## 2011 Disputes table updates

Appe	Appellate review requests and orders, 1991-2010									
Year	Requests on closures	Percent of closures appealed	Requests on disability classifications	Total orders issued	Percent of cases appealed to hearings	The WCD Appellate Review Unit provides administrative review of decisions made by insurers regarding claim closures and classifications of claims as disabling or nondisabling. Effective 2004, insurers may also appeal claim closures when they				
1991	6,014	16.5%	26	5,896	49.0%	disagree with findings on impairment by attending				
1992	6,535	20.0%	73	6,463	53.4%	physicians.				
1993	5,937	18.5%	87	5,954	48.1%					
1994	5,839	18.0%	99	5,953	47.8%	Since 1995, the trend in the number of requests				
1995	6,543	20.1%	152	6,420	44.6%	for reconsideration of claim closures has been				
1996	5,352	18.1%	128	5,857	41.2%	declining; it is currently at its lowest level. This is				
1997	4,306	15.2%	100	4,452	38.8%	largely due to the decline in the number of closures.				
1998	4,228	15.3%	123	4,282	38.9%	Requests are a count of the disputed closures,				
1999	4,025	15.5%	126	4,263	38.7%	regardless of the number of amending closures				
2000	3,833	15.3%	132	3,988	33.7%	that are disputed. A case is a proceeding to resolve				
2001	3,979	16.0%	142	4,021	30.7%	a disputed closure or disability classification,				
2002	3,906	16.7%	188	4,122	29.6%	regardless of the number of amending orders by				
2003	3,749	17.1%	205	4,037	28.2%	ARU.				
2004	3,800	17.2%	186	3,950	29.1%					
2005	3,531	16.4%	182	3,824	25.3%					
2006	3,424	15.2%	198	3,637	24.1%					
2007	3,788	16.4%	186	3,941	23.1%					
2008	3,527	16.1%	149	3,743	19.2%					
2009	3,409	17.5%	147	3,598	21.6%					
2010	2,978	16.6%	167	3,215	22.0%					

Medical dis	spute request	s and orders	s, 1990-2010	
Year	Requests	Orders	Request-to-order median days	Medical dispute resolution requests have fluctuated with court decisions and legislative changes. They declined sharply after a court decision limited the department's jurisdiction. SB 369
1990	1,172	310	28	reversed this decision and the numbers have since increased.
1991	1,386	969	112	
1992	1,518	1,412	63	In 1999, SB 728 gave authority to the Hearings Division
1993	876	987	44	to determine the compensability of the underlying medical
1994	466	467	33	condition or the causal relationship between the accepted
1995	741	469	39	condition and the medical service. All other medical disputes are
1996	716	856	120	handled by the WCD Medical Resolution Team.
1997	878	816	61	In 2008, the number of requests nearly doubled; this was due
1998	801	816	89	primarily to the initiation of alternative dispute resolution, which
1999	905	819	84	has resolved medical fee disputes quickly.
2000	991	948	114	Thas resolved medical fee disputes quickly.
2001	1,181	1,222	69	In 2010, the number of medical dispute orders was 2,665. The
2002	1,049	918	81	median number of request-to-order days was 11 days.
2003	1,362	1,293	88	
2004	1,350	1,264	87	
2005	1,456	1,548	75	
2006	1,651	1,745	41	
2007	1,823	1,803	28	
2008	3,319	2,740	24	
2009	3,047	3,822	16	
2010	2,948	2,665	11	

## Medical dispute issues, by year of request, 2006-2010 Interim Changes of Medical Palliative MCO Independent Compenmedical attending Year Fees services Treatments care issues physician medical exams sability benefits 2006 25.6% 42.7% 7.3% 4.0% 9.0% 1.3% 0.3% 9.7% 0.1% 2007 27.8% 40.2% 8.1% 3.1% 7.9% 0.5% 0.4% 11.8% 0.2% 2008 63.3% 21.1% 5.4% 1.5% 5.8% 0.1% 0.2% 2.5% 0.1% 2009 56.2% 23.5% 6.9% 1.2% 8.0% 0.5% 0.4% 3.0% 0.4% 2010 58.6% 19.5% 6.4% 1.3% 9.1% 0.6% 0.4% 4.1% 0.1%

