



# **D.C. OFFICE OF RISK MANAGEMENT**

## **FY 2024 PERFORMANCE PLAN**

**DECEMBER 1, 2023**

# CONTENTS

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- Contents** **2**
- 1 D.C. Office of Risk Management** **3**
- 2 2024 Objectives** **4**
- 3 2024 Operations** **5**
- 4 2024 Strategic Initiatives** **9**
- 5 2024 Key Performance Indicators and Workload Measures** **10**

# 1 D.C. OFFICE OF RISK MANAGEMENT

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*Mission:* The mission of the Office of Risk Management (ORM) is to reduce the probability, occurrence and cost of risk to the District of Columbia government.

*Services:* ORM implements its mission through four programs: Risk Prevention and Safety Division (RPS), Public Sector Workers Compensation Program, Tort Liability Program and the Captive Insurance Agency. An individual summary of services is provided by division in each section. **PERFORMANCE PLAN DIVISIONS:** Risk Prevention and Safety Division (RPS), Public Sector Workers Compensation Program, Tort Liability Program, Captive Insurance Agency, and Agency Management

## 2 2024 OBJECTIVES

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### Strategic Objective

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Identify, measure, analyze and mitigate the District government's exposure to risk and liability.

Administer the Public Sector Workers' Compensation Program to provide benefits for disability or death of a District Government employee resulting from personal injury sustained while in the performance of his or her duty.

Receives and investigates claims against the District government with the goal of negotiating and preparing claims for fair and timely disposition.

Collect monies owed to the District as a result of Third Party tortfeasors whose negligence or intentional acts result in damages and losses to the District.

Create and maintain a highly efficient, transparent, and responsive District government.

Vendor and provider relations needs including medical bill review, compliance, and medical provider assessment.

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### 3 2024 OPERATIONS

Operation Title	Operation Description	Type of Operation
<b>Identify, measure, analyze and mitigate the District government's exposure to risk and liability.</b>		
Conducts site safety inspections of District government properties	ORM's Occupational Safety and Health inspectors conduct inspections of District owned and operated buildings to ensure that building inspections and follow-up inspections are (a) conducted using Occupational Safety and Health Administration's (OSHA) guidelines and (b) communicated to the Directors and Agency Risk Management Representatives (ARMR's) to ensure that the buildings are safe, healthy, and comply with OSHA standards and regulations.	Daily Service
Administration of the District's hybrid Self-Insurance program to include issuance of self-insurance certification letters	The Government of the District of Columbia operates as a self-insured entity. When a District agency requires proof of insurance (evidence of self-insurance), the DC Office of Risk Management (ORM) will review and consider all requests for such proof. If the request is approved, a self insurance letter will be issued to the petitioner.	Daily Service
Provide advice to District agencies on risk and insurance policies and practices	Agencies frequently seek advice from ORM on how to protect the District from risks and liabilities as they carry out agency initiatives, contracts and coordinating special events. A training platform has been developed to review the minimum insurance requirements for contractors and vendors. The following areas were addressed - ORM's purpose, the need for insurance, self insurance programs, the Captive, risk / exposure identification, contract insurance requirements, multiple lines of business and their application, additional insureds, subrogation, Anti-Deficiency Act, indemnification clause, certificates of insurance, contract review, timeline and process for review by ORM.	Daily Service
Procure and maintain insurance coverage(s) for District government real estate property assets	ORM, through the Captive Insurance Agency, hired a third-party commercial property insurance broker and purchased commercial property insurance, including terrorism coverage for District-owned property for the purpose of building a stronger District property risk management program through a combination of self-insurance and private insurance.	Daily Service
Obtain and review driving records for operators of District vehicles	ORM, in partnership with other District government agencies, aims to prevent driver negligence of employees who use a District vehicle for business purposes by obtaining and reviewing driving records. Agencies with high risk drivers are alerted and advised to take appropriate and necessary action to mitigate risk; including but not limited to revoking driving privileges.	Daily Service

(continued)

Operation Title	Operation Description	Type of Operation
Provide a system for identifying, measuring, analyzing and mitigating the District government's exposure to risk and liability	ORM will be integrating functionality within the Enterprise Risk Management System (ERMS) to manage daily operations for each agency.	Key Project
Provides guidance and training to agencies on risk analysis and mitigation	The Office of Risk Management collaborates with all Agency Risk Management Representatives (ARMRs) on emergency response to determine the areas where the District has the greatest exposure to risk and make recommendations to minimize its occurrence.	Daily Service
Alive and well checks for Workers' Compensation Program	Number of alive and well checks done by the Investigation unit for the Public Sector Workers' Compensation Program	Daily Service

