



# RISK★TEX

INTERAGENCY COMMUNICATION FROM THE STATE OFFICE of RISK MANAGEMENT ★ JULY 2002



## SORM TIP OF THE DAY

National Safety Council statistics show that falls accounted for 17,100 unintentional injury deaths in 1999. One way to reduce this number is to know the safe way to use a ladder. Here are a few suggestions from OSHA:

- When using a portable ladder, the side rails should extend at least 3 feet above the upper landing surface. If not possible, you should secure the ladder and install a grasping device such as a grab rail to help you mount and dismount the ladder.
- Make sure ladders are free of oil, grease, and other slip hazards.
- Use ladders on stable and level surfaces.
- Do not use ladders on slippery surfaces unless they are secured or have slip-resistant feet.
- Never stand on the top or top step.
- Grasp with at least one hand when ascending or descending.

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## Risk/Reward

### Assessments fund workers' comp program

By Lucinda Saxon

You may have heard of that ominous assessment your agency has received and is expected to pay. If you have been wondering, "what is this assessment program and why is my agency paying so much for workers' compensation coverage?" Here is your answer.

Before the 77th Legislature, payments for workers' compensation were paid by a split of actual claim costs of 25 percent paid by the state agencies and 75 percent paid by the State Office of Risk Management. The state paid for these costs by an allocation during the biennium based

on projected actuarial estimates. Sometimes these estimates were short and both state agencies and SORM would be asking for emergency appropriations to fill the gap between expected and projected costs. Additionally, small agencies with a catastrophic event could be forced to expend more than their agency's entire budget on a workers' compensation claim. This system provided no incentive for state agencies to curb their losses or improve their safety controls. This, combined with the continual emergency appropriations, was disconcerting for law-

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### Safety Excellence Award

SORM Board of Directors Chairman Martha Rider, right, and Executive Director Ron Josselet, left, present the Safety Excellence Award to Eleanor Ferren with the Texas Animal Health Commission. Agencies who received Gold Safety Awards are eligible to compete for the Safety Excellence Award.

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# SORM beefing up website

## Web-enabled reports, electronic submission of TWCC-1S coming in future

**By Jennifer Whitwell**

The SORM Information Resources staff is hard at work to make the task of accessing reports easier by web-enabling standard reports given to each agency. The monthly reports will be accessed on the Internet instead of being distributed in hard-copy form.

The web-enabled forms will show lower-level detailed information in agency-specific categories. Each agency will have the ability to electronically download these reports in a spreadsheet-loadable format. Systems Analyst Pat O'Hara and WebMaster Ralph Hutchins are working diligently to ensure that these reports move progressively toward posting real-time information.

As with all good projects, we must have a starting point. In order to tailor these reports to the agencies' needs, SORM plans to conduct periodic risk management user group meetings with state agencies. The risk management

user group will, among other purposes, be used for agencies to provide SORM with feedback on reports they desire to be made available over the Internet. We hope that your agency representatives will take advantage of the invitations to these user groups. Together, we can make this project a phenomenal success. The first workgroup meeting will be in the Fall.

In addition to web-enabling agency reports, SORM has developed a plan to automate the submission of claims data, specifically targeting the TWCC-1S, the Employer's First Report of Injury or Illness. Currently, the TWCC-1S is submitted to SORM in hard-copy fashion. In keeping with the times, however, we feel that electronically submitting the information contained on the TWCC-1S will be both cost-effective and more efficient.

SORM is very sensitive to the confidential nature of the information con-

tained in the TWCC-1S. Therefore, we will ensure that all appropriate security measures are taken before implementing this new procedure. For example, all agencies will be required to enter into a non-disclosure agreement in order to transmit the data electronically. Passwords will be required before the user will be allowed to view any of the data. All web pages will use secured socket layers, which will provide for the encryption/decryption of all client information.

SORM has a projected implementation date in the Fall for the automated TWCC-1S and the Internet reports project. We're still working out the bugs, but we hope to make the transition go as smoothly as possible for everyone involved.

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*Jennifer Whitwell works closely with agencies in SORM's Information Resources unit.*

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# Dr. Beals named Vice Chairman

Ronald D. Beals, M.D., was recently named Vice Chairman of the SORM Board of Directors.

Dr. Beals has served on the Board of Directors since SORM was created in 1997. Former Vice Chairman James Green left the Board of Directors when he moved out of the state.

Board of Directors Chairman Martha Rider made the announcement during the May meeting of the Board of Directors.

