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August 7, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
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Supervisor Zev Yaroslavsky
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Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Daryl L. Osby, Fire Chief
Fire Department

Dave Gillotte, President
Los Angeles County Association of Firefighters Local 1014

STATUS REPORT ON THE LABOR-MANAGEMENT WORKERS' COMPENSATION DISPUTE RESOLUTION AGREEMENT BETWEEN CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY AND LOS ANGELES COUNTY INTERNATIONAL ASSOCIATION OF FIREFIGHTERS

On August 7, 2012, the Board authorized the Consolidated Fire Protection District of Los Angeles County (Fire Department) to enter into a Labor-Management Workers' Compensation Dispute Resolution Agreement (Agreement) with the Los Angeles County International Association of Firefighters (Local 1014). The purpose of the Agreement is to provide an expedited procedure to resolve medical-legal disputes, facilitate prompt return-to-work efforts, and improve the experience of those employees injured in the course and scope of employment. The Fire Department coupled the implementation of the Agreement with improved early return-to-work efforts and physician funneling intended to expedite the delivery of quality medical care. This memo provides the Board with a status on the pilot project Agreement, criteria being used to evaluate its effectiveness, and the multi-pronged approach currently used by the Fire Department to improve early return-to-work efforts.

Background

The State of California Workers' Compensation Program is a highly regulated, employer-funded benefit delivery system. Often, workers' compensation claims require medical opinions to determine industrial causation, work capacity, extent of permanent disability, and other issues. Generally, such medical opinions are rendered by agreed medical evaluators (AMEs) or qualified medical evaluators (QMEs). The scheduling of such evaluations produces significant delays in the decision-making process.

Labor Code § 3201.7 allows a certified exclusive bargaining unit(s) to enter into a labor-management agreement that establishes a limited list of agreed to independent medical evaluators (IMEs) to be the exclusive source to determine medical-legal issues. Implementation of the Agreement took many months of effort on the part of Local 1014, Fire Department, contract vendors, County Counsel, and Chief Executive Office (CEO). On January 1, 2013, the Agreement went into effect.

