



# Workers' Compensation Act Committee of Review

## **2016 Report**



June 30, 2016


Honourable Don Morgan, Q.C.  
Minister Responsible for the Saskatchewan Workers' Compensation Board  
Legislative Building  
Room 361, 2405 Legislative Drive  
REGINA SK S4S 0B3

Dear Minister Morgan:

The Workers' Compensation Act Committee of Review, appointed pursuant to section 162 of *The Workers' Compensation Act, 2013*, respectfully submits this report of its review of the Saskatchewan workers' compensation system.

The Committee members have appreciated the opportunity to be of service to the workers, employers and the public of the Province of Saskatchewan.

Sincerely,



Kaylynn Schroeder  
Chairperson



Lori Sali, Vice-Chairperson  
Employee Representative



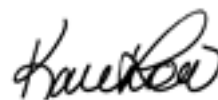
Judy Henley  
Employee Representative



Mike Wainwright  
Employer Representative



Irene Cruson  
Employer Representative



Karen Low  
Employer Representative



Ron St. Pierre  
Employee Representative

## Acknowledgments

The Committee of Review (the Committee) extends our gratitude to the many individuals and organizations that participated in the review process through written submissions or presentations to the Committee.

Each member of the Committee sincerely appreciates the time and effort you took to share your experiences, concerns and proposals to improve *The Workers' Compensation Act, 2013*, the regulations and the administration of the Act and regulations.

We wish to thank the Workers' Compensation Board (WCB) and its staff, in particular, Mitchell Scott, Acting Executive Assistant to the CEO, for assistance and patience in answering the Committee's many questions and requests for information. We also met with the Board and CEO of the WCB. The Committee would like to acknowledge that the Board members, with the exception of the Chairperson, are new to their positions and as such were unable to provide sufficient information with respect to governance. We believe this is a symptom of the Board's focus on dealing with the backlog of appeals. The Board should have a balanced approach with respect to meeting their mandate which is a combination of appeals and governance.

The Committee thanks the Fair Practices Office at the WCB, as well as the Office of the Workers' Advocate of the Ministry of Labour Relations and Workplace Safety for their support of the review process and assistance in gaining insights into the daily operation of the workers' compensation system.

We could not have fulfilled our mandate without the support received from many persons in the Ministry of Labour Relations and Workplace Safety under the leadership of the Honourable Don Morgan, Q.C. and Deputy Minister Michael Carr.

The Committee is indebted to Pat Parenteau, Director of Policy, Central Services for her contribution and guidance in this process. We would also like to thank Laura McKnight, Communications Consultant for her contributions to this process.

The Committee extends sincere appreciation to the members' employers for supporting time away from their workplaces and duties and to their families for supporting their time apart.

Finally, the Committee acknowledges Jodie Zerr, Project Manager for the Committee of Review. Jodie's on-going efforts allowed us to carry out our objective in a timely and efficient manner.

## Table of Contents

Executive Summary .....	1
Mandate and Basic Principles .....	3
Highlights Since Last Committee of Review .....	5
Culture and Customer Service .....	7
Board Structure and Governance .....	13
Appeals .....	18
Psychological Injury .....	20
Fatality Service Specialist .....	21
Coordination of Benefits .....	23
Privacy Policy .....	24
Employer Resource Centre .....	26
Communication and Surplus .....	28
Rate Review and Standard Discount .....	30
Review Implementation and Oversight .....	31
Conclusion .....	32
Summary of Recommendations .....	33
Appendix A - Committee of Review Member Biographies .....	35
Appendix B - Schedule of Public Consultations .....	37
Appendix C - List of Submissions and Presenters .....	38
Appendix D - 2014 WCB Funding Status .....	39
Appendix E - Average Claim Duration 2014 (in days) .....	40
Appendix F - Saskatchewan Workers' Compensation Board Governance Manual .....	42
Appendix G - Injuries – Psychological (POL 01/2009) .....	44
Appendix H - Injuries – Psychological (PRO 01/2009) .....	47
Appendix I - Psychological Injury Claims .....	49
Appendix J - SGI/WCB Benefit Comparison .....	50
Appendix K - <i>The Workers' Compensation Act, 2013</i> sections 173 and 174 .....	51
Appendix L - Funding (POL 01/2014) .....	53
Appendix M - Funding (PRO 02/2013) .....	55
Appendix N - 2015 Balanced Scorecard Targets and Performance .....	56



---

## Executive Summary

The Workers' Compensation Act Committee of Review (Committee) is a statutorily required body established under section 162 of *The Workers' Compensation Act, 2013*. The mandate of the Committee is to review the Act, the regulations and the administration of the Act and regulations. The review conducted by the Committee provides a forum for injured workers and their family members, advocates, business and labour organizations as well as the general public to provide their insights into the workers' compensation system in Saskatchewan.

The legislative requirement to appoint a Committee of Review began on July 1, 1945<sup>1</sup>, and has resulted in an assurance to both workers and employers that they will have an opportunity to share their views and concerns as well as offer suggestions for improvement. The current Committee was appointed by the Lieutenant Governor in Council on February 25, 2015 from nominations received from business and labour groups in Saskatchewan<sup>2</sup>.

The Committee undertook a consultation process that included receiving written submissions from the public as well as holding public hearings. We received over 70 submissions from employers, employees and organizations and held public consultations in Saskatoon, North Battleford, Prince Albert, Yorkton and Regina. The information received through the public hearings and written submissions was considered in the preparation of this report. In an effort to provide transparency, the submissions from businesses and organizations were posted on the Committee's webpage<sup>3</sup>.

We would like to highlight the fact that during consultations it became clear that both individuals and organizations questioned the effectiveness of the review process. It was brought to our attention that several recommendations in previous reports were either reportedly in progress with no observable results or not acted upon. Stakeholders were genuinely frustrated by the apparent lack of progress.

Though we identified several areas that require improvement at the Workers' Compensation Board (WCB), we acknowledge that the financial aspects are well managed as compared to other jurisdictions in Canada (**Appendix D**). This was made apparent in the Saskatchewan Workers' Compensation Board's *2015 Annual Report*.<sup>4</sup>

One area that the Committee found needed improvements was within customer service and culture. In 2016, Though a new mandate and values statement aimed customer service and employee engagement was updated in the Saskatchewan Workers' Compensation Board's *2017-2019 Strategic and Operational Plan (Strategic Plan)*<sup>5</sup>, the WCB's objectives have continued from previous years. The *2015 Annual Report* provides evidence that these objectives are currently not on target. We expect the Board will hold senior management accountable to meet their stated objectives.

---

<sup>1</sup> *The Workmen's Compensation (Accident Fund) Act*, Statutes of the Province of Saskatchewan, 1945, Chapter 104, s. 7, p. 362-364

<sup>2</sup> Government of Saskatchewan, *The Workers' Compensation Act, 2013*, ss. 162(3)

<sup>3</sup> <http://www.saskatchewan.ca/government/public-consultations/past-consultations/workers-compensation-act-review>

<sup>4</sup> Saskatchewan Workers' Compensation Board, *Annual Report 2015*, p. 50

<sup>5</sup> Saskatchewan Workers' Compensation Board, *2017-2019 Strategic and Operational Plan*, p. 7

In preparing this report, we focused on making recommendations that would have the greatest impact on improving the compensation system. As a result, we have made 11 overarching recommendations. We believe strongly that these 11 recommendations need to be implemented in order to ensure that the operational and policy issues identified in the submissions are addressed as quickly as possible.

The first recommendation acknowledges that a culture of respect with a focus on customer service is mandatory in achieving the goals of the WCB. The WCB's employees need to be educated, informed, engaged and empowered to achieve the organization's customer service objectives in a timely and efficient manner. The report speaks more to the importance of a cultural shift at the WCB in the [Culture and Customer](#) section.

The recommendation respecting governance and structure of the Board of Directors proved the most challenging. We feel meaningful improvements, including a shift in culture, can be made to the compensation system by implementing a modernized Board structure consisting of three full-time and four part-time members. The three current full-time Board members would comprise the dedicated appeals tribunal. All seven Board members would fulfill the current mandate to provide the strategic direction, oversight of financial and operational performance, governance and effective stakeholder engagement. This enhanced structure is intended to increase capability, efficiency and bring skill diversity to the Board while improving operational oversight and accountability. This recommendation also ensures injured workers are provided timely assistance by maintaining an internal appeals tribunal with worker and employer representation. A combination of full-time and part-time Board members will bring the necessary qualifications needed, in a cost effective manner, to focus on both appeals and governance. The recommended changes to the governance structure are detailed in the [Board Structure and Governance](#) section of this report.

The remaining recommendations focus on:

- enhancing service;
- improving communication to the WCB's stakeholders; and
- increasing fairness and accountability.

These suggested changes to policy and operations will improve the WCB's operations and the delivery of its services in an efficient and cost-effective manner.

All 11 recommendations have the unanimous support of the Committee members and we request that the Board and Minister Responsible for the Workers' Compensation Board seriously consider implementing all of the recommendations. We must stress that the public has been very direct and unified in their recommendations, which is something that we have taken very seriously in our deliberations. Throughout the process the main objective has always been how to best serve the injured worker. It is with this in mind that we respectfully present our recommendations.



---

## Mandate and Basic Principles

### Mandate

Section 162 of *The Workers' Compensation Act, 2013* (the Act) requires the Lieutenant Governor in Council to appoint a Committee of Review at least once every four years. This is the report of the Committee appointed on February 25, 2015.

Beyond requiring a review and recommendation report on the Act, regulations, and their administration be completed, the Act does not specify how the Committee is to fulfill its mandate. The current Committee has reviewed the Act, as amended to date, and its application including the operation and functions of the WCB and associated bodies. We have gathered information from written submissions and interviews from relevant stakeholders such as injured workers and their families, employers, affected bodies and groups and the general public through public consultations, as well as from the WCB employees and data received from the Board and other sources.

In addition, we have carefully considered the recommendations of the 2006 and 2011 Committee of Review reports, particularly those that have not been implemented. It was not clear why the recommendations had not been implemented. There does not seem to be enough transparency as to how decisions are made. Therefore we would like to stress the need for increased accountability to stakeholders and interested parties respecting the disposition of the recommendations, including follow-up to this report.

### Meredith Principles

The Meredith Principles outline the historic compromise between employers and workers that have been in existence since October 31, 1913<sup>6</sup>. Injured workers gave up the right to sue their employers. In exchange, they are assured of medical coverage and income replacement on a no fault basis. Employers no longer feared a possible lawsuit by an injured worker which could bankrupt the business. In exchange, they collectively paid for no fault insurance to cover all workers and for the operation of the Workers' Compensation Board to manage the system.

The Meredith Principles, and the compensation systems they influence have resulted in a much more civilized relationship between injured workers and their employers where the implications of injuries have been ameliorated for the workers and the possibility of an injury related lawsuit forcing a company into bankruptcy has been removed. Another positive effect of the implementation of the Meredith Principles is that it encourages employers to run a safe, injury-free workplace leading to a healthy, productive workforce.

---

<sup>6</sup> The Hon. Sir William Ralph Meredith, C.J. O., Commissioner, *The Meredith Report, Province of Ontario Final Report*, October 31, 1913

We believe strongly in upholding the Meredith Principles to guide the provision of the best services available to injured workers. An effective workers' compensation system applies these principles, while keeping in mind the following:

1. **Accountability** - Honesty and transparency are the pillars on which a just society and the organizations within it rest. All players must be held accountable for their actions. This includes employers, employees and the WCB staff involved in the compensation system.
2. **Service to Stakeholders** - We believe in a system governed by a knowledgeable board. Workers' compensation boards exist because history has shown that the compensation and related services they provide are best delivered through such boards. Boards exist to serve the recipients of their services - injured workers and employers. A more robust and efficient level of service is due to these stakeholders.
3. **WCB Operations** - Any organization operating with other people's money, whether the funders are taxpayers or employers, must strive to be as efficient and effective as possible in the use of those dollars.
4. **Fairness** - Boards must govern a system that is fair, and is seen as fair, to all of its stakeholders. Workers must know that their claims are being fairly adjudicated and that payments are reasonable. Employers should know that they are paying only their fair share of the costs of the system.
5. **Inclusion** – A WCB should provide a vital service and its approach to providing this service should be open and inclusive rather than closed and limited. Inclusivity must be considered when providing coverage, sharing information and seeking input about decisions and changes.
6. **Prevention and Safety** - A theme that we used in guiding our deliberations and the preparation of this report is prevention and safety for workers. We agree that the underlying goal of every workers' compensation system and the related bodies that it works with is to minimize human suffering through the reduction or elimination of workplace injuries and deaths. Preventing injuries in the first place is of much greater benefit to workers and their families than even the best post-injury medical care and income replacement. Reducing injuries and the need for claims is the most effective way to contain the costs of the workers' compensation system for employers both the dollar costs and the related administrative burden. These recommendations kept that theme in mind.

Therefore, we cannot over-emphasize the importance of safety and injury prevention. The WCB must not only be seen as a payer of claims after a workplace injury but first and foremost as a leading advocate for injury prevention and safe work practices.

---

## Highlights Since Last Committee of Review

### Highlights

The 2016 Committee of Review would like to acknowledge the work of the 2011 Committee of Review, the Minister, and the WCB in enacting the following changes to provide continual improvement to the system:

#### Maximum Wage Rate

The maximum benefit to injured workers remained stagnant for many years despite increases in the cost of living and economic activity in Saskatchewan. A tiered increase to the maximum wage rate and indexation to the average weekly wage was a much needed change.

In 2013, the maximum wage rate provision was amended in accordance with this recommendation. The following table indicates the progression of the maximum wage rate for determining benefits.

