

#### STATE OF NEW MEXICO

## Workers' Compensation Administration

#### ONE TEAM | ONE GOAL

2

3

A Better New Mexico for Workers and Employers

# BULLETIN

Summer 2017 • Volume 21, No. 3

#### What's Inside:

2017 Annual Report Published 2

WCA Website Redesigned

WCA Contact Information



The New Mexico
Business Portal website
launched June 30 to
serve as a one-stop
online resource for
New Mexico businesses
to streamline their
transactions within the
state.

http://businessportal. nm.gov/homepage

## WCA Ensures Employers in Compliance with the Workers' Compensation Act

By Aileen O'Catherine

key duty of the Workers' Compensation Administration (WCA) is to ensure employers maintain workers' compensation insurance if they are required to do so. Businesses with three or more workers must carry workers' compensation insurance. Also, businesses engaged in activities required to be licensed under the Construction Industries Licensing Act (CILA) must carry a policy no matter the number of workers. When businesses are given repeated deadlines to come into compliance and they fail to purchase insurance, the WCA's Employer Compliance Bureau (ECB) works with the Enforcement Bureau (EB) to obtain a temporary restraining order (TRO) and the business is closed until the required coverage is obtained. TROs are issued only as a last resort when businesses refuse to comply, or when there is a clear and present danger to workers.

In 2016, there were six TROs issued against New Mexico businesses. The number of TROs issued annually follows no pattern, as there can be several or none issued in any given year. "We can go six months to a year without having to execute a TRO," said ECB Bureau Chief Trey Flynt. "And recently in just one month, we had four."

When the ECB believes a TRO is necessary, it provides case information to the WCA's EB for review. EB attorney Phyllis Bowman goes before a Santa Fe district court judge who then decides whether to issue the TRO. Once a TRO is issued, the WCA has 10 days to serve the order. WCA staff coordinate with the local sheriff of the county in which the business operates. The CO working on the case and that CO's manager are present during the TRO's execution.

One business in particular stood out in 2016. Chill N Grill in Albuquerque was registered to conduct business as a restaurant. When compliance officer (CO) Phil Hayes visited the business that did not have a current

policy, it was clear there were more than three employees. While Hayes was there, the owner was conducting an interview for another possible hire. Once the TRO was issued, however, there was no need to execute it. Federal agents had arrested the owner on drug charges before that was necessary, and the business closed.

The WCA's ECB works with businesses operating in New Mexico to make sure they maintain required insurance coverage for their workers. The bureau has 11 compliance officers throughout the state who work with businesses to answer their questions and inform them about the law. When necessary, COs conduct investigations. COs explain the law by phone and through site visits, clearly communicating deadlines. If a business doesn't come into compliance by the stated deadline, a hearing is held where the business owner and CO handling the case are present. "By the time a business gets to a hearing, there shouldn't be any questions," said Flynt. The business is issued a fine and given another deadline to come into compliance, usually another 30 days. If the business still fails to comply, the ECB approaches the EB to obtain a TRO to close the business until it complies with the law.

"We bend over backwards to let businesses know what they need to do to fulfill the law," said Flynt. "They are given a number of notices, and it usually takes four to six months to get to the point where we have to execute a TRO."

Once a TRO is executed, the business can purchase or renew a policy to cover its workers. Most businesses come into compliance, but some do not.

Two businesses were permanently shut down in 2016. One was the Chill N Grill, which closed in November. Another was Alpha and Omega Exteriors in Las Cruces. Their case opened in April and a permanent injunction was issued in November.

## 2017 Annual Report Now Available

he WCA's 2017 Annual Report is now available in print and online. There will be no 2016 report due to a change in naming convention. The title of each year's report will now carry the number of the year in which it is published, providing readers with more up-to-date information rather than focusing on information from the past year.

The report highlights the agency's successes as well as where improvements can be made to processes and the system. Several highlights from the report include:

- Outreach efforts reached approximately 3,433 people across the state, with expanded efforts to reach the agricultural community.
- The Clerk of the Court instituted a

- new case management system and is preparing to launch an e-filing system to improve efficiency.
- The WCA collected medical cannabis reimbursement data for the first time for 2016. Nineteen claimants were reimbursed a total of \$46.8 thousand for use associated with their workers' compensation claims, at an average of \$2,465 per claim.
- The Uninsured Employers' Fund (UEF) continued significant progress in recovery of funds with a 284-percent increase from 2012 to 2016.
- The year saw the lowest number on record of both First Reports of Injury and Subsequent Reports of Injury.



The 2017 Annual Report

 There was a decrease of indemnity claims, with 2016 seeing the lowest number of indemnity claims on record per 100 workers.

Call (505) 841-6052 to request a printed report, or find it online at http://www.workerscomp.state.nm.us/annual.php.

## **Updated WCA Website Goes Live July 31**

The WCA has completely redesigned its website, which will launch July 31. The new design was programmed, mapped and created entirely by agency staff from the Information Management and

#### NM Workers' Comp. Adm. Quarterly Bulletin

Darin A. Childers, Director Diana Sandoval-Tapia, Public Information Officer Aileen O'Catherine, Technical Writer

The Bulletin is published in January, April, July and October by the Public Information Office of the New Mexico Workers' Compensation Administration. The Bulletin is available free of charge. Send changes of address and requests to receive the Bulletin to Diana Sandoval-Tapia in the Public Information Office, New Mexico Workers' Compensation Administration, diana. sandoval@state.nm.us.

Suggestions for articles are welcome. Call Diana Sandoval-Tapia at (505) 841-6052.

