

Grand Jury Commends MTA's Workers' Comp Efforts

By BILL HEARD, Editor

(July 1, 2003) A Los Angeles County Grand Jury study of Workers' Compensation costs at four government agencies praises MTA for a "comprehensive and effective program that is beginning to show bottom-line results."

Noting that Workers' Comp costs have nearly doubled in the past five years, the Grand Jury investigated current policies and practices at the County Fire Department, County Sheriff's Department, City Fire Department and MTA.

Measures taken by MTA, the jurors reported, resulted in an eight percent reduction in lost-time workdays per 100 employees, a five percent drop in claims expenses in the first two quarters of FY 2003 and a startling 29 percent reduction in new Workers' Comp claims.

"We urge other public agencies to use MTA's program as a model for future planning to address similar problems associated with workers' compensation," the report said.

The Grand Jury cited state mandated increases in disability payments, rising medical costs, poor program management and fraudulent claims as reasons for higher Workers' Comp costs. Claims also rose dramatically.

Claims rose 73 percent

In 1998, the County Fire Department received \$12.7 million in claims. By 2002, that number had jumped 73 percent to \$22 million. The City Fire Department also experienced a 73 percent hike in claims from \$11.3 million to \$19.5 million.

Claims by employees of the Sheriff's Department rose 92 percent from \$48.6 million in 1998 to \$93.4 million in 2002.

Workers' Comp costs for MTA, meanwhile, reached \$58 million in FY 2002 – an average of 176 claims each month for an annual cost of \$6,500 per employee. That was double the cost of any other California transit agency and the highest of any transit agency in the nation.

The one bright spot in the Grand Jury report was a description of MTA's successful actions to combat Workers' Comp costs at the source by reducing employee lost-time injuries and controlling associated costs.

The jurors commended MTA for creating a culture that emphasizes on-the-job safety and for introducing "Safety's First," an agency-wide, top-to-bottom worker safety program with an aggressive goal of achieving 100 percent safety awareness among employees and reducing the accident and injury rate by 51 percent or greater in five years.

The panel also lauded MTA for more closely monitoring all elements of Workers' Comp administration and for cooperating with its unions in creating a position for an Injured Workers Advocate to assist workers who are eligible for Workers' Comp benefits.

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