

**First Session - Fortieth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Public Accounts**

*Chairperson*  
*Mr. Larry Maguire*  
*Constituency of Arthur-Virden*

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Fortieth Legislature**

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**LEGISLATIVE ASSEMBLY OF MANITOBA  
THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**Thursday, July 5, 2012**

**TIME – 5 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Mr. Larry Maguire  
(Arthur-Virden)**

**VICE-CHAIRPERSON – Mr. Gregory Dewar  
(Selkirk)**

**ATTENDANCE – 10 QUORUM – 6**

*Members of the Committee present:*

*Hon. Mr. Struthers*

*Mr. Allum, Ms. Braun, Messrs. Dewar, Helwer,  
Maguire, Pedersen, Mrs. Stefanson*

*Substitutions:*

*Mr. Marcelino for Mr. Jha*

*Mr. Wiebe for Mr. Whitehead*

**APPEARING:**

*Mr. Cameron Friesen, MLA for Morden-Winkler*

*Ms. Carol Bellringer, Auditor General*

**WITNESSES:**

*Hon. Andrew Swan, Minister of Justice and  
Attorney General*

*Ms. Marilyn McLaren, President and Chief  
Executive Officer, Manitoba Public Insurance*

**MATTERS UNDER CONSIDERATION:**

*Auditor General's Report—Annual Report to the  
Legislature, dated January 2012*

*Chapter 5—Personal Injury Protection Plan:  
Manitoba Public Insurance*

\* \* \*

**Mr. Chairperson:** Good afternoon, and will the Standing Committee of—we'll call this meeting of the Standing Committee of Public Accounts to order.

The meeting has been called to consider the Auditor General's Report—the Annual Report to the Legislature, dated January 2012—Chapter 5—Personal Injury Protection Plan: Manitoba Public Insurance.

And I want to welcome the minister and Ms. McLaren to the meeting as well.

Are there any suggestions from the committee as to how long we should sit?

\* (17:10)

**Ms. Erna Braun (Rossmere):** I would suggest we sit until 7 o'clock or—and review if more time is needed at that time, or if we finish earlier.

**Mr. Chairperson:** Okay, thank you. It's been suggested we sit till 7 and review it at that time or, finish earlier, we can adjourn.

Is there—what's—that the will of the committee?  
[Agreed]

So I'm going to open up by asking the Auditor General if she wishes to make an opening statement in regards to this particular report.

**Ms. Carol Bellringer (Auditor General):** I'll introduce, first, the staff who are with me today: Sandra Cohen, who is the assistant auditor general, Value-for-Money Audit Services; and Grant Voakes sitting next to her, who is the audit principal, both responsible for this audit. And we actually have quite a few in the gallery tonight as well, or this afternoon: Maria Nyarku, who also worked on the audit; and the two—there are two auditors. They're full-time auditors, but they also provide support to all of the administrative areas that have anything to do with Public Accounts Committee, and that's Maria Capozzi and John Donnelly, who are also here.

The Personal Injury Protection Plan compensates people injured in motor vehicle accidents for their financial losses and helps them to recover as fully as possible. We had four objectives in conducting this audit. First, to examine the processes for insuring claimants receive all and only benefits they are entitled to; second, to look at the systems and practices used to calculate benefits; third, to assess the management of claimant rehabilitation; and, last, to examine the measurement and reporting of performance information.

When looking at benefit eligibility we found that MPI properly verified eligibility for benefits before paying them and they adequately supported most

decisions to deny or end benefits, but it did not always offer or provide benefits promptly or consistently. We noted MPI was meeting its 21-day target for providing claimants with their first income replacement payments less than 40 per cent of the time, occasional delays ranging from four months to seven years for some other benefits and some inconsistent decision-making in the provision of certain benefits for claimants in similar circumstances.

Most commonly used benefits were clearly defined, but we did recommend that MPI more clearly define certain benefits and their eligibility rules, particularly those related to facilitating a claimant's return to normal life and reintegration into society as required by section 138 of The Manitoba Public Insurance Corporation Act. We also recommended that MPI provide more benefit information to claimants with complex claims as well as better explanations in plainer language in its decision letters.

Appeals processes were in place, although the number of unresolved appeals at the Claimant Advisor Office and appeals which had not yet been set for hearing at the Automobile Injury Compensation Appeal Commission needed to be reduced. There were adequate processes to prevent and detect program abuse by claimants and service providers.

In the area of benefit calculations we found that benefits were calculated accurately, although changes in personnel—personal circumstances affecting benefits were not always flagged promptly and annual income tax reviews were not always timely. We recommended that MPI more regularly and rigorously review and update certain PIPP benefits to ensure they remain reasonable and equitable.

In looking at the management of claimant rehabilitation we found that medical and vocational rehabilitation planning and documentation needed improvement. MPI also needed to more regularly monitor claimants' medical progress. Practices for procuring rehabilitation goods and services, the accountability framework for service providers and the conflict of interest clauses used in contracts with internal and external health-care providers needed strengthening, and supervisory reviews of claim files needed to be more frequent, better documented and used to help identify corporate and individual training needs.

In looking at performance information we recommended that MPI augment its claims information by including customers with complex and long-term claims in its customer surveys, measuring claim duration and tracking return to work outcomes for claimants receiving vocational assistance. We found there was limited public disclosure of performance information for the Personal Injury Protection Plan.

Finally, we note that MPI was undergoing significant change at the time of our audit, and its various change initiatives will help to resolve some of the issues we identified. Thank you, Mr. Chair.

**Mr. Chairperson:** Thank you for your presentation, Ms. Bellringer, and I would—before I ask the CEO to make—if she has an opening statement to make, I'd like to welcome many of the board members from MPI that are here as well, and staff, and then ask Ms. McLaren if she has an opening statement that she'd like to make.

**Ms. Marilyn McLaren (President and Chief Executive Officer, Manitoba Public Insurance):** Thank you very much.

**Mr. Chairperson:** Okay, good.

**Ms. McLaren:** Yes, with me this—closer?

With me this evening to my immediate left is Rob Haithwaite, is the executive director of PIPP management services. He is responsible for all of our staff who administer PIPP benefits and do our best to work with and help those injured in automobile accidents.

With us as well, we have our general counsel, Kathy Kalinowsky; our vice president of service operations, Christine Martin; and the chair of our board, Jake Janzen, is here as well. And Mr. Brian Smiley is with us this evening as well.

Earlier we had—or are in the process of distributing what were to be my speaking notes. But I will not bother you with repeating a good part of what the Auditor General has already taken you through. So I will speak a little bit contemporaneously about PIPP and the changes that we did implement during the course of the audit and just try to give a little bit of context of the program and of the files that were audited. And that would really conclude my comments.

Back in 1993 the government of the day decided that it was important to change the way automobile injury victims were compensated in the province of

Manitoba. And they set up a taskforce, of which I was lucky enough to be a member. So I have been involved with PIPP right since 1993, and we made recommendations for a plan to compensate automobile injuries that was very, very similar to a plan established in Québec in about 1976. It was established in a very similar fashion to the workers' compensation scheme that had been in Québec at the time. And our system is very similar to a workers' compensation scheme, and we find, in explaining it to people, that that helps people get the context of it because you may be a little bit more familiar with worker injuries and worker compensation systems than the automobile injury system.

The key difference between MPI PIPP program and a workers' compensation system is that we cover every citizen of Manitoba. So we are dealing with very, very young children, sometimes, who are seriously injured, retired people, people who are just not in the workforce. So it's a much broader coverage base that we have because we cover all Manitobans. And they don't have to own a vehicle. They don't have to have a driver's licence. If they are a Manitoba citizen and they are injured in an automobile crash of any nature anywhere in Canada or the US, they are part of the PIPP program. It's a no-fault system. It provides very comprehensive benefits in any number of key areas and really eliminates access to the courts for compensation, because it provides guaranteed compensation, simply by virtue of your residency and the fact that the injuries were sustained in an automobile accident.

If I can, I'd like to share these brochures with you. They're a pretty comprehensive guide that claimants receive that talks about all the different kinds of benefits. We can pass these around. This is not the most current version. The most current version is at the printer and includes information about the—some benefits that were enhanced by the government over the last couple of years or so. But it really is a pretty effective way to lay out the coverages that are available for people.

