

June 26, 2018

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# 2017 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 2017 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 2005 through 2017.<sup>1</sup>

## Hospital, Physician and Medical-Legal Costs

In 2017, \$4.7 billion, or 56% 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 2017. (In 2016, \$4.8 billion, or 57% of total loss payments, were for analogous medical services.)

Exhibits 1.1 through 1.6 contain summaries of amounts paid for medical services in 2017. 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 2016 and 2017:

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<sup>1</sup> For calendar years 2005 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 2016	CY 2017
Payments Made Directly to Injured Workers	\$1.35 billion	\$1.34 billion
Physician Services	\$1.25 billion	\$1.26 billion
Hospital (Inpatient and Outpatient)	\$0.64 billion	\$0.66 billion
Medical-Legal Evaluations	\$0.37 billion	\$0.32 billion
Medical Supplies and Equipment	\$0.24 billion	\$0.27 billion
Medicare-related Payments <sup>3</sup>	\$0.23 billion	\$0.26 billion
Medical Liens	\$0.27 billion	\$0.20 billion
Pharmaceuticals	\$0.23 billion	\$0.17 billion
Medical Cost Containment Programs (medical loss only)	\$0.18 billion	\$0.16 billion
Other	\$0.08 billion	\$0.10 billion
<b>Total Medical Losses Paid</b>	<b>\$4.8 billion</b>	<b>\$4.7 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)**

	CY2009	CY2010	CY2011	CY2012	CY2013	CY2014	CY2015	CY2016	CY2017
Reported as Medical Loss Paid	339	351	309	243	217	208	203	177	158
Reported as Allocated Loss Adjustment Expense Paid	N/A	4	74	169	230	263	307	291	285
<b>Total Medical Cost Containment Program Costs Paid</b>	<b>339</b>	<b>355</b>	<b>383</b>	<b>412</b>	<b>447</b>	<b>471</b>	<b>510</b>	<b>468</b>	<b>443</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 2016 and 2017:

<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 2016	CY 2017
Hospital-based Provider	23.5%	27.0%
Physician Specialist	13.1%	11.5%
MD General Practitioner	10.6%	10.7%
Surgeon	10.6%	10.5%
Physical Therapist	7.7%	8.6%
Ambulatory Surgical Center	5.1%	5.6%
Pharmacist	6.6%	4.8%
Other	22.8%	21.3%
<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 2016	CY 2017
Evaluation & Management	36.1%	38.3%
Physical Medicine	21.9%	22.7%
Surgery	15.3%	14.3%
Radiology	8.8%	8.1%
Special Services & Reports	6.8%	6.0%
Medicine	5.4%	5.3%
Acupuncture	1.6%	1.8%
Anesthesia	1.8%	1.6%
Pathology & Laboratory	1.5%	1.0%
Chiropractic	0.8%	0.8%
Other	0.1%	0.1%
<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 2017 based on the WCIRB's MDC data. The exhibits show that orthopedic evaluations accounted for about 55% of the cost of all medical-legal evaluations. The exhibits also show that the average cost of a medical-legal evaluation was \$1,496. Psychiatric evaluations were the most expensive, averaging \$3,268.

## Indemnity Benefits

In 2017, \$3.7 billion, or 44% 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 2017. (In 2016, payment for analogous indemnity benefits totaled \$3.6 billion, or 43% of total loss payments.)

Exhibits 3.1 and 3.2 contain summaries of paid indemnity benefits by type of benefit for calendar year 2017. 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 2017, temporary disability benefits (49%) and permanent partial disability benefits (40%) accounted for the vast majority of the indemnity payments.

Exhibits 4 through 9 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 2015 policy year experience—the 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 2015 policy, and have not been adjusted to an ultimate value basis.) Exhibit 4 shows indemnity and medical benefits for back injury claims. Exhibit 5 shows indemnity and medical benefits for slip and fall injuries. Exhibit 6 shows indemnity and medical benefits for psychiatric and mental stress injuries. Exhibit 7 shows indemnity and medical benefits for carpal tunnel and repetitive motion injuries. Exhibit 8 shows indemnity and medical benefits for other cumulative injuries. Finally, Exhibit 9 shows indemnity and medical benefits for all injuries.

Exhibit 10.1 graphically shows the proportion of total loss dollars reported on permanent disability claims attributable to various types of injuries. Exhibit 10.2 shows the average cost per claim for these injuries. As shown on Exhibits 10.1 and 10.2, slip and fall injuries are both the most frequently occurring and most costly of the injury categories summarized.

## Vocational Rehabilitation Benefits

Exhibit 11 summarizes the amounts estimated to be paid for vocational rehabilitation 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, about \$82 million in vocational rehabilitation-related benefits were paid in calendar year 2017. This was 2.2% of all indemnity payments in 2017, of which 97% was for non-transferable education vouchers. (For comparison purposes, in 2016, vocational rehabilitation benefits paid was \$65 million or 1.8% of all indemnity payments, of which 95% was for non-transferable education vouchers.)

## Insurer Losses, Expenses and Profits

Exhibits 12.1 and 12.2 summarize California workers' compensation underwriting experience for calendar year 2017.<sup>4</sup> Calendar year 2017 earned premium totaled \$17.7 billion (as compared to the \$18.0 billion of premium earned in 2016). 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 2017, including benefit payments made by CIGA, were \$8.5 billion, or 48% of insurer calendar year earned premium.

Total insurer paid losses (i.e., excluding payments made by CIGA) in 2017 were \$8.3 billion, or 47% of calendar year earned premium. Combining insurer paid losses with a \$1.2 billion increase in total insurer loss reserves resulted in total insurer incurred losses, excluding payments made by CIGA, of \$9.4 billion, or 53% of the premium earned in 2017. (For comparison purposes, in 2016, total insurer paid losses—excluding those made by CIGA—were 46% of earned premium and, with an increase in insurer loss reserves totaling 14% of earned premium, total insurer incurred losses, excluding payments made by CIGA, were 60% of total insurer earned premium.)<sup>5</sup>

<sup>4</sup> Total statewide calendar year 2017 premiums, losses and expenses were estimated based on the experience of insurers that reported premium, loss and expense information to the WCIRB.

<sup>5</sup> Benefit payments made by CIGA during calendar years 2005 to 2017 are also shown as paid loss percentages to insurer earned premium for those calendar years.

The 53% of earned premium stated above pertains to total insurer losses incurred during the “calendar year” 2017. This includes all insurer losses paid and insurer loss reserve changes that occurred during 2017, regardless of when the accidents occurred.

Incurred loss adjustment expenses (allocated and unallocated) in 2017 were \$3.3 billion, or 19% of earned premium. (This includes the full cost to insurers of administering, adjudicating and settling claims.) Incurred loss adjustment expenses include \$894 million in defense attorney expenses incurred in 2017. (For comparison purposes, in 2016, incurred loss adjustment expenses were 16% of earned premium, including \$827 million in defense expenses.)

In total, California insurers have incurred about \$6.7 billion in expenses in 2017, or 38% of 2017 earned premium. (For comparison purposes, in 2016, total incurred expenses were 34% of earned premium.)

In total, incurred losses and expenses in calendar year 2017 were \$16.2 billion, or 92% of earned premium. Based on insurer statutory Annual Statement information, the WCIRB estimates policyholder dividends incurred in 2017 to be 0.2% of 2017 earned premium, resulting in an underwriting profit of \$1.5 billion, or 8.4% 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 advisory 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>6</sup> (For 2016, the underwriting profit was 5.8% of earned premium, or \$1.0 billion.)

## Fees Paid to Applicant Attorneys

Although generally part of incurred indemnity losses rather than expenses, the amount paid in 2017 to applicant attorneys was derived from the WCIRB’s Annual Expense Call. In 2017, applicant attorneys were paid \$413 million. (In 2016, applicant attorneys were paid \$408 million.)<sup>7</sup>

## Workers’ Compensation Costs by Injury Detail

Exhibits 13 through 15 summarize loss experience by injury detail for the most current policy year available (i.e., policy year 2015 at first report level). Exhibit 13 shows the number and proportion of claims and incurred losses by cause of injury (e.g., fall, repetitive motion, etc.). Exhibit 14 shows the number and proportion of claims and incurred losses by the nature of the injury sustained (e.g., strain, fracture, etc.). Exhibit 15 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 140 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 7, 2018. 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.

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<sup>6</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>7</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 be broken out separately.

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.
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 2005 through 2017 have been included in this report.

