

Analysis of Changes in Indemnity Claim Frequency — January 2015 Update Report

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WCIRB California
Tel 415.777.0777
Fax 415.778.7007
wcirb@wcirb.com
www.wcirb.com

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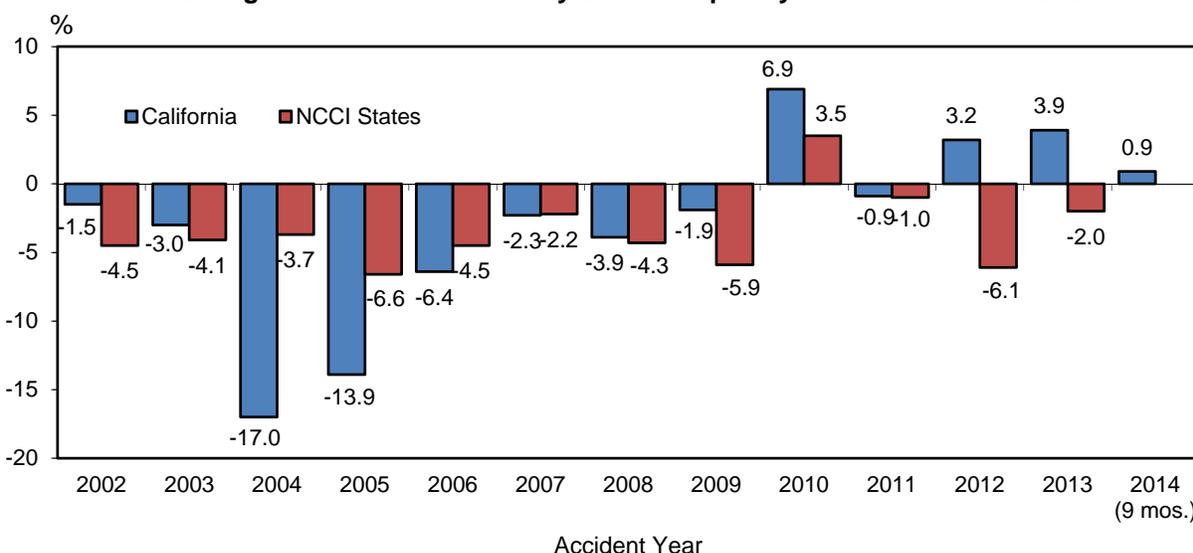
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I. Executive Summary

Historically, indemnity claim frequency has generally declined from year-to-year, both in California and the rest of the country. However, in 2010 indemnity claim frequency increased sharply in California as well as in many other states. In a 2012 report on the 2010 frequency increase, the WCIRB identified a number of influencing factors, including (a) increases in cumulative injury claims, (b) increases in smaller non-cumulative injury claims that may have been reported as medical-only in the past, (c) increases in the proportion of indemnity claims relative to total claims, and (d) increases in late-reported indemnity claims and the proportion of medical-only claims that later transition to indemnity.¹ Many of these factors were related to the 2008-2009 economic recession and were experienced in other states.

Since 2010, indemnity claim frequency in California has continued to increase while countrywide frequency declined at similar levels to the pre-2010 period. Chart 1 compares indemnity claim frequency changes for California to that for the average of National Council on Compensation Insurance (NCCI) states.² The WCIRB currently projects annual indemnity claim frequency increases between 3% to 4% for 2012 and 2013³ while data for NCCI states show declines of 6% and 2%. While 2014 data is not yet available for other states, preliminary data through nine months for California suggests that frequency is continuing to increase (0.9%).

Chart 1: Change in Estimated Indemnity Claim Frequency – California vs. NCCI States



In 2013 the WCIRB conducted an analysis of the indemnity claim frequency increases since 2010⁴ and found that since 2010, (a) late-emerging indemnity claims have continued to increase, (b) the proportion of cumulative injuries has continued to increase, particularly for permanent partial injuries and claims involving multiple body parts, (c) shifts in industrial mix have increased frequency as the economy recovers from the 2008-2009 recession, and (d) the average tenure of an injured worker has declined as

¹ *Analysis of Changes in Indemnity Claim Frequency*, WCIRB, August 2012.

² NCCI estimates are based on the May 8, 2014 State of the Line Presentation (NCCI 2013 estimate is preliminary and the 2010 and 2011 estimates have been adjusted to remove the impact of audit premium and other factors).

³ Preliminary unit statistical data for accident year 2013 (based on accident year 2013 claims from policies incepting in 2012) suggests a 0.3% indemnity claim frequency increase for 2013. The WCIRB regularly updates its estimates of indemnity claim frequency changes as more information becomes available.

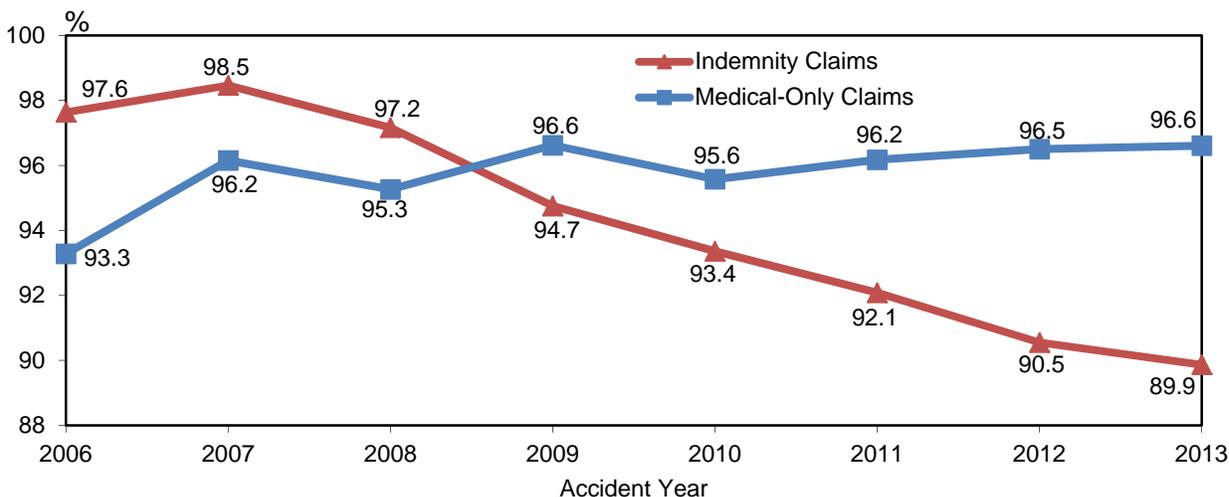
⁴ *Analysis of Changes in Indemnity Claim Frequency – 2013 Report*, WCIRB, December 2013.

more newer workers enter the system. The report also found that, contrary to the 2010 increase, which was experienced nationwide, the 2012 increase was specific to California and in particular focused in the Los Angeles area.

In this report, the WCIRB has updated the information from the prior WCIRB reports based on insurer unit statistical and aggregate financial call data submitted to the WCIRB through the third quarter of 2014 as well as other external data in order to identify the key factors driving these recent frequency increases. The key findings resulting from this analysis are detailed in Section III and include the following:

- The number of late reported indemnity claims continues to increase. Chart 2 shows the estimated percentage of total indemnity claims and medical-only claims reported at 18 months by accident year. While more than 98% of accident year 2007 indemnity claims were reported as of 18 months, the WCIRB estimates that only 90% of accident year 2013 indemnity claims will have been reported by 18 months. Conversely, the percentage of medical only claims reported after 18 months has generally remained stable since 2007.

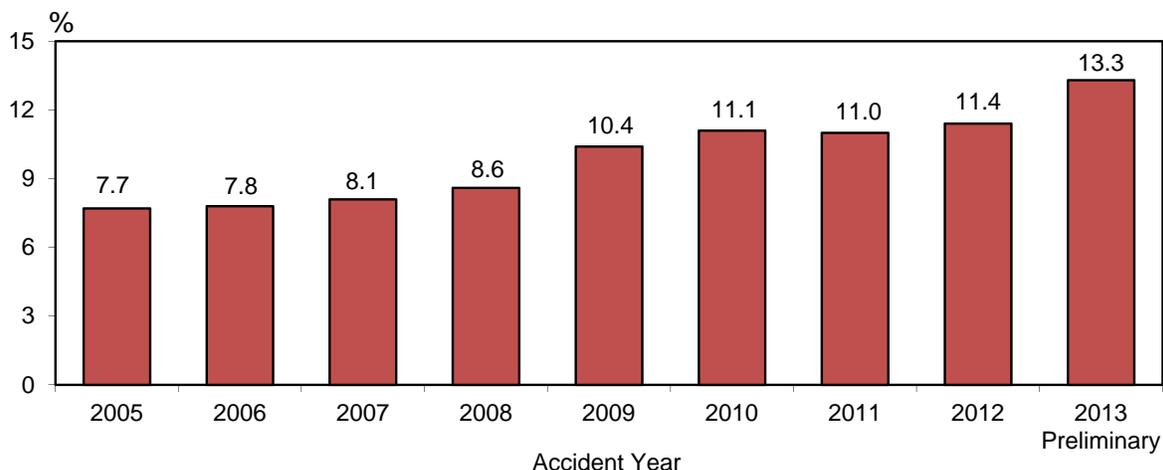
Chart 2: Estimated Percentage of Ultimate Claim Counts Reported at 18 Months



- An increase in the proportion of cumulative injury claims was identified as a key driver in the 2010 claim frequency increase, and the level of cumulative injury claims has continued to increase. Chart 3 shows the estimated percentage of all indemnity claims that involve a cumulative injury. Approximately 13% of indemnity claims are estimated to involve a cumulative injury in 2013, as compared to approximately 8% in the 2005 to 2007 period.⁵

⁵ At least some of the increase in cumulative injury claims experienced in 2013 is likely attributable to improved reporting of cumulative injury claims as a result of WCIRB data quality efforts.

Chart 3: Estimated Percentage of Indemnity Claims Involving Cumulative Injury Partial Accident Years Developed to 5th Unit Statistical Report Level



- The growth in cumulative injury claims beginning in 2009 has been concentrated in claims involving more serious injuries and multiple injured body parts. Chart 4 shows the distribution of cumulative injury claims by type of injury. Chart 5 shows the estimated percentage of cumulative injury claims involving multiple body parts. Both the proportion of cumulative injury claims involving indemnity benefits and the proportion involving injuries to multiple body parts have increased significantly since 2010.

Chart 4: Distribution of Cumulative Injury Claims by Injury Type At 1st Unit Statistical Report Level

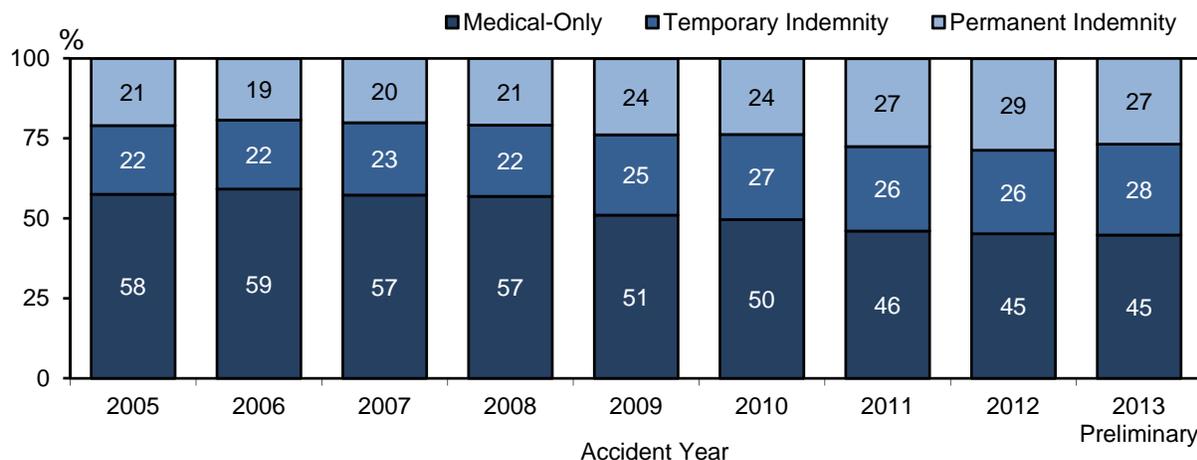
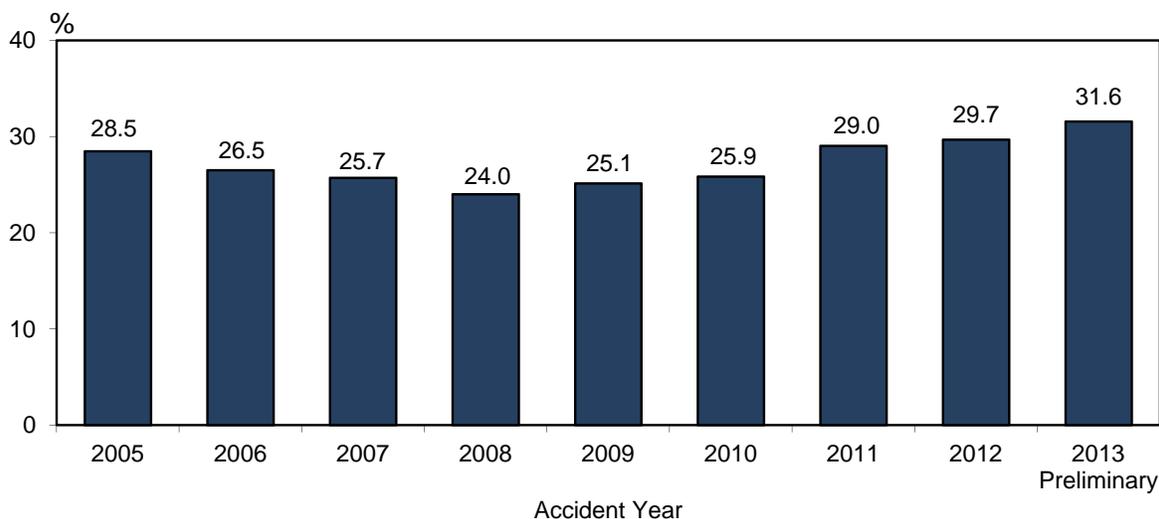


Chart 5: Percentage of Cumulative Injury Claims Involving Multiple Body Parts At 1st Unit Statistical Report Level



- In 2012 the WCIRB conducted a survey of cumulative injury claims through 2010 to better understand the recent increases in the number of those claims being filed. In late 2014, the WCIRB conducted a follow-up survey of accident year 2012 and 2013 cumulative injury claims. Chart 6 compares the results of both surveys. Since 2010, the proportion of cumulative injury claims involving multiple insurers or attorney representation has increased to 24% and 80%, respectively, and the percentage of cumulative injury claims involving multiple body parts remained high at 61%. Conversely, the proportion of surveyed cumulative injury claims involving psychiatric injury or sleep disorder has declined.⁶ Additional survey information shown in Chart 7 indicates that approximately two-thirds of the claims surveyed in 2014 were initially denied in part or in whole by the insurer and approximately 40% of claims, despite long-standing statutory limitation on the compensability of post-termination claims, were reported post-termination.

⁶ SB 863 eliminated permanent disability add-ons for psychiatric injury, sleep disorder, and sexual dysfunction except in limited circumstances.

Chart 6: Cumulative Injury Claim Survey Comparison

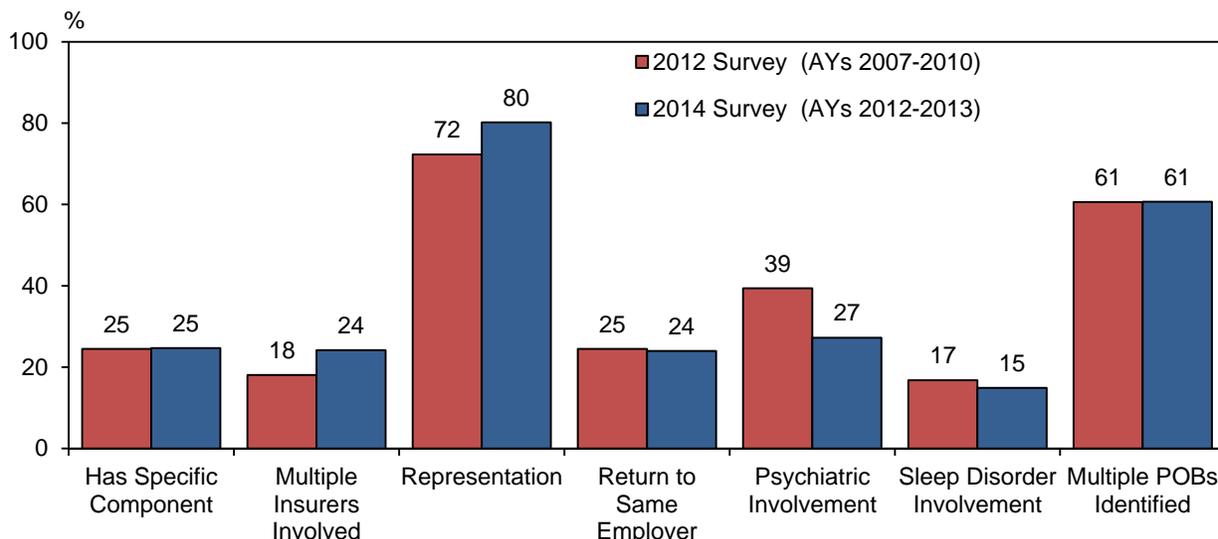
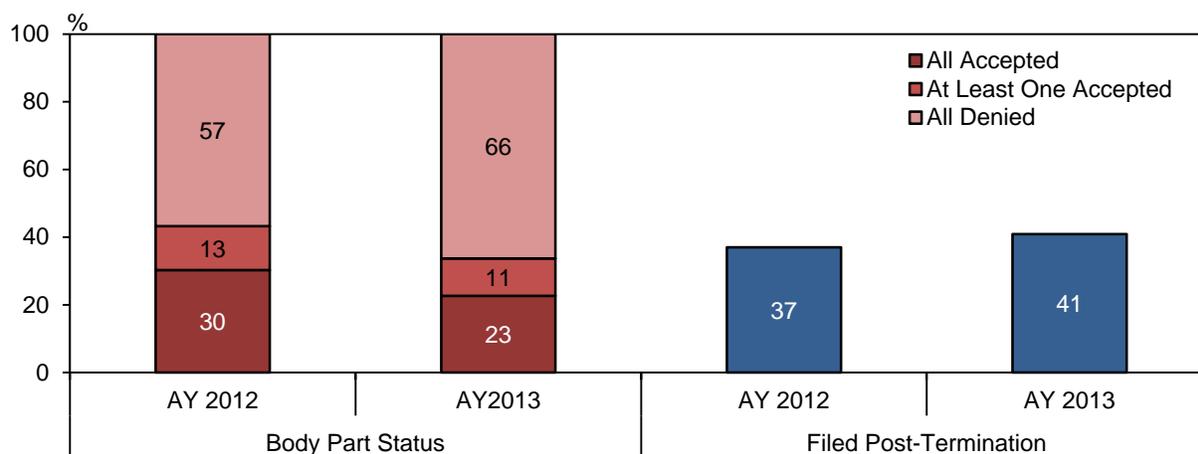
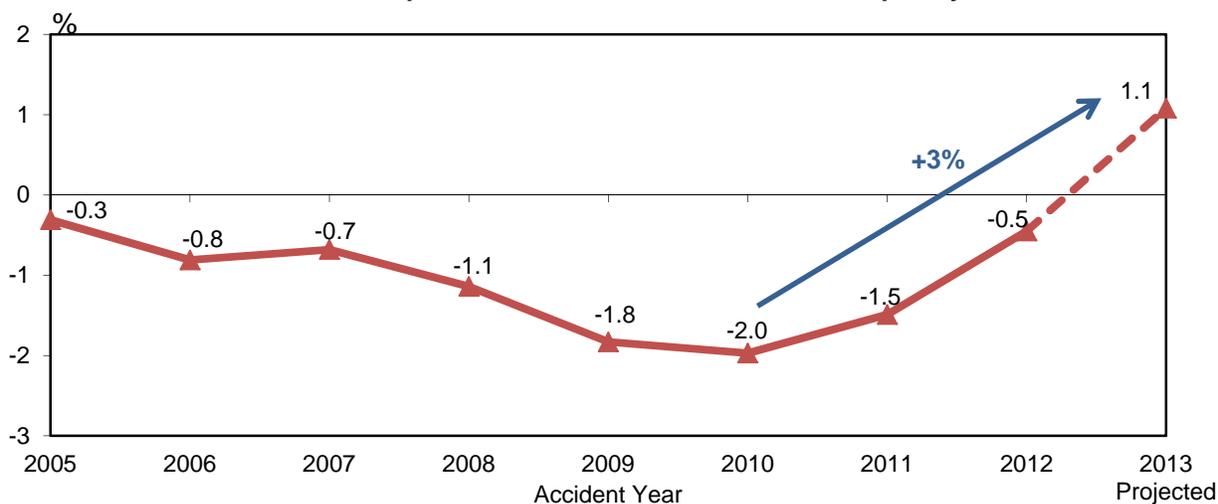