Year	Average Weekly Wage per annum	Maximum Benefit	Maximum as % of Average
2010	\$43,994	\$55,000	
2011	\$44,595	\$55,000	125%
2012	\$47,584	\$55,000	123%
2013	\$49,346	\$55,000	116%
2014	\$50,994	\$59,000	120%
2015	\$50,851	\$65,130	128%
2016	\$52,631	\$69,242	136%
2017	\$54,473	\$76,404	145%
2018	\$56,380	\$84,307	155%
2019	\$58,353	\$93,027	165%

This innovative solution is providing many recipients of compensation a living wage more in line with their earnings and enables them to maintain the lifestyle they built throughout their career.

#### Optional Coverage for Self-Employed

The WCB policy (POL 31/71) was revised such that all self-employed people have the option of being covered by WCB. Where no salary is paid, an income level of not less than 50 per cent of the maximum assessable earnings is chosen for the self-employed person and is used as the basis on which premiums are set.

#### Updated *The Workers' Compensation Act, 1979*

In 2012, a line-by-line review of *The Workers' Compensation Act, 1979* was undertaken to give effect to the recommendations of the 2011 Committee as well as modernize and make housekeeping amendments.

## **Identifying the Levels of Appeal in the Act**

The Workers' Compensation Act was amended to explicitly include the existing two levels of appeal, namely the Appeals Department within WCB and the Board Appeals Tribunal.

## **Ongoing Issues**

The 2016 Committee of Review determined, based upon a number of stakeholder submissions, that the customer service and organizational culture issues identified in the previous Committee of Review report have not been adequately addressed by the WCB. This is despite formal processes having been put in place by the WCB to mitigate these issues. WCB's efforts have not translated into improved customer service, as evidenced in consultation with injured workers, employers, service providers and associations.

This is of particular concern to us because it appears in some instances that recommendations for service improvements made by previous Committees of Review have not been taken seriously by the WCB administration. In our view, this has been a missed opportunity to resolve stakeholder concerns and ensure high quality service delivery. This failure has not served injured workers or their employers well.

### **Tone at the Top**

The Committee of Review renews a call for senior leaders at the WCB to acknowledge that fundamental changes need to occur with respect to organizational culture and employee satisfaction. The WCB needs to implement the changes recommended by the Committee to address these issues.

### **Training**

WCB employees need to receive enhanced training in customer service. They also need to recognize that stakeholders, both employers and employees, are the WCB's customers.

---

## Culture and Customer Service

The Committee believes that the culture of an organization has a significant impact on service delivery and the performance of an organization. Without a good cultural foundation, an organization cannot achieve excellence. The Government of Saskatchewan acknowledges culture as a priority in the *Our Commitment to Excellence* which states:

*“Dedicated to service excellence, we demonstrate innovation, collaboration and transparency, practice effective and accountable use of resources and promote engagement and leadership at all levels.”*

### Tone at the Top

During the last five years, the WCB has not met their customer service survey targets, as shown in the Workers’ Compensation Board’s *2015 Annual Report*. The following table shows the WCB’s service targets and actual performance scores:

Corporate Objective	Indicator	Target	2015 Performance
Excel at serving injured workers	Worker service satisfaction score	4.20	4.03
Excel at serving employers	Employer service satisfaction score	4.20	4.08

*Workers’ Compensation Board 2015 Annual Report, page 21*

While there is discussion around continuous improvement the results achieved are not matching the desired outcomes. In our discussions with employees of the WCB, it appears that improvements in customer service delivery have not been successful. The new customer-centric approach does not seem to have cascaded down through the organization to the extent that it has become core values of the employees. We understand that culture and customer service delivery improvements are not successfully moving forward. For example, we found evidence that while the WCB could record calls for customer service training and enhancement, they have chosen not to do so. We believe recording calls would provide real life examples of when and where customer service could be improved.

Employee engagement is one of the performance measures the WCB uses to measure success of the organization. However, in the most recent WCB internal employee survey an engagement score of 68 per cent, when the target is 80 per cent, means there is work to be done. We understand that the engagement score increased by two per cent over the last survey, but we do not believe employee engagement is where it needs to be in order to be a customer focused organization. Culture and engagement start with the tone at the top and starts with the Board. We did not get a sense from the Board that they were focused on being customer centred, due to their focus on the appeals backlog created during the previous administration. Nor did they understand that work needed to be done in the development of improved customer service and culture.

---

<sup>7</sup> Government of Saskatchewan, *The Saskatchewan Public Service Vision: The Best Public Service in Canada*

The Committee took seriously performance results from the WCB's balanced scorecard because it provides a line of sight to the goals and achievements of the Board. The WCB uses this balanced scorecard as well to determine whether it has achieved the objectives set out by the organization. The Committee strongly recommends that the Board hold management accountable to make immediate, meaningful gains in achieving the stated goals by providing evidence that the WCB employees are living the values of the organization. While the recent Strategic Plan identifies organizational culture as a priority, actual improvements must be reflected in the balanced scorecard.

## Culture and Customer Service

This Committee places great value on the Meredith Principles and the need for enhanced customer service at all levels within the WCB. This can best be achieved by ensuring cultural values are "lived" throughout the organization.

We are in agreement with the 2011 Committee of Review that held culture and customer service improvement as the cornerstones of the recommendations. We have not received any information that customer focused service has improved or that the WCB has taken the 2011 recommendation regarding service seriously. The 2011 report recommended:

*"16. WCB executives recognize that fundamental changes need to occur with respect to organizational culture and employee satisfaction. WCB implement the identified changes."*<sup>8</sup>

The actions and deeds of all WCB employees must align with the Board's value statements and corporate beliefs. The value statements are as follows:

*"Mission Zero: - we will achieve our mandate without compromising, first and foremost the health and safety of our employees.*

*Respect for People – those we serve and those we work with will be treated with respect and consideration.*

*Fairness – those we serve and those we work with will be treated equally and without prejudice or bias*

*Honesty – we are truthful with those we serve and those we work with*

*Openness – our programs and services are easy to access and to understand, and our decisions and actions are clear, reasonable and open to examination."*<sup>9</sup>

The WCB's *Strategic Plan* states that they have revised their mission statement as follows: "We will be a customer-centric organization that continuously seeks to add value for our customers through a culture of continuous improvement".<sup>10</sup> While we appreciate the restatement of its mission, actions and results of management need to align with that objective. Process improvement alone will not make for a great customer experience. The attitude towards injured workers and concerned employers must be addressed.

---

<sup>8</sup> *Workers' Compensation Act Committee of Review Final Report, 2011, p. 29*

<sup>9</sup> Saskatchewan Workers' Compensation Board, *2017-2019 Strategic and Operational Plan*, p. 3

<sup>10</sup> Saskatchewan Workers' Compensation Board, *2017-2019 Strategic and Operational Plan*, p. 2

---

*“While it may not officially be the written policy of WCB in Saskatchewan, in our experience and from stories shared from others who have gone through the process of applying for compensation under WCB after contracting an asbestos-related disease, SADAO believes that the current system in Saskatchewan is an adversarial approach. The burden of proof seems to be on the worker to prove when and where they were exposed to asbestos. This can be a very time consuming and labour intensive process for someone who is healthy. This process is made even more difficult for someone who is terminally ill and undergoing various treatments (i.e. radiation and chemotherapy), especially if they do not have family support that can help with the research.”<sup>11</sup>*

The medical community, which is also a client of the WCB, informed us during the consultations that they are not receiving clear and timely communication. We found this troublesome because, as service providers for the compensation system, medical professionals should have a better understanding than the average worker or employer. This does not appear to be the case. The Saskatchewan Union of Nurses (SUN) stated in their submission that:

*“The previous WCB Committee of Review recommended that more information be provided to injured workers to outline, in detail, the financial implications of decisions.*

*SUN members continue to report that they have difficulty understanding how their WCB income was determined, the exact salary basis that was used by WCB, and the implications to their benefits.*

*SUN members do not receive WCB directly. The WCB income is provided via the employer. This renders further confusion to ascertain if the accurate amount of income has been provided.*

*SUN recommends that WCB increase the clarity of information provided to injured workers with respect to the calculation of benefits, and consider issuing payments directly to the injured worker to increase transparency.”<sup>12</sup>*

There are many examples of customer-centric service models in private insurance companies to identify best practices. We suggest the WCB align with those practices and service models to further their effectiveness as a customer oriented, insurance based scheme. This can be achieved by investing resources in WCB employees as recommended in the 2011 Committee of Review report. As well, the Saskatchewan Building Trades recommended in its submission:

***“Recommendation 2: Invest in WCB Employees***

*...we recommend that the Workers’ Compensation Board further invest in the development of highly skilled workers who are extremely committed to their clients. If Saskatchewan is to make a substantial and lasting move from high to low rates of injury, we believe the WCB will have to continually enhance its effectiveness as an organization. One of the best ways to ensure that an organization can deliver on its goals is to invest in the capacity of its people, processes and information systems.”<sup>13</sup>*

---

<sup>11</sup> Saskatchewan Asbestos Disease Awareness Organization Submission to The Workers’ Compensation Act Committee of Review

<sup>12</sup> Saskatchewan Union of Nurses Submission to the WCB Committee of Review November 2015

<sup>13</sup> Saskatchewan Building Trades Submission to the WCB Committee of Review November 2015

Based on information gathered in public consultations and in our interactions with the WCB, the Committee proposes several areas that need to be addressed in order to rectify customer service issues:

1. Many presenters at the public hearings indicated they experience that their calls to the WCB were neither answered, or their voicemails were not returned in a timely manner. Abandoned calls and lack of timely response are unacceptable practices that unnecessarily lengthen the time to resolution of claims and return to work when possible.
2. The WCB Claims Entitlement Services Unit is the initial contact for incoming claims. Injured workers can contact the Unit by phone, email or in person. Currently, access to this Unit is restricted because it closes over the noon hour and before five p.m. This is limiting for workers who are only available at these times due to work. This Unit's hours are managed by the organization and could be extended beyond a nine to five workday through negotiation with the union. The Annual Report states that the four-year collective agreement expires in December 2016. The timing of the upcoming negotiations would provide the WCB the opportunity to negotiate required alternate hours of service for the Claims Entitlement Services Unit with the Saskatchewan Government and General Employees' Union. Many injured workers and employers find it difficult to access the WCB and if customer service is a stated value, hours of operation should be convenient for users of the system.
3. The number of appeals that are made to the Board Appeal Tribunal have remained relatively constant over the past five years, at over 200 appeals each year (277 in 2015). The time to decision (the date the appeal was filed to the date the Board Appeal Tribunal renders its decision) is approaching 300 days. The WCB needs to develop a strategy to reduce the number of appeals and, if possible, have them handled at the front end by the case managers.

The Committee is particularly interested in appeal cases where decisions are being overturned. The Committee is unsure of the reasoning for overturning decisions. This could be because:

- a) the Board has authority to make decisions outside of policy;
- b) the Board may be provided additional information beyond what the case worker was working with; or
- c) a particular claim was complex.

We believe the WCB needs to refer overturned decisions back to the lower levels of appeal and to the original decision making unit for learning purposes.



- 
4. While clear communication and openness are cited in the values statement of the *Strategic Plan* as a requirement of great customer service, we received examples of confusing wage calculation letters and benefits explanations. While these examples may be an anomaly, we believe that clearer written and verbal communication that is free of jargon or technical terminology would be beneficial to injured workers as well as the WCB. It is critical that injured workers are able to understand easily the details of their entitlement and how the calculation was made. Conversely, employers should be able to understand the decision as set out in the entitlement letters and be able to reconcile the benefit amount provided.
  5. We heard a number of complaints from injured workers that turnover of personnel at the WCB has resulted in numerous changes in case workers. This is satisfactory if the compensation system continues to provide seamless service and up to date information. However, many injured workers indicated in the consultation process that they had to retell their story multiple times due to changes in their case workers. To us, this indicates that there are systemic issues in addition to turnover in the case management group. File integrity is being compromised, and steps need to be taken to rectify this issue.
  6. We are concerned with the length of time from the date of injury to the date of the initial compensation payment. From the information provided by the WCB, the average length of time was 44 days to initial payment in 2014. In our opinion, this needs to be reduced by at least half. A jurisdictional comparison identified that Saskatchewan's wait time is among the highest in the country per capita. The average claim duration is lengthy ([Appendix E](#)). In comparison, in 2014 Nunavut and the Northwest Territories experienced 40.76-day claim duration; while Quebec experienced the highest claim duration at 106.58 days. Year over year improvements have been made in some areas (just under 40 days as of 2015 Saskatchewan statistics); however, the average duration has an impact on injured workers' financial situation.
  7. Many cases presented to the Committee at the public hearings identified that injured workers were significantly impacted as they waited for payment or decision. For example, injured workers stated that they lost their homes as a result of delays.
  8. A number of stakeholders felt their integrity was questioned by WCB employees when reporting their claim. This reflects badly on the compensation system and goes against everything the Board has stated it stands for in building positive relationships with workers and employers. While we understand that there may be some fraudulent claims, it is hard to comprehend why so many individuals would be made to feel that they were filing a claim for which they were not entitled, unless this had been suggested to them by the case managers.

Management and staff of the WCB need to focus on substantial improvements in staff adherence to customer service standards and behaviors consistent with the WCB's corporate culture. The WCB takes great pride in its position as one of the Top Saskatchewan Employers. Though this is certainly commendable, we do not feel this is the only metric they should focus on because it is not a customer-centric measure of success. Many insurance companies that emphasize customer service use measures like the J.D. Power Award, which focuses on customer experience and rates companies against their peers, as a metric for continuous improvement. J.D. Power conducts research to provide customers with credible and clear feedback. Their surveys include areas such as customer service, problem resolution, and overall satisfaction. The WCB should measure its success using this type of independent performance evaluation tool.

We believe the WCB could use its experience with Mission: Zero and apply it to operating the WCB to improve service delivery. It is apparent to us that the Board is aware of the need for better customer service and relationships and, as we have stated, this has been raised in prior Committee of Review reports but has not been implemented. We are hopeful that transformational change will occur and that everyone from the Board, management, and employees, will embrace a customer-centric model. Results achieved by improved service delivery would eliminate many unnecessary delays. We believe the WCB is capable of elevating their organization to place among the top of their industry in this respect.