**Paid Medical Costs for Calendar Year 2017**

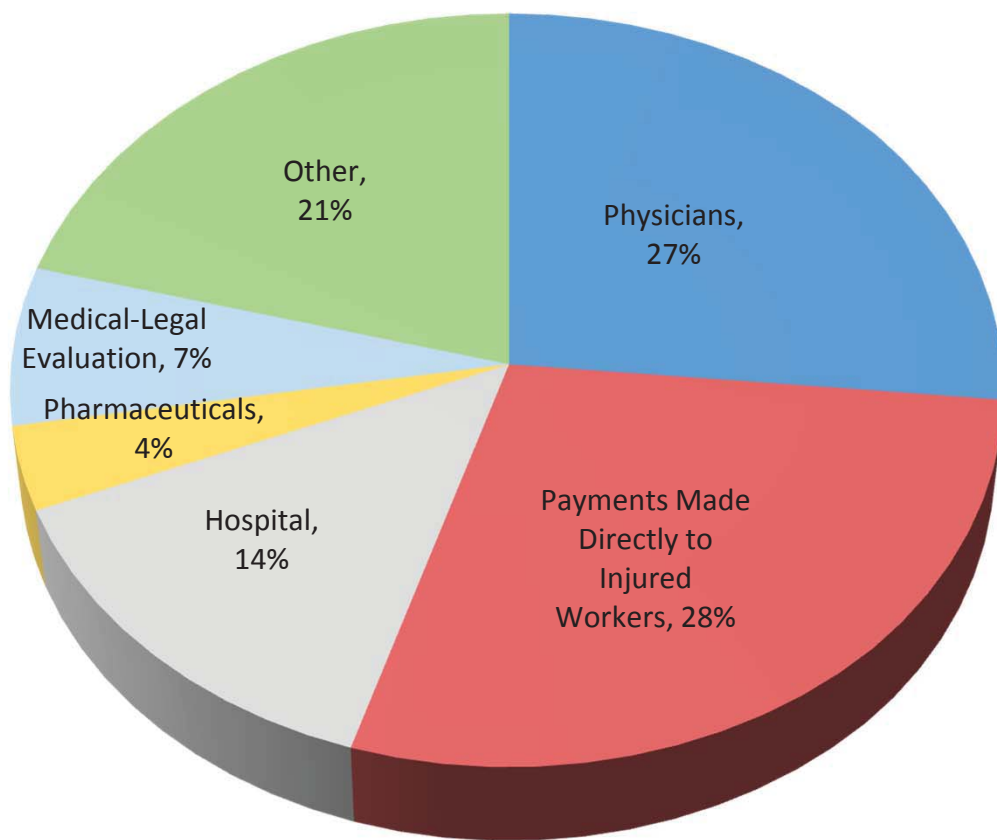
	<u>Total Medical Paid (\$000)</u>	<u>% of Total Medical Services</u>	<u>% of Total Medical Paid</u>
1 Evaluation & Management	481,422	16.6%	10.2%
2 Physical Medicine	285,837	9.8%	6.0%
3 Surgery	180,145	6.2%	3.8%
4 Radiology	101,428	3.5%	2.1%
5 Special Services & Reports	75,931	2.6%	1.6%
6 Medicine	67,127	2.3%	1.4%
7 Acupuncture	22,302	0.8%	0.5%
8 Anesthesia	19,572	0.7%	0.4%
9 Pathology & Laboratory	12,457	0.4%	0.3%
10 Chiropractic	10,138	0.3%	0.2%
11 Other	1,578	0.1%	0.0%
Physician Services (Subtotal)	1,257,939	43.3%	26.5%
12 Hospital - Outpatient	354,348	12.2%	7.5%
13 Medical-Legal Evaluation Payments	321,563	11.1%	6.8%
14 Hospital - Inpatient	307,784	10.6%	6.5%
15 Medical Supplies and Equipment	268,393	9.2%	5.7%
16 Medical Liens	202,503	7.0%	4.3%
17 Pharmaceuticals	171,177	5.9%	3.6%
18 Dental Services	22,575	0.8%	0.5%
Total Payments for Medical Services (Subtotal)	2,906,282	100.0%	61.3%
19 Medical Payments Made Directly to Injured Workers	1,344,188		28.3%
20 Medical Payments Related to Medicare Set-asides	249,360		5.3%
21 Medical Cost Containment Program Payments	157,783		3.3%
22 Interpreter Services	31,987		0.7%
23 Copy Services	29,676		0.6%
24 Capitated Medical Payments	16,309		0.3%
25 Reimbursements to Medicare	6,053		0.1%
Total Calendar Year Medical Payments	4,741,638		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 2017 is \$285 million.

## Sources:

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

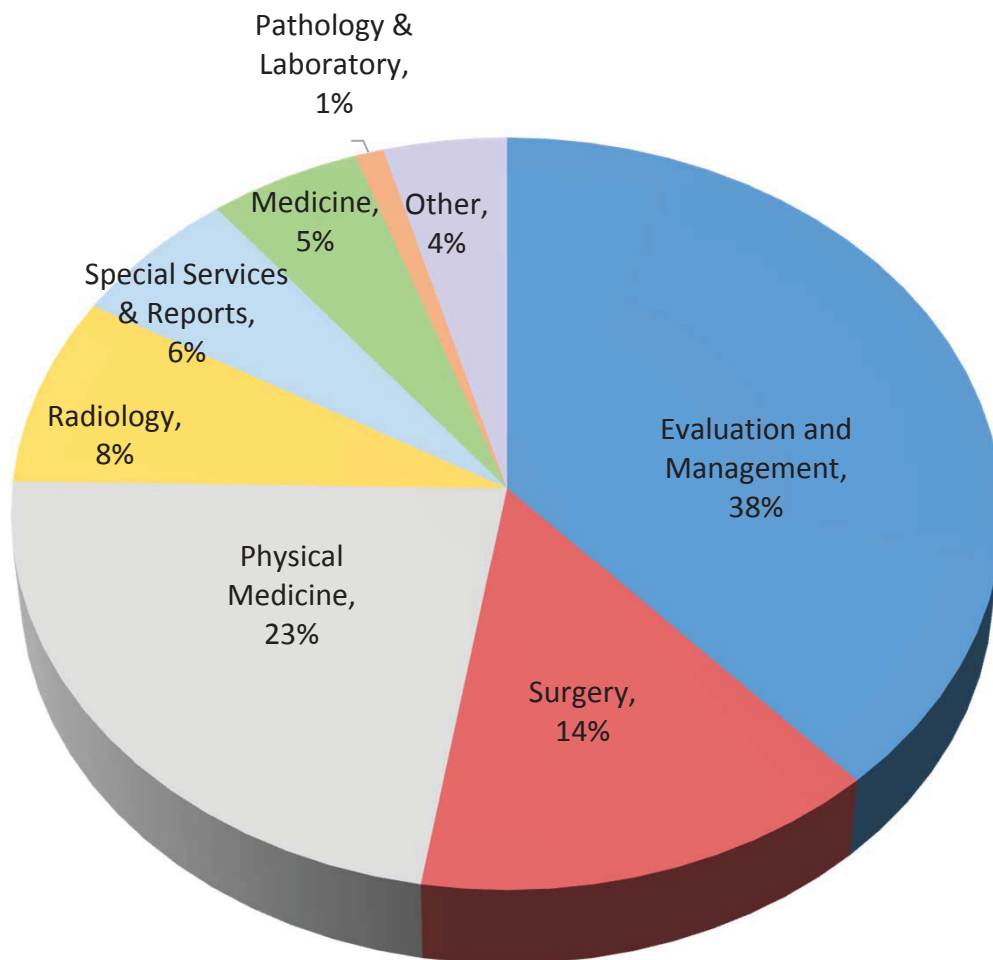
### Paid Medical Costs for Calendar Year 2017



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



### Paid Medical Costs by Physician Specialty for Calendar Year 2017



Source: WCIRB's Medical Data Call

## Distribution of Calendar Year Medical Costs Paid

Medical Payment Type	2017		2016 <sup>[1]</sup>	2015 <sup>[1]</sup>	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	As % of Total Medical Payments	As % of Total Medical Payments
1 Medical Payments Made Directly to Injured Workers	\$1,344,188	28.3%	28.0%	26.8%	24.1%	24.2%
2 Physician Services	\$1,257,939	26.5%	25.9%	26.2%	27.0%	27.7%
3 Hospital - Outpatient	\$354,348	7.5%	7.2%	6.3%	5.6%	5.9%
4 Medical-Legal Evaluation Payments	\$321,563	6.8%	7.7%	7.0%	6.7%	5.7%
5 Hospital - Inpatient	\$307,784	6.5%	6.0%	6.4%	6.5%	7.8%
6 Medical Supplies and Equipment	\$268,393	5.7%	4.9%	4.9%	4.8%	5.0%
7 Medical Payments Related to Medicare Set-asides	\$249,360	5.3%	4.7%	3.6%	2.9%	2.5%
8 Medical Liens	\$202,503	4.3%	5.5%	6.0%	6.0%	4.2%
9 Pharmaceuticals	\$171,177	3.6%	4.7%	6.9%	8.8%	9.5%
10 Medical Cost Containment Program Payments <sup>[2]</sup>	\$157,783	3.3%	3.7%	4.1%	4.1%	4.2%
11 Interpreter Services <sup>[3]</sup>	\$31,987	0.7%	0.5%	0.6%	1.9%	1.6%
12 Copy Services <sup>[3]</sup>	\$29,676	0.6%	0.5%	0.3%	0.9%	1.1%
13 Dental Services	\$22,575	0.5%	0.5%	0.4%	0.4%	0.3%
14 Capitated Medical Payments	\$16,309	0.3%	0.2%	0.4%	0.2%	0.3%
15 Reimbursements to Medicare	\$6,053	0.1%	0.1%	0.0%	0.1%	0.1%
Total Medical Payments	\$4,741,638	100.0%	100.0%	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 2017 is \$285 million.

<sup>[3]</sup> 2013 and 2014 numbers 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	2017		2016 <sup>[1]</sup>	2015 <sup>[1]</sup>	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	As % of Total Medical Service Payments	As % of Total Medical Service Payments
1 Hospital-Based Provider	\$785,142	27.0%	23.5%	22.8%	20.7%	22.9%
2 Physician Specialist	\$334,067	11.5%	13.1%	12.9%	11.5%	11.0%
3 MD General Practitioner	\$311,569	10.7%	10.6%	11.2%	16.6%	13.1%
4 Surgeon	\$303,724	10.5%	10.6%	9.8%	9.0%	9.3%
5 Physical Therapist	\$250,002	8.6%	7.7%	7.0%	6.7%	7.1%
6 Ambulatory Surgical Center (ASC) Provider	\$163,075	5.6%	5.1%	4.6%	4.2%	4.9%
7 Pharmacist	\$138,281	4.8%	6.6%	9.2%	10.8%	11.1%
8 Durable Medical Equipment (DME) Supplier	\$98,854	3.4%	3.4%	3.6%	3.2%	3.4%
9 Psychology, Psychiatry, & Neurology	\$77,829	2.7%	2.9%	2.5%	2.5%	2.6%
10 Rehabilitation Provider	\$70,294	2.4%	2.5%	2.1%	1.7%	1.6%
11 Chiropractic	\$60,667	2.1%	2.2%	2.1%	2.0%	1.9%
12 Occupational Health Provider	\$58,043	2.0%	2.6%	2.9%	3.0%	2.5%
13 Home Health Provider	\$50,423	1.7%	1.5%	1.4%	1.5%	1.4%
14 Lab Testing Provider	\$30,963	1.1%	1.4%	2.0%	2.2%	2.1%
15 Dentist	\$27,404	0.9%	0.9%	0.7%	0.7%	0.6%
16 Acupuncturist	\$25,903	0.9%	0.7%	0.6%	0.5%	0.5%
17 Podiatrist	\$9,741	0.3%	0.3%	0.3%	0.2%	0.2%
18 Marriage, Family and Counselors	\$2,839	0.1%	0.2%	0.1%	0.0%	0.3%
19 Optometrist	\$491	0.0%	0.0%	0.0%	0.0%	0.0%
20 Social Workers	\$168	0.0%	0.0%	0.0%	0.0%	0.0%
21 Others	\$106,802	3.7%	4.1%	4.4%	2.9%	3.4%
Total Medical Service Payments	\$2,906,282	100.0%	100.0%	100.0%	100.0%	100.0%

