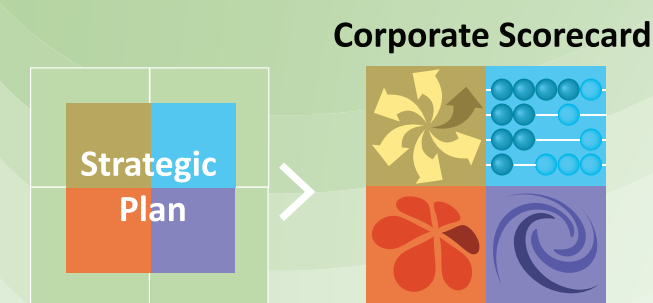


2011 Corporate Scorecard

Q3 First quarter performance update:
July > August > September



Status Performance Status Summary

Customer Outcomes

On Track We will measure the positive impact we have on the lives of Alberta's injured workers by helping 90% of those cared for in 2011 achieve the fitness they need to make a safe return to work.

On Track We will measure our positive impact on the lives of Alberta's injured workers by exceeding an 85% average case planning certification score to deliver outcome focused services for a successful return to work.

On Track We will measure the positive impact we have on Alberta's workplaces by increasing the number of workers covered by employers participating in the voluntary pricing programs (PIR and ICP) as measured by a \$1 billion increase in total insurable earnings for participants.

Key Deliverables

On Track Proactively negotiate modified work on behalf of injured workers and improve the percentage of files¹ with modified work performed and documented by 5% over our 2010 result.

¹ With time loss greater than 21 days.

On Track Prevent lifelong disability by helping injured workers move effectively through the disability management process. Monitor clients' injury rehabilitation through their progression from short-term disability benefits to fitness for work or appropriate long-term benefits by reporting the number of cases that exceed three months of total disability at year end.

Lagging Provide timely vocational assistance to identify positive return-to-work options for clients who require a job change and assist 75% of injured workers who utilize career planning services to achieve the potential to earn 75% or more of their pre-injury income.

Off Track Help injured workers maximize their post-injury earnings through effective return-to-work planning. Do not exceed capitalized economic loss payment budget by more than 15%.

Financial Stability

We will measure the positive impact our initiatives and results have on the workers' compensation system by achieving:

Off Track 1. Transaction-year claim costs that do not exceed the 2011 budget by more than 5%

On Track 2. 95% of the premium revenue target set for 2011

Innovations

Optimize internal and external process and reduce technical complexity while re-platforming critical legacy systems.

On Track 1. Focus on Claims Information System (CIS) opportunities projects to support the disability management program and return-to-work initiatives.

On Track 2. Focus on Employer Account Information Management System projects to enhance account management service delivery.

On Track 3. Enhance online services for WCB stakeholders.

Customer Outcomes

We will measure the positive impact we have on the lives of Alberta's injured workers by helping 90% of those cared for in 2011 achieve the fitness they need to make a safe return to work.

Status **On Track** | Pay for Performance

Analysis
We continue to help injured Albertans recover from injury and achieve their fitness for work through coordination of many services and service providers.

Despite a still challenging economy, the injured worker, the employer and the case manager or adjudicator maintain regular contact to discuss return-to-work options that lead, not only to job security, but also to safe rehabilitation.

Through this proactive case planning, customer service teams helped **91.4%** of our clients achieve their fitness for work this quarter.

We will measure our positive impact on the lives of Alberta's injured workers by exceeding an 85% average case planning certification score to deliver outcome focused services for a successful return to work.

Status **On Track** | Pay for Performance

Analysis
The case plan certification process continues to assure us that a worker and employer have received the right information and decisions to help develop the right case plan and to contribute to its success.

Only the right plan, built the right way and embraced by our clients, can achieve the right results. This is our commitment to fairness and it ensures that return to work is appropriate, timely and beneficial to our clients.

In the third quarter, our case plans achieved an **89.3%** certification score, ensuring we are on track to achieve our service and communication excellence goal.

Key Deliverables

Proactively negotiate modified work on behalf of injured workers and improve the percentage of files (with time loss greater than 21 days) with modified work performed and documented by 5% over our 2010 result.

