Fund Summary

Fund Name : Workers' Compensation
Fund No./Bus. Area No. : 1011 / 8000 / 9000

	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
Beginning Fund Balance	0	0	**0**
Current Revenues	19,877,000	18,860,475	**20,748,908**
Total Available Resources	19,877,000	18,860,475	**20,748,908**
Maintenance and Operations	19,877,000	18,860,475	**20,748,908**
Total Expenditures	19,877,000	18,860,475	**20,748,908**
Planned Ending Fund Balance	0	0	**0**
Total Budget	19,877,000	18,860,475	**20,748,908**

The above summarizes the FY2010 Current Budget, the FY2010 Estimate and the FY2011 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 processed directly 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 the elimination/reduction of accidents via the implementation, monitoring and assessment of departments' Accident Prevention Plans. These cooperative efforts have 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 effective December 16, 2006. These guidelines institute a transitional duty program, which focuses on returning injured employees to work as soon as medically 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.

Business Area Budget Summary

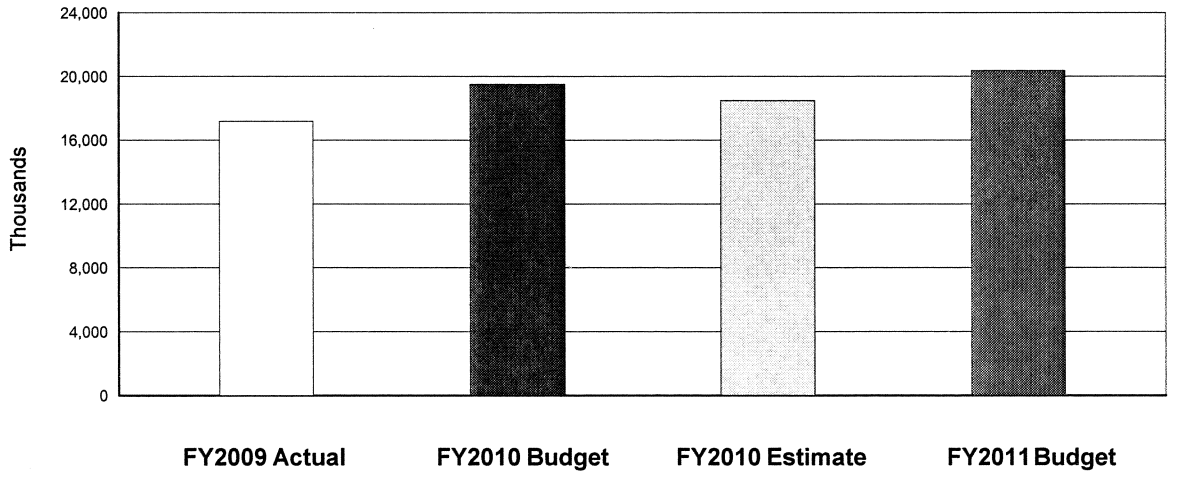
Fund Name : Workers' Compensation
Business Area Name : Human Resources
Fund No./Bus. Area No. : 1011 / 8000

		FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
Expenditures	Personnel Services	1,764,941	2,417,743	2,277,094	**2,417,103**
	Supplies	38,714	39,728	37,623	**38,504**
	Other Services and Charges	15,381,519	17,014,886	16,143,167	**17,894,875**
	Equipment	0	19,995	19,995	**0**
	Non-Capital Equipment	3,874	407	407	**3,000**
	Total M & O Expenditures	17,189,048	19,492,759	18,478,286	**20,353,482**
	Debt Service & Other Uses	0	0	0	**0**
	Total Expenditures	17,189,048	19,492,759	18,478,286	**20,353,482**
Revenues		17,518,773	19,877,000	18,860,475	**20,748,908**
Staffing	Full-Time Equivalents - Civilian	26.9	33.8	32.8	**33.8**
	Full-Time Equivalents - Classified	0.0	0.0	0.0	**0.0**
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	**0.0**
	Total	26.9	33.8	32.8	**33.8**
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	**0.0**

Significant Budget Changes and Highlights

- o Perform safety assessments for high risk departments via tailored programs addressing the effectiveness and dissemination of their accident prevention plans.
- o Continue implementation of the Workers' Compensation Automation system to improve the process for salary continuation, transitional duty and management reporting.
- o Issue Request for Proposal (RFP), analyze and contract with a Texas Department of Insurance certified network.
- o The FY2011 Budget provides funding for the Hope 3% increase ($53,322) and 1.25% Pay for Performance increase ($20,557).