<sup>[1]</sup> As a result of WCIRB efforts to more accurately categorize medical transactions, figures shown for 2013 through 2016 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	2017		2016 <sup>[1]</sup>	2015 <sup>[1]</sup>	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	As % of Total Physician Service Payments	As % of Total Physician Service Payments
1 Evaluation & Management	\$481,422	38.3%	36.1%	33.9%	29.9%	25.6%
2 Physical Medicine	\$285,837	22.7%	21.9%	19.7%	17.3%	14.1%
3 Surgery	\$180,145	14.3%	15.3%	17.7%	18.3%	19.6%
4 Radiology	\$101,428	8.1%	8.8%	9.2%	9.9%	10.3%
5 Special Services & Reports	\$75,931	6.0%	6.8%	7.5%	9.3%	12.1%
6 Medicine	\$67,127	5.3%	5.4%	5.2%	5.9%	8.8%
7 Acupuncture	\$22,302	1.8%	1.6%	1.4%	1.2%	1.1%
8 Anesthesia	\$19,572	1.6%	1.8%	1.9%	2.0%	2.1%
9 Pathology & Laboratory	\$12,457	1.0%	1.5%	2.6%	5.4%	5.7%
10 Chiropractic	\$10,138	0.8%	0.8%	0.7%	0.7%	0.7%
11 Other	\$1,578	0.1%	0.1%	0.2%	0.1%	0.0%
Total Physician Service Payments	\$1,257,939	100.0%	100.0%	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)

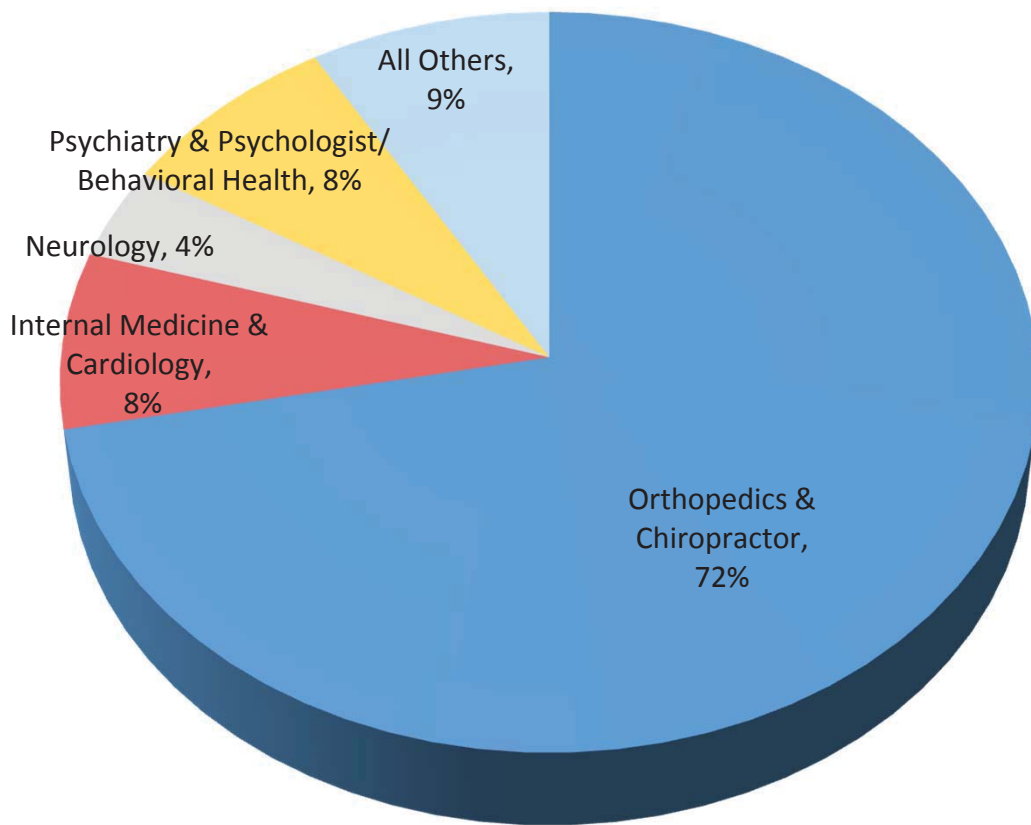
## Paid Medical-Legal Costs

Physician Specialty	Service Year 2017				Service Year 2016 <sup>[1]</sup>				Service Year 2015 <sup>[1]</sup>				Service Year 2014 <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	65.9%	54.5%	\$1,237		63.9%	54.2%	\$1,411		61.9%	53.0%	\$1,426		61.1%	52.3%	\$1,424	
Internal Medicine & Cardiology	7.7%	9.5%	\$1,840		8.7%	9.6%	\$1,853		9.6%	9.7%	\$1,679		9.6%	10.1%	\$1,752	
Chiropractor	6.0%	5.8%	\$1,449		6.2%	6.2%	\$1,674		5.9%	5.6%	\$1,571		6.1%	5.2%	\$1,397	
Psychologist/Behavioral Health	3.8%	7.7%	\$3,024		4.5%	8.0%	\$2,938		5.5%	9.2%	\$2,775		5.7%	10.2%	\$2,957	
Psychiatry	4.1%	8.9%	\$3,268		4.5%	9.1%	\$3,390		5.3%	10.6%	\$3,358		5.7%	10.8%	\$3,114	
Neurology	4.0%	5.4%	\$1,992		4.1%	5.2%	\$2,112		4.1%	5.1%	\$2,085		4.5%	5.3%	\$1,962	
All Others	8.5%	8.3%	\$1,456		8.2%	7.7%	\$1,544		7.8%	6.8%	\$1,455		7.3%	6.2%	\$1,420	
Total/Average	100.0%	100.0%	\$1,496		100.0%	100.0%	\$1,662		100.0%	100.0%	\$1,665		100.0%	100.0%	\$1,662	

<sup>[1]</sup> Figures have been updated from those in last year's report.

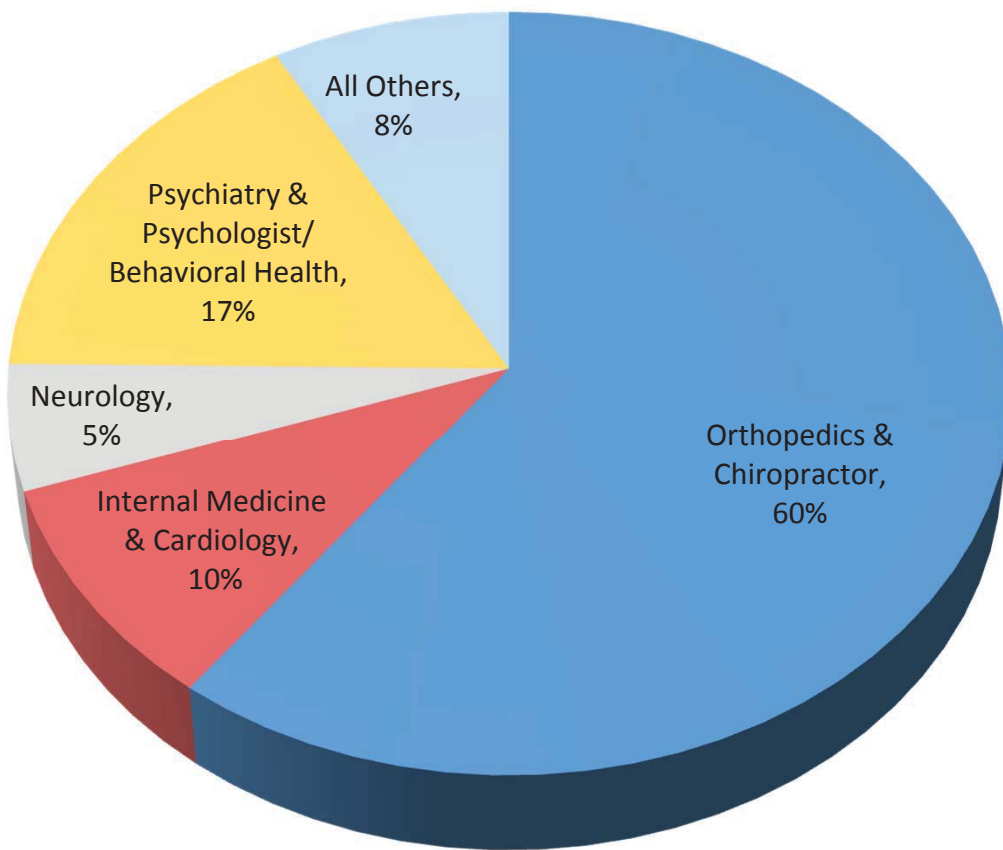
Sources: WCIRB's Medical Data Call (MDC). All figures are based on medical-legal transactions reported on all claim types from all accident years within the service year.

