

WORKERS' COMPENSATION POLICY REVIEW

Summary of the Contents

In This Issue:

FEATURED TOPICS

Summary of the Contents	1
Workers' Compensation Benefits: Frequencies and Amounts in 2003.....	3
Workers' Compensation Insurance Industry Profitability Surges in 2006.....	29

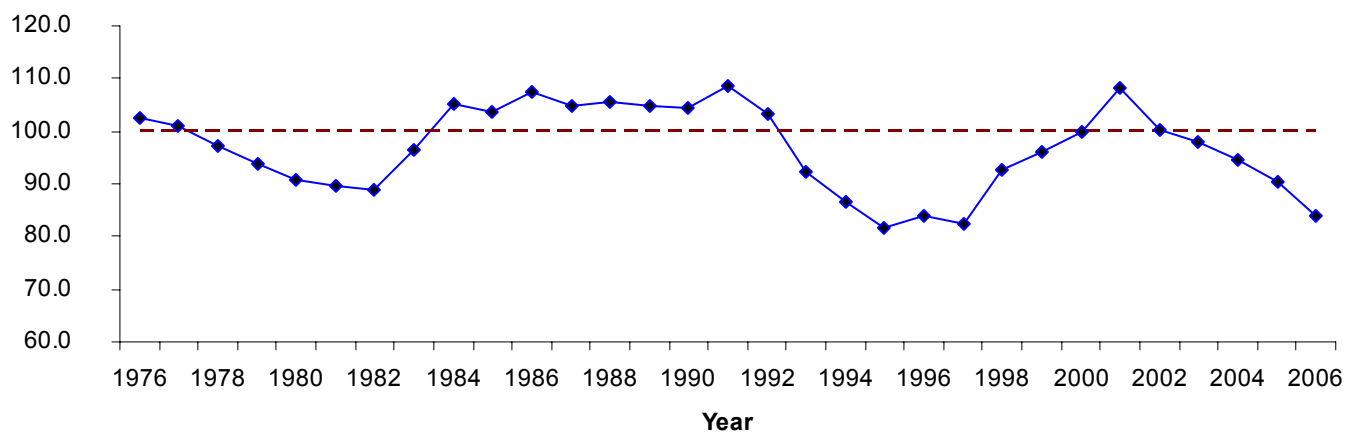
This issue is being distributed in December 2007. The next issue will follow shortly.

Underwriting results for the workers' compensation insurance industry improved for the fifth year in a row, as discussed in the article by John Burton. As shown in Figure A, the overall operating ratio, which is the most comprehensive measure of underwriting results because it considers investment income, was 83.9 in 2006. This is a sharp improvement from the overall operating ratio of 108.1 in 2001 and is also significantly better than the operating ratios of 98.1 in 2003, 94.5 in 2004, and 90.5 in 2005.

When the overall operating ratio is greater than 100, carriers lose money even when investment income is considered. In 2001, workers' compensation carriers lost \$8.10 for every \$100 of premium. Conversely, when the overall operating ratio is less than 100, the industry is profitable when investment income is considered. In 2006, carriers made \$16.10 of profit for every \$100 in premium.

The article by Florence Blum and John Burton provides the latest information on the frequency, average benefits per claim, and total benefits per 100,000 workers for four types of cash benefits, for all cash benefits, and for medical benefits. The incurred benefits data are for 47 jurisdictions in 2003. Differences among jurisdictions are substantial: for example, four jurisdictions had permanent partial disability (PPD) cash benefits per 100,000 workers that were at least 50 percent above the national average and seven jurisdictions had PPD benefits that were at least 50 percent below the national average.

Figure A
Overall Operating Ratio as a Percent of Premiums, 1976-2006



Note: The Overall Operating Ratio is the total of all underwriting expenses and income from investments as a percentage of premiums.

Advisory Board Members

(Membership on the Advisory Board does not constitute an endorsement of the contents of the *Workers' Compensation Policy Review*.)

David Appel, Director - Economics Consulting, Milliman USA

Robert M. Aurbach, Chief Executive Officer, Uncommon Approach, Inc.

Christine Baker, Executive Officer, Commission on Health and Safety and Workers' Compensation, State of California

Peter S. Barth, Professor of Economics, Emeritus, University of Connecticut

Keith T. Bateman, Vice President of Workers' Compensation, Property Casualty Insurers Association of America

Monroe Berkowitz, Professor of Economics, Emeritus, Rutgers University

Richard J. Butler, Professor of Economics, Brigham Young University

Alan Clayton, Principal, Bracton Consulting Services PTY LTD, Croydon Hills, Victoria, Australia

Ann Clayton, Ann Clayton and Associates, Lexington, Massachusetts

Donald T. DeCarlo, Attorney, Lake Success, NY

Allard Dembe, Associate Professor and Chair, The Ohio State University School of Public Health

Donald Elisburg, Attorney, Potomac, MD; former Assistant Secretary of Labor for Employment Standards

James N. Ellenberger, Former Deputy Commissioner, Virginia Employment Commission

Thomas W. Gleason, Sr., President/CEO, Risk Recovery, Inc.; former President IAIABC

Nortin M. Hadler, M.D., Professor of Medicine and Microbiology/Immunology, University of North Carolina

Hiroko Hayashi, Professor of Law, Fukuoka University, Japan, and Attorney at Law

Jay S. Himmelstein, M.D., Director, Center for Health Policy, UMass Medical School—Shrewsbury Campus

Douglas Holmes, President, UWC-Strategic Services on Unemployment & Workers' Compensation

Larry Holt, Executive Director, National Council of Self-Insurers

Denis Hughes, President, New York State AFL-CIO

H. Allan Hunt, Assistant Executive Director, W.E. Upjohn Institute for Employment Research

William G. Johnson, Professor of Economics, Arizona State University

Gregory Krohm, Executive Director, International Association of Industrial Accident Boards and Commissions (IAIABC)

Alan B. Krueger, Professor of Economics and Public Affairs, Princeton University

Lex K. Larson, President, Employment Law Research, Inc.

John H. Lewis, Attorney and Consultant, Boca Raton, FL; President, USA-Integrated Health, Inc.

Barry L. Llewellyn, Senior Divisional Executive, Regulatory Services, National Council on Compensation Insurance

Jerry L. Mashaw, Sterling Professor of Law and Management, Yale Law School

Paul Mattera, Senior Vice President and Chief Public Affairs Officer, Liberty Mutual

Robin R. Obetz, Of Counsel, Vorys, Sater, Seymour & Pease, LLP, Columbus, OH

Eric J. Oxfeld, Executive Director, International Workers' Compensation Foundation, Inc.

Tom Rankin, Former President, California Labor Federation, AFL-CIO

Virginia P. Reno, Vice President for Income Security, National Academy of Social Insurance

Timothy P. Schmidle, New York State Workers' Compensation Board

Sandra Sinclair, Associate Scientist and Director, Operations, Institute for Work & Health, Canada

Emily Spieler, Dean and Professor of Law, Northeastern University School of Law

Robert B. Steggert, Vice President, Casualty Claims, Marriott International, Inc.; and former President, National Council of Self-Insurers

Terrence J. Sullivan, President and CEO, Cancer Care Ontario

Allyn C. Tatum, Vice President of Claims, Tyson Foods, Inc.; former President IAIABC; former President, National Council of Self-Insurers

W. Frederick Uehlein, Founder and Chairman, Insurance Recovery Group

C. John Urling, Jr., Owner, Jack Urling's Publications; Former Commissioner, Pennsylvania Workers' Compensation Appeal Board; Former President IAIABC

Richard A. Victor, Executive Director, Workers Compensation Research Institute

Paul C. Weiler, Henry J. Friendly Professor of Law, Harvard Law School

Edward M. Welch, Director, Workers' Compensation Center, Michigan State University

Melvin S. Witt, Editor, *California Workers' Compensation Reporter*

Bruce C. Wood, Assistant General Counsel, American Insurance Association

Workers' Compensation Benefits: Frequencies and Amounts in 2003

by Florence Blum and John F. Burton Jr.

This article is the latest in a series of articles we have written on the frequency, average benefits per claim, and benefits per 100,000 for four types of cash benefits and for medical benefits. In our most recent article (Blum and Burton 2006b), we presented 2002 data for 47 jurisdictions. In the current article, we provide tables with 2003 data showing the frequency, average benefits, and benefits per 100,000 workers for six types of benefits, including the cash benefits for temporary total disability, permanent partial disability, permanent total disability, and fatal cases and the medical benefits for all cases.¹

Since data from Tables 1-6 of this article and the data from the earlier articles are difficult to assimilate, we include an additional set of tables (1A-6C) which takes data from six years, 1998 to 2003, and categorizes each state's results into five classifications relative to the national averages.

Most of our data are derived from the various issues of the *Annual Statistical Bulletin (ASB)* published by the National Council on Compensation Insurance (NCCI), supplemented by additional information we obtained from the NCCI and from several states. We have allocated the *ASB* data from policy year periods to calendar years and have to the extent feasible filled in gaps in the *ASB* data. The data are incurred benefits, which means they represent the estimates of the eventual amounts of benefits that will be paid for the claims filed during the policy years. The data published by the NCCI in the *ASB* are derived from reports filed by private insurance carriers and some competitive state funds. As a result, the data in our articles exclude the experience of exclusive state funds, some competitive state funds, and all self-insuring employers.

Temporary Total Disability Benefits

Frequency. Temporary total disability (TTD) benefits are paid to a worker who is unable to perform his or her preinjury job (or another job offered by the employer after the injury) but whose injury is of a temporary nature. Workers only qualify for these benefits if they are unable to work for a period longer than the waiting period. The waiting periods vary among states, and range from three days to seven days. Thus, a worker who is unable to work for five days would qualify for TTD benefits in Connecticut (which has a three-day

waiting period) but not in New Jersey (which has a seven-day waiting period).

The differences in waiting periods help explain the differences in the frequency of temporary total disability benefits shown in Table 1. (The tables begin on page 13). Thus, in 2003 Connecticut had 930 TTD cases per 100,000 workers, while New Jersey had 690 TTD cases per 100,000 workers. There are other factors, such as the prevalence of high-risk industries and the legal standards used to determine whether an injury qualifies for workers' compensation benefits, which also affect the frequency of TTD cases. Wisconsin, which like Connecticut has a three-day waiting period, had 1,055 TTD cases per 100,000 workers in 2003, considerably more than the 930 cases per 100,000 workers in Connecticut.

The information in Table 1 is presented in a format that facilitates interstate comparisons. The frequency data for temporary total disability benefits are presented in Columns (1) to (3): Column (1) provides the frequency (or number) of TTD cases per 100,000 workers for the 46 jurisdictions with data available for 2003, plus the national average of 812 TTD cases per 100,000 workers for 46 jurisdictions (excluding the Longshore and Harbor Workers [USL&HW] program); Column (2) shows each state's frequency as a percentage of the national average for TTD claims; and Column (3) provides the ranking of the jurisdictions in terms of the frequency of TTD cases. The range is from 2,385 TTD cases per 100,000 workers in the USL&HW program to 339 TTD cases per 100,000 workers in the District of Columbia.

The information in Table 1, Column (1) and the previously published data on the frequencies of TTD claims for 47 jurisdictions for nine years are valuable, including the evidence of a decline in the national average from 1,208 TTD claims per 100,000 workers in 1995 to 812 TTD claims per 100,000 workers in 2003. However, the amount of information in Table 1, Column (1) is difficult to assimilate, and so we have categorized the state frequencies into the categories shown in Table 1A for 1998 to 2003. A state receives a "++" for a particular year if its frequency of TTD benefits is well above the U.S. average. Likewise, a state receives a "+" for a particular year if its cash benefits are above average; a "-" if its cash benefits are well below aver-

age, a “-“ if its benefits are below average; a “0” if its benefits are average; and a “N/A” if data are not available for that particular year. (The ranges for the various categories are shown in the notes to the tables.)

The entries in Table 1A indicate that some states consistently have more TTD cases than the national average. Four jurisdictions (Alaska, Hawaii, Rhode Island, and the USL&HW) had TTD frequencies that were well above average in all six years in the table, and four states (Delaware, Maine, Massachusetts, and Vermont) had TTD frequencies that were above average for all six years. In contrast, the District of Columbia had TTD frequencies that were well below average for the six years, and five states (Georgia, Kansas, North Carolina, Texas, and Virginia) had TTD frequencies that were below average for all six years. There were 17 states with TTD frequencies near the national averages in all six years with data.

There were several states where over time the frequency relative to the national average changed between adjacent categories: examples are Idaho, New Hampshire, Oregon, and Wisconsin (where the TTD frequencies ranged from above to well above the national average); Oklahoma and Pennsylvania (where TTD frequencies ranged from average to above average) and Arizona and New Jersey (where TTD frequencies ranged from average to below average over the six years). Thus, all jurisdictions had relatively stable TTD frequencies relative to the national averages, with the states in the same or adjacent categories in the six years.

Average Benefits Per Claim. The temporary total disability (TTD) cash benefits paid to a worker are affected *inter alia* by the worker’s average weekly wage prior to the injury, by the nominal replacement rate (typically TTD benefits are 66 2/3 percent of preinjury earnings), by the weekly maximum and minimum TTD benefits prescribed by statute, and by the duration of the TTD benefits. As previously noted, the waiting periods for TTD benefits vary among states, and range from three days to seven days. Thus, workers who are unable to work for four to seven days would receive TTD benefits in Connecticut (which has a three-day waiting period) but would not receive TTD benefits in New Jersey (which has a seven-day waiting period). Since there typically are a large number of workers with four to seven days of lost time, they would reduce the average for all cases receiving TTD benefits in Connecticut but would not reduce the average for all cases receiving TTD benefits in New Jersey.

The differences in waiting periods help explain the differences in the average of temporary total disability

cash benefits shown in Table 1, Column (4). Thus, in 2003 the average benefit for workers who obtained TTD benefits in Connecticut was \$3,765 while in New Jersey the average TTD benefit was \$6,070. There are other factors, such as the statutory provision used to determine TTD benefits, which also affect the averages of TTD benefits. Wisconsin, which like Connecticut has a 3-day waiting period, paid \$2,942 in the average TTD case in 2003, considerably less than the \$3,765 average for TTD benefits in Connecticut.

The information in Table 1, Columns (4) - (6) is presented in a format that facilitates interstate comparisons. The range of average TTD benefits in 2003 was from \$8,264 per case in South Carolina to \$2,250 per case in Arizona. The information in Table 1 and the previously published data on the averages for TTD claims for 47 jurisdictions for nine years are interesting, including the evidence of an increase in the national average from \$3,016 per TTD claim in 1995 to \$5,006 per TTD claim in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state average benefits per claim into the categories shown in Table 1B.

The entries in Table 1B indicate that some states consistently have TTD benefits that are higher than the national average. No jurisdiction was consistently well above (that is more than 50 percent above) the national average. However, two jurisdictions (Florida and South Carolina) had TTD average benefits that were either well above or above average (at least 25 percent above) in all six years in the table. Minnesota was the only state with TTD benefits that were well below the national average in all six years. Eight jurisdictions (Arizona, Arkansas, Iowa, New Hampshire, Oregon, Rhode Island, Utah, and Wisconsin) were well below or below average in all the years with data. There were 14 states that were near the national average in all years in the table. The entries in Table 1B indicate that states were relatively stable in the relationship between average TTD benefits in a state and the national average: only four states shifted more than one category over the six years. California’s TTD benefits ranged from well below average to average; and Colorado, Idaho, and Massachusetts’ benefits ranged from average TTD benefits to well above average benefits in the six years in the table.

Cash Benefits Per 100,000 Workers. Table 1, Column (7) provides the cash benefits per 100,000 workers for cases receiving temporary total disability benefits for the 47 jurisdictions in our study for the year 2003. The derivation of the data in Table 1, Column (7) can be illustrated by focusing on the Oregon entry for 2003. There were 1,266 temporary total disability

cases per 100,000 workers in Oregon in 2003 (as shown in Table 1, Column (1)); the average of the cash benefits for temporary total disability cases in Oregon in 2003 was \$2,501 (as shown in Table 1, Column (4)); the product of 1,266 cases times \$2,501 per case is \$3,166,266 of temporary total disability benefits per 100,000 workers in Oregon in 2003 (as shown in Table 1, Column (7)). Due to rounding, numbers may not be exact.

The information in Table 1, Columns (7)-(9) is presented in a format that facilitates interstate comparisons. The range of TTD cash benefits per 100,000 workers in 2003 was \$12,537,945 in the USL&HW program to \$1,279,978 in Arizona.

The information in Table 1, Column (7) and previously published data on the TTD cash benefits per 100,000 workers for 47 jurisdictions for nine years provide evidence of an increase in the national average from \$3,563,498 in 1995 to \$3,935,843 in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state TTD benefits per 100,000 workers into the categories shown in Table 1C.

The entries in Table 1C indicate that some states consistently pay more TTD cash benefits per 100,000 workers than the national average. Three jurisdictions (Idaho, Maine, and the USL&HW program) were consistently well above (that is more than 50 percent above) the national average. In eight other states (Alaska, Delaware, Florida, Hawaii, Michigan, Pennsylvania, Rhode Island, and Vermont) the TTD cash benefits per 100,000 workers were above the national average (at least 25 percent about the national average) or well above the national average in all six years. In contrast, TTD cash benefits per 100,000 workers were well below the national average for all six years for Arizona and the District of Columbia, and below average or well below average in three states (Arkansas, Minnesota, and Virginia) for 1998 to 2003. In 15 states, the TTD cash benefits per 100,000 workers were near the national average in every year with data. There were only two states where the state's averages relative to the national average changed by more than one category over the six years: Colorado's TTD cash benefits ranged from below average to above average; and Massachusetts' benefits ranged from average TTD benefits to well above average benefits in the six years in the table.

Permanent Partial Disability Benefits

Frequency. Permanent partial disability (PPD) benefits are paid to a worker who has permanent con-

sequences of his or her work-related injury or disease but the consequences are not totally disabling. The benefits normally are paid after a worker has reached the date of maximum medical recovery and is no longer eligible for temporary disability benefits.

Factors such as the prevalence of high-risk industries and the legal standards used to determine whether an injury qualifies for PPD benefits affect the frequency of PPD cases in various jurisdictions. These and other factors are reflected in the substantial interjurisdictional variations in the prevalence of PPD claims shown in Table 2, Column (1). In 2003, the range was from 1,121 PPD claims per 100,000 workers in California to 123 per 100,000 workers in the District of Columbia.

Table 2, Column (1) and the previously published data provide considerable useful information, including a slight decrease in the national average of PPD claims per 100,000 workers from 524 in 1995 to 494 in 2003. However, examination of differences among states is facilitated by the information in Table 2A, which categorizes states in terms of their frequency of PPD claims relative to the national average for PPD claims in that year.

Three jurisdictions (California, Missouri, and the USL&HW program) had PPD frequencies that were well above the national average in all six years between 1998 and 2003. In addition, Oklahoma had PPD frequencies that were above the national average or well above the national average in all years. In contrast, four jurisdictions (the District of Columbia, Michigan, Pennsylvania, and Virginia) had PPD frequencies that were well below the national average for all six years, and thirteen states (Alabama, Arizona, Delaware, Georgia, Idaho, Indiana, Kentucky, Louisiana, Maine, Mississippi, New Hampshire, South Dakota, and Utah) had PPD frequencies below the national average or well below the national average in all years with data. There were only twelve states that had PPD frequencies that were near the national average in all six years. Most states were relatively stable in their PPD frequencies compared to the national averages over this period. There were exceptions, however. Massachusetts' PPD frequencies ranged from well below average to average during the six years. In contrast, Montana's PPD frequencies ranged from average to well above average from 1998 through 2003.

