Judicial Council of California
Judicial Branch Workers' Compensation Program Advisory Committee

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JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM ADVISORY COMMITTEE

MINUTES OF OPEN MEETING

Tuesday, February 20, 2024
9:00 AM - 11:30 AM
https://jcc.granicus.com/player/event/3140

Advisory Body Members Present:	Ms. Shelby Wineinger (Chair), Ms. Christine Alburger, Ms. Stephanie Bohrer, Ms. Heather Capp, Ms. Sulakshna Chauhan, Ms. Stephanie Cvitkovich, Mr. Charles Johnson, Mr. Kevin Harrigan, Ms. Krista Levier, Ms. Ashley Rico, Mr. Brandon E. Riley, Ms. Nocona Soboleski, Mr. Hugh K. Swift, Ms. Jennifer A. Thomas
Advisory Body Members Absent:	Mr. Brian Taylor
Others Present:	Mr. Edward Metro (Program Manager), Mr. Patrick Farrales, Ms. Jade Vu, Mr. Ed Cho, Ms. Miki Novitski, Ms. Sayuri Okamoto, Ms. Becky Richard, Ms. Candace Maibes, Ms. Amanda Garcia, Ms. Rachel Kerby, Mr. Alan Turnipseed, Ms. Jacquelyn Miller

OPEN MEETING

Call to Order and Roll Call
The chair called the meeting to order at 9:05 AM and the Program Manager took roll call.

Approval of Minutes
The advisory body reviewed and approved the minutes of the February 22, 2023, Judicial Branch Workers' Compensation Program Advisory Committee meeting.
(Motion: Riley, Second: Swift, Abstention: Bohrer)

DISCUSSION AND ACTION ITEMS (ITEMS 1–6)

Item 1

Presentation of Draft Actuarial Report and Premium Allocation Results for FY2024-25

Presenter: Ms. Becky Richard, Bickmore Actuarial

Ms. Richard provided a comprehensive overview of the draft actuarial report, focusing on the determination of premiums through sample allocations, outlining outstanding liabilities as of June 30, 2024, and projecting funding needs for the upcoming year. She explained key terminology related to loss calculations, including medical and indemnity costs (loss), expenses and legal fees (ALAE), and the fees for settling claims (ULAE). Richard highlighted the analysis of the ultimate loss by program year, emphasizing the favorable developments in claim settlements and the subsequent adjustments to the ultimate loss estimates. The discussion covered the decrease in total reserves for the trial courts due to

lower-than-anticipated claim developments, indicating a positive outlook for the program's financial health. Additionally, she detailed the methodology for allocating program costs among members, emphasizing the use of claims and payroll data over a three-year period to ensure equitable distribution. She concluded with a focus on the programs' financial projections and the strategies for managing future funding needs, underscoring the overall positive trends and the decrease in liabilities across both trial courts and the judiciary, resulting in a more favorable financial position for the programs.

Action: The advisory committee voted to approve the program year 2024 – 25 premium allocation and actuarial report.

(Motion: Johnson, Second: Riley)

Item 2

Third Party Administrator Annual Audit

Presenter: Mr. Alan Turnipseed, Marsh Advisory

Mr. Turnipseed presented the fourth-year audit findings of the Judicial Branch Workers Compensation Program managed by Sedgwick, emphasizing the audit's objectives, methodology, and results. The audit assessed performance against thirteen core competencies for the Third-Party Administrator (TPA) audit and five for managed care, revealing overall high performance with a notable improvement in the TPA audit to a composite score of 93.5%. Key findings highlighted areas for minor fine-tuning, particularly in adjuster execution, supervisory follow-ups, and alignment with program expectations. Recommendations focused on enhancing supervisory oversight and refining service guidelines to ensure consistency across the program.

Action: The advisory committee voted to approve the audit report.

(Motion: Cvitkovich, Second: Chauhan)

Item 3

Third-Party Administrator Plan of Action

Presenter: Ms. Candace Maibes, Sedgwick Claims

Ms. Maibes provided the TPA’s response to the Annual Audit. She highlighted significant year-over-year improvements, particularly in the managed care portion, noting an increase in score from 50.17 to 89.65 percent. Despite the progress, Ms. Maibes pointed out areas for further improvement. The third-party administrator audit showed a score of 93.5 percent (prior year 91.07%), with opportunities for improvement in the three-point contact, investigations, and disability management categories. Action plans were outlined for each area needing improvement, emphasizing reeducation on processes, reinforcing standards, and updating Claim Service Instructions (CSIs) to ensure alignment with best practices and enhance performance in future audits.

Information only: No action was required.

Item 4

Sedgwick Stewardship Report

Presenters: Ms. Amanda Garcia & Ms. Rachel Kerby, Sedgwick Claims

Sedgwick's presentation emphasized the achievement of significant goals for the Judicial Branch Workers' Compensation Program (JBWCP), including a 5% decrease in total incurred values for new claims, a 9.5% reduction in lost days, and a notable 120.7% closing ratio for the calendar year 2023. These accomplishments reflect the effective management of claims and proactive efforts to close older and future medical claims, leading to a 41% reduction in future medical claims and a substantial decrease in total open pending claims from the previous year. Efforts were particularly highlighted in addressing legacy pending claims, with nearly 400 claims closed that had transitioned from the prior TPA. The focus for the future includes litigation management, maintaining goal-oriented strategies for continued improvement, and enhancing operational efficiency.

Information only: No action was required.

Item 5

JBWCP Advisory Committee Annual Agenda

Presenters: Ms. Shelby Wineinger & Mr. Edward Metro

Mr. Metro outlined a plan for the continued update of the governing documents, which includes drafting policies and procedures to formalize current practices. This will include the process for members to apply for membership in the program, withdrawal from the program, outline the actuary's process as well as define the premium contribution methodology. The focus of the coming year will be to develop financial metrics to help determine the program goals, enhance solvency, review risk control options with training and resources, and identify program challenges. Mr. Metro proposed the development of a subcommittee to assist with working through the initiatives outlined. Program staff will then work with these working groups and program vendors and dive deeper into how these initiatives will look from a workload perspective during the next Advisory Committee meeting in March.

Action: **The advisory committee voted to approve the program year 2024-25 Annual Agenda for the JBWCP Advisory Committee.**

(Motion: Rico, Second: Chauhan)

Item 6

Workers' Compensation Legislative Updates

Presenter: Ms. Jacquelyn Miller, Sedgwick Pooling

Ms. Miller provided an update on legislative activities related to workers' compensation highlighting the progression of several bills through the second year of a two-year legislative session.

Information only: No action was required.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:04 AM.