

Client Services Policy Manual

Policy Number: **PR-03**
Subject: **PRIME Adjustments**
Chapter: **PRIME**

Policy Statement

On an annual basis, all employers eligible for the practice and experience incentive components of PRIME are informed about their experience incentive range and their PRIME practice refund and experience refunds/charges. However, as various factors on an employer's account may change during any given year, it is sometimes necessary to adjust the experience incentive range and possibly the refunds and charges that have previously been applied to the employer's account. This is required to ensure that all employers are assessed based on the current information for their account so that their assessment represents the current operations of the employer.

The time limits for adjustments to an employer's account which are listed below are outlined in Policy ES-14 "Statute of Limitations".

General

Examples of factors that may change and therefore result in revised calculations on an employer's account include, but are not limited to:

1. Status – An employer may reactivate from suspended to active status, or deactivate from active to suspended status;
2. Assessable Payroll - An increase or decrease in assessable payroll;
3. Classification – An employer's operation may change in terms of the industry in which the employer operates;
4. Grouping – An employer may change its business operations or reporting structure (refer to Policy PR-04 "PRIME Employer Groupings");
5. Cost Relief – An employer may receive cost relief due to second injury (refer to Policy ES-11 "Second Injury Relief"), negligence (refer to Policy ES-12 "Transfer of Injury Costs"), or for administrative reasons;
6. Practice Incentive Criteria – Where WorkplaceNL is unable to validate an employer's responses to the practice incentive questions on the Employer Payroll Statement as required by Policy PR-06 "PRIME Practice Incentive for Provincially Regulated Employers" and PR-07 "PRIME Practice Incentive for Federally Regulated Employers", adjustments

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to any practice refunds and experience refunds/charges may be required;

7. Type of Coverage – An employer’s type of coverage may change to one that is excluded (i.e. Optional Personal Coverage or Householder Coverage), resulting in ineligibility for both PRIME components; and
8. Eligibility – A change in eligibility for the practice incentive component or the experience incentive component (or both).

Changes to any of the above factors may require adjustments to the assessment and/or PRIME calculations on an employer’s account. An adjusted invoice will be issued where it is warranted. For an explanation of adjustments, refer to Policy PR-05 – “PRIME Reporting”.

Implementation

The PRIME Program will be transitioned into effect in phases. PR-03 is effective 2006 01 01 subject to the provisions of Policy PR-11 “PRIME Transitional Policy”.

Reference: *Workplace Health, Safety and Compensation Act (the Act)*, Section 96

Amendment History

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| <i>Original Effective Date</i> | 2006 01 01 |
| <i>Revision #1</i> | 2006 11 28 |
| <i>Revision #2</i> | 2008 02 15 |