Target: 42.2%

Status **On Track**

Analysis
Modified work helps injured workers and employers focus on recovery and ability, not disability. When exploring modified work options, case managers and adjudicators ensure the options are:

- **achievable** – given a worker's injury, is he or she able to physically do it?
- **safe** – the modified work should not endanger the worker's recovery or safety, or the safety of others
- **constructive** – the modified work should contribute to the worker's skill development and return to full duties
- **productive** – the worker's duties should be meaningful to the organization

At the end of September we achieved 42.8% on targeted files with a year-to-date result of **43.9%**, demonstrating a high degree of success and commitment to modified work by workers, employers and case managers.

Prevent lifelong disability by helping injured workers move effectively through the disability management process. Monitor clients' injury rehabilitation through their progression from short-term disability benefits to fitness for work, or appropriate long-term benefits, by reporting the number of cases that exceed three months of total disability at year end.

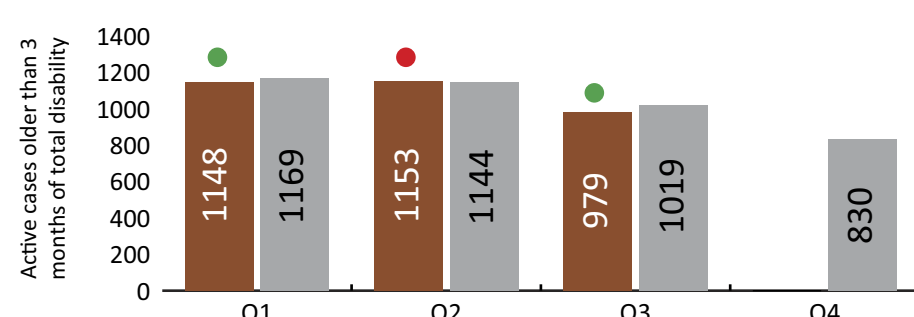
Target: 830 cases

Status **On Track**

Analysis
We know and expert research confirms that the best outcome for an injured worker following a disabling workplace injury is that of a successful return to work. However, the passing of time places this outcome at risk and we are determined to use our skills and resources to be proactive in helping our clients beat the odds of chronic disability.

By providing well-coordinated support and timely access to services, we beat our Q3 target with 40 more injured workers than planned achieving their fitness for work.

Client Rehabilitation Results



We will measure the positive impact we have on Alberta's workplaces by increasing the number of workers covered by employers participating in the voluntary pricing programs (PIR and ICP) as measured by a \$1 billion increase in total insurable earnings for participants.

Status **On Track/Ahead of Target**

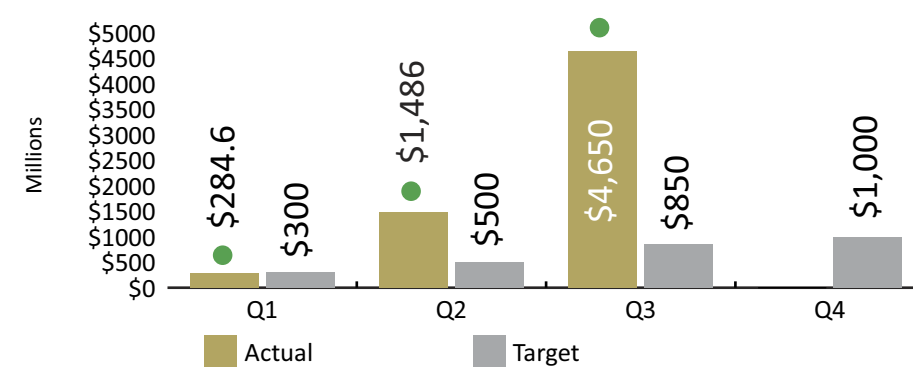
Analysis
Employers are responding very well to our voluntary pricing programs, as shown by the take-up rate of new clients. Industry Custom Pricing (ICP) polling has been very successful this year.

There has been a net increase of 22 industries to date. Industry polling will continue into October and we expect we may have another four or five industries sign up for ICP this year.

The Partnerships in Injury Reduction program (PIR) is also growing, with 360 new employers.

The net increase in insurable earnings in these programs is **\$4.65 billion**. This increase means 66.4% of the province's workforce is enrolled in a voluntary pricing program (48.2% in PIR and 35.6% in ICP).

