

FISCAL YEAR 2007 BUDGET

Fund Summary

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

	<u>FY2006 BUDGET</u>	<u>FY2006 ESTIMATE</u>	<u>FY2007 BUDGET</u>
Beginning Fund Balance	0	0	0
Current Revenues	<u>27,754,048</u>	<u>20,388,286</u>	<u>24,482,110</u>
Total Available Resources	<u>27,754,048</u>	<u>20,388,286</u>	<u>24,482,110</u>
Maintenance and Operations	<u>27,754,048</u>	<u>20,388,286</u>	<u>24,482,110</u>
Total Expenditures	<u>27,754,048</u>	<u>20,388,286</u>	<u>24,482,110</u>
Planned Ending Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Total Budget	<u>27,754,048</u>	<u>20,388,286</u>	<u>24,482,110</u>

The above summarizes the FY2006 Budget, the FY2006 Estimate and the FY2007 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. A prime objective is implementation, monitoring and audit of departments' Accident Prevention Plans. These cooperative efforts have resulted in reduced accidents and returned years of productivity and saved millions in workers' compensation payments. 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.

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.

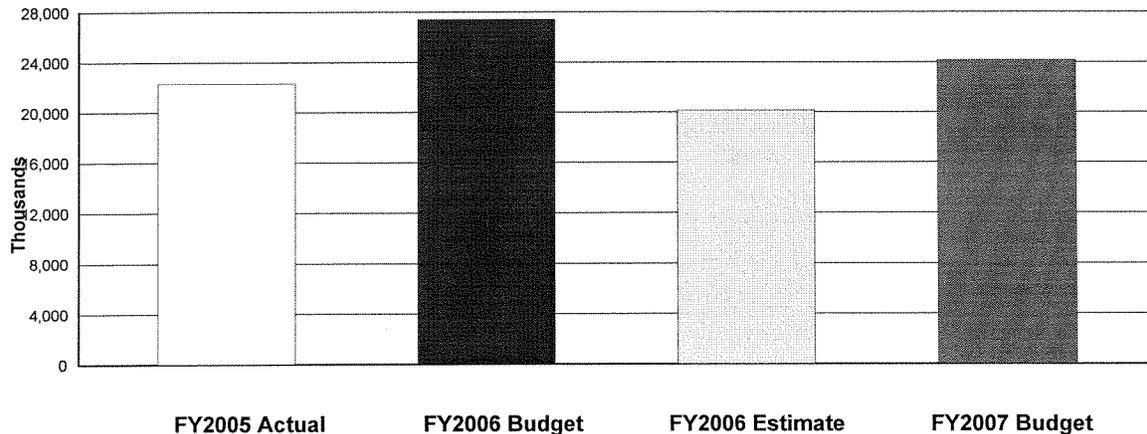
FISCAL YEAR 2007 BUDGET

Department Budget Summary

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

		<u>FY2005 Actual</u>	<u>FY2006 Budget</u>	<u>FY2006 Estimate</u>	<u>FY2007 Budget</u>
Expenditure Summary	Personnel Services	1,702,875	1,932,918	1,756,772	1,992,576
	Supplies	28,337	34,146	20,299	42,474
	Other Services and Charges	20,558,600	25,464,158	18,383,899	22,069,622
	Equipment	23,987	0	0	41,080
	Non-Capital Equipment	12,213	6,250	6,250	19,300
	Total M & O Expenditures	<u>22,326,012</u>	<u>27,437,472</u>	<u>20,167,220</u>	<u>24,165,052</u>
	Debt Service & Other Uses	0	0	0	0
Total Expenditures	<u>22,326,012</u>	<u>27,437,472</u>	<u>20,167,220</u>	<u>24,165,052</u>	
Revenue Summary		22,494,669	27,754,048	20,388,286	24,482,110
Staffing Summary	Full-Time Equivalents - Civilian	30.3	34.7	30.2	33.8
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	<u>30.3</u>	<u>34.7</u>	<u>30.2</u>	<u>33.8</u>
	Full-Time Equivalents-Overtime	0.0	0.0	0.0	0.0
Budget Highlights	<ul style="list-style-type: none"> o Oversight and management for high risk departments via tailored programs addressing effectiveness of their accident prevention plans. o Measure and ensure effectiveness of high risk departments' "accident prevention" plans. o Implement and comply with House Bill -7. o Complete revision of EO1-33 Workability Guidelines centered around recently enacted legislative changes. o Issue RFP, analyze and contract with a TDI certified network. o FTE increase is due to full staffing assumption. 				

