

**Operational
Policy**

Section
Employer Billing

Subject
Pre-payment of Premium

Policy

On request, the WSIB allows employers who report and remit premiums on a monthly or quarterly basis to make a lump sum pre-payment of their premium for the whole year, or the remaining part of the full calendar year if they meet the WSIB's eligibility criteria. A lump sum pre-paid premium is based on an estimate of annual insurable earnings.

Purpose

The purpose of this policy is to provide information on eligibility requirements for pre-payment of premiums.

Guidelines

Eligibility & payment criteria

Employers qualify to pre-pay their premiums if **all** accounts within their organization are fully compliant in reporting and payment obligations, such that all

- past reporting periods have premiums reported and paid in full
- overdue reconciliations are filed
- outstanding debts are cleared from the accounts.

The pre-payment request must be based on an estimate of annual insurable earnings that is acceptable to the WSIB, compared to prior earnings and premiums reported by the employer.

Payments must equal total premiums owed. In the event of a discrepancy, the WSIB reserves the right to revise the estimated insurable earnings and premiums to match the payment received, or to invalidate the request.

Monthly & quarterly employers

Employers who report and remit premiums monthly or quarterly based on **actual** insurable earnings may apply to pre-pay their premiums as one lump sum based on an **estimate** of their annual insurable earnings. An employer having multiple accounts can apply pre-payment to one or more of the accounts.

Employers who pre-pay continue to receive the Statement of Account monthly, and are still required to meet all their WSIB account reporting obligations. The estimated insurable earnings and premium are allocated equally to the reporting periods covered by the plan, according to the account's assigned frequency.

Pre-payment plan period

The pre-payment plan will commence once the WSIB receives full payment and all the eligibility conditions have been met.

**Operational
Policy**

Section
Employer Billing

Subject
Pre-payment of Premium

The pre-payment plan becomes effective on the first day of the current reporting period and extends to December 31 of the current year.

Pre-payment does not earn interest

Employers are not paid interest on the pre-paid amount.

Initiating, renewing or cancelling the plan

Employers may initiate the pre-payment plan at any time during the year. Once activated, cancellation within the current year is not permitted unless the account ceases to have a reporting obligation.

Employers must renew the pre-payment plan each year. If the employer does not renew the plan, the account reverts to its assigned frequency (quarterly or monthly) in the following year.

All employers who close their accounts under the pre-payment plan are required to reconcile. See, 14-03-12, Reconciliation.

Adjustments may be permitted

The employer's pre-paid premium should be based on the estimated insurable earnings for the balance of the calendar year. Any adjustments to estimated insurable earnings must extend to December 31, and cover the entire pre-payment period.

Full payment must accompany the request. In the event of a discrepancy, the WSIB reserves the right to revise the estimated earnings and premiums to match the payment received, or to invalidate the request

Application date

This policy applies to all decisions made on or after November 4, 2013.

Document History

This document replaces 14-03-08, dated October 12, 2004.

This document was previously published as:

08-04-07, dated May 1, 1997.

References**Legislative Authority**

Workplace Safety and Insurance Act, 1997, as amended
Sections 78, 88

Section
Employer Billing

Subject
Pre-payment of Premium

Minute

Administrative

#4, October 11, 2013, Page 512