

# **Public Safety, Finance, and Strategic Support Committee**

## **Workers' Compensation Program Update Semi-Annual Report (Human Resources Department)**

**March 21, 2019  
Item: (d)5**

# Recommendation

Accept the semi-annual report on the City's efforts to contain workers' compensation costs and reduce claims for the Workers' Compensation Program by focusing on wellness, health, and safety through the first half of 2018-2019.

# Background

- As of September 1, 2018, all in-house claims were electronically transferred to Intercare with all open claims administered by Intercare.
- Data is from September 1, 2018- March 1, 2019 to reflect the start of Intercare fully administering the program
  - Next report will be January 1, 2019- June 30, 2019 data

## Table 1 - Open Claims as of March 1, 2019

Claim Type	Number of Open Claims as of 3/1/2019
Indemnity	1,528
Medical Only	71
Future Medical	1,000
<b>Total</b>	<b>2,599</b>

The total number of open claims has been reduced by approximately 17% since June 30, 2018 when the open claim inventory was 3,120

# Workers' Compensation Total Claims Cost

Workers' Compensation Total Claims Cost	2018 - 2019 Budget	2018 – 2019 Actuals (through 12/31/2018)
Fire	\$ 7,273,000	\$3,394,876
Police	\$ 9,000,000	\$5,066,431
PRNS	\$ 1,350,000	\$489,352
DOT	\$ 750,000	\$238,995
Others	\$ 966,600	\$405,162
Public Works (GS)	\$ 773,000	\$146,217
General Fund Totals	\$ 20,112,600	\$9,741,033
Special Funds Total	\$ 2,000,700	\$452,328
All Funds	\$ 22,113,300	\$10,193,361
Total	\$ 22,113,300	\$10,193,361

# TPA Performance Measures

Quality Performance	Total Claims Audited	Total "Yes"	Total "No"	Total "N/A"	Overall Audit Percentage Score
Three point contacts - Timely completion of 3 Point Contacts. (Pass/Fail)	122	82	3	37	96%
Causation Analysis - Timely causation decision within 90 days. (Pass/Fail)	122	85	4	33	96%
Plans of Action - Plan of Action in claim notes every 90 days. (Pass/Fail)	122	117	1	4	99%
Benefits Payments - Timely and accurate payment of benefits (Pass/Fail)	122	42	0	80	100%

# Employee Satisfaction Surveys

- Intercare also conducted Employee Satisfaction Surveys asking questions concerning:
  - How quickly employees were contacted and how quickly phone calls were returned
  - How satisfied employees were customer service
  - The adjuster's ability to effectively answer questions.
- Limited responses- overall favorable

# Workers' Compensation Program - RFP

- RFP (Request for Proposal) Status
  - Current agreement with Intercare expires at the end of our fiscal year.
  - The City is in the midst of conducting a Request for Proposal process for a Third-Party Administrator to commence on July 1, 2019
  - The new agreement would be in place for the 2019-2020 fiscal year.



# Workers' Compensation Program- Other

- Monthly Workers' Comp Conference Calls with TPA
- Quarterly Workers' Compensation Liaison Meetings
- “City Cares” Get Well Postcard
- Partnership with Occupational Clinics

# **Safety Management System Health and Safety Program**

# Health and Safety Program

- Monthly, Department specific Safety Meetings
- Quarterly Citywide Safety Officer Meetings
- Safety Presentation during New Hire Orientation
- Root Cause Analysis Accident Investigation Program
- City Stretch and Flex Program
- Hazard Identification and Assessment Program
- Employee Wellness Screenings
- Fire Department Safety Officer position was filled in July 2018.

# Conclusion

The primary focus of the Workers' Compensation, Health and Safety staff will be to:

- Manage the Third Party Administrator in effectively managing claims towards closure in a timely and cost effective manner and monitor performance metrics
- Implement a City-Wide Safety Management System that focuses on education, training, compliance, and injury prevention