



Minutes

Financial & Statistical Comparability Committee & WCB CFO Committee

Nov 12 & 13, 2013

WorkSafeBC, 6951 Westminister Highway, Richmond, BC

Attendees:

Ron Helmhold (Chair, AB); Lorena Trann (Vice-Chair, MB); Laurent Charron (AB); Brian Erickson (BC); Mark Heywood (BC); Peter Murphy (NB); Tim Petersen (NB); Maureen Boyd (NS); Len MacDonald (NT/NU); Pamela Steer (ON); Tammy Turner (PE); Ann Schultz (SK); Jim Stephens (YT); Michelle Beavington (AWCBC)

Via conference call: Guillaume Baril (QC); Anne St-Martin (QC)

Guests: Norman Samaroo (AB); Stan Warawa (BC); Deanna Scott (BC); Michael Goon (BC); Neil Parkinson (KPMG), via conference call; Reinhold Krahn (Lawson Lundell), Jon McCullough (McCullough O'Connor Irwin)

Regrets:

Peter Federko (Executive Sponsor, SK); Paul Kavanagh (NL); Leo McKenna (NS); Lawrence Davis (ON); Don Blue (ON); Eugene Wen (ON); Andre Beauchemin (QC)

Item 1: Welcome, introductions & Executive Sponsor update

Ron Helmhold welcomed everyone and introductions were made. Ron updated on AWCBC Executive expectations for this committee, primarily the KSM Review.

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

Agenda was reviewed with no changes. All action items from previous minutes are ongoing or complete.

Item 3: KSMs – Committee Work Plan – Review Status

The statuses of the committee work plan items were reviewed and updated.

Items 4: Actuarial Update

Stan Warawa from WorkSafeBC and Chair of the CIA Committee on Workers' Compensation (CWC) gave an update on CWC activities. See presentation.

CFOs are recommended to speak to their own actuary who sits on the Committee for Worker's Compensation (CWC) about the Latent Occupational Disease Liability (LODL). A key component of the research project is anticipated to include guidance on which diseases are considered latent occupational diseases. The CFO Committee suggests that CFOs review the research project draft recommendations in case it varies from their own calculation of LODL.

ACTION ITEM: At May 2014 meeting, review research paper and have each jurisdiction submit their latent occupational disease categories to see how existing practice lines up with the research project guidance.

Item 5: IFRS Working Committee Update

Laurent Charron updated on the work of the IFRS Working Committee and its meeting in Halifax. See presentation.

Item 6: IFRS / Accounting Update

Neil Parkinson, KPMG updated on IFRS and accounting issues and went through his paper, *The New IFRS Insurance Accounting Proposals: Implications for Canadian Workers Compensation Boards* (attached as meeting materials).

Item 7 – KSM Review Subcommittee Update

Ann Schultz presented the results of the KSM Review survey and outlined a process for review recommended by the KSM Review Subcommittee.

Voting process: It was agreed that the voting process would be a simple majority vote however it was acknowledged that the Committee will implement a process whereby jurisdictions voting against the majority have an opportunity to present a case as to why the KSM needs to be maintained. Final decisions on inclusion or exclusion of KSMs rests with the AWCBC Executive Committee with the CFO Committee's responsibility to provide recommendations with sufficient rationale.

ACTION ITEM: See appendix A for list of KSMs to be reviewed further in May 2014.

ACTION ITEM: CFOs to take this list back to their jurisdiction and be prepared in May 2014 to indicate for each KSM if they want to keep the measure and whether it should be internal or external.

Item 8 – Data Analytics

Norman Samaroo presented on WCB Alberta's Business Intelligence & Analytic Framework. See presentation. WorkSafeBC also shared information on its BIA.

ACTION ITEM: M. Bevington to electronically distribute BC's BIA document.

Item 9: WCB Investments in US based real property

Reinhold Krahn from Lawson Lundell and Jon McCullough from McCullough O'Connor Irwin presented on taxation related to investing in foreign real estate and infrastructure. See presentation.

ACTION ITEM: M. Bevington to electronically distribute presentation.

Items 10: Review draft CEO Briefing

ACTION ITEM: Alberta to finalize draft briefings and then briefings to be sent to Presidents through the AWCBC.

Item 11: Confirmation of distribution lists and Timing of QuikStats

ACTION ITEM: M. Bevington to get confirmation for jurisdictional contacts for CFO Committee distribution list.

ACTION ITEM: M. Bevington to get confirmation of a main contact at each jurisdiction to refer WCB requests for QuikStats.

ACTION ITEM: Schedule for QuikStats report to be solidified. Deadline for submissions to be 45 days after quarter ends.

ACTION ITEM: M. Bevington to cc: CFOs on email out to Presidents of QuikStats report.

ACTION ITEM: If any jurisdiction has recommendation for additional measures for QuikStats report, bring them to May 2014 meeting.

Item 12: Roundtable discussions

See

- Item 12a and 12b: Fall Roundtable items a and b – Jurisdictional Comparisons
- Item 12c: Fall Roundtable Comparison – Jurisdictional Comparisons
- Item 12d: Request for Information – Old Age Security Act - Responses
- Item 12e: Request for Information – Budgeting Software - Responses

Conclusion

Next meeting will be part of AWCBC All Committee meeting in the spring of 2014 in Toronto. Dates to be determined.

The following KSMs are to be reviewed further in May 2014:

- Indicator Ratios:
 - IR2. Current Year Benefit Costs Per \$100 of Assessable Payroll
 - IR2.1. (Health Care + Voc Rehab) Current Year Benefit Costs per 100\$ of Assessable Payroll
 - 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
 - IR4. Occupational Health & Safety Costs paid by Boards/Commissions per \$100 of Assessable Payroll
 - IR5. Current Year Average Benefit Cost per Lost-Time Claim
 - IR6. Administration Costs per Lost-Time Claim
 - IR7. (Health Care + Voc Rehab) Payments as a Percentage of Total Benefit Payments
 - IR8. (Health Care + Voc Rehab) Liabilities as a Percentage of Total Benefit Liabilities
- Self-Insured KSMs:
 - 2.2. Number of New Lost-Time Claims for Self-Insured employers
 - 4.2. Current Year Benefit Costs Incurred for Self-Insured employers
 - 5.2. Benefit Payments for All Years Paid During the Year for Self-Insured employers
 - 7.2. Total Benefit Liabilities for Self-Insured employers
- Other KSMs in bottom 10 of 2 or more categories in survey:
 - 19. Average New Impairment Award Percentage
 - 20. Proportion of Claims Awarded Impairment Benefits
 - 24.1. Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 2nd year after the injury year
 - 24.2. Percentage of Lost-Time Claims Receiving Wage-loss Benefits at the end of the 6th year after the injury year
 - 26. Percentage of Lost-Time Claims Awarded Long-Term Wage-Loss Benefits. (currently not published).