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Workers' Compensation Court of Appeals

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AT A GLANCE

- Five appellate judges, who sit as panels of three or five.
- Budget 100% funded by the Workers Compensation Fund.
- We review workers' compensation appeals from the Office of Administrative Hearings, the Department of Labor & Industry and union workers' compensation arbitration.
- We also decide petitions to reopen workers' compensation settlements.
- Our website provides information, rules and searchable text of decisions of the court.
- Appeals from our decisions proceed directly to the Minnesota Supreme Court.

PURPOSE

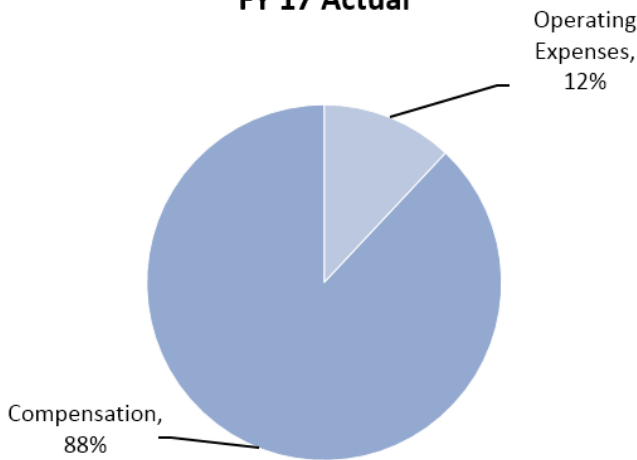
The Workers' Compensation Court of Appeals' mission is to provide equal access to fair and timely review of disputed workers' compensation issues which affect entitlement to and delivery of workers' compensation wage loss and medical benefits.

Outcomes advanced include:

- **Efficient and accountable government services**
- **A thriving economy that encourages business growth and employment opportunities**
- **People in Minnesota are safe**
- **All Minnesotans have optimal health**

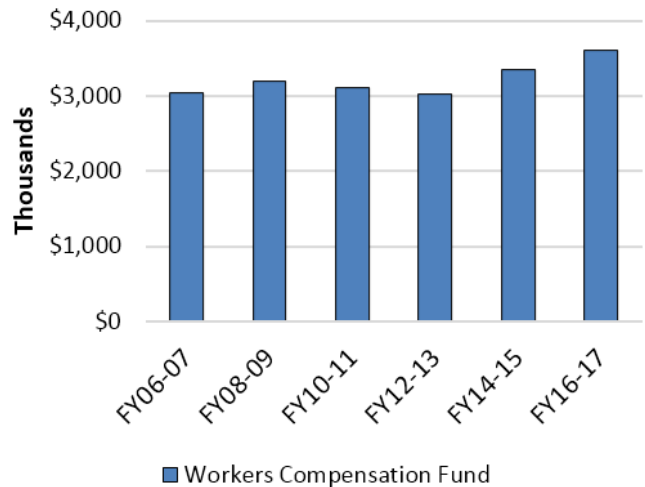
BUDGET

**Spending by Category
FY 17 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

STRATEGIES

We work to provide equal access to fair and timely review of disputes before us by:

- Reviewing the evidentiary record created by the initial decision making body;
- Presiding over oral arguments;
- Conducting necessary legal research;

- Deciding the issues; and
- Issuing appropriate written orders, decisions and memoranda.

RESULTS

We decide disputes before us promptly under our statutory mandate to:

- Ensure the quick and efficient delivery of benefits to injured workers at a reasonable cost to employers;
- Maintain economic stability for injured workers and their families;
- Provide for appropriate medical treatment of work-related illnesses and injuries;
- Support a competitive business climate for Minnesota employers by reducing the amount of litigation; and
- Support employers in creating safe and healthy work environments.

Decisions are written to inform the parties and the public of the basis for the court’s decisions and to create a consistent body of law interpreting and applying the Minnesota Workers’ Compensation Act. Our decisions are provided to the public both in published volumes and at: <https://mn.gov/workcomp/decisions/>.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Cases processed by the WCCA	108	122	FY 2016: FY 2017
Quality	Average number of days between case assignment and issuance of decision	55	68	FY 2016: FY 2017
Results	% of WCCA decisions reversed by Supreme Court	4%	2%	FY 2016: FY 2017

The legal authority for the Workers’ Compensation Court of Appeals is provided by Minn. Stat. Chapters 175A and 176 (<https://www.revisor.mn.gov/statutes/?id=175A>; <https://www.revisor.mn.gov/statutes/?id=176>).

