

Welcome to the summer 2011 Issue of the SE-GA Advisor—An informative bulletin to assist employers in selecting the best decisions for their workers' compensation programs.

The summer has been hot so far, however the WSIB makes it even hotter for Employers in Ontario!

As outlined in our previous communications, the WSIB has released seven WSIB Reintegration and NEER policies which pertain to the improvement of the process, desired outcomes, financial costs of the return to work protocol of the injured worker but also increase employer accountability throughout the process. As we know, the premise behind the changes is to create greater obligations for employers to eliminate workplace accidents and to ensure employers participation in the Return to Work protocol when workplace injuries occur.

As some employers have encountered through the interim phase of the policies, the WSIB has taken a more pro-active approach regarding workplace accommodation on legacy claims but more so are ensuring that employers comply with their duty to accommodate. Accordingly, the WSIB has made new policies that essentially indicate that employers are required to accommodate a worker's medical restrictions to the point of undue hardship.

Additionally on the experience rating side, employers under the NEER program will now see all of their claims expand to a four-year window as opposed to the current three-year plan. As such, this should potentially increase refunds of "good employers" with the added year of claim inactivity under the NEER formula. Con-

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versely the addition of one year exposes the potential of more costs including recurring claims which are now scrutinised by the specialty team at the WSIB.

Therefore, more than ever, employers in Ontario must have in place, a defined claims management system which outlines their roles and responsibilities aligned with their new financial and legal obligations. As we know in the health and safety world, an effective safety program provides a

"due diligence" defence and protocol on how to deal with an accident. More so with these new policies in effect, Ontario employers should review their current claims practices and ensure that they have the necessary tools to adapt to these changes. As the financial and legal risk implicates, employers will now have significant incentive to ensure sustainable accommodation, especially medium and large employers.

Overall, in respect to the new policies that the WSIB has created, employers should expect that the Board will attempt to determine if there is suitable alternate work

In this issue...

- **WSIB's new Reintegration Policies**
- **2011 CAD-7's will soon be out. Understanding the CAD-7 formula and the many questions that arise.**
- **Case studies of Ontario employers that have turned big surcharges into hefty rebates in a short period.**
- **Summer Savings on Safety Equipment.**

and if so, organizations will be expected to provide the worker with the necessary training to be successful in that new position. Nevertheless prior to any training program being undertaken, it is understood that the employer should be satisfied that the worker has the appropriate skills and abilities to complete the training program in order to assume the duties of the new position. As such, it would be reasonable to expect that an assessment of the worker's skills and abilities should be undertaken prior to placing the individual in the new position.

Finally the WSIB has announced that employer premium rates will increase overall by two percent

based on the premise that these increases will contribute to the long-term financial stability of Ontario's workplace insurance system. Furthermore a comprehensive review of the WSIB's funding policy and premium rate structure is currently underway and this task has been assigned by the WSIB to Professor Harry Arthurs, one of Canada's leading labour law scholars who has chaired a comprehensive funding review on several key public policy issues related to the financial state of the system.

Accordingly, SE-GA has been actively involved in the process and in our next newsletter we will provide further insight and commentary. Please note that the current

activity of this review can be found at www.wsibfundingreview.ca which is a dedicated website that provides extensive information in this matter.

As always, the legal team at SE-GA Workplace Consulting can assist employers in assessing the monetary and legal impact on the new policies. As we know, a misstep in the accommodation process will significantly impact an employers' bottom line through a variety of avenues. **Employers can potentially be fined up to the equivalent of the worker's net average earnings for the year before the injury.**

2011 CAD-7 statements will soon be out!

Look for your CAD-7 statement during the first week of September. At the end of next month the WSIB will begin mailing out the 2011 CAD-7 statements, reflecting the accident cost years 2005 - 2010 and the accident frequency years 2009 and 2010.

Many Construction Employers have great difficulty in understanding how the WSIB calculates their Rebate (or Surcharge). As a result, most companies will accept the CAD-7 result as a given and not look for opportunities to improve upon their current (as

well as past and future) performance.

SE-GA is uniquely positioned to not only provide insight into the calculation formula but to also advise as to the best course of action to either recover spent dollars on previous claims or to avoid future claims costs and frequencies.

If you have any of the following questions or would like to be advised of our series of CAD-7 seminars in the fall, please contact SE-GA:

- **How Can I have a surcharge**

when I haven't had an accident in 2 or more years?

- **I have employees who are back to work within two weeks and my CAD-7 does not reflect my Accident Prevention/Return to Work program?**
- **My worker was injured by somebody else's company, why is it on my CAD-7?**
- **I got a rebate last year and surcharge this year (or vice-versa), why?**
- **What will my CAD-7 look like next year?**

Case Studies

CAD-7 Employer cables their way to workers' compensation success!

An Ontario cable installer was incurring an average of eight lost time claims annually and paying surcharges in excess of \$200K under their CAD-7 program and had difficulty accommodating their injured workers. They only saw the ability to

complete a portion of their regular duties as modified work.

As the employer did not fully understand the heavy financial burden of their CAD-7 and WSIB obligations their claims costs spiraled out of control. Further this created a climate

where the injured expected to be at home to recover from their workplace injuries, thus hindering the profit margin of the organization.

(To learn how they turned things around: <http://segaworkplaceconsulting.blogspot.com/>)

Hospital reaps the benefits of providing more than a band aid solution to their WSIB program!

A large Ontario hospital was having recurring significant surcharges for a number of years under their NEER program. Through a partnership approach SE-GA was able to increase the SIEF levels thru the

Appeals process but also provide hands on training to the senior team regarding the finite details of NEER and the financial/legal drivers of how the WSIB system works. As such the hospitals revamped their current proto-

cols/systems and are now in a position where they are forecasting their NEER position to shift to recurring refunds in just a short period of time.

Summer Savings on Safety Equipment

In celebration of their grand opening, Southern Ontario Safety Equipment is offering SE-

GA's clients, an additional 10% off all purchases until the end of September. Mention you were

referred by SE-GA to receive your discount. <http://sosequipment.ca/>



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