

NCAComp, Inc.

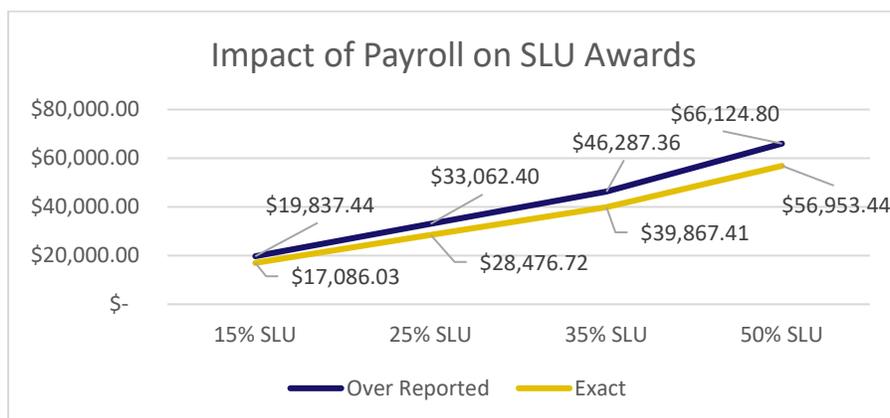
Payroll Reporting and Implications on Benefits

One of the many important responsibilities of a self-insured employer is reporting accurate payroll information when an employee has lost or is losing time from work.

Reporting an injured worker's payroll to the Workers' Compensation Board is done via completing the form C-240 which is then submitted to NCA's adjuster for review. While the C-240 may seem like a trivial form it has long term implications that could dramatically impact the cost of a claim.

The C-240 is a tool that establishes the injured worker's Average Weekly Wage (AWW), which is used to determine the value of any lost time award an injured worker may receive in the future. These awards can either be awarded on an ongoing basis or in a lump sum payment (in the form of a Schedule Loss of Use, or SLU).

The graph below shows the impact of over reported earnings in comparison to exact payroll earnings on a future potential SLU award on a claim. In this instance an over reported AWW of less than \$100 per week could have led to an increase in future potential awards of nearly **\$10,000!**



Given the impact of payroll reporting on future lost time awards it is important to effectively communicate these figures to the adjuster on your claims.

In order to assist our clients in this important process NCA's website allows for the C-240 to be completed electronically. NCA has also recorded a training video that is available to all NCA clients on how to properly complete a C-240. NCA representatives are readily available to assist with completion of any required WCB form.

If you would like to discuss the impact of payroll on your lost time claims please contact your NCA account representative, or Erin Jordan at ejordan@ncacomp.com or 716-362-6493, for an in depth discussion.