



STATE OF OKLAHOMA

WORKERS' COMPENSATION COMMISSION

MINUTES

of the

WORKERS' COMPENSATION COMMISSION

FOR THE STATE OF OKLAHOMA

for the

May 15, 2014

Regular Public Meeting

MINUTES OF THE MEETING OF THE WORKERS' COMPENSATION COMMISSION
FOR THE STATE OF OKLAHOMA, MAY 15, 2014

NOTICE OF THIS MEETING WAS FILED WITH THE SECRETARY OF STATE ON THURSDAY, DECEMBER 12, 2014.

The members of the Workers' Compensation Commission for the state of Oklahoma met at 1915 N. Stiles Ave., Oklahoma City, Oklahoma, on May 15, 2014.

Members present: Chairman Troy Wilson and Commissioner Denise Engle.

Absent: Commissioner Robert Gilliland.

Chairman Wilson expressed appreciation for those in attendance and announced the agenda has been posted for this meeting. After the roll was taken, he announced the presence of a quorum and affirmed that all documents had been filed. The Statement of Compliance with the Open Meetings Act was read and the meeting was called to order at approximately 1:30 p.m.

Approval of Minutes

Chairman Wilson moved to approve the minutes of the April 17, 2014 regular meeting.

Those voting aye: Chairman Wilson and Commissioner Engle.

No: None. Abstentions: None. Absent: Commissioner Gilliland. The motion carried.

Executive Director's Report

Dr. Rick Farmer gave his report and covered the following items:

- Each week we are distributing a Case Statistics Report. It is available for distribution. We had 481 Form-3's filed as of Monday, and about 280 have been set for preliminary hearings.
- Senate Confirmations are scheduled for next Tuesday, May 20 at 10:00 a.m.
- Chairman Wilson and I met yesterday with Senator Bingman. The budget will be decided in the next few days. We continue to push for a total joint budget of \$11.5 million.
- SB 1948 which contains the cleanup for the self-insurance guarantee fund was signed by the governor. HB 2994 which contains language to allow the WCC and OID to work together was signed by the governor.

- Our fourth ALJ, Tara Inhofe began May 1. Teresa Allen was hired for the counselors' office May 5. A second counselor will likely be hired soon after we get our budget finalized.
- Chairman Wilson and I have a meeting with the audit team Friday.
- The Multiple Injury Trust Fund assessment was announced May 1st and based on the statutory formula it was set at 6 percent.
- We signed up to allow employees to view their pay stubs and benefits through the OMES web portal. In the next few days we will be providing information to the employees on how to access and use this system. It is available beginning today. Other services are available that we will explore over the next few weeks.
- We are receiving excellent service from OMES. I want to thank Preston Doerflinger and Dan Ross for their assistance. The I.T. staff at OMES has been very responsive to our EDI RFP request. Their payroll department went the extra mile last Friday to help us find a missing pay stub and the finance office has been very helpful in gathering and understanding our financial balances.

Commissioners' Reports

Commissioner Engle gave her report and covered the following items:

- In the past month, Commissioner Engle spoke with the following groups about implementing the new process:
 - Independent Insurance Agents, Tulsa Self Insurance Association, American Society of Safety Engineers, Oklahoma Insurance Department, Domestic Conference, Tulsa Defense Counsel, NAIC, Oklahoma Sports' Science Orthopedics, Oklahoma Injury Benefits Coalition, National Council on Compensation Insurance,
- Commissioner Engle participated in the regulators forum at NCCI annual Symposium in Florida and said Oklahoma was mentioned repeatedly because the projected loss cost savings are the highest in our state. One disturbing trend that was discussed was the employment situation of men between the ages of 35-44, not returning to the workforce which has long term effects to the economy. We need to be alert to this issue and do whatever we can to prevent this from happening here in Oklahoma. The reports and data discussed at the conference can be found on the NCCI website. That address is www.ncci.com. The report by NCCI on Oklahoma is attached.
- Commissioner Engle introduced Ann Campbell, Supervisor of our Counselors' Division; Thomas Lewis, Public Information Officer, who is working on the website; Andrea Bair with our Insurance Division is working on a proof of coverage tutorial which will be available in a few days; Ray Andrews, Compliance Department Supervisor is providing a good example of how using technology can help us more efficiently track companies' insurance coverage and make sure they have the proper coverage for their employees.

