

**FY 2024 Budget Performance Review**  
**86500 WORKERS COMPENSATION COMMISSION**

Lead Administrator: Lauren Hammonds Johnson

Lead Financial Officer: Andrea Delling

**Agency Mission**

*The Workers' Compensation Commission serves the public in its adjudication, administration and regulatory duties in a prompt, courteous and impartial manner for workers' compensation matters set out in Title 85A of the Oklahoma Statutes.*

**Division and Program Descriptions**

**Note: Please define any acronyms used in program descriptions.**

Workers Compensation Commission: WCC and Commission; workers compensation: WC; Self-Insured Guaranty Fund: SIGF; Self-Insured Guaranty Fund Board: SIGFB and Board; and General Operation: General Ops

**0100001 - General Operations**

The Workers' Compensation Commission (WCC) is a non-appropriated, quasi-judicial agency that operates under one program, General Operations. General Operations is comprised of a case adjudication court with 6 Administrative Law Judges, Legal Operations, Permitting, Communications/Administrative Services, Employment Standards (Compliance) and Finance. General Ops also includes capital budget of \$730,688 in FY2022 and \$419,300 in FY2023 for Denver Davison Renovation Project.

**8800002 - IT**

The Program contains all services and expenses related to on-going IT services/equipment and data base maintenance functions. It also includes budgeted capital of \$1.019 million in FY22, \$969,000 in FY2023 and \$783,000 in FY2024, to continue with PHASE II in the design and implementation of the CASEOK data system.

**FUND 701: 3500001, 3600001, 4000001, 4100001, 4300001 and 4300002**

3500001, 3600001, 4000001, 4100001, 4300001 and 4300002: WCC administers payments of WC (worker compensation) benefits, medical claim, legal and other misc. expenses out of Fund 70100 - Self Insured Guaranty Fund (SIGF). This Fund covers employees that worked for self-insured companies or group associations that are presently financially impaired, have no available revenue resources and have called in letters of credit and bonds to pay WC long-term liabilities. Actual budget expenditures in FY2022 and FY2023 depends on the actual benefits, medical and other expenses paid on behalf of claimants and, more substantially, the number of settlement transactions with long-term claimants. As of July 2021, GM and Texoma Peanut are the only companies with active claimants.

**FUND 704 - Supreme Court Appeal**

Contains \$1000 deposit per appeal claims that is held in escrow until Supreme Court hearing determination.

**FY'23 Budgeted Department Funding By Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
0100001	General Operations - Fund 21000			\$6,863,983			\$6,863,983
3500001	General Motors - Fund 70100					\$733,000	\$733,000
8800002	IT - ISD Data Processing - Fund 21000			\$1,750,874			\$1,750,874
4500001	Supreme Ct Appeals Bds 704 Fnd					\$5,000	\$5,000
<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$8,614,857</b>	<b>\$0</b>	<b>\$738,000</b>	<b>\$9,352,857</b>
1. Please describe source of Local funding not included in other categories:						N/A	
2. Please describe source(s) and % of total of "Other" funding if applicable for each department:						701 - SIGF: Called in letters of credit and bonds of financially impaired companies whose funds are used to pay long-term WC benefits, medical and other costs of injured claimants.	

704 - Supreme Court Appeal Bonds @ \$1000 each appeal held in escrow while the case is pending hearing.

**FY'22 Carryover by Funding Source**

Class Fund #	Carryover Class Fund Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
							\$0
							\$0
							\$0

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable:

**What changes did the agency make between FY'22 and FY'23?**

1.) Are there any services no longer provided because of budget cuts?

No

2.) What services are provided at a higher cost to the user?

None

3.) What services are still provided but with a slower response rate?

None

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

Yes

**FY'24 Requested Funding By Department and Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
0100001	General Operations - Fund 21000	\$85,000	\$0	\$6,214,302	\$0	\$6,299,302	-8.23%
3500001	General Motors - Fund 70100	\$0	\$0	\$0	\$370,000	\$370,000	-49.52%
8800002	IT - ISD Data Processing - Fund 21000	\$0	\$0	\$1,358,189	\$0	\$1,358,189	-22.43%
4500001	Supreme Ct Appeals Bds 704 Fnd	\$0	\$0	\$0	\$2,000	\$2,000	-60.00%
<b>Total</b>		<b>\$85,000</b>	<b>\$0</b>	<b>\$7,572,491</b>	<b>\$372,000</b>	<b>\$8,029,491</b>	<b>-14.15%</b>

1. Please describe source(s) and % of total of "Other" funding for each department:

701 - SIGF: Called in letters of credit and bonds of financially impaired companies whose funds are used to pay long-term WC benefits, medical and other costs of injured claimants.

