

NIICHO Compensation *Newsletter*

From the CHR Compensation Office

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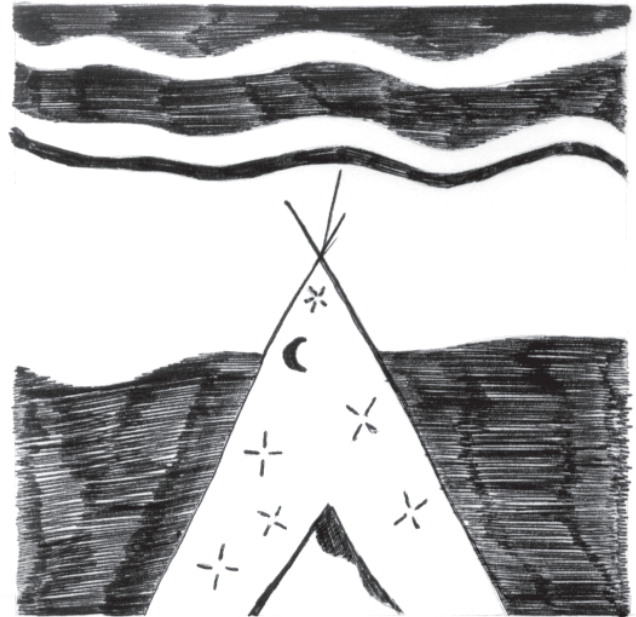
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WELCOMING NEW TRUSTEES

On January 18, 2002, two (2) new Trustees were welcomed by Chairperson Margaret Horn and Trustees Kathleen Mahoney and Rachel Ermineskin. Phil Fontaine has accepted the appointment of Trustee, taking the place of Norma Diamond. Scott Hamilton is the new designated representative of the Corporate Trustee, Royal Trust. He takes the place of Joe Marino as their representative. Both Ms. Diamond and Mr. Marino were no longer able to maintain their role as Trustees. In the case of Ms. Diamond a Successor Trustee was appointed. ❖



GOOD FAITH PAYMENTS

The beneficiaries of the third Good Faith Payment (GFP) have recently been informed of their estimated compensation. Adjustments of how the applications were processed was necessary because of the various situations that have come to light.

- Some applicants were not band employed CHRs and this could only be confirmed through their T4.
- Applications did not all arrive at the same time and each progresses at their own pace. Good Faith Payments were made in March 2001,

CONTINUED ON PG 2

INTEREST INCOME SUBJECT TO TAX



The CHR Trust Settlement Agreement states that Year 1 payments, the Good Faith

Payment, come from the interest income earned by the Trust fund. Interest income, is subject to tax. For this reason, the Trustees set the maximum amount of a Good Faith Payment at \$7,231. This amount is equal to the maximum personal income tax credit deduction for the taxation year. The Trustees make decisions in the best interest of all CHRs and are not responsible for uncontrollable factors such as the earnings of a CHR's spouse or gains from investment income. ❖

ISSUING OF T3 FOR INTEREST INCOME

At the end of each taxation year, the Royal Trust issues T3 tax slips to all who receive a payment from income earned by trust funds. The Trust fund interest income is CHR money and each CHR is entitled to their share of this income. Beneficiaries who receive a payment from 2001 Trust income will receive a portion of their payment from the interest income and will be issued a T3 slip from Royal Trust. ❖

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GOOD FAITH PAYMENT CONT.

August 2001 and January 2002 for a total of 1065 CHR who received a payment.

- Some applicants worked in the field of health but were not CHRs

***It must be determined
if the applicant is an eligible claimant***

To be eligible for compensation:

- You must have submitted written confirmation from the Band or First Nation entity that you were employed as a CHR
- You have provided information confirming that you were underpaid
- You have T4 information in your file confirming that your employer was a First Nation entity

In processing claims for the January 2002 payment, some applicants provided all necessary documents except confirmation that they held the position of CHR. These files cannot be considered for compensation until the Compensation Office receives that confirmation in writing.

