

CompScope™ Benchmarks for Florida

21st Edition

Rebecca Yang



Workers Compensation
Research Institute

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COMPSCOPE™ BENCHMARKS FOR FLORIDA, 21ST EDITION

Rebecca Yang

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TABLE OF CONTENTS

<u>Summary of Major Findings for Florida</u>	<u>3</u>
<u>How to Use This Analysis</u>	<u>5</u>
<u>Major Findings Slides</u>	<u>8</u>
<u>Discussion of Major Findings</u>	<u>29</u>
<u>Supplemental Material</u>	<u>34</u>
<u>Data and Methods</u>	<u>48</u>
<u>Finding the Data You Want: Quick Reference Guide to Figures and Tables</u>	<u>65</u>
<u>References</u>	<u>132</u>
<u>List of Common Abbreviations and Symbols</u> (link to a separate document)	
<u>Glossary</u> (link to a separate document)	
<u>Technical Appendix</u> (link to a separate document)	
<u>The DataBook</u> (link to a separate document)	

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SUMMARY OF MAJOR FINDINGS FOR FLORIDA

This 21st edition CompScope™ Benchmarks study for Florida helps policymakers and other system stakeholders identify current cost drivers and emerging trends in total costs per claim and key components. The study compares the performance of state workers' compensation systems in Florida and 17 other states, focusing on income benefits, overall medical payments, use of benefits, duration of temporary disability (TD), frequency and payments of permanent partial disability (PPD)/lump-sum claims, benefit delivery expenses, litigiousness, timeliness of payments, and other metrics. The study also examines how these metrics have changed, mainly from 2014 to 2019, for claims at various maturities. In some cases, we used a longer time frame to supply historical context.

Data in this study reflect up to 48 months of experience after the Florida Supreme Court decisions in [Castellanos and Westphal](#). The *Castellanos* decision in April 2016 declared the mandatory worker attorney fee schedule in workers' compensation unconstitutional as a violation of due process. The *Westphal* decision in June 2016 ruled that the state's 104-week limitation on temporary total disability (TTD) benefits is unconstitutional as a denial of right of access to the courts. Florida also implemented [medical fee schedule updates](#) for all types of providers from 2015 to 2017. This study includes 33 to 63 months of data after these regulation changes.

Note that the results we report include experience on claims through March 2020, at the very beginning of the coronavirus (COVID-19) pandemic. The study, therefore, provides a pre-COVID-19 baseline for evaluating the impact of the virus on workers' compensation claims.¹

TOTAL COSTS PER CLAIM INCREASED 4 PERCENT PER YEAR 2014–2018, FOLLOWED BY FASTER GROWTH IN 2019

From 2014 to 2018, [total costs per claim](#) with more than seven days of lost time in Florida had been growing moderately at 4 percent per year at all claim maturities. In 2019/2020,² this measure increased 8 percent, [driven by](#) faster growth in indemnity benefits and medical payments per claim in the latest 12-month valuation. Growth in total costs per claim in Florida since 2014 was [faster](#) than in most study states.

FASTER GROWTH IN INDEMNITY BENEFITS PER CLAIM SINCE 2014 DUE TO INCREASE IN SETTLEMENT FREQUENCY & PAYMENTS, MAY RELATE TO THE CASTELLANOS AND WESTPHAL DECISIONS

[Indemnity benefits per claim](#) in Florida have grown at 6–7 percent per year since 2014 at all claim maturities; in comparison, this measure remained stable from 2008 to 2014. The faster growth in indemnity benefits per claim since 2014 was largely driven by the rapid increase in [lump-sum settlement payments per claim](#) and

¹ Other WCRI research focuses on the early impact of the virus on the composition of claims and their costs, how the virus may have affected the delivery of care to workers, and the impact of that on worker and claims outcomes, including duration of disability.

² 2019/2020 refers to claims with injuries arising from October 1, 2018, through September 30, 2019, with experience through March 31, 2020 (12 months on average). Other injury year/evaluation combinations are denoted similarly.

growth in the [percentage of claims](#) with lump-sum settlements, following the *Castellanos* and *Westphal* decisions. Small increases in the [average weekly wage of workers](#) with injuries and the [duration of TD benefits](#) since 2014 also contributed to the indemnity growth in Florida.

Another area that may be related to lump-sum settlements and may be affected by the 2016 supreme court decisions is attorney involvement. Both the percentage of claims with [defense attorneys involved](#) and the frequency of [worker attorney involvement](#) in Florida increased in 2015 and 2016 following the *Castellanos* and *Westphal* decisions. Previously these measures had remained fairly stable since 2010.

MODERATE GROWTH IN MEDICAL PAYMENTS PER CLAIM 2014–2018 DRIVEN BY THE INCREASE IN HOSPITAL INPATIENT & ASC PAYMENTS; FASTER GROWTH IN 2019

[Medical payments per claim](#) in Florida grew 3 percent per year from 2014 to 2018, mainly [driven by](#) the increase in hospital inpatient payments per episode and ambulatory surgery center (ASC) facility payments per claim. *CompScope™ Medical Benchmarks for Florida, 21st Edition* (Yang, 2020) found that [inpatient payments per episode](#) increased at double-digit rates from 2014/2015 to 2018/2019, likely reflecting the combined effects of the 2015 inpatient fee schedule update, more claims from the construction industry, and higher incidences of more severe injuries. [ASC facility payments per claim](#) in Florida continued to grow after the 2016 ASC fee schedule change. In 2019/2020, medical payments per claim in Florida had a faster increase of 8 percent. According to *WCRI Medical Price Index for Workers' Compensation, 12th Edition* (Yang and Fomenko, 2020), [prices](#) paid for nonhospital professional services in Florida changed little from 2018 to mid-2019. We will examine the changes in other key components of medical payments per claim in the next edition of *CompScope™ Medical Benchmarks*.

FLORIDA COSTS PER CLAIM TYPICAL OF STUDY STATES; OFFSETTING FACTORS IN COST COMPONENTS MAY REFLECT SYSTEM FEATURES

Florida was typical of the study states for the average [total cost per claim](#) with more than seven days of lost time and its key components. Each component masks offsetting factors that may reflect system features.

[Indemnity benefits per claim](#) in Florida were typical of the 18 states. Florida had a typical [average weekly TTD benefit rate](#) of the study states. Compared with other states with a PPD benefit system, [duration of TD benefits](#) in Florida was typical and [PPD/lump-sum settlement payments per claim](#) were lower than many states, which may be related to rules governing TD and impairment benefits in the state. The [percentage of claims with PPD/lump-sum payments](#) in Florida was the highest of the PPD states.

The typical [medical payments per claim](#) in Florida [mask](#) the lowest prices for nonhospital and the highest payments per service for hospital outpatient services of the study states. These results likely relate to the fee schedules in the state. Additionally, Florida had typical [utilization of nonhospital care](#), lower [hospital outpatient services per claim](#), [more frequent use of ASCs](#) with higher payments per claim, and higher [hospital payments per inpatient episode](#).

[Benefit delivery expenses per claim](#) in Florida were also typical of the study states, a result from typical medical cost containment expenses per claim [offsetting](#) higher attorney involvement.

See the section titled “[Discussion of Major Findings](#)” for details of the major findings summarized above and the system features that may contribute to the results we report.

INTRODUCTION AND HOW TO USE THIS ANALYSIS

This is the 21st edition of an annual series of analyses that benchmarks the performance of state workers' compensation systems. This study focuses on income benefits, costs, use of benefits, duration of temporary disability, litigiousness, benefit delivery expenses, timeliness of payments, and other metrics. The CompScope™ benchmarking series focuses on the performance of the benefit delivery system and does not address insurance markets, pricing, or regulations. A companion study to this annual series—the CompScope™ Medical Benchmarks—focuses on the costs, prices, and utilization of medical care received by workers with injuries. It examines these medical services in the aggregate, by type of provider, and by type of medical service. Related Workers Compensation Research Institute (WCRI) studies benchmark state fee schedules and worker outcomes.

The unit of analysis in the CompScope™ benchmarking series is the individual workers' compensation claim, so most results are reported on a per claim basis. Therefore, changes in claim frequency do not affect the measures we report.

The annual benchmark studies provide dual perspectives:

- How have the Florida system performance metrics changed over time (trends) using claims that arose between October 2013 and September 2019, usually with an average of 12, 24, and/or 36 months of experience?
- How does Florida compare with other states—specifically with 17 other mostly large states that were selected because they are geographically diverse; represent a range of system features; and represent the range of states that are higher, near the middle, and lower on costs per claim? Income benefit payments per claim in the median state in this group are similar to the median among all U.S. states (see “[Data and Methods](#)”).

HOW TO USE THIS BENCHMARKING REPORT

The format of this edition of the CompScope™ study is designed to make the findings easily accessible and still provide a rich and detailed set of benchmarks for those who want to drill down beneath the major findings.

- For those who want to get quickly to the bottom line, there is a short narrative [summary of major findings](#) and a [slide presentation](#) on major findings. The slides provide explanatory figures and charts, along with interactive links to the more detailed figures and tables that underlie the highlighted major findings.
- For those who want to drill down on a specific issue, the narrative summary and slide presentation both have links from each finding or slide to the underlying detailed tables and graphs. In addition, we provide a narrative [discussion of major findings](#) and a [separate slide presentation](#) on other key findings and supplemental material.
- For those who are not familiar with the CompScope™ benchmarking studies, there is an “[Information for First-Time Users](#)” section to provide detail about the key benchmarks we analyze, detail about the data we use and adjustments we make to those data, and some presentational explanations.
- For those seeking a wide-ranging reference book to address questions of interest, there are many detailed

tables and graphs that are available for browsing or that may be accessed through links in the “[Quick Reference Guide to Figures and Tables](#).”

- The data and methods are fully described in the [Technical Appendix](#). This report contains a short summary of the *Technical Appendix* entitled “[Data and Methods](#).”

Note: Each page of this report contains a “Back to Previous View” button which allows the reader to click on a link to another section and then return to the original page, eliminating the need for bookmarking.

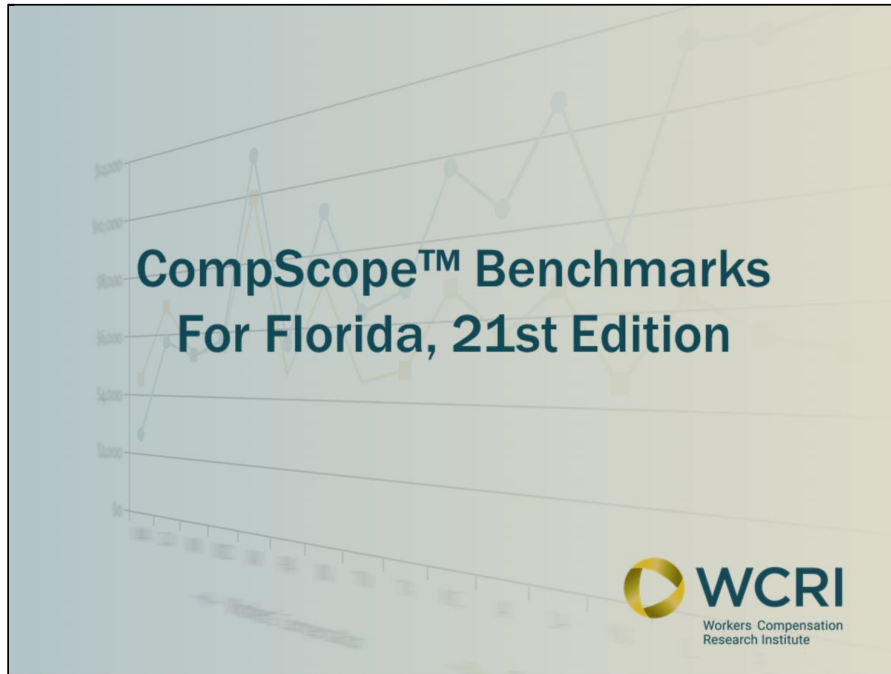
INTRODUCTION TO MAJOR FINDINGS SLIDES

The following pages present a slide discussion of *CompScope™ Benchmarks for Florida, 21st Edition*. The slides highlight the major findings discussed in the “Summary of Major Findings” section and provide explanatory figures and charts. Notation on the bottom of the slides specifies the injury year and/or maturity of the data shown, as applicable. The notes to the right of some slides provide additional technical or substantive information pertinent to that slide. For example, the notes might contain links to external summaries of legislation or workers’ compensation agency reports, a reference to a related figure or table, or an explanation of a relevant workers’ compensation system feature. References to source information and definitions of key terms or abbreviations are located below the slide to which they apply. To view the notes, references, and/or definitions, the document magnification on your computer may need to be set at 100 percent or lower. Please note that the slides are also interactive, linking to other areas of this report where useful. For example, bar charts generally link to the box plot figures that contain the numbers underlying the chart. Links in the slides are indicated by underlining.

When describing the performance of a state in this report, we generally use the following criteria and terms. Other words used to describe an increase include *growth* and *rise*. Other words to describe a decrease include *fall*, *drop*, and *decline*.

Multistate Values	Comparison with Median State	
Higher	More than 10 percent above median	
Lower	More than 10 percent below median	
Typical or close to	Within 10 percent above or below median	
Trends	Change in Cost Measures (annual average percentage)	Change in Frequency Measures (annual average percentage points)
Very rapid increase	+9% and higher	+4 points and higher
Rapid increase	+6% to 8.9%	+2 to 3.9 points
Moderate increase	+3% to 5.9%	+1 to 1.9 points
Flat, little change	+2.9% to -2.9%	+0.9 to -0.9 points
Moderate decrease	-3% to -5.9%	-1 to -1.9 points
Rapid decrease	-6% to -8.9%	-2 to -3.9 points
Very rapid decrease	-9% and lower	-4 points and lower

The thresholds in the multistate comparison above were chosen because a data point 10 percent above or below the median *usually, but not always*, indicates that the data point is notably different from the median. There are two exceptions. Sometimes the median state is part of a cluster of states with similar values that are all higher or lower than the remaining states. In that case, we describe a report state as being in the *higher*, *lower*, or *middle* group based on its cluster, not its relation to the median. In other cases, the range of states includes very different values, and even a state near the median differs from it by 10 percent or more. In that case, we would call that state *fairly typical* despite the criteria in the table. Review of the boxplots may help resolve any confusion.



The following pages are a slide discussion of *CompScope™ Benchmarks for Florida, 21st Edition*. The slides highlight the major findings and provide explanatory figures and charts. Please note that the slides are also interactive, linking to other areas of this study where useful. Links are indicated by underlining.

Outline Of Report Content

- [Summary of major findings](#)
- Slide presentation of major findings
- Summary of [data and methods](#)
- [Information for first-time users](#) of this report
- [Discussion of major findings](#) and [supplemental material](#)
- List of [other WCRI studies](#) of interest for Florida
- [Scope of CompScope™](#) multistate benchmarks
- Tables and figures: [multistate comparisons](#) & [trends](#)
- [References](#)
- [Glossary](#)
- Detailed data and methods: [Technical Appendix](#)

Major Findings For Florida From CompScope™ Benchmarks, 21st Edition

- Total costs per claim in FL increased 4% per year 2014–2018, followed by faster growth in 2019
- Faster growth in indemnity benefits/claim since 2014 due to increase in lump-sum settlement frequency & payments, may relate to the Castellanos and Westphal decisions
- Moderate growth in medical payments/claim 2014–2018 driven by the increase in hospital inpatient & ASC payments; faster medical growth in 2019
- FL costs per claim typical of study states; offsetting components may reflect system features

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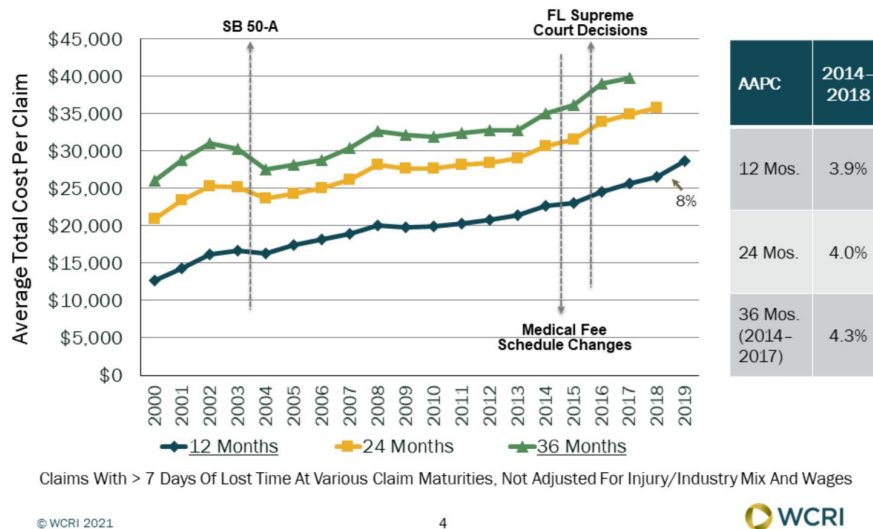
In November 2020, the Florida Insurance Commissioner approved an overall rate level decrease of 6.6 percent effective January 1, 2021. This was the fourth consecutive rate decrease, following the prior 7.5 percent rate decrease in 2020, 13.8 percent rate decrease in 2019, and 9.5 percent rate reduction in 2018.

Previously, a 14.5 percent rate increase was approved by the Florida Office of Insurance Regulation and took effect December 2016. This rate increase was based on a revised NCCI estimation of the impact of the Castellanos and Westphal decisions.

Key: **ASC:** Ambulatory surgery center. **NCCI:** National Council on Compensation Insurance.

Note: See Supplemental Slide S8 for a timeline of major legislative and regulatory changes and court decisions in Florida.

FL Total Costs Per Claim Increased 4% Per Year 2014–2018, Followed By Faster Growth In 2019



From 2014 to 2018, growth in total costs per claim in Florida had been moderate, averaging 4 percent per year at all claim maturities. In 2019/20, this measure increased 8 percent, driven by faster growth in indemnity benefits and medical payments per claim in the latest 12-month valuation.

Note that the trends since 2014 reflect experience after the Florida Supreme Court 2016 decisions in Castellanos and Westphal and the medical fee schedule updates for all types of providers from 2015 to 2017.

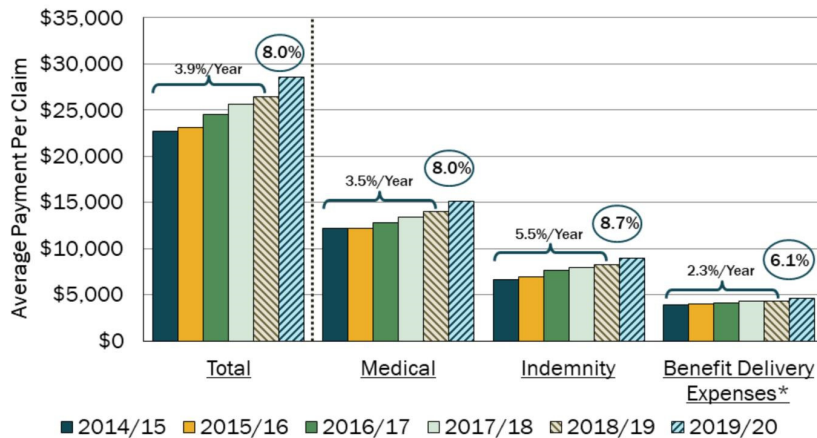
We also provide longer-term trends in costs per claim in Florida to supply historical context. Note that this measure remained stable between 2002 and 2004 following the 2003 reforms (SB 50-A). See Table 12 for a brief summary of SB 50-A.

Key: **AAPC:** Annual average percentage change. **Mos.:** Months. **SB:** Senate bill.

Definition: **Total costs per claim:** Combination of medical payments, indemnity benefits, and benefit delivery expenses.

Note: Table 16 shows that the growth rate in the average weekly earnings in Florida changed from 0.4 percent per year between 2008 and 2013 to 2.6 percent per year between 2013 and 2019. This indicates that part of the workers' compensation cost growth in Florida since 2013 may be related to the stronger economic growth in the state.

Faster Increases In Indemnity & Medical Payments/Claim Drove Cost Growth In 2019



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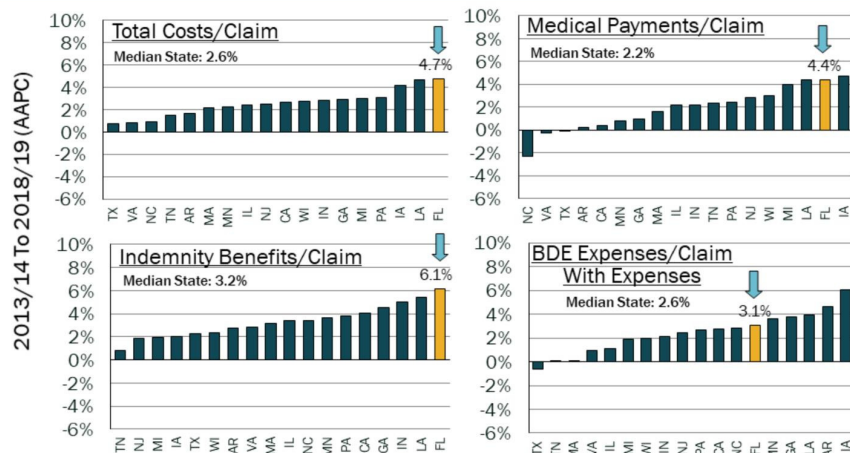


All key components of total costs per claim—medical payments, indemnity benefits, and benefit delivery expenses per claim—had faster growth in 2019/20 compared with the increase rates from 2014/15 to 2018/19 in Florida. However, increases in medical payments and indemnity benefits per claim were the drivers of total cost growth, accounting for nearly 90 percent of the cost growth in 2019/20.

We discuss the trends in these key components in detail in the following sections.

Naming convention (example 2019/20): The first year (2019) is the injury year, which we define as claims arising from October 1, 2018, through September 30, 2019; the second year (20) is the maturity of the claims (experience through March 31, 2020). This indicates 2019 claims at an average maturity of 12 months. Other injury year/evaluation combinations are denoted similarly.

FL Growth In Total Costs Per Claim Among The Fastest Of Study States 2014–2019



Annual Average Percentage Change In Costs Per Claim From 2013/14 To 2018/19, Claims With > 7 Days Of Lost Time At 12 Months Of Experience, Not Adjusted For Injury/Industry Mix And Wages

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6



Total costs per claim in Florida grew faster than in most study states, driven by faster growth in medical payments and indemnity benefits per claim. The increase in benefit delivery expenses per claim with expenses in Florida was similar to the typical growth among the 18 states.

Key: AAPC: Annual average percentage change. BDE: Benefit delivery expenses.

Definitions: **Benefit delivery expenses:** Payments for managing medical costs and litigation-related expenses that are allocated to individual claims. **Indemnity benefits:** Mainly payments for temporary disability, permanent partial disability payments, and/or lump-sum settlements. All lump-sum payments are reported as indemnity payments. This achieves consistency and comparability in this measure across all states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. **Medical payments:** Payments for all medical services delivered to workers with injuries.

2016 Florida Supreme Court Decisions May Affect System Costs And Litigation Expenses

Supreme Court Decisions

The *Castellanos* decision (April 2016):

- The mandatory worker attorney fee schedule in workers' compensation is unconstitutional as a violation of due process
- After the decision, worker attorney fees are based on hourly rate

The *Westphal* decision (June 2016):

- The state's 104-week limitation on temporary total disability (TTD) benefits is unconstitutional as a denial of right of access to the courts
- After the decision, TTD benefits are limited to 260 weeks

Potential Impact

- Increase in attorney involvement and payments
- Increase in duration of TTD benefits for a small group of claims that may reach the limitation of TTD benefits
- Higher lump-sum settlement frequency and amounts
 - The potential of longer duration of TTD benefits in some cases may lead to higher settlement amount
 - The hourly rate may lead to higher attorney fees, which are often included in lump-sum settlement payments

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7



The *Castellanos* decision may increase attorney involvement and payments. To the extent that the frequency of attorney involvement and lump-sum settlements are often correlated, this decision may relate to the increase in lump-sum settlement frequency. Since worker attorney fees are often bundled into the lump-sum settlement payments, this decision may also relate to higher settlement amounts. The [*2019–2020 Annual Report of the Office of the Judges of Compensation Claims*](#) found that claimant attorney fees overall have increased nearly 77 percent since fiscal year 2015-16 (ending in June) following the supreme court decisions, including an 11 percent increase in fiscal year 2019-20. NCCI's [*Overview of the Proposed Florida Workers Compensation Rate Filing Effective January 1, 2021*](#) also reported increases in worker attorney fees and higher attorney involvement after the *Castellanos* decision.

The *Westphal* decision may increase the duration of TTD benefits for a small group of claims that may reach the limitation of TTD benefits prior to the decision. It may also lead to higher lump-sum settlement amounts in some cases because of the potential of longer duration of TTD benefits.

Key: **NCCI**: National Council on Compensation Insurance. **TTD**: Temporary total disability.

Note: In April 2016, the Florida First District Court of Appeal issued a decision in *Miles v. City of Edgewater Police Dept.* The *Miles* decision concluded that the mandatory worker attorney fee schedule in workers' compensation is unconstitutional as a violation of a claimant's rights to free speech, free association, and petition and a claimant's right to form contracts for legal services. While the discussion of major findings focused more on the two long-awaited Florida Supreme Court decisions, the results in this study reflect the collective effect of the *Castellanos* decision, the *Westphal* decision, and the *Miles* decision, as well as many other court decisions and policy changes.

Major Findings For Florida From CompScope™ Benchmarks, 21st Edition

- Total costs per claim in FL increased 4% per year 2014–2018, followed by faster growth in 2019
- **Faster growth in indemnity benefits/claim since 2014 due to increase in lump-sum settlement frequency & payments, may relate to the *Castellanos* and *Westphal* decisions**
- Moderate growth in medical payments/claim 2014–2018 driven by the increase in hospital inpatient & ASC payments; faster medical growth in 2019
- FL costs per claim typical of study states; offsetting components may reflect system features

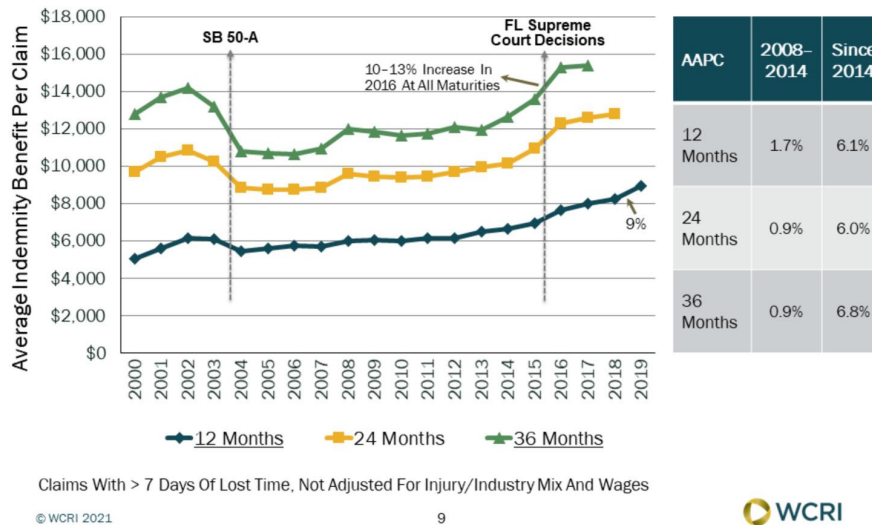
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8



Key: **ASC**: Ambulatory surgery center.

Indemnity Benefits/Claim Grew Faster Since 2014, In Part May Reflect Impact Of The Court Decisions



Key: **AAPC**: Annual average percentage change. **SB**: Senate bill.

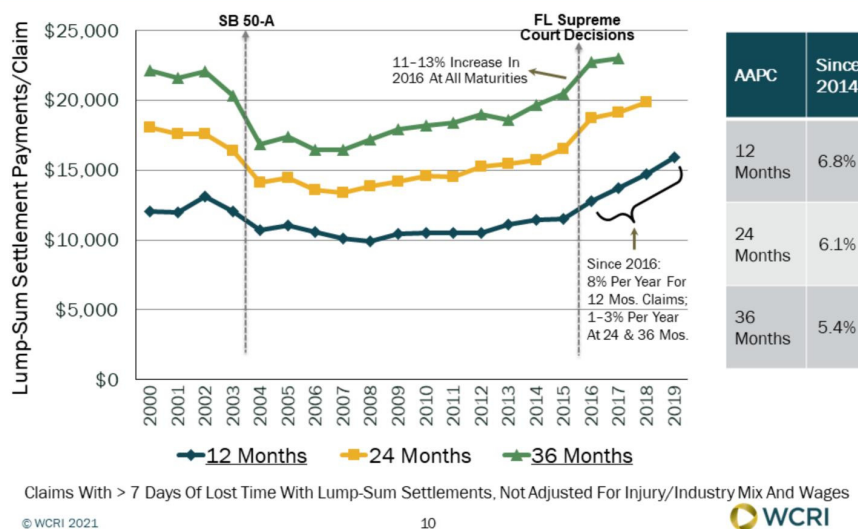
Note: From 2002 to 2004, indemnity benefits per claim in Florida decreased after the 2003 reform legislation SB 50-A went into effect. For more details of the reform provisions, see [2004 Florida Statutes, Chapter 440, Workers' Compensation](#) or the [summary of SB 50-A](#).

The faster growth in indemnity benefits per claim with more than seven days of lost time in Florida since 2014 was largely driven by the increase in lump-sum settlement frequency and payments, which, in part, may reflect the impact of the *Castellanos* and *Westphal* decisions (see discussion on [Slide 7](#)). The next several slides discuss the factors underlying Florida indemnity trends.

For example, indemnity benefits per claim increased 10–13 percent in 2016, mainly from the double-digit increase in lump-sum settlement payments per claim and the faster growth in the percentage of claims with lump-sum settlements. Note that indemnity benefits per claim also grew rapidly for 2015 claims at 24 and 36 months' maturity and for 2014 claims at 36 months' maturity; these claims may also be influenced by the 2016 supreme court decisions if they remained open post-decision.

In 2019/20, indemnity benefits per claim in Florida grew 9 percent. Many study states had rapid growth in this measure in 2019/20.

Rapid Increase In Lump-Sum Payments/Claim After Court Decisions The Main Driver Of Indemnity Growth



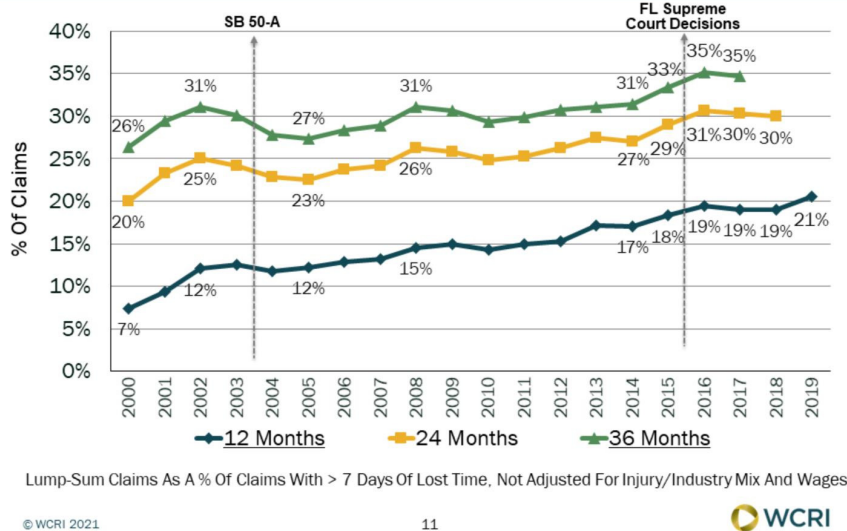
Key: **AAPC**: Annual average percentage change. **Mos.**: Months. **SB**: Senate bill.

Notes: From 2002 to 2004, lump-sum settlement payments per claim in Florida had a large decrease following the 2003 reforms. One underlying factor may be that a reform provision in Senate Bill 50-A eliminated the Social Security Disability Income (SSDI) criteria for permanent total disability (PTD) eligibility. Pre-reform, a worker who had a condition that would make him or her eligible for SSDI benefits was presumed to be permanently and totally disabled. Thus, payors often settled cases involving permanent impairment for amounts much larger than the statutory formula suggests in order to prevent the possible future costly PTD payment.

Following the *Castellanos* and *Westphal* decisions, the average lump-sum settlement payment per claim increased 11–13 percent in 2016 depending on claim maturity. The median lump-sum settlement payment per claim also had double-digit increases in that year. Note that lump-sum settlement payments per claim for 2015 claims at 24 and 36 months' maturity and for 2014 claims at 36 months' maturity also had faster growth compared with that in prior years; these claims may also be influenced by the 2016 supreme court decisions if they remained open post-decision.

Since 2016, lump-sum settlement payments per claim have continued to grow rapidly for claims at 12 months' maturity, and remained fairly stable for claims at 24 and 36 months' maturity. In 2019/20, this measure increased 9 percent, a main driver of the indemnity growth in that year.

Growth In Lump-Sum Frequency Another Key Driver Of Indemnity Growth Since 2014



The percentage of claims with lump-sum settlements in Florida increased 2 percentage points per year from 2014 to 2016 for claims at 24 and 36 months' maturity, following the *Castellanos* and *Westphal* decisions. This growth rate was faster than the small increase of less than 1 percentage point per year from 2010 to 2014.

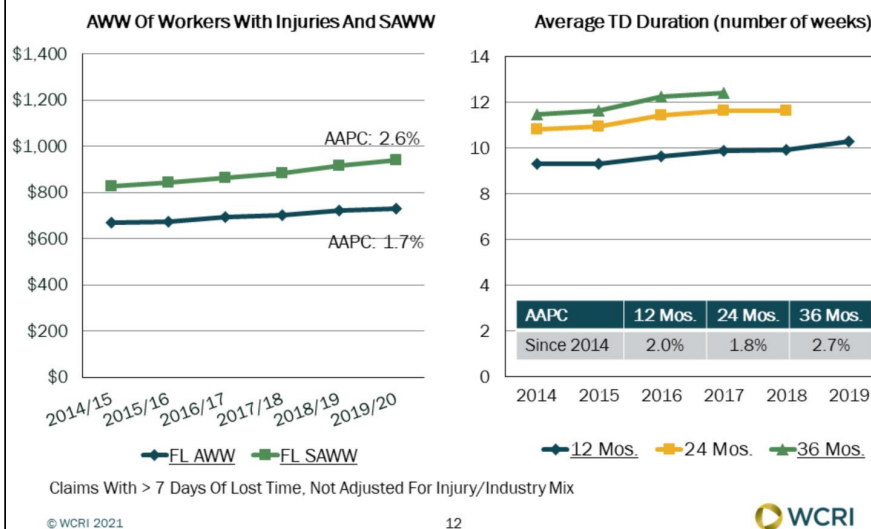
Since 2016, this measure in Florida remained fairly stable through 2018. In 2019/20, the frequency of lump-sum settlements increased 2 percentage points, another key driver of the indemnity growth in that year.

Note that Florida had more frequent lump-sum settlements than most study states (Slide S27).

Key: **SB**: Senate bill.

Notes: Florida had a moderate decrease in the percentage of claims with lump-sum settlements during earlier years from 2002 to 2004. One factor underlying this decrease could be that after the implementation of the reform legislation Senate Bill 50-A, the full permanent partial disability (PPD) benefits may be paid out earlier in some cases, therefore eliminating the need for settlement. This earlier decrease may also be related to the reform provision of eliminating the Social Security Disability Income (SSDI) criteria for permanent total disability (PTD) eligibility, which may reduce the incentives for payors to settle cases involving permanent impairment.

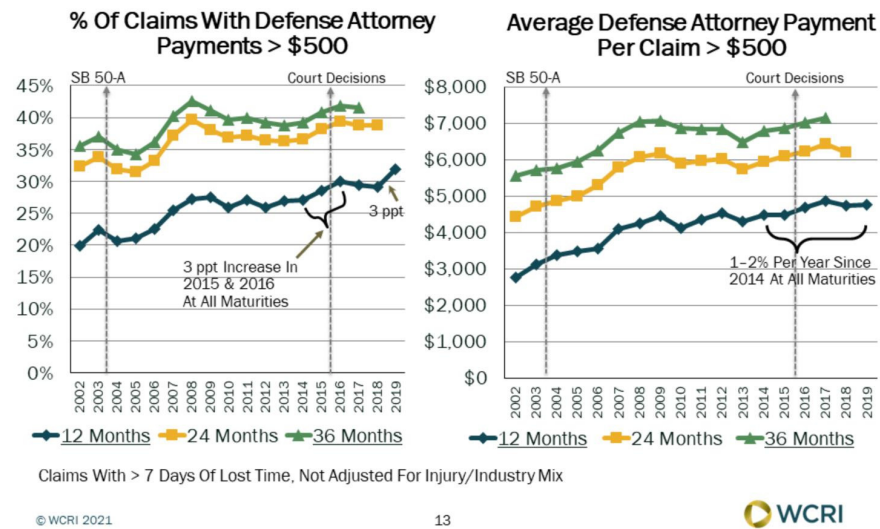
TD Duration & Wages Had Small Increases Since 2014, Also Contributed To Indemnity Growth



The small increase of 1.7 percent per year in the average weekly wage of workers with injuries in Florida and the little growth of 2–3 percent per year in duration of TD benefits since 2014 also contributed to the indemnity growth in the state.

Key: **AAPC**: Annual average percentage change. **AWW**: Average weekly wage (of workers with injuries). **Mos.**: Months. **SAWW**: Statewide average weekly wage. **TD**: Temporary disability.

Increase In FL Defense Attorney Involvement In 2015 & 2016 May Be Related To Court Decisions



Key: **ppt**: Percentage points. **SB**: Senate bill.

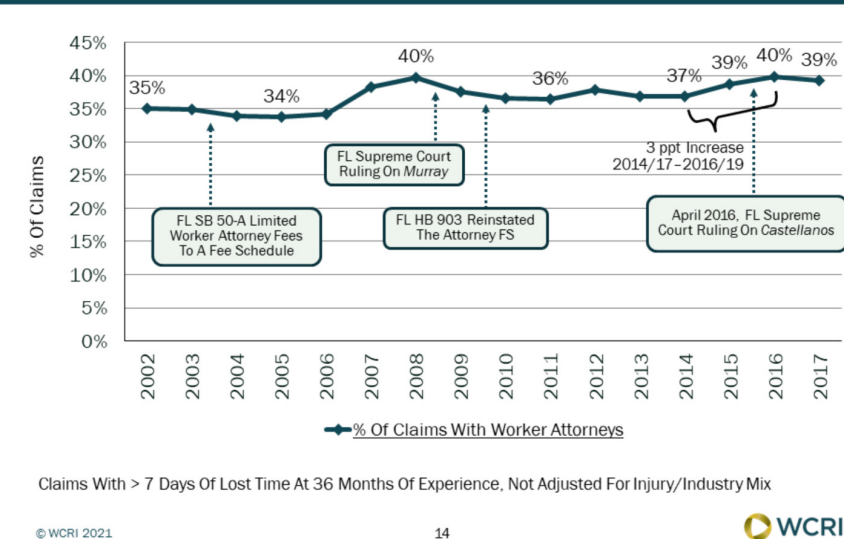
Notes: Defense attorney payments include payments made to both inside and outside counsel. A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year.

Another area that may be related to lump-sum settlements and may be affected by the 2016 supreme court decisions is attorney involvement.

Following the decisions, the frequency of defense attorney involvement in Florida increased 3 percentage points overall from 2014 to 2016 at all claim maturities, after being stable since 2010. Since 2016, this measure changed little through 2018, followed by an increase of 3 percentage points in 2019/20. This increase in the frequency of defense attorney involvement was a main driver of the growth in benefit delivery expenses per claim in the latest 12-month valuation.

Defense attorney payments per claim in Florida have remained fairly stable since 2014.

FL Worker Attorney Involvement Increased In 2015 & 2016, May Reflect Impact Of Court Decisions



Key: **FS**: Fee schedule. **HB**: House bill. **ppt**: Percentage points. **SB**: Senate bill.

Notes: In earlier years, worker attorney involvement in Florida had small decreases from 2003/06 to 2005/08 after the 2003 reforms that limited worker attorney fees to a fee schedule. Then it increased again from 2005/08 to 2008/11, especially during the economic recession. Between 2008/11 and 2010/13, this measure had gradual decreases.

2017 refers to 2017/20. Other injury year/evaluation combinations are denoted similarly.

Worker attorney involvement in Florida increased 3 percentage points overall from 2014/17 to 2016/19 for claims at 36 months' maturity, likely related to the 2016 supreme court cases. During the same period, worker attorney involvement in the median study state changed little. From 2010/13 to 2014/17, this measure in Florida remained fairly stable.

In addition, the *2019-2020 Annual Report of the Office of the Judges of Compensation Claims* showed that claimant attorney fees in Florida increased nearly 11 percent from fiscal year 2018-19 to 2019-20 (ending in June). Overall, this measure increased nearly 77 percent since fiscal year 2015-16 following the 2016 supreme court decisions. Note that in this study, we cannot report worker attorney payments since they are often bundled into lump-sum settlement payments.

Major Findings For Florida From CompScope™ Benchmarks, 21st Edition

- Total costs per claim in FL increased 4% per year 2014–2018, followed by faster growth in 2019
- Faster growth in indemnity benefits/claim since 2014 due to increase in lump-sum settlement frequency & payments, may relate to the *Castellanos* and *Westphal* decisions
- **Moderate growth in medical payments/claim 2014–2018 driven by the increase in hospital inpatient & ASC payments; faster medical growth in 2019**
- FL costs per claim typical of study states; offsetting components may reflect system features

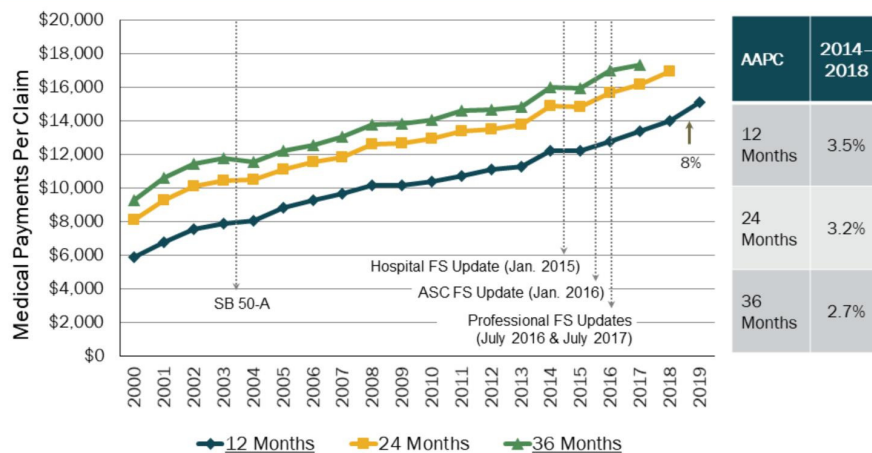
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15



Key: **ASC:** Ambulatory surgery center.

Medical Payments/Claim Grew 3% Per Year 2014 To 2018, Followed By A Faster Increase In 2019



Claims With > 7 Days Of Lost Time, Not Adjusted For Injury/Industry Mix

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16



The moderate growth (at 3 percent per year) in medical payments per claim with more than seven days of lost time from 2014 to 2018 in Florida may reflect the impact of multiple fee schedule changes implemented in the state since 2015.

In 2019/20, medical payments per claim in Florida had a faster increase of 8 percent. Prices paid for nonhospital professional services in Florida changed little from 2018 to mid-2019, according to *WCRI Medical Price Index for Workers' Compensation, 12th Edition*. We will examine the changes in other key components of medical payments per claim in the upcoming 22nd edition of *CompScope™ Medical Benchmarks*.

Key: **AAPC:** Annual average percentage change. **FS:** Fee schedule. **SB:** Senate bill.

Notes: In earlier years, medical payments per claim in Florida stabilized following the implementation of the reform legislation Senate Bill 50-A. In contrast, this measure grew at a double-digit rate pre-reform. Since 2005, medical payments per claim in Florida have generally experienced a moderate increase.

Multiple Medical Fee Schedule Changes In Florida Since 2015

Fee Schedule Type	Recent Changes
Professional Services	<ul style="list-style-type: none"> Effective July 2016: Reflected the 2014 Medicare rates in maximum reimbursement amount (MRA) computation Effective July 2017: Reflected the 2016 Medicare rates
Ambulatory Surgery Center	Effective January 2016: Increased reimbursement rates for most CPT codes; expanded the list of CPT codes covered in the fee schedule
Hospital Outpatient	Effective January 2015: Scheduled surgery and most other services became subject to fixed-amount fee schedule rates; payment for non-listed procedures remained charge-based
Hospital Inpatient	Effective January 2015: Increased both the per diem rate and the stop-loss threshold

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17



Florida implemented medical fee schedule updates for all types of providers from 2015 to 2017. Here we provide a brief summary of these changes. See [Supplemental Slides S9–S12](#) for more details.

This study includes 33 to 63 months of data after these fee schedule changes.

Note that charges remain an important element in Florida's hospital and ASC fee schedules after these policy changes.

Also note that the fee schedule rates for nonhospital professional services in Florida remained among the lowest nationwide after these regulation updates, according to *Designing Workers' Compensation Medical Fee Schedules, 2019*.

Key: **ASC:** Ambulatory surgery center. **CPT:** Current Procedural Terminology. CPT® is a registered trademark of the American Medical Association. **MRA:** Maximum reimbursement allowance.

Note: As of December 2020, there have been no further fee schedule updates implemented for nonhospital professional services, ASCs, or hospitals. Florida law requires outpatient procedures to be reimbursed as a percentage of usual and customary charges. The outpatient fee schedule rates are based on the average charge on outpatient hospital bills in a specific geographic area.

Factors Underlying Moderate Growth In Medical Payments Per Claim 2014–2018 In Florida

- Prices paid for nonhospital professional services grew 9% following the 2016 fee schedule update; remained stable after the 2017 fee schedule update through 2019
- Nonhospital utilization changed little 2014–2018
- ASC facility payments per claim continued to grow after the 2016 fee schedule change
- Hospital inpatient payments per episode continued to increase rapidly after the 2015 fee schedule change
- Hospital outpatient payments per claim remained fairly stable after the fee schedule change in 2015

Source: CompScope™ Medical Benchmarks For Florida, 21st Edition (2020)

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18

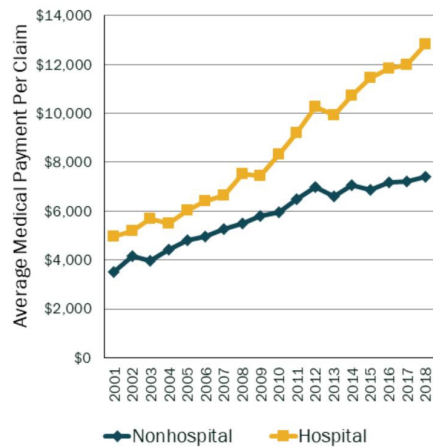


In *CompScope™ Medical Benchmarks for Florida, 21st Edition*, we examined the factors underlying the trends in Florida medical payments per claim from 2014 to 2018—summarized here. See [the next three slides](#) and [Supplemental Slides S13–S16](#) for the detailed analyses of these factors.

Key: **ASC:** Ambulatory surgery center.

Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

Increase In Inpatient Payments & ASC Payments Main Drivers Of FL Medical Growth 2014–2018



Claims With > 7 Days Of Lost Time At 12 Months Of Experience, Not Adjusted For Injury/Industry Mix
Source: *CompScope™ Medical Benchmarks For Florida, 21st Edition (2020)*
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19



AAPC 2014–2018	
Nonhospital Payments/Claim	1.2%
Major Professional Service Price	1.8%
Major Professional Service Utilization	-0.3%
ASC Facility Payments/Claim	4.9%
Hospital Payments/Claim	4.6%
Outpatient Payments/Claim	1.8%
Inpatient Payments/Episode	11.4%

The increase in hospital payments per claim was the main driver of medical growth in Florida over the longer-term since 2005, including in the more recent study period from 2014 to 2018.

Among the key components of hospital and nonhospital payments, growth in ASC facility payments per claim (at nearly 5 percent per year) and in hospital inpatient payments per episode (at about 11 percent per year) were the drivers of growth in medical payments per claim between 2014 and 2018 in Florida.

In addition, the percentage of claims with hospital care decreased (see Figure 33 in *CompScope™ Medical Benchmarks for Florida, 21st Edition*), while the percentage of claims with nonhospital services remained stable in Florida from 2014 to 2018.

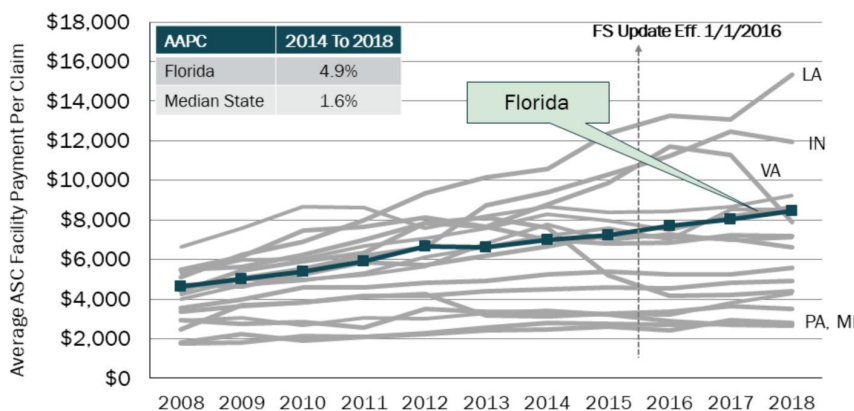
Key: **AAPC**: Annual average percentage change. **ASC**: Ambulatory surgery center.

Notes: Following the implementation of the earlier reform legislation Senate Bill 50-A, hospital payments per claim decreased and nonhospital payments per claim increased in 2004.

2018 refers to 2018/19. Other injury year/evaluation combinations are denoted similarly.

Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

ASC Facility Payments Per Claim In FL Continued To Grow After 2016 Fee Schedule Update



Claims With > 7 Days Of Lost Time At 12 Months Of Experience, Not Adjusted For Injury/Industry Mix
Source: *CompScope™ Medical Benchmarks For Florida, 21st Edition (2020)*
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20



Key and definitions: **AAPC**: Annual average percentage change. **ASC**: Ambulatory surgery center.

ASC facility payments: Include payments to ASCs for both treatment/operating/recovery room services and miscellaneous ambulatory surgical care. ASCs are identified based on provider coding information.

Eff.: Effective. **FS**: Fee schedule. **MRA**: Maximum reimbursement allowance.

Note: Virginia adopted a fee schedule for ASC services in 2018, and the decrease in ASC facility payments per claim shown in this chart may reflect the impact of this policy change.

2018 refers to 2018/19. Other injury year/evaluation combinations are denoted similarly.

