

# Retro Advisory Committee Quarterly Meeting

9/14/2023

Jessica Nau, Program Manager  
for Retrospective Rating



Washington State Department of  
**Labor & Industries**

# RAC 'Virtual Meeting' Guidelines & Expectations

- Upon logging into the meeting, list your full name and organization in the participant details.
- To minimize bandwidth issues, we recommend using **audio only** by turning off your camera once Zoom has started.
- Keep your **microphone muted** unless speaking.
- Please hold questions until the Q&A period for each topic/speaker (questions can also be submitted through the chat feature).
- Use the 'raise hand' feature when you have a question or comment, and **wait for a moderator** to recognize you before speaking.
- Unmute, lower your hand, state your name, and speak slowly. Using a headset produces the best audio quality.

*We ask for your patience and understanding as we work through any technical issues that might occur. Thank you.*

# RAC Committee Members

- **Lauren Gubbe**, Associated General Contractors
- **Victoria Montrose**, Washington Hospitality Association
- **Tim Lundin**, Archbright
- **Maria McClain**, Association of Washington Business
- **Rose Gundersen**, Washington Retail Association
- **Luis Sanchez**, Grant County Public Utility District No. 2
- **Tom Walrath, Jr**, T. E. Walrath Trucking, Inc.
- **John Cichosz**, DJ's Electrical
- **Jessica Nau**, Department of Labor & Industries (*Chair*)

# Agenda

Time	Topic	Presenter(s)
9:30 – 9:40	<b>Welcome</b> <ul style="list-style-type: none"><li>• Call to order, introductions, approval of minutes</li><li>• Safety Message</li></ul>	Jessica Nau
9:40 – 9:50	<b>Legislative Updates</b>	Mike Ratko
9:50 – 10:00	<b>Secure Application Programming Interface</b>	Matt Carrithers
10:00 – 10:15	<b>Annual Review of Loss Development Factor Relativities</b>	Bill Vasek
10:15 – 10:30	<b>Return to Work Services Update</b>	Kirsta Glenn
10:30 – 10:40	<b>BREAK</b>	
10:40 – 11:00	<b>Behavioral Health Interventions</b>	Megan Lemon Dr. Morgan Young, DC Zachary Gray
11:00 – 11:10	<b>RAC Workgroup Updates</b>	Workgroup Leads
11:10 – 11:25	<b>Retro Updates</b>	Jessica Nau
11:25 – 11:55	<b>Early Return to Work Updates</b>	Peggy Halstead Laura Kase Nagai
11:55 – 12:00	<b>Closing Comments &amp; Adjourn</b>	Jessica Nau

# Safety Topic: School Bus Safety

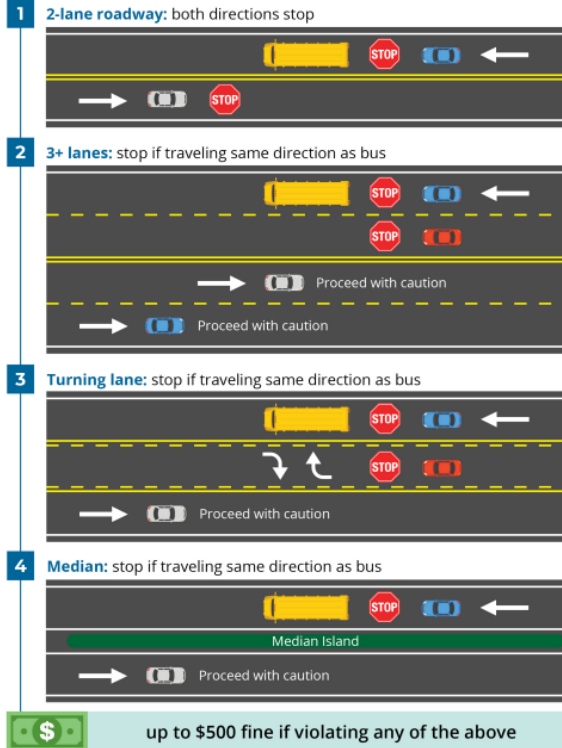
**Tyler Langford**  
*Operations Manager  
for Retrospective  
Rating*

# School Bus Safety

- Be aware of flashing lights:
  - **Yellow:** Bus is preparing to stop to load or unload children. Slow down and prepare to stop.
  - **Red:** The bus has stopped and children are getting on or off. Stop and wait until the lights stop flashing, the stop arm is withdrawn, and the bus begins to move.
- Know when to stop:
  - See infographic on next slide.
- Be aware of school bus limitations:
  - Buses are slower to stop, have limited visibility, and are required to stop at all railroad crossings.

# When drivers have to stop for school buses

School bus lights are flashing and stop bar is out



WSPD-23-18266



For alternate formats, interpreters, or reasonable modification requests please phone at least 48 hours in advance 425-452-6917 (voice) or email [bellevuepd@bellevuewa.gov](mailto:bellevuepd@bellevuewa.gov). For complaints regarding modifications, contact the City of Bellevue ADA, Title VI, and Equal Opportunity Officer at [ADATitleVI@bellevuewa.gov](mailto:ADATitleVI@bellevuewa.gov).



## Sources

[Granger Insurance, "4 school bus safety tips for drivers".](#)

[King 5 News, "When drivers should stop for a school bus in Washington state", September 1, 2022.](#)

[National Highway Traffic Safety Administration, "School Bus Safety".](#)

[City of Bellevue Transportation Dept., "Traffic safety tips as students return to school", August 28, 2023.](#)

[RCW 46.61.370.](#)

# Legislative Updates

Mike Ratko  
*Assistant Director,  
Insurance Services*



# Workers' Comp Incentives to RTW

- Return to Work Package

- Stay at Work, Preferred Worker, and Job Mod/Pre-job accommodation increases.
- Funding Basic Skills training for workers prior to vocational retraining.
- Return from BIIA to L&I for vocational services.

# Secure Application Programming Interface (API)

**Matt Carrithers**  
Product Manager

# Beta Release Concluded

- Intent of Secure API – Provide alternative to Bot traffic on CAC.
- Intent of Beta: Stabilize the Secure API before a public release.

After 6 months of Beta testing, Beta was concluded. A few CAC data parity issues remain that are being fixed. We hope to have them addressed over the next few releases.

Until these parity issues are fixed, we won't be advertising the Secure API publicly.

If interested: [SecureAPI@lni.wa.gov](mailto:SecureAPI@lni.wa.gov)

# Annual Review of Loss Development Factor Relativities

**Bill Vasek, FCAS**  
Senior Actuary

# Loss Development by Claim Type

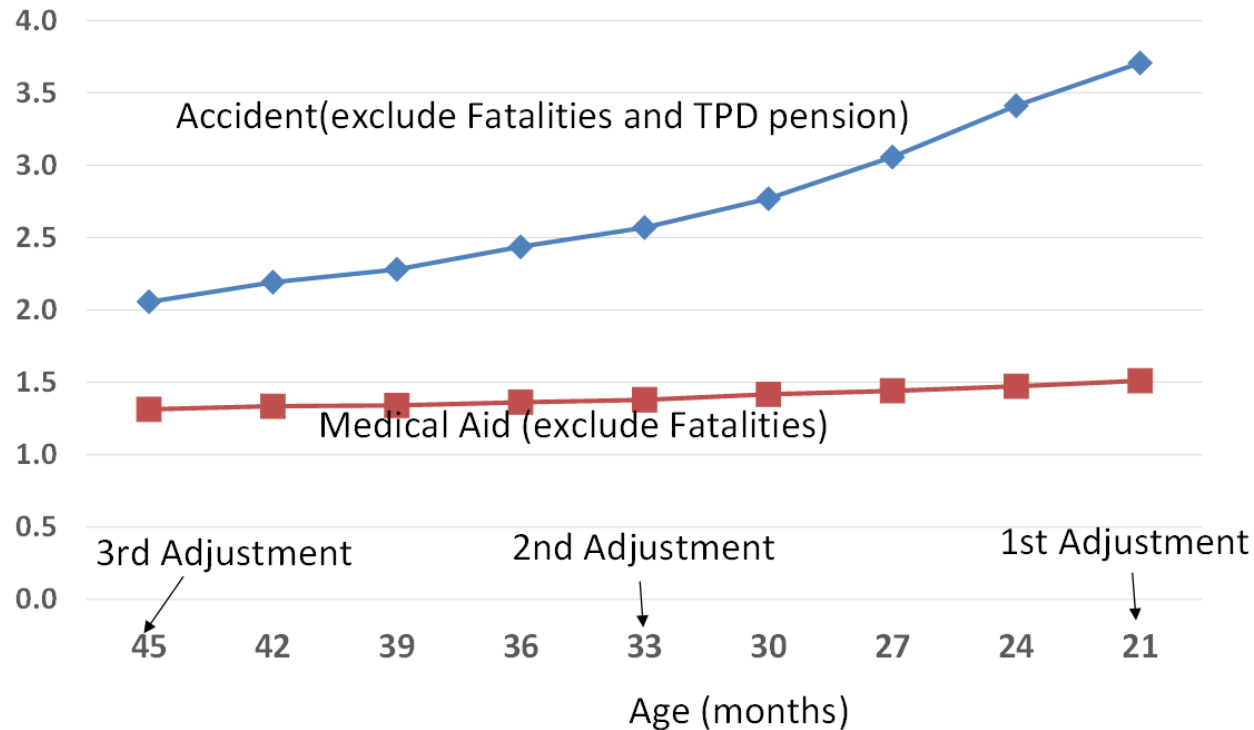
- Relativity approach developed in response to a 1998 JLARC audit recommendation.
- Considers both the changes in cost as claims mature and the likelihood of claims switching types (e.g. a PPD claim becoming a pension).
- Implemented beginning in 2005 class rating, 2008 retro enrollments.
- Updated annually with study performed in June, based on data as of March 31.

# Annual LDF Relativity Study

Actuarial study tracking how claims have developed over time:

- Case incurred costs through 7 years (paid + outstanding estimate).
- Change in type of claim.
- Paid development beyond 7 years.
- Reflect the time value of money.
- Separately for Accident and Medical Aid funds.

# Overall Loss Development Factors

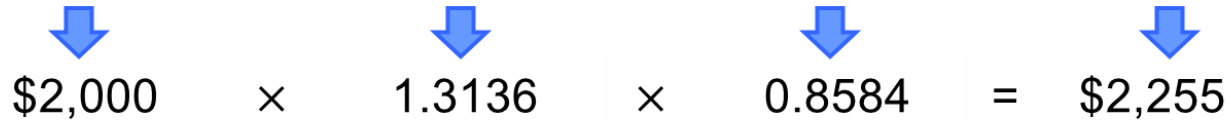


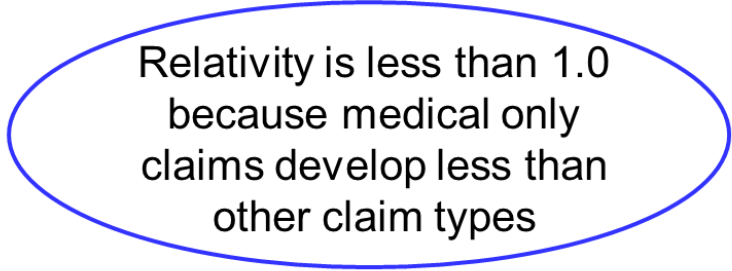
From the April 2023 Retro adjustments

# Example Application of New Relativities

Example 1: Med only, 3<sup>rd</sup> Adjustment, July 2018 enrollment, case incurred claim cost = \$2,000

$$\left( \begin{array}{c} \text{Case Incurred} \\ \text{Claim Cost} \end{array} \right) \times \left( \begin{array}{c} \text{Overall Average} \\ \text{Medical Aid LDF} \end{array} \right) \times \left( \begin{array}{c} \text{Medical Only} \\ \text{LDF Relativity} \end{array} \right) = \left( \begin{array}{c} \text{Developed} \\ \text{Claim Cost} \end{array} \right)$$


$$\$2,000 \times 1.3136 \times 0.8584 = \$2,255$$



Relativity is less than 1.0  
because medical only  
claims develop less than  
other claim types



# Example Application of New Relativities

Example 2: PPD, 3<sup>rd</sup> Adjustment, July 2018 enrollment,  
Case incurred Accident = \$20,000 Medical Aid = \$30,000

$$\begin{array}{ccccccc} \left( \begin{array}{c} \text{Case Incurred} \\ \text{Claim Cost} \end{array} \right) & \times & \left( \begin{array}{c} \text{Overall Avg Accident} \\ \text{or Medical Aid LDF} \end{array} \right) & \times & \left( \begin{array}{c} \text{PPD LDF} \\ \text{Relativity} \end{array} \right) & = & \left( \begin{array}{c} \text{Developed} \\ \text{Claim Cost} \end{array} \right) \\ \downarrow & & \downarrow & & \downarrow & & \downarrow \\ \$20,000 & \times & 2.0564 & \times & 0.9989 & = & \$41,084 \\ \$30,000 & \times & 1.3136 & \times & 1.0468 & = & \$41,250 \\ & & & & & & \\ & & & & & & \text{Total Developed Claim Cost} = \$82,334 \end{array}$$

# New LDF Relativities

Adjustm	Retro Discounted LDF Relativities*								ABSOLUTE DEVELOPMENT		
	TPD	PPD		Timeloss		Misc. Accident		Med Only	Fatalities		TPD
	MAF	AF	MAF	AF	MAF	AF	MAF	MAF	AF	MAF	AF
Third	1.3365	0.9989	1.0468	0.9475	0.9619	20.9207	1.1264	0.8584	1.0000	1.0000	0.9483
Second	1.2364	0.9783	1.0490	0.9691	0.9939	33.0578	1.1679	0.8550	1.0000	1.0000	0.9483
First	1.1337	0.9299	1.0206	1.0870	1.0367	49.4952	1.3011	0.9013	1.0000	1.0000	0.9474

Claims recognized as severe (TPD medical & PPD) have more development than less severe claim types (Timeloss & Med only).

