

April 27, 2016

Mr. Curtis Hemming  
Saskatchewan Chamber of Commerce  
1630 - 1920 Broad Street  
Regina SK S4P 3V2

Dear Mr. Hemming:

RE: Experience Rating Program Changes

On behalf of the Saskatchewan WCB Board Members, I would like to extend a sincere thank you for your participation and feedback into the review of the Experience Rating Program.

The Board considered the committee's recommendations and the additional stakeholder feedback and I would like to share with you the decision regarding changes to the Experience Rating Program.

The Board agreed with the committee's recommendations to update the Experience Rating Program Guiding Principles, increase the base premium threshold from \$15,000 to \$21,000, and enhance experience rating communication.

The Board did not accept the following recommendations:

- Implement a \$500 minimum claim cost in the Standard Program
- Increase participation factor from 37.5% to 46.5%
- Exclude 20 year and older claims from experience rating calculations

The Board believes that establishing a minimum claim cost in the Standard Program does not support our Mission: Zero strategy. As an alternative, the Board agreed that claims for time loss solely as a result of medical appointments will be excluded from the experience rating calculations for employers in the Standard Program.

The Board understands the intent of increasing the participation factor was to help smooth the transition for employers moving from the Standard Program to the Advanced Program, and while it may help a small number of employers it does not resolve the transition issue. The Board agreed that another way to ease the transition is to grandfather employers' discount or no discount/no surcharge status until they have new claims experience in the Advanced Program.



With regards to the Committee's recommendation to exclude 20 year old claims from experience rating calculations, while the Board can certainly appreciate concerns around the continued impact of old claims, removing old claims from Experience Rating calculations does not support the WCB's return to work focus. The Board agreed that the capitalization process is intended to address these older claims and will look at a review of the capitalization process to ensure that capitalization of claims occurs in a timely manner.

While we are still finalizing the details of how to incorporate the changes in our systems for 2017, we wanted to share this information with the Committee now. Information regarding the changes to the Experience Rating Program will be shared with stakeholders in the fall.

Thank you again for taking the time to participate as a member of the Experience Rating Review Committee and representing stakeholders. Your contributions are very much appreciated.

Yours sincerely,



Gord Dobrowolsky, B. Ed.; Pro. Dir.  
Chair