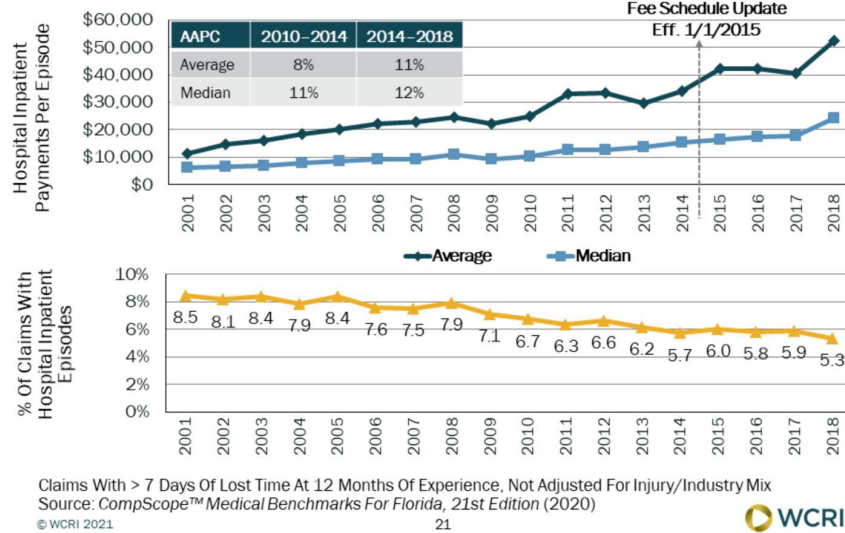
Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

CompScope™ Medical Benchmarks for Florida, 21st Edition found that ASC facility payments per claim in Florida continued to grow after the fee schedule change in January 2016. The increase rates before and after the fee schedule change were similar.

This trend may reflect two offsetting effects of the 2016 fee schedule update. On one hand, the MRA amounts for most listed procedures had a sizable increase in this fee schedule update; this may lead to an increase in ASC payments. On the other hand, the fee schedule update significantly expanded the list of procedure codes with specific MRA amounts assigned. A longer Current Procedural Terminology (CPT) code list with MRAs may lead to a decrease in ASC payments as more procedures are subject to the fixed-amount rates rather than charges.

Other potential factors underlying the growth include changes in the frequency of using multiple surgical procedures, changes in the complexity of the mix of surgeries, and changes in negotiated prices. Note that negotiation of prices is allowed in the Florida fee regulation.

Growth In FL Hospital Payments/Inpatient Episode Continued After The 2015 Fee Schedule Update



Both the median and the average inpatient payments per episode in Florida continued to grow at double-digit rates from 2014/15 to 2018/19 after the 2015 fee schedule update, according to *CompScope™ Medical Benchmarks for Florida, 21st Edition*. Meanwhile, the percentage of claims with inpatient care in Florida decreased over time.

Part of this growth may reflect the dynamic of two offsetting effects from the 2015 fee schedule update. On one hand, a higher per diem rate may lead to an increase in hospital inpatient payments. On the other hand, a higher stop-loss threshold may result in a decrease in hospital inpatient payments, as more cases are reimbursed based on the per diem rate rather than the percentage of charges after the policy change. However, if hospital charges increase rapidly, payments will grow despite the higher stop-loss threshold.

Other potential factors underlying the growth include increasing claims from the construction industry, higher incidence of more severe injuries, lower network participation, and the increase in hospital charges.

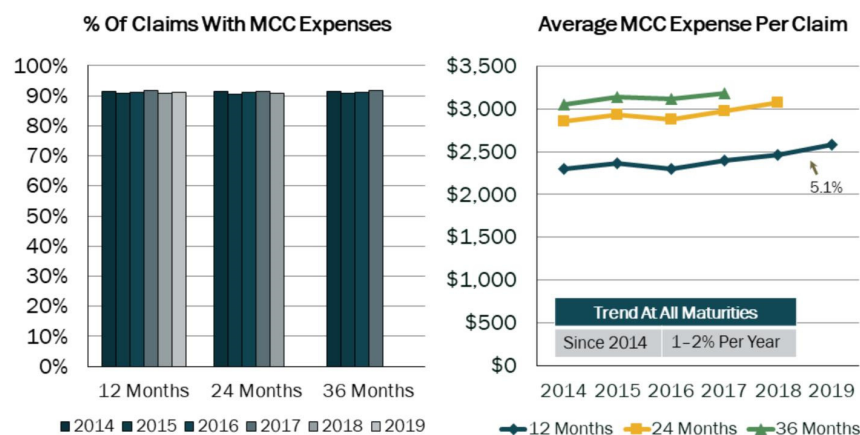
Key: **AAPC:** Annual average percentage change. **Eff.:** Effective.

Notes: The annual growth rate of the national average Consumer Price Index for inpatient hospital services was about 5 percent per year from 2013 to 2018.

2018 refers to 2018/19. Other injury year/evaluation combinations are denoted similarly.

Source: Yang, 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

Medical Cost Containment Expenses Per Claim In FL Have Remained Fairly Stable Since 2014



A topic related to medical payments is medical cost containment expenses per claim. Overall, this measure in Florida has changed little since 2014 at all claim maturities. In 2019/20, however, medical cost containment expenses per claim increased 5.1 percent, a key driver of the growth in benefit delivery expenses per claim in that year.

The percentage of claims with medical cost containment expenses has remained stable since 2014.

Note that medical cost containment expenses include fees for bill review, utilization review, case management, and preferred provider networks.

Key: **MCC:** Medical cost containment.

Note: The average medical cost containment expense per claim is based on claims for which these expenses were paid and allocated to individual claims.

Major Findings For Florida From CompScope™ Benchmarks, 21st Edition

- Total costs per claim in FL increased 4% per year 2014–2018, followed by faster growth in 2019
- Faster growth in indemnity benefits/claim since 2014 due to increase in lump-sum settlement frequency & payments, may relate to the *Castellanos* and *Westphal* decisions
- Moderate growth in medical payments/claim 2014–2018 driven by the increase in hospital inpatient & ASC payments; faster medical growth in 2019
- **FL costs per claim typical of study states; offsetting components may reflect system features**

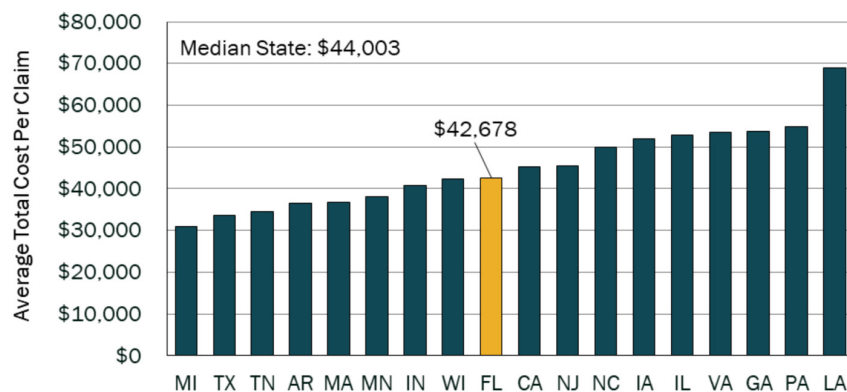
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23



Key: **ASC:** Ambulatory surgery center.

Florida Total Costs Per Claim With > 7 Days Of Lost Time Were Typical Of Study States



2017/20 Claims With > 7 Days Of Lost Time, Adjusted For Injury/Industry Mix And Wages

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24



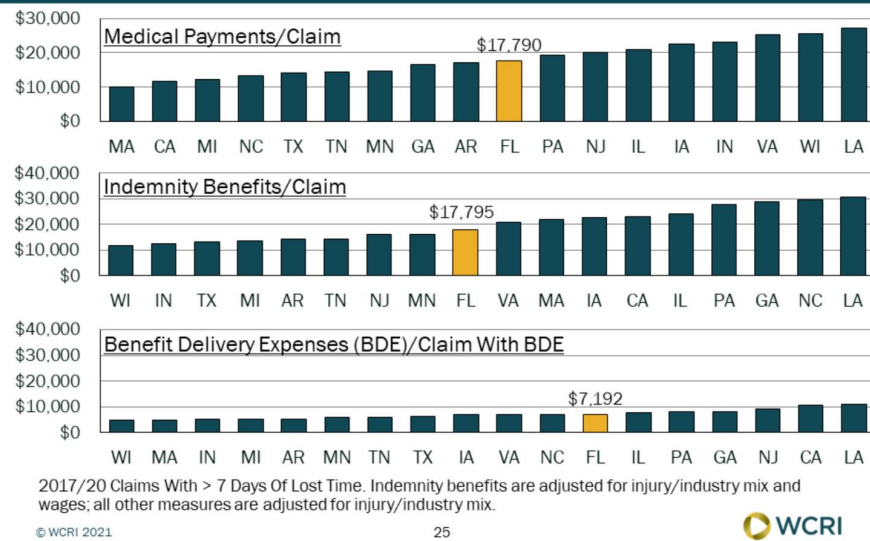
Total costs per claim in Florida were typical of the study states for 2017/20 claims with more than seven days of lost time at 36 months of experience.

Note that for claims with 12 months of experience, total costs per claim with more than seven days of lost time in Florida were also typical of the study states in 2019/20.

Notes: We adjusted the data for interstate differences in injury and industry mix and for wages of workers with injuries to make the interstate comparisons more meaningful.

Using more mature claims provides a more appropriate basis for interstate comparisons because the results are a better reflection of the ultimate costs per claim than for less mature claims.

Florida Ranked Typical Of The 18 Study States On All Key Cost Components



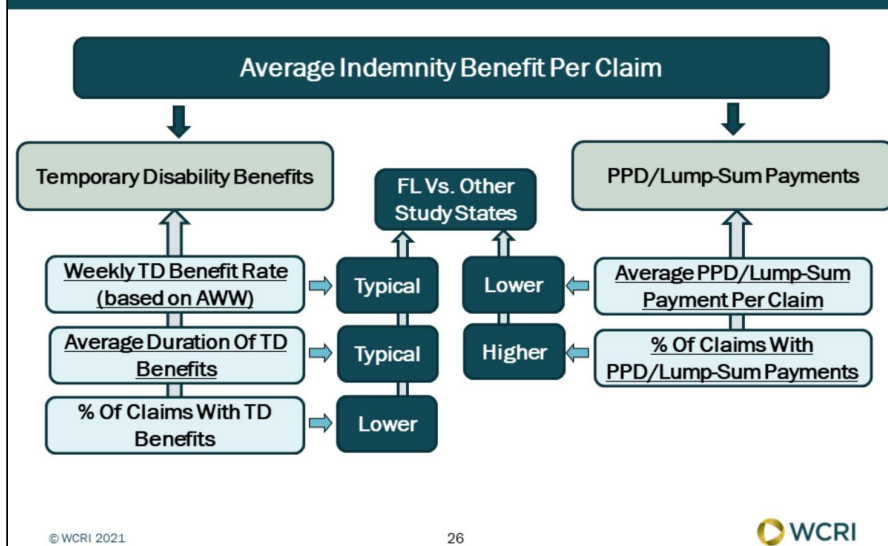
All of the key cost components in Florida were within 10 percent above or below the 18-state median, for 2017/20 claims with more than seven days of lost time.

Each component masks several offsetting factors, which may reflect some system features in Florida. We discuss these results and features in the following slides.

Key: **BDE**: Benefit delivery expenses.

Note: See [Supplemental Slide S17](#) for the share of total costs each key component represents in Florida compared with other study states.

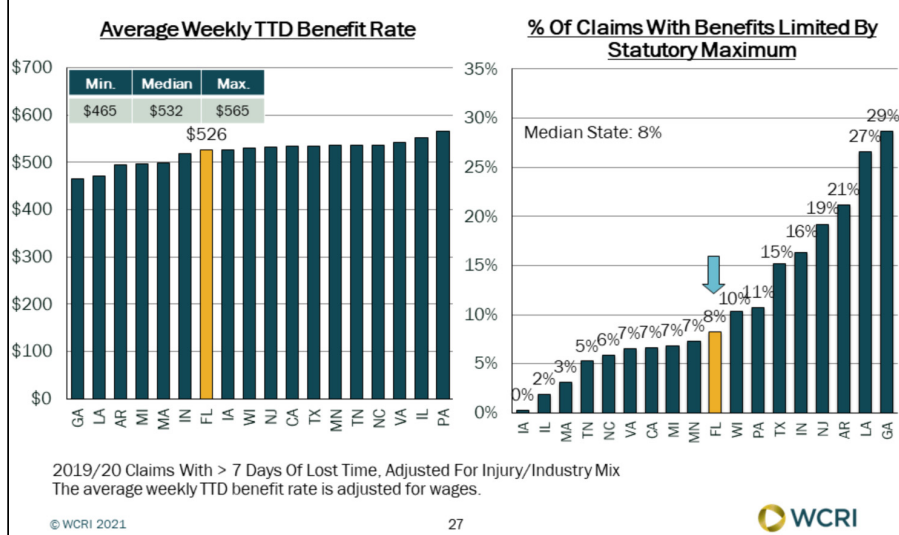
FL Comparison Results On Key Components Of Indemnity Benefits May Relate To System Features



Here we summarize the interstate comparison results for the key components of indemnity benefits per claim in Florida. The [next few slides](#) discuss these offsetting factors underlying the lower indemnity benefits per claim in detail.

Key: **AWW**: Average weekly wage (of workers with injuries). **PPD**: Permanent partial disability. **TD**: Temporary disability, includes temporary total and temporary partial disability.

FL Weekly TTD Benefit Rate & % Of Workers Limited By Statutory Max. Typical Of 18 States

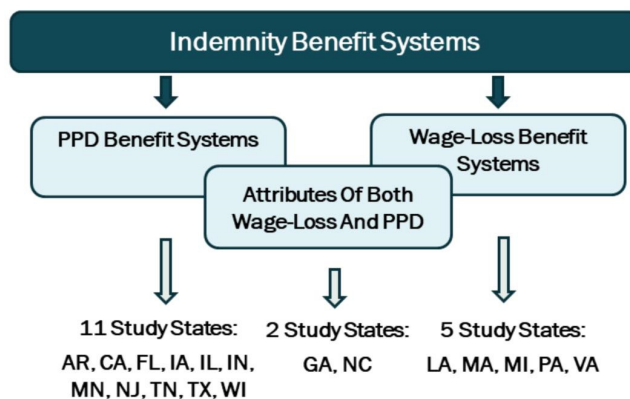


In most study states, benefits are paid at 66⅔ percent of the average weekly wage of the worker, and most states limit benefits to 100 percent of the SAWW. Florida's benefit structure is generally similar to most states.

Key: **Max.:** Maximum. **Min.:** Minimum. **SAWW:** Statewide average weekly wage. **TTD:** Temporary total disability.

Note: The average weekly TTD benefit rate is a function of the statutory benefit rate and the average weekly wage of workers with injuries. Workers' compensation benefits are not subject to either state or federal income tax.

General Classification Of Indemnity Benefit Systems: Wage-Loss Versus PPD States



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Key: **PPD:** Permanent partial disability. **TD:** Temporary disability, includes temporary total disability (TTD) and temporary partial disability (TPD).

Note: See the "Glossary" for definitions of scheduled and unscheduled injuries.

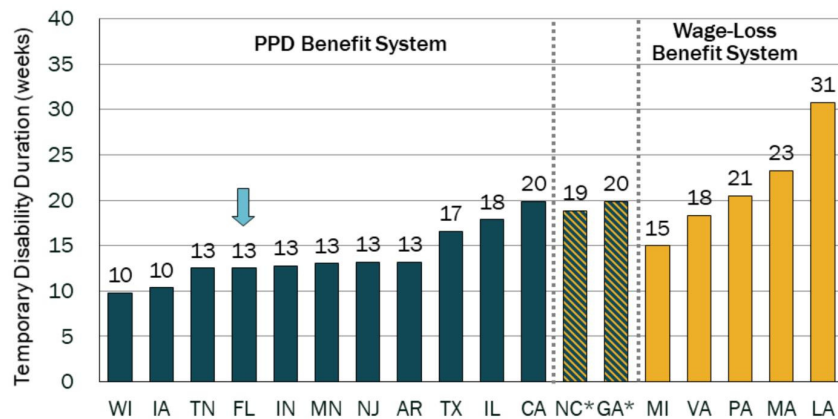
In the CompScope™ studies, we generally classify states into two groups—wage-loss benefit systems and PPD benefit systems—based on different approaches used to compensate income loss due to work-related injuries.

In a wage-loss benefit system, workers typically continue to receive TD benefits as long as they experience wage loss because of the work-related injury. PPD benefits are typically paid for scheduled injuries only. Unscheduled impairments are typically compensated only if workers actually experience a wage loss or a loss of wage-earning capacity.

In a PPD state, by contrast, TTD benefits typically end when the worker reaches maximum medical improvement (MMI) and the worker may be entitled to PPD benefits. Typically, PPD benefits in these states cover most or all impairments, including unscheduled impairments.

Two states, GA and NC, have aspects of both a wage-loss system and a PPD system. In GA, a worker continues to receive TD benefits as long as there is no return to work or there is a return to work with lower wages, up to the statutory limit of 400 weeks for TTD or 350 weeks for TPD. PPD benefits can be paid based on impairment only and cover loss or loss of use of body members. In NC, a worker who has not returned to work at the end of the healing period either continues to receive TTD benefits (as in a wage-loss benefit system) or elects to receive PPD benefits based on an impairment rating. A worker who has returned to work at full wages can receive PPD benefits (as in a PPD system).

Duration Of Temporary Disability In FL Typical Of States With Similar Benefit Systems



* Attributes Of Both Wage-Loss And PPD Systems

2017/20 Claims With > 7 Days Of Lost Time, Adjusted For Injury/Industry Mix And Wages

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29



In general, the duration of disability is likely affected by state-specific rules about terminating temporary disability benefits—for example, whether benefits can be terminated unilaterally, or a hearing is required before benefits can be terminated. In addition, the speed of the dispute resolution process likely affects the duration of temporary disability. Several system features in Florida may impact the duration of temporary disability benefits, as discussed on [the next slide](#).

Key: **PPD**: Permanent partial disability.

Notes: This chart shows the study states with a wage-loss benefit system (LA, MA, MI, PA, and VA) separately. Under such a benefit system, workers typically continue to receive temporary disability benefits so long as they experience wage loss because of the work-related injury. We expect states with a wage-loss benefit structure to have longer durations of temporary disability because most indemnity benefits are paid as temporary disability benefits. GA and NC have attributes of both a wage-loss system and a PPD system, so they are shown separately in this chart as well.

Several FL System Features May Affect Duration Of Temporary Disability Benefits

- Unilateral termination of TTD benefits (without a hearing) allowed under various circumstances:
 - When the treating physician or an IME reports that the worker is capable of returning to work
 - The worker has reached MMI
 - The 260-week limit on TTD benefits has been reached

Florida has clear rules governing TTD payments. Unilateral termination of TTD benefits (without a hearing) is allowed when the treating physician or an IME reports that the worker is capable of returning to work or indicates that the worker has reached MMI. By contrast, in some states, TTD benefits cannot be terminated without a hearing except in cases of return to work or when the maximum number of weeks of benefits has been paid.

TTD benefits can also be terminated when the statutory limit of TTD benefits in Florida is reached. This limit is 260 weeks, after the *Westphal* decision by the Florida Supreme Court in June 2016. Prior to this court decision, the statutory limit of TTD benefits in Florida was set at 104 weeks.

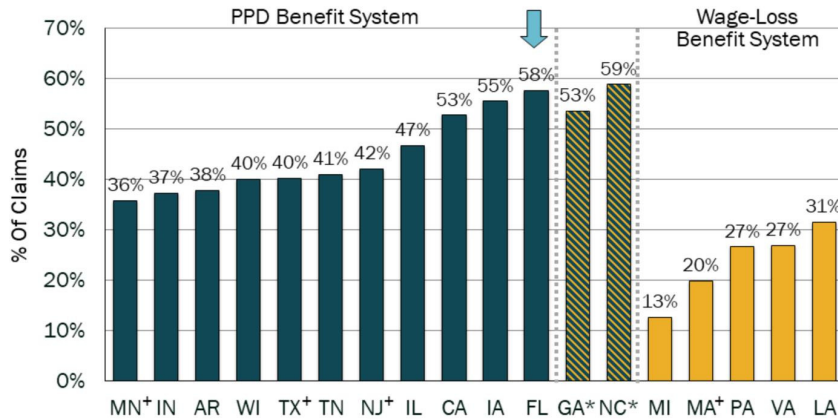
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30



Key: **IME**: Independent medical evaluator. **MMI**: Maximum medical improvement.
TTD: Temporary total disability.

% Of Claims With PPD Or Lump-Sum Payments In FL The Highest Of PPD States



* Attributes Of Both Wage-Loss And PPD Systems + No/Little Lump Sum Of Future Medical

2017/20 Claims With PPD/Lump-Sum Payments As % Of Claims With > 7 Days Of Lost Time, Adjusted For Injury/Industry Mix And Wages

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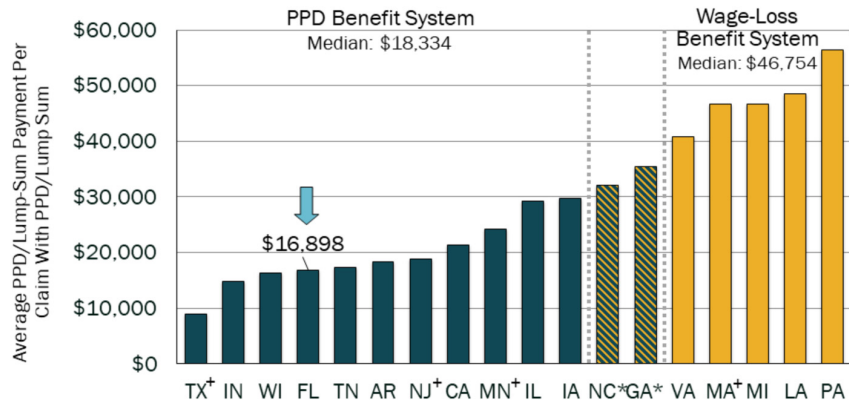


The Florida statute requires that once the worker reaches maximum medical improvement (MMI), temporary disability benefits shall cease and the permanent impairment rating shall be determined. The impairment benefit (i.e., PPD) payments must be initiated within 14 days after the payor's knowledge of the impairment. These rules may be related to the earlier transition to PPD benefits and/or lump-sum settlements in Florida. For claims at 12 months' maturity, Florida had the highest proportion of claims with PPD/lump-sum payments among the PPD states (see [Supplemental Slide S18](#)). This pattern continued to be reflected in more mature claims, including the claims at 36 months' maturity that we show here.

Key: **PPD**: Permanent partial disability.

Notes: PPD/lump-sum payments per claim is a broad measure consisting of payments for three components: (1) claims with lump-sum settlements but no periodic PPD payments, (2) claims with periodic PPD payments but no lump-sum settlements, and (3) claims with both lump-sum settlements and periodic PPD payments. The terms *settlement* and *lump-sum payment* are used interchangeably throughout this report to refer to lump-sum settlements. All lump-sum payments are reported as indemnity payments to achieve consistency and comparability in this measure across all states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. Lump-sum settlements for future medical payments are not permitted in TX and MA (under most circumstances) and are not common practice in MN and NJ.

FL Had Lower PPD/Lump-Sum Payments Per Claim Than Many Other PPD States



* Attributes Of Both Wage-Loss And PPD Systems + No/Little Lump Sum Of Future Medical

2017/20 Claims With > 7 Days Of Lost Time With PPD/Lump-Sum Payments, Adjusted For Injury/Industry Mix And Wages

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32



Relatively lower PPD/lump-sum payments per claim in Florida may be related to several rules governing impairment benefits, as we discuss in [the next slide](#).

Key: **PPD**: Permanent partial disability.

Notes: PPD/lump-sum payments per claim is a broad measure consisting of payments for three components: (1) claims with lump-sum settlements but no periodic PPD payments, (2) claims with periodic PPD payments but no lump-sum settlements, and (3) claims with both lump-sum settlements and periodic PPD payments. The terms *settlement* and *lump-sum payment* are used interchangeably throughout this report to refer to lump-sum settlements. All lump-sum payments are reported as indemnity payments to achieve consistency and comparability in this measure across all states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. Lump-sum settlements for future medical payments are not permitted in Texas and Massachusetts (under most circumstances) and are not common practice in Minnesota and New Jersey.

FL Impairment Benefit Rules That May Impact PPD/Lump-Sum Payments Per Claim

- PPD benefits are based on impairment only
- PPD weekly benefit rate is set at 75% of worker's weekly TTD benefit rate
- 2 weeks per permanent impairment rating (PIR) point up to 10%, graduated additive scale for rating above 10%
 - For PIR 11–15%, 3 weeks of benefits for each % point
 - For PIR 16–20%, 4 weeks of benefits for each % point
 - For PIR 21% and higher, 6 weeks of benefits for each % point
- PPD benefits are reduced by 50% for each week in which worker earned income equal to or in excess of preinjury AWW

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33



PPD benefits in Florida are based on physical impairment only, while other factors are also considered in other states.

Florida sets the weekly PPD benefit rate lower than the TTD benefit rate; they are the same in many states.

The number of weeks of PPD benefits is based on the PIR assigned by the authorized treating physician, according to the *Florida Impairment Rating Guide*. Two weeks of benefits are to be paid for each percentage point of PIR from 1 to 10 percent, and then a graduated additive scale applies for PIR over 10 percent. Compared with some other states with PPD benefits based on impairment only and a linear scale, this graduated additive scale in Florida may result in a fewer number of weeks of PPD benefits (see the note below the slide for an example).

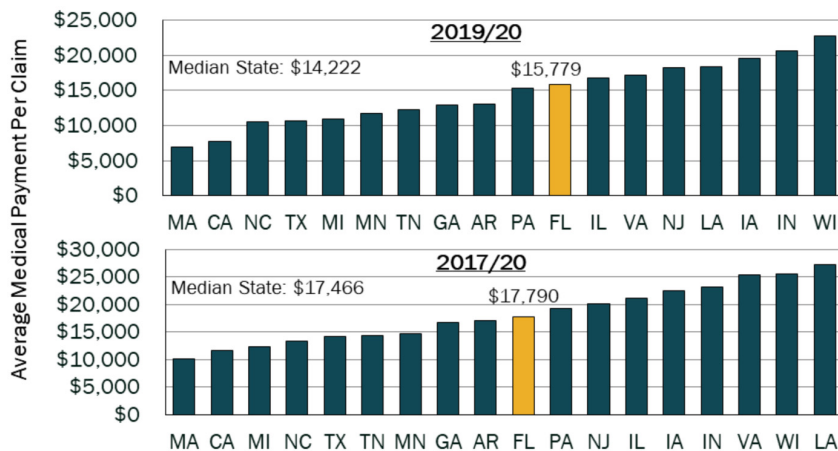
In addition, permanent impairment benefits are reduced by 50 percent for each week in which the worker earned income equal to or in excess of his or her average weekly wage.

Key: **AWW:** Average weekly wage (of workers with injuries). **PIR:** Permanent impairment rating.

PPD: Permanent partial disability; note that permanent impairment benefits in Florida are typically known as PPD in other states. **TTD:** Temporary total disability.

Note: For example, in Texas, a state that bases PPD benefits on impairment only and a linear scale, 3 weeks are paid for each percentage of impairment. A worker with an impairment rating of 12 percent would receive 26 weeks in Florida (2 weeks for each point in the first 10 percent, plus 3 weeks for each point in the other 2 percent), compared with 36 weeks (3 weeks for each point of the 12 percent) of benefits in Texas.

Florida Had Typical Medical Payments Per Claim Of The Study States



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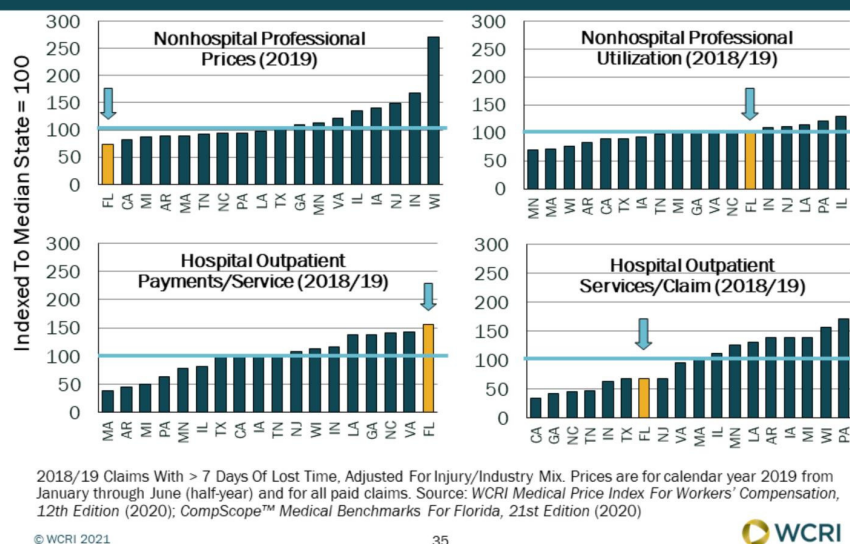
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Medical payments per claim with more than seven days of lost time in Florida were fairly similar to the median state for both 2019/20 claims at 12 months' maturity and 2017/20 claims at 36 months' maturity.

Note that medical payments per medical-only claim in Florida were also typical of the 18 states (see the "Other Key Findings" section).

Lowest Price For Professional Services & Highest Hospital Outpatient Payments/Service In FL



Notes: (1) Price information is reported on a calendar-year basis, as opposed to injury/evaluation year, as used for the other metrics on this slide. Prices are from *WCRI Medical Price Index for Workers' Compensation, 12th Edition (MPI-WC)* (Yang and Fomenko, 2020). (2) An earlier WCRI study showed that the prices paid under workers' compensation for common office visits in Florida were similar to the prices paid by group health insurers. For common surgeries, the workers' compensation prices were higher than the group health prices in Florida; however, the price differences in Florida were smaller than in most study states. These were 2009 results reported in *A New Benchmark for Workers' Compensation Fee Schedules: Prices Paid by Commercial Insurers?* (Fomenko and Victor, 2013).

In *CompScope™ Medical Benchmarks for Florida, 21st Edition*, we examined the offsetting factors underlying the typical medical payments per claim in Florida.

Here we highlight the contrast between the lowest nonhospital prices and the highest hospital outpatient payments per service in Florida. These results likely relate to the fee schedules in the state (see [Supplemental Slides S19–S22](#)).

Offsetting the price results to a certain extent were typical utilization of nonhospital services and lower-than-typical services per claim for hospital outpatient care in Florida.

Other offsetting factors include a lower percentage of claims with hospital outpatient services, more frequent use of ASCs with higher payments per claim, higher hospital inpatient payments per episode, and higher prescription drug payments per claim. See [Supplemental Slides S23–S26](#) for detailed discussions.

FL Offsetting Expense Components: Typical MCC Expenses/Claim; Higher Attorney Involvement

Measure	FL	Median State	Difference (% or ppt)	Relative To Median
% Of Claims With MCC	92.2%	95.5%	-3.3 ppt	Lower
MCC Expenses/Claim	\$3,231	\$3,592	-10%	Typical
% Of Claims With Defense Attorney*	41.9%	34.1%	+7.8 ppt	Higher
Defense Attorney* Expenses/Claim	\$7,135	\$6,297	+13%	Higher
% Of Claims With Worker Attorney	39.9%	29.0%	+10.9 ppt	Higher

* Defense attorney measures are for claims with defense attorney payments > \$500.

2017/20 Claims With > 7 Days Of Lost Time, Adjusted For Injury/Industry Mix

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36



Florida was fairly typical for medical cost containment expenses per claim and lower than the 18-state median for the percentage of claims with medical cost containment services.

Meanwhile, Florida was higher than typical for both defense attorney and worker attorney involvement. The average defense attorney payment per claim in Florida was also higher than the median state.

These offsetting factors resulted in typical benefit delivery expenses per claim in Florida.

Key: **MCC**: Medical cost containment. **ppt**: Percentage points.

Notes: Medical cost containment expenses include fees for bill review, case management, preferred provider networks, and utilization review. Defense attorney payments include payments for either or both in-house and outside defense counsel. Measures of medical-legal expenses are not reported for Florida, North Carolina, and Tennessee because underlying data in our sample are not necessarily representative of each state's experience.

Higher Attorney Involvement In Florida May Be Related To Several Potential Factors

- FL had more frequent lump-sum settlements than most study states, and they typically involved attorneys on both sides
 - Historically, frequent disputes over the determination of permanency benefits pre-2003 reforms resulted in settlements
 - Settlements remained frequent after SB 50-A, which simplified the determination of impairment benefits
- Difference between PPD and TTD weekly benefit rates may lead to more disputes over MMI
 - PPD weekly benefit rate is set at 75% of worker's weekly TTD benefit rate

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37



Potential factors that may relate to higher attorney involvement in Florida include more frequent lump-sum settlements (see [Supplemental Slide S27](#)) and a lower weekly PPD benefit rate than the TTD weekly benefit rate (see [Supplemental Slide S28](#)).

Note: Regarding the first potential factor, historically, the process to determine permanency benefits before the 2003 reforms often involved disputes. For example, pre-reform, a worker who had a condition that would make him or her eligible for SSDI benefits was presumed to be permanently and totally disabled. Payors and employers often settled cases that involved permanent impairment for amounts much larger than the statutory formula suggests in order to prevent possible future costly PTD payments. This may have increased the incentives for attorney involvement on both sides. SB 50-A simplified the determination of impairment benefits by eliminating the SSDI criteria for PTD benefits and other provisions. However, disputes over permanency benefits still often resulted in lump-sum settlements.

Key: **MMI:** Maximum medical improvement. **PPD:** Permanent partial disability. **PTD:** Permanent total disability. **SB:** Senate bill. **SSDI:** Social Security Disability Income. **TTD:** Temporary total disability.

Source: Victor and Savych. 2010. [*Avoiding Litigation: What Can Employers, Insurers, and State Workers' Compensation Agencies Do?*](#)

Further Information For The Florida CompScope™ Reader

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38



Data And Methods In This Study

- Data reasonably representative of state experience
 - 43% of Florida claims; 41–72% across all 18 states
- Meaningful interstate comparisons
 - Definitions harmonized across states and data sources
 - Adjusted for differences in injury/industry mix and wages
 - Adjusted for differences in waiting periods (claims with > 7 days of lost time)
- Trends shown are based on unadjusted numbers
- Analysis focuses on cases with different maturities (12, 24, and 36 months of experience) to capture phenomena that occur earlier and later in a claim
- See the *Technical Appendix* for more detail

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39



Scope Of CompScope™ Multistate Benchmarks

CompScope™

- Benefit amounts
- Timeliness
- Medical costs
- Disability duration
- Defense attorney involvement
- Vocational rehabilitation use
- Benefit delivery expenses

CompScope™ Medical

- Medical costs
- Medical prices
- Utilization of services
- By provider type
- By service type

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40



Other WCRI Studies Of Interest For Florida

- [CompScope™ Medical Benchmarks for Florida, 21st Edition \(2020\)](#)
- [Comparing Outcomes for Workers Injured in Florida, 2019 Interviews \(2020\)](#)
- [WCRI Medical Price Index for Workers' Compensation, 12th Edition \(2020\)](#)
- [Hospital Outpatient Payment Index, 9th Edition \(2020\)](#)
- [Workers' Compensation Rx Drug Regulations: A National Inventory, 2020 \(2020\)](#)
- [Designing Workers' Compensation Medical Fee Schedules, 2019 \(2019\)](#)
- [Workers' Compensation Laws as of January 1, 2019 \(2019\)](#)
- [State Policies on Treatment Guidelines and Utilization Management: A National Inventory \(2019\)](#)
- [Interstate Variations in Dispensing of Opioids, 5th Edition \(2019\)](#)
- [Workers' Compensation MCC: A National Inventory, 2021 \(2021\)](#)

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41



This list includes a selection of WCRI studies relevant to Florida. Additional studies can be located on WCRI's website at www.wcrinet.org.

Sources:

Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.
 Savych and Thumula. 2020. *Comparing Outcomes for Workers Injured in Florida, 2019 Interviews*.
 Yang and Fomenko. 2020. *WCRI Medical Price Index for Workers' Compensation, 12th Edition (MPI-WC)*.
 Fomenko and Yang. 2020. *Hospital Outpatient Payment Index: Interstate Variations and Policy Analysis, 9th Edition*.
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 Fomenko and Liu. 2019. *Designing Workers' Compensation Medical Fee Schedules, 2019*.
 Rothkin. 2019. *Workers' Compensation Laws as of January 1, 2019*.
 Wang, Mueller, and Lea. 2019. *State Policies on Treatment Guidelines and Utilization Management: A National Inventory*.
 Thumula, Wang, and Liu. 2019. *Interstate Variations in Dispensing of Opioids, 5th Edition*.
 Rothkin. 2021. *Workers' Compensation Medical Cost Containment: A National Inventory, 2021*.

DISCUSSION OF MAJOR FINDINGS

TOTAL COSTS PER CLAIM INCREASED 4 PERCENT PER YEAR 2014–2018, FOLLOWED BY FASTER GROWTH IN 2019

[Total costs per claim](#) with more than seven days of lost time in Florida grew 4 percent per year from 2014 to 2018 at all claim maturities. In 2019/2020,¹ this measure experienced a faster increase of 8 percent. The key components of total costs include medical payments, indemnity benefits, and benefit delivery expenses, which include expenses for managing medical costs and litigation-related expenses that are allocated to individual claims. In 2019/2020, medical payments per claim in Florida increased 8.0 percent, following moderate growth at 3.5 percent per year from 2014/2015 to 2018/2019. Indemnity benefits per claim increased 8.7 percent in 2019/2020, compared with growth at 5.5 percent per year between 2014/2015 and 2018/2019. The faster increases in medical payments and indemnity benefits per claim in 2019/2020 were the [drivers](#) of the cost growth in the latest 12-month valuation. Benefit delivery expenses per claim in Florida increased 6.1 percent in 2019/2020, after being fairly stable from 2014/2015 to 2018/2019.

Compared with the other 17 states, growth in costs per claim in Florida since 2014 was [faster](#) than in most states, due to more rapid increases in medical payments and indemnity benefits per claim. The increase in benefit delivery expenses per claim with expenses in Florida was similar to the typical growth rate among the 18 states.

Data in this study reflect up to 48 months of experience after the Florida Supreme Court decisions in [Castellanos and Westphal](#).² The *Castellanos* decision in April 2016 declared the mandatory worker attorney fee schedule in workers' compensation unconstitutional as a violation of due process. The *Westphal* decision in June 2016 ruled that the state's 104-week limitation on TTD benefits is unconstitutional as a denial of right of access to the courts. Florida also implemented [medical fee schedule updates](#) for all types of providers from 2015 to 2017. This study includes 33 to 63 months of data after these regulation changes.

FASTER GROWTH IN INDEMNITY BENEFITS PER CLAIM SINCE 2014 DUE TO INCREASE IN SETTLEMENT FREQUENCY & PAYMENTS, MAY RELATE TO THE CASTELLANOS AND WESTPHAL DECISIONS

[Indemnity benefits per claim](#) with more than seven days of lost time in Florida have grown 6–7 percent per year since 2014 at all claim maturities, after being fairly stable from 2008 to 2014. The faster growth in indemnity benefits per claim since 2014 was largely driven by the rapid increase in lump-sum settlement payments per claim and growth in the percentage of claims with lump-sum settlements, which, in part, may reflect the impact of the *Castellanos* and *Westphal* decisions.

The *Castellanos* decision may increase attorney involvement and payments. To the extent that the

¹ 2019/2020 refers to claims with injuries arising from October 1, 2018, through September 30, 2019, with experience through March 31, 2020 (12 months on average). Other injury year/evaluation combinations are denoted similarly.

² In April 2016, the Florida First District Court of Appeal issued a decision in *Miles v. City of Edgewater Police Dept.* The *Miles* decision concluded that the mandatory worker attorney fee schedule in workers' compensation is unconstitutional as a violation of a claimant's rights to free speech, free association, and petition and a violation of a claimant's right to form contracts for legal services. While the discussion of major findings focused more on the two Florida Supreme Court decisions in 2016, the results in this study reflect the collective effect of the *Castellanos* decision, the *Westphal* decision, and the *Miles* decision, as well as many other court decisions and policy changes.

frequency of attorney involvement and lump-sum settlements are often correlated, this decision may relate to the increase in lump-sum settlement frequency. Since worker attorney fees are often included in the lump-sum settlement payments, this decision may also relate to higher settlement amounts. The [2019–2020 Annual Report of the Office of the Judges of Compensation Claims](#) found that claimant attorney fees overall have increased nearly 77 percent since fiscal year 2015-16 (ending in June) following the supreme court decisions, including an 11 percent increase in fiscal year 2019-20. The National Council on Compensation Insurance (NCCI) [Overview of the Proposed Florida Workers Compensation Rate Filing Effective January 1, 2021](#) also reported increases in worker attorney fees and higher attorney involvement after the *Castellanos* decision. The *Westphal* decision may increase the duration of TTD benefits for a small group of claims that may reach the limitation of TTD benefits prior to the decision. Therefore, it may also lead to higher lump-sum settlement amounts in some cases because of the potential of longer duration of TTD benefits.

The average [lump-sum settlement payment per claim](#) in Florida has increased 5–7 percent per year since 2014, depending on claim maturity; previously, this measure had little growth (increasing less than 3 percent per year) from 2007 to 2014. In particular, both the average and the median lump-sum settlement payment per claim experienced double-digit increases in 2016 at all claim maturities, following the *Castellanos* and *Westphal* decisions. Note that lump-sum settlement payments per claim for 2015 claims at 24 and 36 months' maturity and for 2014 claims at 36 months' maturity also had faster growth than in prior years; these claims may also be influenced by the 2016 supreme court decisions if they remained open post-decision. Since 2016, lump-sum settlement payments per claim have continued to grow rapidly for claims at 12 months' maturity, and have remained fairly stable for claims at 24 and 36 months' maturity.

The [percentage of claims with lump-sum settlements](#) in Florida increased 2 percentage points per year from 2014 to 2016 for claims at 24 and 36 months' maturity, following the *Castellanos* and *Westphal* decisions. This growth rate was faster than the small increase of less than 1 percentage point per year from 2010 to 2014. Since 2016, this measure in Florida remained fairly stable through 2018 at all claim maturities, followed by growth of 2 percentage points in 2019/2020 for claims at 12 months' maturity.

The small increase (at 1.7 percent per year) in the [average weekly wage](#) of workers with injuries in Florida and the little growth (increasing less than 3 percent per year) in the [duration of TD benefits](#) since 2014 also contributed to the indemnity growth in the state.

Another area that may be related to lump-sum settlements and may be affected by the 2016 supreme court decisions is attorney involvement. Both the [percentage of claims with defense attorneys involved](#) and the [frequency of worker attorney involvement](#) in Florida increased 3 percentage points overall from 2014 to 2016, following the *Castellanos* and *Westphal* decisions. Previously these measures had remained fairly stable since 2010. After 2016, these measures changed little for claims at 24 and 36 months' maturity. In addition, [defense attorney payments per claim](#) in Florida have remained fairly stable since 2014. The claimant attorney fees in Florida increased significantly following the 2016 supreme court decisions, according to the [2019–2020 Annual Report of the Office of the Judges of Compensation Claims](#).³

MODERATE GROWTH IN MEDICAL PAYMENTS PER CLAIM 2014–2018 DRIVEN BY THE INCREASE IN HOSPITAL INPATIENT & ASC PAYMENTS; FASTER GROWTH IN 2019

[Medical payments per claim](#) with more than seven days of lost time in Florida grew 3 percent per year from

³ In this study, we cannot report worker attorney payments since they are often bundled into lump-sum settlements.

2014 to 2018 at all claim maturities, followed by a faster increase of 8 percent in 2019/2020. [Prices](#) paid for nonhospital professional services in Florida changed little in 2019, according to *WCRI Medical Price Index for Workers' Compensation, 12th Edition* (Yang and Fomenko, 2020). We will examine which key components of medical payments drove the growth in 2019 in the next edition of CompScope™ Medical Benchmarks.

The moderate growth in medical payments per claim from 2014 to 2018 were mainly [driven by](#) the increases in hospital inpatient payments per episode and ASC facility payments per claim, according to *CompScope™ Medical Benchmarks for Florida, 21st Edition* (Yang, 2020). During this period, both the median and the average [inpatient payment per episode](#) in Florida continued to grow at double-digit rates following the inpatient fee schedule update in 2015. Meanwhile, the percentage of claims with inpatient care in Florida continued to decrease. The [2015 fee schedule change](#) increased both the per diem rate and the stop-loss threshold for inpatient services. Part of the growth in inpatient payments per claim may reflect the dynamic of two offsetting effects from these changes. On one hand, a higher per diem rate may lead to an increase in hospital inpatient payments. On the other hand, a higher stop-loss threshold may result in a decrease in hospital inpatient payments, as more cases are reimbursed based on the per diem rate rather than the percentage of charges after the policy change. However, if hospital charges increase rapidly, payments will grow despite the higher stop-loss threshold. Other potential [factors](#) underlying the inpatient payment growth include more claims from the construction industry, higher incidence of more severe injuries, lower network participation, and the increase in hospital charges.

[ASC facility payments per claim](#) in Florida continued to grow after the ASC fee schedule change in 2016. From 2014 to 2018, this measure increased 5 percent per year, and the increase rates before and after the fee schedule change were similar. The [2016 fee schedule change](#) increased the maximum reimbursement allowance (MRA) amounts for most listed procedures in the ASC fee schedule, and expanded the list of procedure codes with specific MRA amounts assigned significantly. The growth in ASC facility payments per claim may reflect two offsetting effects of these changes. On one hand, higher MRA amounts may increase payments for ASCs. On the other hand, a longer Current Procedural Terminology (CPT) code list with MRAs may lead to a decrease in ASC payments as more procedures are subject to the fixed-amount rates rather than charges. Other potential factors underlying the ASC payment growth include changes in the frequency of using multiple surgical procedures, changes in the mix of surgeries and their complexity, and changes in negotiated prices.

The 21st edition of the CompScope™ Medical Benchmarks study also reported that [prices](#) for nonhospital professional services in Florida increased 9 percent following the 2016 professional fee schedule update, and then remained stable after the 2017 fee schedule update. These trends were consistent with the expectations of both fee schedule updates. [Utilization](#) of nonhospital services in Florida changed little from 2014 to 2018. [Hospital outpatient payments per claim](#) in Florida remained fairly stable from 2014 to 2018 after the outpatient fee schedule change in 2015, a change of pattern from the rapid growth in prior years.

A topic related to medical payments is [medical cost containment expenses](#), which include fees for bill review, utilization review, case management, and preferred provider networks. Since 2014, medical cost containment expenses per claim and the percentage of claims with these expenses in Florida have changed little.

FLORIDA COSTS PER CLAIM TYPICAL OF STUDY STATES; OFFSETTING FACTORS IN COST COMPONENTS MAY REFLECT SYSTEM FEATURES

[Total costs per claim](#) with more than seven days of lost time in Florida were typical of the study states. At nearly \$42,700, this measure in Florida was similar to the 18-state median for 2017 claims at 36 months of maturity.

Florida was typical of the study states for [all key components](#) of total costs per claim, including medical payments per claim, indemnity benefits per claim, and benefit delivery expenses per claim. Each of these key cost components masks several offsetting factors, which likely reflect system features in Florida.

At nearly \$17,800, the average [indemnity benefit per claim](#) in Florida was close to the 18-state median for 2017/2020 claims with more than seven days of lost time. Several [offsetting factors](#) produced this result. The [average weekly TTD benefit rate](#) in Florida was typical of the study states. At an average of 13 weeks, [duration of TD benefits](#) in Florida was typical of the study states with a PPD benefit system for 2017/2020 claims. This may be related to the [clear rules governing TTD payments](#) in the state. For example, in Florida, unilateral termination of TTD benefits (without a hearing) is allowed when the treating physician or an independent medical evaluator (IME) reports that the worker is capable of returning to work or indicates that the worker has reached maximum medical improvement (MMI). In addition, TTD benefits can be terminated when the statutory limit of TTD benefits is reached.

The [percentage of claims with PPD/lump-sum payments](#) in Florida was the highest of the PPD states. Fifty-eight percent of 2017/2020 claims with more than seven days of lost time in Florida received PPD/lump-sum payments, compared with 41 percent in the median state. Part of this result may be related to the fact that Florida statutes require that once the worker reaches MMI, temporary disability benefits shall cease and the permanent impairment shall be determined. Permanent impairment benefit (i.e., PPD) payments must be initiated within 14 days after the payor has knowledge of the impairment. These rules may be related to the earlier transition and [earlier payments](#) to PPD benefits and/or lump-sum settlements in Florida. This pattern continued to be reflected in more mature claims.

Offsetting the higher percentage of claims with PPD/lump-sum payments were [lower PPD/lump-sum payments per claim](#) with those payments in Florida as compared with many states. Several [rules](#) governing impairment benefits may be related to this result. For example, PPD benefits in Florida are based on physical impairment only, while other factors (such as age, occupation, earning capacity, etc.) are also considered in some other states when determining PPD benefits. The weekly PPD benefit rate in Florida is set at 75 percent of the worker's weekly TTD benefit rate, while in many other states, the weekly PPD benefit rate is the same as the TTD rate. Florida uses a graduated additive scale to determine the number of weeks of PPD benefits based on the permanent impairment rating (PIR). Compared with some other states with PPD benefits based on impairment only, this graduated additive scale in Florida may result in fewer weeks of PPD benefits.⁴ In addition, permanent impairment benefits in Florida are reduced by 50 percent for each week in which the worker earned income equal to or in excess of his or her average weekly wage.

The average [medical payment per claim](#) in Florida was nearly \$17,800 for 2017/2020 claims at 36 months of experience, similar to the 18-state median. Medical payments per claim in Florida for 2019/2020 claims at 12 months' maturity were also fairly typical of the study states. These results mask offsetting factors.

CompScope™ Medical Benchmarks for Florida, 21st Edition highlighted the [contrast](#) between the lowest nonhospital professional prices and the highest hospital outpatient payments per service in Florida. These results were mainly due to the fee schedules in the state. According to *Designing Workers' Compensation Medical*

⁴ The Florida statutes require that 2 weeks of benefits be paid for each percentage point of PIR from 1 to 10 percent. For each percentage point of PIR from 11 to 15 percent, 3 weeks of benefits are to be paid. For each percentage point of PIR from 16 to 20 percent, 4 weeks of benefits are to be paid. And for each percentage point of PIR 21 percent and higher, 6 weeks of benefits are to be paid. Based on this graduated additive scale, a worker with an impairment rating of 12 percent would receive 26 weeks of benefits in Florida (2 weeks for each point in the first 10 percent, plus 3 weeks for each point in the other 2 percent). For comparison, Texas is a state that also bases PPD benefits on impairment only, but it uses a linear scale with 3 weeks paid for each percentage of impairment. The same worker would receive 36 weeks (3 weeks for each point of the 12 percent) of benefits in Texas.

Fee Schedules, 2019 (Fomenko and Liu, 2019), Florida [fee schedule rates](#) for nonhospital professional services were among the lowest nationwide. [Price discounts](#) below the fee schedule rates were another factor underlying the lower prices in Florida. In states with lower prices, one may have concerns about [access to care](#). The WCRI study *Comparing Outcomes for Workers Injured in Florida, 2019 Interviews* (Savych and Thumula, 2020) found that a higher proportion of workers injured in Florida reported having “big problems” getting the desired primary provider compared with other study states. [Higher hospital outpatient payments per service](#) in Florida may reflect the influence of hospital charges in the fee schedule. Outpatient services listed in the fee schedule are subject to the fixed-amount reimbursement rates; however, these rates are based on frozen historical hospital charges.⁵ For procedure codes not listed in the fee schedule, payments are based on charges.

