## VIRGINIA WORKERS' COMPENSATION COMMISSION

# **2013 ANNUAL REPORT**



COMMISSIONER ROGER L. WILLIAMS, CHAIRMAN

**COMMISSIONER WESLEY G. MARSHALL** 

COMMISSIONER R. FERRELL NEWMAN



### Mission

The Virginia Workers' Compensation Commission will strive for excellence by being an effective leader in providing public services by ethically administering our statutory duties and being responsive to the diverse needs of our customers.

### Vision

The VWC provides professional, customer-focused assistance to facilitate our customers in receiving the services to which they are entitled.

# TABLE OF CONTENTS

### Contents

Letter from the Chairman	1
History of Workers' Compensation in Virginia	2
Organizational Chart	3
Commissioners	4
Executive Leadership	5
Deputy Commissioners	6
Commission Departments	11
Agency Highlights and Process Improvements	13
Alternative Dispute Resolution (ADR)	17
Tables and Charts	18
Revenues/Expenditures	26
Regulatory/Legal Update	27
Commission Partnerships and Outreach	28
Speaking Engagements in the Commonwealth and Surrounding Areas	32
2013 Adjuster's Seminar and Attorney's Meeting	33
The Way Forward	34
Reminders and Tips	35
Contact Information	36

### LETTER FROM THE CHAIRMAN



Hello Virginia Workers' Compensation Partners,

On behalf of the Virginia Workers' Compensation Commission, I am pleased to present the **2013 Annual Report of the Virginia Workers' Compensation Commission**. Our agency's mission is to strive for excellence in providing public services by ethically administering our statutory duties and being responsive to the diverse needs of our customers.

Our agency and its employees take this mission very seriously, and are truly committed to enhancing our relationships with employers, injured workers, claims administrators, insurance carriers, and others involved in the workers' compensation field. We interact with these individuals and entities on a daily basis as we seek to administer the Workers' Compensation Act in a fair, equitable, and impartial manner.

With a workforce of approximately 285 employees serving throughout the state, we maintain our headquarters in Richmond, Virginia, with regional offices located in Virginia Beach, Harrisonburg, Roanoke, Lebanon, Fairfax, and Manassas.

A recent major initiative of the Commission is ensuring that our employees have the needed resources to effectively meet the requirements of their duties to serve the public. We are taking steps to provide our employees with up-to-date information and skills through increased training opportunities and state-of-the-art systems. Through technological advances and the streamlining of our administrative procedures, we are efficiently utilizing our agency's resources to improve the experiences of those who interact with us.

Our employees are active in various national and international workers' compensation associations, ensuring that our agency remains current on developments, trends and significant issues relating to the administration and adjudication of workers' compensation claims. Our participation in these organizations also allows us to form relationships with leading experts in our field.

We are excited about the present and the future of our agency. This excitement naturally flows from our employees' commitment to excellence. Through their hard work, dedication, and loyalty, the Commission has made substantial improvements in recent years, and we look forward to continuing to enhance our operations during 2014. Together, we can and will achieve much more.

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Roger L. Williams Chairman

### History and Overview of the Virginia Workers' Compensation Commission

The Virginia Workmens' Compensation Act was enacted on March 21, 1918 over a veto by Governor Westmoreland Davis. At that time, the Industrial Commission of Virginia was created by the Act and agency operations commenced on January 1, 1919. The Act was designed to protect injured workers and their families with a financial compensation when faced with personal injury or death on the job.

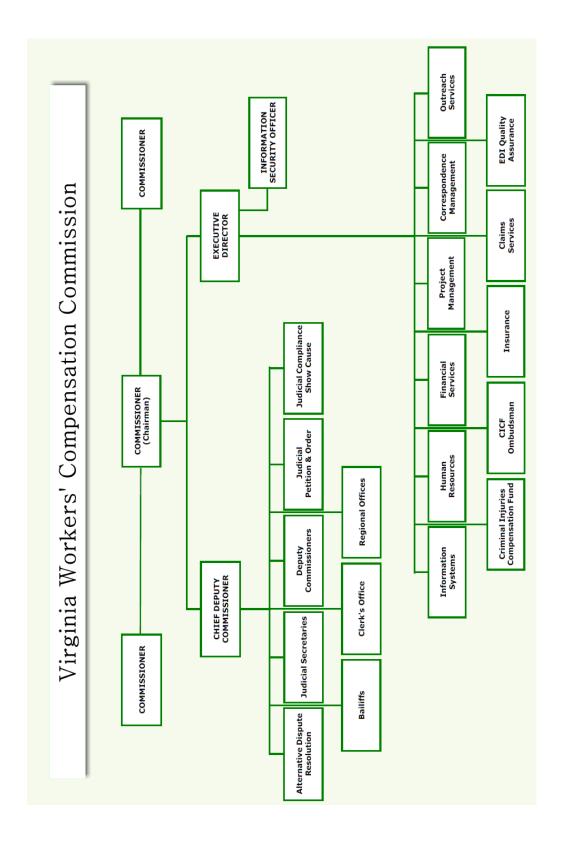
The Commission was renamed the Virginia Workers' Compensation Commission in 1991, as part of the recodification of the Virginia Workers' Compensation Act. The Virginia Workers' Compensation Commission is an independent state agency that promotes and protects the injured workers interest, but also supports the safety and health of Virginia workers. The primary role of the Commission is to oversee the resolution of workers' compensation claims brought in the state in accordance with the Virginia Workers' Compensation Act through mediation and/or hearings. The policies and procedures of the Commission are largely determined by the provisions of the Act. The Act defines the composition of the Commission, and specifies the judicial powers and responsibilities of the Commissioners.

The Commission is also directed by statute to administer the Criminal Injuries Compensation Fund, the Uninsured Employer's Fund, the Medical Costs Peer Review Program, and the Second Injury Fund and to adjudicate claims filed pursuant to the Virginia Birth-Related Neurological Injury Compensation Program. The Commission is headquartered in Richmond, Virginia, and has regional offices and hearing locations in various sites around the state including Lebanon, Virginia Beach, Roanoke, Harrisonburg, Manassas and Fairfax.



Commissioner Charles G. Kizer (center) and members of the International Association of Industrial Accidents Boards and Commissions (IAIABC) at the 18<sup>th</sup> Annual Convention held in Richmond, VA on October 5-9. 1931.

**ORGANIZATIONAL CHART** 



Page 3

VWC Annual Report 2013

### COMMISSIONERS

The Commissioners are responsible for administering the requirements set forth in the Virginia Workers' Compensation Act, including adjudication, claims and appeals from Deputy Commissioner decisions, and formulating Commission policy.



Pictured left to right: Commissioner Newman, Chairman Williams and Commissioner Marshall

### COMMISSIONER ROGER L. WILLIAMS, CHAIRMAN

**Commissioner Williams** was appointed by the 2008 Virginia General Assembly and began his position with the Virginia Workers' Compensation Commission on May 1, 2008. Mr. Williams received his B.S. from Washington and Lee University in 1975 and his J.D. from University of Richmond in 1980. From May 1980 to May 2008, Mr. Williams was engaged in the private practice of law almost exclusively in the area of insurance defense litigation, with emphasis on the law of workers' compensation.

### WESLEY G. MARSHALL, COMMISSIONER

**Commissioner Marshall** was appointed to the Commission in May 2012. He graduated from the University of Virginia with his B.A. with distinction in 1985 and his J.D. in 1988. From October 1988 to May 2012, Commissioner Marshall was in private practice for more than 23 years, primarily representing plaintiffs in workers' compensation, employment, and other related civil litigation.

### R. FERRELL NEWMAN, COMMISSIONER

**Commissioner Newman** was appointed to the Virginia Workers' Compensation Commission by the Virginia General Assembly during the 2013 session. Mr. Newman is a 1983 graduate from the Marshall Wythe School of Law and a 1979 graduate from the University of Richmond. His appointment followed a 30-year practice of law with a heavy concentration in workers' compensation.

The Commissioners appoint executive leaders, responsible for the day-to-day operations of the Commission. The Executive Director is responsible for leading the key administrative, financial and operational functions. The Chief Deputy Commissioner is in charge of leading the Commission's Judicial Department.

### EVELYN V. MCGILL, EXECUTIVE DIRECTOR

**Evelyn V. McGill** was selected by the Commissioners to serve in January, 2013. Prior to coming to the Commission, she had fourteen (14) year tenure with the City of Richmond's Police Department, as Deputy Chief of Administration and Executive Director. Executive Director McGill has also served as a senior administrator in various capacities, including Director and Vice President of Financial Affairs in the higher education arena, while starting her career in various local and state governments in administration, budgeting and finance. She is a native of Richmond, with a Master of Business Administration from Virginia Tech, a Master of Public Administration from the University of Pittsburgh, a Pre-Graduate Fellow at the University of Virginia and a Bachelor of Science from Virginia Commonwealth University.

