

PROGRAM DESCRIPTION

Department of Labor and Industrial Relations

HB Section(s): 7.815

Higher Authority Review

Program is found in the following core budget(s): Labor and Industrial Relations Commission

1a. What strategic priority does this program address?

Growth: Foster a business environment to support economic development.
Provide fair and consistent review of appeals and approve department regulations.

1b. What does this program do?

- Reviews appeals of decisions and awards in workers' compensation, unemployment insurance compensation, and tort victims' compensation programs, and prevailing wage objections in compliance with Chapters 286, 287, 288, 290, 537, RSMo, to ensure fair and consistent application of the law.
- Renders impartial written opinions that can impact workers and employers, which can be appealed through the Missouri court system.
- Reviews and approves department regulations to ensure compliance with state and federal laws and equal protection for workers and employers.

2a. Provide an activity measure(s) for the program.

	FY 2018		FY 2019		FY 2020		FY 2021	FY 2022	FY 2023
	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Projected ⁵	Projected ⁵
Employment Security									
Appeals Filed ³	1,529	1,702	1,915	1,935	2,103	1,667	6,000	2,000	1,869
Decisions Issued ⁴	1,838	2,472	2,270	2,179	2,348	1,676	7,000	2,300	2,132
Oral Arguments Heard	1	0	0	0	0	1	0	0	0
Appeals to Court	169	172	216	280	253	245	750	280	235
Workers' Compensation									
Appeals Filed	285	256	297	253	295	204	270	270	270
Decisions Issued	427	370	413	307	389	255	360	360	360
Oral Arguments Heard	28	35	35	25	40	32	33	33	33
Appeals to Court	39	20	36	53	43	67	46	46	46
Prevailing Wage¹									
Objections Filed	130	0	350	76	44	10	19	19	19
Decisions Issued ²	30	1	30	6	9	11	5	5	5
Hearings Held	3	0	3	1	0	0	0	0	0
Appeals to Court	0	0	1	0	0	1	0	0	0

¹ A new prevailing wage law, effective August 28, 2018, changed the occupational title descriptions, which could lead to numerous objections from the crafts involved. Objections filed are counted by each craft and each county. They can be combined for hearings and decisions issued in the interest of efficiency.

² The Division of Labor Standards filed a Motion to Amend to correct errors in FY 2018. The LIRC issued an Order granting the Motion to Amend.

³ The increase in the estimated number of appeals for FY2021 is based on the unprecedented number of unemployment claims filed during the COVID-19 pandemic.

⁴ The number of decisions issued is often higher than the number of appeals filed due to the fact that multiple decisions may be issued per appeal.

⁵ Projections are difficult to predict since the decision to appeal depends solely on an individual's choice. Projections are based on averages of the previous five years' data.

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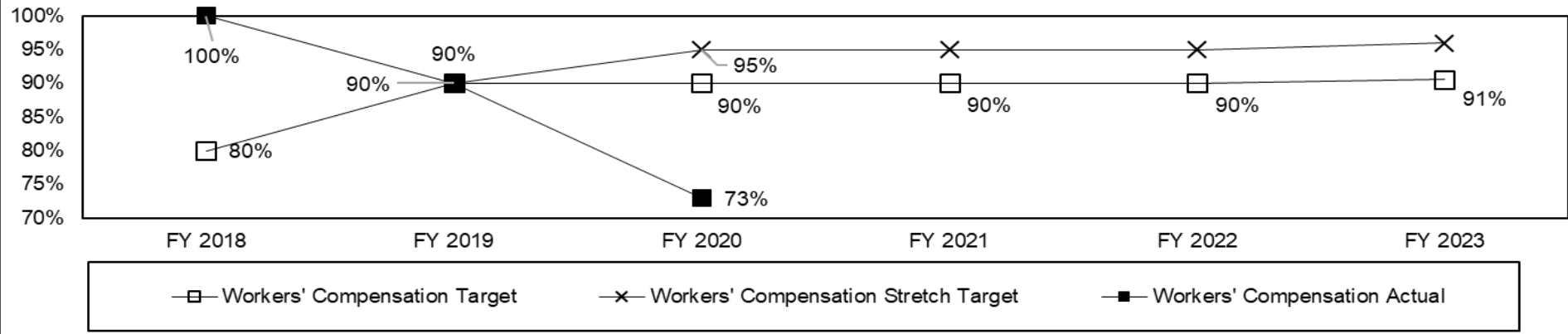
HB Section(s): 7.815

