

Welcome. Thank you for joining.  
*Bienvenue. Merci d'être ici aujourd'hui.*

The meeting will begin at 2 p.m.  
*L'assemblée générale annuelle commencera à 14 h 00.*





4<sup>th</sup> Annual General Meeting

Quatrième assemblée générale annuelle

August 12, 2021 / Le 12 août 2021



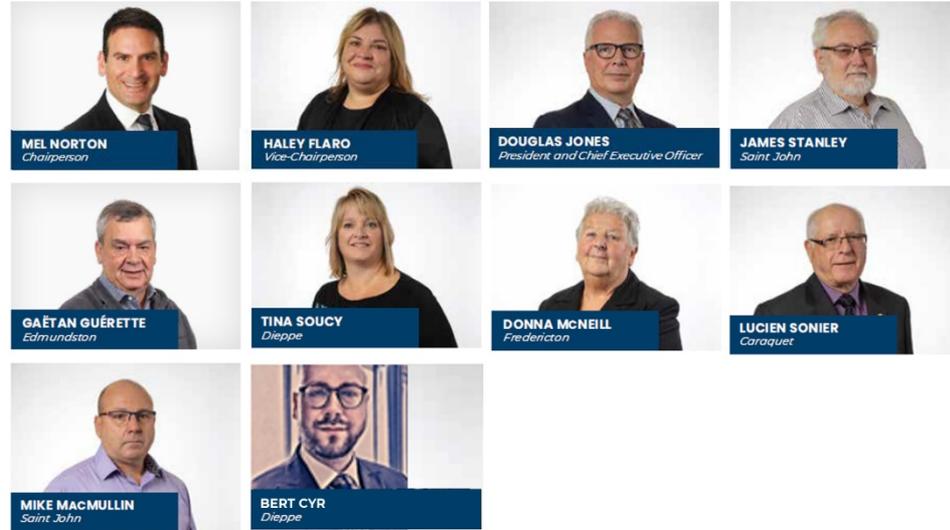
# Haley Flaro, Vice-chairperson (Acting Chair)

- Appointed to the Board of Directors 2017.
- Executive director of Ability New Brunswick.
- Extensive experience in governance and administration, program development and evaluation, and a passion for social policy.



# BOARD OF DIRECTORS

- Chairperson
- Vice-chairperson
- President and CEO
- Four members representing workers
- Four members representing employers

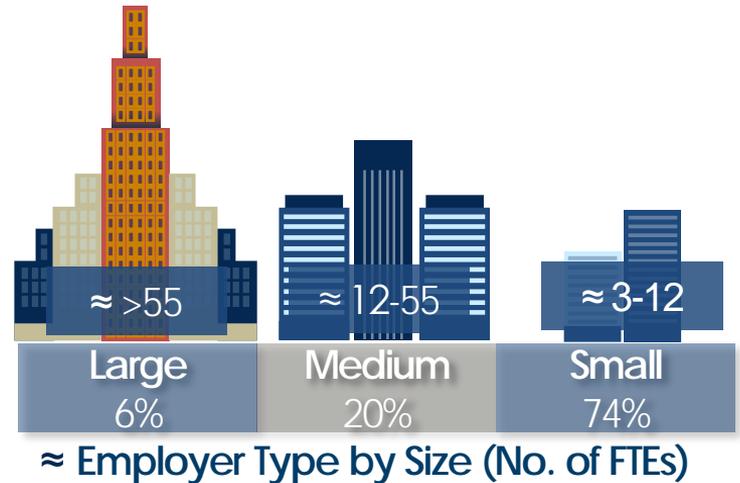


# WHO WE SERVE

- More than 15,000 employers
  - ≈ 28,000 workplaces
  - ≈ 340,000+ workers



- 2011-2020
  - ≈ 4,300 lost-time claims annually
  - ≈ 1,300 medical aid only claims annually





# 2019-2021 Strategic Plan

Our transformation continues to be guided by these four pillars:



**Drive a Safety-First Culture**



*Achieve Effective Recovery*



**Protect System Sustainability**



*Build a Workplace Committed to Superior Service*

# 2020 Annual Report Highlights



- **Fewer workplace injuries and fatalities**
  - Lowest injury frequency in 11 years.
- **Workers returning from injury faster**
  - Faster adjudication, specialization in case management helps more workers safely return to their jobs.
- **Benefits and protections for workers**
  - Reduction of unpaid waiting period.
  - Embedded duty to accommodate in legislation.
- **Improved financial position**
  - Achieved funding target.



## Douglas Jones President and CEO

- Appointed to a five-year term in March 2018.
- Has held senior leadership positions in both private and public sectors.
- Certified member of the Institute of Corporate Directors.

# Agenda

- 01 Safety Share / Covid-19 Update
- 02 2020 Year in Review
- 03 Financial Summary and Update
- 04 2022 Assessment Rate
- 05 Looking Ahead
- 06 Q&A





**Protect yourself.  
Protect others.  
Get vaccinated.**

**83.0%**

One dose

**70.2%**

Both doses

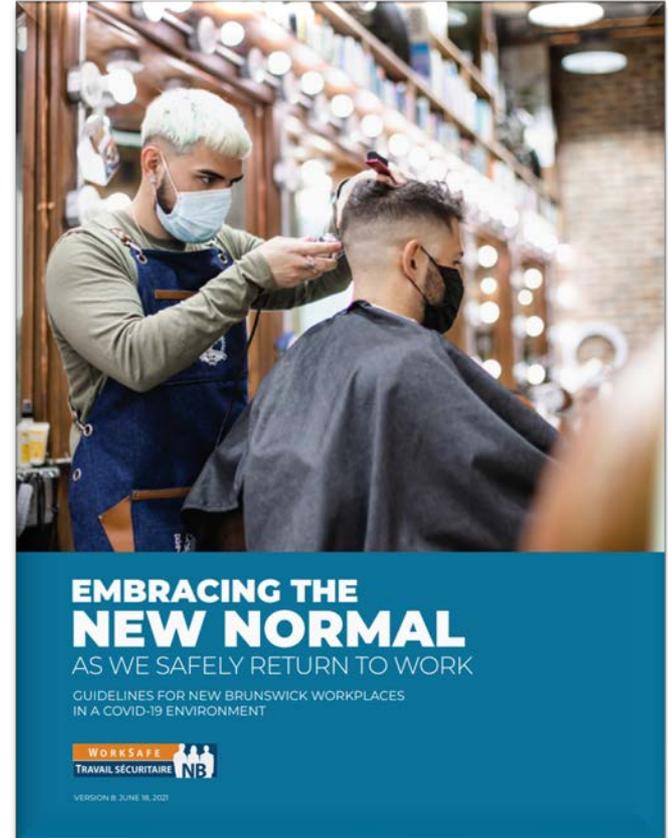
# COVID-19 Stats

- Accepted cases 2020 and 2021(as at July 31)

Employer Type	2020	2021
Assessed	5	28
Self-Insured	20	26

- COVID-19 related costs to date

Employer Type	2020	2021
Assessed	\$ 6,000	\$ 101,000
Self-Insured	\$ 134,000	\$ 83,000





**2020  
REVIEW**

**2020 YEAR IN REVIEW**



## Drive a Safety-First Culture

# Pillar Highlights

- Covid-19 (Education, inspections, operational plan templates, safety guides).
- Established Health and Safety Index.
- Administrative penalties come into effect.
- More help for workers with psychological injuries.





