

# Operational Plan

New Opportunities for a New Future



**FOR A GENERATION, WCB NOVA SCOTIA** operated under a simple truth that was a backdrop to all we did – our system was underfunded. There wasn't enough money within our assets and investment portfolio to pay for the benefits to which workers and their families were already entitled into the future.

Known as the “unfunded liability,” at the end of 2020, that imbalance was eliminated. Today, as of this writing in spring 2021, assets approximately balance current liabilities.

It's a significant milestone. But going forward, WCB plans, like this one, must also consider that achievement with a responsible eye, and a long-term view. Because, just as quickly as the funded percentage moved from last quarter's result to eclipse the 100% funding margin, we know that market forces beyond our control could move that percentage in the other direction.

For years, it has been the position of the WCB that a more financially sustainable environment was necessary before major system changes could be responsibly considered – either improvements to worker benefits, or, rate reductions for employers.

But the right time for such action is an important and complex decision. Part of our plan in 2022 includes beginning conversations to establish funding parameters, which outline a responsible approach to system funding into the future, and establish clear indicators of when action – for example, changing employer rates – makes sense. It's the epitome of a “good problem to have,” and it comes at a time of incredible economic optimism.

As Nova Scotia “roars back” from the pandemic, the WCB is set to support the workers and employers of our province in new ways, with a new energy and a more innovative approach.

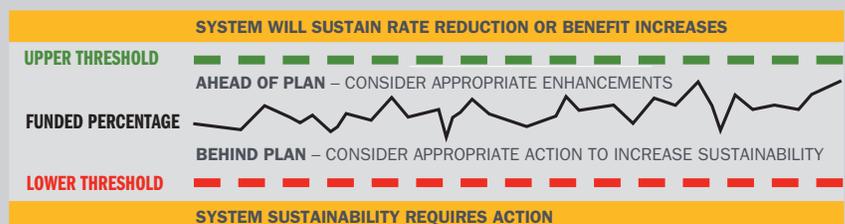
That's particularly true when it comes to tacking the long-standing issue of how long it takes to achieve return to work after injury. For a number of socioeconomic reasons, Nova Scotia loses too much time off the job to workplace injury, and doing our part to improve this outcome will be a major focus in 2022.

Other challenges persist, including workplace mental health, and the continuing increases in both traumatic psychological injury, and physical injuries where psychological factors are barriers to recovery. The impact of COVID-19 on the mental health of Nova Scotia workers, particularly those in the health care sector, is not likely to be fully revealed until the end of the pandemic, which speaks to the importance of new strategies and approaches in the way we support workers and employers from the perspective of mental health.

This Operational Plan marks the second year of the WCBs *Strategic Plan 2021-2023*, which emphasizes the importance of reducing the length of time Nova Scotians remain off work due to their workplace injuries.

It is a responsible yet innovative approach, as we leverage new systems and new thinking to continue our journey toward a new future for Nova Scotia's workers' compensation system.

**Funding Our Future** A key part of our new Strategic Plan is the establishment of funding parameters. In 2022, we will continue our work to establish a funding policy to set upper and lower thresholds where action will be advisable, in the best interests of stakeholders, now and into the future.



*Cover: In this photo taken in 2019, WCB Nova Scotia Relationship Manager Lise Jeffrey discusses workplace safety and return to work with Matthew Duffy of the Fisheries Safety Association of Nova Scotia, at our booth at the Safety Services Atlantic conference. It's one example of our ongoing outreach, as we continue working with others to change the culture and reduce the impact of workplace injury in our province.*

## OVERVIEW: OPERATIONS

As always, the bulk of the efforts of WCB Nova Scotia in 2022 are focused on reducing the impact of workplace injury in our province, by preventing injury and supporting better outcomes in return to work.