**Number of Medical-Legal Reports by Physician Specialty  
for Calendar Year 2017**



Source: WCIRB's Medical Data Call

**Paid Medical-Legal Costs by Physician Specialty  
for Calendar Year 2017**



Source: WCIRB Medical Data Call

**Paid Indemnity Benefits for Calendar Year 2017**

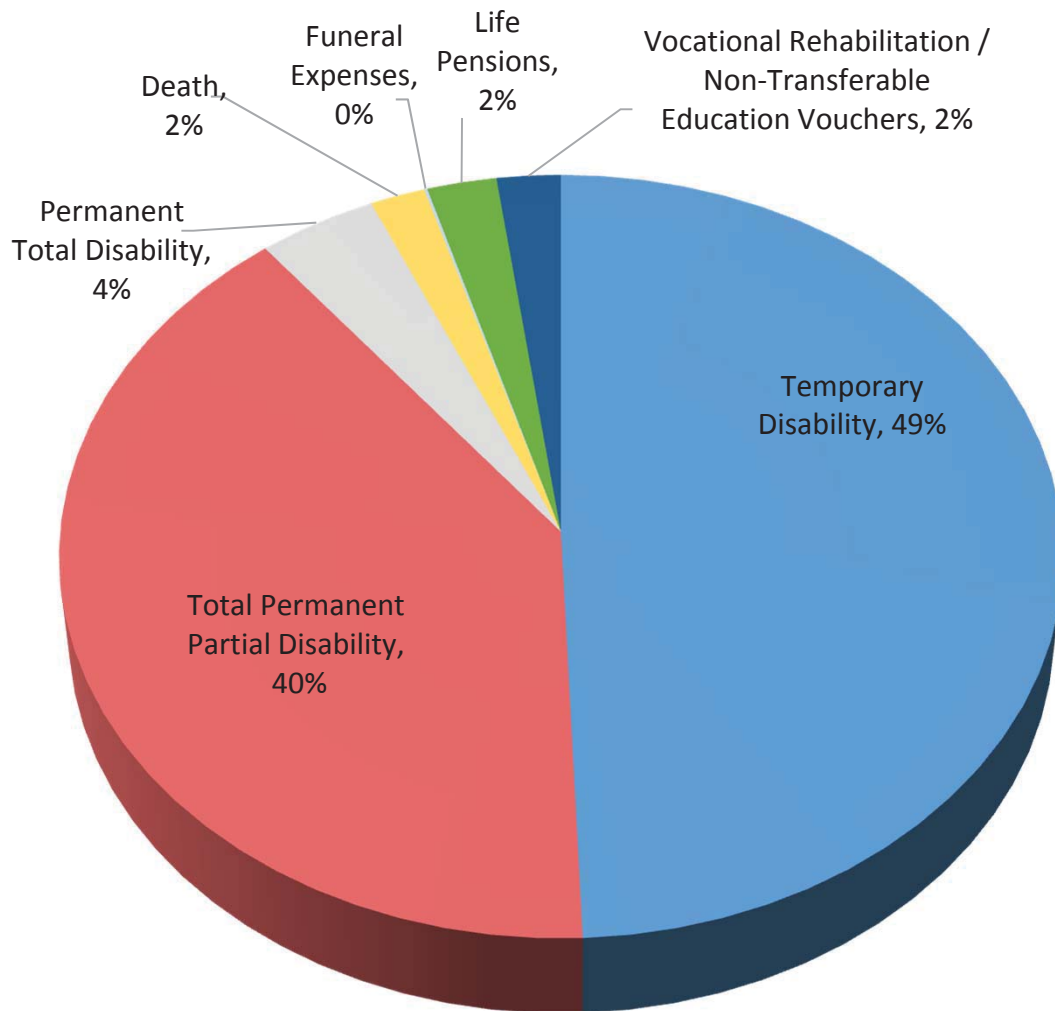
Benefit Type	Indemnity Paid (\$ in Thousands)	Percentage of Total Indemnity Paid
Temporary Disability*	1,833,547	49.4%
Permanent Total Disability*	153,086	4.1%
Permanent Partial Disability*		
0.25% - 24.75%	644,611	17.4%
25.00% - 69.75%	740,676	19.9%
70.00% - 99.75%	98,808	2.7%
Total Permanent Partial	1,484,094	40.0%
Death*	70,998	1.9%
Funeral Expenses	2,110	0.1%
Life Pensions	87,826	2.4%
Vocational Rehabilitation/ Non-Transferable Education Vouchers*	82,028	2.2%
Total Indemnity Paid	3,713,690	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 2017



Source: Calendar year calls for experience and unit statistical data

**Policy Year 2015 Permanent Disability Summary**  
Back Injuries

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	1,708	247,508	10,561,927	18,701,270	9,013,455	21,878,785
5 - 9	2,861	1,183,112	23,031,277	44,960,040	20,202,248	54,957,827
10 - 14	2,080	1,606,499	22,990,816	48,013,091	18,430,319	50,492,102
15 - 19	1,332	1,332,366	17,764,095	39,082,553	13,565,554	38,264,490
20 - 24	567	779,720	10,127,833	23,841,509	8,657,950	24,953,396
Unknown	48	253	395,696	927,688	406,658	975,569
Minor Total	8,596	5,149,458	84,871,644	175,526,151	70,276,184	191,522,169
25 - 29	238	325,361	4,839,772	12,435,367	4,849,322	13,461,159
30 - 34	168	215,571	3,997,933	9,973,705	3,596,660	9,449,093
35 - 39	96	162,888	2,994,479	6,704,257	2,409,745	5,988,455
40 - 44	43	73,200	1,152,471	3,957,482	830,937	3,250,973
45 - 49	34	71,100	836,727	2,672,034	1,420,115	3,588,962
50 - 54	32	54,600	931,288	3,020,140	844,795	2,866,899
55 - 59	9	6,500	400,529	1,005,133	472,481	1,221,912
60 - 64	5	6,000	252,635	582,182	179,874	427,837
65 - 69	8	12,000	315,181	1,350,363	1,256,441	6,875,275
70 - 74	1	6,000	93,062	99,063	34,920	42,420
75 - 79	2	6,000	96,738	234,326	21,973	56,181
80 - 84	0	0	0	0	0	0
85 - 89	0	0	0	0	0	0
90 - 94	1	0	12,724	13,855	6,692	49,437
95 - 99	1	0	18,480	303,680	646,146	5,407,651
Unknown	2	0	32,994	184,690	23,236	123,599
Major Total	640	939,220	15,975,013	42,536,277	16,593,337	52,809,853
Permanent Total	4	6,000	116,212	3,773,131	3,923,987	16,520,389
Grand Total	9,240	6,094,678	100,962,869	221,835,559	90,793,508	260,852,411

Source: WCIRB unit statistical data at first report level

**Policy Year 2015 Permanent Disability Summary**  
Slip and Fall Injuries

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	1,610	312,456	11,945,908	20,242,143	13,377,181	28,764,221
5 - 9	2,716	1,172,533	27,282,866	50,919,859	28,155,586	67,226,627
10 - 14	1,783	1,239,932	23,691,987	46,682,222	23,339,838	54,310,237
15 - 19	1,245	1,101,451	19,262,862	40,003,777	20,360,919	45,776,743
20 - 24	488	543,086	9,297,540	20,360,344	9,499,316	22,973,832
Unknown	51	6,539	711,864	1,374,725	1,626,998	2,515,345
Minor Total	7,893	4,375,997	92,193,027	179,583,070	96,359,838	221,567,005
25 - 29	259	440,695	5,177,391	13,955,947	6,402,895	16,638,867
30 - 34	186	249,941	4,460,812	11,319,502	5,690,780	13,051,571
35 - 39	99	258,960	2,685,593	7,724,625	4,759,076	10,359,270
40 - 44	39	60,000	1,122,617	3,802,612	1,809,083	4,443,283
45 - 49	53	74,240	1,322,727	6,033,521	2,928,784	7,547,670
50 - 54	30	30,000	929,952	4,068,405	3,693,615	8,557,509
55 - 59	9	14,550	350,444	914,395	1,362,809	2,711,235
60 - 64	10	12,000	305,951	1,263,407	2,128,840	3,390,030
65 - 69	18	29,446	558,852	2,507,748	2,507,895	10,461,289
70 - 74	4	12,000	88,395	928,220	1,782,866	9,013,764
75 - 79	6	6,000	182,244	2,151,101	3,152,904	5,864,568
80 - 84	4	12,000	105,580	1,363,975	3,218,221	5,867,294
85 - 89	3	6,000	109,414	641,915	648,946	1,334,895
90 - 94	1	0	46,596	111,444	41,047	69,200
95 - 99	4	6,000	221,805	2,014,523	1,776,457	6,704,673
Unknown	5	0	172,313	761,317	521,338	992,194
Major Total	730	1,211,832	17,840,686	59,562,657	42,425,556	107,007,312
Permanent Total	14	6,000	1,369,886	10,880,603	13,594,734	55,455,283
Grand Total	8,637	5,593,829	111,403,599	250,026,330	152,380,128	384,029,600

Source: WCIRB unit statistical data at first report level

**Policy Year 2015 Permanent Disability Summary**  
 Psychiatric and Mental Stress Injuries

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	222	25,000	1,407,227	2,204,626	845,404	1,874,671
5 - 9	185	19,000	1,092,898	2,169,844	910,706	2,484,466
10 - 14	116	51,198	1,159,534	2,263,555	519,613	1,786,275
15 - 19	119	52,935	1,340,054	2,641,082	734,433	2,013,745
20 - 24	40	39,400	584,676	1,486,827	311,047	930,793
Unknown	17	0	128,633	308,901	95,846	282,858
Minor Total	699	187,533	5,713,022	11,074,835	3,417,049	9,372,808
25 - 29	15	12,000	219,975	596,658	85,404	336,815
30 - 34	11	0	300,434	555,498	92,681	265,019
35 - 39	7	0	305,427	408,015	208,603	302,393
40 - 44	4	6,000	114,824	264,253	56,568	124,372
45 - 49	0	0	0	0	0	0
50 - 54	3	0	44,611	308,857	15,369	84,398
55 - 59	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0
65 - 69	0	0	0	0	0	0
70 - 74	0	0	0	0	0	0
75 - 79	0	0	0	0	0	0
80 - 84	0	0	0	0	0	0
85 - 89	0	0	0	0	0	0
90 - 94	0	0	0	0	0	0
95 - 99	0	0	0	0	0	0
Unknown	2	0	70,255	85,934	51,788	66,788
Major Total	42	18,000	1,055,526	2,219,215	510,413	1,179,785
Permanent Total	0	0	0	0	0	0
Grand Total	741	205,533	6,768,548	13,294,050	3,927,462	10,552,593

