

# Workers' Compensation Advisory Committee (WCAC)

*September 30, 2021*



# AGENDA

## Workers' Compensation Advisory Committee (WCAC)

### Quarterly Meeting

Thursday, September 30, 2021

Zoom

9:00am – 12:00pm

Time	Topic	Presenter(s)
9:00 am - 9:10 am	<b>Welcome</b>	
	<ul style="list-style-type: none"><li>• Introductions</li><li>• Motion to approve minutes</li><li>• Safety Message</li></ul>	Joel Sacks Vickie Kennedy Dave Bonauto
9:10 am – 9:30 am	<b>Insurance Services Dashboard</b> <ul style="list-style-type: none"><li>• JLARC Recommended New Data</li></ul>	Vickie Kennedy
9:30 am – 9:45 am	<b>Industrial Insurance State Fund Financial Overview</b>	Rachel Swanner
9:45 am – 10:05 am	<b>Rates</b>	Joel Sacks Mike Ratko
10:05 am – 10:20 am	<b>Break</b>	
10:20 am – 11:50 am	<b>General Updates</b>	
	<ul style="list-style-type: none"><li>• Protecting Customer's Personal Information Project</li><li>• WCSM</li><li>• Agency Legislation and Budget Requests</li><li>• Potential Rule Filings</li><li>• COVID-19</li><li>• Vaccine Mandate</li></ul>	Maurice Perigo Joel Sacks Vickie Kennedy
11:50 am – 12:00 pm	<b>Closing Comments &amp; Adjourn</b>	Vickie Kennedy Joel Sacks

### Next WCAC Meeting

Wednesday, December 15, 2021

Zoom

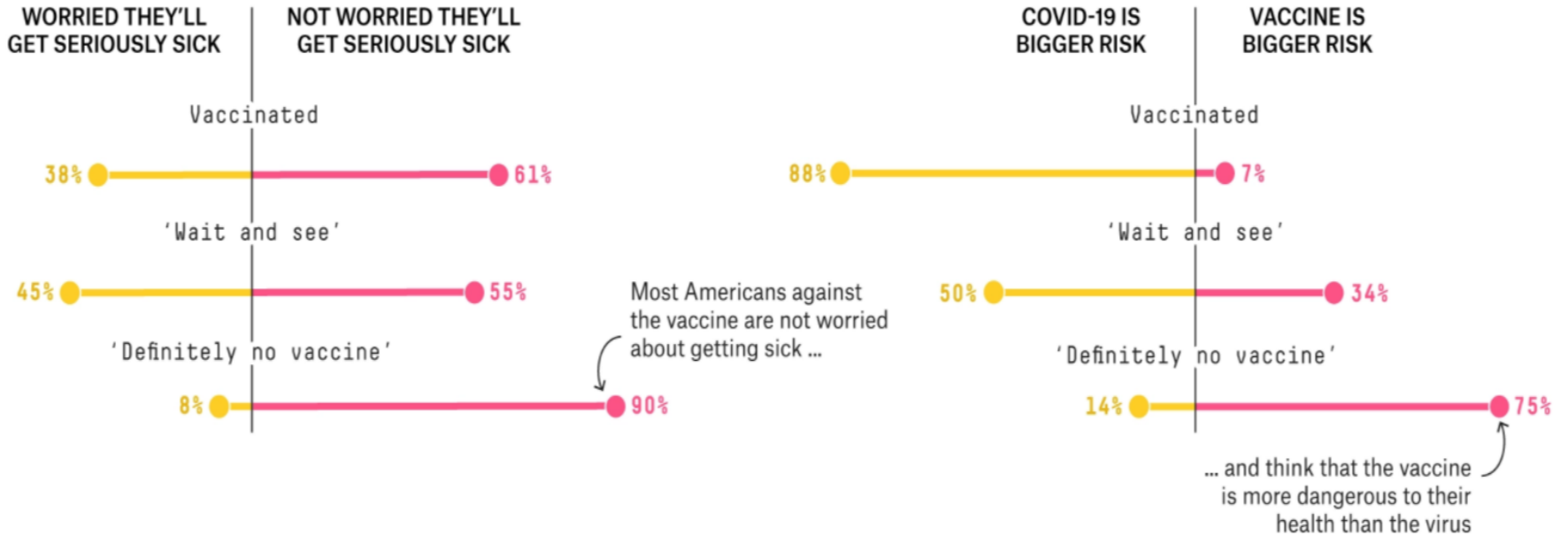
# Safety Message

*David Bonauto, MD, MPH*



## Most unvaccinated Americans think vaccine poses bigger risk than COVID-19

Share of respondents who said they are either worried or not worried from getting seriously sick of COVID-19 and who said whether they think COVID-19 or the vaccine is a bigger risk to their health, by vaccine intention



Survey conducted July 15-27 among 1,517 participants.

FiveThirtyEight

SOURCE: KAISER FAMILY FOUNDATION

# Monitoring systems for vaccine side effects

- CDC and FDA have significant longstanding systems in place to monitor the safety of all vaccines
  - Vaccine Adverse Effects Reporting System (VAERS)
  - Vaccine Safety Datalink (VSD)
- Advisory Committee on Immunization Practices (ACIP)
- FDA with oversight of vaccine manufacturing facilities
  
- Lots of observations – ~380 million COVID-19 doses administered
- Side effects usually within 42 days post immunization

# COVID-19 Vaccination Common Side Effects

On the arm where you got the shot:



- Pain
- Redness
- Swelling

Throughout the rest of your body:



- Tiredness
- Headache
- Muscle pain
- Chills
- Fever
- Nausea

<https://www.cdc.gov/coronavirus/2019-ncov/vaccines/expect/after.html>

# If you fully vaccinate one million people...

Sex/Age group, yrs	J&J Benefits: COVID-19 outcomes prevented				J&J Harms: adverse events†	
	Cases	Hospital admissions	ICU admissions	Deaths	Guillain Barre Syndrome	TTS
<b>Females</b>						
18–29	8,900	700	50	5	1	4–5
30–49	10,100	900	140	20	6–7	8–10
50–64	12,100	1,600	350	120	7–8	3–4
≥65	29,000	5,900	1,250	840	8–10	0
<b>Males</b>						
18–29	6,600	300	60	3	2	2–3
30–49	7,600	650	150	25	7–8	1–2
50–64	10,100	1,800	480	140	14–17	1–2
≥65	36,600	11,800	3,300	2,300	7–8	0

Source: MMWR 70(32); 1094-1099

# If you fully vaccinate one million people...

Vaccine	mRNA Vaccine Benefits: COVID-19 outcomes prevented				mRNA Vaccine Harms: adverse events†
	Cases	Hospital Admissions	ICU admissions	Deaths	Myocarditis
<b>Females</b>					
18–29	12,800	750	50	5	3–4
30–49	14,600	950	140	20	1–2
50–64	17,500	1,700	375	125	1
≥65	32,000	6,200	1,300	900	<1
<b>Males</b>					
18–29	9,600	300	60	3	22–27
30–49	11,000	700	160	25	5–6
50–64	14,700	1,900	500	150	1
≥65	52,700	12,500	3,500	2,400	1

Source: MMWR 70(32); 1094-1099



# Vaccination data/research

- Benefits greatly exceed harms
- Follow Advisory Committee on Immunization Practices (ACIP)
- Concern about very low risk of GBS, TTS, and Myocarditis
  - Modify vaccine used
- Questions?
  - David.Bonauto@Lni.wa.gov

# Dashboard – Help Injured Workers Heal and Return to Work

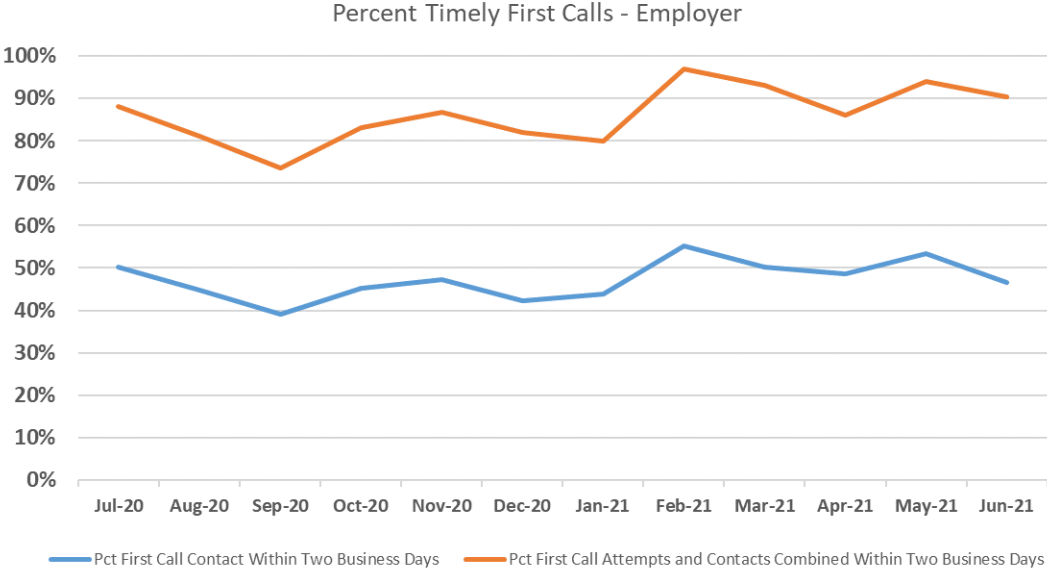
*Vickie Kennedy, Assistant Director for Insurance Services*



# DASHBOARD SUMMARY

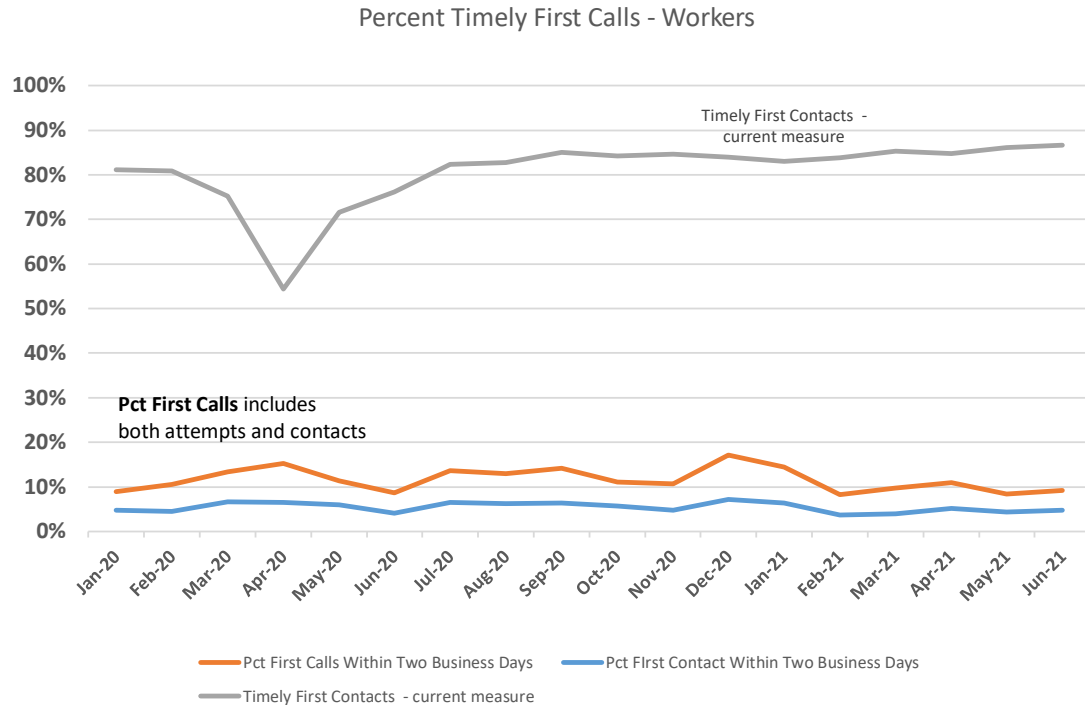
Measure	Change from 2012 (unless otherwise noted)		Y/Y Change	
<b>Long Term Disability</b> – share that received a TL payment in the 12 month post injury	-11.3%	✓	12.5%	⚠
<b>Pensions granted</b>	Down	✓		
<b>Resolution rate</b> - time-loss claims at 6 months	24.9%	✓	27.8%	✓
<b>High risk claims</b> – share return to work at 12 months	-2.2%	✓	-7.2%	⚠
<b>Median time-loss days paid at first vocational service</b>	-83.5%	✓	-43.5%	✓
<b>% RTW outcomes</b> - all first vocational service referrals	281.9%	✓	18.3%	✓
<b>WSAW participation</b>	Steady utilization			
<b>COHE utilization</b>	92.6%	✓	2.8%	✓

# JLARC recommended employer contact measure



Note: Clock starts when claim is established in the system.

