

CITY OF SPOKANE  
DEPARTMENTAL POLICY

DEPT 5800-10-04  
LGL 2010-0020

**TITLE: AUTHORIZED EXPENDITURES FROM THE WORKERS' COMPENSATION FUND**

EFFECTIVE DATE: June 17, 1998

REVISION EFFECTIVE DATE: June 4, 2010

1.0 GENERAL

1.1 This policy outlines the authorized expenditures which can be made from the Workers' Compensation Fund.

1.2 This policy is divided in to the following sections:

- 1.0 GENERAL
- 2.0 DEPARTMENTS/DIVISIONS AFFECTED
- 3.0 REFERENCES
- 4.0 DEFINITIONS
- 5.0 POLICY
- 6.0 PROCEDURE
- 7.0 RESPONSIBILITIES
- 8.0 APPENDICES

2.0 DEPARTMENTS/DIVISIONS AFFECTED:

This policy shall apply to the Risk Management Department.

3.0 REFERENCES

SMC 7.08.503

4.0 DEFINITIONS

None

5.0 POLICY

5.1 Authorized expenditures from the Workers' Compensation Fund, include, but are not limited to:

- a. general administration expenses including insurance administration, broker's fee, and other assessment requirements for insurance purchasing and program management, including, but not limited to, actuarial fees.
- b. claims administration, including internal administrator costs and other expense requirements for claims and reserve management
- c. risk transfer payments, including various insurance purchases including excess workers' compensation, employer's liability and bond coverage and others as approved by the city council.
- d. payments to claimants and beneficiaries, including:
  - \* medical costs, including diagnostic costs to determine compensability
  - \* disability costs, including time loss up to state allowed maximums, settlements, state required permanent disability payments and pensions
  - \* other expenses, such as administrative handling functions, legal expenses and court costs
  - \* Return to Work, including costs associated with bringing the employee back to work as quickly as possible in an effort to reduce the ultimate cost of the claims.

5.2 Except as otherwise provided by state law, City charter or the municipal code, exceptions to this policy may be made upon recommendation by the Risk Manager and approval by the City Administrator.

## 6.0 PROCEDURE

- 6.1 Claim-related expenses are paid through the claims management system by the adjustors with approvals by the Risk Manager or the Risk Manager's designee.
- 6.2 The Management Information Services Department prints the checks and maintains the check stock.
- 6.3 The Risk Management Department accountant is responsible for checking account reconciliation.

6.4 Program administration costs are contracted and paid according to City of Spokane purchasing and accounting procedures.


7.0 RESPONSIBILITIES

The Risk Manager shall administer this policy.

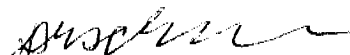
8.0 APPENDICES

None

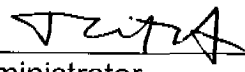
APPROVED BY:

  
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City Attorney (Asst)

5-19-10  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Risk Manager

5/19/2010  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
City Administrator

5/20/2010  
\_\_\_\_\_  
Date