Average Benefits Per Claim. The permanent partial disability (PPD) cash benefits paid to a worker are affected *inter alia* by the worker's average weekly wage prior to the injury, by the nominal replacement rate (typically PPD benefits are 66 2/3 percent of preinjury earnings), by the weekly maximum and minimum PPD

benefits prescribed by statute, and by the duration of the PPD benefits. As discussed by Burton (2005) states vary in their approaches to determining the duration (and sometimes the weekly benefit amount) of PPD benefits. Some benefits are related to the seriousness of the worker's injury (the impairment approach); some PPD benefits are related to the extent of loss of earning capacity; some PPD benefits are related to the actual loss of earnings; often states use more than one of these approaches depending on the nature of the injury or other factors.

The resulting differences in weekly PPD benefits and durations among states explain the considerable variations among states in the average cash benefits for PPD claims shown in Table 2, Column (4). The range of average PPD benefits in 2003 was from \$140,019 per case in Maine to \$17,634 per case in Texas.

The information in Table 2, Column (4) and previously published data on the averages for PPD claims for 47 jurisdictions for nine years are valuable, including the evidence of an increase in the national average from \$31,074 per PPD claim in 1995 to \$43,586 per PPD claim in 2003. However, the amount of information in these tables is virtually impossible to assimilate, and so we have categorized the state average benefits per claim into the categories shown in Table 2B.

The entries in Table 2B indicate that some states consistently have PPD benefits that are higher than the national average. Two states (Michigan and Pennsylvania) were well above (that is more than 50 percent above) the national average in the six years from 1998 to 2003. In addition, four jurisdictions (Louisiana, Maine, New York, and the USL&HW) were above average or well above average in all years with data. In contrast, one state, Indiana, was well below average in all six years, and ten states (Arkansas, Kansas, Missouri, New Jersey, Oklahoma, Oregon, South Dakota, Texas, Utah, and Wisconsin) were below average or well below average in all six years. There were nine states that were near the national average for PPD benefits in all years with data. There were only four states where the states' averages relative to the national average changed by more than one category over the six years: Delaware, the District of Columbia, North Carolina and Rhode Island PPD benefits ranged from average to well above average from 1998 through 2003.

Cash Benefits Per 100,000 Workers. Table 2, Column (7) provides the cash benefits per 100,000 workers for cases receiving permanent partial disability benefits for the 47 jurisdictions in our study for the year 2003. The range of PPD cash benefits per 100,000

workers in 2003 was from \$59,756,760 in the USL&HW program to \$4,865,291 in Utah.

The information in Table 2, Column (7) and previously published data on the PPD cash benefits per 100,000 workers for 47 jurisdictions for nine years are valuable, including the evidence of an increase in the national average from \$14,338,590 in 1995 to \$18,581,474 in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state PPD benefits per 100,000 workers into the categories shown in Table 2C.

The entries in Table 2C indicate that some states consistently paid more PPD cash benefits per 100,000 workers than the national average. Three jurisdictions (California, New York, and the USL&HW program) were well above (that is more than 50 percent above) the national average for all six years, and Alaska was above or well above the national average for all years. In sharp contrast, four jurisdictions (Arkansas, Indiana, South Dakota, and Utah) paid PPD benefits per 100,000 workers that were well below the national average for all six years. An additional nine states (Alabama, Arizona, the District of Columbia, Idaho, Kansas, Michigan, New Mexico, Texas, and Virginia) paid PPD benefits per 100,000 workers that consistently were below or well below the national average. There were six states that paid near the national average in all six years.

Five states had relatively volatile PPD benefits per 100,000 workers, changing by more than one category over the six years. Nevada and Oklahoma's benefits ranged from average to well above average benefits. Maine and Montana's benefits ranged from below average to above average while Kentucky's ranged from well below average to average. One state, Rhode Island, spanned four categories during the six years in the study. From 1998 through 1999 their benefits were well above average, they dropped to average in 2000 and 2001, dropped to below average in 2002, before increasing again to average in 2003.

Permanent Total Disability Benefits

Frequency. Permanent total disability (PTD) benefits are paid to a worker who has permanent consequences of his or her work-related injury or disease and the consequences are totally disabling. Factors such as the prevalence of high-risk industries and the legal standards used to determine whether an injury qualifies for PTD benefits affect the frequency of these cases in various jurisdictions. There are also relatively few PTD cases, which can result in substantial year-to-year variations in a state. These and other factors are re-

flected in the substantial interjurisdictional variations in the prevalence of PTD claims shown in Table 3, Column (1). In 2003, the range was from 44 PTD claims per 100,000 workers in California to zero PTD claims per 100,000 workers in Idaho, Montana, Rhode Island, and the USL&HW program.

Table 3, Column (1) and the previously published data provide considerable useful information, including the increase in the national average from 6 to 11.7 PTD claims per 100,000 workers between 1995 and 2003. However, examination of differences among states is facilitated by the information in Table 3A, which categorizes states in terms of their frequency of PTD claims relative to the national average for PTD claims in that year.

The USL&HW was the only program that had PTD frequencies that were well above the national average in all years with data. In contrast, there were eleven jurisdictions (Arizona, Connecticut, Delaware, the District of Columbia, Indiana, Iowa, Maryland, Massachusetts, Oregon, Rhode Island, and Wisconsin) with PTD frequencies that were well below the national average in all years with data. There were also ten states (Arkansas, Georgia, Hawaii, Kansas, Maine, Minnesota, New Mexico, South Dakota, Utah, and Virginia) that had PTD frequencies below or well below the national average in all years with data. There were no states that had PTD frequencies that were near the national average in all six years. The volatility of PTD frequencies is well illustrated by the experience in three jurisdictions (Colorado, Montana, and New Hampshire), where the PTD frequencies ranged from well above to well below the national averages over the six years.

Average Benefits Per Claim. The permanent total disability (PTD) cash benefits paid to a worker are affected *inter alia* by the worker's average weekly wage prior to the injury, by the nominal replacement rate (typically PTD benefits are 66 2/3 percent of preinjury earnings), by the weekly maximum and minimum PPD benefits prescribed by statute, and by the duration of the PTD benefits. Some states limit the duration and/or total amount of PTD benefits paid to workers who are totally disabled.

The resulting differences in weekly PTD benefits and durations among states explain the considerable variations among states in the average cash benefits for PTD claims shown in Table 3, Column (4). The range of average PTD benefits in 2003 was from \$927,192 per case in Pennsylvania to \$45,187 in Texas. (The \$0 per case entries for Idaho, Montana, Rhode Island, and the USL&HW program are because there were no PTD cases in those jurisdictions in

2003.) Because PTD cases are so uncommon, unusual results in a few cases may significantly affect a state's average.

The information in Table 3, Column (4) and previously published data on the averages for PTD claims for 47 jurisdictions for nine years are valuable, including the evidence of an increase in the national average from \$210,480 per PTD claim in 1995 to \$261,407 per PTD claim in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state average benefits per claim into the categories shown in Table 3B.

The entries in Table 3B indicate that some states consistently have PTD benefits that are higher than the national average. Pennsylvania was the only state that had PTD benefits that were well above the national average in the six years from 1998 to 2003. In addition, Delaware's PTD benefits ranged from above average or well above the national average in the six years from 1998 to 2003. In contrast, Texas had PTD benefits that were well below average from 1998 to 2003 and two states (Hawaii and Kansas) were below average or well below average for all years with data. There were no states that had PTD benefits that were near the national average in all years. The entries in Table 3B show considerable volatility among states in their PTD benefits relative to the national averages. Indeed, nine states (Alaska, Idaho, Montana, New Hampshire, New Jersey, Rhode Island, South Dakota, Utah, and Vermont) had PTD benefits that were well above the national average in at least one year and PTD benefits that were well below the national average in at least one year.

Cash Benefits Per 100,000 Workers. Table 3, Column (7) provides the cash benefits per 100,000 workers for cases receiving permanent total disability benefits for the 47 jurisdictions in our study for the year 2003. The range of PTD cash benefits per 100,000 workers in 2003 was from \$8,645,868 in California to \$137,257 in Indiana. (The \$0 entries for Montana, Rhode Island, and the USL&HW program reflect the absence of PTD cases in those jurisdictions in 2003.)

The information in Table 3, Column (7) and previously published data on the PTD cash benefits per 100,000 workers for 47 jurisdictions for nine years are valuable, including the evidence of an increase in the national average from \$1,295,722 in 1995 to \$2,403,239 in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state PTD benefits per 100,000 workers into the categories shown in Table 3C.

The entries in Table 3C indicate that some states consistently paid more PTD cash benefits per 100,000 workers than the national average. Three jurisdictions (California, Florida, and the USL&HW) were above or well above the national average from 1998 to 2003. In contrast to these states with above or well above average PTD cash benefits, nine jurisdictions (Arkansas, Hawaii, Idaho, Indiana, Kansas, Maine, New Hampshire, New Mexico, and Wisconsin) paid well below the national average in PTD cash benefits per 100,000 workers. In addition, 13 states (Arizona, the District of Columbia, Georgia, Iowa, Massachusetts, Michigan, Mississippi, Oregon, Rhode Island, Tennessee, Texas, Utah, and Vermont) paid PTD cash benefits per 100,000 workers that were below or well below the national average from 1998 to 2003. There was no state that paid PTD cash benefits near the national average in all six years. The most volatile jurisdictions was Delaware which paid PTD benefits per 100,000 workers that were well above the national average in at least one year and well below the national average in another year.

Death Benefits

Frequency. Death benefits are paid to the survivor or survivors of a worker who was killed on the job. Factors such as the prevalence of high-risk industries and the legal standards used to determine whether an injury qualifies for death benefits affect the frequency of these cases in various jurisdictions. As with PTD cases, there are also relatively few death cases, which can result in substantial year-to-year variations in a state. These and other factors are reflected in the substantial interjurisdictional variations in the prevalence of death claims shown in Table 4, Column (1). In 2003, the range was from 37 death claims per 100,000 workers in the USL&HW program to two death claims per 100,000 workers in Delaware, Michigan, Minnesota, New Jersey, Pennsylvania, and Rhode Island.

Table 4, Column (1) and the previously published data provide considerable useful information, including the stability in the national average of 4 to 5 death claims per 100,000 workers between 1995 and 2003. However, examination of differences among states is facilitated by the information in Table 4A, which categorizes states in terms of their frequency of death claims relative to the national average for death claims in that year.

Three programs (Mississippi, Montana, and the USL&HW program) had fatal frequencies that were well above the national average in all six years between 1998 and 2003. In addition, three states (Idaho, New Mexico, and Oklahoma) had death rates that were

above or well above the national averages in all years with data. In contrast Massachusetts and New Jersey had fatal frequencies that were below or well below the national average in all six years. Only New York had death rates near the national average in all six years. There was considerable variability among years in some states in their death claims compared to the national average: the extremes were Hawaii and Nevada, which were well above the national average in one year and well below in another year.

Average Benefits Per Claim. The death cash benefits paid to a survivor are affected *inter alia* by the worker's average weekly wage prior to the fatality, by the nominal replacement rate (the percent of earnings prior to death varies in some states depending on the number of dependents), by the weekly maximum and minimum death benefits prescribed by statute, and by the duration of the death benefits. Some states limit the duration and/or total amount of death benefits paid to a surviving spouse, and all states normally limit the duration of death benefits for children.

The resulting differences in weekly death benefits and durations among states explain the considerable variations among states in the average cash benefits for death claims shown in Table 4, Column (4). The range of average death benefits in 2003 was from \$1,467,727 per case in the District of Columbia to \$57,771 per case in Arkansas. Because death cases are so uncommon, unusual results in a few cases may significantly affect a state's average.

The information in Table 4, Column (4) and previously published data on the average of cash benefits for death claims for 47 jurisdictions for nine years are instructive, including the evidence of an increase in the national average from \$155,015 per death claim in 1995 to \$193,882 per death claim in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state average benefits per claim into the categories shown in Table 4B.

The entries in Table 4B indicate that some states consistently have death benefits that are higher than the national average. Only two states (Nevada and Rhode Island) had well above the national average for death benefits for all six years with data. In addition, two jurisdictions (Connecticut and Nebraska) had death benefits that were above average or well above the national average in 1998 to 2003. In contrast, three states (Arkansas, Florida, and Mississippi) had death benefits that were consistently well below the national average, and five states (Alabama, California, Georgia, Idaho, and Tennessee) had death benefits that were below average or well below average in all six years.

There was considerable variability among years in some states in their death benefits compared to the national average: the extremes were Delaware and New Hampshire, which were well above the national average in one year and well below in another year.

Cash Benefits Per 100,000 Workers. Table 4, Column (7) provides the cash benefits per 100,000 workers for cases receiving death benefits for the 47 jurisdictions in our study for the year 2003. The range of death cash benefits per 100,000 workers in 2003 was from \$26,266,559 in the USL&HW to \$323,994 in Florida.

The information in Table 4, Column (7) and previously published data on the death cash benefits per 100,000 workers for 47 jurisdictions for nine years indicate there was a decrease in the national average from \$803,231 in 1995 to \$725,886 in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state cash benefits for death cases per 100,000 workers into the categories shown in Table 4C.

The entries in Table 4C indicate that some jurisdictions consistently pay more death cash benefits per 100,000 workers than the national average. Three jurisdictions (Missouri, Nebraska, and the USL&HW program) were consistently well above (that is more than 50 percent above) the national average for all years with data. In contrast, six states (Arkansas, California, Indiana, Tennessee, Virginia, and Wisconsin) paid death benefits per 100,000 workers that were below or well below average in all six years. The most variable state in terms of death benefits per 100,000 workers was Hawaii where the state benefits were well above the national average in one year and well below the national average in another year.

All Cases with Cash Benefits

Table 5 presents information on the frequency, average benefits, and benefits per 100,000 workers for all cases paying cash benefits (including TTD, PPD, PTB, and fatal benefits).

Frequencies. The data in Columns (1) to (3) of Table 5 are presented in a format that facilitates interstate comparisons: Column (1) provides the frequency (or number) of all cash benefit cases per 100,000 workers for the 47 jurisdictions with data available for 2003, plus the national average of 1,322 cash benefit cases per 100,000 workers for 46 jurisdictions (excluding the Longshore and Harbor Workers [USL&HW] program); Column (2) shows each state's frequency as a percentage of the national average for all cash benefit claims;

and Column (3) provides the ranking of the jurisdictions in terms of the frequency of all cash benefit cases. The range is from 3,457 cash benefit cases per 100,000 workers in the USL&HW program to 468 cash benefit cases per 100,000 workers in the District of Columbia.

The information in Table 1, Column (1) and the previously unpublished data on the frequencies of all cash benefit claims for 47 jurisdictions for nine years is valuable, including the evidence of a decline in the national average from 1,702 cash benefit claims per 100,000 workers in 1995 to 1,322 claims per 100,000 workers in 2003. However, examination of differences among states is facilitated by the information in Table 5A, which categorizes states in terms of their frequency of total claims relative to the national average for total claims in each year.

Only three jurisdictions (Alaska, Hawaii, and the USL&HW program) had total frequencies that were well above the national average in all years between 1998 and 2003, and two other jurisdictions (Oklahoma, and Oregon) had total frequencies that were above average in all six years with data. In contrast, only the District of Columbia was well below average in all years, and only Arizona, Georgia, and North Carolina were below average in all six years in terms of their total claims compared to the national average. There were 25 states that had total claim rates near the national average in all six years. There was limited variability among years in some states in their total claims compared to the national average: two states (California, and Rhode Island) were above average or well above average in all six years, five states (Idaho, Missouri, Montana, Vermont, and Wisconsin) were average or above average in all years; and five states (Arkansas, Indiana, Louisiana, Nebraska, and Texas) were average or below average in all six years. There were no states where the state's averages relative to the national average changed by more than one category over the six years.

Average Benefits Per Claim. The information in Table 5, Column (4) is presented in a format that facilitates interstate comparisons. The range of average for cash benefits in all cases paying cash benefits in 2003 was from \$39,267 per case in New York to \$9,199 per case in Utah.

The information in Table 1, Column (4) and the previously unpublished data on the national averages for cash benefits in all cases paying cash benefits for nine years are interesting, including the evidence of an increase in the national average from \$11,512 per claim in 1995 to \$19,764 per claim in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state average

benefits per claim into the categories shown in Table 5B.

The entries in Table 5B indicate that some states consistently have cash benefits that are higher than the national average. No jurisdiction was consistently well above (that is more than 50 percent above) the national average. However, three jurisdictions (New York, North Carolina, and the USL&HW) had cash benefits that were either well above or above average (at least 25 percent above) in all six years in the table. Two states (Indiana and Utah) had cash benefits that were well below the national average in all six years, and seven jurisdictions (Arkansas, Hawaii, Idaho, New Hampshire, Oregon, South Dakota, and Wisconsin) were well below or below average in all the years with data. There were 14 states that were near the national average in all years in the table. The most variable state in terms of cash benefits per 100,000 workers was the District of Columbia which ranged from average in one year to well above the national average in another year.

Cash Benefits Per 100,000 Workers. The information in Table 5, Column (7) is presented in a format that facilitates interstate comparisons among states in the cash benefits of all types per 100,000 workers. The range in 2003 was from \$98,561,264 in the Longshore and Harbor Workers program to \$9,155,375 in Indiana per 100,000 workers in 2003.

The information in Table 1, Column (7) and the previously published data on the national averages for cash benefits jurisdictions for nine years are interesting, including the evidence of an increase in the national average from \$19,814,624 per 100,000 workers in 1995 to \$25,646,442 per 100,000 workers in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state total benefits per 100,000 workers into the categories shown in Table 5C.

The entries in Table 5C indicate that some states consistently pay more cash benefits per 100,000 workers than the national average. Three jurisdictions (Alaska, California, and the USL&HW program) were consistently well above (that is more than 50 percent above) the national average. In New York the TTD cash benefits per 100,000 workers were above the national average (at least 25 percent above the national average) or well above the national average in all six years. In contrast, TTD cash benefits per 100,000 workers were well below the national average for all six years for Arkansas, Indiana, and Utah and below average or well below average in eight states (Alabama, Arizona, the District of Columbia, Kansas, New Mexico, South Dakota, Virginia, and Wisconsin) for 1998 to 2003. In 12 states, the TTD cash benefits per 100,000

workers were near the national average in every year with data. There were three states where the averages relative to the national average changed by more than one category over the six years. Nevada and Rhode Island's cash benefits were above or well above the national average in the first two years before dropping to average in the last four years. Texas' cash benefits were average in 1998, dropped to below average from 1999-2002, and dropped again in 2003 to well below average.

Medical Benefits in All Cases

Frequencies. In addition to the four types of cases with cash benefits, there are workers' compensation cases that pay medical benefits but no cash benefits. These medical-only cases typically involve relatively minor injuries that require medical treatment but that do not result in enough lost days for the worker to meet the waiting period for TTD benefits. These medical-only cases are relatively common. In 2003, for example, when the national averages of cases per 100,000 workers were 812 TTD, 494 PPD, 11.7 PTD, and 3.9 fatal cases (for a total of 1,322 cases per 100,000 workers paying cash benefits), there were an additional 3,702 medical only cases per 100,000 workers.

The sum of the cases paying cash benefits and cases paying medical benefits only in 2003 was 5,024 cases per 100,000 workers, as shown in Table 6, Column (1).² Factors such as the prevalence of high-risk industries and the legal standards used to determine whether an injury qualifies for workers' compensation benefits affect the frequency of compensable cases in various jurisdictions. These and other factors are reflected in the substantial interjurisdictional variations in the prevalence of total claims shown in Table 6, Column (1). In 2003, the range was from 10,810 total claims per 100,000 workers in the USL&HW program to 1,315 total claims per 100,000 workers in the District of Columbia.