Workers' Compensation
Human Resources
Expenditure Summary



Business Area Cost Center Summary

Fund Name : Workers' Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Cost Center Description	Cost Center Objectives
Employee Clinic **8000090001**	
Physical examination and drug testing services for all COH applicants and employees. Licensed Commercial Driver alcohol and drug testing services for Department of Transportation (DOT) compliance.	Compliance with Executive Order 1-12 and 1-32 for all drug testing and related services. Medical screening and review according to established standards for HPD,HFD, Aquatics, Promotions and Telecommunications.
Safety **8000100001**	
Inspect workplaces and job sites to eliminate safety hazards. Compile reports to meet requirements of state law. Train employees in all areas of safety.	Provide direction on safety programs to minimize the City's liabilities for Workers' Compensation (WC). Investigate accidents to determine root causes and prevent recurrences. Oversee the City's Hazard Communications Program.
Claim Processing **8000100002**	
Administer Salary Continuation Program, approve or disapprove injury leave and review of citywide compliance in accordance with the Work Ability Guidelines - E.O. 1-33. Provide guideline training to departments and oversight to the TPA on TIBS payments.	Ensure that salary continuation requests are processed on a timely basis by providing training to departments. Increase early return to work awareness by communicating the benefits to employees.
Information Services **8000100003**	
Data compilation, reporting and technical services liaison.	Develop and compile Risk Management financial and statistical reports. Provide customer service departments with defined and ad-hoc reports and coordinate requested technical services.
Case Management **8000100004**	
Provide ongoing implementation of Work Ability Guidelines - E.O. 1-33 through employee training, maintenance of employee/employer relationship with the injured workers and early intervention to facilitate transitional return to duty.	Maintain employee/employer relationships and facilitate return to work by contacting injured workers by telephone and mail. Improve procedures to return medically released employees to productive work. Monitor Adjusters to assess completion of action plans.
Administrative Support **8000100005**	
Provide administrative support to Risk Management Division and other customer service departments. Maintenance of the Human Resources mail and messenger services.	Support injury leave and case management functions. Maintain and process telephone service requests and serve as division purchasing coordinator. Provide supervision to Human Resources mail and messenger services.

Business Area Cost Center Summary

Fund Name : Workers' Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Performance Measures	FY2009 Actual			FY2010 Estimate			FY2011 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
Drug Test	10,000			10,000			**10,000**		
Physicals	3,500			3,000			**2,500**		
		3.7	221,129		3.8	225,299		**3.8**	**234,307**
Defensive driving course	1,530			1,500			**1,500**		
Safety Audits	8			8			**8**		
Safety inspections	1,490			2,000			**1,300**		
Employees trained, CPR	2,423			2,300			**2,300**		
		8.3	739,321		11.0	902,198		**11.0**	**901,941**
Files-Trans/Inj leave/TPA	2,473			4,598			**4,600**		
Q/A reviews/audits	587			1,222			**1,300**		
Training-internal/external	155			75			**75**		
Employee Surveys	2			1,560			**1,560**		
Written Communications	13			2,300			**2,300**		
		5.7	414,976		5.0	286,337		**5.0**	**309,926**
Monthly MFOR,QM,WC	24			30			**30**		
Vital statistics	12			12			**12**		
Ad hoc reports & requests	244			250			**250**		
Subro recoveries	63			75			**75**		
Refunds processed	86			100			**100**		
		2.1	130,844		2.8	202,485		**3.0**	**234,706**
Injured workers RTW	874			900			**900**		
Case management meetings	474			750			**750**		
		1.2	25,464		7.0	465,741		**7.0**	**478,236**
Create file folders	0			N/A			**N/A**		
Telephone service request	200			N/A			**N/A**		
Process purchase requisitions	32			N/A			**N/A**		
		2.9	136,199		0.0	0		**0.0**	**0**

