

Workers' Compensation Advisory Committee (WCAC) Meeting

Labor and Industries, Tumwater, WA

Meeting Notes

March 27, 2025

Hybrid: L&I HQ Auditorium and Zoom

Business Representatives:

Lindsey Hueer, Association of Washington Business
Sheri Call, Washington Trucking Association
Jon DeVaney, Washington State Tree Fruit Association
Kelli Early, ESD113

Labor Representatives:

Joe Kendo, Washington State Labor Council
AJ Johnson, Washington State Council of Firefighters
Minna Long, Washington State Building and Construction Trades Council
Brenda Wiest, Teamsters Local 117

Labor and Industries:

Joel Sacks, Director
Brenda Heilman, Assistant Director for Insurance Services

Board of Industrial Insurance Appeals (BIIA):

Holly Kessler, Chair

Court Reporter:

Sue Garcia, Capitol Pacific Reporting

Recorder:

Cristina Gaffoglio

Attendees: Tim Lundin, Ali Ishaq, Alicia Milani, Anatasia Hammond, Andy Nicholas, Andy Shelton, Anna Minor, Art Hebbeler, Ashley Frank, Bill Fishburn, Bill Vasek, Bonnie Ronish, Caitlyn Jekel, Cameron Van Dyck, Carolyn Logue, Catherine Madden, Celeste Monahan, Celia Nightingale, Cherell Fisher, Colleen Seed, Dave Bonauto, Liz Smith, Emily Stinson, Eric Hahn, Herbert Atienza, Isabel Hernandez, Jeanine Keeseey, Jennifer Gifford, Jessica Gallardo, Jessica Nau, Jennifer Jutte, Jordan Ely, Jessica Fleming, Joshua Ligosky, Karen Jost, Kathy Petruzzelli, Kaylynn Wollen, Kim Wallace, Kim Hurley, Kirsta Glenn, Knowrasa Patrick, Kristen Todd, Lanae Lien, Lauren Gubbe, Leigh Haley, Lynda Ducharme, Lori Gruber, Maria McClain, Mark Phillips, Morgan Young, Michelle O'Brien, Nichole Runnels, Randi Warick, Rose Gundersen, Ryan Guppy, Samantha Adams, Sarah Battin, Sarah Jackson, Sara Ehrler, Shawn Wright, Stephanie Scheurich, Susan Abolafya, Thomas Feller, Tiffany Loescher, Troy Parks, Vickie Kennedy.

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Welcome and Introduction: Brenda Heilman

The meeting began with a brief overview of the agenda, followed by introductions of the committee members.

Ms. Heilman moved to approve the minutes from the December 19, 2025 meeting. There was no opposition to the motion, and the minutes were approved.

Ms. Heilman then introduced Dr. Dave Bonauto from SHARP, who presented the safety message and key information for action.

General Updates: Joel Sacks, Brenda Heilman, Elizabeth Smith, Kirsta Glenn

Introductions:

- Ms. Heilman introduced Ciara High, the new Self-Insurance Ombuds. Ms. High introduced herself to the committee and gave some background on the work she is going to be leading. Ms. Heilman also introduced the Chief Policy Officer, Cindy Gaddis, who will be leading the Legal Services Program.

Budget:

- **Joe Kendo** inquired about caseloads, asking what the ideal rate is compared to current department levels.
- **Brenda** responded that *140* is the industry average. During the Operational Health Dashboard presentation, **Brenda** shared that the current average caseload is **232**, with a **goal to significantly reduce** that number over time.

WCSM & Modernization Updates

- Ms. Heilman introduced Liz Smith who gave an update on the Workers Compensation Systems Modernization Project. Ms. Smith described a capabilities-based approach focused on incremental improvements rather than a full system overhaul. She emphasized on "remodeling the house while living in it"—maintaining current services while integrating new technologies. The Project is intentionally focusing on avoiding future complications through thoughtful planning and early risk mitigation — new components will be introduced, tested, and cut over gradually.

