



## OKLAHOMA WORKERS' COMPENSATION COMMISSION

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Chairman Jordan K. Russell · Commissioner Megan Tilly · Commissioner Scott Biggs

Executive Director Hopper Smith

January 27, 2022

Honorable Kevin Stitt  
Governor of Oklahoma

Honorable Greg Treat  
President Pro Tempore of the Oklahoma Senate

Honorable Charles McCall  
Speaker of the Oklahoma House of Representatives

Governor Stitt, President Pro Tempore Treat, Speaker McCall, and members of the  
Legislature:

The Oklahoma Workers' Compensation Commission is pleased to present to you its 2022  
Biennial Report of administration of Title 85A, the Administrative Workers' Compensation  
Act, for the preceding biennial period. This report is issued pursuant to 85A O.S. § 24.<sup>1</sup>

Respectfully,



Commissioner Jordan K. Russell  
Chair, Oklahoma Workers' Compensation Commission

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<sup>1</sup> No paper copies of the report were made, but the report is available on the Commission's website at <https://www.wcc.ok.gov>. It was distributed electronically as provided in 74 O.S. § 464 and is compliant with 65 O.S. § 3-114.

# Oklahoma Workers' Compensation Commission

## 2022 Biennial Report

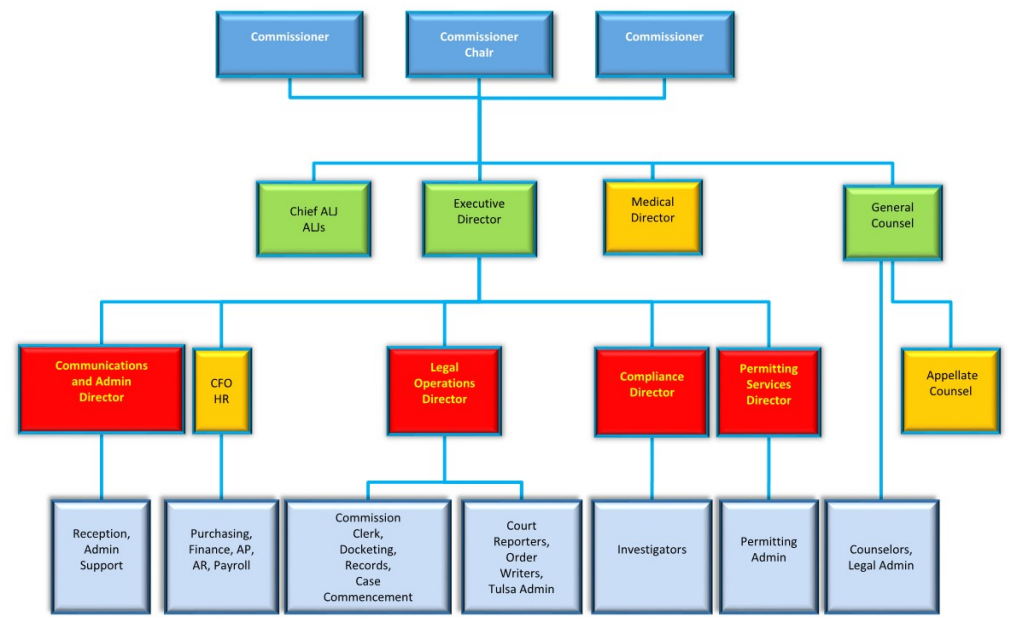
The Workers' Compensation Commission submits this report in compliance with 85A O.S. § 24, which requires the Commission to produce a report of the administration of the Administrative Workers' Compensation Act ("AWCA") for the preceding biennial period. This report includes summary information and data pertaining to the Commission's administration of the AWCA.<sup>2</sup>

### WHO IS THE WORKERS' COMPENSATION COMMISSION?

The Oklahoma Workers' Compensation Commission ("WCC") was created by the Administrative Workers' Compensation Act of 2013 and is responsible for the administrative adjudication of all work injuries occurring on or after February 1, 2014. The agency also enforces workers' compensation coverage requirements for employers and issues and regulates workers' compensation self-insurance permits for employers and group associations.