SB 728 (1999) gave responsibility to the Hearings Division for disputes in which the compensability of the underlying medical condition is at issue. These cases were 4.1 percent of all 2010 medical-dispute-resolution requests. SB 485 (2001) amended the law regarding payment for interim medical benefits (medical services provided before a claim's initial acceptance or denial). It added a process for these disputes.

ocational	dispute requ	ests and resol	utions, 1991-20	10
Year	Requests	Resolutions	Request-to- resolution median days	The WCD Rehabilitation Review Unit provides administrative review of vocational disputes brought by workers. The number of requests has fallen since 1991, chiefly because of the decrease in
1991	2,067	2,137	41	the number of vocational assistance cases.
1992	1,643	1,725	29	The median number of days to resolve a dispute was 35 days for
1993	1,493	1,519	25	disputes resolved in 2010, and 85 percent were done within the
1994	1,389	1,373	24	standard of less than 60 days.
1995	1,347	1,304	28	,
1996	996	1,037	35	
1997	877	881	32	
1998	716	715	26	
1999	630	681	28	
2000	549	563	35	
2001	511	480	35	
2002	512	530	63	
2003	504	530	56	
2004	551	551	42	
2005	492	485	47	
2006	456	495	30	
2007	468	446	28	
2008	469	504	36	
2009	451	432	34	
2010	306	323	35	

Vocat	Vocational dispute resolutions, by outcome, 2006-2010						
Year	Agreements	Insurer prevail orders	Worker prevail orders	Other orders	Dismissals	The department strives to resolve vocational disputes through agreements, but agreements as a percentage of outcomes have shown a declining	
2006	27.3%	27.9%	8.1%	0.8%	36.0%	trend.	
2007	28.0%	21.5%	6.5%	0.9%	43.0%		
2008	22.4%	30.2%	8.9%	3.6%	34.9%		
2009	25.9%	22.5%	8.8%	3.9%	38.9%		
2010	21.1%	21.7%	9.0%	3.1%	45.2%		

Hea	aring	requests,	orders, tir	me lags, and	appeal rates,	1987-2010
				Request		Hearing requ
1				to order		in 2010, the l
Ye	ear	Requests	Orders	median days	Appeal rate	figure.
19	987	20,397	23,680	224	8.1%	Hearing requ
19	88	23,316	26,386	114	9.0%	injuries and a
19	989	27,549	24,890	116	8.7%	reduced litiga
19	990	24,018	25,073	147	7.3%	measures im
19	91	19,673	21,368	133	12.2%	for claim disp
19	992	17,490	19,580	125	12.6%	•
19	993	16,422	16,888	119	11.3%	HB 2900 (19
19	994	16,527	15,751	121	11.3%	days and an
19	95	14,862	16,798	124	10.6%	median time
	996	12,351	13,341	120	11.5%	Notes: Coun
19	97	11,266	11,596	122	12.5%	a prior hearir
19	98	11,059	11,271	121	11.7%	a mediation
19	999	11,084	10,846	124	11.5%	types except
20	000	10,654	10,935	128	11.0%	ļ '' '
	01	11,074	10,269	126	10.6%	All data excli
1	002	10,679	10,830	128	9.8%	
	003	10,177	10,429	136	10.9%	
1	04	9,980	9,531	127	9.6%	
20	05	9,297	10,006	146	9.0%	
	006	9,130	9,442	143	9.4%	
	07	9,355	9,261	138	8.6%	
	800	9,173	9,084	133	7.9%	
	009	8,568	9,044	141	7.8%	
20	)10	8,183	8,580	134	8.0%	

Hearing requests peaked in 1989. There were 8,183 requests in 2010, the lowest on record and about 30 percent of the 1989 figure.

Hearing requests have dropped for three primary reasons: fewer injuries and accepted disabling claims; law changes that have reduced litigation about permanent disability; and other reform measures implemented to reduce litigation, including the provision for claim disposition agreements.

HB 2900 (1987) required that a hearing be scheduled within 90 days and an order published within 30 days of the hearing. The median time between request and order was 134 days in 2010.