In addition, Florida had [typical utilization of nonhospital care](#) and [lower hospital outpatient services per claim](#). The CompScope™ Medical Benchmarks study also reported other offsetting factors, including [more frequent use of and higher payments per claim for ASCs](#), [higher hospital inpatient payments per episode](#), and [higher prescription payments per claim](#) with prescriptions in Florida.

At nearly \$7,200, the average [benefit delivery expense per claim](#) in Florida was typical of the study states for 2017/2020 claims with more than seven days of lost time and these expenses. This result stemmed from typical medical cost containment (MCC) expenses per claim [offsetting](#) higher attorney involvement. At about \$3,230, the average MCC expense per claim in Florida was similar to the median state for 2017/2020 claims. In contrast, Florida had higher percentages of claims with worker attorneys or defense attorneys involved, which may relate to [several factors](#). Florida had [more frequent lump-sum settlements](#) than most study states; settlements typically involved attorneys from both sides. The [weekly PPD benefit rate is lower](#) than the weekly TTD benefit rate in Florida; this may lead to more disputes over MMI and more attorney involvement. In addition, defense attorney payments per claim in Florida were also higher than typical of the study states.

OTHER KEY FINDINGS

The discussion of other findings for Florida focuses on time to first indemnity payment and medical payments for medical-only claims.

[Time to first indemnity payment](#) for workers in Florida was generally similar to other study states. Forty-four percent of 2019/2020 claims with more than seven days of lost time in Florida had the first indemnity payment within 21 days of injury. This measure in most states fell in a narrow range between 41 percent (in North Carolina) and 52 percent (in Wisconsin); the Florida result was within this range. Both the injury reporting time and the time to first payment once the payor was notified of the injury in Florida were fairly typical of the 18 states. Florida also had a typical rate of [first indemnity payment within 21 days of disability](#). From 2014/2015 to 2019/2020, the proportion of claims with the first indemnity payment within 21 days of injury in Florida [decreased](#) nearly 1 percentage point per year.

At nearly \$1,460, the average medical payment per [medical-only claim](#) in Florida was typical of the 18 states for 2019/2020 claims with less than or equal to seven days of lost time. Since 2014/2015, this measure in Florida has [changed little](#) overall, similar to the typical experience of the study states.

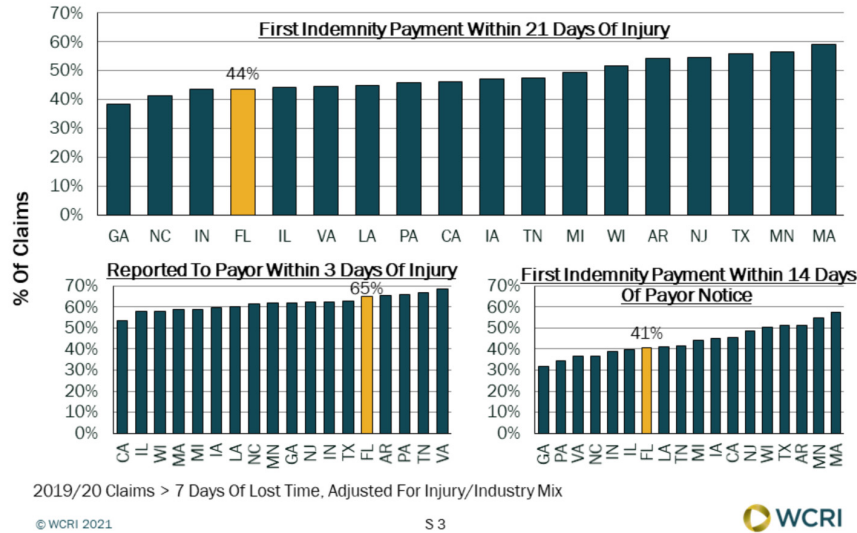
⁵ Florida law requires outpatient procedures to be reimbursed as a percentage of usual and customary charges. The reimbursement rate is computed as a base rate by procedure code, multiplied by a county-specific geographic modifier of the location of the service. The base rates for the procedures listed in the fee schedule are based on the average charge on outpatient hospital bills in a specific geographic area.



Other Key Findings For Florida From CompScope™ Benchmarks, 21st Edition

- Time to first indemnity payment in FL generally similar to other study states
- Medical payments per claim for medical-only claims in FL typical of the 18 states

Metrics For Timeliness Of First Indemnity Payment In Florida Generally Similar To Other States



Notes: The measure of time to first indemnity payment (percentage of claims paid within 21 days of injury) does not purport to show compliance with individual state requirements for timely payment. The data underlying the measure of time to first indemnity payment include claims that were denied and/or litigated but paid within the evaluation period. Also included are claims in which the workers were not continuously disabled from the date of injury, so the obligation to pay did not arise until later in the claim. Therefore, the WCRI results differ from numbers reported by state workers' compensation agencies in large part because of different definitions.

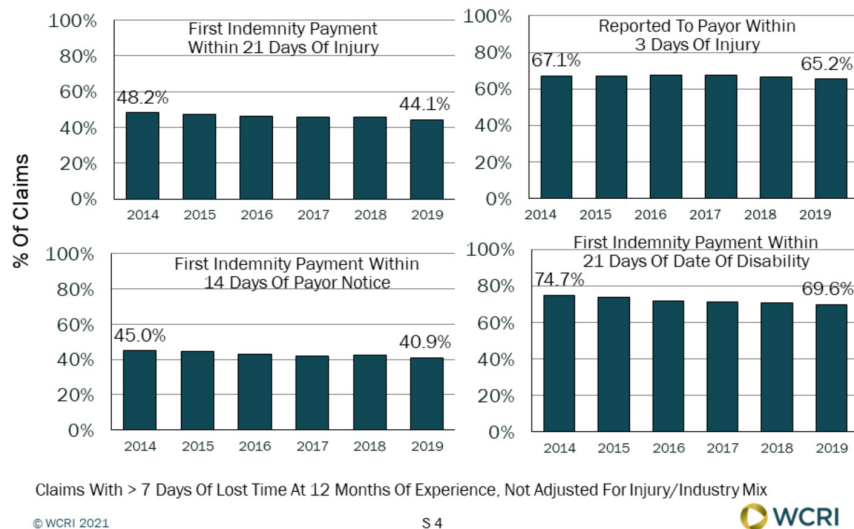
Florida results on time to first indemnity payment and injury reporting were generally similar to those in other study states.

For example, 44 percent of claims in Florida received the first indemnity payment within 21 days of injury, for 2019/20 claims with more than seven days of lost time. This measure in most study states was within a narrow range between 41 percent (in North Carolina) and 52 percent (in Wisconsin).

Note that the rate of first indemnity payment within 21 days of disability in Florida was typical of the study states.

Note that the Industry Audit Performance Charts for Indemnity Payment Timeliness and Accuracy published by the Florida Division of Workers' Compensation showed a 94 percent rate for timely indemnity benefit payments in fiscal year 2019–2020. This number is different from the timeliness measures in this WCRI report due to definitional differences.

Timeliness Of First Indemnity Payment Metrics In Florida Decreased 2014–2019

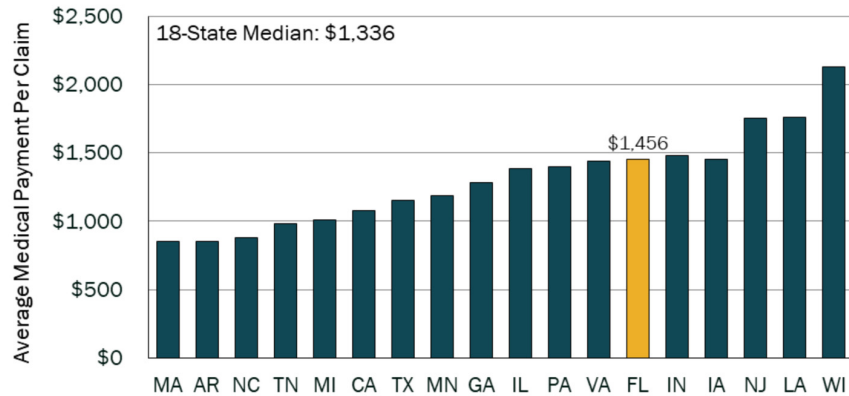


From 2014/15 to 2019/20, the percentage of claims with the first indemnity payment within 21 days of injury in Florida decreased overall 4 percentage points (or nearly 1 percentage point per year), driven by a decrease in the time from payor notice of injury to first indemnity payment. Injury reporting time remained fairly stable.

A similar decrease was observed in the percentage of claims with the first indemnity payment within 21 days of disability from 2014/15 to 2019/20.

Note: 2019 refers to 2019/20. Other injury year/evaluation combinations are denoted similarly.

FL Medical Payments Per Claim For Medical-Only Claims Typical Of Study States



2019/20 Claims With Less Than Or Equal To 7 Days Of Lost Time, Adjusted For Injury/Industry Mix

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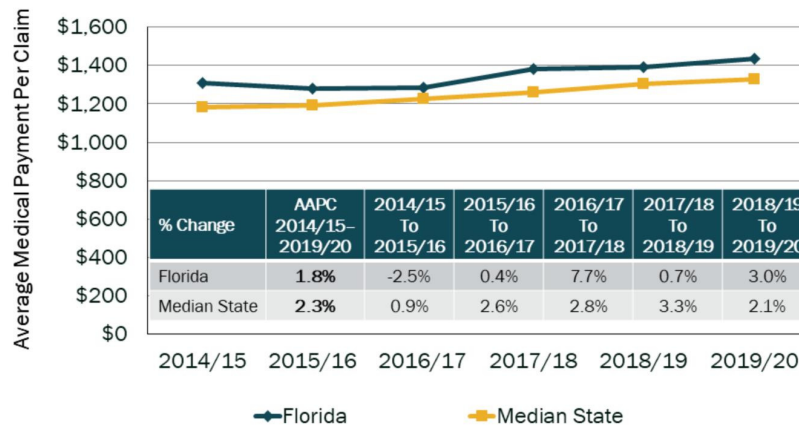
S 5



Medical payments per claim with less than or equal to seven days of lost time (i.e., medical-only claims) in Florida were similar to the median of the 18 states for 2019/20 claims.

Definition: Medical-only claims: Claims with less than or equal to seven days of lost time.

Little Growth In FL Medical Payments Per Medical-Only Claim Since 2014, Similar To Typical Trend



Claims With Less Than Or Equal To 7 Days Of Lost Time At 12 Months Of Experience, Not Adjusted For Injury/Industry Mix

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S 6



Medical payments per claim for medical-only claims in Florida overall changed little from 2014/15 to 2019/20, similar to the typical experience of the study states.

Note that in 2017/18, this measure in Florida grew nearly 8 percent. One factor underlying this growth may be the price increase for nonhospital office visits and physical medicine after the fee schedule update effective in July 2016; these services represented a large portion of medical treatments for medical-only claims.

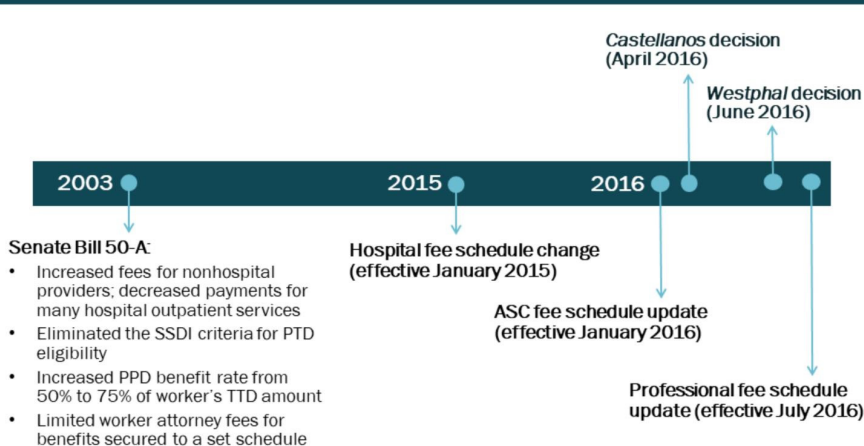
Key: AAPC: Annual average percentage change.



This section includes supplemental slides for the following topics:

- Timeline of major legislative and regulatory changes, and court decisions in Florida: [Slide S8](#)
- FL medical fee schedule changes from 2015 to 2017: [Slides S9–S12](#)
- Factors underlying FL medical trends 2014–2018: [Slides S13–S16](#)
- Share of total costs each key component represents in FL: [Slide S17](#)
- Earlier PPD/lump-sum settlement payments in FL: [Slide S18](#)
- Summary of FL medical fee regulations: [Slide S19](#)
- Offsetting factors underlying FL medical payments per claim: [Slides S20–S26](#)
- FL system features related to higher attorney involvement: [Slides S27–S28](#)

Timeline Of Major Legislative & Regulatory Changes And Court Decisions In Florida



For detailed discussions on the hospital, ASC, and professional fee schedule changes in 2015 and 2016, see [Major Findings Slide 17](#) and [Supplemental Slides S9–S12](#).

For a summary of the two Florida Supreme Court decisions in 2016, see [Major Findings Slide 7](#).

For Senate Bill 50-A in 2003, this slide lists a few selected provisions; for more provisions from this legislation, see [Table 12](#).

Key: **ASC:** Ambulatory surgery center. **PPD:** Permanent partial disability (i.e., impairment benefits in Florida). **PTD:** Permanent total disability. **SSDI:** Social Security Disability Income. **TTD:** Temporary total disability.

Recent Professional Fee Schedule Updates In Florida

Fee Schedule Update Effective July 2016

- In FL, the workers' compensation fee schedule rates set at 140% of Medicare rates for surgeries, 110% of Medicare for other professional services
- This update reflected the 2014 Medicare rates in the fee schedule rates computation
- The previous version of the workers' compensation fee schedule was based on 2008 Medicare rates

Fee Schedule Update Effective July 2017

- This update reflected the 2016 Medicare rates in the fee schedule rates computation

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S 9



In Florida, the workers' compensation fee schedule rates are set at 140 percent of the Medicare rates for surgeries and 110 percent of the Medicare rates for other professional services.

Effective July 2016, the fee schedule rates were updated to reflect the 2014 Medicare rates in the maximum reimbursement allowance (MRA) computation. Before this change, the fee schedule rates were based on the 2008 Medicare rates. This fee schedule update was expected to result in a price increase.

Effective July 2017, the fee schedule rates for nonhospital professional services were further updated, using the 2016 Medicare rates in the MRA computation. This update was expected to have little impact on prices for professional services, as the MRAs for most services did not change materially from the previous fee schedule update.

There has been no further professional fee schedule update as of December 2020.

Sources:

Fomenko. 2015. WCRI FlashReport: Evaluation of the 2015 Professional Fee Schedule Update for Florida.
NCCI. 2015. Analysis of the Proposed Changes to the Florida Workers' Compensation Health Care Provider Reimbursement Manual Effective upon Adoption.

NCCI. 2016. Analysis of the Proposed Changes to the Florida Workers' Compensation Health Care Provider Reimbursement Manual Proposed to Effective July 1, 2017.

The Florida ASC Fee Schedule Update That Became Effective In January 2016

Pre-Fee Schedule Change

- A combination of a fixed-amount method for the listed CPT codes and %-of-charge-based reimbursements for unlisted procedures:
- For CPT codes listed in the fee schedule: payments are based on a per-procedure list of maximum reimbursement allowances (MRAs)
 - For unlisted procedures, reimbursements are based on 70% of the ASC's billed charge

Post-Fee Schedule Change

- The maximum reimbursement allowances (MRAs) for most listed CPT codes were increased
- The list of CPT codes subject to the fixed-amount fee schedule expanded from 29 codes to 90 codes

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S 10



In Florida, reimbursements for ASC services are regulated by a combination of a per-service method and a charge-based approach. For procedures listed in the fee schedule, reimbursements are based on per-procedure MRA amounts. For procedures that are not covered by the fee schedule list, reimbursements are based on 70 percent of the ASC's billed charges.

Effective January 2016, Florida updated its workers' compensation ASC fee schedule. The MRA amounts for most listed procedures were increased*; meanwhile, the list of procedure codes with specific MRA amounts assigned was expanded from 29 codes to 90 codes. Previously, the ASC fee schedule had not been updated since 2011.

There has been no further ASC fee schedule update as of December 2020.

Key: **ASC**: Ambulatory surgery center. **CPT**: Current Procedural Terminology. **FS**: Fee schedule.

* The following table shows the MRA increase magnitudes for several common surgical procedures:

CPT Codes (surgery type)	MRA In 2011 FS	MRA In 2015 FS	% Change
29881 (knee)	\$3,150	\$3,568	13%
29827 (shoulder)	\$3,539	\$5,280	49%
64721 (carpal tunnel)	\$2,159	\$2,382	10%

Florida Hospital Outpatient Fee Schedule Change (Effective January 2015)

Pre-Fee Schedule Change

Predominately %-of-charge based reimbursements for most hospital outpatient services:

- Hospital outpatient scheduled surgeries were reimbursed at 60% of usual and customary charges; other services and supplies were reimbursed at 75% of charges
- Physical medicine, and scheduled, non-emergency radiology and clinical laboratory services were subject to nonhospital fee schedule rates (110% of Medicare)

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S11



Post-Fee Schedule Change

Scheduled surgery and most other services became subject to fixed-amount fee schedule rates:

- Reimbursement rate = (the base rate by CPT and HCPCS code) x (the county-specific geographic modifier of the location of service)
- The base rate is based on the average charge of outpatient hospital bills in a specific geographic area

Payments for non-listed procedures remained charge-based

No change for services that were subject to professional fee schedule

Historically, reimbursements for most hospital outpatient services in Florida were predominately based on percent-of-charges. Specifically, the reimbursement was set at 60 percent of charges for scheduled surgery and 75 percent for other services.*

Effective January 2015, payments for scheduled surgery and most other services became subject to a fixed-amount method. Under the new fee schedule, the reimbursement rate is computed as a base rate by CPT and HCPCS level II code, multiplied by a county-specific geographic modifier of the location of the service. The base rates for the procedures listed in the fee schedule are based on the average charge on outpatient hospital bills in a specific geographic area. Note that Florida law requires outpatient procedures to be reimbursed as a percentage of usual and customary charges. For procedures not listed in the new fee schedule, reimbursement remains charge-based.

There has been no further hospital fee schedule update as of December 2020.

Key: **CPT**: Current Procedural Terminology. **HCPCS**: Healthcare Common Procedure Coding System.

* For outpatient physical medicine, and scheduled, non-emergency radiology and clinical laboratory services, reimbursement for these services is subject to the nonhospital, professional fee schedule, which sets the rate at 110 percent of Medicare in Florida. However, these services were usually less expensive than services subject to charge-based reimbursement; therefore, we characterize the hospital outpatient fee schedule in FL prior to January 2015 as a predominantly charge-based regulation. Note that there is no change in the fee schedule for these services after January 2015.

Florida Hospital Inpatient Fee Schedule Update (Effective January 2015)

Pre-Fee Schedule Change

A per diem method with a stop-loss threshold for inpatient services:

- For cases with total gross charges after surgical implant carve-out within the stop-loss threshold, reimbursements are based on per diem rates
- For cases with total gross charges after surgical implant carve-out exceeding the stop-loss threshold, the reimbursement amount is set at 75% of the total gross charges after implant carve-out

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S12



Post-Fee Schedule Change

Both the stop-loss threshold and the per diem rates were increased:

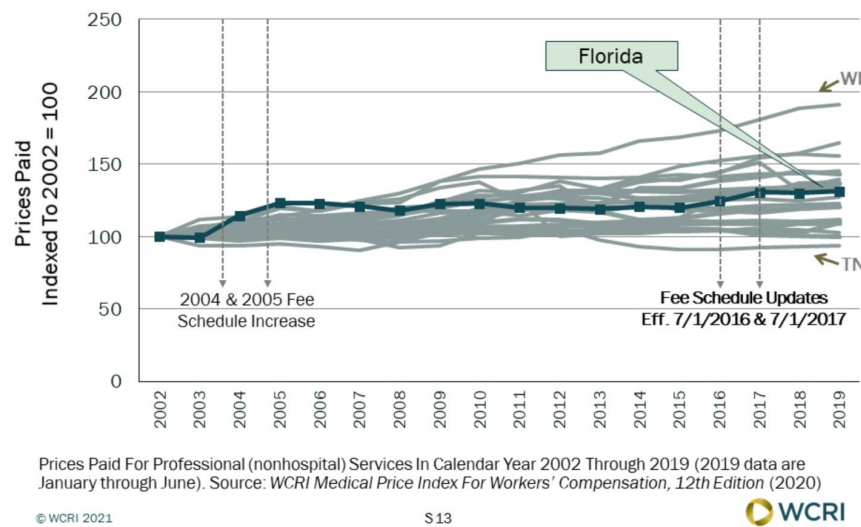
- The stop-loss threshold increased from \$51,400 to \$59,891.34
- For trauma centers, the per diem rate increased from \$3,305/day to \$3,850.33/day for a surgical stay; from \$1,986/day to \$2,313.69/day for a nonsurgical stay
- For other acute care hospitals, the per diem rate increased from \$3,304/day to \$3,849.16/day for a surgical stay; from \$1,960/day to \$2,283.40/day for a nonsurgical stay

In Florida, reimbursement for inpatient services is regulated using a per diem method with a stop-loss threshold. For cases with total gross charges after surgical implant carve-out within the stop-loss threshold, reimbursement is determined by a per diem fee schedule. For cases with total gross charges after surgical implant carve-out exceeding the stop-loss threshold, the reimbursement amount is set at 75 percent of the total gross charges after implant carve-out.

Effective January 2015, both the per diem rate and the stop-loss threshold were increased. The stop-loss threshold increased from \$51,400 to \$59,891.34. The increase in per diem rates varied by surgical versus nonsurgical stay, and for trauma centers versus other acute care hospitals—summarized on the slide.

There has been no further hospital fee schedule update as of December 2020.

Overall Professional Prices In FL Grew 9% Following 2016 FS Change; Stable After 2017 FS Update



According to *WCRI Medical Price Index for Workers' Compensation, 12th Edition*, overall prices paid for nonhospital professional services in Florida increased 9 percent from 2015 to 2017 following the fee schedule update in July 2016. After the subsequent fee schedule update in July 2017, prices paid in Florida remained stable between 2017 and 2018 as expected. In 2019, prices paid changed little in Florida as no further fee schedule update was implemented.

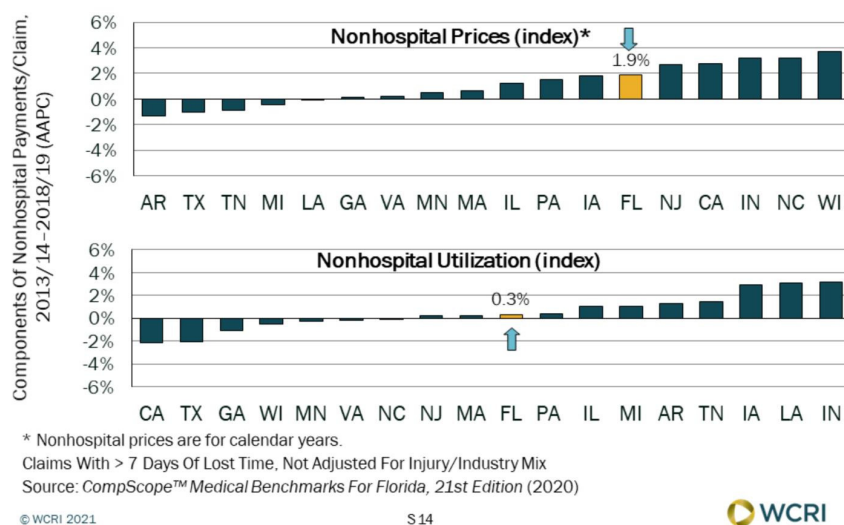
Previously, prices in Florida had been fairly stable from 2005 to 2015.

Note that the trends in prices paid for professional services in 24 other study states are also shown here.

Key and definition: **Eff.:** Effective. **FS:** Fee schedule. **Prices:** Measures the unit prices paid holding utilization constant. It is based on a marketbasket of common medical procedures used in workers' compensation cases, using detailed Current Procedural Terminology (CPT) billing codes. Prices paid may reflect network discounts and/or other price negotiations between the payors and medical providers. Price information is reported on a calendar-year basis, as opposed to an injury/evaluation-year basis as used for the medical payments per claim in this study.

Source: Yang and Fomenko. 2020. *WCRI Medical Price Index for Workers' Compensation, 12th Edition (MPI-WC)*.

Little Change In Nonhospital Utilization And Prices 2013–2018 In FL, Like Many States



From 2013/14 to 2018/19, utilization of nonhospital services remained stable in most study states, with changes of less than 3 percent per year in 16 of the 18 states, including Florida.

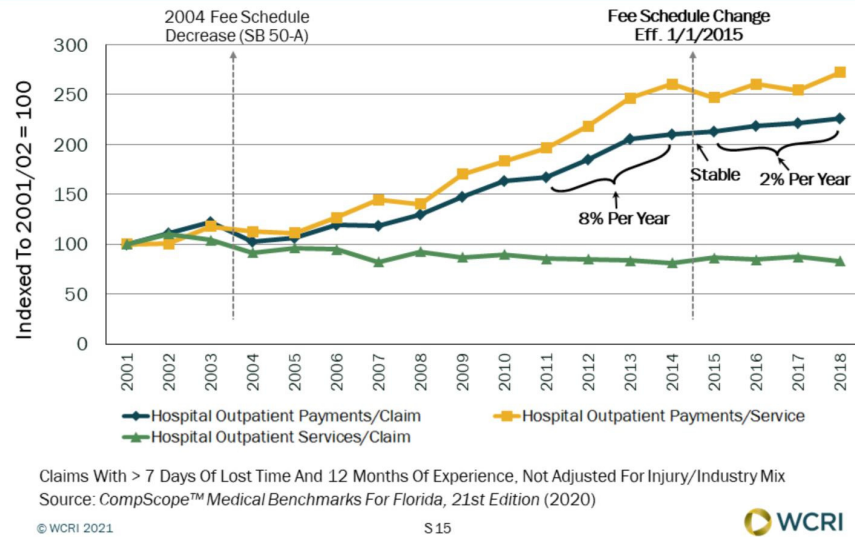
During this period, prices paid for nonhospital professional services also changed little in 15 of the 18 study states, including Florida.

Key and definitions: **AAPC:** Annual average percentage change. **Price index:** Measures the unit prices paid holding utilization constant. It is based on a marketbasket of common medical procedures used in workers' compensation cases, using detailed Current Procedural Terminology (CPT) billing codes.

Utilization index: Incorporates several aspects of medical care: number of visits per claim, number of services per visit, and the resource intensity of services provided. The average number of services per claim was relative value unit weighted.

Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

FL Hospital Outpatient Payments/Claim Remained Fairly Stable After Fee Schedule Change In 2015



Hospital outpatient payments per claim in Florida remained fairly stable after the fee schedule change in 2015. Before the policy change, this measure grew rapidly from 2011/12 to 2014/15.

Trends in hospital outpatient payments per claim were driven by changes in payments per service. This measure decreased 5 percent in 2015/16, followed by an overall moderate increase of 3 percent per year from 2015/16 to 2018/19. By contrast, hospital outpatient payments per service increased rapidly at 10 percent per year between 2011/12 and 2014/15. This result was consistent with the expectation of system stakeholders, as the 2015 regulation change assigned specific fee schedule rates to many services that were reimbursed based on charges before the change.

Key: **Eff.**: Effective. **SB**: Senate bill.

Note: 2018 refers to 2018/19. Other injury year/evaluation combinations are denoted similarly.

Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

Potential Factors Underlying Recent Growth In Florida Hospital Payments Per Inpatient Episode

- Increase in claims from construction industry
- Higher incidence of more severe injuries with more expensive inpatient payments
 - For example, crushing injuries, burns, sepsis, fracture of spine, and traumatic cases
- Lower network participation after 2015
- Increase in the hospital charges

Source: CompScope™ Medical Benchmarks For Florida, 21st Edition (2020)

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S16



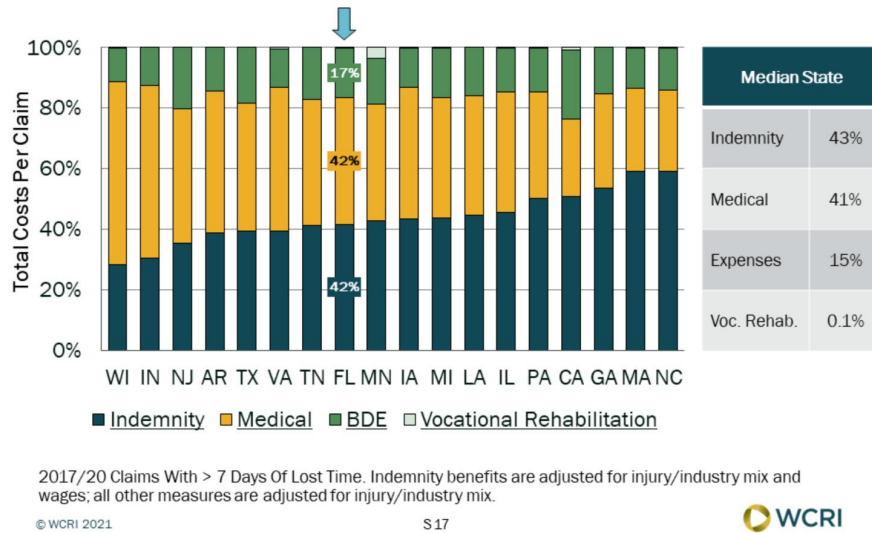
Growth in hospital inpatient payments per episode in Florida might be related to the increase in claims from the construction industry. For example, among Florida claims with inpatient care at 12 months' maturity, 12 percent were from the construction industry in 2014/15; by 2018/19, this proportion increased to 22 percent. Florida system stakeholders indicated that the fast growth of the construction industry was likely related to the economic recovery in the state. Since construction involves higher risk and more severe injuries than most other industries, this trend might have contributed to the increase in inpatient payments per claim.

Another factor might be the higher incidence of more severe injuries since 2015. For example, more inpatient episodes involved crushing injuries, burns, sepsis, fracture of spine, and traumatic cases. These cases were associated with higher-than-usual hospital inpatient payments.

The increase in inpatient payments per episode might also be related to lower network participation after 2015 (given the cost-saving nature of some network negotiations) and an increase in hospital charges.

Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

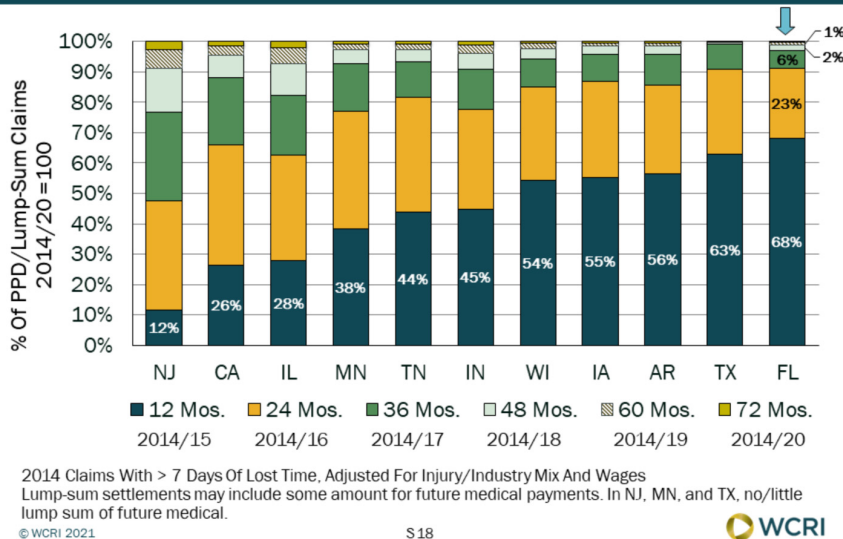
Share Of Total Costs Per Claim For All Key Components In FL Typical Of Study States



In Florida, indemnity benefits and medical payments each accounted for 42 percent of total costs per claim for 2017/20 claims with more than seven days of lost time. Seventeen percent of total costs per claim were for benefit delivery expenses. These shares were similar to those in the median state.

Key: **BDE:** Benefit delivery expenses. **Voc. Rehab.:** Vocational rehabilitation.

PPD/Lump-Sum Payments Occurred Earlier In FL Than In Other States With PPD Benefits



The overall height of the bar represents the 2014/20 claims with PPD/lump-sum settlement payments at 72 months in each state.

Sixty-eight percent of 2014 claims with PPD/lump-sum payments occurred at 12 months' maturity in Florida, the highest of the PPD states. The Florida statutes require the determination of an impairment rating at MMI, and PPD payments must be initiated within 14 days after the payor's knowledge of the impairment. These rules may relate to earlier PPD/lump-sum payments.

Key: **MMI:** Maximum medical improvement. **Mos.:** Months. **PPD:** Permanent partial disability.

Notes: Lump-sum settlements for future medical payments are not permitted in Texas (under most circumstances) and are not common in practice in Minnesota and New Jersey.

States with a wage-loss benefit system (LA, MA, MI, PA, and VA) were excluded from this comparison. Under such a benefit system, workers typically continue to receive temporary disability benefits so long as they experience wage loss because of the work-related injury. States with a wage-loss benefit structure are expected to have longer duration of temporary disability because most indemnity benefits are paid as temporary disability benefits. In addition, PPD benefits are typically paid for scheduled injuries only. GA and NC were also excluded because they have attributes of both a wage-loss system and a PPD system.

Summary Of Fee Schedule Regulations For Different Types Of Providers In Florida

Provider Type	Reimbursement Approach
Professional Services	An RBRVS-based fee schedule (140% of Medicare rates for surgeries, 110% of Medicare rates for other services)
Hospital Outpatient	<ul style="list-style-type: none"> For scheduled surgery and most other services: A combination of a per-procedure method with fixed-amount rate for the listed CPT codes and %-of-charge-based reimbursements for unlisted procedures For physical medicine, and scheduled, non-emergency radiology and clinical laboratory services: subject to professional fee schedule
Hospital Inpatient	A per diem method with a stop-loss threshold
Ambulatory Surgery Center	A combination of a per-procedure method with fixed-amount rate for the listed CPT codes and %-of-charge-based reimbursements for unlisted procedures

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S19



Payments for nonhospital professional services in Florida are based on a Medicare RBRVS-based fee schedule.

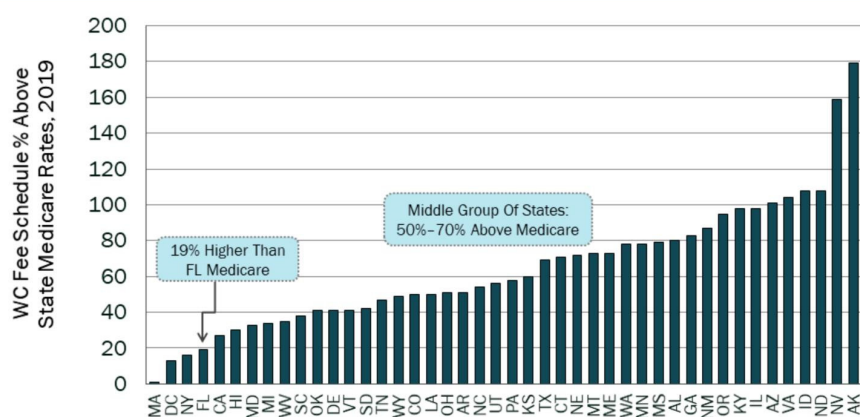
Florida uses a combination of a per-service method and a charge-based approach for regulating ASC and hospital outpatient reimbursement.

Reimbursement for inpatient services in Florida is regulated using a per diem method with a stop-loss threshold; for cases with total gross charges beyond the stop-loss threshold, the reimbursement is charge-based.

Changes in these fee schedules from 2015 to 2017 are summarized in [Slides S9–S12](#).

Key: **ASC**: Ambulatory surgery center. **CPT**: Current Procedural Terminology. **RBRVS**: Resource-based relative value scale.

Florida Fee Schedule For Professional Services Among The Lowest Nationwide

Source: *Designing Workers' Compensation Medical Fee Schedules, 2019* (2019)

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S20



Lower fee schedule rates were the main driver of lower prices in Florida.

Here we show the overall workers' compensation fee schedule rates for professional services as a percentage above or below the state's Medicare rate as of February 2019, according to *Designing Workers' Compensation Medical Fee Schedules, 2019*.

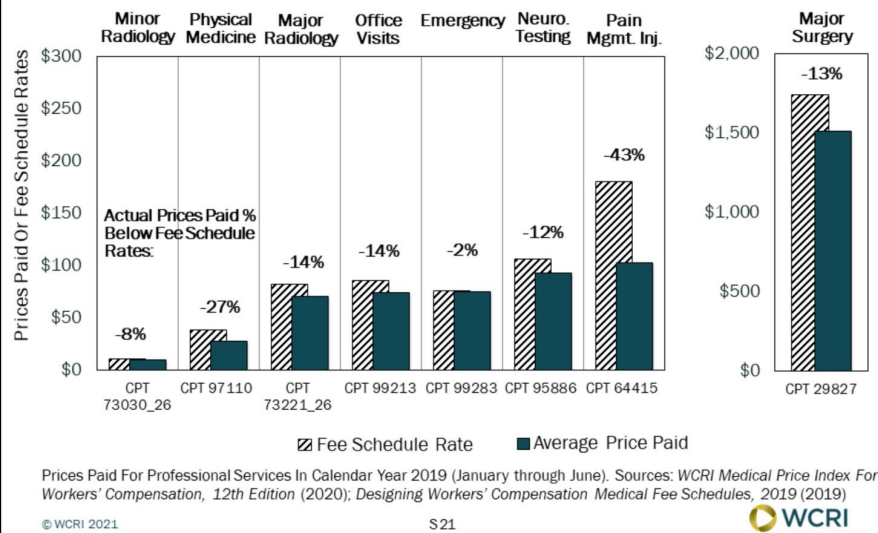
The workers' compensation fee schedule in Florida was 19 percent above the state's Medicare rate, among the lowest of the states with workers' compensation fee schedules. Note that the fee schedule rates in 2019 reflect the results after the 2016 and 2017 fee schedule updates in Florida. Before these policy changes, the fee schedule rates in Florida were also among the lowest nationwide in earlier years.

Key: **WC**: Workers' compensation.

Notes: Delaware, Florida, Illinois, New York, Pennsylvania, and Texas have distinct fee schedules for different parts of the state. For each of these states, a single statewide rate was created by averaging the different sub-state fee schedules using the percentage of employed persons in each sub-state region as weights. Medicare establishes distinct sub-state fee schedules in 14 states. For each state, a single statewide rate was created using the same procedure. Rhode Island has different billing codes for physical medicine and does not establish rates for the majority of the codes. An overall rate was not established for Rhode Island as physical medicine is the largest component of the marketbasket and excluding it significantly biases the results.

Source: Fomenko and Liu. 2019. *Designing Workers' Compensation Medical Fee Schedules, 2019*.

Average Price Paid Lower Than Fee Schedule Rates In FL For Most Types Of Professional Services



Negotiated prices (or network discounts) below the fee schedule rates were another factor driving the lower prices paid in Florida.

Here we compare the average prices paid in Florida for commonly billed professional services in workers' compensation in 2019 with the fee schedule rates as of 2019 (last updated in 2017). For each type of service, we show one procedure code as an example.

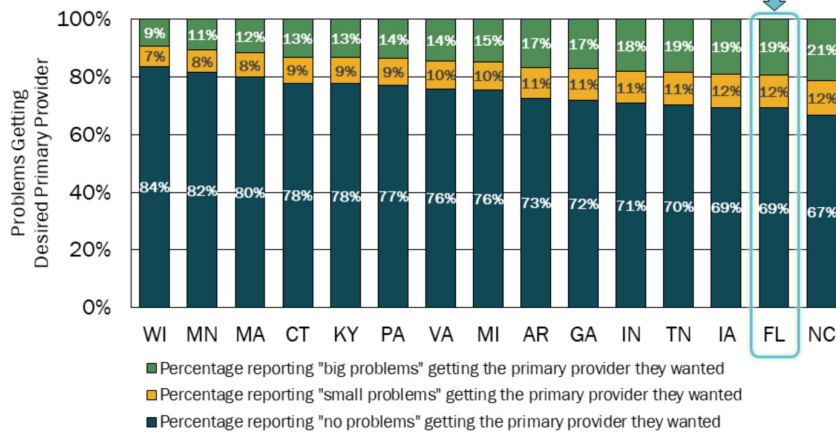
The average price paid was lower than the fee schedule rate in Florida for most of these services. The only exception is emergency visits, where the average price was paid at the fee schedule rate.

Key: CPT: Current Procedural Terminology. **Neuro. Testing:** Neurological/neuromuscular testing. **Pain Mgmt. Inj.:** Pain management injections.

Descriptions: CPT 73030_26: Radiologic exam (professional component). CPT 97110: Therapeutic procedure. CPT 73221_26: Upper extremity MRI (professional component). CPT 99213: Established patient office visit. CPT 99283: Emergency visit. CPT 95886: Needle EMG. CPT 64415: Injection. CPT 29827: Arthroscopy shoulder surgery.

Sources: Yang and Fomenko. 2020. *WCRI Medical Price Index for Workers' Compensation, 12th Edition (MPI-WC)*. Fomenko and Liu. 2019. *Designing Workers' Compensation Medical Fee Schedules, 2019*.

Somewhat Higher % Of Florida Workers Reported "Big Problems" Getting Desired Primary Provider



In states with lower prices, one may have concerns about access to care. *Comparing Outcomes for Workers Injured in Florida, 2019 Interviews* found that 19 percent of workers in Florida reported "big problems" getting the desired primary provider, somewhat higher than many other study states.

Besides the lower prices, this result may also be related to other factors, such as regulations on provider choice. In Florida, in general, the employer selects the provider.* See [Table 15](#) for several system features that may relate to the Florida results.

Note that the vast majority of workers reported "no problems" or "small problems" getting the desired provider in all study states, including Florida.

Notes: Workers were given three choices to answer whether they had problems getting the primary provider they wanted: "no problems," "small problems," or "big problems."

* If the employer or insurer has elected to use a workers' compensation managed care arrangement, the employee may select his/her initial treating provider unless otherwise specified in the Plan of Operation. The employee may change treating physicians once; after that, he/she can change providers again only with the agreement of the employer or insurer.

Source: Savych and Thumula. 2020. *Comparing Outcomes for Workers Injured in Florida, 2019 Interviews*.

% Of Claims With Various Types Of Hospital Outpatient Services In FL Lower Than Typical

Percentage Of Claims	Hospital Outpatient Services		Nonhospital Services	
	FL	Median State	FL	Median State
Physical Medicine	3% (2nd lowest)	13%	69% (higher)	62%
Evaluation & Management	6% (lower)	10%	97% (2nd highest)	95%
Major Radiology	11% (lower)	19%	59% (highest)	50%
Laboratory	13% (lower)	15%	22% (2nd highest)	15%
Minor Radiology	27% (lower)	35%	81% (higher)	75%

2018/19 Claims With > 7 Days Of Lost Time, Adjusted For Injury/Industry Mix
Source: CompScope™ Medical Benchmarks For Florida, 21st Edition (2020)

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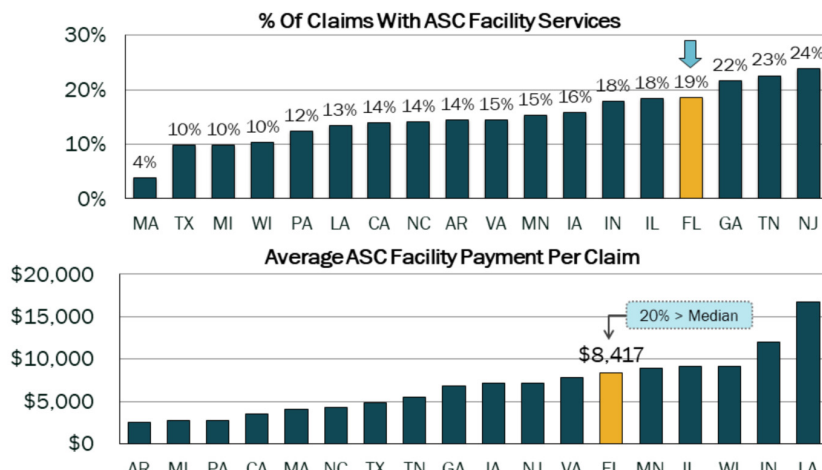
S23



For common types of services that can be provided in hospital outpatient settings or by nonhospital providers, proportionally fewer claims received these services in hospital outpatient settings in Florida than in the typical study state. By contrast, the percentages of claims receiving these services by nonhospital providers in Florida were higher than the median state.

Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

FL Had More Frequent Use Of ASC Facility Services & Higher ASC Facility Payments Per Claim



2018/19 Claims With > 7 Days Of Lost Time At 12 Months Of Experience, Adjusted For Injury/Industry Mix
Source: CompScope™ Medical Benchmarks For Florida, 21st Edition (2020)

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S24



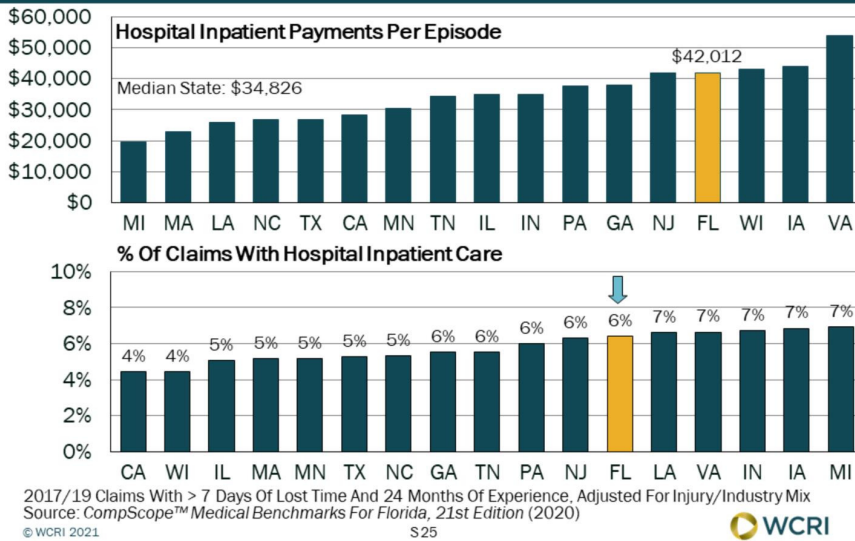
ASCs were used more often for outpatient surgeries in Florida than in many other study states. Note that the percentage of claims in Florida that had hospital outpatient facility services was among the lowest of the 18 states.

The average ASC facility payment per claim with these services in Florida was 20 percent higher than the 18-state median for 2018/19 claims.

Key and definition: ASC: Ambulatory surgery center. **Facility payments:** Include payments for hospital and ASC treatment/operating/recovery room services, mostly related to surgical procedures. Facility payments do not include other surgery-related costs (supplies and equipment and anesthesia) or payments for professional services (for example, surgeon fees). Note that facility payments may include payments for nonsurgery-related facility services, such as pain management injections and other minor surgical procedures.

Source: Yang. 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

FL Had Higher Hospital Inpatient Payments Per Episode And Fairly Typical Use Of Inpatient Care



At about \$42,000, the average hospital inpatient payment per episode in Florida was 21 percent higher than the median state for 2017 claims with more than seven days of lost time and 24 months of experience.

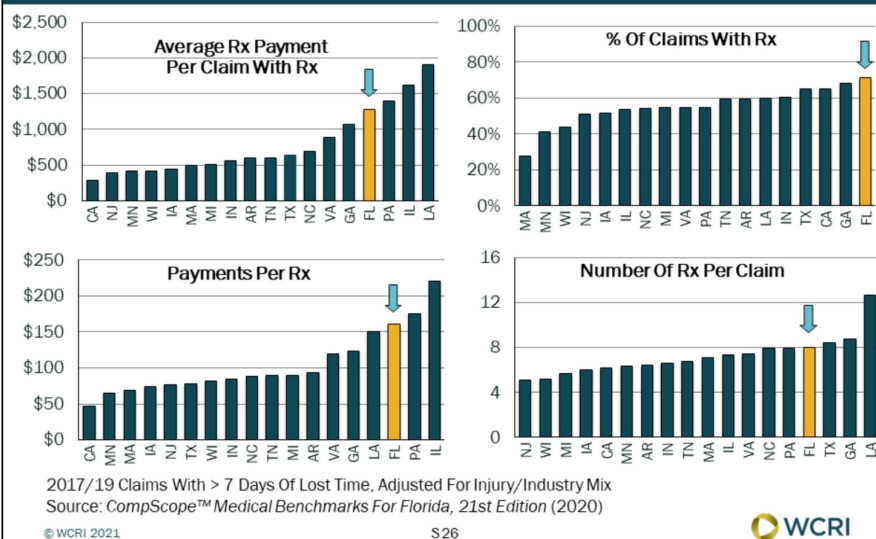
Note that the study states represent a mix in terms of state choices on inpatient payment regulation—per diem, by diagnosis-related group (DRG), discounted charges, or no fee schedule. That could be one factor underlying these results. Another factor could be the mix of cases that were treated in an inpatient setting.

The percentage of claims with hospital inpatient care in Florida was also fairly typical of the study states.

Note: Arkansas is excluded from this slide because the cell sizes underlying the data are too small to support a meaningful multistate comparison.

Source: Yang, 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

FL Had Higher Rx Drug Payments/Claim, Driven By More Prescriptions & Higher Avg. Payment/Rx



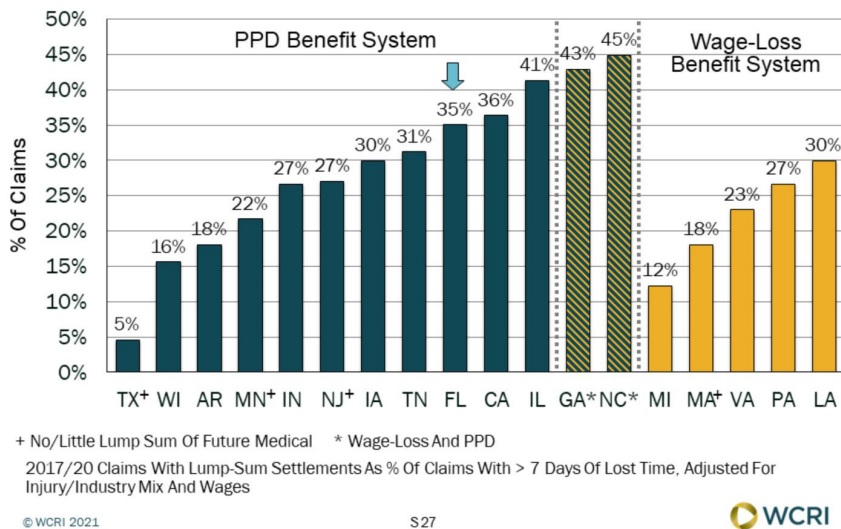
Prescription payments per claim with prescriptions in Florida were 113 percent higher than the 18-state median for 2017/19 claims, driven by higher payments per prescription and more prescriptions per claim. The percentage of claims that had a prescription paid under workers' compensation in Florida was also higher than in other study states.

Note: The percentage of claims that had a prescription paid under workers' compensation measure should be interpreted with caution for two reasons. First, some initial prescriptions filled by workers for their work-related injuries may be paid for by non-workers' compensation payors, and these transactions were not captured in our data. Second, some workers may be using other medications in their possession for non-work-related conditions. The interstate variation results on this measure may be affected to the extent that these underlying factors vary from state to state.

