



NEVADA WORKERS' COMPENSATION CHRONICLE

Department of Business & Industry ([B&I](#))

Division of Industrial Relations ([DIR](#))

A Publication of the Workers' Compensation Section ([WCS](#))

Fall Edition (September - November 2016)

This newsletter is not intended to provide legal advice to the reader. Legal opinions or interpretations of statutes and regulations referenced should be sought from legal professionals.

Education Conference Celebrates Sixth Year



Former Nevada Senator **Randolph Townsend** (standing) shares an insight on legislative intent with Educational Conference attendees.

In mid-August, the Sixth Annual Nevada Workers' Compensation Educational Conference wrapped up another well-received session at the Tuscany Suites Hotel and Casino in Las Vegas. Presenters covered a wide variety of workers' compensation topics over the one and one-half day conference ranging from obesity and workers' comp; avoiding unnecessary surgeries; DIR guidance on difficult benefit calculations; and coping with an aging workforce. One of the conference's highlights came during the opening general session when former Nevada Senator Randolph Townsend presented a sweeping and informative behind-the-scenes look at workers' comp from its inception to present day.

Cindi Rivera, a certified vocational rehabilitation counselor, has been to five of the six educational conferences as a speaker or attendee. (Her only absence due to advanced pregnancy.) She noted that "there's always something new and valuable that I learn from the sessions and I take this found knowledge back to my staff." She also enjoys the opportunity to interact with workers' comp colleagues and friends in a more relaxed and social atmosphere.

Attendance at this year's conference was similar to last years at close to 240. The conference was sponsored by the International Workers' Compensation Foundation which in cooperation with other workers' compensation agencies holds conferences in 12 states, including California, Texas and Virginia. Eric Oxfeld, IWCF Executive Director, said that Nevada is unique in both the timing and thematic mix of its conference. The Las Vegas gathering is the only one IWCF has in August, and in addition to some of the topics already noted above included workers' comp and the healthcare industry in the social media era, as well as how the shared economy impacts workers' comp and the traditional definition of who is considered a bona fide employee.

DIR-DOI: WHICH AGENCY DOES WHAT?



DIR & DOI: Partners in Workers' Compensation Regulation

This year's educational conference featured an informative presentation and discussion with the Nevada Division of Insurance Commissioner, Barbara Richardson. Her agency often works parallel and in tandem with The Division of Industrial Relations, Workers' Compensation Section which is better known simply as "DIR." Nevada's [Division of Insurance](#) is often recognized as "DOI." However, these alphabet soup agency acronyms can often confuse the greater public, and even the regulated community, about which one to contact for certain kinds of workers' compensation information: Exactly which agency does what?

In fact, it is not unusual for legislation to refer to both "the Commissioner" (DOI) and "the Administrator" (DIR) in the same bill (e.g. [AB 74, 2011](#)). Still, each agency has its own distinct responsibility as part of the larger workers' comp picture. Here's a brief overview of some of DIR's versus DOI's major functions to help reduce the confusion:

Major DIR/WCS activities:

- Ensure employer workers' comp coverage compliance per [NRS 616A through 617](#)
- Regulate and [oversee the claims handling process to ensure timely delivery of workers' com-](#)

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Reporting Reminders: Little-known PT Checks are in the Mail

Readers of the *Chronicle* and those signed up to receive WCS e-mail announcements recognize that certain WCS activities and notices fall into a regular annual pattern. For example, the fall newsletter reiterates the maximum compensation rate for the new fiscal year that begins in July; the WCS staff reviews evaluations from the summer's annual education conference and begins planning next year's; and the WCS Claims Activity Report data call goes out every fall. However, an ongoing WCS statutory function that is probably not well known involves certain claimants who are deemed permanently and totally (PT) disabled. WCS is required to identify a group of permanently and totally disabled injured employees who are eligible for a benefit payment per [NRS 616C.453](#) and to ensure that these annual payments are disbursed by October 1.

