

June 29, 2016

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# Report on 2015 California Workers' Compensation Losses and Expenses

Pursuant to Section 11759.1 of the California Insurance Code, the Workers' Compensation Insurance Rating Bureau of California (WCIRB) has prepared this report containing estimated California workers' compensation costs for 2015 based on insured employer experience. The report also reflects payments made by the California Insurance Guarantee Association (CIGA) in the statewide loss payments for calendar years 2003 through 2015.<sup>1</sup>

## Hospital, Physician and Medical-Legal Costs

In 2015, \$4.9 billion, or 59% of total loss payments, were for medical services. This figure includes an estimated proportion of loss payments made by CIGA for medical benefits during calendar year 2015. (In 2014, \$5.0 billion, or 60% of total loss payments, were for analogous medical services.)

Exhibits 1.1 through 1.6 contain summaries of amounts paid for medical services in 2015. These exhibits are based on the WCIRB's Aggregate Indemnity and Medical Costs Call, Call for California Workers' Compensation Calendar Year Experience and Medical Data Call (MDC). Exhibits 1.1 through 1.4 show medical payments by category of payment. Note that the amounts shown on Exhibits 1.1 through 1.4 for the cost of medical cost containment programs only reflect the amount of such costs included in medical loss and does not include the amount of medical cost containment program costs reported as allocated loss adjustment expense.<sup>2</sup>

Table 1 summarizes the estimated total medical losses paid by category in calendar years 2014 and 2015:

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<sup>1</sup> For calendar years 2003 through 2009, the total workers' compensation benefit payments made by CIGA have been apportioned to benefit categories by assuming that CIGA calendar year benefit payments were distributed in a manner identical to the average insurer distribution for that year. Since calendar year 2010, the workers' compensation benefit payment information from CIGA has been provided separately for its indemnity and medical components.

<sup>2</sup> California reporting requirements specify that the cost of medical cost containment programs paid on policies incepting on or after July 1, 2010 be reported as allocated loss adjustment expense, while the costs paid on policies incepting before July 1, 2010 be reported as medical loss.

**Table 1: Summary of Medical Losses Paid by Medical Category**

Category	CY 2014	CY 2015
Physician Services	\$1.4 billion	\$1.3 billion
Payments Made Directly to Injured Workers	\$1.2 billion	\$1.3 billion
Hospital (Inpatient and Outpatient)	\$0.6 billion	\$0.6 billion
Pharmaceuticals	\$0.4 billion	\$0.3 billion
Medical-Legal Evaluations	\$0.3 billion	\$0.3 billion
Medical Liens	\$0.3 billion	\$0.3 billion
Medical Supplies and Equipment	\$0.2 billion	\$0.2 billion
Medical Cost Containment Programs (medical loss only)	\$0.2 billion	\$0.2 billion
Medicare-related Payments <sup>3</sup>	\$0.2 billion	\$0.2 billion
Other	\$0.2 billion	\$0.2 billion
<b>Total Medical Losses Paid</b>	<b>\$5.0 billion</b>	<b>\$4.9 billion</b>

Beginning with claims incurred on policies incepting on or after July 1, 2010, the cost of medical cost containment programs is required to be reported to the WCIRB as allocated loss adjustment expense rather than as medical loss. The medical cost containment program costs shown in Table 1 only reflect those costs reported as medical loss. The total cost of medical cost containment programs, including that reported as allocated loss adjustment expense, is shown in Table 2.

**Table 2: Total Paid Cost of Medical Cost Containment Programs (in \$Millions)**

	CY2008	CY2009	CY2010	CY2011	CY2012	CY2013	CY2014	CY2015
Reported as Medical Loss Paid	356	339	351	309	243	217	208	204
Reported as Allocated Loss Adjustment Expense Paid	N/A	N/A	4	74	169	230	263	307
<b>Total Medical Cost Containment Program Costs Paid</b>	<b>356</b>	<b>339</b>	<b>355</b>	<b>383</b>	<b>412</b>	<b>447</b>	<b>471</b>	<b>511</b>

Exhibits 1.1 through 1.6 also show detailed distributions of medical payments by specialty, which is summarized from individual medical transactions reported in WCIRB MDC data. Exhibit 1.5 shows distributions of payments for medical services by type of provider. Exhibit 1.6 shows distributions of payments for physician services by type of procedure. Tables 3 and 4 summarize the estimated distribution of medical payments by specialty in calendar years 2014 and 2015:

<sup>3</sup> Includes Medical Payments Related to Medicare Set-Aside Accounts and Reimbursements to Medicare.

**Table 3: Distribution of Medical Service Payments by Type of Provider**

Provider Type	CY 2014	CY 2015
Physician Specialist	18.0%	19.8%
Hospital-based Provider	15.9%	17.1%
MD General	15.7%	10.7%
Surgeon	8.1%	9.0%
Pharmacist	10.1%	8.6%
Ambulatory Surgical Center	6.1%	7.5%
Physical Therapist	6.2%	6.6%
Occupational Health	3.8%	3.8%
Other	16.1%	16.9%
<b>Total Medical Service Payments</b>	<b>100.0%</b>	<b>100.0%</b>

**Table 4: Distribution of Physician Service Payments**

Physician Service by Type of Procedure	CY 2014	CY 2015
Evaluation & Management	29.9%	33.7%
Physical Medicine	17.3%	19.6%
Surgery	18.3%	17.6%
Radiology	9.9%	9.2%
Special Services & Reports	9.3%	7.9%
Medicine	5.9%	5.2%
Pathology & Laboratory	5.4%	2.6%
Anesthesia	2.0%	1.9%
Acupuncture	1.2%	1.4%
Chiropractic	0.7%	0.7%
Other	0.1%	0.2%
<b>Total Physician Service Payments</b>	<b>100.0%</b>	<b>100.0%</b>

Exhibits 2.1 through 2.3 contain summaries of medical-legal costs for 2015 based on the WCIRB's MDC data.<sup>4</sup> The exhibits show that orthopedic evaluations accounted for about 52% of the cost of all medical-legal evaluations. The exhibits also show that the average cost of a medical-legal evaluation was \$1,638. Psychiatric evaluations were the most expensive, averaging \$3,333.

## Indemnity Benefits

In 2015, \$3.5 billion, or 41% of total loss payments, were for indemnity benefits (including vocational rehabilitation benefits). This figure includes an estimated proportion of loss payments made by CIGA for indemnity benefits during calendar year 2015. (In 2014, payment for analogous indemnity benefits totaled \$3.4 billion, or 40% of total loss payments.)

<sup>4</sup> Prior reports have based this information on the WCIRB's Permanent Disability Claim Survey and have only included medical-legal reports from permanent disability claims and more recent accident years. WCIRB MDC data based on individual medical transactions (including medical-legal reports) includes payments for medical-legal reports from all claim types and all accident years within a service year and allows for a much more direct breakdown of medical-legal reports by type of report.

Exhibits 3.1 and 3.2 contain summaries of paid indemnity benefits by type of benefit for calendar year 2015. The data in Exhibit 3 is derived from the WCIRB's Aggregate Indemnity and Medical Costs Call, current unit statistical report data, and the WCIRB's Call for Calendar Year Experience. The exhibit shows that for 2015, temporary disability benefits (50%) and permanent partial disability benefits (41%) accounted for the vast majority of the indemnity payments.

Exhibits 4 through 15 contain summaries of indemnity and medical benefits by permanent disability rating interval for various types of injuries resulting in permanent disability. The exhibits are based on 2013 policy year experience—the WCIRB's most current available data on permanent disability claims. (Note that these average claim values are based on claims evaluated as of 18 months from inception of each 2013 policy, and have not been adjusted to an ultimate value basis.) Exhibits 4 and 5 show a segregation of indemnity and medical benefits for back injury claims. Exhibits 6 and 7 show indemnity and medical benefits for slip and fall injuries. Exhibits 8 and 9 segregate indemnity and medical costs for psychiatric and mental stress injuries. Exhibits 10 and 11 show the indemnity and medical costs of carpal tunnel and repetitive motion injuries. Exhibits 12 and 13 show indemnity and medical costs for other cumulative injuries. Finally, Exhibits 14 and 15 show indemnity and medical costs for all injuries.

Exhibit 16.1 graphically shows the proportion of total loss dollars reported on permanent disability claims attributable to various types of injuries. Exhibit 16.2 shows the average cost per claim for these injuries. As shown on Exhibits 16.1 and 16.2, slip and fall injuries are both the most frequently occurring and most costly of the injury categories summarized.

## Vocational Rehabilitation Benefits

Exhibit 17 summarizes the amounts estimated to be paid for vocational rehabilitation maintenance allowance, evaluation, education and training, vocational rehabilitation settlement, nontransferable education vouchers, as well as other vocational rehabilitation benefits (primarily voluntary vocational rehabilitation benefits). The exhibit is based on data derived from the WCIRB's Aggregate Indemnity and Medical Costs Call, WCIRB Permanent Disability Claim Surveys, and the WCIRB's Call for Calendar Year Experience. In total, insurers paid about \$46 million in vocational rehabilitation-related benefits in calendar year 2015. This was 1.4% of all indemnity payments in 2015, of which 97% was for non-transferable education vouchers. (For comparison purposes, in 2014, vocational rehabilitation benefits paid was \$30 million or 0.9% of all indemnity payments, of which 97% was also for non-transferable education vouchers.)

## Insurer Losses, Expenses and Profits

Exhibits 18.1 and 18.2 summarize California workers' compensation underwriting experience for calendar year 2015.<sup>5</sup> Calendar year 2015 earned premium totaled \$17.1 billion (as compared to the \$16.2 billion of premium earned in 2014). Note that the premiums shown on this exhibit are on a direct basis (i.e., prior to reinsurance assumed or ceded), are prior to the application of deductible credits and retrospective rating plan adjustments, and do not reflect any non-standard California workers' compensation business, such as excess or USL&H insurance. In total, paid losses in 2015, including benefit payments made by CIGA, were \$8.4 billion, or 49% of insurer calendar year earned premium.

Total insurer paid losses (i.e., excluding payments made by CIGA) in 2015 were \$8.2 billion, or 48% of calendar year earned premium. Combining insurer paid losses with a \$2.5 billion increase in total insurer loss reserves resulted in total insurer incurred losses, excluding payments made by CIGA, of \$10.7 billion, or 62% of the premium earned in 2015. (For comparison purposes, in 2014, total insurer paid losses—excluding those made by CIGA—were 51% of earned premium and, with an increase in insurer loss reserves totaling 18% of earned premium, total insurer incurred losses, excluding payments made by CIGA, were 68% of total insurer earned premium.)<sup>6</sup>

<sup>5</sup> Total statewide calendar year 2015 premiums, losses and expenses were estimated based on the experience of insurers that reported premium, loss and expense information to the WCIRB.

<sup>6</sup> Benefit payments made by CIGA during calendar years 2003 to 2015 are also shown as paid loss percentages to insurer earned premium for those calendar years.

The 62% of earned premium stated above pertains to total insurer losses incurred during the “calendar year” 2015. This includes all insurer losses paid and insurer loss reserve changes that occurred during 2015, regardless of when the accidents occurred.

Incurred loss adjustment expenses (allocated and unallocated) in 2015 were \$3.1 billion, or 18% of earned premium. (This includes the full cost to insurers of administering, adjudicating and settling claims.) Incurred loss adjustment expenses include \$831 million in defense attorney expenses incurred in 2015. (For comparison purposes, in 2014, incurred loss adjustment expenses were 18% of earned premium, including \$847 million in defense expenses.)