Higher Authority Review

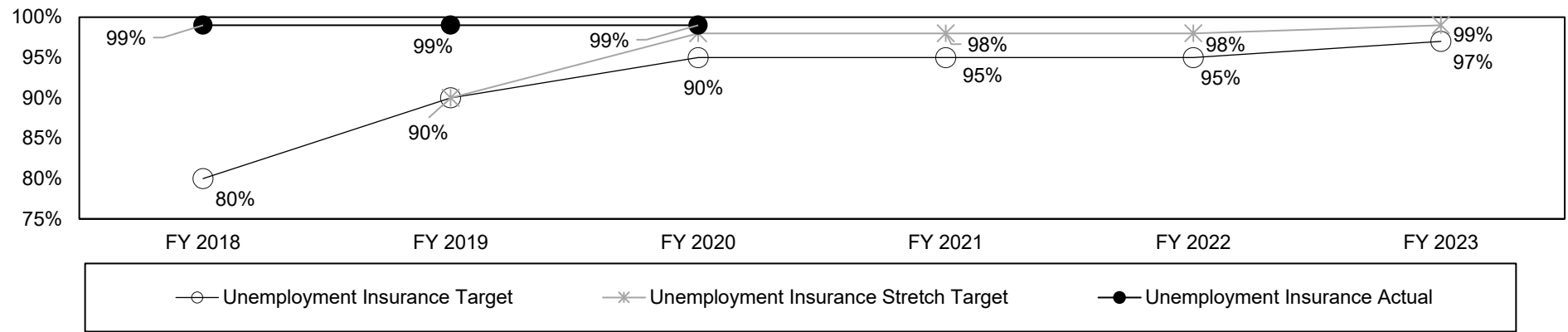
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2b. Provide a measure(s) of the program's quality.

Percentage of LIRC Worker's Compensation Appeals Decisions Affirmed by the Court⁶



Percentage of LIRC Appeals Unemployment Insurance Decisions Affirmed by the Court⁶



⁶ Because affirmations by courts are highly dependent on the location, nature, and time of the appeal, it is difficult to predict the affirmation rate.

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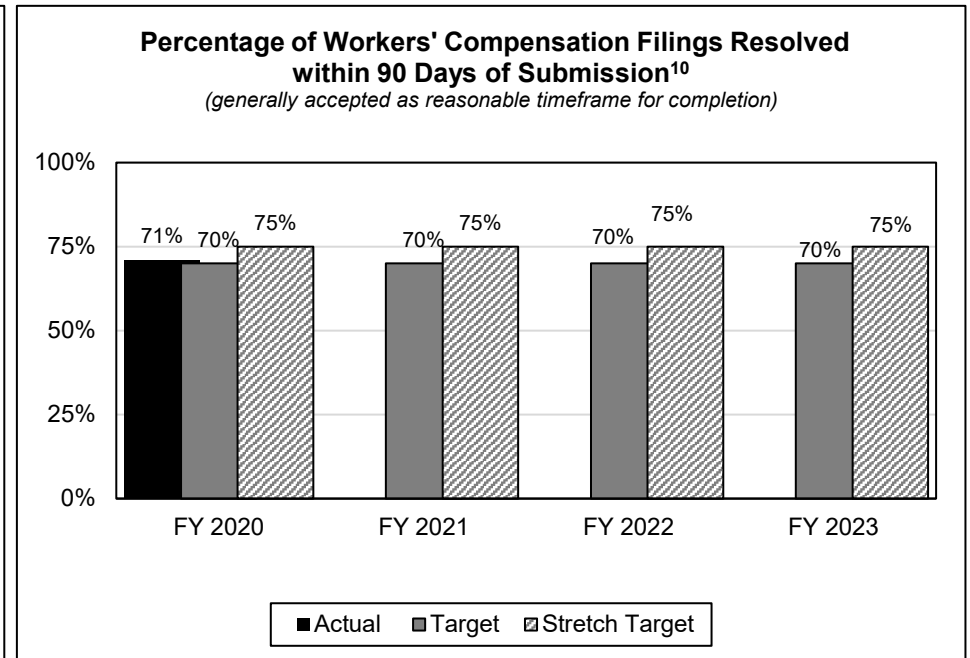
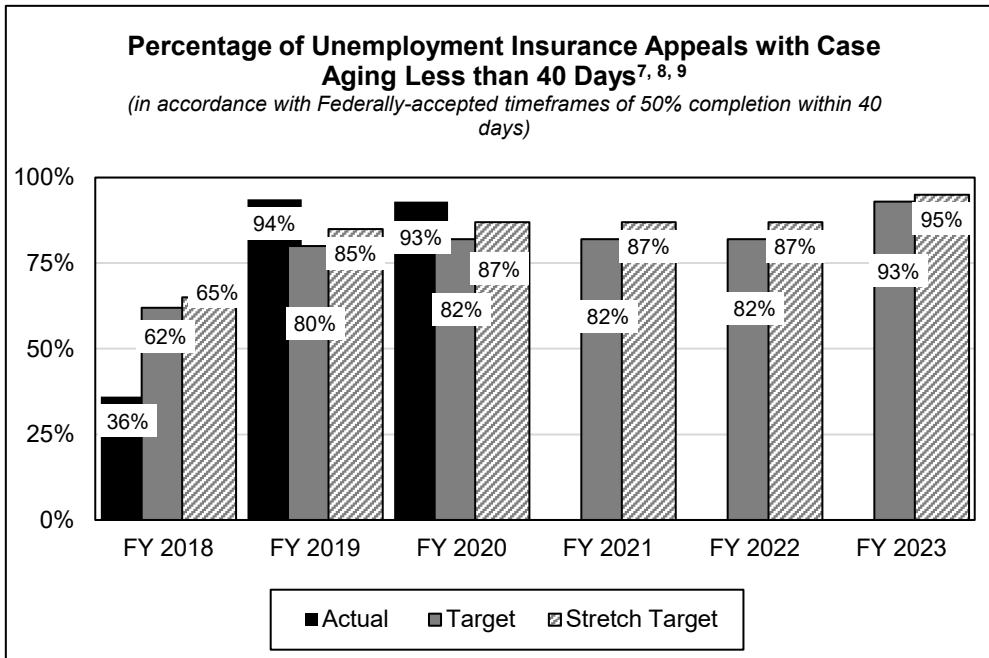
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2c. Provide a measure(s) of the program's impact.