The WCC is headquartered at the Denver N. Davison State Office Building located at 1915 N. Stiles Avenue, Oklahoma City, Oklahoma 73105, and maintains an office and hearing rooms in Tulsa at 201 West Fifth Street, Tulsa, Oklahoma 74103.

Oklahoma Workers' Compensation Commission Organization Chart



<sup>2</sup> The Commission is in the process of validating its data and statistics for 2021. A final version of this information will be available on the Commission's 2021 Annual Report.

## Departmental Activities

**Commissioners** – The Workers’ Compensation Commission is composed of three full-time commissioners appointed to six-year staggered terms by the Governor and confirmed by the State Senate. The Chair of the Commission is appointed by the Governor from among the Commission members. Commissioners are responsible for agency administration and implementing the provisions of the AWCA. The Commissioners also serve as an en banc three-person appellate panel to hear appeals of administrative law judge decisions.



### **CHAIRMAN JORDAN K. RUSSELL**

Chairman Jordan K. Russell is an attorney who joined the Commission after serving three legislative sessions as policy director and counsel to former Oklahoma Speaker of the House Jeffrey W. Hickman. Prior to his time at the State Capitol, Jordan had a successful law practice in the downtown Oklahoma City office of Gungoll, Jackson, Box & Devoll, P.C.

Chairman Russell also previously worked as a legislative assistant to Oklahoma’s U.S. Congressman Frank D. Lucas in his Washington, D.C. office where he worked on issues involving healthcare, labor, social security, and disability, and ERISA.

Chairman Russell was appointed to the Oklahoma Workers’ Compensation Commission by Governor Mary Fallin effective October 4, 2016, and was reappointed to the Commission by Governor Kevin Stitt to a term ending in August 2025. Chairman Russell was appointed Chairman of the Workers’ Compensation Commission June 1, 2021, by Governor Kevin Stitt.



### **COMMISSIONER MEGAN TILLY**

Before her appointment to the Commission, Megan Tilly most recently served as Chief of the Multi-County Grand Jury Unit of the Oklahoma Attorney General’s office. The Grand Jury Unit investigates and prosecutes crimes across the state, including public corruption, white collar crime, and fraud. She assisted the workers’ compensation, insurance, and Social Security fraud units of the Attorney General’s office through legal research and counsel. Previously, Commissioner Tilly worked in the District Attorney’s office as an assistant district attorney in the Ninth District, handling all felony drug cases in Payne County and prosecuting all types of felonies in Logan County.

Commissioner Tilly was appointed to the Oklahoma Workers’ Compensation Commission by Governor Mary Fallin effective August 28, 2017.



## **COMMISSIONER SCOTT BIGGS**

Scott Biggs joined the Commission after serving as the State Executive Director for the Farm Service Agency within the USDA. Prior to his service with the USDA, Commissioner Biggs was an elected member of the Oklahoma House of Representatives. At the Capitol, Scott served on a variety of committees and in several leadership roles. Much of his work was focused on both agriculture and victims' issues. Scott was the leading voice for State Question 794 which placed victims' rights in the State Constitution. Before his time at the State Capitol, Scott ran a private legal practice and worked in several district attorney's offices around the state.

Commissioner Biggs currently serves as an officer in the Oklahoma Air National Guard and is assigned to the 138th Fighter Wing legal office in Tulsa, Oklahoma. He was recently recognized with the Patriot Award for his support and cooperation of fellow members in the Guard, Reserves, and veterans of military service in their employment opportunities.

Governor Kevin Stitt appointed Commissioner Biggs to a six-year term with the Oklahoma Workers' Compensation Commission effective August 26, 2021.

**Administrative Law Judges** – Hear cases of work injuries and AWCA enforcement brought before the Commission. The administrative Law Judges ("ALJs") are hired by and serve as at-will employees of the Commission.

### **Oklahoma City Administrative Law Judges**



Chief ALJ T. Shane Curtin



Judge Michael T. Egan



Judge P. Blair McMillin



Judge John Blodgett

### **Tulsa Administrative Law Judges**



Judge Tara A. Inhofe



Judge Molly H. Lawyer

## Additional Administrative Divisions

**Records Division** – Maintains the Commission’s file system, consisting of records from 2014 to present, and support docketing personnel. The Records Division assists the public with records requests and copy fees.

