

Idaho Industrial Commission

# Strategic Plan

Fiscal Years Ending June 30, 2015 – June 30, 2019



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## Introduction

The Idaho Industrial Commission's strategic plan identifies the priorities and goals necessary to fulfill the agency's mission. A collaborative planning process incorporates input from Commission employees, managers and the three Commissioners that lead the agency. We recognize that circumstances change during the term of this plan, which may create a need for revised objectives, strategies, and measures. Therefore, the strategic plan is regularly reviewed and updated annually.

A strategic plan for the workers' compensation system, unemployment appeals, and crime victims compensation program is essential to ensure that the agency meets the specific needs of its various constituencies. In addition to the overall agency strategic plan, many departments develop targeted strategic plans to set annual performance goals. The results of these plans are documented in a performance measurement report that is submitted to the Governor's office each September.

The Industrial Commission will continue its dedicated effort to communicate regularly with the Governor's office, constituents, industry representatives, members of the legislature, and the Advisory Committee on Workers' Compensation as a means of ensuring the agency's goals and objectives are executed equitably, efficiently, and promptly.

## Our Mission

- To impartially and efficiently administer the Idaho Workers' Compensation Law in a manner that ensures compliance with insurance requirements, timely dispute resolution, prompt and accurate benefit payments, and quality vocational rehabilitation services for injured workers.
- To provide timely judicial review of appeals from the Department of Labor under the Employment Security Act.
- To assist innocent victims of crime recover from the devastating effects of crime by providing financial assistance in accordance with state and federal law.

## Values and Guiding Principles

Quality Customer Service	<ul style="list-style-type: none"><li>•Customers are our top priority, and we strive to provide accurate information in a timely and professional manner.</li></ul>
Ethical Practices and Behavior	<ul style="list-style-type: none"><li>•We conduct our daily business in accordance with local, state and federal laws and judicial canons.</li><li>•We encourage our employees to take pride in their work and promote professional, respectful behavior.</li></ul>
Impartiality	<ul style="list-style-type: none"><li>•We are committed to maintaining neutrality in all interactions with our constituents and reviewing each situation objectively.</li></ul>
Challenging and Positive Work Environment	<ul style="list-style-type: none"><li>•Our employees are our most valuable resource. We encourage teamwork, innovation, and progressive leadership.</li></ul>
Effective and Efficient Operations	<ul style="list-style-type: none"><li>•We use our resources responsibly, keeping in mind the "big picture" of the agency's goals.</li><li>•We strive to streamline our processes to save time and money, and to serve Idahoans most efficiently.</li></ul>
Accessible Services	<ul style="list-style-type: none"><li>•In addition to our main administrative office in Boise, we maintain 11 field offices throughout the state so our customers have convenient access to timely and professional services and information.</li><li>•We constantly review our website to ensure that information is current and accessible.</li></ul>

## Key External Factors and Challenges

- With limited resources to reward employees, the Commission anticipates that it will continue to lose skilled employees to higher-paying positions in other state agencies and to the private sector. The turnover rate for the Industrial Commission continues to be nearly double the state average.
- In addition to the employee turnover and retention challenges the agency is experiencing, we are losing several long term managers to retirement in the next two years.
- The slow economic recovery has had an impact on nearly every department in the agency. Some specific examples include:

Continued cost-cutting by insurance companies has led to more specialized and centralized claims adjusting operations, resulting in a loss of in-state authority and accountability;

Businesses are electing to drop workers' compensation insurance, improperly classifying employees as independent contractors, and obtaining nontraditional coverage as a means of cutting costs;

Returning injured workers to work has become increasingly difficult due to decreased employment opportunities. Employers are hiring workers for lower wages and electing to fill more part-time positions without benefits.

