



D.C. OFFICE OF RISK MANAGEMENT

FY 2023 PERFORMANCE ACCOUNTABILITY REPORT

JANUARY 16, 2024

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1 D.C. OFFICE OF RISK MANAGEMENT

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 2023 ACCOMPLISHMENTS

Accomplishment	Impact on Agency	Impact on Residents
Partnered with OCP to establish construction guidelines for insurance requirements.	It brings about standards that will be followed going forward.	This will ensure all new construction will have the proper insurance before moving forward. It will save money in the event something goes wrong, as the insurance will cover incidents that may arise.
Successfully responded to all 700 new workers' compensation claims filed for FY23.	It shows the ERisk system is working as designed, the call center team is answering and filing all new claims, and the incident report system is working and able to handle the traffic.	The residents can feel confident that ORM is handling any and all District government workers' compensation matters. All employees of the District know they will receive the best, most appropriate medical care at a reasonable cost. ORM will work to return employees back to work as soon as medically possible.
Collected \$1,094,275.95 in subrogation through small dollar collections involving 225 number of subrogation matters Tort Collected: \$1,038,247.55 PSWCP Collected: \$56,028.40	The collection of these funds improves the District, which also benefits ORM.	These funds are paid directly to the District, which in-turn benefits the constituents.

3 2023 OBJECTIVES

Strategic Objective

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.

4 2023 OPERATIONS

Operation Title	Operation Description
Identify, measure, analyze and mitigate the District government's exposure to risk and liability.	
Conducts site safety inspections of District government properties: Daily Service	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.
Administration of the District's hybrid Self-Insurance program to include issuance of self-insurance certification letters: Daily Service	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.
Provide advice to District agencies on risk and insurance policies and practices: Daily Service	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.
Procure and maintain insurance coverage(s) for District government real estate property assets: Daily Service	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.
Obtain and review driving records for operators of District vehicles: Daily Service	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.
Provide a system for identifying, measuring, analyzing and mitigating the District government's exposure to risk and liability: Key Project	ORM will be integrating functionality within the Enterprise Risk Management System (ERMS) to manage daily operations for each agency.
Provides guidance and training to agencies on risk analysis and mitigation: Daily Service	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.
Alive and well checks for Workers' Compensation Program: Daily Service	Number of alive and well checks done by the Investigation unit for the Public Sector Workers' Compensation Program
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: Daily Service	Dedicated resources utilized to process and assist the Public Sector Workers' Compensation claims management process including claims intake and provider relations services.

(continued)

Operation Title	Operation Description
Ongoing management of accepted claim for medical treatment and/or indemnity payments: Daily Service	Once a claim is accepted, ORM continuously reviews and analyzes medical and loss wage payments for compensability.
Return injured employee back to work as soon as medically possible in an alternative, modified, part-time and/or full-time capacity: Daily Service	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.
Conduct orientations, trainings and job fairs to injured employee's of the Public Sector Workers' Compensation Program and Return to Work Program: Daily Service	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.
Manage claims submitted by employees to determine if the injury sustained is compensable: Daily Service	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.
Receives and investigates claims against the District government with the goal of negotiating and preparing claims for fair and timely disposition.	
Administer the Settlement and Judgement Fund: Daily Service	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.
Review the facts and assess the merits of the claims for disposition by way of settlements or denials: Daily Service	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
Coordination with responsible District agencies to determine whether to accept a claim and enter into a pre-litigation settlement or reject the claim: Daily Service	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.
Receive §12-309 notices for alleged claims against the District: Daily Service	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.
Investigations: Daily Service	Investigations related to Tort and Public Sector Workers' Compensation incidents and claims.
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.	

