Get the information you need to better manage your insurance file

The CNESST provides employers assessed on a personalized rate basis with all of the information they need to better understand their insurance files. They are then in a position to reduce the risks inherent in their enterprises and their premiums tool.

Notice of Calculation of Personalized Rates – 2019
Summary of Financial Information Used in Calculating Personalized Rates – 2019
Financial Information Used in Calculating Personalized Rates – 2019

Employers can contact the CNESST offices to obtain the document Calcul détaillé – Taux personnalisé 2019* and the document entitled Effets des lésions – Taux personnalisé 2019*, which explains how, through the costs incurred, every injury contributes to the increase of an employer’s personalized rate.

To ensure a better understanding of the detailed calculation of an employer’s personalized rate, the guide Calculation of Personalized Rate 2019 is available on our website in French only at cnesst.gouv.qc.ca/sst and an English electronic version is available on request.

* Please note that these documents are available in French only.

FOR A BETTER UNDERSTANDING OF THE PERSONALIZED RATE METHOD

OCCUPATIONAL HEALTH AND SAFETY 2019 RATEMAKING

Occupational health and safety ratemaking

There are three forms of ratemaking as it applies to occupational health and safety: the unit rate method, the personalized rate method and the retrospective rate method. These three methods are designed to provide employers with a fair insurance plan that covers them against industrial accidents and occupational diseases. They are also aimed at increasing prevention in the workplace and promoting the return to work of workers who have sustained employment injuries.

The personalized rate plan

Generally speaking, employers whose yearly premiums, before personalization, are between $7,500 and $400,000 are assessed on a personalized rate basis. In 2019, this involved approximately 27% of employers.

The principle underlying personalized rates: lower risks, lower premiums

An employer’s premium assessed on a personalized rate basis is calculated by applying a rate that reflects the risk inherent in the activities carried on in its enterprise.

In other words, personalized rates vary according to the efforts devoted to preventing employment injuries and promoting the return to work of injured workers. The greater the effort, the lower the risk and therefore the more favourable rate for the employer compared to the rate for the entire unit.

In order to assess the employer’s activity-related risk, the CNESST compares the costs of the employment injuries recorded in the employer’s file against those in the files of employers engaged in the same activities, taking into account the size of the employer’s enterprise.

As a general rule, for an employer with a medium-sized business, the risk-related portion of the rate for its activities is smaller. This insurance principle provides the employer with significant protection against large premium increases resulting from the costs of serious injuries. The corollary of this principle is that the employer will not benefit from substantial premium discounts, even if there are no injuries recorded in its file.

Conversely, an employer with a large payroll benefits from a highly personalized rate and the amount of its premium is dependent on the costs of the work-related accidents in its enterprise and on its prevention efforts and its injured workers’ return to work.
The CNESST provides employers assessed on a personalized rate basis with all of the information they need to better understand their insurance files. They are then in a position to reduce the risks inherent in their enterprises and their premiums too!

Notice of Calculation of Personalized Rates – 2019
Summary of Financial Information Used in Calculating Personalized Rates – 2019
Financial Information Used in Calculating Personalized Rates – 2019
Employers can contact the CNESST offices to obtain the document Calcul détaillé – Taux personnalisé 2019* and the document entitled Effets des lésions – Taux personnalisé 2019*, which explains how, through the costs incurred, every injury contributes to the increase of an employer’s personalized rate.

To ensure a better understanding of the detailed calculation of an employer’s personalized rate, the guide Calculation of Personalized Rate 2019 is available on our website in French only at cnesst.gouv.qc.ca/sst and an English electronic version is available on request.

* Please note that these documents are available in French only.

To contact us
1 844 838-0808
cnesst.gouv.qc.ca

FOR A BETTER UNDERSTANDING OF THE PERSONALIZED RATE METHOD

OCCUPATIONAL HEALTH AND SAFETY 2019 RATEMAKING

Occupational health and safety ratemaking
There are three forms of ratemaking as it applies to occupational health and safety: the unit rate method, the personalized rate method and the retrospective rate method. These three methods are designed to provide employers with a fair insurance plan that covers them against industrial accidents and occupational diseases. They are also aimed at increasing prevention in the workplace and promoting the return to work of workers who have sustained employment injuries.

The personalized rate plan
Generally speaking, employers whose yearly premiums, before personalization, are between $7,500 and $400,000 are assessed on a personalized rate basis. In 2019, this involved approximately 27% of employers.

The principle underlying personalized rates: lower risks, lower premiums
An employer’s premium assessed on a personalized rate basis is calculated by applying a rate that reflects the risk inherent in the activities carried on in its enterprise.

In other words, personalized rates vary according to the efforts devoted to preventing employment injuries and promoting the return to work of injured workers. The greater the effort, the lower the risk and therefore the more favourable rate for the employer compared to the rate for the entire unit.

