



## Opinio 6

 Respondent 9019014

[print]

Single response:	Workbook
Respondent id:	9019014
Start date:	7/15/16 10:56 AM
Completed date:	7/15/16 2:00 PM
Response language:	English [en]

### 1. The WCB Review website does not automatically gather personal or identifying information.

Submissions from organizations may be made publicly available on the WCB Review website. Submissions from individuals will not be made publicly available.

The information collected will be used for the purpose of assisting the WCB Review Panel, the WCB Review Secretariat and the Government of Alberta in the review of the workers' compensation system. Any information you provide during this review may be summarized, used, disclosed or published at the discretion of the Government of Alberta in accordance with Freedom of Information and Protection of Privacy Act (FOIP Act).

Any personal information you provide is collected under the authority of section 33(c) of the FOIP Act and the use and disclosure of your personal information will be managed in accordance with the FOIP Act.

If you have any questions, please contact the WCB Review Secretariat by email at [wcbreview@gov.ab.ca](mailto:wcbreview@gov.ab.ca) or 780-644-8498.

1. I Agree

7/15/16 10:56:31 AM MDT

### 2. DETERMINING A CLAIM'S ELIGIBILITY FOR BENEFITS

To be considered eligible for payment of benefits, an accident must meet two conditions: it must arise out of employment, and it must occur in the course of employment.

For many claims, it is relatively straightforward to determine if the accident arose out of employment (for example, if a worker falls from a ladder while performing their duties at work and breaks their arm.)

In some instances, it can be more challenging to determine that a worker's injury or illness arose out of employment. For example, a person may have a heart attack while at work, but that does not necessarily mean the heart attack arose out of employment.

For these kinds of situations, the WCB looks at several factors to determine causation of the worker's injury or illness (such as the worker's medical diagnosis, their conditions and duties at work, and personal factors such as pre-existing conditions.)

1. Please provide your insights below on how eligibility for workers' compensation in complex claims should be determined. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

I have no input for this section. All of my input regards employers and pricing

7/15/16 10:58:32 AM MDT

### 3. PRESUMPTIONS ABOUT INJURIES AND ILLNESSES

Workers' compensation legislation in Alberta contains a number of presumptions about occupational diseases and workers in certain occupations and industries.

- Many presumptions are set out in the Workers' Compensation Regulations. If a worker suffers an occupational disease, and was employed in an industry listed in the regulation within the preceding 12 months, then the disease is presumed to have been caused by employment, unless the contrary is shown.
- In 2003, the Workers' Compensation Act was amended to include a specific presumption relating to firefighters and certain types of cancers.
- In 2005, the Act was amended to include a similar presumption related to myocardial infarctions suffered by firefighters when occurring within 24 hours after attendance at an emergency response.
- In 2012, the Act was amended to provide that if a first responder is diagnosed with post- traumatic stress disorder (PTSD) then it is presumed the PTSD arose out of and occurred in the course of the first responder's employment in response to a traumatic event or series of traumatic events. First responders are defined as police officers appointed under provincial legislation, firefighters (both full and part-time), emergency medical technicians and peace officers who are authorized to use the title "Sheriff".

Some suggest that the entire scope of presumptive diseases should be expanded, to better reflect linkages that exist between certain occupations and certain injuries and illnesses. Others feel evidence does not support the assumption that it is the type of occupation that should presume coverage, but rather that coverage should be based on the incident and whether it was the cause of the injury.

2. Please provide your insights below on expanding the scope of presumptive diseases. Please elaborate on occupations and injuries/illnesses where you think presumptions should be expanded (or reduced). [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

I have no input for this section.

7/15/16 10:58:47 AM MDT

4. Psychiatric and psychological injuries (including chronic onset stress) can be challenging from a claims standpoint, because there can be many different causes of these conditions (e.g., both work-related and non-work-related causes). This makes it challenging to determine if the injury arose out of and in the course of employment.

The state of policy today represents an evolution from the past. Not long ago, the WCB generally did not cover psychological and psychiatric injuries. Over time, workers' compensation systems have come to cover these injuries but struggle with these types of cases.

Presently, the WCB will consider a claim for psychiatric or psychological injury when there is a confirmed psychological or psychiatric diagnosis as defined in the most current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) and the condition results from one of the following:

- Organic brain damage,
- An emotional reaction to a work-related physical injury,
- An emotional reaction to a work-related treatment process,
- Traumatic onset psychological injury or stress, or
- Chronic onset psychological injury or stress

In the years to come, these types of cases are likely to continue to be challenging not only in terms of determining eligibility, but also in terms of return to work and vocational rehabilitation.

3. In your experience, what are some concerns that arise when it comes to claims around psychiatric and

psychological injuries? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

I have no input for this section, as my experience and expertise is in relation to employers and pricing

7/15/16 10:59:16 AM MDT

#### 5. CLAIMS INVOLVING PRE-EXISTING CONDITIONS

The WCB's current policy provides that where a workplace injury causes a pre existing condition to deteriorate or become symptomatic, the injured worker is eligible for payment of benefits.

- Medical evidence must show that the accident caused some worsening of the worker's pre-existing condition, at least on a temporary basis.
- It is not a requirement for the worker to have sustained a permanent clinical impairment as a result of the injury to qualify for benefits.
- Benefits for the worker continue until the worker recovers to the point that their remaining disability is due entirely to the pre-existing condition or unrelated health problem.

4. Please provide your views on some of the issues and concerns that arise in claims involving pre-existing conditions. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

While this issue does impact pricing (Industry Custom Pricing and Cost Relief), I do not have any comments in regards to this issue. I am satisfied with the current options that the WCB provides industries (custom pricing) in this regard.

7/15/16 11:02:54 AM MDT

#### 6. CLAIMS MANAGEMENT AND SERVICE DELIVERY

There are many views about the service experiences (i.e., quality, effectiveness, timeliness) that workers and employers currently have when they interact with the WCB.

5. Please provide your comments on the timeliness and effectiveness of the WCB claims process. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

I do not have feedback on this issue, except that in my career I have found that the Alberta WCB compares very favorably in these measures (and others) with other jurisdictions in Canada and abroad.

7/15/16 11:06:48 AM MDT

7. When a person in Alberta has concerns about the way their claim is being managed they do not have a single window through which to raise these concerns. Instead, they can raise their concerns through the Alberta Ombudsman, the Office of the Information and Privacy Commissioner of Alberta, the Alberta Human Rights Commission, their MLA, and/or the Minister of Labour, depending on the nature of their concerns.

The workers' compensation organizations in Saskatchewan, Manitoba, and Ontario each have a Fair Practices Officer that investigates service delivery complaints and attempts to resolve them. The Fair Practices Officer is a WCB employee who examines, investigates and reports on trends and potential systemic problems to the board of the organization. The Fair Practices Officer cannot change a WCB decision.

