

# Workers' Compensation Commission

## WCC42000

### Position Summary

Account	Actual FY 12	Governor Estimated FY 13	Governor Recommended		Legislative	
			FY 14	FY 15	FY 14	FY 15
Permanent Full-Time - WF	117	117	112	112	117	117

### Budget Summary

Account	Actual FY 12	Governor Estimated FY 13	Governor Recommended		Legislative	
			FY 14	FY 15	FY 14	FY 15
Personal Services	8,490,584	8,758,024	8,948,704	9,232,373	9,034,093	9,328,657
Other Expenses	2,268,577	2,284,102	2,368,057	2,269,233	2,510,057	2,461,233
Equipment	0	15,900	28,625	52,000	1,028,625	2,052,000
<b>Other Current Expenses</b>						
Fringe Benefits	4,462,743	6,045,052	6,264,093	6,462,661	6,527,477	6,740,127
Indirect Overhead	959,286	716,918	575,355	601,246	575,355	601,246
<b>GAAP Adjustments</b>	<b>0</b>	<b>0</b>	<b>98,183</b>	<b>96,325</b>	<b>98,183</b>	<b>96,325</b>
<b>Agency Total - Workers' Compensation Fund</b>	<b>16,181,190</b>	<b>17,819,996</b>	<b>18,283,017</b>	<b>18,713,838</b>	<b>19,773,790</b>	<b>21,279,588</b>
<b>Additional Funds Available</b>						
Private Contributions	102,688	102,410	102,410	102,410	102,410	102,410
<b>Agency Grand Total</b>	<b>16,283,878</b>	<b>17,922,406</b>	<b>18,385,427</b>	<b>18,816,248</b>	<b>19,876,200</b>	<b>21,381,998</b>

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

### Current Services

#### Adjust Funding to Reflect Wage & Compensation Related Costs

Personal Services	0	276,069	0	570,633	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>276,069</b>	<b>0</b>	<b>570,633</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Provide funding of \$276,069 in FY 14 and \$570,633 in FY 15 to reflect current services wage-related adjustments such as annual increments, general wage increases, overtime, annualization, turnover, and other compensation-related adjustments.

#### Legislative

Same as Governor

#### Apply Inflationary Increases

Other Expenses	0	17,656	0	38,849	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>17,656</b>	<b>0</b>	<b>38,849</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Background

Applying inflationary factors to current year expenditures provides an estimate of the cost of continuing services into the next year.

#### Governor

Increase funding for Other Expenses by \$17,656 in FY 14 and \$38,849 in FY 15 to reflect inflationary increases.

#### Legislative

Same as Governor

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

### Adjust Operating Expenses to Reflect Current Requirements

Other Expenses	0	240,907	0	192,083	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>240,907</b>	<b>0</b>	<b>192,083</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Provide funding of \$240,907 in FY 14 and \$192,083 in FY 15 in Other Expenses to reflect FY 14 and FY 15 anticipated expenditure requirements. These costs include increases in leases, hosting charges and computers.

#### Legislative

Same as Governor

### Provide Funding for Replacement Equipment

Equipment	0	12,725	0	36,100	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>12,725</b>	<b>0</b>	<b>36,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Provide \$12,725 in FY 14 and \$36,100 in FY 15 for replacement laptops, printers and conference recorders.

#### Legislative

Same as Governor

### Adjust Fringe Benefits and Indirect Overhead

Fringe Benefits	0	278,813	0	485,008	0	0	0	0
Indirect Overhead	0	(141,563)	0	(115,672)	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>137,250</b>	<b>0</b>	<b>369,336</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Background

Non-General Fund agencies are budgeted directly for employee fringe benefits and indirect overhead.

#### Governor

Provide funding of \$137,250 in FY 14 and \$369,336 in FY 15 to ensure sufficient funds for fringe benefits and indirect overhead.

#### Legislative

Same as Governor

### Provide Funding for GAAP

Nonfunctional - Change to Accruals	0	115,328	0	88,825	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>115,328</b>	<b>0</b>	<b>88,825</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Background

Each agency's budget will include a new line item account called "Nonfunctional - Change to Accruals". This line item represents the estimate of the difference between an agency's cash-basis budget amounts and the accrual-basis amounts that will be reflected under Generally Accepted Accounting Principles (GAAP). These funds will not be available for spending; in the aggregate they will prevent the state's GAAP deficit from growing.

#### Governor

Provide funding of \$115,328 in FY 14 and \$88,825 in FY 15 to reflect the implementation of GAAP in the budget.

