

MILWAUKEE COUNTY

Inter-Office Communication

DATE: August 26, 2015

TO: Supervisor Anthony Staskunas, Chairman, Judiciary, Safety, and General Services Committee

FROM: Amy Pechacek, Director, Risk Management

SUBJECT: Family Medical Leave Act (FMLA) Usage Analysis (Informational Report)

BACKGROUND

The Family Medical Leave Act (FMLA) is a federal law enacted in 1993. The FMLA entitles eligible employees to take job-protected leave for specified family and medical reasons. Eligible employees are allowed up to twelve workweeks of leave in a twelve month period for such things as the birth or adoption of a child, to care for the employee's spouse, child, or parent who has a serious health condition, an employee's own serious health condition that makes them unable to perform the essential functions of their job, or any qualifying exigency arising out of a covered military member on active duty. The Wisconsin Family Medical Leave Act (WFMLA) predates the FMLA and provides similar leave provisions under slightly more lenient minimum qualifications.

COMPARATIVE FMLA RATES

Milwaukee County has approximately 4,760 employees. In 2014, Milwaukee County's FMLA leave applications totaled 1,603, or roughly 1 out of every 3 employees requested leaves. Of the total requested leaves in 2014, 1,244 leaves were granted, or approximately 1 out of every 4 employees used FMLA. On July 15, 2014, the Milwaukee Journal Sentinel reported comparative numbers for usage rates from two similarly sized counties; Lake County, Illinois, grants leaves annually to approximately 1 in 10 employees, and Allegheny County, Pennsylvania, averages annual FMLA leaves at a rate of 1 for every 17 employees (Pabst, 2014).

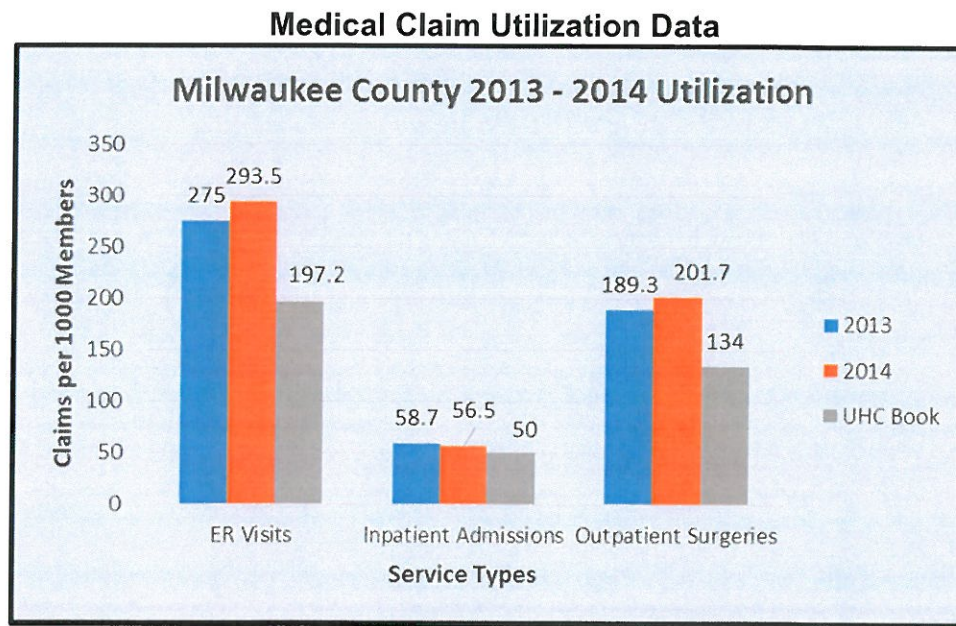
In a survey performed by a national EAP / FMLA service provider of over 80 organizations in public administration, social services, and education, the current industry trend is 10.8% of the total workforce population use FMLA annually (ComPsych, 2015). This survey included FMLA usage rates in Racine County, Eau Claire County, Sheboygan County, Walworth County, and the School District of Beloit.

As Milwaukee County's usage rates present higher than benchmarked peers, the Judiciary, Safety, and General Services Committee requested an analysis on use drivers. Four areas are examined in this report; overall workplace health claim indicators, and the department specific indicators of workplace injury claims, annual overtime hours / earnings, and position turnover / vacancy data. These factors were identified as possible FMLA drivers during prior discussions at Committee. Attendance policies are not addressed in this report given the amount of variables impacting department specific attendance requirements.

USAGE ANALYSIS: HEALTH CLAIM INDICATORS

Milwaukee County's active workforce is trending younger, but remains significantly older with more serious health conditions than other employers. The overall health of the covered population is a significant contributor to the rate of FMLA utilization within an organization. Key indicators from Milwaukee County's health plan (excluding the Medicare retiree population) are included below.

