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# Workers' Compensation Modernization Project FINAL REPORT

June 11, 2015  
V2.0

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MINNESOTA DEPARTMENT OF  
**LABOR & INDUSTRY**

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# Workers' Compensation Modernization Project Project Background and Approach

# Project Scope & Definitions

## **Purpose of the Workers' Compensation Modernization Project:**

For the first phase of this project, the Minnesota Department of Labor and Industry contracted with Project Consulting Group, Inc. to explore the feasibility, and recommend options for modernizing the current Workers' Compensation System – a mix of in-house, custom developed, applications that have been built over a period of 20+ years.

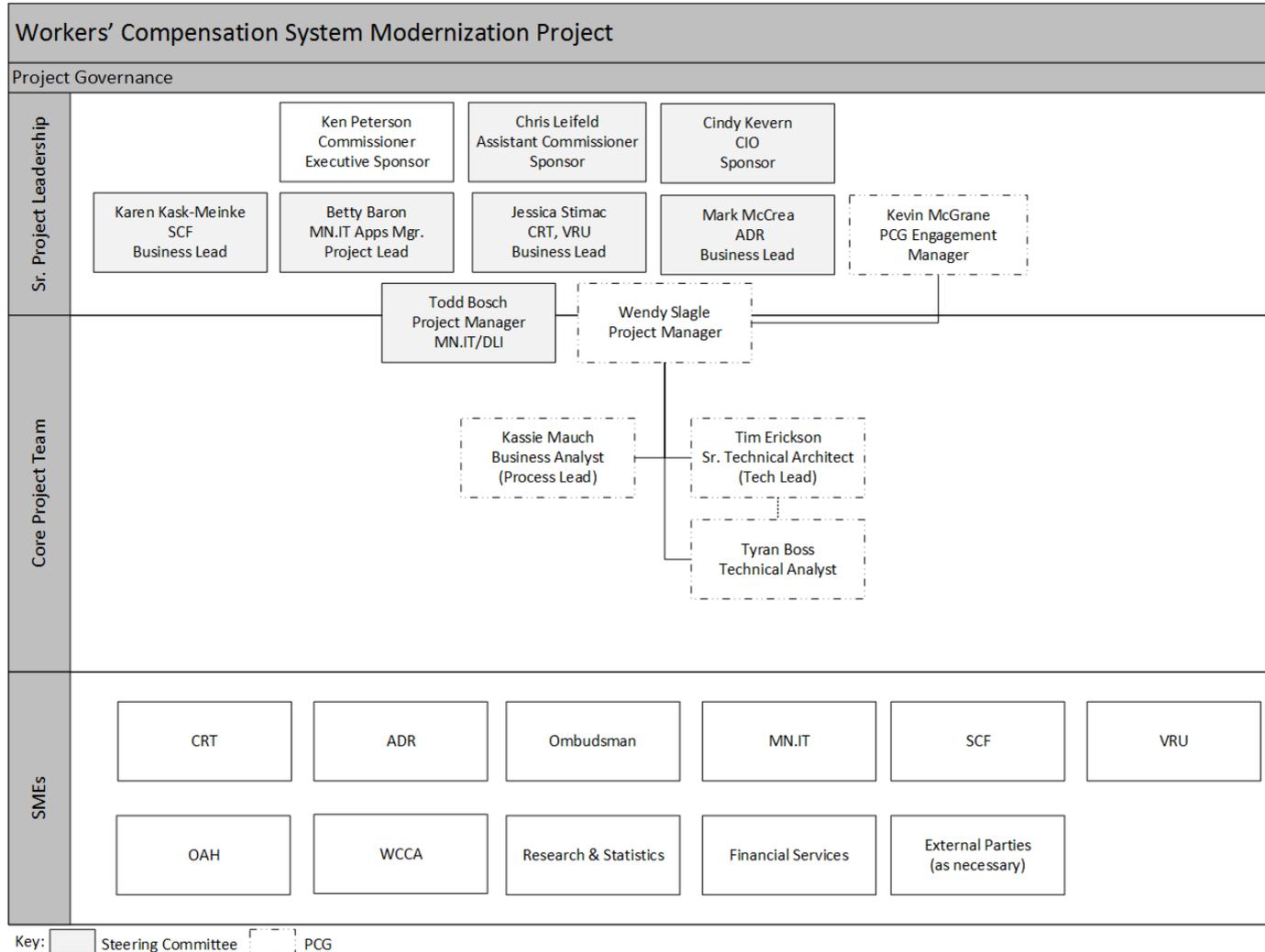
## **Definition of Workers' Compensation System:**

In this document, 'Workers' Compensation System' refers to the sum of technology and corresponding business processes required to meet the purpose defined below.

## **Purpose of the Workers' Compensation System:**

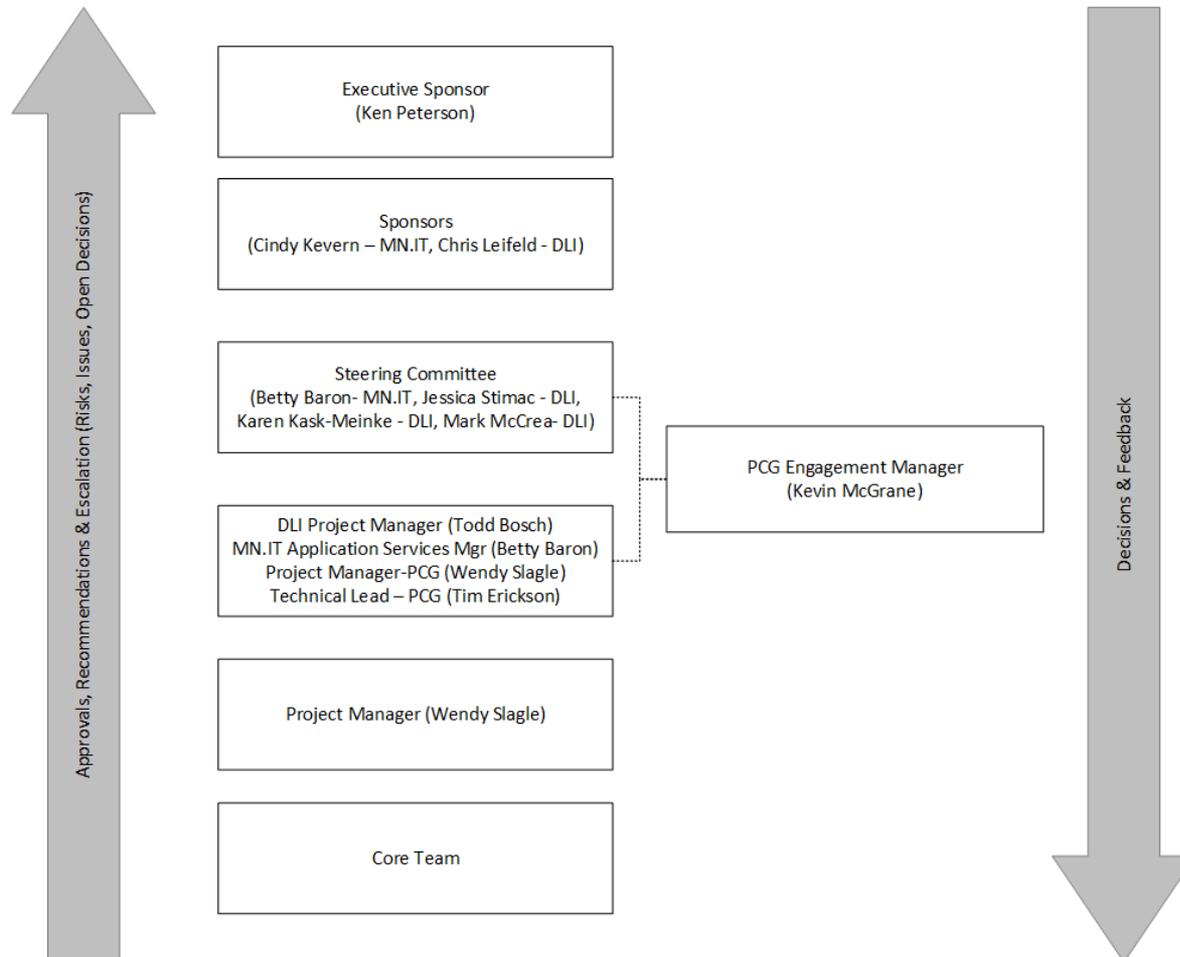
- ✓ Serve as the system of record for work-related injuries/claims for the State of MN.
  - The injury/claim must be tracked from inception through resolution.
  - The record must contain all pertinent information about the injury/claim, parties involved, disputes, appeals, actions, outcomes, settlements, etc.
- ✓ Facilitate and automate the creation of statutorily mandated Workers' Compensation reporting as required by the Legislature.
- ✓ Facilitate and automate the day-to-day operations/functions/tasks of the DLI Workers' Compensation Division, OAH and WCCA as it relates to their duties and obligations in regards to Workers' Compensation Process.

# Project Team



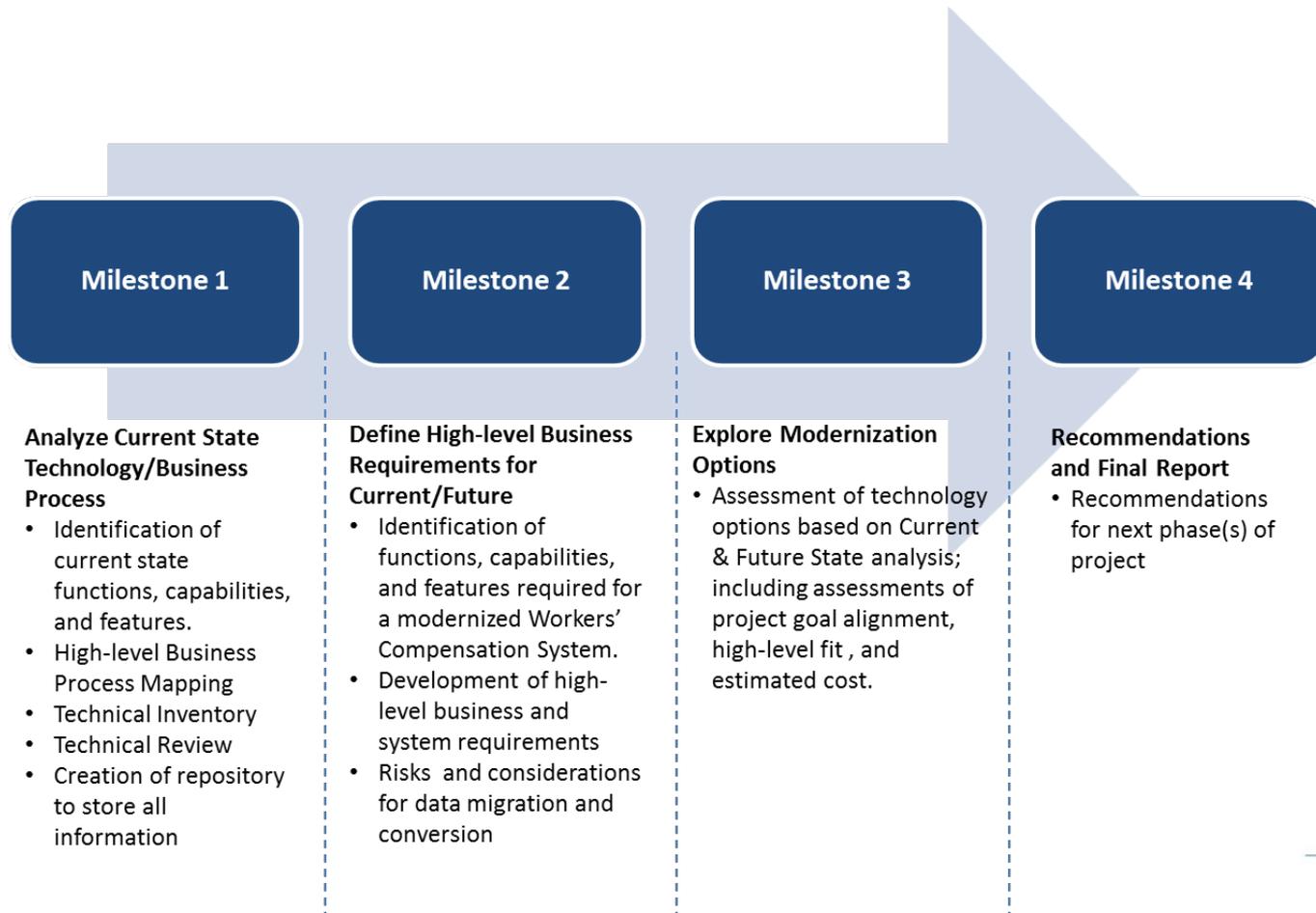
# Project Escalation

Project issues and decisions were managed through the following escalation process. All deliverables were reviewed by the Steering Committee and received Sponsor sign-off.



# Project Approach

Phase 1 of the Workers' Compensation Modernization Project was organized into four (4) Milestones.



# Milestone 1 – Analyze Current State (Technology/Business Process)

## Approach:

- Identified and documented major business processes that make up Workers' Compensation System through interviews, review of existing documentation, and process review sessions
- Cataloged and documented Workers' Compensation System technology applications, infrastructure, and functionality using interviews, system exploration tools, and system demonstrations

## Participants:

Over 60 Subject Matter Experts (SMEs) across stakeholder groups and the MDLA Work Comp Committee were engaged to understand current state processes and challenges. Groups represented include:

- DLI (CRT, ADR, SCF, VRU, Ombudsman, Research & Stats)
- Financial Services
- MN.IT
- OAH
- WCCA
- External Parties (Attorneys, Legal Secretaries, Third Party Administrator (TPA), QRC, Self-insured Employer)

# Milestone 2 – Define High-level Business Requirements (Current/Future)

## Approach:

- Utilizing Milestone 1 process documentation, developed initial list of high-level business requirements (current and baseline future)
- Randomly solicited future state wants from injured workers using anonymous survey
- Solicited future state wants from DLI Unit Managers and SMEs using anonymous survey
- Conducted future state working sessions to clarify and refine opportunities identified in surveys
- Held high-level business requirements sessions with DLI Unit Managers and SMEs for both current and future state
- Facilitated manager priority ranking of high-level requirements (current and future)
- Reviewed high-level system requirements with DLI@MN.IT staff

## Participants:

Approximately 50 SMEs across stakeholder groups participated in Future State Working sessions and High-level Requirements Sessions.

- DLI (CRT, ADR, SCF, VRU, Ombudsman, Research & Stats)
- Financial Services
- MN.IT
- OAH
- WCCA
- External Parties – Surveys and Interviews Only (Injured Workers, Medical Partner, Attorneys)

# Milestone 3 – Explore Modernization Options

## Approach:

- Conducted analysis of 8 modernization options utilizing high-level requirements, current state processes, current team and culture, technology options, vendor interviews, other state system reviews and interviews, and intra-state CIO survey
- Compiled full assessment and viability score to account for solution fit, cost, risks and considerations, including: assumptions, approach, fit analysis, cost estimates (by category), and risks
- Created full estimation model to establish end-to-end estimated total cost, including internal MN.IT/DLI participation and ongoing/annual costs.

## Participants:

- Build - CapTech, Deloitte
- COTS - No vendors identified
- COTS Suite - EMC/Gimmel, Hyland/Data Bank, IBM, Oracle, Xerox/Consilience
- Code Transformation - DB Best, MedTex, Trinity

# Milestone 4 – Final Report and Recommendations

## Approach:

- Included all previous milestone findings to create holistic view of modernization project and outcomes
- Compiled all deliverables and results to create final recommendation for modernization of Workers' Compensation System
- Present final recommendation to Sponsors, Steering Committee, and Commissioner



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## Workers' Compensation Modernization Project Current State - Technical Overview

# Current State - Technical Overview

## **Purpose of this document:**

- Provide a high-level, technical overview of the “current state” of the Workers’ Compensation System that can serve as a baseline for subsequent efforts to “modernize” it. Detailed information regarding current state can be found in:
  - [DLI-WCMP Data Repository](#)
  - Current State - Process Flows
  - Current State – Narratives
  - RFO0015 - Attachment 1

## **Process Used:**

- The current Workers’ Compensation System, including technical design and functionality, workflow, security and privacy, scanning processes, integration, and report generation was reviewed by PCG using the following methodology:
  - Review of DLI provided documentation
  - Review of applicable Workers’ Compensation System application code
  - Review of applicable DLI applications in Test Environment
  - Interviews, application demos, Q&A sessions and review sessions with MN.IT @ DLI technical resources

## **Participants involved:**

- Goodyear, Krista; Duchene, Kathy; Priem, Bryan; Wei, Guizhen; Bosch, Todd; Baron, Betty

# Current State Technical Overview

## Definitions:

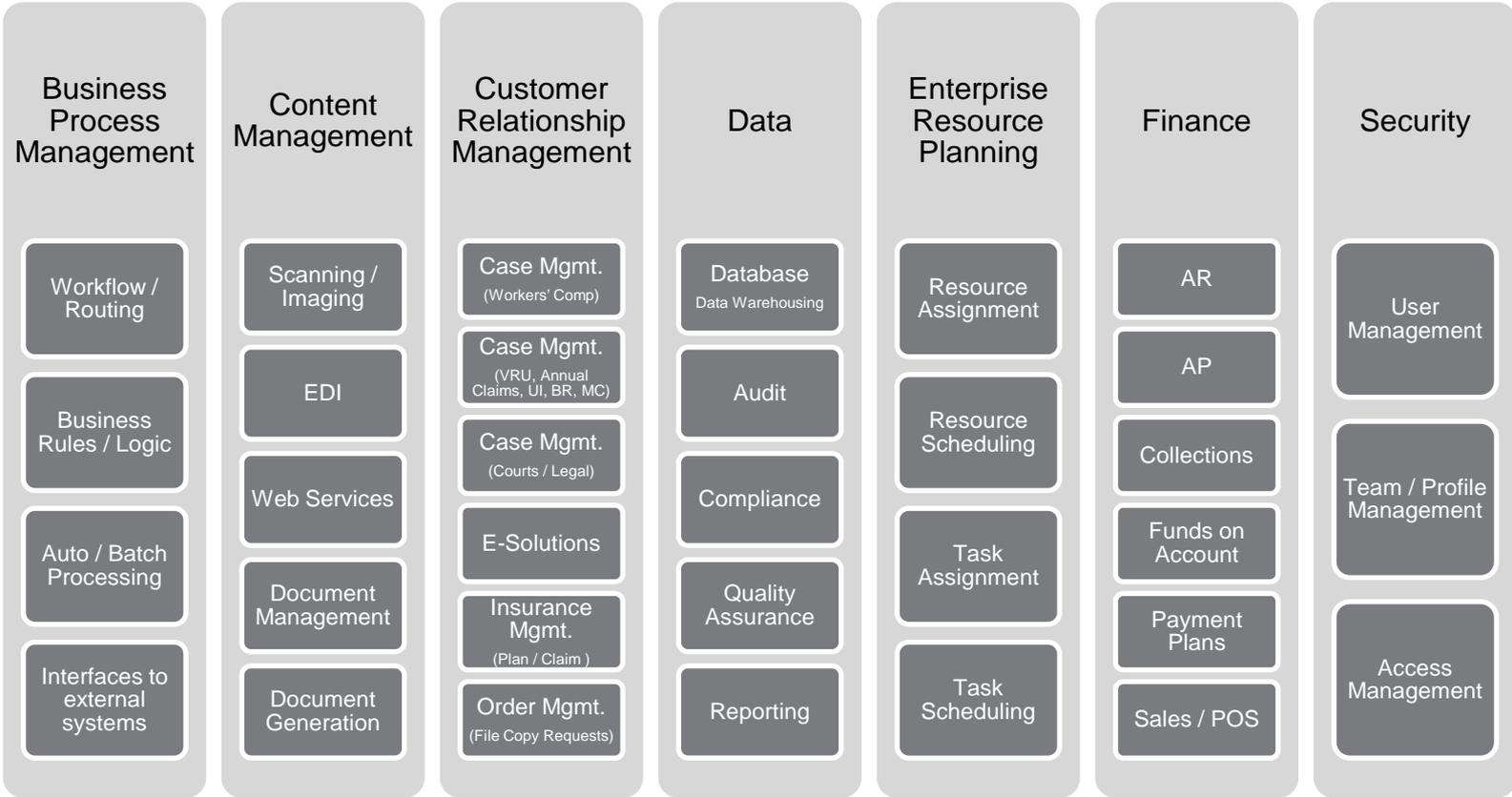
- For the purpose of this document, the term “Workers’ Compensation System” shall be defined as the aggregate of any and all electronic/automated systems that are owned and/or leased by the MN Department of Labor and Industry (DLI) and/or DLI’s vendors for the purposes listed below.
- For the purpose of this document, the term “Workers’ Compensation Process” shall be defined as the aggregate of any and all business processes, activities, duties, tasks, actions, etc. that can occur based upon the State of MN workers’ compensation statutes.

## Purpose of the Workers’ Compensation System:

- ✓ Serve as the system of record for work-related injuries/claims for the State of MN.
  - The injury/claim must be tracked from inception through resolution.
  - The record must contain all pertinent information about the injury/claim, parties involved, disputes, appeals, actions, outcomes, settlements, etc.
- ✓ Facilitate and automate the creation of statutorily mandated Workers’ Compensation reporting as required by the Legislature.
- ✓ Facilitate and automate the day-to-day operations/functions/tasks of the DLI Workers’ Compensation Division, OAH and WCCA as it relates to their duties and obligations in regards to Workers’ Compensation Process.

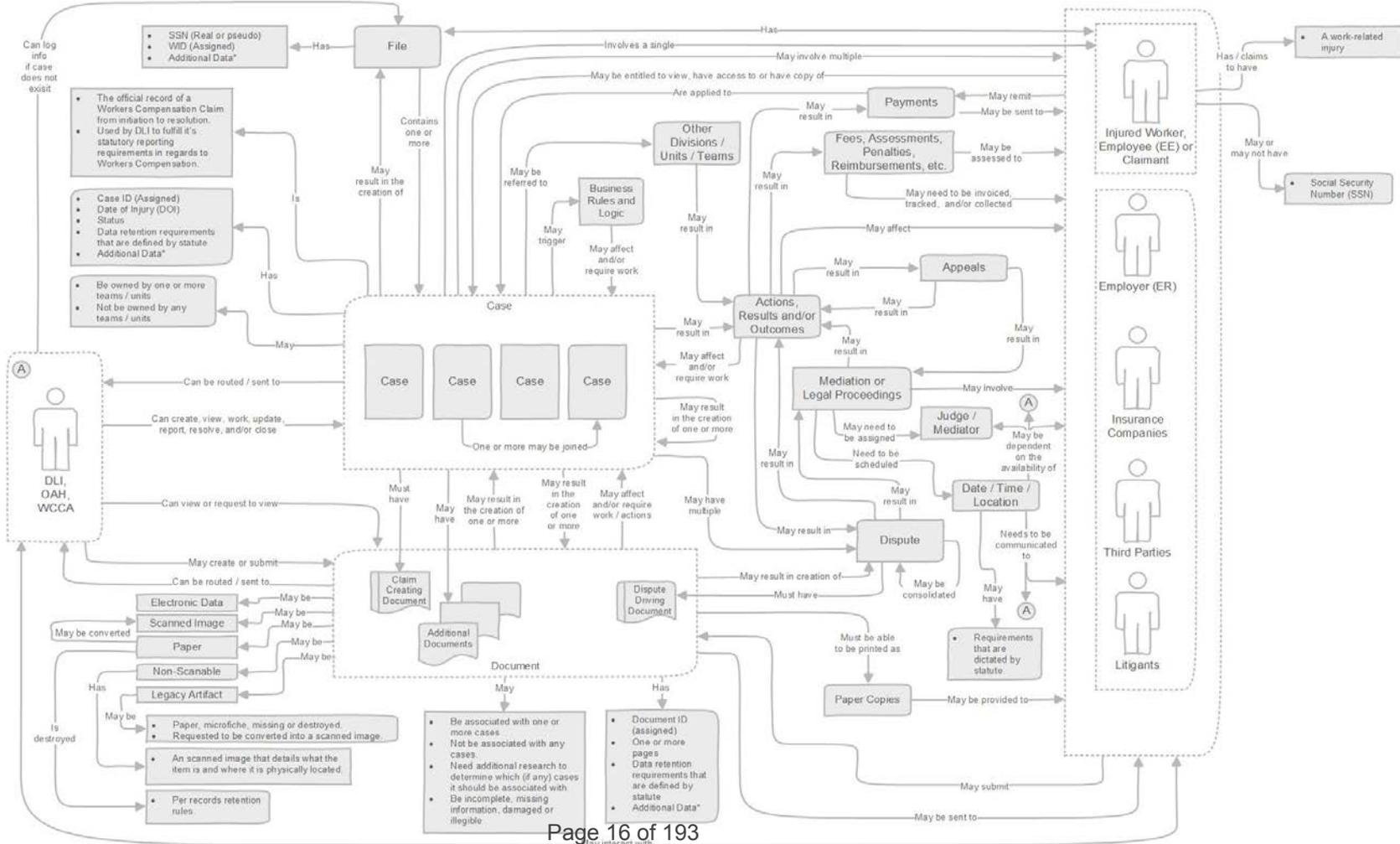
# Key Functions

The Workers' Compensation System currently performs a vast and wide array of functions. Below, these key functions have been mapped to common industry system types.



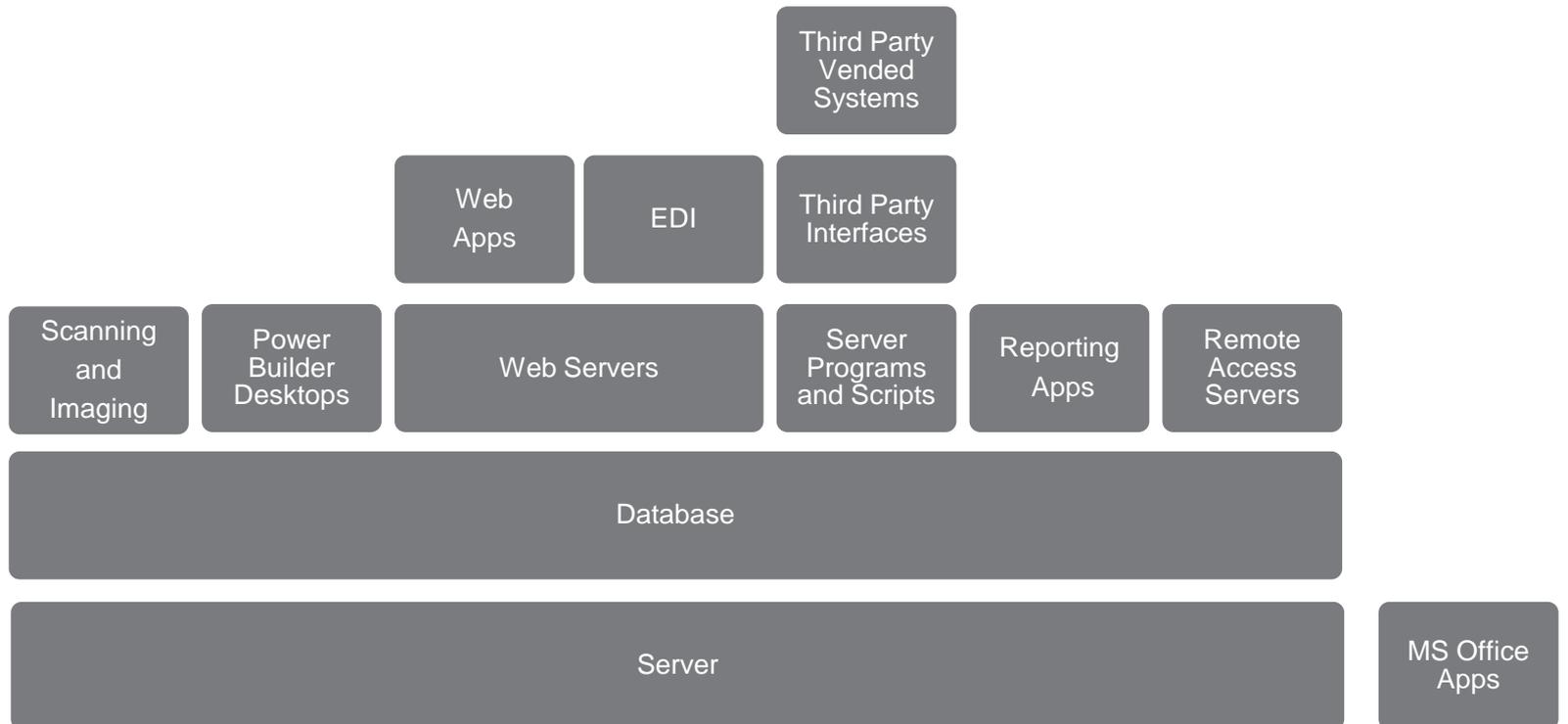
# Key Interactions

The model below details the key interactions that currently occur with/within the Workers' Compensation System.



# Key Technical Components

The technical components that comprise the current Workers' Compensation System can be categorized as follows:



# Inventory of Technical Components

Category	Qty	Notes
Server	1	Cisco Unix Server running SunOS 5.10 located in MN.IT Data Center* (Also used for other DLI Divisions besides Workers' Comp)
Database	1	Informix Database Dynamic Server 11.50 located in MN.IT Data Center* 2 DB instances: PROD & TEST. DB contains both data and BLOB data (images).
Scanning and Imaging	2	<ol style="list-style-type: none"> <li>1. Kodak High Speed Scanner and Kodak Capture Pro software, highly integrated with custom-built apps. 2 scanning modes: Workers' Comp and Generic (Used by other DLI units)</li> <li>2. INSTIFF App: Allows any document to be "TIFFed" using Windows print functionality and inserted into the database and associated with a case.</li> </ol>
PowerBuilder Desktops	6	Windows client applications created with PowerBuilder 12.5. These are the core applications that comprise the bulk of the Workers' Compensation System.
Web Servers	7	3 - IIS, 2- Apache, 1- FTP, 1- Biz Manager – located in DLI Data Center
Server Programs and Scripts	78	Server-side scripts and programs that are mostly used to process data, run business rules and/or interface with other systems. Mostly written in C. For each program, there is a corresponding script that controls when the program is run.
Reporting Apps	2	Besides the extensive reporting built into the PowerBuilder Desktops, Crystal Reports and Sybase InfoMaker are utilized for additional reporting needs and run directly against the database.
Remote Access Servers	2	Citrix servers located in DLI Data Center. Allows non-LAN users to utilize the PowerBuilder Desktops via the state-wide WAN.

*\*In the process of being implemented at the time of this document creation.*

# Inventory of Technical Components

Category	Qty	Notes
Web Apps*	12	Most are built using ASP.NET and C#. Older apps may be PHP and PERL. Standard for new apps is ASP.NET and C#.
Electronic Data Interface (EDI)*	2	<ol style="list-style-type: none"> <li>1. FROI – An FTP based service that allows Claim administrators to file the First Report of Injury (FROI) electronically with DLI based on IAIABC EDI Standards (see: <a href="http://www.iaaiabc.org">www.iaaiabc.org</a>).</li> <li>2. eFROI – Web portal that allows reports to be filed manually instead of using FROI - EDI.</li> </ol>
Third-Party Interfaces*	4	Functionality is implemented using Server Programs and Scripts <ol style="list-style-type: none"> <li>1. SWIFT (financial data)</li> <li>2. DHS (“Dead-beat, dad law” data)</li> <li>3. Medicare (Determine Medicare eligibility)</li> <li>4. Alpha (SCF claims payments)</li> </ol>
Third-Party Vended Systems*	1	Alpha Web Portal. Alpha is a vended, third-party contracted by DLI for claims payment processing for SCF.
MS Office Apps	12 Access Databases	Access databases are used as supplemental systems for functions not contained in the PowerBuilder Desktops.  Note: Numerous ad-hoc Access / Excel / Word Apps are also utilized through-out the Workers’ Compensation Process (See Process Flows).

*\*For the purpose of this document:*

- *Web Apps: Web-based applications/services that allow users/systems to interact with DLI using DLI defined protocols/standards/formats.*
- *EDI: Electronic data interfaces that allow users/systems to interact with DLI using industry defined protocols/standards/formats.*
- *Third Party Interfaces: Interfaces that allow DLI to interact with Third-Party Systems - typically using protocols/standards/formats defined by the Third-Party.*
- *Third-Party Vended Systems – Systems that are contracted by DLI to function as part of the Workers Compensation System.*

# Evaluation of Current Technical Components

With the goal of “Modernizing\*” the Workers’ Compensation System in mind, the Key Technical Components were evaluated based on the following criteria:

Rating Category	Rating Description	Ratings Scale
Technology	Is the technology utilized considered to be “modern*” and suitable for enterprise deployments based on current industry standards?	Yes No Partially
Implementation	Has the technology been implemented in a manner consistent with “modern*” industry standards?	Yes No Partially
Future State	Is the technology able to be utilized, extended and/or enhanced to meet the future needs of the business in a manner consistent with “modern*” technology and implementation standards?	Yes No Partially Maybe

\*The term “modern” is very subjective and based heavily on the context of the technology in question. For this exercise, a very liberal definition was utilized: Any technology/ideology that has not been significantly superseded by newer technology/ideology, is less than 10 years old and meets current MN.IT technology standards is considered “modern”.

# Technical Components Scorecard

Component	Technology Is the technology utilized considered to be "modern" based on current industry standards?	Implementation Is the technology currently implemented in a manner consistent with "modern" industry standards?	Future State Is the technology able to utilized, extended and/or enhanced to meet the future needs of the business in a manner consistent with "modern" technology and implementation standards?
Server	Yes	Partially	Maybe
Database	No	Partially	Maybe
Scanning / Imaging	Partially	Partially	Partially
PowerBuilder: Technology	No	No	No
PowerBuilder: Codebase	No	No	Partially
Web Apps	Yes	Partially	Yes
EDI	Yes	Yes	Yes
Web Servers	Yes	Partially	Yes
Remote Access Servers	Yes	Yes	Yes
Server Programs / Scripts	Yes	Yes	Yes
MS Office (Access)	Yes	No	Partially
MS Office (Excel / Word)	Yes	No	Yes
Reporting Apps	Yes	Yes	Yes
Third Party Vended Systems	Yes	Yes	Yes

# Scorecard Notes

Component	Scorecard Notes
Server	New hardware is being implemented in 2015 and will be located in MN.IT data center. Only one hardware instance exists for both PROD and TEST - industry best practices recommend separate hardware. Future state applicability depends on solution selected.
Database	Informix does not meet current MN/IT standards. Database for the most part is designed in a relational manner - however, there are some data design/integrity issues that could be addressed (e.g. there are instances where data is stored in multiple locations instead of being linked, stored procedures are not widely used). Future state applicability depends on solution selected.
Scanning / Imaging	New scanner hardware is being implemented 2015. Scanning solution is highly integrated with PowerBuilder Desktops and other custom DLLs, but should be able to utilized for future state but will require integration efforts . Key question to be addressed for future state is whether or not TIFF is the correct format for scanned/stored images.
PowerBuilder: Technology	PowerBuilder is widely considered an outdated technology and does not meet current MN.IT standards. Many functions/capabilities that are out-of-the-box in newer technologies are not possible and/or require extensive coding to achieve in PowerBuilder. PowerBuilder resources are becoming scarce and more difficult for organizations to acquire.
PowerBuilder: Codebase	Code has been created following PowerBuilder best practices and contains extensive inline documentation. Code could potentially be reused and/or converted for future state. As with any code that has existed for long periods of time, there are opportunities for optimization.

# Scorecard Notes

Component	Scorecard Notes
Web Apps	Majority have been designed/implemented utilizing modern technology and standards and should be able to be adapted/utilized for future state. PHP / PERL apps should be converted to ASP.NET or other modern technology.
EDI	Have been designed/implemented utilizing modern technology and industry standards and should be able to be adapted/utilized for future state.
Web Servers	Majority are utilizing modern technology and standards and should be able to be adapted/utilized for future state. Apache servers should be replaced by IIS or another modern technology.
Remote Access Servers	Have been designed/implemented utilizing modern technology and standards and should be able to be adapted/utilized for future state. Future state applicability depends on solution selected.
Server Programs / Scripts	Have been designed/implemented in a manner that should allow them to be adapted/utilized for future state. Future state applicability depends on solution selected.
MS Office	Office apps are typically stored on network shares and/or users' workstations and lack appropriate enterprise-level versioning, security and data recovery. Use of SharePoint in future state could mitigate these concerns.
Reporting Apps	These are commercial reporting packages and should be able to be continued to be used in future state depending on solution selected.
Third Party Vended Systems	Current vendor meets "modern" criteria. Recommendation would be that this is a requirement for any future vendor(s).

# Key Findings - Technical Design and Functionality

## Technical Design and Functionality

- The current Workers' Compensation System is a mix of in-house, custom developed, applications that have been built over a period of 20+ years.
- Current system has layer upon layer of changes and enhancements that have been added to the original functionality.
- Current system has been designed and implemented in a highly customized manner that mirrors business processes.
  - Many of the business processes that the current system follows were inherited from the original Workers' Compensation System (Mapper) that was implemented in 1982.
  - The original business processes were never optimized for an electronic/automated system and were converted "as-is".
  - This has resulted in the current system and business processes becoming very complex and convoluted. (See Process Flows and Narratives)

*[Modernization Note: This may result in current business processes not being easily mapped/converted to processes typically supported by Commercial Off The Shelf (COTS) systems without extensive business process re-engineering.]*

*[Modernization Note: Regardless of the solution selected, business process optimization/re-engineering should be included as part of the design and implementation process.]*

# Key Findings - Technical Design and Functionality

## Technical Design and Functionality (cont.)

- Current system is performing a multitude of functions when compared to industry standard systems. In many cases, applications have been extended well beyond their original intent/capabilities to support the needs of the business. *[Modernization Note: This may result in current applications not being able to be replaced by a single COTS system.]*
- Current system is very stable and system outages rarely occur.
- System performance/response time is good and at acceptable levels.

*[Modernization Note: The bar has been set fairly high by the current system in terms of reliability/performance and the selection/design/implementation of a new solution should take that into consideration and make sure there are necessary plans in place to mitigate negative user experience/perception.]*

- Infrastructure/desktop updates and upgrades are very cumbersome and time intensive to perform due to the volume and complexity of the in-house, custom developed applications that need to be tested and validated before the update/upgrade can be deployed.
- Current system documentation is:
  - ✓ Limited, incomplete and/or outdated
  - ✓ Sometimes only exists as comments in actual code
  - ✓ Is difficult to locate and/or parse due to the volume of 20+ years of system existence. (700+ documents were provided to PCG for current state review)

# Key Findings - Technical Design and Functionality

## Technical Design and Functionality (cont.)

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- System performance/response time is good and at acceptable levels.

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- Current system documentation is:
  - ✓ Limited, incomplete and/or outdated
  - ✓ Sometimes only exists as comments in actual code
  - ✓ Is difficult to locate and/or parse due to the volume of 20+ years of system existence. (700+ documents were provided to PCG for current state review)

# Key Findings - Applications

## PowerBuilder Desktops Apps

- The majority of business functionality for the Workers' Compensation Process is contained within the PowerBuilder Desktops.
- These have been highly customized to meet the needs of the business. (See Process Flows and Narratives)
- Desktops are essentially “work environments” that have been designed and tailored for specific business needs of various business units.
- Functionality, code and data is shared across desktops. (See PowerBuilder Desktop Button Inventory & PowerBuilder Desktop Application Functional Mapping)
  - ✓ Number of Desktops: 6
  - ✓ Number of Functions (buttons) contained in all Desktops: 248 (71 unique)
  - ✓ Number of Menu Options contained in all Desktops: 2530 (224 unique)
  - ✓ Note: The six (6) Desktops could be considered one application with six (6) different views.
- PowerBuilder Desktops utilize client-side processing and their performance is heavily dependent on the network path/bandwidth to the database server.
- PowerBuilder Code is not currently stored in a code-repository and only stored on network shared drive.

# Key Findings - Applications

## Power Builder Desktops (Cont.)

- The following is an estimate of the number of users for each desktop:

Desktop	Number of Users
443 Desktop	87
IPC Desktop	35
MAPS Desktop	7
OAH Desktop	73
SCF Desktop	64
SECURITY Desktop	3

# Key Findings - Applications

## Access Applications - CRT

1. CRT Copy File Review Access Database: Used mainly, for tracking payments for copy requests to the CRT Team and reporting on these requests. Requestors are able to pre-pay their accounts for copies by submitting payments on account. This also database tracks payments made for copies, the account balance for future copies, and the number of copies and dates of those copies.

**Maintained and supported by MN.IT @ DLI.**

# Key Findings - Applications

## Access Applications - VRU

1. VRU Access Database - VRU needs to track additional info for purposes of Performance, Quality, and Case monitoring. The application tracks:
  - Case activity, case notes and associated billing
  - R form completion and electronic submission via DLI Web App.
  - Communication with parties (letters and fax cover sheets)
  - Intervention activities for disputed files
  - Invoicing for billable files
  - Unit performance indicators (statistics)
  - Individual case review and performance-related statistics
- **Maintained and supported by MN.IT @ DLI and Access Programming Pros /Therese Presler**

# Key Findings - Applications

## Access Applications – SCF

1. DEED Warehouse – These are all are basically the same database, however, the tables are named specifically for the unit that is accessing the tables so, for instance, the CSI table containing addresses is named DLICSI\_address while the same table used by OSHA employees is named DLIOSHA\_address. There are approximately 35 employees who use these databases.
  - CCLD DEED (Construction Codes and Licensing)
  - OSHA DEED
  - WC DEED (Compliance)
  - CSI DEED (SCF)
  - Labor Standards DEED
2. Customized copy of the CSI DEED database that has been customized with several additional forms/menus with instructions and the queries needed to create new employer letters, join with MWCIA cancellation lists and OSHA reports finding new employers with certain NAICS codes.
3. DMV Tracking – SCF has access to driver's license information from the Dept. of Public Safety. They are required to log the names and reason for all name lookups.
4. DMV Tracking Reports – supervisory reports
5. SWIFT Warehouse – used to pull accounts receivable information from SWIFT: payments received, credit memos, write offs, account balances.

# Key Findings - Applications

## Access Applications – SCF (cont.)

6. MWCIA Cancelled Policies Database – Policies that were cancelled during a specific time period where, after a period of time, are still showing they are out of compliance. This is linked to a database named MWCIA database master which contains the queries needed to use this information. Receive a new database each month. Letters are sent to employers with certain cancellation codes. The list of employers is saved and used by the investigators at a later date.
  7. MWCIA Proof of Coverage Database – Lists last policy information (whether it's active coverage or expired coverage) of all workers' compensation policies in the MWCIA database. This database is linked to the customized CSI DEED database to produce list of new employers where I can find no match in the proof of coverage database. Letters are sent to these employers. The list of employers is saved and used by the investigators at a later date to find possible violations of the work comp coverage requirements. Compare this data with list of employers who have previously been penalized to check for continuing violations.
  8. Matrix – queries the old MAPS warehouse for old accounting information. Rarely used as all of the migration errors have hopefully been discovered and dealt with.
  9. ASAP database – tracks Discovery settlements
  10. WICRAM – old insurance verification information
- **SCF Access Databases are not maintained and supported by MN.IT @ DLI except for the ASAP database.**

# Key Findings - Applications

## Other Ad-Hoc Applications

- There are many manual processes and workarounds that occur outside of the PowerBuilder Desktops. (See Process Flows & Narratives)
- Access, Excel and Word are used extensively for functionality not contained in the PowerBuilder Desktops. (See Process Flows & Narratives)

# Key Findings - Integration

## Integration

- Multiple integration points have been identified through-out the Workers' Compensation System. Both electronic and manual integrations exist. (See Process Flows)

	Integration - Manual	Indicates that data is being transferred manually between two or more systems in a manner that requires human intervention.
	Integration - Electronic	Indicates that data is being transferred electronically between two or more systems.

- Primary electronic interfaces are listed in the table below:

Interface Type	Notes
Electronic Data Interface (EDI)	<ol style="list-style-type: none"> <li>1. FROI – An FTP based service that allows Claim administrators to file the First Report of Injury (FROI) electronically with DLI based on IAIABC EDI Standards (see: <a href="http://www.iaiacb.org">www.iaiacb.org</a>).</li> <li>2. eFROI – Web portal that allows reports to be filed manually instead of using FROI - EDI.</li> </ol>
Third-Party Interfaces	<ol style="list-style-type: none"> <li>1. SWIFT (financial data)</li> <li>2. DHS (“Dead-beat, dad law” data)</li> <li>3. Medicare (Determine Medicare eligibility)</li> <li>4. Alpha (SCF claims payments)</li> </ol>
<p>Note: Some of the interfaces have been re-purposed from older interfaces (i.e. MAPS interface converted to SWIFT interface) and will need to be re-evaluated depending on future state solution selected.</p>	

# Key Findings - Network and Accessibility

## Network and Accessibility

- The majority of users access the system on-site at DLI's main location using Windows workstations connected to the LAN.
- Users from VRU and OAH access the system from various location across the state (St Cloud, Duluth, Rochester) access the system using Windows workstations utilizing the State-wide WAN.
- Users from WCCA and users who are traveling and/or home based, utilize Citrix to access the PowerBuilder Desktops. This is necessary due to current application architecture that necessitates a Citrix type solution vs. a VPN type solution in order to provide adequate system performance.  
*[Modernization Note: Future State should consider technologies that support VPN]*
  - Currently there are 40 Citrix Seats available on two (2) servers.
- In 2015, the server and database are being replaced with new hardware and being moved to a MN.IT co-located data center. Additional testing/optimization may be required to determine if this has significant impact on PowerBuilder App performance.

*[Modernization Note: Future State should consider technologies that support offsite and/or cloud based data centers]*

# Key Findings - Reporting

## Reporting

- Extensive, custom reporting has been built into the PowerBuilder Desktops.
- Many of the PowerBuilder reports are dynamic/interactive and allow users to “click” on items in the report and open additional reports and/or the item itself in the PowerBuilder Desktop.
- Reporting directly from the database also exists via commercial Reporting Apps: Crystal Reports and Sybase InfoMaker. (See Process Flows)
- Reports often require data from PowerBuilder Reports and Reporting Apps to be combined and/or manipulated in order to achieve desired results.
- Data for the most part has been designed/implemented/optimized for operational use and not reporting needs.
- Duplicate data often exists in database. Sometimes this is by design, sometimes additional controls/checks may be needed at the application level to prevent this. Some of the issues go back to how that data was originally loaded into the current system from the previous system.
- The same data is often duplicated and repeated in multiple tables which can add complexity to reporting (e.g. Name, Address, DOB)
- Naming conventions in the database are at times not consistent and have the potential to result in the inaccurate reporting.
- There are over 180 scripts that run against the database on a weekly basis that look for data issues and anomalies. Any issues are then manually corrected by the DBA team.

# Key Findings – Routing / Workflow

## Routing / Workflow

- Extensive custom routing and workflow has been built into the PowerBuilder Desktops.
- PowerBuilder Desktops have the ability to route cases and/or documents to one or more users and/or teams.
- Routing can occur both manually and automatically. (See Process flows)

	Routing - Manual	Indicates that information is being routed to a person/team in a manual manner that requires human intervention.
	Routing - User Determined	Indicates that information is being routed to a person/team automatically via the system once a user determines and inputs the destination(s).
	Routing - Automatic	Indicates that information is being routed to a person/team automatically via the system based on built-in business rules and logic.

- Workflow edited. e created and/or
- Workflow exists that automatically notifies owners of a case if changes have occurred.
- Numerous server-side programs exist to execute business rules/logic and/or execute workflow. (See Data Repository)

# Key Findings - Scanning and Imaging

## Scanning / Imaging

- Scanning and Imaging system is highly customized and integrated with PowerBuilder Desktops, custom DLLs and the Informix database.
- Scanning and Imaging system have the ability to:
  - Designed to process and insert a very high volume of documents into the Informix Database: 120 pages per minute / 1300+ docs per day)
  - Batch process groups of similar documents
  - Auto-detect and populate data based on batch headers / bar codes.
  - Auto-route documents based data detected.
- Scanned and/or imaged documents need to be manually associated with the appropriate case. *[Modernization Note: Future state should consider OCR technologies to read data from the documents themselves.]*
- Two scanning modes: Workers' Comp and generic (not Workers' Comp case-based.) *[Modernization Note: The generic-mode, used by other DLI Divisions, is not-in-scope for this project. The generic-mode (and related technical components) will need to remain intact and functional.]*
- Separate App (INSTIFF) exists to provide the ability to TIFF any doc via the windows print function and insert it into the system. *[Modernization Note: DLI is not sure if it owns the source code to this app or just usage rights.]*

# Key Findings - Security and Privacy

## Security and Privacy

- Security is currently provided at the application level.
- Applications do not utilize DLI active directory. *[Modernization Note: Future State should utilize active directory and single-sign-on and other MN.IT identity management technologies]*
- PowerBuilder Desktops have a extensive security built-in that allows the ability to secure access at multiple levels: role, user, function, screen, etc.)
- Data/documents in the PowerBuilder Desktops are shared across all desktops and are able to be viewed by all users regardless which desktop they are in. Exceptions:
  - SCF data is only available in the SCF Desktop.
  - Special access functionality exists to restrict access and allow public viewing of a case file as allowed / required by statutes.
- User-based security is not utilized at the database level and relies on application level security. Exception is that SCF data is also secured at database level.
- All views/actions in the PowerBuilder Desktops are audited and recorded.
- Flags have been added to the database to help classify data elements in terms of whether the data is considered public or confidential to assist in the processing data requests received by DLI.



