

## Workers' Compensation Advisory Committee (WCAC) Meeting

Labor and Industries, Tumwater, WA

Meeting Notes

March 30, 2022

Videoconference

### **Business Representatives:**

Bob Battles, Association of Washington Business

Sheri Call, Washington Trucking Association (*not in attendance*)

Jon DeVaney, Washington State Tree Fruit Association

Sheri Sundstrom, Washington Self-Insurers Associations

### **Labor Representatives:**

Joe Kendo, Washington State Labor Council

Sean Embly, UFCW Local 21 (*not in attendance*)

Mark Riker, Washington State Labor Council (*not in attendance*)

Brenda Wiest, Teamsters Local 117

### **Labor and Industries:**

Joel Sacks, Director

Vickie Kennedy, Assistant Director for Insurance Services

Mike Ratko, Deputy Assistant Director for Insurance Services

### **Board of Industrial Insurance Appeals (BIIA):**

Mark Jaffe, Board Member

### **Court Reporter:**

Lori Stefano, Capitol Pacific Reporting

### **Recorder:**

Ashley Oberst (*present*)

### **Guests:**

Alex Woodward, Ali Ishaq, Alicia Milani, Amanda Fisher, Anna Minor, Beth Covert, Bill Vasek, Brenda Heilman, Bret Jensen, Carolyn Logue, Celeste Monahan, Cherell Fisher, Cheri Ward, Cherie Wagaman, Chris Ristine, Christina Summers, Craig Blackwood, Craig Scukas, Dave Bonauto, Debra Hatzialexiou, Diane Doherty, Donna Egeland, Eddy Boulch, Herbert Atienza, Jenifer Jellison, Jessica Gallardo, Jessica Nau, Josh Ligosky, Julie Black, Karen Jost, Kat Bigler, Kathy Petruzelli, Kim Wallace, Knowrasa Patrick, Lauren Gubbe, Leigh Haley, Lloyd Brooks, Lynda Ducharme, Maria McClain, Mark Phillips, Marty Cohen, Matt Doumit, Michael Harris, Michelle O'Brien, Patrick Connor, Rachel Swanner, Randi Warick, Regine Neiders, Richard Clyne, Rob Cotton, Robert Mitchell, Rose Gundersen, Sarah Battin, Scott Bradley, Sheryl Divina, Steve Reinmuth, Susan Abolafya, Tiffany Loescher, Tom Feller, Tom Kwieciak, Tyler Langford, Veronica Shakoto

**Welcome and General Updates: Vickie Kennedy, Tammy Fellin, and Mike Ratko**

Meeting started with introductions of the committee members.

Ms. Kennedy introduced Mike Ratko, who will be the Assistant Director of Insurance Services after Ms. Kennedy retires on March 31.

Craig Blackwood, Assistant Director for the Division of Occupational Safety and Health (DOSH) presented the safety message.

Ms. Fellin gave an update about the five Industrial Insurance bills that passed in the 2021-2022 legislative session.

Ms. Kennedy gave an update on the current rulemaking activity, including changes in the rules that relate to Independent Medical Exams (IME) and updates to the fee schedule.

**Mr. Connor asked** (via Zoom chat) if a discussion could be had about bills that did not pass and the potential for them to be included in the agency request legislation at next year's session. **Ms. Fellin responded** that there were two workers' compensation bills that did not pass in the 2021-2022 session. The first was a bill that would add psychologists to the list of providers that can be an attending provider on a mental-health-only workers' compensation claim, which did not pass because of a procedural error. The second was a bill that addressed attorney costs and fees, which passed the Senate, but was not brought up for a vote in the House of Representatives. There was also a bill that was intended as a follow-up to legislation that was previously passed that moved plumber licensing out of the general contractor licensing statute and into its own. While not a workers' compensation specific bill, there were references to workers' compensation that need to be added to the current statute. All three of these bills will be under consideration for next year's session, but no decisions have been made on which, if any, will be included as part of the agency request legislation.

Ms. Kennedy gave an update on the COVID-19 claims and referenced the data and dashboard that are available on the agency's public website.