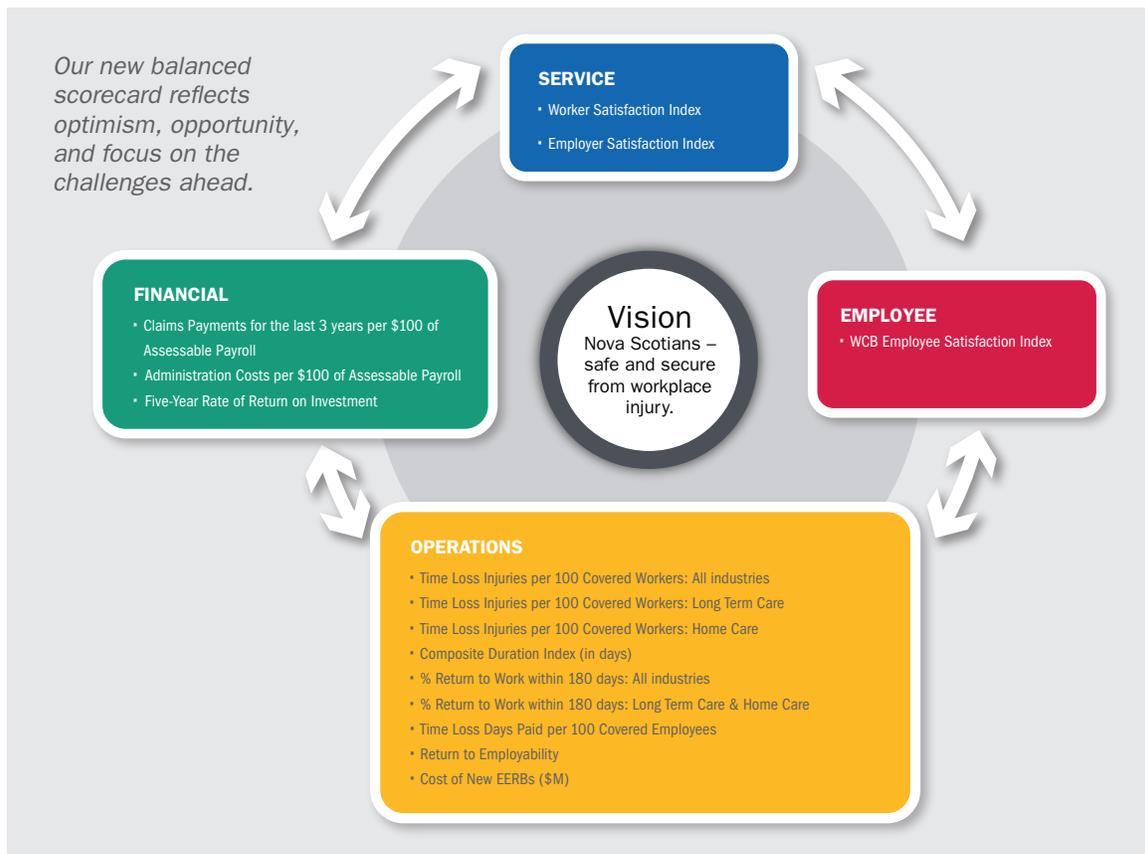
There is a particular focus on the challenge of the amount of time lost to workplace injury. Driven by a deep belief that work is healthy and that worklessness is not, we will continue to work with our partners to reduce the incredible impact of the time being lost to workplace injury in our province.

To achieve this, we expect to continue our progress in preventing the injury in the first place, and, improvements in factors like the availability of transitional duties, which were impacted during the pandemic. We also expect to see benefit from new ways of approaching claims for traumatic psychological injury. As another example, we'll expand upon work in 2021 to improve the way we work with workers and employers early in a claim to remove barriers to recovery.

We will also develop new contracts with some of our valued health services providers, with a view to better support workers as they recover from injury and improved return to work outcomes. This will also allow program enhancements, such as better opportunities to continue to leverage remote provision of health care services.

Our updated systems were a significant enabler to our response to the pandemic, and in recent years, our employees have worked mostly remotely. In 2022 we will continue to build on this experience, exploring increased capacity for remote work among our own employee base.

In the second year of our new Strategic Plan, our work will continue to be driven to achieve our new balanced scorecard – including new more focused measures demonstrating the continued importance of better outcomes in return to work, focused on the number of workers who no longer need earnings replacement benefits after six months. The balanced scorecard also includes dedicated measures in long-term care and home care – sectors that need ongoing focus in both safety and return to work.



## OVERVIEW: **OUR PROJECTS AND INNOVATION**

### CARING FOR OUR MOST VULNERABLE: A CONTINUED FOCUS

As those industries on the front lines of the pandemic begin to recover and look forward, our work to support safer workplaces and better return to work outcomes in long-term care, home care, and disability support sectors has never been more important. In 2022 we will continue to support the ongoing implementation of the **Workplace Safety Action Plan for Nova Scotia's Home Care, Long Term Care and Disability Support Sectors**, working in close partnerships with our colleagues in Government and the workers and employers in these sectors.



