

July 1, 2004 - June 30, 2005

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Annual Report Fiscal Year 2005

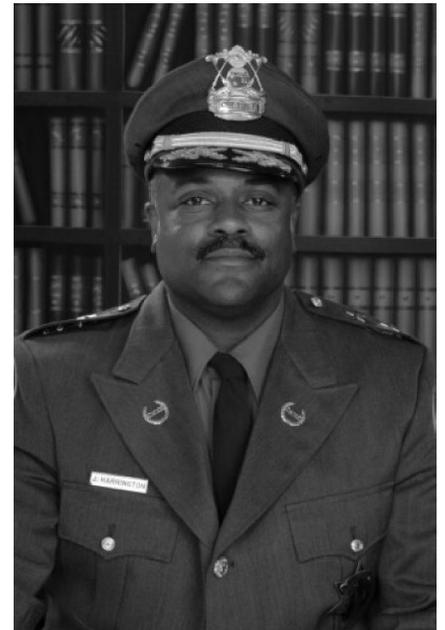
Letter from the Chairman of the Reparations Board

I am pleased to present the annual report of the Minnesota Crime Victims Reparations Board for fiscal year 2005. This report covers the Board's activities for the period from July 1, 2004 through June 30, 2005.

For the past 31 years, the Board has continually focused on meeting the essential needs of crime victims. The Board is dedicated to lessening the impact of violent crime on victims and their families and holding offenders accountable for the costs of crime. The Board provides financial assistance to victims and their service providers as quickly as possible to restore some of the losses suffered as a direct result of the crime. This financial help is critical in facilitating the process of healing.

During fiscal year 2005, the Reparations Board received 1,742 new claims. A majority of the claims we received resulted from assaults, homicides, robberies, child abuse, sexual assault, or drunk driving. Twenty-two percent of our claimants were seeking help for their children who were victimized. At least 20 percent of the claims submitted were related to domestic violence. Tragically, 4 percent of the new claims resulted from the school shooting at the Red Lake High School in March of 2005.

The total amount paid in awards during fiscal year 2005 was \$4,097,041. Funding is derived from state and federal sources, as well as restitution collected from offenders. This funding helped over 1,400 victims on their road to recovery. The types of expenses paid with these funds included medical care, counseling, funeral and burial services, lost wages, loss of support for survivors, and other costs.



The Board believes that all victims should have access to the highest quality of services. By developing educational materials in a variety of languages and formats, the Board strives to ensure that all crime victims receive information about reparations. The Board staff also provides reparations training to a variety of criminal justice agencies, victim services programs, and other community organizations.

The Board works diligently every month to handle claims in a fair, objective, and compassionate manner. Speaking on behalf of all the members of the Board, it is an honor to administer a program which provides such an outstanding service and strives to bring about justice for crime victims throughout Minnesota.

Chief John Harrington

Program Overview

History

Victim compensation programs were first established during the 1960s to restore the losses sustained by victims of crime. Due to the lack of adequate insurance or the inability of offenders to pay full restitution, many innocent victims were left with devastating medical bills and other costs of crime. To respond to the needs of victims, several states began developing compensation programs. Today, every state and many other countries have programs to provide financial assistance to crime victims.

In Minnesota, the Crime Victims Reparations Board was created by the legislature in 1974 to help victims with their financial losses as they recover from a violent crime. The legislature recognized that many victims incur expenses that they cannot afford to pay. As a result of the Reparations Board, victims no longer have to bear the financial burden of crime alone.

Since its inception, the mission of the Board has been to assist victims and their family members by providing compensation for losses incurred as a result of a crime. Over 28,000 victims of violent crime have applied for assistance during the Board's 31 years of operations.



Current Board membership includes: (left to right) Dr. Philip Eckman, M.D.; Raichel Brown, Crime Victim; Mary Biermaier, Ramsey County; John Harrington, St. Paul Police Chief; Robert Goodell, Anoka County Attorney's Office.

Board Members

The Reparations Board is composed of five members appointed by the Commissioner of the Department of Public Safety. Under Minnesota law, one member of the Board must be a physician, and at least one member must have been a victim of a crime. The Board members' terms are four years, and they may serve more than one term.

Board Powers and Duties

The Board is responsible for distributing funds within the boundaries of the Minnesota Crime Victims Reparations Act. The Board meets once a month to review claims, hear appeals, and conduct related business. In addition, the Board develops policies and rules regarding eligibility and coverage and determines payment rates.

Claimant Comment

“It was very difficult for me to get through being an innocent bystander in a driveby shooting, but your help has truly eased some of the pain.”

