

What's Inside:

NMWCA - 20 Years and Moving Forward	2
NMWCA 2005 Annual Report Now Available	3
New WCA Booklet Covers Uninsured Employers' Fund, Establishes Prototype for New Series	3
Events Calendar	3

Glenn R. Smith Named New Director of New Mexico Workers Compensation Administration

By Diana Sandoval

The New Mexico Workers' Compensation Administration (WCA) has a new director: Glenn R. Smith was named to lead the WCA by Gov. Bill Richardson, effective Jan. 2. The change came about after Herb Crosby, appointed to replace Conroy Chino – who recently resigned his position as Secretary of the Department of Labor – rescinded the appointment. Richardson then named Betty D. Sparrow, who had been hired as executive director of the New Mexico Office of Workforce Training Development, to step into the top spot at the Labor Department. Former WCA Director Alan Varela was moved over to Workforce Training Development.

Smith comes to the WCA from the New Mexico Attorney General's office, where he was a deputy attorney general and worked on litigation for the Waste Isolation Pilot Plant (WIPP) and led the implementation and enforcement of the Tobacco Master Settlement Agreement. The settlement agreement involved several states' suit of the four major tobacco companies and their marketing strategies that appeared to target youth. New Mexico and the other states in the settlement each get about \$35 million annually which has been used for smoking cessation and anti-smoking programs in the state.

Prior to his service in the Attorney General's office, Smith was a partner in the law firm of Messina, Madrid and Smith, with Michael Messina and Patricia Madrid. He graduated from the University of New Mexico School of Law with a juris doctor degree in 1987. Upon receiving his law degree, he clerked for former Supreme Court Justice Richard Ransom.



New Mexico WCA Director Glenn R. Smith

Smith also holds an undergraduate degree from UNM, where he majored in history and political science, areas he said still interest him. Outside of his professional life, he says he spends much of his free time "watching (his) children grow." Smith and his wife, Albuquerque attorney, Stephanie Landry, have an 11-year-old son and an 8-year-old daughter. He also describes himself as a "frustrated Lobos fan." Smith and his tennis partner have season tickets and trek to University Arena, or "The Pit," to watch the UNM men's basketball team. The Lobos, both men and women, have been somewhat inconsistent this season.

With regard to his future at the WCA, Smith says he has no current plans for any major changes right now. "I think we just need to continue to work and improve on the existing agency objectives for compliance (with the Workers Compensation Act), and dispute resolution, and continue to do our best to assure safe workplaces across New Mexico."

NMWCA - 20 Years and Moving Forward



Special Assistant to the Director Alfonso Otero presenting a commemorative plaque to Albuquerque Mayor Martin Chavez, the first director of the WCA, at the agency's Jan. 11 "All Hands" meeting.

By Van Cravens

On Dec. 1, 2006, the New Mexico Workers' Compensation Administration (WCA) celebrated its first 20 years of service to New Mexico workers and employers.

Created in a time of a highly adversarial and costly court-administered workers' compensation claims resolution process, the WCA was created to regulate an administrative benefits process that reduced the adversarial nature of workers' compensation and helped reduce overall claims settlement costs.

But all was not well in the workers' compensation world. Within a few years, work-

ers' compensation insurance costs climbed to the point that New Mexico businesses were failing. In 1990, a Task Force was created in response to this crisis occurring in the workers' compensation system. Workers' compensation costs had skyrocketed, insurance companies were not writing workers compensation policies and were leaving the state. Many businesses could only obtain workers' compensation coverage from the assigned risk pool at much higher rates. A number of businesses failed because they could not afford the high premium costs and as they dissolved, several New Mexico jobs were also lost.

The Legislative leadership, Speaker of the House Raymond Sanchez and President Pro-Tempore of the Senate Manny Aragon, created a task force under the joint chairmanship of then Sen. Martin B. Chavez, and then State Rep. Fred Peralta. While representatives from concerned industries were invited to participate and testify, only employers and workers had a vote in the final results.

Out of the task force grew the current statute: A compromise between business and labor that changed the benefit structure and the way the WCA regulated and enforced the Act creating stability in the system. New Mexico's workers compensation system is now considered a national model.

In the last 20 years the WCA has demonstrated continual improvement in almost every functional area to the benefit of workers and employers. And the agency has goals for continued improvement within the next 20 years using the Baldrige criteria for self-assessment, through participation in the Quality New Mexico program.

"The reason we have been creating an organizational culture of improvement is to institutionalize a way of life where we constantly work to improve everything we do and how we do it. Without striving to improve, you will ultimately fail as an individual and as an organization," said Alan Varela, former WCA director (see cover story). "As a state agency that is committed to the *State of Excellence*,

the goal of the WCA is to help make New Mexico a better place for workers and employers." Varela has been asked by Quality New Mexico to teach the session on leadership and strategic planning in the government sector during their upcoming March 2007, quest for excellence program.