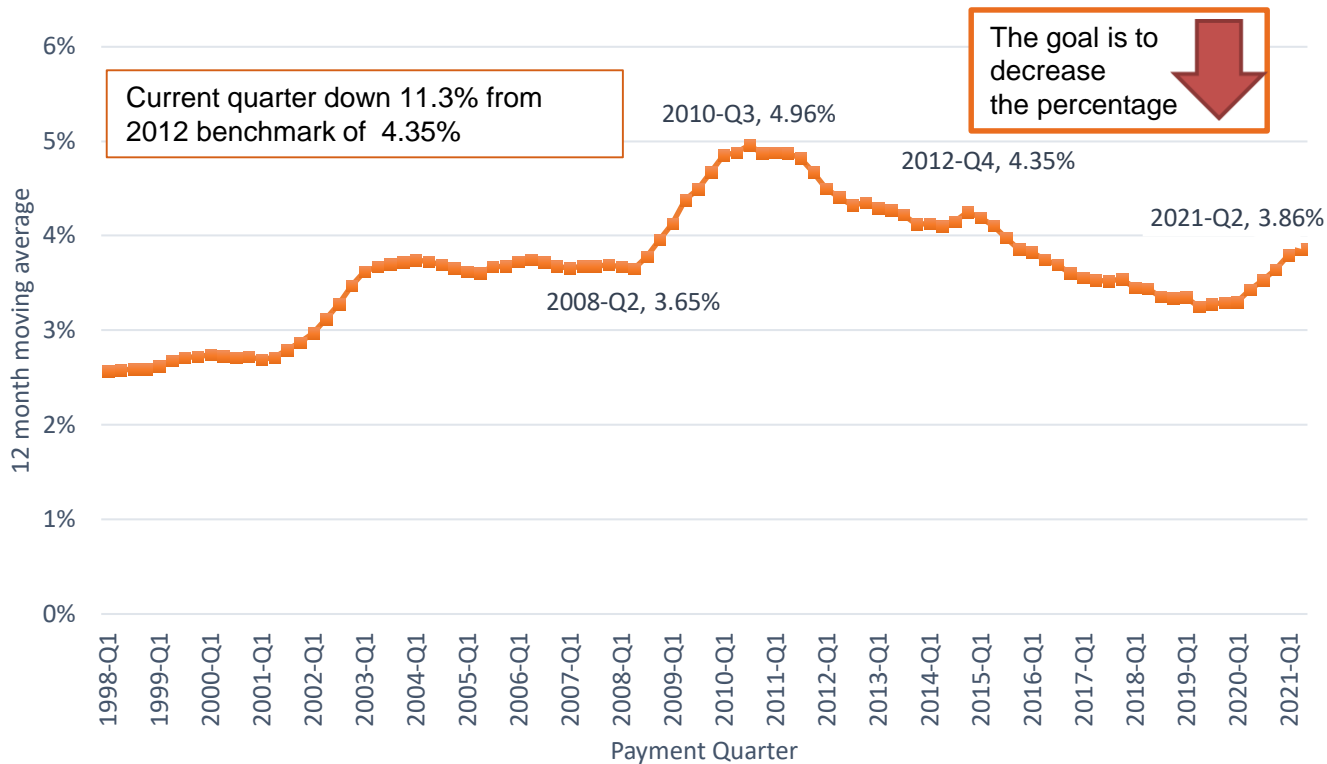
# JLARC recommended worker contact measures & L&I's current measure



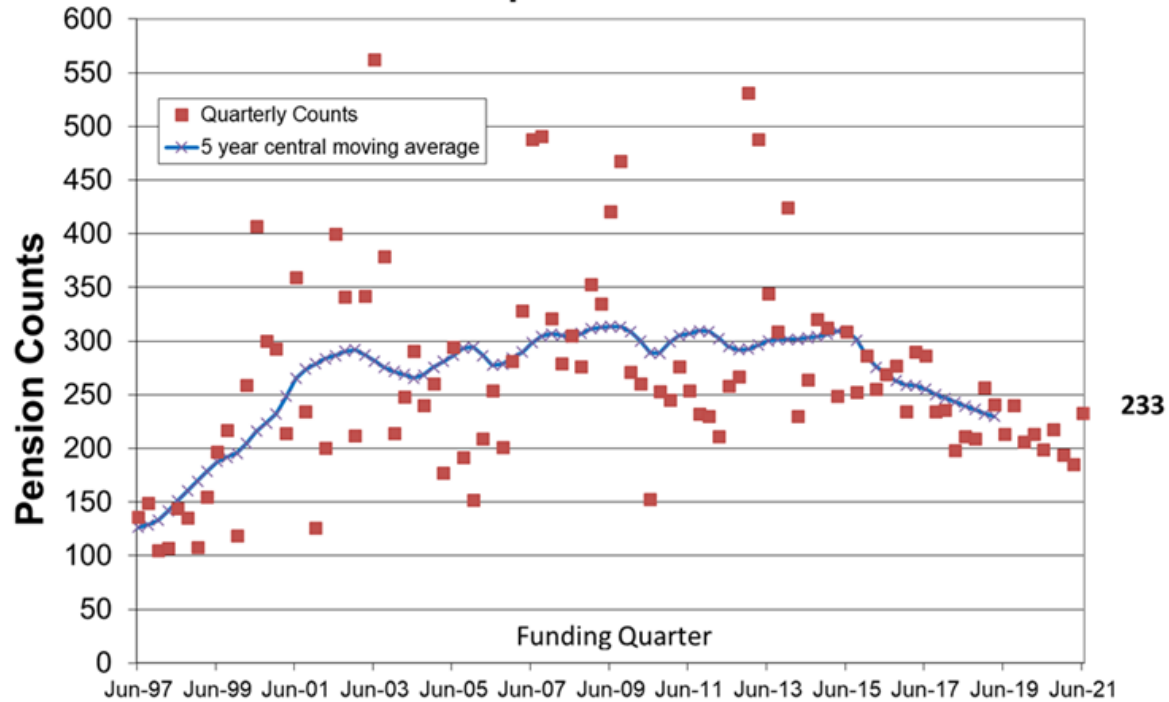
Note: Clock starts when firm and class are assigned on the JLARC recommended measure and when time loss is first paid on the current operational measure.

# 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*

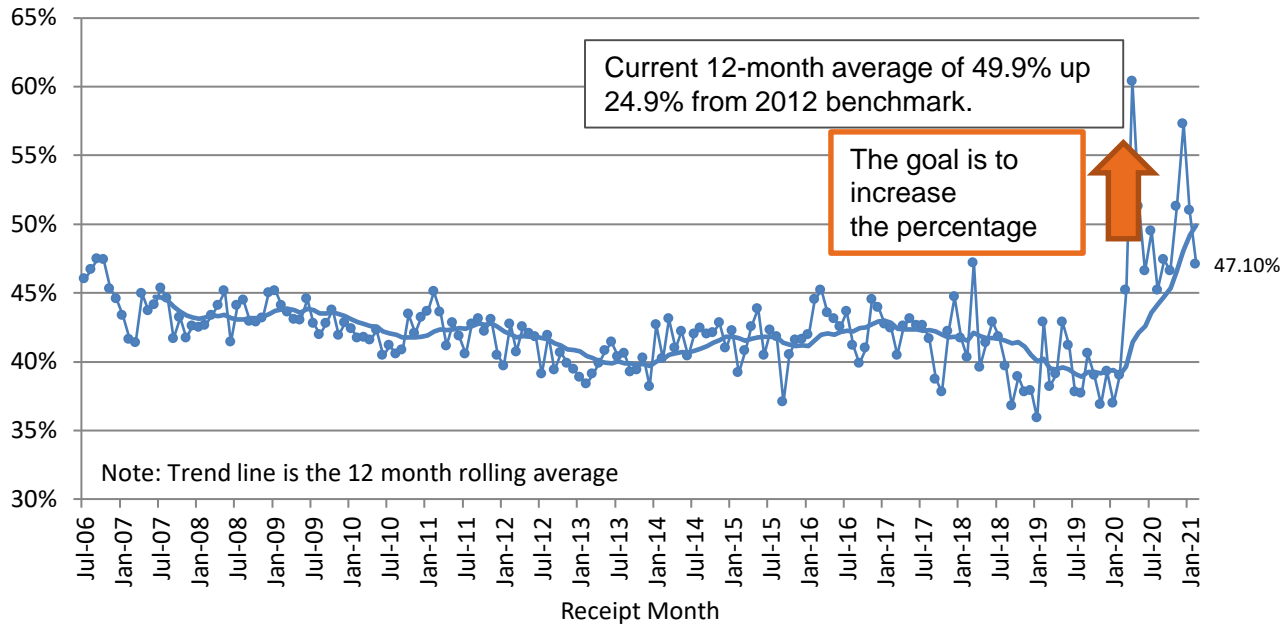


## Count of State Fund TPD Pensions Funded per Quarter



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

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





# Transitioned to COTS

## Workers newly on opioids transitioned to chronic opioid therapy

CAT1  
PUBLIC

### Transitioned to COT

Workers Newly on Opioids Transitioned to Chronic Opioid Therapy

59

Workers Transitioned to COT

-11%

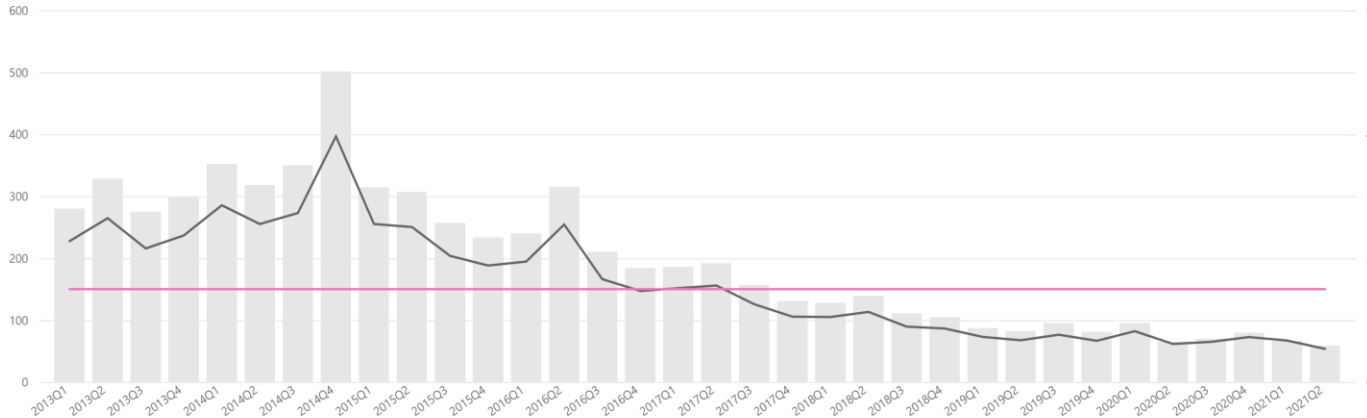
Change Since Previous Quarter

0.54

Rate per 1000 Injured Workers

#### Workers Transitioned to COT

Workers Transitioned to COT Rate of Workers Transitioned to COT Threshold Rate = 1.5

