

DIVISION OF ADMINISTRATIVE HEARINGS



LONG-RANGE PROGRAM PLAN

**FISCAL YEAR 2004-2005 THROUGH
FISCAL YEAR 2008-2009**

SEPTEMBER 15, 2003

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**MISSION OF THE
DIVISION OF ADMINISTRATIVE HEARINGS**

Impartially Adjudicate Disputes

To provide a uniform and impartial forum for the trial and resolution of disputes between private citizens and organizations and agencies of the state in an efficient and timely manner.

To maintain a statewide mediation and adjudication system for the resolution of disputed workers' compensation claims.

DIVISION OF ADMINISTRATIVE HEARINGS

**GOAL AND OBJECTIVES IN PRIORITY ORDER
INCLUDING PROJECTION TABLES**

GOAL 1: Improve the statewide adjudication and mediation processes.

OBJECTIVE 1A: To increase the number of administrative law cases that can reasonably be closed within 120 days after filing to a rate greater than the baseline year rate and maintain that rate increase throughout the planning period.

OUTCOME: Percent of cases closed within 120 days after filing.

Baseline FY 1998-99	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
61%	76%	76%	76%	76%	76%

OBJECTIVE 1B: To increase the number of petitions for benefits that can reasonably be closed within 210 days after filing to a rate greater than the baseline year rate and maintain that rate increase throughout the planning period.

OUTCOME: Percent of petitions closed within 210 days after filing.

Baseline FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
%: N/A	80%	80%	80%	80%	80%

TRENDS AND CONDITIONS STATEMENT

The Division of Administrative Hearings (DOAH) is unique because it is an independent, quasi-judicial agency established within the Department of Management Services for the provision of support services only. The Division has only two programs (services): Adjudication of Disputes and Workers' Compensation Appeals. These programs are mutually exclusive and equally important to the state. Hence, they are equally weighted as the Division's "number one" priority. No substantive revisions to the Division's programs or current structure are recommended over the five-year planning period.

With regard to the Adjudication of Disputes program, the Division of Administrative Hearings provides independent Administrative Law Judges to conduct hearings pursuant to Sections 120.569 and 120.57(1), Florida Statutes, pursuant to other law, and under contract with governmental entities. The judges are not subject to control, supervision, or direction by any party or any department or commission of state government.

On October 1, 2001, the Workers' Compensation Appeals Program, Office of the Judges of Compensation Claims (OJCC), was transferred to the Division of Administrative Hearings from the Department of Labor and Employment Security. The primary responsibility of this program is to dispose of disputed workers' compensation claims through mediation and adjudication. The Office of the Judges of Compensation Claims is created in Chapter 440.45(1), Florida Statutes. The conducting of pre-trial and final hearings is mandated in Chapter 440.25, Florida Statutes, and the mandatory mediation program is outlined also in Chapter 440.25, Florida Statutes. Other duties of the Office of the Judges of Compensation Claims are detailed throughout Chapter 440.

The primary outcome measure for the Adjudication of Disputes service relates to the timeliness of the adjudication process. In FY 2002-2003, the Division closed 76% of its cases within 120 days after filing, meeting the standard established by the Legislature. The Division also scheduled for hearing 85% of its cases within 90 days after filing, significantly exceeding the FY 2002-2003 legislative standard of 68%. This success is attributed primarily to new policies implemented, which require more expeditious scheduling of hearings and closure of cases. The FY 2004-05 requested outcome standards equal FY 2002-03 achievement levels.

The demand for the Workers' Compensation Appeals program continues to grow. The Office of the Judges of Compensation Claims has experienced an increase of 49% over the last five fiscal years in the number of petitions for benefits filed, from 101,038 filings in FY 1998-1999 to 150,801 filings in FY 2002-2003. A 10% annual increase in the demand for this service is estimated over the five-year planning period.

The primary outcome measure for the Workers' Compensation Appeals service is the "Percentage of appealed, decided orders affirmed." In FY 2002-2003, 88% of the judges' orders were affirmed, thus exceeding the standard of 80% established by the Legislature. It should be noted that the Division is requesting that the primary outcome measure for this service be changed to "Percent of petitions closed within 210 days after filing." This is a better indicator of

performance and measures the timeliness of the adjudication and mediation activities of this service.

Funds and positions appropriated to the Division do not impact demand. Demand for the Adjudication of Disputes program is defined as the number of cases filed by the parties to administrative proceedings, including those cases that are carried forward from the preceding fiscal year. Demand for the Workers' Compensation Appeals program is defined as the number of petitions for benefits filed. Parties will continue to file cases at a rate independent of the Division's funding and workforce levels. The Division has no control over the demand for its services.

For the first three years (FY 2001-02 through FY 2003-04) of the Five-Year Workforce Plan, the Division requested that the prescribed workforce and spending reductions **not** be applied to either of its programs, which are both mandated by statute and mission-critical. No reductions were made by the Legislature the first two years, but in FY 2003-04, the Legislature deleted two vacant administrative law judge positions from the Adjudication of Disputes Program. The Division is again recommending that no workforce and spending reductions be applied to its programs in the final years of the plan (FY 2004-05 through FY 2005-06). To do so would eliminate 24% of the Division's workforce over a two-year period, thus crippling the Division's ability to effectively provide either service and meet statutory time frames and performance objectives.

The Division is not aware of any significant policy changes that could affect its FY 2004-05 Legislative Budget Request (LBR). It is important to note, however, that there is a potential issue related to the administrative establishment of child support obligations that is not included in the Division's LBR. Initial projections indicated that a large number of these cases could be filed by the Department of Revenue, possibly doubling the caseload of the Adjudication of Disputes service. This prediction has not materialized; the volume of cases filed to date is manageable. Because of the uncertainty surrounding the number of cases that could be filed, the Division has not requested additional resources at this time. However, it may be necessary for the Division to submit a budget amendment on this issue at a later date.

There are no requested changes in the Division's approved programs, services or activities that would require substantive legislative action, including elimination of or combining its programs, services, or activities.

The Office of Program Policy Analysis and Government Accountability (OPPAGA) issued report No. 02-70 in December 2002. This report includes findings and recommendations related to the Division's Adjudication of Disputes Program and the methodology used to apportion program costs among those entities utilizing its services. These findings and recommendations are summarized in the Schedule IX, Major Audit Findings and Recommendations, of the Division's FY 2004-05 LBR. The Division is not aware of any other studies or task forces in progress that are related to either of its services.

Glossary of Terms and Acronyms

DOAH - Division of Administrative Hearings

OJCC - Office of the Judges of Compensation Claims

OPPAGA - Office of Program Policy Analysis and Government Accountability