

The net discount or surcharge is calculated by combining the base discount or surcharge with the participation factor and the eligibility factor.

Net discount/surcharge

= Base Discount/Surcharge x Eligibility Factor
x Participation Factor

Example calculation

The following is an example calculation of an employer's experience rating under the Advanced Program:

Firm WLR: 141%
Industry WLR: 70%

Since the employer's WLR of 141% is greater than the industry's WLR of 70%, the employer receives a surcharge.

Base Surcharge: $\frac{(141\% - 70\%) / 70\%}{1.5\%} = 68\%$

The employer has had a WCB account for at least three years, so the eligibility factor is 100%.

The employer's total premiums are \$45,000, so their participation factor is 57.5%.

The employer's net surcharge is therefore

Base Surcharge x Eligibility Factor x Participation Factor
68% x 100% x 57.5% = 39%

The net discount/surcharge is subtracted from or added to the industry premium rate to determine the final premium rate.

Protection against extraordinary circumstances

The WCB recognizes that a large or catastrophic event can affect your firm's claim history and experience rating. To minimize the impact of such a situation, individual claims costs are capped at the maximum assessable coverage amount in a given year.



Losing eligibility for discounts

In some cases, employers are not eligible for discounts. There are no discounts for employers that have:

- A fatality that has occurred and is accepted in either the rate setting year or the previous year;
- Not submitted their payroll records during the current year; or
- Been convicted of a criminal offence under section 217.1 of Canada's Criminal Code in the current or previous year. This law defines criminal charges for employers who fail to provide safe workplaces.

Working towards an injury-free Saskatchewan

The Workers' Compensation Board's goal is to see Saskatchewan workplaces injury-free and fatality-free.

Our Prevention department can help you understand your injury data and assist you with your workplace safety and return-to-work programs. Contact Prevention at 306.787.6916, toll free 1.800.667.7590 ext. 6916, or email prevention@wcbask.com.

You can also check with your industry association, government agencies and other organizations for tips and programs on workplace safety.



For more information about the Experience Rating Program, contact Employer Services.

Employer Services

Phone: 306.787.4370
Toll free: 1.800.667.7590
Fax: 306.787.4205
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115 - 24th Street East
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For more information on workplace safety, visit our websites:

www.wcbask.com
www.worksafesask.com



Experience Rating Program

What is Experience Rating?

Experience Rating adjusts WCB premium rates to reflect your claims history, providing an incentive for you to emphasize safety and injury prevention in the workplace. Premiums set using the WCB's Experience Rating Program accurately reflect your injury claim experience. Your premiums may be discounted if you have a good claims record or you may face surcharges if you have a poor claims record.

How the program works

Discounts or surcharges are calculated when the annual rates are set in the fall of each year and are applied to your industry premium rate for the upcoming year.

The WCB looks at your claims record for a three-year period called the 'evaluation window'. The evaluation window is the three calendar years prior to the year in which rates are being set.

You will receive notification of rates and any discounts or surcharges at the same time. This way, you know your net premiums for budgeting purposes and see how your claims experience affects your overall premiums.

All eligible employers are included in the Experience Rating Program based on the size of their total base premium over the three-year evaluation window: The Standard Program applies to employers whose premiums are less than \$15,000; the Advanced Program is for those with premiums of \$15,000 or more.

Standard Program

For employers with premiums less than \$15,000

The Standard Program is based on the number of time-loss claims within the three-year evaluation window. You must have paid the minimum assessable premium in each year of the evaluation window to be eligible.

The total number of time-loss claims determines your discount or surcharge as indicated below:

Number of Time Loss Claims	Discount or Surcharge
0	25% discount
1 to 2	No discount or surcharge
3	25% surcharge
4	50% surcharge
5 or more	75% surcharge

The greater the number of time-loss claims, the higher the surcharge amount.

Example: An employer with no time-loss claims in three years may be eligible to receive a 25% discount. An employer with four time-loss claims within the same time period will receive a 50% surcharge.

Advanced Program

For employers with premiums of \$15,000 or more

The Advanced Program is based on claims costs within the three-year evaluation window.

Advanced Program maximum discount/surcharge

Type	Amount
Maximum discount	30%
Maximum surcharge	200%

The Advanced Program also uses the following additional elements in the determination of applicable discounts or surcharges:

Advanced Program weighted loss ratio

This is the ratio of costs to premiums weighted by year.

To better reflect emerging trends and/or improved prevention and safety strategies, more weight is applied to the most recent year.

Evaluation Year	Weight (%)
3 rd - most recent	50
2 nd	33
1 st	17

Advanced Program participation factor

Participation factor is calculated based on premium size – the higher the premium, the more fully you participate in the program. Full participation makes you eligible for higher discounts or possibly assessed with higher surcharges.

Every employer starts with a base participation factor of 37.5%. This increases 1% for every \$1,500 in additional premiums over \$15,000.

Example: If you have \$45,000 in premiums your participation factor is 37.5% + 20% = 57.5%.

Advanced Program eligibility factor

The eligibility factor adjusts the discount or surcharge based on the number of consecutive years your business has held a WCB account. This factor provides immediate recognition for new employers by allowing those with at least one year of experience to qualify for the Experience Rating Program.

Years of Experience	Eligibility Factor
1	33%
2	67%
3	100%

Advanced Program discount and surcharge calculation

Your base discount or surcharge is calculated by comparing your firm's weighted loss ratio with your industry's weighted loss ratio (WLR).

Employer WLR < Industry WLR = Discount
Employer WLR > Industry WLR = Surcharge
Employer WLR = Industry WLR = Base Industry Rate

For every 3.33% better you are than the industry, you can receive up to 1% of potential discount. For every 1.5% worse than the industry, up to 1% of surcharge is applied.