

# Line of Duty Act

Update and Report of JLARC  
Recommendations for LODA

Presented by

Chris Carey, VACORP Administrator



**VACORP**



# Line of Duty Act



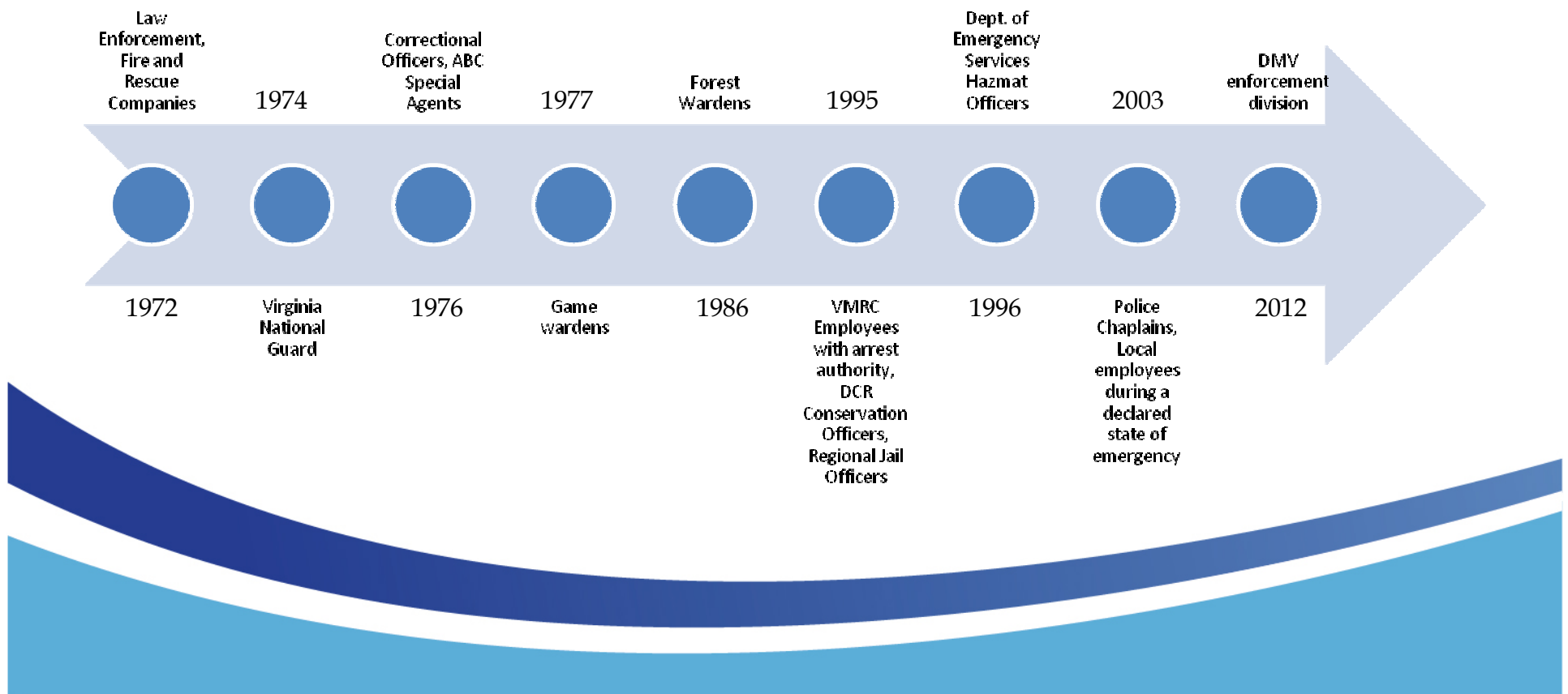
## Today's Agenda:

- History
- JLARC Study
- Stakeholder Discussions
- Career Personnel Considerations
- Volunteer Personnel Considerations
- Questions