(continued)

Operation Title	Operation Description
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: Daily Service	ORM assesses liability pursuant to supporting documentation requested and received from agencies.
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: Daily Service	ORM relies on supporting documentation from the agencies to assist in the subrogation process.
Recover monies through subrogation efforts either in resolution of a settlement or lawsuit: Daily Service	ORM's staff will analyze , pursue, and support OAG in litigation efforts to collect on losses incurred by third party actors.
Create and maintain a highly efficient, transparent, and responsive District government.	
Risk Council Meetings: Key Project	Risk Council Meetings coordination with Agency ARMRS
Agency Information Presentations: Key Project	ORM is working to touch all District Agencies to communicate our operations and services.
District Audit Tracking: Daily Service	Enter, review and track audit information for both the District's Single Audit and agency individual audits.
Vendor and provider relations needs including medical bill review, compliance, and medical provider assessment.	
Bill Review: Daily Service	Review of medical provider billing

5 2023 STRATEGIC INITIATIVES

In FY 2023, D.C. Office of Risk Management had 2 Strategic Initiatives and completed 0%.

Title	Description	Update
Litigation Module	ORM will roll out the new ERisk Litigation Module to all District-wide agency partners. The module will allow for all District agencies to input any and all historical and ongoing litigation matters. The new system will not only give ORM and partner agencies greater visibility into ongoing matters, but it will also allow for ORM to track any litigation that could bring harm to the District. ORM will provide training and tutorials on using the module in ERisk.	Completed to date: 75-99% The Tort Division continues to educate district agencies regarding the subrogation process and the use of the Subrogation Fund. We plan to meet soon with several agencies, specifically FEMS, to discuss the process to request funds from the Fund. The Tort Division has worked closely with our internal IT department to link our ERMS (enterprise risk management system), ERisk to the PFC (Police and Fire Clinic) to assess potential subrogation claims involving injuries to our officers and firefighters. By do so, our division will be alerted to potential vehicle damage claims as well which will lead to higher volume of collections on behalf of both FEMS and MPD. We anticipate a more precise manner in which to review and recover subrogation money related to the injuries and wages the district pays out on its sworn officers related to third-party tortfeasors. Additionally, the Tort Division continues to work closely with the Office of Attorney General (OAG) to assist with complex injury claims. ORM is continuing to add agencies to the module an would like to continue to do so for FY24.

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. "

Completed to date: 75-99%

We continue to track audits from published audit reports, and will follow-up with agencies for status updates on open findings /recommendations.

We would like to continue to develop the audit tracking system.

ORM is continuing to bring onboard additional agencies and work with partner agencies to correct issues when they arise.

6 2023 KEY PERFORMANCE INDICATORS AND WORKLOAD MEASURES

Key Performance Indicators

Measure	Directionality	FY 2021	FY 2022	FY 2023 Q1	FY 2023 Q2	FY 2023 Q3	FY 2023 Q4	FY 2023	FY 2023 Target	Was 2023 KPI Met?	Explanation of Unmet KPI
Identify, measure, analyze and mitigate the District government's exposure to risk and liability.											
Percent of eligible facilities for which agencies have submitted an Emergency Response Plan (ERP) for approval by ORM	Up is Better	82%	73%	5%	1%	6%	61%	73%	85%	Unmet	ORM continues to see improvement in collection, but we rely on partner agencies submitting their plan. The team continues to follow-up and contact all agencies. It may make more sense to make this a WLM, rather than a KPI, as we rely on other agencies to submit these plans.
Percent of known and applicable government real estate property assets insured by private insurance	Up is Better	100%	100%	100%	100%	100%	100%	100%	100%	Met	
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.											
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%	99%	98%	100%	96%	98.3%	90%	Met	
Percent of compensability decisions conveyed to employees within 30 days	Up is Better	99%	99.8%	100%	100%	100%	100%	100%	80%	Met	
Dollars recouped in Public Sector Workers' Compensation Subrogation Matters	Up is Better	\$221,177.44	\$53,414.60	Annual Measure	Annual Measure	Annual Measure	Annual Measure	\$56,028.4	\$100,000.0	Unmet	This KPI should probably become a WLM, as we can't force a subrogation claim. We can only pursue and collect on these types of claims when they occur. We don't dictate what involves subro collection. ORM did pursue on 14 new claims, so when a subro claim is submitted, ORM is pursuing it.

