

WORKERS COMPENSATION BOARD OF MANITOBA

2016-2020

FIVE YEAR PLAN





Our Vision

A trusted partner, insuring today and building a safer tomorrow.

Our Mission

We are here to insure and support safe and healthy work and workplaces.

We put workers and employers at the centre of all we do.

We provide them with valued services for injury prevention, compensation and return to health and work while maintaining system integrity.

Our Strategic Priorities

Our Customers – Understanding the diverse needs and expectations of workers and employers. Providing proactive and relevant services.

Our System – Protecting the integrity of the compensation system. Honouring our governing principles and delivering on our mandate.

Our Partners – Collaborating with our partners to deliver superior services and build a safer Manitoba.

Our People – Engaging our employees to harness their commitment and passion. Developing our capabilities and our capacity to excel.

Our Values

Integrity · Compassion · Innovation · Accountability · Collaboration

INTRODUCTION

Each year the Workers Compensation Board of Manitoba (WCB) develops a Five Year Plan – a synopsis of the initiatives the organization intends to pursue in order to achieve its vision: *A trusted partner, insuring today and building a safer tomorrow.*

The strategic plan, adopted by the Board of Directors in 2013, communicates a clear direction and guides the organization in fulfilling an expanded prevention mandate and maintaining its delivery of high-quality compensation and return to work services.

Over the next five years, the WCB will continue to execute the strategic plan according to four priorities:

- **Our Customers**
- **Our System**
- **Our Partners**
- **Our People.**

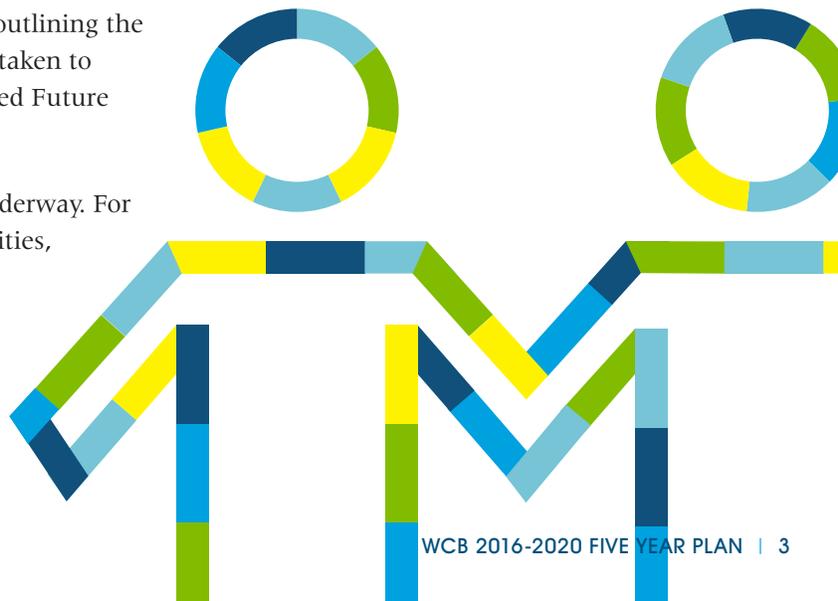
In 2015, the WCB developed the key characteristics which describe our Future State and a concrete description that illustrates what it means for us to achieve our vision. The following five key statements describe our Future State:

1. Manitoba's days lost to workplace injury and illness are at an all-time low.
2. Our customers get seamless personal service.
3. Our system is known as fair and efficient.
4. Our partners' views count.
5. Our people are proud to work here and committed to making a difference.

The first statement aligns with our mandate of preventing injuries and helping workers to return to productive and meaningful work as soon as safely possible following an injury. The remaining four statements align with each of our strategic priorities.

This Five Year Plan looks to the future, outlining the significant initiatives that will be undertaken to enable steady progress toward the desired Future State.

Many of these initiatives are already underway. For information on the WCB's current activities, please refer to the 2015 Annual Report.



OUR MANDATE

Future State:

Manitoba's days lost to workplace injury and illness are at an all-time low.

Goals:

- To prevent and continuously reduce the number and severity of workplace injuries and illnesses.
- To continuously reduce days lost after a workplace injury or illness.

