

**Judicial Branch Workers' Compensation Program Advisory Committee
Annual Agenda¹—2019**

Approved by Litigation Management Committee: May 16, 2019

I. COMMITTEE INFORMATION

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| Chair: | Ms. Tania Ugrin-Capobianco, Court Executive Officer, Superior Court of California, County of El Dorado |
| Lead Staff: | Mr. Patrick Farrales, Supervising Analyst, Judicial Council of California |
| Committee's Charge/Membership: In conjunction with Rule 10.350, Rule 10.67 of the California Rules of Court states the charge of the Judicial Branch Workers' Compensation Program Advisory Committee, which is to make recommendations to the council for improving the statewide administration of the Judicial Branch Workers' Compensation Program and on allocation to and from the Judicial Branch Workers' Compensation Fund established under Government Code section 68114.10. Rule 10.67 states that the committee must review: <ul style="list-style-type: none">• The progress of the Judicial Branch Workers' Compensation Program;• The annual actuarial report; and• The annual allocation, including any changes to existing methodologies for allocating workers' compensation costs. | |
| The Committee currently has 16 members. The attached term of services chart provides the composition of the Committee. | |
| Subcommittees/Working Groups²: <ol style="list-style-type: none">1. Deficit Reduction Alternatives Working Group2. Settlement Authority Working Group | |

¹ The annual agenda outlines the work a committee will focus on in the coming year and identifies areas of collaboration with other advisory bodies and the Judicial Council staff resources.

² California Rules of Court, rule 10.30 (c) allows an advisory body to form subgroups, composed entirely of current members of the advisory body, to carry out the body's duties, subject to available resources, with the approval of its oversight committee.

II. COMMITTEE PROJECTS

| # | New or One-Time Projects ³ | |
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| 1. | Project Title: Risk Consultant Solicitation | Priority 1⁴ |
| <p>Project Summary⁵: Consistent with Rule 10.350(b), members of the Advisory Committee will support the Judicial Council in its role in the Judicial Branch Workers’ Compensation Program to designate a risk consultant, actuary, and excess insurance broker for the workers’ compensation program by participating on the panel for selection.</p> <p>Status/Timeline: The Request for Proposals process will be begin in July 2019 for risk consulting services expected to begin in July 2020.</p> <p>Fiscal Impact/Resources: Coordination through lead staff to the committee with input from the Judicial Council’s offices of Branch Accounting & Procurement and Budget Services.</p> <p>Internal/External Stakeholders: JBWCP Members</p> <p>AC Collaboration: N/A</p> | | |
| 2. | Project Title Revisions to the Settlement Authority Policy | Priority 1⁴ |
| <p>Project Summary: The Advisory Committee will consider a recommendation to the Judicial Council regarding a revised settlement authority policy that will address delays in processing times at the court, JBWCP staff and third party administrator levels.</p> <p>Status/Timeline: The Settlement Authority Working Group will begin its policy review in May 2019, and provide recommendations to the Advisory Committee in the fall.</p> | | |

³ All proposed projects for the year must be included on the Annual Agenda. If a project implements policy or is a program, identify it as *implementation* or a *program* in the project description and attach the Judicial Council authorization/assignment or prior approved Annual Agenda to this Annual Agenda.

⁴ For non-rules and forms projects, select priority level 1 (must be done) or 2 (should be done). For rules and forms proposals, select one of the following priority levels: 1(a) Urgently needed to conform to the law; 1(b) Urgently needed to respond to a recent change in the law; 1(c) Adoption or amendment of rules or forms by a specified date required by statute or council decision; 1(d) Provides significant cost savings and efficiencies, generates significant revenue, or avoids a significant loss of revenue; 1(e) Urgently needed to remedy a problem that is causing significant cost or inconvenience to the courts or the public; 1(f) Otherwise urgent and necessary, such as a proposal that would mitigate exposure to immediate or severe financial or legal risk; 2(a) Useful, but not necessary, to implement statutory changes; 2(b) Helpful in otherwise advancing Judicial Council goals and objectives.

