



Annual Report

2008

IDAHO INDUSTRIAL COMMISSION

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12-08/FY08-AR/800



2008 COMMISSIONERS

THOMAS LIMBAUGH
Employer Member

R. D. MAYNARD
Employee Member

JAMES F. KILE
Chairman, Attorney Member

About the Commission



Although the Idaho Industrial Commission is a relatively small state agency, with just over 139 full-time positions, the Commission has a tremendous impact on the state and its economy.

Due to the nature of workers' compensation, the Commission touches the lives, directly or indirectly, of nearly every working Idahoan. As the agency responsible for assuring that every Idaho employer has the insurance coverage required by law, the Industrial Commission helps to create an equitable balance in the workplace that was envisioned by Idaho lawmakers at the start of the 20th Century. They sought to create an environment in which no worker had to fear personal or family poverty due to a work accident, and no employer had to fear bankruptcy from lawsuits for injuries among Idaho's workers.

The Commission regulates a sector of the

insurance industry that generates over a quarter-billion dollars in premiums each year. Because these premiums are paid exclusively by employers, they reflect the economic and job climate throughout Idaho.

The Commission has worked closely with the Workers' Compensation Advisory Committee, the Governor's office, and other key interest groups to develop strategies to address the pressing economic concerns of Idaho's employers so we can continue providing the same level of service to Idahoans. Even in these uncertain economic times, Idaho remains committed to keeping its workers' compensation system uncluttered by unneeded regulation making Idaho an attractive destination for both employers and insurers.

We have frequently used this report to express our pride in the work of the employees at the Industrial Commission. Our employees have shown tremendous dedication to the citizens they serve. Their efforts are illustrated throughout this annual report. ■

NUMBER OF EMPLOYEES

In FY08, the Industrial Commission employed a total of 139.5 full-time equivalent employees, which includes 22 employees in the Adjudication Division, 55.75 employees in the Compensation Division, 49.75 employees in the Rehabilitation Division, and 12 employees in the Crime Victims Compensation program.

Our Mission:

To impartially and efficiently administer the Idaho Workers' Compensation Law in a manner that ensures compliance with insurance requirements, timely dispute resolution, prompt and accurate benefit payments, and quality vocational rehabilitation services for injured workers.

To provide timely and consistent judicial review of cases appealed from the Idaho Department of Labor under the Employment Security Law.

To assist innocent victims of crime recover from the devastating effects of crime by providing financial assistance in accordance with state and federal law.

**Premium Tax Receipts and the Industrial Administration Fund Ending Fund Balance at 6/30/07 are understated by \$197,603 because the State Treasurer's Office reduced fund 0300 receipts instead of Fund 0519 receipts in June 2007. The error was caught and corrected in July 2007 FY08; so Fund 0300 receipts for FY08 are overstated by \$197,603.*

FY08 Fiscal Activity	FY06	FY07	FY08
Workers' Compensation Receipts			
Premium Tax, workers' Compensation	10,172,300	10,876,900*	11,788,000*
Premium Tax Penalties	700	100	900
Employer Compliance Penalties	804,600	831,200	630,900
Interest Earnings on Investments	368,500	538,700	700,600
Unemployment Appeals, Special Indemnity Fund Services	255,000	309,200	211,200
Miscellaneous Receipts	85,100	46,200	39,200
Federal Receipts, Census of Fatal Occupational Injuries	1,000	4,700	3,900
Annual Seminar Receipts	39,400	32,600	32,100
TOTAL WORKERS' COMPENSATION REVENUES	\$11,726,600	\$12,639,600	\$13,406,800
Workers' Compensation Disbursements			
Compensation Division	3,200,800	3,213,500	3,457,400
Rehabilitation Division	3,265,400	3,298,900	5,516,300
Adjudication Division	1,682,500	1,733,200	1,757,700
Division of Building Safety	1,056,700	1,079,900	958,800
Annual Seminar Expenditures	24,900	25,500	29,400
Federal Grant-Census of Fatal Occupational Injuries	1,500	3,600	3,800
TOTAL WORKERS' COMPENSATION DISBURSEMENTS	\$9,231,800	\$9,354,600	\$11,723,400
Crime Victims Compensation Program Revenues			
Fines Remitted by County	1,786,100	1,907,300	1,933,900
Federal Grant	763,200	918,500	619,000
Restitution/Subrogation	295,400	283,200	387,700
Contributions/Donations	112,000	94,600	123,800
Miscellaneous Receipts	43,500	27,700	9,600
TOTAL CRIME VICTIMS PROGRAM REVENUES	\$3,000,200	\$3,231,300	\$3,074,000
Peace and Detention Officer Disability Fund Reserves			
Fines Remitted by County	NOT AVAILABLE IN FY06	NOT AVAILABLE IN FY07	108,100
Interest Earnings on Investments			1,100
TOTAL PEACE AND DETENTION OFFICER FUND REVENUES			\$109,200
Peace and Detention Officer Disability Fund Disbursements			
Administration	NOT AVAILABLE IN FY06	NOT AVAILABLE IN FY07	NOT AVAILABLE IN FY08
Trustee/Benefits Payments			
TOTAL PEACE AND DETENTION OFFICER FUND REVENUES			
Crime Victims Compensation Program Disbursements			
Crime Victims Administration	683,600	730,200	750,700
Crime Victims Trustee/Benefit, State	1,518,700	2,338,400	2,338,500
Crime Victims Trustee/Benefit, Federal	832,900	845,400	845,500
TOTAL CRIME VICTIMS PROGRAM DISBURSEMENTS	\$3,035,200	\$3,914,000	\$3,934,700
TOTAL AGENCY REVENUES	\$14,726,800	\$15,870,900	\$16,590,000
TOTAL AGENCY DISBURSEMENTS	\$12,267,000	\$13,268,600	\$15,658,100
Cash Balance, Individual Funds			
Industrial Administration Fund	8,698,500	\$11,975,600*	\$15,950,500
Crime Victims Fund	3,121,000	2,365,100	1,730,800
Federal Grant	185,400	259,500	33,200
Peace and Detention Officer Disability Fund	N/A	N/A	109,200
Annual Seminar Account	40,500	47,600	50,300
TOTAL CASH BALANCE, INDIVIDUAL FUNDS	\$12,045,400	\$14,647,800	\$17,874,000

