

Industrial Commission

Analyst: Bybee

Historical Summary

OPERATING BUDGET	FY 2015 Total App	FY 2015 Actual	FY 2016 Approp	FY 2017 Request	FY 2017 Gov Rec
BY PROGRAM					
Compensation	5,795,200	5,243,500	5,955,600	6,128,300	6,224,000
Rehabilitation	3,847,600	3,746,700	3,974,300	4,073,300	4,161,000
Crime Victims Compensation	3,804,300	3,257,900	3,829,100	3,863,600	3,885,900
Adjudication	2,250,200	2,108,700	2,287,200	2,381,400	2,430,500
Total:	15,697,300	14,356,800	16,046,200	16,446,600	16,701,400
BY FUND CATEGORY					
Dedicated	14,897,300	13,556,800	15,246,200	15,646,600	15,901,400
Federal	800,000	800,000	800,000	800,000	800,000
Total:	15,697,300	14,356,800	16,046,200	16,446,600	16,701,400
Percent Change:		(8.5%)	11.8%	2.5%	4.1%
BY OBJECT OF EXPENDITURE					
Personnel Costs	8,850,600	8,729,000	9,154,600	9,552,900	9,807,700
Operating Expenditures	2,549,900	2,306,000	2,553,600	2,490,200	2,490,200
Capital Outlay	155,600	150,500	196,800	262,300	262,300
Trustee/Benefit	4,141,200	3,171,300	4,141,200	4,141,200	4,141,200
Total:	15,697,300	14,356,800	16,046,200	16,446,600	16,701,400
Full-Time Positions (FTP)	137.25	137.25	138.25	138.25	138.25

Department Description

The Industrial Commission was established in 1918 to ensure that Idaho's Workers' Compensation Law is impartially and efficiently administered. The commission encourages safe working environments, prompt and accurate benefit payments, timely dispute resolution, and quality vocational rehabilitation services. The commission maintains files of all industrial accidents and illnesses and keeps records of employers and their workers' compensation insurance companies.

The COMPENSATION PROGRAM includes employer compliance, benefits administration, and management services (IT, human resources, and fiscal). Responsibilities of the Compensation Division are to evaluate insurance carriers; request for initiating workers' compensation policies, evaluate employers petitioning to become self-insured, monitor employer compliance, maintain statistical data, administer the Workers' Compensation Act to ensure that workers receive timely and accurate payments of benefits, and resolve issues between claimants and sureties on non-litigate claims. This program also funds the Logging Safety and Industrial Safety Programs at the Division of Building Safety.

The REHABILITATION PROGRAM was created in 1978 by the Legislature to assist in reducing the period of temporary disability resulting from an industrial injury and to aid in restoring the injured worker (to as close as possible) to his or her pre-injury employment status and wage, with the least possible physical impairment. Consultants serve injured workers from eleven field offices across the state, and are involved in the physical and vocational rehabilitation of injured workers to successfully return them to gainful employment.

The CRIME VICTIMS COMPENSATION PROGRAM was established in 1986 to provide financial assistance to innocent victims of crime. Benefits are paid only for costs such as medical and mental health care, funeral expenses for deceased victims, lost wages for victims who are unable to work as a result of a crime, and sexual assault and child sexual abuse examinations up to a maximum of \$25,000 per victim, per crime. Property damages are not eligible. Funding comes from fines and penalties assessed on criminal convictions in Idaho and a federal grant. Certain restitution and prison payment programs are also directed to the fund.