⁵ A key objective is a strategic aim, purpose, or “end of action” to be achieved for the coming year.

| # | New or One-Time Projects ³ |
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| | <p><i>Fiscal Impact/Resources:</i> Coordination through lead staff to the committee.</p> <p><i>Internal/External Stakeholders:</i> JBWCP Members</p> <p><i>AC Collaboration:</i> Settlement Authority Working Group</p> |

| # | Ongoing Projects and Activities | |
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| 1. | Project Title Allocation of Fiscal Year 2019-2020 Workers' Compensation Premiums | Priority 1⁴ |
| <p>Project Summary: The Advisory Committee will consider recommendations to the Judicial Council regarding the fiscal year 2019-2020 workers' compensation membership premium, which is based on the program's actuarial evaluation.</p> <p>Status/Timeline: The Advisory Committee will provide its recommendations in a report to the Judicial Council at its May 2019 meeting.</p> <p>Fiscal Impact/Resources: Coordination through lead staff to the Advisory Committee with input from the Judicial Council's Budget Services office.</p> <p>Internal/External Stakeholders: JBWCP Members</p> <p>AC Collaboration: Recommendations and initiatives will be submitted to the Court Executives Advisory Committee, Trial Court Presiding Judges Advisory Committee, Supreme Court and Appellate Court Clerk Executive Officers.</p> | | |
| 2. | Project Title Review of Third Party Administrator Compliance with Service Guidelines | Priority 1⁴ |
| <p>Project Summary: Consistent with Rule 10.350, Judicial Council staff will continue to solicit input from the Advisory Committee, monitor the performance of the third party administrator through the development of quarterly reports, and consider appropriate recommendations. The review will include claims administration and managed care. The schedule will also shift from quarterly to trimester.</p> <p>Status/Timeline: Ongoing</p> <p>Fiscal Impact/Resources: Coordination through lead staff to the Advisory Committee.</p> <p>Internal/External Stakeholders: JBWCP Members, AIMS, York</p> <p>AC Collaboration: N/A</p> | | |

| # | Ongoing Projects and Activities | |
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| 3. | <i>Project Title</i> Assessment Plan and Confidence Levels | <i>Priority 2⁴</i> |
| <p><i>Project Summary:</i> The Advisory Committee will continue to review recommendations to reduce the workers’ compensation fund deficit, including raising confidence levels and implementing an assessment plan, for presentation to the Judicial Council. The recommendations will include multiple scenarios and will provide options for reducing the deficit over a defined timeframe (10, 15, and 20 years).</p> <p><i>Status/Timeline:</i> Ongoing</p> <p><i>Fiscal Impact/Resources:</i> Coordination through lead staff to the Advisory Committee.</p> <p><i>Internal/External Stakeholders:</i> JBWCP Members</p> <p><i>AC Collaboration:</i> Deficit Reduction Alternatives Working Group</p> | | |

III. LIST OF 2018 PROJECT ACCOMPLISHMENTS

| # | Project Highlights and Achievements |
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| 1. | The third party administrator has shown improved performance over the last year and received an overall score of 90 percent across all audit categories in 2018. The minimum passing score is 85 percent. |
| 2. | The return-to-work pilot program generated a net savings of \$25,926 to the workers' compensation fund. |
| 3. | 23 trial courts have volunteered to participate in the state workers' compensation buddy program to assist each other on workers' compensation-related inquiries. |
| 4. | 40 respondents, representing 35 courts, participated in the 2018 Annual Workers' Compensation Survey, and provided multiple recommendations for next fiscal year's educational curriculum. |
| 5. | The Advisory Committee approved a recommendation to allow three members of the Advisory Committee to approve Level IV settlements, and to allow five members of the Advisory Committee to approve Level V settlements. |