

2015 Indemnity Benefits table updates

Indemnity and medical benefits paid, CY 1995-2014			
Year	Total paid (\$ millions)	Indemnity percent	Medical percent
1995	\$465.67	58.2%	41.8%
1996	442.81	56.2%	43.8%
1997	431.30	53.9%	46.1%
1998	437.25	52.0%	48.0%
1999	431.86	52.4%	47.6%
2000	451.16	50.9%	49.1%
2001	476.63	50.6%	49.4%
2002	489.76	50.7%	49.3%
2003	478.11	49.3%	50.7%
2004	505.94	48.7%	51.3%
2005	539.21	46.8%	53.2%
2006	562.95	47.5%	52.5%
2007	574.52	48.4%	51.6%
2008	580.14	50.5%	49.5%
2009	617.96	48.4%	51.6%
2010	596.34	48.2%	51.8%
2011	598.52	46.6%	53.4%
2012	577.71	44.9%	55.1%
2013	583.15	46.0%	54.0%
2014	583.02	45.5%	54.5%

Total benefits paid peaked in 2009; they totaled approximately \$583 million in 2014.

Indemnity benefits paid have generally been less than half of the total benefits paid since 2003. Until the past few years, medical benefit payments have risen faster than indemnity benefits.

Total benefits paid is indemnity benefits plus medical benefits for accepted and denied disabling and nondisabling claims. Most of this is paid by insurers from premium. A small amount is reimbursement from the Workers' Benefit Fund. Total paid does not include cost-of-living adjustments from the Retroactive Program or most payments under the Re-employment Assistance Program.

Indemnity benefits are temporary disability, permanent partial disability, permanent total disability, vocational assistance, and death benefits, plus agreements and settlements. Temporary disability excludes most payments before compensability denial or after a department or court order; this applies to all the tables. Medical benefits paid are extrapolated from reported paid bills.

Some indemnity data are also estimated. Historical data are subject to small changes.

Indemnity benefits paid for accepted disabling claims, CY 1995-2014		
Year	Benefits paid (\$ millions)	Average benefits
1995	\$252.87	\$7,580
1996	233.03	7,610
1997	219.32	7,487
1998	212.97	7,465
1999	213.26	7,868
2000	215.08	8,208
2001	227.00	8,721
2002	234.57	9,537
2003	221.41	9,548
2004	233.48	10,059
2005	238.17	10,520
2006	252.06	10,606
2007	263.08	10,751
2008	276.75	11,875
2009	281.34	13,453
2010	269.55	14,038
2011	262.48	13,681
2012	242.73	12,579
2013	249.89	12,938
2014	246.65	12,487

Total indemnity benefits paid by insurers for accepted disabling claims also peaked in 2009, then declined in four of the next five years.

After peaking in 2010, average indemnity paid declined in three of the past four years. This average is indemnity paid divided by the number of claim resolutions in the year. The remaining tables provide details about types of benefits paid, claim resolutions, and resolved accepted disabling claims.

Some payment data are estimated. Historical data are subject to small changes.

