

Idaho Industrial Commission Strategic Plan

Fiscal Years 2016-2020
July 1, 2015



CONTENTS

Introduction.....	1
Our Mission.....	1
Values & Guiding Principles.....	2
Key External Factors & Challenges.....	3
Agency Goals.....	5
Adjudication Division.....	9
Compensation Division.....	11
Rehabilitation Division.....	14
Crime Victims Compensation Program.....	16

INTRODUCTION & OUR MISSION

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 & GUIDING PRINCIPLES

Ethical Practices & Behavior

- We conduct our daily business in accordance with local, state and federal laws and judicial canons.
- We encourage our employees to take pride in their work and promote professional, respectful behavior.

Quality Customer Service

- Customers are a compelling priority, and we strive to provide prompt service and accurate information in a professional manner.

Impartiality

- We are committed to maintaining neutrality in all interactions with our constituents and reviewing each situation objectively.

Challenging & Positive Work Environment

- Our employees are our most valuable resource. We encourage mutual respect, teamwork, innovation, and progressive leadership.

Effective & Efficient Operations

- We use our resources responsibly, keeping in mind the “big picture” of the agency’s goals.
- We strive to streamline our processes to save time and money, and to serve Idahoans most efficiently.

Accessible Services

- 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.
- We constantly review our website to ensure that information is current and accessible.

KEY EXTERNAL FACTORS & CHALLENGES

- With restricted resources to reward and retain 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.

In addition to the employee turnover and retention challenges the agency is experiencing, we are losing several long term managers and professional staff to retirement in the next two years. The loss of institutional knowledge will have a significant impact on the agency.

The recovering private sector employment and wages, coupled with a lack of agency-level discretion in compensation for key personnel, has made personnel management and management succession planning increasingly difficult.

- The extremely low interest rate environment, combined with technology advances, has led to the acceleration of usage of alternative business models for workers' compensation insurance companies, including:

The use of captive insurance companies, both U.S. based and off-shore, which often serve as proxies for group self-insurance;

The use of high deductible policies, which essentially lead to employers being encouraged to act as self-insureds;

Reclassifying employees as either independent contractors or member/owners, in order to reduce premiums; and

General cost-cutting and outsourcing, undercutting the local authority of in-state adjusters and their in-state counsel.

Some of these developments are not anticipated by current statutes and rules, and are therefore outside of current regulatory oversight.

- Technology is depersonalizing services, causing business relationships to suffer.
- Unanticipated legislative changes which have required reactionary planning to address unforeseen challenges.

KEY EXTERNAL FACTORS & CHALLENGES

- 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.
- In Fiscal Year 2016 there will be a 400% increase in federal funding to support local grassroots community victim advocacy agencies in Idaho.

Victims of Crime Act (VOCA) Assistance funding in Idaho will increase from \$2.5 million to \$10.2 million. The Crime Victims Compensation Program anticipates that this funding increase will be spread out over the 3 year funding cycle.

This increase in funding will result in an increase in the number of individuals seeking assistance through CVCP, and subsequently increase overall workload for staff at CVCP, who are already dealing with heavy workloads and backlogs. Lesser funding increases in previous years resulted in a 30% increase in applications for assistance.

- The transition to a paperless environment is imminent, which will pose many challenges to the document driven workers' compensation and victim compensation environments.

AGENCY GOALS

GOAL 1: Expand the exchange of information with agency stakeholders/customers.

Strategies:

- Monitor and improve mechanisms to gauge the usefulness of website content.
- Develop a social media presence.
- Reinforce our mission and services to stakeholders and clients through education.
- Communicate effectively between departments, keeping in mind all functions of the agency.
- Enhance coverage verification system to provide accurate claims administrator information.
- Develop plans for implementation of Electronic Data Interchange (EDI) Claims Release 3 with a target goal of July 2017.

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 IAIABC meetings to obtain critical information on EDI Claims Release 3.
- Propose Statute/Rule changes during 2016 Legislative Session to mandate the use of EDI Claims Release 3.