Chart 7: Additional 2014 Cumulative Injury Claim Survey Results



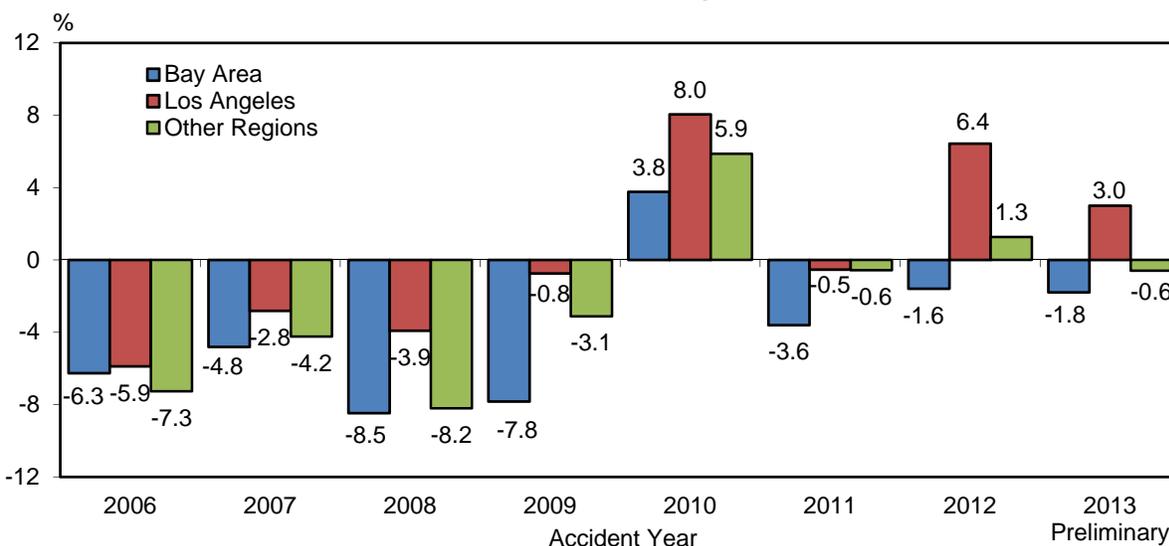
- Shifts to a less hazardous composition of industries in California have historically driven claim frequency down. In 2010, reduced construction exposure resulting from the impact of the recession in California significantly dampened what otherwise would have been an even larger frequency increase. However, with the recent economic recovery in higher hazard industries such as construction and manufacturing, the impact of industrial mix shifts on claim frequency has reversed in recent years. Chart 8 shows the estimated percentage impact of shifts in industrial mix on indemnity claim frequency. In 2013, rather than dampening claim frequency, shifting industrial mix is increasing claim frequency by approximately 1%.

Chart 8: Impact of Shifts in Industrial Mix on Frequency



- The 2010 increase in frequency was greatest in industries such as construction and real estate that were most impacted by the recession. Since 2010, relativities for the higher-frequency industries such as agriculture, construction, and entertainment have increased while those for the lower-frequency industries such as real estate, professional services, and finance have declined.
- The 2010 indemnity claim frequency increase was generally experienced across all California regions. Since that time, the increases have been concentrated in the Los Angeles area. Chart 9 shows that indemnity claim frequency increased an estimated 9% in the Los Angeles/Los Angeles Basin region from 2010 to 2013 while, similar to the pattern shown in many other states, the other California regions showed modest declines. (For example, indemnity claim frequency in the Bay Area declined by 7% over the same period.) The Los Angeles area also has experienced significantly higher numbers of cumulative injury claims and claims involving multiple body parts than other regions of California.

Chart 9: Estimated Frequency Changes by Geographic Region At 1st Unit Statistical Report Level



- As the economy recovers, newer workers enter the system and are often more likely to be injured on the job than more experienced workers. Chart 10 shows the distribution of injured worker tenure at the date of injury. The proportion of injured workers with less than 2 years of experience at their current job has grown by 8 percentage points from 2010 to 2014, suggesting the economic recovery is a significant driver of recent claim frequency increases.

**Chart 10: Distribution of Injured Worker Tenure at Date of Injury
Based on DWC WCIS Data**

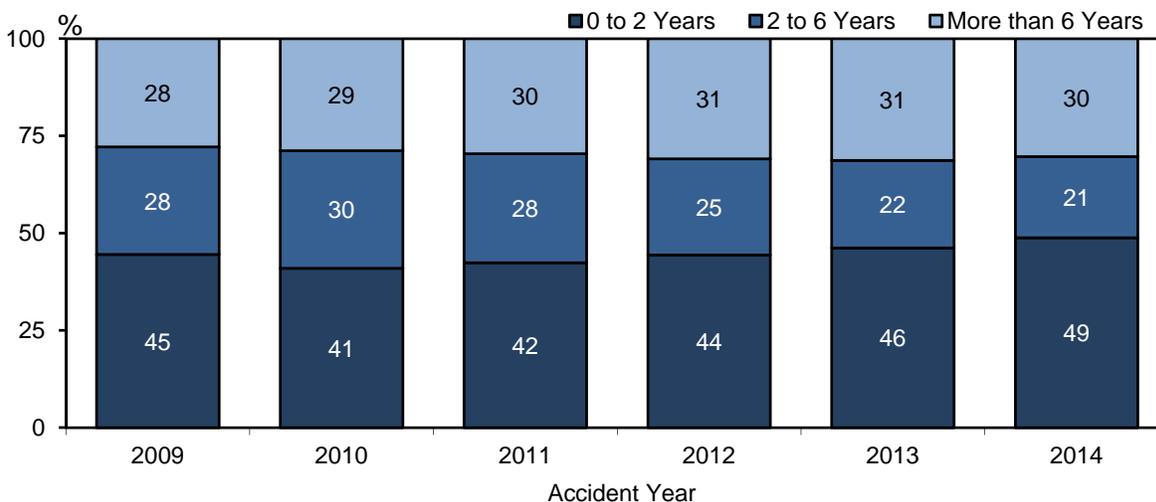


Table 1 summarizes the principal similarities and differences between the 2010 indemnity claim frequency increase and the more recent increases.

Table 1: Change in Indemnity Claim Frequency – 2010 Compared to 2012 and 2013

	2010 Frequency Change	2012 & 2013 Frequency Change
Regional Differences	Increase in Many Other States and Throughout California	Isolated to Los Angeles Area – Differs from National Trends and Other CA Regions
Impact of Recession	Increase in Cumulative Injuries (not Filed During Recession)	Increase in Newly-Hired Workers During Recovery
Industries Most Affected	Sectors Most Impacted By Recession (e.g., Construction, Real Estate)	Higher-frequency industries (e.g., Agriculture, Entertainment)
Reform Impacts	N/A	Potential Impact of SB 863 Indemnity Benefit Increases
Claims Most Affected	Smaller Indemnity Claims that May Otherwise Have Been Medical-Only	Mid-Size to Larger Claims, Many Involving Cumulative Injury or Multiple Body Parts
Shifting Industrial Mix	Loss of Construction Employment Significantly Dampening Frequency	Growth in Higher Hazard Industries Reversing Dampening Impact During Recovery
Reporting of Claims	Late Reported Claims Increasing	Further Increase in Late Reported Claims Particularly Those Involving Cumulative Injury
Cumulative Injury Claims	Cumulative Injury Claims Increasing, Many Represented and/or Involving Multiple Body Parts	Further Increase In Cumulative Injury Claims, Many Filed Post Termination and/or Denied

II. Background

Prior to 2010, indemnity claim frequency in California had decreased for many years as it had in many other states. This long-term pattern of declining claim frequency is attributable to a number of factors including shifting patterns of economic activity to a less hazardous and more service-based economy, increased mechanization within specific industries, and greater attention to workplace safety. This long-term frequency decline has moderated premium rate increases despite years of significant medical inflation in workers' compensation claims.

In 2010, indemnity claim frequency increased sharply in California as well as in many other states. In 2012, the WCIRB conducted an extensive analysis of the 2010 increase.⁷ Among the influencing factors identified in the 2012 report were (a) increases in cumulative injury claims, particularly in industries significantly impacted by the 2008-2009 economic recession, (b) increases in smaller non-cumulative injury claims that may have been reported as medical-only in the past, (c) increases in the proportion of indemnity claims relative to total claims, and (d) increases in late-reported indemnity claims, increases in the proportion of medical-only claims that later transition to indemnity, and decreases in the proportion of indemnity claims that later transition to medical-only. The 2012 report also noted that the key influencing factors were generally experienced across all California regions.

Since 2010, indemnity claim frequency in California has continued to increase rather than return to the typical long-term pattern of decline. For example, while national frequency trends appear to be returning to its typical downward pattern, current WCIRB information suggests indemnity claim frequency increased each year from 2012 to 2014, with annual increases ranging from 1% to 4%. Additionally, Senate Bill No. 863 (SB 863) significantly increased permanent disability benefits in 2013 and 2014. While WCIRB research has shown that increases in indemnity benefits can increase claim frequency,⁸ recent frequency increases exceed WCIRB estimates that reflected the impact of the higher SB 863 permanent disability benefits.

In 2013, the WCIRB analyzed the frequency increases occurring since 2010.⁹ The 2013 report identified many of the drivers of the 2012 frequency increase and the similarities and differences with those impacting the 2010 increase. The report found that since 2010, (a) late-reported and medical-only to indemnity transition claims have continued to increase, (b) the proportion of cumulative injuries has continued to increase, particularly for permanent partial injuries and claims involving multiple body parts, (c) shifts in industrial mix have increased frequency as the economy recovers from the 2008-2009 recession, and (d) the average tenure of an injured worker has declined as more newer workers enter the system. The report also found that, contrary to the 2010 increase, which was experienced nationwide, the 2012 increase was specific to California and in particular focused in the Los Angeles area.

This report updates the findings identified in the 2013 report related to indemnity claim frequency changes through 2012 and analyzes factors influencing claim frequency through accident year 2013. Many of the findings in this report are based on preliminary claims data that may change as the claims develop and additional data is reported. The WCIRB's Actuarial Committee regularly reviews indemnity claim frequency, drivers of indemnity claim frequency changes, and other system diagnostics as updated information becomes available.

⁷ *Analysis of Changes in Indemnity Claim Frequency*, WCIRB, August 2012.

⁸ Brooks, Ward, *California Workers Compensation Benefit Utilization – A Study of Changes in Frequency and Severity in Response to Changes in Statutory Workers Compensation Benefit Levels*, Proceedings of the Casualty Actuarial Society, Volume LXXXVI, 1999, pp. 80 – 262.

⁹ *Analysis of Changes in Indemnity Claim Frequency – 2013 Report*, WCIRB, December 2013.

III. Analysis & Findings

Exhibit 1 shows current estimates of indemnity claim frequency per 1,000 workers and frequency changes. The WCIRB's standard measure for frequency is based on unit statistical reported indemnity claim counts developed to a fifth report level compared to reported insured payroll adjusted to a common wage level. Changes based on this measure are shown on Exhibit 1 through accident year 2012. For more contemporaneous accident years for which complete unit statistical data is not yet available, the WCIRB estimates indemnity claim frequency based on changes in indemnity claim counts (undeveloped) reported on WCIRB aggregate data calls compared to changes in statewide employment compiled from historical employment data and UCLA forecasts. Changes on this preliminary basis are shown on Exhibit 1 for accident years 2013 and 2014 (through nine months).¹⁰ Indemnity claim frequency increased sharply in 2010 and has continued to increase at a moderate rate through 2014. However, indemnity claim frequency projected for 2014 remains over 30% below that experienced prior to the 2002 through 2004 reforms.

Exhibit 2 shows indemnity claim frequency changes in California compared to the average annual changes in NCCI states.¹¹ Historically, estimated frequency changes for both California and NCCI states have generally been moving in the same direction and at relatively similar magnitudes. However, beginning in 2012 the two estimates of frequency have diverged.

The WCIRB's findings of the factors influencing the recent higher frequency levels are contained in Exhibits 3 through 22 and detailed below.

A. Claim Count Development

The total number of reported indemnity claims grows or develops gradually over time as injuries are reported to insurers and detail on the severity of reported injuries is ascertained. This process of identifying additional claims after the accident year has completed is known as claim count development. In the 2012 and 2013 reports on frequency, the WCIRB identified increased indemnity claim count development as a key driver of recent indemnity claim frequency increases. This increased development was attributable to increases in late-reported indemnity claims (particularly in cumulative injury claims), increases in the proportion of reported medical-only claims that later transition to indemnity, and decreases in the proportion of reported indemnity claims that later transition to medical-only.¹²

Exhibits 3.1, 3.2, and 3.3 show annual age-to-age and cumulative claim count development factors for indemnity claims, medical-only claims, and total claims, respectively, based on WCIRB aggregate data calls. Exhibits 4.1 through 4.3 show comparable information evaluated on a quarterly basis. Indemnity claim count development (Exhibits 3.1 and 4.1) has been increasing for the last several years and has continued to increase at high rates following the 2010 frequency increase. However, medical-only claim count development (Exhibits 3.2 and 4.2) has been relatively stable over this period. Increases in indemnity claim count development drive accident year estimates of indemnity claim frequency upward over time.

¹⁰ Preliminary unit statistical data for accident year 2013 (based on accident year 2013 claims from policies incepting in 2012) suggests a 0.3% indemnity claim frequency increase for 2013. The WCIRB regularly updates its estimates of indemnity claim frequency changes as more information becomes available.

¹¹ NCCI information is based on the May 8, 2014 State of the Line Presentation.

¹² In 2012, the WCIRB conducted a survey of indemnity claims that later transition to medical-only in order to better understand this phenomenon. Among the key factors identified included (a) "companion" claims (such as a cumulative injury) in which the indemnity is only paid on one of the claims, (b) a final permanent disability (PD) award of 0% when some PD was initially estimated, (c) the injured worker being offered modified or restricted work resulting in no lost time, and (d) settlements in which the payment was made on the medical portion of the claim. See *Analysis of Changes in Indemnity Claim Frequency* (WCIRB, August 2012) for more information.

Cumulative injury claims are a significant component of indemnity claim count development as cumulative injury claims are often late reported. Exhibit 5 shows annual indemnity claim count development factors for cumulative injury claims, non-cumulative injury claims, and total indemnity claims based on WCIRB unit statistical data. While cumulative injury claims develop significantly slower than non-cumulative injury claims, claim count development factors on both types of claims have been increasing over the last several years.¹³

B. Cumulative Injury Claims

Historically, the WCIRB has closely monitored the proportion of cumulative injury claims. Not only do changes in the number of cumulative injury claim filings impact indemnity claim frequency directly, but WCIRB research has shown that changes in the proportion of claims involving cumulative injury, as a proxy for claims that may have a discretionary component, is a strong indicator of changes in non-cumulative, or “specific”, injury claim frequency. In the WCIRB’s 2012 and 2013 reports on frequency, the WCIRB identified a significant increase in the proportion of cumulative injury claims as a key driver of recent increases in indemnity claim frequency.

Exhibit 6 shows cumulative injury claims as a percentage of all indemnity claims by partial accident year¹⁴ based on unit statistical data developed to fifth report level. The proportion of cumulative injury claims increased beginning with the 2008-2009 recession period and has continued to increase through 2013. (At least some of the increase in the proportion of cumulative injury claims shown for 2013 on Exhibit 6 is likely attributable to improved reporting of cumulative injury claims as a result of WCIRB data quality efforts. WCIRB staff analyzed the cumulative injury claims reported for 2013 and did not find any evidence that these claims were improperly reported.)

Exhibit 7 shows the distribution of cumulative injury claims by type of injury. As with specific injury claims, the proportion of cumulative injury claims involving indemnity benefits has increased significantly over the last several years. The proportion of cumulative injury claims for permanent indemnity injury types¹⁵ has also increased significantly over the last several years. In 2013, approximately 27% of cumulative injury claims reported at first unit statistical report level were for permanent indemnity injury types compared to 20% for 2007.

Exhibit 8 shows the distribution of cumulative injury indemnity claims by injured part of body. (For reference, the distribution of non-cumulative or specific indemnity claims by injured part of body is also shown on Exhibit 8.) A much larger proportion of cumulative injury claims in accident years 2011 through 2013 involved multiple body parts (32% in 2013 as compared to 26% in 2010). Cumulative injury claims are also almost three times as likely to involve injuries to multiple body parts as specific injury claims. Some of this differential may be regionally driven, as the Los Angeles area has significantly more cumulative injury claims and claims involving multiple body parts, as discussed below.

In 2012 the WCIRB conducted a survey of cumulative injury claims from accident years 2007 through 2010 in order to better understand the increased filings of these types of claims. Among the key factors identified included (a) an increase in the proportion of claims also including a “specific” injury component, (b) an increase in claimants represented by an attorney, (c) a large proportion of claims where the claimant did not return to work at the pre-injury employer, (d) an increase in claims involving a psychiatric injury component, and (e) an increase in claims involving multiple body parts.

¹³ At least some of the increase in cumulative injury claim count development experienced over the most recent calendar year is likely attributable to improved reporting of cumulative injury claims as a result of WCIRB data quality efforts.

¹⁴ The claims for accident year Y are from policies incepting in year Y-1.

¹⁵ Permanent indemnity injury types consist of permanent partial claims, permanent total claims, and death claims.

In 2014 the WCIRB conducted a follow-up survey of accident year 2012 and 2013 cumulative injury claims. The results of the survey are compared to the 2012 survey on Exhibit 9. The survey results show that since 2010 the proportion of cumulative injury claims involving multiple insurers or attorney representation has increased and the proportion involving psychiatric injury or sleep disorder has declined. In addition, the reporting lag measured by the days between the date of injury on the cumulative injury claim and the date it was reported to the insurer has almost doubled since 2010 as the average reporting lag was almost six months in the most recent survey.

Exhibit 9 also shows additional information requested on the 2014 cumulative injury claim survey. In total, 61% of cumulative injury claims reported for accident years 2012 and 2013 involve all reported injured body parts initially denied by the insurer and 73% had at least one body part denied. Denial rates were even higher on cumulative injury claims that were accompanied by a specific injury, as 84% of the claims were denied in whole or in part. Also, despite longstanding statutory limitations on the filing of post-termination claims, approximately 40% of the surveyed claims were reported post-termination.

Exhibit 10 shows the median cost of the claims surveyed in 2014 by various claim characteristics at first unit statistical report. In general, cumulative injury indemnity claims typically have less than the average indemnity claim severity. In particular, cumulative injury claims involving multiple insurers or having a specific claim component tend to have fewer dollars paid or reserved at earlier report levels, which can further lower average claim severities when the number of these types of claims increase.

C. Shifts in Industrial Mix

Changes in industrial mix have historically had a dampening effect on indemnity claim frequency as California has moved towards less hazardous employments. Exhibit 11 shows changes in indemnity claim frequency resulting from shifts in industrial mix, or “inter-class” frequency, over time. Shifting industrial mix has generally had a downward impact on claim frequency as California continues to transition to a more white-collar service-based economy. The downward impact of industrial mix increased sharply during the recent recession as, in particular, construction was heavily impacted. Subsequent to the 2010 decrease, inter-class frequency is rebounding as post-recession recoveries occur in higher frequency industries such as construction and manufacturing. This swing in the impact of shifts in industrial mix between 2010 and 2013 represents an approximate 3% increase in overall indemnity claim frequency.