CHR's approved to receive a payment were sent a letter that indicates their estimated compensation amount. Their Good Faith payment amount appears on the release forms. They must return to the NIICHRO Compensation Office the following before a cheque can be released:

- Signed Release form for Eligible CHR in favour of Her Majesty
- Signed Release form for Eligible CHR in favour of the Trustees and the Settlor
- Signed Declaration of Eligibility

It is highly recommended that the CHR **keep a copy of these and all other documents** they send to and receive from the Compensation Office for future reference. Our goal is to help CHRs and make it as easy as possible to understand the whole compensation process. ❖

***An underpaid CHR receives only
ONE (1) Good Faith Payment***

ISOLATION POST ALLOWANCE

Some CHRs received an Isolation Post Allowance (IPA) in their CHR salary. The T4 information combines the salary and IPA into one figure. Note that the IPA is an *employment benefit* and not part of the compensation calculation. If you received IPA, go to the Band Council and ask them to contact Health Canada for the Contribution Agreements. Having

the “rate per hour” separate from the “isolation pay allowance” rate will provide a more accurate compensation calculation for a CHR. Compensation calculations will be based on the evidence in the file. ❖

Compensation calculations

will be based on the evidence in the file.

JUNE 2002 PAYMENT DEADLINE

The deadline to submit salary information and other supporting documents is

JUNE 14, 2002

The information received up to that date will take the Compensation Office several weeks to process. Therefore, the first payment from the capital of the Trust Fund should only be expected by the end of July 2002. ❖

WHAT IS NEEDED FOR THE NEXT PAYMENT

Although a Good Faith Payment was received by 1065 CHRs, this does not mean that those claims are finalized. If you have kept copies of everything you sent to the Compensation Office, please review them. You must have in your file:

- Completed and signed Application form, without which there is no official compensation claim

- Completed and signed Consent forms, without which there can be no search from government sources

- Confirmation that you were employed as a CHR, without which the calculations for compensation will not be processed

- Salary Information: T4s, pay stubs, Contribution Agreements and other salary information to construct your employment history, without which there can be no basis for calculations. If Isolation Post Allowance applies, proof must be provided.

There are a number of files where the application form/consent forms are blank or not signed. These files are considered as “incomplete” and cause delays in the processing. Confirmation that you were a CHR is stressed because it is absolutely necessary. ❖



UNABLE TO ACQUIRE SUPPORTING DOCUMENTS

It is the CHR's responsibility to gather information to support their claim for compensation yet many factors can impact on the availability of this information. The changes in local government and the length of time records are kept are a couple of factors that could hinder accessing the documents needed to support a claim. If no information can be obtained, the Trustees will require two (2) affidavits that have a

Commission of Oaths or Notary seal:

- One signed affidavit from the CHR themselves;

- A second signed affidavit from a "credible" person who can attest to a statement concerning that the individual in question was a CHR during the specific period of their claim: Nurse in Charge, Band Councilor, former Chief, CHR co-worker

If you are unable to gather any documentation, please inform the Compensation Office as



soon as possible to address the problem.

The Consent forms submitted with your application allow NIICHRO to request information on your behalf from government departments.

- *Human Resources Development Canada (HRDC)* can provide your Record of Employment that indicates the dates you were employed as a CHR

- *Canada Customs and Revenue Agency (CCRA)* can provide your T4s that indicates who your employer was and how much you earned in that specific year while the T4E indicates the amount you earned while unemployed;

- *Health Canada* can provide memos and/or reports you submitted as a CHR ❖

REQUEST CONTRIBUTION AGREEMENTS

The CHR can ask their band to submit a request to Health Canada for a copy of the Contribution Agreement for their period of employment. Health Canada has a form for the Band Council to sign, releasing the budget section of the Contribution Agreement to the NIICHRO Compensation Office. The Compensation Office will make every effort to cross-reference Contribution Agreements to CHR applications from the same community. ❖

ESTATE FILES

In addition to the forms required for all applicants, the CHR's Estate file must contain: the Death Certificate and proof that the applicant signing the documents on behalf of the estate is the legal administrator or executor: Letter Probate, Letter of Administration or Appointment of Administrator. This document is necessary as it not only allows searches in government departments for salary information but also permits the Compensation Office to release the compensation cheque. ❖



PAYMENT FACTORS

Compensation calculations take into consideration the following factors:

Your application; other applications received; and future applications not yet received - an estimate of the percentage of the Trust Settlement eventually to be paid to other eligible CHRs for whom no information is yet available;

Your personal calculation takes into consideration:

1. The periods of time you were employed as a CHR;
2. The pay received during those periods;
3. The pay that you would have received if the Government's GS-General Services pay scale had been applied during those employment periods;
4. The difference between the two amounts; the value of the difference of underpayment is accumulated and indexed to June 30, 2000 based on Canada Saving Bond interest rates. ❖

PAYMENT STAGES

The CHR compensation payments are processed in stages:

Stage 1	\$ X amount	Good Faith Payment
Stage 2	\$ Y amount	40% - 60% of compensation
Stage 3	\$ Z amount	<u>Balance of compensation</u>

The sum of all three (3) stages = TOTAL COMPENSATION AWARDED

Stage 1 \$ X amount Good Faith Payment

Receipt of Application and gathering evidence to support the claim you were a CHR and underpaid while employed by a First Nation entity during the period September 9, 1980 to June 30, 2000. A Good Faith Payment was presented to 1065 CHRs whose files have sufficient information to demonstrate that they were underpaid while employed as a CHR by a First Nation entity. The Good Faith payment stage was completed in January 2002.

Stage 2 \$ Y amount 40% - 60% of compensation

Review and up-date all files with any new VALIDATED salary information that has come in for calculations of the payment on or around June 2002. Your file must contain the application, three (3) consents, proof that you were employed as a CHR, the rate per hour for every year you were a CHR and the number of hours worked for every year you were employed as a CHR

The 40% - 60% payment of the Trust is expected to be distributed by the end of July or early August 2002. This payment will come from the Trust capital.

Stage 3 \$ Z amount Balance of Compensation

Bring all CHR claims to completion. Each file will be reviewed and recalculated if any additional VALIDATED information has been placed in the file since the last payment. Make final payments to the CHRs.

CALLING THE COMPENSATION OFFICE

When you call the Compensation Office, you must leave your full name and phone number with the area code and the reason for your call. There are many occasions when “Hi, this is Mary, call me back” is the message left on the answering machine. We are unable to return Mary’s call and Mary will be frustrated that we did not call her back. So, once again, as a reminder, please leave your full name and phone number with the area code and the reason for your call. ❖

Toll-free phone: 1-866-644-2476

Toll-free fax: 1-866-635-3135

Ken Williams Ext 222

Kim Norton Ext 223

Brandi Meloche Ext 224

Debbie Dedam-Montour Ext 225



YOUR ADDRESS & PHONE NUMBER

Please inform the Compensation Office of any change in your mailing address or phone number. Why? We are preparing for the first payment from the Trust capital and you will be contacted to clarify any questions that may arise from reviewing your claim. If we are unable to reach you to obtain

the answers, we may not be able to issue a cheque within the time frame you expect. Another reason to keep the Compensation Office aware of how to reach you is to ensure that when a cheque is issued, that it is sent to the correct address. ❖



TRUST AGREEMENT ON THE INTERNET

There have been calls from CHR requesting their password to view their file to see how it is progressing. This is not possible because a CHR’s data file is not linked to the Internet. The document that can be viewed with the password is the CHR Trust Settlement. It is available on the NIICHRO website: <http://www.niichro.com>. Please note that the Settlement is only available to claimants. CHRs that are registered with the Compensation Office can contact Kim Norton at the Compensation Office to verify that they are on the list and get their password. ❖

NIICHO's 2002 ANNUAL GENERAL ASSEMBLY

The 2002 Annual General Assembly of the National Indian and Inuit Community Health Representatives Organization will be held at the Radisson Saskatoon Hotel, Saskatoon, Saskatchewan. Following the Assembly, there will be a 2-day National Training Session that offers interactive, hands-on training designed to enhance the capabilities of Community Health Representatives and other health workers in the areas of SIDS & FAS/FAE. This year's theme is "Healing Hearts - SIDS & FAS/E"

Annual General Assembly June 14, 2002

National Training Session June 15 – 16, 2002

Registration fees: \$325 for CHRs \$375 Others

For more information, contact the NIICHO Training Session Coordinator

Tel: (450) 632-0892, ext 22, Fax: (450) 632-2111 ❖

QUESTIONS FROM CHR'S

1. Why is the next payment so late?

Although the payment may seem late, we are actually on schedule as per the Trust Agreement. The Good Faith Payments (GFP) comes from the interest earned by the Trust Fund over six-month periods.