### JAMES J. SZABLEWICZ, CHIEF DEPUTY COMMISSIONER

**James J. "Jim" Szablewicz** is the Chief Deputy Commissioner of the Virginia Workers' Compensation Commission and has been in that position since April 2004. In this capacity, he supervises the Judicial Department of the Commission, including the functions of the Commission's Clerk's Office, six Regional Offices and all of the Deputy Commissioners state-wide. Prior to becoming Chief Deputy Commissioner, Jim served as a Deputy Commissioner for two years, and was engaged in the private practice of law on Virginia's Eastern Shore for 11 years. Jim received his B.A. in Political Science from Yale University in 1984 and his J.D. from the University of Virginia School of Law in 1987. He has lectured extensively on workers' compensation issues and is a member of the Board of Directors of the National Association of Workers' Compensation Judiciary and is an active member of the Southern Association of Workers' Compensation Administrators (SAWCA).

The Commission has twenty-two Deputy Commissioners, who serve as administrative law judges and hold evidentiary hearings throughout the state to determine rights and liabilities of parties under the Act.

#### DEBORAH WOOD BLEVINS, DEPUTY COMMISSIONER

**Deborah Wood Blevins** is a 1980 honors graduate from Swarthmore College and a 1983 graduate of the University of Virginia School of Law. Formerly a partner in Gilmer, Sadler, Ingram, Sutherland, & Hutton, LLP in Pulaski, Virginia, she became a Deputy Commissioner with the Virginia Workers' Compensation Commission in 2004. Deputy Commissioner Blevins is a mediator certified by the Virginia Supreme Court and a mediator mentor. She is currently assisting with the expansion of the Alternative Dispute Resolution (ADR) Program within the Commission.

#### FREDRICK M. BRUNER, DEPUTY COMMISSIONER

**Frederick M. Bruner** joined the Virginia Workers' Compensation Commission as a Deputy Commissioner in the Alexandria Regional Office in 1995. He has been assigned to the Commission's Richmond Office since 1997. He is a 1972 graduate of Hampden-Sydney College and a 1975 graduate of the University of Virginia School of Law. He was an Assistant Attorney General for two years, and while in private practice for 18 years, he represented both claimants and defendants before the Commission.

### CHRISTEN W. BURKHOLDER, DEPUTY COMMISSIONER

**Christen "Chip" W. Burkholder** was appointed to serve as Deputy Commissioner to the Lebanon Regional Office on December 1, 2012. As a native of Bristol, Virginia, he graduated from Emory & Henry College with summa cum laude honors in 1984. Deputy Commissioner Burkholder received his Juris Doctor degree in 1988 from the University of Virginia School of Law. He was admitted to the Virginia Bar in 1988 and Tennessee Bar in 2000. Mr. Burkholder began his law career as a Trial Attorney with Woodward, Miles & Flannagan, P.C., from 1988-1996. From 1996 to 2012, he worked at his solo practice, Christen W. Burkholder, P.C. In addition, he has served as General Receiver for the Circuit Courts of Washington County and the City of Bristol, Virginia, from 2004 to 2012 and as a Special Justice (civil mental health involuntary hospitalization hearings) for the 28th Judicial Circuit from 2006 to 2012.

### CAROLYN COLVILLE, DEPUTY COMMISSIONER

**Carolyn Colville** is a 1973 graduate of the University of Minnesota and earned her law degree from the University of Richmond in 1976. She engaged in private practice from 1976 to 1979 during which time she argued a case at the United States Supreme Court. After working a year as a staff counsel at the Metropolitan Richmond Legal Aid, she was selected as the Commission's first female deputy commissioner in 1980. She opened the Alexandria Regional Office in 1981 and subsequently opened the Manassas Regional office in 2004.

#### JOHN COSTA, DEPUTY COMMISSIONER

**John Costa** received his undergraduate degree from VMI in 1975, his law degree from the University of Richmond in 1978, and was admitted to the Virginia State Bar later that same year. He thereafter served as a law clerk for the Commission, was in private practice, and was appointed a deputy commissioner in 1980. Deputy Commissioner Costa is currently the managing deputy of the Commission's Roanoke Regional Office.

### WILLIAM R. CULBRETH, DEPUTY COMMISSIONER

**William R. Culbreth** is a Deputy Commissioner in the Harrisonburg Regional Office of the Virginia Workers' Compensation Commission and is responsible for hearing cases in Harrisonburg, Staunton, and Winchester. He received his B.A. from Wake Forest University in 1984 and his J.D. from the T.C. Williams School of Law at the University of Richmond in 1990. Prior to joining the Commission in 1996, Deputy Commissioner Culbreth was in private practice in Richmond specializing in workers' compensation and medical malpractice issues. Deputy Commissioner Culbreth is also one of the Commission's mediators, an adjunct faculty member at Eastern Mennonite University and previously was an adjunct faculty member at James Madison University.

### SUSAN E. CUMMINS, DEPUTY COMMISSIONER

**Susan E. Cummins** is a Deputy Commissioner in the Fairfax Office of the Virginia Workers' Compensation Commission. She became a Deputy Commissioner with the Commission in 1990. Deputy Commissioner Cummins graduated from Georgetown University, receiving her Bachelor of Arts degree and becoming a member of Phi Beta Kappa in 1980. She earned her Juris Doctorate from George Washington University National School of Law in 1983. She became a member of the law firm of Ashcraft & Gerel in 1984, concentrating her practice in the area of workers' compensation, personal injury and medical malpractice litigation until joining the Commission in 1990.

### LYNNE M. FERRIS, DEPUTY COMMISSIONER

**Lynne M. Ferris** is a Deputy Commissioner and mediator for the Virginia Workers' Compensation Commission. She earned a Bachelor of Arts degree from the State University of New York at Geneseo in 1988 and a Juris Doctorate from Union University at Albany Law School in 1991. Ms. Ferris has been admitted to the Virginia, New York, and Connecticut Bars. She is a former clerk for the Department of Labor Office of Administrative Law Judges in Newport News, Virginia, and was engaged in the private practice of law in Norfolk, Virginia. Areas of practice included litigation under the Virginia Workers' Compensation Act, the Longshore and Harbor Workers' Compensation Act, as well as civil litigation. Ms. Ferris has been certified by the Virginia Supreme Court as a general mediator since 2001.

### ANGELA F. GIBBS, DEPUTY COMMISSIONER

**Angela F. Gibbs** was appointed to serve as Deputy Commissioner to the Richmond Office on September 25, 2013. Deputy Commissioner Gibbs received a Bachelor of Arts degree from Mary Washington College in 1997 and then received a Juris Doctor degree from George Mason University School of Law in 2000. For the next 13 years, she practiced almost exclusively in the area of workers' compensation, most recently with the firm of Midkiff, Muncie & Ross, P.C.

### ROBERT H. HERRING, JR., DEPUTY COMMISSIONER

**Robert H. Herring, Jr.,** has been a Deputy Commissioner for over twenty years. He served over seven years in the Office of the Attorney General, representing the Commonwealth in the appeal of criminal cases and litigating trial and appellate civil issues in the United Stated District Courts in Virginia and the United States Court of Appeals for the Fourth Circuit. He retired as a Colonel, Judge Advocate General's Corps, United States Army Reserve, after a twenty-three year legal career consisting of active duty and reserve assignments. Mr. Herring is a 1970 graduate of Washington and Lee University, a 1973 graduate of the University of South Carolina School of Law, and a 1977 graduate of the Georgetown University Law Center, where he earned the LLM degree.

### ROBERT M. HIMMEL, DEPUTY COMMISSIONER

**Robert M. Himmel** was appointed to serve as Deputy Commissioner to the Roanoke Regional Office on September 25, 2013. Deputy Commissioner Himmel earned a Bachelor of Arts degree from Mary Washington College and a Juris Doctor degree from the University of Richmond T.C. Williams School of Law. For 17 years, Mr. Himmel was engaged in the private practice of law, specializing in Virginia workers' compensation cases. During the past seven years, Mr. Himmel focused primarily on appellate litigation before the Virginia Workers' Compensation Commission and the Virginia Court of Appeals. While in private practice, Mr. Himmel lectured frequently and was voted by his peers to the Best Lawyers® in America publication.