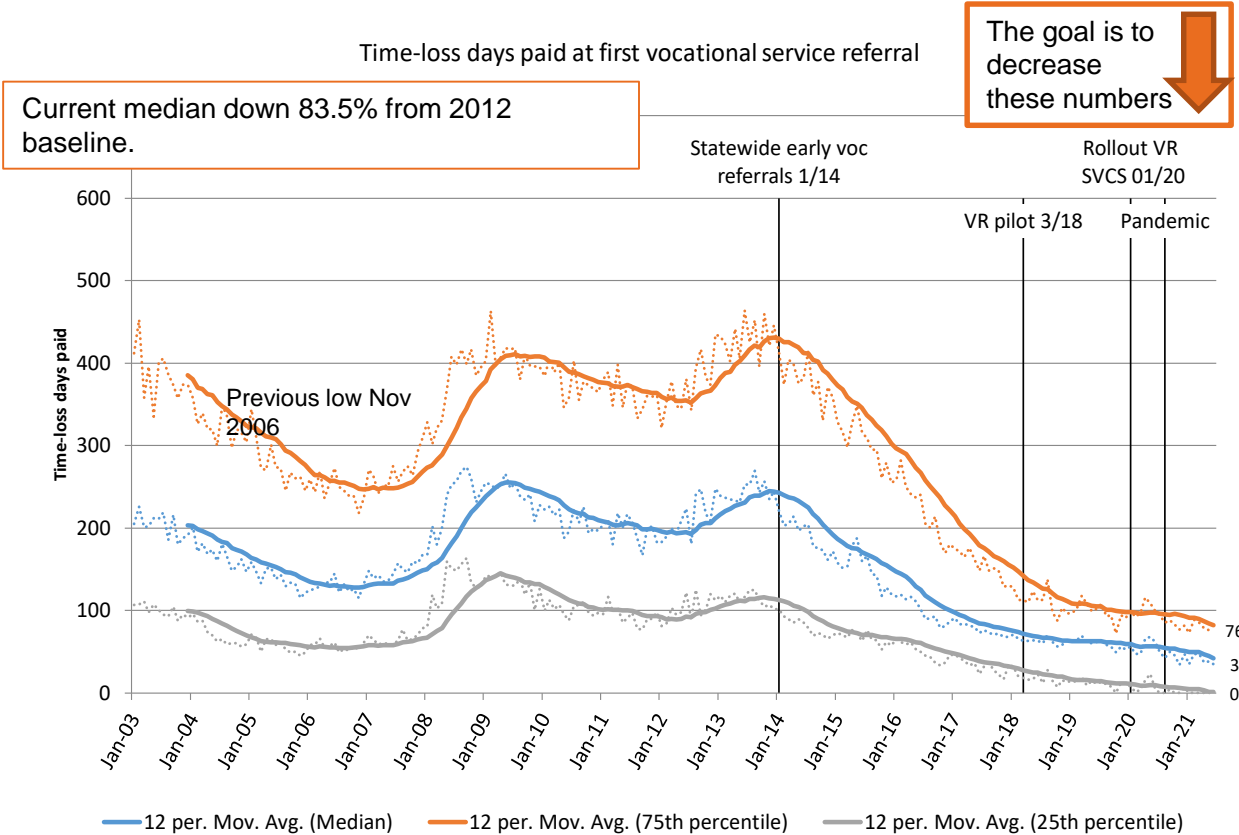


# High risk claims – Initiatives in the first year are improving RTW outcomes



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

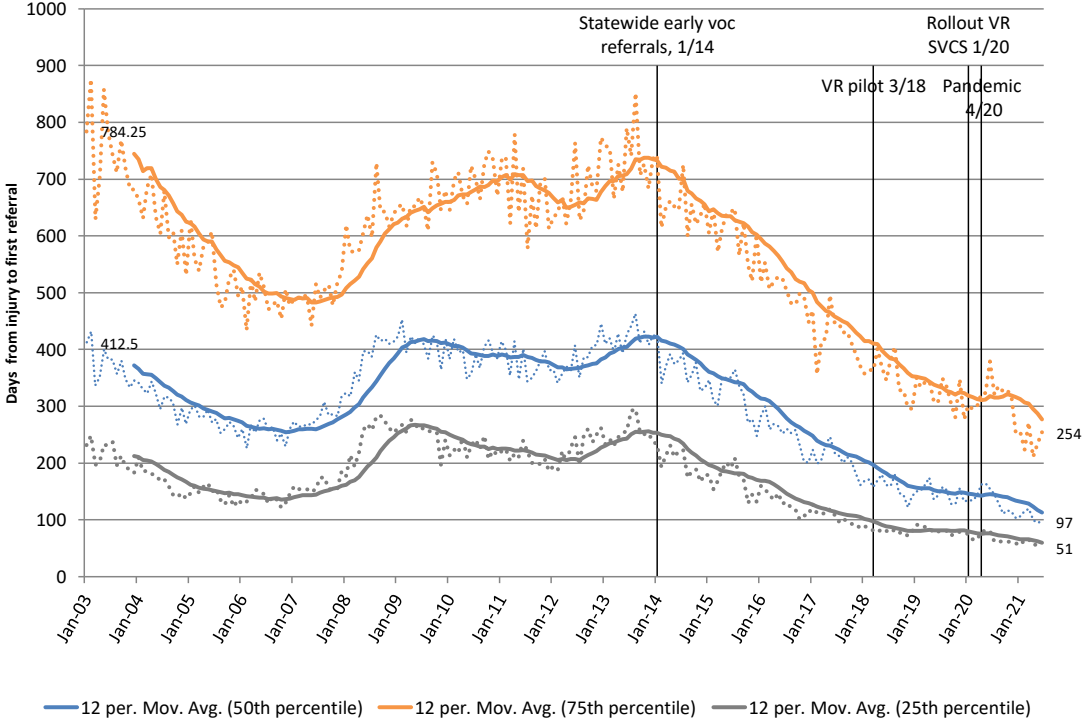
# Referrals are now targeted to address the onset of disability



# Referrals are now targeted to address the onset of disability

days from date of injury

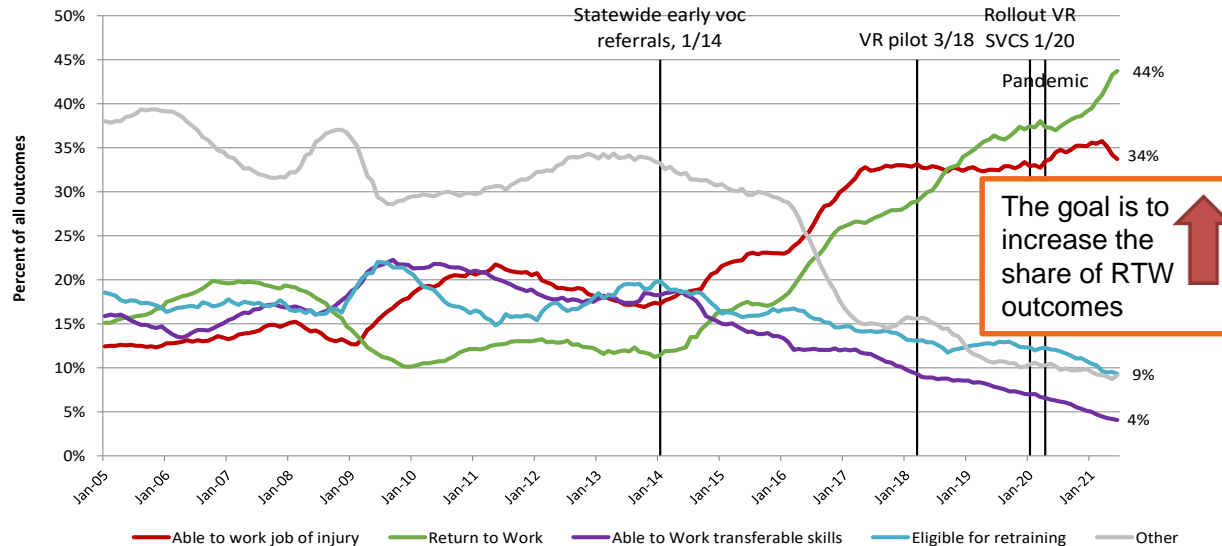
Injury Days at first vocational referral  
25th, 50th, 75th percentiles



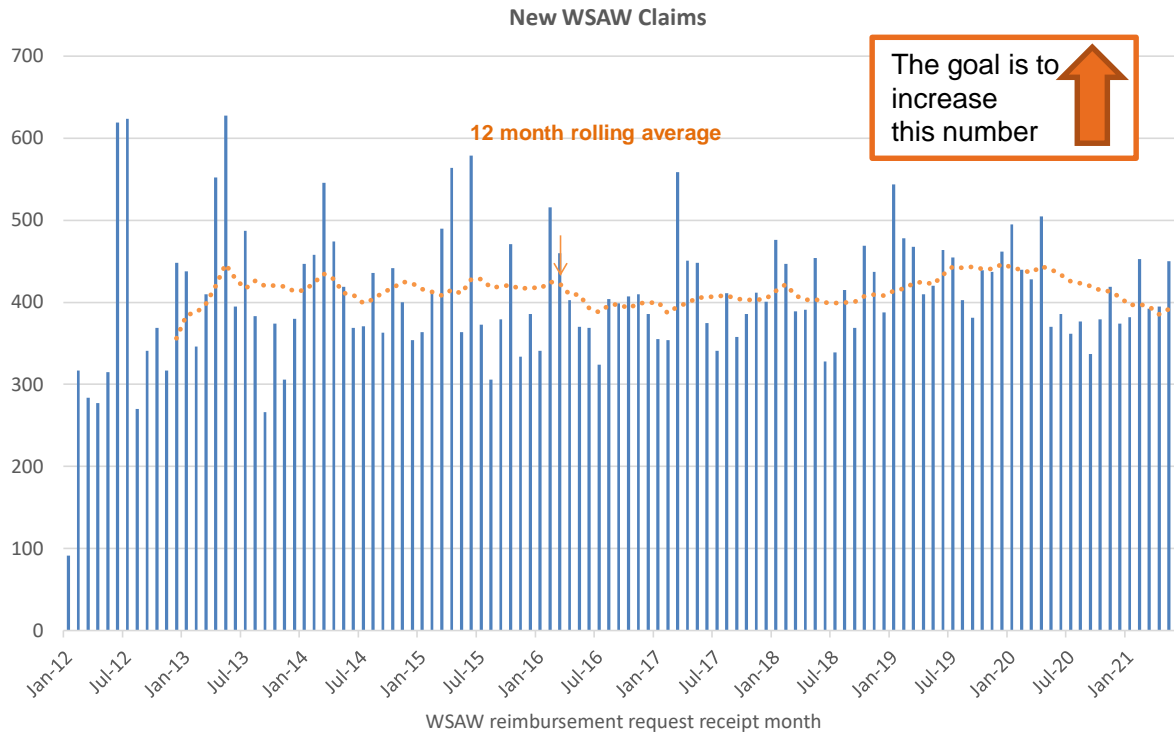
# New focus on return to work has increased positive employable outcomes for all first vocational service referrals

The share of RTW outcomes on all first vocational service referrals has increased 281.9% since the new process was implemented.

