

## Premium relief for employers

In March 2020 the Alberta government announced new measures to provide immediate financial support to private sector employers during the COVID-19 outbreak:

- All private sector employers will have their 2020 WCB premiums deferred to 2021.
- When we resume invoicing for 2020 premiums in 2021, small- and medium-sized private sector employers will have 50 per cent of their 2020 premiums waived.

Invoices for 2020 premiums have been stopped for the remainder of the year and WCB will refund employers who have already made payments towards their 2020 premiums. No interest charges will be applied for unpaid 2020 premiums.

### Deferral of 2020 premiums

#### Which companies are eligible for a deferral of 2020 premiums?

All private sector employers are eligible. This includes businesses with coverage only in place for business owners and directors (personal coverage), as well as those in voluntary industries with coverage in place on or before March 23, 2020.

#### What happens if I've already made payments towards my 2020 coverage?

Payments already made towards 2020 premiums will be refunded to employers—you will only be reimbursed for what you have paid towards your 2020 premiums. Your 2020 premium balance will then be deferred to next year.

We will process refunds automatically or we may contact you to confirm. You do not need to call in to request reimbursement.

#### What should I do if I've received a premium invoice that I have not yet paid?

You do not need to pay any outstanding premium invoices. All 2020 premiums for private sector employers will be deferred until 2021. No interest charges will apply on unpaid balances for 2020.

#### When will my company be invoiced for 2020 premiums?

Invoices will be sent out in or after February 2021 and will include your premium balance for 2020 in addition to any new balance owing for 2021.

### Waiver of 50 per cent of 2020 premiums

#### Which companies are eligible to have 50 per cent of their 2020 premiums waived?

Any small- and medium-sized private sector employers with \$10 million or less in insurable earnings for 2020 will be eligible.

#### When will these 2020 premiums be waived?

These premiums will be waived when invoicing resumes in or after February 2021.

#### How will my 2020 premium waiver be calculated?

Waived premiums for small- and medium-sized private sector employers will be calculated based on 50 per cent of their assessed premiums for 2020.

These waivers will be applied when premium invoicing resumes in 2021. It will be based on the actual insurable earnings figure you report on your 2020 annual return.

#### Do I need to apply to have my 2020 premiums waived?

No. Eligible employers will have these amounts automatically waived when invoicing resumes in 2021.

#### Can I request to have the 2020 premium waiver sent to me by cheque?

No. These waived premiums will not be calculated until 2021 when you file your annual return. They will then be applied directly towards your 2020 premium balance. We will refund any payments you've already made towards your 2020 premiums as part of the premium deferral process.

#### What is the total cost of the 50 per cent of premiums being waived? Who is paying for it?

We estimate the total value of these waivers will be approximately \$350 million. These costs are being paid for by the Government of Alberta—there are no direct costs to employers.

## **Additional information about 2020 premium relief**

### **Will benefits to injured workers be impacted by these changes?**

No. Benefit entitlements for injured workers remain unchanged.

### **Will this program impact my premium rate in 2021?**

No. Premium rates for 2021 will be set based on the expected costs of 2021 claims. Premium relief in 2020 will have no impact on future rates.

### **Will there be any impact on clearance certificates?**

Letters of clearance (good standing) will remain available for any employers, contractors or subcontractors who have an open account with WCB.

### **Will WCB's funding level be affected by this change?**

We are not anticipating any significant impacts to our funding level as a result of deferring 2020 premiums. There is no impact resulting from the waived premiums as these costs will be offset directly by the government.

