

Experience Rating Q&A

1. What is involved in a review of Experience Rating?

The Experience Rating review will align the WSIB's experience rating programs with the *Road to Zero*. The review will make recommendations to modernize and strengthen the program in areas such as: accounting for legislative non-compliance; creating a process to validate workplace health and safety performance; and tying all of our incentive programs to proactive health and safety initiatives.

2. What have you done so far?

To date, the WSIB:

- Has published a Fatal Claim Premium Adjustment Policy, endorsed by the Board of Directors, to reflect our zero-tolerance approach to work-related traumatic fatalities.
- Is establishing a Validation Unit to immediately begin to review workplaces to ensure the link between experience rating rebates and real performance in health and safety.
- Has formed a Special Advisory Committee, co-chaired by WSIB Board of Directors members Pat Dillon and Loretta Henderson, to oversee the Experience Rating review and the recommendations that stem from it.
- Has issued an RFP to engage a consultant to lead the Experience Rating review. Morneau Sobeco is the successful candidate.
- Has implemented a zero-tolerance response to traumatic workplace fatalities with our existing SCIP and Safety Groups programs, and built the zero-tolerance approach into the design of the new workplace Accreditation Program that will be pilot-tested **soon**.

3. When is the policy change for fatalities being applied?

The policy change on fatalities is being applied as of March 10, 2008, the date of the announcement.

4. How do you determine responsibility for a fatal claim? Are there exceptions to this new program change?

Under the internal responsibility system, the onus is on an employer to protect its employees. When a work-related traumatic fatality occurs, an employer should not receive a rebate unless there are exceptional circumstances. (An example where an exceptional circumstance may exist is a third-party motor vehicle accident.) Exceptions to the policy will be deferred to the merits and justice of each case, and there will be a right of appeal to all decisions made under the policy.

5. If a fatality occurs, for what year will the loss of rebate — if the company is eligible — be applied?

Workplaces responsible for a workplace fatality will not be eligible for a financial incentive under NEER or CAD-7 for the year in which the fatality occurred. The costs associated with the workplace fatalities will continue to impact the different experience rating programs as before.

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6. If programs like NEER and CAD-7 are retrospective, why are you penalizing the company during the year it occurred, rather than the year experience rating counts it?

This new program change for our experience rating programs is an initial step by the WSIB to better align with our five-year strategic plan as outlined in *The Road to Zero*. Given our zero tolerance for workplace fatalities, eliminating the rebate in the year the event occurred is the only acceptable response. This philosophy is consistent with the WSIB's other prevention incentive programs like Safety Groups and the Safe Communities Incentive Program. The costs associated with the workplace fatalities will continue to impact the different experience rating programs as before.

7. The MAP program is prospective. In what year will the rebate ineligibility apply?

The experience rating program for small business, MAP, will not be impacted by this program change. Under the MAP program, workplaces which experience a traumatic workplace fatality are already charged a 25% increase to the rates they pay the WSIB.

8. What is the timeline on the review?

The review of our experience rating programs is underway and necessary changes will be made that will focus on the alignment with the WSIB's *Road to Zero*. The review will focus on substantive experience rating design issues.

9. How will employer and worker stakeholders be engaged in this review?

The WSIB will initiate a regular communication of the review of our experience rating programs utilizing our website and our e-newsletter. As the review progresses, the WSIB will solicit input and feedback from both employers and labour.

10. What issues have you identified with the Experience Rating program? What areas are you looking into as part of the review?

The issues we will be looking at for experience rating will include:

- Alignment with the *Road to Zero*
- Compliance with the *Occupational Health and Safety Act* and the *Workplace Safety and Insurance Act*
- Validation of information reported by workplaces and used in the calculation of experience rating refunds
- Review windows for our experience rating programs (NEER is currently three years and CAD-7 is currently five years)
- The objectives of SIEF and the impact it has on experience rating
- Develop appropriate recommendations for moving forward which are consistent with the WSIB's vision in the *Road to Zero*.

If you have any questions about program changes to date, or about the Experience Rating review, please contact the **Prevention Contact Centre at (416) 344-1016**.