Misc. AF relativities are capped at 9.000.

TPD Accident LDF is close to 0.947 to mainly account for discounting to time of claim allowance

\*AF factors are relative to the non-pension claims average LDFs.  
MAF factors are relative to the non-fatality claims average LDFs.

	Prior Retro LDF Relativities*								ABSOLUTE LDFs		
	TPD	PPD		Timeloss		Misc. Accident		MedOnly	Fatalities		TPD
Adjustment	MAF	AF	MAF	AF	MAF	AF	MAF	MAF	AF	MAF	AF
Third	1.282	1.000	1.049	0.925	0.950	20.042	1.173	0.860	1.000	1.000	0.948
Second	1.192	0.979	1.049	0.947	0.978	31.045	1.201	0.859	1.000	1.000	0.947
First	1.074	0.940	1.021	1.063	1.017	46.833	1.350	0.913	1.000	1.000	0.948

	% Change from Prior LDF Relativities								Change in Absolute Devt.		
	TPD	PPD		Timeloss		Misc. Accident		Med Only	Fatalities		TPD
Adjustment	MAF	AF	MAF	AF	MAF	AF	MAF	MAF	AF	MAF	AF
Third	4.2%	-0.1%	-0.2%	2.5%	1.3%	NA	-4.0%	-0.2%	0.0%	0.0%	0.1%
Second	3.7%	0.0%	0.0%	2.3%	1.6%	NA	-2.8%	-0.5%	0.0%	0.0%	0.1%
First	5.6%	-1.1%	0.0%	2.3%	1.9%	NA	-3.6%	-1.3%	0.0%	0.0%	0.0%

TPD and Time-loss  
relativities have  
increased.

Misc. Accident AF  
changes are N/A because  
they are capped.

PPD, Misc. AF, and  
Med Only  
relativities have  
mostly decreased.

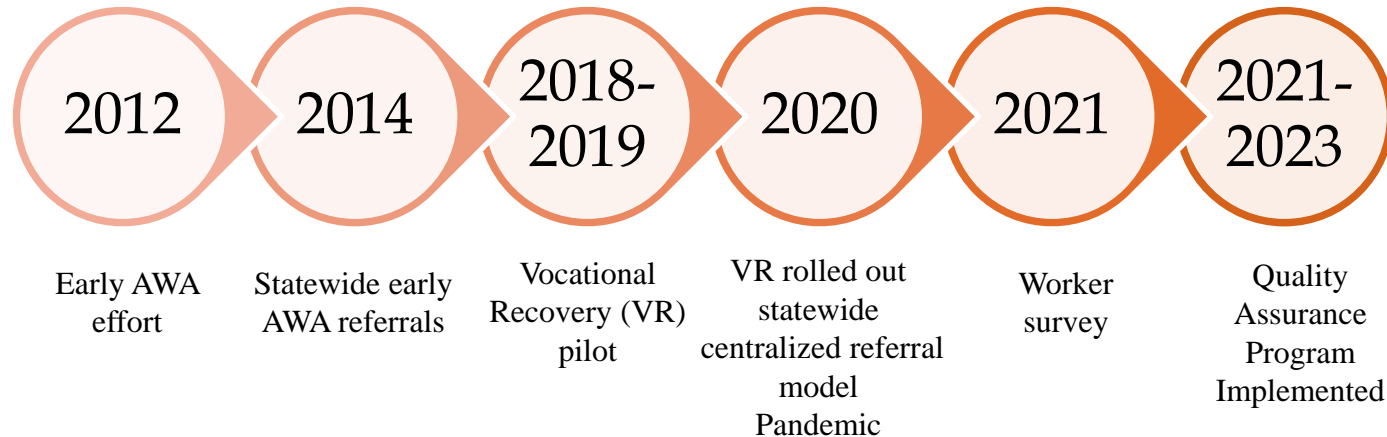
\*AF factors are relative to the non-pension claims average LDFs.  
MAF factors are relative to the non-fatality claims average LDFs.

# Questions?

# Return to Work Services Update

**Kirsta Glenn**  
Chief of Return to Work  
Partnerships

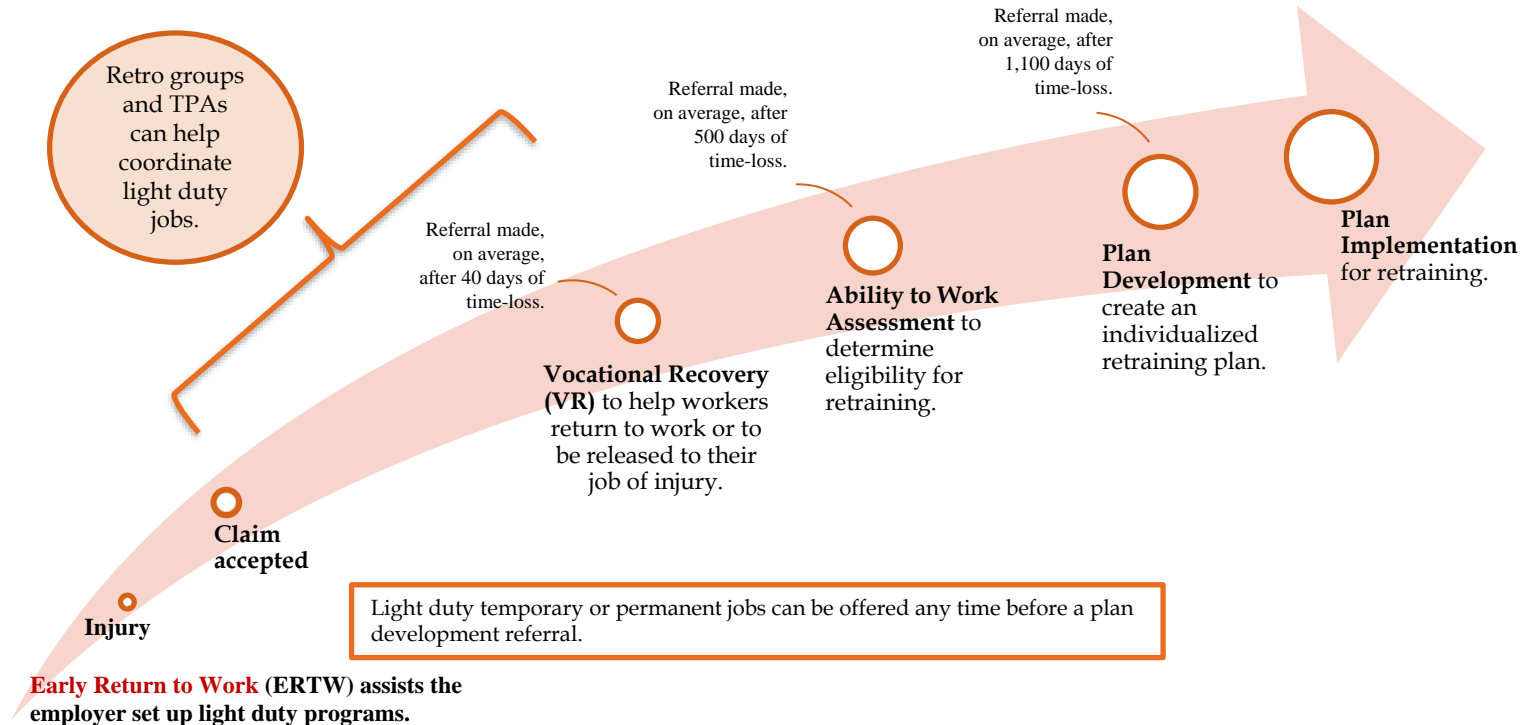
# Timeline for Vocational Recovery and Quality Assurance



# Vocational Recovery Referrals Focus on Helping to

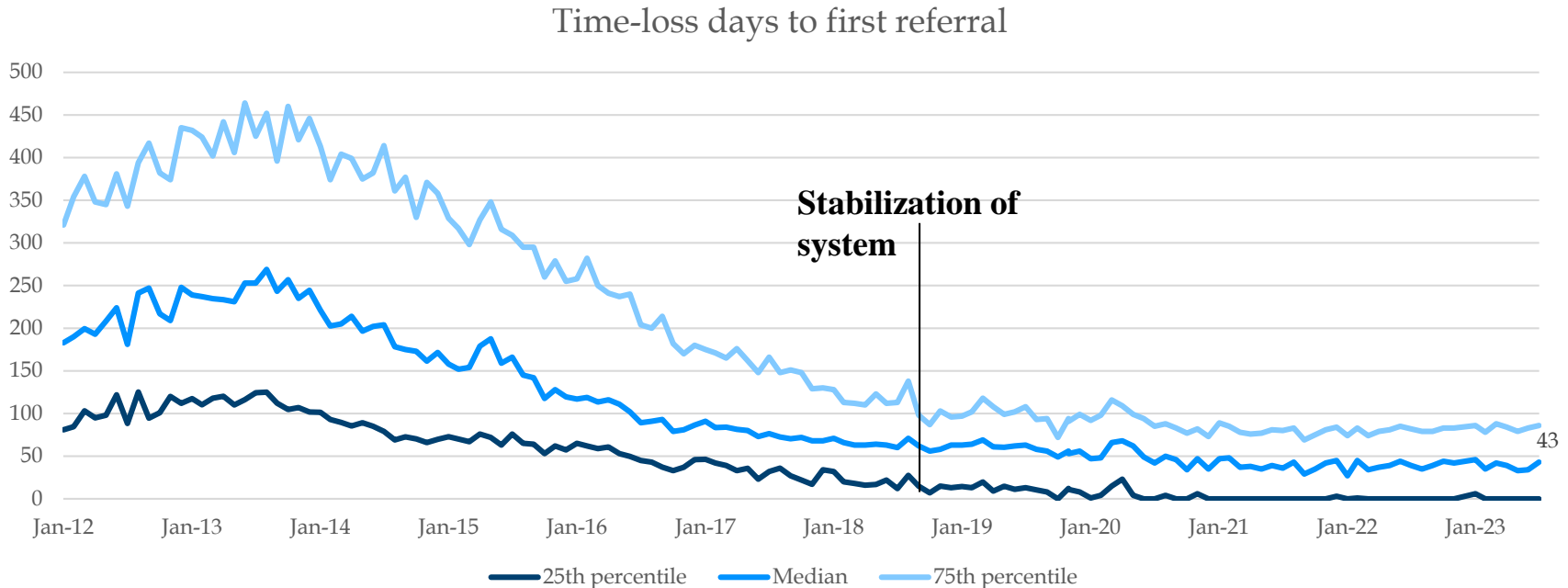
- Reduce delays.
- Reduce a confusing process.
- Reduce duration.
- Identify clear return to work goals.