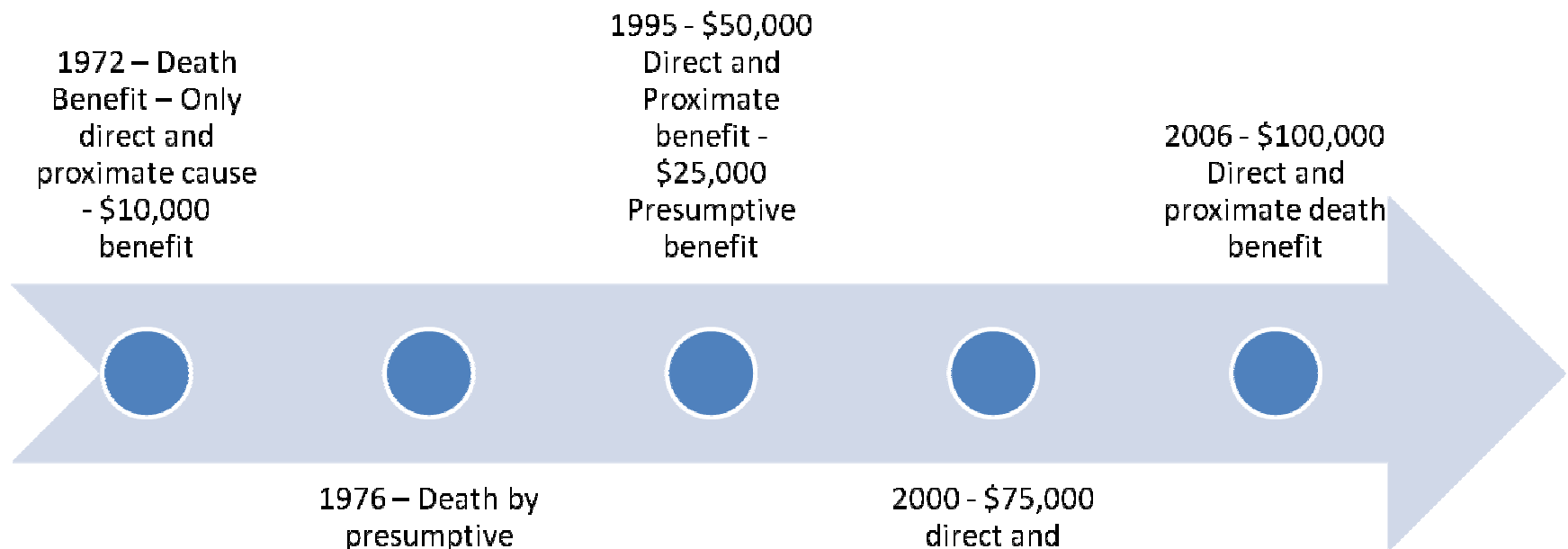


# LODA History - Eligibility





# LODA History - Benefits








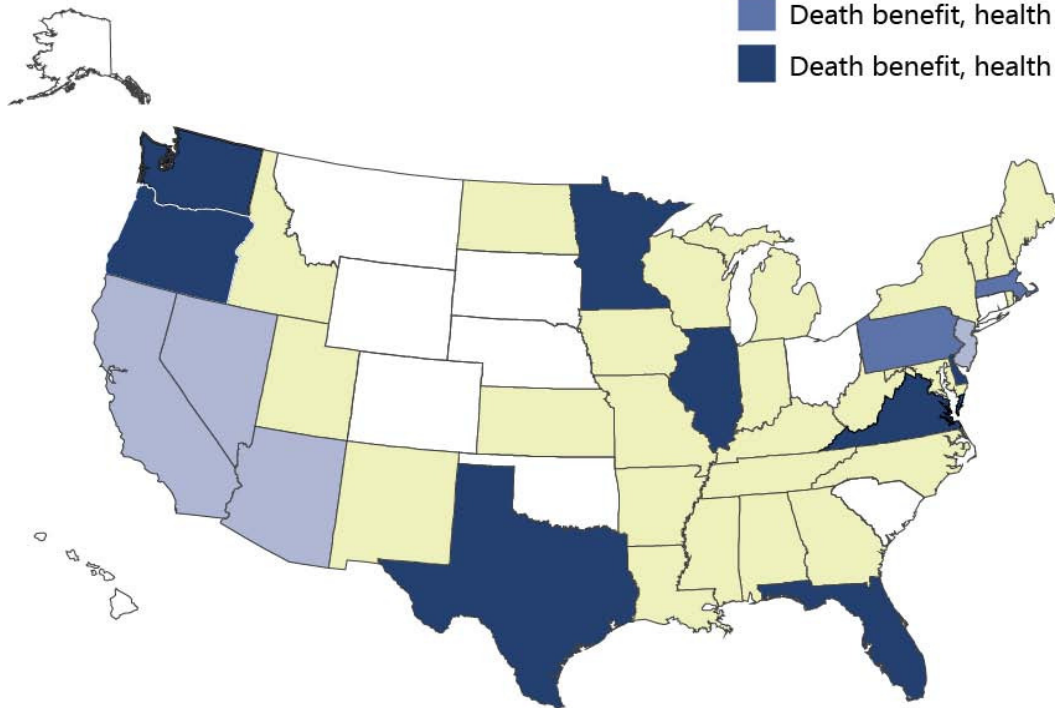


# JLARC Study



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-  No death benefit or health insurance
-  Death benefit only
-  Health insurance for state and local, no death benefit
-  Death benefit, health insurance for state only
-  Death benefit, health insurance for state and local