**Compliance Department** – Enforces 85A O.S. § 38, which requires employers to secure compensation, either through traditional workers’ compensation insurance coverage, or through self-insurance. The Division is run by a managing attorney who oversees four investigators, one of whom offices in Tulsa.

**Order Writing Division** – Assists the ALJs and Commissioners in drafting and finalizing orders in all cases.

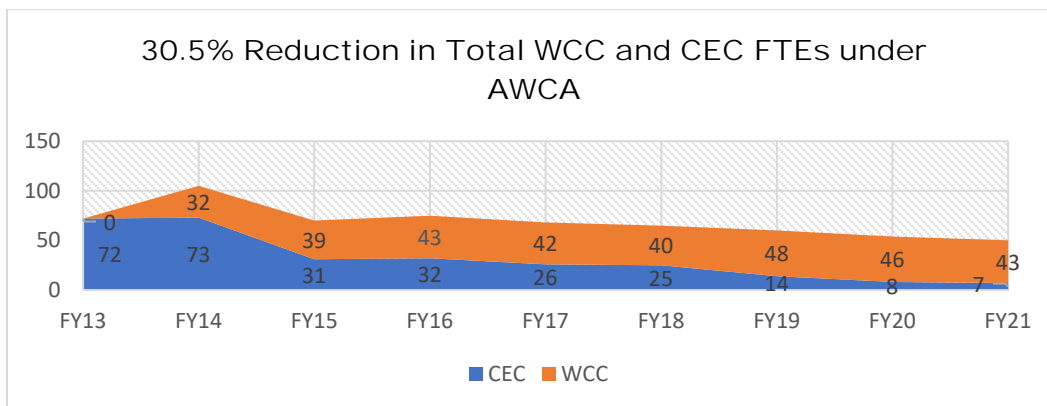
**Counselors Division** – Provides information about the workers’ compensation process, rules, and law to injured workers, employers, insurance carriers, medical providers, and other members of the public.

**Permitting Services** – Performs a variety of regulatory functions, including processing new and renewal applications for self-insured employers and group self-insurance associations, calculating rates for assessments imposed by Title 85A of the Oklahoma Statutes, and issuing Certificates of Non-Coverage.

**Docketing** – Sets hearings and prehearing conferences, notifies parties of hearing dates, and manages administrative law judges’ dockets.

**Case Commencement** – Processes and files incoming Form-3 filings for workers’ compensation claims.

**Administration/Communications Division** – The Commission relies on its Administrative Division to perform several different important agency functions. Title 85A O.S. § 109(D) requires the Commission to develop an annual training program to train and educate stakeholders about the new Workers’ Compensation system.





HOW IS THIS NON-APPROPRIATED AGENCY FUNDED?

A look at funding over the last two years:

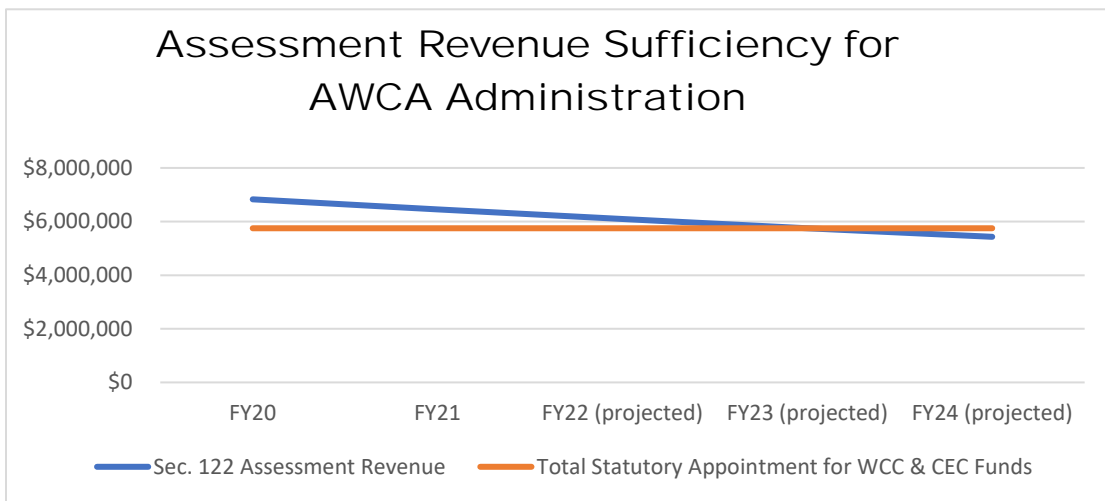
| WCC Revenue Description                          | FY2020 TOTAL        | FY2021 TOTAL        | % Change to Prior FY |
|--|---------------------|---------------------|----------------------|
| <b>WCC Apportion from Section 122 Assessment</b> | <b>\$ 4,000,000</b> | <b>\$ 4,000,000</b> | <b>-</b>             |
| Copy Fees - 01                                   | \$ 32,900           | \$ 19,839           | -40%                 |
| Postal Fees - 02                                 | \$ -                | \$ 16               | -                    |
| Search Fees - 03                                 | \$ 10,708           | \$ 10,382           | -3%                  |
| Handbook Fees - 04                               | \$ 3,261            | \$ 701              | -79%                 |
| Misc. Fees - 05                                  | \$ 298              | \$ 108              | -64%                 |
| Insurance Registration - 63                      | \$ 257,014          | \$ 304,045          | 18%                  |
| TPA Fees - 06                                    | \$ 37,030           | \$ 33,025           | -11%                 |
| OWN Risk Fees - 07                               | \$ 158,065          | \$ 160,584          | 2%                   |
| App to Write Fees - 62                           | \$ 9,000            | \$ 3,000            | -67%                 |
| Appeal Fees - 08                                 | \$ 16,628           | \$ 16,691           | 0%                   |
| Reopen Fees - 09                                 | \$ 3,690            | \$ 1,745            | -53%                 |
| Final Award Fees - 10                            | \$ 922,965          | \$ 858,956          | -7%                  |
| SC Record Prep - 11                              | \$ 2,400            | \$ 1,902            | -21%                 |
| Compliance Fees - 12                             | \$ 1,070,431        | \$ 847,942          | -21%                 |
| Open Records - 26                                | \$ 2,096            | \$ 1,021            | -51%                 |
| Affidavit App Fee - 60                           | \$ 331,608          | \$ 373,824          | 13%                  |
| Conference Registration Fee - 61                 | \$ 81,692           | \$ 40,117           | -51%                 |
| Core Wire & P-Card Rebate                        | \$ 1,177            | \$ 855              | -27%                 |
| 67500 Other Admin Serv                           | \$ 5,471            | \$ 5,416            | -1%                  |
| <b>WCC Total Fees and Penalties Collection</b>   | <b>\$ 2,946,433</b> | <b>\$ 2,680,168</b> | <b>-3.8%</b>         |
| <b>WCC TOTAL REVENUES</b>                        | <b>\$ 6,946,433</b> | <b>\$ 6,680,168</b> | <b>-9.4%</b>         |

WCC funds are made up of lump statutory apportionment from the 85A O.S. § 122 assessment along with certain statutorily-set fees and compliance penalties. The WCC experienced a drop of **\$266,265** in total revenue from FY2020 to FY2021. This reduction in fees and penalties can be attributed to unemployment associated with the COVID-19 pandemic and the oil and gas downturn during this time period.

Title 85A O.S. § 122 Assessment activity and forecast:

For administration of the AWCA, 85A O.S. § 122 authorizes the following assessments:

- One percent (1%) assessment of total premium (less certain deductions) for workers' compensation insurance policies issued in this state. Two percent (2%) assessment of certain losses for self-insureds and self-insurance associations.
- Apportions assessment proceeds in statutorily set amounts for the Workers' Compensation Commission ("WCC") at \$4 million and the Court of Existing Claims ("CEC") at \$1.75 million,<sup>3</sup> with any remaining assessment monies paid to the Multiple Injury Trust Fund ("MITF").