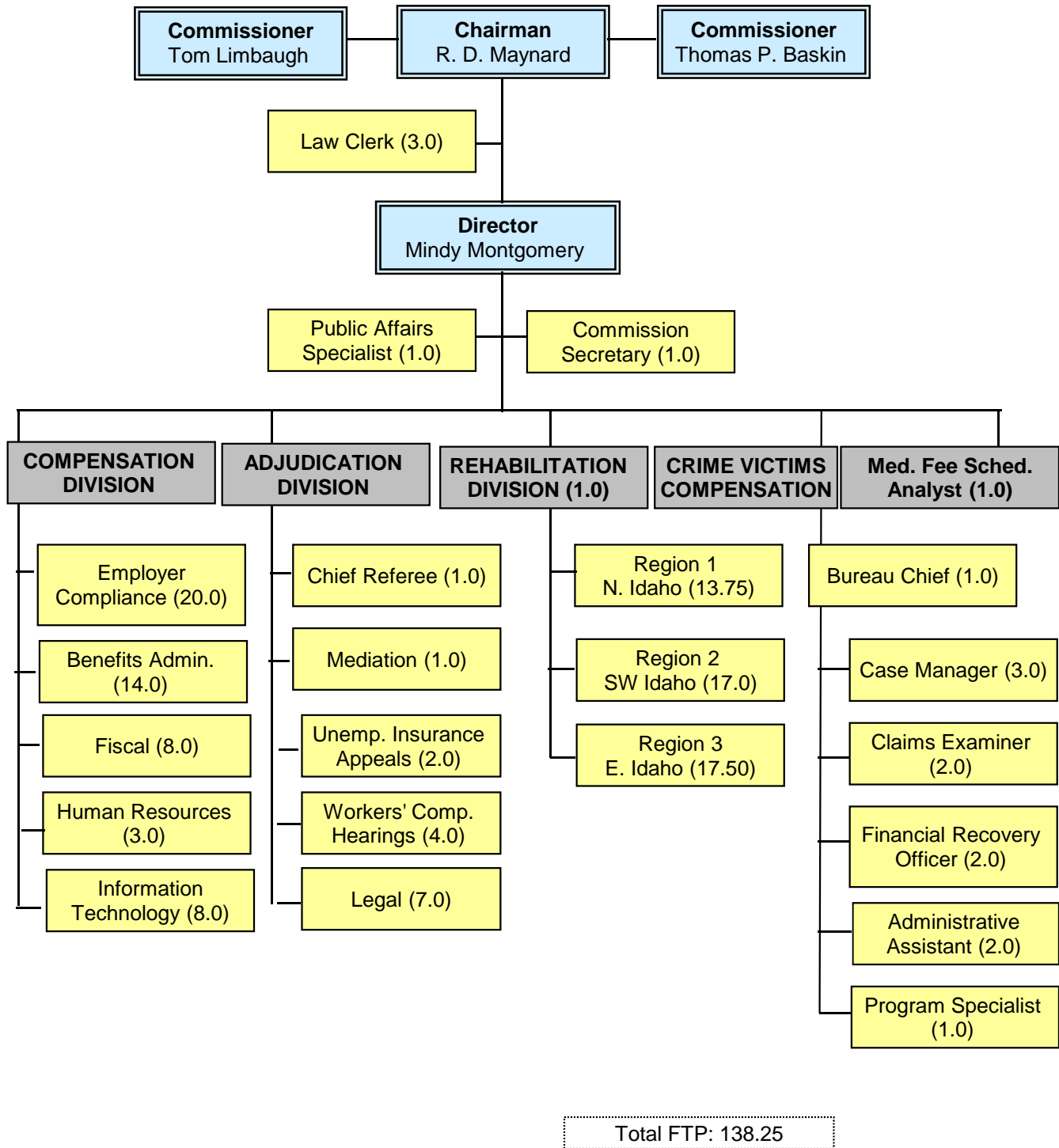
The ADJUDICATION PROGRAM consists of three commissioners appointed by the Governor who sit as a judicial body, to hear and adjudicate disputes between injured workers and employers, provide judicial review of unemployment appeals from the Department of Labor, and render decisions on medical fee disputes. The commission also provides a mediation process that is available at any stage of the claim to assist parties in reaching a successful resolution of a dispute. They also hear appeals of determinations made by the Crime Victims Compensation Program.