# Claim managers make vocational referrals as soon as a worker shows signs of developing work disability



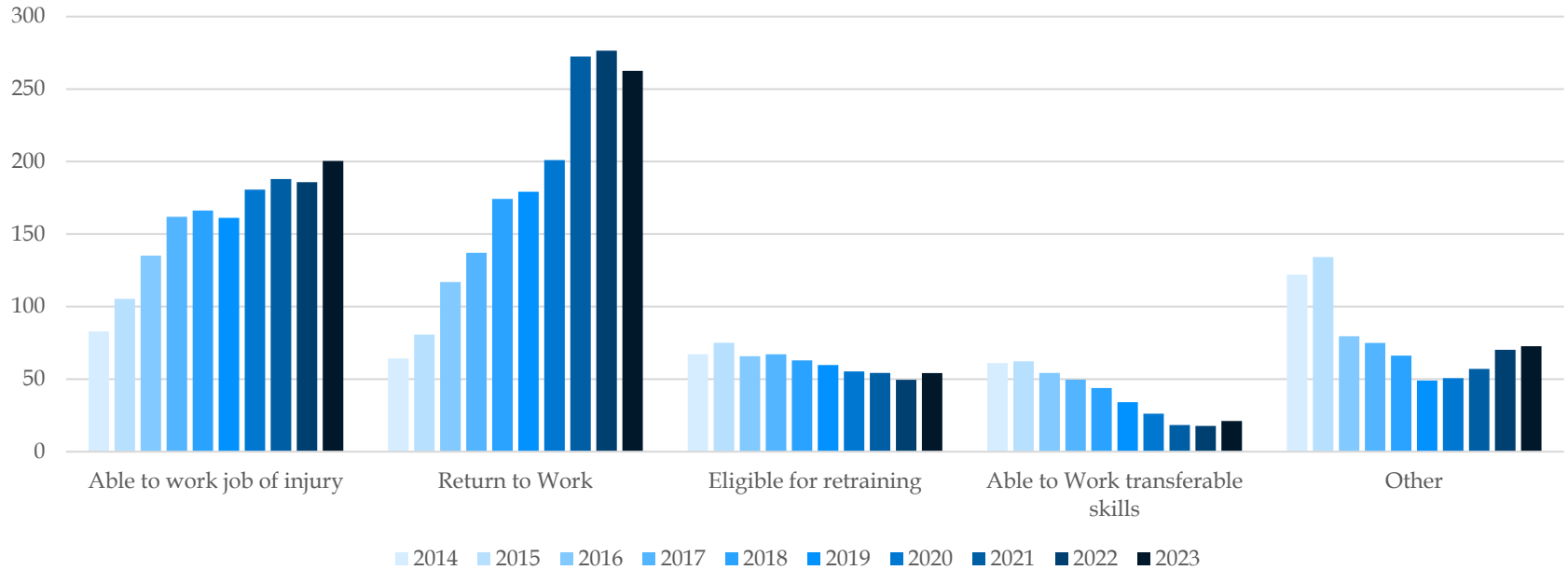


# First Vocational Referral Made in Less than Two Months of Time-Loss.

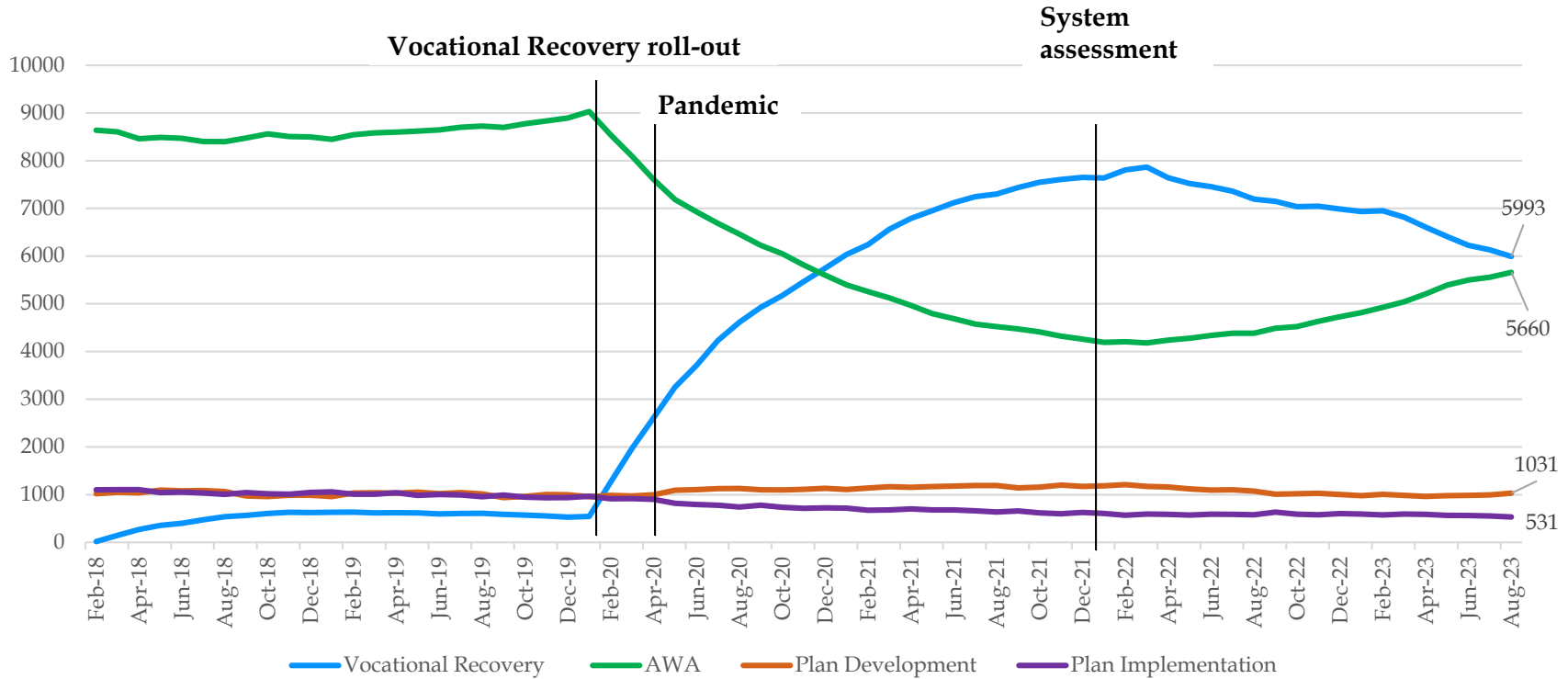


# Outcomes of First Vocational Referrals

Average monthly outcomes for first vocational referrals



# Open Referrals Continue to Adjust



# Some Current Initiatives

- Collaboration with medical providers.
- Tools to increase graduated return to work.
- Out of state referral process improvement.
- Plan implementation oversight pilot.
- Review of private schools.
- Updates to work conditioning/hardening.
- Continue to build out model for Quality Assurance.
- Policy and rule updates.
- Letter simplification.

**BREAK**

# Behavioral Health Interventions September 2023

**Megan Lemon**  
*Healthcare Policy and  
Payment Methods  
Supervisor*

Dr. Morgan Young, DC

Zachary Gray

# Agenda

- Who we are.
- Overview of Behavioral Health Interventions (BHI) at L&I.
- What is in and out of scope, timeline.
- Relationship to Master Level Therapist's (MLT) pilot.
  - Data analysis of current utilization.

# Team Introductions

- Sponsors:
  - Karen Jost,
  - Emily Stinson
- Project lead:
  - Megan Lemon
- Project team:
  - Zach Gray,
  - Beth Hurley,
  - Bob Mayer,
  - Jason McGrew,
  - Jessica Radcliff,
  - Dr. Morgan Young, DC



# Overview

- Current policy:
  - Behavioral Health Interventions exists in the Medical Aid Rules and Fee Schedules (MARFS) Chapter 22: Other Services, and in a pilot payment policy for Master Level Therapists (MLTs).
  - Attending providers (APs), psychologists, and MLTs may provide service.
    - MLTs are limited to 16 visits for the life of the claim; no limit for other provider types.
    - Prior Authorization not required.
  - BHI is not mental health.
    - BHI is: brief courses of care with focus on improving worker's ability to return to work by addressing psychosocial barriers that impede recovery.
      - Not components of a diagnosed mental health condition.
    - Appropriate if provider believes psychosocial factors may be affecting medical treatment or medical management of an injury.

# Policy Project In Scope

Project is:

- Using MLT pilot data to inform changes.
- Engaging with stakeholders.
- Updating and aligning policies with service-based focus.
- Communicating and preparing communities for changes.
- Updating forms and documents as needed.

# Policy Project Out of Scope

Project isn't focusing on:

- Services with DSM diagnosis.
- Rulemaking as part of MLT pilot.
- Psychiatrists and Psychiatric ARNPs (use Evaluation and Management (E&M) codes).
- Updates to RCWs/WACs.
- Legislation on psychologists as APs.

# Policy Project Timeline

- Spring/Summer 2023
  - Stakeholder outreach.
  - Policy draft.
- Fall 2023
  - Internal review of policy.
- January 2024
  - Policy updated effective January 1, 2024.
- MARFS 2024
  - Policy integrated into rest of MARFS.

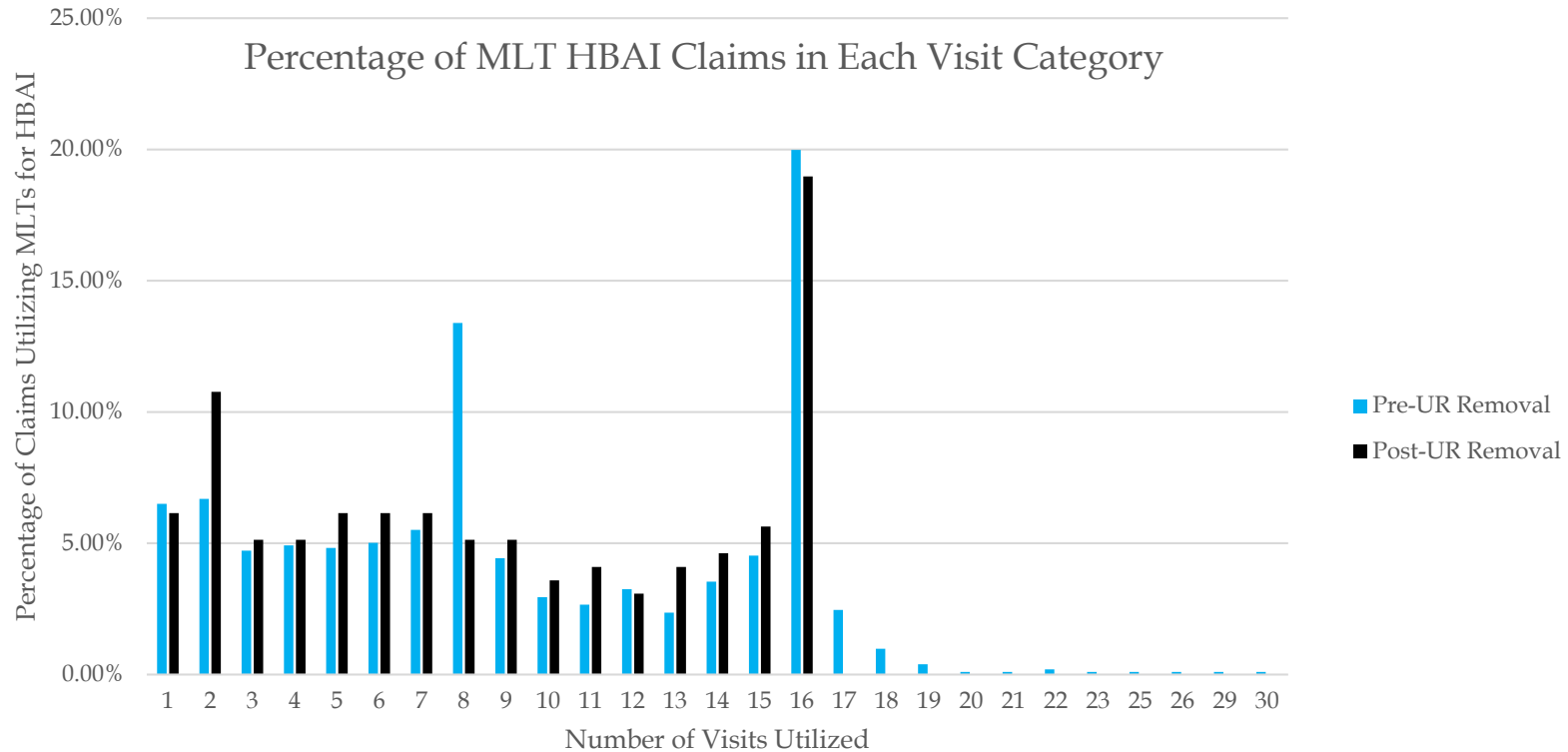
# MLT Pilot's Purview

- Expand access to BHI delivered by MLTs:
  - Expand access to appropriate care.
  - The only requirement for BHI as part of the MLT pilot is a referral from the AP.
  - 16 visits per claim max for BHI under the pilot.
  - Documentation using forms developed for pilot.
  - Bringing in a new provider type.
- Mental health by contrast:
  - Mental health is part of the pilot and follows the Mental Health (MH) treatment guideline, however MLTs cannot diagnose the condition.
- Trying to align service based policies that are easy to understand with this project.

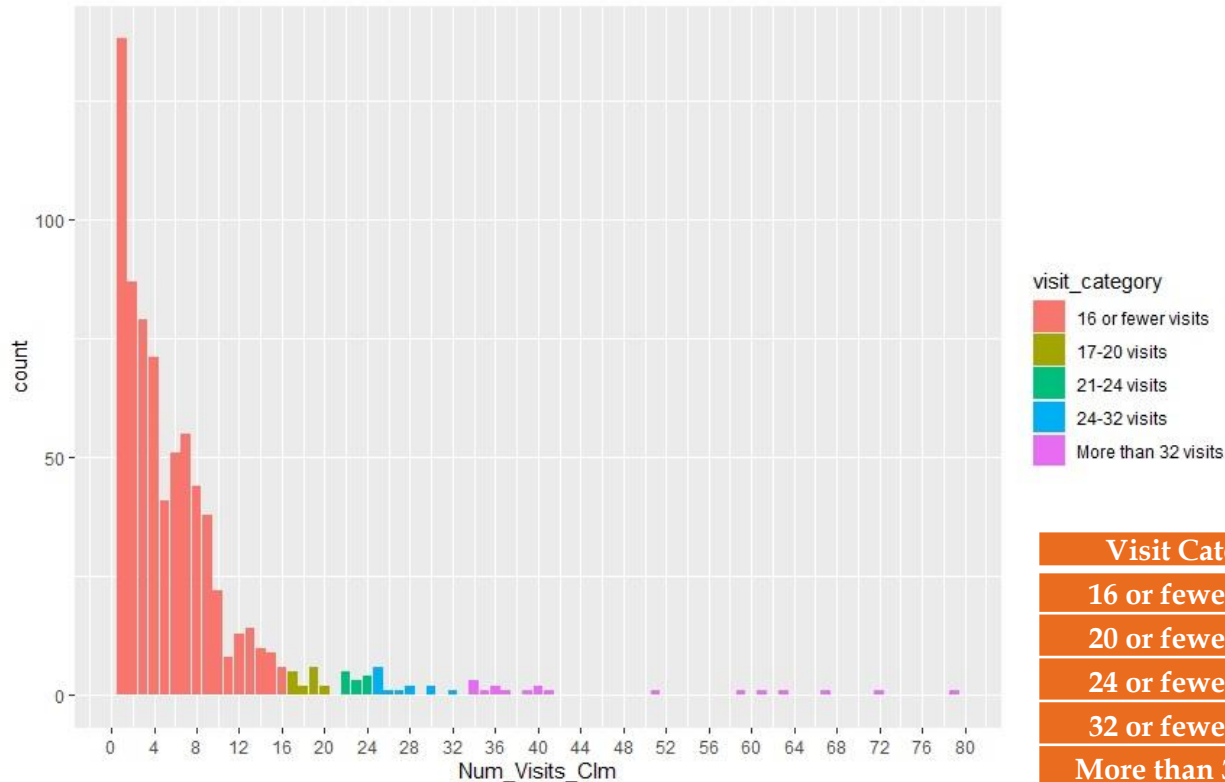
# Data Analysis

- What we're balancing as we're analyzing the data:
  - MLT pilot project BHI billing data.
  - Psychologist BHI billing data.
  - MLT provider survey results.
- Combining the evidence, billing practices, and provider viewpoints into effective policy.