Key and definition: Avg.: Average. **Rx:** Prescription(s). **Prescriptions** refers to medications of prescription strengths and over-the-counter strengths as well as compounded drugs that were paid for under workers' compensation. Prescription medications that were dispensed at a hospital or administered by a medical provider (e.g., injectable medications) and medical supplies/equipment that were billed under National Drug Codes (NDCs) are not considered prescriptions in this report, but they are included in the WCRI service group "drugs" and are reflected in the overall medical payments in this study.

Source: Yang, 2020. *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

FL % Of Claims With Lump-Sum Settlements Higher Than In Most Study States



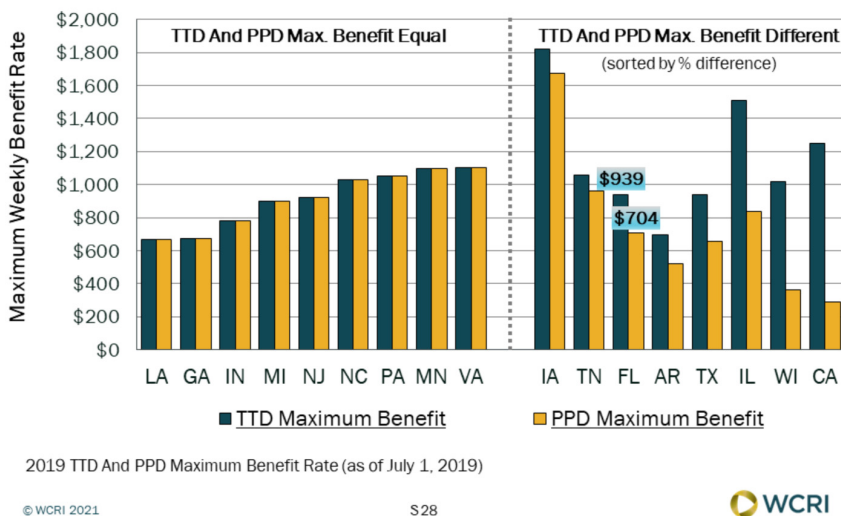
More frequent lump-sum settlements in Florida may be correlated with higher attorney involvement in the state.

Key: **PPD**: Permanent partial disability.

Notes: All lump-sum payments are reported as indemnity payments to achieve consistency and comparability in this measure across all states, because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data.

Lump-sum settlements for future medical payments are not permitted in Texas and Massachusetts (under most circumstances) and are not common practice in Minnesota and New Jersey.

FL Statutory Maximum Weekly PPD Benefits Lower Than TTD; Same In Many Study States



In Florida, the weekly PPD benefit rate is set at 75 percent of the weekly TTD benefit rate. Here we show that Florida was one of the study states with the weekly PPD benefit maximum lower than the maximum weekly TTD benefit. Many other study states had the same weekly maximum rate for PPD and TTD benefits.

The disparity between the two types of benefits may lead to more disputes over maximum medical improvement and, therefore, may be another factor related to higher attorney involvement in Florida.

Key: **Max.**: Maximum. **PPD**: Permanent partial disability. **TTD**: Temporary total disability.

Notes: FL permanent impairment benefits are paid at the rate of 75 percent of the employee's average weekly TTD benefit, not to exceed the maximum weekly benefit under FL law. As of July 1, 2019, the maximum TTD benefit was \$939, so we calculated the maximum PPD benefit as \$704, or 75 percent of \$939. MA is not included in this chart since the statutory maximum amount for scheduled benefits in the state is based on the statewide average weekly wage (SAWW) at the time of injury and, therefore, varies by claim.

DATA AND METHODS

This section contains a short summary of data and methods used in this report. More detail can be found in the [Technical Appendix](#). This analysis uses data from data sources that include national and regional insurers, claims administration organizations, state funds, and self-insured employers. The data are collected in the Detailed Benchmark/Evaluation (DBE) database, which includes 7 million claims that are reasonably representative of the entire system in each of the 18 states, including all market segments: self-insurance, residual market, voluntary insurance, and state funds.¹ These data include 43 percent of Florida claims in 2019 evaluated in 2020 (41 to 72 percent of the claims from each state).

We used a variety of techniques to increase the comparability of the measures from state to state, including (1) standardizing definitions of variables that state regulators might have defined differently from state to state, (2) standardizing the reporting on cases with more than seven days of lost time to control for differences in state waiting periods for income benefits, and (3) adjusting for interstate differences in injury and industry mix and in wage levels of workers with injuries. Interstate differences in the performance measures, therefore, should largely reflect variations in system features and/or in the practices and behavior of system participants.

DATA VALIDATION

To assess if our sample of claims was substantially representative of the state as a whole, we compared a number of measures from our sample data with published data from external sources, including state workers' compensation agencies, rating bureaus, and other sources. More specifically, we performed two types of validations: (1) we compared the incurred cost measures for the indemnity claims with the cost measures reported by the rating bureaus in each state; and (2) we examined data on injury and industry composition and worker age, gender, and marital status within each state. Those comparisons led us to conclude that the data we use for the CompScope™ analysis are substantially representative of each state as a whole. Thus, the results of the comparisons we report can be generalized to the claim population of each state.

PUTTING FLORIDA WORKERS' COMPENSATION IN A BROADER CONTEXT

In this study, we report most results on a per claim basis (for example, the average total cost per all paid claims). Different metrics can be used to answer different questions concerning workers' compensation costs. Using data from research organizations outside of WCRI, we show how Florida compares nationally on two relevant metrics—workers' compensation insurance premium rates (the cost of workers' compensation to employers) and the average cost per worker (discussed in the section titled "[Is My State a High- or Low-Cost State?](#)").

Every two years, the Oregon Department of Consumer and Business Services publishes a study that compares workers' compensation insurance premium rates across all states, using the Oregon industry mix as the base. The comparison of workers' compensation rates by state can be used as a factor in company relocation or expansion, as an indicator of possible differences in benefit levels, and to track changes in workers' compensation premium rates among states over time. The most recent study is for calendar year 2020. Premium rate indices were calculated based on data from 51 jurisdictions (all U.S. states and the District of

¹ The full DBE includes 50 million claims across 39 jurisdictions.

Columbia) for rates in effect as of January 1 of the study year. Of approximately 430 active rate classes in Oregon, 50 were selected based on relative importance as measured by the share of losses in Oregon. The study uses the National Council on Compensation Insurance (NCCI) classification codes. To control for differences in industry distribution, each state's rates were weighted by the 2014–2016 Oregon payroll to obtain an average manual rate for that state. In 2020, Florida premium rates were 2 percent below the median of the 50 states plus the District of Columbia (ranking 27th out of 51).² In the 2018 study, Florida rates were 6 percent higher than the study median (ranking 21st of 51). States' relation to the median can change for a number of reasons, such as legislative changes that lead to significant increases or decreases in claim costs; ordinal rankings are often more volatile, depending on changes in other states. Table A shows the workers' compensation premium rate ranking for the 51 jurisdictions from the 2020 Oregon study.

² Oregon Department of Consumer and Business Services. January 2021. *2020 Oregon Workers' Compensation Premium Rate Ranking Summary*.

Table A Workers' Compensation Premium Rate Ranking

State	2020 Index Rate	2020 Percentage of Study Median	2020 Ranking	Effective Date	2018 Index Rate	2018 Percentage of Study Median	2018 Ranking
New Jersey	2.52	175%	1	January 1, 2020	2.84	167%	3
New York	2.23	155%	2	October 1, 2019	3.08	181%	1
Vermont	2.21	153%	3	April 1, 2019	2.09	123%	9
California	2.16	150%	4	January 1, 2020	2.87	169%	2
Hawaii	2.08	144%	5	January 1, 2020	2.01	118%	13
Connecticut	1.99	138%	6	January 1, 2020	2.20	129%	8
Delaware	1.97	137%	7	December 1, 2019	2.50	148%	4
Louisiana	1.95	135%	8	January 1, 2019	2.05	121%	10
Rhode Island	1.93	134%	9	August 1, 2019	2.19	132%	7
Alaska	1.86	129%	10	January 1, 2020	2.51	148%	5
Wisconsin	1.74	121%	11	October 1, 2019	2.02	119%	12
Montana	1.69	117%	12	July 1, 2019	2.01	119%	11
Oklahoma	1.66	115%	13	January 1, 2020	1.71	103%	23
Missouri	1.65	115%	14	January 1, 2020	1.68	101%	25
Georgia	1.64	114%	15	July 1, 2019	2.27	134%	6
Maine	1.62	113%	16	January 1, 2020	1.84	108%	19
Minnesota	1.61	112%	17	January 1, 2020	1.67	98%	28
Idaho	1.56	108%	19	January 1, 2020	1.81	106%	21
South Carolina	1.56	108%	19	April 1, 2019	1.95	115%	14
Pennsylvania	1.55	108%	20	April 1, 2019	1.85	109%	17
Iowa	1.54	107%	21	January 1, 2020	1.64	96%	30
Washington	1.53	106%	22	January 1, 2020	1.87	110%	16
South Dakota	1.48	103%	23	July 1, 2019	1.73	102%	24
Illinois	1.46	101%	24	January 1, 2020	1.80	106%	22
Wyoming	1.44	100%	26	January 1, 2020	1.87	110%	16
Nebraska	1.44	100%	26	February 1, 2019	1.70	100%	27
Florida	1.41	98%	27	January 1, 2020	1.81	106%	21
New Hampshire	1.37	95%	28	January 1, 2020	1.70	100%	27
New Mexico	1.34	93%	29	January 1, 2020	1.50	88%	34
Alabama	1.33	92%	30	March 1, 2019	1.65	97%	29
North Carolina	1.31	91%	31	April 1, 2019	1.84	108%	19
Virginia	1.28	89%	32	April 1, 2019	1.28	76%	41
Colorado	1.25	87%	33	January 1, 2020	1.43	84%	35
Mississippi	1.20	83%	34	March 1, 2019	1.54	91%	31
Massachusetts	1.17	81%	35	July 1, 2018	1.37	81%	38
Michigan	1.14	79%	37	January 1, 2020	1.38	81%	37
Maryland	1.14	79%	37	January 1, 2020	1.33	78%	39
Kentucky	1.13	78%	38	October 1, 2019	1.51	89%	33
Kansas	1.12	78%	39	January 1, 2020	1.15	68%	46
Ohio	1.11	77%	40	July 1, 2019	1.40	82%	36
Tennessee	1.09	76%	41	March 1, 2019	1.52	89%	32
Nevada	1.07	74%	42	September 1, 2019	1.18	70%	44
Arizona	1.05	73%	43	January 1, 2020	1.30	78%	40
District of Columbia	1.04	72%	44	November 1, 2019	1.25	74%	42
Oregon	1.00	69%	45	January 1, 2020	1.15	68%	46
Texas	0.98	68%	46	July 1, 2019	1.21	71%	43
Utah	0.85	59%	47	January 1, 2020	1.06	62%	47
West Virginia	0.79	55%	48	November 1, 2019	1.01	59%	48
Indiana	0.77	53%	49	January 1, 2020	0.87	51%	50
Arkansas	0.72	50%	50	July 1, 2019	0.90	53%	49
North Dakota	0.67	47%	51	July 1, 2019	0.82	48%	51

Notes: Starting with the 2008 study, when two or more states' index rate values are the same, they are assigned the same ranking. The index rates reflect adjustments for the characteristics of each individual state's residual market. Rates vary by classification and insurer in each state. Actual costs to an employer can be adjusted by the employer's experience rating, premium discount, retrospective rating, and dividends.

Source: Table 2 from *2020 Oregon Workers' Compensation Premium Rate Ranking Summary*. January 2021. Oregon Department of Consumer and Business Services, Information Technology and Research Section. The report is available at <https://www.oregon.gov/dCBS/reports/Documents/general/prem-sum/20-2082.pdf>.

IS THE MEDIAN COMPSCOPE™ STATE TYPICAL OF ALL STATES IN THE NATION?

This CompScope™ report frequently compares the value for the state being analyzed with the median or *typical* state in the study. For the report to be most useful, it must meet two conditions. First, the states included should span the full range of states that have higher, lower, and medium costs per claim. Second, the cost measures in the median CompScope™ state should be similar to those in the median state nationwide.

We chose the 18 states included in the study in part because they are geographically diverse. Together they represent a significant share of the U.S. population, a wide range of industries, and a variety of benefit structures and other system features. Furthermore, the 18 states represent the full range of states nationally according to costs per claim. WCRI found that the average developed incurred cost per claim in the median of the CompScope™ states was similar to the median of all states—2.6 percent higher than the median of all states reported by NCCI in its *Annual Statistical Bulletin* (2018–2020, Exhibit XI). As a result, when this benchmarking report presents comparisons between the average total cost per claim and the median of the CompScope™ states, they are substantially similar to comparisons with the national median. Table B shows the average developed incurred cost per claim, state by state, for the 46 jurisdictions in the NCCI *Annual Statistical Bulletin*, average of policy years 2014–2016. The average cost per claim in Florida was similar to (1 percent below) the median state.

Using the NCCI data, the average medical cost per claim for the median CompScope™ state was 0.5 percent lower than the national median. The average indemnity benefit per claim, adjusted for wage differences, in the median of the CompScope™ states was 4.9 percent lower than the national median.

**Table B Ranking by Costs per Claim Using Rating Bureau Information,
Average of Policy Years 2014–2016**

State	Average Incurred Cost per Claim, 3-Year Average (developed)
New York	\$35,441
Delaware	\$29,536
Louisiana	\$26,278
New Jersey	\$21,326
California	\$21,282
Alaska	\$20,480
Illinois	\$19,804
South Carolina	\$18,873
District of Columbia	\$18,012
Hawaii	\$17,793
Oklahoma	\$16,480
Missouri	\$16,126
Connecticut	\$16,112
Maryland	\$15,950
Virginia	\$15,888
Georgia	\$15,792
Massachusetts	\$15,260
North Carolina	\$14,562
Vermont	\$13,959
Iowa	\$13,677
New Mexico	\$13,479
Pennsylvania	\$13,404
Mississippi	\$13,282
Florida	\$13,114
Alabama	\$12,926
Wisconsin	\$12,714
Nebraska	\$12,494
Rhode Island	\$11,894
Minnesota	\$11,344
New Hampshire	\$11,116
Texas	\$10,981
Colorado	\$10,938
Idaho	\$10,235
Montana	\$10,192
Tennessee	\$10,124
Kansas	\$9,966
Nevada	\$9,674
Oregon	\$9,587
Kentucky	\$9,439
South Dakota	\$9,245
Arizona	\$9,108
Arkansas	\$8,924
Maine	\$8,275
Michigan	\$8,180
Indiana	\$8,138
Utah	\$7,739

Notes: These data are incurred values developed to ultimate maturity and cases developed to a 5th reporting basis, with the following exceptions. In Massachusetts, lost-time experience and medical-only losses were developed to a 5th report; the data exclude large deductibles. In New Jersey, losses were developed to a 5th reporting basis. In New York, losses and cases were developed to a 5th reporting basis. All state statistics exclude the F-classifications (except for Massachusetts and New York) as well as black lung experience. CompScope™ states are shown in bold.

Source: National Council on Compensation Insurance, Inc., *Annual Statistical Bulletins* 2018–2020, exhibit XI (available electronically at <http://www.ncci.com>). Note that although NCCI publishes national comparisons of states, including those served by independent rating bureaus, it does so with the assistance of and clear attribution to those independent organizations.

IS MY STATE A HIGH- OR LOW-COST STATE?

This is one of the questions most frequently posed by policymakers and others. The answer could be fundamental to public policy debates or could be an important factor in an organization's decision to locate a new facility, expand operations, or maintain an established business in a given state. Costs per claim are only one element in the issue of whether a state is high cost or low cost. The other contributing factor to claim cost is claim frequency. The CompScope™ annual benchmarking series does not yet directly address this important issue. To do so would require analysis of how states differ in terms of costs per worker or other appropriate exposure base(s), a measure that captures both the frequency of claims and the average total cost per claim.

We used estimates of costs per worker that we developed using insurance rating bureau data on benefit costs per claim and frequency of claims per 100,000 workers (NCCI, 2018–2020, Exhibits XI and XII). Table C shows the average cost per worker, state by state, for the 46 jurisdictions in the NCCI bulletins, average of policy years 2014–2016. The NCCI data do not include self-insured claims, and the data on the number of workers were imputed from payroll data reported by insurers and from average wages by industry reported by the federal Bureau of Labor Statistics (BLS) in most states.³ Costs per worker in Florida were similar to (2 percent below) the median state; Florida had typical costs per claim (1 percent below the median state) and claim frequency (3 percent below the median state) of 45 states plus the District of Columbia. Table D shows claim frequency per 100,000 workers, state by state, for the 46 jurisdictions in the NCCI bulletins, average of policy years 2014–2016.

³ Wage amounts in data provided by independent rating bureaus and included in the NCCI bulletins, which are used to estimate the effective number of full-time workers for calculating claim frequencies, differ, sometimes significantly, from wage amounts in the BLS data that NCCI relied on. These differences may distort comparisons of claim frequencies between states.

**Table C Ranking by Costs per Worker Using Rating Bureau Information,
Average of Policy Years 2014–2016**

State	Average Cost per Worker for All Claims, 3-Year Average
California	\$848
Delaware	\$779
Alaska	\$768
New York	\$760
New Jersey	\$644
Hawaii	\$578
Vermont	\$565
Louisiana	\$546
Pennsylvania	\$542
Connecticut	\$539
Iowa	\$530
Illinois	\$525
Idaho	\$513
South Carolina	\$511
Wisconsin	\$500
Montana	\$495
Nevada	\$478
Missouri	\$466
Oklahoma	\$460
Georgia	\$433
Maine	\$428
Colorado	\$425
Rhode Island	\$422
Oregon	\$422
Nebraska	\$422
New Mexico	\$415
Florida	\$414
New Hampshire	\$392
Minnesota	\$388
South Dakota	\$387
Massachusetts	\$380
Maryland	\$378
Alabama	\$374
North Carolina	\$369
Mississippi	\$357
Virginia	\$343
Tennessee	\$341
Kentucky	\$320
Kansas	\$317
Arizona	\$292
Indiana	\$287
Utah	\$270
Michigan	\$268
Texas	\$232
Arkansas	\$222
District of Columbia	\$215

Notes: These data are incurred values developed to ultimate maturity and cases developed to a 5th reporting basis, with the following exceptions. In Massachusetts, lost-time experience and medical-only losses were developed to a 5th report; the data exclude large deductibles. In New Jersey, losses were developed to a 5th reporting basis. In New York, losses and cases were developed to a 5th reporting basis. All state statistics exclude the F-classifications (except for Massachusetts and New York) as well as black lung experience. CompScope™ states are shown in bold.

Source: National Council on Compensation Insurance, Inc., Annual Statistical Bulletins 2018-2020, exhibits XI and XII (available electronically at <http://www.ncci.com>). Note that although NCCI publishes national comparisons of states, including those served by independent rating bureaus, it does so with the assistance of and clear attribution to those independent organizations.

Table D Ranking by Claim Frequency per 100,000 Workers Using Rating Bureau Information, Average of Policy Years 2014–2016

State	Average Claim Frequency, 3-Year Average
Maine	5,170
Idaho	5,015
Nevada	4,944
Montana	4,862
Oregon	4,398
South Dakota	4,185
Vermont	4,049
Pennsylvania	4,047
California	3,991
Wisconsin	3,935
Colorado	3,880
Iowa	3,875
Alaska	3,740
Rhode Island	3,559
Indiana	3,529
New Hampshire	3,523
Utah	3,486
Minnesota	3,426
Kentucky	3,383
Nebraska	3,378
Tennessee	3,368
Connecticut	3,346
Michigan	3,271
Hawaii	3,250
Arizona	3,206
Kansas	3,182
Florida	3,162
New Mexico	3,073
New Jersey	3,018
Alabama	2,899
Missouri	2,894
Oklahoma	2,792
Georgia	2,743
South Carolina	2,709
Mississippi	2,691
Illinois	2,655
Delaware	2,638
North Carolina	2,533
Arkansas	2,496
Massachusetts	2,493
Maryland	2,367
Virginia	2,166
New York	2,145
Texas	2,107
Louisiana	2,075
District of Columbia	1,193

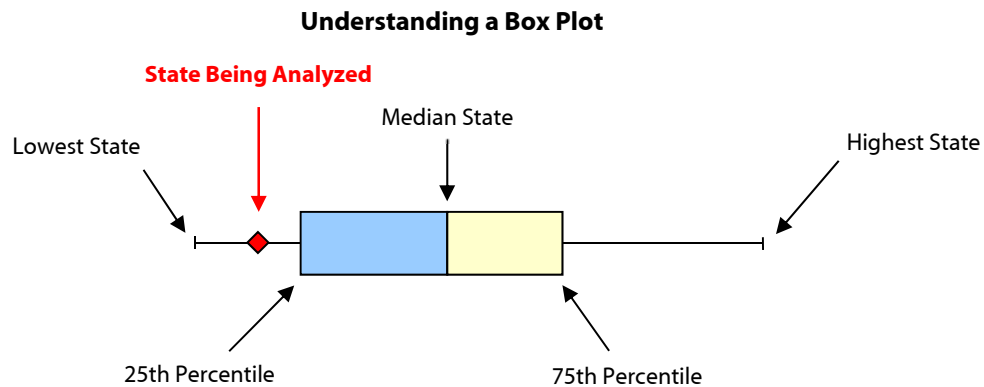
Notes: These data are for first report and exclude claims payable under the U.S. Longshore & Harbor Workers Act. CompScope™ states are shown in bold.

Source: National Council on Compensation Insurance, Inc., *Annual Statistical Bulletins* 2018–2020, exhibit XII (available electronically at <http://www.ncci.com>). Note that although NCCI publishes national comparisons of states, including those served by independent rating bureaus, it does so with the assistance of and clear attribution to those independent organizations.

READING BOX PLOTS

This document uses a powerful presentation tool called a box plot. Although it might initially look complicated, the box plot is relatively easy to read and very informative. This section explains how to read a box plot.

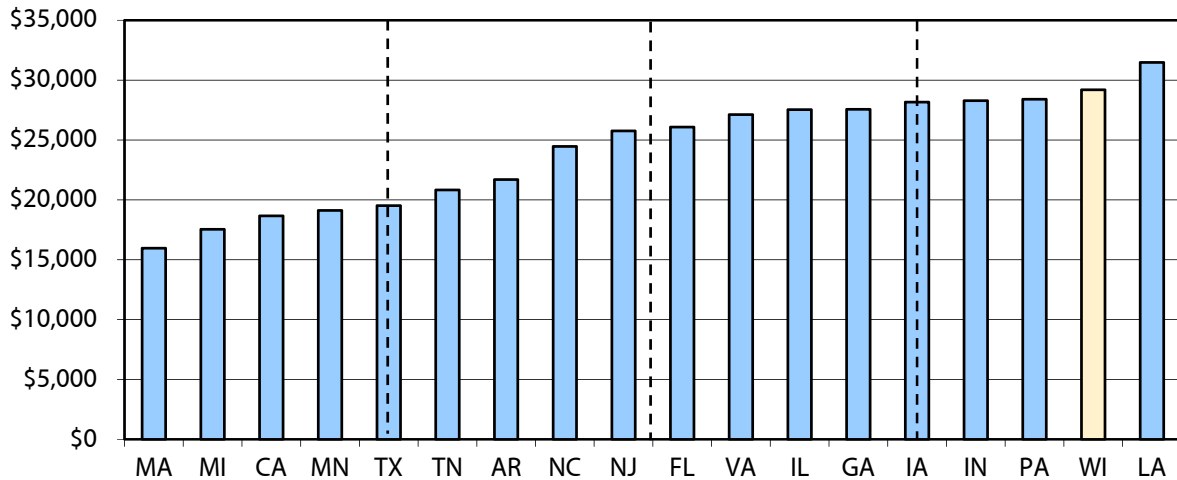
A box plot presents a large amount of comparative information and allows the reader to see relationships among measures when several box plots appear on a page. The diagram below shows the six pieces of information contained in a box plot. The *whisker*—the horizontal line extending from the left and right sides of the box—shows the full range of values (e.g., average total cost per claim) in the 18 study states, from the lowest state on the left to the highest state on the right. The vertical line inside the box represents the 18-state median (between the 9th and 10th state); in other words, an equal number of study states (9) appear above and below that value. The left edge of the box represents the 25th percentile (the 5th state). The right edge of the box represents the 75th percentile (the 14th state). The 4 states whose values are the lowest among the 18 states are on the left end of the whisker (the line extending from the left edge of the box). The 4 states whose values are in the second-lowest group are between the median and the left edge of the box. Similarly, the 4 states whose values are the highest among the 18 states are on the right end of the whisker (the line extending from the right edge of the box). The 4 states that are in the second-highest group are between the median and the right edge of the box. The diamond, representing the value for the state being analyzed, shows where that state lies relative to other states in the study.



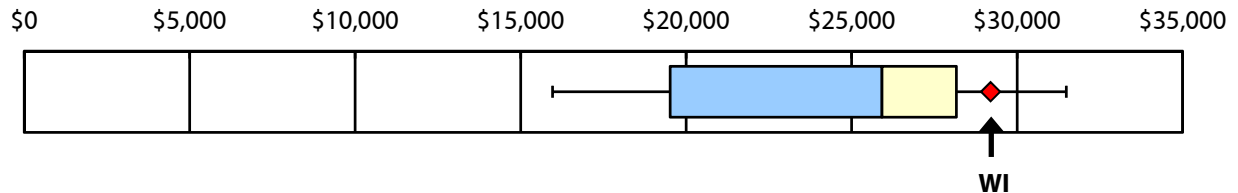
Some readers may find it useful to see how information in a typical bar chart is translated into a box plot. The bar chart on the next page shows the average benefit payment per claim with more than seven days of lost time. The dotted vertical lines appearing from left to right represent the 25th percentile, the median, and the 75th percentile, respectively. The box plot underneath the bar chart illustrates the same information as the bar chart does, presented as it would appear for a report focusing on Wisconsin. Notice the following:

- The lowest state, Massachusetts, is at the left end of the whisker.
- The highest state, Louisiana, is at the right end of the whisker.
- The median falls between Florida and New Jersey.
- The state at the 25th percentile is Texas.
- The state at the 75th percentile is Iowa.
- The diamond is Wisconsin, which is above the 75th percentile.

Average Benefit Payment per Claim with More Than 7 Days of Lost Time, 2019/2020

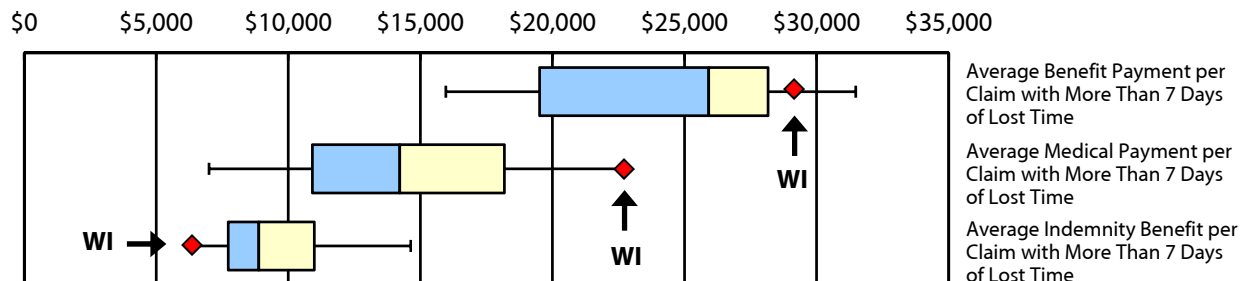


Average Benefit Payment per Claim with More Than 7 Days of Lost Time, 2019/2020



Box plots are particularly useful in showing relationships among various performance measures. The set of box plots below, for example, shows that Wisconsin is above the 75th percentile among the 18 states for the average paid benefit per claim with more than seven days of lost time (the top box plot). We also see that this result occurs because underlying measures counterbalance each other. Wisconsin had an average paid medical benefit per claim with more than seven days of lost time that was the highest of the 18 study states (the middle box plot). However, the average indemnity benefit per claim with more than seven days of lost time in Wisconsin was among the lowest of the 18 states (the bottom box plot).

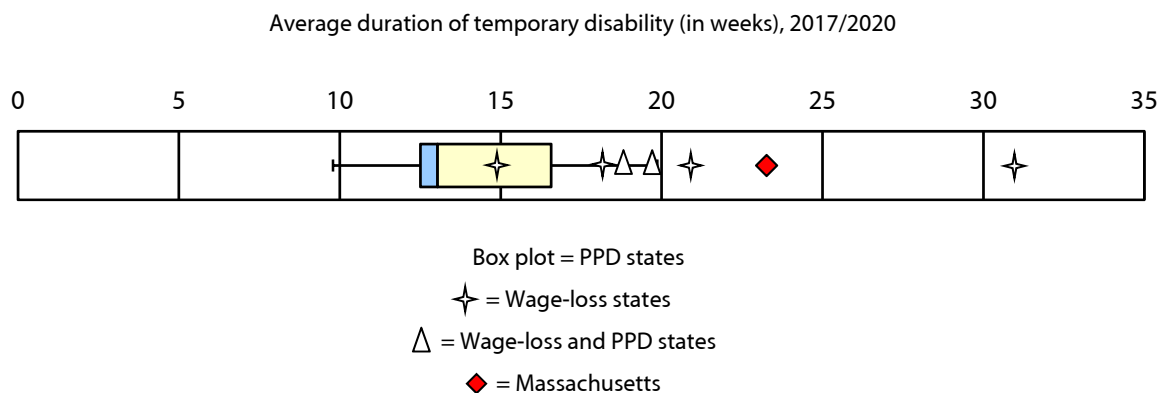
Multiple Box Plots Help to Show Relationships among Measures



Box plots also show clearly how much variability there is across states—the longer the whisker or the box associated with a given measure, the greater the variability for that measure. A state that is a marked outlier (positioned at or close to the end of a long whisker) on a performance measure for which there is otherwise little variability (i.e., showing a narrow box and a short opposite whisker) may be especially noteworthy.

It is not appropriate to compare PPD and temporary disability measures among wage-loss states, PPD system states, and states with attributes of both wage-loss and PPD benefit systems. The CompScope™ study ensures that its interstate comparisons are meaningful by comparing wage-loss states with wage-loss states and PPD states with PPD states, while treating states with attributes of both wage-loss and PPD systems as a separate category. To show how all 18 states compare, the report uses special notation: a star is used to represent a wage-loss state, and a triangle is used to represent a state with features of both wage-loss and PPD systems. For example, the box plot below shows the measure of duration of temporary disability. In the Massachusetts CompScope™ report, the box plot depicts the 11 PPD system states, the stars identify 4 wage-loss states (Louisiana, Michigan, Pennsylvania, and Virginia), and the triangles identify 2 states that have features of both wage-loss and PPD systems (Georgia and North Carolina). Because Massachusetts, the 5th wage-loss state, is the state being analyzed, it is represented by a diamond. The box plot whiskers shown when wage-loss states are being compared with other states are based only on the non-wage-loss states. In this example, 2 of the 5 wage-loss states fall within the range of the non-wage-loss states. If a non-wage-loss state was the subject of the analysis, the box plot would display 5 stars, each representing one of the 5 wage-loss states, while triangles would represent states with attributes of both wage-loss and PPD systems.

Notation Distinguishes PPD System States, Wage-Loss System States, and States with Attributes of Both Systems



TERMS WE USE TO DESCRIBE PERFORMANCE

In characterizing an individual state's performance with respect to the median of the study states, we often use the terms *higher*, *lower*, and *typical of or close to*. *Higher* means more than 10 percent above the median of the 18 states, *lower* means more than 10 percent below the median of the 18 states, and *typical of or close to* means within 10 percent above or below the median of the 18 states.

When describing trends, or how performance in a state has changed over time, we typically report annual average change—percentage changes for cost and duration measures and percentage point changes for other measures that are themselves expressed as percentages, such as PPD/lump-sum claims as a percentage of claims with more than seven days of lost time.

To avoid unnecessarily subjective characterizations, we use consistent criteria for selecting adjectives that describe multistate comparisons and growth trends. [Table 1](#) shows the categories and terms we use throughout the study. We recognize that the criteria and terms we use reflect judgment. However, we believe that it is important to use a consistent approach, and adhering to a disclosed framework helps us to accomplish that.

NAMING CONVENTION USED IN OUR ANALYSIS

We applied a naming convention for pairs of injury years and evaluation dates to uniquely describe the set of claims used in our analysis. The first year is the year in which the injuries occurred, and the second year is the maturity of the claims. For example, 2019/2020 refers to claims with injuries arising from October 1, 2018, through September 30, 2019, with experience through March 31, 2020—an average of 12 months' maturity. We denote other injury year/evaluations similarly. The injury year for the CompScope™ Benchmarks includes claims from the fourth quarter of the prior year and the first, second, and third quarters of the named injury year. For example, injury year 2019 includes claims arising from October 1, 2018, through September 30, 2019.

INFORMATION FOR FIRST-TIME USERS

This section is intended to provide detail about the key benchmarks we analyze, the data we use, adjustments we make, and some presentational explanations for new CompScope™ users. This background information should help those who have not used the study before to better understand the objectives and scope of the report, what it contains and why, how the measures are constructed, and how the information it contains can be used.

THE COMPScope™ BENCHMARKS

Benchmarks of system performance can be powerful tools for public officials and system stakeholders working to maintain and/or improve their systems. These tools can be used to monitor the effects of legislative, regulatory, judicial, and behavioral changes. We present various measures in several areas:

- Time from injury to payor notice of injury and first indemnity payment
- Average total cost per claim, average payment per claim for medical benefits,¹ and average payment per claim for indemnity benefits and components (temporary disability benefits, permanent partial disability benefits, and lump-sum settlements)
- Vocational rehabilitation use and costs
- Benefit delivery expenses per claim and defense attorney involvement
- Duration of temporary disability

These measures offer policymakers and stakeholders a comprehensive look at key aspects of the workers' compensation benefit delivery system, on a consistent and regular basis. [Figure A](#) shows the benefit and expense variables we examine, most of which we report in this study.

The unit of analysis in the CompScope™ benchmarking series is the individual workers' compensation claim, so most results are reported on a per claim basis. Costs per claim reflect the overall costs divided by the number of claims. Therefore, claim frequency does not directly factor into the measures we report. As reported by rating bureaus, however, claim frequency in virtually all states has been declining for well over a decade. At the same time, average costs per claim have increased in many study states. In some states, insurance rates have declined while average costs per claim have been growing—a seeming inconsistency. Generally, this results from the fact that total system costs are lower because the decline in the number of claims more than offsets increases in the average cost per claim. Insurance rates reflect the combination of all these cost considerations as well as other considerations.

The results of the key performance measures are provided for several claims bases. These include all claims, claims with more than seven days of lost time, and claims with specific types of benefits, i.e., temporary disability (which includes temporary total and temporary partial disability) or permanent partial disability.² Each measure may be useful for addressing different questions. For example, the broadest measure—the average total cost per all paid claims (total costs per claim)—is the composite of all of the underlying cost

¹ The CompScope™ Medical Benchmarks, a companion study, focuses on the costs, prices, and utilization of medical care received by workers in the aggregate and by type of medical provider and type of medical service.

² Claims are classified based on the type of benefits paid, from the least to the most severe—that is, medical-only, temporary disability, permanent partial disability, permanent total disability, and fatality. A claim's overall classification reflects the benefits paid as of the evaluation date for the most severe claim type.

components and offers an overall characterization of a state's costs as higher than, lower than, or typical of the study states as a group. However, we focus much of our analysis on claims with more than seven days of lost time for several reasons. Using a subset of claims with more than seven days of lost time offers more appropriate and meaningful interstate comparisons because it recognizes the cost impact of different waiting periods across states. These claims also account for the bulk of system costs and thus are the focus of most substantive public policy debate.

The following table shows the breakdown of total costs per claim for Florida and the proportion of each component measure relative to the total costs per claim for claims in injury year 2017 with an average of 36 months of experience. Total costs per claim comprise four components—medical payments per claim, indemnity benefits per claim, benefit delivery expenses per claim, and vocational rehabilitation expenses per claim. Some of the numbers shown under average cost per claim with more than seven days of lost time differ from what we show in the CompScope™ study because those results use a different base, typically claims with more than seven days of lost time that had a payment of the type being analyzed. For example, we report the average medical cost containment expense per claim with more than seven days of lost time with medical cost containment expenses. This table looks different from state to state because of the particular combination of benefit delivery system features and processes found in each. The distribution of payments shown here represents only a snapshot, and it may differ at shorter or longer maturities. Note that some cells on the table are purposely left blank for components that represent a small share of total costs (for example, other indemnity payments per claim).

Breakdown of Total Costs per Claim with More Than 7 Days of Lost Time in Florida, 2017/2020					
Performance Measure	Average Cost per Claim with More Than 7 Days of Lost Time	Share of Total Costs per Claim (percentage)	Percentage of Claims with That Payment	Average Cost per Claim with That Payment	
Average total cost per claim	\$39,751				
Average medical payment per claim	\$17,355	43.7%			
Average indemnity benefit per claim	\$15,407	38.8%			
Temporary disability payments per claim	\$5,604		14.1%	76.4%	\$7,338
Permanent partial disability or lump-sum payments per claim	\$8,363		21.0%	56.8%	\$14,716
Other indemnity payments per claim (includes permanent total and death payments)	\$1,440		3.6%		
Average benefit delivery expense per claim	\$6,957	17.5%			
Average medical cost containment expense per claim	\$2,916		7.3%	91.7%	\$3,181
Average defense attorney payment per claim	\$2,978		7.5%	42.7%	\$6,982
Average medical-legal expense per claim	\$118		0.3%	14.4%	\$817
Average other expense per claim	\$945		2.4%		
Average vocational rehabilitation provider expense per claim	\$32	0.1%			
<p>Notes: 2017/2020 refers to claim arising in October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020. These claims have an average maturity of 36 months.</p> <p>The data in the table have not been adjusted for interstate differences in injury and industry mix and in wages because the intent is to show the distribution of costs within each state.</p> <p>The data underlying the medical-legal expense measures in Florida are not necessarily representative of the state's experience and are excluded from interstate comparisons in this analysis. In this table, however, we show the numbers for Florida to provide a complete breakdown of total costs per claim with more than seven days of lost time in 2017/2020.</p>					

DATA USED IN THE ANALYSIS

We chose the states included in the study for a variety of reasons, including (1) representation of higher, lower, and medium costs per claim; (2) generally larger-than-average populations; (3) diverse benefit structures and other system features; (4) availability of funding sources within each state; and (5) geographic diversity. The states included in the study represent 60 percent of all workers' compensation benefits paid nationwide.

The sample data for this 21st edition include 7 million claims from the systems of national and regional insurance companies, claims administration organizations, and state funds in the 18 study states. Along with information on the worker and claim characteristics, we received information on all payment transactions for each claim, including the amount paid, the date paid, the period covered, what the payment was for, and to whom the payment was made (for example, the worker or a medical provider). The claims data were provided to us under agreement, which limits WCRI use of the data to specified research purposes. The data remain the property of the data providers. We employ a variety of safeguards to maintain the security and confidentiality of the data, including encrypting all worker- and employer-identifying information.

The sample data include claims from all market segments in each state, including the voluntary market, residual market, self-insurers, and state funds (where applicable). To ensure that the sample data are representative of the full insurance market, we weighted our sample claims to represent the population proportions of the insurance market segments in each state. The state datasets contain a substantial portion of the claims in the population of all study states and are large enough to support detailed analyses. For example, for 2019, the [database contains 41 to 72 percent of the claims in each state](#).

Given that workers' compensation claims typically change in terms of costs and/or characteristics, or *develop*, over several years, the CompScope™ Benchmarks provide snapshots of system performance at various points in time to address the trade-off between recent information and complete information. Generally, the multistate comparisons focus on claims at an average of 36 months of experience, as this is a better indicator of the ultimate costs per claim than earlier snapshots would be. For most trend measures, we use claims at an average of 12 months of experience to show the results for the most recent year. For some measures, such as the frequency and costs of PPD/lump-sum claims, we also report trends at 24 and/or 36 months. The injury year for the CompScope™ Benchmarks includes claims from the fourth quarter of the prior year and the first, second, and third quarters of the named injury year. For example, injury year 2019 includes claims arising from October 1, 2018, through September 30, 2019.

COMPARABILITY OF COMPScope™ BENCHMARKING MEASURES

We used a number of adjustments to make the data meaningful for interstate comparisons. Our goal was to create a similar set of claims for analysis to reduce the differences across states that have clouded the usefulness of some claim-based interstate comparisons. To do that, we standardized the data using common terms to classify them, analyzed a subset of claims with more than seven days of lost time, and controlled for injury and industry mix and wage levels. Those adjustments yielded performance measures that are much more likely to reflect differences across states in system design, system implementation, or the behavior of system participants—those elements that must change to cause change in the performance results we observed. More detailed discussion of each of these adjustments, summarized below, can be found in the [Technical Appendix](#), along with estimations of the effects of the various adjustments.

To ensure valid comparisons across states and over time, we constructed variables that, to the fullest extent possible, reflect definitions common to the data sources and across states. To accomplish this, we mapped

definitions from data sources or states to a set of standard definitions for payment transactions, injury groups, and industry categories. For example, expenses for medical-legal examinations may be required by the rating bureau to be reported as medical costs in some states, whereas we record all payments for medical-legal examinations as expenses. We also identified and calculated [lump-sum settlements using the WCRI definition](#).

Differences in the waiting period for indemnity benefits across states directly affect the ratio of medical-only to indemnity claims and measures of claim frequency, and thus affect the comparability of the measures. Waiting periods in the 18 states we studied vary from three days to five days to seven days. To increase the validity of the interstate comparisons, we focused much of our analysis on the subset of claims with more than seven days of lost time.

We enhanced the comparability of the performance measures for interstate comparisons by applying adjustments to control for the state differences in injury and industry mix and wage levels—also referred to as case-mix adjustment. Workers in certain industries are at a greater or lesser risk of injuries; those injuries are more or less likely to be severe; and return to work is affected by the nature of employment. Based on our classifications of 12 injury groups and 7 industry categories, we adjusted the sample of claims in each state so that the claim distribution across injury and industry categories looked the same across the states. To accomplish this, we (1) determined the distribution of claims by injury and industry category for the pooled sample of all 18 states and for the sample claims in each state, (2) compared the sample distribution in each state with the pooled state distribution and calculated a unique set of injury and industry weights for each state, and (3) used those weights to adjust the sample claims in each state in calculating the performance measures so that the measures reflect a constant injury and industry mix across the states. Wages are related to both workers' and employers' characteristics and can affect the cost and duration of claims. For example, higher-wage workers tend to be older, more experienced, better educated, and more skilled. Furthermore, higher-wage workers tend to work for larger companies, be unionized, and be employed in more capital-intensive and hazardous industries. Thus, wage-level adjustments can be used to control, at least in part, for differences in worker characteristics and the economic characteristics of employers. We adjusted for interstate differences in wages in a similar way to how we adjusted for differences in injuries and industries.

OTHER DEFINITIONAL/PRESENTATIONAL EXPLANATIONS

We often compare an individual state's performance with that of the median of the study states. We use the median of the 18 states rather than the mean (average) because it offers a more unbiased comparison—50 percent of the states are higher and 50 percent are lower. The mean is more sensitive to extreme high or low values than is the median.

For measures involving indemnity components—PPD and temporary disability measures—we separate out the states with a wage-loss benefit structure (Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia) in order to provide meaningful interstate comparisons. That is because, under a wage-loss benefit structure, most indemnity benefits are paid as temporary disability, generally resulting in longer duration, and PPD benefits are less frequent. For these measures, we use an 11-state median for comparison and use a special notation (the stars) on the box plots to denote the values for the wage-loss states. The range presented by the whiskers of the box plots is similarly derived from data excluding the wage-loss states. Two states that have the attributes of both a wage-loss system and a PPD benefit system (Georgia and North Carolina) are denoted and treated differently from the wage-loss states and from the PPD states. Lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. To achieve consistency in the treatment of lump-sum payments among the data sources and to develop measures that are comparable

across states, we grouped the lump-sum medical payments with other lump-sum payments, reporting them as indemnity payments. The current requirements of Medicare Set-Aside Arrangements might suggest that companies are, or will become, increasingly able to extract the medical component of settlements. We will continue to monitor any changes in data reporting that allow us to modify our current approach in constructing the lump-sum settlement measure.

The trends we report are based on data weighted to represent the full insurance market in the state. However, we did not adjust the trends for the interstate differences in injury and industry mix and wage levels. The unadjusted numbers used in the trend analysis provide the most relevant information on how the system performed in each state over time. We do recognize, however, that many study states may have experienced considerable changes in injury and industry mix and wage levels over time. We factored these into our trend analysis whenever we believed the effect of these changes in external factors could be a significant part of the trends. The trend figures in the report show the year-to-year change in the levels rather than the actual levels for a measure. For the state that is the focus of a report, we connect the change points for each year with a line. The downward or upward lines show deceleration or acceleration in growth from one year to another. A change point below zero on the vertical axis indicates a decrease; similarly, a change point above zero means an increase.

QUICK REFERENCE GUIDE TO FIGURES AND TABLES

Measure	Interstate Comparison			
	All Paid Claims		Claims with More Than 7 Days of Lost Time	
	2019/2020 (12-month maturity)	2017/2020 (36-month maturity)	2019/2020 (12-month maturity)	2017/2020 (36-month maturity)
Costs and benefits, and major components	Figure 1 Table 2	Figure 2 Table 2	Figure 3 Table 2	Figure 4 Table 2
Incurred benefits and components	—	—	Figure 5 Table 2	Figure 6 Table 2
Indemnity benefits and components (including duration)	—	—	Figure 7 Table 2	Figure 8 Table 2
Temporary disability benefits	—	—	Figure 9 Table 2	Figure 10 Table 2
Permanent partial disability benefits/lump-sum settlements	—	—	Table 2	Figure 11 Table 2
Benefit delivery expenses and major components	Table 2	Table 2	Figure 12 Table 2	Figure 13 Table 2
Timing of reporting and payments	—	—	Figure 14 Table 2	—
Measure	Trend			
	All Paid Claims		Claims with More Than 7 Days of Lost Time	
	2019/2020 (12-month maturity)	2017/2020 (36-month maturity)	2019/2020 (12-month maturity)	2017/2020 (36-month maturity)
Total costs and major components	Figure 15 Table 3	Table 3	Figure 17 Table 3	Table 3
Percentage of claims with more than 7 days of lost time	Figure 16 Table 3	Table 3	—	—
Incurred benefits and components	—	—	Figure 18 Table 3	Table 3
Medical payments	Table 3	Table 3	Figure 19 Table 3	Table 3
Indemnity benefits and components	—	—	Figure 20 Table 3	Table 3
Duration of temporary disability	—	—	Figure 21 Table 3	Table 3
Permanent partial disability benefits/lump-sum settlements	—	—	Figures 22, 24 Table 3	Figures 23, 25 Table 3
Benefit delivery expenses and major components	Table 3	Table 3	Figure 26 Table 3	Figure 27 Table 3
Medical cost containment expenses	—	—	Figure 28 Table 3	Figure 29 Table 3
Defense attorney payments	—	—	Figures 30, 32 Table 3	Figures 31, 33 Table 3
Medical-legal expenses	—	—	Figure 34 Table 3	Figure 35 Table 3
Timing of reporting and payments	—	—	Table 3	—

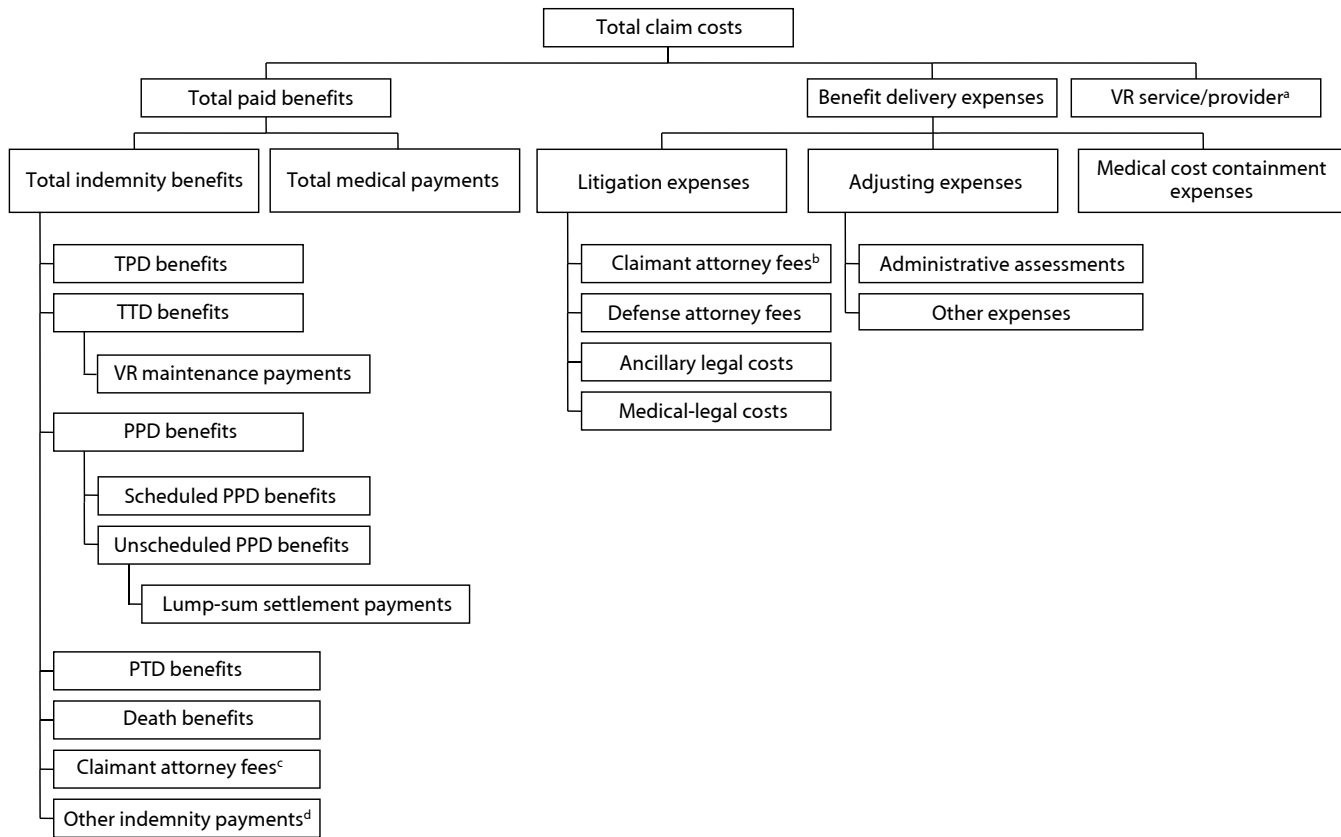
continued

Figure A	WCRI Benefit and Expense Variables
Table 1	Terms We Use to Describe Performance
Table 4	Trend in Average Weekly Wages of Workers with Injuries, 2014–2019
Table 5	Comparison of Statutory Maximum Weekly Temporary Total Disability Benefit and Statewide Average Weekly Wage, 2019
Table 6	Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019
Table 7	Determining Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019
Table 8	Total Costs per Claim and Components, 2017/2020
Table 9	Claims with Worker Attorney Involvement as a Percentage of Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity
Table 10	Trend in the Percentage of Claims with Worker Attorney Involvement for Claims with More Than 7 Days of Lost Time (36 months)
Table 11	Trend in Average Indemnity Benefit per Claim Adjusted for Wage Growth, Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity
Table 12	Summary of Selected Florida 2003 Reform Provisions
Table 13	Trend in Percentage of Claims with More Than 7 Days of Lost Time and Attorney Involvement in Florida, 2002/2005 to 2017/2020
Table 14	Medical Payments per Claim with Less Than or Equal to 7 Days of Lost Time, Adjusted for Injury and Industry Mix
Table 15	Percentage of Workers Who Reported "Big Problems" Getting the Primary Provider They Wanted and System Features That Might Be Related to This Measure
Table 16	Trend in Average Weekly Earnings of All Employees in Florida, 2008 to 2019
Table A	Workers' Compensation Premium Rate Ranking
Table B	Ranking by Costs per Claim Using Rating Bureau Information, Average of Policy Years 2014–2016
Table C	Ranking by Costs per Worker Using Rating Bureau Information, Average of Policy Years 2014–2016
Table D	Ranking by Claim Frequency per 100,000 Workers Using Rating Bureau Information, Average of Policy Years 2014–2016

Website Addresses for Additional Data

CompScope™ Benchmarks: Technical Appendix, 21st Edition:
https://www.wcrinet.org/images/uploads/files/cs21_technical_appendix.pdf

CompScope™ Benchmarks, 21st Edition: The DataBook:
https://www.wcrinet.org/images/uploads/files/cs21_databook.pdf

Figure A WCRI Benefit and Expense Variables

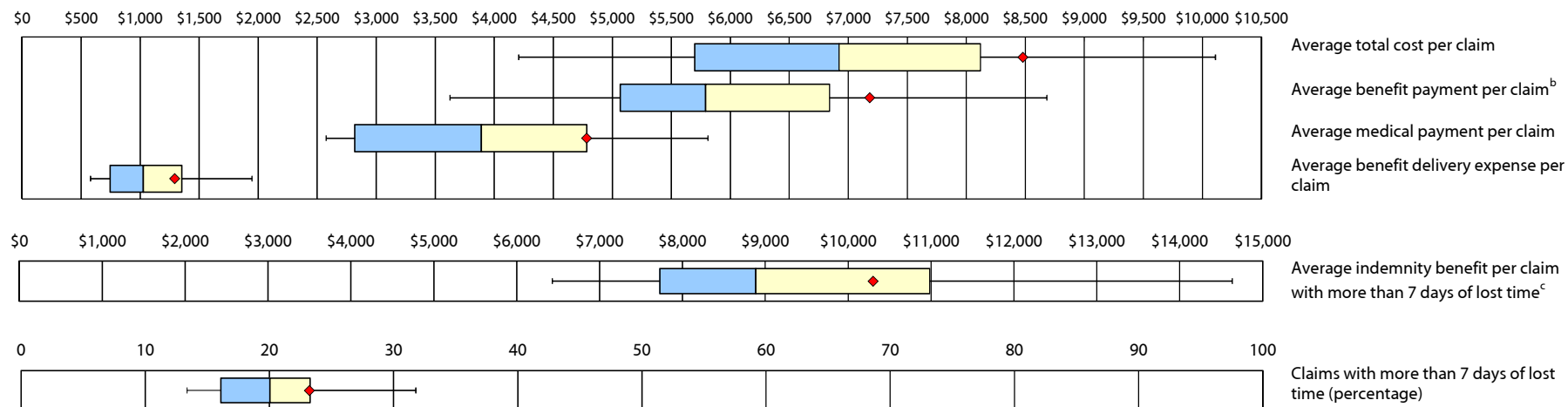
^a We treat vocational rehabilitation provider expenses as a separate category; some readers might regard them as benefits, others as expenses.

