

**FY 2015–2016 Budget
Fairbanks North Star Borough**

PROGRAM BUDGET SUMMARY

DEPARTMENT OF HUMAN RESOURCES – RISK MANAGEMENT DIVISION

MISSION/Program Description

THE MISSION OF THE RISK MANAGEMENT DIVISION IS TO PROTECT FROM AND MITIGATE THE EFFECTS OF UNPREDICTABLE CASUALTY LOSSES ON THE PERSONNEL, PHYSICAL AND FINANCIAL ASSETS OF THE BOROUGH AND SCHOOL DISTRICT AND TO COORDINATE, PROMOTE AND MONITOR EMPLOYEE BENEFIT PLANS. The Division manages the Borough and School District's self-funded programs for employee health, property, general and auto liability and workers' compensation; obtains insurance coverage for the Borough, School District, Fire and Road Service Districts; maintains databases for employee health benefits, self-insured claims, safety, student injuries, facility incidents and for contractor insurance certificates; provides occupational health and safety services to Borough and School District and administers Borough employee benefit programs (deferred compensation, flexible spending accounts, life insurance, employee assistance program, employment-related medical exams).

Major Long-Term Issues and Concerns

The Borough is an active consumer in the commercial excess insurance market. This requires particular attention to market conditions and the regulatory environment. It requires long term planning and periodic adjustments in budget and self-insurance levels. Federal health care reform continues to require modifications to benefit plans and procedures. Alaska workers' compensation medical payments are the highest in the nation and the subject of legislative activity. The Center for Medicare and Medicaid Services continues to issue and refine regulations including a new coding system (ICD-10) that will be applied to health benefit and workers' compensation billing and reporting. Monitoring and complying with the changes requires extensive on-going effort.

Objectives for FY 2016

- Continue to work with the Borough Labor Management Health Care Committee, the School District Joint Committee on Health Benefits and the Health Care Coalition to manage employee health claim costs.
- Identify and implement medical service purchasing programs to reduce costs for self-funded claims.
- Continue development and utilization of Return to Work programs.
- Continue to improve delivery of occupational health and safety services to employees of the Borough and School District.
- Comply with Affordable Care Act regulations and upcoming changes.
- Refine new procedures, routine reports and assure compliance with regulations using claims system.
- Continue development of enhanced reporting methods for claim management.
- Continue staffing training for continuity of operations.
- Integrate new changes to the OSHA hazard communication standards for the globally harmonized system for improving safety and health protections for employees.

Significant Budget Changes

- None.

Previous Year's Accomplishments

- Conducted numerous safety and fire inspections on Borough and School District facilities with insurer and local fire officials.
- Implemented federal health care reform changes required by Patient Protection and Affordable Care Act (ACA) for employee health benefits plans.
- Continued to develop and improve in-house claims adjusting functions.
- Significantly improved case management activities designed to avoid or contain claim costs for Borough and School District employees.
- Provided risk consulting to School District management team.
- Provided support and assistance to Transportation Department for safety meetings.
- Staffed annual Health Fair and had largest participation in last five (5) years, promoting healthy life styles.
- Provided in-service training for School District nurses, facility maintenance, principals and coaches and improved student injury reporting with integration of Power School and Origami.
- Provided U.S. Department of Transportation (DOT) required training to Borough staff to comply with substance abuse testing policy.
- Administered Motor Vehicle Driving Policy and staffed Accident Review Committee.
- Implemented Blood Borne Pathogen training for Transportation employees.