

**THE WORKERS' COMPENSATION BOARD  
MEETING OF THE BOARD OF DIRECTORS  
MINUTES**

<b>DATE:</b>	February 2, 2021
<b>PLACE:</b>	Zoom Video Conference
<b>TIME:</b>	8:30 a.m. to 12:30 p.m.

**BOARD MEMBERS**

Erna Ference, Chair  
Mike Boyle, Member  
William Hnydyk, Member  
Brian McConkey, Member  
Shawna Miller, Member  
Mary Phillips-Rickey, Member  
Jane Sustrik, Member

**EXECUTIVE**

Trevor Alexander, President & Chief Executive Officer \*\*  
Tarick Ahmad, Chief Technology Officer ♦\*  
Ron Helmhold, Chief Financial Officer ♦\*  
Wendy King, Senior Vice President, Operations and Innovation ♦\*  
Marcela Matthew, Vice President, Millard Health and Special Care Services ♦\*  
William P. Ostapek, Secretary and General Counsel ♦\*  
Roxy Shulha-McKay, Vice President, Employee and Corporate Services \*

**ALSO PRESENT**

Leslie Henkel, Board of Directors' Secretariat  
Marj Langkamp, Director, Operations and Innovation (item 5.3)

♦ excused for items 9.3 and 9.4

\* excused for item 12

\*\* excused for item 12 (part 2)

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## Board of Directors

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The Chair called the meeting to order at 8:30 a.m.

### 1.1 Agenda

The agenda as distributed was approved.

### 1.2 Proposed Motions

The list of proposed motions was received for information.

### 2.1 Minutes of the Meeting of November 24, 2020

**MOTION**

2021/01/01

It was moved that,

The minutes of the meeting of November 24, 2020 be approved.

**CARRIED**

### 2.2 2021 Meetings and Activities Schedule

The meetings and activities schedule was received for information.

### 3. Business Arising from the Minutes of November 24, 2020

There was no business arising from the minutes of the November 24, 2020 meeting.

### 4. Report of the Chair

The Chair reported on:

- WCB's 2020 strategy map and objectives results,
- AUPE (Alberta Union of Public Employees) lobby campaign regarding Bill 47 and the response to this campaign, and
- a joint Policy Committee/Board of Directors meeting on March 22, 2021. The following motion was made:

**MOTION**

2021/01/02

It was moved that,

The 2021 Meetings Schedule be amended to include a virtual joint Policy Committee and Board of Directors meeting on March 22, 2021 at 11:00 a.m. via Zoom video conference.

**CARRIED**

### 5.1 Report of the President

The President reported on the following:

- investment and financial results,
- operations results and updates,
- technology and innovation,
- stakeholder engagement and legislative relations,

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**Board of Directors**

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- legislation and panel implementation, and
- risk profile and emerging issues.

**5.2 Technology Review**

The Chief Technology Officer made a presentation on technology and cybersecurity at WCB Alberta.

**5.3 Creating a Culture of Innovation @ WCB Alberta**

The Senior Vice President, Operations and Innovation, the Chief Technology Officer, and the Director, Operations and Innovation, made a presentation on creating a culture of innovation at WCB Alberta.

**COMMITTEE REPORTS****6. Policy Committee**

The committee chair provided a report on the committee's recent meeting.

**6.1 Policy 04-04, Part II, Application 5 – Pension Midpointing**

The proposed change updates an outdated and incorrect process for determining the effective date for adjustments to pre-1995 pensions resulting from deterioration in the worker's condition, as confirmed by an updated assessment.

Current policy provides that, when there has been a deterioration in the worker's condition, the change in permanent clinical impairment (PCI) and the resulting pension adjustment are effective at the midpoint between the initial assessment and the current assessment confirming the deterioration.

This works well for the first adjustment but, with the passage of time, some workers have had successive PCI assessments and adjustments to their pensions, so that midpointing between the initial and current assessments no longer makes sense.

Each assessment provides the most up to date evaluation of a worker's clinical impairment at that point in time. The current process in policy can have the unintended consequence of setting an effective date for the latest adjustment that is actually earlier than the previous assessment – which is incorrect.

In practice, WCB has been midpointing between the previous assessment and the current one, which is consistent with the intent of the policy when first developed, and produces the most reasonable and fair outcome.

The change, supported by stakeholders, ensures our practice and policy align.

**MOTION**

2021/01/03

It was moved that,

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**Board of Directors**

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The Board of Directors approve the proposed revision to Policy 04-04, Part II, Application 5. The proposed revision (Question 7) corrects the process for determining the effective date of a change in a worker's pension when there is an increase from a previous assessment in the worker's permanent clinical impairment rating.

**Effective Date:** March 1, 2021, applying to all decisions made on or after that date.

CARRIED

6.2 **2020 Policy Project Plan – Final Update**

The Board of Directors received the final update on the 2020 Policy Project Plan for information.

7. **Audit Committee**

The committee had nothing to report.

8. **Finance Committee**

The committee chair provided a report on the committee's recent meeting.

8.1 **Monthly Financial Reports**

The Board of Directors received the Monthly Financial Reports for information.

9. **Human Resource and Governance Committee**

The committee chair provided a report on the committee's recent meeting.

9.1 **2020 Strategic Map and Objectives – Results**

2020 was a challenging year for many reasons. Despite the challenges encountered, the organization was able to successfully pivot, reprioritize and move forward. With uncertainty ahead, the work done in 2020 lays the foundation for continued success in the years ahead. The 2020 Strategy Map anticipated the challenges a recovering economy would pose – but not the impact of a pandemic.

In order to move forward, priorities were reconsidered, with a strong business continuity plan and teams' resilience being the critical success factors. Staff learned new ways to communicate and manage their work, while the organization streamlined and digitized key processes that allowed it to not only survive but thrive in this new environment. As new technology was introduced, new services were also introduced to customers. Virtual treatment was implemented quickly and effectively. Digital access to every facet of the business was enhanced or implemented.

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**Board of Directors**

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While the economy was in a downward trend going into 2020, the impact of the pandemic only made a difficult return-to-work environment worse. Staff continued to focus on collaborative care planning, but employers struggled to find modified work for injured workers. Incoming claim volume was down, yet more workers asked for their claim to be reopened. This, plus an increase in workers who needed re-employment services, put immense pressure on claim duration and costs.

**MOTION**

2021/01/04

It was moved that,

The Board of Directors approve the 2020 Strategy Map and Objective results as confirmation of the organization's achievement of annual corporate objectives.

**CARRIED****9.2 2021 Strategic Map and Objectives – Targets**

WCB's focus on fairness, transparency, efficiency and engagement, even in the face of significant challenges, provides a clear direction on how it can deliver what customers need. 2021 will be a year of big changes, but there is a well-thought out and researched plan in place.

In order to create a shared view of the future and its potential impact, the organization went through a comprehensive assessment of the landscape and gathered feedback on opportunities and threats at every level of the organization up to the Board of Directors. From the global pandemic – which has impacted staff, stakeholders and the organization more significantly than anything in recent history – to the state of the economy, changing regulations, and technology advancements across industry and function, the landscape is in a constant state of change and uncertainty. The Strategic Plan and underlying themes give guidance on what is fundamentally important to success, while assessment of the environment helps to constantly evolve the list of actions needed to take to move forward.

The enduring resilience and proven strength of the organization, combined with the incredible dedication staff show every day to customers, gives confidence that the biggest successes lie ahead.

**MOTION**

2021/01/05

It was moved that,

The Board of Directors approve the targets in the 2021 Strategy Map and Objectives.

