

### October 2010

<b>Claim activity period</b>	The three and a half year period in which payments are made on claims incurred in the experience period (for example, from 1 April 2007 to 30 September 2010). Payments on all injuries incurred during the experience period will be included as at 30 September after the end of the experience period.
<b>Credibility</b>	The level of credibility is determined by the amount of data available when calculating a projected outcome (i.e. the more data available the greater the credibility).
<b>Experience period</b>	The three year period (for example, from 1 April 2007 to 31 March 2010) in which work-related injuries happen and are counted for the experience rating programmes.
<b>Experience rating framework</b>	The experience rating framework in the Work Account is a framework for calculating levy rates for individual employers that reflect their industry-related risk and their own performance or experience.
<b>Experience Rating Programme</b>	Experience rating is the method of modifying levy rates for large employers based on an individual employer's claim experience. The large employer's levy is adjusted depending on whether their experience rating is better or worse than the average of the other employers in their industry group.
<b>Incentive programmes</b>	ACC offers a number incentive programmes to assist employers to reduce levy payments by working to reduce risks in the workplace. We currently have three health and safety incentive programmes: <ul style="list-style-type: none"><li>• Workplace Safety Discounts (WSD)</li><li>• Workplace Safety Management Practices (WSMP)</li><li>• Workplace Safety Evaluation (WSE).</li></ul>
<b>Industry-based work levy</b>	The current portion of the Work Account levy before discounts/loadings are applied as a result of participation in the incentive programmes.
<b>Industry group</b>	The levy risk group that the employer's claims experience is compared with.
<b>Large employer</b>	A qualifying employer group whose current portion of their annual work account levy is equal to, or greater than \$10,000 in each of the three previous levy years.
<b>Levy application year</b>	The levy year (ending 31 March) in which any modification (either a discount or a loading) will be applied to the industry-based work levy.

<b>Levy year</b>	The period from 1 April to 31 March during which the current portion of the industry-based work levy will be modified based on the claims experience.
<b>Liable earnings</b>	The term ACC uses to describe the part of the payroll upon which ACC levies are payable. For employers, they are the wages or salaries paid to employees in a financial year, and for self-employed people they are the income earned in a financial year as declared on their end-of-year tax returns.
<b>Minimum annual levy threshold</b>	Set at a \$10,000 industry-based work levy per year of the experience period.
<b>Minimum liable earnings</b>	Based on the minimum full-time self-employed liable earnings for which a levy is payable.
<b>No-Claims Discount Programme</b>	This is the method of calculating levy rates for small employers whereby they could receive a 10% no-claims discount, a 10% high-claims loading, or no change to the current portion of their annual work levy depending on their claims history.
<b>Qualifying claim</b>	Work-related injury claims that have been accepted by ACC.
<b>Small employers</b>	Employers including non-PAYE shareholder-employees and self-employed people, whose current portion of their work account levy is less than \$10,000 in any of the last three levy years.