### BROOKE ANNE C. HUNTER, DEPUTY COMMISSIONER

**Brooke Anne C. Hunter** graduated from the University of Virginia with a Bachelor of Arts degree in 1989. She earned her Juris Doctorate from T.C. Williams School of Law at the University of Richmond in 1998. Prior to law school, Deputy Commissioner Hunter represented the Dalkon Shield Claimants Trust in national and international arbitration hearings. Before joining the Commission in December 2008, Deputy Commissioner Hunter was a partner at Kalbaugh, Pfund & Messersmith, becoming a member of the firm in 1999 and concentrating her practice in the area of workers' compensation. She was first certified by the Supreme Court of Virginia as a mediator in 1994. Deputy Commissioner Hunter is a founding board member of Kids' Chance of Virginia, Inc., which was established in 2011.

### TERRY L. JENKINS, DEPUTY COMMISSIONER

**Terry L. Jenkins** is one of three Deputy Commissioners assigned to the Virginia Beach Regional Office of the Virginia Workers' Compensation Commission. He received his B.S.N. degree from Marquette University in 1998 and served as a Nurse Corps Officer in the United States Navy on active duty until 2002, and as a reservist until 2005. Mr. Jenkins received his Juris Doctorate from Regent University in 2004. After a 2 ½ year judicial clerkship at the United States District Court for the Eastern District of Virginia, Mr. Jenkins joined the firm of Huff, Poole, & Mahoney, P.C., in Virginia Beach, where he represented individual and corporate clients in civil litigation matters, with specialized focus on medical malpractice and workers' compensation litigation. In 2009, Mr. Jenkins joined the Virginia Beach City Attorney's Office where he represented the City of Virginia Beach's interests in a wide array of civil litigation matters until joining the Virginia Workers' Compensation Commission in July 2012.

### ANDREA W. LEE, DEPUTY COMMISSIONER

**Andrea W. Lee** has been a Deputy Commissioner for the Virginia Workers' Compensation Commission since 1992. In 1982, she graduated from Wayne State University in Detroit, Michigan. In 1985, she received her law degree from Wayne State University Law School. Before joining the Commission, she worked in the private and corporate sector in Michigan. In 1991, she was appointed Assistant Attorney General for the Commonwealth of Virginia.

### R. TEMPLE MAYO, DEPUTY COMMISSIONER

**R. Temple Mayo** joined the Commission in 1999 as the Director of the Claims Department and a Deputy Commissioner. He graduated from Virginia Commonwealth University and the T.C. Williams School of Law of the University of Richmond. He was formerly in the private practice of law in Richmond, Virginia.

### W. GEOVANNI MUNOZ, DEPUTY COMMISSIONER

**W. Geovanni Munoz** was appointed to serve as Deputy Commissioner to the Manassas Regional Office on September 25, 2013. As a native of El Salvador, Deputy Commissioner Munoz received his Bachelor of Arts degree with summa cum laude honors from Marymount University in 2003 and his Juris Doctor degree with cum laude honors from The Catholic University of America Columbus School of Law in 2006. Before his appointment as Deputy Commissioner, Mr. Munoz worked in the private sector and represented injured workers before the Commission for over six years.

### JOHN S. NEVIN, DEPUTY COMMISSIONER

**John S. Nevin** is a graduate of the George Washington University, and received his law degree from the Marshall-Wythe School of Law of the College of William and Mary. Prior to joining the Commission, he was in the private practice of law with firms in the District of Columbia and Norfolk, and practiced in the fields of personal injury, maritime, and state and federal workers' compensation law. Mr. Nevin became a Deputy Commissioner in the Harrisonburg Regional Office in 2001, and currently hears cases in the Fairfax regional office.

### P. RANDOLPH ROACH, JR., DEPUTY COMMISSIONER

**P. Randolph Roach, Jr**. received his bachelor's degree in 1982 from the University of Virginia and is a 1985 graduate of the T.C. Williams School of Law at the University of Richmond. Following graduation, he was admitted to practice in Virginia in 1985 and has dedicated his entire legal career to public service. Mr. Roach served as the first law clerk to the Honorable Norman K. Moon of the Court of Appeals of Virginia and was subsequently hired as an initial member of the Court's Staff Attorneys' Office. Mr. Roach joined the Commission as a Deputy Commissioner in 1993.

### JIMESE PENDERGRAFT SHERRILL, DEPUTY COMMISSIONER

**Jimese Pendergraft Sherrill** has been a Deputy Commissioner in the Manassas Regional Office of the Workers' Compensation Commission since 2008. She has been a certified mediator for the Commission since 2009, and has recently become certified as a mediator mentor. Before joining the Commission, Ms. Sherrill was in private practice for over 20 years. She began her career representing claimants, but ultimately specialized in workers' compensation defense. She also served as an Assistant City Attorney for the City of Portsmouth, Virginia, where she handled personal injury, employment and workers' compensation matters. While in private practice, she spoke at numerous seminars on workers' compensation. Ms. Sherrill graduated from Shippensburg University in 1984 and from the T. C. Williams School of Law, University of Richmond, in 1987.

### SUSAN R. STEVICK, DEPUTY COMMISSIONER

**Susan R. Stevick** is a graduate of Vassar College and received her J.D. from William and Mary. Ms. Stevick joined the Commission as a Deputy Commissioner in 1998.

### RANDOLPH P. TABB, JR., DEPUTY COMMISSIONER

**Randolph P. Tabb, Jr.** graduated from Hampden-Sydney College in 1970. He then spent four years in the United States Navy as a Naval Flight Officer. In 1977, he received his J.D. from the T.C. Williams School of Law of the University of Richmond. For a year, he served as clerk in Pulaski, Virginia, for Justice Alex M. Harman of the Virginia Supreme Court. He practiced for a short time in Roanoke and then returned to Richmond, where he continued his practice. Mr. Tabb joined the Commission as a Deputy Commissioner in 1991.

### LEE E. WILDER, DEPUTY COMMISSIONER

**Lee E. Wilder** is a graduate of the University of Virginia with a law degree from the Marshall-Wythe School of Law of the College of William and Mary. He was in the private practice of law practicing in the fields of personal injury, maritime, workers' compensation and Social Security disability law. Mr. Wilder left private practice to join the Commission as a Deputy Commissioner in the Virginia Beach Regional Office in 1993.

### **CLAIMS SERVICES**

### Ms. Vivian Guidt, Manager

The Claims Services Department responds to in-person inquiries, reviews and responds to incoming correspondence, claimant's' claims for benefits and requests for hearing, employer's applications for hearing, medical provider's applications and attorney's applications for hearing for attorney's fees from medical providers.

### CORRESPONDENCE MANAGEMENT

#### Mr. William Crawford, Manager

Correspondence Management is the centralized mail processing division of the Virginia Workers' Compensation Commission. The primary responsibilities of CMD are incoming mail, prepping and scanning documents, indexing and analysis, outbound mail, and document management.

### CRIMINAL INJURIES COMPENSATION FUND

#### Ms. Mary Vail Ware, Director

CICF serves as the state of Virginia's crime victim compensation program, providing relief in the form of reimbursement for medical expenses, lost wages, funeral expenses, relocation, counseling costs and other "necessary and reasonable" expenditures incurred by innocent victims of violent crime as well as payment of expenses associated with forensic evidence collection for victims of sexual assault within the Commonwealth, in accordance with the Compensating Victims of Crime Act.

### ELECTRONIC DATA INTERCHANGE (EDI) – QUALITY ASSURANCE

#### Ms. Stephanie Calhoun, Manager

The EDI Quality Assurance Department establishes and maintains the EDI standards for employers, carriers and claim administrators to report workplace accidents and related information to the Virginia Workers' Compensation Commission.

#### **FINANCIAL SERVICES**

#### Mr. Edward Rice, Chief Financial Officer

The Finance Department is responsible for all financial transactions for the Commission, including revenue collection, budget administration and purchasing.

#### HUMAN RESOURCES

#### Ms. Carolyn Cox, Manager

The Human Resources Department oversees an independent compensation plan, human resources policies, and performance assessment plans for our employees.

#### INFORMATION SERVICES

### Mr. R. Matthew Cole, Chief Information Officer

The Information Systems department supports all technology used by the Commission.

### COMMISSION DEPARTMENTS

### INFORMATION SECURITY OFFICER

#### Ms. Teresa Laster, Information Security Officer

The Information Security Officer is responsible for Information Security through development and management of the Commission's Information Security Program.

#### INSURANCE

#### Ms. Laura Collins, Manager

The Insurance Department is responsible for ensuring that employers required to insure for workers' compensation under the Act do so. It is also responsible for providing insurance services, monitoring professional employer organizations and ensuring insurance carrier compliance with the relevant provisions of the Act.

#### **OUTREACH SERVICES**

#### Mr. Charles Steepleton, Manager

The Outreach Services Department provides a variety of customer service-related functions for the Commission's various internal and external customers. The overall goal of the department is to assist customers, evaluate claims data to facilitate information sharing, as well as planning educational and outreach initiatives which will support the agency's mission.