In total, California insurers have incurred about \$6.1 billion in expenses in 2015, or 36% of 2015 earned premium. (For comparison purposes, in 2014, total incurred expenses were 35% of earned premium.)

In total, incurred losses and expenses in calendar year 2015 were \$16.8 billion, or 98% of earned premium. Based on insurer statutory Annual Statement information, the WCIRB estimates policyholder dividends incurred in 2015 to be 0.4% of 2015 earned premium, resulting in an underwriting profit of \$288 million, or 1.7% of premium. Note that the underwriting profits or losses shown on this exhibit represent only California workers’ compensation insured policies and is prior to reinsurance assumed or ceded and the application of deductible credits or retrospective rating plan adjustments. Similarly, this summary reflects underwriting results only and not overall profitability as figures shown do not contemplate any measure of investment income or federal income taxes.<sup>7</sup> (For 2014, the underwriting loss was 3.8% of earned premium, or \$0.6 billion.)

## Fees Paid to Applicant Attorneys

Although generally part of incurred indemnity losses rather than expenses, the amount paid in 2015 to applicant attorneys was derived from the WCIRB’s Annual Expense Call. In 2015, applicant attorneys were paid \$383 million. (In 2014, applicant attorneys were paid \$404 million.)<sup>8</sup>

## Workers’ Compensation Costs by Injury Detail

Exhibits 19 through 21 summarize loss experience by injury detail for the most current policy year available (i.e., policy year 2013 at first report level). Exhibit 19 shows the number and proportion of claims and incurred losses by cause of injury (e.g., fall, repetitive motion, etc.). Exhibit 20 shows the number and proportion of claims and incurred losses by the nature of the injury sustained (e.g., strain, fracture, etc.). Exhibit 21 shows the number and proportion of claims and incurred losses by the part of body injured.

## Conditions and Limitations

1. The information contained in this report is a summary of historical data provided to the WCIRB by over 130 insurer groups. While numerous detailed data quality checks are performed, the WCIRB can make no warranty with respect to the information provided by third parties.
2. This report is based on data reported to the WCIRB through June 17, 2016. Subsequent revisions to the data could impact the analysis reflected in this report.
3. Some of the cost distributions have been estimated based on less than 100% of the total market.
4. Premium information is prior to reinsurance assumed or ceded or credits for deductibles, and does not reflect retrospective rating plan adjustments or any premiums resulting from non-standard California workers’ compensation coverage such as excess or USL&H insurance. Similarly, losses and expenses shown are prior to reinsurance and do not reflect any deductible recoveries or any losses from non-standard coverages.

<sup>7</sup> See the National Association of Insurance Commissioners’ *Report on Profitability by Line by State*, which is published annually, for an estimate of the overall profitability of California workers’ compensation.

<sup>8</sup> The fees paid to applicant attorneys are based on reports of insurers who were able to provide a comprehensive breakdown of these fees on the WCIRB’s Annual Expense Call. These fees are often included as a part of the indemnity award or settlement and as such cannot always be broken out separately.

5. The report has been based on the reported experience of insured employers. No self-insured data has been included.
6. The information contained in this report has been based on data submitted to date by insurers to the WCIRB. To the extent that insurers who are in rehabilitation or liquidation are no longer reporting data to the WCIRB, the information contained in this report will not reflect the experience of the entire California workers' compensation insurance market. However, loss payments made by CIGA during calendar years 2003 through 2015 have been included in this report.

**Paid Medical Costs for Calendar Year 2015**

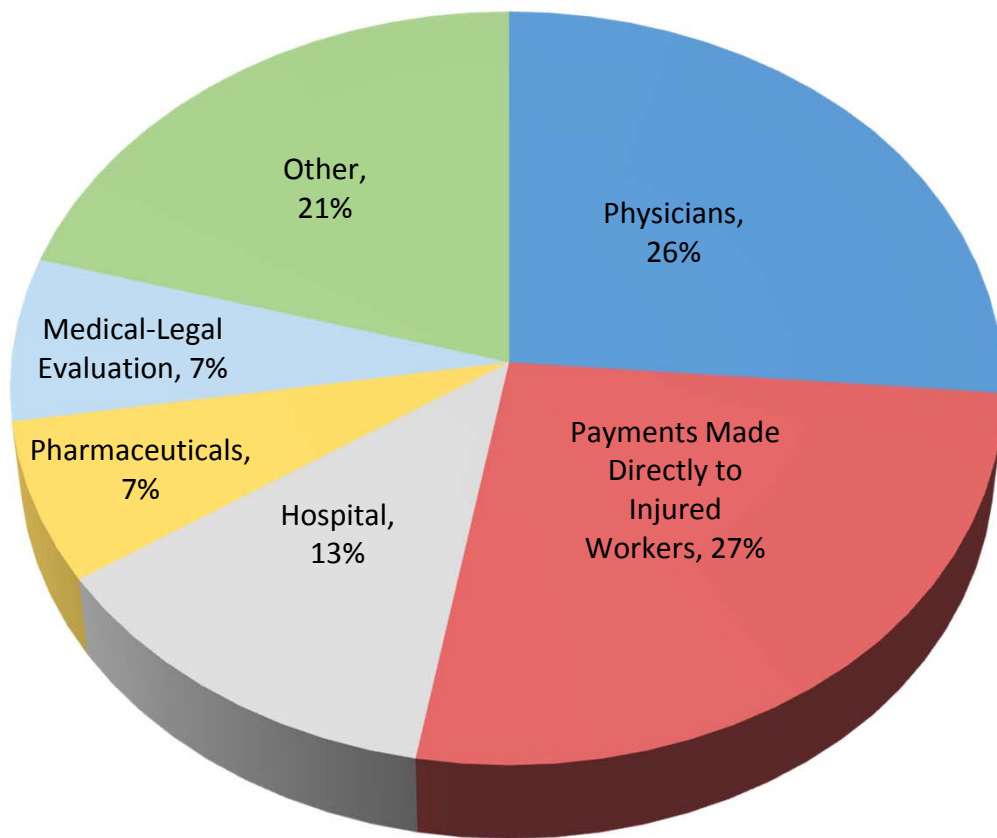
	<u>Total Medical Paid (\$000)</u>	<u>% of Total Medical Services</u>	<u>% of Total Medical Paid</u>
1 Evaluation & Management	436,916	13.8%	8.9%
2 Physical Medicine	254,425	8.0%	5.2%
3 Surgery	228,257	7.2%	4.6%
4 Radiology	118,918	3.7%	2.4%
5 Special Services & Reports	102,723	3.2%	2.1%
6 Medicine	67,238	2.1%	1.4%
7 Pathology & Laboratory	33,278	1.0%	0.7%
8 Anesthesia	25,061	0.8%	0.5%
9 Acupuncture	18,436	0.6%	0.4%
10 Chiropractic	9,480	0.3%	0.2%
11 Other	2,148	0.1%	0.0%
Physician Services (Subtotal)	1,296,879	40.9%	26.3%
12 Medical-Legal Evaluation Payments	342,990	10.8%	7.0%
13 Pharmaceuticals	339,586	10.7%	6.9%
14 Hospital - Inpatient	314,596	9.9%	6.4%
15 Hospital - Outpatient	313,021	9.9%	6.4%
16 Medical Liens	299,442	9.4%	6.1%
17 Medical Supplies and Equipment	248,501	7.8%	5.0%
18 Dental Services	19,345	0.6%	0.4%
Total Payments for Medical Services (Subtotal)	3,174,360	100.0%	64.4%
19 Medical Payments Made Directly to Injured Workers	1,306,396		26.5%
20 Medical Cost Containment Program Payments <sup>[1]</sup>	203,633		4.1%
21 Medical Payments Related to Medicare Set-asides	178,670		3.6%
22 Interpreter Services	27,474		0.6%
23 Capitated Medical Payments	17,865		0.4%
24 Copy Services	14,973		0.3%
25 Reimbursements to Medicare	2,421		0.0%
Total Calendar Year Medical Payments	4,925,792		100.0%

<sup>[1]</sup> Medical Cost Containment Program (MCCP) costs on claims covered by policies incepting prior to July 1, 2010 are considered medical loss; those on claims covered by policies incepting July 1, 2010 and beyond are considered allocated loss adjustment expenses. The amount of MCCP costs reported as allocated loss adjustment expenses for calendar year 2015 is \$307 million.

## Sources:

WCIRB aggregate indemnity and medical cost calls  
WCIRB's Medical Data Call (MDC)

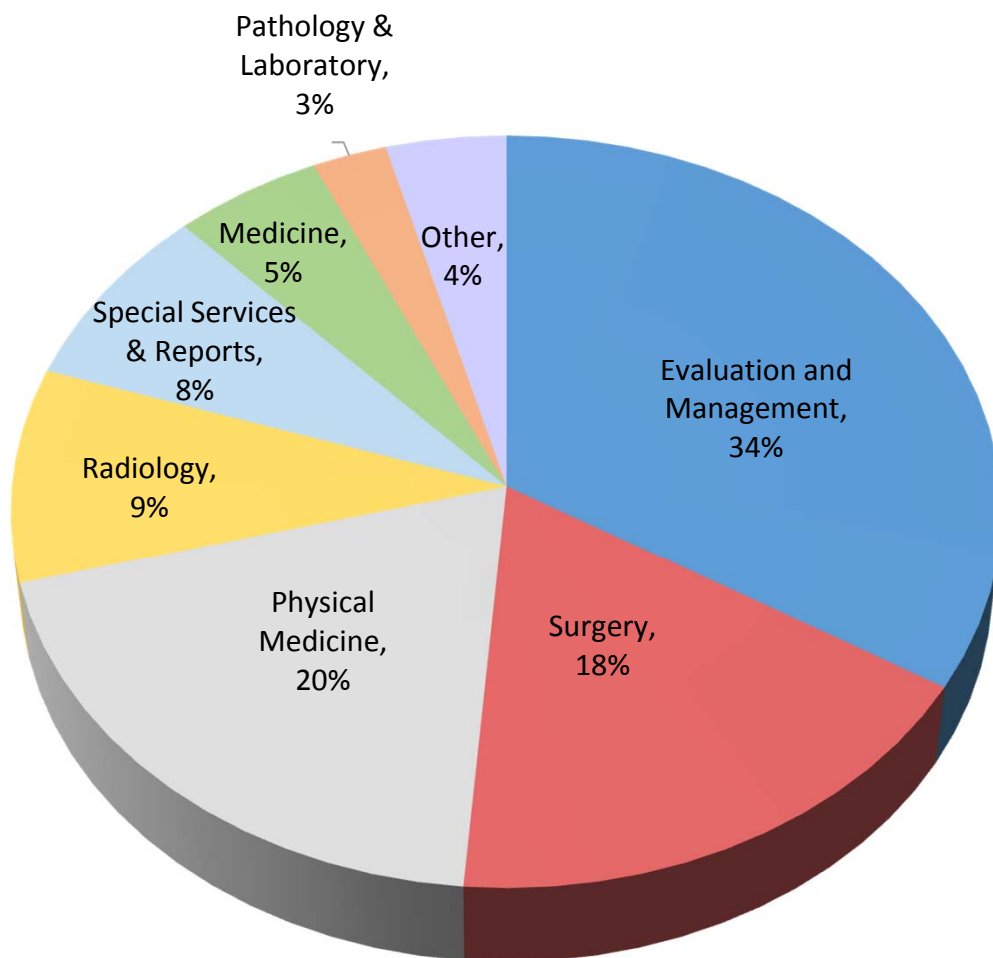
### **Paid Medical Costs for Calendar Year 2015**



Sources:  
WCIRB Aggregate Indemnity and Medical Costs Call  
WCIRB's Medical Data Call (MDC)