# LODA History - Benefits



State	Death	Disability	Presumptive Cause
<ul style="list-style-type: none"><li>• Virginia</li><li>• Florida</li><li>• Washington</li><li>• Illinois</li><li>• Minnesota</li><li>• Oregon</li><li>• Delaware</li><li>• Texas</li></ul>	<ul style="list-style-type: none"><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li></ul>	<ul style="list-style-type: none"><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li></ul>	<ul style="list-style-type: none"><li>• X</li><li>• X</li><li>• X</li></ul>



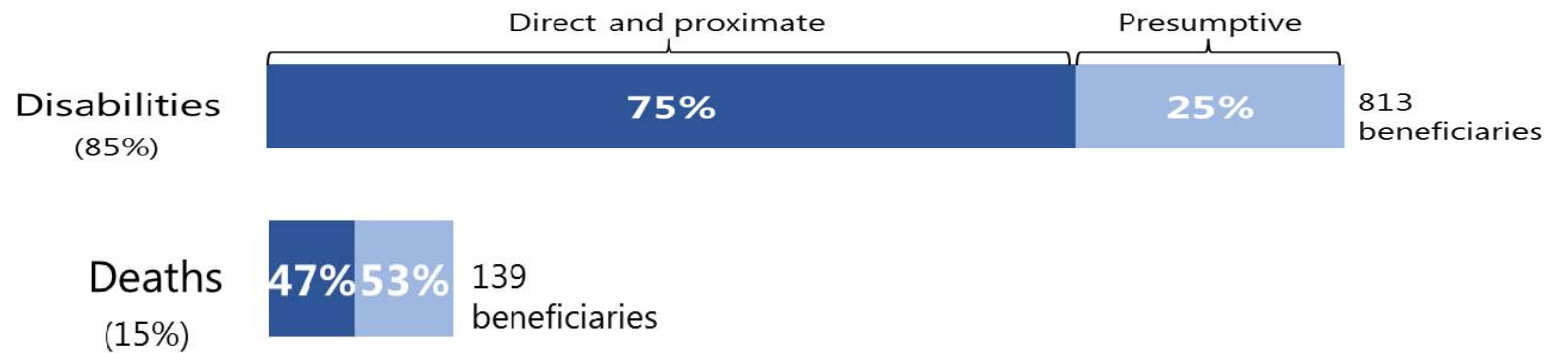
# LODA History - Benefits



State	Claimant Recovers from Disability	Claimant has access to other insurance	Spouse Remarries	Reach Age 65
<ul style="list-style-type: none"><li>• Virginia</li><li>• Florida</li><li>• Washington</li><li>• Illinois</li><li>• Minnesota</li><li>• Oregon</li><li>• Delaware</li><li>• Texas</li></ul>	<ul style="list-style-type: none"><li>• X</li><li>• X</li><li>• X</li><li>• X</li></ul>	<ul style="list-style-type: none"><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li><li>• X</li></ul>	<ul style="list-style-type: none"><li>• X</li><li>• X</li><li>• X</li></ul>	<ul style="list-style-type: none"><li>• X</li><li>• X</li><li>• X</li></ul>