Workers Compensation Court of Appeals

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21		Governor's Recommendation FY20 FY21	
<u>Expenditures by Fund</u>								
2830 - Workers Compensation	1,752	1,857	1,815	2,046	1,952	1,952	2,222	2,283
Total	1,752	1,857	1,815	2,046	1,952	1,952	2,222	2,283
Biennial Change				252		43		644
Biennial % Change				7		1		17
Governor's Change from Base								601
Governor's % Change from Base								15

Expenditures by Program

Workers Comp Ct of Appeals	1,752	1,857	1,815	2,046	1,952	1,952	2,222	2,283
Total	1,752	1,857	1,815	2,046	1,952	1,952	2,222	2,283

Expenditures by Category

Compensation	1,541	1,625	1,572	1,801	1,703	1,698	1,933	1,979
Operating Expenses	211	225	243	245	249	254	289	304
Other Financial Transaction		7						
Total	1,752	1,857	1,815	2,046	1,952	1,952	2,222	2,283

Full-Time Equivalent

	11.73	11.91	10.99	12.00	11.00	11.00	13.00	13.00
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Workers Compensation Court of Appeals

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY16	Actual FY17	Actual FY18	Estimate FY19	Forecast Base FY20 FY21		Governor's Recommendation FY20 FY21	
2830 - Workers Compensation								
Balance Forward In		73		98				
Direct Appropriation	1,817	1,913	1,913	1,948	1,952	1,952	2,222	2,283
Cancellations		129						
Balance Forward Out	65		98					
Expenditures	1,752	1,857	1,815	2,046	1,952	1,952	2,222	2,283
Biennial Change in Expenditures				252		43		644
Biennial % Change in Expenditures				7		1		17
Governor's Change from Base								601
Governor's % Change from Base								15
Full-Time Equivalents	11.73	11.91	10.99	12.00	11.00	11.00	13.00	13.00

(Dollars in Thousands)

	FY19	FY20	FY21	Biennium 2020-21
Direct				
Fund: 2830 - Workers Compensation				
FY2019 Appropriations	1,948	1,948	1,948	3,896
Base Adjustments				
Pension Allocation		4	4	8
Forecast Base	1,948	1,952	1,952	3,904
Change Items				
WCCA Operational Increases		270	331	601
Total Governor's Recommendations	1,948	2,222	2,283	4,505

Workers' Compensation Court of Appeals

FY 20-21 Biennial Budget Change Item

Change Item Title: WCCA Operational Increases

Fiscal Impact (\$000s)	FY 2020	FY 2021	FY 2022	FY 2023
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	270	331	331	331
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	270	331	331	331
FTEs	2	2	2	2

Request:

The Governor recommends additional funding of \$270,000 in FY20 and \$331,000 in FY21 to maintain the current level of service delivery at the Worker's Compensation Court of Appeals (WCCA). This includes increases for current projected compensation, MN.IT rate increases and rent increases.

Rationale/Background:

Each year, the cost of operating this court increases due to budget pressures including salaries, technology and system upgrade costs, as well as other operating costs like rent. The increase in compensation for this court includes \$230,000 in FY20 and \$281,000 in FY21. Additionally, it is estimated that the court will need \$5,000 more per year to cover MN.IT costs as it relates to the Workers Compensation System upgrade in partnership with the Department of Labor and Industry and the Office of Administrative Hearings. Finally, rent increases require an additional \$35,000 in FY20 and \$45,000 in FY21.

IT cost growth drivers may include dedicated MNIT staff compensation-related increases, increased volume usage of enterprise IT services, increased software licensing costs, and/or application support and maintenance cost increases.

This recommendation is to keep the court's current and future level of service and furthers the court's mission to produce high quality and consistent decisions in a timely manner, ensuring quick and efficient delivery of workers' compensation benefits to qualified injured workers at a reasonable cost to employers.

Proposal:

The Governor recommends increasing the agency's operating budget to maintain the delivery of current services. For the Worker's Compensation Court of appeals this funding will cover employee compensation growth, increased technology costs, and growing rent pressures.

Equity and Inclusion:

This proposed change will allow the WCCA to continue the court's initiative to create a process for easier access for all into the workers' compensation system through its modernized IT system as well as ensures that service levels are adequate to help all people in need of the court's services.

IT Related Proposals:

This change will allow the WCCA to continue technology interactions with MN.IT and the systems maintained.

Results:

This proposal is intended to allow the agency to continue to provide current levels of service to the public.

Statutory Change(s):

There are no statutory changes.