
Disability Compensation Fund

Description	FY 2004 Actual	FY 2005 Approved	FY 2006 Proposed	% Change from FY 2005
Operating Budget	\$30,611,429	\$29,600,000	\$30,280,800	2.3

The purpose of the Disability Compensation Fund is to provide fiscal resources to administer the Workers' Compensation program for public sector employees and pay the required claims costs of eligible claimants according to applicable District laws.

The Disability Compensation Fund is administered by the D.C. Office of Risk Management (DCORM). DCORM strives to reduce the District's overall cost of risk by integrating agency programs of systematic risk identification and analysis, selecting and implementing appropriate risk control strategies, and prudently financing anticipated and incurred losses into a District government integrated risk management program.

The DCORM generally manages the process of determining compensability of reported workplace injury or illness and funding of appropriate medical care and continued employment compensation for which the District government is liable, through conclusion of the disability period according to applicable District laws.

Disability Compensation Fund plans to fulfill its purpose by achieving the following strategic result goals:

- Contain overall program costs.
- Formalize the philosophy, policies and procedures for prudent and professional financing

of identified risks and incurred losses.

- Implement the DCORM core business process of Claims Management with cooperative litigation support for the Office of the Attorney General (OAG).

Gross Funds

The proposed gross funds budget is \$30,280,800, an increase of \$680,800 or 2.3 percent over the FY 2005 approved budget of \$29,600,000. There are no FTEs for the agency.

General Fund

Local Funds. The proposed budget is \$30,280,800, an increase of \$680,800 or 2.3 percent over the FY 2005 Gross funds budget of \$29,600,000. There are no FTEs for the agency.

Changes from the FY 2005 approved budget are:

- A net increase of \$680,800 in other services and charges and subsidies and transfers to cover administrative costs and disability compensation payments anticipated in FY 2006.

Funding by Source

Table BG0-1 shows the sources of funds for the Disability Compensation Fund.

Table BG0-1

FY 2006 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
Local Fund	29,991	29,811	29,600	30,281	681	2.3
Special Purpose Revenue Funds	0	800	0	0	0	0.0
Total for General Fund	29,991	30,611	29,600	30,281	681	2.3
Gross Funds	29,991	30,611	29,600	30,281	681	2.3

Expenditure by Comptroller Source Group

Table BG0-2 shows the FY 2006 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table BG0-2

FY 2006 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Comptroller Source Group	Actual FY 2003	Actual FY 2004	Approved FY 2005	Proposed FY 2006	Change from FY 2005	Percent Change
20 Supplies and Materials	142	87	33	34	1	2.3
40 Other Services and Charges	7,182	12,903	9,741	9,965	224	2.3
41 Contractual Services - Other	4,089	0	0	0	0	0.0
50 Subsidies and Transfers	18,595	17,622	19,826	20,282	456	2.3
Subtotal Nonpersonal Services (NPS)	29,991	30,611	29,600	30,281	681	2.3
Total Proposed Operating Budget	29,991	30,611	29,600	30,281	681	2.3

In addition to funding disability compensation claims, the fund will be used to pay for administrative expenses and costs associated with 5 FTEs for the D. C. Office of Risk Management. This will be handled through the intra-agency process with the D.C. Office of Risk Management.

Programs

The Employees' Disability Fund was established by the District of Columbia Merit Personnel Act (D.C. Law 2-139, as amended). For District employees with eligible verified claims, payments are made from the fund for compensation for lost wages, medical services related to workplace

injuries, and services such as vocational rehabilitation.

In FY 2004, the administrative functions of the Employees' Disability Fund transferred to the D.C. Office of Risk Management (DCORM).