

**SUBJECT: SAFETY'S FIRST PROGRAM AND WORKERS'
COMPENSATION STATUS**

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file the Safety's First program and workers' compensation status report for the one-year period covering October 2001 through September 2002.

DISCUSSION

The MTA Board receives a quarterly status report on safety and workers' compensation. Because this quarter represents the first anniversary of the Safety's First program, the regular quarterly report to the board is expanded to include a year-end "State of the Program" review (Attachment A). Also included are reports the Board receives quarterly: Accident and Injury Scorecard Report (Attachment B) and Special Investigations Unit (SIU) Update on Activities for First Quarter FY03 (Attachment C).

In the fall of 2001, the MTA initiated an aggressive program to improve safety and reduce accidents, injuries, lost workdays, and the associated costs. The four areas of focus are:

- Prevent accidents and injuries (MTA/Dupont Safety's First Program)
- Improve accident and injury processes (incident investigations, handling of claims)
- Return injured staff to work and resolve claims cases quickly
- Prevent and prosecute fraud

The State of the Program report reviews the activities and successes of the past year, areas for improvement, and next steps.

NEXT STEPS

The MTA/DuPont Team will continue implementation of the Safety Program and workers' compensation initiatives, as detailed in Attachment A.

ATTACHMENTS

- A. Safety and Workers' Compensation, State of the Program: Year One
- B. Accident and Injury Scorecard Report, September 2002
- C. Special Investigations Unit (SIU) Update on Activities

Prepared by: Andrea Burnside, Executive Administration Manager
Gary Spivack, DEO Corporate Safety

John B. Catoe, Jr.
Deputy Chief Executive Officer

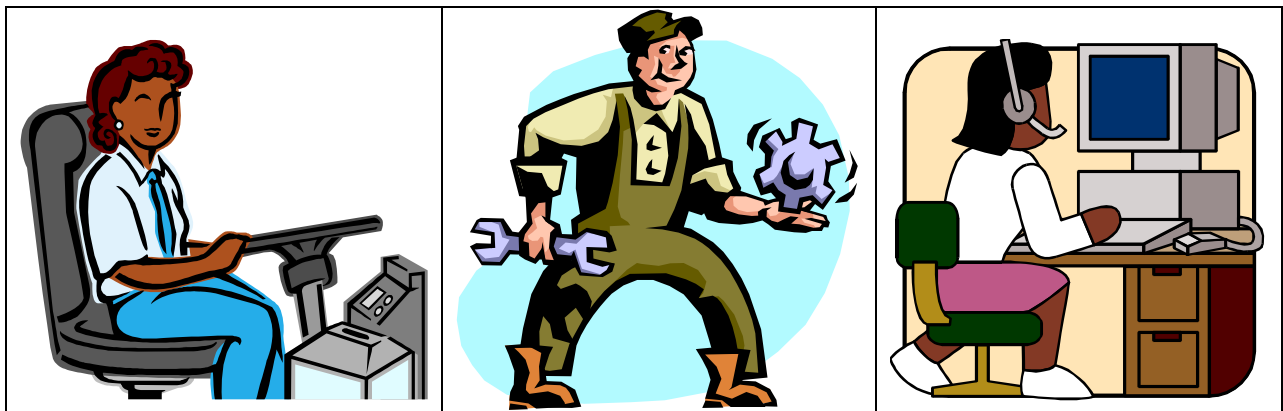
Roger Snoble
Chief Executive Officer



Safety
And Workers'
Compensation

State of the Program: Year One

October 2001 – September 2002



Report to the Board of Directors
November 2002

Introduction

In the fall of 2001, the MTA initiated an aggressive, comprehensive program to prevent and reduce accidents and injuries, lost time due to injuries, and the associated costs. This report, "State of the Program: Year One," reviews the activities and successes of the past year, areas for improvement, and next steps.

The agency must continue to enhance the program outlined below – particularly prevention of injuries and accidents – to protect our most valuable asset, people. Prevention is the most effective strategy to control continually rising workers compensation costs.¹

Summary of Successes Achieved

Over the past year, the MTA has realized a number of successes in the program, both agency wide and at individual work sites. These successes were achieved in an environment of great change, with new executive leadership, the implementation of the service sectors and departmental reorganizations/leadership changes in Safety and Risk Management.

The following are agency wide highlights, with more detail on pages 8-10.²

2,400 have been trained in safety skills. Over 1,000 managers and supervisors have been trained in safety skills and safety management and over 1,400 line employees have been trained in safety concepts and programs. Managers and supervisors attend a two-day safety training session and line employees a half-day session. These achievements were made through a primary focus this year on training and skill building.

300 have been trained in incident management. Metro Operations' and other departmental managers and supervisors have been trained on how to effectively handle injuries and accidents at their worksites. A newly created Illness and Injury Prevention Packet and Incident Management Guide was developed by an interdepartmental task force and provided the basis for the training.