### **PROJECT MANAGEMENT**

#### Mr. Chad Burns, Manager

The enterprise Project Management Office provides oversight over Commission projects, the Software Release process (SDLC), and support to the Executive Director in strategic planning for the Commission.

### ALTERNATIVE DISPUTE RESOLUTION

#### Mr. Alfred Bridger, Program Manager

The goal of Alternative Dispute Resolution is to provide the workers' compensation system with an expeditious and efficient alternative to litigation for the resolution of disputes.

### CLERK OF THE VIRGINIA WORKERS' COMPENSATION COMMISSION

### Ms. Marjorie Platt, Clerk

The Clerk's Office assists customers by responding to inquiries from parties, attorneys and other governmental agencies; responding to and issuing subpoenas; managing appeals to the full Commission and the Virginia Court of Appeals; managing claims made under the Birth-Related Neurological Injuries Compensation Act; and processing attorney *Pro Hac Vice* admission requests.

### AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

### ADMINISTRATION

- Developed and implemented the information systems security plan and training for VWC and its 285 employees.
- Established 2013 operating goals for each VWC unit on key service delivery functions.
- Improved compliance with Virginia Information Technologies Agency's (VITA) security requirements meeting 100% of the information security mandates.
- Planned and designed VWC security and parking requirements in response to the Washington Redskins Training Camp's 165,000+ visitors.

### HUMAN RESOURCES

- Conducted agency-wide salary study of all positions against other public state agencies to determine changes needed.
- Recruited and filled all positions in a timely manner; ensured benefits were properly communicated and assigned to each employee.
- Developed a new Deputy Commissioner pay structure plan, which improved salary adjustment methodology.
- Developed and implemented the program for Employee Appreciation Week, which provided special recognition and awards for VWC's outstanding employees and various activities throughout the year.

### FINANCIAL SERVICES

Developed an effective 2014 Adopted Tax Rates and Budget plan to meet the needs of the VWC and ensured a reasonable tax rate.

### JUDICIAL

- Established the Alternative Dispute Resolution (ADR) Program, to expedite the timely resolution of workers' compensation claims where appropriate.
- Adjudication of disputed claims for 2013 included:
  - 13,114 docket referrals
  - 4,979 opinions issued
  - 1,219 referrals to review docket
  - 1,473 review opinions issued

### INFORMATION SYSTEMS

- Reduced the major systems issues from 38 to 14 through enhanced teamwork between the Systems Analysts and Development staff and the software development life cycle process.
- Designed, tested, and implemented the agency's disaster recovery site, ensuring secure systems.
- Began review and modification of active directory requirements and system documentation enhancements.

### CLAIMS SERVICES

- Received 54,519 claims and applications filed with the Commission in 2013; maintained optimal levels of claim processing with minor backlogs.
- Established new contracts for the Uninsured Employer's Fund (UEF) attorney services for 12 firms, while also providing training to contracted firms on the UEF budget, case management, and payment process.

### EDI – QA

- Procured a new Electronic Data Interchange (EDI) vendor, improving data quality, reporting and timeliness of electronic filings.
- Conducted EDI training for 25
  Commission trading partners, explaining in detail the EDI process and requirements.
- Received 308,763 electronic filings of First Reports of Injury and 198,599 Subsequent Reports of Injury.

### CORRESPONDENCE MANAGEMENT

- Transitioned from contracted off-site storage to electronic storage of records resulting in streamlined file management and cost savings.
- Assisted greatly in the many administrative requirements for the Adjuster's Seminar and Attorney's Meeting.

### OUTREACH SERVICES

Received a total of 94,362 calls in 2013.

- Processed an average of 412 calls per day, 8,618 per month in the Customer Contact Center, with an average of six (6) minutes processing time per call.
- Conducted the Adjuster's Seminar and training for various partners at the Richmond Convention Center for 200 attendees on key workers' compensation issues.
- Conducted the Attorney's Meeting in Charlottesville, Virginia, for 150 attendees on key issues of concern for VWC's legal partners.
- Conducted research and requirements on content management website infrastructure and design; initiated design of new VWC website, with completion planned in 2014.

### PROJECT MANAGEMENT

- Researched, reviewed and evaluated several buildings as possible Richmond Headquarters sites for relocating agency operations.
- Reevaluated space needs of each VWC unit, planning for future growth in services and staffing in preparation for acquisition of a new Headquarters in Richmond, Virginia.
- Improved partnerships between the analysts and development staff, enhancing the CASPER release process, which resulted in major improvements in system modifications, enhancements and customer satisfaction. The effort resulted in a 36% reduction in newly reported issues compared to 2012.

### AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

- Researched and began development of finance system specifications and requirements.
- Designed, established and implemented the Insurance Call Center, receiving and managing an average of 3,000 monthly calls from the public regarding insurance-related issues.
- Validated and/or updated 48 business process maps for the Correspondence Management & Claims Services Departments.
- Provided oversight and management of the Electronic Data Interchange (EDI) vendor transition project.

### INSURANCE

- Reviewed 60,515 contractor's certificates of workers' compensation insurance.
- Verified 47,232 contractor's workers' compensation policies.
- Investigated 6,997 contractors for coverage compliance.
- Processed 6,344 informational and compliance letters to contractors.
- Issued 390 Orders to contractors to obtain coverage
- Verified 292 new contractor insurance policies, in addition to voluntary compliance.
- Enhanced insurance compliance efforts through various outreach, educational and legal remedies.

### ALTERNATIVE DISPUTE RESOLUTION

 The Commission expanded voluntary Alternative Dispute Resolution (ADR) Services including Settlement Mediation, Issue Mediation, and Facilitation. The ADR Department offers Orientation Sessions with services available by telephone conference and in person at multiple locations from Abingdon to Virginia Beach to Manassas.

# CRIMINAL INJURIES COMPENSATION FUND

- Paid out a total of \$4,459,448 in 3,224 compensation claims and 1,746 forensic exam claims and collected a total \$1,240,139 via fund development.
- Continued partnership with the Virginia Department of Criminal Justice Services and the University of Richmond to implement the Virginia Victim Assistance Academy. CICF provided both financial and staff support in 2013 to ensure the Academy's ongoing success.
- Facilitated 42 CICF presentations to a total of 1,253 participants – these audiences included victim advocates, law enforcement officers, emergency managers, forensic nurses, prosecutors, judges, and other allied professionals.
- Sponsored statewide Family Assistance Center training in partnership with the Virginia Department of Emergency Management to increase statewide capacity for victim response after a mass casualty incident.
- Co-sponsored Director's Training and Strangulation Institute in partnership with the Virginia Sexual and Domestic Violence Action Alliance.

### AGENCY HIGHLIGHTS AND PROCESS IMPROVEMENTS

- Developed and began piloting a payment program for HIV post-exposure prophylaxis.
- Developed and presented webinars on the SAFE payment program to forensic nurses and other hospital personnel.
- Partnered with VDEM to provide incident planning and training to local emergency managers.
- Invited to provide technical assistance to USDOJ on its mass casualty response checklist.
- Sponsored and coordinated Crisis Response Team (CRT) training provided by the National Organization of Victim Assistance (NOVA) in order to maximize the number of allied professionals trained throughout the Commonwealth to respond to mass casualty crime incidents and other emergencies requiring coordinated community response. New CICF staff and 30

additional advocates, including victim/witness assistance program staff, law enforcement, and mental health practitioners, participated in this 24hour training in February 2013 in Williamsburg.

Responded on-site at New River Community College in April 2013 after a school shooting. CICF staff and other crisis response team members assisted victims with CICF filing and accessing other needed resources in conjunction with the local victim/witness assistance program and provided technical assistance to school administration with regard to victim services.

### ALTERNATIVE DISPUTE RESOLUTION (ADR)



Pictured left to right: Ms. Deborah Blevins, Deputy Commissioner of ADR and Mr. Alfred Bridger, ADR Program Manager

Alternative Dispute Resolution ("ADR") processes are alternative methods of helping people resolve legal problems before going to court. ADR involves an independent third person, called a "mediator" who tries to help resolve or narrow the areas of conflict. The use of ADR early in a case can result in the more efficient, cost-effective resolution of disputes with greater satisfaction to the parties.