^b Claimant attorney fees that are the worker's responsibility.

^c Claimant attorney fees that are the payor's responsibility.

^d Indemnity payments that are not elsewhere classified, including penalties and awards.

Key: PPD: permanent partial disability; PTD: permanent total disability; TPD: temporary partial disability; TTD: temporary total disability; VR: vocational rehabilitation.

Figure 1 Average Costs for All Paid Claims at 12 Months' Average Maturity,^a 2019/2020

♦ = FLORIDA

Performance Measure, 2019/2020 Claims	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	18-State Median ^d
Average total cost per claim	\$4,768	\$7,336	\$8,480	\$8,212	\$6,041	\$9,562	\$5,799	\$10,110	\$6,653	\$4,208	\$5,524	\$6,905	\$9,631	\$7,657	\$4,999	\$6,371	\$6,938	\$7,160	\$6,922
Average benefit payment per claim ^b	\$4,008	\$5,752	\$7,181	\$6,842	\$5,294	\$8,205	\$5,067	\$8,682	\$5,660	\$3,625	\$4,619	\$5,826	\$7,683	\$6,536	\$4,200	\$5,308	\$6,044	\$6,490	\$5,789
Average medical payment per claim	\$2,709	\$2,818	\$4,783	\$3,747	\$4,059	\$5,409	\$4,033	\$5,629	\$2,807	\$2,576	\$3,189	\$2,891	\$5,812	\$4,048	\$2,800	\$3,316	\$4,265	\$5,448	\$3,890
Average benefit delivery expense per claim	\$758	\$1,572	\$1,293	\$1,367	\$745	\$1,353	\$730	\$1,424	\$990	\$580	\$735	\$1,077	\$1,947	\$1,118	\$798	\$1,062	\$890	\$668	\$1,026
Average indemnity benefit per claim with more than 7 days of lost time ^c	\$8,589	\$10,982	\$10,300	\$14,635	\$8,579	\$10,716	\$7,726	\$13,089	\$8,968	\$6,632	\$7,459	\$13,989	\$7,571	\$13,078	\$8,632	\$8,798	\$9,908	\$6,431	\$8,883
Claims with more than 7 days of lost time (percentage)	15.1%	26.4%	23.2%	21.1%	14.4%	26.1%	13.4%	23.3%	31.8%	15.8%	19.1%	21.0%	24.7%	19.0%	16.2%	22.6%	17.9%	16.1%	20.0%

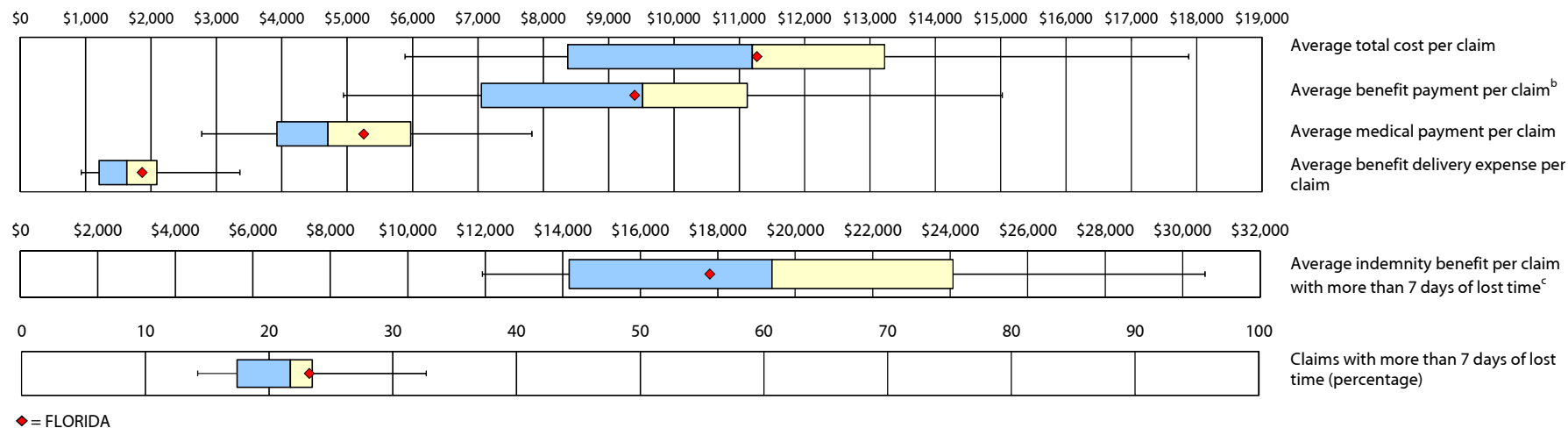
Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

^aThe average indemnity benefit per claim is reported for claims with more than seven days of lost time.

^bBenefits include both medical and indemnity benefits.

^cThe reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^dThe 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Figure 2 Average Costs for All Paid Claims at 36 Months' Average Maturity,^a 2017/2020

Performance Measure, 2017/2020 Claims	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	18-State Median ^d
Average total cost per claim	\$6,519	\$14,569	\$11,270	\$13,354	\$10,645	\$16,541	\$7,388	\$17,878	\$12,788	\$5,886	\$9,203	\$11,938	\$14,962	\$12,423	\$6,834	\$8,615	\$11,133	\$9,571	\$11,201
Average benefit payment per claim ^b	\$5,547	\$11,121	\$9,399	\$11,263	\$9,160	\$14,092	\$6,441	\$15,027	\$11,052	\$4,945	\$7,512	\$10,221	\$11,919	\$10,575	\$5,627	\$7,056	\$9,641	\$8,480	\$9,520
Average medical payment per claim	\$3,382	\$4,210	\$5,255	\$4,734	\$5,183	\$7,082	\$4,677	\$7,828	\$3,926	\$2,775	\$4,064	\$3,624	\$7,144	\$4,998	\$3,235	\$4,076	\$5,974	\$6,298	\$4,705
Average benefit delivery expense per claim	\$971	\$3,358	\$1,862	\$2,087	\$1,481	\$2,433	\$945	\$2,774	\$1,711	\$932	\$1,383	\$1,704	\$3,042	\$1,838	\$1,206	\$1,558	\$1,459	\$1,081	\$1,631
Average indemnity benefit per claim with more than 7 days of lost time ^c	\$14,163	\$22,984	\$17,795	\$28,807	\$22,573	\$24,070	\$12,395	\$30,575	\$21,784	\$13,544	\$16,304	\$29,507	\$16,095	\$27,611	\$14,224	\$13,206	\$21,005	\$11,924	\$19,400
Claims with more than 7 days of lost time (percentage)	15.3%	29.7%	23.3%	22.7%	17.6%	29.1%	14.2%	23.5%	32.7%	16.0%	21.1%	22.4%	29.7%	20.2%	16.8%	22.6%	17.4%	18.2%	21.7%

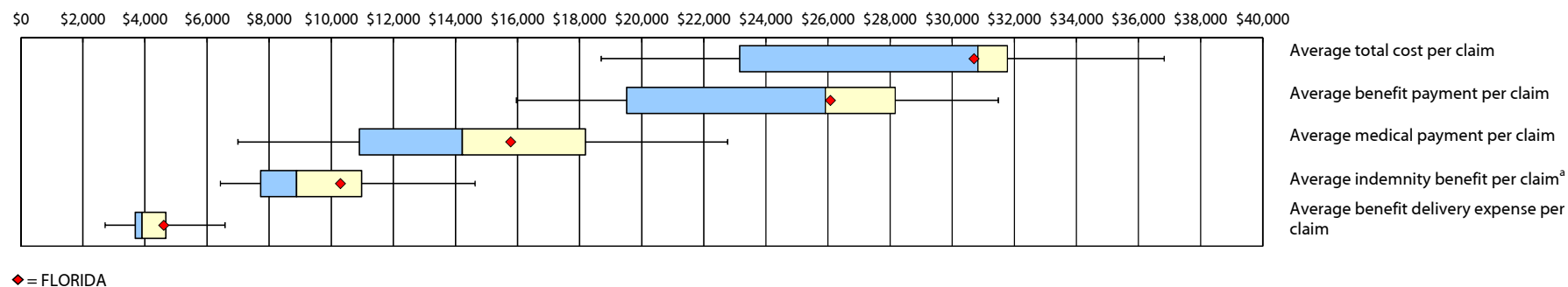
Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a The average indemnity benefit per claim is reported for claims with more than seven days of lost time.

^b Benefits include both medical and indemnity benefits.

^c The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^d The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

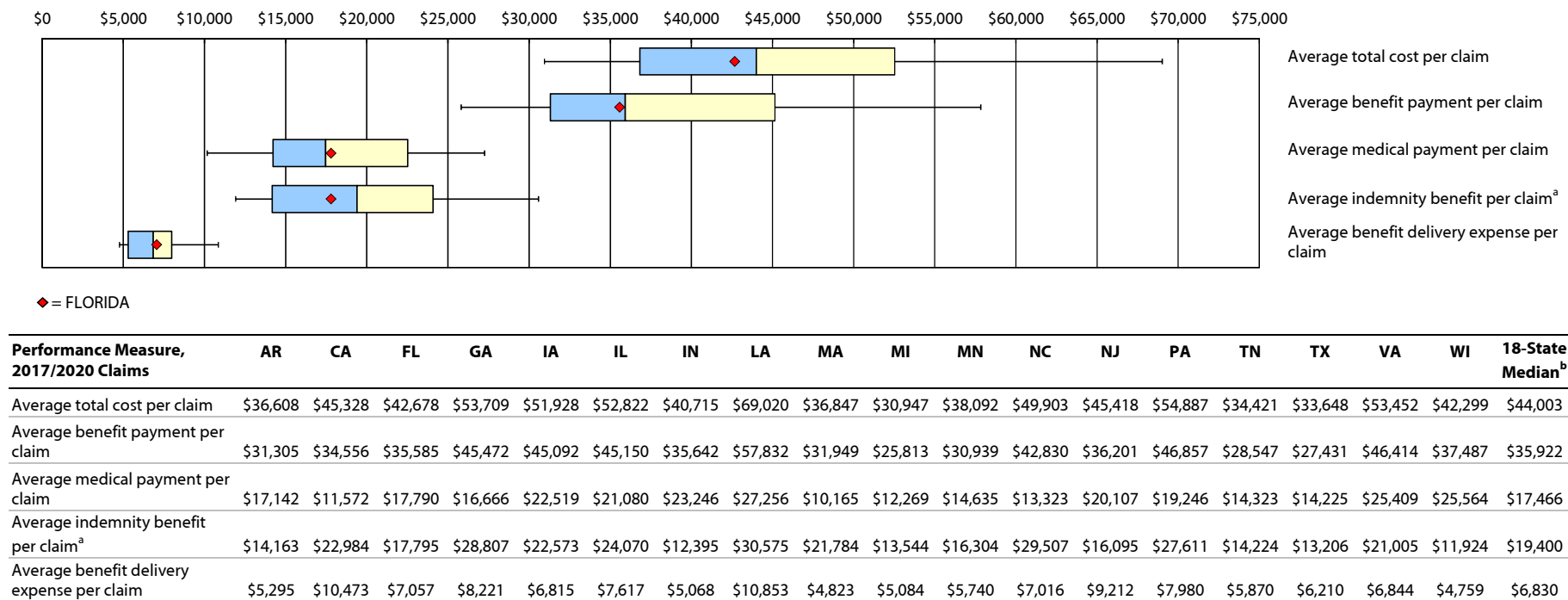
Figure 3 Average Costs for Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020


Performance Measure, 2019/2020 Claims	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	18-State Median ^b
Average total cost per claim	\$25,605	\$23,598	\$30,705	\$33,000	\$31,856	\$32,013	\$32,220	\$36,826	\$18,693	\$20,330	\$22,962	\$28,941	\$32,341	\$33,089	\$24,550	\$23,356	\$30,959	\$32,091	\$30,832
Average benefit payment per claim	\$21,703	\$18,667	\$26,079	\$27,565	\$28,163	\$27,535	\$28,290	\$31,484	\$15,965	\$17,541	\$19,118	\$24,468	\$25,754	\$28,409	\$20,828	\$19,516	\$27,125	\$29,196	\$25,917
Average medical payment per claim	\$13,113	\$7,685	\$15,779	\$12,931	\$19,584	\$16,819	\$20,564	\$18,395	\$6,997	\$10,909	\$11,659	\$10,479	\$18,183	\$15,331	\$12,196	\$10,718	\$17,217	\$22,765	\$14,222
Average indemnity benefit per claim ^a	\$8,589	\$10,982	\$10,300	\$14,635	\$8,579	\$10,716	\$7,726	\$13,089	\$8,968	\$6,632	\$7,459	\$13,989	\$7,571	\$13,078	\$8,632	\$8,798	\$9,908	\$6,431	\$8,883
Average benefit delivery expense per claim	\$3,896	\$4,890	\$4,603	\$5,422	\$3,686	\$4,466	\$3,922	\$5,322	\$2,721	\$2,775	\$2,988	\$4,460	\$6,581	\$4,670	\$3,717	\$3,835	\$3,810	\$2,885	\$3,909

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

^a The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

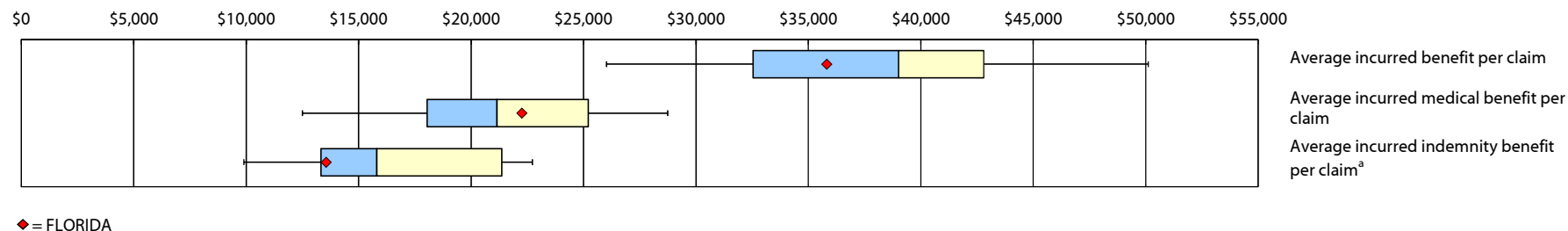
^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Figure 4 Average Costs for Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 2017/2020

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Figure 5 Average Incurred Benefits for Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020

Performance Measure, 2019/2020 Claims	AR	CA	FL	GA	IA	IL	IN ^b	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	17-State Median ^c
Average incurred benefit per claim	\$34,629	\$34,782	\$35,820	\$41,956	\$46,128	\$46,176	n/a	\$50,115	\$27,865	\$26,023	\$29,746	\$40,294	\$42,807	\$43,263	\$32,546	\$29,881	\$41,032	\$39,019	\$39,019
Average incurred medical benefit per claim	\$21,160	\$18,424	\$22,265	\$19,877	\$27,578	\$24,089	n/a	\$28,745	\$12,505	\$16,119	\$18,049	\$17,566	\$23,749	\$21,824	\$18,835	\$16,551	\$25,216	\$28,384	\$21,160
Average incurred indemnity benefit per claim ^a	\$13,468	\$16,358	\$13,555	\$22,079	\$18,550	\$22,088	n/a	\$21,370	\$15,361	\$9,904	\$11,697	\$22,729	\$19,058	\$21,439	\$13,710	\$13,330	\$15,816	\$10,635	\$15,816

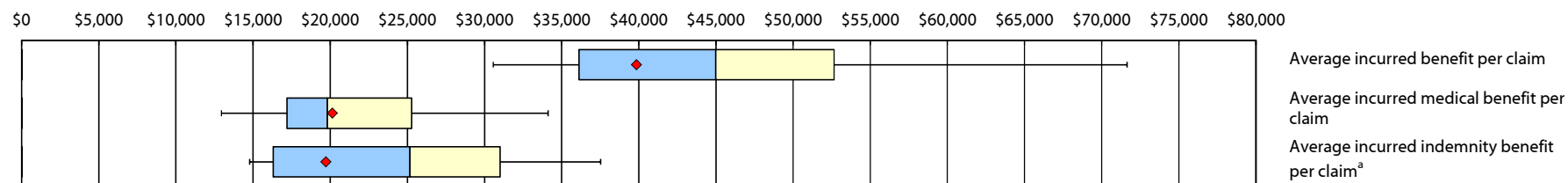
Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

^a The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^b Incurred measures are not shown because Indiana results may not be comparable to those of the other study states. Indiana's second injury fund may be petitioned to pay compensation to permanently and totally disabled workers who have received the maximum compensation allowable under Indiana law but remain permanently and totally disabled.

^c The 17-state median is the state ranked 9th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure. Indiana is excluded for the incurred measures because those measures in Indiana may not be comparable to those of the other study states.

Key: n/a: not applicable.

Figure 6 Average Incurred Benefits for Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 2017/2020

Performance Measure, 2017/2020 Claims	AR	CA	FL	GA	IA	IL	IN ^b	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	17-State Median ^c
Average incurred benefit per claim	\$36,111	\$44,973	\$39,854	\$50,289	\$53,267	\$55,190	n/a	\$71,643	\$39,246	\$30,563	\$35,768	\$47,741	\$46,935	\$52,654	\$33,871	\$32,604	\$53,692	\$42,611	\$44,973
Average incurred medical benefit per claim	\$19,807	\$18,729	\$20,142	\$18,534	\$25,571	\$24,179	n/a	\$34,124	\$12,952	\$14,038	\$17,204	\$15,200	\$22,451	\$21,567	\$17,717	\$16,981	\$28,534	\$27,837	\$19,807
Average incurred indemnity benefit per claim ^a	\$16,304	\$26,244	\$19,711	\$31,755	\$27,697	\$31,011	n/a	\$37,518	\$26,294	\$16,525	\$18,564	\$32,540	\$24,483	\$31,087	\$16,154	\$15,622	\$25,158	\$14,774	\$25,158

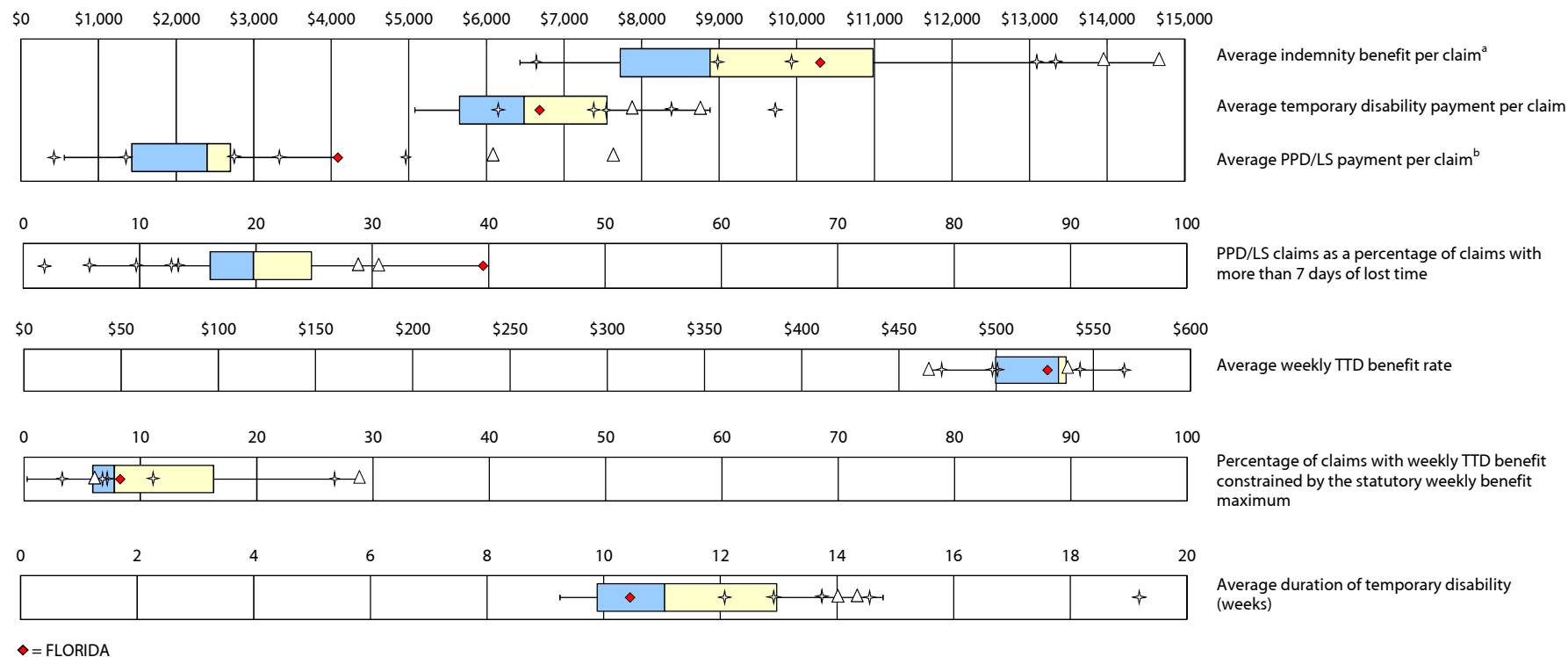
Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^b Incurred measures are not shown because Indiana results may not be comparable to those of the other study states. Indiana's second injury fund may be petitioned to pay compensation to permanently and totally disabled workers who have received the maximum compensation allowable under Indiana law but remain permanently and totally disabled.

^c The 17-state median is the state ranked 9th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure. Indiana is excluded for the incurred measures because those measures in Indiana may not be comparable to those of the other study states.

Key: n/a: not applicable.

Figure 7 Average Indemnity Benefits for Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020


Performance Measure, 2019/2020 Claims	AR	CA	FL	GA ^c	IA	IL	IN	LA ^d	MA ^d	MI ^d	MN	NC ^c	NJ	PA ^d	TN	TX	VA ^d	WI	18-State Median ^e	11-State Median ^e
Average indemnity benefit per claim ^a	\$8,589	\$10,982	\$10,300	\$14,635	\$8,579	\$10,716	\$7,726	\$13,089	\$8,968	\$6,632	\$7,459	\$13,989	\$7,571	\$13,078	\$8,632	\$8,798	\$9,908	\$6,431	\$8,883	n/a
Average temporary disability payment per claim	\$6,084	\$8,884	\$6,685	\$7,824	\$5,632	\$8,348	\$6,279	\$9,703	\$7,521	\$6,138	\$5,654	\$8,773	\$7,077	\$8,355	\$6,488	\$7,556	\$7,354	\$5,077	n/a	\$6,488
Average PPD/LS payment per claim ^b	\$2,698	\$2,413	\$4,085	\$7,624	\$3,168	\$2,700	\$1,595	\$3,321	\$1,350	\$414	\$1,898	\$6,077	\$560	\$4,929	\$2,400	\$1,382	\$2,737	\$1,428	n/a	\$2,400
PPD/LS claims as a percentage of claims with more than 7 days of lost time	24.8%	17.9%	39.5%	30.5%	29.6%	16.1%	17.5%	12.7%	5.5%	1.7%	14.7%	28.6%	5.7%	12.2%	19.8%	22.9%	9.3%	21.2%	n/a	19.8%
Average weekly TTD benefit rate	\$495	\$534	\$526	\$465	\$527	\$553	\$518	\$472	\$500	\$497	\$536	\$536	\$533	\$565	\$536	\$535	\$543	\$531	\$532	n/a
Percentage of claims with weekly TTD benefit constrained by the statutory weekly benefit maximum	21.2%	6.7%	8.3%	28.7%	0.3%	1.9%	16.3%	26.6%	3.1%	6.8%	7.3%	5.9%	19.2%	10.7%	5.3%	15.1%	6.5%	10.3%	7.8%	n/a
Average duration of temporary disability (weeks)	11.0	14.8	10.5	14.3	9.5	13.6	11.1	19.1	14.5	12.1	9.9	14.0	12.5	13.7	11.0	13.0	12.9	9.2	n/a	11.0

continued

Figure 7 Average Indemnity Benefits for Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020 (continued)

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

^a The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^b Includes both PPD benefits and lump-sum settlements.

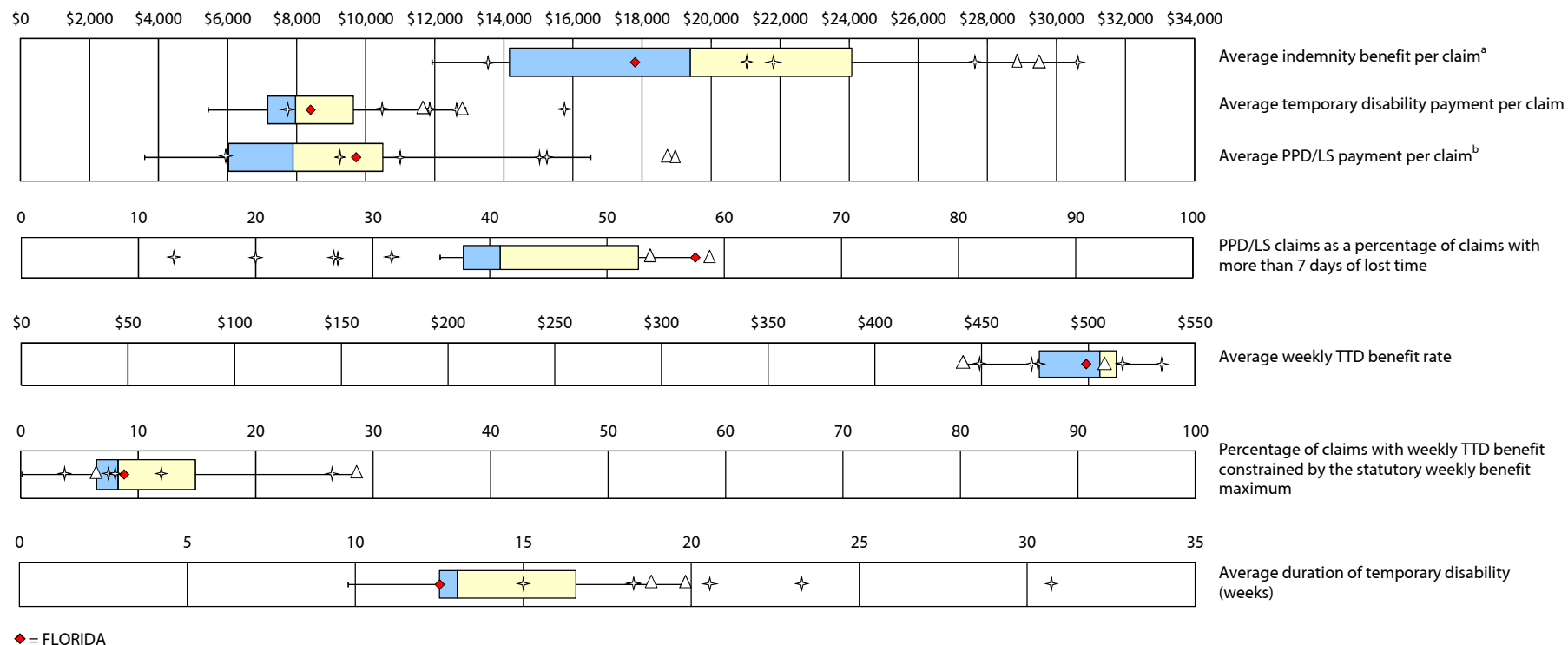
^c States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^d Wage-loss states are marked with a "↵" on the box plot.

^e The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure. In the box plots for the following measures, the median line represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems): average temporary disability payment per claim, average PPD/LS payment per claim, PPD/LS claims as a percentage of claims with more than 7 days of lost time, and average duration of temporary disability. The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated.

Key: n/a: not applicable; PPD: permanent partial disability; PPD/LS: permanent partial disability or lump sum; TTD: temporary total disability.

Figure 8 Average Indemnity Benefits for Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 2017/2020



Performance Measure, 2017/2020 Claims	AR	CA	FL	GA ^c	IA	IL	IN ^d	LA ^e	MA ^e	MI ^e	MN	NC ^c	NJ	PA ^e	TN	TX	VA ^e	WI	18-State Median ^f	11-State Median ^f
Average indemnity benefit per claim ^a	\$14,163	\$22,984	\$17,795	\$28,807	\$22,573	\$24,070	\$12,395	\$30,575	\$21,784	\$13,544	\$16,304	\$29,507	\$16,095	\$27,611	\$14,224	\$13,206	\$21,005	\$11,924	\$19,400	n/a
Average temporary disability payment per claim	\$7,160	\$12,896	\$8,406	\$11,616	\$6,429	\$11,800	\$7,190	\$15,760	\$11,836	\$7,761	\$7,970	\$12,772	\$8,424	\$12,595	\$7,351	\$9,645	\$10,445	\$5,438	n/a	\$7,970
Average PPD/LS payment per claim ^b	\$6,919	\$11,267	\$9,724	\$18,926	\$16,522	\$13,691	\$5,525	\$15,286	\$9,245	\$5,921	\$8,675	\$18,900	\$7,896	\$14,981	\$7,116	\$3,601	\$10,982	\$6,516	n/a	\$7,896
PPD/LS claims as a percentage of claims with more than 7 days of lost time	37.7%	52.7%	57.5%	53.5%	55.4%	46.7%	37.3%	31.5%	19.8%	12.7%	35.8%	58.8%	42.0%	26.6%	40.9%	40.2%	26.9%	40.0%	n/a	40.9%
Average weekly TTD benefit rate	\$477	\$508	\$499	\$442	\$503	\$525	\$495	\$449	\$476	\$473	\$511	\$508	\$513	\$535	\$509	\$515	\$516	\$503	\$505	n/a
Percentage of claims with weekly TTD benefit constrained by the statutory weekly benefit maximum	22.3%	6.9%	8.8%	28.5%	0.1%	1.8%	14.9%	26.6%	3.6%	7.8%	6.7%	6.4%	17.4%	11.6%	6.0%	13.5%	7.3%	9.9%	8.3%	n/a
Average duration of temporary disability (weeks)	13.2	19.9	12.5	19.8	10.3	17.9	12.8	30.7	23.3	15.0	13.0	18.8	13.2	20.5	12.5	16.6	18.3	9.8	n/a	13.0

continued

Figure 8 Average Indemnity Benefits for Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 2017/2020 (continued)

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^b Includes both PPD benefits and lump-sum settlements.

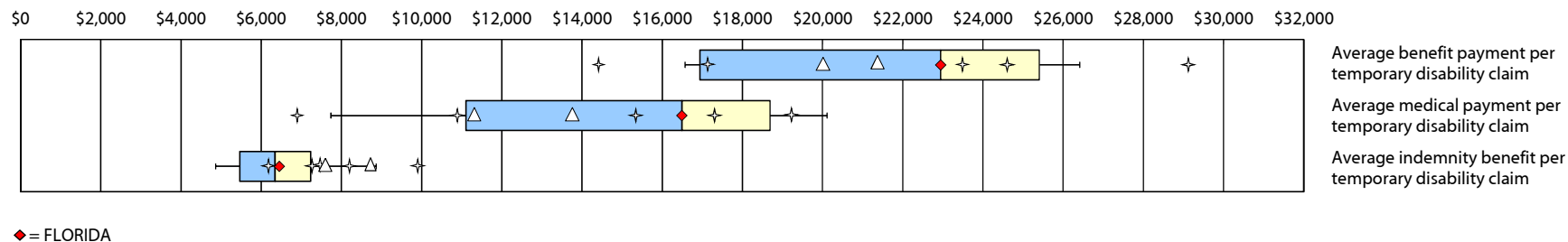
^c States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^d For claims with more than 24 months' maturity, average temporary disability payments per claim and average PPD/LS payments per claim may not be comparable to those of other study states because temporary disability payments in excess of 125 weeks can be credited against any permanent impairment benefits due to the worker once maximum medical improvement has been reached. However, these payments may not be consistently recorded by the data sources.

^e Wage-loss states are marked with a "✦" on the box plot.

^f The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure. In the box plots for the following measures, the median line represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems): average temporary disability payment per claim, average PPD/LS payment per claim, PPD/LS claims as a percentage of claims with more than 7 days of lost time, and average duration of temporary disability. The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated.

Key: n/a: not applicable; PPD: permanent partial disability; PPD/LS: permanent partial disability or lump sum; TTD: temporary total disability.

Figure 9 Average Costs for Temporary Disability Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020

Performance Measure, 2019/2020 Claims	AR	CA	FL	GA ^a	IA	IL	IN	LA ^b	MA ^b	MI ^b	MN	NC ^a	NJ	PA ^b	TN	TX	VA ^b	WI	11-State Median ^c
Average benefit payment per temporary disability claim	\$17,176	\$16,609	\$22,943	\$21,313	\$23,002	\$25,409	\$26,415	\$29,112	\$14,393	\$17,115	\$16,572	\$20,036	\$25,831	\$23,499	\$18,240	\$16,942	\$24,585	\$24,394	\$22,943
Average medical payment per temporary disability claim	\$11,525	\$7,740	\$16,494	\$13,749	\$17,646	\$16,993	\$20,111	\$19,207	\$6,873	\$10,924	\$11,104	\$11,316	\$18,693	\$15,313	\$11,893	\$9,709	\$17,285	\$19,529	\$16,494
Average indemnity benefit per temporary disability claim	\$5,652	\$8,869	\$6,449	\$7,564	\$5,356	\$8,416	\$6,304	\$9,904	\$7,519	\$6,190	\$5,468	\$8,720	\$7,137	\$8,186	\$6,347	\$7,234	\$7,300	\$4,866	\$6,347

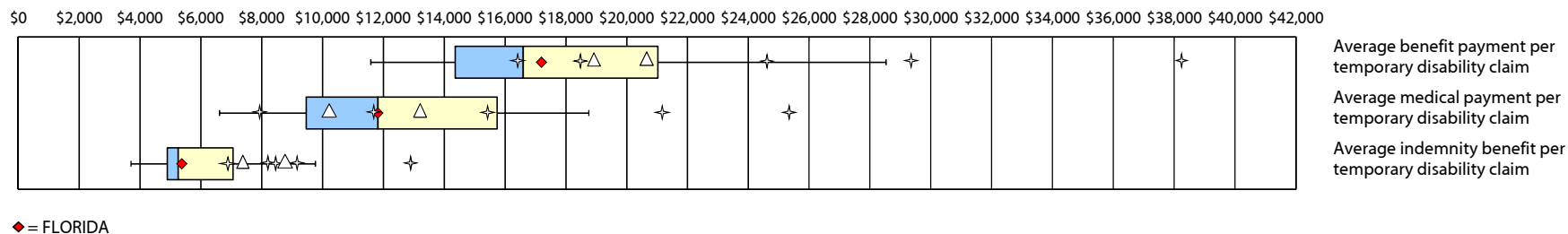
Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

^a States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^b Wage-loss states are marked with a "✚" on the box plot.

^c The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 10 Average Costs for Temporary Disability Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 2017/2020

Performance Measure, 2017/2020 Claims	AR	CA	FL	GA ^a	IA	IL	IN ^b	LA ^c	MA ^c	MI ^c	MN	NC ^a	NJ	PA ^c	TN	TX	VA ^c	WI	11-State Median ^d
Average benefit payment per temporary disability claim	\$14,654	\$13,863	\$17,197	\$20,597	\$16,601	\$28,526	\$21,025	\$38,233	\$16,357	\$18,463	\$14,362	\$18,928	\$25,977	\$24,601	\$14,756	\$11,593	\$29,336	\$16,656	\$16,601
Average medical payment per temporary disability claim	\$9,534	\$6,798	\$11,823	\$13,226	\$12,603	\$18,758	\$15,736	\$25,351	\$7,951	\$11,682	\$9,463	\$10,260	\$18,680	\$15,444	\$9,502	\$6,619	\$21,129	\$12,947	\$11,823
Average indemnity benefit per temporary disability claim	\$5,120	\$7,064	\$5,374	\$7,371	\$3,999	\$9,768	\$5,289	\$12,882	\$8,406	\$6,781	\$4,900	\$8,668	\$7,297	\$9,157	\$5,255	\$4,973	\$8,207	\$3,709	\$5,255

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

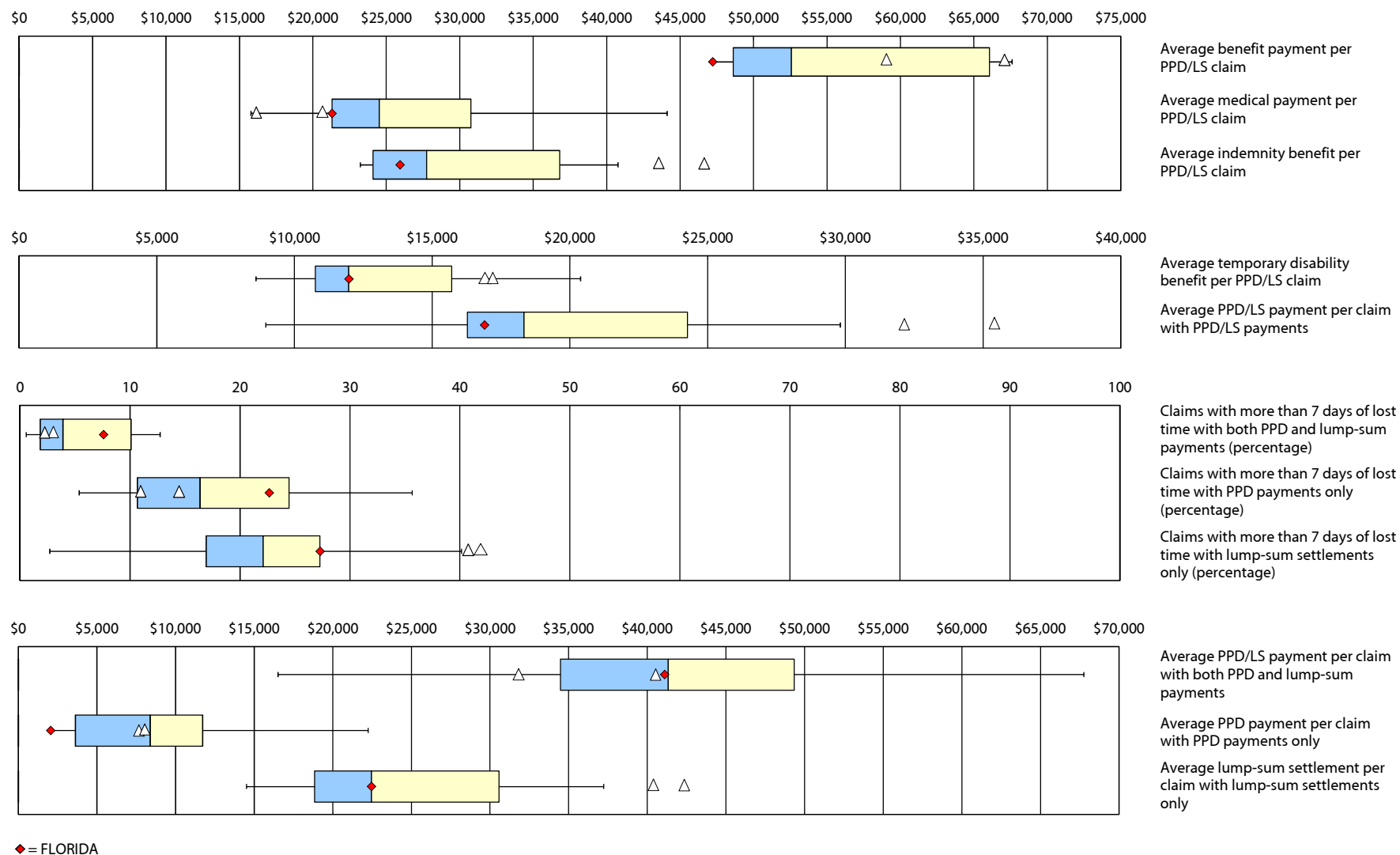
^b For claims with more than 24 months' maturity, average temporary disability payments per claim and average PPD/LS payments per claim may not be comparable to those of other study states because temporary disability payments in excess of 125 weeks can be credited against any permanent impairment benefits due to the worker once maximum medical improvement has been reached. However, these payments may not be consistently recorded by the data sources.

^c Wage-loss states are marked with a "✦" on the box plot.

^d The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability; PPD/LS: permanent partial disability or lump sum.

Figure 11 Average Costs for Permanent Partial Disability/Lump-Sum Claims^a with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 11 Non-Wage-Loss States and 2 States with Attributes of Both Wage-Loss and PPD Systems, 2017/2020



continued

Figure 11 Average Costs for Permanent Partial Disability/Lump-Sum Claims^a with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 11 Non-Wage-Loss States and 2 States with Attributes of Both Wage-Loss and PPD Systems, 2017/2020 (continued)

Performance Measure, 2017/2020 Claims	AR	CA	FL	GA ^b	IA	IL	IN ^c	MN	NC ^b	NJ	TN	TX	WI	11-State Median ^d
Average benefit payment per PPD/LS claim	\$52,460	\$52,578	\$47,230	\$67,032	\$67,605	\$66,064	\$58,125	\$60,491	\$59,096	\$50,294	\$47,430	\$48,618	\$67,579	\$52,578
Average medical payment per PPD/LS claim	\$24,714	\$15,778	\$21,301	\$20,342	\$30,751	\$25,294	\$34,894	\$24,010	\$15,658	\$22,163	\$21,226	\$24,532	\$44,113	\$24,532
Average indemnity benefit per PPD/LS claim	\$27,746	\$36,801	\$25,928	\$46,691	\$36,854	\$40,771	\$23,232	\$36,481	\$43,438	\$28,131	\$26,204	\$24,086	\$23,466	\$27,746
Average temporary disability benefit per PPD/LS claim	\$11,675	\$20,388	\$11,972	\$17,179	\$9,269	\$15,050	\$11,808	\$15,708	\$16,955	\$10,759	\$12,006	\$18,449	\$8,600	\$11,972
Average PPD/LS payment per claim with both PPD and lump-sum payments	\$18,334	\$21,392	\$16,898	\$35,380	\$29,818	\$29,326	\$14,824	\$24,265	\$32,166	\$18,813	\$17,395	\$8,954	\$16,278	\$18,334
Claims with more than 7 days of lost time with both PPD and lump-sum payments (percentage)	5.7%	11.5%	7.6%	2.2%	12.7%	1.2%	0.6%	2.2%	2.8%	10.1%	2.0%	1.8%	3.9%	3.9%
Average PPD/LS payment per claim with both PPD and lump-sum payments	\$45,352	\$36,635	\$41,105	\$40,487	\$62,649	\$67,754	\$46,654	\$41,328	\$31,772	\$20,934	\$49,338	\$16,517	\$34,484	\$41,328
Claims with more than 7 days of lost time with PPD payments only (percentage)	19.8%	16.4%	22.7%	10.6%	25.5%	5.4%	10.7%	14.1%	14.0%	15.0%	9.7%	35.7%	24.5%	16.4%
Average PPD payment per claim with PPD payments only	\$8,382	\$9,064	\$2,067	\$7,780	\$11,712	\$11,831	\$3,307	\$3,622	\$7,620	\$22,249	\$4,178	\$7,986	\$9,432	\$8,382
Claims with more than 7 days of lost time with lump-sum settlements only (percentage) ^e	n/a	24.8%	27.3%	40.7%	17.2%	40.1%	26.0%	19.5%	42.0%	16.9%	29.1%	2.7%	11.7%	22.1%
Average lump-sum settlement per claim with lump-sum settlements only ^e	n/a	\$22,454	\$22,466	\$42,321	\$32,337	\$30,567	\$18,850	\$37,224	\$40,345	\$14,511	\$19,582	\$16,547	\$24,546	\$22,460

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. The reader should further note that lump-sum settlements in California reflect payments based on the agreed amount at the time of Compromise and Release (C&R) or Stipulation and do not include any potential subsequent payments for outstanding liens.

^b States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

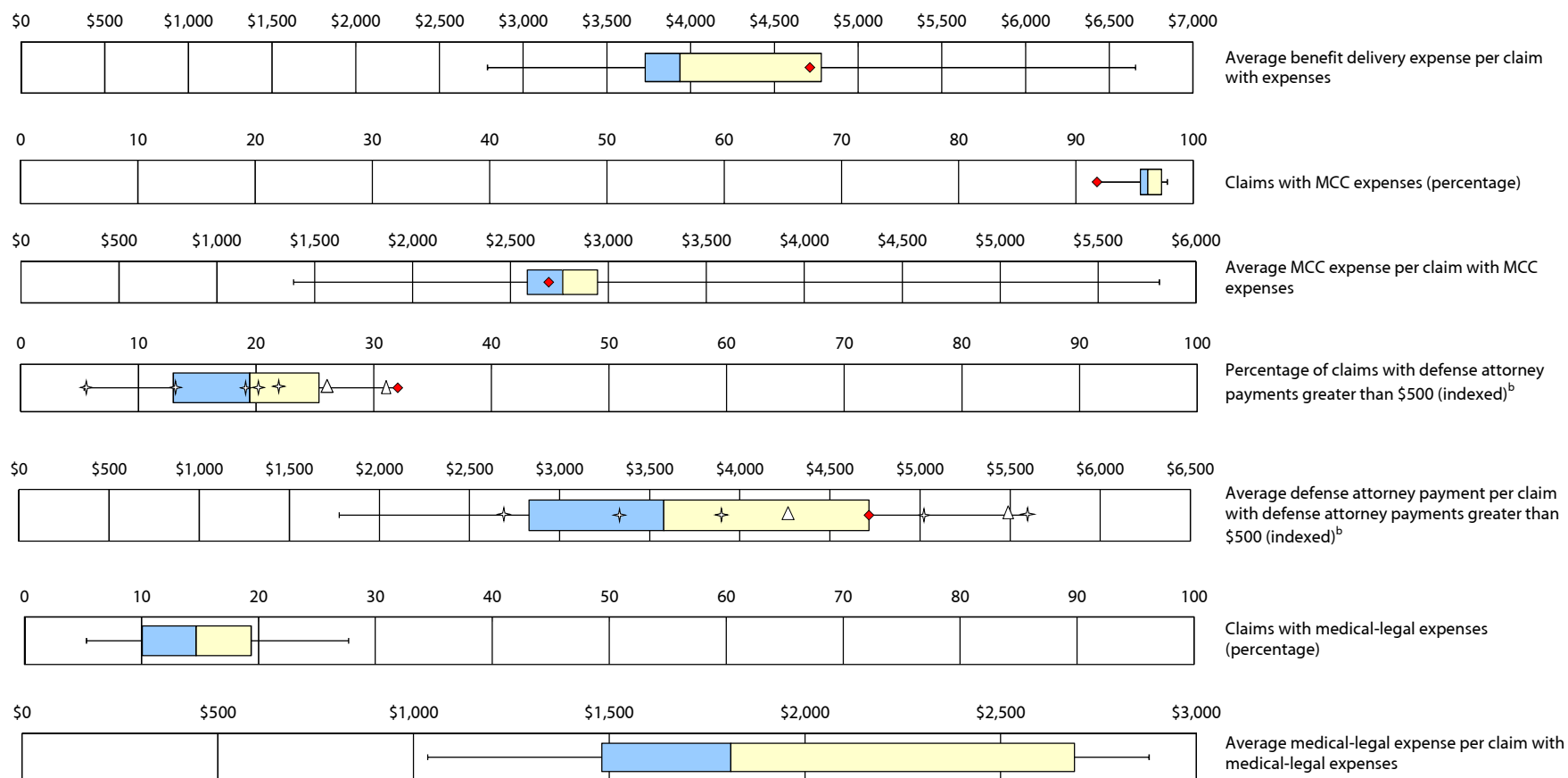
^c For claims with more than 24 months' maturity, average temporary disability payments per claim and average PPD/LS payments per claim may not be comparable to those of other study states because temporary disability payments in excess of 125 weeks can be credited against any permanent impairment benefits due to the worker once maximum medical improvement has been reached. However, these payments may not be consistently recorded by the data sources.

^d The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

^e The percentage of claims with more than 7 days of lost time with lump-sum settlements only and the average payment per claim for this group of claims are not shown for claims with 36 months of experience for Arkansas because the underlying data in our sample are not necessarily representative of the state's experience.