In order to assess the employer’s activity-related risk, the CNESST compares the costs of the employment injuries recorded in the employer’s file against those in the files of employers engaged in the same activities, taking into account the size of the employer’s enterprise.

As a general rule, for an employer with a medium-sized business, the risk-related portion of the rate for its activities is smaller. This insurance principle provides the employer with significant protection against large premium increases resulting from the costs of serious injuries. The corollary of this principle is that the employer will not benefit from substantial premium discounts, even if there are no injuries recorded in its file.

Conversely, an employer with a large payroll benefits from a highly personalized rate and the amount of its premium is dependent on the costs of the work-related accidents in its enterprise and on its prevention efforts and its injured workers’ return to work.
FOR A BETTER UNDERSTANDING OF THE PERSONALIZED RATE METHOD

OCCUPATIONAL HEALTH AND SAFETY 2019 RATEMAKING

Occupational health and safety ratemaking

There are three forms of ratemaking as it applies to occupational health and safety: the unit rate method, the personalized rate method and the retrospective rate method. These three methods are designed to provide employers with a fair insurance plan that covers them against industrial accidents and occupational diseases. They are also aimed at increasing prevention in the workplace and promoting the return to work of workers who have sustained employment injuries.

The personalized rate plan

Generally speaking, employers whose yearly premiums, before personalization, are between $7,500 and $400,000 are assessed on a personalized rate basis. In 2019, this involved approximately 27% of employers.

The principle underlying personalized rates: lower risks, lower premiums

An employer’s premium assessed on a personalized rate basis is calculated by applying a rate that reflects the risk inherent in the activities carried on in its enterprise.

In other words, personalized rates vary according to the efforts devoted to preventing employment injuries and promoting the return to work of injured workers. The greater the effort, the lower the risk and therefore the more favourable rate for the employer compared to the rate for the entire unit.

In order to assess the employer’s activity-related risk, the CNESST compares the costs of the employment injuries recorded in the employer’s file against those in the files of employers engaged in the same activities, taking into account the size of the employer’s enterprise.

As a general rule, for an employer with a medium-sized business, the risk-related portion of the rate for its activities is smaller. This insurance principle provides the employer with significant protection against large premium increases resulting from the costs of serious injuries. The corollary of this principle is that the employer will not benefit from substantial premium discounts, even if there are no injuries recorded in its file.

Conversely, an employer with a large payroll benefits from a highly personalized rate and the amount of its premium is dependent on the costs of the work-related accidents in its enterprise and on its prevention efforts and its injured workers’ return to work.
Maximum premium discount for an employer with no recorded injuries on file

For illustration purposes, the following table presents, for 2019 ratemaking, the premium discounts for employers without any employment injuries recorded in their files for four years, regardless of their classification unit. These discounts, which vary depending on the size of the enterprise, represent an average based on all units and therefore must be regarded as a general indication only. These results should make employers keenly aware that it is in their best interests to constantly work at preventing employment injuries.

<table>
<thead>
<tr>
<th>Premium according to unit rate*</th>
<th>Risk related to $0.11 File within federal jurisdiction</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000</td>
<td>$9,100</td>
</tr>
<tr>
<td>$25,000</td>
<td>$20,900</td>
</tr>
<tr>
<td>$50,000</td>
<td>$38,900</td>
</tr>
<tr>
<td>$100,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>$200,000</td>
<td>$88,000</td>
</tr>
<tr>
<td>$300,000</td>
<td>$105,000</td>
</tr>
</tbody>
</table>

*Risk-related premium (personalization rate) = risk rate – uniform fixed rate
**Uniform fixed rate: $0.11 File within provincial jurisdiction $0.11 File within federal jurisdiction

Two different kinds of risk: short-term and long-term

When the CNESST assesses the risk inherent in an employer’s activities, it compares the costs of the injuries recorded in the employer’s file with those of other employers in the same unit. For any one injury, it distinguishes between the short-term and long-term costs.

How does the CNESST do this? If the cost of the injury exceeds the maximum yearly insurable earnings by 5% ($3,500 for an injury that occurred in 2015, or 5% of $70,000), the CNESST splits it in two: the part that is less than 5% corresponds to the short-term costs and the excess corresponds to the long-term costs. This method is fairer to employers who have only less costly injuries recorded in their files.

Based on this distinction and after making the comparison, the risk is translated into two indices used in calculating personalized rates. Knowing how to interpret them can help an employer to better target its prevention activities.

Overall, it could be said that a poor short-term index is a sign of a high incidence of injuries in the enterprise, and a poor long-term index indicates a relatively high cost of injuries.

