

PROGRAM DESCRIPTION

Department of Labor and Industrial Relations

HB Section(s): 7.840

Workers' Compensation Program Administration

Program is found in the following core budget(s): Division of Workers' Compensation

1a. What strategic priority does this program address?

Growth: Foster a business environment to support economic development.

Fair administration of the workers' compensation program to achieve operational stability in the business environment and ensure injured workers are receiving the benefits to

1b. What does this program do?

- Provides administrative oversight to the Division of Workers' Compensation processes and programs to ensure compliance with applicable Missouri law.
- Administrative Law Judges (ALJs) preside over evidentiary hearings on contested cases and medical fee disputes, issue awards (judgments) and dismissals, and conduct conferences and mediation in order to fulfill the Division's statutory responsibility to adjudicate and resolve such disputes.
- Offers early intervention services and mediates disputes that arise between parties offering the opportunity to resolve disputes in a timely and equitable manner, allowing parties to avoid litigation, stress, and increased expenses.
- Responds to records and data requests and sends awards to the parties in compliance with statutes.
- Fields inquiries from injured employees, employers, and other interested parties, providing accurate and relevant information in response to the request.
- Reviews, analyzes, and processes documents and data including Claims for Compensation, First Reports of Injury (FROI), and other documents required by Missouri law.
- Oversees the Line of Duty Compensation and Tort Victims' Compensation Programs.

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

	FY 2019		FY 2020		FY 2021		FY 2022	FY 2023	FY 2024
	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Projected	Projected
Claims for Compensation by Resolution Type^{1,2}									
<i>Dismissals</i>	5,947	7,078	7,272	8,364	8,976	7,347	7,827	8,307	8,787
<i>Settlements</i>	13,252	13,449	13,446	13,288	13,222	11,677	11,842	12,007	12,172
<i>Awards</i>	622	535	516	404	332	278	284	289	295
First Reports of Injury (FROI) Processed ²	120,476	119,291	119,410	119,654	119,654	113,422	115,690	118,004	120,364
Contested Case Proceedings Received for Claims for Compensation ²	21,595	21,597	22,029	18,491	18,491	15,998	16,318	16,644	16,977

¹ There are several variables beyond the division's control that can affect claims resolutions, thus projections for future fiscal years are strictly estimates and are difficult to predict.

² The COVID pandemic has negatively impacted the number of people working and subsequently the number of work related injuries. Projections for future fiscal years have been revised based on FY 2021 actuals to reflect this impact.