## Recommendation 1

Focus on corporate culture and develop a customer-centric service delivery model. This can be achieved through:

- Investing in time and training to meet customer service survey targets.
- Developing service quality standards and ensure they are met.
- Increasing WCB Claim Entitlement Services Unit hours beyond conventional business hours, including noon.
- Improving operational decision-making in the claims adjudication process so as to reduce the number of appeals at the tribunal level.
- Developing open and clearly written communication to provide to injured workers.
- Minimizing number of caseworkers per claim.
- Shortening the length of time from date of injury to initial payment by half.

---

## Board Structure and Governance

The Committee spent considerable time discussing and debating the most appropriate governance model for the Board. We took this issue very seriously and heard from numerous stakeholders that it was not evident that “good governance” was in place. As previously acknowledged, the Committee understands that the Board has been solely focused on diminishing the backlog of appeals which would leave little time to dedicate to governance. In a meeting with the Board Chairperson, the Committee was informed that the Board is currently spending 90 per cent of the time on appeals; 10 per cent of the time on governance. While it is commendable that the Board has been focused on reducing the number of outstanding appeals, in our respectful opinion it has neglected many important governance duties. These duties include reviewing and monitoring Board strategies and policies, succession planning, talent management, and financial and audit matters. It is important that the WCB ensure that they are operating within their governance mandate. The Board must ensure it is holding management accountable for achieving these results.

We were provided information that indicates there is a lack of time and focus on governance, particularly on the performance metrics, which have not been achieved over the last five years. This is further evidenced by the fact that the CEO has not had a performance review in several years.

Each position within the WCB has a competency and development plan. This should also be the case for the Board members and the CEO to gauge their effectiveness. An annual governance evaluation is referenced in the WCB Governance Policy; however, it does not appear to be followed.

### ***“7. Annual Governance Evaluation***

*7.1 The Board recognizes that changing circumstances may, from time to time, require changes in the governance framework, documentation and processes. There will be an annual governance evaluation process to assess the effectiveness of Board governance and in which input for potential governance improvement will be sought from Board members, the Chief Executive Officer and others, as identified from time to time. The objective of those evaluations will be to ensure that the governance framework and processes remain robust and that improvements, where identified, are made in a timely fashion.”<sup>14</sup>*

The Board has an obligation to hold the management group accountable to the balanced scorecard and to participate actively in the development of the Strategic Plan. It appears management is driving the process around the Strategic Plan and is setting the goals appropriately, but the Board is not holding the management group accountable for the results or lack thereof (see [Saskatchewan Workers’ Compensation Board Governance Manual, Fiduciary Duties in Appendix F](#)).

---

<sup>14</sup> Saskatchewan Workers’ Compensation Board, *Governance Policy*, p. 10

As well, the Governance Policy provides a section wherein the Chairperson and members self-assess for effectiveness. We do not believe any real insights can be gained by self-evaluation with the Board at its current size.

*"2.9 Lead the annual Board self-assessment of its effectiveness and governance practices."<sup>15</sup>*

There are particular skill sets that a member of the Board should have, including financial literacy, corporate governance and accountability, as well as an understanding of insurance and/or compensation systems. With this in mind, we recommend that when soliciting nominations for the full-time members, the Government provide stakeholders with guidance as to the skill set required; and that these skill sets be kept in mind when appointing members. The Saskatchewan Chamber of Commerce provided the following advice with respect to seeking candidates for Board positions:

*"It is important to select the most qualified people to be Board members, so by casting a broader net to identify potential appointees, this change would ensure that there is a high quality pool of qualified candidates to select from.*

*Requiring the use of a professional search process to identify qualified candidates to serve as Chair of the WCB Board, combined with a new process to solicit greater stakeholder feedback on the proposed candidates from a variety of sources, would ensure that the Board continues to attract high quality candidates with the skills and experience this important position requires."<sup>16</sup>*

We believe that criteria need to be developed respecting the composition of the Board to ensure all aspects of governance are covered. Members with diverse background and skill sets are needed to ensure there are fulsome discussions as part of the strategic planning for the organization. We also recommend formal governance training be made mandatory to ensure informed decisions are being made at the top level. It was not apparent that Board members had formal training in governance, although we do acknowledge the Governance Policy provides for training.

It is our opinion that proper governance is not being achieved at the WCB at this time. It has become apparent, through research and in consultation, that changes need to be made. Therefore the Committee recommends the WCB and the Minister responsible promote accountability within the WCB so that it can best serve workers and employers requiring service.

---

<sup>15</sup> Saskatchewan Workers' Compensation Board, *Governance Policy*, p. 10

<sup>16</sup> *Saskatchewan Chamber of Commerce November 17, 2015 Submission*

---

## Board Structure

It became apparent during our consultations that the WCB's Board structure is an issue of interest for various stakeholder groups. These groups have divergent opinions as to how the Board should be structured. Some groups prefer a five-member Board as provided for in the current legislation; while others would prefer to move to a part-time board similar to that found in other provinces. No stakeholders identified the current three-member board as a preferred approach.

The Saskatchewan Federation of Labour stated its preference in its submission to the Committee of Review:

*“To more effectively deal with a backlog of WCB appeals and reduce heavy workloads, the SFL would support expanding the board to five (5) members – one (1) full-time chair, two (2) labour representatives, and two (2) employer representatives.*

*Saskatchewan's WCB has the smallest Board in the country, and is the only jurisdiction in which the Board members are full-time employees. Our model is out-dated, inefficient, and ineffective. It is time for a change.”<sup>17</sup>*

While the Saskatchewan Construction Association recommended the following:

*“Specifically, the SCA is asking the Committee of Review to recommend the following changes to the Workers' Compensation Act to modernize the Board governance:*

- *Change the maximum membership of the Board from five to nine;*
- *Change the Board from full-time employees to part-time volunteers;*
- *Maintain the Board as an even number of members representing both employers and workers and an independent Chairperson;”<sup>18</sup>*

We considered four models of Board structure: the status quo (three full-time board members; five full-time board members; completely dismantle the full-time board and replace with a part-time board; and a hybrid of full-time and part-time. Ultimately we concluded unanimously that a hybrid of full-time and part-time board members with equal representation of workers and employers would be the best approach. The Committee was able to make its recommendation regarding Board structure based in part on their experience in this process. While members of the Committee represent workers and employers, they were able to unite in their vision to ensure a fair compensation system is achieved to benefit the injured worker. This Committee is proof that all sides can be represented and come to an agreement for the betterment of injured workers.

We believe the appeals structure must remain within the WCB and be comprised of full-time members. No changes in structure are being recommended in this regard. We envision three full-time Board members will continue to form the Board's Appeals Tribunal as well as participate in governance duties. The addition of four part-time members, two employee representatives and two employer representatives, will strengthen governance, increase accountability and provide an independent viewpoint that is unfettered by involvement in appeals and day to day interactions

---

<sup>17</sup> Saskatchewan Federation of Labour Submission to: The Workers' Compensation Act Committee of Review

<sup>18</sup> Saskatchewan Construction Association Submission to the Workers' Compensation Act Committee of Review

with management. We envision the part-time members would attend five meetings per year, four quarterly business oversight meetings and one strategic planning meeting.

It is also important to us that the terms of Board members be staggered so as to ensure that experienced members representing both workers and employers are always on the Board. This would aid in succession planning and assist onboarding new members. We considered limiting the number of terms a member can serve to three terms of three years but are not making a recommendation on this matter.

Advantages of the proposed Board structure are as follows:

1. The additional four part-time Board members would sit on the audit and investment committees to enhance the knowledge base within the Board.
2. The addition of part-time Board members would enable the full-time members to focus on appeals and policy development as well as provide expertise in areas that may not be needed on a day to day basis, but would be useful at the strategic level.
3. Adding part-time Board members provides a mechanism for diversifying the composition of the Board without significantly increasing cost.
4. The addition of part-time Board members enables better follow up on recommendations of the Committees of Review, the implementation of recommendations and the effectiveness of Committees of Review.

The estimated costs associated with expansion of Board membership are as follows:

<b>Hybrid Board Composition</b>			
One full-time Board Chairperson, two full-time Board Members, four part-time Board Members			
	<b>Salary/Retainer</b>	<b>Meeting Fee*</b>	<b>Total Remuneration</b>
Board Chair (full-time)	\$200,000	n/a	\$200,000
Board Members (full-time)	\$230,000	n/a	\$230,000
Board Members (part-time)	\$40,000	\$15,000	\$55,000
<b>Total</b>			<b>\$485,000</b>

\* Assumes five meetings per year

*Part-time Board Member annual retainer is \$10,000 per year  
 Part-time Board Members receive \$750 daily for meeting fees  
 Full-time Board Members assumed \$115,000 per year*

Other jurisdictions have a much larger Board structure than Saskatchewan; however, an expansion of four part-time Board members does not deviate significantly from the made in Saskatchewan concept of five full-time members as per the legislation.

Board Structure By Jurisdiction												
Province	NL	PE	NS	NB	QC	ON	MB	SK	AB	BC	YT	NT/ NU
Number of Board Members/Directors	10	9	10	11 or more	15	7-9	11	5	11	10	9	8
Full-time/Part-time Board	PT	PT	PT	PT	FT	FT	PT	FT	PT	PT	PT	PT
Chair Term (year)		3	5	Up to 4	5	3	4	5	3	5	3	3
Board Term (year)		3	4	4	2	3	4	4	3	3	3	3
President/CEO Term (year)			n/a			3	open	n/a	open	open	n/a	n/a

## Recommendation 2

Modernize Board structure to reflect the diversity of skill sets required to guide the work of the WCB. This can be achieved through:

- Investing time in improving performance by gauging the effectiveness of WCB against its performance metrics.
- Developing a formal skill set matrix and recruitment process for choosing Board members.
- Expanding the Board structure to include seven-members - three full-time members and four part-time members with equal representation from both employer and employee groups.

## Appeals

### Timeliness of Appeals

Currently, Saskatchewan does not have legislated time limits within which decisions of the various appeal bodies must be rendered. Some jurisdictions have established appeal time periods in an effort to expedite decision-making and enable injured workers to continue to heal and prepare to return to work. A further benefit of time periods is that they assist in ensuring that backlogs do not occur, or are at least mitigated. However, time periods also have drawbacks. There is the potential for decisions to be quickly made which can result in poor decisions that are overturned on appeal. This is where an expanded Board that sits on the various governance committees could help free up time of the full-time members to focus on appeals.

Depending on the complexity of the file, appeal decisions should be made in a timely manner, as they have a direct impact on the livelihood of workers. The Committee recommends that decisions on appeals to the Board be rendered within 30 days of the conclusion of the hearing.

The length of time for an appeal to be heard, and a decision rendered, can be life altering to injured workers. The Committee heard from many injured workers that they were unable to provide for themselves in the time between injury and receipt of compensation. In some instances claimants indicated that they lost their homes and were unable to get the treatment they require until a decision was made.

Board level appeals have been consistently around 270 per year for a number of years. Given this predictability, the WCB needs to appropriately schedule and staff appeals to ensure they are dealt with in a timely manner.

### Clear Communication

A further issue with appeals and a concern of the 2011 Committee of Review, is the need for plain language in written communications regarding decisions, as well as follow-up conversations with claimants to discuss and explain decisions. This resulted in a recommendation by the 2011 Committee of Review which is endorsed by the current Committee. This recommendation included the need for plain language explanations of medical information so as to ensure the claimant fully understands the decision on his or her claim.

*“19. All WCB decisions be explained in writing using plain language.”<sup>19</sup>*

---

<sup>19</sup> Saskatchewan Workers' Compensation Act Committee of Review Final Report 2011, p. 31



---

## Appeals Adjudication

There are many instances where appeals may not have occurred if there was proper attention applied at the front end. This could be alleviated by empowering and training frontline staff to develop claim files properly and use sound decision-making methods.

WCB Appeals 2015		
	Appeals	Board Level Appeals
Appeals Decided	1189	320
Appeals Accepted	303	152

The 2015 appeal statistics indicate a difference between accepted appeals at the caseworker and Board levels. At the Board level, approximately half of all appeals are accepted as opposed to a fourth accepted at the lower level. This suggests that the claims administration process is not operating efficiently or effectively. The WCB administration needs to engage in process improvements to ensure services to all stakeholders within the system are exceptional and injured workers are guaranteed the shortest time to the best decision.

### Recommendation 3

Significantly reduce the average number of days to a decision and communicate clearly with appellants throughout the process. This can be achieved through:

- Providing clear communication and explanation of appeal decisions including an explanation of medical information.
- Ensuring Board level appeals are to be decided within 30 days of the hearing.
- Providing training for frontline staff to alleviate the number of appeals at all levels of appeal.

## Psychological Injury

We recommend that the Board enhance and expand the Psychological Injury Policy to better define coverage for Post Traumatic Stress Disorder (PTSD) and mental health injuries in line with the needs of all workers in Saskatchewan. The current policy was last revised in 2009. While the policy provides coverage to workers regardless of the employment related psychological injury, we feel it needs to be strengthened. The current policy can disallow individuals from coverage due to the vague definition of psychological injury.

At present, jurisdictions are reviewing their psychological injury policies and legislation, including PTSD. This is due in part to concerns raised by first responders. The majority of the legislation respecting PTSD establishes a rebuttable presumption for first responders. Manitoba has recently amended its workers' compensation legislation to establish a rebuttable presumption for all workers. The belief is that a presumption will expedite compensation claim approval. We understand that the Saskatchewan WCB is in the process of updating its policy. It is our hope that it is in line with our recommendation to strengthen the existing policy as well as be consistent with legislation in other jurisdictions. We recommend early adoption of a revised PTSD policy.

We recommend Saskatchewan keep pace with other Canadian jurisdictions that have updated their adjudication processes to address mental health issues.

