

FISCAL YEAR 2005 BUDGET

Fund Summary

Fund Name : Workers Compensation
Fund/Department No: 880 / 80 / 90

	<u>FY2004 BUDGET</u>	<u>FY2004 ESTIMATE</u>	<u>FY2005 BUDGET</u>
Beginning Fund Balance	0	0	0
Current Revenues	<u>31,698,871</u>	<u>28,995,530</u>	<u>29,953,238</u>
Total Available Resources	<u>31,698,871</u>	<u>28,995,530</u>	<u>29,953,238</u>
Maintenance and Operations	<u>31,698,871</u>	<u>28,995,530</u>	<u>29,953,238</u>
Total Expenditures	<u>31,698,871</u>	<u>28,995,530</u>	<u>29,953,238</u>
Planned Ending Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Budget	<u>31,698,871</u>	<u>28,995,530</u>	<u>29,953,238</u>

The above summarizes the FY2004 Budget, the FY2004 Estimate and the FY2005 Budget for the Workers Compensation Fund. Also included are the beginning and ending fund balances, total available resources and total expenditures.

The Workers Compensation Fund is a revolving fund administered by the Human Resources Department. The Fund was established to centralize the financial transactions in the areas of Workers Compensation, Accident Prevention, and Loss Control.

The City's Workers Compensation Program is self-insured and has a contract with a third party administrator to manage claims activity. All financial liability for indemnity payments, medical costs, and other claims related payments are funded by direct processing to the departments. Department premium rates are based on projected external Third Party Administrator (TPA) fees and internal administrative costs allocated on staffing levels.

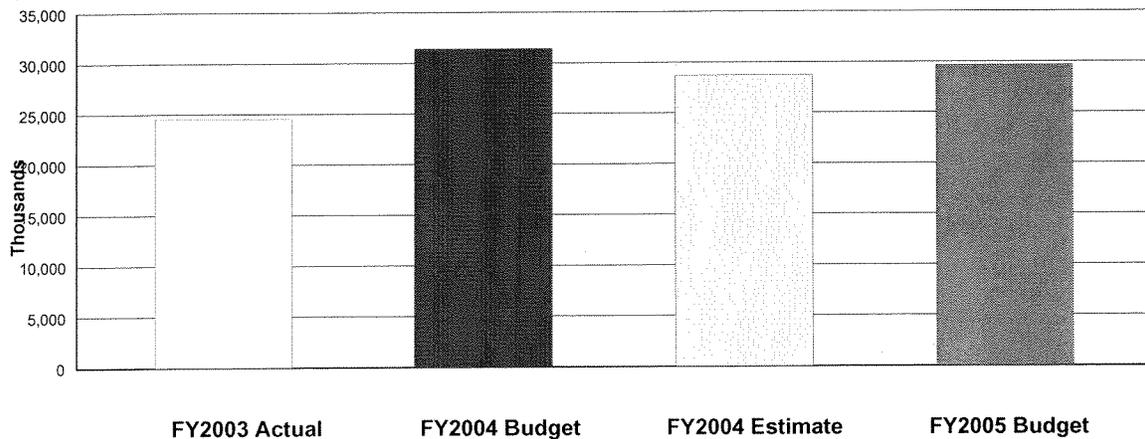
The administrative portion of the budget includes staff for an accident prevention unit in the Human Resources Department and a litigation unit in the Legal Department. Emphasis on the "return to work" program was accomplished by the adoption of the Work Ability Guidelines, effective April 1, 1995 with a comprehensive revision completed October 1, 1998. These guidelines institute a transitional duty program, which focuses on returning injured employees to work as soon as possible, while complying with all federal, state, and local laws. This Executive Order represents a paradigm shift in City government that has returned years of productivity to the City by returning injured workers to transitional duty positions. This effort has saved millions of dollars in workers compensation payments and salary continuation benefits.

The overall goal of the program is to create an atmosphere of safety awareness and a risk free environment. Specific initiatives are listed in the budget highlights.