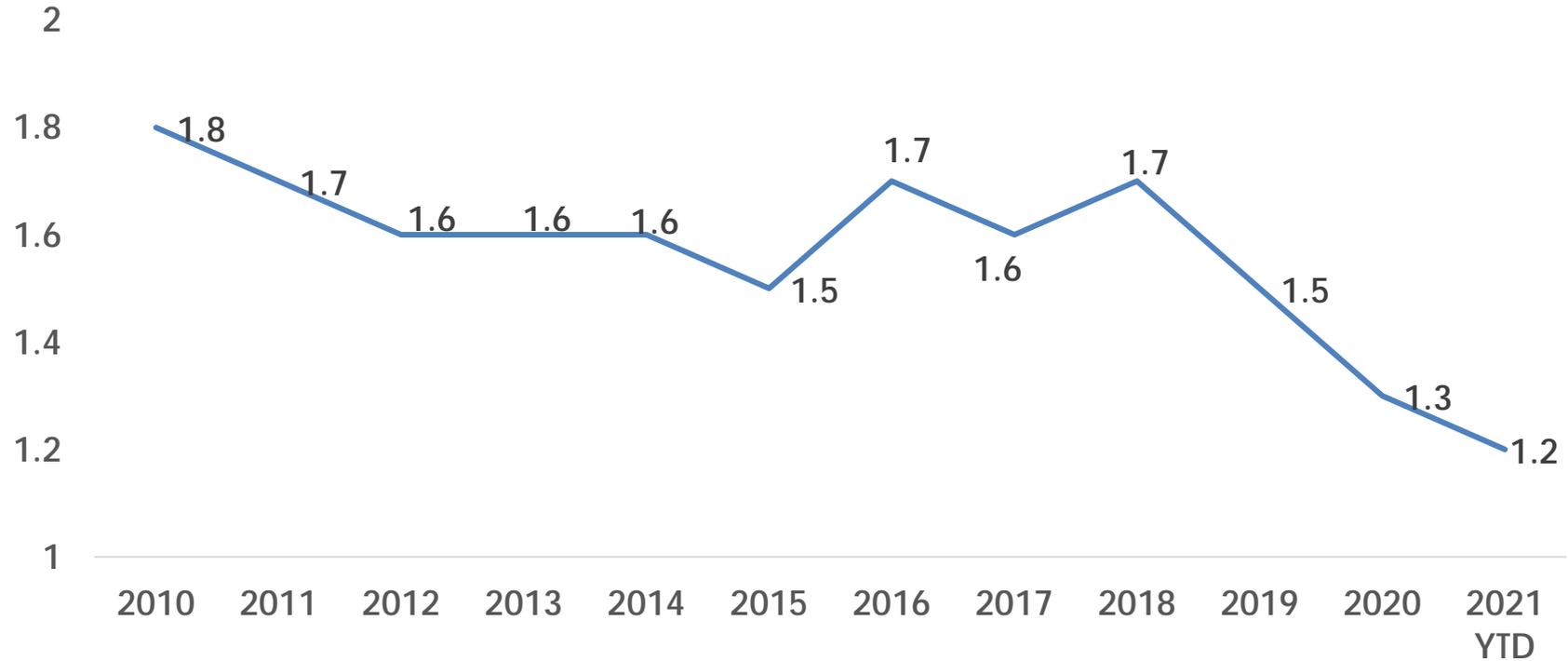
# Drive a Safety-First Culture - KPIs

	2018	2019	2020	2021 YTD**	Target	Achieved
<b>Lost-time injury frequency*</b>						
• Assessed	1.4	1.3	1.1	1.0	↓	√
• Self-insured	3.7	3.0	2.5	2.7	↓	√
• All employers	1.7	1.5	1.3	1.2	↓	√
<b>Health &amp; safety index</b>		Baseline year	9.9%		↑	-
<b>Workplace fatalities</b>	28	17	10		↓	√

\*Per 100 full-time equivalents

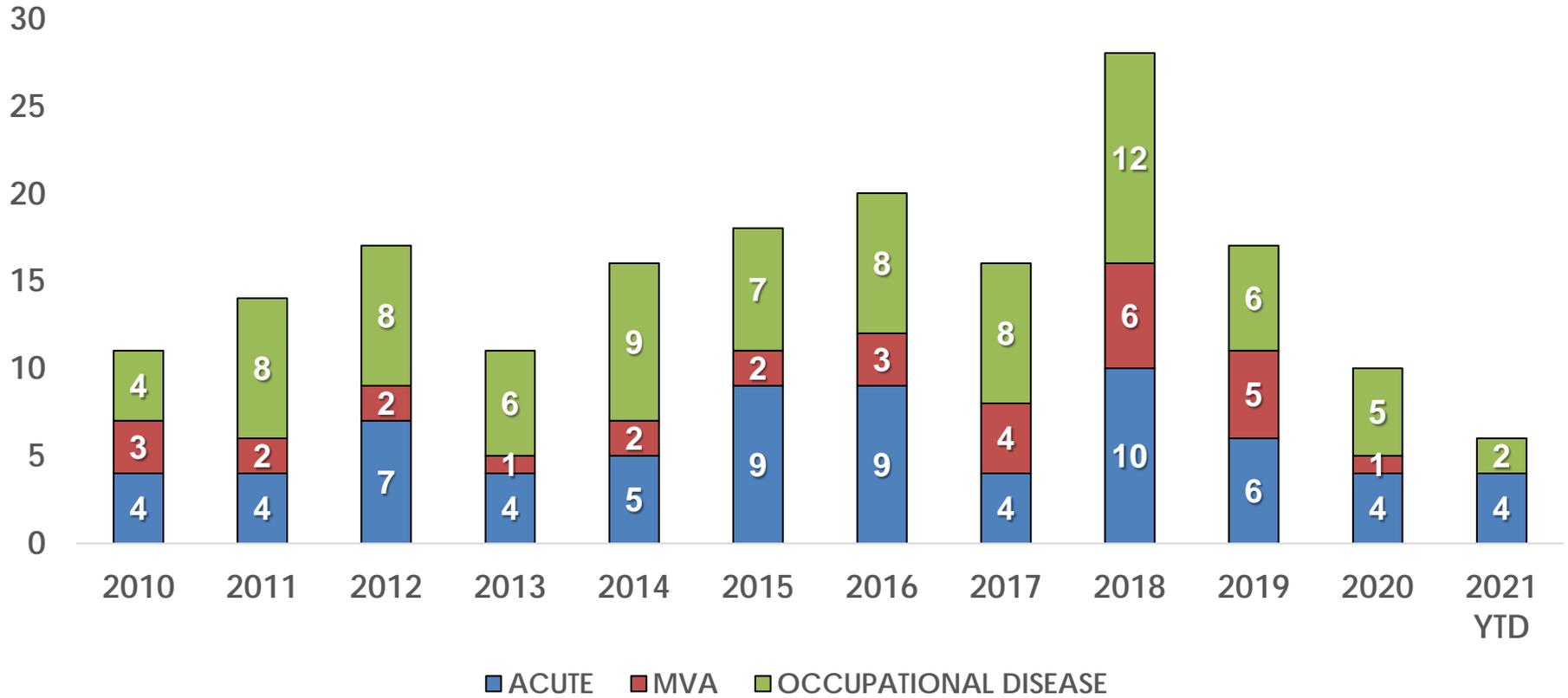
\*\* YTD at July 31, 2021.