When an employer carries on several activities

The same risk indices are used to calculate the personalized rate for each unit in which the employer’s activities are classified.

As the premium reflects an employer’s overall risk, it is therefore all the more pertinent on the employer’s prevention efforts and at maintaining an employment relationship with its workers. To benefit from a favourable premium rate, employers must be vigilant on all fronts!

What costs are applied by the CNESST?

When the CNESST takes into account the costs in respect of a four-year reference period terminating one year before the ratemaking year. For 2019, it considers the costs of injuries that occurred in 2017, 2016, 2015 and 2014. These costs include medical aid and rehabilitation expenditures, income replacement indemnities (IRI), death-related benefits and compensation for bodily injuries.

They are charged to the employer’s file for the compensation period covered, even if the benefits were not paid out.

Compensation cost

For each injury, the CNESST calculates a compensation cost that includes an estimate of future costs.

It does this by applying a factor to the costs imputed to each injury. The factor varies according to the category of the injury and the year in which it occurred. However, future costs are not calculated for injuries that occur in the last year of the reference period, namely 2017 for 2019 ratemaking.

Factors by accident year and category of injury – 2019 ratemaking

<table>
<thead>
<tr>
<th>Accident Year</th>
<th>Death</th>
<th>Lump sum benefits payable to spouse</th>
<th>Period for which the worker is compensated</th>
<th>Date of the worker’s death</th>
<th>Lump sum compensation for bodily injuries</th>
<th>Date of the initial decision granting compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.0</td>
<td>1.0</td>
<td>Period for the period for which the worker is compensated</td>
<td>Date of the worker’s death</td>
<td>Lump sum compensation for bodily injuries</td>
<td>Date of the initial decision granting compensation</td>
</tr>
<tr>
<td>2016</td>
<td>1.27</td>
<td>1.21</td>
<td>1.42</td>
<td>2.46***</td>
<td>3.01**</td>
<td>**</td>
</tr>
<tr>
<td>2015</td>
<td>1.10</td>
<td>1.10</td>
<td>1.27</td>
<td>2.46***</td>
<td>3.01**</td>
<td>**</td>
</tr>
<tr>
<td>2014</td>
<td>1.19</td>
<td>1.10</td>
<td>1.27</td>
<td>2.46***</td>
<td>3.01**</td>
<td>**</td>
</tr>
</tbody>
</table>

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Benefit type</th>
<th>Imputation date and period</th>
<th>Death</th>
<th>Lump sum benefits payable to spouse</th>
<th>Period for which the worker is compensated</th>
<th>Date of the worker’s death</th>
<th>Lump sum compensation for bodily injuries</th>
<th>Date of the initial decision granting compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation period covered by benefit type</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The limit per claim: an insurance mechanism

The CNESST does not use the compensation cost in calculating an employer’s personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries. General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium.
- any portion in excess of 150% of the MYIE is not taken into account.
- any amount between 50% and 150% of the MYIE is partially taken into account.

The cost after application of the limit per claim is $61,250.
The CNEST does not use the compensation cost in calculating an employer's personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries. General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium.
- any portion in excess of 150% of the MYIE is not taken into account.
- any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Benefit type</th>
<th>Imputation date and period</th>
<th>Death</th>
<th>Lump sum benefits payable to spouse</th>
<th>Lump sum compensation for bodily injuries</th>
<th>Imputed compensation cost</th>
<th>Active file</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical aid and rehabilitation costs</td>
<td>Date the service or item is provided</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Death</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump sum benefits payable to spouse</td>
<td>Date of the worker's death</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump sum compensation for bodily injuries</td>
<td>Date of the initial decision granting compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accident year</th>
<th>Death</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1.27</td>
<td>1.18</td>
<td>4.05</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.14</td>
<td>1.42 and 1.01*</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27 to 2.48***</td>
<td></td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower.

### Compensation cost

For each injury, the CNEST calculates a compensation cost that includes an estimate of future costs. It does this by applying a factor to the costs imputed to each injury. The factor varies according to the category of the injury and the year in which it occurred. However, future costs are not calculated for injuries that occur in the last two years of the reference period.

Factors by accident year and category of injury – 2019 ratemaking

<table>
<thead>
<tr>
<th>Accident year</th>
<th>Death</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1.27</td>
<td>1.18</td>
<td>4.05</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.14</td>
<td>1.42 and 1.01*</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27 to 2.48***</td>
<td></td>
</tr>
</tbody>
</table>

### General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium.
- any portion in excess of 150% of the MYIE is not taken into account.
- any amount between 50% and 150% of the MYIE is partially taken into account.

### Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Benefit type</th>
<th>Imputation date and period</th>
<th>Death</th>
<th>Lump sum benefits payable to spouse</th>
<th>Lump sum compensation for bodily injuries</th>
<th>Imputed compensation cost</th>
<th>Active file</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical aid and rehabilitation costs</td>
<td>Date the service or item is provided</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Death</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump sum benefits payable to spouse</td>
<td>Date of the worker's death</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump sum compensation for bodily injuries</td>
<td>Date of the initial decision granting compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accident year</th>
<th>Death</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1.27</td>
<td>1.18</td>
<td>4.05</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.14</td>
<td>1.42 and 1.01*</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27 to 2.48***</td>
<td></td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower.

### Compensation cost

For each injury, the CNEST calculates a compensation cost that includes an estimate of future costs. It does this by applying a factor to the costs imputed to each injury. The factor varies according to the category of the injury and the year in which it occurred. However, future costs are not calculated for injuries that occur in the last two years of the reference period.

Factors by accident year and category of injury – 2019 ratemaking

<table>
<thead>
<tr>
<th>Accident year</th>
<th>Death</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1.27</td>
<td>1.18</td>
<td>4.05</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.14</td>
<td>1.42 and 1.01*</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27 to 2.48***</td>
<td></td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower.

### General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium.
- any portion in excess of 150% of the MYIE is not taken into account.
- any amount between 50% and 150% of the MYIE is partially taken into account.

### Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Benefit type</th>
<th>Imputation date and period</th>
<th>Death</th>
<th>Lump sum benefits payable to spouse</th>
<th>Lump sum compensation for bodily injuries</th>
<th>Imputed compensation cost</th>
<th>Active file</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical aid and rehabilitation costs</td>
<td>Date the service or item is provided</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Death</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump sum benefits payable to spouse</td>
<td>Date of the worker's death</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump sum compensation for bodily injuries</td>
<td>Date of the initial decision granting compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accident year</th>
<th>Death</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1.27</td>
<td>1.18</td>
<td>4.05</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.14</td>
<td>1.42 and 1.01*</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27 to 2.48***</td>
<td></td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower.

### Compensation cost

For each injury, the CNEST calculates a compensation cost that includes an estimate of future costs. It does this by applying a factor to the costs imputed to each injury. The factor varies according to the category of the injury and the year in which it occurred. However, future costs are not calculated for injuries that occur in the last two years of the reference period.

Factors by accident year and category of injury – 2019 ratemaking

<table>
<thead>
<tr>
<th>Accident year</th>
<th>Death</th>
<th>Fatal file</th>
<th>Inactive file</th>
<th>Accident year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1.27</td>
<td>1.18</td>
<td>4.05</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.14</td>
<td>1.42 and 1.01*</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27 to 2.48***</td>
<td></td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower.

### General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium.
- any portion in excess of 150% of the MYIE is not taken into account.
- any amount between 50% and 150% of the MYIE is partially taken into account.
Maximum premium discount for an employer with no recorded injuries on file

For illustration purposes, the following table presents, for 2019 ratemaking, the premium discounts for employers without any employment injuries recorded in their files for four years, regardless of their classification unit. These discounts, which vary depending on the size of the enterprise, represent an average based on all units and therefore must be regarded as a general indication only. These results should make employers keenly aware that it is in their best interests to constantly work at preventing employment injuries.

What costs are applied by the CNESST?

The CNESST takes into account the costs in respect of a four-year reference period terminating one year before the ratemaking year. For 2019, it considers the costs of injuries that occurred in 2017, 2016, 2015 and 2014. These costs include medical aid and rehabilitation expenditures, income replacement indemnities (IRI), death-related benefits and compensation for bodily injuries. They are charged to the employer’s file for the compensation period covered, even if the benefits were not paid out.

When an employer carries on several activities

The same risk indices are used to calculate the personalized rate for each unit in which the employer’s activities are classified. As the premium reflects an employer’s overall risk, it is therefore all the more contingent on the employer’s activities, it compares the costs of the injuries recorded in the employer’s file with those of other employers in the same unit. For any one injury, it distinguishes between the short-term and long-term costs.

How does the CNESST do this? If the cost of the injury exceeds the maximum yearly insurable earnings by 5% ($3,500 for an injury that occurred in 2015, or 5% of $70,000), the CNESST splits it in two: the part that is less than 5% corresponds to the short-term costs and the excess corresponds to the long-term costs. This method is fairer to employers who have only less costly injuries recorded in their file.

Based on this distinction and after making the comparison, the risk is translated into two indices used in calculating personalized rates. Knowing how to interpret them can help an employer to better target its prevention activities.

Overall, it could be said that a poor short-term index is a sign of a high incidence of injuries in the enterprise, and a poor long-term index indicates a relatively high cost of injuries.

