

Sources and Methods: A Companion To: Workers' Compensation: Benefits, Coverage, and Costs, 2004 July 2006



Introduction

The report, *Workers' Compensation: Benefits, Coverage, and Costs, 2004*, provides estimates of total workers' compensation benefits paid in the United States and in each state of United States including the District of Columbia. The report reviews trends in workers' compensation costs and benefits and the relationship of workers' compensation to other disability benefit programs. This document, *Sources and Methods*, describes the sources of data and methods used to produce the state-level estimates of workers' compensation benefits in calendar year 2004.

The purpose of this document is to state our sources of information and the exact methods we used to estimate benefits in each state. It allows comparisons across states in data availability and record keeping activities. We hope that publishing this companion to the report will lead to discussions about improving and refining state record and information systems, which will ultimately improve the quality of data for understanding trends in state and national workers' compensation benefits and costs.

State-Level Estimates

The state-level estimates show separately benefits paid through: (a) private insurance carriers, (b) self-insured employers, and (c) a state fund, if there is one. They also show the share of benefits that are for medical care as distinct from cash indemnity benefits. Finally, they show separately the amount of benefits paid under deductible arrangements.

Sources of Data

State agencies were the main source of the foundation for the estimates. In some cases, state agencies provided all the needed information. In other cases they provided partial information. In still others, they did not have exactly the data requested, but provided related data, which we used to make estimates. For example, a state might have information on benefits paid only on cases closed in a particular year, not on all benefits paid in that calendar year.

Appendix A estimates workers' compensation coverage.

Appendix B describes the sample copy of the questionnaire given to the state agencies.

Table C1 in Appendix C of the full report summarizes the kinds of information we received from each state. The shaded areas indicate data that were provided directly by the state. "NA" indicates that the particular insurance arrangement was not used in that state. The blank areas indicate data reported by A.M. Best.

Appendix D gives the revised data estimates of the previous years from 2000-2003.

Appendix E provides the methods of estimation or self-insurer benefits in states that did not provide latest information.

Appendix F gives an explanation of the medical benefits estimation.

Appendix G provides five methods of deductible estimation.

Appendix H provides totals for federal programs of workers' compensation that are financed by employers.

Please note that the *Sources and Methods* documents provide rounded numbers. In the case of ratios and percentages, this rounding may affect the result a reader will obtain by manually replicating our methodology.

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Alabama - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$575,697	\$277,585	N/A	\$298,112	62.1%

Private Carrier Payments

Source. The Department of Industrial Relations provided total calendar year benefits paid by private carriers. The amount was \$277,585 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The Department of Industrial Relations provided total calendar year benefits paid by self-insured employers. The amount was \$298,112 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Deductibles were not included in the gross amount reported by the agency. The amount was \$101,644 thousand. Private carrier total benefits, obtained from the Department of Industrial Relations, which included deductible benefits, were \$277,585 thousand.

Methods. Figures for private carrier totals from A.M. Best were subtracted from agency figures to obtain an estimate of benefits paid under deductible provisions by private carriers. Thus, deductible benefits were calculated to be $277,585 - 175,941 = \$101,644$ thousand.

Alaska - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$194,195	\$142,286	N/A	\$51,910	55.8%

Private Carrier Payments

Source. The Division of Workers' Compensation provided calendar year benefits paid by private carriers. The amount was \$139,544 thousand. This agency also provided second injury fund benefits for the 2004 calendar year, which were \$3,742 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $3,742 * (139,544 / (139,544 + 50,909)) = \$2,742$ thousand.
- To obtain the total private carrier benefits of \$142,286 thousand, this figure was added to the amount of benefits paid by private carriers provided by the agency.

Self-Insurance Payments

Source. The Division of Workers' Compensation provided calendar year benefits paid by self-insurers. The amount was \$50,909 thousand. This agency also provided second injury fund benefits for the 2004 calendar year, which were \$3,742 thousand.

Methods.

- The amount of self-insurance benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of self-insurance benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $3,742 * (50,909 / (50,909 + 139,544)) = \$1,000$ thousand.
- This figure was added to the self-insurance benefits provided by the Division of Workers' Compensation to obtain the total self-insurance benefits of \$51,910 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. A.M. Best provided private carrier total benefits paid, excluding benefits reimbursed to insurance companies by employers as part of deductible policies. The amount was \$124,760 thousand. Private carrier total benefits, obtained from the Division of Workers' Compensation, which included deductible benefits, were \$139,544 thousand.

Methods. Benefits paid by employers under deductible policies equal the difference, which was \$14,784 thousand.

Arizona - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$584,750	\$185,882	\$295,598	\$103,270	64.2%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits for private carriers excluding benefits reimbursed by the employer as part of a deductible policy. The amount was \$145,916 thousand. Second injury fund data was provided by the Industrial Commission. The amount was \$15,843 thousand. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$35,129 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $15,843 * (145,916 / (477,914)) = \$4,837$ thousand.
- This second injury fund amount, along with the estimated amount of benefits paid by employers under deductible policies, was added to the figure from A.M. Best to obtain the total of \$185,882 thousand.

State Fund Payments

Source. A.M. Best provided calendar year benefits excluding second injury fund benefits. The amount was \$232,042 thousand. The Industrial Commission provided second injury fund benefits for the 2004 calendar year, which were \$15,843 thousand. The estimated amount of benefits paid by state fund under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$55,864.

Methods.

- The amount of state fund benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of state fund benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $15,843 * (232,042 / 477,914) = \$7,692$ thousand.
- This figure was added to the benefit amount provided by A.M. Best and the estimated amount of benefits paid by the state fund under deductible policies to obtain the total state fund benefits of \$295,598 thousand.

Self-Insurance Payments

Source. The Industrial Commission provided calendar year benefits excluding second injury fund benefits. The amount was \$99,956 thousand. This agency also provided second injury fund benefits for the 2003 calendar year, which were \$15,843 thousand.

Methods.

- The amount of self-insurance benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of self-insurance benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $15,843 * (99,956/477,914) = \$3,314$ thousand.
- This figure was added to self-insurance benefits provided by the Industrial Commission to obtain the total self-insurance benefits of \$103,270 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$90,933 thousand.

Arkansas - 2004

Workers' Compensation Benefits Paid – 2004(thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$225,689	\$160,642	N/A	\$65,047	60.7%

Private Carriers Payments

Source. The Workers' Compensation Commission provided calendar year benefits for private carriers, excluding benefits reimbursed by the employer as part of a deductible policy. The amount was \$123,931 thousand. The share of deductibles for private carriers was estimated using a ratio of Manual Equivalent Premiums. The amount was \$36,710 thousand.

Methods.

- To obtain the total private carrier benefits of \$160,642 thousand, the estimated amount of deductibles was added to the figure from the agency.

Self-Insurance Benefits

Source. The Workers' Compensation Commission provided calendar year benefits paid by self-insured, excluding second injury fund benefits. The amount was \$60,511 thousand. This agency also provided second injury fund benefits for the 2004 calendar year, which were \$13,828 thousand.

Methods.

- The amount of self-insurance benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of self-insurance benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $13,828 * (60,511/184,442) = \$4,537$ thousand.
- This figure was added to self-insurance benefits provided by the Workers' Compensation Commission to obtain the total self-insurance benefits of \$65,047 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$36,710 thousand.

California - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$12,459,638	\$5,562,062	\$3,202,628	\$3,694,990	48.7%

Private Carrier Payments

Source. The Workers' Compensation Insurance Rating Bureau provided total calendar year benefits paid by private carriers and the state fund, including benefits paid under deductible policies. The amount was \$8,764,648 thousand. A.M. Best provided total calendar year benefits paid by the state fund. The amount was \$3,202,628 thousand.