# Lost-Time Injury Frequency



*Lost-time injury frequency is based on the number of lost-time claims per 100 full-time equivalents (FTE). An FTE is equivalent to one employee working full-time. YTD at July 31, 2021.*

# Fatalities



*An acute fatality results from an injury that occurred in the same year.*

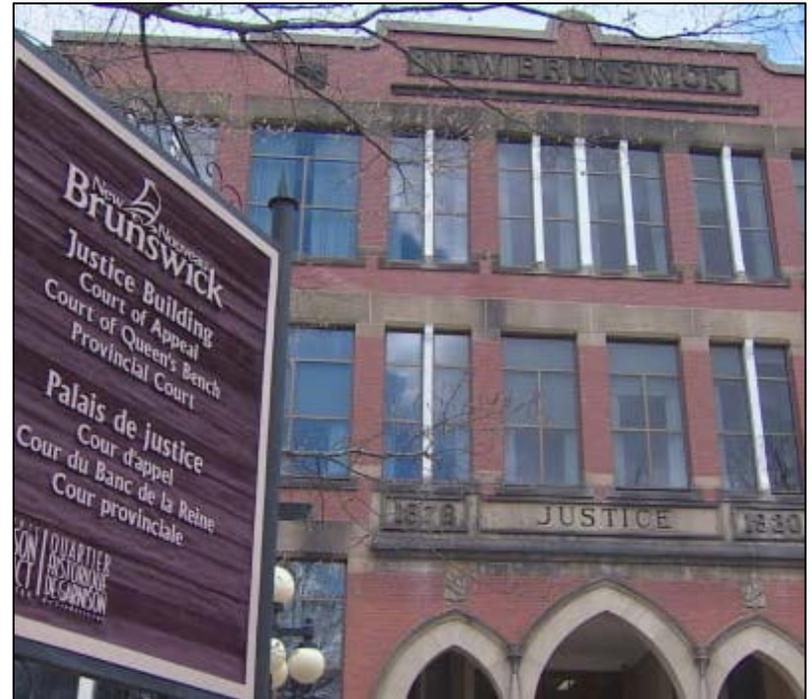
# OHS Criminal Charges

- Two workers died, nearly 1,000 tested positive at and Alberta meat-packing plant; one of the largest workplace outbreaks in North America.
- RCMP investigation marks Canada's first known criminal probe into a COVID-19 workplace outbreak.
- Prosecutions still relatively rare. Advocates hope attention from this case brings about long-term change.

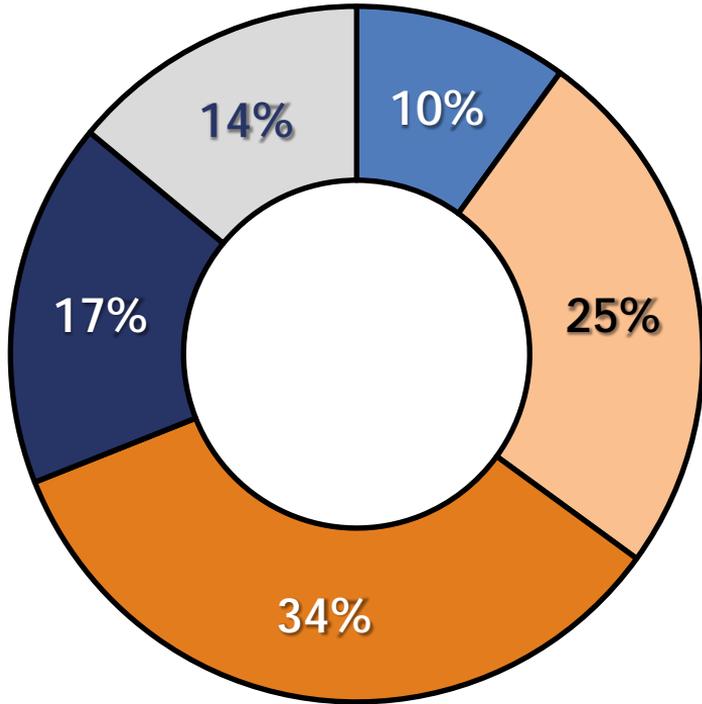


## 2018 Fatality: Employer, Supervisor Charged (Update)

- The employer and a supervisor were charged with criminal negligence causing death under the *Criminal Code*, a first in NB.
- Preliminary hearings are scheduled for November.



# Health and Safety Index



- **PREVENTION**  
(Safety support, inspections, prevention activities)
- **EMPOWERMENT**  
(Complaints, work refusals, worker involvement)
- **WORKPLACE CULTURE**  
(Awareness, leadership, workplace culture)
- **ENFORCEMENT**  
(Fines, orders and convictions)
- **INJURIES**  
(Injuries, severity, workers on benefits at 30 days)

# OHS Compliance Toolbox – Administrative Penalties

## 1. EDUCATION & AWARENESS

- Always our first choice!

## 3. ADMINISTRATIVE PENALTIES

- Encourages compliance!
- 3 penalties, \$1,500 since introduction in June 2021
  - Lockout
  - Fall arrest
  - Trenching



## 2. WRITTEN ORDERS

- Compliance orders.
- Stop-work orders.

## 4. PROSECUTIONS

- A serious accident or fatality.

# Communicable Disease Prevention

1. Assess risk in the workplace.
2. Implement measures, practices and policies to mitigate risk.
3. Communicate measure, practices, policies.
4. Continually re-evaluate.





## Achieve Effective Recovery

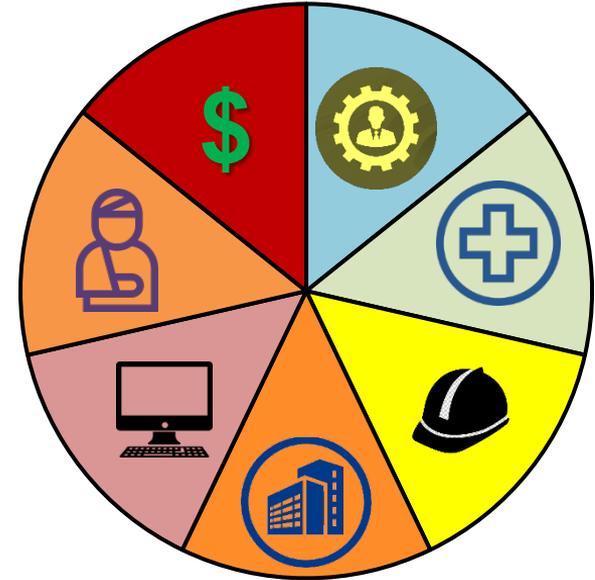
# Pillar Highlights

- Simplified claim application process as per Auditor General recommendation
- Improved results at 26 weeks and 2 years post-injury
- Significant improvement in time to first payment.
- Leverage technology to better serve our clients