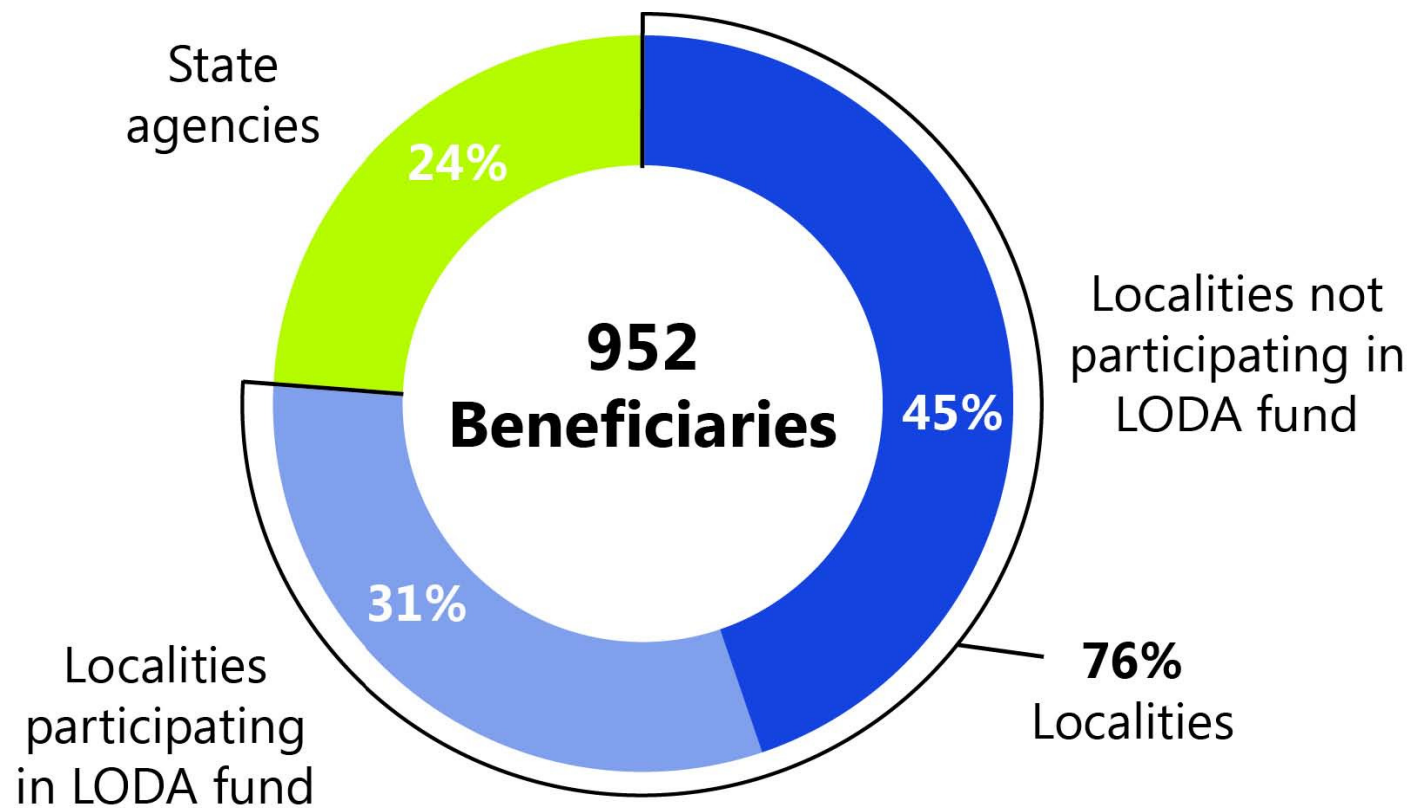


# JLARC Study



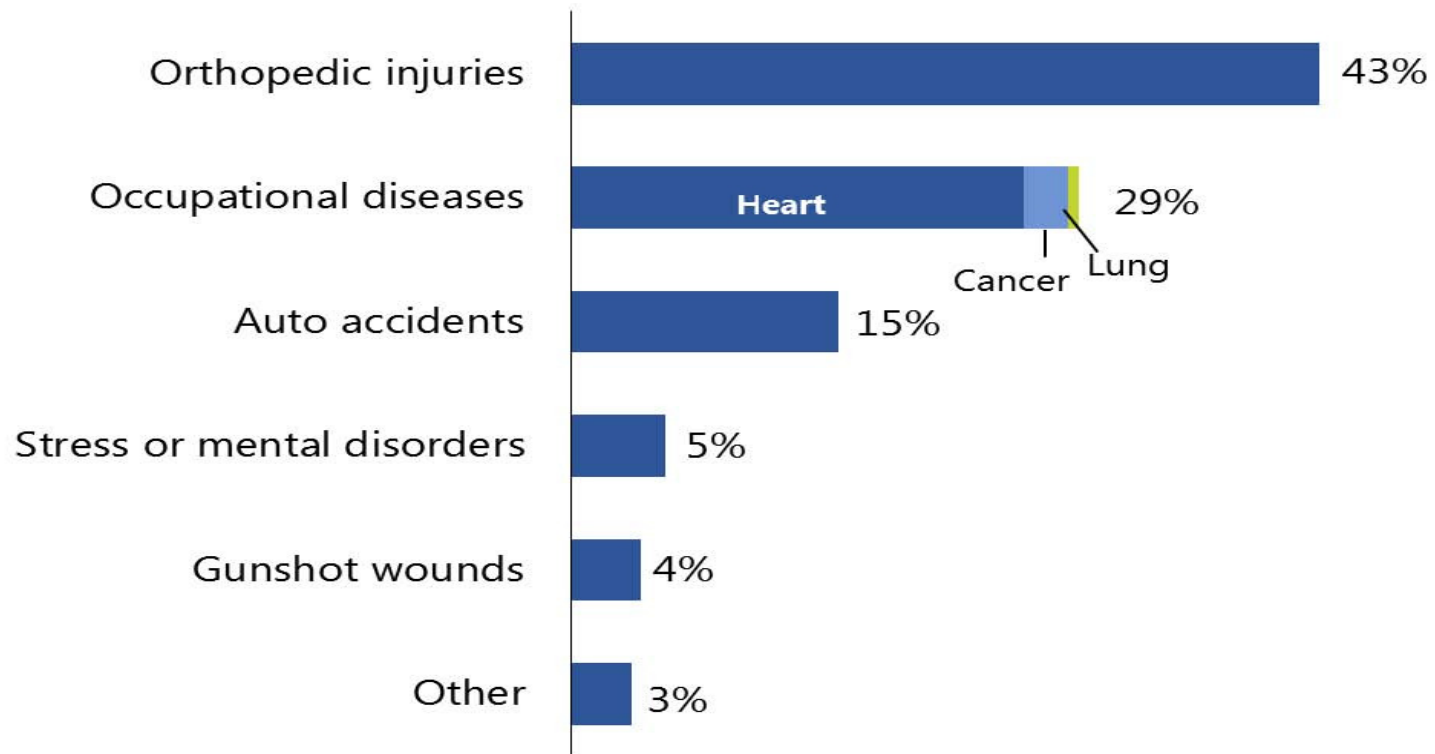


# JLARC Study



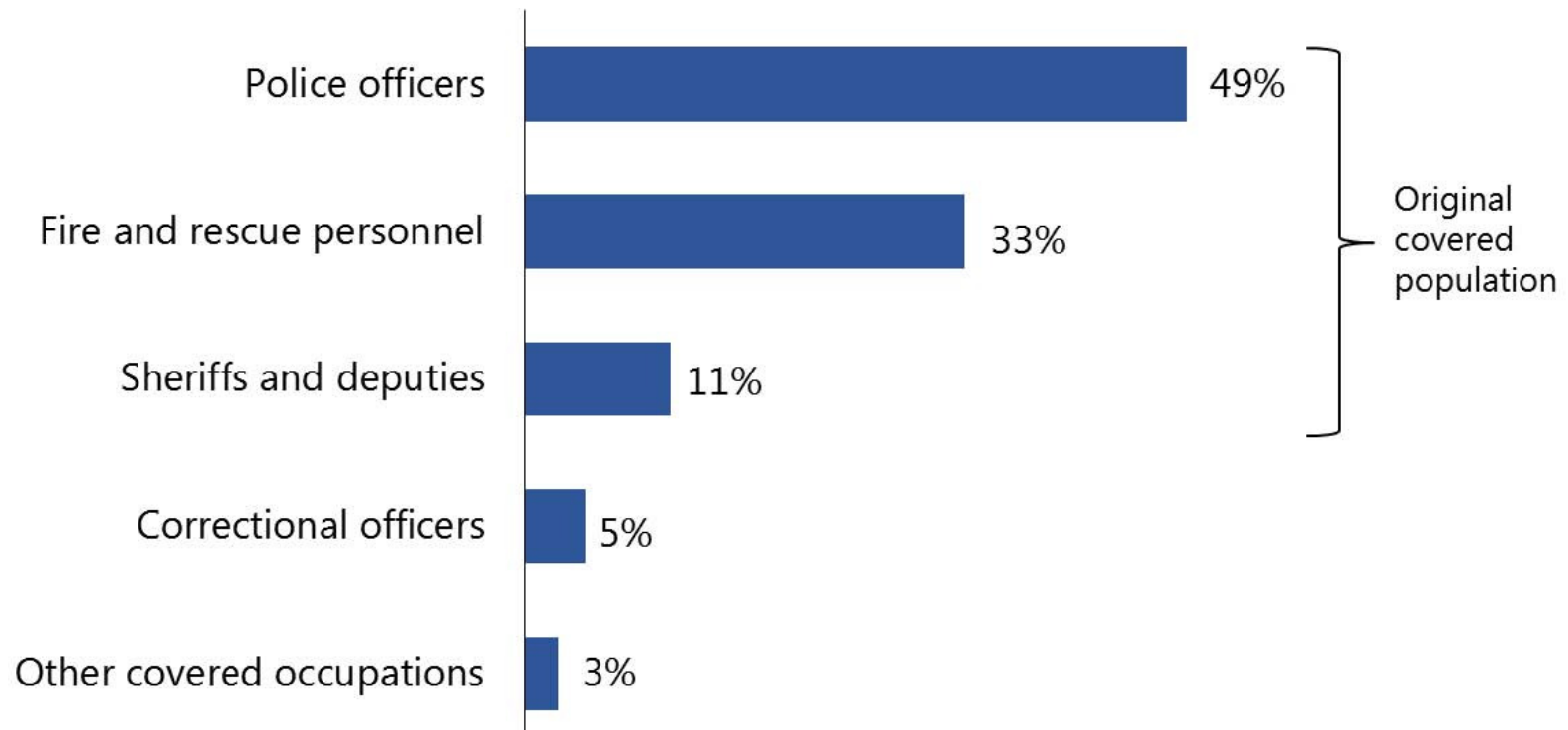


# JLARC Study





# JLARC Study





# JLARC Study



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<b>Employer</b>	