

From: Dustin DeRollo

Sent: Monday, June 18, 2018 3:52 PM

To: The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; District 6; District7; District8; District9; District 10

Cc: City Clerk; Ray Storms

Subject: Agenda Item 3.8: Letter from Association of Retired San Jose Police Officers & Firefighters

Mayor and members of the City Council,

Please find attached a letter from the Association of Retired San Jose Police Officers & Firefighters regarding tomorrow's Council agenda Item 3.8.

Please feel free to contact Ray Storms, President, at _____, or by email, if you have any questions.

Sincerely,

Dustin DeRollo



June 18, 2018

Honorable Mayor and City Councilmembers
City of San Jose, City Hall
200 E. Santa Clara St.
San Jose, CA 95113

Re: 6/19/18 City Council Agenda Item 3.9: Actions Related to the Workers' Compensation Program-Service Delivery Evaluation

Dear Mayor and Councilmembers:

A number of years ago, the City chose to divide the adjustment process for employees who were injured/disabled in the line of duty. Some would have adjusters who were City adjusters, while others would have outsourced adjusters. The intent was that would be a pilot program.

City staff has made a recommendation that the adjusters should be fully outsourced. However, we have serious concerns regarding that recommendation. Based on our members' experience, we have found that City adjusters provided:

- quicker decisions
- more meaningful one-on-one communication,
- on-site accessibility, and
- and better continuity and familiarity of employee case(s) history.

Those of our members who have had to work with third party administrators have had the experience of their cases being drug out longer than necessary, needing to do multiple follow up inquiries on their cases as well as having to resubmit paperwork over and over again due to lack of continuity. This is not a system we should expand.

At its December 2017 meeting, the Council's Public Safety, Finance & Strategic Support Committee voted unanimously to move toward the "in-house" model and to keep the current hybrid model intact until the most recent Statue audit was completed. Now, without any discussion, staff is making a move to totally ignore the PSFSS's recommendation and input. In fact, the Staff memorandum before you makes zero mention of the Committee's action. The Committee discussed problems with the current third-party administrators as well as a cheaper cost by converting to in-house.

We are unsure as to why the City would choose to provide a worse service for the employees who have injured themselves serving our residents.

Retired employees often must continue their cases after retirement with the City's worker's comp process. We believe a degradation of service compromises our ultimate recovery. City staff did not meet with us to discuss the impacts of this change. Further, we note that a cursory analysis was done by staff on how other jurisdictions handle claims. Other than stating the facts of how the jurisdiction processes claims,

there is no analysis as to the quality of services or satisfaction of services. For example, the City of Los Angeles just completed a major overhaul of its Worker Comp cases for the Los Angeles Police Department due in large part to problems with its Third Party Administrator. The State of California approved their "Alternative Dispute Resolution" carve out program at the end of 2017 and the City of Los Angeles is currently investing significant sums of money to fix their broken system.

We urge you to consider employee and retiree experience prior to moving forward with such a radical change. We also encourage you to have greater dialogue with those of us affected by this decision. Finally, we encourage a more robust discussion on this

Fundamentally, this comes down to whether we are a City that cares for and values its employees, or just pays lip service to that goal.

Sincerely,

Ray Storms
President