

# WORK-RELATED CHRONIC MENTAL STRESS AND YOUR 2018 PREMIUM RATE

For 2018, we announced an overall reduction to the average premium rate of 3.3 per cent. Although the average rate will decrease, not all rate groups will see a rate decrease; some will see a rate increase. All increases for 2018 result from expected costs associated with work-related chronic mental stress (CMS) legislation. We have developed this technical Q&A to help you understand how work-related CMS impacts your rate.

## 1) What is the new work-related CMS legislation and why am I paying for it?

In May 2017, the government passed new legislation that will allow compensation for work-related CMS. Because the WSIB is funded solely by premium revenue, we must include expected CMS costs when creating our 2018 rates.

## 2) How did you determine which rate groups should pay for CMS and how much each group should pay?

The risk of work-related CMS is not unique to any single industry. Premium rates for all rate groups will include a margin for this additional cost. To allow for these work-related CMS benefits in 2018:

1. We applied increases by class based on the number of traumatic mental stress and post-traumatic stress disorder claims from that class over the past 10 years.
2. We applied limits to ensure that no single class sees excessive cost increases from CMS.
3. We have applied a cap of 5 per cent for all rate increases to ensure premium rate stability.
4. We added the resulting additional costs from CMS to each rate group's baseline costs to generate each rate group's premium rate to achieve the overall average decrease across rate groups.

## 3) What will happen if actual experience for a rate group doesn't line up with expectations and you've set rates too high?

Ultimately, each rate group's actual experience for all benefits insured under the *Workplace Safety and Insurance Act* will drive its premium rate. For the 2018 injury year, those employers who are eligible for retrospective experience rating under either NEER or CAD-7 will see rebates or surcharges depending on their actual experience. Over time, actual CMS experience will drive rates for all rate groups.

## 4) How do I get more details on my specific rate?

The WSIB will be offering technical rate sessions at Simcoe Place, 200 Front Street West, in Toronto and via webinar in November 2017. At these sessions, the Chief Actuary will explain how the 2018 premium rates were calculated and take your questions. You can sign up for a session on our website. If you have any questions or if you are an industry association that is interested in arranging a session for your membership, please contact [technicalratesessions@wsib.on.ca](mailto:technicalratesessions@wsib.on.ca).