# Data Analysis – MLTs



# Data Analysis – Psychologists BHI



Visit Category	# of Claims	Percentage
16 or fewer visits	686	92.2%
20 or fewer visits	15	2.0%
24 or fewer visits	12	1.6%
32 or fewer visits	13	1.7%
More than 32 visits	18	2.4%



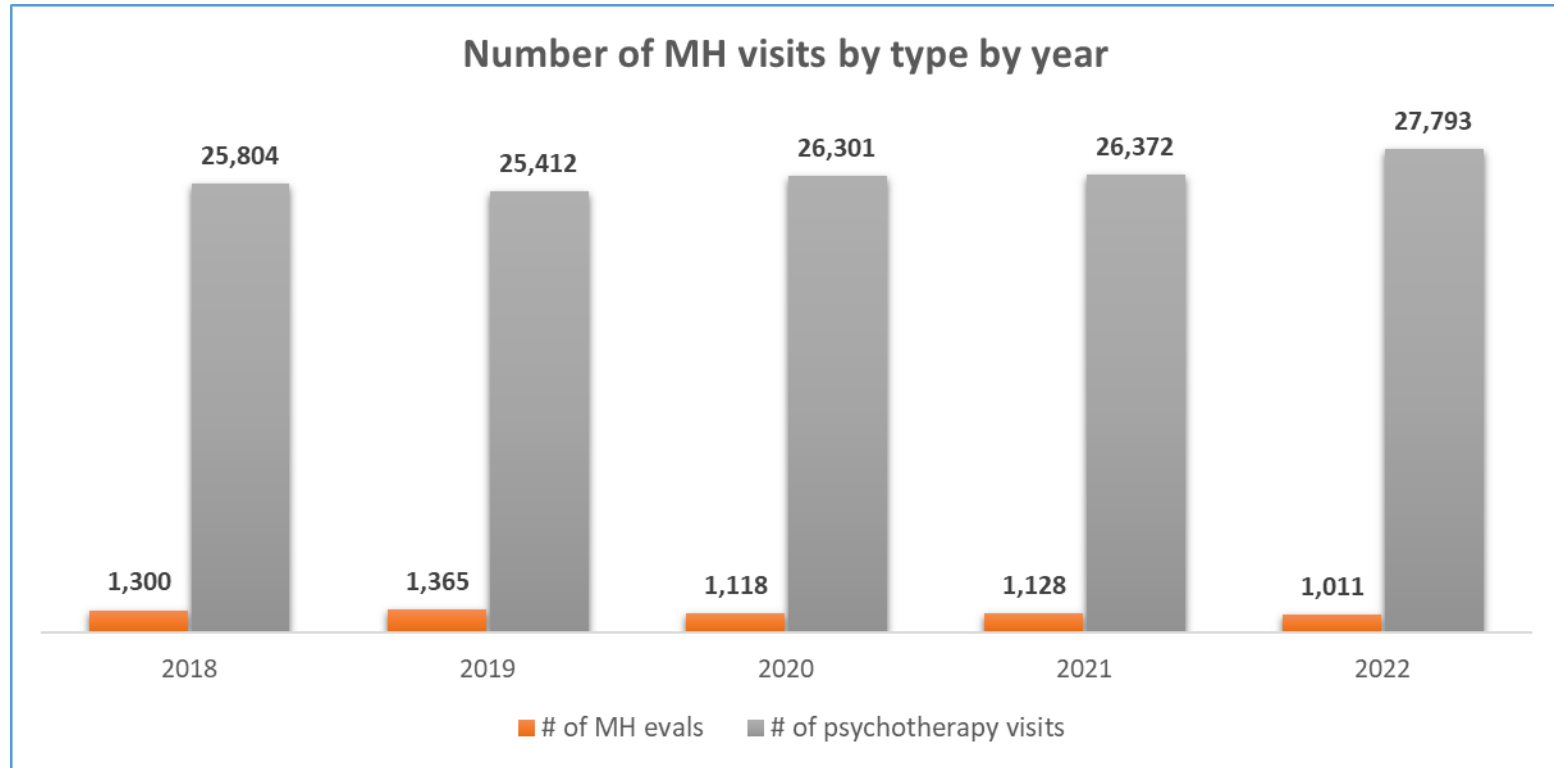
# Data Analysis – MLT Pilot Survey Data

Question 5: I receive [too many / the right number / too few] referrals from this pilot.		
Response Option	Response Frequency	Percent
too many referrals	1	3%
the right number of referrals	26	67%
too few referrals	12	31%
Total	39	100%

Question 27: On average please estimate how many visits you typically had with an injured worker?		
Response Option	Response Frequency	Percent
1-4	0	0%
5-8	4	14%
9-12	11	39%
13-16	13	46%
NA	11	-
Total	39	100%

Question 28: The MLT pilot allows enough visits to adequately address the issues.		
Response Option	Response Frequency	Percent
Strongly disagree	4	11%
Disagree	8	21%
Neither disagree or agree	17	45%
Agree	9	24%
Strongly Agree	0	0%
NA	1	-
Total	39	100%

# Data Analysis – MH Evaluations and Psychotherapy Visits Before and During MLT Pilot



# CR-102 for MLT Pilot

- Rulemaking hearing occurred on Thursday, September 7 to address MLTs joining our system.
- For questions, contact [MLT@lni.wa.gov](mailto:MLT@lni.wa.gov).

# Project Policy Development

- Focusing on BHI for all provider types (service based policy).
- Align services for psychologists and MLTs.
  - Updating chapters 22 (Other Services) and 17 (Mental Health Services) and recognize the end of the MLT pilot by folding in services into MARFS.

# Thank you!

[HPPM@Lni.Wa.Gov](mailto:HPPM@Lni.Wa.Gov)

[MLT@Lni.Wa.Gov](mailto:MLT@Lni.Wa.Gov)

# RAC Workgroup Updates

**Tim Lundin**  
*Archbright*

**Maria McClain**  
*Association of  
Washington Business*

# RAC Rule Workgroup

<b>Tim Lundin</b> – Archbright, RAC Lead	<b>Mike Williams</b> – L&I Retro Program, Lead
<b>Lauren Gubbe</b> – Associated General Contractors, RAC Co-Lead	<b>Brian Ducey</b> – SMART Association
<b>Kris Johnson</b> – Building Industry Association of WA	

# RAC Rule Workgroup

Tim Lundin – Archbright

**Goal:** To review the current rule language regarding common ownership that requires all similar sub accounts to be enrolled, propose recommended changes to the language and partner with the department to implement changes if needed.



# Business & Industry Category Guide Workgroup

<b>Maria McClain</b> – Association of WA Business, RAC Lead	<b>Rachelle Bohler</b> – L&I Retro Program, Lead
<b>Kris Johnson</b> – Building Industry Association of WA	<b>Shannon Elliott</b> – Archbright
<b>Dan Beaty</b> – Vigilant	<b>Curran Bower</b> – Employer Resources NW
<b>Richard Clyne</b> – At-large	

# Business & Industry Category Guide Workgroup

## Maria McClain – Association of WA Business

**Goal:** Review the current and previous category guides and make the necessary improvements and updates based on the Retro community's feedback.

# RAC Workgroups

Want to get involved? Please reach out to the workgroup you are most interested in.

Workgroup	Lead
Account Balance	Victoria Montrose <a href="mailto:victoriam@wahospitality.org">victoriam@wahospitality.org</a>
RAC Rulemaking	Tim Lundin <a href="mailto:tlundin@archbright.com">tlundin@archbright.com</a>
Business & Industry Category Guide	Maria McClain <a href="mailto:Mariam@forterra-inc.com">Mariam@forterra-inc.com</a>
Or send your interest to the Retro Inbox: <a href="mailto:retro@lni.wa.gov">retro@lni.wa.gov</a>	

# Retro Updates

**Jessica Nau**  
*Program Manager for  
Retrospective Rating*

**Leslie Qunell**  
*Financial Incentive  
Coordinator*

**Tyler Langford**  
*Operations Manager  
for Retrospective  
Rating*

# Staffing Updates

- Taja Blackhorn has accepted a one-year Developmental Job Assignment with L&I's Office of Equity and Belonging as of October 1<sup>st</sup>. Congratulations, Taja!
- Nikki Mills' temporary Office Assistant assignment ending on Oct. 15<sup>th</sup>. Thank you, Nikki!
- New Retro Administrative Assistant will start on Oct. 1<sup>st</sup>.

# Insurance Tables Study Rulemaking Update

- CR 103 (adoption) filed on 8/22/2023.
- Programmers have begun updating retro calculations to reflect the new tables and new PAE and CAE factors.
- Effective date of 10/1/2023.

# Duplicate Transaction Adjustments

- Duplicate transactions with providers and injured workers were generated by MIPS on 8/10/2021 due to a system error.
  - \$1.3M of payments
  - ~4,000 bills
  - 555 payees
- Message about the duplicate transactions was placed in the Firm Statement of Awards document from September 2021 through March 2023.
- Duplicate transactions remedied by 9/30/2022.

# Duplicate Transaction Adjustments, Cont.

- Impact to Retro:

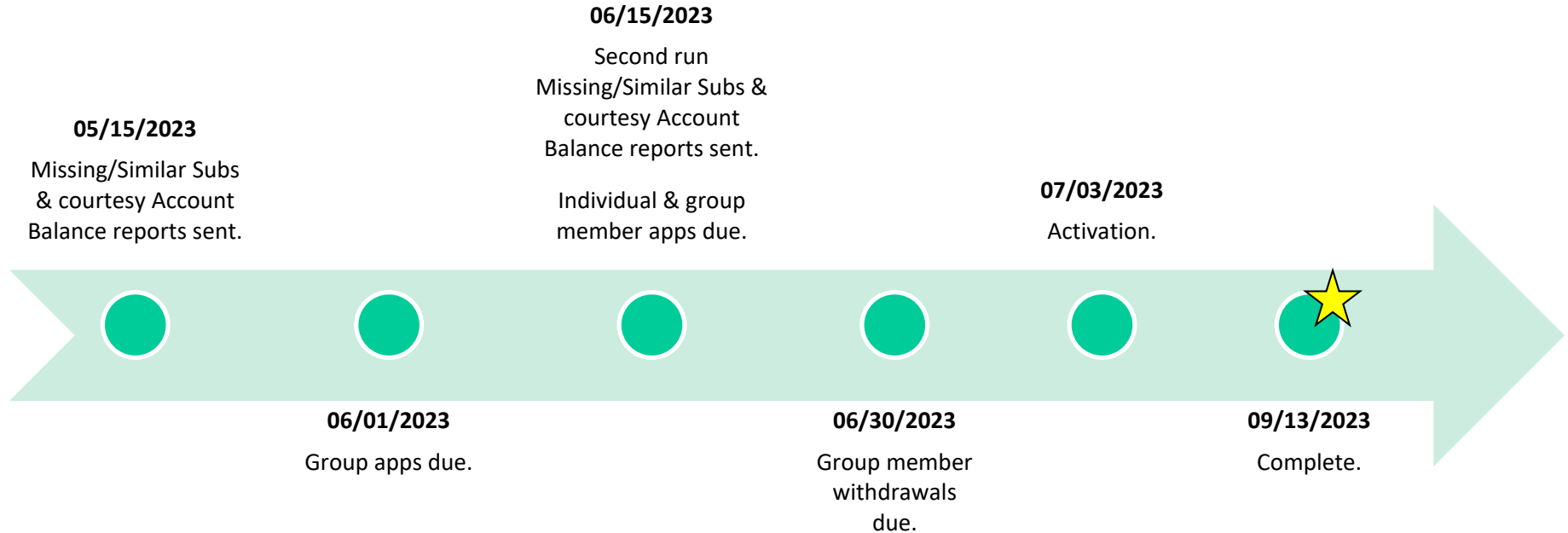
- 28 Retro IDs had duplicate transactions and a third and final adjustment occurring between 8/10/2021 and 9/30/2022.
  - Duplicate transactions during coverage years with remaining first, second, or third adjustments will not be manually recalculated. Subsequent adjustments corrected/will correct these duplicate transactions.
- Among these Retro IDs, duplicate transactions occurred on approx. 70 claims, totaling ~\$110,000.
- Total duplicate transactions for each Retro ID range from \$50 to \$69,000 (median of ~\$500).