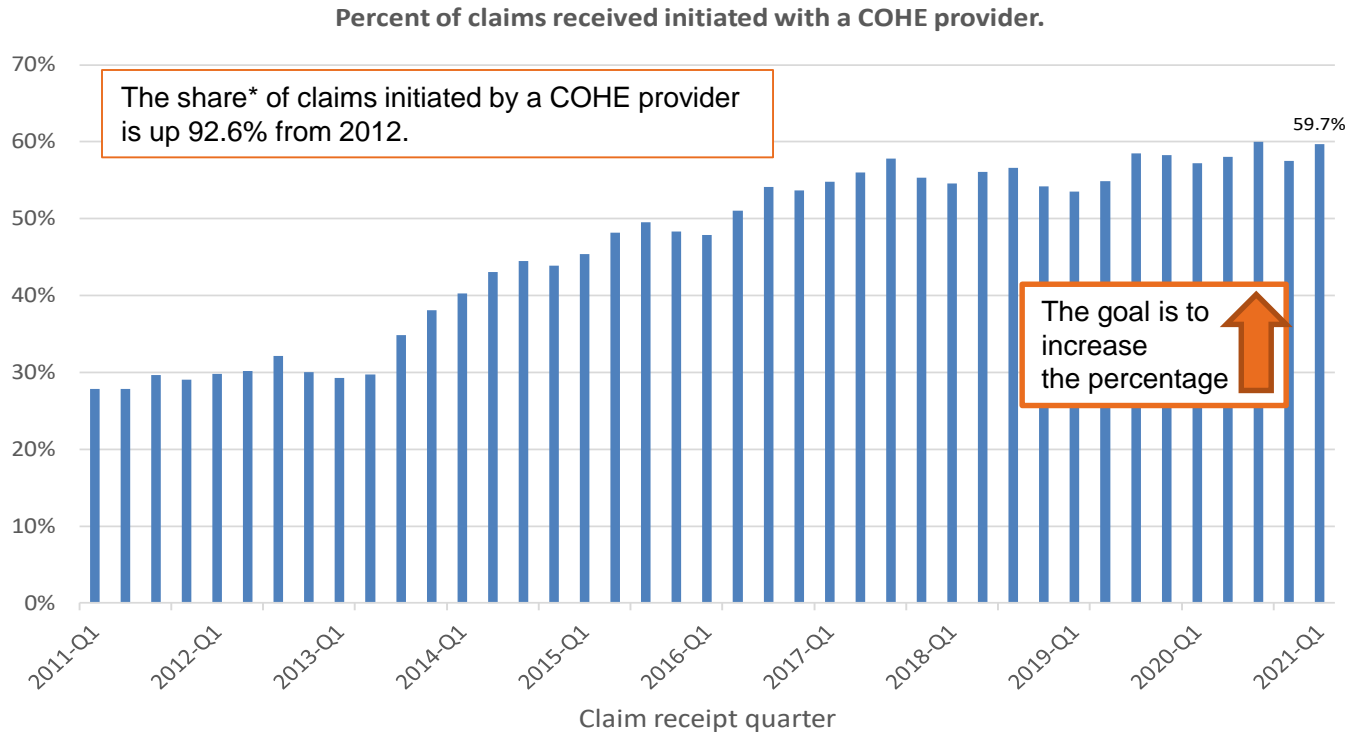
Outcome distribution, first vocational service referrals, select outcomes (12-month average)



# 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.

## Industrial Insurance (State) Fund Financial Overview

**Preliminary** Statutory Financial Information  
Fiscal Year 2021 through Fourth Quarter  
July 2020 – June 2021

*Rachel Swanner, Workers Compensation Accounting Manager*

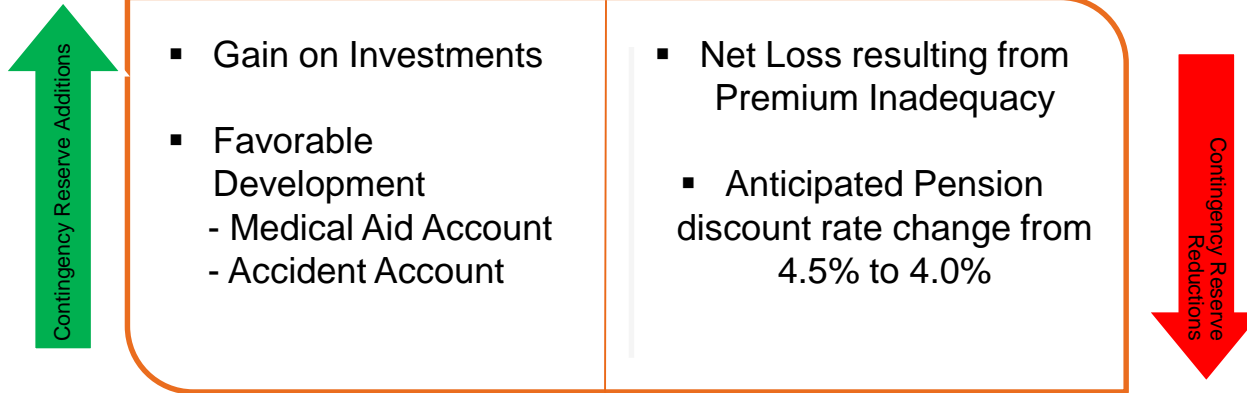




# Significant Financial Highlights

July 2020 through June 2021

The contingency reserve increased **\$731 million**, from \$3,995 million on July 1, 2020 to \$4,726 million on June 30, 2021.



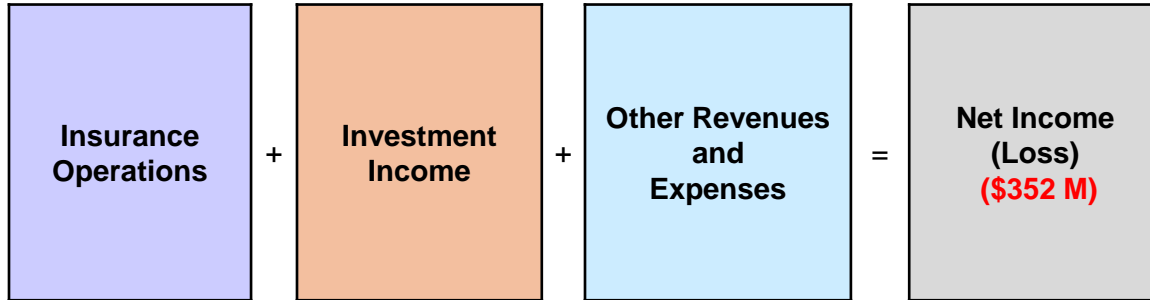
## Change in contingency reserve by quarter for fiscal year 2021.

- July 1<sup>st</sup> to September 30, 2020 – an increase of \$276 million
- October 1<sup>st</sup> to December 31, 2020 – an increase of \$330 million
- January 1<sup>st</sup> to March 31, 2021 – an increase of \$20 million
- April 1<sup>st</sup> to June 30, 2021 – an increase of \$105 million

# State Fund Results

“Net Income”

July 2020 through June 2021



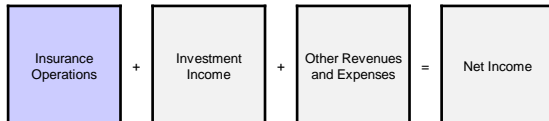
# Insurance Operations

July through June 2021  
(in millions)

## Twelve Months Ended

		June 30, 2021	June 30, 2020
We took in (Premiums Earned)	+	\$ 1,615	\$ 1,892
We spent (Expenses Incurred)			
Benefits Incurred		2,337	2,384
Claim Administrative Expenses		261	251
Other Insurance Expenses		98	96
Total Expenses Incurred	-	2,696	2,731
Net Income (Loss) from Insurance Operations	=	\$ (1,081)	\$ (839)

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 June 2021  
(in millions)

	Twelve Months Ended		Difference
	June 30, 2021	June 30, 2020	
Standard Premiums Collected	\$1,926	\$2,120	
Less Retrospective Rating Adjustments	(214)	(210)	
Less Ceded Reinsurance Premiums	(13)	(12)	
Net Premiums Collected	1,699	1,898	
Changes in future Premium Amounts To Be Collected	(35)	(12)	
Changes in future Retrospective Rating Adjustment Refunds	(49)	6	
Net Premiums Earned	\$ 1,615	\$ 1,892	\$ (277)

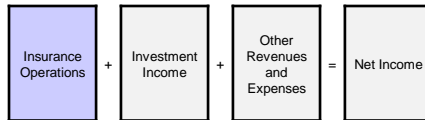


# Benefits Incurred

July through June 2021  
(in millions)

## Twelve Months Ended

	June 30, 2021	June 30, 2020	Difference
Benefits Paid	\$ 1,648	\$ 1,669	\$ (21)
Change in Benefit Liabilities	305	715	(410)
Discount Rate Reduction from 4.5% to 4.0% for State Fund	384	0	384
<b>Total Benefits Incurred</b>	<b>\$ 2,337</b>	<b>\$ 2,384</b>	<b>\$ (47)</b>



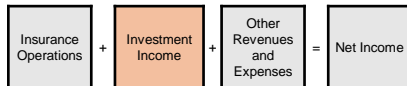
# Investment Income

July through June 2021  
(in millions)

## Twelve Months Ended

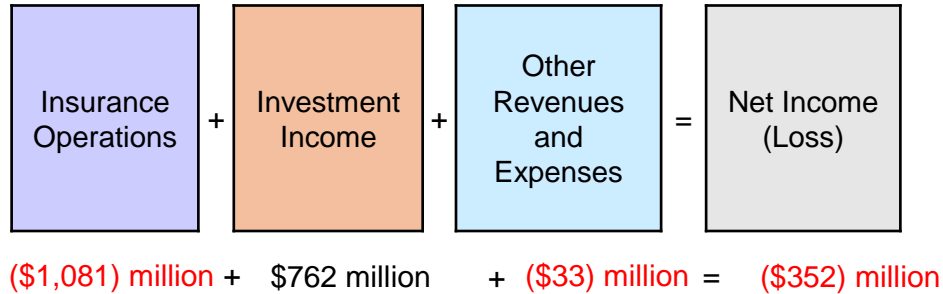
		June 30, 2021	June 30, 2020
Investment Income Earned from Interest on bonds	+	\$ 463	\$ 497
Realized Gain/(Loss) from Fixed Income Investments Sold	+	106	269 *
Realized Gains from Stocks (Equity Investments) Sold	+	193	3
<b>Total Investment Income</b>	<b>=</b>	<b>\$ 762</b>	<b>\$ 769</b>

\*Resulting from the sale of bonds in order to transfer assets from the accident account to the pension reserve account to cover the pension reserve deficit that existed at the end of FY19, rebalancing the investment portfolio in March 2020, and in June 2020, shorter term fixed income investments were sold and longer term purchased in order to align duration with the asset allocation policy.



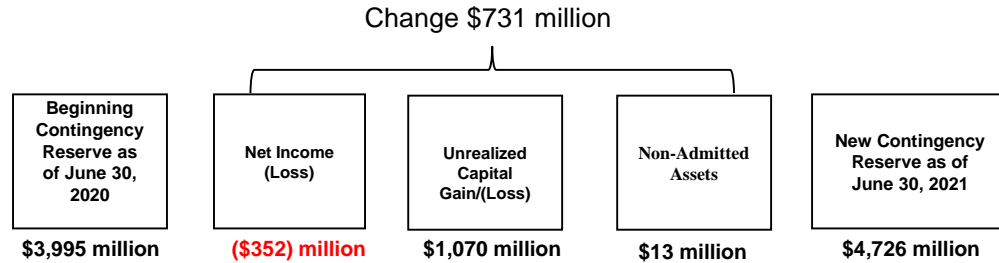
# Results of Operations

July 2020 through June 2021



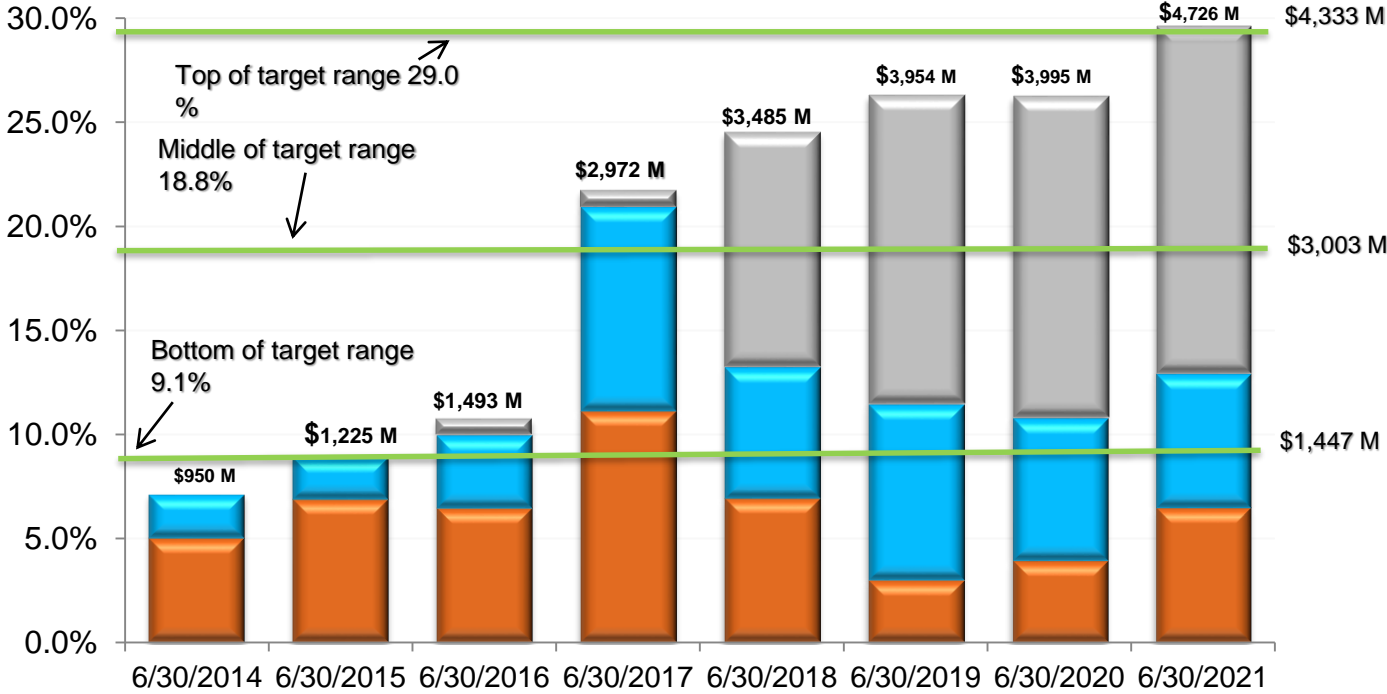
# How Did Contingency Reserve Perform?