Major Initiatives:

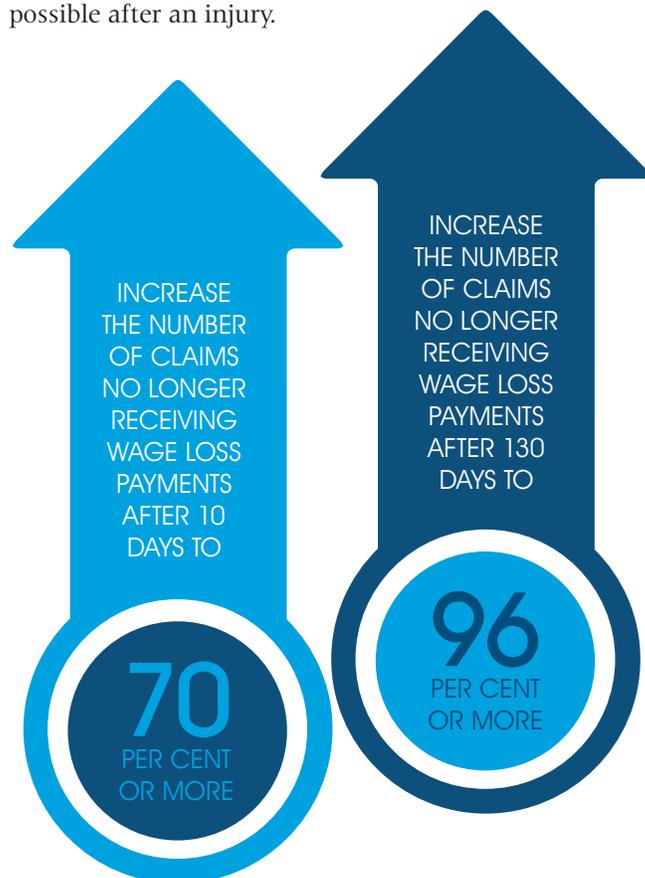


Implement *Manitoba's Five-Year Plan for Workplace Injury and Illness Prevention*

SAFE Work Manitoba will continue to implement a detailed plan for delivering on *Manitoba's Five-Year Plan for Workplace Injury and Illness Prevention*. This includes supporting new industry-based safety programs, developing and implementing SAFE Work certification and prevention incentive programs, expanding e-learning options for safety and health training and developing the technology to support prevention.

Improve return to work practices

The WCB is committed to promoting the value of return to work and supporting best practices in return to work, including: helping workplaces increase the effectiveness of their return to work programs; delivering return to work training; and ensuring the WCB provides quality services to assist workers to return to meaningful and productive work as soon as possible after an injury.



Five Year Targets:

In the five year period covered by this plan, the WCB is focused on the following milestones along the path to achieving the desired Future State:





ACHIEVE A TIME LOSS INJURY RATE OF



OUR CUSTOMERS

Future State:

Our customers get seamless personal service.

Strategic Priority:

Understanding the diverse needs and expectations of workers and employers while providing proactive and relevant services.

Goals:

- To enhance our culture to ensure our customers and their needs are at the centre of all we do.
- To leverage information and technology to make it easy to do business with us.
- To deliver excellent services and programs to meet the diverse needs and expectations of our customers.

Major Initiatives:

Enhance customer-centred service throughout our organization

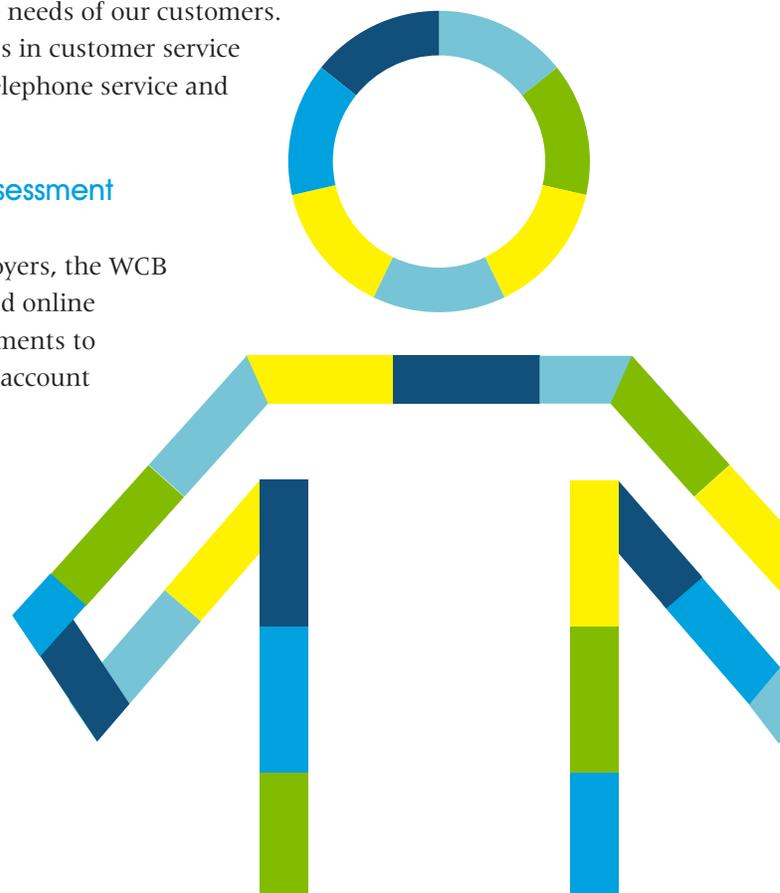
The WCB is committed to continuously seeking out new and innovative ways to enhance service to our customers. The WCB will continue to develop a comprehensive customer-centred service program, including: completing a customer journey map for employers; implementing recommendations from the customer journey maps for workers and employers; improving the quality of the WCB's letters; and enhancing ways for customers to provide feedback.

Improve our customers' compensation and return to work experience

The WCB understands and cares about the diverse needs of our customers. The WCB will continue to implement best practices in customer service and return to work by making improvements in telephone service and providing enhanced training in best practices.

Improve employers' experience with our assessment processes

With FlexPay now available to all registered employers, the WCB is committed to continuing to implement enhanced online services for employers, including making improvements to online payroll reporting and implementing online account statements.



Five Year Targets:

In the five year period covered by this plan, the WCB is focused on the following milestones along the path to achieving the desired Future State:

ACHIEVE AT LEAST 80 PER CENT IN CUSTOMER SATISFACTION OF EMPLOYERS AND INJURED WORKERS.



ACHIEVE AT LEAST 85 PER CENT IN EMPLOYERS AND INJURED WORKERS LIKELY TO SPEAK POSITIVELY ABOUT THE WCB.



Five Year Targets:

In the five year period covered by this plan, the WCB is focused on the following milestones along the path to achieving the desired Future State:

ACHIEVE AVERAGE CLAIM
DURATION OF



MAINTAIN THE ACCIDENT FUND
RESERVE IN KEEPING WITH THE



OUR SYSTEM

Future State:

Our system is known as fair and efficient.

Strategic Priority:

Protecting the integrity of the compensation system, honouring our governing principles and delivering on our mandate.

Goals:

- To continuously improve system performance.
- To ensure all workplace partners in the compensation system — the WCB, workers and employers — understand and act on their rights and responsibilities.
- To maintain a balanced and financially sound system.

Major Initiatives:

Revise the rate model to ensure balance and fairness

The WCB will continue to implement the changes resulting from the 2014 comprehensive review of the assessment rate model, including: developing and implementing a new rate model; making changes to the current model to enable a smooth transition to the new model; and communicating extensively with stakeholders.

Design and implement electronic healthcare reporting and billing

Healthcare providers play a vital part in the recovery and return to work of injured workers. In order to improve the quality, timeliness and efficiency of reporting and billing processes, the WCB has launched a multi-year project to enable electronic healthcare reporting and billing from doctors, chiropractors and physiotherapists.

Support legislative review and implement required changes

Legislation requires a review of *The Workers Compensation Act* every 10 years to ensure it is still up-to-date and applicable to the changing times. The WCB will support the review, including conducting consultations and researching issues, and will implement any changes required as a result of new legislation.

Strengthen the WCB compliance framework

Ensuring all parties comply with their responsibilities is a key element in protecting the integrity of the compensation system. Compliance activities include education and awareness so that workers and employers understand their rights and responsibilities for reporting workplace injuries, as well as enhancing audits and fraud detection.

Build our business intelligence capacity

The WCB is committed to continuing to develop and enhance our data analytic capabilities through business intelligence tools and methodologies. Easier access to rich WCB data will give our organization more timely and better information for performance monitoring, operational decision-making, strategic planning and service improvements.