Exhibit 12 shows indemnity claim frequency by NAICS sector relative to statewide (all industries combined) frequency at first unit statistical report level. Frequency is based on reported indemnity claim counts divided by insured payroll for each sector adjusted for changes in statewide average wage levels. Since 2010, relativities for the higher-frequency industries such as agriculture, construction, and entertainment have increased while those for the lower-frequency industries such as real estate, professional services, and finance have declined.

The WCIRB periodically reviews economic information that may have some impact on indemnity claim frequency or other claims phenomenon such as average hours worked or net job gains and losses. While there does appear to be some variability in various economic measures among sectors, this data has not shown to significantly explain recent changes in claim frequency.

D. Regional Differences

Claim filing patterns can vary widely across California regions due to a variety of demographic, socioeconomic, and systemic differences in addition to differing claims-filing practices. Historically, Southern California has exhibited higher rates of permanent disability (PD) claims and cumulative injury claims. However, in the WCIRB’s 2012 report on frequency it was noted that in 2010 increases in cumulative injury claim rates had been occurring across all regions in the state.

Exhibit 13 shows indemnity claim frequency by geographic region.¹⁶ Indemnity claim frequency rates in the Los Angeles/L.A. Basin region¹⁷ have historically been significantly higher than those for the Bay Area.¹⁸ In 2010, frequency increases were experienced across all major California regions. However, since that time, frequencies in the Bay Area and other California regions have been flat or declining while those in the Los Angeles area have continued to escalate. Preliminary unit statistical information shows indemnity claim frequency increasing by approximately 9% in the Los Angeles area from 2010 to 2013 compared to a decline of 7% in the Bay Area and relatively no change in other California regions.

Exhibit 14 shows ratios of PD claims to indemnity claims, indemnity claims to total claims, and cumulative injury claims to indemnity claims for the Bay Area, Los Angeles/L.A. Basin, and other California regions. These ratios have historically been higher for the Los Angeles area when compared to other regions and have generally been increasing since 2008 across all regions. However, since 2008 the disparity between the Los Angeles area ratios and those for other California regions has grown considerably. In particular, the proportion of indemnity claims that involve cumulative injury for accident year 2013 is almost twice that of the remainder of the state.

Exhibits 15.1, 15.2, and 15.3 show the distribution of cumulative injury claims, non-cumulative injury claims, and all indemnity claims, respectively, by part of body code and geographic region. The Los Angeles/L.A. Basin region historically has much higher rates of multiple body parts reported on claims, particularly for cumulative injuries, while the Bay Area has a greater proportion of injuries involving the hand and/or wrist.

As mentioned above, regional differences in claim frequency patterns are, in part, attributable to differing demographic and socioeconomic conditions. The WCIRB has reviewed various demographic information across regions such as indemnity claim frequency by industrial sector and distributions of indemnity claims by wage level. While there typically were regional differences among the various diagnostics analyzed, these patterns had been relatively stable over the last several years. The WCIRB plans to conduct additional research into regional differences in claim frequency and other claim characteristics in 2015.

E. Other Claim Demographics

In addition to the areas identified above, the WCIRB has reviewed several other factors that may impact recent indemnity claim frequency levels.

Exhibit 16 shows the distribution of indemnity claim counts by injury type at first unit statistical report level. The proportion of indemnity claims continues to increase since 2010 while the proportion of medical-only claims has declined. Preliminary information on accident year 2013 claims suggests a decline in the proportion of indemnity claims involving permanent disability (PD) benefits at first report level, despite the increases to PD benefits as a result of SB 863 effective January 1, 2013.

Newer, more inexperienced workers are generally more likely to be injured on the job and file a workers' compensation claim. To assess this impact on recent claim frequency changes, the WCIRB has compiled data from the Division of Workers' Compensation (DWC) Workers' Compensation Information System (WCIS) on employee tenure at the time of injury. Exhibit 17 shows the average and median tenure for injured workers in the insured system by accident quarter through the third quarter of 2014. While average and median tenure of injured workers increased during the recession, since 2010 these figures have declined as the economy recovers and more inexperienced workers are added to the workforce.

¹⁶ For purposes of this analysis, the region assigned to the payroll and claims data is based on the zip code on the workers' compensation policy address.

¹⁷ This region includes Los Angeles County, Orange County, Ventura County, San Bernardino County, and Riverside County and represents approximately 45% of the insured payroll in California.

¹⁸ Some of this differential may be due to differences in industrial mix.

Exhibit 18 shows the distribution of tenure by year. In 2014, approximately 49% of injured workers had been with the employer for less than two years, compared to 41% in 2010, suggesting that the economic recovery may be a significant factor impacting recent frequency changes. Exhibit 19 shows the average and median tenure from WCIS data for select industrial sectors. Recent reductions in average and median tenure have been spread across multiple industries.

Preliminary WCIRB estimates of indemnity claim frequency changes compare changes in the number of indemnity claims to changes in statewide employment. Changes in employment have shown to be a reasonable proxy for changes in insured payroll levels as long as there are not significant shifts of employers in and out of self-insurance. If there are shifts in self-insurance levels, this could significantly impact insured payroll levels without affecting statewide employment levels, which could potentially distort frequency measures based on statewide employment changes. The WCIRB regularly monitors self-insurance levels and has not observed any shifts in these levels over the last several years to be significantly distorting frequency projections.

F. Impact of SB 863

SB 863 increased permanent disability benefits effective January 1, 2013 and January 1, 2014 and provided a number of structural reforms to the California workers' compensation system. With changes in benefit levels, not only is the cost of average weekly benefits changed, but the frequency of claims is also affected. WCIRB estimates of the impact of benefit level changes on claim frequency are based on an econometric model of the effect of a number of economic, demographic, and claims-related variables, including changes in indemnity benefit levels, on the frequency of claims in California.¹⁹ Exhibit 20 shows the most current WCIRB econometric frequency model projections.

WCIRB research has shown that statutory changes in indemnity benefit levels not only affect indemnity claim frequency in the year they become effective, but are also strongly correlated with frequency changes in the immediate prior year. As a result, the indemnity benefit level in the WCIRB's econometric model is a leading variable. Therefore, the 2013 PD benefit increases (and other 2013 effective reforms impacting indemnity benefits)²⁰ are also projected to affect accident year 2012 claim frequency, and the 2014 PD benefit increases are also projected to impact accident year 2013 frequency. A more detailed analysis of the potential frequency impacts of SB 863 is discussed in the WCIRB's SB 863 cost evaluations.²¹

G. Impact on Claim Severity

Changes in indemnity claim frequency and claim severity are not independent. In the WCIRB's 2012 report on claim frequency, it was noted that the 2010 indemnity claim frequency increase included an increase in relatively smaller indemnity claims and that this was having a dampening effect on indemnity claim severities. Unlike claim frequency, ultimate claim severities develop over many years and much more limited information on claim severities for more recent years is available. Nevertheless, the WCIRB has compiled preliminary information on claim frequency and severity since 2010 to assess the types of claim sizes emerging.

¹⁹ Brooks, Ward, *California Workers Compensation Benefit Utilization – A Study of Changes in Frequency and Severity in Response to Changes in Statutory Workers Compensation Benefit Levels*, Proceedings of the Casualty Actuarial Society, Volume LXXXVI, 1999, pp. 80 – 262.

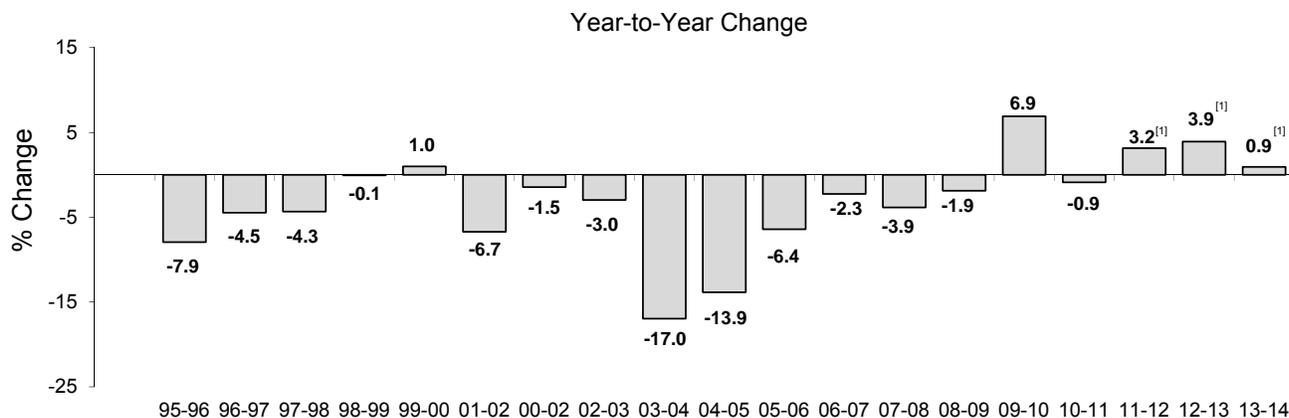
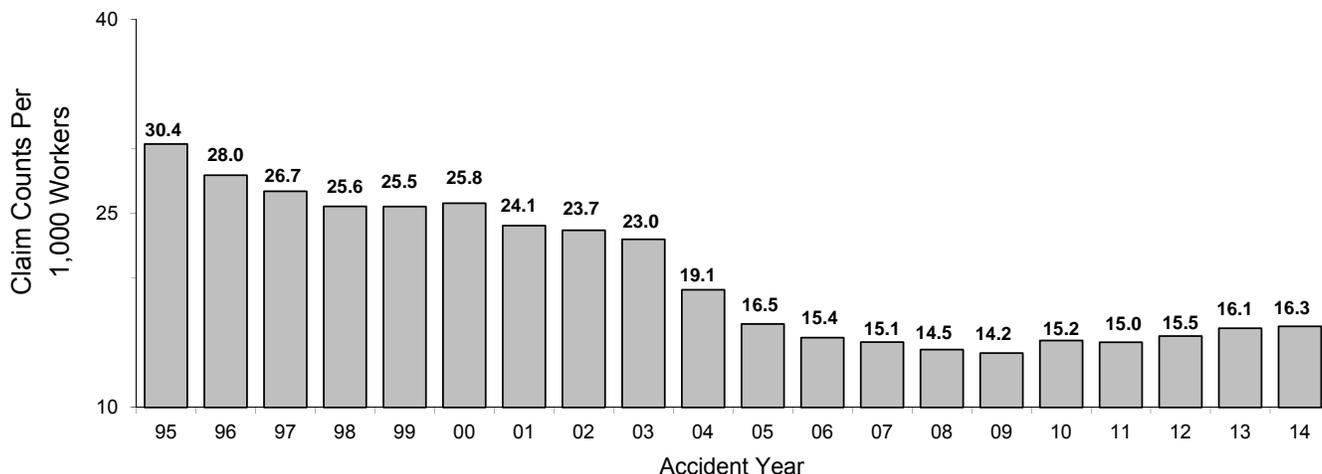
²⁰ The 2013 PD increases were offset by reductions to temporary disability as a result of independent medical review, and elimination of the impact of the *Ogilvie* decision as a result of eliminating the future earnings capacity factor from the calculation of the PD award. The estimated cost impact of these provisions (including any claim frequency impact) is regularly updated in the WCIRB's SB 863 cost monitoring reports.

²¹ See *WCIRB Evaluation of the Cost Impact of Senate Bill No. 863* (WCIRB, Updated October 12, 2012) and *Senate Bill No. 863 WCIRB Cost Monitoring Report – 2014 Retrospective Evaluation* (WCIRB, November 14, 2014).

Exhibits 21.1 and 21.2 show the distribution of indemnity claim frequency changes by layer of incurred medical at first unit statistical report level. As noted above and discussed in the WCIRB's 2012 report, a majority of the 2010 frequency increase was attributable to smaller indemnity claims with between \$500 to \$25,000 in incurred medical, for which frequency had generally been declining in prior years. However, in 2012 and 2013 the increases appear to be attributed to frequency growth in more mid-sized claims, with relatively no growth in claims with below \$5,000 in incurred medical, suggesting that increasing claim frequency may no longer be a significant factor moderating severity growth. As this information is based on incurred losses, which includes claims adjusters' estimates of the total cost of a claim, these differences may not be reflected in analyses of paid severities, which may be relatively more homogenous during the early life of a claim.

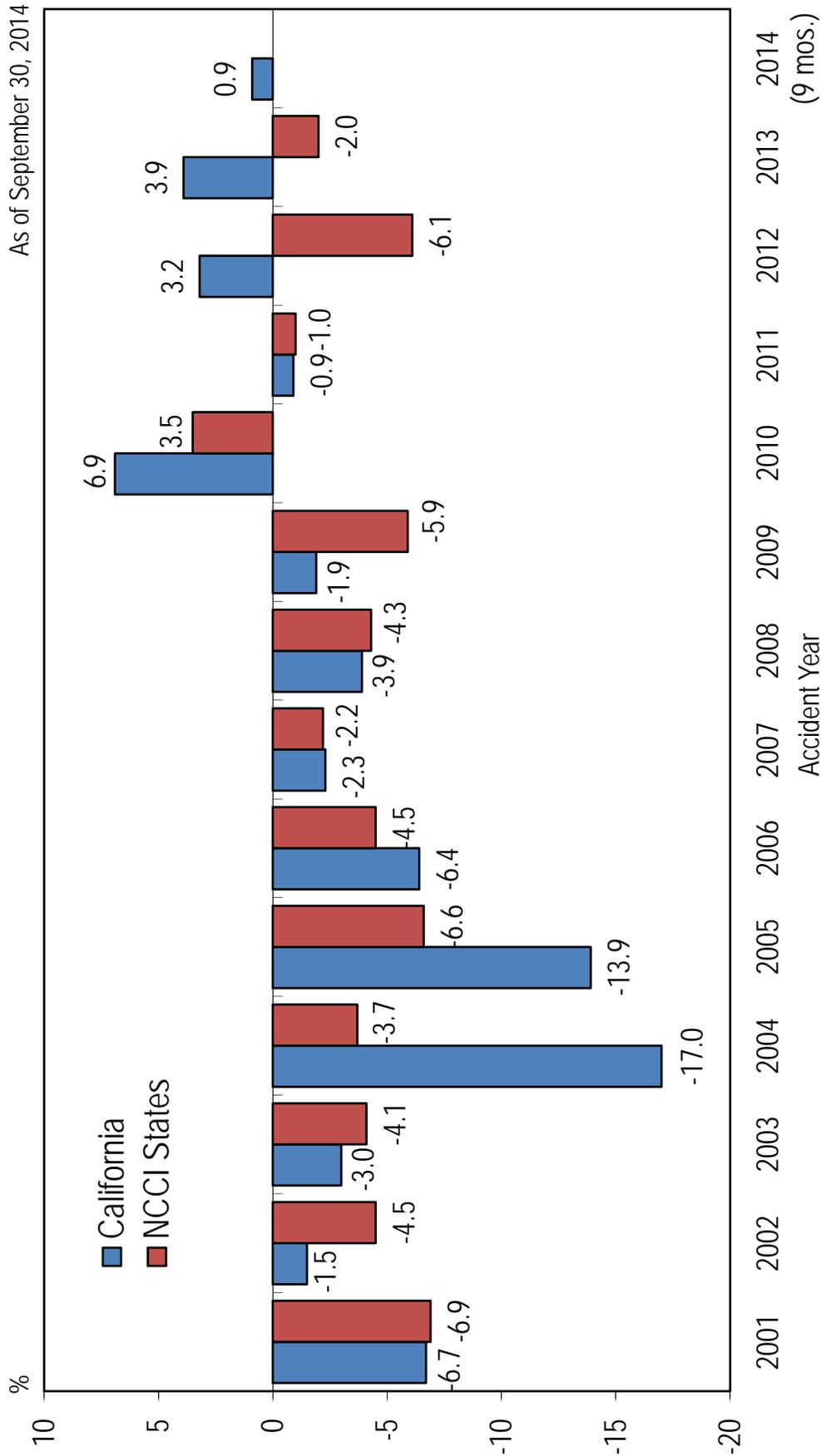
Exhibit 22 shows changes in policy year average and median incurred severities at first unit statistical report level. Growth in both average and median claim severities has been relatively modest since 2010, suggesting no significant shifts in the distribution of claim sizes as a result of increased frequency of smaller claims.

**California Workers' Compensation
Estimated Indemnity Claim Frequency by Accident Year
As of September 30, 2014**



^[1] The 2011-2012 estimate is based on partial year unit statistical data. The 2012-2013 and 2013-2014 estimates are based on comparison of claim counts based on WCIRB accident year experience as of September 30, 2014 relative to the estimated change in statewide employment

Change in Estimated Indemnity Claim Frequency California vs. NCCI States



Source: WCIRB Unit Statistical Data (2001-2012) and Aggregate Data Calls (2013-2014).
 NCCI estimates are based on the May 8, 2014 State of the Line Presentation (NCCI 2013 estimate is preliminary and the 2010 and 2011 estimates have been adjusted to remove the impact of audit premium and other factors).

Indemnity Claim Count Development as of June 30, 2014 Experience

Accident Year	Indemnity Claim Count Development for Age-to-Age									
	18/6	30/18	42/30	54/42	66/54	78/66	90/78	102/90	114/102	126/114
1997										1.001
1998									1.000	1.000
1999								1.001	1.000	1.000
2000							1.000	1.000	1.000	1.000
2001						1.001	0.999	0.999	0.999	1.000
2002					1.001	1.000	1.000	0.999	0.999	0.999
2003				1.001	0.999	0.998	0.999	0.999	0.999	0.999
2004			1.002	0.999	0.999	1.000	0.999	0.998	0.999	1.000
2005		1.017	1.002	1.000	1.002	1.000	1.000	1.000	1.000	
2006	2.446	1.015	1.008	1.003	1.001	1.000	1.001	1.000		
2007	2.567	1.023	1.009	1.004	1.003	1.002	1.000			
2008	2.486	1.041	1.013	1.008	1.004	1.002				
2009	2.696	1.051	1.019	1.008	1.004					
2010	2.828	1.058	1.018	1.008						
2011	2.903	1.068	1.019							
2012	2.932	1.073								
2013	2.963									

Cumulative Development (Latest Year Selections):

Calendar

Year	<u>ULT/6</u>	<u>ULT/18</u>	<u>ULT/30</u>	<u>ULT/42</u>	<u>ULT/54</u>	<u>ULT/66</u>	<u>ULT/78</u>	<u>ULT/90</u>	<u>ULT/102</u>	<u>ULT/114</u>
2007	2.505	1.024	1.007	1.004	1.003	1.003	1.002	1.002	1.001	1.001
2008	2.607	1.016	1.001	0.999	0.999	1.000	1.001	1.001	1.001	1.001
2009	2.559	1.029	1.006	0.998	0.999	1.000	1.002	1.002	1.003	1.003
2010	2.845	1.055	1.014	1.005	1.002	1.000	1.001	1.002	1.003	1.003
2011	3.029	1.071	1.019	1.006	1.002	1.000	1.000	1.001	1.002	1.003
2012	3.153	1.086	1.026	1.007	0.999	0.996	0.996	0.996	0.998	0.999
2013	3.238	1.104	1.034	1.016	1.008	1.004	1.002	1.002	1.002	1.003
2014	3.297	1.113	1.037	1.017	1.009	1.005	1.002	1.002	1.002	1.002

Source: WCIRB aggregate data calls

Medical-Only Claim Count Development as of June 30, 2014 Experience

Accident Year	Medical-Only Claim Count Development for Age-to-Age									
	18/6	30/18	42/30	54/42	66/54	78/66	90/78	102/90	114/102	126/114
1997										0.999
1998									0.999	1.002
1999								1.000	1.003	1.000
2000							1.000	1.001	0.999	1.000
2001						1.004	1.002	1.001	1.001	1.001
2002					1.008	0.999	1.002	1.001	1.002	1.001
2003				1.009	1.004	1.002	1.001	1.002	1.001	1.001
2004			1.010	1.007	1.003	1.001	1.002	1.002	1.001	1.001
2005		1.041	1.010	1.004	1.002	1.003	1.002	1.001	1.001	
2006	2.756	1.028	1.009	1.004	1.003	1.002	1.001	1.001		
2007	2.694	1.023	1.006	1.005	1.002	1.001	1.001			
2008	2.541	1.019	1.007	1.004	1.002	1.002				
2009	2.628	1.016	1.007	1.004	1.002					
2010	2.583	1.016	1.005	1.004						
2011	2.614	1.016	1.007							
2012	2.711	1.014								
2013	2.623									