As well, a very recently prepared brochure, with a lot of direct help, I can tell you, with a lot of direct help from one of our claimants who lost a member of his family in a car crash, talked to us—came forward and talked to us about some ways he thought our processes could improve and some ways that we could better demonstrate our sensitivity to the situation in fatal crashes that family members are dealing with.

At MPI we have really been focused on helping people recover, helping people who've been injured, and it was really helpful for us to work with him to understand better the bereaved family members who are not in a situation of recovery but having to cope with a loss. So we have prepared some special areas of our facilities, we've prepared another brochure to really help deal with fatality claims.

\* (17:20)

So just to give you a little bit of context about the number of claims we handle and the nature of claims that we handle. In any given year, for the past several years, we have about 15,000 injury claims per year. Luckily, of those 15,000 claims a year, about 2,500 to 3,000 people are hurt so badly that they need income replacement, and the rest are just more minor injuries. Many of them are as simple as an ambulance ride or a few chiropractic or physiotherapy treatments, something like that. But out of 15,000, you come down to 3,000, 2,500, that are hurt badly enough to need income replacement. There's fewer than 300 who are so seriously injured that they need help for someone to come into their home and help them with sort of the necessities of daily living, personal-care assistance.

We have—everyone thinks of catastrophically injured people in car crashes—they tend to think of paraplegic and quadriplegic, things like that. Those are extremely rare. In any given year, we will have maybe one or two or four of either of those types of claims. The most common very serious injury to come out of a car crash is a brain injury, and that can of course cover the whole spectrum of, you know, temporary unconsciousness, concussion, which is getting a lot of attention these days, of course, but more serious permanent debilitating brain injuries. But the numbers are very, very few; far fewer than a hundred people a year would qualify as catastrophically injured claimants. The vast majority have very minor injuries that do not disrupt their life for any length of time and they're able to carry right on with their lives as they were before the crash.

That's our job: to do the best we can for all people in all circumstances. And given the continuing complexity of vehicles and sophistication of vehicles, people tend to be better protected in their vehicles these days when they do use restraints and things like that. But the vast majority are much less serious injuries.

And the Auditor General's work did an audit of 50 claims, all of which were the much more

complex, long-standing, more catastrophically injured people. So they are not—on a numbers basis, they are not the norm of the kinds of claims that we deal with most frequently, but, of course, they are amongst the most important. Because at the end of the day, what we're—what are most, most important are the people whose lives have been irrevocably changed, and we believe that we are here to help as best we can for them to carry on and live the best life they can after the crash.

That concludes a bit of context that I wanted to provide at this point, I think.

**Mr. Chairperson:** Well, thank you very much for those comments, Ms. McLaren, on your report, and I want to thank you for providing the written copy of those so that we could have that. It'll—it's been suggested that it would help the committee members, in having that, to be able to follow along, so I thank you for that.

And—but before I throw it open to questions, I'd like to remind the members that questions of an administrative nature are placed to the CEO, and the policy questions will not be entertained and are better used at another forum or provided at another forum. If there's any questions that border on policy and the minister would like to answer that, of course, or the CEO wants to defer it to the minister to respond to that, we'll consider those options.

And with that, I'd open the floor to questions from the members.

**Mr. Reg Helwer (Brandon West):** Mr. Chair, through you to Ms. McLaren, thank you, Ms. McLaren, for your comments. Welcome to you and to Minister Swan and to the Auditor General back to the committee again.

I see in your presentation, the written part here, you mention that 19 of the 23 recommendations have been acted upon and concluded, and that's not how I read the report from the Auditor General, but perhaps you could take us through, just to start, the four recommendations that have not been addressed yet.

**Ms. McLaren:** Yes. I'll look to Mr. Haithwaite to help me, but I know I can get most of them from memory.

One of the recommendations that has not yet been acted on is the recommendation to conduct quantitative customer satisfaction surveys with catastrophically injured people. We certainly—we're looking into this, and in the next little while, in the

next few months, we will make a decision on that. But it is complex for some of the reasons I spoke of a few minutes ago. Many of those catastrophically injured people are suffering from or recovering from brain injuries. People who are catastrophically injured, according to the act, are very, very seriously injured.

Personally, I'm not comfortable with a standard telephone quantitative survey calling them up some evening around the supper hour and asking them questions about their PIPP claim. We certainly acknowledge that we need to have good quantitative, reliable information about how they feel about the work that we do with them and on their behalf. How best to do that, we're not certain at this point, but that's one of the things that we're still considering and working on.

There's another one related to the updating and revising some of the benefits in the program that are not automatically indexed. Most of the benefits in the act are annually indexed according to CPI or according to average industrial wage. There's a small number of them—most of—there are four of them, and three of them are brand new coverages so that we really believe claimants are not disadvantaged at this point, because they have not been indexed, because they're very new coverages within the last two to three years.

And the other one is a clothing allowance so that they are lower risk items for claimants being disadvantaged, but we're certainly looking at the recommendation as to whether indexing would be appropriate for the few—four remaining coverages that are not indexed.

There was also a recommendation that we considering bringing in-house vocational rehabilitation services as a staff function at MPI. As—based on some of the numbers that I told you a few minutes ago, in terms of the fact that not all of our claimants are working, very few of them are in a position that they cannot return to the work that they did before. It—there's a decreasing number of people who actually need vocational rehabilitation services as part of a PIPP claim. I'm not sure it's the best use of our resources to have someone in-staff—in-house doing that. We do contract that work out right now. We probably only do it for three or four people a month, so I'm not sure at this point whether it would make sense to put someone on the payroll just to do that function. It is a pretty specialized function, but that is an outstanding recommendation that we

haven't formally concluded a response on and—  
[interjection] oh, yes.

And the last is a recommendation to—how is that—recommend that MPI compare the costs of compensating claimants who require only periodic help with snow removal and lawn care with the savings, risks and injury-related costs of not compensating them. Since the beginning of PIPP—since back in 1994, an important part of the process for people who need personal care, who cannot manage the daily necessities of life—doing their laundry, preparing meals, shopping, snow clearing, things like that—has been something that has a lot of attention, because it is something that a small number of people need, but they need it very badly. Plans like this, like a, you know, a no-fault legislated compensation scheme generally assesses the need for personal care according to a matrix or a grid of the person's ability or limitations and the actual functions that need to be done. And most of them also have what would be described, I guess, most simply as a deductible: you know, you get a certain amount of coverage if you get six points; you get more coverage if you have 16 points of need; but you don't get any coverage if all you have is four points. And so, there are some people who the only thing they can't do is clear their snow. Within the system we have today, they don't fit into the grid, and they're not compensated for that. But it's rare that that's the only thing someone cannot do, and so this has come up in the review of the files that the Auditor General saw, made this one of the recommendations, and we're going back to have an in-depth look about what would be the ramifications of handling that specific home need differently than we do today.

\* (17:30)

**Mr. Helwer:** Through you, Mr. Chair, to Ms. McLaren, so the other 19 recommendations, when I read through the report, they've been accepted by MPI as generally the way the response goes. MPI has—accepts the recommendation. Is that, in your view, acted upon and accepted or—and concluded or is—have you done more than just accepting the recommendation?

**Ms. McLaren:** They have been executed, some partially. Like I said, the new version of the brochures which ties back to one of the recommendations is at the printer, but no, we have not accepted them and then left it to some future conversation as to actually acting on. They have been all executed.

**Mr. Helwer:** So I guess, just to give me a little bit more detail on that, they've been executed but sounds like they're still in process in terms of actually being acted upon. Can you tell me which ones in particular you feel are wholly and finally concluded, and then we can ask the Auditor General for her view of that?

**Ms. McLaren:** Yes, we can run through them starting at the top. I will let you know what we have done, I'm thinking, and then you would, one at a time, pass it back and forth with the Auditor General. Is that what we're doing?

**Mr. Chairperson:** What's the wish of the committee? We can do it that way if you want to go through them or else we can have them listed. Which would you prefer?

**Ms. Bellringer:** Sorry, I'm not sure how much we'll be able to add at this point because we haven't done any—I mean, this was only just issued. It's a year after this that we'll end up going in to look at the follow-up. At that point, what we'll be doing is asking for some backup documentation and making sure that we agree with the fact that it's been resolved but we haven't done any of that yet. I'm always a little bit nervous about saying, yes, that sounds good, because—not to suggest otherwise but just to say, you know, for us to really put confirmation on it, we've got to do enough work behind it to say that we've seen all of those backups so we can provide that information to you, and we have not yet done that in this particular report.