FY08 PERFORMANCE HIGHLIGHTS

- As a result of contact by the Employer Compliance department, an additional 14,175 employees were covered by Workers' Compensation in FY08.
- The Industrial Commission successfully implemented a Medical Fee Schedule designed to provide cost containment while providing timely and accessible medical treatment for injured workers.
- Twenty additional constituents were certified through the Workers' Compensation Specialist training program, and 28 recertifications were issued to past graduates.
- Benefits Administration worked with the Department of Insurance to review and rewrite the workers' compensation questions for the Idaho Licensed Independent Adjuster examination.
- A primary goal of the Rehabilitation Division last year was to increase referrals, and the program saw an increase of nearly 6 percent in new case referrals in FY08.
- Eighty-nine percent of injured workers who were rehabilitated to employment returned to 90 percent of their wage. Sixty-four percent also returned to their time-of-injury employer.
- Of the mediations held in FY08, 92 percent were successfully mediated. Of the 752 claims mediated in those sessions, 96 percent were settled successfully.

Adjudication Division



developed as the “sole remedy” for employees injured on the job, the workers’ compensation system was designed to provide workers with speedy access to medical treatment and specific payment amounts for disabilities resulting from job-site accidents. The system also protects insured employers from civil liability.

In most cases, the injured employee, the employer, and the insurer cooperatively settle disputes. However, when a dispute cannot be resolved by the parties, they may request a formal hearing. Formal hearings are conducted by Commissioners or by attorney hearing officers, called referees. At a hearing, testimony and other evidence are carefully reviewed. After evaluating and weighing the evidence, the Commission issues a written decision. Commission decisions are appealable only

to the Idaho Supreme Court. Complaints filed with the Commission increased 18 percent from the previous year.

As an alternative to the hearing process, the Commission offers an alternative dispute resolution program available to all parties at any stage of the claim to assist in reaching a successful resolution in a dispute. In FY08, requests for mediations increased 43 percent from the previous year. This is likely due to the fact that the program is becoming more widely known, and also because mediation provides for a more expeditious settlement of claims than litigation.

A major part of the Commission’s responsibilities involves the resolution of appealed unemployment insurance cases. Due to the economic decline, the number of unemployment cases increased almost 30 percent in FY08.

In addition to workers’ compensation cases, the Commission also resolves medical fee disputes between health care providers and workers’ compensation insurers. Since 1993, this work has been primarily accomplished administratively. Finally, Adjudication conducts evidentiary hearings and issues binding decisions in crime victims compensation cases where individuals alleging they were innocent victims of crime can appeal a denial of financial assistance for medical or time loss expenses. ■

ABOUT THE MEDIATION PROCESS

Rather than initiating a formal hearing before the Commission, parties wishing to resolve a workers’ compensation dispute may use the Alternative Dispute Resolution (ADR) program. The Idaho Industrial Commission’s ADR services are free of charge, informal, voluntary, and non-binding. Each mediation is presided over by a trained Commission mediator. The services are available at any stage of a workers’ compensation claim or complaint to assist the involved parties in reaching a successful resolution of the dispute. During FY08, 719 out of 752 claims were resolved through mediation, resulting in a 96 percent success rate.