Notes: Counts include settlements that were received without a prior hearing request and cases generated in order to record a mediation result. Appeal rates are based on all hearing order types except WCD contested cases, not just appealable orders.

All data exclude safety cases.

Percent	Percentage of hearing orders involving selected issues, 1987-2010								
	Permanent	Claim	Partial	Insurer	Permanent disability was the most frequent hearing issue until				
Year	disability	denial	denial	penalty	1989, when whole claim denial replaced it. For 2008-2010,				
1987	46.1%	24.5%	9.3%	14.6%	permanent disability was an issue in 4 percent or less of hearings.				
1988	39.7%	24.5%	10.4%	16.4%	Since 1990, partial denial has risen from 9 percent to more than				
1989	31.9%	32.3%	7.3%	16.6%	47 percent of hearings orders.				
1990	33.3%	34.8%	8.8%	14.6%	Reasons for the relative frequency change of permanent disability				
1991	18.2%	43.7%	14.5%	10.0%	were HB 2900 in 1987 (disability standards), SB 1197 in 1990				
1992	15.7%	40.9%	14.7%	7.5%	(department reconsiderations, medical arbiters, and CDAs), and				
1993	12.6%	48.7%	14.5%	10.3%	SB 369 in 1995 (limitations on issues and evidence, and the				
1994	11.6%	44.7%	19.9%	12.5%	definition of "gainful employment").				
1995	10.4%	39.4%	27.5%	12.1%	definition of gainful employment <i>j</i> .				
1996	11.5%	38.2%	34.4%	8.4%	Notes: This table does not include all issues. Also, orders may				
1997	10.1%	46.6%	24.6%	5.9%	deal with multiple cases, and each case may have multiple				
1998	7.6%	42.9%	33.4%	7.2%	issues. Issues are not recorded for cases that are dismissed or				
1999	7.8%	42.5%	33.9%	7.8%	withdrawn, so these percentages are based on opinion and order				
2000	7.5%	40.7%	36.2%	7.4%	cases and settlements.				
2001	6.1%	39.7%	38.7%	8.1%					
2002	6.3%	39.7%	38.9%	6.6%					
2003	5.6%	40.7%	38.0%	7.2%					
2004	6.6%	39.7%	37.8%	7.5%					
2005	5.3%	41.5%	38.1%	7.3%					
2006	4.5%	39.8%	38.7%	7.7%					
2007	4.6%	37.6%	40.6%	8.6%					
2008	4.0%	36.3%	43.5%	7.8%					
2009	3.9%	35.8%	44.8%	7.3%					
2010	3.5%	34.3%	47.3%	6.9%					

Workers'	Workers' Compensation Board mediations, 1996-2010								
			Percent of	The board's mediation program began in June 1996.					
Year	Mediations completed	Percent settled	settlements resolved by DCS	The 91 percent settlement rate of 2010 was the second highest on record.					
1996	128	84%	81%						
1997	250	92%	82%	A mediation is considered settled by a disputed claim settlement if					
1998	233	90%	87%	any included case is closed by a DCS.					
1999	216	90%	84%	Data through 2005 are based on mediation worksheets; data for					
2000	280	89%	87%	2006 and after are based on mediation events in the board's data					
2001	248	85%	93%	system.					
2002	285	86%	85%	oyotom.					
2003	241	86%	88%						
2004	268	84%	81%						
2005	270	87%	82%						
2006	356	88%	77%						
2007	346	89%	79%						
2008	398	90%	76%						
2009	487	89%	80%						
2010	439	91%	81%						

Issues in W	ues in WCB mediations, 1996-2010									
Year	Disease	Compensability	Non-WCB issues	"Disease" means compensability of an occupational disease; it includes mental disorder.						
1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009	50% 50% 44% 63% 41% 49% 42% 41% 31% 67% 46% 64% 72% 73%	N/A 90% 98% N/A 97% 99% 95% 99% 97% 94% 81% 81% 89%	N/A 40% 47% 46% 43% 51% 55% 45% 50% 47% 42% 43% 43% 44%	"Non-WCB issues" includes employment rights, Workers' Compensation Division issues, torts, contracts, and other civil actions.  In 2008, the cases resolved by mediation that included compensability as an issue dropped to an all-time low of 79 percent. The percentage of mediations that included non-WCB issues has ranged from 2010's record-low 35 percent to 55 percent.						
2010	68%	83%	35%							

