

# Workers' Compensation Advisory Committee (WCAC)

*Wednesday, December 16, 2020*



# AGENDA

## Workers' Compensation Advisory Committee (WCAC)

### Quarterly Meeting

Wednesday, December 16, 2020

Zoom meeting

9:00 – 11:30

<https://us02web.zoom.us/j/85612792384>

pw: wcac1216!

12532158782,,85612792384#,,,,,0#,905281376#

Time	Topic	Presenter(s)
9:00 – 9:10	<b>Welcome</b> <ul style="list-style-type: none"><li>• Introductions</li><li>• Safety Message</li></ul>	Joel Sacks Vickie Kennedy Jeff Killip
9:10 – 9:40	<b>General Updates</b> <ul style="list-style-type: none"><li>• Legislation</li><li>• Budget</li><li>• Final Rate Decision</li><li>• Interpreter Services</li></ul>	Vickie Kennedy Tammy Fellin Randi Warick Mike Ratko
9:40 – 10:05	<b>Insurance Services Dashboard</b>	Vickie Kennedy
10:05 – 10:20	<b>Break</b>	
10:20 – 11:05	<b>Vocational Recovery Project</b> <ul style="list-style-type: none"><li>• Quality assurance plan</li><li>• Rules eff. 01/01/2020</li><li>• New Referral Processes</li></ul>	Vickie Kennedy Ryan Guppy Kirsta Glenn
11:05 – 11:15	<b>Industrial Insurance State Fund Financial Overview</b>	Rachel Swanner
11:15 – 11:25	<b>Board of Industrial Insurance (BIIA) Update</b>	Linda Williams
11:25 – 11:30	<b>Closing Comments &amp; Adjourn</b>	Vickie Kennedy Joel Sacks

### ***Next WCAC Meeting***

*Tuesday, March 30, 2021*

*Zoom*

# Safety Message

*Jeff Killip*

*DOSH Education & Outreach Senior Manager*



# L&I Resources – Coronavirus (COVID-19)

- Website
- COVID-19 (Coronavirus) safety topic page
  - eTool Selection Guide for Face Coverings, Masks, and Respirators



## L&I Website: Coronavirus (COVID-19) Resources

- Latest L&I News
- Paid Sick Leave
- Workers Compensation
  
- Workplace Safety & Health
  - COVID-19 (Coronavirus) safety topic page

# Agency Website: Coronavirus (COVID-19) Topic Page

The screenshot displays the Washington State Department of Labor & Industries website. The header includes the department's logo and name, navigation links for Home, My L&I, and Sign In, and a search bar. A secondary navigation bar highlights 'Safety & Health' and lists other categories: Claims, Patient Care, Insurance, Workers' Rights, and Licensing & Permits. Below this, a breadcrumb trail shows the path: Home > Safety & Health > SAFETY TOPICS > topics. The main content area features a sidebar on the left with a 'SAFETY TOPICS' section containing links for Search By Topic, Industry, Chemicals & Materials, Machinery & Equipment, and Environmental Hazards. The main content area is titled 'COVID-19 (Coronavirus)' and contains two paragraphs of text. The first paragraph states that the Department of Labor & Industries (L&I) requires employers to implement the Governor's 'Stay Home, Stay Healthy' order, emphasizing social distancing, hand-washing, and workplace hazard education. The second paragraph discusses the recent increase in COVID-19 cases and mentions that new statewide restrictions are in effect as of November 15th. A bullet point links to a news article titled 'Governor announces updated COVID-19 restriction (Nov. 15, 2020)'. The final paragraph encourages users to use the page's resources to stay safe and healthy, and provides a link to 'contact a DOSH consultant near you'.

Washington State Department of Labor & Industries

Home My L&I: Sign In Search L&I

Safety & Health Claims Patient Care Insurance Workers' Rights Licensing & Permits

Home > Safety & Health > SAFETY TOPICS > topics

SAFETY TOPICS

Search By Topic

Industry

Chemicals & Materials

Machinery & Equipment

Environmental Hazards

## COVID-19 (Coronavirus)

The Department of Labor & Industries (L&I) requires employers to implement [the Governor's "Stay Home, Stay Healthy" order](#). Employers **must** ensure social distancing for employees and customers, frequent and adequate employee hand-washing, and that sick employees stay home. Employers must also provide basic workplace hazard education about coronavirus and how to prevent transmission in languages best understood by employees.

The recent increase in the spread of COVID-19 cases is very concerning. The latest data show Washington is seeing more than 2,000 new cases a day. In response, new statewide restrictions are in effect as of November 15th. Read more:

- [Governor announces updated COVID-19 restriction \(Nov. 15, 2020\)](#)

Use the information and resources on this page to help keep everyone safe and healthy during the COVID-19 pandemic. If you have other specific questions on how you can maintain a safe and healthy workplace, [contact a DOSH consultant near you](#).

# Agency Website: Coronavirus (COVID-19) Topic Page

## GENERAL INFORMATION

## INDUSTRY- AND TOPIC-SPECIFIC RESOURCES

## REQUIREMENTS & POLICIES

- [Coronavirus Employee Training PowerPoint template](#) (also available in Spanish)
- [Coronavirus \(COVID-19\) Prevention: Summary of General Workplace Requirements \(F414-167-000\)](#): This fact sheet helps Washington employers know what their requirements are regarding employee safety and health during the coronavirus outbreak.
- [Workplace Health and COVID-19 Prevention](#): General overall review for anyone interested in Washington specific information regarding COVID-19 prevention.
- [COVID-19 Reopening Guidance for Businesses and Workers](#) (Governor Inslee's office)
- [Sequence for safely putting on and removing Personal Protective Equipment. Printable PDF \(CDC\)](#)
- [Stop the Spread of Germs \(CDC poster\)](#) (also available in Spanish)

Masks, face shields, and respiratory protection

- [Which Mask for Which Task? COVID-19 Prevention at Work: When to Use Face Coverings and Respirators \(F414-168-000\)](#)
- [eTool Selection Guide for Face Coverings, Masks, and Respirators](#)
- [Common questions and answers regarding worker face covering and mask requirements](#)

# eTool Selection Guide for Face Coverings, Masks, and Respirators

[eTool Selection Guide for Face Coverings, Masks, and Respirators](#)



# eTool – National Attention!



NEWS SAFETY TIPS WORKPLACE SOLUTIONS PRODUCTS RESOURCES BUYER'S GUIDE E-NEWSLETTERS COVID-19

Home » COVID-19 pandemic: New e-tool designed to help pick the right respiratory protection

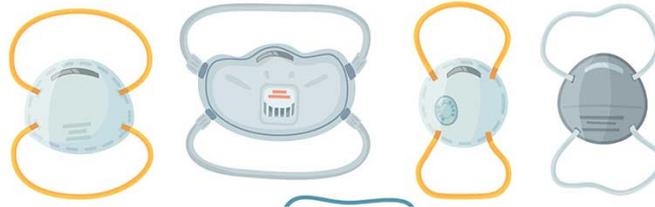
WORKPLACE EXPOSURES RESPIRATORY PROTECTION

## COVID-19 pandemic: New e-tool designed to help pick the right respiratory protection

October 16, 2020 One Comment



CORONAVIRUS PERSONAL PROTECTIVE CLOTHING PERSONAL PROTECTIVE EQUIPMENT RESPIRATORY PROTECTION  
WASHINGTON STATE DEPARTMENT OF LABOR AND INDUSTRIES



### CURRENT ISSUE



VIEW TABLE OF CONTENTS

VIEW PAST ISSUES

VIEW THE DIGITAL EDITION

This Month in Safety+Health

### Team players

10 insights into OSHA's Top 10

Working in the cold

Earn recertification points

BCSP Board of Certified Safety Professionals

# Please Stay Safe!

- Jeff Killip  
DOSH Education & Outreach Senior Manager  
jeffrey.killip@lni.wa.gov  
360-999-9477

# General Updates



- Legislation 2020 Vickie Kennedy
- Legislation 2021 Tammy Fellin
- Budget Randi Warick
- Final Rate Decision Mike Ratko
- Interpreter Services