**Mr. Helwer:** I guess if we keep them fairly brief and then perhaps you could tell us if that was the intent of your recommendation. Would that suffice?

**Mr. Chairperson:** [interjection] Okay, we'll proceed, then, and have Ms. McLaren go through them if you wish. I think the best way might be to deal with them individually then, and we'll just have a comment or we'll see how that works to start off with, and if we need—we get bogged down, we'll go with a bunch of them.

**Ms. McLaren:** Recommendation No. 1: We recommend that MPI, together with the Manitoba government, clearly define eligible expenses for return to normal life and reintegration into society and the types of vehicular accidents that entitle injured people to PIPP benefits. We consider the status on that one to be complete. August of last year the MPI regulations were amended to redefine section 138, return to normal life and reintegration into society.

Number 2—keep going?

**Mr. Chairperson:** Yes, okay. Well, just a moment. Would Ms. Bellringer like to make a comment on that, I guess is what they're indicating to me.

**Ms. Bellringer:** The comment that the regulations have been amended is certainly what we've directly looked—we were looking for in the recommendation 1. It won't be until we look at the detail behind that amendment that we'll know whether or not it's going to clearly define eligible expenses and the types of vehicular accidents, so it will be the detail behind it that will let me know whether or not that's what we were looking for.

**Mr. Chairperson:** Okay, Ms. McLaren, please proceed.

**Ms. McLaren:** And I can maybe clarify a little bit on that first one. The types of vehicular accidents have not themselves been addressed yet. That there was a very obscure one-off court case back a year and a half or so ago when someone who was injured on a golf course in a golf cart, a judge decided that they were eligible for PIPP benefits. That is something that, at some point, should be clarified in the act; it's not something that has been done yet. But in terms of the objectives of PIPP and the reintegration into society, the return of normal life, that has been in section 138 of the regulations of The MPIC Act.

Recommendation No. 2—

**Mr. Chairperson:** No. Mr. Helwer, has a question.

**Mr. Helwer:** Maybe we can go along and ask questions as you get there so we don't forget.

Through you to—Mr. Chair to Ms. McLaren. I guess that's a question that I kind of don't quite understand, is we have a vehicle that's not licensed like a golf cart, but obviously someone has filed a claim with MPI because they're injured. Is it the intent of MPI to—should it only be licensed vehicles or does it cover all motor vehicles, or how can we find that distinction, or are you subject to the courts perhaps?

**Hon. Andrew Swan (Minister of Justice and Attorney General):** Yes, I mean I'll take that because it is more on the policy and law side. Yes, the decision came as a surprise to MPI, that it's a—an uninsured vehicle in which the individual was injured and the court decided that person should be entitled. I can tell you we've had some discussions with operators of golf courses and there's really two

choices that come out of the decision. One is to then bring golf carts under the insurance scheme and make golf courses insure them all, or change the legislation. And I think we're all in agreement that making an amendment to clarify that golf carts and other similar types of vehicles that aren't normally operated on Manitoba's roadways would not allow benefits to be paid. The whole idea is we want to match as much as possible the premiums that people pay to insure their vehicles with the benefits that they get. So don't be surprised if we come forward with some amendments, which I'm sure the opposition will be happy to accept because I don't think anybody wants to go back to golf courses and nobody wants to go back to the golf courses and tell them that we're now insuring a whole bunch of vehicles that nobody intended to be insured by our system.

**Mr. Chairperson:** Oh. Okay, Ms. McLaren, then we can proceed off to the next one.

**Ms. McLaren:** On to No. 2?

**Mr. Chairperson:** On to No. 2.

**Ms. McLaren:** Recommendation No. 2: We recommend that MPI provide additional written benefit information tailored for catastrophically injured claimants and claimants requiring vocational rehabilitation and post the PIPP procedures manual on its website. The PIPP product brochure has been updated; it is at the printer's, and we will certainly be enhancing the information that's available on the website as well.

**Mr. Helwer:** I think we can carry on to No. 3, Mr. Chair.

**Ms. McLaren:** Recommendation No. 3: We recommend that MPI improve its processes so that it meets its target of providing claimants with their first income replacement benefit within 21 days, and as of March of this year, a phased implementation of a new active case management strategy began in December of 2011. These new processes include a proactive approach to collecting required supporting claim information which will expedite the first income replacement payment to be paid within the 21 days from the date the accident was reported.

All staff groups have been trained on the new processes and we have targeted an 80 per cent compliance rate by the end of this month.

**Mr. Helwer:** I guess when I look at—thank you, Mr. Chair, through you to Ms. McLaren—when I look at



the phone calls that I receive and the letters and emails, this is probably the area that is the most difficult to deal with because it's—they're very compelling stories and, you know, sometimes the individual breaks into tears on the phone as they're going through the processes they've been going through with MPI, and I'm sure you get that as well. But there are, I guess, in the last several months, several cases that have come to my attention that are maybe not following the 21-day rule, and I'm sure you have those cases, obviously, that they fall outside of that parameter.

\* (17:40)

So in those more difficult cases, where you have some impairment for the individual, it's as if they need an advocate to act on their behalf, intervening with the system. Because they're not able to, maybe, make those decisions as they go through their rehab process. And when they get the letter from MPI saying, perhaps, you've got 30 days to appeal, well, that goes on the pile, because that's not the most critical thing right now; the rehab is.

So is there an area that we can look at the timely benefits in creating an advocate type of system? I know that you deal with that a little further in the report to help them through this process. Does that sound unrealistic or is it a possibility?

**Ms. McLaren:** Well, we pay a lot of attention to section 150 of the legislation, which really spells out our duty to advise and assist claimants. We are intended to be, and we expect our staff, we expect ourselves to be their advocates. It is fundamentally contrary to the approach of this program, and the way we administer it, that we look for any opportunity not to pay claims, not to pay benefits. We have our accountants, our income replacement indemnity calculating staff visit claimants' homes, sit down with them.

I can tell you that probably the most common employment situation where we fail to meet the 21 days is in self-employment, because the reality is, you know, if you work for bureaucracy, like I do, I get this nice little paystub, and I get this nice little payroll reporting information that I can give to anybody who needs it. Those of—those people who maintain that on their own have a lot more trouble doing it.

So I think we do take our responsibilities very seriously. We do sit down with them. We always, I mean, we're human like everybody else, and

sometimes we just make mistakes, and sometimes we don't follow up, but we don't believe that some sort of advocacy function outside of the case manager, whose job it is to work with the claimants, is necessary or prudent or would help the claimant any more than it's our job to help them, as well.

**Mr. Chairperson:** Ms. Bellringer, would you care to comment on that as well?

**Ms. Bellringer:** And, in the context of what you were asking at the very beginning around whether or not the response would resolve the recommendation as we've written it in this report, certainly, it sounds like something that is in progress. And the real test will be when you're able to measure the actual—how many days is it taking to do this. And so we would look for that little—down the road when—I'm hearing a target of 80 per cent by the end of the month, so we would look to see that that's being reached and it's improving.

One thing we didn't do was put in—we measured against the target that MPI had set for itself, as opposed to suggesting what the appropriate target would be, and we're still comfortable with that. But we didn't say it should be 100 per cent of the time or 50 per cent of the time, and so it would be useful to know—when we go to look at it, we'll probably be asking, so what percentage of the time is it being met and does that—we would never expect 100 per cent of the time. That's unreasonable. Of course, it's a great goal if you can ever get there.

**Mr. Cameron Friesen (Morden-Winkler):** Mr. Chair, through you to Ms. McLaren. Then perhaps you could just indicate for us, is there a way to tell, at this point in time, where we are toward achieving that target?

**Ms. McLaren:** Yes, I can tell you that in April and May an informal audit that we did ourselves showed that 81 per cent were paid within the 21 days.

**Mr. Friesen:** Thank you, and how would that compare to, let's say, a year ago? Would you have taken any measurements at that time?