In New Brunswick, the Issues Resolution Office offers a secondary review of a claims decision and also acts as

an ombudsman to help resolve service issues. The Issues Resolution Office reports to the WorkSafeNB's corporate secretary and general counsel.

6. What are your views about creating a mechanism in Alberta's workers' compensation system that would provide a single window for people to raise concerns about WCB claims management and service delivery? If you support this concept, what could it look like? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

Being well informed about Alberta WCB, I did appreciate being able to call the Saskatchewan Workers' Advocate Office who was very helpful in understanding the process to follow in looking at potentially appealing a claim. While the Sask WCB was also very helpful, I would imagine that workers would find it much easier to start with one place, like an Alberta Workers' Advocate office, rather than trying to navigate the patchwork of solutions that we have in Alberta now, such as the Info & Privacy Commissioner, MLA, and other avenues you listed for this section. Perhaps the additional clarity of a one stop shop for all workers would have prevented the horrific incident that just unfolded this morning on the steps of the Central Building, and that would be an excellent outcome.

7/15/16 11:19:34 AM MDT

#### 8. MEDICAL SERVICES

The timely communication of accurate medical information can impact decisions about a worker's claim, how their claim moves through the WCB process, and even the worker's income. Physicians and other health providers are therefore key partners in the workers' compensation system. There are many views about the strength of these partnerships.

7. Please describe your views on the willingness of physicians and other health professionals to interact with the workers' compensation system on behalf of their patients. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I know that as a former WCB employee that my views are biased. Even though I have never been employed in claims, I am able to see the tremendous value in these partnerships. Anything the Board can do to maintain and strengthen these partnerships (expansion of OIS, stronger incentives for other physicians to communicate on a more timely basis, etc.) is worth investigating. For those doctors who are slow to communicate, perhaps a penalty in their billing structure (10% reduction beyond date x, 20% reduction beyond date y, etc.).

7/15/16 11:22:28 AM MDT

9. The WCB negotiates with physicians and other treatment providers, who have interest and expertise in work-related injuries and issues, for access to their services. This sometimes enables the WCB to have injured workers tested and treated faster than these services could be accessed in the publicly-funded health system. The WCB pays these service providers directly for these services. The benefit to this is the reduced time it takes injured workers to be ready for employment, and it reduces employer costs.

8. What are your views on the WCB's current process for referring injured workers for medical treatment or services? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

Again, being a prior employee of the Board, I am aware of the "2 tiered medical system" we have in Alberta, and the ability of the WCB to expedite services through this "extra capacity". Is already mentioned, I suspect I am biased in this regard, but keeping the wheels of the Alberta Economy moving is in my view a strong enough justification for maintaining this capacity. I would only add that because the WCB benefits from this structure, it should be cooperative in any way in helping service providers reduce inefficiencies. For example, leaving capacity available for WCB workers means that sometimes spots that could have been filled by the general public may not be. If the WCB can assist providers in minimizing wasted capacity, I think that would be an area they should be willing to commit resources.

7/15/16 11:26:15 AM MDT

**10. RESOLVING DISAGREEMENTS ABOUT MEDICAL ISSUES IN A CLAIM**

There can sometimes be disagreements about the medical issues in a worker's claim. These can affect a worker's benefits.

9. How do disagreements about medical issues impact the relationships that physicians and other health providers have with the workers' compensation system? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I think the current methods of letting specialists have seniority over diagnosis from generalists, and employing medical consultants and ordering medical testing is a good enough fit. I do not have the expertise in this area to offer further analysis or value.

7/15/16 11:28:08 AM MDT

**11. In Alberta's workers' compensation system, Medical Panels are used to provide an impartial, independent decision-making process to resolve bona fide conflicts of medical opinions. For example, the Medical Panel can resolve medical disputes between a worker's physician and a WCB medical consultant. The findings of a Medical Panel are binding on the WCB or the Appeals Commission for Alberta Workers' Compensation (Appeals Commission).**

Medical Panels are composed of three physician members who are recognized as experts in their field and who are independent from the WCB.

Currently, only the WCB or the Appeals Commission can request a Medical Panel review. Some have suggested there would be value in allowing others (such as workers and employers) to also request a Medical Panel review.

10. In your view, who should be able to request a Medical Panel review? Why? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

This is not my area of expertise, but I do understand these resources (medical experts) are limited, so we cannot simply open up the demand for their involvement without some sort of gate keeping. I don't know enough on the subject to say whether the current protocols are a best fit for realities.

7/15/16 11:30:43 AM MDT

**12. The Medical Panel Office performs an adjudicative function, but there are suggestions it could play other roles as well. For example, some say it might be valuable for the Medical Panel Office to provide educational or consultative roles with respect to the WCB's medical consultants.**

11. What other roles, if any, could the Medical Panel Office play in resolving medical conflicts? Please describe. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

No suggestions here.

7/15/16 11:31:08 AM MDT

**13. RETURN TO FULL OR MODIFIED DUTIES AT ORIGINAL EMPLOYER**

Ideally, when a worker is capable of doing so, they can go back to their original employer (i.e., their

employer on the date of accident). This might entail returning with modified duties based on the worker's abilities, which may be different than they were on the date of accident.

There is currently no requirement under Alberta's Workers' Compensation Act for an employer to return an injured worker to the workplace.

Under Alberta's human rights legislation employers have a duty to accommodate workers with disabilities, unless the accommodation imposes undue hardship on the employer. Alberta's WCB does not handle disagreements or complaints about non-compliance with human rights legislation. Worker concerns about an employer's failure to accommodate, or employer concerns about undue hardship, must be filed separately with the Alberta Human Rights Commission.

Several other jurisdictions have provisions in their workers' compensation legislation that require an employer or worker to cooperate with return to work efforts.

12. Should the Workers' Compensation Act contain a provision that influences or compels an employer or worker to cooperate on return to work? Why or why not? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I don't know enough about the successes and challenges in those other jurisdictions to offer an opinion here. I can appreciate the arguments for and against, but don't have sufficient information to add my voice to the discussion.

7/15/16 11:32:49 AM MDT

14. 13. What challenges do employers face in returning an employee to work? If there are challenges, what additional supports do employers need from the WCB? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I understand that the WCB's hands are tied in some respects on the Drug and Alcohol policies of employers, due to a past court decision. However, there are other issues besides drug and alcohol where it is problematic to bring employees back. For me, more support should be made for employers who are struggling with workers who are potentially poisoning the workplace. Certainly the premium impacts of not providing modified duties can be huge, but sometimes having that employee back amidst your workers has an even higher intangible cost. Case Managers need more support / guidelines on when employers can "get a pass" (be it cost relief or some other mechanism that works with all forms of pricing, ICP or Standard) that prevents employers from being penalized in "impossible situations"

7/15/16 11:36:46 AM MDT

15. NO RETURN TO ORIGINAL EMPLOYER

When an injured worker cannot return to their pre-accident position, or where there is a permanent disability requiring a work modification, the WCB may provide Vocational Rehabilitation Services. These services are aimed at helping injured workers develop the skills and capabilities that will assist them to reach a state of employability. Vocational Rehabilitation Services can take a varying amount of time to complete, depending on individual circumstances.

