |
| Allowed in Part | 11.0% | 9.6% |
| Total | 100.0% | 100.0% |

3. REASONS FOR ISSUE OUTCOMES:

| Outcome | 2004 - Q2 | In YTD |
|---------------------------|-----------|--------|
| Denied | 59.7% | 60.6% |
| Error in Law | 0.6% | 0.5% |
| Error in Policy | 1.5% | 1.4% |
| Reweigh Existing Evidence | 10.1% | 8.6% |
| Reweigh with New Evidence | 28.1% | 28.9% |
| Grand Total | 100.0% | 100.0% |

Note: Outcomes of appeals and issues do not include appeals or issues that were seized by the Review Board or the Appeal Division on March 3, 2003.

B. SUMMARY STATISTICS - BACKLOG APPEALS ONLY



^{*} Intake includes reactivated appeals and appeals that were not registered by March 3, 2003.

1. OUTCOMES OF MERIT DECISIONS:

| Outcome | 2004 -Q2 | In YTD |
|-----------|----------|--------|
| Confirmed | 54.2% | 54.7% |
| Varied | 45.8% | 45.3% |
| Cancelled | 0.0% | 0.0% |
| Total | 100.0% | 100.0% |

2. OUTCOMES OF ISSUES:

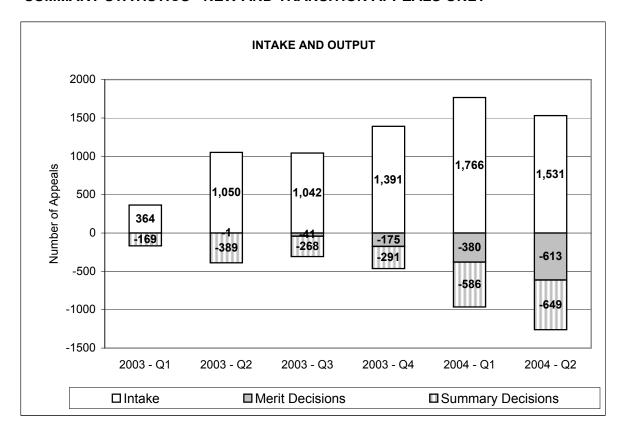
| Outcome | 2004 - Q2 | In YTD |
|-----------------|-----------|--------|
| Denied | 57.2% | 57.9% |
| Allowed | 31.2% | 32.1% |
| Allowed in Part | 11.6% | 10.0% |
| Total | 100.0% | 100.0% |

3. REASONS FOR ISSUE OUTCOMES:

| Outcome | 2004 - Q2 | In YTD |
|---------------------------|-----------|--------|
| Denied | 57.2% | 58.6% |
| Error in Law | 0.4% | 0.4% |
| Error in Policy | 1.5% | 1.2% |
| Reweigh Existing Evidence | 9.1% | 7.8% |
| Reweigh with New Evidence | 31.8% | 32.1% |
| Grand Total | 100.0% | 100.1% |

Note: Outcomes of appeals and issues do not include appeals or issues that were seized by the Review Board or the Appeal Division on March 3, 2003.

C. SUMMARY STATISTICS - NEW AND TRANSITION APPEALS ONLY



1. OUTCOMES OF MERIT DECISIONS:

| Outcome | 2004 -Q2 | In YTD |
|-----------|----------|--------|
| Confirmed | 62.1% | 63.6% |
| Varied | 37.9% | 36.4% |
| Cancelled | 0.0% | 0.0% |
| Total | 100.0% | 100.0% |

2. OUTCOMES OF ISSUES:

| Outcome | 2004 - Q2 | In YTD |
|-----------------|-----------|--------|
| Denied | 66.2% | 67.9% |
| Allowed | 24.3% | 23.8% |
| Allowed in Part | 9.5% | 8.3% |
| Total | 100.0% | 100.0% |

3. REASONS FOR ISSUE OUTCOMES:

| Outcome | 2004 - Q2 | In YTD |
|---------------------------|-----------|--------|
| Denied | 66.1% | 67.9% |
| Error in Law | 1.2% | 0.9% |
| Error in Policy | 1.7% | 1.9% |
| Reweigh Existing Evidence | 12.9% | 11.8% |
| Reweigh with New Evidence | 18.1% | 17.5% |
| Grand Total | 100.0% | 100.0% |

Note: Outcomes of appeals and issues do not include appeals or issues that were seized by the Review Board or the Appeal Division on March 3, 2003.