<b>FY 2013 Beneficiaries</b>	<b>FY 2013 population</b>
Virginia State Police	195	1,950
City of Virginia Beach	93	1,715
City of Alexandria	58	744
Fairfax County	55	3,681
City of Chesapeake	51	1,112
Arlington County	50	902
City of Norfolk	45	1,791
Henrico County	41	1,612
Prince William County	33	1,801
City of Suffolk	21	702
Subtotal top 10 employers	<b>642 (67%)</b>	<b>16,010 (20%)</b>
<b>Grand total</b>	<b>952</b>	<b>81,982</b>

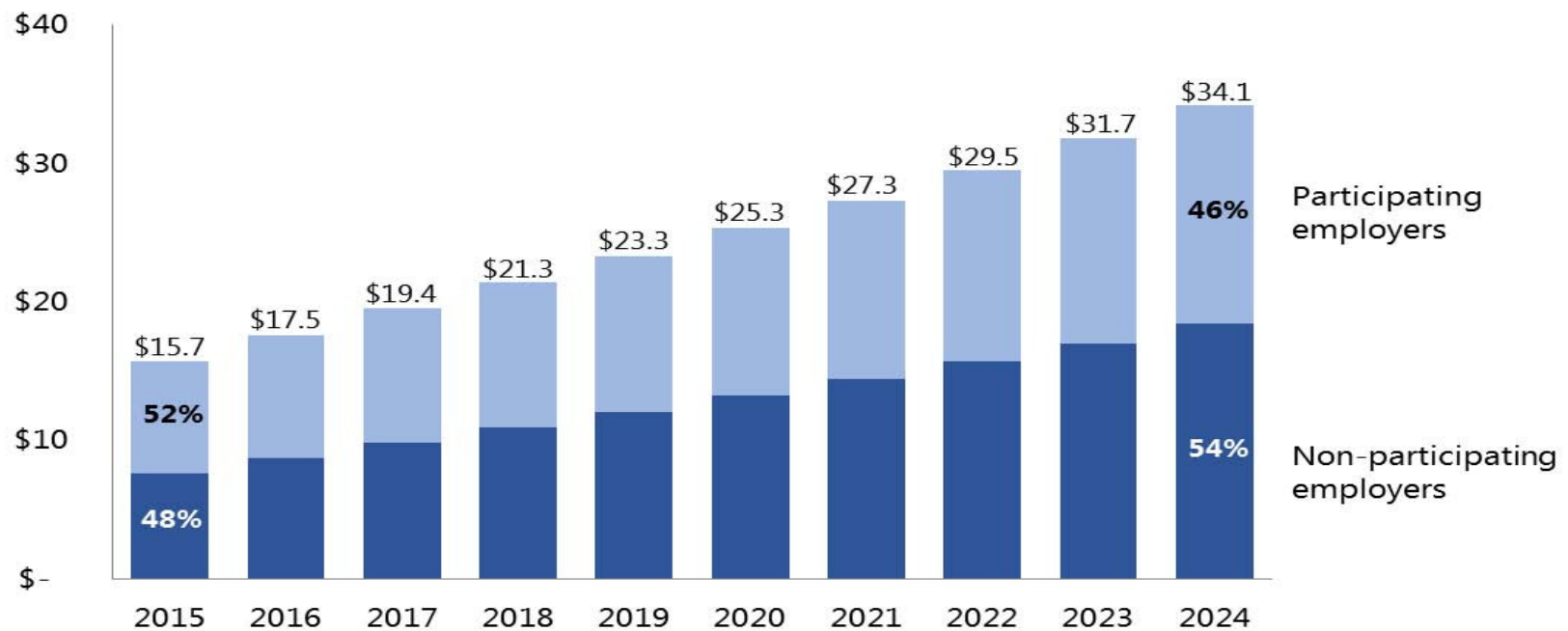
SOURCE: JLARC staff analysis of data provided by DOA, VRS, and non-participating localities.