- We are planning an education conference September 22-23 for about 500 attendees, and will begin with a luncheon at which Governor Fallin will speak.

Chairman Wilson gave his report and covered the following items:

- We have an increasing volume of Form-2's and Form-3's and are tracking case resolutions daily. The CEC still has a lot of pending cases. One of the goals of the Commission is to get the counselors involved early in the process. There is no way to encourage workforce development in the state and not expect the volume of injured workers to stay the same.
- ODG training was excellent - practices. Although it is difficult for new ALJ's dealing with the new process, they are working hard to understand and implement it. In the past, it has caused some difficulty that the judges did not have workers' compensation experience. The ALJ's meet weekly, and are prepared to combine their 20 plus years of valuable experience in workers' compensation with the current, more effective system.
- Another important aspect about the ALJ's is their willingness to travel. It makes an important difference to the injured workers and employers. Many times the injured worker does not know what their options are and it is up to us to educate them on the website and use technology for the redundant things so that the human contact is reserved for the quality interaction. We will be looking at best practices going forward and have a lot of access to view improved systems that and we do not want to waste time to re-invent the wheel so we can become more efficient but not at the cost of being effective.

Official Disabilities Guidelines Training

Dr. Cannon was asked by the Chairman to report on the ODG staff training:

- We had training Tuesday, May 13, by Kenneth Eichler, Director, Regulatory & Outcome Initiatives, Work Loss Data Institute. There were twenty people who attended the two sessions, including Chairman Wilson, Commissioner Engle, Directors, Counselors, ALJ's, Dr. Leroy Young with the Physicians' Advisory Council for the agency, and four employees from the Insurance Department. It not only does it give information that is available but it also gives you a strong tool that can be used online. It is a product you have to buy, but they offer a 50 percent discount.
- Ann Campbell and Dr. Cannon visited three vocational rehabilitation training centers: Francis Tuttle, Metro Tech, and Moore-Norman Tech Center. Everyone was helpful and the facilities and training programs they offer are high quality.

EDI Implementation Timeline

Dr. Rick Farmer explained that an Electronic Data Interchange is our way of getting the TPA's, insurance companies, and our computers to talk to each other and allows information to be transferred automatically. Currently, the data on the forms is being type in manually. The new law created several additional forms which has increased the typing fourfold, so having an EDI will improve our efficiency and be a wiser use of resources. We were told this normally can take between 12-18 months, but we should be able to make it happen in 7 or 8 months.

The Commissioners voted at the last public meeting to develop a standard set of data to keep everyone consistent. The IAIABC has developed a standard called Release 3 (R3) which identifies a number of data in fields to be filled in and chooses the standard that allows what the insurance companies are already able to deliver, and for us to be able to receive. The Commission voted at the last meeting to adopt R-3 as our standard. It will require some changes to our forms through this process. Jason Smitherman is assisting us with the forms and OMES I.T. is working with us on our RFP which will be posted tomorrow.

We will allow three weeks for the vendors to respond and next week we will provide a conference call for them. There is good competition between three national vendors, so we expect fair pricing. We will have the bids to review then in the next open meeting, and will need to select one of those vendors at that time. For those who want to be involved in the development of the forms, there is a place on our website where you can do this.

Executive Session

Motion to enter into Executive Session: Commissioner Engle.

Those voting aye: Chairman Wilson and Commissioner Engle.

No: None. Abstentions: None. Absent: Commissioner Gilliland. The motion carried.

Open Session

Motion to re-convene into Open Session: Commissioner Engle.

Those voting aye: Chairman Wilson and Commissioner Engle.

No: None. Abstentions: None. Absent: Commissioner Gilliland. The motion carried.

Adjournment

Commissioner Engle announced that the next Regular Public Meeting of the Commission will be June 19, 2014 at 1:30 p.m.

Motion to adjourn: Chairman Wilson.

Second: Commissioner Engle.

Those voting aye: Chairman Wilson and Commissioner Engle.

No: None. Abstentions: None. Absent: Commissioner Gilliland. The motion carried.