

Electronic Data Interchange Expansion to the Workers' Compensation Computer System Phase 2

FY2004 Request: \$70,000
Reference No: 38481

AP/AL: Appropriation **Project Type:** Information Systems
Category: General Government
Location: Statewide **Contact:** Paul Grossi
House District: Statewide (HD 1-40) **Contact Phone:** (907)465-2790
Estimated Project Dates: 07/01/2003 - 06/30/2004

Brief Summary and Statement of Need:

This project will enable the program to produce statutorily required reports as well as allow the electronic filing of payment reporting. New programming will provide insurance companies and employers the opportunity to submit required information directly into the workers compensation information handling system.

Funding:	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	Total
Wrkrs Safe	\$70,000						\$70,000
Total:	\$70,000	\$0	\$0	\$0	\$0	\$0	\$70,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

This project came about as a result of research into Electronic Date Interchange (EDI) as well as recommendations made by the Legislative Auditors. The first phase of the transition to EDI began in FY2003 with the approval of a \$60.0 CIP request which will provide insurance companies and employers the ability to provide proof of coverage information electronically.

Project Description/Justification:

This project has been previously approved by TIC/TAC.

New programming of the system will enable the program to produce statutorily required reports and will provide for electronic filing of payment information made by insurance companies and employers.

Project cost:	Capital:			Annual O&M costs or savings
	Prior Years:	FY 2003:	FY 2004:	
General Funds				
General Fund Match				
General Fund Program Receipts				
I/A Receipts (dept. and fund source)				
Workers Safety (1157)		60,000	70,000	
Federal Funds				
Total		60,000	70,000	

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This is not a new systems development project, but it will upgrade to existing department capabilities. The funds are for programming services and will be recorded in the contractual line.

The project will provide a faster, more efficient interchange of data by eliminating the need to file hard copy information. Postal delays and hand written data entry errors will be reduced or eliminated. Also, these improvements should create efficiencies for local government entities and the Division of Risk Management in regard to their filing requirements.

The project does not affect the way in which other public agencies will conduct their business, but it will provide employers with a more efficient method for compliance with statutory reporting requirements.

A slight increase in system maintenance is expected due to the added complexity. However, the division expects to absorb these increases.

Without this project, the division will continue to be unable to produce all of the statutorily required report information that would allow the state to analyze and address trends in rising medical cost and the other workers' compensation costs. Also, the electronic filing of compensation payment information from insurance companies and employers will not be possible.