

# **General Information**

## **History**

The Oklahoma Legislature enacted the state's first law governing workers' compensation more than nine decades ago in 1915. The law provides a substitute remedy to an employee for accidental injuries received during covered employment without the burden of proving negligence. The law is intended to provide injured workers with compensation for disability and health and rehabilitation benefits as a result of a work-related injury, regardless of who was at fault. In exchange for liability without fault, employers are provided with exclusive remedy protection. Exclusive remedy protects employers from liability to injured workers under laws other than the Workers' Compensation Act, Title 85, Oklahoma Statutes. The law applies to almost all types of employment and to both accidental injury and occupational illness.

Until 1959, the responsibility for administering the workers' compensation law resided with the State Industrial Commission. In 1959, the Oklahoma Legislature created and transferred jurisdiction over workers' compensation to the State Industrial Court. In 1978, the five-judge State Industrial Court was replaced by a seven-judge Workers' Compensation Court. The composition of the Court was expanded to eight judges in 1981, to nine in 1985 and to ten in 1993. Like its 1959 predecessor, the Court is a court of record responsible for determining claims for compensation, the liability of employers and insurers, and any rights asserted under the workers' compensation laws.

## **Mission**

The mission of the Workers' Compensation Court is to provide fair and timely procedures for the informal and formal resolution of disputes and identification of issues involving work-related injuries. To this end the Court dedicates itself to carry out this responsibility and to serve the public promptly, courteously and impartially.

## **Organization**

The Court is composed of ten judges who are appointed by the Governor from a list of nominees submitted by a constitutionally created Judicial Nominating Commission. The list includes the names of three persons, in addition to that of the incumbent judge, if any. Judges serve staggered six-year terms and may be reappointed for successive six-year terms. Every two years one of the judges is selected by the Governor as the presiding judge. The presiding judge is charged with overall responsibility for the functioning of the Court. All judges rotate between the Oklahoma City and Tulsa Court locations for dockets and may hear cases in other locations as provided by law. Awards of the Court are final and conclusive unless appealed to a panel of three Workers' Compensation Court judges unrelated to the case, or directly to the Supreme Court. An order of the three-judge panel may be appealed to the Supreme Court.

The chief administrative officer for the Court is an Administrator who, until 2005, was appointed by the presiding judge from a list submitted by a five-member selection committee.

Thereafter, a vacancy in the position is filled by appointment of the Governor for a six-year term. The Administrator supervises all offices and departments of the Court and staff, including administrative staff and support personnel. Specific functions of offices and departments of the Court are identified below.

The ***Counselor Department*** is the Court's primary public information unit. It supports a toll-free information line, prepares court publications, develops educational workshops, helps maintain the Court's web site, and processes applications to serve as a mediator for the Court's mediation system.

The ***Insurance Department*** maintains a workers' compensation proof of insurance database for the state, and with the Administrator's supervision, regulates employers which self-insure either as an individual self-insurer or as part of an approved group association. This department also regulates third party administrators. Self-insurance activities include reviewing applications for self-insurance and monitoring the financial status and claims records of self-insured employers.

The ***Medical Services Division*** administers the independent medical examiner and case manager programs, produces orders appointing providers as directed by the Court, revises and maintains the schedule of medical and hospital fees as directed by the Court Administrator, and responds to inquiries related to medical issues.

The ***Office of the Court Clerk*** receives court filings, certifies documents, prepares and transmits records on appeal, accepts appeal bonds, serves as the Court's records custodian, and manages the Court's records retention schedule.

The ***Form 3 Processing Department*** processes claims for compensation and orders entered into by mutual agreement of the parties. Work includes creating court files, data entry, and mailing information to the parties.

The ***Docket Office*** docket cases, schedules hearings and motions, notifies parties of hearing dates, and manages specialized dockets designed to resolve certain disputes without the need for trial.

The ***Order Processing Department*** prepares orders at the direction of the judges and processes them for mailing to the parties.

The ***Records Department*** maintains court files, processes the mail, and responds to requests for records and information.

The ***Data Processing/Management Information Services Department*** develops and maintains the Court's client/server system, develops computer programs and applications, coordinates information technology activities with vendors and other state agencies, and assists other court departments in meeting their goals through the use of technology.

In addition to departmental employees, the Court employs staff attorneys, court reporters, administrative personnel and support staff. Staff attorneys assist the judges, monitor legislation

for potential impact on the workers' compensation system, provide support services to various workers' compensation advisory bodies, and handle claims of employees of bankrupt self-insured employers. Court reporters record and transcribe proceedings as necessary. Administrative staff are responsible for the business, financial and personnel functions of the Court. Support staff include receptionists and judicial secretaries who provide clerical assistance to the judges and other court employees.

## **Activities in 2007**

### ***Court Rules***

Clarifying revisions to the Court's rules of practice and procedure were adopted by the Workers' Compensation Court in conference on July 20, 2007, following two public hearings; one in Oklahoma City on June 15, 2007, and one in Tulsa on June 22, 2007. As specified by law, the rule changes were subsequently submitted to the Oklahoma Supreme Court for its consideration. Rule changes relate to computation of time limits, prohibited communications, termination of temporary compensation, scheduling conflicts, objections to medical evidence, requests for deposition testimony, appointment of independent medical examiners, mediation, settlements, and required disclosures of certified workplace medical plans.

### ***Insurance***

Insurers writing workers' compensation insurance in Oklahoma were given the option of electing to use the National Council on Compensation Insurance (NCCI) proof of coverage (POC) information system to satisfy certain insurance filing requirements. The option of submitting POC information to the Court using the NCCI system was implemented by the Court on February 1, 2007. It provides a convenient way for insurers to comply with the statutory filing requirements and is intended to enhance the accuracy of insurance coverage information maintained by the Court.

### ***Medical***

Treatment guidelines and a guideline for prescription of opioid medications were recommended by the Physician Advisory Committee and approved by the Court Administrator. The committee is an advisory body to the Court and is supported by court staff. Treatment guidelines for the Lower Extremity and Chronic Pain Disorders became effective September 1, 2007. Treatment guidelines for the Upper Extremity and the latest Guideline for Prescription of Opioid Medications for Acute and Chronic Pain became effective November 1, 2007. The guidelines are available in print from the Court and are posted online at <http://www.owcc.state.ok.us/guidelines.htm>. Treatment guidelines are intended to provide standards for quality care and to expedite optimum recovery and return to work, while containing medical costs.

A new workers' compensation medical and hospital fee schedule was adopted by the Court Administrator in December 2007 and became effective January 1, 2008. The schedule sets maximum dollar limits on the amounts that health care providers can be reimbursed for specified services. It is designed to establish a reasonable and equitable value for a service and limit reimbursement to that level to prevent inflated pricing for treatment of injured workers.

### ***Multiple Injury Trust Fund Assessment***

Workers' compensation payors were notified by the Court Administrator of the new Multiple Injury Trust Fund assessment rate effective July 1, 2007. The 2.14% rate was calculated using a statutory formula. The previous rate was 3.46%. Notice of the rate reduction was mailed to payors before the May 1 deadline and posted online on the "What's New" page of the Court's web site. Assessment collections are used for expenses of the MITF and for various state programs related to worker safety and workers' compensation fraud prosecution. The Fund is liable for certain combined disabilities claims. It was created by law to encourage employers to hire workers who suffered previous impairments.

In addition to the specific activities listed above for calendar year 2007, the Court continues to perform other duties on a regular basis as noted above in the "Organization" section. The activities of the Court in CY 2007 are described in greater detail in the following pages of this Annual Report, together with basic statistics regarding filings made in CY 2007.