

INSURANCE

OVERVIEWS -

JOINT

WITH

HOUSE L & C

STATE OF ALASKA THE LEGISLATURE

POUCHY - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H. JUD .	2-3-87	1:30 p.m .
H. JUD .	2-4-87	1:30 p.m .
JOINT H. L+C + H. JUD .	2-5-87	1:30 p.m .

 *
 * DELIVER TO: LIOCFWW
 *
 *
 * ORIGINAL
 * SENT: 02/04/87 TIME: 16:49
 * FROM: LIOCSIT
 * SUBJECT: INSURANCE TELECONFERENCE
 * PRINT DATE: 02/04/87 TIME: 16:50
 *

2/4/87
 HOUSE JUDICIARY AND LABOR AND COMMERCE
 INSURANCE OVERVIEW
 SITKA
 THERESA WYMAN

PARTICIPANT LIST

NAME/REPRESENTING	ADDRESS	PHONE #	T	Q
1. REED REYNOLDS, SE EMS COUNCIL, 210 SEWARD, SITKA			0	
2. MARY THOMPSON, 626 MERRILL ST., SITKA			0	
3. FRANK L. SUTTON, MT. EDGE CUMBE HOSPITAL, 222 TONGASS			0	
4. CHARLES BOVEE, SEARHC, 222 TONGASS, SITKA			0	

TESTIFIED
 UNABLE
 OBSERVED
 TOTAL

START/END TIME

*
* DELIVER TO: LIOCFWW *
*
* ORIGINAL *
* SENT: 02/04/87 TIME: 17:40 *
* FROM: LTCCJNU *
* SUBJECT: QUORUM TOO SENSITIVE *
* PRINT DATE: 02/04/87 TIME: 17:40 *
*

LISA AND SHANNA Repfund:

JUST GOT A CALL FROM DAVID IN ANCHORAGE AND HE ASKED THAT YOU GIVE THE CHAIRMAN A NOTE ASKING BACKGROUND NOISE BE KEPT TO A MINIMUM AND THAT THE SPEAKERS "SPEAK UP" A BIT. APPARENTLY THE OTHER SITES ARE ONLY HEARING 50% OF TESTIMONY. WE'VE HAD THE SAME REQUEST FROM PETERSBURG.

Thank you

COULDN'T REACH YOU THROUGH YOUR BACK UP PHONE AND NEITHER COULD DAVID.

IT'S TOO LATE TO SWITCH TO DAROME MICS SO WE NEED TO JUST STRUGGLE THROUGH WITH WHAT WE'VE GOT.

ARLENE

Ready to go are:

1 testifier from Petersburg: Al Tom Wood
2 testifiers from ANVC: Mullockwood
Bill Farguler

On Line: ANVC,
Ketchikan
Petersburg

SHKA
Wrangell

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*****  
*  
* DELIVER TO: LIOCFWW *  
* *  
* *  
* ORIGINAL *  
* SENT: 02/04/87 TIME: 16:22 *  
* FROM: LIOCBAR *  
* SUBJECT: TELECONFERENCE/INSURANCE *  
* PRINT DATE: 02/04/87 TIME: 16:22 *  
* *  
*****
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2-4-87

HOUSE JUDICIARY/LABOR

COMMERCE

INSURANCE OVERVIEW

F. BROW

HELEN

PARTICIPANT LIST

NAME/REPRESENTING	ADDRESS	FHP	T	O
1. WE DO NOT HAVE ANY PARTICIPANTS, NOR DO WE			ANY FOR	
2. THIS TELECONFERENCE. HOWEVER, WILL EMAIL IF			HAPPENS	
3. TO COME IN.				
4.				
5.				
6.				

 *
 * DELIVER TO: LIOCFWW *
 *
 * ORIGINAL *
 * SENT: 02/04/87 TIME: 16:28 *
 * FROM: LTCCFBX *
 * SUBJECT: INSURANCE OVERVIEW T/C *
 * PRINT DATE: 02/04/87 TIME: 16:28 *
 *

TO: LISA IN JUNEAU

FROM: MELBA IN FAIRBANKS

WE HAVE NO PARTICIPANTS AT THIS TIME FOR THE HOUSE JUDICIARY AND LABOR AND COMMERCE T/C ON INSURANCE OVERVIEW. WE WILL DIAL IN IF SOMEONE SHOWS UP. THANKS.

*
* DELIVER TO: LIOCFWW
*
*
* ORIGINAL
* SENT: 02/04/87 TIME: 16:41
* FROM: LIOCKTN
* SUBJECT: 2/4 INS. T/C
* PRINT DATE: 02/04/87 TIME: 16:42
*

HERE IN KETCHIKAN TO OBSERVE THE HOUSE JUDICIARY AND LABOR AND
COMMERCE COMMITTEES' INSURANCE OVERVIEW TELECONFERENCE:

1. JODI PERLMUTTER/SEAHSA, 215 MAIN ST-SUITE 203, KTN - 225-9681
2. SISTER BARBARA HAASE/KGH, 3100 TONGASS, KTN - 225-5171

END OF MESSAGE/KETCHIKAN

*
* DELIVER TO: LIOCFWW
*
*
* ORIGINAL
* SENT: 02/04/87 TIME: 16:37
* FROM: LIOCPSG
* SUBJECT: PART. LIST #1
* PRINT DATE: 02/04/87 TIME: 16:38
*

PARTICIPANT LIST FROM PETERSBURG-----#1

1. DR. TOM WOOD, M.D.
2. GARY GRANDY, HOSPITAL SUPT.
3. BOB TKAEZ, PETERSBURG PILOT
4. NORMA TENFJORD HOSP. BOARD
5. BARBARA SHORT HOSPITAL BOARD
6. SUE ERICKSON PSG. INSURANCE

ADDENDUM

INSURANCE OVERVIEW HEARING

Day 2 - February 4, 1987

2. Malpractice Insurance

b) Insured Perspective

1) Hospitals

c) Bill Pargeter, Chairman of the Board, Providence Hospital, Anchorage

Wrangell General Hospital MICA Costs

(Note: MICA covers malpractice and premises liability. The hospital has other insurance costs above those.)

	1985	1986	1987
MICA	\$17,900	\$58,000	\$81,000
Hospital Budget	\$1.9 mill	\$2.0 mill	\$2.0 mill
MICA % of total budget	.94%	2.9%	4%

MICA won't cover hospitals unless each physician
individually has \$500,000 liability

MICA coverage - for hospitals
\$500,000 - indiv
\$1 mill - aggregate

in '85 - coverage was
\$1 mill - indiv
\$2 mill - aggregate

TO: John Sund
FROM: Shari Kochman
DATE: February 4, 1987
RE: Questions for Day 2 of Insurance Overview Hearings

Questions to Martin Tirador

1. Do we have a problem with lack of health insurance (individual and small group) in this state?

Questions to Bill Brock

1. Is there room for negotiation in the MICA hospital requirement? Lower the liability amount? Charge more for hospitals with uncovered physicians?
2. Can MICA write physicians' malpractice coverage so it only covers work while at the hospital, and not in private offices?
3. Does MICA place restrictions on physicians with a claims history or drop them? What kind of risk control does MICA have?
4. Is our climate different from larger cities, i.e., from the hospitals covered by a company like St. Paul's? Should that influence our policies? (We have small and bush communities where no alternative health care is available.)
5. Are we rating nationally or with Alaska statistics? How do we compare with national stats on medical malpractice?

Questions to Mike Lockwood and John Vowell

1. What is bottom line if hospitals cannot meet MICA requirement?
2. How many physicians do you have and what kind of malpractice insurance are they carrying?

Questions to Bill Fargeter

1. Why did Providence first place the physicians' malpractice requirement on its hospitals and then rescind?

Questions to Tom Wood

1. Is the state medical board doing its job policing physicians. Do we need tighter restrictions within the profession?

Questions to John George

1. MICA is still paying a 1.5 percent premium tax while other domestics are paying 2.7 percent. Should MICA pay 2.7 percent?

MEDICAL INDEMNITY CORPORATION OF ALASKA

1986 Financial Information

The following information is provided by Medical Indemnity Corporation of Alaska (MICA) relative to its 1986 operations. It must be pointed out that financial figures are still preliminary and subject to audit adjustment. They have, however, been compiled by MICA's independent accountants, Ernst & Whinney, who have indicated that they know of no major adjustments to be anticipated.

Policyholders at Dec. 31, 1986:

Physicians	333
Physicians assistants, nurse practitioners and other professionals working under physician supervision	63
Hospitals	12
Related health care facilities	13

1986 Claims Activity

Claims filed	31
Claims closed	43
Claims in process	67
Reserves for Loss and Loss Adjustment Expense	\$15,296,000
Loss and Loss Adjustment Expense recoverable from reinsurers	\$ 6,219,000
Portions of Loss and Loss Adjustment Expense attributable to:	
1986 claims	\$ 4,447,000
1986 reinsurance recoveries	\$ 445,000

Results of 1986 Operations (rounded to the nearest \$1,000)

Underwriting Loss	\$ 1,003,000
Net Investment Income	969,000
Net Loss	\$ 34,000

Financial Position 12/31/86 (rounded to nearest \$1,000)

Cash and Investments	\$13,933,000 *
Recoveries	548,000
Other Assets	21,000
Total Assets	\$14,502,000 *
Loss Reserves (net of reinsurance)	\$ 9,077,000
Other Current Liabilities	564,000
Total Unsubordinated Liabilities	\$ 9,641,000
Notes Payable to State of Alaska (subordinated)	\$ 5,000,000
Deficit From Operations	(137,000) *
Total Liabilities and Capital	\$14,502,000 *

* Does not include approximately \$1,500,000 excess of market value over book value of portfolio investments.

MICA

	1981	1982	1983	1984	1985	9 Months 1986
Gross Losses	341,718	1,634,255	2,528,031	4,341,239	8,319,861	3,891,908
Reinsurance Contribution	0	1,052	570,577	1,716,566	2,345,552	522,333
Net Losses*	341,718	1,633,203	1,957,454	2,624,673	5,974,309	3,369,575
Earned Premium	1,804,334	1,951,954	2,007,096	2,775,055	2,921,005	4,777,687
Reins. Premiums Paid	799,641	754,338	804,167	1,119,692	1,233,475 [†]	783,750
Net Premium Earned	1,004,693	1,197,616	1,202,929	1,655,363	1,687,530	3,993,937
Net Investment Income	455,789	629,897	813,380	889,093	948,190	699,431
Subtotal	1,460,482	1,827,513	2,016,309	2,544,456	2,635,720	4,693,368
Less Operating Expense	278,866	283,023	347,282	411,811	525,442	496,736
Available for Losses	1,181,616	1,544,490	1,669,027	2,132,645	2,110,278	4,196,632
Indicated Gain (Loss)	\$839,898	(\$88,713)	(\$288,427)	(\$492,028)	(\$3,864,031)	\$827,057
GAAP Profit (Loss)	\$591,107	\$764,292	\$380,892	(\$100,075)	(\$2,410,666)	(\$489,398)

*Paid and Reserved

[†]Includes \$336,292 prior years' liability reassumed

MEDICAL INDEMNITY CORPORATION OF ALASKA (MICA)

A brief history and description.
Prepared by Rep. John Sund's office;
January 30, 1987

CREATION

MICA is an insurance company created by the Alaska Legislature to provide professional liability insurance to Alaskan physicians and surgeons, hospitals and related health care organizations. The company was established in response to the lack of available malpractice insurance in the state in the mid-1970s. MICA commenced business on June 28, 1976.

STRUCTURE

MICA is administered by a nine-member board appointed by the governor and confirmed by the Legislature. The board consists of four physicians, a hospital administrator, two insurance industry professionals and two persons unrelated to the health care and insurance industries. The board maintains a plan of operation, which is subject to approval by the state director of the Division of Insurance.

The Legislature deliberately set up MICA to be a free-standing corporation with no direct political involvement in its operations. MICA reports to the Division of Insurance in the same manner as all insurance companies operating in the state. However, unlike other insurance companies, the Division of Insurance does have an extended relationship with MICA through approval of the plan of operation and capitalization loans (explained below). The Division is also invited to all MICA board meetings, but does not vote.

MICA is based in Anchorage. The daily operations are managed by an independent consulting firm, Marsh & McLennan. But the MICA board is moving toward self-management. MICA's actuary is Milliman & Robertson.

The state ruled that MICA is exempt from income taxes. That has not, to date, been challenged by the IRS.

By statute, MICA may be terminated if it posts written premiums for two consecutive years of less than 35 percent of all premiums written in the state for physicians' medical malpractice insurance, or posts premiums for one calendar year of less than 20 percent of all malpractice premiums in the state. The decision to terminate would be made by the director of insurance following public hearings.

CAPITALIZATION

The Legislature established in the Department of Commerce and Economic Development a medical malpractice liability revolving loan fund to capitalize MICA. The fund is administered by the director of insurance. The original loan was \$3 million, payable at 7 percent interest. MICA is paying interest, but there is no due date on the principal and the state loan is subordinate to all other obligations of the corporation. MICA must make a loan repayment in the event of an underwriting profit, but that has not happened to date. The board intends to pay off the loan in 15 years.

In 1979, the Division of Treasury purchased the \$3 million note from Commerce and Economic Development, thereby putting \$3 million more into the fund for MICA to borrow in the future. In late 1986, MICA requested an additional \$3 million loan to offset losses experienced in 1985 (see explanation below). The director of insurance approved a \$2 million loan which, by statute, is payable in five years at 6 percent interest. The fund balance is now \$1 million.

FINANCIAL STATUS

Due largely to a reinsurance problem (explained below), MICA posted a \$2.14 million loss in 1985. The company used its entire \$2 million surplus built up in prior years to offset the loss. (Hence the reason for the loan request in 1986.) MICA's assets totaled \$10.47 million at the end of 1985 with \$6.5 million in reserve for claim payments. (See attached annual report for further financial data.)

REINSURANCE PROBLEM OF 1985

In late 1984, after MICA had set its policy rates for 1985, the company faced a problem with its reinsurers which led to a financial loss. One of the company's reinsurers denied renewal of MICA's policy while another approximately tripled its premium rate. Not only did the reinsurance cost increase, the coverage diminished, leaving MICA with greater personal risk in claim settlements. Because of the late notice on the reinsurance rates, MICA could not reflect the increase in its premium rates. Thus, 1985 posted a large loss. MICA also had a couple of large claims in 1985 which the reinsurance did not fully cover, adding to MICA's dip into its surplus. MICA obtained better reinsurance in 1986 and for 1987, but the company also has to recoup some of the 1985 losses. As a result, and as a reflection of malpractice insurance in general, MICA's policy rates increased as much as 90 percent from 1985 to 1986.

PRESENT SITUATION WITH HOSPITALS

MICA recently established a new policy requiring that all physicians in MICA-covered hospitals carry \$500,000 liability insurance. Meeting that requirement is causing financial difficulties for at least 7 of the 12 hospitals insured by MICA in 1986:

Wrangell
Cordova
Homer
Petersburg
Seward
Sitka
Palmer

The hospitals were given a Feb. 28, 1987, deadline to meet the requirement or risk denial of coverage by MICA. The hospitals are faced with the dilemma of requiring each of their physicians to carry \$500,000 liability, which many cannot afford; purchasing the physicians' insurance for them; self-insuring; or going bare.

Addendum: According to MICA, most claims against hospitals involve doctors and 85.4 percent of MICA's pending claims include hospitals.

- (1) AS 21.03
- (2) AS 21.06
- (3) AS 21.09, except AS 21.09.090
- (4) AS 21.18.010
- (5) AS 21.18.030
- (6) AS 21.18.040
- (7) AS 21.18.120
- (8) AS 21.21.321
- (9) AS 21.36
- (10) AS 21.69.400
- (11) AS 21.69.520
- (12) AS 21.69.600, 21.69.620, and 21.69.630
- (13) AS 21.78
- (14) AS 21.90
- (15) AS 21.42.345 and 21.42.355
- (16) AS 21.89.040
- (17) AS 21.89.060. (§ 1 ch 120 SLA 1966; am § 1 ch 92 SLA 1974; am § 2 ch 95 SLA 1975; am § 2 ch 84 SLA 1976; am § 24 ch 40 SLA 1981; am § 3 ch 45 SLA 1981)

Effect of amendments. — The first 1981 amendment added "and AS 21.42.355" in paragraph (15). The second 1981 amendment added paragraph (17).

Sec. 21.87.350. Existing certificates of authority. A health care service contractor registered to do business in this state on July 1, 1966, is entitled to be registered under this chapter, whether or not it meets the requirements of this chapter. (§ 1 ch 120 SLA 1966)

Chapter 88. Health Care Providers Insurance.

Article

1. Purpose (§ 21.88.010)
2. Medical Indemnity Corporation of Alaska (§§ 21.88.020 — 21.88.095)
3. Loan Fund (§ 21.88.210)
4. General Provisions (§ 21.88.900)

Cross references. — For severability provisions of 1976 Act, see § 48, ch. 102, SLA 1976, in the Temporary and Special Acts; for purpose of 1978 amendatory Act, see § 1, ch. 177, SLA 1978 as amended by § 7, ch. 46, SLA 1982, in the Temporary and Special Acts; for effect of 1978 Act on certain policies, see § 21, ch. 177, SLA 1978 as amended by § 8, ch. 46, SLA 1982, in the Temporary and Special Acts.

Article 1. Purpose.

Section

10. Purpose of this chapter

Sec. 21.88.010. Purpose of this chapter. It is the purpose of this chapter to provide a means of furnishing health care providers with adequate insurance against liability for medical negligence. (§ 41 ch 102 SLA 1976)

NOTES TO DECISIONS

Chapter 102, SLA 1976, enacted in violation of Alas. Const., art. II, § 14. — Where the free conference committee recommended adoption of a version of ch. 102, SLA 1976 (which, inter alia, enacted AS 21.88), that differed in many respects from the version originally passed by the house; the free conference committee's bill was passed by the senate by a recorded vote; but in the house there was no roll call or recorded vote and the free conference committee bill was passed there by a simultaneous voice vote, this voice vote constituted "final passage" of ch. 102, SLA 1976, and thus violated the recorded vote requirement of Alas. Const., art. II, § 14. *Plumley v. George E. Hale, M.D., Inc.*, Sup., Ct. Op. No. 1847 (File Nos. 4014, 4017), 594 P.2d 497 (1979).

But this holding is to be applied prospectively. — Although the supreme court held that ch. 102, SLA 1976 (which, inter alia, enacted AS 21.88), was enacted in violation of the recorded vote requirement of Alas. Const., art. II, § 14, the supreme court held that its holding in this case should be applied prospectively in light of its conclusions that its decision was one of first impression, that substantial reliance had followed from the legislature's alternative interpretation of law, that undue hardship would have resulted from retroactive application of its holding, and that the rationale of the holding did not compel retroactivity. *Plumley v. George E. Hale, M.D., Inc.*, Sup. Ct. Op. No. 1847 (File Nos. 4014, 4017), 594 P.2d 497 (1979).

Article 2. Medical Indemnity Corporation of Alaska.

Section

- 20. Corporation created
- 30. Corporation board of governors
- 40. Corporation plan of operation
- 50. Powers and duties of the corporation
- 55. Termination
- 60. Premium tax

Section

- 70. Statistics
- 80. Rates
- 90. Payment of premiums; cancellation of insurance
- 95. Transfer of corporate assets and liabilities

Sec. 21.88.020. Corporation created. There is created the Medical Indemnity Corporation of Alaska which is a public corporation having a legal existence independent of and separate from the state. Obligations issued by the corporation do not constitute a debt, liability or obligation of the state or a pledge of full faith and credit of the state. (§ 41 ch 102 SLA 1976)

Sec. 21.88.030. Corporation board of governors. (a) The corporation shall exercise its powers through a board of governors which is

92 SLA 1974;
24 ch 40 SLA

amendment added

A health care
rate on July 1,
either or not it
A 1966)

insurance.

95)

in the Temporary
Act of 1978 Act on
1, ch. 177, SLA
ch. 46, SLA 1982,
Special Acts.

appointed by the governor of the state and confirmed by the legislature. Members of the board of governors shall be Alaska residents as follows:

(1) four physicians licensed in the state and engaged in private practice in the state; no more than two of the physicians shall practice or live in a municipality having a population of more than 100,000, and two of the physicians must be indemnified against loss by reason of liability for an act or omission in the delivery of professional health care by the Medical Indemnity Corporation of Alaska;

(2) an administrator or senior executive officer employed by a hospital licensed in the state;

(3) two professionals from the insurance industry who are authorized or licensed to do business in the state;

(4) two persons who are not health care providers or financially interested in the field of health care or representatives of the insurance industry.

(b) The term of office of each governor is three years, except that the governor of the state shall designate two initially appointed governors to serve for one year and two initially appointed governors to serve for two years. Upon the expiration of the term of a governor, the governor of the state shall appoint a successor who shall be from the same class described in (a) of this section as the governor whose term has expired.

(c) Upon a governor's early resignation, death or inability to serve, the governor of the state shall appoint a successor from the same class defined in (a) of this section as the terminating governor, who shall serve for the unexpired term.

(d) The director or a designee of the director is not a voting member of the board of governors but shall be notified by the board of and have the right to attend and participate in all meetings and proceedings of the board.

(e) Members of the board of governors receive compensation from the corporation and necessary travel expenses according to a policy approved by the director.

(f) A governor, officer, or employee or former governor, officer, or employee of the corporation is not liable for damages or other relief in any action by reason of the person's actions or inactions as a governor, officer, or employee of the corporation, or by reason of the actions or inactions of the corporation, its board of governors, officers or employees unless the person acts with actual knowledge that the person was acting outside the scope of the person's authority, or unless at the time the person was acting for a purpose which the person knew was not in the best interests of the corporation, or with respect to any criminal action the person had actual knowledge or should have known the person's action was unlawful. If a claim or action is brought against a person entitled to the protection of this subsection, the claim or action shall be defended by the state. If it is established that the person was acting with actual knowledge that the person was acting outside the

scope of the person's authority, or at the time was acting for a purpose which the person knew was not in the best interests of the corporation, or with respect to any criminal action the person had actual knowledge or should have known the person's action was unlawful, then the person shall reimburse the state for the cost to the state of the person's defense. (§ 41 ch 102 SLA 1976; am §§ 4, 5 ch 177 SLA 1978; am § 2 ch 103 SLA 1980; am § 1 ch 46 SLA 1982)

Effect of amendments. — The 1980 amendment deleted "of \$100 per day when the board meets" following "the corporation", and added "according to a policy approved by the director", both in subsection (e).

The 1982 amendment substituted "the insurance industry who are authorized or licensed to do business" for "insurance companies authorized" in subsection (a)(3).

Sec. 21.88.040. Corporation plan of operation. (a) Within 30 days after May 29, 1976, the board of governors shall prepare and submit to the director for approval a plan of operation which provides for the fair and reasonable administration of the affairs of the corporation and the discharge of the purposes for which it is created. The plan and any amendments to it become effective upon the director's approval. If the board of governors fails to submit a plan of operation, or if at a subsequent time the board of governors fails to submit suitable amendments to the plan, the director shall, after notice and hearing, adopt and promulgate a plan of operation or amendments which are necessary or advisable to carry out the provisions of this chapter. Adoption of the plan is not subject to the Administrative Procedure Act (AS 44.62).

(b) The plan of operation shall

(1) establish the procedures by which all the powers and duties of the corporation specified in AS 21.88.050 shall be performed;

(2) establish procedures for handling assets and discharging liabilities of the corporation;

(3) establish regular times and places for meetings of the board of governors;

(4) establish procedures for records to be kept of all financial transactions of the corporation, its agents, and the board of governors;

(5) establish the procedures for awarding contracts to carry out the provisions of this chapter;

(6) establish the procedures for issuing contracts of insurance as provided in AS 21.88.050 and for the determination of rates;

(7) contain additional provisions necessary for the execution of the powers and duties of the corporation. (§ 41 ch 102 SLA 1976)

Sec. 21.88.050. Powers and duties of the corporation. (a) The corporation shall

(1) in the form approved by the director, issue to all physicians and hospitals who are found to be acceptable risks under standards

developed under (5) of this subsection, and who pay the premiums for it, a contract or contracts indemnifying physicians and hospitals and their employees who are health care providers against loss by reason of liability for covered claims for an act or omission in the delivery of professional health care in this state, and agreeing to tender on behalf of the physicians and hospitals and their employees who are health care providers a defense to a covered claim in a proceeding brought under AS 09.55.530 — 09.55.560; the limits of liability for policies issued by the corporation shall be approved by the director; the contract shall cover the defense against but need not indemnify liability for punitive damages arising from a covered claim; at the option of the corporation, if approved by the director, and for an additional premium the contract may cover claims against the physician or hospital that arise out of professional services performed by the physician or hospital for any period before the contract is issued, except that coverage will not be provided for a claim already filed or of which the physician or hospital had or reasonably should have had notice at the time the retroactive insurance was purchased;

(2) charge a premium for the protection provided by the contracts issued by the corporation which shall be determined by the board of governors in accordance with AS 21.88.080 and subject to the approval of the director;

(3) comply with or be subject to AS 21.06.090, 21.06.120, 21.06.140, 21.06.160, 21.06.250, AS 21.09.180 — 21.09.200, 21.09.250, 21.09.280, AS 21.12.020(b)-(e), AS 21.18, AS 21.21, AS 21.24 and AS 21.36; and shall be exempt from participation as a member insurer in the Alaska Insurance Guaranty Corporation;

(4) carry out the obligations of the contracts issued by the corporation by defending all covered claims made against insured health care providers and by paying all liabilities which are finally adjudicated against the insured health care provider or which may in the opinion of the corporation reasonably be expected to be finally adjudicated against the health care provider to the extent of the contract obligation;

(5) establish standards for the acceptability of risks; in establishing these standards the corporation may exclude an applicant for insurance based on individual risk selection factors, but may not exclude an applicant based only on the classification of the applicant.

(b) The corporation may

(1) employ or retain persons, individual or corporate, to discharge its obligations and pay reasonable compensation for these services; employees of the corporation are not considered state employees;

(2) negotiate for and procure reinsurance from private casualty insurers or reinsurers for any and all liability incurred by contracts issued by it;

(3) provide coverage to insureds for other hazards customarily included in medical malpractice insurance policies when there is a

finding by the director that this coverage is not available to insureds of the Medical Indemnity Corporation of Alaska in the private insurance market at a competitive price;

(4) borrow or advance funds necessary to carry out the purposes of the corporation;

(5) negotiate and become a party to those contracts as are necessary to carry out the purposes of the corporation;

(6) sue or be sued in the name of the corporation;

(7) provide risk management advice and services to hospitals;

(8) negotiate and become a party to contracts for management services for the corporation;

(9) perform all other acts necessary and proper to carry out the duties of the corporation;

(10) in a form approved by the director and for an additional premium determined under AS 21.88.080, issue endorsements which provide indemnity for claims not yet reported which arise out of professional services rendered during a period of continuous coverage under the originally issued contract, to physicians and hospitals who pay the premium for it and who are terminating their original covered claims contract with the corporation for a period of not less than one year;

(11) subject to approval by the director, extend coverage to a person, entity, or facility that renders health care services in the state under the supervision of a physician. (§ 41 ch 102 SLA 1976; am §§ 6 — 10, 40 ch 177 SLA 1978; am §§ 3, 4, 7 ch 103 SLA 1980; am §§ 2 — 4 ch 46 SLA 1982)

Revisor's notes. — In 1984, in subsection (a), former paragraphs (4), (5), (6), and (8) were renumbered as present paragraphs (2), (3), (4), and (5), respectively, and, in subsection (b), former paragraphs (11) and (12) were renumbered as present paragraphs (10) and (11), respectively.

Effect of amendments. — The 1980 amendment, in subsection (a), substituted "the limits of liability for policies issued by the corporation shall be approved by the director" for "the minimum limit of liability issued to physicians shall be \$200,000 per occurrence and \$600,000 aggregate liability per year, and the minimum limit of liability provided in contracts issued to hospitals shall be \$200,000 per occurrence and an annual aggregate liability of

\$1,000,000 minimum plus an additional \$20,000 per bed for each occupied bed over 50" near the middle of paragraph (1). The amendment, in paragraph (8) (now (5)) of subsection (a), substituted "an applicant for insurance" for "a physician", "an applicant" for "a physician", and "applicant" for "physician"; and repealed former paragraph (10) of subsection (b) (since deleted).

The 1982 amendment, in paragraph (1) of subsection (a), substituted "corporation, if approved by the director" for "physician or hospital" and substituted "before the contract is issued" for "after December 31, 1974, if the coverage is issued before January 1, 1977." The amendment also rewrote paragraphs (3) and (12) (now (11)) of subsection (b).

Sec. 21.88.055. Termination. (a) If at any time the corporation posts written premiums for two consecutive years of less than 35 per cent of all premiums written in Alaska for physicians' medical malpractice insurance or posts written premiums for one calendar year of less than 20 per cent of all premiums written in Alaska for physicians'

medical malpractice, the director may hold a public hearing in accordance with AS 21.06.180 — 21.06.230 to determine whether the business of the corporation should be terminated.

(b) Upon the effective date of an order of termination issued by the director under (a) and (d) of this section, the terms of the governors appointed under AS 21.88.030 expire, and the corporation, its governors, officers and employees are relieved of all further liabilities for all their obligations to the creditors and policyholders of the corporation, and the business of the corporation shall be liquidated according to AS 21.78.

(c) At any time after termination of the corporation by the director, the director may, after public hearing held in accordance with AS 21.06.180 — 21.06.230 and (d) of this section, order reactivation of the corporation if the director finds that malpractice insurance is unavailable for physicians and hospitals on the voluntary market. The business of the corporation shall commence operation upon appointment by the governor of new governors to the board.

(d) In determining whether to terminate or reactivate the business of the corporation the director shall consider the following:

(1) the level of expected premiums and losses for continued operation;

(2) the requirement for state funds to support continued operation;

(3) the availability of alternative markets for coverage to a substantial majority of physicians and hospitals in the state;

(4) the costs of continued operation of the corporation;

(5) the impact that the continued operation of the corporation will have on rates charged for coverage by the corporation or by alternative markets; or

(6) the expected number of physicians or hospitals who would participate if the operations were continued.

(e) If after public hearing held in accordance with (a) and (c) of this section the director determines that continuing the business of the corporation would result in substantial underwriting loss unless excessive premiums are charged to participating physicians and hospitals, the director may order termination of the corporation. (§ 11 ch 177 SLA 1978)

Sec. 21.88.060. Premium tax. (a) The corporation shall pay a premium tax in the amount of one and one-half per cent of the total direct premium income received by the corporation during the year ending on the preceding December 31, after deducting the applicable cancellations, returned premium, the unabsorbed portion of any deposit premiums, all policy dividends, unabsorbed premiums refunded to policyholders, refunds, savings, savings coupons and other similar returns paid or credited to policyholders with respect to their policies. The tax shall be paid to the director annually before April 1 of each year.

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(b) The corporation is exempt from taxation under this section for a period of five years starting from July 1, 1978. (§ 41 ch 102 SLA 1976; am § 12 ch 177 SLA 1978)

Sec. 21.88.070. Statistics. The corporation shall collect, maintain and report information concerning claims against health care providers which it insures. The information shall be on forms prescribed by the director, and shall be sufficient to enable a proper determination of losses for rate making and to identify causes and sources of loss for loss control. At least annually the corporation shall report to the director the number and amount of claims filed, reserved, paid, settled and adjudicated during the year, the premiums paid to and the expenses incurred by the corporation during the year. This report shall be available to the public. The director may require that supplemental reports include the names of insured health care providers and the claimants; however, a report that becomes available to the public may not include the names of health care providers or claimants or information that will permit by inference the identity of specific health care providers or claimants. All statistics including the supplemental reports shall be made available to the State Medical Board. (§ 41 ch 102 SLA 1976; am § 14 ch 177 SLA 1978)

Sec. 21.88.080. Rates. The rates and rating plans used by the corporation for the policies issued shall be determined by license category of health care providers in accordance with all of the following:

- (1) a minimum rate may be set for each category of health care provider or discipline or classification within the license category;
- (2) rates may not be excessive; rates are excessive if, after a period of time and with respect to an amount of gross premium which is actuarially credible, the premiums exceed losses incurred by the corporation, including losses paid, reserves for covered claims reported and unpaid, reserves for covered claims incurred during the policy period and not reported, and reasonable expenses for the operation of the corporation;
- (3) rates shall not be inadequate; rates are inadequate if, based on available actuarial data, the premiums to be paid by the health care providers are or may reasonably be expected to be insufficient to pay for losses incurred by the corporation, including covered claims paid, reserves for covered claims reported and unpaid, reserves for covered claims incurred during the policy period and not reported, and reasonable expenses for the operation of the corporation;
- (4) rates may not be unfairly discriminatory;
- (5) rates shall be adjusted annually;
- (6) rates for any policy year shall be calculated to include the adjustment for actual experience of the corporation as developed for the preceding four policy years;

(7) in considering losses to be incurred, changes in the law, national, regional or local trends in medical negligence awards, and other relevant factors may be considered;

(8) income from the investment of reserves shall be considered;

(9) individual risk underwriting factors shall be considered;

(10) disciplines and classifications within the license categories of health care providers shall be considered;

(11) amounts sufficient for repayment of loan obligations shall be considered;

(12) if the earned premiums of the corporation for any given year are less than the incurred claims, claim expense, underwriting expense, reserves for that year and provision for repayment of any loans, the corporation may, subject to the prior approval of the director, levy an assessment upon the insureds who held policies during that year; the assessment, which may be made in periodic installments, shall be made within three years and may not exceed 150 per cent of the insured's premium for that year; the termination of any policy does not relieve the insured of contingent liability for the insured's proportionate share of the obligations to the corporation which accrued while the policy was in force;

(13) if the earned premiums of the corporation for any given year exceed its incurred claim expense, underwriting expense, reserves for that year and provision for repayment of any loan, the corporation may, subject to the prior approval of the director, apportion and pay or credit its insureds who held policies during that year; a payment or credit shall be proportionate to the insured's earned premium for that year;

(14) upon application by any person, the director may issue a certificate authorizing the corporation to extinguish all or a portion of an assessment levied, or which could be levied, under (12) of this section for all insureds with policies in force when the certificate is issued, and to omit provisions levying an assessment under (12) of this section in all policies delivered or issued for delivery after the certificate is issued, if the director determines that there is a sound actuarial basis for the extinguishment; the director may at any time revoke the certificate; a policy in force at the time of revocation is not subject to the revocation of the certificate for the remainder of the period for which the premium has been paid, but after revocation a policy may not be issued or renewed without providing for an assessment of the insured. (§ 41 ch 102 SLA 1976; am §§ 13, 15, 40 ch 177 SLA 1978; am § 5 ch 103 SLA 1980; am § 5 ch 46 SLA 1982)

Revisor's notes. — In 1984, former paragraphs (1), (2), and (14), repealed in 1978, were deleted and the remaining paragraphs were renumbered accordingly.

Effect of amendments. — The 1980

amendment substituted "insured's" for "physician's" near the middle of paragraph (15) (now (12)).

The 1982 amendment rewrote paragraph (17) (now (14)).

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Sec. 21.88.090. Payment of premiums; cancellation of insurance. The corporation may provide for installment payment of premiums in which case each installment is due by the date specified. The corporation may cancel any of its policies in the event of nonpayment of any premium or installment on a premium, or other charge, by mailing or delivering to the insured at the address shown on the policy and to the agency of the state issuing the insured's license written notice of cancellation. Cancellation is not effective until 30 days after the date notice is posted by the corporation. (§ 41 ch 102 SLA 1976)

Sec. 21.88.095. Transfer of corporate assets and liabilities. (a) The corporation may, subject to the prior approval of the director, transfer its assets and liabilities to a company which meets all of the following conditions:

(1) the company possesses a valid certificate of authority to transact casualty insurance business in the state; in evaluating the capital and surplus of the company for qualification for a certificate of authority, the value of the assets and liabilities transferred by the corporation may not be considered;

(2) the company pays to the corporation the full value of any surplus in the corporation not represented by any unrepaid proceeds of loans by the loan fund to the corporation;

(3) the company executes a complete reinsurance and hold harmless agreement in a form approved by the director covering all of the obligations of the corporation to its creditors and policyholders; and

(4) the company executes modifications of loan agreements with the loan fund by which the company agrees

- (A) to assume the obligations;
- (B) that, if at any time the company writes less than the premium levels provided in AS 21.88.055(a), the director may determine that the loan provisions shall be modified to provide a scheduled amortization repayment of the principal over a period not to exceed 10 years and at an interest rate of four points above the federal discount rate, as that rate is adjusted from time to time; and

(C) that the provision for repayment provided in AS 21.88.210(b)(1) shall be modified to provide for annual installments of at least 25 per cent of the excess of premium and investment income collected over the total of claims, reserves and expenses on the Alaska medical malpractice book of business or 25 per cent of the excess of premiums and investment income collected over the total of claims, reserves and expenses on the corporation's total book of business, whichever is greater;

(5) the company meets such other requirements as the director may reasonably require to protect the interests of the state, the health care provider insureds, the involved company, and the public;

(6) the company provides the board of governors with a written statement from the director that the company qualifies under (1) — (5) of this subsection.