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## **Workers' Compensation Modernization Project Current State – High Level Process Flows and Narratives**

## Workers' Compensation System Modernization - Process Flow Table of Contents and Legend

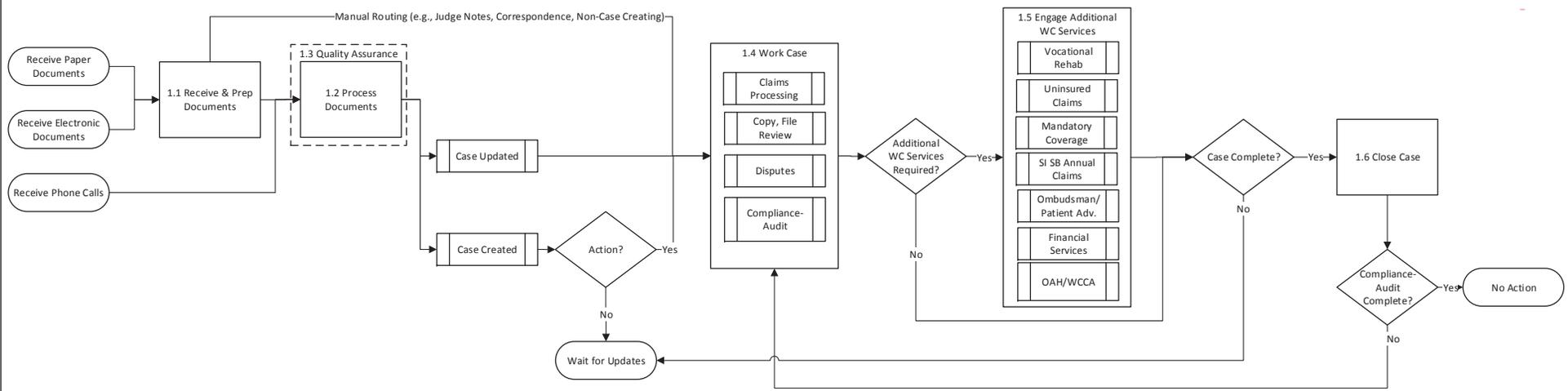
Title
Table of Contents and Legend
Workers' Compensation Overview
CRT Receive & Prep Documents Detail
CRT Copy, File Review Detail
CRT Compliance, Audit, Rehab Registration & Medical Detail
CRT QRC, Vendor, Firm Renewal & Maintenance Detail
CRT Penalties
CRT Setup EDI Partner (Test) Detail
CRT Production EDI Processing Detail
CRT Database Management
CRT Exhibit: Fatal/Serious Injury
CRT Exhibit: OSHA
CRT Prompt First Action Legislative Report - Preparation
CRT Prompt First Action Legislative Report – Report Creation
CRT Process Narratives
SCF Special Claims Processing Overview
SCF Mandatory Coverage & Failure Penalties Overview
SCF Special Claims Reimbursements Overview
SCF Second Injury Supplemental Benefit Calculations Detail
SCF Second Injury Supplemental Benefit Annual Claims Detail
SCF SISB Litigated Process Overview
SCF Process Narratives
ADR Customer Inquiries Overview
ADR Request for Certification of Disputes Overview
ADR Mediation Overview
ADR Certification of Disputes – by form
ADR Uncertified Medical Request for Assistance Overview
ADR Uncertified Rehab Request for Assistance Overview
ADR Administrative Conference Overview
ADR Process Narratives
Administrative Hearings (OAH) Overview
Administrative Hearings (OAH) Scheduling
Administrative Hearings (OAH) Mediations
Administrative Hearings (OAH) .239 Conferences
Administrative Hearings (OAH) .106 Conferences
Administrative Hearings (OAH) Process Narratives
Worker's Compensation Court of Appeals (WCCA) - Overview
VRU Intake and Administration Overview
VRU Intervention Overview
VRU Negotiation Process Detail
VRU Accounts Receivable Detail
VRU Process Narrative
Ombudsman/Patient Advocate Overview
Ombudsman/Patient Advocate Process Narratives
Research and Statistics Overview
Research and Statistics Process Narrative
Financial Services – Accounts Receivable Narrative

Image	Name	Description
	Integration - Manual	Indicates that data is being transferred manually between two or more systems in a manner that requires human intervention.
	Integration - Electronic	Indicates that data is being transferred electronically between two or more systems.
	Routing - Manual	Indicates that information is being routed to a person/team in a manual manner that requires human intervention.
	Routing - User Determined	Indicates that information is being routed to a person/team automatically via the system once a user determines and inputs the destination(s).
	Routing - Automatic	Indicates that information is being routed to a person/team automatically via the system based on built-in business rules and logic.
	443 Desktop	Indicates that the action is primarily performed using the 443 Desktop - a DLI developed, PowerBuilder application that interacts with the Informix database.
	Background Programs	Indicates the action is performed or affected by one or more DLI developed background programs and/or scripts. These programs and scripts run at pre-determined intervals and perform various actions as needed to support the process.
	Database	Indicates the action is being performed directly against the Informix database and not via a DLI developed application.
	IPC Desktop	Indicates that the action is primarily performed using the IPC Desktop - a DLI developed, PowerBuilder application that interacts with the Informix database.
	OAH Desktop	Indicates that the action is primarily performed using the OAH Desktop - a DLI developed, PowerBuilder application that interacts with the Informix database.
	SCF Desktop	Indicates that the action is performed using the SCF Desktop - a DLI developed, PowerBuilder application that interacts with the Informix database.
	Security Desktop	Indicates that the action is performed using the Security Desktop - a DLI developed, PowerBuilder application that interacts with the Informix database.
	Instiff	Indicates that the action is performed using Instiff - a DLI developed, PowerBuilder application that interacts with the Informix database.
	Scanning System	Indicates that the action is utilizing the Kodak scanning system and software.
	EDI	Indicates that the action utilizes the DLI developed, electronic data interchange (EDI).
	eFROI	Indicates that the action utilizes the DLI developed, web-based eFROI application/service.
	Rform	Indicates that the action utilizes the DLI developed, web-based Rform application/service.
	Request For Assistance	Indicates that the action utilizes the DLI developed, web-based Request For Assistance application/service.
	Government Website or Services	Indicates that the action utilizes a government website or service (non-DLI).
	Non-government third Party Website or Service	Indicates that the action utilizes a non-government third-party website or service (non-DLI).
	Manual	Indicates that the action contains manual steps that happen via human intervention.
	Microsoft Access	Indicates that the action utilizes Microsoft Access.
	Microsoft Excel	Indicates that the action utilizes Microsoft Excel.
	Microsoft Outlook	Indicates that the action utilizes Microsoft Outlook.
	Microsoft Word	Indicates that the action utilizes Microsoft Word.

# Workers' Compensation High-Level Process



WC Business Flow

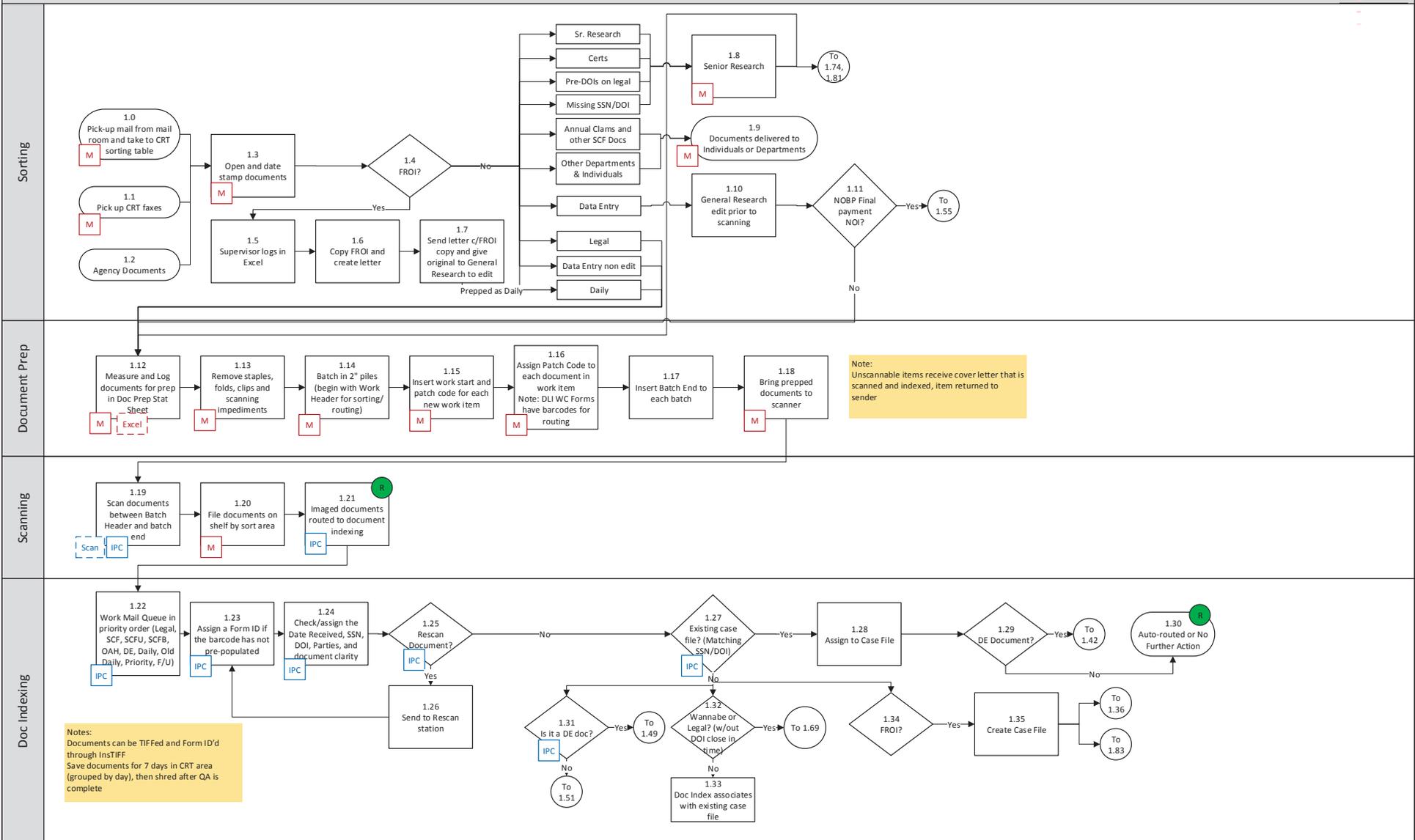


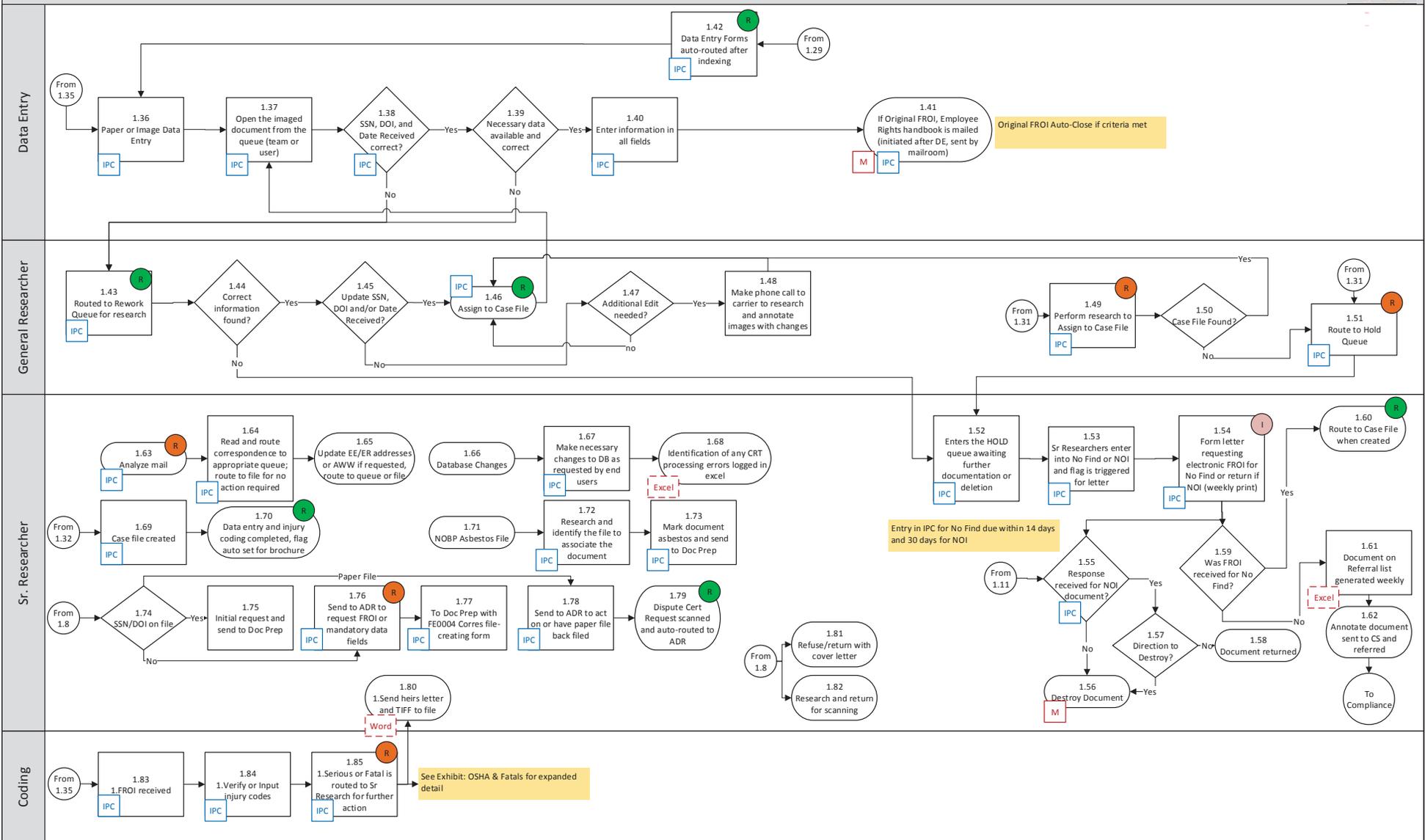
**Statutory Reports:**

- **Prompt First Action Report on Workers' Compensation Claims** - The 1995 Minnesota Legislature directed the commissioner of the Department of Labor and Industry to submit an annual report providing data about the promptness of all insurers and self-insurers in making first payments on a claim for injury. This report focuses public attention on the performance of the payer in the workers' compensation system, with the goal of improving the promptness of individual companies and the entire insurance industry.
- **Collection and Assessment of Fines and Penalties Report** - Minnesota Statutes 176.222 directs the commissioner of the Department of Labor and Industry to submit an annual report regarding the assessment and collection of fines and penalties under the workers' compensation law. Under workers' compensation law, penalties are paid either to the Assigned Risk Safety Account or directly to injured employees.

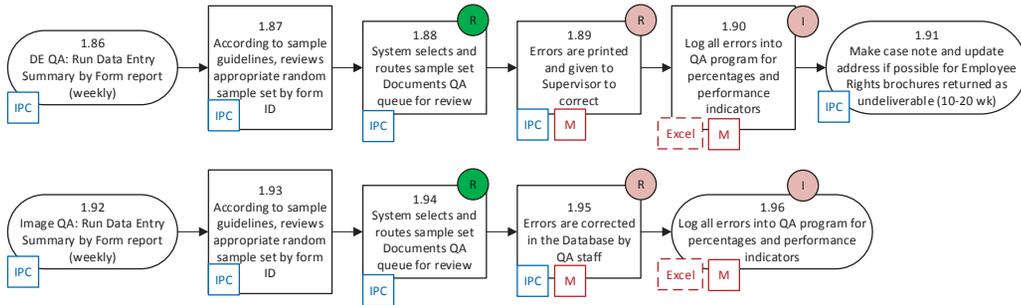
**Research & Stats Report submitted to Legislature:**

- **Minnesota Workers' Compensation System Report** - This annual report analyzes data to examine the size and cost of Minnesota's workers' compensation system and provides a foundation for further consideration. The purpose of the report is to describe statistically the current status and direction of workers' compensation in Minnesota and to offer explanations, where possible, for recent developments.

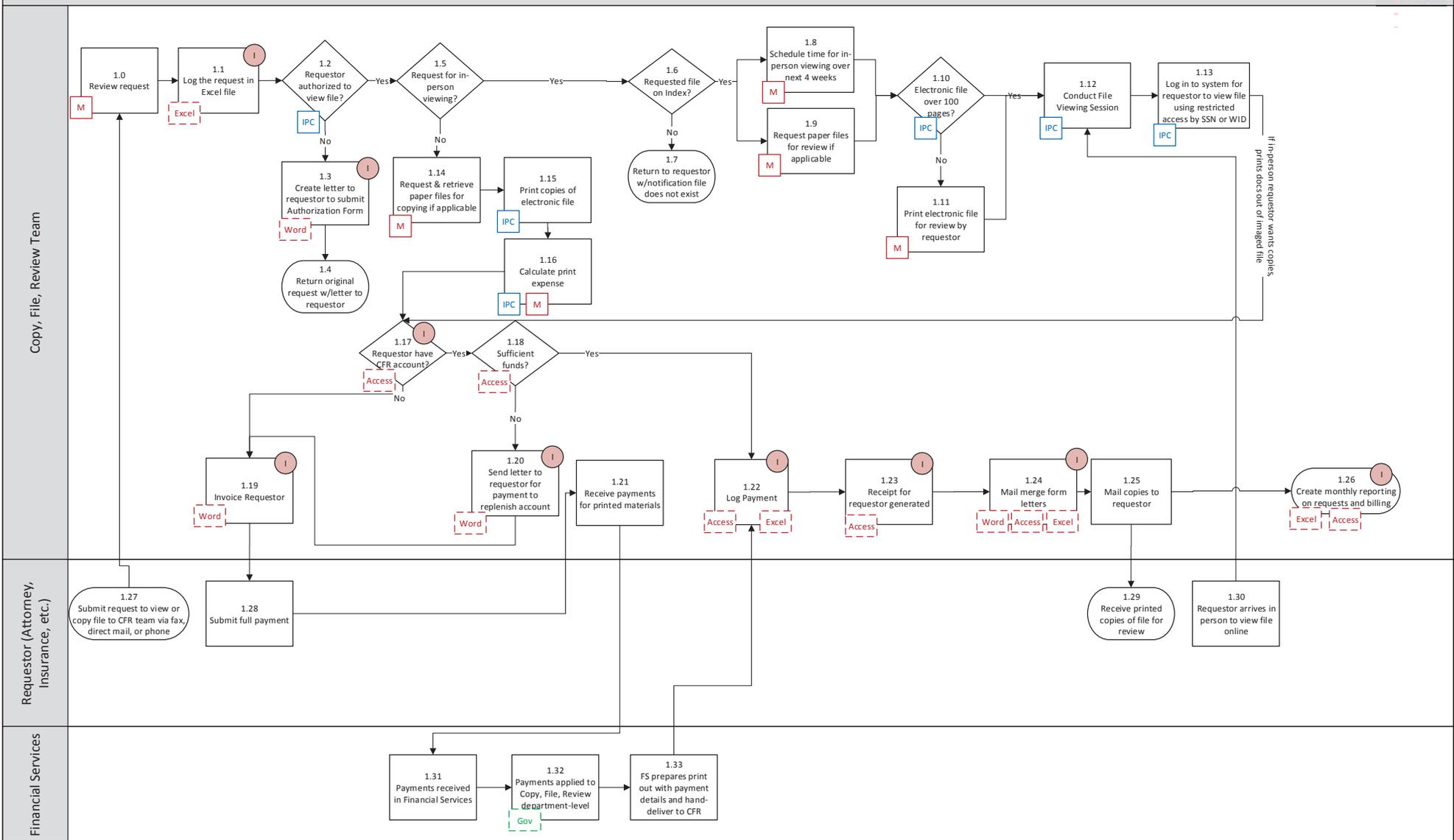




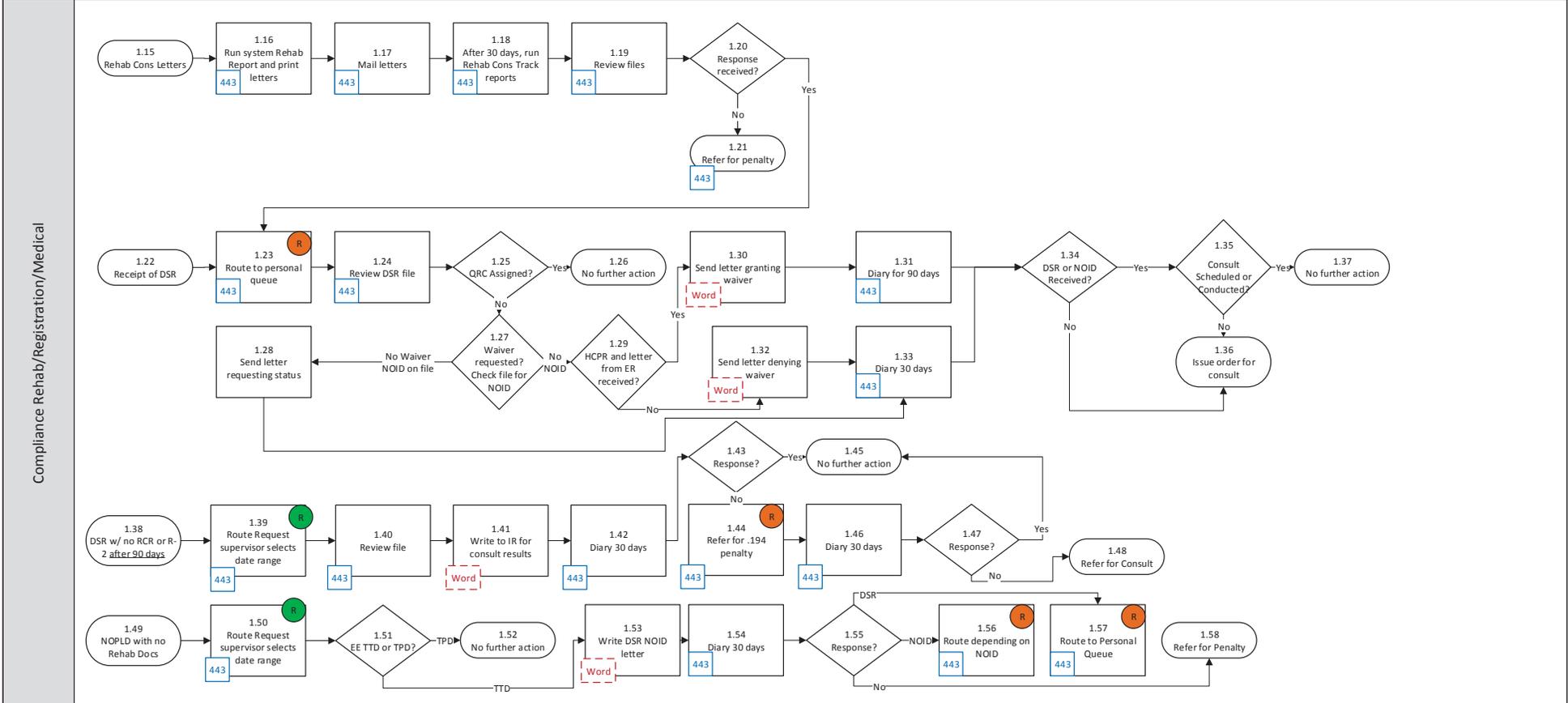
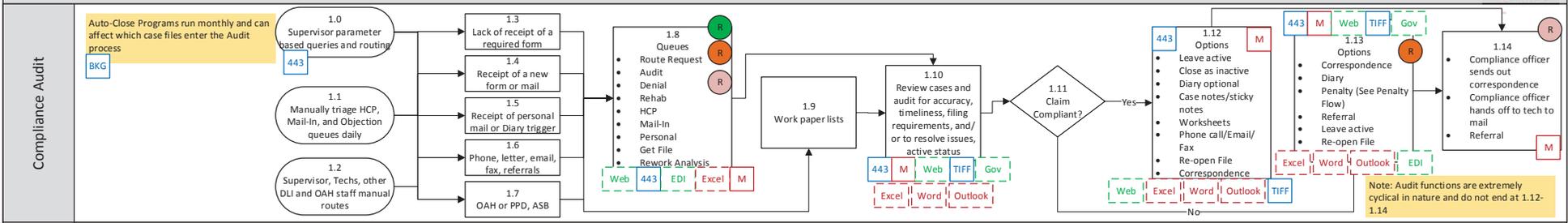
QA



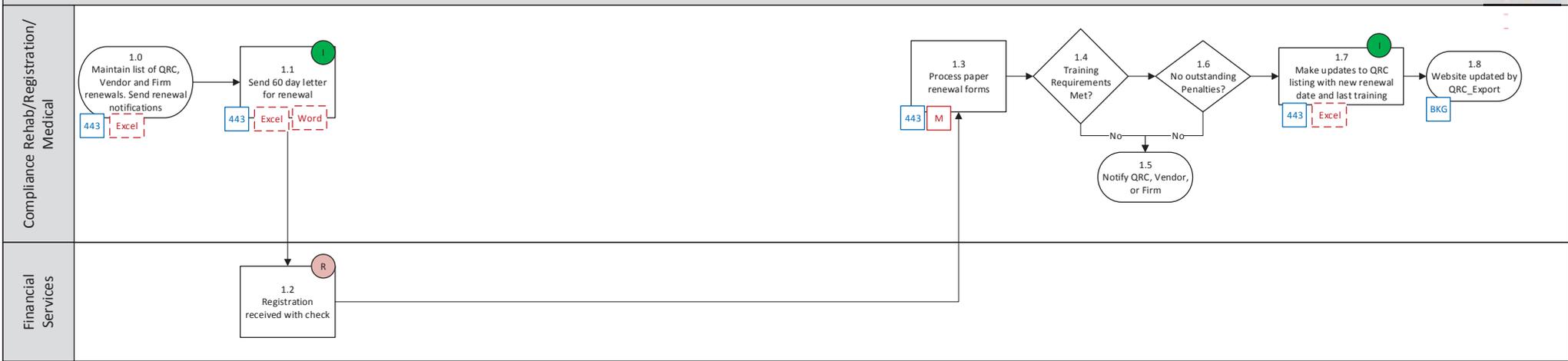
# Copy File Review (Compliance, Records and Training) Detail



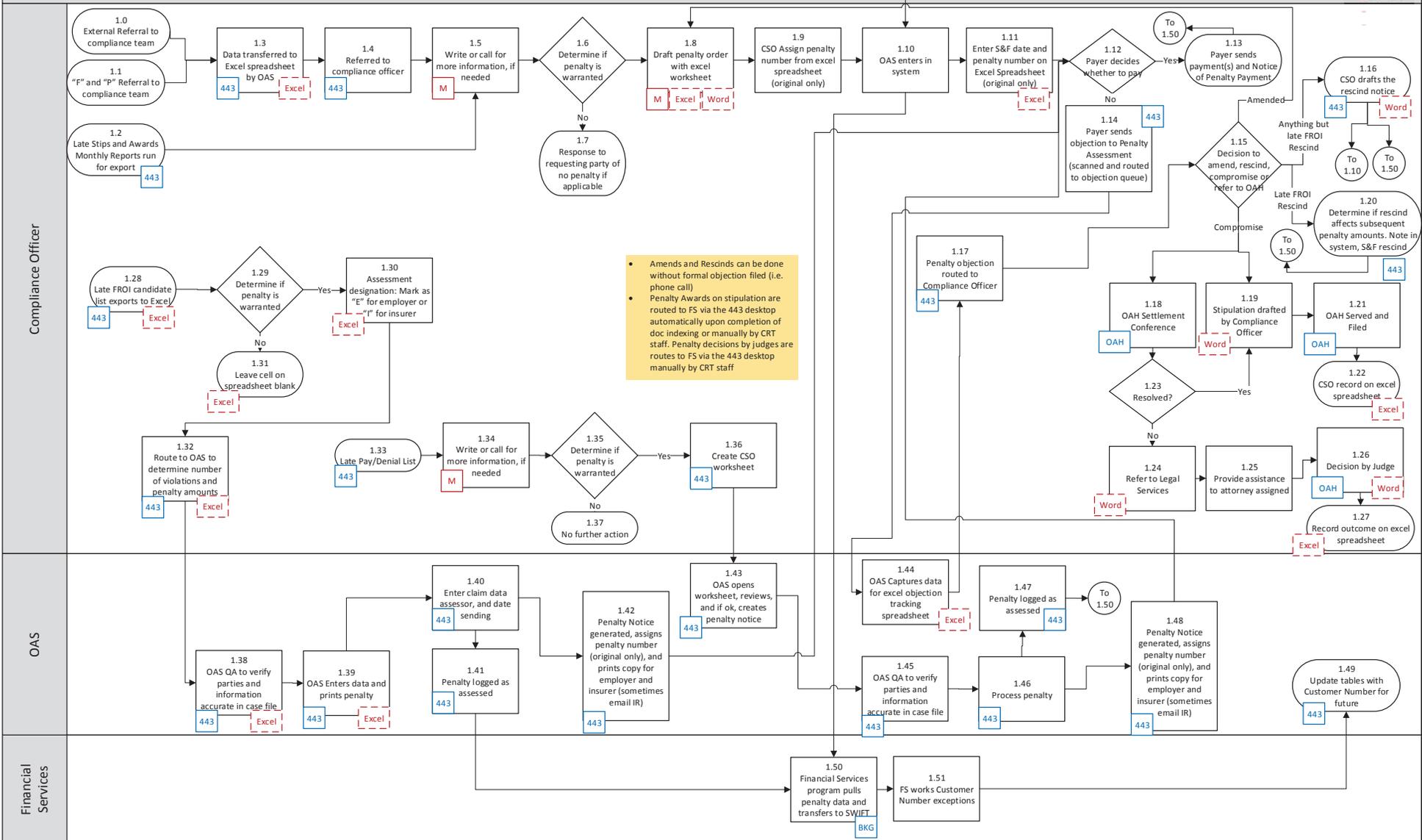
Compliance, Audit, Rehab/Registration/Medical (Compliance, Records and Training) Detail



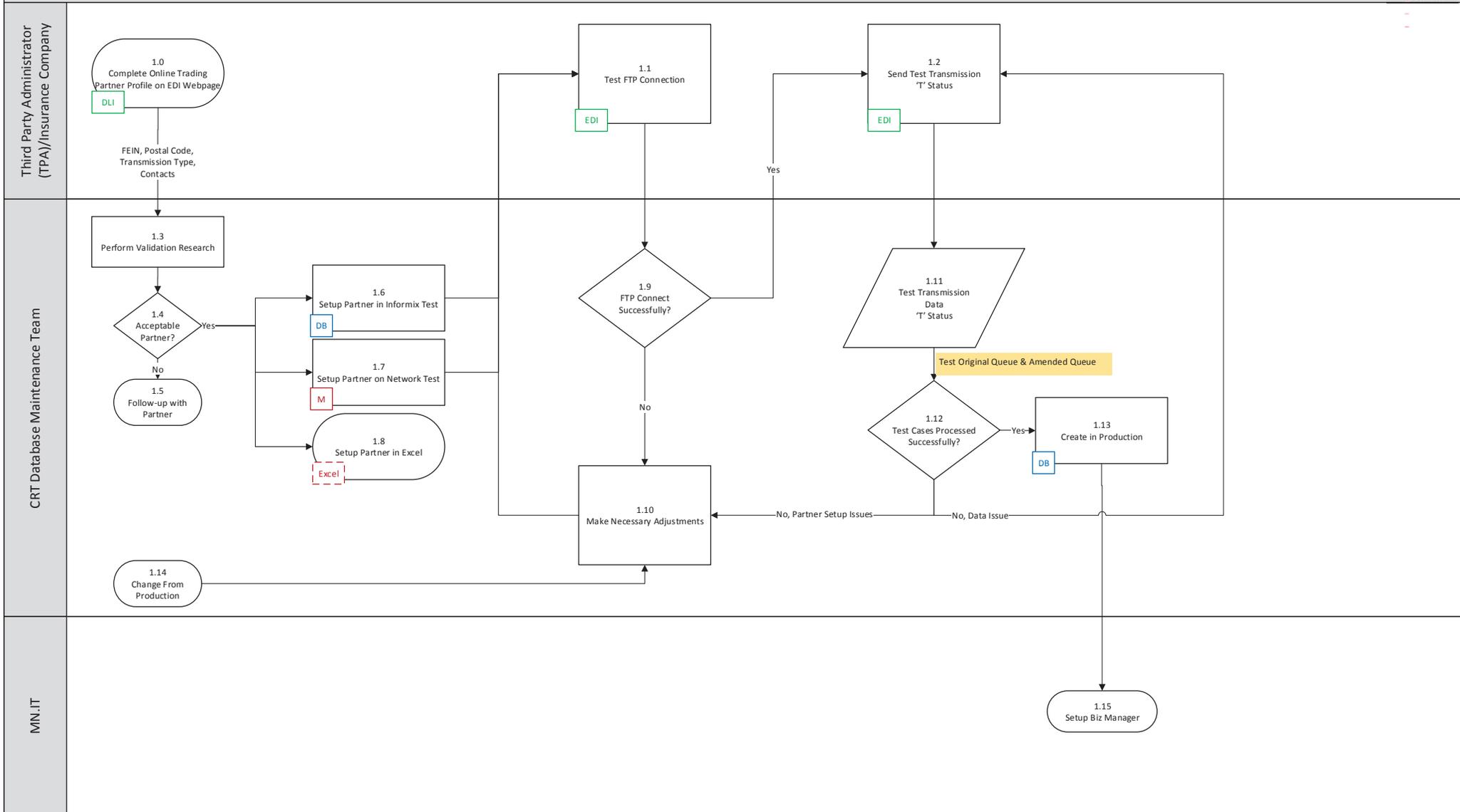
QRC, Vendor, Firm Renewal Detail (Compliance, Records and Training)



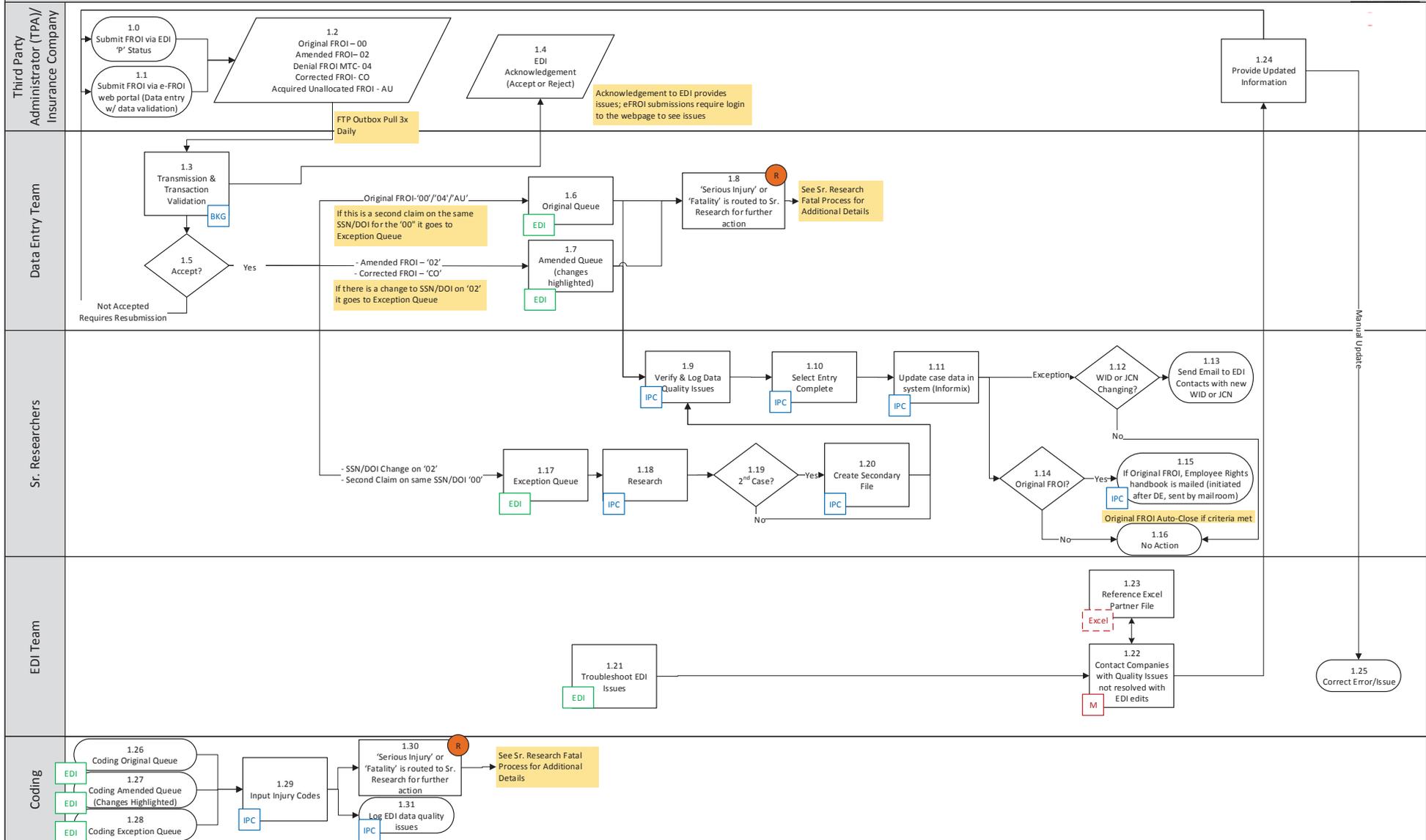
Penalties (Compliance, Records and Training)



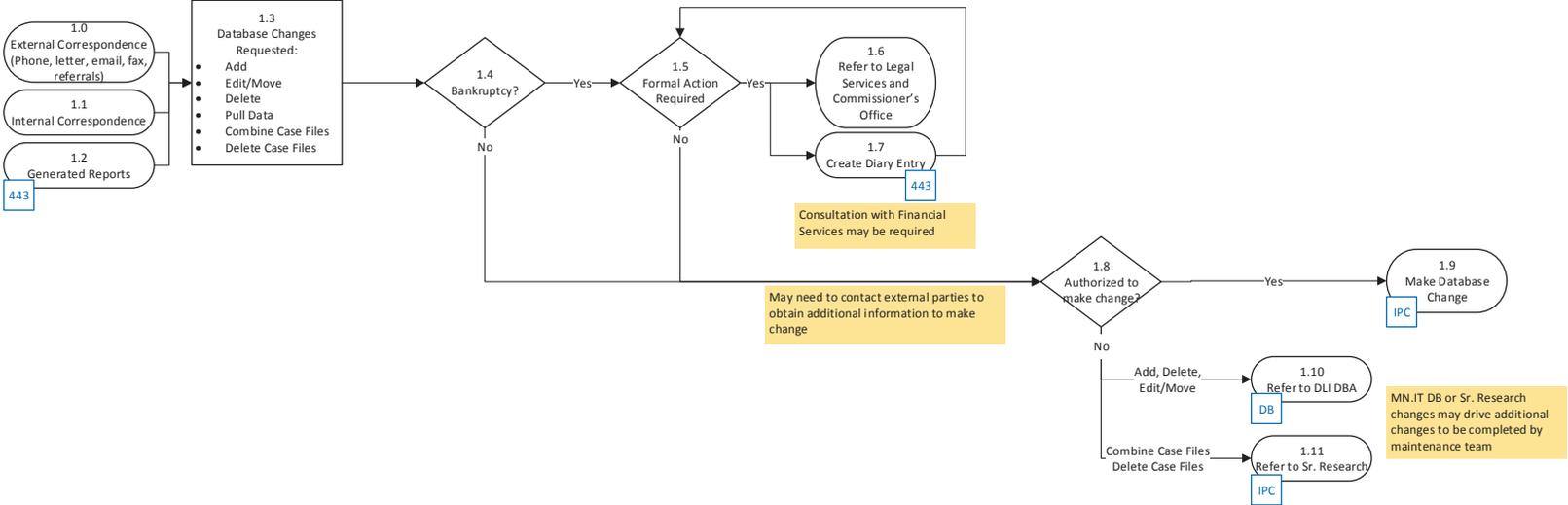
# Setup EDI Partner (Test) Detail



# Production EDI Processing Detail



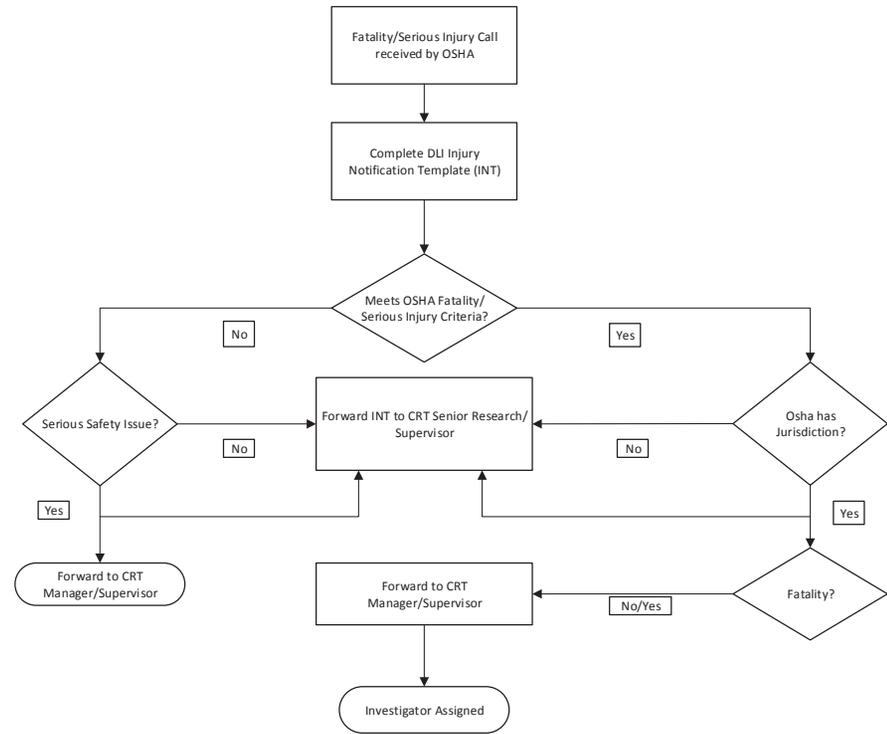
Database Maintenance Team



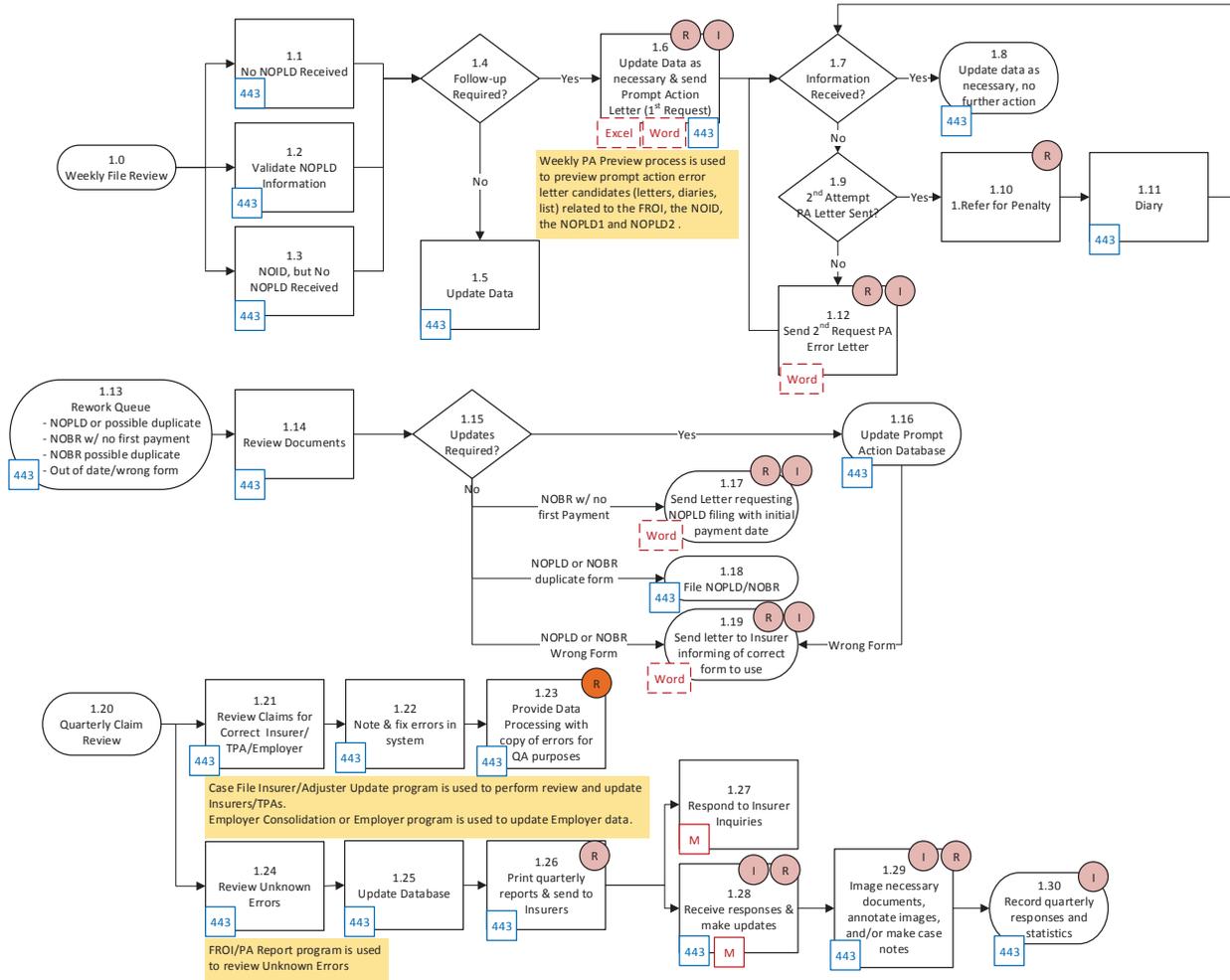
CRT RECEIVES FATAL/SERIOUS INJURY  
(Phone, Mail or Fax)



OSHA RECEIVES FATAL/SERIOUS CALL

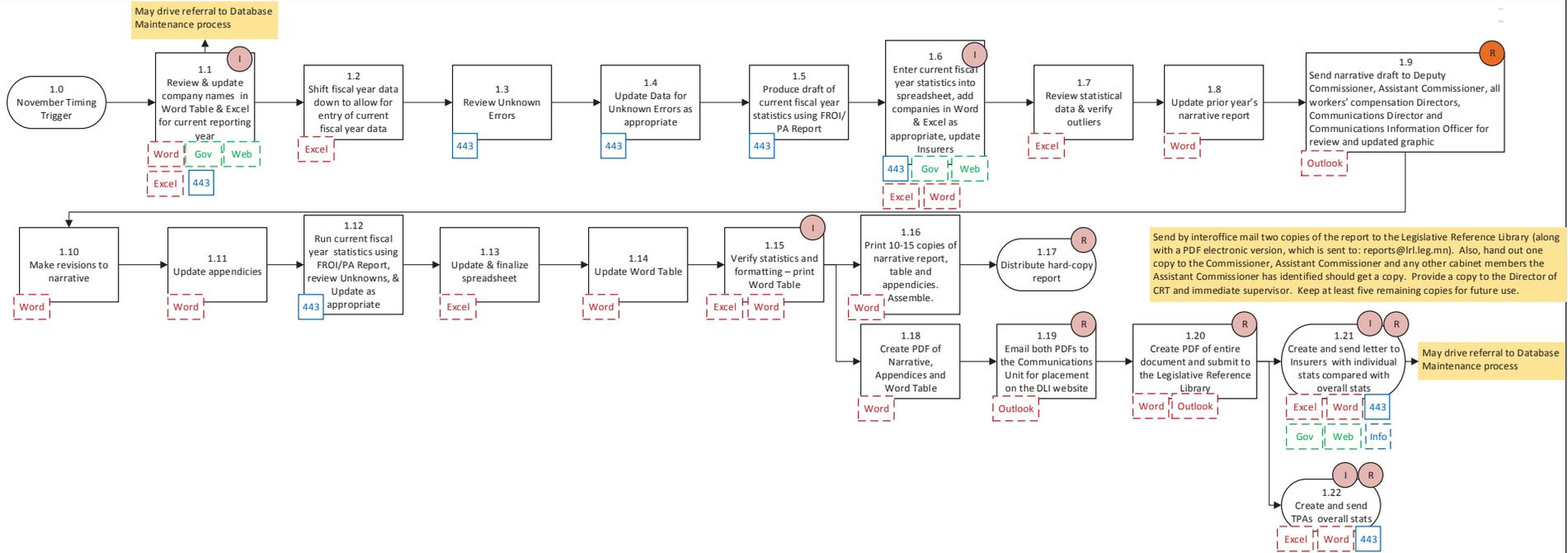


Compliance Officer



Prompt First Action Legislative Report (Compliance, Records and Training) – Report Creation

Compliance Officer



## Compliance, Records & Training (CRT)

Purpose: The purpose of this information is to provide additional context to supplement the process flow. This document has general overview information followed by references to specific context tied to the sections within the process flow (identifiers noted). Additional detail, including interview notes and existing manuals can be found on the [WC System Modernization SharePoint Site](#).

### Receive and Prep Documents Detail:

#### Functional Overview (CRT Series 4000 Manuals):

The Workers' Compensation Division maintains files with information related to work injuries sustained by Minnesota workers. Each file is particular to an individual worker and a particular date of injury. Each of these files is referred to as a case file.

Where there is litigation for a single individual worker involving multiple dates of injury, the Imaging System permits a user to view the case file for the individual dates of injury or as a combined Table of Contents for the multiple dates of injury.

Case files with a date of injury (DOI) of March 1, 1995 or later are all imaged. Some case files with a DOI prior to March 1, 1995 have been converted to electronically imaged files.