**Paid Medical Costs by Physician Specialty  
for Calendar Year 2015**



Source: WCIRB's Medical Data Call

### Distribution of Calendar Year Medical Costs Paid

Medical Payment Type	2015		2014 <sup>[1]</sup>	2013 <sup>[1]</sup>
	Medical Payments (\$000)	As % of Total Medical Payments	As % of Total Medical Payments	As % of Total Medical Payments
1 Medical Payments Made Directly to Injured Workers	\$1,306,396	26.5%	24.1%	24.2%
2 Physician Services	\$1,296,879	26.3%	27.0%	27.7%
3 Medical-Legal Evaluation Payments	\$342,990	7.0%	6.6%	5.7%
4 Pharmaceuticals	\$339,586	6.9%	8.7%	9.4%
5 Hospital - Inpatient	\$314,596	6.4%	6.5%	7.8%
6 Hospital - Outpatient	\$313,021	6.4%	5.6%	5.9%
7 Medical Liens	\$299,442	6.1%	6.1%	4.3%
8 Medical Supplies and Equipment	\$248,501	5.0%	4.9%	5.0%
9 Medical Cost Containment Program Payments <sup>[2]</sup>	\$203,633	4.1%	4.1%	4.2%
10 Medical Payments Related to Medicare Set-asides	\$178,670	3.6%	2.9%	2.5%
11 Interpreter Services <sup>[3]</sup>	\$27,474	0.6%	1.9%	1.6%
12 Dental Services	\$19,345	0.4%	0.4%	0.3%
13 Capitated Medical Payments	\$17,865	0.4%	0.2%	0.3%
14 Copy Services <sup>[3]</sup>	\$14,973	0.3%	0.9%	1.1%
15 Reimbursements to Medicare	\$2,421	0.0%	0.1%	0.1%
Total Medical Payments	\$4,925,792	100.0%	100.0%	100.0%

<sup>[1]</sup> Figures have been updated since the issuance of last year's report.

<sup>[2]</sup> Medical Cost Containment Program (MCCP) costs on claims covered by policies incepting prior to July 1, 2010 are considered medical loss; those on claims covered by policies incepting July 1, 2010 and beyond are considered allocated loss adjustment expenses. The amount of MCCP costs reported as allocated loss adjustment expenses for calendar year 2015 is \$307 million.

<sup>[3]</sup> 2013 and 2014 figures are based on WCIRB surveys of insurer medical payments.

Sources: WCIRB aggregate indemnity and medical cost calls  
WCIRB's Medical Data Call (MDC)

### Distribution of Medical Service Payments by Type of Provider

Provider Type	2015		2014 <sup>[1]</sup>	2013 <sup>[1]</sup>
	Medical Service Payments (\$000)	As % of Total Medical Service Payments	As % of Total Medical Service Payments	As % of Total Medical Service Payments
1 Physician Specialist	\$627,367	19.8%	18.0%	18.3%
2 Hospital-Based Provider	\$544,076	17.1%	15.9%	18.4%
3 MD General Practitioner	\$338,158	10.7%	15.7%	12.5%
4 Surgeon	\$286,301	9.0%	8.1%	8.3%
5 Pharmacist	\$272,999	8.6%	10.1%	10.3%
6 Ambulatory Surgical Center (ASC) Provider	\$237,294	7.5%	6.1%	6.3%
7 Physical Therapist	\$208,734	6.6%	6.2%	6.6%
8 Occupational Health Provider	\$120,411	3.8%	3.8%	3.2%
9 Durable Medical Equipment (DME) Supplier	\$107,675	3.4%	3.0%	3.2%
10 Rehabilitation Provider	\$87,398	2.8%	2.5%	1.8%
11 Psychology, Psychiatry, & Neurology	\$75,764	2.4%	2.3%	2.4%
12 Chiropractic	\$62,560	2.0%	1.8%	1.8%
13 Lab Testing Provider	\$50,678	1.6%	1.7%	1.6%
14 Home Health Provider	\$37,556	1.2%	1.3%	1.2%
15 Acupuncturist	\$19,202	0.6%	0.5%	0.5%
16 Podiatrist	\$8,348	0.3%	0.2%	0.2%
17 Marriage, Family and Counselors	\$1,384	0.0%	0.0%	0.3%
18 Optometrist	\$856	0.0%	0.0%	0.0%
19 Social Workers	\$161	0.0%	0.0%	0.0%
20 Others	\$86,053	2.7%	2.7%	3.0%
Total Medical Service Payments	\$3,174,360	100.0%	100.0%	100.0%

<sup>[1]</sup> Figures have been updated since the issuance of last year's report.

Source: WCIRB's Medical Data Call (MDC)

### Distribution of Physician Service Payments

Physician Service by Type of Procedure	2015		2014 <sup>[1]</sup>	2013 <sup>[1]</sup>
	Physician Service Payments (\$000)	As % of Total Physician Service Payments	As % of Total Physician Service Payments	As % of Total Physician Service Payments
1 Evaluation & Management	\$436,916	33.7%	29.9%	25.5%
2 Physical Medicine	\$254,425	19.6%	17.3%	14.1%
3 Surgery	\$228,257	17.6%	18.3%	19.5%
4 Radiology	\$118,918	9.2%	9.9%	10.3%
5 Special Services & Reports	\$102,723	7.9%	9.3%	12.2%
6 Medicine	\$67,238	5.2%	5.9%	8.8%
7 Pathology & Laboratory	\$33,278	2.6%	5.4%	5.7%
8 Anesthesia	\$25,061	1.9%	2.0%	2.0%
9 Acupuncture	\$18,436	1.4%	1.2%	1.1%
10 Chiropractic	\$9,480	0.7%	0.7%	0.7%
11 Other	\$2,148	0.2%	0.1%	0.0%
Total Physician Service Payments	\$1,296,879	100.0%	100.0%	100.0%

<sup>[1]</sup> Figures have been updated since the issuance of last year's report.

Source: WCIRB's Medical Data Call (MDC)

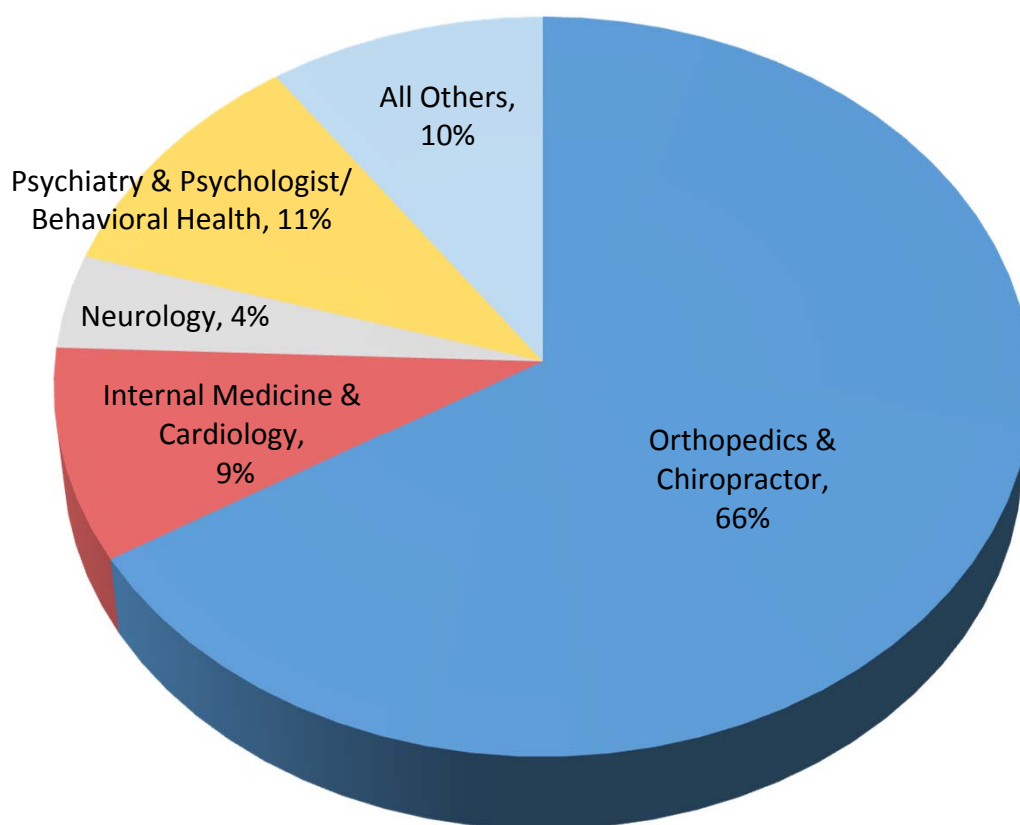
## Paid Medical-Legal Costs

Physician Specialty	Service Year 2015				Service Year 2014 <sup>[1]</sup>				Service Year 2013 <sup>[1]</sup>				Service Year 2012 <sup>[1]</sup>			
	Number of Reports	Cost of Reports	Average Cost Per Report		Number of Reports	Cost of Reports	Average Cost Per Report		Number of Reports	Cost of Reports	Average Cost Per Report		Number of Reports	Cost of Reports	Average Cost Per Report	
Orthopedic	60.8%	52.3%	\$1,408		59.7%	51.2%	\$1,428		57.8%	49.7%	\$1,320		56.9%	47.4%	\$1,233	
Internal Medicine & Cardiology	9.3%	9.2%	\$1,620		9.4%	9.9%	\$1,753		11.7%	11.7%	\$1,546		10.2%	10.5%	\$1,523	
Chiropractor	5.5%	5.2%	\$1,546		5.9%	5.0%	\$1,402		5.4%	4.0%	\$1,157		5.5%	4.4%	\$1,188	
Psychologist/Behavioral Health	5.3%	9.0%	\$2,758		5.5%	9.9%	\$2,979		5.9%	10.1%	\$2,632		6.7%	11.8%	\$2,590	
Psychiatry	5.2%	10.5%	\$3,333		5.6%	10.5%	\$3,114		5.9%	11.3%	\$2,947		6.6%	12.1%	\$2,709	
Neurology	4.1%	5.1%	\$2,052		4.4%	5.2%	\$1,977		4.6%	5.4%	\$1,777		4.7%	5.5%	\$1,713	
All Others	9.9%	8.8%	\$1,457		9.5%	8.4%	\$1,464		8.7%	7.7%	\$1,359		9.2%	8.3%	\$1,328	
Total/Average	100.0%	100.0%	\$1,638		100.0%	100.0%	\$1,665		100.0%	100.0%	\$1,535		100.0%	100.0%	\$1,481	

<sup>[1]</sup> Figures have been updated from those in last year's report to include data based on the WCIRB's Medical Data Call.

