



Division Of Workers' Compensation CoCo Fact Sheet

Legislative Fact Sheet
December 7, 2023

Background:

When a Colorado worker is injured on the job, the State has a responsibility to regulate the system that provides benefits to the injured worker, pursuant to the Colorado Workers' Compensation Act. CoCo is the Division of Workers' Compensation's (DOWC) claims database and management system.

Throughout the claims process insurance carriers, injured workers, employers, medical providers, and attorneys use forms to supply information to the DOWC and other parties of the claim. There are 71 forms that may be used to navigate a workers' compensation claim. Currently, these forms are emailed to the DOWC as a PDF and the data is entered into the computer system by DOWC staff. The new system will integrate these forms and allow for electronic filing and entry from the end user. For the first time in DOWC history, the new system will also provide on-demand access to electronic information for any work-related injury reported to the State of Colorado.

Summary of Proposal:

The Department is requesting a cash-funded appropriation to fully replace the CoCo system. The recent COVID-19 pandemic has expedited our need to transform our technology systems, streamline workflows, and eliminate our reliance on paper and PDF filings.

The new system will enable the electronic filing of all documents and give user-controlled access to electronic claim information for both DOWC staff and external stakeholders. The system will integrate DOWC workflows and reduce reliance on non-OIT supported systems including Access, Excel, and inbox/document management. Replacing the hybrid java/ADABAS coded system will also reduce our reliance on the specialized licensing and skills required to maintain the current system.

CDLE will be seeking a COTS or SaaS system. An alternative to COTS will be the customization of a new system specifically designed to fulfill Workers' Compensation requirements for the State of Colorado. This project will leverage human-centered design to focus on the user experience and utilize an agile development methodology that is aligned with OIT's standard project management and development guidance. The system will meet the statutory requirements in HB21-1110 and SB23-244 for IT accessibility. The system will also streamline workflows and allow for more timely changes in the event of statutory and rule updates. We estimate the new system will eliminate approximately 15 years of technical debt.

CDLE will partner with OIT and vendors with long-term experience and success in development of workers' compensation specific systems.

Impact:

Improved systems and processes ensure that Colorado's injured workers continue to have access to necessary medical treatment and lost wages in the event of a workplace injury, while keeping costs reasonable for employers. The new system will allow Colorado's injured workers and employers to digitally interact with our system as never before, with all interested parties able to monitor and update their claim information in real-time. The new system will streamline and accelerate processes to ensure accurate and timely payments of benefits.

Funding/Anticipated Fiscal Impact:

The Division of Workers' Compensation has existing cash funds available to fund this new system and does not anticipate an increase in surcharge rates to offset the costs of the system. The requested appropriation amount is \$30,731,544.

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