

State of Alaska FY2012 Governor's Operating Budget

Department of Labor and Workforce Development Workers Compensation Appeals Commission Component Budget Summary

Component: Workers Compensation Appeals Commission**Contribution to Department's Mission**

The Workers' Compensation Appeals Commission component contributes to the department's mission by ensuring timely, thoughtful, well-reasoned and sound decisions on appeals from final decisions and orders of the Workers' Compensation Board.

Core Services

- Adjudicate appeals from disputed Workers' Compensation Board decisions fairly, deliberate carefully, and provide timely decisions.
- Develop a sound, consistent, well-reasoned administrative interpretation of the workers' compensation law for the guidance of insurers, employers, workers, and the Board.

Key Component Challenges

At the beginning of FY2009 the commission had a docket of 28 cases awaiting decision, a significant reduction from the beginning of FY2008. During FY2009 an additional 20 appeals were filed and 2 were reopened on remand for action by the Supreme Court. The commission ended FY2009 with 28 cases on the open docket without final disposition.

Significant Changes in Results to be Delivered in FY2012

No significant changes in results are anticipated.

Major Component Accomplishments in 2010

During FY2009, the commission published 29 decisions and issued 139 orders. In FY2009, 85 percent of open appeals were decided within 12 months, including appeals filed in earlier fiscal years. The commission averaged 244 days between filing and disposition. This is a slight increase from the previous year due to staff turn-over.

The commission's volunteer summer law internship in cooperation with the Alaska Labor Relations Agency attracted two (2) more summer law interns, who received six (6) weeks of intensive training. The tri-agency externship (Appeals Commission, Labor Relations Agency & Office of Administrative Hearings) obtained accreditation as a "judicial/labor law externship" through Seattle University School of Law.

Statutory and Regulatory Authority

AS 23.30.007 - .009

Workers' Compensation Appeals Commission

Contact Information

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**Workers Compensation Appeals Commission
Component Financial Summary**

All dollars shown in thousands

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	350.4	346.5	357.2
72000 Travel	0.8	22.3	22.3
73000 Services	174.9	187.4	187.4
74000 Commodities	4.0	5.0	5.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	530.1	561.2	571.9
Funding Sources:			
1157 Workers Safety and Compensation Administration Account	530.1	561.2	571.9
Funding Totals	530.1	561.2	571.9

Estimated Revenue Collections

Description	Master Revenue Account	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Unrestricted Revenues				
Workers Safety & Compensation Admin	51078	530.1	561.2	571.9
Unrestricted Total		530.1	561.2	571.9
Restricted Revenues				
None.		0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0
Total Estimated Revenues		530.1	561.2	571.9

**Summary of Component Budget Changes
From FY2011 Management Plan to FY2012 Governor**

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2011 Management Plan	0.0	561.2	0.0	0.0	561.2
Adjustments which will continue current level of service:					
-FY 2012 Personal Services increases	0.0	10.7	0.0	0.0	10.7
FY2012 Governor	0.0	571.9	0.0	0.0	571.9

Workers Compensation Appeals Commission Personal Services Information					
Authorized Positions			Personal Services Costs		
	FY2011 Management Plan	FY2012 Governor			
Full-time	3	3	Annual Salaries		184,676
Part-time	0	0	COLA		2,795
Nonpermanent	0	0	Premium Pay		0
			Annual Benefits		109,636
			<i>Less 2.93% Vacancy Factor</i>		(8,714)
			Lump Sum Premium Pay		0
			Board Honoraria		68,851
Totals	3	3	Total Personal Services		357,244

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Chair, Wkrs Comp Appeals Comm	1	0	0	0	1
Law Office Assistant I	1	0	0	0	1
Law Office Assistant II	1	0	0	0	1
Totals	3	0	0	0	3

Component Board Summary					
Board Description	Member Count	Pay Per Day	Budgeted Days	Additional Pay	Total Cost
Workers Compensation Appeals Commission	4	400.00	40	0.00	68,851.20
Total					68,851.20

Component Detail All Funds
Department of Labor and Workforce Development

Component: Workers Compensation Appeals Commission (2816)