To make it possible for the Imaging System users to find and retrieve case files, files and their subsequent documents must be first stored in the Imaging System. The employees in CRT are responsible for:

- Preparing all paper documents to be scanned
- Assigning the correct form identification to each document, monitoring it for quality, repairing incorrectly scanned documents and assigning documents to the appropriate case file
- Entering data into the supporting computer system
- Scanning and marking as private documents that are SCF specific making them viewable only by SCF

#### Input/Output Summary:

Input	Output
<ul style="list-style-type: none"> <li>• Incoming Documents (electronic and paper)</li> </ul>	<ul style="list-style-type: none"> <li>• Documents Prepped</li> <li>• Documents Reviewed</li> <li>• Paper Documents Scanned</li> <li>• Documents Indexed</li> <li>• Documents Routed for further action</li> <li>• Documents Received/Case File status Audited</li> <li>• Documents Made available for viewing/printing</li> </ul>

#### Documents and General Edit Activities:

- DLI-WC currently has 16 DE documents (Forms)
  - 6 Rehab forms
  - NOPLD (Notice Of Primary Liability Determination)
  - NOBR (Notice Of Benefit Reinstatement)
  - NOID (Notice Of Intent to Discontinue)
  - NOBP (Notice Of Benefit Payment)

- ISR (Interim Status Report)
- HCP (Healthcare Provider Report)
- Medical Narrative Reports
- NOD (Notice of Discontinuance upon Death of Employee)
- NOD (Notice of Discontinuance of Dependency Benefits)
- Request for Extension
- Data entry documents that are edited prior to scanning include:
  - FROI (First Report of Injury)
  - NOID (Notice of Intention to Discontinue Workers' Compensation Benefits)
  - NOBP (Notice of Benefit Payment)
  - ISR (Interim Status Report)
  - MEDNAR (Medical Narrative Report)
- Data entry documents that are not edited prior to scanning include:
  - NOPLD (Notice of Primary Liability Determination)
  - NOBR (Notice of Benefit Reinstatement)
  - Request for Extension
  - HCP (Health Care Provider Report)
  - DSR (Disability Status Report)
  - RCR (Rehab Consultation Report)
  - R-2 (Rehabilitation Plan)
  - R-3 (Rehabilitation Plan Amendment)
  - PPR (Plan Progress Report)
  - R-8 (Rehabilitation Plan Closure)
- Data entry documents that are edited by the Senior Researchers prior to scanning include:
  - NODDB (Notice of Discontinuance of Workers' Compensation Dependency Benefits)
  - NODBD (Notice of Discontinuance...Upon Death of Employee)
- Wannabe – These are documents that have been identified by the Form ID as case creating documents. They are routed from doc indexing to the SRs to do the research and data entry on via the Wannabe application (e.g. Requests for Assistance, Claim Petitions, etc.)

#### Process Flow Additional Details:

The following information ties to the 'CRT Receive & Prep Documents Detail' Process Flow. Each key business function within the process flow is represented with a row and associated process activities.

#### Sorting (1.0-1.11):

- This process is initiated by incoming documents from outside mail, fax, and inter-agency.
- Documents are opened and receive a date stamp to signify when they were received.
  - Some envelopes include more than 1 document to be stamped. Staff opening and stamping mail need to go through each page sent to determine if there are multiple document types/forms included
  - Some mail intended for SCF, individual addressees, and other departments are sorted and placed for delivery or pickup to/from the designated area prior to scanning
  - SCF mail should not be date stamped by CRT. If it is stamped, this is ignored by SCF area users
- All FROI documents are sorted into the Daily document sort.
- All other (non-FROI) documents are sorted based on the type of document it is. Once sorted, they are routed to the appropriate area to be scanned or worked.

Area Delivered to:	Sr. Research	Delivered to Individual Departments	General Research (Edit prior to scanning)	Directly to Doc Prep for Scanning
Sorts Included:	<ul style="list-style-type: none"> <li>- Sr. Research</li> <li>- Certs</li> <li>- Pre-DOIs on legal</li> <li>- Missing SSN/DOI</li> </ul>	<ul style="list-style-type: none"> <li>- Annual Clams and other SCF Docs</li> <li>- Other Departments &amp; Individuals</li> </ul>	<ul style="list-style-type: none"> <li>- Data Entry</li> </ul>	<ul style="list-style-type: none"> <li>- Legal</li> <li>- Data Entry non-edit</li> <li>- Data</li> </ul>

**Document Preparation (1.12-1.18):**

- Preparation begins with removal of staples, folds, clips and other impediments to scanning
- Documents are batched in piles that are ~2" high and begin with a Work Start item that is bar-coded to enable the scanner to identify the start of a new work item
- Each batch is given a batch header with a barcode identifying the type of mail and to which index bucket the documents should route. Each individual document or form is given a patch code. Each batch has a Batch End sheet as last page of batch.
  - Patch codes split documents within a work item.
  - Some DLI WC forms have form type identifying barcodes on them which assists the scanning system in proper routing, for example, the NOPLD form goes to the Data Entry bucket.
- Prepped documents are brought to the scanner
- Other Considerations:
  - Items that cannot be scanned: These include video, audio files/tapes, Judges notes, CDs, flash drives and other physical items. The cover letter 'UNSCANNABLE ITEM' is filled out with type of item, SSN, DOI, name of employee date received and initials of the Doc Prep and then scanned and indexed to record receipt. The item is then returned to sender with a letter requesting resubmission in a paper format. If the item is addressed to a DLI staff, it is brought to them and if they accept, it becomes their responsibility.

**Scanning (1.19-1.21):**

- Documents are scanned between batch headers
- Once scanned, documents are filed by sort area and moved to the shelf. As a general guideline, documents are saved for minimum of 7 days, grouped by day, and then shredded following QA.
- Digital imaged copies are routed by the system to document indexing
- Other Considerations:
  - Mail from OAH (Office of Administrative Hearings): Some files from OAH are e-faxed to DLI CRT as >PDF files. Require printing, sorting, prep and scanning of a file that could potentially be uploaded to the document indexing system
  - TIFF documents: Documents from OAH, ADR, SCF, other areas are submitted in .TIFF format. Requires completing an indexing form on the .TIFF file, adding Type, Received date, SSN, DOI before sending to a file in the system (InsTIFF program)
  - E-forms: E-forms skip scanning and go directly to the queue for data entry/indexing

**Document Indexing (1.22-1.35):**

- Scanned images are worked with priority order in the Work Mail Queue (Legal, SCF, SCFU, SCFB, OAH, DE, Daily, Old Daily, Priority, F/U)

- Indexing includes an initial review of the scanned image looking for legibility, proper page ordering, split pages, proper routing, complete and accurate information, required data fields (DOI, SSN or WID, DATE RECEIVED, FORM ID) and potential need to add or delete pages or documents.
- 1.28- Assigning to case file
  - If there is an existing case file, the imaged document is assigned, and if necessary, auto-routed to appropriate queue. It is possible that no further action is required for that document. If it is a Data Entry document, it will be auto-routed to Data Entry.
  - If there is no existing case file to associate a document to, additional research is required to locate or create the case initiating documentation. Note: The FROI is the only document Doc Indexing can use to create a case file.
    - o 1.31 - If the document is a Data Entry document with a DOI close in time, it will be routed to General Research, if it is not it will be routed to a hold queue as it waits for case assignment (typically 5-600 documents in hold queue).
    - o 1.32 - If the document is a Wannabe or Legal document without DOI close in time (meaning within the standard window of time), it will be sent to Sr. Research. If it is a Wannabe or Legal document with DOI close in time it will get associated with the existing case file
    - o 1.34 - If the document is a FROI not on index (NOI) it will be auto-routed to Data Entry after the case file is created.
- Once indexing is complete, scanned documents are automatically routed to the appropriate area for further processing or are simply saved to file

**Data Entry (1.36-1.42):**

- Only documents requiring some form of Data Entry will proceed to this activity. Within this function, the team is verifying SSN, DOI, Form ID and Date Received are correct before proceeding with remaining data entry tasks.
- If the document was a FROI, the system will generate mailing labels for the mailroom to send an Employee Rights Handbook. The completion of the data entry task initiates creation of the mailing labels.
- The Original FROI Auto-close program runs routinely, case closed if criteria is met.

**General Research (1.43 – 1.51)**

- The General Researcher is responsible for editing data entry documents to ensure the information is legible and accurate, and the required information for the mandatory data entry fields is on the forms prior to scanning.
- When SSN or DOI data is incorrect or DOI is not on index but close in time to the DOI, the General researcher will correct if possible and assign to case file. If they are not able to assign to case file it is sent to the Hold Queue where Sr. Research will wait for further documentation or delete document.

**Sr. Research (1.52-1.82)**

- 1.63-1.65 – Sr. Researcher has mail routed to them based on identified correspondence Form IDs. They review this mail and route to the appropriate queue for further processing or for no further action required. If address changes are requested for employee or employer, the Sr. Researcher makes updates and routes to the queue or file.
- 1.69-1.70 – Sr. Researcher receives case creating documents other than a FROI. Case file is created in the imaging system. Data entry and coding is completed and the flag triggering the Employee Rights' brochure (Original FROI Only) to be mailed is automatically set.
- 1.74-1.79 - If a Dispute Certification Request is received and;

- o 1.74-1.75 - SSN/DOI is on file, the Dispute Certification Request is initiated and the document is sent to Doc Prep
- o 1.74, 1.78-1.79 - If the DOI is a paper file, the Dispute Certification Request is sent to ADR for action. ADR may return to Sr. Research to request the paper file and have it back filed. The Dispute Certification Request is then scanned and auto-routed to ADR.
- o 1.74, 1.76-1.77 – If the SSN/DOI is not on file, the Dispute Certification Request is sent to ADR to request a FROI or make sure the mandatory data entry fields are available. Then the Dispute Certification Request is sent to Doc Prep either with a FROI or with a ‘FE0004 Corres’ file creating form if there is no FROI.
- 1.66-1.68 – Sr. Researchers make necessary changes to the database as requested by other system users. Examples include combining files, changing status code of a file, address changes, correcting date received of a document on TOC, etc.
- 1.71-1.73 – NOBPs on ‘asbestos’ files are received from the General Researchers. Case files are not created for all DOIs listed for an asbestos litigation. OAH determines the DOI to be assigned as the asbestos file and the TOC reflects that with the red ASB note. The Sr. Researcher associates the document to the specified case file. The document is marked ‘asbestos’ and sent to Doc Prep for processing.
- 1.52-1.62 – Sr. Researchers monitor HOLD queue and run the ‘No Finds’ report. They set the flag for letter within the system. A form letter requesting electronic FROI for ‘No Find’ or return if NOI is created and sent weekly. If NOI response is received, review direction and destroy or return document. If no NOI response is received, destroy document. If FROI received on ‘No Find’, it will route from Hold Queue when the Case File is created. If FROI on ‘No Find’ is not received, document on the Referral List (weekly), annotate the document as sent to CS and referred. Refer to compliance.  
Note: Entry in IPC for No Find is due within 14 days and 30 days for NOI

**Coding (1.83-1.85, 1.80)**

- FROI is received and Coder verifies and/or inputs necessary injury codes. If FROI is Serious or Fatal it is routed to Sr. Research for further action.
- See OSHA and Fatals exhibit in process flow documentation for expanded detail.

**QA (1.86-1.96)**

- 1.86-1.91 – Quality checks are performed on Data Entry using random sampling. QA is done by form types and individual resources. QA can automatically setup Coding QA within the system; however, non-Coding QA activity needs to be manually pulled from the system. All errors are given to the Supervisor for correction. Errors are logged in the Excel QA program where performance indicators and percentages are managed.
- 1.92-1.96 – Quality checks are performed on Images. Sample forms are pulled from the system, reviewed and any errors are corrected by QA Staff. Errors are logged in the QA Excel program where performance indicators and percentages are managed.

**Copy File Review:**

**Input/Output Summary:**

Input	Output
<ul style="list-style-type: none"> <li>• Requests received from case/claim stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Paper file printed and mailed</li> <li>• Paper file available for in-person viewing</li> <li>• In-person on-line viewing of file</li> <li>• Invoice created (non-account requests)</li> <li>• Request and authorization scanned to file</li> <li>• Excel Spreadsheet log created</li> </ul>
<ul style="list-style-type: none"> <li>• Payment received/Account deposit for printed copies</li> </ul>	<ul style="list-style-type: none"> <li>• Payment information provided to Financial Services for reconciliation via Excel Spreadsheet</li> </ul>

**Functional Overview:** The Copy File Review (CFR) team within CRT provides access for stakeholders to review claim files stored in the Informix application.

Authorized requestors can visit DLI and view claim files on site through the system, or have them printed and mailed or picked up. Primary steps in the Copy File Review process are driven by a request from an outside party to obtain access to information in a Workers’ Compensation (WC) file. Authorizations from an injured worker or their legal guardian are specific and may be limited by employer or date(s) of injury (DOI). Some claim files can include hundreds of pages of documents. There is a per page fee for printed copies of case file documents (Viewing online at DLI is free of charge).

- 1.0-1.4 - Request from an attorney, insurer, employee, etc., is received, reviewed for completeness and logged in the excel spreadsheet. If the requestor is not authorized to view the file, a letter is sent requesting an authorization and the request is returned to the submitter. Those authorized for viewing continue through the process.
- 1.5-1.13- Authorized viewers may view the file in person or have copies mailed. In-person and copied files must be on index to proceed. Those wishing to view in person will receive a scheduled time for in person viewing and will either view the file in a paper copy (under 100 pages) or using a secured ID on a DLI computer in the Copy File Review area.
- 1.17-1.18, 1.20, 1.22 - When a request is received from an authorized viewer, the Copy File Review team will check to see if the requestor has a pre-paid account with the department. If so, the cost of the copies is calculated, including postage, and checked against the account for sufficient funds to cover the expense. If the funds are too low to cover the cost, a request is sent by letter or a phone call is made to replenish the account.
- 1.17, 1.19, 1.28 - When a requestor is authorized, but does not have a pre-paid account, the printing and postage are calculated and the amount due is sent in a letter to the requestor. This amount must be paid in advance of the copies being sent.
- 1.21-1.25 - Once paid, the copies are mailed to the requestor. All of the details of the transactions and requests are noted in an Excel tracking sheet, while all monies exchanged are accounted for in an access database (used for tracking CFR accounts and reporting).
- 1.31-1.33 - Financial Services, for their role in the CFR process, collects payments that are received at DLI for CFR accounts and printed materials. These payments are applied to the department in general and payment details are given to the CFR team for processing in the Access database.



**Compliance Audit, Rehab/Registration/Medical, and Penalties**  
**Functional Overview (CRT Series 4000 Manuals):**

The Compliance Officers (COs) of the Compliance, Records, and Training Unit (CRT) of the Workers' Compensation Division are responsible for requiring prompt and full compliance with all the provisions of the workers' compensation laws.

SUMMARY OF THE BASIC FUNCTIONS OF THIS CRT UNIT:

- Reviewing claims administration activities by insurers, self-insurers and third-party administrators;
- Creating and maintaining files of all reported claims;
- Auditing files, monitoring benefits and penalizing insurers and employers for lack of compliance in claims reporting and benefit payments;
- Regulating the registration and providing oversight of vocational rehabilitation provider conduct;
- Information and assistance concerning workers' compensation medical benefit statutes, rules and issues.
- Preparing statutory reports about prompt first action by insurers and self-insured employers and
- Providing assistance, education and information to all parties.

If there are non-compliance issues, dispute resolution techniques are used by the COs in an attempt to achieve compliance.

The COs review files based on defined criteria. If benefit errors or omissions are found, correspondence is sent to the claim administrator (insurer or third-party administrator) asking for clarification and/or advising them of non-compliance with statute or rule.

Although consistent standards have been established for benefit and filing parameters following the statutes and rules, professional judgment is needed in the more complex cases.

**Input/Output Summary:**

Input	Output
<ul style="list-style-type: none"> <li>• Document received for case</li> </ul>	<ul style="list-style-type: none"> <li>• Verify document meets statutory rules</li> <li>• Correspond with stakeholder and/or Issue penalties for non-compliance</li> </ul>
<ul style="list-style-type: none"> <li>• Diaried document received</li> </ul>	<ul style="list-style-type: none"> <li>• Review case for subsequent filings and compliance</li> <li>• Issue penalties for non-compliance</li> </ul>
<ul style="list-style-type: none"> <li>• QRC, Vendor, Firm registration received</li> </ul>	<ul style="list-style-type: none"> <li>• Registration processed</li> <li>• QRC, Vendor, Firm listing updated on website</li> </ul>

**Process Flow Additional Details:**

Auto-close programs note: There are Auto Close Programs (NOID and Denial/Medical Only) that run each month. These programs can affect which case files enter the audit process based on the type of document and the timing related to that document type.



Additional Notes: Audit functions are cyclical in nature and do not end at the end of the process described. Cases can be re-opened, new forms can be received, and audit functions can be performed at any point on a case due to the timing and nature of the information received.

- Compliance Audit (1.0-1.9):
  - Supervisors will enter certain parameters into 443 monthly to received documents or cases that are based on a lack of a required form or substantial time period passing while the file is still in an open status. These cases will then filter into the Route Request Queue monthly.
  - Bi-weekly and weekly supervisors will enter additional parameters into 443 to assign new mail that is received to the Denial Queue or Route Request Queue.
  - On a daily basis forms can also be auto routed based on the date received and form ID. These are generally in the Daily Audit Queue or the Personal Queue.
  - In addition, Supervisors or techs will manually triage the HCP, Mail-In, and Objection queues daily.
  - Supervisors, Techs, other DLI and OAH staff will also manually route cases based on personal mail or diaries, or other reasons directly to the Personal Queue of a Compliance Officer.
  - These inputs can also lead to paper lists (ex: PPD list) that are created by the Supervisors to work in Compliance based on the dates received and Form IDs.
  - Files or cases coming to Audit are generally driven by the activities above because of a lack of receipt of a required form, a receipt of new forms or mail, receipt of personal mail or a Diary trigger, a phone call, letter, email, fax, or direct referral, or because of a direct pass from OAH, a PPD, or ASB.
- 1.10 Review Cases
  - Utilizing the information available in the case file, Compliance Officers will review the cases and audit for accuracy: the information in the forms, timeliness of the filings, requirements of the specific filings, and to possibly resolve issues on cases with an active status.
  - Based upon a NEW ACTIVITY (receipt of a form in the mail) the following forms are auto-routed to the Audit queue on a daily basis:
    - o FROI serious/fatal form (30 day delay)
    - o NOBP form (90 day delay)
    - o Notice of file closing form (30 day delay)
    - o Request for extension form
    - o NOD of dependency benefits form
    - o NOD upon death of EE form
    - o Forms, medical reports, etc. routed by the supervisors/techs from the Mail-in queue to the Audit queue
  - If a file has "closed" status, the following forms are routed to the Mail-in Queue, where tech staff perform triage and route the files requiring an audit to the Audit Queue (daily feed):
    - o NOBR form
    - o NOID form
    - o ISR form
    - o NOPLD form
    - o PPD (permanent partial disability) ratings on: HCP report (healthcare provider), IME report (independent medical examiner) or narrative medical report
  - Based upon a lack of ACTIVITY on an "open" status file:
    - o FROI form (12 months old)
    - o ISR form (16 months old)
    - o NOPLD form (14 months old)
    - o NOID form (14 months old)

- o NOBR form (14 months old)
- o NOBP form (14 months old)
- o Award or Order Document (60 days old) entered as award date in doc indexing
- o NOD Dependency Benefits form (14 months old)
- o NOD Death of EE form (14 months old)
- o NOPLD form if AWW is less than the \$130 minimum (3 month delay)
- o NOID #3s – not based on lack of activity but based on date received
- 1.11-1.14 Review Cases
  - Once review of the case is complete, the Compliance Officer must determine if the claim is compliant.
  - If the claim is compliant, the Compliance Officer may: leave the case open and active, close the case and file as inactive, set a Diary trigger for a future date to review, add case notes to the file or sticky notes to the documents, complete worksheets, make phone calls or send emails/fax, re-open a closed file, or send correspondence. Compliance worksheets or correspondence documents are often Tiffed to the file.
  - Auditors may have the need to offset the WC payments by SSI or other pension programs
  - If the claim is not compliant, the auditor may send correspondence, set a diary trigger for a future date, may issue a penalty (see the Penalties process), may refer the case, may leave the case open and active (concurrent litigation, etc.), or may re-open a file. Auditors will generally correspond with parties voluntarily to correct or fix the issues discovered. If there is no response, to first or second requests, these are then generally assessed a penalty.

**Rehab/Registration/Medical:**

- 1.15-1.21 Rehab Consultation Letters
  - Rehab Consultation Letters are generated in the system using the Rehab Report. These letters are mailed and then tracked for response.
  - If no response is received, these cases are referred for penalty.
  - If a response is received, the process follows the Receipt of DSR process.
- 1.22-1.37 Receipt of DSR
  - DSR files are reviewed for QRC assignment. If no QRC is assigned to the file, the case is checked for NOID and waiver on file.
  - Letters are sent requesting status updates, denying waiver requests and approving waiver requests.
  - Depending on what has been filed, generally a diary is set to trigger a case file check again in the future.
  - Once a QRC is assigned, a consult is scheduled or conducted, the process is complete and no further action is required.
- 1.38 If no RCR or R2 is filed within 90 days of receipt of the DSR, the process can follow a slightly different path than described above. This will involve writing to the insurer for consultation results and can be referred for penalty or referred for a consultation dependent on the action and timeliness of response.
- 1.49 NOPLD with no Rehab Documents also has a special process. Supervisors will select a specific date range and move to the Route Request queue. If the employee is on TPD, no further action will be required. If the employee is on TTD, correspondence will be sent and monitored for response. With no response, these can be sent for penalty.

**Additional Information:**

MAIL-IN QUEUE

The **Mail In Queue** includes Interim Status Reports (ISRs), Notices of Benefit Payment (NOBPs), Notices of Insurer’s Primary Liability Determination (NOPLDs), and Notices of Intention to Discontinue Workers’ Benefits (NOIDs) that are auto-routed on closed files.

The OAS staff review documents in the **Mail In Queue** and determine what action, if any, is needed on those document as shown in the following table:

Form	Criteria	Reopen	Action
NOPLD Box 1	If no later NOID	Yes	File form
NOPLD Box 2A		No	File form
NOPLD Box 2B	If no later NOID	Yes	File form
NOPLD Box 2C	Depends if wage loss, might be a 2B	Maybe	File form or route to Audit Queue
NOPLD Box 3			File form
NOBR	If no later NOID	Yes	File form
NOID # 1	Less than 2 weeks lost time	No	File form
NOID # 1	2 weeks or more lost time	No	Route to Audit Queue Narrative: “NOID/CL”
NOID # 2	If no later NOID	Yes	File form
NOID # 3		No	Route to Audit Queue Narrative: “NOID 3”
ISR	If no later NOID	Yes	File form
ISR	If questionable dates	No	Route to Audit Queue
NOBP/NOID	Old DOI recent lost time		Route to CS User Queue
CORRES	Penalty requests or penalty objections	No	Route to Penalty Team

HEALTH CARE PROVIDER REPORTS QUEUE

Narrative medical reports, Health Care Provider Reports (HCPR), and Reports of Work Ability (RWA) on closed files are routed to the **Health Care Provider Reports Queue**.

The Office and Administrative Special (OAS) staff review documents in the **Health Care Provider Reports Queue** and determine what action, if any, is needed on those document as shown in the following table:

Form	Action
PPD = No or 0%	File form
Report indicates surgery	Consult with CO or supervisor and route to Audit Queue if PPD likely Narrative: “HCP PPD”
PPD = Yes or > 0%	Route to Audit Queue if PPD likely Narrative: “HCP PPD”

## QRC, Vendor, Firm Renewal Detail:

### Process Flow Additional Details:

- The Compliance Rehab/Registration team maintains a list of QRC, Vendor and Firm renewals
- Letters are sent for renewal 60 days prior to the registration expiration date
- Financial Services processes payment received for renewals and returns the paper registration forms to the Compliance team for further processing
- Once the renewal paperwork is returned it is processed by the Compliance team and the list on the DLI website is updated

## Penalties Detail:

### Process Flow Additional Details:

- There are four types of penalties represented in this process: "F" and "P" from internal and external referrals and from Informix created reports/lists; Late Stips and Awards; Late FROI; and Late Pay/Denials
- Files are reviewed by the compliance officer to determine if the penalty is warranted or more information is required
- The OAS will generally verify information is accurate, process the penalty, track penalties if required, updates customer numbers for the future and print information as needed
- The Financial Services team pulls penalty data to transfer to the SWIFT system and works on Customer Number exceptions in the vendor number matching process
- As the penalty process progresses, the Compliance Officer will track the progress and may be involved in reviewing penalty objections, attending settlement conferences, drafting Stipulations, or referring to Legal Services. In addition, the Compliance Officer will ultimately record the final outcomes on one or more of the various penalty trackers in Excel.

Note: Amended and Rescinded penalties can be done without formal objection. This means that a phone call could come in to the Compliance Officer that would constitute and objection. In addition, Penalty Awards on stipulations are routed to Financial Services in the 443 desktop automatically upon completion of the document indexing or manually by the CRT staff. Penalty decisions by judges are routed to Financial Services via the 443 desktop manually by the CRT staff.

## Setup EDI Partner (Test):

### Functional Overview:

Each company that handles claims has to send First Report of Injury (FROI) data to DLI via EDI or e-FROI web-portal. To get set up, new company goes to the Online Trading Partner Profile within the EDI website, fills out the Partner Profile on how they will send and how they are set up. Licensing gets checked for MN. The partner is verified and setup within the DLI system (Test). International standards are followed (IAIABC standards are used by DLI EDI transactions not ANSI) for EDI. Testing is completed to ensure that submitters are meeting guidelines.

### Process Flow Additional Details:

- To begin the setup process, the Third Party Administrator (TPA)/Insurer will complete the Online Trading Partner Profile on the EDI webpage. This will collect the key information required to determine if the partner is

acceptable for setup with DLI and identify the transmission type for setup. Trading partners are uniquely identified by FEIN and Postal Code.

- 1.3-1.4– Once the completed Online Trading Partner Profile is received, the CRT Database Maintenance Team performs research and validation to confirm that the information is from an acceptable partner.
- 1.5 – If the partner information provided does not provide enough information or is deemed to not be an acceptable partner, the team will follow-up directly with the TPA/Insurer.
- – Once the Online Trading Partner has been approved, the Database Maintenance Team will setup the following in test: trading partner tables in Informix, network profile/connection, and populate partner data in Excel (up to 4 contacts).
- 1.1, 1.2, 1.9-1.12 – Next the Online Trading Partner FTP connection and data transmissions will be tested. Data transmissions will be sent using 'T' status to signify that it is test and not production. Test cases for data transmissions mirror scenarios in the production environment.
  - Adjustments are made on the Online Trading Partner and/or DLI side until all test cases pass successfully.
  - Once changes are made, retesting occurs
- 1.13, 1.15 – After successfully passing testing, the Online Trading Partner will be setup in Production. This allows production transmissions to be accepted and fully processed. The MN.IT team will also setup Biz Manager in production.
- 1.14- There are times when an active Online Trading Partner makes changes to their setup or contact information. If this is the case, the trading partner changes may be updated in test prior to the changes being made in production. Contact information will also be updated within the Partner Excel file.

### Systems Used

- Informix DB Tables
- EDI transmission formats
- EDI Webpage for eFROI
- Excel spreadsheets
- Staff also uses Lync, Outlook, Word, Excel, and Internet Explorer to complete incidental communication and tasks.

## Production EDI Processing Detail:

### Process Flow Additional Details:

- 1.0-1.5 – Production EDI transactions are transmitted from the trading partner to DLI via FTP.
  - Currently the FROI is the only type of EDI transaction accepted: Original FROI – '00', Amended FROI – '02', Denial FROI MTC- '04', Corrected FROI- 'CO', Acquired Unallocated FROI – 'AU'
  - Production transactions have a status of 'P'
  - Trading Partners transmit via EDI or the eFROI web portal; however, both options are received by DLI as EDI format
  - eFROI has data validation built into the online form
  - DLI pulls transactions 3x day from the FTP
  - Once transactions are received, they are validated against transmission criteria and data criteria. Once validation is complete, an Acknowledgement is sent to the Trading Partner

- EDI Transaction acknowledgements communicate acceptance (with or without data errors) or failure and indicate reason for failure. This is an EDI transmission back to the Trading Partner
- eFROI Transactions receive an email acknowledgement, but need to log into the web portal to view issues
- Failures require resubmission of the FROI
- 1.6, 1.7, 1.17 – Accepted FROIs are routed to one of 3 queues:
  - Original Queue: Original FROI '00' that is an initial claim on an SSN/DOI, Denial FROI MTC- '04', or Acquired Unallocated FROI – 'AU'
  - Amended Queue: Amended FROI– '02' that does NOT have any change to SSN/DOI, or Corrected FROI- 'CO'
  - Exception Queue: Amended FROI– '02' with SSN/DOI Change, or Original FROI '00' with Second Claim on same SSN/DOI
- 1.8 – FROIs with 'Serious Injury' or 'Fatality' are routed to Sr. Research for further action
- 1.9 - 1.16 – The FROI is verified, Data quality issues are logged within the system, and 'Entry Complete' is selected. Case data is then updated in the system.
  - If the FROI is an original FROI, an Employee Rights Brochure is mailed
  - If the WID or JCN is changing, the contacts are emailed with new information
  - The Original FROI Auto-close program runs routinely, case closed if criteria is met
- 1.17-1.20 - FROIs from the exception queue are researched.
  - If this is a second case, a secondary file is opened and process steps 1.9-1.16 are executed
  - If this is not a second case, process steps 1.9-1.16 are executed
- 1.21-1.25 – EDI issues are reviewed and resolved. If the issue requires Trading Partner changes, the team contacts the partner and either has them submit a FROI with correct information or provide the correct information outside of EDI for a manual update.
- 1.26.1.31 – Coding works the 3 Coding Queues (Original, Amended, Exception) and assigns the injury code. FROIs with 'Serious Injury' or 'Fatality' are routed to Sr. Research for further action. Any data quality issues identified are logged.

## Database Maintenance:

### Process Flow Additional Details:

- 1.0-1.2- The Database Maintenance Team is notified of change requests through external/internal correspondence and generated reports.
- 1.3 – Database changes requested may include adding, deleting, moving/editing, pulling data, combining files, deleting files.
- 1.4 – 1.7 - Once a request is received, the team checks for bankruptcy.
  - If there is a bankruptcy, they need to determine if formal action is required. If formal action is required, they refer to Legal Services and the Commissioner's office, and Diary for follow-up. Consultation with Financial Services may occur if necessary.

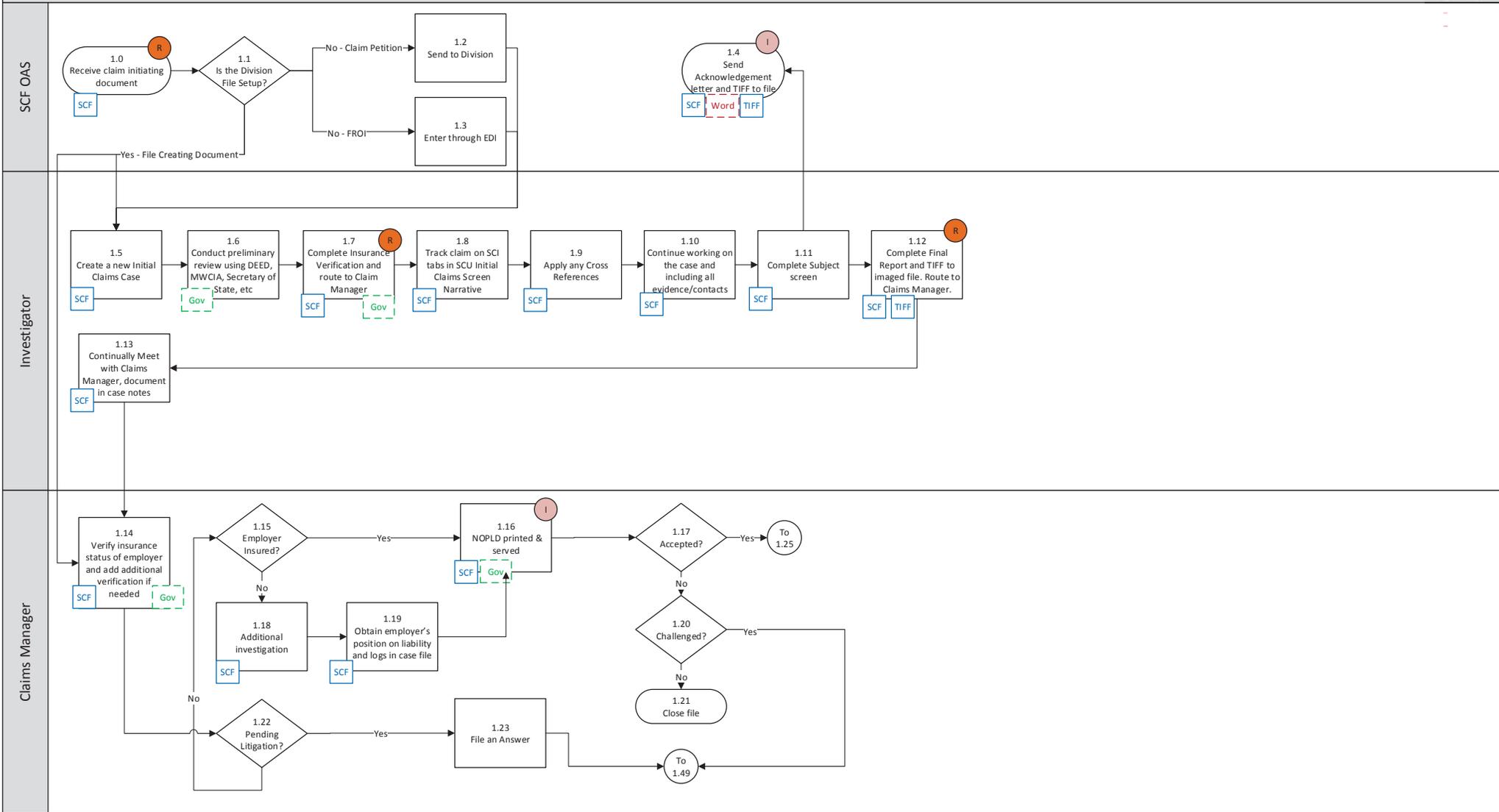
- If no bankruptcy, or bankruptcy with no formal action required the Database Maintenance Team moved to step 1.8.
- 1.8-1.11 – Next the team reviews the request to ensure they have all the information necessary to make the change. If they do not, they may need to contact external parties to obtain additional information. Once all information is obtained, the Database Maintenance Team verifies that they have approval to make the requested change(s). Each change on a request is verified independently.
  - If they are authorized, the change is made
  - If they are not authorized and it is a request to Add, Delete, or Edit/Move, the request is referred to the MN.IT DBA
  - If they are not authorized and it is a request to combine or delete files, the request is referred to Sr. Research
  - Note that once MN.IT DBA or Sr. Research completes their task it may trigger changes within the Database Maintenance Team.

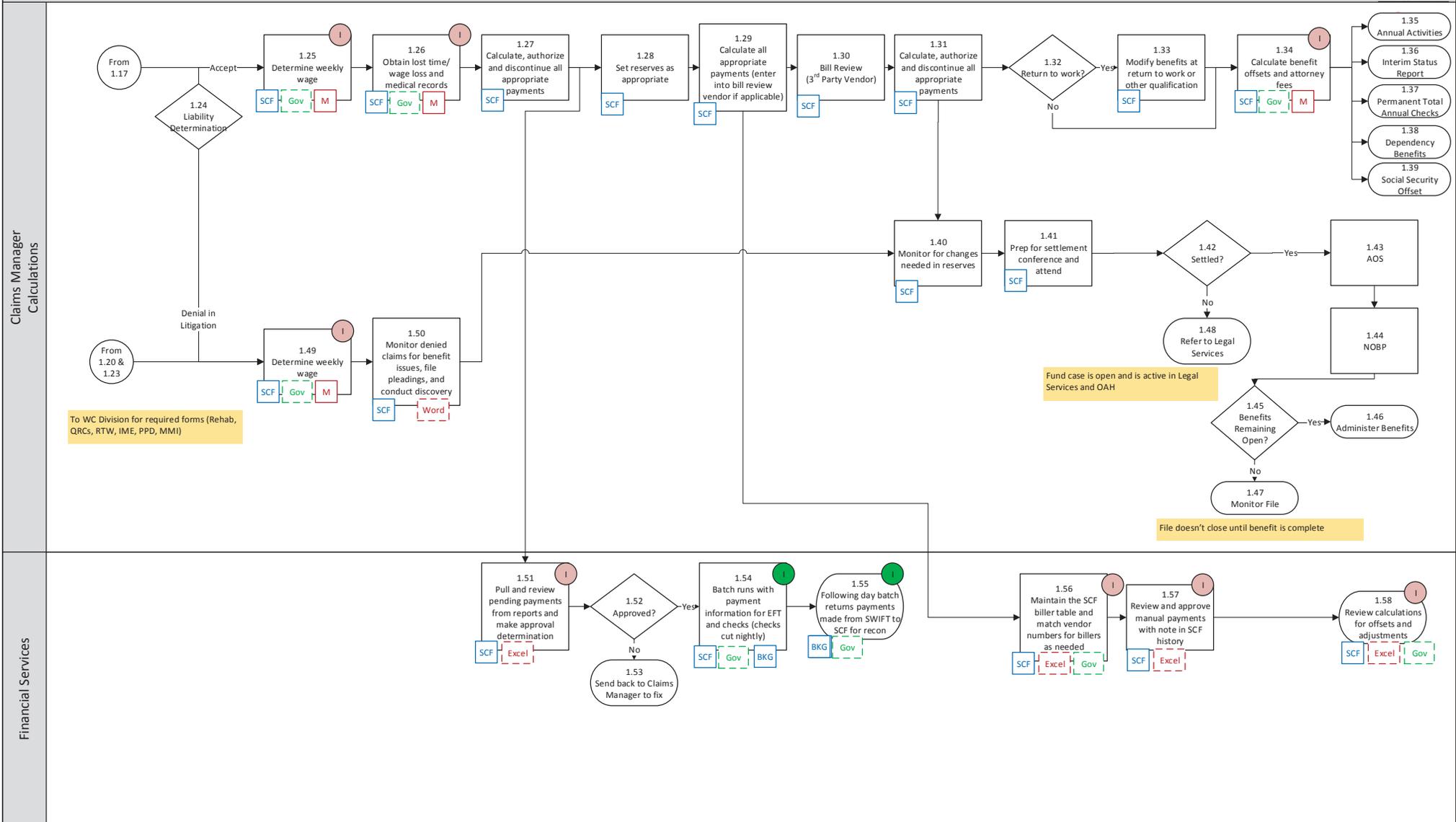
### Manuals for Reference:

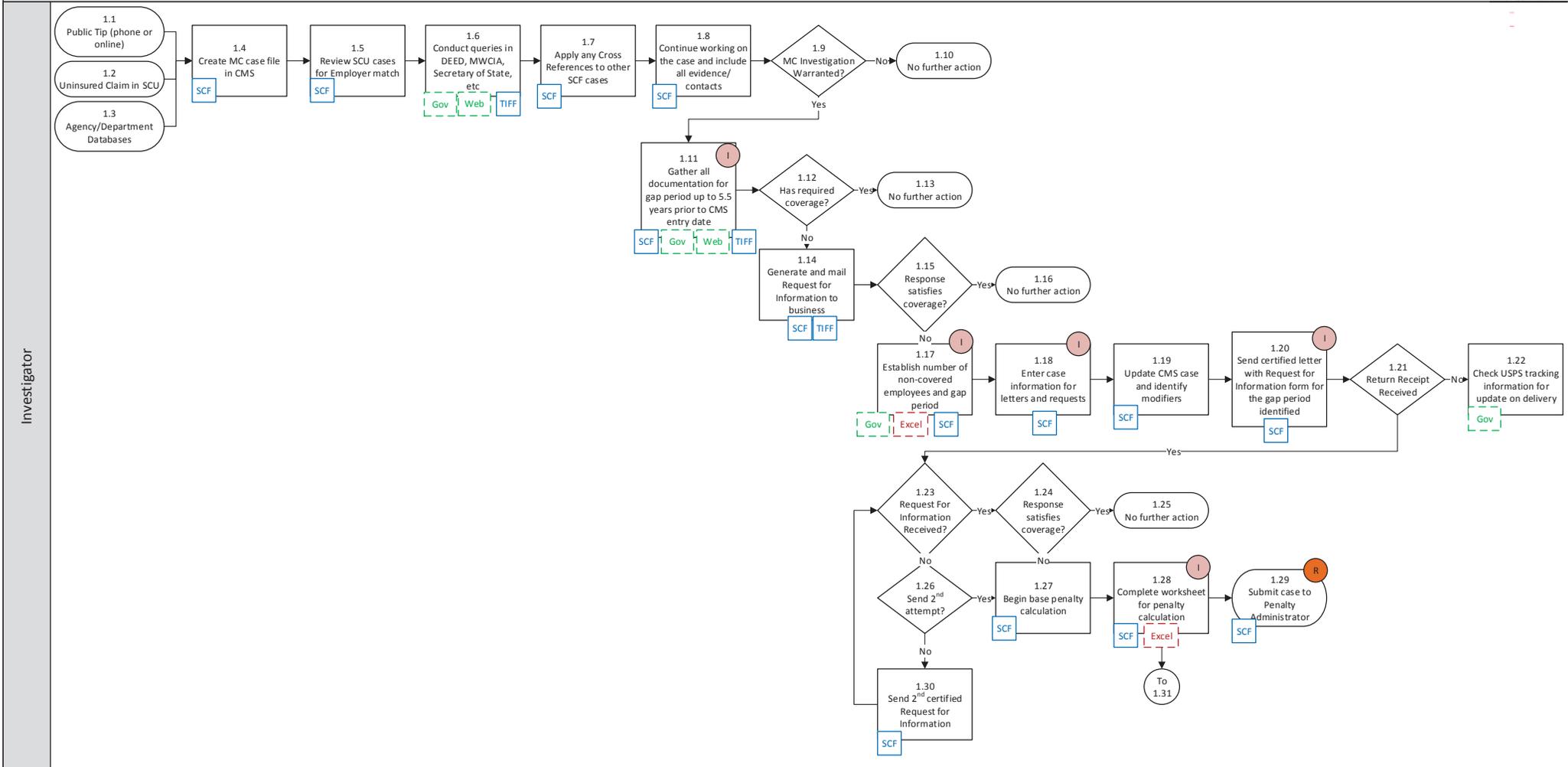
- Section 4001 Mail
- Section 4002 Document Editing
- Section 4003 Document Prep
- Section 4004 Scanning
- Section 4005 Document Indexing
- Section 4006 DLI Fatality Serious Injury Procedures
- Section 4008 Analyze Mail
- Section 4010 Data Entry
- Section 4011 Rework
- Section 4012 Senior Research
- Section 4013 Quality Assurance

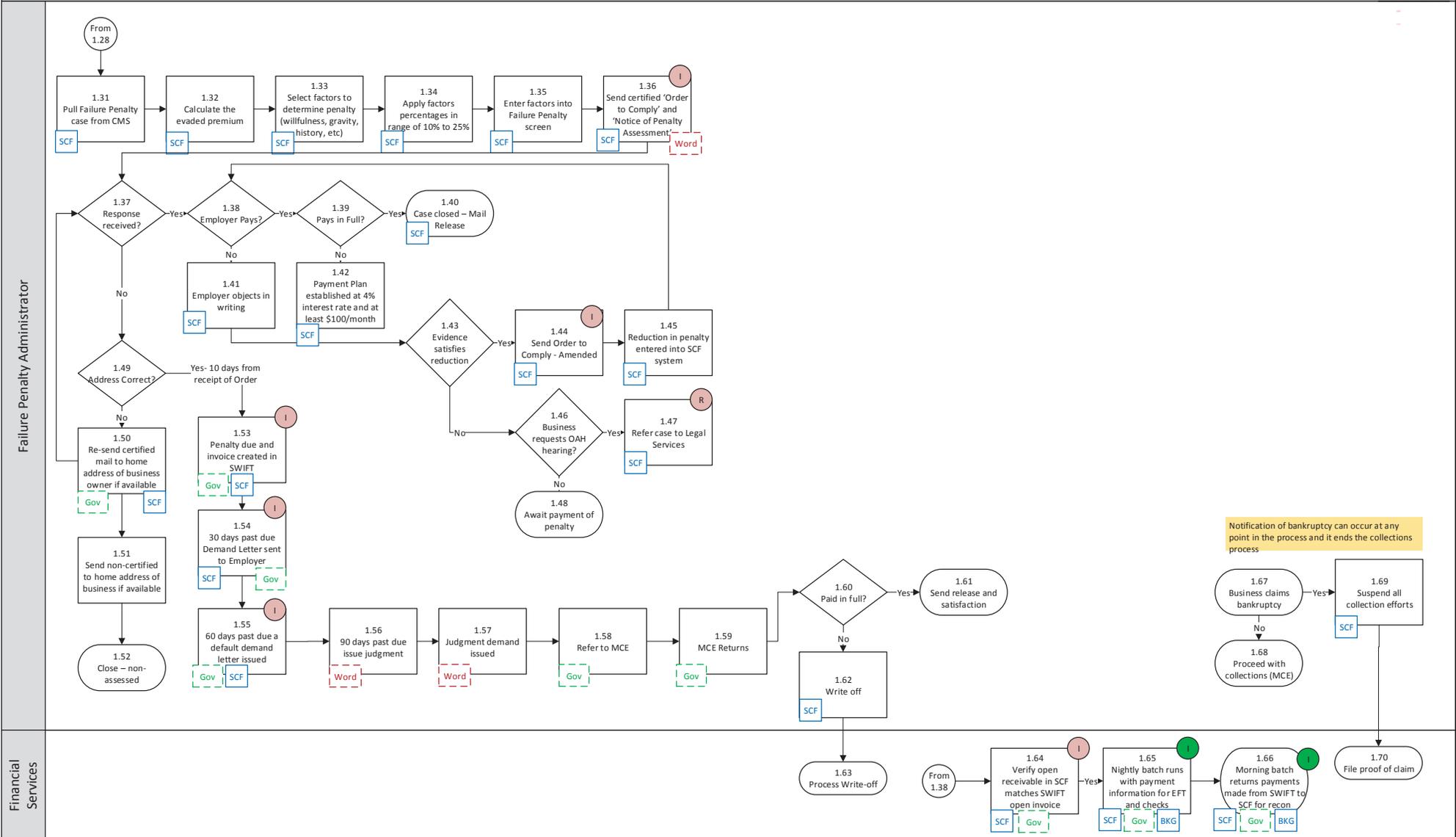
### Systems Used

- Informix IPC Desktop
  - Scanning
  - Queues
  - Routing
- Access database applications (ex. DEED)
- Excel spreadsheets
- Staff also uses Lync, Outlook, Word, Excel, and Internet Explorer to complete incidental communication and tasks.

