

# 2023 AWC Retro Program Annual Meeting

3 May 2023 | Yakima Convention Center



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## Agenda

- Welcome
- 2022 Program Emphasis Recap
- 2022 Safety report
- Claims discussion, including PTSD
- Strategic workplan progress report
- Actuarial work for 2023
- Celebrating Retro's successes

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# AWC



*Our mission: serving our members through advocacy, education, and services*



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## AWC Retro Program

*It's all about service...*

### Safety & compliance

- Training
- Onsite safety audits
- WorkSafe Employer

### Claim management

- Claim resolution
- Transitional work/light-duty
- Protests and appeals



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# AWC Retro Board

**President:** Rob Putaansuu, Mayor, Port Orchard

**Vice President:** Betsy Wilkerson, Councilmember, Spokane

**Secretary:** Amy Ockerlander, Mayor, Duvall

**Immediate Past President:** Kent Keel, Councilmember, University Place

**Past President:** Soo Ing-Moody, Mayor, Twisp

**Large City Representative:** Keith Blocker, Councilmember, Tacoma

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# Governed by members

## AWC Retro Advisory Committee (RAC)

**Chair (Position 5):** Noah Crocker,  
Finance Director, City of Port Orchard

**Vice Chair (Position 10):** Chantell Steiner,  
Finance Director, City of Leavenworth

**Position 1:** Colleen Chapin, Human Resources  
Manager, City of Pasco

**Position 2:** David Scott,  
City Manager, City of Washougal

**Position 3:** David Rodenbach,  
Finance Director, City of Gig Harbor

**Position 4:** Mary McDougal,  
Human Resources Director, City of Lakewood

**Position 6:** Mike Rizzitello, City Administrator, City  
of College Place

**Position 7:** James Trefry,  
Admin. Services Director, City of Arlington

**Position 8:** Vacant

**Position 9:** Thad Duvall,  
Auditor, Douglas County

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## Vision statement

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## Mission statement

Through the power of pooling, we are the premier public entity workers' compensation program in the State of Washington. We achieve the highest standards for comprehensive employee safety programs. Together, we provide financial stability and exceptional stewardship of public resources.

## Strategic goals

**Technology** – Utilize technology for optimal internal operations and provide innovative solutions, tools and resources to members

**Financial stability** – Maintain the Retro Program's fiscal health and sustainability

**Workplace culture** – Educate members at all levels – elected, executive, supervisory, and workers – on the value of a safe and healthy workplace and how to successfully achieve that environment

**Member services** – Promote the value of Retro Program membership to current and potential members by providing meaningful and relevant services, tools and resources

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## Importance of governance engagement

- Official organizational priority
- Budgeting and financing
- Improving management engagement and accountability



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## Safety Performance Analysis



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## Frequency and cost of claims (2017-22)

Accident Type	Count of claims	Total incurred cost of claims	Average per-claim cost
Bodily reaction	653	\$7,631,139	\$11,686
Struck by/against	539	\$1,693,477	\$3,213
Overexertion	524	\$6,555,692	\$12,729
Falls to/from	420	\$6,187,697	\$15,166
Contact w/ toxics	374	\$4,734,503	\$12,659
Struck by person/crime	355	\$2,675,040	\$7,535
Bitten by	185	\$200,253	\$1,082
Vehicle accidents	154	\$877,919	\$5,701
Noise exposure	114	\$1,789,291	\$15,696

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## Bodily reaction & overexertion

Usually, a non-impact injury or illness resulting from excessive physical effort directed at an outside source of injury or illness.

Injuries or illnesses resulting from motion that imposes stress or strain on some part of the body due to the repetitive nature of the task. There is typically no strenuous effort (such as heavy lifting).