**Ms. McLaren:** I would just refer back to what the Auditor General mentioned a few minutes ago.

**Mr. Chairperson:** Further questions in that area? We're moving forward to the next point. Okay.

**Ms. McLaren:** Number 4?

**Mr. Chairperson:** Please.

**Ms. McLaren:** We recommend that MPI use training, supervision, electronic reminders, checklists or other similar mechanisms to ensure all benefits are identified and paid promptly.

This gives me a bit of an opportunity to speak about the improvement initiative that was under way during the course of the audit, where we invested significant resources over several years to really completely redesign the infrastructure and the supports in place for staff to handle injury claims. We wanted to have, and did have, a complete, thorough look at the organization structure, the position descriptions, the training that was in place for staff, and also part of what we did is we introduced a case management computer system owned by a company called FINEOS that does business with some of the most competent organizations running—administering benefits like MPI is doing here in Manitoba. Their clients include the accident compensation commission of New Zealand, the Transport Accident Commission of the state of Victoria in Australia, the Road Accident Fund in South Africa. So we are all FINEOS clients, all of us involved in administering benefit schemes, very similar to PIPP, and have selected this company because it's a very robust case management tool that provides exactly the kind of electronic reminders, checklists, parameters, and management reporting that truly guide our staff in the highest priority items they need to do each day and provides really effective reporting to management as to how that is all going and who might need some help.

It—we're very, very pleased with the results of that major, multi-year initiative. And our staff are really getting more and more comfortable every day with using this new online system. It's a paperless claim file. They have the information that they need with them on their laptops whenever they need to go and visit claimants, or anything else they need to do. It's working really well for us. We do have all of those items; training and on-coaching through their supervisors. An organization structure where people, doing the same kind of work, work together in a collaborative fashion—we're calling them pods—so that they are able to help and coach and support each other.

It also means that if someone is away on training, or away on vacation, that the person at the next desk can answer the call, that when the claimant calls in, as well as the case manager themselves could, it's working very, very well.

But, a few stats I can give you to sort of support our position that that recommendation has been executed. I can tell you that 89 per cent of customer-submitted accounts have been paid within five working days. That was back in—two months ago, back in May; 99 per cent of vendor accounts are paid within—have been paid now consistently within 30 days, and 99.97 per cent of case management decisions are not appealed. And, I guess, as you've said, we'll get to appeals later. But it sort of—as I was talking about earlier, you know, you have these 15,000 claims, and then each step of the process narrows and narrows and narrows the number of really serious decisions and ongoing relationship that we have with claimants.

But that is what I would say about recommendation 4.

**Mr. Helwer:** Through you to Ms. McLaren, so 89 per cent of the claims have been paid within that period. Are—is that of the number, or of the dollar value? Like, are the more complex higher value claims the ones that are in that 11 per cent that aren't paid? Is that—would that be an appropriate comment?

**Ms. McLaren:** Possibly. You know, the—there are fairly few situations where customers submit accounts for reimbursement by us. Most of the time, you know, that would not include income replacement payments. It would not—most—almost all the time physiotherapy treatments and things like that are paid direct to the provider. This might be someone who had—who lives outside of Winnipeg, has to come into Winnipeg for a treatment or a consult. We cover their expenses, and so they would be sending us their hotel bills, their meal bills, things like that.

\* (17:50)

It could be something more complex that someone would be submitting their accounts for a significant home renovation, but that would have been something we would have preauthorized and approved upfront in collaboration with the claimant so we would not be surprised by the bills that come in later.

So I think, generally speaking, there would be a fairly narrow range of the kinds of bills that would come in through the customer-submitted accounts. There would not be significant substantive reimbursements that claimants would be looking for because most of the time we pay up front or we pay direct.

**Mr. Helwer:** So of that 89 per cent, then, what dollar value would that represent of the benefits paid? Is it 50 per cent, is it 70 per cent, or where are we on that number?

**Ms. McLaren:** Very small. They would really—the bulk of it would be things like travel and meal reimbursement. They would be a tiny percentage of the overall payments that we make through PIPP in a given year; I'd say less than 10 per cent, probably.

**Mr. Helwer:** Through you to Ms. McLaren, so this electronic reminders that you're using, would that also encompass when you might expect to see an appeal from an individual? Like, the—they will—the claimant will get a letter saying if you want to appeal this process you need to appeal within 60 days. And in—from what I've heard from people, those are often the documents that they set to the side and don't deal with because they're dealing with other more important issues. So is that something that in this electronic reminder for your staff that they would, say, you know, from this case we would expect to see an appeal on this date and if you haven't seen one by then you should be calling them to see if they're going to go through the process in order to make sure they get all the applicable benefits?

**Ms. McLaren:** No, that's not something that we would do. We send out—again, according to the law we are obligated to communicate decisions in writing to claimants and if the decision is to continue paying IRI there's nothing really appealable. That's not something that would fall into that category necessarily. But decisions to end, decisions to approve a different number of chiropractic treatments, anything like that we're obligated under the law to send that notice in writing.

And if people choose to—first of all, there's a two-step appeal process, an internal review process and then the appeal process. The internal review process is handled in a different division. It is not in the service operations, the PIPP management area, and the letter actually gives them direction as to where to file that request for internal review. It doesn't go back to the case manager at all. So we wouldn't ask the case manager to follow up on those. But you can see less than half of 1 per cent—and we would make thousands and thousands and thousands of decisions on, you know, the numbers of claims that we have every year. Thousands of decisions are made every year, few of them are sent to internal review. The odd time when someone would come forward and ask for an internal review outside of the

60 days, we would not turn that down. I don't know how many times we've ever rejected a request for internal review just because they missed the timeline; we wouldn't do that anyway.

**Mr. Chairperson:** Any comments on that one, Ms. Bellringer?

**Ms. Bellringer:** Not really. I'm—in terms of following up that recommendation, I mean, it's really the—promptly. So looking down the road what that time—how prompt are payments being made will really be the test.

**Mr. Chairperson:** Okay, if we could move forward then.

**Ms. McLaren:** Okay, recommendation No. 5: We recommend that MPI improve its consistency in offering and providing benefits for home renovations, exercise equipment, grief counselling, expenses exceeding the budgeted hours but not the dollar budget for personal care assistance and interest on late benefit payments.

And, overall, I would say that we have acted on all aspects of that recommendation in a number of different ways, largely through the implementation of the computer system back in September of 2010 that I talked about before. There are structured processes to require staff to complete rehabilitation plans, structured processes of scripting to offer grief counselling to people and so on.

I think one of the things that we also had—we made a policy decision on was to structure our approach to interest on late benefit payments and we have locked that down as well. So we would consider that to be complete as well.

Number 6: We recommend MPI send decision letters for all benefit decisions adequately explaining reasons for decisions in plain language. Fair enough recommendation. You listen long enough to the way I talk, you know how we always are referencing back to the law, and what it says in the act is so important to us. We do understand that's not necessarily always the best way to communicate with people, and we have to find the right balance. We can't make it too informal, but we have to find an appropriate balance.

And, again, through the implementation back in September of 2010, we went through over 300 letter templates and modified pretty much every one of them, using a workflow tool, going through each and every one of them to really find ways to clarify the written communication. And often, as well, what

we're doing much more frequently now, we are communicating directly in person or by telephone, so that when the letter shows up, it's not a surprise. That's probably the single greatest change that's happened and is working really effectively for us is by clearing off a lot of the paperwork administration that our staff were doing, they are able to make time to do things like that, and it really works much better.

**Mr. Blaine Pedersen (Midland):** So you talk about a new template and you talked about all these different templates you went through. Is this actually in place now? Have you arrived at a—and it's probably a different template depending on the instance, I would imagine. Is this actually in place and working now?

**Ms. McLaren:** Yes, it is. Yes, it is. The 300 templates have been created. There are processes within the system to monitor when staff use them. It actually triggers a notice when it seems, from other particulars of the case, that a letter should have gone out and it hasn't. That is all active now.

**Mr. Pedersen:** So in a couple of case files that I've been dealing with, I'll go back to them and make sure that they do have this decision letter, and we'll see how plain the language is in it, if they actually do have it. But—and I realize there's lots of issues.

The last—one of the questions I have, I guess, is do the case managers, then, initiate calls to explain complicated decisions? Or is it done on a regular basis that you would send out this decision letter to the claimant? Does the case manager follow up those letters when they go out?