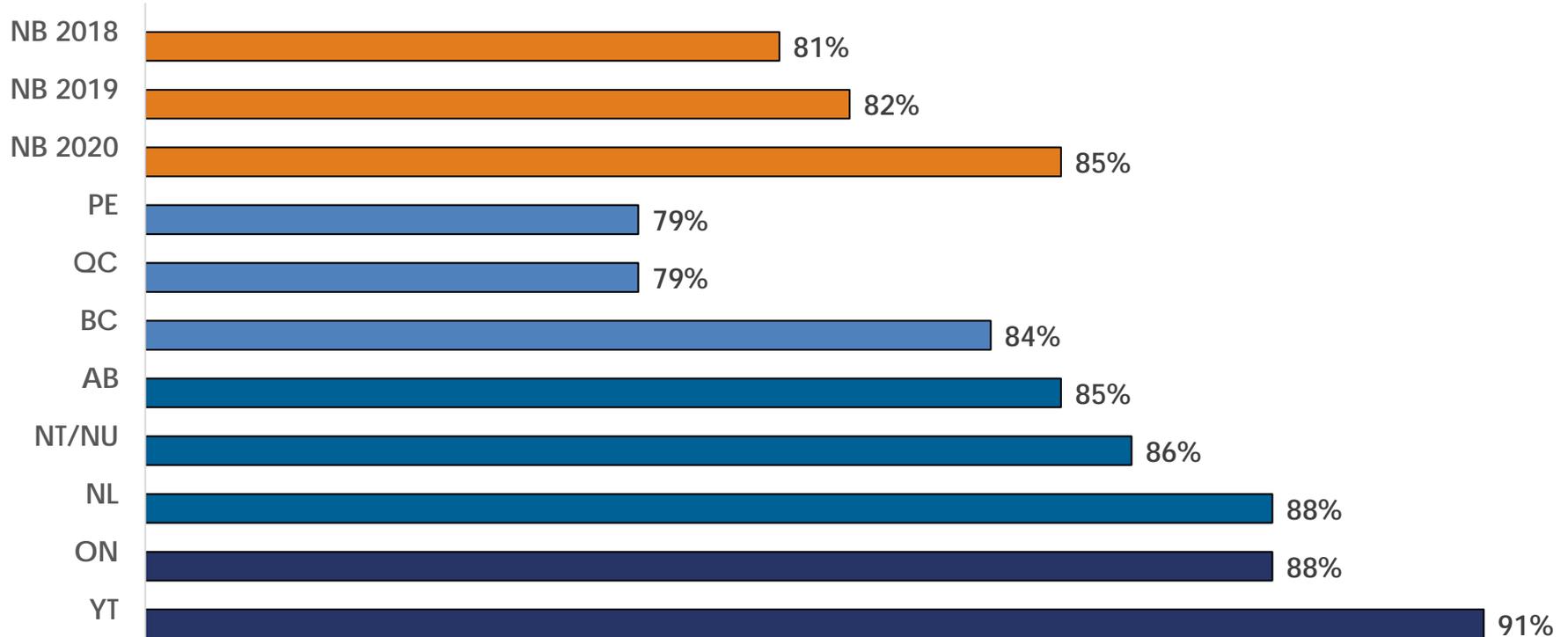
# Transformed Case Management

- Shifted to an industry-focused case management model.
- Moved some administrative tasks (such as payments) to Finance.

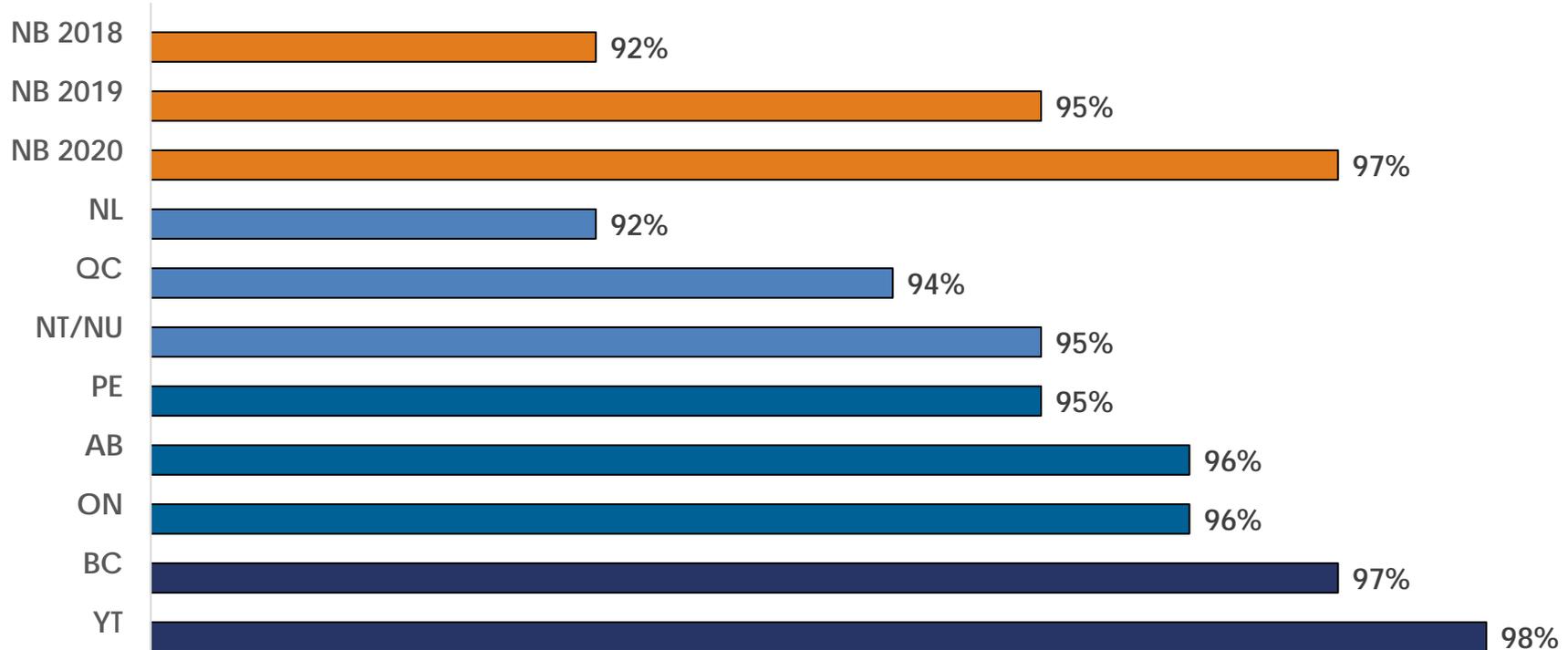


- Business Operations
- Healthcare
- Construction/Manufacturing
- Commercial
- Public Admin
- Workforce re-entry
- Pensions LTD