Source: WCIRB unit statistical data at first report level

**Policy Year 2015 Permanent Disability Summary**  
 Carpel Tunnel / Repetitive Motion Injuries

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	1,066	107,900	5,567,357	10,075,395	4,624,059	12,105,504
5 - 9	1,275	298,345	9,324,992	18,883,492	8,461,375	23,661,576
10 - 14	661	330,602	6,397,527	14,596,945	4,983,054	15,457,024
15 - 19	373	294,472	4,560,369	11,194,707	3,286,096	9,972,142
20 - 24	174	152,317	2,722,688	6,360,069	1,662,925	5,318,589
Unknown	28	0	252,984	679,418	174,514	538,808
Minor Total	3,577	1,183,636	28,825,917	61,790,026	23,192,023	67,053,643
25 - 29	76	113,938	1,141,685	3,652,058	599,676	2,790,117
30 - 34	42	48,000	605,575	2,150,296	457,195	1,904,955
35 - 39	17	12,000	578,661	1,156,198	304,104	760,095
40 - 44	14	0	330,889	978,467	159,250	488,933
45 - 49	7	0	249,327	404,778	182,269	293,451
50 - 54	7	0	121,792	554,113	65,740	300,693
55 - 59	3	0	110,041	238,595	29,693	131,814
60 - 64	3	6,000	186,107	308,073	23,300	420,653
65 - 69	1	0	24,150	101,833	3,012	90,383
70 - 74	0	0	0	0	0	0
75 - 79	0	0	0	0	0	0
80 - 84	1	0	47,909	116,813	10,081	35,000
85 - 89	2	0	132,025	200,167	47,068	97,324
90 - 94	0	0	0	0	0	0
95 - 99	0	0	0	0	0	0
Unknown	1	0	666	8,039	549	8,587
Major Total	174	179,938	3,528,827	9,869,430	1,881,937	7,322,005
Permanent Total	1	0	10,809	10,809	986	986
Grand Total	3,752	1,363,574	32,365,553	71,670,265	25,074,946	74,376,634

Source: WCIRB unit statistical data at first report level

**Policy Year 2015 Permanent Disability Summary**  
Other Cumulative Injuries

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	1,418	119,715	3,963,546	10,070,074	4,846,285	15,167,813
5 - 9	1,812	484,408	6,901,260	19,049,031	7,987,247	27,386,200
10 - 14	1,185	547,317	5,555,903	17,995,366	5,083,519	20,473,952
15 - 19	664	532,240	4,743,724	15,100,782	3,681,633	14,192,686
20 - 24	325	286,250	2,767,576	9,717,764	2,163,554	8,565,901
Unknown	28	0	237,295	395,626	184,706	434,786
Minor Total	5,432	1,969,930	24,169,304	72,328,643	23,946,944	86,221,338
25 - 29	139	191,723	1,555,403	5,598,836	1,276,250	4,597,945
30 - 34	82	128,000	1,009,802	3,796,978	870,101	3,062,836
35 - 39	45	108,600	961,683	2,839,101	1,000,226	2,700,470
40 - 44	23	30,000	294,645	1,279,401	186,877	1,248,435
45 - 49	12	30,000	180,552	694,333	151,737	551,072
50 - 54	13	24,000	234,218	854,718	56,311	487,652
55 - 59	6	18,000	163,481	570,790	1,037,078	1,701,097
60 - 64	3	12,000	83,096	377,074	103,185	241,895
65 - 69	3	0	28,308	350,616	95,837	348,067
70 - 74	1	0	0	32,000	10,000	30,000
75 - 79	0	0	0	0	0	0
80 - 84	0	0	0	0	0	0
85 - 89	0	0	0	0	0	0
90 - 94	0	0	0	0	0	0
95 - 99	1	6,000	20,880	396,801	10,706	243,782
Unknown	4	0	56,948	509,241	19,122	196,287
Major Total	332	548,323	4,589,016	17,299,889	4,817,430	15,409,538
Permanent Total	3	0	334,372	682,663	41,543	107,522
Grand Total	5,767	2,518,253	29,092,692	90,311,195	28,805,917	101,738,398

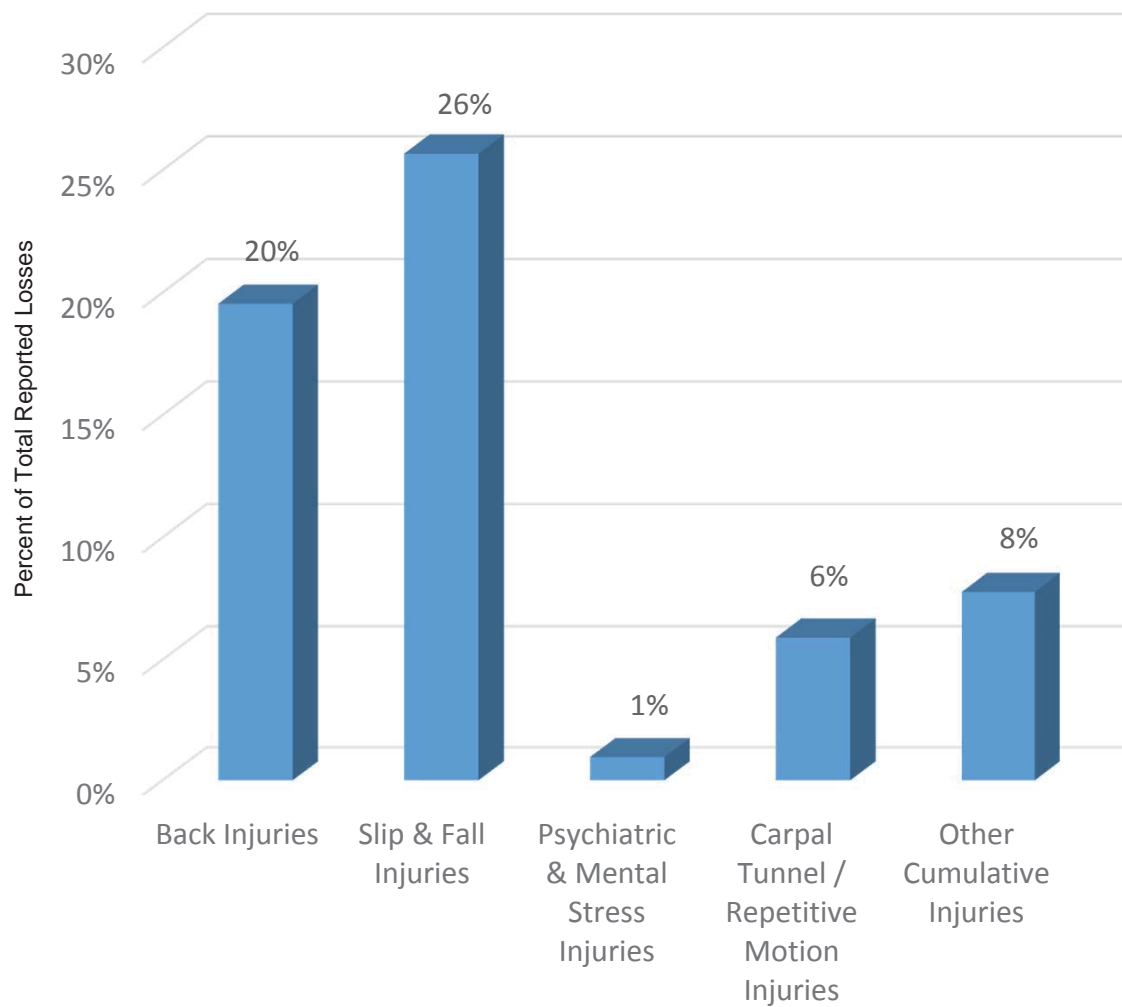
Source: WCIRB unit statistical data at first report level

**Policy Year 2015 Permanent Disability Summary**  
All Injuries

<u>Percent Disability</u>	<u>Number of Claims</u>	<u>Incurred Ed. Voucher/ Voc. Rehab.(\$)</u>	<u>Paid Indemnity(\$)</u>	<u>Incurred Indemnity(\$)</u>	<u>Paid Medical(\$)</u>	<u>Incurred Medical(\$)</u>
1 - 4	10,939	1,494,415	62,982,798	109,061,992	67,466,498	151,401,353
5 - 9	15,166	5,401,349	123,301,696	239,591,692	122,897,836	311,871,858
10 - 14	9,119	5,484,800	103,177,217	213,498,414	92,042,633	237,704,140
15 - 19	5,888	4,818,592	78,170,946	171,938,648	70,879,987	180,073,004
20 - 24	2,244	2,332,469	37,194,301	89,080,704	35,533,166	92,650,577
Unknown	321	38,102	3,716,656	8,928,397	7,341,371	15,498,097
Minor Total	43,677	19,569,727	408,543,614	832,099,847	396,161,491	989,199,029
25 - 29	1,077	1,519,129	20,611,579	53,507,846	21,759,857	57,307,763
30 - 34	736	938,582	16,157,135	42,382,039	18,885,980	46,129,371
35 - 39	361	708,948	10,133,135	26,160,680	13,383,648	31,258,361
40 - 44	192	276,852	5,082,126	15,916,095	6,379,672	16,681,986
45 - 49	161	255,340	4,465,337	16,965,050	7,749,520	19,604,930
50 - 54	143	189,732	4,293,530	16,488,949	10,464,129	28,653,044
55 - 59	53	105,550	2,044,524	6,063,098	4,142,166	9,699,896
60 - 64	35	78,653	1,466,462	4,318,218	3,060,971	6,687,882
65 - 69	51	89,446	1,474,875	7,970,687	5,650,133	20,524,928
70 - 74	15	32,400	850,876	6,344,597	3,703,190	23,434,633
75 - 79	9	18,000	321,571	2,661,246	3,594,790	6,483,593
80 - 84	15	36,251	635,042	3,941,259	4,224,365	8,040,007
85 - 89	15	24,000	779,219	2,936,285	3,869,653	7,083,895
90 - 94	4	0	61,276	415,651	54,288	911,137
95 - 99	8	12,000	298,305	4,030,557	6,647,737	15,479,351
Unknown	37	0	885,292	6,344,323	2,386,226	6,431,719
Major Total	2,912	4,284,883	69,560,284	216,446,580	115,956,325	304,412,496
Permanent Total	36	12,000	2,413,507	30,246,178	22,974,091	97,534,306
Grand Total	46,625	23,866,610	480,517,405	1,078,792,605	535,091,907	1,391,145,831