The WCB will assist a worker in assessing skills and abilities within their anticipated work restrictions and will help them develop a long-term goal, upon which a vocational rehabilitation plan will be based. The goal is often set with an aim to maximize the worker's earnings potential. Once the goal and the plan are identified, the worker will start 12 weeks of assisted job search, unless other skills or training opportunities have been identified. Through the program the worker can access various services, such as short-term skills training or assistance with developing a resume. Potential earnings in the job are assessed using a survey methodology (labour market research conducted by an independent firm). These can be used to "deem" the worker's earnings (and adjust their benefits), if the worker remains unemployed.

People have many views about the effectiveness of Vocational Rehabilitation Services in helping prepare workers to re-enter the workforce.

14. In your view, do Vocational Rehabilitation Services provide injured workers with meaningful rehabilitation that prepares them for employment? Please explain. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

No comments here.

7/15/16 11:37:13 AM MDT

#### 16. OTHER THOUGHTS YOU MAY HAVE

15. Please provide any other comments you have relating to the WCB claims process. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

None

7/15/16 11:37:22 AM MDT

#### 17. LOSS OF EARNINGS

If a worker misses time from work beyond the day of the accident (a lost time claim), an injured worker receives monetary benefits based on their earnings as of the date of accident. These payments are non-taxable.

In 2016, injured workers eligible for temporary total disability (TTD) benefits receive 90% of their net earnings, up to a maximum insurable earning of \$98,700 per year. The 2016 maximum insurable earnings amount translates into weekly compensation payments of \$1,225.61.

There are questions about the WCB's current limits on insurable earnings. Some people have suggested that the current limits may be too low, given that wages in several occupations can be much higher than the current maximums. Others have suggested that the current limits should remain unchanged, but that workers should have the option to purchase additional coverage from the WCB for amounts above the current limits.

16. Please comment on whether the current limits on insurable earnings should be changed. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

In case the opportunity does not come up in a future question, I believe we should expand the use of Guaranteed Coverage Amounts in regards to Personal Coverage. I understand the need to substantiate earnings to some degree to avoid a repeat of the "taxi drivers at Max" situation of the past, but I do think there is room to go to at least \$40K. While not all industry earnings will support higher non-substantiation amounts, the current amounts of \$25 and \$30K are quickly becoming outdated. It would be wise to implement actual requirements for regular reviews of these "static" numbers, as they can fall behind and cause hardship on PC holders if not kept current. As far as the more general question on MAX IE, I do find that the recent increases (probably breaking six figures in 2017) are "adequate", and because policy holders can purchase additional insurance from the private industry, I don't see the need to accelerate annual increases to MAX IE more than is being implemented currently.

7/15/16 11:43:22 AM MDT

18. 17. Should an option be made available for workers to obtain additional coverage through the WCB? Why or why not? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

As part of the team at WCB that was working on encouraging voluntary coverage uptake at the turn of the century, I'm aware of the backlash that resulted from the private industry from these relatively small efforts. Since I was part of the experiment, I am hesitant to suggest the WCB return to considering taking on activities that would be seen by the private industry as "competitive marketing". HOWEVER, having said that, it is LONG past time to return to our efforts of transforming all remaining voluntary industries into compulsory ones. In the seventies we had almost completed that work, but the final schedule to push through the legislature happened to have farming on it, which farmers were very against. The irony we have in 2016 is: Now farmers have been brought in, but all of the workers in those industries that just happened to have been on the same list as farming, are still out. If not for farmers stopping it originally, the rest of those voluntary workers would all be enjoying compulsory coverage for the past 40+ years. Now that the elephant in the room has been dealt with (farming), let's finish what we started, and get the rest of those industries changed to compulsory.

7/15/16 11:49:00 AM MDT

#### 19. BENEFITS ADJUSTMENTS

Benefits can be adjusted through cost-of-living adjustments that are calculated by the WCB using a specific formula. The WCB Board of Directors approves the adjustments, which are effective January 1 of each year.

The WCB's cost-of-living adjustments are calculated on the basis of the worker's earnings on the date of accident. The adjustments do not account for earnings increases the worker may have received due to career progression.

Some suggest that benefit adjustments should take a worker's potential earnings as well as career progression into account. Others say this would not be practical, since it cannot be assumed a worker would have progressed in their career or received earnings increases.

18. Please comment on whether WCB benefits should recognize career progression. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

I agree with the current practice, but there could be some discussion on giving a small amount of leeway for case managers. If a medical student is injured having completed 90% of his studies, it is reasonable to assume they would have continued on in their profession, but we can't know anything for certain, so even in these "relatively" black and white cases, only a LIMITED allowance should be considered. Unfortunately, I don't know how to open the door a crack for those few cases, and still denying all of the many other gray issues ("I registered for medical school, but was injured on the job at Home Depot before I could start studies" would be the proper analogy in this case). We would have no confidence that the student absolutely would have followed through with studies, etc.... The extra complexity to the system might not be worth the small margins of leeway that I would be comfortable to allow, so at the end of the day, it's probably not a good idea to go there.

7/15/16 11:55:41 AM MDT

#### 20. DEEMING EARNINGS

Based on the goal that is set for a worker as part of Vocational Rehabilitation Services, the WCB will assess potential earnings in the job using a survey methodology (labour market research conducted by an independent firm). Select employers within each community where an occupation exists are surveyed to determine what they would pay employees hired into these occupations and how those earnings would increase to reflect growing experience for the first five years.

If a worker remains unemployed, but the WCB determines they are fit and ready to work in a potential position, the worker will be deemed capable of performing this work and earning this income. The WCB adjusts the benefits paid to the worker, to reflect the income that the worker is deemed capable of earning. The deemed earnings incorporate increases based on career progression that the worker would theoretically have in the deemed job.

Some people have suggested that this deeming process may not result in successful employment outcomes for injured workers, because the rehabilitation services provided may not have a connection to a worker's employment history nor be based on work realistically available in the economy. Others have suggested that



the deeming process makes sense, since it is not always viable for a worker to return to their original position or secure employment when they are ready.

19. Please comment on the WCB's use of "deeming" earnings for those workers who are not able to return to work with their original employer. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

No comment

7/15/16 11:56:24 AM MDT

#### 21. NON-COMPLIANCE AND EFFECT ON BENEFITS

Where the WCB considers a worker to be non-compliant, the WCB currently has the authority to suspend payment of the worker's benefits.

The WCB can consider a worker to be non-compliant in a number of circumstances.

One circumstance is if an injured worker refuses to participate or cooperate with the WCB's directions regarding medical treatment. This can happen for various reasons. The worker might not agree with the treatment plan; they may wish to see a provider who is not on the WCB's approved list; or they may wish to explore other treatment options (e.g., acupuncture versus surgery).