YEAR IN REVIEW

Responding to Tragedy

The services provided by the Reparations Board were even more critical during this past year due to the school shooting which occurred in Red Lake, Minnesota in March of 2005. Immediately after the crime, staff contacted local victim service providers, hospitals, and funeral homes in the region to ensure that information about reparations benefits would be provided to the families of victims. By June 30, 2005, the Reparations Board received 72 applications for financial assistance.

A grant of \$250,000 was received from the U.S. Department of Justice through the Emergency Assistance Program for Mass Violence Crimes to assist the victims and their families. This funding was used to pay for funeral/burial services and related expenses such as transportation costs, medical expenses, lost wages, and other expenses incurred to care for an injured victim.

There are a variety of long-term needs as a result of this crime which truly devastated the community. Ongoing expenses include mental health treatment and lost wages for those suffering from grief or post traumatic stress, loss of support, and rehabilitation for injured victims. The Reparations Board will be assisting the many victims and witnesses impacted by this tragedy for many years to come.

Claimant Comment

“It’s very nice to know that there is help for our youth and for anyone who had a loss of any kind such as mine.”

Quality Service to Victims

In addition to serving the victims of the Red Lake shooting, the Crime Victims Reparations Board also continued to provide high quality services to its other claimants. The Reparations Board received a total of 1,742 new claims and responded to 13,937 calls from victims and providers during fiscal year 2005. Despite the increased volume of contacts, the Board maintained an average processing time of four months.

The Reparations Board regularly surveys recipients to gather suggestions for improving the claims process and maintaining excellent service. During fiscal year 2005, 96 percent of those who responded to the survey reported that staff was polite, professional and understood their concerns. Ninety-five percent gave staff an overall service rating of Very Good, Good or Fair. Several of the many positive comments received from claimants through the 2005 surveys are found throughout this report.

Cost of Claims Increases

During fiscal year 2005, the cost of providing compensation to victims increased by 33 percent. Over four million dollars was paid to victims and their family members and service providers. Again, the increase in spending can be attributed primarily to the rising cost of medical care as well as a small increase in new claims. If this trend continues, the Board will need to seek an increase in its state appropriation.

Expanded Coverage for Minnesota Residents Victimized Abroad

The Minnesota Legislature expanded coverage under the Reparations Act to include Minnesota residents who are victimized outside of the country. Residents are now eligible to apply for reparations if there is no compensation program available to the victim in the country where the crime occurred. This coverage took effect August 1, 2005, and applies to those seeking reparations on or after that date.

Program Structure

The Reparations Board is a unit within the Office of Justice Programs Division in the Minnesota Department of Public Safety. Reparations staff report to Jeri Boisvert, Division Director for the Office of Justice Programs.

Staff members

Thirteen staff members are responsible for processing claims, assisting victims who apply for benefits, and providing training. Current staff members are:

Alceny Ajayi, Claims Specialist;
Marie Bibus, Program Director;
Gertrude Borowski, Client Specialist;
Jeanne Brann, Admin. Specialist;
Danielle Kitto, Claims Manager;
Barbara McCarty, Claims Manager;
Mary Lou Nelson, Claims Specialist;
Catherine O’Bryan, Receptionist;
Kyra Olds, Admin. Specialist;
Gloria Passer, Admin. Specialist;
Nancy Reissner, Office Manager;
Amy Studtmann, Claims Specialist;
L.V., Admin. Specialist.

Application Process

The application process begins when a claim form is received from the victim. A request is then sent to the investigating law enforcement agency for information verifying the crime. Claims specialists review the application and law enforcement reports to make an initial decision on the claim. This includes determining whether the claim meets the Board's eligibility requirements listed below.

Eligibility Requirements

- I The applicant must have been a victim of a crime involving injury or death in Minnesota or a Minnesota resident victimized while traveling in another country.
- I Claims must be submitted to the Board within 3 years of the crime (except for child abuse).
- I The crime must have been reported to the police within 30 days (except for sexual assault and child abuse).
- I The victim must have cooperated fully with law enforcement officials.
- I Victims who contributed to the crime through serious misconduct or criminal activity are disqualified, or may receive a substantially reduced award.

Award Process

If the applicant clearly meets all of the eligibility requirements, the staff immediately begins to collect billing information and other documentation from service providers to determine the amount of the victim's losses. If the victim missed work because they were disabled, the employer and a physician are asked to provide information about the victim's lost wages. Staff members work to ensure that all applications are processed in a timely manner, and that applicants receive all of the benefits due to them.

After the amount of the award is determined, an award notice and explanation of benefits is sent to the victim and his or her providers. After the award notice is mailed, a check is sent to the victim or his or her providers by the Department of Finance. In some cases, providers are paid through an electronic fund transfer.