Key Performance Indicators (continued)

Measure	Directionality	FY 2021	FY 2022	FY 2023 Q1	FY 2023 Q2	FY 2023 Q3	FY 2023 Q4	FY 2023	FY 2023 Target	Was 2023 KPI Met?	Explanation of Unmet KPI
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	1	5	3	1	10	5	Met	
Percent of 9-A Appeal to The Chief Risk Officer decisions issued within 30 days of receipt	Up is Better	94%	76.3%	70%	78%	85%	100%	83.3%	75%	Met	
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%	100%	100%	100%	100%	75%	Met	
Percent of claims medications filled as generic vs. brand name	Up is Better	87%	86.5%	88%	90%	93%	90%	90.3%	80%	Met	
Percent of medical authorizations handled by internal clinical review vs. requiring external utilization review	Up is Better	95%	90%	71%	55%	65%	76%	66.8%	60%	Met	
Percent of intake and customer service calls received and assisted within 3 rings	Up is Better	98%	99%	99%	99%	99%	100%	99.3%	80%	Met	
Receives and investigates claims against the District government with the goal of negotiating and preparing claims for fair and timely disposition.											
The average cost to process a claim per claims specialist	Down is Better	148.34	126.8	72.52	83.59	85.57	83.36	\$81.26	159	Met	
Amount of monies ORM recovers for the District of Columbia via Subrogation	Up is Better	\$773,843.7	\$583,374.3	\$122,727.38	\$369,417.6	\$203,547.4	\$342,555.0	\$1,038,247.	\$350,000.	Met	
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	17	19	15	23	19	25	Met	
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.											
Ratio of open to closed tort subrogation claim files	Down is Better	0.57	0.5	0.37	0.56	0.36	0.41	0.43	0.5	Met	
Percent of claims recovered within the same fiscal year, excluding extraordinary cases (Total Loss, etc.)	Up is Better	38.5%	34%	Annual Measure	Annual Measure	Annual Measure	Annual Measure	28%	25%	Met	

Workload Measures

Measure	FY 2021	FY 2022	FY 2023 Q1	FY 2023 Q2	FY 2023 Q3	FY 2023 Q4	FY 2023
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	75	10	2	1	1	1	5
Conducts site safety inspections of District government properties							
Number of environmental and safety inspections at District Government buildings conducted by ORM	260	177	Annual Measure	Annual Measure	Annual Measure	Annual Measure	271
Obtain and review driving records for operators of District vehicles							
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	Annual Measure	Annual Measure	Annual Measure	Annual Measure	547
Provide advice to District agencies on risk and insurance policies and practices							
Number of contract and insurance risk management training sessions offered to agency officials	37	22	Annual Measure	Annual Measure	Annual Measure	Annual Measure	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	Annual Measure	Annual Measure	Annual Measure	Annual Measure	4152
Conduct orientations, trainings and job fairs to injured employee's of the Public Sector Workers' Compensation Program and Return to Work Program							
Number of claimants who participated in Vocational Rehabilitation	35	14	0	1	4	8	13
Manage claims submitted by employees to determine if the injury sustained is compensable							
Total new workers' compensation claims processed within fiscal year	615	731	Annual Measure	Annual Measure	Annual Measure	Annual Measure	695
Average number of Public Sector Workers' Compensation claims managed per adjuster by fiscal year	69.8	63	Annual Measure	Annual Measure	Annual Measure	Annual Measure	54
Total number of indemnity claims by fiscal year	268.5	266	Annual Measure	Annual Measure	Annual Measure	Annual Measure	223
Total number of open workers' compensation claims by fiscal year	891	859	Annual Measure	Annual Measure	Annual Measure	Annual Measure	772
Number of claims where a nurse case manager has been assigned for fiscal year	772	471	Annual Measure	Annual Measure	Annual Measure	Annual Measure	519