The Saskatchewan Union of Nurses noted a need for change in their submission:

*"Many WCB claims involve a mental health component. Many injured workers experience degrees of depression which can impede their recovery and return to work.*

*SUN recommends that WCB processes include an early assessment of the presence of mental health issues in WCB claims in order to provide the necessary resources where needed."*<sup>20</sup>

In addition, we recommend that psychological injury claims should have dedicated WCB employees specifically trained in the adjudication of mental health claims. We are not recommending additional staff but rather dedicating existing staff. Specialized workers for psychological injury help expedite claims which would allow injured workers faster access to treatment. Ongoing training in this area is advised so that no lapse occurs when workers are reassigned, promoted or retire. We also believe that a dedicated resource would cut down on the number of appeals in this area as administrative expertise is more consistently applied to claims with a psychological component.

### Recommendation 4

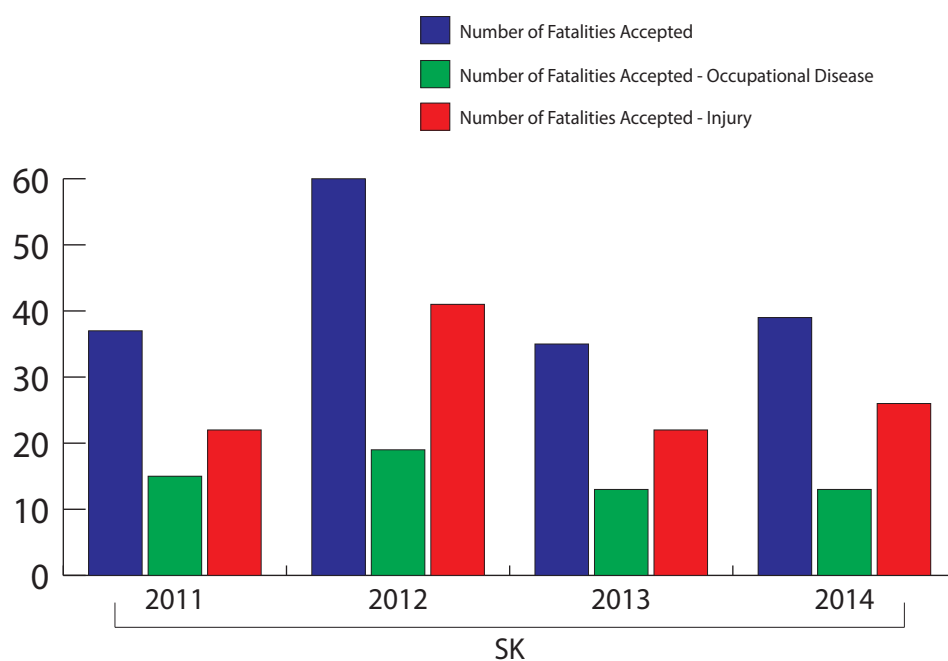
Strengthen the Psychological Injury Policy (POL 01/2009) regarding Post Traumatic Stress Disorder and mental health coverage for Saskatchewan workers by:

- Updating the policy to define coverage for PTSD and mental health.
- Employing caseworkers dedicated specifically to psychological injury claims.

<sup>20</sup> Saskatchewan Union of Nurses Submission to The Workers' Compensation Act Committee of Review November 2015

## Fatality Service Specialist

In 2015, there were 32 work-related deaths in Saskatchewan. In a province the size of Saskatchewan this is unacceptable, especially considering fatalities have remained relatively constant over the years. This indicates that improvements in injury prevention have not been successful in reducing workplace fatalities. We acknowledge that the WCB takes safety and safety training seriously and that they are working hard to decrease workplace fatalities. However, better service needs to be provided to families of fatally injured workers. When workplace fatalities occur, families are vulnerable and require additional support and guidance to maneuver the compensation system. In the public consultations, we heard that many claimants were not necessarily aware of their entitlements. Many have taken it upon themselves to read cumbersome policy documents in order to advocate on their behalf.



We recommend that the WCB assign a specific position or team of individuals trained to assist those affected by workplace fatalities. This is similar to the recommendation that we have made for a specific case worker to administer PTSD claims. We expect that in the event of a fatality, services to those individuals and families are expedited and that a proactive approach is taken in reaching out to parties affected. As with the recommendation regarding psychological injury, ongoing training in this area is advised so that no lapse occurs when workers are reassigned, promoted or retire. Assigning a specific team of individuals to handle fatality claims will ensure consistency and compassion.

When fatalities occur, families involved should not be bounced around the system. Wherever possible, measures should be taken to ensure that they only deal with one case manager regarding their circumstances. During our discussion with the CEO, we were informed that this had been a practice in the past; however, it has not been maintained. As a result, this is negatively impacting claimants.

During public hearings, we heard from family members of deceased workers who had several case workers. They did not feel they got the right information and support and did not want anyone else to have this experience. Imagine having to tell your story to several caseworkers as you are rotated through a tragic and defining life occurrence. This is a service issue that can easily be rectified by WCB.

The Saskatchewan Safety Council recommended the creation of a Family Advocates Office:

***“PART V Injury Fund; DIVISION I Continuance of Fund; Section 115: Payments from Fund be expanded to include:***

***“the expenses, including salaries and remuneration, of Family Advocates Office”***

*The Family Advocates office would be tasked with offering support, counseling and guidance to affected family members of injured workers. It is our belief that these services would reduce the risk of further traumatic injury that results to family members after a workplace injury. With appropriate funding, this office may also be able to staff a Rapid Response team of counselors able to assist family members deal with the sudden loss of a loved one due to a workplace fatality.”<sup>21</sup>*

We agree in principle that dedicated fatality specialists are required within the WCB; however, we will leave the WCB to decide how to best fit fatality service specialists into the organization.

## Recommendation 5

Assign fatality service specialists to assist individuals and families affected by workplace fatalities and minimize the number of case workers per claim.

---

<sup>21</sup>Saskatchewan Safety Council Submission to The Workers' Compensation Act Committee of Review, November 17, 2015

---

## Coordination of Benefits

Through public consultations and in-depth review, we have concluded that the ancillary benefits offered by the WCB differ from those offered by Saskatchewan Government Insurance (SGI) in the event of workplace automotive accidents. The Committee believes that workers should never receive less compensation for a work-related automobile injury as would be received if the injury were not work related. With respect to motor vehicle accidents, benefits should be coordinated between SGI and the WCB. Given that the WCB is the first payer it precludes SGI in coordination. This would also apply to passengers in workplace motor vehicle accidents.

SGI provides better coverage in the areas of cognitive and functional assistance, clothing damage, financial counselling and non-dependent benefits ([Appendix J](#)). We recommend that WCB aligns compensation coverage offered by SGI in areas where injured workers are disadvantaged. The WCB should partner with SGI in determining benefits for injured citizens and ensuring consistency between the two entities.

### Recommendation 6

Coordinate benefits between the WCB and SGI to ensure that no worker is disadvantaged in the event of a work-related motor vehicle accident.

## Privacy Policy

We live in an information age where there is an ongoing need to ensure that information retained by the government is kept safe and secure. This concern resulted in the enactment of *The Freedom of Information and Protection of Privacy Act* in 1992 and *The Health Information Protection Act* in 2003. Over the years, the WCB has stated that workers' compensation legislation should be exempt from both these statutes and that its' Act should prevail.

The WCB is privy to and retains personal health information of injured workers in order to fulfill its mandate. The WCB has policy and procedures for the collection and release of information of personal information as well as personal health information. At present, there is a disagreement as to the extent to which the sections of *The Workers' Compensation Act, 2013* should supersede the authority of the privacy legislation.

We heard from the Privacy Commissioner on this issue, as had previous Committees of Review. The Privacy Commissioner noted in his submission to this review:

*"Subsection 23(3) (k) of FOIP indicates that the access provisions in FOIP do not apply to information about workers' claims. Instead, sections 172 to 174 of the WCA apply. This means FOIP is replaced only by three sections of WCA with respect to the information about the claims of workers. WCB has advised it has policies and procedures in place that deal with the basic privacy principles of "need to know" and "data minimization". However, workers would benefit from the legislative protections contained in FOIP."*

*At the moment, it is unclear if section 32 of FOIP would apply to the WCB. This section allows an individual to request a correction of his/her personal information in the event of an error or omission. The right to correction is an important privacy principle. It also ties in with FOIP's section 27 requirement that a government institution collect accurate personal information. WCA does not address these two issues."<sup>22</sup>*

This recommendation is important because it allows the injured worker access to their information and provides clarity to the case management worker on what information can be released.

*The Freedom of Information and Protection of Privacy Act* is considered a quasi-constitutional law which sets out the rights of citizens and workers. It provides citizens with the right to access information from government institutions, such as WCB. It also outlines the rules which government institutions must follow to ensure the protection of personal information of all individuals. These rules include the collection, use, disclosure and safeguarding of personal information.

---

<sup>22</sup> *Office of the Saskatchewan Information and Privacy Commissioner Submission to The Workers' Compensation Act Committee of Review 2015*

---

*The Health Information Protection Act* is similar to *The Freedom of Information and Protection of Privacy Act* in that it protects the privacy rights of the public. It outlines how health trustees must protect and grant access to the personal health information of individuals. The WCB is currently a trustee under *The Health Information Protection Act*, however; we along with the Privacy Commissioner do not believe it should be applied to the workers' compensation system. The WCB does not provide health services, such as diagnosis, treatment or care. Its role is to make decisions on compensation to workers who are injured or unable to work. *The Freedom of Information and Protection of Privacy Act* would provide sufficient protection of the personal information and personal health information of workers. This was also an observation and recommendation of the 2006 and 2011 Committees of Review.

Specifically, we recommend that *The Freedom of Information and Protection of Privacy Act* apply fully to the WCB. In order to achieve this, sections 173 and 174 of *The Workers' Compensation Act, 2013* must be repealed.

The Committee believes this legislative amendment is necessary to ensure that injured workers have access to their information while ensuring that safeguards are in place to protect claimants' files. We feel this recommendation fits better with an open and customer centred compensation system and is a logical update to both the Act and the privacy policy.

## Recommendation 7

Repeal sections 173 and 174 of *The Workers' Compensation Act, 2013* to comply with the provisions of *The Freedom of Information and Protection of Privacy Act* and update the WCB's privacy policy to align with the changes.

## Employer Resource Centre

We heard during the consultation process that there are limited resources available to assist business with questions and concerns respecting the compensation system. This is especially true for new and small employers. While an employer helpline is available, we heard from several stakeholders that the helpline was not adequate to assist them in working through the workers' compensation system.

The Canadian Association of Petroleum Producers was among the stakeholders that suggested the provision of assistance to employers in navigating the workers' compensation system:

*"5. The Office of the Workers' Advocate provides valuable assistance to workers in navigating the WCB system and appeal processes, since most workers are not experienced with making claims. The same can be said for many small employers. Some small employers have little or no experience with the system, and do not have WCB experts in their employ. A similar independent Office of the Employers' Advocate would help ensure a fair and balanced system."*<sup>23</sup>

This was an issue considered by the 2011 Committee of Review, which recommended that:

*"Recommendation 56*

*Separate resources are established within WCB dedicated exclusively to serving employers, especially smaller employers and those new to WCB. It be adequately resourced with knowledgeable staff who can respond accurately in a timely manner."*<sup>24</sup>

We agree with the 2011 Committee of Review that resources need to be made available to employers. We disagree with the previous Committee of Review in how such services should be provided. It is our opinion that an Employer Resource Centre should be established and that it should be housed within the Ministry of Labour Relations and Workplace Safety. The Employer Resource Centre would not assist employers with appeals. This is not designed to be a parallel resource to the advocate services provided to injured workers, rather one to help employers navigate the compensation system.

We believe that the Employer Resource Centre would best serve alongside the Office of the Workers' Advocate (OWA). An Employer Resource Centre, housed at the Ministry, would provide information, education, and support. The OWA has extensive knowledge of the workers' compensation system and processes. Therefore, an expansion of the OWA to include employer information services is a logical choice. While there are employers who are able to form a basic understanding of the workers' compensation legislation, policies, and procedures, this understanding may or may not be sufficient to provide them and their employees with the tools necessary to successfully address concerns when faced with workplace injury. Some employers, especially those with few employees, do not have the internal resources to develop an understanding of the compensation system.

---

<sup>23</sup> Canadian Association of Petroleum Producers Proposed Improvements to the Workers' Compensation Act, Regulations and Administration, November 25, 2015

<sup>24</sup> Saskatchewan Workers' Compensation Act Committee of Review Final Report, 2011, p. 63



The OWA's mandate is to provide injured workers with the best advice, representation, and assistance to guide them through the appeals system at the WCB. The OWA has established standards of service, shares training services with the WCB, provides educational outreach and establishes a merit-based approach all in an effort to provide the best service to injured workers and their families. With modification, these can be applied to assist employers. The Committee believes strongly that the OWA could extend this same quality service to employers, as they have witnessed employers' inability to fairly or knowledgeably represent themselves when trying to address concerns they have with their employees' health and well-being where work-related injuries or illnesses have occurred.

The OWA provided the following information as to the costs associated with the expanded service. These costs could be managed through a staged implementation.

Employer Resource Centre Cost								
Number of Staff	Classification	Top Range Annual Salary	Admin Costs* per year	IT Related**	Professional Development	Regional Travel	Furniture & Office Set-up	Total Projected Cost
1	Level 05	\$49,196.00	\$6,887.44	\$ 7,000.00	\$1,500.00	n/a	\$10,000.00	\$74,583.44
3	Level 09	\$68,173.00	\$28,633.00	\$21,000.00	\$4,500.00	\$5,000.00	\$30,000.00	\$157,306.00
1	MCP07	\$103,320.00	\$14,465.00	\$7,000.00	\$1,500.00	\$1,000.00	\$10,000.00	\$137,285.00
								<b>\$369,174.44</b>

\* \$68,173 per position

\*\* \$7,000 per position

The rationale for this recommendation comes from the many presentations that indicated that the employer helpline is not meeting the needs of employers. It is our understanding from the OWA that they would have the ability and capacity to provide this expanded service to employers. As the OWA is separate from the WCB, there will be no presumption that the Board is providing better or more services to employers than workers, under this approach.