FISCAL YEAR 2005 BUDGET

Department Budget Summary					
Fund Name : Workers Compensation					
Department Name : Human Resources					
Fund/Department No. : 880 / 80					
		FY2003 Actual	FY2004 Budget	FY2004 Estimate	FY2005 Budget
Expenditure Summary	Personnel Services	1,567,069	1,729,956	1,775,487	1,893,665
	Supplies	35,694	40,050	39,372	38,550
	Other Services and Charges	22,957,334	29,651,409	26,892,225	27,684,844
	Equipment	0	0	0	37,826
	Non-Capital Equipment	0	13,200	13,200	17,800
	Total M & O Expenditures	24,560,097	31,434,615	28,720,284	29,672,685
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	24,560,097	31,434,615	28,720,284	29,672,685
Revenue Summary		24,779,723	31,698,871	28,995,530	29,953,238
Staffing Summary	Full-Time Equivalents - Civilian	30.2	33.5	31.9	34.7
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	30.2	33.5	31.9	34.7
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	<ul style="list-style-type: none"> o FY2005 Budget includes provisions for auditing new TPA's performance and internal systems. o Oversee Accident Prevention Program joint management of high risk departments. o Address inventory claims management by implementing initiatives addressing catastrophic claims, standardization of external case management, and medical trends analysis. o Emphasize administration of the Transitional Duty Program with a specific case of management and dedicated administration. o FTE increase is due to full staffing assumption. 				

**Workers Compensation
Human Resources
Expenditure Summary**



FISCAL YEAR 2005 BUDGET

Department Program Summary

Fund Name : Workers Compensation
Department Name : Human Resources
Fund/Department No. : 880 / 80

Program Description	Program Objectives
<p>Workers Compensation Admin 1910 Safety 1911 Accident prevention/safety: Inspect workplaces and job sites to eliminate safety hazards, compile reports to meet requirements of state law, and train employees in all areas of safety.</p>	<p>Provide direction on safety programs to minimize the City's liabilities for workers compensation. Investigate accidents to determine causes and prevent reoccurrence. Review purchases of chemicals citywide and compile workplace chemical listings.</p>
<p>Workers Compensation Admin 1910 W.C. Claims Processing 1913 Approve/disapprove injury leave in accordance with work ability guidelines. Administer salary continuation program. Conduct departmental training. Provide oversight and direction to the third party administrator.</p>	<p>Train departments in work ability guidelines and W.C. Act. Facilitate transitional duty. Ensure TPA complies with the City contract, quality standards and W.C. Act. Determine and quantify injury leave approvals/denials.</p>
<p>Workers Compensation Admin 1910 Employee Clinic 1915 Employee Health Clinic Provides city wide drug testing and new employee medical screening services.</p>	<p>Provide timely medical evaluations for new employees. Coordinate wellness activities for City employees.</p>
<p>Workers Compensation Admin 1910 W.C. Information Services 1916 Data compilation/report and technical services liaison.</p>	<p>Develop and compile Risk Management financials and statistical reports. Provide customer departments with defined and ad hoc reports, as well as coordinate requested technical services.</p>
<p>Workers Compensation Admin 1910 W.C. Case Management 1917 Case Management provides ongoing implementation of Executive Order 1-33 through employee training, maintenance of employee/employer relationship with injured workers, early intervention for transitional duty and coordination of City Occupational Injury Network (COIN).</p>	<p>Maintain employee/employer relationship by contacting injured workers telephonically and by letters; facilitate quick, safe Return To Work (RTW) and supervise this process to ensure success; and advise departmental personnel regarding modifications for transitional RTW.</p>
<p>Workers Compensation Admin 1910 W.C. Administrative Support 1918 Provide administrative support for Risk Management Division and customer function departments. Maintenance of the Human Resources mail.</p>	<p>Support injury leave and case management functions. Maintain and process telephone service request and serve as division purchasing coordinator. Supervise the distribution and procedures of the Human Resources mail.</p>