(b) If and while the company to which the assets and liabilities of the corporation are transferred in the manner provided in (a) of this section continues to write premiums in excess of the levels provided in AS 21.88.055, it shall enjoy the benefit of the following provisions:

(1) the company is entitled to carry forward and offset against its premium tax obligation to the state the amount by which the aggregate claims paid on reinsurance assumed under (a)(3) of this section exceeds aggregate reserves on the same business established at the date of the reinsurance agreement; and

(2) the obligation to repay to the loan fund loans assumed by the company at the time of transfer of the assets and liabilities of the corporation need not be shown as a liability on the books of the corporation. (§ 16 ch 177 SLA 1978)

*Secs. 21.88.110 — 21.88.180. Joint Underwriting Association.
[Repealed, § 40 ch 177 SLA 1978.]*

Article 3. Loan Fund.

Section

210. Fund established

Sec. 21.88.210. Fund established. (a) There is in the Department of Commerce and Economic Development a medical malpractice liability revolving loan fund to be administered by the director of insurance.

(b) Loans may be made from the fund to the corporation upon certification by the director that a loan is necessary and under the following circumstances:

(1) to provide surplus in respect to policyholders which may not exceed a total of \$3,000,000 outstanding at any time; these obligations shall be subordinated to all other obligations of the corporation; loans made under this paragraph shall be repaid to the fund in annual installments of at least 25 per cent of the excess of premiums earned over the total of claims, reserves, expenses, and assessments made by the association, if any; interest shall be paid on the outstanding balance at a rate equal to seven per cent a year;

(2) if the director determines that the corporation is unable to procure reinsurance from a private casualty insurer or reinsurer for any liability incurred by contracts issued by it, additional loans up to an aggregate of \$6,000,000 when taken together with loans made under (1) of this subsection to compensate for fluctuations in loss experience; loans made under this paragraph shall be in parity with all other obligations of the corporation except that they shall be subordinated to obligations of policyholders and claimants for indemnity of loss; these loans shall be repaid within five years at an annual interest rate of six per cent.

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(c) If a loan is made to the corporation from the fund, the corporation shall issue a note to the fund as evidence of the loan.

(d) The director may sell at par value to the Department of Revenue the notes, security instruments and pledge agreements held by the Department of Commerce and Economic Development as security for loans made under this section. The Department of Revenue shall purchase all the notes offered until the current principal amount of the notes purchased and held by the Department of Revenue equals \$6,000,000. (§ 41 ch 102 SLA 1976; am §§ 17, 18 ch 177 SLA 1978; am § 6 ch 103 SLA 1980)

Effect of amendments. — The 1980 "collected" near the middle of paragraph amendment substituted "earned" for (1) of subsection (b).

Article 4. General Provisions.

Section

900. Definitions

Sec. 21.88.900. Definitions. In this chapter

- (1) "chiropractor" means a person licensed under AS 08.20;
- (2) "continuous coverage" means one or more successive policy periods which is uninterrupted by cancellation or failure to renew for any period;
- (3) "corporation" means the Medical Indemnity Corporation of Alaska;
- (4) "covered claim" means
 - (A) a claim by an injured patient reported to the corporation during the period of continuous coverage by the corporation of the insured health care provider for an act or omission in the delivery of health care services; and
 - (B) additional claims as defined in the policy, with the prior approval of the director, and which are reported within specified periods after the expiration of the policy;
- (5) "dental hygienist" means a person licensed under AS 08.32;
- (6) "dentist" means a person licensed under AS 08.36;
- (7) "dispensing optician" means a person licensed under AS 08.71;
- (8) "governor" means a member of the board of governors of the Medical Indemnity Corporation of Alaska;
- (9) "health care provider" means a chiropractor licensed under AS 08.20; a dental hygienist licensed under AS 08.32; a dentist licensed under AS 08.36; a nurse licensed under AS 08.68; a dispensing optician licensed under AS 08.71; an optometrist licensed under AS 08.72; a pharmacist licensed under AS 08.80; a physical therapist licensed under AS 08.84; a physician licensed under AS 08.64; a podiatrist; a psychologist and a psychological associate licensed under AS 08.86; a hospital as defined in AS 18.20.130, including a governmentally owned

Chapter 88. Health Care Providers Insurance.

Article

4. General Provisions (§ 21.88.900)

Article 4. General Provisions.

Section

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 - (B) additional claims as defined in the policy, with the prior approval of the director, and which are reported within specified periods after the expiration of the policy;
- (5) "dental hygienist" means a person licensed under AS 08.32;
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- (7) "dispensing optician" means a person licensed under AS 08.71;
- (8) "governor" means a member of the board of governors of the Medical Indemnity Corporation of Alaska;
- (9) "health care provider" means an audiologist licensed under AS 08.11; a chiropractor licensed under AS 08.20; a dental hygienist licensed under AS 08.32; a dentist licensed under AS 08.36; a nurse licensed under AS 08.68; a dispensing optician licensed under AS 08.71; an optometrist licensed under AS 08.72; a pharmacist licensed under AS 08.80; a physical therapist licensed under AS 08.84; a physician licensed under AS 08.64; a podiatrist; a psychologist and a psychological associate licensed under AS 08.86; a hospital as defined in AS 18.20.130, including a governmentally owned or operated hospital; a corporate entity covered under AS 21.88.050(b)(11); an employee of a health care provider acting within the course and scope of employment;
- (10) "hospital" means an institution licensed under AS 18.20;
- (11) "nurse" means a person licensed under AS 08.68;
- (12) "optometrist" means a person licensed under AS 08.72;
- (13) "pharmacist" means a person licensed under AS 08.80;
- (14) "physical therapist" means a person registered under AS 08.84;

M I C A

**1985
Tenth Annual Report**

Medical Indemnity Corporation of Alaska

CORPORATE DIRECTORY

Board of Governors

David J. Frazier
Chairman of the Board
William G. Brock
First Vice Chairman
Robert D. Whaley, M.D.
Secretary Vice Chairman
David Grauman, M.D.
Frederick R. Hood, M.D.
Renee Murray
Mary A. Pierce
Jane Sabes
Kim C. Smith, M.D.

Board of Governors Committees

Executive Committee

David J. Frazier - Chairman
William G. Brock - 1st Vice-Chairman
Robert D. Whaley, M.D.
2nd Vice-Chairman

Audit Committee

David S. Grauman, M.D. - Chairman
Kim C. Smith
Frederick R. Hood, M.D.

Claim Committee

Renee Murray - Chairman
Frederick R. Hood, M.D.
Robert D. Whaley, M.D.

Computer Committee

Robert D. Whaley, M.D. - Chairman
Frederick R. Hood, M.D.
David S. Grauman, M.D.

Finance & Investment Committee

William G. Brock - Chairman
Mary Pierce
Jane Sabes

Underwriting Committee

Mary Pierce - Chairman
David S. Grauman, M.D.
Renee Murray
Jane Sabes
Robert D. Whaley, M.D.

Legislative Committee

Kim C. Smith, M.D. - Chairman
Robert D. Whaley, M.D.
William G. Brock

Risk Management Committee

Frederick R. Hood, M.D., - Chairman

Advisory Panel:

William Compton, M.D.
Scott Emery, M.D.
Hedric Hanson, M.D.
Kitchener Head, M.D.
Burton Janis, M.D.
Warren Jones, J.D.
Ron Keller, M.D.
Lorraine Kottra, M.D.
Scott Sims, M.D.

Corporate Office

Alaska U.S.A. Office Building
4000 Credit Union Drive, Suite 525
Anchorage, Alaska 99503

Administration

Peter J. Volpe, Director
Vice President
Marsh & McLennan, Incorporated
720 Olive Way
Seattle, Washington 98101
(206) 223-1240

Local:

Arthur M. Stanford
Manager/Assistant Director
4000 Credit Union Drive, Suite 525
Anchorage, Alaska 99503
(907) 563-3414

Janet Sloan Johnston, R.N., M.S.N.
Assistant Director
(Claims-Risk Management)

Staff

Donnette Olsen Norman
Office Manager

Joe McKay
Amy Murphy
Harriett Larson

Actuaries

David R. Bickerstaff, F.C.A.S.
Milliman & Robertson, Incorporated
251 South Lake Avenue, Suite 400
Pasadena, California 91101

Auditors

Ernst & Whinney
301 W. Northern Lights Blvd., Suite 601
Anchorage, Alaska 99501
(907) 279-1411

Corporate Counsel & Secretary

Roger F. Holmes, Esq.
BISS & HOLMES
705 Christensen Drive
Anchorage, Alaska 99501

Assistant Corporate Secretary

Patricia Baker
3120 Bettles Bay Loop
Anchorage, Alaska 99502

Data Services

Mark Bolzern
General Computer Services
200 W. 34th Avenue, Suite 798
Anchorage, Alaska 99503
(907) 563-2707

Investment Consultants

Donald E. Boyd
Vice President
Wells Fargo Investment Advisors
P.O. Box 44029
San Francisco, California 94144
(415) 396-6436

Reinsurance Intermediary

Kendel Lyman - Vice President
Marsh & McLennan, Incorporated
720 Olive Way
Seattle, Washington 98101
(206) 223-1240

Cravens & Company, S.I.S.
800 5th Avenue, #378
Seattle, Washington 98104

Reinsurers

Certain underwriters at Lloyds,
British Companies

Domestic:
Health Providers Insurance Co.
211 E. Ontario
Chicago, Illinois 60611

Risk Management Consultant

Robert S. Brittain, M.D.
President
Medical Liability Consultants Program
Bldg. 2, Suite 199
6825 E. Tennessee
Denver, Colorado 80224
(303) 321-3884

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CHAIRMEN'S MESSAGE

The Medical Indemnity Corporation of Alaska has completed another year of operation which was the most dynamic since its incorporation in 1976. The year saw many changes in the way our corporation operates and views its role in the state of Alaska. There were many factors which contributed to our successes and disappointments during 1985. I would like to share with you several of the challenges that were presented to your Board of Governors during the year.

Even though MICA is a relatively small medical liability insurance company compared to our counterparts in the Lower 48, MICA prides itself on retaining only the most qualified advisors available inside and outside the state of Alaska. One of the most important consultants retained is our independent actuary who attempts to predict with a reasonable degree of certainty our anticipated claims volume and claims severity. Our efforts in 1985 to encourage early reporting of potential claims may have resulted in a claims volume that exceeded our expectations, as well as that of our actuary. This claims volume placed a temporary but substantial pressure on our financial resources, and for that reason, our 1985 financial statement does not reflect the margin of surplus we experienced during most of our previous years of operation.

Another very significant issue presented to the Board of Governors during 1985 was the fact that a large

number of national and international reinsurers had begun or had totally withdrawn from writing business associated with the medical malpractice market. This unpredictable and possible unavailability of any reinsurance, presented unique problems to the MICA Board as to the amount of policy limits we could realistically provide, in the absence of reinsurance. Fortunately, we were able to negotiate a reinsurance contract for 1985 but we were unable to procure reinsurance for the higher limits of liability offered by MICA in previous years. We anticipate that this reinsurance problem may continue for some time, and we are committed to continue offering only policy limits which MICA can support and still remain fiscally sound today and in the future.

In response to the dramatically increasing claims costs and substantially greater reinsurance premiums, MICA had no alternative except to raise premiums in 1985. Certainly, the increase was greater than we would have initially anticipated for the year, but the adjustment was actuarially sound and clearly justifiable under the circumstances.

Your Board is very pleased with the performance of its Risk Management Committee and staff. Unquestionably, our ongoing communications program with our policyholders is a fine example for others in our industry. We have taken a leadership role in the development of a creative risk management program that has brought not

only acceptance but accolades from MICA insureds and which we are confident will pay substantial dividends to the MICA program in the years ahead.

The Medical Indemnity Corporation of Alaska is now completing its tenth year of operation in the state. During that time, MICA has strived to provide adequate protection to its insureds and to those receiving medical care in this state. We have met frequently and worked diligently to create a health care environment that is conducive to the well-being of all our citizens. Although we operate a professional and efficient insurance organization, MICA is still subject to the same judicial vagaries that other medical liability insurance companies face throughout the country. For that reason, MICA undertook a position in 1985 to support tort reform that would be fair to private individuals, our insureds, and the company. We have taken a strong stand in support of legislation that will provide positive change to the legal system and thus promote the best interest of Alaskans. We are confident that the Alaska Legislature will enact changes to the tort system that will ensure the uninterrupted and quality health services needed and deserved by all Alaskans.

Finally, we would like to thank those physicians, hospitals and other health care providers that have given support and aid to the Medical Indemnity Corporation of Alaska. Their recognition of the importance of having a company that can respond to the local

needs of Alaskan insureds and its citizens is heartwarming. We appreciate the efforts of our MICA staff and the many persons who have volunteered to assist MICA during its growing years. We are confident that MICA's second decade will be as positive and dynamic as its first.

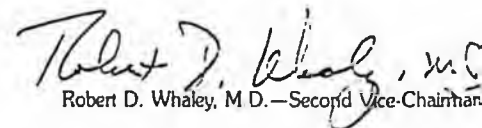
Respectfully submitted,



David J. Frazier—Chairman



William G. Brock—First Vice-Chairman



Robert D. Whaley, M.D.—Second Vice-Chairman

CLAIMS

The graph to the right illustrates the continuing escalation of claims reported by MICA policyholders since the company's incorporation in 1976.

We have added a new column for 1985 entitled, "Suspense Files" as distinguished from reported claims. This new category relates to incidents reported to MICA which have some elements realistically associated with a legitimate claim, but no claim has actually been made to date. Although these potential claims are thoroughly investigated to provide the best possible defense to our insureds, they continue to be termed "suspense" files until the patient or the patient's attorney actually makes a demand for compensation. An exception to this rule is to open a claims file when the medical misadventure resulted in serious consequences and in our judgement, will most likely result in a demand for compensation at some future date.

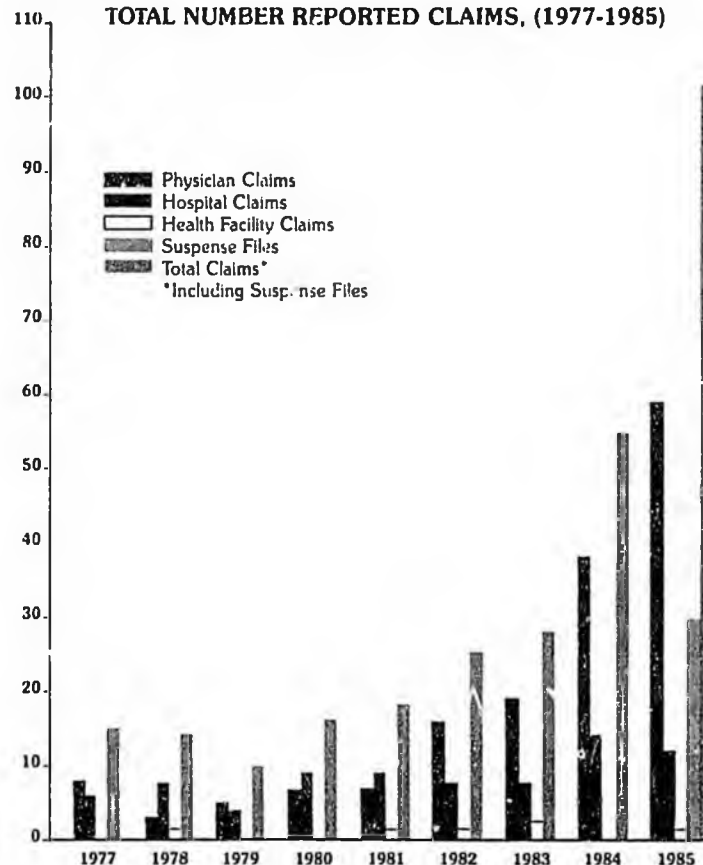
MICA remains the only medical malpractice insurance carrier in Alaska with a local, "in-house" Claims Department. Our Claims Department is staffed by a registered nurse who conducts all initial investigations of potential claims. She is supported and assisted by MICA's manager who has a background of over 30 years of casualty claims experience. She also draws upon the medical expertise of the physicians on the MICA Board of Governors and Risk Management Committee.

The first steps taken by MICA's Claims Administrator on a newly reported claim are to conduct an in-

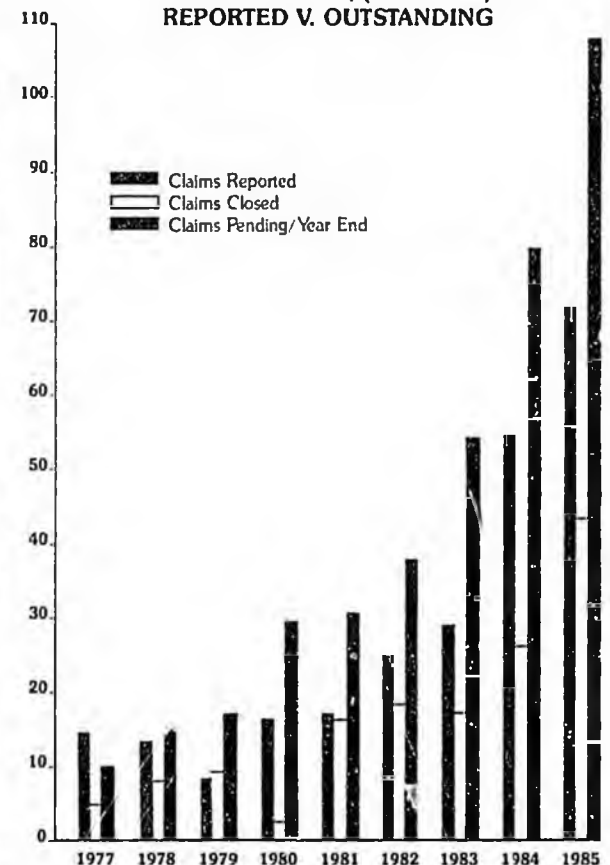
depth review of the factual situation with the policyholder, and to consolidate all of the available medical records on the case. This initial information and documentation is provided to one or more physicians of the same medical specialty as our insured, for an opinion on whether the facts indicate the standard of care was met under the circumstances. This initial investigation and peer review opinion provides a swift and solid foundation upon which the defense of the case can be built. Conversely, it can also provide the basis for prompt settlement if the facts prove the claim to be meritorious.

MICA's unique ability to respond to the urgent needs of our policyholders when a real or potential claim arises, cannot be overemphasized. Our claims staff knows Alaska, they know our physicians, they know our entire health care provider community, and most importantly, MICA is recognized as the dominant writer of medical malpractice insurance in Alaska that will vigorously resist the demands of its adversaries all the way to the jury, if necessary, on frivolous and non-meritorious claims.

TOTAL NUMBER REPORTED CLAIMS, (1977-1985)



CASE SUMMARY, (1977-1985) REPORTED V. OUTSTANDING



RISK MANAGEMENT

Risk Management at MICA had its real beginning in December 1983 with the hiring of Janet Johnston, R.N., M.S.N., as the MICA staff person charged with the responsibilities of investigation/resolution of claims along with the institution of a Risk Management program. Ms. Johnston's experience in clinical nursing and as a nursing administrator and consultant, was further augmented by MICA's exclusive Alaska contract with Dr. Robert Brittain of Denver, Colorado, a nationally recognized pioneer and leader in the field of medical malpractice Risk Management. In 1984, MICA's Risk Management Committee was formed, bringing together seven physicians from the Alaskan medical community, each recognized as a leader in his or her field of medical practice. Three other physicians have since joined the Committee, and several others have been asked to serve from time to time to meet special needs and to provide special expertise to the Committee and the Risk Management program.

The initial thrust of the Risk Management Committee was to begin educating itself by reviewing past as well as new claims in an attempt to delineate those risk management factors which were involved. In addition, the members of the Risk Management Committee were able to meet with and to review their efforts with Dr. Brittain.

Risk Management is primarily an educational venture, one of identifying those factors which are instrumental in either provoking or preventing claims and, once identified, of educating physicians as to those factors and as to the means of either countering them or

using them to provide a viable defense. To this end, the Risk Management Committee has been involved in the following:

1. Seminars, utilizing both medical and legal personnel: in one instance to speak to relevant Risk Management issues as viewed from both the plaintiff's and defendant's side of the issue and in another, to discuss the proper management of the litigation process itself from the physician's standpoint.
2. Individual presentations to the medical and nursing staffs of our insured hospitals, using the services of Ms. Johnston and one or more members of the Risk Management

Committee.

3. Circulation of a growing library of videotapes of the seminars and of tapes made for MICA by Dr. Brittain on specific topics of Risk Management importance.
4. MICA Risk Management Bulletins featuring articles on Risk Management written by Ms. Johnston and members of the Risk Management Committee or reprinted from other Risk Management periodicals published by the insurance industry.

Unfortunately, the principle of "tell 'em, tell 'em again, then tell 'em what you told 'em," though valid in concept,

is just not enough!

Recently, the MICA Board of Governors' Chairman wondered aloud as to whether the Risk Management program was reaching the point of diminishing returns. While it is premature to attempt to judge the effects of a risk management program (barely 21 months old), claims continue to occur, often as the direct result of the failure to observe basic risk management principles, while other claims prove indefensible in the face of good medicine for the very same reasons.

While no claim is the sole result of a single factor, it is estimated that in excess of 40% of the claims presently



UNDERWRITING

Determining adequate premium levels as well as establishing and maintaining criteria for insurability are the key functions of the Underwriting Department and they form the financial foundation upon which a fiscally sound insurance company is built.

Each year MICA carefully analyzes the balance between its income derived from earned premiums (and secondarily from investment return) as opposed to both actual and anticipated expenditures. These include: claims settlements, reinsurance costs, plus normal operating expenses in addition to incurred liabilities in reserving the estimated costs of pending claims.

In 1985, MICA's expenditures exceeded income from all sources, and policyholder surplus was utilized to offset this deficiency. The other alternative would have been to implement mid-term premium increases which the MICA Board of Governors rejected in favor of subsidizing MICA's policyholders' rates through the use of surplus.

At the close of 1985 it was apparent that premium increases were required to correct the imbalance of expenditures and incurred liabilities exceeding income. Additionally, a sufficient amount of income would have to be generated in the future to replenish policyholder surplus which acts as a financial cushion to absorb unexpected and catastrophic claims experience or other unanticipated expenses.

MICA's rate levels are not arbitrar-

ily created by the company. The fact is, that domestic insurance carriers, such as MICA, are one of the most highly regulated industries in the United States.

All rate increases must first be supported by actuarially sound documentation and then reviewed by the MICA Board of governors. The rates are then filed with the Alaska Division of Insurance for approval by the Director who can reject the filing if he determines that the rates are excessive or inadequate. Thus, rate increases must be fully supported by a need and thoroughly evaluated by the MICA staff and the MICA Board of Governors, as well as approved by the state regulatory agency before they are implemented.

MICA's underwriting guidelines were created to provide an equitable and uniform basis upon which to determine insurability. Careful underwriting is the method utilized to control the cost of insurance for the majority of our policyholders who present a normal exposure to loss. Conversely, prudent underwriting would mandate rejecting an application by a particular physician who most likely would cause other policyholders to support, to an unfair degree, that physician's claims costs.

Ultimately, the beneficiary of prudent underwriting is the physician who is professionally qualified, without a history of medical misadventures. Proper underwriting often involves very painful decisions which are taken very seriously by the MICA staff and your Board of Governors. However,

without underwriting criteria, the financial integrity of the corporation would clearly be impaired which patently would not serve the best long term interests of the corporation or our policyholders.

INVESTMENTS

Despite declining interest rates and a larger portion of its portfolio in short-term investments, MICA's net investment income reached \$1,158,000 in 1985, exceeding the 1984 figure by more than \$59,000. This increased income was attributable entirely to a 10% increase in earning assets. Additionally, with the decline in market interest rates, MICA's portfolio of notes and bonds increased in market value. At year's end, that market value exceeded by more than \$500,000 the value shown on the company's books.

MICA is entering 1986 in a very liquid position. This reflects recognition by its board of governors of the uncertainties facing the liability insurance business in the present environment, including the cost and terms of reinsurance. Nonetheless, our basic investment policy continues to emphasize high asset quality and stable returns. In 1986, as in the past, MICA's investment income will be an important and dependable supplement to its income from policyholder premiums.

ASSET COMPOSITION

	<u>Cost</u>	<u>% of Assets</u>	<u>Yield On Cost</u>
Cash Equivalents	\$1,123,816	11.4%	7.63%
U.S. Treasury Notes	4,919,412	50.1	11.34
Federal Agency Obligations	1,113,563	11.3	10.77
Corporate Obligations & Canadian Yankee Issues	<u>2,670,618</u>	<u>27.2</u>	<u>11.52</u>
Total Assets	\$9,827,409	100.0%	10.90%

MATURITY

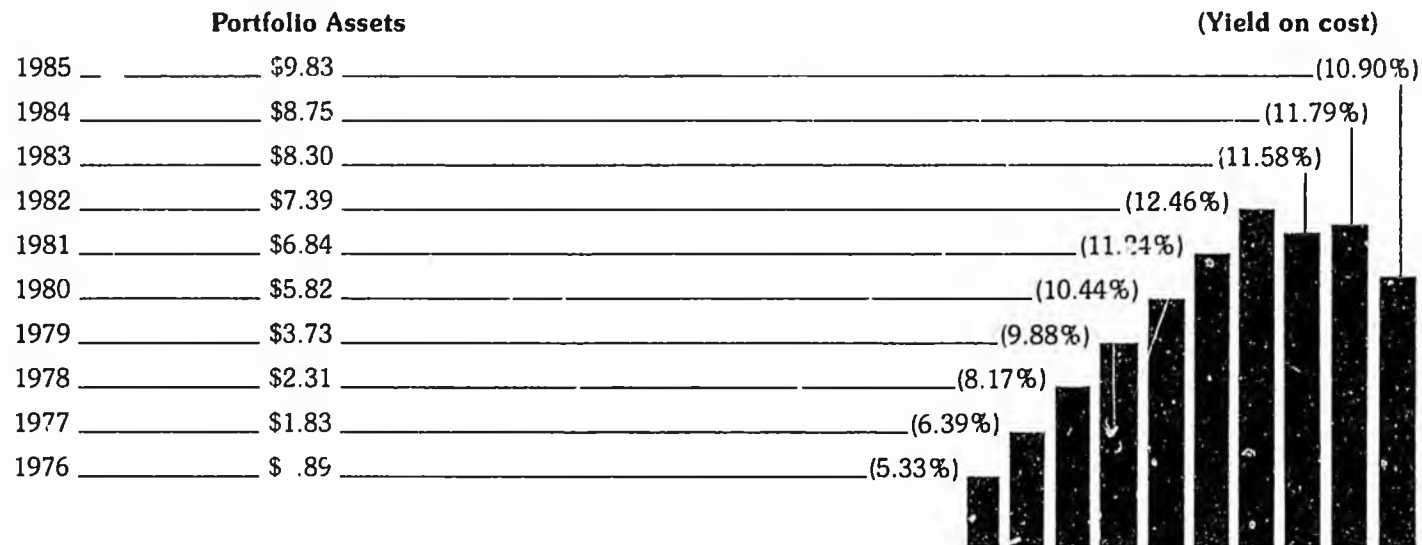
	<u>Cost</u>	<u>% of Assets</u>	<u>Yield On Cost</u>
Immediate Liquidity	\$1,123,816	11.4%	7.63%
1986	735,510	7.5	10.93
1987	1,049,203	10.7	9.09
1988	740,344	7.5	11.37
1989	594,472	7.1	10.63
1990	698,828	7.1	12.07
1991	725,203	7.4	13.49
1992	755,375	7.7	11.43
1993	980,398	10.0	11.82
1994	927,344	9.4	12.76
1995	<u>960,969</u>	<u>9.8</u>	<u>10.60</u>
Subtotal	\$9,391,462	95.6%	10.90%
	<u>435,947*</u>	<u>4.4</u>	<u>10.75</u>
Total Assets	\$9,827,409	100.0%	10.90%

* Segregated assets held to fund long-term liability

INVESTMENTS

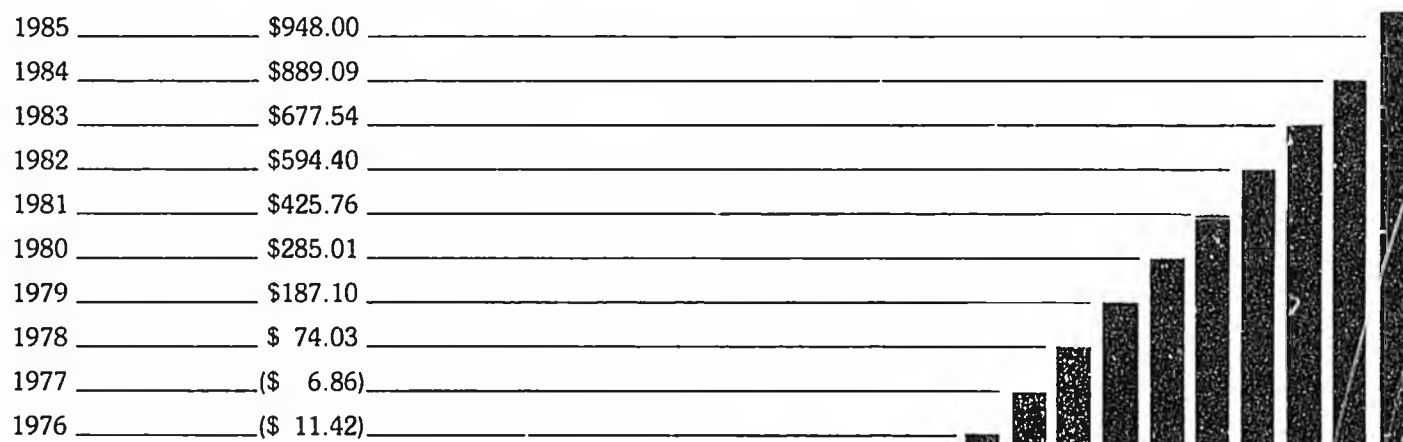
Investment Yield (Portfolio Assets)

\$ Figures for funds invested represented in millions



Net Investment Gain—(Investment income less interest expense for State of Alaska loan)

\$ Figures for net investment gain represented in thousands



FINANCIAL STATEMENTS

Medical Indemnity Corporation of Alaska

Ernst & Whinney

Board of Governors
Medical Indemnity Corporation of Alaska
Anchorage, Alaska

We have examined the balance sheets of Medical Indemnity Corporation of Alaska (MICA) as of December 31, 1985 and 1984, and the related statements of operations and changes in policyholders' surplus (deficit) and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As more fully described in Note B to the financial statements, the reserve for unpaid losses and loss adjustment expenses was determined based upon an estimate of the ultimate settlement costs of all losses and loss adjustment expenses. Management believes that the reserve for unpaid losses and loss adjustment expenses is adequate. However, no assurance can be given that the ultimate settlements will not be significantly greater or less than such estimated amounts included in the Corporation's financial statements.

In our opinion, subject to the effects on the financial statements of such adjustments, if any, as might have been required had the outcome of the uncertainty referred to in the preceding paragraph been known, the financial statements referred to above present fairly the financial position of Medical Indemnity Corporation of Alaska at December 31, 1985 and 1984, and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Ernst & Whinney

Anchorage, Alaska
February 28, 1986

FINANCIAL STATEMENTS

Medical Indemnity Corporation of Alaska

BALANCE SHEETS

December 31

	1985	1984
ASSETS		
Investments—Note C:		
U.S. government notes and bonds—designated for retirement of note payable.....	\$ 606,354	\$ 546,356
U.S. government notes and bonds—undesignated	5,658,313	5,228,156
Canadian government bonds	247,422	246,875
Corporate notes	2,458,178	2,820,288
Short-term demand notes and money market investments	<u>1,113,191</u>	<u>133,699</u>
	10,083,458	8,975,374
Cash	108,953	131,427
Premiums receivable, less allowance for doubtful accounts of \$2,000 in 1985 and 1984	21,298	37,769
Accrued interest receivable	229,036	233,126
Note receivable	22,884	23,184
Account receivable—U.S. government		200,000
Computer equipment, less accumulated depreciation of \$7,418 in 1985 and \$3,548 in 1984	<u>11,933</u>	<u>15,803</u>
	<u>\$10,477,562</u>	<u>\$9,616,683</u>
LIABILITIES AND POLICYHOLDERS' SURPLUS		
LIABILITIES		
Unpaid losses and loss adjustment expenses	\$ 6,543,938	\$3,674,773
Deferred premiums—MCM policies		284,000
Deferred premiums—MCM policies—to be refunded	694,416	
Accounts payable and accrued expenses	143,262	150,037
Premiums received in advance	139,075	71,174
Liability to reinsurers	<u>62,000</u>	<u>401,162</u>
	7,582,691	4,581,146
NOTE PAYABLE TO STATE OF ALASKA	3,000,00	3,000,000
POLICYHOLDERS' SURPLUS (DEFICIT)	(105,129)	2,035,537
	<u>\$10,477,562</u>	<u>\$9,616,683</u>

ASSETS

Investments—Note C:

U.S. government notes and bonds—designated for retirement of note payable.....
U.S. government notes and bonds—undesignated

Canadian government bonds

Corporate notes

Short-term demand notes and money market investments

Cash

Premiums receivable, less allowance for doubtful accounts of \$2,000
in 1985 and 1984

Accrued interest receivable

Note receivable

Account receivable—U.S. government

Computer equipment, less accumulated depreciation of \$7,418
in 1985 and \$3,548 in 1984

LIABILITIES AND POLICYHOLDERS' SURPLUS

LIABILITIES

Unpaid losses and loss adjustment expenses

Deferred premiums—MCM policies

Deferred premiums—MCM policies—to be refunded

Accounts payable and accrued expenses

Premiums received in advance

Liability to reinsurers

NOTE PAYABLE TO STATE OF ALASKA

POLICYHOLDERS' SURPLUS (DEFICIT)

STATEMENTS OF OPERATIONS AND CHANGES IN POLICYHOLDERS' SURPLUS

	Year Ended December 31	
	1985	1984
Revenue:		
Premiums earned:		
Physicians	\$2,510,344	\$1,869,421
Hospitals	679,858	714,567
Related health care	<u>141,219</u>	<u>109,067</u>
	3,331,421	2,693,055
Deduct (add):		
Reinsurance ceded	897,183	1,119,692
Change in deferred premiums	<u>410,416</u>	<u>(82,000)</u>
	2,023,822	1,655,363
Interest earned, less investment expenses of \$53,754 in 1985 and \$50,458 in 1984	1,158,190	1,099,093
TOTAL REVENUE	3,182,012	2,754,456
Losses and expenses:		
Losses and loss adjustment expenses	4,587,236	2,232,720
Other underwriting expenses—Note F	525,442	411,811
Interest expense on note payable to State of Alaska—Note E	210,000	210,000
TOTAL LOSSES AND EXPENSES	<u>5,322,678</u>	<u>2,854,531</u>
NET LOSS	(2,140,666)	(100,075)
Policyholders' surplus at beginning of year	2,035,537	2,135,612
POLICYHOLDERS' SURPLUS (DEFICIT) AT END OF YEAR	<u>\$ (105,129)</u>	<u>\$2,035,537</u>

See notes to financial statements

FINANCIAL STATEMENTS

Medical Indemnity Corporation of Alaska

STATEMENTS OF CHANGES

	Year Ended December 31	
	1985	1984
FUNDS PROVIDED		
From operations:		
Net loss	\$(2,140,666)	\$ (100,075)
Add (deduct) items not affecting cash:		
Increase in liabilities	3,001,545	834,933
Decrease (increase) in premiums receivable	16,471	(19,807)
Decrease (increase) in accrued interest receivable	4,090	(34,282)
Decrease (increase) in notes and accounts receivable	200,300	(167,618)
Purchase of computer		(19,351)
Amortization of bond discount	(109,857)	(88,075)
Depreciation of computer equipment	3,870	3,548
	<u>975,753</u>	<u>409,273</u>
	FUNDS PROVIDED FROM OPERATIONS	
Maturity of investments	2,000,000	1,065,000
	<u>2,975,753</u>	<u>1,474,273</u>
	TOTAL FUNDS PROVIDED	
FUNDS USED		
Purchase of investments	3,018,735	1,508,972
	(42,982)	(34,699)
	DECREASE IN CASH	
Cash and money market investments at beginning of year	<u>265,126</u>	<u>299,825</u>
	CASH AND MONEY MARKET INVESTMENTS AT END OF YEAR	
	<u>\$ 222,144</u>	<u>\$ 265,126</u>

See notes to financial statements

NOTES TO FINANCIAL STATEMENTS

MEDICAL INDEMNITY CORPORATION OF ALASKA

December 31, 1985

NOTE A—ORGANIZATION AND OPERATIONS

Medical Indemnity Corporation of Alaska (MICA) is an insurance company created by the Alaska legislature to provide professional liability insurance to Alaskan physicians and surgeons, hospitals, and related health care organizations. MICA commenced business on June 28, 1976.