**Administer the Public Sector Workers' Compensation Program to provide benefits for disability or death of a District Government employee resulting from personal injury sustained while in the performance of his or her duty.**

Public Sector Workers' Compensation Administrative Actions	Dedicated resources utilized to process and assist the Public Sector Workers' Compensation claims management process including claims intake and provider relations services.	Daily Service
Ongoing management of accepted claim for medical treatment and/or indemnity payments	Once a claim is accepted, ORM continuously reviews and analyzes medical and loss wage payments for compensability.	Daily Service
Return injured employee back to work as soon as medically possible in an alternative, modified, part-time and/or full-time capacity	Return to work simply means helping an employee get back to work as soon as possible after a job-related injury or illness. Through additional concrete efforts ORM will create alternative methods of support in order to return more employees back to work.	Daily Service
Conduct orientations, trainings and job fairs to injured employee's of the Public Sector Workers' Compensation Program and Return to Work Program	Returns to work orientations are conducted monthly. The purpose is to educate injured workers on the Return to Work process. Trainings consist of resume writing, basic computer skills, and interview skills. Job fairs are held quarterly, consisting of DC Government agencies and outside organizations who conduct on-the-spot interviews for permanent placement.	Daily Service
Manage claims submitted by employees to determine if the injury sustained is compensable	The primary goal of the Public Sector Workers' Compensation Program is to respond to workplace injuries with the best, most appropriate medical care at a reasonable cost, and to return employees back to work as soon as medically possible. ORM will work with agency partners to analyze and ensure injuries are work related through an integrated, active process.	Daily Service

**Receives and investigates claims against the District government with the goal of negotiating and preparing claims for fair and timely disposition.**

(continued)

Operation Title	Operation Description	Type of Operation
Administer the Settlement and Judgement Fund	ORM authorizes pre-litigation settlements through its operation of the tort liability program. ORM continues to improve its analysis and review of payments from the settlement and judgement fund.	Daily Service
Review the facts and assess the merits of the claims for disposition by way of settlements or denials	The claims adjuster will: 1) contact the claimant and the parties involved 2) contact the District agency involved for internal reports and investigative information 3)gather and inspect all relevant information regarding a claim including photos, quotes, estimates, witness statements, etc. 4) enter additional information/investigation details into claims management system 5) determination to accept or reject a claim	Daily Service
Coordination with responsible District agencies to determine whether to accept a claim and enter into a pre-litigation settlement or reject the claim	ORM will reach out the involved agency for supporting documentation in order to assess liability. Upon determination of liability, ORM will reach out the claimant directly.	Daily Service
Receive §12-309 notices for alleged claims against the District	The Tort Liability Division investigates and resolves claims filed against the District of Columbia pursuant to D.C. Code § 12-309. Individuals can file a tort claim against the District for unliquidated losses (property damage or personal injury) arising out of the actions or inactions of the District and/or its employees. Once a claim has been received and logged into the claims database, it is assigned to an adjuster for investigation and handling.	Daily Service
Investigations	Investigations related to Tort and Public Sector Workers' Compensation incidents and claims.	Daily Service
<b>Collect monies owed to the District as a result of Third Party tortfeasors whose negligence or intentional acts result in damages and losses to the District.</b>		
Review District agency incident reports and determine if damages and losses to the District is as a result of negligence or intentional act of a third party	ORM assesses liability pursuant to supporting documentation requested and received from agencies.	Daily Service
Provide notice to third party tortfeasors of the District's intent to subrogate and pursue recovery of monies owed to the District as a result of damages and losses due to third party tortfeasors actions	ORM relies on supporting documentation from the agencies to assist in the subrogation process.	Daily Service
Recover monies through subrogation efforts either in resolution of a settlement or lawsuit	ORM's staff will analyze , pursue, and support OAG in litigation efforts to collect on losses incurred by third party actors.	Daily Service

(continued)

Operation Title	Operation Description	Type of Operation
<b>Create and maintain a highly efficient, transparent, and responsive District government.</b>		
Risk Council Meetings	Risk Council Meetings coordination with Agency ARMRs	Key Project
Agency Information Presentations	ORM is working to touch all District Agencies to communicate our operations and services.	Key Project
District Audit Tracking	Enter, review and track audit information for both the District's Single Audit and agency individual audits.	Daily Service
<b>Vendor and provider relations needs including medical bill review, compliance, and medical provider assessment.</b>		
Bill Review	Review of medical provider billing	Daily Service