Table 6, Column (1) and previously published data provide considerable useful information, including the decrease in the national average from 7,115 total claims per 100,000 workers in 1995 to 5,024 per 100,000 workers in 2003.

Examination of differences among states is facilitated by the information in Table 6A, which categorizes states in terms of their frequency of total claims relative to the national average for total claims in each year. Only the USL&HW program had total frequencies that were well above the national average in all years between 1998 and 2003, but five other jurisdictions (Alaska, Idaho, Maine, Montana, and Wisconsin) had

total frequencies that were above average or well above average in all six years with data. In contrast, only the District of Columbia was well below average in all years, and only Maryland and New York were below average in all six years in terms of their total claims compared to the national average. There were 27 states that had total claim rates near the national average in all six years. The limited volatility at this level of aggregation is reinforced by the few number of states that varied between categories over the six years. There were two states (Idaho and Montana) that were above average or well above average in all six years; seven states (California, Indiana, Oregon, Pennsylvania, Rhode Island, South Dakota, and Utah) that were near average or above average in all years; and three states (New Jersey, Texas and Virginia) that were near average or below average in all six years. The only state where the state's averages relative to the national average changed by more than one category over the six years was Nevada, where the state's total frequencies were near the national average in one year and well above or above the national average in the other years.

Average Medical Benefits per Claim. Medical benefits are paid both in cases in which the worker receives cash benefits and in medical-only cases, in which the worker has medical expenses because of the work-related injury or disease but the worker does not qualify for cash benefits. The averages for medical benefits in a jurisdiction will be affected *inter alia* by the general cost of medical care in the state, the use of managed care in the workers' compensation program, the use of medical fee schedules, and (arguably) the decision about whether the worker or the employer controls the choice of the treating physician.

These factors help explain the considerable variations among states in the averages for medical benefits in total cases (medical-only cases plus cases with cash as well as medical benefits) shown in Table 6, Column (4). The range of average medical benefits in 2003 was from \$14,110 per case in Delaware to \$2,352 per case in Rhode Island.

The information in Table 6, Column (4) and previously published data on the averages of medical benefits for all claims for 47 jurisdictions for nine years are valuable, including the evidence of the increase in the national average from \$2,767 per case in 1995 to \$6,579 per claim in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state average medical benefits per claim into the categories shown in Table 6B.

The entries in Table 6B indicate that some states consistently have medical benefits that are higher than the national average. There were no states that were well above the national averages for medical benefits for all six years. Three jurisdictions (Alaska, California, and Texas) were above or well above the national average of medical benefits for all years. One state (Indiana) was consistently well below the national average for medical benefits, and five states (Idaho, Massachusetts, Michigan, Rhode Island, and Utah) were below average or well below average for medical benefits in all six years. Most states were relatively stable in terms of their medical benefits compared to the national average: eight states were near average in all six years. The most volatile jurisdictions were Delaware, Florida, Kentucky, Montana, and the USL&HW (which varied between average and well above average).

Medical Benefits Per 100,000 Workers. Table 6, Column (7) provides the medical benefits per 100,000 workers for cases receiving medical benefits in medical-only cases or in cases with cash benefits for the 47 jurisdictions in our study for the year 2003. The range of medical benefits per 100,000 workers in 2003 was from \$88,479,217 in Alaska to \$11,256,455 in the District of Columbia.

The information in Table 6, Column (7) and previously published data on the medical benefits per 100,000 workers for 47 jurisdictions for nine years are instructive, including the evidence of an increase in the national average from \$19,177,813 in 1995 to \$32,639,059 in 2003. However, the amount of information in these tables is difficult to assimilate, and so we have categorized the state medical benefits per 100,000 workers into the categories shown in Table 6C.

The entries in Table 6C indicate that some states consistently pay more medical benefits per 100,000 workers than the national average. Two jurisdictions (Alaska and the USL&HW program) were consistently well above (that is more than 50 percent above) the national average from 1998 to 2003. In contrast, the District of Columbia had medical benefits per 100,000 workers that were well below the national average in all six years. In five other jurisdictions (Indiana, Massachusetts, New Jersey, Rhode Island, and Utah) medical benefits per 100,000 workers were below or well below the national average from 1998 to 2003. There were twelve states with medical benefits that were near the national average in all six years. The states were relatively stable in terms of the relationship between their medical benefits per 100,000 workers and the national averages for various years. The most volatile states were Delaware, Florida, Kentucky, Montana, and New Hampshire where medical benefits relative to the national average varied between average and well above

average in the six years reported; Maryland, where medical benefits relative to the national average varied between well below average and average; and Nevada, where medical benefits relative to the national average ranged between below average and above average.

Conclusions

The 2003 data in Tables 1 to 6, plus similar data for 2002 in Blum and Burton (2006b), 2001 in Blum and Burton (2006a), 2000 in Blum and Burton (2004), and earlier data from 1995 to 1999 in Blum and Burton (2002) and Blum and Burton (2003) indicate that states differ widely in the frequency, average benefits, and benefits per 100,000 workers for four different types of cash benefits and for medical benefits. One particularly striking result is the decline in the total frequency (cases paying cash benefits and/or medical benefits) from 7,115 cases per 100,000 workers in 1995 to 5,024 cases per 100,000 workers in 2003. Another compelling result is the substantial variations among jurisdictions in the frequencies and benefits of the various types of cash and medical benefits.

ENDNOTES

1. The methodology used to produce the data in this article is explained in Burton and Blum (2007 25-31).

2. The NCCI publishes average medical benefits for medical only cases, for cases with cash benefits, and for all cases. In states with a short waiting period, the medical only cases involve relatively minor injuries and therefore the average medical benefits for the medical only cases as well as the averages for the cases with cash benefits are artificially low compared to states with longer waiting periods. Using the average medical benefits for all cases removes this artificial impediment to interstate comparability.

REFERENCES

- Blum, Florence and John F. Burton, Jr. 2002. "Workers' Compensation Benefits: Frequencies and Amounts 1995-1998." *Workers' Compensation Policy Review* 2, no. 6 (November/December): 2-32.
- Blum, Florence and John F. Burton, Jr. 2003. "Workers' Compensation Benefits: Frequencies and Amounts 1995-1999." *Workers' Compensation Policy Review* 3, no. 6 (November/December): 2-32.
- Blum, Florence and John F. Burton, Jr. 2004. "Workers' Compensation Benefits: Frequencies and Amounts 1995-2000." *Workers' Compensation Policy Review* 4, no. 5 (September/October): 19-39; the article is reprinted in Burton, Blum, and Yates (2005) at pp. 102-122.
- Blum, Florence and John F. Burton, Jr. 2006a. "Workers' Compensation Benefits: Frequencies and Amounts in 2001." *Workers' Compensation Policy Review* 6, no. 2 (March/April): 22-33.
- Blum, Florence and John F. Burton, Jr. 2006b. "Workers' Compensation Benefits: Frequencies and Amounts in 2002." *Workers' Compensation Policy Review* 6, no. 5 (September/October): 3-27.
- Burton, John F., Jr., 2005. "Permanent Partial Disability Benefits." In Karen Roberts, John F. Burton, Jr., and Matthew M. Bodah, eds. *Workplace Injuries and Diseases: Prevention and Compensation: Essays in Honor of Terry Thomason*. Kalamazoo, MI: W. E. Upjohn Institute for Employment Research.
- Burton, John F., Jr. and Florence Blum. 2007. "Workers' Compensation Incurred Benefits: 1985 to 2003." *Workers' Compensation Policy Review* 7, no. 4 (July/August): 3-32.
- Burton, John F., Jr., Florence Blum, and Elizabeth H. Yates. 2005. *Workers' Compensation Compendium 2005-06 Volume One*. Princeton, NJ: Workers' Disability Income Systems, Inc.
- National Council on Compensation Insurance (NCCI). 2007. *Annual Statistical Bulletin: 2007 Edition*. Boca Raton, FL: National Council on Compensation Insurance.

Table 1 - Temporary Total Benefits in 2003

	Temporary Total Frequency (1)	State as Percentage of U.S. Average (2)	Rank Among 47 Jurisdictions (3)	Temp. Total Average Benefits (\$) (4)	State as Percentage of U.S. Average (5)	Rank Among 47 Jurisdictions (6)	Temp. Total (\$) Per 100,000 Workers (7)	State as Percentage of U.S. Average (8)	Rank Among 47 Jurisdictions (9)
Alabama	714	87.9	29	4,588	91.7	23	3,275,607	83.2	27
Alaska	1,651	203.3	4	4,269	85.3	28	7,048,179	179.1	3
Arizona	569	70.1	41	2,250	44.9	47	1,279,978	32.5	47
Arkansas	624	76.8	39	3,111	62.1	41	1,941,030	49.3	44
California	1,218	150.0	6	3,753	75.0	36	4,571,154	116.1	15
Colorado	723	89.0	28	7,738	154.6	2	5,594,923	142.2	11
Connecticut	930	114.5	18	3,765	75.2	35	3,501,903	89.0	23
Delaware	1,079	132.9	11	5,196	103.8	16	5,606,484	142.4	10
Dis. Of Columbia	339	41.7	47	3,836	76.6	32	1,300,279	33.0	46
Florida	900	110.8	20	6,751	134.9	3	6,075,900	154.4	7
Georgia	508	62.5	44	6,460	129.1	9	3,281,933	83.4	26
Hawaii	1,728	212.8	2	3,627	72.5	38	6,267,443	159.2	5
Idaho	1,190	146.5	8	6,669	133.2	4	7,935,840	201.6	2
Illinois	654	80.5	36	6,502	129.9	8	4,252,288	108.0	20
Indiana	671	82.6	34	4,278	85.5	27	2,870,571	72.9	38
Iowa	827	101.8	24	3,370	67.3	39	2,787,195	70.8	40
Kansas	577	71.0	40	5,185	103.6	17	2,991,997	76.0	35
Kentucky	750	92.3	27	4,345	86.8	25	3,258,695	82.8	28
Louisiana	688	84.7	32	5,025	100.4	18	3,456,969	87.8	24
Maine	1,031	126.9	13	6,343	126.7	10	6,539,479	166.2	4
Maryland	695	85.6	30	4,406	88.0	24	3,061,862	77.8	33
Massachusetts	1,021	125.7	14	4,735	94.6	20	4,834,312	122.8	14
Michigan	910	112.0	19	6,604	131.9	6	6,009,286	152.7	8
Minnesota	876	107.9	22	2,485	49.6	46	2,176,860	55.3	43
Mississippi	953	117.3	17	4,617	92.2	22	4,400,423	111.8	18
Missouri	792	97.5	26	5,641	112.7	14	4,467,887	113.5	17
Montana	1,178	145.0	9	3,813	76.2	33	4,491,714	114.1	16
Nebraska	552	68.0	42	4,223	84.4	29	2,331,275	59.2	42
Nevada	840	103.4	23	3,787	75.7	34	3,181,080	80.8	30
New Hampshire	1,116	137.4	10	2,634	52.6	44	2,939,983	74.7	37
New Jersey	690	85.0	31	6,070	121.3	11	4,188,300	106.4	21
New Mexico	672	82.7	33	4,758	95.1	19	3,197,090	81.2	29
New York	629	77.4	38	3,909	78.1	31	2,458,761	62.5	41
North Carolina	512	63.0	43	6,519	130.2	7	3,337,728	84.8	25
Oklahoma	817	100.6	25	4,332	86.5	26	3,539,134	89.9	22
Oregon	1,266	155.9	5	2,501	50.0	45	3,166,266	80.4	31
Pennsylvania	987	121.5	16	5,722	114.3	13	5,647,614	143.5	9
Rhode Island	1,684	207.3	3	3,633	72.6	37	6,117,972	155.4	6
South Carolina	650	80.0	37	8,264	165.1	1	5,371,375	136.5	13
South Dakota	989	121.8	15	2,886	57.7	43	2,854,254	72.5	39
Tennessee	658	81.0	35	6,623	132.3	5	4,358,146	110.7	19
Texas	495	60.9	45	6,008	120.0	12	2,973,960	75.6	36
USL&HW	2,385	293.7	1	5,257	105.0	15	12,537,945	318.6	1
Utah	891	109.7	21	3,360	67.1	40	2,993,808	76.1	34
Vermont	1,192	146.8	7	4,669	93.3	21	5,565,602	141.4	12
Virginia	465	57.3	46	3,943	78.8	30	1,833,511	46.6	45
Wisconsin	1,055	129.9	12	2,942	58.8	42	3,103,810	78.9	32
National Avg.	812			5,006			3,935,843		

[Note: National Average based on 46 jurisdictions (excluding USL&HW).]

Table 2 - Permanent Partial Benefits in 2003

Permanent Partial Frequency (1)	State as Percentage of U.S. Average (2)		Rank Among 47 Jurisdictions (3)		Perm. Partial Average Benefits (\$) (4)		State as Percentage of U.S. Average (5)		Rank Among 47 Jurisdictions (6)		Perm. Partial (\$) Per 100,000 Workers (7)		State as Percentage of U.S. Average (8)		Rank Among 47 Jurisdictions (9)	
	U.S. Average	Percentage of U.S. Average	Rank	Among 47 Jurisdictions	Perm. Partial Average Benefits (\$)	State as Percentage of U.S. Average	Rank	Among 47 Jurisdictions	Perm. Partial (\$)	State as Percentage of U.S. Average	Rank	Among 47 Jurisdictions	Perm. Partial (\$)	State as Percentage of U.S. Average	Rank	Among 47 Jurisdictions
Alabama	280	56.7	120.9	7	36,387	83.5	28	21,722,964	116.9	13	10,747,900	57.8	37			
Alaska	523	105.9	57.9	35	19,899	45.7	46	5,691,223	30.6	46	29,574,279	159.2	4			
Arizona	276	55.9	108.5	11	34,847	80.0	29	18,677,964	100.5	18	7,607,997	40.9	42			
Arkansas	300	60.7	110.7	10	22,183	50.9	45	12,133,908	65.3	35	6,894,146	37.1	44			
California	1,121	227.0	66.4	28	49,797	114.3	16	16,333,338	87.9	28	30,889,155	166.2	3			
Colorado	399	80.8	52.8	40	68,849	158.0	6	17,969,497	96.7	20	12,178,554	65.5	34			
Connecticut	484	98.0	34.8	45	140,019	321.3	1	24,083,283	129.6	9	23,375,489	125.8	10			
Delaware	305	61.8	79.8	25	45,480	104.3	21	17,919,254	96.4	21	21,828,545	117.5	12			
Dis. Of Columbia	123	24.9	61.8	30	58,379	133.9	9	17,805,527	95.8	22	9,598,520	51.7	40			
Florida	321	65.0	26.5	46	87,867	201.6	3	11,510,589	61.9	36	10,005,570	53.8	39			
Georgia	298	60.3	77.1	26	45,641	104.7	20	17,389,221	93.6	24	17,113,842	92.1	25			
Hawaii	563	114.0	74.1	27	42,523	97.6	22	15,563,304	83.8	30	21,160,239	113.9	15			
Idaho	245	49.6	170.1	4	22,703	52.1	43	19,070,247	102.6	17	9,265,935	49.9	41			
Illinois	597	120.9	161.8	5	33,005	75.7	31	26,370,995	141.9	7	21,722,964	116.9	13			
Indiana	286	57.9	101.4	16	48,414	111.1	18	15,352,056	82.6	31	5,691,223	30.6	46			
Iowa	536	108.5	94.3	19	32,944	75.6	32	15,609,514	84.0	29	18,677,964	100.5	18			
Kansas	547	110.7	161.8	5	48,414	111.1	18	24,255,414	130.5	8	12,133,908	65.3	35			
Kentucky	328	66.4	101.4	16	48,414	111.1	18	17,389,221	93.6	24	16,333,338	87.9	28			
Louisiana	261	52.8	170.1	4	42,523	97.6	22	15,563,304	83.8	30	17,969,497	96.7	20			
Maine	172	34.8	79.8	25	140,019	321.3	1	24,083,283	129.6	9	24,083,283	129.6	9			
Maryland	394	79.8	61.8	30	45,480	104.3	21	17,919,254	96.4	21	17,919,254	96.4	21			
Massachusetts	305	61.8	61.8	30	58,379	133.9	9	17,805,527	95.8	22	17,805,527	95.8	22			
Michigan	131	26.5	26.5	46	87,867	201.6	3	11,510,589	61.9	36	11,510,589	61.9	36			
Minnesota	381	77.1	77.1	26	45,641	104.7	20	17,389,221	93.6	24	17,389,221	93.6	24			
Mississippi	366	74.1	74.1	27	42,523	97.6	22	15,563,304	83.8	30	15,563,304	83.8	30			
Missouri	840	170.1	170.1	4	22,703	52.1	43	19,070,247	102.6	17	19,070,247	102.6	17			
Montana	799	161.8	161.8	5	33,005	75.7	31	26,370,995	141.9	7	26,370,995	141.9	7			
Nebraska	466	94.3	94.3	19	32,944	75.6	32	15,352,056	82.6	31	15,352,056	82.6	31			
Nevada	501	101.4	101.4	16	48,414	111.1	18	24,255,414	130.5	8	24,255,414	130.5	8			
New Hampshire	286	57.9	57.9	35	54,579	125.2	15	15,609,514	84.0	29	15,609,514	84.0	29			
New Jersey	585	118.4	118.4	8	30,120	69.1	36	17,620,200	94.8	23	17,620,200	94.8	23			
New Mexico	405	82.0	82.0	21	34,058	78.1	30	13,793,516	74.2	33	13,793,516	74.2	33			
New York	526	106.5	106.5	12	61,534	141.2	8	32,368,832	174.2	2	32,368,832	174.2	2			
North Carolina	396	80.2	80.2	24	66,774	153.2	7	26,442,504	142.3	6	26,442,504	142.3	6			
North Carolina	925	187.3	187.3	3	31,047	71.2	34	16,964,775	91.3	26	16,964,775	91.3	26			
Oklahoma	613	124.1	124.1	6	27,675	63.5	38	22,885,232	123.2	11	22,885,232	123.2	11			
Oregon	227	46.0	46.0	42	100,816	231.3	2	16,668,054	89.7	27	16,668,054	89.7	27			
Rhode Island	299	60.5	60.5	33	55,746	127.9	13	21,531,705	115.9	14	21,531,705	115.9	14			
South Carolina	518	104.9	104.9	14	41,567	95.4	23	5,862,250	31.5	45	5,862,250	31.5	45			
South Dakota	262	53.0	53.0	39	22,375	51.3	44	18,235,787	98.1	19	18,235,787	98.1	19			
Tennessee	472	95.6	95.6	18	38,635	88.6	24	7,141,770	38.4	43	7,141,770	38.4	43			
Texas	405	82.0	82.0	21	17,634	40.5	47	59,756,760	321.6	1	59,756,760	321.6	1			
USL&HW	1,035	209.5	209.5	2	57,736	132.5	10	4,865,291	26.2	47	4,865,291	26.2	47			
Utah	178	36.0	36.0	44	27,333	62.7	41	20,730,347	111.6	16	20,730,347	111.6	16			
Vermont	427	86.5	86.5	20	48,549	111.4	17	10,151,598	54.6	38	10,151,598	54.6	38			
Virginia	185	37.5	37.5	43	54,874	125.9	14	14,492,615	78.0	32	14,492,615	78.0	32			
Wisconsin	515	104.3	104.3	15	28,141	64.6	37	18,581,474	98.0	32	18,581,474	98.0	32			
National Avg.	494				43,586											

Note: National Average based on 46 jurisdictions (excluding USL&HW).