Cumulative Development (Latest Year Selections):

Calendar

Year	<u>ULT/6</u>	<u>ULT/18</u>	<u>ULT/30</u>	<u>ULT/42</u>	<u>ULT/54</u>	<u>ULT/66</u>	<u>ULT/78</u>	<u>ULT/90</u>	<u>ULT/102</u>	<u>ULT/114</u>
2007	2.954	1.072	1.030	1.020	1.011	1.002	0.998	0.998	0.998	0.999
2008	2.802	1.040	1.011	1.001	0.994	0.990	0.991	0.989	0.988	0.985
2009	2.667	1.050	1.026	1.016	1.012	1.010	1.007	1.005	1.004	1.005
2010	2.720	1.035	1.016	1.009	1.006	1.004	1.002	1.001	1.000	0.999
2011	2.702	1.046	1.029	1.022	1.017	1.014	1.011	1.008	1.006	1.005
2012	2.718	1.040	1.023	1.017	1.012	1.010	1.008	1.007	1.005	1.004
2013	2.809	1.036	1.020	1.015	1.011	1.009	1.007	1.006	1.005	1.004
2014	2.715	1.035	1.021	1.014	1.011	1.008	1.007	1.005	1.005	1.004

Source: WCIRB aggregate data calls

Total Claim Count Development as of June 30, 2014 Experience

Accident Year	Total Claim Count Development for Age-to-Age									
	18/6	30/18	42/30	54/42	66/54	78/66	90/78	102/90	114/102	126/114
1997										1.000
1998									1.000	1.001
1999								1.000	1.002	1.000
2000							1.000	1.001	0.999	1.000
2001						1.003	1.001	1.001	1.000	1.001
2002					1.005	0.999	1.001	1.000	1.001	1.000
2003				1.006	1.002	1.001	1.000	1.001	1.000	1.000
2004			1.007	1.004	1.002	1.001	1.001	1.000	1.000	1.000
2005		1.033	1.008	1.003	1.002	1.002	1.001	1.001	1.000	
2006	2.643	1.023	1.009	1.003	1.003	1.001	1.001	1.001		
2007	2.650	1.023	1.007	1.005	1.002	1.001	1.001			
2008	2.521	1.026	1.009	1.005	1.003	1.002				
2009	2.648	1.027	1.011	1.005	1.003					
2010	2.660	1.031	1.010	1.005						
2011	2.708	1.034	1.011							
2012	2.784	1.034								
2013	2.737									

Cumulative Development (Latest Year Selections):

Calendar

Year	<u>ULT/6</u>	<u>ULT/18</u>	<u>ULT/30</u>	<u>ULT/42</u>	<u>ULT/54</u>	<u>ULT/66</u>	<u>ULT/78</u>	<u>ULT/90</u>	<u>ULT/102</u>	<u>ULT/114</u>
2007	2.784	1.054	1.020	1.013	1.007	1.002	0.999	0.999	0.999	0.999
2008	2.734	1.032	1.008	1.000	0.996	0.994	0.994	0.994	0.993	0.991
2009	2.629	1.043	1.019	1.010	1.007	1.006	1.005	1.004	1.003	1.004
2010	2.755	1.040	1.014	1.007	1.004	1.002	1.001	1.001	1.001	1.000
2011	2.803	1.054	1.025	1.016	1.012	1.009	1.007	1.006	1.005	1.004
2012	2.855	1.054	1.023	1.012	1.007	1.005	1.003	1.002	1.002	1.002
2013	2.949	1.059	1.024	1.014	1.009	1.006	1.005	1.004	1.004	1.003
2014	2.905	1.061	1.026	1.015	1.009	1.006	1.004	1.004	1.003	1.003

Source: WCIRB aggregate data calls

Indemnity Claim Count Development as of September 30, 2014 Experience

Accident Year	Development for Age-to-Age														
	3-6	6-9	9-12	12-15	15-18	18-21	21-24	24-27	27-30	30-33	33-36	36-39	39-42	42-45	45-48
2006	2.490	1.623	1.364	1.091	1.013	1.009	1.000	1.004	1.002	1.002	1.001	1.002	1.002	1.001	1.001
2007	2.562	1.704	1.361	1.087	1.018	1.009	1.004	1.005	1.004	1.003	1.003	1.002	1.002	1.002	1.001
2008	2.537	1.653	1.340	1.095	1.025	1.015	1.010	1.009	1.007	1.004	1.003	1.003	1.002	1.003	1.002
2009	2.694	1.682	1.388	1.113	1.037	1.021	1.012	1.010	1.007	1.007	1.005	1.004	1.003	1.003	1.002
2010	2.712	1.716	1.407	1.128	1.039	1.022	1.016	1.011	1.008	1.006	1.005	1.003	1.004	1.003	1.001
2011	2.700	1.737	1.421	1.128	1.043	1.027	1.019	1.010	1.011	1.006	1.005	1.003	1.004	1.003	1.001
2012	2.749	1.743	1.421	1.125	1.053	1.028	1.020	1.014	1.010	1.006	1.005	1.004	1.004	1.003	1.001
2013	2.844	1.744	1.423	1.142	1.045	1.026									
2014	2.771	1.730													

Source: Aggregate Data Calls

Medical-Only Claim Count Development as of September 30, 2014 Experience

Accident Year	Development for Age-to-Age														
	3-6	6-9	9-12	12-15	15-18	18-21	21-24	24-27	27-30	30-33	33-36	36-39	39-42	42-45	45-48
2006	2.649	1.722	1.395	1.125	1.020	1.015	1.003	1.006	1.003	1.003	1.003	1.003	1.001	1.001	1.000
2007	2.676	1.720	1.359	1.132	1.018	1.011	1.005	1.004	1.003	1.002	1.001	1.002	1.001	1.001	1.002
2008	2.662	1.699	1.360	1.083	1.015	1.009	1.005	1.003	1.002	1.002	1.002	1.002	1.001	1.002	1.001
2009	2.696	1.708	1.383	1.096	1.015	1.006	1.006	1.003	1.003	1.002	1.002	1.001	1.001	1.001	1.001
2010	2.778	1.679	1.386	1.098	1.011	1.006	1.004	1.004	1.002	1.001	1.001	1.002	1.001	1.001	1.001
2011	2.688	1.700	1.383	1.100	1.011	1.006	1.004	1.004	1.002	1.002	1.002	1.002	1.001	1.001	1.000
2012	2.608	1.736	1.400	1.098	1.017	1.006	1.004	1.004	1.002	1.002	1.002	1.001	1.001	1.001	1.000
2013	2.822	1.692	1.392	1.101	1.012	1.006	1.004	1.002	1.001	1.002	1.002	1.001	1.001	1.001	1.000
2014	2.700	1.730				1.007									

Source: Aggregate Data Calls

Total Claim Count Development as of September 30, 2014 Experience

Accident Year	Development for Age-to-Age														
	3-6	6-9	9-12	12-15	15-18	18-21	21-24	24-27	27-30	30-33	33-36	36-39	39-42	42-45	45-48
2006	2.586	1.687	1.383	1.114	1.017	1.013	1.002	1.005	1.003	1.003	1.002	1.003	1.001	1.001	1.000
2007	2.634	1.713	1.359	1.119	1.018	1.010	1.005	1.005	1.003	1.002	1.002	1.002	1.001	1.001	1.001
2008	2.620	1.684	1.353	1.087	1.018	1.011	1.006	1.005	1.004	1.002	1.003	1.002	1.002	1.003	1.001
2009	2.697	1.699	1.385	1.101	1.022	1.011	1.008	1.005	1.004	1.004	1.003	1.002	1.002	1.001	1.001
2010	2.754	1.691	1.392	1.108	1.020	1.012	1.008	1.006	1.004	1.003	1.003	1.002	1.002	1.002	1.001
2011	2.697	1.712	1.396	1.109	1.022	1.013	1.009	1.006	1.005	1.004	1.003	1.002	1.002	1.002	1.001
2012	2.653	1.738	1.407	1.107	1.029	1.014	1.010	1.006	1.004	1.004	1.003	1.002	1.002	1.001	1.001
2013	2.829	1.709	1.403	1.115	1.024	1.014	1.014	1.006	1.004	1.004	1.003	1.002	1.002	1.001	1.001
2014	2.724	1.730													

Source: Aggregate Data Calls

Indemnity Claim Count Development by Type of Claim

A. Cumulative Injury Claim Count Development

Accident Year	Report Level							
	1 to 2	2 to 3	3 to 4	4 to 5	5 to 6	6 to 7	7 to 8	8 to 9
2004	1.053	1.015	1.021	1.024	1.033	1.003	1.000	1.006
2005	1.107	1.067	1.050	1.053	1.023	1.010	1.014	1.005
2006	1.174	1.068	1.057	1.027	1.018	1.011	1.019	
2007	1.146	1.090	1.047	1.023	1.024	1.027		
2008	1.196	1.106	1.055	1.033	1.035			
2009	1.208	1.112	1.056	1.062				
2010	1.166	1.086	1.096					
2011	1.256	1.177						
2012	1.438							

B. Non-Cumulative Injury Claim Count Development

Accident Year	Report Level							
	1 to 2	2 to 3	3 to 4	4 to 5	5 to 6	6 to 7	7 to 8	8 to 9
2004	1.004	1.000	1.002	0.987	1.009	0.994	1.003	1.003
2005	1.014	1.002	0.996	1.007	0.991	1.002	1.001	0.996
2006	1.010	1.000	1.004	0.995	1.001	1.001	0.995	
2007	1.019	1.006	0.999	1.003	1.001	1.000		
2008	1.033	1.005	1.005	1.001	1.000			
2009	1.036	1.009	1.004	1.000				
2010	1.042	1.009	1.000					
2011	1.043	1.010						
2012	1.050							

C. All Indemnity Claim Count Development

Accident Year	Report Level							
	1 to 2	2 to 3	3 to 4	4 to 5	5 to 6	6 to 7	7 to 8	8 to 9
2004	1.007	1.001	1.003	0.990	1.011	0.994	1.003	1.003
2005	1.019	1.006	0.999	1.010	0.994	1.003	1.002	0.996
2006	1.019	1.005	1.008	0.998	1.002	1.002	0.997	
2007	1.027	1.012	1.003	1.004	1.002	1.002		
2008	1.042	1.012	1.009	1.004	1.003			
2009	1.048	1.017	1.008	1.006				
2010	1.051	1.016	1.009					
2011	1.058	1.025						
2012	1.078							

Source: WCIRB unit statistical data

Partial Accident Year Cumulative Injury Indemnity Claim Counts by Policy Year and Report Level

AY	1st Half Partial PY.RL Sources					Share of Total Indemnity Count 1st Half Partial PY.RL Sources				
	(AY-1).1	(AY-1).2	(AY-1).3	(AY-1).4	(AY-1).5	(AY-1).1	(AY-1).2	(AY-1).3	(AY-1).4	(AY-1).5
1995	2,545	4,088	5,050	6,176	6,300	4.6%	5.9%	6.7%	7.9%	8.0%
1996	2,759	4,739	5,519	5,844	5,873	4.9%	6.4%	6.8%	7.2%	7.0%
1997	4,371	5,394	5,991	6,107	6,231	6.1%	6.6%	7.2%	7.2%	7.5%
1998	4,594	5,522	5,829	6,000	5,959	5.8%	6.5%	6.7%	7.1%	7.1%
1999	5,305	5,933	6,501	6,642	6,940	6.3%	6.8%	7.5%	7.6%	7.9%
2000	5,575	6,663	7,058	7,407	7,475	6.5%	7.6%	7.9%	8.2%	8.3%
2001	5,752	6,797	7,578	7,681	7,699	7.2%	7.8%	8.5%	8.6%	8.7%
2002	5,401	7,047	7,242	7,382	7,412	7.1%	8.3%	8.5%	8.6%	8.7%
2003	6,144	6,953	7,183	7,329	7,432	8.0%	8.6%	8.9%	9.1%	9.2%
2004	5,374	5,723	5,860	5,961	6,086	8.4%	8.7%	8.9%	9.0%	9.2%
2005	3,184	3,665	3,969	4,243	4,568	5.7%	6.4%	6.8%	7.3%	7.7%
2006	2,989	3,569	3,924	4,231	4,348	5.5%	6.4%	7.0%	7.5%	7.8%
2007	3,037	3,645	4,036	4,274	4,413	5.9%	6.8%	7.4%	7.8%	8.1%
2008	2,914	3,659	4,180	4,458	4,636	5.9%	7.0%	7.9%	8.4%	8.6%
2009	2,974	3,932	4,524	4,822	5,161	6.7%	8.2%	9.3%	9.8%	10.4%
2010	3,456	4,497	5,013	5,522		7.5%	9.1%	9.9%	10.8%	
2011	3,366	4,434	5,285			7.2%	8.7%	10.1%		
2012	3,559	5,154				7.1%	9.5%			
2013	4,769					9.0%				

AY	1st Half Partial PY.RL Development Factors				Final Fifths	1st Half Share of Ttl Ind Fifths
	(AY-1).1 to (AY-1).2	(AY-1).2 to (AY-1).3	(AY-1).3 to (AY-1).4	(AY-1).4 to (AY-1).5		
1995	1.6066	1.2351	1.2231	1.0201	6,300	8.0%
1996	1.7174	1.1646	1.0588	1.0049	5,873	7.0%
1997	1.2339	1.1107	1.0195	1.0203	6,231	7.5%
1998	1.2020	1.0556	1.0292	0.9932	5,959	7.1%
1999	1.1184	1.0957	1.0217	1.0448	6,940	7.9%
2000	1.1952	1.0592	1.0495	1.0091	7,475	8.3%
2001	1.1816	1.1149	1.0136	1.0024	7,699	8.7%
2002	1.3048	1.0276	1.0194	1.0040	7,412	8.7%
2003	1.1316	1.0332	1.0203	1.0140	7,432	9.2%
2004	1.0649	1.0239	1.0173	1.0210	6,086	9.2%
2005	1.1509	1.0829	1.0692	1.0766	4,568	7.7%
2006	1.1941	1.0995	1.0782	1.0275	4,348	7.8%
2007	1.2003	1.1071	1.0591	1.0324	4,413	8.1%
2008	1.2559	1.1423	1.0663	1.0400	4,636	8.6%
2009	1.3223	1.1505	1.0658	1.0362	5,161	10.4%
2010	1.3012	1.1147	1.0660	1.0362	5,722	11.1%
2011	1.3173	1.1325	1.0660	1.0362	5,838	11.0%
2012	1.3092	1.1325	1.0660	1.0362	6,448	11.4%
2013	1.3092	1.1325	1.0660	1.0362	7,811	13.3%

Notes:

Cumulative injury claims include occupational disease.

Selected link ratios are geometric mean of latest two links and are shown in bold.

The partial accident years shown represent claims occurring during the year from policies written the previous year. For example,

AY 2013 claims occurred in 2013 from policies written in 2012.

Source: WCIRB unit statistical data

Distribution of Cumulative Injury Claims by Injury Type

Permanent Indemnity

Percentage of All Cumulative Injury Claims					Annual Change						
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
1999	30.6%	34.2%	35.7%	36.7%	37.4%	1999	---	---	---	---	---
2000	31.4%	35.4%	36.9%	37.5%	36.3%	2000	2.6%	3.4%	3.3%	2.2%	-3.0%
2001	30.8%	35.0%	36.6%	37.3%	37.6%	2001	-2.1%	-1.2%	-0.7%	-0.7%	3.5%
2002	32.8%	36.5%	37.5%	38.0%	37.8%	2002	6.6%	4.5%	2.4%	2.1%	0.7%
2003	33.5%	37.1%	38.3%	38.6%	38.8%	2003	2.0%	1.7%	2.0%	1.4%	2.6%
2004	28.5%	31.2%	32.6%	33.3%	34.4%	2004	-14.8%	-15.9%	-14.9%	-13.8%	-11.3%
2005	20.9%	24.5%	26.8%	29.2%	31.0%	2005	-26.6%	-21.6%	-17.6%	-12.2%	-9.9%
2006	19.2%	24.4%	27.7%	29.7%	30.6%	2006	-8.4%	-0.2%	3.2%	1.8%	-1.4%
2007	20.0%	26.1%	29.1%	29.2%	30.9%	2007	4.4%	6.7%	4.8%	-1.7%	1.1%
2008	20.8%	27.0%	30.2%	31.0%	31.4%	2008	3.8%	3.4%	3.9%	6.1%	1.6%
2009	23.8%	30.6%	34.3%	34.9%	33.0%	2009	14.3%	13.4%	13.7%	12.6%	5.0%
2010	23.7%	31.9%	33.7%	33.1%		2010	-0.4%	4.4%	-1.8%	-5.3%	
2011	27.4%	32.8%	33.4%			2011	15.9%	2.7%	-0.9%		
2012	28.6%	33.7%				2012	4.1%	2.9%			
2013	26.8%					2013	-6.3%				

Temporary Indemnity

Percentage of All Cumulative Injury Claims					Annual Change						
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
1999	20.1%	17.0%	16.2%	15.7%	15.4%	1999	---	---	---	---	---
2000	20.6%	17.2%	17.2%	16.6%	16.1%	2000	2.8%	1.0%	5.9%	5.6%	4.4%
2001	20.3%	18.4%	17.5%	16.7%	16.1%	2001	-1.4%	7.2%	1.6%	0.3%	0.0%
2002	19.8%	18.0%	16.5%	15.6%	15.6%	2002	-2.3%	-2.5%	-5.7%	-6.3%	-3.2%
2003	21.5%	18.1%	16.6%	16.1%	15.9%	2003	8.4%	0.4%	0.8%	3.0%	2.2%
2004	21.6%	18.6%	17.2%	16.4%	15.6%	2004	0.2%	3.3%	3.4%	2.2%	-2.1%
2005	21.5%	19.0%	17.5%	15.9%	14.6%	2005	-0.2%	1.9%	2.1%	-3.3%	-6.0%
2006	21.6%	19.2%	16.7%	15.4%	14.6%	2006	0.2%	0.9%	-5.0%	-3.4%	-0.4%
2007	22.7%	18.7%	17.1%	15.8%	15.6%	2007	5.1%	-2.2%	2.7%	3.1%	6.7%
2008	22.3%	19.1%	17.3%	16.2%	15.6%	2008	-1.8%	1.9%	0.9%	2.3%	0.1%
2009	25.1%	21.6%	19.3%	17.5%	16.4%	2009	12.8%	13.2%	11.7%	8.1%	5.0%
2010	26.6%	21.9%	19.2%	17.7%		2010	6.1%	1.2%	-0.4%	0.7%	
2011	26.4%	22.8%	21.0%			2011	-0.9%	4.4%	9.5%		
2012	26.1%	22.9%				2012	-1.1%	0.3%			
2013	28.4%					2013	8.6%				

Medical-Only

Percentage of All Cumulative Injury Claims					Annual Change						
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
1999	49.3%	48.6%	48.0%	47.4%	47.1%	1999	---	---	---	---	---
2000	47.9%	47.3%	45.8%	45.7%	47.5%	2000	-2.8%	-2.7%	-4.5%	-3.6%	0.9%
2001	48.9%	46.5%	45.8%	46.0%	46.3%	2001	2.0%	-1.7%	0.0%	0.5%	-2.7%
2002	47.3%	45.4%	45.9%	46.2%	46.5%	2002	-3.2%	-2.3%	0.2%	0.6%	0.5%
2003	45.0%	44.7%	45.0%	45.2%	45.2%	2003	-4.9%	-1.5%	-2.0%	-2.2%	-2.8%
2004	49.9%	50.1%	50.2%	50.2%	49.9%	2004	11.0%	12.0%	11.5%	11.0%	10.4%
2005	57.5%	56.5%	55.5%	54.8%	54.2%	2005	15.3%	12.7%	10.7%	9.0%	8.6%
2006	59.2%	56.3%	55.5%	54.7%	54.7%	2006	2.9%	-0.3%	-0.1%	0.0%	0.8%
2007	57.3%	55.1%	53.7%	54.8%	53.3%	2007	-3.2%	-2.1%	-3.2%	0.1%	-2.4%
2008	56.9%	53.9%	52.4%	52.6%	52.8%	2008	-0.6%	-2.2%	-2.4%	-4.0%	-1.0%
2009	51.0%	47.7%	46.2%	47.4%	50.9%	2009	-10.3%	-11.4%	-11.8%	-9.9%	-3.6%
2010	49.6%	46.1%	46.9%	49.5%		2010	-2.8%	-3.4%	1.5%	4.5%	
2011	46.1%	44.2%	45.6%			2011	-7.2%	-4.0%	-2.9%		
2012	45.2%	43.2%				2012	-1.8%	-2.3%			
2013	44.8%					2013	-1.0%				

Note: Figures in italics are based on a partial accident year. Cumulative injury claims include occupational disease.