RDU: Workers' Compensation (112)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	350.4	360.0	363.0	346.5	357.2	10.7	3.1%
72000 Travel	0.8	22.3	22.3	22.3	22.3	0.0	0.0%
73000 Services	174.9	170.9	170.9	187.4	187.4	0.0	0.0%
74000 Commodities	4.0	5.0	5.0	5.0	5.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	530.1	558.2	561.2	561.2	571.9	10.7	1.9%
Fund Sources:							
1157 Wrkrs Safe	530.1	558.2	561.2	561.2	571.9	10.7	1.9%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	530.1	558.2	561.2	561.2	571.9	10.7	1.9%
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	3	3	3	3	3	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Labor and Workforce Development

Component: Workers Compensation Appeals Commission (2816)

RDU: Workers' Compensation (112)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
FY2011 Conference Committee												
	ConfCom	558.2	360.0	22.3	170.9	5.0	0.0	0.0	0.0	3	0	0
1157 Wrkrs Safe		558.2										
ADN0711010 WC FY11 Non-covered Salary Increase Year 1 SLA 10 CH 41 Sec 2 P 50 L 21 - SLA 10 CH 56 (HB 421)												
	FisNot	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1157 Wrkrs Safe		3.0										
FY2011 Non-covered Employees Year 1 increase: \$3.0												
Subtotal		561.2	363.0	22.3	170.9	5.0	0.0	0.0	0.0	3	0	0

***** Changes From FY2011 Authorized To FY2011 Management Plan *****												
ADN 07-1-1049 Transfer to Balance Personal Services												
	LIT	0.0	-16.5	0.0	16.5	0.0	0.0	0.0	0.0	0	0	0
This transfer is needed to balance the personal services line. Staff turnover at the director level has lowered anticipated personal services expenses within the component.												
This authority will better serve the component in the contractual services line to support anticipated increases in legal expenses.												
Subtotal		561.2	346.5	22.3	187.4	5.0	0.0	0.0	0.0	3	0	0

***** Changes From FY2011 Management Plan To FY2012 Governor *****												
FY 2012 Personal Services increases												
	SalAdj	10.7	10.7	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1157 Wrkrs Safe		10.7										

This change record includes the following personal services increases:
: \$10.7

Alaska State Employees Assn (GGU) FY2012 Health Insurance Increased Costs : \$4.0

Non-Covered Employees FY2012 Health Insurance Increased Costs : \$1.9

Alaska State Employees Association (GGU) FY 12 COLA increases
: \$2.0

Change Record Detail - Multiple Scenarios With Descriptions
Department of Labor and Workforce Development

Component: Workers Compensation Appeals Commission (2816)

RDU: Workers' Compensation (112)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Non-Covered Employees FY 12 COLA increases : \$2.8												
	Totals	571.9	357.2	22.3	187.4	5.0	0.0	0.0	0.0	3	0	0

Personal Services Expenditure Detail
Department of Labor and Workforce Development

Scenario: FY2012 Governor (8665)
Component: Workers Compensation Appeals Commission (2816)
RDU: Workers' Compensation (112)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
07-3066	Law Office Assistant I	FT	A	GP	Anchorage	200	11B / C	12.0		35,096	0	0	27,693	62,789	0
07-3067	Law Office Assistant II	FT	A	GP	Anchorage	200	13C	12.0		40,620	0	0	29,593	70,213	0
07-X001	Chair, Wkrs Comp Appeals Comm	FT	A	XE	Anchorage	AA	27E	12.0		108,960	2,795	0	52,350	164,105	0
													Total Salary Costs:	184,676	
													Total COLA:	2,795	
													Total Premium Pay::	0	
													Total Benefits:	109,636	
													Total Pre-Vacancy:	297,107	
													Minus Vacancy Adjustment of 2.93%:	(8,714)	
													Total Post-Vacancy:	288,393	
													Plus Lump Sum Premium Pay:	0	
													Plus Board Honoraria Pay:	68,851	
													Personal Services Line 100:	357,244	
Total Component Months:		36.0													

<u>PCN Funding Sources:</u>	<u>Pre-Vacancy</u>	<u>Post-Vacancy</u>	<u>Percent</u>
1157 Workers Safety and Compensation Administration Account	297,107	288,393	100.00%
Total PCN Funding:	297,107	288,393	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Labor and Workforce Development
Travel

