2014-2015 ANNUAL REPORT

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Commissioner's Message

People, Processes and Technology

In FY 2013-14 the department began to transform, creating a new culture of teamwork, continual improvement, innovation, creativity and performance accountability.

Through Root Cause Analysis we identified causes of service failures and repaired them rather than just treating symptoms. Using LEAN we streamlined operations and implanted simplicity into the department by reducing the number of steps in our processes and procedures. We moved rapidly towards paperless systems.

In FY 2014-15 the department embraced technology and created "OneTouch", a department wide, results driven customer service and business management system, based on data collection with process and outcome measures. The customer defines what is needed and tells us if we are delivering value in the service we provide. This data and customer feedback enables the development of "evidence based" policies that better serve.

This report illustrates the many improvements and accomplishments the department has achieved through this "new way of doing business". We are proud of the progress we have made toward delivering customer service uncharacteristic of government.

Adult Education

Tennessee Adult Education (AE) is the key that opens the door of opportunity to postsecondary education and employment. AE empowers individuals to become self-sufficient by providing basic skills instruction leading to a High School Equivalency Diploma. Classes are located in each of Tennessee's 95 counties providing Adult Basic Education (ABE) and many counties also offer courses for English Language Learners (ELL).

The Tennessee High School Equivalency Diploma is based upon competence in reading, writing, social studies, science and math. Competence in these disciplines is measured by either the HiSET® (High School Equivalency Test) or the GED® (General Educational Development) exam. Both exams are approved by the United States Department of Education as well as the Tennessee State Board of Education as authorized under the Lois DeBerry Tennessee Alternative Diploma Act and both lead to the same state-issued High School Equivalency Diploma.

In the 2015-2016 program year there have been numerous improvements made to Tennessee's Adult Education program. Tennessee now has a comprehensive and adaptive online classroom, HiSET Academy®. Tennessee is one of only four states in the country with this technology. Through HiSET Academy® qualified students may now receive targeted instruction from their home, smartphone or anywhere they have access to the internet any time day or night. This removes many barriers to students including childcare, transportation or work schedules. HiSET Academy® launched in Tennessee August 1, 2015 and as of November 30, 2015 over 1,400 students have enrolled.

Tennessee was also one of twelve states selected by the United States Department of Education for participation in the College and Career Readiness Standards in Action Project. Through this project Tennessee adult educators have received state of the art training in College and Career Readiness Standards to improve the quality of instruction delivered in the 41 programs statewide. Tennessee has also used this training to assemble a Curriculum Advisory Team tasked with development of a Tennessee Adult Education Curriculum aligned to the standards. This resource will be the first of its kind in the nation providing targeted instruction specifically geared toward adult learners.

In the 2014-2015 program year 22,711 students received 2,111,154 hours of instruction, 7,498 students increased their educational functioning level, 2,154 increased more than one educational functioning level and 4,041 students earned their High School Equivalency Diploma as a result of the Tennessee Adult Education program.

Employment Security

The Division of Employment Security administers Tennessee's Unemployment Insurance and Job Service program and Tennessee's Research and Statistics Labor Market Information (LMI). Unemployment Insurance (UI) provides unemployment benefits to workers who have lost their jobs through no fault of their own. Designed as a state and federal partnership, this program is a stabilizing force that keeps a flow of dollars moving in the local economy and helps sustain a trained workforce for employers.

In May 2014, the Unemployment Insurance began the process to replace the claims (benefits) mainframe system. Replacement of the 43-year-old mainframe system will take up to 24 months. The new system is a commercial off-the-shelf (COTS) system that will be an additional module for the www.Jobs4tn.gov website.

As of June 30, 2015, the Unemployment Insurance Trust Fund balance was more than $925 million.

UI Claims Center Operations

In the fiscal year ending June 30, 2015, the UI Claims Center system allowed claimants in 95 counties and out of state a choice to file for unemployment benefits by telephone or Internet. The Claim Center system consists of four centers located in Nashville, Chattanooga, Crossville, and Knoxville. During the reporting year, the system received processed 230,000 UI claims.

The Claims Operations unit also processes special claims such as Trade Readjustment Allowances (TRA) claims for eligible workers covered by a Trade Adjustment Assistance (TAA) petition. TRA weekly benefits may be payable to eligible workers following the exhaustion of unemployment insurance (UI) benefits.

Disaster Unemployment Assistance (DUA), Combined Wage, and Interstate Claims programs and SAVE (Systematic Alien Verification for Entitlements) process for all alien claimant Unemployment Insurance (UI) compensation applications are also processed within Claims Operations.

Unemployment Insurance Integrity includes Benefit Payment Control (BPC), Benefit Accuracy Measurement (BAM), and Reports and Compliance. During the fiscal year ending June 30, 2015, the Benefit Accuracy Measurement (BAM) unit audited more than 928 claims for benefit payment accuracy. The Benefit Payment Control (BPC) unit investigated 17,424 fraud cases and 20,198 non-fraud cases and issued 17,621 fraud decisions. The agency also established $26,277,403 overpayments for this same period and recovered $15,312,777.02 in overpayment collections.

Employment Security

The UI Integrity Unit is also responsible for reviewing legislative changes that impact the Employment Security Law and the processing of claims. Since the UI program is essentially a federal program, all proposed legislative changes impacting the program must be reviewed by the U.S. Department of Labor for conformity and compliance with federal regulations.

Claimants and employers can appeal departmental decisions relating to claims. The Appeals Tribunal, the lower appeals level, conducts de novo hearings in which parties testify under oath and can offer documents and other evidence for consideration, such as the testimony of witnesses. Employers can also appeal their premium rate and other liability issues.