Having jurisdiction over almost every employee and business in New Mexico, the WCA was created to specifically serve and protect New Mexico workers and employers. It is unique in that it is the only organization created to administer the Workers' Compensation Act and Occupational Disease Disablement Law.

The Administration was initially set up well in the beginning in 1986. It was further defined in the 1991 reform to help keep the workers' compensation system in balance through its key services to educate, regulate and resolve disputes to fulfill the WCA statutory mission to ensure the quick and efficient delivery of indemnity and medical benefits to injured workers at a reasonable cost to employers.

"In the last few years, the WCA has been using the Baldrige self-assessment criteria to help to improve our key service processes. Through relentless self-assessment and an honest feedback system, improvements were made in the definition of the organization, its mission and purpose, and to develop a clear vision for the future," Varela said.

The Administration celebrated its 20th Anniversary at an "All Hands" meeting and training session earlier this month. Albuquerque Mayor Martin Chavez, the first director of the administration, was the keynote speaker for the event.

Chavez discussed what was once a broken system and how he was offered the challenge to "make it work." He took the challenge as director and said that now he's proud to have been part of the process. He congratulated the WCA staff on "work well done" and said he's confident that the WCA is among the top state agencies in the country.

NOTICE

The Advisory Council on Workers' Compensation and Occupational Disease Disablement is a council created by statute, comprised of six members, three representing workers and three representing employers. The primary role of the Council is to advise the Governor and Legislature on the state of the workers' compensation system in New Mexico. The Advisory Council meets several times a year on an irregular schedule. Scheduled meetings of the Council are announced on a special telephone number, 1 (505) 841-6011, and on the WCA Internet Web site, <http://workerscomp.state.nm.us/council/index.php>.

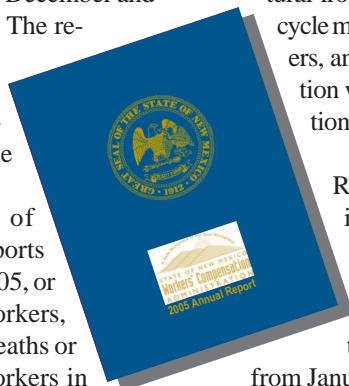
NMWCA 2005 Annual Report Now Available

By Diana Sandoval

The 2005 New Mexico Workers' Compensation Administration Annual Report was released in late December and is now available to the public. The report details information on workers' compensation claims, injury patterns, costs, loss ratios and other statistics of the system during 2005.

In the Characteristics of Claims chapter, the WCA reports 32 work-related fatalities in 2005, or 4.21 fatalities per 100,000 workers, which is down from 53 total deaths or 7.12 fatalities per 100,000 workers in 2004. National preliminary figures from the U.S. Department of Labor's Bureau of Labor Statistics show just 4 fatalities per 100,000 workers in 2005 as well, so New Mexico was just slightly higher than the national average.

Occupations with the highest number of injuries in New Mexico in 2005 include construction trade workers, motor vehicle operators, building cleaning and pest control workers, and other



installation, maintenance and repair occupations.

Nationally, occupations with the highest fatality rates in 2005 include fishers, logging workers, aircraft pilots/flight engineers, structural iron and steel workers, refuse/recycle material collectors, farmers/ranchers, and truck drivers, with construction workers being lower on the national list of dangerous jobs.

The 2005 NMWCA Annual Report also details cost trends in workers compensation insurance. The average cost of workers' compensation insurance in New Mexico's voluntary market has risen every year

from January 2001 through 2006. However, in the fall of 2006, New Mexico's Superintendent of Insurance approved the first premium rate decrease of 4.2 percent for the voluntary market.

The entire annual report as well as supplemental statistical tables are available on the WCA's Web site: www.workerscomp.state.nm.us. Hard copies are also available at the clerk's office.

New WCA Booklet Covers Uninsured Employers' Fund, Establishes Prototype for New Series

By Merilee Dannemann

The Workers' Compensation Administration has published a new booklet, which is the prototype for a complete revision of its booklet series for employers and workers.

The new booklet is about the Uninsured Employers' Fund. This is the WCA program that provides workers' compensation benefits for injured workers whose employers were illegally uninsured, and then seeks to recover the cost of the benefits plus a substantial penalty from the uninsured employer.

The booklet describes the procedures a worker must follow to qualify for coverage by the Uninsured Employers' Fund, the rights and responsibilities of the worker, and the remedies available to the alleged employer, who has the right to dispute the validity of the claim.

