



Financial and Statistical Data Comparability Committee & WCB CFO Meeting

May 15 & 16, 2012

Radisson Admiral Hotel, Toronto, Ontario

Minutes

In attendance:

AB Ron Helmhold, Laurent Charron
BC Steve Barnett (**Chair**)
MB Lorena Trann
NB Peter Murphy
NL Paul Kavanagh
NS Maureen Boyd
NT/NU Gloria Badari
ON Rob Hinrichs, Paul Szabunio (May 15), Betty Ma (May 15), Pamela Steer (May 16)
PE Tammy Turner
QC Guillaume Baril, Anne St. Martin
SK Peter Federko (**Executive Sponsor**)
YT Jim Stephens
AWCBC Michelle Beavington

Guest speakers:

Eckler Richard Larouche
KPMG Neil Parkinson
Alberta WCB Dave Lawson

Absent:

NS Leo McKenna
ON Lawrence Davis

May 15th

Item	Description	Action Items
1	<p>Working Group update:</p> <p>Guillaume Baril presented the Working Group update.</p> <p><u>AOC KSM Usage Statistics</u></p> <p>AOC KSM usage statistics were reviewed. Further detail is required on the customers that are using KSMs. A self-indicator button for public users was suggested. Better usage statistics about customers to be added to AOC. To be reviewed again in Spring 2013.</p> <p><u>Review of Internal KSMs</u></p> <ul style="list-style-type: none"><i>INT2: Percentage of LTCs with a recurrence of the same injury:</i> Bring back at Fall CFO Meeting with additional data years 2009 to 2011. CFOs to decide whether to publish externally or discontinue the measure.<i>INT4: Percentage of LTCs Awarded Long-Term Wage-Loss Benefits:</i> Bring back at Fall CFO Meeting with additional data years 2009 to 2011. CFOs to decide whether to publish externally or discontinue the measure. If externally published will need to define "long-term".<i>INT5: Staffing Level:</i> It was decided that this measure will be discontinued as the Human Resources (HR) working group collects a staffing measure.<i>INT6: Investment Income in Excess of Returns on Funded Liabilities per 100\$ of assessable payroll:</i> It was decided to keep INT6 internal and bring back chart annually. At Fall CFO Meeting bring back chart with additional data years 2009 to 2011. <p><u>Injury Frequency by Industry (IFI)</u></p> <p>There was discussion about presenting IFI as yearly percentage increases/decreases. There was also discussion about looking at other industries, but no additional industries were specifically requested.</p> <p><u>Healthcare Only Claims</u></p> <p>Data collected on Healthcare Only Claims was sent to the Safety and Prevention Committee prior to May 2012 meeting. Awaiting Prevention Committee feedback. CFO Committee has no interest in this measure.</p>	<p><u>KSM usage:</u></p> <p>Better AOC usage statistics to be gathered around the customers that are using KSMs. Review again in Spring 2013.</p> <p><u>Internal KSMs:</u></p> <ul style="list-style-type: none">Bring back INT2, INT4 and INT6 at Fall CFO meeting with 2009 to 2011 data.At Fall CFO meeting decide if INT2 and INT4 will be published externally, kept internal or discontinued.INT5 to be discontinued <p><u>Injury Frequency by Industry (IFI)</u></p> <p>Present IFI as yearly percentage increases/decreases.</p> <p><u>Healthcare only claims:</u></p> <p>Healthcare data collected sent to Prevention Committee. Awaiting feedback.</p>