- There is growing uncertainty as to how national health care reform, Medicaid expansion, and Medicare as a secondary payor will impact both the Idaho's workers' compensation system and the Crime Victims Compensation Program.
- Diminishing resources in local communities has forced victims to seek assistance from the Crime Victims Compensation Program for services that were not typically addressed by staff. Some specific examples include:

Overall, daily census data indicates an 82% increase in the number of victims and family members accessing benefits and services from the program from fiscal year 2011 to 2013. Daily census figures reached an all time high of 8,912 victims and family members accessing benefits and services in FY13;

The addition of the Restitution Billing Project has increased the workload in the recovery unit, resulting in significantly increased contact with offenders and time constraints in managing the IDOC data exchange. These increases have left little time for more aggressive collection actions against debtors.

## Agency Goals

**Goal 1:** *Improve the exchange of information with agency stakeholders/customers.*

### Strategies:

- Implement mechanisms to gauge the usefulness of website content.
- Develop an electronic document management system for Commission records.
- Enhance coverage verification system to provide accurate claims administrator information.
- Implement a mandatory electronic record reporting requirement.
- Develop plans for implementation of Electronic Data Interchange (EDI) Claims Release 3 with a target goal of December 2016.

### Measurements:

- Feedback from external website users indicates information is thorough and easily accessible.
- Establish links from NCCI's coverage verification system to the Industrial Commission Information System (ICIS) in order to display correct claims administrator information on website.
- Ensure attendance at IAABC meetings to obtain critical information on EDI Claims Release 3.
- Propose Statute/Rule changes by July 2014 to mandate the use of EDI Claims Release 3.

**Goal 2:** *Retain highly qualified employees to carry out Industrial Commission responsibilities.*

### Strategies:

- Provide developmental opportunities for employees to enhance their skills related to Commission positions.
- Explore with employees during performance evaluation meetings their goals and aspirations, to facilitate tailoring non-economic incentives.
- Target salary savings and CEC disbursement on classifications where the agency is experiencing the highest turnover and on those employees with low compa-ratios.
- Reward exemplary performance with merit based bonuses whenever possible.
- Identify agency specific positions that may be experiencing high turnover for possible salary budgetary requests.
- Communicate staff turnover and salary issues to key decision makers.

### Measurements:

- Each manager has individual developmental plans for their key employees that include specific training opportunities and projects that will enhance their skills. These plans are reviewed at least annually and are incorporated into the agency training plan and budget.
- Monitor turnover rates for all agency classifications on a monthly basis to identify trends.

**Goal 3:            *Update business continuity and record retention plans.***

**Strategies:**

- Meet with the Records Center Supervisor to review the current record retention schedule and identify where modifications need to be made.
- Establish a record retention committee comprised of key agency leaders to develop processes and procedures for updating the agency plan.
- Evaluate past work that has been completed on the agency business continuity of operations plan (COOP).
- Coordinate with Bureau of Homeland Security to obtain their guidance in ensuring our COOP meets their guidelines.

**Measurements:**

- Record retention plan is updated and filed by September 1, 2014.
- Continuity of operations plan is updated and filed by December 31, 2014.

## Adjudication Division

**FUNCTION:** Promotes the timely processing and resolution of disputed workers' compensation claims and medical fee disputes; provides an alternative method of resolving disputes through mediation; provides judicial review of unemployment insurance appeals from the Idaho Department of Labor; hears appeals from determinations made by the Crime Victims Compensation Program.

**GOAL 1:** *Decide disputes arising out of workers' compensation, unemployment appeals, and crime victims' compensation cases in timely fashion and pursuant to applicable law and judicial canons.*

### Strategies:

- Issue workers' compensation decisions within an average of sixty (60) days following the date a case is fully submitted.
- Successfully resolve ninety percent (90%) of mediated claims.
- Maintain an average age of pending unemployment insurance appeals of less than 40 days.
- Issue consistent and predictable decisions.
- Improve system efficiency and accountability.

### Measurements:

- Monthly review of case management reports reflecting the division's performance.
- Customer feedback.
- Input from the Industrial Commission's Advisory Committee.
- Disposition of cases appealed to Idaho Supreme Court.

**GOAL 2:** *Establish statutes and rules that set reasonable fees for quality, timely and accessible medical services provided to Idaho's injured workers.*

### Strategies:

- Analyze market conditions to apply appropriate adjustments to medical fees.
- Provide outreach and education to payors and providers to ensure proper billing and payment practices.
- Participate with the Healthcare subcommittee of the Industrial Commission's Advisory Committee to develop recommendations for annual adjustments to the medical fee schedule and reduce disparity in service categories.