# JLARC Study



Projected program  
costs (\$M)



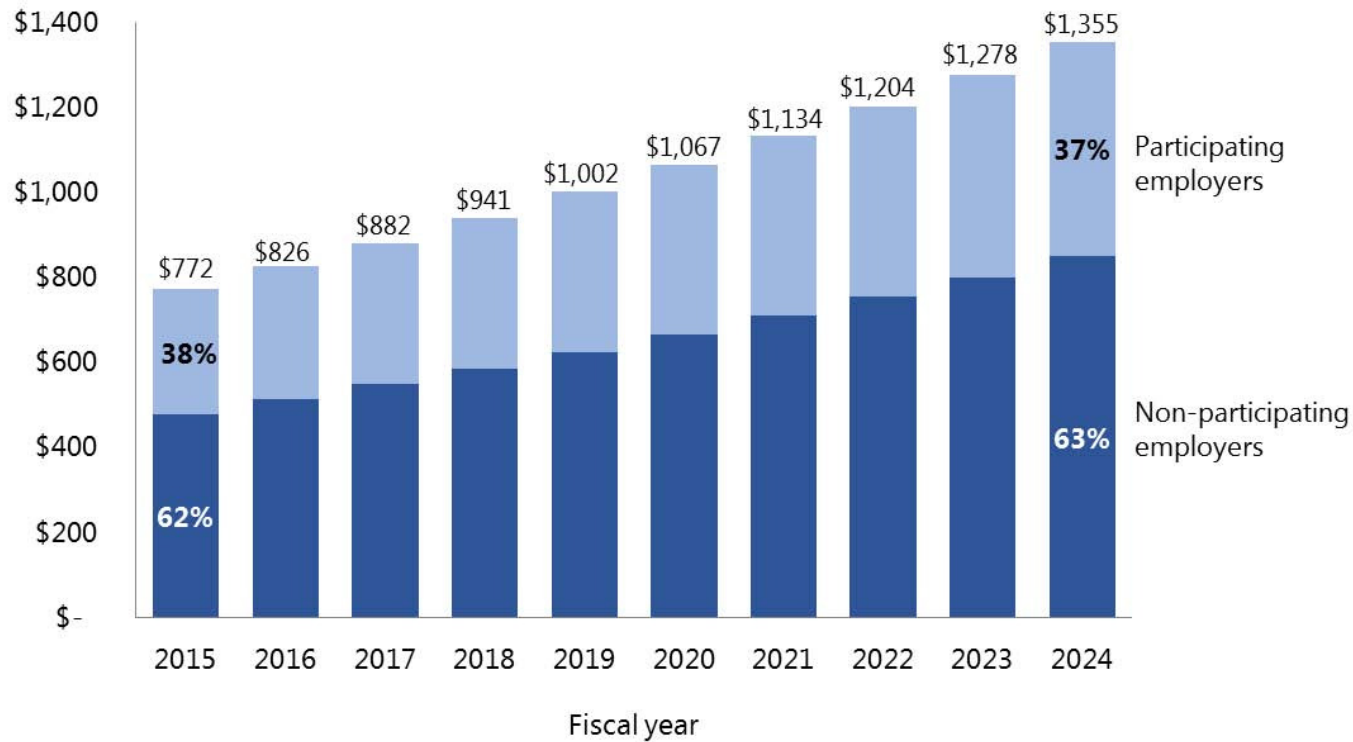


# JLARC Study



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Present value of  
future benefits(\$M)





# JLARC Study



## Recommendations

1. Eliminate mandatory investigations
2. Have Department of Accounts handle investigations, if not moved to VRS
3. Allow Employers to appeal determinations
4. Remove appeal process to Civil Court





# JLARC Study



## Recommendations (continued)

5. More clearly define benefits and establish formal published policies
6. Have DHRM define comparability
7. Comparability should be defined as the current plan provided by the employer
8. Signed beneficiary forms





# JLARC Study



## Recommendations (continued)

9. Transfer responsibility for eligibility determinations to VRS
10. Transfer health insurance administration to DHRM





# JLARC Study



## Options

1. Mandate eligibility for group insurance to beneficiaries
2. Allow DHRM to create a LODA only benefit plan
3. Require beneficiaries to participate on employer plan
4. Index benefit to federal poverty level