Indemnity paid for accepted disabling claims by benefit type, CY 1995-2014

Year	Temporary disability (\$ millions)	PPD (\$ millions)	PTD (\$ millions)	Death (\$ millions)	Claim disposition agreements (\$ millions)	Disputed claim settlements (\$ millions)	Vocational assistance (\$ millions)	Total (\$ millions)
1995	\$98.43	\$59.87	\$13.64	\$9.00	\$47.58	\$15.02	\$9.34	\$252.87
1996	88.03	59.65	13.12	9.61	43.98	9.14	9.50	233.03
1997	82.26	55.20	12.61	10.33	42.89	8.19	7.83	219.32
1998	82.53	55.20	11.97	10.85	36.28	9.07	7.08	212.97
1999	83.57	53.40	11.45	11.10	38.59	8.74	6.42	213.26
2000	82.36	54.94	11.03	11.81	38.50	10.32	6.11	215.08
2001	92.03	59.00	10.49	12.06	37.78	9.53	6.10	227.00
2002	92.79	57.86	9.98	12.30	43.14	11.94	6.55	234.57
2003	84.63	57.98	9.54	13.14	39.45	10.57	6.09	221.41
2004	91.54	60.26	9.11	13.05	41.99	10.91	6.64	233.48
2005	92.05	63.71	8.94	13.68	42.14	11.02	6.63	238.17
2006	98.30	64.21	8.54	13.68	49.91	10.31	7.11	252.06
2007	105.15	65.07	8.38	14.40	50.80	11.94	7.34	263.08
2008	110.66	62.32	7.86	14.10	61.11	13.62	7.07	276.75
2009	111.83	61.19	7.37	14.56	62.01	16.91	7.46	281.34
2010	104.71	54.35	6.94	14.01	64.07	18.67	6.81	269.55
2011	101.12	50.38	6.57	14.72	64.32	18.78	6.59	262.48
2012	96.30	47.07	6.13	14.30	57.29	16.01	5.64	242.73
2013	100.76	46.46	5.89	14.07	59.92	17.91	4.88	249.89
2014	99.37	43.22	5.70	14.66	60.45	18.95	4.30	246.65

In 2014, 40 percent of indemnity benefits for accepted disabling claims were temporary disability payments, 18 percent were permanent partial disability (PPD) awards, 32 percent were agreements and settlements, and the remainder were paid for permanent total disability (PTD), death, and vocational assistance benefits. Agreements and settlements have accounted for at least 30 percent of indemnity since 2010.

The trends in the categories of indemnity payments have all generally followed the same trend as accepted disabling claims: Falling in the late 1990s, rising throughout the early 2000s, and falling again in recent years.

Data are reported by the year of closure by the insurer or order by the department or court. Temporary disability includes reports by insurers at claim closure and following a vocational assistance training plan, and estimates of unreported data such as for initial claims resolved by claim disposition agreement. Some death and PTD benefits are estimated and neither includes cost-of-living adjustments paid from the Workers' Benefit Fund. Benefits paid on PTD claims after the worker has died are included in death benefits. Historical data are subject to small changes.

Workers' Benefit Fund payments by benefit type, CY 1995-2014

Year	PTD (\$ millions)	Death (\$ millions)	EAIP disabling claims (\$ millions)	EAIP non-disabling claims (\$ millions)	PWP worker initiated (\$ millions)	PWP employer initiated (\$ millions)	PWP claim costs reimbursed (\$ millions)	Total (\$ millions)
1995	\$29.39	\$31.96	\$4.95	\$0.01	\$6.19		\$3.13	\$75.62
1996	28.30	32.95	6.28	1.28	7.91		3.03	79.74
1997	28.19	34.72	6.63	3.22	8.87		3.01	84.64
1998	27.99	35.88	7.61	4.05	8.46		3.45	87.45
1999	27.61	36.79	6.78	3.82	7.23		3.71	85.94
2000	27.60	38.42	5.82	3.69	5.86		3.01	84.40
2001	26.28	38.82	7.01	4.01	5.77		3.19	85.09
2002	24.97	39.21	5.72	3.28	4.99		2.56	80.73
2003	23.35	38.22	5.75	3.01	4.41		2.27	77.02
2004	21.94	37.53	6.36	3.34	5.72		2.31	77.21
2005	21.49	36.95	6.74	3.29	5.03	\$0.01	2.19	75.70
2006	20.57	36.92	7.91	3.96	4.57	1.05	2.04	77.02
2007	19.85	35.66	9.50	4.36	4.13	1.62	2.28	77.40
2008	19.42	35.80	12.64	5.54	4.56	1.88	2.34	82.17
2009	18.83	36.14	13.09	5.63	3.73	1.86	2.67	81.95
2010	17.70	35.24	11.69	4.82	3.05	1.70	2.68	76.88
2011	16.26	34.30	13.23	6.00	3.17	1.50	2.73	77.19
2012	14.85	32.62	14.34	6.42	2.80	1.67	2.18	74.89
2013	13.86	31.59	16.23	6.53	2.10	1.81	2.37	74.49
2014	12.92	31.06	14.25	5.92	2.96	2.55	1.68	71.34

The Workers' Benefit Fund provides funds for several programs that assist employers and injured workers. Assessment revenues, not insurance premiums, finance these programs. Employers and workers each pay half the assessment. The two major programs are the Retroactive Program and the Re-employment Assistance Program.