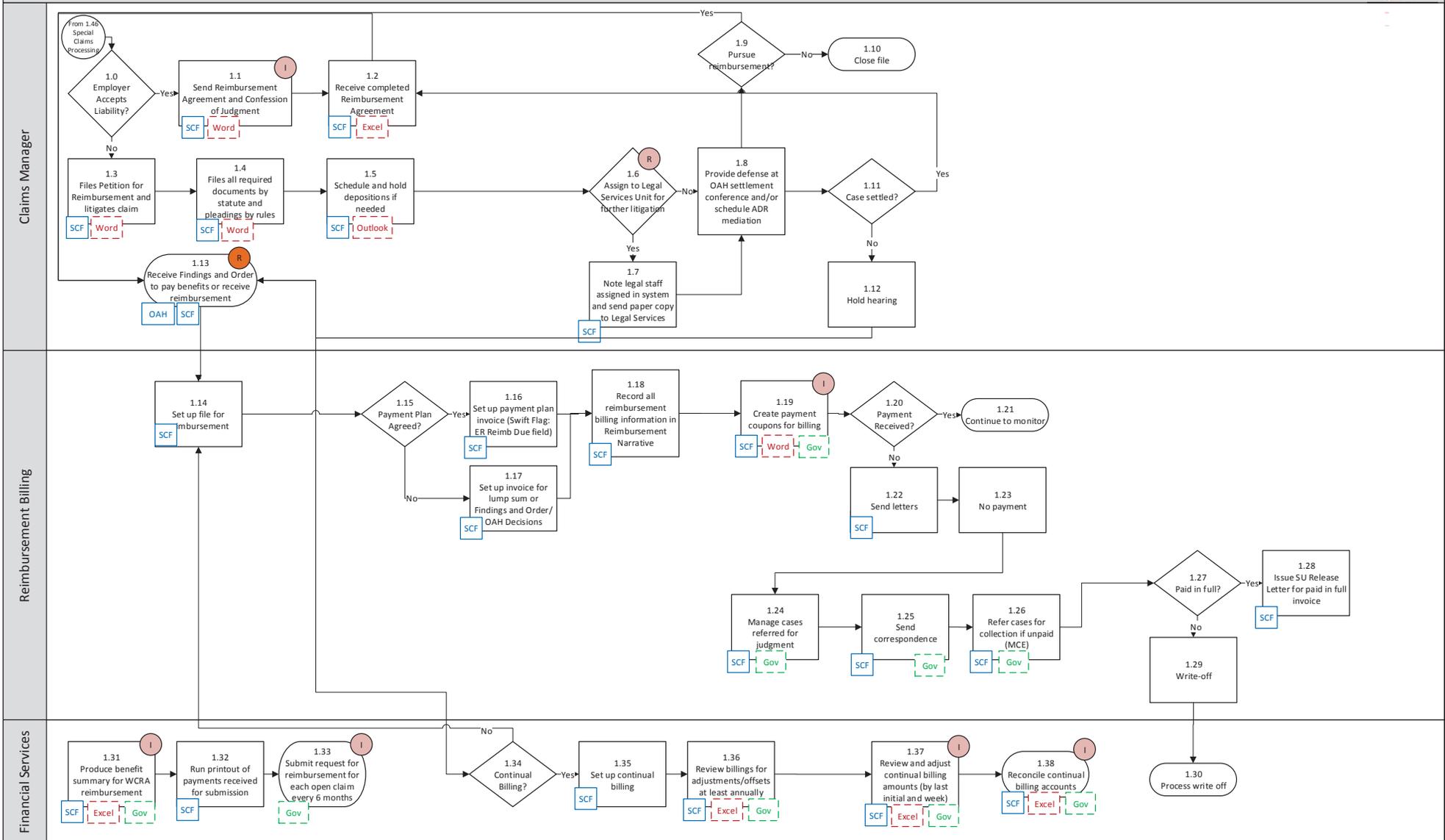




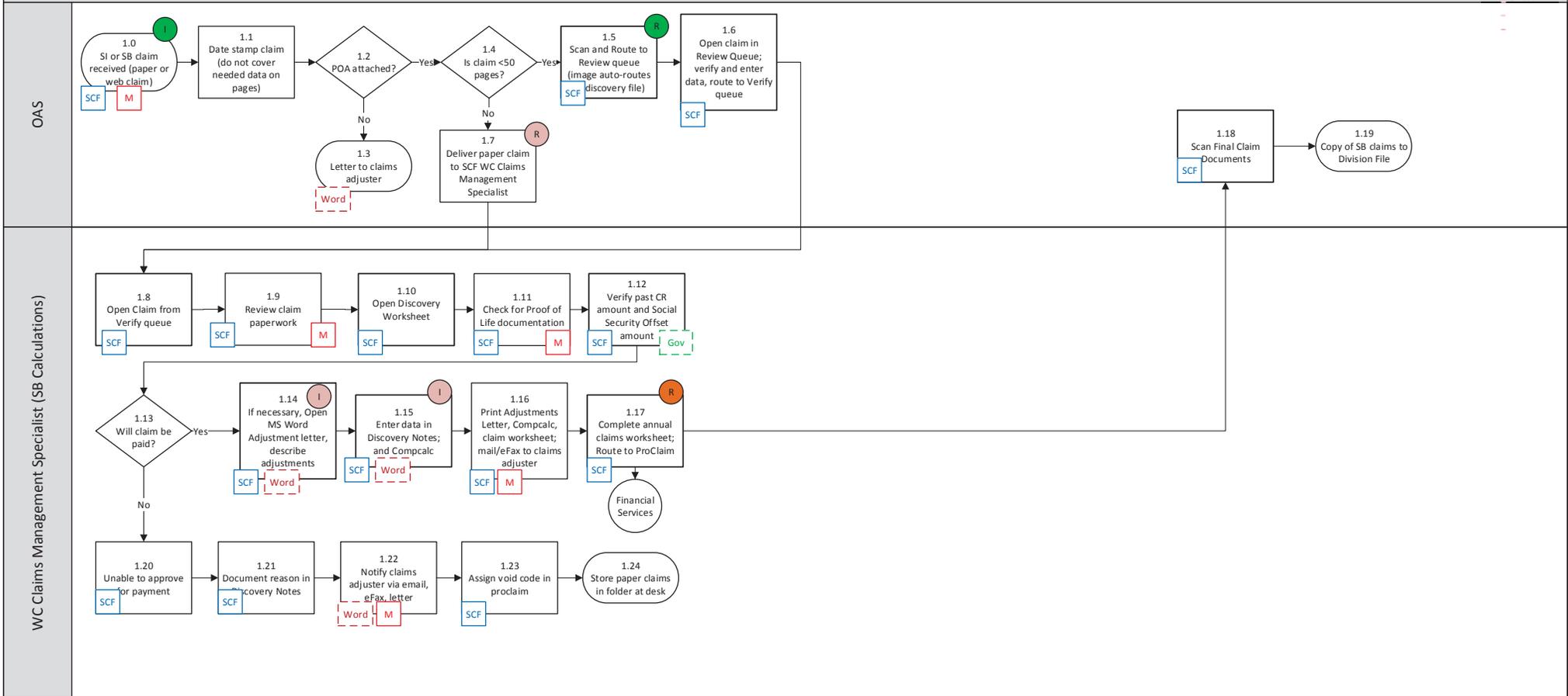


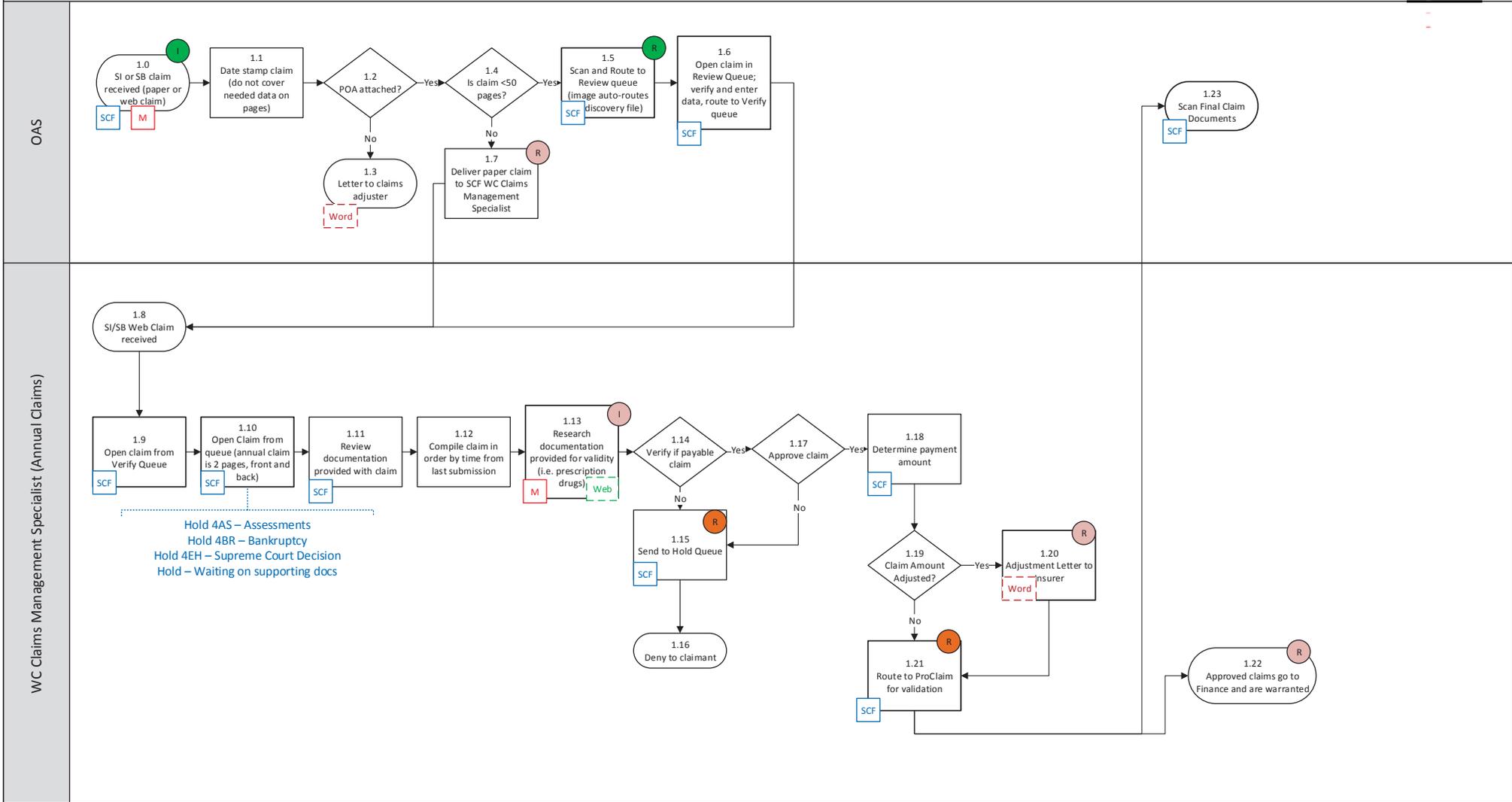


# SCF Reimbursements Overview



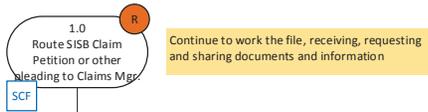
# SCF Reimbursement SB and SI Claims SB Calculations Detail



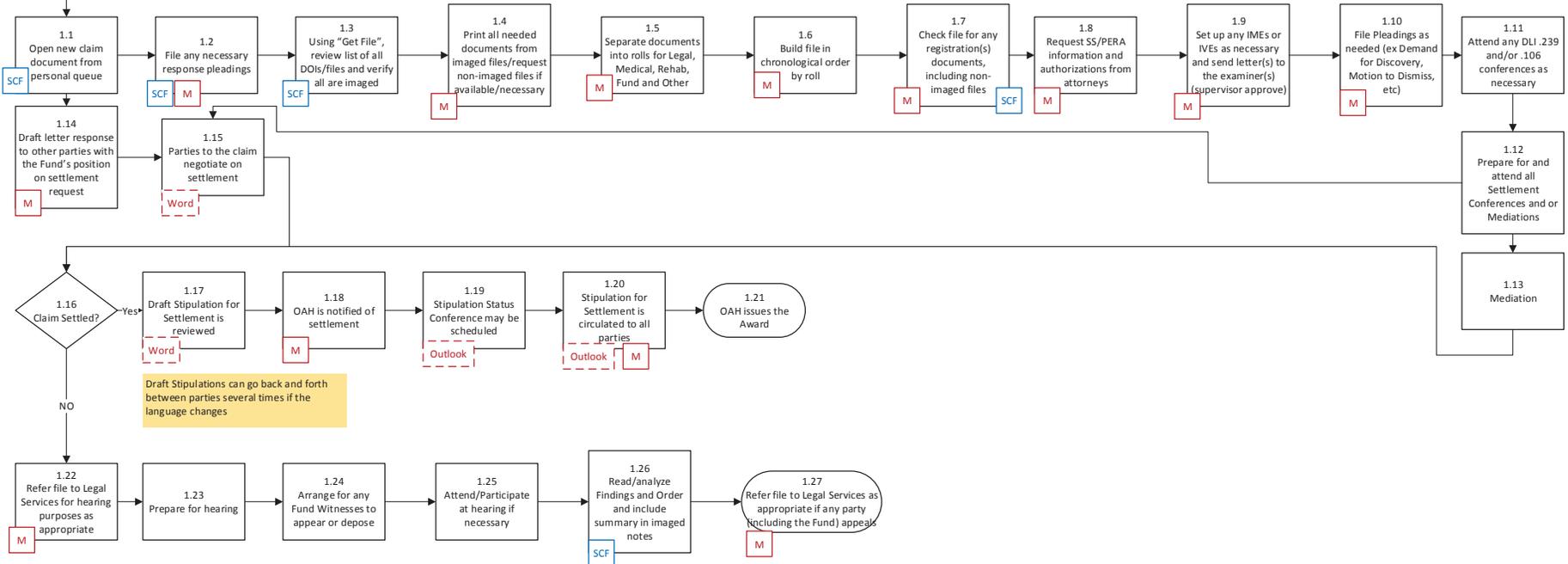


# SCF SISB Litigated Process Overview

SCF OAS



Claims Manager



## Special Compensation Fund

Purpose: The purpose of this information is to provide additional context to supplement the process flow. This document has general overview information followed by references to specific context tied to the sections within the process flow (identifiers noted). Additional detail, including interview notes and existing manuals can be found on the [WC System Modernization SharePoint Site](#).

### SCF- Special Claims Processing Overview:

#### Functional Overview (Series 3000 SCF manuals):

- Information that is entered and/or scanned into the system by SCF is stored within the SCF private side of the database (other DLI members do not have access).
- SCF can view information within the DLI database and add it to the SCF file.

Minnesota Statute § 176.183 provides that when any employee sustains an injury arising out of and in the course of employment while in the employ of an employer, other than the state or its political subdivisions, not insured or self-insured pursuant to Minn. Stat. § 176, the employee or the employee's dependents shall receive workers' compensation benefits from the Special Compensation Fund. If the claim is otherwise compensable, Special Compensation Fund (SCF) pays these claims in the following circumstances:

- Injured workers whose employers were uninsured at the date of the injury,
- Injured workers whose employers were self-insured and went bankrupt prior to the creation of the Self-Insured Security fund (SISF) in 1988,
- Pre-1995, injured workers where there were two or more employers and there is a temporary order for the SCF to manage the claim. Post 1995, the Special Compensation Fund may be ordered to make payment only if it has been made a party to the claim because the petitioner has alleged that one or more of the employers is uninsured for workers' compensation under section Minn. Stat. §176.183,
- Occupational disease claims:
  - Indemnity plus medical occupational claims where the insurer is unknown or where there is an alleged uninsured period of employment.
  - Medical-only asbestos exposure claims before it is determined whether the employee has an occupational disease where the SCF reviews and pays reasonable and necessary medical bills.

Claims managers in SCF handle the uninsured and bankrupt self-insured employer claims, claims under temporary orders, and the occupational disease claims. Investigations are conducted by SCF claims managers and investigators.

#### Input/Output Summary:

Input	Output
<ul style="list-style-type: none"> <li>Receive initial document for claim investigation</li> </ul>	<ul style="list-style-type: none"> <li>Investigate claim</li> <li>Manage claim</li> <li>Pay benefits, pursue reimbursement</li> <li>Involve Legal Services for hearings and litigation</li> </ul>
<ul style="list-style-type: none"> <li>Receive medical bills and/or bills for expenses</li> </ul>	<ul style="list-style-type: none"> <li>Payments made</li> <li>Medicare reporting completed</li> </ul>

#### Process Flow Additional Details:

- SCF works with the parties to determine liability, and either defend the claim or administer benefits to the injured worker.

- 1.0-1.4 - OAS claims processing starts with receipt of notice of a claim from an injured worker's attorney, or other litigation
- SCF may also be joined as a party to an already existing claim.
  - General Information:
    - WC Division case must exist before SCF can setup their file in the system
    - 1<sup>st</sup> payment on a FROI is due in 14 days
    - HCPs for health records, ERs for wage info, others
- 1.5-1.13 – The Investigator will work the claim in partnership with the Claims Manager.
  - Investigation and claims activities can run concurrently.
  - Investigator takes statements; and, obtains contracts, permits, medical, and wage records.
- 1.14-1.25 – The Claims Manager works the claim:
  - Determines if it is a compensable claim
  - Files the NOPLD
  - Within 20 days, from receipt of a Claims Petition, an Answer is due and generally a discovery demand is served
  - Interveners are given 60 days to file a Motion to intervene. If they do not file their Motion the right to recovery may be extinguished.
- 1.26-1.50 – Determination of liability completed.
  - If liability is accepted, the amount and type of benefits to be paid are calculated. The Claims Manager administers the benefits, including regular review of the file and any benefits paid or needing adjustment.
  - If denial, the claim is actively managed while proceeding through the litigation process. The claim may be settled at any point in the litigation process. If a case is referred to Legal Services, the case remains open and active in both SCF and Legal Services.
- 1.51-1.58 – Finance pulls and reviews pending payments for approval and processing. These payments are made within SWIFT and checks are cut nightly. The following day, payments and payment details are visible to SCF.
  - Finance (in connection with Claims Manager) monitors bill review vendor (3<sup>rd</sup> party) payments and makes adjustments as needed
  - Finance maintains the SCF biller table, assigning vendor numbers as required
  - Ongoing, Finance will monitor calculations for needed adjustments and offsets

### SCF- Mandatory Coverage and Failure Penalties Overview:

#### Functional Overview (Series 3000 SCF manuals):

The Department of Labor and Industry (DLI) is responsible for insuring that each employer in the State of Minnesota has appropriate workers' compensation coverage pursuant to Minn. Stat. § 176.181. Under the mandatory coverage provisions of the workers' compensation law, every employer liable to pay workers' compensation must insure payment of coverage with an insurance company or have approval by the Department of Commerce permitting self-insurance of the liability. DLI has responsibility to enforce these provisions including responsibility to investigate mandatory workers' compensation coverage matters, make determinations, and issue penalties for failure to insure. These investigations, determinations, and referrals for penalties are conducted by the Investigative Services Section (ISS) of the Special Compensation Fund.

DLI established Minn. Rules Part 5220.2865 to govern how penalties are assessed. The estimated evaded premium is calculated using information from a database shared with the Minnesota Workers' Compensation Insurers Association and the Minnesota Department of Employment and Economic Development. Factors are then applied individually to an employer based on responses to SCF requests and the employer's history of claims, coverage, cooperation, knowledge, and deliberateness.

When a penalty is assessed and the employer chooses to object to the penalty, the employer must provide written objections within 10 business days. If no objection is received, DLI may obtain a civil judgment without further review by any court or agency but only after following the financial services policy of sending demand and default demand letters. A notice is provided to employers in the certified order, notice and cover letter. When a judgment is entered, the department offers the employer a period of time to satisfy the judgment before referring it to a collection agency. After the debt is referred to collection, the collection agency has the right to add its costs to the debt.

**Input/Output Summary:**

Input	Output
<ul style="list-style-type: none"> <li>• Case or tip referred for investigation</li> </ul>	<ul style="list-style-type: none"> <li>• Investigate insurance coverage</li> <li>• Refer for penalty</li> </ul>
<ul style="list-style-type: none"> <li>• Case referred for penalty</li> </ul>	<ul style="list-style-type: none"> <li>• Issue failure penalty</li> <li>• Negotiate penalty</li> <li>• Collect penalty</li> </ul>

**Process Flow Additional Details:**

- 1.0-1.3 – This process can be initiated through public tips, Claims that are in SCU, or from Agency/Department database information (e.g., reports run using DEED warehouse and MWCIA database can be run to find uninsured employers).
- 1.4- 1.8 – Once information or tip is received regarding mandatory coverage, a mandatory case file is opened by the Investigator and initial evidence is gathered.
  - Search is completed for employer involvement in other SCU cases
  - Other Agency databases are searched for history of the employers coverage status and/or involvement with other claims (DEED, MWCIA, Secretary of State)
- 1.9-1.11 – Upon gathering initial information, the Investigator determines if a mandatory coverage investigation is required. If no investigation is required there is no further action.
- 1.11-1.30 – Conducting the mandatory coverage investigation consists of gathering documentation for up to 5.5 years prior to the case being opened. This includes sending correspondence to the employer to gather documentation proving coverage.
  - A formal request for information (certified) is sent to the employer.
  - If request is not signed for or picked up, request for information can be resent to the employer via regular mail. Or if the first request is returned as undeliverable, a second certified request for information is sent to the employer's home address. Certified mail is tracked to confirm delivery.
  - If no response or insufficient proof of coverage is provided, a penalty is calculated and the case is

submitted to the Penalty Administrator.

- 1.31-1.36 The Failure Penalty Administrator calculates the evaded premium for the case determines the penalty and sends the Order to Comply and Notice of Penalty Assessment.
  - 1.37-1.61 Responses to the penalty issued is received. The employer agrees to pay or objects. When paying the penalty, either a payment plan is established with the employer or the employer pays the penalty in full.
    - If the employer objects to the penalty, they must submit evidence in support of their objection. The evidence will either satisfy a reduction in the penalty or the penalty will stand as ordered.
    - Penalties that are objected to but to which the evidence does not support a reduction, can go to OAH if the employer requests a hearing. In this instance, the case will be referred to Legal Services
    - Order to Comply is sent by certified mail to the business or, if mail sent to the business address is undeliverable, to the home address of the business owner if available
    - If no response is received but the address is correct, the penalty is due and must be paid.
      - o If address is correct, but the penalty is not paid, the penalty payment is considered late and Demand Letters are issued at 30 and 60 days. At 90 days a judgment is issued.
      - o Penalties still not paid are referred to MCE for collections and are either satisfied with payment or are written off.
      - o Financial Services will process the write off
    - Financial Services will verify all open receivables for payments of penalties by Employers and ensure there is a match in SWIFT
    - There may be multiple business owners; however, there is only one invoice created
    - Daily batches run and information is passed from SCF to SWIFT and from SWIFT back to SCF to close out the payment
- At any time, if the employer has claimed bankruptcy, the process for collecting the penalty payment is suspended. The proof of claim is given to Financial Services for processing.

**SCF- Reimbursements Overview:**

**Input/Output Summary:**

Input	Output
<ul style="list-style-type: none"> <li>• Case due for reimbursement</li> </ul>	<ul style="list-style-type: none"> <li>• Invoices sent</li> <li>• Payments received</li> <li>• A/R managed</li> </ul>
<ul style="list-style-type: none"> <li>• Complete payment/reimbursement schedule in system</li> </ul>	<ul style="list-style-type: none"> <li>• Payments made</li> <li>• Reimbursements received</li> <li>• Medicare reporting completed</li> </ul>

**Process Flow Additional Details:**

- 1.0-1.13 - Reimbursement process is fed by the Special Claims process (1.46 Administer Benefits). Either the employer accepts liability and reimbursement agreement is completed, or the claim is litigated and

resolved through settlement conference, mediation or hearing.

- 1.14-1.30 – Reimbursement billing begins by setting up the file for reimbursement and invoicing.
  - Invoicing to the employer can be setup as a payment plan, lump sum. Note that payment plans may include principle, interest, and penalty.
  - All billing information is recorded within the SCF desktop.
  - Payment coupons are generated and distributed by SCF team. Currently there are no statements generated within SWIFT. There may be multiple responsible parties to a case, resulting in multiple invoices being generated.
  - If payments are not received, correspondence is sent to payee (employer) in an attempt to collect payment.
    - Note that the old accounting system used to produce 30/60/90/120 day past due invoices, but this no longer occurs.
  - SWIFT does not automatically add state interest to payment plans that are past due. This is done through an amortization schedule. Indicators within SWIFT must be managed to ensure appropriate interest is applied.
  - Unpaid and overdue balances are referred to MCE for collection. If payment is received a Release Letter is issued. If payment is not received the balance is submitted to Financial Services for write-off.
- 1.34-1.38 – Financial Services manages accounts receivable activity. Continual billing is setup and monitored for adjustments. Account reconciliation is also completed.
- 1.31-1.33 – Financial Services produces benefit summaries for WCRA reimbursements. Every six months requests for reimbursements on open claims are submitted.

**SCF Reimbursement SB and SI Claims Annual Claims Detail:**

Minnesota Statutes §176.132 governs supplementary benefits. The program was created by the Legislature in 1971, to ensure temporary total disability (TTD) and permanent total disability (PTD) benefit rate being paid to long-term or severely disabled workers kept pace with increases in the statewide average weekly wage. The benefit was retroactively extended to all injuries occurring prior to the enactment of the law, provided they meet the eligibility requirements. In 1995 the Legislature repealed Minnesota Statutes §176.132, the law that created the benefit. However, the benefit is still paid on claims where the injury arose prior to October 1, 1995, if the claim meets the other eligibility requirements. It is estimated that supplementary benefits will continue to be paid until the year 2050.

Insurers or self-insured employers are sometimes eligible to receive reimbursement from the SCF of some or all of the benefits they pay on certain injured worker’s claims with dates of injury prior to 07/01/1992 pursuant to Minnesota Statutes §176.131. These reimbursement claims are referred to as Subsequent Disability claims, because the statute uses the term subsequent disability when describing this reimbursement. More commonly though, these claims are known as “Second Injury” (SI) claims, and the fund they are paid out of is known as the Second Injury Fund. The Second Injury Fund is administered by the SCF and will sunset in the year 2050.

**Input/Output Summary:**

Input	Output
<ul style="list-style-type: none"> <li>• SI or SB claim Received</li> </ul>	<ul style="list-style-type: none"> <li>• Payment for claims</li> <li>• Notification of claims denied</li> <li>• Notification of total claim amount adjusted</li> </ul>

**Process Flow Additional Details:**

- 1.0-1.7 – The OAS in SCF Annual Claims receives the Second Injury or Supplementary Benefit claim. The claim can come in by mail, fax, or web.
- Once the claim is received, if less than 50 pages, it is scanned to the Discovery file. If it is more than 50 pages, the claim is scanned and the supporting paper documentation is delivered to the Claims Management Specialist.
- 1.8-1.23 The Claims Management Specialist is opening the claim and reviewing the supporting detail.
  - Claims are opened from the Verify Queue or can be accessed in the Hold Queues if pertinent information is received
  - Hold 4AS – assessment; Hold 4BR – bankruptcies; Hold 4EH – Supreme Court Decision; On Hold – waiting for additional information
  - Review of documentation provided with the claim takes place
  - Claim information is compiled in date order
  - Payable claims follow the approved claim process described and outlined in the SI SB Calculation Detail flow
  - Non-payable claims are sent to the Hold Queues and can be denied payment

**SCF Reimbursement SB and SI Claims Calculation Detail:**

**Input/Output Summary:**

Input	Output
<ul style="list-style-type: none"> <li>• SI or SB claim Received</li> </ul>	<ul style="list-style-type: none"> <li>• Payment for claims</li> <li>• Notification of claims denied</li> <li>• Notification of total claim amount adjusted</li> </ul>

**Process Flow Additional Details:**

- 1.0-1.7 – The OAS in SCF Annual Claims receives the Second Injury or Supplementary Benefit claim. The claim can come in by mail or fax and can be submitted online using the web forms.
- Once the claim is received, if less than 50 pages, scanned and routed to the file. If more than 50 pages, the claim is scanned and routed to the file; the attached paper documents are delivered to the Claims Management Specialist.
- 1.8-1.24 The Claims Management Specialist is opening the claim and reviewing the supporting detail.
  - Past amounts and offsets (Social Security) are reviewed and adjustments made

- If the claim will be paid, enter final information on the claim worksheet in the system and complete an adjustment letter if necessary.
- If the claim will not be paid, document reasons for not paying the claim in the system notes screen, add hold code in Proclaim screen, and notify the adjuster by letter that the claim will not be paid.
- Once complete, the paid claim will be scanned to the Division File; the non-paid claim is stored in the 4HC folder in the Annual Claims queue; paper claims are stored at the Claims Management Specialist's desk.

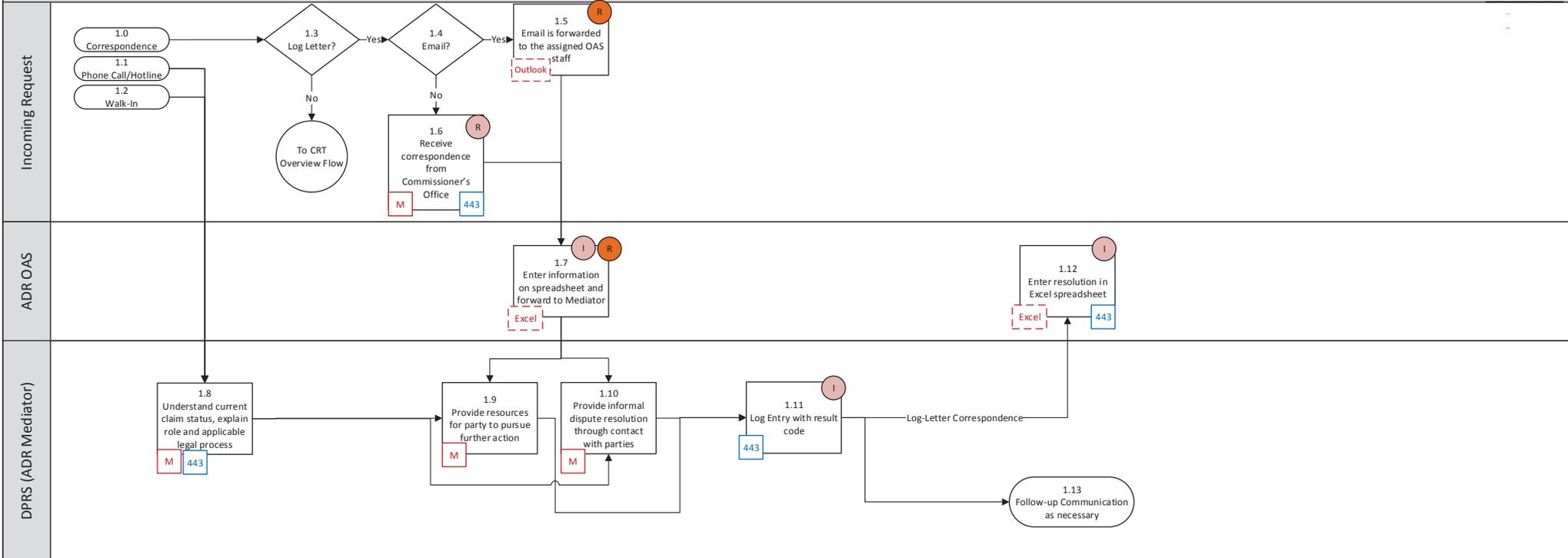
**SCF- SI SB Litigated Process Overview:**

Input	Output
<ul style="list-style-type: none"> <li>• Claim Petition</li> <li>• Other Pleading</li> <li>• Settlement Request</li> </ul>	<ul style="list-style-type: none"> <li>• Pursue claim</li> <li>• Involve Legal Services for some hearings</li> </ul>

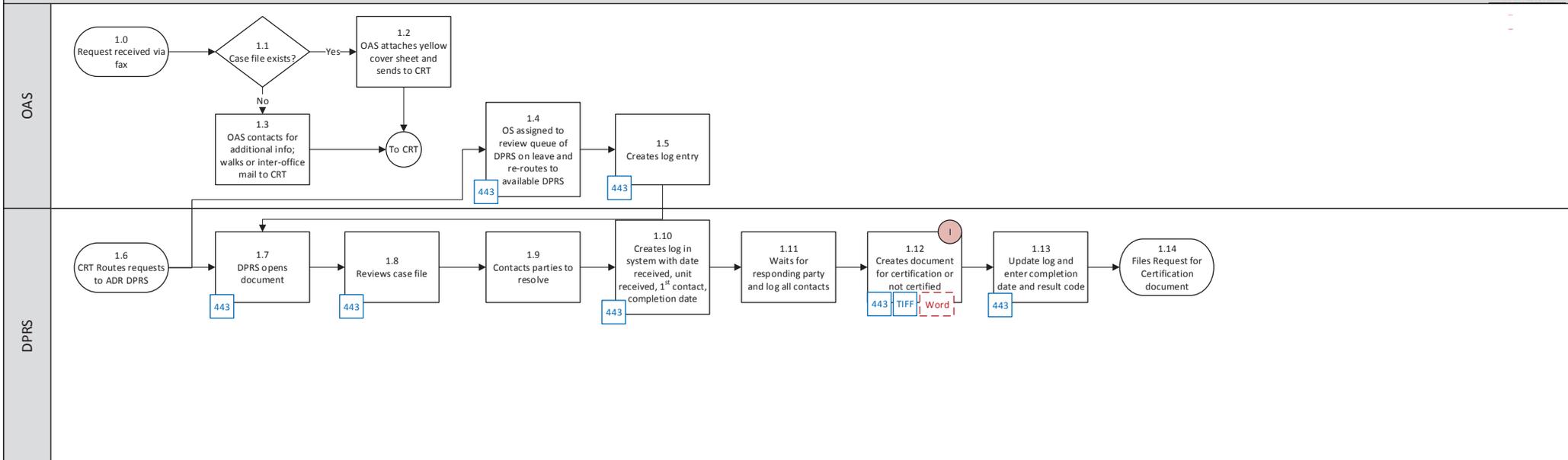
**Process Flow Additional Details:**

- 1.0– SISB Claim Petition or other pleading initiates the process.
- 1.1-1.13 – The file is reviewed, necessary responses to pleadings are filed, and the claim file is built/prepared for litigation or settlement evaluation
- 1.14-1.15 – SCF drafts a letter to other parties with their position on settlement request and the parties negotiate settlement.
- 1.16-1.27 – The claim can be settled through negotiation by the parties involved or go to hearing.
  - If successfully negotiated (1.17-1.21);
    - o The Stipulation for Settlement is drafted and reviewed. This may be an iterative process.
    - o Once review of the Stipulation for Settlement review is complete, OAH is notified. A stipulation status conference may be scheduled if necessary.
    - o The Stipulations for Settlement is distributed to all parties and OAH issues the award.
  - If not settled through negotiation (1.22-1.27);
    - o The claim may be referred to Legal Services for a hearing.
    - o The hearing is prepared for and any SCF witnesses are arranged to appear at the hearing or depose.
    - o Post hearing, Findings and Order is analyzed, and summary is included in imaged notes.
    - o If any party to the claim appeals, the claim is referred to Legal Services. Note, SCF also has the right to appeal.

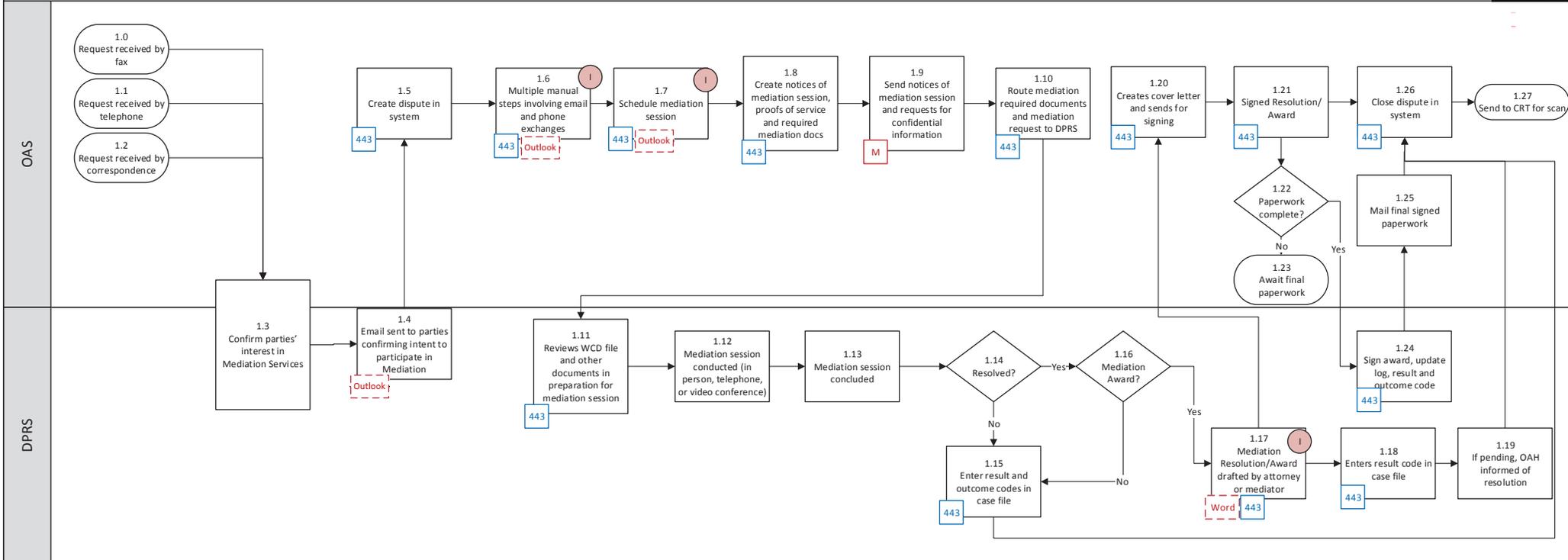
# ADR Customer Inquiries Overview



# ADR Request for Certification of Disputes Overview

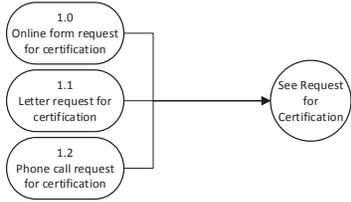


# ADR Mediation Overview

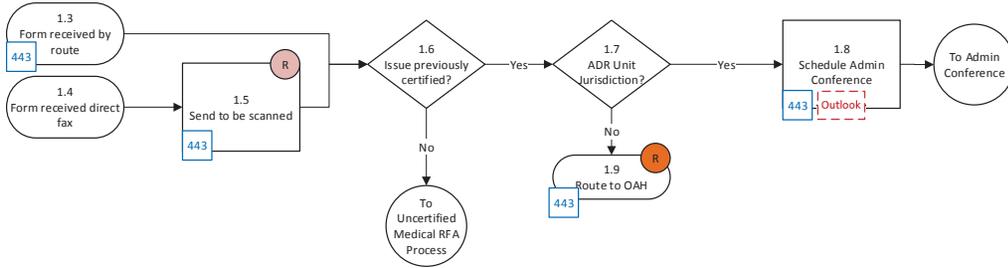


ADR Certification of Disputes – by form

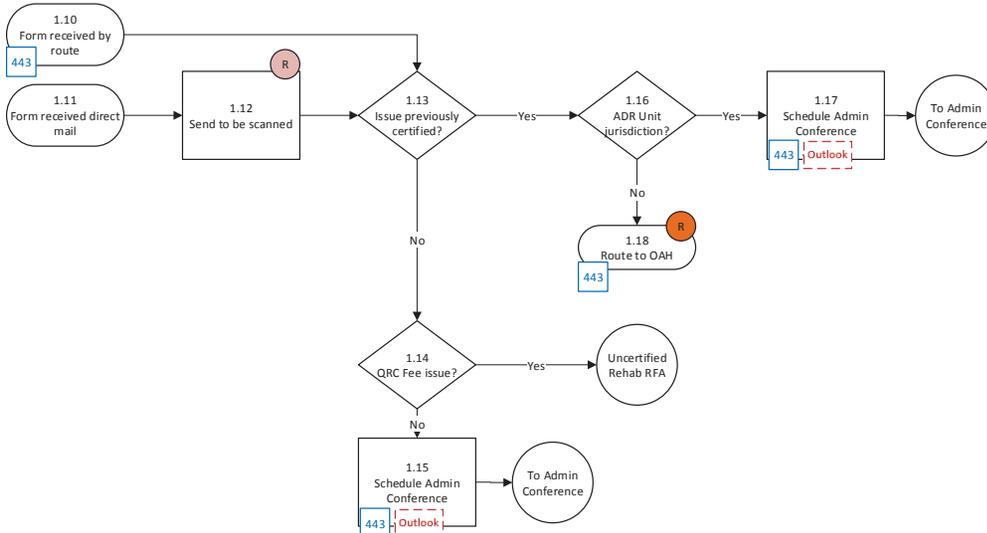
Request for Certification



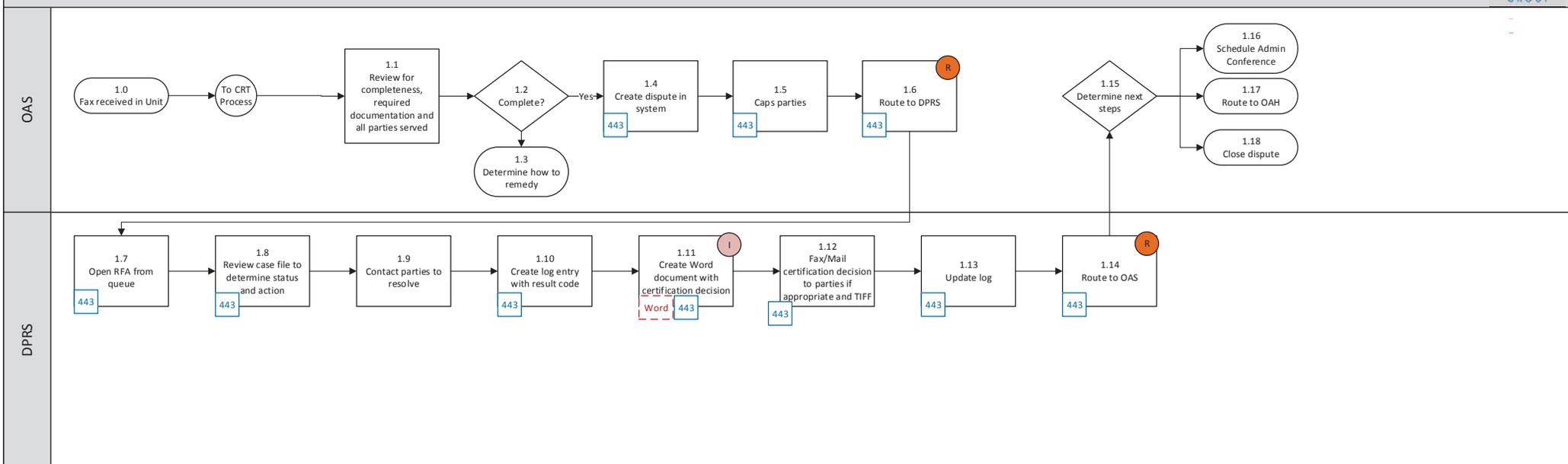
Medical Request



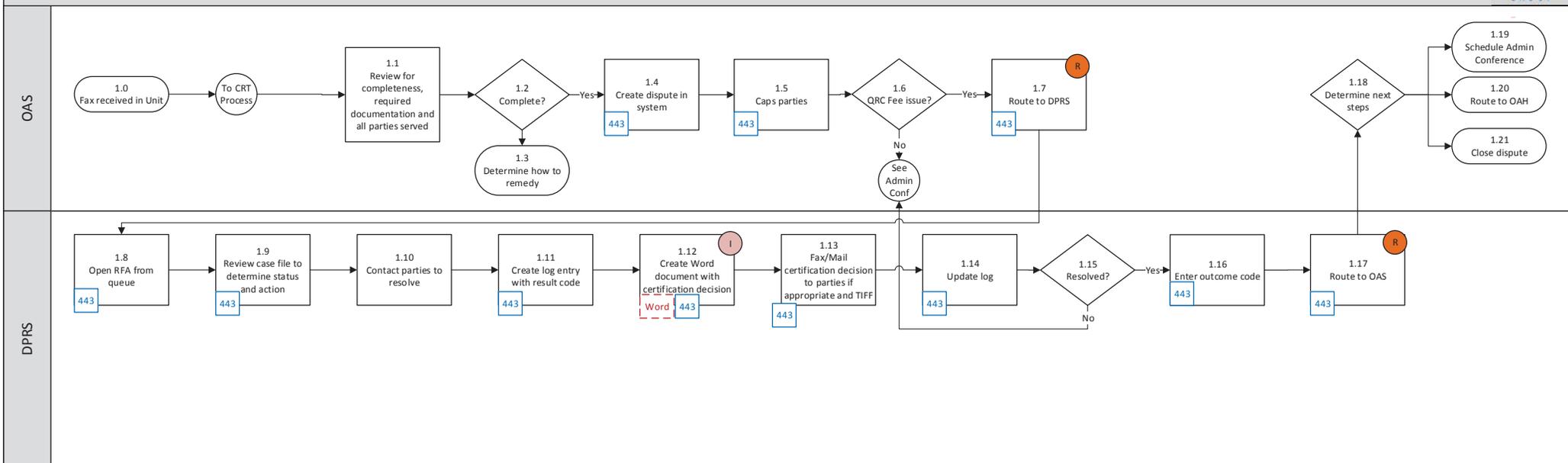
Rehabilitation Request



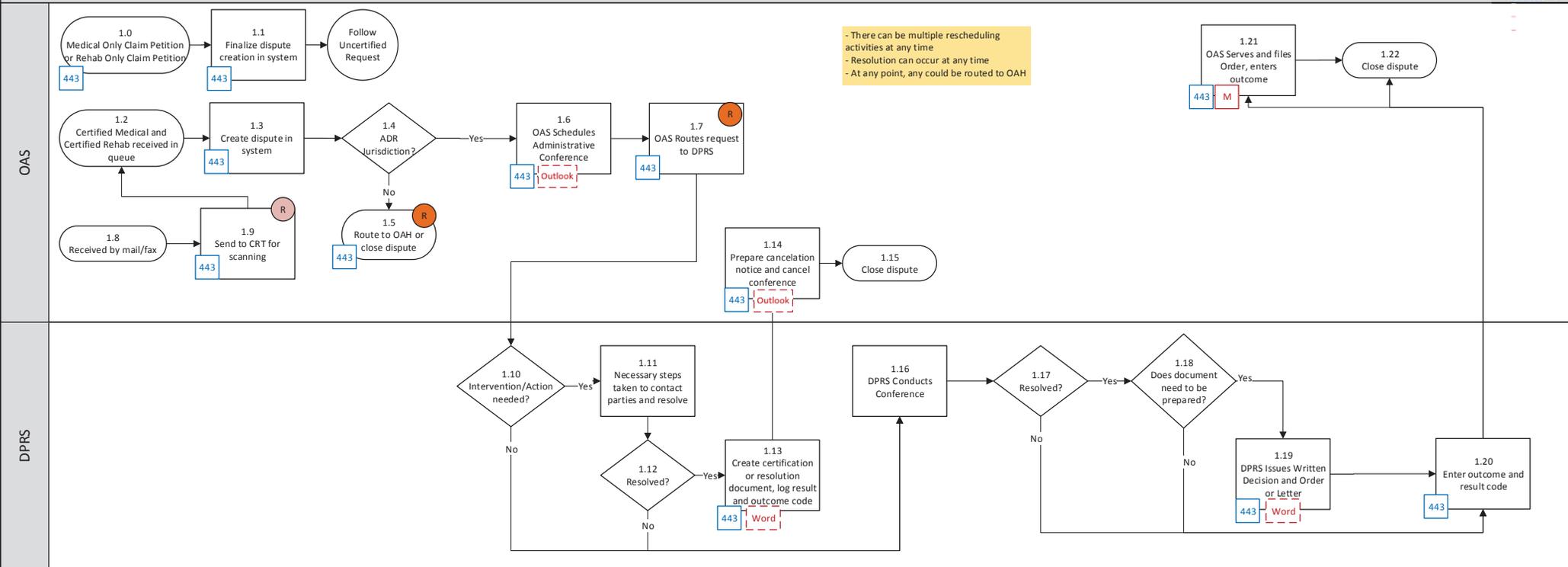
# ADR Uncertified Medical Request for Assistance Overview



# ADR Uncertified Rehab Request for Assistance Overview



# ADR Administrative Conference Overview



## Alternative Dispute Resolution (ADR) Overview

Purpose: The purpose of this information is to provide additional context to supplement the process flow. This document has general overview information followed by references to specific context tied to the sections within the process flow (identifiers noted). Additional detail, including interview notes and existing manuals can be found on the [WC System Modernization SharePoint Site](#).

### Functional Overview (Series 2000 ADR Manuals):

The DLI Strategic Plan for fiscal years 2013 – 2017 indicates the objective of the Workers’ compensation Division is to:

“Ensure appropriate benefits are delivered to injured workers quickly, efficiently and at a reasonable cost to employers”

Providing prompt and fair resolution of disputes has been identified as a key strategy in the Workers’ Compensation Division’s efforts to accomplish this objective.

To facilitate the accomplishment of the above objective, the ADR section will shorten time frames for processing dispute certification requests and requests for assistance; decrease the number of discretionary referrals to the Office of Administrative Hearings; schedule administrative conferences as soon as reasonably possible; reduce the time frame for issuing Decision and Orders; and expand the use of mediation as a means to resolve disputes. These initiatives are intended to:

- reduce the average number of days from DLI’s receipt of dispute certification requests to the date DLI issues certification determinations;
- reduce the average number of days from DLI’s receipt of RFAs to the date Decision and Orders are served and filed;
- identify and monitor the number of discretionary referrals to OAH;
- reduce the average number of days from the date RFAs are received to the date administrative conferences are conducted;
- reduce the average number of days from the date administrative conferences are conducted to the date Decision and Orders are served and filed;
- identify and monitor the number of mediation sessions conducted annually; and
- increase the percentage of mediation sessions that result in the successful resolution of disputes.

### Input/Output Summary:

Input	Output
<ul style="list-style-type: none"> <li>• Injured Worker Referred or Call</li> </ul>	<ul style="list-style-type: none"> <li>• Intake process</li> <li>• Complete referral internally or to other services</li> <li>• Begin Dispute Resolution</li> </ul>
<ul style="list-style-type: none"> <li>• Dispute documents received</li> </ul>	<ul style="list-style-type: none"> <li>• Triage documents for further action</li> <li>• Process documents for further action</li> <li>• Refer case for further litigation</li> <li>• Issue Order/Decision</li> </ul>

ADR (Alternative Dispute Resolution) prevents and resolves disputes between parties to a WC case. ADR staff or other parties involved may resolve a dispute at any time. ADR staff may need to schedule conferences, mediation sessions or refer unresolved cases to OAH.

### ADR Customer Inquiry Overview:

#### Process Flow Additional Details:

- 1.0-1.6: Incoming requests can be received by correspondence, phone calls to the hotline or direct to an ADR phone number, or in a walk-in to the DLI office.
  - If the correspondence received is a “Log Letter”, it will have arrived by the Commissioner’s Office or by email. If the correspondence is not a “Log Letter” it will have arrived by the normal CRT document intake process.
- 1.7-1.13: Emailed log letters are entered into a spreadsheet for tracking by the ADR OAS and then forwarded to a Mediator. Likewise, phone calls or hotline calls and walk-ins are directed to a Mediator to understand the current claim status, explain roles and any applicable legal processes.
  - Once the Mediator has met with or talked with the person about their incoming request, they can provide additional resources to pursue further actions or informal dispute resolution with involved parties.
  - A log entry of the contact with parties is completed and a result code is entered
  - Log Letters will require additional resolution entry into the Excel tracking sheet
  - Finally any follow up communication that is necessary will be completed and logged

### ADR Request for Certification of Disputes Overview:

#### Process Flow Additional Details:

- 1.0-1.3: Incoming requests received by fax in ADR are reviewed by OAS to see if a case file exists.
  - If a case file does not exist, the OAS contacts parties for additional information and will walk or inter-office mail the request to CRT for processing.
  - If a case file does exist, the OAS will attach a yellow cover sheet to the request and send both to CRT for processing.
- 1.6-1.14: CRT will route requests to ADR DPRS. If an OAS is assigned to cover a queue for a DPRS that is on leave, they will re-route the request to an available DPRS and create a log entry to such an effect.
  - Once the DPRS opens the document, they will review the case file for background information and contact the parties for resolution
  - The DPRS will enter in the log (or create a log if one does not exist) with the date the request was received (system pre-fills), the date the unit received the request (system pre-fills), the date of the 1<sup>st</sup> contact, and the completion date
  - Typically the DPRS will await further information from the parties
  - Documents for certification or non-certification of the request are prepared and the log is updated
  - A completion date and result code are entered by the DPRS and the Request for Certification is filed
  - The certification document is mailed or faxed to appropriate parties.

## ADR Mediation Overview:

The request for mediation can come from several sources. Typically, the request is made by telephone or email from the insurance company representative, health care provider, injured worker or their attorney. A question is also on Medical and Rehabilitation Request forms as well as Medical and Rehabilitation Response forms asking if the party is willing to mediate the issue. Additionally, many requests for mediation are generated by the mediators after they have proposed to the parties that mediation may be useful to resolve their disputes.

The Commissioner has authority to approve settlement agreements. This authority is delegated to the mediator staff in the Alternative Dispute Resolution (ADR) Unit. Where all parties are willing to participate, the mediators in the ADR Unit will facilitate the negotiation and settlement process in a mediation session. If the parties reach agreement on the issues they will choose whether to have the agreement memorialized in a Mediation Award; a Mediation Award incorporating a Stipulation for Settlement; or a Stipulation for Settlement to be approved by a compensation judge at the Office of Administrative Hearings (OAH). If the parties prefer a Mediation Award, the ADR Unit mediator drafts a mediation agreement and issues a Mediation Award. If the parties prefer that the mediation agreement incorporate a Stipulation for Settlement, the Mediator drafts the mediation agreement incorporating a Stipulation for Settlement and issues a Mediation Award.