**Workers Compensation
Human Resources
Expenditure Summary**



FISCAL YEAR 2007 BUDGET

Department Program Summary	
Fund Name : Workers Compensation Department Name : Human Resources Fund/Department No. : 880 / 80	
Program Description	Program Objectives
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.	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.
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.	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.
Workers Compensation Admin 1910 Physical Exam and Drug Testing Unit 1915 Employee Health Clinic Provides city wide drug testing and new employee medical screening services.	Provide timely medical evaluations for new employees. Coordinate wellness activities for City employees.
Workers Compensation Admin 1910 W.C. Information Services 1916 Data compilation/report and technical services liaison.	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.
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).	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.
Workers Compensation Admin 1910 W.C. Administrative Support 1918 Provide administrative support for Risk Management Division and customer function departments. Responsible for the Human Resources mail process.	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.

FISCAL YEAR 2007 BUDGET

Department Program Summary									
Fund Name : Workers Compensation Department Name : Human Resources Fund/Department No. : 880 / 80									
Program Performance Measures	FY2005 Actual			FY2006 Estimate			FY2007 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Defensive Driving Course		1,740			1500			2000	
Material safety data sheet		217			75			200	
Safety inspections		1,226			1000			1000	
Safety audits		8			7			7	
Employees trained		4,315			4000			4000	
		10.0	700,003		10.0	681,122		11.0	839,324
Files-Trans/Inj leave/TPA		15,687			12,050			13,000	
Q/A Reviews/Audits		166			252			300	
Training-Internal/External		94			54			74	
Unemployment Billings		4			4			4	
Mediation/Trials/Griev/CSC		70			110			130	
		4.8	261,358		5.0	285,277		5.0	314,039
Evaluated employee for drug use		9,226			8,787			10,500	
Medical evaluation		3,131			3,255			3,250	
		4.0	173,865		3.8	168,853		3.8	198,762
Periodic reporting Q/M		17			24			36	
Subro Recoveries		90			100			100	
Refunds/Over Payments		62			92			90	
		3.0	130,960		3.0	167,967		3.0	172,899
Injured workers RTW		202			114			200	
Case Mgmt Meetings		249			266			312	
Contact Workers & Supervis		12,924			9,064			20,000	
Written/Telephonic/email									
		2.5	132,172		1.4	113,636		3.0	165,828
Create File Folders		2,983			2,646			2,500	
Telephone service request		308			340			300	
Process purchase request		110			40			40	
		3.0	150,407		3.0	143,446		4.0	168,375

FISCAL YEAR 2007 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</p> <p>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 components to include the coordination of various accident prevention and safety initiatives.</p>
<p>Workers Compensation Admin 1910 W.C. Finance and Systems 1925</p> <p>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</p> <p>Monitors workers compensation (W.C.) claim losses and third party administration services.</p>	

FISCAL YEAR 2007 BUDGET

Department Program Summary									
Fund Name : Workers Compensation									
Department Name : Human Resources									
Fund/Department No. : 880 /80									
Program Performance Measures	FY2005 Actual			FY2006 Estimate			FY2007 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
City Liaison updates		2			2			10	
Vendor Review		22			18			52	
Meetings									
		1.0	320,485		2.0	431,786		2.0	673,881
Post & Review WComp		12			12			12	
Dept. Billing									
		2.0	252,227		2.0	231,095		2.0	255,991
Billing tape processed		12			12			12	
		0.0	20,204,535		0.0	17,944,038		0.0	21,375,953
Total		<u>30.3</u>	<u>22,326,012</u>		<u>30.2</u>	<u>20,167,220</u>		<u>33.8</u>	<u>24,165,052</u>