FISCAL YEAR 2005 BUDGET

Department Program Summary									
Fund Name : Workers Compensation Department Name : Human Resources Fund/Department No. : 880 / 80									
Program Performance Measures	FY2003 Actual			FY2004 Estimate			FY2005 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Defensive Driving Course	1,479			1,500			1,500		
Material safety data sheet	254			350			350		
Safety inspections	1,243			1,000			1,000		
Safety audits	6			20			20		
Employees trained	5,925			5,000			5,000		
		10.1	621,843		10.2	729,581		11.0	751,338
Files-Trans/Inj leave/TPA	NA			6,600			6,600		
Q/A Reviews/Audits	NA			240			300		
Training-Internal/External	NA			50			72		
Unemployment Billings	4			4			4		
Mediation/Trials/Griev/CSC	NA			15			15		
		4.6	234,868		3.5	199,924		5.0	260,528
Evaluated employee for drug use	8,500			8,500			9,000		
Medical evaluation	2,800			3,200			3,000		
		2.8	145,836		3.7	174,216		3.7	175,893
Periodic reporting Q/M	13			13			13		
Subro Recoveries	114			90			90		
Refunds/Over Payments	133			87			87		
		2.1	162,340		2.8	148,497		3.0	169,334
Injured workers RTW	1,103			364			300		
Case Mgmt Meetings	158			222			200		
Contact Workers & Supervis	7,752			10,588			7,000		
Written/Telephonic/email									
		2.9	188,606		4.0	292,475		4.0	291,517
Create File Folders	3,032			3,500			3,500		
Telephone service request	209			200			200		
Process purchase requisitions	94			60			60		
		3.8	148,593		3.8	146,078		4.0	163,986

FISCAL YEAR 2005 BUDGET

Department Program Summary

Fund Name : Workers Compensation
Department Name : Human Resources
Fund/Department No. : 880 / 80

Program Description	Program Objectives
<p>Workers Compensation Admin 1910 W.C. Administrators Office 1919 Workers Compensation Admin. provides administrative oversight and direction to all W.C. programs via ongoing assessment and analysis of program functions.</p>	<p>Ensure the acceptable performance of the City's Workers Compensation system's internal and external componets to include the coordination of various accident prevention and safety initiatives.</p>
<p>Workers Compensation Admin 1910 W.C. Finance and Systems 1925 Provides financial and system support for the W.C. program. Responsible for interfacing with the third party administrators on the designing and maintenance of WC financial and operational reports.</p>	
<p>Workers Compensation Admin 1821 W.C. Claim Losses (Incl. -TPA) 1940 Monitors workers compensation (W.C.) claim losses and third party administration services.</p>	

FISCAL YEAR 2005 BUDGET

Department Program Summary									
Fund Name : Workers Compensation									
Department Name : Human Resources									
Fund/Department No. : 880 / 80									
Program Performance Measures	FY2003 Actual			FY2004 Estimate			FY2005 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
City Liaison updates	4			4			6		
Vendor Review Meetings	26			40			43		
		2.0	348,420		2.0	325,112		2.0	466,710
Post & Review WComp Dept. Billing	12			12			12		
		2.0	157,835		2.0	239,401		2.0	252,719
Billing tape processed	12			12			12		
		0.0	22,551,756		0.0	26,465,000		0.0	27,140,660
Total	<u>30.2</u>		<u>24,560,097</u>	<u>31.9</u>		<u>28,720,284</u>	<u>34.7</u>		<u>29,672,685</u>

FISCAL YEAR 2005 BUDGET

Fund Name : : **Workers Compensation**
 Department Name : : **Human Resources**
 Fund / Department No. : **880 / 80**

NO. of POSITIONS	JOB DESCRIPTION	JOB CLASS CODE	PAY GRADE
1	ADMINISTRATION MANAGER	3029	26
4	ADMINISTRATIVE AIDE	3011	10
2	ADMINISTRATIVE ASSISTANT	3022	17
1	ADMINISTRATIVE ASSOCIATE	3021	13
1	ADMINISTRATIVE COORDINATOR	3026	24
1	ADMINISTRATIVE SUPERVISOR	3035	22
1	CLAIMS COORDINATOR	4011	17
2	DIVISION MANAGER	3030	29
1	EXECUTIVE SECRETARY	4922	15
1	FINANCIAL ANALYST III	3563	21
1	HUMAN RESOURCES ASSISTANT	4014	13
1	HUMAN RESOURCES SUPERVISOR	4027	24
1	HUMAN RESOURCES TECHNICIAN	4017	12
1	LICENSED VOCATIONAL NURSE	7211	12
1	MESSENGER	5181	6
1	OFFICE SUPERVISOR	5021	16
2	PUBLIC HEALTH NURSE III	7233	21
1	PUBLIC HEALTH NURSE IV	7234	22
1	SAFETY ADMINISTRATOR	4182	27
4	SAFETY OFFICER	4173	21
1	SAFETY REPRESENTATIVE	4172	19
3	SAFETY SUPERVISOR	4176	24
1	SENIOR CLAIMS COORDINATOR	4012	21
1	STATISTICAL ANALYST II	3262	15
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35.0	Total Positions		
0.3	Less adjustment for Vacancies and Part-Time Employees		
34.7	Full-Time Equivalents		