# Dashboard – Help Injured Workers Heal and Return to Work

*Vickie Kennedy, Assistant Director for Insurance Services*

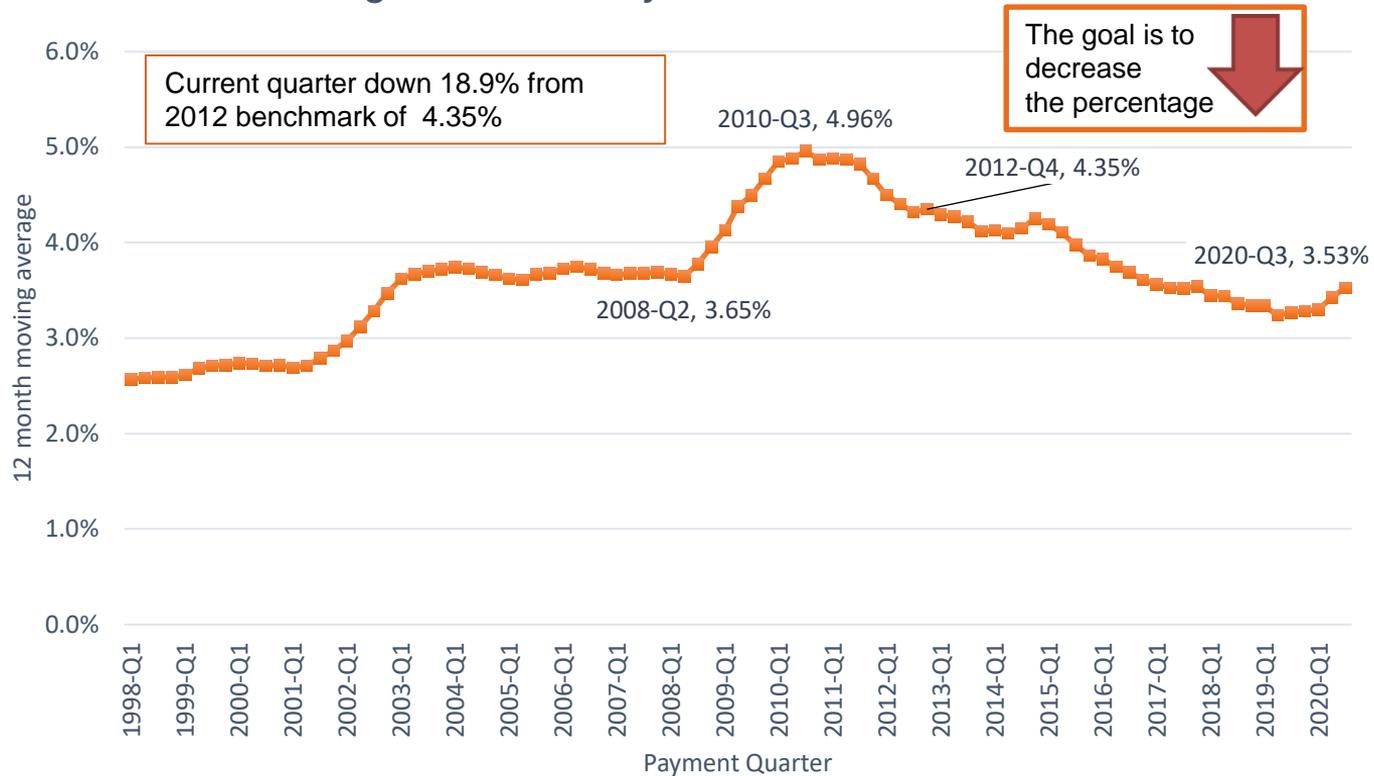


# DASHBOARD SUMMARY

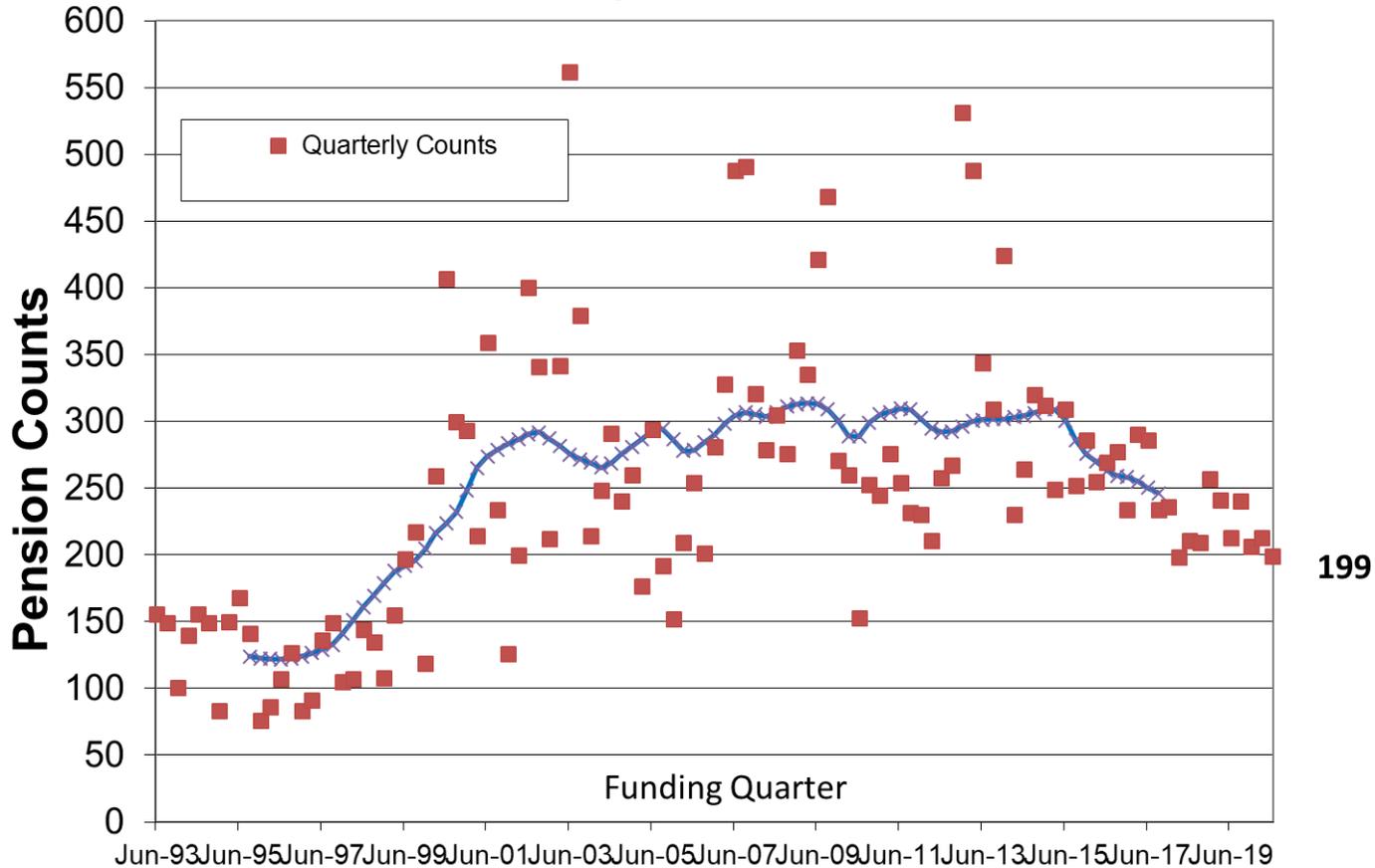
Measure	Change from 2012 (unless otherwise noted)		Y/Y Change	
<b>Long Term Disability</b> – share that received a TL payment in the 12 month post injury	-18.9%	✓	8%	△
<b>Pensions granted</b>	Down	✓		
<b>Resolution rate</b> - time-loss claims at 6 months	-0.9%	△	0%	
<b>Auto adjudication of claims</b>	75% from 2014	✓	-2.5%	△
<b>High risk claims</b> – share return to work at 12 months	4%	✓	-3.2%	△
<b>Median time-loss days paid at first vocational service</b>	-76.9%	✓	-12.5%	✓
<b>% RTW outcomes</b> - all first vocational service referrals	233.6%	✓	7.9%	✓
<b>WSAW participation</b>	Steady utilization			
<b>COHE utilization</b>	90.8%	✓	5.4%	✓

# Long term disability percent

Share of injured workers with time-loss paid in the 12th month post injury: *smaller percentage indicates less long-term disability*