Another circumstance is when a worker refuses to return to work even though the WCB has deemed them fit to return to full or modified duties. This too can happen for various reasons. For instance, the worker's personal family doctor might disagree and advise them they should not yet return to work.

20. When circumstances arise that may be considered non-compliant (e.g., refusal to participate in medical treatment, refusal of return to work, etc.), what actions should WCB consider and what should happen with a worker? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I am probably biased on the employer side again here, but I do feel non-compliance should be strengthened, not relaxed. If a worker is delaying recovery or causing other problems, Case Managers should be quicker to cancel benefits until the problem is corrected. Money talks.

7/15/16 11:58:28 AM MDT

#### 22. OTHER THOUGHTS YOU MAY HAVE

21. Please provide any other comments you have relating to the WCB benefits process. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

#### 23. THE DISPUTE RESOLUTION AND DECISION REVIEW BODY

A person with a direct interest in an adjudicative decision or an employer account decision can request an internal review of that decision by the Dispute Resolution and Decision Review Body (DRDRB). Members of the DRDRB are WCB employees.

The DRDRB is able to review issues related to entitlement to benefits. Generally the parties to a DRDRB review are the worker and the employer. The DRDRB will review the file material, gather information and submissions from the parties, and attempt to facilitate a resolution.

The DRDRB is a required step before an appeal can be made to the Appeals Commission. DRDRB decisions are not binding on the WCB.

22. Please provide your views on the effectiveness and timeliness of the DRDRB process. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

24. A person has one year from the date a WCB decision was issued to request a review of that decision by the DRDRB. Some people say that this period is too short. Others say the one year limit is sufficient, since there is an opportunity to request extensions.

23. What are your views about the one year limitation period to file a request for a DRDRB review? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

In Saskatchewan, there is no deadline to appeal. In BC, some deadlines are as short as 90 days. One year isn't bad, but two years would be better, but since we can request extensions, I don't lose too much sleep on this one.

7/15/16 12:01:17 PM MDT

#### 25. APPEALS COMMISSION

The Appeals Commission is a body established under the Workers' Compensation Act that is separate from the WCB. The Appeals Commission has adjudicators appointed by the Government of Alberta through a public recruitment process, as well as the Chief Appeals Commissioner, who also acts as CEO of the Appeals Commission.

The Appeals Commission has the authority to examine, inquire into, hear and determine all matters and questions arising under the Act in regards to decisions made by the DRDRB. The Appeals Commission may confirm, vary or reverse a decision of the DRDRB, and it may entertain new evidence during the appeal hearing. The Appeals Commission is required to follow the provisions of the Act and WCB policies.

The Appeals Commission is required to provide all persons with a direct interest in a matter the opportunity to be heard and to present any new or additional evidence. It must also permit the WCB to present to the Commission regarding the proper application of WCB policies, the Act or regulations related to the matter under appeal.

24. Please provide your views on the effectiveness and timeliness of the Appeals Commission process. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

The decisions that come down from the AC are unpredictable, and that says enough right there. I know there is problem with requiring the hearing officers to have WCB experience (what bias will that bring?), but having officers that have none results in misunderstanding how the legislation should be applied. I think we need more informed members on the AC to hear and decide cases. I strongly believe decisions will be more predictable, which in my view, this means "appropriate."

7/15/16 12:04:23 PM MDT

26. Presently, during a hearing the Appeals Commission limits its examination to the matters that are the subject of the appeal. Some have suggested the Appeals Commission should examine all issues impacting a claim, beyond the specific matters under appeal, if it is possible to resolve the matter in its entirety. Others say this would not be desirable, as it would raise the possibility of the Appeals Commission wading into matters that neither party wanted to revisit.

25. What discretion, if any, should the Appeals Commission have to examine issues relating to a claim that might not be the subject matter of the appeal, but might resolve the matter in its entirety? [3500 Maximum

Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

With the current expertise at the AC (see my previous comment), increasing the purview of the review will result in an increase in problems I mention in my last comment.

7/15/16 12:06:03 PM MDT

## 27. RECONSIDERATION OF APPEALS COMMISSION DECISIONS

The Act allows for the reconsideration of Appeals Commission decisions. A reconsideration is not an appeal. Currently, there must be very good reasons for a reconsideration application to be successful. These reasons include:

- the presence of relevant evidence that was not available at the time of the appeal decision and which is likely to change the result of the original decision; or
- a significant defect in the appeal process or the content of the decision.

Some have suggested that the criteria the Appeals Commission considers for reconsideration of appeals may require more flexibility.

26. What factors should be considered by the Appeals Commission when determining whether a case should be reconsidered? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

## 28. GETTING HELP AT THE REVIEW AND APPEAL STAGES

The WCB operates an Office of the Appeals Advisor, which makes advisors available to inform and represent workers through the review and appeal processes.

For example, an advisor can help a person determine whether they have grounds for review or appeal of a decision. An advisor may also suggest alternatives to filing an appeal. Advisors can accompany workers and represent them at Appeals Commission hearings.

Some people question whether the Office of the Appeals Advisor is able to provide impartial and effective advice to workers, since it is not independent from the WCB. Others feel the services being provided by the Office of the Appeals Advisor are effective.

27. What are your views about the ability of the Office of the Appeals Advisor to offer impartial and effective advice to workers? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

The feedback I have heard is favorable. However, under a prior comment, I suggest we roll these kinds of services under a larger "one-stop-shop" for workers, which would necessitate the body being arms length from the Board (other than that, I don't see any need to recommend any effective changes to the services themselves or the staff providing them).

7/15/16 12:09:29 PM MDT

## 29. Currently, the Office of the Appeals Advisor is not available for employers. Employers can access the Employer Appeals Consulting Service (EACS), which is provided by WCB account managers.

EACS can help employers understand the facts, policies and legislation used to make a specific decision, and help them determine whether to proceed with a formal review or appeal. EACS will not accompany or represent an employer at an appeal. EACS will offer advice to an employer on how to present their position in an appeal.

Some people have suggested that employers should have access to WCB-funded representation at an appeal, similar to what workers have in the Office of the Appeals Advisor.

28. Should employers have access to WCB-funded representation at appeals? Please explain. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I think this is a great suggestion. As a prior AB WCB Account Manager, I know these resources are limited. Most employers have never heard of them, and few access them. The one-stop-shop I recommended earlier should definitely not just cater to workers. I definitely benefited from calling the SK Advocacy office, in the capacity of an employer representative, and while I personally know how to navigate the current AB WCB structure, most employers would not.

7/15/16 12:12:22 PM MDT

### 30. PRIVACY AND CONFIDENTIALITY

When a worker appeals a decision, the WCB is required to provide the Appeals Commission with its records and information, including personal information (e.g., medical) relating to the claim or matter that is under appeal. The WCB is also required to provide the Appeals Commission with the written decision that is being appealed.

