

Client Services Procedure Manual

Procedure: 103.00

Subject: Optional Personal Coverage and Householder Coverage

103.01 Introduction

WorkplaceNL offers two types of optional coverage for individuals who are not required to register under the Workplace Health, Safety and Compensation Act (the Act). Optional personal coverage (OPC) and householder coverage are offered by WorkplaceNL to those who qualify and opt to purchase such coverage.

103.02 Optional Personal Coverage

Proprietors and partners of non-incorporated businesses and independent operators are not mandatorily covered under the Act. However, they may voluntarily apply for and obtain optional personal coverage in accordance with the terms and conditions of WorkplaceNL.

An Optional Personal Coverage Application form is available on WorkplaceNL's website at workplacenl.ca. The form should be completed in full and returned with the appropriate payment to WorkplaceNL. In addition, a determination regarding the applicant's status as a worker, employer or independent operator may also be required. Please refer to Procedure 101.00, Coverage under the Workplace Health, Safety and Compensation Act and Procedure 102.00, Independent Operator Determination.

Terms of Coverage

The following terms and conditions apply to an application submitted to WorkplaceNL for optional personal coverage:

- Premiums for the period of coverage must be paid in full at the time of application
- There is a non-refundable minimum assessment charge of \$50.
- The maximum coverage purchased cannot exceed the maximum compensable earnings specified by the Act. Annual maximum compensable earnings can be found on WorkplaceNL's website at workplacenl.ca.
- Coverage is in effect from the date of receipt of the application, payment and approval by WorkplaceNL, or from the coverage date requested in the application, whichever is later.
- The minimum period of coverage that may be purchased is 28 days.
- The maximum period of coverage is one calendar year, which is January 1 to December 31.
- Coverage automatically expires on December 31 of each year, or on the date specified in the application, whichever is earlier.
- Coverage may also be cancelled in writing by the applicant or by WorkplaceNL at any time.

The general practice is that a cancellation will not be backdated prior to, if applicable, the originally requested date for cancellation. However, consideration may be given where there is reason to believe that the individual was no longer working. Requests for backdating cancellation must be made in writing and information to substantiate the cancellation must accompany the request. Cancellations of coverage will not be backdated such that the period of coverage would be less than the minimum coverage period of 28 days.

For individuals whose coverage automatically expires on December 31, a renewal form will be sent to them prior to expiration. If the individual would like to renew the OPC they must complete the form and return it with the appropriate payment to WorkplaceNL.

Proof of earnings must be submitted with a claim for lost-time benefits. Benefits will be based on the actual amount of earnings loss, but in no case will exceed the amount of coverage requested or the maximum compensable earnings specified by the Act.

Multiple Business Activities

When an individual operates more than one business entity, their OPC is not transferable from one business to the other. If coverage is required for more than one business activity, the applicant must clearly state this to WorkplaceNL. If the rates differ between multiple business activities, WorkplaceNL will apply a single Newfoundland Industrial Classification Code (NIC Code) to the applicant's earnings, based on the business activity with the higher rate.

The following examples illustrate situations where an individual may be involved in multiple business activities:

- If a person is a proprietor of a firm and also an active director of an incorporated company, that individual has compulsory coverage for their activities in the business of the incorporated company. However, the individual must purchase OPC in order to have coverage for activities in the business of the proprietorship.
- If the individual has OPC as a proprietor, it is only in effect while the person is operating that proprietorship, and may not be extended to any other business or activity outside of the operations of that proprietorship.

103.03 Householder Coverage

Individuals performing work in or around the residence of a householder are not covered under the Act, as per Section 4(b) of the Regulations. However, the householder may voluntarily apply for and obtain householder coverage in accordance with the terms and conditions of WorkplaceNL. Householder coverage is an optional coverage that can be applied for by a private individual when hiring other individuals to do work in or around the residence of the householder. Examples of types of work undertaken where householder coverage may be applicable can include, but are not limited to: child care services, house cleaning, home care and renovations.

Terms of Coverage

Terms and conditions are the same as for OPC, with two exceptions:

1. The applicant is the homeowner and coverage is only extended for the worker(s) listed on the Householder Coverage application form. This differs from OPC, which extends coverage to the applicant only; and
2. Householder coverage automatically expires on December 31 of each year. A renewal form will **not** be sent to the individual prior to expiration. If the individual would like to renew the coverage beyond the expiration date, they must obtain, complete and submit a new Householder Coverage application form and return it with the appropriate payment to WorkplaceNL.

The Householder Coverage application form is available on WorkplaceNL's website at workplacnl.ca. The form should be completed in full and returned with the appropriate payment to WorkplaceNL.

Reference: Workplace Health, Safety and Compensation Act, Sections 38, 39, 41, 80, and 103
Workplace Health, Safety and Compensation Regulations, Sections 4(b) and 6
Policy ES-01, Personal Coverage
Procedures: 101.00, Coverage under the Workplace Health, Safety and Compensation Act
102.00, Independent Operator Determination

Amendment History

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