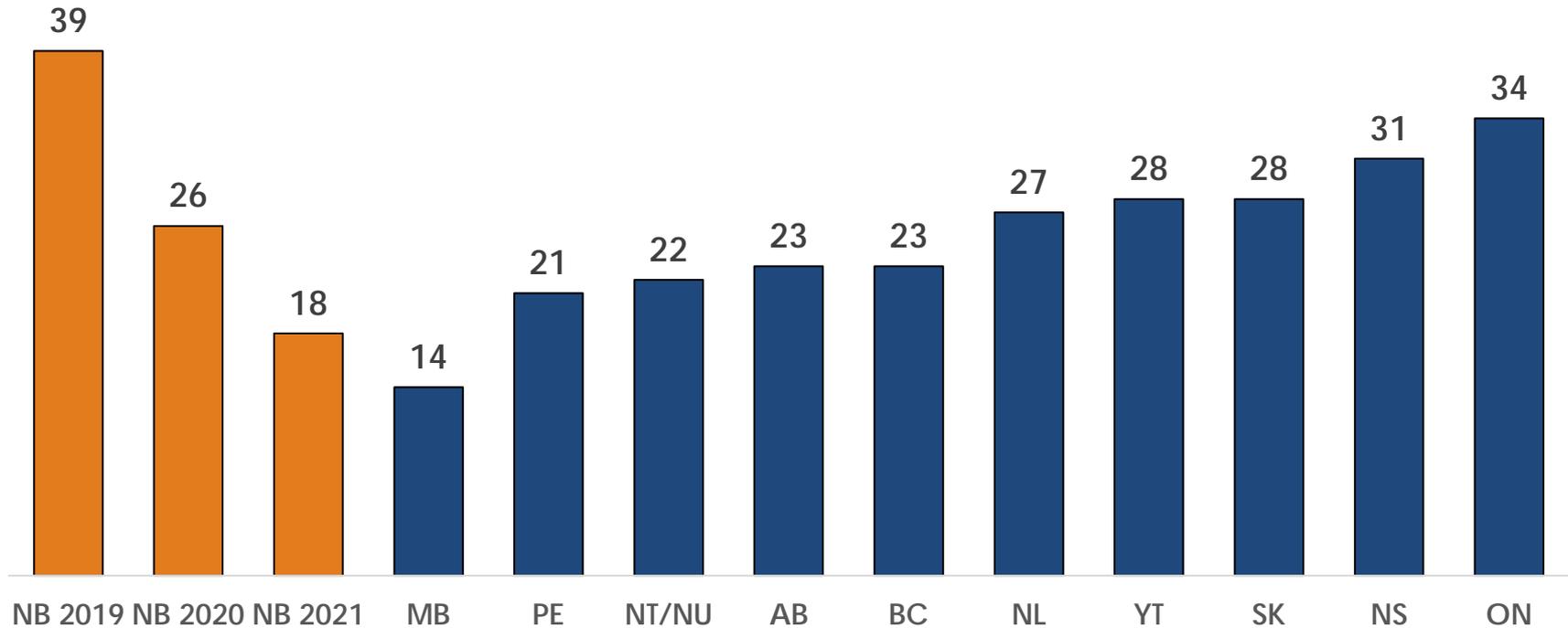
## % of Claims No Longer on Wage-Loss Benefits After 26 Weeks



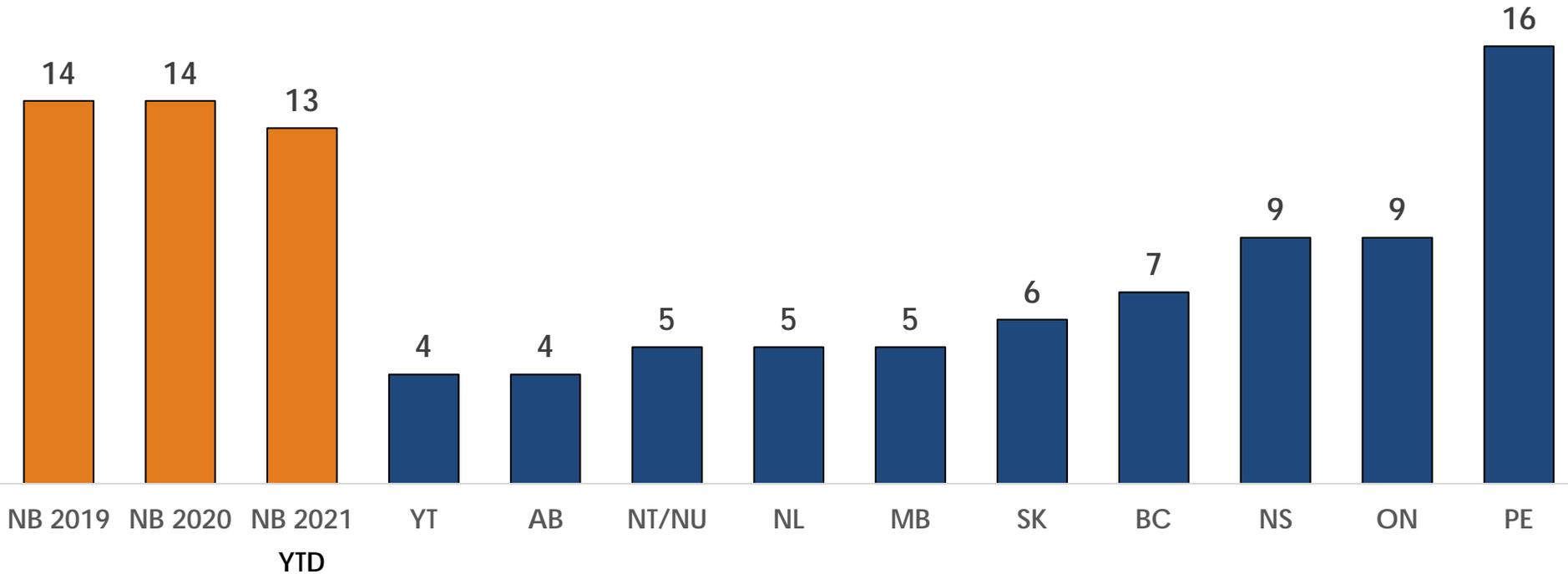
## % of Claims No Longer on Wage-Loss Benefits After 2 Years



# Avg. Days From Registration to First Payment



# Avg. Days From Injury to Claim Registration



# Achieve Effective Recovery - KPIs



	2018	2019	2020	Target / Achieved
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## Claim duration