Evolve our technical infrastructure to support collaboration, innovation and mobility

The WCB is committed to enhancing our technology to enable our major projects and to support collaboration, innovation and a mobile workforce. Improvements include modernizing and simplifying the technical infrastructure, increasing efficiency of technical support functions and enhancing IT security.

OUR PARTNERS

Future State:

Our partners' views count.

Strategic Priority:

Collaborating with our partners to deliver superior services and build a safer Manitoba.

Goals:

- To facilitate collaboration with our partners.
- To build community capacity to promote safe workplaces.
- To enhance our public reputation and increase stakeholder confidence.

Major Initiatives:

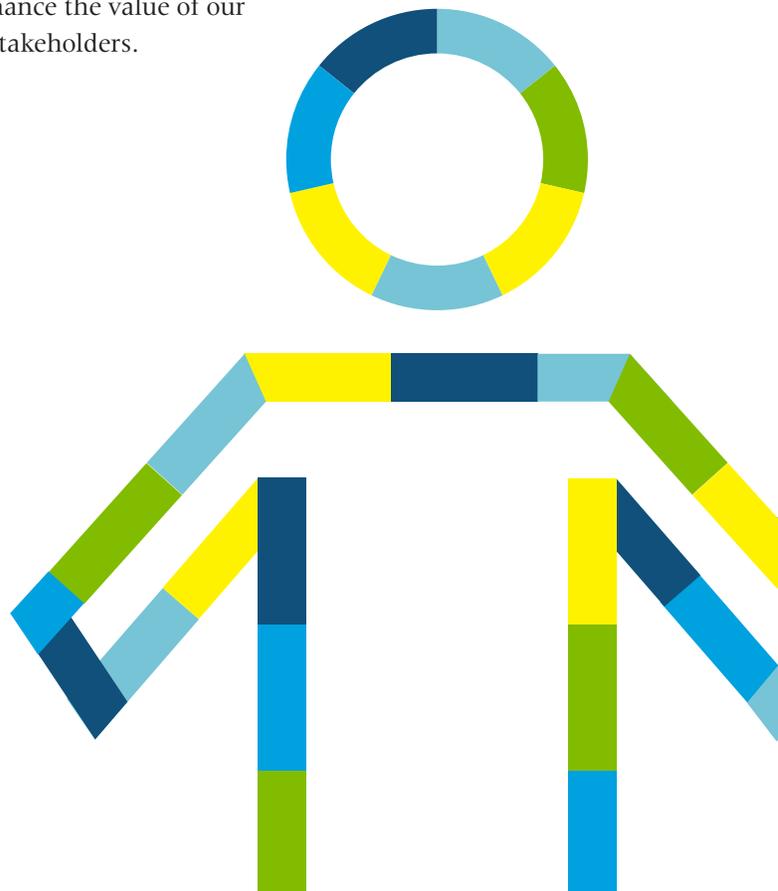


Support new and existing industry-based safety programs

To achieve its goal of reducing the number and severity of workplace injuries and illnesses, SAFE Work Manitoba is committed to working in partnership with existing industry-based safety programs and directly supporting the establishment of new safety programs in additional industries.

Implement a stakeholder outreach strategy

The WCB is committed to collaborating with partners and stakeholders. The WCB will implement supports to reach out to stakeholders to deliver information and resources and gather feedback through new channels. In addition, the WCB will develop a knowledge transfer and exchange program to enhance the value of our Research and Workplace Innovation Program to stakeholders.



Five Year Targets:

In the five year period covered by this plan, the WCB is focused on the following milestones along the path to achieving the desired Future State:

MAINTAIN THE NUMBER OF MANITOBBANS WHO BELIEVE THE WCB
MAKES A POSITIVE CONTRIBUTION AT

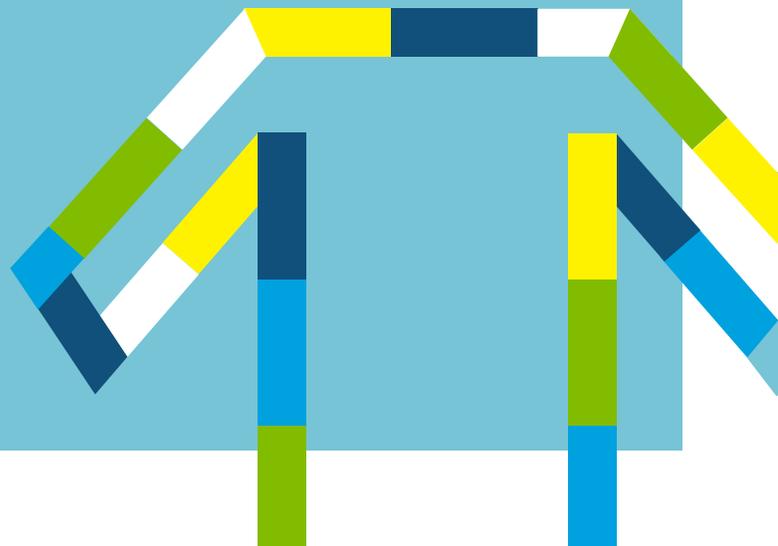
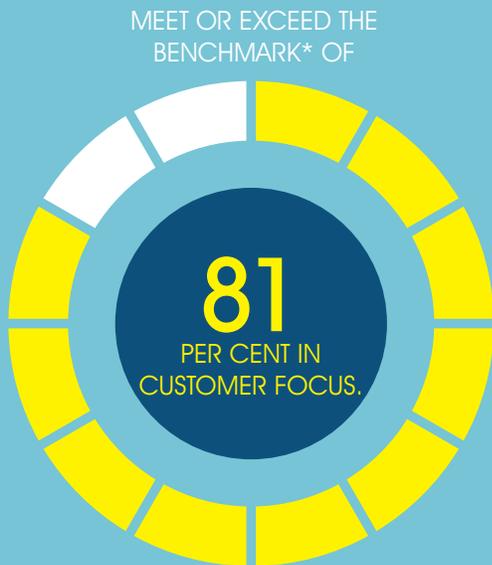
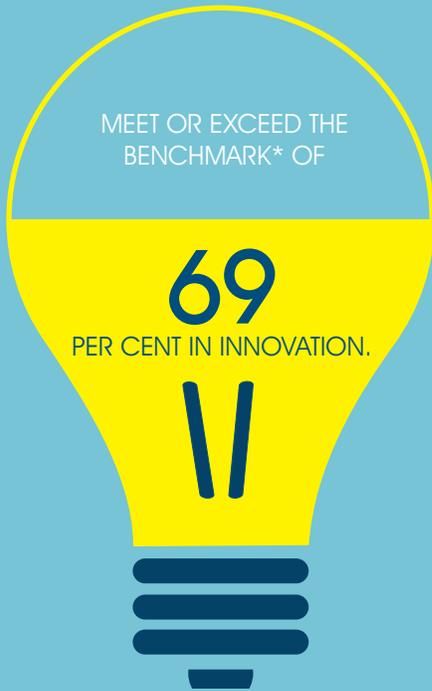


INCREASE THE PERCENTAGE OF MANITOBA WORKPLACES
SERVED BY AN INDUSTRY-BASED SAFETY PROGRAM TO



Five Year Targets:

In the five year period covered by this plan, the WCB is focused on the following milestones along the path to achieving the desired Future State:



*The benchmark scores above are based on industry average scores from comparable public sector organizations of a similar size and taken from the 2015 biennial WCB employee engagement survey.

OUR PEOPLE

Future State:

Our people are proud to work here and committed to making a difference.

Strategic Priority:

Engaging our employees to harness their commitment and passion. Developing our capabilities and our capacity to excel.

Goals:

- To support staff and enhance their ability to provide excellent customer service.
- To increase staff commitment and engagement.
- To build a culture that supports innovation.

Major Initiatives:

Implement initiatives to engage employees

The WCB is committed to increasing staff engagement and to enhancing collaboration to better serve our customers. The WCB will continue to conduct regular employee engagement surveys, implement action plans emerging from the survey and solicit input from staff about their work and the organization. The WCB will also develop and implement a mental health strategy as well as workforce management strategies that ensure alignment with our strategic plan.

Enhance our leadership development

Strong leadership is essential to accomplishing organizational goals.

The WCB will continue to support its leaders through training and development and by providing change management tools and strategies.