#### Legislative

Same as Governor

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

## Policy Revisions

### Reassign Caseload to Other District Offices

Personal Services	0	0	0	0	5	85,389	5	96,284
Other Expenses	0	0	0	0	0	142,000	0	192,000
Fringe Benefits	0	0	0	0	0	59,772	0	67,399
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>287,161</b>	<b>5</b>	<b>355,683</b>

#### Background

The Workers' Compensation Commission currently holds hearings to resolve disputes in workers' compensation cases in eight district offices located throughout the state (Hartford, New Britain, Waterbury, Middletown, Norwich, New Haven, Bridgeport, and Stamford).

#### Governor

Eliminate 5 vacant positions and reduce funding by \$287,161 in FY 14 and \$355,683 in FY 15 to reflect the savings associated with closing the Middletown district office as of July 1, 2013. Staff currently employed at the Middletown Office will fill vacancies within one of the other seven district offices. The wage (\$85,389) in FY 14 and (\$96,284) in FY 15 and associated fringe benefit savings (\$59,772) in FY 14 and (\$67,399) in FY 15 are associated with the elimination of 5 vacant positions. The remainder of the savings (\$142,000) in FY 14 and (\$192,000) are associated with lease savings less moving costs.

#### Legislative

Maintain 5 funded vacancies and funding of \$287,161 in FY 14 and \$355,683 in FY 15 for the Middletown District Office.

### Eliminate Inflationary Increases

Other Expenses	0	(17,656)	0	(38,849)	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>(17,656)</b>	<b>0</b>	<b>(38,849)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Reduce Other Expenses by \$17,656 in FY 14 and \$38,849 in FY 15 to reflect the elimination of inflationary increases.

#### Legislative

Same as Governor

### Transfer Funding - Centralize Courier & Mail Services in DAS

Other Expenses	0	(14,952)	0	(14,952)	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>(14,952)</b>	<b>0</b>	<b>(14,952)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Transfer funding of \$14,952 in FY 14 and FY 15 to reflect moving courier and central mail services to the Department of Administrative Services (DAS).

#### Legislative

Same as Governor

### Adjust Funding for GAAP

Nonfunctional - Change to Accruals	0	(17,145)	0	7,500	0	0	0	0
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>(17,145)</b>	<b>0</b>	<b>7,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Governor

Reduce funding by \$17,145 in FY 14 and increase funding by \$7,500 in FY 15 to reflect changes to GAAP accruals as a result of policy changes.

#### Legislative

Same as Governor

Account	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount

**Provide Funding for Implementation of E-File**

Equipment	0	1,000,000	0	2,000,000	0	1,000,000	0	2,000,000
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>2,000,000</b>

**Background**

The Judicial Branch currently offers various electronic services, including electronic filing in civil and small claims matters, electronic short calendar markings entry and other services. The Workers' Compensation Commission (WCC) currently manages claims through a paper filing process. The E-File system for WCC will be modeled after the civil filing system in the Judicial Branch. It is anticipated full implementation of E-File will take approximately seven years.

**Legislative**

Provide funding of \$1.0 million in FY 14 and \$2.0 million in FY 15 to implement E-File for the Workers' Compensation Commission.

**Adjust Funding to Reflect Fringe Benefit Expenditures**

Fringe Benefits	0	203,612	0	210,067	0	203,612	0	210,067
<b>Total - Workers' Compensation Fund</b>	<b>0</b>	<b>203,612</b>	<b>0</b>	<b>210,067</b>	<b>0</b>	<b>203,612</b>	<b>0</b>	<b>210,067</b>

**Legislative**

Provide funding of \$203,612 in FY 14 and \$210,067 in FY 15 to reflect fringe benefit requirements.

**Totals**

Budget Components	Legislative				Difference from Governor Recommended			
	FY 14		FY 15		FY 14		FY 15	
	Pos.	Amount	Pos.	Amount	Pos.	Amount	Pos.	Amount
Governor Estimated - WF	117	17,819,996	117	17,819,996	0	0	0	0
Current Services	0	799,935	0	1,295,826	0	0	0	0
Policy Revisions	0	1,153,859	0	2,163,766	5	1,490,773	5	2,565,750
<b>Total Recommended - WF</b>	<b>117</b>	<b>19,773,790</b>	<b>117</b>	<b>21,279,588</b>	<b>5</b>	<b>1,490,773</b>	<b>5</b>	<b>2,565,750</b>