Source: WCIRB unit statistical data

Indemnity Claim Count Distribution by Part of Body Code

Top 20 Part of Body Codes for Cumulative Injury Indemnity Claims based on AY 2012 Shares

2012 Rank	POB Code	POB Description	Accident Year													
			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	90	Multiple Body Parts	19.9%	18.9%	23.0%	31.8%	28.6%	28.5%	26.5%	25.7%	24.0%	25.1%	25.9%	29.0%	29.7%	31.6%
2	42	Lower Back	4.7%	4.2%	4.2%	3.6%	4.8%	5.0%	5.5%	6.4%	6.2%	7.6%	8.3%	8.2%	8.1%	9.1%
3	34	Wrist	12.3%	12.0%	11.7%	10.0%	9.5%	10.8%	11.8%	10.4%	9.9%	7.9%	7.0%	6.8%	7.1%	4.8%
4	66	Psych	2.5%	2.5%	2.8%	2.9%	2.2%	2.7%	3.1%	4.2%	5.5%	5.6%	5.9%	5.2%	5.1%	5.1%
5	91	Body Systems	1.4%	0.9%	0.9%	0.9%	0.9%	1.7%	1.8%	2.5%	3.0%	4.1%	3.5%	3.7%	4.8%	7.8%
6	38	Shoulder	2.6%	3.1%	3.5%	3.3%	3.4%	3.5%	4.0%	4.9%	5.4%	4.6%	4.8%	4.6%	4.7%	4.8%
7	30	Multiple Upper	9.8%	8.7%	8.1%	8.0%	8.9%	8.2%	7.1%	6.4%	5.9%	5.1%	4.4%	4.2%	4.5%	3.3%
8	39	Wrist and Hand	4.3%	4.6%	4.6%	4.3%	4.0%	4.7%	4.7%	4.3%	5.6%	4.2%	4.0%	4.2%	4.4%	3.9%
9	35	Hand	6.1%	5.6%	5.3%	5.0%	5.4%	6.0%	5.9%	5.8%	5.3%	4.6%	4.4%	4.5%	3.9%	3.5%
10	12	Brain	3.8%	3.2%	3.2%	3.9%	3.3%	4.6%	4.7%	4.4%	4.0%	5.5%	5.2%	4.2%	3.0%	1.0%
11	65	Unclassified	4.8%	8.5%	6.5%	2.7%	3.1%	2.2%	1.9%	1.8%	1.7%	2.3%	2.0%	2.9%	2.8%	1.4%
12	53	Knee	2.3%	2.4%	2.4%	2.4%	3.3%	2.5%	2.4%	3.0%	2.8%	2.2%	2.8%	2.5%	2.3%	2.7%
13	25	Soft Tissue (Neck)	0.4%	0.4%	0.5%	0.3%	0.4%	0.7%	0.6%	0.7%	1.1%	1.6%	2.0%	1.6%	1.7%	1.6%
14	33	Lower Arm	2.2%	2.0%	1.8%	1.6%	1.6%	2.1%	2.3%	2.5%	1.9%	1.8%	1.6%	1.4%	1.5%	2.3%
15	32	Elbow	2.0%	2.0%	1.8%	1.6%	1.7%	2.1%	1.7%	1.8%	2.1%	1.6%	1.3%	1.2%	1.3%	1.1%
16	20	Multiple Neck	0.7%	0.7%	0.7%	0.7%	0.7%	0.5%	0.7%	0.7%	0.9%	1.0%	0.9%	0.9%	1.3%	1.2%
17	41	Upper Back	0.7%	0.7%	0.9%	1.0%	0.9%	1.3%	1.3%	1.3%	1.2%	1.5%	1.2%	1.3%	1.1%	1.0%
18	10	Multiple Head	0.6%	0.6%	0.5%	0.4%	0.4%	0.6%	0.8%	0.6%	1.0%	1.6%	1.4%	1.0%	1.1%	1.0%
19	36	Finger	0.8%	1.0%	1.3%	1.1%	1.5%	1.2%	1.3%	1.1%	0.9%	1.2%	1.3%	1.0%	0.9%	0.6%
20	31	Upper Arm	2.0%	1.6%	1.3%	0.9%	1.0%	1.0%	1.0%	0.9%	1.0%	0.8%	0.9%	0.9%	0.8%	0.7%
Other	Other	Other	16.1%	16.3%	15.1%	13.7%	14.4%	10.3%	10.8%	10.6%	10.9%	10.3%	11.0%	10.6%	9.9%	11.6%

Top 20 Part of Body Codes for Non-Cumulative Injury Indemnity Claims based on AY 2012 Shares

2012 Rank	POB Code	POB Description	Accident Year													
			2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	42	Lower Back	15.3%	12.3%	10.6%	10.3%	13.0%	15.1%	15.5%	15.6%	16.7%	17.4%	17.3%	16.8%	16.8%	16.9%
2	90	Multiple Body Parts	9.3%	9.5%	12.3%	16.2%	14.6%	12.3%	11.2%	11.2%	10.7%	10.8%	11.7%	13.1%	12.6%	12.1%
3	53	Knee	6.6%	6.3%	6.6%	6.6%	7.0%	7.6%	7.9%	8.2%	8.5%	8.6%	8.6%	8.3%	8.4%	9.3%
4	38	Shoulder	2.8%	3.3%	3.7%	3.9%	4.3%	4.4%	4.7%	5.1%	5.7%	6.2%	6.1%	6.1%	6.6%	7.9%
5	36	Finger	4.7%	4.6%	4.6%	5.1%	5.3%	5.7%	6.1%	6.1%	6.2%	6.0%	6.0%	5.8%	5.8%	5.7%
6	34	Wrist	3.5%	3.5%	4.3%	5.2%	4.9%	5.4%	5.8%	5.9%	5.7%	5.6%	6.0%	5.6%	5.4%	3.3%
7	35	Hand	3.6%	3.4%	3.5%	3.7%	3.9%	3.9%	4.1%	4.2%	4.1%	4.1%	4.3%	4.4%	4.6%	4.6%
8	55	Ankle	2.9%	2.9%	3.0%	3.2%	3.4%	3.9%	4.3%	4.3%	4.4%	4.4%	4.2%	4.3%	4.2%	4.3%
9	56	Foot	2.1%	2.0%	2.2%	2.4%	2.7%	3.0%	3.3%	3.4%	3.1%	3.0%	2.9%	3.0%	2.9%	3.0%
10	61	Abdomen	1.4%	1.7%	2.0%	2.2%	2.3%	2.3%	2.4%	2.4%	2.4%	2.1%	2.3%	2.3%	2.3%	2.6%
11	33	Lower Arm	1.6%	1.1%	1.1%	1.1%	1.4%	1.7%	1.8%	1.8%	1.9%	2.0%	2.0%	2.1%	2.2%	2.2%
12	31	Upper Arm	2.5%	1.7%	1.5%	1.4%	1.6%	1.6%	1.7%	1.8%	1.9%	2.2%	2.3%	2.3%	2.0%	1.5%
13	30	Multiple Upper	2.3%	2.4%	2.6%	2.9%	2.8%	2.5%	2.4%	2.1%	1.9%	1.9%	2.0%	1.9%	1.9%	1.7%
14	32	Elbow	1.4%	1.4%	1.5%	1.5%	1.5%	1.6%	1.8%	1.8%	1.8%	1.8%	1.8%	1.7%	1.8%	1.8%
15	54	Lower Leg	1.4%	1.6%	1.5%	1.7%	1.6%	1.8%	1.9%	1.9%	1.9%	1.8%	1.8%	1.8%	1.8%	1.9%
16	41	Upper Back	1.5%	1.1%	1.0%	1.0%	1.2%	1.4%	1.4%	1.5%	1.4%	1.4%	1.5%	1.5%	1.6%	2.0%
17	37	Thumb	1.1%	0.9%	0.9%	0.9%	1.2%	1.6%	1.7%	1.7%	1.7%	1.7%	1.5%	1.6%	1.6%	1.6%
18	25	Soft Tissue (Neck)	0.3%	0.3%	0.4%	0.4%	0.4%	0.6%	0.7%	0.9%	1.0%	1.3%	1.5%	1.4%	1.3%	1.3%
19	10	Multiple Head	0.8%	1.0%	1.0%	1.2%	1.1%	1.0%	1.1%	1.1%	1.1%	1.2%	1.3%	1.2%	1.3%	1.0%
20	65	Unclassified	3.0%	5.4%	4.9%	1.4%	1.8%	1.7%	0.9%	0.8%	1.0%	1.1%	1.2%	1.2%	1.1%	1.1%
Other	Other	Other	32.0%	33.6%	30.8%	27.7%	24.0%	20.9%	19.4%	18.3%	16.8%	15.2%	14.0%	13.7%	13.7%	14.4%

Note: Figures in italics are based on a preliminary partial data.
 Source: WCIRB unit statistical data at first report level

Summary of Cumulative Injury Claim Survey

	2012 Survey Accident Years					2014 Survey Accident Years		
	2007	2008	2009	2010	2007-2010	2012	2013	2012-2013
Number of Claims Surveyed	36	35	54	55	180	243	209	452
Number Received	32	34	51	52	169	202	183	385
Miscoded (Not Cumulative)	4	0	4	6	14	0	2	2
Claims Included in Summary	28	34	47	46	155	202	181	383
Percentage with:								
Specific Component	29%	15%	26%	28%	25%	27%	23%	25%
Multiple Cumulative Claims	4%	3%	4%	9%	5%	---	---	---
Multiple Insurers Involved	4%	24%	17%	24%	18%	24%	24%	24%
Representation	68%	68%	79%	72%	72%	79%	81%	80%
Return to Same Employer	36%	18%	28%	20%	25%	21%	27%	24%
Filed Post-Termination	---	---	---	---	---	37%	41%	39%
Psychiatric Involvement	29%	29%	49%	43%	39%	31%	23%	27%
Sleep Disorder Involvement	14%	12%	17%	22%	17%	16%	14%	15%
POBs Added Later to Claim	14%	15%	13%	15%	14%	---	---	---
Multiple POBs Identified	50%	59%	66%	63%	61%	57%	64%	61%
Settlement	14%	18%	6%	9%	11%	---	---	---
Permanent Disability	57%	47%	64%	65%	59%	61%	48%	55%
Temporary Only	43%	53%	36%	35%	41%	39%	52%	45%
Claim Status								
<u>All Surveyed Claims</u>								
All Body Parts Denied	---	---	---	---	---	57%	66%	61%
Some Body Parts Accepted	---	---	---	---	---	13%	11%	12%
All Body Parts Accepted	---	---	---	---	---	30%	23%	27%
<u>Claims with a Specific Component</u>								
All Body Parts Denied	---	---	---	---	---	63%	78%	69%
Some Body Parts Accepted	---	---	---	---	---	13%	17%	15%
All Body Parts Accepted	---	---	---	---	---	24%	5%	16%
Days Until Claim Reported								
Average	78	69	93	68	77	146	87	118
Median	26	21	55	32	31	55	51	52

Notes:

Few claims involved one unique item. Many of these items overlap, so percentages will not add to 100%. Many of these items were not specifically requested on the surveys. As such, the percentages shown here likely represent lower bounds of the true proportions.

Cumulative Injury Claim Survey - Median Claim Severities

Claim Status	% of Claims	Median Severities	
		Total Incurred	Total Paid
All Body Parts Denied	61%	15,000	1,560
At Least One Body Part Accepted	12%	23,505	3,909
All Body Parts Accepted	27%	17,636	5,102

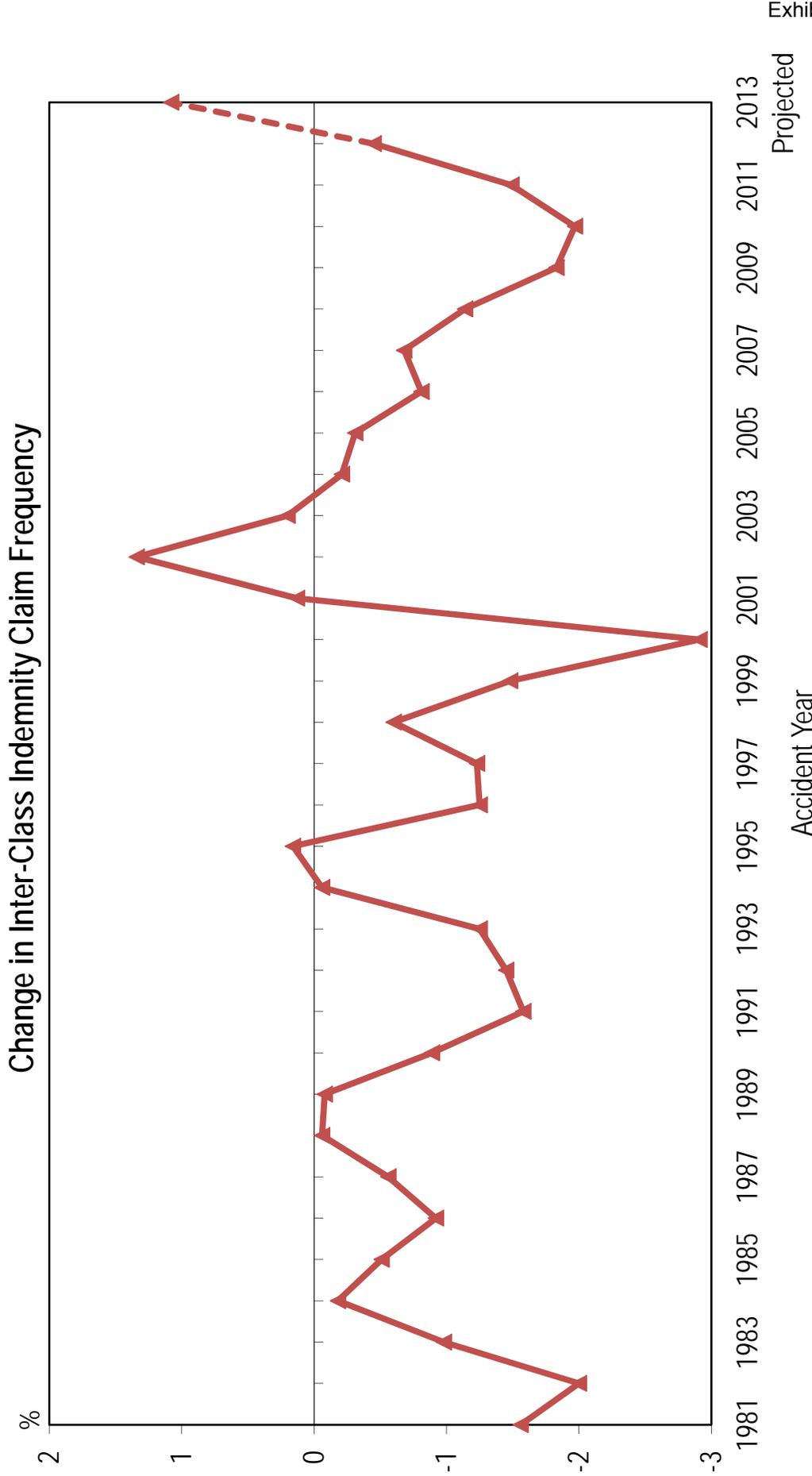
Representation	% of Claims	Median Severities	
		Total Incurred	Total Paid
Yes	80%	18,381	1,888
No	20%	12,058	5,118

Multiple Insurers Involved	% of Claims	Median Severities	
		Total Incurred	Total Paid
Yes	24%	16,415	1,146
No	76%	16,790	2,898

Has Specific Component	% of Claims	Median Severities	
		Total Incurred	Total Paid
Yes	25%	12,592	804
No	75%	17,419	3,345

Source: WCIRB 2014 Cumulative Injury Claim Survey

Impact of Shifts in Industrial Mix on Frequency



Source: WCIRB Unit Statistical Data Developed to 5th Report Level. Projection based on changes in statewide employment by industry.

Indemnity Claim Frequency Relativities by NAICS Sector

NAICS Sector	NAICS Name	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
11&21	Agriculture & Mining	2.787	2.658	2.645	2.768	2.892	2.893	2.968	2.826	2.896	2.990	3.046	3.292	3.239	3.493
23	Construction	2.542	2.562	2.305	2.315	2.372	2.480	2.459	2.357	2.295	2.223	2.141	2.261	2.143	2.241
31	Manufacturing	1.690	1.752	1.752	1.772	1.761	1.714	1.740	1.763	1.681	1.630	1.662	1.734	1.773	1.799
42	Wholesale	2.842	2.802	2.778	2.820	2.869	2.894	2.901	3.062	2.965	2.955	3.178	3.289	3.498	3.373
44	Retail	1.627	1.689	1.667	1.611	1.672	1.750	1.798	1.855	1.963	2.042	2.102	1.992	2.085	2.013
22&48	Utilities & Transportation	3.362	3.244	3.154	3.166	3.289	3.632	3.862	3.885	3.795	3.606	3.620	3.540	3.370	3.553
51	Information	0.741	0.795	0.757	0.826	0.816	0.764	0.797	0.843	0.922	0.919	0.870	0.769	0.923	0.809
52	Finance	0.463	0.408	0.429	0.331	0.345	0.342	0.300	0.353	0.372	0.426	0.395	0.388	0.349	0.295
53	Real Estate	0.785	0.820	0.854	0.735	0.757	0.752	0.828	1.037	1.090	1.155	1.109	1.128	1.060	0.938
54	Prof. Services	0.177	0.188	0.194	0.194	0.190	0.178	0.178	0.169	0.174	0.157	0.147	0.133	0.114	0.098
56	Administrative	3.234	3.101	3.009	3.002	3.010	2.985	3.166	3.165	3.420	3.518	3.617	3.694	3.726	3.948
61	Education	0.847	0.757	0.783	0.854	0.686	0.707	0.723	0.698	0.759	0.752	0.741	0.739	0.739	0.741
62	Health	1.308	1.255	1.267	1.260	1.186	1.136	1.101	1.184	1.201	1.264	1.283	1.314	1.236	1.266
71	Hospitality	2.153	2.115	2.028	1.957	1.952	2.026	2.171	2.271	2.337	2.275	2.333	2.414	2.376	2.510
72	Entertainment	2.279	2.220	2.189	2.192	2.114	2.091	2.175	2.222	2.300	2.506	2.703	2.805	3.053	3.253
81	Other Services	1.386	1.482	1.479	1.413	1.477	1.470	1.468	1.466	1.518	1.588	1.650	1.671	1.771	1.750
8742	Outside Sales	0.230	0.234	0.242	0.267	0.238	0.219	0.207	0.213	0.203	0.222	0.193	0.194	0.185	0.183
92&8810	Clerical & Public Admin.	0.230	0.249	0.261	0.251	0.236	0.209	0.194	0.178	0.191	0.195	0.188	0.170	0.177	0.175
Accident Year Total Frequency		0.414	0.377	0.364	0.366	0.309	0.264	0.247	0.237	0.222	0.216	0.229	0.227	0.232	0.233
NAICS Sector	NAICS Name	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
11&21	Agriculture & Mining	--	-4.6%	-0.5%	4.7%	4.5%	0.1%	2.6%	-4.8%	2.5%	3.3%	1.9%	8.1%	-1.6%	7.8%
23	Construction	--	0.8%	-10.0%	0.4%	2.5%	4.6%	-0.9%	-4.1%	-2.6%	-3.2%	-3.7%	5.6%	-5.2%	4.6%
31	Manufacturing	--	3.7%	0.0%	1.1%	-0.6%	-2.7%	1.5%	1.3%	-4.6%	-3.0%	2.0%	4.3%	2.2%	1.4%
42	Wholesale	--	-1.4%	-0.8%	1.5%	1.8%	0.9%	0.3%	5.5%	-3.2%	-0.3%	7.6%	3.5%	6.3%	-3.6%
44	Retail	--	3.8%	-1.3%	-3.3%	3.8%	4.6%	2.7%	3.2%	5.8%	4.0%	2.9%	-5.2%	4.7%	-3.5%
22&48	Utilities & Transportation	--	-3.5%	-2.8%	0.4%	3.9%	10.5%	6.3%	0.6%	-2.3%	-5.0%	0.4%	-2.2%	-4.8%	5.4%
51	Information	--	7.3%	-4.8%	9.1%	-1.2%	-6.3%	4.3%	5.7%	9.4%	-0.3%	-5.4%	-11.6%	19.9%	-12.4%
52	Finance	--	-12.0%	5.2%	-22.8%	4.2%	-0.9%	-12.2%	17.7%	5.4%	14.4%	-7.3%	-1.9%	-10.0%	-15.4%
53	Real Estate	--	4.4%	4.1%	-13.9%	2.9%	-0.6%	10.2%	25.2%	5.1%	6.0%	-4.0%	1.7%	-6.0%	-11.5%
54	Prof. Services	--	6.6%	2.7%	0.1%	-1.8%	-6.1%	0.0%	-5.4%	3.2%	-9.8%	-6.6%	-9.2%	-14.6%	-14.0%
56	Administrative	--	-4.1%	-3.0%	-0.2%	0.3%	-0.8%	6.1%	0.0%	8.0%	2.9%	2.8%	2.1%	0.9%	6.0%
61	Education	--	-10.6%	3.4%	9.1%	-19.8%	3.1%	2.3%	-3.5%	8.9%	-1.0%	-1.4%	-0.3%	0.0%	0.3%
62	Health	--	-4.1%	1.0%	-0.5%	-5.9%	-4.2%	-3.0%	7.5%	1.4%	5.2%	1.6%	2.4%	-5.9%	2.4%
71	Hospitality	--	-1.8%	-4.1%	-3.5%	-0.2%	3.8%	7.1%	4.6%	2.9%	-2.7%	2.5%	3.5%	-1.6%	5.6%
72	Entertainment	--	-2.6%	-1.4%	0.1%	-3.5%	-1.1%	4.0%	2.2%	3.5%	9.0%	7.9%	3.8%	8.8%	6.6%
81	Other Services	--	6.9%	-0.2%	-4.5%	4.6%	-0.5%	-0.1%	-0.2%	3.6%	4.6%	3.9%	1.3%	6.0%	-1.2%
8742	Outside Sales	--	1.9%	3.3%	10.3%	-10.9%	-7.7%	-5.5%	2.6%	-4.7%	9.6%	-13.0%	0.1%	-4.2%	-1.4%
92&8810	Clerical & Public Admin.	--	8.4%	4.6%	-3.9%	-5.9%	-11.4%	-7.0%	-8.2%	7.1%	1.8%	-3.2%	-9.8%	3.9%	-0.9%
Accident Year Total Frequency		--	-8.8%	-3.6%	0.5%	-15.4%	-14.7%	-6.5%	-3.7%	-6.4%	-3.0%	6.4%	-1.1%	2.4%	0.2%