Source: WCIRB unit statistical data at first report level

**Total Reported Losses\* on Permanent Disability Claims by Type of Injury\*\*  
for Policy Year 2015**



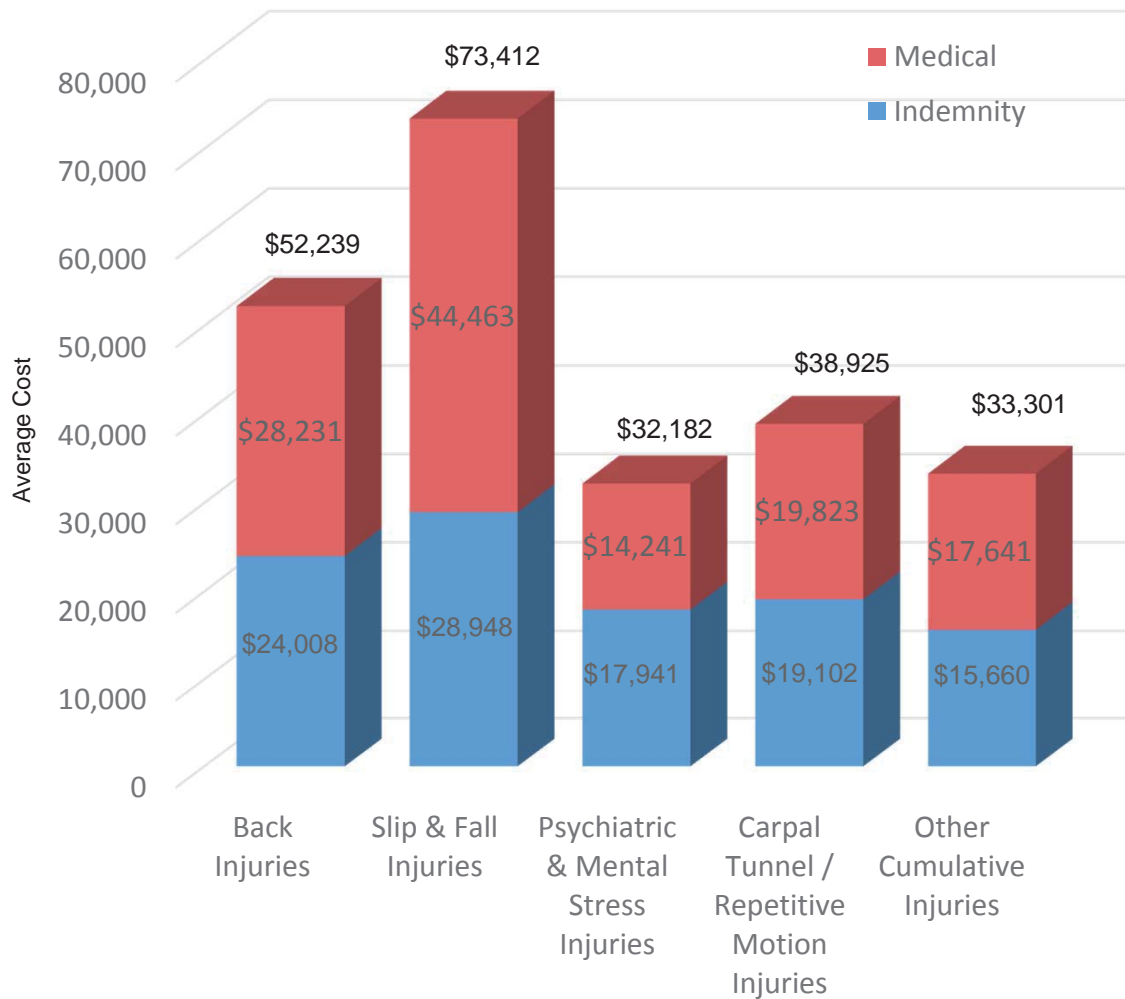
\* These costs are based on claim data evaluated as of 18 months from inception of each 2015 policy, and are not developed to an ultimate basis.

\*\* 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 2015**



\* These costs are based on claim data evaluated as of 18 months from inception of each 2015 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	2017			2016			2015			2014			2013		
	Voc. Rehab. Paid(\$000)	% of Total Voc. Rehab.	% of Total Paid Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc. Rehab.	% of Total Paid Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc. Rehab.	% of Total Paid Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc. Rehab.	% of Total Paid Indemnity	Voc. Rehab. Paid(\$000)	% of Total Voc. Rehab.	% of Total Paid Indemnity
Education Vouchers	79,405	96.8%	2.1%	61,681	95.5%	1.7%	44,421	96.9%	1.3%	29,137	97.0%	0.9%	36,226	97.3%	1.1%
Other Voc. Rehab.	2,619	3.2%	0.1%	2,876	4.5%	0.1%	1,408	3.1%	0.0%	911	3.0%	0.0%	1,001	2.7%	0.0%
Total Vocational Rehabilitation	82,024	100.0%	2.2%	64,557	100.0%	1.8%	45,829	100.0%	1.4%	30,047	100.0%	0.9%	37,226	100.0%	1.1%

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

## Insurer Underwriting Experience by Calendar Year

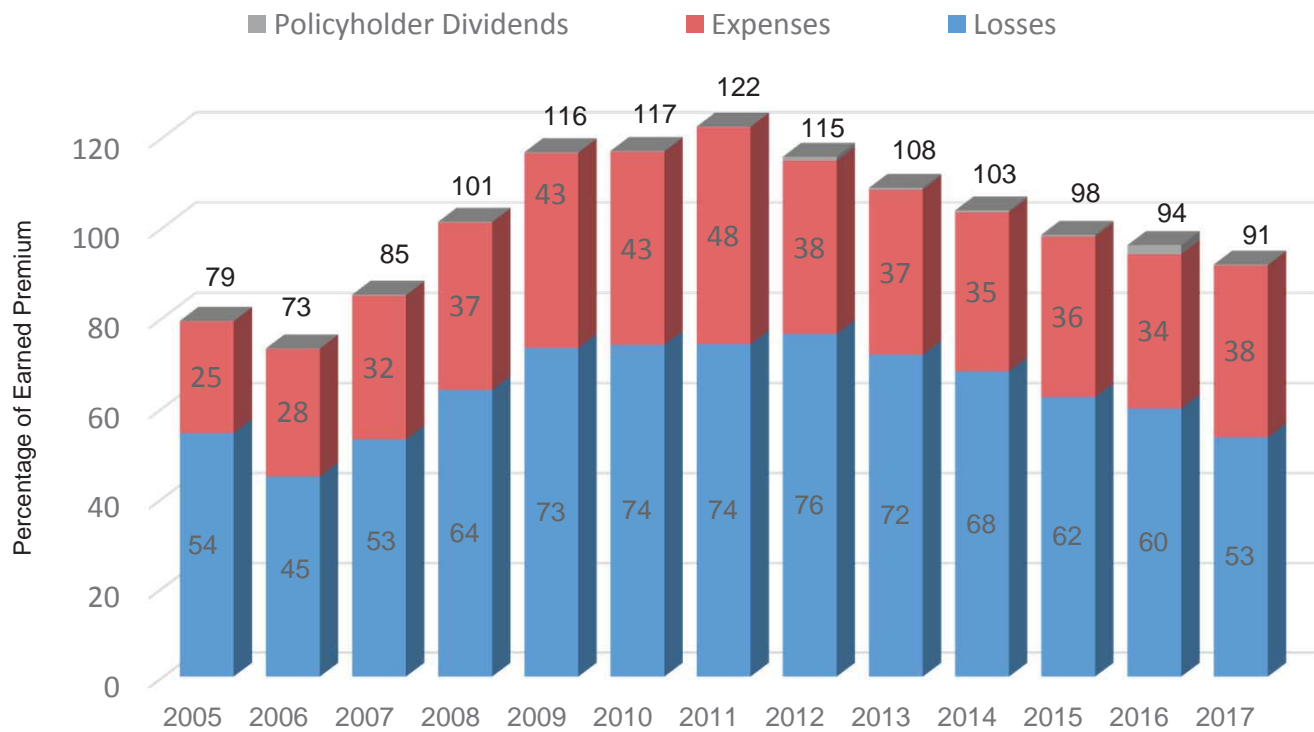
	2017	2016 <sup>[1]</sup>	2015 <sup>[1]</sup>	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Direct Earned Premium (\$ in Millions)	\$17,672	\$17,953	\$17,114	\$16,227	\$14,382	\$12,084	\$10,440	\$9,632	\$9,068	\$10,904	\$13,331	\$17,282	\$21,477
Gross of Deductible Credits													
Direct Losses & Expenses (\$ in Millions)													
1 Paid Losses													
a. Indemnity													
i. Insurer	\$3,667	19.8%	20.1%	20.5%	23.1%	26.2%	28.3%	28.8%	30.1%	26.6%	23.0%	19.7%	19.2%
ii. CIGA <sup>[2]</sup>	\$47	0.3%	0.3%	0.4%	0.3%	0.3%	0.5%	0.6%	0.8%	0.8%	0.7%	1.0%	1.0%
iii. Total Indemnity Paid	\$3,714	21.0%	20.3%	20.9%	23.4%	26.5%	28.8%	29.4%	30.9%	27.4%	23.8%	20.7%	20.2%
b. Medical													
i. Insurer	\$4,604	26.0%	27.8%	30.0%	35.4%	39.1%	41.8%	43.9%	44.7%	37.4%	27.7%	20.7%	17.2%
ii. CIGA <sup>[2]</sup>	\$138	0.8%	0.9%	1.0%	0.9%	0.9%	0.8%	1.0%	1.1%	1.1%	0.9%	1.0%	0.9%
iii. Total Medical Paid	\$4,742	26.8%	28.7%	31.0%	36.2%	40.1%	42.6%	44.9%	45.9%	38.5%	28.6%	21.7%	18.2%
c. Total Paid Losses													
i. Insurer	\$8,270	46.8%	47.9%	50.5%	58.4%	65.3%	70.1%	72.7%	74.8%	64.0%	50.8%	40.4%	36.4%
ii. CIGA <sup>[2]</sup>	\$185	1.0%	1.2%	1.4%	1.2%	1.3%	1.3%	1.6%	1.9%	1.9%	1.6%	2.0%	2.0%
iii. Total Losses Paid	\$8,455	47.8%	49.0%	51.9%	59.6%	66.6%	71.4%	74.2%	76.7%	65.9%	52.4%	42.4%	38.4%
2 Change in Insurer Reserves <sup>[3]</sup>	\$1,165	6.6%	14.5%	17.5%	13.3%	11.0%	3.9%	1.3%	-1.7%	-0.1%	2.1%	4.3%	17.9%
3 Insurer Losses Incurred [1c.i. + 2]	\$9,436	53.4%	62.3%	68.0%	71.7%	76.3%	74.0%	73.9%	73.2%	63.9%	52.9%	44.7%	54.3%
4 Insurer Loss Adjustment Expenses (LAE)													
a. Allocated	\$1,674	9.5%	11.8%	11.6%	12.0%	11.7%	11.4%	9.9%	9.8%	7.6%	5.6%	5.6%	5.0%
b. Unallocated <sup>[3]</sup>	\$1,664	9.4%	6.2%	6.1%	6.3%	6.2%	13.9%	10.2%	11.0%	9.1%	8.1%	6.9%	5.8%
c. Total LAE	\$3,338	18.9%	18.0%	17.8%	18.3%	18.0%	25.3%	20.1%	20.8%	16.7%	13.7%	12.5%	10.8%
5 Commissions & Brokerage	\$1,399	7.9%	7.3%	7.3%	7.4%	7.8%	8.2%	7.6%	7.7%	7.4%	6.7%	6.0%	5.0%
6 Other Acquisition Expenses	\$674	3.8%	3.8%	3.5%	3.6%	3.7%	4.9%	5.5%	5.6%	4.7%	3.7%	3.3%	2.9%
7 General Expenses	\$970	5.5%	4.8%	4.7%	5.0%	6.5%	7.6%	7.3%	7.2%	6.4%	5.4%	4.2%	3.7%
8 Premium & Other Taxes	\$348	2.0%	2.1%	1.8%	2.3%	2.4%	2.2%	2.4%	1.9%	1.9%	2.5%	2.4%	2.5%
9 Insurer Total Expenses [4c + 5 + 6 + 7 + 8]	\$6,729	38.1%	34.2%	35.3%	36.6%	38.4%	48.2%	42.8%	43.2%	37.1%	31.9%	28.3%	24.8%
10 Insurer Total Losses & Expenses [3 + 9]	\$16,165	91.5%	94.0%	103.3%	108.3%	114.7%	122.2%	116.7%	116.4%	101.0%	84.8%	73.0%	79.1%
11 Insurer Policyholder Dividends	\$29	0.2%	0.2%	0.4%	0.4%	0.9%	0.1%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%
12 Insurer Pre-Tax Underwriting Profit (Loss) <sup>[4]</sup> [100% - 10 - 11] x Earned Premium (\$ in Millions)	\$1,478	8.4%	5.8%	-3.8%	-8.7%	-15.6%	-22.3%	-16.9%	-16.6%	-1.2%	15.1%	26.9%	20.8%
			\$285	(\$614)	(\$1,245)	(\$1,886)	(\$2,326)	(\$1,629)	(\$1,505)	(\$132)	\$2,010	\$4,644	\$4,468

