

Heather H. Kraus, Esq., Chair
Nathan J. Cavey, Jr.
Michael G. Comeau, Esq.,
Carmine G. D'Alessandro, Esq.
Sandra I. Dorsey
Kevin P. Foy, Esq.
Melinda Hayes, M.S., C.R.C., CDMS
Mary C. Larkin
Adrienne M. Ray
Lisa Y. Settles, Esq.
Matthew D. Trollinger, Esq.

Workers' Compensation Budget Advisory Committee

10 East Baltimore Street, 7th Floor, Baltimore, MD 21202-1641 Phone (410) 864-5161

October 29, 2021

Hon R. Karl Aumann, Chairman
Workers' Compensation Commission
10 E. Baltimore Street
Baltimore, MD 21201

Re: Report of Budget Advisory Committee for the
Workers' Compensation Commission for Fiscal Year 2023 Budget

Dear Chairman Aumann:

The Budget Advisory Committee has completed its review and analysis of the draft proposed Budget for Fiscal Year 2023. Pursuant to the requirements of Chapter 487, Laws of 2002, Senate Bill 772-2002, codified as Sec. 9-318, Md. Labor & Employment Code Ann., we the Committee are hereby providing you with our recommendations.

As you are aware, in preparation for our review of the FY 2023 Budget, the Committee met with you as well as Mary K. Ahearn, Chief Executive Officer, along with two key members of your staff, David E. Jones, Chief Financial Officer and James E. Moore, III, Director of Fiscal Services on October 6th. A quorum of the Committee attended with members present in person at the Workers' Compensation Commission.

Based on our meetings with those essential persons, the Committee was able to develop an understanding of the day-to-day operations and trends of the Commission, the interactions of the various departments and needs of the departments regarding personnel and equipment. In addition, the Committee was made aware of the budgetary recommendations of the State Department of Budget and Management and that the proposed FY 2023 Budget once again met the target established by the Department of Budget and Management.

Hon R. Karl Aumann, Chairman
October 29, 2021
Page 2

The FY 2023 Budget Request of \$19,798,601 reflects an increase of \$1,056,914 relative to the FY 2022 Budget with the most significant increase attributed to an increase in funding of the ongoing Enterprise Modernization Major Information Technology Project.

It should be noted that the total number of authorized permanent positions (115) and contractual positions (11.25) has remained virtually unchanged in recent years.

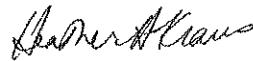
The Committee greatly appreciates the additional information provided in response to questions after the meeting.

The Committee remains very confident and satisfied with the status of the Commission's budget situation and accepts the FY 2023 Budget Request as presented.

The Committee is pleased that the Commission's ongoing initiative to update and modernize the agency's major information technology systems, the Enterprise Modernization Project, continues to move forward. The Committee recognizes that the Commission has faced turnover in personnel, particularly in the information technology personnel so critical to the Enterprise Modernization Project and commends the Commission for the ongoing progress despite these challenges. The ongoing updates to the information technology systems continue to benefit the people of Maryland, as the Commission continues to respond to the ongoing and unique challenges of the COVID-19 health crisis with virtual hearings, electronic filings, and evolving protocols for in-person hearings with the use of the updated technology. The continued updates anticipated in the coming months and years will allow for ongoing adaptations to meet the challenges ahead. The Commission is to be commended for outstanding work in these most difficult times.

The Committee wishes to express its gratitude to the Chairman and the Commission staff for its full cooperation in the Budget Review process. The Committee respectfully requests that the Commission incorporate the Committee's recommendations in the development of its final budget for submission to the Governor.

Respectfully submitted,



Budget Advisory Committee
Heather H. Kraus, Chair

HHK/wbg
B2626046