

Present:

Michael D. Werier, Chairperson

Winston Maharaj, President and CEO (Non-voting)

Ken Sutherland Rob Plohman Colleen Seymour

Ron Hambley Paul Challoner Jane MacKay

Wendy Sol Bob Dewar Rob Labossiere

Being a quorum of the Board of Directors under *The Workers Compensation Act*.

Also Attending:

Lori Ferguson Sain, General Counsel & Vice President, Compliance & Corporate Services

In Attendance for Specific Items:

MaryAnne Nawrot, Administrative Assistant, Executive Offices

Alice Sayant, Vice President, Strategy & Assessment Services

The Administrative Assistant, Executive Offices joined the Board of Directors for lunch and a presentation marking her service to the Board and to celebrate her retirement.

CALL TO ORDER

The Chairperson called the meeting to order and confirmed the agenda.

MINUTES OF PREVIOUS MEETING

The minutes of the March 15, 2013 meeting were confirmed as a reasonable record.

BUSINESS ARISING

The Board received the information provided.

FOR CONSIDERATION/DECISION

REPORTING PAYROLL AND PAYING PREMIUMS

(Board Order No. 09/13)

Ron Hambley introduced this item on behalf of the Policy, Planning, Governance and Service Committee. He noted that these are the final policy revisions which are required to support the Optimal project.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors:

1. Approve Policies 35.05.10, *Reporting and Verifying Payroll*, 35.05.20, *Paying and Refunding Premiums*, and 31.10.50, *Collections* effective January 1, 2014, and
2. Rescind Policy 22.70.20, *Waiver of Collection of Interest Charges* and Policy 35.00 *Reporting Payroll and Paying Assessment for the General Body of Employers* effective December 31, 2013.

COMPREHENSIVE RATE MODEL REVIEW

(Board Order No. 10/13)

The Vice President, Strategy & Assessment Services joined the meeting.

The President & CEO introduced discussion on this item. He noted that a number of reviews have taken place with respect to the assessment rate setting model.

The Vice President provided information on the reviews that have taken place. She provided information on the various recommendations suggested by the reviews. It was noted that the recommendations can be aligned with the themes of system integrity, fairness/equity, sector alignment, prevention, business case and complexity.

The Board discussed the various recommendations for changes to the rate setting model and the resources that are available.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors directs the Administration to undertake a comprehensive review of the WCB Rate Model, including:

- a. confirmation of the Board's goals and objectives for the rate model within the context of the underlying principles of the WCB system and proposed future prevention infrastructure.
- b. actuarial modeling of changes and/or options brought forward through the various reviews, the Board and stakeholder consultation.
- c. ongoing consultation with major stakeholders regarding potential changes to the model.

RATE MODEL REVIEW - NEXUS RECOMMENDATIONS

(Board Order No. 11/13)

Paul Challoner introduced this item on behalf of the Investment and Finance Committee. He noted the WCB's actuary, Nexus Consulting Actuaries Ltd. (Nexus) has reviewed the current rate model and made a number of recommendations to address stakeholder concerns that have been identified from the various reviews that have taken place.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the following recommendations concerning the assessment rate model:

1. That non-traumatic hearing loss claims be removed from experience rating effective for the 2014 assessment rates.
2. That WCB conduct a targeted consultation to consider the following changes to the assessment rate model to be effective for the 2015 assessment rates:
 - Reduce the range of each risk category.
 - Reduce the size of the annual change limits.
 - Remove the claim duration feature.
 - Remove the balancing factor.
 - Remove the maximum on assessable earnings.
3. That a prevention incentive program be deferred and integrated into the upcoming Plan for Workplace Injury and Illness Prevention.

The Vice President, Strategy & Assessment Services left the meeting.

OTHER BUSINESS

AWCBC LEARNING SYMPOSIUM DELEGATES

The Board of Directors agreed that the following Directors be appointed as delegates to the 2013 AWCBC Learning Symposium conference:

Labour Representatives: Bob Dewar, Rob Labossiere

Employer Representatives: Ron Hambley, Jane MacKay

Public Interest Representative: Colleen Seymour

REPORTS

COMMITTEE REPORTS

The Board of Directors received the following Committee reports as information:

Audit Committee - March 8, 2013

Policy, Planning, Governance and Service Committee - March 19, 2013

Investment and Finance Committee - April 23, 2013

ADMINISTRATION REPORT

The Board of Directors received the information provided with the agenda.

Compensation System Reviews: The President & CEO reported that the Administration is reviewing in detail each of the reviews that have taken place and developing an action plan.

Collective Bargaining: The Board was advised that the collective bargaining process is progressing.

REPORT ON THE ADMINISTRATION OF SECTION 60.9 AND JUDICIAL REVIEWS

The Board of Directors received the information provided with the agenda.

BOARD OF DIRECTORS WORK PLAN

The Board of Directors received the information provided with the agenda.

IN CAMERA DISCUSSION

The Board adjourned to an *in camera* session.

CONCLUSION

As all matters coming before the Board had been dealt with, the Chairperson declared the meeting to be concluded at 2:03 p.m.



Chairperson



Corporate Secretary