Business Area Cost Center Summary

Fund Name : **Workers' Compensation**
Business Area Name : **Human Resources**
Fund No./Bus Area No. : **1011 / 8000**

Cost Center Description	Cost Center Objectives
Administrators Office **8000100006**	
Workers' Compensation (WC) Administration provides oversight and direction to all Workers' Compensation (WC) programs through ongoing assessment and analysis of program functions in comparison to all citywide activities.	Ensure the acceptable performance of the City's Workers' Compensation system's internal and external components to include coordination of various accident prevention and safety activities.
Finance & Systems **8000100007**	
Provide financial and system support for the Workers' Compensation(WC) program. Responsible for interfacing with the third party administrators on the designing and maintenance of Workers' Compensation (WC) financial and operational reports.	Post, analyze, monitor, and review financial documents associated with Workers' Compensation. Provide oversight for all financial, procurement, and vendor payment activities.

Business Area Cost Center Summary

Fund Name : Workers' Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Performance Measures	FY2009 Actual			FY2010 Estimate			FY2011 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
City liaison updates	1			128			**128**		
Vendor review meetings	12			80			**80**		
Accidents Reported	NA			1,211			**1,211**		
		1.1	15,353,397		1.0	16,194,883		**1.0**	**17,962,579**
Post and review WC department billings	12			12			**12**		
		1.9	167,718		2.2	201,343		**3.0**	**231,787**
Total		26.9	17,189,048		32.8	18,478,286		**33.8**	**20,353,482**

Business Area Roster Summary

Fund Name : Workers' Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Job Description	Pay Grade	FY2010 Current Budget FTE	FY2011 Budget FTE	Change
ADMINISTRATION MANAGER	26	2.0	2.0	
ADMINISTRATIVE AIDE	10	1.0	1.0	
ADMINISTRATIVE ASSISTANT	17	4.0	4.0	
ADMINISTRATIVE ASSOCIATE	13	0.8	0.8	
ADMINISTRATIVE COORDINATOR	24	3.0	3.0	
ADMINISTRATIVE SPECIALIST	20	1.0	1.0	
CLAIMS COORDINATOR	17	2.0	2.0	
DIVISION MANAGER	29	2.0	2.0	
EXECUTIVE OFFICE ASSISTANT	15	1.0	1.0	
FINANCIAL ANALYST III	21	1.0	1.0	
HUMAN RESOURCES ASSISTANT	13	1.0	1.0	
HUMAN RESOURCES TECHNICIAN	12	1.0	1.0	
MESSENGER	6	1.0	1.0	
PUBLIC HEALTH NURSE IV	22	1.0	1.0	
SAFETY OFFICER	21	7.0	6.0	(1.0)
SAFETY SUPERVISOR	24	4.0	4.0	
SENIOR ACCOUNT CLERK	13	0.0	1.0	1.0
SYSTEMS ACCOUNTANT III	27	1.0	1.0	
Total FTEs		**33.8**	**33.8**	**0.0**
Less adjustment for Civilian Vacancy Factor		**0.0**	**0.0**	**0.0**
Full-Time Equivalents		**33.8**	**33.8**	**0.0**

Business Area Revenue Summary

Fund Name : Workers' Compensation
Business Area Name : Human Resources
Fund No./Bus Area No. : 1011 / 8000

Commit Item	Description	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
8000100006	**Administrators Office**			
426370	Training Services	3,000	3,000	**3,000**
432010	Interest on Pooled Investments	95,000	45,000	**45,000**
451010	Interfund Billing-Workers' Comp Admin	5,134,498	4,619,805	**5,093,908**
451015	Interfund Billing-Workers' Comp Claims	14,644,502	14,192,670	**15,607,000**
Total	**Administrators Office**	**19,877,000**	**18,860,475**	**20,748,908**
Total	**Human Resources**	**19,877,000**	**18,860,475**	**20,748,908**

Business Area Expenditure Summary

Fund Name : Workers' Compensation
Business Area Name : Human Resources
Fund No./Bus. Area No. : 1011 / 8000

