A 2016 JLARC report found that L&I was not following best practices for workers’ compensation claim management. JLARC directed its staff to follow up on three recommended actions from that report.

**WHAT IS WORKERS’ COMPENSATION?**  Workers’ Compensation protects workers and employers when injuries occur on the job. The Dept. of Labor & Industries (L&I) manages claims paid from the state industrial insurance fund.

**L&I partially implemented 2016 Legislative Auditor recommendations**

<table>
<thead>
<tr>
<th>RECOMMENDED ACTION:</th>
<th>Contact worker &amp; employer within 2 business days of claim receipt.</th>
<th>Institute claim planning and standardize documentation.</th>
<th>Integrate predictive analytics into claim management.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Partially implemented</strong></td>
<td>☑ Set standard to call within 2 days, updated technology, hired and trained staff.</td>
<td>☑ Updated software and planning templates.</td>
<td>☑ Ongoing use of established models to review new claims and estimate future claim costs.</td>
</tr>
<tr>
<td>☐ No routine data collection or reporting to measure compliance.</td>
<td>☐ Has not measured whether planning and documentation improved.</td>
<td>☐ No new uses, pending long-term IT system update.</td>
<td></td>
</tr>
</tbody>
</table>

**Few injured workers or employers are called within two business days of claim assignment**

**Some return to work measures have improved since 2014**

2016 recommendations were based on best practice and intended to improve return to work.

Determining the cause of return to work outcomes is complicated. Outcomes are influenced by L&I, employers, employees, and economy.

- As a result, it is unclear how L&I’s efforts alone may have affected workers' outcomes.

Source for graphs: L&I data presented to the Workers’ Compensation Advisory Committee.

**Return to work within 9 months: Improved**

Description: Percent of injured workers who receive wages within 9 months of injury.

**Long-term disability rate: Improved**

Description: Claims with at least 12 months of time loss as a percent of total accepted claims.

**Durable employment after one year: Results vary**

Description: Percent of returning injured workers who stay employed for one year after returning to work.

L&I refers some workers to vocational recovery (VR) counselors to address barriers. While overall return to work increased by 2%, the percent of workers who return to work after VR services rose from 11% to 32% (2014-2019).

The complete report is on the JLARC web site: www.leg.wa.gov/jlarc

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