**Ms. McLaren:** What the expectation is—and of course, nothing is able to happen a hundred per cent of the time—but the expectation is that there would be contact made first, the explanation given either in person or over the telephone, and the letter would follow.

**Mr. Pedersen:** And perhaps it comes up in one of the other ones, but I know in one of the recommendations, it's—we're finding still that the case managers are overloaded, have too many cases. And, in the two instances that I have, they are not able to contact their case manager. They have left messages, they have called; there's been no calls back. There's been—they've been unable to contact their case manager. So something is not working through here. You're telling me that this—these letters are going out, they're clear, that case managers are

calling ahead and following up, and yet that doesn't seem to be the experience that I'm having in the files that I'm dealing with.

**Ms. McLaren:** I mean, that makes sense to me that you would be hearing about the cases that are not going particularly well, and I'm not saying that we do absolutely perfect work in every case. We make some mistakes and things don't necessarily happen. We do have processes—I think you're aware of them—with the minister's office, with the assistants, with your help, and with the claimants' permission, we can certainly help look into these things from this end. And sometimes that's all that's needed is to get the working relationship back on track.

**Mr. Pedersen:** I did notice Sandra nodding over there when I talked about overloading of cases for the case managers, and—so what is the average caseload now for the case managers?

**Mr. Chairperson:** Ms. Pedersen—or pardon me. Ms. McLaren.

\* (18:00)

**Ms. McLaren:** Yes, the general average is around 50 per case manager—50 files per case manager. Now we haven't done a great deal of scientific work to determine the optimal number of cases per case manager of varying types of complexity, but this is certainly probably lower than it's been at different times. We do not have significant—even very many at all—I don't receive letters from injury claimants saying they just can't get through to their case manager. Now I'm not suggesting that it doesn't ever happen but it is not a frequent kind of complaint that I get and I'm not—if there was something in the Auditor General's report that said that 50 cases per case manager puts them into a grossly overloaded position, I missed that.

**Mr. Pedersen:** Like I saw it's the Auditor General, and did I read this in a different report or was there comments about caseloads?

**Ms. Bellringer:** Mr. Chair, none of us are recalling any section on that. There may have been a reference somewhere in there, but it wasn't something we looked at, no.

**Mr. Helwer:** I guess, through you, Mr. Chair, we can move on to recommendation seven then?

**Mr. Chairperson:** Okay, we'll go forward.

**Ms. McLaren:** Yes, the recommendation is that MPI, the Automobile Injury Compensation Appeal

Commission, the claimants' advisory office and the mediation office work together to reduce appeal backlogs. There is a mediation pilot under way. It was implemented in June of last year. It's almost a year old. They have been hearing appeals, and it is set to run for another two years. All indications are that it's a positive process and we will have good information for the government to decide what to do with the results of the pilot once it's complete.

Sorry, I was going to go on to No. 8.

**Mr. Helwer:** Through you, Mr. Chair, to Ms. McLaren, so the pilot project that you're halfway through, I guess, how many people are currently engaged in that process? How many have entered the process? How many have completed?

**Ms. McLaren:** To date, we've had about 180 applications from claimants to be part of the mediation process; about 70 to 80 have been completed, and I believe the majority of those actually resolved the issue.

**Mr. Helwer:** Through you, Mr. Chair, to Ms. McLaren, so this pilot project is—how do they—how do you decide that you put an application through there or is there a place on the website that you can find the pilot to go through that route as opposed to the normal route or is it just everything's going through the pilot project now?

**Ms. McLaren:** The mediation process is available for those who have filed an appeal with the Automobile Injury Compensation Appeal Commission, and in each and every case now the commission sends information to the mediation office and the mediation office writes to each appellant asking—letting them know about the mediation process and asking if they would like to be part of it.

**Mr. Helwer:** Through you to Ms. McLaren, so in the claimant advisory office is there a backlog of unresolved appeals and what would that number be?

**Ms. McLaren:** I don't have those stats with me tonight, we can look those up. There is some outstanding number of appeals most definitely, but I think the additional avenue of the mediation process is working well at this point and the appeal commission is certainly focused on doing its part to reduce the number of outstanding appeals.

**Mr. Helwer:** Mr. Chair, through you to the Auditor General, is there—I guess I'm a little lost on this one. Is there a way that we can measure process in this to see that we're doing better, or how would you

suggest that we look at numbers and that type of thing in this regard?

**Ms. Bellringer:** In the recommendation, we were looking at it from two perspectives. One being looking for the contact, so, you know, suggesting that there's a role MPI can play appreciating that they are independent organizations, but, secondly, seeing a reduction in the numbers. So it is a matter of actually tracking the number and seeing that it's going down to see if the steps are effective or not.

**Mr. Chairperson:** Okay, I see no further questions, so we'll move forward to the next recommendation.

**Ms. McLaren:** Okay, No. 8: We recommend that MPI clearly and regularly communicate to claimants the types of changes in personal circumstances they must report and promptly follow up all written and verbal reports received.

We have completed our implementation of this recommendation. One of the things that we have been doing more frequently is we send a benefits statement to each and every claimant at three months, six months, 12 months after the date that their claim opens. We therefore communicate to them everything that's been paid on their behalf during that window. It includes a paragraph advising them of the requirement to inform us of any changes in their personal circumstances, and we would include examples with that.

**Mr. Chairperson:** Can we move to the next recommendation?

**Ms. McLaren:** Number 9: We recommend that MPI review and clarify its policy for waiving different types of overpayments to ensure it's logical and consistently applied.

Again, we have completed that review. The overpayment and recovery functionality in the computer system is very comprehensive, and we have formalized and provided escalation processes for staff to use to make decisions about when any overpayment recovery might be waived.

**Mr. Chairperson:** We can move forward to the next recommendation.

**Ms. McLaren:** Okay, No. 10: We recommend that MPI reduce the delays in tax reconciliations and benefit adjustments by having claimants authorize it to obtain their tax information directly from the Canada Revenue Agency.

We did have a good, long look at this. Some of the considerations we looked at is the fact that this is not currently a large magnitude of a problem for us. We consider privacy very seriously. There could potentially be some legal impacts, a number of other considerations. And after reviewing that, we determined that while such an arrangement might be possible, probably is possible, entering into an information sharing agreement with the Canada Revenue Agency will not address the issues identified in the recommendation with respect to efforts to try to reconcile more quickly.

We have under consideration—we are looking at it in terms of whether or not management might want to recommend a change to the legislation to base our claimants' entitlements on the previous year so that no reconciliation would be required, which might be a much more streamlined and effective way for all concerned to deal with an issue—[interjection]—yes, for the people on the retirement income benefit.

**Mr. Helwer:** So it sounds like, to me, then, that you're not going to follow that recommendation. Is that a more accurate way of saying that they have all been acted upon, and, in fact, this one will not be acted upon?

**Ms. McLaren:** I agree. You know, we've been able to identify four cases that were late that might have been—benefited in a situation like this. And we also really think that there may be a better solution, and not require the reconciliation at all, so we think that that would be in everyone's best interest.

\* (18:10)

**Mr. Helwer:** Through you, Mr. Chair, to Ms. Bellringer, then, so, in light of that, Ms. Bellringer, that they're probably looking for another way to do it—and I have to admit that I've got concerns about getting the information directly from CRA as well, and the privacy implications of that. Is there a better way to do this in your view?

**Ms. Bellringer:** We'll have to look at that. It's not uncommon for arrangements to be made with CRA, and we see that in several departments right across government. That—it is a very quick way to get the information and get it accurately. So we'd have—we'll have to look and see if the alternative arrangements will address the concern or not.

**Mr. Chairperson:** And I see no further questions on that, so we'll ask Ms. McLaren to move to the next recommendation.

**Ms. McLaren:** This is one that has not been completed. Number 11, we spoke of earlier in terms of reviewing all the non-index benefits—I think we've covered that one off.

Number 12: We recommend that MPI project the number of part-time, temporary, seasonal and retired claimants, including those currently receiving long-term income replacement, that may obtain benefits in excess of their likely economic losses and estimate the future dollar impact.

This is something that we'd have had a look at. We—for a number of reasons, we don't believe we're really in a position to recommend any changes to that. I think we could—I don't know that it's fair to say we've actually gone through all the work of doing all the analysis and coming up with a dollar value as in the recommendation, but the concept of the termination of PIPP benefits for part-time earners is really a cornerstone of the way the PIPP program was established back in 1993. It is really based on the concept that someone's employment status as the world—the economic world that we live in today, someone's employment status is not quite as fixed in time as it might have been a generation or so ago.