Methods.

- Private carrier benefits were determined by subtracting total calendar year benefits paid by the state fund as provided by A.M. Best from total calendar year benefits paid by private carriers as provided by the agency. The amount was, $8,764,648 - 3,202,628 = \$5,562,062$ thousand

State Fund Payments

Source. By AASCIF definition, California has a state fund. A.M. Best provided total calendar year benefits paid by the state fund. The amount was \$3,202,628. No additional calculations were needed.

Self-Insurance Payments

Source. The Workers' Compensation Insurance Rating Bureau provided calendar year benefits paid by self-insurers. The amount was \$3,694,990 thousand. No additional calculations were needed.

Medical Benefits

Source. The Workers' Compensation Insurance Rating Bureau provided total medical benefits for private carriers and the state fund. The amount was \$4,304,402 thousand. The Office of Self-Insurance Plans provided total medical benefits paid by self-insurers. The amount was \$1,767,996 thousand.

Methods. These figures were added together to obtain total medical benefits of \$6,072,398 thousand. This number equals 48.7 percent of total benefits.

Deductibles

Source. A.M. Best provided private carrier and state fund total benefits paid, excluding benefits reimbursed to insurance companies by employers as part of deductible policies. The amounts were \$3,386,670 thousand and \$3,202,628 thousand, respectively. Private carrier and state fund total benefits, obtained from the Worker's Compensation Insurance Rating Bureau, which included deductible benefits for private carriers, were \$8,764,648 thousand.

Methods. Benefits paid by employers under deductible policies through private carriers were calculated by subtracting state fund and private carrier benefits as provided by A.M. Best from total benefits as provided by the Workers' Compensation Insurance Rating Bureau. The amount was $8,764,648 - (3,386,670 + 3,202,628) = \$2,175,350$ thousand in benefits paid under deductible policies by employers insuring through private carriers.

Colorado - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$834,594	\$271,253	\$416,618	\$146,723	48.8%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits for private carriers excluding benefits reimbursed by the employer as part of a deductible policy. The amount was \$205,651 thousand. Second injury fund data was provided by the Division of Workers' Compensation. The amount was \$9,229 thousand. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$62,753 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $9,229 * (205,651/666,230) = \$2,849$ thousand.
- This second injury fund amount, along with the estimated amount of benefits paid by employers under deductible policies, was added to the figure from A.M. Best to obtain the total of \$271,253 thousand.

State Fund

Source. The National Association of Insurance Commissioners (NAIC) provided state fund benefits for 2004, excluding benefits paid by employers under deductible provisions and second injury fund. The amount was \$315,860 thousand. Second injury fund data was provided by the Division of Workers' Compensation. The amount was \$9,229 thousand.

Methods.

- The estimated amount of benefits paid by employer under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$96,382 thousand.
- The share of state fund benefits from a second injury fund was determined by multiplying the second injury fund by the ratio of state fund benefits to total benefits, $9,229 * (315,860/666,230) = \$4,375$ thousand.
- This second injury fund share, along with the estimated amount of benefits paid by employers under deductible policies, which was \$96,382 thousand, was added to the figure provided by NAIC to obtain the total of \$416,618 thousand.

Self-Insurance Payments

Source. The Division of Workers' Compensation provided calendar year benefits paid by self-insurers, excluding second injury fund. The amount was \$144,719 thousand. They provided second injury fund data separately. The amount was \$9,229 thousand.

Methods.

- The amount of self-insured benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of self-insured benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $9,229 * (144,719/666,230) = \$2,005$ thousand.
- This second injury fund amount was added to obtain the total of \$146,723 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using the ratio of Manual Equivalent Premiums. The amount was \$159,135 thousand.

Connecticut - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$684,930	\$433,077	N/A	\$251,853	39.6%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers and the state fund, excluding benefits reimbursed to the insurance company by employers as part of a deductible policy. The amount was \$338,507 thousand.

Method. Private carriers and the state fund share of deductibles were estimated using a ratio of Manual Equivalent Premiums. The amount was \$94,570 thousand. This amount was added to the figure from A.M. Best to obtain the total of \$433,077.

Self-Insurance Payments

Source. The Workers' Compensation Commission provided total calendar year benefits for self-insurers. The amount was \$240,518 thousand. Second injury fund benefits were also provided by this agency. The amount was \$36,626 thousand.

Method. The amount of self-insurance benefits from the second injury fund was determined by multiplying the total second injury fund benefits by the ratio of self-insurance benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $36,626 * [240,518/777,154] = \$11,335$ thousand. This amount was added to self-insurance benefits as provided by the Workers' Compensation Commission to obtain the total of \$251,853 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$94,570 thousand.

Delaware - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$158,190	\$113,948	N/A	\$44,242	47.9%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$89,092 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount was \$24,856 thousand. This amount was added to the figure from A.M. Best to obtain the total of \$113,948 thousand.

Self-Insurance Payments

Source. The amount of self-insurer benefits was found using 2003 data. In 2003, the Delaware Department of Labor provided total self-insured and private carrier premiums written. The ratio was 38.83 percent. This ratio was assumed to be the same for benefits paid.

Methods. The ratio was applied to 2004 total private carrier benefits to obtain total self-insurance benefits. Therefore, the amount was, $113,948 * .3883 = \$44,242$ thousand.

Medical Benefits

Source. The percent of medical benefits is based on the weighted average of states where medical data were available.

Methods. The procedure used is described in [Appendix F](#).

Deductible

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$24,856 thousand.

District of Columbia - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$98,443	\$75,415	N/A	\$23,029	38.7%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$62,177 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$13,238 thousand, was added to the figure from A.M. Best to obtain the total of \$75,415 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using the ratio of Manual Equivalent Premiums. The amount was \$13,238 thousand.

Florida - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$2,759,712	\$2,219,913	N/A	\$539,799	59.3%

Private Carrier Payments

Source. A.M. Best provided 2004 calendar year benefits for private carriers, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$1,459,148 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$760,765 thousand, was added to the figure from A.M. Best to obtain the total of \$2,219,913 thousand.

Self-Insurance Payments

Source. The Division of Workers' Compensation provided an estimate of total self-insurance benefits paid, which was \$539,799 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$760,765 thousand.

Georgia - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,127,654	\$768,478	N/A	\$359,176	47.8%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$550,734 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$217,744 thousand, was added to the figure from A.M. Best to obtain the total of \$768,478 thousand.

Self-Insurance

Source. The amount of self-insurer benefits was found using 2003 data. In 2003, the State of Georgia Subsequent Injury Trust Fund provided total self-insured premiums written and AM Best provided private carrier premiums written. The ratio was 46.74 percent. This ratio was assumed to be the same for benefits paid.

Methods. The ratio was applied to 2004 total private carrier benefits to obtain total self-insurance benefits. Therefore, $768,478 * .4674 = \$359,176$ thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The imputation procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$217,744 thousand.

Hawaii - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$271,290	\$150,840	\$34,015	\$86,436	38.3%

Private Carrier Payments

Source. The Department of Labor and Industrial Relations (DLIR) provided total calendar year benefits paid by private carriers and the state fund, including benefits paid under deductible policies. The amount was \$174,376 thousand. The DLIR provided benefits paid by the Special Compensation Fund, \$17,337 thousand (\$293 thousand medical and \$17,044 thousand indemnity). A.M. Best provided calendar year benefits paid by the state fund and private carriers, excluding benefits paid under deductible policies. Amounts were respectively \$21,105 thousand and 100,473 thousand.