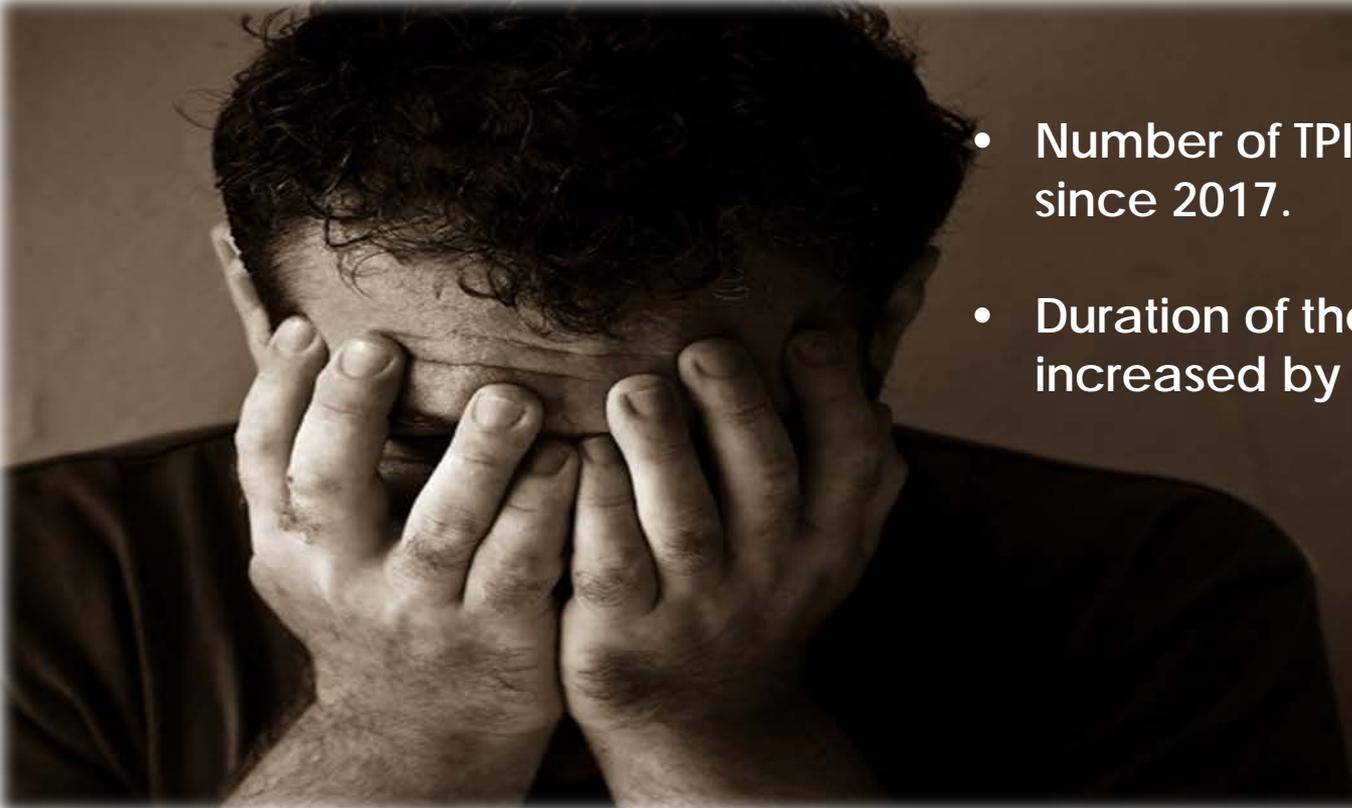
• Average days for open claims	247	267	<b>289</b>	↓	X
• Average days for closed claims	98	113	<b>104</b>	↓	√
• % of workers returned to work within 26 weeks	81%	82%	<b>85%</b>	↑	√
• % of workers returned to work within 2 years	92%	95%	<b>97%</b>	↑	√

## Timeliness

• Average days from workplace injury to claim registration	15	14	<b>14</b>	↓	X
• Average days from workplace injury to first payment	28	39	<b>26</b>	↓	√



# Challenges: Traumatic Psychological Injuries (TPIs)

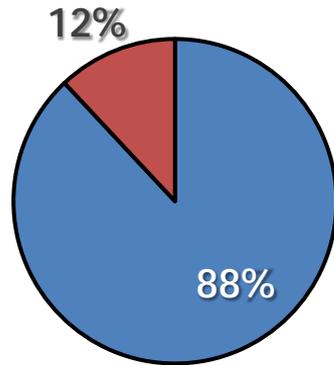
- 
- Number of TPI claims have doubled since 2017.
  - Duration of these claims have increased by almost 50% since 2017

# Challenges: Traumatic Psychological Injuries (TPIs)

Duration (Open claims)	2015	2016	2017	2018	2019	2020	2021 (YTD)
Average paid days (TPI only)	273	248	290	304	330	419	455

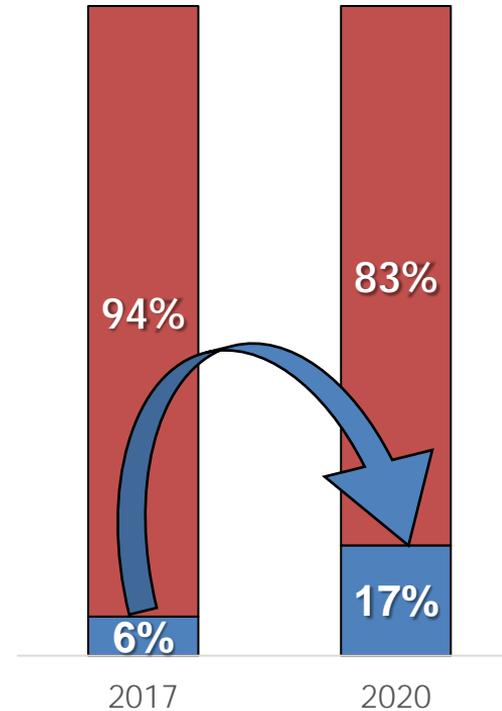
Duration (Closed claims)	2015	2016	2017	2018	2019	2020	2021 (YTD)
Average days (TPI only)	254	185	189	259	307	341	373
Average days (all other claims)	71	70	85	96	109	96	91

# Challenges: Traumatic Psychological Injuries (TPIs)



■ Public Sector ■ Private Sector

## Public Sector Claims



Almost **x3**  
increase in  
TPI as % of  
total claims.

# Looking Ahead - TPI

In 2021 we will launch a project to:

- Better identify the unique constraints and difficulties.
- Enhance the care model provided to these clients:
  - Access to specialized clinical services;
  - Reviewing best practices to provide better outcomes and services.



# Focus on return-to-work on front end

- Shifted the focus from what a person can't do to what they can do.
- Reinforced employer obligation to return injured workers to work.
- Enhanced resources to help employers and employees understand their obligations, as well as the benefits of recovery at work or a safe and early return to work.



# Mental stress – Constitutional challenge

- Two appeals to WCAT allege the definition of “accident” under the WC Act discriminates against people claiming mental health conditions.
- Definition “does not include the disablement of mental stress or a disablement caused by mental stress, *other than as an acute reaction to a traumatic event.*” (PTSD)





## Protect System Sustainability



# Pillar Highlights

- Reached funding target (**124%** - *target is 115-125%*)
- Reduced unpaid waiting period for injured workers, from two days to one day on July 1, 2020.
- Decision Review Office reviewed 654 decisions (overturned/amended approx. 27%)
- Established Quality Management Services team.