Mr. Ratko talked through slides 8-10, giving an update on Insurance Service's building re-entry and hybrid work plans.

**Mr. Kendo asked** if any determination has been made about the impact of remote work on productivity and what type of logistical and technological support the agency is offering. **Mr. Ratko responded** that there have not been any significant decreases in our performance metrics and that some metrics have seen some increases. **Ms. Kennedy added** that we have learned that our training programs need to be at least hybrid in order for our trainees to be as successful as possible, but there are still some areas of training that could be improved and those improvements are being worked on.

**Mr. Kendo asked** what type of logistical and technological support the agency is offering. **Mr. Ratko responded** that there are some staff that are required to have a phone line to participate

in a call queue and the agency is providing reimbursement for the cost of that line. **Ms. Ward added** that the call queue issues is unique to claim managers and the state is looking at transitioning to a new system that would no longer require a landline to participate in a queue.

**Mr. Feller asked** if the agency is providing laptops and internet access to staff who are working remotely. **Mr. Ratko responded** that a majority of staff already had laptops, so there was not a need to purchase a lot of additional equipment to enable staff to work remotely. Mr. Ratko added that the agency is not paying for or reimbursing staff for internet access costs. **Mr. Reinmuth added (via Zoom chat)** that the agency does provide MY-FI and mobile hot spots to employees who are working remotely and do not have access to the internet.

**Mr. DeVaney** asked if there is any data on how the transition from fully remote work to hybrid work is going to affect overall program costs and if there would be any potential savings by the agency having a smaller real estate footprint. **Mr. Sacks responded** that there may be capacity for a smaller footprint in the future. Currently, most of the spaces that the agency leases are on long-term lease agreements so the Facilities team is looking at when the leases are up and what we can do to negotiate the terms, if needed. There are also discussions happening about sharing space with other state agencies. Another element of the hybrid work planning is determining what workspaces will look like and if there are staff that may be able to share a workstation or use a touchdown workstation.

**Maria McLain and Rose Gunderson asked (via Zoom chat)** about the vacancy rate in Claims Administration. **Mr. Ratko responded** that like most companies, L&I is experiencing a high number of resignations and challenges filling vacant positions, with a high vacancy rate in Claims Administration, which is our largest program. **Ms. Sundstrom asked** about vacancies in the Self-Insurance Section. **Ms. Patrick responded** that Self-Insurance is not having any additional challenges recruiting and that offering hybrid work is helping with recruitment efforts because a lot of people are looking for opportunities to work from home. **Mr. Sacks added** that the agency has had a number of staff leave because they were offered significant wage increases outside of the agency and we may continue to struggle competing with wages other companies can offer. **Ms. Ward added** that Claims Administration has continued to hire approximately five apprentice classes per year, even during the pandemic.

Mr. Ratko announced that Brenda Heilman will be the Deputy Assistant Director for Insurance Services when he steps into the Assistant Director role.

#### **Insurance Services Dashboard: Vickie Kennedy**

Ms. Kennedy talked through slides 12-25.

# DASHBOARD SUMMARY

Measure	Change from 2012 (unless otherwise noted)		Y/Y Change	
Long Term Disability – share that received a TL payment in the 12 month post injury	-6.7%	✓	11.5%	▲
Pensions granted	Down	✓		
Resolution rate - time-loss claims at 6 months	16.2%	✓	9.1%	✓
High risk claims – share return to work at 12 months	5.2%	✓	4.8%	✓
Median time-loss days paid at first vocational service	-80.6%	✓	-12.8%	✓
% RTW outcomes - all first vocational service referrals	303.1%	✓	18.0%	✓
WSAW participation	Steady utilization			
COHE utilization	90.9%	✓	0.3%	✓

Ms. Sundstrom asked if data is available on medical providers providing information in a timely manner, which was mentioned when Ms. Fellin discussed HB 1902 in her legislation update. The Self-Insured community has put together a subcommittee specifically to discuss the issues with getting vocational information. Ms. Kennedy responded that this could be on a future agenda for a committee meeting.