In keeping with [NRS 616C.453](#), this eligible pool of injured workers receives an annual payment disbursement from the Uninsured Employers' Claim Account based on the accrued interest amount with statutory limitation that total payments may not exceed \$500,000 in any given year.

Research and Analysis Unit Supervisor Ruth Ryan notes that while the regulatory process detailed in [NAC 616C.526](#) for determining check disbursements has not changed since the law was enacted in 2005, the number of eligible claimants and check disbursement amounts have changed.

What have been the total disbursement amounts since 2005?

2005: \$285,146.92	2009: \$307,993.95	2013: \$ 28,356.91
2006: \$500,000.00	2010: \$122,330.72	2014: \$ 27,894.86
2007: \$496,131.50	2011: \$ 37,638.31	2015: \$ 43,350.12
2008: \$495,431.46	2012: \$ 20,506.28	2016: \$ 61,287.79

What have been the number of claimants since 2005?

2005: 1425	2009: 1283	2013: 1083
2006: 1423	2010: 1254	2014: 1026
2007: 1383	2011: 1205	2015: 975
2008: 1330	2012: 1151	2016: TBD

Range of check amounts since 2005? **\$7.12 - \$634.72**

What should claimants keep in mind as they wait for their checks?

There are 3 factors used in the formula to calculate annual payment amounts:

- the number of eligible claimants each year
- the monthly PT rate of the claimant, and
- the total dollar amount available to disburse among the eligible claimants

We've seen the total amount available to disburse decline significantly with the struggling economy. As the economy improves and interest rates go up, we expect to see the annual payment amounts increase as well.

Eligible PT claimants should immediately notify their claims administrators and WCS of any address changes. Maintaining current contact information will expedite the process and ensure that all payments arrive timely.

WCSRA@business.nv.gov 



(DIR-DOI continued from page 1)

[pensation benefits.](#)

- Audit each workers' comp insurer at least once every five years ([NRS 616B.003](#))
- Investigate workers' comp complaints against insurers, employers or health care providers.
- Maintain panels of workers' comp [treating](#) and [rating](#) physicians and chiropractors.
- Create and annually revise the [Medical Fee Schedule](#).
- Ensure accurate medical billing and prompt reimbursement to healthcare providers.
- Register [employee leasing companies/professional employee organizations](#).
- Contact insurers for claimant information and make annual payments to those who are permanently and totally disabled and eligible per [NRS 616C.453](#).
- Maintain the [Coverage Verification System](#) (in conjunction with the [National Council on Compensation Insurance](#)).
- Maintain workers' comp Claim Index System ([NRS 616B.018](#)).
- Collect and compile an annual summary of claims activity. ([NRS 616B.009](#))
 - Because of lifetime reopening, insurers must continue to report annually to DIR/WCS.
- Review applications for third-party administrator licensure and make recommendations to the Nevada Insurance Commissioner ([NRS 683A.08524](#))


Major DOI activities:

- License workers' compensation insurers to write policies in Nevada.
- License third-party administrators to handle workers' comp claims in Nevada.
- Certify self-insured employers and associations of self-insured employers for workers' compensation.
- License and regulate agents (producers) who sell workers' comp insurance.
- Review and approve workers' comp policy rates (premiums), based on information supplied by NCCI.
- Review and approve workers' comp policy language, composition and format.
- Investigate policy complaints from employers.
- Designate advisory organization for workers' compensation (Currently, NCCI which establishes classification codes for workers' comp in Nevada).
- Register [Utilization Review companies](#).

•Collect quarterly and annual financial statements from private workers' comp insurers.

•Compile estimated claim file expenditure reports, financial statements and insolvency assessments for self-insured and associations of self-insured employers

* Note: Insurer assessments per [NRS 616A.425](#) are processed by B&I

** Workers' compensation fraud is investigated and prosecuted by the Attorney General's [Workers' Compensation Fraud Unit](#).