**CARRIED****9.3 2020 Annual Board Evaluation Results**

As part of the Board of Directors' ongoing commitment to effective governance, the annual evaluation of board performance has been completed. The results show that the Board of Directors is operating effectively within its governance mandate.

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**Board of Directors**

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**9.4 2020 President & CEO Evaluation**

Through the Human Resource and Governance (HR&G) Committee, the President and CEO annually receives feedback from board members on his performance.

**10. New Business**

There was no new business.

**11. Meeting Evaluation**

The members were asked to complete the meeting effectiveness self-assessment form.

**12. In Camera**

The Board of Directors held an *in camera* session in two parts. During the first part, all of senior management except the President were not present. During the second part, the President was also not present. The Board Secretariat remained for the entire *in camera* session.

There being no further business, the meeting ended at 12:30 p.m.

**THE WORKERS' COMPENSATION BOARD  
MEETING OF THE BOARD OF DIRECTORS  
MINUTES**

<b>DATE:</b>	March 22, 2021
<b>PLACE:</b>	Zoom Video Conference
<b>TIME:</b>	12:05 p.m. to 1:10 p.m.

**BOARD MEMBERS**

Erna Ference, Chair  
Mike Boyle, Member  
William Hnydyk, Member  
Brian McConkey, Member  
Shawna Miller, Member  
Mary Phillips-Rickey, Member  
Jane Sustrik, Member

**EXECUTIVE**

Trevor Alexander, President & Chief Executive Officer \*\*  
Tarick Ahmad, Chief Technology Officer \*  
Ron Helmhold, Chief Financial Officer \*  
Wendy King, Senior Vice President, Operations and Innovation \*  
Marcela Matthew, Vice President, Millard Health and Special Care Services \*  
William P. Ostapek, Secretary and General Counsel \*  
Roxy Shulha-McKay, Vice President, Employee and Corporate Services \*

**ALSO PRESENT**

Leslie Henkel, Board of Directors' Secretariat

\* excused for *in camera* sessions during items 5.1, 5.2 and 7

\*\* excused for *in camera* sessions during items 5.1, 5.2 and item 7 (part 2)

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**Board of Directors**

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The Chair called the meeting to order at 12:05 p.m.

1. **Agenda**

The agenda as distributed was approved.

2. **Proposed Motions**

The list of proposed motions was received for information.

3. **Minutes of the Meeting of February 2, 2021**

**MOTION**  
2021/02/06

It was moved that,

The minutes of the meeting of February 2, 2021 be approved.

**CARRIED**

**COMMITTEE REPORTS**

4. **Policy Committee**

4.1 **Maximum Compensable Earnings – Principles**

Changes to maximum compensable earnings as a result of Bill 47 were discussed with Policy Committee at the meeting on November 23, 2020. As a result of the discussion, management committed to consulting on the approach to setting maximum compensable earnings (MCE) and subsequently drafted a principle to reflect the approach.

**Principle: Maximum Compensable Earnings**

The Board of Directors sets maximum compensable earnings annually to achieve coverage for the full wages of at least 90 per cent of workers in the province. The annual amount will change when the percentage of workers covered drops below 90 per cent.

This new principle was included as an item in the online consultation that took place from January 15 to February 15, 2021 and was discussed by the Policy Consultation Advisory Group on January 22, 2021.

**MOTION**  
2021/02/07

It was moved that,

The Board of Directors approve proposed new principle, number 13, dealing with how maximum compensable earnings are set by WCB.

**CARRIED**



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**Board of Directors**

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**4.2 Policy 04-02, Part II, Application 4,  
Continuation of Employment Health Benefits**

Bill 47, detailing changes to the *Workers' Compensation Act*, received Royal Assent on December 9, 2020. Amendments included the repeal of section 88.2, which provided that employment health benefits must continue to be provided to injured workers in specific circumstances.

The absence of a specific transitional provision in Bill 47 means that the provisions of the *Interpretation Act* govern the transition. Under s.35 of the *Interpretation Act*, WCB must continue to enforce rights that were “acquired, accrued, accruing or incurred” during the effective dates of s.88.2.

Public consultation was not required as the legislation is prescriptive, and the policy amendments simply reflect the new legislative requirements.

**MOTION**  
2021/02/08

It was moved that,

The Board of Directors approve the draft policy, which reflects updates to the *Workers' Compensation Act* that come into effect April 1, 2021.

The policy revisions provide:

- Section 88.2 of the *WCA*, concerning the continuation of employment benefits, came into force on September 1, 2018, and was subsequently repealed as of April 1, 2021. Although s.88.2 has been repealed, it still applies to claims with dates of accident from September 1, 2018, to March 31, 2021, inclusive. Employer and worker rights, obligations, and penalties for non-compliance provided for in the section continue for these claims as though the section were still in force.

**Effective Date:** September 1, 2018, applying to all claims with a date of accident from September 1, 2018, to March 31, 2021, inclusive.

CARRIED

**4.3 New Policy 04-11, Duty to Cooperate, and  
Repeal of Obligation to Reinstate Provisions**

Bill 47, detailing changes to the *Workers' Compensation Act*, received Royal Assent on December 9, 2020. Amendments included the repeal of section 88.1, concerning the obligation to return injured workers to work and the addition of sections 89.1, 89.2 and

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## Board of Directors

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89.3, concerning duties of workers to mitigate and cooperate and duties of employers to cooperate.

Under s.89.1, workers have a duty to take all reasonable action to mitigate any earnings loss caused by work injury and, if circumstances require it, to cooperate with WCB in the development of vocational or other rehabilitation plans.

Under s.89.2, employers have a duty to cooperate with the worker and WCB in efforts to achieve the worker's early and safe return to work.

A draft Policy 04-11, *Duty to Cooperate*, was posted for online consultation from January 15, 2021, to February 15, 2021. Public consultation was not required regarding the repeal of s.88.1 as the legislation is prescriptive, and the policy amendments simply reflect the new legislative requirements.

### **MOTION**

2021/02/09

It was moved that,

The Board of Directors approve the draft policies, which reflect updates to the *Workers' Compensation Act*. Legislative changes include the additions of sections 89.1, 89.2, and 89.3 concerning duties to cooperate for workers and employers, and the repeal of section 88.1, concerning the obligation to return injured workers to work.

Policy revisions include:

- A new Policy 04-11, *Duty to Cooperate*, related to specific cooperation requirements under the *WCA* including reporting requirements, attendance and participation in medical treatment, and a duty to cooperate in return to work,
- Revisions to various policies related to the obligation to reinstate. Section 88.1 of the *WCA*, concerning the obligation to return injured workers to work, came into force on September 1, 2018, and was subsequently repealed as of April 1, 2021. Although s.88.1 has been repealed, it still applies to claims with dates of accident from September 1, 2018, to March 31, 2021, inclusive. Employer and worker rights, obligations, and penalties for non-compliance provided for in the section continue for these claims as though the section were still in force.

**Effective Date:** The effective date for all policies is April 1, 2021, except for Policy 04-05, Part II, Applications 2 and 3, which has an effective date of September 1, 2018, applying to all claims with a date of accident from September 1, 2018, to March 31, 2021, inclusive.

CARRIED

4.4 **Policy 04-05, Part II, Application 4, Egregious Conduct**

Under Bill 47, a new subsection was added to s.56 of the *Workers' Compensation Act* that may affect the benefits WCB pays an injured worker when the employer withdraws modified work or terminates the worker during modified work. The existing s.56(14) directs WCB to put the worker on full wage loss benefits in those circumstances. The new s.56(15.1) provides an exception to that rule, so that when an employer withdraws modified work or terminates the worker because of the worker's egregious conduct, s.56(14) does not apply. Instead, WCB is directed to pay benefits in accordance with s.56(13)(a) as if the worker was continuing to work and not place them back on full wage loss benefits. This change has a serious impact on the worker's financial support from WCB. To accommodate this exception, revisions to Policy 04-05, Part II, Application 4, which speaks to modified work in general, are necessary.

