

State of Alaska
FY2021 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

Ensure timely and well-reasoned 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.

Major Component Accomplishments in 2019

During FY2019, the Workers' Compensation Appeals Commission closed approximately 82 percent of cases within 12 months of the filing of an appeal or petition for review.

Key Component Challenges

The Workers' Compensation Appeals Commission (WCAC) is challenged to provide timely decisions and orders. WCAC is supported by two staff. While no immediate staff turnovers are anticipated, any attrition could result in less support for the commission, making it more difficult to provide timely decisions and orders.

Significant Changes in Results to be Delivered in FY2021

No significant changes in results to be delivered are anticipated.

Statutory and Regulatory Authority

Statutory Authority:
AS 23.30.007 - .009

Workers' Compensation Appeals Commission

Contact Information

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| Workers' Compensation Appeals Commission Personal Services Information | | | | | |
|---|---|----------------------------------|----------------------------------|--|----------------|
| Authorized Positions | | | Personal Services Costs | | |
| | <u>FY2020</u> <u>Management</u> <u>Plan</u> | <u>FY2021</u> <u>Governor</u> | | | |
| Full-time | 2 | 2 | Annual Salaries | | 169,933 |
| Part-time | 0 | 0 | COLA | | 709 |
| Nonpermanent | 0 | 0 | Premium Pay | | 0 |
| | | | Annual Benefits | | 95,900 |
| | | | <i>Less 2.82% Vacancy Factor</i> | | <i>(7,519)</i> |
| | | | Lump Sum Premium Pay | | 0 |
| | | | Board Honoraria | | 22,377 |
| Totals | 2 | 2 | Total Personal Services | | 281,400 |

| Position Classification Summary | | | | | |
|---------------------------------|-----------|-----------|----------|----------|----------|
| Job Class Title | Anchorage | Fairbanks | Juneau | Others | Total |
| Chair, Wkrs Comp Appeals Comm | 1 | 0 | 0 | 0 | 1 |
| Law Office Assistant II | 1 | 0 | 0 | 0 | 1 |
| Totals | 2 | 0 | 0 | 0 | 2 |

| Component Board Summary | | | | | |
|---|--------------|-------------|---------------|----------------|------------------|
| Board Description | Member Count | Pay Per Day | Budgeted Days | Additional Pay | Total Cost |
| Workers Compensation Appeals Commission | 4 | 400.00 | 13 | 0.00 | 22,376.64 |
| Total | | | | | 22,376.64 |

Component Detail All Funds
Department of Labor and Workforce Development

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

Non-Formula Component

| | FY2019 Actuals | FY2020 Conference Committee | FY2020 Authorized | FY2020 Management Plan | FY2021 Governor | FY2020 Management Plan vs FY2021 Governor | |
|-----------------------------------|----------------|-----------------------------|-------------------|------------------------|-----------------|---|-------------|
| 71000 Personal Services | 271.6 | 280.4 | 280.4 | 280.4 | 281.4 | 1.0 | 0.4% |
| 72000 Travel | 0.0 | 0.0 | 0.0 | 1.5 | 1.5 | 0.0 | 0.0% |
| 73000 Services | 47.0 | 139.5 | 139.5 | 138.0 | 138.0 | 0.0 | 0.0% |
| 74000 Commodities | 4.5 | 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 | 323.1 | 424.9 | 424.9 | 424.9 | 425.9 | 1.0 | 0.2% |
| Fund Sources: | | | | | | | |
| 1157 Wrkrs Safe (DGF) | 323.1 | 424.9 | 424.9 | 424.9 | 425.9 | 1.0 | 0.2% |
| Unrestricted General (UGF) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0% |
| Designated General (DGF) | 323.1 | 424.9 | 424.9 | 424.9 | 425.9 | 1.0 | 0.2% |
| 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 | 2 | 2 | 2 | 2 | 2 | 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 FY2020 Conference Committee To FY2020 Authorized ***** | | | | | | | | | | | | |
| FY2020 Conference Committee | ConfCom | 424.9 | 280.4 | 0.0 | 139.5 | 5.0 | 0.0 | 0.0 | 0.0 | 2 | 0 | 0 |
| 1157 Wrkrs Safe | | 424.9 | | | | | | | | | | |
| Subtotal | | 424.9 | 280.4 | 0.0 | 139.5 | 5.0 | 0.0 | 0.0 | 0.0 | 2 | 0 | 0 |
| ***** Changes From FY2020 Authorized To FY2020 Management Plan ***** | | | | | | | | | | | | |
| Align Authority with Anticipated Expenditures | LIT | 0.0 | 0.0 | 1.5 | -1.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| Transfer authority from services to cover anticipated travel costs. The remaining services authority is sufficient to cover anticipated expenditures. | | | | | | | | | | | | |
| Subtotal | | 424.9 | 280.4 | 1.5 | 138.0 | 5.0 | 0.0 | 0.0 | 0.0 | 2 | 0 | 0 |
| ***** Changes From FY2020 Management Plan To FY2021 Governor ***** | | | | | | | | | | | | |
| FY2021 Salary and Health Insurance Increases | SalAdj | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0 | 0 |
| 1157 Wrkrs Safe | | 1.0 | | | | | | | | | | |
| FY2021 GGU Salary Increases: \$0.7 | | | | | | | | | | | | |
| FY2021 increase to GGU Health Insurance from \$1530 to \$1555 per member per month: \$0.3 | | | | | | | | | | | | |
| Totals | | 425.9 | 281.4 | 1.5 | 138.0 | 5.0 | 0.0 | 0.0 | 0.0 | 2 | 0 | 0 |