	<p><u>Additional item – IFRS restatement</u></p> <p>2010 KSM data will not be restated for IFRS. 2011 data onwards will be based on IFRS.</p> <p><u>Additional item – Additional QA members</u></p> <p>If jurisdictions have a Quality Assurance (QA) volunteer, contact M. Beavington.</p>	<p><u>IFRS restatement:</u></p> <p>2010 KSM data will not be restated for IFRS. 2011 data onwards will be based on IFRS.</p> <p><u>Additional QA members</u></p> <p>If jurisdictions have a Quality Assurance (QA) volunteer, contact M. Beavington.</p>
2	<p>Occupational Disease Funding</p> <p>Richard Larouche from Eckler presented on Occupational Disease (OD) Funding. See presentation.</p> <p>New actuarial standard: By end of 2014 the actuaries should make allowances for OD in <i>latency</i> stage for <i>recognized</i> OD. Early adoption is possible. Actuary may deviate from standard according to Board policy. CIA will be preparing a research paper to provide guidance on actuarial assumptions and methodologies. The research paper is not binding.</p> <p>Action: Richard Larouche to present again in May 2013; hopefully research paper will be available.</p> <p>There was discussion about developing a draft position statement from AWCBC (for CFO Fall 2012 meeting).</p> <p>Action: Ron Helmhold to take the lead in drafting a letter to Actuarial Standards Board with cc to CIA workers' compensation committee.</p> <p>Action: Invite Nick Bauer (formerly on Actuarial Standards Board) to Fall 2012 meeting.</p> <p><u>Additional Discussion – Roundtable - OD Funding</u></p> <p>There was an additional roundtable discussion about how OD funding is affecting each WCB.</p>	<p>Ron Helmhold to take the lead in drafting a letter to Actuarial Standards Board with cc to CIA workers' compensation committee.</p> <p>Richard Larouche to present May 2013.</p> <p>Invite Nick Bauer to Fall 2012 CFO meeting.</p>
3	<p>IFRS Working Committee update</p> <p>Laurent Charron presented an update of the work of the IFRS Working Committee and how IFRS implementation went. The Working Committee will be gathering in Winnipeg.</p>	

4	<p>KPMG Update on IFRS developments</p> <p>Neil Parkinson from KPMG updated on IFRS developments including IFRS"4.1" and IFRS9. Some potential implications for Canadian WCBs are: discount rates; insurance contracts IASB vs FASB measurement model (4 vs 3 building blocks); and "two-sided OCI" and possible IFRS9 changes (for available for sale).</p> <p>See presentation.</p>	<p>Future agenda topic: Discount rates</p>
5	<p>QuikStats survey to CEOs</p> <p>Steve Barnett presented the results of the survey sent to CEOs/Presidents about the value of QuikStats.</p> <p>There was general discussion about QuikStats: to keep circulating as is, keep distribution as is, see if there is a way to present graphs so they are less cluttered and perhaps look at presenting quarterly instead of monthly.</p> <p>Peter Federko to update Executive Committee at its May 16 meeting.</p>	
6	<p>IT Directors update</p> <p>See minutes of IT Directors March 2012 teleconference.</p>	
7	<p>Committee Workplan review and update</p> <p>There was discussion about the involvement of CFOs in the KSM process and whether they were the correct people to be making certain KSM-related decisions. There was a suggestion to have the WG (the KSM/WG representatives from each jurisdiction) provide CFOs with recommendations with supporting rationale for which KSMs to keep, add, and discontinue with CFOs retaining accountability/ownership of KSMs. CFOs role in KSMs to be validated. Terms of reference to be revisited.</p> <p>The following items were added to the workplan:</p> <ul style="list-style-type: none"> - Confirm validity of CFO involvement in KSM process and usefulness of the KSMs. Review terms of reference. - Better AOC usage statistics to be gathered around the customers that are using KSMs. Review again in Spring 2013. - Explore opportunities for education of KSM at upcoming Congress and Learning Symposium 	<p>Confirm validity of CFO involvement in KSM process and usefulness of the KSMs. Review terms of reference.</p> <p>Better AOC usage statistics to be gathered around the customers that are using KSMs. Review again in Spring 2013.</p>

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8	<p>Update on WSIB Funding review</p> <p>Rob Hinrichs presented on Harry Arthurs' WSIB Funding review. See presentation. Also see "Funding Fairness" report.</p>	
9	<p>Roundtable discussion</p> <p>See Appendix A for preliminary financials and roundtable of items of interest at each WCB.</p>	
10	<p>Investment Risk Management</p> <p>Dave Lawson presented on Investment Risk Management at WCB-Alberta. See presentation.</p>	
	<p>Next Meeting Date and Location</p> <p>The next meeting will be held in Quebec City in late October 2012. M. Beavington to canvass with dates suggested by CSST.</p>	

Next meeting – potential topics:

- Discount rates
- OD Funding
 - o Actuarial Standards Board letter - Ron Helmhold
 - o Invite Nick Bauer
- WG
 - o Internals
- CFOs role in KSMs - Review terms of reference

Spring 2013 meeting – potential topics:

- Neil Parkinson – IFRS update
- OD – Richard Larouche
- QuikStats CEO survey
- AOC usage – who is using data
- Have Eugene Wen (WSIB) present to CFOs on potential topics like youth, duration, immigrant workers