

**State of Alaska**  
**FY2018 Governor's Operating Budget**

**Department of Labor and Workforce Development**  
**Workers' Compensation**  
**Results Delivery Unit Budget Summary**

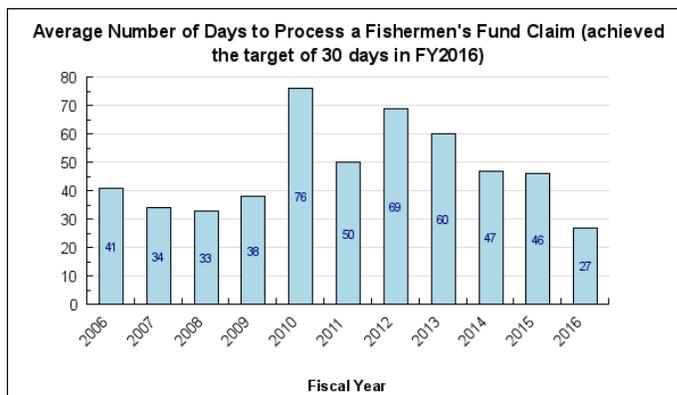
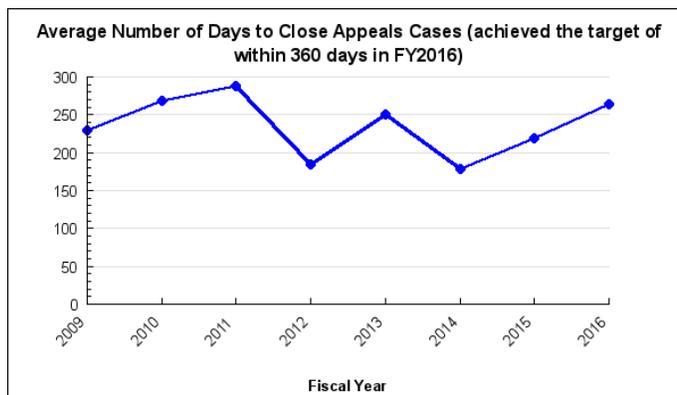
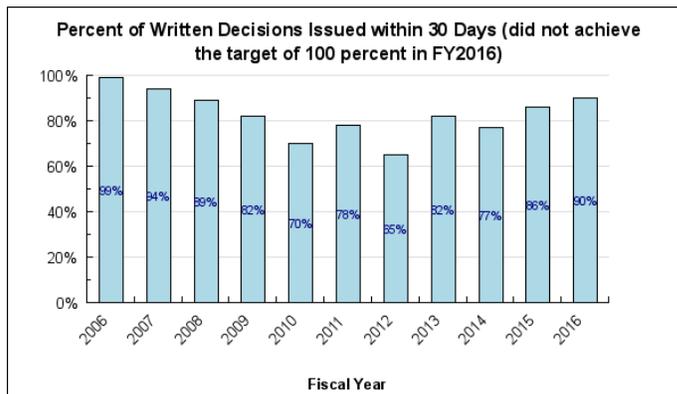
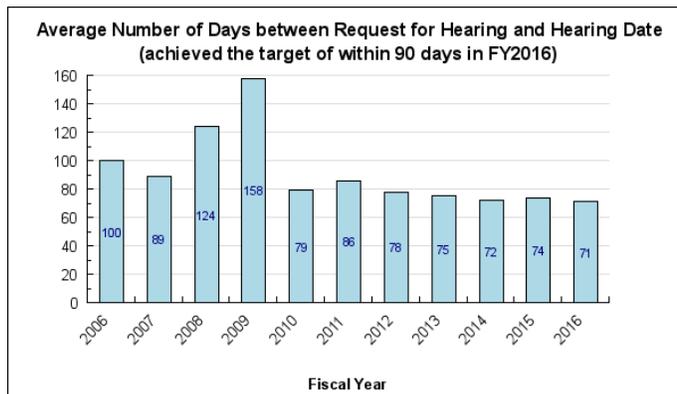
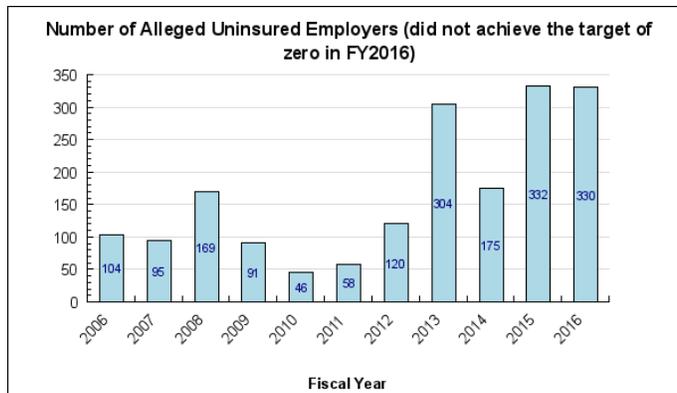
## Workers' Compensation Results Delivery Unit