And if someone—the concept—let me just step back and give you a little bit more background. You can stop me if I'm giving you too much background. But the concept is really if someone is unemployed, someone is staying home raising their children, not gainfully employed for the salary in a workplace, or someone's working part-time for exactly the same reason, the legislation contemplates that if they are unable to work for more than six months, at the six-month stage they will be deemed to be employable on a full-time basis. And that is just an objective way to make sure that people are not disadvantaged and that it reflects the reality of changing circumstances.

I don't know how we would have a system that would somehow—I can't contemplate what you would do. Like, interview neighbours to find out if someone ever really intended to go back to work? Because some people never do and some people work part-time for their whole life. But if you're so badly injured that at the six-month point you still cannot enter the workforce if you chose to, this legislation says that those people now qualify for full-time benefits. The injury has caused enough havoc in their life to put sort of a personal flavour to it, that trying to find a way to determine if they really ever would have gone back full-time into the workforce did not seem appropriate to the legislators of the day. That's

the way the plan was constructed; we're very comfortable administering it that way, and that's about as much as I would say at this point about that particular recommendation.

**Mr. Chairperson:** Comments on that, Ms. Bellringer?

**Ms. Bellringer:** When we write the reports, one of our objectives is to point out things like this to you as legislators and, at the end of the day, if you choose to not dispute it and not discuss it and not debate it, and that's the process you'd like the organization to follow, it's not unacceptable to us to hear that the organization doesn't intend to implement something, and then it's up to you to decide whether you're comfortable with that or not.

**Mr. Chairperson:** Seeing no further questions, we'll move forward to the next recommendations.

**Ms. McLaren:** Number 13 is outstanding. We mention—we discussed that earlier.

Number 14 recommendation, that we prepare rehabilitation plans that clearly document claimants' medical restrictions and set timelines and milestones for reaching maximum medical improvement and regularly monitor and document medical progress, so that benefits are promptly adjusted to reflect updated medical reports, and follow-up investigation occurs when expected medical progress is not achieved.

Absolutely, this recommendation was one of the key goals and objectives that we established prior to the audit, when we set down the path of the bodily injury management re-engineering process. It's absolutely critical that we give our staff tools to do this. And I don't mind saying, from 1994 until September of 2010, they had precious little ability to do that. They were working with paper files. It was very hard to keep track of what was supposed to happen then.

Some people stayed on IRI a little bit longer than they needed to because we didn't have good ways to track when they should have been recovering to the point of returning. All of the structure and features of this FINEOS case management software that I talked to you about, and all of our education and training and support for our staff and the organizational structure—our staff, is all really centred on achieving this. Every claim, except the most minor, really should include an early assessment of the case manager of what do I expect to happen. What's my best assessment of what will happen, at approximately what timelines for this individual?

And if you set that upfront, it gives you all kinds of support and clues as to when you might need to engage more actively, if it's not following.

So this is absolutely, absolutely part of what we have achieved. Then we implemented in September, and because staff weren't doing it before, it wasn't an easy thing for staff to get their heads around doing all of this right on day one. But I'm really comfortable with the progress that we're making. We're using the national occupation classifications. We're using the International Classification of Diseases, the ICD, 10 codes that physicians use. And we're—I—personally, I feel really good about how this process is working.

**Mr. Pedersen:** Yes, Mr. Chairman, so the adjuster does this planning, writes out this in the claim form about when the injured person should be able to go back to work, the expected medical process, and the treatments that have been to date and what treatments still will be expected to be done. Is this report shared with the claimant?

**Ms. McLaren:** The objective is for it to be prepared with the claimant—absolutely. This is—there's nothing confidential and secret that we would keep from claimants in this regard. The process is really designed to be very collaborative with the patient's key care provider. Sometimes, it involves family. Remembering that, you know, we don't deal just with workers, right. I mean often we're dealing with parents and children. Often it's older children whose elderly parent has been injured. So it's a very much a collaborative process that we really do our best with the knowledge that we have, from things like the ICD 10 codes and from our expertise as case managers.

We try to get an assessment of how this is most likely to evolve, what permutations and differences may unfold because of this particular claimant's circumstances, so that we can share some expectations.

And no one ever believes it's going to go exactly according to plan. But if you don't have some sense as to where it goes, it gives you a much compromised ability to gauge how well it's going throughout the rest of the claim.

\* (18:20)

**Mr. Pedersen:** Mr. Chairman, and so in one of the files that I'm dealing with, the claimant was told 60 chiropractic visits and that's it. There is no more and yet—and I realize that there's differing opinions as to

the ability of the claimant to work or not work, and there will be between the MPI and the claimant.

But yet I'm still not convinced that this is really happening out there, that the claimants and the adjuster are sharing all this information and working towards a suitable solution here, especially when—and again I'm going to go back to when they can't get even get a hold of the adjuster or their person. How is this plan—and I will go back and I will certainly be asking to see the documents from this file to see if this really is the case. Because I realize that there's a lot of pressure on the claimants sometimes to—health pressures and whatnot and, but—you're telling me that this information is all up, shared between the two after it's, not necessarily agreed to because there won't always be agreement as to the treatment procedure. The claimant may feel that they're entitled to more and MPI is saying, no, you're not. But—so this is all documented and my constituents should have all these files on hand?

**Ms. McLaren:** Yes, and I would say, particularly, for claims that have been initiated, opened since September of 2010. I'm not sure how quickly some people can go through 60 chiropractic treatments, but that claim may have been around for a while.

And you're absolutely right, sometimes there will be differences of opinions. And I'm not sure—I could go back to our offices and find a case where we had paid for 60 chiropractic treatments and then the 61st did the trick. The conversation that I would be wanting our case manager to have with that individual is that we really want you to think about trying another kind of treatment. Have you considered some other kinds of care? Have you considered another approach to this?

Because, I can tell you that, you know, many of those non-serious 10,000 claims a year that I was talking to you about earlier, many of those are chiropractic claims. The average chiropractic claim that we pay is for fewer than 20, you know, so, I mean, those are the kinds of conversations that should be happening.

But if, you know—you have a problem file there that we're certainly willing to help you with if your constituent agrees. You can't get a hold of the adjuster and you're not liking the decisions we're making, we need to sit down with that person.

**Mr. Helwer:** Mr. Chair, through you to Ms. McLaren, there's a reference to working with home care and how some people in the—in MPI feel

strongly that they need to work with them closely, and others, I guess, leave it more to the claimant. So has—have you had any intent on how you're going to co-ordinate, if at all, better with home care?

**Ms. McLaren:** Do you have the reference for that? Sorry.

**Mr. Helwer:** On page 220, just above recommendation 14, it says co-ordination with Manitoba Home Care program varied between case managers, some actively co-ordinated service deliveries, others left it to the family.

My question is: Do you have an intent to make this consistent between the service delivery or is it going to remain case by case?

**Ms. McLaren:** No, this is something that has changed very proactively since the legislative changes that provided specific benefits to catastrophically injured claimants back about three years ago now.

We absolutely do that work on behalf of claimants. If we think there are situations where someone may be entitled to both coverages, home care and also MPI, we are actively engaged with Manitoba Health, home care services branch, to make sure that that works out and is co-ordinated for claimants.

**Mr. Chairperson:** Do you have a comment on that, Ms. Bellringer?

**Ms. Bellringer:** We provided it as background information, and the reference to the legislation, as well, is in there.

So it—I mean, there's—this is, I would say, in terms of all of the recommendations in this report this will be the most difficult one to follow up because it is looking at the heart of whether or not—it's not just a matter of saying, yes, there's a plan in the file and it's documented. It's really—is this ensuring that the progress is being achieved?

**Mr. Chairperson:** Okay, I'd ask that—Ms. McLaren, to move on to the next recommendation, please.

**Ms. McLaren:** Ah, yes, recommendation 15. We recommend that MPI include a conflict of interest clause. We have prepared an engagement letter template for purchasing services that addresses the items there.

Number 16, recommend MPI prepare vocational rehab plans for all claimants able to work, but unable



to return to the same type of work done before the accident.