Method.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits provided by A.M. Best excluding second injury fund benefits to total benefits excluding second injury fund benefits, $17,337 * (100,473/201,155) = \$8,659$ thousand.
- State fund deductibles were determined by:
 - Subtracting state fund benefits and private carrier benefits provided by A.M. Best from private carrier benefits provided by DLIR. The amount was \$52,797,957.
 - Then, the estimation was multiplied by the ratio of state fund benefits provided by A.M. Best to private carrier benefits provided by A.M. Best, $52,797,957 * (21,105,000/100,473,000) = \$11,090,550$.
- State fund benefits provided by A.M. Best and estimated state fund deductibles were subtracted from total private carrier benefits provided by DLIR, $174,375,957 - 11,090,551 - 21,105,000 = \$142,180,406$.
- The estimated amount of private carrier benefits from a second injury fund (\$8,659 thousand) was added to this figure to obtain the total private carrier benefits of \$150,839 thousand.

State Fund Payments

Source. A.M. Best provided total benefits paid, excluding benefits paid under deductible policies. The amount was \$21,105 thousand. The Department of Labor and Industrial Relations (DLIR) provided benefits paid by the Special Compensation Fund, which were \$17,337 thousand.

Method.

- State fund deductibles were determined by subtracting state fund benefits and private carrier benefits provided by A.M. Best from private carrier benefits provided by DLIR. The amount was \$52,797,957.
- Then, the estimation was multiplied by the ratio of state fund benefits provided by A.M. Best to private carrier benefits provided by A.M. Best, $52,797,957 * (21,105,000/100,473,000) = \$11,090,551$.
- The share of state fund benefits from a second injury fund were determined by multiplying the second injury fund by the ratio of state fund benefits to total benefits, $17,337 * (21,105/201,155) = \$1,819$ thousand.
- This second injury fund share, along with the estimated amount of benefits paid by employers under deductible policies, which was \$11,090 thousand, was added to the figure provided by A.M. Best to obtain the total of \$34,015 thousand.

Self-Insurance Payments

Source. The Department of Labor and Industrial Relations (DLIR) provided total calendar year benefits paid by self-insurers. The amount was \$79,577 thousand. The DLIR provided benefits paid by the Special Compensation Fund, \$17,337 thousand.

Method.

Special Compensation Fund (SCF) benefits paid by self-insurers were determined by the following procedure:

- SCF benefits were multiplied by the ratio of self-insurer benefits to total benefits (excluding the SCF): $17,337 * (79,577/201,155) = \$6,858$ thousand;
- This amount was then added to total calendar year benefits paid by self-insurers provided by DLIR to obtain total self-insurer benefits of \$86,436 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The imputation procedure used is described in [Appendix F](#).

Deductibles

Source. Total private carrier and state fund benefits provided by the Department of Labor and Industry included deductible benefits. The total was \$174,376 thousand. Total private carrier benefits provided by A.M. Best did not include deductible benefits. This

amount was \$100,473 thousand. Deductible benefits were not included in the state fund total reported by the A.M. Best. That amount (net of deductible) was \$21,105 thousand.

Methods. The figure for total private carrier and state fund benefits from A.M. Best was subtracted from the agency figure to obtain an estimate of benefits paid under deductible provisions by private carriers and the state fund. Total deductible benefits were calculated to be $174,376 - 100,473 - 21,105 = \$52,798$ thousand. To obtain an estimate of deductible benefits paid by the state fund and private carriers the following procedure was used:

- The total deductible amount as estimated above was multiplied by the ratio of state fund benefits to total private carrier benefits as reported by A.M. Best to obtain total state fund deductibles, $\$52,798 * (21,105/100,473) = \$11,091$ thousand.
- State fund deductibles were subtracted from total deductible benefits to obtain private carrier deductibles, $\$52,798 - \$11,091 = \$41,707$ thousand.

Idaho - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$210,326	\$74,896	\$122,429	\$13,001	59.1%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$66,472 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$8,424 thousand, was added to the figure from A.M. Best to obtain the total of \$74,896 thousand.

State Fund Payments

Source. A.M. Best provided calendar year benefits paid by the state fund, excluding benefits paid under deductible policies. The amount was \$108,659 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$13,770 thousand, was added to the figure from A.M. Best to obtain the total of \$122,429 thousand.

Self-Insurance Payments

Source. The amount of self-insurer benefits was found using 2003 data. In 2003, the Industrial Commission provided total self-insured and private carrier premiums written. The ratio was 17.36 percent. This ratio was assumed to be the same for benefits paid.

Methods. The ratio was applied to total private carrier benefits of 2004 to obtain total self-insurance benefits. Therefore, $74,896 * .1736 = \$13,001$ thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

National Academy of Social Insurance

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$22,194 thousand.

Illinois - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$2,213,372	\$1,646,713	N/A	\$566,659	48.5%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$1,280,791 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$365,922 thousand, was added to the figure from A.M. Best to obtain the total of \$1,646,713 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$365,922 thousand.

Indiana - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$608,717	\$489,351	N/A	\$119,366	68.0%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$381,344 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$108,007 thousand, was added to the figure from A.M. Best to obtain the total of \$489,351 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$108,007 thousand.

Iowa - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$445,832	\$337,824	N/A	\$108,008	51.6%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$264,554 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$73,270 thousand, was added to the figure from A.M. Best to obtain the total of \$337,824 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$73,270 thousand.

Kansas - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$365,546	\$241,025	N/A	\$124,522	55.0%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers excluding benefits paid under deductible policies and second injury fund benefits. This amount was \$185,580 thousand. The Division of Workers' Compensation provided second injury fund benefits for the 2004 calendar year, which were \$2,613 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $2,613 * (185,580 / (185,580 + 123,478)) = \$1,570$ thousand.
- The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount was \$53,875 thousand.
- This figure, along with the amount of private carrier benefits from a second injury fund, was added to private carrier benefits paid to obtain total private carrier benefits paid, \$241,025 thousand.

Self-Insurance Payments

Source. The Division of Workers' Compensation provided calendar year benefits paid by self-insurers excluding second injury fund benefits. This amount was \$123,478 thousand. This agency also provided second injury fund benefits for the 2004 calendar year, which were \$2,613 thousand.

Methods. The amount of state fund benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of self-insurer benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $2,613 * (123,478 / (123,478 + 185,580)) = \$1,044$ thousand. This figure was added to self-insurance benefits provided by the Division of Workers' Compensation to obtain total self-insurance benefits paid, \$124,522 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in Appendix F.

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$53,875 thousand.

Kentucky - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$763,050	\$422,506	\$72,097	\$268,447	54.0%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers and the state fund, excluding benefits reimbursed to the insurance company by employers as part of a deductible policy. The amount was \$272,625 thousand. The Workers' Compensation Funds provided the second injury fund benefit amount, which was \$80,528 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits to total benefits given by A.M. Best excluding second injury fund benefits, $80,528 * (272,625/319,146) = \$68,790$ thousand.
- The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount was \$81,091 thousand.
- This figure, along with the amount of private carrier benefits from a second injury fund, was added to private carrier benefits provided by the Workers' Compensation Funds to obtain total private carrier benefits paid, \$422,506 thousand.

State Fund

Source. A.M. Best provided total calendar year benefits paid by the state fund, excluding benefits paid by employers under deductible provisions and second injury fund. The amount was \$46,521 thousand. The Workers' Compensation Funds provided the second injury fund benefit amount, which was \$80,528 thousand.

Methods.

- The amount of state fund benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio (14.58 percent) of state fund benefits to total benefits, $80,528 * .1458 = \$11,738$ thousand.
- The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$13,837 thousand, was added to the figure from A.M. Best and the estimated amount of state fund benefits from a second injury fund to obtain the total of \$72,097 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in Appendix E.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in Appendix F.

