

Vision: To be the best state in the proactive, collaborative, and steadfast protection of the life, health, safety, and welfare of the workforce.

Mission: To efficiently administer and effectively oversee all applicable laws related to the protection of life, health, safety, and welfare of employees within the state.

Agency Description: The Industrial Commission of Arizona (“ICA”) was established to oversee laws protecting the life, health, safety, and welfare of Arizona’s workers. The ICA administers the state’s Workers’ Compensation Act and other employee protections, such as laws related to occupational safety and health, minimum wage, unpaid wages, and youth labor. The ICA also provides workers’ compensation benefits to claimants of uninsured employers and bankrupt self-insured employers.

Executive Summary: With core missions to protect and assist workers both before and after a workplace injury, to collaboratively work with employers and employees to promote workplace safety and health, and to efficiently perform statutory duties pertaining to workers’ compensation and labor-related claims, the ICA’s 2023 strategic plan is focused on proactive, collaborative workplace safety; continually-improved customer service, operations, and technology; a high-performing workforce; and reducing unnecessary litigation.

The ICA will: (1) expand the reach and impact of the Arizona Division of Occupational Safety and Health (“ADOSH”) in an effort to eliminate hazards before injuries occur; (2) improve the operational efficiency of the ADOSH Whistleblower Unit, the Claims Division notification and solicitation process, and Labor Department’s processing of wage claims; and (3) use appropriate tools to continue reducing the volume of litigation in the Special Fund and ALJ Divisions.

The ICA’s modernized IT platform has been expanded to include multiple state-of-the-art Salesforce systems, community portals, and online services – better serving stakeholders and ICA staff. Continued efforts will focus on leveraging technology to improve manual, paper-based processes in the ADOSH & Accounting Divisions; expanding virtual services; and increasing efficiency of ICA staff.

Finally, significant progress has been made to develop a high-performing, engaged workforce. Continued efforts will focus on improving employee knowledge and performance through effective gemba walks, enhanced access to standard work, and electronic 5S.

Summary of Multi-Year Strategic Priorities

#	Multi-Year Strategy	Start Year	Progress / Successes
1	Model State for Worker Safety and Health	2018	<ul style="list-style-type: none"> FY18-22: Construction/high-hazard consultation visits increasing (FY18-530; FY19-753; FY20-866; FY21-1,067; FY22- 1,115) FY18-22: Safety & health partnerships increasing (FY22-172) FY20, 22: Voluntary Protection Prog. (VPP) awarded in Phx & Tucson CY17-20: Opioid use in workers’ compensation decreasing (CY17: 35% claims w/ ≥1 opioid Rx; CY18: 28%; CY19: 23%; CY20: 20%) FY20-22: 44,611 employees trained by ADOSH; 10,744 hazards abated; 82,617 employees benefited from ADOSH Consultation FY22: Closed 325 ADOSH whistleblower cases
2	Operational Excellence Through Continuous Improvement	2018	<ul style="list-style-type: none"> FY18-22: 14 strategic/operational breakthroughs achieved (FY22 - VPP Tucson, Earned Paid Sick Time (“EPST”) Retaliation processing time limit, Loss of Earning Capacity awards) FY18-22: Successfully deployed 100% of Arizona Management System elements with a maturity score of 3.78 (FY20), 3.8 (FY21), 4.1 (FY22) FY21-22: Eliminated Labor Dept. backlogs in Wage, Min. Wage, EPST, EPST Retaliation, Youth Labor, & Payment Compliance programs
3	Efficient Customer Service Through Wise Use of Technology	2018	<ul style="list-style-type: none"> FY19-22: Launched and stabilized Salesforce-based Claims/Administrative Law Judge (“ALJ”) computer system w/ enhanced customer portal (stakeholder usage increasing) FY19-22: Launched Salesforce-based systems in the Legal Division; Labor Dep’t; ADOSH Compliance/Whistleblower Unit; ADOSH Consultation Unit; and Accounting Division FY21-22: Completed Cloud First Initiative; improved IT security through multi-factor auth., single sign-on, and always-on virtual private network
4	High Performing and Agile Workforce	2018	<ul style="list-style-type: none"> FY19-20: Increased professional development by over 100% FY19-22: Development of standard work (FY19: 207 standard work documents published; FY20: 226, FY21: 223, FY22: 171) FY20-21: Updated Continuity of Operations Plan; completed succession planning & onboarding standard work; deployed virtual huddle boards FY22: Improved quality/quantity of gemba walks (432 completed) FY22: Improved quality/quantity of agency training (812 training hours)
5	Reduce Volume of Workers’ Compensation Litigation (Without Impacting Due Process)	2020	<ul style="list-style-type: none"> FY18-22: Full & Final settlements increasing (FY18/19: 303 settlements approved; FY20: 391; FY21: 628; FY22: 625) FY19: Adopted complete evidence-based treatment guidelines FY19-22: Number of employers obtaining insurance as a result of ICA efforts increasing (FY19: 510; FY20: 678, FY21:751, FY22: 740) FY18-22: Increased Special Fund settlements (466 total) FY20-22: 1,587 adjusters completed Claims training program FY22: Approximately 32% of ALJ cases resulting in settlement FY21-22: 923 ALJ Alternative Dispute Resolution (“ADR”) sessions held (504 matters resolved) FY22: 12 targeted claims trainings; elec. funds transfer (“EFT”) program deployed (1,728 EFT payments); pilot prog. for informal Medical Resource Office (“MRO”) billing dispute services (14 disputes resolved)

