

II. KEY MEASURE ANALYSIS

Agency Mission: To serve and protect Oregon’s consumers and workers while supporting a positive business climate in the state.

KPM #15	ACCURATE WORKER BENEFITS	Measure since: 2007
	Percent of injured workers who receive accurate benefits from insurers.	
Goal	DCBS Goal #1: Protect consumers and workers in Oregon.	
Oregon Context	DCBS Mission: To protect and serve Oregon's consumers and workers while supporting a positive business climate in the state.	
Data source	WCD insurer audit data are from the Reemployment Assistance Decisions and Compliance Field Audit findings.	
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1. **OUR STRATEGY**

Use education and enforcement to ensure insurers and self-insured employers process claims and deliver benefits to injured workers accurately.

2. **ABOUT THE TARGETS**

This data tracks the accuracy of benefit payments by insurers to injured workers. It provides a gauge for the efficiency of claim processing and benefit delivery. A higher percent is desired because it would indicate a better delivery of benefits. The target is currently 95 percent and is projected based on data activity from previous years before we raised the performance standard from 80 percent to 90 percent.

3. **HOW WE ARE DOING**

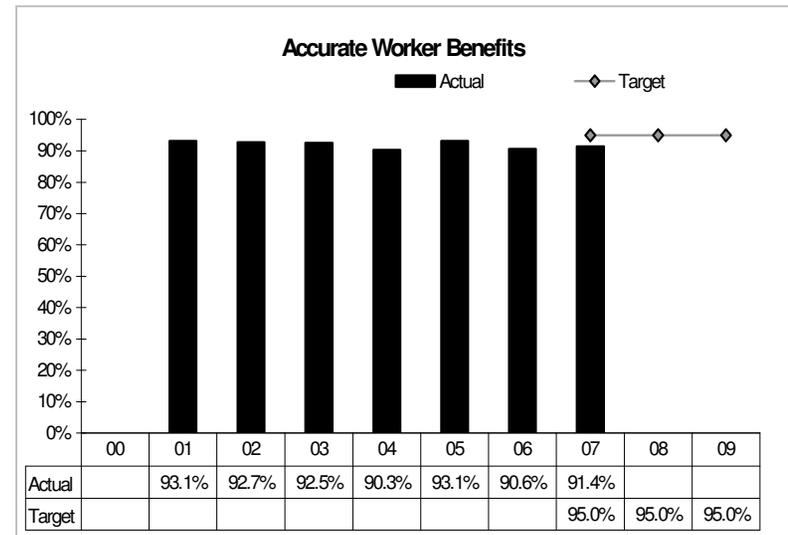
During the past four fiscal years, the data of this measure was combined with the data from KPM #14 (Timely Worker Benefits); this is the first year of reporting the data separately from the timeliness of benefit delivery. We are performing below our target of 95 percent; largely due to a higher standard we recently have imposed on insurers.

4. **HOW WE COMPARE**

A new higher minimum standard of 90 percent compliance, implemented January 1, 2006 at the midpoint of the fiscal year, has not been in place long enough to be compared to other jurisdictions.

5. **FACTORS AFFECTING RESULTS**

Effective January 1, 2006, WCD increased the performance thresholds for insurers from 80 percent to 90 percent in categories that directly relate to workers receiving timely and accurate benefits. WCD anticipates that holding companies to a higher performance threshold will positively affect the industry’s performance in accurately paying worker benefits.



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6. WHAT NEEDS TO BE DONE

WCD continues to monitor the audit methodology implemented in 2004 that enabled us to complete on-site reviews of all insurer and self-insured employers in a two-year period (versus the previous seven to eight-year period). We are developing better data tracking systems and key indicators that will alert us to potential problem areas in the system. We will continue to explore the potential for automating and streamlining processes; draft clear and user-friendly rules; closely monitor the threshold changes on insurer performance; and continue to work with stakeholders to educate, resolve problems, and find solutions.

7. ABOUT THE DATA

The reporting cycle of this KPM is Oregon fiscal year. Data is an aggregate collection (time loss, permanent disability, death benefits, and worker reimbursements). Data comes from WCD field audits of insurers and self-insured employers.