¹ AB749, effective January 1, 2003, increases workers' compensation benefits and implements some cost-saving reforms in the administration of the workers' compensation system. The legislation introduces the following workers' compensation benefit enhancements, some related to previous claim periods: the temporary disability benefit maximum (66.7% of pay) will increase from the current \$490 weekly to \$602 weekly for 2003; the minimum permanent partial disability benefit has been raised from \$70 to \$100. The initial annual cost impact of the benefit improvements to MTA is estimated in excess of \$4.6 million.

² The Accident and Injury Scorecard included as Attachment B to the Board report provides summary level information on the agency's monthly injury claim and accident rates.

Executive management continues to demonstrate a commitment to safety. The Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer visit different work sites monthly to conduct field safety observations and feedback.

Fewer employees are making new injury claims. New lost work time workers' compensation claims reported are on an overall downward trend and are below the target for the first quarter. New lost work time claims for FY03 YTD averaged 134 monthly, compared to the preceding nine-month average of 176 claims/month. In September 2002, new claims reported reached a low of 103.

The Injured Workers' Advocate (IWA) has assisted over 90 employees. This position was created and recruited through a partnership between MTA and its unions to provide assistance to employees who have problems with current claims processes. Funding for the first year of the IWA is provided through a Federal Mediation and Conciliation Services grant. The IWA's intervention can help employees avoid seeking outside legal assistance.

More claims cases are being closed out. The number of workers' compensation claims cases being closed out has increased, largely due to the new active claims case management system instituted in July.

1,700 attended workshops by the District Attorney to learn about their rights and fraud. The MTA and its County Counsel have formed a partnership with the District Attorney (DA) and State Department of Insurance (DOI) to prevent and prosecute workers' compensation fraud. The partnership resulted in the DA conducting 26 agency wide workshops with employees on the rights of injured workers, types of fraud, criminal statutes and fraud penalties. The MTA's Special Investigations Unit has 24 active investigations currently open, and County Counsel is discussing at least 5 of these with the DA as candidates for criminal prosecution.

Workers' compensation costs have decreased. The program activities and achievements are beginning to net positive financial results. The costs associated with workers' compensation medical and indemnity claims and all related costs in the 1st quarter of FY03 have decreased by \$535,000 (-4%), compared to the same quarter in FY02. The FY03 budget includes a total workers' compensation cost reduction of \$8.3 million (- 14%) over FY02.

Bus traffic accidents are on a slow downward trend. Accidents per 100,000 hub miles have decreased from FY02's year-to-date (YTD) figure of 3.91 to a current YTD of 3.88. In comparison, Chicago's FY02 rate was 5.14 and New York's 4.54. The San Fernando Valley sector continues to lead the other sectors with the lowest YTD accident rate of 2.57.

Rail accidents have remained low. All rail lines have zero accidents per 100,000 revenue train miles for August and September 2002, and the Red and Green Lines have zero accidents for FY03 YTD.

Agency wide success depends on the efforts of employees at all work sites to prevent injuries and accidents and, when they occur, to manage them effectively and make sure they do not reoccur. In October 2002, two work sites celebrated outstanding achievements in safety. The Regional Rebuild Center's Machine Shop reached 1,000 days and Division 9 Maintenance (El Monte) reached nine months with no lost workdays due to occupational injuries.

The MTA has a way to go to meet the ambitious goals on page 7. Accident and injury rates must be driven down through an awareness and commitment to safety. Workers' compensation cost savings must escalate if the agency is to meet its 14% workers' compensation cost reduction goal for FY03. The current \$60 million workers' compensation financial burden grew to that level over a number of years, as a result of multiple factors. Aggressive actions being taken now will net results in the months and years to come.

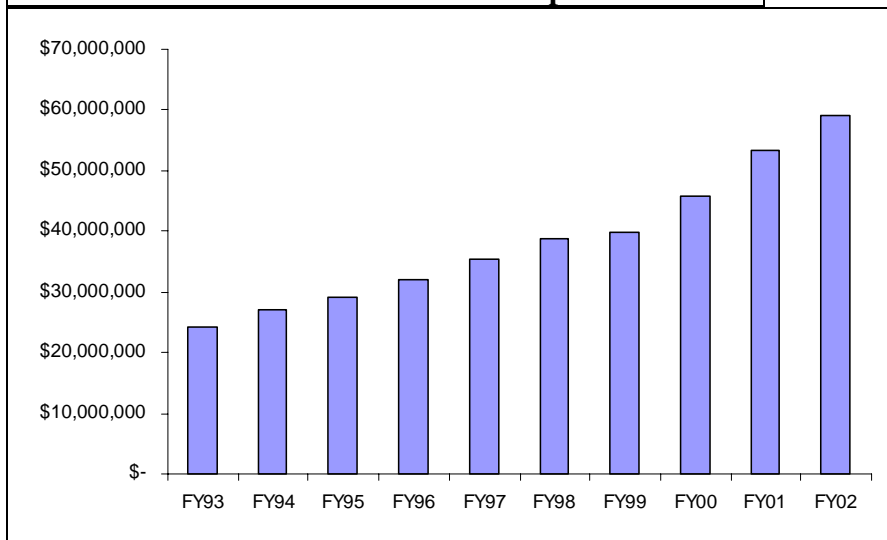
As the agency focuses on implementing a variety of strategies, it must continue to improve coordination amongst administrative and sector units to ensure consistency, particularly in the implementation of agency policies associated with occupational injury/illness claims.

