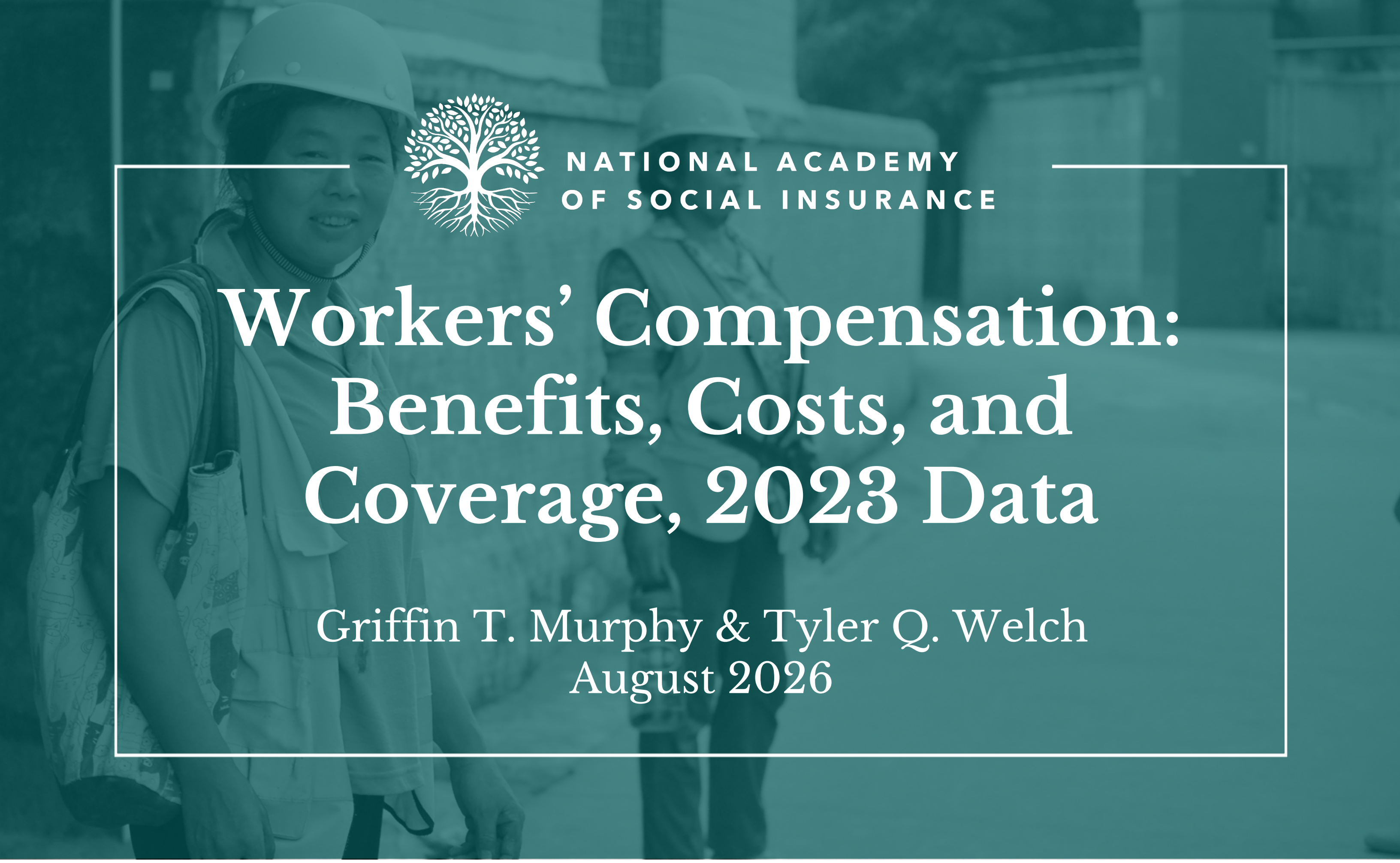

NATIONAL ACADEMY OF SOCIAL INSURANCE

Workers' Compensation: Benefits, Costs, and Coverage, 2023 Data

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The 28th annual workers' compensation report produced by the National Academy of Social Insurance provides the only comprehensive data on workers' compensation benefits, coverage, and employer costs for the nation, the states, the District of Columbia, and federal programs.

Preface

Workers' compensation provides funding for medical care, rehabilitation, and wage replacement for workers who are injured on the job or who contract work-related illnesses. It also pays survivor benefits to families of workers who die of work-related injuries or illnesses. Unlike most other U.S. social insurance programs, workers' compensation is primarily a state program. Individual states established workers' compensation programs beginning in 1911, before any federal social insurance programs were enacted.

By examining the full period from 2019 to 2023, this report shows how workers' compensation systems responded to the COVID-19 pandemic and how the systems' performance data are returning to pre-pandemic trends. The methods used to compile these data mirror those used for the 2022 data report; the full text (along with a sources and methods document) for the 2022 data report (and all previous reports in this series) is available on the Academy's website.

