



Minutes

Financial and Statistical Data Comparability Committee & WCB CFO Meeting

December 5, 2014

Caisse de dépôt et placement du Québec, Montréal, Québec

Attendees:

Lorena Trann (Chair, MB); Laurent Charron (AB); Mark Heywood (BC); Paul Kavanagh (NL); Leo McKenna (NS); Len MacDonald (NT/NU); Ernest Chui (ON); Tammy Turner (PE); Carl Gauthier (QC); Guillaume Baril (QC); Ann Schultz (SK); Jim Stephens (YT); Michelle Beavington (AWCBC)

Regrets:

Peter Federko (Executive Sponsor, SK); Ron Helmhold (Chair, AB); Brian Erickson (BC); Tim Petersen (NB); Lawrence Davis (ON); Pamela Steer (ON); Anne St-Martin (QC)

Item 1: Welcoming Remarks and Introductions

Lorena Trann welcomed everyone and introductions were made.

Item 2: Review of Agenda and Previous Meeting Minutes action items

The agenda and previous meeting minutes were reviewed with no revisions.

Item 3: KSM Review

Lorena Trann led discussions on the KSM review, itemized below:

a) **KSM Dashboard / Overview / Highlight Report**

IT WAS DECIDED that:

- A high level report of approximately 8 to 10 measures should be created of “key” KSMs for general external users. This would be the main KSM report directed at general external users as a dashboard view of KSMs.
- The current external list of KSMs will remain and be revised based on re-categorization and recommendations below and this revised KSM report (containing all external KSMs) will still be available as a supplementary document for those seeking additional information outside of the dashboard report.

ACTION ITEMS:

- M. Beavington and G. Baril, in consultation with the KSM Review Subcommittee, to provide a mock-up of the new high-level report at May 2015 meeting.

b) Internal vs External lists:

IT WAS DECIDED that:

- Given the creation of a dashboard/overview report, the reorganization of KSMs and recognizing that very few KSMs were identified to be internal, there will be no separate “internal” KSM list for WCBs only; there will only be one external KSM list.

c) Categories:

See [Appendix A](#) for complete revised category listing.

IT WAS DECIDED that:

- Under ‘Claims / Injury Frequency’ category, ‘Claims Reported’ and ‘Lost Time Claims’ subcategories should be combined into one subcategory called ‘Claims’.
- ‘Operational Measures’ should be renamed ‘Timeliness to Payment’.
- ‘Timeliness to Payment’ should be a new category (not subcategory).
- The categories should be rearranged so the most frequently requested categories are at the top of the report.

ACTION ITEMS:

- M. Beavington to reorder categories based on website statistics of most popular measures and present at May 2015 meeting.

d) Recommendation of Measures:

A full list of recommendations for each measure (i.e. external vs discontinue) is provided in [Appendix B](#), however, of note, the following KSMs are recommended to be discontinued:

| <i>KSMs to be Discontinued:</i> | |
|---------------------------------|---|
| KSM 4.2 | Current Year Benefit Costs Incurred for Self-Insured employers |
| KSM 5.2 | Benefit Payments for All Years Paid During the Year for Self-Insured employers |
| KSM 7.2 | Total Benefit Liabilities for Self-Insured employers |
| KSM 26 | Percentage of Lost-Time Claims Awarded Long-Term Wage-Loss Benefits |
| IR3 | Benefit Liabilities Expressed as a Multiple of Benefit Payments made in the Year |
| IR3.1 | (Health Care + Voc Rehab) Benefit Liabilities as a Multiple of (Health Care + Rehab) Payments |

Some types of measures require special consideration and/or further clarification from the Working Group (WG):

- KSM 25: Percentage of Wage Loss Claims off Compensation at X days; and
- Healthcare and Vocational Rehabilitation KSMs

KSM 25: Percentage of Wage Loss Claims off Compensation at X days

IT WAS DECIDED that:

- WCB Claims/Prevention staff should be consulted to determine which time intervals should remain.

ACTION ITEMS:

- M. Beavington to coordinate consultation with Claims/Prevention staff about which time intervals are most appropriate and present findings at May 2015 meeting.
- In KSM report, to avoid clutter, show this measure at high-level (perhaps showing the “best” time interval) and then allow user to drill down into more time intervals.

Healthcare and Vocational Rehabilitation KSMs:

IT WAS DECIDED that:

- Financial statements should be consulted to determine how best to present these KSMs, what categorizations are possible and what is the most appropriate wording to use.

ACTION ITEMS:

- G. Baril to consult financial statements and present recommendation/findings at May 2015 meeting.
- Healthcare KSMs will be changed to percentages instead of numerical values.
- Healthcare KSMs will be presented in a separate document (similar to Industry KSM report).
- IRs relating to Healthcare KSMs (IR2.1, IR7, and IR8) will be moved to the separate Healthcare KSM report.
- A draft Healthcare report to be presented for review at May 2015 meeting.

e) Trends / Commentary:

IT WAS DECIDED that:

- There is no appetite at this time to provide trends or commentary to the KSMs, but users should be given tools should they wish to view data as trends (i.e. charting/graphing capabilities).
- In the dashboard/overview report, there should be a clear caveat, a consistent message to answer comparability outlining that different jurisdictions have different industries, measures may be different from annual reports and to contact WCBs directly with any inquiries about a particular jurisdiction.