Tennessee's Premium & Wage Online Reporting System (TNPAWS)
The TNPAWS Internet reporting system gives employers the option of filing their Wage and Premium reports over the Internet. Some 45,000 employers used TNPAWS to file their quarterly Wage and Premium Reports online. Since July 17, 2013, employers have also had the option to pay their quarterly taxes online. Through June 30, 2015, over $50 million in taxes was paid online.

Labor Market Information
The Labor Market Information section produces comprehensive, accurate, timely, and properly documented labor market information regarding the economic and demographic characteristics of the people, businesses, and industries of Tennessee. This section responds to thousands of requests each year. The www.Jobs4TN.gov site provides a labor exchange system for job seekers and employers and contains extensive labor market information.

Tennessee Occupational Safety & Health

TOSHA's mission is to assure the safety and health of Tennessee's workers by setting and enforcing standards; providing training, outreach, and education; establishing partnerships; and encouraging continuous improvement in workplace safety and health.

Consultative Services

The Consultative Services Section offers a free consulting program to smaller employers who seek safe and healthful working conditions for their employees. Services offered by this section include technical advice and assistance, hazard abatement recommendations, and employee training. During FY 2014-2015, this section performed 460 consultative visits and identified 3,582 workplace hazards.

Compliance Section

The Compliance Section is responsible for enforcement of the Tennessee Occupational Safety and Health Act of 1972 (Title 5, Chapter 3) with emphasis on employee exposures to chemical and physical hazards. On-site monitoring and inspections are conducted to identify safety and health hazards and assure hazards are controlled or eliminated. During FY 2014-2015, the Compliance Section performed 1,521 workplace inspections and identified 4,535 safety and heath hazards.

Training and Education Section

Through a variety of programs, the TOSHA Training and Education section assists employers, employees, and their representatives in reducing safety and health hazards in their workplaces and in complying with the requirements of TOSHA standards and regulations. A series of seminars is held statewide in the spring and fall covering a variety of safety and health issues. During FY 2014-2015, TOSHA conducted 746 seminars and logged 15,750 attendees at these training sessions.

Volunteer Star
Safety Through Accountability & Recognition

SHARP TENNESSEE

TOSHA Activity 2014-2015

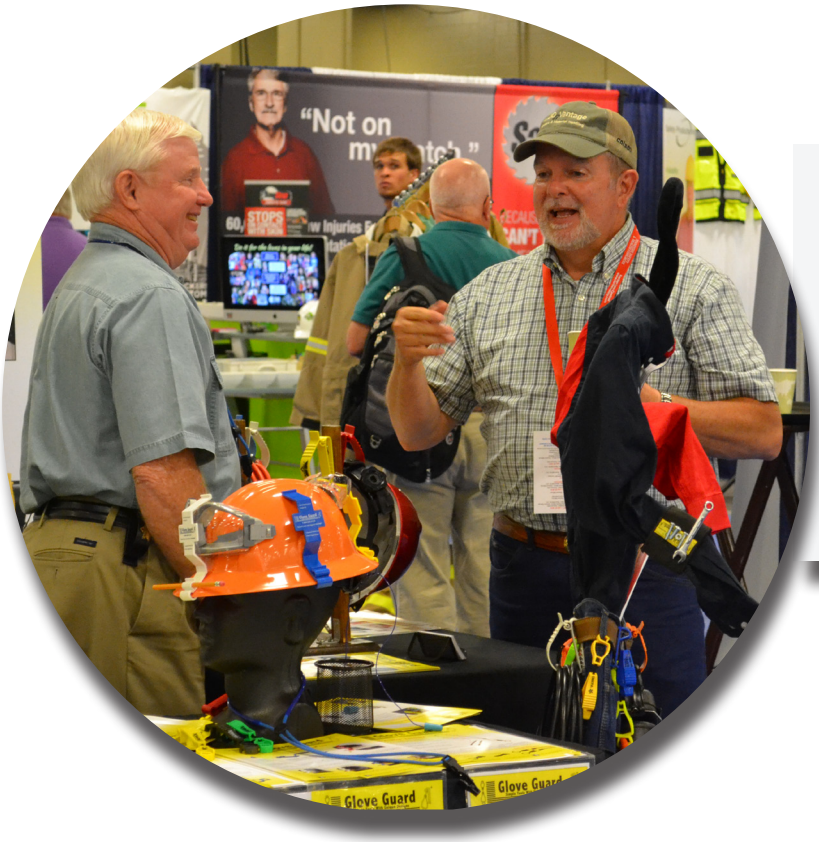
SAFETY ENFORCEMENT	
Inspections conducted	**662**
Violations cited	**1,951**
Proposed penalties	**$1,343,250**
HEALTH ENFORCEMENT	
Inspections conducted	**361**
Violations cited	**1,635**
Proposed penalties	**$640,075**
PUBLIC SECTOR OPERATIONS	
Inspections conducted	**498**
Violations cited	**949**
CONSULTATIVE SERVICES	
Consultative visits	**460**
Hazards identified during visits	**3,582**
TRAINING & EDUCATION	
Seminars & formal programs conducted	**746**
Number of attendance at activities	**15,750**
LABORATORY	
Samples analyzed	**718**
Determinations	**6,935**

38th Annual Tennessee Safety & Health Congress

Since 1977, the Tennessee Safety and Health Congress, co-sponsored by TOSHA and the American Society of Safety Engineers, has brought together industry and subject matter experts to share knowledge, methods, and processes to improve workplace safety and health in Tennessee.

The 38th Annual Tennessee Safety and Health Congress was held in Nashville on July 26-29, 2015. The event included 132 exhibitors and 745 attendees.

Over the years, the Congress has become one of the most successful assemblies of safety and health professionals in the country. The conference features safety experts leading more than 60 seminars and is designed for all levels of safety and health professionals. It's a great learning environment and opportunity for like-minded people to network.