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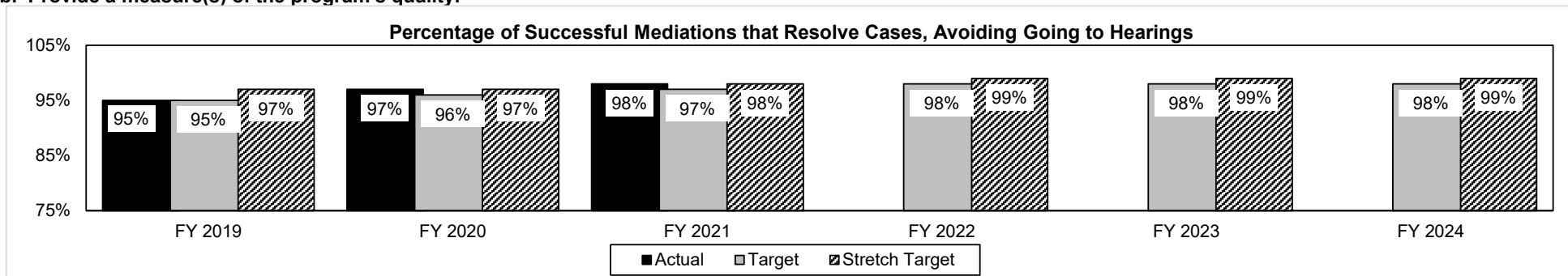
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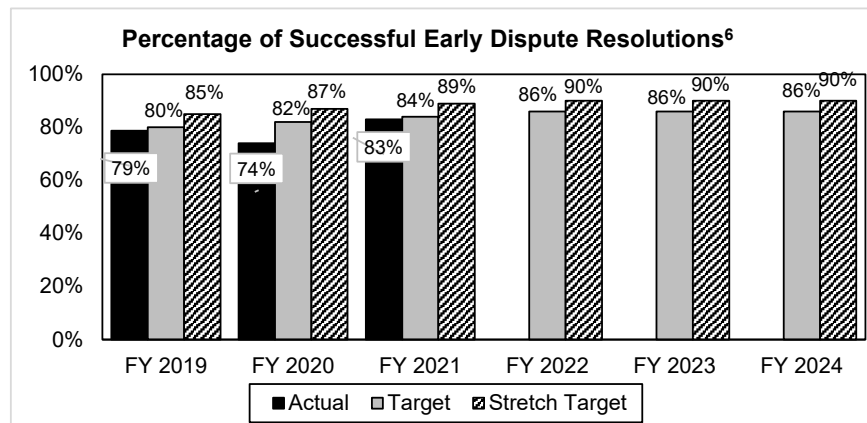
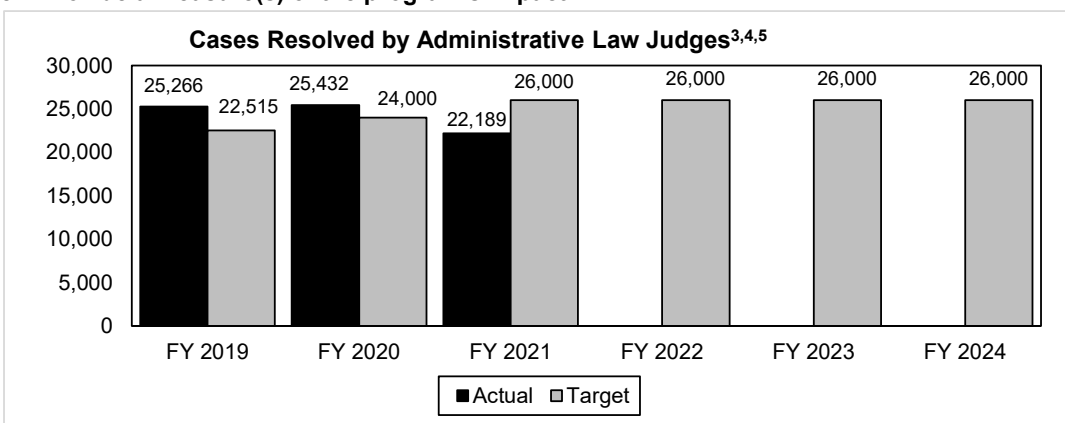
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2b. Provide a measure(s) of the program's quality.



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



³ Cases resolved through dismissal, settlement or decision, avoiding further court proceedings, allowing quicker resolution of cases and reducing costs for all parties.

⁴ Projections reflect the improvement of the Division's early dispute resolution program and the effort undertaken to resolve backlogs of current cases.

⁵ The COVID pandemic impacted the number of people working in FY 2021 which has resulted in fewer people being injured and subsequently fewer case resolutions

⁶ Early dispute resolution allows parties to resolve cases and avoid a contested case proceeding by filing a Claim for Compensation. The Division filled a vacant Mediator position which accounts for a decline in resolutions for FY2020.

