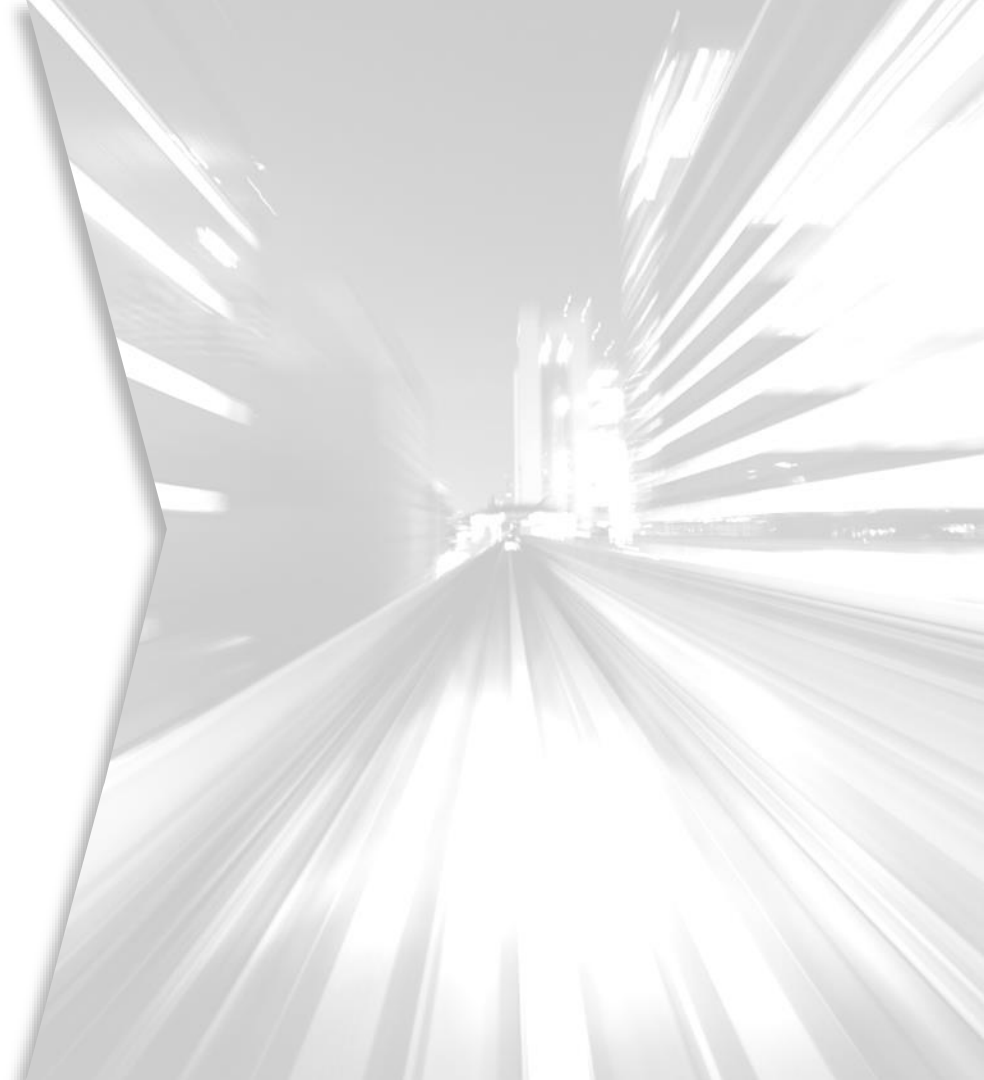




Bureau of Workers' Compensation

Moving Forward



Our Mission

- **Fulfilling the promise of workers' compensation today...and tomorrow.”**
- *A workers' compensation system that is in compliance with the legislative intent of the statute that it “be construed fairly, impartially” and shall not be construed in a manner favoring either the employee and the employer”.*

Our Vision

- A regulatory/judicial program that
 - provides the **highest** level of services to employees and employers **equally**, and
 - **minimizes the negative effects** of work-related injuries, and results in
 - Tennessee being the **best place to work** and to do business.

Court of Workers' Compensation Claims

- **Less is more (focused)**
 - Previously: 120 elected judges in 95 counties who also heard civil, probate, and criminal matters
 - Now: 12 appointed judges who are devoted solely to workers' compensation law in eight districts



Court of Workers' Compensation Claims

- **Advantages to both employee and employer**
 - A more efficient system that reduces the time and costs associated with workers' compensation claims. From avg. of 143 weeks from MMI to conclusion to 23 weeks in 8,049 cases in FY 2016-2017.
- **More consistent opinions**
- **Validated**
 - Stakeholders rated opinions as well written and founded on the reform law as well as established case law.

Appeals Board

- Provide opinions in **weeks**
(when it took months before)
- Supreme Court cases have **dropped significantly**
 - 214 in the 3 years before the reform
 - 18 in the three years after the reform
 - As of July, only one of the 18 appeals to the Supreme Court has been affirmed.



Mediation Program

- Each year, more disputed claims are **resolved through mediation** rather than a court hearing.
- **75% of claims that were mediated resulted in an agreement.**



Ombudsman Program

- Continues to provide assistance to parties that are not represented by legal counsel.
- 21,048 contacts
 - in FY 2016-2017
- Now there is an **ombudsman attorney** who can provide additional assistance.



e-Billing

- Effective this summer
- Will allow medical providers to reduce the time for payment **from 45 days to 15 days**

Impact on Cost of Workers' Compensation

- **Cost per \$100 of payroll has gone down.**
 - We are now below the median (91%), were 107% of the median
- **Loss Costs have decreased.**



Initiatives Since The Reform

- **Uninsured Employers Fund Benefit for Injured Workers**
- **Vocational Recovery Program**
- **Voluntary Adjuster Certification**



Good To Keep in Mind

- TN still has a higher maximum weekly benefit rate than 31 other states
- No change in permanent total benefits
- Only change in death benefit is increase in burial expenses from \$7,500 to 10,000
- The number of claim denials has not significantly increased and was lower in some years after the reform
- New provisions for payment of reasonable legal fees when the employer wrongfully denies benefits.

Compliance Program

Highlights from Report Released February 17, 2018

- Focus on Construction
- Outreach to Hispanic Community
- Over \$3.1 million in assessments in the past year
- Increased collections
- New initiative to work with insurance company auditors to find solutions to misclassification of employees



In Conclusion

- The years since the implementation of the Reform have seen steady improvements in the workers' compensation system in Tennessee
- Our focus is on continued improvement of all the parts of the workers' compensation system
- All of these outcomes have been accomplished with fewer employees in the Bureau and a lower budget than in pre-reform years.

*Thank you for your support for the workers'
compensation system.*



Questions?