The following section (starting on page 3) includes an executive summary of the newest data. Unlike previous years, the data from this report will be made accessible as a downloadable dataset, as opposed to being formatted into a written report, focused on the traditional 19 tables from the main text of prior reports. This transition will allow stakeholders to download the data for usage in a readily available format.

This approach focuses on workers' compensation system data, paid costs, and reported premiums. While direct employee contributions to workers' compensation costs in New Mexico, Oregon, and Washington state are included in the tables, the human costs of work-related injury and loss are not reflected in these tables. Worker financial costs such as lost wages due to non-compensated waiting periods, uncompensated wage loss, and lost benefits are not included in this analysis.

For accurate interpretation of this data, please note that the tables do not provide data appropriate for gauging benefit adequacy for injured workers. The data should not be compared across states due to the variety of industrial mixes and laws across jurisdictions. Additionally, it should be noted that changes in covered jobs could potentially be related to fluctuations in the gig economy, which is not represented in the covered jobs or wages. Supplementary information to aid in the analysis of the data can be found in the 2022 data report, including a glossary (pgs. 65-68) and table detailing key elements of workers' compensation laws in each state as of 2022 (pgs. 95-102).

Drawing on data from surveys of workers' compensation agencies from all 50 states and the District of Columbia, as well as from A.M. Best and the National Council on Compensation Insurance, this is the only report of its kind. As has been true since 1997, the data are available free of charge to researchers and students, state and federal agencies, workers' rights and employer advocates, and others. Please visit the Academy's website to download a copy of the data and view additional resources.

Please continue to properly cite these data when using the information, as this helps us track usage and make the case for why the publication of these data ought to continue. Here is the proper citation:

APA 7th Edition

Murphy, G. T., & Welch, T. Q. (2026). *Workers' compensation: Benefits, coverage, and costs (2023 data)*. National Academy of Social Insurance.

MLA 9th Edition

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For ongoing questions or follow-up, please contact Tyler Q. Welch: tyler.welch@temple.edu.

Executive Summary

In 2023, U.S. workers' compensation programs covered nearly 150 million jobs and close to $11 trillion in wages, exceeding the levels from prior to the COVID-19 pandemic. Recovery has been uneven across states, with the fastest covered job growth concentrated in the South and Mountain West, while several states remained below their pre-pandemic employment levels.

In keeping with the past two years, covered wages and jobs increased nationally, with Texas experiencing the largest percent increase in covered jobs (3.8%) and New Mexico having the largest percent increase in covered wages (15.9%). No state experienced a decrease in covered jobs. Alternatively, New Hampshire was the only state exhibiting a decrease in covered wages (1.7%). Covered jobs increased for federal employees, diverging from the decline observed in recent years. There were national aggregate increases in benefits paid and employer costs between 2022 and 2023; across the five-year study period, however, there was a decrease in aggregate medical benefits paid.

Nationally, total benefits paid ($64.1 billion), including medical and cash benefits, and employer costs have continued to decrease when adjusted for covered payroll ($0.98 per $100 covered payroll). This masks differences across states: 13 states experienced increases in cash benefits per $100 of covered wages between 2022 and 2023 (Nevada having the largest increase at 18.9%, transitioning from decreases observed over the past 2 years). Of the 38 jurisdictions with decreases between 2022 and 2023, West Virginia experienced the largest change (19.5%).

Medical benefits accounted for more than 47% of the $64.1 billion paid in benefits. In keeping with recent trends, most jurisdictions (31) experienced a decrease in medical benefits per $100 of covered wages between 2022 and 2023. The largest decrease was in South Carolina (17.4%). Out of the 20 jurisdictions with increases, the largest increase came from Massachusetts (5.9%). Both South Carolina and Massachusetts demonstrated a shift in the opposite direction (increase to decrease or vice versa) when compared to the prior year-over-year change (2021-2022).

Taken together, 36 jurisdictions experienced a decrease in total benefits paid per $100 of covered payroll between 2022 and 2023; the largest drop came from Mississippi (13%). The largest increase over that period came from Nevada (12.5%), following the state's increases in both cash and medical benefits paid per $100 of covered payroll.

Almost every jurisdiction (43) experienced a decrease in employer costs per $100 of covered payroll between 2022 and 2023. The largest of these decreases came from Idaho (17%). Of the 7 jurisdictions experiencing an increase, the three biggest increases were in Nevada (3.1%), Oregon (2.7%), and New Hampshire (2.4%). Hawaii's yearover-year measure was unchanged.

Coverage continues to be dominated by private insurers (55.6% of benefits paid). Self-insured employers account for about quarter of benefit payments (25.6%) with the 22 state funds (13.3%) and the federal government (5.5%) making up the remainder and mirroring the 10-year average pattern.