

Approved

Date

*AW Douville 2-5-87*

MINUTES OF THE House COMMITTEE ON Labor and Industry

The meeting was called to order by Representative Arthur Douville at  
Chairperson

9:00 a.m./~~p.m.~~ on January 27, 1987 in room 526-S of the Capitol.

All members were present except:

Representative R.D. Miller - Excused

Committee staff present:

Jerry Ann Donaldson, Research Department  
Jim Wilson, Revisor of Statutes' Office  
Juel Bennewitz, Secretary to the Committee

Conferees appearing before the committee:

John Rathmel, Director  
Division of Workmen's Compensation

Chairman Douville called the meeting to order at 9:00 a.m. He introduced John Rathmel, Director - Division of Workmen's Compensation, and invited him to come forward and address the committee.

Director Rathmel distributed copies of the 12th Annual Statistical Report, Division of Worker's Compensation, Department of Human Resources, July 1, 1986, to members of the committee. The chairman asked the members of the committee to compare the figures from this report to the figures from the 1975 report to identify some of the trends taking place regarding workmen's compensation. Committee members were asked by the chairman to put the books aside for the moment so that they could direct their full attention to Director Rathmel's remarks.

The committee was asked to direct its attention to the statistics given on the first page of the report. The director summed up the statistics by saying that there was "too much work and not enough people". See attachment #1. Director Rathmel enlarged on the statistics from the report and answered questions from the committee.

The meeting was adjourned at 9:45 a.m. by the chairman.

The next meeting will be January 28, 1987, at 9:00 a.m.

HOUSE COMMITTEE  
ON  
LABOR AND INDUSTRY

Name	GUEST LIST City	DATE <u>January 27, 1987</u> Representing
Marty Kennedy	Topeka	Budget
Lillian Hartman	"	KBH
John B. Rothman	"	KDHR / WC
Jim DeHoff	Lawrence	AFL-CIO 105
Harry D. Pelosi	Wichita	" " "
Jack M. McLowry	Topeka	K.C.C.
Bud Grant	"	KCCI
Bob Asbutant	Topeka	KTLH
Tom Slatten	Topeka	AGC of Ka
Ron Gaches	WICHITA	BMAA
Rob Hodges	Topeka	KCCI
JANET SWIBBS	"	KBAK

## INTRODUCTION AND DISCUSSION OF STATISTICAL TRENDS

This is the Department of Human Resources, Division of Workers' Compensation's 12th Annual Statistical Report. Following is a summary discussion of general trends reflected by the statistics.

The information gathered during the last fiscal year indicates an increase in the level of activity of all services provided by the Division of Workers' Compensation. The number of accidents reported in FY 86 increased approximately 6% from 62,769 in FY 85 to 66,767 in FY 86. This is the third consecutive year in which the number of accidents reported increased from the previous year.

Litigation activity continues to increase significantly. The number of Applications for Hearing filed increased by approximately 18%. In FY 86, 4,156 applications were filed compared to 3,520 in FY 85. The total case load for pending claims before the seven Administrative Law Judges increased 15% from 4,567 in FY 85 to 5,270 in FY 86. The Administrative Law Judges entered 738 awards on litigated cases in FY 86. This represents a 14% increase from the 650 awards entered in FY 85. Of the 738 awards entered by the Administrative Law Judges, 442, or 60%, were reviewed at the Director's level. Of the 442 claims reviewed at the Director's level, 114 claims, or 26%, were modified in some manner.

The statistics reflecting the increased workload and activity of the Judicial Section underscore the very present danger to the administration of the Workers' Compensation Law in litigated claims which threatens the capability of the agency to expediently deliver quality services at the Administrative Law Judge level. The following table compares FY 75 staff and workload, when statistics were first compiled, with FY 86 staff and workload.

	<u>FY</u> <u>1975</u>	<u>FY</u> <u>1986</u>	<u>Percentage</u> <u>Increase</u>
Administrative Law Judges	5	7	40%
Applications for Hearing	1,435	4,156	190%
Applications for Preliminary Hearing	224	1,194	433%
Motions to Implead	131	1,163	788%
Preliminary Orders	112	881	687%
Awards	374	738	97%
Pending Cases	1,113	5,270	373%

The most frightening statistic is the pending load of active contested claims. The total case load has steadily increased on a yearly basis since FY 75. It has dramatically increased over the last two years. At the beginning of FY 85, 3,569 claims were pending. At the beginning of FY 87, 5,270 claims were pending, for a two year increase of 48%. Viewed from another perspective, in FY 75 each Administrative Law Judge was responsible for an average docket of 223 cases. In FY 86 each Administrative Law Judge was responsible for an average docket of 753 cases.

Attachment 1