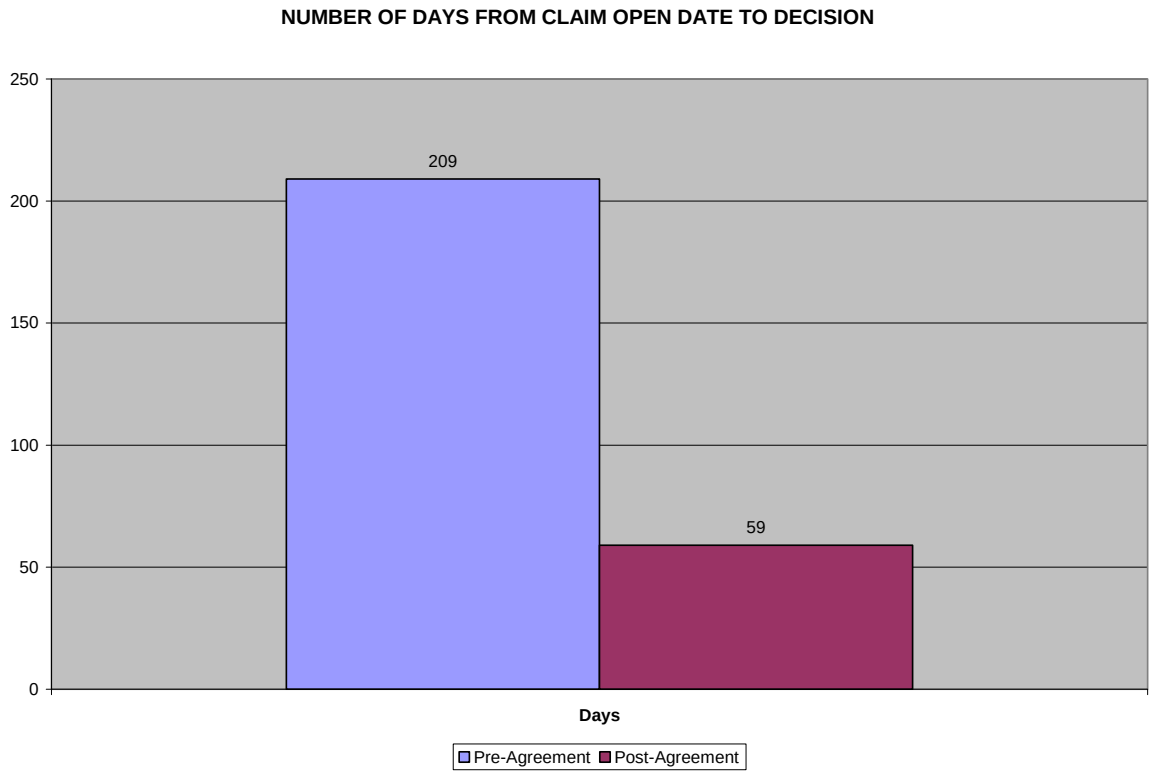
Medical Determination Findings

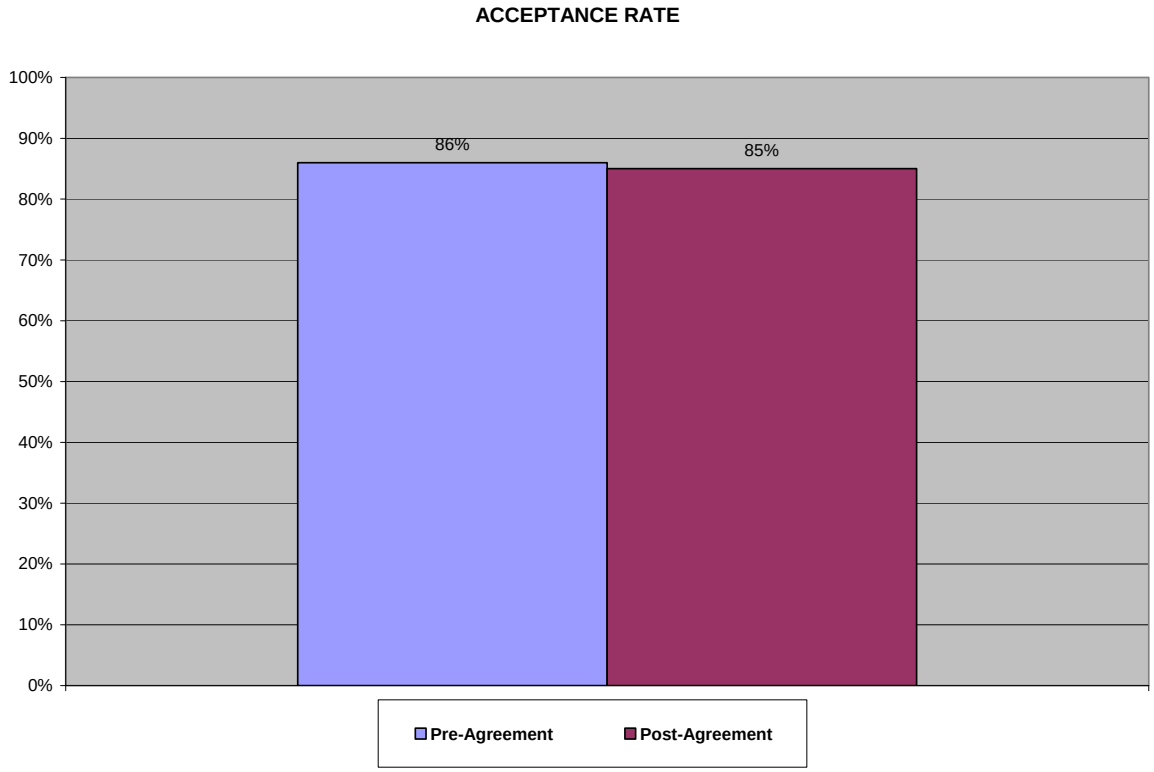
Prior to negotiating the Agreement, CEO reviewed randomly selected and delayed Fire Department workers' compensation claims filed by Local 1014 members. This review found the average length of time between the opening of a claim and a decision requiring an AME/QME medical determination exceeded 200 days. Additionally, the CEO evaluated 99 randomly selected Fire Department workers' compensation claims and found that the AME/QME determined the workers' compensation claim industrially related 86 percent of the time.

For the period of January 1, 2013 through May 7, 2013, a total of 443 workers' compensation claims were filed by members of Local 1014. Of these claims, 163 required an IME to determine industrial causation. As of May 29, 2013, a total of 117 decisions have been rendered. CEO's review found that the average timeframe between the opening of a claim and a decision requiring an IME determination is approximately 59 days. The IMEs determined that the workers' compensation claims were industrially-related 85 percent of the time.