The daily operations of MICA are managed by an independent consulting firm, which is compensated on the basis of actual costs plus a management fee.

Prior to January 1, 1979, MICA issued "occurrence" basis policies which provide coverage for the policyholder for claims incurred during the policy year regardless of when the claims are reported to MICA. Since January 1, 1979, MICA has issued only "claims-made" policies which provide coverage for the policyholder for claims reported during the policy year to MICA, regardless of when the claims were incurred. Until December 31, 1985, MICA also issued a "modified claims-made" policy ("MCM") which provides coverage for the policyholder for claims reported during the first twelve months subsequent to the policy expiration date and also for claims reported during the policy year.

MICA also offers policyholders who terminate their policy the option of purchasing a "tail" (occurrence) policy which will indemnify the policyholder against future claims that occurred while a MICA policyholder.

MICA was capitalized with a note payable to the State of Alaska.

NOTE B—SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accompanying financial statements have been prepared in conformity with generally accepted accounting principles which are not significantly different from accounting practices required for statutory purposes. Anticipated investment income is considered in determining if premium deficiencies exist.

Premiums: Premiums are earned ratably over the policy period to which they apply. Policies are written on a calendar year basis.

Deferred Premiums (to be refunded): Deferred premiums to be refunded are the result of discontinuing the sale of MCM policies. MICA will refund a premium to MCM policyholders at December 31, 1985 based upon the number of years the policyholder has been with MICA.

Underwriting Expenses: Underwriting costs are expensed when incurred. Due to the nature of MICA's operations, commissions and premium taxes are not significant.

Losses and Loss Adjustment Expenses: The liability for unpaid losses and loss adjustment expenses represents an estimate of the ultimate net cost of all such amounts unpaid at the balance sheet dates. The liability has been determined using case basis evaluations and statistical analyses and projections. The statistical analyses and projections have been determined by independent consulting actuaries using MICA's own historical loss data, giving effect to estimates of trends in claim frequency and severity, and are inherent in MICA's premium structure. These estimated liabilities are continually reviewed and, as adjustments become necessary, such adjustments are reflected in current operations. Although MICA believes the estimate for the liability is reasonable under the circumstances, MICA's actual incurred losses and loss adjustment expenses may vary from the amounts included in the financial statements.

Depreciation: Computer equipment is recorded at cost and depreciated over the estimated useful life of the assets using the straight-line method.

NOTE C—INVESTMENTS

Investments in government and corporate notes and bonds are carried at amortized cost. The market values of these investments were as follows:

	December 31	
	1985	1984
U.S. government notes and bonds	\$6,620,891	\$5,740,791
Canadian government bonds	290,625	260,938
Corporate notes	2,598,776	2,908,001

Short-term investments are carried at cost, which approximates market value.

Notes with an amortized cost of approximately \$400,000 were pledged to the Alaska Insurance Department to meet statutory requirements.

The Board of Governors has designated U.S. government notes and bonds with an amortized cost of \$606,354 in 1985 and \$546,356 in 1984 for retirement of the note payable to the State of Alaska.

Realized gains and losses, which are not material to the financial statements, are determined on the basis of specific identification and are included in interest income for presentation purposes.

NOTE D—REINSURANCE

Loss and loss adjustment expenses incurred during 1985 for claims in excess of \$250,000 up to \$2,000,000 per occurrence are 83.5% recoverable under excess of loss reinsurance contracts. MICA remains liable for the 16.5% of excess loss not covered by reinsurance. Additionally, MICA has a deductible of \$831,000 for excess losses under their reinsurance agreements for 1985 claims.

Loss and loss adjustment expenses incurred during 1984 and prior years in excess of \$200,000 up to \$5,000,000 per occurrence are 100% covered by reinsurance agreements.

MICA would remain liable to the extent reinsurance companies are unable to meet their obligations.

Amounts which have been deducted from liability, income, and expense accounts in connection with all ceded reinsurance placed with other companies are as follows:

	1985	1984
Estimated losses and loss adjustment expense to be recovered from reinsurer	\$3,090,000	\$1,775,000
Reinsurance premiums incurred	897,183	1,115,692
Losses paid by reinsurer	1,023,149	546,994
Loss adjustment expenses paid by reinsurer	34,663	6,241

NOTE E—NOTE PAYABLE TO THE STATE OF ALASKA

The Act which created MICA provided for its initial capitalization through a loan of \$3,000,000 from the Medical Malpractice Revolving Loan Fund of the State of Alaska. This loan, which may not exceed \$6,000,000, is subordinated to all other obligations of MICA. The remaining \$3,000,000 available under this provision from the State can be drawn on if operations demand.

Repayment of the loan is to be made in installments based upon underwriting earnings computed as specified in the Act. No repayment was due at December 31, 1985 or 1984. Interest at 7% is payable quarterly.

The remaining \$3,000,000 of the available loan from the Medical Malpractice Revolving Loan Fund requires repayment within five years from the date MICA receives the additional funds. Interest on the additional funds is payable at six percent.

NOTE F—MANAGEMENT AGREEMENT

MICA's daily operations are managed by Marsh & McLennan, Inc. on the basis of cost reimbursement plus a management fee.

NOTE G—INCOME TAXES

MICA has received a ruling from the State of Alaska and a professional opinion that as a public corporation created by the State of Alaska, it is exempt from income taxes.

NOTE H—COMMITMENTS

MICA leases office space with an annual rental expense of approximately \$27,000 through December 1985. Rental expense was \$27,000 in 1985 and 1984. MICA has renewed its present lease through December 1986.

1985 Medical Malpractice Update

By: Roger F. Holmes, Esq.

1984 was the worst year in the history of the property/casualty insurance industry. In the wake of the 1984 experience, 1985 resulted in the most violent market constriction in the history of the insurance industry. In 1985 underwriting losses continued to mount. 16% of the United States insurance industry is targeted for observation of financial problems and possible insolvencies under an industrywide early warning system.

Between 1975 and 1985 the medical malpractice field as a whole failed to turn an underwriting profit in every year except 1977. Medical malpractice premiums nationwide in 1985 rose an average of 32%. In New York, premiums for all physicians rose an average of 52%. The predictions are for similar rate increases in 1986. Lloyds of London, a substantial medical malpractice underwriter, has threatened to pull out of the United States market completely.

The New Mexico medical malpractice insurance captive which was providing insurance for Wyoming physicians pulled completely out of the State of Wyoming. In Illinois, the average jury verdict against health care providers doubled and the percentage of defense verdicts in medical malpractice cases dropped below 70% for the first time ever to 57.6%. The average jury verdict in medical malpractice cases ten years ago was \$166,000. That average has now reached \$955,000. At least 16% of all physicians nationwide are being sued each year. Of 75 perinatology programs in the United States, 45 now have vacancies. Many attribute this largely to the malpractice climate.

In the face of these dismal statistics, the push for tort reform in the '80s has

become very strong. Physicians in many states have engaged in slowdowns or otherwise refused to perform surgery in an effort to dramatize this situation. It has been estimated that if meaningful tort reform takes place in the medical malpractice field, a billion dollars a year can be saved.

In 1985 Illinois adopted a comprehensive medical malpractice tort reform package. Within very few months, a trial judge struck the entire scheme down as unconstitutional. Similarly in Louisiana and Texas portions of medical malpractice reform legislation were struck down as unconstitutional.

Conversely, the United States Supreme Court affirmed without opinion several decisions from the California Supreme Court upholding various medical malpractice reforms. What sets the 1986 tort reform movement apart from earlier movements is that many of the proposals are not limited to the medical malpractice field. This should give those reforms which are passed a much greater chance of standing constitutional scrutiny.

One short term problem with tort reform can be seen from the 1985 Illinois experience. Prior to the adoption of the medical malpractice reform, 9 to 10 medical malpractice cases were filed a day in Chicago. In the three days before the effective date of the statute, over 1,250 medical malpractice claims were filed in the City of Chicago with 725 of those suits alone being filed in the afternoon prior to the effective date of the statute. Lawyers and their staff members were standing 50 deep in six or more lines waiting to file medical malpractice cases that afternoon in order to have those cases filed before the effective date of the

reform legislation and thus be governed by the prior rules.

The focus of medical malpractice suits continues to center on the hospitals. One very good reason for this is that 80% of all medical malpractice claims arise from events occurring inside the hospital. One favorite attempt by plaintiffs is to try and hold the hospital liable under the doctrine of ostensible agency for emergency room doctors, pathologists, radiologists and other medical specialists whose practice is limited solely to the hospital. The courts are also beginning to hold hospitals strictly liable for injuries which result when equipment fails in the hospital setting resulting in injury to a patient.

An Arizona hospital stabilized an emergency room patient and instead of operating, transferred the patient to a public hospital for surgery. The reason for the transfer was because the patient did not satisfy the hospital's financial requirements for admission. The Arizona Supreme Court held that licensed hospitals were required to accept and render emergency care to all patients who presented in need of such care. The court held that the hospital could not transfer the patient until all medically indicated emergency procedures were completed without consideration of the economic consequences.

Hospitals are now taking a close look at the safety of their parking lots. They are being sued by employees, doctors, patients and visitors not only for defective conditions such as potholes, ice and snow, etc., but also for criminal attacks outside of the hospital but on hospital premises.

Several cases litigated in 1985 in-

volved the patient's refusal to accept blood. In Washington, a Jehovah's Witness refused before a D&C to consent to any blood transfusion if the need arose. The patient signed a waiver form. The court found that this waiver form did not protect the hospital or the doctor where the plaintiff bled to death as a result of negligence during the procedure. The court found that the patient had accepted the risk of no blood, but had not accepted the risk of medical negligence. At least one state supreme court found that a competent adult patient can refuse blood even though it is life threatening. However, where the patient is unconscious courts have ordered the transfusion over the objection of the patient's family. Courts have also ordered transfusion of children over the objections of their parents.

One of the most difficult areas facing hospitals in 1985 involved acquired immunodeficiency syndrome otherwise known as AIDS. The problems facing the hospital involved the emergency room, elective admissions, employee relations, whether to require AIDS screening and if so what to do with positive results. Questions have arisen as to whether or not doctors afflicted with AIDS should be allowed to operate and whether employees with AIDS should be allowed to be involved in patient care.

The consensus seems to be that it is negligent for any blood donation center or hospital not to test blood for AIDS contamination. People who are at risk are being asked not to donate. Since the results of AIDS tests in many instances must be reported to governmental agencies, the blood centers and hospitals now need detailed consent forms from the

donors acknowledging they understand that these results will be so reported.

Psychiatrists have been held liable for injuries inflicted by one of their patients on a third person when they knew that person to be at risk. A similar concern has arisen in the AIDS situation. The question has arisen whether or not there is a duty to warn others who might be at risk from the patient's AIDS condition especially where the patient is a sexually active person. For instance, must the spouse be warned.

AIDS concerns have arisen with the sperm banks. Patients are presenting in hospitals wanting volunteer blood and asking not to be transfused from the general pool. Hospitals which are self insuring all or a portion of their employees' health plan costs are faced with difficult decisions on what screening must be done since the average cost to treat an AIDS patient in 1985 has risen to \$142,000. Doctors and hospitals are faced with being sued a substantial number of years in the future in AIDS related cases because of the long incubation period and the fact that the statute of limitation runs two years from the date of discovery.

At least one case arose in which a hospital nurse sued the admitting physician for not warning her and other nurses that the patient was an AIDS victim. The nurse inadvertently broke the skin on her hand with a needle after giving an injection to the patient.

The hospitals continue to be plagued by lawsuits arising out of the granting or denying of staff privileges. One supreme court held that a hospital may deny staff

privileges. One supreme court held that a hospital may deny staff privileges solely based upon the physician's inability to work with other physicians on the staff. Another supreme court continued the trend of holding that a hospital may revoke staff privileges or deny them for the failure to maintain liability insurance.

California held there was no duty by a proctor to a patient. The proctor was asked by the hospital to oversee the operation by a surgeon who was applying for staff privileges. In the course of that operation the surgeon made an error. The patient sued the surgeon and the proctor alleging that the proctor had an obligation to step in. The court found that the proctor owed no duty to the patient.

Lawsuits involving informed consent continued to make new law. Surgeons continued to be sued for failure to advise their patients of alternatives to surgery. The courts are holding that all major schools of thought need to be conveyed to the patient, not just those that the doctors believe to be the preferred school of thought. In California, a neurologist withheld the correct diagnosis from the patient. The testimony at trial was that it was the community standard to withhold diagnoses when in the clinical judgment of the physician it was necessary. There was no medical testimony to the contrary. The judge instructed the jury that the doctor had a fiduciary obligation to the patient to disclose all risks associated with medical treatment, including all material facts known to the physician regarding the patient's condition and diagnosis. The North Carolina Supreme Court reinforced this by stating that the informed consent requirement supercedes the "best interest rule." The North Carolina Supreme Court

ruled that a physician may have to disclose risks even if he determines disclosure is not in the patient's best interest.

Four states have recently ruled on the issue of emotional distress claims associated with medical malpractice incidents. Only Michigan has allowed these claims. The Michigan court allowed parents to sue for emotional distress arising from circumstances surrounding a still birth.

One physician was held liable for the failure to warn of the possibility of hemophilia prior to birth. The physician did not cause the condition but was sued for the additional medical costs involved in raising the child. The parents claimed they would have aborted the pregnancy had they had the information concerning the possible hemophilia. Illinois rejected the attempt to make a pharmacist liable for not warning the patient that the physician was overprescribing medication. A physician was found liable to the patient's heirs for wrongfully prescribing medication in excessive amounts when the patient was a known drug addict. The patient later committed suicide. Doctors are regularly being sued at the present time for failing to obtain an informed consent before prescribing medication.

In Michigan a doctor was held liable for the injuries sustained by a person in an automobile accident where the driver, an epileptic, was a patient of the physician. The plaintiff claimed that the doctor was negligent in failing to instruct the epileptic to either continue his medication or not to drive after withdrawing from the medication. In New York the court ruled as a matter of law that the prescription of a drug by a physician in an amount ex-

ceeding the dosage recommended by the manufacturer constituted evidence of a deviation from the proper standard of medical care.

In California the court resurrected the captain of the ship doctrine to hold the surgeon liable for the actions of a nurse employed by the hospital. The court held that the nurse was acting under the direction of the doctor at the time of the incident. Several doctors were sued for revealing the identity of mothers who gave up children for adoption. These claims involved a breach of confidentiality. A national jury verdict survey has shown that while plaintiffs recover a favorable jury verdict in only 29% of their cases against general surgeons, they obtain favorable recoveries in 45% of the cases against orthopedic surgeons.

Alaskans did not escape the national trends in 1985. Reported medical malpractice claims nearly doubled in 1985. The nationwide reluctance of reinsurers to get involved in the malpractice market resulted in increased rates and decreased policy limits for many Alaska physicians.

The Alaska Supreme Court ruled in 1985 that plaintiffs may begin discovery in malpractice cases prior to the report of the medical advisory panel even though the statute itself states that discovery must generally await the report of the panel. The court held that plaintiffs would generally be prejudiced if they were required to wait until the panel had issued its report unless the panel report is filed within eighty days of the date the health care provider files an answer to the complaint. In many instances the court has not even appointed a panel within eighty days.

In 1984 the Alaska Supreme court ruled that a health care provider may use a favorable expert panel report in support of a motion asking the court to dismiss the plaintiff's case before trial. Health care providers were able to successfully use that case several times in 1985 to force dismissals of malpractice actions when the plaintiff failed to come forward with expert medical testimony contradicting the panel report.

Two medical malpractice cases were tried in 1985 in the State of Alaska. One case was tried in Anchorage and another in Fairbanks. Both resulted in verdicts in favor of the health care providers. In one case, the health care provider was actually in jail at the time the case was tried.

The MICA board continue to require that all lawsuits be tried which are determined by MICA's physician consultants to be without merit. Nothing that has happened in the legal community either in Alaska, or in the United States as a whole, during the year 1985 should operate to force a change in that policy.

Roger F. Holmes is a veteran defense lawyer of 17 years in Alaska's courtrooms. Holmes specializes in trials and appeals with his partner, Burton C. Biss in the lawfirm of BISS & HOLMES, Anchorage

ACKNOWLEDGEMENTS

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& Writing Arthur M. Stanford
Printer Northern Printing

Description of Coverage

- 0 deductible.
- Contract Term Maximum: \$250,000.
- Co-payment: Temporary Health Care pays 80% of the first \$5,000 of covered expenses, then 100% of reasonable and customary covered expenses up to the Contract Term Maximum. (You pay only 20% of the first \$5,000 of covered expenses.)

Covered Services

For each of the following covered services, after you meet the 20% co-payment on the first \$5,000 of covered expenses, the program pays 100% of reasonable and customary covered expenses for treatment and care of injury and illness.

- Inpatient Hospitalization including intensive and coronary care.
- Emergency Room Treatment.
- Outpatient Hospital Services.
- Surgeon/Physician Services.
- Emergency Ambulance Service.
- Home Health Care: Up to \$5,000 per contract term, including nursing and home health aide care.
- Inpatient Rehabilitative Care for up to 30 days following a continuous inpatient stay for treatment of an acute condition.
- Medical Supplies, Prosthetic Devices and Rental of Durable Medical Equipment.

Eligibility Requirements

The contract is designed to provide medical coverage on a temporary basis. It is available, upon application and approval by Blue Cross of Washington and Alaska, to you and your dependents who:

- Are under age 65 and will remain under age 65 for the length of the contract.
- Carry no other medical or hospital insurance.
- Are unmarried legal dependents (as defined by the IRS Tax Code) who are under the age of 19.
- Are U.S. citizens or permanent residents (and can supply alien registration numbers).
- Are residents of either Washington State or Alaska.
- Are not eligible for Medicare.
- Are not hospitalized at time of application.

When Coverage Begins

- The full subscription rate must be paid at the time of application. Once coverage is effective, the payment is non-refundable regardless of any change in the subscriber's situation. The payment will, however, be refunded in full if coverage is denied (for instance, if the applicant is clearly ineligible based on the information provided in the application).

If applying for a second contract before the end of the first contract, and if the application is approved, the effective date will be the next day after the first contract expires.

Renewability, Cancellability and Termination

Two consecutive contracts can be issued to an individual or family. Any conditions which occur or for which claims were incurred during the first contract term become preexisting conditions on the second issue. The contract is valid only for the term issued. Temporary health care does not apply toward continuation of coverage on Blue Cross of Washington and Alaska individual products.

Exclusions

Benefits are not available for:

- Preexisting conditions that occurred within two years prior to the effective date of the contract.
- Routine procedures including routine foot care and symptomatic complaints of the feet; orthotics; hospital admissions for testing and examinations or dental treatment; treatment for obesity; cosmetic services and supplies; Milieu therapy; counseling or training services; educational materials or services; services or supplies not accepted by the medical profession or which are experimental or investigative; reproductive and sexual disorders and defects; sex transformations; surgical sterilization or reversal of surgical sterilization; services or supplies not medically necessary even if court-ordered.
- Conditions resulting from war, armed invasion or aggression.
- Services or supplies not charged for; private room charges; personal charges billed by an institution; services rendered by a provider who ordinarily resides in the subscriber's home or is related by blood or marriage.

- Work-incurred injury or illness covered by Workers' Compensation or other occupational coverage.
- Outpatient laboratory and X-ray services except those necessitated by an accidental bodily injury which occurred and is treated during the term of this contract; drugs and medicines except those given and used during a covered inpatient hospital stay.
- Hearing aid services or supplies; vision care services or supplies; vision therapy; orthoptics or ple-optics; dental services and supplies; orthodontia; temporomandibular joint dysfunction and myofascial pain-dysfunction; upper and lower jaw augmentation or reduction procedures.
- Services or supplies payable under the terms of any insurance policy issued to or on behalf of the subscriber or eligible dependent which provides payments toward medical expenses without determination of liability for the injury, such as automobile no-fault or homeowner's policy.
- Services or supplies received after coverage terminates or before coverage begins.
- Services or supplies to treat alcoholism, drug addiction or a nervous or mental condition; chiropractic or obstetrical care; convalescent or custodial services; outpatient rehabilitative care; speech therapy.
- Treatment rendered and billed by a hospice or skilled nursing facility.
- Treatment rendered outside of the United States or Canada; care in a hospital owned or operated by a county, state or federal agency, except for a medical emergency or as required by federal law.
- Services or supplies related to an illness or injury caused by participation in a hazardous avocation; self-inflicted injuries or suicide.
- Removal of tonsils or adenoids; expenses incurred by or for the donor of an organ for transplant.



Blue Cross
of Washington and Alaska

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SHORT TERM COVERAGE

MALE

RATES PER TERM OF COVERAGE

AGE \ TIME	30	60	90	120	180
UNDER 30	30	60	90	120	180
30-39	32	64	96	128	192
40-44	38	76	114	152	228
45-49	49	98	147	196	294
50-54	65	130	195	260	390
55-59	93	186	279	372	558
60-64	154	308	462	616	924

GORDON EVANS

FOR PICKUP

FEMALE

AGE \ TIME	30	60	90	120	180
UNDER 30	34	68	102	136	204
30-39	40	80	120	160	240
40-44	53	106	159	212	318
45-49	68	136	204	272	408
50-54	86	172	258	344	516
55-59	111	222	333	444	666
60-64	141	282	423	564	846

CHILD

AGE \ TIME	30	60	90	120	180
10-19(23)	15	30	45	60	90



GROUP CONVERSION PROGRAMS

**THREE SPECIAL PROGRAMS
FOR ENROLLEES LEAVING
A BLUE CROSS GROUP**

Blue Cross of Washington and Alaska is pleased to offer a choice of one of three group conversion programs to Subscribers and eligible dependents no longer eligible for coverage under a Blue Cross group program. One program is sure to meet your needs.

The benefits and rates of each group conversion program will be different from those under your prior group program.

There are several advantages to selecting a group conversion program:

- Enrollees who transfer directly from a Blue Cross group program will not be required to complete health statements.
- There are no additional waiting periods, if you have satisfied the waiting period requirement under the prior Blue Cross group program.
- There will be no denial of benefits based on any preexisting medical condition, provided the waiting periods (if any) were satisfied under the prior program. For more information, see "Waiting Period Requirements" on page 2.

FOR POSSIBLE COST SAVINGS

You may wish to consider application for enrollment under one of our Traditional or Prudent Buyer individual programs, (available to persons under age 65). These programs have deductible options of \$100, \$200, \$500 and \$1,000, and are available at a lower cost (in most cases) and furnish broader benefits than are available under the group conversion programs. Nonsmokers may be eligible for a discount of up to 10 percent on the individual programs. For details, contact our Customer Service Department at one of the numbers listed on the back of this brochure.

PLEASE NOTE: Enrollment under the individual programs is subject to compliance with medical underwriting requirements. This means you might not be accepted for coverage under an individual program. Should this occur, you still will be eligible for one of the group conversion programs provided you applied for an individual program within 31 days of the date coverage under your group program terminated. In addition, upon enrollment under one of the individual programs, certain waiting periods are applicable (unless you have had at least 24 consecutive months of continuous coverage under a Blue Cross group program immediately preceding your application for an individual program).

WHO IS ELIGIBLE

Enrollees eligible to apply for group conversion coverage are:

The Subscriber; the lawful spouse of the Subscriber; any child(ren) of either (or both) the Subscriber or spouse who is unmarried, under 23 years of age, and dependent upon the Subscriber for his or her main support and whom the Subscriber could claim as a dependent for tax purposes under the United States Internal Revenue Code.

APPLICATION FOR COVERAGE

Application for a group conversion program must be made within 31 days of the date coverage under your group program terminates. The Subscriber and/or eligible dependents who were covered on the prior group program and apply within 31 days of the date coverage under the group program terminates will not be required to complete health statements.

The following dependents may apply for coverage under the Subscriber's group conversion program by submitting a completed application and health statement. In such cases, Blue Cross of Washington and Alaska reserves the right to rider (disallow) coverage for specific medical conditions or deny coverage to a specific family member.

- Any eligible dependent who was not previously covered on the group program;
- Eligible dependents who did not enroll in a conversion program within the stated 31-day period;
- Natural newborn children not added to a conversion program within 60 days of birth;
- Adopted children not placed with the Subscriber within 60 days of birth;
- Adopted newborn children who are placed with the Subscriber within 60 days of birth, but are not added to a conversion program within 60 days of placement; and
- Other newly acquired eligible dependents (e.g., as through marriage).

If a covered dependent becomes ineligible because of marriage or attaining age 23, he or she may transfer to his or her own group conversion program. Application must be made within 31 days of a change in status.

Once enrolled in one of the group conversion programs, there will not be an opportunity to change programs, except as specified above.

WHEN BENEFITS BEGIN

Subject to the 31-day application requirement (see "Application for Coverage" above), the effective date of coverage is the first of the month following the date your prior group program terminates, provided the required subscription charges have been paid. However, there may be waiting periods, if the waiting periods required under your previous group membership have not been satisfied (see "Waiting Period Requirements" below).

Coverage for a natural newborn child, born on or after the Subscriber's effective date, begins as of his or her date of birth, if the child is enrolled within 60 days after its birth. Coverage for an adopted newborn child, physically placed with the Subscriber within 60 days of birth, begins as of the date of placement, if enrolled within 60 days of that physical placement.

When eligible dependents are not enrolled within the stated time periods, coverage begins on the first of the month following approval by the Plan, provided the required subscription charges are paid. The waiting period requirements stated below will apply.

WAITING PERIOD REQUIREMENTS

Each group conversion program has a twelve-month "waiting period" before benefits begin for any preexisting condition. A preexisting condition is any illness, injury or condition, whether or not diagnosed, for which treatment, consultation or a diagnostic test was recommended or received by an Enrollee, or for which an Enrollee has taken prescribed or recommended medicines, or for which symptoms existed which would ordinarily cause an individual to seek medical diagnosis, care or treatment during the 12-month period prior to the effective date of his or her coverage.

Waiting periods may be waived entirely or the twelve-month period may be reduced under the following circumstances:

- If the prior Blue Cross group program did not have a waiting period, no waiting periods will be required under these group conversion programs, if enrolled within 31 days of the date prior group coverage ends.
- If the Enrollees prior Blue Cross program had a waiting period, any time the Enrollee was covered under that program will be credited to the waiting period requirements of the group conversion program.
- The waiting period of the group conversion program will not exceed the Enrollee's waiting period requirements of his/her prior group or conversion contract with the Plan.
- The waiting period will not apply to natural newborn children of the Subscriber enrolled within 60 days from birth, or to adopted newborns who are 60 days of age or less on the date of physical placement with the Subscriber, and are enrolled within 60 days of that placement.

CONVERSION CONTRACT MATERNITY BENEFITS

Conversion contract maternity benefits for the female Subscriber or male Subscriber's spouse are available when:

- Conception occurs while she is covered under the conversion contract and coverage is continuous from date of conception to date of delivery or other termination of pregnancy; or
- Conception occurs while she is covered under the prior group program that does not offer extended maternity benefits, required waiting periods are satisfied and coverage is continuous on the conversion program to date of delivery or other termination of pregnancy.

The maternity benefits of the prior group program for the female Subscriber or male Subscriber's spouse are available when:

- Conception occurs while she is covered under the prior group program (that does offer extended maternity benefits), required waiting periods are satisfied and coverage is continuous on the conversion program to date of delivery or other termination of pregnancy.

MAXIMUM MATERNITY BENEFITS UNDER GROUP CONVERSION PROGRAMS 040, 050 AND 060

Cesarean Section:		Normal Delivery:	
Physician	Up to \$300	Physician	Up to \$150
Hospital	Up to \$400	Hospital	Up to \$250

UTILIZATION MANAGEMENT

A preauthorization must be obtained for all hospital admissions (except for treatment of an injury within two days of the accident, medical emergencies and obstetrical delivery, however, we ask to be notified following an emergency admission to a hospital). Without preauthorization, benefits will be subject to a separate \$200 deductible and benefits may be denied or reduced if the services do not meet the Plan's criteria for medical necessity

EXCLUSIONS

We do not provide benefits for the following:

- Routine examinations, x-ray and laboratory testing; routine footcare and symptomatic complaints of the feet and orthotics; well baby care, including hospital infant nursery care; hospital admissions for diagnostic tests or evaluations.
- Conditions resulting from war, armed invasion or aggression.
- Private room or personal charges billed by an institution; and services rendered by a provider who ordinarily resides in the Subscriber's home or is related by blood or marriage.
- Work-incurred injuries or illness covered by Workers' Compensation or other occupational coverage.
- Treatment or surgery for obesity, including complications of surgery; and cosmetic services and supplies.
- Milieu therapy; counseling or training services; mental, neuropsychiatric or personality disorders; alcoholism, drug addiction or other substance abuse.
- Reproductive and sexual disorders and defects; sex transformations.
- Services and supplies not medically necessary, even if ordered by a court of law.
- Hearing aid services or supplies.
- Amounts over the reasonable and customary charge.
- Dental services and supplies, orthodontia, temporomandibular joint (T.M.J.) dysfunction and myofascial pain-dysfunction (M.P.D.); upper and lower jaw augmentation or reduction procedures.
- Chiropractic care.
- Hospice care; convalescent or custodial services; rehabilitative care.



**APPLICATION FOR
GROUP
CONVERSION PROGRAMS
040, 050 or 060**



Blue Cross
of Washington and Alaska

P.O. Box 327
Seattle, Washington 98111-0327

Application for Group Conversion Programs 040, 050 or 060

Please complete all items. Application will be returned if not completed in full. It must be signed by the applicant and spouse (if applying), parent or legal guardian (if the applicant is under 18 years of age). **PLEASE INCLUDE YOUR PAYMENT FOR THE FIRST TWO MONTHS. MAKE YOUR CHECK OR MONEY ORDER PAYABLE TO BLUE CROSS OF WASHINGTON AND ALASKA.** Thereafter, you may elect to pay monthly through the Automatic Bank Charge (ABC) system. Should your application be denied or withdrawn, your payment will be refunded in full. Application and payment must be received by / / for acceptance.
Mo Day Yr

1. APPLICANT'S LAST NAME			FIRST NAME	INITIAL	2. SOCIAL SECURITY NUMBER		
MAILING ADDRESS					3. BLUE CROSS GROUP PLAN INFORMATION		
CITY					STATE		ZIP
COUNTY					DATE COVERAGE ENDED		
TELEPHONE NUMBER — HOME ()			TELEPHONE NUMBER — WORK ()				
			<u>Group Number</u> <u>Subscriber ID #</u>				

4. PAYMENT METHOD DESIRED	5. PROGRAM SELECTION
<input type="checkbox"/> ABC Monthly Payment (If you check this box, we will send you an ABC Customer Agreement Form to complete after you are enrolled.) OR <input type="checkbox"/> Bimonthly payment	<input type="checkbox"/> Group Conversion Program 040 (\$1,000 Deductible) <input type="checkbox"/> Group Conversion Program 050 (\$5,000 Deductible) <input type="checkbox"/> Group Conversion Program 060 (\$500 Deductible)

6. Complete the required information below for yourself and all eligible dependents you wish to enroll under the Group Conversion Program checked above. Please contact the Plan for additional applications, if you wish to enroll an eligible dependent under a different Group Conversion Program.

LAST NAME	FIRST NAME	MIDDLE INITIAL	SEX		BIRTHDATE			ON PRIOR COVERAGE		BLUE CROSS PLAN USE		
			M	F	MO	DAY	YR	YES	NO	O	E	D
APPLICANT (a)												
SPOUSE (b)												
CHILD (c)												
CHILD (d)												
CHILD (e)												
CHILD(f)												

A. Are you or any dependents covered under any other group hospital or medical plan, government plan or Medicare? YES NO

1. If yes, state name of program and individuals covered _____

2. If on Medicare, is the person covered under Part A? YES NO

B. If the Blue Cross group plan which covered you and your dependents is terminating, are you or any dependents eligible to enroll in any other group hospital or medical plan, government plan or Medicare within 31 days of the Blue Cross group plan's termination? YES NO

1. If yes, state name of program and individuals covered _____

CONDITIONS OF ENROLLMENT

I apply for enrollment with Blue Cross of Washington and Alaska for myself and my eligible dependents listed. I understand that once enrolled in this program, there will not be an opportunity to change to one of the other conversion programs. I understand that a Health Statement must be completed and submitted for each dependent not previously covered on the Blue Cross Group Contract. Health Statements will be sent to me by Blue Cross of Washington and Alaska for all such eligible dependents listed on this application. I understand and agree that all statements and answers on this application are complete and true and that all rights to service are void if found false or incomplete. I understand that this Blue Cross Plan may rescind or modify my Contract retroactively if I omit material information on this application. I also understand and agree that coverage for dependents not previously covered on the Blue Cross Group Contract does not begin until this application is accepted by Blue Cross of Washington and Alaska and an effective date of coverage is assigned. I understand that receipt of my money (cash, check or money order) does not constitute enrollment under any conversion program. I also understand that if this application is accepted, it will become part of the Contract. I authorize Blue Cross of Washington and Alaska, at its option, to pay providers directly for services rendered.

Regarding dependents not previously covered on the Blue Cross Group Contract, I understand and agree that Blue Cross of Washington and Alaska may accept this application, but:

- 1. Restrict coverage for specific health conditions which existed prior to application for coverage; or
- 2. Totally exclude one or more dependents from enrollment.

Should this occur, the Subscriber will have an opportunity to review this information prior to enrollment.

* * * * *

I hereby authorize any physician, health care practitioner, hospital, clinic or other medical or medically-related facility to furnish Blue Cross of Washington and Alaska any and all records pertaining to medical history, services rendered or treatment given to anyone making application, enrolled hereunder, or added hereafter for purposes of review or investigation of a claim or for evaluation of an applicant or anyone added after the initial enrollment period, if applicable. This authorization shall become effective immediately and shall remain in effect as long as necessary to enable Blue Cross of Washington and Alaska to process the application and claims.

* * * * *

I, the undersigned, represent that:

- 1. I have read and personally completed all of the requested information on this form. (If not, please attach a letter of explanation.)
- 2. No material information pertaining to me has been withheld or omitted, nor any material information of any eligible dependent applying for this coverage.

* * * * *

I also understand that this Contract has a twelve-month waiting period, during which benefits are not available for any care or treatment of a preexisting condition (except for natural newborn children born on or after the Subscriber's effective date and enrolled within 60 days from date of birth and adopted newborn children physically placed with the Subscriber within 60 days of birth and enrolled within 60 days of that placement).

Waiting periods applied to enrollees covered under the prior Group Contract, who enroll during the initial enrollment period, will be credited to waiting periods required under this Contract. If there were no waiting periods under the prior Group Contract, no waiting periods will be required under this Contract. In any event, waiting periods required under this Contract will not exceed the Enrollee's waiting period requirements of the prior Group Contract.

Date _____ Signature of Applicant _____

Spouse's Signature (if applying) _____

Parent or Legal Guardian's Signature _____
(if applicant is under 18 years of age)

FOR BLUE CROSS PLAN USE ONLY											
GROUP NUMBER	EFFECTIVE DATE			C L	P 1	MONTHLY BILLING AMOUNT	MEMB COUNT	SHI	PAID TO DATE		
	MO	DAY	YR						MO	DAY	YR
BANK TRANSIT NO.		SUBSCRIBER ACCOUNT NO.				TYPE		DEBIT START DATE			
FORM SENT MO DAY YR		SENT BY: CA CS IS IUW				PAYMENT: PENDING NONE					

700-6711 (1-87)



Blue Cross
of Washington and Alaska

SEATTLE MAIN OFFICE
15700 Dayton Avenue North
P.O. Box 327
Seattle, Washington 98111-0327
(206) 367-1419
In Washington: 1-800-231-9519
(except Seattle)
Outside Washington: 1-800-257-9557

SPOKANE DISTRICT OFFICE
Washington Mutual Building
601 West Main / Suite 700
Spokane, Washington 99201-0613
(509) 838-0500

TACOMA DISTRICT OFFICE
6240 South Sprague
Tacoma, Washington 98409-6897
(206) 474-0719

YAKIMA DISTRICT OFFICE
707 North First Street / Suite A
Yakima, Washington 98901-2294
(509) 248-5267

ANCHORAGE DISTRICT OFFICE
3301 "C" Street
P.O. Box 102480
Anchorage, Alaska 99510-2480
(907) 561-5065
800-426-6400

- Services and supplies payable under the terms of any group hospital or medical program or Medicare.
- Services or supplies payable under the terms of any automobile medical, automobile no-fault, automobile uninsured motorist and/or underinsured motorist, personal injury protection (P.I.P.), commercial liability, homeowners policy or other similar type of insurance or contract which provides payments toward medical expenses without a determination of liability for the injury.
- Vision care services, supplies or procedures, including, but not limited to, eye exams, lenses, frames or radial keratotomy.
- Services, supplies or procedures not generally performed or accepted by the medical profession in the States of Washington and Alaska; any treatment, procedure, facility, equipment, drug, drug usage, device or supply which is considered experimental or investigative at the time rendered.
- Care in a nonparticipating or nonmember hospital owned or operated by a county, state or federal agency, except for a medical emergency or as otherwise required by law.
- Obstetrical care for dependent children, except for complications of pregnancy.
- Services or supplies received after coverage terminates.
- Services or supplies for which no charge would have been made if the contract were not in effect or for which the Enrollee is not legally liable.
- Drugs and medicines are not covered under Contract 040.