Table 3 - Permanent Total Benefits in 2003

Permanent Total Frequency (1)	State as		Rank Among 47 Jurisdictions (3)	Perm. Total Average Benefits (\$) (4)	State as		Rank Among 47 Jurisdictions (6)	Perm. Total (\$) Per 100,000 Workers (7)	State as		Rank Among 47 Jurisdictions (9)
	Percentage of U.S. Average (2)	Percentage of U.S. Average (5)			Percentage of U.S. Average (8)						
Alabama	6.3	53.7	18	205,603	78.7	27	1,295,297	53.9	22		
Alaska	24.0	204.5	2	94,660	36.2	39	2,271,845	94.5	9		
Arizona	2.0	17.0	37	187,226	71.6	31	374,451	15.6	42		
Arkansas	3.1	26.4	31	246,980	94.5	23	765,637	31.9	30		
California	44.0	374.9	1	196,497	75.2	29	8,645,868	359.8	1		
Colorado	4.7	40.1	27	334,110	127.8	10	1,570,319	65.3	17		
Connecticut	4.8	40.9	26	149,443	57.2	35	717,325	29.8	32		
Delaware	3.0	25.6	32	839,194	321.0	3	2,517,582	104.8	7		
Dis. Of Columbia	1.8	15.3	41	888,646	339.9	2	1,599,563	66.6	16		
Florida	17.0	144.9	3	227,383	87.0	24	3,865,511	160.8	2		
Georgia	5.0	42.6	23	258,364	98.8	21	1,291,819	53.8	23		
Hawaii	5.7	48.6	21	97,696	37.4	38	556,870	23.2	38		
Idaho	0.0	0.0	44	0	0.0	44	0	0.0	44		
Illinois	5.0	42.6	23	293,364	112.2	15	1,466,819	61.0	18		
Indiana	1.0	8.5	43	137,257	52.5	36	137,257	5.7	43		
Iowa	2.5	21.3	35	322,385	123.3	13	805,963	33.5	29		
Kansas	3.0	25.6	32	172,465	66.0	34	517,395	21.5	41		
Kentucky	12.0	102.3	7	179,854	68.8	32	2,158,250	89.8	10		
Louisiana	6.0	51.1	19	269,524	103.1	18	1,617,144	67.3	15		
Maine	2.3	19.6	36	331,040	126.6	12	761,392	31.7	31		
Maryland	2.8	23.9	34	454,747	174.0	4	1,273,291	53.0	25		
Massachusetts	5.0	42.6	23	268,078	102.6	19	1,340,390	55.8	21		
Michigan	5.3	45.2	22	253,422	96.9	22	1,343,137	55.9	20		
Minnesota	8.0	68.2	12	215,044	82.3	25	1,720,352	71.6	13		
Mississippi	6.7	57.1	16	77,635	29.7	41	520,153	21.6	40		
Missouri	4.5	38.3	28	364,107	139.3	7	1,638,481	68.2	14		
Montana	0.0	0.0	44	0	0.0	44	0	0.0	44		
Nebraska	3.8	32.4	30	331,487	126.8	11	1,259,649	52.4	26		
Nevada	7.0	59.6	14	358,801	137.3	8	2,511,607	104.5	8		
New Hampshire	14.0	119.3	6	85,082	32.5	40	1,191,145	49.6	28		
New Jersey	4.0	34.1	29	347,472	132.9	9	1,389,888	57.8	19		
New Mexico	6.5	55.4	17	103,331	39.5	37	671,652	27.9	35		
New York	9.0	76.7	10	191,692	73.3	30	1,725,228	71.8	12		
North Carolina	9.0	76.7	10	287,485	110.0	17	2,587,365	107.7	6		
Oklahoma	9.3	79.2	9	288,296	110.3	16	2,681,152	111.6	5		
Oregon	2.0	17.0	37	260,520	99.7	20	521,040	21.7	39		
Pennsylvania	2.0	17.0	37	927,192	354.7	1	1,854,384	77.2	11		
Rhode Island	0.0	0.0	44	0	0.0	44	0	0.0	44		
South Carolina	16.0	136.3	4	198,663	76.0	28	3,178,604	132.3	3		
South Dakota	7.0	59.6	14	441,933	169.1	5	3,093,531	128.7	4		
Tennessee	7.2	61.4	13	177,046	67.7	33	1,274,729	53.0	24		
Texas	15.0	127.8	5	45,187	17.3	43	677,805	28.2	34		
USL&HW	0.0	0.0	44	0	0.0	44	0	0.0	44		
Utah	1.5	12.8	42	373,424	142.9	6	560,136	23.3	37		
Vermont	10.0	85.2	8	68,905	26.4	42	689,046	28.7	33		
Virginia	5.8	49.4	20	206,524	79.0	26	1,197,838	49.8	27		
Wisconsin	2.0	17.0	37	293,742	112.4	14	587,484	24.4	36		
National Avg.	11.7			261,407			2,403,239				

Note: National Average based on 46 jurisdictions (excluding USL&HW).

Table 4 - Fatal Benefits in 2003

	State as		Rank Among		Fatal Average Benefits (\$)	State as		Rank Among		Fatal Cash (\$) Per 100,000 Workers	State as		Rank Among	
	Fatal Frequency (1)	Percentage of U.S. Average (2)	Percentage of U.S. Average (3)	Percentage of U.S. Average (4)		Percentage of U.S. Average (5)	Percentage of U.S. Average (6)	Percentage of U.S. Average (7)	Percentage of U.S. Average (8)		Percentage of U.S. Average (9)			
Alabama	6.0	152.5	4	101,630	52.4	43	609,782	84.0	27					
Alaska	5.3	134.7	10	255,946	132.0	15	1,356,516	186.9	7					
Arizona	3.0	76.3	34	293,055	151.2	13	879,165	121.1	20					
Arkansas	6.8	172.8	3	57,771	29.8	47	392,842	54.1	43					
California	5.0	127.1	11	102,306	52.8	42	511,530	70.5	34					
Colorado	4.2	106.8	19	211,989	109.3	23	890,353	122.7	19					
Connecticut	2.6	66.1	37	394,895	203.7	7	1,026,726	141.4	15					
Delaware	2.0	50.8	42	301,819	155.7	12	603,638	83.2	29					
Dis. Of Columbia	4.0	101.7	20	1,467,727	757.0	1	5,870,908	808.8	2					
Florida	4.0	101.7	20	90,479	46.7	44	361,916	49.9	44					
Georgia	4.5	114.4	16	134,469	69.4	36	605,110	83.4	28					
Hawaii	3.6	91.5	32	163,571	84.4	31	588,857	81.1	30					
Idaho	5.5	139.8	8	122,542	63.2	39	673,980	92.8	24					
Illinois	3.8	96.6	29	211,992	109.3	22	805,571	111.0	22					
Indiana	4.0	101.7	20	114,081	58.8	40	456,324	62.9	39					
Iowa	3.8	96.6	29	327,424	168.9	10	1,244,210	171.4	10					
Kansas	4.0	101.7	20	162,406	83.8	32	649,622	89.5	26					
Kentucky	4.3	109.3	18	193,862	100.0	27	833,608	114.8	21					
Louisiana	6.0	152.5	4	205,660	106.1	24	1,233,962	170.0	11					
Maine	3.4	86.4	33	126,048	65.0	37	428,564	59.0	42					
Maryland	2.3	58.5	40	253,869	130.9	16	583,899	80.4	31					
Massachusetts	2.5	63.5	38	193,860	100.0	28	484,651	66.8	36					
Michigan	2.0	50.8	42	161,997	83.6	33	323,994	44.6	47					
Minnesota	2.0	50.8	42	242,582	125.1	17	485,164	66.8	35					
Mississippi	6.0	152.5	4	80,522	41.5	46	483,132	66.6	37					
Missouri	5.0	127.1	11	240,964	124.3	18	1,204,820	166.0	12					
Montana	6.0	152.5	4	376,500	194.2	8	2,259,000	311.2	3					
Nebraska	4.0	101.7	20	325,491	167.9	11	1,301,962	179.4	8					
Nevada	4.0	101.7	20	474,271	244.6	4	1,897,084	261.3	4					
New Hampshire	3.8	96.6	29	85,332	44.0	45	324,262	44.7	46					
New Jersey	2.0	50.8	42	274,199	141.4	14	548,398	75.5	33					
New Mexico	5.5	139.8	8	144,349	74.5	35	793,917	109.4	23					
New York	4.0	101.7	20	224,423	115.8	21	897,692	123.7	18					
North Carolina	4.0	101.7	20	164,408	84.8	30	657,632	90.6	25					
Oklahoma	7.2	183.0	2	196,381	101.3	26	1,413,944	194.8	6					
Oregon	5.0	127.1	11	200,442	103.4	25	1,002,210	138.1	17					
Pennsylvania	2.0	50.8	42	230,706	119.0	19	461,412	63.6	38					
Rhode Island	2.0	50.8	42	506,447	261.2	3	1,012,894	139.5	16					
South Carolina	4.7	119.5	15	123,012	63.4	38	578,155	79.6	32					
South Dakota	3.0	76.3	34	423,643	218.5	5	1,270,929	175.1	9					
Tennessee	4.4	111.8	17	102,695	53.0	41	451,858	62.2	41					
Texas	5.0	127.1	11	226,432	116.8	20	1,132,160	156.0	13					
USL&HW	37.0	940.5	1	709,907	366.2	2	26,266,559	3618.5	1					
Utah	4.0	101.7	20	366,182	188.9	9	1,464,726	201.8	5					
Vermont	2.5	63.5	38	423,131	218.2	6	1,057,827	145.7	14					
Virginia	2.1	53.4	41	169,225	87.3	29	355,373	49.0	45					
Wisconsin	3.0	76.3	34	151,640	78.2	34	454,920	62.7	40					
National Avg.	3.9			193,882			725,886							

Note: National Average based on 46 jurisdictions (excluding USL&HW).

Table 5 - Cash Benefits in 2003

	All Cash Frequencies (1)		State as Percentage of U.S. Average (2)		Rank Among 47 Jurisdictions (3)		All Cash Benefits (\$) (4)		State as Percentage of U.S. Average (5)		Rank Among 47 Jurisdictions (6)		Cash (\$) Per 100,000 Workers (7)		State as Percentage of U.S. Average (8)		Rank Among 47 Jurisdictions (9)	
Alabama	1,006	76.1	38	15,829	80.1	33	15,928,586	62.1	40									
Alaska	2,203	166.7	4	18,268	92.4	24	40,250,819	156.9	3									
Arizona	850	64.3	44	11,931	60.4	41	10,141,591	39.5	44									
Arkansas	934	70.7	41	10,701	54.1	44	9,993,655	39.0	45									
California	2,388	180.7	2	18,684	94.5	20	44,617,707	174.0	2									
Colorado	1,131	85.6	31	17,892	90.5	25	20,234,149	78.9	32									
Connecticut	1,421	107.5	13	20,136	101.9	18	28,621,443	111.6	13									
Delaware	1,389	105.1	15	21,999	111.3	12	30,556,249	119.1	12									
Dis. Of Columbia	468	35.4	47	39,267	198.7	1	18,369,270	71.6	37									
Florida	1,242	94.0	24	16,352	82.7	31	20,308,897	79.2	30									
Georgia	816	61.7	45	27,336	138.3	5	22,292,704	86.9	26									
Hawaii	2,300	174.0	3	12,422	62.9	38	28,573,409	111.4	14									
Idaho	1,441	109.0	12	12,409	62.8	39	17,875,755	69.7	38									
Illinois	1,260	95.3	23	22,422	113.5	11	28,247,642	110.1	15									
Indiana	962	72.8	39	9,517	48.2	46	9,155,375	35.7	47									
Iowa	1,369	103.6	16	17,173	86.9	28	23,515,332	91.7	23									
Kansas	1,131	85.6	30	14,406	72.9	35	16,292,922	63.5	39									
Kentucky	1,094	82.8	32	20,638	104.4	16	22,583,891	88.1	25									
Louisiana	961	72.7	40	25,263	127.8	9	24,277,572	94.7	20									
Maine	1,209	91.4	26	26,320	133.2	6	31,812,718	124.0	9									
Maryland	1,094	82.8	33	20,874	105.6	14	22,838,306	89.1	24									
Massachusetts	1,334	100.9	18	18,346	92.8	22	24,464,880	95.4	18									
Michigan	1,048	79.3	36	18,303	92.6	23	19,187,006	74.8	34									
Minnesota	1,267	95.9	21	17,184	86.9	27	21,771,597	84.9	27									
Mississippi	1,332	100.8	19	15,745	79.7	34	20,967,012	81.8	29									
Missouri	1,642	124.2	9	16,072	81.3	32	26,381,435	102.9	17									
Montana	1,983	150.0	6	16,703	84.5	30	33,121,709	129.1	6									
Nebraska	1,026	77.6	37	19,736	99.9	19	20,244,942	78.9	31									
New Hampshire	1,352	102.3	17	23,554	119.2	10	31,845,185	124.2	8									
New Jersey	1,420	107.4	14	14,132	71.5	36	20,064,904	78.2	33									
New Mexico	1,281	96.9	20	18,538	93.8	21	23,746,786	92.6	22									
New York	1,089	82.4	34	16,948	85.8	29	18,456,175	72.0	36									
North Carolina	1,168	88.4	28	32,062	162.2	3	37,448,513	146.0	4									
North Carolina	921	69.7	42	35,858	181.4	2	33,025,229	128.8	7									
Oklahoma	1,759	133.0	8	20,672	104.6	15	36,352,541	141.7	5									
Oregon	1,886	142.7	7	11,482	58.1	43	21,654,291	84.4	28									
Pennsylvania	1,218	92.1	25	25,327	128.2	8	30,848,642	120.3	10									
Rhode Island	1,985	150.2	5	11,989	60.7	40	23,798,920	92.8	21									
South Carolina	1,189	89.9	27	25,793	130.5	7	30,659,839	119.5	11									
South Dakota	1,261	95.4	22	10,373	52.5	45	13,080,964	51.0	42									
Tennessee	1,142	86.4	29	21,304	107.8	13	24,320,520	94.8	19									
Texas	920	69.6	43	12,963	65.6	37	11,925,695	46.5	43									
USL&HW	3,457	261.5	1	28,511	144.3	4	98,561,264	384.3	1									
Utah	1,075	81.3	35	9,199	46.5	47	9,883,961	38.5	46									
Vermont	1,632	123.4	10	17,188	87.0	26	28,042,822	109.3	16									
Virginia	658	49.8	46	20,578	104.1	17	13,538,320	52.8	41									
Wisconsin	1,575	119.2	11	11,834	59.9	42	18,638,829	72.7	35									
National Avg.	1,322			19,764			25,646,442											

Note: National Average based on 46 jurisdictions (excluding USL&HW).

Table 6 - Medical Benefits in 2003

	Total Frequency		State as Percentage of U.S. Average		Rank Among 47 Jurisdictions		Avg. Medical Benefits Per Case (\$)		State as Percentage of U.S. Average		Rank Among 47 Jurisdictions		Medical Benefits Per 100,000 Workers (\$)		State as Percentage of U.S. Average		Rank Among 47 Jurisdictions	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Alabama	5,107	101.7	31	8,214	124.9	10	41,947,103	128.5	9									
Alaska	7,090	141.1	5	12,479	189.7	2	88,479,217	271.1	1									
Arizona	5,492	109.3	22	4,698	71.4	38	25,799,663	79.0	33									
Arkansas	5,199	103.5	29	5,354	81.4	29	27,836,725	85.3	26									
California	6,502	129.4	10	8,758	133.1	5	56,944,516	174.5	6									
Colorado	5,978	119.0	16	4,088	62.1	41	24,438,367	74.9	38									
Connecticut	4,690	93.4	35	5,044	76.7	33	23,654,431	72.5	41									
Delaware	4,813	95.8	34	14,110	214.5	1	67,911,430	208.1	3									
Dis. Of Columbia	1,315	26.2	47	8,560	130.1	7	11,256,455	34.5	47									
Florida	5,164	102.8	30	8,326	126.6	9	42,995,464	131.7	8									
Georgia	4,073	81.1	39	6,209	94.4	19	25,289,660	77.5	36									
Hawaii	4,943	98.4	33	4,955	75.3	35	24,493,943	75.0	37									
Idaho	7,260	144.5	3	3,504	53.3	43	25,436,700	77.9	34									
Illinois	4,064	80.9	40	6,460	98.2	16	26,254,325	80.4	30									
Indiana	6,166	122.7	12	3,271	49.7	45	20,168,108	61.8	42									
Iowa	5,475	109.0	24	5,217	79.3	31	28,561,548	87.5	25									
Kansas	5,602	111.5	20	4,658	70.8	39	26,091,655	79.9	31									
Kentucky	5,768	114.8	18	10,425	158.5	3	60,133,298	184.2	5									
Louisiana	3,777	75.2	42	8,410	127.8	8	31,766,085	97.3	18									
Maine	6,941	138.2	6	5,400	82.1	28	37,481,059	114.8	12									
Maryland	3,518	70.0	43	7,776	118.2	12	27,355,892	83.8	28									
Massachusetts	4,508	89.7	36	3,255	49.5	46	14,675,764	45.0	45									
Michigan	5,475	109.0	24	3,384	51.4	44	18,529,642	56.8	44									
Minnesota	5,859	116.6	17	6,178	93.9	20	36,196,902	110.9	13									
Mississippi	5,453	108.5	26	5,786	87.9	24	31,549,654	96.7	19									
Missouri	5,094	101.4	32	5,437	82.6	27	27,695,556	84.9	27									
Montana	8,149	162.2	2	8,749	133.0	6	71,295,601	218.4	2									
Nebraska	5,404	107.6	27	5,741	87.3	25	31,024,095	95.1	20									
Nevada	7,255	144.4	4	4,250	64.6	40	30,833,750	94.5	21									
New Hampshire	6,040	120.2	15	8,214	124.9	10	49,613,170	152.0	7									
New Jersey	4,004	79.7	41	6,029	91.6	22	24,140,116	74.0	39									
New Mexico	5,328	106.1	28	4,872	74.1	36	25,956,976	79.5	32									
New York	3,134	62.4	46	6,330	96.2	17	19,838,220	60.8	43									
North Carolina	4,236	84.3	38	6,278	95.4	18	26,593,608	81.5	29									
Oklahoma	5,492	109.3	22	6,987	106.2	15	38,372,331	117.6	10									
Oregon	6,760	134.6	8	5,631	85.6	26	38,065,560	116.6	11									
Pennsylvania	6,210	123.6	11	4,847	73.7	37	30,099,870	92.2	23									
Rhode Island	5,672	112.9	19	2,352	35.8	47	13,340,544	40.9	46									
South Carolina	4,355	86.7	37	6,989	106.2	14	30,437,279	93.3	22									
South Dakota	6,732	134.0	9	5,185	78.8	32	34,905,420	106.9	14									
Tennessee	5,529	110.1	21	6,074	92.3	21	33,582,328	102.9	16									
Texas	3,256	64.8	45	9,135	138.9	4	29,743,560	91.1	24									
USL&HW	10,810	215.2	1	5,921	90.0	23	64,006,010	196.1	4									
Utah	6,122	121.9	13	3,941	59.9	42	24,125,447	73.9	40									
Vermont	6,093	121.3	14	5,311	80.7	30	32,359,863	99.1	17									
Virginia	3,496	69.6	44	7,261	110.4	13	25,384,145	77.8	35									
Wisconsin	6,830	136.0	7	4,968	75.5	34	33,931,440	104.0	15									
National Avg.	5,024			6,579			32,639,059											

Note: National Average based on 46 jurisdictions (excluding USL&HW).