In ADR, the parties are empowered to make their own decisions. Mediators certified by the Supreme Court of Virginia facilitate the parties' discussion, provide guidance through the process in identifying each party's interests, and assist the parties in determining creative solutions for possible settlements. Parties retain control over the outcome. There is no cost when a workers' compensation mediator serves as the neutral party. Other potential benefits of ADR include:

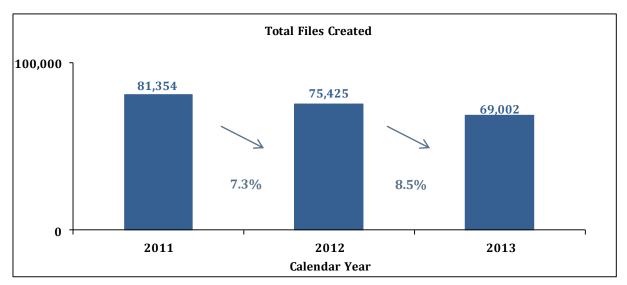
- Informal sessions
- Open communication between the parties
- Efficient resolution of claims
- Confidentiality

The ADR Department schedules mediation sessions and provides facilitation services upon request of the parties or upon referral from a Deputy Commissioner. In 2012, the Alternative Dispute Resolution Department conducted 213 ADR sessions; in 2013 the ADR Department conducted 410 sessions, an increase of 93%. During 2013, Issue Mediations and Facilitations resulted in resolution of all or some of the issues in 91.5% of those claims.

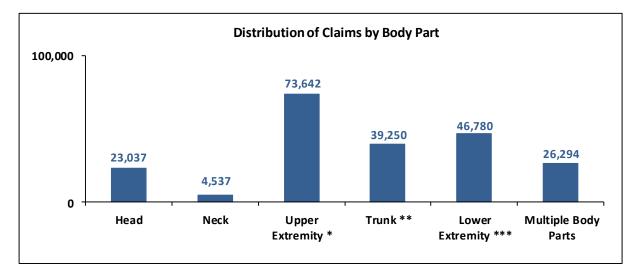
Issues commonly referred to ADR: 714(b) fees, COLA, credit, average weekly wage, mileage, return to work, vocational rehabilitation, medical bills, body parts, PPD, wage loss, and medical treatment.

### Figure 1: Files Created

A total of 69,002 First Reports of Injury (FROIs) were received by the Commission for major accidents sustained in 2013. The accident reports were collected via electronic data interchange, or EDI, and housed in our claims processing system.



Figures based on First Report of Incident (FROI) data for major workplace accidents



### Figure 2: Files Created

\* Upper Extremity includes hand, arm wrists, etc.

\*\* Trunk includes back, chest, lungs, etc.

\*\*\* Lower Extremity includes leg, foot, ankle, etc.

### Figure 3: Accident Counts by Virginia Jurisdictions

Accident Counts by Virginia Jurisdictions			
Jurisdiction	Accident Count	Jurisdiction	Accident Coun
Fairfax	4,756	Danville City	38
Richmond City	2,863	Smyth	38
Virginia Beach City	2,675	Rockingham	37
Norfolk City	2,383	Goochland	36
Henrico	2,248	Staunton City	36
Loudoun	1,986	Pulaski	35
Chesapeake City	1,922	Culpeper	33
Chesterfield	1,888	Fauquier	33
Prince William	1,660	Fredericksburg City	33
Fairfax City	1,534	Martinsville City	29
Newport News City	1,469	Halifax	26
Roanoke City	1,346	Wise	25
Arlington	1,274	Colonial Heights City	25
Charlottesville City	1,136	Amherst	25
Lynchburg City	1,037	Wythe	25
Alexandria City	882	Shenandoah	24
Hampton City	864	Tazewell	21
James City	757	Orange	20
Montgomery	756	Warren	20
Hanover	699	Franklin	20
Harrisonburg City	649	Isle of Wight	20
Albemarle	643	Norton City	19
Petersburg City	593	Waynesboro City	19
Portsmouth City	545	Radford City	19
Roanoke	545	Williamsburg City	18
Spotsylvania	512	York	18
Stafford	508	Lexington City	17
Frederick	492	Mecklenburg	17
Winchester City	488	Bedford	16
Suffolk City	451	Gloucester	15
Manassas City	442	Prince Edward	15
Washington	431	Nottoway	15
Augusta	401	Prince George	15
Salem	400	Accomack	14

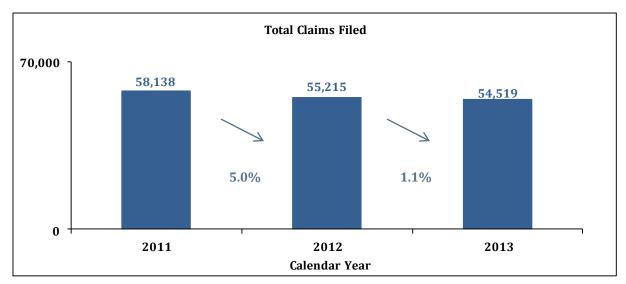
Jurisdiction	Accident Count	Jurisdiction	Accident Cour
Galax City	145	Bland	
Northampton	143	Powhatan	!
Hopewell City	142	Buckingham	
Buchanan	132	Scott	
Bristol	128	Rockbridge	!
Russell	128	Brunswick	!
Pittsylvania	126	Greene	!
Botetourt	125	Lee	!
Campbell	120	Charlotte	!
Sussex	115	Bath	
Covington City	106	Westmoreland	!
Caroline	102	Madison	4
Louisa	94	Dickenson	
Greensville	93	Middlesex	
Bedford City	92	Grayson	:
Nelson	92	Buena Vista City	:
Emporia City	90	Rappahannock	:
Falls Church City	90	Appomattox	:
Giles	88	Floyd	:
Page	86	Northumberland	:
Franklin City	83	Lunenburg	:
Patrick	80	Cumberland	:
Richmond	76	Alleghany	:
King George	72	Amelia	:
Carroll	70	Clifton Forge City	:
New Kent	70	King and Queen	:
Fluvanna	67	Surry	
Southampton	65	Mathews	
Lancaster	64	Poquoson City	
Essex	62	Charles City	
King William	61	Highland	
Dinwiddie	61	Craig	
Clarke	60	Manassas Park City	

Figures based on First Report of Incident (FROI) data for major workplace accidents

### Figure 4: Filed Claims

Employees may file claims for compensation with the Commission if they believe they are not receiving benefits to which they are entitled under the Virginia Workers' Compensation Act. The employee or employee's attorney may file a Request For Hearing to pursue a claim through the Virginia Workers' Compensation Commission hearings process.

In 2013, the Commission received 54,519 claims. This is a 1.1% decrease from the number of claims filed in 2012.



Figures based on number of forms filed with the Commission seeking benefits.

### Figure 5: Hearings Related Metrics

The Judicial Department of the Commission is responsible for the resolution of disputed workers' compensation matters. There are 3 Commissioners, 1 Chief Deputy Commissioner, 22 Deputy Commissioners and administrative staff who adjudicate workers' compensation disputes across the Commonwealth. The workers' compensation judges conduct hearings in disputed matters and render reasoned decisions in a timely manner. Deputies also provide alternative dispute resolution services in contested matters.

HEARINGS RELATED METRICS					
Year	Docket Referrals	Opinions Issued	Referrals to Review Docket	Review Opinions Issued	Appeals to the Court of Appeals
2010	12,982	4,105	1,235	1,201	137
2011	13,204	4,710	1,392	1,045	158
2012	13,680	5,205	1,341	973	116
2013	13,114	4,979	1,219	1,473	195

Source: Commission claims processing system.

### Figure 6: Customer Contacts

The Customer Contact Center provides outreach services to Commission customers. Customers include inured employees, employers, insurers, health care providers and attorneys. The unit maintains a toll-free number for parties to call with questions relating to their workers' compensation claim.

Calls on the toll-free line have seen a 7% decrease from 2012. Customer Contact Center agents handled a total of 94,362 calls in 2013.

COMMISSION CUSTOMER CONTACTS				
Year	2010	2011	2012	2013
	91,056	103,336	101,154	94,362

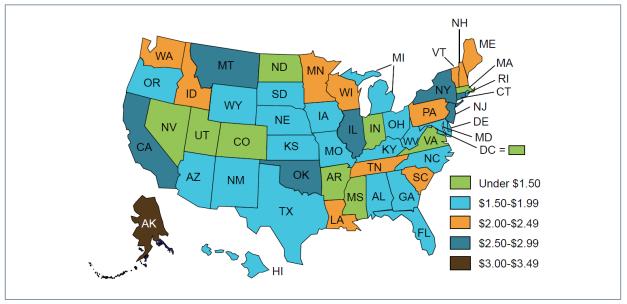
Source: Cisco phone system

### Figure 7: 2012 Workers' Compensation Premium Rate Ranking

Virginia employers in the voluntary market pay, on average, the 4th lowest workers' compensation premium rates in the nation. Virginia rates are 37% below those of the median state in the study.