### INNOVATION

In 2022 we will continue groundwork in new ways of operating that encourage and learn from a culture of innovation. Leveraging technology, we will work to bring forward ideas from the collective knowledge of our leaders and our people. Over time, we will also work to leverage the collective experience, ideas and input of those we serve and our partners. It's all about finding new ideas, and new ways that they might come to fruition to help us address the challenges of our business – especially reducing the amount of time lost to workplace injury.

### STRATEGIC SYSTEMS UPDATES

A number of our enterprise systems require updates in 2022, including those that drive our human resources core operations, and our internal networks and information sharing, in addition to other systems. These updates will mitigate risk, improve our security, and enable future success while ensuring we continue to benefit from our overall modernizations. Planning and implementation for these various projects will unfold throughout 2022.

### GUIDEWIRE EVOLUTION

With our new core systems stable, our continuous improvement efforts to support our new reality continue. To make the most of our investment in Guidewire, we need to continue to evolve our data, and the ways in which we leverage it to create better outcomes. This work will also continue in 2022, as, on an ongoing basis, we ensure we're realizing the benefits of our investment. At the same time, we'll also begin planning to update our systems to the next version of Guidewire.

## CONCLUSION

As the world begins to turn the corner on an unprecedented global pandemic, like organizations all over the globe, we must step back and learn from what we have just experienced.

If 2020 taught us anything, it's that the world can change, in an instant.

While we have established and will work toward clear goals for better outcomes in key areas, we realize that how we achieve those outcomes will benefit from flexibility and more innovating thinking in the years ahead.

On the whole, we will work to leverage the culture and spirit of safety, care, and protection of ourselves and our fellow citizens that defined the pandemic, as we continue to build a culture of workplace safety and safe, healthy return to work.

### OUR VISION

Nova Scotians – safe and secure from workplace injury.

### OUR MISSION

We set the standard for workplace injury insurance. We inform and inspire Nova Scotians in the prevention of workplace injury, but if it occurs, we support those whose lives it touches by championing a timely return to safe and healthy work.

### OUR GOALS

Working in collaboration with workers, employers and our partners, the WCB's goals are to:

- Build a **workplace safety culture**;
- Improve outcomes for **safe and timely return to work**;
- Be **financially stable and sustainable**;
- **Expand strategic relationships** to enhance the commitment to workplace health and safety and return to work across the province;
- Provide **excellent and efficient service**, leveraging technology to meet worker and employer expectations.

## MEASURING OUR PERFORMANCE

Performance Measure	2019 Results	2020 Results	Targets		
			2021	2022	2023
<b>Service</b>					
Worker Satisfaction Index	73%	72%	70%	70%	70%
Employer Satisfaction Index	82%	81%	70%	70%	70%
<b>Operations</b>					
Time Loss Injuries per 100 Covered Workers: All industries	1.67	1.53	1.56	1.48 – 1.67	1.51
Time Loss Injuries per 100 Covered Workers: Long Term Care	N/A	4.60	4.63	4.39 – 4.96	4.51
Time Loss Injuries per 100 Covered Workers: Home Care	N/A	7.72	7.80	7.40 – 8.35	7.56
Composite Duration Index (in days)	147	178	166	142 – 148	131
% Return to Work within 180 days: All industries	N/A	77.97%	79.53%	79.53% – 82.72%	82.26%
% Return to Work within 180 days: Long Term Care and Home Care	N/A	83.22%	84.88%	84.89% – 88.29%	87.80%
Time Loss Days Paid per 100 Covered Employees	293	353	298	244 – 280	228
Return to Employability	95.0%	93.3%	92.6%	93.2% – 93.7%	93.1%
Cost of New EERBs (\$M)	\$57.6	\$72.6	\$92.0	\$79.3 – \$85.0	\$87.3
<b>Employee</b>					
WCB Employee Satisfaction Index	59%	68%	70%	70%	70%
<b>Financial</b>					
Claims Payments for the last 3 years per \$100 of Assessable Payroll	\$0.742	\$0.723	\$0.691	\$0.617 – \$0.706	\$0.608
Administrative Costs per \$100 of Assessable Payroll (excluding prevention costs)	\$0.42	\$0.43	\$0.47	\$0.44	\$0.45
Return on Investment Five – Year Rate of Return	6.8%	7.7%	Exceed Benchmark Portfolio Return		
Five – Year Benchmark Portfolio Return	6.8%	7.9%			