Adjudication Statistics	FY06	FY07	FY08
Workers’ Compensation Litigation Activity			
Complaints Filed	1,113	995	1,175
Hearings Held	120	117	102
Lump Sum Settlements Approved	795	710	669
Dismissals	284	275	266
Decisions Issued	84	103	91
Appeals to the Supreme Court	12	13	19
Decisions Affirmed	7	11	7
Decisions Reversed/Remanded	3	1	5
Dismissed	2	5	7
Workers’ Compensation Mediation Activity			
Mediations Held	486	442	630
Claims Mediated	938	856	752
Claims Resolved	851	815	719
Unemployment Activity			
Total Appeals	547	424	546
Total Decisions	578	446	470
Reconsiderations	33	20	34

FY08 Claims & Adjudication Statistics by County

County	Total Employed*	Claims Filed	Claims per 100 Employees	Fatalities	TL Cases Filed**	LSS Approved	Complaints Filed	Hearings Held	Decisions
Ada	194,335	11,691	6.02%	3	1,714	141	207	24	86
Adams	2,155	35	1.62%	0	15	3	2	0	0
Bannock	39,092	1,654	4.23%	3	244	39	46	6	21
Bear Lake	3,139	69	2.20%	0	12	4	2	0	1
Benewah	3,778	270	8.60%	0	57	13	7	5	5
Bingham	20,847	1,148	5.51%	2	173	28	32	0	10
Blaine	14,729	946	6.42%	1	181	11	19	1	1
Boise	3,679	45	1.22%	1	11	0	1	0	1
Bonner	21,040	1,072	5.10%	2	206	43	64	2	13
Bonneville	50,609	3,038	6.00%	1	558	81	107	10	23
Boundary	4,047	233	5.76%	1	47	7	14	1	3
Butte	1,437	16	1.11%	0	5	1	2	0	0
Camas	657	19	2.89%	0	3	0	0	0	1
Canyon	81,756	4,241	5.19%	0	728	71	111	11	48
Caribou	3,301	130	3.94%	0	15	5	3	2	1
Cassia	10,140	857	4.45%	0	123	15	23	1	7
Clark	529	49	9.26%	0	7	0	1	0	0
Clearwater	3,187	168	5.27%	0	52	6	5	2	2
Custer	2,777	82	2.95%	0	14	1	2	0	1
Elmore	11,278	392	3.48%	0	66	3	8	0	4
Franklin	6,070	149	2.45%	0	22	1	2	0	1
Fremont	6,138	185	3.01%	1	29	7	9	1	2
Gem	7,231	168	2.32%	0	39	7	11	0	0
Gooding	8,138	354	4.35%	0	79	8	5	1	2
Idaho	7,387	333	4.51%	2	68	10	13	1	2
Jefferson	11,142	407	3.65%	0	61	9	21	1	7
Jerome	10,001	740	7.40%	0	141	7	21	1	6
Kootenai	69,799	4,174	5.95%	4	588	88	130	9	38
Latah	16,299	693	4.25%	3	104	19	20	1	4
Lemhi	4,276	104	2.43%	2	19	5	3	0	2
Lewis	1,862	85	4.56%	0	18	5	8	1	0
Lincoln	2,594	60	2.31%	0	7	2	2	0	0
Madison	15,322	844	5.51%	0	117	17	16	3	2
Minidoka	9,428	571	6.06%	1	102	11	20	1	11
Nez Perce	18,330	1,454	7.93%	2	288	33	65	5	10
Oneida	2,273	35	1.54%	0	10	1	0	0	1
Owyhee	4,761	212	4.45%	0	30	4	9	0	4
Payette	10,219	361	3.53%	0	70	5	6	0	5
Power	3,689	256	6.94%	0	46	6	9	1	3
Shoshone	5,396	369	6.84%	1	54	15	14	0	3
Teton	5,697	209	3.67%	0	56	3	6	0	1
Twin Falls	37,550	2,564	6.83%	1	385	48	83	4	17
Valley	5,783	293	5.93%	0	64	5	2	1	3
Washington	4,938	367	7.43%	0	84	5	8	0	2
STATE TOTALS**	746,835	41,042	4.66%	31	6,712	793	1,139	96	354

ABOUT LUMP SUM SETTLEMENTS

The Commissioners, following review by Benefits Administration, also review and approve lump sum settlement agreements (LSSA) of workers' compensation claims. The Commission is bound by statute to review applications for settlement to determine legality, and to ensure that the agreement is in the "best interests of all parties." LSS agreements may not be approved for a number of reasons, but primarily for failing to show why the agreement factually supports the "best interest" standard.

Benefits Administration

CLAIMS & FATALITIES BY INDUSTRY*

Industry	FY08	
	Claims	Deaths
Manufacturing	5,234	2
Construction	5,048	5
Retail Trade	5,391	1
Health Care & Social Assistance	4,585	0
Waste Management Remediation	2,374	1
Accommodation & Food Services	2,268	0
Wholesale Trade	2,279	3
Educational Services	2,202	0
Agriculture/Forestry	2,097	5
Transportation/Warehousing	1,460	2
Other Industries	9,485	12
TOTAL (All Industries)	42,425	31

*The Industrial Commission follows the North American Industry Classification System (NAICS) standard for classifying industries. The US NAICS Manual can be obtained by calling the National Technical Information Service (NTIS) at 1-800-553-6847.

In FY08, the Benefits Administration staff reviewed and confirmed the accuracy of over 42,000 job-related injuries or illnesses reported to the Commission. The Benefits Administration staff manually codes the information presented in these reports, and enters the data into a comprehensive electronic database. The staff maintains the integrity of the data throughout the year by continuously checking for duplicate claims, incorrect Social Security numbers, inconsistent dates of injury and other data, and making necessary investigations and corrections. Additional information received regarding the injury is added to the electronic file, ensuring a complete and accurate record is maintained.