The ***exhibit hall*** of Opryland Hotel featured 132 exhibitors offering a wide variety of safety equipment and tools. The exhibitors are extremely knowledgeable and dedicated to their field and can provide the latest information on cutting edge technology and safety trends.

Feature presenter: This year's keynote speaker was Chuck Evans. Chuck is a native of Cleveland Tennessee. He is a graduate of Belmont University with a BS degree in Political Science. Chuck began his career with Bowater, a pulp and paper company in 1987. He worked his way up to a Shift Manager position before his tragic accident altered his life and forced him to change his career path. Chuck is the proud father of four wonderful children and is blessed to be married to his wife Susan for the past 27 years. Since his accident, he has been speaking throughout North America to numerous industries. He shares his story in hopes that others will learn the importance of working safely. He wants us all to understand how his injury impacted him, his family, and his co-workers and how he and others have learned from his experience. Chuck's story is personal and real and one that hopefully challenges your traditional view of working safe.

Workers' Compensation

The **Bureau of Workers' Compensation** administers the Tennessee Workers' Compensation Act to assist both employees and employers. The goals of the Bureau are to provide timely, effective services that help injured employees return to their health and to their jobs as quickly as possible and to promote a better understanding of the benefits and requirements of the Workers' Compensation Act by informing all parties of their rights and responsibilities.

Highlights of the division's programs in the past fiscal year are described here.

The **Court of Workers' Compensation Claims** completed its first full year of operations. As of November 30, 2015, the Court conducted 197 Expedited Hearings where a judge issued an order. At the trial level, on average, 52 days passed from the time a mediator certifies a dispute to the Court until a workers' compensation judge issued an order. Most of that 52 days involved the parties agreeing to a hearing date. The average time it took for a judge to issue an order was 12 days from the Expedited Hearing. To assist with its burgeoning docket, the Court added four new judges in June: the Hon. Robert V. Durham, Cookeville; the Hon. Audrey Headrick, Chattanooga; the Hon. Amber Luttrell, Jackson; and the Hon. Dale Tipps, Murfreesboro.

The Bureau also established the **Workers' Compensation Appeals Board**, whose three judges were appointed by the Governor, effective August 1, 2014. The Appeals Board's mission is to provide employers and employees in Tennessee fair, efficient, and meaningful appellate review of decisions rendered by the Court of Workers' Compensation Claims.
The Appeals Board reviews cases statewide with dates of injury on or after July 1, 2014. Most of the appeals have been decided by the Appeals Board in less than a week, far less time than under the time prior to the 2013 reforms. Both the Court of Workers' Compensation Claims and the Appeals Bard continually refine rules, policies, and procedures for their respective courts as experience warrants.

An important part of the Workers' Compensation system is the Second Injury Fund (The Fund) whose purpose is to encourage employers to employ or retain workers who have previous permanent, physical disabilities. Since its inception in 1945, it has encouraged employers to hire workers with permanent physical disabilities by limiting the employer's worker's compensation exposure for employees who become permanently and totally disabled. The Fund is funded by a tax on the worker's compensation insurance premiums paid by properly insured employers. It is now an essential part of the Worker's Compensation Law and remains viable even after the Reform Act of 2013.

The **Mediation and Ombudsman Services of Tennessee** (formerly known as the Benefit Review Program) administers a mediation program for disputed claims. The eight mediation offices across the state conducted 4,554 mediations for temporary disability and medical benefits in the 2014-2015 fiscal year. Of these mediations 2,833 resulted in the parties agreeing on the areas of dispute. The mediation

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offices also conducted 2,893 in-person mediations for permanent disability benefits. With the mediators' assistance 1,977 mediations resulted in a settlement agreement.

The **Ombudsman Program** was initiated in July 2014 to assist injured persons claiming death benefits, employers, and other persons to protect their rights, resolve disputes, and obtain information available under workers' compensation laws. The program responds to the toll-free number posted in every employer across the state. During the fiscal year, the ombudsmen answered 18,924 incoming calls.

Medical Related Services includes several programs to ensure that appropriate care is provided and at a reasonable cost. The workers' compensation statute provides for Utilization Review (UR) of medical treatment. Utilization Review is the evaluation, by an outside source, of the necessity, appropriateness, efficiency, and quality of medical care provided to an injured employee. When the employer's (or their insurance company's) decision is to deny the medical necessity of the treatment recommended by the authorized treating physician, a UR Appeal may be made to the Bureau's Medical Director. The decision made by the Medical Director is final for administrative purposes. In the first half of FY 2015-2016, the Bureau received and issued determinations on over 750 Utilization Review appeals.

Case Management and Utilization Review unit monitors Medical Case Management and Utilization Review Registration. Nurse Case Managers , Case Manager Assistants (CM/CMAs) and Utilization Review agents must be registered and maintain active status with the Bureau in order to perform medical case management and utilization review services for workers' compensation claims. To assure quality, beginning in July 2016, Utilization Review Agents will need national quality certification through URAQ or NCQA. Continuing education requirements for CM/CMAs will be implemented in 2016 as well.

The Division has 732 active CM/CMAs registered at the end of 2015, and 55 active Utilization Review Companies The Unit personnel and physicians have offered and participated in many educational sessions for adjusters, CM/CMAs, medical providers and utilization review personnel to inform and assist in the proper application of the Reform Act of 2013 that had provisions that went into effect July 1, 2014.

The **Medical Payment Committee** (MPC) is charged with evaluating disputes about payments between providers and payers. Throughout the year, staff members within the Medical Unit respond to inquiries regarding fees on a daily basis, with the committee reviewing and resolving other disputed bills. Applying and properly interpreting maximum allowable reimbursement for all medical services rendered to an injured employee without limiting access to quality healthcare remains a collaborative effort and an important goal of the Medical Unit. The Medical Advisory Committee (MAC) has been instrumental in developing recommendations on the medical treatment guidelines including the treatment for chronic pain, other diagnoses, and a drug formulary.