FY 2017 Maximum Compensation Guidelines

The State's Maximum Average Monthly Wage memo for fiscal year 2017, effective July 1, 2016, has been posted on the WCS website. The FY 2016 maximum monthly disability compensation is \$3,697.04, an increase from last year's figure.

<http://dir.nv.gov/uploadedFiles/dirnvgov/content/WCS/ImportantDocs/MaxCompMemoFY17.pdf>

The Maximum Compensation Guidelines memo is located on the "Important Changes" page which is accessed via the link under "What's Hot" on the main page. It provides a chart with Maximum Compensation rates going back to FY 1975.

Training Sessions

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☎ (775) 684-7265

C-4 Processing & Coverage Verification

10/5/2016 at 9:30 am

2016 Medical Billing
10/5/2016 at 1:30 pm



Latest Lodging and Meals Memo Reflect SAM Rates

Latest Lodging and Meals Memo Reflect SAM Rates

[NAC 616C.150](#) describes, among other criteria, eligibility and reimbursement for meals, transportation and per diem for injured employees. These provisions refer to reimbursement rates for state employees as the benchmarks for these calculations. The WCS Chief Administrative Officer, Chuck Verre, signed and posted a new [Lodging and Meals Rate memo](#) in April 2016 that notes the current chapters of the [State Administrative Manual](#) (sections 212 for in-state travel and 214 for out-of-state trips) that contain the applicable rates. In turn, these chapters refer to the federal travel reimbursement rates found on the [General Services Administration website](#).

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MISSION STATEMENT

The purpose of the Workers' Compensation Section is to impartially serve the interests of Nevada employers and employees by providing assistance, information, and a fair and consistent regulatory structure focused on:

Ensuring the timely and accurate delivery of workers' compensation benefits.

Ensuring employer compliance with the mandatory coverage provisions.



Holiday Office Closures:

Labor Day
Monday, September 5, 2016

Direct comments or suggestions about this newsletter to:

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Hails and Farewells and Promotions

Joe “JD” Decker is the new Administrator for the Division of Industrial Relations. JD was previously the Nevada Real Estate Division Administrator since 2014. There he was tasked with overhauling the agency and improving operational efficiencies. He successfully led modernization changes and improved process at the Division. Before that, he served as the Deputy Commissioner of the Nevada Division of Insurance compliance and enforcement sections. JD came to public service after 20 years in private-sector investigations management for a nationally regulated bank. He served as a commissioned officer in the U.S. Army's 12th Special Forces Group and is a member of the Advisory Council for the Lied Institute for Real Estate Studies, Lee School of Business at UNLV.



David Heath is the new Deputy Administrator of the Division of Industrial Relations. He previously served as the Director of Administration for the Central Contra Costa Sanitary District where he was responsible for the agency's finance, information technology, purchasing, risk management and communications functions. Before that he served as the Chief Financial Officer of the Nevada Housing Division. David has more than 20 years of public sector management experience including expertise in risk management and administration of workers' compensation and safety and loss programs. He has served as the Interim General Manager and CFO of the Sonoma Marin Area Rail Transit and has served as the head of finance with the City of Santa Rosa,

California and Carson City, Nevada as well as and Director of Administrative Services in Truckee, California. He earned a bachelor's degree from the University of Nevada, Reno and is a licensed CPA in Nevada.

Congratulations to **Blanca Villarreal-Rodriguez**, a former Administrative Assistant II in the Research and Analysis Unit, on her promotion to an Administrative Assistant III. Luckily for us, she remains part of the Henderson DIR team as her new position has taken her to the Mechanical Compliance Section just down the hall. Blanca began her DIR tenure as the Henderson office receptionist in January 2012 and was promoted to the Research & Analysis Unit in October 2012. She has been a great asset to WCS and DIR and we know that she will continue to do excellent work in her new position.



