

**Workforce Safety and Insurance**  
**Budget No. 485**  
**House Bill No. 1021**

	FTE Positions	General Fund	Other Funds	Total
<b>2025-27 legislative appropriations</b>	<b>260.14</b>	<b>\$0</b>	<b>\$80,434,139</b>	<b>\$80,434,139</b>
2025-27 base budget	260.14	0	65,954,976	65,954,976
Legislative increase (decrease) to base budget	0.00	\$0	\$14,479,163	\$14,479,163

**SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS**  
**Changes to Base Budget**

	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Added funding to provide employee salary increases of 3 percent on July 1, 2025, and 3 percent on July 1, 2026			\$2,117,947	\$2,117,947
Added funding for employee health insurance premiums to reflect a revised premium estimate of \$1,893 per month			1,578,608	1,578,608
Added funding to replace the 2023-25 biennium new and vacant FTE funding pool for vacant positions			3,701,233	3,701,233
Transferred \$4,555,725 for estimated savings from vacant FTE positions from the Workforce Safety and Insurance line item to the new and vacant FTE funding pool line item and reduced the amount to \$3,189,008 resulting in the savings as shown			(1,366,717)	(1,366,717)
Added funding for information technology rate increases			315,976	315,976
Adjusted funding for temporary salaries and operating expenses, including office equipment, travel, and professional development			(442,259)	(442,259)
Added <b>one-time funding</b> for the claims and policy system replacement project			5,208,325	5,208,325
Added <b>one-time funding</b> for the myWSI enhancement project			1,366,050	1,366,050
Added <b>one-time funding</b> for building improvements, including a roof replacement, carpet installation, bathroom upgrades, and exterior repairs			2,000,000	2,000,000
Total	0.00	\$0	\$14,479,163	\$14,479,163

### FTE Changes

The Legislative Assembly approved 260.14 FTE positions for Workforce Safety and Insurance (WSI) for the 2025-27 biennium, the same as the 2023-25 biennium.

### One-Time Funding

In Section 2 of House Bill No. 1021, the Legislative Assembly identified \$8,574,375 of one-time funding for WSI for the 2025-27 biennium, of which \$5,208,325 is for the claims and policy system replacement project, \$1,366,050 is for the myWSI enhancement project, and \$2,000,000 is for building improvements.

### Other Sections in House Bill No. 1021

**New and vacant FTE pool** - Section 3 provides for the use of funding in the new and vacant FTE pool line item.

### Claims and Policy System

The claims and policy system is a program designed to replace core WSI business systems, which support injury services and employer services, with current industry web-based technology in order to improve customer service, enhance system maintainability, and provide enhanced reporting and accessibility to information. The claims and policy system program consists of five phases and 20 smaller projects, or releases, as shown in the schedule below.

Phase	Number of Releases	Status	Completion Date
Planning and analysis		Complete	June 2015
Shared components refacing	3	Complete	February 2017
Policyholder services application refacing	6	Complete	August 2022
Claims management system refacing	11	Incomplete	May 2031 (Projected)
Program finalization		Incomplete	May 2031 (Projected)

The schedule below provides the legislative appropriations from the WSI fund for the claims and policy system project.

Biennium	Releases	Appropriations	Expenditures
2015-17	1 - 3	\$6,000,000	\$4,560,510
2017-19	4 - 6	8,120,097	5,052,599
2019-21	7 - 10 <sup>1</sup>	7,010,000	4,464,467
2021-23	9 - 10 <sup>1</sup>	7,500,000	3,746,274
2023-25	11	4,950,000	4,132,126 <sup>2</sup>
2025-27	12 - 14	5,208,325	N/A
Total		\$38,788,422	N/A

<sup>1</sup>The COVID-19 pandemic delayed the progress of Releases 9 and 10 during the 2019-21 biennium, resulting in the releases being rescheduled for the 2021-23 biennium.

<sup>2</sup>Expenditures listed for the 2023-25 biennium include actual expenditures through April 2025 and estimates expenditures for May and June 2025.

Workforce Safety and Insurance anticipates additional funding of approximately \$9.6 million will be needed in the 2027-29 and 2029-31 bienniums to complete the project and meet the 2031 projected completion date. Workforce Safety and Insurance estimates total expenditures for the project will be approximately \$37.4 million.

### MyWSI Enhancement Project

The myWSI enhancement project was approved by the 2017 Legislative Assembly to create a secure extranet portal for injured workers, employers, and medical providers. The project will add functionality to the existing extranet, integrate claims and policy documents, add forms for collecting information, and add dashboards to access information. The project includes nine releases. The schedule below provides the legislative appropriations from the WSI fund for the myWSI enhancement project.

Biennium	Releases	Appropriations	Expenditures
2015-17	0	\$0	\$469,031 <sup>1</sup>
2017-19	1 - 2	538,500	948,829 <sup>2</sup>
2019-21	3 - 4	850,000	843,890
2021-23	5 - 6	3,050,000	2,438,445
2023-25	7	1,830,000	1,544,832 <sup>3</sup>

2025-27	8 - 9	1,366,050	N/A
Total		\$7,634,550	N/A

<sup>1</sup>During the 2015-17 biennium, WSI used \$469,031 of savings from the claims and policy system project to begin the planning phase of the myWSI enhancement project for extranet infrastructure analysis.

<sup>2</sup>In addition to the \$538,500 appropriated for the myWSI enhancement project for the 2017-19 biennium, WSI spent \$410,329 on the project by using savings from the claims and policy system project, resulting in a total of \$948,829 spent on the project during the 2017-19 biennium.

<sup>3</sup>Expenditures listed for the 2023-25 biennium include actual expenditures through April 2025 and estimates expenditures for May and June 2025.

Workforce Safety and Insurance anticipates completing the entire project in 2026 at a total cost of approximately \$7.8 million.

### Related Legislation

**House Bill No. 1423 - Lifetime maximums** - This bill increases the lifetime maximums for organizations to modify real estate or motor vehicles after an employee is catastrophically injured from \$75,000 to \$150,000 for remodeling expenses and from \$150,000 to \$200,000 for vehicles and vehicle adaptation expenses.

**Senate Bill No. 2046 - Military premium credit** - This bill provides a one-time premium credit of up to \$250 for new employer accounts where at least 50 percent ownership is held by an active member of the National Guard or armed forces, veteran, or surviving spouse.

**Senate Bill No. 2109 - Lifetime death benefit** - This bill increases the lifetime maximum death benefit from \$300,000 to \$400,000.