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$94,929 thousand.

Louisiana - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$589,209	\$297,493	\$163,733	\$127,984	50.4%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$223,075 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$74,418 thousand, was added to the figure from A.M. Best to obtain the total of \$297,493 thousand.

State Fund

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. This amount was \$122,775 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$40,958 thousand. This figure was added to the amount provided by A.M. Best to determine the total of \$163,733 thousand.

Self-Insurance Payments

Source. The Office of Workers' Compensation provided calendar year medical benefits paid by self-insuring employers. The amount was \$127,984 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$115,376 thousand.

Maine - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$269,917	\$94,800	\$84,269	\$90,847	42.0%

Private Carrier Payments

Source. The Bureau of Insurance provided calendar year benefits paid by private carriers excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$157,461 thousand. A.M. Best provided calendar year benefits paid by the state fund, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$73,783 thousand.

Methods.

- Private carrier benefits were determined by subtracting the A.M. Best state fund figure from the Bureau of Insurance figure, $157,461 - 73,783 = \$83,678$ thousand.
- The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount, which was 11,122 thousand, was added to private carrier benefits (\$83,678 thousand) to obtain the total of \$94,800 thousand.

State Fund Payments

Source. A.M. Best provided calendar year benefits paid by state funds, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$73,783 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount, which was \$10,486 thousand, was added to the figure from A.M. Best to obtain the total of \$84,269 thousand.

Self-Insurance Payments

Source. The Bureau of Insurance provided calendar year benefits paid by self-insurers. The amount was \$90,487 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The imputation procedure used is described in Appendix F.

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$21,608 thousand.

Maryland - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$767,576	\$448,756	\$196,097	\$122,723	41.4%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$324,236 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$124,520 thousand, was added to the figure from A.M. Best to obtain the total of \$448,756 thousand.

State Fund Payments

Source. A.M. Best provided calendar year benefits paid by the state fund, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$141,684 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount, which was 54,413 thousand, was added to the figure from A.M. Best to obtain the total of \$196,097 thousand.

Self-Insurance Payments

Source. The Workers' Compensation Commission provided calendar year benefits paid by self-insurers. The amount was \$122,723 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The imputation procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$178,933 thousand.

Massachusetts - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,045,747	\$900,741	N/A	\$145,006	34.3%

Private Carrier Payments

Source. The Workers' Compensation Rating and Inspection Bureau provided total calendar year benefits paid by private carriers, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$670,919 thousand. This agency also provided the second injury fund benefit amount, which was \$25,299 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $25,299 * (670,919/811,542) = \$20,915$ thousand
- The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount was \$208,906 thousand.
- This figure, along with the amount of private carrier benefits from a second injury fund, was added to private carrier benefits paid to obtain total private carrier benefits paid, \$900,741 thousand.

Self-Insurance Payments

Source. The Workers' Compensation Rating and Inspection Bureau provided total calendar year benefits paid by self-insurers, excluding the second injury benefit. The amount was \$140,622 thousand. This agency also provided the second injury fund benefit amount, which was \$25,299 thousand.

Methods. The amount of self-insurer benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of self-insurer benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $25,299 * (140,622/811,541) = \$4,384$ thousand. This amount was added to the figure provided by the Workers' Compensation Rating and Inspection Bureau to obtain the total self-insurer benefits of \$145,005 thousand.

Medical Benefits

Source. The Workers' Compensation Rating and Inspection Bureau provided the percent of medical benefits. The figure was 34.3 percent. No additional calculations were needed.

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$208,906 thousand.

Michigan - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,517,386	\$827,277	N/A	\$690,109	37.6%

Private Carrier Payments

Source. The Workers' Compensation Agency provided calendar year benefits paid by private carriers, broken out by medical and indemnity benefits. The total amount was \$812,637 thousand, \$294,604 thousand for medical and \$518,034 thousand for indemnity. The agency also provided benefits paid by the Second Injury Fund, broken out by medical and indemnity benefits. The total amount was \$26,851 thousand, \$1,853 thousand for medical and \$24,998 thousand for indemnity.

Method.

The amount of private carrier benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $26,851 * (812,637/1,490,535) = \$14,639$ thousand. This figure was added to the amount provided by the Workers' Compensation Agency to obtain the total private carrier benefits of \$827,277 thousand.

Self-Insurance Payments

Source. The Workers' Compensation Agency provided calendar year benefits paid by self-insurers benefits. The total amount was \$677,897 thousand. The agency also provided benefits paid by the Second Injury Fund which were \$26,851 thousand.

Method. The amount of self-insurer benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of self-insurer benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $26,851 * (677,897/1,490,535) = \$12,212$ thousand. This figure was added to the amount provided by the Workers' Compensation Agency to obtain the total self-insured benefits of \$690,109 thousand.

Medical Benefits

Source. The Workers' Compensation Agency provided the percent of medical benefits. The amount was 37.6 percent. No additional calculations were necessary.

Deductibles

Source. Deductible benefits were included in private carrier benefits provided by the Workers' Compensation Agency. The total was \$812,637 thousand. Private carrier benefits provided by A.M. Best did not include deductible benefits. This amount was \$677,833 thousand.

Methods. Figures for private carrier totals from A.M. Best were subtracted from agency figures to obtain an estimate of benefits paid under deductible provisions by private carriers. Thus, deductible benefits were calculated to be $812,637 - 677,833 = \$134,804$ thousand.

Minnesota - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$933,975	\$576,232	\$120,488	\$237,255	48.7%

Private Carrier Payments

Source. The Department of Labor and Industry provided calendar year benefits paid by private carriers. The amount was \$576,232 thousand. No additional calculations were needed.

State Fund

Source. The Department of Labor and Industry provided calendar year benefits paid by state funds. The amount was \$120,488 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The Department of Labor and Industry provided calendar year benefits paid by self-insurers. The amount was \$237,255 thousand. No additional calculations were needed.

Medical Benefits

Source. The Department of Labor and Industry provided the percent of medical benefits. The amount was 48.7 percent. No additional calculations were needed.

Deductibles

Source. The Department of Labor and Industry provided benefits paid under a deductible policy. The amount for private carriers was \$150,507 thousand. The amount for the state fund was \$5,101 thousand. No additional calculations were needed.

Mississippi - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$305,516	\$172,433	N/A	\$133,083	55.9%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers excluding benefits paid under deductible policies and second injury fund benefits. This amount was \$128,249 thousand. The Workers' Compensation Commission provided second injury fund benefits for the 2004 calendar year, which were \$107 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $107 * (128,249 / (261,277)) = \53 thousand.
- The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount was \$44,131 thousand.
- This figure, along with the amount of private carrier benefits from a second injury fund, was added to private carrier benefits paid to obtain total private carrier benefits paid, \$172,433 thousand.

Self-Insurance Payments

Source. The Workers' Compensation Commission provided calendar year benefits paid by self-insurers, excluding second injury fund. The amount was \$133,028 thousand. This agency also provided the second injury fund cash benefit amount, which was \$107 thousand.

Methods. The amount of self-insurer benefits from a second injury fund were determined by multiplying the second injury fund cash benefits by the ratio of self-insurer cash benefits excluding second injury fund benefits to total cash benefits excluding second injury fund benefits, $107 * (133,028/261,277) = \54 thousand. This figure was added to the cash and medical benefit amounts to obtain the total self-insurer benefits of \$133,083 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in Appendix F.

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$44,131 thousand.