WCB posted a draft policy describing egregious conduct for a 30-day online consultation on January 15, 2021.

Section 56(15.1) puts WCB in the position of defining egregious for all employment situations and it must be applied to all workers consistently – regardless of the varying policies and procedures in place at various worksites. To assist in adjudication, the policy creates a framework which focuses on both the behavioural and situational context and sets out a series of factors for defining egregious conduct.

**MOTION**

2021/02/10

It was moved that,

The Board of Directors approve the proposed revisions to Policy 04-05, Part II, Application 4, to address legislative changes contained in s.56(15.1) of the *Workers' Compensation Act*.

**Effective Date:** January 1, 2021.

CARRIED

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## Board of Directors

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### 4.5 **Bill 47 Non-substantive Changes**

In accordance with Board Resolution 94/02/09 (inconsequential amendments), Strategic Management Council approved non-substantive changes related to Bill 47 legislative amendments.

### 4.6 **Fairness Review Mandate**

Under Bill 47, the external Fair Practices Office (FPO) will close. All the services of the Fair Practices Office are transferring to other existing agencies including WCB and the Appeals Commission. To replace FPO services, Bill 47 enacted new sections 23.1 and 23.2 of the *Workers' Compensation Act (WCA)*. Section 23.1 requires the Board of Directors to designate an employee of the WCB as the Fairness Review Officer, and to define the role and mandate for that position.

The mandate of the FRO is to investigate issues of fairness in service delivery to workers, employers, or dependants (including their authorized representatives) who feel they have been treated unfairly in their interactions with WCB. Thorough and timely investigations will be completed through additional staff in the designated Fair Process Review Centre (FPRC) in order to recommend solutions to the FRO.

If the FPRC finds that applicable standards of fairness were not met, the FRO will make recommendations for action to WCB on a specific claim or account and, if necessary, will raise a systemic-level recommendation to the BoD or WCB management. The FRO's recommendation function helps to continually improve administrative processes for all stakeholders of the system.

The mandate also gives a comprehensive overview of:

- the legal **jurisdiction** of the FRO, including its limitations;
- the **independence** of the FRO and how their reporting relationship to the BoD ensures that the FRO and FPRC can fulfill their mandate in a neutral, impartial and independent manner;
- the **goals** for service delivery and improvement of the workers' compensation system; and
- clear definitions for the **roles** of members of the system, specifically the BoD, FRO and the staff who will investigate fairness concerns.

The FRO will report functionally to the BoD and, much like the Chief Internal Auditor, the FRO will maintain an administrative reporting relationship with the CEO.

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**MOTION**  
2021/02/11

It was moved that,

That the Board of Directors approve:

- the Mandate of the Fairness Review Officer and the Fair Process Review Centre, which will operate under the supervision of the Fairness Review Officer pursuant to s.23.1 of the *Workers' Compensation Act*, and
- the non-substantive revisions to the Code of Rights and Conduct.

CARRIED

## 5. **New Business**

### 5.1 **Fairness Review Officer**

Effective April 1, 2021, Bill 47 enacted new sections 23.1 and 23.2 of the *Workers' Compensation Act (WCA)*. Section 23.1 requires the Board of Directors to designate an employee of the WCB as the Fairness Review Officer (FRO), and to define the role and mandate for that position. The approved mandate of the FRO provides the overarching guidance for the role of the FRO; this topic summary further outlines the skills, knowledge and attributes of the right candidate.

The core attributes and skills required from the FRO are outlined in the proposed competency matrix. This matrix has been informed by best practice research and resources, including:

- Interjurisdictional scan of fairness review functions
- Alberta Ombudsman's Administrative Fairness Guidelines
- Government of Alberta's Competency Matrix and Definitions for Agencies, Boards and Commissions
- Korn Ferry's FYI competency definitions (used by WCB for all levels)
- BoD Competency Matrix and Profile

**MOTION**  
2021/02/12

It was moved that,

That the Board of Directors approve the draft qualifications and competency matrix for the Fairness Review Officer, pursuant to s.23.1 of the *Workers' Compensation Act*.

CARRIED

### 5.3 **Fairness Review Officer Candidate Designation**

Effective April 1, 2021, Bill 47 enacted new sections 23.1 and 23.2 of the *Workers' Compensation Act*. Section 23.1 requires the Board of Directors to designate an employee of the WCB as the Fairness Review Officer. The approved mandate and

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qualifications of the FRO provide the overarching guidance for the role of the FRO, including the skills, knowledge and attributes of the right candidate.

In assessing the skills, strengths and experience required for the new FRO, it is management's opinion that Rebecca Hayes would be the appropriate and ideal candidate for this role.

**MOTION**

2021/02/13

It was moved that,

The Board of Directors designate Rebecca Hayes as the Fairness Review Officer pursuant to s.23.1 of the *Workers' Compensation Act*.

CARRIED

6. **Meeting Evaluation**

The members were asked to complete the meeting effectiveness self-assessment form.

7. **In Camera**

The Board of Directors held an *in camera* session prior to the vote on items 5.1 and 5.2 and a further *in camera* session in two parts prior to the conclusion of the meeting. In the first portions of the final *in camera* session, all of senior management was excused, except the President. During the second part, the President was also excused. The Board Secretariat was present for all of the *in camera* sessions.

There being no further business, the meeting ended at 1:10 p.m.

**THE WORKERS' COMPENSATION BOARD****MEETING OF THE BOARD OF DIRECTORS****MINUTES**

**DATE:** April 27, 2021  
**PLACE:** Zoom Video Conference  
**TIME:** 8:30 a.m. to 11:18 a.m.

**BOARD MEMBERS**

Erna Ference, Chair  
Mike Boyle, Member  
William Hnydyk, Member  
Brian McConkey, Member  
Shawna Miller, Member  
Mary Phillips-Rickey, Member  
Jane Sustrik, Member

**EXECUTIVE**

Trevor Alexander, President & Chief Executive Officer \*\*  
Tarick Ahmad, Chief Technology Officer \*  
Ron Helmhold, Chief Financial Officer \*  
Wendy King, Senior Vice President, Operations & Innovation \*  
Marcela Matthew, Vice President, Millard Health & Special Care Services \*  
William P. Ostapek, Secretary and General Counsel \*  
Roxy Shulha-McKay, Vice President, Employee & Corporate Services \*

**ALSO PRESENT**

Leslie Henkel, Board of Directors' Secretariat  
Laurent Charron, Corporate Controller, (Items 9 and 10)  
Donna Emsley, Senior Manager, Treasury and Investments, (Items 9 and 10)  
Nadia Mursky, Senior Manager, Financial Performance and Risk, (Items 9 and 10)

\* excused for item 14

\*\* excused for item 14 (part 2)

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**Board of Directors**

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The Chair called the meeting to order at 8:30 a.m.

1. **Agenda**

The agenda as distributed was approved.

2. **Proposed Motions**

The list of proposed motions was received for information.

3. **Minutes of the Meeting of March 22, 2021**

**MOTION**

2021/03/14

It was moved that,

The Board of Directors approve the minutes of the meeting of March 22, 2021.

CARRIED

4. **Business Arising from the Minutes of March 22, 2021**

There was no business arising from the minutes of the March 22, 2021 meeting.

5. **2021 Meetings and Activities Schedule**

The meetings and activities schedule was received for information.

