

**Operational
Policy**

Section
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Law

s.82

The Board may increase or decrease the premiums otherwise payable by a particular employer in such circumstances as the Board considers appropriate including the following:

1. If, in the opinion of the Board, the employer has not taken sufficient precautions to prevent accidents to workers or the working conditions are not safe for workers.
2. If the employer's accident record has been consistently good and the employer's ways, works, machinery and appliances conform to modern standards so as to reduce the hazard of accidents to a minimum.
3. If the employer has complied with the regulations made under this Act or the *Occupational Health and Safety Act* respecting first aid.
4. If the frequency of work injuries among the employer's workers and the accident cost of those injuries is consistently higher than that of the average in the industry in which the employer is engaged. 1997, c. 16, Sched. A, s. 82.

Policy

The Safety Group Program (SGP) provides a premium rebate to groups that foster a corporate safety culture among their members and encourage the co-operative implementation and enhancement of prevention and return to work programs. The group rebate is dependent upon the completion of action plans and reduction in the frequency and severity of lost time injuries.

The group rebate is distributed among group members and is not subject to adjustment after distribution.

Guidelines

General

The SGP is a rebate only program. The rebate is issued in addition to the refund/surcharge or premium rate adjustment that the members of a safety group may have earned through participation in WSIB experience rating programs. See 13-02-02, NEER (New Experimental Experience Rating Plan); 13-02-06, Construction Industry Plan (CAD-7); 13-02-04, Merit-Adjusted Premium Program.

Participation in a safety group is voluntary.

Composition of a safety group

A safety group may consist of employers from any rate group.

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In the case of multi-account employers each account is a separate member. See "Multiple account employers" below.

No single member may constitute more than 25% of a safety group's membership.

A proportion (e.g., 25%) of a safety group is high risk employers. For example,

- NEER and CAD-7 employers who are not in receipt of a refund for a given year.
- MAP employers who have not received a premium rate decrease for a given year.
- employers who are paying a higher than average premium rate.

A safety group consists of 40 or more employer accounts or, if fewer, sufficient accounts from the same rate group to represent a significant proportion (e.g., 51%) of that rate group's total premium.

The total premium represented by a safety group is \$500,000 per annum or more.

A safety group is administered by a sponsor.

Conditions of sponsorship

The sponsor dedicates time and resources to the leadership and administration of the safety group. Administrative responsibilities include the preparation of draft and formal business plans.

The sponsor must submit a draft business plan to WSIB program administrators by October 31, of the year prior to which entry into the SGP is being sought. Notification of acceptance requires the sponsor to submit a formal business plan.

Complete details of the conditions of sponsorship are available from WSIB program administrators.

Conditions of membership

Employers must be compliant with all WSIB obligations to participate in the SGP. See "Disqualification" below. Membership in a safety group is for one continuous and complete year and must be renewed with the sponsor annually. Membership generally does not exceed five years in total.

Complete details of the conditions of membership are available from WSIB program administrators.

How a safety group works

Members of a safety group implement new or improve existing workplace health and safety programs with the assistance of workplace assessments, an achievement list and an action plan.

Workplace assessments

Each safety group member completes a baseline and a year-end workplace assessment. The assessments may be self administered or administered by a third party as determined by the sponsor. The sponsor includes the assessment results in its year-end achievement report to WSIB program administrators.

The year-end achievement report is subject to a spot-check audit by the WSIB which may impact the safety group rebate. See "Spot check audit" below.

The achievement list and action plan

The achievement list provides the framework for the development of an effective action plan. Each safety group member develops an action plan for the year by selecting elements from the achievement list, including two group elements that are common to all of a safety group's action plans. One of these group elements must be from the return to work category.

Note

Beginning with 2007 a return to work element is only required in the action plans of members who had not previously selected return to work as an action plan element. Beginning with 2008 the requirement to select a return to work group element for their action plan applies to all members.

Safety group members complete their action plans over the course of the year using the SGP management system, "5 Steps to Managing Health and Safety". In so doing they must also maintain the status of completed achievement list elements from prior action plans.

New action plans are developed each year. Achievement list elements from a previous action plan may be re-selected for a new action plan if the element was not achieved in the program year or it is picked as a group element.

Complete details of the management system, workplace assessments, the achievement list, the action plan and the action plan completion criteria are available from WSIB program administrators.

The safety group program rebate

The rebate is based on the completion of action plans (achievement) and on the reduction of the frequency rate and severity (performance) of lost time injuries.