Background

The Problem

MTA's workers' compensation costs increased an average of 14% in each of the past ten years, while the number of employees has remained relatively stable. For fiscal year 2002, MTA's projected workers' compensation costs climbed to a high of \$60 million, nearly doubling since fiscal year 1995 (Exhibit 1). At just over 9,000 employees, the cost equates to an allocation of about \$6,500 per employee.

Exhibit 1: MTA Annual Workers' Compensation Costs



A recent comparison of the MTA's cost per employee showed that it is 2 to 15 times greater than transit agencies in major metropolitan areas. For example, it is double the average of peer agencies in California, 5 times greater than Boston, 7 times greater than New York, and 15 times greater than Washington DC.

While rising medical costs contributed significantly to the growing costs, other factors were also key including: ineffective agency wide injury prevention and return-to-work programs; lack of coordination and integration of safety and workers' compensation-related activities among administrative and operational units; and employee abuse of injury benefits.

When comparing the MTA's costs to those of other agencies, two additional factors must be considered: variances in contractual language related to entitlements and state statutory variances on compensability. For example, New York City Transit's contractual language provides the agency with significantly more control over the use of salary continuation benefits. Also, California's workers' compensation statutes are much more liberal than other states.

Finally, the MTA's use of a third party-administrator to manage workers' compensation claims through last fall made it even more difficult to manage and contain rising costs because it created yet another party in the claims management chain.

Four Focus Areas

The program has four key areas of focus:

1. Prevent Accidents and Injuries

The first and foremost cost-effective way to address the challenge facing the MTA is to prevent accidents and injuries from occurring in the first place. MTA partnered with Dupont Safety Resources to assist in developing and implementing a comprehensive safety management approach to augment the existing safety program and improve the agency's safety performance. Dupont's scope of work for this program includes:

- Assess MTA's safety management system and prepare an engagement plan;
- Engage MTA leadership in preparation of an overall Strategic Safety Management Plan and departmental Safety Action Plans;
- Provide assistance to management in developing strategies for communicating, promoting, and implementing the safety plans;
- Conduct safety skill building for all levels of management, supervision and other personnel;
- Provide ongoing coaching and counseling to management and supervisors in all safety-related areas.

The executive leadership team adopted the guiding policy: “**SAFETY'S FIRST** for our customers, employees, and business partners as we plan, construct, operate and maintain the region's transportation system.” This simple statement carried with it six powerful principles which recognize and promote the responsibility of the employer and the employee. While the employer must provide the tools, it is only through the willingness and dedication of each and every employee that true safety excellence can be achieved. The principles are:

- Safety is a 24 hour a day, 7 days a week priority
- Safety is everyone's responsibility
- Accidents and injuries are preventable
- Working safely is a condition of employment
- Training is essential for good safety performance
- Management is accountable for safety

The primary focus has been on safety awareness through training and skill building in this first year.

2. Improve Accident and Injury Management Processes

The second step involves acting quickly when an accident or injury occurs to (1) swiftly and effectively address the needs of the injured employee from both a medical and administrative standpoint and (2) understand what happened to ensure a similar accident or condition doesn't recur.

This area includes establishing the agency's new in-house Workers' Compensation Claims Unit and supporting units such as the Special Investigations Unit. It also includes review and improvement of the various processes followed when an accident or injury occurs, such as treating employee injuries, managing claims cases, reporting,

and incident investigation and follow-up. Staff is also pursuing audits of claims still covered by MTA's former insurer/third party administrator, Travelers.

3. Return Injured Employees to Work or Resolve Claims Cases

The third area of focus is to bring injured employees back into the productive workforce more quickly. Not only does this squarely address workers compensation costs but it can also help reduce overtime costs associated with the need to provide staff coverage for employees otherwise out on occupational injury leave. This focus area includes working closely with doctors and clinics to understand employee work restrictions, managers maintaining regular and appropriate contacts with off-work employees, and developing effective light and transitional duty programs.

Another component is regularly reviewing and medically separating from the agency those employees whose injuries do not permit them to return to work. Staff is also working towards establishment of physical agility standards that provide specific breakdowns for each job task and providing optional vocational rehabilitation services to prepare the injured employee with alternative career paths.

Because we want an injured worker to return to his/her job as soon as they are medically fit, having set and approved medical standards will allow the MTA to develop a true transitional duty program that gives the employee worthwhile work during the healing process as well as assists their recovery by increasing the levels of tasks commensurate with their medically approved capability. As a result, the MTA will have medically acceptable standards that can be used to select a better-trained and medically qualified applicant pool. The new set of standards will focus initially on "safety sensitive" positions, e.g. bus operators and mechanic categories.