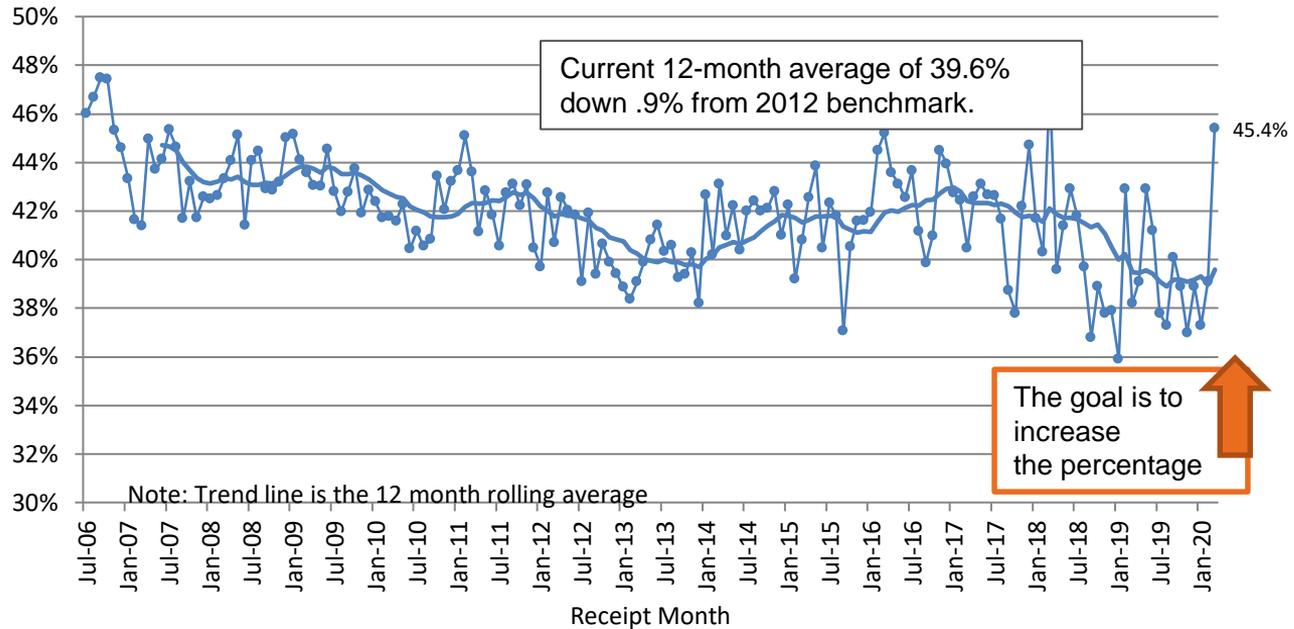


# Count of State Fund TPD Pensions Funded per Quarter

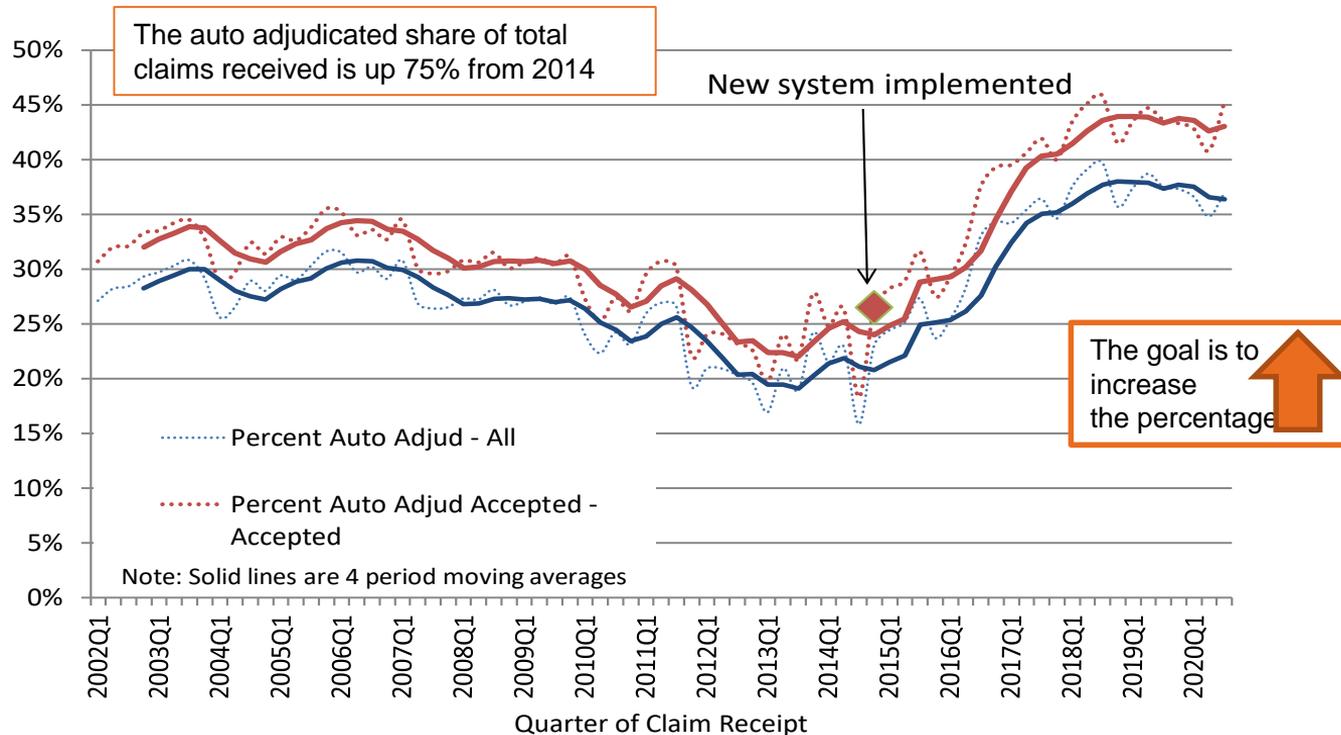


# The share of time-loss claims resolved six months after claim receipt

## Share of time-loss claims resolved six months after claim receipt



# A new auto-adjudication process was implemented in early 2015 and is showing results

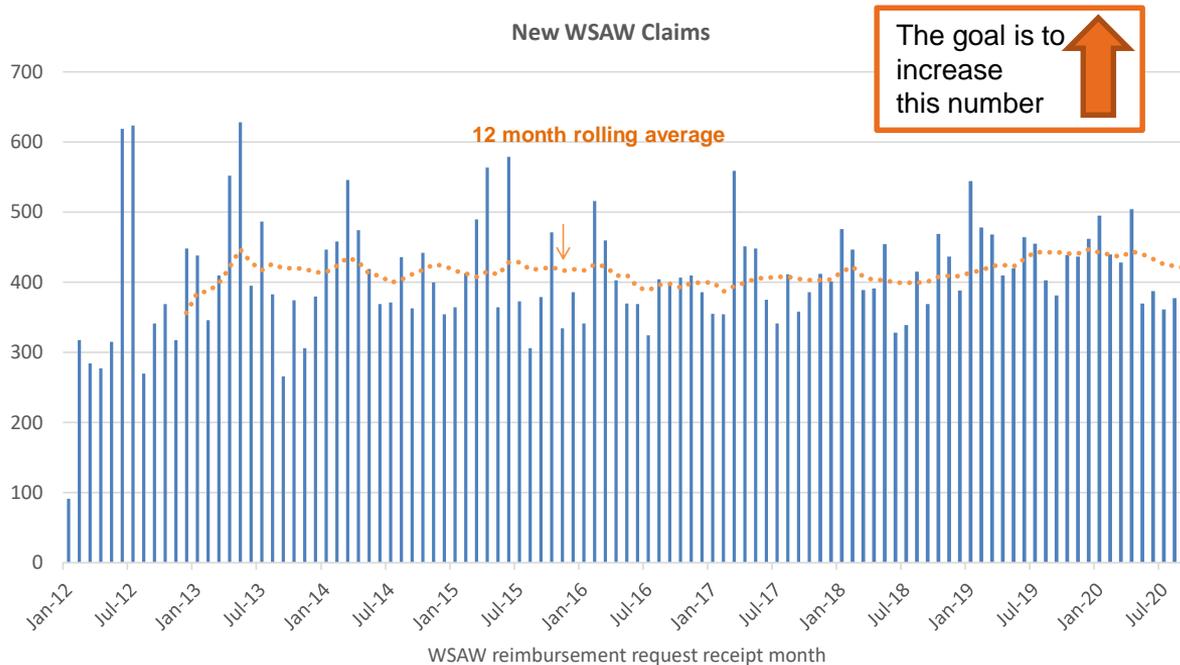


## High risk claims – Initiatives in the first year are improving RTW outcomes

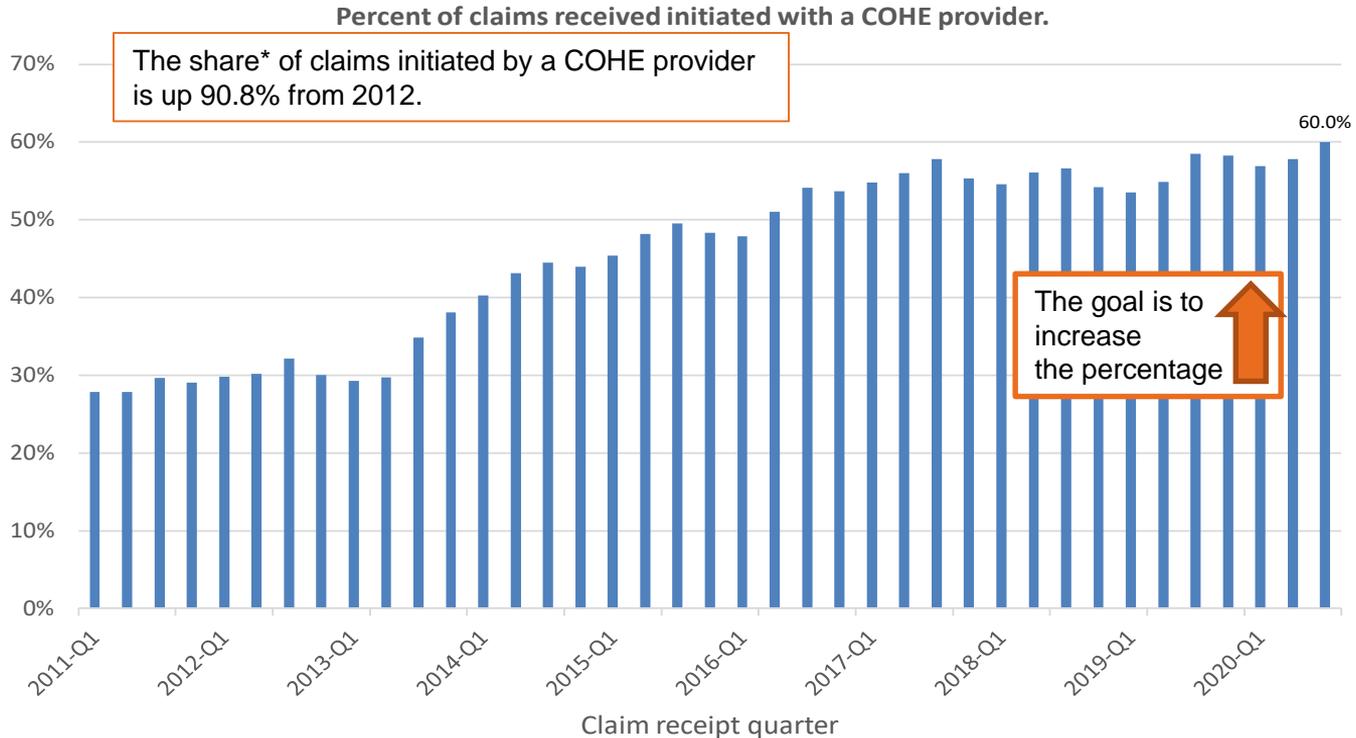


High risk workers are defined as those being disabled on the 40th day following claim receipt, about 1,540 claims per quarter. RTW is defined as the status of not receiving disability benefits between 7 and 12 months

# Participation in light duty job assignments helps maintain the employer/injured worker relationship.



# Percentage of claims for injured workers initiated with a COHE provider



\*Average share for most recent 4 quarters.

# Break Time



# Vocational Recovery Project

*Vickie Kennedy, Assistant Director for Insurance Services*  
*Ryan Guppy, Chief of Return to Work Partnerships*



# Why change vocational services?

The most significant method of keeping time-loss benefits from growing to lengthy levels is through the vocational rehabilitation program.

Early and aggressive intervention by skilled VR professionals has great potential to reduce time-loss and improve return to work for injured workers.

- Washington State Pension System Review, W.E. Upjohn Institute, 2008

# Why change vocational services?

## 2016 JLARC Audit recommendation

Implement RTW standard practices:

“Some vocational service practices need to be tailored to be more effectively utilized in appropriate claims. For example, the AWA is being used as an “adjudicative” tool, but the adjudicative approach is not an effective RTW tool. **New practices and interventions need to be defined and put into use, which can become part of a standard RTW practice used to manage claims towards desired outcomes . . .**”

# Why change vocational services?

## Work Disability

“Work disability occurs “when a worker is unable to stay at work or return to work because of an injury or disease. Work disability is the result of a **decision** by a worker who for potential physical, psychological, social, administrative, or cultural reasons does not return to work. While the worker may want to return to work, he or she **feels** incapable of returning to normal working life. Therefore, after the triggering accident or disease has activated a work absence, **various determinants** can influence some workers to remain temporarily out of the workplace, while others return, and others may finally not return to work at all.”

*Handbook of Work Disability Prevention and Management –  
Loisel and Anema 2013*

# Work Disability Contributing Factors

## Bureaugenic Disability?

“Ambivalence and resistance should not be ignored, rewarded or punished, but recognized, understood and acted upon. An engaged employer or insurer can be the difference by being a guide that offers clear and consistent direction for mutual benefit. A disengaged employer or insurer will surely create Bureaugenic Disability, that is, unnecessary lost time created by competing or ambiguous return to work policies and practices.”

*Impaired, Disabled or Just Stuck? Managing Ambivalence and Resistance to Returning to Work\* Kenneth Mitchell, Ph.D. WorkRx Group, Ltd. 2011*

# Work Disability Contributing Factors

Table 1 – The Stay at Work/Return to Work Process Escalation Levels				
<i>The process triggers when a precipitating event, usually health-related, raises the question whether a worker can/should remain at work.</i>				
Escalation Level	Who is involved?	How is current work capacity determined?	How are job demands determined (both usual job and alternatives)?	What triggers the actual return to work?
0	Worker	Personal knowledge	Personal knowledge	Personal decision
1	Worker and Supervisor	Discussion	Discussion	Discussion
	Worker and Physician	Discussion RTW note from physician	Verbal description of usual job	Discussion
2	Worker Physician Claims adjuster/case manager	Formal inquiry Simple physical capacities form completed by MD	List of job's functional demands	Discussion
3	Worker Physician Claims adjuster/case manager Physical therapist Ergonomist or vocational consultant IME examiner Union steward Lawyer	Objective testing Functional capacity evaluation Independent medical opinion	Video of job Ergonomic analysis of job On-site workplace visit	Written offer of employment Formal return to work plan Sign-off by all parties

ACOEM - American College of Occupational and Environmental Medicine

# Work Disability Contributing Factors

“Employees who are satisfied with their employer’s response to injury or illness return to work 50% faster with 54% lower cost.”

*Kenneth Mitchell, Ph.D.: The Return to Work Dividend: Protecting Productivity, Stay-at-Work and Back-to-Work Strategies – Lessons from the Private Sector. Testimony to the US Senate Committee on Health, Education, Labor and Pensions., 2012*

“In fact, the goal of work disability prevention and management is not to fix a disorder or take care of an illness. It is identifying and effectively addressing the determinants of work disability at the personal (physical and psychological), workplace, and societal levels through evidence-based interventions.”

*Loisel and Anema, Handbook of Work Disability  
Prevention and Management, 2013*

# Impacts of Work Disability

“...the insight has grown and convincing evidence has been amassed that indicates that long-term work disability contributes to 2–3 times increased risk of poor general health, 2–3 times increased risk of mental health problems, and 20% excess mortality.”

Loisel and Anema, *Handbook of Work Disability  
Prevention and Management*, 2013

# Worker Centric Means We...

- put the worker in the lead role and make it easy for them to choose to return to work
- are engaging and activating workers based on what they think needs to happen through goal planning and attainment to enable them to successfully return to work or progress through the process
- develop relationships and trust with workers to help them identify their motivations, concerns, and risks with returning to work

# Preventing Work Disability

The 4 principles of work disability prevention:

1. Prevent unnecessary delays
2. Prevent a confusing process
3. Prevent unnecessary duration
4. Prevent unclear return-to-work expectations or plans

By permission of Centrix Disability Management Services Inc., 2005–2020

## Washington's First Steps to Address Work Disability . . .

- Change from leading with the process rich ability to work model to better aligning vocational services with statutory language and work disability prevention to help workers achieve vocational recovery
  - Evidence informed
  - Washington a leader
- Success in providing vocational services earlier
  - 2014-2017 steadily increasing rates of return to work
- Need to update referral types and rules
  - Referral types, rules, and processes still reflected impairment mentality

## Changes in 2018 and 2019

- 2018 – 2019: Tested new *Vocational Recovery (VR)* referrals
- 2019: Updated rules to be in line with disability prevention model, worker-centric approach
- End of 2019: Referrals are no longer assumed to be *owned* by individual VRCs or firms
- End of 2019: All vocational firms that wanted to receive vocational recovery referrals signed a *Best Practice Agreement*

# Jan. 1, 2020 Rule Changes

How do the new rules align with the statutory language? (RCW 51.32.095)

- “enable the injured worker to become employable at gainful employment”
- highest priority given to returning a worker to employment
- Defined vocational recovery services
  - Statutory RTW priorities
  - Engagement of all parties, particularly the worker
  - Vocational recovery plans, strategies to address worker needs, goals
- Established new expectations for vocational firms (*Annual Firm Agreement, QA Plan*)
- New requirements for VRCs, escalation steps for egregious behavior