When an employer carries on several activities

The same risk indices are used to calculate the personalized rate for each unit in which the employer’s activities are classified. As the premium reflects an employer’s overall risk, it is therefore all the more contingent on the employer’s prevention efforts and at maintaining an employment relationship with its workers. To benefit from a favourable premium rate, employers must be vigilant on all fronts!

Compensation cost

For each injury, the CNESST calculates a compensation cost that includes an estimate of future costs. It does this by applying a factor to the costs imputed to each injury. The factor varies according to the category of the injury and the year in which it occurred. However, future costs are not calculated for injuries that occur in the last year of the reference period, namely 2017 for 2019 ratemaking.

Factors by accident year and category of injury – 2019 ratemaking

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower:

The limit per claim: an insurance mechanism

The CNESST does not use the compensation cost in calculating an employer’s personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries. General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- any portion in excess of 150% of the MYIE is not taken into account;
- any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Year</th>
<th>Death</th>
<th>IRI</th>
<th>Lump sum benefits payable to spouse</th>
<th>Reimbursement of expenses</th>
<th>Lump sum compensation for bodily injuries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.11</td>
<td>1.42</td>
<td>1.01**</td>
<td>1.27**</td>
</tr>
<tr>
<td>2017</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27</td>
<td>1.50**</td>
<td>2.48**</td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower:

The limit per claim: an insurance mechanism

The CNESST does not use the compensation cost in calculating an employer’s personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries. General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- any portion in excess of 150% of the MYIE is not taken into account;
- any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Year</th>
<th>Death</th>
<th>IRI</th>
<th>Lump sum benefits payable to spouse</th>
<th>Reimbursement of expenses</th>
<th>Lump sum compensation for bodily injuries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.11</td>
<td>1.42</td>
<td>1.01**</td>
<td>1.27**</td>
</tr>
<tr>
<td>2017</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27</td>
<td>1.50**</td>
<td>2.48**</td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower:

The limit per claim: an insurance mechanism

The CNESST does not use the compensation cost in calculating an employer’s personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries. General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- any portion in excess of 150% of the MYIE is not taken into account;
- any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Year</th>
<th>Death</th>
<th>IRI</th>
<th>Lump sum benefits payable to spouse</th>
<th>Reimbursement of expenses</th>
<th>Lump sum compensation for bodily injuries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.11</td>
<td>1.42</td>
<td>1.01**</td>
<td>1.27**</td>
</tr>
<tr>
<td>2017</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27</td>
<td>1.50**</td>
<td>2.48**</td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower:

The limit per claim: an insurance mechanism

The CNESST does not use the compensation cost in calculating an employer’s personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries. General features of the limit per claim:

- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- any portion in excess of 150% of the MYIE is not taken into account;
- any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Year</th>
<th>Death</th>
<th>IRI</th>
<th>Lump sum benefits payable to spouse</th>
<th>Reimbursement of expenses</th>
<th>Lump sum compensation for bodily injuries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1.20</td>
<td>1.11</td>
<td>1.42</td>
<td>1.01**</td>
<td>1.27**</td>
</tr>
<tr>
<td>2017</td>
<td>1.15</td>
<td>1.10</td>
<td>1.27</td>
<td>1.50**</td>
<td>2.48**</td>
</tr>
</tbody>
</table>
Maximum premium discount for an employer with no recorded injuries on file

For illustration purposes, the following table presents, for 2019 ratemaking, the premium discounts for employers without any employment injuries recorded in their files for four years, regardless of their classification unit. These discounts, which vary depending on the size of the enterprise, represent an average based on all units and therefore must be regarded as a general indication only. These results should make employers keenly aware that it is in their best interests to constantly work at preventing employment injuries.

<table>
<thead>
<tr>
<th>Risk related premium at unit rate</th>
<th>Risk related premium at uniform fixed rate</th>
<th>Discount expressed as a percentage</th>
<th>No injuries (4 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000</td>
<td>$9,110</td>
<td>9%</td>
<td></td>
</tr>
<tr>
<td>$25,000</td>
<td>$20,950</td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>$50,000</td>
<td>$38,950</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>$100,000</td>
<td>$60,000</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>$200,000</td>
<td>$88,000</td>
<td>56%</td>
<td></td>
</tr>
<tr>
<td>$500,000</td>
<td>$135,000</td>
<td>70%</td>
<td></td>
</tr>
</tbody>
</table>

Premium according to unit risk rate = payroll x risk rate

For illustration purposes, the following table presents, for 2019 ratemaking, the premium discounts for employers without any employment injuries recorded in their files for four years, regardless of their classification unit. These discounts, which vary depending on the size of the enterprise, represent an average based on all units and therefore must be regarded as a general indication only. These results should make employers keenly aware that it is in their best interests to constantly work at preventing employment injuries.