Table 1A Temporary Total Frequency Relative to National Average							Table 1B Temporary Total Average Cash Benefits Per Case Relative to National Average						
	1998	1999	2000	2001	2002	2003		1998	1999	2000	2001	2002	2003
Alabama	0	0	0	0	0	0	Alabama	0	0	0	0	0	0
Alaska	++	++	++	++	++	++	Alaska	-	-	0	0	0	0
Arizona	0	0	-	-	-	-	Arizona	-	--	--	--	--	--
Arkansas	0	0	0	0	0	0	Arkansas	-	-	-	-	-	-
California	0	+	0	+	+	+	California	--	-	-	0	0	0
Colorado	-	0	0	0	0	0	Colorado	0	0	0	0	0	++
Connecticut	+	0	0	0	0	0	Connecticut	0	0	-	-	-	0
Delaware	+	+	+	+	+	+	Delaware	0	0	0	0	0	0
Dis. Of Columbia	--	--	--	--	--	--	Dis. Of Columbia	-	-	-	-	-	0
Florida	0	0	0	0	0	0	Florida	+	+	+	+	+	+
Georgia	-	-	-	-	-	-	Georgia	0	+	0	0	0	+
Hawaii	++	++	++	++	++	++	Hawaii	0	0	0	0	-	-
Idaho	++	++	+	++	+	+	Idaho	++	+	0	0	+	+
Illinois	0	0	0	0	0	0	Illinois	0	0	0	+	+	+
Indiana	0	0	0	0	0	0	Indiana	0	0	0	0	0	0
Iowa	0	0	0	0	0	0	Iowa	-	-	-	-	-	-
Kansas	-	-	-	-	-	-	Kansas	+	0	0	0	0	0
Kentucky	0	0	0	0	0	0	Kentucky	0	0	0	0	0	0
Louisiana	0	0	0	0	0	0	Louisiana	0	0	0	0	0	0
Maine	+	+	+	+	+	+	Maine	0	0	0	0	0	+
Maryland	0	0	0	0	0	0	Maryland	0	0	0	0	0	0
Massachusetts	+	+	+	+	+	+	Massachusetts	+	++	++	++	+	0
Michigan	0	+	+	0	0	0	Michigan	+	+	+	0	0	+
Minnesota	0	0	0	0	0	0	Minnesota	--	--	--	--	--	--
Mississippi	+	0	0	0	0	0	Mississippi	0	0	0	0	0	0
Missouri	0	0	0	0	0	0	Missouri	0	0	0	0	0	0
Montana	0	0	+	+	+	+	Montana	0	0	0	-	0	0
Nebraska	0	-	-	-	-	-	Nebraska	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	Nevada	0	0	0	0	0	0
New Hampshire	++	+	+	+	+	+	New Hampshire	-	-	-	-	-	-
New Jersey	0	-	-	-	-	0	New Jersey	+	0	0	0	0	0
New Mexico	0	0	0	0	0	0	New Mexico	0	0	0	0	0	0
New York	0	0	0	0	0	0	New York	0	-	-	-	-	0
North Carolina	-	-	-	-	-	-	North Carolina	+	+	0	0	0	+
Oklahoma	+	+	+	0	0	0	Oklahoma	0	0	0	0	0	0
Oregon	+	+	+	+	++	++	Oregon	--	--	-	--	--	-
Pennsylvania	0	0	+	0	+	0	Pennsylvania	+	0	0	0	0	0
Rhode Island	++	++	++	++	++	++	Rhode Island	-	-	-	-	-	-
South Carolina	0	-	-	0	0	0	South Carolina	+	++	+	++	++	++
South Dakota	0	0	0	0	0	0	South Dakota	0	-	-	-	-	-
Tennessee	0	0	0	0	0	0	Tennessee	0	+	+	+	+	+
Texas	-	-	-	-	-	-	Texas	+	+	+	+	+	0
USL&HW	++	++	++	++	++	++	USL&HW	+	0	0	0	0	0
Utah	0	0	0	0	0	0	Utah	-	-	-	-	-	-
Vermont	+	+	+	+	+	+	Vermont	0	0	0	0	0	0
Virginia	-	-	-	-	-	-	Virginia	0	0	0	0	0	0
Wisconsin	++	++	++	++	+	+	Wisconsin	-	-	-	-	-	-
Note:	++	150.1% or more of National Avg.		Well Above Average			Note:	++	150.1% or more of National Avg.		Well Above Average		
	+	125.1 - 150.0% of National Avg.		Above Average				+	125.1 - 150.0% of National Avg.		Above Average		
	0	75.0 - 125.0% of National Avg.		Average				0	75.0 - 125.0% of National Avg.		Average		
	-	50.0 - 74.9% of National Avg.		Below Average				-	50.0 - 74.9% of National Avg.		Below Average		
	--	49.9% or less of National Avg.		Well Below Average				--	49.9% or less of National Avg.		Well Below Average		
	N/A	Data Not Available						N/A	Data Not Available				
Source:	Tables 1.1985 - 1.2003						Source:	Tables 1.1985 - 1.2003					

Table 1C Temporary Total Cash Benefits per 100,000 Workers Relative to National Average							Table 2A Permanent Partial Frequency Relative to National Average					
	1998	1999	2000	2001	2002	2003	1998	1999	2000	2001	2002	2003
Alabama	0	0	0	0	0	0	-	-	-	-	-	-
Alaska	+	+	++	++	++	++	+	+	+	+	0	0
Arizona	--	--	--	--	--	--	-	-	-	-	-	-
Arkansas	-	-	-	--	--	--	-	-	0	-	-	-
California	-	-	0	0	0	0	++	++	++	++	++	++
Colorado	-	0	0	0	0	+	0	0	0	0	0	0
Connecticut	0	0	0	0	0	0	0	0	0	0	0	0
Delaware	+	+	+	+	+	+	-	-	-	-	-	-
Dis. Of Columbia	--	--	--	--	--	--	--	--	--	--	--	--
Florida	+	+	+	+	++	++	0	-	-	-	-	-
Georgia	-	-	-	-	0	0	-	-	-	-	-	-
Hawaii	+	+	++	++	++	++	0	0	0	0	0	0
Idaho	++	++	++	++	++	++	--	-	-	+	--	--
Illinois	0	0	0	0	0	0	+	+	+	+	0	0
Indiana	0	0	-	-	-	-	-	-	-	-	-	-
Iowa	0	0	0	-	-	-	0	0	0	0	0	0
Kansas	0	-	-	-	-	0	0	0	0	0	0	0
Kentucky	0	0	0	0	0	0	--	--	-	-	-	-
Louisiana	0	0	0	0	0	0	-	-	-	-	-	-
Maine	++	++	++	++	++	++	-	--	--	--	--	--
Maryland	0	0	0	0	0	0	0	-	-	-	0	0
Massachusetts	++	++	++	++	++	0	0	-	-	-	--	-
Michigan	++	++	++	+	+	++	--	--	--	--	--	--
Minnesota	-	-	-	-	--	-	-	-	-	-	-	0
Mississippi	0	0	0	0	0	0	-	-	-	-	-	-
Missouri	0	0	0	0	0	0	++	++	++	++	++	++
Montana	0	0	0	0	0	0	++	0	0	0	++	++
Nebraska	0	-	-	-	-	-	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	+	0	0	0	0	0
New Hampshire	0	0	0	0	0	-	-	-	-	-	-	-
New Jersey	0	0	0	0	0	0	0	0	0	+	+	0
New Mexico	0	0	0	0	0	0	-	-	-	-	-	0
New York	0	-	-	-	-	-	0	0	0	0	0	0
North Carolina	0	0	-	-	0	0	0	-	-	-	-	0
Oklahoma	+	+	+	0	0	0	++	+	+	+	++	++
Oregon	-	-	0	-	-	0	+	+	0	0	0	0
Pennsylvania	++	++	++	+	+	+	--	--	--	--	--	--
Rhode Island	+	+	++	+	++	++	0	-	-	-	-	-
South Carolina	+	0	0	0	+	+	0	0	0	0	0	0
South Dakota	0	-	-	-	-	-	-	-	-	-	-	-
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0
Texas	0	0	0	0	0	0	0	0	0	0	0	0
USL&HW	++	++	++	++	++	++	++	++	++	++	++	++
Utah	-	-	-	-	-	0	-	--	--	--	--	--
Vermont	++	++	+	+	++	+	0	0	0	0	0	0
Virginia	-	-	--	--	-	--	--	--	--	--	--	--
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0

Note:	++	150.1% or more of National Avg.	Well Above Average
	+	125.1 - 150.0% of National Avg.	Above Average
	0	75.0 - 125.0% of National Avg.	Average
	-	50.0 - 74.9% of National Avg.	Below Average
	--	49.9% or less of National Avg.	Well Below Average
	N/A	Data Not Available	

Note:	++	150.1% or more of National Avg.	Well Above Average
	+	125.1 - 150.0% of National Avg.	Above Average
	0	75.0 - 125.0% of National Avg.	Average
	-	50.0 - 74.9% of National Avg.	Below Average
	--	49.9% or less of National Avg.	Well Below Average
	N/A	Data Not Available	

Source:	Tables 1.1985 - 1.2003
----------------	------------------------

Source:	Tables 2.1985 - 2.2003
----------------	------------------------

Table 2B Permanent Partial Average Cash Benefits Per Case Relative to National Average							Table 2C Permanent Partial Cash Benefits per 100,000 Workers Relative to National Average						
	1998	1999	2000	2001	2002	2003		1998	1999	2000	2001	2002	2003
Alabama	0	0	0	0	0	0	Alabama	-	-	-	--	-	-
Alaska	0	0	0	+	+	+	Alaska	+	++	++	++	++	++
Arizona	0	0	0	-	-	-	Arizona	-	--	--	--	--	--
Arkansas	--	--	--	--	-	-	Arkansas	--	--	--	--	--	--
California	0	0	0	0	0	-	California	++	++	++	++	++	++
Colorado	0	0	0	-	-	-	Colorado	0	0	0	0	-	-
Connecticut	0	0	0	0	0	0	Connecticut	0	0	0	+	+	+
Delaware	+	0	0	+	+	++	Delaware	-	0	0	0	0	0
Dis. Of Columbia	+	+	0	+	+	++	Dis. Of Columbia	--	--	--	--	--	-
Florida	0	0	-	0	-	-	Florida	0	-	-	-	-	-
Georgia	0	0	0	0	0	+	Georgia	-	-	-	-	0	0
Hawaii	0	0	0	0	0	0	Hawaii	0	0	0	0	0	0
Idaho	0	-	-	0	0	0	Idaho	--	--	--	-	--	--
Illinois	-	-	-	-	0	0	Illinois	0	0	0	0	0	0
Indiana	--	--	--	--	--	--	Indiana	--	--	--	--	--	--
Iowa	-	-	-	-	-	0	Iowa	0	-	-	0	0	0
Kansas	--	--	--	--	--	-	Kansas	-	-	-	-	-	-
Kentucky	0	0	0	0	0	0	Kentucky	--	--	-	0	0	0
Louisiana	++	++	++	+	++	++	Louisiana	0	0	0	0	0	0
Maine	++	+	++	++	++	++	Maine	0	-	-	0	+	+
Maryland	0	0	0	0	0	0	Maryland	0	-	-	0	0	0
Massachusetts	0	0	0	0	0	+	Massachusetts	0	-	-	-	-	0
Michigan	++	++	++	++	++	++	Michigan	-	-	-	-	-	-
Minnesota	0	0	0	0	0	0	Minnesota	-	0	0	0	0	0
Mississippi	0	0	0	0	0	0	Mississippi	-	-	-	-	-	0
Missouri	--	--	--	--	--	-	Missouri	0	0	0	0	0	0
Montana	-	-	-	0	-	0	Montana	0	0	-	0	+	+
Nebraska	-	-	-	-	-	0	Nebraska	-	-	-	-	0	0
Nevada	0	0	0	-	0	0	Nevada	++	0	0	0	0	+
New Hampshire	+	0	0	+	+	+	New Hampshire	0	-	-	0	0	0
New Jersey	-	-	-	-	-	-	New Jersey	-	-	-	0	0	0
New Mexico	-	-	-	0	0	0	New Mexico	--	--	--	-	-	-
New York	+	+	+	+	+	+	New York	++	++	++	++	++	++
North Carolina	0	0	0	0	+	++	North Carolina	0	0	0	0	0	+
Oklahoma	-	-	-	-	-	-	Oklahoma	0	0	0	0	0	++
Oregon	--	-	-	-	-	-	Oregon	0	0	-	-	0	0
Pennsylvania	++	++	++	++	++	++	Pennsylvania	0	0	0	0	0	0
Rhode Island	+	++	+	0	0	+	Rhode Island	++	++	0	0	-	0
South Carolina	-	-	-	0	0	0	South Carolina	-	-	0	0	0	0
South Dakota	--	-	-	-	-	-	South Dakota	--	--	--	--	--	--
Tennessee	0	0	0	0	0	0	Tennessee	0	0	0	0	0	0
Texas	-	-	--	--	--	--	Texas	-	-	-	--	--	--
USL&HW	++	++	++	++	++	+	USL&HW	++	++	++	++	++	++
Utah	-	-	-	-	-	-	Utah	--	--	--	--	--	--
Vermont	0	0	0	0	0	0	Vermont	0	0	0	0	0	0
Virginia	0	0	0	0	0	+	Virginia	-	--	--	--	-	-
Wisconsin	-	-	-	-	-	-	Wisconsin	-	-	-	-	-	0
Note:	++	150.1% or more of National Avg.		Well Above Average			Note:	++	150.1% or more of National Avg.		Well Above Average		
	+	125.1 - 150.0% of National Avg.		Above Average				+	125.1 - 150.0% of National Avg.		Above Average		
	0	75.0 - 125.0% of National Avg.		Average				0	75.0 - 125.0% of National Avg.		Average		
	-	50.0 - 74.9% of National Avg.		Below Average				-	50.0 - 74.9% of National Avg.		Below Average		
	--	49.9% or less of National Avg.		Well Below Average				--	49.9% or less of National Avg.		Well Below Average		
	N/A	Data Not Available						N/A	Data Not Available				
Source:	Tables 2.1985 - 2.2003						Source:	Tables 2.1985 - 2.2003					

Table 3A Permanent Total Frequency Relative to National Average							Table 3B Permanent Total Average Cash Benefits Per Case Relative to National Average						
	1998	1999	2000	2001	2002	2003		1998	1999	2000	2001	2002	2003
Alabama	0	0	0	0	0	-	Alabama	0	-	-	-	-	0
Alaska	-	+	0	0	+	++	Alaska	++	-	-	+	--	--
Arizona	--	--	--	--	--	--	Arizona	+	+	0	-	0	-
Arkansas	--	-	-	--	--	--	Arkansas	--	--	--	-	-	0
California	++	+	++	++	++	++	California	0	0	0	0	-	0
Colorado	++	+	0	0	0	--	Colorado	+	++	++	+	0	+
Connecticut	--	--	--	--	--	--	Connecticut	+	++	++	++	+	-
Delaware	--	--	--	--	--	--	Delaware	+	++	++	++	++	++
Dis. Of Columbia	--	--	--	--	--	--	Dis. Of Columbia	-	+	+	N/A	N/A	++
Florida	++	++	++	++	++	+	Florida	-	0	-	-	0	0
Georgia	-	--	-	--	--	--	Georgia	0	0	0	0	0	0
Hawaii	--	--	--	--	-	--	Hawaii	N/A	--	--	-	--	--
Idaho	--	--	-	0	--	--	Idaho	0	--	--	-	++	N/A
Illinois	-	0	0	0	-	--	Illinois	-	0	-	-	0	0
Indiana	--	--	--	--	--	--	Indiana	0	--	--	--	--	-
Iowa	--	--	--	--	--	--	Iowa	+	0	0	++	++	0
Kansas	--	-	-	--	--	--	Kansas	--	--	--	--	-	-
Kentucky	--	--	--	-	0	0	Kentucky	0	0	+	++	-	-
Louisiana	0	0	++	++	-	-	Louisiana	0	0	0	0	-	0
Maine	--	--	-	-	--	--	Maine	--	--	--	-	0	+
Maryland	--	--	--	--	--	--	Maryland	++	++	++	0	0	++
Massachusetts	--	--	--	--	--	--	Massachusetts	++	++	++	++	++	0
Michigan	--	--	--	0	-	--	Michigan	0	-	-	--	-	0
Minnesota	--	--	--	--	-	-	Minnesota	++	++	0	0	0	0
Mississippi	--	-	--	0	0	-	Mississippi	-	0	0	-	--	--
Missouri	-	0	0	-	--	--	Missouri	+	-	0	+	0	+
Montana	++	--	++	0	++	--	Montana	--	++	--	0	--	N/A
Nebraska	-	0	--	--	--	--	Nebraska	++	-	+	0	-	+
Nevada	--	0	-	-	0	-	Nevada	++	++	++	++	0	+
New Hampshire	0	--	--	--	++	0	New Hampshire	--	++	+	-	--	--
New Jersey	-	--	-	0	--	--	New Jersey	+	--	--	0	++	+
New Mexico	--	--	--	-	-	-	New Mexico	0	-	0	--	--	--
New York	0	0	0	+	+	0	New York	0	+	0	0	0	-
North Carolina	0	0	0	-	0	0	North Carolina	+	0	-	0	0	0
Oklahoma	-	--	--	--	--	0	Oklahoma	+	0	0	-	0	0
Oregon	--	--	--	--	--	--	Oregon	0	0	+	+	++	0
Pennsylvania	+	-	--	--	--	--	Pennsylvania	++	++	++	++	++	++
Rhode Island	--	--	--	--	--	--	Rhode Island	++	+	--	N/A	0	N/A
South Carolina	0	++	+	+	++	+	South Carolina	-	-	0	-	-	0
South Dakota	-	-	--	--	--	-	South Dakota	+	--	--	N/A	N/A	++
Tennessee	0	-	-	-	-	-	Tennessee	--	0	0	0	0	-
Texas	0	++	0	+	++	+	Texas	--	--	--	--	--	--
USL&HW	++	++	++	++	--	--	USL&HW	-	++	++	0	N/A	N/A
Utah	-	--	--	--	--	--	Utah	--	++	0	--	0	+
Vermont	--	--	--	--	--	0	Vermont	+	0	N/A	++	0	--
Virginia	-	-	--	--	--	--	Virginia	+	-	-	0	-	0
Wisconsin	--	--	--	--	--	--	Wisconsin	++	+	0	-	0	0
Note:	++	150.1% or more of National Avg.		Well Above Average			Note:	++	150.1% or more of National Avg.		Well Above Average		
	+	125.1 - 150.0% of National Avg.		Above Average				+	125.1 - 150.0% of National Avg.		Above Average		
	0	75.0 - 125.0% of National Avg.		Average				0	75.0 - 125.0% of National Avg.		Average		
	-	50.0 - 74.9% of National Avg.		Below Average				-	50.0 - 74.9% of National Avg.		Below Average		
	--	49.9% or less of National Avg.		Well Below Average				--	49.9% or less of National Avg.		Well Below Average		
	N/A	Data Not Available						N/A	Data Not Available or Not Applicable				
Source:	Tables 3.1985 - 3.2003						Source:	Tables 3.1985 - 3.2003					