July 2020 through June 2021





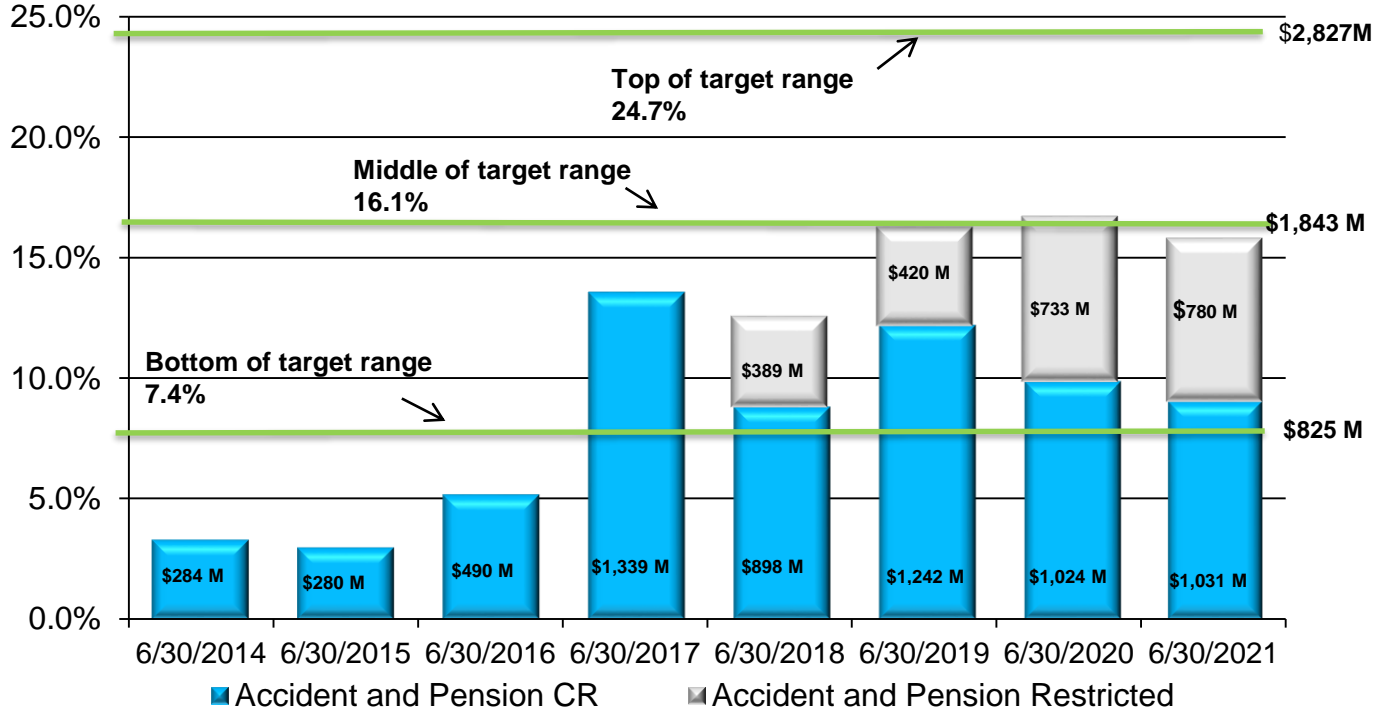
# Combined Contingency Reserve is 29.6% of Total Liabilities



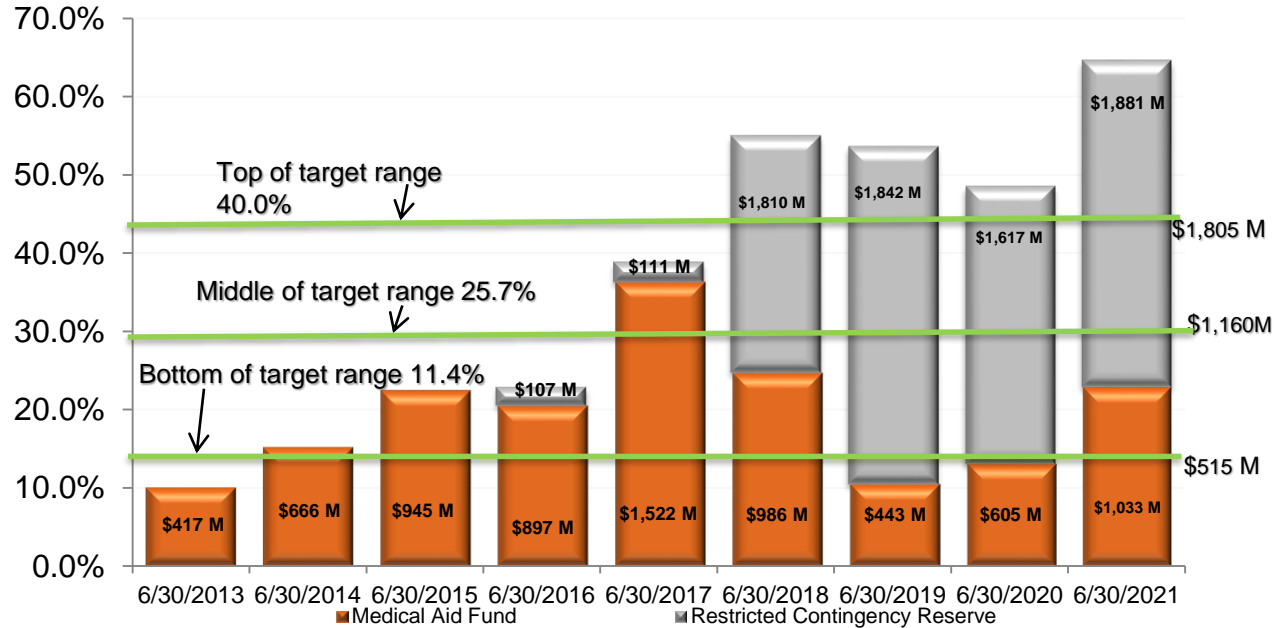
■ Medical Aid Fund 
 ■ Accident & Pension Funds 
 ■ Restricted Contingency Reserve

*Restricted is based on final June 30, 2021 financial information and the change in the value of investments through 6-30-21.  
 June 30, 2021 totals include anticipated pension discount rate reduction from 4.5% to 4.0%*

## Accident, Pension & Restricted Contingency Reserve is 15.8% of Liabilities



## Medical Aid & Restricted Contingency Reserve is 64.6% of Liabilities



*Restricted is based on final June 30, 2021 financial information and investment earnings through 6-30-21.*

# Key Financial Ratios

as a percentage of premium earned

Ratios	Quarter Ended June 30, 2021		Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019
	State Fund	Industry Forecast		
Current Year Benefit (Loss Ratio)	117.1%		90.5%	83.7%
Prior Year Benefit (Loss Ratio)	27.5%		35.4%	4.9%
<b>Total Benefit (Loss Ratio)</b>	<b>144.6%</b>	<b>52.5%</b>	<b>125.9%</b>	<b>88.6%</b>
Current Year CAE Ratio	14.4%		11.5%	10.3%
Prior Year CAE Ratio	1.8%		1.8%	5.9%
<b>Total Claim Administration Expense (CAE) Ratio</b>	<b>16.2%</b>	<b>13.6%</b>	<b>13.3%</b>	<b>16.2%</b>
Sub-Total: Benefit and Claim Administration Expense Ratios	160.8%	66.1%	139.3%	104.8%
Underwriting Expense Ratio includes all insurance administrative expenses except CAE	6.1%	27.0%	5.1%	5.4%
<b>Combined Ratio (Industry omits dividends)</b>	<b>166.9%</b>	<b>93.1%</b>	<b>144.4%</b>	<b>110.2%</b>
Investment Income Ratio	28.6%	17.1%	26.3%	25.9%
<b>Operating Ratio</b>	<b>138.3%</b>	<b>76.0%</b>	<b>118.1%</b>	<b>84.3%</b>

*Note: a ratio of 100% would indicate that costs = premium for the period.*

# 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	(\$1,380,202)
Prior Year Development and Model Change (Unfavorable)	\$96,699
Self Insurance Prefunded Pension Transfers	\$16,320
Regular reserve discount reduction	\$330,734
Net Total Prior Year Benefit Liability as of June 30, 2021	\$12,957,537
New Current Year Benefit Liabilities	\$1,625,040
June 30, 2021 Benefit Liabilities Ending Balance	\$14,582,577
<b>Change Between Beginning and Ending Balance</b>	<b>\$688,591</b>

# Highlights of Changes in the Contingency Reserve

	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21 Q4	Total
<b>Changes that increased the contingency reserve</b>									
Operational Influences and model changes	\$149 M	\$543 M	\$147 M	\$926 M	\$941 M	\$352 M	(\$171) M	\$287 M	\$3,174
Rate Changes	\$58 M	\$59 M	\$38 M	\$27 M	N/A	N/A	N/A	N/A	\$182 M
Greater than expected changes in the stock market	\$279 M	N/A	N/A	\$411 M	\$199 M	\$50 M	\$340 M	\$1,263 M	\$2,542
<b>Changes that decreased the contingency reserve</b>									
Rate Changes	N/A	N/A	N/A	N/A	\$14 M	\$120 M	\$110 M	\$44 M	\$288
Mortality table change	\$0	\$146 M	\$0	\$0	\$0	\$0	\$0	\$0	\$146 M
Adjustments to avoid double counting 2011 reform savings	\$130 M	\$83 M	\$0	\$0	\$0	\$0	\$0	\$0	\$213 M
Discount rate reduction	\$256*M	\$31 M	\$31 M	\$36 M	\$646 M**	\$0	\$89***	****\$384M	\$1,473 M
Less than expected changes in the stock market	N/A	\$29 M	\$101 M	N/A	N/A	N/A	N/A	N/A	\$130 M

**Operational Influences**  
 FY14: \$91M  
 FY15: \$515M  
 FY16: \$136M  
 FY17: \$926M  
 FY18: \$941M  
 FY19: \$327M  
 FY20: (\$171)M  
 FY21: \$287M  
**Total: \$3,053M**

\*Model change for 13-year plus claims \$102 M; Pension Discount change \$154 M.