Line Item Detail (1676)
Department of Labor and Workforce Development
Travel

Component: Workers' Compensation Appeals Commission (2816)

| Line Number | Line Name | | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|----------------------------------|------------------------------|---|----------------|------------------------|-----------------|
| 2000 | Travel | | 0.0 | 1.5 | 1.5 |
| Object Class | Servicing Agency | Explanation | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
| 2000 Travel Detail Totals | | | 0.0 | 1.5 | 1.5 |
| 2001 | In-State Non-Employee Travel | In-state Workers' Compensation Appeals Commission travel. | 0.0 | 1.5 | 1.5 |

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Workers' Compensation Appeals Commission (2816)

| Line Number | Line Name | | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|------------------------------------|--|--|----------------|------------------------|-----------------|
| 3000 | Services | | 47.0 | 138.0 | 138.0 |
| Object Class | Servicing Agency | Explanation | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
| 3000 Services Detail Totals | | | 47.0 | 138.0 | 138.0 |
| 3002 | Legal and Judicial Services | Custody care, attorney fees, expert and non-expert witnesses, mediation services, transcription and recording services, case costs, and settlement fees. | 0.5 | 0.5 | 0.5 |
| 3004 | Telecommunications | Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors. | 0.2 | 0.2 | 0.2 |
| 3006 | Delivery Services | Freight, courier services, and postage. | 4.5 | 4.0 | 4.0 |
| 3010 | Equipment/Machinery | Machinery, furniture, and equipment purchase, repairs, maintenance, rentals, and leases. | 1.1 | 1.1 | 1.1 |
| 3011 | Other Services | Other services, including interpreters; consulting; print, copy, and graphic services; and safety services. | 0.4 | 0.0 | 0.0 |
| 3012 | Inter-Agency Federal Indirect Rate Allocation | Labor - Management Services (335) Indirect cost allocation for departmental purchasing, accounting, reports, personnel consultation and other services provided by Management Services. | 16.1 | 16.6 | 16.6 |
| 3013 | Inter-Agency Data Processing Operations Allocation | Labor - Data Processing (334) Allocation for Data Processing network and support services. | 2.1 | 2.5 | 2.5 |
| 3017 | Inter-Agency Information Technology Non-Telecommunications | Admin - Department-wide Reimbursable services agreement with the Office of Information | 5.8 | 6.1 | 6.1 |