Component: Workers Compensation Appeals Commission (2816)
RDU: Workers' Compensation (112)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000	Travel		0.8	22.3	22.3
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000 Travel Detail Totals			0.8	22.3	22.3
72110	Employee Travel (Instate)	Travel for staff to coordinate and administer program activities. Airfare, hotel and per diem expenses	0.8	2.5	2.5
72120	Nonemployee Travel (Instate Travel)	Travel for Commission members to attend hearings. Airfare, hotel and per diem expenses.	0.0	16.3	16.3
72420	Nonemployee Travel (Out of state Emp)	Travel expenses for a contracted trainer to provide training to commission members	0.0	3.5	3.5

Line Item Detail
Department of Labor and Workforce Development
Services

Component: Workers Compensation Appeals Commission (2816)

RDU: Workers' Compensation (112)

Line Number	Line Name			FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000	Services			174.9	187.4	187.4
Expenditure Account				FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Expenditure Account	Servicing Agency	Explanation		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000 Services Detail Totals				174.9	187.4	187.4
73025	Education Services	National memberships, education conference fees		2.8	2.2	2.4
73075	Legal & Judicial Svc	Legal services, depositions, transcriptions		28.4	20.5	21.3
73150	Information Technlgy	Software licensing fees		0.0	3.4	3.4
73154	Software Licensing	Admin	Symantec/Microsoft software license fees (I/A transfer to DOA)	0.2	0.2	0.2
73156	Telecommunication		Local and long distance phone charges, data network charges	0.0	1.0	1.0
73169	Federal Indirect Rate Allocation	DOL Mgmt Svcs	Indirect cost allocations (I/A transfer to Management Services)	16.8	17.0	17.0
73225	Delivery Services		Includes both freight and courier charges for mailing.	2.1	8.0	8.0
73254	Dp Operations Alloc	DOL Data Proc	Data Processing operations support, (IA transfer to Data Processing)	4.2	4.6	4.6
73450	Advertising & Promos		Advertising for regulations and commission meetings	0.8	5.0	5.0
73525	Utilities		Rewiring and new computer cables	0.0	2.0	2.0
73650	Struc/Infstruct/Land		Room rental for appeal hearings.	0.8	0.0	0.0
73675	Equipment/Machinery		Machine and equipment repair and maintenance	1.7	6.0	6.0
73750	Other Services (Non IA Svcs)		Printing of forms, letterhead, envelopes, statutes and program booklets	5.4	13.2	13.2
73805	IT-Non-Telecommnctns	Admin	Computer Network EPR (I/A transfer to DOA)	1.7	2.0	1.4
73806	IT-Telecommunication	Admin	Telecommunications EPR (I/A transfer to DOA)	6.8	6.7	6.7
73809	Mail	Admin	Core Service: Mail (I/A transfer to DOA).	0.0	0.5	0.1
73810	Human Resources	Admin	Human Resources services (I/A transfer to DOA)	1.7	1.8	1.8
73811	Building Leases	Admin	Building lease charges (I/A transfer to DOA)	76.7	74.8	74.8
73812	Legal	Admin	Pro-tem chair for cases where the chair has a conflict of	0.0	17.9	17.9

Line Item Detail
Department of Labor and Workforce Development
Services

Component: Workers Compensation Appeals Commission (2816)

RDU: Workers' Compensation (112)

Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor	
73000 Services Detail Totals			174.9	187.4	187.4	
		interest or is gone for a period of time (I/A transfer to DOA)				
73814	Insurance	Admin	Risk Management (I/A transfer to DOA)	0.2	0.1	0.1
73815	Financial	Admin	Core Service: AKPAY/AKSAS (I/A transfer to DOA).	0.2	0.2	0.2
73819	Commission Sales (IA Svcs)	Admin	State Travel Office (I/A transfer to DOA)	0.0	0.3	0.3
73821	Hearing/Mediation (IA Svcs)	Admin	Judicial writing course.	24.4	0.0	0.0