### Measurements:

- Average indemnity and medical costs for injured workers are maintained at the current level or are reduced.
- Workers' Compensation premiums remain stable.
- Resolve medical fee disputes within 60 days of filing.



## Compensation Division

**FUNCTION:** Evaluates insurance carriers requesting approval to write workers' compensation insurance and employers requesting approval to become self-insured; endeavors to ensure that adequate securities are on deposit with the State Treasurer's Office to cover claims liabilities; enforces the insurance requirements of the Idaho Workers' Compensation Law; ensures that workers' compensation benefits are paid properly and timely; provides educational opportunities to constituent groups; audits sureties and self-insureds; and resolves emergent issues between claimants and sureties on non-litigated claims. The Compensation Division also includes Fiscal, IT, and Human Resources departments that support business management processes.

**GOAL 1:**        *Ensure all workers in the state are afforded the coverage required by law.*

### Strategies:

- Update reciprocity agreements with surrounding states.
- Update information sharing agreements with state and federal agencies.
- Develop reports to extract data on Professional Employer Organizations (PEO) relationships and deductible policies to ensure coverage and premium reporting requirements are being met.
- Continue efforts to educate the public on the insurance requirements of the Idaho Workers' Compensation Law.

### Measurements:

- Agreements are drafted and submitted to Commissioners for approval by January 1, 2015.
- Establish focus group to evaluate workers' compensation reporting requirements for PEO's and make recommendations for possible statutory and/or rule changes.
- Public service announcements are well received and increase traffic to the agency website.

**GOAL 2:**        *Ensure that all insurance carriers and self-insured employers authorized in Idaho maintain adequate security deposits to protect injured workers.*

### Strategies:

- Ensure the adequacy of surety deposits through regular analysis of required reports, review of financial statements to assess financial condition, and evaluation of claims history and risk retention levels.
- Conduct thorough review of applications for workers' compensation insurance authority in Idaho.
- Perform ongoing review of surety and self insured employer requirements and obtain input from the Industrial Commission's Advisory Committee for any proposed statute or rule modifications.

### Measurements:

- Security deposits are adequate to cover potential liability.

- Requests for additional securities are complied with.
- Proposed legislative and administration rule changes are approved.

**GOAL 3:        *Enhance informational and educational opportunities for stakeholders regarding Idaho's Workers' Compensation Laws.***

**Strategies:**

- Provide training and outreach programs on the insurance requirements of Idaho's Workers' Compensation Law in all areas of the state.
- Educate medical providers and their personnel on the impact and importance of their role in the workers' compensation system.
- Conduct an annual workers' compensation seminar for workers' compensation professionals.
- Enhance relationships with sureties and claims administrators through regular meetings and education.
- By May 2015, constituencies will be provided an effective, cohesive outreach plan, to include the CIWCS, Surety Claims Audits, Employer Education and Evaluation.
- By May 2018, the CIWCS Certification, or another Commission alternative, will be either required or allowed as an alternative to DOI testing for licensure for domestic adjusters/examiners.

**Measurements:**

- Meetings with Surety/Claims Administrators are held at least twice annually.
- Conduct at least four Certified Idaho Workers' Compensation Specialist (CIWCS) programs annually.
- Conduct at least four site audits at Idaho Claims Administrator offices annually.
- Provide transparency with audit expectations and results on the Commission website.
- Evaluate the effectiveness of new public service announcements by tracking incoming calls and visits to the Commission website.
- By May 2016, a schedule for, and outcomes of, outreach programs will be available on the Idaho Commission website.

## Rehabilitation Division

**FUNCTION:** Assists injured workers by supporting their medical recovery while facilitating a timely return to employment that is as close as possible to the worker's pre-injury status and wage.

