

2024 Annual Report

ADVISORY COUNCIL ON WORKERS' COMPENSATION
AND OCCUPATIONAL DISEASE DISABLEMENT

Presented to:
The Honorable
Michelle Lujan Grisham, Governor

The Honorable Alice T. Kane,
Superintendent of Insurance
and
Senate President Pro - Tempore Speaker of the House
Senate Majority Floor Leader
House Majority Floor Leader
Senate Minority Floor Leader
House Minority Floor Leader
Chair, Senate Finance Committee
Chair, Senate Judiciary
Chair, Senate Corporations and Transportation Committee
Chair, House Appropriations and Finance Committee
Chair, House Commerce & Economic Development Committee
Chair, House Judiciary

Cover image courtesy of Trey Flynt Photography

Annual Report of the Advisory Council on Workers' Compensation and Occupational Disease Disablement 2024

The Advisory Council on Workers' Compensation and Occupational Disease Disablement is a statutory body created by the Workers' Compensation Law of New Mexico. The Governor represents members to represent both employers and workers. Our duty is to report annually to the Governor and Legislature concerning the state of the workers' compensation system and to make recommendations regarding rules and legislation.

Mission

The mission of the Advisory Council on Workers' Compensation and Occupational Disease Disablement is:

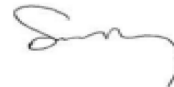
- to monitor the performance of the workers' compensation and occupational disease and disablement system;
- to make recommendations to the Governor, Legislature, regulatory agencies and participating industries, related to the adoption of rules and legislation and the method and form of statistical data collections;
- to ensure the quick and efficient delivery of indemnity and medical benefits to injured and disabled workers at a reasonable cost to employers.

Respectfully submitted:

Marni Goodrich, Chair



Sara Ranney, Vice Chair



Courtenay Eichhorst



Darrell DeAquero



Buffy Jackson



Annie Scoggin



Reallocation of Funds (continued)

Cumulatively over the last two decades:

- \$21,586,134 has been transferred to DWS;
- \$20,274,675 has been transferred to the General Fund;
- \$200,000 transferred to the Public Regulations Commission.
- This combined total exceeds the WCA's annual operating budget by four times.

Financial projections based on proposed budgets anticipate that the agency operating fund will start to operate at a deficit at the end of FY 2024, barring excessive fund transfers.

So long as the WCA Fund continues to be swept, the agency will have to seek ways to shore up its fund, such as requesting General Fund money, or increase its quarterly fee assessed on New Mexico's employees and employers.

Conclusion

The New Mexico Workers' Compensation Administration is currently stable. We, the members of the Advisory Council on Workers' Compensation and Occupational Disease Disablement are dedicated to remaining responsive to the dynamic challenges of the overall system.



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Council Members

The Workers' Compensation Act requires that the Advisory Council on Workers' Compensation and Occupational Disease Disablement consist of three employer representatives and three worker representatives. It is important that appointments to the Workers' Compensation Advisory Council comply with the Workers' Compensation Act in identifying qualified leadership and in maintaining the essential balance between employer and worker interests to ensure the long-term integrity of the workers' compensation system for New Mexico.

In addition to the six appointed members, the Director of the Workers' Compensation Administration serves as an ex officio, non-voting member.

Courtenay Eichhorst, Darrell Deaguero and Sara Ranney represent labor, while Marni Goodrich, Buffy Jackson, and Annie Scoggin represent business.

Council Chair Marni Goodrich is director of business operations at Yearout Mechanical, a full-service design-build mechanical and plumbing services provider. Vice Chair Sara Ranney is an engine company officer with Albuquerque Fire Rescue and a member of the International Association of Firefighters Local 244. Darrell Deaguero is president of Laborers Union, Local 16, the construction workers' union. Courtenay Eichhorst is business manager of U.A. Local 412. Buffy Jackson is owner of Home Instead, a non-medical, in-home care agency for seniors, in Las Cruces. Annie Scoggin is the president of Scoggin Mechanical Industries, Inc.

Status of the Workers' Compensation Administration

The New Mexico Workers' Compensation Administration (WCA) has been fully engaged to meet its primary goal of making a better workplace for New Mexico through responsive and effective services. The WCA's mission is: To assure the quick and efficient delivery of indemnity and medical benefits to injured workers at a reasonable cost to employers.

2024 Legislative Efforts

House Memorial 83 (Rep. Pamela Herndon, D-Bernalillo) created a task force to study the workers' attorney fee cap, the number of claims in reaching the cap, the average attorney fee received per claim and the impact of a fee cap on access to justice. The task force completed the required report and the report was given to the advisory council, task force members, stakeholders and published to the Workers' Compensation website and is still available for review.

Neither the Advisory Council, nor the Workers' Compensation Administration had any industry-related legislation during the 30-day session in 2024.

2025 Legislative Initiatives

Neither the Advisory Council, nor the Workers' Compensation Administration has any proposed industry-related legislation during the upcoming 60-day session.

Both the Advisory Council and the Workers' Compensation Administration anticipate legislation from stakeholders and lawmakers but have not received any proposed bills.

IAIABC Award Recipients

The Workers' Compensation Administration had two IAIABC award recipients in 2024.

Charles Cordova, Economist: The International Association of Industrial Accident Boards and Commissions (IAIABC) awarded Charles Cordova the prestigious "NextGen Award." Cordova is one of only six professionals across the nation to receive this accolade, which celebrates innovative leaders under the age of 40 who are making a significant impact in the workers' compensation industry.

Sara Ranney, Advisory Council Vice Chair: The International Association of Industrial Accident Boards and Commissions (IAIABC) awarded Sara Ranney with the Samuel Gompers Award. Ranney was awarded this in recognition of her outstanding efforts "In improving the working conditions of the masses." Samuel Gompers, 1916. This award is given to Advocates for improvement in occupational health & safety, or improvement of benefits to injured workers.

Reallocation of Funds

The WCA is a 100% self-funded state government agency, funded solely through fees assessed on workers and employers that are subject to the Workers' Compensation Act.

- \$2.30/employer and \$2.00/employee per quarter (.30 earmarked for the Uninsured Employer Fund (UEF)).
- Apart from the 30 cents added in 2003 to fund the UEF, these fees have not been adjusted since 1990.
- \$5,000,000 has been transferred over the past five years from the New Mexico WCA Fund to the NM Department of Workforce Solutions (DWS). This has resulted in the depletion of the WCA reserve balance.