Board	Board review requests, orders, time lags, and appeal rates, 1987-2010								
			Request-to-		The number of requests for board review peaked in 1991.				
			order median	Appeal	Requests have dropped primarily because the number of hearing				
Year	Requests	Orders	days	rates	opinion and orders (judge's decision on the merits) has dropped				
1987	1,719	1,222	259	29.6%	from the high of 7,000 in 1988 to fewer than 2,000 in recent				
1988	2,151	991	306	12.8%	years.				
1989	1,944	1,576	548	13.6%	HB 2900 (1987) required a board review to be scheduled within				
1990	1,653	3,067	458	17.2%	90 days and an order published within 30 days of the review.				
1991	2,346	2,064	264	23.8%	1 '				
1992	2,230	2,487	255	27.9%	The appeal rate of board-review orders dropped immediately				
1993	1,726	1,931	256	19.5%	from the 1987 peak. One reason was that HB 2900 changed the				
1994	1,599	1,814	238	20.1%	court's review standard from de novo to "substantial evidence."				
1995	1,553	1,655	204	17.4%	Note: Counts exclude crime-victim and third-party cases,				
1996	1,381	1,676	163	17.9%	reconsideration orders, and on-remand orders. Appeal rates are				
1997	1,307	1,229	160	18.2%	based on all board-review order types, not just orders on review.				
1998	1,187	1,358	134	18.5%	based off all board-review order types, not just orders of review.				
1999	1,141	1,147	125	19.1%					
2000	1,076	1,166	118	21.2%					
2001	966	860	110	22.9%					
2002	939	818	209	14.5%					
2003	996	1,023	161	19.2%					
2004	802	912	162	17.9%					
2005	796	770	140	13.8%					
2006	782	738	167	14.9%					
2007	705	701	170	14.4%					
2008	625	721	196	14.6%					
2009	601	582	172	12.9%					
2010	588	614	187	12.4%					

Year	BOM orders	In 1987, the Legislature (HB 2900) limited worker benefits by own
1987	612	motion. The number of board own-motion orders peaked in 1991.
1988	724	The 2001 Legislature (SB 485) provided for benefits when
1989	703	curative treatment is in lieu of hospitalization, new and omitted
1990	962	medical condition claims, and permanent disability. These actions
1991	1,135	may account for the increase in orders in 2003-2005 over 2002.
1992	1,003	
1993	927	Lawmakers in 2005 (HB 2294) required that a condition must be
1994	845	compensable before an own-motion claim may be processed,
1995	751	reducing numbers of own-motion claims.
1996	659	
1997	616	
1998	639	
1999	593	
2000	555	
2001	431	
2002	243	
2003	395	
2004	496	
2005	466	
2006	183	
2007	179	
2008	198	
2009	166	
2010	213	

Year	Hearings	Board	Court	Times from injury to order have declined substantially since 1987
1987	758	1,067	1,496	in large part due to the change in the mix of issues. Whole-claim
1988	677	1,098	1,606	denial is generally the first possible issue in a claim and hearings
1989	602	1,320	1,512	the first level of appeal.
1990	617	1,169	1,770	Notes: Data are for all order types except Court of Appeals
1991	659	978	1,512	
1992	655	1,047	1,549	dismissals. The 2010 court lag of 1,570 days equates to 4.3
1993	598	966	1,443	years.
1994	561	870	1,402	
1995	574	817	1,490	
1996	532	763	1,247	
1997	502	723	1,484	
1998	488	716	1,330	
1999	485	685	1,446	
2000	506	721	1,238	
2001	496	714	1,281	
2002	549	811	1,311	
2003	541	780	1,369	
2004	535	806	1,481	
2005	559	827	1,446	
2006	537	831	1,447	
2007	533	834	1,440	
2008	541	855	1,455	
2009	564	890	1,790	
2010	581	867	1,570	