- Plan:

- Notify affected retro participants.
- Manually recalculate adjustments for affected coverage years.

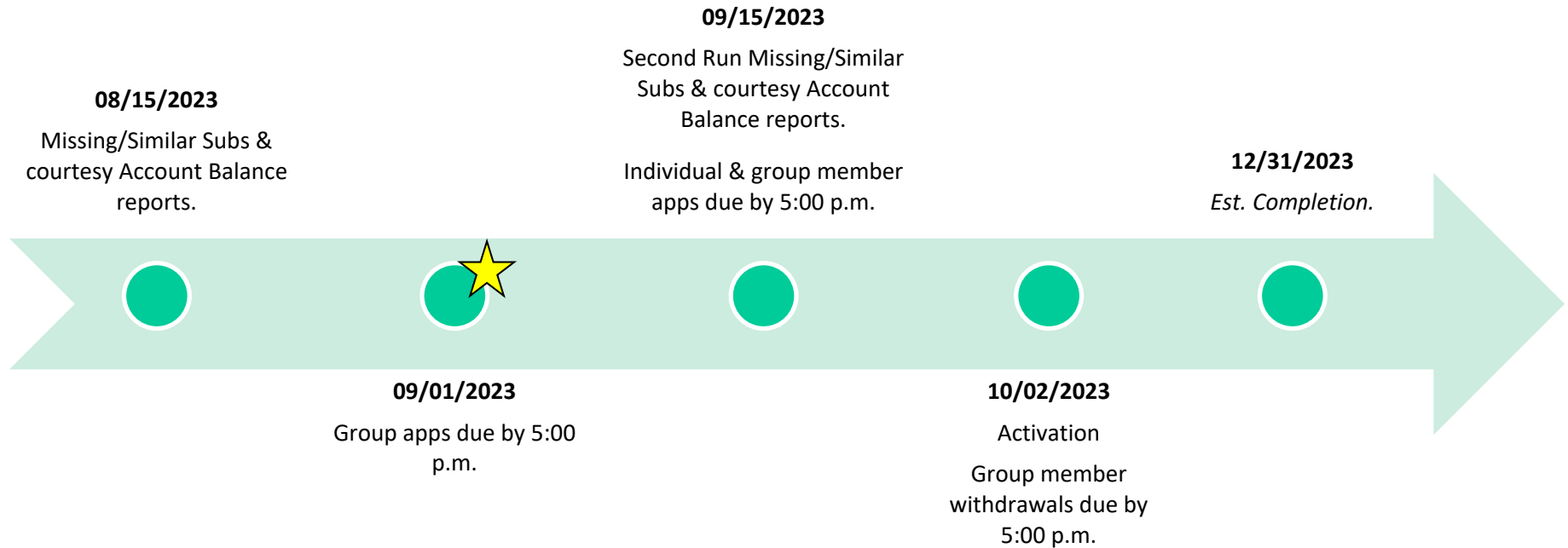


# July 2023 Coverage Year Enrollment



# October 2023 Coverage Year Enrollment

*Estimate*



# Enrollment Outside of Enrollment

	<b>Applications Received</b>	<b>Completed timely*</b>
<b>Aug. 2023</b>	19	19 (100%)
<b>Jul. 2023</b>	5	4 (80%)
<b>Jun. 2023</b>	24	18 (75%)
<b>May 2023</b>	15	15 (100%)
<b>Apr. 2023</b>	11	11 (100%)
<b>Mar. 2023</b>	15	15 (100%)

\*Within 30 days.

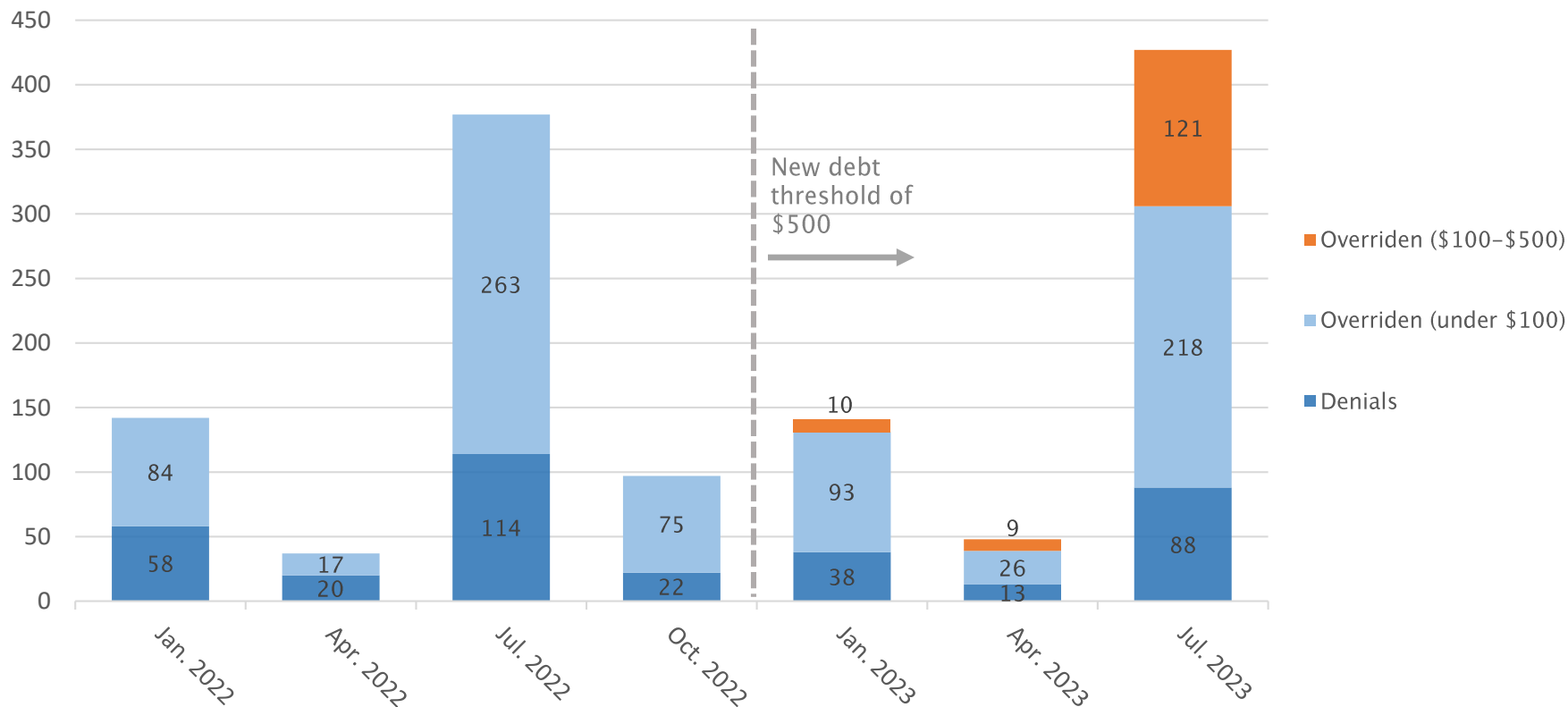
# Impact of Account Balance Policy Change

- Effective 1/1/2023, account balance threshold was increased from \$100 to \$500.
- As expected, has led to a higher proportion of system-generated denials being overridden in 2023 than in 2022:

Percent of AB Denials Overridden		
	2022	2023
January	59%	73%
April	46%	73%
July	70%	79%

# Account Balance Denials

*System-generated denials at the account (not policy) level*



# Adjustment Protests: July Coverage Years

Adjustment orders ran	4/28/2023
Last day to submit protests	6/27/2023
Last day for timely dept. action	9/24/2023
Claims reviewed	213
<i>Granted</i>	61 (29%)
<i>Denied</i>	60 (28%)
<i>Pended</i>	92 (43%)
Claims not yet reviewed	0
<b>Total claims protested</b>	<b>213</b>
<b>Total refunded to-date</b>	<b>\$ 5,676,707</b>

# Adjustment Protests: October Coverage Years

*As of 9/7/2023*

Adjustment orders ran	8/1/2023
Last day to submit protests	10/2/2023
Last day for timely dept. action	12/29/2023
Claims reviewed	0
Granted	0
Denied	0
Pended	0
Claims not yet reviewed	0
<b>Total claims protested</b>	<b>0</b>
<b>Total refunded to-date</b>	<b>\$ 0</b>

# Questions?



# Early Return to Work Consultation

ERTWC

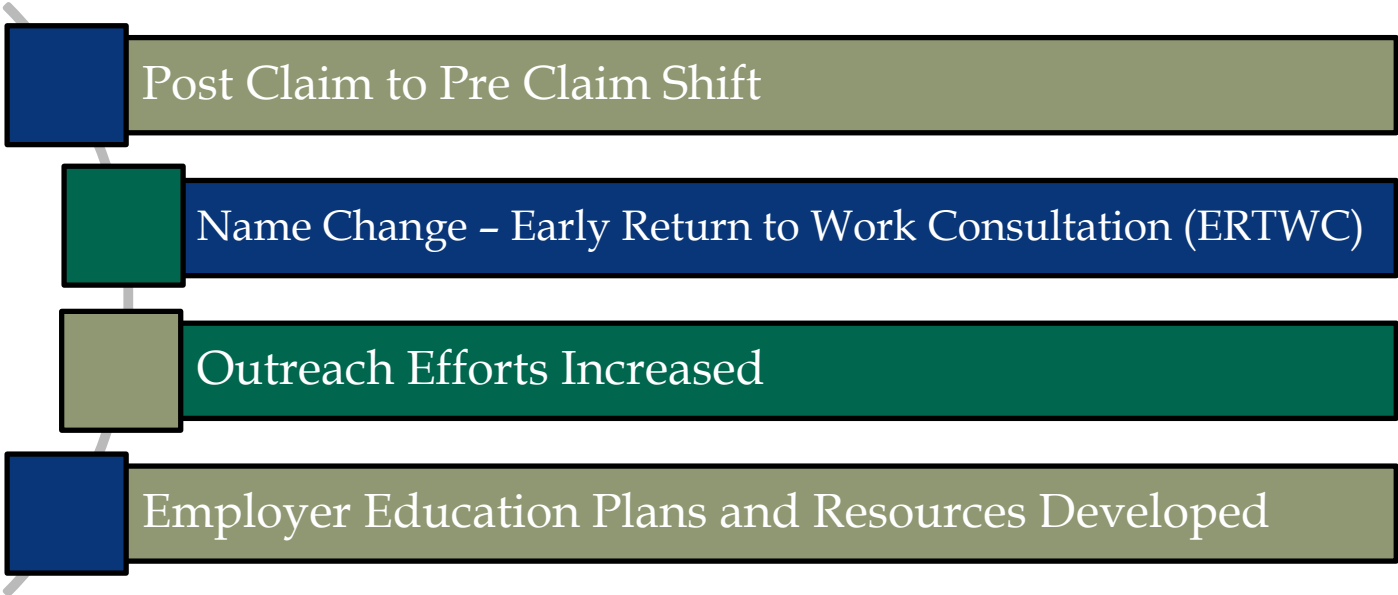
Retro Advisory Committee Meeting  
September 14, 2023

Peggy Halstead,  
ERTW Program Manager

Laura Kase Nagai,  
ERTW Management  
Analyst

# Recent ERTWC Program Changes

In 2020, ERTWC was restructured to complement Vocational Recovery.



# ERTWC New Focus



Assist employers in developing a Return to Work plan.

Providing non-claim based vocational expertise to employers.

Removing return to work barriers by providing education, support, tools, and systems for a stable workforce.