Commit Item	Description	FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
500010	Salary Base Pay - Civilian	1,180,275	1,660,307	1,592,845	**1,684,540**
500030	Salary Part Time - Civilian	28,976	32,307	32,870	**35,530**
500060	Overtime - Civilian	869	0	43	**0**
500110	Bilingual Pay - Civilian	786	904	904	**1,808**
500210	Pay for Performance-Municipal	5,200	0	2,400	**928**
501070	Pension - Civilian	179,730	244,072	235,856	**244,263**
501120	Termination Pay - Civilian	4,036	0	0	**0**
502010	FICA - Civilian	88,624	129,556	120,784	**131,722**
503010	Health Ins-Act Civilian	170,819	245,734	222,318	**237,620**
503015	Basic Life Insurance - Active Civilian	976	975	926	**1,021**
503050	Health/Life Insurance - Retiree Civilian	41,107	48,070	50,768	**45,521**
503060	Long Term Disability-Civilian	(229)	2,874	2,527	**2,805**
503090	Workers Compensation-Civilian-Admin	3,716	7,101	6,803	**7,113**
503100	Workers Compensation-Civilian-Claim	59,858	20,000	7,980	**2,492**
504020	Compensation Contingency	0	24,660	0	**20,557**
504030	Unemployment Claims	198	1,183	70	**1,183**
Total	**Personnel Services**	**1,764,941**	**2,417,743**	**2,277,094**	**2,417,103**
511040	Audiovisual Supplies	0	0	0	**900**
511045	Computer Supplies	2,216	5,500	4,200	**3,700**
511050	Paper & Printing Supplies	4,618	3,900	3,336	**4,124**
511055	Publications & Printed Materials	488	1,000	998	**960**
511060	Postage	1,900	1,225	3,931	**1,400**
511070	Miscellaneous Office Supplies	5,841	7,913	5,711	**7,370**
511080	General Laboratory Supplies	0	300	300	**300**
511095	Small Technical & Scientific Equipment	8,235	4,250	3,900	**2,400**
511110	Fuel	13,297	12,840	12,297	**14,800**
511115	Vehicle Repair & Maintenance Supplies	24	0	0	**0**
511120	Clothing	1,341	1,200	1,200	**1,000**
511125	Food Supplies	0	0	550	**550**
511150	Miscellaneous Parts & Supplies	754	1,600	1,200	**1,000**
Total	**Supplies**	**38,714**	**39,728**	**37,623**	**38,504**
520100	Temporary Personnel Services	10,441	2,000	7,645	**0**
520104	Claims Payment Services	1,416,445	1,800,000	1,600,000	**1,800,000**
520108	Information Resource Services	135	0	167	**170**
520110	Management Consulting Services	105,075	200,000	44,875	**184,000**
520114	Miscellaneous Support Services	33,174	29,500	14,035	**13,000**
520115	Real Estate Lease/Office Rental	180,000	180,000	180,000	**180,000**
520119	Computer Equipment/Software Maintenance	4,189	24,500	24,847	**9,000**
520121	IT Application Svcs	5,630	6,000	4,967	**5,091**
520123	Vehicle & Motor Equipment Services	15,375	12,000	8,500	**9,000**
520515	Print Shop Services	6,088	2,850	1,618	**6,591**
520605	Advertising Services	0	1,200	1,200	**0**
520705	Insurance Fees	421	300	132	**150**
520765	Membership & Professional Fees	100	5,345	1,560	**1,950**
520805	Education & Training	21,412	19,402	14,290	**18,750**
520900	CIP-Capital Equipment Acquisition	43,982	23,987	0	**0**
520905	Travel - Training Related	1,511	6,400	3,034	**5,500**
520910	Travel - Non-Training Related	0	500	250	**500**
521605	Data Services	6,278	4,000	6,130	**6,283**
521610	Voice Services	13,910	15,000	13,396	**13,731**
521620	Voice Equipment	80	2,000	757	**776**
521625	Voice Labor	391	2,000	307	**315**

Business Area Expenditure Summary

Fund Name : **Workers' Compensation**
Business Area Name : **Human Resources**
Fund No./Bus. Area No. : **1011 / 8000**