Disputed claim settlements at hearing and board review, 1987-2010						
	Hearing Board		ard	The number of DCSs at hearing has dropped significantly		
Year	DCS cases	Amount (\$ millions)	DCS orders	Amount (\$ millions)	since the peak in 1991, but their relative significance has risen.  Between 1987 and 2010, DCSs grew from 16 percent to 39 percent of all hearing orders and from 26 percent to 73 percent of	
1987	3,778	\$18.2	N/A	N/A	all settlements.	
1988	4,139	21.6	N/A	N/A		
1989	4,365	22.5	N/A	N/A	Total DCS proceeds exceeded the 1991 peak for the first time in	
1990	5,374	29.1	N/A	N/A		
1991	6,021	32.6	N/A	N/A	2010.  Note: Since 2000, the board figures include DCSs approved after	
1992	4,942	25.7	64	\$0.980	a remand or dismissal by the Court of Appeals.	
1993	4,700	24.8	84	1.166		
1994	4,100	20.8	64	0.778		
1995	4,455	22.2	52	0.521		
1996	4,001	19.1	55	0.608		
1997	3,846	19.0	49	0.622		
1998	3,921	20.3	35	0.374		
1999	3,721	19.6	40	0.398		
2000	4,019 3,899	22.8 21.2	55 68	0.706 0.854		
2002	3,931	23.1	68	0.860		
2003	3,703	22.1	71	0.898		
2004	3,219	20.7	62	1.065		
2005	3,401	22.6	60	0.822		
2006	3,176	22.5	45	0.735		
2007	3,276	24.0	48	0.787		
2008	3,325	26.4	54	1.395		
2009	3,614	31.2	38	0.795		
2010	3,349	32.8	45	1.131		

Claim dispositio	laim disposition agreements, 1990-2010						
Year	CDAs approved	Total amount (\$ millions)	SB 1197 authorized claim disposition agreements in 1990. In 2004, 2,869 CDAs were approved, the fewest since 1991. Since				
1990	362	\$6.9	that time, the number of CDAs approved and total dollar amounts				
1991	2,840	45.6	have risen. A record \$65.7 million was paid in CDAs in 2010.				
1992	3,229	47.0					
1993	3,304	42.5					
1994	3,260	41.8					
1995	3,929	48.6					
1996	3,564	45.0					
1997	3,268	44.3					
1998	3,074	37.7					
1999	3,073	39.7					
2000	3,144	39.9					
2001	3,143	39.3					
2002	3,207	44.9					
2003	3,040	41.2					
2004	2,869	43.8					
2005	2,923	43.7					
2006	2,954	52.2					
2007	3,050	52.5					
2008	3,182	62.6					
2009	3,446	64.6					
2010	3,304	65.7					

Claimant	Claimant attorney fees and defense legal costs, 1987-2010							
Year	Claimant attorney fees (\$ millions)	Defense legal costs (\$ millions)	Claimant attorney fees peaked in 1991 and 1992 at about 49 percent above 1987 fees; they didn't reach that level again until					
1987	\$14.4	N/A	2009.					
1988	16.3	N/A	Defense legal costs peaked in 1992 and were rising again after					
1989	16.6	\$23.4	2002, reaching the highest level on record in 2010.					
1990	17.8	26.1						
1991	21.4	27.0	Defense legal costs differ from claimant attorney fees in					
1992	21.4	28.2	several ways: they include all costs, in addition to fees; they					
1993	19.8	27.2	are the actual amounts paid rather than the amounts in rule;					
1994	18.9	25.7	they are not reversible on appeal; and there may be fees paid					
1995	19.9	27.4	to multiple attorneys on a single dispute.					
1996	17.5	25.3	Information about series breaks:					
1997	16.0	24.3						
1998	16.1	24.2	Break #1. Beginning with 2004, data on fees at the Court of					
1999	15.8	24.2	Appeals and in department medical service and vocational					
2000	16.7	23.9	assistance disputes were available. For 2004-2006, these					
2001	16.1	25.7	added fees were 1.5 percent to 1.9 percent of the total.					
2002	17.2	25.3	Break #2. For 2007, data on fees for WCD contested cases					
2003	17.1	27.1	at hearing and Board Own Motion were available. Added fees					
	>Series break #1		in 2007 were 0.4 percent of total fees. Own motion fees are					
2004	17.7	27.7	estimated.					
2005	18.4	29.4						
2006	19.0	29.7						
	>Series break #2							
2007	19.3	30.2						
2008	21.1	32.4						
2009	22.3	37.9						
2010	22.6	38.3						