Some of these exclusions are subject to certain exceptions, which are described in the contract.

TERMINATION OF COVERAGE

Coverage terminates under the conversion contract when any one of the following circumstances occurs:

- For any Enrollee, when the conversion contract is terminated; on the date the Enrollee becomes eligible for Medicare; on the date the Enrollee has been provided with his or her lifetime maximum amount of benefits; when subscription charges are not received within the 10-day grace period following the due date.
- For the spouse, when he or she obtains a divorce or the marriage is otherwise terminated; when the Subscriber is no longer covered under this conversion contract (this includes death of the Subscriber).
- For dependent children, when they reach age 23 (unless they meet the requirements of an incapacitated child); marry; can no longer be claimed as a dependent by the Subscriber under the United States Internal Revenue Code; when the Subscriber is no longer covered under the conversion contract (this includes death of the Subscriber).

PAYMENT OPTIONS

Subscription charges may be paid on a monthly or bimonthly basis. Monthly payments can only be arranged through the ABC (Automatic Bank Charge) method. The ABC payment plan offers the advantage of monthly payments, withheld at no additional cost for the service, from your checking or savings account. If you choose to pay subscription charges on a bimonthly basis, you will receive a bimonthly billing by mail.

When returning your completed application to Blue Cross, attach a check or money order for the appropriate two-month payment.

If you desire the ABC method, you should:

- Verify with your bank that automatic transfer of funds can be electronically processed.
- Mark the box on the application that indicates you desire the ABC monthly payment method (see #4), and we will send you an ABC customer agreement form.
- Complete and sign the ABC customer agreement form.
- Attach a deposit slip from your checking or savings account.
- Coverage must be paid at least two months in advance of the time the ABC customer agreement form is received by us due to bank prenotification requirements. Subsequent payments will be automatically deducted.
- Retain the yellow copy of the ABC form for your files.

FOR ADDITIONAL INFORMATION ON OUR GROUP CONVERSION PROGRAMS,
CONTACT OUR CUSTOMER SERVICE DEPARTMENT:

In Seattle: 367-1419

In Washington: 1-800-231-9519 (except Seattle)

Outside of Washington: 1-800-257-9557

MONTHLY RATES

Program:	040	050	060
<u>Deductible Amounts:</u>	<u>\$1,000</u>	<u>\$5,000</u>	<u>\$500</u>
Subscriber	\$147.70	\$ 57.15	\$229.70
Subscriber & Spouse	212.35	82.15	330.20
Subscriber, Spouse & Child(ren)	267.60	103.50	416.15
Subscriber & Child(ren)	202.95	78.50	315.65



Blue Cross

of Washington and Alaska

SEATTLE MAIN OFFICE

15700 Dayton Avenue North

P.O. Box 327

Seattle, Washington 98111-0327

(206) 367-1419

In Washington: 1-800-231-9519

(except Seattle)

Outside Washington: 1-800-257-9557

SPOKANE DISTRICT OFFICE

Washington Mutual Building

601 West Main / Suite 700

Spokane, Washington 99201-0613

(509) 838-0500

TACOMA DISTRICT OFFICE

6240 South Sprague

Tacoma, Washington 98409-6897

(206) 474-0719

YAKIMA DISTRICT OFFICE

707 North First Street / Suite A

Yakima, Washington 98901-2294

(509) 248-5267

ANCHORAGE DISTRICT OFFICE

3301 "C" Street

P.O. Box 102480

Anchorage, Alaska 99510-2480

(907) 561-5065

800-426-6400



Retire With Confidence



Blue Cross
of Washington and Alaska

For People Covered by Medicare...

... Blue Cross of Washington and Alaska offers MedicarePlus, a choice of three plans to supplement your health care coverage. One is just right for you.

Why do you need more health care coverage?

Medicare provides comprehensive coverage, but it does **not** pay for **all** your hospital and medical expenses. For instance, under Medicare coverage the patient must pay:

- The first \$492 of hospital charges (known as the Part A "deductible");
- The remaining 20% of Medicare-approved Part B charges (Medicare pays 80%);
- Any amounts over and above the moderate level of charges allowed by Medicare.

Since the individual's share represents a significant financial responsibility, anyone covered by Medicare needs a supplemental plan to cover these out-of-pocket expenses.

Blue Cross has carefully designed three levels of MedicarePlus to give you a choice of supplemental plans. You can buy **as much** coverage as you need without buying **more** than you need.

Questions?

Call one of our toll-free numbers to receive an enrollment package. One of our MedicarePlus experts can further explain benefits or answer any other questions you may have about MedicarePlus.

In Seattle, call 367-1419

Other Washington cities, toll free (800) 231-9519

From Alaska, toll-free (800) 257-9557

30-Day Guarantee

We're so sure you'll be pleased with this new plan, we'll even give you 30 days from the date you receive your contract to thoroughly review your new coverage. If you're not completely satisfied, Blue Cross will fully refund your money.

Who's eligible?

Any resident of Washington and Alaska who is enrolled in Medicare Part A is eligible for MedicarePlus coverage. Enrollment in Medicare Part B also is required to apply for Medicare Plus I.

Here's how to make application

If you're interested in applying for Plus I, Plus II or Plus III, simply fill out the application. If you don't have one, we'll send you an enrollment package containing detailed benefit information and an application form. Each person desiring coverage must fill out a separate application, so if your spouse would like MedicarePlus coverage, be sure to request two packets.

A choice of payment plans, too

We can bill you every two months or monthly payments can be made through your bank. Payments for MedicarePlus can be automatically deducted from your checking, Transaction or savings account. An authorization card for automatic deduction is included in the enrollment package.

Terms of renewal or termination

MedicarePlus contracts are for two-month periods and are automatically renewed if subscription charges are paid on time. Your coverage may be terminated without notice if payment is not made within the 10-day grace period or if you drop Part A of Medicare.

Once you are covered by MedicarePlus, we will **not** terminate your contract due to a change in your health. You can cancel at any time by giving us at least 30 days' advance notice in writing.

Coverage is provided worldwide

Blue Cross of Washington and Alaska benefits are provided wherever you are in the world. For stays outside the country up to six months, we'll pay the Part A benefits Medicare would have paid, as well as our Part A and Part B supplemental benefits included in the MedicarePlus program you choose.

The following comparison of the three plans summarizes their features to help you decide which one best fits your needs.

All Three Plans pay the same supplement to Medicare Part A Benefits:

	Medicare Pays	MedicarePlus Pays	You Pay
HOSPITALIZATION			
First 60 days	All but \$492	\$492	Nothing for Medicare eligible services
61st to 90th day	All but \$123/day	\$123/day	
Lifetime Reserve (91st to 150th day)	All but \$246/day	\$246/day	
Beyond 150 days	Nothing	100% of UCR* charges up to 365 days lifetime limit	All other charges
HOSPICE CARE			
A hospice benefit period begins when a hospice plan of care is first elected and ends 14 days after such care is cancelled	The full cost of covered services for the terminal illness. EXCEPT: 5% of the cost for inpatient respite care and 5% (or \$5) of outpatient prescription drugs	100% of remaining Medicare-approved charges	Nothing
POST HOSPITAL SKILLED NURSING CARE			
First 20 days	100% of costs	Nothing	Nothing
21st to 100th day	All but \$61.50/day	\$61.50/day	Nothing
Each benefit period beyond 100 days	Nothing	Nothing	All charges

IN ADDITION, Medicare Part B Benefits are supplemented as follows:

	Medicare Pays	Plus I Pays	You Pay
Physician's Charges, Inpatient & Outpatient Medical Services, Supplies at a Hospital, Physical & Speech Therapy, Ambulance Charges	80% of approved charges after \$75 yearly deductible	\$75 yearly deductible plus 100% of UCR* charges not paid by Medicare	Nothing
		Plus II Pays Up to 20% of UCR* charges, including 20% of Part B deductible	All other charges
		Plus III Pays Up to 20% of UCR* charges AFTER \$200 deductible per year	\$75 Medicare deductible AND 20% of first \$625 UCR* charges each year AND all other charges

	Medicare Pays	Plus I Pays	You Pay
Routine Eye Exams	Nothing	Plus I Pays One exam every 24 consecutive months by participating provider paid in full (WA State only); exam from other providers up to \$45	All lens and frame charges AND all other charges
		Plus II Pays Same as Plus I	Same as above
		Plus III Pays Nothing	All charges
Hearing Exams	Nothing	Plus I Pays Up to \$70 for one routine exam every 24 consecutive months	Hearing aid costs AND all other charges
		Plus II Pays Nothing	All charges
		Plus III Pays Nothing	All charges
Outpatient Prescription Drugs	Nothing	Plus I Pays AFTER \$100 deductible, 50% of charges up to \$1500 for a total benefit of \$750 per calendar year	First \$100 AND 50% of next \$1500 AND all other charges
		Plus II Pays Nothing	All charges
		Plus III Pays Nothing	All charges

Our payment, when combined with Medicare's payment, will never exceed the total amount charged.

The vast majority of medical costs fall within Blue Cross of Washington and Alaska's usual customary and reasonable (UCR) allowance, which is determined by reviewing over four million claims every year. Because it's based on actual charges, our UCR provides greater reimbursement of your expenses than the usually lower Medicare payment levels.

Here's what MedicarePlus doesn't cover

- Anything excluded under the Medicare Act, unless otherwise specified. (Refer to **Your Medicare Handbook**, available from any Social Security Office, for a complete list of exclusions.)
- Private duty nursing; custodial nursing facility care costs or any other custodial care; intermediate nursing facility costs; or home health care expenses above the number of visits covered by Medicare.
- Drugs other than prescription drugs furnished

during a hospital, hospice or skilled nursing facility stay, except drugs covered under MedicarePlus I.

- Dental care or dentures; routine physical check-ups, routine immunizations; cosmetic surgery; routine footcare; routine eye and hearing examinations, hearing aids or eyeglasses, except as specified.
- Worldwide coverage beyond a six-month period.
- Services, procedures and supplies which would duplicate Medicare payments.

Rates

	MedicarePlus I	MedicarePlus II	MedicarePlus III
Under 65	Not Available	\$55.69	\$45.05
65-69	\$48.00	\$29.00	\$19.95
70-74	\$51.50	\$34.50	\$25.50
75-79	\$59.00	\$39.00	\$27.85
80+	\$71.00	\$46.00	\$29.75

Rates effective January 1, 1986 and are monthly rates for payments automatically deducted from your account.

For further details of coverage, including costs, exclusions, any reductions or limitations, and the terms of the contract, see your agent or call one of our toll-free numbers.

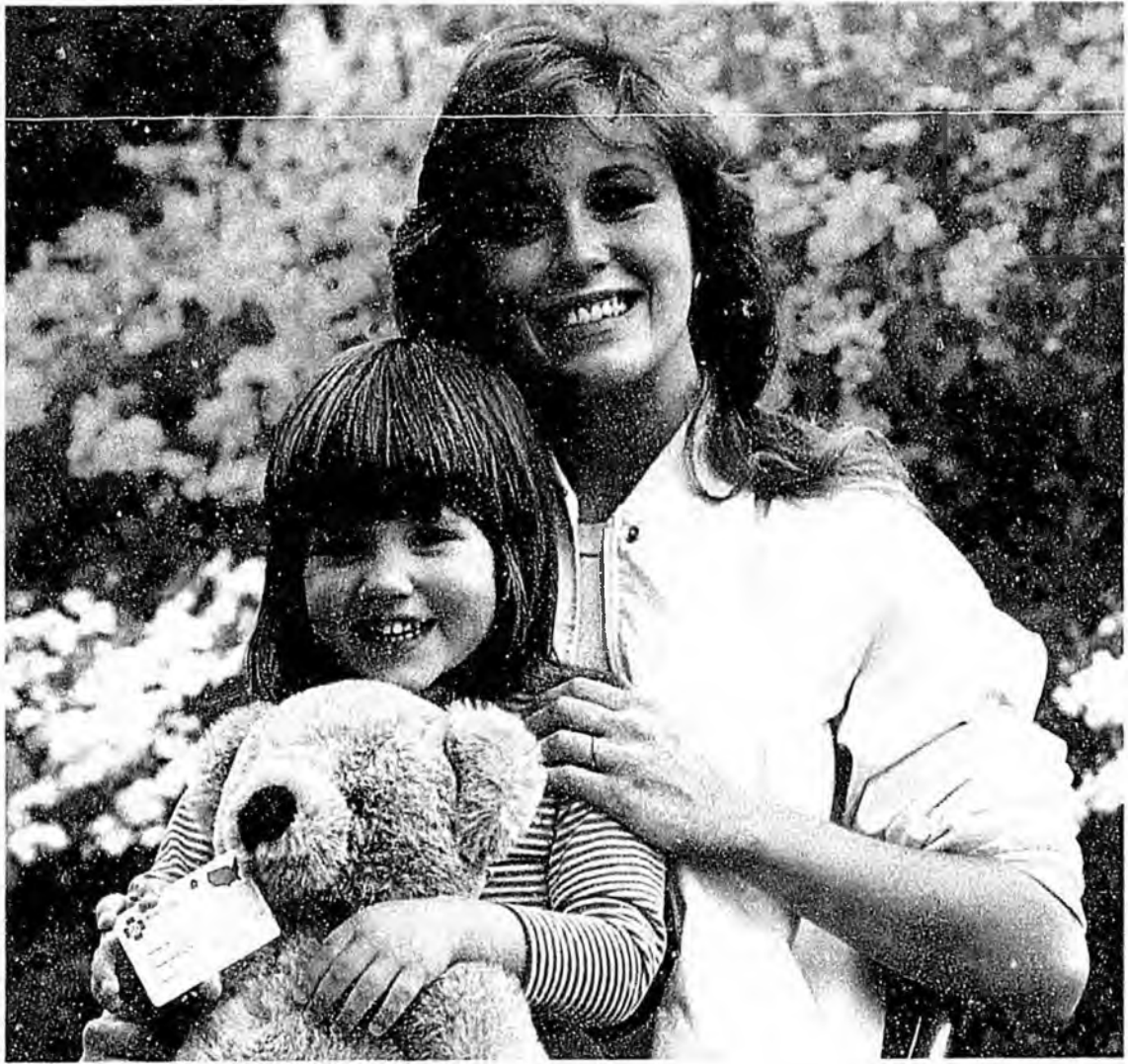




Blue Cross
of Washington and Alaska

We'll take care of it.

300-1445



With Our Plan,
You've Got Confidence



Blue Cross
of Washington and Alaska

THREE PROGRAMS, THREE RATES: ONE IS RIGHT FOR YOU

Three programs offering a choice of deductibles and three different rates. One of them is sure to meet your needs. And you can be confident of their quality because all three are from an organization you can trust.

With each of the programs you get \$1 million in coverage per member, and these advantages:

Worldwide Coverage — Your coverage is good around the world. And there's no need to reapply if you relocate anywhere within Washington and Alaska.

Choice of Physicians — You choose the physicians and specialists you want. You're not limited to one clinic or a list of doctors. No separate referral is required to consult with specialists.

Maternity Benefits — Maternity benefits are provided for you or your covered spouse without a separate deductible.

More Covered Services — Coverage is provided for chiropractic care, mental and nervous conditions, alcoholism, drug addiction, and prescription drugs in addition to medical and surgical benefits.

Nonsmoker Discount — If you and your covered spouse have been nonsmokers for at least one year, you qualify for a substantial discount of up to 10 percent.

Blue Ribbon — Our Finest Coverage

Our Blue Ribbon program has no deductible for hospital inpatient or selected outpatient services. The paid-in-full coverage extends to skilled nursing facilities, home health care and minor surgery on an outpatient basis. Please see the Benefits Summary for full details.

A \$200 yearly deductible per individual, limited to \$600 per family, applies to other covered services.

BluePlus 500 and BluePlus 1000 — For Lower Rates

Nearly all services covered under our BluePlus 500 and BluePlus 1000 coverage require a deductible before the Plan pays benefits, based on our Major Medical formula. BluePlus coverage is affordable while still protecting your financial security with \$1 million in coverage per member. The BluePlus 500 coverage has a \$500 yearly deductible per individual, limited to \$1,000 per family. BluePlus 1000 has a \$1,000 yearly deductible, limited to \$2,000 per family.

Major Medical Formula

After you have satisfied the annual deductible for your program, the Plan pays 80 percent of the next \$2,500 of covered expenses, and 100 percent of all covered expenses for the remainder of the calendar year. Coverage for mental and nervous conditions, and alcoholism is limited. Please see the Benefits Summary.

Our Promise

If you are not satisfied with your contract, you may return it to the Plan or any Plan agent within 10 days for a full refund. Please note, however, that this brochure explains the general features of the programs offered. It is not a contract. Complete terms and conditions of coverages are set forth in your contract.

Request Our Enrollment Package Today

If you have any questions regarding these programs or would like to enroll, call your agent or call us:

In the Seattle area: 367-1419

Washington Toll Free: 1-800-231-9519

Alaska Toll Free: 1-800-257-9557



Who's Eligible?

The programs described in this brochure are available only to applicants who are residents of the states of Washington and Alaska.

Family members eligible for coverage are you, your spouse, if under age 65, and your unmarried dependent children under age 23. Children, to be eligible, must be claimed as your income tax dependents. They may be natural children, stepchildren or legally-adopted children. Coverage may be continued for an enrolled, unmarried dependent over age 23 who is incapable of self-support because of developmental disability or physical handicap.

When Benefits Begin

If your application is approved, your coverage will become effective the first of the month following our receipt of your completed application. Your coverage begins immediately for accidents sustained on or after your effective date. However, certain conditions require a waiting period before benefits begin.

After your coverage becomes effective, there is a 30-day waiting period before coverage begins for any care or treatment involving an illness or ailment.

No benefits are provided for services rendered or supplies furnished for any pre-existing condition during the first twelve (12) consecutive months from the Member's effective date of coverage under the contract. If a Member is confined in a health care facility for a pre-existing condition when the 12-month waiting period ends, benefits will be provided only for services and supplies provided after the date of discharge.

A pre-existing condition is any illness, injury or condition, whether or not diagnosed, for which a Member has received treatment, consultation or diagnostic testing, or has taken prescribed or recommended medicines, during the twelve (12) months prior to the effective date of the Member's coverage.

Please note that infants, born on or after the Member's effective date, are not subject to the waiting periods specified above, provided they are properly added to the contract within sixty (60) days of birth.

In some cases certain pre-existing conditions may be excluded from your coverage. If this is the case, you will be notified in writing.

Maternity

You or your covered spouse are eligible for Major Medical maternity benefits, provided conception takes place after the coverage becomes effective and coverage is continuous until the date of delivery. Dependent daughters are not eligible for maternity benefits.

To Keep Rates Low

To help keep rates low, all three programs require you to seek a second surgical opinion before proceeding with certain named non-emergency, elective surgical procedures. (Charges for a second surgical opinion are not subject to a deductible, however.) We also require you to have your physician contact the Plan before you are admitted to a hospital for non-emergency treatment. Your benefits will be reduced if a required second surgical opinion is not obtained or if an inpatient hospital level of care is not medically necessary.

What Your Program Does Not Cover

- Benefits for illnesses OR injuries for which you are entitled to receive benefits under state or federal Workers' Compensation.
- Services supplied by a nonmember governmental hospital, except in a medical emergency.
- Services provided by a rest home, home for the aged, nursing home or convalescent home, except as specifically covered by your contract; all convalescent or custodial care.
- Hospitalization solely for diagnostic studies, physical examinations, checkups and medical evaluation. Routine physical and marital examinations. Treatment for obesity, including surgery and complications of surgery. Routine footcare procedures.
- Eye refractions, eyeglasses or the filling of eyeglasses to correct vision; hearing examinations or hearing aids; vision analysis, therapy or training related to muscular imbalance of the eye; orthoptics.
- Dental services and hospital care for the extraction of teeth or other dental services; services or supplies for treatment of temporomandibular joint (T.M.J.) dysfunction or myofascial pain-dysfunction (M.P.D.); upper or lower jaw augmentation or reduction procedures.
- Hospital admission or treatment primarily for rehabilitative care (including, but not limited to, speech and occupational therapy, except as specifically covered in your contract).

- Conditions caused by an act of war, armed invasion or aggression.
- Services or supplies not medically necessary, even if ordered by a court of law; any services or supplies for which no charge is made or would not have been made if the contract were not in effect; services or supplies for which you are not legally liable.
- Services or supplies for learning disabilities; marital, sexual or family counseling; vocational counseling; other counseling or training services; milieu therapy.
- Services or procedures which are not generally performed or accepted by the medical profession in Washington and Alaska, or which may be deemed experimental or investigative.
- Services for reproductive and sexual disorders, whether or not the consequences of illness, disease or injury, including but not limited to: impotency, frigidity, infertility, sterility, surgical sterilization, reversal of surgical sterilization, artificial insemination and in-vitro fertilization; services or drugs for sex transformations.
- Services, supplies, and procedures for cosmetic, plastic and reconstructive purposes, except as specifically provided for in your contract.
- Well baby care, including physical examinations, except hospital charges for infant nursery care while the mother is hospitalized and receiving maternity benefits.
- Private room charges during an inpatient stay.
- Any condition excluded in writing with this or any prior program.
- Services and supplies to the extent that benefits are payable under the terms of any insurance policy you or your spouse hold which provides payment towards medical expenses without a determination of liability for the injury. This includes automobile medical, auto no-fault or other similar type of policy.
- The primary surgeon's fee for certain named surgical procedures specified in the contract, unless a second surgical opinion is obtained.
- The primary surgeon's fee or the first \$200 of the admitting physician's fee in non-surgical cases when, in the reasonable opinion of the Plan, the inpatient level of care is not medically necessary.

Renewability, Cancellability and Termination

Your coverage under this program renews each month. It can be terminated without notice by the Plan if payment of the appropriate rate is not made when due. Your coverage under this program will also end if you or a family member fails to meet the program's eligibility rules.

If the cost of health care services or the use of benefits by those covered under this program increases, the Plan reserves the right to modify or withdraw this program, substitute another program or alter the rates charged for the program, following 30 days advance notice. If this is done, it will affect all Subscribers covered under this type of program.

BENEFITS SUMMARY*

Blue Ribbon

BluePlus 500
BluePlus 1000

HOSPITAL INPATIENT

Room & Board (semiprivate) Intensive Care Unit Ancillary Services	Paid in full, no deductible	Covered under Major Medical
Rehabilitative Care (semiprivate following acute care)	Paid in full up to 30 days per calendar year, no deductible	Covered under Major Medical up to \$5,000 per calendar year
Nervous & Mental	Paid in full up to 30 days per calendar year, then covered under Major Medical at a constant 50%	Covered under Major Medical at a constant 50% up to \$2,000 per calendar year
Drug Addiction	Paid in full up to 30 days per calendar year, then covered under Major Medical	Covered under Major Medical

HOSPITAL OUTPATIENT

Accidents, (All treatment within 7 days); Medical Emergencies (life-endangering); Minor Surgery, Chemotherapy X-Ray & Radium Therapy	Paid in full, no deductible	Covered under Major Medical
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SKILLED NURSING FACILITY

Semiprivate room, Ancillary Services	Paid in full, no deductible	Covered under Major Medical up to \$5,000 per calendar year
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HOME HEALTH CARE

(Within 4 days of a 3-day or longer inpatient stay.)	Paid in full, no deductible	Covered under Major Medical
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ALCOHOLISM TREATMENT

(Legally operated hospital or state- approved facility)	80% up to \$2,000 per calendar year, no deductible	Covered under Major Medical at a constant 80% up to \$2,000 per calendar year
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OUTPATIENT REHABILITATIVE CARE

Up to \$20 per day/up to 45 days per calendar year, no deductible	Covered under Major Medical up to \$1,000 per calendar year
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SURGICAL/MEDICAL

Surgeon's Fees, Assistant Surgeon, Anesthesia, Physicians' Calls, Prescription Drugs, Maternity; Ambulance, Medical Equipment and Prosthetic Devices	Covered under Major Medical	Covered under Major Medical
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NERVOUS & MENTAL CONDITIONS

(Visits to a licensed physician or psychologist)	Covered under Major Medical at a constant 50% up to \$500 per calendar year	Covered under Major Medical at a constant 50% up to \$500 per calendar year
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CHIROPRACTIC CARE

Covered under Major Medical up to \$500 per calendar year	Covered under Major Medical up to \$500 per calendar year
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ACUTE NURSING

Covered under Major Medical up to \$2,500 per calendar year	Covered under Major Medical up to \$2,500 per calendar year
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*This summary is not intended to be a contract. For complete details of the plan, please refer to the plan document. The plan is subject to change without notice. © 2000 Blue Cross of Michigan.

Washington Rates Payable Monthly Through Automatic Deduction

How to Pay for Your Blue Cross Plan Program

There are two options available for payment of your Blue Cross Subsidium Charges:

- \$450 Monthly Payment
- \$10 Monthly Payment

Subsidium: amount to be paid monthly through automatic deduction
 The amount of the premium will be deducted from the monthly
 automatic deduction

COVERAGE PROGRAM	YOUNGER OF YOU OR YOUR SPOUSE	SUBSCRIBER		SUBSCRIBER & SPOUSE		SUB. SPOUSE & CHILD(REN)		SUBSCRIBER & CHILD(REN)	
		REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER
BLUE RIBBON	Under 30	\$ 57.95	\$ 52.15	\$116.15	\$104.55	\$150.70	\$139.10	\$104.30	\$ 97.30
	30-34	65.50	58.95	130.35	117.30	164.00	150.95	108.65	101.15
	35-39	68.60	61.75	137.55	123.80	172.40	158.65	114.15	106.20
	40-44	75.10	67.60	150.25	135.25	182.45	167.45	118.35	109.75
	45-49	82.25	74.05	164.70	148.25	199.75	183.30	129.45	120.00
	50-54	88.20	79.40	176.50	158.85	211.50	193.85	135.05	125.05
	55-59	93.00	83.70	186.40	167.75	223.45	204.80	142.60	132.05
60-64	104.75	94.30	209.55	188.60	247.50	226.55	152.45	141.00	
BLUEPLUS 500	Under 30	\$ 45.60	\$ 41.05	\$ 91.15	\$ 82.05	\$118.40	\$109.30	\$ 82.05	\$ 76.55
	30-34	51.50	46.35	102.45	92.20	128.80	118.55	85.35	79.45
	35-39	53.85	48.45	107.75	97.00	135.40	124.65	89.70	83.50
	40-44	58.95	53.05	117.95	106.15	143.25	131.45	92.95	86.20
	45-49	64.55	58.10	129.40	116.45	156.90	143.95	101.65	94.25
	50-54	69.25	62.35	138.55	124.70	166.05	152.20	106.05	98.20
	55-59	72.95	65.65	146.35	131.70	175.40	160.75	111.95	103.65
60-64	82.25	74.05	164.60	148.15	194.35	177.90	119.70	110.70	
BLUEPLUS 1000	Under 30	\$ 37.15	\$ 33.45	\$ 74.50	\$ 67.05	\$ 96.65	\$ 89.20	\$ 66.95	\$ 62.45
	30-34	42.05	37.85	83.70	75.35	105.25	96.90	69.70	64.90
	35-39	44.00	39.60	88.00	79.20	110.60	101.80	73.25	68.20
	40-44	48.25	43.45	96.50	86.85	117.10	107.45	76.00	70.45
	45-49	52.85	47.55	105.80	95.20	128.20	117.60	83.00	76.95
	50-54	56.55	50.90	113.25	101.90	135.80	124.45	86.75	80.35
	55-59	59.60	53.65	119.55	107.60	143.45	131.50	91.45	84.70
60-64	67.25	60.50	134.55	121.10	158.90	145.45	97.80	90.45	

Alaska Rates Payable Monthly Through Automatic Deduction

How to Pay for Your Blue Cross Plan Program

There are two options available for payment of your Blue Cross Subsidium Charges:

- \$450 Monthly Payment
- \$10 Monthly Payment

Subsidium: amount to be paid monthly through automatic deduction
 The amount of the premium will be deducted from the monthly
 automatic deduction

COVERAGE PROGRAM	YOUNGER OF YOU OR YOUR SPOUSE	SUBSCRIBER		SUBSCRIBER & SPOUSE		SUB. SPOUSE & CHILD(REN)		SUBSCRIBER & CHILD(REN)	
		REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER
BLUE RIBBON	Under 30	\$ 76.50	\$ 68.85	\$153.25	\$137.95	\$198.90	\$183.60	\$137.70	\$128.50
	30-34	86.45	77.80	172.15	154.95	216.45	199.25	143.30	133.40
	35-39	90.55	81.50	181.00	162.90	227.55	209.45	150.65	140.25
	40-44	99.15	89.25	198.30	178.45	240.85	221.00	156.20	144.85
	45-49	108.45	97.60	217.50	195.75	263.70	241.95	170.80	158.35
	50-54	116.40	104.75	233.00	209.70	279.15	255.85	178.35	165.15
	55-59	122.80	110.50	246.10	221.50	294.95	270.35	188.20	174.25
60-64	138.30	124.45	276.50	248.85	326.65	299.00	201.15	186.05	
BLUEPLUS 500	Under 30	\$ 60.10	\$ 54.10	\$120.35	\$108.30	\$156.10	\$144.05	\$108.20	\$100.95
	30-34	67.95	61.15	135.15	121.65	170.00	156.50	112.55	104.80
	35-39	71.20	64.10	142.05	127.85	178.70	164.50	118.35	110.20
	40-44	77.85	70.05	155.80	140.20	189.20	173.60	122.70	113.75
	45-49	85.20	76.70	170.75	153.70	207.05	190.00	134.10	124.30
	50-54	91.40	82.25	183.00	164.70	219.25	200.95	140.05	129.65
	55-59	96.40	86.75	193.25	173.95	231.65	212.35	147.80	136.85
60-64	108.65	97.80	217.15	195.45	256.60	234.90	157.95	146.10	
BLUEPLUS 1000	Under 30	\$ 49.15	\$ 44.25	\$ 98.35	\$ 88.50	\$127.65	\$117.80	\$ 88.35	\$ 82.45
	30-34	55.45	49.90	110.45	99.40	138.90	127.85	91.95	85.60
	35-39	58.15	52.35	116.15	104.55	146.05	134.45	96.65	89.95
	40-44	63.60	57.25	127.30	114.55	154.55	141.80	100.25	92.95
	45-49	69.60	62.65	139.55	125.60	168.95	155.00	109.65	101.60
	50-54	74.75	67.30	149.50	134.55	179.15	164.20	114.45	105.95
	55-59	78.80	70.90	157.85	142.05	189.25	173.45	120.70	111.75
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Blue Cross
of Washington and Alaska

We'll take care of it.

INSURANCE OVERVIEW
HOUSE JUDICIARY AND LABOR & COMMERCE COMMITTEES
FEBRUARY 3 and 5 - 1:30-3:00 p.m.
FEBRUARY 4 - 12:30-2:00 p.m.
House Judiciary Committee Room - Capitol 120



A. TUESDAY, FEB. 3, 1:30-3:00 p.m. - State Agency Perspective,
Municipalities, School
Boards

1. State Agency Perspective (30 Minutes)

a) John George, Director, Div. of Insurance

1) Update on Insurance Availability & Affordability

a> Health Care

1> Consumer Health Insurance

2> Malpractice Insurance MICA, MIEC

b> Liability Insurance

1> Marine - *big real problem - Congress reviewing*

2> Aviation

2) Update on Insurance Pooling, Self Insurance and
Reciprocals

2. Municipalities (15 Minutes)

a) Scott Burgess, Executive Director, Alaska Municipal
League, *Jody Smith - AML insurance person, Anchorage*

1) Update on Insurance Availability and Affordability
currently insuring over 100 munis & school districts for liability

2) Use of Pooling and Self Insurance

3. School Boards (15 Minutes)

a) Sharon Young, Association of Alaska School Boards

1) Update on Insurance Availability and
Affordability

2) Use of "Vermont Captive"

B. WEDNESDAY, FEB. 4, 12:30-2:00 p.m. - Health Insurance

1. Consumer Health Insurance - Insurer Perspective

a) Martin Tirador, Blue Cross (10 Minutes)

1) Availability and Affordability

*PSG same as
worker's comp for
crew members*



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You or your covered spouse are eligible for Major Medical maternity benefits, provided conception takes place after the coverage becomes effective and coverage is continuous until the date of delivery. Dependent daughters are not eligible for maternity benefits.

To Keep Rates Low

To help keep rates low, all three programs require you to seek a second surgical opinion before proceeding with certain named non-emergency, elective surgical procedures. (Charges for a second surgical opinion are not subject to a deductible, however.) We also require you to have your physician contact the Plan before you are admitted to a hospital for non-emergency treatment. Your benefits will be reduced if a required second surgical opinion is not obtained or if an inpatient hospital level of care is not medically necessary.

What Your Program Does Not Cover

- Benefits for illnesses OR injuries for which you are entitled to receive benefits under state or federal Workers' Compensation.
- Services supplied by a nonmember governmental hospital, except in a medical emergency.
- Services provided by a rest home, home for the aged, nursing home or convalescent home, except as specifically covered by your contract; all convalescent or custodial care.
- Hospitalization solely for diagnostic studies, physical examinations, checkups and medical evaluation. Routine physical and marital examinations. Treatment for obesity, including surgery and complications of surgery. Routine footcare procedures.
- Eye refractions, eyeglasses or the filling of eyeglasses to correct vision; hearing examinations or hearing aids; vision analysis, therapy or training related to muscular imbalance of the eye; orthoptics.
- Dental services and hospital care for the extraction of teeth or other dental services; services or supplies for treatment of temporomandibular joint (T.M.J.) dysfunction or myofascial pain-dysfunction (M.P.D.); upper or lower jaw augmentation or reduction procedures.
- Hospital admission or treatment primarily for rehabilitative care (including, but not limited to, speech and occupational therapy, except as specifically covered in your contract).

- Conditions caused by an act of war, armed invasion or aggression.
- Services or supplies not medically necessary, even if ordered by a court of law; any services or supplies for which no charge is made or would not have been made if the contract were not in effect; services or supplies for which you are not legally liable.
- Services or supplies for learning disabilities; marital, sexual or family counseling; vocational counseling; other counseling or training services; milieu therapy.
- Services or procedures which are not generally performed or accepted by the medical profession in Washington and Alaska, or which may be deemed experimental or investigative.
- Services for reproductive and sexual disorders, whether or not the consequences of illness, disease or injury, including but not limited to: impotency, frigidity, infertility, sterility, surgical sterilization, reversal of surgical sterilization, artificial insemination and in-vitro fertilization; services or drugs for sex transformations.
- Services, supplies, and procedures for cosmetic, plastic and reconstructive purposes, except as specifically provided for in your contract.
- Well baby care, including physical examinations, except hospital charges for infant nursery care while the mother is hospitalized and receiving maternity benefits.
- Private room charges during an inpatient stay.
- Any condition excluded in writing with this or any prior program.
- Services and supplies to the extent that benefits are payable under the terms of any insurance policy you or your spouse hold which provides payment towards medical expenses without a determination of liability for the injury. This includes automobile medical, auto no-fault or other similar type of policy.
- The primary surgeon's fee for certain named surgical procedures specified in the contract, unless a second surgical opinion is obtained.
- The primary surgeon's fee or the first \$200 of the admitting physician's fee in non-surgical cases when, in the reasonable opinion of the Plan, the inpatient level of care is not medically necessary.

Renewability, Cancellability and Termination

Your coverage under this program renews each month. It can be terminated without notice by the Plan if payment of the appropriate rate is not made when due. Your coverage under this program will also end if you or a family member fails to meet the program's eligibility rules.