Figures in italics are based on preliminary partial data.
Source: WCIRB unit statistical data

Indemnity Claim Frequency by Geographic Region

Bay Area

Indemnity Claim Frequency per \$100M of Exposure at AY 2012 Level						Annual Change					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2000	31.65	32.80	32.83	32.63	33.10	2000	---	---	---	---	---
2001	27.78	28.76	28.99	29.00	28.78	2001	-12.2%	-12.3%	-11.7%	-11.1%	-13.0%
2002	26.53	27.78	28.29	28.18	28.26	2002	-4.5%	-3.4%	-2.4%	-2.8%	-1.8%
2003	25.86	27.07	27.00	27.13	27.41	2003	-2.5%	-2.6%	-4.6%	-3.7%	-3.0%
2004	22.13	22.42	22.55	22.82	22.61	2004	-14.4%	-17.2%	-16.5%	-15.9%	-17.5%
2005	18.94	19.10	19.38	19.29	19.40	2005	-14.4%	-14.8%	-14.1%	-15.5%	-14.2%
2006	17.75	18.10	18.02	18.11	17.99	2006	-6.3%	-5.2%	-7.0%	-6.1%	-7.3%
2007	16.90	17.01	17.19	17.26	17.29	2007	-4.8%	-6.0%	-4.6%	-4.7%	-3.9%
2008	15.47	15.93	16.06	16.20	16.20	2008	-8.5%	-6.4%	-6.6%	-6.2%	-6.3%
2009	14.26	14.64	14.82	14.86	14.94	2009	-7.8%	-8.1%	-7.7%	-8.2%	-7.8%
2010	14.79	15.38	15.54	15.65		2010	3.8%	5.1%	4.8%	5.3%	
2011	14.26	14.88	15.12			2011	-3.6%	-3.3%	-2.7%		
2012	14.03	14.85				2012	-1.6%	-0.2%			
2013	13.78					2013	-1.8%				

Los Angeles/L.A. Basin

Indemnity Claim Frequency per \$100M of Exposure at AY 2012 Level						Annual Change					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2000	41.30	43.39	43.26	43.88	43.95	2000	---	---	---	---	---
2001	37.97	39.63	40.50	40.83	41.19	2001	-8.1%	-8.7%	-6.4%	-6.9%	-6.3%
2002	37.23	40.43	40.98	41.33	41.29	2002	-2.0%	2.0%	1.2%	1.2%	0.2%
2003	38.12	39.79	40.01	40.03	40.07	2003	2.4%	-1.6%	-2.4%	-3.1%	-2.9%
2004	31.89	32.70	32.72	32.91	33.11	2004	-16.4%	-17.8%	-18.2%	-17.8%	-17.4%
2005	26.74	27.48	27.82	28.07	28.38	2005	-16.1%	-16.0%	-15.0%	-14.7%	-14.3%
2006	25.17	25.98	26.35	26.67	26.67	2006	-5.9%	-5.4%	-5.3%	-5.0%	-6.0%
2007	24.46	25.49	25.93	26.07	26.14	2007	-2.8%	-1.9%	-1.6%	-2.2%	-2.0%
2008	23.50	24.86	25.28	25.43	25.55	2008	-3.9%	-2.5%	-2.5%	-2.4%	-2.3%
2009	23.32	24.80	25.27	25.55	25.72	2009	-0.8%	-0.2%	0.0%	0.4%	0.7%
2010	25.20	26.61	27.15	27.45		2010	8.0%	7.3%	7.4%	7.5%	
2011	25.06	26.82	27.63			2011	-0.5%	0.8%	1.8%		
2012	26.68	29.18				2012	6.4%	8.8%			
2013	27.48					2013	3.0%				

All Other

Indemnity Claim Frequency per \$100M of Exposure at AY 2012 Level						Annual Change					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2000	49.86	51.08	50.91	50.74	50.26	2000	---	---	---	---	---
2001	45.92	46.96	47.33	47.03	46.82	2001	-7.9%	-8.1%	-7.0%	-7.3%	-6.8%
2002	43.27	45.65	45.24	45.00	45.14	2002	-5.8%	-2.8%	-4.4%	-4.3%	-3.6%
2003	42.95	43.43	43.20	43.27	43.13	2003	-0.8%	-4.9%	-4.5%	-3.8%	-4.5%
2004	36.78	37.24	37.26	36.98	36.46	2004	-14.4%	-14.3%	-13.7%	-14.5%	-15.5%
2005	32.02	32.47	32.27	32.05	32.30	2005	-12.9%	-12.8%	-13.4%	-13.4%	-11.4%
2006	29.70	29.74	29.64	29.79	29.69	2006	-7.3%	-8.4%	-8.1%	-7.1%	-8.1%
2007	28.44	28.73	28.97	28.91	29.07	2007	-4.2%	-3.4%	-2.3%	-3.0%	-2.1%
2008	26.11	26.88	27.04	27.34	27.50	2008	-8.2%	-6.4%	-6.7%	-5.4%	-5.4%
2009	25.29	26.22	26.69	26.91	27.02	2009	-3.1%	-2.4%	-1.3%	-1.5%	-1.7%
2010	26.77	28.13	28.47	28.68		2010	5.9%	7.3%	6.7%	6.6%	
2011	26.62	27.86	28.44			2011	-0.6%	-1.0%	-0.1%		
2012	26.96	28.64				2012	1.3%	2.8%			
2013	26.80					2013	-0.6%				

All Regions

Indemnity Claim Frequency per \$100M of Exposure at AY 2012 Level						Annual Change					
AY/RL	1	2	3	4	5	AY/RL	1	2	3	4	5
2000	41.39	42.95	42.85	43.00	43.00	2000	---	---	---	---	---
2001	37.75	39.03	39.57	39.62	39.65	2001	-8.8%	-9.1%	-7.6%	-7.9%	-7.8%
2002	36.38	38.82	39.06	39.10	39.15	2002	-3.6%	-0.5%	-1.3%	-1.3%	-1.3%
2003	36.57	37.75	37.75	37.82	37.86	2003	0.5%	-2.8%	-3.3%	-3.3%	-3.3%
2004	30.95	31.52	31.57	31.64	31.51	2004	-15.4%	-16.5%	-16.4%	-16.3%	-16.8%
2005	26.38	26.89	27.05	27.06	27.31	2005	-14.7%	-14.7%	-14.3%	-14.4%	-13.3%
2006	24.67	25.13	25.24	25.45	25.39	2006	-6.5%	-6.5%	-6.7%	-6.0%	-7.0%
2007	23.75	24.32	24.63	24.69	24.78	2007	-3.7%	-3.2%	-2.4%	-3.0%	-2.4%
2008	22.24	23.19	23.46	23.65	23.76	2008	-6.4%	-4.6%	-4.7%	-4.2%	-4.1%
2009	21.57	22.60	23.00	23.20	23.33	2009	-3.0%	-2.5%	-2.0%	-1.9%	-1.8%
2010	22.94	24.13	24.51	24.73		2010	6.4%	6.7%	6.5%	6.6%	
2011	22.69	24.00	24.60			2011	-1.1%	-0.5%	0.4%		
2012	23.34	25.16				2012	2.9%	4.8%			
2013	23.40					2013	0.2%				

Figures in italics are based on preliminary partial data.
Source: WCIRB unit statistical data

Claim Count Ratios by Region Based on Unit Statistical Data at 1st Report Level

Region	Ratio of Permanent Disability Claims to Indemnity Claims for Accident Year													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bay Area	0.384	0.404	0.396	0.374	0.355	0.305	0.300	0.280	0.292	0.302	0.311	0.322	0.307	<i>0.260</i>
Los Angeles/LA Basin	0.467	0.482	0.484	0.478	0.453	0.392	0.377	0.385	0.401	0.401	0.395	0.401	0.394	<i>0.373</i>
All Other	0.408	0.433	0.434	0.413	0.375	0.319	0.312	0.300	0.317	0.318	0.329	0.325	0.321	<i>0.306</i>
All Regions	0.428	0.448	0.449	0.436	0.407	0.349	0.339	0.335	0.352	0.355	0.358	0.361	0.355	<i>0.332</i>

Region	Annual Change													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bay Area	---	5.1%	-1.9%	-5.5%	-5.3%	-14.1%	-1.7%	-6.4%	4.0%	3.5%	3.0%	3.4%	-4.5%	-15.4%
Los Angeles/LA Basin	---	3.3%	0.4%	-1.2%	-5.3%	-13.4%	-3.9%	2.2%	4.0%	0.2%	-1.5%	1.6%	-1.7%	-5.3%
All Other	---	6.1%	0.2%	-4.9%	-9.3%	-14.8%	-2.4%	-3.8%	5.7%	0.3%	3.6%	-1.3%	-1.4%	-4.6%
All Regions	---	4.8%	0.2%	-2.9%	-6.7%	-14.1%	-3.0%	-1.1%	4.9%	1.0%	0.8%	0.8%	-1.9%	-6.4%

Region	Ratio of Indemnity Claims to Total Claims for Accident Year													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bay Area	0.329	0.336	0.340	0.343	0.306	0.281	0.284	0.288	0.292	0.304	0.314	0.322	0.323	<i>0.338</i>
Los Angeles/LA Basin	0.338	0.346	0.359	0.363	0.331	0.300	0.295	0.302	0.312	0.337	0.352	0.358	0.372	<i>0.387</i>
All Other	0.323	0.334	0.341	0.341	0.311	0.286	0.280	0.283	0.289	0.301	0.316	0.324	0.329	<i>0.338</i>
All Regions	0.331	0.340	0.348	0.351	0.319	0.291	0.287	0.292	0.300	0.318	0.332	0.339	0.348	<i>0.361</i>

Region	Annual Change													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bay Area	---	2.1%	1.2%	0.9%	-10.8%	-8.2%	1.1%	1.1%	1.5%	4.0%	3.6%	2.5%	0.2%	4.8%
Los Angeles/LA Basin	---	2.4%	3.5%	1.1%	-8.7%	-9.5%	-1.8%	2.6%	3.1%	8.2%	4.3%	1.7%	4.1%	3.9%
All Other	---	3.4%	2.0%	0.0%	-8.7%	-8.0%	-2.2%	1.2%	2.1%	4.1%	4.9%	2.6%	1.6%	2.7%
All Regions	---	2.7%	2.6%	0.7%	-9.1%	-8.7%	-1.4%	1.8%	2.5%	6.1%	4.5%	2.1%	2.6%	3.7%

Region	Cumulative Injury Claims per 100 Indemnity Claims for Accident Year													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bay Area	6.62	7.66	8.32	7.78	7.14	5.88	5.28	6.17	6.13	6.32	6.41	6.03	5.86	7.82
Los Angeles/LA Basin	7.47	7.84	8.51	9.19	9.05	6.78	6.48	6.95	7.06	8.53	9.35	8.72	9.52	<i>12.52</i>
All Other	5.32	5.46	5.97	6.15	5.97	4.27	4.37	4.38	4.41	4.97	5.78	5.12	5.19	<i>6.05</i>
All Regions	6.48	6.90	7.52	7.82	7.58	5.69	5.49	5.87	5.96	6.92	7.63	7.02	7.42	<i>9.55</i>

Region	Annual Change													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Bay Area	---	15.8%	8.6%	-6.6%	-8.1%	-17.6%	-10.2%	16.9%	-0.8%	3.2%	1.5%	-5.9%	-2.9%	<i>33.5%</i>
Los Angeles/LA Basin	---	4.9%	8.5%	8.0%	-1.5%	-25.1%	-4.5%	7.2%	1.7%	20.7%	9.6%	-6.7%	9.1%	<i>31.5%</i>
All Other	---	2.6%	9.3%	3.1%	-2.9%	-28.6%	2.5%	0.2%	0.6%	12.7%	16.3%	-11.4%	1.2%	<i>16.6%</i>
All Regions	---	6.4%	9.0%	4.0%	-3.0%	-25.0%	-3.5%	7.0%	1.5%	16.1%	10.3%	-8.1%	5.8%	<i>28.6%</i>

Figures in italics are based on preliminary partial data.

Indemnity Claim Count Distribution by Part of Body Code

Top 5 Part of Body Codes for Cumulative Injury Indemnity Claims based on AY 2012 Shares

		Bay Area														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	90	Multiple Body Parts	16.6%	15.2%	20.0%	25.1%	24.1%	23.1%	21.0%	19.6%	17.1%	16.5%	19.1%	19.2%	17.5%	19.5%
2	34	Wrist	14.1%	14.4%	12.3%	11.4%	10.9%	13.0%	14.3%	11.7%	13.3%	12.0%	10.1%	8.8%	10.8%	7.9%
3	42	Lower Back	4.5%	4.7%	6.0%	3.7%	4.7%	4.6%	4.1%	6.2%	4.6%	6.2%	6.7%	6.4%	7.4%	8.8%
4	30	Multiple Upper	11.9%	11.3%	10.2%	11.6%	12.9%	11.3%	10.3%	10.4%	8.7%	8.3%	7.2%	6.7%	7.0%	5.8%
5	39	Wrist and Hand	4.6%	4.5%	5.2%	6.3%	4.9%	5.7%	5.7%	5.1%	6.8%	5.0%	5.1%	7.2%	6.3%	4.8%
Other		Other	48.3%	49.9%	46.4%	41.8%	42.5%	42.2%	44.7%	47.0%	49.4%	52.1%	51.8%	51.7%	50.9%	53.3%

		Los Angeles/L.A. Basin														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	90	Multiple Body Parts	24.4%	23.0%	26.5%	36.4%	32.6%	33.7%	30.9%	30.5%	29.1%	30.7%	30.4%	34.3%	34.4%	35.1%
2	42	Lower Back	4.6%	3.7%	3.8%	3.3%	4.5%	5.2%	6.1%	6.6%	6.9%	7.9%	8.9%	8.5%	8.3%	8.9%
3	91	Body Systems	2.2%	1.2%	1.2%	1.1%	1.2%	2.3%	2.1%	3.0%	3.9%	4.9%	4.4%	3.6%	5.6%	9.1%
4	34	Wrist	10.6%	10.1%	10.2%	8.3%	8.2%	9.1%	10.0%	9.2%	7.7%	5.0%	5.0%	5.7%	5.4%	3.3%
5	66	Psych	3.5%	3.3%	3.6%	3.7%	2.7%	3.0%	3.4%	5.3%	6.2%	5.5%	6.8%	5.2%	5.1%	4.7%
Other		Other	54.9%	58.8%	54.7%	47.2%	50.7%	46.7%	47.5%	45.4%	46.2%	46.0%	44.5%	42.6%	41.2%	38.9%

		All Other														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	90	Multiple Body Parts	15.2%	15.2%	19.2%	27.5%	23.6%	21.9%	21.8%	20.4%	18.1%	17.3%	19.1%	22.1%	23.7%	28.6%
2	34	Wrist	13.7%	13.2%	13.7%	12.2%	11.2%	12.6%	13.7%	11.9%	12.3%	12.3%	9.8%	8.1%	9.6%	7.4%
3	42	Lower Back	5.0%	4.9%	3.6%	3.9%	5.3%	4.8%	5.1%	6.2%	5.6%	7.6%	7.7%	8.7%	7.8%	9.8%
4	39	Wrist and Hand	5.1%	6.1%	6.1%	5.6%	5.0%	7.0%	6.5%	5.4%	6.4%	5.7%	5.4%	5.6%	5.7%	5.2%
5	38	Shoulder	3.0%	3.3%	4.2%	4.0%	4.6%	4.1%	4.9%	5.4%	6.4%	4.6%	5.3%	5.4%	5.5%	6.6%
Other		Other	58.0%	57.4%	53.1%	46.8%	50.4%	49.5%	48.0%	50.8%	51.2%	52.6%	52.8%	50.2%	47.7%	42.5%

Note: Figures in italics are based on a preliminary partial data.
 Source: WCIRB unit statistical data at first report level

Indemnity Claim Count Distribution by Part of Body Code

Top 5 Part of Body Codes for Non-Cumulative Injury Indemnity Claims based on AY 2012 Shares

		Bay Area														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	42	Lower Back	16.8%	13.9%	11.9%	11.7%	13.9%	15.9%	15.9%	16.4%	16.9%	18.5%	17.7%	17.2%	17.4%	16.7%
2	90	Multiple Body Parts	8.6%	9.5%	11.7%	15.8%	14.0%	11.6%	10.9%	10.2%	9.8%	9.0%	9.7%	10.9%	10.3%	10.1%
3	53	Knee	6.6%	6.3%	6.9%	6.7%	7.1%	8.0%	7.9%	8.6%	8.9%	9.0%	9.1%	9.0%	9.1%	9.9%
4	38	Shoulder	2.8%	3.4%	3.7%	3.7%	4.3%	4.8%	4.8%	5.8%	6.3%	6.5%	6.9%	6.8%	7.2%	7.9%
5	36	Finger	4.4%	4.3%	4.4%	4.7%	5.2%	5.6%	6.1%	6.2%	6.2%	6.2%	6.0%	5.8%	6.2%	5.8%
Other		Other	60.7%	62.6%	61.4%	57.4%	55.4%	54.2%	54.4%	52.8%	51.9%	50.8%	50.6%	50.2%	49.8%	49.6%