AGENCY GOALS

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

Strategies:

- Target salary savings and CEC disbursement on classifications where the agency is experiencing the highest turnover, on those employees with low compa-ratios, and key personnel.
- Reward exemplary performance with merit based bonuses whenever possible.
- 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.
- Mentor supervisors on how to communicate effectively with employees.
- Ensure desk manuals are updated to retain institutional knowledge.
- Encourage team building across departments.
- 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.

AGENCY GOALS

GOAL 3: Update our business continuity of operations plan (COOP) and develop a long term plan for record retention and storage.

Strategies:

- Evaluate past work that has been completed on the agency business continuity of operations plan (COOP).
- Establish a committee of key personnel to develop COOP plan.
- Coordinate with Bureau of Homeland Security to obtain their guidance in ensuring our COOP meets their guidelines.
- Research resources for record storage that meet our agency records retention requirements.
- Assign a permanent records retention manager to enforce our records retention plan.

Measurements:

- Continuity of operations plan is updated and filed by December 31, 2016.
- Contracts for record storage are completed.

AGENCY GOALS

Goal 4: Prepare for the transition to a paperless work environment.

Strategies:

- Review existing business processes to determine what could be done today to reduce or eliminate paper usage.
- Continue to pursue Claims EDI 3.0 as a method to reduce or eliminate the ingestion of hardcopy FROI and SROI (change of status).
- Establish a technology project team to develop an action plan to modernize our business practices, including a judicial case management system.
- Review all statutes, administrative rules, or judicial rules of practice and procedure applicable to the Industrial Commission that would prevent us from accepting documents in electronic format and signatures in lieu of paper.
- Collaborate with the Idaho Courts who have begun the transition to electronic filing of court records.
- Research and identify a vendor that can assist us in updating our systems.

Measurements:

- Action plan is completed by July 2016.
- Business processes are implemented that reduce or eliminate paper.

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.
- Input from the Industrial Commission's Advisory Committee.
- Disposition of cases appealed to Idaho Supreme Court.

ADJUDICATION DIVISION

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 promptly; 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 includes Employer Compliance, Benefits Administration, Fiscal, IT, and Human Resources departments.

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 and share reports across agency departments to identify compliance with mandated EDI Professional Employer Organizations (PEO) reporting requirements.
- Continue efforts to educate the public on the insurance requirements of the Idaho Workers' Compensation Law, including the use of public service announcements.
- Develop and implement strategies for addressing problems with captive insurers and high deductible policies.

Measurements:

- Agreements are drafted and submitted to Commissioners for approval by the beginning of each calendar year.
- 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 result in an increase of traffic to the agency website.

COMPENSATION DIVISION

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.

COMPENSATION DIVISION

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.
- Constituencies will be provided an effective, cohesive outreach plan, to include the CIWCS, Surety Claims Audits, Employer Education and Evaluation.
- 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 annually or more often if requested.
- 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.
- Commission website publishes outreach program schedules and outcomes.

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.
- Determine and utilize social media tools to assist injured workers in seeking new employment.
- 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.
- Practices are put in place to determine sources of employment opportunities for job seekers.
- 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.

REHABILITATION DIVISION

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 to expand knowledge and understanding 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.
- Training surveys reflect positive feedback on the usefulness of outreach efforts.

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

Strategies:

- Propose legislation to increase program funding.
- 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 advantage of recent statutory changes to facilitate garnishment of inmate accounts.

Measurements:

- Actively participate in the Quarterly VOCA Administrators Meetings to provide feedback that will affect future funding levels and benefit development.
- Provide training and education to individual parole/probation officers regarding outstanding offender debts and program services.
- 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.

CRIME VICTIMS COMPENSATION PROGRAM

GOAL 2: *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.
- Utilize contract service to minimize processing time.
- Enhance communication with customers and victims through utilization of social media.

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%).

CRIME VICTIMS COMPENSATION PROGRAM

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.
- Utilize contract services to help manage increases in cases filed.

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.