

1 in a moment. But for now can we agree that there was
2 guidance or indeed an order from the Board to Manitoba
3 Public Insurance inviting it to develop productivity
4 factors to ass -- enable the assessment of cost
5 containment measures as they related to operating and
6 claims expenses.

7 Agreed?

8 MS. HEATHER REICHERT: Yes.

9 MR. BYRON WILLIAMS: And, again, we'll
10 -- we'll get to those in -- in a moment. If we flip
11 to the next page, page 46 of CAC Exhibit 7, just above
12 "Cost Saving Initiatives - All Perils," you'll see a
13 discussion related to the business and injury
14 improvement initiative.

15 Do you see that Ms. McL -- Ms.
16 Reichert?

17 MS. HEATHER REICHERT: Yes, I do.

18 MR. BYRON WILLIAMS: And in discussing
19 the business improvement -- business and injury appro
20 -- improvement initiative, you'll see the -- the
21 Public Utilities Board commenting on use of the
22 software:

23 "Will allow the Corporation to
24 accurately benchmark its outcomes
25 with other similar national and

1 international organization through
2 the use of coding stan --
3 standards."

4 Do you see that, Ms. Reichert?

5 MS. HEATHER REICHERT: Yes, I do.

6 MR. BYRON WILLIAMS: And there's the --
7 - the suggestion that:

8 "The Corporation can mine its data
9 sources for insight and ultimately
10 reduce disability durations to
11 optimize claimants recovery time and
12 achieve program cost savings.

13 Do you see that?

14 MS. HEATHER REICHERT: Yes.

15 MR. BYRON WILLIAMS: Now, Ms.
16 Reichert, I don't think you need to turn here, but
17 certainly in the Corporation's strategic plan, I
18 believe pages 3 and 4, I saw reference to the bodily
19 injury improvement initiative BI3. And also a
20 notation of benchmarks or measures for accessibility
21 and timeliness of pay -- of payments.

22 Does that sound familiar to you?

23 MS. HEATHER REICHERT: Yes, it does.

24 MR. BYRON WILLIAMS: Ms. Reichert,
25 what I haven't observed in this application, and I

1 simply may have missed it, in terms of bodily injury -
2 - the bodily injury improvement initiative, is a
3 report on how the Corporation is doing in terms of
4 disability duration as compared to -- to benchmarks.
5 And is -- is that somewhere in the report and I've
6 simply missed it?

7 MS. HEATHER REICHERT: No.

8 MR. BYRON WILLIAMS: It would be fair
9 to say that going into the business and injury
10 improvement initiative, the Corporation would have set
11 a baseline in terms of the status quo or existing
12 standards in terms of disability durations?

13 MS. MARILYN MCLAREN: No.

14 MR. BYRON WILLIAMS: Would the
15 Corporation have established expectations in terms of
16 improved outcomes in terms of reduced disability
17 durations?

18 MS. MARILYN MCLAREN: Expectations
19 that we were introducing a framework where that would
20 happen going forward. And you and I, I'm sure, have
21 had some discussions. You have asked other members of
22 the MPI panel. I've had conversations with other
23 participants through the last many years that that was
24 a severe shortcoming of the, in many ways, inadequate
25 IT and infrastructure support system we had for our

1 case managers since we moved to no-fault in 1994.

2 We can't tell you what our typical
3 claim duration was. So we're not going to -- we --
4 we're not in a position to be able to implement a new
5 system and expect to see reductions from that, because
6 we had no real strong ability to understand what we
7 were dealing with through the old system.

8 So we're trying to get to a position,
9 after we clear up issues like the transition and the
10 severe loss of productivity that staff faced as they
11 were learning a new system, and putting in place rehab
12 plans for all claimants and things like that. We will
13 start to be able to track those kinds of durations and
14 then we will be in a position to make decisions about
15 the extent to which we have opportunities to reduce
16 those durations.

17 That's absolutely part of the plan.
18 It's not something that was ever expected to be there
19 at the beginning of -- and I -- we are still at the
20 beginning of the transition to this new bodily injury
21 case management method. We have introduced protocols,
22 the Presley Reed guidelines in terms of different
23 kinds of injury duration or recovery durations. We --
24 we pay a lot of attention to that. Our staff are
25 learning to work with those. But, no, we did not

1 implement this new system with clear benchmarks as to
2 how we were going to reduce disability durations from
3 what they had been previously.