The Retroactive Program pays cost-of-living increases to workers or their beneficiaries based on changes in average wages. The two major benefits paid are for permanent total disability and death. In 2014, the Retroactive Program provided an estimated \$43.98 million for PTD and death benefits. Since at least 1995, the majority of PTD and death benefits have been paid from this program.

The Re-employment Assistance Program provides incentives for injured workers to return to work, through the Employer-at-Injury Program (EAIP) and the Preferred Worker Program (PWP). Benefits common to both are wage subsidies, worksite modifications, and employment purchases. Total payments for EAIP first exceeded PWP in 2000, and, in 2013, total EAIP was nearly three times total PWP payments.

Workers who have not been released to regular work but can return to transitional jobs are eligible for the EAIP. Use of this program allows many claims to remain nondisabling even though the workers have medical restrictions. (For more details, see the return-to-work tables.) Generally, EAIP payments for nondisabling claims have been somewhat less than half that for disabling claims.

Workers who have a permanent disability and are unable to return to regular work are eligible for the PWP benefits, which may be initiated by either the worker or the employer. In addition, claim cost reimbursement is paid for preferred workers who suffer new injuries. PWP claim cost reimbursements are included in all tables that have statistics about indemnity or medical benefits paid.

Historical data are subject to small changes.

Claim resolutions, CY 1995-2014

Year	Initial claim, CDA	Initial claim, closure	Aggravation and medical condition, closure	Vocational training closure	Total claim resolutions	<p>Accepted disabling claims may be resolved multiple times. The trend for total claim resolutions has followed the trend in claims.</p> <p>Claim types are initial claims, aggravation, new or omitted medical condition, and vocational training. Resolutions are by claim closure or full-release claim disposition agreement (CDA) on an initial claim. Most claim resolutions are closures on initial claims.</p> <p>For each of the past nine years, more than 1,000 claims have had a CDA rather than an initial claim closure. (These counts exclude CDAs for nondisabling claims and for closed disabling claims.)</p> <p>Historical data are subject to small changes.</p>
1995	714	30,582	1,822	242	33,360	
1996	785	28,187	1,375	273	30,620	
1997	854	26,898	1,253	288	29,293	
1998	829	26,215	1,242	242	28,528	
1999	947	24,739	1,212	207	27,105	
2000	892	24,057	1,059	197	26,205	
2001	955	23,765	1,106	203	26,029	
2002	925	22,474	1,010	188	24,597	
2003	927	21,094	962	205	23,188	
2004	906	21,107	1,010	189	23,212	
2005	953	20,550	938	199	22,640	
2006	1,045	21,613	914	194	23,766	
2007	1,161	22,230	860	220	24,471	
2008	1,240	20,988	882	195	23,305	
2009	1,391	18,496	826	199	20,912	
2010	1,256	16,991	768	186	19,201	
2011	1,269	16,980	757	180	19,186	
2012	1,241	17,226	701	128	19,296	
2013	1,290	17,270	631	124	19,315	
2014	1,306	17,827	539	80	19,752	