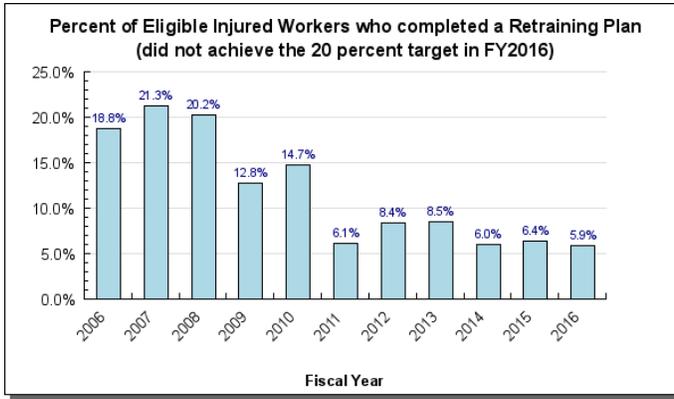
### Contribution to Department's Mission

The mission of Workers' Compensation is to ensure the efficient, fair and predictable delivery of indemnity, medical and vocational rehabilitation benefits intended to enable workers to return to work at a reasonable cost to employers.

### Results

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)





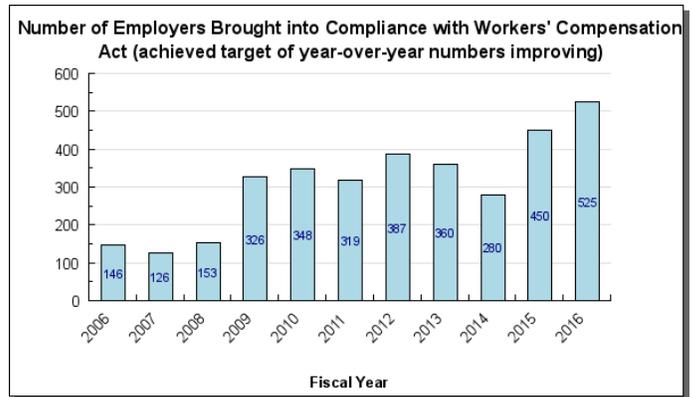
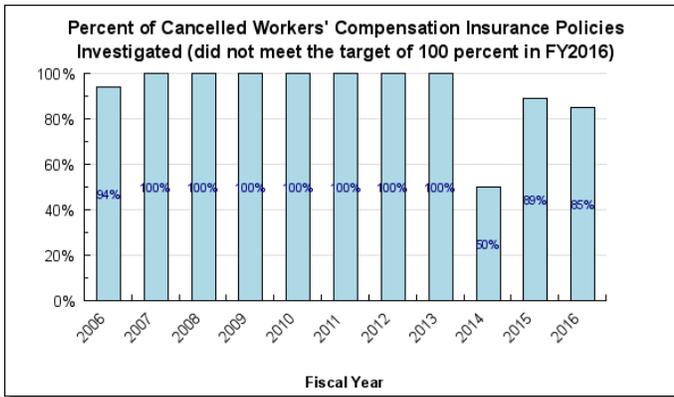
**Core Services**

- Ensure compliance with the Workers' Compensation Act.
- Conduct timely Workers' Compensation hearings.
- Operate a timely and efficient appeals program.
- Process Fishermen's Fund claims timely.
- Administer a vocational rehabilitation benefits and training program for injured workers.