Missouri - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,119,871	\$684,950	\$114,560	\$320,361	50.4%

Private Carrier Payments

Source. The Division of Workers' Compensation (DWC) provided total calendar year benefits paid by private carriers and the state fund, including benefits paid under deductible policies and excluding second injury fund. The amount was \$754,253 thousand. The DWC provided benefits paid by the Second Injury Fund, which was \$63,391 thousand (\$643 thousand medical and \$62,748 thousand indemnity). The Missouri Employers Mutual Insurance (MEMI) also provided calendar year benefits paid by the state fund, excluding deductibles and second injury fund. The amount was \$82,275 thousand. A.M. Best provided calendar year benefits paid by private carriers excluding benefits paid under deductible policies and second injury fund. The amount was \$483,813 thousand.

Method.

- The amount of state fund benefits provided by MEMI and the estimated amount of state fund deductibles, which was \$27,348 thousand, were subtracted from the total of private carrier and state fund benefits provided by DWC to obtain private carriers' benefits excluding the amount of private carrier benefits from a second injury fund. The amount was $\$754,253 - \$82,275 - \$27,348 = \$644,630$ thousand (See below for an estimate of deductible benefits).
- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $63,391 * (671,978/1,056,479) = \$40,320$ thousand.
- This figure was added to the private carriers' benefits excluding Second Injury Fund benefits (\$644,630 thousand) to obtain total private carrier benefits, which were \$684,950.

State Fund Payments

Source. The MEMI provided calendar year benefits paid by the state fund, excluding benefits paid under deductible policies and second injury fund. The amount was \$82,275 thousand. The DWC provided benefits paid by the Second Injury Fund, which was \$63,391 thousand.

Method.

- The amount of state fund benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of state fund

benefits excluding second injury fund to total benefits excluding second injury fund, $63,391 * (82,275/1,056,480) = \$4,937$ thousand.

- The estimated amount of deductibles for state fund was \$27,348 thousand (See below for estimate of deductible policies).
- This figure, along with the estimated amount of state fund benefits from a second injury, was added to the state fund amount that did not include benefits under deductible or second injury fund benefits to obtain total state fund benefits, $\$27,348 + \$4,937 + \$82,275 = \$114,560$ thousand.

Self-Insurance Payments

Source. The DWC provided total calendar year benefits paid by self-insurers, excluding second injury fund. The amount was \$302,227 thousand. This agency also provided second injury fund benefits for 2004 calendar year, which were \$63,391 thousand.

Method.

- The amount of self-insured benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of self-insurer benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $63,391 * (302,227/1,056,480) = \$18,134$ thousand. This figure was added to the self-insured amount that did not include second injury fund to obtain total self-insurer benefits, which were \$320,361 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Deductible benefits were included in total private carrier and state fund benefits provided by the DWC. The amount was \$754,253 thousand. The MEMI provided calendar year benefits paid by the state fund, excluding deductibles and second injury fund. The amount was \$82,275 thousand. Total private carrier benefits provided by A.M. Best did not include deductible benefits. This amount was \$483,813 thousand.

Methods.

- The amounts of total private carrier benefits provided by A.M. Best and state fund benefits from MEMI were subtracted from total private carrier and state fund benefits provided by DWC to obtain an estimate of benefits paid under deductible provisions by private carriers and the state fund. Total deductible benefits were calculated to be $754,253 - 483,813 - 82,275 = \$188,165$ thousand.

- To obtain an estimate of deductible benefits paid by the state fund and private carriers the following procedure was used:
 - The total deductible amount as estimated above was multiplied by the ratio of private carrier benefits provided by A.M. Best to total benefits to obtain total deductibles for private carriers, $\$188,165 * (483,813/566,088) = \$160,817$ thousand.
 - Deductibles for private carriers were subtracted from total deductible benefits to obtain state fund deductibles, $\$188,165 - \$160,817 = \$27,348$ thousand.

Montana - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$211,059	\$67,757	\$103,559	\$39,743	53.6%

Private Carrier Payments

Source. The Montana Department of Labor and Industry provided calendar year benefits paid by private carriers. The amount was \$67,664 thousand. The agency also provided second injury fund benefits. The amount was \$292 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $292 * (67,664/210,767) = \94 thousand.
- This figure was added to the amount provided by the Montana Department of Labor and Industry to find the total private carrier benefits of \$67,758 thousand.

State Fund

Source. The Montana Department of Labor and Industry provided calendar year benefits paid the state fund (\$103,416 thousand) and second injury funds (\$292 thousand).

Methods.

- Benefits paid as part of the second injury fund were multiplied by the ratio of state fund benefits excluding second injury fund to total benefits excluding second injury fund. That amount was $292 * [103,416 / 210,767] = \143 thousand. This figure was added to state fund benefits excluding second injury fund to obtain total state fund benefits paid, \$103,559 thousand.

Self-Insurance Payments

Source. The Montana Department of Labor and Industry provided calendar year benefits by self-insurers (\$39,688 thousand) and second injury funds (\$292 thousand).

Methods.

- The amount of self-insured benefits from a second injury fund were determined by multiplying the total second injury fund benefits by the ratio of self-insurer benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $292 * (39,688/210,767) = \55 thousand. This figure was

added to the self-insured amount that did not include second injury fund to obtain total self-insurer benefits, which were \$39,743 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. A.M. Best provided private carrier total benefits paid, excluding benefits reimbursed to insurance companies by employers as part of deductible policies. The amount was \$64,538 thousand. Private carrier and state fund total benefits, obtained from the Department of Labor and Industry, which included deductible benefits for private carriers, were \$67,664 and \$103,416 thousand respectively.

Methods.

- Benefits paid by employers under deductible policies through private carriers was calculated by subtracting private carrier benefits as provided by A.M. Best from total benefits as provided by the Department of Labor and Industry. The amount was $67,664 - 64,538 = 3,126$ thousand in benefits paid under deductible policies by employers insuring through private carriers.
- Benefits paid by employers under deductible policies through state fund was calculated by subtracting state fund benefits excluding deductible benefits, which was found using a ratio of Manual Equivalent Premiums, from total state fund benefits as provided by the Department of Labor and Industry. The amount was $103,416 - 94,750 = 8,666$ thousand.
- This figure was added to the amount of deductible benefits for private carriers to obtain the total of \$11,791 thousand.

Nebraska - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$283,148	\$218,113	N/A	\$65,035	58.9%

Private Carrier Payments

Source. A.M. Best provided total calendar year benefits paid by private carriers, excluding benefits paid under deductible policies. The amount was \$168,815 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Equivalent Manual Premiums. The amount, which was \$49,298 thousand, was added to the figure from A.M. Best to obtain the total of \$218,113 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provision of policies with deductibles.

Methods. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$49,298 thousand.

Nevada - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$357,937	\$239,619	N/A	\$118,317	49.1%

Private Carrier Payments

Source. The Department of Business and Industry provided total calendar year benefits paid. The amount was \$238,398 thousand. The agency also provided second injury fund benefits. The amount was \$1,824 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $1,824 * (238,398/356,113) = \$1,221$ thousand.
- This figure was added to the amount provided by the Department of Business and Industry to find the total private carrier benefits of \$239,619 thousand.

Self-Insurance Payments

Source. The Department of Business and Industry provided calendar year benefits paid by self-insuring employers. The amount was \$117,714 thousand. This agency also provided the second injury fund benefit amount, which was \$1,824 thousand.

Methods. The amount of self-insured benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of self-insurer benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $1,824 * (117,714/356,113) = \603 thousand. This figure was added to the self-insured amount that did not include second injury fund to obtain total self-insurer benefits, which were \$118,317 thousand.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. A.M. Best provided private carrier and state fund total benefits paid, excluding benefits reimbursed to insurance companies by employers as part of deductible policies. The amounts were \$84,077 thousand and \$100,861 thousand, respectively. Private carrier and state fund total benefits, obtained from the Department of Business and Industry, which included deductible benefits for private carriers, were \$238,398 thousand.