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. 2017 figures include a reallocation made by the State Compensation Insurance Fund to move \$450 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 2015

Cause of Injury		Number of Claims	Percentage of Claims	Incurred Losses(\$)	Percentage of Total Losses
56	Strain by - Lifting	40,225	10.7%	441,333,415	10.2%
60	Strain or Injury By, NOC	27,283	7.3%	325,216,054	7.5%
99	Other - Miscellaneous, NOC	27,123	7.2%	313,009,601	7.2%
31	Fall, Slip or Trip Injury, NOC	17,156	4.6%	292,492,006	6.7%
98	Cumulative, NOC	14,814	3.9%	275,718,115	6.3%
97	Strain by - Repetitive Motion	18,152	4.8%	266,937,797	6.1%
29	Fall - On Same Level	16,827	4.5%	238,042,798	5.5%
25	Fall - From Different Level (Elevation)	6,395	1.7%	208,935,504	4.8%
57	Strain by - Pushing or Pulling	14,613	3.9%	183,408,909	4.2%
26	Fall - From Ladder or Scaffolding	4,974	1.3%	166,086,751	3.8%
45	Motor Vehicle - Collision or Sideswipe with Another Vehicle	4,850	1.3%	121,951,142	2.8%
75	Struck or Injured By - Falling or Flying Object	13,284	3.5%	118,349,119	2.7%
53	Strain by - Twisting	7,999	2.1%	91,617,054	2.1%
50	Motor Vehicle, NOC	3,043	0.8%	86,311,218	2.0%
55	Strain by - Holding or Carrying	5,423	1.4%	66,130,631	1.5%
81	Struck or Injured By, NOC	7,936	2.1%	65,153,260	1.5%
27	Fall - From Liquid or Grease Spills	4,342	1.2%	57,388,324	1.3%
79	Struck or Injured By - Object Being Lifted or Handled	8,216	2.2%	55,989,062	1.3%
10	Caught in - Machine or Machinery	2,809	0.7%	55,833,894	1.3%
77	Struck or Injured By - Motor Vehicle	1,672	0.4%	53,396,607	1.2%
68	Struck or Stepped On - Stationary Object	8,132	2.2%	51,515,528	1.2%
33	Fall - On Stairs	3,735	1.0%	49,067,549	1.1%
58	Strain by - Reaching	4,303	1.1%	47,486,394	1.1%
13	Caught In, Under or Between, NOC	4,542	1.2%	46,997,034	1.1%
30	Slip or Trip But Did Not Fall	3,316	0.9%	46,563,212	1.1%
76	Struck or Injured By - Hand Tool or Machine in Use	2,677	0.7%	41,330,799	1.0%
19	Cut, Puncture, Scrape or Injured By, NOC	14,220	3.8%	38,816,639	0.9%
74	Struck or Injured By - Fellow Workers, Patient or Other Person	4,699	1.3%	36,735,040	0.8%
70	Striking Against or Stepping On, NOC	5,292	1.4%	31,529,631	0.7%
94	Rubbed or Abraded By - Repetitive Motion	2,153	0.6%	31,231,892	0.7%
59	Strain by - Using Tool or Machinery	2,508	0.7%	30,807,111	0.7%
17	Cut or Puncture by - Object Being Lifted or Handled	8,975	2.4%	30,038,802	0.7%
12	Caught in - Object Handled	4,515	1.2%	29,568,306	0.7%
18	Cut or Puncture by - Powered Hand Tool, Appliance	3,637	1.0%	29,510,552	0.7%
90	Other than Physical Cause of Injury	3,074	0.8%	29,393,319	0.7%
89	Person in Act of a Crime	1,125	0.3%	22,475,351	0.5%
16	Cut or Puncture by - Hand Tool, Utensils; Not Powered	10,045	2.7%	20,862,451	0.5%
28	Fall - Into Openings	1,189	0.3%	20,375,625	0.5%
85	Struck or Injured By - Animal or Insect	6,559	1.7%	19,093,447	0.4%
54	Strain by - Jumping or Leaping	1,339	0.4%	17,832,444	0.4%
46	Motor Vehicle - Collision with a Fixed Object	514	0.1%	16,207,825	0.4%
80	Struck or Injured By - Object Handled by Others	1,721	0.5%	14,590,282	0.3%
48	Motor Vehicle - Vehicle Upset	365	0.1%	14,044,340	0.3%
78	Struck or Injured By - Moving Parts of Machine	909	0.2%	12,331,986	0.3%
66	Struck or Stepped On - Object Being Lifted or Handled	2,080	0.6%	12,067,180	0.3%
87	Foreign Matter (Body) in Eye(s)	7,589	2.0%	9,741,911	0.2%
32	Fall - On Ice or Snow	646	0.2%	8,618,885	0.2%
02	Burn or Scald - Hot Objects or Substances	2,467	0.7%	8,543,851	0.2%
82	Absorption, Ingestion or Inhalation, NOC	2,791	0.7%	8,432,300	0.2%
05	Burn or Scald - Steam or Hot Fluids	1,701	0.5%	7,685,708	0.2%
84	Burn or Scald - Electrical Current	418	0.1%	7,333,022	0.2%
69	Struck or Stepped On - Stepping on Sharp Object	1,614	0.4%	7,329,722	0.2%
15	Cut or Puncture by - Broken Glass	2,545	0.7%	6,465,376	0.1%
86	Struck or Injured By - Explosion or Flare Back	68	0.0%	6,456,740	0.1%
01	Burn or Scald - Chemicals	1,887	0.5%	6,144,597	0.1%
09	Burn or Scald - Contact With, NOC	1,323	0.4%	6,084,762	0.1%
65	Struck or Stepped On - Moving Part of Machine	536	0.1%	5,771,707	0.1%
04	Burn or Scald - Fire or Flame	283	0.1%	4,956,229	0.1%
20	Caught in - Collapsing Materials (Slides of Earth)	163	0.0%	4,220,347	0.1%
61	Strain by - Welding or Throwing	366	0.1%	4,027,357	0.1%
06	Burn or Scald - Dusts, Gases, Fumes or Vapors	839	0.2%	3,076,784	0.1%
03	Burn or Scald - Temperature Extremes	574	0.2%	2,826,342	0.1%
11	Burn or Scald - Cold Objects or Substances	141	0.0%	2,677,103	0.1%
47	Motor Vehicle - Crash of Airplane	7	0.0%	1,888,238	0.0%
95	Rubbed or Abraded By, NOC	399	0.1%	1,769,338	0.0%
96	Terrorism	101	0.0%	1,743,625	0.0%
52	Strain by - Continual Noise	173	0.0%	1,626,465	0.0%
07	Burn or Scald - Welding Operations	163	0.0%	1,009,263	0.0%
67	Struck or Stepped On - Sanding, Scraping, Cleaning Operation	90	0.0%	648,205	0.0%
41	Motor Vehicle - Crash of Rail Vehicle	8	0.0%	545,410	0.0%
93	Gunshot	7	0.0%	504,915	0.0%
14	Burn or Scald - Abnormal Air Pressure	56	0.0%	468,388	0.0%
91	Mold	48	0.0%	248,301	0.0%
40	Motor Vehicle - Crash of Water Vehicle	17	0.0%	246,196	0.0%
08	Burn or Scald - Radiation	75	0.0%	165,401	0.0%
88	Natural Disasters	4	0.0%	21,856	0.0%
Total		375,859	100.0%	4,345,052,344	100.0%