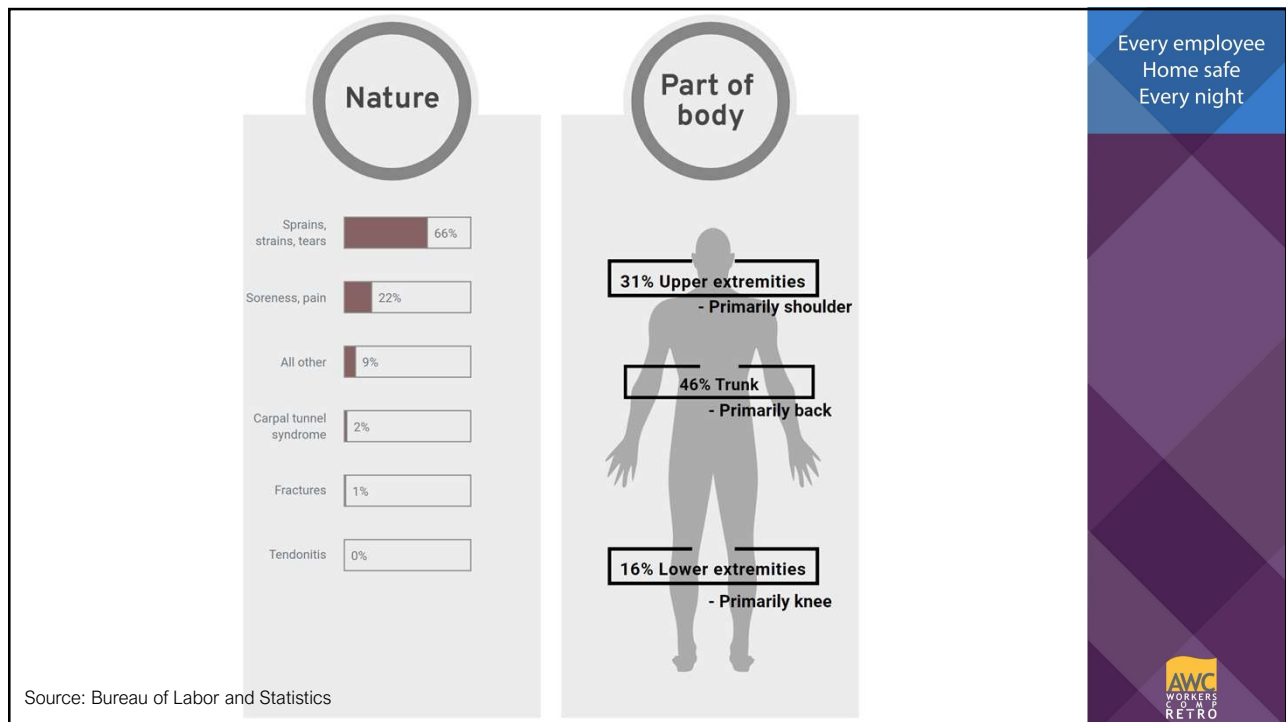
Injuries or illnesses resulting from a single or prolonged instance of free bodily motion.