Premium rate indices are calculated based on data from 51 jurisdictions, for rates in effect as of January 1, 2012. Virginia's premium rate index is \$1.20 per \$100 of payroll, or 64% of the national median. National premium rate indices range from a low of \$1.01 in North Dakota to a high of \$3.01 in Alaska. One jurisdiction has an index rate in the \$3.00-\$3.49 range; 7 are in the \$2.50-\$2.99 range; 11 are in the \$2.00-\$2.49 range; 22 are in the \$1.50-\$1.99 range; and 10 have indices under \$1.50.

While Virginia workers' compensation insurance rates are among the lowest nationwide, employers can reduce their workers' compensation rates even further through accident prevention, safety training, and by helping injured workers return to work quickly.



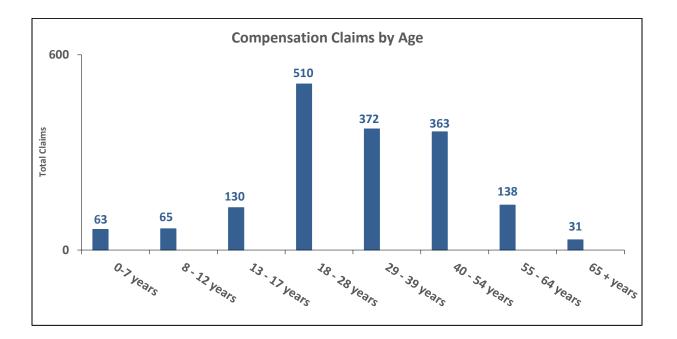
Source: Research and Analysis Section, Oregon Department of Consumer and Business Services (Rev. 10/12). Note: 2012 premium rate indices are calculated based on rates in effect as of January 2012.

### Figure 8: Crime Victim Compensation Claims

CRIME VICTIM COMPENSATION CLAIMS FILED			
	2011	2012	2013
New Claims Received	1694	1771	1672
Claim Awards	1294	1517	1718
Claim Denials	603	615	552
Total Amount Awarded	\$2,011,168	\$2,673,842	\$3,058,772

Source: CICF claims processing system.

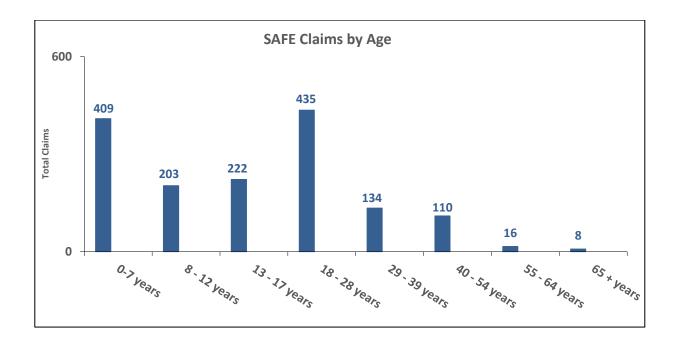
LARGEST EXPENSE OUTLAYS (BY DOLLARS PAID OUT)	MOST FREQUENT CRIME CATEGORIES	MOST COMMON REFERRAL SOURCES	
1. Funeral Expenses	1. Assault (non-domestic)	1. Victim/Witness Assistance Programs	
2. Hospital Expenses	2. Homicide	2. Police/Sheriff's office	
3. Physician Expenses	3. Assault (domestic)	3. Commonwealth's Attorney's office	
4. Wage Loss	4. Child Sexual Abuse	4. Medical Provider	
5. Transportation	5. Robbery	5. Funeral Home	



### Figure 9: Sexual Assault Forensic Exam (SAFE) Claims

SEXUAL ASSAULT FORENSIC EXAM (SAFE) CLAIMS			
	2011	2012	2013
New Claims Received	1674	1604	1537
Total Amount Awarded	\$1,599,013	\$1,492,950	\$1,400,676

Source: CICF claims processing system.



EXPENSE OUTLAYS IN SAFE CLAIMS		
Hospital Expenses	\$1,059,779	
Physician Expenses	\$318,155	
Prescriptions	\$21,704	
Transportation	\$1,038	

### **REVENUES/EXPENDITURES**

# Fiscal Year 2013 (July 1, 2012 – June 30, 2013)

The Commission collects an assessment from licensed workers' compensation insurers and self-insurers to support its operating budget as well as that of the Uninsured Employer's Fund (UEF). For fiscal year 2013, the total assessment and collection was \$35,181,412. Fiscal year 2013 operating expenditures for the Commission totaled \$26.9 million and \$4 million for the UEF. Approximately 71.5% of these expenditures provided for the Commission's FY13 allotment of 247 full-time salaries, 19.5% for contractual services that includes communications, postage, travel and computer software/hardware maintenance contracts, 5% for supplies and equipment and 4% for fixed costs that includes lease agreements and lease escalations. For FY13 the Commission had a \$10 million capital outlay appropriation of fund balance for the acquisition of a new Richmond headquarters. This was recently increased to \$20 million for 2014.

The Criminal Injuries Compensation Fund (CICF) revenues for fiscal year 2013 totaled \$7.4 million. Revenue sources are court costs \$2.9 million, restitution \$1.1 million, transfers from Judicial Branch \$1.9 million and a federal grant of \$1.5 million. Fiscal year 2013 expenditures totaled \$6.4 million. Benefit payments to victims comprise 68.9% of the expenditures with the balance supporting administrative costs of 19 full-time salaries, information systems, office rental, supplies and equipment.

### Administrative Changes

#### Effective July 1, 2013:

- Maximum Compensation Rate: \$955
- Minimum Compensation Rate: \$238.75

### Effective October 1, 2013:

• COLA Rate: 1.7%

### **REGULATORY/LEGAL UPDATE**

### 2013 APPROVED LEGISLATION

#### HB 1305

#### Workers' compensation; injuries presumed to be in course of employment, unless evidence to contrary.

Revises the provision enacted in 2011 that created a presumption, in the absence of a preponderance of evidence to the contrary, that an injury is work related if an employee is physically or mentally unable to testify and there is unrebutted prima facie evidence that the injury was work related. This measure clarifies that where the factual circumstances are of sufficient strength from which the only rational inference to be drawn is that the accident arose out of and in the course of employment, it shall be presumed the accident arose out of and in the course of employment, unless such presumption is overcome by a preponderance of competent evidence to the contrary.

#### HB 1347

Workers' compensation; weather as risk of public safety officer's employment, injuries incurred.

States that an injury to a public safety officer in situations where weather constitutes a particular risk of his employment shall be compensable where the injury arose out of and in the course of his employment. This bill is identical to SB 896.

### HB 1656

Administrative provisions: offices, meetings, travel, salary, and expenses.

The Commission shall be provided with adequate offices in the Capitol or in some other suitable building in the Commonwealth, in which the records shall be kept and its official business transacted during regular business hours. The Commission shall also be provided with necessary office furniture, stationery, and other supplies.

### HB 1705

Criminal Injuries Compensation Fund; written notice, liability for reasonable charges for services.

Provides that the Fund has a lien on a victim's claim if an award was made from the Fund. The bill also provides that if the defendant pays restitution, and the Fund has made any payments for expenses included in the restitution order, then at the request of the Fund, the entity collecting the restitution must, upon presentation of a written request, pay as much of the restitution collected to the Fund as will reimburse the Fund for its payments.

### HB 1733

# Workers' compensation; peer review of services rendered by physicians.

Allows any party to a dispute regarding medical treatment or services that has been referred to a peer review committee to have the matter remanded to the Workers' Compensation Commission if the matter has not been resolved within six months of its referral. A case remanded to the Commission shall not be re-referred to a peer review committee.

### INTERNATIONAL ASSOCIATION OF INDUSTRIAL ACCIDENT BOARDS (IAIABC)

The International Association of Industrial Accident Boards and Commissions (IAIABC) All Committee Conference was held in San Diego, California on September 30 – October 3, 2013. The annual meeting brought together jurisdictional and corporate managers to participate in committee discussions and information-sharing. Committees addressed specific topics in workers' compensation and provided a forum for attendees to share challenges with peers facing the same issues. Commissioner Roger L. Williams was a featured panelist for the breakout session "Medical *Treatment Disputes: A Debate on Independent Medical Review.*" The panel discussed challenges with resolving disputes about medical issues across jurisdictions. Executive Director Evelyn McGill serves on the Executive Committee and on the Education Sub-Committee. Ms. Laura Collins, Esq., Insurance Manager serves on the Regulations Committee. Ms. Stephanie Calhoun, EDI Quality Assurance Manager, serves on the Claims Committee, Mr. Paul Baitinger, Assistant Chief Information Officer, serves on the XML Committee and Mr. Charles Steepleton, Manager Outreach Services, serves on the 2014 Centennial Planning Committee. On October 31, 2013, Chief Deputy Commissioner Jim Szablewicz was a copresenter in a webinar on firefighter cancer presumptions sponsored by the IAIABC and the NAWCJ.