Build skills and competencies to support our innovation culture

The WCB is committed to finding new and better ways to provide service and to making our system more responsive, efficient and effective. The WCB will develop an innovation methodology and will continue to implement agile innovation projects and support leaders in developing an innovation culture.

Renew our physical work environment

The WCB will develop an office renewal plan to allow for a more effective workspace to meet the needs of the organization, starting with implementing improved office space for Compensation Services.



2016 – 2020 BUDGETED AND PROJECTED FINANCIAL STATEMENTS

The strategic plan, adopted by the WCB Board of Directors in 2013, communicates a clear direction and guides the organization in fulfilling an expanded prevention mandate and maintaining its delivery of high-quality compensation and return to work services. In 2016 and beyond, the WCB will continue to work to support our Future State, the key characteristics that illustrate what it means for us to achieve our vision. These include:

1. Manitoba's days lost to workplace injury and illness are at an all-time low.
2. Our customers get seamless personal service.
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The organization's financial plans are prudent and allow the WCB to reduce the accident fund reserve and funding ratio to meet the targets by 2020.

WCB revenues include:

Premium revenue: this amount represents a combination of estimated annual assessable payroll and the average assessment rate, using reasonable assumptions for economic and inflationary growth. The average assessment rate used in the Five Year Plan is \$1.25 in 2016 and \$1.10 in 2017 and beyond. The rate change is financially sound and is designed to support *Manitoba's Five-Year Plan for Workplace Injury and Illness Prevention*.

Investment revenue: this amount represents a return that is consistent with the WCB's investment portfolio profile. A steady rate of return of six per cent is used throughout the Plan, as it is not possible to predict investment markets. Actual results in this area will vary and fluctuations can be significant.

WCB expenses include:

Claim costs: this amount assumes the injury rate will decline during the Five Year Plan period and includes a reasonable assumption for cost inflation. Fluctuations in claim costs can occur if there is an increase to injury rates, very expensive claims, a change in the mix of old and new claims, or a change in claim duration. Included in the claim cost projections are costs related to actuarial projects which are estimated to impact claim costs in the year 2018.

Operating expenses: this amount represents salaries, employee benefits, infrastructure, the Appeal Commission, the Research and Workplace Innovation Program, SAFE Work Manitoba and administrative costs. In 2016 and beyond, estimates include a reasonable assumption for the growth of the WCB and inflation.

Proforma Statement of Financial Position (unaudited)

As at December 31
(in thousands of dollars)

	2015 Actual	2016 Budget	2017 Projection	2018 Projection	2019 Projection	2020 Projection
Assets	\$ 1,870,275	\$ 1,912,410	\$ 1,960,555	\$ 1,985,580	\$ 2,005,483	\$ 2,026,490
Liabilities	1,305,080	1,337,911	1,382,526	1,446,845	1,496,518	1,548,642
Funded position	565,195	574,499	578,029	538,735	508,965	477,848
	\$ 1,870,275	\$ 1,912,410	\$ 1,960,555	\$ 1,985,580	\$ 2,005,483	\$ 2,026,490
Funding ratio	143.3%	142.9%	141.8%	137.2%	134.0%	130.9%

Proforma Statement of Operations and Comprehensive Income (unaudited)

For the years ending December 31
(in thousands of dollars)

	2015 Actual	2016 Budget	2017 Projection	2018 Projection	2019 Projection	2020 Projection
Projected average assessment rate	\$ 1.29	\$ 1.25	\$ 1.10	\$ 1.10	\$ 1.10	\$ 1.10
Premium revenue	\$ 285,400	\$ 249,356	\$ 239,133	\$ 220,939	\$ 222,872	\$ 228,649
Investment income	111,520	85,587	87,808	90,900	92,027	93,123
Revenue	396,920	334,943	326,941	311,839	314,899	321,772
Claim costs incurred	211,550	224,976	217,717	240,154	228,146	230,537
Operating expenses	90,612	100,662	105,695	110,978	116,526	122,352
Total expenses	302,162	325,638	323,412	351,132	344,672	352,889
Operating surplus	94,758	9,305	3,529	(39,293)	(29,773)	(31,117)
Other comprehensive income	13,307	-	-	-	-	-
Total comprehensive income	\$ 108,065	\$ 9,305	\$ 3,529	\$ (39,293)	\$ (29,773)	\$ (31,117)



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