Definition information courtesy of the National Safety Council

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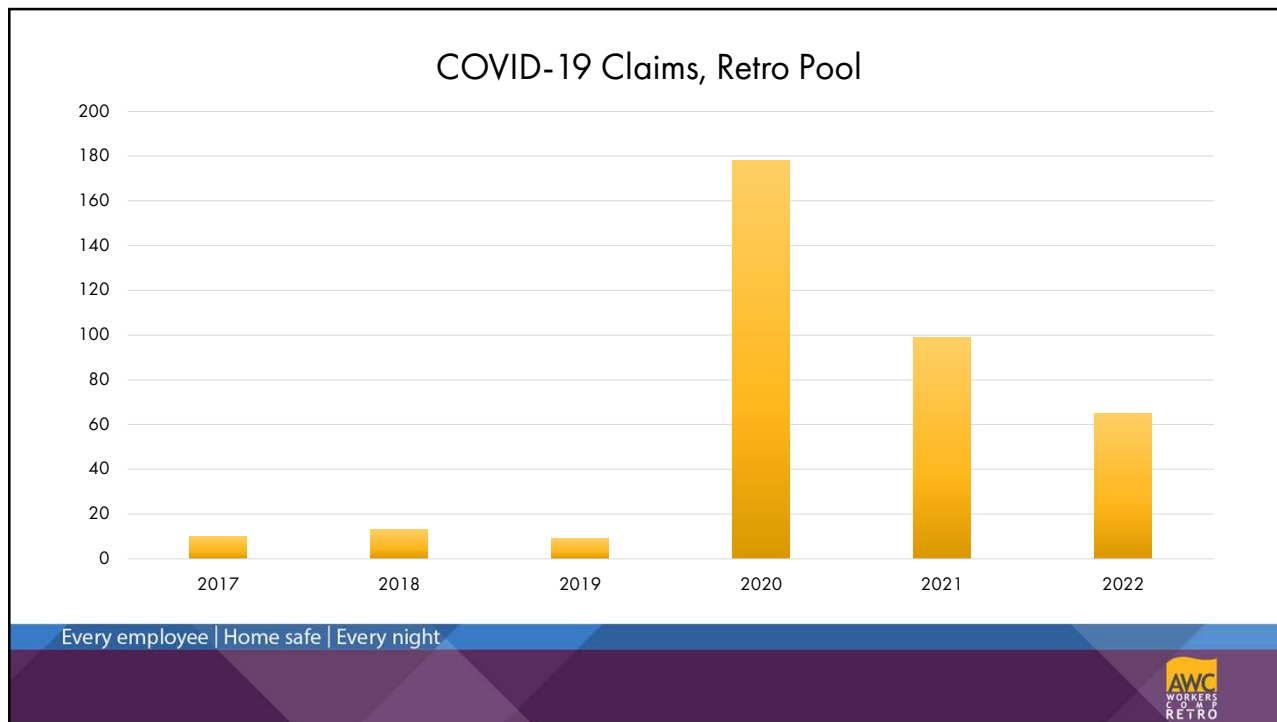
## Response to Overexertion and BR incidents

- Field ergonomics assessments and reviews
- Assistive devices
- Position and task switching, breaks
- Review of processes and systems after injuries
- Hazard assessments
- Stretching programs and expectations

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AWC  
WORKERS  
COMP  
RETRO

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## COVID-19 Claims

- With ending of state and federal states of emergency, presumptive COVID-19 claims coverage will be ending for first responders
- At time of shift, L&I will also stop assuming liability for COVID-19 claims; entities will have COVID-19 claims charged to their accounts; it will impact Experience Factor ratings and Retro impacts

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## Public Entity Safety Essentials

Public Entity Safety Essentials (PESE) trainings will be taking place across the state this year – starting next week!

Trainings cover a variety of topics core to staff (esp. operations) know their safety obligations and how to keep themselves and others safe

Specific classes on how to identify what injuries are costing your organizations, Slips, Trips, and Falls & musculoskeletal injuries, and What do do after an accident

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## Reporting cards

We want to make it easier on your people to know what to do after an accident. Cards can be provided to staff, providing them with basic information on how to respond to an injury incident or accident

