Are you ready for the WSIB’s new premium rate model?

Beginning on January 1, 2020, the Workplace Safety and Insurance Board (WSIB) will introduce a new way of setting premium rates for almost 300,000 businesses across Ontario.

The WSIB’s new model will make it easier to understand how your business and other businesses are classified. It will also better reflect your individual claims experience and help businesses plan for the future by providing projected rate information.

**What’s changing in the new model?**

First, it will streamline how businesses are classified.

“By using the North American Industry Classification System (NAICS), it will be easier for you to understand your classification,” said Janine Dyck, Vice President of Employer Services, at the WSIB.

NAICS is already used by the Canada Revenue Agency and Statistics Canada, and allows the WSIB to move 155 different rate groups to 34 classes/subclasses.

Second, the new model will make your premium rate easier to understand.

The WSIB will set an average premium rate for each class based on its risk profile and share of responsibility to maintain the insurance fund.

Each NAICS class will then be broken down into a series of risk bands, and each risk band will have an associated premium rate. The difference between each risk band will be approximately 5 per cent.

Next, the WSIB will look at your specific claims history to create a risk profile that compares your risk to the rest of the businesses in your class.

Businesses in the same class, with similar risk profiles will then be assigned to the same risk band and premium rate that reflects their individual risk profile.

Third, the WSIB will help you plan for any changes in your premium rate and the current retrospective approach to rate-setting, including MAP, NEER and CAD7 experience rating programs will be eliminated.

“Businesses will no longer have to wait for rebates or surcharges,” said Dyck. “Our new model will introduce projected rates, providing your business with the future direction of your rates, up or down.”

**Health and safety programs**

As the WSIB moves closer to implementing it’s new rate-setting model, you can start making a difference now to improve your safety experience through various WSIB programs and resources that promote health and safety in the workplace.

The WSIB also has tools like Compass, which allows anyone to find and compare health and safety statistics for workplaces across the province and their Workwell app which you can use to evaluate your health and safety management system.

“Additionally, in November 2019, we will launch a new integrated health and safety excellence program that provides a roadmap for businesses to improve workplace safety,” said Dyck. “Success in our new health and safety program can provide rebates that will help to offset your premium rates.”

**What’s next?**

The WSIB will be providing businesses with 2020 premium rates this fall. As implementation in 2020 nears, the WSIB will continue to engage businesses across Ontario to help you prepare for 2020 and learn more about their new model. For more information or to sign up for one of WSIB’s monthly webinars and newsletter about the new premium rate-setting model, please visit wsib.ca/rateframework or contact the WSIB at rateframework@wsib.on.ca.