The Medical Impairment Rating (MIR) Registry program helps resolve disputes about the appropriate impairment rating for the injured worker when there is a disagreement between an employee and the employer. The Registry is composed of 80 board- certified Tennessee

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physicians in many specialties who are specifically trained and certified in determining permanent impairment ratings. Their expert opinions carry a statutorily provided legal presumption of accuracy that is not attached to the opinions given by other physicians. In the first half of FY 2015-2016, MIR physicians issued 54 formal opinions.

The **Compliance Program** is comprised of the **Uninsured Employers Fund (UEF) and the Employee Misclassification Education and Enforcement Fund (EMEEF)**. The purpose of the UEF is to ensure that Tennessee employers comply with the state's workers' compensation act. The UEF provides an administrative process to investigate and penalize employers that fail to carry required workers' compensation insurance, fail to qualify as self-insured employers, or are not listed on the Tennessee Workers' Compensation Exemption Registry. The Uninsured Employers Fund's outcomes continue to improve. Collections increased from $907,412 in FY 2013/14 to $1,155,443 in FY 2014/15, and 382 employers became compliant with the law due to this program's efforts, a 31% increase.

The EMEEF Program was created to help ensure that employers appropriately classify their workforce as employees rather than as independent contractors. Proper classification is necessary to protect workers if they are injured at work and provide a level playing field for employers who are responsible and comply with the law. In the 14/15 fiscal year 622 employers were investigated with 29 of those employers assessed penalties for non-compliance. Collections totaled $132,103, a 54% year-over-year increase. Although the Employee Misclassification Although the Employee Misclassification Advisory Task Force's legislative authorization had a sunset July 1, 2014, the members from the Attorney General's office, Commerce and Insurance, the Treasurer's office, the District Attorney's office, the Board of Licensing Contractors, Secretary of State's office, District Attorney's office, the TBI, Department of Labor, MTSU, and Traveler's Insurance Company and other interested persons continued to contribute to the goal of reducing misclassification of employees through a new Advisory Committee.

Public education and outreach about the compliance program increased in 2015. Approximately 1,800 people attended 15 seminars related to Employee Misclassification. Stakeholders reached include Construction Service Providers, Certified Public Accountants, Insurance Agents, Attorneys, and Legislators.

The **Penalty Program** investigates and assesses penalties for other violations of the Workers' Compensation Act. It may assess a penalty against an employer or insurance carrier equal to 25% of any unpaid or untimely paid temporary disability benefits. If assessed, this penalty is paid to the injured employee. The program can also assess penalties for a party's failure to comply with a Benefit Review or Administrative Review Order, failure to negotiate in good faith at a Benefit Review Conference, and/or failure to file required claims forms needed to collect statistical data. A number of new penalties became effective on July 1, 2014, and were implemented to penalize parties that do not obey the requirements of the Act.

The Tennessee **Drug Free Workplace Program** is a voluntary program designed to create increased productivity for Tennessee employers by promoting drug- and alcohol-free workplaces. Employers whose workers are not impaired by

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drugs and alcohol have safer worksites and can operate on an enhanced competitive position free from the costs, delays and tragedies that accompany workplace accidents that result from substance abuse related injuries. The program grew this year, averaging more than 100 additional participating employers each quarter. The program ended Fiscal Year 2014/15 with 3,548 employers, helping provide safer worksites for more than 335,000 Tennessee employees.

Even though the program is voluntary, employers choosing participate are entitled to the following benefits:

- A 5% premium credit on their workers' insurance policy;
- the discharge or discipline of an employee, or the refusal to hire a job applicant, who is found to be in violation of the employer's Drug-Free Workplace Program, will be considered done for cause;
- A shift in the burden of proof required to award workers' compensation benefits, to the employee, if an employee suffers a workplace injury and receives a positive confirmed post-accident drug test for illegal use of drugs or alcohol or refuses to submit to a post-accident drug or alcohol test.

The **Quality Assurance Program** provides education and coaching for employees in the Workers' Compensation Bureau. Created in June 2012, the program arose from the Division's focus on continuous improvement. This year quality assurance initiative included a lean project and several mini-lean projects to improve processes in the Medical Services and Mediation programs. The program director also led a team to develop a guidebook for pro se parties which has proved very useful to the bureau's customers.

The Bureau continues to improve and enhance its **Educational Outreach Programs**. It conducted its 18th Annual Workers' Compensation Education Conference June 8-10, 2015 in Nashville. Training sessions were developed on the conference theme of "Assist, Educate and Resolve" reflecting the Bureau's goals of assisting injured workers return to their health and jobs as quickly as possible. Over 600 attendees heard presentations that covered topics such as proper claims handling techniques, ways to assist pro se claimants, how to navigate the new court and appeals board, and best practices for nurse case managers and utilization review agents. There were separate sessions the weekend prior to the conference directed toward medical providers.

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These sessions addressed the proper use and application of the AMA Guides™ to the Evaluation of Permanent Impairment as well as the impact of statutory and programmatic rule changes that affect the delivery of medical care.

Judges of the Workers' Comp Appeals Board after being sworn in by the Honorable Joseph P. Binkley, Judge of the Fifth Circuit Court of Davidson County.

The Bureau reintroduced its successful Adjuster Training Program in 2015 for insurance adjusters who handle Tennessee workers' compensation claims. The directors of the Bureau who are subject matter experts, provide the instruction. The two-day course covers the information necessary for adjusters to successfully process claims for both pre and post reform law.