#### SOUTHERN ASSOCIATION OF WORKERS' COMPENSATION ADMINISTRATORS CONFERENCE (SAWCA)

The 65th annual conference of the Southern Association of Workers' Compensation Administrators (SAWCA) was held at the Don CeSar Hotel in St. Pete Beach, Florida, on July 15-19, 2013. The Commissioners were involved in moderating several educational segments of the conference. Currently, Commissioner Williams serves as President-Elect of the Association.

#### JOINT ALTERNATIVE DISPUTE RESOLUTION COMMITTEE OF THE VIRGINIA STATE BAR/VIRGINIA BAR ASSOCIATION

Deputy Commissioner Deborah Wood Blevins served as a member of the Council of this Committee. In October 2013, <u>The Virginia</u> <u>Lawyer</u>, a Virginia State Bar publication, published an article written by Deputy Commissioner Blevins entitled, "ADR in the Workers' Compensation Commission."

# VIRGINIA SELF-INSURANCE ASSOCIATION, INC. (VSIA)

The Virginia Self-Insurers Association, Inc. (VSIA) was organized in 1992 as a non-profit corporation to promote the principles of sound and beneficial self-insurance under the workers' compensation laws applicable to Federal and State workers' compensation in Virginia. VSIA is the only organization in Virginia that on a fulltime basis represents the interests of self-insured employers (both public and private) in the workers' compensation arena. At this bi-annual meeting Commissioners provide updates on agency operations, statistics, and case law.

# INDEPENDENT INSURANCE AGENTS OF VIRGINIA (IIAV)

Independent Insurance Agents of Virginia (IIAV) gives their members the support they need to achieve success in a highly competitive insurance marketplace including updates on Workers' Compensation issues. Laura Collins, Esq., Manager of Insurance at the Commission, partners with IIAV to provide insurance agent education as well as guidance and support to agents with workers' compensation policy questions.

#### SOUTHWEST VIRGINIA WORKERS' COMPENSATION BAR ASSOCIATION

In June 2013, Deputy Commissioner Blevins attended the Annual Meeting of the Conference of Local Bar Associations of the Virginia State Bar to accept an Award of Merit on behalf of the Southwest Virginia Workers' Compensation Bar Association. This Award was presented to the SVWCBA by Commissioner Newman on July 12, 2013.

# COLLEGE OF WORKERS' COMPENSATION LAWYERS

The College of Workers' Compensation Lawyers was established to honor those attorneys who have distinguished themselves in their practice in the workers' compensation field. Members have been nominated for the outstanding traits they have developed in their practice of twenty years, or longer, representing plaintiffs, defendants, serving as judges, or acting for the benefit of all in education, overseeing agencies and developing legislation. The Commission is pleased to announce Commissioner Roger L. Williams and Chief Deputy Commissioner James J. Szablewicz have been nominated as Fellows into the college. Their induction takes place in March 2014.

# WORKERS' COMPENSATION RESEARCH INSTITUTE (WCRI)

The Workers Compensation Research Institute (WRCI) is an independent, not-for-profit research organization providing high-quality, objective information about public policy issues involving workers' compensation systems. Organized in late 1983, the Institute provides information obtained through studies and data collection efforts, which conform to recognized scientific methods. Objectivity is further ensured through rigorous, unbiased peer review procedures. In 2013 the Commissioners sat on the Institute's Advisory Committee.

### APPALACHIAN SCHOOL OF LAW, ABINGDON VIRGINA

In August 2013, Deputy Commissioner Deborah Wood Blevins spoke on *ADR & Mediation in the Commission* at a continuing legal education course sponsored by the Appalachian School of Law in Abingdon, Virginia.

### VIRGINIA TRIAL LAWYERS ASSOCIATION (VTLA)

The Virginia Trial Lawyers Association (VTLA) is dedicated to enhancing the knowledge, skills and professionalism of trial lawyers and committed to improving the law and the fairness of Virginia's system of justice. VTLA conducts a variety of continuing legal education seminars throughout the Commonwealth for trial lawyers and their support staff designed to enhance competency and provide currency in the law. In 2013, the Commissioners conducted a review of recent cases with VTLA participants at meetings across the Commonwealth.

### VIRGINIA ASSOCIATION OF DEFENSE ATTORNEYS (VADA)

The mission of the Virginia Association of Defense Attorneys (VADA) is to assist Virginia attorneys in the professional and ethical representation of their clients in civil litigation through education, communication and fellowship. In 2013, the Commissioners conducted a review of recent cases with VADA participants at meetings across the Commonwealth.

### VIRGINIA COMMONWEALTH CONTRACTORS GROUP SELF-INSURED ASSOCIATION

Commonwealth Contractors has been owned and operated by Virginia Contractors since 1981 providing the Virginia construction industry with a profitable and unique way to manage their workers' compensation costs. In October 2013, Commissioner Wesley G. Marshall presented "Virginia Workers' Compensation: An Overview and Update" during their October meeting.

# WORKERS' COMPENSATION DEFENSE INSTITUTE

Workers' Compensation Defense Institute is an alliance of leading US law firms that dedicate considerable experience to the representation of employers and carriers in the area of workers' compensation. In August 2013, Commissioner Wesley G. Marshall presented "Virginia Workers' Compensation: An Update on Virginia Law" during the WCI National Conference held in Orlando, Florida.

# VIRGINIA CONTINUING LEGAL EDUCATION (CLE)

Virginia CLE provides seminars and publications for new lawyers, general practitioners, and attorneys wanting advanced or specialized information. The Commission participates in the education process of this organization by presenting Workers' Compensation topics to attorneys to receive continuing legal education credits.

#### NATIONAL ASSOCIATION OF WORKERS' COMPENSATION JUDICIARY, INC (NAWCJ)

The mission of the association is to provide educational forums for the workers' compensation judiciary concerning issues that are unique to this system of justice. Emphasis is placed on providing an educational source and national forum that will enhance the ability of workers' compensation judges on a national scale to deal with a commonality of issues, regardless of the substantive laws of the different states. During 2013, staff from our Judicial Department spoke at the conference, served on the Curriculum Committee, moderated panel discussions, held a seat on the Virginia Advisory Committee and judged the National Moot Court Competition.

### ATLANTIC COAST LABOR MANAGEMENT CONFERENCE

This conference, hosted by the Conference Board and the Federal Mediation & Conciliation Service, was held October 23 - 25, 2013 at the Hilton Myrtle Beach Resort in Myrtle Beach, South Carolina. The mission of the Conference was to establish a forum to present and share information, programs, and ideas with employees, employers, labor organizations, educators, state agencies, federal agencies, thirdparty neutrals, and others who are interested in promoting the economic well-being, free flow of commerce, and progressive Labor-Management relationships within the Carolinas and Virginia. At the 2013 conference, Commissioner Wesley G. Marshall presented "Virginia Workers' Compensation: An Overview and Update" to attendees.

### VIRGINIA EMPLOYMENT COMMISSION (VEC)

The Virginia Employment Commission (VEC) is a state agency that provides services to the business and employer community. One of the many valuable services it provides across the Commonwealth is Employer Conferences, consisting of a range of seminars on topics of interest to employers. Laura Collins presented

### COMMISSION PARTNERSHIPS AND OUTREACH

workers' compensation insurance seminars at several VEC seminars in 2013.

#### VICTIM SERVICES TRAINNG

CICF presented at regional victim services trainings on crime victim compensation and mass casualty response in Abingdon and Hampton. Training was given to regional Sexual Assault Response Teams (SART) and Advanced Program Management, all hosted by the Department of Criminal Justice Services (DCJS).

### HUMAN TRAFFICKING TRAINING

In April and May, the Office of the Attorney General hosted regional training in Staunton and Fredericksburg for victim service providers on issues related to Human Trafficking. CICF staff presented sessions at both regional training entitled "Financial Resources and Compensation for Victims."

### SOUTHWEST VIRGINIA BAR ASSOCIATION

In July 2013, Commissioner Newman presented the Award of Merit to the Southwest Virginia Bar Association. Commissioner Newman spoke regarding his experiences in 30 years of practicing workers' compensation law.

### J. SARGEANT REYNOLDS COMMUNITY COLLEGE

The American Bar Association approved the Paralegal Studies program at J. Sargeant Reynolds Community College. The program prepares individuals to perform as legal assistants or paralegals under the supervision of an attorney. In April 2013, Mr. David Bennett from Outreach Services and Ms. Nancy Truman, Chairman Williams' Assistant, met with paralegal students and faculty to provide a demonstration and overview of the Commission's WebFile system for Attorneys.