For most claimants, their current claim is their first experience with the workers' compensation system. Upon receipt of every notice of injury or illness, the Commission sends a letter to the worker acknowledging receipt of the

notification, informing the worker of the claim number assigned to the case, and providing phone numbers of both the claims adjuster and the Commission.

When a time-loss claim is closed and the closing document has been approved, the payment history is added and the claim is coded as "closed." The Records Management staff catalogs, files, and maintains the physical claim files at the Commission. Over the past year, the Records Management staff responded to 3,341 requests for searches and searched for 7,566 claims to provide copies for requesting parties.

Each year the Commission's five Compensation Consultants accomplish a variety of functions including: responding to over 11,000 inquiries from injured workers, insurance companies and attorneys; conducting audits of insurers, adjusters, and self-insured employers; helping train companies and ensure compliance with Idaho Workers' Compensation Law, judicial rulings, and the Commission's administrative rules; conducting certification training; training employers of the benefits of properly filing claims, and providing training on the workers' compensation system to medical providers upon request. In FY08, the Compensation Consultants also reviewed and made recommendations for final action on over 800 negotiated lump sum settlements involving over 1,300 separate claims. ■

2008 Claim Statistics	FY06	FY07	FY08
Workers' Compensation Claims	44,622	44,400	42,425
Medical Only	38,039	37,525	35,607
Compensable Time-Loss	6,520	6,810	6,787
Fatalities	36	36	31
Average Filed Per Working Day	169	170	163
Compensable Time-Loss Claims			
Claims Still Open	8,498	8,409	9,061
Claims Closed	7,360	8,708	6,824
Medical Paid On Claims Closed	\$92,101,019	\$100,253,046	\$99,099,399
Average for Claims Closed	\$12,514	\$11,513	\$14,509
Indemnity Paid on Claims Closed	\$82,598,157	\$84,268,582	\$59,737,544
Average per Claim Closed	\$11,223	\$9,677	\$8,754
Claims Closed by Lump Sum Settlement	2,153	1,465	1,842

Employer Compliance

Workers' compensation coverage is compulsory for all employers unless specifically exempted by state law. One of the primary duties of the Industrial Commission is to ensure employers obtain and maintain the required coverage. This duty is carried out by the Commission's Employer Compliance staff.

To identify employers who are not providing the required insurance coverage for their employees, the Compliance staff uses the policy information reported by over 300 insurance carriers licensed to write workers' compensation insurance policies in Idaho. The Commission also receives information on new businesses registering through the state's on-line business registration system. Each new business registration is reviewed by the Compliance Department to determine if workers' compensation insurance is required.

Employers found to need workers' compensation coverage are first sent a letter by the Compliance staff advising them of their obligation to carry workers' compensation insurance. During FY08,

over 20,000 such letters were sent. If there is still a question about whether the business needs workers' compensation insurance, the case is assigned to one of eight Compliance investigators located around the state. Investigators follow up with visits to work sites to explain coverage requirements and to ensure compliance with the law. Referrals to investigators during FY08 increased about 17 percent from the previous year.

One of the primary responsibilities of the investigators is to educate employers about workers' compensation insurance. Many first time employers are unaware of Idaho's workers' compensation requirements, and established employers sometimes struggle with the difference between an employee and an independent contractor.

Not all employers voluntarily obtain coverage or are willing to work with an investigator. In FY08, 364 employers were referred for legal action. Employers who fail to carry workers' compensation insurance are subject to legal action in district court, and can face stiff penalties for not complying with Idaho's Workers' Compensation Law. A minimum penalty of \$25.00 per day can be assessed against an employer found to be in violation. Uninsured employers must also pay all compensation due to an injured worker plus a 10% penalty and other fees. Additionally, employers can be prohibited from operating their business until they obtain the required insurance for their employees. ■

COVERAGE VERIFICATION

In addition to phone inquiries, the public can log on to the Commission's website and click on the "Click for coverage" link to identify an employer's insurance company. This convenient feature is made possible by a partnership between the state of Idaho and the National Council on Compensation Insurance (NCCI), the nation's oldest and largest provider of workers' compensation and employee injury data and statistics. This partnership allows interested parties to verify coverage of any Idaho employer online; reporting to NCCI is mandatory for all insurers licensed in Idaho. This feature is primarily utilized by medical providers to determine who to bill after treating an injured worker. It is also used by workers and employers to see whether their employer or business has coverage.