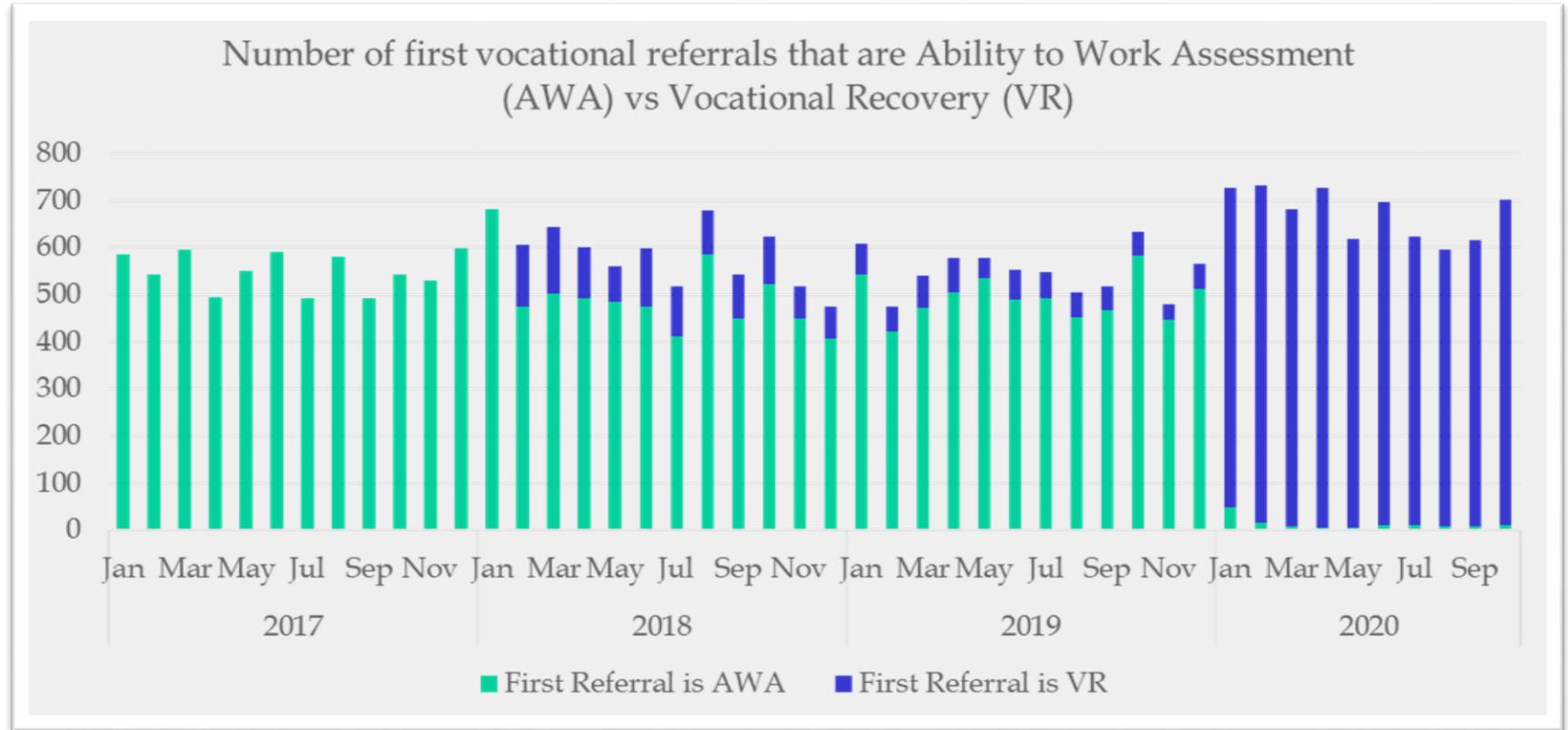
# Other Changes in 2020

- Jan – Jun 2020:
  - Shift to making referrals to firms instead of individual VRCs
  - Centralized department referral process
- Jan – Aug 2020: Testing of firm quality assurance (QA) measure reporting for vocational recovery services
- Sep 2020: All firms begin to report QA measures to the department
- Aug – Oct 2020: Testing of validation of QA process
- Dec 2020:
  - Testing of Ability-to-Work Assessment QA measure reporting
  - Firms receiving state fund referrals:
    - Sign annual firm agreement
    - Sign a QA plan

# Changes to come

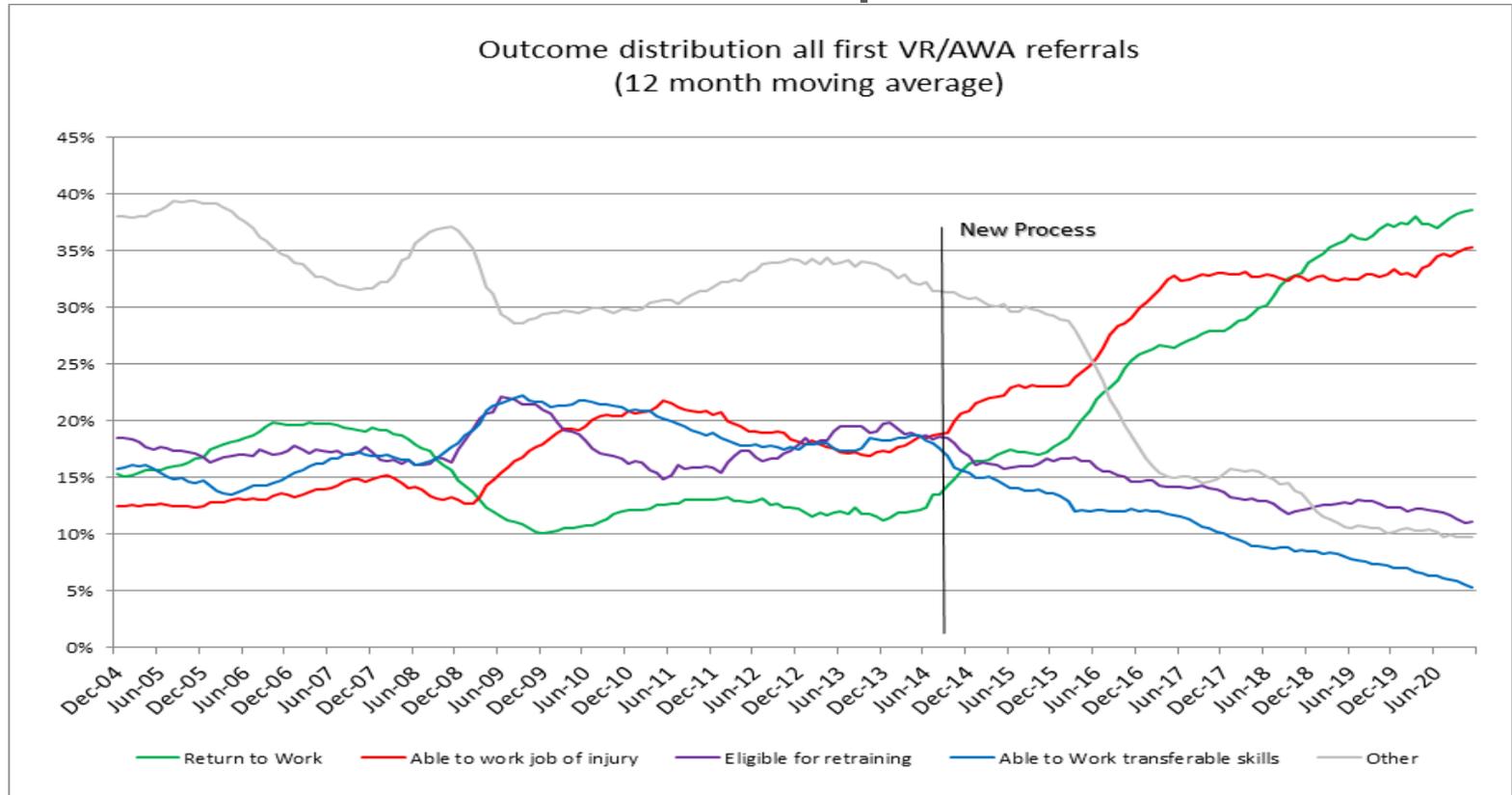
- 2021 Q1
  - Continuation of Vocational Recovery QA measure reporting
  - Start Ability-to-Work Assessment QA measure reporting
  - Start validation process and firm specific QA plans updated
- 2021 Q2
  - Continuation of Vocational Recovery and Ability-to-Work Assessment QA measure reporting
  - Start Training Plan Development and Plan Implementation QA measure reporting
  - Continuation of validation process and updates to QA plans
  - Implement new worker survey
- 2021 TBD
  - System performance measures reported regularly
  - Continuous improvement model - adjust as needed to achieve goals

# Introduction of Vocational Recovery (VR) referrals



\*This graph uses a “global” *first referral* definition and so numbers might differ from those reported for *first referrals* “by firm”.

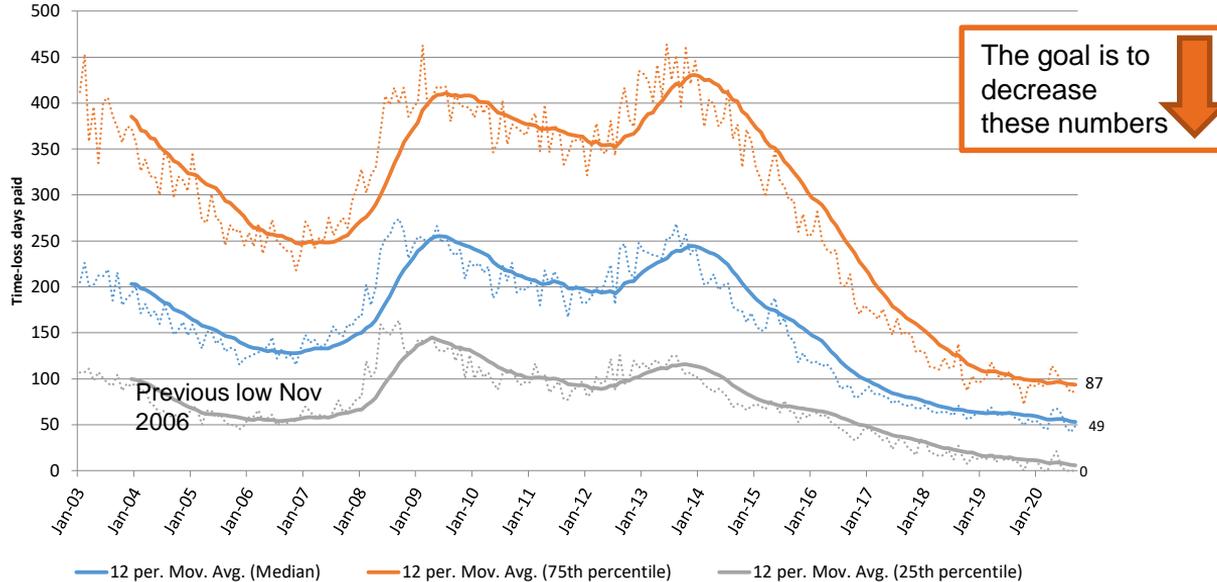
# Outcomes of first referrals remain strong despite system changes and COVID impact.



# Referrals are now targeted to address the onset of disability

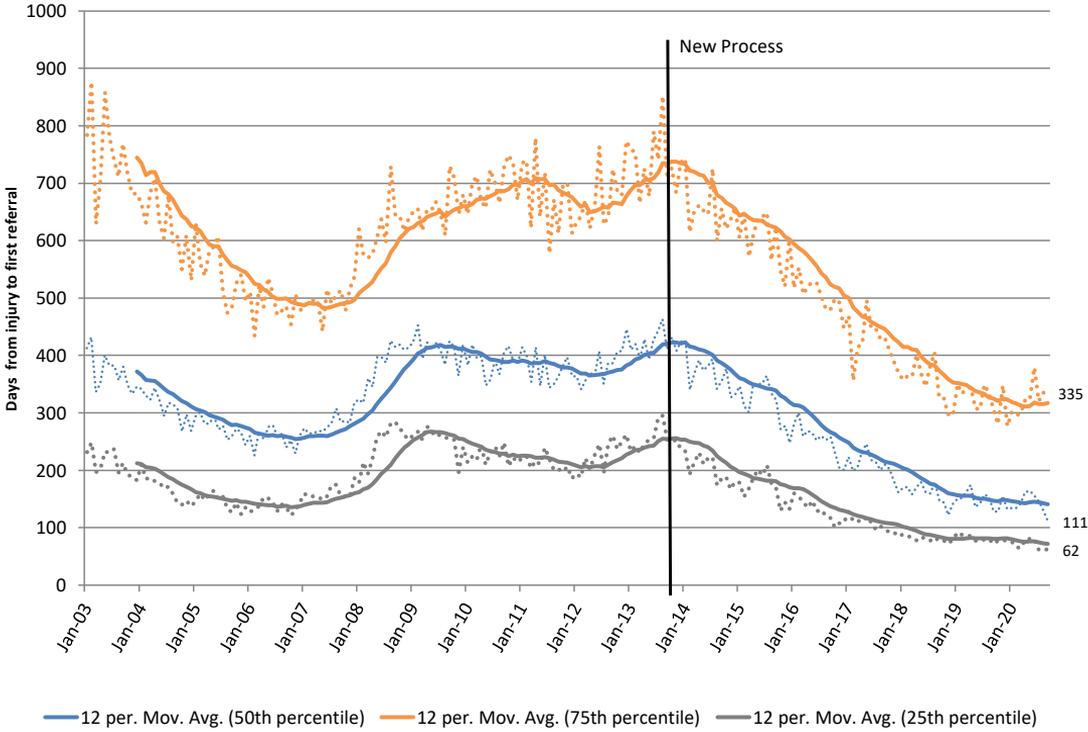
Current median down 76.9% from 2012 baseline.