| 85A O.S. § 122 Assessment       | FY2020             | FY2021             | FY2022 (projected) | FY2023 (projected) | FY2024 (projected)                    |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------------------------|
| WCC                             | \$4,000,000        | \$4,000,000        | \$4,000,000        | \$4,000,000        | \$3,778,143 (proportionately reduced) |
| CEC                             | \$1,750,000        | \$0                | \$1,750,000        | \$1,750,000        | \$1,652,938 (proportionately reduced) |
| MITF                            | \$1,079,207        | \$2,456,101        | \$ 344,559         | \$ 3,264           | \$0                                   |
| <b>Total Assessment Revenue</b> | <b>\$6,829,207</b> | <b>\$6,456,101</b> | <b>\$6,094,559</b> | <b>\$5,753,264</b> | <b>\$5,431,081</b>                    |

The assessment revenue is projected to fall below the statutory appointment by FY24. This will cause a proportionate reduction to the WCC and CEC statutory apportionment amounts.

<sup>3</sup>HB 2367 (2019) amended the AWCA to provide \$0 for CEC funding in FY2020. SB 472 (2021) restored CEC funding levels to \$1.75 million.

DIGITAL TRANSFORMATION UNDERWAY AT WCC:

# CaseOK

The Commission is underway with a valiant effort to bring all of its services under one software system accessible to Oklahomans in an online forum. The new system, dubbed “CaseOK,” has been developed from the ground up by Commission staff and local software developer ObjectStream. The system follows the Commission’s workflow creating staffing efficiencies, collecting data and giving the Commission’s customers the ability to conduct business anywhere there is internet access. CaseOK will bring selected WCC and CEC records to a searchable online database, allow online submission of permit applications and fees as well as delivery of documents. CaseOK will allow injured workers and attorneys to electronically file and receive orders and documents in administrative cases. Development of CaseOK has been fully funded by WCC savings and efficiencies from its existing revenue along with contribution by the CEC for its modules.

|  |  |   |
|--|--|---|
| Permitting Applications<br>✔ Online                      | NCCI - Proof of Coverage<br>Inquiry Database<br>✔ Online | Case Commencement<br>✔ Online   |
| Case Docketing<br>✔ Online                               | Case Orders<br>✔ Online                                  | Case Adjudication<br>✔ Online   |
| Point of Sale/Finance<br>✔ Online                        | Public Search<br>(Coming 2022)                           | External User Filing<br>(Coming 2022)   |
| Joint Petition Settlement<br>Processing<br>(Coming 2022) | CEC Data Migration<br>(Coming 2023)                      | Automation of<br>Independent Medical<br>Examiner, Counseling and<br>Compliance Processes<br>(Coming 2023) |



## Office Moves and Interagency Cooperation:

A top priority for the Commission has been to work closely and collaborate with all agencies governed by Title 85A. For example, the Commission is partnering with the CEC to share costs of updating the old court filing system, and the Commission has offered the services and expertise of the agency's CFO to help the MITF better manage its funding mechanisms and budget.

To save on building costs, the WCC is consolidating its Oklahoma City location in the Denver N. Davison Building. The WCC will vacate all 3<sup>rd</sup> floor offices, remodel the 2<sup>nd</sup> floor for a more efficient use of the space, and convert the 1<sup>st</sup> floor into shared office space with the CEC. In another cost-saving measure, the Commission and the CEC now share front desk and switch board operator duties to help lower both agencies operational and FTE costs.

The WCC and CEC have also moved from their Tulsa offices in the Kerr Building to make way for a new VA Hospital in downtown Tulsa. The two agencies have once again cooperated and looked for cost saving opportunities as they completed the move to new offices at the 201 Building on West 5<sup>th</sup> street in Tulsa.

The WCC's spirit of teamwork and cooperation extends beyond the agencies included in Title 85A. The Commissioners feel deeply that the WCC is a part of the larger mission of every state agency to bring about better service to all Oklahomans. That is why, when the newly created OMES Civil Service Division ("CSD") was looking for courtroom space to hold hearings, the Commission immediately sought opportunities to assist. Beginning this year, the WCC will begin sharing court room space with the Civil Service Division, as needed, to help the CSD carry out its vital mission to state employees and agencies.