# The ERTWC Team

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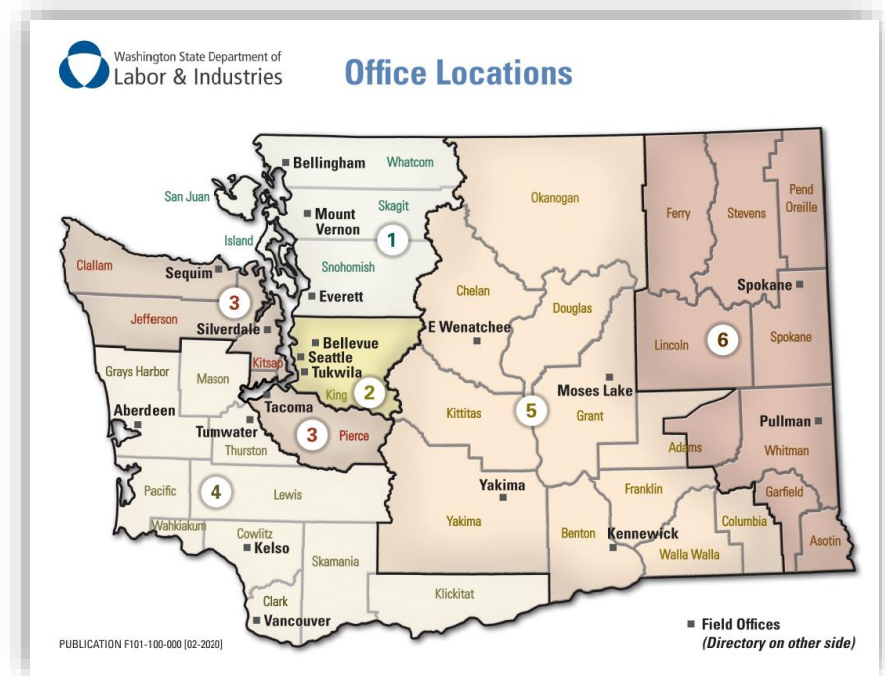
Regional  
Supervisors

- CRC and/or CDMS certification
- Certified in Ergonomics

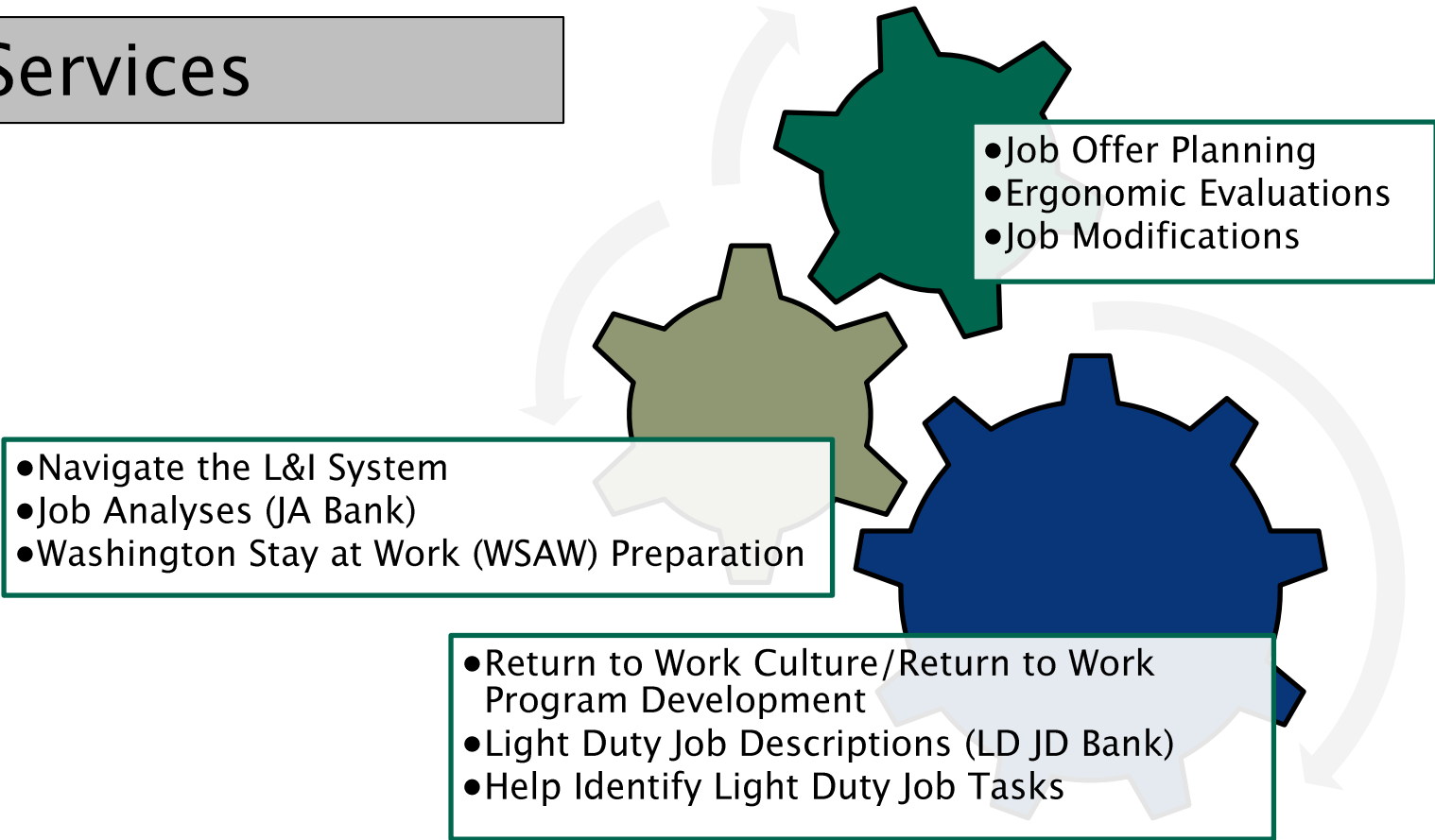
13

Early Return  
to Work  
Consultants

- CRC and/or CDMS certification
- Certified in Ergonomics



# ERTWC Services





Explore Light Duty Return to Work Options

Completed Light Duty Job Descriptions

Light Duty Education

- The MANY ways offering Light Duty can decrease costs
- How to create a Light Duty Job Description from an APF
- Tips/Tricks to get Light Duty Job Descriptions back from Medical Providers

Designated Return to Work Coordinator

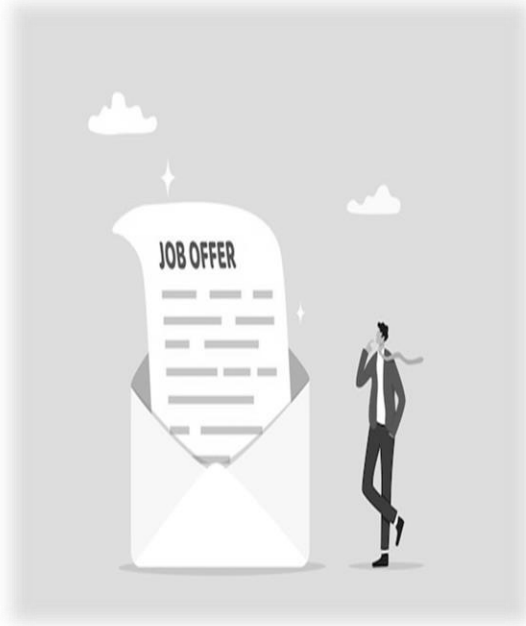
Light Duty Return to Work Policy

Onsite  
Consultation  
(Preferred)

Job Analysis  
Education

Completed Job  
Analyses





Job Offer Education



Formal **Temporary** Light Duty Job Offer Template



Formal **Permanent** Light Duty Job Offer Template



Website – Job Offer Resource



Step by Step Checklist



Designated Return to Work Coordinator



CAC Access Instructions



Ergonomic evaluation of an affected individual(s).

Education/pamphlets on work safety.

Review possible L&I benefits that the Employer may qualify.

- If eligible for Job Modification and/or Stay at Work, we can assist with the completion and submission of paperwork.
- Coordinate ordering, delivery and set up of equipment.
- Explore cost effective ergonomic solutions.



# Employer Education

## Claim and Account Center (CAC)

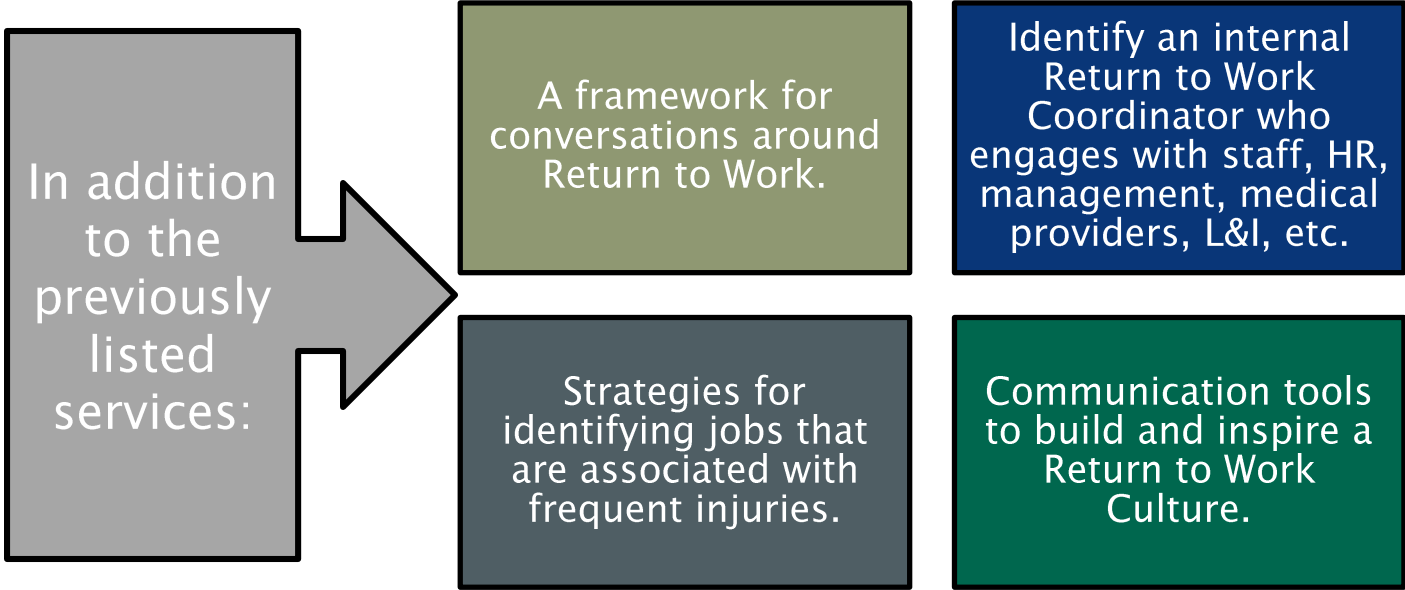
- Education
- Sign Up
- Submit a WSAW Application

## Navigate the L&I System

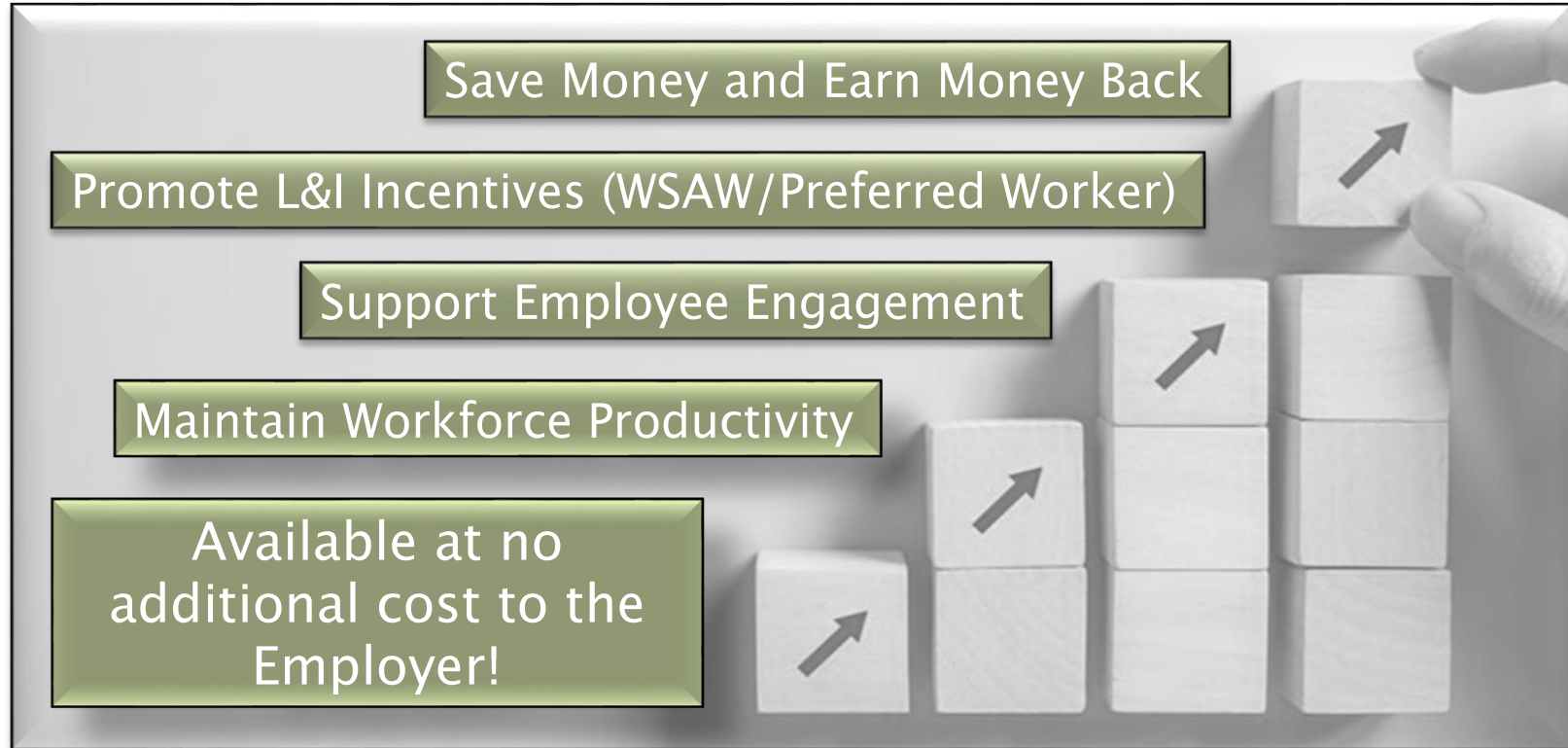
- Claim Process
- Services
- Programs
- Resources

## L&I Partners (Education / Coordination)

- Stay at Work / Preferred Worker
- Risk Management Consultation
- Safety and Health Consultation
- Ergonomic Consultation



# Benefits of ERTWC Services



# Requesting ERTWC Services

Washington State Department of Labor & Industries

Contact My L&I Sign In Search L&I

Safety & Health Claims Patient Care Insurance Workers' Rights Licensing & Permits

Home > Claims > FOR EMPLOYERS > Employer Incentives

## Build a Return to Work Plan for Your Business

FOR EMPLOYERS

Injured Worker? What You Need to Know

File Employer's Report of Accident

Out-of-State Injured Workers

Help Your Employee Return to Work

Employer Incentives

- Stay at Work
- Preferred Worker Program
- Apply for Preferred Worker Program Benefits
- Employer Incentives Workshops & Webinars

### Early Return to Work Consultation

Labor & Industries' Early Return to Work Consultation (ERTWC) team provides expertise and assistance to employers and workers, even before an on the job injury, by helping remove barriers that prevent injured workers from maintaining employment.