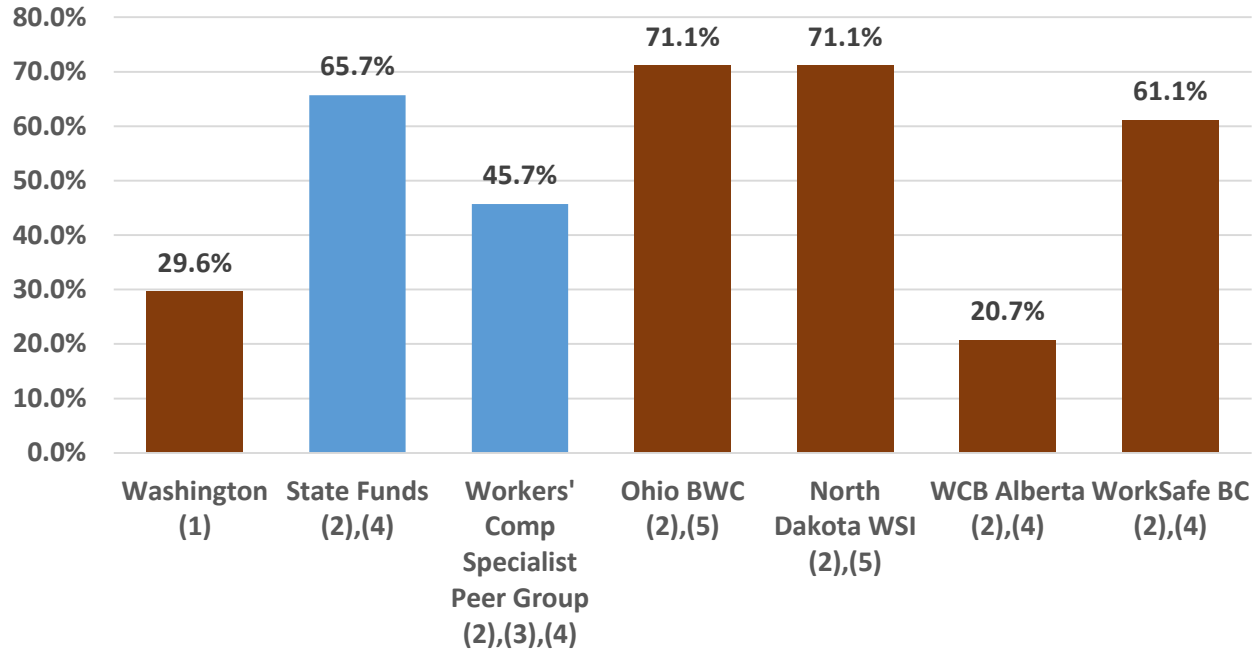
\*\*Pension Discount Rate reduction from 6.2% to 4.5%

\*\*\*Pension Discount Rate reduction from 4.5% to 4.0%

\*\*\*\*Non-Pension Discount Rate reduction from 1.5% to 1.0%



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



(1) Preliminary as of 6/30/2021

(2) Source: Conning Peer Analysis, August 19, 2021

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

(4) As of 12/31/2020

(5) As of 6/30/2020

# Historic Results of Operations

July through June

(in millions)

As of Quarter Ended June 30,	Insurance Operations	+	Investment Income	+	Other Revenues & Expenses	=	Net Income (Loss)
2021	(1,081)		762		(33)		(352)
2020	(839)		769		(4)		(74)
2019	(193)		475		15		297
2018	(223)		1,573		33		1,383
2017	444		581		62		1,087
2016	(252)		636		58		442
2015	(354)		552		53		251
2014	(702)		783		54		135
2013	(797)		552		40		(204)
2012	(750)		1,030		84		364
2011	(416)		560		64		208

# Historical Investment Performance

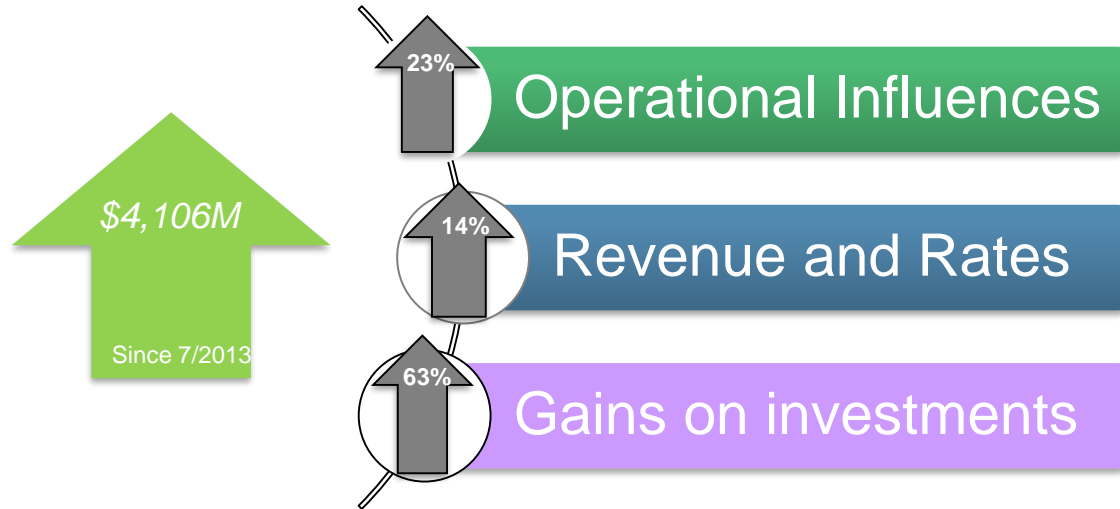
## Fiscal Year Ended

	Quarter Ended June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Investment Income	462,700,000	496,981,000	498,626,000	481,048,000	478,130,000	498,499,000
Realized Gain (Loss)	299,787,000	272,266,000	(23,498,000)	1,092,446,000	102,540,000	137,988,000
Unrealized Gain (Loss)	1,069,560,000	161,264,000	151,820,000	(812,942,000)*	380,183,000	(181,830,000)
Total Invested Assets	19,793,907,000	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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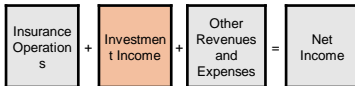
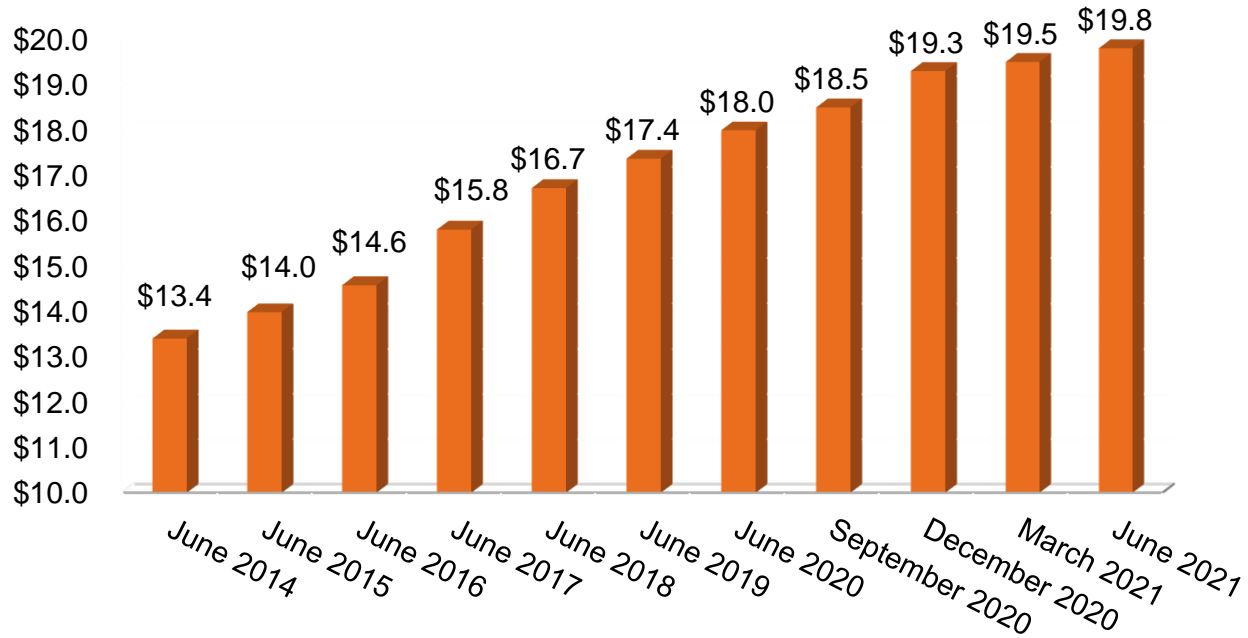
## Contingency Reserve Drivers



As of 6/30/2021 the CR is at \$4,726 M.

# Total Investments

(rounded to billions)



# 2022 Rates: 3.1% overall rate change

*Joel Sacks, Agency Director*

*Mike Ratko, Deputy Assistant Director for Insurance Services*



# L&I's rate-setting philosophy

1. Steady and predictable rates
2. Benchmark against wage inflation
3. Maintain adequate reserves
4. Lower costs while focusing on better outcomes for injured workers

# Additional inputs to the rate decision

- Break-even rate indication



- Size of contingency reserve



- State of the economy



# 2022: Proposed Overall Rate Change of 3.1%

Funds	2021 Average Hourly Rate	2022 Proposed Hourly Rate	2022 Proposed % Change	2022 Break-even Hourly Rate	2022 Break-even Indication
Accident	\$ 0.323	\$ 0.323	0.0%	\$ 0.373	15.3%
Medical Aid	\$ 0.172	\$ 0.172	0.0%	\$ 0.223	28.8%
Supplemental Pension	\$ 0.137	\$ 0.156	14.0%	\$ 0.176	28.1%
Stay-at-Work	\$ 0.005	\$ 0.005	10.4%	\$0.005	10.4%
<b>Overall*</b>	<b>\$ 0.638</b>	<b>\$ 0.657</b>	<b>3.1%</b>	<b>\$ 0.777</b>	<b>21.7%</b>
<b>Per \$100 of payroll**</b>	<b>\$ 1.62</b>	<b>\$ 1.64</b>	<b>1.2%</b>	<b>\$ 1.94</b>	<b>19.4%</b>

\*Before retrospective premium refunds

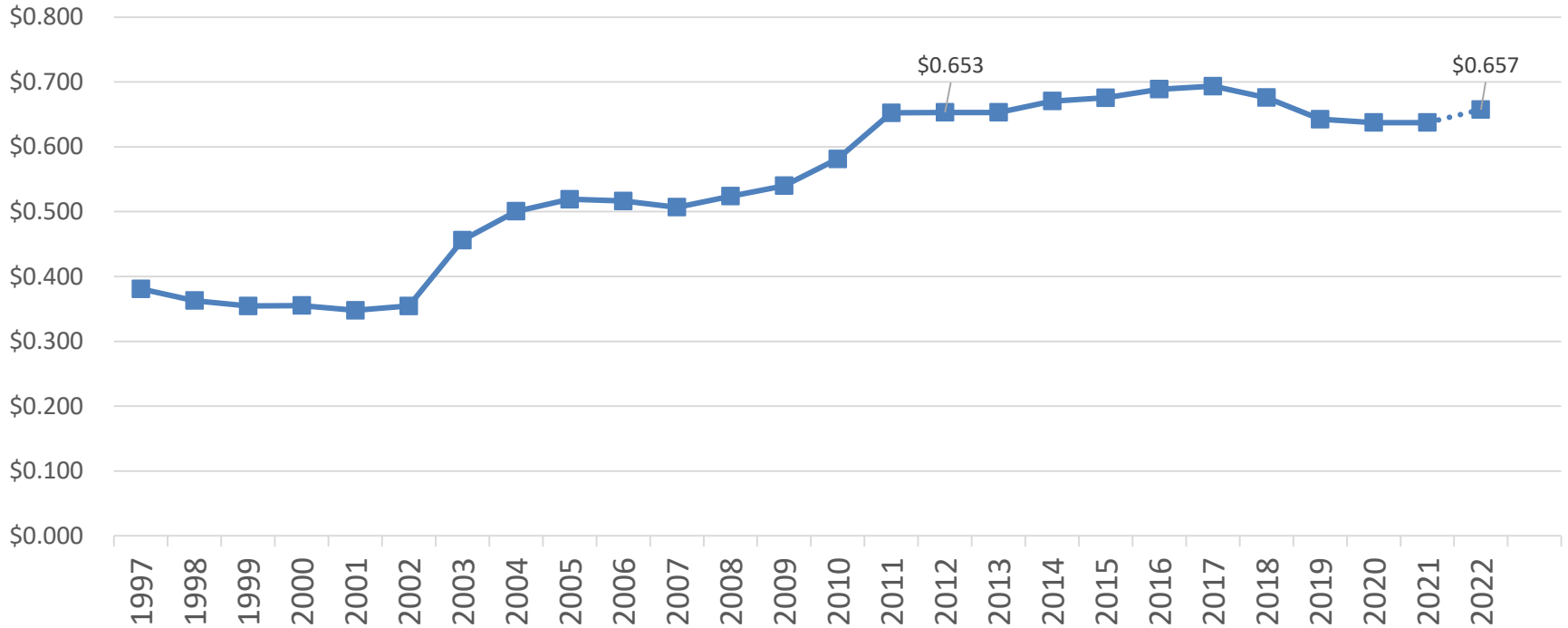
\*\*Before retrospective premium refunds and based on year ending March 31, 2021 mix of business and current wage inflation assumptions as of June 30, 2021. After retrospective premium refunds, the net rate per \$100 of payroll is projected to be \$1.53.