Communications with injured workers begins as soon as the bureau is notified about their claims. Experience demonstrates that early communication is often associated with claims that have better outcomes. The Bureau reaches out to persons involved with workers' compensation in a variety of ways, including:

- The Bureau's webpage,
- An introductory postcard to each injured employee when the Bureau receives a "first report of injury;
- A Beginners' Guide, downloadable from the webpage, for those people who are new to all that is involved in a workers' compensation claim;
- A guide for parties who are not represented by an attorney;
- A toll-free phone line; and,
- Speaking at approximately 100 conferences and seminars for employers, employees, attorneys, medical providers, claims handlers, and others

Workforce Services

Executive Summary

It's been another incredible year of activity, diligent work and a more comprehensive approach in working to align systems and partner efforts in Tennessee. The Division of Workforce Services merged multiple programs and services to better align and administer federally funded employment related programs consistent with the Workforce Investment Act of 1998. These efforts remain imperative to capitalize on our economic development successes and how that aligns with workforce development and educational attainment in our state.

Services are delivered through Local Workforce Investment Boards in partnership with the American Job Centers to provide universal access to an integrated array of labor exchange services so that workers, job seekers, and businesses can access these resources either on-site or through automation using technology.

State Workforce Development Board

The State Workforce Development Board provides oversight to the workforce development system in Tennessee. The Board is made up of 30% Business and Industry, 30% State Legislature/State Agencies and Organizations/Local Government/Local Education, 30% Organized Labor/Community -based Organizations, and 10% from the General Public for a total of 36 members.

There are five standing committees: Strategic Planning, Continuous Improvement, Operations, Policy, and Executive Committees. The Board provides leadership and oversight to local areas, monitoring continuous improvement of performance of state workforce and assuring coordination of seamless and collaborative activities in local areas. The Board developed the 2012-2017 (five year) State Integrated Plan which was approved by USDOL.

American Job Centers (AJC's) in Tennessee

The American Job Centers (AJC's) in Tennessee continue to be a valued community resource by providing free assistance to those looking for work, workers, and opportunities to grow their careers. Comprised of various agencies that work together to reform employment, education, and training programs, 75 comprehensive and affiliate AJC's create a more integrated, quality-focused, employer-driven, customer-centered, and tailored to meet the needs of Tennesseans. Services vary by location, but include self-services access through Jobs4TN.gov and staff assisted access to comprehensive services that presents an opportunity to link diverse talent to businesses.

Meanwhile, our business services teams (BST's) work diligently across programs to schedule employers to recruit on site. Based on the hiring needs of the employer, we contact job seekers with the specific qualifications and invite them into the center. As a result, the employers get to meet with individuals that are determined to be the best candidates.

Under this current model, we have hosted up to 18 hiring employers and over 250 employers on site for one event! As we continue to position our AJC's as demand driven centers we can expect to see greater work outcomes. During The AJC's have assisted 224,716 applicants of which 113,270 received staff-assisted services and referred 50,038 job seekers to employment opportunities. 67% of job seekers entered employment following services received.

Trade Adjustment Assistance (TAA)

The TAA Program is a federal program that assists US workers who have lost their jobs as a result of foreign trade. The TAA program seeks to provide these trade-affected workers with opportunities to obtain the skills, resources, and support needed to become reemployed.

TAA provides tuition, required textbooks, tools, and supplies for approved workers adversely affected by foreign competition. This allows trade affected workers to receive training that will facilitate their return to the labor force in new occupations. During the fiscal year ending June 30, 2015, there were 351 TAA participants of which 144 are currently

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enrolled in TAA training. $4,273,892 was expended and $883,881 was obligated to fund TAA training. TAA Job Search and Relocation Allowances are benefits used to assist workers who must seek employment outside their normal commuting area. During this period there have been no Job Search Allowance or Relocation Allowance requested.

SNAP Employment and Training Program

The Food and Nutrition Act require all States to provide Employment and/or Training opportunities for Individuals who are determined eligible for USDA's Supplemental Nutrition Assistance Program "SNAP" (formerly referred to as "Food Stamps"). In Tennessee, the Department of Human Services determines eligibility for the SNAP benefit, then refers clients who want to Volunteer for SNAP E&T services to the Department of Labor and Workforce Development.

The grant enables the Department of Labor SNAP E&T staff members to provide case management, which includes an overview of the program services and an assessment of the client to determine the most appropriate training component. Components offered include:

- Post-secondary education
- Vocational /technical & other training
- Adult Education classes
- WIOA (Workforce Innovation and Opportunities Act) and workforce training

During FFY 2015, 4,510 SNAP Recipients participated in 6096 employment and/or training activities. A total of $2,662,414 was spent on administrative and training costs, of which $719,000 was for direct supportive services. Tennessee was selected by the Seattle Jobs Initiative (SJI) for technical assistance to help expand the SNAP E&T program by establishing community and training partnerships during FFY 2016.

Veterans Program

The Veterans Program consists of 54 staff across the state broken down into two distinct categories that provide employment development services to veterans and employers;

- Veterans Employment Representative (VER)
- Veterans Outreach Specialist (VOS)

The VER is tasked with conducting outreach activities to employers and discussing the benefits of hiring a Veteran. This includes the Work Opportunity Tax Credit along with intangible traits such as; team player; ability to follow direction; and meticulous attention to detail to name just a few.

The VOS works directly with Veterans, and other eligible persons, to provide intensive services and to remove any significant barriers to employment to ensure they are job ready.

The department has provided services to 18,600 Veterans, other eligible persons, and transitioning service members achieving a 63% Entered Employment Rate. The employment retention rate for Veterans was an outstanding 83% with the Average Earnings for the first six months of employment at $15,700.

Paycheck for Patriots Hiring Event continues to lead the way in hiring events for Veterans. Paychecks occurred in 10 locations throughout the state on the same date at the same time. More than 880 Veterans participated and 230 employers providing job opportunities.

Re-Employment Services and Eligibility Assessment (RESEA)

RESEA is a federal program geared towards assisting unemployment claimants return to work that are identified as most likely to exhaust benefits based on obstacles and barriers to employment. RESEA staff work with participants to overcome obstacles and barriers to employment, including job placement and referrals to training providers. Participants participate in assessments and adhere to an

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employment development plan. RESEA staff work closely with WIA and other partners in conducting workshops and delivering other workforce related services to participants.