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- **Intelligent Document Management:**
 - Liz described upcoming systems that convert incoming documents to text to create operational efficiencies.
 - **Modernization Timeline:**
 - **Rose Gunderson** asked for a projected timeline for the overall modernization project.
 - **Liz** advised it will take approximately **6–8 years**, phasing in programs one by one while decommissioning old systems.
 - **Joel** emphasized the value of the pre-work phase, which influenced the overall approach and direction.
 - **Subcommittee Proposal:**
 - **Joel** asked if there is interest in establishing a subcommittee for WCSM to allow deeper discussion among members.
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Board of Industrial Insurance (BIIA) Update: Holly Kessler

Ms. Heilman introduced Holly Kessler, Chair of the Board of Industrial Insurance Appeals, who provided updates using slides 27-32. Ms. Kessler informed the board of their new office in Renton that is now the main headquarters. The Seattle location is officially closed.

- The **Fall 2025 CLE** has been **postponed to Fall 2026**.
- There is ongoing discussion about possibly offering a **lighter, virtual version via Zoom** in 2025.
 - This is still under consideration and not yet confirmed.
 - There is strong interest in holding a virtual option, but no final decision has been made.

Reason for Postponement:

- Due to **statewide budget restrictions** imposed by the **Governor**, which limit spending to essential items such as payroll.
 - Hosting an in-person CLE would involve significant costs, which are not feasible under the current fiscal constraints.
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Loss of Earning Power (LEP) Policy Update: Brenda Heilman

- **Brenda** provided clarification on updated LEP policy:
 - A worker must be medically able to work to receive LEP.
 - If a worker refuses work, LEP is based on the wages they *could* have earned (they would not be eligible for time loss).
 - LEP will be paid through the **date of closure**.

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- **Knowrasa** confirmed that the **Karl Bean** case supports LEP continuation until legal fixity, not medical fixity.
 - A question was raised about workers refusing light duty yet still receiving LEP:
 - **Knowrasa** clarified that a worker with limited earning capacity may still qualify for LEP during the period even if light duty is declined.
 - **Brenda** noted that the **JARRC 2024 Advisory Meeting** conducted analysis supporting the policy update and referencing the **Karl Bean** decision.
-

Light Duty Complaint Resolution Office: Cherell Fisher and Kirsta Glenn

- **Cherell** provided an update on data for the Light Duty Complaint Resolution Office.
 - **Kirsta** presented data from a recent survey of workers who participated in light-duty jobs compared to similar workers who did not participate. Survey results showed that most workers had a positive experience in light duty jobs and three-quarters of the workers who did not participate in light duty jobs would have been interested in doing so.
 - **Kirsta** clarified that the survey focused on **State Fund workers** and will follow up with data on retro programs.
 - **Jon Devaney** suggested using the survey results to identify opportunities for improvement.
 - **Brenda** discussed internal efforts to enhance the return-to-work and light duty process, stressing its importance.
-

Operational Health Dashboard: Brenda Heilman

- **Long-Term Disability Claims:** Increasing.
 - **Pension Claims:** Continue to trend downward.
 - **Time Loss Duration:**
 - **Kirsta** reported more claims are extending into the **6–24 month** range.
 - **Next Steps:**
 - **Joel** requested committee feedback on how data can be leveraged to improve worker recovery and return to work outcomes.
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Time-loss Duration: Kirsta Glenn

Kirsta Glenn provided an overview of the fluctuations in time-loss duration during the pandemic. While the increase during the pandemic was anticipated, there was an expectation that duration would decline as pandemic effects subsided. However, the most recent year showed an unexpected rise in duration.

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The team is actively working to identify and understand the drivers behind this increase, considering all possible contributing factors.

- **Provider Issues:**
 - Discussion held on access to care and who is treating which cases.
 - **Karen** Jost shared that efforts are underway to better educate providers.
 - **Self-insured employers** echoed concerns about care access.
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Industrial Insurance State Fund Financial Overview: Kim Hurley

Fiscal Year 2024 Financial Results: Ms. Heilman introduced Kim Hurley, Chief Accounting Officer for Financial Services, who presented the Statutory Financial Information for Fiscal Year 2025/July 2024 – December 2024 (Slides 73-85).

Closing Comments & Adjournment: Brenda Heilman and Joel Sacks

Ms. Heilman requested committee members to send any topic ideas for future agendas.

Both Ms. Heilman and Mr. Sacks thanked the presenters for their time and efforts in preparing their presentations.

The meeting was adjourned.