

**Lead Agency:** County Management

**Program Contact:** Michelle Cross

**Program Offer Type:** Existing Operating

**Related Programs:**

**Program Characteristics:**

### Executive Summary

The Workers' Compensation Section manages the work-related employee injury and illness process and assists employees in returning to their jobs after an injury or illness occurs.

The Safety and Health Section oversees the loss prevention efforts of Multnomah County. The section assists each department in meeting the loss prevention requirements for a workers' compensation self-insured employer and Oregon OSHA compliance.

### Program Description

Provides workers' compensation benefits in accordance with state law. Multnomah County has been self-insured for this mandatory program since 1978. Claims are administered through a contract with a third-party administrator (TPA). Staff work with employees, supervisors, physicians, the TPA, attorneys, managed care organizations, and other vendors to accurately and timely process claim benefits for the injured employee. Internal workers' compensation section employees focus on service, cost containment, and compliance efficiency. The Workers' Compensation 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.

The Safety and Health Section is aimed at reducing employee on-the-job injuries and employer liability due to injuries to non-employees. Safety and Health staff consult with County departments to assist them in providing a safe environment for both employees and the public. It helps identify and abate deficiencies related to occupational safety and health regulations. All loss prevention activity needed to maintain the workers' compensation self-insured status is managed by the Safety and Health staff.

### Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY10-11)	Current Year Purchased (FY11-12)	Current Year Estimate (FY11-12)	Next Year Offer (FY12-13)
Output	Number of site safety visits designed to meet loss prevention requirements.	26	30	30	24
Outcome	County Experience Rating Modifier less than industry average	30.0%	30.0%	30.0%	30.0%
Quality	Meeting timeliness requirements for notices and payments as measured by OR-WCD.	90.0%	95.0%	95.0%	95.0%
Output	Number of safety and health training classes presented to County.	36	0	24	24

### Performance Measure - Description

- 1) Perform site safety visits annually and assist Departments and Offices in abating identified deficiencies. Staff goal is to visit areas with a high-frequency of injuries on an annual basis and all worksites at least once every three years. Offer for FY12-13 is based upon Risk Management Division having lost two personnel.
- 2) A workers' compensation experience modifier below industry average demonstrates the County's ability to manage claims better than the insurance industry average, resulting in paying less for total premiums. Multnomah County pays 30% less in premiums than the industry average. Premiums are calculated based on total payroll.
- 3) Quarterly claims processing performance as reported by the State Workers' Compensation Division. Self-insured employers must be above 90% for timely claim filing, timely first payment of compensation, and compensability determinations. Maintaining this level or above demonstrates high quality of service.
- 4) Training and education helps employees prevent injuries and losses. Safety and Health staff provide regular County-wide training in defensive driving; handling potentially volatile situations; first aid/CPR/AED use; supervisor safety expectations; and hazard communication. The number of classes offered is based upon requests, identified areas of need, or OSHA programmatic requirements.

## Legal/Contractual Obligation

Oregon Revised Statutes Section 656 and Oregon Administrative Rule 436, requires workers' compensation coverage be in force for subject employees; Multnomah County Code (MCC) 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.

MCC 7.102 and 7.103 establishes the safety and loss prevention program in the County. The Oregon Safe Employment Act, ORS 654, establishes minimum safety standards for employers. Oregon OSHA, as outlined in OAR 437-001-1005 through 1020 and 1050 through 1060, requires each self-insured employer to have a written loss prevention plan for each location and to provide safety and health loss prevention services for each worksite.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2012	2012	2013	2013
Personnel	\$0	\$618,849	\$0	\$682,276
Contracts	\$0	\$180,000	\$0	\$155,000
Materials & Supplies	\$0	\$2,248,241	\$0	\$3,524,284
Internal Services	\$0	\$93,077	\$0	\$0
<b>Total GF/non-GF:</b>	<b>\$0</b>	<b>\$3,140,167</b>	<b>\$0</b>	<b>\$4,361,560</b>
<b>Program Total:</b>	<b>\$3,140,167</b>		<b>\$4,361,560</b>	
Program FTE	0.00	5.50	0.00	6.00
<b>Program Revenues</b>				
Fees, Permits & Charges	\$0	\$3,140,167	\$0	\$4,211,560
Other / Miscellaneous	\$0	\$0	\$0	\$150,000
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$3,140,167</b>	<b>\$0</b>	<b>\$4,361,560</b>

## Explanation of Revenues

The Workers' Compensation and Safety and Health Sections receive their revenues through internal service reimbursements assessed using historical data. The rates vary by department, but, in general, the County rate is 1.07%. All liabilities associated with workers' compensation claims are fully funded in a reserve account. External revenue is received from the Workers' Compensation Division Employer-At-Injury Program and through recoveries from third parties.

Safety and Health receives internal service reimbursements from departments whose staff attend the first aid/CPR/AED classes taught by Safety and Health instructors. The revenues received are to offset the cost paid to the Red Cross for course materials and completion certificates. The cost to Departments/Offices whose staff attend these internal classes are well below the cost of taking the class from an external provider.

## Significant Program Changes

**Last year this program was: #72024, FRM - Worker's Compensation**  
Last year's program offer 72019 FRM Safety is incorporated in this offer.

The Workers' Compensation Program, through the RFP process, selected a new third party administrator (TPA) for claims processing. This change resulted in a reduction of Professional Services costs while still maintaining services levels through the TPA.

The elimination of the Risk Manager position has had an effect on the level of service provided internally. Workers' Compensation and Safety and Health staff have had to assume some of those positions managerial duties which impacts the delivery of service to internal clients and delays in some response times.

The OA, Sr. position in this program has been upgraded from .50 to 1.00 FTE.