Dr. Beals is the former owner, president, and medical director of Acute Care of Tyler,

an urgent care center that also provides occupational and workers' compensation care. He is a member of the Smith County Medical Association, the American College of Occupational and Environmental Medicine, and the American College of Emergency Physicians.

He earned an undergraduate degree from Millikin University in Illinois and a medical degree from Creighton University College of Medicine in Nebraska.

Dr. Beals serves on the Board of Directors for a term to expire Feb. 1, 2007.



**Ronald D. Beals,  
M.D.**

# Bell helping to keep agencies safe

*Editor's Note: This Employee Spotlight is an introduction to Risk Management Specialist Lisa Bell and her commitment to Texas state agencies.*

I was a military brat, a dependent of my father whose career was in the U.S. Air Force. Although I traveled around the world, I consider myself a Texan. My family and I settled here and I grew up mostly in Austin. I now reside in Bastrop County.

I am a certified Occupational Health and Safety Technologist and hold a Bachelor of Arts degree in Chemistry with the distinction Magna Cum Laude from St. Edwards University in Austin. After graduating in 1993, I went directly into the technology sector working in the clean room making silicon wafers, the building blocks for computer chips, at Motorola. It was here that I realized that safety was a very crucial part of industry, and that it takes thousands of people working safely every day in a tightly enclosed and regulated room to efficiently put a computer together.

Fueled by the growing desire to get a foothold in the safety profession, I worked for the Texas

Workers' Compensation Insurance Fund as a Loss Prevention Consultant from 1993-1997. This was my first initiation into the chal-



**Lisa Bell**

lenging and fascinating field of safety. As a Loss Prevention Consultant, I assisted private sector employers in recognizing areas of potential accidents and in the development of programs to minimize the chance of their occurrence.

After a reduction in force at the Fund, I worked in the Department of Public Safety Crime Laboratory as a DNA Technician. My experience in the Crime Lab was kind of like a rendition of the TV series "CSI: Crime Scene Investigation" with some of the dramatization and adventure. I assisted the analysts with collecting evidence at the crime scene for DNA casework, logging evidence, and screening evidence. Safety was always at the forefront, especially because I was working with potential bloodborne pathogens.

I left the Crime Lab with appreciation for the eye-opening experience, but the desire to get back into safety consulting. I joined SORM as a Risk Management Specialist in 1998. As a specialist, I am committed to assisting agencies with their risk management programs. One interest and niche that I have the opportunity to experience is ergonomics. I have conducted numerous on-site ergonomic assessments for Texas state agencies for the identification and reduction of workplace musculoskeletal stressors.

Although I am not an expert in the field of ergonomics, I have a desire to make a difference and will do my best to assist state agencies with their ergonomic issues. To move toward this end, an ergonomics committee comprised of specialists and trainers has also been created and charged with assisting state agencies with ergonomic issues. The committee is working on procedures to assist state agencies in evaluating and resolving these issues. I look forward to seeing our collective contributions come to fruition over the next fiscal year. Together, we can make the difference.

# Ready for new year

As training numbers continue to increase, trainers prepare for a possible record year

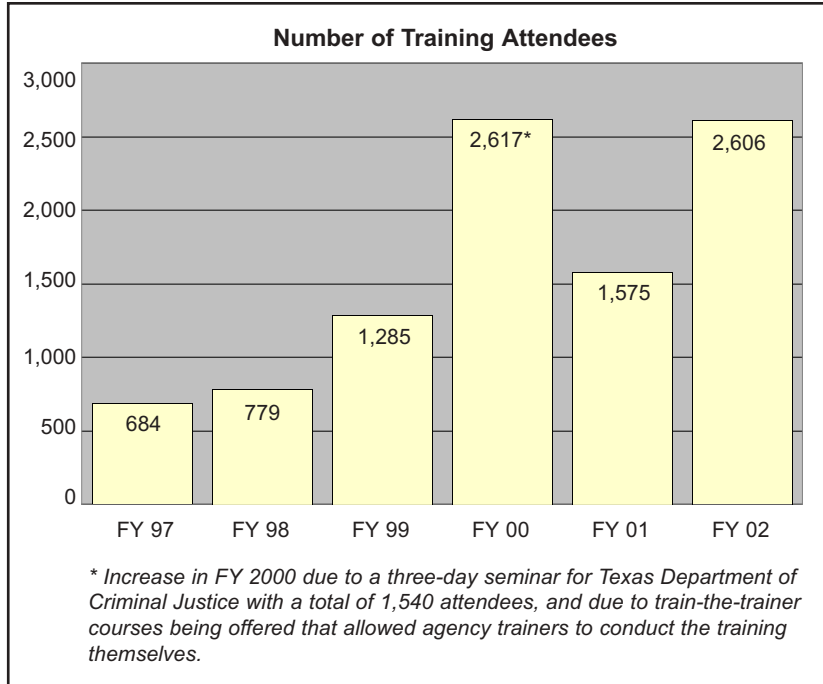
## By Sam Lawrence

The Agency Outreach and Training staff is gearing up for the new fiscal year in what could be a record-breaking year for SORM training.