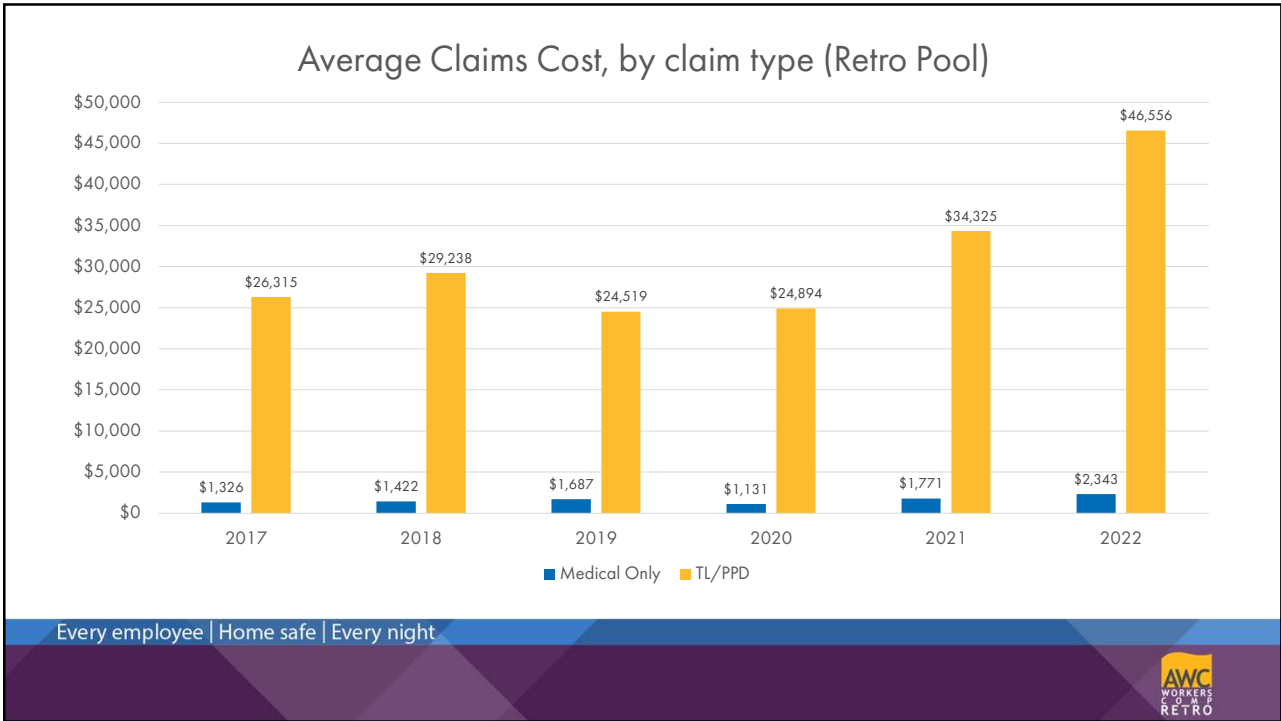
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## Average Claims Cost by Risk Class 2020-22

Risk class	2020 Avg. Incurred cost	2021 Avg. Incurred cost	2022 Avg. Incurred cost
0803	\$6,688.53	\$9,954.42	\$10,109.51
1501	\$4,571.41	\$8,658.99	\$14,110.53
5305	\$7,812.72	\$9,697.53	\$7,684.42
6904	\$11,985.13	\$27,165.61	\$43,522.05
6905	\$17,913.96	\$19,405.19	\$16,495.68

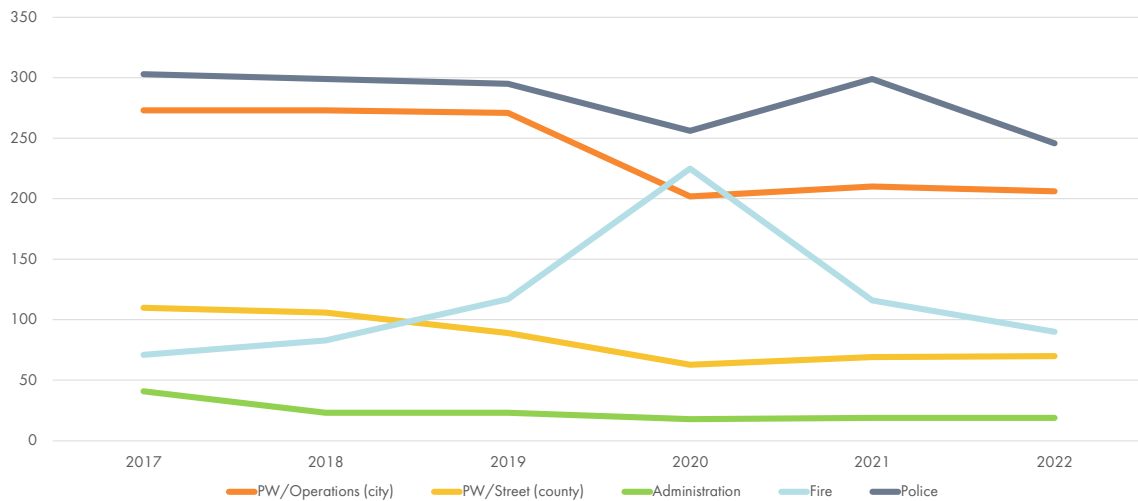
*\*Retro Pool data, excludes Pension claims*

