

Costs of MSDs

MSDs can have Significant Financial Implications - Do you know what an MSD can cost your organization?

The Workplace Safety & Insurance Board (WSIB) uses financial incentive programs to encourage employers to improve their health and safety and return to work programs. There were many changes to two (NEER and CAD-7) of the three incentive programs for the 2006 accident year and beyond. Two of the NEER changes that can have significant financial implication to an employer are outlined below.

1. The claim cost limit is now **five** times the maximum insurable earnings instead of four times the maximum insurable earnings.

Claim cost limit:

2005 - \$270,800.00

2006 - \$347,000.00

2007 - \$359,000.00

2. An employer's organizational cost limit will increase from three times the expected cost to four times the expected cost, thus an increase in the maximum surcharge. As a result the maximum surcharge is now three times greater than the maximum rebate.

Rebates and surcharges are driven by WSIB costs. Working safely and having an effective Return to Work Program are essential to contain these costs.

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