6. **Report of the Chair**

The Chair reported on:

- Bill 47 implementation,
- WCB Pandemic response,
- virtual Annual General Meeting – June 10, 2021,
- 2020 Annual Report – available June 1, 2021, and
- Labour Coalition meeting.

7.1 **Report of the President**

The President reported on the following:

- investment and financial results,
- operations results and updates,
- technology and innovation,
- stakeholder engagement and legislative relations,
- Secretary and General Counsel update, and
- risk profile and emerging issues.

7.2 **Strategy Map and Objectives Update**

The 2021 Strategy Map and Objectives update was received for information.

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**Board of Directors**

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**COMMITTEE REPORTS**

8. **Policy Committee**

The committee had nothing to report.

9. **Audit Committee**

The committee chair provided a report on the committee's recent meeting.

9.1 **Financial Statements – 2020**

The financial statements and accompanying notes, as recommended by the Audit Committee, reflect the financial position of the corporation as at December 31, 2020. The financial statements and notes have been prepared in accordance with International Financial Reporting Standards.

MOTION  
2021/03/15

It was moved that,

The Board of Directors approve the Corporation's consolidated financial statements and accompanying notes for the year ended December 31, 2020, and the Chair of the Board of Directors and the President and Chief Executive Officer be authorized to sign the Statement of Financial Position on its behalf for delivery to the Minister of Labour and Immigration before May 31, 2021.

CARRIED

10. **Finance Committee**

The committee chair provided a report on the committee's recent meeting.

10.1 **Investment Policy**

The WCB Investment Policy is the Board of Director's primary governing document through which the BoD articulates WCB's investment beliefs, objectives, and risk tolerances. The Investment Policy sets the parameters and constraints which guide the investment decisions of the managing investment fiduciary.

With the legislative requirement to transition management of WCB's Accident Fund to AIMCo, the managing fiduciary responsibility for WCB's \$11 billion investment portfolio will fully shift to AIMCo upon final transfer of all assets and completion of the two stages of WCB investment policy amendments noted below. The transition of assets to AIMCo and transfer of managing fiduciaries will necessitate a comprehensive review of WCB's Investment Policy to ensure that the policy remains effective and is aligned with the governing fiduciary responsibilities that remain with the WCB BoD.

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**Board of Directors**

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In order to expedite the transition of certain assets into AIMCo pooled funds while recognizing the need to conduct a detailed comprehensive review of all aspects of the Investment Policy, WCB has adopted a two-stage approach to Investment Policy amendments as follows:

Stage 1 (2021) – This stage is very focused and limited to recommending amendments to various policy constraints within the ‘in-scope’ asset classes in order to allow movement of WCB assets into AIMCo pooled funds in an expeditious and cost-effective manner. In-scope asset classes are defined as Fixed Income, Infrastructure, and Real Estate. During this stage, the WCB Investment team retains managing fiduciary responsibility over the Accident Fund including oversight for key aspects of the investment portfolio such as portfolio level asset mix and oversight whereas AIMCo performs all manager monitoring, performance reporting, and compliance functions for the assets that have transitioned under their management. During this period, from an investment policy perspective, AIMCo continues to operate as an external manager under WCB’s existing ‘manager of manager’ structure.

Stage 2 (Q4 2021/Q1 2022) – This stage will involve a comprehensive review of the Investment Policy, including a review of investment beliefs, strategic objectives, and any specific policy changes required to move equity assets into the AIMCo pooled fund structure. This stage cannot be completed until the restructuring of AIMCo’s equity platform is finalized and can be reviewed by WCB for alignment with policy constraints.

**MOTION**  
2021/03/16

It was moved that,

The Board of Directors approve the Investment Policy amendments, effective May 1, 2021.

CARRIED

## 10.2 **Monthly Financial Reports**

The monthly financial reports were received for information.

## 11. **Human Resource and Governance Committee**

The committee chair provided a report on the committee’s recent meeting.

### 11.1 **Corporate Governance Policy Manual Update**

The following changes to the Corporate Governance Policy Manual reflect all outstanding updates required since the last update in June 2020. These changes reflect Bill 47 legislation, as well as policy updates.

- Modify Section 6(a) (Legislative Authority) to amend the reference from Appendix C to Appendix D. Appendix D is the correct reference for the Relevant Portions of the *Workers’ Compensation Act*.
- Modify Section 9(b) (Role of the Board of Directors) to include a new duty of the Board of Directors related to the designation, role and mandate of the Fairness Review Officer, as legislated by Bill 47 and approved by the Board of Directors in March 2021:

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9(b)(vii) designate an employee of the WCB as the Fairness Review Officer and define the Fairness Review Officer's role and mandate.

- Modify Appendix C (Principles of Alberta Workers' Compensation) to reflect changes to the Principles of Alberta Workers' Compensation by the Board of Directors in March 2021. Legislative changes were made to reinstate maximum compensable earnings through Bill 47. WCB's Board of Directors subsequently approved the inclusion of this item as a Principle of Alberta Workers' Compensation:

13. Maximum Compensable Earnings - The Board of Directors sets maximum compensable earnings annually to achieve coverage for the full wages of at least 90 per cent of workers in the province. The annual amount will change when the percentage of workers covered drops below 90 per cent.

- Modify Appendix D (Relevant Portions of the WCA) to reflect Bill 47 legislative changes. Bill 47 repealed section 2(2) related to the location of the office of the Board and section 5(1.1) related to the nomination process for the appointment of members.

**MOTION**  
2021/03/17

It was moved that,

The Board of Directors approve updates to Sections 6 and 9, and Appendices C and D of the Corporate Governance Policy Manual.

CARRIED

12. **New Business**

There was no new business.

13. **Meeting Evaluation**

The members were asked to complete the meeting effectiveness self-assessment form.

14. **In Camera**

The Board of Directors held an *in camera* session in two parts. During the first part, all of senior management were excused, with the exception of the President. During the second part, the President was also excused. The Board Secretariat remained for the entire *in camera* session.

There being no further business, the meeting ended at 11:18 a.m.

**THE WORKERS' COMPENSATION BOARD****MEETING OF THE BOARD OF DIRECTORS****MINUTES**

<b>DATE:</b>	June 22, 2021
<b>PLACE:</b>	Zoom Video Conference
<b>TIME:</b>	8:30 a.m. to 11:18 a.m.

**BOARD MEMBERS**

Erna Ference, Chair  
Mike Boyle, Member  
William Hnydyk, Member  
Brian McConkey, Member  
Shawna Miller, Member  
Mary Phillips-Rickey, Member  
Jane Sustrik, Member

**EXECUTIVE**

Trevor Alexander, President and Chief Executive Officer \*\*  
Tarick Ahmad, Chief Technology Officer \*  
Ron Helmhold, Chief Financial Officer \*  
Wendy King, Senior Vice President, Operations and Innovation \*  
Marcela Matthew, Vice President, Millard Health and Special Care Services \*  
William P. Ostapek, Secretary and General Counsel \*  
Roxy Shulha-McKay, Vice President, Employee and Corporate Services \*

**ALSO PRESENT**

Leslie Henkel, Board of Directors' Secretariat  
Adrienne Lozinski, Director, Operations and Risk Management (item 7.3)  
Clarence Mah, Director, Special Care Services (item 7.4)  
Donna Emsley, Senior Manager, Treasury and Investments, (item 10)

\* excused for item 14

\*\* excused for item 14 (part 2)

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**Board of Directors**

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The Chair called the meeting to order at 8:30 a.m.

1. **Agenda**

The agenda as distributed was approved.

2. **Proposed Motions**

The list of proposed motions was received for information.