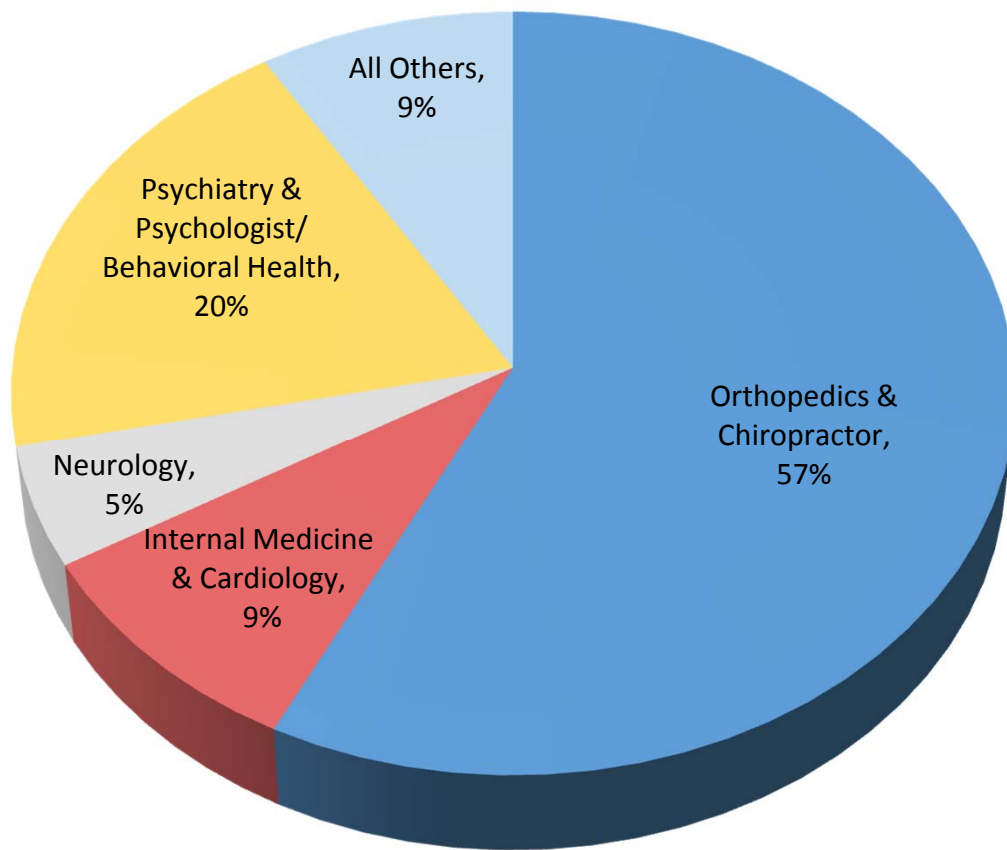
Sources: WCIRB's Medical Data Call (MDC). All figures are based on medical-legal transactions reported on all claim types form all accident years within the service year.

**Number of Medical-Legal Reports by Physician Specialty  
for Calendar Year 2015**



Source: WCIRB's Medical Data Call

**Paid Medical-Legal Costs by Physician Specialty  
for Calendar Year 2015**



Source: WCIRB's Medical Data Call

### Paid Indemnity Benefits for Calendar Year 2015

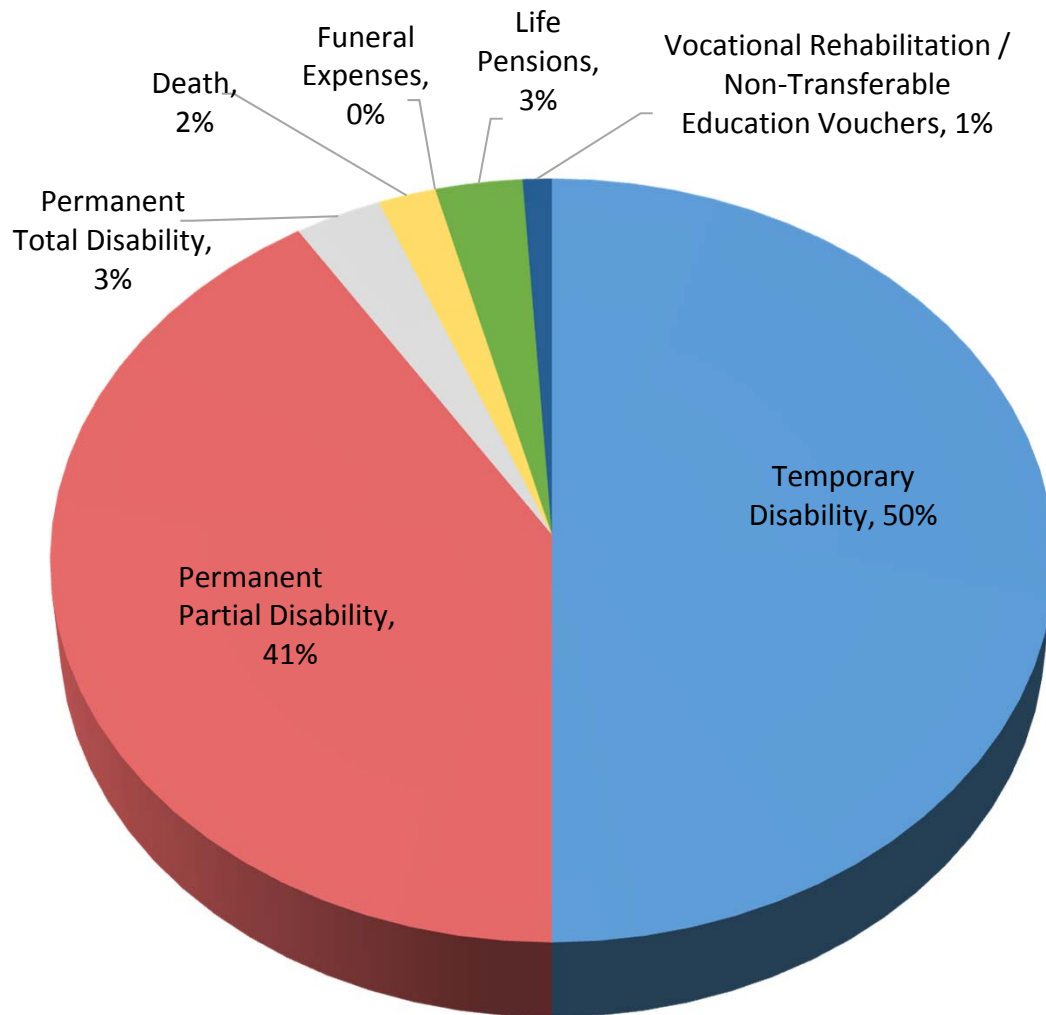
Benefit Type	Indemnity Paid (\$ in Thousands)	Percentage of Total Indemnity Paid
Temporary Disability*	1,745,171	50.1%
Permanent Total Disability*	114,957	3.3%
Permanent Partial Disability*		
0.25% - 24.75%	668,851	19.2%
25.00% - 69.75%	665,413	19.1%
70.00% - 99.75%	79,632	2.3%
Total Permanent Partial	1,413,896	40.6%
Death*	68,167	2.0%
Funeral Expenses	2,430	0.1%
Life Pensions	93,329	2.7%
Vocational Rehabilitation/ Non-Transferable Education Vouchers*	45,829	1.3%
Total Indemnity Paid	3,483,779	100.0%

Note: Single Sum Settlement and Other Indemnity payments have been allocated to the benefit categories shown with an asterisk (\*).

Source: WCIRB calendar year calls for experience and unit statistical data



### Paid Indemnity Benefits for Calendar Year 2015



Source: WCIRB calendar year calls for experience and unit statistical data

**Policy Year 2013 Permanent Disability Summary**  
Back Injuries - Indemnity

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>
1 - 4	1,143	206,999	5,919,786	11,166,537
5 - 9	2,722	1,030,181	18,563,610	39,101,903
10 - 14	2,037	1,486,889	20,874,808	44,386,396
15 - 19	1,581	1,246,282	18,570,732	42,568,538
20 - 24	626	661,224	9,042,290	22,616,121
Unknown	61	11,002	650,790	1,093,540
Minor Total	8,170	4,642,577	73,622,016	160,933,035
25 - 29	298	408,737	5,273,962	14,796,601
30 - 34	207	266,902	4,166,880	11,453,424
35 - 39	80	122,300	1,830,083	5,307,062
40 - 44	63	92,014	1,218,262	4,314,882
45 - 49	31	54,000	874,332	2,735,238
50 - 54	32	30,000	905,261	2,596,229
55 - 59	16	21,261	378,449	1,389,776
60 - 64	10	30,000	200,680	1,016,917
65 - 69	8	6,000	351,712	979,830
70 - 74	2	0	33,686	175,169
75 - 79	3	12,000	93,516	766,681
80 - 84	6	6,000	303,288	890,573
85 - 89	0	0	0	0
90 - 94	5	6,000	198,602	704,071
95 - 99	2	6,000	92,197	902,112
Unknown	5	6,000	125,635	901,900
Major Total	768	1,067,214	16,046,545	48,930,465
Permanent Total	1	0	191,888	798,764
Grand Total	8,939	5,709,791	89,860,449	210,662,264

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
Back Injuries - Medical

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	1,143	6,460,533	16,924,021
5 - 9	2,722	18,260,859	53,612,529
10 - 14	2,037	17,985,974	53,465,526
15 - 19	1,581	16,445,754	47,321,003
20 - 24	626	8,853,405	26,840,870
Unknown	61	693,496	1,305,608
Minor Total	8,170	68,700,021	199,469,557
25 - 29	298	6,017,501	17,691,034
30 - 34	207	4,324,689	13,150,227
35 - 39	80	2,947,068	7,799,597
40 - 44	63	1,437,714	4,901,650
45 - 49	31	1,444,121	4,370,537
50 - 54	32	1,930,496	5,248,974
55 - 59	16	703,368	2,193,035
60 - 64	10	793,748	1,961,495
65 - 69	8	377,595	935,789
70 - 74	2	9,742	45,917
75 - 79	3	581,596	1,965,980
80 - 84	6	842,614	2,190,120
85 - 89	0	0	0
90 - 94	5	267,572	863,292
95 - 99	2	1,137,982	3,493,299
Unknown	5	289,097	933,172
Major Total	768	23,104,903	67,744,118
Permanent Total	1	2,626,929	13,583,867
Grand Total	8,939	94,431,853	280,797,542

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
Slip and Fall Injuries - Indemnity

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>
1 - 4	1,190	262,032	8,158,845	13,748,538
5 - 9	2,315	1,030,051	20,830,943	39,965,551
10 - 14	1,556	1,098,119	17,663,329	36,973,945
15 - 19	1,255	972,588	16,648,327	36,184,104
20 - 24	521	676,221	9,138,902	21,693,808
Unknown	35	18,000	398,180	610,150
Minor Total	6,872	4,057,011	72,838,526	149,176,096
25 - 29	296	414,046	6,487,690	15,280,383
30 - 34	191	291,703	3,954,177	10,737,935
35 - 39	75	109,500	1,834,956	4,977,611
40 - 44	64	75,000	1,734,931	5,049,528
45 - 49	42	55,500	1,147,589	3,335,331
50 - 54	34	61,000	1,166,293	3,402,161
55 - 59	17	15,750	422,867	1,610,912
60 - 64	12	24,000	207,749	1,199,582
65 - 69	11	12,000	442,714	1,630,616
70 - 74	3	12,000	79,254	578,564
75 - 79	4	6,000	150,319	888,536
80 - 84	6	12,000	359,995	1,108,014
85 - 89	2	0	10,635	381,047
90 - 94	4	12,000	111,712	729,377
95 - 99	2	0	39,945	321,855
Unknown	7	6,000	116,895	970,862
Major Total	770	1,106,499	18,267,721	52,202,314
Permanent Total	5	0	315,962	3,818,398
Grand Total	7,647	5,163,510	91,422,209	205,196,808

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
Slip and Fall Injuries - Medical