On request, the worker (or the worker's representative), the employer (or the employer's representative), and any other person with a direct interest in the claim may also receive redacted copies of this information from the WCB.

Recognizing that privacy rights are important to everyone, it makes sense to consider how information sharing takes place in the appeals process. Questions have arisen regarding what and how information about a worker's claim is presently shared with parties.

29. Are the safeguards currently in place by the WCB adequate to protect worker information during the appeal process? If not, what safeguards would increase your level of confidence? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I don't have expertise to judge current standards in this regard.

7/15/16 12:13:09 PM MDT

### 31. OTHER THOUGHTS YOU MAY HAVE

30. Please provide any other comments you have relating to reviews and appeals. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

### 32. BOARD OF DIRECTORS OF THE WCB

The WCB is governed by a Board of Directors, which is appointed by the Lieutenant Governor in Council. Among its roles, the Board of Directors:

- guides the WCB's strategic direction;
- appoints and evaluates the performance of the WCB's President and CEO;
- determines the salary and benefits of the WCB's President and CEO which are paid out of the Accident Fund;

- approves and monitors the WCB's administrative budget and financial results;
- provides oversight of the WCB's management of its business and affairs; and
- is responsible for establishing the operating policies of the WCB.

The Board consists of a Chair, and up to three members considered to be representative of the interests of each of: employers, workers and the general public. Varying opinions have been expressed about the relationship between these board members and the stakeholders they are considered to be representative of.

31. What involvement, if any, should stakeholders have in the nomination and recruitment process of WCB directors? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_  
No comments

7/15/16 12:13:53 PM MDT

33. 32. How do you (or your organization) currently provide input to the Board of Directors? What works and what could be improved? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_  
No comments

7/15/16 12:14:04 PM MDT

#### 34. WCB CORPORATE OBJECTIVES AND KEY DELIVERABLES

On an annual basis, the WCB Board of Directors establishes corporate objectives and key deliverables.

Some of the measures and their results (from the 2015 WCB Annual Report) include the following:

- Returning injured workers to a state of fitness needed to return to work. With WCB support, 92.5% of injured workers achieved the fitness needed to return to work. This result exceeded the target of 90%.
- Delivering fair decisions. Decisions are reviewed and audited to ensure they are fair. WCB's average audit score of all decisions audited was 94%.

Performance targets can drive the culture of an organization. Some have expressed concerns about how the achievement of corporate performance targets such as early return to work for injured workers are being rewarded. Others say that an injured worker's chances of successfully returning to work increase significantly if they return to work within 3 months. Based on this, they suggest that the WCB's performance measures are valid.

33. What are your views on the performance measures and targets currently set by the WCB? Are there additional or alternate measures you feel would be appropriate? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_  
As a former WCB employee, I was subject to many of these objectives and deliverables, and can say that I agree with the vast majority of those that were announced during my time there. Nothing materially to add.

7/15/16 12:15:39 PM MDT

#### 35. POLICIES OF THE WCB

The Board of Directors determines the need for and nature of consultation in its policy development process (i.e., when a policy is developed, changed or evaluated).

On an annual basis, the WCB creates a Policy Development Plan that identifies the issues it plans to address during that year. In addition, if a stakeholder believes a policy should be changed, they can send in a written request to the Chair for a policy review.

The WCB has established a policy and consultation process which includes:

- Issue Identification;
- Research and Analysis;
- Policy Development/Amendment;
- Stakeholder Consultation;
- Approval and Implementation.

Consultation can include public and/or expert consultation. For the most part, consultation is conducted through the WCB website (posted for 60 days). Depending on the nature of the issue, the WCB may convene an in-person meeting.

Stakeholders can subscribe to receive an email notice when the WCB's Policies and Information Manual is updated online, or when a new policy is posted for consultation.

In British Columbia, there is a Policy and Practice Consultative Committee made up of representatives from WorkSafeBC (the WCB equivalent in BC) and the employer and worker communities. The committee provides input and advice to WorkSafeBC's senior executive on stakeholder consultation processes, stakeholder perspectives on priority issues (e.g., policy, legislation) and the identification of stakeholder issues. In addition, on behalf of their communities, the committee is a forum to receive updates on key operational initiatives and share relevant information.

In Alberta, the WCB covers over 2 million workers and thousands of employers. The WCB's policies have wide-reaching consequences in the province, so it is important that its policy development process is adequate and effective.

34. In your experience, is the WCB's current policy development process effective? Please describe how you would like to be consulted in the development of WCB policies. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I did participate (internally) in policy development, both in facilitating employer feedback as well as limited to internal decisions only, and found it to be effective and valid.

7/15/16 12:16:47 PM MDT

### 36. REVIEW OF THE WORKERS' COMPENSATION SYSTEM

The last comprehensive review of the workers' compensation system in Alberta was conducted more than 15 years ago.

The Alberta Public Agencies Governance Act contains a general requirement for the Minister to review each agency's mandate and operations every seven years. However, there is no requirement in the Workers' Compensation Act to conduct a review of the entire workers' compensation system within a specific time period.

Other Canadian jurisdictions have requirements in their legislation to review their workers' compensation statutes and regulations on a regular basis. For example, Saskatchewan has a requirement to conduct a review every four years; Newfoundland and Labrador every five years; and Manitoba every ten years. Some have suggested Alberta should adopt a similar requirement.

35. What are your views about amending Alberta's Workers' Compensation Act to require that the government review the workers' compensation system on a regular basis? If you support this approach, how often should such a review occur? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

If the intention of the "7 year" rule was for a complete review, obviously we can say that the desired result was not achieved. I'm not exactly certain though that a cover to cover review every 7 years is a good idea (or even possible). It takes time to conduct the review, summarize the results, deliver them, and then have the board review, decide on, and implement recommendations. 7 years is probably unfeasible on a "total operations" scale. If we were to implement wording about the requirements for a periodic total review, it would have to have a lower frequency than 7 years, or we would simply be all involved in churn and never move forward. 15 or 20 years is doable.

7/15/16 12:21:09 PM MDT

### 37. OTHER THOUGHTS YOU MAY HAVE

**36. Please provide any other comments you have relating to the WCB's governance. [3500 Maximum Characters] Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.**

Related to the previous question, I do think that any "static" figures or rules do need timelines to demand review and changes. My expertise happens to be pricing, so I will give pricing examples. The maximum exposure from any claim for an industry or rate group is \$100,000. When this was set, employer account maximum exposure was something like \$40,000, but that number (the maximum MPCC) has increased almost every year, while the Industry/Rate Group number has not. The intention was that individual employers would have a certain exposure, while the industry/rate group would have a somewhat larger exposure. As of 2017, I predict the opposite will be the case, when the 2017 MPCC will probably exceed \$100,000, while the industry/rate group maximum, if not addressed soon, will remain at \$100K. This undermines how Alberta WCB pricing is intended to operate. I think it would be much easier to have the industry/rate group limit "float" with the MPCC number. For simplicity, how about using a multiple of the MPCC, just like the MPIC does. The MPIC (Maximum per incident cost) is 2x MPCC, so how about industry/rate group maximum of 3x MPCC? Simple. Other examples: Guaranteed Coverage Amount - in my earlier feedback I recommend expanding the availability of this important feature of Personal Coverage. In addition, these static numbers should be changed more frequently, or "float" with the MPCC or other, more regularly reviewed drivers.