If the cost of health care services or the use of benefits by those covered under this program increases, the Plan reserves the right to modify or withdraw this program, substitute another program or alter the rates charged for the program, following 30 days advance notice. If this is done, it will affect all Subscribers covered under this type of program.

BENEFITS SUMMARY*

	Blue Ribbon	BluePlus 500 BluePlus 1000
HOSPITAL INPATIENT		
Room & Board (semiprivate) Intensive Care Unit Ancillary Services	Paid in full, no deductible	Covered under Major Medical
Rehabilitative Care (semiprivate following acute care)	Paid in full up to 30 days per calendar year, no deductible	Covered under Major Medical up to \$5,000 per calendar year
Nervous & Mental	Paid in full up to 30 days per calendar year, then covered under Major Medical at a constant 50%	Covered under Major Medical at a constant 50% up to \$2,000 per calendar year
Drug Addiction	Paid in full up to 30 days per calendar year, then covered under Major Medical	Covered under Major Medical
HOSPITAL OUTPATIENT		
Accidents, (All treatment within 7 days); Medical Emergencies (life-endangering); Minor Surgery; Chemotherapy X-Ray & Radium Therapy	Paid in full, no deductible	Covered under Major Medical
SKILLED NURSING FACILITY		
Semiprivate room; Ancillary Services	Paid in full, no deductible	Covered under Major Medical up to \$5,000 per calendar year
HOME HEALTH CARE (Within 4 days of a 3-day or longer inpatient stay.)		
	Paid in full, no deductible	Covered under Major Medical
ALCOHOLISM TREATMENT (Legally operated hospital or state- approved facility)		
	80% up to \$2,000 per calendar year, no deductible	Covered under Major Medical at a constant 80% up to \$2,000 per calendar year
OUTPATIENT REHABILITATIVE CARE		
	Up to \$20 per day/up to 45 days per calendar year, no deductible	Covered under Major Medical up to \$1,000 per calendar year
SURGICAL/MEDICAL		
Surgeon's Fees, Assistant Surgeon, Anesthesia, Physicians' Calls, Prescription Drugs; Maternity; Ambulance, Medical Equipment and Prosthetic Devices	Covered under Major Medical	Covered under Major Medical
NERVOUS & MENTAL CONDITIONS (Visits to a licensed physician or psychologist)		
	Covered under Major Medical at a constant 50% up to \$500 per calendar year	Covered under Major Medical at a constant 50% up to \$500 per calendar year
CHIROPRACTIC CARE		
	Covered under Major Medical up to \$500 per calendar year	Covered under Major Medical up to \$500 per calendar year
ACUTE NURSING		
	Covered under Major Medical up to \$2,500 per calendar year	Covered under Major Medical up to \$2,500 per calendar year

*Benefits are not provided for the portion of any fee that exceeds the
plan's guideline. By definition, the vast majority of fees charged by
health care providers fall within these guidelines.

Washington Rates Payable Monthly Through Automatic Deduction

If accepted, in order to begin coverage you must include two months premium with submission of the health statement application.

How to Pay for Your Blue Cross Plan Program

There are two options available for payment of your Blue Cross Subscription Charges:

- ABC Monthly Payment
- Bi-monthly Billing by Mail

COVERAGE PROGRAM	YOUNGER OF YOU OR YOUR SPOUSE	SUBSCRIBER		SUBSCRIBER & SPOUSE		SUB. SPOUSE & CHILD(REN)		SUBSCRIBER & CHILD(REN)	
		REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER
BLUE RIBBON	Under 30	\$ 57.95	\$ 52.15	\$116.15	\$104.55	\$150.70	\$139.10	\$104.30	\$ 97.30
	30-34	65.50	58.95	130.35	117.30	164.00	150.95	108.65	101.15
	35-39	68.60	61.75	137.55	123.80	172.40	158.65	114.15	106.20
	40-44	75.10	67.60	150.25	135.25	182.45	167.45	118.35	109.75
	45-49	82.25	74.05	164.70	148.25	199.75	183.30	129.45	120.00
	50-54	88.20	79.40	176.50	158.85	211.50	193.85	135.05	125.05
	55-59	93.00	83.70	186.40	167.75	223.45	204.80	142.60	132.05
60-64	104.75	94.30	209.55	188.60	247.50	226.55	152.45	141.00	
BLUEPLUS 500	Under 30	\$ 45.60	\$ 41.05	\$ 91.15	\$ 82.05	\$118.40	\$109.30	\$ 82.05	\$ 76.55
	30-34	51.50	46.35	102.45	92.20	128.80	118.55	85.35	79.45
	35-39	53.85	48.45	107.75	97.00	135.40	124.65	89.70	83.50
	40-44	58.95	53.05	117.95	106.15	143.25	131.45	92.95	86.20
	45-49	64.55	58.10	129.40	116.45	156.90	143.95	101.65	94.25
	50-54	69.25	62.35	138.55	124.70	166.05	152.20	106.05	98.20
	55-59	72.95	65.65	146.35	131.70	175.40	160.75	111.95	103.65
60-64	82.25	74.05	164.60	148.15	194.35	177.90	119.70	110.70	
BLUEPLUS 1000	Under 30	\$ 37.15	\$ 33.45	\$ 74.50	\$ 67.05	\$ 96.65	\$ 89.20	\$ 66.05	\$ 62.45
	30-34	42.05	37.85	83.70	75.35	105.25	96.90	69.70	64.90
	35-39	44.00	39.60	88.00	79.20	110.60	101.80	73.25	68.20
	40-44	48.25	43.45	96.50	86.85	117.10	107.45	76.00	70.45
	45-49	52.85	47.55	105.80	95.20	128.20	117.60	83.00	76.95
	50-54	56.55	50.90	113.25	101.90	135.80	124.45	86.75	80.35
	55-59	59.60	53.65	119.55	107.60	143.45	131.50	91.45	84.70
60-64	67.25	60.50	134.55	121.10	158.90	145.45	97.80	90.45	

Alaska Rates Payable Monthly Through Automatic Deduction

If accepted, in order to begin coverage you must include two months premium with submission of the health statement application.

How to Pay for Your Blue Cross Plan Program

There are two options available for payment of your Blue Cross Subscription Charges:

- ABC Monthly Payment
- Bi-monthly Billing by Mail

COVERAGE PROGRAM	YOUNGER OF YOU OR YOUR SPOUSE	SUBSCRIBER		SUBSCRIBER & SPOUSE		SUB. SPOUSE & CHILD(REN)		SUBSCRIBER & CHILD(REN)	
		REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER	REGULAR RATE	NON-SMOKER
BLUE RIBBON	Under 30	\$ 76.50	\$ 68.85	\$153.25	\$137.95	\$198.90	\$183.60	\$137.70	\$128.50
	30-34	86.45	77.80	172.15	154.95	216.45	199.25	143.30	133.40
	35-39	90.55	81.50	181.00	162.90	227.55	209.45	150.65	140.25
	40-44	99.15	89.25	198.30	178.45	240.85	221.00	156.20	144.85
	45-49	108.45	97.60	217.50	195.75	263.70	241.95	170.80	158.35
	50-54	116.40	104.75	233.00	209.70	279.15	255.85	178.35	165.15
	55-59	122.80	110.50	246.10	221.50	294.95	270.35	188.20	174.25
60-64	138.30	124.45	276.50	248.85	326.65	299.00	201.15	186.05	
BLUEPLUS 500	Under 30	\$ 60.10	\$ 54.10	\$120.35	\$108.30	\$156.10	\$144.05	\$108.20	\$100.95
	30-34	67.95	61.15	135.15	121.65	170.00	156.50	112.55	104.80
	35-39	71.20	64.10	142.05	127.85	178.70	164.50	118.35	110.20
	40-44	77.85	70.05	155.80	140.20	189.20	173.60	122.70	113.75
	45-49	85.20	76.70	170.75	153.70	207.05	190.00	134.10	124.30
	50-54	91.40	82.25	183.00	164.70	219.25	200.95	140.05	129.65
	55-59	96.40	86.75	193.25	173.95	231.65	212.35	147.80	136.85
60-64	108.65	97.80	217.15	195.45	256.60	234.90	157.95	146.10	
BLUEPLUS 1000	Under 30	\$ 49.15	\$ 44.25	\$ 98.35	\$ 88.50	\$127.65	\$117.80	\$ 88.35	\$ 82.45
	30-34	55.45	49.90	110.45	99.40	138.90	127.85	91.95	85.60
	35-39	58.15	52.35	116.15	104.55	146.05	134.45	96.65	89.95
	40-44	63.60	57.25	127.30	114.55	154.55	141.80	100.25	92.95
	45-49	69.60	62.65	139.55	125.60	168.95	155.00	109.65	101.60
	50-54	74.75	67.30	149.50	134.55	179.15	164.20	114.45	105.95
	55-59	78.80	70.90	157.85	142.05	189.25	173.45	120.70	111.75
60-64	88.80	79.90	177.45	159.70	209.60	191.85	129.05	119.35	



Blue Cross
of Washington and Alaska

We'll take care of it.

INSURANCE OVERVIEW
HOUSE JUDICIARY AND LABOR & COMMERCE COMMITTEES
FEBRUARY 3 and 5 - 1:30-3:00 p.m.
FEBRUARY 4 - 12:30-2:00 p.m.
House Judiciary Committee Room - Capitol 120

A. TUESDAY, FEB. 3, 1:30-3:00 p.m. - State Agency Perspective,
Municipalities, School
Boards

1. State Agency Perspective (30 Minutes)

a) John George, Director, Div. of Insurance

1) Update on Insurance Availability & Affordability

a> Health Care

1> Consumer Health Insurance

2> Malpractice Insurance MICA, MIEC

b> Liability Insurance

1> Marine - P&G - real problem - Congress reviewing

2> Aviation

2) Update on Insurance Pooling, Self Insurance and
Reciprocals

2. Municipalities (15 Minutes)

a) Scott Burgess, Executive Director, Alaska Municipal
League, *Jody Smith - AML insurance person, Anchorage*

1) Update on Insurance Availability and
Affordability *currently insuring over 100 munis of school districts for liability*

2) Use of Pooling and Self Insurance

3. School Boards (15 Minutes)

a) Sharon Young, Association of Alaska School Boards

1) Update on Insurance Availability and
Affordability

2) Use of "Vermont Captive"

B. WEDNESDAY, FEB. 4, 12:30-2:00 p.m. - Health Insurance

1. Consumer Health Insurance - Insurer Perspective

a) Martin Tirador, Blue Cross (10 Minutes)

1) Availability and Affordability

*P&G same as
worker's comp for
crew members*

2. Malpractice Insurance

a) Insurer Perspective

- 1) Bill Brock, Medical Indemnity Corp. of AK (MICA)
(10 Minutes)

b) Insured Perspective

1) Hospitals

- a> Mike Lockwood, Health Association of Alaska
(10 Minutes)

- b> John Vowell, Wrangell General Hospital (10
Minutes)

- c> ~~Keith Campbell, Seward General Hospital (10
Minutes)~~ TBA

2) Physicians

- a> Dr. Tom Wood, Petersburg (10 Minutes)

C. THURSDAY, FEB. 5, 1:30-3:00 p.m. - Workers Compensation,
Marine and Aviation

1. Workers' Compensation

a) Benefits

- 1) Jackie McClintock, Director, State Division
Workers' Comp (15 Minutes)

b) Rate Structure

- 1) John George, Director, Division of Insurance (15
Minutes)

2. Marine Insurance - Availability and Affordability

a) Insurer Perspective

- 1) Northern Marine Insurance - Mike Miller or Lach
Zemp (10 Minutes)

b) Insured Perspective

- 1) Bill Hall, Alaska Commercial Fishing and
Agriculture Bank (10 Minutes)

3. Aviation Insurance - Availability and Affordability

- a) Reed Stoops - Air Carriers Association (10 Minutes)

ADDENDUM TO INSURANCE OVERVIEW AGENDA

Day 3; February 5:

Workers' Compensation

c) Rate Impact on Employers and Employees

- 1) Frank Mears - Workers' Compensation committee of Alaska (10 minutes)

*
* DELIVER TO: LIOCFWW *
*
* ORIGINAL *
* SENT: 02/04/87 TIME: 18:36 *
* FROM: LIOCSOL *
* SUBJECT: FINAL STATS/INSURANCE OVERVIEW *
* PRINT DATE: 02/04/87 TIME: 18:36 *
*



* * * FINAL STATS * * *

SOLD JT NA

TO OBSERVE:

1. KURT KRISTENSEN RT. 1 BOX 945 KENAI 776-8591

To: house
judiciary
insurance
7C
2/14/87

 *
 * DELIVER TO: LIOCFWW *
 *
 * ORIGINAL *
 * SENT: 02/04/87 TIME: 18:19 *
 * FROM: LIOCSIT *
 * SUBJECT: FINAL STATS INSURANCE OVERVIEW *
 * PRINT DATE: 02/04/87 TIME: 18:19 *
 *



2/4/87
 HOUSE JUDICIARY AND LABOR AND COMMERCE
 INSURANCE OVERVIEW
 SITKA
 THERESA WYMAN

FINAL STATS
 PARTICIPANT LIST

NAME/REPRESENTING	ADDRESS	PHONE #	T	0
1. REED REYNOLDS, SE EMS COUNCIL, 219 SEWARD, SITKA				0
2. MARY THOMPSON, 326 MERRILL ST., SITKA				0
3. FRANK L. SUTTON, MT. EDGEcombe HOSPITAL, 222 TONGASS				0
4. CHARLES BOVEE, SEARHC, 222 TONGASS, SITKA				0
5. ED MALEWSKI, BOX 133				0
0 TESTIFIED				
0 UNABLE				
5 OBSERVING				
5 TOTAL				
12:30PM-1:05 PM	START/END TIME			

* DELIVER TO: LIOCFWW

* ORIGINAL

* SENT: 02/04/87 TIME: 18:27
* FROM: LIOCKTN
* SUBJECT: FINAL STATS 2/4/INS.
* PRINT DATE: 02/04/87 TIME: 18:28

TO: LTCCJNU, LIOCFWW
FROM: MODERATOR KETCHIKAN
PARTICIPANT LIST FOR
HOUSE JUDICIARY AND LABOR AND COMMERCE COMMITTEES
FEBRUARY 4, 1987 - "LISTEN ONLY"
TO OBSERVE:

- 1. JODI PERLHUTTER/SEANSA, 215 MAIN - SUITE 215, KTN 225-9681
- 2. SISTER BARBARA HAASE/KGH, 3100 TONGASS, KTN 225-3171

TESTIFIED: 0
UNABLE TO TESTIFY: 0
OBSERVED: 2
TOTAL: 2

START TIME: 12:40P
END TIME: 2:10P
MODERATOR: EVELYN



* DELIVER TO: LIOCFWW

* ORIGINAL

* SENT: 02/04/87 TIME: 18:35

* FROM: LIOCKTN

* SUBJECT: FINAL STATS/WRG 2/4-INS

* PRINT DATE: 02/04/87 TIME: 18:36

TO: LTCCJNU, LIOCFWW
FROM: MODERATOR (WRANGELL), NABEL FENNIMORE
PARTICIPANT LIST FOR:
HOUSE JUDICIARY AND LABOR AND COMMERCE COMMITTEES
FEBRUARY 4, 1987 - "LISTEN ONLY"

TO OBSERVE:

1. KAREN HOFSTAD, BOX 20, WRG 874-2359
2. BRYAN JOHNSON/KSTK RADIO, BOX 1141, WRG 874-2345
3. JIM GOVE/EC. DIR., BOX 531, WRG 874-2381
4. LURINE MCGEE, BOX 80, WRG 874-3356
5. JOYCE BRYNER, BOX 408, WRG 874-3174

TESTIFIED: 0
UNABLE TO TESTIFY: 0
OBSERVED: 5
TOTAL: 5

START TIME: 12:40 P
END TIME: 2:10 P
MODERATOR: EVELYN

* DELIVER TO: <LTCCJNU

* ORIGINAL

* SENT: 02/04/87 TIME: 14:22

* FROM: LIOCANC

* SUBJECT: H JUD--INSURANCE OVERVIEW

* PRINT DATE: 02/04/87 TIME: 14:22

*** FINAL TELECONFERENCE STATISTICS ***

DATE: _____ FEBRUARY 4, 1987 _____
 SITE: _____ ANCHORAGE _____
 SPONSOR: _____ HOUSE JUDICIARY _____
 SUBJECT: _____ INSURANCE OVERVIEWS _____
 LOCAL MODERATOR: _____ DAVID J _____

TESTIFIED:

NAME\REPRESENTING	ADDRESS	PHONE #
MIKE LOCKWOOD	240 HOSPITAL PLACE	99508 262-4404
BILL PARGETER	915 E 82ND AVE	349-4663

OBSERVED:

NAME\REPRESENTING	ADDRESS	PHONE #
LYNN CHASE	3319 WELLS CIRCLE	261-3117
AL CHRUSO	3200 PROVIDENCE DR	99508 562-2211
TERRIE GOTTSTEIN	604 W 2ND AVE	99501 276-1130
BOB NESTEL	PO BOX 16810	99577 694-4372
GERALDINE BROWN	STR 1; BOX 2711	99577 688-2116
BONNIE NELSON	STR 1; BOX 2708	99577 688-3017

TESTIFIED: _____ 02 _____ START TIME: 12:30PM__
 OBSERVED: _____ 06 _____ END TIME: __2:10PM__

 * DELIVER TO. LIOCFWW *
 * ORIGINAL *
 * SENT: 02/04/87 TIME: 18:39 *
 * FROM: LIOCFSG *
 * SUBJECT: INSURANCE Q/VIEW T/C *
 * PRINT DATE: 02/04/87 TIME: 18:41 *



*** FINAL T/C STATS ***

DATE: FEB. 4, 1987
 SITE: PETERSBURG
 SPONSOR: H. JUD
 SUBJECT: INSURANCE OVERVIEW
 LOCAL MODERATOR: DOROTHY PENTTILA

TESTIFIED:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	TON WOOD M.D.	BOX 630	772-3635

OBSERVED:

	NAME/REPRESENTING	ADDRESS	PHONE
1.	GARY GRANDY/HOSPITAL	BOX 589	772-4291
2.	BOD TRAEZ/PSS. PILOT	BOX 630	772-3535
3.	BARBARA SHORT/HOSP. BOARD	BOX 1136	772-3465
4.	NORMA J. TENFJORD/H/BOARD	BOX 476	772-4552
5.	GERALD J. LIND/SELF	BOX 648	772-4517
6.	SUE ERLIKSON/PSG. INSURANCE	BOX 529	772-3858

TESTIFIED: 1 TIME START: 12:30 PM
 OBSERVED: 6 TIME END: 2:00 PM
 TOTAL: 7

MEDICAL INDEMNITY CORPORATION OF ALASKA (MICA)

A brief history and description.
Prepared by Rep. John Sund's office;
January 30, 1987

CREATION

MICA is an insurance company created by the Alaska Legislature to provide professional liability insurance to Alaskan physicians and surgeons, hospitals and related health care organizations. The company was established in response to the lack of available malpractice insurance in the state in the mid-1970s. MICA commenced business on June 28, 1976.

STRUCTURE

MICA is administered by a nine-member board appointed by the governor and confirmed by the Legislature. The board consists of four physicians, a hospital administrator, two insurance industry professionals and two persons unrelated to the health care and insurance industries. The board maintains a plan of operation, which is subject to approval by the state director of the Division of Insurance.

The Legislature deliberately set up MICA to be a free-standing corporation with no direct political involvement in its operations. MICA reports to the Division of Insurance in the same manner as all insurance companies operating in the state. However, unlike other insurance companies, the Division of Insurance does have an extended relationship with MICA through approval of the plan of operation and capitalization loans (explained below). The Division is also invited to all MICA board meetings, but does not vote.

MICA is based in Anchorage. The daily operations are managed by an independent consulting firm, Marsh & McLennan. But the MICA board is moving toward self-management. MICA's actuary is Milliman & Robertson.

The state ruled that MICA is exempt from income taxes. That has not, to date, been challenged by the IRS.

By statute, MICA may be terminated if it posts written premiums for two consecutive years of less than 35 percent of all premiums written in the state for physicians' medical malpractice insurance, or posts premiums for one calendar year of less than 20 percent of all malpractice premiums in the state. The decision to terminate would be made by the director of insurance following public hearings.

CAPITALIZATION

The Legislature established in the Department of Commerce and Economic Development a medical malpractice liability revolving loan fund to capitalize MICA. The fund is administered by the director of insurance. The original loan was \$3 million, payable at 7 percent interest. MICA is paying interest, but there is no due date on the principal and the state loan is subordinate to all other obligations of the corporation. MICA must make a loan repayment in the event of an underwriting profit, but that has not happened to date. The board intends to pay off the loan in 15 years.

In 1979, the Division of Treasury purchased the \$3 million note from Commerce and Economic Development, thereby putting \$3 million more into the fund for MICA to borrow in the future. In late 1986, MICA requested an additional \$3 million loan to offset losses experienced in 1985 (see explanation below). The director of insurance approved a \$2 million loan which, by statute, is payable in five years at 6 percent interest. The fund balance is now \$1 million.

FINANCIAL STATUS

Due largely to a reinsurance problem (explained below), MICA posted a \$2.14 million loss in 1985. The company used its entire \$2 million surplus built up in prior years to offset the loss. (Hence the reason for the loan request in 1986.) MICA's assets totaled \$10.47 million at the end of 1985 with \$6.5 million in reserve for claim payments. (See attached annual report for further financial data.)

REINSURANCE PROBLEM OF 1985

In late 1984, after MICA had set its policy rates for 1985, the company faced a problem with its reinsurers which led to a financial loss. One of the company's reinsurers denied renewal of MICA's policy while another approximately tripled its premium rate. Not only did the reinsurance cost increase, the coverage diminished, leaving MICA with greater personal risk in claim settlements. Because of the late notice on the reinsurance rates, MICA could not reflect the increase in its premium rates. Thus, 1985 posted a large loss. MICA also had a couple of large claims in 1985 which the reinsurance did not fully cover, adding to MICA's dip into its surplus. MICA obtained better reinsurance in 1986 and for 1987, but the company also has to recoup some of the 1985 losses. As a result, and as a reflection of malpractice insurance in general, MICA's policy rates increased as much as 90 percent from 1985 to 1986.

PRESENT SITUATION WITH HOSPITALS

MICA recently established a new policy requiring that all physicians in MICA-covered hospitals carry \$500,000 liability insurance. Meeting that requirement is causing financial difficulties for at least 7 of the 12 hospitals insured by MICA in 1986:

Wrangell
Cordova
Homer
Petersburg
Seward
Sitka
Palmer

The hospitals were given a Feb. 28, 1987, deadline to meet the requirement or risk denial of coverage by MICA. The hospitals are faced with the dilemma of requiring each of their physicians to carry \$500,000 liability, which many cannot afford; purchasing the physicians' insurance for them; self-insuring; or going bare.

Addendum: According to MICA, most claims against hospitals involve doctors and 85.4 percent of MICA's pending claims include hospitals.

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

TESTIMONY

OF

THE ASSOCIATION OF ALASKA SCHOOL BOARDS

Sharon Young
Director Of Membership Services
February 3, 1987

AVAILABILITY AND AFFORDABILITY
OF PROPERTY AND LIABILITY INSURANCE
FOR
SCHOOL DISTRICTS

Property Insurance

Problems experienced by school districts in the last couple of years in the area of property insurance, caused by the cyclical nature of the insurance industry, have eased considerably. The availability and affordability of property insurance will probably continue to improve and stabilize. One major reason is the formation in 1986 of the Alaska Schools Insurance Company (ASIC) - a pooling arrangement made up of 29 school districts to provide property insurance. ASIC was able to provide property coverage to districts that reported difficulty in securing coverage at a rate they felt they could afford. A primary goal of ASIC is to stabilize rates so that districts will not be subject to the cyclical swings traditional in the commercial insurance market.

School districts which did not join ASIC were typically very small city/borough school districts and large urban districts. The small city/borough districts have not experienced as many problems in finding coverage and generally enjoy lower rates because of adequate fire protection, consistently good loss records, and good building construction with sprinkler systems. The large urban districts secure their property insurance through joint insurance arrangements with their municipal governments and by retaining a high self-insured retention have not been affected as severely by the extreme premium increases in recent years.

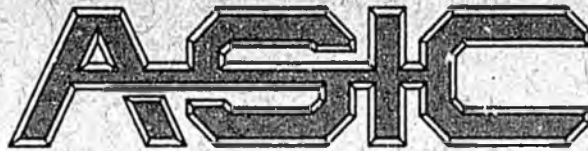
Liability Insurance

Brokers in Anchorage, Fairbanks, and Juneau report that there are a very limited number of carriers writing liability coverage for Alaskan school districts and they are doing that very selectively. One carrier will only write renewal business, not taking on any new school accounts. Two others are mainly interested in providing coverage for larger districts such as Anchorage, Fairbanks, Kenai and Juneau, and aren't generally willing to cover the smaller city or rural districts. The Alaska Municipal League (AML) Liability Program has been opened to school districts, but their coverage is limited to \$500,000.

Many districts last year reported only being able to secure \$500,000 limits, with no umbrella coverage available. It appears that this year the majority have been able to secure coverage with a \$1,000,000 limit. Some umbrella coverage is available, but the cost is generally considered to be prohibitive.

Most policies this year also contain exclusions for most athletic activities, causing many districts to severely curtail their extracurricular programs.

Regarding affordability, brokers report that most liability insurance is being written at the standard manual rate. Given school districts' current budget problems, the answer as to whether that insurance is "affordable" is bound to be subjective.

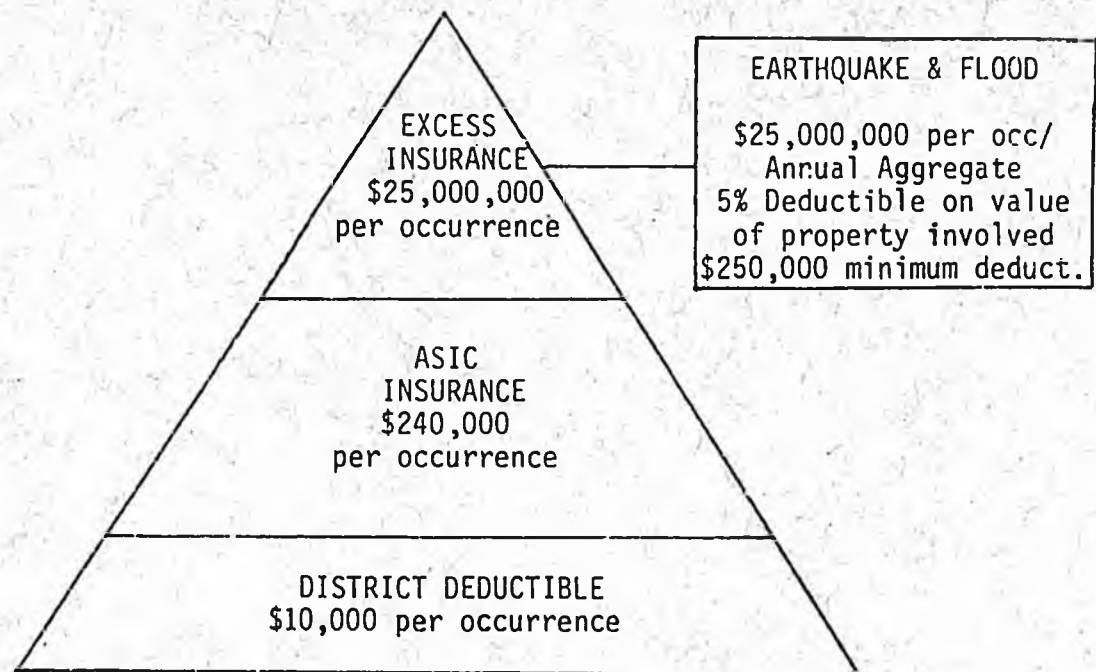


ALASKA SCHOOLS INSURANCE CO.

316 W. 11th St. • Juneau, Alaska 99801 • (907) 586-3635

Twenty-nine school districts have joined together through the Association of Alaska School Boards (AASB) to form a captive insurance company, the Alaska Schools Insurance Company (ASIC) to provide property insurance. The program is open to all school districts which are members of AASB. ASIC's first year of operation began July 1, 1986.

Based on a pooling concept, ASIC provides a first layer of coverage with a limit of \$240,000 per occurrence and a \$10,000 deductible. Excess insurance beyond the overall \$250,000 ASIC limit provides a total coverage of \$25,000,000 per occurrence per district. Earthquake and Flood coverage is provided solely through the excess insurance policy. The diagram below illustrates the structure of the ASIC program.



ASIC was formed as a captive insurance company through the state of Vermont since there was no enabling legislation in place in Alaska that would allow school districts to form a more traditional insurance pool here. Such legislation has since been passed and ASIC will seriously consider forming a pool under the laws of Alaska.

ASIC is currently investigating the area of liability insurance, to determine 1) if there is a documented need for an additional source of liability insurance for districts, 2) if there are benefits that can be derived through a group program that cannot be realized through other insurance sources currently available, 3) the most advantageous arrangement to provide such coverage if the answer to the first two conditions is yes.



ALASKA SCHOOLS INSURANCE COMPANY

MEMBER DISTRICTS

Adak
Alaska Gateway
Aleutian Region
Annette Island
Chugach
Copper River
Delta Greely
Galena
Hydaburg
Iditarod
Kake
Kashunamiut
King Cove
Lake & Peninsula
Lower Kuskokwim
Lower Yukon
Nenana
Northwest Arctic
Pelican
Pribilof
Railbelt
St. Mary's
Sand Point
Southwest Region
Tanana
Unalaska
Yukon Flats
Yukon/Koyukuk
Yupit

TOTAL PROPERTY VALUES COVERED: \$755,194,945

TOTAL ASIC PREMIUM: \$ 1,490,472

1986-87 RATE: \$.75/\$100 of value

Rate Breakout: ASIC Coverage \$.10/\$100 of value
ASIC Capitalization \$.10/\$100 of value
Excess Coverage \$.55/\$100 of value

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
P. O. BOX D
JUNEAU, ALASKA 99811

ORDER 86-3

**Re: Revised Workers' Compensation Insurance Rates Effective
January 1, 1987.**

**To: The National Council on Compensation Insurance.
All Insurers Authorized to Write Workers' Compensation
Insurance in the State of Alaska.
All Interested Parties.**

The Hearing Officer for the Director of Insurance does hereby find as follows:

Background.

1. On November 3, 1986, the Division of Insurance received a filing from the National Council on Compensation Insurance (hereafter NCCI) dated October 31, 1986, which was supplemented with additional data on November 11, 1986. The filing proposed a rate change for workers' compensation insurance rates effective on January 1, 1987 for all new and renewal business.
2. NCCI is a national rating organization licensed by the State of Alaska pursuant to AS 21.39.060. It does statistical compilation of data, including premium, payroll, loss and expense data, on behalf of its member and subscriber insurers. It makes rate and policy form filings with the State of Alaska on behalf of its member and subscriber insurers.

3. In view of the significance of the impact of the proposed filing on the Alaska economy, a hearing was deemed necessary to afford the public an opportunity to present its views on the filing and to receive any information that would tend to place in question any of the data or assumptions underlying the proposed filing. Notice was prepared and mailed to all insurers licensed in Alaska and to the Alaska Chapter of the Associated General Contractors. In addition, notice was published in the Anchorage Daily News and in the Alaska Journal of Commerce. The hearing was held at the Federal Building in Anchorage on November 24 & 25, 1986.

The Proposed Filing

4. The overall average increase in statewide premium level resulting from implementation of the proposed filing is an ~~increase of 14.3%~~. The components of the increase are as follows:

- increase due to experience..... +13.3%
- reduction for change in premium tax..... -00.2%
- increase due to change in trending for medical losses..... +01.7%
- reduction to offset previous increase of the workers compensation pool surcharge from 10% to 20% resulting in a reduced subsidy of pool business by that business in the voluntary market..... -00.6%

5. The overall average is further broken down into four (4) major industry groupings, each with a different impact from the filing reflecting that groups' contribution to the loss level. Within the groups, individual classifications can move by $\pm 25\%$ from the group overall indication, further reflecting the particular experience of the individual classification. The four groups, the indicated rate change by group, and the range of rate movement for classifications in each group are:

GROUP	IMPACT	RANGE of IMPACT
Manufacturing	+1.8%	+27.0% to -23.0%
Contracting	+20.5%	+45.0% to -4.0%
Oil & Gas	+7.4%	+33.0% to -17.0%
All Other	+13.3%	+39.0% to -11.0%

6. There are a total of 546 classifications used in the NCCI classification manual. Of the 546 classifications, 434 classifications had some payroll for the period used to determine classification relativity in Alaska. Of that 434 classifications, 116 classifications had more than \$10 million of payroll in Alaska. The total numbers of classifications in the manual by industry group are:

GROUP	TOTAL NCCI CLASSES	SOME ALASKA PAYROLL	+10 MILLION ALASKA PAYROLL
Manufacturing	294.	102.	7
Contracting	67.	63.	27
Oil & Gas	11.	11.	7
All Other	174.	158.	75

7. The effect of the change proposal on some classes is significant. This can be seen from the listing of classifications in Attachment #1 in which the impact of this filing is noted. The classifications listed in Attachment #1, each had Alaska payroll in excess of \$10,000,000 during the period beginning April 1, 1981 and ending March 31, 1984.
8. The filing is not unusual in terms of past filings or in the methodology utilized. The filing follows methods that have been used in the past in this state and found to be acceptable in past reviews. It is, in a sense, routine.

History.

9. Since 1974, the Division of Insurance, Market Surveillance Section has closely monitored workers' compensation insurance experience of insurers writing that line of insurance in Alaska. The purpose was to measure competition and to develop an independent base with which to measure the proposals of NCCI. By applying Division of Insurance devised formulas and tests to this base information, which is limited in its sophistication, the Division of Insurance has generally been able to predict rate changes within two or three percent of the actual proposal and to do so about six months before a filing is proposed. Since this approach does lack sophistication and is not accurate to

the degree desirable for ratemaking purposes, the results of these tests have not been widely publicized. One concern is that the tests done by the Division of Insurance should not be available for potential use by insurers as part of the support for rate change proposals.

10. In July 1986, the Alaska Department of Labor released a publication titled "Occupational Injury and Illness Information - Alaska 1984" which contains data of interest to those concerned with the cost level for workers' compensation insurance. The publication notes that Alaska has one of the highest rates in the nation for industrial illness and injury. Not surprisingly, the publication notes a number of highlights which tend to provide some clues concerning why the rating structure is responding in the proposed manner. These include:

- The Alaska Division of Workers' Compensation processed 11,398 time loss claims for 1984, an increase of 5% over 1983.
- The construction industry leads all others in the number of reported time loss cases (2,680) accounting for 23.5% of all cases.
- Craftsmen, laborers, and operatives (excluding transport) are consistently the leading occupational groups for time loss cases, with nearly two-thirds ($\frac{2}{3}$) of all cases.
- Sprains and strains continue to be the leading nature of injury (48.3% of the total).
- The back is historically the most frequently injured part of the body and is involved in one-fourth ($\frac{1}{4}$) of all time loss cases. Strains and sprains are the most common result of back injuries.

Reasons for why Alaska has become an increasingly dangerous place to work as compared to other areas is not fully understood. The publication reports incidence rates of recordable occupational injuries and illnesses by group as follows:

- 9.7 cases per 100 workers in Alaska;
- 43.0 cases per 100 workers in Lumber and Wood Products;
- 25.0 cases per 100 workers in Food and Kindred Products;
- 24.2 cases per 100 workers in Trucking and Warehousing;
- 22.6 cases per 100 workers in Building Materials. Retail;
- 22.0 cases per 100 workers in Oil & Gas Field Services; and,
- 17.7 cases per 100 workers in Building Construction;

11. Utilizing the process noted in § 9, it was noted in June 1986 that there was a likelihood of a significant filing to be effective on January 1, 1987. At that time the Market Surveillance Section concluded that a 21.5% overall premium level increase would be needed and that due to data anomalies the true need was probably closer to 30%. The data anomalies referred to, are the impacts of reserve strengthening attributable to prior years. In effect, we have either overstated the need by more than 7 percent or conversely, NCCI has filed a filing that is insufficient to meet needs by at least 7 percent.
12. During testimony given by NCCI, their actuary admitted that the 20.5% indication for the Contracting group should actually have been 26.6%. The 26.6% indication was tempered with the lower 20.5% indication because of some concern by NCCI that the data producing the higher result, might somehow be a ripple that would drive the rates higher than necessary.

Ratemaking.