And I know you have the material in front of you, so maybe in the interest of time I won't read all the detail of that recommendation. And, again, with the implementation of our system back in September of 2010, the rehab planning tool has greatly enhanced the support and the structure around which our staff really do need to meet the expectations that they do exactly this kind of work.

**Mr. Chairperson:** I see no questions, so we'll move on to recommendation 17.

**Ms. McLaren:** Seventeen: We recommend MPI support all residual capacity determinations with documentation clearly demonstrating that the claimant's attributes match the physical, educational and other requirements of the determined occupation, and that there is sufficient market demand to reasonably expect the claimant to be able to acquire a job in that occupation.

Again, we believe that we have addressed that through the tools and structure as part of the implementation in September of 2010. The rehab planning tool does ensure consistent residual capacity determination. It does require documentation of the injuries, the transferrable skills, medical intervention and so on.

We have also, a year prior to that, implemented an approval process for residual capacity determinations where management reviews and approves all determinations. This process has really helped, as well, to introduce a lot of consistency and standard approach to people who are in this circumstance.

**Mr. Chairperson:** Seeing no questions, I'll move—recommend that you move to No. 18.

**Ms. McLaren:** Number 18: We recommend that MPI ensure that vendor recommendations made to claimants are based on an analysis of vendors, products, services, timeliness, costs and available discounts.

What we would say to this is that the regulation 4094, The MPIC Act, provides guidance on how MPI will reimburse claimants for costs incurred, for goods and services prescribed. The regulation does not have provisions for MPI to purchase goods on behalf of a claimant. Sometimes, with mutual consent, we're in a position to do that. We do have the legislated right to set medical treatment fees,

which it does reimburse, again, often directly. We have negotiated fee agreements, but we're not in the position with our legislation, unlike some others, possibly including the WCB act, we're not in a position to tell people that, you know, if they need the assistance of a walker or something like that, that they ought not to buy it from there, that they need to buy it somewhere else. And, you know, we—if it's a legitimate choice, and a legitimate circumstance, we reimburse the cost.

**Mr. Chairperson:** Comments from Ms. Bellringer?

**Ms. Bellringer:** I'm just reflecting on whether or not we made the recommendation to the wrong area. Because what we would say is, we certainly appreciate the position that MPI is in, that they have to follow the regulation, but we would perhaps suggest that government look at revising it if it's appropriate to do so.

**Ms. McLaren:** And No. 19 is in progress. We discussed that earlier. That's about outsourcing voc rehab services.

Number 20: We recommend that MPI use request-for-services letters consistently, and that the letters clearly state reporting requirements, engagement start and end dates and case co-ordination expectations. We have done that just a few weeks ago. We did establish an engagement letter and it is for purchasing services from external providers, and it does address the recommendation.

Number—

**Mr. Chairperson:** I see no questions, so we'll move to the next recommendation.

\* (18:30)

**Ms. McLaren:** Number 21: We recommend that MPI ensure that supervisors comply with its claim file review requirements and document support for all performance ratings.

And, again, we believe that we have acted on this recommendation. We are complying with the intent of the recommendation. Again, through this claims case management system that we've been using for, I guess, close to two years now, that does have active case management principles embedded in it. And if the supervisor is not following up on their responsibilities to their supervisors and to their own obligation to truly provide meaningful robust feedback to staff on their performance, their managers know much sooner rather than later. So

that is a strong feature of the way that we're administering these plans now.

**Mr. Helwer:** Mr. Chair, through you to Ms. McLaren, so if an individual has a problem with their case manager or their adjuster, what are their options?

**Ms. McLaren:** You know, we have had circumstances on occasion, not very often, where, you know, through no ill intent on either party's part the claimant and the case manager are just not working effectively together. We reassign the case to another case manager. That—we try hard to make that decision as quickly as it reasonably should be made without making it cavalierly. Our first choice would be to try to work with both the claimant and the case manager with the supervisor or another leader from that area to try to make that work more effectively. Sometimes the reality is it's just not going to, and we—so far, in my experience, have always been able to move it to another case manager and it's worked fine.

**Mr. Helwer:** Mr. Chair, through you to Ms. McLaren, so how would a situation like that come to your attention and how would a claimant actually make that request?

**Ms. McLaren:** The first line of defence that we publicize, you know, widely through the website and all other communications that we have: if anybody really truly has an issue with either their, you know, their vehicle adjuster, their injury case manager, their first line of defence is to speak to that person's supervisor. It's absolutely that you will get—you call the call centre and ask to speak to so-and-so's supervisor, you will be able to speak to that supervisor. That's what happens.

If that doesn't resolve it, you know, there's—it either goes, sort of, up the chain of command to the manager, the director, the vice-president, or customer relations is there to help as well. And often people—if people will call our call centre, just, you know, concerned and unhappy and unsatisfied with what's happened, the call centre will transfer them then and there to someone in the customer relations department. So those are really the two channels: up the chain of command or into customer relations.

Sometimes people go their MLA; sometimes they go directly to the minister, the Ombudsman. There's a lot of opportunity for people to finally connect with someone at MPI that if it's not working for them.

**Mr. Helwer:** Well, yes, by the time they get to us, they probably tried most of those things. And I guess my question would be, when they do come to us, what would you suggest they do?

Because they have—in the ones that I've heard from—tried to go to a different adjuster or written letters to you, and they're still having difficulties and there's obviously limited things that I can do other than write a letter to you or to Minister Swan. But is there anything else we can do? Because often these—I have one here that, you know, she's 17 months without any income because of the process she was going through and, obviously, it's a very critical time for them when they're calling us.

So is there something that you could recommend we do as MLAs to help these people or help you help these people?

**Ms. McLaren:** I would really like to believe that escalating it is helpful in just about every case. If you have a situation where someone has gone without an income for 17 months because we refuse to pay an income replacement, somewhere along the line we would have had an obligation to give her a decision letter that says we do not believe you are qualified for an income replacement. As soon as she has that letter, then she can go to internal review, then she can go to the automobile appeal commission. If you hear of someone who is just, like, struggling to get us to decide something, and we're not deciding it, please, try to escalate it through senior management, but also tell the claimant, do you have that in writing from them? And if you've got it in writing, you have the basis for an appeal. If you don't have it in writing, demand to get it in writing, because once you have that written decision, there are legislated provisions to take the next step.

**Mr. Chairperson:** I see Mr. Swan's hand. Would you like to add something to that?

**Mr. Swan:** Yes, if I could just add to that, I mean, as a former lawyer, as an MLA, and as the minister, I mean, many times, people do come in and they're very aggrieved and they tell you their version of events. And what I know is helpful is to maybe do some gentle cross examination to—as Ms. McLaren has said, to try and get as many details on the file, to have them bring as much paperwork as possible, because, obviously, people are upset and they may have fixated on MPI being the reason they're suffering the pain that they're suffering. So all I could add is for all MLAs, whichever side of the aisle they're sitting on, to try and gather as much

information even if it means getting at the shoebox of reports and things from constituents so that it can help you and can help MPI more quickly move to what the real nature of the problem is.

**Mr. Chairperson:** Thank you for those comments, and we'll move forward.

**Ms. McLaren:** I believe that takes us to No. 22: We recommend that MPI use the results of supervisory and quality assurance reviews to help identify corporate and individual training needs.

And coincident with the development of this new case management process, structure, and systems that we were doing at MPI, we've also been improving and re-energizing many of our basic management processes, as well, including our performance management programs. We have a new performance management process in place that has a fairly strict requirement for identification of training needs and building of training development plans, and we believe we have good structures in place now to meet the intent of this recommendation.

**Mr. Chairperson:** Yes, I just might add a question myself. Do you have a comment in regards to how many positions have been restructured in some of those areas to date, or are you using restructuring as part of that plan?

**Ms. McLaren:** Yes, basically, for the most part, most positions within the injury claims management area of the corporation have been revisited, revised, restructured. New training and development requirements have been put in place. Most of the staff working in injury case management have somewhat different job responsibilities today than they did two years ago, as do they have different tools and supports to do that work. We probably have 20 fewer people, approximately, about 20 fewer people, working in injury case management today than we did two years ago. So restructuring in terms of reorganizing, but certainly not a mass change in the nature or number of people doing the work.