Age/Gender Risk- Insurers evaluate the relative age/gender risk of a population as a method of predicting claims volumes and potential costs. In 2013 – 2014, Milwaukee County's age/gender risk was 18.9% higher than the UnitedHealthCare Book of Business norms.

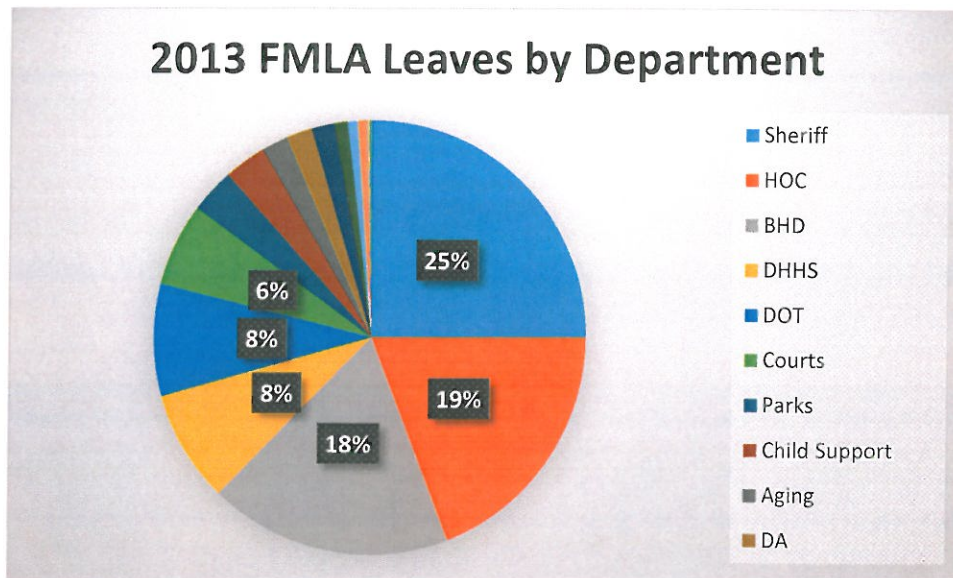


Consistent with the Age/Gender Risk measures, the claims utilization for ER visits, inpatient hospitalizations, and outpatient surgeries were also significantly higher than UHC's book of business averages.

By cost, the top diagnosis groups were musculoskeletal issues (intervertebral disc disorders, connective tissue, and osteoarthritis), followed by neoplasms (cancers). Both will commonly coincide with FML utilization. Further, 60% of back pain claims are from employees (as opposed to dependents).

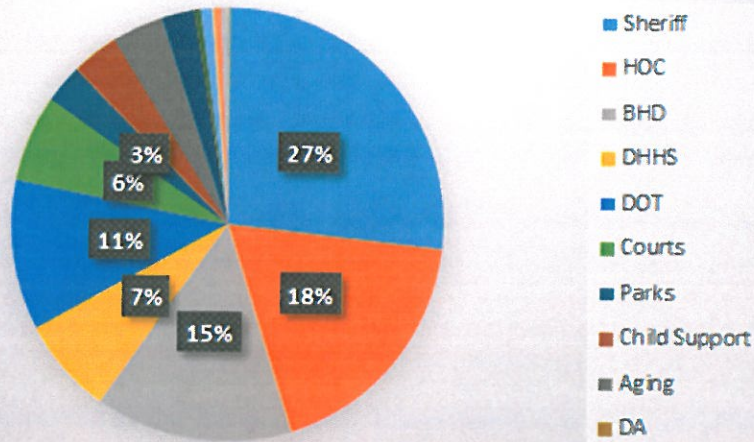
USAGE ANALYSIS: DEPARTMENTAL SPECIFIC INDICATORS

The breakdown on departmental usage rates for 2013 and 2014 are as follows:



Department	Leaves
Sheriff	263
HOC	202
BHD	191
DHHS	88
DOT	88
Courts	65
Parks	35
Child Support	33
Aging	21
DA	20
DAS	18
Zoo	10
Comptroller	8
Register of Deeds	7
Total	1054*

2014 FMLA Leaves by Department



Department	Leaves
Sheriff	333
HOC	228
BHD	183
DOT	140
DHHS	89
Courts	80
Aging	48
Child Support	44
Parks	36
DAS	30
Comptroller	11
Register of Deeds	8
Zoo	6
Medical Examiner	5
Total	1244*

*Total does not include denied leaves. Departments with one leave or less included in total but not displayed.