Trainers are currently finalizing course schedules to determine dates and locations. Courses that are returning to the training schedule are being modified or updated, and new courses for the fiscal year are being developed. One of the new classes is a two-day claims coordinator workshop, which will be held in Austin, Abilene, Denton, Houston, and Edinburg. The new training calendar will be posted soon on the SORM website, [www.sorm.state.tx.us](http://www.sorm.state.tx.us).

Attendance at SORM training has been increasing dramatically each year and enrollment is expected to rise again in FY 2003. During FY 2002, SORM had 2,606 training class attendees. That's a 65 percent increase from the previous fiscal year. The number of attendees has risen by an average of 42 percent per year since SORM was created in FY 1997.

One type of training that is gaining in popularity with agencies is SORM's agency-specific training that is offered upon request. SORM trainers can come to your location to conduct a class from our list of courses, or the trainers can customize one class or a mixture of several classes to fit your training needs. The agency-specific training is in addition to the courses the trainers



schedule throughout the year. In fact, many dates will be left open during the year to allow for this type of training.

Anyone interested in agency-specific training is encouraged to submit their requests as soon as possible. These requests are quickly filling up SORM's training calendar and are reserved on a first-come, first-serve basis. Send your requests to Audrea Spakes at [audrea.spakes@sorm.state.tx.us](mailto:audrea.spakes@sorm.state.tx.us) or call (512) 936-1564.

Training courses in FY 2003:

- Additional Duty Safety Officer (ADSO) Orientation;
- ADSO Train-the-Trainer;
- AIC 33, 34, 35 Comprehensive Review;
- ARM 54, 55, 56 Comprehensive Review;
- Adult CPR/First Aid/AED Training;
- Defensive Driving;
- Ergonomic Assessments;
- Fire Extinguisher Training;
- Forklift Safety Train-the-Trainer;
- HazCom/MSDS;
- Hostility Management;
- Indoor Environmental Hazards;
- Life Safety Code 101;

- Mail Handling Safety;
- New Employee Safety Orientation Train-the-Trainer;
- Supervisors Role in Safety;
- Training for Claims Coordinators Level I;
- Training for Claims Coordinators Level II; and,
- Training for New Risk Managers.

## Claims Coordinator Handbook

In addition to the training schedule, the Agency Outreach and Training staff is working with the Claims Operations unit to update the *Claims Coordinator Handbook*, a guide for agencies when filing a workers' compensation claim. The handbook provides step-by-step instructions for many of the most-used claims forms. Handbook revisions will be released soon.

*Sam Lawrence is an Information Specialist with the Agency Outreach and Training unit.*

# SORM implements Call Center

By Deanna MacNames

Have you noticed lately that you're getting to talk to a person who can help to address your problems or discuss claims issues with you more readily and rapidly than in the past?

Well, that is all thanks to our new Call Center. The focus of the Call Center personnel is CUSTOMER SERVICE, and our goal is to offer the best assistance we can at the time of your first call.

Prior to implementation of the Call Center, SORM claims adjusters spent an extraordinary amount of time returning phone calls extracted from their voice mail, only to find their voice mail full again. Additionally, they were having a difficult time managing all that needed to be done in pro-actively handling their claims. Claims coordinators, medical providers, and injured state employees often complained that it was difficult to contact their adjusters because they were always on the phone. Needless to say, this caused quite a lot of frustration for

The Call Center became operational in April and is staffed by licensed, trainee adjusters from 9 a.m.-4 p.m., Monday through Friday.

everyone. On April 15, SORM placed the new Call Center into effect, and we're happy to say the results have been great and are getting better all the time.

The Call Center is staffed by licensed, trainee adjusters from 9 a.m.-4 p.m., Monday through Friday. Trainee adjusters are well experienced in the administrative functions and issues involved in claims handling. Call Center staff is available to assist callers with the majority of their issues. If the Call Center staff is unable to assist the caller, the call can then be transferred to the handling adjuster, another adjuster on that team, or a member of the Claims Operations supervisory staff. By allowing the Call Center staff to answer most of the questions, the handling adjusters are available

more often to assist callers who need their assistance. This also allows them the time needed for pro-active claims handling.