Employer Compliance Statistics	FY05	FY06	FY07	FY08
Referred to Investigator				
Region 1	1,375	1,378	1,316	1,682
Region 2	3,206	3,639	4,277	4,871
Region 3	1,854	1,787	2,118	2,500
TOTAL	6,435	6,804	7,711	9,053
Change from Previous Year	3.8%	5.7%	13.3%	17.4%
Results of Investigation				
Coverage Received	2,667	2,601	2,233	2,630
Insurance Not Required	3,615	3,881	4,760	4,450
Failed to Obtain/Referred for Legal Action	389	422	361	364

Insurance Company Statistics: Calendar Year 2007

									Time-Loss Claims Paid			
					Medical Only Claims Paid				Indemnity		Medical	
Surety Name	Premium Earned	Employers Covered	Claims Filed	Compensation Paid in Time-Loss Claims	Claims Paid	Total Paid	Average Paid	Cases Closed	Paid	Average Paid	Paid	Average Paid
Liberty Northwest Insurance Corporation	\$49,529,693	1,836	5,167	\$22,620,530	4,381	\$3,108,792	710	1,677	\$8,828,267	\$5,264	\$13,792,263	\$8,224
Zurich American Insurance Company	\$15,536,742	427	1,222	\$1,508,256	449	\$366,198	816	129	\$813,937	\$6,310	\$694,319	\$5,382
Advantage Workers' Compensation Insurance Co.	\$14,647,618	665	1,828	\$5,443,670	1,657	\$1,135,511	685	565	\$2,028,058	\$3,589	\$3,415,612	\$6,045
Liberty Insurance Co.	\$14,042,940	213	694	\$3,068,897	90	\$77,535	861	171	\$1,288,064	\$7,533	\$1,780,833	\$10,414
Travellers Property Casualty Co. of America	\$11,205,785	466	938	\$311,292	195	\$67,267	345	61	\$161,371	\$2,645	\$149,921	\$2,458
Insurance Co. of the State of PA	\$9,956,604	171	887	\$306,954	650	\$135,088	208	168	\$63,566	\$378	\$243,388	\$1,449
American Home Assurance Co.	\$9,262,335	294	922	\$709,355	713	\$312,182	439	56	\$146,897	\$2,623	\$562,458	\$10,044
Ace American Insurance Co.	\$7,879,028	196	499	\$2,170,033	500	\$533,216	1066	144	\$1,139,928	\$7,916	\$1,030,105	\$7,154
Employers Compensation Insurance Co.	\$6,754,697	409	790	\$1,171,647	664	\$44,1028	664	144	\$397,505	\$2,760	\$77,4142	\$5,376
Associated Loggers Exchange	\$6,074,932	336	222	\$3,770,839	157	\$11,8531	755	331	\$2,016,727	\$6,093	\$1,754,112	\$5,299
Sentry Insurance Mutual Company	\$6,012,557	149	597	\$2,069,796	655	\$325,249	497	249	\$705,828	\$2,835	\$1,363,968	\$5,478
Workers Compensation Exchange	\$4,992,242	0	260	\$3,989,131	176	\$134,497	764	217	\$1,766,805	\$8,142	\$2,222,326	\$10,241
Indemnity Insurance Co. of NA (NEW)	\$3,705,533	96	484	\$2,209,934	434	\$338,377	780	119	\$1,048,743	\$8,813	\$1,161,191	\$9,758
American Casualty Company of Reading, PA	\$2,761,601	46	117	\$887,889	89	\$30,840	347	1,697	\$409,325	\$241	\$478,564	\$282
National Union Fire Insurance Co. of Pittsburgh	\$2,454,763	15	195	\$649,732	362	\$198,558	549	39	\$451,174	\$115,69	\$198,558	\$5,091
Employers Insurance Company of Wausau	\$2,304,884	70	200	\$2,018,170	184	\$172,687	939	88	\$681,530	\$7,745	\$1,336,640	\$15,189
Truck Insurance Exchange	\$2,022,068	265	274	\$309,104	389	\$341,243	877	73	\$309,104	\$4,234	\$0	\$0
Hartford Insurance Company of the Midwest	\$1,890,840	133	238	\$524,908	239	\$165,022	690	58	\$152,197	\$2,624	\$372,711	\$6,426
Sentry Select Insurance Company	\$1,657,821	8	62	\$276,943	79	\$31,531	399	42	\$95,141	\$2,265	\$181,802	\$4,329
Wausau Underwriters Insurance Co.	\$1,617,455	116	264	\$482,012	273	\$147,228	539	45	\$236,450	\$5,254	\$245,562	\$5,457
TOTALS FOR ALL PRIVATE INSURERS (333)	\$174,310,139	5,911	15,860	\$54,499,093	12,336	\$8,180,579	\$663	6,073	\$22,740,615	\$3,745	\$31,758,477	\$5,230
State Insurance Fund	\$222,912,640	44,376	21,253	\$113,723,158	17,837	\$13,933,650	\$781	6,689	\$50,428,074	\$7,539	\$63,295,084	\$9,463
Self-Insured Employers	\$34,816,259	28	2,711	\$12,016,850	2,360	\$1,554,727	\$659	1,340	\$4,792,706	\$3,577	\$7,224,144	\$5,391
TOTAL FOR ALL INSURERS	\$432,039,039	50,315	39,824	\$180,239,101	32,533	\$23,668,957	\$2,103	14,102	\$77,961,395	\$4,953	\$102,277,706	\$6,694



work-related injury or illness can be a devastating event for the worker and the worker’s family. The potential for lost income and lost benefits can be great. It is the goal of the Rehabilitation staff to help injured workers return to the workplace and into a position as close as possible to their pre-injury wage and status. To do so, the Rehabilitation Division gathers detailed information from injured workers, employers, medical providers and sureties, and develops a vocational plan designed to facilitate a speedy return to work for injured workers. These services are provided at no additional cost to the employer, insurer, or employee.