The number of hours Countywide claimed and the associated financials paid out under FMLA for each respective year are captioned below:

2013: Hours – 139,386
Dollars: \$2,511,941.74

2014: Hours – 156,975
Dollars: \$3,055,344.26

The departments with the highest FMLA usage rates both in per capita and actuals in 2013 and 2014 are Sheriff's Department (MCSO), House of Correction (HOC), and the Behavioral Health Division of the Department of Health and Human Services (BHD). *Smaller departments are excluded in the per capita assessment due to sample size anomalies.*

Usage percentages for these three departments based on the number of leaves requested per the average number of filled and funded positions in 2014 are as follows: *One employee may request multiple leaves. Limited data capabilities only allow for leaves to be reported in frequency numbers:*

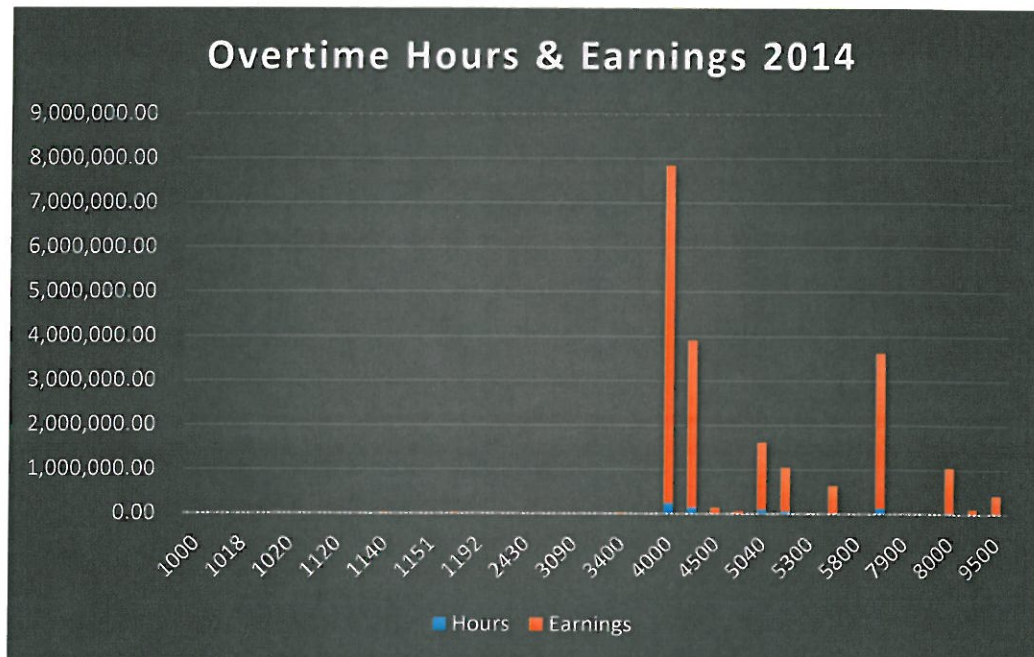
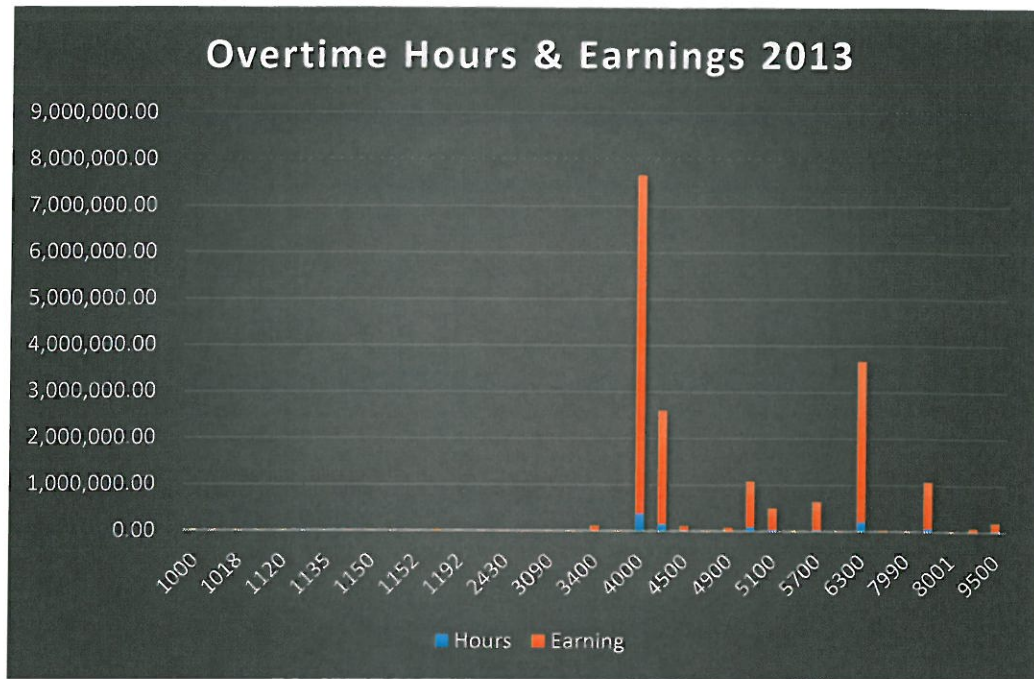
HOC: $(302 / 323) = 93\%$
MCSO: $(440 / 592) = 74\%$
BHD: $(246 / 638) = 39\%$