704 - Supreme Court Appeal Bonds @ \$1000 each appeal held in escrow while the case is pending hearing.

**FY'24 Top Five Operational Appropriation Funding Requests**

Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:	Denver Davison Bldg. - Fire System Upgrade	\$85,000
Request 2:		
Request 3:		
Request 4:		
Request 5:		
	Top Five Request Subtotal:	\$85,000
Total Increase above FY-23 Budget (including all requests)		\$ -
Difference between Top Five requests and total requests:		-\$85,000

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?	
Workers Compensation Commission receives no federal funding.	

How would the agency be affected by receiving the same appropriation for FY '24 as was received in FY '23? (Flat/ 0% change)	
Workers Compensation Commission is non-appropriated and uses the 1% Insurance Premium fee and other fee and revenues to cover operating expenses.	A reduction in operating budgets will lead to reduced services to citizens of the state. All legislative pass trough's will be reduced by 2%.

How would the agency handle a 2% appropriation reduction in FY '24?	
Workers Compensation Commission is non-appropriated and uses the 1% Insurance Premium fee and other fee and revenues to cover operating expenses.	

Is the agency seeking any fee increases for FY '24?		Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1	NONE		
Increase 2			
Increase 3			

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?		Appropriated Amount (\$)	Submitted to LRCPC? (Yes/No)
Priority 1	Denver Davison Renovation - Fire System Upgrade (Capital Requirement surfaced in August 2022)	\$85,000	No
Priority 2	CASEOK DATA SYSTEM (Paid with revenue from 1% Insurance Premium Fee and Other Fees and Assessments)	\$0	Yes
Priority 3			

Federal Funds						
CFDA	Federal Program Name	Agency Dept. #	FY 23 budgeted	FY 22	FY 21	FY 20
	NONE					

Government Impact	
1.) How much federal money received by the agency is tied to a mandate by the Federal Government?	
N/A	
2.) Are any of those funds inadequate to pay for the federal mandate?	
N/A	
3.) What would the consequences be of ending all of the federal funded programs for your agency?	
N/A	
4.) How will your agency be affected by federal budget cuts in the coming fiscal year?	
N/A	
5.) Has the agency requested any additional federal earmarks or increases?	
N/A	

FY'23 Budgeted FTE							
Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
0100001	Commissioners	3.25	0	0.25			3
0100001	Administrative Law Judges	1	5				6
0100001	Communications and Administrative Services	3	4		5	1	1
0100001	Employment Standards	1	4		4	1	
0100001	Legal Operations	3	19		21		1
0100001	Permitting Services	1	1		1	1	
0100001	Finance	1	1		1	1	
3500001	GM	0	0				
8800002	ISD Data Processing	0	0				
		13.25	34	0.25	32	4	11

FTE History						
Division #	Division Name	2023 Budgeted	2022	2021	2019	2014
0100001	Commissioners	3.25	3.25	3.25	3.25	3.25
0100001	Administration and Legal	5.0	6.0	6.0	6.0	4.0
0100001	Administrative Law Judges	6.0	6.0	5.0	6.0	6.0
0100001	Communications and Administrative Services	2.0	2.0	3.0	4.0	2.0
0100001	Employment Standards	5.0	5.0	5.0	4.0	4.0
0100001	Legal Operations	22.0	22.25	18.25	15.0	16.0
0100001	Permitting Services	2.0	2.0	2.0	3.0	3.0
0100001	Finance	2.0	2.0	2.0	2.0	3.0
3500001	GM	0.0	0.0	0.0	0.0	0.0
8800002	ISD Data Processing	0.0	0.0	0.0	0.0	0.0
Total		47.25	48.50	44.50	43.25	41.25

Performance Measure Review					
Program Name	FY 22	FY 21	FY 20	FY 19	FY 18

Revolving Funds (200 Series Funds)					
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