Table 3C Permanent Total Cash Benefits per 100,000 Workers Relative to National Average							Table 4A Fatal Frequency Relative to National Average					
	1998	1999	2000	2001	2002	2003	1998	1999	2000	2001	2002	2003
Alabama	0	-	0	-	0	-	0	+	+	+	++	++
Alaska	++	0	-	++	0	0	++	++	++	+	0	+
Arizona	--	-	-	--	--	--	-	0	-	-	0	0
Arkansas	--	--	--	--	--	--	0	+	+	0	0	++
California	++	++	++	++	++	++	0	0	0	0	0	+
Colorado	++	++	++	+	+	-	-	0	-	0	0	0
Connecticut	--	0	-	-	-	--	0	-	0	0	0	-
Delaware	--	++	0	0	0	0	--	0	--	0	-	-
Dis. Of Columbia	--	--	--	--	--	-	-	--	-	--	0	0
Florida	++	++	++	+	++	++	0	0	0	++	0	0
Georgia	--	-	-	--	-	-	-	0	0	0	0	0
Hawaii	--	--	--	--	--	--	--	++	++	0	0	0
Idaho	--	--	--	--	--	--	++	++	++	++	+	+
Illinois	--	0	0	-	0	-	+	0	0	-	-	0
Indiana	--	--	--	--	--	--	-	0	-	0	0	0
Iowa	--	--	--	-	--	--	0	0	0	-	0	0
Kansas	--	--	--	--	--	--	++	0	0	0	0	0
Kentucky	--	--	-	0	0	0	0	+	++	++	++	0
Louisiana	+	+	++	++	-	-	++	++	++	0	+	++
Maine	--	--	--	--	--	--	++	++	+	++	++	0
Maryland	0	0	-	--	--	-	0	0	++	0	0	-
Massachusetts	--	--	--	-	-	-	-	--	--	--	-	-
Michigan	--	--	--	--	-	-	0	0	0	--	-	-
Minnesota	-	--	--	--	0	-	-	-	0	0	0	-
Mississippi	--	-	-	-	--	--	++	++	++	++	++	++
Missouri	0	-	0	-	-	-	+	+	0	0	+	+
Montana	-	0	+	0	+	--	++	++	++	++	++	++
Nebraska	0	-	--	--	--	-	+	0	++	++	0	0
Nevada	0	++	++	++	++	0	++	0	0	--	0	0
New Hampshire	--	--	--	--	--	--	0	--	--	0	0	0
New Jersey	-	--	--	0	0	-	-	--	-	-	-	-
New Mexico	--	--	--	--	--	--	+	+	++	++	++	+
New York	0	+	0	+	++	-	0	0	0	0	0	0
North Carolina	+	0	0	-	+	0	0	0	0	++	0	0
Oklahoma	-	--	--	--	--	0	++	+	++	++	++	++
Oregon	--	--	-	-	--	--	0	0	+	-	0	+
Pennsylvania	++	++	++	+	0	0	-	-	-	-	0	-
Rhode Island	-	--	--	--	--	--	+	0	-	--	--	-
South Carolina	0	0	+	0	+	+	0	+	0	0	+	0
South Dakota	0	--	--	--	--	+	+	+	++	0	++	0
Tennessee	--	-	-	-	-	-	0	0	+	0	0	0
Texas	-	-	-	-	-	--	+	+	0	0	+	+
USL&HW	++	++	++	++	--	--	++	++	++	++	N/A	++
Utah	--	-	--	--	--	--	+	-	0	0	0	0
Vermont	-	--	--	-	-	--	+	-	-	++	++	-
Virginia	0	-	--	--	--	--	-	0	-	-	0	-
Wisconsin	--	--	--	--	--	--	--	-	-	--	0	0

Note:	++	150.1% or more of National Avg.	Well Above Average
	+	125.1 - 150.0% of National Avg.	Above Average
	0	75.0 - 125.0% of National Avg.	Average
	-	50.0 - 74.9% of National Avg.	Below Average
	--	49.9% or less of National Avg.	Well Below Average
	N/A	Data Not Available	

Source:	Tables 3.1985 - 3.2003
----------------	------------------------

Note:	++	150.1% or more of National Avg.	Well Above Average
	+	125.1 - 150.0% of National Avg.	Above Average
	0	75.0 - 125.0% of National Avg.	Average
	-	50.0 - 74.9% of National Avg.	Below Average
	--	49.9% or less of National Avg.	Well Below Average
	N/A	Data Not Available	

Source:	Tables 4.1985 - 4.2003
----------------	------------------------

Table 4B Fatal Average Cash Benefits Per Case Relative to National Average							Table 4C Fatal Cash Benefits per 100,000 Workers Relative to National Average						
	1998	1999	2000	2001	2002	2003		1998	1999	2000	2001	2002	2003
Alabama	-	-	-	-	-	-	Alabama	-	0	0	0	0	0
Alaska	++	++	++	+	0	+	Alaska	++	++	++	++	0	++
Arizona	0	+	0	0	+	++	Arizona	-	0	0	-	0	0
Arkansas	--	--	--	--	--	--	Arkansas	--	-	--	--	--	-
California	-	-	-	-	-	-	California	-	-	-	-	-	-
Colorado	0	0	0	0	0	0	Colorado	0	+	0	0	+	0
Connecticut	++	++	++	++	+	++	Connecticut	++	++	++	++	++	+
Delaware	++	--	++	0	++	++	Delaware	--	--	--	0	+	0
Dis. Of Columbia	++	+	0	++	++	++	Dis. Of Columbia	++	-	-	++	++	++
Florida	--	--	--	--	--	--	Florida	--	--	--	0	--	--
Georgia	-	-	-	-	-	-	Georgia	--	-	0	-	-	0
Hawaii	--	0	-	-	0	0	Hawaii	--	++	0	-	0	0
Idaho	-	--	--	--	--	-	Idaho	0	-	-	-	-	0
Illinois	-	-	0	0	0	0	Illinois	-	0	0	--	-	0
Indiana	0	-	-	--	--	-	Indiana	--	--	--	--	-	-
Iowa	0	0	++	0	+	++	Iowa	0	0	++	0	0	++
Kansas	0	-	0	0	0	0	Kansas	+	0	0	0	0	0
Kentucky	++	0	0	0	0	0	Kentucky	+	+	++	++	++	0
Louisiana	0	0	0	0	++	0	Louisiana	++	++	+	+	++	++
Maine	0	0	0	--	--	-	Maine	++	+	0	++	++	-
Maryland	--	-	0	0	+	+	Maryland	--	-	+	0	0	0
Massachusetts	+	++	++	++	++	0	Massachusetts	0	-	0	0	0	-
Michigan	0	0	0	0	0	0	Michigan	0	0	0	--	--	--
Minnesota	++	++	0	++	0	+	Minnesota	0	+	0	++	0	-
Mississippi	--	--	--	--	--	--	Mississippi	--	-	0	-	-	-
Missouri	+	+	++	++	+	0	Missouri	++	++	++	++	++	++
Montana	-	+	0	0	0	++	Montana	+	++	+	++	++	++
Nebraska	+	++	++	+	++	++	Nebraska	++	++	++	++	++	++
Nevada	++	++	++	++	++	++	Nevada	++	++	++	0	0	++
New Hampshire	0	--	++	0	0	--	New Hampshire	-	--	0	+	0	--
New Jersey	0	0	0	++	0	+	New Jersey	-	--	0	0	--	0
New Mexico	+	0	0	-	-	-	New Mexico	++	+	++	+	0	0
New York	0	0	0	0	0	0	New York	+	0	0	0	0	0
North Carolina	0	-	0	0	-	0	North Carolina	0	-	0	++	-	0
Oklahoma	0	+	0	0	0	0	Oklahoma	++	++	++	++	+	++
Oregon	++	++	+	++	++	0	Oregon	++	++	++	0	++	+
Pennsylvania	+	+	0	0	+	0	Pennsylvania	0	0	0	0	0	-
Rhode Island	++	++	++	++	++	++	Rhode Island	++	++	+	++	0	+
South Carolina	-	-	-	0	0	-	South Carolina	-	0	-	0	0	0
South Dakota	-	0	++	-	++	++	South Dakota	-	+	++	-	++	++
Tennessee	--	--	--	--	-	-	Tennessee	--	-	-	--	-	-
Texas	0	0	0	0	+	0	Texas	+	+	+	+	++	++
USL&HW	++	0	++	++	N/A	++	USL&HW	++	++	++	++	N/A	++
Utah	0	+	++	++	++	++	Utah	++	0	++	++	++	++
Vermont	++	++	-	-	0	++	Vermont	++	++	-	0	+	+
Virginia	--	--	-	-	0	0	Virginia	--	--	--	--	-	--
Wisconsin	-	-	0	0	0	0	Wisconsin	--	--	-	--	-	-
Note:	++	150.1% or more of National Avg.		Well Above Average			Note:	++	150.1% or more of National Avg.		Well Above Average		
	+	125.1 - 150.0% of National Avg.		Above Average				+	125.1 - 150.0% of National Avg.		Above Average		
	0	75.0 - 125.0% of National Avg.		Average				0	75.0 - 125.0% of National Avg.		Average		
	-	50.0 - 74.9% of National Avg.		Below Average				-	50.0 - 74.9% of National Avg.		Below Average		
	--	49.9% or less of National Avg.		Well Below Average				--	49.9% or less of National Avg.		Well Below Average		
	N/A	Data Not Available						N/A	Data Not Available				
Source:	Tables 4.1985 - 4.2003						Source:	Tables 4.1985 - 4.2003					

Table 5A All Cash Frequencies Relative to National Average							Table 5B All Cash Benefits Per Case Relative to National Average						
	1998	1999	2000	2001	2002	2003		1998	1999	2000	2001	2002	2003
Alabama	0	0	0	0	0	0	Alabama	0	0	0	-	0	0
Alaska	++	++	++	++	++	++	Alaska	0	0	0	0	0	0
Arizona	-	-	-	-	-	-	Arizona	0	0	-	-	-	-
Arkansas	-	0	0	0	0	-	Arkansas	-	-	-	-	-	-
California	+	++	++	++	++	++	California	+	+	+	+	0	0
Colorado	0	0	0	0	0	0	Colorado	+	0	0	0	0	0
Connecticut	0	0	0	0	0	0	Connecticut	0	0	0	0	0	0
Delaware	0	0	0	0	0	0	Delaware	0	0	0	0	0	0
Dis. Of Columbia	--	--	--	--	--	--	Dis. Of Columbia	0	0	0	+	0	++
Florida	0	0	0	0	0	0	Florida	0	0	0	0	0	0
Georgia	-	-	-	-	-	-	Georgia	0	0	0	0	+	+
Hawaii	++	++	++	++	++	++	Hawaii	-	-	-	-	-	-
Idaho	+	0	0	0	0	0	Idaho	-	-	-	-	-	-
Illinois	0	0	0	0	0	0	Illinois	0	0	0	0	0	0
Indiana	0	0	-	-	-	-	Indiana	--	--	--	--	--	--
Iowa	0	0	0	0	0	0	Iowa	-	-	-	-	-	0
Kansas	0	0	0	0	0	0	Kansas	0	-	-	-	-	-
Kentucky	0	0	0	0	0	0	Kentucky	-	-	0	0	0	0
Louisiana	0	0	0	-	-	-	Louisiana	0	+	+	+	0	+
Maine	0	0	0	0	0	0	Maine	0	0	0	0	+	+
Maryland	0	0	0	0	0	0	Maryland	0	0	0	0	0	0
Massachusetts	0	0	0	0	0	0	Massachusetts	0	0	0	0	0	0
Michigan	0	0	0	0	0	0	Michigan	0	0	0	0	0	0
Minnesota	0	0	0	0	0	0	Minnesota	0	0	0	0	0	0
Mississippi	0	0	0	0	0	0	Mississippi	-	0	-	-	-	0
Missouri	0	0	0	0	+	0	Missouri	-	0	-	-	0	0
Montana	+	0	0	+	+	+	Montana	0	-	-	0	0	0
Nebraska	0	-	0	0	0	0	Nebraska	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	Nevada	+	0	0	0	0	0
New Hampshire	0	0	0	0	0	0	New Hampshire	-	-	-	-	-	-
New Jersey	0	0	0	0	0	0	New Jersey	0	0	0	0	0	0
New Mexico	0	0	0	0	0	0	New Mexico	-	-	-	0	0	0
New York	0	0	0	0	0	0	New York	+	+	+	+	++	++
North Carolina	-	-	-	-	-	-	North Carolina	++	+	+	+	++	++
Oklahoma	+	+	+	+	+	+	Oklahoma	0	0	-	0	0	0
Oregon	+	+	+	+	+	+	Oregon	-	-	-	-	-	-
Pennsylvania	0	0	0	0	0	0	Pennsylvania	+	0	0	0	0	+
Rhode Island	++	+	++	++	++	++	Rhode Island	0	0	-	-	-	-
South Carolina	0	0	0	0	0	0	South Carolina	0	0	0	0	0	+
South Dakota	0	0	0	0	0	0	South Dakota	--	-	-	--	--	-
Tennessee	0	0	0	0	0	0	Tennessee	0	0	0	0	0	0
Texas	0	0	0	0	-	-	Texas	0	0	0	-	-	-
USL&HW	++	++	++	++	++	++	USL&HW	++	++	++	++	+	+
Utah	0	0	0	0	0	0	Utah	--	--	--	--	--	--
Vermont	+	+	0	+	+	0	Vermont	0	0	0	0	0	0
Virginia	-	-	-	-	-	--	Virginia	0	0	0	0	0	0
Wisconsin	+	+	+	+	0	0	Wisconsin	--	--	--	--	-	-
Note:	++	150.1% or more of National Avg.		Well Above Average			Note:	++	150.1% or more of National Avg.		Well Above Average		
	+	125.1 - 150.0% of National Avg.		Above Average				+	125.1 - 150.0% of National Avg.		Above Average		
	0	75.0 - 125.0% of National Avg.		Average				0	75.0 - 125.0% of National Avg.		Average		
	-	50.0 - 74.9% of National Avg.		Below Average				-	50.0 - 74.9% of National Avg.		Below Average		
	--	49.9% or less of National Avg.		Well Below Average				--	49.9% or less of National Avg.		Well Below Average		
	N/A	Data Not Available						N/A	Data Not Available				
Source:	Tables 5.1985 - 5.2003						Source:	Tables 5.1985 - 5.2003					

Table 5C All Cash Benefits per 100,000 Workers Relative to National Average							Table 6A Total Frequency Relative to National Average						
	1998	1999	2000	2001	2002	2003	1998	1999	2000	2001	2002	2003	
Alabama	-	-	-	-	-	-	0	0	0	0	0	0	
Alaska	++	++	++	++	++	++	+	+	+	+	+	+	
Arizona	-	-	--	--	--	--	0	0	0	0	0	0	
Arkansas	--	--	--	--	--	--	0	0	0	0	0	0	
California	++	++	++	++	++	++	0	0	0	0	+	+	
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	
Connecticut	0	0	0	0	0	0	0	0	0	0	0	0	
Delaware	0	0	0	0	0	0	0	0	0	0	0	0	
Dis. Of Columbia	--	--	--	--	--	-	--	--	--	--	--	--	
Florida	0	0	0	0	0	0	0	0	0	0	0	0	
Georgia	-	-	-	-	0	0	0	0	0	0	0	0	
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	
Idaho	0	-	-	-	-	-	++	+	+	+	+	+	
Illinois	0	0	0	0	0	0	0	0	0	0	0	0	
Indiana	--	--	--	--	--	--	+	+	+	+	+	0	
Iowa	0	-	-	0	0	0	0	0	0	0	0	0	
Kansas	-	-	-	-	-	-	0	0	0	0	0	0	
Kentucky	-	-	-	0	0	0	0	0	0	0	0	0	
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	
Maine	0	0	0	0	+	0	+	+	+	+	+	+	
Maryland	0	0	-	0	0	0	-	-	-	-	-	-	
Massachusetts	0	0	0	0	0	0	0	0	0	0	0	0	
Michigan	0	0	0	0	-	-	0	0	0	0	0	0	
Minnesota	-	0	0	0	0	0	0	0	0	0	0	0	
Mississippi	-	-	-	-	-	0	0	0	0	0	0	0	
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	
Montana	0	0	0	0	+	+	++	+	++	++	++	++	
Nebraska	0	-	-	-	-	0	0	0	0	0	0	0	
Nevada	++	+	0	0	0	0	++	+	0	+	+	+	
New Hampshire	0	-	-	0	0	0	0	0	0	0	0	0	
New Jersey	-	-	-	0	0	0	-	-	-	0	0	0	
New Mexico	-	-	-	-	-	-	0	0	0	0	0	0	
New York	++	+	+	+	++	+	-	-	-	-	-	-	
North Carolina	0	0	0	0	0	+	0	0	0	0	0	0	
Oklahoma	0	0	0	0	0	+	0	0	0	0	0	0	
Oregon	0	-	-	-	0	0	0	0	0	0	+	+	
Pennsylvania	+	0	0	0	0	0	+	0	+	0	0	0	
Rhode Island	++	++	0	0	0	0	+	0	0	0	0	0	
South Carolina	0	0	0	0	0	0	0	0	0	0	0	0	
South Dakota	--	-	--	--	--	-	0	0	+	+	+	+	
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0	
Texas	0	-	-	-	-	--	0	0	-	-	-	-	
USL&HW	++	++	++	++	++	++	++	++	++	++	++	++	
Utah	--	--	--	--	--	--	+	0	0	0	0	0	
Vermont	0	0	0	0	0	0	0	0	0	0	0	0	
Virginia	-	-	--	--	-	-	0	-	-	-	-	-	
Wisconsin	-	-	-	-	-	-	+	+	+	+	+	+	
Note:	++	150.1% or more of National Avg.			Well Above Average		Note:	++	150.1% or more of National Avg.			Well Above Average	
	+	125.1 - 150.0% of National Avg.			Above Average			+	125.1 - 150.0% of National Avg.			Above Average	
	0	75.0 - 125.0% of National Avg.			Average			0	75.0 - 125.0% of National Avg.			Average	
	-	50.0 - 74.9% of National Avg.			Below Average			-	50.0 - 74.9% of National Avg.			Below Average	
	--	49.9% or less of National Avg.			Well Below Average			--	49.9% or less of National Avg.			Well Below Average	
	N/A	Data Not Available						N/A	Data Not Available				
Source:	Tables 5.1985 - 5.2003						Source:	Tables 6.1985 - 6.2003					