Methods. Benefits paid by employers under deductible policies through private carriers were calculated by subtracting state fund and private carrier benefits as provided by A.M. Best from total benefits as provided by the Department of Business and Industry. The amount was $238,398 - (84,077 + 100,861) = \$53,460$ thousand in benefits paid under deductible policies by employers insuring through private carriers.

New Hampshire - 2004

Workers' Compensation Benefits Paid – 2003 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$213,964	\$167,868	N/A	\$46,096	55.9%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$125,330 thousand. They also provided calendar year benefits paid by carriers defined as state fund. The amount was \$7,302 thousand.

Methods.

- The estimated amount of benefits paid by employers under deductible policies was found using the ratio of Manual Equivalent Premiums. The amount was \$35,236 thousand.
- The estimated amounts of benefits paid as part of the state fund (\$6,550 thousand) and by employers under deductible policies (\$35,236) were added to the figure from A.M. Best to obtain the total of \$167,868 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Methods. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$35,236 thousand.

New Jersey - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,398,358	\$1,278,746	N/A	\$119,612	47.9%

Private Carrier Payment

Source. The Compensation Rating of Inspection Bureau provided calendar year benefits. The amount was \$1,143,832 thousand. The Division of Worker's Compensation provided calendar year benefits paid under the Second Injury Fund. The amount was \$134,914 thousand.

Methods. Total benefits paid as part of the second injury fund was added to private carrier benefits paid to obtain total private carrier benefits paid, \$1,398,358 thousand.

Self-Insurance Payments

Source. The amount of self-insurer benefits was found using 2003 data. In 2003, the ratio of self-insured benefits to total private carrier benefits excluding second injury fund was 9.35 percent. This ratio was assumed to be the same for benefits paid in 2004.

Methods. The ratio was applied to 2004 total private carrier benefits to obtain total self-insurance benefits. Therefore, $1,278,746 * .0935 = \$119,612$ thousand.

Medical Benefits

Source. The percent of medical benefits is based on the weighted average of states where medical data were available.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Private carrier total benefits obtained from A.M Best were \$874,999 thousand. This amount did not include benefits reimbursed to the insurance company by the employer as part of a deductible policy. Private carrier total benefits obtained from the Compensation Rating and Inspection Bureau, which included deductible benefits, were \$1,143,832 thousand.

Methods. Benefits paid by employers under deductible policies are the difference, \$268,833 thousand

New Mexico - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$196,123	\$87,748	\$32,170	\$76,205	59.1%

Private Carrier Payments

Source. The Workers' Compensation Administration provided total calendar year benefits paid by private carriers and the state fund, including benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$119,918 thousand. The New Mexico Mutual Casualty Company provided total benefits paid by the state fund, including benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$32,170 thousand.

Methods. The amount provided by the New Mexico Mutual Casualty Company was subtracted from the figure provided by the Workers' Compensation Administration. The amount was $116,918 - 32,170 = \$84,748$ thousand.

State fund Payments

Source. The New Mexico Mutual Casualty Company provided total benefits paid by the state fund, including benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$32,170 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The Workers' Compensation Administration provided calendar year benefits paid by self-insurers. The amount was \$76,205 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Private carrier benefits paid obtained from A.M. Best were \$83,673 thousand. State fund benefits paid obtained from A.M. Best were \$22,991 thousand. These amounts did not include benefits reimbursed to the insurance company by the employer as part of a deductibles policy. Private carrier and state fund total benefits obtained from the Workers' Compensation Administration and the New Mexico Mutual Casualty Company, which included deductible benefits, were \$87,748 thousand and \$32,170 thousand, respectively.

Methods. Benefits paid by employers under deductible policies equal the difference between A.M. Best figures and those provided by the Workers' Compensation Administration and the New Mexico Mutual Casualty Company, \$4,075 thousand for private carriers and \$9,179 thousand for state fund.

New York - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$3,337,490	\$1,732,841	\$775,146	\$829,503	33.8%

Private Carrier Payments

Source. The New York Compensation Insurance Rating Board provided calendar year benefits paid by private carriers, including benefits paid under deductible policies. The amount was \$1,732,841 thousand. No additional calculations were needed.

State Fund

Source. The New York Compensation Insurance Rating Board provided calendar year benefits paid by the state fund. The amount was \$775,146 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The New York Compensation Insurance Rating Board provided amounts of medical benefits for private carriers and the state fund. The percentage was 33.8.

Deductibles

Source. A.M. Best provided private carrier total benefits paid, excluding benefits reimbursed to insurance companies by employers as part of deductible policies. The amount was \$1,245,187 thousand. Private carrier total benefits, obtained from the New York Compensation Insurance Rating Bureau, which included deductible benefits, were \$1,732,841 thousand.

Methods. Benefits paid by employers under deductible policies equal the difference, \$487,654 thousand.

North Carolina - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,159,117	\$844,199	N/A	\$314,919	44.2%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$648,806 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$195,393 thousand. This figure was added to the figure from A.M. Best to obtain the total of \$844,199 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Methods. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$195,393 thousand.

North Dakota - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$83,237	\$260	\$82,977	N/A	56.3%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers, excluding benefits paid by employers under deductible policies. The amount was \$240 thousand. It should be noted that private carriers are not allowed in North Dakota. The small amount of benefits attributed to private carriers in this state by A.M. Best probably results from two sources: 1) companies with group policies that overlap states, and 2) companies that offer supplemental workers' compensation coverage and report it as workers' compensation benefits to A.M. Best.

Methods. The estimated amount of benefits paid by employers under deductible policies was determined by multiplying the figure from A.M. Best by the ratio of State Fund Deductibles to total State Fund, $(7,084/82,977) * 240 = 20$ thousand. This estimation was added to the figure from A.M. Best to obtain the total of \$260 thousand.

State Fund

Source. Workforce Safety and Insurance provided total calendar year benefits paid by the state fund. The amounts were \$82,977 thousand. No additional calculations were necessary.

Medical Benefits

Source. Workforce Safety and Insurance provided the percent of medical benefits. The amount was 56.3 percent. No additional calculations were needed.

Deductibles

Sources. Workforce Safety and Insurance provided state fund benefits paid under deductible policies, which were \$7,084 thousand. Because the state does not allow private carriers, the agency did not provide the amount of benefits paid by employers under deductible policies through private carriers. Nonetheless, A.M. Best provided calendar year benefits paid by private carriers, excluding benefits paid by employers under deductible policies. The amount was \$240 thousand.

Methods.

- The estimated amount of deductible benefits paid through private carriers was found by multiplying the amount of private carrier benefits provided by A.M. Best by the ratio of state fund benefits paid under deductible policies to total benefits paid by the state fund, $240 * (7,084/82,977) = \$20$ thousand.
- This figure was added to the amount provided by Workforce Safety Insurance to obtain the total \$7,105 thousand.

Ohio - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$2,442,137	\$37,509	\$1,935,728	\$468,900	46.7%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits. The amount was \$37,509 thousand. It should be noted that private carriers are not allowed in Ohio. The small amount of benefits attributed to private carriers in this state by A.M. Best probably results from two sources: (1) companies with group policies that overlap states, and (2) companies that offer supplemental workers' compensation coverage and report it as workers' compensation benefits to A.M. Best.

State Fund

Source. The Bureau of Workers' Compensation provided calendar year benefits paid by the state fund. The amount was \$1,935,728 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The Bureau of Workers' Compensation provided calendar year benefits paid by self-insurers. The amount was \$468,900 thousand. No additional calculations were needed.