Board Review

If there is a question about the applicant's eligibility under the Board's statutes and rules, the claim is forwarded to the Board for review. The Board votes on the eligibility and benefit levels of questionable claims. Typically, the Board reviews cases involving contributory misconduct or lack of cooperation by the victim. If the claim is denied or reduced by the Board, the victim is notified in writing of the denial or reduction in benefits, and the reasons for the Board's decision.

Appeals Process

Applicants who are dissatisfied with the Board's actions on their claim may submit an appeal letter. After the Board hears their appeal, applicants who are still dissatisfied with the Board's decision can proceed to an administrative hearing. Hearings are conducted by an impartial administrative law judge.

Claimant Comment

"It was an awful thing that happened to me so without your support, it would have been an even worse situation to go through."

Expenses Covered

The Reparations Board provides benefits for expenses incurred by the victim as a result of the crime. The Board only pays expenses that are not covered by another source of funding, such as health or auto insurance. Property losses are not covered.

There are rate limits or caps on most expenses. Medical costs are covered at a rate of 70 percent and providers are required to write-off the remainder. In addition, total benefits may not exceed \$50,000.

Benefits are available for the following expenses:

- Medical or dental costs, including hospital and clinic fees, ambulance service, prescriptions, chiropractic care, physical therapy, and accessibility remodeling.
- Mental health care for the victim, up to \$7,500. Benefits are also available for counseling for immediate family members of the
- victim and witnesses to a violent crime.
- Expenses related to the return of an abducted child.
- Funeral and burial costs up to \$7,500, including transportation for family members to attend the funeral.
- Lost wages for the victim due to a disabling physical or psychological injury from the crime, up to 52 weeks. Limited lost wages are also available for immediate family members of a deceased or injured victim.
- Loss of support for dependents of a deceased victim to replace the victim's financial contribution to the family.
- Childcare or household services to replace services provided by the victim prior to the crime.

Claimant Comment

“It’s a wonderful feeling to know that you all really and truly care about the victims of crime, from being in the hospital during recuperation and after everything is alright again.”



Board members Eckman and Brown



Board member Goodell

Education and Outreach Program

The Reparations Board has an education and outreach program to ensure that all victims of violent crime receive information about reparations and have an opportunity to apply for benefits. The Board uses various ways to raise awareness, including training events, a website, a newsletter, and distribution of informational materials in multiple languages and formats.

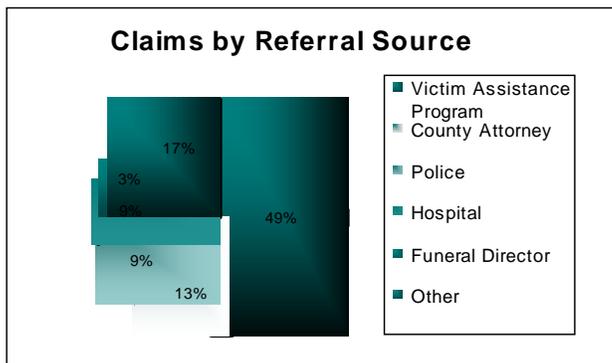
The Board provides training and information to professionals who have the most contact with crime victims. Training about reparations benefits and policies is provided during quarterly seminars for advocates throughout the state. The staff also responds to requests for training from shelters, crisis centers, community organizations, and city, county, or U.S. attorney offices.

During fiscal year 2005, the reparations staff conducted 15 training sessions at locations throughout the state. The education and outreach program has been very successful. Of the participants who completed an evaluation, 99 percent rated the overall content as excellent or good, and 95 percent said it contributed to their knowledge and skills.

The program has a variety of brochures, handbooks, and posters available. Law enforcement agencies, county attorney offices, and victim service programs can request materials by submitting an order form. The order form and copies of materials can be found on the Department of Public Safety Office of Justice Programs website at www.ojp.state.mn.us.

Claims by Referral Source

Referral Method	Number of Claims
Funeral Home	60
Hospital	151
Internet Website	8
Other	199
Police	165
Poster/PSA	6
Probation Officer	26
Prosecutor	220
Sexual Assault Program	103
Shelter	92
Social Services	20
Unknown	33
Victim/Witness Program	659
TOTAL	1742



TRAINING PARTICIPANT COMMENTS

“Very valuable information to use in our program with victims.”

“Presenter was very knowledgeable! Clear and concise as well.”

“All family support workers should have this training.”

“It would be beneficial for this training to be provided to law enforcement.”

Claims Received

In fiscal year 2005, the Reparations Board received 1,742 claims from all geographic areas of the state. This was a 5 percent increase from the previous year. The school shooting in Red Lake contributed to this increase in claims. The majority of claims were from victims in the following counties: Hennepin County (28 percent), Ramsey County (12 percent), Anoka County (7 percent), Beltrami County (5 percent), Dakota County (5 percent), Olmsted County (4 percent), St. Louis County (4 percent), and Stearns County (2 percent).