FISCAL YEAR 2007 BUDGET

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

NO. of POSITIONS	JOB DESCRIPTION	JOB CLASS CODE	PAY GRADE
4	ADMINISTRATIVE AIDE	3011	10
3	ADMINISTRATIVE ASSISTANT	3022	17
2	ADMINISTRATIVE COORDINATOR	3026	24
1	CLAIMS COORDINATOR	4011	17
2	DIVISION MANAGER	3030	29
1	EXECUTIVE OFFICE ASSISTANT	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
1	PUBLIC HEALTH NURSE IV	7234	22
1	SAFETY ADMINISTRATOR	4182	27
6	SAFETY OFFICER	4173	21
3	SAFETY SUPERVISOR	4176	24
1	SENIOR CLAIMS COORDINATOR	4012	21
1	STATISTICAL ANALYST	3263	17
1	SYSTEMS ACCOUNTANT II	3432	23
34.0	Total Positions		
0.2	Less adjustment for Vacancies and Part-Time Employees		
33.8	Full-Time Equivalents		

FISCAL YEAR 2007 BUDGET

Department Revenue Summary

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

Source	Description	Program Org	Program Name	FY2006 Budget	FY2006 Estimate	FY2007 Budget
7350	Other Intfd Services	1911	Safety	0	10,916	11,279
7355	Interfund Billing-Worker Comp	1940	W.C. Claim Losses (Incl. -TPA)	27,665,048	20,307,370	24,400,831
7680	Training Services	1940	W.C. Claim Losses (Incl. -TPA)	4,000	5,000	5,000
8300	Interest On Pooled Investments	1940	W.C. Claim Losses (Incl. -TPA)	85,000	65,000	65,000
Total Human Resources				<u>27,754,048</u>	<u>20,388,286</u>	<u>24,482,110</u>

FISCAL YEAR 2007 BUDGET

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

ACCT	DESCRIPTION	FY2005 Actual	FY2006 Budget	FY2006 Estimate	FY2007 Budget
1100	Salary-Base Pay-Civilian	1,175,240	1,346,261	1,222,038	1,361,985
1105	Salary-Part Time-Civilian	22,333	21,970	22,611	22,697
1113	Bilingual Pay-Civilian	2,084	1,808	1,816	1,808
1120	Overtime-Civilian	67	0	0	0
1130	Termination Pay-Civilian	663	521	0	0
1135	Pension-Civilian	197,503	220,782	198,145	223,364
1140	Social Security-Civilian	91,223	104,670	91,251	106,063
1145	Health/Life Ins Active Civilian	182,450	193,907	167,768	183,719
1146	Health/Life Ins Retiree Civilian	23,413	17,955	40,141	45,106
1405	Workers Compensation-Civilian	4,897	10,189	8,496	13,513
1415	Unemployment Claims	0	1,035	0	1,190
1420	Long Term Disability	3,002	4,079	4,506	5,798
1981	Compensation Contingency	0	9,741	0	27,333
Total Personnel Services		1,702,875	1,932,918	1,756,772	1,992,576
2135	Cleaning and Sanitary Supplies	0	150	0	150
2300	Audio-Visual Supplies	0	500	0	500
2305	Computer Supplies	909	4,000	3,800	3,800
2306	Paper & Printing Supplies	2,148	2,700	840	4,324
2315	Publications & Printed Materials	1,236	1,950	62	1,200
2323	Postage	2,355	1,050	3,298	4,100
2325	Miscellaneous Office Supplies	10,545	8,146	2,787	7,750
2400	General Laboratory Supplies	0	300	0	300
2415	Small Tech & Scientific Equip	252	750	0	750
2600	Fuel	10,391	7,500	9,171	12,500
2605	Vehicle Repair & Maint Suppl	0	5,000	0	5,000
2738	Miscellaneous Parts & Supplies	501	2,100	341	2,100
Total Supplies		28,337	34,146	20,299	42,474
3107	Temporary Personnel Services	6,199	53,000	7,509	8,000
3200	Claims Payment Services	1,858,062	1,989,467	1,920,738	2,060,944
3205	Insurance Fees	0	0	0	765
3250	Employee Medical Claims	18,336,573	23,000,000	16,008,300	19,300,000
3305	Advertising Services	1,917	0	0	0
3325	Medical, Dental & Lab Services	0	500	0	500
3335	Management Consulting Services	9,900	95,000	117,429	315,000
3345	Miscellaneous Support Services	17,942	7,760	6,067	12,650
3400	Real Estate Lease/Office Rental	177,590	177,590	177,590	177,590
3402	Parking Space Rental	18,224	12,464	12,500	11,500
3404	Metro Commuter Passes	6,316	6,210	6,200	8,100
3510	Telephone	14,429	7,716	12,141	19,146
3515	Communication Lines	1,642	2,000	1,553	1,553
3615	Computer Eq/Software Maint Svc	1,174	700	0	1,700
3620	Enterprise Applications	2,734	1,000	271	1,000
3625	Office Equipment Services	0	100	0	0
3626	Vehicle & Motor Equip Services	17,421	5,000	17,095	20,000
3765	IntFd Photocopy Services	14,219	12,576	14,483	15,444
3775	Intfnd IT Network Services	65,552	68,000	65,552	68,000