## Recommendation 8

Establish an Employer Resource Centre, coordinated through the Office of the Workers' Advocate, dedicated to helping employers navigate the workers' compensation system.

## Communication and Surplus

We heard from numerous stakeholders regarding the distribution of the surplus in the injury fund. As a result, we reviewed the issue of surplus distribution and determined that the policy is being applied correctly. The issue seems to be a lack of communication to stakeholders and the public regarding the legislative and the policy requirements. Clear, concise and easy to read information needs to be made available to all stakeholders so as to prevent future misconceptions and controversy around the distribution of any surplus.

The WCB's Funding Policy states:

*"6. To maintain stable funding levels and premium rates under International Financial Reporting Standards (IFRS), unrealized gains and losses on investments will not be considered in the determination of the WCB's funded status."*<sup>25</sup>

With respect to the current situation, the majority of the surplus is the result of income generated through investments and not excessive assessment rates. All reserves are fully funded.

Communications regarding the most recent excess distribution were poor, causing misunderstandings on the part of both employer and employee representatives. In a meeting with the WCB CEO, Peter Federko explained the application of the policy as follows:

*"Employers pay an annual premium to cover all future costs of all claims that occur in a given year. For example, 2015 premiums are collected to cover the costs of all current and future costs of all claims that occur in 2015. This money is collected up front and invested. At December 31, 2014, these cumulative premiums plus returns earned on these premiums totalled \$1.93 billion. At December 31, 2015 this amount grew to \$2.02 billion.*

*Offset against these investments is a liability for future claims costs (Benefits Liability) which at December 31, 2014 was \$1.15 billion. This decreased to \$1.14 billion at December 31, 2015. The benefits liability is the amount required to fund all future costs of all claims accepted from all years, as at December 31 of each respective year. The actuaries calculate this amount assuming this amount would be invested and earn a rate of return of 5.5 per cent.*

*In 2013, our investment returns were 17.5 per cent. The excess investment income is attributed to two things: the difference between the actual rate of return (17.5 per cent) and the 5.5 per cent required by the actuary applied to the amount of the liability at that time; and the investment returns on the balance in the Injury Fund and Reserves held by the WCB at December 31 of each respective year. In 2013 the Injury Fund and Reserves totalled \$636 million. These excess returns in 2013 were used to fund the funded position to 119 per cent and to fund an Occupational disease liability that was required in 2014 and new legislation in 2014.*

---

<sup>25</sup> Saskatchewan Workers' Compensation Board, *Policy Manual, Funding* (POL 01/2014), January 1, 2016

---

*In 2014, the investment returns were 9.2 per cent, compared to the required return of 5.5 per cent and the Injury Fund and reserves increased to \$734 million. The excess investment return is the result of applying the difference to the benefit liability at December 31, 2014 (\$1.15 billion) and applying the 9.2 per cent return to the Injury Fund and reserves. These excess returns pushed the funded position to 132.2 per cent, 12.2 per cent above the upper threshold provided in our funding policy (120 per cent). It should be noted that in calculating the funded percentage, all unrealized gains and losses are eliminated from the calculation, thereby removing the impact of any gains and losses sitting in our investment portfolio which have yet to be sold. The 12.2 per cent amounted to \$141 million which was returned to employers in 2015.”*

We have determined from this exercise that the Board is fully funded which fulfills its fiduciary responsibility. Sound financial decisions have been made.

The Board’s current funded position and its policy to guide surplus distribution do not prevent the Board from seeking some enhancement to other mechanisms to assist workers. The Board, in consultation with stakeholders, should consider other ways to apply surplus funds. This does not have to mean redirecting all surplus funds. A partial one-time redirection could be of benefit to injured workers and employers if applied to safety programs and stakeholder outreach.

## Recommendation 9

Increase transparency and awareness so that the public understands the application of the surplus in the Funding Policy (POL 01/2014) through:

- Consulting with stakeholders at the Annual General Meeting.
- Consulting with stakeholders, specifically employers respecting the Funding Policy (POL 01/2014).

## Rate Review and Standard Discount

During the public consultations, we received feedback on the rate review process and the creation of the Standard/Advance program. It was obvious that this process is not well understood nor communicated in a way that provides support from employers.

We considered the recent proposals that were prepared by the Rate Review Committee and were surprised to find that the Rate Review Committee did not appear to be in agreement on recommendations. As a result, the Board did not adopt some of the recommendations. In cases, where changes had been made it is unclear how the rationale supported those changes. We sought clarification from the Board members, but they were unable to satisfy our questions as to why certain changes were made.

We believe that the membership of the Rate Review Committee has similar characteristics as the Committee of Review and the Board. The Rate Review Committee membership needs to have the appropriate skills to be able to review the rate setting process and the impact of changes to the program. As a suggestion, we would encourage that some form of training on the rate-setting model be done for the Rate Review Committee members so that they are aware of the intricacies of the changes they are recommending.

We also heard that the creation of the Standard Plan was to smooth the impact of a claim for a small employer. However, in the long term, this has had an adverse effect on employers. As well, when they migrate from the Standard to the Advance Plan the rate increase is significant for the employer, and we wonder if any modeling was done to mitigate the impact for businesses that are growing their rate base.

With respect to the Standard Discount Program, we suggest that additional factors be considered when eliminating a company's discount. The employer's history and the size of the claim should be taken into account – similar to what SGI does with its points system. The current system is almost encouraging employers not to report small incidents because the results can be financially significant.

The intent of the rate review is to ensure best practices. If this process were working according to its intended purpose, this issue should never be brought to the Committee of Review. We support the Rate Review Committee's continued work. Education is important to ensure unintended consequences do not occur as in the past.

The WCB administration should analyze changes to the standard discount to alleviate the potential for unintended consequences prior to implementation.

### Recommendation 10

Ensure best practices are fair and equitable for all employers and not excessively punitive for small employers. This can be achieved through:

- Educating and ensuring the Rate Review Committee has the skill sets necessary to conduct their review.
- Analyzing changes to the standard discount to alleviate the potential for unintended consequences prior to implementation.

---

## Review Implementation and Oversight

We are concerned with the length of time it has taken the WCB to review and implement recommendations put forward in the previous Committee of Review reports. Stakeholders have indicated they have lost confidence in the review process as it takes too long to implement the legislative and policy recommendations. This lack of confidence has the potential to erode the relationship between stakeholders and the WCB as well as the Government. It could also result in less engagement in the Committee of Review process, which could negatively impact on improvements to the compensation system.

In discussions, we believe that the mandate of the Committee of Review could be broadened to include an annual meeting to receive, review and make recommendations as to the progress of implementing the recommendations.

In addition, we recommend an annual review with stakeholders to discuss the progress of the recommendations. There is already a mechanism in place for this in the WCB's Annual General Meeting. A mandatory agenda item could be a discussion of the progress of implementation of the COR recommendations. This would allow stakeholders the ability to ask questions surrounding the recommendations and their status would enhance accountability to the report and the Committee of Review process. This is in line with the 2011 Committee of Review recommendation requiring stakeholder input before finalizing changes in policy.

*"55. WCB be required to seek stakeholder input before finalizing any changes in policy."<sup>26</sup>*

It is important that the decision made and the rationale be provided to all who contributed to the process. This is in line with the above-mentioned recommendation. Ongoing oversight respecting the implementation of our recommendations would alleviate those stakeholders' concerns regarding disillusionment with the review process.

### Recommendation 11

Strengthen ongoing communication with stakeholders regarding Committee of Review recommendations and implementation. This could be achieved through:

- Making the Committee of Review report a more prominent agenda item at the Annual General Meeting.
- Providing stakeholders with a rationale for Committee of Review recommendation decisions made by the WCB.

---

<sup>26</sup> Saskatchewan Workers' Compensation Act Committee of Review Final Report 2011, p. 61

## Conclusion

We urge the Minister, Board members and management at the Workers' Compensation Board to give careful consideration to these recommendations and to implement them in a timely fashion.

We would also like to thank those individuals that took the time to come forward and share their insights and recommendations. It takes courage to participate in this process as an individual, and you are the true reason for public consultations. We thank you for trusting us with your stories and have kept you in our thoughts when developing recommendations for the benefit of injured and deceased workers and their families.

### Issues considered but not identified in the report

There are several issues considered by the Committee, but did not result in a recommendation:

- Establishment of an OHS Centre to provide statistics and information would benefit both employers and employees - The Committee feels this is within the scope of the Ministry of Labour Relations and Workplace Safety and that the Ministry should give this consideration.
- Creation of a stakeholder advisory committee was recommended to the Committee of Review. Instead, the Committee recommended a seven-member board with diversified skill sets would better address this idea.
- Establishment of additional safety associations - We explored additional safety associations and found the WCB to have the appropriate mechanisms in place for new safety associations to come on board. We urge any group interested in starting a safety association to contact the WCB to initiate this process.
- Monitoring of Safety Associations - We feel safety associations are meeting their objectives with the appropriate oversight of the WCB.
- Occupational Health and Safety Division Funding - We would defer this to the Occupational Health and Safety Council.
- Right to Sue - We concluded this option would go against the Meredith Principles that Workers' Compensation Boards across Canada are trying to uphold as the standard.
- Excluded Industries - There are industries that are benefiting from the WCB but not paying into the system. The Committee urges optional industries, such as farming, to participate in the compensation system.

The mandate of the Committee of Review does not allow us to address individual claims. Many came forward in consultation with the assumption that we could assist them and, wherever possible, the Committee directed them to the proper service providers to assist in their claim. This speaks to the challenge faced by any insurance mechanism and clearly identifies the tremendous value derived from an efficient, well run, highly effective workers' compensation system for injured workers, their families and their employers. No one suffering from work-related illness or injury should be deprived of their full entitlements delivered in a timely way to ensure the best chance of recovery and return to wellness and productive employment.

---

## Summary of Recommendations

### 1. Culture and Customer Service

Focus on corporate culture and develop a customer-centric service delivery model. This can be achieved through:

- Investing in time and training to meet customer service survey targets.
- Developing service quality standards and ensure they are met.
- Increasing WCB Claim Entitlement Services Unit hours beyond conventional business hours, including noon.
- Improving operational decision-making in the claims adjudication process so as to reduce the number of appeals at the tribunal level.
- Developing open and clearly written communication to provide to injured workers.
- Minimizing the number of caseworkers per claim.
- Shortening length of time from date of injury to initial payment by half.

### 2. Board Structure and Governance

Modernize Board structure to reflect the diversity of skill sets required to guide the work of the WCB. This can be achieved through:

- Investing time in improving performance by gauging the effectiveness of WCB against its performance metrics.
- Developing a formal skill set matrix and recruitment process for choosing Board members.
- Expanding the Board structure to include seven-members – three full-time members and four part-time members with equal representation from both employer and employee groups.

### 3. Appeals

Significantly reduce the average number of days to a decision and communicate clearly with appellants throughout the process. This can be achieved through:

- Providing clear communication and explanation of appeal decisions including the explanation of medical information.
- Ensuring Board level appeals are to be decided within 30 days of the hearing.
- Providing training for front line staff to alleviate the number of appeals at all levels of appeal.

### 4. Psychological Injury

Strengthen the Psychological Injury Policy (POL 01/2009) regarding Post Traumatic Stress Disorder and mental health coverage for Saskatchewan workers by:

- Updating the policy to define coverage for PTSD and mental health.
- Employing caseworkers dedicated specifically to psychological injury claims.

## **5. Fatality Service Specialists**

Assign fatality service specialists to assist individuals and families affected by workplace fatalities and minimize the number of caseworkers per claim.

## **6. Coordination of Benefits**

Coordinate benefits between the WCB and SGI to ensure that no worker is disadvantaged in the event of a work-related motor vehicle accident.

## **7. Privacy Policy**

Repeal sections 173 and 174 of *The Workers' Compensation Act, 2013* to comply with the provisions of *The Freedom of Information and Protection of Privacy Act* and update the WCB's privacy policy to align with the changes.

## **8. Employer Resource Centre**

Establish an Employer Resource Centre, coordinated through the Office of the Workers' Advocate, dedicated to helping employers navigate the workers' compensation system.

## **9. Communication and Surplus**

Increase transparency and awareness so that the public understands the application of the surplus in the Funding Policy (POL 01/2014) through:

- Consulting with stakeholders at the Annual General Meeting.
- Consulting with stakeholders, specifically employers respecting the Funding Policy (POL 01/2014).

## **10. Rate Review and Standard Discount**

Ensure best practices are fair and equitable for all employers and not excessively punitive for small employers. This can be achieved through:

- Educating and ensuring the Rate Review Committee has the skill sets necessary to conduct their review.
- Analyzing changes to the standard discount to alleviate the potential for unintended consequences prior to implementation.

## **11. Review Implementation and Oversight**

Strengthen ongoing communication with stakeholders regarding Committee of Review recommendations and implementation. This could be achieved through:

- Making the Committee of Review report a more prominent agenda item at the Annual General Meeting.
- Providing stakeholders with a rationale for Committee of Review recommendation decisions made by the WCB.



---

## **Appendix A - Committee of Review Member Biographies**

The Committee of Review is made up of equal representation from employers and organized employees. Ms. Kaylynn Schroeder will chair the Committee. This year's members, who come from the mining, manufacturing, construction and healthcare sectors, are Lori Sali, Judy Henley, Karen Low, Ron St. Pierre, Irene Cruson and Mike Wainwright.

### **Kaylynn Schroeder – Vice President of Corporate Services, West Wind Aviation**

Ms. Schroeder has an extensive background in employee benefits and pension, consulting and human resources. She has worked for Cameco and AON Consulting and as Executive Vice President of Corporate Services at MLTC Industrial Investments LP. She is currently Acting Vice President of Corporate Services at West Wind Aviation. In addition to serving as Chairperson for the Saskatchewan Workers' Compensation Act Committee of Review, she is also Chairperson of the Occupational Health and Safety Council.