**GOAL 1:** *Lessen the impact injured workers and employers face during an industrial injury by providing early vocational services that minimizes loss and restores the injured worker to gainful employment.*

### Strategies:

- Educate both injured workers and employers on rehabilitation services available at no cost to their claim.
- Begin early in the medical process to provide vocational services with the time-of-injury employer and utilize transitional return to work planning when appropriate.
- When an injured worker is required to seek new employment, reduce the labor market loss and wage loss experienced by utilizing all available resources early in the medical recovery and conduct a thorough occupational exploration.
- Ensure community and other resources are fully utilized by providing combined services, resulting in gainful employment for injured workers.

### Measurements:

- Provide an accurate and thorough documentation of chronological activities in each claim referred.
- Parties to the claims report receiving the information they need.
- Injured workers demonstrate employability and rehabilitations increase.
- Ninety percent of injured workers rehabilitated through our services maintain 90% or more of their pre-injury wage as verified by the Goal-Oriented Performance Review.

**GOAL 2:** *Provide the highest level of vocational services to all referral sources and promote early utilization of the Rehabilitation Division's return to work services.*

### Strategies:

- Continue consistent contacts with employers, attorneys, and medical providers to provide them with the necessary information needed in each case.
- Provide educational outreach on the benefits associated with early return to work.

### Measurements:

- Review the *Annual Report Breakdown by Referral Source* report to ensure over 25% of our referrals comes from employers, attorneys, self-referrals, and medical providers.
- The *Referrals directly from Marketing* report will indicate yearly employer referrals are above 10% of overall referrals.

## Crime Victims Compensation Program

**FUNCTION:** Provides financial assistance to victims of crime for health care and related expenses incurred as a result of criminally injurious conduct. The program also pays for sexual assault forensic examinations.

**GOAL 1:** *Pro-actively administer benefits in an efficient, timely and customer friendly manner.*

### Strategies:

- Quarterly quality assurance review of cases and analysis of customer satisfaction survey.
- Provide proactive services to recipients to ensure utilization of services.
- Utilize technology to streamline internal processes and increase productivity.

### Measurements:

- Review results of quality assurance reviews, take corrective action where needed and evaluate policies/procedures relating to areas of concern.
- Collect supporting documentation within forty five (45) days from receipt of application.
- Determine eligibility for benefits within thirty (30) days from receipt of supporting documentation.
- Contact and assess needs of each eligible victim within 35 days of eligibility.
- Review of monthly statistical management reports.
- Review feedback provided by customer satisfaction survey data, take appropriate action.
- Benefit utilization is maintained at seventy percent (70%).

**GOAL 2:** *Monitor funding sources to meet increased demand for services, and provide long term financial stability.*

### Strategies:

- Manage federal grants to ensure continued funding levels and provide input to the Office for Victims of Crime to enhance federal funding and benefits to victims.
- Coordinate with the Department of Probation and Parole to increase restitution collections to ensure satisfaction of court orders.
- Review budget expenditures biannually to ensure the medical fee schedule is sufficiently controlling medical and forensic exam expenditures.
- Enhance the CVCP Fund balance to ensure funding for future victims.
- Enhance recovery efforts by taking aggressive collection action against debtors.

### Measurements:

- Actively participate in the Quarterly VOCA Administrators Meetings to provide feedback that will affect future funding levels and benefit development.

- Increase communication to individual parole/probation officers regarding outstanding offender debts.
- Manage federal grant funding to maximize state dollars deposited in the Fund, increase recovery collections, and contain costs for medical services through the medical fee schedule.
- Continue a monthly collections system for outstanding restitution debts.
- Enhance the data exchange process with Idaho Department of Corrections to ensure efficient and accurate exchange of offender information and Probation and Parole Officer assignments for the monthly restitution collection project.

**GOAL 3:**        *Respond effectively to increases in demand for victims’ services and community education programs.*

**Strategies:**

- Enhance outreach activities and community presence. Identify alternative media to promote community/public education opportunities.

**Measurements:**

- Review of reports to evaluate timeliness of responding to requests for services.
- Distribute marketing products in public venues and locations serving victims of crime.
- Participate in statewide/local task forces, committees and projects to better understand individual community needs.