Two different kinds of risk: short-term and long-term

When the CNESST assesses the risk inherent in an employer’s activities, it compares the costs of the injuries recorded in the employer’s file with those of other employers in the same unit. For any one injury, it distinguishes between the short-term and long-term costs.

How does the CNESST do this? If the cost of the injury exceeds the maximum yearly insurable earnings by 5% ($3,500 for an injury that occurred in 2015, or 5% of $70,000), the CNESST splits it in two: the part that is less than 5% corresponds to the short-term costs and the excess corresponds to the long-term costs. This method is fairer to employers who have only less costly injuries recorded in their files.

Based on this distinction and after making the comparison, the risk is translated into two indices used in calculating personalized rates. Knowing how to interpret them can help an employer to better target its prevention activities.

Overall, it could be said that a poor short-term index is a sign of a high incidence of injuries in the enterprise, and a poor long-term index indicates a relatively high cost of injuries.

When an employer carries on several activities

The same risk indices are used to calculate the personalized rate for each unit in which the employer’s activities are classified. As the premium reflects an employer’s overall risk, it is therefore all the more pertinent on the employer’s prevention efforts and at maintaining an employment relationship with its workers. To benefit from a favourable premium rate, employers must be vigilant on all fronts!

What costs are applied by the CNESST?

The CNESST takes into account the costs in respect of a four-year reference period terminating one year before the ratemaking year. For 2019, it considers the costs of injuries that occurred in 2017, 2016, 2015 and 2014. These costs include medical aid and rehabilitation expenditures, income replacement indemnities (IRI), death-related benefits and compensation for bodily injuries.

They are charged to the employer’s file for the compensation period covered, even if the benefits were not paid out.

Compensation period covered by benefit type

<table>
<thead>
<tr>
<th>Benefit type</th>
<th>Imputation date and period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income replacement indemnity (IRI)</td>
<td>Period for which the worker is compensated</td>
</tr>
<tr>
<td>Medical aid and rehabilitation costs</td>
<td>Date the service or item is provided</td>
</tr>
<tr>
<td>Death Lump sum benefits payable to spouse</td>
<td>Date of the worker’s death</td>
</tr>
<tr>
<td>Person</td>
<td>Period for which the pension is paid</td>
</tr>
<tr>
<td>Reimbursement of expenses</td>
<td>Date the service or item is provided</td>
</tr>
<tr>
<td>Lump sum compensation for bodily injuries</td>
<td>Date of the initial decision granting compensation</td>
</tr>
</tbody>
</table>

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower.

Compensation cost

For each injury, the CNESST calculates a compensation cost that includes an estimate of future costs.

It does this by applying a factor to the costs imputed to each injury. The factor varies according to the category of the injury and the year in which it occurred. However, future costs are not calculated for injuries that occur in the last year of the reference period, namely 2017 for 2019 ratemaking.

Factors by accident year and category of injury – 2019 ratemaking

<table>
<thead>
<tr>
<th>Accident year</th>
<th>Factors by category of injury</th>
</tr>
</thead>
<tbody>
<tr>
<td>Death</td>
<td>Franchise file</td>
</tr>
<tr>
<td>2017</td>
<td>1.1</td>
</tr>
<tr>
<td>2016</td>
<td>1.16</td>
</tr>
<tr>
<td>2015</td>
<td>1.20</td>
</tr>
<tr>
<td>2014</td>
<td>1.15</td>
</tr>
</tbody>
</table>

The limit per claim: an insurance mechanism

The CNESST does not use the compensation cost in calculating an employer’s personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries.

General features of the limit per claim:

• any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
• any portion in excess of 150% of the MYIE is not taken into account;
• any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Benefit type</th>
<th>Compensation cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Death Lump sum benefits payable to spouse</td>
<td>$35,000</td>
</tr>
<tr>
<td>Person</td>
<td>$70,000</td>
</tr>
<tr>
<td>Reimbursement of expenses</td>
<td>$20,000</td>
</tr>
<tr>
<td>Lump sum compensation for bodily injuries</td>
<td>$50,000</td>
</tr>
</tbody>
</table>

The cost after application of the limit per claim is $61,250.

* A file is regarded as active when an RII payment is made in respect of the final quarter of the reference period.
** Two factors may apply if RII payments were made in respect of the last year of the reference period. The first applies if the payments were made in respect of the first two quarters; the second if they were made in respect of the last two quarters.
*** Eight factors may apply if RII payments were made in respect of the last two years of the reference period. The CNESST applies the factor that corresponds to the number of quarters (consecutive or otherwise) for which RII payments were made.
Maximum premium discount for an employer with no recorded injuries on file

For illustration purposes, the following table presents, for 2019 ratemaking, the premium discounts for employers without any employment injuries recorded in their files for four years, regardless of their classification unit. These discounts, which vary depending on the size of the enterprise, represent an average based on all units and therefore must be regarded as a general indication only. These discounts for employers without any personalization, for 2019 ratemaking, the premium rate, employers must be vigilant on all fronts.