## 4 2024 STRATEGIC INITIATIVES

Title	Description	Proposed Completion Date
Enterprise Risk Management (ERM) Pilot Program	In FY19 ORM embarked on an Enterprise Risk Management (ERM) pilot program with test agencies. In FY20 ORM will work to establish/build an ERM framework in its ERisk platform and train ten more agencies on the use of the ERM structure, monitoring, and improving the program. The new system will give agencies a structure to analyze and assess their agencies risks and give them data and dashboards to visualize what risks they currently have and where improvement and risk mitigation can be structured. ORM will assist in teaching agencies how to view and analyze this data and offer training's and assistance in risk mitigation strategies.	9/30/2024
Claims Management Playbook	Claims Management Playbook - ORM will develop playbook that will layout the plan and job roles for members of the team in the event of any kind of major loss for the District.	9/30/2024
District Audit Tracking System	"ORM along with agency partners District-wide will work to create a new audit tracking system and process within the structure of ERisk. The new system will not only give ORM and partner agencies greater visibility into audit process and procedure, but it will also allow for ORM and partner agencies to assess agency performance related to audits. ORM's Risk Prevention and Safety (RPS) division will lead the effort working to develop the software, training pilot agencies and work with pilot agencies to import data by close of Q1 FY2020. After the completion of the audit pilot RPS will work in Q2 with the development team on improvements as well as begin the communication with all District-wide agencies on the new process and procedures. By close of FY20 all District agencies will be aware of the new process, an SOP as well as a user guide will be created and RPS will be able to show dashboards related to agency audits. "	9/30/2024

## 5 2024 KEY PERFORMANCE INDICATORS AND WORKLOAD MEASURES

### Key Performance Indicators

Measure	Directionality	FY 2021	FY 2022	FY 2023	FY 2024 Target
<b>Identify, measure, analyze and mitigate the District government's exposure to risk and liability.</b>					
Percent of eligible facilities for which agencies have submitted an Emergency Response Plan (ERP) for approval by ORM	Up is Better	82%	73%	73%	85%
Percent of known and applicable government real estate property assets insured by private insurance	Up is Better	100%	100%	100%	100%
<b>Administer the Public Sector Workers' Compensation Program to provide benefits for disability or death of a District Government employee resulting from personal injury sustained while in the performance of his or her duty.</b>					
Percent of claims opened and assigned (three point contact) within five (5) business days of receipt by ORM's Public Sector Workers' Compensation Program	Up is Better	99%	97.3%	98%	90%
Percent of 9-A Appeal to The Chief Risk Officer decisions issued within 30 days of receipt	Up is Better	94%	76.3%	83%	75%
Percent of A-1 Request for Audit or Certification of Award decisions issued within 30 days of receipt	Up is Better	100%	87.5%	100%	75%
Dollars recouped in Public Sector Workers' Compensation Subrogation Matters	Up is Better	\$221,177.44	\$53,414.60	\$56,028.40	\$100,000.00
Percent of compensability decisions conveyed to employees within 30 days	Up is Better	99%	99.8%	100%	80%
Improve agency awareness of ORM's Public Sector Workers' Compensation Program by training and providing a presentation to 5 Agencies	Up is Better	10	12	10	5
Percent of claims medications filled as generic vs. brand name	Up is Better	87%	86.5%	90%	80%
Percent of intake and customer service calls received and assisted within 3 rings	Up is Better	98%	99%	99%	80%
Percent of medical authorizations handled by internal clinical review vs. requiring external utilization review	Up is Better	95%	90%	67%	50%
<b>Receives and investigates claims against the District government with the goal of negotiating and preparing claims for fair and timely disposition.</b>					
The average cost to process a claim per claims specialist	Down is Better	\$148.34	\$126.80	\$81.26	\$159.00
Amount of monies ORM recovers for the District of Columbia via Subrogation	Up is Better	\$773,843.76	\$583,374.30	\$1,038,247.55	\$350,000.00

Key Performance Indicators (continued)

Measure	Directionality	FY 2021	FY 2022	FY 2023	FY 2024 Target
Number of days it takes to resolve a Tort claim in the same fiscal year excluding extraordinary cases once agency request is received	Down is Better	19.5	20	19	25
<b>Collect monies owed to the District as a result of Third Party tortfeasors whose negligence or intentional acts result in damages and losses to the District.</b>					
Percent of claims recovered within the same fiscal year, excluding extraordinary cases (Total Loss, etc.)	Up is Better	38.5%	34%	28%	25%
Ratio of open to closed tort subrogation claim files	Down is Better	0.57	0.5	0.43	0.5