Medical Benefits

Source. The Bureau of Workers' Compensation provided the percent of medical benefits. The amount was 46.7 percent. No additional calculations were needed.

Deductibles

Source. Policies with deductibles are not allowed in the state of Ohio.

Oklahoma - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$572,001	\$241,921	\$212,864	\$117,216	46.1%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$190,399 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was determined using a ratio of Manual Equivalent Premiums. The amount, which was \$51,522, was added to the figure from A.M. Best to obtain the total of \$241,921 thousand.

State Fund

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$167,530 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount, which was \$45,334 thousand, was added to the figure from A.M. Best to obtain the total of \$212,864 thousand.

Self-Insurance Payments

Source. The Workers' Compensation Court provided total benefits paid by self-insurers. The amount was \$117,216 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in Appendix F.

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$96,855 thousand.

Oregon - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$506,813	\$234,700	\$228,642	\$43,472	53.3%

Private Carrier Payments

Source. The Department of Consumer and Business Services provided calendar year benefits paid by private carriers, excluding benefits paid under deductible policies. The amount was \$210,564 thousand. The agency provided also benefits paid under deductible policies. The amount was \$24,136 thousand. We added both figures to obtain the total of \$234,700 thousand.

State Fund

Source. The Department of Consumer and Business Services provided calendar year benefits paid by a state fund. The amount was \$228,642 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The Department of Consumer and Business Services provided calendar year benefits paid by self-insurers. The amount was \$43,472 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. The Department of Consumer and Business Services supplied benefits paid on deductible policies. The amount was \$24,136 thousand. No additional calculations were needed.

Pennsylvania - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$2,594,238	\$1,803,792	\$226,158	\$564,288	41.2%

Private Carrier Payments

Source. The Bureau of Workers' Compensation provided total calendar year benefits paid by private carriers, excluding second injury fund benefits. The amount was \$1,803,600 thousand (\$752,161 thousand medical and 1,051,438 thousand indemnity). This agency also provided the second injury fund indemnity benefits, which were \$278,936.

Methods. The amount of private carrier benefits from a second injury fund was determined in the following manner:

- Second injury fund indemnity benefits were multiplied by the ratio of private carrier indemnity benefits excluding second injury fund benefits to total indemnity benefits excluding second injury fund benefits, 279 * (1,051,438/1,525,199) = \$192 thousand.
- This figure was added to private carrier benefits excluding second injury fund benefits to obtain the total private carrier benefits of \$1,803,791 thousand.

State Fund

Source. The Bureau of Workers' Compensation provided total calendar year benefits paid by the state fund, excluding second injury fund benefits and benefits paid under deductible policies. The amount was \$225,966 thousand (\$92,670 thousand medical and \$133,296 thousand indemnity). This agency provided the second injury fund indemnity amount, which was \$279 thousand. This agency provided also benefits paid under deductible policies, which were 168 thousand.

Methods.

- Second injury fund indemnity benefits were multiplied by the ratio of state fund indemnity benefits excluding second injury fund benefits to total indemnity benefits excluding second injury fund benefits, 279 * (133,296/1,525,199) = \$24 thousand.
- This figure was added to state fund benefits excluding second injury fund benefits and benefits paid under deductible policies to obtain the total state fund benefits of \$226,158 thousand.

Self-Insurance Payments

Source. The Bureau of Workers' Compensation provided total calendar year benefits paid by self-insurers, excluding second injury fund indemnity benefits. The amount was \$564,226 thousand (\$223,761 thousand medical and 340,465 thousand indemnity). This agency also provided the second injury fund indemnity benefits, which was \$279 thousand.

Methods.

- The amount of self-insurer indemnity benefits from a second injury were determined by multiplying second injury fund indemnity benefits by the ratio of self-insured indemnity benefits excluding second injury fund benefits to total indemnity benefits excluding second injury fund benefits, 279 *
(340,465/1,525,199) = \$62 thousand.
- This figure was added to self-insured indemnity benefits excluding second injury fund benefits to obtain the total self-insured indemnity benefits of \$340,527 thousand.
- This figure was added to the amount of self-insured medical benefits provided by the Bureau of Worker's Compensation to obtain the total self-insurer benefits of \$564,288 thousand.

Medical Benefits

Source. The Bureau of Workers' Compensation provided the percent of medical benefits. The amount was 41.2 percent. No additional calculations were needed.

Deductibles

Source. The Bureau of Workers' Compensation provided benefits paid on deductible policies. The amount was \$539,268 thousand. No additional calculations were needed.

Rhode Island - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$142,268	\$40,504	\$85,096	\$16,669	35.1%

Private Carriers Payments

Source. A.M. Best provided calendar year benefits for private carriers, excluding benefits reimbursed to the insurance company by the employer as a part of a deductible policy. The amount was \$34,474 thousand.

Methods.

- The estimated amount of benefits paid by employers under deductible policies was determined using a ratio of Manual Equivalent Premiums. The amount, which was \$6,029,543, was added to the figure from A.M. Best to obtain the total of \$40,504 thousand.

State Fund

Source. A.M. Best provided calendar year benefits, including second injury fund and excluding benefits reimbursed to the insurance company by the employer as a part of a deductible policy. The amount was \$72,428 thousand.

Methods. Deductibles were found using a ratio of Manual Equivalent Premiums. The amount, which was \$12,668 thousand, was added to the figure from A.M. Best to obtain total state fund benefits of \$85,096 thousand.

Self-Insurance Payments

Source. The amount of self-insurer benefits was found using 2003 data. In 2003, the Rhode Island Department of Labor and Training provided total self-insured and private carrier premiums written. The ratio was 41.15 percent. This ratio was assumed to be the same for benefits paid.

Methods. The ratio was applied to 2004 total private carrier benefits to obtain total self-insurance benefits. Therefore, $40,503 * .4115 = \$16,669$ thousand

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in Appendix F.

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Method. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$18,697 thousand.

South Carolina - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$688,115	\$461,543	\$49,629	\$176,944	46.3%

Private Carrier Payments

Source. The Second Injury Fund provided private carrier calendar year benefits, including second injury fund benefits. The amount was \$461,543 thousand. No additional calculations were needed.

State Fund Payments

Source. The Second Injury Fund provided state fund calendar year benefits, including second injury fund benefits. The amount was \$49,629 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The Second Injury Fund provided self-insurance calendar year benefits, excluding second injury fund benefits. The amount was \$176,943 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. The South Carolina Second Injury Fund provided calendar year deductibles paid. The amount was \$172,434 thousand. No additional calculations were needed. Deductibles are not allowed for the state fund.

South Dakota - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$76,472	\$72,749	N/A	\$3,723	62.9%

Private Carrier Payments

Source. The Department of Labor provided total calendar year benefits paid by private carriers. It was 72,749 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The Department of Labor provided calendar year benefits paid by self-insurers. The amount was \$3,723 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Private carrier total benefits obtained from A.M. Best were \$56,773 thousand. This amount did not include benefits reimbursed to the insurance company by the employer as part of a deductible policy. Private carrier total benefits obtained from the Department of Labor, which included deductible benefits, were \$72,749 thousand.

Methods. Benefits paid by employers under deductibles policies equal the difference, \$15,976 thousand.

Tennessee - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$895,808	\$649,333	N/A	\$246,475	51.6%

Private Carrier Payments

Source. A.M Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$426,349 thousand.

Methods The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was 222,984 thousand, was added to the figure from A.M. Best, to obtain the total of \$649,333 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Methods. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$222,984 thousand.