<u>Interest Period</u>	<u>GFP Payment</u>
June 30 - December 31, 2000	March 2001
Jan 1 - June 30, 2001	August 2001
July 1 - December 31, 2001	January 2002

2. Why were the CHR's who were considered for this last Good faith payment required to provide more evidence of their eligibility than those in the March Payment?

Adjustments on how applications are processed, i.e. more evidence being required, were necessary because of the various situations that have come to light. Some applicants were not employed by the band, were not CHR's or were employed by the Government of the Northwest Territories or Nunavut and therefore not eligible for compensation.

3. How is my compensation calculated?

The amount you earned as a CHR from Sept 9, 1980 to June 30, 2000 is compared to what you should have earned as a General Services rate. The difference in the two amounts is indexed to the value of the dollar up to June 30, 2000. The Compensation Office is still receiving applications so any compensation figure given to a CHR is called an estimate. Only by June 2003 is the compensation calculation expected to be complete.

4. Why can't someone from the Compensation Office come to our regional meetings?

The regional meetings would be costly. The newsletter was considered the most effective way to inform CHR's of how the Settlement is progressing in addition to providing the same information to all CHR's. If you have questions or concerns, please send them by fax to: Debbie Dedam-Montour, Administration Officer, NIICHO Compensation Office. Only questions or concerns that have not already been answered will be included in future issues of the CHR Compensation Newsletter.

5. I was a CHR for 15 years. Could you explain why my Good Faith Payment (GFP) is so small?

The Good Faith Payment (GFP) is based on the salary information available in your file and validated with T4 information - in your case, only 5 of the 15 years of information is validated for the GFP calculation. Of those 5 years, you were only underpaid for 3 of the 5 years. At the time of making the payment, we provide an estimated amount of compensation, which will change once more information is available from all other CHRs.

6. How can the compensation be calculated when all the information was not received?

Those calculations are the job of the Actuary and are very technical. Put simply, the actuary makes forecasts and estimations on the potential number of CHR that may apply based on information provided by Health Canada i.e. the total allocation of person years per band for the period from 1980 – 2000.

7. If the monies are not used up, what happens to the remaining dollars?

The goal is to distribute as much of the Settlement to CHRs as possible however some portion of the Trust Fund is likely to remain on termination. If it is not in the best interest of the beneficiaries to distribute the remaining assets of the Trust fund to CHRs because it is not cost effective, the Trustees shall apply to the Courts of Queen's Bench of Alberta for direction. This is a decision that will only be made at the end of the Trust in June 2005.

8. Who changes the rules in regards to the board or the trust?

The Trustees make all decisions regarding the Trust Fund, as that is their responsibility as well as their liability. Modification of how things were planned or established is a result of the evolving quality and quantity of the information received by the Compensation Office. The following are some of the modifications undertaken and the reason for each change:

- a) Good Faith Payments made in stages - because of the taxable income of the Trust in 2000 - payments had to be made by March 2001 and there were a limited number of applications at the time so payments were spread out;
- b) We require T4s: some applicants were not employed by a Band or First Nation entity so T4 became necessary to confirm the employer
- c) We require Contribution Agreements: To confirm hourly rates and number of CHR hours allocated per community
- d) We require a Band letter to confirm that the applicant was a CHR - some applicants were not employed as a CHR.

9. What will happen if I cannot get any supporting documents?

It is the CHR's responsibility to gather information to support their claim for compensation yet the Trustees also understand that many factors can impact on the availability of this information. Although the applicant has provided a signed application form, the Trustees require two (2) affidavits that have a Commission of Oaths or Notary seal: One signed affidavit from the CHR themselves; the other, a signed affidavit from a credible person who can attest to a statement concerning that the individual in question was a CHR during the specific period of their claim: Nurse in Charge, Band Councilor, former Chief, CHR co-worker. ❖

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