Recent issues of the Quarterly Bulletin can be viewed on the Internet at http://workerscomp.state.nm.us/research/index.php.

Public Information bureaus. Systems Administrator Liz Peralta managed the buildout, serving as project manager for the complicated buildout. The look and feel of the site will change, providing more information in a user-friendly format

Improvements include consolidation of information onto one page rather than several pages that require multiple clicks. The left side navigation bars are linked to content that fits the topic area. Drop down menus at the top of the page allow the user to easily navigate to topic areas. All pages have a "bread crumb" trail at the top left of pages to let the user know where they are in relation to the root topic area. Overall, the navigation

should be easier. The site also has a completely different look.

"The new website will have a fresh, modern look and will provide a better communication tool for the agency," said Public Information Officer Diana Sandoval-Tapia. "Users should be able to more easily find information than before."

The website's main landing page features news items in a prominent format at the top of the page where they can be easily seen. The website will be responsive to mobile devices as well.

There should not be any interruptions of use once the new website is launched. If any difficulties are encountered upon launch, contact the Help Desk at WCA.

#### What is the Advisory Council?

The Advisory Council on Workers' Compensation and Occupational Disease Disablement is a task force created by statute, comprised of six members, three representing workers and three representing employers. The primary role of the Council is to advise the governor and legislature on the status of the workers' compensation system in New Mexico. The Advisory Council meets several times a year on an irregular schedule. Scheduled meetings of the Council are announced on the WCA website, http://www.workerscomp.state.nm.us/advisory.php

### WCA Ensures Employer Compliance (continued)

Continued from page I

Some other cases opened in 2016 include:

Protege Excavation in Rancho de Taos. The case opened in September, 2016, and a hearing was held in January, 2017. After failing to purchase coverage, it received a permanent injunction in March.

Auto Body Collision: the case opened on the Albuquerque company in October, and a hearing was held in January. After failing to obtain coverage, a TRO was issued in March. They obtained coverage.

TT Transport: the case on the Roswell/Lovington oilfield services company opened in November. A TRO was served in March, and in May, they received a permanent injunction and closed

Before a TRO is executed, COs have done site visits to the business to determine how many doors it has so a locksmith can change the locks. The locksmith arrives at the site at the same time as the sheriff. When the TRO is served, a notice is posted on the business' door or in another prominent area so anyone coming to the business knows why it was shut down.

Sometimes businesses come into compliance after being notified by the ECB, but they drop the workers' compensation insurance after 30 days. Target Sports in Clovis did this in 2017. For repeat offenders such as these, the ECB and EB move quickly to execute another TRO.

"Our intent is not to be a punitive agency," said Flynt. "Punitive actions

are a last resort. We just want businesses to follow the law and come into compliance."

Employer Compliance cases focus on having employers provide proof of insurance coverage as quickly as possible so that workers are adequately protected and there is less of a costly risk when an employee is injured. Flynt notes that most businesses do follow the law, and that it would be unfair to those businesses if the WCA did nothing about the businesses that fail to carry coverage. "Having coverage for workers is the cost of doing business in New Mexico," said Flynt. "We want businesses to follow the law. It's safer for New Mexico's workers and their employers when they do."

#### **HOLIDAY CLOSURE**

The Workers' Compensation offices in Albuquerque and all its field offices will be closed on the following upcoming holidays: Labor Day, Monday, September 4 Columbus Day, Monday, October 9



The WCA's Lovington field office will move to Hobbs in September, where its new address will be 2120 North Alto. Further contact information will be published as it becomes available.

## **New Mexico Workers' Compensation Administration Offices:**

#### MAIN OFFICE

#### **Location & Main Mail Address:**

2410 Centre Ave. SE Albuquerque, NM 87106-4190

#### **Alternate Mailing Address:**

PO Box 27198 Albuquerque, NM 87125-7198

#### **Phone Numbers:**

Phone: (505) 841-6000 In state toll-free phone: I-800-255-7965 Fax Clerk of the Court: (505) 841-6060 Director's Fax: (505) 841-6009

#### **Regional Offices**

#### Farmington:

2700 Farmington Ave., Bldg. E, Ste.2 Farmington, NM 87401 Phone: (505) 599-9746 In state toll-free phone: I-800-568-7310 Fax: (505) 599-9753

#### Las Cruces:

2407 W. Picacho, Ste. D Las Cruces, NM 88007 Phone: (575) 524-6246 In state toll-free phone: I-800-870-6826 Fax: (575) 524-6249

#### Las Vegas:

32 NM 65 Las Vegas, NM 8770 I Phone: (505) 454-925 I In state toll-free phone: I-800-28 I-7889 Fax: (505) 454-9248

#### Lovington/Hobbs:

100 West Central, Ste. A Lovington, NM 88260 Phone: (575) 396-3437 In state toll-free phone: I-800-934-2450 Fax: (575) 396-6044 2120 North Alto Hobbs, NM (after 9/2017)

#### Roswell:

Penn Plaza Building 400 N. Pennsylvania Ave., Ste. 425 Roswell, NM 88201 Phone: (575) 623-3781 In state toll-free phone: I-866-311-8587 Fax: (575) 623-0078

#### Santa Fe:

Aspen Plaza 1596 Pacheco, St. #202 Santa Fe, NM 87505 Phone: (505) 476-7381 Fax: (505) 476-7390

#### WCA Helpline-Hotline: (toll free in New Mexico)

1-866-WORKOMP 1-866-967-5667

#### **WCA Website:**

www.workerscomp.state.nm.us