Source: WCIRB unit statistical data at first report level

## Summary of Claims by Nature of Injury - Policy Year 2015

Nature of Injury		Number of Claims	Percentage of Claims	Incurred Losses(\$)	Percentage of Total Losses
52	Strain or Tear	114,793	30.5%	1,367,859,121	31.5%
28	Fracture	12,551	3.3%	460,649,361	10.6%
49	Sprain or Tear	36,497	9.7%	431,966,387	9.9%
59	All Other Specific Injuries, NOC	29,190	7.8%	417,174,626	9.6%
80	All Other Cumulative Injury, NOC	13,696	3.6%	285,375,647	6.6%
10	Contusion	40,969	10.9%	282,784,530	6.5%
90	Multiple Physical Injuries Only	11,891	3.2%	204,488,359	4.7%
40	Laceration	44,241	11.8%	155,983,086	3.6%
37	Inflammation	9,538	2.5%	117,665,207	2.7%
16	Dislocation	2,125	0.6%	84,146,095	1.9%
07	Concussion	1,634	0.4%	63,180,896	1.5%
02	Amputation	588	0.2%	53,719,140	1.2%
13	Crushing	4,054	1.1%	53,083,093	1.2%
78	Carpal Tunnel Syndrome	2,029	0.5%	46,426,516	1.1%
77	Mental Stress	2,950	0.8%	41,234,754	0.9%
04	Burn	6,707	1.8%	40,392,612	0.9%
43	Puncture	15,731	4.2%	34,041,221	0.8%
91	Multiple Injuries Including Both Physical and Psychological	1,608	0.4%	33,705,956	0.8%
34	Hernia	2,236	0.6%	32,072,962	0.7%
46	Rupture	690	0.2%	26,146,768	0.6%
41	Myocardial Infarction	2,108	0.6%	25,943,928	0.6%
01	No Physical Injury	2,075	0.6%	14,332,227	0.3%
25	Foreign Body	8,380	2.2%	12,411,656	0.3%
47	Severance	162	0.0%	10,244,407	0.2%
36	Infection	1,268	0.3%	7,853,149	0.2%
71	All Other Occupational Disease Injury, NOC	1,149	0.3%	6,824,475	0.2%
69	Mental Disorder	447	0.1%	5,437,741	0.1%
65	Respiratory Disorders	830	0.2%	5,340,755	0.1%
19	Electric Shock	344	0.1%	3,650,610	0.1%
68	Dermatitis	2,532	0.7%	3,520,949	0.1%
53	Syncope	501	0.1%	3,356,744	0.1%
55	Vascular	83	0.0%	2,369,804	0.1%
31	Hearing Loss or Impairment	206	0.1%	2,002,196	0.0%
72	Loss of Hearing	137	0.0%	1,245,372	0.0%
32	Heat Prostration	436	0.1%	1,144,615	0.0%
58	Vision Loss	133	0.0%	1,007,448	0.0%
54	Asphyxiation	30	0.0%	983,821	0.0%
66	Poisoning - Chemical	214	0.1%	765,207	0.0%
73	Contagious Disease	628	0.2%	749,152	0.0%
22	Enucleation	11	0.0%	692,680	0.0%
30	Freezing	28	0.0%	639,138	0.0%
42	Poisoning - General	187	0.0%	608,933	0.0%
60	Dust Disease, NOC	55	0.0%	521,952	0.0%
03	Angina Pectoris	66	0.0%	459,264	0.0%
75	Psychiatric	32	0.0%	217,647	0.0%
74	Cancer	16	0.0%	177,477	0.0%
79	Hepatitis Losses	10	0.0%	140,948	0.0%
67	Poisoning - Metal	16	0.0%	100,138	0.0%
76	VDT-Related Diseases	9	0.0%	26,776	0.0%
61	Asbestosis	13	0.0%	23,918	0.0%
70	Radiation	12	0.0%	13,506	0.0%
62	Black Lung	7	0.0%	12,231	0.0%
64	Silicosis	3	0.0%	5,798	0.0%
63	Byssinosis	1	0.0%	638	0.0%
Total		375,847	100.0%	4,344,921,637	100.0%

Source: WCIRB unit statistical data at first report level

## Summary of Claims by Part of Body - Policy Year 2015

Part of Body		Number of Claims	Percentage of Claims	Incurred Losses(\$)	Percentage of Total Losses
42	Trunk - Lower Back Area	48,473	12.9%	591,016,145	13.6%
90	Multiple Body Parts - Multiple Body Parts	33,814	9.0%	570,977,866	13.2%
38	Upper Extremities - Shoulder(s)	22,953	6.1%	423,649,375	9.8%
53	Lower Extremities - Knee	24,077	6.4%	412,481,802	9.5%
34	Upper Extremities - Wrist	16,463	4.4%	173,123,267	4.0%
36	Upper Extremities - Finger(s)	36,044	9.6%	152,647,115	3.5%
35	Upper Extremities - Hand	23,959	6.4%	142,056,733	3.3%
55	Lower Extremities - Ankle	13,483	3.6%	134,791,311	3.1%
56	Lower Extremities - Foot	11,906	3.2%	105,510,330	2.4%
54	Lower Extremities - Lower Leg	7,419	2.0%	98,491,678	2.3%
33	Upper Extremities - Lower Arm	11,105	3.0%	92,236,099	2.1%
10	Head - Multiple Head Injury	5,815	1.6%	88,496,511	2.0%
32	Upper Extremities - Elbow	7,367	2.0%	82,461,358	1.9%
12	Head - Brain	1,471	0.4%	81,576,231	1.9%
41	Trunk - Upper Back Area	6,932	1.8%	81,235,206	1.9%
30	Upper Extremities - Multiple Upper Extremities	5,819	1.6%	75,976,817	1.8%
31	Upper Extremities - Upper Arm	5,019	1.3%	73,623,811	1.7%
11	Head - Skull	2,414	0.6%	60,852,840	1.4%
51	Lower Extremities - Hip	2,730	0.7%	60,400,045	1.4%
61	Trunk - Abdomen Including Groin	5,841	1.6%	56,947,422	1.3%
25	Neck - Soft Tissue	4,102	1.1%	54,783,101	1.3%
91	Multiple Body Parts - Body Systems and Multiple Body	3,939	1.1%	53,668,096	1.2%
18	Head - Soft Tissue	7,135	1.9%	49,468,111	1.1%
63	Trunk - Lumbar and /or Sacral Vertebrae	3,311	0.9%	48,824,546	1.1%
39	Upper Extremities - Wrist(s) & Hand(s)	3,274	0.9%	46,315,184	1.1%
65	Multiple Body Parts - Insufficient Info to Classify	3,316	0.9%	45,470,216	1.0%
37	Upper Extremities - Thumb	10,742	2.9%	44,991,602	1.0%
44	Trunk - Chest	4,892	1.3%	37,424,212	0.9%
50	Lower Extremities - Multiple Lower Extremities	2,552	0.7%	34,832,988	0.8%
20	Neck - Multiple Neck Injury	2,023	0.5%	34,456,082	0.8%
66	Multiple Body Parts - No Physical Injury	3,220	0.9%	34,382,627	0.8%
22	Neck - Disc	1,173	0.3%	30,916,480	0.7%
52	Lower Extremities - Upper Leg	2,268	0.6%	28,532,126	0.7%
21	Neck - Vertebrae	744	0.2%	28,320,943	0.7%
14	Head - Eye(s)	13,564	3.6%	26,840,376	0.6%
43	Trunk - Disc	1,023	0.3%	24,720,706	0.6%
40	Trunk - Multiple Trunk	1,659	0.4%	20,475,159	0.5%
47	Trunk - Spinal Cord	265	0.1%	17,690,747	0.4%
48	Trunk - Internal Organs	1,048	0.3%	16,662,415	0.4%
46	Trunk - Pelvis	535	0.1%	14,260,238	0.3%
57	Lower Extremities - Toe	2,341	0.6%	12,423,263	0.3%
23	Neck - Spinal Cord	205	0.1%	9,195,367	0.2%
19	Head - Facial Bones	856	0.2%	9,113,656	0.2%
60	Trunk - Lungs	1,111	0.3%	7,879,189	0.2%
58	Lower Extremities - Great Toe	1,423	0.4%	5,814,237	0.1%
13	Head - Ear(s)	1,057	0.3%	5,776,956	0.1%
16	Head - Teeth	772	0.2%	5,492,384	0.1%
49	Trunk - Heart	237	0.1%	5,297,486	0.1%
15	Head - Nose	1,040	0.3%	5,186,561	0.1%
17	Head - Mouth	1,064	0.3%	5,013,433	0.1%
62	Trunk - Buttocks	645	0.2%	5,008,092	0.1%
45	Trunk - Sacrum and Coccyx	289	0.1%	2,446,026	0.1%
26	Neck - Trachea	52	0.0%	597,860	0.0%
24	Neck - Larynx	53	0.0%	399,568	0.0%
64	Multiple Body Parts - Artificial Appliance	14	0.0%	136,120	0.0%
Total		375,048	100.0%	4,331,368,115	100.0%

Source: WCIRB unit statistical data at first report level

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