4 MR. BYRON WILLIAMS: And just so I --
5 I recall, the -- the system would have gone live,
6 what, in about September of 2010?

7 MS. MARILYN MCLAREN: Yes, that's
8 right.

9 MR. BYRON WILLIAMS: And you
10 experience some material productivity challenges for
11 roughly the first eighteen (18) months or so?

12 MS. MARILYN MCLAREN: Yes.

13 MR. BYRON WILLIAMS: And as I
14 understand it, you are -- you've indicated that you're
15 monitoring durations closely?

16 MS. MARILYN MCLAREN: I believe we are
17 starting to learn to work within this new construct,
18 yes. So I'm not monitoring durations. This is not
19 something that is at the point of being reported to
20 the executive of the Company as a performance
21 indicator yet. But the people in injury case
22 management are adopting what they -- modifying what
23 they have done from 1994 until 2010 to start
24 considering and working with these kinds of new
25 indicators.

1 MR. BYRON WILLIAMS: So when -- when
2 does the Corporation expect that reports in terms of
3 recovery duration will be generated for the executive
4 level?

5 MS. MARILYN MCLAREN: I would expect
6 that we would clearly know where we're standing on our
7 ability to do that with -- within the next two (2)
8 years.

9 MR. BYRON WILLIAMS: And, Ms. McLaren,
10 recognizing the importance of being humane and
11 respectful to injured victims, but also recognizing
12 the importance of returning persons to -- as full a
13 recovery as possible, both for themselves and for the
14 Corporation's bottom line, does the Corporation
15 anticipate it will need external expertise in terms of
16 working to reduce injury durations?

17 MS. MARILYN MCLAREN: No, I don't
18 think so. I think we have -- we have some of the best
19 doctors in this province available to us as -- on a
20 contract, temporary basis as part of our healthcare
21 services team.

22 Part of what we -- we do expect from
23 this system is not so much that people are actually
24 going to recover faster, but I think one (1) of the
25 significant barriers in the old system, or -- or

1 almost virtual lack of system, it was almost entirely
2 a paper-based system -- is that people were recovered
3 and we continued to pay personal care assistants
4 longer than we needed to.

5 So not that they weren't recovering
6 quickly. I think we always had -- not always, but for
7 -- for a significant period of time, had very good
8 collaborative, cooperative team approaches to helping
9 people recover. But getting the paperwork done was
10 not always one (1) of the first priorities for our
11 staff.

12 And I -- and I -- you know, if they're
13 having to make choices between working with claimants
14 and doing that, I understand that. But part of the --
15 what the expectation was is that we would save some
16 money on personal care assistants by having more
17 appropriate file management, not that they would
18 necessarily recover quicker but the payments would
19 better reflect their needs more promptly, as an
20 example.

21 MR. BYRON WILLIAMS: And just so I'm
22 clear, I understand that one (1) outcome you expect to
23 achieve from this is once persons are fully recovered,
24 to more promptly cease the payments which -- which
25 they're -- which are no longer necessary.

1 MS. MARILYN MCLAREN: Or -- or
2 adjusting them downward more frequently and more
3 promptly.

4 MR. BYRON WILLIAMS: And would I have
5 been in error if I assumed that one element of the
6 business and injury improvement initiative was -- was
7 actually to optimize claim -- claimant recovery times?

8 MS. MARILYN MCLAREN: No, not
9 necessarily. I think whenever you have better
10 information and more prompt information there are
11 always opportunities to do a better job of that.

12 MR. BYRON WILLIAMS: And you would
13 expect --

14 MS. MARILYN MCLAREN: Bodily injury
15 improvement initiative as opposed to business injury
16 improvement initiative.

17 MR. BYRON WILLIAMS: There's too many
18 programs, Ms. McLaren. Part of the reporting that
19 will flow through the executive and presumably to --
20 to the Board as a benchmark will -- will be these
21 improved or optimized claimant recovery times.

22 Agreed?

23 MS. MARILYN MCLAREN: Yes.

24

25

(BRIEF PAUSE)