ACTION ITEMS:

- Include caveat referenced above in new dashboard/overview report.

f) Timeliness:

There was discussion about whether the NWISP Committee should be approached to consider revisiting its reference period for Lost Time Claims to make the reference period earlier than the 3 month period following the reference year.

There was also discussion as to whether KSMs, or a portion of them, could be published sooner.

IT WAS DECIDED that:

- The request for KSM submissions will be sent out earlier for 2014 KSMs, with an earlier deadline of May 2015 with the realization some boards may not be able to provide data until annual reports are tabled.

ACTION ITEMS:

- M. Beavington to send out 2014 KSM submission with May 2015 deadline.

Item 4: QuikStats

IT WAS DECIDED that:

- For injury rate, the current method of calculating current quarter trend may not be appropriate and perhaps the same method should be used as is used for Claims Registered (comparing current quarter to same quarter of prior year).

ACTION ITEMS:

- M. Beavington to revise the current quarter injury rate chart in the Q3 QuikStats report to compare current quarter to same quarter of prior year and present back to CFOs.
- M. Beavington to remove "YTD" in title of Injury Rate chart and rename "Current Injury Rate".

Item 5: IAIABC Data Project Update and Briefing on Related Associations/Organizations

An update on the IAIABC data project was given (see meeting materials).

IT WAS DECIDED that:

- There is no appetite for individual jurisdictions to provide data themselves to IAIABC.
- When IAIABC asks for data, direct them to public website to use AWCBC public data.
- Ensure IAIABC notes that Canadian jurisdictions use AWCBC definitions not IAIABC definitions and direct IAIABC users to AWCBC definitions.
- For the 2 measures where AWCBC does not have similar data (fatality rate and denials), these measures will not be provided.

Item 6: Committee Work Plan Update

ACTION ITEMS:

- M. Beavington to update statuses on work plan.

Item 7: Roundtable Discussion and Preliminary Financials

The following potential agenda items for next meeting were identified:

- a) KSM Review: Re-presentation of data (Dashboard/overview report, KSM 25 time intervals; Healthcare report; Re-categorization)
- b) Accounting: IFRS 4 – Have Neil Parkinson present on IFRS (IFRS 4 and IFRS generally)
- c) IT – SAS solutions – software – cloud computing
- d) Bringing actuarial valuation systems out of Excel
- e) Occupational Disease Liability – look at list from CIA
- f) Update Work Plan
- g) Review Terms of Reference

ACTION ITEMS:

- M. Beavington to solicit for additional agenda topics closer to meeting date.

Conclusion

Preliminary dates for All Committee Meeting are May 27/28, 2015 in Toronto.

ACTION ITEMS:

- Once dates and location confirmed for All Committee Meeting, M. Beavington to notify this Committee.

Appendix A – Revised Category Listing

Here is the revised category listing of KSMs (categories and subcategories):

| |
|---------------------------|
| Claims / Injury Frequency |
| • Claims |
| • Fatalities |
| • Injury Frequency |
| • Coverage |
| Timeliness to Payment |
| • Timeliness to Payment |
| Severity / Return to Work |
| • Duration |
| • Impairment |
| • Return to Work |
| Benefits |
| • Benefit Costs |
| • Benefit Liabilities |
| • Benefit Payments |
| Assessments |
| • Revenue |
| • Payroll |
| • Assessment Rate |
| Financial |
| • Admin Costs |
| • OH&S Costs |
| • Funding / Investment |

This category listing will be re-ordered according to popularity of measures using website statistics.

Appendix B – Recommended List of KSMs (External vs Discontinue)

Items highlighted below in green are recommended to be kept external; items in yellow are recommended to be moved to external Healthcare report; and items in red are recommended to be discontinued.