Health and Wellness programs will also be developed to insure that our existing workforce, not subject to new standards, can begin to move towards the new standard.

4. Prevent and Prosecute Fraud

Finally, there is a need to deal with those individuals who are taking advantage of the special benefits set aside for injured workers. Because the MTA's workers' compensation claims are higher (and growing) in comparison with other metropolitan transit agencies, there is suspected fraud or abuse of workers' compensation medical and indemnity benefits by some employees with the support of certain lawyers, doctors, and others³. Along with the Claims Unit, the MTA also established its own

³ It is interesting to note that San Diego Transit has also found itself confronted with a dramatic rise in workers compensation costs. In a recent article published by the San Diego Union-Tribune, it was noted that San Diego Transit increased its reserves from \$1.9 million to \$3.8 million. It's claims experience jumped by 13%. Further, the article indicates that of 600 employees, 190 have claims. They are moving swiftly to institute health and wellness programs (back related injuries), contribute to fitness memberships, and split the cost on fitted seats for operators. Transit operators account for 80% of the claims.

Special Investigations Unit (SIU) to provide investigative services for claims cases. Additionally, the MTA contracted with a panel of eight firms to conduct investigations.

The MTA has partnered with the Los Angeles County District Attorney's office and the California Department of Insurance to roll out a novel pilot program aimed at preventing and, where appropriate, prosecuting workers' compensation fraud. A task force of representatives from MTA and these two agencies meets regularly to discuss potential cases.

Union Participation

As part of the most recent contract negotiations, the MTA and its unions agreed to jointly implement a workers' compensation campaign to improve the quality of administering the benefits of employees, increase safety, and reduce workers' compensation claims and expenses through various activities such as training, safety committees, an ombudsmen program and implementation of a special physician's network.

The guiding body for these activities is the Safety Oversight Committee, a group composed of top MTA management and union leadership. The committee meets on a monthly basis with its five union partners to present issues and work to improve the health and safety of our employees.

The Goals

MTA has aggressive injury and accident prevention and budgetary goals to guide and measure the success of the program. CEO Roger Snoble and DCEO John Catoe are reviewing the progress made toward these goals with each department or unit on a continual basis.

The **Strategic Safety Management Plan** was adopted in March 2002 by the executive leadership team. It establishes five-year goals, objectives, and strategies. Each department or unit prepared its own supporting plan of action. Given the implementation of the sector program and the creation of new leadership teams at the operating sites, the SSMP documents continue to evolve. The two key goals are:

Goal: Achieve 100% safety awareness for all employees

- Communicate the MTA safety policy and principles, goals and objectives, begin implementing the departmental Safety Action Plans immediately and train all employees in safety skill-building by the end of FY03

Goal: Reduce current accident and injury rates by 51% or greater in five years (25% reduction in Year One, 15% in Year Two, and 10% in the remaining years)

- Improve the safety of work tasks and work location
- Investigate all employee injuries and accidents to identify root causes within 24 hours from report of injury and ensure that corrective actions are taken

- Reduce lost workdays by returning employees to work as soon as possible

Safety is a central theme in the **CEO's Long Range Strategies and Goals** for the agency. The adopted vision is, "MTA -- Leading the nation in safety, mobility and customer satisfaction." MTA's number one goal is to, "Create a safety conscious culture throughout the MTA and with its customers and business partners." Metro Operations, as a whole, along with each of the sectors and associated operating units have developed specific strategies to address safety and integrate it into their regular activities

The adopted **FY03 Budget** includes reductions of \$8.3 million or 14.2% in workers' compensation costs due to safety improvements. Factoring out medical inflation and the costs of increased employee injury benefits starting January 2003 (AB 749), the percent change savings from FY02 workers' compensation costs is an aggressive 25%.

FY02 Workers' Compensation	\$ 58.143 million	
Safety Program Savings	\$ (14.53 million)	-25%
Medical inflation + AB 749	\$ 6.19 million	11%
FY03 Proposed Workers' Compensation	\$ 49.81 million	-14%

Successes

In addition to the agency wide and work site successes discussed above, other specific achievements in the four areas of focus include:

- ➔ Incorporated Safety as the first consideration in setting performance goals for the agency's vision and strategic planning program;
- ➔ Instituted an active workers' compensation case management/claims review system where all lost time claims cases are reviewed on a rotating monthly basis by an interdepartmental team of supervisors/managers, County Counsel, Special Investigations Unit, and claims examiners;
- ➔ Acquired of TransitsafeTM, an automated accident and incident management system, and began testing it in October 2002. This system will automate many of the necessary forms, allow for more detailed investigation of incidents and injuries, and will keep permanent records. It also includes automatic preparation of required California PUC reports, NTD reports, OSHA logs, etc. The beta test period will be conducted over the next two months with full agency implementation by January 1, 2003 to coincide with the new OSHA reporting year;
- ➔ Produced monthly "Scorecard" reports for management on claims, accidents, and injuries. Monthly scorecard reports began in April 2002 and have evolved into line specific detail reports for use by Metro Operations division and sector management as well as top leadership. The Decision Support Software project started nearly two years ago has recently been implemented and will make tracking and reporting simpler and

more directed. Already staff has used the capabilities of the system to identify employees with high rates of accidents, focus interest on specific bus lines for targeted treatment and analysis of other populations;

