

WORKERS' COMPENSATION BOARD

MISSION

To protect the well-being of New York's labor force, most private and public sector employers in New York are required to carry workers' compensation and disability benefits insurance for their employees or demonstrate their ability to self-insure. The Workers' Compensation Board reviews claims for workers' compensation payments and assists in resolving disputed claims. In performing these responsibilities, the Board administers provisions of the following laws: the Workers' Compensation Law; the Disability Benefits Law; the Civil Defense Volunteers' Law; the Volunteer Firefighters' Benefit Law; and the Volunteer Ambulance Workers' Benefit Law.

ORGANIZATION AND STAFFING

The Board is headed by a Chairperson selected by the Governor and includes 12 additional full-time members nominated by the Governor and confirmed by the Senate for seven-year terms. District offices are located in Albany, Binghamton, Brooklyn, Buffalo, Hauppauge, Hempstead, Manhattan, Peekskill, Queens, Rochester and Syracuse, with administrative offices in Albany. The Board has additional customer service centers located throughout the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$217 million All Funds** for the Workers Compensation Board, all of which is funded from assessments on businesses. This is a decrease of **\$54 million** from the 2008-09 Budget. This net change primarily reflects elimination of a \$59.5 million contingency appropriation for the group self-insurance program. The Board will continue to have a **workforce of 1,533** positions in 2009-10, which is unchanged from 2008-09.

PROGRAM HIGHLIGHTS

Over the past several years, New York has seen sweeping statutory reform in the workers' compensation system. Since then, benefits have increased while costs have decreased; injured workers are getting benefits faster; and fraud is being rooted out. Most recently, the Board's efforts have been dedicated to implementing these reforms, and an agenda of positive transformation within the Board. Both have dramatically sped up the resolution of disputed cases and significantly reduced the number of cases awaiting hearing. In the past, it took an average of over 200 days to resolve disputed claims. The goal set forth by the reform measure is to resolve these cases in 90 days, which the Board expects to meet.

In addition, the Board successfully resolved recent difficulties within the group self-insurance program. Legislation was enacted that ensures injured workers will continue to receive benefits, while maintaining self-insurance as an option for businesses across the State. The new law strengthens regulation of group self-insured trusts through regular review of trust finances by independent actuaries, heightened penalties for misconduct and new procedures to ensure that under-funded trusts become fully funded.

WORKERS' COMPENSATION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	271,538,000	217,405,000	(54,133,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>271,538,000</u>	<u>217,405,000</u>	<u>(54,133,000)</u>	<u>0</u>

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Disability Benefits			
Special Revenue Funds - Other	51	51	0
Systems Modernization			
Special Revenue Funds - Other	81	81	0
Workers Compensation			
Special Revenue Funds - Other	1,401	1,401	0
Total	<u>1,533</u>	<u>1,533</u>	<u>0</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	271,538,000	217,405,000	(54,133,000)
Total	<u>271,538,000</u>	<u>217,405,000</u>	<u>(54,133,000)</u>

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(10,277,000)
Appropriated 2008-09	<u>261,261,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2008-09	Recommended 2009-10	Change
Disability Benefits			
Special Revenue Funds - Other	8,217,000	7,339,000	(878,000)
Systems Modernization			
Special Revenue Funds - Other	40,978,000	34,116,000	(6,862,000)
Workers Compensation			
Special Revenue Funds - Other	222,343,000	175,950,000	(46,393,000)
Total	<u>271,538,000</u>	<u>217,405,000</u>	<u>(54,133,000)</u>

WORKERS' COMPENSATION

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Disability Benefits	7,339,000	(878,000)	3,924,000	(171,000)
Systems Modernization	34,116,000	(6,862,000)	5,298,000	(127,000)
Workers Compensation	175,950,000	(46,393,000)	82,358,000	1,142,000
Total	<u>217,405,000</u>	<u>(54,133,000)</u>	<u>91,580,000</u>	<u>844,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Disability Benefits	3,415,000	(707,000)	0	0
Systems Modernization	28,818,000	(6,735,000)	0	0
Workers Compensation	73,235,000	(7,650,000)	20,357,000	(39,885,000)
Total	<u>105,468,000</u>	<u>(15,092,000)</u>	<u>20,357,000</u>	<u>(39,885,000)</u>