The most common way that parties memorialize a successful mediation is by way of a Stipulation for Settlement. Usually the attorney for the injured worker or the attorney for the payer prepares the Stipulation for Settlement. Both parties sign the Stipulation for Settlement and submit it to the Office of Administrative Hearings, for approval by a workers' compensation judge.

### Process Flow Additional Details:

- 1.0-1.10 Request for mediation services received via telephone, correspondence, fax or other
  - Mediator or OAS confirms parties' interest in mediation services
  - Email sent to parties' by mediator confirming parties' intent to participate in mediation
  - OAS creates mediation dispute
  - OAS schedules the mediation session in accordance with applicable data privacy requirements, utilizing multiple emails and phone calls to manually address difficult scheduling issues
  - OAS creates notices of mediation session, proofs of service and required mediation documents
  - OAS sends notices of mediation session and requests for confidential information to the parties
  - Mediation request and required mediation documents routed to mediator by OAS
- 1.11-1.24 Mediator reviews WCD file and other documents in preparation for mediation session
  - Mediation session conducted by Mediator (in-person, via telephone or video conference)
  - Mediation session concluded by Mediator
    - o Parties reach a resolution and request Mediation Resolution/Award
  - Mediation Resolution/Award drafted by party's attorney or mediator (Word)
  - If Mediation Resolution/Award is drafted by party's attorney, party's attorney sends the Mediation Resolution/Award to other parties for signing (M)(Word)
  - If Mediation Resolution/Award is drafted by Mediator, OAS creates cover letter and sends the cover letter, Mediation Resolution/Award and any required mediation documents to parties for signing
    - o Mediator enters result code in case file log
  - If claim petition is pending, OAH is informed of resolution by mediator or attorneys
    - o Parties reach a resolution and elect to submit a STIP to OAH
    - o Mediator enters result and outcome code in case file log
  - If dispute is pending at OAH, mediator or attorneys inform OAH of resolution
    - o Parties do not reach a resolution

- o Mediator enters result and outcome codes in case file log
- Signed Mediation Resolution/Award and required mediation documents returned to OAS
  - o Signed Mediation Resolution/Award and required mediation documents provided to Mediator by OAS
  - o Mediator signs Mediation Resolution/Award
  - o Mediator returns Mediation Resolution/Award and required mediation documents to OAS
  - o Mediator updates result code and enters outcome code
- 1.26-1.27 Mediation award is served and filed by OAS
  - OAS send Mediation Award and required mediation documents to CRT for scanning into the WCD file

## ADR Certification of Disputes by Form:

### Process Flow Additional Details:

- 1.0-1.2: Requests for Certification are received online, as a letter, or as a phone call and follow the Request for Certification Process
- 1.3-1.9: Medical Requests are received by routing or directly by fax. Those received by fax are sent to CRT to be scanned and are then routed.
  - If the issue was previously certified and is in the ADR jurisdiction, an Administrative Conference will be scheduled (see Admin Conference process)
  - If the issue was previously certified but is not in the ADR jurisdiction, it will be sent to OAH for next steps. Once routed to OAH, the dispute will be closed in the system.
  - If the issue was not previously certified, it will be handled in the Uncertified Medical RFA Process.
- 1.10-1.17: Rehabilitation Requests are received by routing or directly by fax. Those received by fax are sent to CRT to be scanned and are then routed.
  - If the issue was previously certified and is in the ADR jurisdiction, an Administrative Conference will be scheduled (see Admin Conference process)
  - If the issue was previously certified but is not in the ADR jurisdiction, it will be sent to OAH for next steps. Once routed to OAH, the dispute will be closed in the system.
  - If the issue was not previously certified, but does have a QRC fee issue involved, it will follow the Uncertified Rehab RFA process. However, if it was not certified and does not involve a QRC Fee issue, it should be scheduled for an Administrative Conference and will follow the Admin Conference process.

## ADR Uncertified Medical Requests for Assistance Overview:

### Process Flow Additional Details:

- 1.0-1.6: Medical Requests are received by routing or directly by fax. Those received by fax are sent to CRT to be scanned and are then routed.
  - Requests are reviewed for completeness and required documentation and to verify that all parties have been served. If the request is not complete, the OAS stops this process and determines next steps to achieve completeness.
  - The OAS will then create a dispute in the system and CAP the parties. Once complete, the request is routed to the DPRS.
- 1.7-1.14: The DPRS will receive the RFA in queue and review the case.
  - The mediator will contact all parties to resolve

- Once complete, the mediator will create a log entry with result code
- A document which certification decision is created and faxed or mailed to the parties. At this point it will also be placed in the file using InsTIFF.
- The log will be updated and the file routed to OAS.
- 1.15-1.18: The OAS will determine the next steps, including Scheduling and Admin Conference, Routing to OAH, or Closing the dispute.

### ADR Uncertified Rehab Requests for Assistance Overview:

#### Process Flow Additional Details:

- 1.0-1.7: Rehab Requests are received by routing or directly by fax. Those received by fax are sent to CRT to be scanned and are then routed.
  - Requests are reviewed for completeness and required documentation and to verify that all parties have been served. If the request is not complete, the OAS stops this process and determines next steps to achieve completeness.
  - The OAS will then create a dispute in the system and CAP the parties.
  - If there is a QRC Fee Issue it will be routed to the DPRS. If there not, it will go to an Administrative Conference.
- 1.8-1.14: The DPRS will receive the RFA in queue and review the case.
  - The mediator will contact all parties to resolve
  - Once complete, the mediator will create a log entry with result code
  - A document which certification decision is created and faxed or mailed to the parties. At this point it will also be placed in the file using InsTIFF.
  - The log will be updated
  - If the matter is resolved, the DPRS will enter an outcome code and route to OAS. If not, the matter will go to an Administrative Conference.
- 1.18-1.21: The OAS will determine the next steps, including Scheduling an Admin Conference, Routing to OAH, or Closing the dispute.

### ADR Administrative Conference Overview:

#### Process Flow Additional Details

Throughout the process there can be multiple rescheduling activities at any time. In addition, resolution or mediation could also occur at any time. And, finally, at any point, the matter could be routed to OAH.

- 1.0-1.7: A Medical Only Claim Petition or a Rehab Only Claim Petition can be received and must have their dispute finalized in the system. They will then follow the Uncertified Request processes. A Certified Medical or Certified Rehab request received, by mail, fax, or route, requires the OAS to create a dispute in the system and start the Administrative Conference process.
  - If within ADR jurisdiction, the OAS scheduled the Administrative Conference and routes the request to the DPRS. If not within ADR jurisdiction, the request is routed to OAH or the dispute is closed.
- 1.10-1.22: The Mediator takes steps to prepare for the Administrative Conference and/or resolve outside of the conference.

- If Interaction or Action is needed, necessary steps are taken to contact parties and resolve.
- If the issue is resolved, a certification or resolution document is created and sent to the OAS to prepare cancelation notice and cancel the conference. The dispute is then closed.
- If the issue is not resolved, the Mediator conducts the Administrative Conference.
- If the conference resolves the issue, and a document is needed, the DPRS issues the Written Decision and Order or Letter, enters the outcome and result code, and sends to the OAS to serve and file. The OAS will also enter the outcome and close the dispute.
- If the conference does resolve the issue but no written document is required, the DPRS will note the outcome and result code and send to the OAS as described above.
- If the conference does not resolve the issue, the DPRS will prepare the appropriate written documentation, route the documentation to the OAS and note the outcome and result code. The OAS will serve and file the written documentation and close the dispute.
- After the dispute is closed, under some circumstances, it may be reopened.

#### Manuals Referenced:

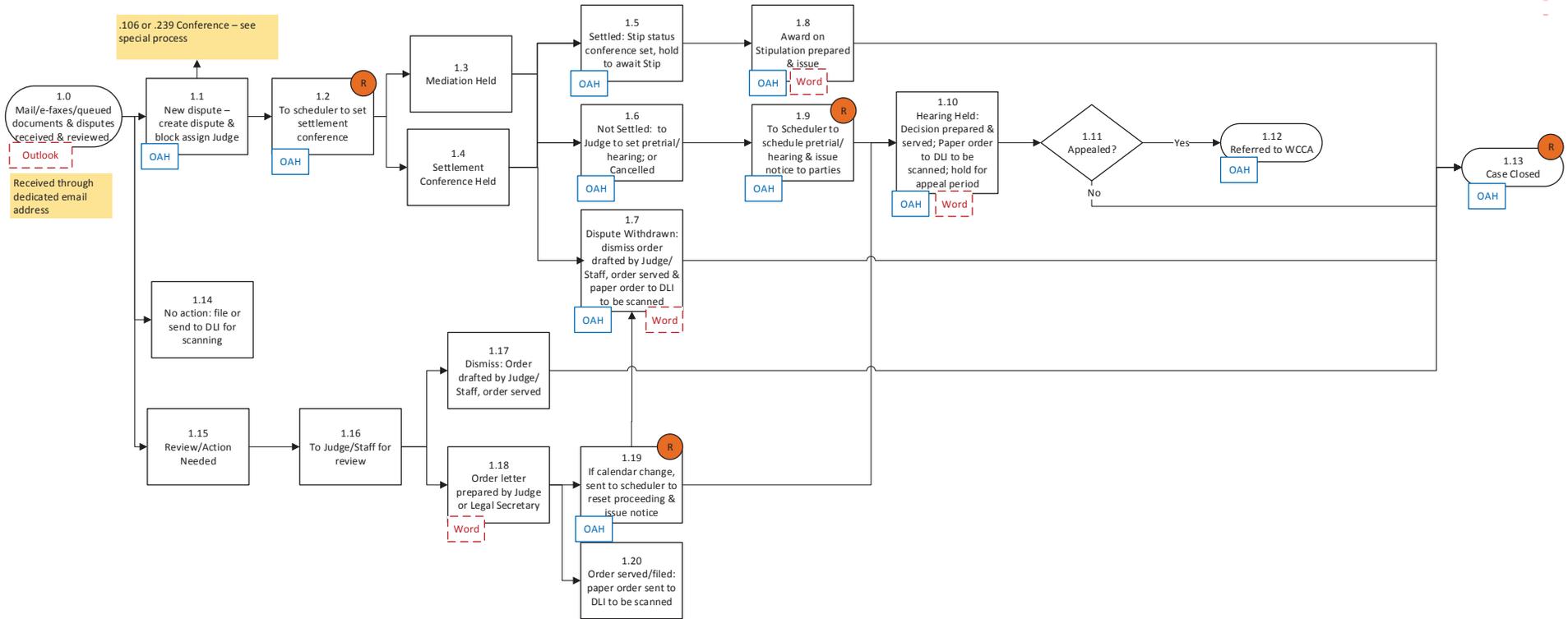
- Section 2001 Alternative Dispute Resolution Guiding Principles
- Section 2002 Early Dispute Prevention Providing Information
- Section 2003 Early Dispute Resolution
- Section 2004 Certification of Disputes
- Section 2005 Medical and Rehabilitation Requests – Administrative Conferences
- Section 2006 Mediations
- Section 2015 Audit
- Section 2017 Rehabilitation Form Filings

#### Systems Used

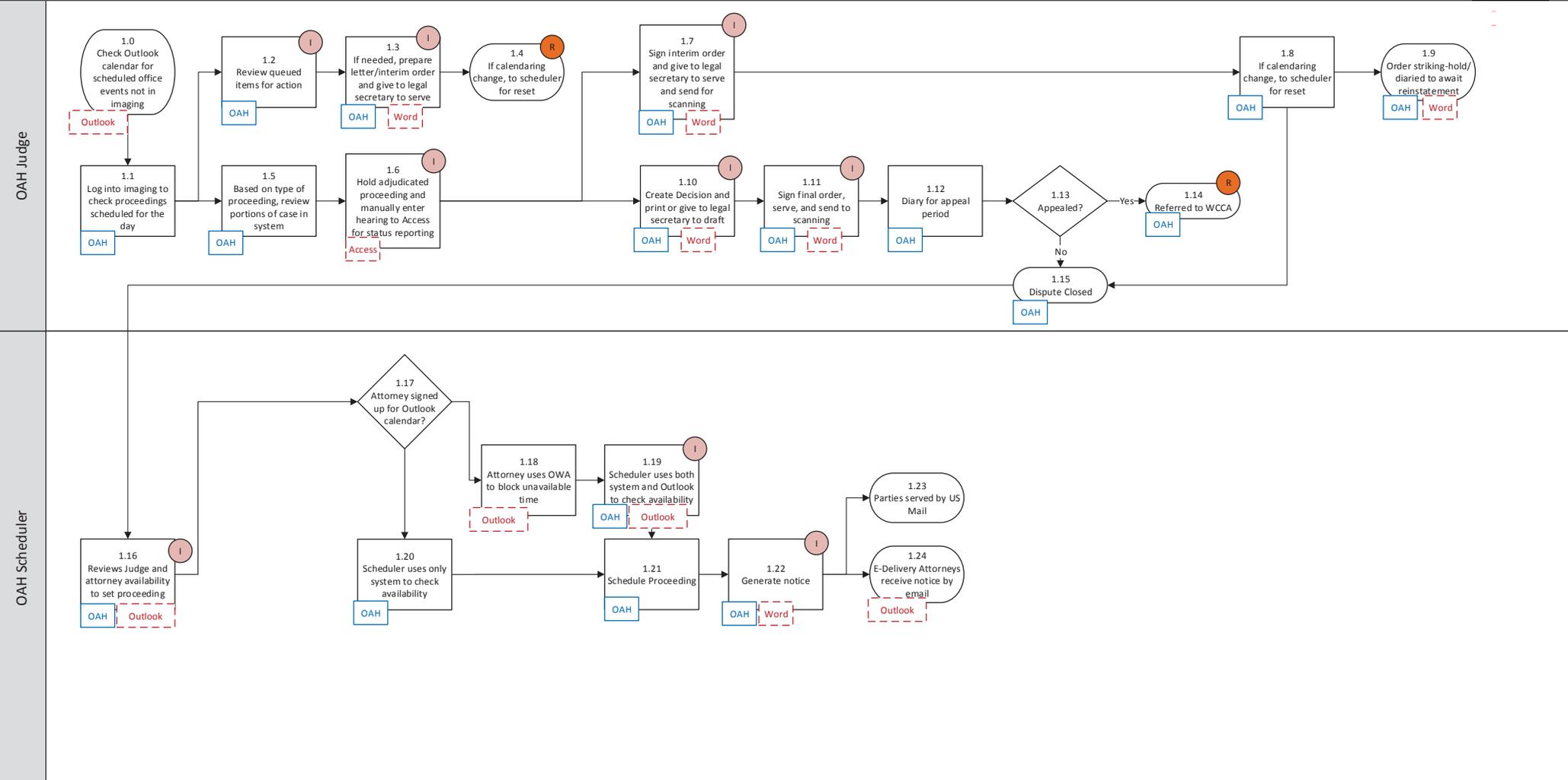
- Informix 443 Desktop
  - Document Review
  - Routing
  - Diary
- Excel spreadsheets
- Staff also uses Lync, Outlook, Word, Excel, and Internet Explorer to complete incidental communication and tasks.

# Administrative Hearings (OAH) Overview

Overview



Administrative Hearings (OAH) Scheduling



# Administrative Hearings (OAH) Mediations

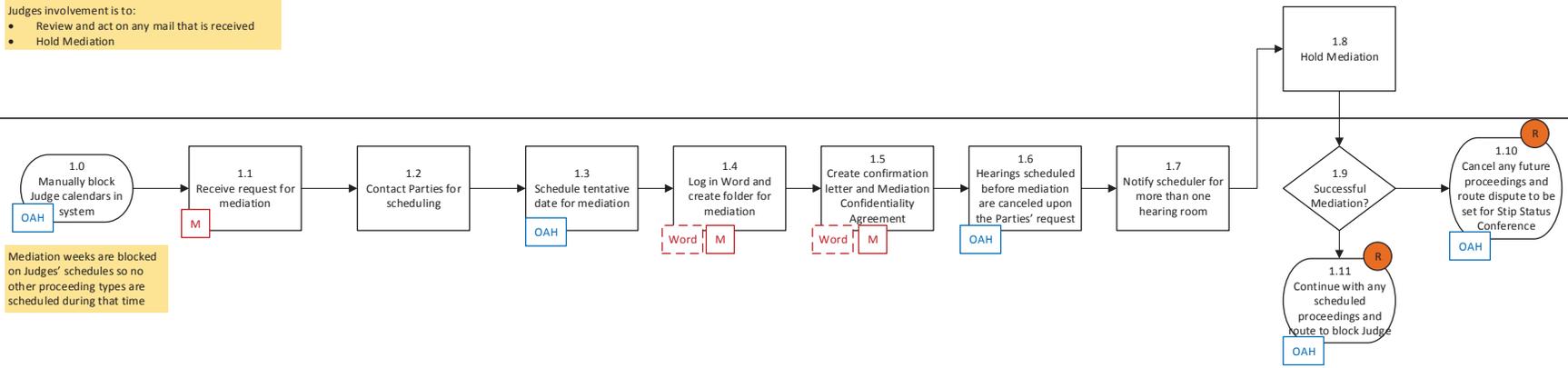
OAH Judge

Judges involvement is to:

- Review and act on any mail that is received
- Hold Mediation

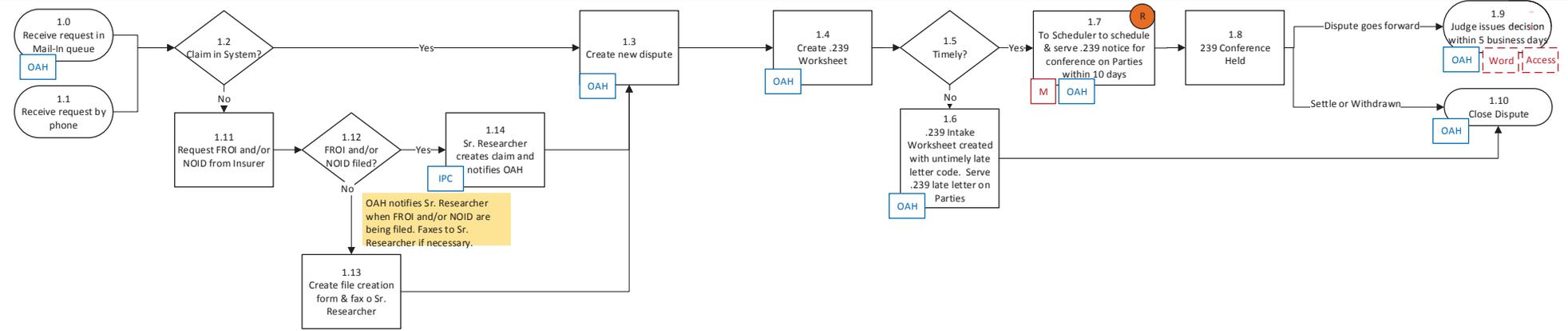
OAH Intake

Mediation weeks are blocked on Judges' schedules so no other proceeding types are scheduled during that time



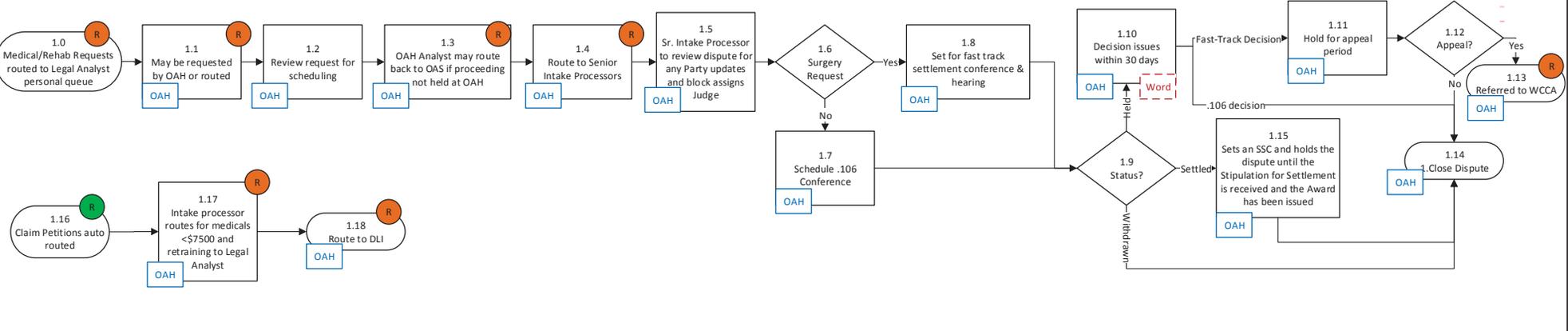
Minn. Stat. § 176.239 Administrative Conference Requests

.239 Conferences



Minn. Stat. § 176.106 Administrative Conference Requests

.106 Conferences



## Office of Administrative Hearings (OAH) Overview

### Functional Overview:

The Office of Administrative Hearings (OAH) is an independent tribunal within the executive branch. The OAH has three divisions; Administrative Law, Workers' Compensation and Municipal Boundary Adjustments. OAH Judges conduct hearings, conferences and mediations when a state or local law provides the right to challenge a government action through an administrative hearing. OAH strives to provide all Parties to a matter, a full and fair opportunity to challenge those actions. Additionally, OAH provides injured workers, their employers, and workers' compensation insurers with prompt and impartial resolutions of claims for workers' compensation benefits. The services provided by OAH are an important part of the state's guarantee of "due process of law."

### Input/Output Summary:

Input	Output
<ul style="list-style-type: none"> <li>Case Referred or Filed with OAH</li> </ul>	<ul style="list-style-type: none"> <li>Intake process</li> <li>Schedule case</li> <li>Review OAH Desktop documents</li> </ul>
<ul style="list-style-type: none"> <li>Case documents created</li> </ul>	<ul style="list-style-type: none"> <li>Create documents</li> <li>Send documents to Parties</li> <li>Send final case documents to DLI</li> </ul>

### OAH Timelines:

#### Motions

- Responses are due within 10 days of date motion filed (Minn. R. 1420.2250, subp. 1).
- Judge ruling or set within 30 days of date motion filed (Minn. R. 1420.2250, subp. 3).

#### Timelines

- Hearings on fast track petitions (i.e., Petitions to Discontinue, Objection to Discontinuance, Requests for Formal Hearing, requests for approval of surgery or other treatment urgently needed) are set within 60 days of request. Decisions are to be issued 30 days from record close date. If the Parties agree to expansion of the issues, the Judge has 60 days to issue a decision.
- Hearings on Claim Petitions or regular track claims are to be set within 90 days of settlement conference or cancellation of settlement conference. Decisions are to be issued 60 days from record close date.
- Minn. Stat. § 176.239 administrative conferences. Notice of scheduled conference to be issued within 10 days of request; conferences set within 30 days. Decisions are to be issued within 5 working days from record close date.
- Minn. Stat. § 176.106 administrative conferences – Medical Requests are set within 60 days after the petition is filed. Rehabilitation Requests are set within 21 days, unless only rehabilitation fees involved or if there is good cause to set later than 21 days. Decisions due 30 days from record close date.

#### Temporary Order (Contribution/Reimbursement Claims) - Minn. Stat. § 176.191, subd. 1

- "At any time after a temporary order is issued, the paying Party may also petition for a formal hearing before a compensation Judge for a determination of liability among the Parties. If the petition is filed within one year after a temporary order was issued, the hearing shall be held within 45 days after the petition was filed."

#### Settlement Conferences – Minn. Stat. § 176.305, subd. 1a

- A settlement conference is to be scheduled within 180 days after a Claim Petition is filed.
- A settlement conference is to be held 45 days after a Petition to Discontinue, Objection to Discontinuance or Request for Formal Hearing is filed.

- Parties are to submit Pretrial Statements no fewer than 5 days before the settlement conference.
- If settlement is not reached, a hearing shall be scheduled within 90 days from the scheduled conference date.

#### Settlements – Minn. R. 1420.2050, subp. 2

- "A stipulation for settlement must be filed within 45 days of the date the Parties reached an agreement."

#### Strikings – Minn. Stat. § 176.305, subd. 4

"If a case has been stricken from the calendar for one year or more and no corrective action has been taken, the commissioner or a compensation Judge may, upon the commissioner's or Judge's own motion or a motion of a Party which is properly served on all Parties, dismiss the case. The petitioner must be given at least 30 days' advance notice of the proposed dismissal before the dismissal is effective."

### Notable Items:

- At any time during the litigation process, the case may be settled, dismissed or withdrawn.
- A settlement may occur after a full evidentiary hearing has already been held.
- Per request of the Special Compensation Fund, certain case captioning guidelines must be followed if they are involved in a Petition for Reimbursement claim.
- The Case File Report in a dispute is utilized by OAH staff to verify coverage and other information.
- Certain document types are auto routed to OAH status queues. When documents are routed to certain status queues, the system prefills the number of diary days.
- OAH sets proceedings based on a regular track calendar and a fast track calendar. (The timelines will be submitted separately.)

### Asbestos Claims

- Asbestos Claim Petitions are processed and handled by the OAH Senior Intake Processors and the OAH Legal Analyst.
- Claim Petitions are auto routed to the OAH Mail In queue. It is reviewed by the OAH Intake Processors. If the Claim Petition is on an asbestos claim, it is routed to the Asbestos queue.
- The OAH Senior Intake Processors review the Claim Petition and a dispute is created.
- The Asbestos status is selected from a drop down box. This process sets a flag so any subsequent documents related to the dispute auto route to the Asbestos queue for handling.
- These types of claims have numerous Parties and the dates of coverage are indicated in the "Coverage" box on the Parties' tab.
- The OAH legal analyst is notified when claims are ready and then she reviews each case.
- The OAH legal analyst then notifies the scheduler to set the asbestos conferences.
- Asbestos conferences are held every other month and a conference worksheet is generated from the system for each case.
- A coversheet is created using Microsoft Word for each asbestos file to be used at the settlement conference.
  - Any settlement or demand letters received from the Parties are not imaged and a hardcopy of the documents are retrained in a temporary file for the settlement conference.
  - An asbestos calendar is created in Microsoft Word for distribution to any interested Parties.
  - When the case is resolved, the settlement or demand letters are destroyed.

### Consolidations

- Upon the Judge's own motion or request by the Parties, disputes may be consolidated.

- If one of the disputes is currently pending at DLI, a request is made by the OAH legal analyst for the dispute to be referred to OAH. The dispute is routed by ADR to the OAH legal analyst, who then reviews the dispute and routes it to a Senior Intake Processor for review.
- The dispute is routed to the Judge to review for consolidation. If the dispute is consolidated, the disputes are combined in the system and an Order for Consolidation is drafted and then served and filed upon the Parties. The Senior Intake Processor reviews the dispute to determine if any future notices or Judge assignment notices need to be served upon the Parties.
- Usually the oldest dispute is used as the driving dispute. The dispute document is dragged over to the other dispute and if there are different dates of injury or Parties, the OAH Senior Intake Processor checks the boxes next to the additional dates of injury to be added and the system automatically adds any additional dates of injury or Parties to the dispute being used as the driving dispute.
- Future proceedings may need to be added to the driving dispute from the other dispute. On the dispute to be filed, proceedings may need to be cancelled. Notation is made that it is being consolidated and then it is routed to file.

#### Objection to Penalty Assessment Claims

- Penalties are assessed against employers for failure to have workers' compensation insurance. The disputes are certified to OAH from the Special Compensation Fund for an expedited hearing.
- Since an injured worker is not involved, the case does not have a social security number and cannot be entered into the system. OAH maintains a list of these types of cases.
- OAH maintains a paper file and must create any notices or proofs of service in Microsoft Word.
- The case is given to the OAH scheduling supervisor. The system and/or Outlook is reviewed for Attorney and Judge availability and a Judge is selected and the case is manually entered on the Judge's schedule in the system.
- Hard copies of the notices are given to appropriate OAH staff and Judges in order to keep track of the scheduled proceeding.
- If the hearing is held, the Judge will issue the decision and the paper file is returned to Special Compensation Fund after the appeal period has run.
- If the case settles prior to hearing, the file is returned to the Special Compensation Fund. The settlement agreement is processed through the Special Compensation Fund.

#### Block Assignment Monitor

- The system has an automated block assignment monitor that block assigns a Judge on a rotational basis.
- OAH can assign a percentage to a specific Judge to alter the rotation schedule.
- A Judge may also be removed from the rotation list and added back in at a later date.
- When a Judge's name is displayed, you can elect to accept that Judge or go to the next Judge on the rotation list.
- The block assignment monitor also contains rules that will search for specified criteria in a case to determine if a specific Judge should be block assigned instead of the next Judge on the rotation list. For example, it will look for any previous decisions issued and select that Judge for block assignment.

#### Service of Notices and Orders

- When serving a notice to reset a proceeding, staff may select the reset reason from a drop down list and it will be automatically added to the notice.
- Staff may select all Parties to be served, all Attorneys to be served, or drag on and off Parties that are to be included in service.
- An Attorney may elect to be served by an E-notice. A check box needs to be checked in the Attorney table for that specific Attorney.
- For notices only: A notice and envelope for each Party to be served by U.S. mail is generated. For any Parties electing to be served by E-mail, the E-mail is automatically generated and sent to the Party. It is indicated on the notice which Parties are served by E-mail or U.S. mail. There is a check box managed by users to tell the system if envelopes should be printed. An automatic record book entry is created and the notice is TIFFED to the system.
- When serving orders, a Proof of Service is generated in the system and the Parties can only be served by U.S. mail. The envelopes are generated, but only one copy of the Proof of Service is generated. A record book entry is created, but nothing is TIFFED to the system since the order requires a Judge's signature. A paper copy of the Judge's order with the Proof of Service is sent to IPC DLI to be scanned.

#### Mediation (Process Flow):

##### Process Steps 1.0-1.10:

- Mediations are processed by an OAH Senior Intake Processor.
- OAH has four Judges who are currently assigned to hold mediations during specific weeks and they are manually blocked off on the Judge's calendar in the system.
- Usually a call is received requesting mediation and the dispute is already with OAH.
- For telephone requests, a telephone sheet is filled out in Microsoft Word.
- The OAH Senior Intake Processor contacts the Parties for available dates.
- The system is reviewed for Judge availability.
- A tentative date for the mediation is selected and is scheduled in the system. A written mediation request must be received two weeks after the tentative date is scheduled. If not received, the date may be opened to another Party seeking mediation
- When a mediation request is received, information is entered into a log in Microsoft Word and a folder is created to hold the mediation materials. Confidential statements are not imaged and the hardcopy is held in a folder.
- A confirmation letter is generated in Microsoft Word which includes the mediation date, along with a Mediation and Confidentiality Agreement. A notice is not generated from the system.
- Any future proceedings may remain on the calendar. If there is a hearing scheduled prior to the mediation, it is cancelled.
- The Judge usually requires multiple rooms for mediation. The OAH Senior Intake Processor needs to notify the OAH scheduler that more than one hearing room is required because the system does not have enough space on the Daily Schedule to enter more than two courtroom assignments.
- If the mediation is successful, any future proceedings are cancelled and the dispute is routed to be set for a stipulation status conference.
- If the matter did not settle, it is usually already set for a proceeding and the dispute is routed to the scheduled queue. If a current proceeding is not scheduled, the dispute is routed to the block assigned Judge for setting.

### **Minn. Stat. § 176.239 Administrative Conference Requests (Process Flow):**

Process Steps 1.0-1.13:

- .239 requests are usually received by telephone. There is a specific telephone number designated for these types of requests.
- If a .239 request is received in writing, the request is scanned in at DLI and auto routed to the .239 Mail In queue.
- A new dispute is created and then a .239 Intake Worksheet is manually created and used as the driving dispute.
- If the claim is not in the system, the OAH Intake Processor will need to contact the insurer's claim representative for the First Report of Injury (FROI) and the Notice of Intention to Discontinue (NOID). The FROI now has to be entered electronically through the DLI Website. The OAH Intake Processor will inform a DLI Senior researcher that a FROI will be forthcoming. Once the FROI has been entered electronically, the DLI Senior Researcher will set up the case for the DOI and then inform OAH that it has been set up. (Sometimes the insurer's claim representative will elect to file the FROI and NOID by faxing them to OAH. Both documents are sent to DLI for processing. The OAH Intake Processor will keep checking the system to see if the case for the DOI has been created by DLI.)
- If the insurer's claim representative does not submit the requested documents, the OAH Intake Processor submits a case file creation form to a DLI Senior research to set up the case for the DOI.
- The .239 Intake Worksheet is manually created. A notice for a .239 conference is served on the Parties within 10 days of receipt of the request.
- If the request is deemed untimely, a .239 Intake Worksheet is created and in the narrative type the OAH Intake Processor types "untimely-late letter." A .239 late letter is generated in the system and served upon the employee (and Attorney if represented), and the dispute is routed to file.

### **Minn. Stat. § 176.106 Administrative Conference Requests (Process Flow):**

Process Steps 1.0-1.15:

- Medical and Rehabilitation Requests are routed to the OAH legal analyst's personal queue. These disputes may be requested by OAH or routed due a determination by DLI staff that the request should be handled by OAH.
- The OAH legal analyst reviews the requests regarding scheduling.
- The dispute is then routed to the OAH Senior Intake Processors with direction to:
  - Have it set a Minn. Stat. § 176.106 administrative conference.
  - If there is a primary liability denial, the dispute is routed to the block assigned Judge for consolidation with a Claim Petition or other pleading. If there are no other disputes, it is treated like a Claim Petition to be block assigned and set for a settlement conference.
- If the Medical Request involves a surgery request, it is block assigned to a Judge and set for a fast track settlement conference and fast track hearing.
- The OAH legal analyst may route/refer Medical or Rehabilitation Requests back to a DLI OAS on occasion, if it is determined a proceeding will not be held OAH.

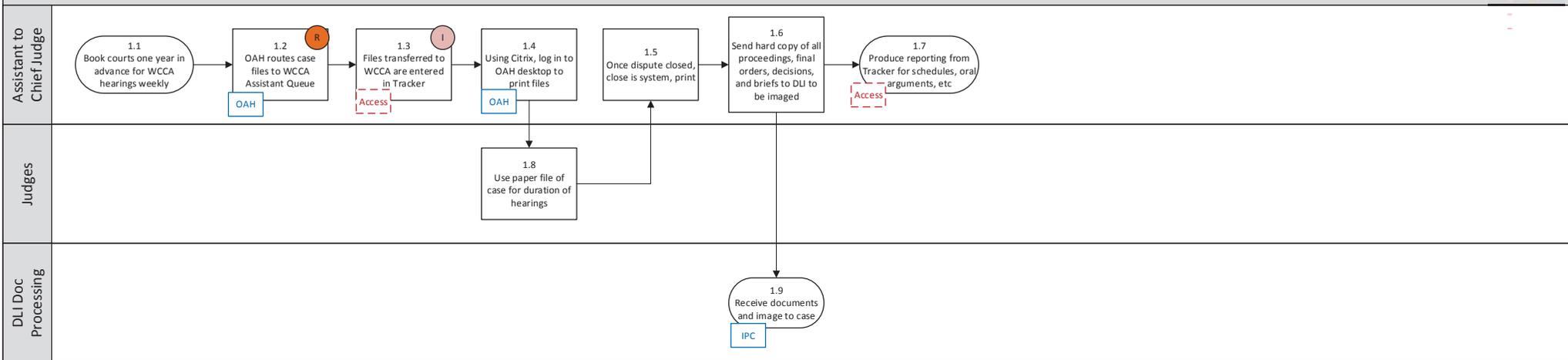
Process Steps 1.16-1.18:

- Claim Petitions are auto routed to OAH. The OAH Intake Processors will route any Claim Petitions for medicals less than \$7,500 (admitted injuries) and for retraining only (admitted injuries) to the OAH legal analyst. The OAH legal analyst will then route/refer the request to a DLI OAS.

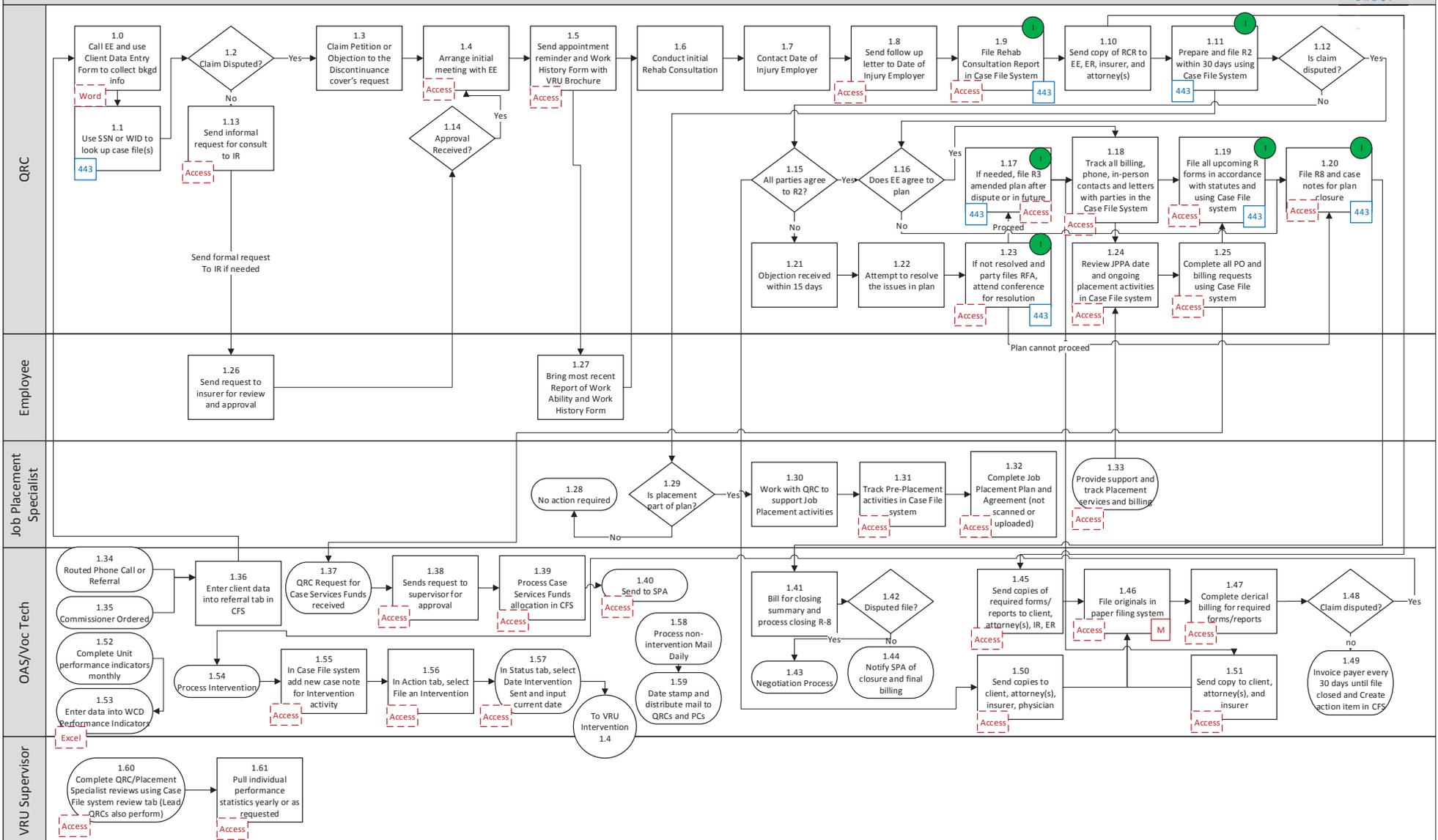
#### **Systems Used:**

- Informix OAH Desktop
  - Document Review
  - Routing
  - Diary
  - Scheduling
- Excel spreadsheets
- Access Database
- FOCUS
- Staff also uses Lync, Outlook, Word, Excel, and Internet Explorer to complete incidental communication and tasks.

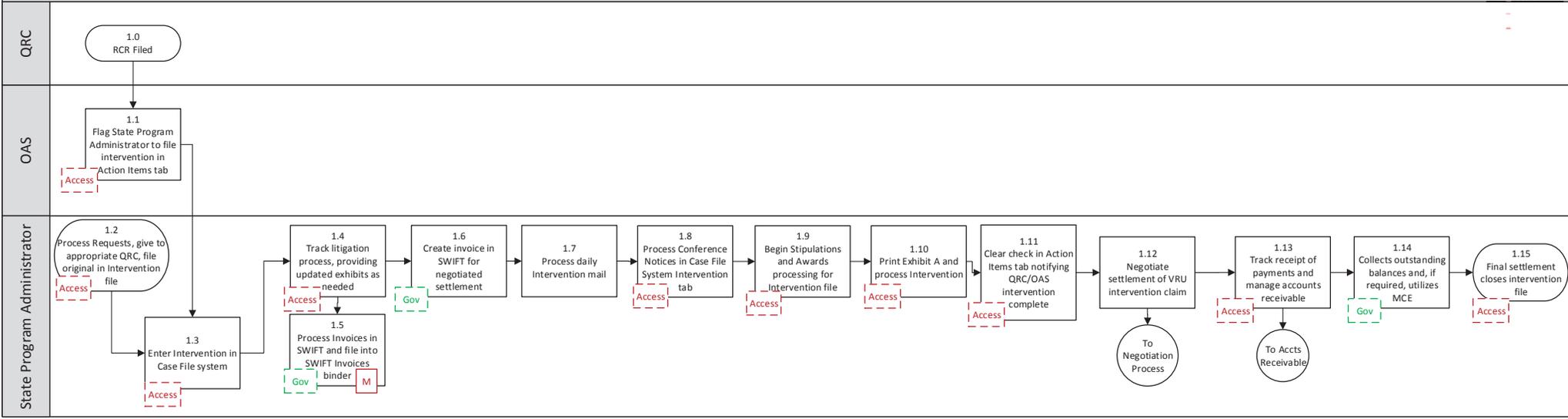
WCCA Overview



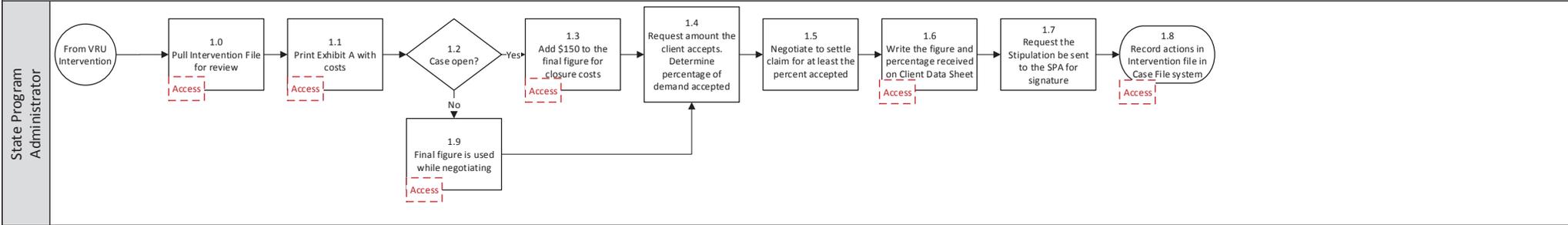
# VRU Intake and Administration Overview



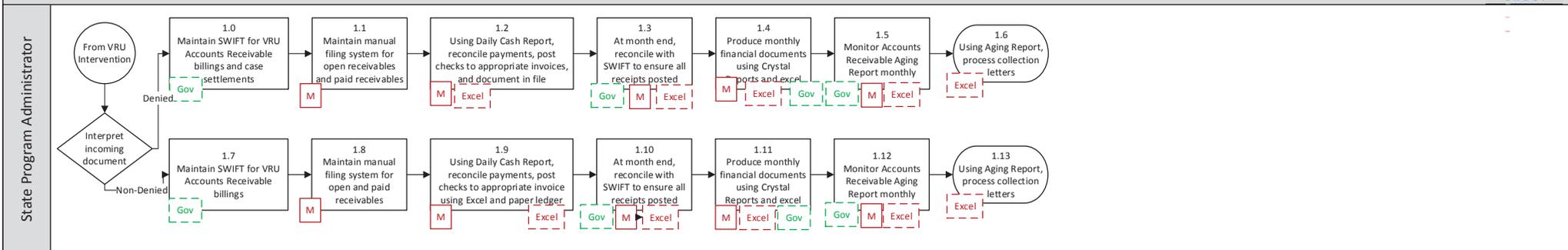
# VRU Intervention Overview



## Negotiation Process Detail



VRU - Accounts Receivable Detail



## Vocational Rehabilitation Overview

Purpose: The purpose of this information is to provide additional context to supplement the process flow. This document has general overview information followed by references to specific context tied to the sections within the process flow (identifiers noted). Additional detail, including interview notes and existing manuals can be found on the [WC System Modernization SharePoint Site](#).

### Functional Overview (Series 5000 VRU Manual):

#### Who we serve:

#### Who we serve:

The Department of Labor and Industry's Vocational Rehabilitation Unit (VRU) staff provides vocational rehabilitation services to people who have a work-related injury or illness. VRU primarily serves injured workers with claims where liability has been denied. Services are also provided to injured workers who are receiving workers' compensation benefits.

#### The goal of VRU services:

VRU services are designed to help injured workers return to suitable employment as quickly as possible. This could mean a return to work with the pre-injury employer, in either the same job or another job, or to a new employer in the same or a different type of work.

#### Vocational rehabilitation services provided:

- Rehabilitation Consultation
- Medical management
- Return-to-work services
- Job analysis
- Vocational counseling and evaluation
- Transferable skills analysis
- Job-seeking skills training
- Job development and job placement
- On-the-job training
- Retraining evaluation

These services are provided or coordinated by a VRU qualified rehabilitation consultant (QRC).

#### Who is entitled to these services?

Minnesota's workers' compensation laws determine who can receive rehabilitation services, although any injured worker can request a rehabilitation consultation. The VRU QRC completes the eligibility process by assessing your ability to return to your occupation and your employer. If you are eligible, a rehabilitation plan is developed with you that outlines the services needed to accomplish return-to-work goals.

#### What is the cost?

Unless agreed to in a settlement, injured workers do not have to pay for our services. The costs of our services are paid by insurance carriers, self-insured employers or special state funds.

#### What is a qualified rehabilitation consultant?

A qualified rehabilitation consultant is a professionally trained and licensed person who works only with the rehabilitation of injured workers. QRCs are neutral parties in the rehabilitation process. A VRU QRC is an employee of the Minnesota Department of Labor and Industry.

### Input/Output Summary:

Input	Output
<ul style="list-style-type: none"> <li>• Injured Worker Referred or Call</li> </ul>	<ul style="list-style-type: none"> <li>• Intake process</li> <li>• Complete decision for VRU services offered</li> <li>• Complete RCR for Injured Worker</li> </ul>

### VRU Intake and Administration Overview:

#### Process Flow Additional Details:

- 1.34-1.36: Routed phone calls or referrals, on occasion a Commissioner Ordered referral, enter the process with the OAS who enters the Employee information into the referral tab of the Case File System.
- 1.0-1.25: Once a referral has entered the system the QRC can begin to work with the employee
  - The QRC will call the employee and use the 443 desktop to view the employee's case file to gather background information.
  - If the Claim is disputed, the Claim Petition or Objection to the Discontinuance must cover the request. If the claim is not disputed, requests for a consult are sent to the insurance company for review and approval. Only if approval is received can the QRC arrange the initial meeting with the Employee.
  - The QRC will conduct the initial Rehab consultation and follow up with the date of injury employer for additional details. Once complete, the Rehab Consultation Report form will be filed using the Case File System.
  - Within 30 days of the Rehab Consult, the QRC will file the R2 using the Case File System
  - When all parties agree to the R2, additional QRC activities continue. All billing, contacts, letters, etc., are tracked in the Case File System.
  - All upcoming R forms are filed using the Case File system and once closed, the R8 and case notes are completed and filed.
  - JPAA and ongoing placement activities are tracked in the Case File System with all PO and billing requests.
  - If the R2 is not agreed to, objections are filed and the QRC attempts to resolve with all parties. If still not resolved, parties can file a Request for Assistance. In this case, the QRC should attend the conference to assist with resolution. An R3 can then be filed to amend the plan after the dispute or at any time in the future if needed. Once agreed, the QRC will follow the steps outlined above.
  - If the plan is not approved and cannot proceed, the QRC will file an R8 and case notes to close the plan in the Case File System.
  - If the R2 is not agreed to because primary liability is denied, the QRC continues to work the case file and file required forms until liability is resolved and/or the case is closed.
- 1.28-1.33: Job Placement Specialists interact with the Employee per the QRC filed plans and work with the QRC to support and facilitate job placement activities
  - If placement is part of the plan, the Job Placement Specialist will work with the Employee and the QRC on pre-placement activities and a Job Placement Plan and Agreement. All placement activity and billing is tracked in the Case File System.

- 1.37-1.59: The OAS and Voc Tech roles perform various administrative, reporting and maintenance activities for and with the QRC and in the Case File System.
  - The QRC will submit request for Case Services Funds and the OAS/Voc Tech will send the request to the supervisor for approval. They will then process Case Services Fund allocation within the Case File System.
  - OAS and Techs will also process interventions in the Case File System
  - In addition, OAS and Techs will also bill for closing summary and process closing the R8
  - OAS and Techs will send copies of forms as requested and file originals. Once filed they complete clerical billing and invoice payers.
  - OAS and Techs process non-intervention mail daily by date stamping and distributing the mail to QRCs and PCs.
  - Finally, OAS and Techs complete unit performance indicators monthly and enter data into WCD Performance Indicators Excel document
- 1.60-1.61: VRU supervisors complete QRC and Placement Specialist reviews using the Case File System review tab. Lead QRCs can also perform this review. In addition, they pull individual performance statistics annually or as requested, using the Case File System.

## VRU Intervention Overview:

### Process Flow Additional Details:

- 1.0: RCR filing with the QRC kicks off the Intervention process. The OAS will flag the State Program Administrator (in the Case File System) to file an intervention in the Action Items tab.
- 1.2-1.15: For their role, the State Program Administrator (SPA) processes requests for intervention, files the original intervention with OAH and provides copies to all parties of the case.
  - The SPA will process the intervention and enter it into the Case File System.
  - As the case progresses, the SPA will track the litigation process of a case, providing updated exhibits as needed. Additionally, they will process invoices in SWIFT and file them into the SWIFT Invoices binder.
  - The SPA will create the invoice in SWIFT for the negotiated settlement, then process daily intervention mail.
  - Conference Notices are processed in the Case File System using the intervention tab while Stipulations and Awards are processed for the Intervention File.
  - Once all Intervention Filing and Processing is complete, the SPA will remove the check in the Case File System notifying the QRC and OAS that the intervention is complete.
  - Any settlement of the VRU intervention claim will be negotiated and all payments are tracked and managed per the Accounts Receivable process. Outstanding balances are collected and can be referred to MCE for further collection if needed.
  - Final settlement payment or write off will close the intervention file.