**Mr. Helwer:** Yes, Mr. Chair, I just wish to correct my statement; I read the wrong number, it was not 17 months, but eight weeks without income, which is still a substantial time for anybody not to make car payments, but it's not 17 months. Sorry for that misleading—

**Mr. Chairperson:** Thank you for that correction, and I would ask Ms. McLaren to move forward.

**Ms. McLaren:** This brings us to the last recommendation: Recommend that MPI augment its claims management information by including customers with complex and long-term claims in its customer surveys.

We spoke about that earlier. I'm not sure what we will do with that recommendation yet. Measuring claim duration and tracking return-to-work outcomes for claimants receiving vocational rehab assistance: certainly, absolutely, believe that we need to—those final two, in terms of measuring duration and tracking return-to-work outcomes, absolutely believe that that is important to us. We are committed to do it; we have the ability to do it; and are doing it through the use of the new case management system, the international injury classification codes, the national occupational codes. We're in a good position to do this going forward.

\* (18:40)

**Mr. Pedersen:** Well, I have—and it doesn't necessarily relate to this particular recommendation, but just from what I've been hearing tonight, and I guess I'm skeptical, Mr. Chairman, and—of what I've heard because we had a committee meeting back in April, very lengthy committee meeting one night, and I did bring up one particular case that I had from a constituent. I had the release forms. I had the MPI's release forms. I had a promise from Ms. McLaren that she would report back to me or she would look into it and get back to me—never heard back from her. I brought it up with the minister in the loge in the Legislature one day. I had a commitment from him to bring it back, and yet I don't get it back.

And yet as I look through these recommendations, yes, we're following these, we're putting these into place, I just remain very skeptical about this is actually happening, that—and I have at least three MPI files right now open and I will go back now and see if they do have this letter, a recommendation or the—coming back from MPI because I realize that people are under pressure, they don't necessarily always provide me with all the information, but at the same time I think there's a duty and an obligation.

When I brought this case to you back in the April committee meeting and then I don't hear back from you what am I supposed to do with this? I went to the minister. That didn't help either, and the Auditor General's done a report on this. I'm not getting any answers out of this, and yet we're dealing

with people's lives here, and I'm put in a position where I'm trying to get answers and I'm frustrated.

**Mr. James Allum (Fort Garry-Riverview):** I'm not sure that the member's personal casework is the subject or the issue at stake here. If another committee meeting he didn't get the information, that's a different issue than what we're addressing here today in terms of the auditor's report.

**Mr. Chairperson:** Thank you, I'll take that under consideration, and I'm sure that the member from Midland is getting to a question that he wants to ask in that area, so.

**Mr. Pedersen:** The question is: What do I do?

**Mr. Swan:** Well, look, not to make it a point of order, but the case that the member's talking about is a damage claim, so outside of PIPP. But, generally speaking, getting back to what I said before, that it's—people are not always at their best when people have suffered loss or damage and I know we did have some discussions and I believe you brought the information you had forward but there hadn't been contact. I can tell you that when I did immediately send this in to MPI, it was actually a different story, that there had been contact that I'm sure you didn't know about, that I certainly didn't know about when we talked. In that particular case there—it sounds like there actually has been some more regular contact than we knew. I know in that particular case, you've got a constituent who—who's unhappy. We know that there's been some wait times outside of the control of MPI that I appreciate have been frustrated—frustrating for your constituent. But I don't think you can take one case where there's information outside the control of MPI and turn that into skepticism, in my view, of what MPI's doing.

I think tonight you've heard Ms. McLaren put forward a pretty comprehensive response to the hard work that the Auditor General and her staff have done. First time really that I guess the Personal Injury Protection Plan has really been reviewed, and I think that process has been helpful to MPI. Some areas were things MPI was already moving on. There are some other recommendations that caused MPI to take a fresh look at the way that personal injury claims are handled in Manitoba. So, you know, there's—I know a particular case that the member wants to raise, but overall I think we've seen some pretty impressive work by MPI to keep making the system better.

Again, not everybody is going to be satisfied. There are going to be people who will not get entitlements to which they think they should get. There are people who, no matter what system, no matter how it works, are never going to be put back into the position they were before they were involved in a motor vehicle accident and, unfortunately, that's the business that MPI is in. Beyond what's contained in the Auditor General's report, you've heard Ms. McLaren say that there's been some efforts made on the customer service side above and beyond the mere acting as an insurance company, trying to help people who suffer serious injury, serious loss, to help them deal with that and to help them move ahead. So I'll turn it over to Ms. McLaren if there's anything that she wants to add.

**Ms. McLaren:** For many years, we have surveyed a wide sample of injury claimants under the PIPP program. We have rarely scored much, much higher than into the 70s through most of my history with this program, which goes back to its inception. And acknowledging that you're really dealing with—you know, it's bad enough when your car gets banged up, but when you get hurt, it's really, really traumatic and disruptive, and we know there's a lot of challenges to our staff who do this kind of work. And we really believed it was important to us to put some better processes in work—in place to support them.

I can tell you that from—for the first time, the last time we did run these surveys of claimants, we scored an 81 per cent customer satisfaction. That is since we have implemented these new protocols, the new scripts, the new expectations. We're not going to get it right a hundred per cent of the time, but there are—nobody is more committed to doing this kind of work than the people at MPI doing this kind of work, and it's our job as their leaders to support them as best we can.

The Legislature has been very, very supportive in passing enhancements to the PIPP legislation. Closing in on three years ago, at a time in Ontario where they're debating cutting, again, the coverage available for catastrophically injured people, Manitoba has expanded it recently. We have higher than ever customer satisfaction scores. We take this work very, very seriously, we take these recommendations seriously, and it matters to us a great deal that we meet Manitobans' expectations when they are in the terrible position of having been hurt in a car crash.

**Mr. Chairperson:** Are there any—Mr. Helwer.

**Mr. Helwer:** I don't have any further questions, I just—I guess, if those were closing comments—they kind of sounded like it, but if you have any other comments, Ms. McLaren, or if the Auditor General has some as well.

**Mr. Chairperson:** Are there further comments?

**Ms. Bellringer:** In terms of this report, it was a systemic review. It was a performance audit and we'll do the follow-up in about a year.

We recognized in our office that—and it's not related to this particular report and I can't comment on the specifics that you've raised, but we did recognize some time ago that there are people who fall through the cracks. There are times when the—you need a safety net, and so we did set up an area in our office where we do look at individual issues to make sure that that is not the case. We actually don't have any issues with MPI that are—that have come in and that we're currently looking at, but—so I'm saying this in more general terms. But I—just, you know, as a bit of a comfort to those outside, we even—we will look at anonymous complaints, and I actually have to defend that with a number of people when we go into that because we recognize that sometimes the frustration level hits a point where people are afraid to put their name to the paper. And so we actually try to cut through what we call white noise because some of the letters are not all that attractive, and we try to look through that and say, if there was truth to what's being said despite that, is it something that we should look into. And we always do.

Much of our work is focused on making a contact with the organization that's responsible for it and making sure that they are taking the appropriate steps. We don't go in and look at everything because we just don't have the time, but we'll do what we can to make sure that the system is facilitating a solution

to the problems. And often we can't because it's too big, but where we can, we do follow the—all of the issues that come to our attention, we will follow them up in some way.

\* (18:50)

**Mr. Chairperson:** Thank you for that, and, Mr. Helwer.

**Mr. Helwer:** Thank you to the Auditor General. I'm encouraged that you're going to follow up in a year or so. There are a lot of recommendations you've made here that we—the MPI thinks they're going in the right direction. But measuring it will be a challenge I would imagine—imagine and be encouraged to see the next report. Thank you.

**Mr. Chairperson:** Are there any further questions? Seeing no further questions, does the committee agree that we've completed consideration of chapter 5? *[Agreed]*

This concludes the business before us, and the hour being 6:52, what's the will of the committee?

**Some Honourable Members:** Committee rise.

**Mr. Chairperson:** Committee rise.

I just want to thank, before we—before the committee rises, thank everyone for their attendance. Thank you for—Ms. McLaren and your staff and the board and Mr. Swan for being here, and Ms. Bellringer and your staff as well. Thank you very much.

Oh, yes, and we want to keep the books as much as we can for the next round of chapters in this if we could. So unless you imperiously need one, we'd like to have you leave them here. Thanks.

**COMMITTEE ROSE AT:** 6:52 p.m.

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