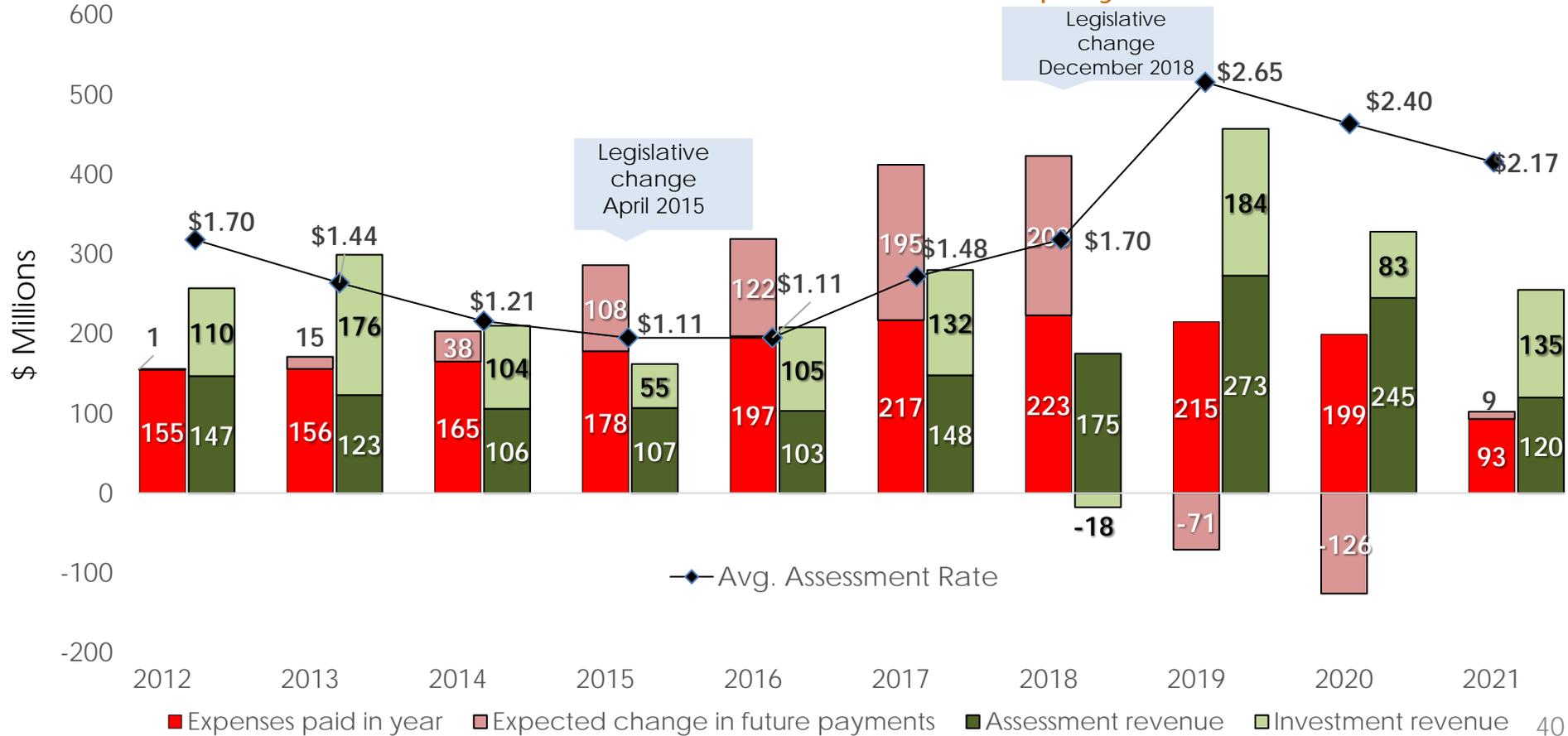


## SUMMARY OF FINANCIAL RESULTS (\$M)

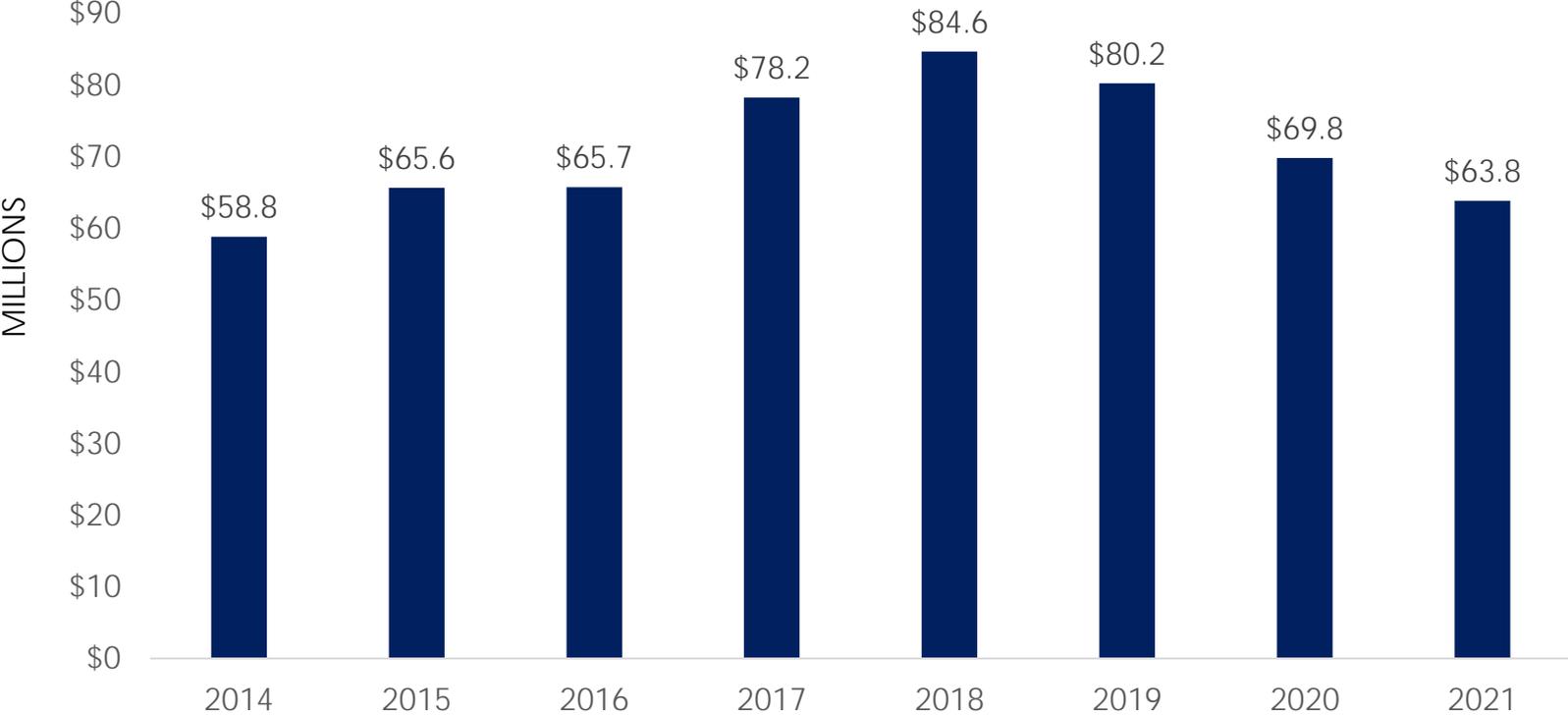
	2014	2015	2016	2017	2018	2019	2020	Jun 30 2021
<b>Assets</b>	\$1,384	\$1,366	\$1,374	\$1,430	\$1,358	\$1,602	\$1,726	\$1,917
<b>Liabilities</b>	\$971	\$1,079	\$1,203	\$1,392	\$1,592	\$1,525	\$1,397	\$1,436 <sup>1</sup>
<b>Net Income</b>	\$7	(\$126)	(\$114)	(\$134)	(\$271)	\$312	\$252	\$151
<b>Funding Position</b>	\$413	\$287	\$172	\$37	(\$234)	\$78	\$329	\$481
<b>Funding Level</b>	143%	127%	114%	103%	85%	105%	124%	133%

