The Virgin Islands Consortium

Collens: Workers' Comp Checks Coming Within Days

Business / **Published On February 14, 2015 11:00 AM /**

Cynthia Graham February 14, 2015

During his confirmation hearing Thursday at the Earl B. Ottley Legislative Hall in St. Thomas, Commissioner-designee for the Virgin Islands Department of Finance Valdemier O. Collens said his department will begin issuing workers' compensation payments to beneficiaries within the next 10-15 business days.

Collens offered the details when the matter was raised by freshman St. Thomas Sen. Jean Forde, who said he was seeking answers for his constituents.

"You know the number of individuals have come to my office indicating that they have not received payment since September," Forde began. "Tough times, difficult challenges for these individuals."

He continued, "I understand that workman's compensation, we're out of money. How did we get there? What are your recommendations to get us out of this? Bottom line, again, in your answer, bear in mind, the question that needs to be answered foremost is when can I tell my constituents that they are going to be able to receive their checks."

Collens provided a straight forward answer.

"Within the next 10-15 business days there will be relief coming," he said. "We're going to have to sprinkle it because we have to manage cash. It's sort of a balancing act with cash, but we intend to provide some relief to injured workers, providers of care and hospitals."

He continued, "So your constituents and constituents at large can expect to see something coming very soon. Not at the magnitude that we would like it, but very soon."

This is the second batch of overdue payments the government says it will begin making good on. In a press conference on Thursday, Mapp said the government will also begin sending out income tax return checks after years of not making payments to tax payers.

In reference to how the government managed to run out of its workmen's compensation funds, Collens said it had to do with the government's finance department not remaining current with actuarial analyses.

"I think what we learn from the situation is that those types of funds that have an actuarial impact, you have to perform an actuarial analysis periodically such that you can sort of plan and the actuaries can give you an idea of what the future holds for those types of funds," he explained. "I'm talking about funds just like government insurance, I'm talking about funds for the other post-employment benefits that are paid to retirees and active members that we have to set aside money for."

"If actuarial analyses were being done on a periodic basis, we would have known long time ago that we needed to start adjusting rates. And the rates have remained very constant--inflation has occurred over all this time and we have not done a thing about the rates," Collens said.

He further emphasized that action is needed now to ensure the government does not find itself in this place again.

"I would say we need to do something very soon; it's not going to affect the near term, but it will affect the sustainability of the [workman's compensation] fund in the medium- to long-term. So, I think the time is now to start making those changes," Collens said.