| KSM | Status | New Category | New Subcategory |
|---|----------------------------|-------------------------|-----------------------|
| 1 Number of Claims Reported | External | Claims/Injury Frequency | Claims |
| 2 Lost-Time Claims | External | Claims/Injury Frequency | Claims |
| 2.1 Lost-Time Claims - Assessable | External | Claims/Injury Frequency | Claims |
| 2.2 Lost-Time Claims - Self-Insured | External | Claims/Injury Frequency | Claims |
| 3 Fatalities Accepted | External | Claims/Injury Frequency | Fatalities |
| 3.1 Fatalities Accepted - Occupational Disease | External | Claims/Injury Frequency | Fatalities |
| 3.2 Fatalities Accepted - Injury | External | Claims/Injury Frequency | Fatalities |
| 4.1 Current Yr Benefit Costs - Assessable | External | Benefits | Benefit Costs |
| 4.1.1 Current Yr HealthCare and Voc Rehab Benefit Costs | External-Move to HC report | Benefits | Benefit Costs |
| 4.2 Current Yr Benefit Costs - Self-Insured | xDiscontinue | | |
| 5.1 Benefit Payments for All Yrs - Assessable | External | Benefits | Benefit Payments |
| 5.1.1 HealthCare&VocRehab Benefit Payments for All Yrs | External-Move to HC report | Benefits | Benefit Payments |
| 5.2 Benefit Payments for All Yrs - Self-Insured | xDiscontinue | | |
| 6 Benefit Costs Incurred | External | Benefits | Benefit Costs |
| 7.1 Total Benefit Liabilities - Assessable | External | Benefits | Benefit Liabilities |
| 7.1.1 HealthCare and VocRehab Benefit Liabilities | External-Move to HC report | Benefits | Benefit Liabilities |
| 7.2 Total Benefit Liabilities - Self-Insured | xDiscontinue | | |
| 8 Admin Costs - Assessable | External | Financial | Admin Costs |
| 9 OH&S Costs Paid | External | Financial | OH&S Costs |
| 10 Assessment Revenue - Assessable employers | External | Assessments | Revenue |
| 11 Total Premium Revenue | External | Assessments | Revenue |
| 12 Assessable Payroll - Assessable employers | External | Assessments | Payroll |
| 13.1 Actual Avg Assess Rate - Assessable | External | Assessments | Assessment Rate |
| 13.2 Provisional Avg Assess Rate - Assessable | External | Assessments | Assessment Rate |
| 14 Market Rate of Return | External | Financial | Funding / Investment |
| 15 Percentage Funded | External | Financial | Funding / Investment |
| 16 Avg Days fr Injury to First Payment | External | Timeliness to Payment | Timeliness to Payment |
| 17 Avg Days fr Registration to First Payment | External | Timeliness to Payment | Timeliness to Payment |
| 18 Avg Composite Duration of Claim | External | Severity/Return to Work | Duration |
| 19 Avg New Impairment Award Percentage | External | Severity/Return to Work | Impairment |
| 20 Proportion of Claims Awarded Impairment Benefits | External | Severity/Return to Work | Impairment |
| 21 Injury Frequency | External | Claims/Injury Frequency | Injury Frequency |
| 22 Percentage of Workforce Covered | External | Claims/Injury Frequency | Coverage |
| 23 Real Rate of Return to Discount Benefits | External | Benefits | Benefit Liabilities |
| 24.1 % of LTIs Receiving Wage-loss at end of 2nd yr | External | Severity/Return to Work | Return to Work |
| 24.2 % of LTIs Receiving Wage-loss at end of 6th yr | External | Severity/Return to Work | Return to Work |
| 25.1 % of Wage-Loss Claims off Compensation at 30 days | External | Severity/Return to Work | Return to Work |
| 25.2 % of Wage-Loss Claims off Comp at 60 days | External | Severity/Return to Work | Return to Work |
| 25.3 % of Wage-Loss Claims off Comp at 90 days | External | Severity/Return to Work | Return to Work |
| 25.4 % of Wage-Loss Claims off Comp at 120 days | External | Severity/Return to Work | Return to Work |
| 25.5 % of Wage-Loss Claims off Comp at 180 days | External | Severity/Return to Work | Return to Work |
| 25.6 % of Wage-Loss Claims off Compensation at 360 days | External | Severity/Return to Work | Return to Work |
| 26 % of LTC Awarded Long-Term Wage-Loss Benefits | xDiscontinue | Severity/Return to Work | Return to Work |

| KSM | | Status | New Category | New Subcategory |
|-------|---|----------------------------|--------------|---------------------|
| IR1 | Admin Costs Per \$100 Assessable Payroll | External | Financial | Admin Costs |
| IR2 | Current Yr Benefit Costs Per \$100 Assess Payroll | External | Benefits | Benefit Costs |
| IR2.1 | HC+Rehab Current Yr Benefit Costs per 100\$ Payroll | External-Move to HC report | Benefits | Benefit Costs |
| IR3 | Liabilities as Multiple of Benefit Payments made in Yr | xDiscontinue | Benefits | Benefit Liabilities |
| IR3.1 | HC+Rehab Liabilities as Multiple of HC+Rehab Payments | xDiscontinue | Benefits | Benefit Liabilities |
| IR4 | OH&S Costs paid per \$100 of Assessable Payroll | External | Financial | OH&S Costs |
| IR5 | Current Yr Avg Benefit Cost per Lost-Time Claim | External | Benefits | Benefit Costs |
| IR6 | Admin Costs per Lost-Time Claim | External | Financial | Admin Costs |
| IR7 | HC+VocRehab Payments as a % of Total Benefit Payments | External-Move to HC report | Benefits | Benefit Payments |
| IR8 | HC+VocRehab Liabilities as a % of Total Benefit Liabilities | External-Move to HC report | Benefits | Benefit Liabilities |