		Los Angeles/L.A. Basin														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	42	Lower Back	15.4%	12.7%	10.5%	10.1%	12.8%	14.7%	15.4%	15.5%	16.5%	17.0%	17.6%	16.7%	16.5%	17.0%
2	90	Multiple Body Parts	10.7%	10.8%	13.9%	17.9%	16.0%	14.0%	12.6%	12.9%	12.6%	12.8%	13.1%	14.4%	14.3%	14.2%
3	53	Knee	6.5%	6.3%	6.5%	6.3%	6.7%	7.2%	7.7%	7.7%	8.2%	7.9%	8.1%	7.9%	7.9%	8.6%
4	38	Shoulder	2.7%	3.3%	3.6%	3.8%	4.1%	4.2%	4.4%	4.8%	5.3%	6.0%	6.0%	5.6%	6.1%	7.3%
5	36	Finger	5.5%	5.2%	5.1%	5.4%	5.7%	6.0%	6.3%	6.4%	6.4%	5.9%	5.8%	5.9%	5.6%	5.3%
Other		Other	59.2%	61.6%	60.4%	56.4%	54.7%	53.8%	53.4%	52.7%	50.9%	50.3%	49.4%	49.6%	49.5%	47.7%

		All Other														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	42	Lower Back	14.2%	11.1%	9.9%	9.8%	12.9%	15.2%	15.5%	15.4%	16.9%	17.3%	16.8%	16.7%	16.8%	16.7%
2	90	Multiple Body Parts	8.3%	8.0%	10.7%	14.3%	13.1%	10.6%	9.7%	9.6%	8.7%	8.9%	10.6%	12.3%	11.4%	10.1%
3	53	Knee	6.6%	6.3%	6.7%	7.0%	7.3%	8.0%	8.0%	8.5%	8.9%	9.3%	8.9%	8.6%	8.9%	9.9%
4	38	Shoulder	2.8%	3.3%	3.9%	4.2%	4.4%	4.5%	4.9%	5.2%	5.8%	6.4%	6.0%	6.5%	6.9%	8.5%
5	34	Wrist	3.2%	3.3%	4.3%	5.2%	4.5%	5.6%	6.0%	6.2%	6.1%	6.4%	7.4%	6.5%	5.8%	3.0%
Other		Other	64.8%	68.0%	64.4%	59.4%	57.7%	56.2%	55.9%	55.0%	53.6%	51.6%	50.2%	49.5%	50.3%	51.7%

Note: Figures in italics are based on a preliminary partial data.
 Source: WCIRB unit statistical data at first report level

Indemnity Claim Count Distribution by Part of Body Code

Top 5 Part of Body Codes for All Indemnity Claims based on AY 2012 Shares

		Bay Area														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	42	Lower Back	16.0%	13.2%	11.4%	11.1%	13.3%	15.2%	15.3%	15.7%	16.1%	17.7%	17.0%	16.6%	16.8%	16.0%
2	90	Multiple Body Parts	9.2%	9.9%	12.4%	16.5%	14.7%	12.3%	11.4%	10.8%	10.3%	9.5%	10.3%	11.4%	10.7%	10.8%
3	53	Knee	6.3%	6.0%	6.5%	6.4%	6.9%	7.8%	7.7%	8.3%	8.7%	8.7%	8.7%	8.7%	8.8%	9.5%
4	38	Shoulder	2.8%	3.4%	3.7%	3.7%	4.3%	4.7%	4.7%	5.8%	6.4%	6.5%	6.9%	6.8%	7.1%	7.8%
5	36	Finger	4.2%	4.1%	4.2%	4.4%	5.0%	5.3%	5.8%	5.8%	5.8%	5.9%	5.7%	5.6%	5.9%	5.3%
Other		Other	61.5%	63.4%	61.8%	57.9%	55.8%	54.7%	55.1%	53.4%	52.7%	51.8%	51.4%	51.0%	50.6%	50.5%

		Los Angeles/L.A. Basin														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	90	Multiple Body Parts	11.7%	11.8%	15.0%	19.6%	17.5%	15.4%	13.8%	14.1%	13.8%	14.3%	14.8%	16.1%	16.2%	16.8%
2	42	Lower Back	14.6%	12.0%	10.0%	9.5%	12.0%	14.0%	14.8%	14.9%	15.9%	16.2%	16.8%	16.0%	15.8%	16.0%
3	53	Knee	6.2%	6.0%	6.1%	5.9%	6.3%	6.9%	7.4%	7.3%	7.7%	7.4%	7.6%	7.4%	7.3%	7.8%
4	38	Shoulder	2.7%	3.3%	3.6%	3.7%	4.0%	4.2%	4.4%	4.7%	5.3%	5.8%	5.8%	5.5%	6.0%	6.9%
5	34	Wrist	4.2%	4.1%	4.9%	5.6%	5.3%	5.4%	5.8%	6.0%	5.6%	5.0%	5.1%	5.1%	5.3%	3.3%
Other		Other	60.6%	62.9%	60.5%	55.7%	54.8%	54.2%	53.8%	53.0%	51.7%	51.2%	49.9%	50.0%	49.5%	49.3%

		All Other														
		Accident Year														
2012 Rank	POB Code	POB Description	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1	42	Lower Back	13.8%	10.7%	9.6%	9.4%	12.4%	14.8%	15.0%	15.0%	16.4%	16.8%	16.3%	16.2%	16.3%	16.3%
2	90	Multiple Body Parts	8.6%	8.4%	11.2%	15.2%	13.7%	11.0%	10.2%	10.1%	9.1%	9.4%	11.1%	12.8%	12.0%	11.2%
3	53	Knee	6.4%	6.1%	6.5%	6.7%	7.1%	7.8%	7.8%	8.3%	8.6%	9.0%	8.6%	8.2%	8.5%	9.5%
4	38	Shoulder	2.8%	3.3%	3.9%	4.2%	4.5%	4.5%	4.9%	5.2%	5.8%	6.3%	5.9%	6.5%	6.8%	8.4%
5	34	Wrist	3.8%	3.8%	4.8%	5.7%	4.9%	5.9%	6.4%	6.5%	6.4%	6.7%	7.6%	6.5%	6.0%	3.3%
Other		Other	64.6%	67.6%	64.0%	58.8%	57.3%	56.1%	55.7%	54.9%	53.7%	51.8%	50.5%	49.7%	50.3%	51.3%

Note: Figures in italics are based on a preliminary partial data.
 Source: WCIRB unit statistical data at first report level

Claim Count Distribution by Injury Type at 1st Unit Statistical Report Level

Injury Type	Distribution of Claims for Accident Year											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PT/Death	0.3%	0.3%	0.4%	0.3%	0.4%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.3%
Permanent Partial	44.8%	43.3%	40.5%	34.9%	33.8%	33.4%	35.1%	35.5%	35.8%	36.1%	35.4%	33.1%
Temporary	55.0%	56.4%	59.1%	64.8%	65.8%	66.3%	64.6%	64.2%	64.0%	63.7%	64.4%	66.5%
Indemnity	35.1%	35.2%	31.8%	29.1%	28.6%	29.2%	30.0%	31.8%	33.2%	33.9%	34.8%	36.1%
Medical-Only	64.9%	64.8%	68.2%	70.9%	71.4%	70.8%	70.0%	68.2%	66.8%	66.1%	65.2%	64.0%
Injury Type	Percentage Change in Distribution of Claims for Accident Year											
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
PT/Death	---	19.2%	12.7%	-14.0%	23.2%	-11.2%	-22.6%	-11.0%	-15.3%	3.1%	3.2%	45.5%
Permanent Partial	---	-3.2%	-6.5%	-13.9%	-3.2%	-1.1%	5.2%	1.1%	0.9%	0.8%	-2.0%	-6.5%
Temporary	---	2.5%	4.9%	9.6%	1.6%	0.6%	-2.5%	-0.5%	-0.4%	-0.5%	1.1%	3.3%
Indemnity	---	0.4%	-9.6%	-8.6%	-1.6%	2.1%	2.5%	6.1%	4.5%	2.1%	2.6%	3.7%
Medical-Only	---	-0.2%	5.2%	4.0%	0.7%	-0.8%	-1.0%	-2.6%	-2.1%	-1.0%	-1.3%	-1.9%

Note: PT/Death, permanent partial, and temporary claims are compared to total indemnity count, indemnity and medical-only claims are compared to total count.

Figures in italics are based on preliminary partial data.

Employee Average and Median Tenure at Date of Injury - Insured System

Median Tenure in Years at Date of Injury						Average Tenure in Years at Date of Injury					
AY/AQ	1	2	3	4	Annual	AY/AQ	1	2	3	4	Annual
2009	2.4	2.4	2.4	2.7	2.5	2009	5.2	5.2	5.2	5.3	5.2
2010	2.9	2.8	2.8	2.8	2.8	2010	5.6	5.5	5.3	5.4	5.4
2011	3.1	2.9	2.8	2.9	2.9	2011	5.7	5.5	5.3	5.5	5.5
2012	3.0	2.8	2.5	2.5	2.7	2012	5.8	5.6	5.4	5.6	5.6
2013	2.6	2.5	2.3	2.3	2.4	2013	5.7	5.5	5.4	5.4	5.5
2014	2.4	2.0	2.0		2.1	2014	5.5	5.1	5.0		5.2

Change in Median Tenure						Change in Average Tenure					
AY/AQ	Quarterly Change				Annual Change	AY/AQ	Quarterly Change				Annual Change
	1	2	3	4		1	2	3	4		
2009						2009					
2010	20.3%	14.8%	14.8%	6.4%	14.5%	2010	6.6%	4.3%	2.9%	2.7%	4.1%
2011	7.7%	3.9%	-1.4%	1.4%	1.8%	2011	3.3%	0.7%	-0.4%	1.7%	1.3%
2012	-3.3%	-4.8%	-8.0%	-12.5%	-6.6%	2012	1.0%	1.7%	2.3%	0.8%	1.5%
2013	-12.1%	-10.5%	-11.1%	-9.5%	-10.4%	2013	-2.1%	-1.0%	-0.7%	-3.9%	-1.9%
2014*	-9.2%	-18.6%	-13.3%		-12.4%	2014*	-2.9%	-7.5%	-6.4%		-4.8%

*Note: 2014 annual change in average tenure is the change from the first three quarters of 2013 to the first three quarters of 2014.

Source: DWC WCIS data

Distribution of Years of Tenure at Date of Injury - Insured System

Accident Year	Years																Median	Average
	0 0.5	1 2	2 3	3 4	4 5	5 6	6 7	7 8	8 9	9 10	10 15	15 20	20 30	30 40	40 & Over			
2009	18.1%	10.6%	15.8%	10.8%	7.6%	5.3%	3.1%	2.8%	3.0%	2.5%	7.1%	3.8%	4.2%	1.2%	0.2%	2.5	5.2	
2010	18.9%	9.1%	13.0%	10.8%	8.5%	6.4%	3.5%	2.8%	2.6%	2.7%	7.7%	3.6%	4.5%	1.4%	0.2%	2.8	5.4	
2011	20.3%	10.0%	12.1%	8.3%	7.8%	6.5%	3.8%	3.0%	2.3%	2.3%	8.4%	3.7%	4.5%	1.4%	0.2%	2.9	5.5	
2012	20.8%	10.5%	13.1%	7.5%	5.7%	6.1%	4.2%	3.2%	2.5%	2.1%	8.8%	3.8%	4.6%	1.4%	0.2%	2.7	5.6	
2013	22.1%	10.9%	13.2%	7.9%	5.2%	4.4%	4.3%	3.6%	2.7%	2.2%	8.4%	4.2%	4.3%	1.3%	0.2%	2.4	5.5	
2014	23.5%	11.5%	13.7%	8.1%	5.5%	3.8%	4.1%	3.5%	2.8%	2.3%	8.1%	4.2%	3.8%	1.2%	0.2%	2.1	5.2	

Source: DWC WCIS data

Average and Median Tenure at Date of Injury by NAICS - Insured System

NAICS Sector	NAICS Name	Median Tenure in Years for Accident Year					NAICS Sector	NAICS Name	Average Tenure in Years for Accident Year						
		2009	2010	2011	2012	2013			2014	2009	2010	2011	2012	2013	2014
11	Agriculture	1.5	1.9	1.6	1.5	1.4	1.3	11	Agriculture	4.4	4.7	4.6	4.5	4.4	4.2
23	Construction	1.9	1.9	1.6	1.2	1.2	1.1	23	Construction	4.0	4.1	4.1	3.7	3.6	3.6
31	Manufacturing	3.5	3.9	3.7	3.7	3.0	2.5	31	Manufacturing	7.2	7.2	7.0	7.0	6.5	6.2
42	Wholesale	2.4	2.8	2.5	2.1	1.9	1.7	42	Wholesale	4.8	5.1	4.9	4.9	4.7	4.8
44	Retail	2.3	2.8	2.9	2.9	2.8	2.7	44	Retail	4.4	4.8	4.9	5.0	5.4	5.1
48	Transportation	3.4	3.7	4.0	4.5	3.4	3.5	48	Transportation	7.1	7.4	7.6	8.2	7.4	7.4
56	Administrative	1.7	2.0	2.0	1.9	1.8	1.7	56	Administrative	3.8	4.1	4.1	4.2	4.3	4.1
62	Health	2.4	2.8	3.1	3.2	3.2	2.9	62	Health	4.8	5.1	5.2	5.3	5.6	5.6
72	Entertainment	2.0	2.2	2.0	1.8	1.7	1.5	72	Entertainment	4.0	4.1	4.2	4.3	4.2	4.1
8810	Clerical	3.3	3.3	3.7	4.0	3.4	2.5	8810	Clerical	6.0	6.0	6.2	6.5	6.2	5.8
Other	All Other	2.6	3.0	3.2	3.3	3.1	2.6	Other	All Other	5.4	5.6	5.9	6.2	6.2	5.7
All		2.5	2.8	2.9	2.7	2.4	2.1	All		5.2	5.4	5.5	5.6	5.5	5.2

NAICS Sector	NAICS Name	Change in Median Tenure for Accident Year					NAICS Sector	NAICS Name	Change in Average Tenure for Accident Year				
		2009	2010	2011	2012	2013			2014	2009	2010	2011	2012
11	Agriculture	24.5%	-16.5%	-5.7%	-6.1%	-9.4%	11	Agriculture	7.9%	-4.1%	-1.4%	-0.9%	-4.7%
23	Construction	-3.1%	-15.1%	-24.8%	-2.5%	-4.3%	23	Construction	2.2%	0.4%	-10.0%	-1.7%	-0.6%
31	Manufacturing	9.7%	-3.1%	-0.5%	-20.5%	-15.9%	31	Manufacturing	-0.2%	-2.7%	-0.5%	-6.8%	-4.7%
42	Wholesale	18.9%	-11.7%	-17.6%	-9.2%	-7.0%	42	Wholesale	5.2%	-3.4%	0.3%	-4.4%	1.4%
44	Retail	20.2%	4.6%	-0.7%	-3.8%	-4.6%	44	Retail	8.0%	2.8%	2.2%	8.1%	-6.4%
48	Transportation	10.1%	8.9%	10.9%	-23.5%	2.6%	48	Transportation	3.7%	2.2%	8.3%	-9.4%	-0.2%
56	Administrative	19.8%	1.0%	-5.4%	-7.9%	-5.1%	56	Administrative	7.2%	2.1%	1.3%	1.6%	-3.7%
62	Health	18.3%	7.4%	4.9%	0.3%	-9.0%	62	Health	6.5%	2.1%	1.8%	6.1%	0.1%
72	Entertainment	10.8%	-6.5%	-8.9%	-6.0%	-12.7%	72	Entertainment	2.4%	0.5%	2.5%	-0.4%	-4.3%
8810	Clerical	1.8%	10.9%	8.2%	-13.9%	-28.1%	8810	Clerical	0.3%	2.8%	4.2%	-3.6%	-6.4%
Other	All Other	18.0%	7.6%	2.8%	-8.1%	-14.4%	Other	All Other	4.8%	5.4%	4.1%	0.0%	-7.2%
All		14.5%	1.8%	-6.6%	-10.4%	-12.4%	All		4.1%	1.3%	1.5%	-1.9%	-4.8%

Source: DWC WCIS data

2013 Accident Year Indemnity Claim Frequency Model
As of PY 2011 1st Set & September 2014 UCLA
Tempered Constant

AY	Annual %	Annual Log Differences							
	Changes Intra-	Intra-Class Indemnity Frequency				AY+1	Cumulative	Economic	CalOSHA
	Class Ind Freq	per \$M Exposure at PY 2015 Level			Indemnity	Injury Index			
Total	Total	Cumulative	Non-cum.	Benefit Level		(1st Prin. Comp.)	Variable		
1979	0.5%	0.005	-0.053	0.007	0.000	-0.060	0.134	0.000	
1980	-6.5%	-0.068	-0.132	-0.066	0.033	-0.066	-0.079	0.000	
1981	-3.5%	-0.036	-0.028	-0.036	0.000	0.008	-0.078	0.000	
1982	-1.6%	-0.016	0.153	-0.022	0.352	0.175	-0.292	0.000	
1983	6.2%	0.060	0.214	0.054	0.081	0.160	0.029	0.000	
1984	9.5%	0.091	0.235	0.084	0.000	0.151	0.221	0.000	
1985	2.0%	0.020	0.138	0.014	0.000	0.124	0.080	0.000	
1986	-2.4%	-0.024	0.039	-0.028	0.000	0.067	0.077	0.000	
1987	1.5%	0.015	0.053	0.013	0.000	0.041	0.150	0.000	
1988	0.7%	0.007	0.104	0.000	0.000	0.104	0.088	0.000	
1989	2.5%	0.024	0.212	0.009	0.046	0.203	0.045	0.000	
1990	9.0%	0.087	0.337	0.061	0.071	0.276	-0.119	0.000	
1991	0.3%	0.003	0.166	-0.018	0.023	0.184	-0.290	0.000	
1992	-11.1%	-0.118	-0.272	-0.098	0.013	-0.174	-0.185	0.068	
1993	-14.9%	-0.162	-0.240	-0.153	-0.057	-0.088	-0.022	0.464	
1994	-12.8%	-0.136	-0.462	-0.107	0.061	-0.355	0.106	0.173	
1995	-4.6%	-0.048	-0.016	-0.050	0.053	0.034	0.092	0.295	
1996	-6.8%	-0.070	-0.136	-0.065	0.096	-0.071	0.074	0.000	
1997	-3.3%	-0.033	-0.023	-0.034	0.066	0.011	0.137	0.000	
1998	-3.8%	-0.038	-0.040	-0.038	0.058	-0.002	0.078	0.000	
1999	1.5%	0.014	0.100	0.008	0.040	0.092	0.127	0.000	
2000	4.0%	0.039	0.071	0.037	-0.003	0.034	0.066	0.000	
2001	-6.8%	-0.071	-0.017	-0.076	-0.007	0.059	-0.091	0.000	
2002	-2.8%	-0.028	0.002	-0.031	0.060	0.033	-0.211	0.000	
2003	-3.2%	-0.032	-0.008	-0.034	-0.065	0.026	-0.022	0.000	
2004	-16.8%	-0.184	-0.211	-0.181	-0.398	-0.030	0.094	0.000	
2005	-13.6%	-0.146	-0.298	-0.133	0.051	-0.165	0.142	0.000	
2006	-5.6%	-0.058	-0.049	-0.059	0.016	0.009	0.101	0.000	
2007	-1.6%	-0.016	0.021	-0.019	0.049	0.040	-0.083	0.000	
2008	-2.7%	-0.028	0.034	-0.033	0.006	0.067	-0.301	0.000	
2009	0.0%	0.000	0.150	-0.015	0.066	0.165	-0.452	0.000	
2010	9.0%	0.087	0.132	0.082	0.012	0.050	-0.087	0.000	
2011	0.6%	0.006	-0.046	0.012	0.003	-0.058	0.048	0.000	
2012*	3.6%	0.036	0.028	0.036	-0.008	-0.008	0.125	0.000	
2013	1.2%	0.012	0.012	0.012	0.071	0.000	0.155	0.000	
2014	0.0%	0.000	0.000	0.000	0.003	0.000	0.164	0.000	
2015	-0.3%	-0.003	-0.003	-0.003	0.003	0.000	0.135	0.000	
2016	-0.1%	-0.001	-0.001	-0.001	0.003	0.000	0.151	0.000	

Y = Hazardousness-Adjusted Noncumulative Indemnity Claim Frequency

Constant	-0.020			
Std Err of Y Est	0.043			
R Squared	0.571			
No. of Observations	34			
Degrees of Freedom	29			
X Coefficient(s)	0.184	0.289	0.119	-0.149
Std Err of Coef.	0.079	0.069	0.051	0.083

Notes:

Indemnity Benefit Level variable is leading. The benefit level change for AY 2004 is related to the AY 2003 change in non-cumulative frequency.
The Indemnity Benefit Level change for Ogilvie & Almaraz / Guzman in 2009-2010 is not leading.
The Indemnity Benefit Level variable excludes indemnity benefit utilization, and changes in the death and permanent total benefits.
The Indemnity Benefit Level variable has been revised due to on-leveling reassessments. See Actuarial Committee item AC09-03-03.
For 1993 on, cumulative claims include both cumulative trauma and occupational disease claims. See March 19, 2014 Actuarial Committee Agenda Item III.
Economic variables are historical through 2013; September 2014 UCLA Anderson Forecasts for 2014 on.
Regression is over AY 1979 through AY 2012. AY 2013 through AY 2016 are projections.