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The rebate is weighted towards achievement because performance is fully accounted for in WSIB experience rating programs. See 13-02-02, NEER (New Experimental Experience Rating Plan); 13-02-06, Construction Industry Plan (CAD-7); 13-02-04, Merit-Adjusted Premium Program.

To recognize superior achievement and performance, groups and their members must exceed minimum standards to earn the maximum rebate.

Determining a group rebate

Group achievement

For each year in which they participate, group members work to complete their action plans. At year end WSIB program administrators evaluate the group members' action plans and assign a completion score to each action plan. A group's annual achievement is the average of its members' action plan completion scores.

A group can earn an achievement rebate of up to 4% of its premium.

Group performance

The change in the frequency rate and severity of lost time injuries is measured to determine a safety group's annual performance.

A safety group's frequency rate in a given time period is compared to its frequency rate in a prior period to determine the annual change in the frequency rate of lost time injuries.

A safety group's severity measure in a given time period is compared to its severity measure in a prior period to determine the annual change in the severity of lost time injuries.

A group can earn a performance rebate of up to 2% (1% frequency based and 1% severity based) of its premium.

Group minimum standards

- A group's performance must be better than a pre-determined standard (e.g., 5% improvement for the 2007 program year) to earn a performance rebate.
- If a group's performance does not exceed the performance standard by 25% its rebate is reduced by 50%.

Member minimum standards

- Group members who complete less than 60% of their action plans do not share in the group rebate. Their action plan completion score is included in the calculation of the group's achievement.

Group rebate

The annual group rebate is the sum of its achievement and performance rebates. A group can earn a rebate of up to 6% of its premium for a given year.

Distribution of the safety group rebate

A safety group's rebate may be distributed among its members in various ways, as determined by the sponsor. For example,

- a) in proportion to a member's premium compared to the premium of the safety group
- b) partly as a flat rate and the remainder as per "a" above
- c) some other way that has been approved by WSIB program administrators.

The sponsor must disclose the amount and method of distributing the safety group's rebate to its members.

Spot check audit

Should a spot check of the year-end achievement report reveal a discrepancy, WSIB program administrators use the spot check results to recalculate the safety group's achievement.

Adjustments to the safety group rebate

There is no adjustment of the safety group rebate for any given year once it has been distributed.

The adjustment of premium and experience rating refunds and surcharges occurs in accordance with existing policies. See 13-02-07, Adjustments to NEER Refunds and Surcharges; 13-02-05, Adjustments to CAD-7 Refunds and Surcharges; and 14-02-06, Employer Premium Adjustments.

Removals and drop outs

Members may be removed from their safety group by the sponsor or WSIB if they do not satisfy the "Conditions of Membership" and others might just drop out of their safety group prior to completing the year. In either case, their performance data remains with the safety group for the purpose of calculating the group's rebate. These members do not participate in the distribution of the rebate.

Bankruptcy

Members who declare bankruptcy during a given year do not participate in their safety group's rebate and their performance data is not included in the calculation of the group's rebate for that year.

Members who complete a given year and subsequently declare bankruptcy participate in their safety group's rebate, assuming there is one, for the completed year. Their achievement

and performance data is included in the calculation of the group's rebate for the completed year.

Disqualification

WSIB program administrators reserve the right to disqualify an employer or a sponsor from participation in the Safety Groups Program, at any time, upon demonstration that they are engaging in activities contrary to the interests of the program.

Employer

An employer who is disqualified during a given year does not participate in their safety group's rebate and their performance data is not included in the calculation of their safety group's rebate for that year.

Sponsor

Upon disqualification, the WSIB assumes the role of sponsor for that particular year which may include directing the members to another group. In either case, the rebate is calculated as it otherwise would have been.

Multiple account employer

Provided either of the following conditions are satisfied, an employer with multiple accounts (i.e., with multiple members in a safety group) may designate one safety group contact person to represent all its accounts and all accounts may be treated as one for the purpose of the documentation of the workplace assessments, the achievement list and the action plan. Otherwise separate documentation is required from each account. Specifically,

- the accounts are at the same mailing address and the designated contact person has responsibility for all of them, or
- the accounts are at different mailing addresses, are for the same business activity and the designated contact person has responsibility for all of them.

Quarterly reports

Quarterly reports of on-going group experience are distributed.

Application date

This policy applies to all Safety Groups Program decisions made on or after January 1, 2007.

References

Legislative Authority

Workplace Safety and Insurance Act, 1997, as amended
Section 82

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Minute

Administrative

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