Ms. Gundersen asked (via Zoom chat) if the delay in medical care caused by the pandemic has driven up the long-term disability rate. Ms. Kennedy responded that we don't have any data that reflects that specifically, but there are a number of factors that feed into the long-term disability rate. There was a national study done during the pandemic that showed access to care did not have as much of an impact on claims as was previously thought.

## Logger Safety Initiative: Eddy Boulch and Beth Covert

Ms. Kennedy introduced Eddy Boulch, the Program Specialist for the Logger Safety Initiative (LSI), Beth Covert, the Senior Project Manager for the LSI Revisioning Project, and Dr. Dave Bonauto, who is leading the Logger Safety Initiative.

Mr. Boulch talked through slides 27-37 and 40-41.

Dr. Bonauto talked through slides 38 and 39.

Mr. Sacks asked if there were any changes Mr. Boulch would make to the program in the hypothetical event that he had the ability to start from scratch. Mr. Boulch responded that he would try to keep site visits more random and unexpected so that we can see the company's

natural environment when no one is looking, but at the same time, the fact that they clean up before a site visit or safety consultation means that they have been educated.

Ms. Covert talked through slides 43-48.

### **FIIRE Initiative: Dr. Dave Bonauto and Rick Goggins**

Ms. Kennedy introduced Dr. Dave Bonauto, Safety and Health Assessment Research for Prevention Director, and Rick Goggins, DOSH Ergonomist.

Dr. Bonauto talked through slides 50-56.

Mr. Goggins talked through slides 57-71.

**Ms. Sundstrom asked** how the FIIRE Initiative applies to small fire protective districts that rarely have injuries. **Mr. Goggins responded** that as long as the fire department is reporting hours in the 6904 risk class, they are eligible to join the program. There is a very small fire department who has had one injury in the last five years and they are still very excited about the program. For departments that are not reporting in the 6904 risk class, all of the materials that are being developed will be on the FIIRE webpage at [www.ini.wa.gov](http://www.ini.wa.gov). Consultation services are available to these departments as well and an ergonomist has been hired specifically to work with the FIIRE program.

**Mr. Sacks asked** if there are any key insight, perspectives, or other items that should be at the forefront of the committee's minds as we continue to discuss future agenda topics and items that affect the overall system. **Dr. Bonauto responded** that the committee should continue to think about where premium discount programs may be appropriate and where they may be most needed. The committee should also be thinking about ways that the Department or industry can keep these programs dynamic. Dr. Bonauto also mentioned that as an agency, we need to be considering how to run these programs efficiently.

### **Board of Industrial Insurance Appeals (BIIA) Update: Mark Jaffe**

Ms. Kennedy introduced Mark Jaffe, the acting public member of the Board of Industrial Insurance Appeals.

Mr. Jaffe talked through slides 80-85.

**Mr. Battles thanked** Mr. Jaffe for stepping up recently and delaying his retirement to be the acting public member. Mr. Battles also let the committee and attendees know that once the interview process for the new BIIA chair is complete, business and labor representatives submit a list of three candidates to the Governor's Office and the Governor's Office makes the final decision on who will be appointed as the Chair.

**Industrial Insurance State Fund Financial Overview: Rachel Swanner**

Ms. Kennedy introduced Rachel Swanner, Workers' Compensation Accounting Manager.

Ms. Swanner talked through slides 87-98.

**WCAC Retrospective: Vickie Kennedy**

Ms. Kennedy gave an overview of her experiences on the committee over the last 20 years.

**Agenda Setting: Mike Ratko**

To save time, Mr. Ratko let the committee members know that he would be reaching out via email to set up time to discuss the future of WCAC and topics they would like to see at upcoming meetings.

**Closing Comments and Adjourn: Joel Sacks and Vickie Kennedy**

Mr. Sacks discussed an article released on workerscompensation.com about Ms. Kennedy's career and retirement and opened to floor to the committee members and attendees to give their remarks to Ms. Kennedy.

Mr. Battles, Mr. Kendo, Ms. Sundstrom, Ms. Wiest, and Mr. DeVaney gave Ms. Kennedy their congratulations and best wishes for her retirement.

Ms. Kennedy thanked the committee and Mr. Sacks for their comments.

Meeting adjourned.