### **Lori Sali – Saskatchewan Building Trades**

Lori served on the 2006 and 2011 COR. She has been the Business Manager of the Construction and General Workers' Union Local 180 since 2001. She also is a member of the following: Co-Chairperson for the Saskatchewan Training Trust Fund; Trustee- Labourers Health and Welfare; Co-Chair of Western Canada Labourers Pension Trust Fund; Co-Chair Board of Directors for Funds Administrative Service; Trade Board members for the Construction Craft Labourer Trade.

### **Judy Henley – Saskatchewan Federation of Labour/Canadian Union of Public Employees**

Judy is the Payroll and Benefits Officer for Sunrise Health Region. She holds other positions including Secretary-Treasurer of CUPE Saskatchewan; Regional Vice President representing Saskatchewan on CUPE National Executive Board; Representative on the Saskatchewan Health Care Council of Unions Pension and Benefits. Judy serves as a CUPE Vice-President to the Saskatchewan Federation of Labour Executive Council in 2008.

### **Karen Low – Merit Contractors Association of Saskatchewan**

Karen serves on the Minister's Advisory COR for Labour Relations and Workplace Safety. She has been the Executive Director of Merit Contractors Association of Saskatchewan since 2008. Karen has a Bachelor's Degree in Commerce from the University of Saskatchewan.

### **Ron St. Pierre – Saskatchewan Federation of Labour/ United Steelworkers Union**

Ron has recently retired. He is a graduate of the Labour College of Canada in Ottawa. He was the President of the United Steelworkers Union Local 7689, past SFL Vice President, and Co-Chair of the Sask Potash Council. Over the last 37 years, he has been a member of the Union Executive and has been heavily involved in OHS, contract negotiations, organizing and arbitrations for his and other Steelworker Locals. He worked on shaft maintenance and hoist operations at the Allan mine.

**Irene Cruson – Agricultural Manufacturers of Canada**

Irene Cruson is a Director and Vice President of Dutch Industries Ltd a family business with 85 employees manufacturing agricultural equipment in Saskatchewan since 1952. She is also a partner in a cow-calf operation near Regina and was formerly involved in the hog industry as a producer, and a delegate to the hog marketing board.

**Mike Wainwright – Human Resources/ Labour Relations Consultant**

Mike is an independent Human Resources/Labour Relations Consultant and has over 25 years of experience on the Saskatchewan Chamber of Commerce HR Committee, including acting as a past Chair. He has been a member of the Saskatchewan Labour Relations Board since 2002 and had been a member of the Occupational Health and Safety Council. Mike has served as Chief Spokesperson in collective bargaining for many employers in Saskatchewan and British Columbia.

---

## Appendix B - Schedule of Public Consultations

In October and November 2015, the Workers' Compensation Act Committee of Review held public consultations for individuals and organizations to provide feedback and make suggestions on improvements or reform of *The Workers' Compensation Act, 2013*, the regulations and the administration of the Act and regulations.

<b>Location</b>	<b>Date/Times</b>
Saskatoon	October 19 and 20, 2015 9 a.m. - 5 p.m.
North Battleford	October 21, 2015 1 - 5 p.m.
Prince Albert	October 22, 2015 9 a.m. - 5 p.m.
Yorkton	October 23, 2015 9 a.m. - 12 p.m.
Regina	November 9, 10, 16 and 17, 2015 9 a.m. - 5 p.m.

## Appendix C - List of Submissions and Presenters

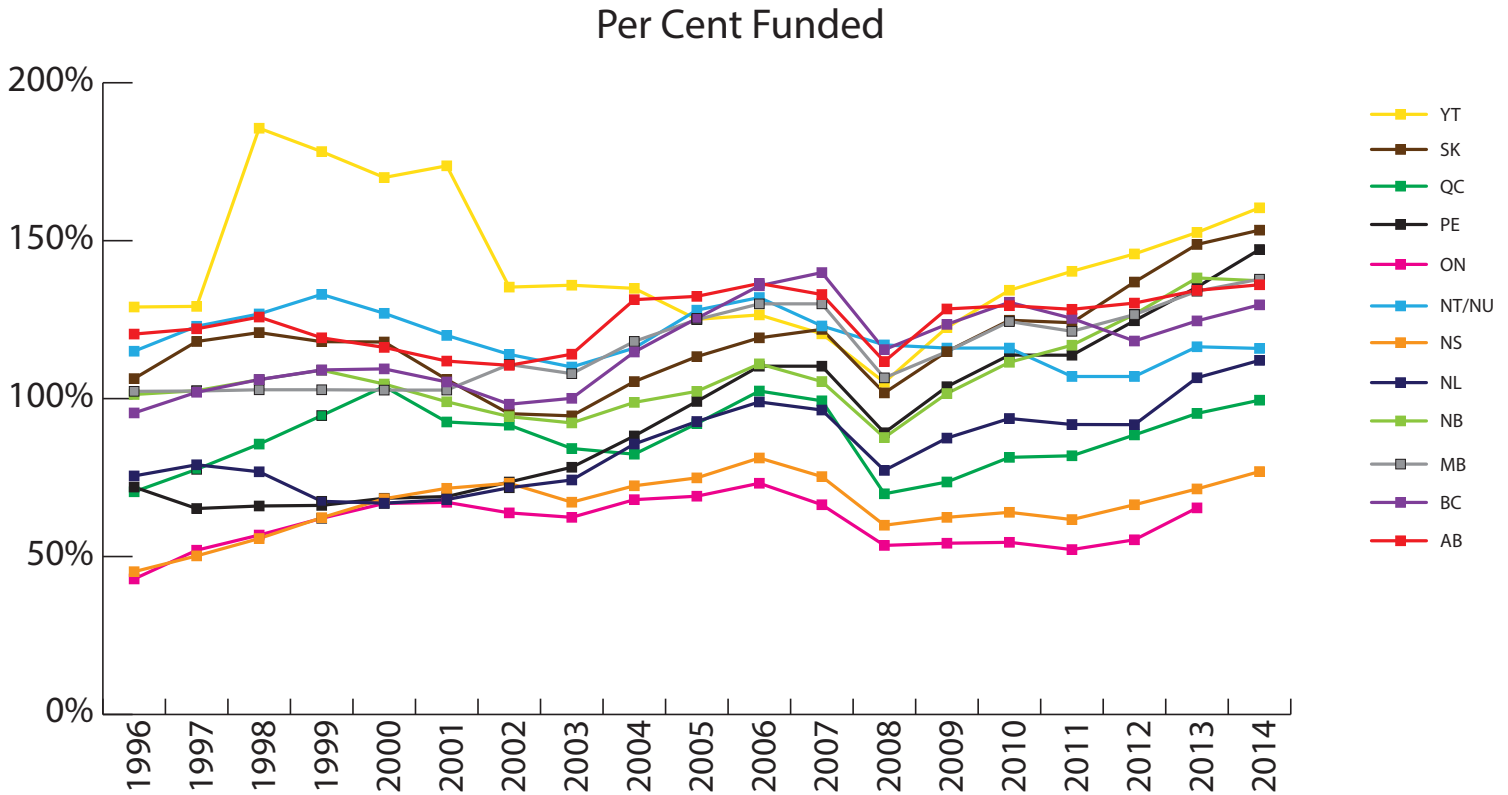
The Committee of Review would like to thank the following stakeholders, along with the 35 individual and small businesses, for their participation in the review process.

- Canada Bread
- Canadian Association of Petroleum Producers
- Canadian Federation of Independent Business
- Canadian Payroll Association
- Canadian Union of Public Employees
- Chiropractors' Association of Saskatchewan
- Construction Workers' Union, Christian Labour Association of Canada Local 151
- Canadian Union of Public Employees Local 3766
- General Contractors Association of Saskatchewan
- Heavy Construction Safety Association of Saskatchewan Inc.
- Injury Solutions Canada
- Merit Contractors Association Saskatchewan
- Office of the Saskatchewan Information and Privacy Commissioner
- Office of the Workers' Advocate
- Restaurants Canada
- Safety Association of Saskatchewan Manufacturers
- Saskatchewan Asbestos Disease Awareness Organization
- Saskatchewan Association of Health Organizations Inc.
- Saskatchewan Building Trades
- Saskatchewan Chamber of Commerce
- Saskatchewan Construction Association
- Saskatchewan Construction Safety Association
- Saskatchewan Federation of Labour
- Saskatchewan Hotel and Hospitality Association
- Saskatchewan Mining Association
- Saskatchewan Safety Council
- Saskatchewan Union of Nurses
- Service and Hospitality Safety Association
- Service Employees' International Union-West
- Workers' Compensation Board
- Workers' Compensation Board – Governance and Board Services

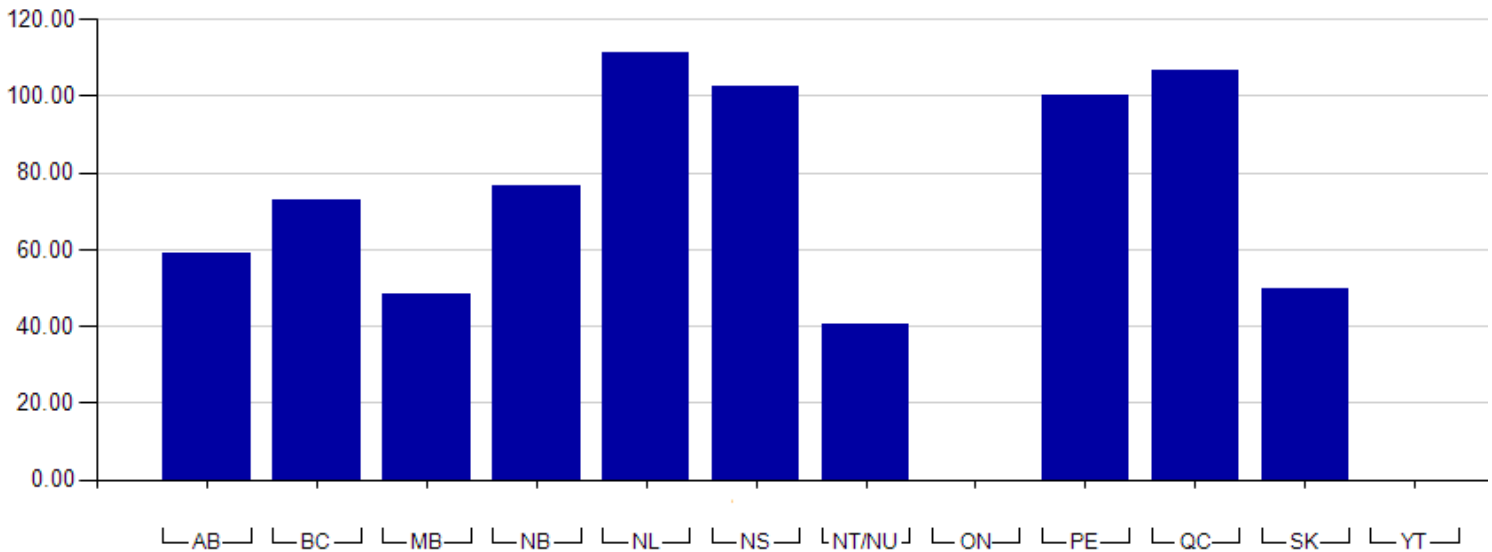
## Appendix D - 2014 WCB Funding Status

BC	AB	SK	MB	ON	QC	NB	NS	PE	NL	NT	YT
129.7%	136.0%	153.3%	*	99.5%	137.3%	137.3%	76.9%	147.2%	112.1%	115.9%	160.4%

\* Data unavailable



## Appendix E - Average Claim Duration 2014 (in days)



	AB	BC	MB	NB	NL	NS	NT/NU	ON	PE	QC	SK	YT
Average Composite Duration of Claim (#)	58.92	72.90	48.62	76.37 <sup>3</sup>	111.12	105.50 <sup>4</sup>	40.76		99.94 <sup>2</sup>	106.58 <sup>1</sup>	50.01	

Extracted On: 6/3/2016 4:12:42 PM

Note: Cells with a grey background indicate data that has not yet been published. It is currently in pre-approval state.

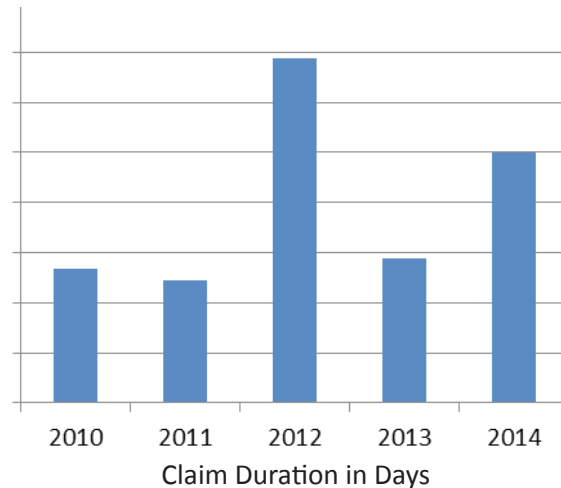
*“The information contained in this report is based on accepted national definitions and many not be the same as statistics published in WCB annual reports. This document should be read in conjunction with the “Preface to Accompany” Report.*

Source: Association of Workers' Compensation Board of Canada (AWCBC)

Footnotes:

1. Excludes self-insured employers
2. PEI has a waiting period before compensation is payable; therefore, claims which have lost time but did not receive a payment are tracked and included in this stat.
3. NB has a 3-day waiting period, therefore; the number of lost time claims listed in this report may not affect every lost time injury for this province. NB accepted 5,349 lost-time claims (including the day of the accident) in total in 2014.
4. NS has a two-day waiting period, therefore; the number of lost time claims listed in this report may not reflect every lost time injury for this province. The total number of lost-time claims published in the WCB of Nova Scotia's 2014 annual report is 5,953.

