

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

DATE: April 30, 2024

TIME: 8:30 a.m. to 11:50 a.m.

PLACE: 12th Floor WCB Board Room, 9925 - 107 Street, Edmonton, Alberta

BOARD MEMBERS

Ray Block, Chair
Mike Boyle, Member
Brian Frank, Member
Brian McConkey, Member
Shawna Miller, Member
Mary Phillips-Rickey, Member

EXECUTIVE

Trevor Alexander, President and Chief Executive Officer **
Tarick Ahmad, Chief Technology Officer *
Ron Helmhold, Chief Financial Officer *
Marcela Matthew, Vice President, Millard Health and Special Care Services *
William P. Ostapek, Secretary and General Counsel *
Roxy Shulha-McKay, Vice President, Organizational Effectiveness and Governance*
Dayna Therien, Vice President, Employee and Corporate Services *

Excused:

Wendy King, Senior Vice President, Operations and Innovation *

ALSO PRESENT

Laurent Charron, Associate Vice President, Finance *
Kara Fuhr, Board Liaison *
Adrienne Lozinski, Associate Vice President, Operations *

GUESTS

Nadia Mursky, Director, Finance (item 9)

* excused for items 14.2 and 14.3

** excused for item 14.3

Board of Directors

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 February 13, 2024**

MOTION

2024/03/06 It was moved that,

Board of Directors approve the minutes of the meeting of February 13, 2024. **CARRIED**

4. **Business Arising from the Minutes of February 13, 2024**

There was no business arising from the minutes of the February 13, 2024 meeting.

5. **2024 Meetings and Activities Schedule**

The meetings and activities schedule was received for information.

6. **Report of the Chair**

The Chair reported on:

- additional appointments to the Board of Directors,
- ongoing impact of artificial intelligence in the world, and
- Bill S-211 (An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff) does not apply to WCB.

7.1 **Report of the President**

The President reported on the following:

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

Board of Directors

7.2 Strategy Map and Objectives Update

The Board of Directors received the Strategy Map and Objectives update.

COMMITTEE REPORTS**8. Policy Committee**

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

8.1 Policy 07-02, Part II, Application 7 – Industry Custom Pricing Automatic Re-polling

Policy 07-02, Part II, Application 7, was updated to add a provision for automatic re-polling of an industry's participation in the Industry Custom Pricing (ICP) program. Discussions with the Industry Task Force (ITF) identified opportunities to enhance awareness and communication of the ICP voting process. However, under the current wording of Question 6, a policy change is required to implement automatic re-polling. An effective date of June 1, 2024, allows for the first round of automatic re-polling to begin in 2024, so that any changes in industry participation can be introduced for the 2025 rate year. Program materials will be updated to coincide with the June effective date.

MOTION

2024/03/07 It was moved that,

The Board of Directors approve the proposed revisions to Policy 07-02, Part II, Application 7, with an effective date of June 1, 2024.

CARRIED**8.2 Policy 01-08, Parts I and II, Applications 1, 2, 3 and 4 (Reconsiderations, Review and Appeals)**

The Policy Project Plan includes a review of Policy 01-08 "to ensure the intent is clear - to allow reconsiderations of previous decisions when there is valid new evidence that may change the outcome of the original decision." Without changing the underlying concept of what new evidence is, Policy 01-08 was reorganized into a more transparent and user-friendly layout, including a framework outlining the process for reconsiderations (including new evidence), reviews, and appeals. Language was also updated to provide additional clarity and policy direction where appropriate.

Following consultation, wording was updated throughout the policy to address the consultation feedback and also to provide additional clarity, avoid confusion, and allow for more consistent interpretation (both internally and externally). One significant content change was made to Application 4 to speak to interest.

MOTION

2024/03/08 It was moved that,

The Board of Directors approve the proposed revisions to Policy 01-08, Part I and Part II, Applications 1, 2, 3, and 4, with an effective date of July 1, 2024.

CARRIED

Board of Directors

8.3 Payment of Interest on Appeals Commission Decisions (Order of the Board of Directors)

A review of Policy 01-08 highlighted issues with the current Order and presented an opportunity to revise the Order to:

- clarify the time period used to calculate interest;
- confirm retroactive amounts flow directly out of an Appeals Commission decision; and
- update wording to add a formula for calculation, define principal amount, include intent, and use plain language.

The most important revision is to update the **interest time period**. The starting date in the current Order is “two years before the date of the filing of the Request for Review or on the first date on which the retroactive amount is payable, whichever is later.” For the revised draft Order, the date an appeal is filed with the Appeals Commission was identified as the starting date for the interest calculation. This aligns with the intent of the Order, which is to compensate individuals for the time it takes to participate in the external appeal process.