Located in eleven field offices across the state, the Rehabilitation staff has developed an innovative partnership with the industrial, labor, medical, and legal communities. Good communication among all parties is required to develop sound plans, resolve vocational problems, and encourage early return to work. The success of these partnerships is evident. During FY08, the Rehabilitation Division helped 1,479 workers return to work, 68 percent of which returned to their time-of-injury employer. Additionally, 89 percent of the workers served by the Rehabilitation Division returned to 90 percent of their pre-injury wage.

Rehabilitation Cases	FY05	FY06	FY07	FY08
New Referrals	2,378	2,615	2,363	2,505
Referral to Eligibility	9.57 days	9.97 days	9.27 days	9.4 days
Served	3,715	3,824	3,790	3,750
Closed After Evaluation	303	235	230	230

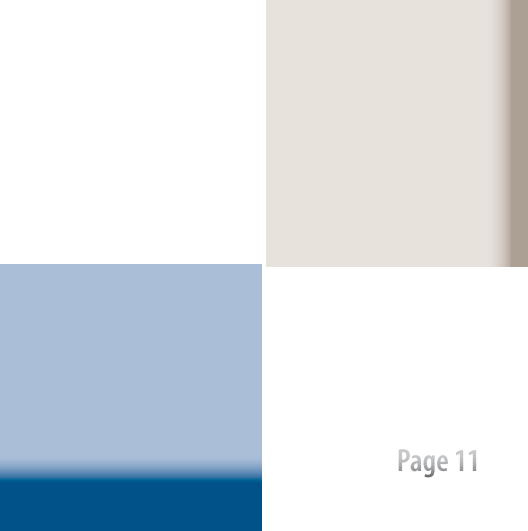
The Industrial Commission has monitored an increase in medical and time loss payments over the past several years. A number of factors contribute to this increase, including more severe injuries, an aging workforce, and general inflation costs associated with care. These escalating costs indicate the growing value of rehabilitative services as a way to assist insurers and employers manage the cost of workplace injuries. For these reasons, it has become increasingly important to assist injured workers in the transition of employment opportunities so they may continue to be productive and self-supporting members of the workforce.

When returning to pre-injury employment is not possible, the Rehabilitation staff works with the employee to find satisfying alternative employment. This job development stage includes an in-depth transferable skills analysis, assistance in identifying new employers, on-the-job training opportunities and job placement.

The demand for the staff’s rehabilitation services is evidenced by an increased workload. In FY08, referrals increased over 6 percent from the previous year. Even though the demand for services has consistently increased, the Rehabilitation staff has been able to maintain a nine-day average response to all new referrals. ■

MISSION STATEMENT

As a neutral party, the Industrial Commission’s Rehabilitation Division supports medical recovery while facilitating an early return to employment as close as possible to pre-injury status and wage.



Crime Victims Compensation Program

The 1986 Idaho Legislature determined that “it is to the benefit of all that victims of violence and their dependents be assisted financially and socially whenever possible” (Idaho Code, 72-1002). With that as their goal, the Crime Victims Compensation Program (CVCP) was created to assist innocent victims in recovering from the traumatic effects of crime by providing financial assistance to cover expenses for treatment of injuries sustained resulting from criminal acts, and for costs associated with sexual assault forensic examinations.

The CVCP provides compensation for crime-related injuries, for medical expenses, funerals, lost wages, sexual assault exams, and counseling expenses, up to a maximum of \$25,000. To date, the CVCP has assisted over 25,000 victims of crime, and provided over \$33,000,000 in financial assistance.

In FY08, the Program received 2,403 applications for assistance, paying an average of \$1,754 per claim. Nearly 81 percent of these cases involved criminal misconduct against women and children, approximately 59 percent of cases filed involved child victims, and over half of all the cases filed with the CVCP involved sexually related offenses. Though the number of cases involving women and children has dropped slightly from FY07, there was a 10 percent increase in the number of non-domestic battery cases, and a 35 percent increase in the number of non-domestic aggravated battery cases from the previous year.

No tax dollars are used to fund the CVCP. The program is funded by fines levied on misdemeanor (\$25.00) and felony (\$50.00) convictions and a \$200.00 penalty for sex offense convictions. Under the federal Victims of Crime Act (VOCA), each year state victim compensation programs receive an allocation of 60 percent of the total amount their program paid out to victims in the previous two-year period. The CVCP received \$899,000 in federal funds in FY08. The program also receives funding from court ordered restitution, recovery from civil suits filed against offenders, and from contributions.