## VRU Negotiation Process Detail:

### Process Flow Additional Details

- 1.0-1.9: The State Program Administrator (SPA) manages the negotiation process for VRU.
  - During the closing of the intervention process, the SPA will pull the intervention file and review the case. All costs are entered into Exhibit A and printed for the case.
  - If the case is not open, the final figure is used during negotiation of payment. If the case is open, an additional \$150 is added to the final figure to cover closure costs.
  - The SPA will request the amount the client accepts and determine a percentage of the demand that is then accepted. They will then negotiate to settle the claim for at least that percentage accepted.
  - The figure and percentage are written on the Client Data Sheet and a request is sent for the Stipulation to be forwarded for SPA signature.
  - All actions are recorded in the Intervention file in the Case File System.

## VRU Accounts Receivable Process Detail:

### Process Flow Additional Details:

- 1.0-1.6: Denied claims.
  - From the Intervention process, the State Program Administrator will maintain SWIFT for VRU accounts Receivable billings and case settlements
  - The SPA maintains a manual filing system for open and paid receivables outside of the Case File System.
  - Utilizing the Daily Cash Report from Financial Services, the SPA will reconcile payments, post checks to appropriate invoices and document all payments in the file
  - At month end, the SPA will reconcile with SWIFT to ensure all receipts are posted correctly and will create monthly financial documents and the Accounts Receivable Aging report using Crystal Reports and Excel. In addition, monthly, the SPA monitors the Accounts Receivable Aging report from Financial Services.
  - Finally, using the Aging Report, the SPA will process collection letters, and, if necessary, refer to MCE for further action
- 1.7-1.13: Non-Denied claims are processed very similarly.
  - From the Intervention process, the State Program Administrator will maintain SWIFT for VRU accounts Receivable billings
  - The SPA will additionally maintain a manual filing system as described above.
  - Utilizing the Daily Cash Report, Excel and paper ledger, the SPA reconciles payments and posts checks to the appropriate invoices.
  - Month end and collection processes for the Non-Denied claims mirror the processes for the denied claims

**Additional Screen/Tab Information:**

- Under Case notes tab, our staff have access to templates to maintain Unit-wide consistency in report writing.
- In addition to assigning units and mileage, the CFS also includes an expenses column so we can bill for outside expenses such as a resource book, vocational testing costs, interpreter, outside vendor expenses, which would be paid out of the Case Services Funds.
- The Additional Costs tab allows us to input rehabilitation costs from prior providers since this information is tracked on the R-8.
- The Distribute tab includes various form letters and a blank letter format that integrates party information and addresses into the letters.
- The Fax tab integrates party information into the fax coversheet.
- The Comm Ord tab tracks the outcome of Commissioner Ordered Consultation referrals.
- The Action tab alerts staff to inter-office communications when something needs to be completed on a file.
- The Review tab allows mgmt. and lead QRCs to enter case review scores. QRCs and Placement specialists can view their scores in several formats.
- The Purchase Order tab creates a document that lists vendor, dates of service for purchased services, given to purchasing coordinator so funds are encumbered.
- We also have an area that tracks electronic communication preferences of EE, including email and text messaging.
- Since some mailings are sent out in manila envelopes, we have the ability to cut and paste party information from a mailing labels function within CFS.
- Envelope feature on bottom of case notes area allows staff to see how much funding is left from projected costs on R form.
- Distribute wand keeps track of what case notes have been sent to parties and pulls new ones when OAS distributes monthly report.
- \$ at bottom of case notes section is used in monthly Unit stats to find errors in coding review.

**Utilities Area of CFS:**

This area of the CFS is only accessible to mgmt. and the CFS liaison to add information or edit existing program information. Please see attached handout.

**Performance Indicator (PI) area:**

This area of the CFS is only accessible to mgmt. and the CFS liaison. It is used to generate Unit stats and individual performance stats. Please see attached handout for pulling individual stats.

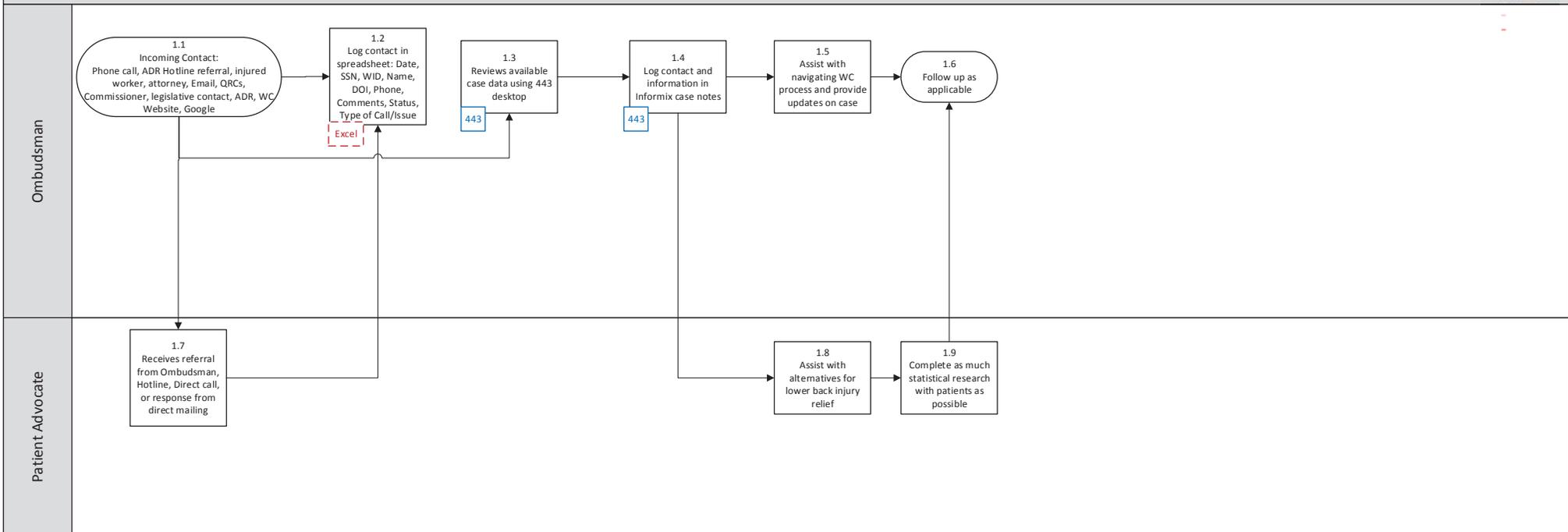
**Manuals Referenced:**

- Section 5001 General Info
- Section 5004 Rehab Consults
- Section 5005 R Forms
- Section 5008 Job Placement
- Section 5011 Billing Guide
- Section 5012 Interventions
- Section 5014 Financial
- Section 5015 Case File System
- Section 5018 OAS Procedures

**Systems Used**

- Informix 443 Desktop
  - Case file viewing
  - Routing
- Case File System (Access Database)
- SWIFT
- Excel spreadsheets
- Staff also uses Lync, Outlook, Word, Excel, and Internet Explorer to complete incidental communication and tasks.

Office of the Ombudsman Overview



## Ombudsman and Patient Advocate Overview

Purpose: The purpose of this information is to provide additional context to supplement the process flow. This document has general overview information followed by references to specific context tied to the sections within the process flow (identifiers noted). Additional detail, including interview notes and existing manuals can be found on the [WC System Modernization SharePoint Site](#).

### Functional Overview- Ombudsman:

The Office of Workers' Compensation Ombudsman is a separate entity within the Department of Labor and Industry. Its purpose is to inform, assist and empower injured workers and small businesses having difficulty navigating the workers' compensation system, to help resolve problems encountered in the system.

The Office of Workers' Compensation Ombudsman also recommends statute or rule changes to improve the effectiveness of the workers' compensation system.

The Department of Labor and Industry's (DLI's) Patient Advocate Program exists as a service of the Office of Workers' Compensation Ombudsman to provide information and assistance to injured workers with serious low back injuries so they understand their treatment options within the workers' compensation system.

Through this program, the patient advocate can provide information and resources to injured workers to enable them to make informed decisions regarding their medical care.

The current Ombudsman started 4/2014. The Ombudsman does not represent a particular client, but is an attorney. However, the Ombudsman does not engage in legal representation of clients, providing guidance, assistance and intervention as required. The patient advocate also does a lot of Ombudsman work.

- 1.2 - The Ombudsman maintains an Excel sheet of new contact information for productivity reporting (containing: Date, SSN, WID, Name, DOI, Phone, Comments, Status, Type of Call/Issue)
- 1.4 - Contacts and information are logged in Informix case notes
- 1.5- Ombudsman has a broader mission to help primarily unrepresented injured workers with insurers, adjusters, QRCs, and employers. Also, to help small businesses manage their way through the workers' compensation system. Ombudsman does not certify disputes, do admin conferences and mediations.

### Sources of Clients:

- Phone calls asking for assistance
- Injured Workers or their Attorneys
- E-mail
- QRCs
- Calls to/from the Commissioner
- Legislative contact
- ADR
- WC website
- Google

### Functional Overview - Patient Advocate Program:

The patient advocate assists injured workers by: helping patients to return to work as soon as possible, by empowering them to make better treatment choices through education; developing educational resources for injured workers with back injuries regarding their treatment options; providing an informational and educational resource directly to injured workers so they are aware of treatment options before they need to make treatment decisions; and answering questions for injured workers or directing them to other appropriate resources for further information about treatment options.

### Treatment Parameters

The workers' compensation treatment parameters are in Minnesota Rules Parts 5221.6010 through 5221.6600. The parameters apply to all dates of injury and all health care providers.

The purpose of the rules is to establish guidelines for reasonable treatment of employees with compensable injuries and to facilitate communication between the health care provider and the insurer. The parameters assist insurers and health care providers identify services that are performed at a level or frequency that is excessive, unnecessary or inappropriate based on accepted medical standards for quality health care.

The rules do not affect determinations of liability for an injury. The parameters do not apply to treatment of an injury or condition for which the insurer has denied liability. If the insurer reverses a denial, the parameters apply to all treatment after the claim has been accepted.

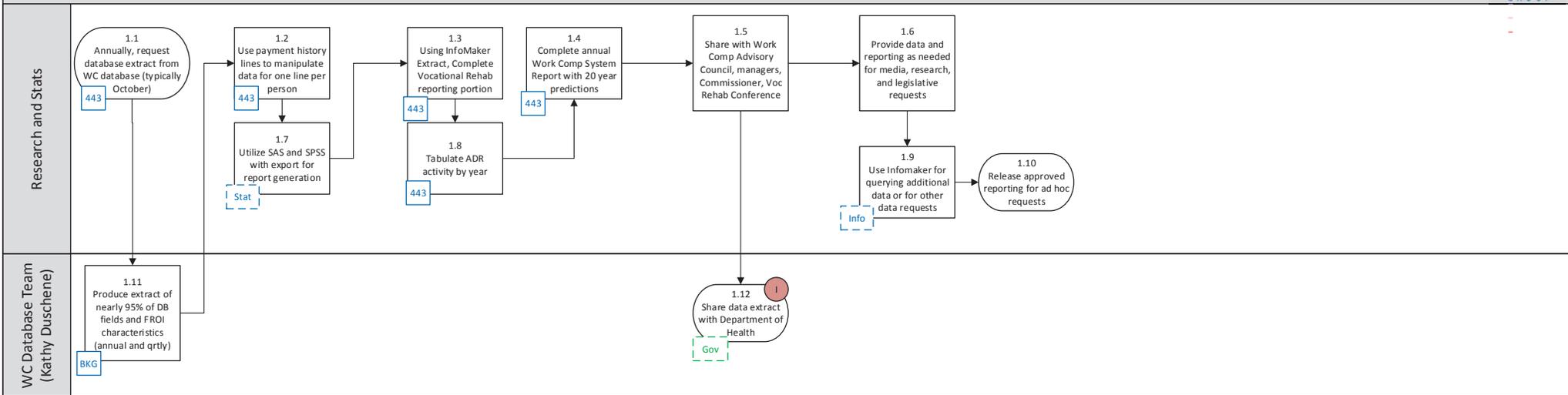
Guidelines have been established for some common work-related injuries: low back pain, neck pain, thoracic back pain, upper extremity disorders and reflex sympathetic dystrophy. The parameters also include broad guidelines that reflect good medical practice that apply to all injuries. These general parameters also describe procedural obligations to facilitate communication between the insurer and the health care provider.

- 1.2 - The Patient Advocate maintains an Excel sheet of new contact information for productivity reporting (containing: Date, SSN, WID, Name, DOI, Phone, Comments, Status, Type of Call/Issue). This information is stored in the same spreadsheet as the Ombudsman, but is a subset of the data and maintained on a separate worksheet.
- 1.4 - Contacts and information are logged in Informix case notes
- 1.8- Patient Advocate assists injured workers with lower back injuries and helps identify alternatives.
- 1.9 – Statistical research is performed with the patient

### Systems Used

- Informix 443 Desktop (Process steps 1.3 & 1.4)
  - Document Review
  - Log contacts
- Excel spreadsheets (Process step 1.2 for tracking contact. Note that the Patient Advocate and Ombudsman both track contact. Ombudsman tracking includes Patient Advocate data in addition to other contact)
- Staff also uses Lync, Outlook, Word, Excel, and Internet Explorer to complete incidental communication and tasks.

# Research and Statistics Overview



## Research and Statistics Overview

Purpose: The purpose of this information is to provide additional context to supplement the process flow. This document has general overview information followed by references to specific context tied to the sections within the process flow (identifiers noted). Additional detail, including interview notes and existing manuals can be found on the [WC System Modernization SharePoint Site](#).

### Functional Overview:

Research and Statistics delivers quality information about workplace safety and health to help inform public policy and administration of the workers' compensation program. The team supports the DLI Department, not just Workers' Compensation.

### Input/Output Summary:

Input	Output
<ul style="list-style-type: none"> <li>Annual Workers' Compensation Database data extract</li> </ul>	<ul style="list-style-type: none"> <li>Workers' Compensation System Annual Report</li> </ul>

### Process Flow Additional Details:

- 1.1-1.3, 1.7, 1.8, 1.11 – Data is pulled by the Database Maintenance Team and manipulated into a format that allows for the Work Comp System Report metrics and analysis to be completed.
- 1.4 - Work Comp System Report
  - 95% of data is from work comp database
  - Included in report: metrics by defined categories; predictions generated 20 years out and adjusted for inflation, etc; vocational rehabilitation utilization (by industry, age, gender, etc.)
- 1.5 - Primary audience is Work Comp Advisory Council, Work Comp managers, and Commissioner. Voc Rehab section is also written for the Voc Rehab professionals and presented at the bi-annual conference.

### Systems Used:

- Informix OAH Desktop
  - Extracts
  - Research on reporting
- Excel spreadsheets
- SPSS and SAS
- Infomaker
- Staff also uses Lync, Outlook, Word, Excel, and Internet Explorer to complete incidental communication and tasks.

## Financial Services Additional Accounts Receivable Information

Financial Services interactions are embedded within functional process flows. This information provides additional context around Financial Services activity.

Purpose: The purpose of this information is to provide additional context to supplement the process flow. This document has general overview information followed by references to specific context tied to the sections within the process flow (identifiers noted). Additional detail, including interview notes and existing manuals can be found on the [WC System Modernization SharePoint Site](#).

### Additional Information:

#### SCF Annual Claims Processing:

- Paper claims are received for payment. These are rare, but processed the same within the system.
- Forms submitted online generate 'Pending List' in Excel.
- A/R uses 443 to reference claim and make sure it is final (SCF Administrator sign-off) and matched (dollar amounts match). The payment screen has to match the worksheet screen in SCF Desktop.
- Processing occurs twice a week. Batches: 1) After 12:00pm on Tuesday until 8:00am morning, 2) After 8:00am Wednesday until 12:00pm Thursday
- Can only send claim checks by employer, cannot combine. Constraint requested by submitters (Gallagher Basset, Sedgwick, etc.).

#### Write Offs:

- Write-offs are submitted using a write-off form. Delivered in mail.
- A/R completes spreadsheet containing funding information (name, customer, dollar amount, dates, etc.) for Financial Services. Spreadsheet is required to proceed for Financial Services sign-off.
- After sign-off is received, A/R creates worksheet and write-off in SWIFT.
- Once write-off in SWIFT is complete 443 will be updated (2 day delay between SWIFT and 443).

#### Refunds:

- Refund forms used for refund requests
- Financial Services sign-off is required
- If standard refund (not from invoice) standard processing occurs in SWIFT
- If Workers Compensation or SCF asks for refund from Invoice a special process is followed:
  - Worksheet in SWIFT is created that does the refund from the invoice
  - Invoice is zeroed out and a voucher is created
  - Monitor for voucher to appear in SWIFT and enter data into SWIFT (invoice date, tax exemption, zero out 30 days, etc.)
  - Monitor 443 for refund to show up in account

#### NSF:

- Notifications are received from MMB for checks via an email (online might be handled differently).
- Guideline: complete NSF process within 1 day
- A/R creates a new invoice including money owed plus \$30 NSF fee
- Create new invoice the money owed plus the \$30 NSF fee

- If the NSF was received on an invoice, A/R has to go into SWIFT for additional actions (e.g., unpost the deposit, remove the payment line, create new account deposit, re-post, do worksheet with offsetting payments, etc.)

#### Intra-agency claims:

- Must have an invoice
- Payment is made in SWIFT and then entered into 443

#### Daily Cash Report:

- Shows all checks that have been deposited. These reports are done for VRU, SCF, CRT Copy File Review, etc.
- New vendor will send W9, create vendor in SWIFT, send to MMB, get vendor number
- New vendor are processed on Financial Services side and then entered into 443 and added to the biller maintenance file. Vendor addresses are added/maintained the same way.



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## Workers' Compensation Modernization Project Future State – High Level Requirements

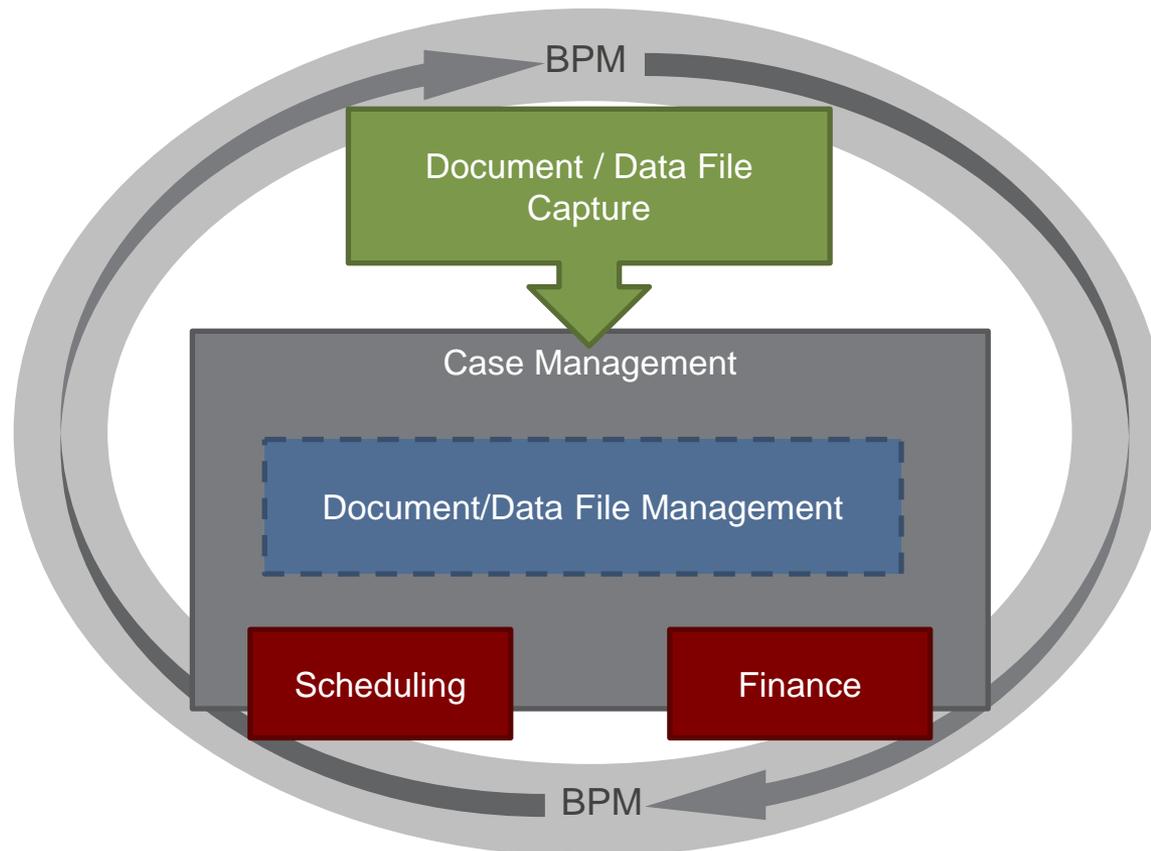
# Objective

## **Objective:**

Establish a complete set of WC Modernization high-level requirements, representing current and future state, that the are prioritized and agreed upon.

# Getting Familiar with High-Level Requirements

In industry terms, the core business function of Workers' Compensation is Case Management, with heavy dependencies on Document/Data File Management and Business Process Management (BPM). Below are key capabilities that high-level requirements are grouped by.



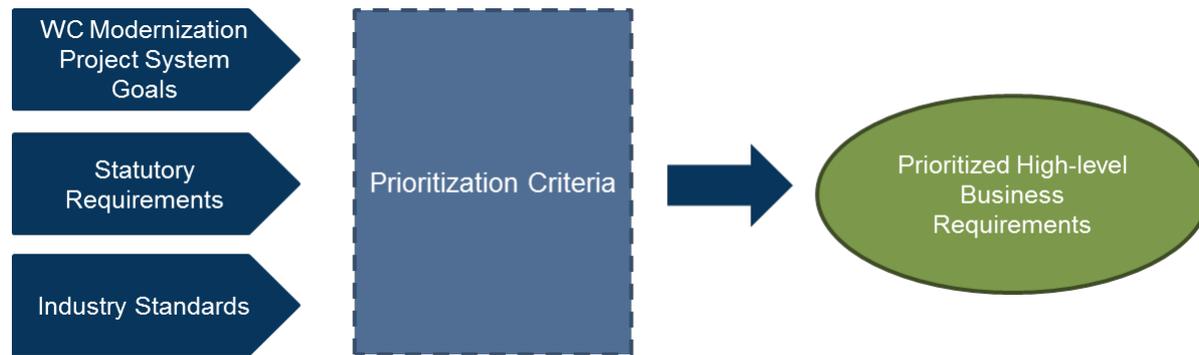
# Prioritization Criteria

Prioritization criteria drives alignment across key business functionality and modernization goals.

Category	Definitions
4- Business Critical	Must have. One or more of the following are true: <ul style="list-style-type: none"><li>- Without this functionality teams are unable to perform duties</li><li>- Unable to meet statutory requirements</li><li>- Industry standards are significantly lacking</li></ul>
3- High	Must have. Without this functionality teams can function, but at limited capacity. Aligns to strategic objectives.
2- Medium	Nice to have. Teams are able to function; but it requires additional manual processes. Aligns to strategic objectives.
1- Low	Nice to have. Drives efficiency, but not required to perform duties and meet statutory requirements.
0- Deferred	Nice to have. Requirement that has been determined for future consideration.

# High-Level Requirements Results

High-level business requirements have been prioritized on a scale from Business Critical to Low for the purpose of assessing 'fit' of solution approaches.



**Distribution of High-level Requirements by Category**

Count of Requirement ID	Priority				
Category	4-Business Critical	3-High	2-Medium	1-Low	Grand Total
1 - Document/Data File Capture	10	20	10		40
2 - Document/Data File Management	17	19	10	6	52
3 - Case Management	65	57	23	8	153
4 - Business Process Management (BPM)	8	17	7	4	36
5 - Financial	7	4	3		14
6 - Scheduling	13	10	5		28
<b>Grand Total</b>	<b>120</b>	<b>127</b>	<b>58</b>	<b>18</b>	<b>323</b>

# Business Critical Themes

Below are the Business Critical themes for current and future state high-level requirements:

## Current State:

- Scanning and imaging
- EDI
- Document/data security and retention
- Document management
- Case management
- Case and document routing
- Financial activity tracking
- Scheduling
- Interface with third-party systems

## Future State:

- ePortal/mobile access
- Online payments (e.g., penalties, file access, registration/renewal, etc.)
- Secure communications via online inbox
- Electronic signatures
- Accessibility (e.g., visually impaired, hearing impaired, etc.)

## High-Level Business Requirements by Category and Capability

1 - Document/Data File Capture
1.01 - Scan paper documents and create image (4-Business Critical)
1.01.01 Convert paper documents to electronic images [CS] [BC]
1.01.02 Scan multiple documents and/or pages at the same time [CS] [BC]
1.01.03 Process documents in batches - determine start and end point of documents/batches [CS] [BC]
1.01.04 Discern document attributes from headers or barcodes (e.g. document type) [CS] [BC]
1.01.05 Verify document scanned correctly [CS] [BC]
1.01.06 Scanner creates unique tracking ID and applies to each page of document [CS] [BC]
1.01.50 Allow for dynamic editing of electronic images scanned in incorrect sequence [FS] [M]
1.02 - Receive EDI transmissions (4-Business Critical)
1.02.01 Accept/Reject EDI First Report of Injury (FROI) data files via electronic data interchange (EDI) from approved partners as required by MN Statutes, in a manner conforming with IAIABC EDI standards [CS] [BC]
1.02.02 Partners must be able to register and be authorized for EDI transmission [CS] [BC]
1.02.03 Authorized partners must be able to test EDI transmissions with MN WC [CS] [BC]
1.02.04 Provide ePortal for submission of EDI transmissions using web forms in addition to EDI [CS] [BC]
1.02.50 Expand acceptance of EDI data file types in accordance with MN State Statutes and conforming to IAIABC standards (e.g., SROI) [FS] [H]
1.03 - Receive electronic documents (3-High)
1.03.01 Dedicated email box for pre-trial documents [CS] [H]
1.03.02 Dedicated eFax line for OAH incoming communications [CS] [H]
1.03.03 Accept Annual Claims Reimbursement; Attorney Request for Certification of Dispute; Medical Request; Medical Response; Rehab Request; Rehab Response [CS] [H]
1.03.04 Receive forms from anonymous users [CS] [H]
1.03.05 Receive electronic documents from registered users [CS] [H]
1.03.06 Allow for authorization of users to submit electronic documents [CS] [H]
1.03.50 Expand acceptance of electronic documents to include multiple document types [FS] [H]
1.03.51 Allow for submission of all accepted documents online [FS] [H]
1.03.52 Submit case artifacts electronically and associate with case (e.g., video files, audio files, supporting documentation etc.) [FS] [H]
1.03.53 Submit multiple electronic documents simultaneously [FS] [M]
1.03.54 Enhance desktop eFax [FS] [M]
1.04 - Receive electronic forms (3-High)
1.04.01 Accept Rehabilitation electronic data files and attachments [CS] [H]
1.04.02 Receive forms and attachments from authorized partners [CS] [H]
1.04.03 Authorize and approve partners for submission of electronic forms [CS] [H]
1.04.04 Provide notification of form submission received and allow review of submission status [CS] [H]
1.04.05 Receive form submissions from anonymous users (e.g., mandatory coverage tips) [CS] [H]
1.04.50 Allow for completion of all statutorily required forms online [FS] [H]
1.04.51 Auto populate online forms with known attributes, associations and information upon user sign-in [FS] [M]
1.04.52 Allow for saving of partial submissions online (e.g., annual claim cumulative artifacts) [FS] [M]
1.04.53 Integrate and allow for calculations within online forms (e.g., special claims Social Security offset) [FS] [M]
1.04.54 Provide validation prior to final online submission of forms [FS] [M]
1.04.55 Allow for submission of all statutorily required forms electronically [FS] [M]
1.05 - Export documents from desktop applications and image (3-High)
1.05.01 Create an image from any Windows application, index, and upload [CS] [H]
1.06 - Report on document/data file capture (2-Medium)
1.06.01 Report on document/data file volume [CS] [M]
1.07 - Perform quality assurance auditing on documents/data capture (3-High)
1.07.01 Automatically identify variations between submission versions of data files [CS] [H]
1.07.02 View submissions/scans, troubleshoot and correct errors [CS] [H]
1.07.03 Review and/or manipulate image/documents for quality/clarity and automatically delete original scan [CS] [H]
1.08 - Record and compile document/data capture performance statistics (2-Medium)
1.08.01 Report on document/data file capture performance statistics [CS] [M]

Note:  
Requirement State: [CS]Current / [FS] Future  
Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

2 - Document/Data File Management
2.01 - Store documents/data files (4-Business Critical)
2.01.01 Store documents electronically as image files (TIFF) [CS] [BC]
2.01.02 Store data files electronically [CS] [BC]
2.01.03 Systematically log placeholder for paper documents [CS] [BC]
2.01.50 Support and store electronic documents in multiple formats [FS] [H]
2.02 - Identify and classify documents/data files (4-Business Critical)
2.02.01 Automatically assign unique ID to all documents/data files and pages [CS] [BC]
2.02.02 Add and edit document/data file associations (e.g. case) [CS] [BC]
2.02.03 Add and edit document/data file attributes (e.g. document type) [CS] [BC]
2.02.04 Allow for flagging for special handling/high priority documents/data files [CS] [BC]
2.02.05 View simultaneously document/data file associations/attributes and the document/data file [CS] [BC]
2.02.06 Allow for flagging of documents/data files that cannot be identified or classified [CS] [BC]
2.03 - Manage and maintain documents/data files (3-High)
2.03.01 Add/edit/remove graphic note to document/data files [CS] [H]
2.03.02 Add/edit/remove annotation to document/data files [CS] [H]
2.03.03 Flag documents/data files for specific further action [CS] [H]
2.03.04 Authorized users can delete document from system [CS] [H]
2.03.50 Add/edit/remove associated notes to documents/data files [FS] [M]
2.03.51 Allow for multi-color highlighting of document text [FS] [M]
2.03.52 Enable electronic redactions with views of both redacted and original [FS] [H]
2.04 - Search, retrieve, view and print documents and data files (4-Business Critical)
2.04.01 Search for documents/data files by associations and attributes [CS] [BC]
2.04.02 View data files as a virtual document (e.g. displays in the same manner as a scanned paper document) [CS] [BC]
2.04.03 Magnify, rotate, and zoom on documents [CS] [H]
2.04.04 Bookmark documents or places within a document [CS] [H]
2.04.05 Select documents/data files for printing [CS] [BC]
2.04.06 Print documents/data files, pages, or selections in color or black and white [CS] [BC]
2.04.07 Option to display document associations and attributes while viewing document/data file [CS] [H]
2.04.08 Allow for printing of document with or without associated notes/annotations [CS] [BC]
2.04.50 Present document/data file pages as thumbnails for navigation [FS] [L]
2.04.51 Allow for user controlled view settings (e.g. split screen, etc.) [FS] [L]
2.04.52 Export document/data file and send electronically [FS] [M]
2.04.53 Allow multiple data files in single data view [FS] [H]
2.04.54 Select portions of documents/data files and convert to text [FS] [L]
2.05 - Control access to documents/data files (4-Business Critical)
2.05.01 Document/data file access can be controlled at the role and user level [CS] [BC]
2.05.02 Document/data file association/attribute editing access can be controlled at the role and user level [CS] [BC]
2.05.50 Control access at the user/role level for notes/annotations (create/edit/delete) [FS] [L]
2.06 - Track changes to documents/data files (2-Medium)
2.06.01 Track all changes to document/data files, attributes and associations [CS] [M]
2.06.02 View all changes/prior versions of documents/data files, attributes and associations [CS] [M]
2.06.50 Track all changes to notes/annotations and view [FS] [M]
2.06.51 Allow user to revert to prior versions of documents/data files [FS] [M]
2.06.52 Allow recovery and restore of a deleted item [FS] [H]
2.07 - Track access/viewing of documents/data files (3-High)
2.07.01 Track all access/views of documents/data files [CS] [H]
2.07.02 View all access/views of documents/data files [CS] [H]
2.07.50 Search access or views by user, document, etc [FS] [H]

Note:  
Requirement State: [CS]Current / [FS] Future  
Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

2.08 - Perform quality assurance auditing on documents (2-Medium)
2.08.01 Perform QA auditing of documents/data files [CS] [M]
2.08.02 Track QA auditing of documents/data files [CS] [M]
2.09 - Retain and dispose of documents (4-Business Critical)
2.09.01 Retain all documents/data files per a retention schedule [CS] [BC]
2.09.50 Dynamically add destruction date by document type [FS] [H]
2.09.51 Review and perform mass destruction [FS] [L]
2.10 - Report on documents/data files (3-High)
2.10.01 Report on document/data file statistics [CS] [H]
2.10.02 Utilize 3rd party reporting tool for additional reporting [CS] [H]
2.10.03 Report on QA statistics [CS] [H]
2.10.50 Integrated reporting similar to current 3rd party capabilities [FS] [H]
2.11 - Record and compile document performance statistics (2-Medium)
2.11.01 Report on work activity [CS] [M]
2.11.50 Document/Data File dashboard reporting [FS] [L]

Note:  
 Requirement State: [CS]Current / [FS] Future  
 Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

3 - Case Management
3.01 - Create/open cases (4-Business Critical)
3.01.01 Create SSN/DOI based cases [CS] [BC]
3.01.02 Create non-SSN/DOI based cases (e.g. mandatory coverage, posters) [CS] [BC]
3.02 - Identify and classify cases (4-Business Critical)
3.02.01 Assign a unique ID to all cases [CS] [BC]
3.02.02 Associate cases to SSN and DOI. If SSN not available, system generated unique 9 digit PIN assigned [CS] [BC]
3.02.03 Systematically create an unique WID (WC identification number) plus check digit [CS] [BC]
3.02.04 Add and edit case associations (e.g. Employer, Insurer) [CS] [BC]
3.02.05 Add and edit case attributes (e.g. fatal, status) [CS] [BC]
3.02.06 Edit case assignments and classifications [CS] [BC]
3.02.50 Attributes and associations are available to all activities and functions (one-time entry) [FS] [H]
3.02.51 Allow for systematic suggestions when data is similar to existing case (ability to use or ignore) [FS] [M]
3.02.52 Allow for predictive data entry, auto-complete, and validation (ability to use or ignore) [FS] [L]
3.02.53 Allow for alerts based on case attributes and associations [FS] [H]
3.03 - Manage and maintain cases (4-Business Critical)
3.03.01 Add/edit/remove case reminders [CS] [H]
3.03.02 Add/edit/remove case notes [CS] [H]
3.03.03 Add/edit/remove case log [CS] [H]
3.03.04 Add/edit/remove document/data file case associations [CS] [BC]
3.03.05 Automatically create a "Table of Contents (TOC)" of all documents/data files associated with a case [CS] [BC]
3.03.06 Create place for users to store interim case work (e.g. "folders") [CS] [H]
3.03.07 Combine and/or split cases [CS] [BC]
3.03.08 Create cross-references between cases and/or documents/data files [CS] [BC]
3.03.09 Close/Re-open cases [CS] [BC]
3.03.10 Delete case [CS] [BC]
3.03.11 Allow for dispute and case outcome status and tracking [CS] [BC]
3.03.12 Multiple users add/edit/view case attributes and associations simultaneously [CS] [BC]
3.03.50 Submit updates to internal/external contact information online (e.g., name, address, phone, email, etc.) [FS] [M]
3.03.51 Select and update multiple attribute(s) across all associations simultaneously (e.g., address, business name, phone, etc.) [FS] [H]
3.03.52 Allow for annotations to be layered [FS] [L]
3.03.53 Allow for dynamic linking within and between documents/data files [FS] [L]
3.03.54 Support mobile access (e.g. integration and compatibility of tools) [FS] [BC]
3.03.55 Provide "undo" button [FS] [H]
3.03.56 Allow for electronic signatures [FS] [BC]
3.03.57 Electronically serve and file legal documents [FS] [H]
3.03.58 Allow for custom dictionary [FS] [L]
3.03.59 Allow internal and external stakeholders to communicate in a secure manner using online inbox model [FS] [BC]
3.03.60 Allow for recall of electronic communications [FS] [H]
3.03.61 Prompt for validation of updated/deleted data before committing change (e.g. 'Are you sure you want to update the Social Security Number?' warnings) [FS] [M]
3.03.62 Allow for sending links to online inbox messages via email [FS] [H]
3.03.64 Track and view access to case log views [FS] [M]
3.03.65 Require data validation using look up tables [FS] [H]
3.03.66 Submit and maintain case information online/electronically for non SSN [FS] [H]

Note:  
Requirement State: [CS]Current / [FS] Future  
Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

3.04 - Search, retrieve, view and print cases (4-Business Critical)
3.04.01 Search, retrieve and view by case associations, attributes, and ownership [CS] [BC]
3.04.02 View case and associated documents [CS] [BC]
3.04.03 View case associations, attributes, logs, notes, ownership, table of contents, etc. [CS] [BC]
3.04.04 View case history [CS] [BC]
3.04.05 Print entire case [CS] [BC]
3.04.06 Print specific documents from case [CS] [BC]
3.04.07 Print case details [CS] [BC]
3.04.08 Print case log and/or notes [CS] [BC]
3.04.09 Print case table of contents [CS] [BC]
3.04.10 Print in color or black and white [CS] [BC]
3.04.11 Allow user to customize view settings (NOTE: window cascade, window horizontal, multiple windows) [CS] [M]
3.04.12 View case information in a dataview [CS] [BC]
3.04.50 Request secure case access, viewing, and/or printing online [FS] [H]
3.04.51 Allow use of accessibility tools (e.g., visually impaired, hearing impaired, etc.) [FS] [BC]
3.04.52 Allow for download of online submissions [FS] [H]
3.04.53 Allow for document/data file associated with a case to be printed with or without selected annotations [FS] [H]
3.04.54 Document formats need to support full text search [FS] [M]
3.04.55 Allow lookup of Parties and associated cases (e.g., QRC, Insurer, Attorney, Intervener, etc.) [FS] [H]
3.04.56 Provide Wild Card and Boolean search across cases with linked results [FS] [H]
3.04.57 Provide external facing dynamic drill-down dashboard view of cases [FS] [H]
3.04.58 Automated secure case status and file tracking online [FS] [H]
3.04.59 Provide graphic representation of case status online [FS] [L]
3.05 - Control access to cases / case information (4-Business Critical)
3.05.01 Control access to cases at the department, role, and user (internal/external) level [CS] [BC]
3.05.02 Case editing can be controlled at the department, role, and user (internal/external) level [CS] [BC]
3.05.03 Allow for secure single-use access to case for viewing by external parties [CS] [BC]
3.05.50 Allow for annotations, notes, and logs to be secured at user (internal/external) level [FS] [M]
3.05.51 Allow for secured and documented proxy access and management of access [FS] [H]
3.06 - Track changes to cases (2-Medium)
3.06.01 Track all changes to case, associations, attributes, logs, notes, etc. [CS] [M]
3.06.02 View all changes/prior versions of case, associations, attributes, logs, notes, etc. [CS] [M]
3.06.50 Track and capture applicable interactions and data from mobile devices (e.g., text) [FS] [BC]
3.07 - Track access/viewing of cases (3-High)
3.07.01 Track all access to and viewing of cases, case details, associated documents, etc. [CS] [H]
3.07.02 View all access to and viewing of cases, case details, associated documents, etc. [CS] [H]

Note:  
Requirement State: [CS]Current / [FS] Future  
Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

3.08 - Create documents, form letters, labels and envelopes (3-High)
3.08.01 Create case related documents [CS] [H]
3.08.02 Create documents from templates [CS] [H]
3.08.03 Prepopulate documents from case information [CS] [H]
3.08.04 Edit template text and/or insert additional information or text/pictures/data [CS] [H]
3.08.05 Create labels and envelopes for created documents using case data [CS] [H]
3.08.06 Select parties from a case, create and print labels, documents and/or envelopes [CS] [H]
3.08.07 Select eligible parties and securely email document [CS] [H]
3.08.09 Create, manage and maintain templates [CS] [H]
3.08.50 Provide translation of incoming and outgoing documents [FS] [L]
3.08.51 Insert selected Parties and case information into correspondence template [FS] [H]
3.08.52 Allow for copy and paste from case documents/data files [FS] [M]
3.08.53 Allow for secure electronic delivery of correspondence and documents [FS] [H]
3.08.54 Allow for a robust template and text editor for created documents [FS] [H]
3.08.55 Create documents using previously created document [FS] [H]
3.08.56 Allow for ability to automatically store document and associate with case [FS] [H]
3.09 - Perform compliance auditing on cases (4-Business Critical)
3.09.01 Perform audit on cases to determine compliance with MN State Statutes [CS] [BC]
3.09.02 Track and report compliance activities by case, document, compliance officer, penalties assessed, etc. [CS] [BC]
3.10 - Perform calculations, determine penalties (3-High)
3.10.01 Provide worksheets and automated calculations to determine amounts payable and receivable [CS] [H]
3.10.02 Provide worksheets and automated calculations to determine future reserves of accounts [CS] [H]
3.10.03 Provide worksheets and automated calculations to determine offsets, reductions, and/or changes to amounts payable or receivable [CS] [H]
3.10.04 Provide worksheets and automated calculations to determine amount of penalty assessed [CS] [H]
3.10.50 Allow for automatic calculations related to penalties and claims [FS] [H]
3.10.51 Allow for dynamic capture of QRC case related expenses (e.g., mobile receipt capture, online expense submission, etc.) [FS] [M]
3.10.52 Create custom calculators (e.g. WCRA customized) [FS] [M]
3.10.53 Allow for over-riding of automated calculations within case or claim management [FS] [H]
3.11 - Create, Track and Manage Disputes (4-Business Critical)
3.11.01 "Create" disputes associated with document, case(s) and capture all associated party information [CS] [BC]
3.11.02 Assign dispute status and ownership of dispute [CS] [BC]
3.11.03 Track dispute activity [CS] [BC]
3.11.04 Edit/update dispute activity, status, and ownership [CS] [BC]
3.11.05 Refer disputes for further legal action [CS] [BC]
3.11.06 Close/reopen disputes associated with case(s) [CS] [BC]
3.11.07 Combine/separate disputes [CS] [BC]
3.11.08 Changes in case information require manual update to dispute by dispute owner [CS] [BC]
3.11.50 Allow for new views and management of cases to accomodate external and internal stakeholders [FS] [H]
3.11.51 Allow for robust issue tracking within disputes [FS] [M]
3.11.52 Changes in case information automatically update dispute (with validation) [FS] [M]

Note:  
Requirement State: [CS]Current / [FS] Future  
Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

3.12 - Create, Track and Manage Claims (4-Business Critical)
3.12.01 Create claims associated with document(s), case(s) and capture all party, insurance/coverage, and investigative information within case [CS] [BC]
3.12.02 Assign claim status and WC resources [CS] [BC]
3.12.03 Track claim activity [CS] [BC]
3.12.04 Edit/update claim activity, status, and assignments [CS] [BC]
3.12.05 Refer claims for legal action and review [CS] [BC]
3.12.06 Perform claim calculations for amounts payable and receivable [CS] [BC]
3.12.07 Perform claim calculations to determine future reserves of accounts [CS] [BC]
3.12.08 Perform claim calculations to determine offsets, reductions, and/or changes to amounts payable or receivable [CS] [BC]
3.12.09 Create payment plans for claims [CS] [BC]
3.12.10 Combine Claims [CS] [BC]
3.13 - Perform quality assurance auditing on cases (2-Medium)
3.13.01 VRU case quality review [CS] [M]
3.13.02 OAH tracking for timeliness [CS] [M]
3.13.03 Quality audit of administrative case closing [CS] [M]
3.13.04 Tracking of activity and performance [CS] [M]
3.15 - Report on cases (4-Business Critical)
3.15.01 Export case statistics and data for annual legislative reporting: Prompt First Action Report, Collection and Assessment of Fines and Penalties Report; Minnesota Workers' Compensation System Report [CS] [BC]
3.15.02 Report on case statistics - non statutory [CS] [H]
3.15.03 Utilize 3rd Party reporting tool for additional reporting [CS] [H]
3.15.04 Reports must be interactive and have drill down capability [CS] [M]
3.15.05 Reports must be able to be exported [CS] [H]
3.15.50 Provide administrator creation of adhoc reporting that can be saved, exported, and/or shared [FS] [H]
3.15.51 Provide adhoc query across all attributes and associations [FS] [H]
3.15.52 Provide reporting on any and all attributes and associations [FS] [H]
3.15.53 Allow for pivot reporting [FS] [M]
3.15.54 Allow for similar functionality of current 3rd party reporting tool [FS] [H]
3.16 - Record and compile case performance statistics (2-Medium)
3.16.01 Report on work activity [CS] [M]
3.16.50 Provide automated performance and productivity metrics (e.g., system, user, team, etc.) [FS] [M]
3.17 - System administration and maintenance (4-Business Critical)
3.17.01 Allow for systematic and manual updates to data [CS] [BC]
3.17.02 Update data by request from business and internal partners [CS] [BC]
3.17.03 Track updates to data [CS] [BC]
3.17.04 Report on changes/updates to data [CS] [H]
3.17.05 Track access to data at user level [CS] [BC]
3.17.06 Report on all access to data [CS] [H]
3.17.07 Track user encountered errors [CS] [H]
3.17.08 View user encountered errors [CS] [H]
3.17.09 Allow for lookup or search of data [CS] [BC]
3.17.10 Control access at the user, role and department level [CS] [BC]
3.17.11 Maintain access roles and assignments [CS] [BC]
3.17.12 Ability to track private, not public and confidential cases, documents, and data [CS] [BC]
3.17.13 Ability to create system administrative reports (assessment reporting) [CS] [H]
3.17.14 Maintain automated business processes [CS] [BC]
3.17.50 Maintain automated business processes in a user-friendly, more robust and automated way [FS] [H]
3.17.51 Authorize and approve registration for online account (e.g., case access, financial transactions, etc.) [FS] [H]
3.17.52 Manage online account, profile, preferences and settings [FS] [M]

Note:  
 Requirement State: [CS]Current / [FS] Future  
 Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

3.18 - Request Information or Assistance (1-Low)
3.18.01 Provide real time online communication with external parties (e.g., online chat) [FS] [L]
3.18.02 Request WC process assistance online (e.g., hotline) [FS] [L]
4 - Business Process Management (BPM)
4.01 - Create cases and documents (3-High)
4.01.01 Automatically create cases [CS] [H]
4.01.02 Automatically generate documents [CS] [H]
4.01.03 Provide automated data entry [CS] [H]
4.01.04 Provide automated coding validation [CS] [H]
4.01.50 Allow use of productivity tools (e.g., voice recognition, OCR, etc.) [FS] [L]
4.01.51 Enhance current automated data entry [FS] [M]
4.01.52 Enhance current coding validation [FS] [M]
4.02 - Update cases and documents (3-High)
4.02.01 Automatically update case or document associations and/or attributes based on activity [CS] [H]
4.02.02 Automatically update case or document associations and/or attributes based on new document or data received [CS] [H]
4.02.03 Automatically update case or document status based on activity [CS] [H]
4.02.04 Automatically close cases based on business rules and logic [CS] [H]
4.02.05 Automatically set ownership based on business rules and logic [CS] [H]
4.02.50 Utilize and integrate productivity tools (e.g., voice recognition, OCR, etc.) [FS] [L]
4.02.51 Provide suggested case combining or splitting candidates [FS] [L]
4.03 - Enable workflows on cases and documents (3-High)
4.03.01 Automatically perform actions on cases or documents for further action based on business rules and logic [CS] [H]
4.03.02 Manually initiate workflows and perform actions for cases and/or documents based on business rules and logic [CS] [H]
4.03.03 Monitor or complete tasks for unavailable staff [CS] [H]
4.03.04 Manage and maintain workflows and queues [CS] [H]
4.03.05 View assigned work [CS] [H]
4.03.50 Provide address book functionality within workflow [FS] [L]
4.04 - Route case and documents (4-Business Critical)
4.04.01 Manually route cases to an individual or group for further action and/or review [CS] [BC]
4.04.02 Automatically route cases to an individual or group for further action and/or review [CS] [BC]
4.04.03 Manually route documents to an individual, group, or hold queue for further action and/or review [CS] [BC]
4.04.04 Automatically route documents to an individual or group for further action and/or review [CS] [BC]
4.04.05 Allow users to define time-driven routing of cases/documents [CS] [BC]
4.04.50 Provide automated case and file audit for related associations (e.g., 'bulk routing') [FS] [M]
4.04.51 Allow for automated routing based on business resource capacity settings [FS] [M]
4.05 - Publish content to DLI websites (2-Medium)
4.05.01 Automatically publish information to DLI website [CS] [M]
4.05.50 Enhance publishing of content to DLI/OAH website and intranet [FS] [M]
4.06 - Interface with third-party systems (4-Business Critical)
4.06.01 Interface and integrate with SWIFT [CS] [BC]
4.06.02 Interface and integrate with Alpha (3rd party biller) [CS] [BC]
4.06.03 Interface and integrate with DHS [CS] [H]
4.06.04 Interface and integrate with DEED [CS] [H]
4.06.05 Interface and integrate with Medicare [CS] [BC]
4.06.50 Facilitate/Integrate with video conference and screen sharing [FS] [M]
4.06.51 Allow automatic data transfer and/or look-up with other agencies/parties [FS] [H]

Note:  
 Requirement State: [CS]Current / [FS] Future  
 Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

5 - Financial
5.01 - Track Financial Activity (4-Business Critical)
5.01.01 Dynamically manage accounts receivable and accounts payable [CS] [BC]
5.01.02 Refer accounts receivable and payable to internal Finance and Accounts Receivable teams [CS] [BC]
5.01.03 Generate and manage communications of accounts receivable and accounts payable (e.g. create past due letters, coupons) [CS] [BC]
5.01.04 Generate and manage communications of collections and judgments (e.g. MCE collections) [CS] [BC]
5.01.05 Maintain and manage funds on account [CS] [BC]
5.01.06 Regulate and control viewing and performance of financial activities based on roles and case assignments [CS] [BC]
5.01.50 Accept payments online (penalties, file access, registration/renewal, etc.) [FS] [BC]
5.01.51 Update case status and associated parties, of payments made/received, invoices created/due, and other case-related financial activity [FS] [H]
5.02 - Report on financial activity (3-High)
5.02.01 Create reporting on accounts receivable, payable, paid, etc. [CS] [H]
5.02.02 Create pre-paid account reporting [CS] [H]
5.02.50 Export financial transaction data [FS] [H]
5.02.51 Allow for detailed/drill-down dynamic reporting of financial activity [FS] [M]
5.03 - Record and compile financial tracking performance statistics (2-Medium)
5.03.01 Create aging reports on totals [CS] [M]
5.03.50 Allow for expansion of current aging and totals reporting [FS] [M]

Note:  
 Requirement State: [CS]Current / [FS] Future  
 Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level Business Requirements by Category and Capability

6 - Scheduling
6.01 - Schedule events/activities (4-Business Critical)
6.01.01 Schedule dispute activity for all parties [CS] [BC]
6.01.02 Schedule resources for dispute activity [CS] [BC]
6.01.03 Allow for online management of external party availability [CS] [BC]
6.01.04 Allow for electronic delivery of schedule activity [CS] [BC]
6.01.05 Maintain resource availability [CS] [BC]
6.01.06 Maintain dispute activity scheduling [CS] [BC]
6.01.07 "Block" schedule for Judges [CS] [BC]
6.01.08 Maintain block scheduling rotation and settings [CS] [BC]
6.01.09 View availability and scheduled dispute activity by various criteria [CS] [BC]
6.01.10 Ability to view scheduling conflicts [CS] [BC]
6.01.11 Ability to view conflicts between Judges, mediators, and dispute parties [CS] [BC]
6.01.12 Ability to reset a proceeding and have the original remain (option to be able to delete) [CS] [BC]
6.01.13 Ability to modify a schedule entry [CS] [BC]
6.01.50 Request dispute event/activity scheduling online [FS] [H]
6.01.51 Request change to dispute activity scheduling online [FS] [H]
6.01.52 Provide electronic scheduling confirmations/notification [FS] [H]
6.01.53 Provide secure scheduling confirmations online [FS] [H]
6.01.54 Allow for viewing availability and scheduling of resources online (e.g., rooms) [FS] [H]
6.01.55 Allow for authorized internal stakeholders to view dispute activities [FS] [H]
6.01.56 Update/edit availability online [FS] [H]
6.01.57 Allow for internal/external authorized stakeholders to view dispute activities securely online [FS] [H]
6.01.58 Schedule events and activities online based on real time internal/external stakeholder and resource availability [FS] [H]
6.01.59 Allow for multiple types of block scheduling and use simultaneously [FS] [H]
6.01.60 Allow type of scheduling to vary based on the type of case or dispute [FS] [M]
6.01.61 When viewing scheduling information, allow for drill down into secure case information [FS] [M]
6.02 - Report on scheduled events/activities (2-Medium)
6.02.01 Report on all dispute related scheduling activity [CS] [M]
6.02.50 Report on Judge/Mediator activities in robust and case-level metrics [FS] [M]
6.03 - Record and compile scheduling performance statistics (2-Medium)
6.03.01 Report on dispute related scheduling performance statistics [CS] [M]

Note:  
Requirement State: [CS]Current / [FS] Future  
Requirement Priority: [BC] Business Critical / [H] High / [M] Medium / [L] Low



## High-Level System Requirements

<b>Standards and Guidelines</b>
1 Solutions must comply with MN.IT standards and guidelines as defined by MN state statutes
2 Solutions must comply with MN.IT accessibility guidelines as defined by MN state statutes
<b>Architecture</b>
3 Solutions should be web-based and require minimum, if any, client-side software
4 Web-based solutions must support HTTPS
5 Web-based solutions should be compatible with all major browsers: IE, Firefox, Chrome and Safari
6 Solutions must support use of MN.IT datacenters
7 Solutions should support use remote/cloud-based datacenters
8 Solutions must support multiple security zones and isolation of data from web components
9 Solutions must have an Administrator GUI to facilitate the administration monitoring of the system
<b>Internal Client/Desktop</b>
10 Solutions must be compatible with Windows 7, 8, and 8.1 and all future versions
11 Solutions must be compatible with MS Office 2010 and 2013
12 Solutions must be compatible with Office 365
13 Solutions must be compatible with both 32-bit and 64-bit systems
14 Solutions should be mobile friendly and support access via a wide range of mobile devices and/or tablets
15 Solutions should be able to support multiple screen resolutions and support multiple screens
<b>External Client/Desktop</b>
16 Solutions should support web-based access for both Windows and Mac operating systems. Prior, current and future versions of both operating systems should be supported.
17 Solutions should be mobile friendly and support access via a wide range of mobile devices and/or tablets
<b>Server</b>
18 Server architecture should be either Windows or Unix
19 Solution should support the utilization of MN.IT managed hosting and VM
<b>Database</b>
20 Database architecture should be either MS SQL Server or Oracle Database
21 Solution should support data warehousing
22 Data must be normalized
23 All data streams must be able to be encrypted
24 Data model and data dictionary must be available and provided in a user-friendly format
25 DBA need ability to access/maintain/update system data - either via direct access and/or Admin GUI
26 Solution must have the ability to mass update data
<b>Networking</b>
27 Solutions must be accessible via LAN
28 Solutions must be accessible via WAN
29 Solutions must be accessible via the internet using MN.IT vpn technology
<b>Backup / Recovery</b>
30 Solutions must support incremental and full backups of all data, documents and data files
31 Solutions must support full or partial restore of data, documents and data files
32 Backups should not require downtime (system online) and not impact system performance
33 Restore must be able to meet DLI recovery time objectives of 24 hours or less for a full and complete restore.
<b>Security</b>
34 Solutions should utilize single-sign on and be integrated with DLI / MN.IT active directory
35 Usernames/passwords should not be stored in the solution. If they are, they must be encrypted and not stored as clear text.
36 All data, documents and data files must be secured and accessible only by authorized users
37 Solutions should employ the "principle of least privilege" when granting/revoking access to data, documents and data files
<b>High Availability / Load Balancing</b>
38 Solutions should support high availability / load balancing
39 Portions of the solution that enable functionality considered "Business Critical" should be redundant and support automatic fail-over
40 Solution should automatically load balance and level workload



## High-Level System Requirements

### Programming Framework / Functionality - Commercial

41 Solutions must be constructed using modern frameworks / languages

42 Source code must be able to be held in escrow

43 Solution must have built-in reporting and must also support 3rd party ad-hoc reporting (e.g., Crystal)

44 Solution must be able to accommodate timely updates as required for business critical and statutory changes (30-90 days)

45 Solution must have full end-to-end testing completed by solution provider prior to initial and subsequent releases being delivered to DLI

46 Solution provider must have a process for fixing and escalating issues

47 Solution must be able to support industry standard interfaces (utilities) as well as custom point-to-point interfaces

48 Solution must be kept update-to-date and compatible with new versions of server os, database, desktop os and browsers. Solution provider must certifies compatibility with new versions.