<b>Saskatchewan Average Claim Duration</b>				
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
34.67	34.44	38.89	34.88	37.01



<b>Saskatchewan Reported Claims/Settled Claims</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Reported Claims</b>	38,769	39,687	39,343	37,731	35,836
<b>Settled Claims</b>	32,896	33,541	34,088	31,731	28,674

<b>Saskatchewan Fatality Claims</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Fatality Claims</b>	30	22	43	23	24
<b>Permanent Functional Impairment</b>	642	725	640	755	802

<b>Saskatchewan Psychological Injury Claims</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Reported</b>	261	218	285	286	328
<b>Accepted</b>	122	86	70	70	83
<b>Accepted Time Loss</b>	102	66	57	62	67
<b>Average Duration in Days</b>	152.7	116.76	148.81	113.03	73.46
<b>Accepted No Time Loss</b>	20	20	13	8	16
<b>Disallowed</b>	139	132	215	216	243

## Appendix F - Saskatchewan Workers' Compensation Board Governance Manual

### 4. Fiduciary Duties

- 4.1 Duty of Loyalty: Members will act honestly and in good faith, with a view to the best interests of the WCB, bearing in mind the public policy rationale and objectives of the WCB.
- 4.2 Corporate Opportunities: A Member shall not take personal advantage of, or divert to his or her own benefit, any commercial opportunities learned about in the course of carrying out any duties as a Member shall not take personal advantage of, or divert to his or her own benefit, any commercial opportunities learned about in the course of carrying out any duties as a Member. A Member must not engage, directly or indirectly, in any financial transactions, contracts or private arrangements for personal profit, which accrue from, or are based upon the Member's fiduciary position or authority, or upon confidential or non-public information that the Member gained by reason of such position or authority. A Member must not use or allow the use of the WCB property or services for personal gain.
- 4.3 Duty to Protect Confidential Information: Members will not divulge confidential WCB information to third parties or persons, who would not, in the normal course of events, be privy to such information.
- 4.4 Duty to Avoid Conflict of Interest: A conflict of interest shall be any situation in which a Member's ability to act in the best interest of the WCB is compromised or potentially compromised by personal, business or other interests. A conflict of interest may be real or perceived, and may exist whether or not pecuniary advantage or other valuable benefit has been, or may be derived by the Member or an associate of the Member (for the purposes of this Code an "associate" of a Member is any related person or any organization in which the Member or any related person holds an interest or an official position):
- 4.4.1 Definitions:
- i. A "real conflict of interest" occurs when a Member or an associate of a Member has, or the Member has knowledge of, a private interest or relationship that is sufficient to influence the exercise of his or her duties and responsibilities as a Member of the Board of WCB.
  - ii. A "perceived conflict of interest" exists when a reasonable person could properly apprehend that a real conflict of interest may exist on the part of a Member or associate of a Member.
- 4.4.2 Principles:
- i. It is not sufficient for a Member to act within the law. Members have an obligation to act in a manner that will bear the closest public scrutiny.
  - ii. Upon appointment to the Board, each Member will arrange his or her private affairs in a manner that will prevent real or perceived conflicts of interest from arising.



- 
- iii. A Member shall disclose in the manner required by this Code any real or perceived conflicts of interest (or any potential real or perceived conflict of interest) immediately upon becoming aware of the issue, and shall resolve the conflict in favour of his or her duties and responsibilities as a Member.
- v. A Member who is appointed as representative of workers or employers will not be in a conflict of interest merely for bringing the interests or concerns of his or her respective constituency forward for consideration by the Board, but each Member's actions must, at all times, be consistent with the best interests and objectives of the WCB as a whole. A representative Member must not use his or her position to advocate on behalf of private entities or persons within the constituency that the Member represents. However, a representative appointment does not, by itself, infer a conflict of interest when the Board is dealing with legislative or policy matters.

#### 4.4.3 Examples of Conflict of Interest:

A conflict of interest exists when a Member or an associate of the Member:

- Holds a direct or indirect interest in a corporation or other business entity that is involved in a business relationship with the WCB.
- Stands to benefit directly or indirectly as a result of a policy or program change of the WCB.
- Directly or indirectly takes advantage of a WCB policy, program or contractual initiative in a manner in which the general public is not able to similarly participate; or
- Allows a person in a non-arm's length relationship with a Member or an associate of a Member or an associate of a Member to benefit as a direct result of the relationship with that Member.

The above list is not exhaustive of all conflicts of interest, and Members are encouraged to consult with the Director of Governance and Board Services should they require further direction respecting the existence of, or potential for, a real or perceived conflict of interest.<sup>27</sup>

---

<sup>27</sup> Saskatchewan Workers' Compensation Board, *Governance Manual*, p 13

## Appendix G - Injuries – Psychological (POL 01/2009)

### 3.1.4 Injuries – Psychological (POL 01/2009)

**Document Date** 10 March 2009

**Purpose** To establish guidelines for psychological injury claims.

#### DEFINITION

**Acute** means a specific, dramatic and sudden incident. Acute cause claims will have entitlement determined under Points 1 to 3.

**Chronic** means a series of events or incidents over time. Chronic cause claims will have entitlement determined under Points 4 to 7.

**Mental Health Assessment**, for the purposes of this policy, means a psychological or psychiatric evaluation completed for the worker, including a diagnosis, a treatment plan and a return-to-work plan. The diagnosis, completed by a doctoral psychologist or psychiatrist, will be in accordance with the Diagnostic and Statistical Manual of Mental Disorders (DSM IV).

#### BACKGROUND

1. Section 2 (k) of *The Workers' Compensation Act, 1979* (the "Act"), specifies that an injury means certain acts, events or disablements which "[arise] out of and in the course of employment."
2. Under Section 22 (1) of the Act, the Workers' Compensation Board (WCB) has exclusive jurisdiction to determine, among other things, whether any condition or death was caused by an injury and whether any injury arose out of or in the course of employment.

#### POLICY

Psychological injury claims are classified into two categories based on cause: Acute Cause or Chronic Cause.

##### Acute Cause Criteria

1. Generally, for acute cause claims to be accepted all three of the following criteria must be met:
  - a) There is a specific, dramatic or sudden event which the worker personally witnessed and/or was involved in;
  - b) The event will be unexpected for the type of employment concerned and generally accepted to be traumatic (shocking, horrific, involving risk of harm to self or others); and,
  - c) The onset of the effect is often immediate or close in time to the event.
2. In cases of acute cause claims with delayed onset (not immediate or close in time to the event) of injury, a DSM IV diagnosis will be required and the worker will be referred for a complete Mental Health Assessment.

- 
3. Acute cause type claims are adjudicated in the same manner as claims with physical injury from specific events; that being, the WCB determines if an injury occurred and whether it arose out of and in the course of employment.

### **Chronic Cause Criteria:**

#### Traumatic Event Jobs

4. Generally for chronic cause claims to be accepted for those workers employed in jobs involving events considered traumatic to the general population all of the following criteria must be met:
  - a) A series of events, each in itself are not considered significantly traumatic or to cause the effect as in an acute cause, and the events are expected for the type of employment but may have a cumulative effect;
  - b) For the series of events there should exist objective facts to support the claim;
  - c) An onset of the effect which is generally gradual and delayed and can become evident at the time of an event or become evident sometime after the series of events;
  - d) The trauma from the series of events is the predominant cause of the diagnosed disability; and,
  - e) Chronic psychological injury claims generally will require a confirmed Mental Health Assessment including a DSM IV diagnosis by a doctoral psychologist or psychiatrist.

#### Non-Traumatic Type Jobs

5. Generally for chronic cause claims to be accepted for those workers employed in jobs with events not considered traumatic to the general population, all of the following criteria will be met:
  - a) A series of events, each in itself are not considered significantly traumatic to cause the effect as in an acute cause, and the events are beyond the normal scope and/or typical expectation in maintaining employment and/or outside the normal and foreseeable relationships expected between the worker, co-workers and employer of that employment as defined under Point 6;
  - b) For the series of events there should exist objective facts to support the claim;
  - c) An onset of the effect which is generally gradual and delayed and can become evident at the time of an event or become evident sometime after the series of events;
  - d) The trauma from the series of events is the predominant cause of the diagnosed disability; and,
  - e) Chronic psychological injury claims generally will require a confirmed Mental Health Assessment including a DSM IV diagnosis by a doctoral psychologist or psychiatrist.

#### Non-Traumatic Event Definitions

6. For workers employed in jobs involving non-traumatic events, chronic cause claims generally arise out of three categories: work relations, work load, and interpersonal conflicts. Points a, b, and c define the categories and the parameters for what will or will not be considered as a series of events under Point 5(a).

- a) Work Relations: The employer's right to manage in terms of staff management, which includes decisions around work actions, hiring employees, performance evaluations, staff assignments, transfers, promotions or demotions, disciplinary action, transfers, termination/dismissal, lay-off, restructuring and re-organization, will not be considered for a psychological claim.
  - b) Work Load: Psychological claims relating to the tasks to be performed in the workplace, such as work overload, work under pressure, work environment, assignment modifications, etc., will not be considered for a psychological claim unless they exceed the normal scope of the work. The assignments must differ significantly from the usual tasks, either quantitatively or qualitatively. It must be demonstrated that the worker has little or no control, little or no support, and the situation has been in effect for significant periods of time.
  - c) Interpersonal Conflicts: Interpersonal conflicts which arise out of work requirements between superiors, co-workers, subordinates or customers will not be considered for a psychological claim unless the conflicts generate an unusual and unacceptable behavior that is clearly dangerous, abusive, threatening within the interpersonal relations or conflicts, or discriminatory. Interpersonal conflicts occurring in employment, which do not arise out of work requirements, generally are not considered to have arisen out of employment.
7. The resolution of work relations, workload or interpersonal conflict issues will not be a considered factor in determining entitlement.

**Permanent Functional Impairment (PFI)**

- 8. Accepted psychological claims will be considered for entitlement to a Permanent Functional Impairment award as outlined in PFI – General policy (POL 23/2010).

<b>Act Sec #</b>	2, 22, 28, and 50
<b>Effective Date</b>	01 May 2009
<b>Application</b>	All psychological injury claims
<b>Supersedes</b>	POL 02/92 Section 22 – Claims for Chronic Stress – Adjudication and Procedure Guidelines
<b>Complements</b>	POL 11/2003 Injuries – Occupational Disease PRO 01/2009 Injuries – Psychological POL 23/2010 Permanent Functional Impairment (PFI) – General

---

## Appendix H - Injuries – Psychological (PRO 01/2009)

### 3.1.4 Injuries – Psychological (PRO 01/2009)

**Document Date** 10 March 2009

**Purpose** To establish guidelines for psychological injury claims.

#### BACKGROUND

1. POL 01/2009, Injuries – Psychological, has been approved that governs the provisions for psychological claims.
2. The following procedure provides guidelines for implementing the policy.

#### PROCEDURE

1. At time of initial review, the Claims Entitlement Specialist (CES) will determine if the psychological claim is an acute or chronic cause claim.
2. Acute cause claims will have entitlement determined under Points 1 to 3 of POL 01/2009.
3. Chronic cause claims will have entitlement determined under Points 4 to 7 of POL 01/2009.
4. At time of initial review the CES will determine if there is sufficient information on file (from employer, worker, caregivers) to determine entitlement. If additional information is required, the CES will contact any individual(s) who can clarify outstanding issues.
5. For chronic cause claims, it will be determined if the work-related events were excessive or unusual in comparison to the normal pressures and tensions experienced by the average worker in comparison to the normal pressures and tensions experienced by the average worker in the same or similar occupation or work environment. The investigation may include taking statements, interviewing witnesses, reviewing employment records, reviewing all relevant, available medical documentation and other supporting evidence showing that the events leading to the claim were beyond the normal or typical scope in maintaining employment.
6. The CES will review the Occupational Disease Database for reference information related to the employer and or condition under review. The Database will be updated on a regular basis to ensure the information it contains is current.
7. If the information to be gathered to clarify outstanding issues cannot be done adequately from the office (telephone, letter), the CES may refer the file to a Claims Representative for additional development in the field.
8. In cases of chronic and acute cause claims with delayed onset of injury, where a DSM IV diagnosis has not already been completed, the worker will be referred to Health Care Services to arrange a Mental Health Assessment. Entitlement decisions for these types of claims will generally require the results of the assessment.
9. Where at the time of initial review a decision cannot be made, the CES will contact the worker to explain the policy and procedure, the timeline to decision, and options for financial sources.

The CES will provide provisional approval for the worker to be reimbursed for medication and to attend WCB accredited counseling as prescribed by their physician. If the claim is later disallowed as a work injury, the costs for medical treatment will be charged to the WCB Administration Fund.

10. If the claim is accepted as a work-related injury, the CES will advise of the decision, arrange for the initial wage-loss benefits and/or expense payment and where a return-to-work plan has not been developed, refer to Case Management.
11. Case Management will use the recommendations of the Mental Health Assessment as noted in Point 8 to ensure appropriate medical care and to assist in developing a return-to-work (RTW) plan. Where a Mental Health Assessment referral was not made for an acute cause claim, Case Management will determine if a referral was not made for an acute cause claim, Case Management will determine if a referral is required.
12. The Case Manager (CM) may arrange a further Mental Health Assessment as per Point 8 above at any time to assist in determining ongoing effects of compensable injury, the level of appropriate care or RTW planning.
13. The CES or CM may refer the claim to the Psychological Consultant or a Medical Officer at any time to assist in gathering medical information or clarifying medical issues.

**Permanent Functional Impairment (PFI)**

14. Where the team member responsible for the injured worker's case has determined that the psychological injury is chronic and unlikely to improve, a PFI may be awarded in accordance with POL 23/2010 – PFI – General. The following will also apply:
  - a) The injured worker will be referred to a doctoral psychologist or psychiatrist for evaluation of psychological permanent functional impairment (PFI).
  - b) The professional will perform an evaluation of permanent psychological impairment in accordance with the PFI Rating Schedule.
  - c) The report of impairment will be provided to a WCB Medical Officer for review.
  - d) Based on the evaluation of permanent psychological impairment and the judgment of the WCB Medical Officer, a percent of total body impairment will be applied.