Commit Item	Description	FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
521630	GIS Revolving Fund Services	0	0	0	**1,285**
521730	Parking Space Rental	5,536	15,000	10,104	**18,500**
522205	Metro Commuter Passes	6,460	7,500	4,883	**4,883**
522430	Miscellaneous Other Services & Charges	600	0	0	**0**
522605	Active Employee Incurred Claims	13,504,286	14,644,502	14,192,670	**15,607,000**
522780	Interfund Photo Copy Services	0	10,900	7,800	**8,400**
Total	**Other Services and Charges**	**15,381,519**	**17,014,886**	**16,143,167**	**17,894,875**
560220	Vehicles	0	19,995	19,995	**0**
Total	**Equipment**	**0**	**19,995**	**19,995**	**0**
551010	Non-Capital Office Furniture & Equipment	0	407	407	**1,500**
551015	Non-Capital Computer Equipment	3,874	0	0	**1,500**
Total	**Non-Capital Equipment**	**3,874**	**407**	**407**	**3,000**
	Grand Total Expenditures	**17,189,048**	**19,492,759**	**18,478,286**	**20,353,482**

CITY OF HOUSTON
TEXAS

Business Area Budget Summary

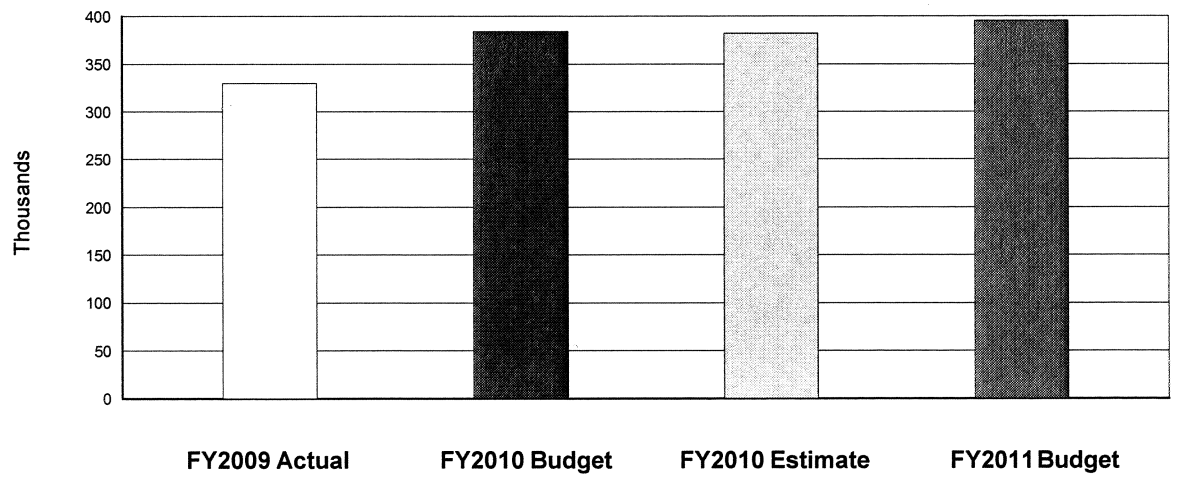
Fund Name : Workers' Compensation
Business Area Name : Legal
Fund No./Bus. Area No. : 1011 / 9000

		FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
Expenditures	Personnel Services	329,487	363,191	362,889	**375,936**
	Supplies	0	13,400	13,400	**13,400**
	Other Services and Charges	238	7,650	5,900	**6,090**
	Total M & O Expenditures	329,725	384,241	382,189	**395,426**
	Debt Service & Other Uses	0	0	0	**0**
	Total Expenditures	329,725	384,241	382,189	**395,426**
Revenues		0	0	0	**0**
Staffing	Full-Time Equivalents - Civilian	4.8	5.0	5.0	**5.0**
	Full-Time Equivalents - Classified	0.0	0.0	0.0	**0.0**
	Full-Time Equivalents - Cadets	0.0	0.0	0.0	**0.0**
	Total	4.8	5.0	5.0	**5.0**
	Full-Time Equivalents - Overtime	0.0	0.0	0.0	**0.0**

Significant Budget Changes and Highlights

o The FY2011 Budget provides funding for HOPE 3% increase ($8,621) and 1.25% Pay for Performance increase ($4,123) .