Time-loss days paid at first vocational service referral



# Referrals are now targeted to address the onset of disability days from date of injury

Injury Days at first vocational referral  
25th, 50th, 75th percentiles

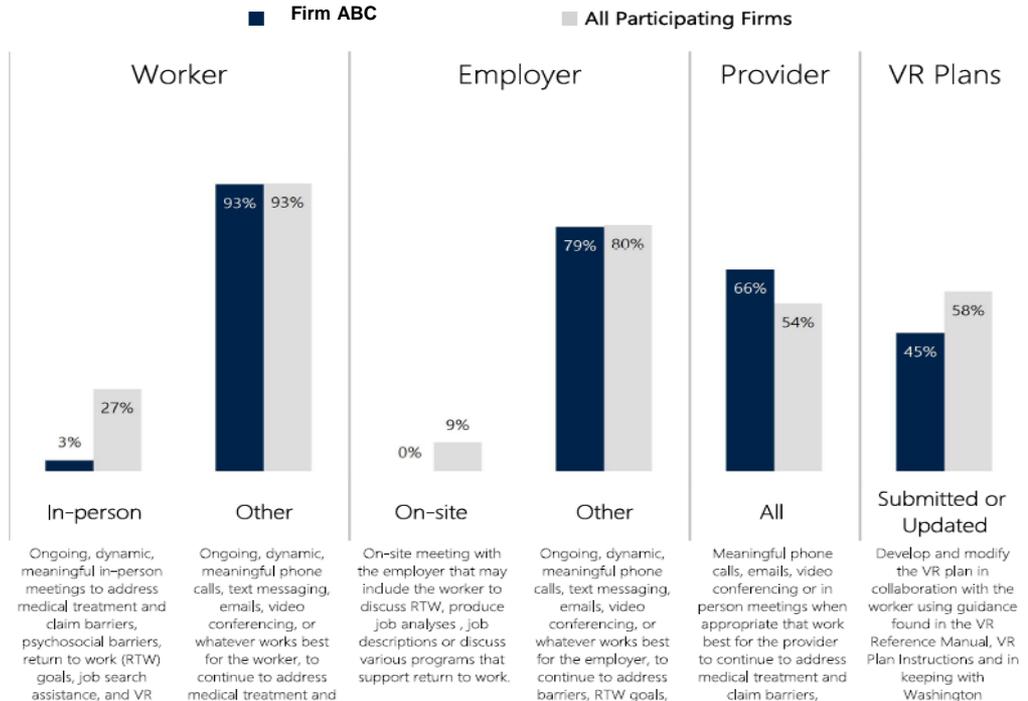


# Sample Quality Assurance report based on August activity.

## Percentage of Vocational Recovery Referrals with Engagement Activities

Vocational recovery referrals initiated between August 2020 and August 2020

Engagement activity period starting in August 2020



# Vocational Firm QA Elements

[https://lni.wa.gov/claims/\\_docs/quality-assurance-elements.pdf](https://lni.wa.gov/claims/_docs/quality-assurance-elements.pdf)

# Helping staff, providers through change

- Support for CMs
  - Training on VR
  - Updated resources
  - Surveys to gauge acceptance
  - Testing with smaller groups of CMs
- Support for vocational firms and VRCs
  - Testing of VR model
  - Training on VR for all VRCs
  - Templates and tools
  - Information sessions
  - Surveys to gauge capabilities and readiness
  - Open Q&A forums and individualized assistance
  - Identified and defined elements of quality assurance

**Questions?**

## Industrial Insurance (State) Fund Financial Overview

**Statutory Financial Information  
Fiscal Year 2021 through First Quarter  
July 2020 – September 2020**

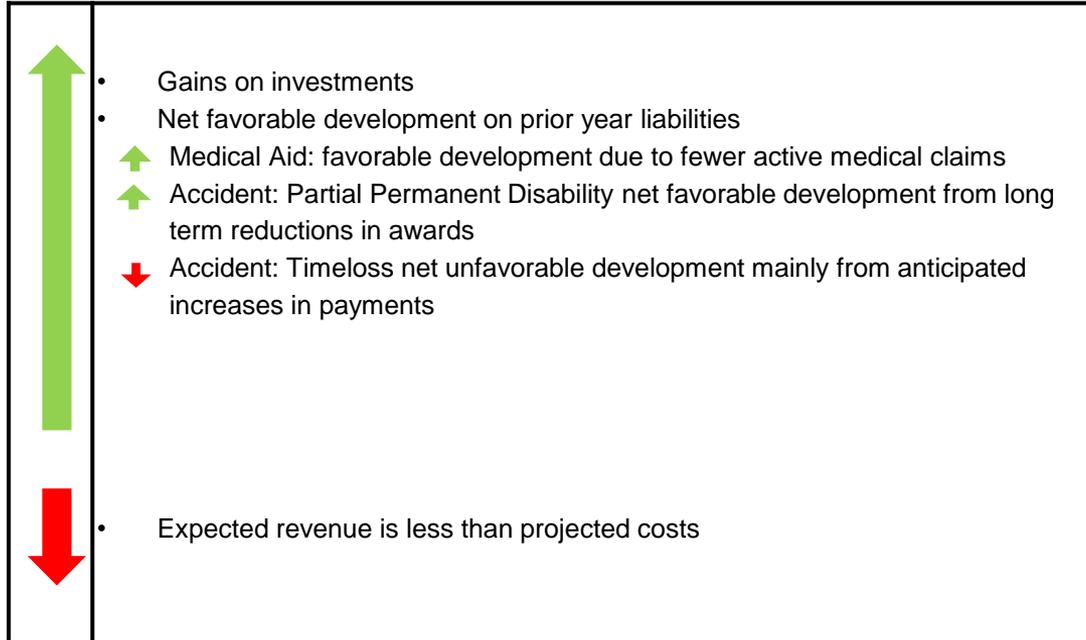
*Rachel Swanner, Workers Compensation Accounting Manager*



# Significant Financial Highlights

July 2020 through September 2020

The contingency reserve increased \$275 million, from \$3,995 million on July 1, 2020 to \$4,270 million on September 30, 2020.



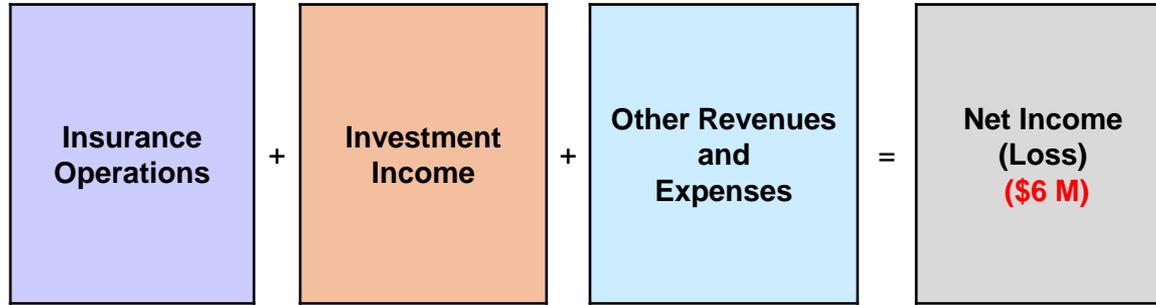
## Change in contingency reserve by quarter for fiscal year 2021.

- July 1<sup>st</sup> to September 30, 2020 – an increase of \$275 million

# State Fund Results

“Net Income”

July 2020 through September 2020



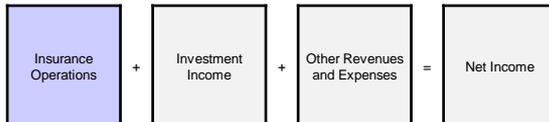
# Insurance Operations

July through September 2020  
(in millions)

## Three Months Ended

		September 30, 2020	September 30, 2019
We took in (Premiums Earned)	+	\$ 385	\$ 515
We spent (Expenses Incurred)			
Benefits Incurred		473	620
Claim Administrative Expenses		50	74
Other Insurance Expenses		23	24
Total Expenses Incurred	-	<b>546</b>	<b>718</b>
Net Income (Loss) from Insurance Operations	=	\$ (161)	\$ (203)

Net loss from insurance operations is normal for workers compensation insurers who routinely rely on investment income to cover a portion of benefit payments.



# Premiums Earned

July through September  
(in millions)

	Three Months Ended		Difference
	September 30, 2020	September 30, 2019	
Standard Premiums Collected	\$453	\$544	
Less Retrospective Rating Adjustments	(9)	(17)	
Less Ceded Reinsurance Premiums	(6)	(6)	
Net Premiums Collected	438	521	
Changes in future Premium Amounts To Be Collected	(15)	47	
Changes in future Retrospective Rating Adjustment Refunds	(38)	(53)	
Net Premiums Earned	\$ 385	\$ 515	\$ (130)

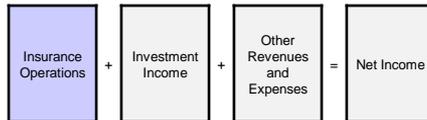


# Benefits Incurred

July through September  
(in millions)

## Three Months Ended

	September 30, 2020	September 30, 2019	Difference
Benefits Paid	\$ 393	\$ 427	\$ (34)
Change in Benefit Liabilities	80	193	(113)
<b>Total Benefits Incurred</b>	<b>\$ 473</b>	<b>\$ 620</b>	<b>\$ (147)</b>

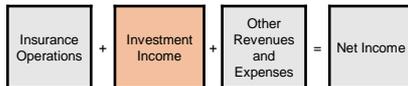


# Investment Income

July through September  
(in millions)

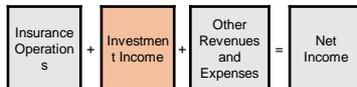
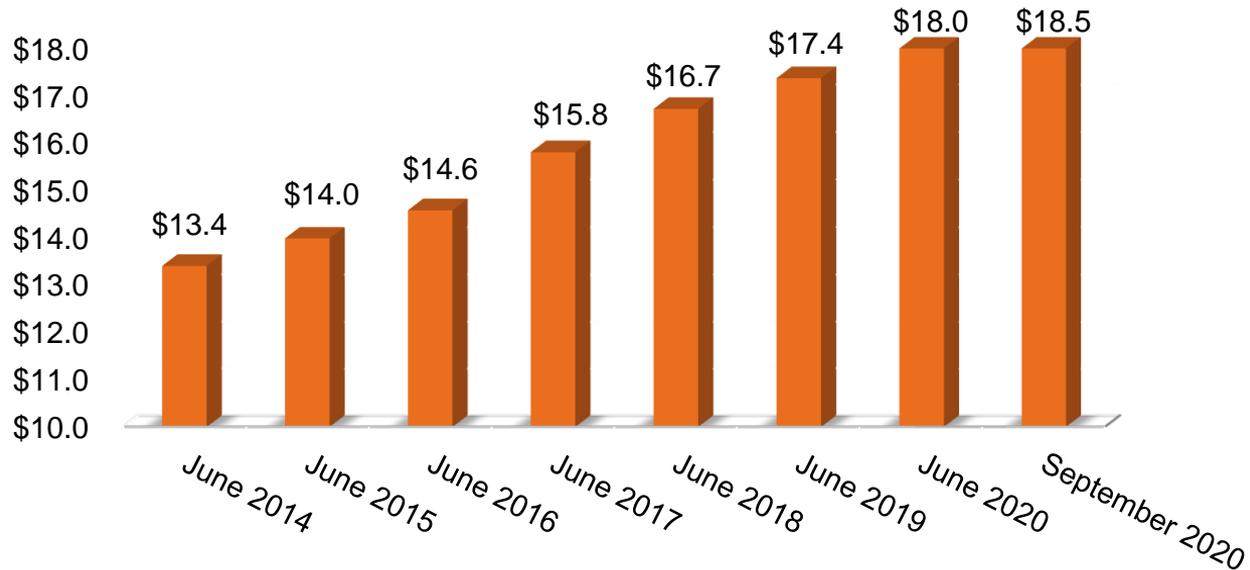
## Three Months Ended

