

## Conditional Surcharge Refund Program – Q&As

### What is the Conditional Surcharge Refund Program?

Launched in 2013, the Conditional Surcharge Refund Program is designed to encourage employers in a surcharge position to make investments in safety to reduce workplace injuries. Through the program, employers have the opportunity to be refunded all or part of their surcharge premiums paid in the previous calendar year for qualifying investments made in safety during that same time period.

For example, if an employer is surcharged in 2018, but also invests in **qualifying safety initiatives** during that year, they are eligible to receive a refund in 2019. The refund amount would be equal to the amount invested in safety, **up to a maximum** of their surcharge premiums paid.

### How do I qualify for a Surcharge Refund?

If you are in a surcharge position, you may be eligible to receive a surcharge refund if you meet the following criteria. You must:

- Have paid surcharge premiums in the previous calendar year.
- Have no compensable fatal claims with a date of injury during the previous calendar year and up to the date the refund is issued.
- Be in good standing at the time the refund is issued.
- Make **qualifying** investment(s) in safety that **benefit workers working in Nova Scotia** in the previous calendar year, as outlined in [Policy 11.1.4 – Conditional Surcharge Refund Program](#).
- Be able to show proof of the investment(s) in safety, through either an invoice or proof of payment.

If you are a qualifying employer, you will receive an application form in March of the year following the surcharge year and will have until December 31 of the same year to apply for a refund of the previous year's surcharge. Refunds issued are equal to the amount of your actual investment, **up to a maximum** amount equal to your surcharge premiums paid. If you do not apply for a refund before December 31, the refund money is forfeited. Any forfeited refund monies will be allocated to the General Accident Fund.

For example, if you are surcharged in 2018, but also invest in **qualifying safety initiatives** during that year, you are eligible to receive a refund in 2019 and will receive an application form in March 2019. If you do not apply for a refund before December 31, 2019, the refund money is forfeited.

### What safety investments qualify for the program?

In order to be eligible for a refund, your investments in safety must have been made in the year of surcharge, must benefit workers working in Nova Scotia, and must fall under one or more of the following categories:

- Safety training for managers, supervisors and/or employees;
- Third-party safety audit of employer worksite;
- Health and safety programming, such as specific prevention programs;
- New safety equipment purchase or upgrade to existing equipment to prevent injury;
- Hire or contract dedicated Occupational Health & Safety personnel.

If you have questions about the eligibility of specific investments, please contact Deirdre O'Reilly at 1.902.491.8445.

**Where can I find a Conditional Surcharge Refund application form?**

Applications will be mailed to all surcharged employers in March of the year following the surcharge year. You can also download the application from the WCB web site or request to have a copy mailed to you by calling 1.877.211.9267.

**When can I apply for a refund?**

Applications and supporting documents (e.g., invoices, receipts, proof of payment, etc.) can be submitted any time between March 1 and December 31 of the year following the year that qualifying investments in safety were made (i.e., if you were surcharged in 2017 and made qualifying investments in 2017, you can submit a refund application between March and December 2018).

**When will the refunds be issued?**

Refunds will be processed and issued to qualifying employers upon receipt of their application. Standard processing time is between six and eight weeks from receipt of the application form, depending on the volume of refund applications at any given time.

**How will the refunds be issued?**

Refunds will be issued by cheque and mailed to your financial contact address on file with the WCB.

**How much of a refund could my business get back?**

Your refund will be equal to the amount of your actual investment in safety for that year, **up to a maximum** amount equal to your surcharge premiums paid.

For example, if you are an employer with \$200,000 in **assessable payroll** and are paying a \$0.50 surcharge amount on your total assessment rate, you could be eligible for a refund of up to \$1,000 ( $\$200,000 \times 0.50/100 = \$1,000$ ).

**Where can I find the surcharge amount of my business's total assessment rate?**

If you are a surcharged employer, you can find the surcharge portion of your total assessment rate on your **Experience Rating Statement** in Section A: *Your Rate Components – Rate Surcharge*. You can find your most recent Experience Rating Statement on [MyAccount](#). (If you have not yet registered for MyAccount, click [here](#) or contact us at 1.877.211.9267 to get started.)

**Can I get a refund for every year that my business is surcharged?**

If you remain in a surcharge position **three years** after receiving an initial refund, you must demonstrate at least a **25 percent improvement** in your cost experience ratio (CER) before qualifying for future refunds.

**What is my cost experience ratio (CER)?**

Simply put, this is the cost of your firm's claims over a three-year period, divided by your payroll over the same three-year period.

These figures are available on your annual Experience Rating Statement, which you can view in [MyAccount](#). If you require further details on how your CER is calculated, please contact the WCB at 1.877.211.9267 to request an Experience Rating Detail Report.

**If I meet the 25 percent improvement in my cost experience ratio at the three year review mark, will I be reviewed again in future years?**

Yes. The improvement in your cost experience ratio simply means you are eligible to continue applying for refunds if you remain on the surcharge list. After the initial refund, you will be subject to a review of your cost experience ratio every three years. At that time, you will need to again demonstrate a 25 percent improvement in your cost experience ratio for the previous three years.

**Is the HST portion of an investment eligible for a refund?**

No, the HST portion of qualifying investments is not eligible for a refund.

**Can my business split an invoice between two or more divisions?**

If you have multiple divisions under one firm number and these are linked with the same rate, there is no need to split an invoice. One application can be submitted and your refund amount will be calculated based on all eligible divisions.

**If I am an employer with multiple firm numbers (i.e. different business numbers) can I submit a single application for all my businesses?**

No, multiple firm numbers mean you are operating different legal entities. Therefore you must apply for each unique firm number that is in a surcharge position.

**What happens if my account with the WCB is not in good standing at the time I apply for the refund?**

If your account is not in good standing at the time your application is received and processed you will be contacted by the WCB. You will have the opportunity to bring your account up to date so the refund can be issued.

**I already received a refund for the year, but have since found an invoice. Can I submit the additional invoice on a new application?**

No, the WCB will only process **one** surcharge refund application each year for eligible employers. You have until December 31<sup>st</sup> to submit your application for investments made in the previous surcharge year; therefore, please ensure your request includes **all** invoices for qualifying safety investments from that year.

**Who do I contact for more information about the Conditional Surcharge Refund Program?**

For more information about the Conditional Surcharge Refund Program, contact Candace Nahas at (902)-491-8370 or Candace.Nahas@wcb.ns.ca.

**Since applying for and receiving my refund, I have been audited by the WCB and my payroll and/or claims costs have been adjusted. This has affected the amount of my surcharge premium. Can I submit a revised application?**

No, the WCB will only process **one** surcharge refund application each year for eligible employers. Once your application is received and a refund has been processed, the WCB will lock the criteria used to calculate your refund (i.e. payroll, claims costs, surcharge amount). Any adjustments to these figures **will not** cause a re-calculation of the refund.

**I was in a surcharge position, but then closed my business before the end of the year. Am I still eligible for a refund for investments made prior to closing?**

It depends on the nature of the closing. You can still submit an application to be reviewed by the WCB. Inactive employers will be eligible for a refund – assuming all other criteria are met – unless the closure is due to filing for bankruptcy.

**I am currently not a surcharged employer, but I am in a demerit position. Do I qualify for a refund?**

No, only employers paying a surcharge premium on their rate qualify for the Conditional Surcharge Refund Program.