This booklet is available online on the WCA Web site, and from offices of the WCA. To download the booklet from the Web site, go to www.workerscomp.state.nm.us, click on Forms and Booklets, scroll down and select Booklet A4.

The new booklet series will become the *Workers' Compensation Handbook for New Mexico* series. As they are completed, the new booklets will replace the old booklets, known as the "rainbow booklets." The new booklets will provide greater depth of information, will be easier to download and print from the WCA Web site, and will include statute, rule and case law citations. Each booklet will have its own table of contents to assist employers and workers in finding exactly the information they need.

Anyone with comments or suggestions on the new booklet series is invited to contact Merilee Dannemann at (505) 841-6074.

Events & Holiday CALENDAR

The Advisory Council on Workers' Compensation and Occupational Disease Disablement will meet at 9 a.m., Tuesday, Jan. 30, and Feb. 20, at Hotel Santa Fe, 1501 Paseo de Peralta, Santa Fe, NM.

The Business and Public Outreach Team will participate in the following events:

- **Small Business Seminar and Educational Campaign**, Hobbs, Jan. 30-31. Contact Priscilla Valdez, (505) 841-6091, for more information.
- **Small Business Seminar and Educational Campaign**, Los Lunas and Belen, Feb. 14. Contact Merilee Dannemann, (505) 841-6074, for more information.
- **Educational Campaign**, Carlsbad, date TBA. Contact Peggy Tafoya, (505) 841-6851, for more information.

The 2007 New Mexico Legislative Session: Jan. 16 - March 17.

There are no state holidays observed until the end of May.

The following events are sponsored by the **Workers Compensation Association of New Mexico** (*not* the NMWCA state agency). See www.wcaofnm.com for more information.

- **Monthly Meeting**, featuring Michael Marchi, Manuel Lujan Insurance Agency, 7:30 a.m., Friday, Feb. 9, Uptown Marriott, 2101 Louisiana Blvd. NE, Albuquerque, NM.
- **Safety & Workers' Compensation for the Employers**, 8 a.m. to 5 p.m., Thursday, Feb. 22, Best Western Mesilla Valley Inn, 901 Avenida de Mesilla, Las Cruces, NM.
- **Monthly Meeting**, featuring Valerie Gove, PT, Active Solutions Physical Therapy, 7:30 a.m., Friday, March 9, Uptown Marriott, 2101 Louisiana Blvd. NE, Albuquerque, NM.
- **Monthly Meeting**, featuring Dr. Barry Diskant, with the Medical Evaluation Center, 7:30 a.m., Thursday, April 12, Uptown Marriott, 2101 Louisiana Blvd. NE, Albuquerque, NM.

NEW MEXICO WORKERS' COMPENSATION ADMINISTRATION OFFICES

MAIN OFFICE

Location:
2410 Centre Ave. SE
Albuquerque, NM 87106-4190

Mailing Address:
PO Box 27198
Albuquerque, NM 87125-7198

Phone Numbers:
Phone: (505) 841-6000
In state toll-free phone: 1-800-255-7965
Fax Clerk of the Court: (505) 841-6060
Fax Director: (505) 841-6009

REGIONAL OFFICES

Farmington:
3535 East 30th St., 2nd Floor
Farmington, NM 87402
Phone: (505) 599-9746
In state toll-free phone:
1-800-568-7310
Fax: (505) 599-9753

Las Cruces:
1120 Commerce Dr., Ste. B-1
Las Cruces, NM 88011
Phone: (505) 524-6246
In state toll-free phone:
1-800-870-6826
Fax: (505) 524-6249

Las Vegas:
2515-2 Ridge Runner Rd.
Las Vegas, NM 87701
Phone: (505) 454-9251
In state toll-free phone:
1-800-281-7889
Fax: (505) 454-9248

Lovington:
100 West Central, Ste. A
Lovington, NM 88260
Phone: (505) 396-3437
In state toll-free phone:
1-800-934-2450
Fax: (505) 396-6044

Santa Fe:
810 West San Mateo,
Ste. A2
Santa Fe, NM 87505
Phone: (505) 476-7381
Fax: (505) 476-7390

Roswell:
Penn Plaza Building
400 N. Pennsylvania
Ave., Ste. 425
Roswell, NM 88201
Phone: (505) 623-3781
Fax: (505) 623-0078

WCA HELPLINE - HOTLINE:

(toll free in New Mexico)

1-866-WORKOMP 1-866-967-5667

WCA Web site:

www.workerscomp.state.nm.us

New Mexico Workers' Compensation Administration
2410 Centre Ave. SE, 87106-4190
PO Box 27198
Albuquerque, NM 87125-7198