These findings suggest significant improvement in reducing the length of time required to determine the work-related nature of an injury, with no impact on whether the workers' compensation claim is accepted or denied.

The following charts demonstrate the number of days involved in the process.





Early Return-To-Work Efforts

Starting in February 2011, the Fire Department began developing an early return-to-work program that focused on improved communication with industrially injured workers, expedited quality medical treatment, and a process to facilitate temporarily disabled workers to modified or alternate positions, as soon as practicable. The latter is based on the premise that organizational effectiveness is improved by transitioning absent unproductive employees to engaged productive employees.

The Fire Department re-organized their Return-To-Work (RTW) Section, assigning staff to a specific bureau, as opposed to an alpha-split. This allowed bureau management and employees to have a point of contact within the RTW Section. Once this change occurred, all employees with a newly reported workers' compensation claim receive a call from RTW Section staff within one business day. The purpose of this "reach-out" call is to assess the injured employee's medical needs, clarify work status, and provide the injured employee with relevant RTW Section and Workers' Compensation third-party administrator (TPA) contact information. Within three business days of the first call, a second call is placed to the injured employee checking on their status and to provide them additional support as needed. In addition, the Department made a bold move to, not only restructure the RTW Section, but also added a Battalion Chief and three Fire Captains. The addition of sworn personnel to a very sound civilian RTW staff brought a stronger relationship and trust with injured employees. The fore mentioned changes permitted the Department to focus its efforts on timely medical follow-up by improving case management that required both employees and providers to expedite the processing of a claim.

Expedited Medical Care

The Department, Local 1014, and CEO have seen the benefits of expediting medical care through the established Cardiac Evaluation program. The Cardiac Evaluation program funnels employees with a cardiac anomaly to a Cardiologist within 48 hours. As a result of such a successful program, it was logical to evaluate if the same concept could work within the Workers' Compensation system.

Due to the extremely physical nature of the Fire Department employees' jobs, strains and sprains equate to approximately 60 percent of all Fire Department workers' compensation claims. Often times, these injuries are not life threatening but require prompt medical care and further evaluation by an orthopedist. In an effort to expedite medical care and increase the predictability of medical services, the Fire Department encourages the use of Initial Treatment Centers (ITC) for non-life-threatening, work-related injuries. The physicians and staff at these facilities are familiar with the physical requirements of Fire Department positions and agreed to facilitate the referral to specialized physicians, as needed. Additionally, the Fire Department and CEO have fostered relationships with several quality orthopedic facilities.

Expedited Medical Care (Continued)

These facilities have committed to scheduling medical evaluations and diagnostic testing within 48 hours of an appointment request, working with Fire Department and CEO to ensure appropriate quality medical care is provided, and addressing early return to work in their evaluations of injured employees. Providing access to select ITCs and orthopedic facilities has minimized treatment delays and improved the communication required to establish a robust return-to-work program.

Light Duty Assignment Desk

The primary responsibility of the Light Duty Assignment Desk (LDAD) is to support and facilitate the placement of injured employees into meaningful assignments, as they recover from an industrial injury. The consideration was not solely to accommodate work restrictions but to allow employees to contribute meaningful work product in administrative, educational, training, and logistical support assignments by drawing on an employee's talents, education, and experience. This has been proven to keep the employee connected to the Department by being a productive member of the work force during rehabilitation and treatment, thereby, decreasing isolation and depression issues often associated with long-term injuries.

Such is accomplished by assessing the Fire Department's resource needs, using those needs to expand potential light-duty positions, and filling those temporary positions with injured employees requiring transient work restrictions. LDAD is responsible for monitoring and tracking employees on light duty. It provides the Fire Department with a well-managed process that expands the number of safe and productive temporary, limited duty assignments, and affords scarce resources to meet established mandates. Additional goals of LDAD are to assist injured employees regain functionality, maintain productivity, improve their quality of life, and reduce the cost associated with workers' compensation time-loss benefits.

Future Evaluation Criteria

Due to long payment patterns in the workers' compensation process, CEO will evaluate the feasibility of assessing program cost data at 12-month, 24-month, and 36-month valuation periods. This will be compared to cost data similarly valued for Fire Department workers' compensation claims processed prior to implementation of the Agreement.

If you have any questions or would like additional information, your staff may contact Steven T. Robles, County Risk Manager, at (213) 351-5346.

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BC:STR:AR:rn