Table 6B Average Medical Benefits Per Case Relative to National Average							Table 6C Medical Benefits per 100,000 Workers Relative to National Average						
	1998	1999	2000	2001	2002	2003		1998	1999	2000	2001	2002	2003
Alabama	+	+	0	0	0	0	Alabama	+	+	0	0	+	+
Alaska	+	+	+	+	++	++	Alaska	++	++	++	++	++	++
Arizona	0	0	0	0	0	-	Arizona	0	0	0	0	0	0
Arkansas	-	-	-	-	-	0	Arkansas	-	-	-	-	-	0
California	+	+	++	++	+	+	California	+	++	++	++	++	++
Colorado	0	0	-	-	-	-	Colorado	0	0	0	0	-	-
Connecticut	-	0	0	0	0	0	Connecticut	0	0	0	-	0	-
Delaware	+	+	0	+	++	++	Delaware	+	0	0	0	++	++
Dis. Of Columbia	+	0	0	0	0	+	Dis. Of Columbia	--	--	--	--	--	--
Florida	++	++	0	0	0	+	Florida	++	++	0	0	0	+
Georgia	0	0	-	-	0	0	Georgia	-	-	-	-	-	0
Hawaii	0	0	-	-	0	0	Hawaii	0	0	-	-	0	0
Idaho	-	-	-	-	-	-	Idaho	0	0	0	0	0	0
Illinois	0	0	0	0	0	0	Illinois	0	0	-	-	-	0
Indiana	--	--	--	--	--	--	Indiana	-	-	-	-	-	-
Iowa	-	-	-	-	-	0	Iowa	0	0	-	-	-	0
Kansas	0	-	-	-	-	-	Kansas	0	0	-	-	-	0
Kentucky	0	0	0	0	+	++	Kentucky	0	0	+	+	++	++
Louisiana	+	+	0	0	0	+	Louisiana	0	0	0	0	0	0
Maine	-	-	-	-	0	0	Maine	0	0	0	0	+	0
Maryland	0	0	-	0	0	0	Maryland	0	-	--	-	-	0
Massachusetts	-	-	--	--	--	--	Massachusetts	-	--	--	--	--	--
Michigan	-	-	-	-	-	-	Michigan	0	-	-	-	-	-
Minnesota	-	0	-	-	0	0	Minnesota	0	0	0	0	0	0
Mississippi	-	0	0	0	0	0	Mississippi	0	0	0	0	0	0
Missouri	0	0	-	-	0	0	Missouri	0	0	0	-	0	0
Montana	0	++	0	0	0	+	Montana	+	++	0	++	++	++
Nebraska	0	-	-	-	0	0	Nebraska	0	0	0	-	0	0
Nevada	0	0	-	0	-	-	Nevada	+	0	0	0	-	0
New Hampshire	0	0	0	0	0	0	New Hampshire	0	+	0	0	+	++
New Jersey	0	-	0	0	0	0	New Jersey	-	-	-	-	-	-
New Mexico	0	0	-	-	-	-	New Mexico	0	0	0	-	-	0
New York	0	0	0	0	0	0	New York	0	-	-	-	-	-
North Carolina	0	-	-	0	0	0	North Carolina	-	-	-	-	0	0
Oklahoma	0	0	0	0	0	0	Oklahoma	0	0	0	0	0	0
Oregon	0	0	0	0	0	0	Oregon	0	0	0	0	0	0
Pennsylvania	0	0	-	-	-	-	Pennsylvania	0	0	0	0	0	0
Rhode Island	-	-	--	--	--	--	Rhode Island	-	-	--	--	--	--
South Carolina	0	0	0	0	0	0	South Carolina	0	-	-	-	0	0
South Dakota	-	-	-	-	-	0	South Dakota	0	-	0	0	0	0
Tennessee	0	0	0	0	0	0	Tennessee	0	0	0	0	0	0
Texas	++	++	++	++	++	+	Texas	0	0	0	0	0	0
USL&HW	++	+	++	+	++	0	USL&HW	++	++	++	++	++	++
Utah	-	-	--	--	-	-	Utah	-	-	-	-	-	-
Vermont	0	0	0	-	-	0	Vermont	0	0	0	0	0	0
Virginia	0	0	0	0	0	0	Virginia	0	-	-	-	-	0
Wisconsin	-	-	-	-	-	0	Wisconsin	0	0	0	0	0	0
Note:	++	150.1% or more of National Avg.		Well Above Average			Note:	++	150.1% or more of National Avg.		Well Above Average		
	+	125.1 - 150.0% of National Avg.		Above Average				+	125.1 - 150.0% of National Avg.		Above Average		
	0	75.0 - 125.0% of National Avg.		Average				0	75.0 - 125.0% of National Avg.		Average		
	-	50.0 - 74.9% of National Avg.		Below Average				-	50.0 - 74.9% of National Avg.		Below Average		
	--	49.9% or less of National Avg.		Well Below Average				--	49.9% or less of National Avg.		Well Below Average		
	N/A	Data Not Available						N/A	Data Not Available				
Source:	Tables 6.1985 - 6.2003						Source:	Tables 6.1985 - 6.2003					

A Book of Possible Interest to Subscribers

Employment Law: Cases and Materials: Fourth Edition has recently been published by LexisNexis. The volume, written by Steven L. Willborn, Steward J. Schwab, John F. Burton, Jr., and Gillian L. L. Lester, is widely used in courses in law schools and graduate programs in employment relations, and should be valuable for practicing attorneys and others interested in an overview of employment law. John Burton was the lead author on Part VIII of the book, which contains these headings:

Part VIII. Workplace Injuries and Diseases

Chapter 21. The Prestatutory Approaches

- A. The Labor Market
- B. Tort Suits

Chapter 22. Workers' Compensation

- A. The Origins of Workers' Compensation
- B. An Overview of Current Workers' Compensation Programs
- C. The Exclusivity of Workers' Compensation
- D. Which Injuries are Compensable?
- E. Which Diseases are Compensable?
- F. Injuries and Diseases for Which Compensability is Problematic
- G. Cash Benefits
- H. Medical and Rehabilitation Benefits

Chapter 23. The Occupational Safety and Health Act

- A. An Overview of the Act
- B. Substantive Criteria for OSHA Standards
- C. Legal Challenges to Permanent Standards
- D. The General Duty Clause
- E. Enforcement
- F. Employee Rights and Responsibilities
- G. Federal Versus State Authority for Workplace Safety and Health

Chapter 24. Rethinking the Approaches to Workplace Injuries and Diseases

- A. The Labor Market
- B. Tort Suits
- C. Workers' Compensation
- D. The Occupational Safety and Health Act

Employment Law: Cases and Materials: Fourth Edition. 1167 Pages plus Table of Cases and Index. \$94.00 hardcover. ISBN 0-8205-7089-3. Published 2007.

Employment Law: Selected Federal and State Statutes. 2007 Edition. 482 Pages. \$24.00 paperback. ISBN 0-8205-7091-5.

Available from LexisNexis, 1275 Broadway, Albany, NY 12204. Phone: 1-800-223-1940. Online: www.lexisnexis.com

Workers' Compensation Insurance Industry Profitability Surges in 2006

by John F. Burton, Jr.

The underwriting results for the workers' compensation insurance industry improved substantially in 2006, according to results from A.M. Best. The overall operating ratio, which is the most comprehensive measure of underwriting experience for insurance carriers, dropped from 90.5 in 2005 to 83.9 in 2006, as shown in Figure A and Table 1 (column (8)).

The overall operating ratio is calculated as (1) the total of all carrier expenditures (2) minus investment income (3) as a percentage of premiums.¹ When the overall operating ratio is greater than 100, carriers lose money even when investment income is considered. Conversely, an operating ratio of less than 100 indicates that the industry is profitable when investment income is included. The underwriting results in 2006 mean the workers' compensation insurance industry improved to its most profitable year since 1997.

Underwriting Results Vary Over Time

The overall operating ratio for the workers' compensation industry for 1976 to 2006 is shown in Figure A and Table 1, and the cyclical nature of profitability in the industry is evident. Two years of losses in 1976-1977 were followed by six years of profits through 1983. For example, the operating ratio was below 90 in 1981 and 1982, indicating that carriers had profits that exceeded \$10 for every \$100 of premiums in those years.

The workers' compensation insurance industry was then unprofitable in every year from 1984 to 1992. During this nine-year stretch of unfavorable results, carriers' losses ranged from \$3.40 to \$8.70 for every \$100 of workers' compensation premiums. One result of this unfavorable experience is that the workers' compensation industry took the lead in "reform" efforts that reduced benefits and tightened eligibility standards in many states.² Also, because insurance regulators refused to allow insurance rates to increase as rapidly as losses in many jurisdictions, which resulted in underwriting losses in these states, workers' compensation carriers pursued and achieved deregulation of the workers' compensation insurance markets in most states.³

The results of deregulation and the various other reforms of workers' compensation in the early to mid-1990s are evident in the underwriting results for 1993 to 2000, when the overall operating ratio was less than 100 in every year. This was the longest string of profitable years for the workers' compensation insurance industry in the last half-century (and probably in the history of workers' compensation). The best years were 1995 to 1997, when on average carriers had profits of more than \$16.00 per \$100 of premium.

The underwriting experience of workers' compensation carriers deteriorated for several years after 1997. Indeed, between 1997 and 2001, the overall operating

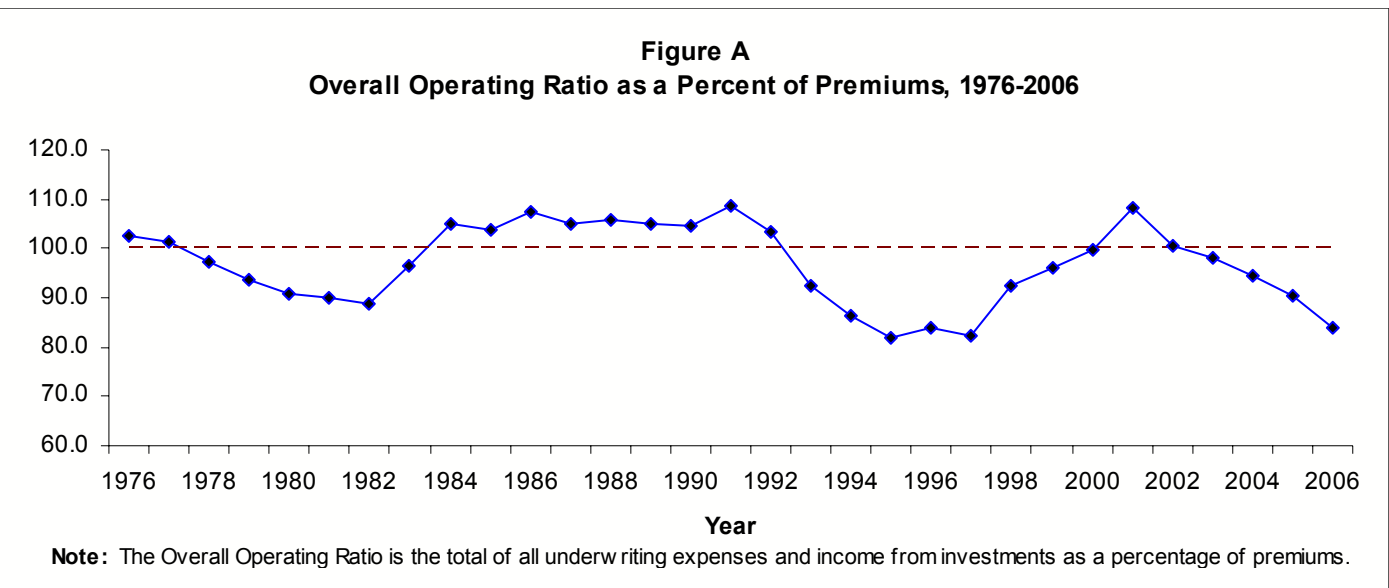


Table 1
Workers' Compensation Insurance Underwriting Experience, 1973-2006

Year	Losses Incurred* (1)	Loss Adjustment Expenses* (2)	Losses and Adjustment Expenses Incurred* (3)	Underwriting Expenses Incurred** (4)	Dividends to Policyholders* (5)	Combined Ratio After Dividends (6)	Net Inv. Gain/Loss and Other Income* (7)	Overall Operating Ratio (8)
1973	68.5	8.5	77.0	19.8				
1974	71.6	8.7	80.3	19.6				
1975	74.0	8.2	82.2	18.9	6.3	107.4		
1976	78.2	8.4	86.6	17.6	5.4	109.6	6.9	102.6
1977	78.0	8.9	86.9	16.7	5.1	108.6	7.4	101.2
1978	74.4	8.7	83.0	16.4	5.6	105.0	7.8	97.2
1979	70.4	9.2	79.6	16.8	6.5	103.0	9.2	93.7
1980	67.6	8.4	76.1	17.4	8.0	101.4	10.8	90.7
1981	66.1	9.0	75.1	19.0	8.7	102.8	13.0	89.8
1982	64.3	9.1	73.4	20.6	9.9	103.9	15.0	88.9
1983	70.6	9.2	79.9	22.0	10.6	112.5	16.2	96.3
1984	81.0	9.8	90.8	21.2	9.9	121.9	16.7	105.2
1985	81.0	9.5	90.5	19.0	9.3	118.8	15.0	103.8
1986	85.4	10.2	95.5	18.0	7.6	121.1	13.7	107.4
1987	82.2	10.9	93.1	18.0	6.4	117.6	12.8	104.8
1988	83.4	10.8	94.2	17.8	6.4	118.4	12.7	105.7
1989	83.3	11.4	94.7	17.4	6.1	118.2	13.4	104.8
1990	83.8	10.7	94.6	17.6	5.1	117.4	13.0	104.4
1991	87.8	11.5	99.3	18.5	4.9	122.6	14.0	108.7
1992	83.9	13.2	97.1	19.8	4.6	121.5	18.1	103.4
1993	71.6	12.4	84.0	20.4	4.7	109.1	16.7	92.4
1994	60.5	13.1	73.6	21.0	7.0	101.6	15.1	86.4
1995	57.0	12.8	69.8	22.7	6.9	99.5	17.7	81.8
1996	57.5	14.5	72.1	24.9	5.4	102.4	18.6	83.8
1997	58.6	14.4	73.0	25.3	6.5	104.8	22.4	82.4
1998	62.0	16.2	78.2	26.3	6.6	111.2	18.6	92.6
1999	68.0	16.2	84.2	27.5	6.7	118.5	22.4	96.1
2000	73.5	16.0	89.5	25.8	5.4	120.7	20.9	99.8
2001	78.9	13.6	92.4	25.0	3.5	120.9	12.8	108.1
2002	74.6	12.9	87.5	22.3	2.8	112.6	12.2	100.4
2003	72.2	14.0	86.2	20.7	1.6	108.6	10.5	98.1
2004	69.7	13.4	83.1	20.8	1.3	105.1	10.6	94.5
2005	66.1	14.1	80.2	20.8	1.7	102.7	12.2	90.5
2006	59.7	13.8	73.5	19.8	1.7	95.0	11.1	83.9

Source:

Best's Aggregate & Averages Property/Casualty, 2007 and prior Editions, © A.M. Best Company - used with permission. Data for 2005 updated to reflect values from 2007 Edition.

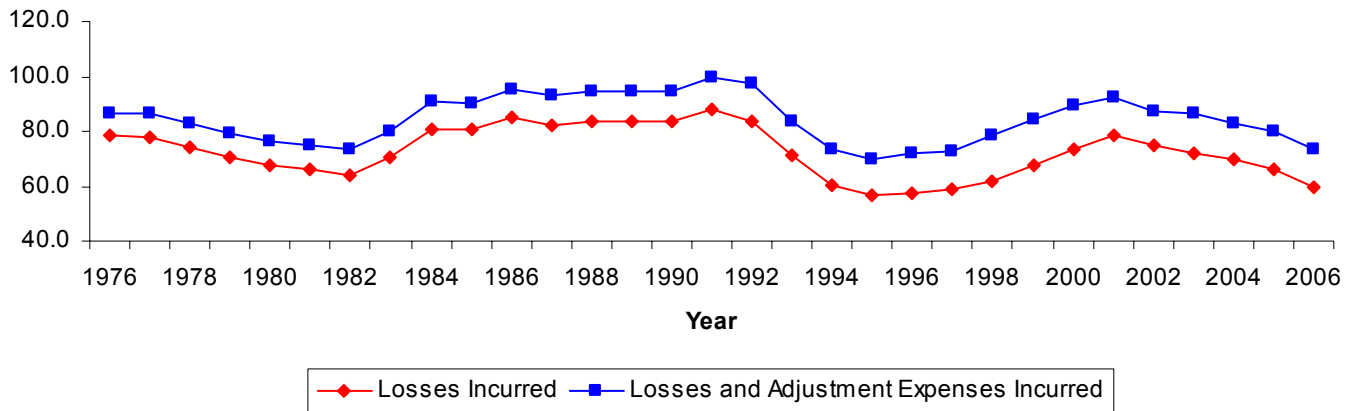
Notes:

Losses Incurred (also termed the pure loss ratio) (1) plus Loss Adjustment Expenses (2) equals Losses and Adjustment Expenses Incurred (3). Losses and Adjustment Expenses Incurred (3) plus Total Underwriting Expenses Incurred (4) plus Dividends to Policy Holders (5) equals Combined Ratio after Dividends (6). Combined Ratio after Dividends (6) minus Net Investment Gain/Loss and Other Income (7) equals Overall Operating Ratio (8). As of 1992, the methodology for allocating investment income changed slightly; as a result, 1992-2001 numbers in the last two columns are not directly comparable to those for earlier years.

* Percentage of net premiums earned

** Percentage of net premiums written

Figure B
Losses Incurred and Losses and Adjustment Expenses Incurred
as Percent of Premiums, 1976-2006



ratio jumped 26 points, which is the most rapid rate of deterioration during the period covered by the data in Figure A (namely 1976 to 2006). Moreover, the overall operating ratio of 108.1 in 2001 indicates the underwriting losses in that year were worse than in all but one other year (1991) for which data are available.

The reduction in the overall operating ratio from 108.1 in 2001 to 100.4 in 2002 brought the industry to essentially a break-even point in that year. A further decline in that ratio in 2003 to 98.1 returned the industry to a profitable position for the first time since 2000. The overall operating ratio has significantly improved since 2003, and the ratio of 83.9 for 2006 is the lowest figure, and most profitable, since 1997, as carriers had profits of \$16.10 per \$100 of premium last year.