Line Item Detail
Department of Labor and Workforce Development
Commodities

Component: Workers Compensation Appeals Commission (2816)
RDU: Workers' Compensation (112)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000	Commodities		4.0	5.0	5.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000 Commodities Detail Totals			4.0	5.0	5.0
74200	Business	Purchase of books and library service from Westlaw for research; general office supplies	4.0	5.0	5.0

Unrestricted Revenue Detail
Department of Labor and Workforce Development

Component: Workers Compensation Appeals Commission (2816)
RDU: Workers' Compensation (112)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51078	Workers Safety & Compensation Admin	530.1	561.2	571.9

Detail Information

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51078	Workers Safety & Compensation Admin	Workers Comp Appeals Comm	07320600	11100	530.1	561.2	571.9

AS 23.05.067 The Workers' Safety and Compensation Administration account is funded by assessing a fee (1.82% since 2003) against the premiums paid by employers for workers' compensation insurance and for those employers who are self-insured the amount is 2.7% of the claims paid.

These funds are used to support operations of the Workers' Compensation Appeals Commission.

Inter-Agency Services
Department of Labor and Workforce Development

Component: Workers Compensation Appeals Commission (2816)

RDU: Workers' Compensation (112)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2011			
				FY2010 Actuals	Management Plan	FY2012 Governor	
73154	Software Licensing	Symantec/Microsoft software license fees (I/A transfer to DOA)	Inter-dept	Admin	0.2	0.2	0.2
73154 Software Licensing subtotal:					0.2	0.2	0.2
73169	Federal Indirect Rate Allocation	Indirect cost allocations (I/A transfer to Management Services)	Intra-dept	DOL Mgmt Svcs	16.8	17.0	17.0
73169 Federal Indirect Rate Allocation subtotal:					16.8	17.0	17.0
73254	Dp Operations Alloc	Data Processing operations support, (IA transfer to Data Processing)	Intra-dept	DOL Data Proc	4.2	4.6	4.6
73254 Dp Operations Alloc subtotal:					4.2	4.6	4.6
73805	IT-Non-Telecommnctns	Computer Network EPR (I/A transfer to DOA)	Inter-dept	Admin	1.7	2.0	1.4
73805 IT-Non-Telecommnctns subtotal:					1.7	2.0	1.4
73806	IT-Telecommunication	Telecommunications EPR (I/A transfer to DOA)	Inter-dept	Admin	6.8	6.7	6.7
73806 IT-Telecommunication subtotal:					6.8	6.7	6.7
73809	Mail	Core Service: Mail (I/A transfer to DOA).	Inter-dept	Admin	0.0	0.5	0.1
73809 Mail subtotal:					0.0	0.5	0.1
73810	Human Resources	Human Resources services (I/A transfer to DOA)	Inter-dept	Admin	1.7	1.8	1.8
73810 Human Resources subtotal:					1.7	1.8	1.8
73811	Building Leases	Building lease charges (I/A transfer to DOA)	Inter-dept	Admin	76.7	74.8	74.8
73811 Building Leases subtotal:					76.7	74.8	74.8
73812	Legal	Pro-tem chair for cases where the chair has a conflict of interest or is gone for a period of time (I/A transfer to DOA)	Inter-dept	Admin	0.0	17.9	17.9
73812 Legal subtotal:					0.0	17.9	17.9
73814	Insurance	Risk Management (I/A transfer to DOA)	Inter-dept	Admin	0.2	0.1	0.1
73814 Insurance subtotal:					0.2	0.1	0.1
73815	Financial	Core Service: AKPAY/AKSAS (I/A transfer to DOA).	Inter-dept	Admin	0.2	0.2	0.2
73815 Financial subtotal:					0.2	0.2	0.2
73819	Commission Sales (IA Svcs)	State Travel Office (I/A transfer to DOA)	Inter-dept	Admin	0.0	0.3	0.3
73819 Commission Sales (IA Svcs) subtotal:					0.0	0.3	0.3
73821	Hearing/Mediation (IA Svcs)	Judicial writing course.	Inter-dept	Admin	24.4	0.0	0.0
73821 Hearing/Mediation (IA Svcs) subtotal:					24.4	0.0	0.0
Workers Compensation Appeals Commission total:					132.9	126.1	125.1
Grand Total:					132.9	126.1	125.1