Key: n/a: not applicable; PPD: permanent partial disability; PPD/LS: permanent partial disability or lump-sum settlement.

Figure 12 Average Benefit Delivery Expenses^a for Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020



◆ = FLORIDA

continued

Figure 12 Average Benefit Delivery Expenses^a for Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020 (continued)

Performance Measure, 2019/2020 Claims	AR ^{c,d}	CA	FL ^c	GA ^e	IA	IL	IN	LA ^f	MA ^f	MI ^f	MN	NC ^{c,e}	NJ	PA ^f	TN ^c	TX	VA ^f	WI	18-State Median ^g
Average benefit delivery expense per claim with expenses	\$3,922	\$4,914	\$4,713	\$5,465	\$3,769	\$4,520	\$3,951	\$5,398	\$2,787	\$2,800	\$3,020	\$4,488	\$6,657	\$4,781	\$3,729	\$3,871	\$3,860	\$2,901	\$3,937
Claims with MCC expenses (percentage)	96.1%	97.4%	91.8%	94.5%	95.6%	96.5%	97.3%	95.8%	94.6%	97.8%	94.6%	95.6%	96.8%	95.5%	97.5%	97.6%	96.1%	96.4%	96.1%
Average MCC expense per claim with MCC expenses	\$2,944	\$2,864	\$2,695	\$2,648	\$2,808	\$2,862	\$3,434	\$3,377	\$1,792	\$2,123	\$1,392	\$2,614	\$5,813	\$2,585	\$2,877	\$3,053	\$2,726	\$2,098	\$2,767
Percentage of claims with defense attorney payments greater than \$500 (indexed) ^b	16.8%	23.3%	32.0%	31.2%	12.9%	25.3%	8.0%	22.0%	13.1%	5.4%	13.5%	26.1%	25.9%	20.2%	22.3%	6.6%	18.7%	5.9%	19.5%
Average defense attorney payment per claim with defense attorney payments greater than \$500 (indexed) ^b	\$3,070	\$4,430	\$4,716	\$5,487	\$3,825	\$2,831	\$2,760	\$5,599	\$2,692	\$3,331	\$5,563	\$4,264	\$1,777	\$5,016	\$2,433	\$3,194	\$3,891	\$3,064	\$3,578
Claims with medical-legal expenses (percentage)	n/a	12.4%	n/a	9.0%	10.9%	23.4%	5.3%	10.1%	17.9%	14.4%	15.0%	n/a	15.9%	19.4%	n/a	27.7%	5.4%	20.1%	14.7%
Average medical-legal expense per claim with medical-legal expenses	n/a	\$1,865	n/a	\$1,481	\$1,533	\$2,688	\$1,537	\$2,867	\$1,423	\$1,756	\$2,879	n/a	\$1,233	\$2,786	n/a	\$1,036	\$2,174	\$2,082	\$1,811

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

^a For the average benefit delivery expense and its component measures, we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

^c The percentage of claims with medical-legal expenses and average medical-legal expense per claim at 12 months' average maturity are not reported for Arkansas, Florida, North Carolina, and Tennessee because the underlying data in our sample are not necessarily representative of each state's experience.

^d The percentage of claims with defense attorney payments greater than \$500 (indexed) and average defense attorney payment per claim with defense attorney payments greater than \$500 (indexed) at 12 months' average maturity reported for Arkansas should be used with caution due to relatively small cell sizes underlying the measures.

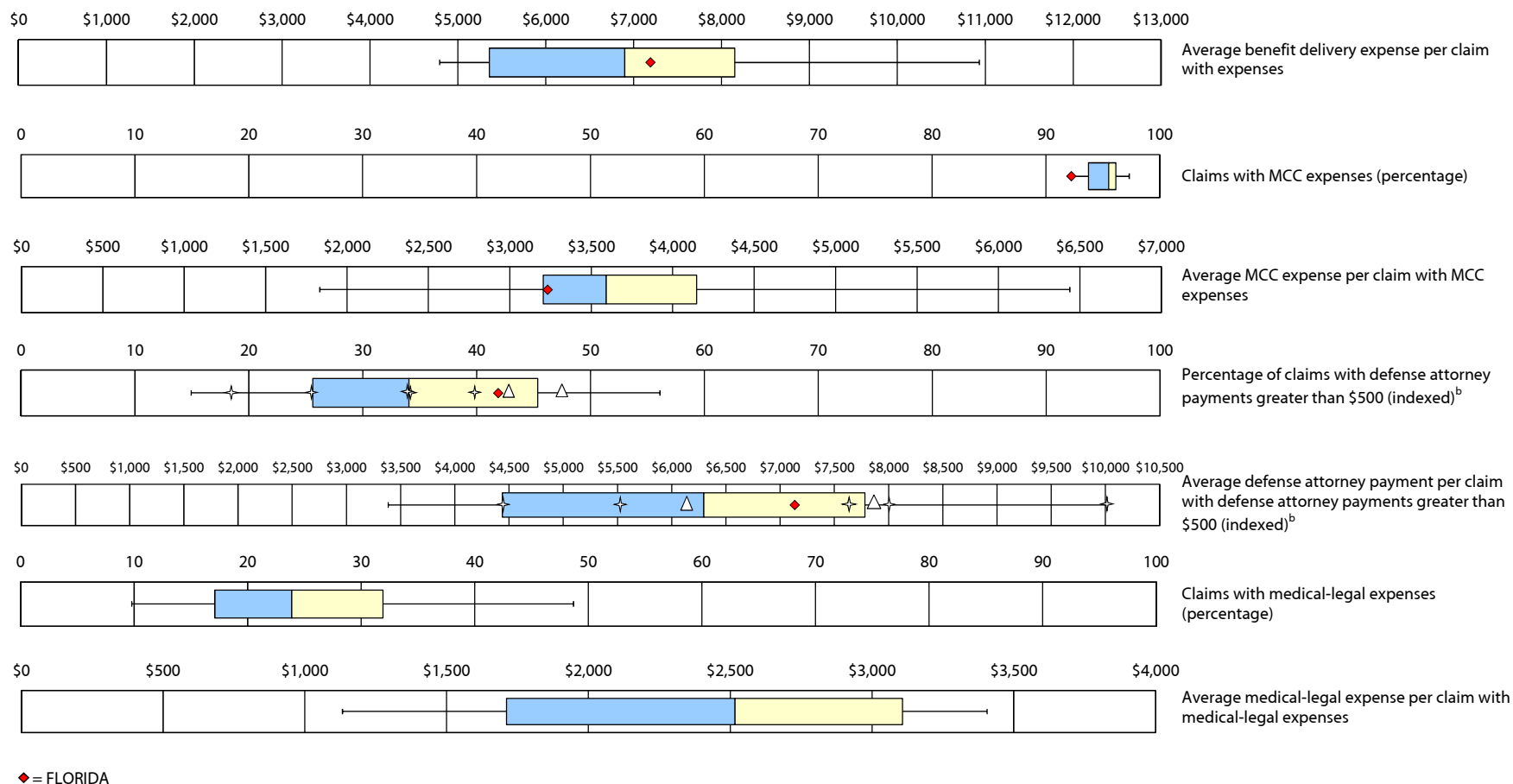
^e States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^f Wage-loss states are marked with a "✦" on the box plot.

^g The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Key: MCC: medical cost containment; n/a: not applicable; PPD: permanent partial disability.

Figure 13 Average Benefit Delivery Expenses^a for Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 2017/2020



continued

Figure 13 Average Benefit Delivery Expenses^a for Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity, 2017/2020 (continued)

Performance Measure, 2017/2020 Claims	AR ^c	CA	FL ^c	GA ^d	IA	IL	IN	LA ^e	MA ^e	MI ^e	MN	NC ^{c,d}	NJ	PA ^e	TN ^c	TX	VA ^e	WI	18-State Median ^f
Average benefit delivery expense per claim with expenses	\$5,358	\$10,555	\$7,192	\$8,267	\$6,896	\$7,712	\$5,102	\$10,933	\$4,905	\$5,136	\$5,815	\$7,108	\$9,304	\$8,150	\$5,898	\$6,270	\$6,902	\$4,791	\$6,899
Claims with MCC expenses (percentage)	95.8%	96.2%	92.2%	93.6%	95.3%	94.8%	97.2%	94.3%	95.6%	95.9%	92.9%	93.6%	93.7%	95.4%	96.8%	97.3%	96.1%	95.9%	95.5%
Average MCC expense per claim with MCC expenses	\$3,653	\$4,296	\$3,231	\$3,531	\$3,205	\$3,797	\$3,783	\$5,196	\$2,407	\$2,780	\$1,833	\$3,357	\$6,438	\$3,251	\$3,689	\$4,255	\$4,146	\$2,477	\$3,592
Percentage of claims with defense attorney payments greater than \$500 (indexed) ^b	27.8%	45.4%	41.9%	47.4%	31.0%	46.9%	18.5%	39.9%	25.6%	18.3%	27.8%	42.8%	56.1%	34.1%	47.1%	14.9%	34.0%	15.9%	34.1%
Average defense attorney payment per claim with defense attorney payments greater than \$500 (indexed) ^b	\$4,185	\$7,639	\$7,135	\$7,843	\$7,781	\$4,854	\$4,268	\$10,020	\$4,438	\$7,652	\$8,690	\$6,149	\$3,385	\$8,012	\$3,576	\$6,177	\$5,538	\$6,418	\$6,297
Claims with medical-legal expenses (percentage)	14.5%	34.2%	n/a	17.1%	21.2%	31.9%	9.8%	19.8%	27.7%	23.5%	23.9%	n/a	48.7%	30.7%	n/a	39.2%	11.7%	30.0%	23.9%
Average medical-legal expense per claim with medical-legal expenses	\$1,133	\$3,108	n/a	\$1,711	\$2,517	\$3,226	\$1,841	\$2,970	\$1,861	\$2,174	\$3,301	n/a	\$1,451	\$3,406	n/a	\$1,465	\$2,567	\$2,722	\$2,517

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a For the average benefit delivery expense and its component measures, we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

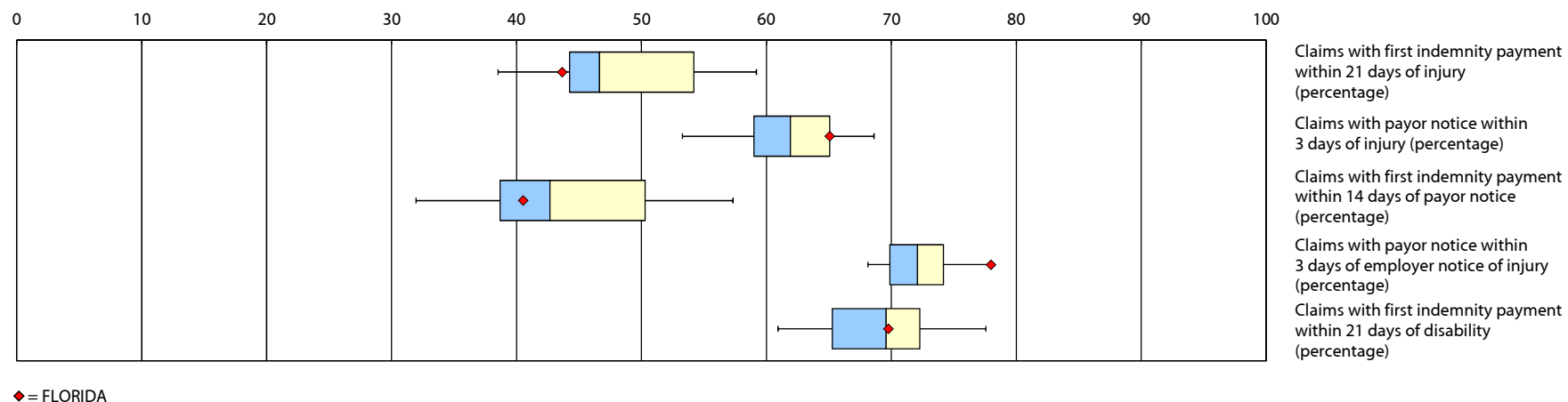
^c The percentage of claims with medical-legal expenses and average medical-legal expense per claim at 36 months' average maturity are not reported for Florida, North Carolina, and Tennessee because the underlying data in our sample are not necessarily representative of each state's experience. Results for Arkansas should be used with caution due to relatively small cell sizes underlying the measures.

^d States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^e Wage-loss states are marked with a "✦" on the box plot.

^f The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Key: MCC: medical cost containment; n/a: not applicable; PPD: permanent partial disability.

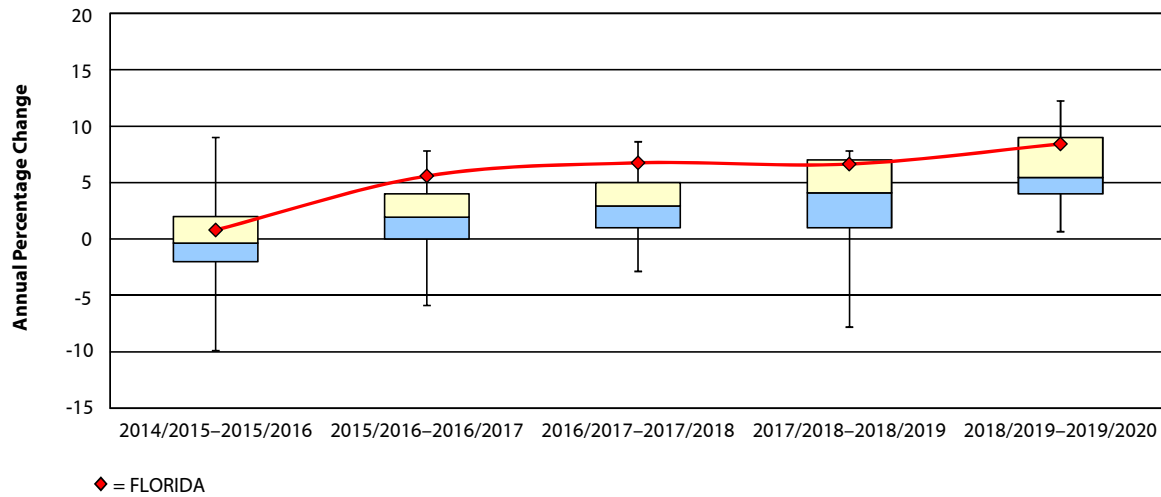
Figure 14 Timing of First Indemnity Payments and Reporting of Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity, 2019/2020

Performance Measure, ^a 2019/2020 Claims	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	18-State Median ^b
Claims with first indemnity payment within 21 days of injury (percentage)	54.2%	46.2%	43.6%	38.5%	47.1%	44.3%	43.5%	44.8%	59.2%	49.4%	56.5%	41.3%	54.6%	45.9%	47.6%	56.0%	44.7%	51.6%	46.6%
Claims with payor notice within 3 days of injury (percentage)	65.5%	53.3%	65.1%	62.0%	59.8%	57.8%	62.4%	60.0%	58.6%	59.0%	61.9%	61.5%	62.4%	66.0%	66.8%	62.7%	68.6%	58.1%	61.9%
Claims with first indemnity payment within 14 days of payor notice (percentage)	51.4%	45.4%	40.5%	32.0%	44.8%	39.9%	38.7%	41.3%	57.3%	44.0%	55.0%	36.7%	48.4%	34.5%	41.3%	51.4%	36.7%	50.3%	42.7%
Claims with payor notice within 3 days of employer notice of injury (percentage)	72.8%	69.9%	78.0%	73.1%	69.9%	69.4%	70.6%	69.6%	71.4%	68.1%	74.2%	70.2%	73.4%	76.5%	77.3%	73.4%	77.1%	69.3%	72.1%
Claims with first indemnity payment within 21 days of disability (percentage)	72.9%	70.2%	69.8%	60.9%	70.9%	65.8%	66.7%	62.5%	74.0%	69.4%	77.6%	61.3%	72.3%	65.3%	68.6%	74.1%	60.9%	70.5%	69.6%

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

^a The measures shown here do not purport to show compliance with individual state requirements for timely payment, and WCRI results will differ from numbers from the workers' compensation agency. Our data include claims that were denied and/or litigated but paid within the evaluation cutoff, as well as claims in which the workers were not continuously disabled from the date of injury, so the obligation to pay did not arise until later in the claim.

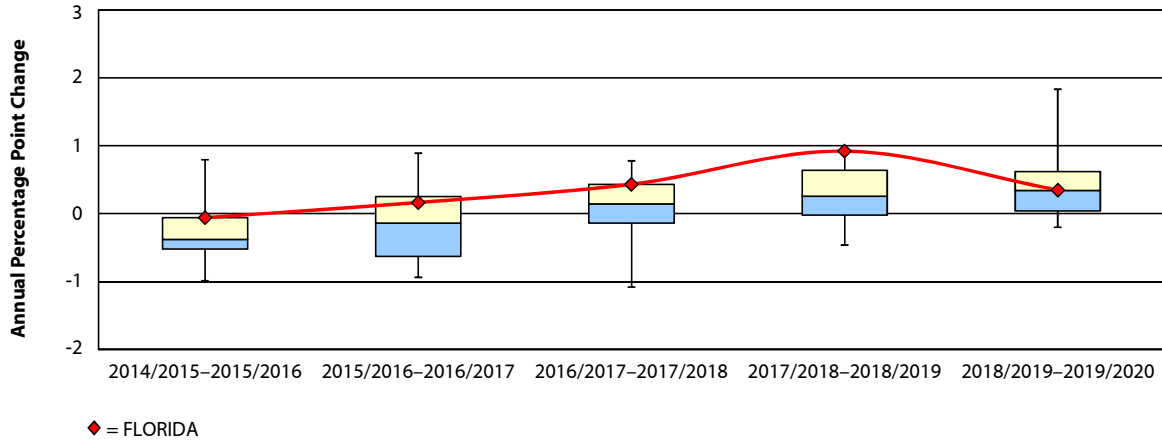
^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the vertical line within the box of the box plot figure for a measure.

Figure 15 Trend of Average Total Cost per All Paid Claims at 12 Months' Average Maturity

Period	Average Total Cost per All Paid Claims (annual percentage change)																		18-State Median ^a
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	-4.2	1.7	0.8	-0.3	7.8	2.9	-9.9	9.0	0.6	-2.2	-0.1	-3.3	-1.9	3.6	-3.2	-0.8	-0.3	-0.4	-0.3
2015/2016 to 2016/2017	1.1	2.3	5.6	3.9	1.8	-0.4	6.4	2.2	4.1	0.0	5.0	2.1	-3.2	0.4	-1.4	-5.9	7.8	0.7	1.9
2016/2017 to 2017/2018	8.6	1.0	6.7	6.5	-0.8	3.3	3.3	6.9	3.9	1.3	4.8	-2.0	3.3	0.6	0.9	-2.9	2.5	2.2	2.9
2017/2018 to 2018/2019	-7.8	4.0	6.6	6.7	-0.1	4.1	1.3	7.5	2.2	1.5	4.1	6.4	-0.4	7.8	6.0	7.7	-5.9	6.3	4.1
2018/2019 to 2019/2020	11.7	4.0	8.4	5.2	9.3	2.8	12.2	7.3	2.6	9.8	0.6	7.2	9.2	5.3	3.3	4.4	5.6	1.9	5.4

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

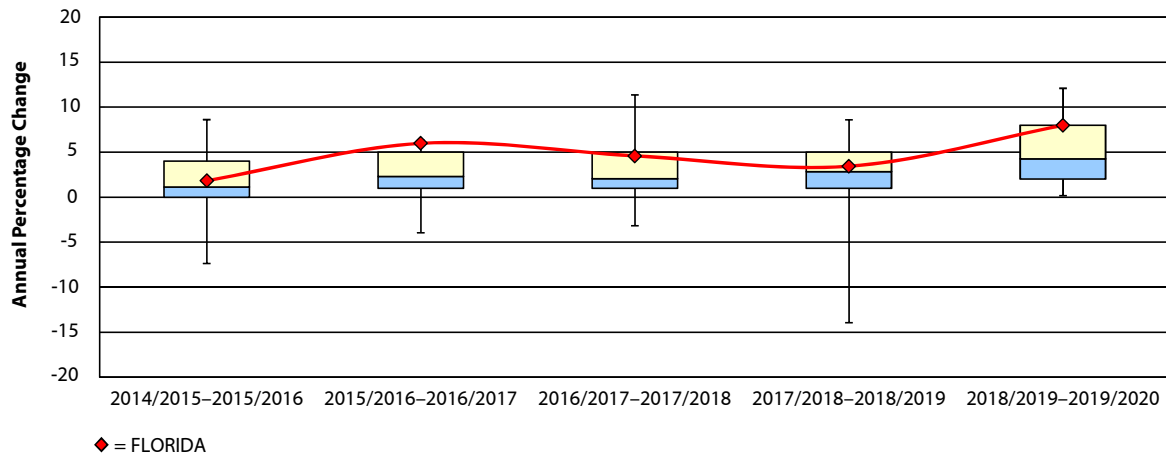
^a The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Figure 16 Trend of Percentage of Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity


Period	Percentage of Claims with More Than 7 Days of Lost Time (annual percentage point change)																		18-State Median ^a
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	0.0	-0.4	-0.1	-0.1	0.8	-0.4	-0.5	0.4	-0.1	-1.0	-0.4	-0.3	-0.8	0.1	-1.0	-0.4	-0.6	-0.4	-0.4
2015/2016 to 2016/2017	-0.6	0.3	0.2	0.1	-0.9	-0.4	0.0	-0.2	0.9	-0.9	0.5	0.3	-0.8	-0.1	-0.6	-0.7	0.2	-0.5	-0.1
2016/2017 to 2017/2018	-0.1	-0.5	0.4	0.5	-1.1	0.6	0.2	0.5	0.2	-0.1	0.8	0.1	-0.5	-0.1	0.3	-0.2	0.2	-0.1	0.1
2017/2018 to 2018/2019	0.8	0.3	0.9	0.8	-0.1	0.5	-0.2	0.2	-0.3	0.0	0.0	0.6	0.0	0.6	0.2	0.8	0.3	-0.5	0.3
2018/2019 to 2019/2020	0.3	0.2	0.3	0.6	0.4	-0.2	0.6	1.8	0.2	0.9	0.0	0.5	-0.1	0.1	0.6	0.0	1.0	-0.1	0.3

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

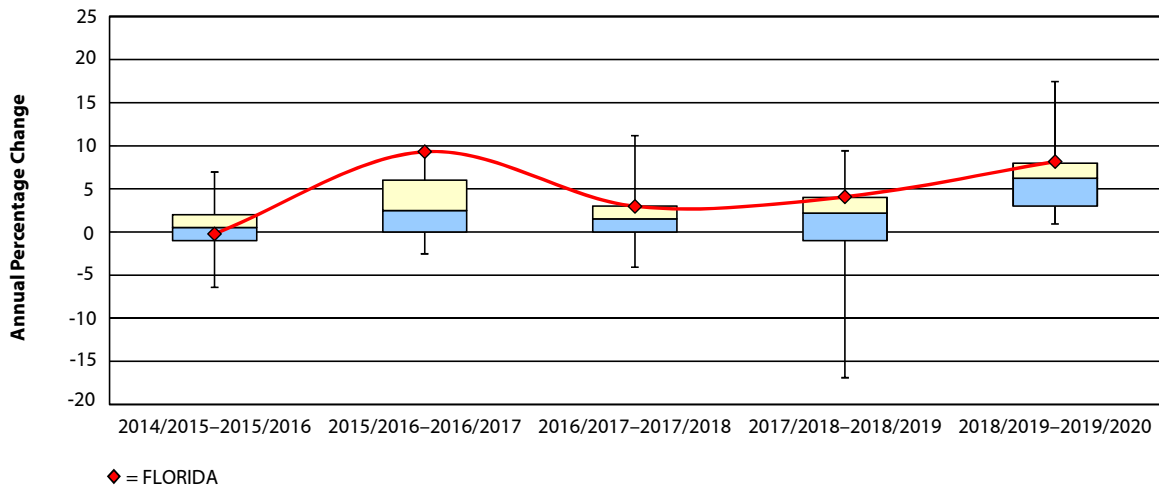
^a The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Figure 17 Trend of Average Total Cost per Claim with More Than 7 Days of Lost Time at 12 Months' Average Maturity

Period	Average Total Cost per Claim with More Than 7 Days of Lost Time (annual percentage change)																		18-State Median ^a
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	-3.1	3.1	1.8	-0.3	4.5	4.4	-7.4	8.6	0.7	3.9	1.0	-1.9	0.0	3.7	1.2	1.6	0.8	0.2	1.1
2015/2016 to 2016/2017	5.1	0.9	6.0	4.8	4.9	0.6	6.3	2.7	1.7	4.2	3.8	0.8	-1.5	0.7	1.8	-4.0	6.3	1.6	2.3
2016/2017 to 2017/2018	11.4	2.7	4.6	4.5	2.4	1.4	2.1	4.7	3.4	0.8	1.5	-3.2	5.2	0.4	-2.2	-2.9	0.8	2.0	2.0
2017/2018 to 2018/2019	-14.0	2.6	3.4	2.8	0.0	2.6	1.8	7.2	2.8	0.7	4.6	3.7	-0.8	4.9	5.5	4.6	-6.5	8.6	2.8
2018/2019 to 2019/2020	11.3	4.0	8.0	2.8	9.1	3.3	12.1	0.2	2.2	5.5	0.3	5.3	10.1	5.6	1.0	4.5	3.0	1.6	4.3

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

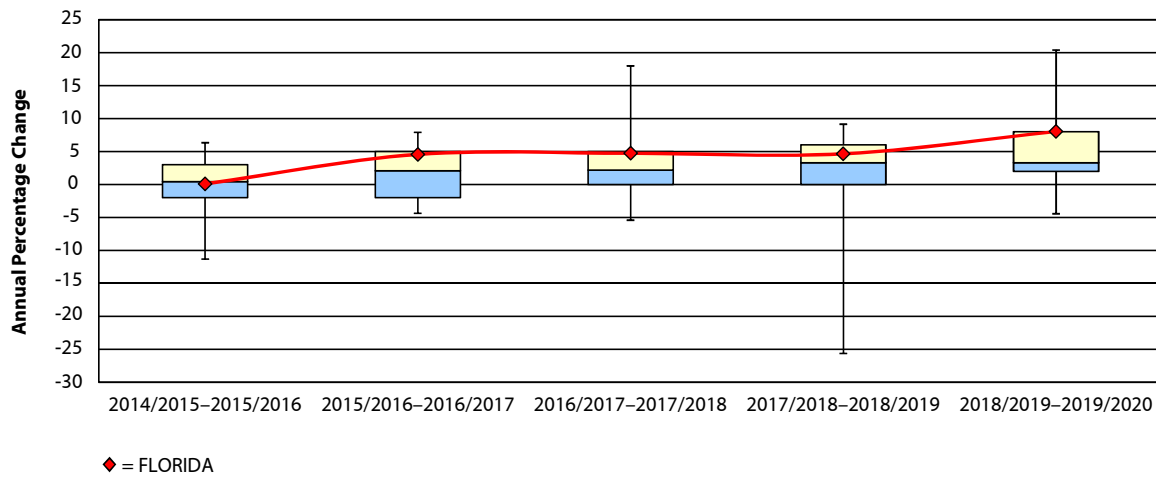
^a The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Figure 18 Trend of Average Incurred Benefit per Claim with More Than 7 Days of Lost Time at 12 Months' Average Maturity

Period	Average Incurred Benefit per Claim with More Than 7 Days of Lost Time (annual percentage change)																		18-State Median ^a
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	-1.3	0.5	-0.2	1.1	5.9	2.2	-6.4	7.0	0.5	1.9	2.1	0.4	-1.1	2.9	-5.3	1.8	-1.6	-2.1	0.5
2015/2016 to 2016/2017	2.2	-2.0	9.3	3.3	4.3	0.1	8.1	1.6	2.8	5.6	2.0	-0.9	-0.9	0.0	5.8	-2.5	6.6	3.7	2.5
2016/2017 to 2017/2018	11.2	2.8	3.0	2.6	-0.4	1.6	2.8	5.0	1.9	1.4	-0.4	-1.3	2.8	0.7	-4.1	-3.3	-1.1	0.0	1.5
2017/2018 to 2018/2019	-16.9	-0.4	4.1	2.2	-1.0	2.6	-0.5	4.7	0.7	-1.8	4.7	2.2	0.8	6.5	4.2	2.8	-2.2	9.4	2.2
2018/2019 to 2019/2020	17.4	6.3	8.2	3.7	8.3	2.3	15.9	4.8	7.8	6.5	3.1	3.5	10.6	8.5	2.5	6.2	2.2	0.9	6.3

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

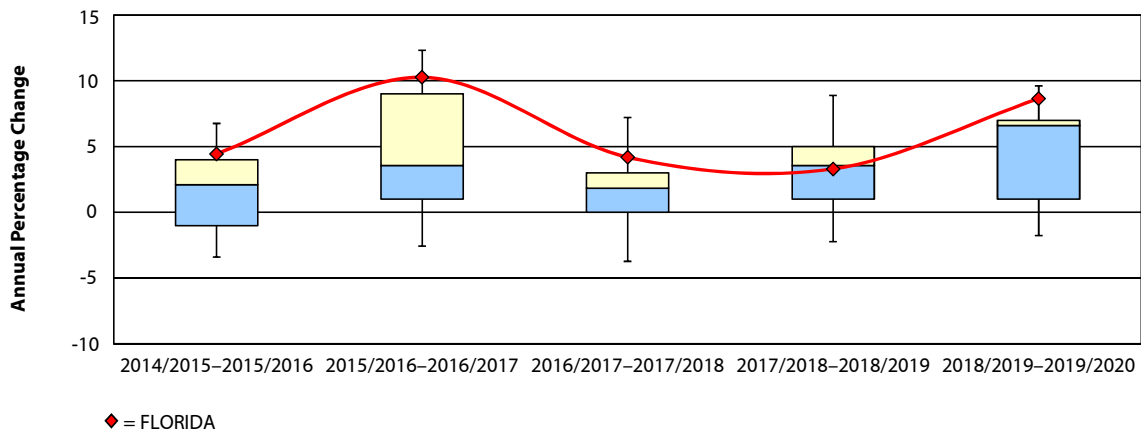
^a The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Figure 19 Trend of Average Medical Payment per Claim with More Than 7 Days of Lost Time at 12 Months' Average Maturity

Period	Average Medical Payment per Claim with More Than 7 Days of Lost Time (annual percentage change)																		18-State Median ^a
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	-6.4	-2.4	0.1	-1.5	6.3	3.5	-11.3	6.2	-1.2	4.6	1.1	-9.1	0.5	2.9	4.6	-2.5	2.6	0.4	0.4
2015/2016 to 2016/2017	2.3	-2.4	4.6	3.8	2.6	1.4	6.3	1.4	2.6	6.4	-1.7	-3.7	-2.8	-0.6	4.6	-4.4	7.9	1.8	2.1
2016/2017 to 2017/2018	18.0	4.1	4.7	2.5	4.8	-1.4	3.9	10.8	4.4	0.0	1.5	-3.3	7.4	0.3	-5.4	-4.3	0.2	1.9	2.2
2017/2018 to 2018/2019	-25.6	1.1	4.7	5.0	1.1	3.5	0.4	5.3	-1.2	3.1	5.7	2.1	-1.6	6.8	6.0	6.8	-10.5	9.2	3.3
2018/2019 to 2019/2020	20.4	1.9	8.0	-4.5	8.9	4.0	13.3	-1.4	3.7	6.1	-2.3	2.9	11.6	2.9	2.2	4.6	-0.6	1.8	3.3

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

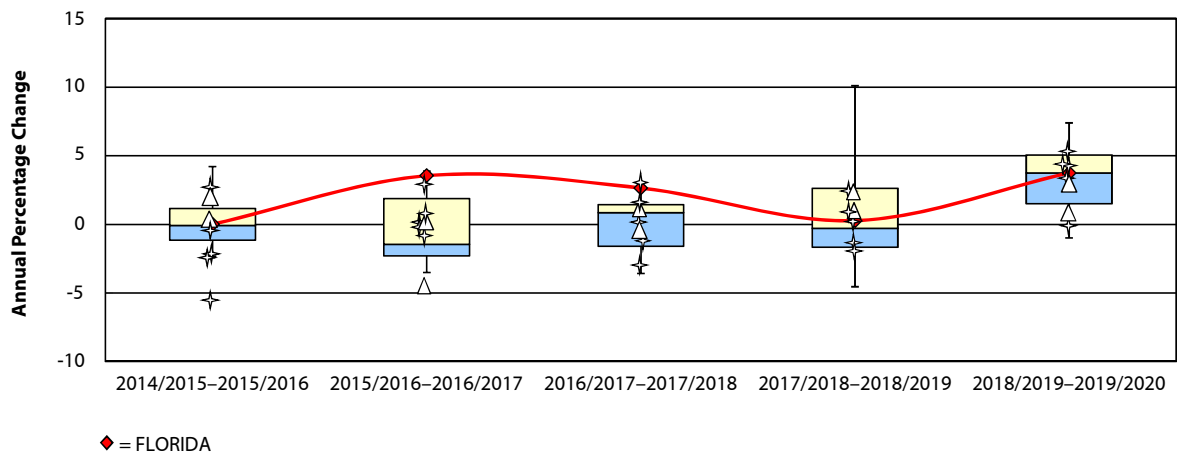
Figure 20 Trend of Average Indemnity Benefit per Claim with More Than 7 Days of Lost Time at 12 Months' Average Maturity

Period	Average Indemnity Benefit per Claim with More Than 7 Days of Lost Time (annual percentage change)																		18-State Median ^a
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	-1.0	5.8	4.4	2.0	-0.7	6.1	3.7	6.5	1.9	2.2	-0.8	4.0	-1.8	4.0	-3.4	6.8	-1.8	-1.6	2.1
2015/2016 to 2016/2017	11.6	3.2	10.3	5.2	9.5	0.2	10.4	6.9	4.0	2.1	12.3	5.6	-0.9	2.1	1.4	-2.6	1.1	1.0	3.6
2016/2017 to 2017/2018	1.6	2.4	4.2	7.2	-3.7	6.1	-1.6	-0.4	2.5	0.8	2.6	-3.2	3.6	2.1	-0.1	-0.8	1.6	2.6	1.8
2017/2018 to 2018/2019	3.8	2.7	3.3	1.2	-0.9	1.4	5.2	8.1	6.5	-2.2	3.9	4.7	1.3	3.3	6.3	0.8	4.1	8.9	3.6
2018/2019 to 2019/2020	-1.8	6.5	8.7	7.3	6.8	3.2	8.0	6.2	0.8	7.2	0.5	6.1	7.3	7.9	0.1	7.4	9.6	1.3	6.6

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

**Figure 21 Trend of Average Weeks of Temporary Disability per Claim with More Than 7 Days of Lost Time at 12 Months'
Average Maturity**



Period	Average Weeks of Temporary Disability per Claim with More Than 7 Days of Lost Time (annual percentage change)																		
	AR	CA	FL	GA ^a	IA	IL	IN	LA ^b	MA ^b	MI ^b	MN	NC ^a	NJ	PA ^b	TN	TX	VA ^b	WI	11-State Median ^c
2014/2015 to 2015/2016	-0.1	-1.8	0.0	0.3	1.2	-0.3	4.2	2.6	-2.3	-0.4	-0.8	1.9	-2.3	-2.2	0.0	3.7	-5.5	-1.2	-0.1
2015/2016 to 2016/2017	-0.2	-3.5	3.6	-0.1	1.5	-1.5	1.9	2.8	0.1	-0.9	3.9	-4.7	-2.5	-0.4	-2.3	-1.5	0.5	-1.5	-1.5
2016/2017 to 2017/2018	0.9	-1.0	2.6	0.8	-3.6	1.4	1.4	-1.0	3.0	-0.3	-0.3	-0.6	1.1	-3.1	1.2	-1.6	1.5	-2.6	0.9
2017/2018 to 2018/2019	-4.5	-0.3	0.3	0.7	-2.0	0.8	2.6	2.0	-1.9	-1.4	-0.4	2.1	-1.7	0.8	4.7	-1.4	0.3	10.1	-0.3
2018/2019 to 2019/2020	5.1	2.3	3.8	2.7	7.4	0.7	5.0	5.1	3.1	4.3	1.6	0.7	6.3	0.0	1.5	4.0	4.3	-1.0	3.8

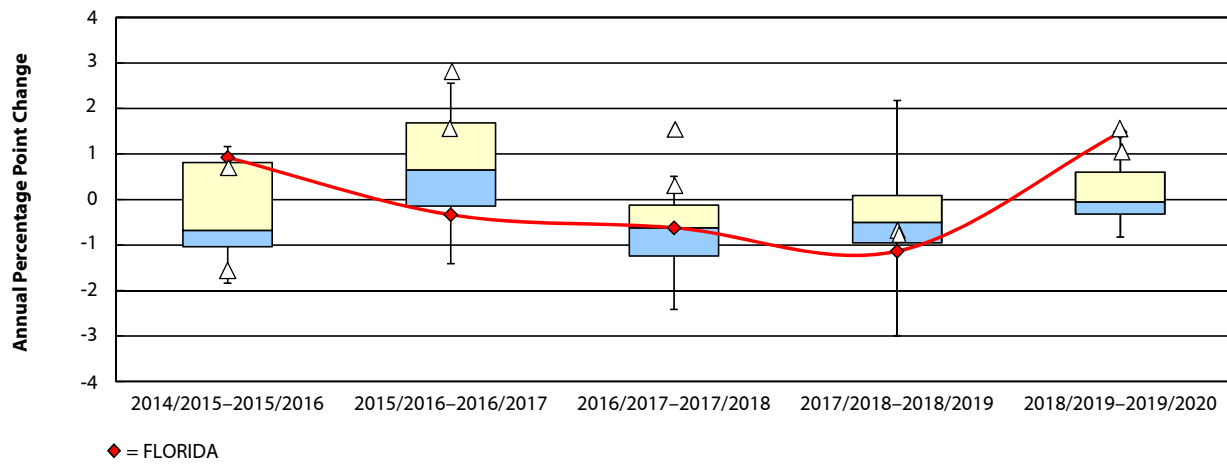
Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^b Wage-loss states are marked with a "✦" on the box plot.

^c The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 22 Trend of PPD/Lump-Sum Claims as a Percentage of Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity

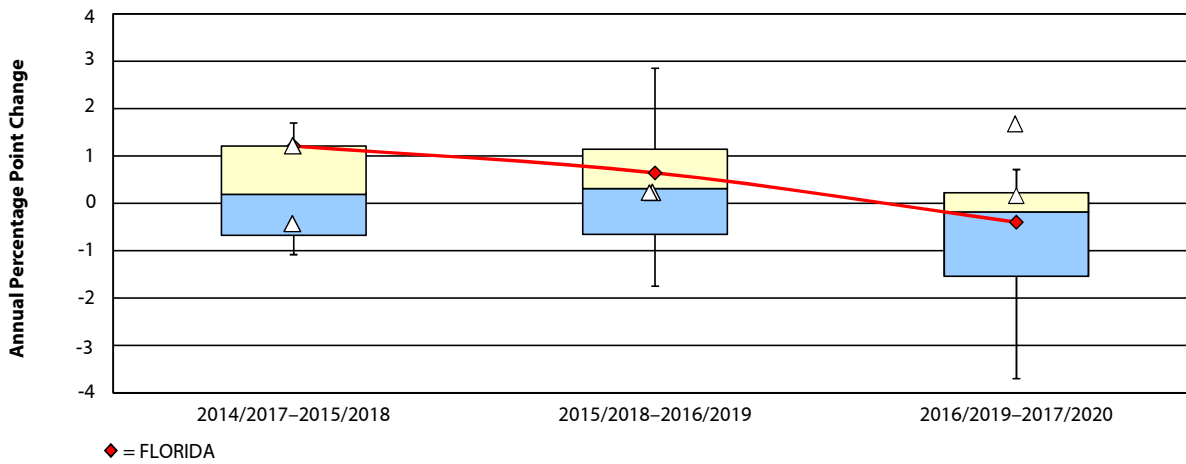
Period	PPD/Lump-Sum Claims as a Percentage of Claims with More Than 7 Days of Lost Time (annual percentage point change)													11-State Median ^b
	AR	CA	FL	GA ^a	IA	IL	IN	MN	NC ^a	NJ	TN	TX	WI	
2014/2015 to 2015/2016	-1.5	1.2	0.9	-1.6	0.8	0.7	-1.8	-1.0	0.6	-0.7	0.7	-1.0	-0.7	-0.7
2015/2016 to 2016/2017	2.3	1.0	-0.3	1.5	2.6	0.3	1.7	1.2	2.8	0.7	-0.1	-1.4	0.0	0.7
2016/2017 to 2017/2018	-1.2	-0.1	-0.6	1.5	-1.8	0.5	-2.4	-0.3	0.2	-0.3	0.0	-0.8	-0.9	-0.6
2017/2018 to 2018/2019	0.1	0.1	-1.1	-0.8	-3.0	-0.5	2.2	0.9	-0.8	0.1	-0.8	-1.0	-0.5	-0.5
2018/2019 to 2019/2020	1.1	0.2	1.5	1.5	0.6	0.0	-0.7	-0.2	1.0	-0.1	-0.8	-0.3	-0.1	-0.1

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^b The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 23 Trend of PPD/Lump-Sum Claims as a Percentage of Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity

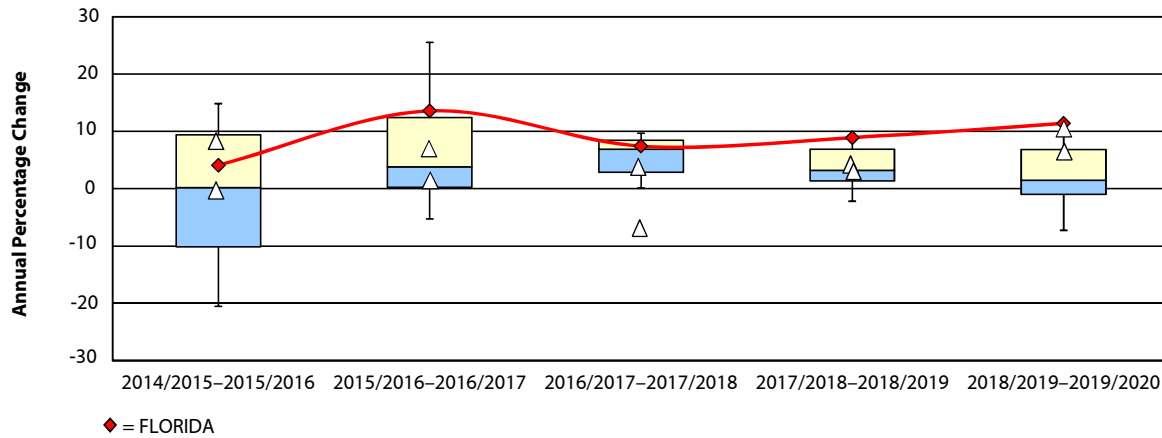
Period	PPD/Lump-Sum Claims as a Percentage of Claims with More Than 7 Days of Lost Time (annual percentage point change)													
	AR	CA	FL	GA ^a	IA	IL	IN	MN	NC ^a	NJ	TN	TX	WI	11-State Median ^b
2014/2017 to 2015/2018	-0.7	0.8	1.2	-0.5	1.7	1.4	0.1	0.2	1.1	0.9	-1.0	0.1	-1.1	0.2
2015/2018 to 2016/2019	2.9	-0.9	0.6	0.2	1.4	0.3	1.1	0.2	0.2	0.8	-0.7	-1.7	-0.5	0.3
2016/2019 to 2017/2020	-3.7	-0.2	-0.4	1.6	0.2	-0.1	-1.5	0.5	0.1	0.7	-1.3	-1.6	-0.1	-0.2

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years.

^a States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^b The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 24 Trend of Average PPD/Lump-Sum Payment per PPD/Lump-Sum Claim with More Than 7 Days of Lost Time at 12 Months' Average Maturity

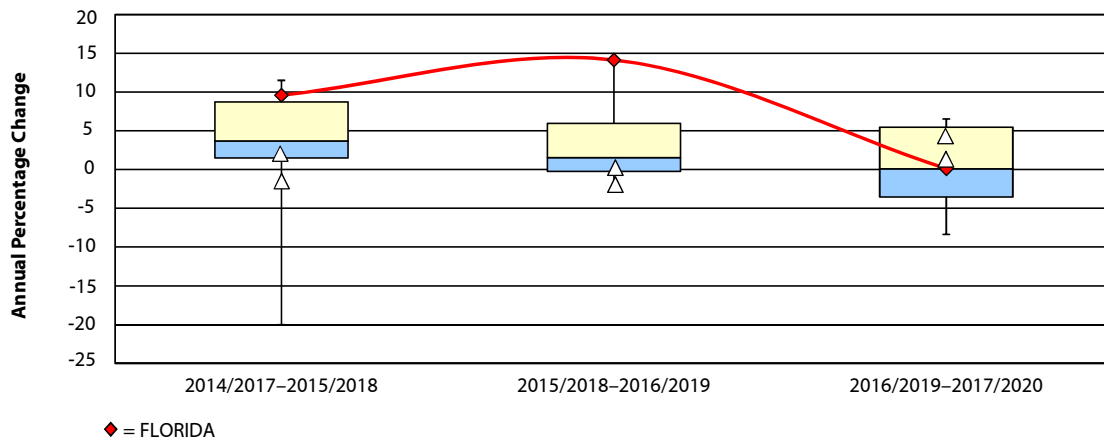
Period	Average PPD/Lump-Sum Payment per PPD/Lump-Sum Claim with More Than 7 Days of Lost Time (annual percentage change)													
	AR	CA	FL	GA ^a	IA	IL	IN	MN	NC ^a	NJ	TN	TX	WI	11-State Median ^b
2014/2015 to 2015/2016	-16.9	9.4	4.1	7.8	-10.1	6.1	14.8	-2.4	-0.7	12.1	-20.5	0.2	-7.1	0.2
2015/2016 to 2016/2017	25.5	9.9	13.6	0.6	6.1	1.6	-5.3	12.4	6.6	-1.8	0.3	2.3	3.8	3.8
2016/2017 to 2017/2018	8.4	3.6	7.4	3.1	2.9	6.9	7.7	8.5	-7.2	4.0	0.9	0.1	9.7	6.9
2017/2018 to 2018/2019	7.4	3.2	8.9	3.3	1.4	-2.2	6.0	1.7	2.8	6.6	6.9	1.6	-1.0	3.2
2018/2019 to 2019/2020	-7.3	8.1	11.4	6.2	2.4	6.8	-1.5	-1.0	9.7	-1.0	1.5	5.5	1.5	1.5

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^b The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 25 Trend of Average PPD/Lump-Sum Payment per PPD/Lump-Sum Claim with More Than 7 Days of Lost Time at 36 Months' Average Maturity

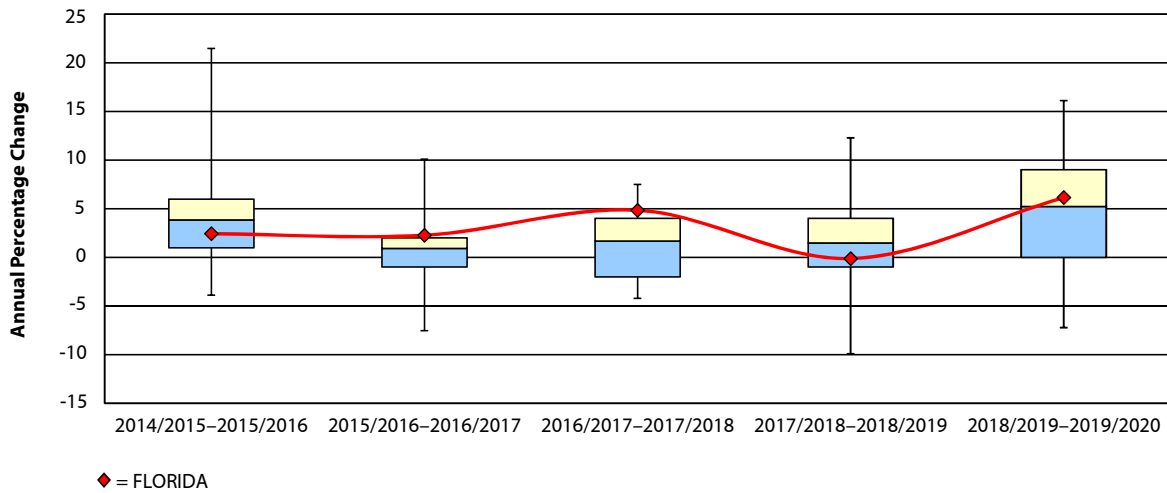
Period	Average PPD/Lump-Sum Payment per PPD/Lump-Sum Claim with More Than 7 Days of Lost Time (annual percentage change)													
	AR	CA	FL	GA ^a	IA	IL	IN	MN	NC ^a	NJ	TN	TX	WI	11-State Median ^b
2014/2017 to 2015/2018	8.7	5.4	9.6	1.3	2.3	0.4	11.5	3.7	-1.9	4.3	-20.0	1.5	2.8	3.7
2015/2018 to 2016/2019	2.7	1.5	14.1	-2.1	-2.2	-0.2	1.4	13.0	-0.3	-2.5	5.9	0.9	4.3	1.5
2016/2019 to 2017/2020	-8.4	0.4	0.1	3.8	-3.5	6.5	-1.1	-4.8	1.1	5.6	-3.4	1.2	5.4	0.1

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years.

