

Agency Purpose

The Department of Employee Relations (DOER) is the human resource management agency of Minnesota state government. As the personnel, insurance benefits, and labor relations office, it assists all other agencies in issues relating to state employment.

The mission of DOER is accomplished, in part, through a partnership with state agency human resource professionals who are committed to the continuous improvement of human resource products and services that support state government in providing service to all citizens.

Core Functions

DOER is governed by M.S. 43A, which gives the department responsibility for three main functions:

- ◆ administering the state's merit system and provide a wide variety of human resource products and services to 120 state agencies, boards, and commissions so they are able to achieve their missions;
- ◆ negotiating and administering labor agreements and develop and administer compensation plans covering 37,300 state executive branch employees; and
- ◆ developing, implementing, and managing employee, retiree, and dependent insurance benefits for over 120,000 covered lives and workers' compensation benefits for more than 57,000 employees of the executive, legislative, and judicial branches and of quasi-state agencies, such as the Minnesota Historical Society and the Minnesota State Fair.

Operations

Labor Relations and Compensation represents the state executive branch in negotiating and administering collective bargaining agreements and compensation plans and in arbitrating employee grievances.

Human Resource Management (HRM) ensures that a diverse pool of qualified job applicants is available to meet state agency needs; provides consultation and resources in job analysis, recruitment, selection, affirmative action, ADA, and workforce planning; and develops and manages human resource information systems that support and enhance selection/recruiting and access to employment data. HRM assists state agencies in creating a workplace that attracts and supports diversity.

The Center for Health Care Purchasing Improvement assists the state in developing and implementing best practices for health care performance measurement and health care purchasing, to promote greater transparency of health care costs and quality, and greater accountability for health care results and improvement.

Information Systems provides comprehensive information technology management, which supports the state's payroll, human resources, and employee insurance systems to ensure that they are cost effective and value added.

At A Glance

- ◆ Negotiates and administers eight bargaining agreements and two compensation plans affecting 37,300 state executive branch employees.
- ◆ Develops and enhances the state's human resource information systems. This biennium included moving the employee information system to a more efficient technology platform that reduces the growth in operating costs, implementing new hire on-boarding to automate employment forms and integrate with employee systems, developing a web-based tracking system to manage applicant and job vacancy information more efficiently, and migrating the workers' compensation claims system to a Windows environment.
- ◆ Processes an average of 6,000 applicant resumes per month, with more than 90% submitted through web-based self-service. The median time to fill state jobs is 45 days.
- ◆ Develops and manages health, dental, and life insurance and other benefits for state employees, retirees, and their families, totaling over 120,000 covered lives. At 7.5% of total premiums (of which DOER receives 1%), the cost of administering health benefits remains well below the industry standard of 10-15%. In 2006, the Advantage Health Plan had a 0% increase in premium growth.
- ◆ Minnesota became the first state in the nation to participate in the national pay for performance program for health care known as Bridges to Excellence.
- ◆ Continues to expand disease management programs to address the health conditions which claims data show are most prevalent among employees.
- ◆ As of July 2006, 89 public sector employer groups in Minnesota participate in the Public Employees Insurance Program.
- ◆ In FY 2005, 2,718 workers' compensation claims were filed, a 3.1% decline compared with the previous year.

State Employee Group Insurance Program (SEGIP) develops and manages insurance benefits for eligible state employees, retirees, and their dependents to help attract and retain a strong and productive workforce.

Public Employee Insurance Program (PEIP) offers local units of government group health, dental, and life insurance for their eligible employees, retirees, and their dependents.

Workers' Compensation provides workers' compensation benefits to state employees, represents state agencies in workers' compensation court cases, and works with agencies to address workplace safety and health issues.

Budget

Approximately 1% of DOER's budget is from the General Fund. The other 99% is composed of revenues and expenditures for the various insurance and state employee benefit programs that the department operates.

The General Fund portion of the budget covers operating expenses for approximately 40% of the agency programs and staff including Human Resource Management and parts of Labor Relations and Compensation, Information Systems, and other internal administrative services.

Sources other than the General Fund support the remaining agency operations including the State Employee Group Insurance Program (SEGIP), the Public Employees Insurance Program (PEIP), the Workers' Compensation Program, and various pre-tax expense account programs.

The non-General Fund dollars used to operate these programs come from a variety of sources. SEGIP benefits are funded by premiums collected from state agencies, employees, and self-paid participants and by an administrative fee charged to participating employers. PEIP is funded by premiums paid by participating local units of government and their employees. State agency fees and reimbursements for claims costs generate the revenue for the Workers' Compensation Program. Pre-Tax Program revenue consists of employee contributions and agency fees for medical, dental, transit, and dependent care expense reimbursement accounts.

The number of full-time employees, as of the third quarter of FY 2006 is 138.8, with 54.6 supported by the General Fund and the remainder by the other sources described above.

Contact

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