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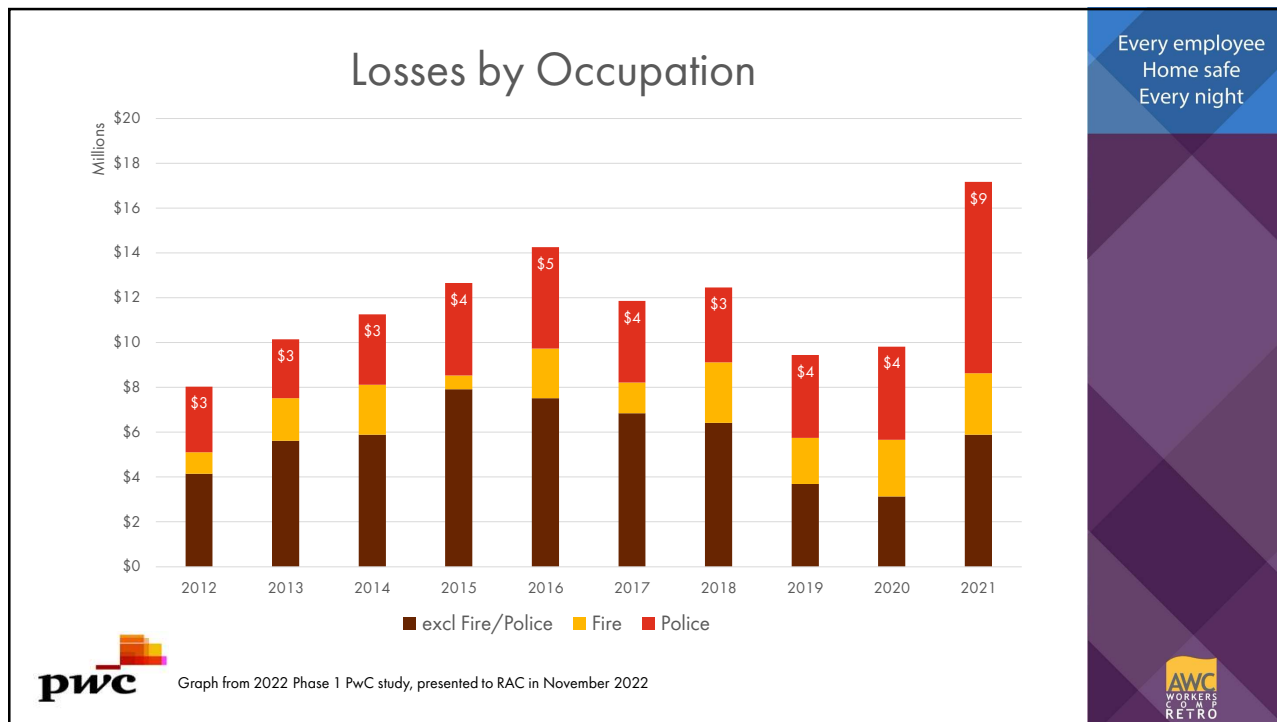
## Claims per year by department, 2017-2022



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## AWC vs. non-AWC LEO injury claims, 2019-22