		September 30, 2020	September 30, 2019
Investment Income Earned from Interest on bonds	+	\$ 118	\$ 125
Realized Gain/(Loss) from Fixed Income Investments Sold	+	55	60
Realized Gains from Stocks (Equity Investments) Sold	+	0	3
<b>Total Investment Income</b>	<b>=</b>	<b>\$ 173</b>	<b>\$ 188</b>



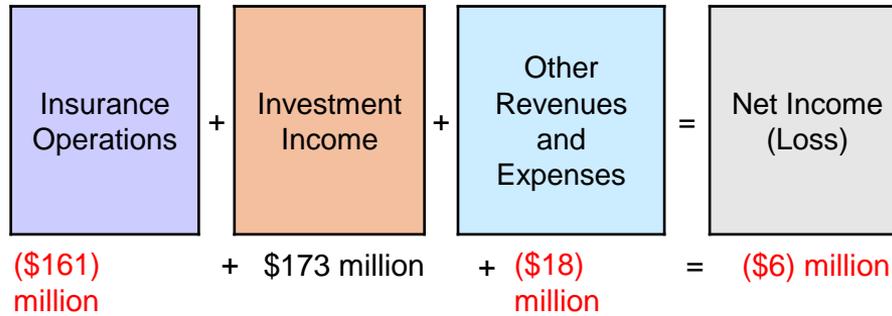
# Total Investments

(rounded to billions)



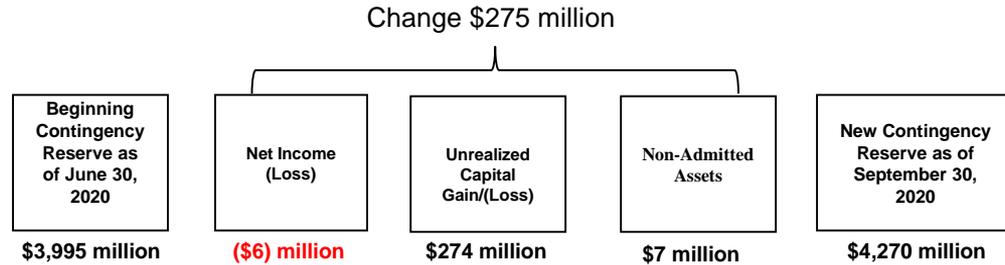
# Results of Operations

July 2020 through September 2020



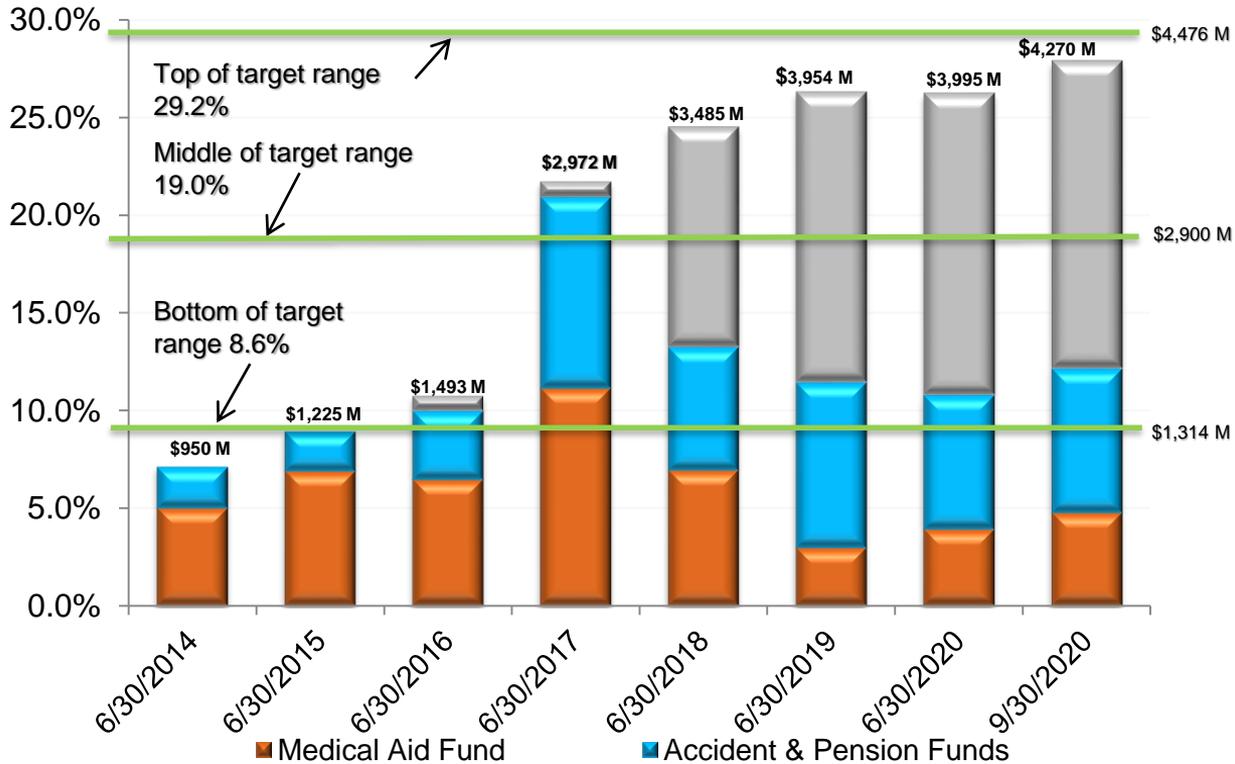
# How Did Contingency Reserve Perform?

July 2020 through September 2020



# Combined Contingency Reserve vs. Targets

## Combined Contingency Reserve is 27.9% of Total Liabilities

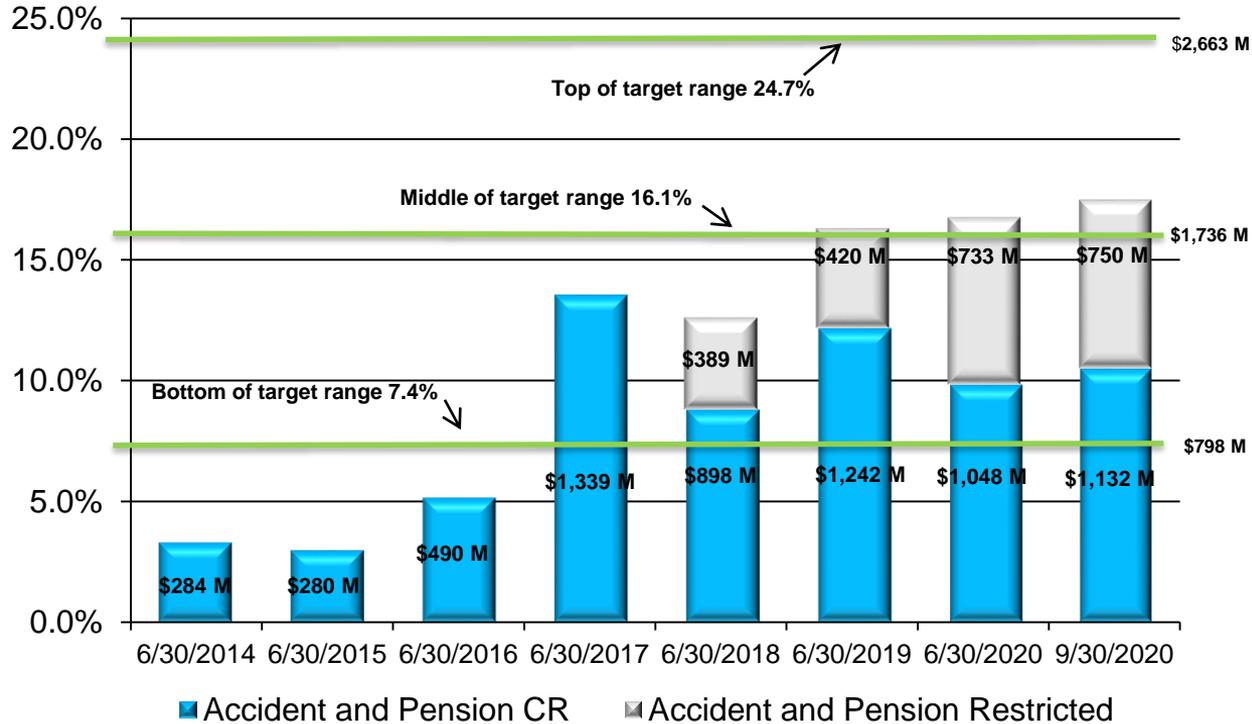


Restricted is based on final September 30, 2020 financial information and the change in the value of investments through 9-30-20.

The WCAC Target has historically been the midpoint between the bottom and middle target.

# Accident, Pension & Restricted Contingency Reserve is 17.5% of Liabilities

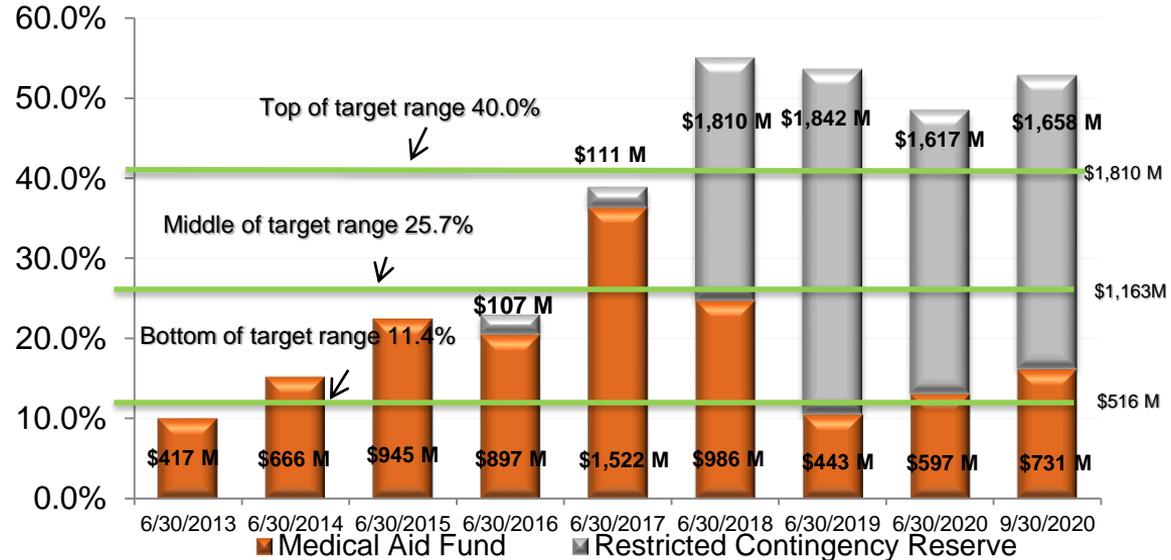
## Accident & Pension Contingency Reserve vs. Targets



The WCAC Target has historically been the midpoint between the bottom and middle target.

# Medical Aid & Restricted Contingency Reserve is 52.8% of Liabilities

## Medical Aid & Restricted Contingency Reserve vs. Targets



Restricted is based on final June 30, 2020 financial information and investment earnings through 9-30-20.

The WCAC Target has historically been the midpoint between the bottom and middle target.