FISCAL YEAR 2005 BUDGET

Department Revenue Summary

Fund Name : Workers Compensation
 Department Name : Human Resources
 Fund/Department No. : 880 / 80

Source	Description	Program Org	Program Name	FY2004 Budget	FY2004 Estimate	FY2005 Budget
7355	Interfund Billing-Worker Comp	1940	W.C. Claim Losses (Incl. -TPA)	31,624,871	28,921,530	29,879,238
7680	Training Services	1940	W.C. Claim Losses (Incl. -TPA)	4,000	4,000	4,000
8300	Interest On Pooled Investments	1940	W.C. Claim Losses (Incl. -TPA)	70,000	70,000	70,000
Total Human Resources				<u>31,698,871</u>	<u>28,995,530</u>	<u>29,953,238</u>

FISCAL YEAR 2005 BUDGET

Fund Name : Workers Compensation
Department Name : Human Resources
Fund/Department No. : 880 / 80

ACCT	DESCRIPTION	FY2003 Actual	FY2004 Budget	FY2004 Estimate	FY2005 Budget
1100	Salary-Base Pay-Civilian	1,173,114	1,274,584	1,239,611	1,333,234
1105	Salary-Part Time-Civilian	12,745	15,616	20,986	22,124
1113	Bilingual Pay-Civilian	1,806	1,806	1,806	2,712
1120	Overtime-Civilian	183	0	442	0
1130	Termination Pay-Civilian	2,245	0	78,191	0
1135	Pension-Civilian	122,456	127,459	127,459	159,988
1140	Social Security-Civilian	89,320	98,839	98,839	103,890
1145	Health/Life Ins Active Civilian	146,101	184,938	184,945	210,592
1146	Health/Life Ins Retiree Civilian	10,048	11,500	11,500	13,500
1405	Workers Compensation-Civilian	6,018	9,977	7,425	7,645
1415	Unemployment Claims	0	1,345	1,345	1,345
1420	Long Term Disability	3,033	3,892	2,938	2,638
1981	Compensation Contingency	0	0	0	35,997
Total Personnel Services		1,567,069	1,729,956	1,775,487	1,893,665
2135	Cleaning and Sanitary Supplies	0	150	150	150
2300	Audio-Visual Supplies	0	500	500	500
2305	Computer Supplies	1,116	5,000	5,000	4,500
2306	Paper & Printing Supplies	4,063	4,000	4,084	3,750
2315	Publications & Printed Materials	538	3,200	2,950	3,200
2323	Postage	1,500	2,500	2,288	2,350
2325	Miscellaneous Office Supplies	15,312	10,300	9,950	10,050
2400	General Laboratory Supplies	0	500	500	300
2415	Small Tech & Scientific Equip	210	900	900	750
2600	Fuel	11,798	7,500	7,500	7,500
2605	Vehicle Repair & Maint Suppl	0	5,000	5,000	5,000
2702	Food Supplies	696	0	0	0
2738	Miscellaneous Parts & Supplies	461	500	550	500
Total Supplies		35,694	40,050	39,372	38,550
3107	Temporary Personnel Services	102,014	84,200	84,352	69,524
3200	Claims Payment Services	1,454,544	3,205,000	1,950,000	2,150,000
3250	Employee Medical Claims	21,085,912	25,891,200	24,500,000	24,975,660
3305	Advertising Services	2,130	5,000	3,506	0
3325	Medical, Dental & Lab Services	0	500	500	500
3335	Management Consulting Services	31,970	115,000	15,000	150,000
3345	Miscellaneous Support Services	11,868	18,000	12,127	10,800
3400	Real Estate Lease/Office Rental	177,590	177,590	177,590	177,590
3402	Parking Space Rental	25,800	23,500	23,500	25,000
3404	Metro Commuter Passes	4,518	3,707	3,707	3,500
3510	Telephone	11,595	14,300	7,853	7,716
3515	Communication Lines	7,053	3,710	3,388	4,750
3615	Computer Eq/Software Maint Svc	0	3,250	2,750	2,750
3620	Enterprise Applications	0	0	3,611	3,602
3625	Office Equipment Services	0	500	0	100
3626	Vehicle & Motor Equip Services	14,712	5,000	5,000	5,000
3765	IntFd Photocopy Services	10,068	6,500	6,500	6,500
3775	Intfnd IT Network Services	0	65,552	65,552	65,552