In PY 2014, 24 Career Centers across the state served 8,118 REA participants. 1,385 participants returned to work as a result of REA services.At the end of PY 2014 and beginning of PY 2015, the RESEA program began working with Local Workforce Development Areas to extend the program to 53 Career Centers.

Work Opportunity Tax Credit (WOTC)

The WOTC Program was designated to assist individuals by providing federal tax credit incentives to employers for hiring individuals from congressionally identified targeted groups. This easy-to-use program is a national model that saves employers money while putting people to work.

Since the WOTC Program began in 1996, Tennessee has been one of the nation's top producing states relating to the amount of potential federal income tax credits it has been able to return to eligible Tennessee employers. During State Fiscal Year 2014, the Tennessee Department of Labor and Workforce Development's WOTC Unit, issued 53,356 tax credit certifications which represents a potential federal corporate income tax savings of $155,376,000 to qualified Tennessee Employers.

Mobile Career Coaches

The Career Coach units are mobile centers with services similar to what you might find in a Tennessee Career Center. These vehicles will arrive on the scene to provide a mobile computer lab with Internet access; create a venue for workshops including resume assistance and interviewing skills; and serve as a recruitment center for companies moving into our state. The Mobile Coach Units focus on delivering services to rural areas and special populations that lack accessibility to a brick and mortar one stop center. In July 2014 the Units became certified mobile High School Equivalency Test (HISET) testing sites along with their staff certified as examiners and proctors. Currently, the mobile units administer an average of 75 HISETS per month across the state in areas that lack a testing site.

In PY 2013 the Coach Units served 10,000 participants in almost all 95 counties. The Coach Units visit 35 counties across the state on average per month with many of those counties being rural and below the poverty level. The Coach Units often partner with employers that will travel with the units to rural counties and events to recruit for open positions. The Coach Units also serve as a support system to numerous job fairs and other events across the state. For more information about the Mobile Career Coach Units visit www.getonthecoach.tn.gov.

Alien Labor Certification

Alien Labor Certification helps employers recruit temporary alien workers when qualified U.S. workers are not available. Job orders are processed through the Tennessee Career Centers. During the period beginning July 1, 2014, and ending June 30, 2015 the following job orders were posted by agency staff: 284 PERM (permanent labor certification), 63H-2B (temporary non-agricultural jobs), and 341 H2-A (temporary agricultural jobs). The H2-A program conducted 302 on-site preoccupancy housing inspections.

Eligible Training Provider List (ETPL)

As part of the infrastructure to carry out the mandates of the Workforce Innovation and Opportunity Act 2014 , states are required to maintain a list of training providers and programs that are certified to receive students using WIA funds. WIA students are only permitted to use their Individual Training Account (ITA) funds in programs that appear on the Statewide ETPL.

There are 164 providers on the ETPL. The provider composition is as follows:

- Postsecondary Schools: 68.9% or 113 providers

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- Tennessee Technology Centers: 15.8% or 26 providers
- Community Colleges: 9.7% or 16 providers
- 4-year Universities: 5.4% or 9 providers
- ETPL PY 2015 Additions
  *5 new training providers were added during PY2015

Rapid Response

Rapid Response is designed to assist workers who are facing loss of employment through a permanent closure, mass layoff, or a natural or other disaster that results in mass job dislocation. This past year, 108 companies received services and 7,313 displaced workers received assistance in making a career transition.

Incumbent Worker Program (IWT)

The IWT Program is designed to support training that result in either layoff aversion through skill attainment for employees or layoff aversion through process improvement that contributes to the competitiveness and productivity of a business.

During this program year we have obligated $809,261 in Rapid Response funds to 47 companies to train 1,055 Incumbent Workers. While the program year runs through December 31, 2015 here are the projected outcomes.

- 2095 jobs saved
- 198 jobs created

Using a conservative hourly wage estimate of $7.50 per hour for jobs saved and created (a total of 2293) Rapid Response funded IWT would result in a return of over 44 Million dollars in recurring wages for local communities. Additionally, Rapid Response funded IWT would save the state's UI Trust Fund an estimated $14,904,500 ($250 wk x 26wks x 2728).

Disability Employment Initiative

The DEI Grant supports extensive collaboration across multiple workforce and disability service systems, including:

- vocational rehabilitation
- mental health
- intellectual/developmental disability agencies
- independent living centers
- business leadership networks
- Community and Nonprofit organizations

Tennessee is fortunate to be in partnership with the TennesseeWorks Collaborative. With over 46 members from various agencies, the Collaborative works to implement policy and systems changes that make competitive employment the first and desired choice for every Tennessean. Since the inception and planning phase for the DEI grant, the cohort of participants served with disabilities continues to increase.

Senior Community Service Employment Program (SCSEP)

Participants aged 55 and older received valuable training and exceeded the entered employment goal through SCSEP. The SCSEP in Tennessee is served by six sub-grantees, through the Department of Labor and Workforce Development. There are also two national grantees. Four of the state's sub-grantees are located within the Administrative Entities of the local Workforce Investment Area, placing them in a direct partnership with WIA. This program served a total of 277 participants in the SCSEP for program year 2014 which begins July 01, 2014 through June 30, 2015.

Youth Services

WIOA Youth Services are available to eligible low-income youth, ages 14-24, who face barriers

Workforce Services

to employment. Service strategies, developed by workforce providers, prepare youth for employment and/or post-secondary education through strong linkages between academic and occupational learning. Local communities provide youth activities and services in partnership with the Tennessee American Job Centers and under the direction of local workforce development boards.