When the CNESST assesses the risk inherent in an employer’s activities, it compares the costs of the injuries recorded in the employer’s file with those of other employers in the same unit. For any one injury, it distinguishes between the short-term and long-term costs. How does the CNESST do this? If the cost of the injury exceeds the maximum yearly insurable earnings by 5% ($3,500 for an injury that occurred in 2015, or 5% of $70,000), the CNESST splits it in two: the part that is less than 5% corresponds to the short-term costs and the excess corresponds to the long-term costs. This method is fairer to employers who have only less costly injuries recorded in their files.

Based on this distinction and after making the comparison, the risk is translated into two indices used in calculating personalized rates. Knowing how to interpret them can help an employer to better target its prevention activities.

Overall, it could be said that a poor short-term index is a sign of a high incidence of injuries in the enterprise, and a poor long-term index indicates a relatively high cost of injuries.

When an employer carries on several activities

The same risk indices are used to calculate the personalized rate for each unit in which the employer’s activities are classified. As the premium reflects an employer’s overall risk, it is therefore all the more contingent on the employer’s prevention efforts and on maintaining an employment relationship with its workers. To benefit from a favourable premium rate, employers must be vigilant on all fronts!

What costs are applied by the CNESST?

The CNESST takes into account the costs in respect of a four-year reference period terminating one year before the ratemaking year. For 2019, it considers the costs of injuries that occurred in 2017, 2016, 2015 and 2014. These costs include medical aid and rehabilitation expenditures, income replacement indemnities (IRI), death-related benefits and compensation for bodily injuries.

They are charged to the employer’s file for the compensation period covered, even if the benefits were not paid out.

Compensation cost

For each injury, the CNESST calculates a compensation cost that includes an estimate of future costs.

It does this by applying a factor to the costs imputed to each injury. The factor varies according to the category of the injury and the year in which it occurred. However, future costs are not calculated for injuries that occur in the last year of the reference period, namely 2017 for 2019 ratemaking.

Factors by accident year and category of injury – 2019 ratemaking

An active file corresponds to injuries that continue to generate costs. The factor is therefore higher because the injuries could involve further costs in the future. An inactive file corresponds to injuries that generated costs only at the commencement of the reference period. The factor in that case is therefore lower.

The limit per claim: an insurance mechanism

The CNESST does not use the compensation cost in calculating an employer’s personalized rate, but sets a ceiling to avoid excessive increases resulting from serious injuries. General features of the limit per claim:
- any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- any portion in excess of 150% of the MYIE is not taken into account;
- any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

<table>
<thead>
<tr>
<th>Benefit type</th>
<th>Imputation date and period</th>
<th>Death</th>
<th>lump sum benefits payable to spouse</th>
<th>Date of the worker’s death</th>
<th>Person</th>
<th>Remuneration of expenses</th>
<th>Lump sum compensation for bodily injuries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical aid and rehabilitation costs</td>
<td>Date the services or item is provided</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income replacement indemnity (IRI)</td>
<td>Period for which the worker is compensated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lump sum compensation</td>
<td>Date of the initial decision granting compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The limit per claim is $125,000.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

For any one injury, it distinguishes between the short-term and long-term costs.

- Any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- Any portion in excess of 150% of the MYIE is not taken into account;
- Any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

For any one injury, it distinguishes between the short-term and long-term costs.

- Any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- Any portion in excess of 150% of the MYIE is not taken into account;
- Any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

For any one injury, it distinguishes between the short-term and long-term costs.

- Any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- Any portion in excess of 150% of the MYIE is not taken into account;
- Any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

For any one injury, it distinguishes between the short-term and long-term costs.

- Any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- Any portion in excess of 150% of the MYIE is not taken into account;
- Any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

For any one injury, it distinguishes between the short-term and long-term costs.

- Any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- Any portion in excess of 150% of the MYIE is not taken into account;
- Any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

For any one injury, it distinguishes between the short-term and long-term costs.

- Any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- Any portion in excess of 150% of the MYIE is not taken into account;
- Any amount between 50% and 150% of the MYIE is partially taken into account.

Application of the limit by claim

The following table presents a hypothetical example of an accident that occurred in 2015 and resulted in a compensation cost of $125,000. At that time, the maximum yearly insurable earnings were $70,000.

For any one injury, it distinguishes between the short-term and long-term costs.