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	1,190	10,212,921	22,007,792
5 - 9	2,315	23,357,641	59,569,444
10 - 14	1,556	18,546,723	48,310,551
15 - 19	1,255	18,851,687	45,683,312
20 - 24	521	11,202,632	27,982,384
Unknown	35	440,703	725,010
Minor Total	6,872	82,612,307	204,278,493
25 - 29	296	8,304,128	20,065,402
30 - 34	191	7,876,280	16,294,501
35 - 39	75	3,317,267	7,111,590
40 - 44	64	3,107,153	7,180,706
45 - 49	42	2,378,890	5,908,675
50 - 54	34	2,394,344	6,401,874
55 - 59	17	842,906	1,831,372
60 - 64	12	1,476,983	3,076,904
65 - 69	11	3,213,182	4,741,123
70 - 74	3	284,393	868,118
75 - 79	4	202,152	1,007,509
80 - 84	6	945,909	2,432,637
85 - 89	2	1,219,958	3,750,376
90 - 94	4	317,408	897,695
95 - 99	2	340,764	717,903
Unknown	7	807,662	1,914,138
Major Total	770	37,029,379	84,200,523
Permanent Total	5	7,527,371	34,003,133
Grand Total	7,647	127,169,057	322,482,149

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
 Psychiatric and Mental Stress Injuries - Indemnity

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>
1 - 4	116	16,336	325,072	751,352
5 - 9	163	28,988	708,518	1,796,224
10 - 14	101	33,274	767,955	1,741,198
15 - 19	151	22,810	1,071,975	2,597,216
20 - 24	48	15,175	439,822	1,121,560
Unknown	3	0	0	50,819
Minor Total	582	116,583	3,313,342	8,058,369
25 - 29	24	36,505	470,533	1,075,006
30 - 34	12	7,500	329,696	590,497
35 - 39	9	14,000	184,569	501,245
40 - 44	7	0	99,523	426,983
45 - 49	0	0	0	0
50 - 54	2	0	32,754	68,349
55 - 59	4	14,269	29,663	309,493
60 - 64	0	0	0	0
65 - 69	0	0	0	0
70 - 74	2	0	2,028	115,282
75 - 79	0	0	0	0
80 - 84	0	0	0	0
85 - 89	0	0	0	0
90 - 94	0	0	0	0
95 - 99	0	0	0	0
Unknown	1	0	0	4,135
Major Total	61	72,274	1,148,766	3,090,990
Permanent Total	0	0	0	0
Grand Total	643	188,857	4,462,108	11,149,359

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
 Psychiatric and Mental Stress Injuries - Medical

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	116	462,938	1,184,819
5 - 9	163	624,291	2,147,471
10 - 14	101	600,501	1,703,715
15 - 19	151	858,345	2,356,507
20 - 24	48	333,909	874,802
Unknown	3	9,906	90,580
Minor Total	582	2,889,890	8,357,894
25 - 29	24	187,313	701,589
30 - 34	12	177,208	490,009
35 - 39	9	66,008	296,536
40 - 44	7	32,606	182,557
45 - 49	0	0	0
50 - 54	2	2,294	16,568
55 - 59	4	60,423	353,677
60 - 64	0	0	0
65 - 69	0	0	0
70 - 74	2	4,797	52,352
75 - 79	0	0	0
80 - 84	0	0	0
85 - 89	0	0	0
90 - 94	0	0	0
95 - 99	0	0	0
Unknown	1	405	13,000
Major Total	61	531,054	2,106,288
Permanent Total	0	0	0
Grand Total	643	3,420,944	10,464,182

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
 Carpal Tunnel / Repetitive Motion Injuries - Indemnity

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>
1 - 4	711	63,748	2,848,667	5,471,103
5 - 9	1,175	292,440	7,445,034	16,769,435
10 - 14	656	428,045	5,275,052	13,760,835
15 - 19	381	231,386	3,825,695	10,467,783
20 - 24	176	63,730	1,969,970	5,321,512
Unknown	27	10,500	123,804	349,359
Minor Total	3,126	1,089,849	21,488,222	52,140,027
25 - 29	70	45,839	1,208,798	3,424,217
30 - 34	33	32,500	607,073	1,713,961
35 - 39	22	12,000	347,291	1,449,829
40 - 44	16	8,000	293,733	924,535
45 - 49	8	13,500	130,762	552,010
50 - 54	6	12,000	51,604	394,364
55 - 59	4	0	73,081	213,235
60 - 64	6	0	166,023	473,089
65 - 69	0	0	0	0
70 - 74	1	0	4,565	16,894
75 - 79	0	0	0	0
80 - 84	2	0	4,468	24,665
85 - 89	0	0	0	0
90 - 94	0	0	0	0
95 - 99	1	0	101,743	101,745
Unknown	2	0	23,096	143,812
Major Total	171	123,839	3,012,237	9,432,356
Permanent Total	0	0	0	0
Grand Total	3,297	1,213,688	24,500,459	61,572,383

Source: WCIRB unit statistical data at first report level



**Policy Year 2013 Permanent Disability Summary**  
 Carpal Tunnel / Repetitive Motion Injuries - Medical

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	711	3,427,320	8,845,996
5 - 9	1,175	6,996,089	21,861,730
10 - 14	656	4,396,590	16,343,271
15 - 19	381	3,168,879	11,638,427
20 - 24	176	1,639,426	5,845,000
Unknown	27	124,669	497,330
Minor Total	3,126	19,752,973	65,031,754
25 - 29	70	768,834	3,114,626
30 - 34	33	462,872	1,543,767
35 - 39	22	258,198	1,291,508
40 - 44	16	188,626	758,794
45 - 49	8	67,969	447,846
50 - 54	6	76,609	341,541
55 - 59	4	35,802	158,900
60 - 64	6	99,999	222,298
65 - 69	0	0	0
70 - 74	1	8,680	43,268
75 - 79	0	0	0
80 - 84	2	15,645	82,689
85 - 89	0	0	0
90 - 94	0	0	0
95 - 99	1	41,827	111,122
Unknown	2	8,691	80,536
Major Total	171	2,033,752	8,196,895
Permanent Total	0	0	0
Grand Total	3,297	21,786,725	73,228,649

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
Other Cumulative Injuries - Indemnity

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>
1 - 4	869	68,170	1,619,414	4,171,731
5 - 9	1,588	304,493	4,543,325	14,872,486
10 - 14	1,111	562,406	4,562,969	15,699,365
15 - 19	573	428,392	3,797,203	12,416,797
20 - 24	357	229,547	2,549,530	8,294,542
Unknown	24	7,562	53,890	243,232
Minor Total	4,522	1,600,570	17,126,331	55,698,153
25 - 29	113	121,350	979,534	3,902,428
30 - 34	87	120,500	714,153	3,117,160
35 - 39	39	54,000	404,154	1,697,755
40 - 44	23	30,000	425,064	1,248,490
45 - 49	15	31,500	231,035	1,053,107
50 - 54	19	35,550	107,994	977,093
55 - 59	8	12,000	122,126	623,222
60 - 64	3	12,000	28,199	289,381
65 - 69	3	12,000	44,895	370,085
70 - 74	1	0	25,907	99,488
75 - 79	1	6,000	20,571	331,700
80 - 84	0	0	0	0
85 - 89	0	0	0	0
90 - 94	0	0	0	0
95 - 99	0	0	0	0
Unknown	1	0	5,894	7,626
Major Total	313	434,900	3,109,526	13,717,535
Permanent Total	2	0	55,476	362,883
Grand Total	4,837	2,035,470	20,291,333	69,778,571

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
Other Cumulative Injuries - Medical

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	869	2,486,034	9,141,635
5 - 9	1,588	5,707,760	23,024,255
10 - 14	1,111	4,471,609	20,634,850
15 - 19	573	2,804,638	13,117,274
20 - 24	357	2,172,178	8,869,299
Unknown	24	65,163	334,465
Minor Total	4,522	17,707,382	75,121,778
25 - 29	113	722,010	3,981,878
30 - 34	87	1,262,653	3,732,881
35 - 39	39	314,209	2,474,091
40 - 44	23	448,263	1,187,928
45 - 49	15	212,599	1,060,465
50 - 54	19	135,816	1,030,071
55 - 59	8	42,117	279,502
60 - 64	3	444,411	1,021,282
65 - 69	3	324,938	949,741
70 - 74	1	6,082	69,800
75 - 79	1	177,755	691,271
80 - 84	0	0	0
85 - 89	0	0	0
90 - 94	0	0	0
95 - 99	0	0	0
Unknown	1	1,067	10,001
Major Total	313	4,091,920	16,488,911
Permanent Total	2	4,563	170,707
Grand Total	4,837	21,803,865	91,781,396

Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
All Injuries - Indemnity

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>
1 - 4	7,632	1,283,078	38,755,622	68,829,994
5 - 9	13,144	4,442,027	95,358,626	193,902,360
10 - 14	8,330	5,384,015	81,358,437	178,801,974
15 - 19	6,502	4,314,677	75,105,402	168,922,416
20 - 24	2,499	2,230,011	34,337,512	86,506,245
Unknown	306	53,152	2,512,908	4,973,356
Minor Total	38,413	17,706,960	327,428,507	701,936,345
25 - 29	1,095	1,320,172	20,145,331	52,834,366
30 - 34	755	921,387	14,245,735	38,130,262
35 - 39	346	405,258	7,548,374	21,509,112
40 - 44	239	329,014	5,662,241	17,895,536
45 - 49	135	168,750	3,386,325	11,157,685
50 - 54	147	227,195	3,791,705	12,463,145
55 - 59	70	97,032	1,733,026	6,856,601
60 - 64	46	87,000	1,147,897	4,939,773
65 - 69	43	88,000	1,534,179	5,926,734
70 - 74	27	24,000	1,101,010	3,892,424
75 - 79	17	30,000	422,440	3,126,794
80 - 84	25	31,500	697,991	4,168,299
85 - 89	5	0	94,246	1,192,952
90 - 94	11	12,000	315,797	1,323,505
95 - 99	10	18,000	389,849	2,858,448
Unknown	31	6,000	1,304,646	4,714,728
Major Total	3,002	3,765,308	63,520,792	192,990,364
Permanent Total	19	12,000	654,670	14,443,922
Grand Total	41,434	21,484,268	391,603,969	909,370,631

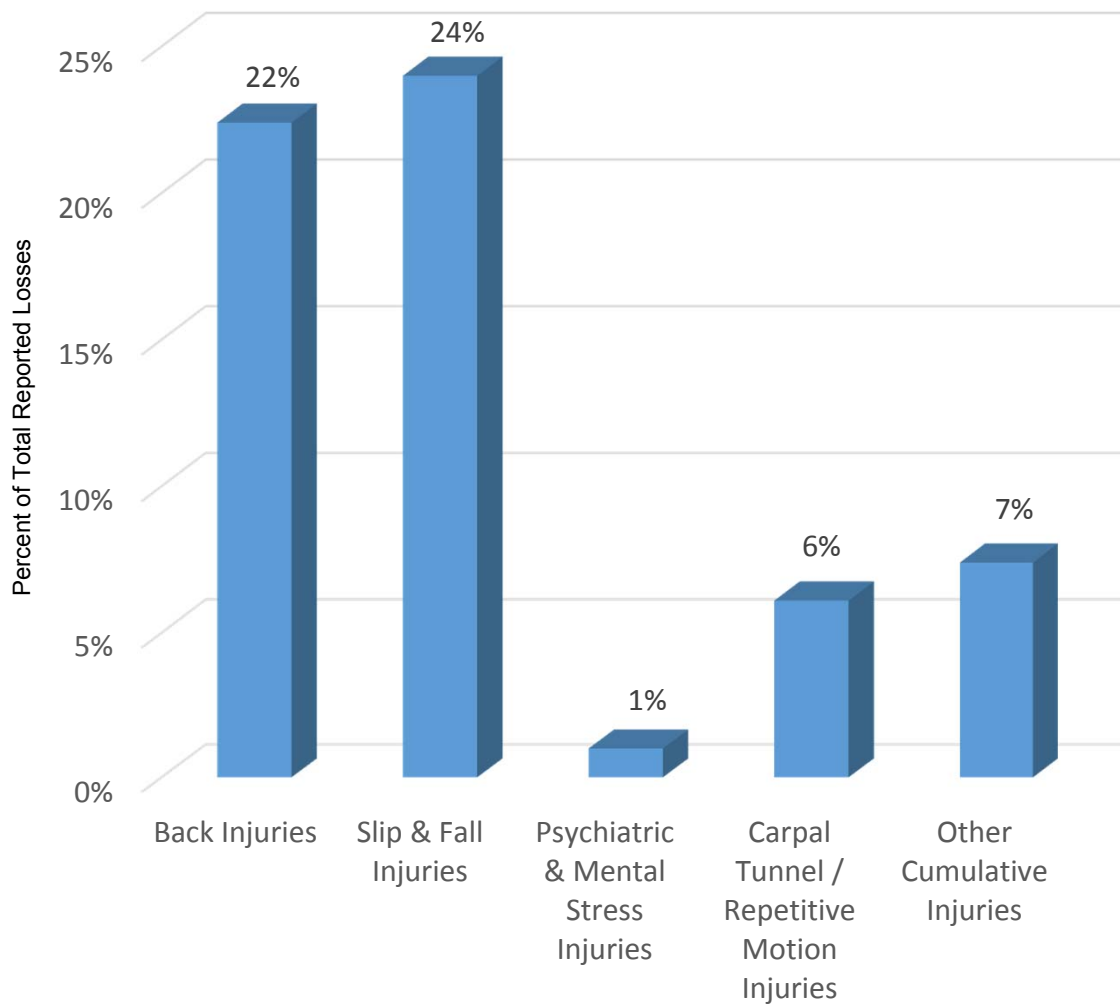
Source: WCIRB unit statistical data at first report level