To be eligible for WIOA Youth Services, an individual must meet specific guidelines related to income status, age, and school status that result in a barrier to employment. WIOA Youth Program participation is assessed by specific standards is determined for interested individuals in one of the two following categories and requirements: In-School Youth (ISY) or Out-of-School Youth (OSY).

During Program Year 2014, the year-round Workforce Innovation and Opportunity Act Youth Program served 4,445 youth participants, with 2,254 exits. Local Workforce Development Areas reported $13,717,575 WIOA Youth allocation.

Asset Build Grants

As a result of the Commissioner's Roundtable discussions held all across Tennessee, participating companies were encouraged to work with their Local Workforce Investment Areas to submit an Asset Building Grant Proposal that would demonstrate innovation models, addressing Skill Upgrades, Aging Workforce, Work experience, Recruiting and Emerging Workforce.

Companies submitted proposals with targeted outcomes of Employee Certification, Targeted Skill Upgrades, Internship Models, Community Outreach, Apprenticeships, Business/Education Partnerships and Recruitment Strategies. There were 35 companies that received grants totaling $759,691. These are short term grants with training activities to end before January 2015.

Tennessee Workforce Investment Act Performance Measure Outcomes PY 2014

Group	Performance Measure	Goal	Actual	Cost Per Participant
Adults	Entered Employment Rate Retention Rate Six-Month Average Earnings	85% 91% $15,711	87.6% 92.5% $18,775	$1755
Dislocated Workers	Entered Employment Rate Retention Rate Six-Month Average Earnings	90.8% 92.7% $16,900	83.8% 92.6% $19,621	$4179
Youth (14-21)	Placement in Employment or Education Attainment of Degree or Certification Literacy or Numeracy Gains	86% 83% 68%	77.4% 78.8% 53.5%	$3086

JOBS4TN ONLINE

Tennessee job seekers and employers now have a more powerful tool in searching for jobs and job candidates, the result of an upgrade to Jobs4TN.gov Web site. The revisions now allow users to customize their workplaces, to expand database searches and how they are saved, and to share jobs through e-mail and the Career Network. The job resource averages 90,000 Tennessee jobs available at any time.

JOBS4TN Online **Individual and total services (July 1, 2014 - June 30, 2015)**	
Total number of individuals that registered	118,986
Total number of distinct individuals receiving services	451,143
Total number of services provided to individuals	5,070,138
Total number of individuals that logged in	68,358
Total number of internal job orders created	50,048
Total number of internal job referrals created	194,159
Total number of services provided to employers	222,803

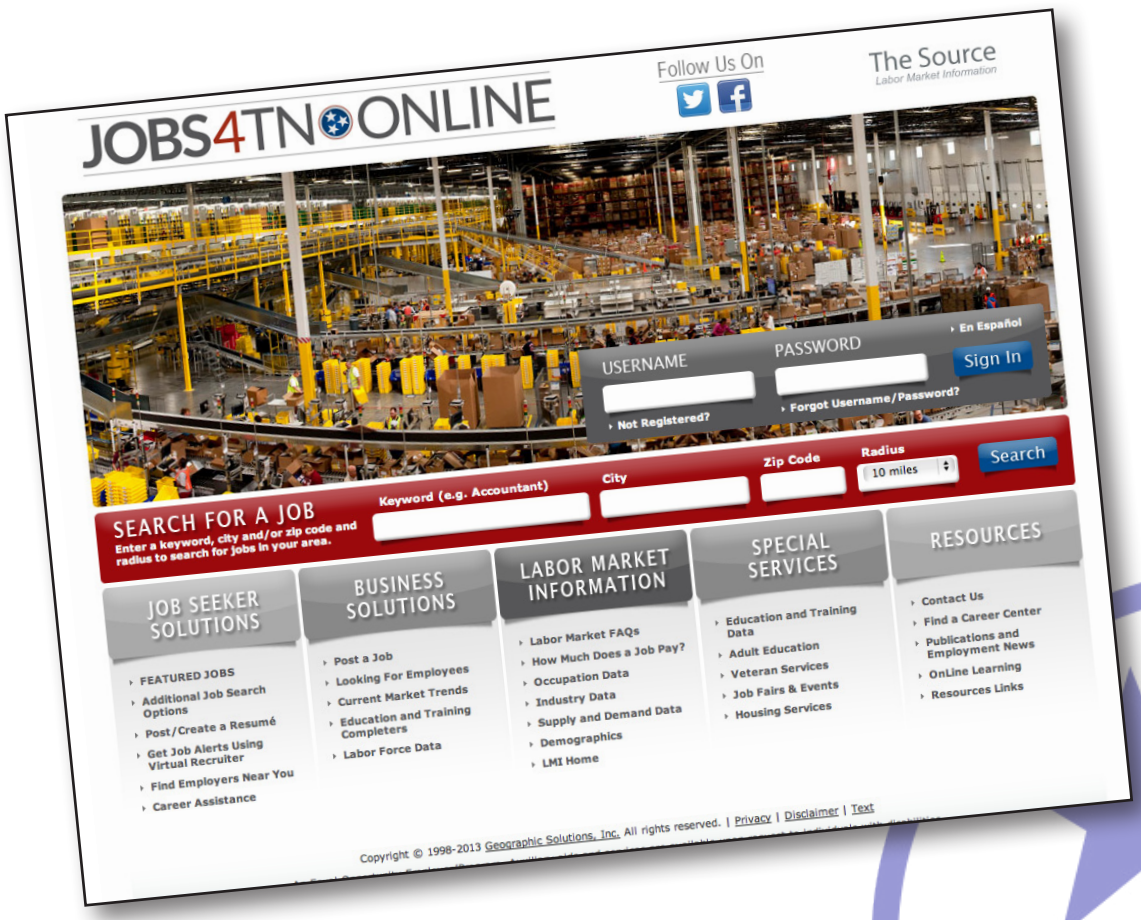
JOBS4TN ONLINE

JOBSEEKER Resources

JOBS4TN is a new kind of search engine that generates thousands of jobs listed by major Tennessee employers. It's the premier site for finding work and locating useful labor market information.

