

**Operational
Policy**

Section
Compliance

Subject
Offences and Penalties - External Suppliers of Goods and Services

Policy

It is an offence under section 149 of the *Workplace Safety and Insurance Act, 1997*(WSIA) to knowingly make a false or misleading statement or representation to the WSIB in order to receive payment for goods or services provided to the WSIB, whether or not the goods or services have been received by the WSIB.

The WSIB takes all necessary action against a supplier who commits an offence, including, for fraudulent acts, referring the case to law enforcement. The WSIB also pursues by all means available, including action in civil court, the recovery of property or money obtained as a result of an offence or possible fraudulent act.

NOTE

This policy should be read in conjunction with 22-01-05, Offences and Penalties - General.

Purpose

The purpose of this policy is to set out external supplier offences, the action the WSIB takes when an external supplier commits or is suspected of committing an offence, and the penalties that may be imposed.

Guidelines

The following guidelines apply to suppliers of goods and services who are not considered to be employees of, or part of, the WSIB.

Suppliers of goods include, but are not limited to

- computer companies
- office supply companies
- manufacturers of assistive devices or prosthetics.

Suppliers of services include, but are not limited to, providers of

- health care
- transportation services
- cleaning services.

Preliminary investigation

See 22-01-05, Offences and Penalties - General, for more information about investigations by Stakeholder Compliance Services.

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Interim action

While Stakeholder Compliance Services is conducting a review or an investigation of the matter, the affected operating area decides, in consultation with Legal Services, what interim action is to be taken against the supplier. The operating area must also consult the Stakeholder Compliance Services' prosecutor to ensure that the interim action does not conflict with Stakeholder Compliance Services prosecution.

Interim actions taken against the supplier may include, but are not limited to

- suspending the supplier's billing number
- withholding all payments owed to the supplier, and/or
- discussions with the appropriate professional regulatory body or association.

Stakeholder Compliance Services' response and recommendation**Supplier convicted of charges or civil action initiated**

If a supplier is convicted of charges under the WSIA or the *Criminal Code of Canada* (Criminal Code), or if civil action is recommended to Legal Services by Stakeholder Compliance Services, the WSIB will

- revoke the supplier's billing number (if the supplier has one)
- inform the supplier's superior, head office, professional regulatory body and/or association of the results of the investigation
- review all past and present activities, associations and relationships with the supplier, to determine what additional action should be taken
- recover funds wrongly paid to the supplier.

Supplier not convicted of charges or no civil action initiated

If the supplier is not convicted of charges, or if civil action is not recommended, the WSIB may

- process the supplier's unpaid accounts and offset the amount owing to the WSIB against any amount owing to the supplier
- inform the supplier's superior, head office, professional regulatory body and/or association of the results of the investigation
- revoke the supplier's billing number in appropriate circumstances
- revoke direct billing privileges, if relevant
- review all present activities, associations and relationships to determine what additional action should be taken.

Accident costs

If a supplier of goods or services for injured workers is convicted of an offence, the WSIB relieves the employer of the accident costs associated with the improper portions of the claim unless the employer had a role in the offence.

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For Schedule 1 employers, these costs are not included on the employer's accident cost statement or in the calculation of the employer's experience rating. Instead, the WSIB transfers these costs from the employer's accident cost record to the employer's rate group.

For Schedule 2 employers, the costs of benefits obtained deceptively are credited to the employer's account. Any unrecovered costs are charged to all Schedule 2 employers as part of their administrative rate.

Maximum fines imposed upon conviction under the WSIA

See 22-01-05, Offences and Penalties - General.

Time limits

For s.149 offences, there is no time limit for prosecuting an individual or a corporation under the WSIA.

For fraud

An individual or a corporation who commits a **fraudulent act** may also be charged and prosecuted under the Criminal Code, where **no time limit** for bringing an action applies.

Application date

This policy applies to all incidents of suspected wrongdoing discovered by the WSIB on or after January 1, 2018, subject to the guidelines for **Time limits**.

Document history

This document replaces 22-01-06 dated January 2, 2014.

This document was previously published as:

22-01-06 dated October 12, 2004

11-02-03 dated May 24, 2002.

References**Legislative authority**

Workplace Safety and Insurance Act, 1997, as amended
Sections 149(4), 157.1(2)

Minute

Administrative

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