# 1. Steady and predictable rates

- Supplemental Pension fund requires 14% rate increase to pay benefits and avoid loans
- 0% increase in Accident and Medical Aid fund rates enabled by adequate reserves
- Combined average hourly premium rate is approximately the same as it was in 2012

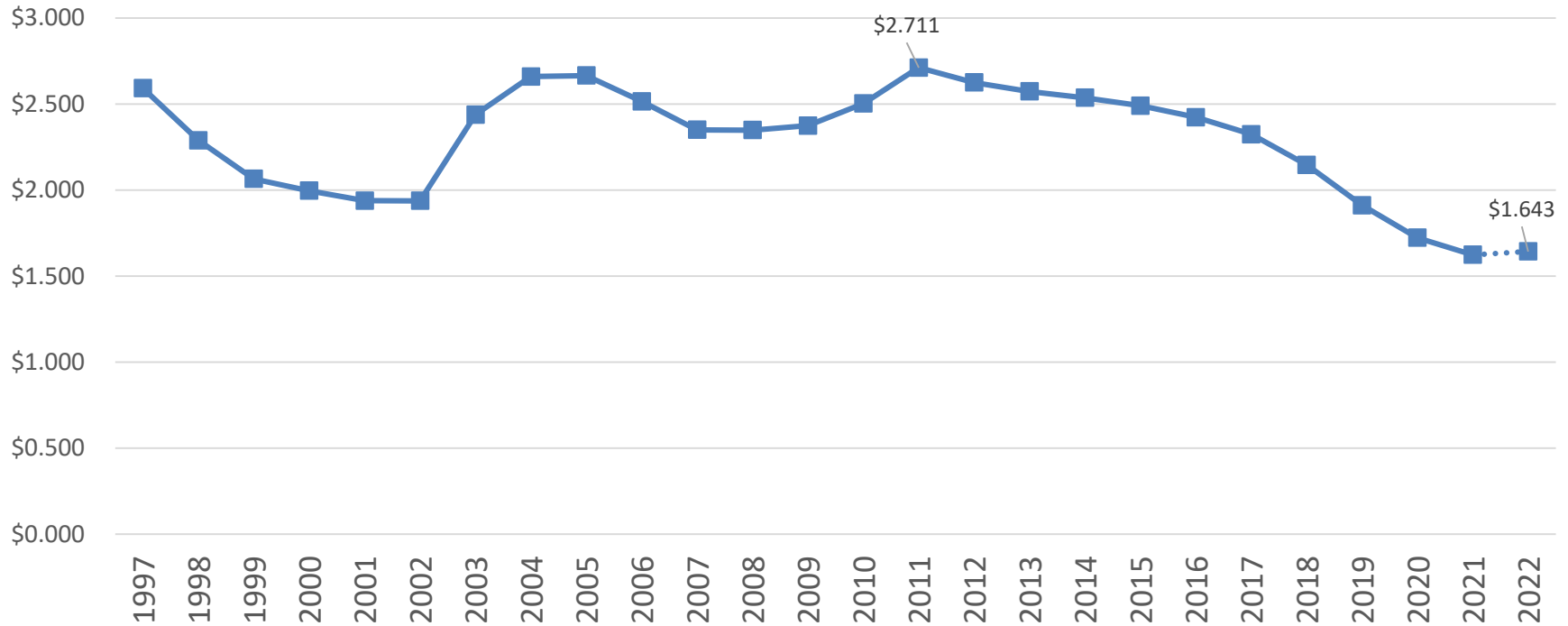
# Hourly Premium Rate

*Combined Accident, Medical Aid, Supplemental Pension, and Stay-at-Work rates, before retrospective premium refunds*

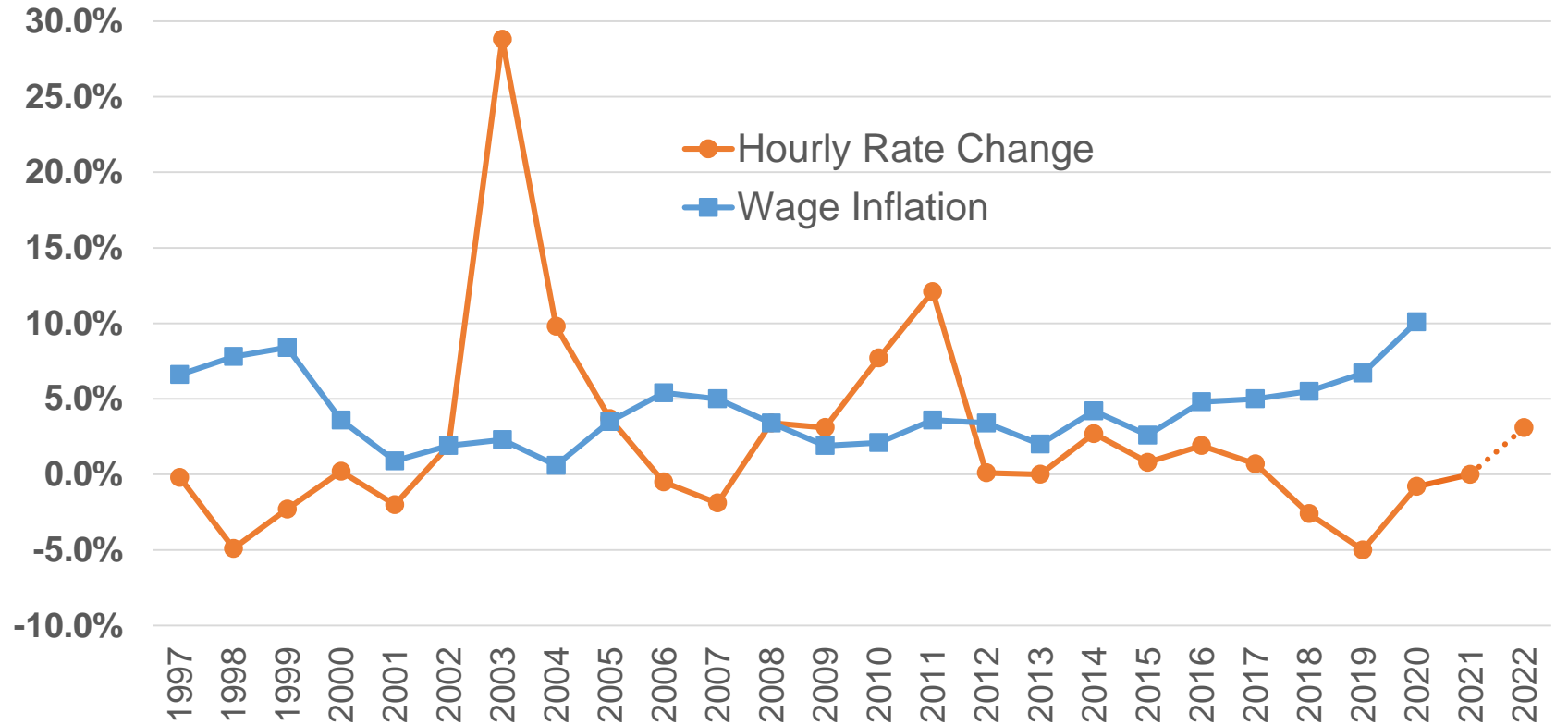


# Rate per \$100 of Payroll

*Combined Accident, Medical Aid, Supplemental Pension, and Stay-at-Work rates, before retrospective premium refunds*



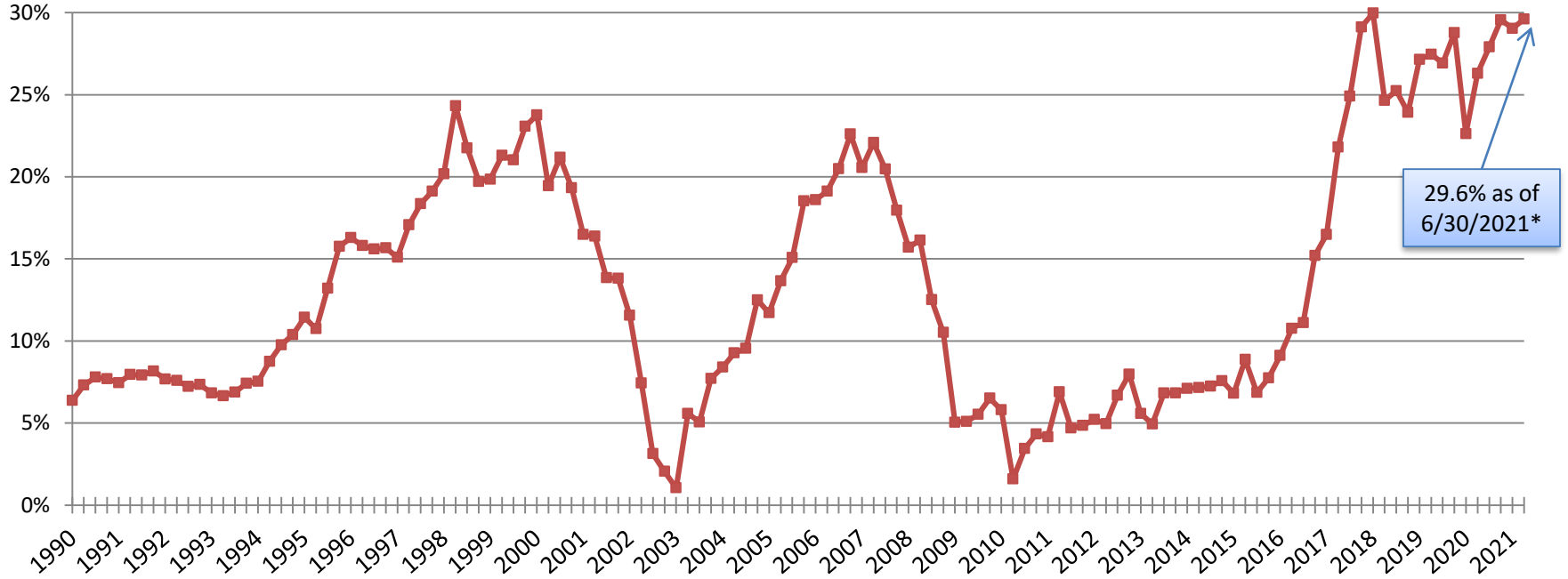
## 2. Benchmark against wage inflation



\* Indicates wage inflation rate known when rates were set

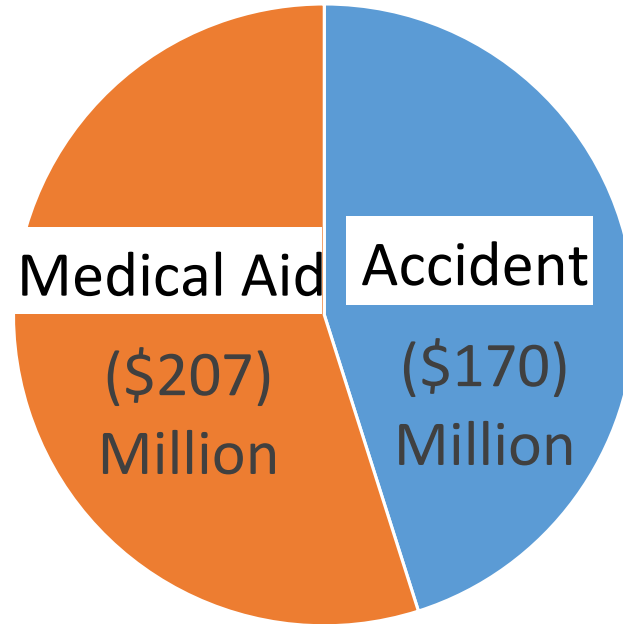
# 3. Maintain adequate reserves

## Contingency Reserve as % of Liabilities



\*Includes pension discount rate assumption of 4.0%

# Projected \$377 Million Contingency Reserve decrease during 2022 from Rate Inadequacy



## 4. Lower costs while focusing on better outcomes for injured workers

- Vocational recovery and occupational health best practices reducing the rate of long-term disability
- Pension frequency continues to fall

