

PROPOSED STUDY QUESTIONS Follow-Up on Workers' Compensation Claims Management at L&I

State of Washington Joint Legislative Audit and Review Committee

2016 JLARC report recommended that L&I improve its efforts to help workers return to work promptly and safely

Workers' compensation is a form of insurance that protects workers and employers when injuries or illnesses happen on the job. The Department of Labor and Industries (L&I) manages workers' compensation claims covered by the state.

A <u>2016 JLARC report</u> concluded that claims outcomes could be improved if L&I's systems increased focus on prompt and safe returns to work. The report recommended that L&I institute standards for early phone contact, improve claims management and documentation, and integrate predictive analytics into



JLARC report 15-4, January 2016

its claims management processes. Each recommendation was designed to align L&I's practices with national best practices in workers' compensation. L&I concurred with these recommendations.

In July 2019, JLARC directed its staff to review L&I's implementation of these recommendations.

Study questions will assess L&I's implementation of the recommendations to improve its management of state fund claims

- 1. What actions has L&I taken to implement the Legislative Auditor's recommendations to:
 - a. Implement early phone contact for claims that may involve three or more days away from work?
 - b. Institute claim planning and standardize claim file documentation?
 - c. Integrate predictive analytics into the claims management processes?
- 2. What measures does L&I use to evaluate progress for any recommendations that are not yet fully implemented?

Study Timeframe

Preliminary Report:	January 2021	Proposed Final Report: May 2021	
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JLARC Study Process			
Study 💛 Proposed Study 🔿 Legislative Auditor's 🔿 Legislative Auditor's 🔿 Final			
Mandate Questions Preliminary Report Proposed Final Report Report Budget, legislation, committee direction Agency response included Option to append committee comment			

 Committee votes to distribute completed audit