13. The ratemaking process is generally a mathematically based exercise that, while very complex, is not mysterious. In 1981, NCCI published a 12 page booklet titled, "Ratemaking...The Pricing of Workers' Compensation Insurance". It would not be practical to recite much of the data contained in that document, though the temptation is great. It is an excellent primer on just what goes into the making of workers' compensation insurance rates, and it is of such value that it accompanies this order as Attachment #2.

Role of Division of Insurance.

14. When the Division of Insurance receives an insurance rate filing from an insurance company or a rating organization such as NCCI, it does so under AS 21.39.040 which provides statutory standing for the filer, review time limitations for the state, and references standards used to determine whether a filing may be approved or disapproved. The standards found in AS 21.39.030 provide that the rates shall not be excessive, shall not be inadequate, and shall not be unfairly

discriminatory. NCCI has not made a substantial departure from its past methodology in this filing, so the methodology is one that has been accepted and tested in the past as well as at this juncture. The documentation supports the contention that the current rate structure is inadequate. In fact the independent data developed by the Division of Insurance suggests that the proposed level itself may not be sufficient to meet expected losses.

15. The standards set forth in the rate law (AS 21.39) do not provide for the application of political or economic considerations when reviewing a rate filing. The law was specifically designed to avoid just that occurrence. Viewing it from these considerations, the proposed filing could not have come at a worse time. The economy is currently devastated by the instability of oil prices and is experiencing an apparent "bust." Politically, there are the usual unknowns experienced when the administration of state government changes. These place pressures on such a filing which while recognized, can not be considered under the law.
16. The Division of Insurance does not influence the benefits available under the Alaska Workers' Compensation Act. Those are established by the legislature and administered by the Alaska Workers' Compensation Board (hereafter Board). The Board generally becomes involved only with the specific request of the claimant, but the Division of Insurance can not. There is one additional party regularly appearing on the scene, again via the claimant, and that is the court system.
17. The Division of Insurance does not deal with individual consumer complaints involving workers' compensation insurance. These are all referred to the Board. The Division of Insurance can deal with trade practices when a series of abuses become known to the Division. To this end there is a cooperative effort currently under way between the Division of Workers' Compensation in the Department of Labor (administrative arm of the Board) and the Division of insurance.
18. When the Legislature addresses an issue relating to workers' compensation insurance, the role of the Division of Insurance is to attempt, through NCCI, to determine the price impact of the proposed legislation. The Division of Insurance does not and should not take an

advocacy posture as respects changes to the benefit structure in the Alaska Workers' Compensation Act.

19. The Division of Insurance does have a strong role in the efficiency of operation of the rating systems utilized by insurers writing workers' compensation insurance. It has a strong interest in factors that affect the data base from which rates are derived. It is concerned with issues that can influence the accuracy of the data base underlying the rate structure. Because of these interests and concerns, the Division of Insurance wants to:

- assure the proper reporting and gathering of payroll data;
- assure the proper and equitable application of the filed classification system; and,
- assure the proper conduct of persons writing coverage for an employers workers' compensation liability.

Public Frustration with System

20. During the public hearing held as noted in § 3, witnesses testified to some of the frustrations experienced. In many cases, the Division of Insurance does not have jurisdiction to address the kind of problem described. Numerous issues were discussed in the hearing and more in correspondence and in telephonic communications. Many times, the extent of recognition of these problems is the stereotypical comment, "it's not my job." While to a great extent that may be true of the issues witnesses have brought to us in this hearing, we would prefer to at least describe the issues for the benefit of those who may be in a position to address them or to dismiss them.

21. Workers' Compensation Insurance costs are often a very large part of employer cost. When a problem arises, it is often difficult for an employer to identify a source of assistance. Sometimes the Division of Insurance can help, sometimes the Division of Workers' Compensation can help, but all too often the assistance sought is beyond the capabilities or jurisdiction of either agency. This fosters a sense of frustration in the employer. Examples are:

- . trying to determine whether an individual is an independent

contractor or will be held to be an employee;

□ trying to have something done about a claimant who is known to the employer to be malingering or abusing the system; etc.

22. Contractors are stuck in a particularly difficult situation because they often bid work to be done in a period for which the workers' compensation insurance rate is not yet known. If there is a dramatic unanticipated change in the rate, the impact can be destructive. Other industries are similarly affected but none so broadly as contracting. In the current proposal, some contracting rates are proposed to rise as much as 46.0%.
23. Fraud does occur in this kind of insurance and is one of the things that tend to frustrate employers who see the system abused, but prosecution of the cases is difficult to stimulate. The Division of Insurance has completed investigation on four cases that are currently awaiting prosecution, and according to the Division's Investigator, the total amount that is alleged to have been improperly acquired is about \$380,000. Vigorous prosecution and publication of such fraud cases should help to act as a deterrent to such activity.
24. Testimony from several witnesses addressed the disparity between rates charged in Alaska and in other jurisdictions. They face competition from persons in those jurisdictions who either do not elect to comply with Alaska law or believe incorrectly that their existing policy will extend to provide Alaska benefits. The advantage that this can give to the noncomplying contractor can be profound.
25. Those operators who operate with injury incident rates far below their peers are to a great extent subsidizing those operators who for whatever reasons have the losses. That, of course, is part of the principle of insurance, the spreading of the losses of the few amongst the many. When a kind of insurance is as expensive as is workers' compensation insurance has come to be in Alaska, the usual explanation of the "principles of insurance" or "the law of large numbers" merely adds fuel to the fire no matter how true. The question has been posed, why does the state continue to allow the bad operator to continue to hurt people and continue to dig into other employers' pockets. To a small degree, insurer selection or underwriting tends to force such employers into the assigned risk

plan, but that market too is subsidized by all other employers. The current level of subsidy is about 13%.

26. The most persistent complaint from contractors is that it is imperative that they be given adequate notice of the changes. The definition of adequate notice was on the order of 6 to 12 months. The fact is, that there has never been more notice of a change than in the current instance. Notice was posted in early November. Typically the rates in the past have changed with less than 30 days notice. The change applies to new policies and to existing policies only when they renew which could be as late as December 31, 1987.

The Division of Insurance has also advised the NCCI that future filings would likewise require a minimum of 60 days of lead time rather than rely on the 15 days stated in the statute for review

27. A common thread throughout the testimony was that since the Alaska contractor has to tighten his belt the insurance companies should do likewise. However, the workers compensation insurance line is one that has given insurers particular grief in this state over the years and experience in recent years has been dismal. Alaska is currently being subsidized by the results of other lines and that does not attract new carriers in the marketplace or encourage those already there to continue previous levels of activity. One support for to this comment is the increase in pool writings by over 300% in one year. This view tends to look upon insurers as the cause or the "illness" when in fact it is merely the symptom or reflection of the underlying problem.
28. When a rate increase such as this goes into effect, it applies to new and renewal business as has already been noted. This fact itself offers both pain for some and relief for others depending on when the particular employers' policy expires and whether the change is an increase or a decrease. It impacts the cost effectiveness of an employer depending at what point he is bidding a job and whether his workers' compensation insurance costs for the period bid are known when bidding. The cure for that may be worse than the "illness" it intends to cure. One solution would be to have the rates all change at the same time. In other words a rate change would apply to in-force policies. This would be cumbersome. It would probably require a law

change. Part of the solution might be to have all policies expire on the same date. That too would require legislation.

29. A portion of the testimony leveled criticism at the Board and at the courts for its "liberal" view of the Act. Many felt that the system is out of balance and is too one-sided favoring the claimant.
30. A substantial portion of the loss dollar is directly attributable to medical care. There has been some concern over the sometimes experienced reluctance by physicians to issue return to work notices. The reluctance is due in part to fear that the action may generate a charge of malpractice thus intensifying an already difficult situation for the physician. In other cases, the expression "ambulance chaser" has been used with some charity.
31. One witness asserted that the enforcement efforts of the Division of Workers' Compensation concerning compliance with the Act are inadequate, contending that that effort ought to be at least tripled.
32. The legal expense component of the workers' compensation insurance premium has grown over the years beyond the level anticipated. Claimants are growing increasingly litigious in a system that is intended to be no-fault. Why this is felt to be necessary, should be examined before it gets out of hand.
33. Several witnesses felt that the rehabilitation system is cumbersome, ineffectual and very expensive.

Conclusions

34. Most of the testimony brought to the Division of Insurance was not to the point of things that could be considered. While the participants to the hearing were uniform as to the effect of the proposal, none were able to offer reasonable refutation of the underlying premise supporting the filing, namely that the increase is necessary to meet expected losses arising from workers' compensation insurance liability in this state.
35. There were repeated requests for delay but nothing on which to

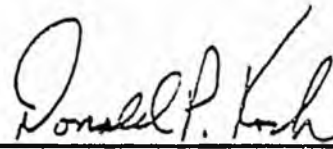
support the granting of such a request, that meshes with the standards that the Division of Insurance must use to test the propriety of the proposal; the tests being that the rates shall not be inadequate and the rates shall not be excessive. It is recognized that the proposal will not bode well for those impacted with substantial upward increases.

36. Arguments were made concerning the classification system of the NCCI, labeling it as arbitrary. The system is a key element to the insurance system in this state, and in most other states. It is not perfect but it is responsive. It has been under close scrutiny by the Alaska Division of Insurance since the issue of Order 76-1 on February 17, 1976. There is a good deal of fine tuning going on and Alaska has had a hand in that process. These arguments are rejected as uninformed and unsupported. In 1982, NCCI published a 12 page booklet titled, "**Classification is Fundamental to Workers' Compensation Insurance.**" Again, this publication does a much better job of explaining the classification system, its reasons for existence, and its underlying logic, than this hearing officer can produce. For this reason, it accompanies this order as Attachment #3.
37. Rates filed by the NCCI should be as nearly reflective of needed premium levels as possible. The review of the filing done by the Division of Insurance and the separate review of indications support the filing as made.

The Hearing Officer for the Director of Insurance does Hereby Recommend Adoption of the Following Order:

- A. The rates promulgated by NCCI to be effective on January 1, 1987 are not excessive and for that reason are approved.
- B. A copy of this order is to be sent to the Governor of the State of Alaska, to the Alaska Workers' Compensation Board, to the legislative oversight committees for issues relating to workers' compensation (the Labor and Commerce Committees of the House and the Senate), to the National Council on Compensation Insurance, and to other interested parties.

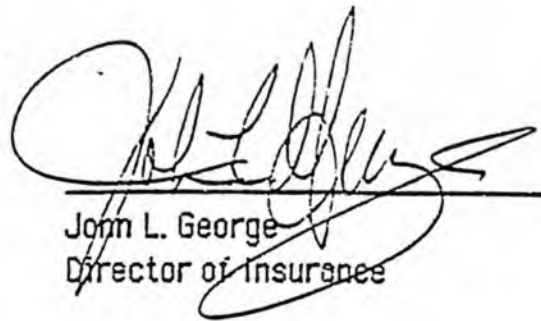
Done this 16th day of December, 1986.



Donald P. Koch
Hearing Officer

The Director of Insurance Hereby adopts the order of the Hearing Officer and approves the October 31, 1986 filing of the NCCI for workers' compensation insurance rates effective on January 1, 1987.

Done this 16th day of December, 1986.



John L. George
Director of Insurance

ATTACHMENT #1

IMPACT OF RATE FILING ON SPECIFIED CLASSIFICATIONS

7422 Aircraft-Air Taxi-Flying Crew	+16.0%	7540 Elec Light & Power Co-ops Rural	+16.4%
7431 Aircraft-Commuter-Flying Crew	-11.0%	7538 Elec Light or Power Line Constr	+27.6%
7414 Aircraft-Ground Crew	+3.6%	9519 Electrical Appliance Install, Rpr	+14.5%
7405 Aircraft-Scheduled-Flying Crew	-11.0%	5190 Electrical Wiring in Buildings	+37.6%
7421 Aircraft-Trans. of Employees	-11.0%	8610 Engineers or Architects Consulting	-7.1%
7605 Alarm Systems Install & Repair	+31.2%	6217 Excavation NOC	+26.8%
4511 Analytical Chemists	+33.2%	7704 Firemen	+5.6%
8820 Attorney	-10.6%	8044 Furniture Stores	+6.0%
8387 Auto Accessories Service Station	+8.1%	9403 Garbage Collectors	+9.2%
8393 Auto Body Repairing	+24.7%	6319 Gas Mains or Connections Const.	-3.9%
8391 Auto Garages and Repair Shops	+36.6%	8350 Gasoline or Oil Dealers	+39.0%
8748 Automobile Salesmen	-1.8%	8607 Geophysical Exploration NOC	+35.4%
2003 Bakeries	+26.7%	8606 Geophysical Exploration Seismic	+37.1%
9586 Barber Shops, Beauty Parlors	+5.7%	8010 Hardware Stores	+39.0%
7390 Beer or Ale Dealers	+39.0%	9040 Hospital, All Other	+37.7%
9014 Buildings, Oper. by Contrtr	+13.5%	8833 Hospital, Professional	+13.7%
9015 Buildings, Oper. by Ownr/Lessee	+34.4%	9052 Hotels	+14.3%
7382 Bus or Taxicab Companies	+38.9%	9058 Hotels-Restaurant Employees	+23.9%
8385 Bus or Taxicab Garage	+9.2%	5479 Insulation Work	+30.3%
2111 Canneries	+25.4%	5057 Iron or Steel Erection NOC	+42.5%
5645 Carpentry Const-Private Resid.	+44.8%	8013 Jewelry Stores	+5.6%
5651 Carpentry Const-Priv. Res. 3 Stor.	+4.0%	8755 Labor Unions	-5.7%
5403 Carpentry NOC	+7.3%	2702 Logging	+11.0%
2803 Carpentry Shop Only	+27.0%	8232 Lumber Yards, All Othr Employees	+39.0%
8810 Clerical Office Employees	-10.6%	8058 Lumber Yards, Store Employees	+24.4%
8008 Clothing or Dry Goods Stores	+0.7%	3632 Machine Shops	+27.0%
9061 Clubs NOC	+14.2%	8107 Machinery Dirs NOC Store/Yard	+23.4%
1005 Coal Mining Surface	-9.8%	5022 Masonry NOC	+12.8%
9101 Colleges, Schools-All Other	+11.5%	3724 Millwright	+45.9%
8868 Colleges, Schools-Professional	0.0%	1165 Mining NOC Surface	+0.7%
9078 Commissary	+38.9%	9410 Municipal or State Employees	+36.2%
5213 Concrete Construction NOC	+37.1%	7502 Natural Gas Companies	+38.8%
5221 Concrete Flrs, Drivwys, Sidwks	+16.8%	4304 Newspaper Publishing	+11.2%
6325 Conduit Construction	+4.6%	8829 Nursing Homes	+38.9%
5606 Contractors Executive Supvsrs	+22.7%	5191 Office Machine/Appliance Install	+15.8%
8227 Contractors Permanent Yard	-4.0%	1320 Oil or Gas Lease Operators	-5.3%
8039 Department Stores Retail	+11.0%	6216 Oil or Gas Lease Work by Contr	+33.0%
6204 Drilling NOC	+9.9%	6233 Oil or Gas Pipeline Construction	+19.5%
7380 Drivers, Chauffeurs & Helpers	+38.8%	7515 Oil or Gas Pipeline Operation	-4.8%
7539 Electric Light & Power Co NOC	+7.4%	6206 Oil or Gar Well Cementing	+6.9%

6235 Oil or Gas Wells Drilling/Redrilling	-6.1%	8292 Storage Warehouses, Genl Merch	-11.0%
6237 Oil or Gas Wells Logging/Survey	+55.0%	8017 Store Risks NDC Retail	+3.5%
3719 Oil Still Erection or Repair	+7.3%	8018 Store Risks Wholesale	+8.0%
5474 Painting or Paper Hanging NDC	+13.9%	8033 Stores Meat Comb Grocery Rtl	+15.7%
4361 Photographers	+13.0%	9402 Street Cleaning	+13.3%
8833 Physicians	+4.2%	5507 Street or Road Construction	-4.0%
5133 Plumbing NDC	+21.6%	5506 Street or Road Construction	-4.0%
7720 Policemen	+4.9%	7600 Telephone & Telegraph Cos.	+29.1%
4299 Printing	+21.5%	8901 Telephone & Telegraph, Off Equip	+33.3%
8835 Public Health Nursing Assns	+0.7%	8803 Traveling Auditors, Accountants	+13.8%
7610 Radio & Television Stations	+58.8%	7219 Truckmen NDC	+1.3%
9079 Restaurants	+25.6%	7222 Truckmen Oil Field Equipment	+1.3%
5551 Roofing All Kinds	+46.0%	5445 Wallboard Installation in Bldgs	+41.6%
8742 Salesmen, Outside Messengers	+1.1%	7320 Water Works Operation	+4.0%
4000 Sand or Gravel Digging	-7.9%	3365 Welding or Cutting NDC	+17.7%
2104 Seafood Processors	-12.0%	9063 YMCA, YWCA	+9.4%
6306 Sewer Construction	+14.4%		
7580 Sewerage Disposal Plants Oper	+5.0%		
5538 Sheet Metal Work Erection NDC	+46.0%		
8293 Storage Warehouses, Furniture	+19.1%		

ATTACHMENT #2

"RATEMAKING...THE PRICING OF WORKERS' COMPENSATION INSURANCE"

Booklet published by the National Council on Compensation Insurance.

Copyright 1981.

12 pages.

ATTACHMENT #3

**"CLASSIFICATION IS FUNDAMENTAL TO WORKERS'
COMPENSATION PRICING"**

Booklet published by the National Council on Compensation Insurance.

Copyright 1982.

12 pages.

Preface

The objective of this booklet is to give a description of how workers' compensation insurance rates are determined. The ratemaking process—the pricing of workers' compensation coverage—is a technical function and, as such, has traditionally been the domain of specialized technicians called actuaries. Unfortunately, this has too often resulted in rate determination being regarded as mysterious, even within the insurance community itself. While ratemaking is complex, it is not mysterious. Rates are mathematically-based, producing an objective pricing system which is demonstrably sound and fair. As such, removing any mystique can play an important role in alleviating confusion and skepticism, thus improving the conception of workers' compensation insurance.

The material contained herein is not intended to popularize actuarial science. It reveals no profound secrets nor will it magically transform its readers into actuaries. The goal is simply to make the basic ideas utilized in pricing workers' compensation coverage more familiar and understandable. Towards that end, the emphasis is placed on concepts rather than on mathematical formulas. Once the basic ideas are understood, the merits of the methodology speak for themselves.

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Ratemaking... The Pricing of Workers' Compensation Insurance

What Is Workers' Compensation?

With the advent of the Industrial Revolution came a growing realization that the price for increased overall living comfort was being paid, in part, by the suffering of workers. Not only did the workplace become more distinctly removed from the home, but factories and mass employment introduced into the work environment a myriad of unforeseen dangers. In the late nineteenth century, courts began to make employers responsible for such injuries, giving rise to the need for employers' liability insurance. Because the worker had to sue to recover, and legal defenses were available to employers, the need was recognized for laws to protect workers as a result of injuries incurred in the course of their jobs. Beginning in 1911 with Wisconsin, other states rapidly adopted workmen's (now workers') compensation laws which automatically assured the injured worker partial indemnification without the need to prove fault. On-the-job injuries were recognized as part of the cost of producing goods and services, and workers' compensation insurance fairly allocates this cost to employers.

What Is Workers' Compensation Coverage?

1. Compensates for loss from work-related injury
2. Benefits are specified by state laws
3. Coverage is mandated by law

Today, all states have workers' compensation laws providing for complete medical expenses and a weekly indemnity (loss of earnings) benefit for the injured worker. The coverage now extends to almost all types of employment, to employers with one or more workers, and includes coverage for both injury and occupational disease. By law, employers must provide the benefits to their workers, and in most cases, this is done through the purchase of a workers' compensation policy under which the insurance carrier assumes the complete liability of the employer.

Who Benefits?

Although, from an historical perspective, the introduction of workers' compensation benefits is a landmark in the social and economic progress of laborers, it is incorrect to regard this benefit system as being "one sided." This program is designed to protect the interests of both the worker and the employer. On the one hand, it assures that payment is made to injured workers without regard to who or what may have been at fault in causing the injury. On the other hand, in exchange for the security of guaranteed compensation, the worker relinquishes his right to file a damage suit against his employer in return for the benefits provided for in the statute. In making workers' compensation benefits the exclusive remedy, employers are provided a protection without which even sizable corporations would find doing business hazardous, and the owners of small businesses could be subjected to potential personal financial ruin from a single claim. The employer benefits by the substitution of a relatively small, known expense (premium) for the cost of the large, unbudgeted accident.

Finally, because the relative price charged is based upon the nature of the employer's business, each industry pays in relation to the likelihood of injury. This provides an incentive for work safety and accident prevention, with society, in general, enjoying a safer work environment.

Who Pays?

The burden of funding the benefit system is placed on the business community through the insurance mechanism which charges employers an annual premium for this coverage. This appears fair, since employers are, in large part, responsible for the safety of their workers in plants and offices. One important consequence from this perspective is that this burden of premium enables the pricing methodology to introduce the element of accountability, thereby promoting job safety in an effort to reduce job-related injuries. A firm's payroll is an excellent measure of the occurrence of job-related injury.* Accordingly, an employer's annual payroll, in \$100 units, is multiplied by a price or "manual rate" to determine his annual premium contribution to fund the benefit system. Where appropriate, the premium is adjusted or modified to reflect the occurrence of injuries in the applicable work activity and the individual employer's safety record.

What Does The Price Cover?

Generally speaking, the price of any product must be sufficient to cover the cost of producing the item and the cost of delivering the product to the marketplace. Workers' compensation insurance is no different in this respect. The product to be delivered is dollars. It is dollars in the form of weekly benefits paid directly to the injured worker, and dollars in the form of payment to doctors, hospitals, and others for medical and rehabilitative services provided to the injured worker. These dollars represent the product costs to the insurance carrier.

Insurance, like any other enterprise, has certain costs of doing business. These costs are necessary to operate the benefit system. They encompass items such as expenses incurred in obtaining business, including commissions to producers; the

Business Overhead = Expense Allowance

1. Acquisition
2. General
3. Premium taxes
4. Claims Adjustment
5. Contingency and Profit

overhead or operating costs of an insurance company (e.g., rent, lighting, salaries, etc.); taxes (other than income); expenses incurred in the settlement of claims; and a provision for profit and contingencies.

Therefore, the rates for workers' compensation coverage must:

1. Provide sufficient funds for benefits, and
2. Provide sufficient funds to operate the system which will deliver these benefits.

A key question, therefore, becomes: What constitutes "sufficient" funds? To answer this, one must understand the nature of the funding mechanism itself.

Workers' Compensation— A Pre-Funded System

The workers' compensation benefit system is pre-funded. This means that the premiums from policies written during a given year are intended to meet all future claim payments made under these policies. This is in direct contrast to programs such as Social Security which use a "pay-as-you-go" funding mechanism. Pre-funding is designed to provide the maximum security to workers so that benefits never will be prematurely terminated or reduced.

The notion of pre-funding and its implications on costs are difficult to convey to policyholders and to the public. The price paid for typical store produce reflects production and delivery costs at the time of purchase. It would be ludicrous for a grocer to demand an additional 10¢ per pound today for bananas sold last year. When dealing with a product such as workers' compensation insurance, it is difficult for the consumer-policyholder to appreciate that the current cost for coverage must suffice to pay all that year's claims, regardless of how far into the future benefit payments on these claims continue.

If the rates charged in the past were inadequate, as has been true, unfortunately, in recent years, there can be no going back to policyholders to recoup the shortfall. Nor can that loss be passed along to the next "generation" of policyholders. If it is lost, it is lost forever. By the same token, if there is more than enough premium, profits are not returned.

*A complete discussion of the use of payroll as the basis of premium can be found in a booklet, "The Basis of Premium For Workers' Compensation Insurance," published by the NCCI.

Risk Vs. Reward

Since there is no guarantee that premium collected will suffice to meet benefit claims and operating costs with no opportunity for recoupment, it follows that a very real risk is involved in the writing of workers' compensation insurance. Insurance is a business and, certainly, no business enterprise will knowingly assume a risk without an incentive to do so. Accordingly, it is necessary that the price for coverage provide such incentive. The price or rate envisions, as mentioned above, a profit and contingency provision (2.5% of premium) which is designed to provide a buffer to financial loss in the event of inadequate rates. The profit and contingency provision incorporated in the pricing of this line of insurance is very low and in and of itself does not present a reward nearly commensurate with the risk assumed. Use of this provision recognizes the fact that, consistent with the pre-funded nature of the system, premiums are paid "up front" while benefit payments are made over a period of years, thereby giving the carrier an interest-earning opportunity. It is this investment earning potential which provides the true incentive for writing this insurance and provides the reward for assuming the risk.

What Is Meant By The Phrase, "Premium Level"?

After describing how the benefits and expense costs are to be funded, the next question which arises is: Does the current price charged in the state under review provide sufficient funds to cover future benefits and expenses? As was mentioned, the book price, or manual rate, is the cost of workers' compensation insurance per \$100 of payroll. Actually, a single price for a state does not exist but, rather, there is a specific price or rate for each of approximately 600 work classifications, with each class representing a specific type of activity.

For a given insured, multiplying his payroll by the current rate for his classification will produce a premium figure. The accumulation of premium for all insureds produces a total statewide premium at the current rate level. This premium figure is referred to as the state "level of premium" or "premium level."

The question which the ratemaker must address, therefore, becomes: Does the current premium level provide sufficient funds for future benefits and expenses?

The Ratemaker's Dilemma

In addressing this question, it is important to realize that when pricing in the context of a pre-funded system, one must project benefit and expense costs in advance.

Consider the following example, keeping in mind that it is customary to set rates to be applicable for one year into the future. In April of 1982, a ratemaker may be asked to update rates for use in 1983. Well before the beginning of 1983, the ratemaker is required to address the question of what is the proper premium level for 1983. This answer must be based upon a knowledge of the number of dollars which will be needed to pay benefits and expense costs for policies issued during 1983. When will the total amount needed be known? Certainly, all claims incurred under 1983 policies must be closed before the exact amount can be determined. When, then, will all such claims be closed? Due to the nature of workers' compensation insurance, some claims may not be closed for many, many years.* The ratemaker faces a difficult problem. He must decide in 1982 how many dollars will be needed for claims covered by policies written in 1983, despite the fact that the actual value of some of these claims will not be known for a number of years.

Obviously, he cannot wait to know precisely how many dollars will be necessary for 1983 claims. The ratemaker must, during 1982, estimate the value of these claims. In doing so, he makes it possible to decide upon the proper premium level for 1983.

It is fundamental that in order to make such an estimate, data from the most recent past must be used as the best indicator of what is expected for the period during which the rates will be in effect.

What Data Are Available?

To begin the ratemaking process, data from the recent past must be collected. The National Council on Compensation Insurance (NCCI) is the licensed statistical agent for workers' compensation in most states. The NCCI collects data periodically from its member insurance companies. For each individual state, the data submitted take two forms: Financial Data and Unit Statistical Plan Data.

Types of New Data



1. Statewide Financial Data—to determine what state average price level change is needed.

2. "Unit Plan" or Policy-by-Policy Data—to determine how the average price change should be distributed.

*Workers' compensation coverage, in some instances, provides lifetime benefits for individuals permanently and totally incapacitated as a result of an industrial accident.

Policy Year Data

A state's financial data are used to determine the required overall change in the statewide premium level. This type of information is sent to the NCCI in response to periodic data requests. Similar information of a financial nature is sent to the State Insurance Departments as part of the Annual Statement and Insurance Expense Exhibit. These are sworn company documents, which must be filed annually, according to regulation. Financial reports include the carrier's overall premium and benefit cost experience, reported separately for each state.

On the other hand, the Unit Statistical Plan (USP) figures are detailed policy information. In fact, a USP report is required for each policy written. It includes individual employer payrolls, premiums, and details of all compensation claims. The information obtained from the USP plays no part in determining whether the overall level of premium in the state is too high or too low. Rather, once the financial data have been utilized to make this determination, the highly-detailed USP data are used to apportion the average price change among the various work classifications. The data are also used in adjusting the price of coverage for larger, qualifying employers by means of a mandatory experience rating program.

Data Validation

Data are the lifeblood of any ratemaking process. NCCI, therefore, expends a considerable amount of effort making certain that the data it uses are accurate. The checks involved in validation must be completed before any conclusions are drawn from the data.

While the details of the validation routines are beyond the scope of this booklet, it may be interesting to simply describe the dimensions of the validation effort. The NCCI is licensed in 32 jurisdictions, and has approximately 600 member companies writing approximately 1,300,000 policies annually. Since each member is required to submit many reports for each state in which it does business, it is easy to see that the number of reports which must be reviewed is enormous. The NCCI employs approximately 100 individuals to review data submissions for quality.

While computers must be used to assist in this review and validation, every step is under the watchful eye of trained technicians and actuaries, who check the data to certify its validity. Anomalies are questioned and returned to the carriers for correction, if necessary.

Financial Data

Returning to the need for determining whether the current premium level is proper, recall that it is the financial data which are relied upon to evaluate the propriety of the current premium level. It must be emphasized that when a premium level analysis is performed for a state, the only data used are that state's own premium income and claim cost experience. There are several types of financial data, including policy year, calendar year, and calendar/accident year.

As can be inferred from the name, policy year data are organized according to the date upon which the policy becomes effective. For example, policy year 1980 refers to premium and benefit claim costs from all policies whose coverage began during 1980. Depicted below are the terms for several such policies, each providing standard, one-year coverage. The distinguishing characteristic is simply that the date when coverage begins falls in 1980.

Policy Year 1980

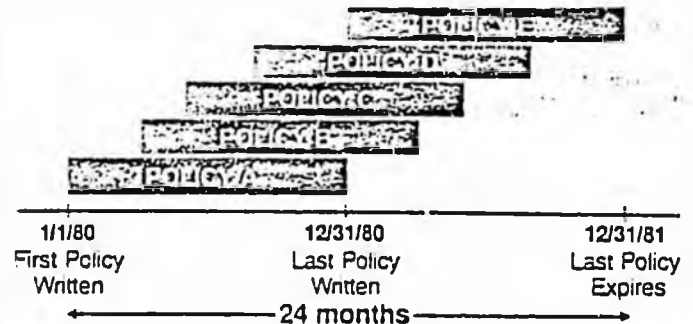
Sampling of policies from Policy Year 1980

Policy	Coverage Begins	Coverage Ends
A (first)	1/1/80	1/1/81
B	3/7/80	3/7/81
C	5/1/80	5/1/81
D	9/12/80	9/12/81
E (last)	12/31/80	12/31/81

This coverage can be represented in a more pictorial way.

Policy Year 1980

Time span for Policy Year 1980 experience



Policy year 1980 illustrates that experience in a single policy year actually takes place over a 24-month time span, and that the final policy included in policy year 1980 does not terminate until the end of 1981. It follows that for a ratemaker performing an update during 1982, 1980 is the latest policy year available.

Policy year data are analogous to considering the income and outgo of funds on items manufactured during a single fixed year, regardless of when the items are sold. Policy year 1980, therefore, encompasses the input from all premiums and the outgo from all benefits resulting from policies becoming effective during 1980.

Calendar Year Data

Calendar year data reflect another way of organizing information. It is done by organizing financial transactions according to the date on which they took place. Calendar year experience most nearly resembles the data one is accustomed to seeing in the financial reports of all types of businesses, whether or not they are related to insurance. Calendar year 1981 refers to premium and benefit claim costs from all financial transactions which occurred during 1981. Calendar year 1981 is available at year's end and is the most current information available during early 1982.

Calendar Year 1981

Time span for Calendar Year 1981 experience



1/1/81
First
Transaction
Occurs

12/31/81
Last
Transaction
Occurs

For a business enterprise, calendar year data are analogous to considering the income and outgo of funds which occurred during a fixed year, regardless of when the items sold were manufactured. Actuaries are interested in calendar year results because they provide a meaningful report on the company's economic gains or losses for the year in much the same way as would an annual income statement prepared by an accountant.

Calendar/Accident Year Data

Calendar/accident year refers to a third way of organizing financial data. The term "calendar" pertains to premiums being organized according to transaction date. The term "accident" pertains to benefit claim costs being organized according to the date on which the accident took place. For example, calendar/accident year 1981 refers, on the premium side, to 1981 calendar year premium, while the benefit claim costs would encompass claims from all accidents occurring during 1981.

Calendar/accident year data are not currently utilized in the pricing of workers' compensation insurance. Investigation is now underway to determine how this data might best be utilized. Currently, the financial data used in the overall premium level determination are policy year and calendar year.

Since policy year data match premiums and benefits from an identified collection of policies, it provides a very stable and natural base upon which to structure a premium level analysis. As is evident from the preceding narrative, however, the experience from a policy year spans a 24-month period. Calendar year data, on the other hand, encompass all transactions of the past year and, therefore, become available as of year's end. The use of calendar year data, therefore, enables the ratemaker to incorporate more recent information into the premium level analysis and thereby increases responsiveness of the pricing mechanism.

Adjustments To Data

1980 policy year data and 1981 calendar year data have been described. These are historical accountings. They can reveal whether or not a proper rate level was used for a particular period in the past and, if not, what the rate level should have been. These data, however, *cannot* reveal what the proper rate level should be for a *future* period unless certain adjustments are made.

Adjustments to Policy Year Data

Premium:

1. Effect of recent price changes
2. Additional premium development (e.g., from late audits)

Benefit Costs:

1. Recent statutory benefit changes
2. Additional benefit cost development

Taking policy year 1980, for example, the premium must be adjusted for two conditions. First, premium must be adjusted for the effect of any rate changes in the state under review, which have already taken place on or after January 1, 1980, the date when the first policy from policy year 1980 went into effect. The purpose of this adjustment is to determine what the premiums would have been if all the premiums had been earned under the latest approved prices which are, after all, the ones under analysis and the ones which are being updated. Actuaries call this "adjusting premium to current rate level."

The second adjustment is made to reflect what is called premium development. As mentioned earlier, the first step in determining how much premium an employer pays is to multiply the manual rate, or price, times the payroll in units of \$100. Of course, the final payroll earned under the policy often is not known until after the policy expires and is audited. The difference between the estimated premium and the premium based upon final audit is the major contributor to premium development. By tracking the premium movement in a state for earlier policy years, an estimate can be made of how much the preliminary report of the most recent policy year's premium will change when the final results are known.

Likewise, policy year 1980's benefit claim costs must also be adjusted in two ways. First, they must be adjusted to reflect the cost impact of statutory benefit changes which have become law subsequent to the start of the policy year. This is called "adjusting benefits to current law level."

Second, benefit costs, like premium, must also be adjusted by a development factor. This is best understood through an explanation of the components of benefit costs.

Policy year 1980's incurred benefit claim costs are the sum of what has been paid to date under claims arising from policies beginning in 1980, plus what the insurers still owe or still have to pay under those policies. The amount insurers still owe to injured workers is often called the "amount outstanding" or the "amount reserved." These terms are used interchangeably. Therefore, the incurred benefit costs can be expressed in any of the following three ways:

Incurred Benefit Costs = Amount Paid + Amount Still Owed
 Incurred Benefit Costs = Amount Paid + Amount Outstanding
 Incurred Benefit Costs = Amount Paid + Amount Reserved

Thus, loss reserves in the insurance business are analogous to accounts payable in other types of business. Of course, when the reserve is for lifetime weekly benefits or for future medical expenses, it is obvious that there must be some uncertainty regarding precisely how much money ultimately will be paid on any particular claim. Companies, using accepted actuarial principles, make their best estimate of how much should be set aside for future payments on cases which are still open. Of course, once every claim has been closed, then all of the incurred benefit costs are paid, and the outstanding costs, or reserves, for the policy year are zero. By tracking the difference between the first estimates of incurred benefit costs and final benefit costs for older policy years in a state, a "development factor" can be determined. This development factor adjusts benefit costs from those initially reported to their ultimate value according to the most recent pattern of how benefit costs have matured over time. This factor is applied to the latest policy year's incurred costs.

Adjustments in Calendar Year Data

- Premium:
Effect of recent price changes
- Benefit Costs:
Recent statutory benefit changes

Calendar year premiums and benefit costs are also adjusted to reflect the latest rate level and benefit level, respectively. Unlike policy year data, calendar year data, by definition, reflect a specific collection of closed financial transactions and, therefore, do not require the adjustment known as "development."

Having obtained both premium and benefit costs which reflect the current conditions, a test is performed to see how well the current prices are functioning and to determine, on an overall basis, what changes, if any, are needed.