**Policy Year 2013 Permanent Disability Summary**  
All Injuries - Medical

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	7,632	47,779,151	114,355,852
5 - 9	13,144	100,105,334	276,943,485
10 - 14	8,330	78,036,090	225,126,888
15 - 19	6,502	72,720,429	196,399,177
20 - 24	2,499	36,407,102	103,065,375
Unknown	306	2,861,084	6,105,251
Minor Total	38,413	337,909,190	921,996,028
25 - 29	1,095	23,172,418	64,788,669
30 - 34	755	21,597,184	51,732,333
35 - 39	346	10,066,760	28,823,497
40 - 44	239	9,675,717	25,275,075
45 - 49	135	6,252,890	17,275,210
50 - 54	147	10,490,140	27,024,203
55 - 59	70	3,908,531	10,785,584
60 - 64	46	4,121,012	9,990,438
65 - 69	43	6,645,123	13,813,542
70 - 74	27	3,715,011	10,451,408
75 - 79	17	2,568,317	9,903,387
80 - 84	25	4,926,432	10,512,864
85 - 89	5	1,530,675	4,473,090
90 - 94	11	491,312	2,225,557
95 - 99	10	3,415,329	9,222,859
Unknown	31	3,624,000	9,845,954
Major Total	3,002	116,200,851	306,143,670
Permanent Total	19	16,030,992	60,191,349
Grand Total	41,434	470,141,033	1,288,331,047

Source: WCIRB unit statistical data at first report level

**Total Reported Losses\* by Type of Injury\*\*  
for Policy Year 2013**

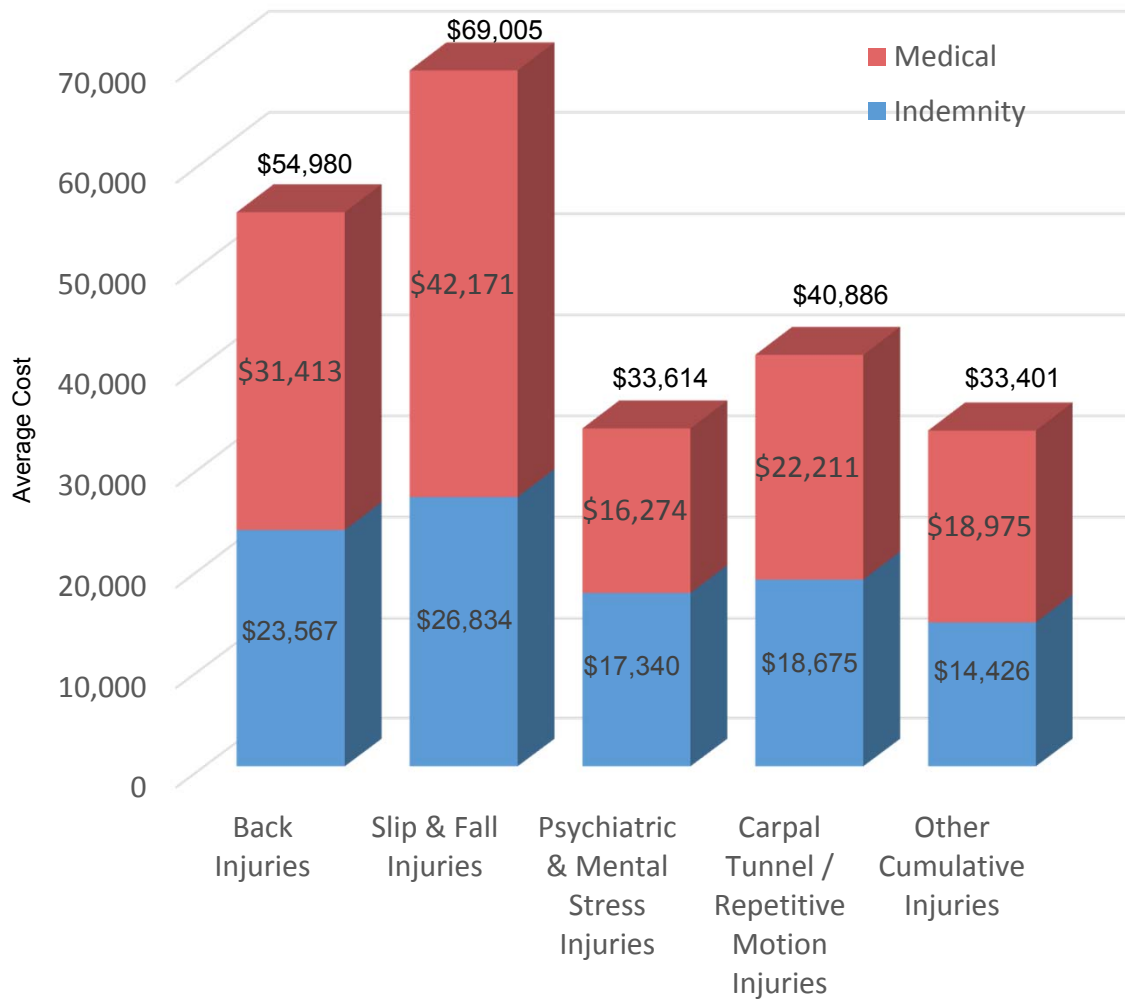


\* These costs are based on claim data evaluated as of 18 months from inception of each 2013 policy, and are not developed to an ultimate basis.

\*\* These categories are not mutually exclusive. For example, some back injuries result from slips and falls.

Source: WCIRB unit statistical data at first report level

**Average Cost (Undeveloped)\* Per Permanent Disability Claim  
by Type of Injury\*\*  
for Policy Year 2013**



\* These costs are based on claim data evaluated as of 18 months from inception of each 2013 policy, and are not developed to an ultimate basis.

\*\* These categories are not mutually exclusive. For example, some back injuries result from slips and falls.

Source: WCIRB unit statistical data at first report level

## Paid Vocational Rehabilitation by Calendar Year

Category	2015				2014				2013				2012				2011			
	Voc. Rehab. Paid(\$000)	% of Total Voc.	% of Total Paid	Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc.	% of Total Paid	Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc.	% of Total Paid	Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc.	% of Total Paid	Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc.	% of Total Paid	Indemnity
Maintenance Allowance	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	371	1.1%	0.0%	0.0%
Evaluation	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	159	0.5%	0.0%	0.0%
Education & Training	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	248	0.8%	0.0%	0.0%
VR Settlement	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	146	0.5%	0.0%	0.0%
Education Vouchers	44,421	96.9%	1.3%	0.9%	29,137	97.0%	0.9%	1.1%	36,226	97.3%	1.1%	1.1%	34,536	95.4%	1.0%	1.0%	30,476	94.4%	1.0%	1.0%
Other Voc. Rehab.	1,408	3.1%	0.0%	0.0%	911	3.0%	0.0%	0.0%	1,001	2.7%	0.0%	0.0%	1,674	4.6%	0.0%	0.0%	883	2.7%	0.0%	0.0%
Total Vocational Rehabilitation	45,829	100.0%	1.4%	0.9%	30,047	100.0%	0.9%	1.1%	37,226	100.0%	1.1%	1.1%	36,210	100.0%	1.1%	1.1%	32,282	100.0%	1.1%	1.1%

Source: WCIRB calendar year calls for experience and Permanent Disability Claims Survey



