



OKLAHOMA WORKERS' COMPENSATION COMMISSION

Divisions and Offices

- **Counseling Services** is the Commission's primary public information unit. It supports a toll-free information line, prepares various Commission publications, develops educational workshops and materials, and processes applications to serve as a mediator for the Commission's mediation system.
- **Office of the Commission Clerk** receives Commission filings, certifies documents, prepares and transmits records on appeal, accepts appeal bonds, serves as the Commission's records custodian, and manages the Commission's records retention schedule.
- **Records Division** maintains Commission files, processes the mail, responds to requests for access to prior claims records and information, and performs data entry functions.

Divisions and Offices Cont.

- **Insurance Services Division**

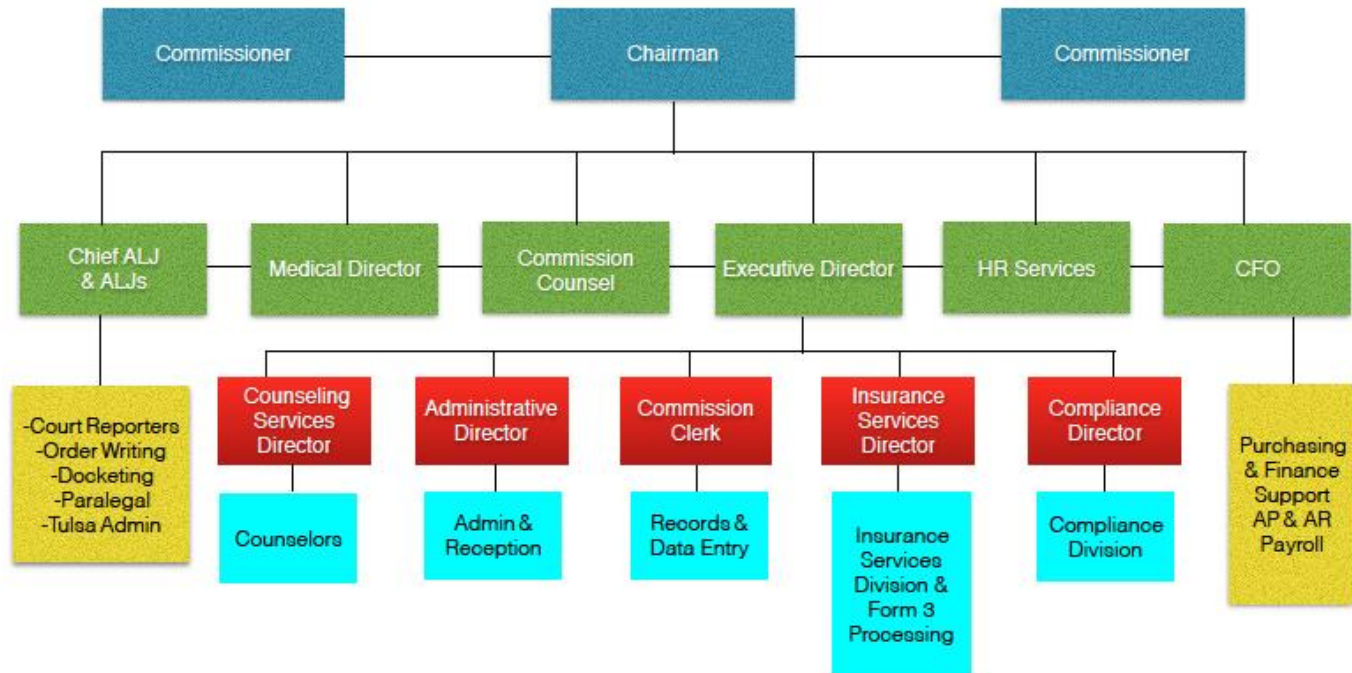
- Maintains a workers' compensation proof of insurance database for the state
- Regulates 183 employers, which self-insure either as an individual self-insurer or as part of an approved group self-insurance association
- Regulates 41 third party administrators

- **Form 3 Processing Office** processes claims for compensation and orders entered into by mutual agreement of the parties. Work includes creating Commission files, data entry, and mailing information to the parties.

Divisions and Offices Cont.

- **Compliance Division** helps the Commission enforce compliance with the state's workers' compensation insurance coverage requirements. This function was performed by the Oklahoma Department of Labor until February 1, 2014.
- **Docket Office** docket cases, schedules hearings and motions, notifies parties of hearing dates, and manages specialized dockets designed to resolve certain disputes without the need for a contested hearing.