The end date in the current Order is “until the total of the retroactive amount and all accrued interest are paid.” In the draft Order, the end date was simplified to be the date the principal is paid amount to the worker, dependant, or employer. The date the principal amount is paid is the natural end date as the individual can start earning their own interest on the principal amount from that point on.

Revisions to classes of individuals to which interest is payable:

- all the sections of the *Workers' Compensation Act (WCA)* included in the current Order remain in the revised Order, including the sections that have been repealed as amounts may still become owing under these former sections as a result of an appeal;
- adding section 60.1 (retirement benefit) to the Order as that section was added to the *WCA* under Bill 30 and flows out of the benefits included in the current Order; and
- instead of just listing the sections of the *WCA* in the Order, adding the type of benefit to provide context.

MOTION

2024/03/09 It was moved that,

The Board of Directors rescind its Order on payment of interest dated May 10, 2013 (Resolution 2013/04/16) and approve the revised Order of the Board of Directors.

CARRIED**8.4 Non-substantive Policy Amendments**

In accordance with Board Resolution 94/02/09, Strategic Management Council provisionally approved the following non-substantive amendments, contingent on Policy Committee and the Board of Directors approving the draft changes to Policy 01-08:

Board of Directors

1. Discontinue G-2, The Review and Appeal Process: The information from G-2 has been moved into the new Policy 01-08, Part II, Application 3: Reviews and Appeals. As such, G-2 can be discontinued when Policy 01-08 is approved and published.
2. Updating cross references to G-2: As a result of discontinuing G-2, non-substantive changes are also required to update the following cross references to G-2 to refer to Policy 01-08, Part II, Application 3 instead:
 - Policy 04-05, Part II, Application 3, Question 2.
 - Policy 06-03, Part II, Application 1, Question 9.
 - Code of Rights and Conduct. In addition to updating the cross-reference in the Code of Rights and Conduct, the term “all stakeholders” is replaced with “everyone”.

8.5 **2024-2026 Policy Project Plan**

The April 2024 update was received for information.

9. **Audit Committee**

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

9.1 **Financial Statements – 2023**

A key responsibility of the Board of Directors as outlined in the WCB’s Corporate Governance Policy Manual is the review and approval of the annual audited financial statements. Through delegation to the Audit Committee, the Board of Directors fulfills its responsibility by both receiving representation that the Audit Committee has fulfilled its mandate and by reviewing the information provided. The Audit Committee fulfills its mandate by reviewing the appropriateness of accounting policies and practices, significant accruals and estimates, and variances between years, in addition to qualifications contained in letters of representation. Additionally, the committee oversees the insurance liability valuation and the organization’s internal control and risk management processes. The ultimate goal is to be able to assess the reliability of the financial information disclosed in the annual report.

The financial statements and accompanying notes, as recommended by the Audit Committee, reflect fairly and accurately the financial position of the corporation as at December 31, 2023 and, of necessity, include estimates and judgements based on careful consideration of information available at the time of preparation.

MOTION

2024/03/10 It was moved that,

The Board of Directors approve the corporation’s financial statements and accompanying notes for the year ended December 31, 2023, 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 Jobs, Economy and Trade before May 31, 2024.

CARRIED

Board of Directors

10. Finance Committee

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

10.1 Monthly Financial Reports

The monthly financial results 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 Review

Corporate governance policy is a set of rules that binds the WCB Board of Directors and its members. It defines and delineates the Board of Directors' responsibilities, authority and administration. In accordance with s. 1(d) of the Corporate Governance Policy Manual, the Board of Directors is required to review the content of the manual on an annual basis and complete revisions when appropriate to ensure alignment with the needs of WCB and governance best practices.

To support this commitment in 2024, management undertook a scan of best practices in governance. Several governance resources were reviewed, including the Institute of Corporate Directors and other Canadian workers' compensation boards. Based on this scan, management's view is that the Board of Directors' governance practices remain in line with best practice. As such, only policy updates required since the last update in 2022 and updates of an administrative nature are recommended.

MOTION

2024/03/11 It was moved that,

The Board of Directors approve the revisions, as amended, to 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 in Diligent.

14.1 In Camera with the Executive

The Board of Directors held an *in camera* session with the executive, associate vice presidents and board liaison.

14.2 In Camera with the President and CEO

The Board of Directors held an *in camera* session with the President and CEO.

Board of Directors

14.3 In Camera without the President and CEO

The Board of Directors held an *in camera* session without the President and CEO.

There being no further business, the meeting ended at 11:50 a.m.