## Insurer Underwriting Experience by Calendar Year

	2015	2014 <sup>[1]</sup>	2013 <sup>[1]</sup>	2012 <sup>[1]</sup>	2011	2010	2009	2008	2007	2006	2005	2004	2003
Direct Earned Premium (\$ in Millions)													
Gross of Deductible Credits	\$17,114	\$16,226	\$14,382	\$12,084	\$10,440	\$9,632	\$9,068	\$10,904	\$13,331	\$17,282	\$21,477	\$23,251	\$20,298
Direct Losses & Expenses (\$ in Millions)													
1 Paid Losses													
a. Indemnity													
i. Insurer	\$3,436	20.1%	23.0%	26.2%	28.3%	28.8%	30.1%	26.6%	23.0%	19.7%	19.2%	19.2%	21.2%
ii. CIGA <sup>[2]</sup>	\$47	0.3%	0.3%	0.3%	0.5%	0.6%	0.8%	0.8%	0.7%	1.0%	1.0%	1.3%	1.8%
iii. Total Indemnity Paid	\$3,484	20.4%	23.3%	26.5%	28.8%	29.4%	30.9%	27.4%	23.8%	20.7%	20.2%	20.5%	23.0%
b. Medical													
i. Insurer	\$4,770	27.9%	35.4%	39.1%	41.8%	43.9%	44.7%	37.4%	27.7%	20.7%	17.2%	18.7%	22.6%
ii. CIGA <sup>[2]</sup>	\$156	0.9%	0.9%	0.9%	0.8%	1.0%	1.1%	1.1%	0.9%	1.0%	0.9%	1.3%	1.9%
iii. Total Medical Paid	\$4,926	28.8%	36.3%	40.1%	42.6%	44.9%	45.9%	38.5%	28.6%	21.7%	18.2%	20.0%	24.5%
c. Total Paid Losses													
i. Insurer	\$8,207	48.0%	58.4%	65.3%	70.1%	72.7%	74.8%	64.0%	50.8%	40.4%	36.4%	37.9%	43.8%
ii. CIGA <sup>[2]</sup>	\$203	1.2%	1.2%	1.3%	1.3%	1.6%	1.9%	1.9%	1.6%	2.0%	2.0%	2.5%	3.7%
iii. Total Losses Paid	\$8,410	49.1%	59.6%	66.6%	71.4%	74.2%	76.7%	65.9%	52.4%	42.4%	38.4%	40.5%	47.5%
2 Change in Insurer Reserves <sup>[3]</sup>	\$2,452	14.3%	13.3%	11.0%	3.9%	1.3%	-1.7%	-0.1%	2.1%	4.3%	17.9%	24.0%	36.1%
3 Insurer Losses Incurred [1(c.i.) + 2]	\$10,659	62.3%	71.8%	76.3%	74.0%	73.9%	73.2%	63.9%	52.9%	44.7%	54.3%	61.9%	79.9%
4 Insurer Loss Adjustment Expenses (LAE)													
a. Allocated	\$2,012	11.8%	12.0%	11.7%	11.4%	9.9%	9.8%	7.6%	5.6%	5.6%	5.0%	5.1%	4.9%
b. Unallocated <sup>[3]</sup>	\$1,068	6.2%	6.3%	6.2%	13.9%	10.2%	11.0%	9.1%	8.1%	6.9%	5.8%	5.3%	6.0%
c. Total LAE	\$3,080	18.0%	18.3%	18.0%	25.3%	20.1%	20.8%	16.7%	13.7%	12.5%	10.8%	10.4%	10.9%
5 Commissions & Brokerage	\$1,256	7.3%	7.4%	7.8%	8.2%	7.6%	7.7%	7.4%	6.7%	6.0%	5.0%	5.9%	6.5%
6 Other Acquisition Expenses	\$593	3.5%	3.6%	3.7%	4.9%	5.5%	5.6%	4.7%	3.7%	3.3%	2.9%	2.6%	2.5%
7 General Expenses	\$806	4.7%	5.0%	6.5%	7.6%	7.3%	7.2%	6.4%	5.4%	4.2%	3.7%	3.1%	3.0%
8 Premium & Other Taxes	\$360	2.1%	1.8%	2.3%	2.2%	2.4%	1.9%	1.9%	2.5%	2.4%	2.5%	2.3%	2.5%
9 Insurer Total Expenses [4 + 5 + 6 + 7 + 8]	\$6,095	35.6%	36.6%	38.4%	48.2%	42.8%	43.2%	37.1%	31.9%	28.3%	24.8%	24.3%	25.4%
10 Insurer Total Losses & Expenses [3 + 9]	\$16,754	97.9%	103.4%	114.7%	122.2%	116.7%	116.4%	101.0%	84.8%	73.0%	79.1%	86.2%	105.3%
11 Insurer Policyholder Dividends	\$72	0.4%	0.4%	0.9%	0.1%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.0%	0.0%
12 Insurer Pre-Tax Underwriting Profit (Loss) <sup>[4]</sup>	\$288	1.7%	-3.8%	-8.7%	-15.6%	-16.9%	-16.6%	-1.2%	15.1%	26.9%	20.8%	13.8%	-5.3%
[100% - 10 - 11] x Earned Premium (\$ in Millions)		(\$625)	(\$1,257)	(\$1,886)	(\$2,326)	(\$1,629)	(\$1,505)	(\$132)	\$2,010	\$4,644	\$4,468	\$3,199	(\$1,073)

## Notes:

<sup>[1]</sup> Figures have been updated since the issuance of last year's report.

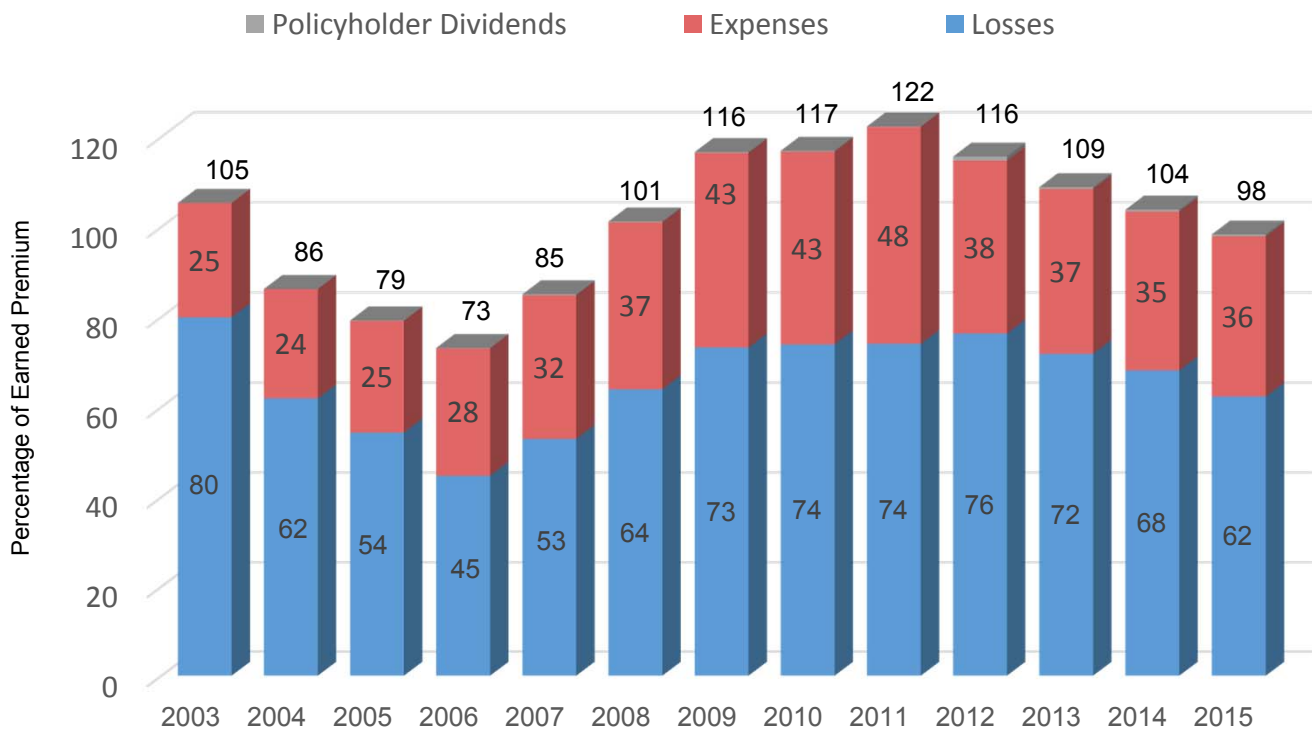
<sup>[2]</sup> CIGA loss payments are shown above for informational purposes only, and are not included in the Insurer Pre-Tax Underwriting Profit (Loss) (line 12).

<sup>[3]</sup> 2011 figures include a reallocation made by the State Compensation Insurance Fund to move \$500 million of reserves from loss to ULAE.

<sup>[4]</sup> Insurer Pre-Tax Underwriting Profit (Loss) represents only the underwriting profit (loss) of California workers' compensation insured policies, and is prior to reinsurance assumed or ceded, prior to the application of deductible credits or retrospective rating plan adjustments, and does not include any provision for investment income or federal income taxes. (See NAIC's Report on Profitability By Line By State, which is published annually, for an estimate of the overall profitability of California workers' compensation.)

Source: WCIRB expense calls.

### Insurer Underwriting Experience



Source: WCIRB expense calls.

## Summary of Claims by Cause of Injury - Policy Year 2013

Cause of Injury		Number of Claims	Percentage of Claims	Incurred Losses(\$)	Percentage of Total Losses
56	Strain by - Lifting	37,951	10.7%	441,445,489	10.9%
99	Other - Miscellaneous, NOC	36,445	10.3%	393,923,129	9.7%
60	Strain or Injury By, NOC	25,114	7.1%	318,206,056	7.8%
31	Fall, Slip or Trip Injury, NOC	15,310	4.3%	254,166,083	6.2%
97	Strain by - Repetitive Motion	16,569	4.7%	249,936,273	6.1%
98	Cumulative, NOC	13,470	3.8%	243,673,332	6.0%
29	Fall - On Same Level	15,141	4.3%	218,706,432	5.4%
57	Strain by - Pushing or Pulling	13,767	3.9%	175,365,698	4.3%
25	Fall - From Different Level (Elevation)	5,826	1.6%	164,821,537	4.1%
75	Struck or Injured By - Falling or Flying Object	12,507	3.5%	130,415,881	3.2%
26	Fall - From Ladder or Scaffolding	4,179	1.2%	129,208,674	3.2%
53	Strain by - Twisting	7,501	2.1%	88,822,765	2.2%
45	Motor Vehicle - Collision or Sideswipe with Another Vehicle	3,940	1.1%	83,188,660	2.0%
50	Motor Vehicle, NOC	2,594	0.7%	64,975,065	1.6%
81	Struck or Injured By, NOC	7,417	2.1%	63,766,732	1.6%
55	Strain by - Holding or Carrying	5,387	1.5%	62,074,516	1.5%
27	Fall - From Liquid or Grease Spills	3,951	1.1%	54,671,346	1.3%
79	Struck or Injured By - Object Being Lifted or Handled	7,341	2.1%	52,285,102	1.3%
58	Strain by - Reaching	4,051	1.1%	48,867,468	1.2%
13	Caught In, Under or Between, NOC	4,315	1.2%	48,853,836	1.2%
68	Struck or Stepped On - Stationary Object	7,502	2.1%	46,932,085	1.2%
10	Caught in - Machine or Machinery	2,420	0.7%	44,497,912	1.1%
33	Fall - On Stairs	3,282	0.9%	43,204,947	1.1%
30	Slip or Trip But Did Not Fall	3,109	0.9%	41,716,451	1.0%
77	Struck or Injured By - Motor Vehicle	1,330	0.4%	41,093,892	1.0%
59	Strain by - Using Tool or Machinery	2,341	0.7%	34,160,487	0.8%
90	Other than Physical Cause of Injury	2,707	0.8%	32,216,805	0.8%
19	Cut, Puncture, Scrape or Injured By, NOC	11,746	3.3%	30,783,994	0.8%
74	Struck or Injured By - Fellow Workers, Patient or Other Person	3,956	1.1%	29,857,235	0.7%
18	Cut or Puncture by - Powered Hand Tool, Appliance	3,440	1.0%	29,517,567	0.7%
70	Striking Against or Stepping On, NOC	3,632	1.0%	27,668,017	0.7%
12	Caught in - Object Handled	5,260	1.5%	26,814,817	0.7%
94	Rubbed or Abraded By - Repetitive Motion	1,780	0.5%	26,414,803	0.6%
17	Cut or Puncture by - Object Being Lifted or Handled	7,513	2.1%	22,019,374	0.5%
76	Struck or Injured By - Hand Tool or Machine in Use	2,266	0.6%	20,842,551	0.5%
89	Person in Act of a Crime	1,180	0.3%	20,068,402	0.5%
28	Fall - Into Openings	1,054	0.3%	19,795,548	0.5%
54	Strain by - Jumping or Leaping	1,269	0.4%	17,312,962	0.4%
16	Cut or Puncture by - Hand Tool, Utensils; Not Powered	9,306	2.6%	16,828,362	0.4%
85	Struck or Injured By - Animal or Insect	6,339	1.8%	16,771,042	0.4%
48	Motor Vehicle - Vehicle Upset	440	0.1%	14,225,101	0.3%
46	Motor Vehicle - Collision with a Fixed Object	403	0.1%	13,525,737	0.3%
66	Struck or Stepped On - Object Being Lifted or Handled	1,828	0.5%	13,167,865	0.3%
78	Struck or Injured By - Moving Parts of Machine	900	0.3%	13,013,365	0.3%
80	Struck or Injured By - Object Handled by Others	1,579	0.4%	12,342,092	0.3%
84	Burn or Scald - Electrical Current	417	0.1%	11,706,035	0.3%
04	Burn or Scald - Fire or Flame	294	0.1%	11,623,262	0.3%
32	Fall - On Ice or Snow	701	0.2%	11,524,445	0.3%
86	Struck or Injured By - Explosion or Flare Back	77	0.0%	9,079,371	0.2%
05	Burn or Scald - Steam or Hot Fluids	1,591	0.4%	9,010,029	0.2%
82	Absorption, Ingestion or Inhalation, NOC	2,679	0.8%	8,955,257	0.2%
87	Foreign Matter (Body) in Eye(s)	6,743	1.9%	8,056,037	0.2%
02	Burn or Scald - Hot Objects or Substances	2,199	0.6%	7,254,115	0.2%
69	Struck or Stepped On - Stepping on Sharp Object	1,598	0.5%	6,894,053	0.2%
15	Cut or Puncture by - Broken Glass	2,182	0.6%	5,692,484	0.1%
01	Burn or Scald - Chemicals	1,563	0.4%	5,135,553	0.1%
09	Burn or Scald - Contact With, NOC	1,085	0.3%	4,955,293	0.1%
61	Strain by - Welding or Throwing	355	0.1%	4,516,443	0.1%
65	Struck or Stepped On - Moving Part of Machine	574	0.2%	4,045,677	0.1%
03	Burn or Scald - Temperature Extremes	420	0.1%	2,442,554	0.1%
06	Burn or Scald - Dusts, Gases, Fumes or Vapors	619	0.2%	2,374,775	0.1%
20	Caught in - Collapsing Materials (Slides of Earth)	154	0.0%	2,283,725	0.1%
47	Motor Vehicle - Crash of Airplane	8	0.0%	2,045,226	0.1%
95	Rubbed or Abraded By, NOC	396	0.1%	1,479,569	0.0%
67	Struck or Stepped On - Sanding, Scraping, Cleaning Operation	91	0.0%	1,098,396	0.0%
52	Strain by - Continual Noise	134	0.0%	1,002,068	0.0%
93	Gunshot	6	0.0%	927,221	0.0%
11	Burn or Scald - Cold Objects or Substances	156	0.0%	916,840	0.0%
07	Burn or Scald - Welding Operations	134	0.0%	870,558	0.0%
40	Motor Vehicle - Crash of Water Vehicle	10	0.0%	463,365	0.0%
14	Burn or Scald - Abnormal Air Pressure	73	0.0%	451,786	0.0%
08	Burn or Scald - Radiation	39	0.0%	157,508	0.0%
41	Motor Vehicle - Crash of Rail Vehicle	6	0.0%	87,028	0.0%
91	Mold	24	0.0%	78,310	0.0%
88	Natural Disasters	6	0.0%	60,893	0.0%
96	Terrorism	1	0.0%	665	0.0%
Total		353,693	100.0%	4,067,354,028	100.0%