The CVCP works cooperatively with the courts to hold offenders financially responsible by seeking reimbursement through restitution and subrogation. Further, the program works to ensure that victims of violence and their dependents

DEPARTMENT PURPOSE

The Idaho Crime Victims Compensation Program provides assistance to innocent victims for financial losses associated with a crime when other resources are not available to cover those expenses. The Program believes that offenders should be held accountable for costs associated with their criminal activity, and actively pursues restitution for crime-related costs.

Crime Victims Compensation Statistics	2006	2007	2008
Crime Victim Cases			
Cases Filed	2,000	2,408	2,403
Family Assistance Applications Filed	216	276	251
Eligibility Decisions Made	1,868	2,320	2,208
Awards Made	1,427	1,697	1,638
Denials Made	440	623	572
Appeals Summary			
Total Appeals Filed	91	53	49
Bureau Chief Reconsiderations	77	49	44
Hearings	14	4	5
Financial Activity*			
Total Revenue**	\$3,000,271	\$3,231,292	\$3,074,010
Total Expenses	\$3,035,169	\$3,914,000	\$3,934,746
Benefits Paid	\$2,351,567	\$3,183,840	\$3,183,997
Administrative Costs	\$683,602	\$730,212	\$750,749

receive needed assistance without the use of taxpayer dollars. Funds recovered are used to provide assistance to victims of crime throughout Idaho. Since the program began making payments on behalf of victims in 1986, \$4,708,657 in restitution has been ordered, \$2,444,793 has been collected, leaving \$2,263,864 in outstanding restitution. The 2008 Legislature awarded the CVCP additional financial recovery staff to help enhance collection activities, and continues to explore new methods to collect outstanding debt and hold offenders accountable for their actions. The CVCP's Recovery Unit is a national leader in state victim compensation programs efforts to recover money from offenders.

The CVCP has monitored dramatic changes in benefit payments in recent years, primarily related to increased medical costs. As shown in the chart to the right, "FY04-FY08 Medical and Forensic Examination Payments," the annual cost of these two types of benefits alone has increased almost 97 percent over the five-year period. The total amount of payments increased 4 percent from FY04-05, 5 percent from FY05-06, 45 percent from FY06-07, and 23 percent from FY07-08. The average increase in medical costs for the previous seven years was 8.5 percent. In FY08, the increases outpaced the CVCP's budgeted amount for payments. To help control increasing costs, the CVCP implemented a 25 percent reduction on all payments made on behalf of victims. Current payment trends remain unchanged, and

the payment reduction will likely extend throughout FY09.

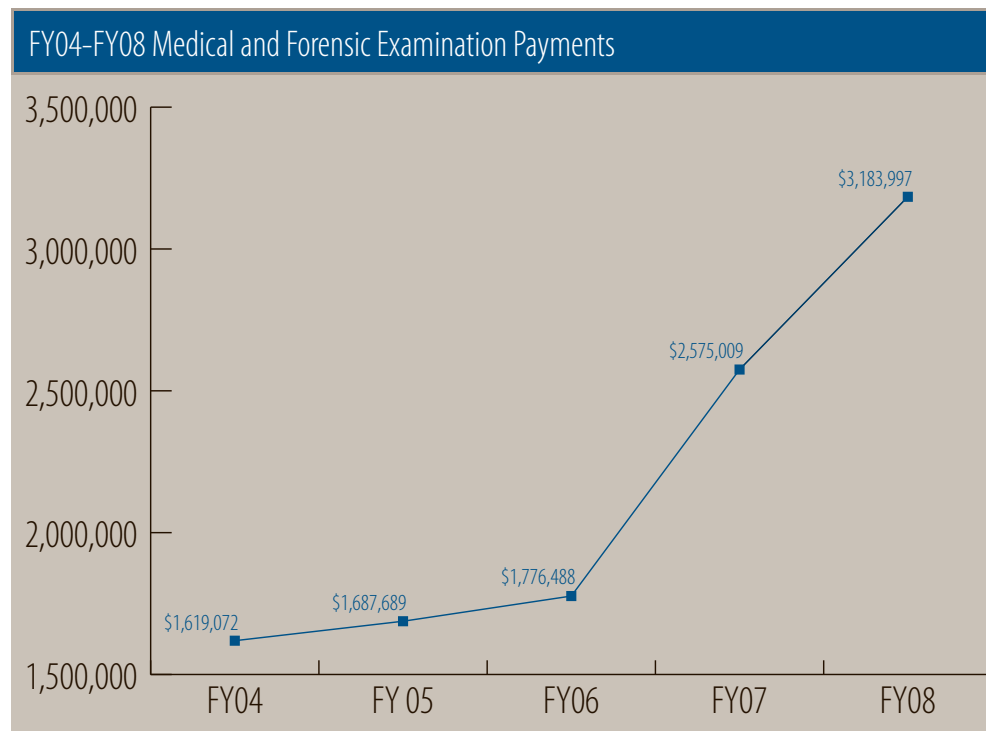
Since 2001, the CVCP has been responsible for administering payment of sexual assault forensic examinations statewide. The CVCP's proactive involvement in sexual assault and child sexual abuse cases has resulted in a 165 percent increase in the number of victims who also sought treatment for physical and emotional injuries through the program. The number of sexual assault examination claims has continued to increase since the program's involvement. In the five-year period between 2004

and 2008, the number of Sexual Assault Examination Claims increased from 533 filed in 2004 to 1,042 filed in 2008, an increase of over 95 percent.