Industrial Commission

Agency Profile

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Organizational Chart



Industrial Commission

Agency Profile

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Selected Measures

CASE MANAGEMENT/SERVICES PROVIDED	FY 2012	FY 2013	FY 2014	FY 2015
COMPENSATION PROGRAM				
Workers' Compensation Claims Filed	31,588	33,027	34,040	34,554
Medical Only	28,451	29,701	28,239	28,826
Time-Loss	3,106	3,306	5,738	5,728
Fatalities	31	20	32	39
Cases Referred to Compliance Investigator	6,346	6,217	6,214	6,496
Cases Brought Into Compliance	1,933	1,692	1,511	1,533
REHABILITATION PROGRAM				
Cases Rehabilitated (Workers Returned to Work)	1,290	1,486	1,442	1,490
CRIME VICTIMS COMPENSATION				
Crime Victims Claims Filed	2,693	2,569	2,543	2,541
Decisions Made	1,104	2,424	2,562	2,179
Awards	764	1,661	1,793	1,402
Denials	340	763	768	777
Crime Victims Compensation Paid	\$2.15M	\$2.93M	\$2.05M	\$2.30M
ADJUDICATION				
Workers' Compensation Complaints Filed	946	946	925	901
Workers' Compensation Hearings Held	95	80	81	63
Mediations Held*	773	735	709	695
Successful Mediations*	750	708	669	674
Unemployment Decisions Issued (Including Reconsiderations)	1,022	801	692	483
*Each "mediation held" can include more than one claim. "Successful mediations" are counted by claim, so the number of successful mediations may exceed the number of mediations held.				

Appropriation / Request	FY 2015 Actual Expenditures	FY 2016 Original Appropriation	FY 2017 Request	%Change from FY 2016 to 2017
1. Industrial Administration Fund (0300)	\$11,046,900	\$12,004,400	\$12,370,300	3.05%
2. Crime Victims Compensation (0313)	\$2,457,900	\$3,029,100	\$3,063,600	1.14%
3. Miscellaneous Revenue (0349)	\$34,800	\$45,000	\$45,000	0.00%
4. Federal Grant (0348)	\$800,000	\$800,000	\$800,000	0.00%
5. Police and Detention Officer (0312)	\$17,200	\$167,700	\$167,700	0.00%
Total	\$14,356,800	\$16,046,200	\$16,446,600	2.50%

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Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2016 Original Appropriation	138.25	0	16,046,200	138.25	0	16,046,200
Removal of One-Time Expenditures	0.00	0	(196,800)	0.00	0	(196,800)
FY 2017 Base	138.25	0	15,849,400	138.25	0	15,849,400
Benefit Costs	0.00	0	45,400	0.00	0	139,000
Replacement Items	0.00	0	247,100	0.00	0	247,100
Statewide Cost Allocation	0.00	0	(63,400)	0.00	0	(63,400)
Change in Employee Compensation	0.00	0	75,400	0.00	0	226,200
27th Payroll	0.00	0	277,500	0.00	0	277,500
FY 2017 Program Maintenance	138.25	0	16,431,400	138.25	0	16,675,800
1. New Equipment	0.00	0	15,200	0.00	0	15,200
2. Commissioner Compensation	0.00	0	0	0.00	0	10,400
FY 2017 Total	138.25	0	16,446,600	138.25	0	16,701,400
Change from Original Appropriation	0.00	0	400,400	0.00	0	655,200
% Change from Original Appropriation			2.5%			4.1%

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2016 Original Appropriation	138.25	0	15,246,200	800,000	16,046,200

Removal of One-Time Expenditures

Agency Request	0.00	0	(196,800)	0	(196,800)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(196,800)</i>	<i>0</i>	<i>(196,800)</i>

FY 2017 Base	138.25	0	15,049,400	800,000	15,849,400
<i>Governor's Recommendation</i>	<i>138.25</i>	<i>0</i>	<i>15,049,400</i>	<i>800,000</i>	<i>15,849,400</i>

Benefit Costs

Employer-paid benefit changes including a 3% increase (or \$340 per eligible FTP) for health insurance, reductions in unemployment insurance, and adjustments in workers' compensation that vary by agency.

