

CAD - 7 Special Edition

Watch your mail this week for your 2014 CAD - 7 Statement!

When the 2014 CAD-7 statement crosses your desk this week it is likely you will have many questions about how this statement relates to your company and your accidents. Here are few things to remember about the CAD-7 formula:

Every CAD-7 year counts twice (compare the 2013 & 2012 statements and look for 2012 on both statements)

The next four points refer only to the injury cost data portion of the CAD-7

- 1) Claims can remain active against your CAD-7 for 5 years
- 2) Claims Costs are charged against the year they are paid out NOT the year of the accident
- 3) It is possible to have claims costs in a year where your company is accident free
- 4) \$1.00 spent by the WSIB on claims costs your company \$1.40 over two years*

The next two points refer only to the injury frequency data portion of the CAD-7

- 1) Lost Time Claims (Frequencies) are earned when a worker receives loss of earnings benefits from the WSIB for 8 (or more days)
 - The days do not have to be consecutive
 - Includes partial days if the WSIB pays the wage top-ups to equal 8 hours of work
- 2) The cost of a CAD-7 frequency is (approximately) \$ 32,000 over two years*

Pitfalls to avoid CAD-7 frequencies for the remainder of 2014

- Be prepared for “phantom” injuries that occur with job completions/seasonal layoffs
- Accidents will happen - Have a documented return to work plan
- A claim with 4 weeks of lost time paid by the WSIB will cost your company \$42,000 over two years* (\$10,000.00 in injury costs + \$32,000.00 for the frequency) by providing a modified work program will provide a 10:1 Return on Investment (savings versus the cost of “unproductive” wages)
- With COR – Certificate of Recognition - coming to Ontario, having a CAD-7 rebate will become increasingly important for pre-qualification on tenders.
- To avoid FREQUENCIES – Have a Return to Work Action plan for every workplace injury. Workers should begin their RTW assignments 2 days after their workplace accident.

For any CAD-7 WSIB questions or a no charge evaluation of your CAD-7 statement or Return to Work Management system, contact SE-GA at info@segaconsulting.com or 416-463-7342

As always, everyone’s situation is different. The above is not intended to be legal advice for any particular situation and it is always prudent to seek professional legal advice before taking any decisions on one’s own case.

* Assumes a CAD-7 rating factor of 2.00