7/15/16 12:28:36 PM MDT

### 38. ROLE OF WCB IN PREVENTION

The OHS program in Alberta is responsible for improving workplace compliance with OHS legislation through evidence-based prevention initiatives, education and enforcement activities. OHS is located in the Ministry of Labour.

Among its functions, OHS:

- is responsible for prevention activities that include: Work Safe Alberta; proactive strategic programs; the Certificate of Recognition (COR) Program; and the Work Right Campaign;
- educates workers, employers and the public through the use of bulletins, publications, e-learning programs and other educational materials;
- approves training programs across Alberta, such as Workplace Hazardous Materials Information System (WHMIS) training, First Aid training, and Spirometry and Lung Function training;
- approves worker permits, such as the Blasters Permit Program and the Asbestos Permit Program.

The funding for OHS in Alberta is provided through the WCB. This approach is consistent with other jurisdictions in Canada. In some jurisdictions, however, OHS and workers' compensation are housed in one organization.

The WCB also administers grants of annual operating funding to seven Alberta safety associations, for the purpose of promoting education in accident prevention to employers. These grants are funded through a levy that is added to the WCB premiums of employers in the represented industries. In some industries, safety associations are funded directly by member contributions.

Some people have indicated it is currently unclear who safety associations are accountable to. It is also unclear whether there are regular evaluations of the outcomes being achieved by safety programs and associations.

37. What role should the WCB or Occupational Health & Safety have in the funding and oversight of safety

associations? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I'm biased. I was responsible in Underwriting for working on the regular tasks with funded safety associations. I like the fact they can apply for extra funding from Surplus Dividends, and can canvas industries for general support. I also have a friend who is a lead investigator with OH&S, so am somewhat familiar with part of what they do. I do like the status quo, but I agree that after obtaining funding from a WCB industry, there might be limited opportunity for those funded associations to be held accountable. I'm not sure though if it should fall to the WCB to in some way manage accountability, even though the WCB is the "channel" through which their funding is processed. I think there should definitely be some discussion between the WCB and OHS on this topic, to see what options can be tabled, that would, at the end of the day, fall under the purview/authority of OHS as opposed to WCB, regardless of what participation the WCB had in the process. I don't see any other option, based on Alberta WCB and OHS legislation.

7/15/16 12:36:32 PM MDT

39. 38. Please provide your insights below on the accountability of safety associations and the evaluation of their safety programs. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

#### 40. HEALTH AND SAFETY INFORMATION

Information gathered by the WCB represents the only available source of health and safety information that can be compared across employers and industries. This information is useful in setting health and safety policy and program direction. It is also often used by the public to evaluate the health and safety performance of Alberta's employers.

The users of WCB information are diverse, including: the Government of Alberta; industry and safety associations; employers; researchers; health practitioners and service providers; workers; unions; other jurisdictions; and the public. The types of information available are also diverse, including: industry level claims; employer level claims; injured workers demographics; injuries and illnesses claims; and financial aspects of employers and claims.

39. How is the data currently gathered by the WCB meeting your safety and injury prevention needs? Please describe. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I am biased, as I use this information to inform my choices on who to enter into partnerships with in my consulting business.

7/15/16 12:37:30 PM MDT

41. 40. What other data would be of assistance to you in meeting your safety and prevention needs? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

#### 42. OTHER THOUGHTS YOU MAY HAVE

41. Please provide any other comments you have relating to WCB and roles it could play in the prevention of workplace injury and illness. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*



Money talks. Employers respond to the premium impacts of workplace injury. Account Mangers help make these numbers real for their limited clients. I think more can be done on myWCB or on the WCB website geneally to help the wider employer audidence though. For example, other jurisdictions provide WCB Calculators, such as the one I have created for Alberta, BC, and others, that helps employers see, dollar for dollar, how claims costs translates into specific premium dollars. This helps disability mangers justify expensive return to work options, because their executive sees the alternatives for not "stepping up". And instead of having to ask an Account Manager for a trending report, this should be built into myWCB as well, so any employer can see where they are headed, and take steps sooner.

7/15/16 1:15:45 PM MDT

#### 43. EMPLOYER PREMIUMS

The WCB is funded through premiums assessed to employers. There are no tax dollars involved in the workers' compensation system, and there are no deductions made from workers' paycheques to fund the system. Employer premiums are established each year.

An employer's assessment rate is determined in the following way:

- The WCB assesses the overall financial picture of the workers' compensation system. Using actuarial reports and financial forecasts, the WCB determines what it will need to pay out. A significant piece of this puzzle is the projected present and future costs of claims that are expected to be made to the WCB in the upcoming year. Historical data helps the WCB project these figures.
- On the basis of the overall financial picture, and with a view to its Funding Policy, the WCB determines what overall amount of money it needs to collect from all employers covered by the WCB in Alberta. This amount of money is determined so that the total premiums collected in the current year will pay for all estimated present and future costs of claims that are made during that year.
- Based on the overall amount of premiums that need to be collected, the WCB determines premium rates for each rate group. There are 118 rate groups covering 364 industries. Some rate groups have only one industry in them, while others include up to 20 industries. The premium rates of each rate group are set based on their historical pattern of claims costs. (This is sometimes called the "industry rate".)
- Each employer within a rate group is then assigned their premium rate based on their record of claims costs. This is called the "experience rating". Based on how the employer stacks up to the average of their rate group (or "industry average"), their premium rate for large employers can be set up to 40% higher or lower than the industry rate. Small business premium rates can be set up to 5% higher or lower than the industry rate.

This process is intended to achieve three things.

- First, it ensures that every employer pays something, thereby maintaining the collectivist nature of the workers' compensation system.
- Second, it provides for fairness by distributing the premiums based on which employers and industries are more likely to be the source of WCB claims and costs.
- Third, by reflecting the different claims histories of different employers and industries, it builds accountability into the system.

The WCB's use of an "experience rating" component means that an employer's WCB claims influence the WCB premiums they pay. Some have suggested the experience rating gives employers an incentive to suppress WCB claims. Others say the experience rating gives employers an incentive to undertake safety programs and measures that prevent injuries and illnesses in their workplaces.

Some have expressed concern that the WCB does not have sufficient processes in place to investigate or deter claims suppression. Others say that existing processes work well.

