

**American Rescue Plan (ARP) State  
Fiscal Recovery Funds (SFRF)  
Request Form**

Please complete this form in accordance with  
the process instructions.

**Agency/Point of Contact:** Administration/Gary Westman

**Title of Request:** All Agencies COVID-19 Workers' Compensation Costs

**Date:** 12/1/2021

**Request Amount:** \$ 750,000

**Expenditure Time Period:** 3/4/2021 to 6/30/2023 (no later than 6/30/2023)

**Brief Summary of Request:** (Summary must be complete on this page with supporting information attached)

Minnesota amended its workers' compensation laws, adding a presumption for certain occupations that COVID-19 was deemed a presumptive occupational disease and covered under workers' compensation laws for illnesses that occur prior to December 31, 2021. This request seeks additional funds that allow for payment of workers' compensation claims for the occupations that continue to be covered by this law.

Occupations covered include licensed peace officers, firefighters, paramedics or emergency medical technicians, nurses or health care providers and workers, assistive employees in health care settings and corrections officers. Included in this claim are occupations with job titles that might not appear to fit the general description above. For example, in Corrections there are occupations that involve direct inmate supervision; these are considered corrections officers for purposes of applying the law.

State agencies with employees covered under the COVID-19 presumption are Corrections, Human Services, Natural Resources, Public Safety and the Minnesota Veterans Homes. These funds allow the Department of Administration (Admin) to pay claims directly when they meet the requirements of the law. This simplifies claim processing and limits the number of transactions required.

Earlier this year, Admin requested and received \$3,175,000 in ARP - SFRF funds for this purpose. The recent increase in COVID-19 cases as a result of new variants has corresponded with a increase in the number and severity of workers' compensation claims covered under the COVID-19 presumption. While the cost impact for future workers' compensation presumption claims continues to be difficult to forecast, current claims experience has caused Admin to revise upwards our claims estimates for FY 22 and FY 23. In FY22, we anticipate \$2.2M in workers' compensation costs for state agencies; in FY23, we anticipate \$1.1M in workers' compensation costs for state agencies; an increase of \$750,000 total over previous estimates. The estimates continue to be based on actual claim frequency and experience, and claim frequency has been increasing since August 2021. Admin will continue to monitor claim experience and will update estimates accordingly. There will also be additional claim costs after June 30, 2023. These costs will be for long-term COVID-19 claims that will involve claim payments into the future for 10+ years.

Lenora  
Madigan

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Department Head Signature

Date