Workload Measures (continued)

Measure	FY 2021	FY 2022	FY 2023 Q1	FY 2023 Q2	FY 2023 Q3	FY 2023 Q4	FY 2023
Number of Public Sector Workers' Compensation Claims that qualify for permanent partial disability (PPD) by fiscal year	43	29	Annual Measure	Annual Measure	Annual Measure	Annual Measure	21
Number of incident injuries that result in loss time (indemnity accepted claims)	131	147	32	33	41	36	142
Total number of medical only claims by fiscal year	725	593	Annual Measure	Annual Measure	Annual Measure	Annual Measure	525
Ongoing management of accepted claim for medical treatment and/or indemnity payments							
Total workers' compensation claims closed by normal claims management process within fiscal year	881	770	Annual Measure	Annual Measure	Annual Measure	Annual Measure	913
Number of new Public Sector Workers' Compensation Program incidents converted to claims	595	706	150	193	151	207	701
Public Sector Workers' Compensation Administrative Actions							
Number of new Workers' Compensation incidents reported	855	1,051	220	290	252	272	1034
Individual pieces of mail received, processed and uploaded into ERisk per fiscal year	11,937	11,425	Annual Measure	Annual Measure	Annual Measure	Annual Measure	11,071
Individual intake and customer service calls received and assisted per fiscal year	4,909	3,066	Annual Measure	Annual Measure	Annual Measure	Annual Measure	1809
Return injured employee back to work as soon as medically possible in an alternative, modified, part-time and/or full-time capacity							
Number of claimants returned to work full time within fiscal year	76	98	Annual Measure	Annual Measure	Annual Measure	Annual Measure	188
Investigations							
Number of conducted investigations related to Public Sector Workers' Compensation Program (not including alive and well checks)	169	166	38	20	29	16	103
Number of conducted investigations related to Tort Division claims	58	27	10	5	9	11	35
Receive §12-309 notices for alleged claims against the District							
Number of new tort claims filed with ORM	1,298	1,563	Annual Measure	Annual Measure	Annual Measure	Annual Measure	1662
Total number of claims opened and closed (denied and settled) within the same fiscal year	428	506	Annual Measure	Annual Measure	Annual Measure	Annual Measure	700

Workload Measures (continued)

Measure	FY 2021	FY 2022	FY 2023 Q1	FY 2023 Q2	FY 2023 Q3	FY 2023 Q4	FY 2023
Review the facts and assess the merits of the claims for disposition by way of settlements or denials							
Number of tort claims closed by ORM (denied and settled)	1,386	1,524	Annual Measure	Annual Measure	Annual Measure	Annual Measure	1828
Total number of claims settled by ORM	197	163	Annual Measure	Annual Measure	Annual Measure	Annual Measure	160
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							
Total number of lien notice letters issued by the Public Sector Workers' Compensation Program in fiscal year	165	263	Annual Measure	Annual Measure	Annual Measure	Annual Measure	380
Recover monies through subrogation efforts either in resolution of a settlement or lawsuit							
Number of new subrogation claims pursued by the Public Sector Workers' Compensation Program in fiscal year	65	83	10	25	12	14	61
Number of subrogation claims pursued and collected	119	111	Annual Measure	Annual Measure	Annual Measure	Annual Measure	164
Risk Council Meetings							
Number of Risk Council Meetings conducted by ORM	3	4	2	1	1	1	5
Bill Review							
Number of Public Sector Workers' Compensation claims audited in fiscal year	423	274	Annual Measure	Annual Measure	Annual Measure	Annual Measure	391
Number of medical bills received and paid by the Public Sector Workers' Compensation Program by fiscal year	9,039	10,837	Annual Measure	Annual Measure	Annual Measure	Annual Measure	11,632