# Key Financial Ratios

as a percentage of premium earned

Ratios	Quarter Ended September 30, 2020		Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019
	State Fund	Industry Forecast		
Current Year Benefit (Loss Ratio)	119.4%		91.8%	83.7%
Prior Year Benefit (Loss Ratio)	3.5%		34.2%	4.9%
<b>Total Benefit (Loss Ratio)</b>	<b>122.9%</b>	<b>47.0%</b>	<b>126.0%</b>	<b>88.6%</b>
Current Year CAE Ratio	15.0%		11.5%	10.3%
Prior Year CAE Ratio	(2.0%)		1.8%	5.9%
<b>Total Claim Administration Expense (CAE) Ratio</b>	<b>13.0%</b>	<b>15.0%</b>	<b>13.3%</b>	<b>16.2%</b>
Sub-Total: Benefit and Claim Administration Expense Ratios	135.9%	62.0%	139.3%	104.8%
Underwriting Expense Ratio includes all insurance administrative expenses except CAE	5.9%	27.8%	5.1%	5.3%
<b>Combined Ratio (Industry omits dividends)</b>	<b>141.8%</b>	<b>89.8%</b>	<b>144.4%</b>	<b>110.2%</b>
Investment Income Ratio	30.6%	19.0%	26.3%	25.9%
<b>Operating Ratio</b>	<b>111.2%</b>	<b>70.8%</b>	<b>118.1%</b>	<b>84.3%</b>

# Questions & Comments

Contact Rachel Swanner,  
Workers Compensation Accounting Manager

- Phone: 360-902-6263
- Email: [Rachel.swanner@lni.wa.gov](mailto:Rachel.swanner@lni.wa.gov).

Thank You!

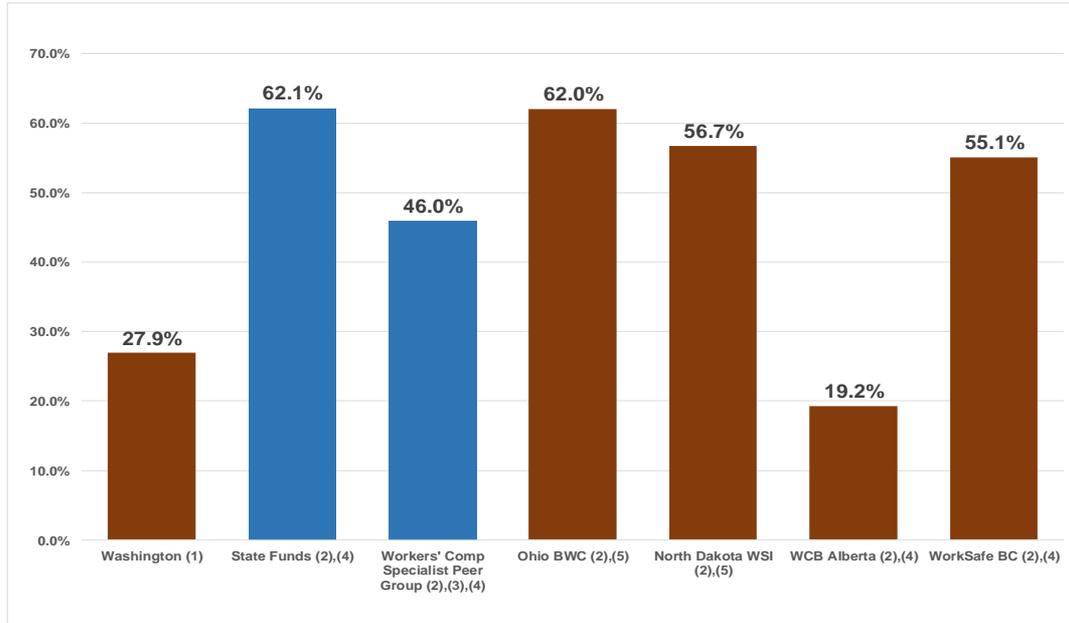
# Supplemental slides

# Reconciliation of Change in Benefit Liabilities

(In \$1,000s)

July 1, 2020 Benefit Liability Beginning Balance	\$13,893,986
Prior Year Benefit Payments	(\$373,049)
Prior Year Development and Model Change (Unfavorable)	(\$73,303)
Self Insurance Prefunded Pension Transfers	\$2,391
Regular reserve discount reduction	\$84,480
Net Total Prior Year Benefit Liability as of September 30, 2020	<u>\$13,534,505</u>
New Current Year Benefit Liabilities	\$439,599
September 30, 2020 Benefit Liabilities Ending Balance	<u><u>\$13,974,104</u></u>
<b>Change Between Beginning and Ending Balance</b>	<b>\$80,118</b>

## Washington's Contingency Reserve is below most other funds as a percent of liabilities



(1) Preliminary as of 9/30/2020

(2) Source: Conning Peer Analysis, August 19, 2020

(3) Worker's Comp Specialist Peer Group—workers' compensation specialist insurers including some state funds

(4) As of 12/31/2019

(5) As of 6/30/2019

# Historic Results of Operations

July through June  
(in millions)

As of Quarter Ended September 30,	Insurance Operations	+	Investment Income	+	Other Revenues & Expenses	=	Net Income (Loss)
2020	(161)		173		(18)		(6)
2019	(203)		188		4		(11)
2018	(85)		123		10		48
2017	175		214		20		409
2016	(168)		128		18		(22)
2015	(194)		184		20		10
2014	(81)		132		16		67
2013	(36)		158		15		137
2012	(11)		144		8		141
2011	(104)		135		18		49

# Historical Investment Performance

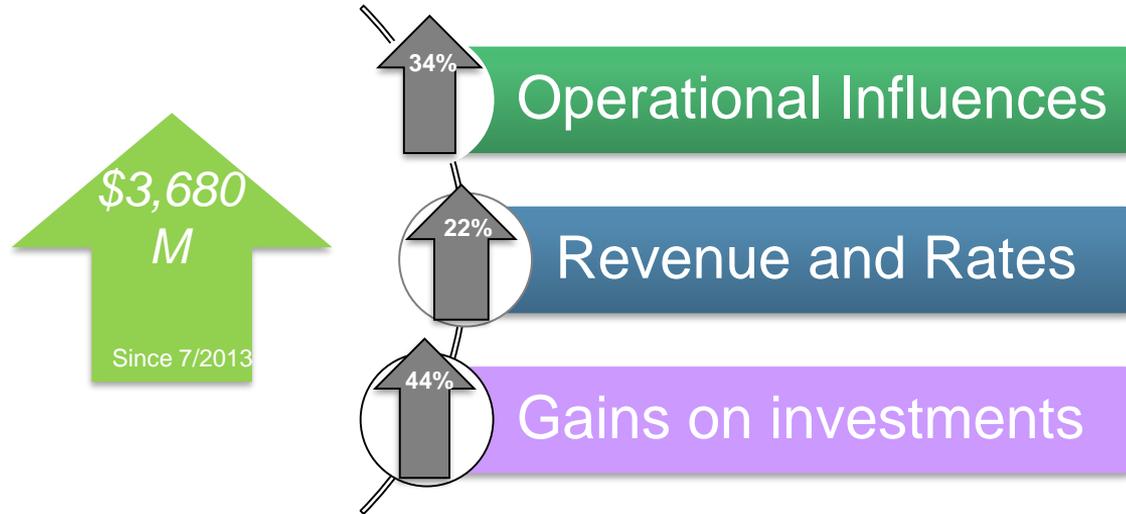
## Fiscal Year Ended

	Quarter Ended September 30, 2020	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Investment Income	117,829,000	496,981,000	498,626,000	481,048,000	478,130,000	498,499,000
Realized Gain (Loss)	54,905,000	272,266,000	(23,498,000)	1,092,446,000	102,540,000	137,988,000
Unrealized Gain (Loss)	273,985,000	161,264,000	151,820,000	(812,942,000)*	380,183,000	(181,830,000)
Total Invested Assets	18,453,583,000	17,992,984,000	17,443,448,000	16,728,166,000	15,815,997,000	14,593,530,000

**\*Unrealized gains in prior years that increased the contingency reserve were removed from unrealized and included in realized gains when equities were sold in fiscal year 2018.**

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## Contingency Reserve Drivers



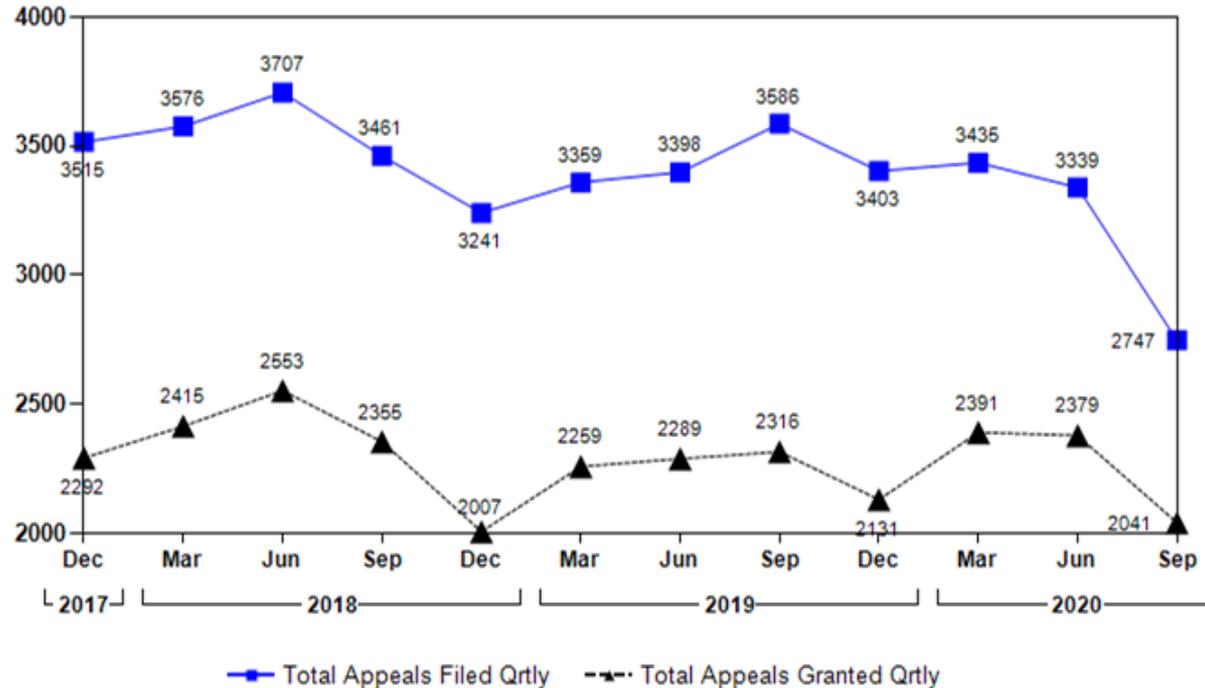
As of 9/30/2020 the CR is at \$4,270 M.