The Test For Premium Level Adequacy

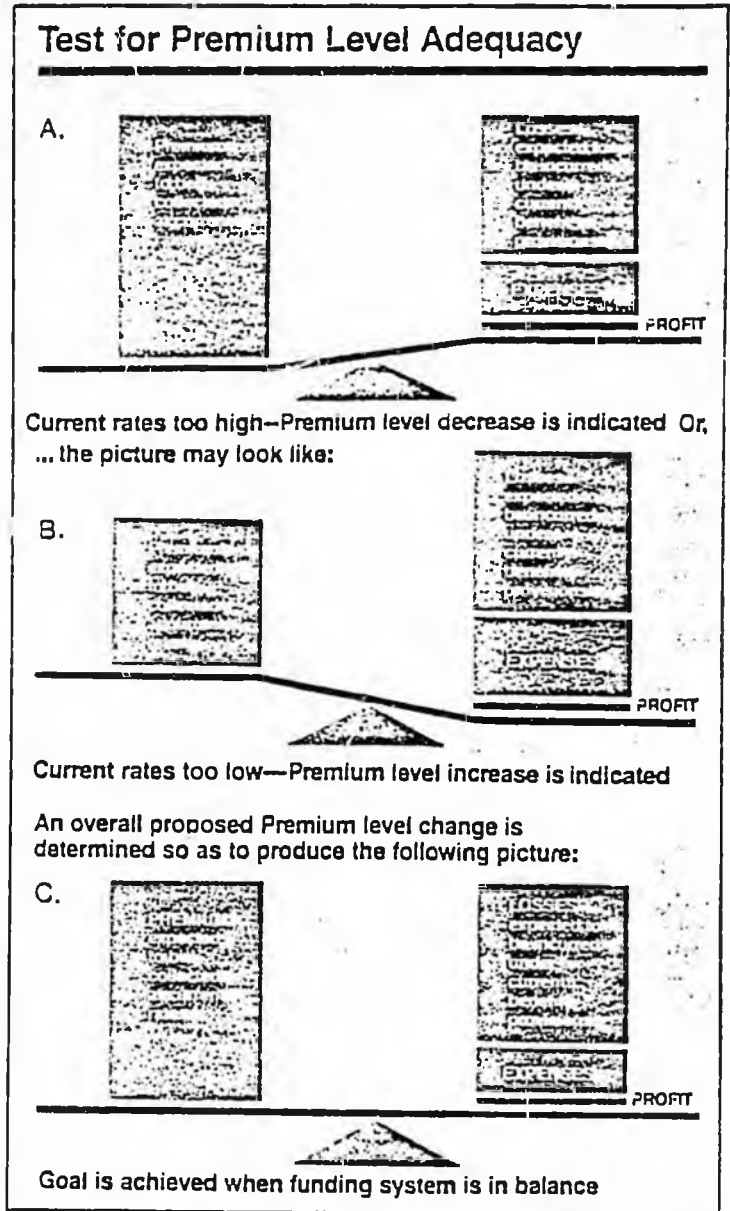
Now, two approaches to testing the current rate level for adequacy are presented. The first conceptually shows the intent in performing this test. The second is quantitative and works through a derivation of the necessary change in premium level.

Conceptual Approach

Conceptually, the test of adequacy may be viewed as placing income and outgo on a scale to see if the two are "in balance." This may be expressed in the illustration below, which depicts the process which yields the desired situation in which a proper rate level has been achieved.

It should be emphasized that this illustration uses data which have already been actuarially adjusted—the premium expected to be collected is based upon the *current* rate level, and the benefits expected to be incurred are based upon the *current* benefit level.

As illustrated below, the premium expected to be collected at the current rate level is larger than the costs expected to be incurred under current benefit provisions. In this example, since the current price of workers' compensation insurance generates funds more than sufficient to provide for benefits and expense, the conclusion is that the current price is too high—a rate decrease is warranted. (A)



On the other hand, the premium level analysis may produce a picture illustrated above which displays a situation calling for a rate increase—the premium expected to be collected at the current rate level is insufficient to fund the benefit system. (B)

In each situation, the price is not proper. A price is sought which will provide just enough premium dollars to finance the benefits and the expenses. Therefore, each situation leads to a required change in the price to achieve the balanced picture depicted above. (C)

Quantitative Approach

Now that the objective has been conceptually visualized, a hypothesized situation will be used to quantitatively determine a rate level change.

The first step in this calculation is the computation of a policy year and a calendar year "loss ratio." A "loss ratio" or "cost ratio" is simply the adjusted benefits divided by the adjusted premium and represents that portion, or percentage, of the premium dollar which is needed to finance benefit costs.

Policy Year Cost Ratio

After the actuarial adjustments referred to earlier have been applied to policy year 1980 premium and benefit figures, the policy year cost ratio is computed. For simplicity, refer to the following hypothetical example.

Assume: Policy Year 1980's Adjusted Benefits = \$82,000,000
 Policy Year 1980's Adjusted Premiums = \$100,000,000
 Then: Policy Year 1980's Cost Ratio = .82 or 82%
 (\$82,000,000/\$100,000,000)

This 82% cost ratio can be interpreted in the following manner: Based upon policy year 1980's experience, actuarially adjusted to be reflective of current conditions, \$82 of benefits can be expected to be incurred for each \$100 of premium.

Calendar Year Cost Ratio

As with policy year data, calendar year experience is actuarially adjusted to current conditions. A comparison of adjusted benefits to premiums will then produce a cost ratio for calendar year 1981. For example:

Assume: Calendar Year 1981's Adjusted Benefits = \$80,000,000
 Calendar Year 1981's Adjusted Premiums = \$100,000,000
 Then: Calendar Year 1981's Cost Ratio = .80 or 80%
 (\$80,000,000/\$100,000,000)

This hypothetical cost ratio can be interpreted in the following way: Based upon calendar year 1981's data, actuarially adjusted to be reflective of current conditions, \$80 of benefits can be expected to be incurred for each \$100 of premium.

The Average Cost Ratio

Two estimates of how the current premium level compares with current benefit costs have been produced; one based upon 1980 policy year experience, and the other upon 1981 calendar year experience. The ratemaking procedure calls for a blending of these estimates. This is accomplished through an arithmetic average of the policy year and calendar year cost ratios.

- 1) Policy Year Cost Ratio .82
- 2) Calendar Year Cost Ratio .80
- 3) Average Cost Ratio .81

This value of .81 or 81%, means that, based upon experience, \$81 of benefits can be expected to be incurred for each \$100 of premium.

Target Cost Ratio

In order to evaluate the significance of the average cost ratio, a standard against which it can be measured is required. This standard is referred to as the target, balance point, or permissible cost ratio. It is the portion of each premium dollar available to finance benefits.

Balance Point Ratio



= the portion of each premium dollar available to finance benefits

As mentioned earlier, there are certain expenses which must be met in order to deliver workers' compensation benefits. If it is assumed that these costs account for 20% of each premium dollar, then it follows that 80% of each premium dollar will be available for financing the benefits themselves. Eighty percent then becomes the balance point or target cost ratio in the hypothetical example.

Necessary Rate Level

In general terms, the next step in the ratemaking process is to compare the average cost ratio with the target cost ratio. If the average cost ratio is greater than the target cost ratio, an increase is indicated, while if the average cost ratio is less than the target cost ratio, a decrease is indicated.

$$.81 \div .80 = 1.013$$

Average Cost Ratio \div Balance Point Ratio = Change in Premium level based on past experience

Thus, in the example, 81c out of the premium dollar is currently needed for compensation benefits, but only 80c is now available. This means that the current price is not sufficient to fund the system. Indeed, by dividing the 81c needed by the 80c available, a factor of 1.013 is determined which is the necessary adjustment to bring the premium level up to current needs: in this example, a 1.3% increase. Had the cost ratio shown a current need of less than the 80c balance point, then a premium-level decrease would have been indicated.

This estimate of the required adjustment is predicated upon the current rate level and the current statutory benefit provisions and is based upon historical data from policy year 1980 and calendar year 1981.

Trend Factors

Since the objective is to produce rates to be used during 1983, it is important to consider whether the price level need for this future time will differ from the present. When the information available enables a projection of price level need, the ratemaking methodology incorporates this through the application of a "trend factor." One consideration which may cause future price level needs to change is *future* growth in payrolls. Other considerations such as changes in the frequency or severity of claims due to benefit utilization, inflation, etc. are also relevant. All of these considerations are incorporated to determine the trend factor.

Trend Factor

Reflects:

Premium

- Changes in payrolls

Benefit Cost

- Changes in duration of claims
- Changes in the frequency of claims
- Inflation rate

The trend factor is based upon a *comparison* of movements in benefit costs with movements in payrolls. Suppose, for example, that an examination of data shows that payrolls are, indeed, increasing. Since premium is based upon payroll, even by maintaining the current rates, a greater amount of premium will be generated in 1983 than was previously available.

On the other hand, suppose the review also shows that benefit costs are rising as well. Higher costs for 1983 than was the case for either 1980 or 1981 are also anticipated. The trend factor accounts for these *anticipated* movements in payrolls and benefit costs and enables the premium level need for 1983 to be estimated more accurately. Should the trend analysis reveal that benefit costs are growing faster than payrolls, then the 1.3% increase, based on historical data adjusted to current conditions, would be inadequate, and a greater increase is indicated. On the other hand, if payrolls are growing faster than benefit costs, then the 1.3% increase overstates the premium need and is lowered accordingly.

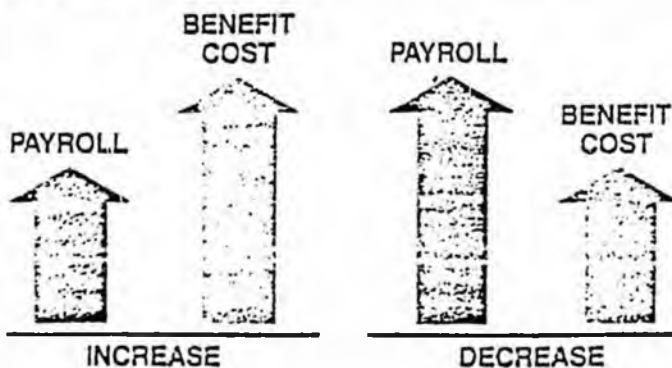
It should be understood that even in states in which application of a trend factor is not practicable, payroll growth is still reflected in the determination of rates. This is so because the most current premium figures are used which, in turn, reflect current payrolls.

To summarize, an overall adjustment has been determined which, when applied to the current rates, will produce a new set of rates. These updated rates will, when applied to 1983 payrolls, generate the premium required to pay 1983 claims. This represents the overall updating of rates based upon newly available data.

Updating For Changes In Statutory Benefits

To this point, it has been assumed that 1983 claims will be compensated according to the current statutory benefit provisions. There is, however, a further source of information available to the ratemaker. Suppose, as is often the case, that the ratemaker is aware of a future adjustment to statutory provisions. Pursuing the hypothetical example one final step further, assume that a change in the benefit provisions will occur on January 1, 1983. Since rates for application during 1983 are being produced, it is appropriate that this benefit revision be accounted for in the proposed rates. To achieve this, a cost evaluation of the change is performed for each type of injury—death, permanent total disability, permanent partial disability, temporary disability, and medical. Based upon how the various injury types are distributed, a combined impact of the benefit change on benefit cost is determined. If the new benefits result in increased cost, the indicated premium level adjustment is increased accordingly and, if the new benefits produce a decrease in cost, the indicated premium level adjustment is lowered.

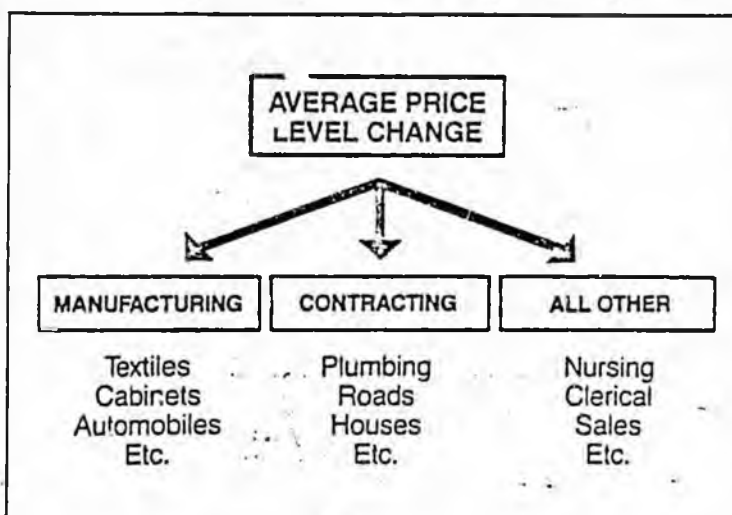
Trend Factor



Distribution Of Overall Rate Level Change To Individual Classifications

The fact that the overall level of premium in a state may need to be changed does not mean that the rates for each and every classification should be adjusted by the same amount. The overall indicated change is simply the average change which is necessary to generate the proper premium for the entire state. As mentioned before, there are about 600 work activity classifications. How, then, should the average change be distributed to these classifications? The process is accomplished in two steps. The first step is to calculate the needed change by "Industry Group."

Each classification is assigned to one of three broad categories based upon the work activity which that classification describes. These categories include manufacturing, contracting, and all other classifications. These three divisions are referred to as "Industry Groups."



If, for instance, the premium and benefit experience of the Manufacturing Industry Group was better than the overall experience, then that group's change will be less than the statewide change (less of an increase or more of a decrease). However, if an industry group had experience which was worse than the statewide experience, then its average change would be higher. It is possible that even when rates are increased overall, a particular industry can, on average, experience a decrease in rates.

It should be emphasized that the adjustment computed for an industry group is still an average; it represents the average change that job classifications in that group will receive.

The second step is to distribute the average industry group changes to the individual classifications such as machinists, bakers, plumbers, or nurses. The purpose of this classification system is to group employers so that the manual rate reflects the average exposure common to the business described. It is the business of the employer within a state that is classified, not the separate employers, occupations, or operations within the business. Since the classification's rate represents the average behavior of all members of that class, it is a fair and equitable way of distributing the cost of insurance.

How useful the latest experience in a particular classification can be for determining the rate in that class depends upon the volume of experience which has occurred in the class. If, for instance, within a particular class, the premium collected over the past three years totals \$3,000, while a claim occurred costing \$30,000, it is not proper to conclude that the price for that class should be increased ten-fold, based solely upon that experience. This is because the data available are not statistically significant. However, the greater the volume of data that is available, the greater the reliability for predicting future occurrences—and for setting prices. Actuaries call this "statistical significance" or "credibility."

If the operations placed under a particular classification have reported doing a large volume of business, the recent experience for the classification is regarded as fully credible, that is, it constitutes, in and of itself, the best means for future projection. If the volume of business is small, then the recent experience may have little or no credibility—the data are too limited from which to draw any conclusions. For in-between volumes of data, actuaries assign partial credibility values. If the latest three years of data for a class generate full credibility, no other information is necessary for determining that classification's rate change. But, as is the usual case, when only a lesser volume of data is available, this information must be supplemented by two other sources. The first source comes from the currently applicable rate, and the second source comes from the experience for that classification on a nationwide basis, properly adjusted to the conditions of the state being reviewed. It is worth noting that before the proposed schedule of prices by classification is released, a detailed test is made to insure that precisely the average price level change previously determined for each industry group is, in fact, achieved.

The "Manual Premium"— A Starting Point

What has been discussed so far is the updating of manual rates which are applied to payrolls to produce "manual premium." But, for the major share of the premium income earned, the manual rate is only the starting point for determining what an individual employer will pay for his workers' compensation coverage. The final premium cost to the insured depends on the operation of other programs, some mandatory and some optional.



Manual rate is starting point for determining cost of Workers' Compensation Insurance

Additional Factors:

1. Prospective experience rating
2. Premium discounts
3. Optional retrospective rating
4. Dividends to policyholders

Experience Rating Plan

For example, the classification system subdivides insureds according to product, process, operation, type and character of business, etc. But the insureds who populate these classes can differ in a variety of ways: how the operation is performed, the manner in which the product is manufactured, and the implementation and operation of safety programs, to name a few. These factors will all affect the propensity for an injury to occur. In order to reflect these differences and to encourage the safe operation of a workplace, an "Experience Rating Plan" is applied.

Experience Rating

1. Only applicable to insureds over eligibility point
2. Adjusts manual rate by comparison of employer's actual past experience to average of "expected" experience
3. Impact is proportional to the size of the insured

Experience rating is a mandatory program applied only to insureds who are large enough for the individual insured's own past experience to be an indicator of how the benefit cost for this insured will differ from the average in the future. For the smallest sized employers, no statistical significance can be assigned to their past history. Thus, they are charged the manual rate.

An insured with perhaps one-half million dollars of premium per year is of sufficient size that the costs he has generated in the past are a very reliable indicator of the cost he can be expected to generate in the future. For smaller employers, their own experience is a good partial indicator and, thus, is assigned a partial weight. Experience rating is a comparison of the employer's own past actual experience to the expected or average experience, generated by similar types of business.*

Premium Discounts

After the experience rating modification has been applied, the next step in determining the cost of a policy is to apply a program of mandatory premium discounts.* Premium discounts are needed because manual rates are equivalent to a manufacturer's list price applicable to goods being sold in small quantities. Just as the manufacturer reduces his unit price when larger quantities of the product are purchased, so, too, does the insurance company lower its prices when the employer has a large base premium.

The premium discount program is mandatory and requires that a discount be applied to any annual premium in excess of \$5,000. Premium discounts are appropriate to apply to the policy premium because there are certain costs to the insurance carrier which do not vary directly with the size of the policy.

Premium Discounts



1. Give insureds credit for economies of scale in the area of overhead (expenses)
2. Application of premium discount program is mandatory

The combination of the mandatory rates, experience rating, and premium discounts represents a guaranteed cost to the employer. If the employer believes it is to be to his advantage, he may seek a "retrospective rating" agreement which can alter his guaranteed cost.

*A discussion of the experience rating plan, together with a concrete description of how the plan impacts on the policy premium, is the topic of a booklet entitled, "The ABC's of Experience Rating," published by the NCCI.

*There are jurisdictions (e.g., Indiana) in which premium discounts are a marketing option to the insurer offering coverage. There are also jurisdictions (e.g., Indiana) in which no premium discounts may be applied to coverage under an assigned risk program.

Retrospective Rating

Retrospective rating is an optional program which only applies when the employer selects it and the insurer agrees to it. It is a program where, in essence, the employer agrees, prior to the start of the policy, to pay for his own benefit cost, plus a basic charge which largely is to cover the costs of the insurer-provided services.

An employer may choose such a "cost plus" arrangement with limits. For instance, there may be a maximum and/or minimum premium chargeable regardless of how high or how low the actual benefit costs turn out to be. The specific minimum and maximum amounts for a particular employer are agreed upon prior to the start of the policy. The rating organizations, on instruction from the National Association of Insurance Commissioners, check that each individual retrospective rating agreement is within the established bounds for actuarial fairness and propriety, as filed with the regulators.

Summary

A great deal of information has been presented, from the analysis of historical data and benefit changes to update the overall premium level, to the distribution of the overall adjustment among the numerous job activity classifications. Additionally, rating plans and the role they play in the pricing of coverage have also been reviewed.

The NCCI realizes that there is a growing awareness and heightened interest in how the price for workers' compensation insurance is determined. NCCI welcomes this interest and has, in response, provided this booklet. The pricing of workers' compensation insurance is a wide-ranging and complicated topic and, necessarily, technical matters have been presented here in a distilled and simplified form. A pamphlet geared toward individuals already familiar with the basics of ratemaking, who seek an in-depth understanding of the methodology, is now in preparation. The goal, here, has been to illustrate the fundamental principles involved, to remove some of the mystique, and thereby, to provide a better appreciation of the workers' compensation insurance product.

Retrospective Rating

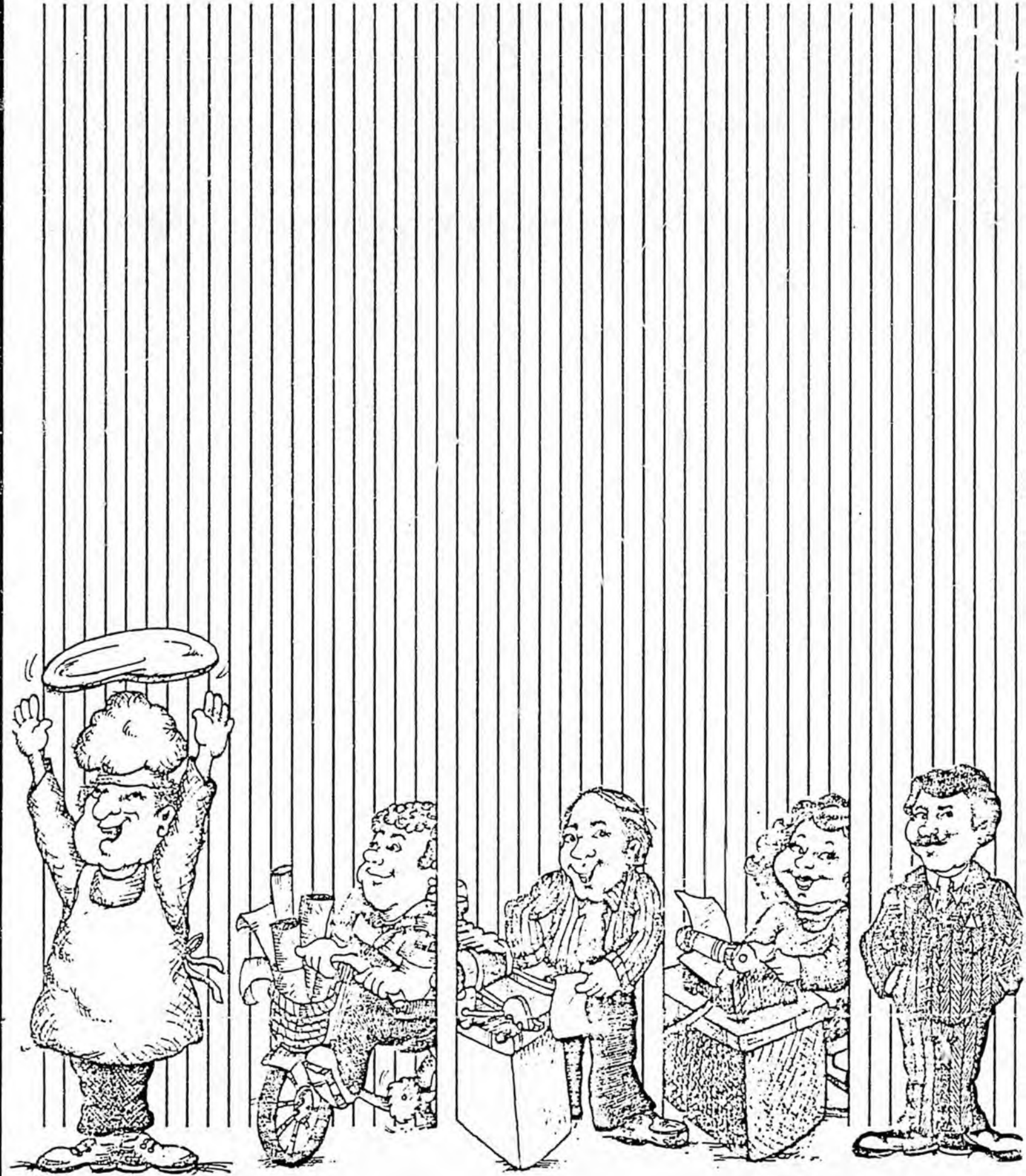
1. Completely optional
2. "Cost Plus"
3. Employer pays own benefit costs plus a basic charge for services
4. Cost to employer has pre-selected minimum and maximum premium
5. Actuarial propriety of each agreement checked by rating bureau

What has been described are the components of a total pricing program to be determined before coverage is initiated. It is worthwhile mentioning that some insurance companies, as a matter of their own corporate policy, make reductions to the net cost after the policy has expired. They do this through what is called a "dividend" to policyholders. Each company may have its own formula for determining dividends to be paid.

Dividends to policyholders are not, however, a part of the NCCI's pricing program, but can be a reduction in the final cost to employers.

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Classification is
Fundamental to
Workers' Compensation
Pricing



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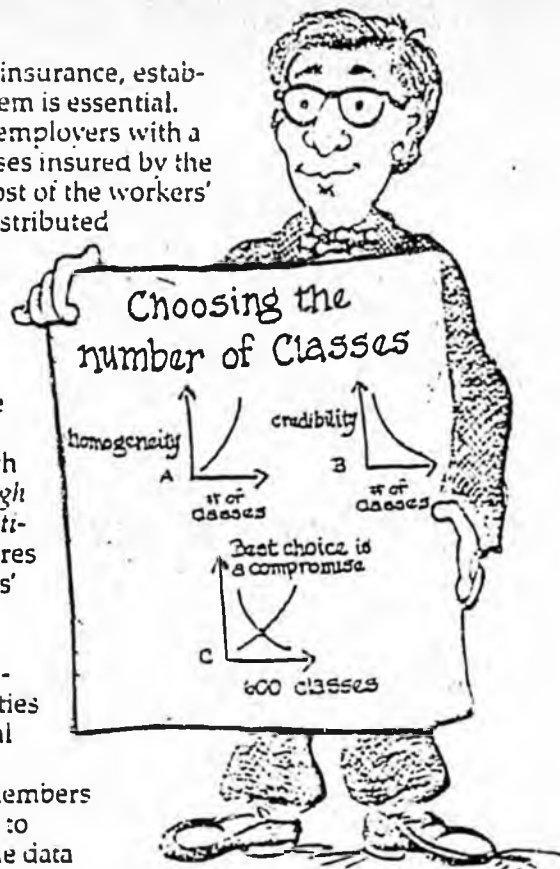
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DEPARTMENT OF COMMERCE
& ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

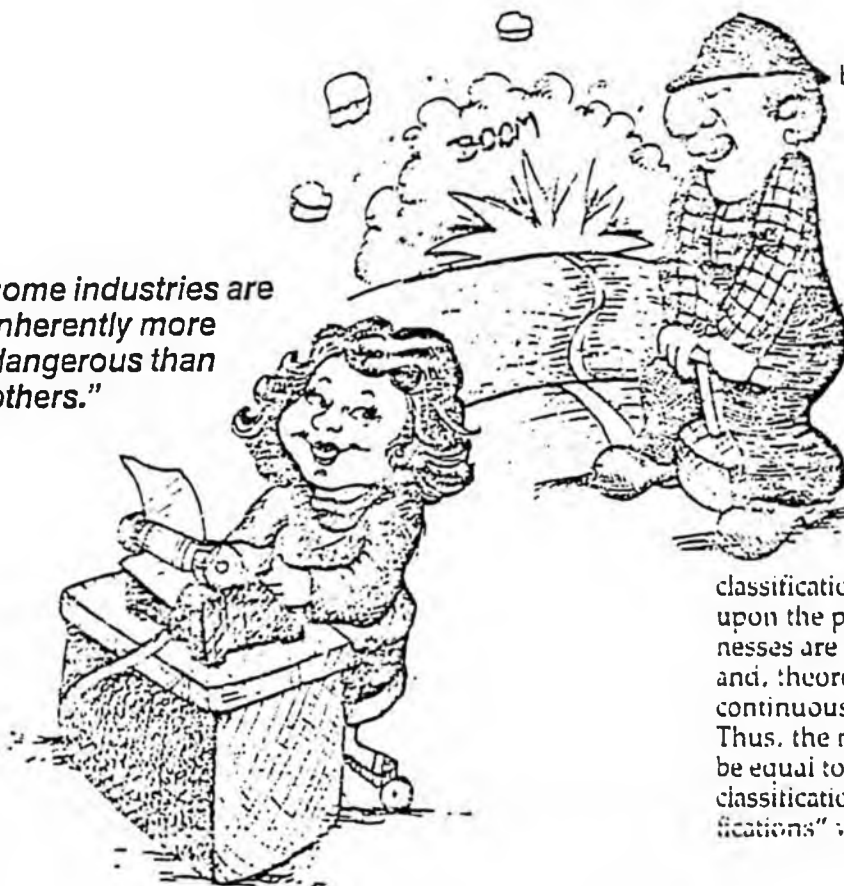
Introduction

In workers' compensation insurance, establishing a classification system is essential. Each classification groups employers with a similar exposure to the losses insured by the policy so that the overall cost of the workers' compensation system is distributed fairly among the employers. Each classification is assigned a rate which is commensurate with its potential for loss.

To ensure an equitable distribution of costs, each classification should be both *homogeneous* and *large enough to provide a meaningful statistical base*. This, in turn, ensures the integrity of the workers' compensation data base, essential for the pricing, experience rating, law evaluation, and research activities undertaken by the National Council on Compensation Insurance (NCCI) for its members and subscribers. The need to preserve the integrity of the data base has been acknowledged through legislation in those states which have adopted competitive rating laws.



"...some industries are inherently more dangerous than others."



The need for classifications can be understood best by imagining a situation without them. With no classifications, a single average price would prevail, distributing the premium required to pay benefits equally among all insureds. This obviously would be inequitable because some industries are inherently more dangerous than others. Without classifications, the premium charge for high hazard industries would be insufficient, while premiums for low hazard industries would be excessive. In effect, the low hazard businesses would be subsidizing the high hazard ones. A classification system serves to distribute premium among employers in an equitable manner, consistent with statistically supportable differences in loss expectation among different kinds of businesses.

Once it has been determined that some form of classification system is necessary, the next step is deciding upon the proper number of classifications. Because all businesses are distinct, there is always some variation among them and, theoretically, all employers in a state could be arrayed in a continuous spectrum from the least to the most hazardous. Thus, the maximum possible number of classifications would be equal to the number of employers in the state, with one classification for each employer. However, few of these "classifications" would produce statistically reliable experience.

At the other extreme, as mentioned above, would be the single statewide classification producing one manual rate. Although the single rate would be a statistically reliable indicator of expected losses, it would produce an extremely inequitable distribution of premium.

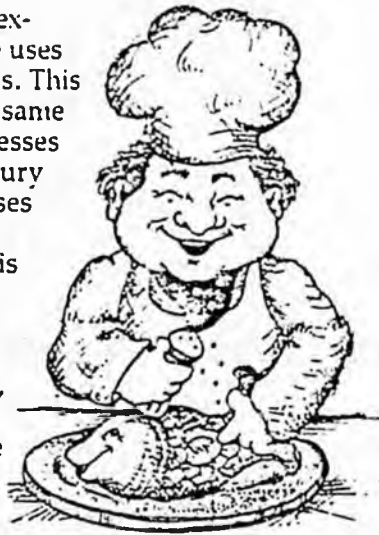
As opposed to these two impractical extremes, workers' compensation insurance uses approximately 600 industrial classifications. This system groups employers involved in the same kind of business. Generally, similar businesses have similar exposures to occupational injury and disease, even though no two businesses are identical.

The experience for each classification is tabulated and serves as the basis for the "manual rate" for that classification. The manual rate is the average price for all employers in the classification. In practice, it tends to produce the premium charge for smaller employers—typically, no more than 15 workers—while for larger employers, the manual premium (i.e., the premium produced by the application of the manual rates to total payroll of the insured) is subject to experience modification based upon the employer's own history of losses. The application of the experience modification can produce a premium higher or lower than the manual premium, depending upon the insured's experience. Other NCCI publications are available upon request explaining the theory and application of experience rating.

The object of the workers' compensation classification system is to group similar employers so that each classification reflects exposures common to them. Subject to certain exceptions to be discussed below, it is the business of the employer (the insured) within a state that is classified, and not the separate employments, occupations, or operations of individual employees within the business. Several reasons for this are:

1. A workers' compensation insurance policy agrees to pay "all compensation and other benefits required of the insured by the workmen's compensation law." Although the injured worker is the beneficiary of the policy, it is the business which is actually insured.

2. Workers' compensation laws hold the employer responsible for compensation benefits to workers injured on the job without any regard to fault. The law places the liability with the employer and the insurance contract, in consideration of payment of premium, obliges the insurance carrier to pay all compensation-related costs established by law. Because the employer's liability is covered, employers are classified by the business undertaken rather than by the duties of individual workers.



"...it is the business of the employer...that is classified, and not the...operations of individual employees..."

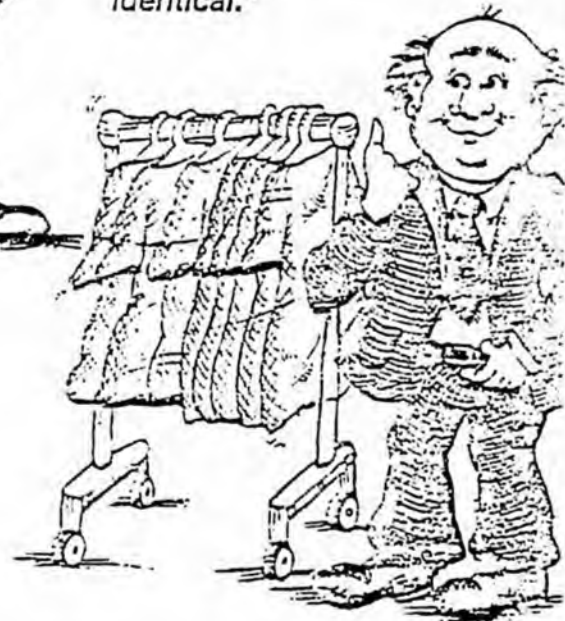
3. In addition to being consistent with the principles of workers' compensation insurance, this procedure promotes safety and loss prevention and reduces the expenses of administering the insurance program. By grouping employers in accordance with the nature of the business, each industry has the opportunity to control its own workers' compensation costs through industry-wide safety and loss prevention programs, such as those sponsored by industry trade associations. If such programs produce a lower frequency of accidents, that improved experience will tend to lower manual rates.

If, on the other hand, a classification system were based upon the individual duties of each employee, each classification would cut across industry lines, and a single industry's safety program, even if successful, would have little impact on its premium costs because it would affect only a small proportion of the total number of workers in the various categories and not alter rates significantly. Thus, classification by industry serves to promote loss prevention and on-the-job safety better than classification by individual occupation.

4. Under a system of classification by individual occupation, total losses would not be affected substantially, although there would be a redistribution of premium, with some employers paying more and others paying less. Such a classification system would almost certainly cause the costs of administering the insurance program to rise. Insurance carriers would be required to audit payroll more closely and to verify proper claim assignment. To enable the carriers to perform these more time consuming and costly audits, employers would be required to keep more extensive records. Not only would the additional record keeping be a source of valid complaint from employers, but a classification procedure based on individual employee duties could result in unfair discrimination between those employers maintaining proper records and those unwilling or unable to maintain them. Reviewing and resolving such complaints at all levels, as well as the increased audit, verification, and record keeping expenses for all parties, would produce increased costs for providing workers' compensation insurance protection.

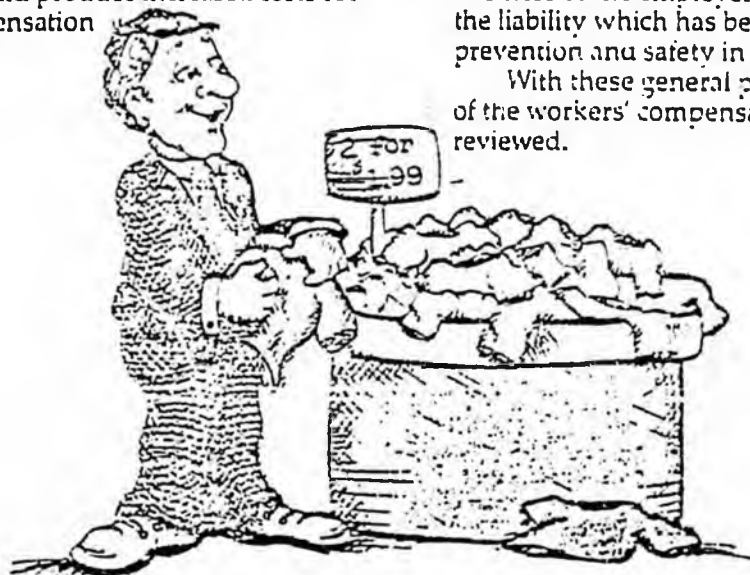


"...similar businesses have similar exposures to occupational injury and disease, even though no two businesses are identical."



In summary, a classification system based upon the business of the employer has the dual advantage of reflecting the liability which has been insured, while encouraging loss prevention and safety in a cost effective manner.

With these general principles in mind, the evolution of the workers' compensation classification system will be reviewed.



