



Legislation Text

File #: 07-1174, **Version:** 1

Recommendation to authorize City Manager to enter into contracts with various physicians for the purpose of serving as Independent Medical Examiners in the workers' compensation alternative dispute resolution process with the Long Beach Police Officers Association and the Long Beach Firefighters Association. (Citywide)

City management representatives, representatives of the Long Beach Police Officers Association (LBPOA), and representatives of the Long Beach Firefighters Association (LBFFA) have held meet and confer sessions over the last six months regarding implementation of a workers' compensation alternative dispute resolution process. During these meetings, the City and Union representatives mutually agreed upon a list of current Agreed Medical Examiners (AME) to approach as potential Independent Medical Examiners (IME) for the purpose of the workers' compensation alternative dispute resolution process. Physicians were chosen based upon their ability to be impartial in analyzing specifics of a workers' compensation case and their ability to write thorough reports. A total of 86 physicians were approached in various specialties, with 56 physicians responding that they were interested, 29 physicians did not reply, and 1 declined.

The current workers' compensation claim resolution process, as supported by the State regulations, is filled with delays for both the City and employee. There are currently two pathways for a workers' compensation claim to be resolved under State regulations: non-litigated cases are resolved through a Qualified Medical Examiner (QME) and litigated cases may be resolved using an Agreed Medical Examiner (AME) or a QME. QME's are assigned by the State through a complicated process that allows the employee to choose from a State panel of physicians. The State randomly assigns this panel of physicians by specialty and consideration is not given to the proximity of the employee's home or work location. On average, it currently takes approximately three to five months from the time a QME is requested for the employee to be seen and the City to receive a report on the particular issues of the claim. This delay causes many claims to be denied pending receipt of the medical opinion. When a case is litigated, the two parties may agree to use an AME to resolve outstanding issues or use a QME. On average, it currently takes approximately six months or more for an employee to be seen by an AME because of the full calendars of these physicians and three additional months for the City to receive a report on the particular issues of the claim. This type of delay causes claim costs to rise while affecting the morale of employees.

In order to expedite resolution of disputed workers' compensation claims, the City and the LBPOA and LBFFA have agreed that all disputed cases will be resolved by the agreed upon IME's. The City's proposed fee schedule (see Attachment A) for the IME's is slightly higher than an AME would typically receive under State regulations. In return, the IME's will guarantee appointments are scheduled within 30 days of the request and reports will be sent to the City within 30 days from the completed evaluation by the physician.

IME's will be chosen based on specialty and the type of injury the employee has sustained. IME's will be assigned to the employee by the Workers' Compensation Office moving through the alphabetical

list of physicians by name. At any time during the term of the MOU, either party may request a physician to be removed or added to the approved list of physicians.

This matter was reviewed by Deputy City Attorney Christina Checél and Manager of Budget and Performance Management David Wodynski on October 3, 2007.

City Council action is requested on October 9, 2007 to ensure implementation of the MOU provisions by December 1, 2007.

The alternative dispute resolution program is expected to generate savings to the City through decreased litigation and quicker resolution of workers' compensation claims while improving service to our injured employees. The City will evaluate costs of this pilot program at the end of one year. Costs associated with this program are paid through the Insurance Fund (IS390). In Fiscal Year 07, total medical and indemnity costs for Police and Fire totaled \$8.2 million.

Approve recommendation.

SUZANNE R. MASON
DIRECTOR OF HUMAN RESOURCES

NAME
TITLE

APPROVED:

PATRICK H. WEST
CITY MANAGER