# Board of Industrial Insurance Appeals (BIIA) Update

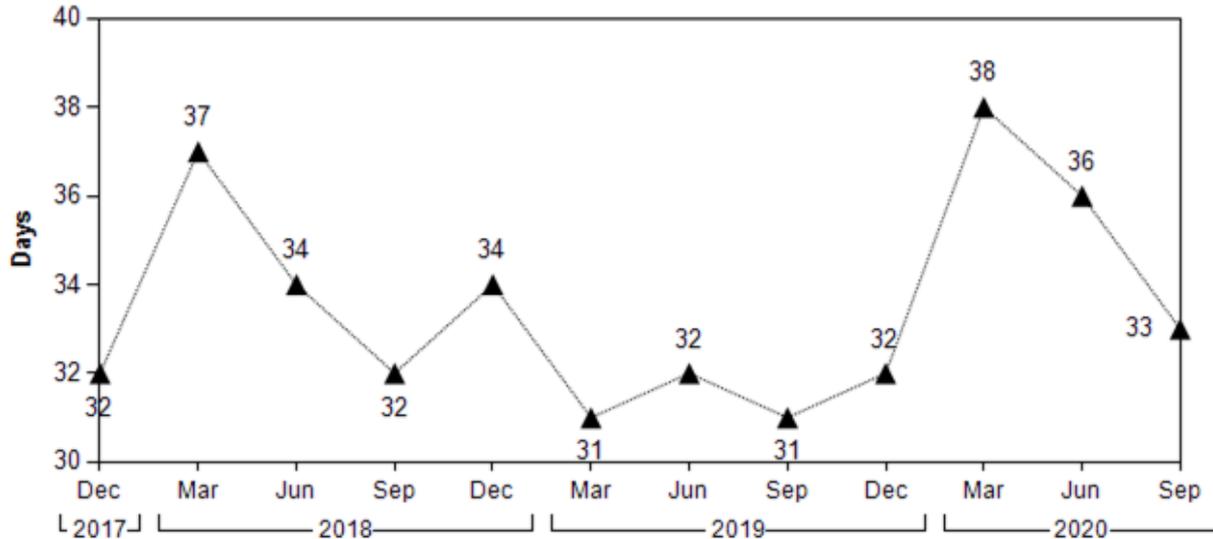
*Linda Williams, BIIA Chair*



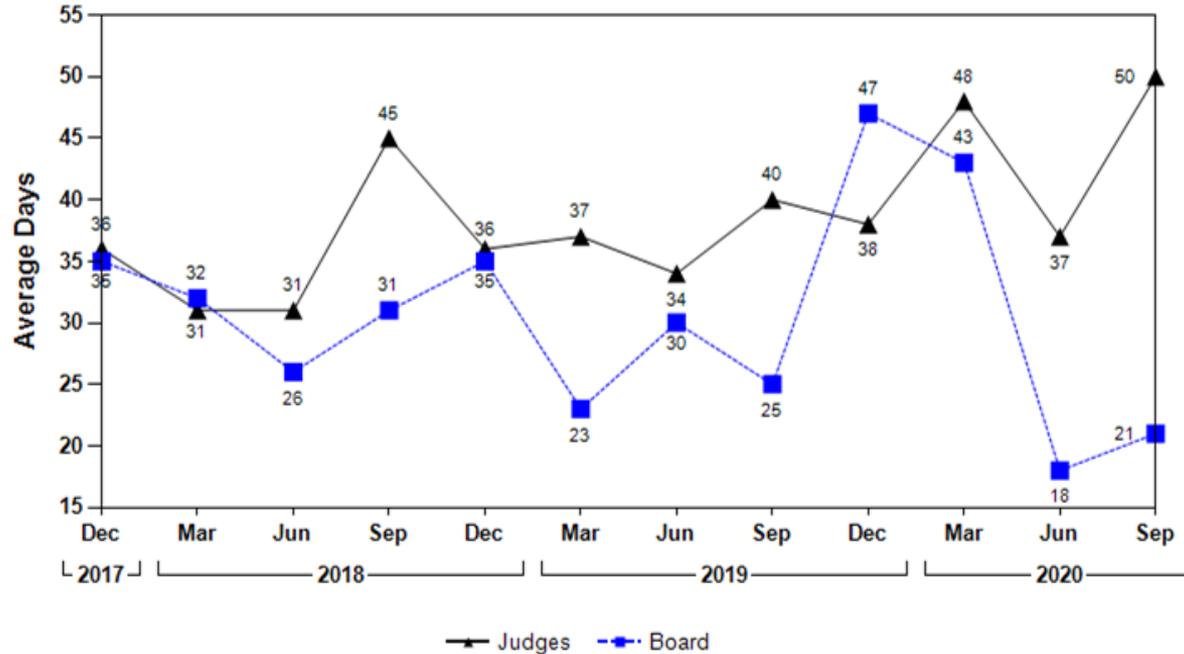
# Total Appeals Filed and Granted



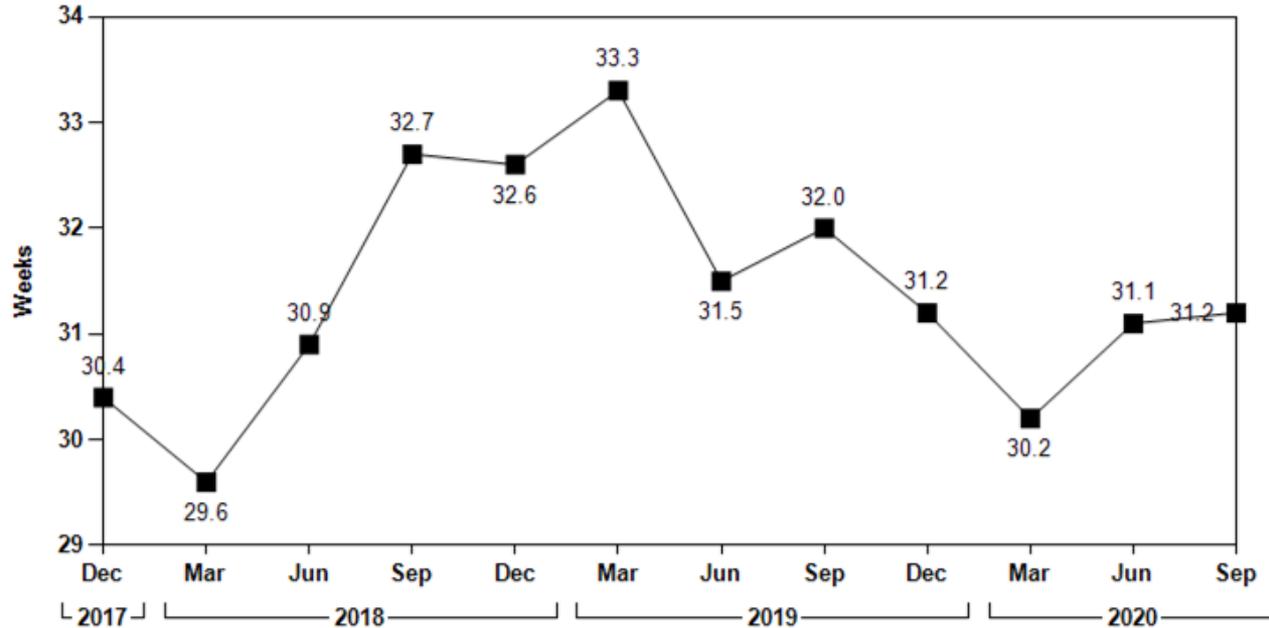
# Average PD&O\* Time-lag by Quarter for Hearing Judges



# D & O\* Time-Lag by Quarter

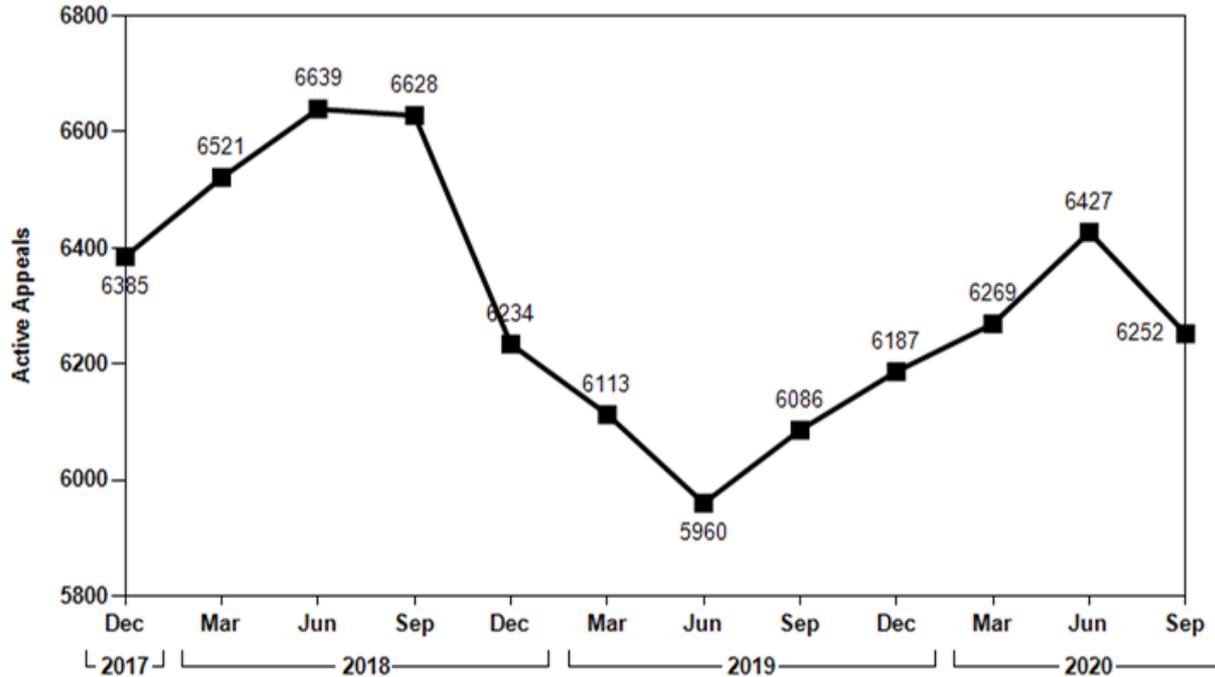


# Quarterly Average Weeks to Completion

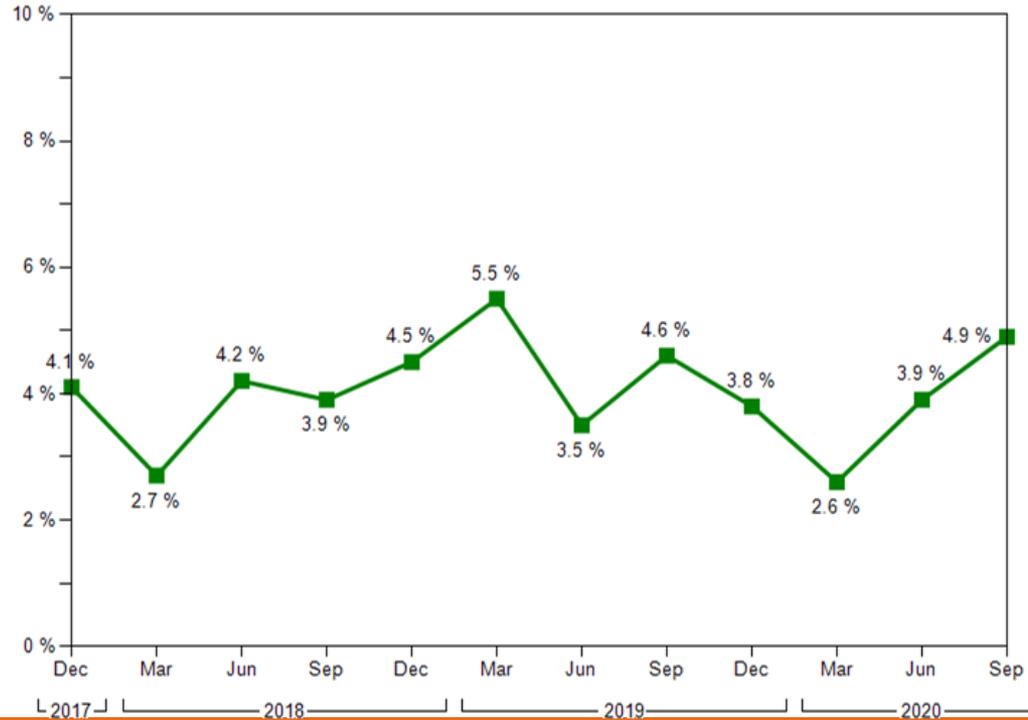


All orders issued by quarter from date filed to date of final order  
(Excludes Reassumed and Denied Appeals)

# Caseload at End of Quarter



# Percentage of Final Orders Appealed to Superior Court - Quarterly



# Closing Comments & Adjourn

*Vickie Kennedy, Assistant Director for Insurance Services*  
*Joel Sacks, Agency Director*