EMPLOYER Resources

JOBS4TN Online connects you to the ideal candidates based on the qualifications that are most important to you. It also provides valuable labor market information from the Tennessee and U.S. Departments of Labor as well as the Bureau of Labor Statistics.



Workplace Regulations & Compliance

Boilers, Elevators, Amusement Devices, Mines & Labor Standards

The Workplace Regulations and Compliance Division (WRC) promotes safety, enforces laws and educates the general public, owners, operators, users, employers, and employees about risks associated with the following:

Boilers

The Boiler Unit reviews more than 66,700 boilers and pressure vessels in Tennessee through biannual and biennial inspections. In FY14/15, inspectors conducted 31,450 inspections and issued 35,920 inspection certificates. The Boiler Unit generated more than $2.4 million dollars in revenue.

Elevators

The Elevator Unit inspects nearly 13,422 elevators, aerial tramways, chairlifts, escalators, dumbwaiters, and moving walks in the State of Tennessee. In FY14/15, inspectors performed 23,713 inspections and issued 13,713 inspection certificates. The Elevator Unit generated more than $2.3 million dollars in revenue.

Amusement Devices

The Amusement Device Unit mitigates risks related to the operation of fixed and portable rides, zip lines, dark houses, carousels, bumper cars, fairs and carnivals. The law became effective January 1, 2009. In FY14/15 the Amusement Device Unit issued 104 annual permits and assessed/collected $83,600.

Workplace Regulations & Compliance

Mine Safety

The Mine Safety Unit maintains 2 rescue teams (8 members per team) who remain in a state of readiness in the event of a mining emergency. The Mine Safety Unit provides health and safety training for underground and surface miners. Currently, there are 12 coal mines, 5 zinc mines, and 260 rock quarries (limestone, sand, granite, marble and gravel pits) in Tennessee. Mine Safety Instructors trained 1,936 miners, taught 239 classes, issued 20 mine licenses [12 coal mines, 5 zinc mines (metal) and 3 rock quarries (nonmetal) attached to underground mines], and certified 30 mine foremen in FY 14/15. Most rock quarries are not required to obtain a mine license.

Labor Standards

The Labor Standards Unit enforces Labor and Wage Laws. Inspectors investigate the following laws: Non-Smoker Protection Act, Illegal Alien Act, Child Labor Act, Prevailing Wage Act, Wage Regulations Act, and the Tennessee Lawful Employment Act. Common issues i nclude failure to pay or failure to timely pay wages, hiring persons unauthorized to work in Tennessee, failure to post no-smoking signs in public places, failure to pay proper rates to employees who work on state-funded projects and failure to provide minors breaks or employing minors in prohibited occupations. In FY14/15, the Labor Standards Unit performed 3,783 inspections and collected $201,150 dollars in fees.

Communications, Constituent & Government Relations

Communications, Constituent and Government Relations conducted more than 26 legislative hiring events in 2014-2015 hosted by state legislators in partnership with the department.

The division has Public Relations Specialists that continue to provide employers with additional information through the Workforce Employer Outreach Committees (WEOC). The committees partner with other agencies such as the Governor's Office, Tennessee Department of Economic and Community Development, Tennessee Department of Agriculture, Tennessee Bureau of Investigation, U.S. Department of Homeland Security, FEMA, and the Small Business Administration. The WEOC is an ongoing effort by the Tennessee Department of Labor and Workforce Development to reach out to Tennessee employers and provide valuable information to foster economic development and promote our services.

Public Relations Specialists facilitated in 2014-2015 more than 80 "hiring events" connecting job seekers and employers with immediate hiring needs.

Pre-requisite for all events sponsored by the department is that employers must have immediate job openings to participate in the event. Job positions must be posted on Jobs4TN. An average of 35-45 employers attend each event with hundreds of Tennessee job seekers finding employment opportunities.

Paychecks for Patriots Hiring Event-2015: The Department of Labor and Workforce Development took the lead in partnering with Dollar General in 2011 to address high unemployment rate among our military service members, veterans and spouses. The Tennessee Department of Military and Employer Support for the Guard and Reserve (ESGR) joined in this first innovative partnership between public and private sectors to address veteran unemployment challenges. Paychecks has created a pathway toward economic opportunity for Tennessee veterans and their families both, online and through centralized focused outreach efforts organized by the Department of Labor. The event itself has been nationally recognized by the Pentagon and National Office of ESGR and has been honored with four PRSA (Public Relations Society of America) awards for Public Relations Campaign, Public Affairs and Community Relations for the past three years.

Governor Bill Haslam has declared "Paychecks for Patriots Hiring Event Day in Tennessee" all three years with more than 230 Tennessee companies representing 183 individual corporations participating in 2015. Both Florida and Georgia have taken Tennessee's lead by conducting "Paychecks for Patriots Hiring Events" in their respective states.

Tennessee remains a leader in addressing job opportunities with our service members, veterans, and spouses.

2014-2015 Funding

ADMINISTRATION	$26,503,600
ADULT EDUCATION	$15,934,200
BOILERS AND ELEVATORS	$5,160,600
EMPLOYMENT SECURITY	$35,696,900
LABOR STANDARDS	$1,247,100
MINES	$529,500
TOSHA	$9,677,300
SECOND INJURY FUND	$10,147,400
WORKERS' COMPENSATION	$14,668,000
WORKERS' COMPENSATION EMPLOYEE MISCLASSIFICATION & ENFORCEMENT FUND	$710,800
WORKFORCE SERVICES	$65,963,200
JOB SERVICES	$ 38,825,600
TOTAL	$225,064,200