3. **Minutes of the Meeting of April 27, 2021**

**MOTION**

2021/04/18

It was moved that,

The Board of Directors approve the minutes of the meeting of April 27, 2021.

CARRIED

4. **Business Arising from the Minutes of April 27, 2021**

There was no business arising from the minutes of the April 27, 2021 meeting.

5. **2021 Meetings and Activities Schedule**

The meetings and activities schedule was received for information.

6. **Report of the Chair**

The Chair reported on:

- the pandemic response;
- receipt of and response to a letter from the Minister of Labour & Immigration asking the WCB to review three issues: the accident fund target and surplus, lost time claims and employer premium submissions;
- a virtual meeting of the Labour Coalition on June 9, 2021;
- a virtual meeting of the Industry Task Force on June 2, 2021;
- WCB's June 10, 2021 annual general meeting;
- the AWCBC Governance Symposium on June 8-10, 2021; and
- the AWCBC board meeting on June 16, 2021.

7.1 **Report of the President**

The President reported on the following:

- investment and financial results,

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## Board of Directors

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- operations results and updates,
- attendance at AWCBC meetings,
- technology and innovation,
- stakeholder engagement and legislative relations,
- legislation and panel implementation, and
- risk profile and emerging issues.

### 7.2 **WCB Technology Review**

The Chief Technology Officer made a presentation.

### 7.3 **Fit for Work Dashboard**

The Director, Operations and Risk Management, demonstrated of the Fit for Work Dashboard.

### 7.4 **COVID-19 Dashboard**

The Director, Special Care Services, demonstrated the COVID-19 Dashboard.

## COMMITTEE REPORTS

### 8. **Policy Committee**

The committee chair provided a report on the committee's recent meeting.

#### 8.1 **Policy 04-10, Part II, Application 3, Housekeeping Allowance**

Housekeeping Allowance (HKA) was a new benefit for *seriously\** injured workers that came into effect December 1, 2013, following stakeholder consultation. Prior to that date, no such benefit existed for seriously injured workers.

In accordance with WCB's normal practice, the intent of the policy was to provide the benefit from the effective date onwards. The Appeals Commission has on several occasions interpreted the absence of specific direction to mean that HKA can be paid for periods before the benefit came into effect.

Although WCB does not pay HKA for periods before December 1, 2013, it is recognized seriously injured workers with the same functional limitations had the same difficulties before HKA came into effect.

For several years, WCB procedures have included a process for reimbursing seriously injured workers who can show that they hired outside help to perform the housekeeping tasks they were not able to do themselves because of their work injury.

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**Board of Directors**

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These expenses are reimbursed based on confirmation of costs, rather than paid as an HKA allowance.

The proposed policy update will ensure transparency, consistency, and fairness in how pre-December 1, 2013 expenses are adjudicated.

The Policy Committee approved posting of the proposed amendments for online consultation for a period of 90 days.

## 8.2 **Policy 07-02, Part II, Application 6, Third Party Recoveries**

Under Policy 07-02, Part II, Application 6, when a worker is injured in a motor vehicle accident, the WCB may pursue recovery of the claim costs if the other party was at fault and is not also covered under the *Workers' Compensation Act*. If the action for recovery results in a settlement or judgment, then the employer will have costs of the claim relieved from their record, either in the amount of the settlement or the percentage of liability.

In cases where the third party is uninsured or is unknown (as happens when the party flees the scene), there is little to no chance of recovering WCB costs from a third party, so those costs remain on the employer's experience record.

Employers cannot control situations where their workers are involved in motor vehicle accidents with an uninsured driver. WCB can reduce the impact of those risks by giving cost relief to employers where an uninsured or unidentified third party is the cause of the accident. This will mirror the practice with insured third parties.

Costs will be relieved at the employer level, but will remain in the rate group. With this approach, the premium rate for the industry would be unchanged. In terms of overall rate setting, there is little to no impact on the rate group or sector rates.

The Policy Committee approved posting of the proposed amendments for online consultation for a period of 90 days.

## 8.3 **2021-2023 Policy Project Plan**

WCB proposes switching to a multi-year rolling plan approach to better reflect the time it takes for policies to go through the system. The plan will be a rolling plan with flexibility to incorporate emerging issues as they arise and the expectation of a robust policy agenda annually.

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## Board of Directors

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The Policy Committee approved posting to share the 2021-2023 Policy Project Plan approach and to seek stakeholder input on plan priorities for online consultation for a period of 90 days.

Continuing with the focus on openness and transparency, WCB plans to publish the approved 2021-23 Policy Project Plan on the website late in 2021 and update it as necessary on a quarterly basis.

### 8.4 **Inconsequential Policy Amendments**

In accordance with Board Resolution 94/02/09 (inconsequential amendments), Strategic Management Council approved non-substantive changes, including inconsequential changes related to Bill 47 legislative amendments.

#### **Employment health benefits**

An issue was identified with the end date originally given for s.88.2 (continuation of employment health benefits). Because s.88.2 was repealed and not replaced with anything, the *Interpretation Act* applies slightly differently to s.88.2 – it remains in force to the *end of the day* on the date it is repealed instead of the *beginning of that day*. As such, the Employment Health Benefit related policies had to be changed to specify that the end date for the repealed legislation is **April 1, 2021** instead of March 31, 2021.

#### **G-2, The Review and Appeal Process**

This document needed to be updated to reflect the change to the time limit to file an appeal, as well as to update references to the Fair Practices Office and contact information for the new appeals advisory service through the Appeals Commission.

#### **Policy Manual Glossary**

As a result of legislative amendments coming out of Bill 47, some non-substantive policy changes were required to the Glossary to ensure the items included and their definitions align with current policy and legislation. The entire Glossary was reviewed to evaluate whether some outdated references could be removed and to verify the source materials of all items.

#### **Medical Assistance in Dying (MAID)**

On March 17, 2021, the federal government passed revised legislation that makes changes to who may be eligible to obtain medical assistance in dying and the process of assessment. Changes have allowed a broader group of people to be eligible to request and receive MAID. One key change to the eligibility criteria was to remove some restrictions around the death being reasonably foreseeable. These changes came into effect on March 17, 2021.



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## Board of Directors

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As a result of these legislative amendments, some non-substantive policy changes were required to **Policy 04-06, Part II, Application 5**. With these changes, the policy application should be broad enough so that the policy does not need to be amended each time the federal government amends the legislation.

### 9. Audit Committee

The committee had nothing to report.

### 10. Finance Committee

The committee chair provided a report on the committee's recent meeting.

#### 10.1 Monthly Financial Reports

The monthly financial reports were received for information.

### 11. Human Resource and Governance Committee

The committee had nothing to report.

### 12. New Business

#### 12.1 Board of Directors' 2022 Meeting Schedule

Advance approval of the Board of Directors 2022 Meeting Schedule and recording that approval in the minutes constitutes formal notice of the meetings. The 2022 Meetings & Activities Schedule includes committee meetings and other activities and is attached for reference only.

Section 7(1) of the *Workers' Compensation Act* mandates that no more than three months elapse between meetings, which has been taken into account in the 2022 Meeting Schedule.

Board of Directors meetings generally begin at 8:30 a.m. on Tuesday; however, the September board meeting, committee meetings and annual board retreat on September 19 and 20 will have meeting times assigned when the retreat agenda is developed. The end times and duration of meetings listed in the Meetings & Activities Schedule are estimates and may be changed based on agenda length or material to be covered.

#### MOTION

2021/04/19

It was moved that,

The Board of Directors approve the 2022 Meeting Schedule.

CARRIED

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**Board of Directors**

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**13. Meeting Evaluation**

The members were asked to complete the meeting effectiveness self-assessment form.