Are you looking to:

- Limit claim costs and unexpected delays?
- Prepare for future claims?
- Create a work culture that encourages workers to return to work?

#### Request an expert consultation to prepare for future claims

Schedule your no-cost consultation now

Enter your name

Enter your email address \*

Phone

Format: 20610000000

Comments

0 / 100

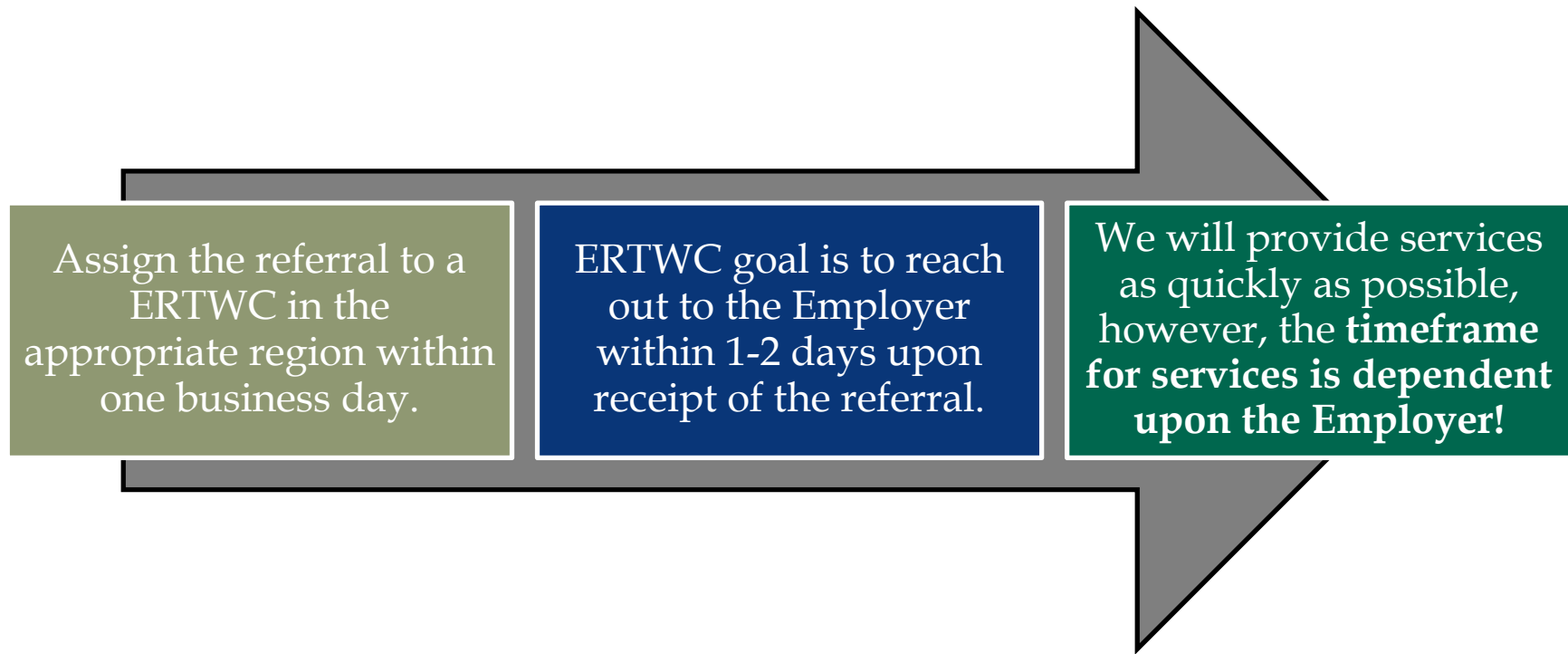
SEND

Via the L&I Website  
[www.lni.wa.gov/EarlyReturntoWork](http://www.lni.wa.gov/EarlyReturntoWork)

Via Email  
[ERTW@lni.wa.gov](mailto:ERTW@lni.wa.gov)

*Request for services can  
come directly from the  
Employer, TPA, VRC, etc.*

# Referral Timeline

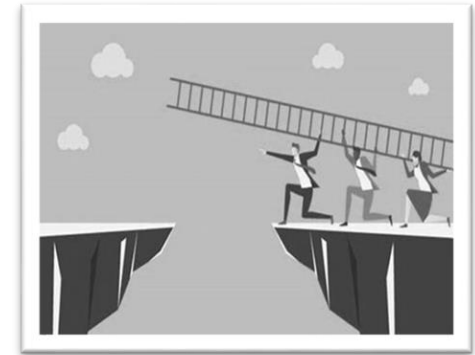


# New Proactive Approach

## ERTW Provides Return to Work and Ergonomic Services on Provisional & Undetermined Claims

ERTWC staff will identify claims needing services. They will contact the Employer and offer assistance.

If accepted, the ERTWC staff member will begin providing services.



## Early Return to Work Consultation

Early return to work consultations are at no cost to you!



Labor & Industries' Early Return to Work Consultation (ERTWC) team provides expertise and assistance to employers and workers, even before an on the job injury, by removing barriers for injured workers to maintain employment.

There are no costs for Early Return to Work services, other than an investment in your time. An initial consultation meeting with an ERTW consultant can be arranged around your schedule.

### At your initial consultation, we will:

- Provide an overview of L&I programs and services.
- Assess the depth of services you need or want.
- Develop a plan especially for your business.
- Schedule further assistance.

A successful return-to-work program can help your employees stay engaged while they recover and reduce the risk of re-injury. It can also improve retention, increase morale, and preserve productivity. We can help you create an effective program that may also lower your insurance premium by reducing claim costs.

L&I's Early Return to Work consultants are located throughout Washington state to assist your business.

### To schedule a NO COST consultation

- Email: [ERTW@lni.wa.gov](mailto:ERTW@lni.wa.gov)
- Call: 360 902-5555



### How Can We Help You?

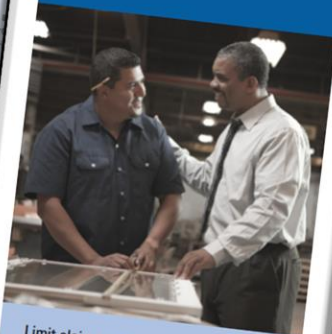
We help by offering education, support, tools, and systems to encourage a stable workforce:

- **Create Job Analyses:** Job analyses define the physical requirements of positions and can help expedite future claims.
- **Provide Return to Work Program Guidance:** A crucial part of the early return to work process is clearly communicating to all staff that light-duty is available.
- **Help Identify Light Duty Job Tasks:** We can brainstorm ideas on job alternatives that can injured workers return to the workplace.
- **Develop Light Duty Job Descriptions:** The length of time injured workers are away from work is shortened by preparing job description prior to injury.
- **Draft Formal Job Offer:** We provide advice on light-duty work that follows L&I's guidelines.
- **Prepare for Stay at Work Reimbursement:** Employers will learn how to compile necessary documentation to qualify for reimbursement benefits.
- **Ergonomics Assessments:** Onsite ergonomic assessments can be provided to all employees.
- **Provide Job Modification Consultation:** We can help you explore available equipment for the injured worker.
- **Access to Claim Information:** We can help you access claim information through the Claims Portal at <https://secure.lni.wa.gov/home>
- **Design Return to Work program:** We can help you prepare a plan to help you prepare for future claims.

Upon request, foreign language materials with disabilities are available. Call 711. L&I is an equal opportunity employer.

## Early Return to Work Consultation

Let us Help You...



Limit claim costs and unexpected delays, create a work culture that encourages workers to return to work, and prepare for future claims.



# Resources

## Website

[www.lni.wa.gov/EarlyReturntoWork](http://www.lni.wa.gov/EarlyReturntoWork)

## Informational Sheet

## Tri-fold Brochure

Call and Talk to Us  
(360) 902-5555



# L&I at WorkSource Service Locations



Currently there are 12  
co-located L&I Vocational  
Service Specialists  
covering 33 Washington  
state counties.

[WorkSource@lni.wa.gov](mailto:WorkSource@lni.wa.gov)



Assist the transition from time loss back to reentry into the workforce.

- Assist with resumes, interviewing skills, and labor market information.
- Provide one-on-one assistance to navigate return to work after an injury.
- Identify return-to-work options and develop a customized return-to-work plan.



Evaluate needs, job readiness, job accommodation, and job development.

- Assist with navigating requests for job modifications and reasonable accommodations.
- Career counseling and guidance.
- Provide access to assessments that assess skills, interests, and work values.



Provide expert knowledge in the vocational rehabilitation field.

- Assist with Option 2 and Preferred Worker benefits.
- Provide access to assessments that assess skills, interests, and work values.
- Teach workshops, host job clubs, and help in other capacities at WorkSource.
- Coordinate and refer to WorkSource partners and community resources.

# THANK YOU!



Early Return to Work Consultation (ERTWC)

(360) 902-5555

[ERTW@lni.wa.gov](mailto:ERTW@lni.wa.gov)

[www.lni.wa.gov/EarlyReturntoWork](http://www.lni.wa.gov/EarlyReturntoWork)

# Good of the Order and Closing

Jessica Nau, Retro Program Manager

[Jessica.Nau@Ini.wa.gov](mailto:Jessica.Nau@Ini.wa.gov)

[Retro@Ini.wa.gov](mailto:Retro@Ini.wa.gov)

# Supplemental Slides

# 2023 RAC Meeting Schedule

- **Q1:** 2/23/2023
- **Q2:** 5/18/2023
- **Q3:** 9/14/2023
- **Q4:** 12/14/2023

*All meetings held from 9:30 AM to 12:00 PM.*

# Retrospective Rating:

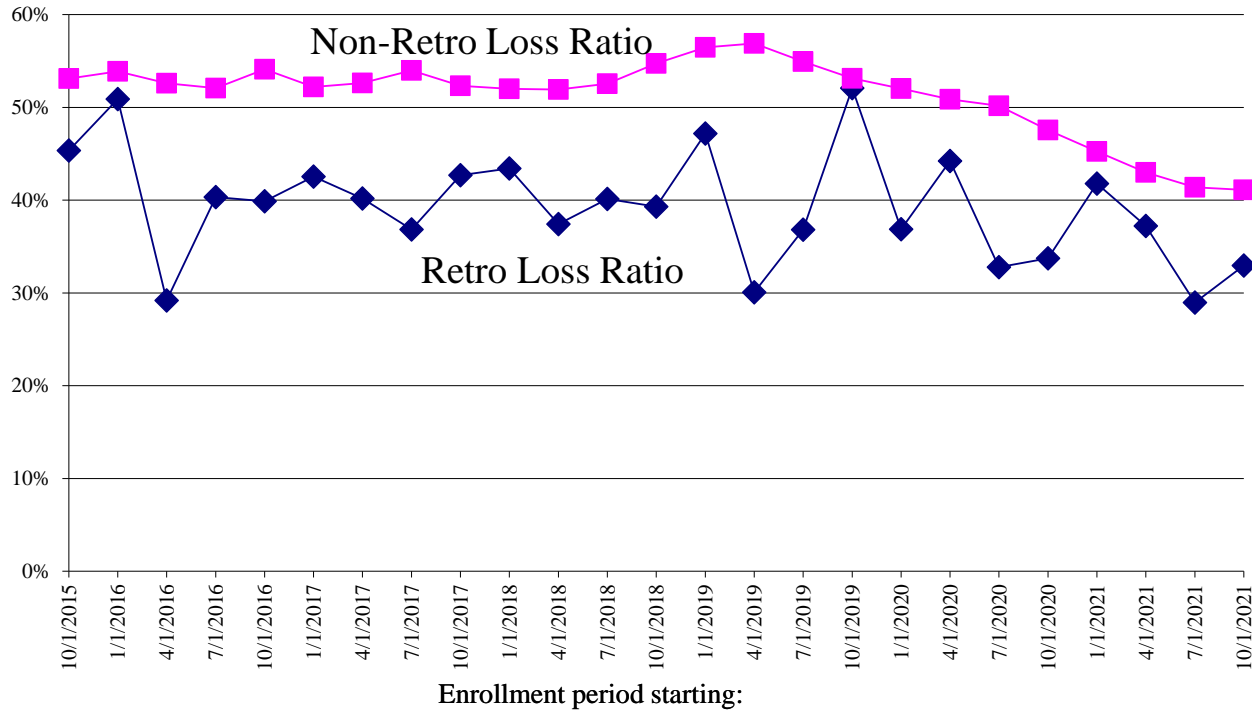
Performance Adjusted Refunds for October  
Enrollments as of July 2023

**Nichole Runnels**  
*Actuarial Analyst for  
Financial Management*

# Retrospective Rating Goal and Performance Adjusted Refund

- GOAL: Retro and non-Retro firms pay proportional share of insurance costs.
  - Goal is met when Retro and non-Retro firms have equal overall ratio of losses to premiums (after refunds).
  - Performance Adjusted Refund (PAR) amounts are designed to meet this goal at the time of each annual adjustment.
  - PAR = **Targeted sum** of net retrospective refunds less additional assessments per enrollment period.