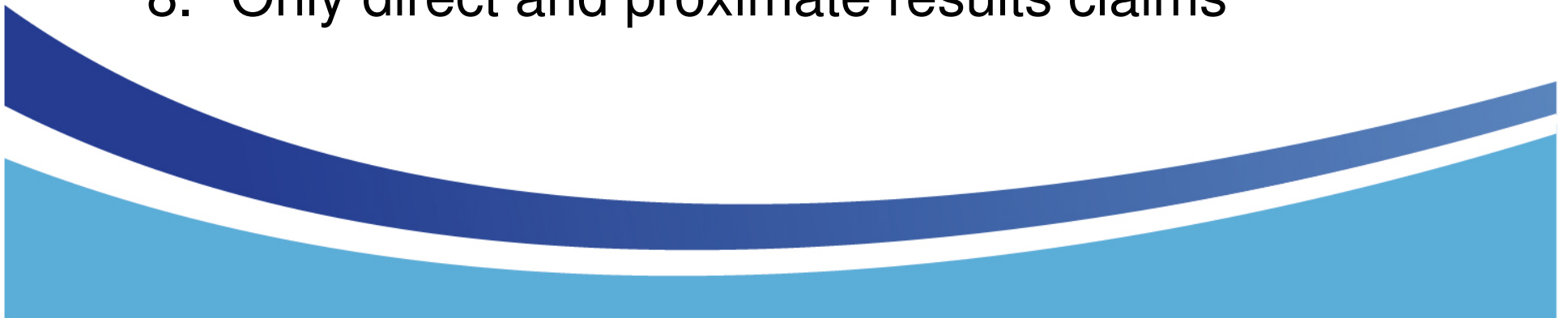


# JLARC Study



## Options (continued)

5. Eliminate benefits for employees still making pre-injury wages
6. Re-define disabled person more narrowly
7. Eliminate presumptive causes
8. Only direct and proximate results claims





# JLARC Study



Options (continued)

9. Health insurance only to age 65

10. Institute best practices wellness program

11. Establish a policy to pre-fund benefits





# Career Case Study



Full-time career police officer or firefighter is killed in the line of duty. Officer is 45 years old and current salary is \$50,000. Officer is married with two children aged 15 and 13. Spouse is also 45 years old with a life expectancy of 35 more years.

<input type="checkbox"/> Federal Death Benefit	\$333,604.68
<input type="checkbox"/> VA LODA Death Benefit	\$100,000.00
<input type="checkbox"/> VA LODA Health Insurance Benefit	\$270,000.00
<input type="checkbox"/> Workers' Compensation Death Benefit	\$320,530.00
<input type="checkbox"/> Workers' Compensation Funeral Expense	\$11,000.00
<input type="checkbox"/> VRS Pension Benefit	\$1,663,830.00
<input type="checkbox"/> Tuition Waiver	\$120,000.00
<input type="checkbox"/> Federal Education Assistance	\$63,168.00
<input type="checkbox"/> Social Security Death Benefit	\$255.00
<input type="checkbox"/> Federal legal Assistance to obtain Benefits	\$5,000.00
<input type="checkbox"/> VRS Life Insurance	\$200,000.00
<input type="checkbox"/> Social Security Benefits	\$829,901.00
<input type="checkbox"/> <b>Total Benefits</b>	<b>\$3,917,288.68</b>



# Volunteer Case Study



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A volunteer firefighter is killed in the line of duty. Volunteers salary for normal job is \$50,000. Volunteer is 45 years old, married with two children aged 15 and 13. Spouse is also 45 years old with a life expectancy of 35 more years.

<input type="checkbox"/> Federal Death Benefit	\$333,604.68
<input type="checkbox"/> VA LODA Death Benefit	\$100,000.00
<input type="checkbox"/> VA LODA Health Insurance Benefit	\$270,000.00
<input type="checkbox"/> Accident & Sickness Death Benefit	\$200,000.00
<input type="checkbox"/> Workers' Compensation Funeral Expense	\$0
<input type="checkbox"/> VRS Pension Benefit	\$0
<input type="checkbox"/> Tuition Waiver	\$120,000.00
<input type="checkbox"/> Federal Education Assistance	\$63,168.00
<input type="checkbox"/> Social Security Death Benefit	\$255.00
<input type="checkbox"/> Federal legal Assistance to obtain Benefits	\$5,000.00
<input type="checkbox"/> VRS Life Insurance	\$0
<input type="checkbox"/> Social Security Benefits	\$829,901.00
<input type="checkbox"/> <b>Total Benefits</b>	<b>\$1,921,928.68</b>



# LODA Considerations



- Define Line of Duty
- Define Alternate Care/Health Insurance
- Define Comparability/Health Insurance
- Coordinate the benefit
  - At a minimum with Medicare





# Critical Issues



- Dispute resolution process
  - For Career personnel, non-issue as 98% of the claims are workers' compensation claims so all of the data is available.
  - For Volunteer personnel, this is a major issue as the vast majority of volunteers are not covered by workers' compensation. Most volunteers are covered by a wide variation of accident and sickness policies purchased by either the locality OR the volunteer company



# Critical Issues



- Localities that purchase accident and sickness coverage on behalf of their volunteer companies should continue to do so. They should establish a procedure to access the claims data if they desire to dispute a claim.
- Localities that do NOT purchase accident and sickness coverage of their volunteer companies should consider doing so. This can be worked out as part of the annual appropriation.





# Questions

For additional information, please contact  
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888-822-6772 or [info@vacoins.org](mailto:info@vacoins.org)