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Workers' Compensation Appeals Commission (2816)

| Object Class | Servicing Agency | Explanation | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|------------------------------------|---|--|----------------|------------------------|-----------------|
| 3000 Services Detail Totals | | | 47.0 | 138.0 | 138.0 |
| | | Technology rate for non-telecommunications support, including software and computer services. | | | |
| 3018 | Inter-Agency Information Technology Telecommunications | Admin - Department-wide Reimbursable services agreement with the Office of Information Technology for telecommunication support. | 1.4 | 1.9 | 1.9 |
| 3021 | Inter-Agency Mail | Admin - Department-wide Reimbursable services agreement with Shared Services of Alaska for central mailroom support and services. | 0.1 | 0.1 | 0.1 |
| 3022 | Inter-Agency Human Resources | Admin - Department-wide Reimbursable services agreement with the Division of Personnel and Labor Relations for human resources and personnel services. | 1.3 | 1.4 | 1.4 |
| 3023 | Inter-Agency Building Leases | Admin - Department-wide State-owned facility space rent or other property leases. | 13.1 | 13.3 | 13.3 |
| 3026 | Inter-Agency Insurance | Admin - Department-wide Reimbursable services agreement with the Division of Risk Management for risk management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead. | 0.1 | 0.2 | 0.1 |
| 3027 | Inter-Agency Financial | Admin - Department-wide Reimbursable services agreement with the Division of Finance for system services for State accounting and payroll (IRIS), and reporting (ALDER) systems. | 0.3 | 0.3 | 0.3 |
| 3028 | Inter-Agency Americans with Disabilities Act Compliance | Admin - Department-wide Reimbursable services agreement with the Department of Administration for Americans with Disabilities Act (ADA) services. | 0.0 | 0.0 | 0.1 |
| 3030 | Inter-Agency Hearing/Mediation | Admin - Department-wide Reimbursable services agreement | 0.0 | 88.8 | 88.8 |

Line Item Detail (1676)
Department of Labor and Workforce Development
Services

Component: Workers' Compensation Appeals Commission (2816)

| Object Class | Servicing Agency | Explanation | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|------------------------------------|---------------------------------------|--|----------------|---------------------------|-----------------|
| 3000 Services Detail Totals | | | 47.0 | 138.0 | 138.0 |
| 3038 | Inter-Agency Management/Consulting | Admin - Department-wide Reimbursable services agreement with Shared Services of Alaska for travel and accounts payable services. | 0.0 | 1.0 | 1.0 |

Line Item Detail (1676)
Department of Labor and Workforce Development
Commodities

Component: Workers' Compensation Appeals Commission (2816)

| Line Number | Line Name | | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|--------------|------------------|--|----------------|------------------------|-----------------|
| 4000 | Commodities | | 4.5 | 5.0 | 5.0 |
| Object Class | Servicing Agency | Explanation | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
| | | 4000 Commodities Detail Totals | 4.5 | 5.0 | 5.0 |
| 4000 | Business | General business supplies such as office consumables and computer equipment. | 4.5 | 5.0 | 5.0 |

Revenue Detail (1681)
Department of Labor and Workforce Development

Component: Workers' Compensation Appeals Commission (2816)

| Revenue Type (OMB Fund Code) Revenue Source | Component | Comment | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|---|-----------|---|----------------|---------------------------|-----------------|
| 6157 Wrkrs Safe (1157 Wrkrs Safe) | | | 0.7 | 0.0 | 0.0 |
| 6782 Workers Safety/Compensation Administration Account-Misc | | Miscellaneous receipts, including copy fees. | 0.7 | 0.0 | 0.0 |

Inter-Agency Services (1682)
Department of Labor and Workforce Development

Component: Workers' Compensation Appeals Commission (2816)

| | | | | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|--|--|-----------------------------------|--|-------------------------------|------------------------|-----------------|
| Component Totals | | | | 40.3 | 132.2 | 132.2 |
| With Department of Labor and Workforce Development | | | | 18.2 | 19.1 | 19.1 |
| With Department of Administration | | | | 22.1 | 113.1 | 113.1 |
| Object Class | Servicing Agency | Explanation | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor | |
| 3012 | Inter-Agency Federal Indirect Rate Allocation | Labor - Management Services (335) | Indirect cost allocation for departmental purchasing, accounting, reports, personnel consultation and other services provided by Management Services. | 16.1 | 16.6 | 16.6 |
| 3013 | Inter-Agency Data Processing Operations Allocation | Labor - Data Processing (334) | Allocation for Data Processing network and support services. | 2.1 | 2.5 | 2.5 |
| 3017 | Inter-Agency Information Technology Non-Telecommunications | Admin - Department-wide | Reimbursable services agreement with the Office of Information Technology rate for non-telecommunications support, including software and computer services. | 5.8 | 6.1 | 6.1 |
| 3018 | Inter-Agency Information Technology Telecommunications | Admin - Department-wide | Reimbursable services agreement with the Office of Information Technology for telecommunication support. | 1.4 | 1.9 | 1.9 |
| 3021 | Inter-Agency Mail | Admin - Department-wide | Reimbursable services agreement with Shared Services of Alaska for central mailroom support and services. | 0.1 | 0.1 | 0.1 |
| 3022 | Inter-Agency Human Resources | Admin - Department-wide | Reimbursable services agreement with the Division of Personnel and Labor Relations for human resources and personnel services. | 1.3 | 1.4 | 1.4 |
| 3023 | Inter-Agency Building Leases | Admin - Department-wide | State-owned facility space rent or other property leases. | 13.1 | 13.3 | 13.3 |
| 3026 | Inter-Agency Insurance | Admin - Department-wide | Reimbursable services agreement | 0.1 | 0.2 | 0.1 |