^a States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^b The 11-state median represents the 11 PPD system states in the study, excluding Louisiana, Massachusetts, Michigan, Pennsylvania, and Virginia (wage-loss states) and Georgia and North Carolina (states with attributes of both PPD and wage-loss benefit systems). The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

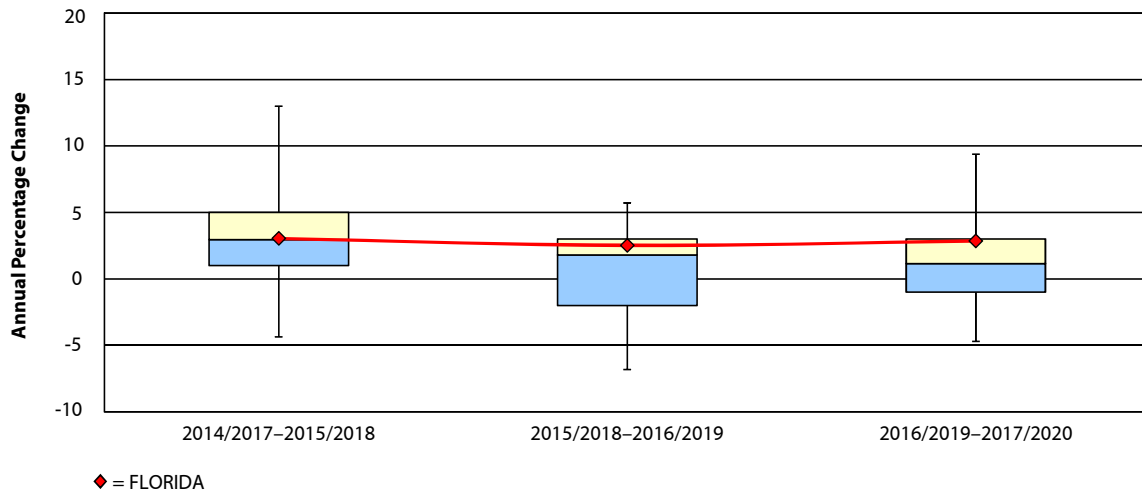
**Figure 26 Trend of Average Benefit Delivery Expense^a per Claim with More Than 7 Days of Lost Time with Expenses at 12 Months'
Average Maturity**

Period	Average Benefit Delivery Expense ^a per Claim with More Than 7 Days of Lost Time with Benefit Delivery Expenses (annual percentage change)																		18-State Median ^b
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	5.7	6.2	2.4	-2.2	8.1	4.3	-3.9	21.5	1.3	6.1	6.4	4.9	1.4	6.0	0.8	2.6	-1.0	3.4	3.9
2015/2016 to 2016/2017	2.4	0.6	2.3	6.6	6.6	-1.9	-0.5	-1.3	-7.5	1.2	4.1	0.5	0.9	0.9	-5.5	-6.0	10.1	1.1	0.9
2016/2017 to 2017/2018	7.5	1.1	4.8	3.0	3.9	0.9	-0.1	-2.8	3.7	4.0	-2.0	-3.7	2.1	-3.9	4.7	-4.2	2.2	1.3	1.7
2017/2018 to 2018/2019	-2.9	4.5	-0.1	1.2	-3.6	1.7	2.8	12.3	-0.5	-1.2	0.7	3.9	-1.3	3.0	2.1	6.9	-9.9	3.8	1.5
2018/2019 to 2019/2020	11.0	1.3	6.1	10.7	16.1	0.7	13.3	-7.2	4.1	-0.6	9.3	8.9	9.3	7.8	-1.5	-1.9	4.3	0.4	5.2

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures, we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

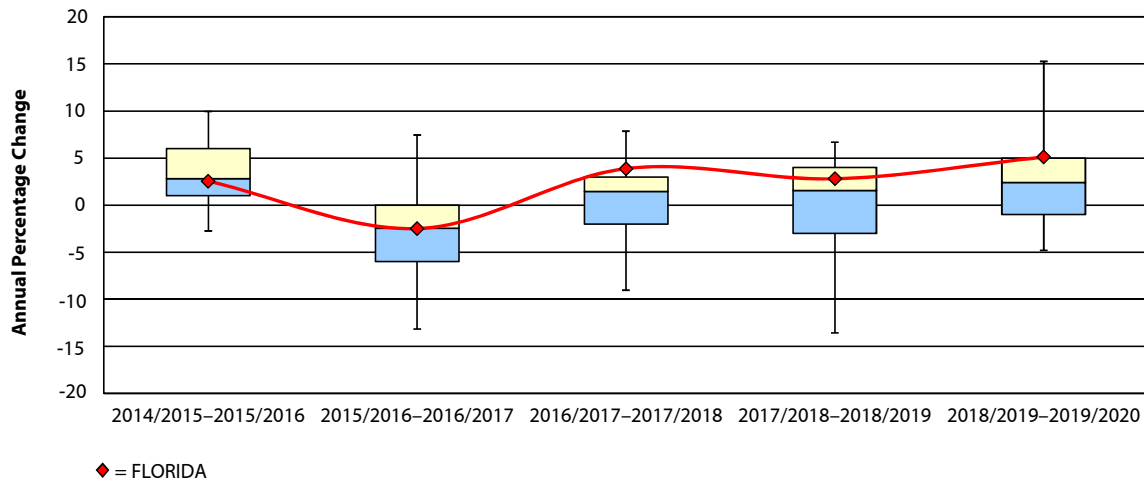
Figure 27 Trend of Average Benefit Delivery Expense^a per Claim with More Than 7 Days of Lost Time with Expenses at 36 Months' Average Maturity

Period	Average Benefit Delivery Expense ^a per Claim with More Than 7 Days of Lost Time with Benefit Delivery Expenses (annual percentage change)																		18-State Median ^b
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2017 to 2015/2018	5.4	0.6	3.0	1.7	10.7	3.4	-0.2	13.0	-1.8	5.4	8.1	3.3	2.9	5.7	-4.4	2.5	0.7	-1.5	3.0
2015/2018 to 2016/2019	5.7	-3.8	2.5	2.4	-1.7	-1.9	-3.2	2.7	-5.1	2.7	2.8	-1.5	1.5	2.9	-2.2	-6.8	5.0	2.1	1.8
2016/2019 to 2017/2020	1.0	0.9	2.9	1.1	2.9	2.3	1.2	-4.7	9.4	3.4	-1.2	-0.8	1.5	-4.3	4.4	-4.6	0.8	2.2	1.2

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures, we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Figure 28 Trend of Average Medical Cost Containment Expense^a per Claim with More Than 7 Days of Lost Time with Medical Cost Containment Expenses at 12 Months' Average Maturity

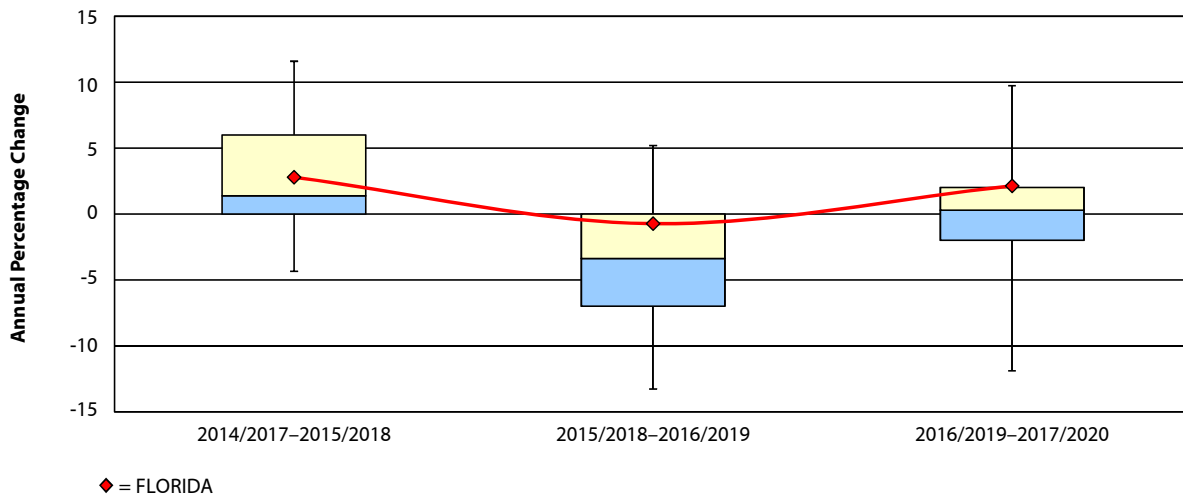
Period	Average Medical Cost Containment Expense ^a per Claim with More Than 7 Days of Lost Time with Medical Cost Containment Expenses (annual percentage change)																		18-State Median ^b
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2015 to 2015/2016	3.6	3.1	2.5	-0.1	9.9	3.8	7.0	6.7	1.2	6.1	8.4	6.2	1.1	1.5	1.1	0.4	-2.8	2.5	2.8
2015/2016 to 2016/2017	-1.8	-5.5	-2.5	3.1	2.1	-6.1	-2.4	4.6	-13.2	-1.6	-0.4	-2.6	-0.7	-5.9	-7.3	-7.2	7.5	-2.9	-2.4
2016/2017 to 2017/2018	7.9	0.9	3.9	1.6	2.6	0.3	1.2	-1.9	5.2	6.7	-9.0	-4.9	1.3	-3.2	2.6	-5.1	1.8	1.7	1.4
2017/2018 to 2018/2019	-3.7	5.3	2.8	-3.0	-3.6	0.5	4.0	4.2	0.6	-3.2	0.0	6.7	-1.4	2.5	3.9	3.2	-13.6	3.7	1.6
2018/2019 to 2019/2020	5.2	-3.5	5.1	2.6	15.3	0.4	12.4	-0.8	4.3	-2.9	1.8	2.3	10.4	2.5	-4.8	1.1	3.1	-1.0	2.4

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Figure 29 Trend of Average Medical Cost Containment Expense^a per Claim with More Than 7 Days of Lost Time with Medical Cost Containment Expenses at 36 Months' Average Maturity



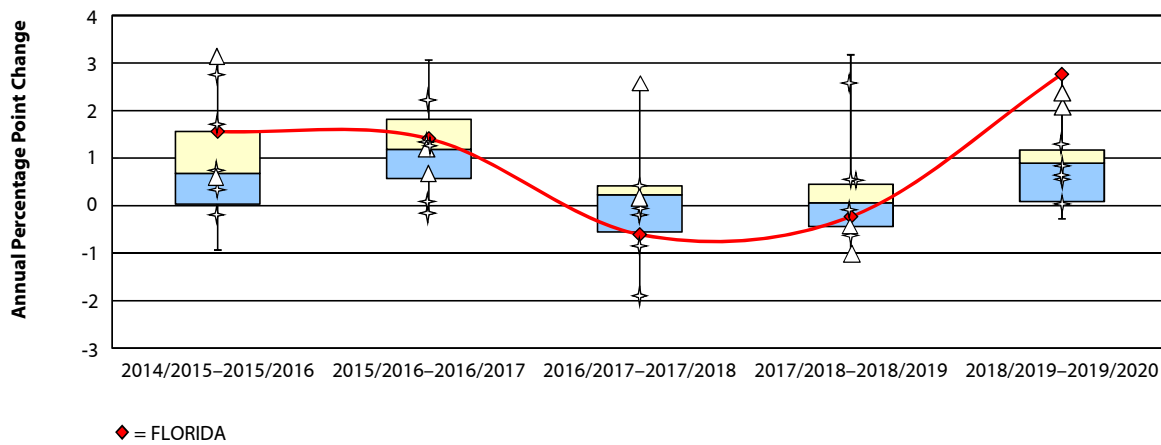
Period	Average Medical Cost Containment Expense ^a per Claim with More Than 7 Days of Lost Time with Medical Cost Containment Expenses (annual percentage change)																		18-State Median ^b
	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	
2014/2017 to 2015/2018	0.4	-2.6	2.8	-0.1	11.6	3.6	6.4	6.4	-1.7	8.5	8.0	3.8	0.0	2.3	-4.3	0.0	-0.1	-1.0	1.4
2015/2018 to 2016/2019	0.9	-7.3	-0.7	2.9	-2.0	-7.7	-3.5	4.2	-13.3	-3.3	-4.3	-6.1	0.2	-6.5	-3.1	-8.2	5.2	-3.7	-3.4
2016/2019 to 2017/2020	4.8	0.4	2.1	0.2	-0.5	0.5	2.3	-7.0	9.7	6.3	-11.9	-2.0	-1.1	-3.4	2.1	-5.8	-1.3	0.5	0.3

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Figure 30 Trend of Claims with Defense Attorney Payments^a Greater Than \$500 (indexed)^b as a Percentage of Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity



Period	Claims with Defense Attorney Payments ^a Greater Than \$500 (indexed) ^b as a Percentage of Claims with More Than 7 Days of Lost Time (annual percentage point change)																		18-State Median ^f
	AR ^c	CA	FL	GA ^d	IA	IL	IN	LA ^e	MA ^e	MI ^e	MN	NC ^d	NJ	PA ^e	TN	TX	VA ^e	WI	
2014/2015 to 2015/2016	-0.3	1.8	1.6	0.6	0.7	1.2	0.8	2.7	0.7	0.3	-0.9	3.1	0.0	1.7	0.4	0.7	-0.2	-0.1	0.7
2015/2016 to 2016/2017	3.1	1.0	1.4	1.1	1.5	2.0	0.6	1.2	-0.2	0.1	1.8	0.6	1.9	1.3	0.9	0.0	2.2	0.5	1.2
2016/2017 to 2017/2018	1.8	0.4	-0.6	2.5	-0.6	0.8	-0.6	-1.9	0.0	-0.2	0.4	0.1	0.4	-0.9	0.6	-0.1	0.4	0.3	0.2
2017/2018 to 2018/2019	3.2	0.1	-0.2	-1.1	-0.3	-0.4	0.1	2.5	-0.6	-0.1	-1.1	-0.6	1.5	0.6	0.1	0.2	0.5	0.1	0.1
2018/2019 to 2019/2020	-0.3	1.0	2.8	2.0	1.2	0.9	1.0	0.6	0.6	0.0	0.9	2.2	0.9	1.3	0.0	0.1	0.8	0.1	0.9

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

^c Results in Arkansas should be used with caution since the small cell sizes in this state for claims with 12 months of experience underlying this measure may lead to volatile trends. For trends based on claims with 36 months of experience, please refer to Figure 31.

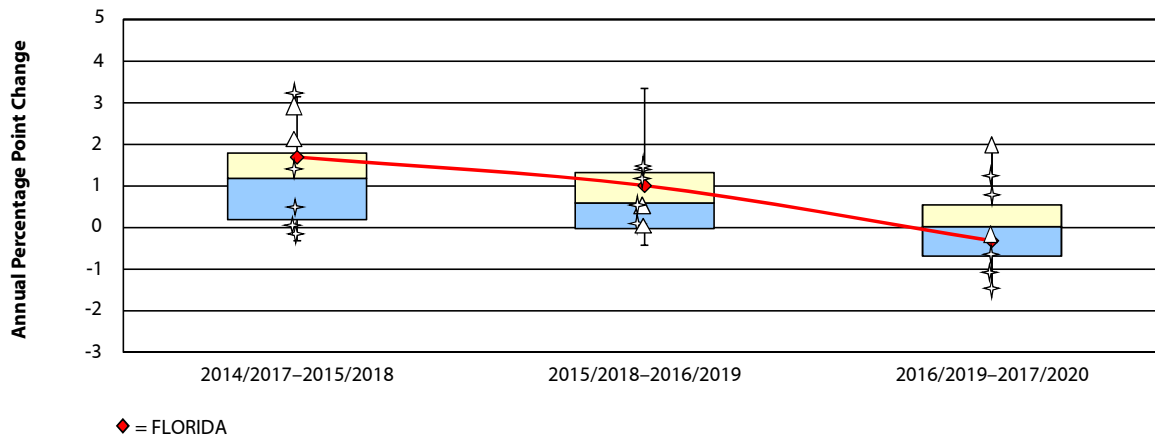
^d States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^e Wage-loss states are marked with a "⚡" on the box plot.

^f The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 31 Trend of Claims with Defense Attorney Payments^a Greater Than \$500 (indexed)^b as a Percentage of Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity



Period	Claims with Defense Attorney Payments ^a Greater Than \$500 (indexed) ^b as a Percentage of Claims with More Than 7 Days of Lost Time (annual percentage point change)																		
	AR	CA	FL	GA ^c	IA	IL	IN	LA ^d	MA ^d	MI ^d	MN	NC ^c	NJ	PA ^d	TN	TX	VA ^d	WI	18-State Median ^e
2014/2017 to 2015/2018	1.8	1.1	1.7	2.0	1.3	1.7	2.1	3.1	-0.2	-0.1	-0.3	2.8	0.6	1.3	-0.3	1.1	0.4	0.2	1.2
2015/2018 to 2016/2019	3.3	-0.4	1.0	0.5	-0.1	1.6	-0.2	1.1	0.0	0.5	1.4	0.0	1.0	1.3	0.6	-0.3	1.4	0.6	0.6
2016/2019 to 2017/2020	0.5	0.1	-0.3	1.8	-0.1	0.5	-1.0	-1.1	1.2	-0.7	1.5	-0.3	0.4	-1.5	0.1	-0.7	0.8	-0.1	0.0

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

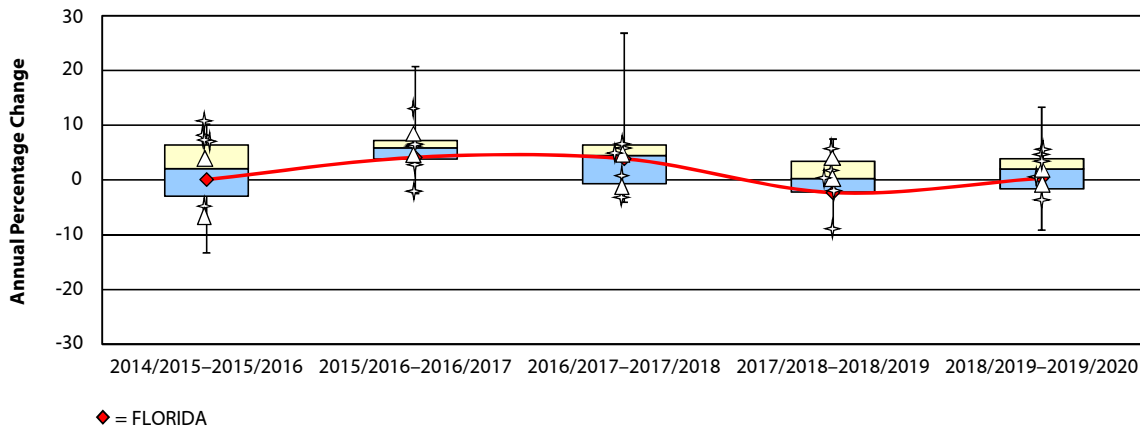
^c States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^d Wage-loss states are marked with a "✦" on the box plot.

^e The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 32 Trend of Average Defense Attorney Payment^a per Claim with More Than 7 Days of Lost Time with Defense Attorney Payments Greater Than \$500 (indexed)^b at 12 Months' Average Maturity



Period	Average Defense Attorney Payment ^a per Claim with More Than 7 Days of Lost Time with Defense Attorney Payments Greater Than \$500 (indexed) ^b (annual average percentage change)																		
	AR ^c	CA	FL	GA ^d	IA	IL	IN	LA ^e	MA ^e	MI ^e	MN	NC ^d	NJ	PA ^e	TN	TX	VA ^e	WI	18-State Median ^f
2014/2015 to 2015/2016	1.7	2.9	0.1	-7.5	-13.3	2.6	-6.4	10.2	6.7	-5.2	7.6	3.0	1.9	7.3	2.2	-0.9	6.4	-3.0	2.1
2015/2016 to 2016/2017	4.4	6.1	4.1	7.6	10.3	5.7	7.2	12.4	-2.5	5.4	0.8	3.8	7.1	6.2	2.1	6.8	3.3	20.7	5.9
2016/2017 to 2017/2018	-4.1	4.3	3.9	-1.7	26.8	7.3	10.5	6.2	4.6	-2.8	-0.7	3.8	6.4	0.5	6.7	5.7	5.3	-3.7	4.5
2017/2018 to 2018/2019	-6.7	0.5	-2.3	3.4	-2.2	1.5	4.9	-8.9	-0.1	4.2	7.5	-0.6	3.7	1.1	-5.1	2.5	-2.2	-0.2	0.2
2018/2019 to 2019/2020	-2.4	6.1	0.3	-1.6	-1.7	3.0	9.8	-4.1	2.9	3.9	0.7	1.1	3.8	0.4	13.3	-9.2	4.6	3.4	2.0

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

^c Results in Arkansas should be used with caution since the small cell sizes in this state for claims with 12 months of experience underlying this measure may lead to volatile trends. For trends based on claims with 36 months of experience, please refer to Figure 33.

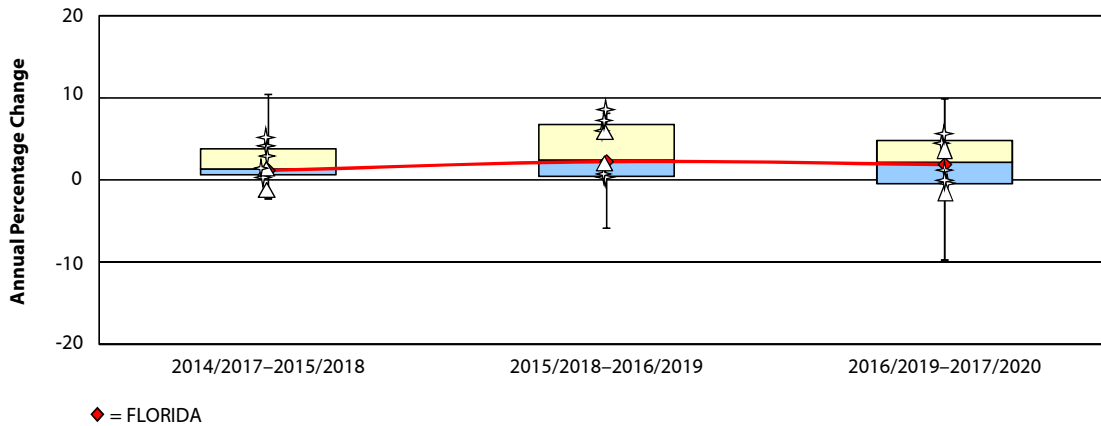
^d States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^e Wage-loss states are marked with a "✦" on the box plot.

^f The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 33 Trend of Average Defense Attorney Payment^a per Claim with More Than 7 Days of Lost Time with Defense Attorney Payments Greater Than \$500 (indexed)^b at 36 Months' Average Maturity



Period	Average Defense Attorney Payment ^a per Claim with More Than 7 Days of Lost Time with Defense Attorney Payments Greater Than \$500 (indexed) ^b (annual average percentage change)																		18-State Median ^e
	AR	CA	FL	GA ^c	IA	IL	IN	LA ^d	MA ^d	MI ^d	MN	NC ^c	NJ	PA ^d	TN	TX	VA ^d	WI	
2014/2017 to 2015/2018	3.7	1.5	1.2	-1.8	2.1	3.8	0.6	3.8	1.0	2.5	10.4	0.7	4.2	4.7	-2.3	0.5	0.6	1.2	1.4
2015/2018 to 2016/2019	7.6	0.5	2.2	1.3	-0.7	3.1	-5.9	8.1	0.1	5.4	2.6	5.3	6.8	6.8	-1.1	0.9	0.9	8.0	2.4
2016/2019 to 2017/2020	-9.8	1.5	1.9	-2.0	5.9	4.8	9.9	-0.5	5.1	3.6	-2.3	3.2	4.5	-0.7	7.1	2.1	0.7	2.2	2.1

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

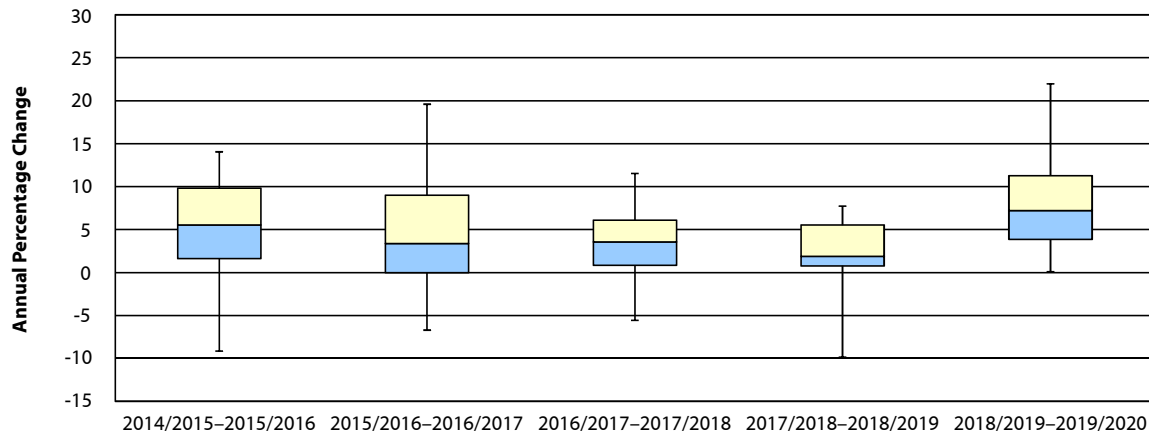
^b A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

^c States with attributes of both wage-loss and PPD systems are marked with a "△" on the box plot.

^d Wage-loss states are marked with a "✚" on the box plot.

^e The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: PPD: permanent partial disability.

Figure 34 Trend of Average Medical-Legal Expense^a per Claim with More Than 7 Days of Lost Time with Medical-Legal Expenses at 12 Months' Average Maturity

Period	Average Medical-Legal Expense ^a per Claim with More Than 7 Days of Lost Time with Medical-Legal Expenses (annual average percentage change)																		14-State Median ^c
	AR ^b	CA	FL ^b	GA	IA	IL	IN	LA	MA	MI	MN	NC ^b	NJ	PA	TN ^b	TX	VA	WI	
2014/2015 to 2015/2016	n/a	11.6	n/a	9.8	12.2	8.0	9.1	-1.2	3.6	5.8	14.0	n/a	1.6	4.3	n/a	-9.2	-5.0	5.3	5.5
2015/2016 to 2016/2017	n/a	-1.2	n/a	3.9	9.2	0.0	-6.7	9.0	-1.7	10.3	2.9	n/a	4.8	4.4	n/a	1.2	19.6	2.0	3.4
2016/2017 to 2017/2018	n/a	-3.1	n/a	8.8	11.5	2.9	1.9	4.5	6.1	0.8	-5.6	n/a	5.9	4.2	n/a	1.6	-1.3	8.4	3.6
2017/2018 to 2018/2019	n/a	-6.0	n/a	1.3	-9.9	1.7	1.6	-2.8	4.8	6.5	4.0	n/a	0.8	6.5	n/a	5.5	7.7	2.1	1.9
2018/2019 to 2019/2020	n/a	6.8	n/a	7.5	3.8	4.6	18.3	22.0	7.0	8.8	11.3	n/a	7.4	13.4	n/a	0.1	1.1	1.6	7.2

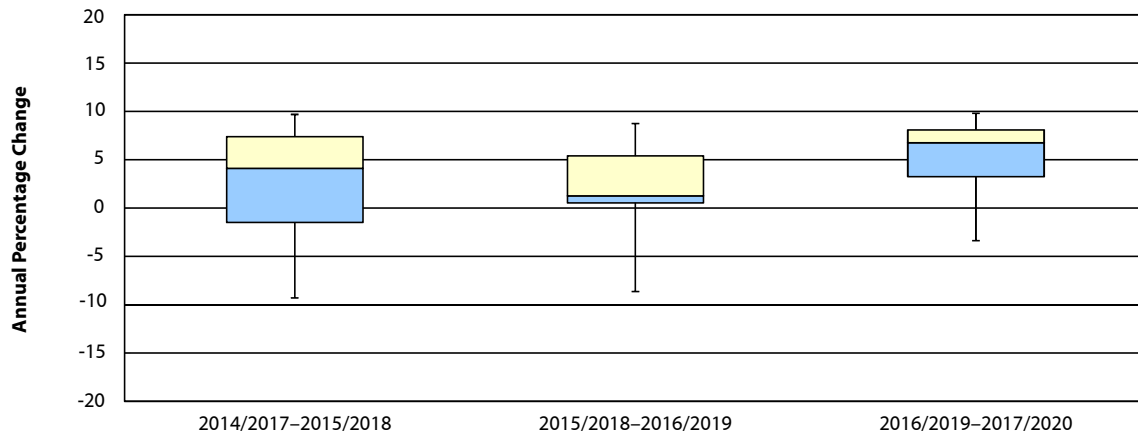
Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b Trends in medical-legal expenses are not reported for claims with 12 months of experience for Arkansas, Florida, North Carolina, and Tennessee because underlying data in our sample are not necessarily representative of each state's trends.

^c The 14-state median is the average of the states ranked 7th and 8th on a given measure; these states change depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: n/a: not applicable.

Figure 35 Trend of Average Medical-Legal Expense^a per Claim with More Than 7 Days of Lost Time with Medical-Legal Expenses at 36 Months' Average Maturity

Period	Average Medical-Legal Expense ^a per Claim with More Than 7 Days of Lost Time with Medical-Legal Expenses (annual average percentage change)																		15-State Median ^d
	AR ^b	CA	FL ^c	GA	IA	IL	IN	LA	MA	MI	MN	NC ^c	NJ	PA	TN ^c	TX	VA	WI	
2014/2017 to 2015/2018	-9.3	-1.6	n/a	4.8	7.7	4.4	7.7	-2.8	2.9	5.2	9.7	n/a	7.4	3.6	n/a	-4.8	-1.4	4.1	4.1
2015/2018 to 2016/2019	-0.9	-8.6	n/a	8.7	1.1	1.3	-4.5	8.5	1.0	5.4	1.2	n/a	2.5	3.1	n/a	0.1	5.5	3.3	1.3
2016/2019 to 2017/2020	-2.5	0.2	n/a	5.3	9.4	2.8	7.7	8.1	9.8	8.8	-3.4	n/a	3.7	7.8	n/a	3.8	6.8	7.9	6.8

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years.

^a For the average benefit delivery expense and its component measures (including the measure shown in this figure), we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^b Results in Arkansas should be used with caution since the small cell size in this state for claims with 36 months of experience underlying this measure may lead to volatile trends.

^c Trends in medical-legal expenses are not reported for claims with 36 months of experience for Florida, North Carolina, and Tennessee because underlying data in our sample are not necessarily representative of each state's trends.

^d The 15-state median is the state ranked 8th on a given measure; this state changes depending on the measure being evaluated. The median is also shown as the horizontal line within the box of the box plot figure for a measure.

Key: n/a: not applicable.

Table 1 Terms We Use to Describe Performance

Multistate Values	Comparison with Median State	
Higher	More than 10 percent above median	
Lower	More than 10 percent below median	
Typical or close to	Within 10 percent above or below median	
Trends^a	Change in Cost Measures (annual average percentage)	Change in Frequency Measures (annual average percentage points)
Very rapid increase	+9% and higher	+4 points and higher
Rapid increase	+6% to 8.9%	+2 to 3.9 points
Moderate increase	+3% to 5.9%	+1 to 1.9 points
Flat, little change	+2.9% to –2.9%	+0.9 points to –0.9 points
Moderate decrease	–3% to –5.9%	–1 to –1.9 points
Rapid decrease	–6% to –8.9%	–2 to –3.9 points
Very rapid decrease	–9% and lower	–4 points and lower

^a Other words used to describe an increase include *growth*, *rise*, and *acceleration* (movement up at least one category over the period analyzed). Other words used to describe a decrease include *fall*, *drop*, *decline*, and *deceleration* (movement down at least one category over the period analyzed).

Table 2 Comparing Florida with Other States: Selected Performance Measures, Adjusted for Injury and Industry Mix and Wages

Performance Measure	2019/2020 Claims			2017/2020 Claims			For More Details, Refer to <i>CompScope™ Benchmarks, 21st Edition: The DataBook</i> ^c
	FL	18-State Median ^a	Percentage or Percentage Point Difference ^b	FL	18-State Median ^a	Percentage or Percentage Point Difference ^b	
Time to notice and first indemnity payment							
Claims with payor notice within 3 days of injury (percentage)	65.1%	61.9%	3.2	—	—	—	Table 2.1
Claims with first payment within 14 days of payor notice (percentage)	40.5%	42.7%	-2.1	—	—	—	Table 2.1
Claims with first payment within 21 days of injury (percentage)	43.6%	46.6%	-3.0	—	—	—	Table 2.1
Benefit payments and costs per claim							
<i>All paid claims</i>							
Average total cost per claim	\$8,480	\$6,922	22.5	\$11,270	\$11,201	0.6	Table 2.2
Average benefit payment per claim	\$7,181	\$5,789	24.0	\$9,399	\$9,520	-1.3	Table 2.2
Average medical payment per claim	\$4,783	\$3,890	23.0	\$5,255	\$4,705	11.7	Table 2.2
Average benefit delivery expense per claim ^d	\$1,293	\$1,026	26.0	\$1,862	\$1,631	14.2	Table 2.2
Average incurred total cost per claim ^e	\$11,752	\$11,166	5.3	\$12,426	\$12,549	-1.0	Table 2.2
Average incurred medical benefit per claim ^e	\$6,671	\$5,640	18.3	\$5,847	\$5,552	5.3	Table 2.2
<i>Claims with more than 7 days of lost time</i>							
Percentage of all paid claims	23.2%	20.0%	3.2	23.3%	21.7%	1.5	Table 2.12
Average total cost per claim	\$30,705	\$30,832	-0.4	\$42,678	\$44,003	-3.0	Table 2.4
Average benefit payment per claim	\$26,079	\$25,917	0.6	\$35,585	\$35,922	-0.9	Table 2.4
Average medical payment per claim	\$15,779	\$14,222	10.9	\$17,790	\$17,466	1.9	Table 2.4
Average indemnity benefit per claim ^f	\$10,300	\$8,883	16.0	\$17,795	\$19,400	-8.3	Table 2.4
Average incurred total cost per claim ^e	\$42,079	\$42,557	-1.1	\$47,399	\$55,016	-13.8	Table 2.4
Average incurred medical benefit per claim ^e	\$22,265	\$21,160	5.2	\$20,142	\$19,807	1.7	Table 2.4
Average incurred indemnity benefit per claim ^{e,f}	\$13,555	\$15,816	-14.3	\$19,711	\$25,158	-21.6	Table 2.4
<i>Temporary disability claims with more than 7 days of lost time^g</i>							
Average benefit payment per claim	\$22,943	\$22,943	0.0	\$17,197	\$16,601	3.6	Table 2.5
Average medical payment per claim	\$16,494	\$16,494	0.0	\$11,823	\$11,823	0.0	Table 2.5
Average indemnity benefit per claim	\$6,449	\$6,347	1.6	\$5,374	\$5,255	2.3	Table 2.5
<i>PPD/lump-sum claims with more than 7 days of lost time^g</i>							
PPD/lump-sum claims as a percentage of claims with more than 7 days of lost time	39.5%	19.8%	19.7	57.5%	40.9%	16.6	Table 2.6
Average benefit payment per claim	\$30,927	\$35,080	-11.8	\$47,230	\$52,578	-10.2	Table 2.6
Average medical payment per claim	\$14,885	\$15,897	-6.4	\$21,301	\$24,532	-13.2	Table 2.6
Average indemnity benefit per claim	\$16,042	\$16,042	0.0	\$25,928	\$27,746	-6.6	Table 2.6
Average PPD/lump-sum payment per claim ^h	\$10,336	\$10,703	-3.4	\$16,898	\$18,334	-7.8	Table 2.6
<i>Claims with more than 7 days of lost time</i>							
Claims with lump-sum settlements (percentage) ^g	20.6%	9.7%	10.8	35.0%	27.0%	8.0	Table 2.9
Average lump-sum settlement per claim with lump-sum settlement ^g	\$18,148	\$16,897	7.4	\$26,470	\$24,922	6.2	Table 2.9
Benefit delivery expenses^d							
Average benefit delivery expense per claim with benefit delivery expenses	\$4,713	\$3,937	19.7	\$7,192	\$6,899	4.2	Table 2.11
Average medical cost containment expense per claim with medical cost containment expenses	\$2,695	\$2,767	-2.6	\$3,231	\$3,592	-10.0	Table 2.11
Claims with medical-legal expenses (percentage) ⁱ	n/a	14.7%		n/a	23.9%		Table 2.11
Average medical-legal expense per claim with medical-legal expenses ⁱ	n/a	\$1,811		n/a	\$2,517		Table 2.11

continued

Table 2 Comparing Florida with Other States: Selected Performance Measures, Adjusted for Injury and Industry Mix and Wages (continued)

Performance Measure	2019/2020 Claims			2017/2020 Claims			For More Details, Refer to <i>CompScope™ Benchmarks, 21st Edition: The DataBook</i> ^c
	FL	18-State Median ^a	Percentage or Percentage Point Difference ^b	FL	18-State Median ^a	Percentage or Percentage Point Difference ^b	
Attorney involvement^d							
Percentage of claims with defense attorney payments greater than \$500 (indexed) ^j	32.0%	19.5%	12.6	41.9%	34.1%	7.8	Table 2.11
Average defense attorney payment per claim with defense attorney payments greater than \$500 (indexed) ^j	\$4,716	\$3,578	31.8	\$7,135	\$6,297	13.3	Table 2.11
Duration of disability^g							
Average duration of temporary disability (weeks)	10.5	11.0	-5.4	12.5	13.0	-4.0	Table 2.12
Vocational rehabilitation (VR) benefits and expenses^k							
Claims with VR provider expenses (percentage)	n/a	n/a	n/a	2.4%	2.7%	-0.4	Table 2.10
Average VR provider expense per claim with VR provider expenses	n/a	n/a	n/a	\$1,517	\$2,790	-45.6	Table 2.10

Notes: Unless specified, measures are shown for claims with more than seven days of lost time. PPD/LS claims are those claims with PPD payments and/or lump-sum settlements. 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated. If a measure is not applicable or meaningful for a state, the state is not included in the calculation of the median. For example, Indiana is excluded for the average incurred benefit per claim; therefore, we report a 17-state median for this measure. The vocational rehabilitation measures for 2017/2020 claims with more than seven days of lost time are not meaningful for 7 states. Therefore, we report an 11-state median instead of the 18-state median by excluding the results of these 7 states. The 11-state median is the state ranked 6th on these measures.

^b Differences between the state values and 18-state median values may not be exactly equal to the percentage or percentage point difference shown due to rounding.

^c Available in *CompScope™ Benchmarks, 21st Edition: The DataBook* (https://www.wcrinet.org/images/uploads/files/cs21_databook.pdf).

^d For the average benefit delivery expense and its component measures, we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^e Incurred measures are not shown for Indiana because Indiana results may not be comparable to those of the other study states. Indiana's second injury fund may be petitioned to pay compensation to permanently and totally disabled workers who have received the maximum compensation allowable under Indiana law but remain permanently and totally disabled. Indiana is also excluded from the 18-state median for these measures.

^f The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. The reader should further note that lump-sum settlements in California reflect payments based on the agreed amount at the time of Compromise and Release (C&R) or Stipulation and do not include any potential subsequent payments for outstanding liens. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report.

^g We use an 11-state median for measures for temporary disability claims, PPD/LS claims, lump-sum settlements, and duration of temporary disability, excluding Georgia, Louisiana, Massachusetts, Michigan, North Carolina, Pennsylvania, and Virginia. In these 7 states, permanent partial disability means something fundamentally different, so comparisons with the 11 non-wage-loss states may not be meaningful. The 11-state median is the state ranked 6th on a given measure; this state changes depending on the measure being evaluated. We report a 10-state median for the percentage of claims with lump-sum settlements and the average lump-sum settlement per claim for this group of claims with 12 months of experience because the underlying data in our sample for Arkansas are not necessarily representative of the state's experience. The 10-state median is the average of the states ranked 5th and 6th.

^h Includes both PPD benefits and lump-sum settlements.

ⁱ The percentage of claims with medical-legal expenses and average medical-legal expense per claim are not reported for Arkansas, Florida, North Carolina, and Tennessee with 12 months of experience, or for Florida, North Carolina, and Tennessee with 36 months of experience, because the underlying data in our sample are not necessarily representative of each state's experience. Results for Arkansas should be used with caution due to relatively small cell sizes underlying the measure with 36 months of experience.

^j A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*. Results for Arkansas should be used with caution due to relatively small cell sizes for claims with 12 months of experience underlying the measure.

continued

Table 2 Comparing Florida with Other States: Selected Performance Measures, Adjusted for Injury and Industry Mix and Wages (continued)

^k Measures for vocational rehabilitation provider expenses are not shown for claims with 12 months of experience because the underlying data in our sample are not necessarily representative of the state's experience in most of the study states, making the interstate comparisons not meaningful. For claims with 36 months of experience, Arkansas, Georgia, Indiana, Iowa, New Jersey, Tennessee, and Texas are excluded from the interstate comparisons because the underlying data in our sample are not necessarily representative of each state's experience. The medians for these measures are based on 11 states. We do not show interstate comparisons of vocational rehabilitation maintenance benefits because the underlying data in our sample are not necessarily representative of the state's experience in the vast majority of the study states.

Key: n/a: not applicable; PPD: permanent partial disability; PPD/LS: permanent partial disability or lump sum.

Table 3 Trends in Florida: Selected Performance Measures, Not Adjusted for Injury and Industry Mix and Wages

Performance Measure	Claims at 12 Months' Average Maturity				Claims at 36 Months' Average Maturity			For More Details, Refer to <i>CompScope™ Benchmarks, 21st Edition: The DataBook</i> ^a
	Unadjusted Values	Trend (annual average percentage or percentage point change)			Unadjusted Values	Trend (annual average percentage or percentage point change)		
	2019/2020 Claims	2018/2019 to 2019/2020	2017/2018 to 2019/2020	2014/2015 to 2019/2020	2017/2020 Claims	2016/2019 to 2017/2020	2014/2017 to 2017/2020	
Time to notice and first indemnity payment								
Claims with payor notice within 3 days of injury (percentage)	65.2%	-1.4	-1.1	-0.4	—	—	—	Table 4.1
Claims with first payment within 14 days of payor notice (percentage)	40.9%	-1.3	-0.6	-0.8	—	—	—	Table 4.1
Claims with first payment within 21 days of injury (percentage)	44.1%	-1.7	-0.9	-0.8	—	—	—	Table 4.1
Benefit payments and costs per claim								
All paid claims								
Average total cost per claim	\$7,685	8.4	7.5	5.6	\$10,414	4.6	4.9	Table 4.2
Average benefit payment per claim	\$6,466	8.6	7.8	5.7	\$8,600	4.4	5.1	Table 4.2
Average medical payment per claim	\$4,470	7.9	7.2	4.8	\$5,080	5.2	3.3	Table 4.2
Average benefit delivery expense per claim	\$1,214	7.3	6.1	4.8	\$1,806	5.7	3.9	Table 4.2
Average incurred total cost per claim	\$10,617	9.4	8.2	5.9	\$11,458	4.6	4.9	Table 4.2
Average incurred medical benefit per claim	\$6,216	8.9	7.8	5.0	\$5,648	5.1	3.1	Table 4.2
Claims with more than 7 days of lost time								
Percentage of all paid claims	22.2%	0.3	0.6	0.4	22.8%	0.5	0.2	Table 4.12
Average total cost per claim	\$28,604	8.0	5.7	4.7	\$39,751	1.8	4.3	Table 4.4
Average benefit payment per claim	\$24,098	8.3	6.2	5.0	\$32,762	1.5	4.6	Table 4.4
Average medical payment per claim	\$15,124	8.0	6.3	4.4	\$17,355	2.1	2.7	Table 4.4
Average indemnity benefit per claim ^b	\$8,975	8.7	5.9	6.1	\$15,407	0.8	6.8	Table 4.4
Average incurred total cost per claim	\$39,196	8.3	6.0	4.7	\$44,107	1.9	4.4	Table 4.4
Average incurred medical benefit per claim	\$21,360	8.4	6.3	4.1	\$19,663	2.2	2.5	Table 4.4
Average incurred indemnity benefit per claim ^b	\$11,730	7.7	5.7	6.1	\$17,033	1.9	7.4	Table 4.4
Temporary disability claims with more than 7 days of lost time								
Average benefit payment per claim	\$21,235	11.9	6.9	5.6	\$16,190	7.6	7.1	Table 4.5
Average medical payment per claim	\$15,678	13.5	8.3	5.8	\$11,425	7.1	6.3	Table 4.5
Average indemnity benefit per claim	\$5,557	7.5	3.3	5.2	\$4,765	8.6	9.0	Table 4.5
PPD/lump-sum claims with more than 7 days of lost time								
PPD/lump-sum claims as a percentage of claims with more than 7 days of lost time	39.0%	1.5	0.2	0.1	56.8%	-0.4	0.5	Table 4.8
Average benefit payment per claim	\$28,552	5.5	6.3	4.4	\$43,614	0.4	3.5	Table 4.8
Average medical payment per claim	\$14,383	3.9	5.1	2.5	\$21,002	0.5	0.9	Table 4.8
Average indemnity benefit per claim	\$14,169	7.1	7.7	6.6	\$22,612	0.3	6.3	Table 4.8
Average PPD/lump-sum payment per claim ^c	\$9,182	11.4	10.1	9.0	\$14,716	0.1	7.8	Table 4.8

continued

Table 3 Trends in Florida: Selected Performance Measures, Not Adjusted for Injury and Industry Mix and Wages (continued)

Performance Measure	Claims at 12 Months' Average Maturity				Claims at 36 Months' Average Maturity			For More Details, Refer to <i>CompScope™ Benchmarks, 21st Edition: The DataBook^a</i>
	Unadjusted Values	Trend (annual average percentage or percentage point change)			Unadjusted Values	Trend (annual average percentage or percentage point change)		
	2019/2020 Claims	2018/2019 to 2019/2020	2017/2018 to 2019/2020	2014/2015 to 2019/2020	2017/2020 Claims	2016/2019 to 2017/2020	2014/2017 to 2017/2020	
<i>Claims with more than 7 days of lost time</i>								
Claims with lump-sum settlements (percentage) ^d	20.6%	1.6	0.8	0.7	34.7%	-0.5	1.1	Table 4.9
Average lump-sum settlement per claim with lump-sum settlement ^d	\$15,939	8.6	7.8	6.8	\$22,959	0.9	5.4	Table 4.9
Benefit delivery expenses^e								
Average benefit delivery expense per claim with benefit delivery expenses	\$4,610	6.1	3.0	3.1	\$7,116	2.9	2.8	Table 4.11
Average medical cost containment expense per claim with medical cost containment expenses	\$2,586	5.1	3.9	2.3	\$3,181	2.1	1.4	Table 4.11
Claims with medical-legal expenses (percentage) ^f	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Table 4.11
Average medical-legal expense per claim with medical-legal expenses ^f	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Table 4.11
Attorney involvement^e								
Percentage of claims with defense attorney payments greater than \$500 (indexed) ^g	31.9%	2.8	1.3	1.0	41.6%	-0.3	0.8	Table 4.11
Average defense attorney payment per claim with defense attorney payments greater than \$500 (indexed) ^g	\$4,757	0.3	-1.0	1.2	\$7,156	1.9	1.8	Table 4.11
Duration of disability								
Average duration of temporary disability payments (weeks)	10.3	3.8	2.0	2.0	12.4	1.3	2.7	Table 4.12
Vocational rehabilitation (VR) benefits and expenses^h								
Percentage of claims with VR provider expenses	2.2%	0.2	0.2	0.3	2.1%	0.4	0.3	Table 4.10
Average VR provider expense per claim with VR provider expenses	\$968	-5.3	-5.3	-1.6	\$1,513	-14.3	-2.8	Table 4.10

Notes: Unless specified, measures are shown for claims with more than seven days of lost time. PPD/LS claims are those claims with PPD payments and/or lump-sum settlements. 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020. Similar notation is used to describe other injury years and valuations. We performed a two-tailed test for statistical significance of the difference of the means for the years being compared at an 80 percent confidence level. The null hypothesis was that the difference between the two means was zero. In most cases, the result of that test was statistically significant and is shown in regular typeface. For some measures, the result of the test was not statistically significant, although the percentage or percentage point change is large for some measures; these results are shown in italics. A result that is not statistically significant may be caused by large variance and/or small sample size associated with the means. We did not test the medians for statistical significance.

^a Available in *CompScope™ Benchmarks, 21st Edition: The DataBook* (https://www.wcrinet.org/images/uploads/files/cs21_databook.pdf).

^b The reader should be aware that we report all lump-sum payments as indemnity benefits. We do this to achieve consistency and comparability in this measure across states because lump-sum payments to close out future obligations are rarely separated into medical and indemnity components in the data. In most study states (California, Illinois, Indiana, Iowa, New Jersey, North Carolina, Pennsylvania, Tennessee, Texas, and Wisconsin, and Michigan [under some circumstances]), the second injury fund pays benefits directly to the worker once the fund's liability is established, rather than reimbursing the employer or insurer (as in Louisiana, Massachusetts, and Virginia). Our results do not include second injury fund payments; thus, certain indemnity cost measures may be somewhat understated. However, because second injury fund payments typically do not occur until later in the claim, after the employer/insurer obligation has been paid, and because the eligibility requirements are quite restrictive in many states (e.g., applicable only to permanent total disability), we estimated that the magnitude of the understatement is not large, ranging from minimal to 4 percent across the states, and did not materially affect the interstate comparisons that we report. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

continued

Table 3 Trends in Florida: Selected Performance Measures, Not Adjusted for Injury and Industry Mix and Wages (continued)

^c Includes both PPD benefits and lump-sum settlements.

^d Trends in the percentage of claims with lump-sum settlements and the average lump-sum settlement per claim with a lump-sum settlement are not shown for claims with 12 months of experience for Arkansas and Michigan because the underlying data in our sample are not necessarily representative of each state's experience.

^e For the average benefit delivery expense and its component measures, we included data where the medical cost containment strategies were used and the relevant expenses were allocated to the claim. In other words, if a data source did not allocate some or all of the expenses related to its medical cost containment strategies, we excluded it from this report. Similarly, if a data source did not allocate some or all of the litigation-related expenses to the claim, we excluded it from this report as well.

^f Trends in medical-legal expenses are not reported for Arkansas, Florida, North Carolina, and Tennessee at 12 months' average maturity, and Florida, North Carolina, and Tennessee at 36 months' average maturity, because the underlying data in our sample are not necessarily representative of each state's experience. Results in Arkansas should be used with caution since the small cell sizes for claims with 36 months of experience underlying these measures may lead to volatile trends.

^g A \$500 threshold was used in reporting the frequency of defense attorney involvement and the average payment made to defense attorneys to identify where defense attorneys were more likely to be involved in disputes, rather than involved in a more nominal way, such as drafting settlement agreements. The \$500 threshold was adjusted annually by the annual change in the Consumer Price Index, using 2008 as the base year. See *CompScope™ Benchmarks: Technical Appendix, 21st Edition*. Results in Arkansas should be used with caution since the small cell sizes in this state for claims with 12 months of experience underlying these measures may lead to volatile trends.

^h Measures for vocational rehabilitation provider expenses are only shown in California, Florida, Georgia, and Minnesota for claims with 12 months of experience because the data in our sample underlying these measures in the other study states are not necessarily representative of the state's experience. For claims with 36 months of experience, Arkansas, Georgia, Indiana, Iowa, New Jersey, Tennessee, and Texas are excluded from the trend analysis because the underlying data in our sample are not necessarily representative of each state's experience. We do not show trends of vocational rehabilitation maintenance benefits because the data in our sample underlying this measure in the vast majority of the study states are not necessarily representative of the state's experience.

Key: n/a: not applicable; PPD: permanent partial disability; PPD/LS: permanent partial disability or lump sum.