49 Completed technical documentation must be supplied.

50 Solution must be constructed using modern UI principles and practices

51 Solution must be configurable and minimize the need for customization

52 Any customizations must be compatible and supported with future upgrades

### Programming Framework - Custom Built

53 Solutions should be constructed using either .NET or Java

54 Source code must be versioned and stored in a code repository

55 Solution must be constructed using modern UI principles and practices

56 DLI must own all custom built applications

57 Technical documentation must be supplied. This documentation must be separate from any "inline" documentation that appears in the solution and/or code.

### Environments

58 Solutions must support multiple environments. Minimum requirement: DEV, TEST and PROD

59 Production data should be able to be masked in order to be used for testing/training purposes

60 Solution should provide the ability to refresh data between environments



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# Workers' Compensation Modernization Project Future State - Data Conversion and Migration Considerations

# Objective

## **Objective:**

Identify data conversion/migrations considerations for the new system with the goal of limiting and/or avoiding any disruption of service.

# Key Findings / Facts

- 1. Information in the current Workers' Compensation System can be divided as follows:**
  - ✓ Case Data – SSN/DOI based
  - ✓ Case Data – Non-SSN/DOI based
  - ✓ Non-Case Data (e.g. Lookup Tables, Reference Tables)
  - ✓ Documents – stored as TIFF images
  - ✓ Data Files – stored as data but can be viewed as a document
- 2. All information is subject to not-public/public data classifications and data retention/destruction schedules as determined by MN Statutes**
- 3. Current case data, documents and data files do not have a retention/destruction date logged as part of the metadata of the item and may require other system information to determine its retention/destruction date (i.e., In order to determine if a document can be destroyed you need to know if and when the case was closed).**

# Key Findings / Facts

4. **All case information is stored electronically.**
5. **All documents for the past 20+ years are stored electronically in the current system as TIFF images.**
6. **Electronic case information and document sources are:**
  - ✓ Informix
  - ✓ Access Databases (12)
7. **All electronic information is readily accessible and easily exportable using standard SQL based tools.**
8. **Some older, supporting documents (pre-1992) are archived as:**
  - ✓ Paper
  - ✓ Micro-Fiche
9. **Paper/Micro-Fiche items do have electronic place holders in the current system.**
10. **No mass paper to electronic data conversion should have to occur as part of this project. The new system will need the ability to convert paper items to electronic on an ad-hoc basis.**

# Key Recommendations / Considerations

## 1. Current documents should not need to be converted to a different format.

- ✓ TIFF is still widely considered a viable and acceptable option for the storing of electronic documents.
- ✓ No significant benefits to business would be realized by converting all of the current documents to another format. The only exception would be if the TIFF images could be processed via OCR technology and have the body text converted to metadata for use in full text document searches. However, there are extreme variations in image quality in the current system and OCR results would vary dramatically and would most likely produce incomplete and/or inaccurate search results and would not produce an acceptable return on investment.
- ✓ Since current documents will not be converted, existing document volume should not be a factor in the migration process.

## 2. Future solutions should support the storing and use of documents in multiple formats.

- ✓ Document image type should not be limited to only TIFF.
- ✓ New system should be able to support multiple document image formats and provide complete functionality regardless of the image format.

# Key Recommendations / Considerations

3. **All required Electronic Case Data, Documents and Data Files should be migrated to the new system.**
  - ✓ All Case Data, Documents and Data Files should be migrated because information contained within is needed to determine retention/destruction date.
  - ✓ Some data transformation will most likely need to occur.
  - ✓ The following items will need to be preserved and unaltered during the migration. Items need to be retrievable via both their Legacy IDs and any new IDs.
    - WID
    - Case ID
    - Document/Image/Page ID
    - Data File ID
  - ✓ Retention/destruction date should be added to each item at time of migration (if applicable).
4. **Non-Case data will need to be evaluated and migrated to the new solution as needed. Some data transformation will most likely need to occur.**

# Key Recommendations / Considerations

5. **The process for migrating Case Data, Documents and Data Files to the new system will vary depending on the solution selected and whether or not it contains tools/utilities for data conversion/ migration. However, regardless of the solution selected the following will most likely need to occur:**
- ✓ Merge: Information from Informix and the 12 Access databases may need to be combined.
  - ✓ Cleansing: Information will need to be validated and may need to be cleansed and/or corrected.
  - ✓ Mapping: Information will need to be mapped to the new system.
  - ✓ Transformation: Information will need to be transformed into a format acceptable to the new system.
  - ✓ Transfer: Information will need to be transferred to the new system.

# Key Recommendations / Considerations

## 6. Create a staging environment to facilitate the merging, cleansing, mapping, transformation and transferring of information to the new system.

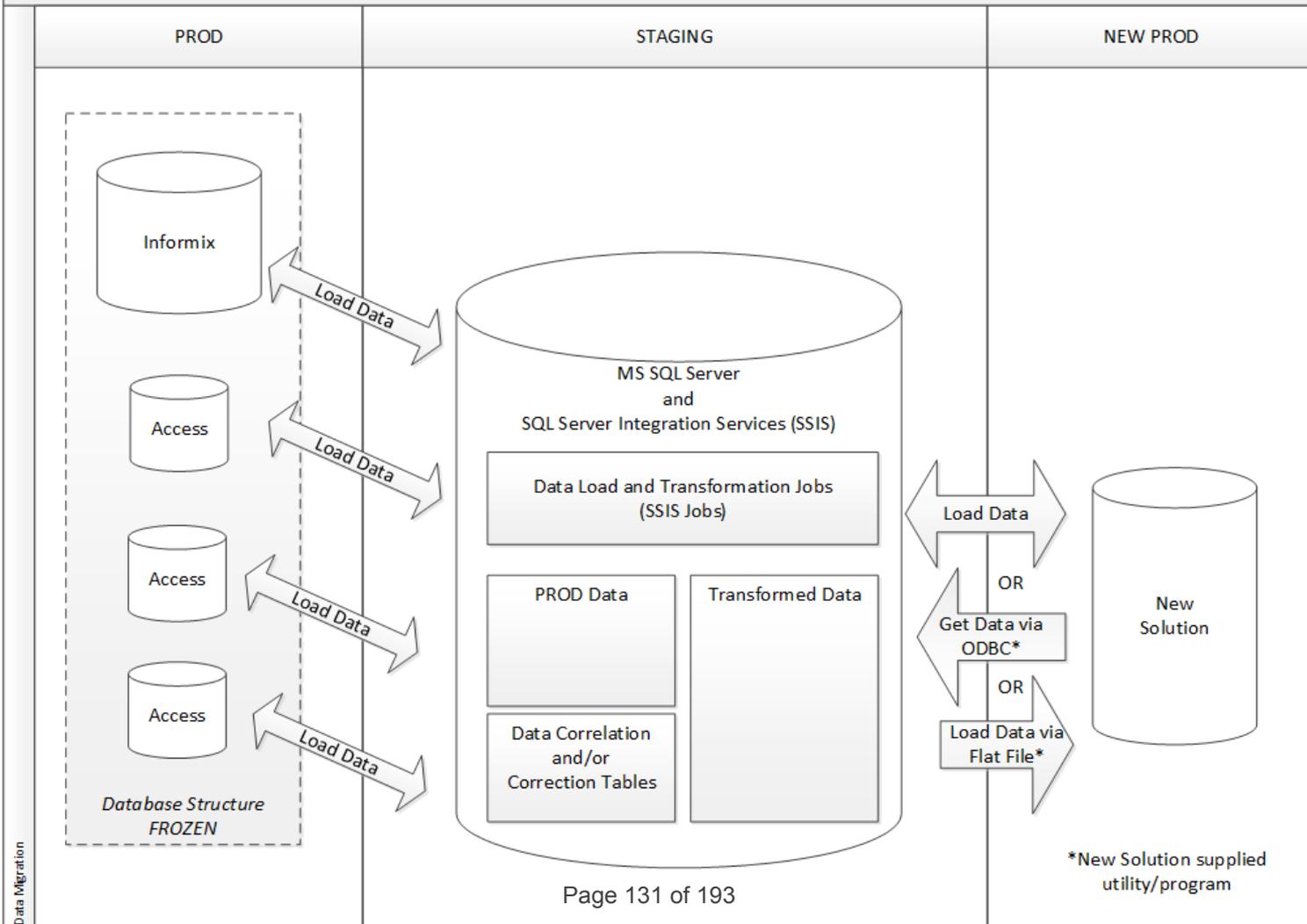
- ✓ Allows Production information from multiple systems to be merged together either in real-time or in a batch basis.
- ✓ Allows cleansing and transformation of information to occur without impacting and altering PROD information.
- ✓ Allows for information cleansing and transformation to be scripted and repeatable.
- ✓ Allows for the staging environment to be “wiped” at anytime and restart the cleansing and transformation process.

# Key Recommendations / Considerations

7. **Microsoft SQL Server and SQL Server Integration Services (SSIS) would work extremely well as a Staging Environment and toolset for data migration/conversion activities. SSIS provides a rich set of built-in tasks, containers, transformations, and data adapters that support:**
  - ✓ Merging data from multiple data sources.
  - ✓ Evaluating data and applying data conversions.
  - ✓ Splitting a dataset into multiple datasets based on data values.
  - ✓ Applying different aggregations to different subsets of a dataset.
  - ✓ Loading subsets of the data into different or multiple data sources.
  
8. **Another option would be to use your current Informix infrastructure as the Staging Environment and create your own data migration/conversion tools using C Programs:**
  - ✓ Would be a manual/batch process vs. automated/real-time with SSIS
  - ✓ Would leverage existing DLI infrastructure and knowledge. DLI team has extensive experience transforming data using SQL and Informix.

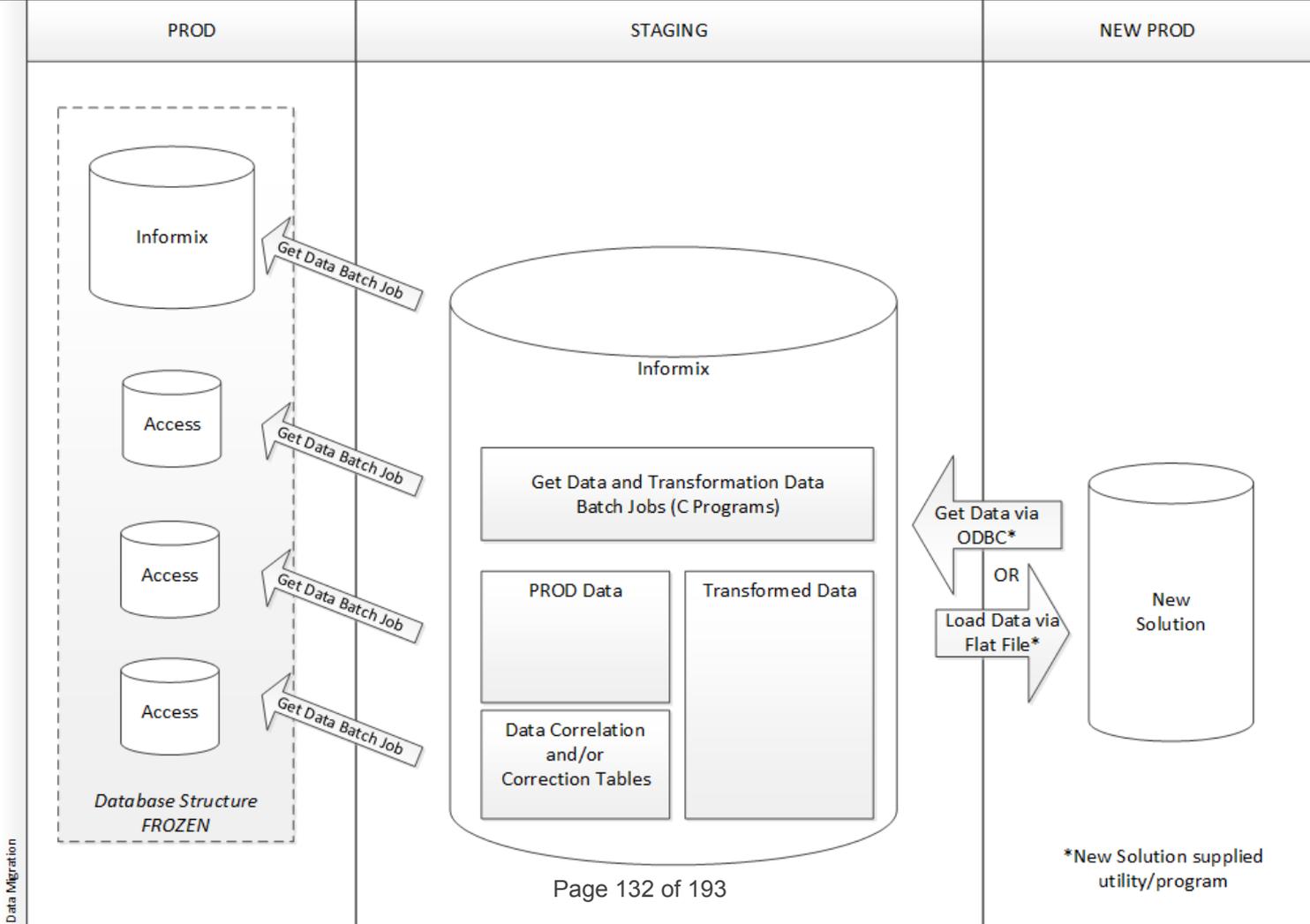
# MS SQL Server Staging Environment

Workers' Compensation Modernization Project – Data Migration



# Informix Staging Environment

Workers' Compensation Modernization Project – Data Migration





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# Workers' Compensation Modernization Project Future State - Modernization Options

# Objective

## Objective:

Conduct a review of Modernization Options to determine viability, benefits, risks, estimated cost range, and high-level implementation timeframes and identify market/state level trends. Key modernization options included are:

- Build
- Code transformation
- Code Reuse of another state
- Buy
- Hybrid

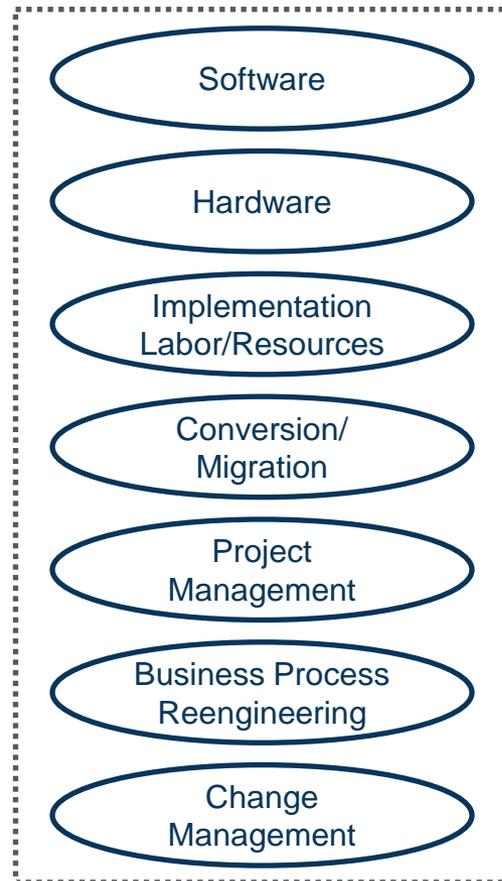
*Please note: Vendor information contained/gathered for this document/deliverable is intended for high-level estimating, fit analysis, and Modernization Option viability purposes only and not for vendor evaluation and/or selection.*

# Assessment Approach

## Key Inputs:



## Analysis:



## Output:



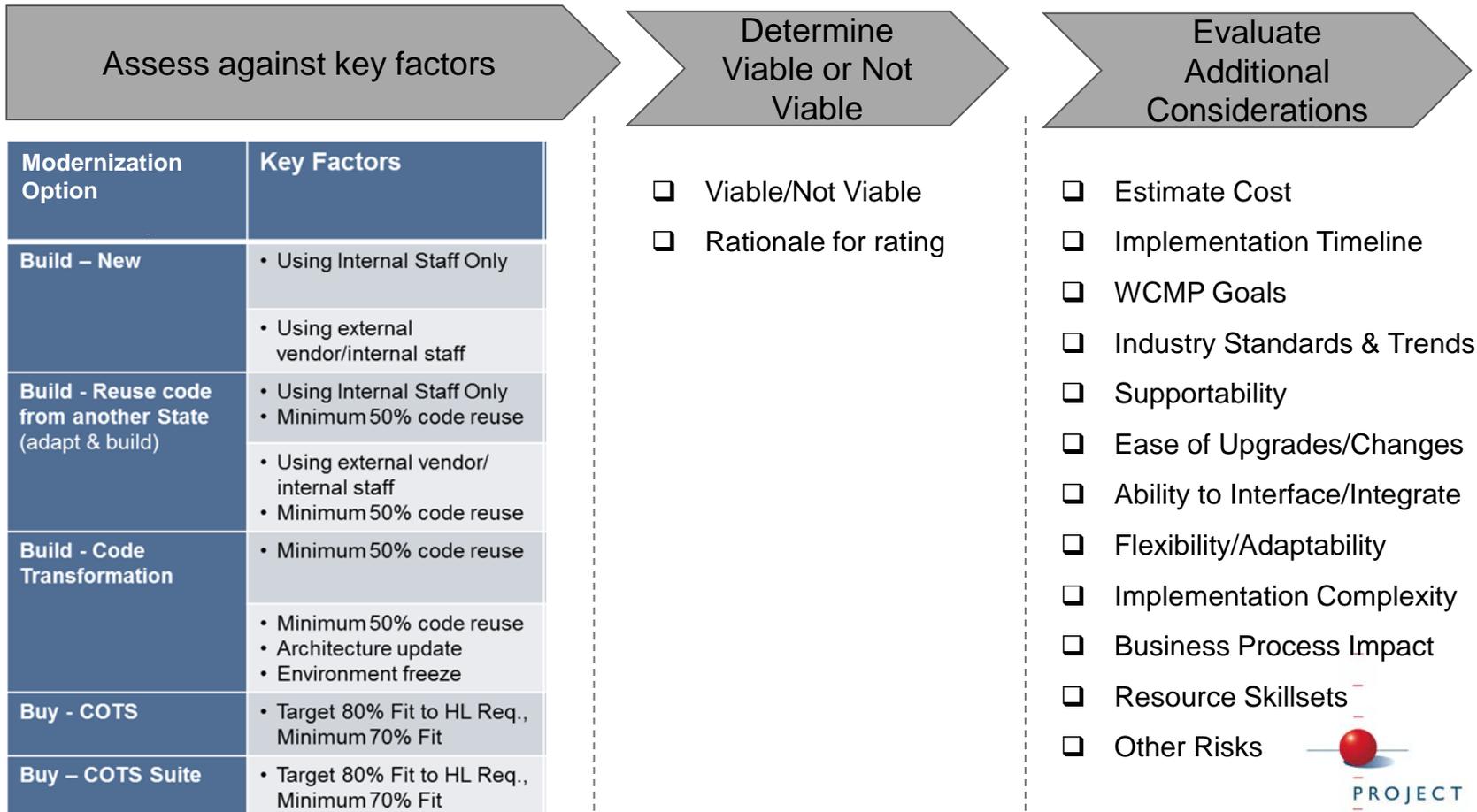
# Assessment and Estimate Components

**The full assessment will contain the following components to provide a holistic view of solution fit, cost, risks and considerations:**

- a) Assumptions
- b) Approach
- c) Fit analysis
- d) Cost estimates (broken down by cost category)
  - Software
  - Hardware
  - Implementation Labor/Resources
  - Project Management
  - Business Process Reengineering (BPR)
  - Organizational Change Management (OCM)
  - Data Conversion/Migration
- e) Risks & considerations

# Analysis Fundamentals – Assessing Viability

Upon gathering inputs on solution options, the first step is determining if it is a viable option. To do that the following occurs:



# Assessment & Cost Estimation Assumptions

## The following assumptions have been made for cost estimation purposes:

- a) All current and future requirements can be potentially achieved via a build option as anything is possible with enough time, money and/or resources. Major factor that needs to be assessed is the feasibility/complexity of the requirement so that timelines and costs can be estimated. Some requirements may have limitations and/or be cost prohibitive.
- b) All current and future requirements may or may not be able to be achieved via a 'buy' option. Major factor that needs to be assessed is whether or not the requirement can or cannot be met.
- c) Fit will be assessed based on the requirement being met, not how it is met in relation to current processes.
- d) Business process reengineering and organizational change management are assumed with all solutions.
- e) Current documents/images are assumed to remain in their current format (TIFF) unless otherwise noted in the cost estimate.

# Estimation Approach - General

- a) Estimating tools allow for 'what-if' analysis and will be stored in Repository.
- b) Assumptions and information gathered during estimation process are documented.
- c) High-level requirements are used to perform solution fit assessment and cost estimation.
- d) Infrastructure estimated at \$100K annually, based on MN.IT 2016 preliminary estimates.
- e) Project Management is estimated as project overhead across solution options taking into account the varying team structures that would be recommended.
- f) Business process reengineering will be estimated as a range of reengineering expected to implement the solution.
- g) Organizational change management is estimated based on overarching change activities that apply to all solution options (i.e., assessments, communication, training, etc.) and enhanced by impacts individual solution approaches have (i.e., process, technology, skillset, organizational considerations, turnover, etc.).
- h) Estimates and approaches will have documented considerations and risks related to timeliness and complexity of delivering the overall project.

# Estimating Approach – Build

## The following estimating approach will applied to solutions being built:

- a) Requirements assigned a unit of work (1 to 5 units) based on the complexity of requirement (1 = relatively low complexity; 5 = extremely high complexity)
- b) Requirements rated Business Critical or High have additional units of work added (Business Critical: 5; High: 3)
- c) Work effort, costs and timelines assume an Agile build method and will be estimated in “sprints”:
  - Sprint length: 6 weeks
  - Sprint Team Members: Architect, Sr. Developer, Developers, Business Analyst, SME, User Interface Designer, Testers
  - Capacity: 100% for all sprint team members
  - Costs: MN.IT SITE Program resource costs will be used
  - Sprint Volume: Assumed 50 to 100 units of work per sprint

# Estimating Approach – Buy

**The following estimating approach will applied to ‘buy’ solutions.**

- a) Requirements evaluated and rated as to whether or not the solution can meet the requirement: Yes (Out-of-the-box or via configuration), Partial or No.
- b) Costs and timelines based on information provided by the vendor. These include licensing, annual and maintenance fees and professional services.
- c) The cost and timelines are supplemented with build costs and timelines for items that are “Partial” or “No”.
- d) Business process reengineering will be estimated based on the size and complexity of high-level processes.

# Fit Assessment & Estimating - Definitions

- **Software** – Purchased solutions and associated licensing, fees, professional services, etc.
- **Infrastructure** – Equipment, hosting, etc. required to support the solution
- **Implementation Labor/Resources** – Resources required to support technical implementation of the solution (e.g., BA, Technical Architects, Developers, Testers, etc.).
- **Conversion/Migration** – Effort required to enable existing data to reside and be useable in new solution.
- **Project Management** – Management of project timelines, methodology, deliverables, etc.
- **Business Process Reengineering (BPR)** – Definition and implementation of business process.
- **Organizational Change Management (OCM)** – Process of managing the ‘people’ side of change. Includes organizational change, role changes, communications, readiness assessments, training, etc.
- **Business Process Management (BPM)** – Automation of business processes or workflow that occur in the system to drive efficiency and scalability. efficiencies.

# Key Findings – Modernization Trends

## 5-Year Trends for Modernizing Technology Across All Industries (both private and public):

- 1) Buy Commercial-off-the-shelf (COTS) software solutions and avoid custom build when possible.
- 2) Configure solutions, avoid and/or minimize customization.
- 3) Only build when the majority of business requirements/goals (e.g., functionality, timeline, costs, etc.) cannot be met with #1 and #2 and a complete cost/benefit analysis has been performed.

### Key Trend Drivers:

- Speed and frequency of technology advancement makes it difficult for internal development teams to keep pace
- Vendor research & development (R&D) costs are leveraged across multiple clients/industries allowing for scalability and growth, maximizing ROI
- Increased interoperability across multiple devices and platforms now and in the future
- Desire to minimize internal support expense/resources
- Inability for companies/organizations to acquire and retain qualified skill-sets in competitive market

# Key Findings – Modernization Trends

## 5-Year Trends for Modernizing Workers' Compensation Systems Across US and Canada:

- 1) States are no longer building custom systems from the ground up like they traditionally have in the past. Instead, when they decide to build, they are using a hybrid model. In these hybrid models, Document Capture and Document Management functionality typically use an integrated Commercial-off-the-shelf (COTS) solution (e.g., IBM FileNet) while Case Management and ePortal/Mobile Access are still custom built. Multiple states have followed this trend (e.g., Pennsylvania, Virginia, New York, Maryland).

### Key Drivers for this Trend:

- Unique Workers' Compensation scope and statutes across states
- Desire to leverage COTS infrastructure across state agencies

- 2) An emerging trend is to use an end-to-end COTS solution. One jurisdiction has successfully implemented: Saskatchewan. One state is in the process of implementing: Michigan. Others are considering: Missouri.

### Key Drivers for this Trend:

- Robust COTS infrastructure functionality
- Desire to leverage COTS infrastructure across state agencies
- Desire to minimize internal support expense
- Ability to acquire and retain skill-sets in competitive market

# Key Findings – Modernization Trends

## 5-Year Trends for Modernizing Workers' Compensation Systems Across US and Canada (cont.)

- 3) A third trend is to transform the code of their existing system to a modern technology (e.g., PowerBuilder to .NET or Java). This is typically done to upgrade the infrastructure to a modern technology (not to add new business functionality). A few states followed this trend (e.g., Florida, Wisconsin).

### Key Drivers for this Trend:

- Update infrastructure to a supportable, modern technology
- Ability to maintain status-quo in regards to business functionality (e.g., no new functionality)

# Trends - State Workers' Compensation Modernization Efforts

State	Solution Approach	Workers' Compensation Scope	Resource Type	BPR	Duration	Support/Maintenance	Lessons Learned
Florida	Code Transformation	Claims System	3 <sup>rd</sup> Party Vendor	No	1.5 yrs	Internal Staff	<ul style="list-style-type: none"> <li>- Plan for high OCM needs</li> <li>- Ask about vendor's intent to use 3rd party conversion software</li> </ul>
	Custom Development	Litigation	External Consultants / Internal staff	No	4 yrs	Internal Staff	Engage end-users (internal/external)
Kentucky	Custom Development	EDI Claims Upgrade to R3	Internal staff	Some	1.5 yrs	Internal Staff	<ul style="list-style-type: none"> <li>- Maintain historical point of reference for system</li> <li>- Challenge business practices</li> <li>- Establish clear vision</li> </ul>
	Custom Development using Frameworks	Litigation Management System	External Vendor (CapTech)	Limited	In Progress	Internal Staff	<ul style="list-style-type: none"> <li>- Plan on staff time to convey business practices to vendor</li> <li>- Dedicate staff to project</li> </ul>
Maryland	Pre-planning for technology & process refinement	Claims, Voc Rehab, Fund	External Vendor/ Internal Staff	TBD	TBD	TBD	
Michigan	COTS Suite	Claims, & Litigation	External Vendor	Yes	In Process (est. 18 mos.)	Internal Staff/ External Vendor	
Missouri	COTS Suite (decision pending)	Claims	External Vendor (IBM)	Yes	TBD	Internal Staff/ External Vendor	
Nebraska	COTS Suite	Claims, Voc Rehab, Dispute, Litigation, Fund	External Vendor (Hyland)	Yes	3 yrs	Internal Staff/External Vendor	

# Trends- State Workers' Compensation Modernization Efforts Cont'd

State	Solution Approach	Workers' Compensation Scope	Resource Type	BPR	Duration	Support/ Maintenance	Lessons Learned
New York	Custom In-house	eClaims (FROI/SROI)	Internal Staff	No	2 yrs	Internal Staff	<ul style="list-style-type: none"> <li>- Get outside parties involved in the process</li> <li>- Leverage a Business Rules Engine for ease of on-going changes.</li> </ul>
Pennsylvania	Custom Development using Framework & COTS	Claims, Voc Rehab, Dispute, Litigation, Fund, Self-Insurance	External Vendor (Deloitte)	Yes	3 yrs	Internal Staff /External Vendor (Deloitte)	<ul style="list-style-type: none"> <li>- Organizational Change Management</li> <li>- Challenge team to use best practice BPR</li> <li>- Dedicated Resources</li> <li>- Test extensively</li> </ul>
Virginia	Custom Development using Frameworks & Commercial	Claims, Dispute, Litigation	External Vendor Build (CapTech)	Yes	3 yrs – ongoing expansion/ updates	Internal Staff (14 Dev, 4 DBA)	<ul style="list-style-type: none"> <li>- Extensive testing with external partners</li> <li>- Organizational Change Management</li> <li>- Dedicated Resources</li> </ul>
Wisconsin	Code Transformation	Claims, Dispute, Litigation	Internal Staff	Limited	6 yrs	Internal Staff	
Saskatchewan	COTS Suite	Claims	External Vendor (Fineous)	Yes	3 yrs	Internal Staff	<ul style="list-style-type: none"> <li>- Be clear on detailed initial requirements</li> <li>- Complete process reviews prior to starting project</li> <li>- Change Management</li> </ul>

# Key Findings – Lessons Learned from other States

## Key lessons learned across modernization efforts in other states include:

- Plan for full-scale Organizational Change Management within project to drive user adoption and prevent delay of overall project.
- Plan for dedicated involvement of business staff in project. Time commitment is significant and critical.
- Challenge business team to use WC business process templates provided by vendors even when it is hard to envision that much change. Taking smaller steps to appease resisting staff will cause multiple years of change and increased investment.
- Maintain historical point of reference from existing system.
- Engage external parties early in user group activities to gain feedback up front.
- Test, Test, Test. Ensure robust testing is completed with internal and external parties to prevent unwelcomed findings post implementation.

# Key Findings – Other MN State Agencies

Department	Document Capture/Document Management	Case Management
Agriculture	<ul style="list-style-type: none"> <li>• MasterControl (COTS)</li> </ul>	
Bureau of Mediation Services		<ul style="list-style-type: none"> <li>• Aderant Rainmaker (COTS)</li> </ul>
Commerce	<ul style="list-style-type: none"> <li>• FileNet (COTS)</li> </ul>	<ul style="list-style-type: none"> <li>• Java-based (custom)</li> </ul>
Courts	<ul style="list-style-type: none"> <li>• State Courts - Odyssey (COTS)</li> </ul>	<ul style="list-style-type: none"> <li>• Tax Court – Caseload (COTS)</li> <li>• State Courts - Odyssey (COTS)</li> </ul>
DEED	<ul style="list-style-type: none"> <li>• FileNet (COTS)</li> <li>• OnBase (COTS)</li> </ul>	<ul style="list-style-type: none"> <li>• Workforce One (custom)</li> </ul>
DHS/MNSURE	<ul style="list-style-type: none"> <li>• FileNet (COTS)</li> </ul>	<ul style="list-style-type: none"> <li>• Curam (COTS)</li> </ul>
DOT	<ul style="list-style-type: none"> <li>• OpenText (COTS)</li> </ul>	<ul style="list-style-type: none"> <li>• Multiple (custom)</li> </ul>
MDHR		<ul style="list-style-type: none"> <li>• OnBase (COTS)</li> </ul>
MMB	<ul style="list-style-type: none"> <li>• FileNet (COTS)</li> </ul>	
OAH	<ul style="list-style-type: none"> <li>• DLI Workers' Comp Imaging (custom)</li> </ul>	<ul style="list-style-type: none"> <li>• Aderant Total Office (COTS)</li> <li>• DLI Workers' Comp Case Management (custom)</li> </ul>
OMHDD		<ul style="list-style-type: none"> <li>• iSight (COTS)</li> </ul>
Public Safety	<ul style="list-style-type: none"> <li>• Stellent (COTS)</li> <li>• Captiva (COTS)</li> </ul>	
Revenue	<ul style="list-style-type: none"> <li>• IBML ImageTrac and Soft Track (COTS)</li> </ul>	<ul style="list-style-type: none"> <li>• GenTax (COTS)</li> <li>• Criminal Case Inventory (COTS)</li> <li>• IBM Content Manager (COTS)</li> </ul>
WCCA	<ul style="list-style-type: none"> <li>• DLI Workers' Comp Imaging (custom)</li> </ul>	<ul style="list-style-type: none"> <li>• MS Access (custom)</li> <li>• DLI Workers' Comp Case Management (custom)</li> </ul>

# Overarching Risks Identified

- a) All stakeholders (DLI, MN.IT, OAH, WCCA, external, etc.) must be aligned and committed to the success of the modernization option selected; otherwise, the risk of failure is extreme.
- b) Business Process Reengineering will be required regardless of modernization option selected. The ability to adapt and modernize current business processes is a critical factor to drive success.
- c) Organizational Change Management will be required regardless of modernization option selected and the ability to implement is a critical factor to achieve user adoption (both internally and externally).
- d) Not having dedicated business/technical resources will impact the ability to successfully implement this project.
- e) All costs (implementation and annual) need to be evaluated and validated for a complete total view.
- f) Key information in this report is based upon interviews/initial estimates from vendors and development partners after reviewing/analyzing high-level requirements. Detailed fit analysis should be completed prior to selecting an option/vendor.

# Key Assumptions/Notes

- a) Portions of cost estimates have been adjusted based upon PCG's experience with similar projects.
- b) Business Process Reengineering will be required for all solutions
- c) Organizational Change Management will be required for all solutions
- d) Business and Technical SME resources will be available to support project as needed.
- e) All current-state requirements must be met by the new solution.
- f) All future-state requirements have been factored into estimates and may need to be evaluated during detailed design/requirements phase for relevance, time, and cost impacts.
- g) All solutions will require some level of support/maintenance and have been factored into estimates.
- h) Current system/environment will need to be frozen to all changes regardless of the solution selected. Mission critical/statutorily required changes will need to be evaluated on an as need basis.

# Modernization Options – Technology Researched

The following technology options were researched and evaluated to identify ‘viable’ options for modernizing the current Workers’ Compensation System.

Technology Option	Description
a) Build - New	Develop custom solution from scratch
b) Build – Reuse code from another state	Obtain existing custom developed code from another state
c) Build – Code Transformation	Convert existing code into modern coding language (e.g., .NET, Java, etc.)
d) Buy - COTS	‘Commercial off the shelf’ – single solution supported by a single vendor
e) Buy – COTS Suite	‘Commercial off the shelf’ - multiple systems by the same vendor that are integrated and function as a single system
f) Hybrid Options	Combination/variations of options a-e

## Technology option sources include:

- Document & Case Management systems used by other MN State Agencies
- Workers’ Compensation systems used by other states
- COTS/COTS Suites systems available in marketplace
- Code Transformation services available in marketplace

# Modernization Options – Research Results

Based upon our research, eight (8) options were identified as potentially ‘viable’ for modernizing the current Workers’ Compensation System.

Modernization Option		Key Criteria/Requirements
Build	Option 1 – Build (100% custom solution built from the ground up)	<ul style="list-style-type: none"> <li>Ability to meet 95%+ of High-level Requirements</li> </ul>
	Option 2 - Reuse (Custom solution reusing code from another state)	<ul style="list-style-type: none"> <li>Minimum 50% code reuse, remainder custom built</li> <li>Ability to meet 95%+ of High-level Requirements</li> </ul>
	Option 3 - Code Transformation (Custom solution using code transformation from existing DLI system)	<ul style="list-style-type: none"> <li>Minimum 50% code reuse of current system, remainder custom built</li> <li>Ability to update current system architecture and freeze code base</li> <li>Ability to meet 95%+ of High-level Requirements</li> </ul>
Buy	Option 4 - COTS (Single commercial-off-the-shelf Workers’ Comp solution)	<ul style="list-style-type: none"> <li>Ability to meet minimum of 70% (target 80%) of High-level Requirements with ‘out-of-the-box’/configuration.</li> <li>Ability to meet 95%+ of High-level Requirements with ‘out-of-the-box’/configuration/ customization/custom build.</li> </ul>
	Option 5 - COTS Suite (Multiple integrated commercial-off-the-shelf solutions)	<ul style="list-style-type: none"> <li>Ability to meet minimum of 70% (target 80%) of High-level Requirements with ‘out-of-the-box’/configuration.</li> <li>Ability to meet 95%+ of High-level Requirements with ‘out-of-the-box’/configuration/customization/ custom build.</li> </ul>

# Modernization Options – Research Results

## Potential Modernization Options (cont.)

Modernization Option		Key Criteria/Requirements
Hybrid	Option 6 - Hybrid Build (Custom Case Management and Custom Web Portal; utilizing COTS infrastructure*)	<ul style="list-style-type: none"> <li>• Must utilize external development partner</li> <li>• Should utilize vendor defined Workers' Compensation standard business processes as baseline</li> <li>• Ability to meet 95%+ of High-level Requirements.</li> </ul>
	Option 7 - Hybrid Reuse (Custom Case Management and Custom Web Portal based on code from another state; utilizing COTS infrastructure*)	<ul style="list-style-type: none"> <li>• Must utilize <u>same external development partner</u> who developed base code</li> <li>• Should utilize vendor defined Workers' Compensation standard business processes as baseline</li> <li>• Minimum 50% code reuse, remainder custom built</li> <li>• Ability to meet 95%+ of High-level Requirements.</li> </ul>
	Option 8 – Hybrid Code Transformation (Custom Case Management and Custom Web Portal based on code transformation from existing DLI system; utilizing COTS infrastructure*)	<ul style="list-style-type: none"> <li>• Minimum 50% code reuse of current system, remainder custom built</li> <li>• Ability to update current system architecture and freeze base code</li> <li>• Ability to meet 95%+ of High-level Requirements.</li> </ul>

\* Minimum of Document Capture and Document Management functionality utilizing COTS. Requirements associated with the following Capabilities are anticipated to be covered under this functionality: 1.01, 1.05, 1.06, 1.07, 1.08, 2.01-2.11. Further analysis/validation will be required during detailed design/requirements.

# Modernization Options – ‘Viable’ Options

Based upon further assessment, four (4) of the potential options were found to be ‘viable’. See Appendix: Exhibit A for detailed viability analysis of each modernization option:

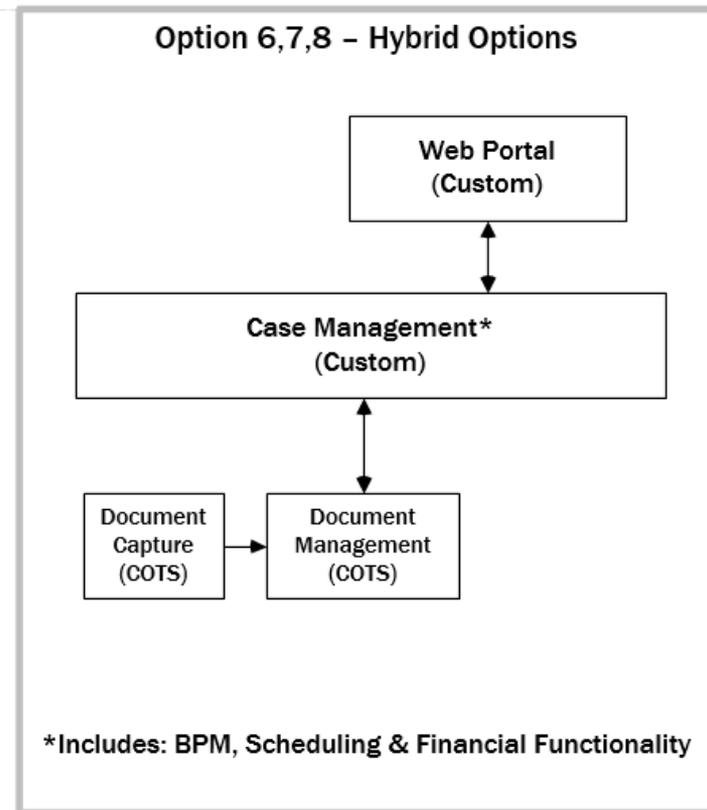
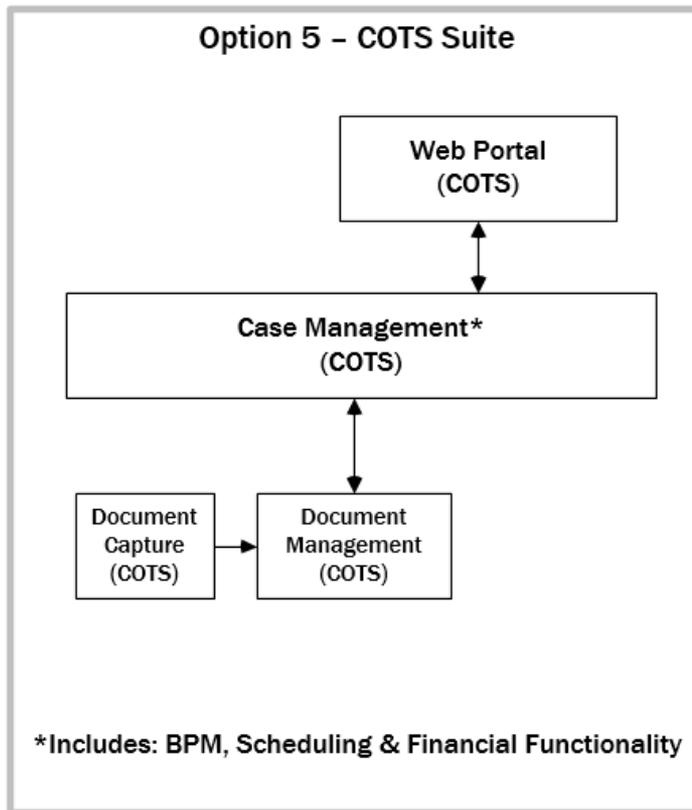
Modernization Option		Viable
Build	Option 1 – Build	
	Option 2 - Reuse	
	Option 3 - Code Transformation	
Buy	Option 4 - COTS	
	Option 5 - COTS Suite	
Hybrid	Option 6 - Hybrid Build	
	Option 7 - Hybrid Reuse	
	Option 8 – Hybrid Code Transformation	

 Viable option for modernizing current Workers' Compensation system

 Not a viable option for modernizing current Workers' Compensation system

# Modernization Options – System Diagrams

Below, typical system diagrams are included for the four (4) 'viable' options. Please note that all 'viable' options have a very similar high-level structure.



# Modernization Options – Project Goal Alignment

Each of the ‘viable’ options was then assessed for alignment with the Workers’ Compensation Modernization project goals.

## Workers’ Compensation Modernization Project Goals:

- Increased staff efficiency and reduced time to complete transactions
- Improved electronic interface for use by the injured workers and other stakeholders
- Improved workflow and expanded case management functions
- Improved statistics and reporting capabilities
- Improved document management, imaging, and calendaring capabilities
- Easy to support and maintain for future changes and enhancements
- Maintain appropriate security and access for system data, including retention and archiving
- Accommodate changing demographics in the workforce and with the citizens we serve

# Modernization Options – Alignment Results

The results from the alignment evaluation are listed below. See Appendix: Exhibit B for detailed alignment results for each modernization option.