The most common crime categories were assaults (55 percent), child abuse (14 percent), homicides (11 percent), drunk driving (8 percent), sexual assaults (6 percent), and robberies (3 percent).

Twenty percent of the victims were children, age 17 or less. Fifty-one percent of the victims were male. Fifty-six percent were white, 16 percent were African-American, 8 percent were American Indian, 7 percent were Hispanic or Latino, 3 percent were Asian-American, and 10 percent were unknown.

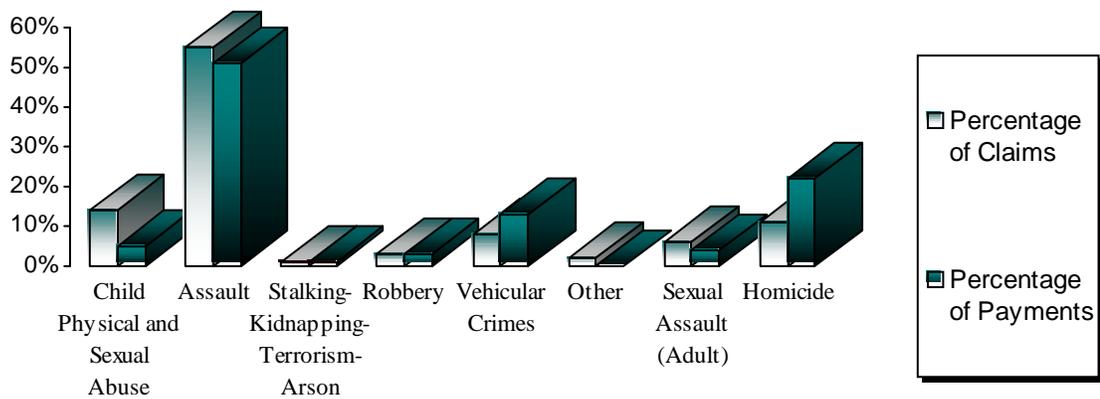
Claims by Type of Crime

Crime Type	Number of Claims
Assault-5th Degree	240
Assault Felony	714
Drunk Driving	146
Kidnapping	7
Murder	198
Child Abuse	240
Robbery	56
Sexual Assault	97
Other	44
TOTAL	1,742

Claimant Comment

“I was very impressed with all of the staff members who took time to listen to my questions and to explain in detail all the answers.”

Claims/Payments by Crime Type



Program Funding and Expenditures

Funding Sources

Program funding of over four million dollars annually comes to the Board from state and federal sources. Forty-eight percent of the funding comes from an appropriation from the state general fund. Seventeen percent is derived from special revenue collected by the Board. Special revenue includes restitution payments from offenders, unclaimed restitution, funds from civil awards paid to victims, and inmate wage deductions transferred from the Minnesota Department of Corrections.

Thirty-five percent of the Board's funding is received from the federal government. The Board receives a federal grant annually from the U.S. Department of Justice, Office for Victims of Crime. The federal crime victim funds are derived from federal criminal fines.

In addition, in fiscal year 2005, the Board received a special grant of \$250,000 from the U.S. Department of Justice, Antiterrorism and Emergency Assistance grant program for the victims of the Red Lake school shooting.

Restitution and Civil Award Collections

The Reparations Board is committed to holding offenders accountable for restoring the victim's losses. In 1993, the Board started a fund recovery program to improve the collection of restitution from offenders as well as civil awards. The fund recovery program has been extraordinarily successful during the past twelve years. The program has consistently surpassed its goal of increasing collections by 5 percent annually.

In fiscal year 2005, the program recovered \$344,682 in restitution and \$120,907 in civil awards. The program also received \$273,559 in unclaimed restitution monies from counties. This was an increase from the previous year.

The collection of restitution and civil awards has been critical for the continued operation of the Reparations Board.

Expenditures

In fiscal year 2005, a total of \$4,097,041 was distributed in payments to victims or their providers.

The largest category of expenses was medical care which accounted for 48 percent of the payments. Medical costs have increased significantly every year since 2001.

The second most costly type of expense was economic support which includes lost wages and loss of support to dependents of a deceased victim. Twenty-five percent of the Board's expenses were for economic support.

Funeral expenses and related transportation costs were the third

largest category of expenditures at 19 percent.

Mental health care was a less expensive category, comprising only 5 percent of the Board's expenditures.

Other payments, such as crime scene clean-up and accessibility remodeling accounted for 3 percent of expenditures.

Claimant Comment

"Thank you so much. This award makes a huge difference in my everyday life."

Payment by Expense Type