AT code	Accident type	AWC Claims			Non-AWC Claims		
		Claims	Percent	Average incurred	Claims <sup>2</sup>	Percent <sup>3</sup>	Average incurred
*	OTHER, UNCODED and UNKNOWN	32	4%	\$17,418	17	2%	\$16,957
63	ASSAULTS BY ANIMALS	45	6%	\$6,457	45	6%	\$822
61	ASSAULTS AND VIOLENT ACTS BY PERSON(S)	224	30%	\$10,820	207	29%	\$13,582
43	PEDESTRIAN, NONPASSENGER STRUCK BY VEHICLE, MOBILE EQUIPMENT	5	1%	\$14,017	8	1%	\$80,831
42	NONHIGHWAY ACCIDENT, EXCEPT RAIL, AIR, WATER	5	1%	\$2,657	11	2%	\$14,293
41	HIGHWAY ACCIDENT	61	8%	\$9,799	50	7%	\$31,388
39	EXPOSURE TO HARMFUL SUBSTANCES OR ENVIRONMENTS, N.E.C.	13	2%	\$184,051	19	3%	\$359,389
35	EXPOSURE TO NOISE	19	3%	\$6,523	22	3%	\$6,489
34	EXPOSURE TO CAUSTIC, NOXIOUS, OR ALLERGENIC SUBSTANCES	21	3%	\$19,007	23	3%	\$1,411
25	BODILY CONDITIONS, N.E.C.	14	2%	\$187,879	22	3%	\$276,661
23	REPETITIVE MOTION	11	1%	\$42,938	16	2%	\$57,526
22	OVEREXERTION	39	5%	\$18,454	36	5%	\$20,116
21	BODILY REACTION	103	14%	\$8,843	83	12%	\$24,501
20	BODILY REACTION AND EXERTION, UNSPECIFIED	15	2%	\$12,633	13	2%	\$9,807
13	FALL ON SAME LEVEL	58	8%	\$17,609	55	8%	\$25,862
11	FALL TO LOWER LEVEL	4	1%	\$117,728	12	2%	\$66,961
2	STRUCK BY OBJECT	35	5%	\$1,349	41	6%	\$11,022
1	STRUCK AGAINST OBJECT	39	5%	\$6,316	29	4%	\$2,189
0	CONTACT WITH OBJECTS AND EQUIPMENT, UNSPECIFIED	11	1%	\$1,358	5	1%	\$470
<b>Total</b>		<b>754</b>	<b>100%</b>	<b>\$18,026</b>	<b>714</b>	<b>100%</b>	<b>\$35,223</b>

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## PTSD Presumption Claims

- Effective 7 June 2018
- Covers firefighters, law enforcement officers, and EMTs
- Presumptive criteria
- 78 active claims (75 at time of 2022 RAM)
- Trends we are seeing across claims

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## PTSD Presumptive Claims, accepted, FF & LEOs

	Average age at injury	Average actuary incurred
Other	46.9	\$346,905
AWC	45.6	\$203,950

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## PTSD claim challenges

- Lack of available mental health providers
- Claimants moving out of state (MH provider challenge exacerbation)
- No light/transitional duty work release from MH provider
- Rebuttable presumptions not being fairly considered
- Appeal and litigation poison pill

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# Retro's approach to these challenges

- Ensure pre-employment tests are completed
- Focus on prevention and preventative care access
- Culture of acceptance and validation around seeking care
- Work on transitional-duty releases to work

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PTSD and Mental Health Toolkit Home - League of Minnesota Cities (lmc.org)

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## PTSD and Mental Health Toolkit

### YOUR TOOLKIT TOPICS

#### [It's Treatable](#)

Information about effective treatment of post traumatic stress disorder symptoms.

*New: 'It's Treatable' video introduction*

#### [Peer Support Standards and Training](#)

Guidelines and samples for establishing a peer support program.

#### [Leadership Philosophy](#)

Concepts and practices that leaders can embrace.

#### [What is Wellness?](#)

Information on wellness and its relationship to mental health.

*New: Pocket wellness guides available*

#### [Mental Health Programs](#)

Offerings that your department can consider.

*New: Get started with the [Action Guide for City Leaders](#)*



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## A city's experience with PTSD

I can summarize to say that some of the most impactful things our City and [police department] have been focused on is employee engagement, employee wellness resources with the addition of a part time Wellness Coordinator specific to our PD, and taking a more engaged / proactive approach in managing our claims.

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## A city's experience with PTSD

We've outlined a full process from the time a claim is submitted with routine check ins with the employee, our commitment to support them with the time they need to heal / restore, a return to work process in collaboration with our PD leadership, and the inclusion of a medical reinstatement list to our civil service rules to provide an avenue for return if their time out of work extends beyond what we can maintain as an active employee.

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## Retro's approach to these challenges

- Multi-party approaches at L&I (Claims, Retro, Medical Provider Srvs., Executive leadership, Legislative)
- Seek to have L&I claims adjudicators follow established policy
- Involved legal consultants when appropriate

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## Impacts to Experience Factor

Current State of presumptive PTSD claims (related to 2018, 2019, and 2020 legislation):

- Currently no presumptive PTSD claims are experienced rated.
- Presumptive PTSD claim cost assumptions are being used for the purposes of calculating base rates by including an add-on rate to the affected classes (6904 and 6905).
- Presumptive PTSD claim costs (actual/reserved) are currently being used for Retro calculations.

