

Priority: Accountability
Program Offer Type: Existing Operating
Related Programs: 72015

Lead Agency: County Management
Program Contact: Mindy Harris

Program Characteristics:

Executive Summary

The Workers' Compensation Section manages work related employee injury and illness and assists employees in returning to their jobs.

Program Description

To provide workers' compensation benefits in accordance with state law. Multnomah County has been self-insured for workers' compensation claims since 1978. Claims are administered through a contract with a third-party claims administrator. Staff work with employees, supervisors, physicians, and managed care organizations to accurately and timely process claim benefits for the injured employee. Internal workers' compensation specialists focus on service, cost containment, and compliance efficiency. This section is responsible for the County's return to work program and follows state requirements necessary to benefit from the Workers' Compensation Division's Employer-At-Injury reimbursement program.

Program Justification

The Workers' Compensation Section actively manages all phases of the claims process. This allows timely and efficient delivery of services and eliminates duplication within the County. This administrative process assigned to one section promotes fairness, respect, and consistency across all departments. This section is the direct contact with employee, the department, and external providers within the workers' compensation system. This section monitors and positively impacts the quality of service from external providers. This activity directly reduces claim costs by being the advocate for early return to work and appropriate treatment. The the workers' compensation staff maintains claims examiner certification to keep up-to-date on regulatory changes and industry standards. This requirement gives the staff expertise that positively impacts service ability and cost containment efforts. This section partners with departments for modified duty return to work placement which lower claim cost and retains highly trained employees. The section also works with the County's Safety section to keep claims costs down by analyzing historical data and identifying areas to focus safety activity.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY04-05)	Current Year Purchased (FY05-06)	Current Year Estimate (FY05-06)	Next Year Offer (FY06-07)
Output	Processing required notices and payments timely as measured by OR-WCD	0%	95%	95%	95%
Outcome	County Experience Modifier of less than 1.0	70%	70%	70%	70%
Efficiency	light duty placement success rate	0%	0%	0%	90%
Quality	State annual audit of reimbursements for light duty less than 5% errors	0%	95%	100%	95%

Performance Measure - Description

- 1)Quarterly claims processing performance as reported by the State Workers' Comp Division-Self insured employers must be above 80% for timely claim filing, timely first payment of time loss compensation, and Accept/Deny determinations.
- 2)A workers' compensation experience modifier of less than 1.0. Currently at .7 which demonstrates the County's ability to manage claims better than the insurance industry average of 1.0. This demonstrates a self-insured employers' ability to pay less in total claims cost than they would if they were insured externally. Below 1.0 lower costs than insurance based, above 1.0, higher costs than insurance based.
- 3)90% success rate at placing injured workers in light duty positions aids the department in maintaining services with current trained staff and lowers time loss costs. Measurement not previously recorded.
- 4)EAIP (Employer-At-Injury-Program) annual audit produces less than 5% errors, allowing the County to maximize the 50% wage reimbursement opportunity for light duty placement while an employee is healing from a work related injury or illness. The state system will subsidize 50% of hourly wage up to 66 working days as long as the light duty position meets the treating physicians' current work restrictions. Administrative Procedure RSK 5 details Multnomah County's light duty program

Legal/Contractual Obligation

Oregon Revised Statutes Section 656, Oregon Administrative Rules 436, requires workers' compensation coverage be in force for employees. Oregon Administrative Rule 437 outlines Occupational Safety and Health requirements and Multnomah County Code 7.101 (5) also defines the functions and uses of the Risk Management Fund. Self Insured employers certify under ORS 656.430 and must meet the qualification described in ORS 656.407.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2006	2006	2007	2007
Personnel	\$0	\$226,369	\$0	\$234,671
Contracts	\$0	\$300,000	\$0	\$225,000
Materials & Supplies	\$0	\$1,842,861	\$0	\$2,194,882
Internal Services	\$0	\$75,841	\$0	\$65,447
Subtotal: Direct Exps:	\$0	\$2,445,071	\$0	\$2,720,000
Administration	\$0	\$0	\$12,479	\$855
Program Support	\$0	\$0	\$3,073	\$0
Subtotal: Other Exps:	\$0	\$0	\$15,552	\$855
Total GF/non-GF:	\$0	\$2,445,071	\$15,552	\$2,720,855
Program Total:	\$2,445,071		\$2,736,407	
Program FTE	0.00	0.00	0.00	2.50
Program Revenues				
Fees, Permits & Charges	\$0	\$2,282,458	\$0	\$2,500,000
Other / Miscellaneous	\$0	\$200,000	\$0	\$220,000
Program Revenue for Admin	\$0	\$0	\$1,025	\$0
Total Revenue:	\$0	\$2,482,458	\$1,025	\$2,720,000

Explanation of Revenues

The Workers' Compensation section receives its revenues through internal service reimbursements assessed using historical data. All liabilities associated with workers' compensation claims are fully funded in a reserve account.

Significant Program Changes

Last year this program was: #71015, Human Resources - Workers Compensation