Clain	Claimant attorney fees, 1987-2010					
	Hearings	Board	CDA	Reconsideration		
Year	(\$ thousands)	(\$ thousands)	(\$ thousands)	(\$ thousands)	prohibited hearing-awarded fees for issues before the director,	
1987	\$14,187	\$226	-	-	and limited fees for reversal of denials before hearing.	
1988	15,967	335	-	-	In early 1999, the board increased the maximum amount of	
1989	15,953	656	-	-	fees that may be awarded out of increased disability awards.	
1990	15,902	1,007	\$900	\$1	disputed claim settlements, and claim disposition agreements.	
1991	13,796	905	6,429	277		
1992	12,505	1,067	7,096	727	SB 620 in 2003 changed penalty fees from one-half of the	
1993	11,145	1,165	6,658	858	penalty to fees proportional to the benefit. The maximum fee is	
1994	10,400	1,140	6,511	835	\$2,000.	
1995	10,859	826	7,315	890	HB 3345 increased maximum fees in responsibility and penalty	
1996	9,100	857	6,677	825	disputes, as well as providing for fees in a few additional areas.	
1997	8,518	753	5,999	683		
1998	8,863	802	5,664	761	In 2010, 40 percent of all claimant attorney fees came from	
1999	8,537	612	5,908	764	CDAs.	
2000	9,128	693	6,118	786	For information about series breaks see comment in previous	
2001	8,540	612	6,115	833	table.	
2002	8,914	626	6,880	785		
2003	8,989	721	6,540	810		
	>	Series break #1				
2004	8,886	790	6,787	890		
2005	9,490	762	6,784	994		
2006	9,681	757	7,291	954		
>Series break #2						
2007	9,647	746	7,692	814		
2008	10,139	951	8,856	707		
2009	11,295	778	9,129	670		
2010	11,603	980	9,008	576		

Clain	Claimant attorney fees from lump-sum settlements, 1989-2010						
Year	Hearing DCS (\$ thousands)		Lump sum (\$ thousands)	Lump sum percentage	Lump-sum attorney fees are from claim disposition agreements and disputed claim settlements. (CDA attorney fees are shown in		
1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009	\$4,049 5,222 6,107 4,978 4,708 4,105 4,376 3,787 3,629 3,954 3,787 4,338 4,145	\$98 151 136 164 222 143 106 129 121 57 67 168 149 170 196 200 178 146 152 226 150	\$4,147 6,273 12,672 12,238 11,588 10,759 11,797 10,593 9,749 9,675 9,762 10,624 10,409 11,457 11,054 10,897 11,278 11,710 12,373 13,966 14,873	25.0% 32.5% 59.2% 57.2% 58.4% 57.0% 59.3% 60.7% 61.1% 60.1% 61.7% 63.6% 64.7% 66.6% 64.8% 61.5% 61.5% 61.7% 64.1% 66.3% 66.8%	the previous table.) Lump-sum fees increased from 25 percent of all attorney fees in 1989 (before CDAs) to 66 percent in 2002, a level reached again in 2008.  In 1989, DCSs accounted for 26 percent of all hearing fees. This percentage peaked in 2002 at 50 percent; it reached 50 percent again in 2010.  Note: The 1989-1991 board DCS figures are estimates.		

Maximur	Maximum out-of-compensation attorney fees						
<u>Hearings</u>			For PTD, PPD, and time loss, attorney fees allowed are 25				
PTD	\$4,600	\$12,500	percent of increased compensation award, subject to these limitations. Fees may exceed these limitations in extraordinary				
PPD	2,800	4,600	circumstances.				
Time loss	1,050	1,500					
DCSs	25% of the first \$12,500, 10% of the remainder	25% of the first \$17,500, 10% of the remainder					
<u>Board</u>	<u>1/1988 - 2/1999</u>	2/1999 - present					
PTD	\$6,000	\$16,300					
PPD	3,800	6,000					
Time loss	3,800	5,000					
CDAs	25% of the first \$12,500, 10% of the remainder	25% of the first \$17,500, 10% of the remainder					