



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Labor and  
Workforce Development**

Office of the Commissioner

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February 13, 2017

The Honorable Mia Costello  
Senate Labor and Commerce Chair  
State Capitol, Room 504  
Juneau, AK 99801

Dear Chair Costello:

Thank you for the opportunity to provide a Division of Workers' Compensation overview before the Senate Labor and Commerce committee on February 7, 2017. In response to the outstanding questions from the overview, I have provided the following responses.

**1. Where are most injuries occurring and which occupations have the highest number of claims?**

According to the 2015 United States Department of Labor, Bureau of Labor Statistics survey of Alaska workplace injuries, the manufacturing (which includes seafood processing) and educational/health services industries had the highest incidence rates per 100 full-time workers for nonfatal occupational injuries and illnesses. The healthcare and public administration industries had the highest number of workers' compensation claims. The injury and claims data does not break down into specific worker occupations.

**2. What is the breakdown of the budget for the Division of Workers' Compensation?**

The Workers' Compensation division is 100% supported with Designated General Funds (DGF). The Workers' Compensation division includes five components: Workers' Compensation, Workers' Compensation Appeals Commission, Workers' Compensation Benefits Guaranty Fund, Second Injury Fund and Fishermen's Fund. Different DGF accounts support the different workers' compensation programs. The three attached charts show the Workers' Compensation FY2018 budget by component and fund source, as well as a brief summary of how revenue into each of Workers' Compensation's DGF accounts is generated and the purpose for the accounts.

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**3. How many employers pay into Workers' Compensation?**

According to the Alaska Division of Insurance, 15,227 employers purchased workers' compensation policies in Alaska in 2015.

Please don't hesitate to contact me if you have additional questions.

Sincerely,



Heidi Drygas,  
Commissioner