#### DEPARTMENT OF CRIMINAL JUSTICE SERVICES AND UNIVERSITY OF RICHMOND

In July 2013, the Criminal Injuries Compensation Fund partnered with DCJS and University of Richmond for the sixth year to sponsor the Virginia Victim Assistance Academy to help raise the caliber of services available to victims of crime across the Commonwealth. Executive Director Evelyn McGill brought greetings on behalf of VWC to the attendees, recognizing their efforts on behalf of victims of crime and ensuring their awareness of VWC's CICF resources.

### AMERICAN PAYROLL ASSOCIATION (RICHMOND CHAPTER)

The American Payroll Association is the leading advocate for the advancement of payroll

professionals and a catalyst for connecting the payroll industry with employers and government. Their vision is to create opportunities and forge a community by providing the education, skills, and resources necessary for payroll professionals to become successful leaders and strategic partners within their organizations. In August 2013, Ms. Vivian Guidt, Claims Services Department Manager, gave an overview of the Workers' Compensation system in the Commonwealth of Virginia.

### HIGHLANDS NEUROSURGERY

In November 2013, Commissioner Newman was a guest speaker at the Highlands Neurosurgery workers' compensation seminar held in Bristol, Tennessee. He spoke on the role physicians play in workers' compensation claims.

# NATIONAL ASSOCIATION OF PROFESSIONAL EMPLOYER ORGANIZATIONS

The National Association of Professional Employer Organizations (NAPEO) was formed in 1984 as the national trade association for the PEO industry. NAPEO's vision is to represent an industry that is well-recognized and widely acknowledged as providing a valuable employer service to the United States business community. Insuring through a PEO is one of the ways an employer can insure for workers' compensation in Virginia. NAPEO has 350 PEO members operating in all 50 states. In December Laura Collins was a guest speaker at the NAPEO Mid-Atlantic Leadership Council meeting.

### 2013 ADJUSTER'S SEMINAR AND ATTORNEY'S MEETING



Pictured left to right: Ms. Evelyn McGill, Executive Director; Mr. James Szablewicz, Chief Deputy Commissioner; Commissioner Roger L. Williams, Commissioner Wesley G. Marshall and Commissioner R. Ferrell Newman

#### **2013 ADJUSTER'S SEMINAR**

The Commission hosted its annual Adjuster's Seminar at the Richmond Convention Center from September 17-18, 2013 to provide workers' compensation information to insurance carriers, claims adjusters, third-party administrators, EDI professionals, and self-insured employers. With over 200 stakeholders in attendance, the seminar featured numerous informational sessions, panel discussions, workers' compensation overviews, and technical-related sessions. Richard Pimentel, one of the nation's leading experts on disability management, served as the keynote speaker. The Commission developed a mobile website, the first ever of its kind, providing the attendees with up-to-date information on the agenda, curriculum, speaker information and various other pertinent discussions.

#### **2013 ATTORNEY'S MEETING**

An Attorney's Meeting was held at the Charlottesville Double Tree hotel on October 16, 2013. Over 160 attorneys practicing law before the Commission attended this day-long educational opportunity. Sessions included mediation and other forms of alternative dispute resolution, ethical issues, changes in pre-hearing procedures, and other Commission processes. In addition, an interactive "Town Hall" style Q&A with Commissioners, Deputy Commissioners and various VWC managers was conducted.

The Commission received positive feedback from both events and planning is currently underway for the 2014 Adjuster's Seminar and Attorney's Meeting.

### THE WAY FORWARD

### **2014 INITIATIVES**

### Virginia Workers' Compensation Commission Headquarters

The Commission is evaluating multiple office buildings in the Richmond, Virginia, area to house all operations in a central location.

### New Virginia Workers' Compensation Commission Website

A new VWC website will be launched by 2<sup>nd</sup> quarter 2014. The new site is customer focused and allows for easier navigation to important workers' compensation information.

# Update Virginia Workers' Compensation Commission Policies

An internal review of policies will be conducted by agency leadership members. Policies will be modified based upon current operations and future outlook.

# Begin Design Plan For Virginia Workers' Compensation's Strategic Plan

The goal of the Commission's strategic plan is to communicate with the agency the organization's goals, the actions needed to achieve those goals and all of the other critical elements developed during the planning exercise.

# Continue Automation Plans and Organizational Design (i.e., Paperless Project expansion, ADR design).

The Commission will review core business processes where automation can produce efficiency gains and reduce operating costs. A review of organizational design will assist in enhancing services for our customers.

#### > Increase Training To Various Customers

The Commission will continue to host seminars, meetings and outreach events to educate our customers on Commission policies, processes, operations and legislation.

### Increase and Clarify Public Education, Print Materials and Web Presence.

The Commission will partner with organizations in the workers' compensation industry to extend its brand through training opportunities, media publications and its new website.

### Increase Communication To All Employees At All Levels Of The Organization.

Communication is a critical function in the agency. The Commission will foster communications with its employees by communicating purposefully and focusing on results and relationships.

# > Continue Offering Alternative Dispute Resolution to Customers.

The Commission is continuing to encourage customers to resolve claims through mediation and facilitation.

### **REMINDERS AND TIPS**

# From Our Outreach Services Department: *Take advantage of our online services!*



*WebFile* is an internet-based service offered to our customers (the parties in a workers' compensation claim) to facilitate their official and authorized business with the Virginia Workers' Compensation Commission.

Eligible subscribers may sign and file forms, obtain claim information and view appropriate claim documents. Each service (i.e. attorneys, claimants, small volume filers, Professional Employee Organizations etc.) is provided specific information and requirements based on the WebFile's subscriber role in a workers' compensation claim. Health Care providers have no online services at this time.

### From Our Claims Services Department:

The purpose of the *Cost of Living Adjustment* (COLA) is to ensure, as much as possible, that the value of compensation benefits paid under the Virginia Workers' Compensation Act does not diminish due to inflation. COLA rates change yearly and are effective October 1 of each year. The COLA rate chart can be found on the Commission's website at <u>www.workcomp.virginia.gov</u>.

The combined compensation rate and Social Security disability benefit may affect a claimant's entitlement to COLA. The combined weekly compensation rate and weekly Social Security disability benefit cannot exceed 80% of claimant's established pre-injury average weekly wage. The net Social Security earnings, after deducting monthly Medicare payments, should be used when performing these calculations. Social Security retirement benefits do not affect a claimant's entitlement to COLA.

The *COLA/Benefits Calculator* and download instructions can be accessed from the homepage of the Commission's website at: <u>http://www.workcomp.virginia.gov</u> under *VWC Departments/Claims Services Department (CSD)* and then *CSD Resources*. Watch the "revise" date as program changes occur once a year.

### CONTACT INFORMATION

### Main Office:

Virginia Workers' Compensation Commission 1000 DMV Drive Richmond, Virginia 23220 (877) 664-2566 Email: <u>Questions@workcomp.virginia.gov</u> workcomp.virginia.gov

**Commissioners:** Chairman Roger L. Williams, Commissioner 804-205-3135

Wesley G. Marshall, Commissioner 804-205-3127

R. Ferrell Newman, Commissioner 804-205-3129

**Executive Director's Office:** Evelyn V. McGill, Executive Director 804-205-3060

Judicial Department James J. "Jim" Szablewicz, Chief Deputy Commissioner 804-205-3097

Marjorie Platt, Clerk of the Commission 804-205-3569

**Claims Services Department** Vivian R. Guidt, Manager 804-205-3050

**Insurance Department** Laura Collins, Manager 804-482-5304

**Alternative Dispute Resolution Department** Deborah W. Blevins, Deputy Commissioner 804-205-3050 **Financial Services** Edward P. Rice, Chief Financial Officer 804-205-3186

**Criminal Injuries Compensation Fund** Mary Vail Ware, Director 804-205-3804

Human Resources Carolyn Cox, Manager 804-205-3064

**Purchasing and Operations** Bruce Harris, Supervisor 804-205-3062

**Information Services** R. Matthew Cole, Chief Information Officer 804-205-3525

**EDI Quality Assurance** Stephanie Calhoun, Manager 804-205-3104

**Outreach Services Department** Charles Steepleton, Manager 804-205-3578

**Project Management Office** Chad Burns, Manager 804-205-3168

**Correspondence Management Department** William Crawford, Manager 804-205-3196

**Self-Insurance Program** Judy Brooks, Coordinator 804-205-3599

### CONTACT INFORMATION

### **Hearing Sites:**

#### Fairfax Regional Office

Prosperity Plaza 3020 Hamaker Court, Suite 100 Fairfax, Virginia 22031-2220 (703) 207-7152

### Manassas Regional Office

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### Harrisonburg Regional Office

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