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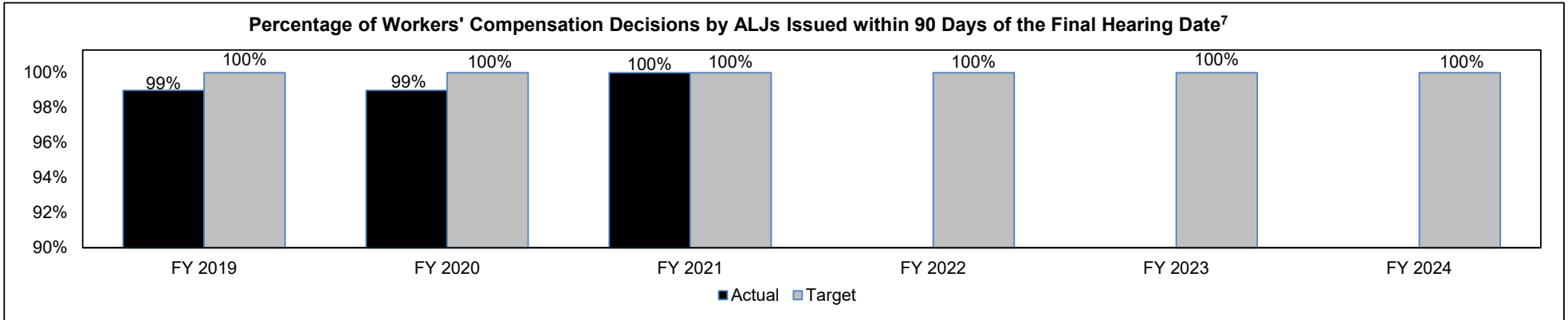
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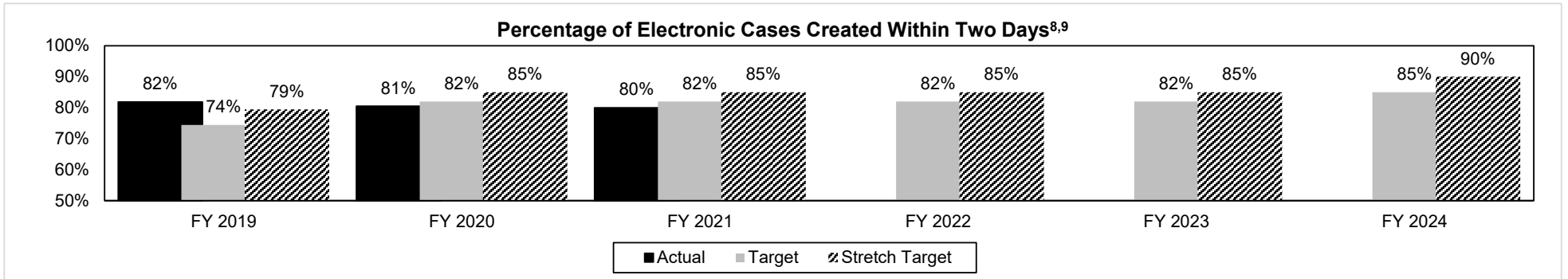
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2d. Provide a measure(s) of the program's efficiency.



⁷The hearing is concluded within thirty days of the date of hearing, except in extraordinary circumstances where a lengthy trial or complex issues necessitate a longer time than ninety days. The time frames are set in accordance with the performance standards established for the Administrative Law Judges by the ALJ Review Committee and Chapter 287, RSMo, to ensure that cases move through the system without delay. Neighboring states range from thirty days to no limit for ALJ decisions.



⁸ Files are created from First Reports of Injury (FROIs) and Claims for Compensation. Creation of an electronic case file allows the case to move toward resolution more quickly. Case information can be accessed electronically rather than reviewing paper copies and reduces the amount of storage necessary to maintain case files.

⁹ The FY2024 targets assume that the DWC Modernization system will be in operation and will support faster electronic case creation.

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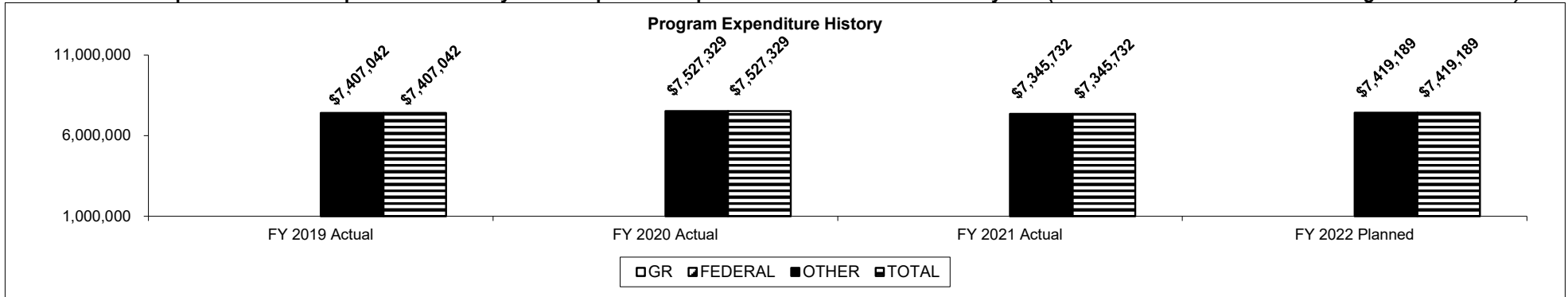
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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



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

Workers' Compensation Administration Fund.

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

Chapter 287, RSMo.

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

No

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

No