- Any compensation cost or portion of a compensation cost that is equal to or less than 50% of the maximum yearly insurable earnings (MYIE) is fully applied in calculating the premium;
- Any portion in excess of 150% of the MYIE is not taken into account;
- Any amount between 50% and 150% of the MYIE is partially taken into account.
Get the information you need to better manage your insurance file

The CNESST provides employers assessed on a personalized rate basis with all of the information they need to better understand their insurance files. They are then in a position to reduce the risks inherent in their enterprises and their premiums too!

Notice of Calculation of Personalized Rates – 2019
Summary of Financial Information Used in Calculating Personalized Rates – 2019
Financial Information Used in Calculating Personalized Rates – 2019

Employers can contact the CNESST offices to obtain the document Calcul détaillé – Taux personnalisé 2019 and the document entitled Effets des lésions – Taux personnalisé 2019, which explains how, through the costs incurred, every injury contributes to the increase of an employer’s personalized rate.

To ensure a better understanding of the detailed calculation of an employer’s personalized rate, the guide Calculation of Personalized Rate 2019 is available on our website in French only at cnesst.gouv.qc.ca/sst and an English electronic version is available on request.

* Please note that these documents are available in French only.

FOR A BETTER UNDERSTANDING OF THE PERSONALIZED RATE METHOD

OCCUPATIONAL HEALTH AND SAFETY 2019 RATEMAKING

Occupational health and safety ratemaking

There are three forms of ratemaking as it applies to occupational health and safety: the unit rate method, the personalized rate method and the retrospective rate method. These three methods are designed to provide employers with a fair insurance plan that covers them against industrial accidents and occupational diseases. They are also aimed at increasing prevention in the workplace and promoting the return to work of workers who have sustained employment injuries.

The personalized rate plan

Generally speaking, employers whose yearly premiums, before personalization, are between $7,500 and $400,000 are assessed on a personalized rate basis. In 2019, this involved approximately 27% of employers.

The principle underlying personalized rates: lower risks, lower premiums

An employer’s premium assessed on a personalized rate basis is calculated by applying a rate that reflects the risk inherent in the activities carried on in its enterprise.
Get the information you need to better manage your insurance file

The CNESST provides employers assessed on a personalized rate basis with all of the information they need to better understand their insurance files. They are then in a position to reduce the risks inherent in their enterprises and their premiums too!

Notice of Calculation of Personalized Rates – 2019
Summary of Financial Information Used in Calculating Personalized Rates – 2019
Financial Information Used in Calculating Personalized Rates – 2019

Employers can contact the CNESST offices to obtain the document Calcul détaillé – Taux personnalisé 2019* and the document entitled Effets des lésions – Taux personnalisé 2019*, which explains how, through the costs incurred, every injury contributes to the increase of an employer’s personalized rate.

To ensure a better understanding of the detailed calculation of an employer’s personalized rate, the guide Calculation of Personalized Rate 2019 is available on our website in French only at cnesst.gouv.qc.ca/sst and an English electronic version is available on request.

* Please note that these documents are available in French only.

FOR A BETTER UNDERSTANDING OF THE PERSONALIZED RATE METHOD

OCCUPATIONAL HEALTH AND SAFETY 2019 Ratemaking

Occupational health and safety ratemaking

There are three forms of ratemaking as it applies to occupational health and safety: the unit rate method, the personalized rate method and the retrospective rate method. These three methods are designed to provide employers with a fair insurance plan that covers them against industrial accidents and occupational diseases. They are also aimed at increasing prevention in the workplace and promoting the return to work of workers who have sustained employment injuries.

The personalized rate plan

Generally speaking, employers whose yearly premiums, before personalization, are between $7,500 and $400,000 are assessed on a personalized rate basis. In 2019, this involved approximately 27% of employers.

The principle underlying personalized rates: lower risks, lower premiums

An employer’s premium assessed on a personalized rate basis is calculated by applying a rate that reflects the risk inherent in the activities carried on in its enterprise. In other words, personalized rates vary according to the efforts devoted to preventing employment injuries and promoting the return to work of injured workers. The greater the effort, the lower the risk and therefore the more favourable rate for the employer compared to the rate for the entire unit.

In order to assess the employer’s activity-related risk, the CNESST compares the costs of the employment injuries recorded in the employer’s file against those in the files of employers engaged in the same activities, taking into account the size of the employer’s enterprise.

As a general rule, for an employer with a medium-sized business, the risk-related portion of the rate for its activities is smaller. This insurance principle provides the employer with significant protection against large premium increases resulting from the costs of serious injuries. The corollary of this principle is that the employer will not benefit from substantial premium discounts, even if there are no injuries recorded in its file.

Conversely, an employer with a large payroll benefits from a highly personalized rate and the amount of its premium is dependent on the costs of the work-related accidents in its enterprise and on its prevention efforts and its injured workers’ return to work.