A full explanation of the deterioration in the underwriting experience between 1997 and 2001 is beyond the scope of this article. However, there is one fundamental difference between the adverse experience of the late 1980s and early 1990s and the deteriorating profitability between 1997 and 2001. In the earlier period, benefits paid to workers were increasing rapidly, while this was not true from 1997 to 2001. In 1984, benefits paid to workers were 1.09 percent of payroll and continued to climb until 1991 and 1992, when they peaked at 1.64 percent of payroll. In contrast, between 1997 and 2001, when underwriting results deteriorated, benefits declined from 1.17 percent to 1.10 percent of payroll. The rapid improvement in underwriting experience between 2001 (when the overall operating ratio was 108.1) and 2006 (when the ratio was 83.9) is also beyond the scope of this article. However, a reduction

Figure C
Underwriting Expenses Incurred as a Percent of Premiums, 1976-2006

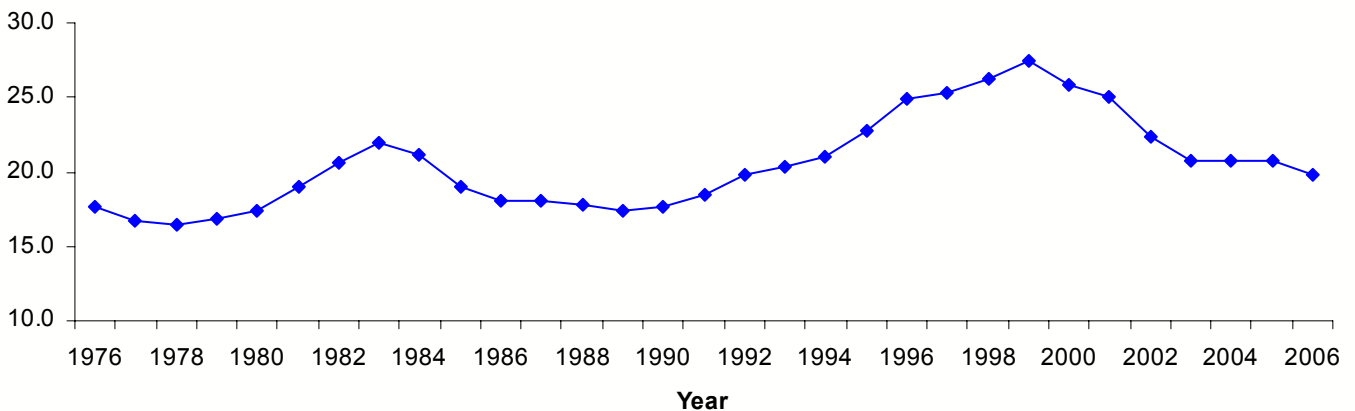
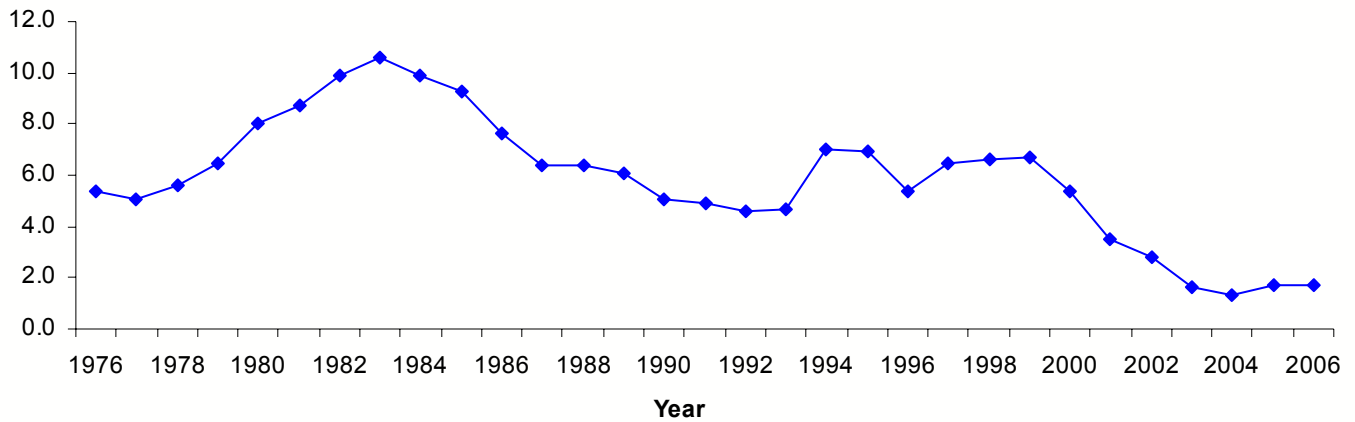


Figure D
Dividends to Policyholders as Percent of Premiums, 1976-2006



in benefits does not appear to have been a major source of the improved underwriting results after 2001, since benefits as a percent of payroll only dropped from 1.10 percent of payroll in 2001 to 1.06 percent in 2005.⁴

Components of the Overall Operating Ratio

The loss ratio is incurred losses (benefits) as a percentage of premiums.⁵ When premiums drop more rapidly than losses (or when premiums increase less rapidly than losses), the loss ratio will increase. As shown in Figure B and Table 1 (column 1), the loss ratio increased rapidly from 58.6 percent in 1997 to 78.9 percent in 2001, and then plummeted to 59.7 percent in 2006.

The total of incurred losses and incurred loss adjustment expenses is also shown in Figure B and in Table 1 (column 3). The difference between the two lines in Figure B is incurred loss adjustment expenses, which are also shown in Table 1 (column 2). Loss adjustment expenses include the cost of processing claims. From 1973 to 1985, loss adjustment expenses were always less than 10 percent of premium, but they have been at least 12 percent in every year since 1992. Loss adjustment expenses were 16 percent or higher in 1998 to 2000, and averaged 13.6 percent in the six years from 2001 and 2006. The higher loss adjustment expenses since the early 1990s compared to earlier years may reflect in part the more intensive efforts to manage health care costs for disabled workers.

Figure E
Combined Ratio After Dividends as Percent of Premiums, 1976-2006

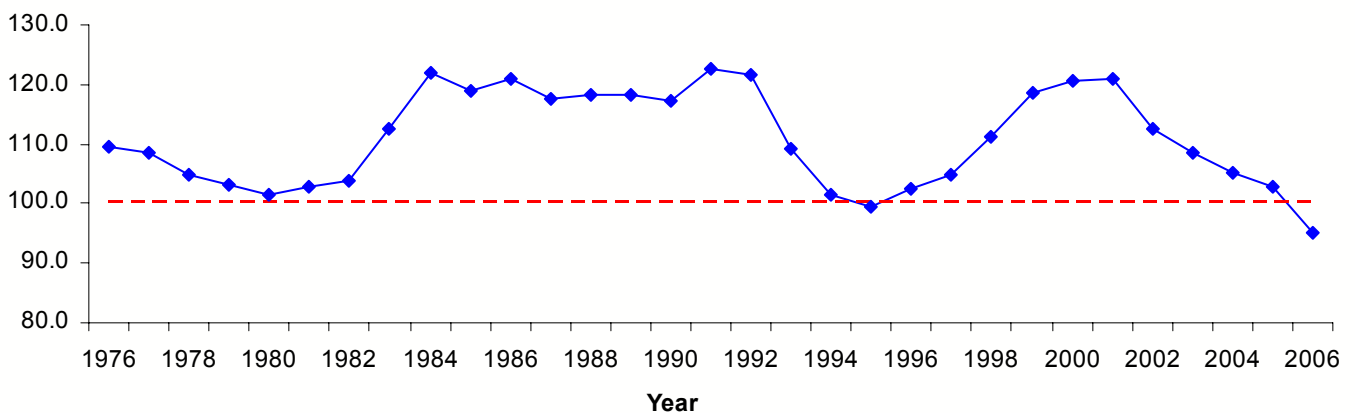
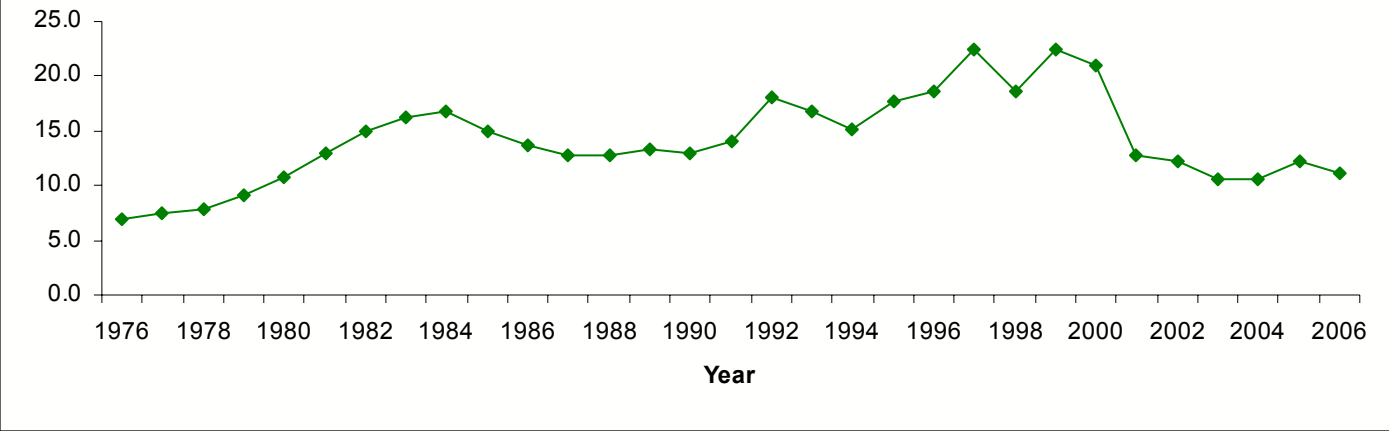


Figure F
Net Investment Gain/Loss and Other Income
as Percent of Premiums, 1976-2006



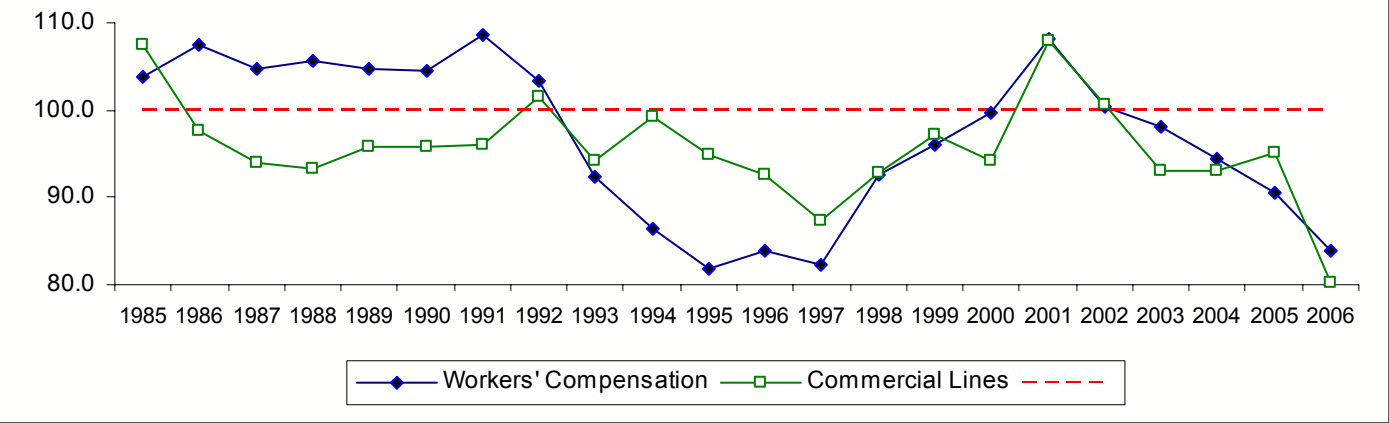
Underwriting expenses incurred as a percent of premiums are shown in Figure C and Table 1 (column 4). These expenses, which include commissions and broker fees, have also generally increased over time. Between 1973 and 1992, underwriting expenses were greater than 20 percent of premium only thrice; since 1993, underwriting expenses have been 20 percent or greater in every year except 2006, when they represented 19.8 percent of premium. There has been some moderation in underwriting expenses recently: after averaging 27 percent of premium in 1998 to 2001, underwriting expenses averaged only 20.6 percent of premiums in 2002 to 2006.

recent decades, carriers were limited in their ability to compete by lowering insurance rates at the beginning of the policy period. However, both mutual and stock companies could compete by offering policies that paid dividends to policyholders after the policy period. In the early 1980s, dividends ranged from 8.0 to 10.6 percent of premiums. Since 1990, dividends have never exceeded 7.0 percent of premiums. Dividends averaged less than four percent of premiums in 2000 to 2003, reaching their lowest point in 2004 for the then 32 years of available data at a mere 1.3 percent of premiums, a figure that was barely exceeded (at 1.7 percent of premiums) in 2005 and 2006.

Dividends as a percent of premiums are presented in Figure D and Table 1 (column 5). Prior to deregulation of the workers' compensation insurance markets in

The combined ratio after dividends is presented in Figure E and Table 1 (column 6). The combined ratio is the sum of the loss ratio (column 1), loss adjustment

Figure G
Overall Operating Ratio as Percent of Premiums,
Workers' Compensation and Commercial Lines, 1985-2006



expenses (column 2), underwriting expenses (column 3), and dividends (column 4). When the combined ratio exceeds 100 percent, insurers lose money on their underwriting experience because premiums are not adequate to cover losses and expenses. As shown in Figure E, the combined ratio exceeded 100 percent in every year between 1975 and 1994, and was greater than 110 percent in every year from 1983 to 1992. The combined ratio then dropped sharply after 1992 until reaching a low of 99.5 in 1995. The combined ratio deteriorated (increased) in every year between 1995 and 2001, reaching 120.9 percent in 2001 and averaging nearly 118 percent in 1998 to 2001. Re-stated, for every \$100 of premium received by workers' compensation carriers in 1998 to 2001, there was an average of almost \$118 of losses, loss adjustment expenses, underwriting expenses, and dividends. The combined ratio then dropped sharply to 112.6 in 2002, to 108.6 in 2003, to 105.1 in 2004, and to 102.7 in 2005. A further improvement in 2006 to 95.0 made the combined ratio the lowest figure in the 32 years with data in Table 1, and represents only the second time during this period that the combined ratio has been less 100.

The combined ratio after dividends provides an incomplete report on the underwriting experience in the workers' compensation insurance market, however, because no account is taken of investment gains (or losses) and other income received by workers' compensation carriers. Net investment gains (or losses) and other income as a percent of premium ("net investment income") are shown in Figure F and Table 1 (column 7). From 1981 to 2002, net investment income was at least 12 percent of premium in every year. Net investment income dropped below 12 percent in 2003 to 10.5 percent, which was the lowest rate since 1979. Net investment income recovered slightly to 10.6 percent in 2004, to 12.2 percent in 2005, and to 11.1 percent in 2006. The rapid decline of net investment income from an average of 22 percent in 1999 and 2000 reflects in part the low interest rates in recent years.

Table 2
Underwriting Experience, Workers' Compensation
and Commercial Lines, 1991-2006

Year	Overall Operating Ratio- Workers' Compensation	Overall Operating Ratio- Commercial Lines
1976	102.6	
1977	101.2	
1978	97.2	
1979	93.7	
1980	90.7	
1981	89.8	
1982	88.9	
1983	96.3	
1984	105.2	
1985	103.8	107.5
1986	107.4	97.7
1987	104.8	93.9
1988	105.7	93.2
1989	104.8	95.7
1990	104.4	95.9
1991	108.7	96.0
1992	103.4	101.5
1993	92.4	94.2
1994	86.4	99.2
1995	81.8	95.0
1996	83.8	92.7
1997	82.4	87.3
1998	92.6	92.8
1999	96.1	97.2
2000	99.8	94.3
2001	108.1	108.0
2002	100.4	100.6
2003	98.1	93.1
2004	94.5	93.0
2005	90.5	95.1
2006	83.9	80.3

Source:

Best's Aggregate & Averages Property/Casualty, 2007 and prior Editions, © A.M. Best Company - used with permission. Data for 2005 updated to reflect values from 2007 Edition.

Notes:

The Overall Operating Ratio is the total of all underwriting expenses and income from investments as a percentage of premiums.

"Commercial Lines" includes all insurance lines except passenger auto and homeowner multiples peril insurance.

Comparison to Other Insurance Lines

The overall operating ratio of workers' compensation is compared to all commercial lines of insurance for 1985 to 2006 in Figure G and Table 2. The comparison reinforces the impression of the volatility of the underwriting results in the workers' compensation insurance industry. The workers' compensation industry had smaller losses (a lower operating ratio) than other commercial lines in 1985; workers' compensation had losses (overall operating ratios were in excess of 100) while other commercial lines were profitable (overall operating ratios were less than 100) from 1986 until 1991; workers' compensation had greater losses than other commercial lines in 1992; workers' compensation was more profitable (a lower overall operating ratio) than other lines from 1993 to 1999; workers' compensation was profitable but less so than other lines in 2000; workers' compensation had losses that slightly exceeded those in other commercial lines in 2001; and workers' compensation had losses that were slightly lower than the losses in other commercial lines in 2002.

Both workers' compensation and other commercial lines of insurance returned to a profitable overall operating ratio in 2003, but workers' compensation was less profitable than the other lines in 2003 and 2004. Profitability improved more in 2005 for workers' compensation than for other lines of commercial insurance, but then did not improve as rapidly in workers' compensation as in all commercial lines in 2006. For all commercial lines, the overall operating ratio was 80.3 in 2006, the lowest in the 22 years shown in Table 2.

Analysis

The deterioration in the underwriting results in workers' compensation insurance between 1997 and 2001 was reversed in 2002, although the industry was still unprofitable. The efforts to improve underwriting results were rewarded in 2003, when the workers' compensation insurance industry achieved profitability for the first time since 2000. This trend continued from 2004 through 2006. Losses decreased in 2004 through 2006, and in the most recent year, the sum of losses and adjustment expenses were at their lowest level since 1997. The combination of underwriting expenses relative to premiums and dividends were down slightly in 2006, and net investment gains declined slightly. The combined effects of these developments resulted in the 16.1 percent profit experienced by workers' compensation insurers in 2006. The improved underwriting results should reduce the underlying pressures on carriers to increase insurance rates and to support regressive legislative changes.

ENDNOTES

1. More complete definitions of the overall operating ratio are provided subsequently in the text and in the notes to Table 1.
2. The reform efforts are examined in Spieler and Burton (1998).
3. The deregulation of the workers' compensation insurance market is examined in Thomason, Schmidle, and Burton (2001: 39-43).
4. The 1984 result for benefits paid to workers as a percent of payroll is from Sengupta, Reno, and Burton (2007): Table A4. The 1991, 1992, 1997, 2001, and 2005 results are from Sengupta, Reno, and Burton (2007): Table 12.
5. Incurred losses include paid losses plus reserves for future losses for injuries or diseases that have already occurred. An extended discussion of insurance terminology is included in Thomason, Schmidle, and Burton (2001, Appendix B).

REFERENCES

- Burton, John F., Jr., Florence Blum, and Elizabeth Yates. 2005. *Workers' Compensation Compendium 2005-06 Volume One*. Princeton, NJ: Workers' Disability Income Systems, Inc.
- Sengupta, Ishita, Virginia Reno, and John F. Burton, Jr. 2007. *Workers' Compensation: Benefits, Coverage, and Costs, 2005*. Washington, DC: National Academy of Social Insurance.
- Spieler, Emily and John F. Burton, Jr. 1998. "Compensation for Disabled Workers: Workers' Compensation." In Terry Thomason, John F. Burton, Jr., and Douglas E. Hyatt, eds., *New Approaches to Disability in the Workplace*. Madison, WI: Industrial Relations Research Association. An excerpt of the chapter is included in Burton, Blum, and Yates (2005): 229-43.
- Thomason, Terry, Timothy P. Schmidle, and John F. Burton, Jr. 2001. *Workers' Compensation: Benefits, Costs, and Safety under Alternative Insurance Arrangements*. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research.

ORDER FORM

Subscriptions to *Workers' Compensation Policy Review* are \$197 per year for six issues.
 Subscriptions for government entities, nonprofit organizations, and academic institutions, or for individuals paying by check are \$137 per year.
 International subscribers, please add \$10.
 Subscribers will receive a free custom binder for storing and organizing issues.
 Subscribers are also able to download back issues in PDF format.
 Order now by calling 732-274-0600 or toll free **866-712-9488**.
 OR Fill out the form below and mail or fax to:

Workers' Compensation Policy Review

56 Primrose Circle
 Princeton, NJ 08540-9416
 Fax 732-274-0678

Name: _____

Title: _____

Company: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: _____

Fax: _____

E-mail: _____

Check Enclosed

Bill me

VISA

MasterCard

AMEX

Credit Card #: _____ Expiration Date: _____

Signature: _____

Please make checks payable to **WDIS, Inc.**

ISSN 1532-9984

Annual Subscription (6 issues) \$197/ yr.

Government entities, nonprofit organizations, academic institutions, and individuals paying by check \$137/ yr.

Individual Issues \$50 each

Surcharge for international subscribers \$10

WORKERS' COMPENSATION POLICY REVIEW is published by Workers' Disability Income Systems, Inc., 56 Primrose Circle, Princeton, NJ 08540-9416, tel 732-274-0600/ fax 732-274-0678 or editor@workerscompresources.com. Copyright 2007 Workers' Disability Income Systems, Inc. Photocopying or reproducing in any form in whole or in part is a violation of federal copyright law and is strictly prohibited without the publisher's consent. Editorial inquiries should be directed to John F. Burton, Jr., Editor; or Florence Blum, Production Coordinator, at 56 Primrose Circle, Princeton, NJ 08540-9416 732-274-0600; fax 732-274-0678; email: editor@workerscompresources.com.

WORKERS' COMPENSATION POLICY REVIEW is not intended to be and should not be used as a substitute for specific legal advice, since legal opinions may only be given in response to inquiries regarding specific factual situations. If legal advice is required, the services of counsel should be sought.