Texas - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,574,451	\$991,865	\$297,235	\$285,350	60.9%

Private Carrier Payments

Source. A.M. Best provided calendar year medical benefits for private carriers excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$775,507 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was determined using a ratio of Manual Equivalent Premiums. The amount, which was \$216,358, was added to the figure from A.M. Best, to obtain the total of \$991,865 thousand.

State Fund

Source. A.M. Best provided calendar year indemnity benefits, including second injury fund and excluding benefits reimbursed to the insurance company by the employer as a part of a deductible policy. The amount was \$232,398 thousand.

Methods. Deductibles were found using a ratio of Manual Equivalent Premiums. The amount, which was \$64,837 thousand, was added to the figure from A.M. Best to obtain total state fund benefits of \$297,235 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Methods. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$281,195 thousand.

Utah - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$218,264	\$56,281	\$122,905	\$39,077	68.4%

Private Carrier Payments

Source. A.M Best provided calendar year benefits paid by private carriers, excluding benefits reimbursed by employers as part of a deductible policy. The amount was \$47,056 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using a ratio of Manual Equivalent Premiums. The amount, which was \$9,225 thousand, was added to the figure from A.M. Best to obtain the total of \$56,281 thousand.

State Fund

Source. A.M. Best provided calendar year benefits excluding benefits reimbursed to the insurance company by the employer as a part of a deductible policy. The amount was \$102,760 thousand.

Methods. Deductibles were found using the ratio of Manual Equivalent Premiums. The amount, which was \$20,145 thousand, was added to the figure from A.M. Best to obtain total state fund benefits of \$122,905 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The estimation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Methods. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$29,370 thousand.

Vermont - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$128,076	\$106,192	N/A	\$21,884	45.8%

Private Carriers Payments

Source. A.M. Best provided calendar year benefits, excluding benefits reimbursed to the insurance company by the employer as part of a deductible policy. The amount was \$90,500 thousand.

Methods. The estimated amount of benefits paid by employers under deductible policies was estimated using q ratio of Manual Equivalent Premiums. The amount, which was \$15,692 thousand, was added to the figure from A.M. Best to obtain the total of \$106,192 thousand.

Self-Insurance Payments

Source. No information was available.

Methods. The estimation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. No information was available on benefits paid by employers under the provisions of policies with deductibles.

Methods. The total estimated amount of benefits paid by employers under deductible policies was found using a ratio of Manual Equivalent Premiums. The amount was \$15,692 thousand.

Virginia - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$762,067	\$554,397	N/A	\$207,670	55.1%

Private Carrier Payments

Source. The Virginia Workers' Compensation Commission provided calendar year benefits for private carriers. The amount was \$554,397 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. No information was available.

Methods. The estimation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on data received from the National Council on Compensation Insurance.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Private carrier total benefits obtained from A.M. Best were \$444,524 thousand. This amount did not include benefits reimbursed to the insurance company by the employer as part of a deductible policy. Private carrier total benefits obtained from the Virginia Workers' Compensation Commission, which included deductible benefits, were \$554,397 thousand.

Methods. Benefits paid by employers under deductibles policies equal the difference, \$109,873 thousand.

Washington - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,836,097	\$30,766	\$1,323,410	\$481,921	34.7%

Private Carrier Payments

Source.

- A.M. Best provided calendar year benefits. The amount was \$30,762 thousand. It should be noted that private carriers are not allowed in Washington. The small amount of benefits attributed to private carriers in this state by A.M. Best probably results from two sources: 1) companies with group policies that overlap states, and 2) companies that offer supplemental workers' compensation coverage and report it as workers' compensation benefits to A.M. Best.
- The Department of Labor and Industries provided calendar year benefits paid by second injury funds. The amount was \$229 thousand.

Methods.

- The amount of private carrier benefits from a second injury fund were determined by multiplying the total second injury fund by the ratio of private carrier benefits excluding second injury fund benefits to total benefits excluding second injury benefits, $229 * (30,762/1,835,928) = \4 thousand.
- This amount was added to the figure from A.M. Best to obtain the total of \$30,766 thousand.

State Fund

Source. The Department of Labor and Industries provided calendar year benefits paid by state funds. The amount was \$1,323,245 thousand. They also provided calendar year benefits paid by second injury funds. The amount was 229 thousand.

Methods

- The amount of state fund benefits from a second injury fund was determined by multiplying the total second injury fund benefits by the ratio of state fund benefits excluding second injury fund benefits to total benefits excluding second injury fund benefits, $229 * (1,323,245/1,835,928) = \165 thousand.
- This amount was added to the figure from the Department of Labor and Industries to obtain the total of \$1,323,410 thousand.

Self-Insurance Payments

Source. The Department of Labor and Industries provided calendar year benefits paid by self-insurers. The amount was \$481,921 thousand. No additional calculations were required.

Medical Benefits

Source. The Department of Labor and Industries provided the percent of medical benefits. The amount was 34.7 percent. No additional calculations were needed.

Deductibles

Policies with deductibles are not allowed in the state of Washington.

West Virginia - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$741,034	\$7,317	\$629,617	\$104,100	47.9%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers. The amount was \$7,317 thousand. It should be noted that private carriers are not allowed in West Virginia. The small amount of benefits attributed to private carriers in this state by A.M. Best probably results from two sources: 1) companies with group policies that overlap states, and 2) companies that offer supplemental workers' compensation coverage and report it as workers' compensation benefits to A.M. Best. No additional calculations were needed.

State Fund

Source. The National Association of Insurance Commissioners provided calendar year benefits paid. The amount was \$629,617 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. The amount of self-insurer benefits was found using 2003 data. In 2003, the Workers' Compensation Commission provided total self-insured and state fund premiums written. The ratio was 16.53 percent. This ratio was assumed to be the same for benefits paid.

Methods. The ratio was applied to 2004 total private carrier benefits to obtain total self-insurance benefits. Therefore, $629,617 * .1653 = \$104,100$ thousand

Medical Benefits

Source. The percent of medical benefits is based on the weighted average of states where medical data were available.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Policies with deductibles are not allowed in the state of West Virginia.

Wisconsin - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$1,042,725	\$840,423	N/A	\$202,302	47.9%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers. The amount was \$840,423 thousand. No additional calculations were needed.

Self-Insurance Payments

Source. No information was available.

Methods. The imputation procedure used is described in [Appendix E](#).

Medical Benefits

Source. The percent of medical benefits is based on the weighted average of states where medical data were available.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Source. Policies with deductibles are not allowed in the state of Wisconsin.

Wyoming - 2004

Workers' Compensation Benefits Paid – 2004 (thousands of dollars)				
Total	Private Carrier	State Fund	Self Insurance	Percent Medical
\$120,062	\$3,534	\$116,528	N/A	47.9%

Private Carrier Payments

Source. A.M. Best provided calendar year benefits paid by private carriers. The amount was \$3,534 thousand. No additional calculations were needed. It should be noted that private carriers are not allowed in Wyoming. The small amount of benefits attributed to private carriers in this state by A.M. Best probably results from two sources: 1) companies with group policies that overlap states, and 2) companies that offer supplemental workers' compensation coverage and report it as workers' compensation benefits to A.M. Best.

State Fund

Source. The Workers' Safety and Compensation Division (WSCD) and the National Association of Insurance Commissioners (NAIC) provided total calendar year benefits paid by the state fund. The amount from NAIC, which was almost the same as what WSCG provided, was \$116,528 thousand. No additional calculations were needed.

Medical Benefits

Source. The percent of medical benefits is based on the weighted average of states where medical data were available.

Methods. The procedure used is described in [Appendix F](#).

Deductibles

Sources. Policies with deductibles are not allowed in the state of Wyoming.