**14. In Camera**

The Board of Directors held an *in camera* session in two parts. During the first part, all of senior management were excused, with the exception of the President. During the second part, the President was also excused. The Board Secretariat remained for the entire *in camera* session.

There being no further business, the meeting ended at 12:10 p.m.

**THE WORKERS' COMPENSATION BOARD****MEETING OF THE BOARD OF DIRECTORS****MINUTES**

**DATE:** September 14, 2021

**PLACE:** Zoom Video Conference

**TIME:** 1:00 p.m. to 3:00 p.m.

**BOARD MEMBERS**

Erna Ference, Chair  
Brian McConkey, Member  
Shawna Miller, Member  
Mary Phillips-Rickey, Member  
Jane Sustrik, Member

**Excused:**

Mike Boyle, Member

**EXECUTIVE**

Trevor Alexander, President & Chief Executive Officer \*\*  
Tarick Ahmad, Chief Technology Officer \*  
Ron Helmhold, Chief Financial Officer \*  
Wendy King, Senior Vice President, Operations & Innovation \*  
Marcela Matthew, Vice President, Millard Health & Special Care Services \*  
William P. Ostapek, Secretary and General Counsel \*  
Roxy Shulha-McKay, Vice President, Employee & Corporate Services \*

**ALSO PRESENT**

Leslie Henkel, Board of Directors' Secretariat

\* excused for item 14

\*\* excused for item 14 (part 2)

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**Board of Directors**

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The Chair called the meeting to order at 1:00 p.m.

1. **Agenda**

The agenda as distributed was approved.

2. **Proposed Motions**

The list of proposed motions was received for information.

3. **Minutes of the Meeting of June 22, 2021**

**MOTION**

2021/05/20

It was moved that,

The Board of Directors approve the minutes of the meeting of June 22, 2021.

**CARRIED**

4. **Business Arising from the Minutes of June 22, 2021**

There was no business arising from the minutes of the June 22, 2021 meeting.

5. **Meetings and Activities Schedules for 2021 and 2022**

The meetings and activities schedules were received for information.

6. **Report of the Chair**

The Chair reported on:

- update on COVID related measures,
- William Hnydyk's departure from the Board of Directors,
- meeting of the Chair and CEO with Minister,
- ITF meeting, and
- upcoming World Congress on Safety and Health at Work.

7.2 **President's Report**

The President reported on the following:

- investment and financial results,
- operations results and updates,
- technology and innovation,
- stakeholder engagement and legislative relations,
- Secretary and General Counsel update, and
- risk profile.

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**Board of Directors**

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**7.2 Strategy Map and Objectives Update**

The strategy map and objectives update was received for information.

**7.3 Monthly Financial Reports**

The monthly financial reports were received for information.

**COMMITTEE REPORTS****8. Policy Committee**

The committee chair had nothing to report.

**9. Audit Committee**

The committee chair provided a report on the committee's recent meeting.

**10. Finance Committee**

The committee chair provided a report on the committee's recent meeting.

**11. Human Resource and Governance Committee**

The committee chair provided a report on the committee's recent meeting.

**12. New Business**

There was no new business.

**13. Meeting Evaluation**

The members were asked to complete the meeting effectiveness self-assessment form.

**14. In Camera**

The Board of Directors held an *in camera* session in two parts. During the first part, all of senior management were excused, with the exception of the President. During the second part, the President was also excused. The Board Secretariat remained for the entire *in camera* session.

There being no further business, the meeting ended at 3:00 p.m.

**THE WORKERS' COMPENSATION BOARD****MEETING OF THE BOARD OF DIRECTORS****MINUTES**

<b>DATE:</b>	November 30, 2021
<b>PLACE:</b>	Zoom Video Conference
<b>TIME:</b>	8:30 a.m. to 11:25 a.m.

**BOARD MEMBERS**

Erna Ference, Chair  
Mike Boyle, Member  
Brian McConkey, Member  
Shawna Miller, Member  
Mary Phillips-Rickey, Member  
Jane Sustrik, Member

**EXECUTIVE**

Trevor Alexander, President & Chief Executive Officer \*\*  
Tarick Ahmad, Chief Technology Officer \*  
Ron Helmhold, Chief Financial Officer \*  
Wendy King, Senior Vice President, Operations & Innovation \*  
Marcela Matthew, Vice President, Millard Health & Special Care Services \*  
William P. Ostapek, Secretary and General Counsel \*  
Roxy Shulha-McKay, Vice President, Employee & Corporate Services \*

**ALSO PRESENT**

Leslie Henkel, Board of Directors' Secretariat  
Laurent Charron, Corporate Controller, Financial Management (items 9-10)  
Donna Emsley, Senior Manager, Treasury and Investments (items 9-10)  
Nadia Mursky, Senior Manager, Financial Performance & Risk (items 9-10)

\* excused for item 14

\*\* excused for item 14 (part 2)

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**Board of Directors**

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The Chair called the meeting to order at 8:30 a.m.

1. **Agenda**

The agenda as distributed was approved.

2. **Proposed Motions**

The list of proposed motions was received for information.

3. **Minutes of the Meeting of September 14, 2021**

**MOTION**

2021/06/21 It was moved that,

The Board of Directors approve the minutes of the meeting of September 14, 2021.

**CARRIED**

4. **Business Arising from the Minutes of September 14, 2021**

There was no business arising from the minutes of the September 14, 2021 meeting.

5. **2022 Meetings and Activities Schedule**

The meetings and activities schedule were received for information.

6. **Report of the Chair**

The Chair reported on:

- new Minister of Labour and Immigration,
- upcoming Industry Task Force meeting,
- December Labour Coalition meeting is cancelled, and
- recent board meeting of the Association of Workers' Compensation Boards of Canada.

7.1 **Report of the President**

The President reported on the following:

- investment and financial results,
- operations results and updates,
- technology and innovation,
- stakeholder engagement and legislative relations,
- legislation and panel implementation, and
- risk profile and emerging issues.

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**Board of Directors**

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**7.2 Strategy Map and Objectives Update**

The strategy map and objectives update were received for information.

**COMMITTEE REPORTS****8. Policy Committee**

The committee chair provided a report on the committee's recent meeting.

**8.1 Policy 05-02, Part II, Application 1, General and Policy 07-02, Part II, Application 6, Third Party Recoveries**

Policy 07-02, Part II, Application 6, indicates WCB will pursue recovery of claims costs for MVAs where the other driver was at fault. If the action for recovery results in a settlement or judgment then the claims costs will be relieved from the employer's experience record, either in the amount of the settlement or the percentage of liability.

In cases where the third party is uninsured or is unknown, WCB has little chance of recovering claims costs from a third party. As such, these costs remain on the employer's experience record.

Providing cost relief for these situations ensures that employers are treated in the same manner as employers with MVA claims where the other driver is known and insured.

**MOTION**

2021/06/22 It was moved that,

The Board of Directors approve the draft policies. The policy revisions provide:

- A statement in Policy 05-02, Part II, Application 1, that cost relief will be provided for motor vehicle accidents (MVAs) where the other party is unknown or uninsured, when WCB is satisfied that third party recovery would have had a reasonable likelihood of success.
- A statement in Policy 07-02, Part II, Application 6, that costs will be relieved from the employer's experience record where the other party is unknown or uninsured, when WCB is satisfied that third party recovery would have had a reasonable likelihood of success.