Average temporary disability days paid by type of claim resolution, CY 1995-2014

Year	Initial claim, CDA	Initial claim, closure	Aggravation and medical condition, closure	Vocational training closure	All claim resolutions	<p>The average duration of temporary disability for initial claim closures was 52 days in 2014, down from the recent peak of 60 days in 2009.</p> <p>Temporary disability payments are not reported for initial claims that resolve by claim disposition agreement. However, a data call completed in March 2012 provided sample results that helped to improve our estimated averages. For 2014, the estimated average was 218 days; this figure has been fairly constant the past three years.</p> <p>In 2014, the average number of paid days for all claim resolutions was 64 days. When the recession cut jobs, reducing claims, the average paid days was based on more older and longer-duration claims. With the recovery in jobs, the average paid days has declined.</p> <p>The data are reported for each claim resolution by the year of claim closure or claim disposition agreement. The average days are calculated per resolution rather than per claim.</p> <p>Historical data are subject to small changes.</p>
1995	265	50	117	205	60	
1996	250	48	107	207	57	
1997	223	45	98	222	54	
1998	213	46	86	221	54	
1999	214	46	84	208	55	
2000	213	45	80	214	53	
2001	223	47	92	213	57	
2002	254	49	86	243	60	
2003	229	48	73	221	58	
2004	243	50	79	230	60	
2005	259	51	86	209	63	
2006	256	50	70	218	61	
2007	246	50	96	215	63	
2008	264	52	84	213	66	
2009	236	60	69	237	74	
2010	245	57	91	219	73	
2011	240	54	89	260	70	
2012	217	53	66	248	65	
2013	214	55	87	262	68	
2014	218	52	83	301	64	

Temporary disability for resolved accepted disabling claims, CY 1995-2014

Year	Resolved claims	Average days	Average dollars	Median days	<p>The trend for resolved accepted disabling claim counts follows the trend for new ADCs. An accepted disabling claim is resolved if it has had a claim closure or a claim disposition agreement on the initial opening and if it is not currently in an open or reopened status.</p> <p>For claims resolved in 2014, the average number of temporary disability days paid per accepted disabling claim, counting all resolutions for a claim, was 68 days, down from the recent peak of 77 days. The average temporary disability payment was \$5,321.</p> <p>The median number of days has remained nearly constant at 23-24 days for the past six years. The smaller figure for median days of temporary disability indicates that there are a large number of ADCs that are resolved fairly quickly, and a smaller number that take much longer to resolve.</p> <p>The data are reported by the year of the latest claim resolution. Historical data will show small changes as claims are reopened and closed.</p>
1995	31,658	65	3,205	19	
1996	29,168	62	3,091	17	
1997	27,951	58	3,013	17	
1998	27,205	57	3,074	18	
1999	25,777	58	3,244	19	
2000	24,978	56	3,264	18	
2001	24,833	60	3,686	18	
2002	23,326	62	3,921	18	
2003	22,015	61	3,809	18	
2004	22,048	63	4,098	19	
2005	21,536	66	4,287	19	
2006	22,688	64	4,270	19	
2007	23,399	65	4,464	19	
2008	22,271	69	4,900	20	
2009	19,983	77	5,554	24	
2010	18,407	77	5,689	23	
2011	18,351	74	5,558	23	
2012	18,598	70	5,362	23	
2013	18,777	72	5,600	24	
2014	19,357	68	5,321	24	

Permanent partial disability, CY 1995-2014

Year	Claims resolved by closure, with PPD	Percentage of closed claims with PPD	Average PPD award	<p>About 25 percent of claims that resolved by closure in 2014 received permanent partial disability awards, a historical low that continues the recent declining trend. Annual counts of closed claims with PPD have decreased from almost 9,500 in 1995 to fewer than 4,400 currently.</p> <p>In 2014, the average award for those claims was \$10,248, continuing recent decline.</p> <p>PPD awards have annual statutory increases, so the decline reflects declining awards. Closed claims do not include initial claims resolved by claim disposition agreement, which do not receive a PPD award but which release future PPD liability. The upward trend for claims resolved by initial-claim CDA accounts for some of the decline in the number of PPD claims.</p> <p>These data are reported by the year of the last claim closure. The average awards include the initial awards made by insurers and the net amounts that were awarded during the appeal process, summed over all claim closures. Data will change as claims are opened and closed.</p>
1995	9,479	30.7%	\$6,371	
1996	8,911	31.5%	\$6,602	
1997	8,046	29.8%	\$7,017	
1998	7,737	29.5%	\$7,118	
1999	7,301	29.6%	\$7,329	
2000	6,937	29.0%	\$7,767	
2001	7,004	29.6%	\$8,291	
2002	6,712	30.3%	\$8,554	
2003	6,223	29.8%	\$9,081	
2004	6,285	30.0%	\$9,567	
2005	6,272	30.7%	\$9,976	
2006	6,347	29.5%	\$9,563	
2007	6,336	28.7%	\$9,769	
2008	6,021	28.7%	\$10,157	
2009	5,726	30.8%	\$10,515	
2010	5,001	29.1%	\$10,743	
2011	4,774	27.9%	\$10,847	
2012	4,704	27.0%	\$10,454	
2013	4,529	25.9%	\$10,392	
2014	4,381	24.9%	\$10,248	