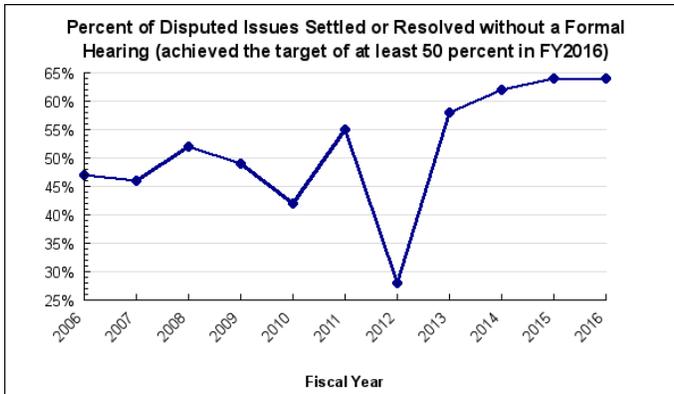
**Measures by Core Service**

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

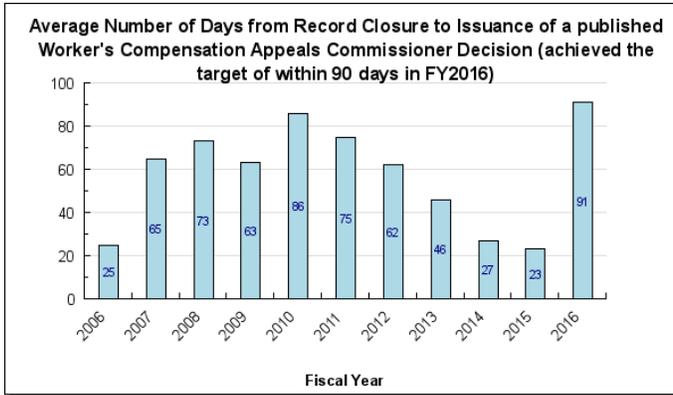
**1. Ensure compliance with the Workers' Compensation Act.**



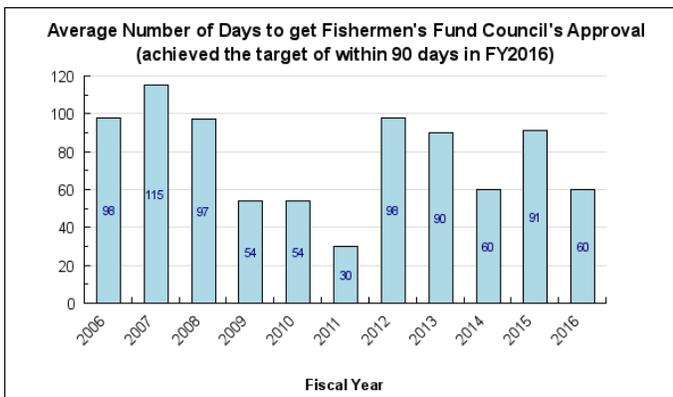
**2. Conduct timely Workers' Compensation hearings.**



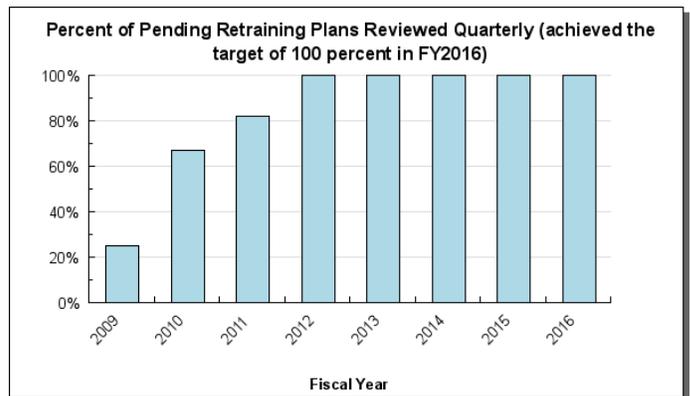
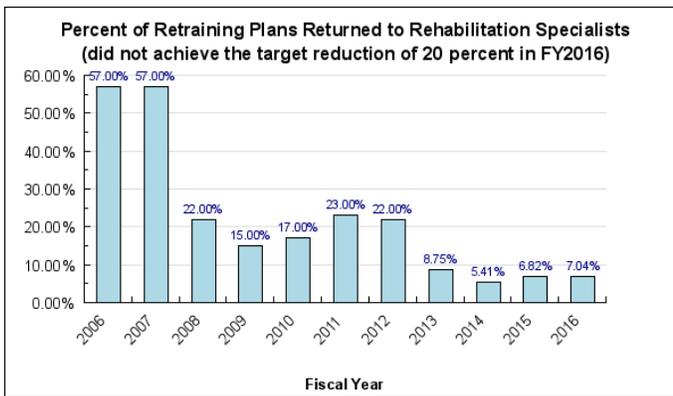
**3. Operate a timely and efficient appeals program.**