- Successfully completed, with no exceptions, a recent FTA triennial audit of safety and security program efforts;
- Formed management structures to involve employees at all levels in the development of safety programs and elimination of defined hazards. In spite of the changes caused by reorganization, the men and women of the MTA have responded positively to our safety training and safety awareness is on the increase. Identified hazards are being dealt with quickly. Local Safety Committees are functioning at most divisions and operating locations strengthening the bonds between co-workers and management. People are paying closer attention to using provided safety equipment. Vests and safety shoes are required in all industrial facilities;
- Incorporated safety accountability into employee Performance Based Compensation reviews for FY03;
- Installed 16 defibrillators at Gateway and at the RRC and Division 10 in Fy'02. In FY'03 another 13 are being purchased and will be installed at operating facilities.

On the horizon, the MTA is seeking to:

- Obtain a bus training simulator for the development of new operators, perform accident reconstruction, and retrain operators;
- Develop programs aimed at making our workforce healthier. We are in the process of examining a fitness facility for the Gateway Building as well as upgrading other existing rooms throughout the agency operating locations;
- Develop an entity called a "Health Care Organization" under California law in an effort to obtain qualified medical personnel and facilities that will provide timely, professional health care for our employees. This program to be selected jointly by the MTA and the union leaders will answer one of the key and most nettlesome concerns raised by employees that the occupational injury-related medical care they currently receive is sub-standard;
- Re-organize and direct the Risk Management Department to elevate the level of service to employees. For the first time in the history of the MTA, the Risk Management program will be wholly contained by and within the MTA. Expected by January 1, 2003, all third-party administered claims will be transferred to MTA examiners;

- ➔ Expand the cardio-pulmonary resuscitation (CPR) and defibrillator program agency wide to all locations.

Areas for Improvement

The MTA has a way to go to meet the ambitious goal of reducing accidents and injuries by 25% and associated costs by 14% in FY'03. While staff focuses on implementing a variety of strategies in each of the four focus areas, major improvements in coordination between administrative and sector units are needed to enable MTA to remain consistent in treatment of injured employees. We must address the "number one" complaint of employees that medical care is substandard and often delivered with a lack of courtesy, particularly when follow-up services are requested.

Accident and injury rates must be brought down. Unfortunately, medical payments continue to rise. While some of this is related specifically to increased benefits authorized by the California State legislature, it is also reflective of increased injury severity. Lost work time days paid per 100 employees still shows an increasing trend, with an FY03 YTD monthly average of 103 compared to the goal of 85.

Staff will continue to focus on better and more intensive accident investigation and analysis so that strategies for preventing future incidents of the same type can be developed and implemented agency wide.

We must consolidate all of our outstanding claims files and rebuild the risk management staff to become truly client serving. Human Resources needs to provide for stronger management of its central files so that required information from original sources is secure.

Our rewards and recognition program for safety excellence is lagging and will receive substantially greater focus in the coming months. As discussed above, some work sites have impressive safety records, and they will be recognized for these achievements.

Next Steps

Staff will be taking the following steps in the next quarter and beyond to achieve its safety and workers' compensation goals:

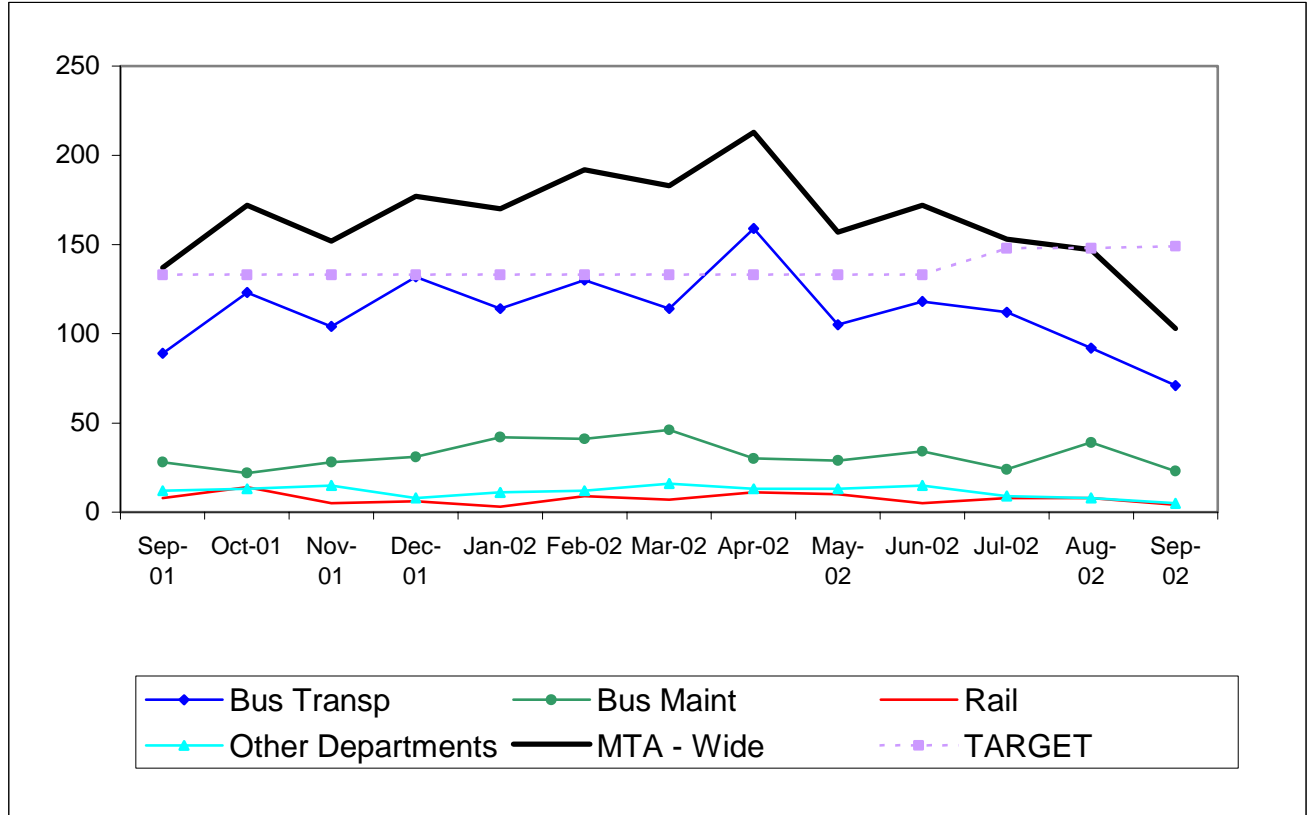
- ➔ Review existing collective bargaining language as it relates to injury on duty benefit entitlement to improve return-to-work incentives;
- ➔ Develop an effective return to work program/approach to include the development of physical agility standards, Americans With Disabilities Act (ADA) certified job descriptions, and wellness activities fostered by those standards;

- ➔ Implement fully the ancillary services contract with EOS including the elements of medical case management, pharmacy services, vocational rehabilitation and other employee-centered programs;
- ➔ Improve mechanisms across sectors for consistency in applications of rules, policies and procedures;
- ➔ Train newly promoted Transit Operations Supervisors and other line managers as needed in the techniques of accident investigation;
- ➔ Hire and train by January 1, 2003 a new centralized claims staff;
- ➔ Obtain control over all non-MTA administered claims files (about 1,500);
- ➔ Fully implement the Transitsafe™ program agency wide;
- ➔ Improve rewards and recognition for outstanding safety performance and communicate to all employees;
- ➔ Communicate the Safety's First message to all contractors, visitors and customers and require their adherence to the safety policy, principles and specific rules.

We cannot transform the agency overnight, but we can expect great things from all employees. Commitment to the policy and principles of safety by everyone is paramount; it is a matter of leadership and dedication to the course.