Usage percentages based on the number of leaves granted per the average number of funded positions filled in 2014:

HOC: $(221 / 323) = 68\%$
MCSO: $(333 / 592) = 56\%$
BHD: $(183 / 638) = 29\%$

In examining the common variables impacting these three departments, it is noted that these departments require 24 / 7 operations, are the loss leaders in workers' compensation claims, and accrue the highest hours / earnings annually in overtime compared to other County departments. BHD also records the highest turnover rates in the County, which may impact their position vacancy and required overtime factors.

USAGE ANALYSIS: OVERTIME



The departmental payroll units of 4000 (Sheriff), 4300 (HOC), and 6300 (BHD) recorded the highest accrued overtime hours and earnings in 2013 and 2014. Overtime and workday shift extensions is therefore a correlating factor in FMLA usage at the County.

USAGE ANALYSIS: TURNOVER / VACANCIES

Vacancy and turnover indicators may influence overtime hours and mandatory extra work shifts. Vacancy and turnover reports are not accessible on historical data, however current data was explored for possible correlative indicators.

The turnover percentages below are from the first two quarters of 2015 and represent employee resignations, terminations, retirements, and new hires not passing probation:

Department	Q1	Q1 Ave EE's	Q1 Rate	Q2	Q2 Ave EE's	Q2 Rate	Total	Rate	Ave EE's
Administrative Services	2	71	2.8%	6	74	8.2%	8	11.1%	72
Administrative Services - Facilities	7	135	5.2%	2	116	1.7%	9	7.2%	125
Aging	4	73	5.5%	5	71	7.0%	9	12.5%	72
Child Support	5	132	3.8%	3	131	2.3%	8	6.1%	131
Comptroller	0	49	0.0%	1	49	2.0%	1	2.1%	49
Courts	8	269	3.0%	8	271	3.0%	16	5.9%	270
District Attorney	8	149	5.4%	7	150	4.7%	15	10.1%	149
Emergency Management	2	93	2.2%	2	95	2.1%	4	4.3%	94
Executive/ Legislative Branches	2	45	4.4%	1	46	2.2%	3	6.6%	45
Family Care	4	61	6.6%	1	60	1.7%	5	8.3%	60
Health & Human Services	13	293	4.4%	9	257	3.5%	22	8.0%	275
Health & Human Services - Behavioral Health	75	653	11.5%	48	624	7.7%	123	19.3%	638
House of Corrections	12	328	3.7%	16	317	5.0%	28	8.7%	323
Human Resources	2	48	4.2%	5	46	11.0%	7	15.1%	47
Miscellaneous	1	55	1.8%	1	57	1.8%	2	3.6%	56
Other Constitutional	1	59	1.7%	1	60	1.7%	2	3.4%	59
Parks	3	195	1.5%	5	201	2.5%	8	4.1%	198
Sheriff	28	586	4.8%	19	599	3.2%	47	7.9%	592
Transportation	22	388	5.7%	12	380	3.2%	34	8.9%	384
Zoo	2	111	1.8%	3	111	2.7%	5	4.5%	111
County-wide	201	3742	5.4%	155	3711	4.2%	356	9.6%	3726

The following breakdown represents 2015 vacancy rates for the top three departmental FMLA utilizers:

MCSO: 114 vacant / 706 funded positions = 16%
 HOC: 30 vacant / 353 funded positions = 8%
 BHD: 138 vacant / 875 funded positions = 16%

Without comparison data or specific information from 2013 or 2014, it is difficult to draw conclusions from these numbers. It is noted that BHD has a current turnover rate of 19.3%, the highest in the County, which likely influences current overtime and scheduled shift extensions.