Agency Request	0.00	0	45,400	0	45,400
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Based on the most recent actuarial analysis, the Governor recommends \$1,040 for each eligible FTP for a 9.3% increase in health insurance, and discontinuing thriveidaho, the state's wellness program.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>139,000</i>	<i>0</i>	<i>139,000</i>
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Replacement Items

COMPENSATION: Five bookcases for \$3,000; 19 chairs for \$7,900; two desks and components for \$7,000; 28 desktop computers with monitors for \$35,200; six laptop computers with docking stations for \$10,900; one shared server and storage area network for \$29,400; one table for \$300; time/date stamp equipment for \$700; and two workgroup printers for \$4,400 for a total of \$98,800 from the Industrial Administration Fund.

REHABILITATION: Six bookcases for \$2,400; three chairs for \$1,200; three credenzas for \$2,700; 11 desktop computers with monitors for \$13,200; one shared server and storage area network for \$26,200, and two vehicles for \$53,000 for a total of \$98,700 from the Industrial Administration Fund.

CRIME VICTIMS COMPENSATION: A shared server and storage area network for \$6,800 from the Crime Victims Compensation Fund.

ADJUDICATION: Seven desktop computers with monitors for \$8,400; one laptop computer with docking station and dual monitor for \$1,900; 43 chairs for \$13,900; a shared server and storage area network for \$11,100; five tables for \$6,800; and time/date stamp equipment for \$700 for a total of \$42,800 from the Industrial Administration Fund.

Agency Request	0.00	0	247,100	0	247,100
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>247,100</i>	<i>0</i>	<i>247,100</i>

Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will decrease by \$70,800, risk management fees will increase by \$6,200, State Controller fees will increase by \$2,400, and State Treasurer fees will decrease by \$1,200, for a net reduction of \$63,400.

Agency Request	0.00	0	(63,400)	0	(63,400)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(63,400)</i>	<i>0</i>	<i>(63,400)</i>

Change in Employee Compensation

For calculation purposes agencies were directed to include the cost of a 1% salary increase for permanent and temporary employees. The total includes \$2,800 for the one-time cost of a 1% CEC on the 27th payroll.

Agency Request	0.00	0	75,400	0	75,400
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The Governor recommends a 3% increase in compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions. The total includes \$8,400 for the one-time cost of a 3% CEC on the 27th payroll.

<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>226,200</i>	<i>0</i>	<i>226,200</i>
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
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27th Payroll

Includes the cost of the 27th payroll that will occur in FY 2017 for all state agencies using a bi-weekly payroll. Payroll costs accrue, but are unpaid at the rate of one day per year for ten years, to be paid out in the eleventh year. This request is calculated using FY 2016 payroll costs.

Agency Request	0.00	0	277,500	0	277,500
Governor's Recommendation	0.00	0	277,500	0	277,500

FY 2017 Program Maintenance					
Agency Request	138.25	0	15,631,400	800,000	16,431,400
Governor's Recommendation	138.25	0	15,875,800	800,000	16,675,800

1. New Equipment

Compensation, Rehabilitation

This request includes a personal printer for \$400 and a portable printer for \$500 for the Compensation Program from the Industrial Administration Fund. Additionally, it includes video teleconference equipment for \$14,300 for the Rehabilitation Program from the Industrial Administration Fund. [One-time]

Agency Request	0.00	0	15,200	0	15,200
Governor's Recommendation	0.00	0	15,200	0	15,200

2. Commissioner Compensation

Adjudication

Agency Request	0.00	0	0	0	0
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The Governor recommends a 3% salary increase for commissioners. This increases the annual salary to \$98,048 and requires a statutory change.

Governor's Recommendation	0.00	0	10,400	0	10,400
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FY 2017 Total					
Agency Request	138.25	0	15,646,600	800,000	16,446,600
Governor's Recommendation	138.25	0	15,901,400	800,000	16,701,400

Agency Request					
Change from Original App	0.00	0	400,400	0	400,400
% Change from Original App	0.0%		2.6%	0.0%	2.5%
Governor's Recommendation					
Change from Original App	0.00	0	655,200	0	655,200
% Change from Original App	0.0%		4.3%	0.0%	4.1%