Table 4 Trend in Average Weekly Wages of Workers with Injuries, 2014–2019

Wage Measure	AR	CA	FL	GA ^a	IA	IL	IN ^a	LA	MA	MI	MN ^b	NC	NJ	PA	TN	TX ^c	VA	WI
Average weekly wage of workers with injuries (data from WCRI's Detailed Benchmark/Evaluation database)																		
2014/2015	\$692.98	\$750.06	\$669.36	\$656.18	\$710.01	\$761.22	\$695.42	\$754.47	\$862.21	\$746.53	\$738.42	\$682.09	\$818.94	\$804.30	\$675.49	\$795.23	\$725.96	\$771.93
2015/2016	\$728.29	\$767.58	\$673.55	\$675.23	\$743.58	\$805.96	\$697.19	\$784.39	\$881.99	\$765.14	\$754.34	\$686.34	\$828.20	\$816.76	\$700.02	\$815.26	\$738.98	\$781.18
2016/2017	\$729.87	\$786.43	\$693.32	\$691.47	\$775.29	\$798.53	\$737.89	\$765.77	\$889.38	\$776.31	\$788.17	\$707.07	\$828.11	\$824.62	\$712.29	\$790.81	\$757.53	\$785.58
2017/2018	\$750.62	\$813.42	\$701.92	\$714.01	\$788.87	\$816.14	\$747.68	\$793.05	\$914.09	\$799.37	\$806.06	\$709.59	\$843.35	\$853.40	\$726.49	\$808.84	\$766.22	\$829.19
2018/2019	\$759.93	\$837.39	\$721.08	\$731.37	\$798.44	\$848.11	\$754.21	\$794.50	\$950.02	\$813.93	\$834.48	\$733.47	\$863.75	\$875.61	\$748.25	\$845.32	\$787.76	\$859.91
2019/2020	\$772.26	\$872.84	\$728.95	\$735.62	\$831.80	\$858.76	\$778.34	\$808.46	\$963.91	\$820.36	\$856.26	\$751.61	\$876.58	\$896.23	\$760.71	\$868.90	\$816.93	\$892.13
2014/2015 to 2015/2016	5.1%	2.3%	0.6%	2.9%	4.7%	5.9%	0.3%	4.0%	2.3%	2.5%	2.2%	0.6%	1.1%	1.5%	3.6%	2.5%	1.8%	1.2%
2015/2016 to 2016/2017	0.2%	2.5%	2.9%	2.4%	4.3%	-0.9%	5.8%	-2.4%	0.8%	1.5%	4.5%	3.0%	0.0%	1.0%	1.8%	-3.0%	2.5%	0.6%
2016/2017 to 2017/2018	2.8%	3.4%	1.2%	3.3%	1.8%	2.2%	1.3%	3.6%	2.8%	3.0%	2.3%	0.4%	1.8%	3.5%	2.0%	2.3%	1.1%	5.6%
2017/2018 to 2018/2019	1.2%	2.9%	2.7%	2.4%	1.2%	3.9%	0.9%	0.2%	3.9%	1.8%	3.5%	3.4%	2.4%	2.6%	3.0%	4.5%	2.8%	3.7%
2018/2019 to 2019/2020	1.6%	4.2%	1.1%	0.6%	4.2%	1.3%	3.2%	1.8%	1.5%	0.8%	2.6%	2.5%	1.5%	2.4%	1.7%	2.8%	3.7%	3.7%
Statewide average weekly wage for workers' compensation purposes (as of July 1 each year)																		
2014	\$725.88	\$1,067.25	\$827.00	n/a	\$786.00	\$1,002.68	n/a	\$825.54	\$1,181.28	\$894.44	\$945.00	\$821.82	\$1,124.00	\$932.00	\$848.00	\$965.78	\$967.00	\$810.91
2015	\$740.00	\$1,095.70	\$842.00	n/a	\$814.00	\$1,021.34	n/a	\$839.76	\$1,214.99	\$911.11	\$961.00	\$836.36	\$1,140.00	\$951.00	\$858.00	\$977.86	\$975.00	\$828.18
2016	\$760.00	\$1,120.67	\$863.00	n/a	\$844.00	\$1,048.67	n/a	\$865.31	\$1,256.47	\$935.56	\$989.00	\$858.18	\$1,161.33	\$978.00	\$888.00	\$1,017.14	\$996.00	\$850.90
2017	\$777.84	\$1,164.51	\$886.00	n/a	\$860.00	\$1,076.38	n/a	\$876.00	\$1,291.74	\$965.62	\$1,026.00	\$889.09	\$1,195.08	\$995.00	\$902.00	\$1,037.14	\$1,043.00	\$873.64
2018	\$791.76	\$1,206.92	\$917.00	n/a	\$882.26	\$1,097.85	n/a	\$870.00	\$1,338.05	\$999.31	\$1,041.00	\$901.82	\$1,203.43	\$1,025.00	\$929.00	\$1,037.92	\$1,082.00	\$903.64
2019	\$817.65	\$1,242.78	\$939.00	n/a	\$909.50	\$1,130.11	n/a	\$886.38	\$1,383.41	\$1,022.92	\$1,077.00	\$934.55	\$1,228.25	\$1,049.00	\$960.00	\$1,065.57	\$1,102.00	\$923.64
2014 to 2015	1.9%	2.7%	1.8%	2.9%	3.6%	1.9%	3.2%	1.7%	2.9%	1.9%	3.2%	1.8%	1.4%	2.0%	1.2%	1.3%	0.8%	2.1%
2015 to 2016	2.7%	2.3%	2.5%	2.3%	3.7%	2.7%	1.5%	3.0%	3.4%	2.7%	2.9%	2.6%	1.9%	2.8%	3.5%	4.0%	2.2%	2.7%
2016 to 2017	2.3%	3.9%	2.7%	2.9%	1.9%	2.6%	3.7%	1.2%	2.8%	3.2%	3.7%	3.6%	2.9%	1.7%	1.6%	2.0%	4.7%	2.7%
2017 to 2018	1.8%	3.6%	3.5%	2.5%	2.6%	2.0%	3.1%	-0.7%	3.6%	3.5%	1.5%	1.4%	0.7%	3.0%	3.0%	0.1%	3.7%	3.4%
2018 to 2019	3.3%	3.0%	2.4%	3.3%	3.1%	2.9%	2.4%	1.9%	3.4%	2.4%	3.5%	3.6%	2.1%	2.3%	3.3%	2.7%	1.8%	2.2%

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020. Similar notation is used to describe other injury years and valuations.

^a In Georgia and Indiana, the weekly maximum TTD benefit was adjusted periodically by statute, rather than being tied to annual changes in the statewide average weekly wage as it was in the other study states. The annual changes in the statewide average weekly wage for Georgia and Indiana shown in this table come from Bureau of Labor Statistics data for the average weekly wage for private industries, total covered employment, and all establishment sizes (available at <https://www.bls.gov>).

^b Effective October 1, 2013 (and each October 1 thereafter), the maximum weekly TTD compensation payable to Minnesota workers was changed from a statutorily-set fixed amount of \$850 to 102 percent of the statewide average weekly wage for the period ending December 31 of the preceding year. The annual change in the statewide average weekly wage for Minnesota shown in this table for 2014 to 2015 comes from the average weekly wage data of nonfederal workers covered under unemployment insurance, reported in *Common Minnesota Workers' Compensation Benefit Adjustments* (<https://www.dli.mn.gov/sites/default/files/pdf/comprates.pdf>).

^c Since October 1, 2006, in Texas, the statewide average weekly wage used to calculate the maximum weekly compensation income benefit has been set at 88 percent of the average weekly wage in covered employment for the preceding year as computed by the Texas Workforce Commission.

Key: n/a: not applicable; TTD: temporary total disability.

Table 5 Comparison of Statutory Maximum Weekly Temporary Total Disability Benefit and Statewide Average Weekly Wage, 2019

Wage Measure	AR	CA ^a	FL	GA ^b	IA	IL	IN ^b	LA	MA	MI	MN	NC	NJ	PA	TN	TX ^c	VA	WI	18-State Median ^d
Statewide average weekly wage for workers' compensation purposes (as of July 1, 2019)																			
2019	\$817.96	\$1,242.78	\$939.00	\$1,043.00	\$909.50	\$1,130.11	\$921.00	\$886.38	\$1,383.41	\$1,022.92	\$1,077.00	\$934.55	\$1,228.25	\$1,049.00	\$960.00	\$1,065.57	\$1,102.00	\$923.64	\$1,032.96
Maximum weekly statutory temporary disability benefit (as of July 1, 2019)																			
2019	\$695.00	\$1,251.38	\$939.00	\$675.00	\$1,819.00	\$1,506.81	\$780.00	\$665.00	\$1,383.41	\$900.00	\$1,098.54	\$1,028.00	\$921.00	\$1,049.00	\$1,056.00	\$938.00	\$1,102.00	\$1,016.00	\$1,022.00
Maximum weekly statutory temporary disability benefit as a percentage of the statewide average weekly wage (as of July 1, 2019)																			
2019	85%	101%	100%	65%	200%	133½%	85%	75%	100%	90%	102%	110%	75%	100%	110%	88%	100%	110%	100%
Average weekly wage of workers with injuries (2019 claims at 12 months' maturity, adjusted for injury/industry mix)																			
2019	\$763.26	\$895.41	\$736.34	\$745.44	\$809.73	\$856.43	\$768.06	\$797.66	\$951.25	\$828.17	\$866.26	\$745.87	\$888.01	\$898.61	\$761.04	\$849.10	\$818.12	\$890.35	\$823.15
Percentage of claims with weekly TTD benefit constrained by the statutory weekly benefit maximum (2019 claims at 12 months' maturity)																			
2019	21.2%	6.7%	8.3%	28.7%	0.3%	1.9%	16.3%	26.6%	3.1%	6.8%	7.3%	5.9%	19.2%	10.7%	5.3%	15.1%	6.5%	10.3%	7.8%
Statutory temporary disability benefit rate (as a percentage of average weekly wage unless otherwise noted; as of July 1, 2019)																			
2019	66⅔%	66⅔%	66⅔%	66⅔%	80% of spendable earnings	66⅔%	66⅔%	66⅔%	60%	80% of spendable earnings	66⅔%	66⅔%	70%	66⅔%	66⅔%	70%	66⅔%	66⅔%	66⅔%
Average weekly TTD benefit rate (2019 claims at 12 months' maturity, adjusted for injury/industry mix)																			
2019	\$495.43	\$534.32	\$526.42	\$464.75	\$526.87	\$552.68	\$518.04	\$471.73	\$499.73	\$496.99	\$535.90	\$536.14	\$533.12	\$565.12	\$536.00	\$534.90	\$543.08	\$530.95	\$532.03

^a In California, the maximum weekly statutory temporary benefit rate is increased each year by an amount equal to the percentage increase in the "State Average Weekly Wage" (defined in California Labor Code 4453(a)(1)) as compared with the prior year.

^b In Georgia and Indiana, the weekly maximum TTD benefit is adjusted periodically by statute rather than being tied to annual changes in the statewide average weekly wage, as it is in the other study states. The statewide average weekly wage shown for Georgia and Indiana is for comparison purposes and is the average weekly wage in private employment for all industries for calendar year 2018 from the U.S. Bureau of Labor Statistics. Georgia has increased the maximum weekly statutory benefit four times in recent years, by amending the state's workers' compensation statutes. Effective July 1, 2013, the maximum weekly statutory benefit in Georgia was increased to \$525. The maximum was increased to \$550 effective July 1, 2015, and \$575 effective July 1, 2016. Effective July 1, 2019, the maximum in Georgia was increased to \$675. In Indiana, under House Enrolled Act 1320, the maximum statutory weekly benefit was increased 20 percent overall from 2014 to 2016: from \$650 to \$694 effective July 1, 2014; to \$737 effective July 1, 2015; and to \$780 effective July 1, 2016.

^c Since October 1, 2006, in Texas, the statewide average weekly wage used to calculate the maximum weekly compensation income benefit has been set at 88 percent of the average weekly wage in covered employment for the preceding year as computed by the Texas Workforce Commission. While the statutory temporary disability rate, generally, in Texas was 70 percent, workers were able to receive 75 percent for the first 26 weeks of benefits if they earned an hourly rate below established thresholds (\$8.50 for injuries before September 1, 2015, and \$10.00 for injuries on or after September 1, 2015).

^d The 18-state median is the average of the states ranked 9th and 10th on a given measure; these states change depending on the measure being evaluated.

Key: TTD: temporary total disability.

Table 6 Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019

Benefit basis				
AR Permanent physical impairment; determined when the worker returns to work or once MMI has been reached (see note).	CA Permanent disability rating under 100%; determined once condition is permanent and stationary (see note).	FL Permanent physical impairment; determined once MMI has been reached.	IA Permanent physical disability; determined once MMI has been reached.	IL Permanent physical disability; determined once MMI has been reached.
IN Permanent physical impairment; determined once MMI has been reached.	MN Permanent functional loss of use of the body; determined once MMI has been reached.	NJ Permanent physical impairment; determined once curative treatment has ended.	TN Permanent physical disability; determined once MMI has been reached.	TX Permanent physical impairment; determined once MMI has been reached.
WI Permanent physical impairment, once healing period has ended (see note).				
Benefit rate				
AR Percentage of disability converted to weeks of payment; weekly payment is 66⅔% of worker's AWW.	CA Percentage of disability converted to weeks of payment; weekly payment is 66⅔% of worker's AWW.	FL 2–6 weeks of benefits for each percentage of permanent impairment; payable weekly at 75% of worker's weekly TTD benefit rate (see note).	IA Percentage of disability converted to weeks of payment; weekly payment is 80% of worker's spendable (after-tax) income.	IL Percentage of disability converted to weeks of payment; weekly payment is 60% of worker's AWW.
IN Impairment rated according to degrees; values per degree vary.	MN Percentage of disability converted to a specific dollar amount or weeks of payment per schedule; weekly payment is 66⅔% of worker's AWW.	NJ Percentage of disability converted to weeks of payment per schedule; weekly payment is 70% of worker's AWW (see note).	TN Percentage of disability converted to weeks of payment; weekly payment is 66⅔% of worker's AWW.	TX 3 weeks of benefits for each percentage of permanent impairment; weekly payment is 70% of worker's AWW.
WI Scheduled number of weeks for total loss or loss of use; impairment percentage of 1,000 weeks applied for nonscheduled injuries; weekly payment is 66⅔% of worker's AWW.				
Weekly benefit (as of July 1, 2019)				
<i>Maximum</i>				
AR \$154.00–\$521.00 (see note).	CA \$290.00	FL \$704.25 (see note).	IA \$1,673.00	IL \$836.69 (see note).
IN \$780.00 (TTD maximum).	MN \$1,098.54 (TTD maximum).	NJ \$921.00 (TTD maximum).	TN \$960.00	TX \$656.00
WI \$362.00				
<i>Minimum</i>				
AR \$20.00	CA \$160.00	FL \$20.00 or actual wages if worker's AWW is less than \$20.00.	IA Lower of benefits based on AWW of \$318 or worker's spendable earnings.	IL \$220.00–\$330.00, depending on the number of dependents of the worker.
IN \$75.00	MN Lower of \$130.00 or worker's AWW.	NJ \$35.00	TN \$144.00	TX \$141.00
WI \$20.00				

continued

Table 6 Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019 (continued)

Payment schedule				
AR	CA	FL	IA	IL
Biweekly until the required number of weeks is reached or until the claim is settled.	First benefit payment due no later than 14 days after last TTD payment and every 2 weeks thereafter or in a lump-sum settlement (see note).	First benefit payment due the day after the worker reaches MMI or the expiration of temporary benefits, whichever occurs earlier and biweekly thereafter (see note).	Weekly.	Weekly or as close to predictability schedule as possible.
IN	MN	NJ	TN	TX
Weekly unless otherwise approved by the Workers' Compensation Board.	Weekly or in a lump sum (see note).	Weekly.	Weekly.	Entitlement begins the day after MMI is reached, payable at same interval at which wages were paid.
WI				
Monthly.				
Maximum duration of benefits				
AR	CA	FL	IA	IL
Determined by schedule or 450 weeks for whole body.	Determined by formula.	Determined by formula (see note).	Determined by schedule or 500 weeks for whole body.	Determined by schedule or 500 weeks for whole body (see note).
IN	MN	NJ	TN	TX
Total amount divided by weekly benefit (see note).	Determined by schedule (see note).	Determined by schedule or 600 weeks for whole body.	Determined by schedule or 450 weeks for whole body (see note).	Determined by schedule or 401 weeks from date of injury, whichever is first (see note).
WI				
Determined by schedule or 1,000 weeks for whole body.				

Notes:

AR: If the worker's weekly TTD amount is \$205.35 or greater, the PPD maximum is 75 percent of the weekly TTD amount, rounded to the nearest whole dollar, up to \$521. If the worker's weekly TTD amount is less than \$205.35, PPD is 66⅔ percent of the worker's AWW, up to a \$154 maximum. If the worker has an unscheduled condition and an earnings loss, PPD benefits are based on the degree of impairment and other factors, including the worker's age, education, and work experience. However, if a preexisting condition is a "major cause" of the disability, the PPD benefit is based only on the degree of functional impairment. According to case law, the Arkansas Workers' Compensation Commission is charged with the duty of determining disability based on a consideration of medical evidence and other matters affecting wage loss, such as the claimant's age, education, and work experience.

CA: Senate Bill 863, which became effective January 1, 2013, increased aggregate permanent disability benefits, phased in over two years, and made a number of changes to how those benefits are calculated. A rating in California is a percentage that estimates how much the disability limits the kinds of work an employee can do or the ability to earn a living. Ratings are based on the medical condition, as described in the permanent and stationary report; the date of injury; the worker's age when injured; occupation at the time of injury; the proportion of disability caused by the job versus other factors; and multiplication by an adjustment factor—1.4 for injuries in 2013 or later. For workers injured in 2013 or later, or if the employer has fewer than 50 employees, permanent disability payments are not affected by whether the employer offers a job.

FL: PPD benefits (impairment income benefits in Florida) are paid at the rate of 75 percent of the worker's average weekly temporary total disability benefit, not to exceed the maximum; however, benefits are reduced by 50 percent for each week in which the worker's income is equal to or exceeds his or her average weekly wage. The number of weeks of benefits paid per impairment rating point varies based on the impairment rating, from two weeks for each percentage point of impairment from 1 percent to 10 percent to six weeks for each percentage point of impairment of 21 percent and higher. Entitlement to these benefits begins the day after the worker reaches maximum medical improvement or the expiration of temporary benefits, whichever occurs earlier.

IL: The PPD benefit rate is 60 percent of the AWW. If a worker suffers amputation or enucleation of an eye, the maximum weekly benefit is 133⅓ percent of the SAWW. Minimum PPD benefits vary according to the number of dependents of the worker. Two methods may be used to compensate for unscheduled losses: (1) wage-loss approach (seldom used) and (2) loss of wage-earning capacity approach. In the latter approach, the degree of disability is estimated based on the extent of impairment and other variables, including the worker's age, education, and skills. The disability rating is multiplied by 500 weeks to determine the period of PPD benefits.

IN: If the period of TTD is longer than 125 weeks, any amount paid beyond 125 weeks reduces—dollar for dollar—the value of any permanent partial impairment award. Benefits paid singly or as any combination of TTD, temporary partial disability, permanent partial impairment, and permanent total disability benefits expire after 500 weeks or when the dollar limit on maximum indemnity benefits payable on a claim is reached (\$325,000 as of June 30, 2014). Benefit increases under House Enrolled Act 1320 became effective July 1, 2014, with the maximum for all compensation increased to \$347,000. Dollars per degree of impairment were increased for all degree categories, ranging from 8.4 percent for degrees 1–10 to 5.3 percent for degrees 51–100. The maximum for all compensation increased further to \$368,000 effective July 1, 2015, and to \$390,000 effective July 1, 2016, through June 30, 2020.

MN: If requested by the employee, a lump-sum payment of PPD benefits must be made within 30 days and may be discounted to the present value up to a maximum of 5 percent. Benefits are paid according to degree of impairment, mostly set out in PP schedule rules. The PP benefit equals the scheduled dollar amount (\$78,800–\$540,800) times the percentage of whole body disability.

NJ: The PPD compensation rate is set at 70 percent of the employee's average weekly wage, subject to a maximum of either the worker's TTD compensation rate or an amount in the schedule that is framed in terms of a percentage of the SAWW and scheduled number of weeks, whichever is lower. In the case of an amputation, the scheduled award is increased by 30 percent. Different types of disability ratings can be stacked. For example, a worker may obtain a neuropsychiatric rating (a combined estimate of neurological and psychiatric impairment) in addition to an orthopedic rating.

continued

Table 6 Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019 (continued)

TN: For injuries prior to July 1, 2014, the maximum number of weeks for permanent partial disability benefits was 400.

TX: Impairment income benefits (IIBs) are paid for a maximum of 300 weeks. Under certain circumstances, a worker may receive a supplemental income benefit (SIB) when impairment benefits end. Four conditions must be met: (1) the worker's impairment rating is at least 15 percent, (2) the worker has not taken an advance payment of benefits due (commutation), (3) the worker has not returned to work or is unable to earn at least 80 percent of the preinjury AWW, and (4) the worker has made a good-faith effort to find suitable work. The SIB is calculated at 80 percent of the difference between 80 percent of the worker's average weekly wage and the worker's earnings over the reporting period and cannot exceed 70 percent of the SAWW.

WI: Scheduled injuries involve limbs, eyes, and ears. Injuries or conditions listed in the schedule are compensated based on functional impairment ratings only, without regard to loss of earning capacity. The number of weeks listed in the schedule for each body part is paid for total impairment; loss of use is determined as a percentage of the total. Nonscheduled injuries include those to the head, back, or torso that are not specified in the schedule, as well as psychological claims. Compensation for nonscheduled injuries can be based on functional impairment only or on loss of earning capacity. Nonscheduled injuries are rated as a percentage of loss to the body as a whole. Functional impairment benefits for nonscheduled injuries are paid to a worker rehired by the former employer at 85 percent or more of his or her preinjury AWW. Workers who do not return to work, or who are rehired at less than 85 percent of their former wages, can receive earning capacity benefits, which are much larger than functional impairment benefits. Earning capacity benefits are determined by comparing the effect of the impairment on the worker's earning capacity with the worker's permanent and total disability for occupational purposes.

Key: AWW: average weekly wage; MMI: maximum medical improvement; n/a: not applicable; PP: permanent partial; PPD: permanent partial disability; SAWW: statewide average weekly wage; TTD: temporary total disability.

Sources: State statutes; Rothkin, 2019.

Table 7 Determining Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019

Comprehensiveness of permanent disability rating guide or schedule				
AR	CA	FL	IA	IL
Schedule covers loss or loss of use of extremities, vision, and hearing; unscheduled losses rated in proportion to whole body (450 weeks); determined once MMI has been reached.	Schedule provides disability ratings for most impairments; number of weeks for each 1 percent of disability varies according to permanent disability rating; determined once condition is permanent and stationary (see note).	Rating guide covers most conditions; weeks of benefits equal impairment rating multiplied by a number from 2 through 6, depending on the impairment rating (see note).	Schedule covers loss or loss of use of extremities, vision, and hearing; unscheduled conditions rated in proportion to whole body (500 weeks); determined once MMI has been reached (see note).	Schedule covers loss or loss of use of extremities, vision, and hearing; unscheduled losses rated in proportion to whole body (500 weeks); determined once MMI has been reached (see note).
IN	MN	NJ	TN	TX
Schedule provides number of degrees for extremities; unscheduled losses rated in proportion to whole body (100 degrees); determined once MMI has been reached (see note).	Schedule covers virtually all impairments (see note).	Schedule covers loss or loss of use of extremities, vision, and hearing; unscheduled conditions rated in proportion to whole body (600 weeks); determined once curative treatment has ended.	All permanent impairments are rated using <i>AMA Guides</i> and calculated as a percentage of total body as a whole (see note).	Losses are not scheduled; all permanent impairments are rated using <i>AMA Guides</i> ; 3 weeks of benefits are paid for each percentage point of impairment.
WI				
Schedule covers extremities, vision, and hearing; unscheduled injuries rated in proportion to body as a whole (1,000 weeks; see note).				
Rating components				
AR	CA	FL	IA	IL
Medical impairment (scheduled injuries; see note).	Medical impairment plus nature of injury, worker's age and occupation at the time of injury, and diminished future earning capacity (see note).	Medical impairment.	Medical impairment (scheduled injuries); nature and severity of the injury and functional impairment, worker's age, intelligence, education, training, occupation, potential for rehabilitation, loss of earning capacity, inability to engage in employment for which worker is fitted (body as a whole disabilities).	Medical impairment plus other factors (see note).
IN	MN	NJ	TN	TX
Medical impairment (scheduled injuries).	Medical impairment.	Medical impairment.	Medical impairment plus other components (age, education, employment opportunities; see note).	Medical impairment.
WI				
Medical impairment (scheduled injuries).				
Rating schedule or guide used				
AR	CA	FL	IA	IL
<i>AMA Guides</i> , 4th edition, required (see note).	<i>AMA Guides</i> , 5th edition, required (see note).	<i>Florida Impairment Rating Guide</i> for listed conditions; <i>AMA Guides</i> for unlisted conditions.	<i>AMA Guides</i> not required by statute, but 5th edition is adopted as a guide (see note).	<i>AMA Guides</i> , latest edition, required (see note).
IN	MN	NJ	TN	TX
None (see note).	State's own guide (see note).	None (see note).	<i>AMA Guides</i> , 6th edition.	<i>AMA Guides</i> , 4th edition, required.
WI				
State's own guide.				

continued

Table 7 Determining Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019 (continued)

Responsibility for issuing ratings				
AR	CA	FL	IA	IL
Treating physician.	Treating physician rates impairment; disability ratings are made by the Division of Workers' Compensation's Disability Evaluation Unit, the parties, or private raters (see note).	Treating physician; IME (in disputes; see note).	Treating physician.	Treating physician; IME.
IN	MN	NJ	TN	TX
Treating physician.	Treating physician.	Insurer and employee-selected medical experts called examining physicians (see note).	Treating physician.	Treating doctor; insurer-selected doctor; doctor certified by the Texas Department of Insurance, Division of Workers' Compensation to perform impairment rating examinations.
WI				
Treating physician.				
Treating physician's rating given special weight in claims with multiple ratings				
AR	CA	FL	IA	IL
Yes, by custom and case law.	No (see note).	Yes, by custom (see note).	Yes, by custom and case law.	No.
IN	MN	NJ	TN	TX
No.	No.	No.	No.	No, by statute (see note).
WI				
Yes, by custom.				
Use of medical panels/neutral doctors in impairment rating disputes				
AR	CA	FL	IA	IL
Authorized.	Authorized.	Authorized, by judge's order.	Authorized (see note).	Authorized.
IN	MN	NJ	TN	TX
Authorized.	Authorized.	Authorized (see note).	Authorized.	Independent doctor selected from the Texas Department of Insurance, Division of Workers' Compensation's list of designated doctors. Opinion of designated doctor carries "presumptive weight" in a dispute (see note).
WI				
Authorized.				
Limitations on lump-sum settlements for PPD benefits				
AR	CA	FL	IA	IL
None.	None.	None (see note).	None (see note).	None.
IN	MN	NJ	TN	TX
None.	No statutory limitations, but settlements of future medical are not the norm.	No statutory limitations, but settlements of future medical are not the norm.	None (see note).	Future liability for medical benefits cannot be terminated. Lump-sum settlements are prohibited, but lump-sum payments may be made under specific circumstances (see note).
WI				
Most lump-sum settlements are prohibited (see note).				

continued

Table 7 Determining Permanent Partial Disability Benefits in Non-Wage-Loss CompScope™ States, 2019 (continued)**Notes:**

AR: If the worker has an unscheduled condition and an earnings loss, PPD benefits are based on the degree of impairment and other wage-loss disability factors, including the worker's age, education, and work experience. The required use of the *AMA Guides*, 4th edition, is exclusive of any sections that refer to pain and exclusive of straight leg raising tests or range of motion tests.

CA: For workers injured in 2005 or later, the treating physician writes a Permanent and Stationary (P&S) Report when the worker's condition is permanent and stationary—that is, when the medical condition is not improving and not getting worse. The P&S Report must include an impairment rating (using the *AMA Guides*, 5th edition) and the treating physician's estimate of how much of the disability is caused by the job injury compared with other factors, as well as a description of specific medical problems, work restrictions, future medical care, the ability to return to the preinjury job, and other pertinent information. The Disability Evaluation Unit within the Division of Workers' Compensation may review the report and assign a disability rating, or the rating may be determined by the parties or by private raters. Previously, the treating physician was not required to rate the impairment, and impairment was based on the state's rating guide. Senate Bill 863, passed in August 2012 and effective January 1, 2013, increased permanent disability benefits phased in over two years by adjusting the formula for calculating benefit amounts. For dates of injury on or after January 1, 2013, a single adjustment factor of 1.4 replaces the diminished future earning capacity as a component of permanent disability ratings.

FL: When a worker with a compensable condition sustains a permanent impairment, the worker is rated at the time of maximum medical improvement or within six weeks of the date when the worker is scheduled to reach the 104-week threshold for temporary disability benefits, whichever occurs first. Weeks of benefits are paid based on the impairment rating as follows: two weeks for ratings of 1–10 percent; three weeks for 11–15 percent; four weeks for 16–20 percent; and six weeks for each rating point over 21 percent. Judges of compensation claims can consider only the testimony of the treating physician, an independent medical examiner, and the expert medical advisor. If multiple treating physicians submit impairment ratings, the insurer is required to calculate the impairment rating of the body as a whole. Arrearages for past child support obligations must be deducted from a settlement.

IA: Unscheduled losses are referred to as body as a whole disabilities and are rated according to industrial disability. Factors to be considered focus on the worker's ability to engage in employment for which he or she is suited and include the worker's intelligence, education, qualifications, work experience, physical restrictions, and subsequent employment, as well as his or her earnings potential and ability to benefit from further education or retraining to facilitate employment. No formula or official guidelines exist for weighing the factors for industrial disability; the concept has evolved in case law over time. *AMA Guides* are not required by statute, but are adopted as a guide; other medical opinions, guides, or other material evidence may be presented. A worker may request an independent medical examination by a doctor of his or her choice at the employer's expense if the worker feels that a rating of permanent impairment is too low. A compromise settlement (ending future rights to any benefits) is permitted when there is a dispute over entitlement to benefits. A full commutation ends the worker's future rights to any benefits, including medical benefits. A partial commutation establishes the worker's right to disability benefits, but does not end the worker's future rights.

IL: For injuries occurring on and after September 1, 2011, the Commission bases the determination of disability on five factors: (1) an impairment report prepared by a physician using the most current edition of the *AMA Guides*, (2) the occupation of the worker, (3) the age of the employee at time of injury, (4) the employee's future earning capacity, and (5) evidence of the disability corroborated by the treating medical records. One of these factors may not be the sole determinant of disability. The relevance and weight of any factors used, in addition to the level of impairment as reported by the physician, must be explained by the arbitrator in any decision. For injuries occurring before September 1, 2011, the Commission evaluates the physician impairment and the effect of the disability on the worker's life. Factors that may be considered include the individual's age, skill, occupation, training, inability to engage in certain kinds of activities, pain, stiffness, or limitation of motion. PPD benefits are calculated on a case-by-case basis. Prior to September 1, 2011, Illinois did not use written standards, relying instead on the experience of adjusters, attorneys, arbitrators, and a summary of commission appeal decisions. Two methods may be used to compensate for unscheduled losses: (1) wage-loss approach (seldom used) and (2) loss of wage-earning capacity approach. In the latter approach, the degree of disability is estimated based on the extent of impairment and other variables, including the worker's age, education, and skills. The disability rating is multiplied by 500 weeks to determine the period of PPD benefits.

IN: Maximum medical improvement is also termed *medical quiescence*. The state does not require the use of a medical guide in rating of impairment, although *AMA Guides* are often used.

MN: Permanent partial disability must be rated according to the PPD schedule (rules) adopted by the commissioner. Minn. Stat. 176.105 requires the Department of Labor and Industry, in establishing the Minnesota PPD schedule, to "study disability or permanent impairment schedules set up by other states, the American Medical Association and other organizations." Additionally, the rules incorporate the *AMA Guides* to incorporate by reference some terminology. Conditions not on the schedule are rated by analogy. The total percentage rating is multiplied by a specific dollar amount per rating point (for that rating category) to determine the benefits payable.

NJ: Treating providers generally are not involved in determining the degree of permanent impairment, and there are no written standards for such determination. Instead, a small core of doctors and attorneys are involved; therefore, the resolution of PPD disputes is generally predictable. In adjudicating rating disputes, judges rely on their own medical knowledge, the initial rating by medical experts, and their experience.

TN: For injuries prior to July 1, 2014, a list of scheduled members was used. For injuries to nonscheduled members, permanent partial disability was determined as a percentage of the total body as a whole. For injuries prior to July 1, 2014, PPD benefits were calculated at 1.5 times the impairment rating for cases in which the worker returned to work at the same employer and earned at least 100 percent of the preinjury wage; and PPD benefits were up to six times the impairment rating for cases in which the worker did not return to work. Prior to 2011, future medical benefits were required to be left open for at least three years for injuries to scheduled members or to the body as a whole with a statutory value of 200 weeks or more.

TX: The insurance carrier requests a designated doctor be assigned to address questions on the maximum medical improvement or impairment rating (MMI/IR) status of an injured worker. The designated doctor's determination is given presumptive weight. Lump-sum payments may be made when (1) payment for past-due benefits can be made in a lump sum, (2) the worker can request an advance payment of future benefits if he or she can demonstrate hardship, or (3) the worker and payor can agree that impairment income benefits will be commuted in cases when the worker has returned to work for at least three months and is earning at least 80 percent of his or her preinjury average weekly wage (a worker who elects a commutation gives up the right to collect further income benefits).

WI: Wisconsin uses a two-part approach to calculate benefits for unscheduled losses. If a worker has returned to work and is earning at least 85 percent of his or her preinjury wage, the rating is based solely on the degree of medical impairment. If the worker has reached MMI and has not returned to work or is earning less than 85 percent of his or her preinjury earnings, the rating is based on the loss of earning capacity—the impairment rating is the starting point, and other factors, including age and education, are considered. Lump-sum settlements are prohibited for PPD benefits; however, if compensation is due for a PPD or death benefit, advanced payment of unaccrued compensation can be directed by the Division of Worker's Compensation on determination that it is in the best interest of the worker or dependents. Lump-sum settlements are made only for the amount of incurred medical expenses plus sums accrued as compensation or death benefits up to the date of the agreement. Unaccrued benefits of \$5,000 can be advanced and paid in a lump sum when the compromise settlement in a claim, other than for death benefits, involves a dispute over the extent of permanent disability.

Key: *AMA Guides*: American Medical Association's *Guides to the Evaluation of Permanent Impairment*; IME: independent medical examiner (evaluator); MMI: maximum medical improvement; PPD: permanent partial disability.

Sources: State statutes; Barth and Niss, 1999; Rothkin, 2019.

Table 8 Total Costs per Claim and Components, 2017/2020

	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI
2017/2020 claims with more than 7 days of lost time																		
<i>Costs per claim</i>																		
Medical	\$17,142	\$11,572	\$17,790	\$16,666	\$22,519	\$21,080	\$23,246	\$27,256	\$10,165	\$12,269	\$14,635	\$13,323	\$20,107	\$19,246	\$14,323	\$14,225	\$25,409	\$25,564
Indemnity	\$14,163	\$22,984	\$17,795	\$28,807	\$22,573	\$24,070	\$12,395	\$30,575	\$21,784	\$13,544	\$16,304	\$29,507	\$16,095	\$27,611	\$14,224	\$13,206	\$21,005	\$11,924
Benefit delivery expenses	\$5,295	\$10,473	\$7,057	\$8,221	\$6,815	\$7,617	\$5,068	\$10,853	\$4,823	\$5,084	\$5,740	\$7,016	\$9,212	\$7,980	\$5,870	\$6,210	\$6,844	\$4,759
Vocational rehabilitation ^a	\$7	\$299	\$36	\$15	\$20	\$55	\$5	\$335	\$75	\$50	\$1,413	\$57	\$4	\$50	\$4	\$7	\$194	\$52
Total	\$36,608	\$45,328	\$42,678	\$53,709	\$51,928	\$52,822	\$40,715	\$69,020	\$36,847	\$30,947	\$38,092	\$49,903	\$45,418	\$54,887	\$34,421	\$33,648	\$53,452	\$42,299
<i>Component share of total costs per claim</i>																		
Medical	46.8%	25.5%	41.7%	31.0%	43.4%	39.9%	57.1%	39.5%	27.6%	39.6%	38.4%	26.7%	44.3%	35.1%	41.6%	42.3%	47.5%	60.4%
Indemnity	38.7%	50.7%	41.7%	53.6%	43.5%	45.6%	30.4%	44.3%	59.1%	43.8%	42.8%	59.1%	35.4%	50.3%	41.3%	39.2%	39.3%	28.2%
Benefit delivery expenses	14.5%	23.1%	16.5%	15.3%	13.1%	14.4%	12.4%	15.7%	13.1%	16.4%	15.1%	14.1%	20.3%	14.5%	17.1%	18.5%	12.8%	11.3%
Vocational rehabilitation ^a	0.0%	0.7%	0.1%	0.0%	0.0%	0.1%	0.0%	0.5%	0.2%	0.2%	3.7%	0.1%	0.0%	0.1%	0.0%	0.0%	0.4%	0.1%

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020.

^a The data underlying the vocational rehabilitation provider expense measures in Arkansas, Georgia, Indiana, Iowa, New Jersey, Tennessee, and Texas are not necessarily representative of each state's experience and are excluded from interstate comparisons in this analysis. In this table, however, we show the numbers for these states to provide a complete breakdown of components of total costs per claim with more than seven days of lost time in 2017/2020.

Table 9 Claims with Worker Attorney Involvement as a Percentage of Claims with More Than 7 Days of Lost Time at 36 Months' Average Maturity^a

	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	18-State Median ^b
2014/2017	21%	42%	37%	39%	32%	50%	19%	35%	27%	17%	25%	40%	51%	30%	27%	12%	27%	15%	29%
2015/2018	23%	43%	40%	41%	32%	52%	20%	35%	27%	17%	24%	41%	51%	31%	21%	13%	28%	15%	29%
2016/2019	24%	43%	40%	43%	35%	54%	19%	36%	26%	17%	27%	40%	51%	33%	21%	12%	28%	15%	30%
2017/2020	26%	43%	40%	44%	33%	55%	18%	38%	27%	17%	28%	39%	52%	30%	23%	12%	27%	16%	29%

Notes: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020. The interstate comparison results shown in this table are adjusted for injury and industry mix.

^a We measure worker attorney involvement by the percentage of claims that had a worker attorney based on a flag variable from the payor's administrative records. This measure captures whether an attorney was involved at any stage in the claim. Typically, payors learn of the attorney's involvement when a notification letter is received from the attorney. Attorneys have strong incentives to send these notices shortly after they are retained. For more details, see *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; the states change depending on the measure being evaluated.

Table 10 Trend in the Percentage of Claims with Worker Attorney Involvement for Claims with More Than 7 Days of Lost Time (36 months)^a

	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	18-State Median ^b
Percentage of claims																			
Cumulative percentage point change from 2014/2017 to:																			
2015/2018	2.3	1.0	1.9	1.7	-0.4	2.1	0.7	0.9	-0.5	-0.1	-0.8	1.0	0.1	0.6	-5.3	0.1	0.0	0.1	0.4
2016/2019	4.4	0.8	3.0	3.1	2.9	4.0	0.6	0.9	-0.2	0.2	1.3	0.0	0.5	2.2	-5.9	-0.9	0.5	0.0	0.7
2017/2020	4.8	0.7	2.4	4.6	1.0	5.4	-0.6	2.8	0.3	-0.1	2.5	-1.7	1.4	0.2	-4.4	-1.4	0.2	0.5	0.6
Annual percentage point change:																			
2014/2017 to 2015/2018	2.3	1.0	1.9	1.7	-0.4	2.1	0.7	0.9	-0.5	-0.1	-0.8	1.0	0.1	0.6	-5.3	0.1	0.0	0.1	0.4
2015/2018 to 2016/2019	2.1	-0.2	1.1	1.4	3.3	1.9	-0.1	0.0	0.3	0.3	2.1	-1.0	0.4	1.6	-0.6	-1.0	0.5	-0.1	0.4
2016/2019 to 2017/2020	0.4	-0.1	-0.6	1.5	-1.9	1.4	-1.2	1.9	0.5	-0.3	1.2	-1.7	0.9	-2.0	1.5	-0.5	-0.3	0.5	0.2

Notes: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020; similar notation is used for other years. A trend of 0.0 means the change was less than 0.05 percent or percentage points. The trend numbers shown in this table are not adjusted for injury and industry mix.

^a We measure worker attorney involvement by the percentage of claims that had a worker attorney based on a flag variable from the payor's administrative records. This measure captures whether an attorney was involved at any stage in the claim. Typically, payors learn of the attorney's involvement when a notification letter is received from the attorney. Attorneys have strong incentives to send these notices shortly after they are retained. For more details, see *CompScope™ Benchmarks: Technical Appendix, 21st Edition*.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; the states change depending on the measure being evaluated.

Table 11 Trend in Average Indemnity Benefit per Claim Adjusted for Wage Growth, Claims with More Than 7 Days of Lost Time at 12 Months' Average Maturity^a

	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI	18-State Median ^b
Average indemnity benefit per claim with more than 7 days of lost time																			
Annual percentage change:																			
2014/2015 to 2015/2016	-6.1	3.4	3.8	-0.9	-5.5	0.2	3.5	2.6	-0.4	-0.3	-2.9	3.4	-2.9	2.4	-7.0	4.2	-3.6	-2.8	-0.3
2015/2016 to 2016/2017	11.4	0.7	7.3	2.8	5.2	1.2	4.6	9.3	3.1	0.6	7.8	2.6	-0.8	1.2	-0.3	0.4	-1.4	0.5	1.9
2016/2017 to 2017/2018	-1.3	-1.1	3.0	4.0	-5.5	3.9	-3.0	-3.9	-0.3	-2.2	0.3	-3.6	1.7	-1.4	-2.1	-3.1	0.4	-3.0	-1.3
2017/2018 to 2018/2019	2.6	-0.2	0.6	-1.2	-2.1	-2.6	4.3	7.9	2.5	-4.1	0.4	1.3	-1.1	0.7	3.3	-3.7	1.3	5.2	0.6
2018/2019 to 2019/2020	-3.4	2.2	7.6	6.8	2.6	2.0	4.8	4.4	-0.6	6.5	-2.1	3.7	5.8	5.5	-1.5	4.6	5.9	-2.4	4.1

Notes: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020; similar notation is used for other years. A trend of 0.0 means the change was less than 0.05 percent or percentage points.

^a The table above shows year-to-year change in average indemnity benefit per claim with more than seven days of lost time net of growth in the average weekly wages of workers with injuries. Note that wage growth is one of the key factors underlying the growth in indemnity benefits per claim, along with changes in duration of temporary disability (TD) benefits, TD benefit rates, as well as the frequency and payments for permanent partial disability and/or lump-sum settlements, and other factors. The data above allow the reader to look at trends in indemnity benefits per claim after controlling for the effect of wage growth.

^b The 18-state median is the average of the states ranked 9th and 10th on a given measure; the states change depending on the measure being evaluated.

Table 12 Summary of Selected Florida 2003 Reform Provisions**Selected reform provisions relevant to medical services***Fee schedule changes (effective for services after January 1, 2004)*

Increased physician fees to 110% of Medicare; 140% for surgeons

Decreased payments for many hospital outpatient services to nonhospital fee schedule rates

Increased fees for chiropractor and physical/occupational therapist services to 110% of Medicare (effective for services after May 2005)

Chiropractor visit limit increases (effective for services on and after October 1, 2003)

Increased chiropractor visit limits from 18 to 24 treatments; increased the number of weeks of treatment from 8 to 12 weeks

Selected reform provisions relevant to permanent disability benefits (effective for injuries on/after October 1, 2003)

Eliminated the Social Security Disability Income (SSDI) criteria for permanent total disability (PTD) eligibility

Eliminated permanent partial disability (PPD) supplemental benefits

Increased PPD (impairment) benefit rate from 50% to 75% of worker's temporary total disability (TTD) amount

Enacted a sliding scale for PPD benefits that in many cases reduced number of weeks of PPD benefits

Selected reform provisions relevant to worker's attorney fees (effective on/after October 1, 2003)

Limited workers' attorney fees for benefits secured to a set schedule; judges of compensation claims may not award attorney fees that exceed the schedule (except in some medical-only cases).

Notes: This table lists a few of the important reform provisions that had major impacts on medical costs and indemnity benefits in Florida. For more details on the reform provisions, please see [the 2004 Florida Statutes, Chapter 440, Workers' Compensation](#) or [the summary of Senate Bill 50-A](#).

Table 13 Trend in Percentage of Claims with More Than 7 Days of Lost Time and Attorney Involvement in Florida, 2002/2005 to 2017/2020

	2002/2005	2003/2006	2004/2007	2005/2008	2006/2009	2007/2010	2008/2011	2009/2012	2010/2013	2011/2014	2012/2015	2013/2016	2014/2017	2015/2018	2016/2019	2017/2020
Claims with worker attorney involvement as a percentage of claims with more than 7 days of lost time ^a	35.0%	34.9%	33.9%	33.7%	34.2%	38.2%	39.7%	37.6%	36.6%	36.4%	37.8%	36.8%	36.8%	38.7%	39.8%	39.2%
Annual change in worker attorney involvement (percentage points)		-0.1	-1.0	-0.2	0.5	4.0	1.5	-2.1	-1.0	-0.2	1.4	-1.0	0.0	1.9	1.1	-0.6

Note: 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020. Similar notation is used to describe other injury years and valuations.

^a The measure of worker attorney involvement comes from the payor's administrative records. These capture whether an attorney is involved at any stage in the claim. Typically payors learn of the attorney's involvement when a notification letter is received from the attorney. Attorneys have strong incentives to send these notices shortly after they are retained.

Table 14 Medical Payments per Claim with Less Than or Equal to 7 Days of Lost Time, Adjusted for Injury and Industry Mix

2019/2020	AR	CA	FL	GA	IA	IL	IN	LA	MA	MI	MN	NC	NJ	PA	TN	TX	VA	WI
Average medical payment per claim (claims with less than or equal to 7 days of lost time)	\$855	\$1,076	\$1,456	\$1,284	\$1,453	\$1,388	\$1,480	\$1,758	\$854	\$1,009	\$1,188	\$877	\$1,750	\$1,398	\$982	\$1,150	\$1,442	\$2,130

Note: 2019/2020 refers to claims arising from October 1, 2018, through September 30, 2019, evaluated as of March 31, 2020.

Table 15 Percentage of Workers Who Reported "Big Problems" Getting the Primary Provider They Wanted and System Features That Might Be Related to This Measure

	WI	MN	MA	CT	KY	PA	VA	MI	AR	GA	IN	TN	IA	FL	NC	Median State
Percentage of workers reporting "big problems" getting the primary provider they wanted ^a	9%	11%	12%	13%	13%	14%	14%	15%	17%	17%	18%	19%	19%	19%	21%	15%
	MA	FL	MI	TN	AR	NC	PA	CT	MN	GA	KY	VA	IA	IN	WI	Median State
Workers' compensation fee schedule rates for medical professional services as a percentage above or below state Medicare rates, February 2019 ^b	1%	19%	34%	47%	51%	54%	58%	71%	78%	83%	98%	104	n/a	n/a	n/a	56%
	FL	MI	AR	MA	TN	NC	PA	KY	GA	MN	CT	VA	IA	IN	WI	Median State
Index of prices paid for medical professional services, June 2019 ^c	68	80	82	83	85	87	87	100	101	104	108	112	129	155	250	100
	WI	MI	IN	TN	AR	MN	VA	MA	PA	IA	NC	FL	GA	CT	KY	Median State
Percentage of claims with worker attorneys, 2017/2020 (36 months) ^d	16%	17%	18%	23%	26%	28%	27%	27%	30%	33%	39%	40%	44%	n/a	n/a	27%
	AR	CT	FL	GA	IA	IN	KY	MA	MI	MN	NC	PA	TN	VA	WI	
Classification of provider choice policy ^e	ER	ER	ER	ER	ER	ER	EE	EE	EE	EE	ER	EE	ER	ER	EE	

Notes: This table shows the percentage of workers who reported "big problems" getting the primary provider they wanted across 15 states, a measure for access to care in the WCRI study *Comparing Outcomes for Workers Injured in Florida, 2019 Interviews* (2020). The other metrics in this table, cited from multiple WCRI studies, show results in these states for several system features that may be related to access to care. The states are ranked from the lowest to the highest values in each of the numeric measures. Note that the descriptive statistics shown here cannot address causal relationships among these measures. There may also be other factors correlated with access to care, and the relevant factors in one state may not be the same in another state; therefore, this table does not intend to exhaust all the potential factors across all states.

^a Results shown in this measure are from the WCRI study *Comparing Outcomes for Workers Injured in Florida, 2019 Interviews* (Savych and Thumula, 2020). Numbers here represent the percentages of workers with more than seven days of lost time who reported "big problems" getting the primary provider they wanted across the 15 states included in this study. These results are based on surveys conducted about three years after injury.

^b Numbers shown in this measure are from the WCRI study *Designing Workers' Compensation Medical Fee Schedules, 2019* (Fomenko and Liu, 2019). Positive numbers reflect a percentage above the Medicare fee schedule levels for a state and negative numbers reflect a percentage below the Medicare fee schedule levels for a state. These results are based on fee schedule rates as of February 2019. Three states in this table do not have workers' compensation fee schedules for medical professional services and therefore are not included in this study; they are Indiana, Iowa, and Wisconsin.

^c Numbers shown in this measure are from *WCRI Medical Price Index for Workers' Compensation, 12th Edition* (Yang and Fomenko, 2020). Numbers smaller than 100 represent that the prices paid in a state were lower than in the median of the 15 states shown in this table. Numbers greater than 100 represent that the prices paid in a state were higher than in the median of the 15 states. The prices paid in the median of the 15 states are held at 100. The price index measures the actual prices paid holding utilization constant. It is based on a marketbasket of common medical professional services used for treating workers as of June 2019. Actual prices paid reflect network discounts and/or other price negotiations between the payors and medical providers.

^d Results shown in this measure are from the *CompScope™ Benchmarks for Florida, 21st Edition* (Yang, 2020). Numbers here represent the percentages of 2017 claims with more than seven days of lost time and on average 36 months of experience that had workers attorneys involved. 2017/2020 refers to claims arising from October 1, 2016, through September 30, 2017, evaluated as of March 31, 2020. Connecticut and Kentucky are not included in this study.

^e This classification of provider choice policy in most states is from the WCRI study *The Effects of Provider Choice Policies on Workers' Compensation Costs* (Neumark and Savych, 2017), except for Connecticut, Kentucky, Minnesota, and Pennsylvania, which are not included in the study. States classified as "ER" are states with employer choice of provider or employer control of panel, and with very restricted options for workers to change provider. States classified as "EE" are the ones with worker choice of provider or workers have considerable ability to change provider. Results here reflect state policies and regulations between 2007 and 2010. Note that one of the states shown in this table made changes to provider choice regulations after this analysis window: Michigan expanded employer control of provider choice from 10 to 28 days in 2011. The classification of provider choice policy in Connecticut and Kentucky are based on the WCRI study *Workers' Compensation Medical Cost Containment: A National Inventory, 2018*. The classification of provider choice policy in Minnesota and Pennsylvania are based on Table 5 and 6 in *CompScope™ Medical Benchmarks for Florida, 21st Edition*.

Key: EE: Worker choice state; ER: Employer choice state; n/a: not available.

Table 16 Trend in Average Weekly Earnings of All Employees in Florida, 2008 to 2019

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average weekly earnings of all employees, Florida statewide, total private sector, not seasonally adjusted	\$739.20	\$756.35	\$761.12	\$746.81	\$741.57	\$755.08	\$763.34	\$776.21	\$792.54	\$824.57	\$863.39	\$880.14
		2008 to 2009	2009 to 2010	2010 to 2011	2011 to 2012	2012 to 2013	2013 to 2014	2014 to 2015	2015 to 2016	2016 to 2017	2017 to 2018	2018 to 2019
Annual growth rate (percentage change)		2.3%	0.6%	-1.9%	-0.7%	1.8%	1.1%	1.7%	2.1%	4.0%	4.7%	1.9%
		2008 to 2013				2013 to 2019						
Average annual percentage change		0.4%				2.6%						

Source: U.S. Bureau of Labor Statistics. Employment, Hours, and Earnings from the Current Employment Statistics survey (Florida statewide). Series title *Average weekly earnings of all employees, total private, not seasonally adjusted*. Series ID SMU12000000500000011.

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WORKERS' COMPENSATION STATUTE¹

Florida Statutes, Chapter 440.136

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¹ The citation provided is the basic workers' compensation statutes. Amendments are not listed, and other state statutes may relate to workers' compensation requirements and processes.

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