USAGE ANALYSIS: WORKPLACE INJURIES

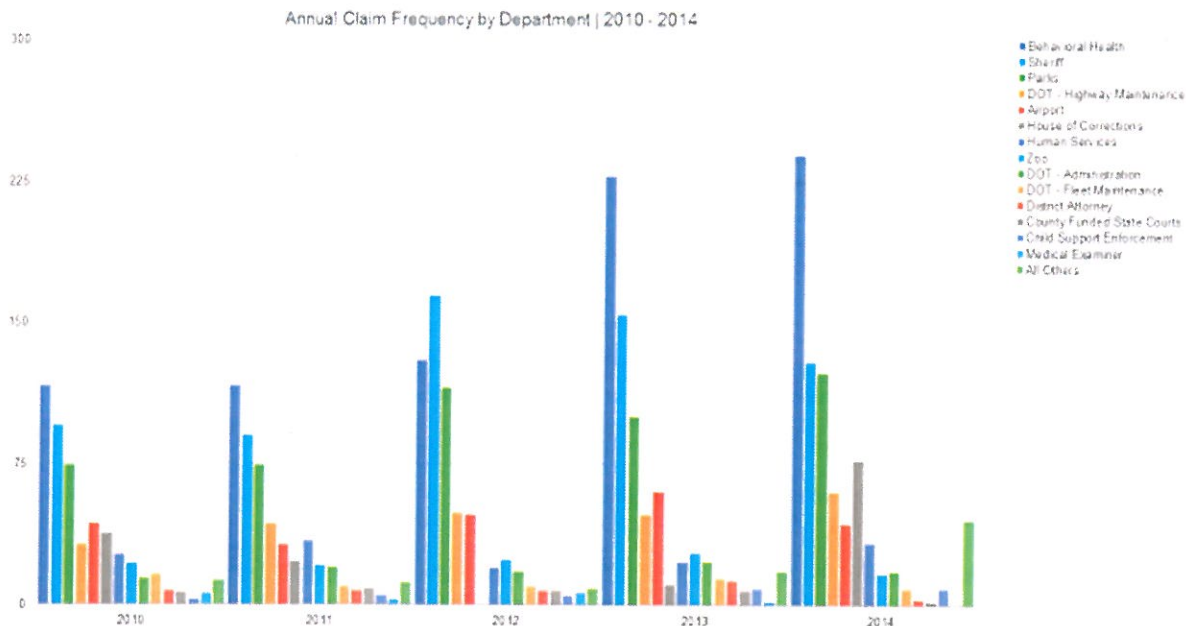
Higher risk positions with exposure to more frequent and severe workers' compensation claims are a causal factor directly related to increased FMLA rates. Lost time from workers' compensation claims run concurrently with FMLA. The Parks Department is the anomaly in the workplace injury indicators, as their claim frequency numbers result from a large influx of seasonal employees who do not qualify for FMLA. HOC work injury data is combined with MCSO prior to 2013 as HOC was previously a division of MCSO. This results in a lower than actual frequency rating for HOC on the second chart.

Workers' Compensation Claim Frequency & Severity by Department

Claim Frequency & Severity by Department | 2010 - 2014

	Claim Count	Total Incurred
Behavioral Health	753	\$4,100,275
Sheriff	596	\$6,280,321
Parks	440	\$1,994,764
House of Corrections	242	\$1,423,026
Highway - Maintenance	221	\$1,096,931
Airport	207	\$2,096,305
Health & Human Services	132	\$642,767
DOT - Administration	108	\$866,794
Zoo	105	\$341,387
DOT - Fleet Maintenance	59	\$531,769
District Attorney	38	\$103,497
County Funded State Court	35	\$131,330
Child Support Enforcement	27	\$129,265
Office On Aging	19	\$23,998
All Others	78	\$507,268
TOTAL	3061	\$20,283,695

Workers' Compensation Annual Claim Frequency by Department



CONCLUSION

Workforce population health and the department specific indicators of 24 / 7 operations, overtime hours, and workplace injuries are correlated with FMLA utilization rates at Milwaukee County. The recent evolution of the County's wellness programs and the implementation of a targeted workers' compensation claim reduction plan in conjunction with safety initiatives will influence the FMLA utilization numbers going forward. Overtime, vacancies, and turnover rates were only analyzed within the scope of possible correlation to FMLA use and not for business need or other factors, and therefore additional research would be required before any recommendations specific to these indicators could be developed. Similarly, attendance policies were not analyzed as a causal factor in FMLA usage given the amount of additional operational variables related to such policies.



Amy Pechacek, Director, Risk Management

cc: Chris Abele, County Executive
Chairman, Theodore Lipscomb, Sr., County Board of Supervisors
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