SORM has experienced a reduced number of incoming phone calls. Previously, we received numerous second and third calls from customers in an effort to discuss a problem or claims issue with an adjuster. Since the implementation of the Call Center, the amount of time customers are "on hold" has been significantly reduced. SORM has received numerous favorable comments regarding the implementation of the Call Center. We are continuing to improve our processes in our efforts at SORM to enhance customer service in any manner that we can.

We welcome comments and/or suggestions. Please send them to Deanna MacNames at [deanna.macnames@sorm.state.tx.us](mailto:deanna.macnames@sorm.state.tx.us) or (512) 475-1440.

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*Deanna MacNames is a supervisor in the Claims Operations unit.*

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## Explaining workers' comp allocations

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makers. Thus the birth of House Bill 2976, which not only made agencies responsible for their workers' compensation costs, but created a risk assessment that would cap the damages applicable to small state agencies.

Because HB 2976 was passed simultaneously with the FY 2002-2003 budget, the budget did not account for the change in how compensation costs would be paid for. Therefore, included in all state agen-

cies' budgets was 25 percent for all estimated costs and the cost for the interagency contract with SORM for the risk management program. SORM was appropriated 75 percent of the estimated workers' compensation costs. To handle the interim period, the 75 percent is calculated via formula to be redistributed (relocated) to all agencies. SORM made recommendations to the Comptroller of Public Accounts for the amount of money that should be withdrawn from SORM's account

and redistributed to each state agency. That state agency will then transfer to SORM that amount, in addition to its 25 percent, for a total of 100 percent of the workers' compensation assessment. This process will occur during both FY 2002 and 2003. Beginning in 2004, SORM will not be appropriated any money for workers' compensation claims.

I know that this seems simple, but it isn't. SORM began this process with full knowledge of how difficult

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# Workgroup studies program formula

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it would be to design a program and use a formula which would be universally acceptable to agencies. SORM formed an inter-agency workgroup to assist and comment on the design of the current assessment plan. The workgroup consisted of representatives from a diverse group of agencies and universities, who all had the opportunity to shape and comment on the rules of the program. The program allocated the costs of workers' compensation among agencies based on payroll, injury frequency rate, and historical claims costs.

Over the past eight months, SORM staff has met with many of the covered agencies to explain the assessment program and to address each agency's concerns. As you would expect, agencies' concerns are as unique and varied as their function and funding. Many of the issues were anticipated in the drafting of the program and solutions were sought. While we have been able to address most of the concerns, some of the problems that have been identified by agencies are literally beyond the authority of SORM to resolve.

A number of agencies are facing significant financial impacts to their

non-general-revenue funding sources, and we empathize with these agencies. Unfortunately, the ability to subsidize these programs is not within SORM's authority. A major difference in HB 2976 is that rather than relying on self-reporting by the covered agency, the new program has covered agencies pay their assessment in proportion to their payroll by funding source up front. Another major difference is that, because of the statewide financial benefits of risk pooling, many agencies have assessments in excess of their average annual costs.

Another issue surrounding the assessment program seems to stem from the basic intent of the program and its formula. Many agencies believe that an individual agency's assessment should be more closely tied to those claims payments made on behalf of that agency. Finding the correct balance in the formula will require continuing input from agencies that are engaged in the process. To address that issue, SORM has created another workgroup to study the Risk/Reward Program and assessment formula. We have scheduled several meetings within the coming months. If your agency has not signed up to participate, we encourage you to do so by contacting

me at [lucinda.saxon@sorm.state.tx.us](mailto:lucinda.saxon@sorm.state.tx.us) or (512) 936-1452.

The goal of the Risk/Reward Program is to provide agencies with an incentive to reduce injuries to state workers. In addition, this program offers a number of significant advantages over the former system of agencies paying "their 25 percent." The assessment process will: give agencies greater control over their budgets by making their workers' compensation costs more predictable through assessments; cushion the effects of catastrophic losses on individual state agencies by pooling risks; and, provide agencies with compelling incentives to promote office-place safety and reduce claims.

SORM and the Legislature continue to believe that the Risk/Reward Program of HB 2976 represents our best hope to protect the men and women who dedicate themselves to public service, and to reduce the costs of the workplace injuries to the State. We look forward to working with each agency as we proceed down the path of workplace safety.

*Lucinda Saxon is in charge of Governmental Relations in SORM's General Counsel's office.*

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