Modernization Option		Increased staff efficiency and reduced time to complete transactions	Improved electronic interface for use by the injured workers and other stakeholders	Improved workflow and expanded case management functions	Improved statistics and reporting capabilities	Improved document management, imaging, and calendaring capabilities	Easy to support and maintain for future changes and enhancements	Maintain appropriate security and access for system data, including retention and archiving	Accommodate changing demographics in the workforce and with the citizens we serve
Buy	Option 5 - COTS Suite	✓	✓	✓	✓	✓	✓	✓	✓
	Option 6 - Hybrid Build	✓	✓	✓	✓	✓	✗	?	?
Hybrid	Option 7 - Hybrid Reuse	✓	✓	✓	✓	✓	✗	?	?
	Option 8 – Hybrid Code Transformation	?	?	?	?	✓	✗	?	?

- ✓ Aligns with project goals
- ? May not align with project goals. Current analysis indicates there is a high probability that upon further 'deep-dive' analysis they will not align to project goals. For assessment purposes these are rated the same as not aligning to project goals.
- ✗ Does not align with project goals

# Modernization Options – ‘Fit’ Assessment

Each of the ‘viable’ options was also assessed for ‘fit’ based upon the following factors:

- Implementation Timeline
- Industry Standards & Trends
- Supportability
- Ease of Upgrades/Changes
- Ability to Interface/Integrate
- Flexibility/Adaptability
- Implementation Complexity
- Business Process Impact
- Resource Skillsets

Note: Fit Factors were determined based upon standard evaluation methodology and Project Consulting Group’s experience with similar projects.

# Modernization Options – ‘Fit’ Results

The results of the ‘fit’ assessment are listed below. See Appendix: Exhibit C for detailed ‘fit’ results of each modernization option.

Modernization Option		Implementation Timeline	Industry Standards & Trends	State Trends	Supportability	Ease of Upgrades/ Changes	Ability to Interface/ Integrate	Flexibility/ Adaptability	Implementation Complexity	Business Process Impact	Resource Skillsets
Buy	Option 5 - COTS Suite	✔	✔	✔	✔	✔	✔	✔	✘	✘	✘
	Option 6 - Hybrid Build	✘	✔	✔	✘	✘	✘	✔	✘	✔	✘
Hybrid	Option 7 - Hybrid Reuse	✔	✔	✔	✘	✘	✘	✔	✔	✔	✘
	Option 8 – Hybrid Code Transformation	✔	✔	✔	✘	✘	✘	✘	✘	✘	✘

✔ Aligns with fit factor

✘ Does not align with fit factor

# Modernization Options – Estimated Costs

Total cost was estimated for each ‘viable’ option. The costs listed below are comprehensive, end-to-end, cost estimates encompassing both project initiation and project implementation.

Modernization Option		Estimated Total Cost
Buy	Option 5 - COTS Suite	\$17M-\$43M
Hybrid	Option 6 - Hybrid Build	\$23M-\$51M
	Option 7 - Hybrid Reuse	\$20M-\$22M
	Option 8 – Hybrid Code Transformation	\$18M-25M

## Estimated Total Cost Includes:

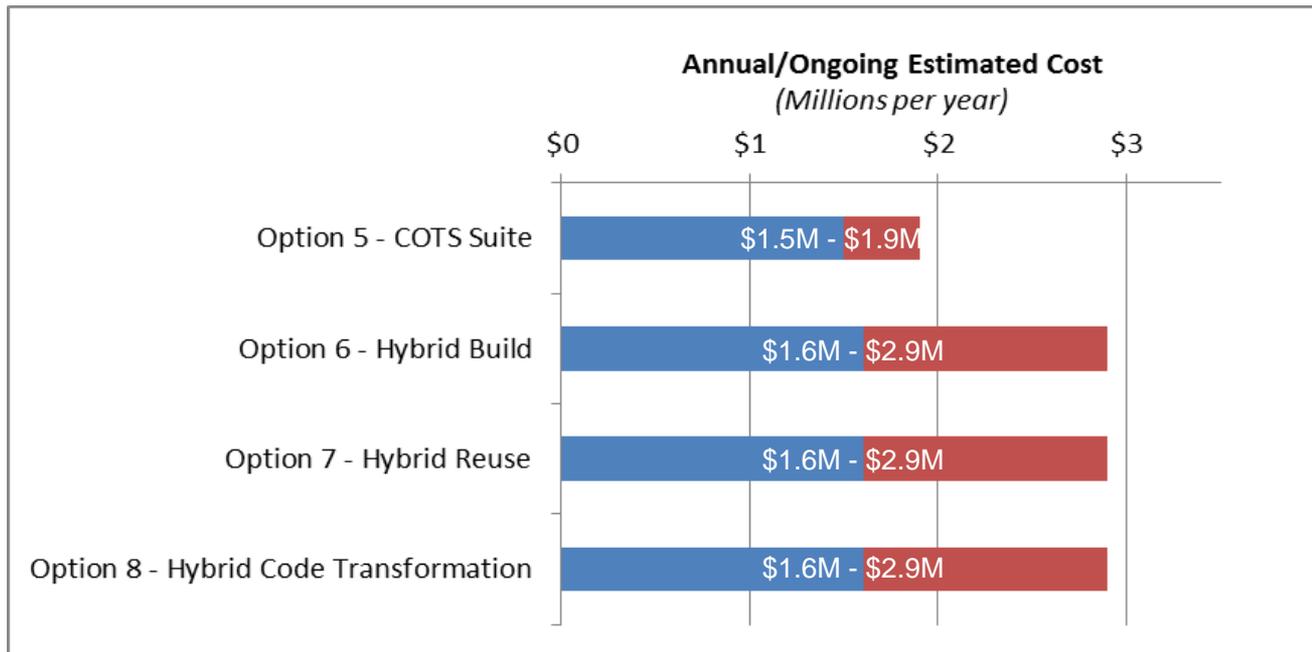
- Infrastructure
- Software/Licensing
- Development/Professional Services
- MN.IT/DLI Resources
- Project Management
- Business Process Reengineering
- Organizational Change Management

## Cost Sources:

- DLI/MN.IT Internal Staffing Rates
- MN.IT Site Program Vendor List
- 2 Potential Development Partners
- 5 Potential COTS Suite Partners
- 3 Potential Code Conversion Partners
- Project Consulting Group’s experience with similar projects

# Modernization Options – Estimated Costs

In addition to initiation/implementation costs, all options will also have annual/ongoing costs which are estimated below.



## Annual/ongoing costs include:

- Software license fees
- Annual fees
- Infrastructure cost
- Internal/external resources (to support/enhance the system)\*

\*May be repurposed from existing headcount or incremental add to staff.

# Modernization Options – Estimated Costs

Below, the estimated costs have been spread across multiple fiscal years, based upon estimated project initiation/implementation timeframes.

Year	Option 5 – COTS Suite	Option 6 – Hybrid Build	Option 7 – Hybrid Reuse	Option 8 – Hybrid Code Transformation
FY 2016	\$3M to \$4M \$400K-\$650K*	\$3M to \$4M \$650K-\$850K*	\$3M to \$4M \$400K-\$650K*	\$3M to \$4M \$650K-\$850K*
FY 2017	\$4.6M to \$13M	\$5M to \$11.75M	\$4.25M to \$4.5M	\$5M-\$7M
FY 2018	\$4.6M to \$13M	\$5M to \$11.75M	\$4.25M to \$4.5M	\$5M-\$7M
FY 2019	\$4.6M to \$13M	\$5M to \$11.75M	\$4.25M to \$4.5M	\$5M-\$7M
FY 2020		\$5M to \$11.75M	\$4.25M to \$4.5M	
<b>Estimated Total Cost</b>	<b>\$17M-\$43M</b>	<b>\$23M-\$51M</b>	<b>\$20M-\$22M</b>	<b>\$18M-25M</b>
<b>Project Initiation</b>	<b>6-9 mos.</b>	<b>9-12 mos.</b>	<b>6-9 mos.</b>	<b>9-12 mos.</b>
<b>Implementation</b>	<b>1.5-3 yrs.</b>	<b>3-4 yrs.</b>	<b>2-4 yrs.</b>	<b>1-3 yrs.</b>

\* Estimated project initiation costs; Steps 1-14 of Recommendation #3. Included as part of total cost.

# Modernization Options – Estimated Costs

Below, the estimated project initiation/implementation and annual/ongoing costs have been broken into categories and shown as a percentage of total estimated cost.

Modernization Option	Total Cost		Infrastructure	Software/Licensing	Development/Professional Services	MN.IT/DLI Resources	PM**	BPR**	OCM**
	Min	Max							
<b>Option 5 – COTS Suite</b>	<b>\$17M</b>	<b>\$43M</b>	<1%	15%	45%	<5%	5%	15%	15%
<i>Annual/Ongoing</i>	<i>\$1.5M</i>	<i>\$1.9M</i>	<i>10%</i>	<i>30%</i>		<i>60%</i>			
<b>Option 6 – Hybrid Build</b>	<b>\$24M</b>	<b>\$51M</b>	<1%	<5%	70%	10%	5%	Incl.*	10%
<i>Annual/Ongoing</i>	<i>\$1.6M</i>	<i>\$2.9M</i>	<i>5%</i>	<i>15%</i>		<i>80%</i>			
<b>Option 7 – Hybrid Reuse</b>	<b>\$20M</b>	<b>\$22M</b>	<1%	5%	60%	10%	10%	Incl.*	15%
<i>Annual/Ongoing</i>	<i>\$1.6M</i>	<i>\$2.9M</i>	<i>5%</i>	<i>10%</i>		<i>80%</i>			
<b>Option 8 – Hybrid Code Transformation</b>	<b>\$18M</b>	<b>\$25M</b>	<1%	<1%	65%	15%	5%	5%	5%
<i>Annual/Ongoing</i>	<i>\$1.6M</i>	<i>\$1.9M</i>	<i>5%</i>	<i>15%</i>		<i>80%</i>			

\*Incl. indicates that the amount is included in Professional Services estimate

\*\* PM = Project Management; OCM = Organization Change Management; BPR = Business Process Re-engineering

Note: MN.IT/DLI Resources annual costs include incremental MN.IT and DLI staff to support and maintain the system. Option 5 has 4 incremental FTE, Options 6-8 have 7-14 incremental staff. Values based upon Virginia internal staffing model. FTEs may be repurposed from existing headcount or incremental add to staff.

# Modernization Options – Summary

In order to fully and holistically evaluate each of the ‘viable’ options, cost, goal alignment, and fit must be taken into consideration as a whole. Goal alignment and fit are ranked (1 to 4) below based upon the results of their respective assessments.

Modernization Option	Goals	Fit	Estimated Cost (Min)	Estimated Cost (Max)
Option 5 - COTS Suite	1	1	<b>\$17M</b>	\$43M
Option 6 - Hybrid Build	2	3	\$23M	\$51M
Option 7 - Hybrid Reuse	2	2	\$20M	<b>\$22M</b>
Option 8 – Hybrid Code Transformation	4	4	\$18M	\$25M

Score: 1 = High; 4 = Low  
 Bold = most favorable value

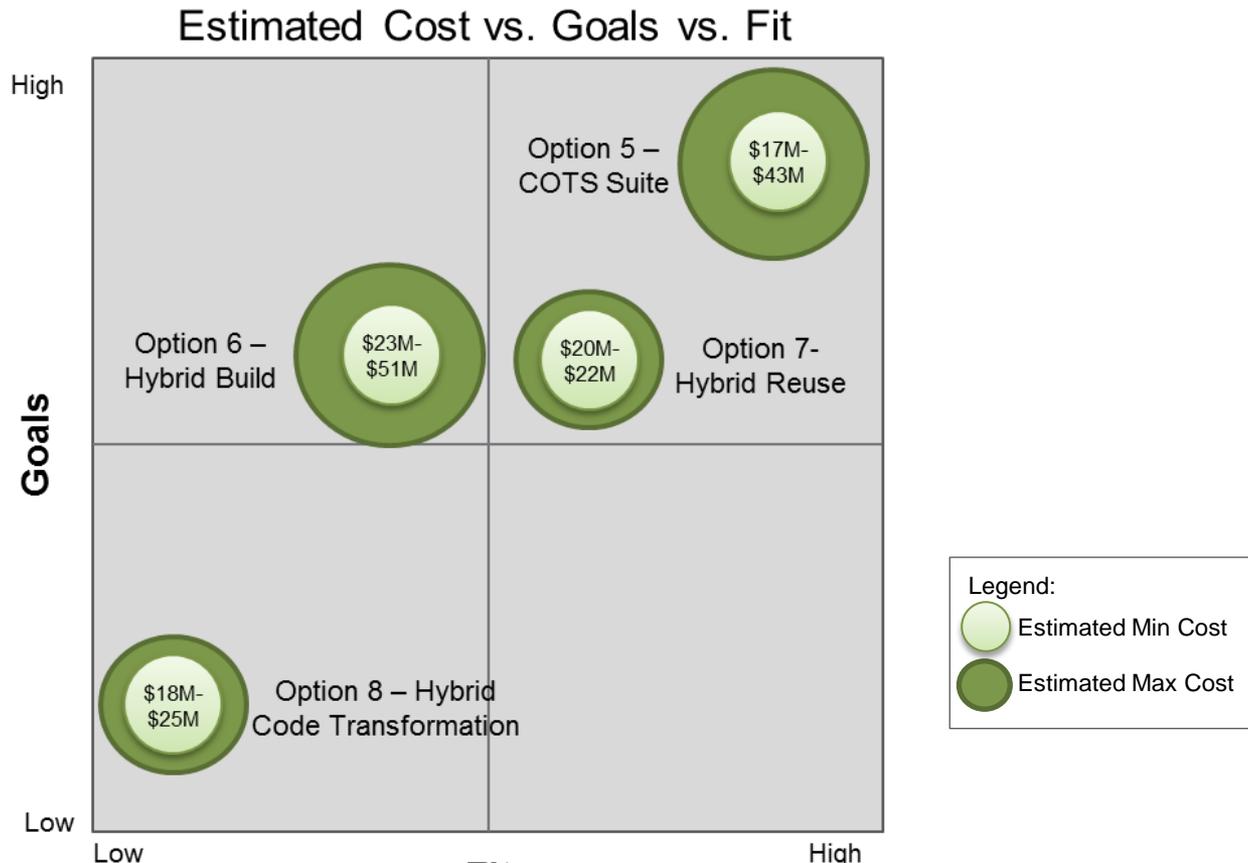
Notes:

- 1) Rankings are based upon goals and fit factors all being equally weighted. As part of the next Phase of the project weights/priorities may need to be explored/applied to assist in decision-making.
- 2) Based on the results above, the minimum estimated project cost is \$17M-\$22M; maximum project cost is \$23M-\$51M.



# Modernization Options – Summary

Below, the cost, goal alignment, and fit results are displayed as a scatter plot graph. Items in the upper right quadrant have the greatest alignment; items in the lower left quadrant have the least.



# Modernization Options – Summary

Top ‘pro’ and ‘con’ for each modernization option. See Appendix: Exhibits A-C for complete evaluation details.

Modernization Option	Top ‘Pro’	Top ‘Con’
Option 5 - COTS Suite	<ul style="list-style-type: none"> <li>Commercially developed solution, certified, supported, and tested by the vendor; shorter implementation timeframes and lower ongoing/annual costs.</li> </ul>	<ul style="list-style-type: none"> <li>High cost variance amongst vendors, which may limit the ability to meet all project goals at an acceptable cost.</li> </ul>
Option 6 - Hybrid Build	<ul style="list-style-type: none"> <li>Fully customized case management and ePortal solution with the advantage of COTS Document Capture/Document Management.</li> </ul>	<ul style="list-style-type: none"> <li>High cost of development and ongoing maintenance/support/enhancements*</li> </ul>
Option 7 - Hybrid Reuse	<ul style="list-style-type: none"> <li>Fully customized case management and ePortal solution with the advantage of COTS Document Capture/Document Management at lower cost and shorter implementation timeframe than ‘Option 6 – Hybrid Build’.</li> </ul>	<ul style="list-style-type: none"> <li>High cost of ongoing maintenance/support/enhancements*</li> </ul>
Option 8 – Hybrid Code Transformation	<ul style="list-style-type: none"> <li>Fall-back option, if Options 5-7 are deemed ‘not viable’ after deep-dive.</li> </ul>	<ul style="list-style-type: none"> <li>May not meet project goals and business requirements due to complexity of converting exiting code and retro-fitting to COTS.</li> </ul>

\*Based upon experiences from other states.

# Modernization Options - Vendors Utilized

**Vendors\* utilized for estimating purposes by Solution Option:**

Solution Option	Vendors
Build	CapTech Deloitte
COTS	No vendors identified
COTS Suite	EMC/Gimmel Hyland/Data Bank IBM Oracle Xerox/Consilience
Code Transformation	DB Best MedTex Trinity

\*These are vendors identified for this phase of work, but is not inclusive of all vendors who may have a solution offering and may participate in the vendor selection process.



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# Workers' Compensation Modernization Project Future State - Recommendations

# Recommendations

## Recommendation #1: Modernization Option

- Options 5, 6, and 7 are the leading 'viable' options based upon information to date. A deep-dive\* should be conducted to validate these recommendations prior to formal selection of an option. At this time, we recommend the following options in order:
  - a) Option 5 – COTS Suite (assuming ability to deliver required functionality at mid to low cost range)
  - b) Option 7 – Hybrid Reuse
  - c) Option 6 – Hybrid Build (assuming ability to deliver required functionality at mid to low cost range)
- Option 8 should only be considered if Options 5-7 are determined to be 'not viable' after deep-dive\*. Option 8 has the greatest risk of not meeting modernization goals and required functionality. This is primarily due to:
  - a) The current, custom-built Document Capture/Management functions will need to be “decoupled” from the current system and “retro-fitted” to utilize a COTS Document Capture/Management solution.
  - b) As part of the code-conversion process, the current system architecture and current business processes will need to be re-architected and re-engineered in order to meet future requirements.
  - c) There is a very high probability that “a” and “b” will directly conflict with each other. It is also likely that it will not be possible to know/discover all “conflicts” prior to initiating the code-conversion process – significantly increasing risk and potential for not meeting goals.

\* See Recommendation #3 for recommended approach

*Note: Recommendations are based upon the inputs and analysis of this project, as well as, Project Consulting Group's expertise and experience with similar projects.*

# Recommendations

## Recommendation #2: Key Non-Technical Components

- Establishing a clear decision path and leader is critical to successfully driving and maintaining control of large-scale projects like this. A single Sponsor is needed who is engaged, objective, empowered to make decisions, and able to work through conflict. Leading by committee is not effective in a project/program of this scale and complexity.
- Stakeholder alignment and willingness to change is imperative to successfully drive the project forward. Strong project sponsorship paired with strong organizational change management are key to setting expectations, educating, and informing stakeholders.
- Business Process Reengineering will occur regardless of modernization option selected and is a critical component of true 'modernization'. Leveraging Workers' Compensation best practices and templates for modernized processes is key to success, even when it pushes comfort zone boundaries.
- Organizational Change Management is needed regardless of modernization option selected and is a critical factor in successful adoption of internal and external stakeholders. Investment in a robust approach that goes beyond communication and training is highly recommended.

*Note: Recommendations are based upon the inputs and analysis of this project, as well as, Project Consulting Group's expertise and experience with similar projects.*

# Recommendations

## Recommendation #3: Initiation/Implementation Roadmap

Step	Activity	Est. Duration
1	Define roles and establish modernization Sponsor and project team	2-3 Wks.
2	Define and establish methodology/criteria to be used for modernization option selection. (Methodology and criteria define how modernization options and vendors will be assessed, solidifies priorities/weights to project goals and fit factors, and identifies key questions to be answered through deep-dive. Must be done prior to conducting Step 3.)	
3	Select modernization option(s) for deep-dive. (Ideally deep-dive is only performed on the top modernization option.* It is not recommended to perform deep-dive on more than two (2) options.)	
4	Define demo scenarios/use cases and proof of concept (POC) scenarios/use cases. (Scenarios represent a set of key business functions that need to be performed. The level of detail is between high-level business requirements and detailed design/requirements. Vendors need to understand the requirement of what needs to be performed and the end output. This is about the 'what', not dictating the 'how'. Demos will provide a generic non-Workers' Compensation view of how the solution handles the scenario. POC will provide a MN Workers' Compensation view of how the solution handles the scenario.)	4-6 Wks.
5	Deep-dive on modernization option(s) selected. (This is the preview of vendor solutions in their generic format and/or preview of solutions in other states. This is for informational purposes with the intent of selecting a modernization option.)	
6	Revise demo scenarios/use cases and proof of concept (POC) scenarios/use cases based upon deep-dive learnings.	
7	Select modernization option. (This is selection of a modernization option, not selection of a vendor.)	6-10 Wks.
8	Create and issue RFO, conduct vendor demos (onsite at DLI), evaluate results of RFO and demos, select vendor.	
9	Issue contract for proof of concept, detailed design/requirements, and implementation plan.	2-3 Wks.

\*Timing assumes deep-dive on only one modernization option – additional time will be required if multiple options selected. Steps 1-14 total 6-9 months.



# Recommendations

## Recommendation #3: Initiation/Implementation Roadmap (Cont.)

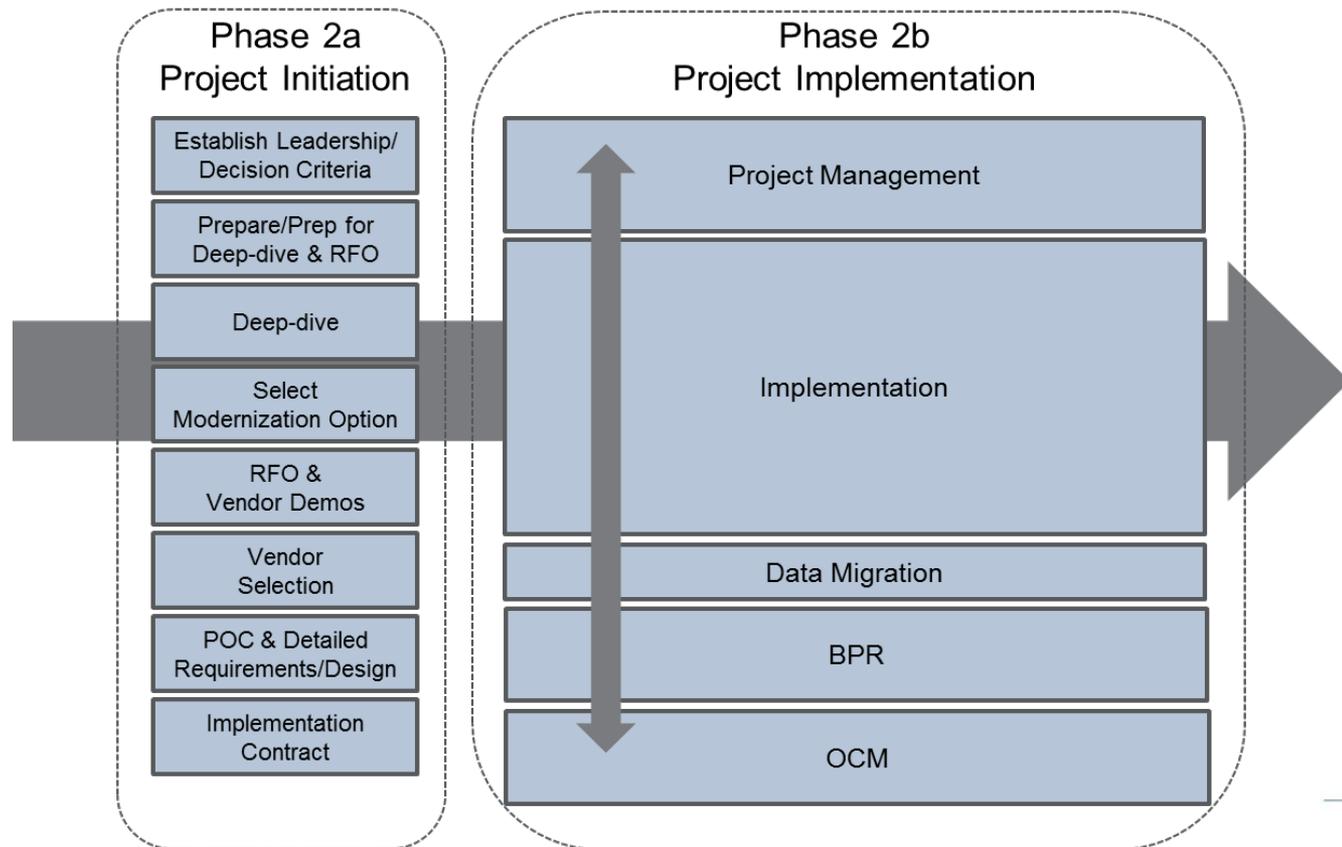
Step	Activity	Est. Duration
10	Proof of Concept (POC). (This is a paid POC and requires investment of time and resources by the vendor. The vendor will demonstrate their ability (or inability) to perform scenario functions within their solution. POC delivery should be evaluated against success criteria defined in steps 2 and 4 to ensure a timely Go/No-Go decision can be made.)	4-6 Wks.
11	Go/No-Go Decision (if 'No-Go', re-evaluate) based on POC results.	
12	Create detailed design/requirements, and implementation plan. (In addition to defining detailed design/requirements, this step includes development of plans for: project management, data migration, business process reengineering, organizational change management, and resources.)	6-8 Wks.*
13	Go/No-Go Decision (if 'No-Go', re-evaluate) to move into implementation phase with vendor.	
14	Issue contract for implementation.	2-3 Wks.
15	Implement modernization option selected per outcomes of #12 above.	TBD

\*If Modernization Option 6 or 8 is selected, an additional 4-12 weeks may be required.

# Recommendations

## Recommendation #4: Multi-phased Approach

It is recommended that project initiation and project implementation be split into two distinct phases. This allows for refinement of scope/cost/timelines and mitigates implementation risk around not meeting modernization goals.



# Recommendations

## Recommendation #4: Multi-phased Approach (cont.)

An estimated timeline for project initiation and project implementation is mapped out below for each modernization option.

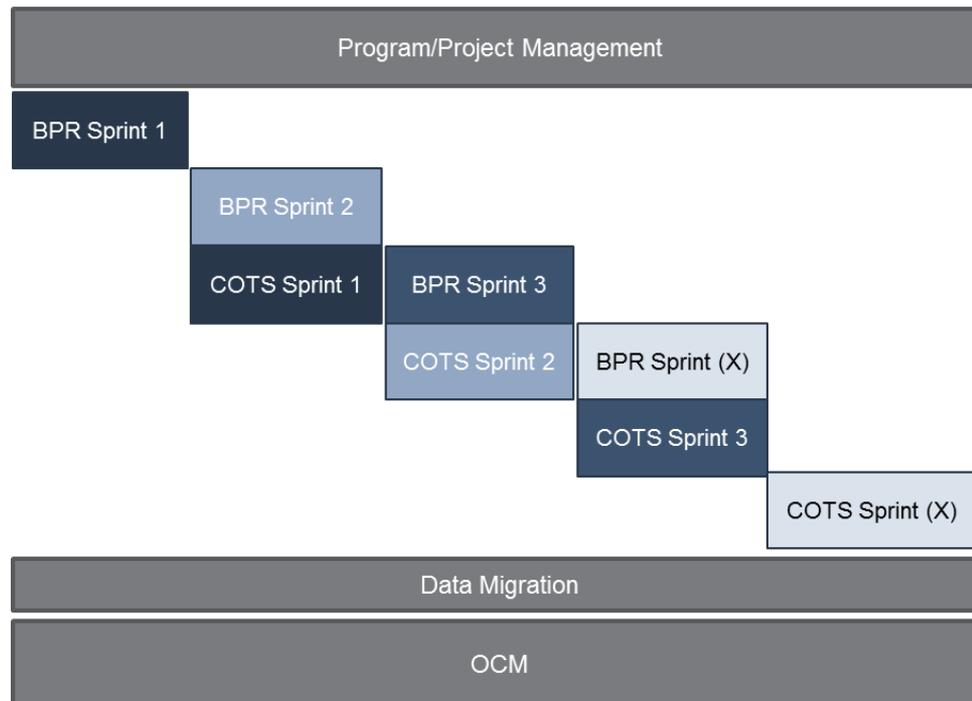
Year	Option 5 – COTS Suite	Option 6 – Hybrid Build	Option 7 – Hybrid Reuse	Option 8 – Hybrid Code Transformation
FY 2016	Phase 2a	Phase 2a	Phase 2a	Phase 2a
FY 2017	Phase 2b	Phase 2b	Phase 2b	Phase 2b
FY 2018				
FY 2019				
FY 2020				
Phase 2a: Initiation	6-9 mos.	9-12 mos.	6-9 mos.	9-12 mos.
Phase 2b: Implementation	1.5-3 yrs.	3-4 yrs.	2-4 yrs.	1-3 yrs.

# Recommendations

## Recommendation #5: Agile Approach

Regardless of the option selected, it is recommended that modernization occur in an Agile approach. The primary benefit(s) of this approach are: earlier realization of benefits compared with traditional methods, high degree of user engagement driving business satisfaction, increased quality and risk mitigation due to testing being part of the development lifecycle, and cost control as a result of fixed development timeframes.

### COTS Implementation – Agile Approach



#### Sprint Components:

- BPR
- Requirements/Design
- Configure/Implement
- Test

#### Notes:

- *Sprints repeat until build is complete*
- *BPR is one Sprint ahead of implementation*

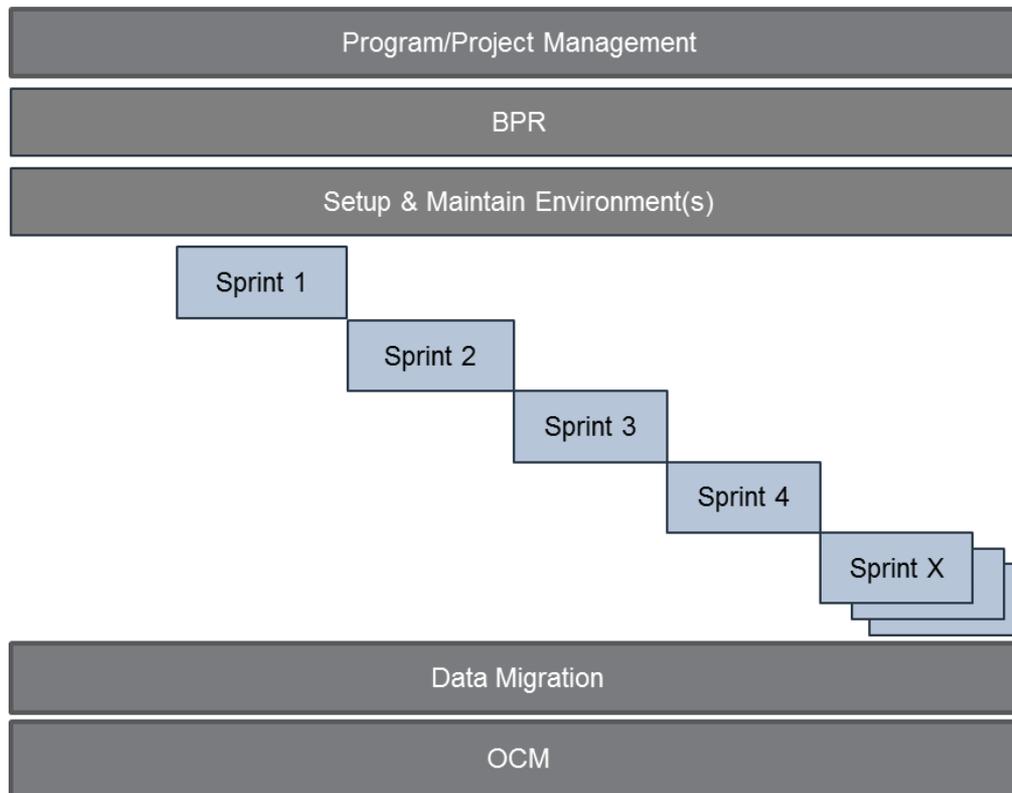
#### Recommended Sprint Team Members:

- Architect
- COTS Sr. Specialists
- COTS Specialists (2)
- BA/BSA
- Sr. Tester
- Tester
- DLI SMEs (7)
- MN.IT SMEs (3)

# Recommendations

## Recommendation #5: Agile Approach (cont.)

### Build Implementation – Agile Approach



#### Sprint Components:

- Requirements/Design
- Build
- Test

*Note: Sprints repeat until build is Complete*

#### Recommended Sprint Team Members:

- Architect
- UI Designer
- Sr. Developer
- Developers (4)
- BA/BSA
- Sr. Tester
- Tester
- DLI SMEs (7)
- MN.IT SMEs (3)

# Recommendations

## Recommendation #6: Environment Freeze

It is important throughout the modernization process to keep the current environment as constant as possible, only making mission critical changes. This will minimize risk of project redesign and/or rework.

At minimum, we recommend that the current environment should be frozen until the end of Phase 2a Project Initiation\*. Once a modernization option/vendor has been selected and engaged, requests for mission critical enhancements to the current system will need to be assessed against the implementation plan to determine the benefit/risk before a go-forward decision can be made.

\*The exception to this would be break/fix and/or enhancements required to meet new statutory mandates.

*Note: Recommendations are based upon the inputs and analysis of this project, as well as, Project Consulting Group's expertise and experience with similar projects.*



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# Workers' Compensation Modernization Project Appendix

# Exhibit A: Viability Rating Detail

Modernization Option		Rationale for 'Not Viable' Rating
Build	Option 1 – Build (100% custom solution)	<ul style="list-style-type: none"> <li>Does not follow industry trends.</li> <li>Does not follow state trends.</li> </ul>
	Option 2 - Reuse (Custom solution reusing code from another state)	<ul style="list-style-type: none"> <li>Due to inconsistencies of Workers' Compensation rules and regulations across states, reuse of code may severely limit desired functionality, cause excessive rework, and/or excessive custom development.</li> <li>Reusing code that was not initially designed as 'open source' is extremely difficult and costly. Documentation is often not available and when available is designed for maintenance, not reuse.</li> </ul>
	Option 3 - Code Transformation (Custom solution using code transformation from existing DLI system)	<ul style="list-style-type: none"> <li>Pure code transformation will not support the re-architecture of the current system. Re-architecture will be necessary to achieve future requirements/functionality.</li> <li>This option would be considered viable if the only goal was to modernize <b>CURRENT FUNCTIONALITY</b>.</li> </ul>
Buy	Option 4 - COTS (Single commercial-off-the-shelf Workers' Comp solution)	<ul style="list-style-type: none"> <li>No Workers' Compensation solutions were able to be identified.</li> </ul>

*Please note this report does not contain additional details/estimates for options deemed 'Not Viable'; information is available in the project data repository.*



# Exhibit A: Viability Rating Detail (cont.)

Modernization Option		Rationale for 'Viable' Rating
Buy	Option 5 - COTS Suite (Multiple integrated commercial-off-the-shelf solutions)	<ul style="list-style-type: none"> <li>Follows industry trends.</li> <li>Follows state trends. Saskatchewan has successfully deployed using this model; Michigan is in the process of deploying.</li> <li>Multiple vendors were identified that meet key criteria/requirements.</li> </ul>
Hybrid	Option 6 - Hybrid Build (Custom Case Management and Custom Web Portal; utilizing COTS infrastructure*)	<ul style="list-style-type: none"> <li>Partially follows industry trends. Core functionality of Document Capture/Document Management utilize COTS.</li> <li>Model follows state trends. Multiple states have successfully deployed this model (e.g., Pennsylvania, Virginia).</li> </ul>
	Option 7 - Hybrid Reuse (Custom Case Management and Custom Web Portal based on code from another state; utilizing COTS infrastructure*)	<ul style="list-style-type: none"> <li>Partially follows industry trends. Core functionality of Document Capture/Document Management utilize COTS.</li> <li>Model follows state trends. Note: No states were identified that have deployed a solution based on another states code.</li> <li>Basing a new solution based off of another state (instead of 'reusing' code) significantly limits risk, maximizes ROI, and maximizes functionality.</li> <li>Utilizing the same development partner that implemented the other states solution further limits risk, maximizes ROI, and maximizes functionality.</li> </ul>
	Option 8 – Hybrid Code Transformation (Custom Case Management and Custom Web Portal based on code transformation from existing DLI system; utilizing COTS infrastructure*)	<ul style="list-style-type: none"> <li>Partially follows industry trends. Core functionality of Document Capture/Document Management utilize COTS.</li> <li>Partially follows state trends as a 'stop-gap' solution.</li> <li>Allows for re-architecture of current system to support future functionality/functionality.</li> </ul>

\* Minimum of Document/Data Capture and Document/Data Management functionality utilizing COTS

# Exhibit B: Goal Alignment Detail

## Option 5 – COTS Suite

Project Goals	Comments
Increased staff efficiency and reduced time to complete transactions	✔ Functionality will be built around a commercial, 'out-of-the-box', product that incorporates industry standards & best practices that will optimize the overall process.
Improved electronic interface for use by the injured workers and other stakeholders	✔ Provides modern 'out-of-the-box' ePortal functionality.
Improved workflow and expanded case management functions	✔ Provides 'out-of-the-box' workflow and case management functionality with the ability to configure and/or customize per business needs.
Improved statistics and reporting capabilities	✔ Provides robust, 'out-of-the-box', reporting functionality, allowing for dynamic, adhoc, repeatable, and shared reporting. Has ability to integrate with other reporting tools (e.g., Crystal).
Improved document management, imaging, and calendaring capabilities	✔ Provides robust, 'out-of-the-box', Document Capture and Document Management functionality; incorporating industry standards & best practices that optimize the overall process.
Easy to support and maintain for future changes and enhancements	✔ Software updates and new functionality are tested and certified for all major operating systems, browsers, and mobile devices by the vendor prior to release.
Maintain appropriate security and access for system data, including retention and archiving	✔ Robust security that can integrate with active directory/single sign-on is provided 'out-of-the-box'. Retention and archiving solutions are also provided 'out-of-the-box'.
Accommodate changing demographics in the workforce and with the citizens we serve	✔ Commercial 'out-of-the-box' solutions typically strive to ensure they are utilizing modern/up-to-date technology and providing functionality that incorporates leading social trends.

# Exhibit B: Goal Alignment Detail

## Option 6 – Hybrid Build

Project Goals	Comments
Increased staff efficiency and reduced time to complete transactions	✔ Custom functionality can be built that incorporates industry standards & best practices that will optimize the overall process.
Improved electronic interface for use by the injured workers and other stakeholders	✔ Modern ePortal functionality can be custom built.
Improved workflow and expanded case management functions	✔ Improved workflow and case management functionality can be custom built.
Improved statistics and reporting capabilities	✔ Robust reporting functionality allowing for dynamic, adhoc, repeatable, and shared reporting can be custom built.
Improved document management, imaging, and calendaring capabilities	✔ Provides robust, 'out-of-the-box', Document Capture and Document Management functionality; incorporating industry standards & best practices that optimize the overall process.
Easy to support and maintain for future changes and enhancements	✘ Software updates and new functionality (except for core Document Capture/Document Management functions) will need to be tested and certified for all major operating systems, browsers, and mobile devices by DLI prior to release.
Maintain appropriate security and access for system data, including retention and archiving	<p>⚠ Document Capture/Document Management will provide robust, 'out-of-the-box', security that can integrate with active directory/single. Major questions that need to be addressed during deep-dive are:</p> <ul style="list-style-type: none"> <li>• How will security be handled for the custom built portions?</li> <li>• How will the 'out-of-the-box' security and custom built security integrate and interact with each other?</li> </ul>
Accommodate changing demographics in the workforce and with the citizens we serve	⚠ DLI will need to continuously strive to ensure modern functionality and user interfaces maintain pace with changing demographics and society demand.

# Exhibit B: Goal Alignment Detail

## Option 7 – Hybrid Reuse

Project Goals	Comments
Increased staff efficiency and reduced time to complete transactions	✔ Custom functionality can be built that incorporates industry standards & best practices that will optimize the overall process.
Improved electronic interface for use by the injured workers and other stakeholders	✔ Modern ePortal functionality can be custom built.
Improved workflow and expanded case management functions	✔ Improved workflow and case management functionality can be custom built.
Improved statistics and reporting capabilities	✔ Robust reporting functionality allowing for dynamic, adhoc, repeatable, and shared reporting can be custom built.
Improved document management, imaging, and calendaring capabilities	✔ Provides robust, 'out-of-the-box', Document Capture and Document Management functionality; incorporating industry standards & best practices that optimize the overall process.
Easy to support and maintain for future changes and enhancements	✘ Software updates and new functionality (except for core Document Capture/Document Management functions) will need to be tested and certified for all major operating systems, browsers, and mobile devices by DLI prior to release.
Maintain appropriate security and access for system data, including retention and archiving	<p>⚠ Document Capture/Document Management will provide robust, 'out-of-the-box', security that can integrate with active directory/single. Major questions that need to be addressed during deep-dive are:</p> <ul style="list-style-type: none"> <li>• How will security be handled for the custom built portions?</li> <li>• How will the 'out-of-the-box' security and custom built security integrate and interact with each other?</li> </ul>
Accommodate changing demographics in the workforce and with the citizens we serve	⚠ DLI will need to continuously strive to ensure modern functionality and user interfaces maintain pace with changing demographics and society demand.

# Exhibit B: Goal Alignment Detail

## Option 8 – Hybrid Code Transformation

Project Goals	Comments
Increased staff efficiency and reduced time to complete transactions	<p>⚠ See Note</p> <p>Note: Major questions that need to be addressed during deep-dive are:</p>
Improved electronic interface for use by the injured workers and other stakeholders	<p>⚠ See Note</p> <p>a) How will the current, custom-built Document Capture/Management functions be “decoupled” from the current system and “retro-fitted” to utilize a COTS Document Capture/Management solution?</p>
Improved workflow and expanded case management functions	<p>⚠ See Note</p> <p>b) As part of the code-conversion process, how will the current system architecture and current business processes be re-architected and re-engineered in order to meet future requirements?</p>
Improved statistics and reporting capabilities	<p>⚠ See Note</p> <p>c) How will you ensure that “a” and “b” above will not directly conflict with each other?</p>
Improved document management, imaging, and calendaring capabilities	<p>✅ Provides robust, ‘out-of-the-box’, Document Capture and Document Management functionality; incorporating industry standards &amp; best practices that optimize the overall process.</p>
Easy to support and maintain for future changes and enhancements	<p>❌ Software updates and new functionality (except for core Document Capture/Document Management functions) will need to be tested and certified for all major operating systems, browsers, and mobile devices by DLI prior to release.</p>
Maintain appropriate security and access for system data, including retention and archiving	<p>⚠ Document Capture/Document Management will provide robust, ‘out-of-the-box’, security that can integrate with active directory/single. Major questions that need to be addressed during deep-dive are:</p> <ul style="list-style-type: none"> <li>• How will security be handled for the custom built portions?</li> <li>• How will the ‘out-of-the-box’ security and custom built security integrate and interact with each other?</li> </ul>
Accommodate changing demographics in the workforce and with the citizens we serve	<p>⚠ DLI will need to continuously strive to ensure modern functionality and user interfaces maintain pace with changing demographics and society demand.</p>

# Exhibit C: Fit Assessment Detail

## Option 5 – COTS Suite

Considerations	Comments
Implementation Timeline	✔ Estimated timeline 1.5-3 years. Note: Vendors are reluctant to give actual timelines based on high-level requirements. After Phase 2a more accurate timing can be established.
Industry Standards & Trends	✔ Meets industry standards and trends. All vendors explored are rated as capable on Gartner 'Magic Quadrant'.
State Trends	✔ Follows state trends. Saskatchewan has successfully deployed using this model; Michigan is in the process of deploying.
Supportability	✔ Support/escalation available through the vendor. Extensive knowledge-base and online forums available for all vendors identified.
Ease of Upgrades/Changes	✔ New versions of the solution are fully tested by vendor prior to release. Solution is certified for current industry standard hardware/software. Future industry standard hardware/software will be certified by the vendor as it becomes available. Ease of upgrade dependent upon level of configuration vs. customization implemented.

# Exhibit C: Fit Assessment Detail

## Option 5 – COTS Suite (cont.)

Considerations	Comments
Ability to Interface/ Integrate	✔ Wide variety of industry standard, 'out-of-the-box', interface options available.
Flexibility/ Adaptability	✔ All of the solutions explored are more of a 'framework' than an application and allow for extensive flexibility/adaptability. Note: Proof of concept should be conducted in Phase 2a to verify and validate.
Implementation Complexity	✘ High – business processes must be adapted to follow solution best practices. The complexity of data migration will likely be higher due to fact that current DLI data must be mapped to a solution's predefined data model as opposed to a build option where flexibility exists to alter the new data model to accommodate current data model/data.
Business Process Impact	✘ High – business processes will need to be re-engineered and optimized to follow solution best practices.
Resource Skillsets	✘ Vendor Professional Services will be required for design/implementation. Ongoing support/maintenance should be able to be supported by MN.IT staff if additional staffing is added.

# Exhibit C: Fit Assessment Detail

## Option 6 – Hybrid Build

Considerations	Comments
Implementation Timeline	❌ Estimated timeline 3-4 years. Note: After Phase 2a more accurate timing can be established.
Industry Standards & Trends	✅ Partially follows industry trends. Core functionality of Document Capture/Document Management are utilizing COTS.
State Trends	✅ Model follows state trends. Multiple states have successfully deployed this model (e.g., Pennsylvania, Virginia).
Supportability	❌ Support will need to be provided by MN.IT staff and/or external partner.
Ease of Upgrades/Changes	❌ New versions of the solution will need to be fully tested by MN.IT/development partner/business prior to release. Solution will need to be certified by MN.IT/development partner for current industry standard hardware/software. Future industry standard hardware/software will need to be certified by MN.IT/development partner as it becomes available. Ease of upgrade dependent upon consistency and best practices of the code developed and documentation provided.

# Exhibit C: Fit Assessment Detail

## Option 6 – Hybrid Build (cont.)

Considerations	Comments
Ability to Interface/ Integrate	❌ Will require custom interfaces to be developed.
Flexibility/ Adaptability	✅ This is a custom solution; therefore, flexibility/adaptability should be considered high. Note: Proof of concept should be conducted in Phase 2a to verify and validate.
Implementation Complexity	❌ High – business processes must be adapted to follow development partner Workers' Compensation processes and best practices. Solution must be built from the ground up which increases complexity.
Business Process Impact	✅ Medium – if business processes can be re-engineered and optimized to follow development partner Workers' Compensation best practices.
Resource Skillsets	❌ External development partner required for design/implementation. Ongoing support/maintenance should be able to be supported by MN.IT staff if additional staffing is added.

# Exhibit C: Fit Assessment Detail

## Option 7 – Hybrid Reuse

Considerations	Comments
Implementation Timeline	✔ Estimated timeline 2-4 years. Note: After Phase 2a more accurate timing can be established.
Industry Standards & Trends	✔ Partially follows industry trends. Core functionality of Document Capture/Document Management are utilizing COTS.
State Trends	✔ Model follows state trends. Note: no states were identified that have deployed a solution based on another states code.
Supportability	✘ Support will need to be provided by MN.IT staff and/or external partner.
Ease of Upgrades/Changes	✘ New versions of the solution will need to be fully tested by MN.IT/development partner/business prior to release. Solution will need to be certified by MN.IT/development partner for current industry standard hardware/software. Future industry standard hardware/software will need to be certified by MN.IT/development partner as it becomes available. Ease of upgrade dependent upon consistency and best practices of the code developed and documentation provided.

# Exhibit C: Fit Assessment Detail

## Option 7 – Hybrid Reuse (cont.)

Considerations	Comments
Ability to Interface/ Integrate	✘ Will require custom interfaces to be developed.
Flexibility/ Adaptability	✔ This is a custom solution; therefore, flexibility/adaptability should be considered high. Note: Proof of concept should be conducted in Phase 2a to verify and validate.
Implementation Complexity	✔ Medium – if business processes can be adapted to follow development partner Workers' Compensation processes and best practices.
Business Process Impact	✔ Medium – if business processes can be re-engineered and optimized to follow development partner Workers' Compensation best practices.
Resource Skillsets	✘ Requires utilization of <u>same external development partner</u> who developed base code. Ongoing support/maintenance should be able to be supported by MN.IT staff if additional staffing is added.

# Exhibit C: Fit Assessment Detail

## Option 8 – Hybrid Code Transformation

Considerations	Comments
Implementation Timeline	✔ Estimated timeline 1-3 years. Note: After Phase 2a more accurate timing can be established.
Industry Standards & Trends	✔ Partially follows industry trends by utilizing COTS Document Capture/Document Management.
State Trends	✔ Partially follows state trends as a 'stop-gap' solution.
Supportability	✘ Support will need to be provided by MN.IT staff and/or external partner.
Ease of Upgrades/Changes	✘ New versions of the solution will need to be fully tested by MN.IT/development partner/business prior to release. Solution will need to be certified by MN.IT/development partner for current industry standard hardware/software. Future industry standard hardware/software will need to be certified by MN.IT/development partner as it becomes available. Ease of upgrade dependent upon consistency and best practices of the code developed and documentation provided.

# Exhibit C: Fit Assessment Detail

## Option 8 – Hybrid Code Transformation (cont.)

Considerations	Comments
Ability to Interface/ Integrate	✘ Will require custom interfaces to be developed.
Flexibility/ Adaptability	✘ Option may be limited by the architecture and design of the current system and may not be able to achieve all future functionality.
Implementation Complexity	✘ High – architecture of current system will need to be retrofitted/redesigned to follow reengineered business processes and ‘out-of-the-box’ COTS processes.
Business Process Impact	✘ Extreme – this option is not based upon leveraging a modern technology framework/infrastructure as a starting point and modern vendor Workers' Compensation process templates and best practices are not available. Current Document Capture/Document Management business processes will need to be updated and retro-fit to utilize a modern COTS system. Case Management business processes will also need to be revamped into modern processes in order to achieve future goals. <u>This is extremely complex due to the decoupling of technology and process from the existing system.</u>
Resource Skillsets	✘ External code assessment/transformation/development partner required for code transformation, development, and implementation. Ongoing support/maintenance should be able to be supported by MN.IT staff if additional staffing is added.