# Equalizing the Loss Ratios





# Calculate the % Loss Ratio Difference

for each of 4 consecutive enrollment quarters leading up to and including October enrollment. Example:

Quarter 4: Enrollment beginning 10/1/21:		
	Retro	Non-retro
Losses Case Incurred	14,972,172	575,969,847
Standard Premium	45,449,368	1,400,935,776
Loss Ratio	32.94%	41.11%
Percentage Difference	19.87%	

	Retro Enrollment	Standard Premium	Loss Ratio Percentage Difference
Quarter 1	1/1/2021	115,946,025	7.70%
Quarter 2	4/1/2021	9,258,145	13.40%
Quarter 3	7/1/2021	465,133,629	30.01%
Quarter 4	10/1/2021	45,449,368	19.87%
Total		635,787,167	24.97%

$$= 100\% - 32.94\% \div 41.11\%$$

4 Quarter Weighted Average

## Performance Adjusted Refund

Target Refund% X 4 Quarter Standard Premiums

	<b>Retro Enrollment</b>	<b>Standard Premium</b>
<b>Quarter 1</b>	<b>1/1/2021</b>	115,936,214
<b>Quarter 2</b>	<b>4/1/2021</b>	9,252,483
<b>Quarter 3</b>	<b>7/1/2021</b>	464,659,861
<b>Quarter 4</b>	<b>10/1/2021</b>	45,447,845
<b>Total</b>		635,296,403
<b>X</b>		<b>X</b>
<b>Performance adjusted refund %</b>		25.92%
<b>=</b>		
<b>Performance Adjusted Refund</b>		<b>\$164,651,657</b>

# Calculating the October 2021 PAF

Hit the PAR target for October 2021 enrollment

			Difference from Target
<b>Target Refund:</b>			164,651,657
If We Tried Q4 PAF = 1.0000 Then the Refund Would Have Been \$218,407,425			-\$53,755,768
<b>This refund would be too large. We need to use a larger PAF.</b>			
Quarter 4 PAF= 1.1540			
	<b>Retro Enrollment</b>	<b>Current PAF</b>	<b>Current Refund</b>
Quarter 1	1/1/2021	1.1540	10,775,286
Quarter 2	4/1/2021	1.1540	330,358
Quarter 3	7/1/2021	1.1540	143,525,548
Quarter 4	10/1/2021	1.1540	10,026,348
<b>Using this PAF we obtain</b>			164,657,540
			-\$5,883
If We Tried Q4 PAF = 1.1541 Then the Refund Would Have Been \$164,623,258			\$28,399
If We Tried Q4 PAF = 1.1539 Then the Refund Would Have Been \$164,691,822			-\$40,165

Refunds are calculated per enrollment period using the PAF shown above for estimation purposes only.

**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
10/1/2021  
First Evaluation**

Report Date: 7/24/2023

PAF: 1.1540

Association Name	Standard Premium	After ELRF & PAF Developed Losses	Standard Loss Ratio	Plan	Hazard Group	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Net Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)
<b>Subtotal - 8 Firms with Refunds</b>	<b>3,240,564</b>	<b>1,027,792</b>	<b>32%</b>								<b>139,345</b>	<b>1,158,583</b>	<b>650,138</b>	<b>1,948,066</b>	<b>1,292,498</b>	<b>40%</b>
<b>Subtotal - 9 Firms with Assessments</b>	<b>1,903,082</b>	<b>3,668,420</b>	<b>193%</b>								<b>81,832</b>	<b>1,345,878</b>	<b>1,084,543</b>	<b>2,512,253</b>	<b>(609,171)</b>	<b>(32%)</b>
<b>Subtotal - 17 Individual Firms</b>	<b>5,143,646</b>	<b>4,696,212</b>	<b>91%</b>								<b>221,177</b>	<b>2,504,461</b>	<b>1,734,681</b>	<b>4,460,319</b>	<b>683,327</b>	<b>13%</b>
Average Firm Size	302,567															
Towing & Recovery Association of Washi	1,132,933	1,045,217	92%	P	7	64	\$500K	0.850	0.40	0.2185	48,716	1,049,662	247,489	1,345,867	(212,934)	(19%)
501(C) Agencies Trust	8,123,354	8,377,071	103%	L	3	72	\$550K	0.916	0.00	0.0584	349,304	8,110,682	474,045	8,934,031	(810,677)	(10%)
Association of WA Business - Facilities	11,618,096	4,491,459	39%	L	6	73	\$550K	1.000	0.00	0.0327	499,578	4,895,690	160,275	5,555,543	6,062,553	52%
Association of WA Business - Hospitality	4,631,422	3,589,409	78%	L	3	71	\$550K	1.000	0.00	0.0469	199,151	3,912,456	183,498	4,295,105	336,317	7%
Association of WA Business - Retail, Wholesale, Services	13,991,115	8,609,820	62%	L	4	73	\$550K	1.000	0.00	0.0212	601,618	9,384,704	199,350	10,185,672	3,805,443	27%
Thurston County Chamber of Commerce	807,279	418,346	52%	L	4	62	UNLIMITED	0.929	0.60	0.1415	34,713	527,960	74,726	637,399	169,880	21%
<b>Subtotal - Associations</b>	<b>40,304,199</b>	<b>26,531,322</b>	<b>66%</b>								<b>1,733,080</b>	<b>27,881,154</b>	<b>1,339,383</b>	<b>30,953,617</b>	<b>9,350,582</b>	<b>23%</b>
<b>Total Enrollment</b>	<b>45,447,845</b>	<b>31,227,534</b>	<b>69%</b>								<b>1,954,257</b>	<b>30,385,615</b>	<b>3,074,064</b>	<b>35,413,936</b>	<b>10,033,909</b>	<b>22%</b>

**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
10/1/2020  
Second Evaluation**

Report Date: 7/24/2023

PAF: 1.0918

Association Name	Standard Premium	After ELRF & PAF Developed Losses	Standard Loss Ratio	Plan	Hazard Group	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Net Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)
<b>Subtotal - 10 Firms with Refunds</b>	<b>2,356,393</b>	<b>365,129</b>	<b>15%</b>								<b>101,324</b>	<b>522,269</b>	<b>581,873</b>	<b>1,205,466</b>	<b>1,150,927</b>	<b>49%</b>
<b>Subtotal - 7 Firms with Assessments</b>	<b>3,330,628</b>	<b>4,023,948</b>	<b>121%</b>								<b>143,216</b>	<b>2,940,961</b>	<b>1,148,741</b>	<b>4,232,918</b>	<b>(902,290)</b>	<b>(27%)</b>
<b>Subtotal - 17 Individual Firms</b>	<b>5,687,021</b>	<b>4,389,077</b>	<b>77%</b>								<b>244,540</b>	<b>3,463,230</b>	<b>1,730,614</b>	<b>5,438,384</b>	<b>248,637</b>	<b>4%</b>
Average Firm Size	334,531															
501(C) Agencies Trust	8,487,192	4,302,042	51%	L	3	72	\$550K	0.916	0.00	0.0584	364,949	4,689,227	274,071	5,328,247	3,158,945	37%
Association of WA Business - Facilities	12,559,042	7,430,574	59%	L	6	73	\$550K	1.000	0.00	0.0327	540,039	8,099,325	265,156	8,904,520	3,654,522	29%
Association of WA Business - Hospitality	3,921,332	2,718,196	69%	L	3	70	\$550K	1.000	0.60	0.0650	168,617	2,962,834	192,475	3,323,926	597,406	15%
Association of WA Business - Retail, Wholesale, Services	13,896,864	8,276,799	60%	L	4	73	\$550K	1.000	0.00	0.0212	597,565	9,021,711	191,639	9,810,915	4,085,949	29%
Thurston County Chamber of Commerce	814,258	648,892	80%	L	3	62	UNLIMITED	0.929	0.60	0.1375	35,013	707,292	97,260	839,565	(25,307)	(3%)
Towing & Recovery Association of Washi	1,001,001	187,177	19%	P	7	63	\$500K	0.850	0.40	0.2246	43,043	436,436	224,825	704,304	296,697	30%
<b>Subtotal - Associations</b>	<b>40,679,689</b>	<b>23,563,680</b>	<b>58%</b>								<b>1,749,226</b>	<b>25,916,825</b>	<b>1,245,426</b>	<b>28,911,477</b>	<b>11,768,212</b>	<b>29%</b>
<b>Total Enrollment</b>	<b>46,366,710</b>	<b>27,952,757</b>	<b>60%</b>								<b>1,993,766</b>	<b>29,380,055</b>	<b>2,976,040</b>	<b>34,349,861</b>	<b>12,016,849</b>	<b>26%</b>

**Washington State Department of Labor And Industries  
Retrospective Rating**

**Enrollment Period Beginning:  
10/1/2019  
Third Evaluation**

Report Date: 7/24/2023

PAF: 1.0967

Association Name	Standard Premium	After ELRF & PAF Developed Losses	Standard Loss Ratio	Hazard Plan	Size Group	Single Loss Limit	Max Loss Ratio	Min Loss Ratio	Net Insurance Charge%	Policy Admin Expense	Incurred Loss & Expense after PAF	Net Insurance Charge after PAF	Retrospective Premium Indicated	Cumulative Refund/ (Assessment)	Ratio Refunded (Assessed)
<b>Subtotal - 12 Firms with Refunds</b>	<b>3,268,081</b>	<b>818,972</b>	<b>25%</b>							<b>140,528</b>	<b>999,241</b>	<b>853,902</b>	<b>1,993,671</b>	<b>1,274,410</b>	<b>39%</b>
<b>Subtotal - 6 Firms with Assessments</b>	<b>3,231,656</b>	<b>3,582,321</b>	<b>111%</b>							<b>138,961</b>	<b>3,272,571</b>	<b>1,047,303</b>	<b>4,458,835</b>	<b>(1,227,179)</b>	<b>(38%)</b>
<b>Subtotal - 18 Individual Firms</b>	<b>6,499,737</b>	<b>4,401,293</b>	<b>68%</b>							<b>279,489</b>	<b>4,271,812</b>	<b>1,901,205</b>	<b>6,452,506</b>	<b>47,231</b>	<b>1%</b>
Average Firm Size	361,097														
501(C) Agencies Trust	9,234,562	7,505,493	81% L	3	72	\$550K	0.916	0.00	0.0584	397,086	8,180,987	478,154	9,056,227	178,335	2%
Association of WA Business - Facilities &	11,962,325	8,742,836	73% L	6	73	\$500K	1.000	0.00	0.0404	514,380	9,529,692	384,676	10,428,748	1,533,577	13%
Association of WA Business - Hospitality	4,918,020	2,980,708	61% L	2	71	\$500K	1.000	0.00	0.0406	211,475	3,248,972	131,853	3,592,300	1,325,720	27%
Association of WA Business - Retail, Wholesale, Services	13,578,126	8,155,918	60% L	4	73	\$500K	1.000	0.00	0.0261	583,859	8,889,951	231,690	9,705,500	3,872,626	29%
Thurston County Chamber of Commerce	879,588	765,955	87% L	3	62	UNLIMITED	0.929	0.60	0.1375	37,822	834,891	114,807	987,520	(107,932)	(12%)
Towing & Recovery Association of Washin	1,033,559	1,631,927	158% P	7	63	\$500K	0.850	0.40	0.2246	44,443	957,592	232,137	1,234,172	(200,613)	(19%)
<b>Subtotal - Associations</b>	<b>41,606,180</b>	<b>29,782,837</b>	<b>72%</b>							<b>1,789,065</b>	<b>31,642,085</b>	<b>1,573,317</b>	<b>35,004,467</b>	<b>6,601,713</b>	<b>16%</b>
<b>Total Enrollment</b>	<b>48,105,917</b>	<b>34,184,130</b>	<b>71%</b>							<b>2,068,554</b>	<b>35,913,897</b>	<b>3,474,522</b>	<b>41,456,973</b>	<b>6,648,944</b>	<b>14%</b>