Our Impact on Alberta Workplaces (PIR/ICP)



Provide timely vocational assistance to identify positive return-to-work options for clients who require a job change and assist 75% of injured workers who utilize career planning services to achieve the potential to earn 75% or more of their pre-injury income.

Status **Lagging**

Analysis
It's not easy to work hard through injury recovery only to hear that you will need a job change to accommodate residual work restrictions resulting from your work injury. This is even tougher when your income is impacted. Through vocational rehabilitation support, our goal is to help each person in identifying a new occupation that fully replaces what they earned before they were hurt, minimizing the financial impact of the injury.

At the end of the third quarter, we have seen some monthly fluctuations ending the quarter at 72% of cases achieving the potential to earn at least 75% of their pre-injury wages following vocational assistance from WCB.

Help injured workers maximize their post-injury earnings through effective return-to-work planning. Do not exceed capitalized economic loss payment budget by more than 15%.

Status **Off Track**

Analysis
In cases where a necessary change in vocation results in an earnings gap pre and post injury, we can help through the provision of an economic loss payment – a wage top up.

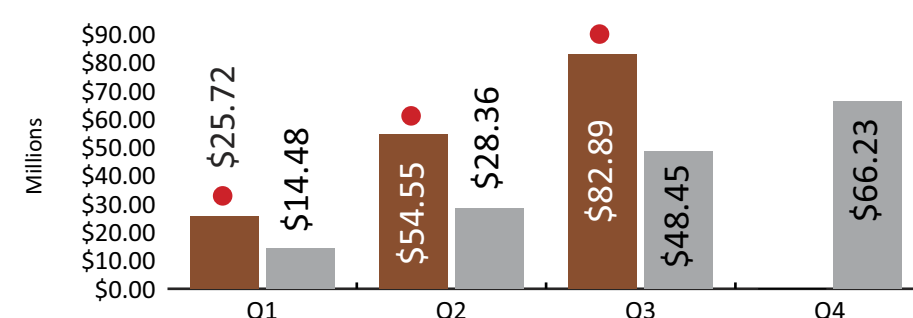
The overall quality of economic loss payments remains strong. We do thorough audits of each Economic Loss Payment (ELP) prior to implementation to ensure all opportunities for the worker are exhausted and the best return-to-work options are explored. All ELPs are pre-approved by a supervisor, QA resource, manager and if over \$300,000 in value, a director. Audits confirm the quality of work is very high and we know the cost of each ELP is consistent with prior years.

ELP costs in the month of September totaled \$8M, bringing the year-to-date total to **\$82.9M**.

There have been 432 ELPs to date in 2011 versus 263 ELPs during the same period in 2010. As we discussed last quarter, there are a number of factors driving this increase, most notably increases in processing speed along with the effects of higher prior year claim volumes.

Based on results to date, we will not achieve our ELP year-end target.

Post-injury Income



Financial Stability

We will measure the positive impact our initiatives and results have on the workers' compensation system by achieving:

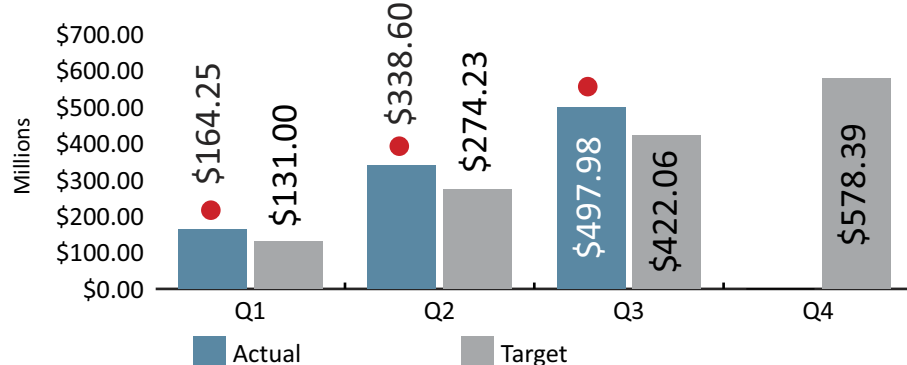
1. Transaction-year claim costs that do not exceed the 2011 budget by more than 5%

Status **Off Track**

Analysis
Total transacted claim costs are **\$498.0M** as of September 2011, \$75.9M (18.0%) over budget and 16.2% above Q3 2010 costs. The variance is driven primarily by two factors:

- Current year costs (attributed to 2011 accidents) are exceeding budget due to higher than expected claim volume, and
- Prior year costs, which make up the majority of the budget deficit, are exceeding budget mostly due to the increase in ELP capitalizations.

