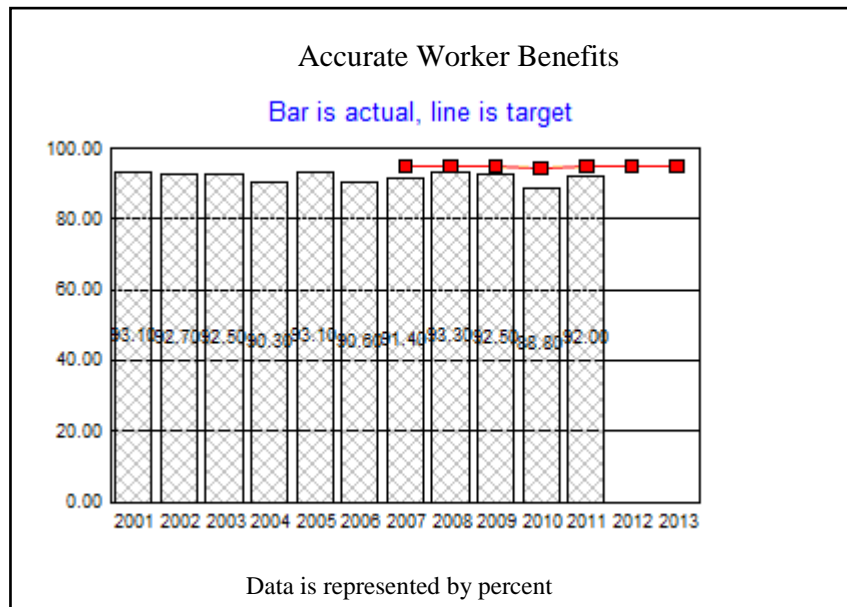


<b>KPM #5</b>	ACCURATE WORKER BENEFITS – Percent of injured workers who receive accurate benefits from insurers.	2007
<b>Goal</b>	DCBS Goal #1: Protect consumers and workers in Oregon.	
<b>Oregon Context</b>	DCBS Mission: To protect and serve Oregon's consumers and workers while supporting a positive business climate in the state.	
<b>Data Source</b>	WCD Field Audit Unit Compliance Field Audit data	
<b>Owner</b>	Sally Coen, Manager, Field Audit Unit, Workers' Compensation Division, 503-947-7687	



**1. OUR STRATEGY**

Ensure injured workers receive accurate benefit payments from insurers. Benefit payments considered include time loss, permanent disability, death, and reimbursement of worker expenses. To achieve results, the department educates insurers and self-insured employers, conducts focused audits, and streamlines benefit delivery processes.

## 2. ABOUT THE TARGETS

This measure tracks the accuracy of various benefit payments by insurers to injured workers, providing a gauge for the efficiency of claim processing and benefit delivery. The targets reflect our goal of facilitating and ensuring a high level of accuracy for all benefit payments.

## 3. HOW WE ARE DOING

The department found 92 percent of the 5,335 benefit payments audited for accuracy in fiscal year 2011 were accurate - representing a high level of service to Oregon's injured workers.

## 4. HOW WE COMPARE

Direct comparisons to other jurisdictions are difficult as many states do not track and publish comparable accuracy data. However, Oregon compares well with other states in claim processing performance. In a 2008 Workers' Compensation Research Institute (WCRI) study, "Lessons from the Oregon Workers' Compensation System," the institute cited Oregon's approach to measuring insurer performance as a lesson for other states: "... Oregon's approach to compliance helps ensure that injured workers receive benefits accurately and predictably."

## 5. FACTORS AFFECTING RESULTS

The majority of factors that can impact results are within an insurer's control, such as its employees' knowledge and skills in calculating benefit payments. To improve insurer performance in this area, the Workers' Compensation Division (WCD) assesses civil penalties against insurers that do not meet performance standards, provides training on accurate benefit calculation and payment requirements for individual insurers, and may conduct follow-up audits. Additionally, WCD provides tools, such as a Web-based benefit calculator, to help companies ensure their benefit payments are accurate. The mix of insurers that WCD audits each year also can impact results.

## 6. WHAT NEEDS TO BE DONE

WCD has changed to a new, risk-based audit methodology that monitors certain key performance areas. WCD's new auditing focuses on companies that do not meet requirements and areas of low performance throughout the industry. We expect that a more risk-based approach will ultimately lead to greater protection for injured workers and use audit resources more effectively. In addition, by identifying systemic problems WCD will be able to use the information gathered from audits and industry partners for targeted education and improved administrative rules and industry bulletins.

**7. ABOUT THE DATA**

Data is collected quarterly and reported for the Oregon fiscal year (July 1 – June 30). Data may include benefits payments for time loss, permanent disability, death benefits, and reimbursement of worker expenses. Data comes from on-site field audits of insurer and self-insured employer claims records. The data for fiscal year 2011 includes industry payments for reimbursement of worker expenses and time loss payments issued by SAIF Corporation, a strong performer whose results exceeded the standards. To calculate the overall value, the total number of benefit payments found to be accurate is divided by the total number of benefit payments audited for accuracy.