Since the Labor and Industrial Relations Commission is an appellate body, the impact of decisions are reflected in the affirmation of decisions by the courts.

2d. Provide a measure(s) of the program's efficiency.



⁷The implementation of UInteract, the new Unemployment Insurance computer system, resulted in a slow-down of appeal decision issuance. In addition, there was a 15 month vacancy of a Commission Member position.

⁸From July to November 2018, the LIRC has improved the percentage of unemployment insurance appeals with a case age of less than 40 days to 92.5%. Targets and Stretch were readjusted for FYs 2020 and 2021.

⁹The FY2021 targets were established prior to the COVID-19 pandemic. Actuals for the year are estimated to still be completed within the targeted goal; however, a larger than normal volume of cases are also estimated.

¹⁰The new measure runs from the date a case is submitted to the LIRC for review, and includes every workers' compensation matter disposed by the LIRC within the fiscal year, whereas the prior 180-day measure ran from the date of an application for review and only included appeals from an ALJ award. This measure was enacted in FY2021 and actual data is only available from FY2020 onward.

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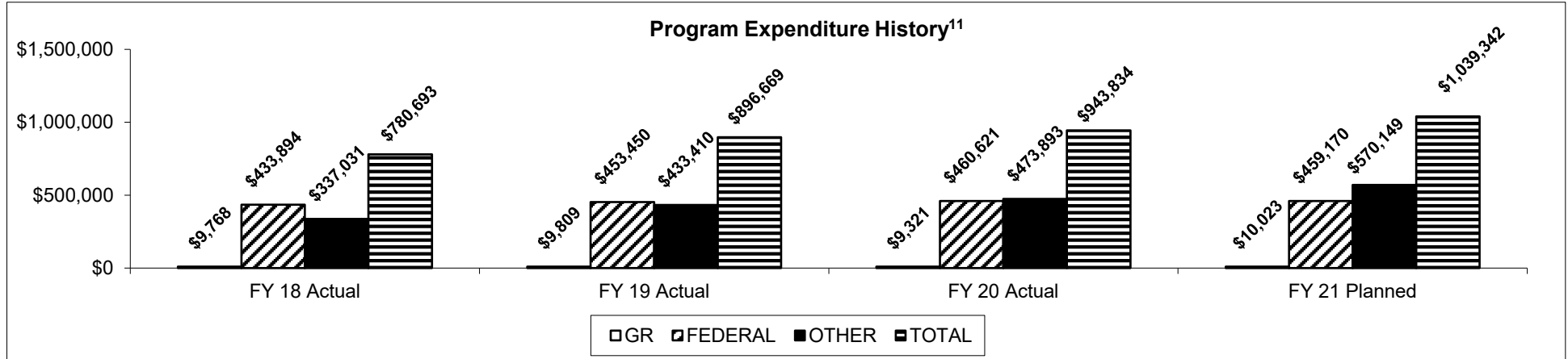
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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



¹¹ The decrease in FY 2018 expenditures is attributed to a 15-month vacancy of a commission member position and staff vacancies throughout the fiscal year. FY 2021 Planned is after reserves and restrictions.

4. What are the sources of the "Other " funds?

Workers' Compensation Administration

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The duties and responsibilities of the Labor and Industrial Relations Commission (LIRC) are set out in Chapter 286, RSMo. Appeal rights for the various cases are authorized as follows: Workers' Compensation, Chapter 287, RSMo; Unemployment Insurance, Chapter 288, RSMo; Tort Victims' Compensation, Chapter 537, RSMo; and Prevailing Wage Objections, Chapter 290, RSMo.

6. Are there federal matching requirements? If yes, please explain.

The LIRC does not have Federal matching requirements; however, the LIRC receives Federal funds for review of unemployment insurance cases.

7. Is this a federally mandated program? If yes, please explain.

No