FISCAL YEAR 2005 BUDGET

Fund Name : Workers Compensation
Department Name : Human Resources
Fund/Department No. : 880 / 80

ACCT	DESCRIPTION	FY2003 Actual	FY2004 Budget	FY2004 Estimate	FY2005 Budget
3794	Print Shop Services	4,798	7,350	6,850	7,800
3799	Mail/Delivery Services	35	0	0	0
3805	Printing & Reproduction Srvcs	367	1,100	1,100	1,100
3895	Misc Other Services & Charges	138	600	1,040	600
3900	Education & Training	10,917	18,000	16,499	15,000
3905	Membership & Professional Fees	921	1,850	1,800	1,800
3910	Travel-Training Related	384	0	0	0
Total Other Services and Charges		22,957,334	29,651,409	26,892,225	27,684,844
4525	Trucks - General Purpose	0	0	0	37,826
Total Equipment		0	0	0	37,826
4820	Non-Capital Computer Equipment	0	13,200	13,200	17,800
Total Non-Capital Equipment		0	13,200	13,200	17,800
Grand Total Expenditures		24,560,097	31,434,615	28,720,284	29,672,685



FISCAL YEAR 2005 BUDGET

Department Budget Summary

Fund Name : Workers Compensation
Department Name : Legal
Fund/Department No. : 880 / 90

	FY2003 Actual	FY2004 Budget	FY2004 Estimate	FY2005 Budget
Personnel Services	214,276	255,056	266,996	271,703
Supplies	4,182	6,000	6,000	6,000
Other Services and Charges	1,167	3,200	2,250	2,850
Total M & O Expenditures	<u>219,625</u>	<u>264,256</u>	<u>275,246</u>	280,553
Debt Service & Other Uses	0	0	0	0
Total Expenditures	<u>219,625</u>	<u>264,256</u>	<u>275,246</u>	280,553

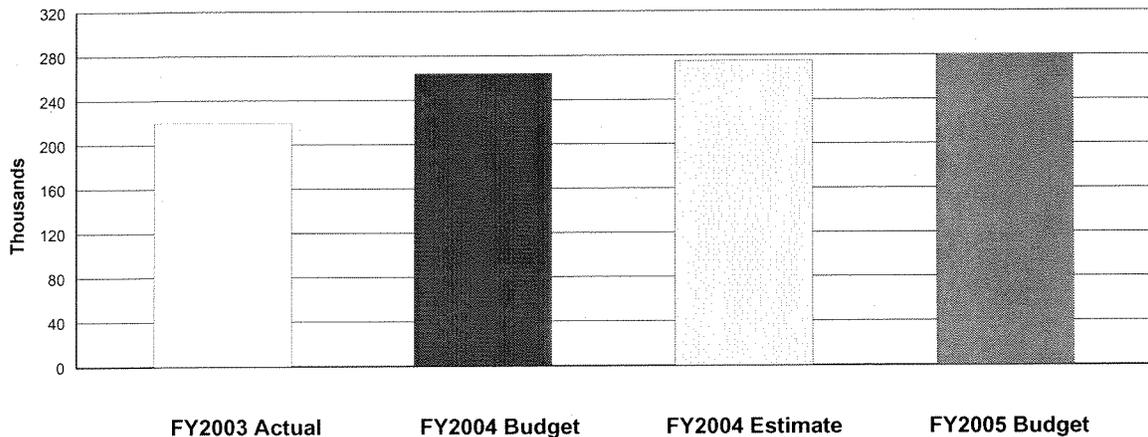
Revenue Summary

Staffing Summary	Full-Time Equivalents - Civilian	4.5	5.0	5.0	5.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	<u>4.5</u>	<u>5.0</u>	<u>5.0</u>	5.0
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0