Workers' Compensation
Legal
Expenditure Summary



Business Area Cost Center Summary

Fund Name : Workers' Compensation
Business Area Name : Legal
Fund No./Bus Area No. : 1011 / 9000

Cost Center Description	Cost Center Objectives
Workers Compensation Litigation Unit 9000130001 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.

Business Area Cost Center Summary

Fund Name : **Workers' Compensation**
Business Area Name : **Legal**
Fund No./Bus Area No. : **1011 / 9000**

Performance Measures	FY2009 Actual			FY2010 Estimate			FY2011 Budget		
	Activities	FTEs	Costs $	Activities	FTEs	Costs $	Activities	FTEs	Costs $
Workers' Compensation subro claims handled	839			1,950			**1,300**		
		4.8	329,725		5.0	382,189		**5.0**	**395,426**
Total		4.8	329,725		5.0	382,189		**5.0**	**395,426**

Business Area Roster Summary

Fund Name : **Workers' Compensation**
Business Area Name : **Legal**
Fund No./Bus Area No. : **1011 / 9000**

Job Description	Pay Grade	FY2010 Current Budget FTE	FY2011 Budget FTE	Change
ADMINISTRATIVE AIDE	10	0.0	1.0	1.0
ASSISTANT CITY ATTORNEY I	21	1.0	0.0	(1.0)
ASSISTANT CITY ATTORNEY II	24	0.0	1.0	1.0
PARALEGAL III	16	1.0	0.0	(1.0)
RECORDS TECHNICIAN	9	1.0	0.0	(1.0)
SENIOR ASSISTANT CITY ATTORNEY I	30	1.0	1.0	
SENIOR LEGAL WORD PROCESSOR	13	1.0	1.0	
SENIOR PARALEGAL	19	0.0	1.0	1.0
Total FTEs		**5.0**	**5.0**	**0.0**
Less adjustment for Civilian Vacancy Factor		**0.0**	**0.0**	**0.0**
Full-Time Equivalents		**5.0**	**5.0**	**0.0**

Business Area Expenditure Summary

Fund Name : Workers' Compensation
Business Area Name : Legal
Fund No./Bus. Area No. : 1011 / 9000

Commit Item	Description	FY2009 Actual	FY2010 Current Budget	FY2010 Estimate	FY2011 Budget
500010	Salary Base Pay - Civilian	249,863	272,463	270,029	**274,933**
501070	Pension - Civilian	36,796	39,559	39,694	**39,865**
501120	Termination Pay - Civilian	2,668	2,000	0	**2,000**
502010	FICA - Civilian	18,669	20,586	20,428	**21,033**
503010	Health Ins-Act Civilian	20,695	23,417	27,567	**28,806**
503015	Basic Life Insurance - Active Civilian	190	153	158	**163**
503060	Long Term Disability-Civilian	(45)	425	425	**425**
503090	Workers Compensation-Civilian-Admin	651	1,050	1,050	**1,050**
503100	Workers Compensation-Civilian-Claim	0	3,363	3,363	**3,363**
504020	Compensation Contingency	0	0	0	**4,123**
504030	Unemployment Claims	0	175	175	**175**
Total	**Personnel Services**	**329,487**	**363,191**	**362,889**	**375,936**
511045	Computer Supplies	0	3,700	3,700	**3,700**
511055	Publications & Printed Materials	0	6,400	6,400	**6,400**
511070	Miscellaneous Office Supplies	0	3,300	3,300	**3,300**
Total	**Supplies**	**0**	**13,400**	**13,400**	**13,400**
520114	Miscellaneous Support Services	0	3,400	3,400	**3,400**
520765	Membership & Professional Fees	0	750	750	**750**
520805	Education & Training	26	1,500	1,500	**1,500**
521610	Voice Services	1	0	0	**0**
521630	GIS Revolving Fund Services	0	0	0	**190**
522205	Metro Commuter Passes	211	2,000	250	**250**
Total	**Other Services and Charges**	**238**	**7,650**	**5,900**	**6,090**
	Grand Total Expenditures	**329,725**	**384,241**	**382,189**	**395,426**