Bobbie Bunting is the newest insurance/TPA compliance auditor in the WCS Henderson Office. She is a native Nevadan who grew up in Las Vegas and stayed in the area after graduation. Bobbie worked as a bookkeeper for five years before entering the workers' compensation arena. She was a claims adjuster for 13 years prior to starting her career at the State Of Nevada. She spends her free time volunteering for a local animal rescue group.

Congratulations to **Connie Pataua**, formerly an Administrative Assistant II in the Research and Analysis Unit, on her promotion to a Management Analyst I with the Department of Health and Human Services. Connie earned her Bachelor of Arts in Sociology from UNLV and came to WCS shortly thereafter in June 2014. During her time with WCS, Connie provided excellent administrative support in the Henderson office. She is greatly missed by her Research & Analysis Unit team and WCS coworkers, but we wish her well on her new career path!



We are saying a sad goodbye to Administrative Assistant **Anise Rhodes**, who left to further her public service career—this time to serve the fine citizens of Clark County. For over a year, Anise very effectively worked in the Insurer/TPA Audit and Employer Compliance Units. Although we are sad to see her go, we wish Anise all the best in her new position. Farewell, Anise and happy trails.



In June, **Judi Waite** was promoted to Insurer/TPA Audit Supervisor to fill the position opened when Debbie Atkinson was promoted to WCS Northern District Manager. Judi has been with DIR since early 2012 and in WCS since March 2014. Originally, Judi transferred to DIR from the Division of Insurance. She and her husband, Byron, have lived in Nevada since the early eighties. Their kids and grandkids live in Nevada and Texas.

We are happy to welcome **Melissa Leach**, Administrative Assistant II, as the most recent addition to the Research & Analysis Unit in the position vacated by Connie Pataua. Melissa brings her nearly 15 years' experience in finance and accounting as well as an associate degree in business management to WCS and the R&A team. She is also currently finishing her bachelor's degree in accounting. Originally from Ohio, Melissa moved to Las Vegas 4 ½ years ago with her 2 children. She enjoys traveling to historical destinations and vineyards with her boyfriend. Melissa is an animal enthusiast and has 2 adorable dogs - an Australian Shepherd and a Jack Russell-Chi mix.



Randy Mercer is the newest member of the WCS Employer Compliance Unit in Henderson. He brings many years of law enforcement experience with him, including stints as a public safety officer at the University of Southern California, service as a deputy sheriff with the Ventura County (CA) Sheriff's Department and, most recently, as the creator and lead investigator of Nevada's Division of Welfare and Social Services Criminal Prosecution Section. Randy is happily married with children, grandchildren and a great dog named Dudley.

Congratulations to **Stephanie Canter**. In May she was promoted to Management Analyst II for the Research & Analysis Unit. She has been a state employee for more than 18 years; the last 10 were as an Investigator in the Workers Compensation Section. She has also served on the Employee Management Committee for the State for more than seven years. While working she earned a Bachelor of Science in Public Administration from UNLV. She brings years of experience and knowledge to her new position and has already begun streamlining! Stephanie has lived in Las Vegas since she was a teen. She has a husband of 18 years and two children, which keep her beyond busy. Outside of work Stephanie serves as a Girl Scout leader for her daughter's troop and service unit, Doral Academy PTSO Secretary, and State Treasurer for AFSCME Local 4041. She loves spending time with friends and family volunteering, attending sporting events, and relaxing at the beach. When she needs some alone time she holds up in her craft room and gets creative.



Vanessa Skrinjaric has been with DIR a little more than two years but has already risen through the ranks. Her fast ascent has seen her go from the Legal Department, and then the Insurer/TPA Audit Unit to being named a Benefit Penalty investigator where she'll work side-by-side with "Red" Blacic. The Benefit Penalty unit investigates allegations of insurer or TPA malfeasance and may recommend triple-amount payments to injured workers.