*Note 1: Amounts stated include current year unearned revenue of ~\$36M, representing current year assessment premiums, that will decline throughout the year as the revenue is earned.*

# Benefit costs and revenue: assessed employers



# Claim Payments – Assessed Employers (as at Jun 30 - \$millions)



# Claim Payments – Self-Insured Employers *(as at Jun 30 \$millions)*





## 2022 Assessment Rate



**AVERAGE  
ASSESSMENT  
RATE 2021**



# Average Rate Components (per \$100)

Components	2014	2015	2016	2017	2018	2019	2020	2021 Announced	2021 forecast
New Accident Costs	\$0.97	\$1.01	\$1.41	\$1.38	\$1.64	\$1.38	\$1.19	\$1.33	\$1.17
OHS Costs	\$0.10	\$0.11	\$0.12	\$0.11	\$0.11	\$0.10	\$0.11	\$0.11	\$0.11
WCAT & Advocates	\$0.04	\$0.05	\$0.04	\$0.04	\$0.04	\$0.03	\$0.05	\$0.04	\$0.04
General Administration	\$0.30	\$0.28	\$0.33	\$0.34	\$0.31	\$0.31	\$0.31	\$0.34	\$0.34
<b>Base Rate</b>	<b>\$1.41</b>	<b>\$1.45</b>	<b>\$1.90</b>	<b>\$1.87</b>	<b>\$2.10</b>	<b>\$1.82</b>	<b>\$1.66</b>	<b>\$1.82</b>	<b>\$1.66</b>
Funding level	130.4%	143.6%	142.5%	126.6%	114.3%	102.7%	85.3%	105.1%	
Target funding level	110%	110%	110%	110%	100%	110%	115%- 125%	115%- 125%	
Funding Level Adjustment for Prior Years	-\$0.24	-\$0.44	-\$0.43	-\$0.18	-\$0.23	\$0.39	\$0.35	\$0.35	
<b>Actual costs</b>	<b>\$1.17</b>	<b>\$1.01</b>	<b>\$1.47</b>	<b>\$1.69</b>	<b>\$1.87</b>	<b>\$2.21</b>	<b>\$2.01</b>	-	
<b>Provisional Rate</b>	<b>\$1.21</b>	<b>\$1.11</b>	<b>\$1.11</b>	<b>\$1.48</b>	<b>\$1.70</b>	<b>\$2.65</b>	<b>\$2.40</b>	<b>\$2.17</b>	
	\$0.04	\$0.10	-\$0.36	-\$0.21	-\$0.17	\$0.44	\$0.39		

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General Administration	\$0.30	\$0.28	\$0.33	\$0.34	\$0.31	\$0.31	\$0.31	\$0.34	\$0.34	
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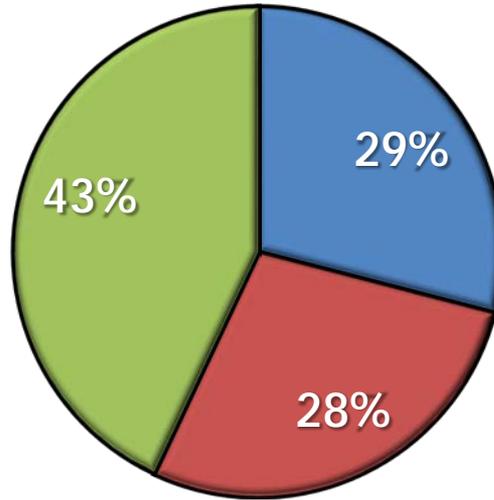
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AVERAGE  
ASSESSMENT  
RATE 2021



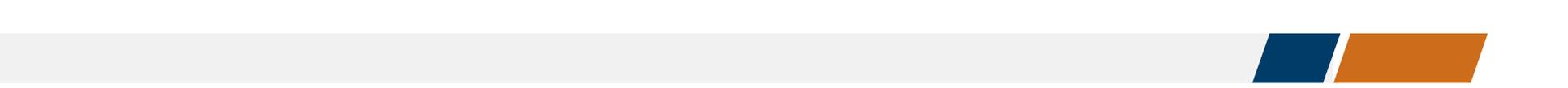
What factors are impacting assessment rates?



■ Administration   ■ Medical aid   ■ Loss of earning



## Looking Ahead



## Stakeholder consultations to come

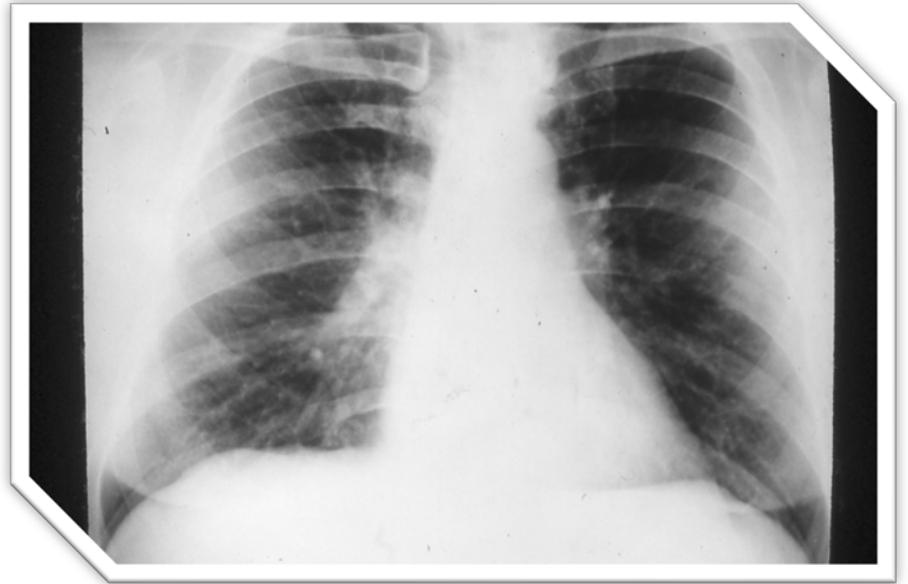
- Workers' Compensation Act review
- Firefighters Act review
- Exploration of benefit improvements
- Regulation changes – fall protection & first aid

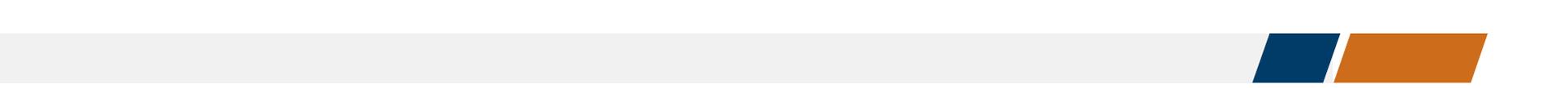


# Occupational Hygiene

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- Working with government to update occupational hygiene regulations.
- Will help protect workers and prevent new occurrences of occupational disease.





# Transformation Program

- Strategic Advisor - Q4 2021
- Enterprise Resource Planning (ERP system)
- Claims management
- Committed to client-centric process design

# Questions