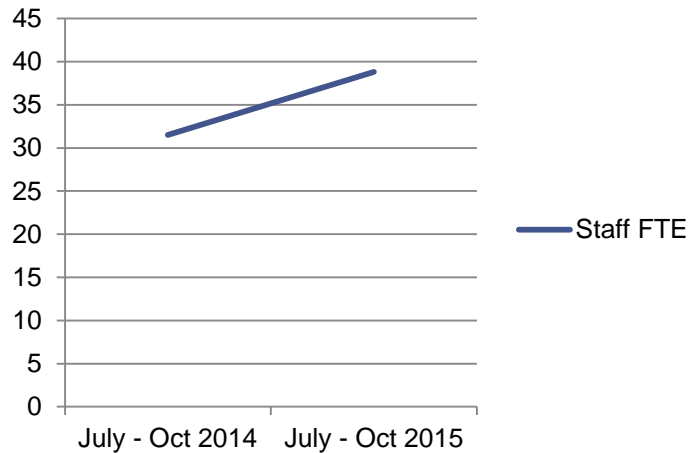
WCC ORGANIZATIONAL CHART



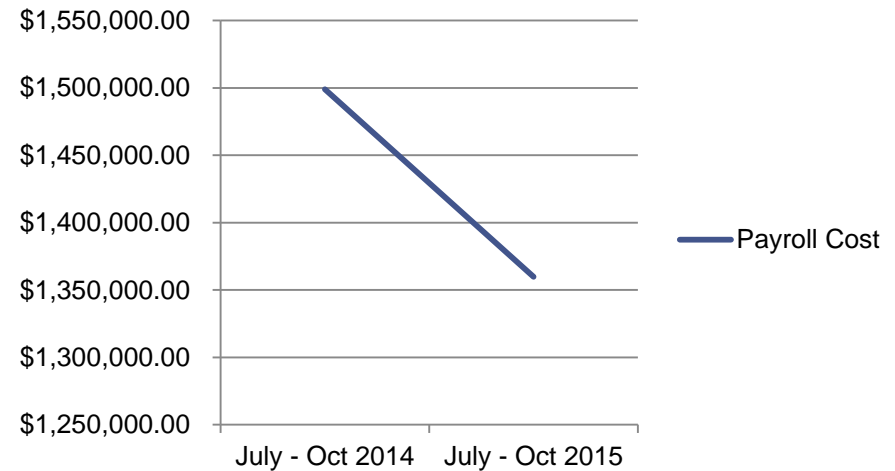
Accomplishments

- WCC has restructured its personnel. The Commission has increased its staff, yet the cost for personnel has decreased.

Staff FTE



Payroll Cost



Accomplishments Cont.

- ▶ Established a business office, consolidating all the business processes into one division rather than being spread throughout the organization, reducing costs and improving efficiency in the organization.
 - WCC will be able to bring budgeting, procurement and accounting functions in-house in FY17, a savings of \$34,428.00.
 - Business functions will be conducted in-house reducing staff wait time for purchases, reduction in the amount of time invoices are paid, and ensuring final order fee invoices are timely billed.

Accomplishments Cont.

- ▶ Cases are able to be tried by an Administrative Law Judge as soon as the parties are ready, allowing for quick resolution of claims.
- ▶ Appeals are heard by the Commission en banc within 4 weeks.
- ▶ Significant reduction in the number of claims filed.
 - Commission is on pace to have approximately 6,400 claims filed in 2015 in comparison to 13,000-15,000 per year prior to Title 85A.
- ▶ In September 2015, National Council on Compensation Insurance (NCCI) filed an overall loss cost decrease of 14.8 percent.
 - This is the third straight year rates have decreased. The total of the three consecutive decreases is 37.2 percent.

Challenges

- **85A O.S. §15 – Attorney General’s Worker’s Compensation Fraud Investigation Unit (AG Fraud Unit)**
 - Provides that the WCC will fund the AG Fraud Unit
 - Statute does not limit the size of the AG Fraud Unit
 - AG Fraud Unit requested \$794,000 from the WCC’s FY16 budget.
 - Prior to the enactment of HB 2238 on July 1, 2015, the funding for the AG's fraud unit was included in the MITF assessment under 85A O.S. § 31.
 - A portion of the language stricken from Section 31 included that all monies collected for the assessment under Section 31 shall be paid to the Multiple Injury Trust Fund, less the annual sum of \$637,500 to the Office of the Attorney General for its Fraud Investigation Unit.

Challenges

- **85A §122 – The Workers’ Compensation Fund – Creation – Collection from Employers**
 - Section 122 provided \$5 million to the WCC for FY16. It provides for only \$3 million in funding to the WCC for FY17 and all subsequent years
 - Burdens WCC’s budget by allowing a \$2M gap in FY16 to FY17 funding
 - Approximately \$4,000,000 of operating budget represents personnel costs (includes salaries and benefits)
 - AG Fraud Unit requested \$794,000 of WCC’s FY16 budget
 - Case load continues to grow
 - Conversation with the CFO of the Tax Commission indicates the current collection of funds under Section 122 is on track for the availability of funding of \$5 million again to the WCC for FY17 and would not place a burden on the State

Challenges

- Electronic Data Interchange (EDI) –Mandated by 85A O.S. §101
 - Utilize EDI to efficiently and accurately collect accident related data from trading partners
 - Costs approximately \$300,000 based on previous RFP- WCC is not requesting additional funding for EDI
 - Funding is over a four year period
 - Requires staff to assist with implementation
 - Have current staff that can be used for this; will be able to transfer duties
 - Benefits of EDI:
 - Accuracy of data elements compiled for statistical purposes;
 - Efficiency of WCC- saves manual data entry of 4 forms, paper and postage costs; and
 - Convenience and efficiency for stakeholders

Challenges

- **Case Management System**
 - WCC's electronic case management system riddled with issues:
 - Outdated and in danger of being obsolete, from the perspective of functionality and continuing sustainability;
 - Current vendor is a husband and wife company out of Georgia discussing retirement and without expertise to update system for EDI; and
 - Current case management system was not programmed for retaliatory discharge cases, compliance cases and option cases, causing confusion for staff and stakeholders
 - Proposed funding within current budget:
 - Estimated cost of \$2-3M, to be paid out in installments over multiple fiscal years by implementing the system in stages; or
 - Set aside a portion of the budget each fiscal year for several fiscal years to fund the system and implement the system concurrently.
 - **Benefits of Case Updated Case Management System:**
 - Programmed to address all case types added to the system under Title 85A;
 - Improved efficiency for Commission and Stakeholders allowing for online filings;
 - Savings on postage, paper, envelopes and copier supplies; and
 - Integrate with related computerized systems- EDI and potentially appellate court system