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## Impacts to Experience Factor

What is coming:

Presumptive PTSD claims costs will enter experience rating effective January 1, 2027. The three-year rating window for 2027 rates includes claims with dates of injury that fall between July 1, 2022 – June 30, 2025. This time span represents the following three fiscal accident years (FAYs): FAY 2023 (July 1, 2022 – June 30, 2023), FAY 2024 (July 1, 2023 – June 30, 2024), and FAY 2025 (July 1, 2024 – June 30, 2025)

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## Impacts to Experience Factor

- Presumptive PTSD claims with a date of injury on or after July 1, 2022 will enter experience rating effective January 1, 2027.
- Presumptive PTSD claims with dates of injury prior to July 1, 2022 will not be used at all for experience rating for any rating year.
- Presumptive PTSD claim cost assumptions for base rates will continue “as is” and will not be re-evaluated until FAY 2025 data is available. The reason being: we want five full years of experience for class rating (FAYs 2021 – 2025).
- FAY 2021 and FAY 2022 will be used for class rating in 2027.

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A graphic featuring a stylized map with a dashed black line path starting from a red circle on the left and ending at a red 'X' on the right. The map is composed of various colored polygons in shades of green, yellow, and blue. The text "Strategic Workplan Status Update" is overlaid in a large, blue, sans-serif font.

Strategic Workplan  
Status Update

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## Strategic Workplan Goal Areas

- Technology
- Financial stability
- Workplace culture
- Member services

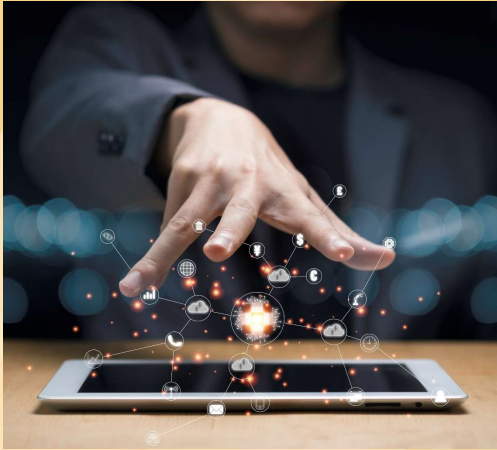
A photograph showing a group of people in a meeting room. They are gathered around a table covered with documents and numerous colorful sticky notes (yellow, pink, blue). One person is pointing at a document, while others are looking on. A laptop is visible on the table.

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## Software transition



- Claims management system
- Employer portal
- Reporting
- Member interactions
- On-site consultations

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## PwC Actuarial 2023 Scope of Work

Pool underwriting criteria

Refund allocation

Target fund capital

Insurance table updates

PTSD claim impacts

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## Insurance Table Updates

State Retro rules mandate that studies reviewing hazard group assignments and updates to the retrospective plan tables be done every five years.

Updates to the hazard groups and insurance charges have an indirect but powerful impact on potential retro refunds

Increased insurance charges raise the group's Retro Premium; it is Retro Premium compared to the group Standard Premium that determines Retro Refunds

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## Updates for 2023 include:

- The Hazard Group Assignments
- The Expense Factors
- The Insurance Charges for different plan choices

Note: The Total Refund will not change, but the costs and benefits of different plan choices will shift due to the updated factors and group assignments

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# Celebrating Success

2016 Retro Year: \$1,514,232

2017 Retro Year: \$2,324,206 + Add'l \$159,164 from protests

2018 Retro Year: \$2,886,236

2019 Retro Year: \$4,967,904

2020 Retro Year: ?

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# AWC Retro in 2023

- Technology enhancements
- Actuarial work and analysis
- Training
- Elevated member services

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## Thank you for...

- Being dedicated stewards of public agencies and trust
- Caring about, and for, your employees
- Challenging yourselves and Retro to achieve more
- Helping us make this program the best it can be

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