ACCIDENT & INJURY SCORECARD REPORT

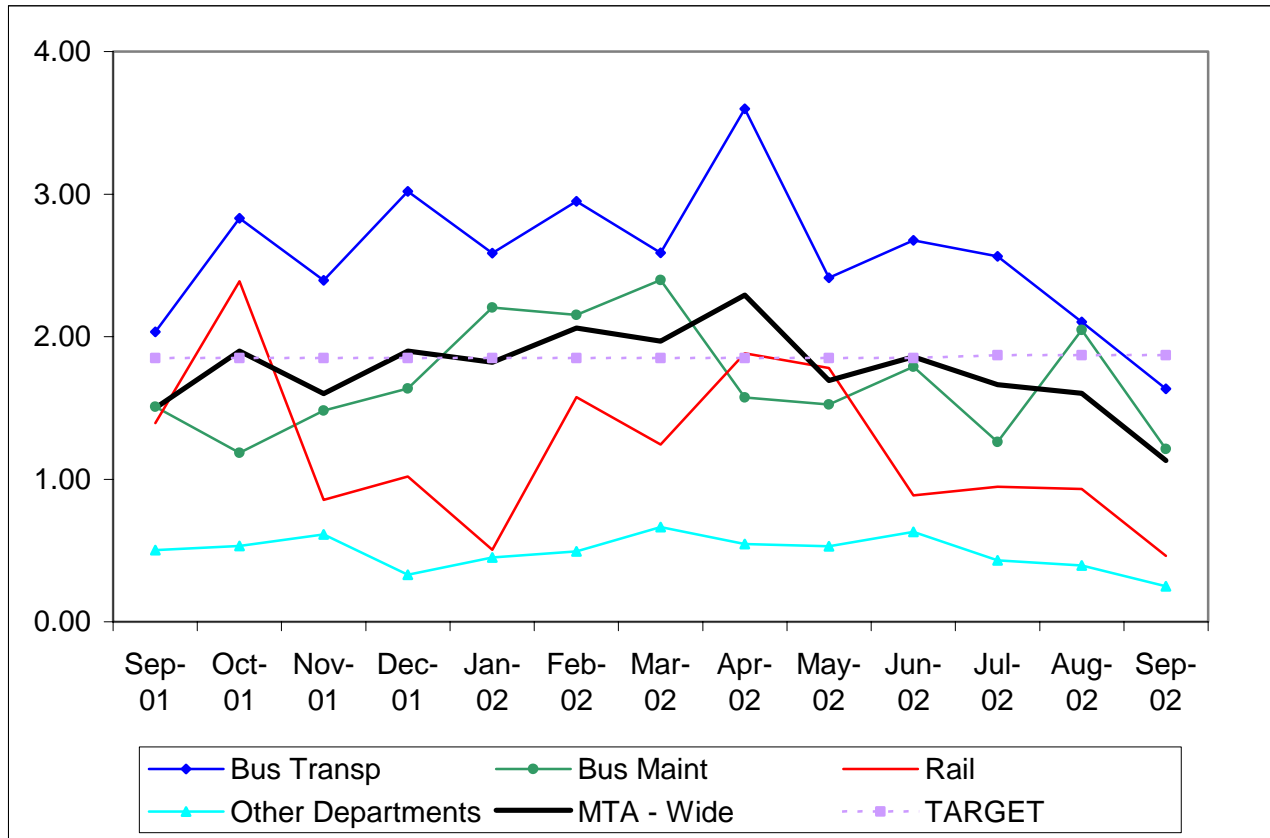
New Lost Work Time Claims Reported



* Bus Maintenance Division data includes Facilities Maintenance and Regional Rebuild Center

	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02
Bus Trans	123	104	132	114	130	114	159	105	118	112	92	71
Bus Maint	22	28	31	42	41	46	30	29	34	24	39	23
Rail	14	5	6	3	9	7	11	10	5	8	8	4
Other Depart.	13	15	8	11	12	16	13	13	15	9	8	5
MTA - Wide	172	152	177	170	192	183	213	157	172	153	147	103

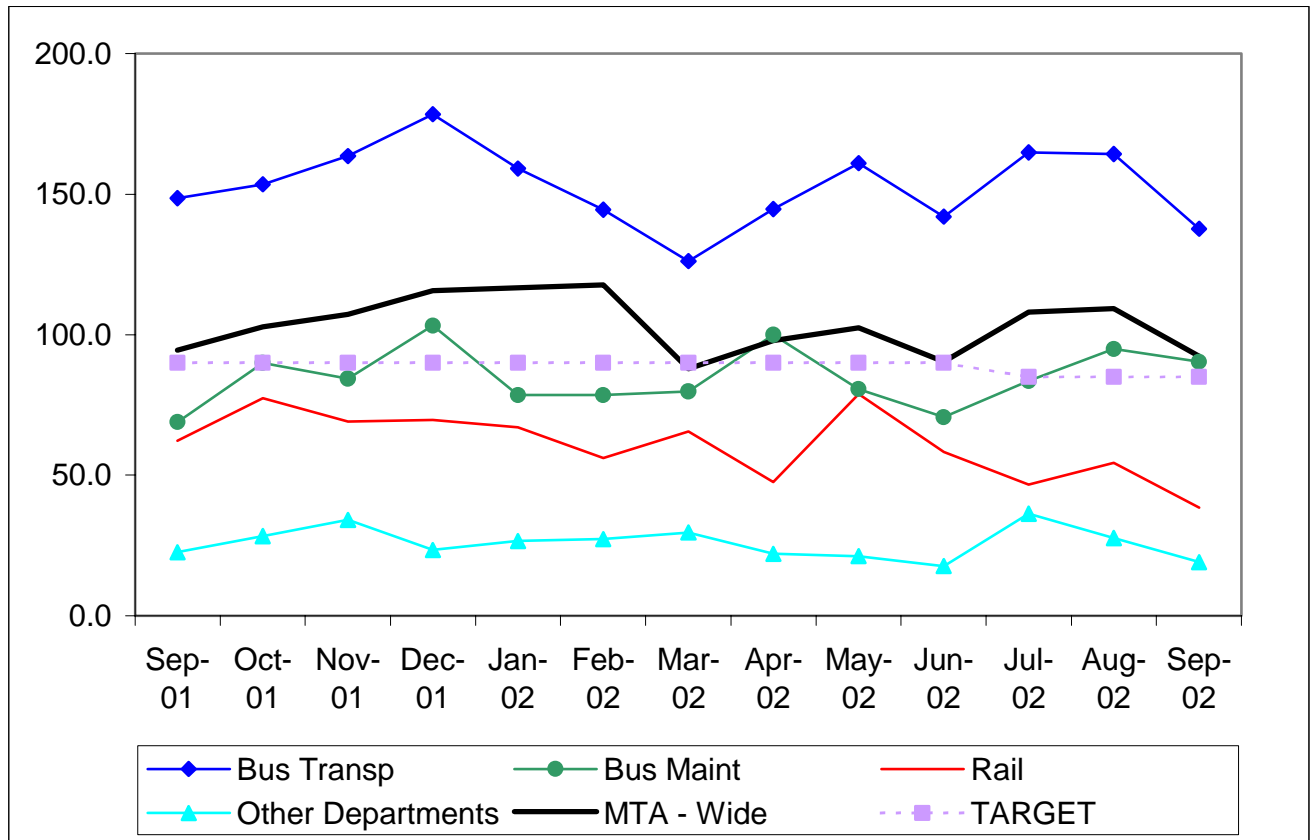
New Lost Work Time Claims Reported per 100 Employees per Month