Source: WCIRB unit statistical data at first report level

## Summary of Claims by Nature of Injury - Policy Year 2013

Nature of Injury		Number of Claims	Percentage of Claims	Incurred Losses(\$)	Percentage of Total Losses
52	Strain or Tear	105,036	29.7%	1,305,408,593	32.1%
59	All Other Specific Injuries, NOC	36,802	10.4%	450,131,449	11.1%
49	Sprain or Tear	35,985	10.2%	432,393,219	10.6%
28	Fracture	11,418	3.2%	394,740,784	9.7%
10	Contusion	36,009	10.2%	255,751,439	6.3%
80	All Other Cumulative Injury, NOC	11,759	3.3%	248,189,621	6.1%
90	Multiple Physical Injuries Only	10,853	3.1%	175,627,872	4.3%
40	Laceration	40,491	11.4%	136,257,651	3.3%
37	Inflammation	8,864	2.5%	110,136,613	2.7%
16	Dislocation	1,814	0.5%	69,419,930	1.7%
78	Carpal Tunnel Syndrome	2,275	0.6%	50,559,548	1.2%
04	Burn	5,887	1.7%	43,976,172	1.1%
13	Crushing	3,479	1.0%	43,068,323	1.1%
77	Mental Stress	2,889	0.8%	40,548,599	1.0%
07	Concussion	1,383	0.4%	38,900,989	1.0%
02	Amputation	571	0.2%	37,045,529	0.9%
34	Hernia	2,161	0.6%	33,209,026	0.8%
91	Multiple Injuries Including Both Physical and Psychological	1,432	0.4%	31,750,547	0.8%
46	Rupture	727	0.2%	27,651,595	0.7%
43	Puncture	14,246	4.0%	27,234,045	0.7%
41	Myocardial Infarction	1,307	0.4%	20,593,378	0.5%
01	No Physical Injury	1,831	0.5%	14,468,092	0.4%
47	Severance	181	0.1%	12,530,621	0.3%
25	Foreign Body	7,971	2.3%	10,616,704	0.3%
36	Infection	1,418	0.4%	8,750,415	0.2%
19	Electric Shock	349	0.1%	7,969,731	0.2%
55	Vascular	101	0.0%	6,904,541	0.2%
69	Mental Disorder	466	0.1%	6,433,194	0.2%
71	All Other Occupational Disease Injury, NOC	601	0.2%	5,740,680	0.1%
53	Syncope	484	0.1%	4,487,462	0.1%
65	Respiratory Disorders	779	0.2%	3,760,415	0.1%
68	Dermatitis	2,096	0.6%	2,429,243	0.1%
31	Hearing Loss or Impairment	199	0.1%	1,647,027	0.0%
32	Heat Prostration	356	0.1%	1,605,954	0.0%
72	Loss of Hearing	130	0.0%	1,390,178	0.0%
58	Vision Loss	121	0.0%	937,436	0.0%
73	Contagious Disease	541	0.2%	835,933	0.0%
03	Angina Pectoris	63	0.0%	763,695	0.0%
42	Poisoning - General	234	0.1%	710,277	0.0%
74	Cancer	24	0.0%	585,306	0.0%
54	Asphyxiation	36	0.0%	400,248	0.0%
60	Dust Disease, NOC	44	0.0%	392,714	0.0%
66	Poisoning - Chemical	150	0.0%	377,707	0.0%
22	Enucleation	12	0.0%	268,825	0.0%
70	Radiation	14	0.0%	219,459	0.0%
30	Freezing	21	0.0%	193,925	0.0%
76	VDT-Related Diseases	3	0.0%	147,474	0.0%
75	Psychiatric	18	0.0%	128,111	0.0%
61	Asbestosis	12	0.0%	52,035	0.0%
79	Hepatitis Losses	4	0.0%	39,883	0.0%
63	Byssinosis	6	0.0%	39,299	0.0%
67	Poisoning - Metal	18	0.0%	29,679	0.0%
62	Black Lung	4	0.0%	16,233	0.0%
64	Silicosis	2	0.0%	8,501	0.0%
Total		353,677	100.0%	4,067,475,919	100.0%

Source: WCIRB unit statistical data at first report level

## Summary of Claims by Part of Body - Policy Year 2013

Part of Body		Number of Claims	Percentage of Claims	Incurred Losses(\$)	Percentage of Total Losses
42	Trunk - Lower Back Area	47,259	13.4%	607,194,910	15.0%
90	Multiple Body Parts - Multiple Body Parts	34,045	9.6%	555,001,972	13.7%
53	Lower Extremities - Knee	22,403	6.3%	389,932,484	9.6%
38	Upper Extremities - Shoulder(s)	20,135	5.7%	378,783,612	9.3%
34	Upper Extremities - Wrist	15,559	4.4%	164,242,356	4.0%
36	Upper Extremities - Finger(s)	34,427	9.7%	141,715,536	3.5%
35	Upper Extremities - Hand	22,035	6.2%	140,409,658	3.5%
55	Lower Extremities - Ankle	12,513	3.5%	122,737,674	3.0%
56	Lower Extremities - Foot	10,708	3.0%	88,960,925	2.2%
30	Upper Extremities - Multiple Upper Extremities	6,255	1.8%	88,000,721	2.2%
54	Lower Extremities - Lower Leg	6,645	1.9%	86,296,771	2.1%
33	Upper Extremities - Lower Arm	10,179	2.9%	79,800,653	2.0%
32	Upper Extremities - Elbow	6,934	2.0%	76,860,865	1.9%
31	Upper Extremities - Upper Arm	4,914	1.4%	74,127,919	1.8%
41	Trunk - Upper Back Area	6,602	1.9%	70,598,480	1.7%
25	Neck - Soft Tissue	3,922	1.1%	55,132,558	1.4%
91	Multiple Body Parts - Body Systems and Multiple Body	3,886	1.1%	54,241,947	1.3%
61	Trunk - Abdomen Including Groin	5,574	1.6%	51,105,830	1.3%
10	Head - Multiple Head Injury	5,418	1.5%	50,989,127	1.3%
12	Head - Brain	1,379	0.4%	49,427,844	1.2%
39	Upper Extremities - Wrist(s) & Hand(s)	3,516	1.0%	47,600,331	1.2%
63	Trunk - Lumbar and /or Sacral Vertebrae	2,790	0.8%	45,363,034	1.1%
51	Lower Extremities - Hip	2,303	0.7%	45,266,056	1.1%
44	Trunk - Chest	4,388	1.2%	44,963,458	1.1%
18	Head - Soft Tissue	6,016	1.7%	40,428,773	1.0%
37	Upper Extremities - Thumb	9,638	2.7%	38,558,592	0.9%
40	Trunk - Multiple Trunk	1,470	0.4%	38,424,330	0.9%
50	Lower Extremities - Multiple Lower Extremities	2,362	0.7%	37,202,204	0.9%
65	Multiple Body Parts - Insufficient Info to Classify	3,097	0.9%	36,127,678	0.9%
20	Neck - Multiple Neck Injury	1,811	0.5%	33,632,233	0.8%
11	Head - Skull	2,347	0.7%	33,318,444	0.8%
66	Multiple Body Parts - No Physical Injury	3,158	0.9%	32,588,621	0.8%
22	Neck - Disc	1,086	0.3%	31,006,562	0.8%
43	Trunk - Disc	1,001	0.3%	30,782,289	0.8%
14	Head - Eye(s)	12,777	3.6%	22,803,685	0.6%
52	Lower Extremities - Upper Leg	2,061	0.6%	22,653,939	0.6%
47	Trunk - Spinal Cord	319	0.1%	20,068,965	0.5%
46	Trunk - Pelvis	474	0.1%	18,631,600	0.5%
48	Trunk - Internal Organs	1,047	0.3%	16,469,568	0.4%
21	Neck - Vertebrae	666	0.2%	14,649,935	0.4%
23	Neck - Spinal Cord	160	0.0%	13,988,472	0.3%
19	Head - Facial Bones	808	0.2%	12,996,033	0.3%
57	Lower Extremities - Toe	2,176	0.6%	10,774,291	0.3%
49	Trunk - Heart	274	0.1%	7,789,191	0.2%
60	Trunk - Lungs	1,036	0.3%	6,823,254	0.2%
62	Trunk - Buttocks	608	0.2%	5,647,293	0.1%
13	Head - Ear(s)	1,028	0.3%	5,175,489	0.1%
16	Head - Teeth	709	0.2%	5,095,054	0.1%
17	Head - Mouth	995	0.3%	4,794,279	0.1%
15	Head - Nose	959	0.3%	4,609,151	0.1%
45	Trunk - Sacrum and Coccyx	308	0.1%	3,570,537	0.1%
58	Lower Extremities - Great Toe	1,110	0.3%	3,114,993	0.1%
24	Neck - Larynx	51	0.0%	190,063	0.0%
26	Neck - Trachea	63	0.0%	88,617	0.0%
64	Multiple Body Parts - Artificial Appliance	12	0.0%	33,327	0.0%
Total		353,416	100.0%	4,060,792,183	100.0%

Source: WCIRB unit statistical data at first report level

#### Notice

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