Transaction Year Claim Costs



Innovations

Optimize internal and external process and reduce technical complexity while re-platforming critical legacy systems.

1. Focus on Claims Information System (CIS) opportunities projects to support the disability management program and return-to-work initiatives.

Benefit rate-setting – Claims Information System (CIS) rate-setting legacy system replacement (Benefit Calculator project)

Status **On Track**

Analysis
The Benefit Calculator II project is making changes to the eCO application and the Data Warehouse to align our data capture with our monthly, quarterly and annual reporting requirements/capabilities. The project team has completed its design and construction phases and is presently in the testing phase.

eCO System enhancements – disability management claims system (eCO Upgrade project)

Status **On Track**

Analysis
We are completing the detailed design phase and have commenced the construction phase. The project work is slightly behind schedule; however, we are working on strategies to catch-up and not impact the overall project schedule. The WCB project team members are now focused on the creation of business acceptance test scripts.
Change management planning is well underway and remains on schedule.

2. Focus on Employer Account Information Management System projects to enhance account management service delivery.

CLEAR – a claim and employer account registry to consolidate all contact information into one centralized system.

Analysis

The employer account phase of the CLEAR registry is now scheduled to begin development in 2012.

EDGE – an electronic document gathering and generation environment for employer files

Status **On Track/Complete**

Analysis
The system was successfully implemented in June. Early indications are that the application is working well and staff feedback has been positive.

2. 95% of the premium revenue target set for 2011

Status **On Track**

Analysis
At the end of September, WCB had billed **99.8%** of budgeted premium, well above the scorecard target.
Most of the increase is due to 7.0% growth in billed insurable earnings, well above the budgeted growth of 3.6%. Sectors with the highest rate in earnings growth over 2010 are mining, oil and gas (14.8%), agriculture and forestry (10.1%), and construction (9.3%). We expect to be ahead of target in premium revenue for 2011.

3. Enhance online services for WCB stakeholders. Leverage External Security and MyWCB offerings.

WOS – worker online services

Status **On Track/Complete**

Analysis
The Worker Online Services application (WOS) provides claimants with Internet access to view details of their claims. WOS security access has been converted to the External Security System (ESS) implemented corporately. This provides claimants with improved access and screens, and eliminates the considerable staff effort required to administer the previous system.

LCR – loss control reporting for employers

Status **On Track**

Analysis
On track. Loss Control Reporting (LCR) was introduced to provide employers with self-service access to claims and premium reports. Over the years, the number of reports requested has climbed to over 644,900.
The LCR modernization project has completed the requirements gathering and conceptual design phase, and has delivered a project plan for the build and implementation phase. LCR's existing report generating software must be replaced due to licensing issues. This work will be managed as a separate but closely related project. Project completion is expected in 2012.

DECC – direct employer clearance certificates

Status **On Track**

Analysis
The Direct Employer Clearance Certificates application (DECC) is the oldest WCB eBusiness application and accounts for the highest volume of transactions of all WCB online services.
The DECC structure will be upgraded to current standards, which will ensure that it is capable of continuing to handle high transaction volumes in the future. The DECC modernization project is in the detailed design phase. Project completion is expected in 2012.

SAM – self-serve employer account management

Status **Delayed**

Analysis
The Self-serve Account Management application (SAM) provides employers with the ability to process their Annual Returns, complete account registrations and manage their account details online.
The use of SAM has grown since it was introduced in 2005 to where 80% of Annual Returns and 82% of new accounts were processed online in 2010. A slight delay was encountered in Q3 when an unexpected integration problem between the new SAM code and ESS was discovered. The problem was resolved, and the rebuilt SAM is scheduled for implementation before the Annual Return process begins in December.