<b>Act Sec #</b>	2, 22, 28 and 50
<b>Effective Date</b>	01 May 2009
<b>Application</b>	All psychological claims
<b>Supersedes</b>	POL 02/92 Claims for Chronic Stress – Adjudication and Procedure Guidelines
<b>Complements</b>	POL11/2003 Injuries – Occupational Disease POL01/2009 Injuries – Occupational Disease POL 01/2009 Injuries – Psychological POL 23/2010 - Permanent Functional Impairment (PFI) – General

## Appendix I - Psychological Injury Claims

Psychological Injury Claims				
	2014	2013	2012	2011
Reported	328	286	285	218
Accepted	83	70	70	86
Accepted Time Loss	67	62	57	66
Average Duration in Days	73.46	113.03	148.81	116.76
Accepted No Time Loss	16	8	13	20
Disallowed	243	216	215	132
	2010	2009	2008	2007
Reported	261	155	117	149
Accepted	122	96	67	80
Accepted Time Loss	102	89	64	75
Average Duration in Days	152.7	79.35	152.95	113.48
Accepted No Time Loss	20	7	3	5
Disallowed	139	59	50	69
	2006	2005	2004	2003
Reported	179	199	196	183
Accepted	101	99	90	114
Accepted Time Loss	91	89	80	102
Average Duration in Days	123.6	66.63	116.08	97.83
Accepted No Time Loss	10	10	10	12
Disallowed	78	100	106	69
	2002	2001	2000	1999
Reported	139	177	157	180
Accepted	63	87	78	74
Accepted Time Loss	58	77	71	66
Average Duration in Days	203.28	145.51	116.47	170.92
Accepted No Time Loss	5	10	7	8
Disallowed	76	90	79	106

## Appendix J - SGI/WCB Benefit Comparison

Benefit	SGI	WCB
Earnings maximum per year	\$92,076	\$65,130
Student maximum per year	\$49,802	n/a
Substitute Worker maximum per year	\$43,316	\$65,130
Caregiver full-time maximum per year	\$43,316	n/a
Caregiver part-time maximum per year	\$21,736	n/a
Student Study loss maximum per year	\$19,692	n/a
Medical maximum	\$6,607,282	no limit
Assistance Functional maximum per year	\$43,316	\$22,684
Assistance Cognitive maximum per year	\$21,736	in #7
PFI maximum	\$231,255	45200
PFI Other maximum	\$189,342	n/a
Meals per diem	\$37.95	\$41.00
Private Room	\$23.00	\$35.00
Kilometers	\$0.40	\$0.42
Clothing Damage maximum	\$1,516	n/a
Financial Counseling maximum	\$1,321	n/a
Spouse Income maximum per year	\$46,038	\$65,130
Spouse minimum	\$68,163	n/a
Non-dependents maximum	\$68,163	n/a
Under 21 Single	\$30,294	n/a
Funeral maximum	\$9,910	\$12,474
Spouse Education maximum	\$54,422	no limit
Vocational Counseling maximum	\$660	no limit
Grief Counseling maximum	\$1,321	no limit

Benefit	SGI	WCB
Earnings	\$92,076 7 day waiting period CPP offset plus sue excess	\$65,130 CPP offset 50% from 12 months no waiting period
Medical	\$6,607,282	no limit
Assistance Functional	\$43,316	\$22,684 IA and personal care
Spouse Income	\$46,038 plus \$4604/child CPP offset for life	\$65,130 CPP offset 50% from 12 months to age 65



---

## **Appendix K - The Workers' Compensation Act, 2013 sections 173 and 174**

### **Worker's access to information**

*173(1) in this section and in section 174, "worker's representative" means a person whom a worker has authorized in writing to be his or her representative.*

*(2) Subject to subsection (4), the board shall allow access to information respecting a worker collected or otherwise gathered pursuant to this Act by the board if a written request for that information is made by:*

*(a) the worker;*

*(b) any worker's representative; or*

*(c) in the case of a deceased worker, any of the worker's dependants.*

*(3) A person receiving information pursuant to subsection (2) shall use that information only for the purposes of a reconsideration or review of a decision of the board.*

*(4) The board shall provide any medical report that the worker, worker's representative or worker's dependant has requested pursuant to subsection (2) to the worker's or worker's dependant's physician instead of providing it to the worker, worker's representative or worker's dependant if the board is of the opinion that the medical report:*

*(a) contains information of a sensitive nature; and*

*(b) if provided directly to the worker, worker's representative or worker's dependant would cause harm to the worker or any other person.*

*(5) If a physician receives information pursuant to subsection (4), the physician shall explain to the worker, worker's representative or worker's dependant, as the case may be, the contents of the medical report to assist the worker, worker's representative or worker's dependant in the request for reconsideration of or application for a review of the decision of the board.*

2013, c.W-17.11, s.173.

### **Employer's access to information**

*174(1) In this section, "employer's representative" means a person authorized in writing by an employer to represent that employer.*

*(2) If an employer has requested a reconsideration of or applied for a review of a decision made pursuant to this Act with respect to a worker's claim for compensation, notwithstanding that the employer is not a party to the reconsideration or review, the board may on written request, in accordance with this section, grant the employer or the employer's representative access to the information that the board used to make its decision with respect to:*

*(a) the facts of the situation in which the injury occurred; or*

*(b) the percentage of the cost of compensation that has been assigned by the board to the injury cost record of that employer with respect to the injury of the worker arising out of and in the course of the worker's employment with the employer*

*(3) The person receiving the information pursuant to subsection (2) shall use that information only for the purposes of the reconsideration or review.*

*(4) If a request is made pursuant to subsection (2), the board shall:*

*(a) notify the worker or the worker's representative of the request and of the information that it will grant access to; and*

*(b) inform the worker or the worker's representative that he or she may make an objection to the release of the information within the period specified in the notice.*

*(5) On the expiration of the period mentioned in clause (4) (b), the board shall, after consideration of any objections:*

*(a) decide what information it will grant the employer or the employer's representative access to; and*

*(b) notify the worker or the worker's representative in writing of its decision.*

*(6) The notice required pursuant to clause (5)(b) must be served by registered mail or any other means prescribed in the regulations, and, if mailed, the notice is deemed to have been received five business days after it is mailed.*

*(7) Within 15 business days after the date on which the notice pursuant to subsection (6) is received, the worker may request the board to reconsider its decision made pursuant to subsection (5).*

*(8) The board shall not grant the employer or the employer's representative access to any information until the expiration of the period allowed for a request pursuant to subsection (7) or the determination of the request, whichever is later.*

*(9) The board shall inform the worker or the worker's representative of all information it has granted an employer or employer's representative access to pursuant to this section.*

*(10) An employer may request the board to reconsider its decision with respect to the information the board has granted access to within 15 business days after the date of that decision.*

---

## Appendix L - Funding (POL 01/2014)

### 6.4 Funding (POL 01/2014)

**Document Date** 25 February 2014

**Purpose** To establish guidelines for the maintenance of a fully funded status.

#### BACKGROUND

1. Over the years, the funded status of the Workers' Compensation Board (WCB) has fluctuated according to the operating surpluses or deficits of previous fiscal years. This instability in the WCB's funded status was due, in part, to the absence of a funding policy. The Workers' Compensation Act, 2013 (the "Act") requires the WCB to maintain a funded status although the extent of the reserves to be held by the WCB is left to the discretion of the Board Members.
2. The WCB established its first funding policy in 1997. At that time, a commitment was made to review and adjust the levels in the various reserves to better reflect actual and anticipated usage of these reserves.
3. Changes to the funding policy were implemented in 2002 and 2004 to incorporate current actuarial practices and changes in the accounting principles regarding the reporting of investments and investment income.
4. In 2006, an Asset Liability study was conducted with the specific intent of taking a comprehensive look at the interaction of the WCB's assets, liabilities, reserves, and funding policy. The study presented some recommendations in regards to target funding levels. In 2007, the WCB received feedback in regards to a discussion paper that was distributed to various stakeholders. As a result, the WCB recommended that the targeted range estimated for the Injury Fund and the levels of the various reserves should be modified to reflect today's environment while maintaining a fully funded status that is consistent with the statutory requirements of the Act.
5. In 2011, the funding policy required updates to reflect Canada's conversion to International Financial Reporting Standards (IFRS). These standards are effective for the 2011 financial reporting year.

#### POLICY

1. To build and support long-term financial stability, the targeted ranges and levels of the funds and reserves maintained by the WCB will be determined by the previous year's benefit liabilities as actuarially determined.
2. The Injury Fund will ensure sufficient funds are available to meet required benefit levels and will reduce fluctuations in the average premium rate. The targeted funding range for the Injury Fund will be 105 percent to 120 percent of benefit liabilities.
3. Where the Injury Fund shifts out of the targeted range, the WCB will replenish or regulate the fund to maintain the targeted range:

- a) Where the funded status falls below 103 percent, the WCB, at its discretion, will make a decision on how to replenish the Injury Fund. Generally speaking, the replenishment will be accomplished through a charge to the premium rates as part of the annual rate setting process over a period not to exceed five years.
  - b) Where the funded status rises above 122 percent, refunds will be given back to the employers, at the WCB's discretion, over a period not to exceed five years until the fund reaches 120 percent.
4. The Disaster Reserve and the Occupational Disease Reserve are established to meet the requirements of the Act with respect to disasters and to meet the costs of emerging occupational diseases. This reserve is separated into three different reserves:
- a) Disaster – Part 1 will cover the potential volatility in less severe disasters that meet the requirements as specified in point 1(a) of POL 12/2014, Disaster Reserve. This reserve is set at one percent of benefit liabilities.
  - b) Disaster – Part 2 will cover rare but severe disasters as specified in point 1(b) of POL 12/2014. This reserve is set at one percent of benefit liabilities.
  - c) The Occupational Disease Reserve provides cost relief and protection to employers who may be faced with high costs for diseases caused by past exposure for which they may not be responsible or for industries where the employer is no longer in business. The level of the reserve will be established by the WCB from time to time based on actuarial valuation.
5. The Second Injury and Re-employment Reserve provide employers with cost relief on claims that are attributed to an earlier injury, an injury following re-employment and other circumstances established in POL 21/2010. Based on past utilization of this reserve, the Second Injury and Re-Employment Reserve is set at one percent of benefit liabilities as actuarially determined.
6. To maintain stable funding levels and premium rates under International Financial Reporting Standards (IFRS), unrealized gains and losses on investments will not be considered in the determination of the WCB's funded status.

<b>Act Sec #</b>	114, 116, 117, 134, and 145
<b>Effective Date</b>	31 December 2013
<b>Application</b>	Injury Fund and Second Injury and Re-Employment Reserve levels
<b>Supersedes</b>	POL 02/2013 Funding Policy
<b>Complements</b>	PRO 02/2013 Funding Procedure
	POL 21/2010 Second Injury and Re-Employment Reserve
	POL 05/2014 Occupational Disease Reserve
	POL 12/2014 Disaster Reserve

---

## Appendix M - Funding (PRO 02/2013)

### 6.4 Funding (PRO 02/2013)

**Document Date** 05 March 2013

**Purpose** To establish guidelines for the maintenance of a fully funded status

#### BACKGROUND

1. POL 01/2014, Funding, has been approved. This policy provides guidelines for maintaining the appropriate reserve balances and the Injury Fund balance.
2. The following procedure provides guidance for the implementation of POL 01/2014.

#### PROCEDURE

1. At the end of each fiscal year, Finance will calculate reserve levels based on actuarially determined benefit liabilities. Once the reserve levels have been determined for the year, the Injury Fund balance will be reviewed to determine if it is within the targeted funding range of 105 percent to 120 percent of the previous year's benefit liabilities as actuarially determined.
2. Where the funded status falls below 103 percent, the Workers' Compensation Board (WCB), at its discretion, will make a decision on how to replenish the Injury Fund. The replenishment may be accomplished through a charge to the premium rates over a period not to exceed five years.
3. Where the funded status rises above 122 percent, refunds will be distributed to employers, at the WCB's discretion, over a period not to exceed five years until the fund reaches 120 percent.
4. To maintain stable funding levels and premium rates under International Financial Reporting Standards (IFRS), unrealized gains and losses on investments will not be considered in the determination of the WCB's funded status.

**Act Sec #** 114, 116, 117, 134, and 145

**Effective Date** 31 December 2013

**Amended** References updated 01 January 2014 in accordance with *The Workers' Compensation Act, 2013*

**Application** Injury Fund and Second Injury and Re-Employment Reserve levels.

**Supersedes** PRO 08/2012 Funding

**Complements** POL 01/2014 Funding

POL 21/2010 Second Injury and Re-Employment Reserve

POL 05/2014 Occupational Disease Reserve

POL 12/2014 Disaster Reserve

## Appendix N - 2015 Balanced Scorecard Targets and Performance

Corporate Objective	Indicator	Target	2015 Performance
<b>Stakeholder's Perspective</b>			
Excel at serving injured workers	Worker service satisfaction score	4.20	4.03
Excel at serving employers	Employer service satisfaction score	4.20	4.08
<b>Internal Perspective</b>			
Excel at compensation programs and services	Duration of Time Loss claims	35.5 days	38.92 days
Excel at injury prevention programs and services	Total injury rate	6.8%	6.30%
<b>Enabler's Perspective</b>			
Enhance great relationships	Relationship index	95%	85%
Have a competent workforce	HR alignment	95%	95.5%*
Ensure effective processes	Effective process index	95%	90%*
<b>Financial Perspective</b>			
Optimize costs	Optimize cost index	99%	89.76%
Ensure financial stability	Funded position	105-120%	144.7%

\*Annual average. All other indicators are as at December 2015.





# Workers' Compensation Act Committee of Review

2016 Report