Workload Measures

Measure	FY 2021	FY 2022	FY 2023
<b>Alive and well checks for Workers' Compensation Program</b>			
Number of alive and well checks done by the Investigation unit for the Public Sector Workers' Compensation Program	75	10	1
<b>Conducts site safety inspections of District government properties</b>			
Number of environmental and safety inspections at District Government buildings conducted by ORM	260	177	271
<b>Obtain and review driving records for operators of District vehicles</b>			
Number of instances when the Risk Prevention and Safety Division communicates with other Agencies regarding "How's My Driving" (Limited to incident reporting and complaints)	204	397	547
<b>Provide advice to District agencies on risk and insurance policies and practices</b>			
Number of contract and insurance risk management training sessions offered to agency officials	37	22	15
Amount of insurance contracts reviews completed in fiscal year (these reviews include contracts, addendums, certificate of insurance and related discussions).	9,642	6,901	4,152
<b>Conduct orientations, trainings and job fairs to injured employee's of the Public Sector Workers' Compensation Program and Return to Work Program</b>			
Number of claimants who participated in Vocational Rehabilitation	35	14	13
<b>Manage claims submitted by employees to determine if the injury sustained is compensable</b>			
Total new workers' compensation claims processed within fiscal year	615	731	695
Average number of Public Sector Workers' Compensation claims managed per adjuster by fiscal year	69.8	63	54
Total number of medical only claims by fiscal year	725	593	525
Total number of indemnity claims by fiscal year	268.5	266	223
Total number of open workers' compensation claims by fiscal year	891	859	772
Number of claims where a nurse case manager has been assigned for fiscal year	772	471	519

Workload Measures (continued)

Measure	FY 2021	FY 2022	FY 2023
Number of Public Sector Workers' Compensation Claims that qualify for permanent partial disability (PPD) by fiscal year	43	29	21
Number of incident injuries that result in loss time (indemnity accepted claims)	131	147	142
<b>Ongoing management of accepted claim for medical treatment and/or indemnity payments</b>			
Total workers' compensation claims closed by normal claims management process within fiscal year	881	770	913
Number of new Public Sector Workers' Compensation Program incidents converted to claims	595	706	701
<b>Public Sector Workers' Compensation Administrative Actions</b>			
Number of new Workers' Compensation incidents reported	855	1,051	1,034
Individual pieces of mail received, processed and uploaded into ERisk per fiscal year	11,937	11,425	11,071
Individual intake and customer service calls received and assisted per fiscal year	4,909	3,066	1,809
<b>Return injured employee back to work as soon as medically possible in an alternative, modified, part-time and/or full-time capacity</b>			
Number of claimants returned to work full time within fiscal year	76	98	188
<b>Investigations</b>			
Number of conducted investigations related to Public Sector Workers' Compensation Program (not including alive and well checks)	169	166	103
Number of conducted investigations related to Tort Division claims	58	27	35
<b>Receive §12-309 notices for alleged claims against the District</b>			
Number of new tort claims filed with ORM	1,298	1,563	1,662
Total number of claims opened and closed (denied and settled) within the same fiscal year	428	506	700
<b>Review the facts and assess the merits of the claims for disposition by way of settlements or denials</b>			
Number of tort claims closed by ORM (denied and settled)	1,386	1,524	1,828

Workload Measures (continued)

Measure	FY 2021	FY 2022	FY 2023
Total number of claims settled by ORM	197	163	160
<b>Provide notice to third party tortfeasors of the District's intent to subrogate and pursue recovery of monies owed to the District as a result of damages and losses due to third party tortfeasors actions</b>			
Total number of lien notice letters issued by the Public Sector Workers' Compensation Program in fiscal year	165	263	380
<b>Recover monies through subrogation efforts either in resolution of a settlement or lawsuit</b>			
Number of new subrogation claims pursued by the Public Sector Workers' Compensation Program in fiscal year	65	83	61
Number of subrogation claims pursued and collected	119	111	164
<b>Risk Council Meetings</b>			
Number of Risk Council Meetings conducted by ORM	3	4	5
<b>Bill Review</b>			
Number of Public Sector Workers' Compensation claims audited in fiscal year	423	274	391
Number of medical bills received and paid by the Public Sector Workers' Compensation Program by fiscal year	9,039	10,837	11,632