Claim suppression is intentionally inducing a worker not to claim WCB benefits they are entitled to claim. Claims suppression can occur when incidents are not reported to the WCB, or when a claim is reported as 'no lost time' but actually involved lost time by a worker.

42. To what extent is the WCB experience rating system an incentive for preventing workplace injuries and diseases? To what extent is experience rating an incentive for promoting claims suppression? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your*

*responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

The more aggressive your surcharges and discounts, the more incentive employers will have to focus on safety, and alter their actual results. The less aggressive, the less reason to focus on safety, or alter the facts. Also, accountability and fairness does need to be balanced by point 1, which was collective liability (the whole point of insurance!). In summary, you can't argue to go all the way to one side or the other, if you pretend to understand the purpose of insurance, and the above reactions from pressure. At the end of the day, some will always react dishonestly to any system, so that can't be the driver of the design. You set the balance based on the other factors, and then you set other checks and balances based on behaviors. For example, are more Claims Auditors needed? Do we need stronger penalties for poor audit results? Those are the correct questions for claims reporting issues, not whether or not the discount or surcharge is appropriate. I think ER, in addition to ICP ER, PIR, and PPS, is a good balance of all of the above points, and a reasonable solution for driving employer focus on prevention and disability management. Again, I am biased, as I was in Underwriting where these programs are created and maintained.

7/15/16 1:24:45 PM MDT

44. 43. Is there a sufficient investigative process in place to deal with complaints of claim suppression and are the penalties sufficient to deter employers from this practice? How could investigative and penalty processes be improved? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

---

I think more is needed here. There are two aspects: do we need more audits (and staff), or do we need stronger penalties. My personal view is that stronger penalties are more important than more eyes on the province. Step 1. Announce stronger penalties and get the word out to all employers. NOTE: I do believe in education first before the stick, by the way, is the right approach, which I have found is typical of the WCB. Those stronger penalties should not be the first response, but only after it has become clear that the employer is not only misinformed, but intentional in their behavior. Step 2 is to monitor behavior, and THEN decide if greater frequency of audit is needed.

7/15/16 1:27:59 PM MDT

#### 45. INDUSTRY CUSTOM PRICING

The WCB offers Industry Custom Pricing (ICP) as an option for the calculation of employer premiums. Participation in ICP is industry-based. The WCB works with representatives of an industry to customize a pricing model for that industry. Various options exist. For example, an industry can choose to change the experience rating component, so that individual employers' claims records are weighted more heavily in the calculation of WCB premiums.

An industry must choose to move to ICP. Employers in the industry are polled on the proposed ICP program. If a majority of the industry votes in favour, the ICP program is then implemented for all employers in the industry.

An industry can later choose to opt out of the ICP program and revert back to the WCB's standard pricing model, by way of a similar majority vote.

In an industry-wide vote about ICP, a "majority" is defined as at least 50% of the industry as measured by insurable earnings. This means that, in some industries, a handful of very large employers can decide the vote, even if they constitute a minority of the total number of employers in the industry.

As a result, some have raised concerns that the WCB's approach to establishing an ICP program creates inequities between smaller and larger employers. Others say the approach is not inequitable, because it is based on the number of workers in the industry, not the number of employers.

44. Are employers of different sizes treated equitably in regards to ICP? If not, what strategies might be available to minimize inequities? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

It's true that larger employers hold stronger sway on ICP votes, but those larger employers hold more sway on MOST aspects of their industries, not just the WCB piece. Since this is how the world works, I'm hesitant to suggest changes that would be potentially complex or unwieldy for the WCB, and possibly just result in zero progress. While switching to equal strength to all votes is a simple enough option, I'm not certain that is more fair than the largest companies speaking for their industry, as they do in most things. I do hold that larger companies also have greater responsibility as well, so that makes me more comfortable with the current protocol.

7/15/16 1:34:34 PM MDT

#### 46. PARTNERSHIPS IN INJURY REDUCTION

The Partnerships in Injury Reduction (PIR) program is a voluntary program in which employer and worker representatives work collaboratively with the government to build health and safety management systems.

A Partner is an association, corporation or organization that commits to taking a leadership role in health and safety by entering into a formal agreement with the Alberta government. The Government and each Partner sign a Memorandum of Understanding outlining the specific commitments made by each organization.

The WCB offers an incentive (in the form of a premium reduction) to employers who participate in PIR. Some have questioned whether this incentive makes sense, since it is not connected to the employer's experience rating (i.e., their claims record). Others have suggested that the incentive makes sense, as it encourages employers to build safety management systems.

45. What are your views about the WCB's current practice of providing a premium incentive for employers who participate in the PIR program? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

It makes total sense, and IS tied to experience rating, just using a different experience period than ER for any given year. So it doesn't matter that in Year X they might have a surcharge in ER and a discount in PIR. Both programs are still tied to claims performance. If you improve your performance in PIR and get a rebate, that encourages you to keep it up. So what if you're still getting an ER surcharge. Keep up the good work and that will change! This is why it also makes sense to offer PIR to employers in PPS, as it gives immediate incentive to START to turn things around now, help with the expense of implementing the proper systems, and get them further down the road to improved outcomes, and better rates. The stats don't lie. PIR employers perform better than non-PIR employers. NOTE: I'm still uncomfortable with ICP ER impacting PIR results, but I'm familiar with the reasons why the WCB doesn't want to exceed a total discount of 60% between the two. Even so, I think a little more thought should be put into this relationship, exploring additional options or solutions than potentially having an employer miffed about giving up a 20% PIR rebate because of 60% in ER. Yes, I know that over time, they are still better off with both ICP ER and PIR, but the optics aren't great regardless.

7/15/16 1:40:46 PM MDT

#### 47. THE WCB ACCIDENT FUND

The *Workers' Compensation Act* requires the WCB to maintain sufficient funds in the WCB's Accident Fund for the payment of present and future compensation to injured workers.

The concept of future compensation is important. In many instances, the WCB will be required to pay benefits to a worker for a long time period. Benefits will also be subject to inflation over time. There needs to be sufficient money in the Accident Fund to cover these long-term costs.

The Accident Fund is considered fully funded when the total of all assets equals or exceeds 100 percent of total liabilities.

The Accident Fund is managed so that it can generate investment returns. These investment returns can sometimes be better or worse than expected.

In managing the Accident Fund and setting employer premiums, the WCB follows its Funding Policy, which is established by the Board of Directors. The Funding Policy has several goals:

- Minimize the risk of being unfunded - To ensure injured workers benefits are secure, and that there is sufficient money in the Accident Fund for the payment of current and future benefits.
- Current employers pay for today's accidents - Stability is maintained in the Accident Fund by having today's employers pay for the current and future costs of today's accidents. This reduces the risk of passing the costs on to the next generation of employers.
- Minimize cost volatility to employers - To ensure that volatility of the Accident Fund does not create volatility in employer premiums. The objective is that premium rates reflect the current and future costs of today's accidents.
- Minimize the total cost charged to employers - The Accident Fund is managed to earn a rate of return that covers the annual growth in the liabilities associated with current and prior year accidents.

