

Agency 5-Year Plan

Issue 1 MODERNIZATION OF THE WORKERS' COMPENSATION CLAIMS SYSTEM

Description: The Industrial Commission (ICA) is the agency responsible to ensure that Arizona workers' compensation claims are processed in accordance with the provisions of Chapter 6 of A.R.S. Title 23. This responsibility primarily rests with the Commission's Claims Division. To meet this responsibility, the Claims Division deployed a customized computer system in 1991 to manage claims processes and documents.

Over time, this system has become increasingly outdated and burdensome to the agency's stakeholders. In its current state, the system cannot accept essential claim information in an electronic format from insurance carriers and self-insured employers because of the nature of the 1991 data processing design. These ICA customers must manually file over two million documents each year with the Claims Division. The system also experiences frequent system outages causing delays in claims processing due to outdated and unsupported software.

In order to continue providing essential claims processing services that meet customer needs, the ICA must replace the current Claims Division computer system. This will significantly improve efficiency and accuracy for all functional areas as well as capture substantial new data and statistics for work related injuries. Most importantly, it will give the agency's external customers the ability to electronically interface with the Claims Division computer system.

Eight of the ICA's eleven FY17 agency scorecard metrics rely on the Claims Division computer system for achievement.

Solutions:

The ICA requests funding for the modernization of the workers' compensation claims system. This project would be paid from the ICA's Administrative Fund. No General Fund monies are required.

Resource Assumptions

	FY2019 Estimate	FY2020 Estimate	FY2021 Estimate
Full-Time Equivalent Positions	235.2	235.2	235.2
General Fund	0.0	0.0	0.0
Other Appropriated Funds	19,881,300.0	19,881,300.0	19,881,300.0
Non-Appropriated Funds	17,806,800.0	17,806,800.0	17,806,800.0
Federal Funds	3,160,300.0	3,160,300.0	3,160,300.0