FISCAL YEAR 2007 BUDGET

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

ACCT	DESCRIPTION	FY2005 Actual	FY2006 Budget	FY2006 Estimate	FY2007 Budget
3794	Print Shop Services	2,344	5,700	2,397	11,350
3805	Printing & Reproduction Srvcs	0	100	0	0
3900	Education & Training	6,082	14,700	12,914	29,700
3905	Membership & Professional Fees	280	1,575	1,160	1,680
3910	Travel-Training Related	0	3,000	0	5,000
Total Other Services and Charges		20,558,600	25,464,158	18,383,899	22,069,622
4525	Trucks - General Purpose	23,987	0	0	41,080
Total Equipment		23,987	0	0	41,080
4820	Non-Capital Computer Equipment	12,213	6,250	6,250	19,300
Total Non-Capital Equipment		12,213	6,250	6,250	19,300
Grand Total Expenditures		22,326,012	27,437,472	20,167,220	24,165,052



Department Budget Summary

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

		<u>FY2005 Actual</u>	<u>FY2006 Budget</u>	<u>FY2006 Estimate</u>	<u>FY2007 Budget</u>
Expenditure Summary	Personnel Services	285,764	307,926	212,416	307,908
	Supplies	225	6,000	6,000	6,500
	Other Services and Charges	0	2,650	2,650	2,650
	Total M & O Expenditures	<u>285,989</u>	<u>316,576</u>	<u>221,066</u>	<u>317,058</u>
	Debt Service & Other Uses	0	0	0	0
	Total Expenditures	<u>285,989</u>	<u>316,576</u>	<u>221,066</u>	<u>317,058</u>