To achieve the goals of the Funding Policy, the WCB has established a target funding range for the Accident Fund of between 114% and 128%. This range was developed in consultation with experts independent of the WCB and the use of asset-liability modelling tools. The WCB indicates that the funding range, and the financial modelling that supports the range, are reviewed each year to ensure they remain appropriate.

If the funded ratio of the Accident Fund falls below the target funding range (i.e., lower than 114%), the WCB can decide to collect additional money from employers in order to bring the Accident Fund to required levels. This will be done in the form of a levy.

Conversely, if the funded ratio of the Accident Fund rises above the target funding range (i.e., greater than 128%), the WCB can decide to distribute a portion of surplus to employers. When the WCB does this, any money distributed is from better-than-expected investment returns, not the premiums that were collected.

This is akin to using a portion of interest from an investment, without touching the principal of the investment. Employer premiums are like the principal, and they stay in the Accident Fund so that they can fully fund the present and future costs of claims. Interest amounts that are realized from better-than-expected investment returns can be taken out of the Accident Fund and distributed to employers.

Questions have arisen about the WCB's target funding range and its implications for premiums, levies and distributions.

Some people say that the WCB should freeze or cut premiums so that it does not have a surplus in its Accident Fund. Other people say that freezing or cutting premiums would go against the principle that today's premiums pay for today's accidents and would raise the risk that there would be insufficient money available to pay the current and future costs of benefits for workers. Still others say that the Accident Fund should retain a comfortable surplus, in case markets are volatile and the Fund's investments fall in value.

46. What are your views about the way the WCB establishes and implements WCB premiums, levies and distributions? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

First, I remind of my bias (former Underwriter at WCB). The Alberta WCB, has to my knowledge, never been forced to issue a mid-year increase in rates. It's pretty unfair to employers, who have set their budgets from the prior December on where they should bid their contracts, to suddenly have a mid-year change, so I'm glad this has been avoided. Secondly, the AB WCB has avoided huge unfunded positions as was seen in Ontario and other jurisdictions, not just by careful management of their fund, but also by allocating for being over-funded each year. I would be a lot more uncomfortable with this current policy if the WCB was a for-profit entity, but as they do issue Surplus Distributions when they are beyond their comfort zone, I feel this is the best way to maintain stability in rates, and guarantee benefits for workers down the road. I also like that surplus refunds can be used as another way to encourage compliance (no distributions for late-reporters, 5 years in PPS, contravention of the Act, etc.).

7/15/16 1:46:11 PM MDT

48. 47. What other ways can the WCB ensure the sustainability of the workers' compensation system? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

I am confident in the current policies and executive to keep things well managed.

7/15/16 1:46:46 PM MDT

49. 48. Distributing surplus money from the Accident Fund to employers is one way to address better-than-expected investment returns. What are some other ideas about what to do with these surpluses? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

We tried buying down future rates, but this ended up causing rate instability, so it was wisely abandoned. The WCB already gives safety associations the opportunity for one-time special funding from these circumstances, and other ideas along that line of thinking are encouraged. However, these excess funds should not be used to fund situations that would best require sustained funding, as you wouldn't want to create situations where a program does well, then languishes later because that funding was no longer available to sustain it.

7/15/16 1:49:56 PM MDT

#### 50. OTHER THOUGHTS YOU MAY HAVE

49. Please provide any other comments you have relating to funding and financial sustainability. [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

It's time to update the wording of PIR Executive monthly reports. The format was updated some time ago, but the wording was not, and is the source of confusion. The position of COR status was moved upwards, and it is no longer clear that this is one of the 3 criteria for awarding a PIR rebate. Additionally, the text still mentions 3 criteria, but now only identified two (IYP and MIL). This error exists on the monthly report itself, as well as on the supporting two page help document for the report. Plus, more explanation should be given on how the results were calculated - especially the IYP measure. I wrote a lengthy article on this subject on LinkedIn this summer, if more information is needed. While on the topic of PIR, the PIR brochure wording should be updated, as there is a quote from the CEO that mentions how rosy the Alberta economy is... which obviously isn't currently the case... A minor point, but still valid.

7/15/16 1:59:37 PM MDT

#### 51. ALTERNATIVE DISPUTE RESOLUTION

Some people have said that various aspects of the workers' compensation system have become legalistic, daunting and/or too adversarial over time. (For example: the Medical Panel process, the DRDRB process and the Appeals Commission process.)

There have been suggestions that it would be valuable for the workers' compensation system to incorporate consensual resolution processes (such as alternative dispute resolution) at key points, as a way of making the system more accessible for workers and employers.

50. Where, if anywhere, do you see opportunities to incorporate consensual resolution processes (such as alternative dispute resolution) in the workers' compensation system? What could these processes look like? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

52. 51. What do you like most about workers' compensation in Alberta? [3500 Maximum Characters] *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

The focus on education instead of penalties The level of benefits compared to other systems The way the accident fund is managed The variety of pricing programs to provide incentive for a wide range of employers and industries The response time in their worker and employer contact center The current CEO's leadership How the AB WCB ranks compared to other jurisdictions It is a great place to work

7/15/16 1:59:40 PM MDT

**53. 52. What are your primary concerns about workers' compensation in Alberta? [3500 Maximum Characters]** *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

\_\_\_\_\_

I hope the WCB continues to evolve to maintain or exceed its current level of success.

7/15/16 1:59:41 PM MDT

**54. 53. We invite you to provide any other comments you have, which you have not already provided. [3500 Maximum Characters]** *Please be aware that you have approximately 30 lines or 3500 characters to write your responses to each of the questions. You will not be prompted at each question when you exceed the maximum.*

Thanks for the opportunity to be part of this process!

7/15/16 1:59:56 PM MDT

**55. Organization Name**

\_\_\_\_\_

Vasseur Consulting Inc. / Matrix Consulting Group

7/15/16 2:00:00 PM MDT

**56. First Name**

\_\_\_\_\_

Russell

7/15/16 2:00:00 PM MDT

**57. Last Name**

\_\_\_\_\_

Vasseur

7/15/16 2:00:00 PM MDT

**58. Phone**

\_\_\_\_\_

██████████

7/15/16 2:00:00 PM MDT

**59. Email**

\_\_\_\_\_

████████████████████

7/15/16 2:00:00 PM MDT

**60. Please identify the industry of the organization(s) you represent [Select all that apply]**

15. Other (Specify) (WCB Consulting)

7/15/16 2:00:00 PM MDT

For assistance:

Refer to the [Opinio Survey Software User Guide](#).

Contact the **GoA Service Desk** at 780-427-1GOA (1462) or [goa.servicedesk@gov.ab.ca](mailto:goa.servicedesk@gov.ab.ca)