In conjunction with administering the Crime Victim's Act, the Bureau Chief and his staff continue work with local government entities and private non-profit organizations to educate the public about the CVCP, reach out to victims of crime, and to enhance the criminal justice system's response to victims of crime. Outstanding relationships have been built to increase awareness of the services available to them through the Program. ■

FUNDING

The Victims of Crime Act (VOCA) funds contribute significantly to the victim compensation programs in operation in all 50 states, the District of Columbia, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, and the territory of Guam. The primary source of funding are federal fines and offender restitution. These funds help states provide funding for crime victims' expenses, including medical bills, mental health counseling, lost wages, and other crime-related costs.



FY08 Claims, Payments, and Revenue by County

County	General Claims*	General with SAE	SAE Only Claims	Total Claims	GC Approved	GC Denied	SAE Benefits Paid	General Benefits Paid	Fines Collected	Restitution Received
Ada	349	343	61	753	470	220	119,458	854,981	558,862	127,458
Adams	1	2	0	3	2	0	0	3,407	8,438	259
Bannock	83	35	14	132	87	32	5,699	243,299	129,430	13,405
Bear Lake	3	0	0	3	3	2	0	1,487	4,541	517
Benewah	4	1	0	5	3	1	0	2,170	8,726	1,116
Bingham	31	10	4	45	27	8	971	24,006	53,893	1,189
Blaine	13	4	4	21	20	3	81	34,725	23,147	6,914
Boise	6	6	0	12	10	4	916	13,488	13,273	3,847
Bonner	21	1	3	25	16	1	4,088	34,176	46,573	11,894
Bonneville	68	15	4	87	69	11	2,602	218,739	100,980	9,228
Boundary	4	2	2	8	5	2	738	29,642	12,560	1,570
Butte	1	1	0	2	2	0	9	1,408	2,763	311
Camas	0	2	0	2	0	0	0	525	2,358	0
Canyon	264	206	10	480	349	112	41,712	387,758	177,968	41,339
Caribou	2	6	0	8	6	0	134	700	11,368	0
Cassia	4	7	4	15	9	2	1,744	2,257	31,932	3,274
Clark	2	0	0	2	3	0	0	25,000	1,214	0
Clearwater	13	2	0	15	14	1	1,053	27,663	12,915	3,557
Custer	2	0	0	2	4	0	0	34,624	4,495	300
Elmore	18	25	1	44	23	21	729	42,061	25,679	0
Franklin	6	2	1	9	7	3	1,820	3,640	13,840	6,802
Fremont	8	0	0	8	3	6	0	963	14,051	1,717
Gem	10	13	2	25	12	12	1,522	9,344	17,635	1,019
Gooding	19	17	5	41	22	6	1,428	30,664	20,507	1,778
Idaho	6	0	1	7	4	2	1,932	10,149	23,047	528
Jefferson	7	0	1	8	5	2	1,558	11,437	30,954	1,161
Jerome	20	14	2	36	20	8	1,125	29,877	37,105	3,622
Kootenai	134	7	3	144	126	18	2,889	279,310	158,379	12,725
Latah	22	1	8	31	25	1	9,343	26,611	27,224	5,567
Lemhi	4	0	0	4	2	1	140	45	6,573	75
Lewis	3	0	1	4	2	3	0	628	6,427	0
Lincoln	5	0	2	7	4	1	532	18,817	6,437	90
Madison	10	1	1	12	11	3	1,335	34,564	18,309	4,898
Minidoka	20	14	8	42	24	4	2,514	27,974	29,302	2,725
Nez Perce	53	3	0	56	40	10	1,526	130,590	55,186	6,091
Oneida	4	1	0	5	5	2	0	0	6,668	0
Out of State	4	7	2	13	0	12	1,102	0	0	1,187
Owyhee	6	9	0	15	9	4	257	11,117	11,114	1,772
Payette	13	13	0	26	17	9	153	76,659	39,913	1,293
Power	3	0	0	3	3	0	0	1,950	11,730	585
Shoshone	10	2	0	12	12	4	397	48,210	18,534	2,017
Teton	3	1	1	5	3	0	598	841	9,915	0
Twin Falls	86	75	21	182	129	30	26,812	144,931	92,230	20,008
Unknown	0	0	13	13	1	0	0	0	0	0
Valley	13	7	0	20	20	6	3,926	45,697	30,880	9,523
Washington	3	8	0	11	8	5	3,748	13,276	16,844	490
TOTAL	1,361	863	179	2,403	1,636	572	244,588	2,939,409	1,933,912	311,847

A PERSONAL PERSPECTIVE

"I just wanted to let you know how much I appreciate the extra financial support that you provided. I think your program is very thoughtful and considerate. It helps to know I'm thought of with all that I've been through physically, emotionally, and financially. Thank you from the bottom of my heart!"

—Recipient



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