**Effective Date:** January 1, 2022.

**CARRIED**



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**Board of Directors**

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**8.2 Policy 05-02, Part II, Application 2, Cost relief for reactions to compulsory COVID-19 vaccinations**

Policy Committee approved posting the draft policy application, Policy 05-02, Part II, Application 2, for online consultation for a period of 60 days. The revision forms part of a comprehensive package already in place to reduce the financial impact of COVID-19 claims. The draft policy for posting proposes the policy change will be effective retroactive to the date the initial cost relief package for COVID-19 claims was released (October 2020).

The widespread impact of COVID-19 has caused unprecedented challenges for employers. WCB has supported Alberta employers with the most comprehensive COVID-19 cost relief policy in Canada. Now that many employers are implementing compulsory COVID-19 vaccination policies, WCB proposes an additional policy change to extend our COVID-19 support to employers.

***Proposed policy******Cost relief for reactions to compulsory COVID-19 vaccinations***

We propose adding a provision for cost relief for reactions to compulsory COVID-19 vaccinations under Policy 05-02, Part II, Application 2. Under these policy revisions, cost relief will only be available when the following criteria is met:

- the worker has a **compensable claim** under Policy 03-01, Part II, Application 3 (compulsory immunization with loss of earnings), and
- the vaccine is for the prevention of **COVID-19**

**8.3 Policy 04-06 – New Application 6 and Addendum A – Pharmaceutical Cannabinoids & Cannabis Authorized for Medical Use**

Policy Committee approved posting the attached draft policy application and addendum for online consultation for a period of 60 days. The new application and addendum are proposed as additions to Policy 04-06 (Healthcare), Part II, and address coverage for pharmaceutical cannabinoids and medical cannabis:

1. The proposed Application 6 – Pharmaceutical Cannabinoids and Cannabis Authorized for Medical Use provides an overview and general policy direction, as well as essential requirements for physicians.
2. The proposed Addendum A provides a list, with links, of the legal and medical references that form the basis of the policy provisions.

Policy Committee previously approved a draft policy application and addendum for online consultation on November 25, 2019. Due to the pandemic and policy priorities such as Bill 47 legislative changes, the consultation was deferred. The attached draft has been updated to reflect the most current medical evidence.

Under the *Workers' Compensation Act*, WCB has the authority to decide whether medical aid for an injured worker is necessary and appropriate (s.80 of the *WCA*). With that authority there

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## Board of Directors

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is also a responsibility to ensure the treatment is the most appropriate based on current medical knowledge and will support the worker in a successful return to work.

There is now a body of research to provide guidance about possible benefits, cautions, and contraindications. We used this information to provide guidance and transparency for workers and doctors contemplating cannabis in the treatment of work-related medical conditions.

Since the draft policy was approved for consultation, there has been additional guidance from the medical community and this has been incorporated into this new draft. Key revisions include:

- Updated references and wording
- Simplified structure
- Adding criteria around coverage for harm reduction – *opioid addiction*
- Removing reference to coverage for loss of appetite associated with HIV or AIDs (due to insufficient medical evidence and the unlikelihood these conditions would be work-related)
- Confirming remuneration for pre-rolled ‘joints’ will not be considered
- Removing how to calculate THC amounts as *Cannabis Regulations* now require THC content to be listed in mg/grams instead of percentages and calculation is no longer needed

The draft addendum of legal and medical references used throughout the draft policy has also been revised to update medical references and links.

### 8.4 **Policy 04-10, Part II, Application 3, Housekeeping Allowance**

Housekeeping Allowance (HKA) was a new benefit for ***seriously*** injured workers that came into effect December 1, 2013, following stakeholder consultation. Prior to that date, no such benefit existed for seriously injured workers.

Although WCB does not pay HKA for periods before December 1, 2013, it does recognize seriously injured workers with the same functional limitations had the same difficulties before HKA came into effect.

The proposed policy update will ensure transparency, consistency, and fairness in how pre-December 1, 2013 expenses are adjudicated.

#### **MOTION**

2021/06/23 It was moved that,

The Board of Directors approve the draft policy. The policy revisions provide:

- an explicit statement that the Housekeeping Allowance is not paid for periods prior to December 1, 2013, when the benefit came into effect. This is consistent with the intent of the policy when it was originally approved and is standard practice regarding retroactivity

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- a new policy question outlining the process for reimbursement of housekeeping costs incurred before the Housekeeping Allowance came into effect, December 1, 2013
- a confirmation that the maximum reimbursement for housekeeping costs prior to December 1, 2013, is \$1,200 per calendar year which reflects the full yearly Housekeeping Allowance amount payable the first year the benefit came into effect

**Effective Date:** January 1, 2022, except when noted otherwise in policy. Retroactive payment of a housekeeping allowance or reimbursement of housekeeping costs applies to all initial requests made on or after January 1, 2022, regardless of the date of accident.

**CARRIED**

### 8.5 Policy 04-02, Temporary Benefits, Addendum A, Allowance Rates

In accordance with Board Resolution 94/02/09 (inconsequential amendments) and Board Resolution 2003/03/10 (travel, subsistence, and wage allowances), Strategic Management Council approved the recommendation that no changes be made to current amounts in Policy 04-02, Part II, Addendum A, *Allowance Rates*, for 2022.

WCB reviews the allowance rates for travel, subsistence (meals), and accommodation annually.

**Travel:** No changes were recommended to the travel allowance of 51 cents per kilometre. The rate covers average vehicle operating costs and includes both fixed and variable costs. Rates are consistent with those of similar organizations.

**Meal Allowance:** No changes were recommended to the meal allowance for 2022. Unlike the travel allowance, which is intended to cover only additional costs, the meal allowance is intended to cover the cost of a reasonable restaurant meal with some flexibility and choice at mid-range restaurants.

**Accommodation:** No changes were recommended for 2022, including no change to the private accommodation rate. The intent of the accommodation allowance is to cover reasonable accommodation at a fair market price, while recognizing that WCB may authorize a higher amount when required (e.g., special medical requirements, accommodation availability, other relevant conditions).

### 8.6 Policy 04-07, Part II, Addendum A – Maximum Clothing Allowances

In accordance with Board Resolution 94/02/09 (inconsequential amendments), Strategic Management Council approved a non-substantive change to Policy 04-07, Part II, Addendum A.

The addendum currently provides a maximum clothing allowance amount for both males and females. It is not clear from this addendum how clothing allowance is addressed for a worker who identifies as non-binary. To address this issue, a statement has been added into the

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## Board of Directors

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addendum to indicate that a worker who identifies as non-binary will receive the maximum clothing allowance amount that most closely reflects the clothing they are comfortable in.

Note: The maximum clothing allowance amounts for 2022 are adjusted annually according to the formula prescribed in Board Order 2013/01/07.

### 8.7 **Policy 04-04, Permanent Disability, Part II, Addendum B**

An inconsequential amendment (Board Resolution 94/02/09) has been made to Policy 04-04, Part II, Addendum B, to provide updated information on the most recent edition of the *American Medical Association Guides for the Evaluation of Permanent Impairment* (the AMA Guides).

This follows the direction in Policy 04-04, Part I, 2.0: “When a new edition is published, WCB will designate an effective date, as close as practicable to the date of publication, for use of the new edition (see Addendum B).”

An additional note has been added to indicate that the AMA Guides have moved to a digital format, with the expectation of annual or semi-annual updates.

### 8.8 **2021-2023 Policy Project Plan**

Policy Committee approved the 2021-23 Policy Project Plan for publishing on WCB Alberta’s website.

The policy project plan includes input from internal and external stakeholders and reflects the topics that are currently most pressing to them. In defining the plan, WCB listed the projects already in the works and the ones it aims to work through next, while also acknowledging those projects that require more research before they can be scheduled.