The constant term, -0.020, consists of measured offsets that recognize annual changes in real benefit levels relative to nominal benefit levels and long-term economic growth. Without these offsets, the indemnity benefit level and economic variables would project frequency to increase without bound.

*AY 2012 change is based on a comparison of 2012 accidents on 2011 policies to 2011 accidents on 2010 policies.

Indemnity Claim Frequency by Layer of Incurred Medical at USR 1st

Indemnity Claim Frequency per \$1M of Exposure at 2012 Wage Level

Accident Year	Layer of Incurred Medical											
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	All Claims
2000	0.0049	0.0554	0.0437	0.0515	0.0468	0.0715	0.0458	0.0508	0.0342	0.0079	0.0020	0.4146
2001	0.0042	0.0435	0.0369	0.0428	0.0396	0.0610	0.0429	0.0536	0.0411	0.0096	0.0024	0.3775
2002	0.0032	0.0363	0.0339	0.0402	0.0360	0.0555	0.0411	0.0541	0.0476	0.0121	0.0027	0.3628
2003	0.0031	0.0330	0.0331	0.0422	0.0375	0.0561	0.0420	0.0573	0.0486	0.0111	0.0025	0.3664
2004	0.0028	0.0317	0.0295	0.0360	0.0318	0.0498	0.0397	0.0476	0.0323	0.0063	0.0019	0.3094
2005	0.0027	0.0287	0.0261	0.0333	0.0280	0.0405	0.0331	0.0382	0.0254	0.0054	0.0020	0.2634
2006	0.0021	0.0252	0.0240	0.0318	0.0254	0.0378	0.0295	0.0358	0.0269	0.0060	0.0021	0.2467
2007	0.0021	0.0207	0.0225	0.0315	0.0232	0.0345	0.0281	0.0347	0.0300	0.0075	0.0025	0.2375
2008	0.0017	0.0168	0.0193	0.0286	0.0207	0.0310	0.0266	0.0345	0.0320	0.0085	0.0026	0.2223
2009	0.0014	0.0148	0.0170	0.0274	0.0201	0.0298	0.0267	0.0339	0.0325	0.0094	0.0028	0.2158
2010	0.0018	0.0150	0.0180	0.0287	0.0207	0.0325	0.0291	0.0361	0.0351	0.0096	0.0029	0.2295
2011	0.0021	0.0162	0.0185	0.0281	0.0201	0.0324	0.0282	0.0348	0.0339	0.0097	0.0029	0.2270
2012	0.0024	0.0167	0.0190	0.0280	0.0208	0.0329	0.0295	0.0353	0.0350	0.0100	0.0028	0.2324
2013	0.0027	0.0158	0.0186	0.0274	0.0204	0.0362	0.0340	0.0363	0.0319	0.0073	0.0024	0.2329

Accident Year	Annual Change											
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	All Claims
2001	-15.4%	-21.5%	-15.6%	-17.0%	-15.5%	-14.6%	-6.4%	5.4%	20.1%	21.4%	20.3%	-9.0%
2002	-23.8%	-16.4%	-8.0%	-5.9%	-9.1%	-9.0%	-4.1%	1.0%	15.8%	25.5%	15.2%	-3.9%
2003	-3.1%	-9.1%	-2.5%	4.9%	4.1%	1.1%	2.1%	5.8%	2.1%	-8.0%	-7.9%	1.0%
2004	-9.7%	-4.1%	-10.9%	-14.6%	-15.2%	-11.2%	-5.6%	-16.9%	-33.5%	-42.8%	-23.1%	-15.6%
2005	-3.2%	-9.3%	-11.3%	-7.5%	-11.9%	-18.8%	-16.5%	-19.9%	-21.4%	-15.1%	4.6%	-14.9%
2006	-22.4%	-12.2%	-8.2%	-4.6%	-9.1%	-6.6%	-10.9%	-6.2%	5.8%	11.1%	6.0%	-6.4%
2007	0.2%	-18.1%	-6.3%	-0.7%	-8.6%	-8.8%	-4.7%	-2.9%	11.8%	25.9%	18.4%	-3.7%
2008	-19.2%	-18.7%	-14.3%	-9.2%	-10.8%	-10.1%	-5.6%	-0.6%	6.6%	12.3%	1.2%	-6.4%
2009	-14.4%	-12.0%	-11.6%	-4.4%	-3.2%	-3.9%	0.6%	-2.0%	1.4%	11.4%	7.9%	-2.9%
2010	21.1%	1.5%	5.4%	4.8%	3.4%	8.9%	9.0%	6.5%	8.2%	2.4%	4.5%	6.4%
2011	20.0%	7.9%	3.3%	-2.0%	-3.0%	-0.4%	-3.1%	-3.5%	-3.6%	0.7%	1.2%	-1.1%
2012	12.0%	3.2%	2.5%	-0.3%	3.4%	1.5%	4.7%	1.5%	3.2%	2.9%	-3.2%	2.4%
2013	12.6%	-5.3%	-2.3%	-2.2%	-1.9%	10.1%	15.0%	2.9%	-8.7%	-27.3%	-16.8%	0.2%

Accident Year	Percent of Annual Change Attributable to Each Layer											
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	All Claims
2001	-0.2%	-2.9%	-1.6%	-2.1%	-1.7%	-2.5%	-0.7%	0.7%	1.7%	0.4%	0.1%	-9.0%
2002	-0.3%	-1.9%	-0.8%	-0.7%	-1.0%	-1.5%	-0.5%	0.1%	1.7%	0.6%	0.1%	-3.9%
2003	0.0%	-0.9%	-0.2%	0.5%	0.4%	0.2%	0.2%	0.9%	0.3%	-0.3%	-0.1%	1.0%
2004	-0.1%	-0.4%	-1.0%	-1.7%	-1.6%	-1.7%	-0.6%	-2.6%	-4.4%	-1.3%	-0.2%	-15.6%
2005	0.0%	-1.0%	-1.1%	-0.9%	-1.2%	-3.0%	-2.1%	-3.1%	-2.2%	-0.3%	0.0%	-14.9%
2006	-0.2%	-1.3%	-0.8%	-0.6%	-1.0%	-1.0%	-1.4%	-0.9%	0.6%	0.2%	0.0%	-6.4%
2007	0.0%	-1.8%	-0.6%	-0.1%	-0.9%	-1.3%	-0.6%	-0.4%	1.3%	0.6%	0.2%	-3.7%
2008	-0.2%	-1.6%	-1.4%	-1.2%	-1.1%	-1.5%	-0.7%	-0.1%	0.8%	0.4%	0.0%	-6.4%
2009	-0.1%	-0.9%	-1.0%	-0.6%	-0.3%	-0.5%	0.1%	-0.3%	0.2%	0.4%	0.1%	-2.9%
2010	0.1%	0.1%	0.4%	0.6%	0.3%	1.2%	1.1%	1.0%	1.2%	0.1%	0.1%	6.4%
2011	0.2%	0.5%	0.3%	-0.3%	-0.3%	-0.1%	-0.4%	-0.5%	-0.5%	0.0%	0.0%	-1.1%
2012	0.1%	0.2%	0.2%	0.0%	0.3%	0.2%	0.6%	0.2%	0.5%	0.1%	0.0%	2.4%
2013	0.1%	-0.4%	-0.2%	-0.3%	-0.2%	1.4%	1.9%	0.4%	-1.3%	-1.2%	-0.2%	0.2%

Indemnity Claim Count Distribution

Accident Year	Layer of Incurred Medical											
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	All Claims
2000	1.2%	13.4%	10.5%	12.4%	11.3%	17.2%	11.1%	12.3%	8.3%	1.9%	0.5%	100.0%
2001	1.1%	11.5%	9.8%	11.3%	10.5%	16.2%	11.4%	14.2%	10.9%	2.5%	0.6%	100.0%
2002	0.9%	10.0%	9.3%	11.1%	9.9%	15.3%	11.3%	14.9%	13.1%	3.3%	0.8%	100.0%
2003	0.8%	9.0%	9.0%	11.5%	10.2%	15.3%	11.5%	15.6%	13.3%	3.0%	0.7%	100.0%
2004	0.9%	10.2%	9.5%	11.6%	10.3%	16.1%	12.8%	15.4%	10.4%	2.0%	0.6%	100.0%
2005	1.0%	10.9%	9.9%	12.6%	10.6%	15.4%	12.6%	14.5%	9.6%	2.0%	0.8%	100.0%
2006	0.8%	10.2%	9.7%	12.9%	10.3%	15.3%	12.0%	14.5%	10.9%	2.4%	0.9%	100.0%
2007	0.9%	8.7%	9.5%	13.3%	9.8%	14.5%	11.9%	14.6%	12.7%	3.2%	1.1%	100.0%
2008	0.8%	7.6%	8.7%	12.9%	9.3%	14.0%	12.0%	15.5%	14.4%	3.8%	1.2%	100.0%
2009	0.7%	6.8%	7.9%	12.7%	9.3%	13.8%	12.4%	15.7%	15.1%	4.4%	1.3%	100.0%
2010	0.8%	6.5%	7.8%	12.5%	9.0%	14.2%	12.7%	15.7%	15.3%	4.2%	1.3%	100.0%
2011	0.9%	7.1%	8.2%	12.4%	8.9%	14.3%	12.4%	15.3%	14.9%	4.3%	1.3%	100.0%
2012	1.0%	7.2%	8.2%	12.1%	9.0%	14.1%	12.7%	15.2%	15.1%	4.3%	1.2%	100.0%
2013	1.3%	6.8%	7.9%	11.9%	9.0%	14.2%	13.3%	15.4%	14.9%	3.9%	1.2%	100.0%

Note: Figures in italics are based on a partial accident year.

Indemnity Claim Frequency by Layer of Incurred Medical at USR 1st

Incurred Indemnity per Indemnity Claim

Accident Year	Layer of Incurred Medical											All Claims
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	
2000	4,885	551	837	1,745	3,718	8,364	15,721	24,393	37,761	56,023	114,167	11,758
2001	7,382	666	843	1,860	3,699	7,943	14,891	23,725	36,588	54,746	115,205	13,288
2002	7,619	651	839	1,733	3,484	7,314	13,452	21,758	34,432	52,180	106,095	13,690
2003	6,851	707	803	1,840	3,539	7,612	13,927	22,343	34,517	52,481	131,882	14,096
2004	12,608	849	893	2,065	3,883	7,778	13,729	21,212	32,337	49,601	129,747	12,408
2005	8,417	748	945	2,039	3,568	6,759	10,804	17,063	26,539	43,975	99,560	9,991
2006	15,169	968	1,119	2,136	3,510	6,242	10,491	16,383	25,788	43,057	104,791	10,329
2007	16,157	1,016	916	1,883	3,761	6,013	9,997	15,944	25,852	43,185	100,467	11,039
2008	14,533	1,059	988	1,876	3,387	6,155	9,458	15,542	26,024	43,758	92,897	11,726
2009	19,149	685	899	1,896	3,440	5,905	9,412	15,077	25,677	42,548	102,687	12,197
2010	9,172	1,087	978	1,866	3,705	5,970	9,113	15,233	24,978	42,121	87,264	11,878
2011	13,575	1,049	1,075	2,142	4,185	6,272	9,450	15,204	25,458	42,857	110,741	12,392
2012	10,793	1,133	1,150	2,301	4,100	6,257	9,480	15,355	25,505	43,704	98,828	12,277
2013	9,600	1,088	1,506	2,441	4,307	6,466	9,726	15,219	25,867	45,109	103,403	12,410

Accident Year	Annual Change											All Claims
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	
2001	51.1%	21.0%	0.6%	6.6%	-0.5%	-5.0%	-5.3%	-2.7%	-3.1%	-2.3%	0.9%	13.0%
2002	3.2%	-2.2%	-0.4%	-6.8%	-5.8%	-7.9%	-9.7%	-8.3%	-5.9%	-4.7%	-7.9%	3.0%
2003	-10.1%	8.5%	-4.3%	6.2%	1.6%	4.1%	3.5%	2.7%	0.2%	0.6%	24.3%	3.0%
2004	84.0%	20.1%	11.1%	12.2%	9.7%	2.2%	-1.4%	-5.1%	-6.3%	-5.5%	-1.6%	-12.0%
2005	-33.2%	-11.9%	5.8%	-1.3%	-8.1%	-13.1%	-21.3%	-19.6%	-17.9%	-11.3%	-23.3%	-19.5%
2006	80.2%	29.4%	18.4%	4.8%	-1.6%	-7.7%	-2.9%	-4.0%	-2.8%	-2.1%	5.3%	3.4%
2007	6.5%	5.0%	-18.1%	-11.8%	7.2%	-3.7%	-4.7%	-2.7%	0.3%	0.3%	-4.1%	6.9%
2008	-10.0%	4.2%	7.8%	-0.4%	-9.9%	2.4%	-5.4%	-2.5%	0.7%	1.3%	-7.5%	6.2%
2009	31.8%	-35.3%	-8.9%	1.1%	1.6%	-4.1%	-0.5%	-3.0%	-1.3%	-2.8%	10.5%	4.0%
2010	-52.1%	58.5%	8.7%	-1.6%	7.7%	1.1%	-3.2%	1.0%	-2.7%	-1.0%	-15.0%	-2.6%
2011	48.0%	-3.5%	9.9%	14.8%	12.9%	5.1%	3.7%	-0.2%	1.9%	1.7%	26.9%	4.3%
2012	-20.5%	8.0%	7.0%	7.4%	-2.0%	-0.2%	0.3%	1.0%	0.2%	2.0%	-10.8%	-0.9%
2013	-11.0%	-3.9%	30.9%	6.1%	5.1%	3.4%	2.6%	-0.9%	1.4%	3.2%	4.6%	1.1%

Incurred Medical per Indemnity Claim

Accident Year	Layer of Incurred Medical											All Claims
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	
2000	0	287	710	1,595	3,588	7,155	12,123	19,058	33,454	65,190	334,190	11,221
2001	0	291	714	1,605	3,612	7,228	12,193	19,208	33,659	65,183	300,354	13,157
2002	0	300	724	1,617	3,598	7,236	12,235	19,324	33,896	64,946	319,628	15,022
2003	0	302	722	1,615	3,582	7,242	12,255	19,352	33,735	64,904	333,316	14,910
2004	0	293	705	1,596	3,618	7,280	12,205	19,268	33,162	65,606	315,581	13,138
2005	0	297	720	1,604	3,614	7,252	12,140	19,193	33,292	65,518	332,813	13,217
2006	0	296	721	1,602	3,601	7,220	12,117	19,276	33,455	65,367	340,210	14,221
2007	0	303	722	1,604	3,600	7,234	12,085	19,346	33,761	65,754	296,009	15,491
2008	0	308	726	1,615	3,611	7,266	12,049	19,391	34,031	65,676	302,303	16,992
2009	0	310	728	1,626	3,607	7,273	12,013	19,401	34,169	65,654	287,682	17,863
2010	0	306	731	1,622	3,598	7,287	12,019	19,402	34,133	65,763	263,864	17,533
2011	0	308	726	1,614	3,606	7,287	11,997	19,368	34,159	65,711	302,392	17,922
2012	0	306	728	1,604	3,601	7,264	11,955	19,377	34,058	65,665	289,616	17,575
2013	0	307	720	1,599	3,559	7,227	11,900	19,311	34,165	65,563	356,450	18,004

Accident Year	Annual Change											All Claims
	0	1	500	1,000	2,500	5,000	10,000	15,000	25,000	50,000	100,000 & Over	
2001		1.6%	0.5%	0.7%	0.7%	1.0%	0.6%	0.8%	0.6%	0.0%	-10.1%	17.3%
2002		2.8%	1.5%	0.7%	-0.4%	0.1%	0.3%	0.6%	0.7%	-0.4%	6.4%	14.2%
2003		0.7%	-0.2%	-0.1%	-0.5%	0.1%	0.2%	0.1%	-0.5%	-0.1%	4.3%	-0.7%
2004		-2.9%	-2.4%	-1.2%	1.0%	0.5%	-0.4%	-0.4%	-1.7%	1.1%	-5.3%	-11.9%
2005		1.5%	2.1%	0.5%	-0.1%	-0.4%	-0.5%	-0.4%	0.4%	-0.1%	5.5%	0.6%
2006		-0.5%	0.2%	-0.1%	-0.4%	-0.4%	-0.2%	0.4%	0.5%	-0.2%	2.2%	7.6%
2007		2.4%	0.1%	0.1%	0.0%	0.2%	-0.3%	0.4%	0.9%	0.6%	-13.0%	8.9%
2008		1.7%	0.6%	0.7%	0.3%	0.4%	-0.3%	0.2%	0.8%	-0.1%	2.1%	9.7%
2009		0.5%	0.3%	0.7%	-0.1%	0.1%	-0.3%	0.1%	0.4%	0.0%	-4.8%	5.1%
2010		-1.0%	0.5%	-0.2%	-0.3%	0.2%	0.0%	0.0%	-0.1%	0.2%	-8.3%	-1.8%
2011		0.5%	-0.7%	-0.5%	0.2%	0.0%	-0.2%	-0.2%	0.1%	-0.1%	14.6%	2.2%
2012		-0.7%	0.3%	-0.7%	-0.1%	-0.3%	-0.3%	0.0%	-0.3%	-0.1%	-4.2%	-1.9%
2013		0.4%	-1.2%	-0.3%	-1.1%	-0.5%	-0.5%	-0.3%	0.3%	-0.2%	23.1%	2.4%

Note: Figures in italics are based on a partial accident year.

Average and Median Indemnity Claim Severities at USR 1st

Policy Year	Average Incurred Indemnity Severity	Annual Change	Median Incurred Indemnity Severity	Annual Change
1999	11,132	---	2,953	---
2000	12,408	11.5%	3,640	23.3%
2001	13,468	8.5%	4,320	18.7%
2002	13,985	3.8%	4,930	14.1%
2003	13,905	-0.6%	5,000	1.4%
2004	11,397	-18.0%	4,100	-18.0%
2005	9,945	-12.7%	3,400	-17.1%
2006	10,643	7.0%	3,520	3.5%
2007	11,291	6.1%	3,966	12.7%
2008	11,947	5.8%	4,402	11.0%
2009	12,136	1.6%	4,717	7.2%
2010	11,976	-1.3%	4,791	1.6%
2011	12,514	4.5%	5,000	4.4%
2012	12,348	-1.3%	5,000	0.0%

Policy Year	Average Incurred Medical Severity	Annual Change	Median Incurred Medical Severity	Annual Change
1999	10,243	---	4,809	---
2000	11,934	16.5%	5,600	16.4%
2001	13,853	16.1%	6,989	24.8%
2002	15,151	9.4%	7,797	11.6%
2003	14,501	-4.3%	7,575	-2.8%
2004	13,129	-9.5%	6,750	-10.9%
2005	13,457	2.5%	6,331	-6.2%
2006	14,791	9.9%	6,924	9.4%
2007	16,095	8.8%	7,942	14.7%
2008	17,273	7.3%	9,000	13.3%
2009	17,828	3.2%	9,723	8.0%
2010	17,676	-0.9%	9,409	-3.2%
2011	17,894	1.2%	9,388	-0.2%
2012	17,803	-0.5%	9,500	1.2%

Source: WCIRB Unit Statistical data.



525 Market Street, Suite 800
San Francisco, CA 94105-2767

Voice 415.777.0777
Fax 415.778.7007

www.wcirb.com
wcirb@wcirb.com