Inter-Agency Services (1682)
Department of Labor and Workforce Development

Component: Workers' Compensation Appeals Commission (2816)

| Object Class | Servicing Agency | Explanation | FY2019 Actuals | FY2020 Management Plan | FY2021 Governor |
|--------------|---|---|----------------|------------------------|-----------------|
| | | with the Division of Risk Management for risk management insurance charges for leased buildings, repossessed properties, public official bonds, and overhead. | | | |
| 3027 | Inter-Agency Financial | Admin - Department-wide | | | |
| | | Reimbursable services agreement with the Division of Finance for system services for State accounting and payroll (IRIS), and reporting (ALDER) systems. | 0.3 | 0.3 | 0.3 |
| 3028 | Inter-Agency Americans with Disabilities Act Compliance | Admin - Department-wide | | | |
| | | Reimbursable services agreement with the Department of Administration for Americans with Disabilities Act (ADA) services. | 0.0 | 0.0 | 0.1 |
| 3030 | Inter-Agency Hearing/Mediation | Admin - Department-wide | | | |
| | | Reimbursable services agreement with Department of Administration for hearing and mediation services. | 0.0 | 88.8 | 88.8 |
| 3038 | Inter-Agency Management/Consulting | Admin - Department-wide | | | |
| | | Reimbursable services agreement with Shared Services of Alaska for travel and accounts payable services. | 0.0 | 1.0 | 1.0 |

Personal Services Expenditure Detail
Department of Labor and Workforce Development

Scenario: FY2021 Governor (16414)
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 | UGF Amount |
|---------|-------------------------------|-------------|-------------|-----------|-----------|--------------|--------------|-------------|---------------|-----------------|------|-------------|-----------------|-------------|------------|
| 07-3067 | Law Office Assistant II | FT | A | GP | Anchorage | 200 | 13G / J | 12.0 | | 52,777 | 709 | 0 | 36,935 | 90,421 | 0 |
| 07-X001 | Chair, Wkrs Comp Appeals Comm | FT | A | XE | Anchorage | N00 | 27D / E | 12.0 | | 117,156 | 0 | 0 | 58,965 | 176,121 | 0 |

| | Total Positions | New | Deleted | |
|---------------------------------|-----------------|-----|---------|---|
| Full Time Positions: | 2 | 0 | 0 | Total Salary Costs: 169,933 |
| Part Time Positions: | 0 | 0 | 0 | Total COLA: 709 |
| Non Permanent Positions: | 0 | 0 | 0 | Total Premium Pay: 0 |
| Positions in Component: | 2 | 0 | 0 | Total Benefits: 95,900 |
| | | | | Total Pre-Vacancy: 266,542 |
| | | | | Minus Vacancy Adjustment of 2.82%: (7,519) |
| | | | | Total Post-Vacancy: 259,023 |
| | | | | Plus Lump Sum Premium Pay: 0 |
| | | | | Plus Board Honoraria Pay: 22,377 |
| | | | | Personal Services Line 100: 281,400 |

| PCN Funding Sources: | Pre-Vacancy | Post-Vacancy | Percent |
|---|----------------|----------------|----------------|
| 1157 Workers Safety and Compensation Administration Account | 266,542 | 259,023 | 100.00% |
| Total PCN Funding: | 266,542 | 259,023 | 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.

Department of Labor and Workforce Development
Workers' Compensation / Workers' Compensation Appeals Commission
FY2021 Governor Organization Chart