Strategy #	FY23 Annual Objectives	Objective Metrics	Annual Initiatives
1	Expand the reach and impact of ADOSH programs on Arizona's employers and employees	<ul style="list-style-type: none"> # of participants in ADOSH partnership programs # of high-hazard consultation visits Average Compliance lapse time (in days) % of target for employees trained; employees impacted # of hazards abated % of target elevators inspected 	<ul style="list-style-type: none"> ADOSH Division focus and A3 plan for achieving 182 active ADOSH partnerships (~5% increase); 1,104 high-hazard consultation visits (sustain); 18,432 employees trained (5% increase); and 34,020 employees impacted (sustain) Develop occupational safety & health computer-based training modules - 2 topics Continue ADOSH Division A3 plan for reducing average Compliance lapse time Complete ICA safety program update (A3)
	Accelerate processing and investigation of ADOSH whistleblower claims	<ul style="list-style-type: none"> Age (in days) of oldest pending whistleblower claim # of whistleblower cases closed/dismissed % of new cases screened w/in target timeframe 	<ul style="list-style-type: none"> ADOSH focus on reduction of whistleblower case backlog and pending time (A3)
2	Maintain Labor Department processing timelines for wage, minimum wage, EPST, and EPST retaliation	<ul style="list-style-type: none"> # of retaliation claims > 90 days; # minimum wage claims > 70 days; # EPST claims > 90 days % of wage claims > 125 days Age (in days) of oldest pending wage claim 	<ul style="list-style-type: none"> A3 project plan with emphasis on eliminating wage claim backlog, while preventing backlog growth in all other Labor Department programs Develop improved intake audit program to drive quality improvements in the intake unit
	Increase payer compliance with claim notifications and solicitations	<ul style="list-style-type: none"> # of m-solicit letters (normalized by # claim notifications) # of internal bad faith investigation notices issued % of targeted Claims trainings provided 	<ul style="list-style-type: none"> A3 project plan focused on ICA efforts to increase payer compliance with claim notifications and solicitations Leverage Tableau to analyze claim notification & solicitation data, identify problem areas, and develop solutions
	Successfully implement Municipal Firefighter Cancer Reimbursement Fund ("MFCRF") program, cancer claim reporting, and statutory Fee Schedule update process	<ul style="list-style-type: none"> % MFCRF assessments collected 	<ul style="list-style-type: none"> Publish first firefighter & fire investigator cancer claim report by September 30 Process 100% of qualifying MFCRF reimbursement requests timely and accurately Exceed statutory requirements pertaining to annual Fee Schedule update
3	Develop and deploy Consultation, Boiler/Elevator, and Workers' Compensation Tax Salesforce systems	<ul style="list-style-type: none"> # of Consultation matters processed in new system % Automated Project Funds utilized 	<ul style="list-style-type: none"> Fully deploy and strategically improve new Salesforce systems Train 100% of users & publish 20 standard work documents re new systems usage Increase Salesforce synergy by deploying two agency-wide Salesforce tools
4	Increase and improve usage of AMS tools	<ul style="list-style-type: none"> % of target gemba walks conducted % of standard work migrated into Salesforce Knowledge 	<ul style="list-style-type: none"> Continued agency focus on gemba walks to support employee performance Deploy Salesforce Knowledge and migrate 100% of existing standard work Train ICA employees on usage of Salesforce Knowledge & complete survey Develop electronic 5S training program and standard work
5	Reduce workers' compensation litigation in Special Fund	<ul style="list-style-type: none"> # of full & final/non-compensable settlements % Special Fund "payment category" audits completed # of Special Fund cases resolved before initial hearing 	<ul style="list-style-type: none"> Achieve 36 full & final/non-compensable settlements (~10% increase) Implement Special Fund "payment category" audit program (A3)
	Increase effectiveness of ICA ADR program and 1061(J) process	<ul style="list-style-type: none"> # of cases in ADR program (normalized by # cases referred) % settlement rate resulting from ICA ADR program Average # days for 1061(J) cases to be resolved/referred % of 1061(J) matters settled before referral to hearing 	<ul style="list-style-type: none"> Expand usage of the ICA ADR program by increasing participation by 10% (A3) Focus on prompt resolution of 1061(J) disputes
	Expand the reach and impact of MRO programs	<ul style="list-style-type: none"> # billing disputes submitted; resolved # of healthcare professionals participating in MRO training # of payer representatives participating in MRO training 	<ul style="list-style-type: none"> Full deployment of informal billing dispute program (A3) Develop and deploy training program for healthcare professionals Develop and deploy training program for payer representatives