Permanent total disability awards, CY 1987-2014

Year	Grant	Rescind	Net awards	<p>The number of permanent total disability awards declined dramatically between 1988 and 1990, when disability rating standards were adopted system-wide. The creation of claim disposition agreements in 1990 led to further decline.</p> <p>PTD grants can be made by insurers or by the department through the appeal process. These counts include the reinstatement of awards that were rescinded by insurers or during earlier appeals.</p> <p>Following passage of legislation in 2005, PTD rescissions have become rare. Only one PTD award has been rescinded in the past five years.</p>
1987	204	27	177	
1988	209	14	195	
1989	139	15	124	
1990	81	36	45	
1991	68	22	46	
1992	47	5	42	
1993	26	13	13	
1994	36	9	27	
1995	32	17	15	
1996	17	6	11	
1997	20	5	15	
1998	16	6	10	
1999	25	11	14	
2000	14	6	8	
2001	13	14	-1	
2002	23	3	20	
2003	14	6	8	
2004	20	7	13	
2005	20	4	16	
2006	18	1	17	
2007	15	1	14	
2008	10	1	9	
2009	13	0	13	
2010	23	0	23	
2011	10	1	9	
2012	9	0	9	
2013	14	0	14	
2014	9	0	9	

Maximum PPD benefits, since July 1986

Dates of injury	Maximum scheduled PPD	Maximum unscheduled PPD	Maximum PPD	<p>In 2003, SB 757 revised the permanent partial disability award structure, effective January 2005. It eliminated the distinction between scheduled and unscheduled PPD. The new structure reallocated benefits to better reflect earnings loss, providing less-generous benefits to some workers who can return to regular work, and more-generous benefits to those who cannot. The maximum PPD award was increased, but there has been no increased cost to the workers' compensation system.</p> <p>Benefit levels are now associated by formula with the change in the state average weekly wage. The small decline in benefits beginning July 2012 reflects a recession-related decline in the average weekly wage. Maximum PPD benefit levels in the three most recent years are more than double the pre-2005 unscheduled maximum.</p>
July 1986 - June 1987	\$24,000	\$32,000	-	
July 1987 - June 1990	27,840	32,000	-	
July 1990 - June 1991	58,560	32,000	-	
July 1991 - June 1992	58,577	60,503	-	
July 1992 - June 1993	60,601	62,592	-	
July 1993 - June 1994	63,631	65,723	-	
July 1994 - June 1995	66,722	68,915	-	
July 1995 - Dec. 1995	67,402	69,617	-	
Jan. 1996 - Dec. 1997	80,640	130,400	-	
Jan. 1998 - Dec. 1999	87,168	138,224	-	
Jan. 2000 - Dec. 2001	98,168	149,033	-	
Jan. 2002 - Dec. 2004	107,328	162,272	-	
-----> Series break				
Jan. 2005 - June 2005	-	-	\$263,917	
July 2005 - June 2006	-	-	273,271	
July 2006 - June 2007	-	-	276,517	
July 2007 - June 2008	-	-	290,073	
July 2008 - June 2009	-	-	302,946	
July 2009 - June 2010	-	-	306,862	
July 2010 - June 2011	-	-	314,061	
July 2011 - June 2012	-	-	322,929	
July 2012 - June 2013	-	-	322,447	
July 2013 - June 2014	-	-	330,500	
July 2014 - June 2015	-	-	340,508	
July 2015 - June 2016	-	-	353,543	