Budget Highlights

- o Continue to provide comprehensive legal services related to the Workers Compensation Benefits Program, including aggressive pursuit of potential subrogation and rigorous defense of contested cases.
- o Increase subrogation recoveries by aggressively pursuing uninsured/underinsured motorist insurance policies.

**Workers Compensation
Legal
Expenditure Summary**



FISCAL YEAR 2005 BUDGET

Department Program Summary	
Fund Name : Workers Compensation Department Name : Legal Fund/Department No. : 880 / 90	
Program Description	Program Objectives
Workers Compensation Admin 1310 Workers Comp. Litigation Unit Provide comprehensive legal services for the City's Workers Compensation Benefits Program ("Program").	Coordinate the efforts of outside legal counsel and internal staff in providing comprehensive legal services on all matters relating to the Program, including defense of contested cases and pursuit of subrogation claims from responsible third parties.

FISCAL YEAR 2005 BUDGET

Department Program Summary									
Fund Name : Workers Compensation									
Department Name : Legal									
Fund/Department No. : 880 / 90									
Program Performance Measures	FY2003 Actual			FY2004 Estimate			FY2005 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Workers compensation subrogation claims handled	179			180			180		
		4.5	219,625		5.0	275,246		5.0	280,553
Total		<u>4.5</u>	<u>219,625</u>		<u>5.0</u>	<u>275,246</u>		<u>5.0</u>	<u>280,553</u>

FISCAL YEAR 2005 BUDGET

Fund Name : : Workers Compensation
 Department Name : : Legal
 Fund / Department No. : 880 / 90

NO. of POSITIONS	JOB DESCRIPTION	JOB CLASS CODE	PAY GRADE
2	ASSISTANT CITY ATTORNEY III	6034	27
1	CLERK	4812	5
1	LEGAL ASSISTANT III	6022	15
1	LEGAL WORD PROCESSOR	4936	11
<hr/> 5.0	Total Positions		
0.0	Less adjustment for Vacancies and Part-Time Employees		
<hr/> 5.0	Full-Time Equivalent		

FISCAL YEAR 2005 BUDGET

Fund Name : Workers Compensation
 Department Name : Legal
 Fund/Department No. : 880 / 90

ACCT	DESCRIPTION	FY2003 Actual	FY2004 Budget	FY2004 Estimate	FY2005 Budget
1100	Salary-Base Pay-Civilian	164,689	195,238	195,252	195,449
1135	Pension-Civilian	16,547	19,524	28,374	23,454
1140	Social Security-Civilian	12,272	14,935	14,658	14,951
1145	Health/Life Ins Active Civilian	19,415	23,859	27,238	31,099
1405	Workers Compensation-Civilian	843	1,197	1,012	1,012
1420	Long Term Disability	510	303	462	462
1981	Compensation Contingency	0	0	0	5,276
Total Personnel Services		214,276	255,056	266,996	271,703
2305	Computer Supplies	2,414	2,500	2,500	2,500
2315	Publications & Printed Materials	0	500	500	500
2325	Miscellaneous Office Supplies	1,768	3,000	3,000	3,000
Total Supplies		4,182	6,000	6,000	6,000
3305	Advertising Services	852	0	0	0
3404	Metro Commuter Passes	315	400	400	400
3615	Computer Eq/Software Maint Svc	0	500	500	500
3900	Education & Training	0	1,200	600	1,200
3905	Membership & Professional Fees	0	600	750	750
3910	Travel-Training Related	0	500	0	0
Total Other Services and Charges		1,167	3,200	2,250	2,850
Grand Total Expenditures		219,625	264,256	275,246	280,553