Bus Maintenance Division data includes Facilities Maintenance and Regional Rebuild Center

	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02
Bus Trans	2.83	2.39	3.02	2.59	2.95	2.59	3.60	2.41	2.68	2.56	2.10	1.63
Bus Maint	1.18	1.48	1.64	2.20	2.15	2.40	1.57	1.52	1.79	1.26	2.05	1.21
Rail	2.39	0.85	1.02	0.51	1.58	1.24	1.88	1.78	0.89	0.95	0.93	0.46
Other Depart.	0.53	0.61	0.33	0.45	0.49	0.66	0.55	0.53	0.63	0.43	0.39	0.25
MTA - Wide	1.90	1.60	1.90	1.82	2.06	1.97	2.29	1.69	1.86	1.66	1.60	1.13

Lost Work Time Days Paid per 100 Employees per Month*



* This measure includes settlements and other payments made during the period.
It may include payment for claims not arising in the current period.

** Bus Maintenance Division data includes Facilities Maintenance and Regional Rebuild Center

	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02
Bus Trans	153.4	163.6	178.5	159.1	144.5	126.1	144.7	161.0	142.1	164.9	164.3	137.7
Bus Maint	90.0	84.4	103.3	78.5	78.5	79.7	99.9	80.6	70.6	83.6	94.9	90.3
Rail	77.4	69.1	69.7	67.0	56.1	65.6	47.6	78.8	58.2	46.6	54.4	38.4
Other Depart.	28.3	34.0	23.5	26.6	27.3	29.6	22.0	21.2	17.7	36.4	27.7	19.1
MTA - Wide	102.8	107.2	115.7	116.7	117.7	87.9	98.0	102.5	90.3	108.1	109.3	92.3

**Special Investigations Unit (SIU)
Update on Activities for First Quarter FY03**

The SIU continues to work closely with the Claims Administration Unit, coordinating investigative efforts and improving controls and processes to address workers' compensation fraud and abuse.

The following activities and accomplishments occurred in the first quarter of FY03, July 1, 2002 through September 30, 2002.

- The SIU established a bi-weekly meeting with Claims and Legal to address only cases assigned to SIU.
- SIU personnel completed installation of In-Bus Digital Video player program (Mobile View) for all Sector Division Managers and Assistant Managers. The ability to view the on board DVR video images will assist Division Management in expediting investigations of alleged on board bus incidents to employees and patrons.
- SIU participated in 35 Employee Injury Claims review meetings in the quarter. A total of 510 claims were reviewed.
- County Counsel and the SIU are working to establish a clear criteria and process to refer potential fraud cases to the District Attorney's Office for prosecution. By establishing a workflow process between the SIU and County Counsel it will reduce possible exposure of the MTA and SIU to litigation by creating an attorney client privilege between Claims, SIU and County Counsel.
- SIU is participating with on-going Fraud Committee meetings involving the District Attorney's Office, the Department of Insurance, MTA's Risk Management/Claims and Legal, to set up additional training for SIU and Claims staff.
- The MTA Legal Department is conducting a secondary review of the SIU Policy and Procedures draft.

Scorecard for Special Investigations Unit

1st Quarter 2003

Cases Opened	12
Cases Closed	10
Total Cases Active at the end of the Quarter	29
Claims denied based on investigation	2
Cases referred for criminal review by the District Attorney's Office	5
Cases recommended for administrative disciplinary action	2
Cases Reviewed (<i>Denials/AOE/COE/Historical data, etc.</i>)	556
Total hours of sub rosa investigation	418

The SIU continues to conduct some preliminary investigation, as appropriate, prior to assigning SIU cases to a contract firm. This process allows the SIU to provide the contract firm with a more complete case. This effort is expected to result in continued contract cost savings and a better managed case investigation.