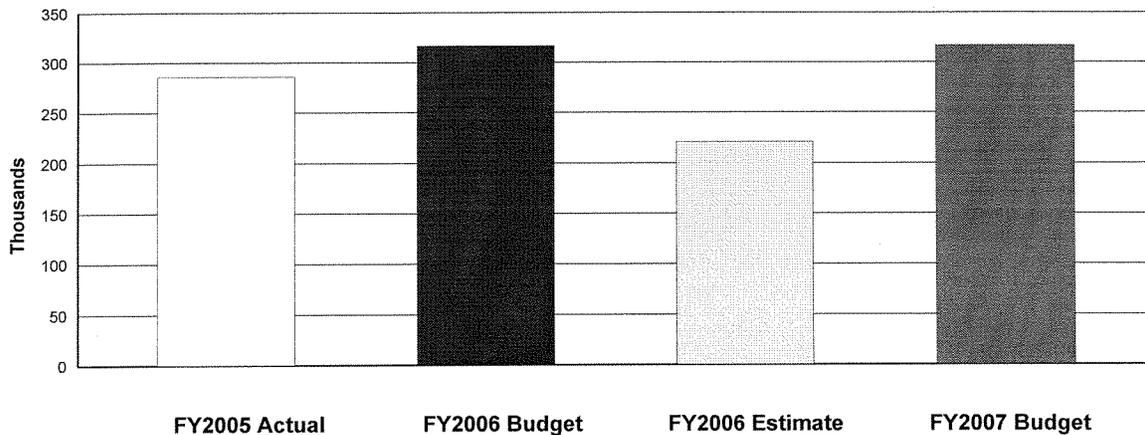
Revenue Summary

Staffing Summary	Full-Time Equivalents - Civilian	5.2	5.0	4.5	5.0
	Full-Time Equivalents - Classified	0.0	0.0	0.0	0.0
	Total	<u>5.2</u>	<u>5.0</u>	<u>4.5</u>	<u>5.0</u>
	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 2007 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 2007 BUDGET

Department Program Summary									
Fund Name : Workers Compensation									
Department Name : Legal									
Fund/Department No. : 880 / 90									
Program Performance Measures	FY2005 Actual			FY2006 Estimate			FY2007 Budget		
	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$	Program Activities	Budget FTEs	Program Costs \$
Workers compensation subrogation claims handled	116			148			150		
	5.2	285,989		4.5	221,066		5.0	317,058	
Total	<u>5.2</u>	<u>285,989</u>		<u>4.5</u>	<u>221,066</u>		<u>5.0</u>	<u>317,058</u>	

FISCAL YEAR 2007 BUDGET

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

<u>NO. of POSITIONS</u>	<u>JOB DESCRIPTION</u>	<u>JOB CLASS CODE</u>	<u>PAY GRADE</u>
1	CLERK	4812	5
1	LEGAL ASSISTANT III	6022	15
2	SENIOR ASSISTANT CITY ATTORNEY I	6041	30
1	SENIOR LEGAL WORD PROCESSOR	4937	13
<hr/> 5.0	Total Positions		
0.0	Less adjustment for Vacancies and Part-Time Employees		
<hr/> 5.0	Full-Time Equivalents		

FISCAL YEAR 2007 BUDGET

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

ACCT	DESCRIPTION	FY2005 Actual	FY2006 Budget	FY2006 Estimate	FY2007 Budget
1100	Salary-Base Pay-Civilian	209,282	213,261	153,838	220,623
1130	Termination Pay-Civilian	0	20,000	0	5,000
1135	Pension-Civilian	35,119	34,976	25,383	36,183
1140	Social Security-Civilian	15,329	16,314	11,730	16,877
1145	Health/Life Ins Active Civilian	24,707	21,575	19,925	22,653
1405	Workers Compensation-Civilian	790	1,200	940	1,290
1420	Long Term Disability	537	600	600	870
1981	Compensation Contingency	0	0	0	4,412
Total Personnel Services		285,764	307,926	212,416	307,908
2305	Computer Supplies	0	2,500	2,500	2,700
2315	Publications & Printed Materials	225	500	500	500
2325	Miscellaneous Office Supplies	0	3,000	3,000	3,300
Total Supplies		225	6,000	6,000	6,500
3404	Metro Commuter Passes	0	400	400	400
3900	Education & Training	0	1,500	1,500	1,500
3905	Membership & Professional Fees	0	750	750	750
Total Other Services and Charges		0	2,650	2,650	2,650
Grand Total Expenditures		285,989	316,576	221,066	317,058