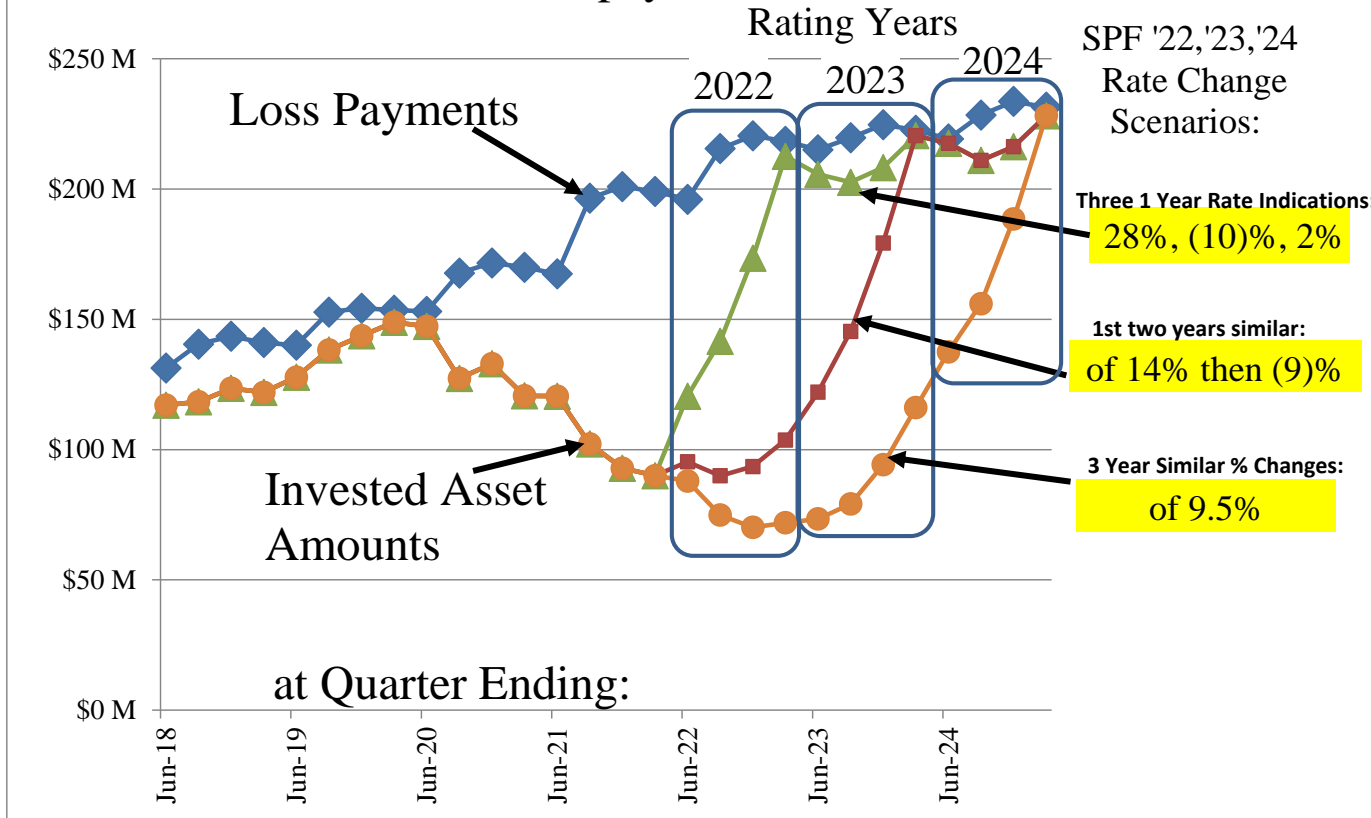


# Next steps in adopting rates

- Public hearing via Zoom (10/26/2021)
- Adopt final 2022 rates (11/30/2021)
- Begin mailing rates to employers (12/7/2021)
- New rates are effective (1/1/2022)

# Supplemental slides

# Quarterly SPF Invested Asset Levels vs Loss payments



# Break Time



# General Updates

*Maurice Perigo, Assistant Director for Administrative Services*

*Joel Sacks, Agency Director*

*Vickie Kennedy, Assistant Director for Insurance Services*



# Protecting Customer's Personal Info Project

## ■ Background

- SHB 1455 / RCW 43.22.315
  - Cease disclosure of SSNs with non-governmental third parties by July 1, 2023
- Improve Protections for all Personally Identifiable Information (PII)

## ■ Project Goals

- Minimize the collection and use of PII
- Reduce risk and severity of data incidents

## ■ Scope of Work

- Develop our future state policy for collect and use of SSNs and PII
- Inventory business processes that currently store SSNs and PII
- Gap analysis to define specific projects in business area to improve how we do business

# L&I submitted 4 proposals for consideration

- Requiring an employer to reimburse employee fees when a paycheck is dishonored (Z-0306)
- Adding references to contractor licensing laws in workers' comp, public works, and prevailing wage statutes (Z-0321)
- Adding psychologists as attending providers (Z-0301)
- Paying appeals fees and costs in workers' compensation court appeals (Z-0322)

# Adding Psychologists as Attending Providers

- To add capacity to the system to treat mental health-only workers' comp claims, proposing to add psychologists as AP
- AP is responsible to file the claim, certify time-loss, coordinate care, determine work restrictions, and recommend when a worker has reached maximum medical improvement
- Medical providers who may act as APs currently includes:
  - Physicians, Osteopathy, Chiropractic, Naturopathy, Podiatric Medicine and Surgery, Dentistry, Optometry, and ARNPs.
  - All must:
    - Be member of MPN
    - Work within scope of practice, as defined by Dept. of Health



# Appeals Costs and Fees

- Currently, when L&I awards benefits and that award is upheld by Superior Court, L&I is responsible for paying the worker's costs and fees
- Costs are socialized across all state fund employers and paid from the department's administrative appropriation
- Proposal would have employer (> 25 FTEs) or retro group that appeals and loses pay worker's fees and costs
  - Estimated 28 cases annually at \$20,800 per case
  - Total costs roughly \$582k
  - Will vary

# 6440 Rulemaking Activity

- Work Completed
  - Research to consider rulemaking to:
    - limit hand selection of examiners
    - set an enforceable deadline for claim/medical records to be sent to the IME firm (for SI claims)
- Work Underway:
  - Conduct rulemaking to:
    - Define case progress for IMEs
    - Limit the number of IMEs allowed on a claim
    - Resolve disputes to IMEs (SI)

# Pension discount rate rulemaking timeline

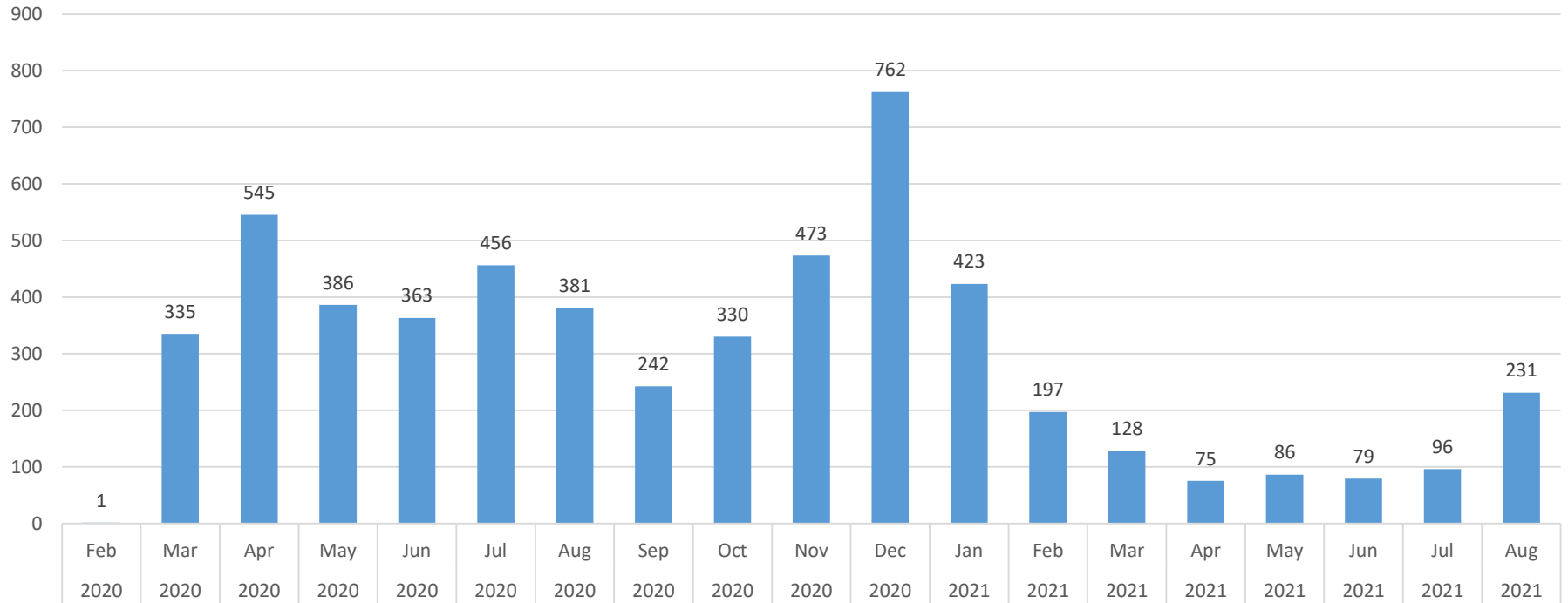
Withdrawal (CR-101)	Sept. 21, 2021
Preproposal (CR-101)	Sept. 21, 2021
Proposal (CR-102)	Nov. 16, 2021
Public Hearing	Jan 6, 2022 (virtual)
Adoption (CR-103)	Feb. 15, 2022
Effective	Apr. 1, 2022

# State fund COVID-19 claims\*

- 5,589 total state fund COVID-19 claims received
  - 4,438 accepted (79%)
  - 657 rejected (12%)
  - 494 pending (9%)
- Costs being socialized, so no impact on experience rating
- COVID-19 claims not being used in rate-setting
  - Assuming this is an isolated event

\*As of 8/31/2021

# State fund COVID-19 claims by month established



# Paid-to-date costs of accepted state fund COVID-19 claims

	<b>Claims</b>	<b>Paid-to-date cost</b>	<b>Average paid-to-date cost</b>
Compensable	3,146	\$12,974,300	\$4,120
Kept on Salary	586	\$252,820	\$430
Fatal	20	\$7,072,450	\$353,620
Medical-only	686	\$303,030	\$440
<b>Total “lost time”</b>	<b>3,752</b>	<b>\$20,299,570</b>	<b>\$5,410</b>
<b>Total accepted</b>	<b>4,438</b>	<b>\$20,602,600</b>	<b>\$4,640</b>

As of 8/31/2021. These costs will develop upward over time.

# Top 10 industries with accepted COVID-19 claims (state fund)

<b>Risk class</b>	<b>Claims</b>	<b>Percent</b>
1. Healthcare related	2,892	65%
2. Miscellaneous Services	764	17%
3. First responders	529	12%
4. Government	78	2%
5. Misc. Professional and Clerical	67	2%
6. Agriculture	44	1%
7. Transportation and Warehousing	34	1%
8. Stores	10	<1%
9. Trades	5	<1%
10. Food Processing and Manufacturing	4	<1%
All Other	11	<1%
<b>Total</b>	<b>4,438</b>	<b>100%</b>

# Closing Comments & Adjourn

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





# Next Meeting

- December 15, 2021
- Zoom