**4. Process Fishermen's Fund claims timely.**



**5. Administer a vocational rehabilitation benefits and training program for injured workers.**



**Major RDU Accomplishments in 2016**

During FY2016, the Workers' Compensation division:

- Issued civil penalties for employers not in compliance with the Alaska Workers' Compensation Act totaling over \$1.1 million. These penalties were deposited into the Workers' Compensation Benefits Guaranty Fund, which pays benefits for workers injured while working for employers out of compliance with the Act.
- Investigated approximately 2,500 businesses to ensure compliance with the Alaska Workers' Compensation Act.

### Key RDU Challenges

The Workers' Compensation division is challenged by having a new claims data system that is not yet fully integrated with its existing proof of coverage system, which impacts case management efforts.

### Significant Changes in Results to be Delivered in FY2018

No significant changes in results to be delivered are anticipated.

Contact Information
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**Workers' Compensation  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2016 Actuals				FY2017 Management Plan				FY2018 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
<b>Formula Expenditures</b> None.												
<b>Non-Formula Expenditures</b>												
Workers' Compensation	5,523.4	0.0	0.0	5,523.4	5,805.5	0.0	0.0	5,805.5	5,653.0	0.0	0.0	5,653.0
Workers' Comp Appeals Comm	377.4	0.0	0.0	377.4	440.3	0.0	0.0	440.3	443.3	0.0	0.0	443.3
WC Benefits Guaranty Fund	931.5	0.0	0.0	931.5	773.9	0.0	0.0	773.9	774.4	0.0	0.0	774.4
Second Injury Fund	3,631.7	0.0	0.0	3,631.7	3,412.5	0.0	0.0	3,412.5	3,414.9	0.0	0.0	3,414.9
Fishermen's Fund	1,220.4	0.0	0.0	1,220.4	1,456.6	0.0	0.0	1,456.6	1,458.9	0.0	0.0	1,458.9
<b>Totals</b>	<b>11,684.4</b>	<b>0.0</b>	<b>0.0</b>	<b>11,684.4</b>	<b>11,888.8</b>	<b>0.0</b>	<b>0.0</b>	<b>11,888.8</b>	<b>11,744.5</b>	<b>0.0</b>	<b>0.0</b>	<b>11,744.5</b>

**Workers' Compensation  
Summary of RDU Budget Changes by Component  
From FY2017 Management Plan to FY2018 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>
<b>FY2017 Management Plan</b>	<b>0.0</b>	<b>11,888.8</b>	<b>0.0</b>	<b>0.0</b>	<b>11,888.8</b>
<b>Adjustments which continue current level of service:</b>					
-Workers' Compensation	0.0	38.3	0.0	0.0	38.3
-Workers' Comp Appeals Comm	0.0	3.0	0.0	0.0	3.0
-WC Benefits Guaranty Fund	0.0	0.5	0.0	0.0	0.5
-Second Injury Fund	0.0	2.4	0.0	0.0	2.4
-Fishermen's Fund	0.0	2.3	0.0	0.0	2.3
<b>Proposed budget decreases:</b>					
-Workers' Compensation	0.0	-190.8	0.0	0.0	-190.8
<b>FY2018 Governor</b>	<b>0.0</b>	<b>11,744.5</b>	<b>0.0</b>	<b>0.0</b>	<b>11,744.5</b>