The 2021-23 Policy Project Plan is focused on meeting the needs of the organization, as well as addressing the concerns of external stakeholders in accordance with current legislation and research. The plan will be updated quarterly and new projects can be added as they arise.

## 9. **Audit Committee**

The committee chair provided a report on the committee’s recent meeting.

### 9.1 **Audit Committee Amended Terms of Reference**

The Terms of Reference for the Audit Committee are reviewed annually to ensure they continue to fulfill its mandate. The Terms of Reference have been reviewed to assess adequacy, consider industry best practices, consider the Committee’s self-assessment results, and address any new regulatory and legal requirements.

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**Board of Directors**

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One change is recommended to the Terms of Reference related to the Committee's governance oversight of the Fair Process Review Centre as noted in a new section 2.6 – *Oversee the Fair Process Review Centre*. The three items listed under this section are designed to ensure that the Committee fulfills its governing responsibilities related to the operation of this new function within the organization.

The Terms of Reference continues to embody best practice standards related to the fiduciary obligations of the Audit Committee.

**MOTION**

2021/06/24 It was moved that,

The Board of Directors approve the Audit Committee Terms of Reference as amended.

**CARRIED**

**9.2 Enterprise Risk Management Update**

The enterprise risk management update was received for information.

**10. Finance Committee**

The committee chair provided a report on the committee's recent meeting.

**10.1 Finance Committee Amended Terms of Reference**

The Terms of Reference for the Finance Committee are reviewed annually to ensure that they continue to fulfill its mandate. They have been reviewed to assess adequacy, reflect industry best practices, consider the Committee's self-assessment results, and address any new regulatory and legal requirements.

Management identified several amendments that are required as a result of the legislated transition of portfolio management to Alberta Investment Management Corporation (AIMCo). The revisions required are a result of the change in WCB's governance role to reflect a single manager investment platform.

The Terms of Reference continues to embody best practice standards related to the fiduciary obligations of the Finance Committee.

**MOTION**

2021/06/25 It was moved that,

The Board of Directors approve the Finance Committee Terms of Reference as amended.

**CARRIED**

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## Board of Directors

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### 10.2 Monthly Financial Reports

The monthly financial reports were received for information.

### 10.3 Annual Worker Benefit Update – 2022 Calculations

Worker benefits are adjusted annually to reflect wage and cost of living inflation. The *Workers' Compensation Act* gives the Board of Directors (BoD) the authority to make adjustments to the maximum a worker's wages can be insured and the ability to index long term benefits to inflation.

To exercise this authority, the BoD has described the approach to take through the principles of workers' compensation mandate and benefit policy. The actual annual process of calculating any changes to benefits based on this guidance has been delegated to management, and the resulting amounts are approved by the BoD. There has been no change in the guidance for calculating 2022 benefit adjustments.

The following provides an overview of the implementation of the BoD's guidance:

#### **Cost of Living:**

Section 59 of the *Workers' Compensation Act* gives the BoD the authority to adjust long-term benefits yearly as a result of a series of legislative changes that came into effect on January 1, 2021. According to Application 4 of Policy 04-01, annual cost-of-living adjustments (COLA) are based on 100% of the change in the average Alberta Consumer Price Index (ACPI) for the 12 months ending September 30 of the year immediately before the adjustment, less 0.5%. The policy states COLA are applied on the first day of January of each year.

The percentage change in the average ACPI for the 12 months ending September 30, 2021, totalled 2.33%. COLA has been calculated as 1.83% (2.33% less 0.5%).

As a result, it is recommended that COLA for 2022 be set at 1.83%.

#### **Maximum Compensable Earnings:**

Under the authority of section 56(18) of the *Workers' Compensation Act*, the BoD set the value of maximum compensable earnings (MCE). The BoD has shared the principle to setting MCE in the published principles. The principle guiding MCE was consulted upon and finalized in 2021. The principle states:

*The Board of Directors sets maximum compensable earnings annually to achieve coverage for the full wages of at least 90 per cent of workers in the province. The annual amount will change when the percentage of workers covered drops below 90 per cent.*

The calculation for 2022 results in an amount of \$97,500, which is less than the current MCE of \$98,700. The principle states the amount will only be adjusted when the percentage of workers

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**Board of Directors**

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covered drops below 90%. As a result, MCE will be set at \$98,700, covering 90.04% of workers' wages in the province.

**MOTION**

2021/06/26 It was moved that,

The Board of Directors:

- Approve the cost-of-living increase applied to long term benefits be set at 1.83% pursuant to section 59 of the *Workers' Compensation Act*.
- Order that for 2022, maximum compensable earnings remain at \$98,700, (no change from the 2021 maximum compensation) and approve the proposed Board Order for maximum compensable earnings on these terms, pursuant to section 56(18) of the *Workers' Compensation Act*.

**CARRIED**

**10.4 2022 Financial Plan and Operating Budget**

WCB's 2022 integrated budget planning framework is a comprehensive process that commenced in early 2021 with the development of key economic assumptions and estimates. As the year progressed, management reviewed corporate and economic performance against these initial assumptions and updated the financial drivers and projections. At the September 2021 Board Retreat, WCB's strategic priorities and 2022 rate setting strategies were reviewed, which provided additional guidance in the development of the 2022 Financial Plan and Operating Budget.

The WCB's budget is significantly influenced by operating and economic assumptions, such as assessable earnings, covered workers, claim duration, and claim volume expectations that directly impact WCB operating activities and results. The 2022 budget planning outcomes are based on current key drivers and assumptions which have been developed in the context of the COVID-19 pandemic.

The 2022 operating budget represents a financial plan that has been carefully developed to ensure that WCB continues to fulfill its mandate to Albertans in an effective and cost-efficient manner. The financial plan and 2022 budgeted premium rate charged to employers strikes a careful balance between ensuring the financial sustainability of the workers' compensation system and the additional challenges employers are facing because of the COVID-19 pandemic.

**MOTION**

2021/06/27 It was moved that,

The Board of Directors approve the 2022 Financial Plan and Operating Budget.

**CARRIED**

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## Board of Directors

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### 11. Human Resource and Governance Committee

The committee chair provided a report on the committee's recent meeting.

#### 11.1 2022 Strategy Map and Objectives

Setting meaningful objectives for the organization is pivotal to WCB's ability to continue to move forward and deliver on the expectations of stakeholders and of WCB's five-year strategic plan. In year 2 of the global pandemic, the four pillars of the strategic plan continued to guide the creation of WCB's 2022 Strategy Map. It has required the organization to look closely at the challenges and demands this period brought as its environmental assessment focused on a cautiously optimistic economic recovery while maintaining energies on innovation that simplify, streamline and automate processes for stakeholders and staff while continuing to focus on service and the client experience.

Because the CEO is ultimately responsible for the objectives in the strategy map, the CEO objectives and the strategy map and objectives are synonymous, therefore, the approval of the 2022 strategy map and objectives will also serve to approve the 2022 CEO goals and objectives as required in the Human Resource and Governance Committee Terms of Reference.

#### MOTION

2021/06/28 It was moved that,

The Board of Directors approve the 2022 Strategy Map and Objectives.

**CARRIED**

### 12. New Business

#### 12.1 2022 Board of Directors' Annual Planning Cycle

The 2022 Board of Directors' annual planning cycle was received for information.

### 13. Meeting Evaluation

The members were asked to complete the meeting effectiveness self-assessment form.

### 14. In Camera

The Board of Directors held an *in-camera* session in two parts. During the first part, all of senior management were excused, with the exception of the President. During the second part, the President was also excused. The Board Secretariat remained for the entire *in camera* session.

There being no further business, the meeting ended at 11:25 a.m.