Explanation of Classifications

All the classifications, with the exception of the Standard Exception classifications to be explained below, are called basic classifications. Each basic classification is assigned a four-digit code number. Basic classifications describe the business of the employer, such as:

Business	Classification	Code Number
Manufacture of a Product	Furniture Mfg.—Wood NOC*	2883
A Process	Engraving	4352
Construction or Erection	Carpentry NOC	5403
A General Type or Character of Business	Hardware Store	8010
A Service	Beauty Parlor	9586

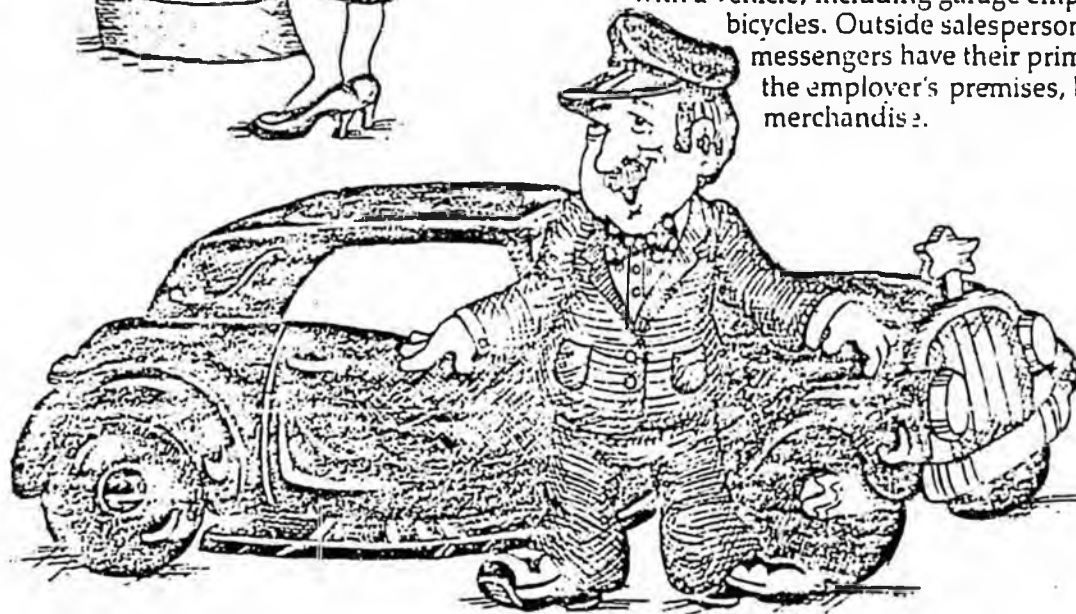
*Not Otherwise Classified

Classifications are listed alphabetically in the *Basic Manual for Workers' Compensation and Employers' Liability Insurance*. In some instances, explanatory footnotes follow the classification listing and these notes are considered part of that classification. There is also a *Classification Code Book* which lists all classifications in numerical order and arranges all classifications into 32 main industry divisions called schedules, which are subdivided into 133 smaller groups of classifications having similar characteristics. As will be explained below, the Code Book can be very helpful in determining a classification assignment because it groups industries with similar operational characteristics. In the numerical listing, all active classifications will be found, including classifications which apply in each state using the Basic Manual, "state specials" (classifications applicable in only one or a few states), and discontinued classifications, incorporating, in many instances, an indication of the classification to which the experience of the discontinued classification was assigned.

Standard Exceptions

Three occupations are common to so many businesses that special classifications have been established for them. These *Standard Exception* classifications cover clerical office and drafting employees; drivers, chauffeurs, and their helpers; and outside salespersons, collectors, and messengers. Employees covered by a standard exception classification are not included in a basic classification unless the basic classification language specifically includes them.

While the Basic Manual provides specific instruction for the use of the standard exception classifications, generally, clerical office or drafting employees are confined exclusively to office work in areas physically separated from other operations. Drivers, chauffeurs, and their helpers are engaged in duties in connection with a vehicle, including garage employees and those using bicycles. Outside salespersons, collectors, and messengers have their primary duties away from the employer's premises, but do not deliver merchandise.



General Inclusions

All of the basic classifications include certain operations which would be classified separately were they to be run as independent businesses. Such operations are called *General Inclusions* and include employee cafeteria operations, the manufacture of packing containers, medical facilities for employees, printing departments, and maintenance work. They are included in the scope of each classification because they are a routine part of most business operations.



General Exclusions

Just as some operations are general inclusions, there are other operations so exceptional that they are excluded from the scope of the basic classifications. These *General Exclusions* include aircraft operation, new construction by the insured's employees, stevedoring, and saw mill operations.

To summarize, insureds are assigned to classifications according to the principle of using the one classification that best describes the routine business of the employer, with the general inclusions, but excluding standard exception employees and general exclusion operations.



Group 051, which includes grain products, also would be considered, but the classifications in the group include beet sugar manufacturing, corn products, dextrine or starch manufacturing, grain milling and feed manufacturing, and sugar refining. These grain products are not similar to breakfast cereals, so the possibilities have been narrowed to the baking group. This process of elimination is quickly accomplished, even for a person not familiar with the classifications, because it is easy to determine at a glance which schedules and groups are inappropriate.

The search has been narrowed to Group 050, which includes four classifications (Step 3).

Group 050—Baking	
Bakery & salespersons, route supervisors, drivers.....	2003
Breakfast Food Mfg.....	2016
Cracker Mfg.....	2001
Macaroni Mfg.....	2002

The proper classification is Code 2016, entitled "Breakfast Food Manufacturing." Thus, by the process of progressively narrowing the search, the proper classification for corn flake manufacturing has been found. Essentially, this is the procedure undertaken by the classifier or underwriter when determining the appropriate classification assignment for each employer at the time the policy is issued.

While the object of the workers' compensation classification procedure is to assign the one basic classification which best describes the business of an employer within a state, a single classification may not be sufficient. In such cases, procedures have been established to provide for the use of more than one classification as required. For example, different basic classifications may be assigned to separate legal entities insured under a single policy.

If more than one legal entity may be combined in a single policy because of common ownership, in most jurisdictions each enterprise would carry its own basic classification code. Multiple basic classifications also may be assigned in two other circumstances. In the first, a basic classification may require that certain operations or employees be rated separately. For example, Code 4299—"Playing Cards Mfg."—contains the footnote, "paper or cardboard mfg. to be separately rated as 4239." In the second instance, multiple basic classifications may be assigned to an employer who operates a secondary business within the state requiring the assignment of an additional basic classification.

For the assignment of additional basic classifications, all of the following conditions must exist. The secondary business either must be conducted as a separate enterprise or, in accordance with the classification phraseology of the principal classification, it must be treated as a separate enterprise. Separate payroll records must be maintained and each business must be separated physically. Finally, the assignment of a separate classification must not be prohibited by any classification otherwise assigned to the policy.

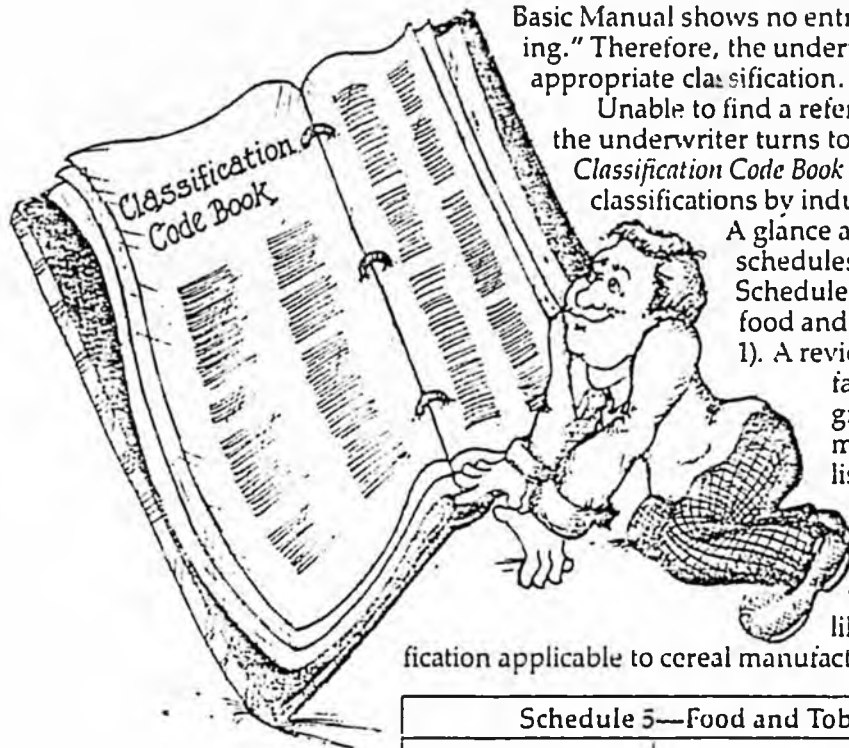
While the general classification principle is to group similar businesses to produce a fair and equitable manual rate, this approach is not practical in the building trades where contractors undertake different projects using several construction trades for varying periods of time until completion of the project.

In the construction and erection industry it is not possible to define employers having similar average work forces, so each distinct kind of construction or erection operation at the job site is assigned to the classification specifically describing the trade, provided that separate records of payroll are maintained. For small specialty contractors, such as plumbers or electricians, this procedure produces the same result as is the case in non-contracting businesses—a single classification for the entire business. For larger general contractors using different trades during different phases of the project, the classification procedure produces multiple classifications on the policy and develops a manual premium weighted by the distribution of employee work in the several trades.

Because loss prevention and safety programs are developed generally for specific trades and skills, this classification approach for construction and erection incorporates the same safety incentive as the classification by industry for other kinds of businesses.

Classification Assignment

Having discussed the general theory of classification and the application of classifications, the approach followed by an underwriter or classifier in assigning a classification to an unfamiliar business will be described. Assume, for these purposes, that the insured is a small employer manufacturing corn flakes. A review of the classification pages of the Basic Manual shows no entry for "cereal manufacturing." Therefore, the underwriter must find the appropriate classification.



Unable to find a reference in the Basic Manual, the underwriter turns to the yellow pages in the *Classification Code Book* which lists the manual classifications by industry schedule and group.

A glance at the index of industrial schedules narrows the search to Schedule 5, which applies to the food and tobacco industries (Step 1). A review of the 32 schedules fails to indicate any other group under which cereal manufacturing might be listed.

By reviewing the groups comprising Schedule 5, Group 050, "Baking" seems the most likely to include a classification applicable to cereal manufacturing (Step 2).

Schedule 5—Food and Tobacco Industries	
Group Numbers	Industries
050	Baking
051	Grain, Sugar and Starch Products
052	Confections and Food Sundries
053	Dairy Products
054	Livestock Handling and Meat Products
055	Preserving and Canning
056	Brewing and Bottling
057	Tobacco

Classification Dynamics

The theory of classification has been reviewed and workers' compensation classification applications have been explained briefly. While insurance and classification theory require the grouping of like or similar employers with common expectations of losses, it would be a mistake to assume that the classification structure is a rigid, unchanging system in which square pegs are forever being forced into round holes.

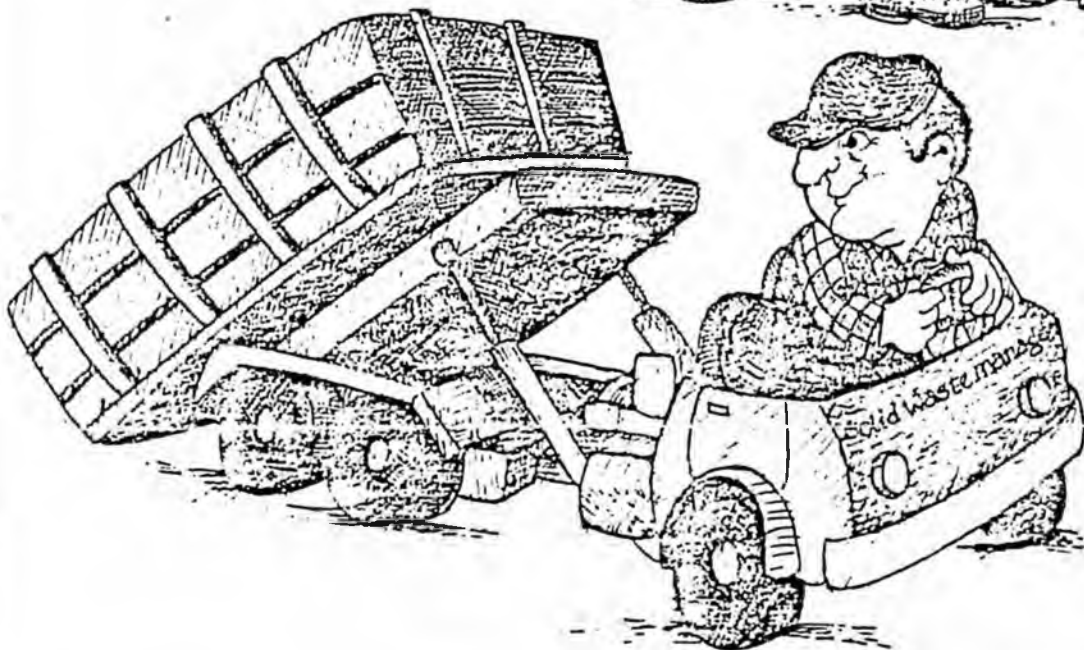
There are two important ways in which the classifications used for workers' compensation are continuously changing and evolving. Each classification combines the payroll and losses of similar employers to develop a price for the protection. Through invention, discovery, and innovation, industries are continually refining and upgrading their operating procedures. More efficient manufacturing machines are developed, automation is introduced, raw materials sometimes change, and better assembly methods are devised. Such changes, however, do not occur overnight. Some employers are quick to innovate, while others hesitate to change tried and true methods. Gradually, however, new processes replace old, and the means and materials of business operations change while the basic product remains the same.

When annual rate revisions are made, total state premium needs are distributed to individual classifications, based on the three latest years of payroll and losses. A new year of experience is added annually and the oldest year is discarded. As industry conditions evolve, reflecting modernization and better conditions, so the experience upon which the rate is based continually changes. While the classification describing an industry may not change, the experience for that industry is continually changing and tracking conditions within the industry, with the manual rates revised accordingly. One of the more common comments to the NCCI is that the classification language has not kept pace with the changes in industry nomenclature. The proverbial garbageman becomes a "sanitation engineer" and later a "solid waste manager," while the classification language still refers to garbage, ashes, or refuse collection. While classification language may not change as rapidly as fashion, the experience does change and reflects the use of newer equipment and operating techniques.

The second, and more important, way in which the classification system changes is through the continual monitoring by the NCCI and its member companies. Classification questions are reported to regional offices by local field offices and, in turn, by the regional offices to the NCCI headquarters in New York. Classifications generating frequent complaints are reviewed to determine whether revisions are needed.

When the workers' compensation system came into existence countrywide after 1911, approximately 1,400 classifications were inherited from workmen's collective and employers' liability coverage which had existed prior to the adoption of the workers' compensation laws. Between 1911 and 1919, the formative years of the workers' compensation system, the classifications were gradually reduced to approximately 800 in the early 1920's and then to approximately 600 in the early 1930's. From 1934 through the mid-1970's, there was no broad restructuring of the classification system. However, the introduction of new classifications over the years produced a net increase to approximately 700 classifications. In the mid-1970's, a major review was undertaken to eliminate and reassign approximately 100 classifications developing little or no payroll in most states. Thus, many of the 600 classifications now used describe industries and businesses that did not exist several years ago.

These changes in classifications have been the result of



requests from various groups of employers for separate classification treatment or the recognition by the insurance industry of the need for a single classification where two or more classes had applied. The typical request from outside the insurance industry for a new classification seeks a subdivision of an existing classification into the two or more components involved in the emergence of new methods of operation. For example, in 1977, a new classification was introduced for self-service gasoline stations, as distinct from a single classification for all gasoline stations.

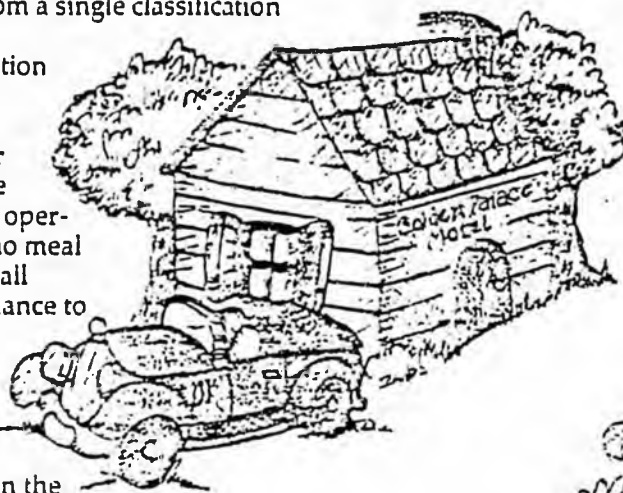
Perhaps the best example of evolution in the classification system itself is the motel industry. Until the mid-1940's, "motels" were usually tourist cabins or tourist courts and were classified in the manner as camps, i.e., under building operation. These early "motels" provided no meal service and were usually a series of small roadside cabins, bearing scant resemblance to the hotels found in urban areas. Travel increased after the Second World War, creating the need for better lodging facilities. This change was recognized by the introduction of a separate classification code for motels in the early 1950's.

By 1960, it became apparent that the loss emergence of hotels and motels was converging and, at that time, the two classifications were combined for ratemaking (producing the same rate for each) because of the similarity of exposure. Finally, in 1974, the separate classification code number for motels was discontinued in recognition of the fact that hotel and motel operations were virtually the same.

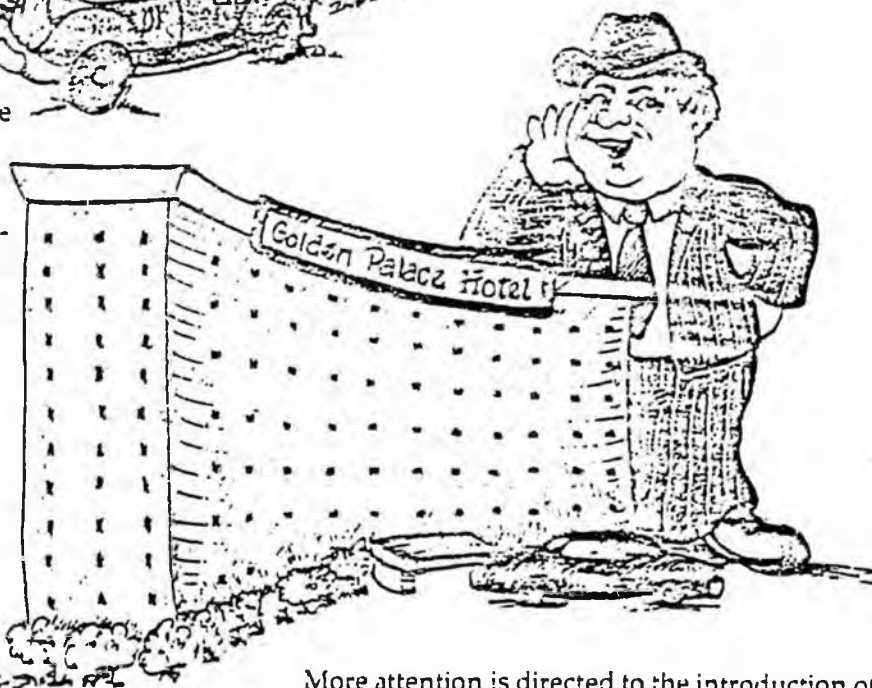
As part of the general upgrading of services over the years, motels gradually began to offer food service. Sometimes the motel would be next to a diner—perhaps operated by the same owners—or else would have a small area providing breakfast and basic meal service. Again, over the years conditions have evolved to the point where most motels provide food and entertainment services. Recognition of the distinction between motel operations and food service operations led to the creation of a separate classification for restaurants operated by motels. Thus, the history of this industry illustrates the response of the workers' compensation classification system to changes in business conditions.

The introduction and elimination of classifications is based on studies conducted by the NCCI and insurance carriers interested in a particular industry or classification problem. In general, the introduction of a separate classification requires a group of employers with similar methods of operation or producing a common product which can be distinguished from other businesses.

The group of employers also must be sufficiently large to produce payroll and losses which will be meaningful for ratemaking purposes.



"...new processes replace old, and the means and materials of business operations change..."



More attention is directed to the introduction of new classifications than to the elimination of classifications for industries or operations which have become obsolete. This is because the fading or diminishing of a classification does not call attention to itself. New industries, on the other hand, command attention because of the extra effort needed to determine the proper classification assignment by analogy or because of requests for recognition from the industry or its representatives.

Classification Administration

At the beginning of this booklet, it was explained that classifications are necessary for the development of a fair and equitable distribution of the overall premium among individual employers. Classification experience also is used as a predictor of future premium needs for each group of employers. For this reason, the classification system is the foundation upon which workers' compensation pricing is based. To the extent that any business is misclassified, the underlying data for two classifications are incorrect, for the wrong payroll and losses are added to the experience of the classification wrongly assigned and the correct classification lacks the payroll and losses properly assignable to it.

Accordingly, the administration of the classification system is one of the most important functions of the NCCI. This duty is carried out in two ways. First, the local field office receives a copy of each policy indicating the classification assigned. These are compared with records of prior coverage for consistency and continuity. If a classification appears improper, further information is sought from the insurance carrier and appropriate action is taken.

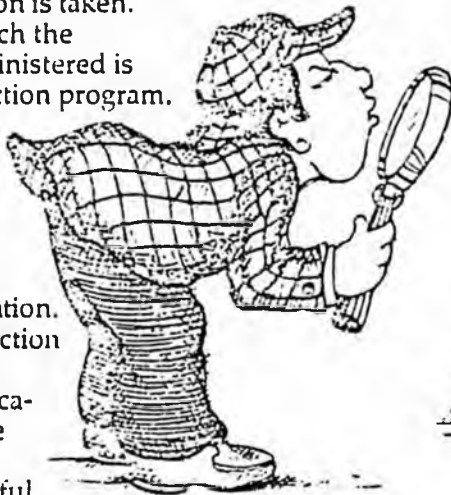
The second way in which the classification system is administered is through a systematic inspection program.

The inspection program is carried out by the local field office and involves a visit to the premises of the insured to obtain first-hand information concerning the nature of the business operation.

At the local office, the inspection report then is reviewed by classifiers who issue classification notices to the insurance carrier. It has been NCCI's experience that no meaningful differences in classification develop from inspections in 80% of the cases. The remaining 20% divide almost equally between the need for higher or lower rated classifications. This indicates that while there is no inherent bias in the system to seek more business by underpricing, or higher premiums through misclassification, there is much room for reducing misunderstandings and misinterpretation.

The inspection program is designed to periodically review individual insureds subject to experience rating. Particular attention is given to situations where an inspection is necessary to resolve a classification assignment question.

Concentration on the larger employers represents efficient allocation of resources because these businesses generate the bulk of the premium volume for most classifications. An inspection report, as can be seen in the example in Exhibit I, (see page 12) contains a description of the business operations, allocation of employees, machines in use, and a description of the finished products. The inspector also will look for interchange of labor and he obtains other basic identifying information needed for record keeping. Through the inspection program, the classification system is monitored continuously to ensure its proper application.

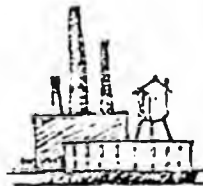


Conclusion

A properly functioning classification system is necessary both for a fair and equitable distribution of premium needs and for the development of the necessary statistical information to prepare manual rates. The average classification rate provides a reference against which individual employer experience is compared to develop a modification of the manual premium for employers subject to experience rating. This approach is a practical, proven system which produces a reasonable premium allocation. While other systems could be devised, the total premium needs would not be lessened and additional administrative costs might actually be greater.

The classification system places all employers conducting the same business in the same classification. This reflects the fact that employers engaged in the same business will have similar operations and employee distribution. The workers' compensation pricing programs are an interwoven system, with experience rating specifically designed to measure individual employer differences within a classification. The classification system is based upon sound insurance theory and is a practical, non-discriminatory procedure benefiting both the insurance buyer and seller by being cost efficient while promoting safety and loss prevention.

"The inspection program is designed to periodically review individual insureds subject to experience rating."



Compensation Classification Inspection Report

Exhibit I

DESCRIPTION OF OPERATIONS

1. Do your operations change or does the number of employees fluctuate during the year? **NO**
2. How long has your firm been in business? **17 years**
3. Has there been any change in ownership in the last four (4) years? **NO**
4. Does your firm operate any other locations in this or any other state? **NO**
5. Has your firm related to other businesses? If so, list names and relationships. **NO**
6. Does the firm or any of its employees own, rent or operate aircraft in conducting its business? **NO**
7. Does the firm or any of its employees own, rent or operate aircraft in conducting its business? **NO**
8. Does the firm or any of its employees own, rent or operate aircraft in conducting its business? **NO**

EXPLAIN ANY QUESTIONS ANSWERED AFFIRMATIVELY

GENERAL INFORMATION

There are 4 mfg or production departments in this operation and 47 emp. are engaged in the fabrication of structural and non-structural steel according to the specifications of the department being produced. The steel is cut to high dimensional using O.K. cutters and torches. The fabricated parts are further shaped to finished products using grinders. These items form the frame work of the product.

26 emp. are involved in machining aluminum and steel finished parts such as axles, bushings, rittines, and wheel hubs. These items are finished according to specifications.

49 employees receive the fabricated steel frame pieces, machined parts, and assemble the product into finished units. Insured purchases precision parts such as ball bearings auxiliary power engines from outside sources.

3 employees paint the finished products in a physical paint facility.

2 employees interchange labor in all departments to perform clerical duties.

6 employees act as outside salesmen.

3 employees deliver finished products to retail dealer.

The insured has not materially changed his code, been any changes in ownership in the past three years, has no other locations, and owns no other assets. Officers of this company receive no salary and do not act as business purposes.

CR-5-62 (REV)

Council on Compensation Insurance COMPENSATION CLASSIFICATION INSPECTION REPORT

A _____

B _____

C _____

D **ABC Corporation 1234 Main Street, Anytown**

E **Mr. Doe, President, ABC Corporation**

Location (City, State, Zip) _____

Product Manufactured _____

Product Manufactured - TYPE OF BUSINESS _____

This insured manufactures products which are used in the construction of buildings, bridges, and various types of steel structures. These products are designed to be fabricated by structure and steel erectors. The insured manufactures in addition to structural steel, various types of machinery, and custom ironwork.

Materials Used in Manufacture - PRODUCTS SOLD _____

Steel Stock, Aluminum Stock, Precision Parts, Grinders, Paint

Case No. _____

Carrier _____

Office _____

City/State _____

Insurer _____

Policy # _____

DEPARTMENT OPERATIONS

Department	Building	Floor	Dept.	Physical Separation	Interchange Labor	Emp.	Code
Steel Fabrication	1	1	1	yes	no	27	3507
Machining	1	1	2	yes	no	16	3507
Assembly	1	1	3	yes	no	49	3507
Painting	1	1	4	yes	no	3	3507
Quality Control	1	1	5	no	1,2,3,4	2	3507
						5	5810
						3	7260
						9	3742
TOTAL EMPLOYEES							

CLERICAL
DRIVERS/HELPERS
SALESMEN

ALASKA BUSINESS INSURANCE INCORPORATED

January 29, 1987

FEB 15 1987

Representative John Sund
House Judiciary Committee
P.O. Box V
Juneau, AK 99811

Attn: Shari Kochman
Ref: Alaskan Aviation Insurance

Dear Shari:

Upon your request I am writing to address your questions concerning the availability, affordability, and special problems in Alaskan aviation Insurance.

Enclosed you will find the summary pages of premium and loss information for Alaskan aviation for 1980 through 1984. As I mentioned, the 1985 information was not available when I prepared this report in November of 1986. The compilations were taken from the annual State insurance reports, made available to me by the Alaska Division of Insurance.

As you can see there has been a substantial increase in admitted insurance company activity in the State from 1980 to 1984. The availability of Alaskan aviation insurance is still something we would like to improve. Alaska continues to suffer from its reputation of unfavorable courts allowing for unusually large settlements, particularly with respect to passenger injury claims.

The 1985 loss results are now available and I encourage you to review them. I understand they are far less favorable than the 1984 results indicated in my enclosure. A quick review of the 1980 through 1984 results show a wide margin of difference from one year to another in the loss ratios the insurance companies have experienced. This to some degree indicates the large unpredictability of aircraft liability litigation as well as, to a lesser degree, the catastrophic nature of aviation claims. It is my opinion that the pricing is adequate at this time. An indication of this would be the increased numbers of admitted companies entering the market as evidenced in the enclosures.

If there is a special problem, I think it is the unpredictability of liability claims. Underwriters undoubtedly are charging more premium to offset an unexpected large award should it ever occur. If losses were completely predictable, a specific premium could be determined. Company experience coupled with this inability to accurately predict claims will continue to result in premiums that are surcharged for this eventually.

Representative John Sund
Attn: Shari Kochman

Page 2

You seem to indicate that you felt all Alaskan aviation coverage was written in the surplus lines market. In the past five years more of this has been written in the admitted market. The Alaska State Division of Insurance has been instrumental in finding programs to aid and encourage admitted insurers to come into the State of Alaska and conduct business. In 1986 there was more admitted aviation insurance business in the State than surplus lines business.

If you have any other questions you would like to ask, I would be happy to answer them.

Sincerely,

A handwritten signature in cursive script, appearing to read "Phillip J. Dressen", with a long horizontal flourish extending to the right.

Phillip J. Dressen
President

PJD:bkn

enclosure

November 1, 1986

ALASKA AVIATION
ADMITTED COMPANIES' LOSSES
* EARNED VS. INCURRED

<u>Year</u>	<u>Earned Premiums (\$000)</u>	<u>Losses Incurred (\$000)</u>	<u>Percent Loss Ratio</u>
1980	1,667	1,304	78.2
1981	3,186	3,728	117.0
1982	6,837	2,935	42.9
1983	16,216	6,156	38.0
1984	16,032	9,100	56.7

November 1, 1986

TOTAL ANNUAL PREMIUMS

1984

(ESTIMATED)

		<u>(\$000)</u>
Hull	Admitted	\$10,005
	Non-Admitted	4,062
Liability	Admitted	6,670
	Non-Admitted	9,480
	TOTAL	<u>\$30,217</u>

November 1, 1986

ALASKA AVIATION

(ADMITTED)

1980

<u>Company</u>	<u>Manager</u>	<u>Written Premium (\$000)</u>	<u>Earned Premium (\$000)</u>	<u>Losses Incurred (\$000)</u>
Alaska National Ins. Co.	ANIC	226	226	0
Avemco Ins. Co.	Avemco	275	245	239
Central National	Cravens Dargan	723	722	67
INA	INA	3	3	315
Puritan Ins. Co.	SMAU	335	118	31
U.S. Fire	AOA	121	56	0

November 1, 1986

ALASKA AVIATION

(ADMITTED)

1981

<u>Company</u>	<u>Manager</u>	<u>Written Premium (\$000)</u>	<u>Earned Premium (\$000)</u>	<u>Losses Incurred (\$000)</u>
Alaska National Ins. Co.	ANIC	1,396	1,309	2,514
Avemco Ins. Co.	Avemco	584	514	180
Central National	Cravens Dargan	649	702	1,166
INA	INA	108	58	8
Puritan Ins. Co.	SMAU	305	392	55
Royal Indemnity	USAIG	13	13	3
U.S. Fire	ADA	29	85	8

November 1, 1986

ALASKA AVIATION

(ADMITTED)

1982

<u>Company</u>	<u>Manager</u>	<u>Written Premium (\$000)</u>	<u>Earned Premium (\$000)</u>	<u>Losses Incurred (\$000)</u>
Alaska National Ins. Co.	ANIC	1,328	1,366	278
Alaska Pacific Assur. Co.	CIGNA	427	258	45
Avemco Ins. Co.	Avemco	828	788	208
Central National	Cravens Dargan	588	600	1,502
Comstock Ins. Co.	M.J. Hall	71	30	0
Continental Casualty	USAIG	24	24	4
Covenant Mutual	Grenham	1,230	498	431
Employers of Wausau	USAIG	73	73	10
Hartford Fire	USAIG	2,560	2,560	601
Houston Casualty	Stephen L. Way	1,096	1,007	140
INA	INA	15	62	-14
National Union	SEAU	127	81	3
Puritan Ins. Co.	SMAU	50	180	202
U.S. Fire	AOA	54	101	26

November 1, 1986

ALASKA AVIATION

(ADMITTED)

1983

<u>Company</u>	<u>Manager</u>	<u>Written Premium (\$000)</u>	<u>Earned Premium (\$000)</u>	<u>Losses Incurred (\$000)</u>
Aetna Casualty & Surety	USAIG	314	314	17
Alaska National Ins. Co.	ANIC	1,201	1,198	589
Avemco Ins. Co.	Avemco	1,063	1,076	376
Central National Ins.	Cravens Dargan	363	381	-102
Century Indemnity	Cravens Dargan	615	615	1,558
Continental Casualty	USAIG	103	103	12
Employers of Wausau	USAIG	205	205	12
Fireman's Fund	Associated	437	437	--
Hartford Fire	USAIG	7,982	7,982	2,647
National Union	SEAU	166	192	5
Puritan Ins. Co.	SMAU	427	210	493
Royal Indemnity	JSAIG	143	143	22
St. Paul Fire & Marine	USAIG	430	430	71
State Farm	USAIG	47	45	--
Travelers Indemnity	USAIG	2,232	2,232	98
United States Fire	AOA	41	36	--

November 1, 1986

ALASKA AVIATION

(ADMITTED)

1984

<u>Company</u>	<u>Manager</u>	<u>Written Premium (\$000)</u>	<u>Earned Premium (\$000)</u>	<u>Losses Incurred (\$000)</u>
Aetna Casualty & Surety	USAIG	-205	-205	3
Aetna Ins. Co.	Cravens Dargan	0	0	605
Alaska National Ins. Co.	ANIC	276	328	-17
Alaska Pacific Assur. Co.	CIGNA	386	441	72
American Empire	LAU	350	176	27
Avemco	Avemco	1,071	1,006	725
Central National	Cravens Dargan	14	21	95
Century Indemnity	Cravens Dargan	358	356	608
Continental Casualty	USAIG	152	152	116
Employers of Wausau	USAIG	473	473	7
Fremont Indemnity	M.J. Hall	380	380	76
Hartford Fire Ins. Co.	USAIG	5,908	5,908	4,559
Houston Casualty	Stephen L. Way	2,410	2,269	871
National Union	SEAU	472	361	251
Puritan Ins. Co.	SMAU	469	475	-125
Royal Indemnity	USAIG	547	547	248
St. Paul Fire & Marine	USAIG	439	439	58
State Farm	USAIG	55	49	23
Travelers	USAIG	2,009	2,009	863
USF&G	USAIG	461	306	2
U.S. Fire	AOA	132	93	3

THE FOLLOWING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

ORAL AND WRITTEN TESTIMONY

TO: REPRESENTATIVE JOHN SUND
CHAIRMAN, HOUSE JUDICIARY COMMITTEE

REPRESENTATIVE DAVE DONLEY
CHAIRMAN, HOUSE LABOR AND COMMERCE COMMITTEE

FROM: FRANK THOMAS-MEARS
ACTING CHAIR, WORKERS COMPENSATION COMMITTEE OF
ALASKA, INC.

DATE: FEBRUARY 5, 1987

SUBJECT: ALASKA WORKERS' COMPENSATION

GOOD AFTERNOON. MY NAME IS FRANK THOMAS-MEARS, ACTING CHAIRMAN OF THE WORKERS' COMPENSATION COMMITTEE OF ALASKA (HEREINAFTER WCCA), A MANAGEMENT ADVOCATE ON WORKERS' COMPENSATION ISSUES. I AM ALSO AN OWNER OF TWO SMALL BUSINESSES, A FOUNDING DIRECTOR OF THE ALASKA SUBCONTRACTORS ASSOCIATION, AND A FOUNDING DIRECTOR AND CHAIRMAN OF THE ALASKA ASSOCIATION OF SMALL BUSINESS. I AM THE ALASKA SUBCONTRACTOR ASSOCIATIONS REPRESENTATIVE IN WCCA.

THE WORKERS' COMPENSATION SYSTEM WAS DESIGNED TO BE A NO FAULT, NON-ADVERSARIAL SYSTEM OF COMPENSATION FOR INJURED WORKERS. IT WAS DESIGNED TO DELIVER SPEEDY FINANCIAL RELIEF TO THE INJURED WORKER. IT WAS DESIGNED TO REPAIR AND REHABILITATE THE INJURED WORKER. IT WAS DESIGNED TO HELP THE INJURED WORKER REGAIN THEIR HEALTH, THEIR GAINFUL, PRODUCTIVE EMPLOYMENT - AND KEEP THEIR PRIDE.

LADIES AND GENTLEMEN, I SUBMIT THE ALASKA WORKERS' COMPENSATION SYSTEM IS SERIOUSLY FLAWED - BECAUSE IT DOES NOT DO WHAT IT WAS INTENDED TO DO FOR THE INJURED WORKER. IT IS ROBBING THE PRIDE AND GOOD HEALTH OF THE TRULY DESERVING AND NEEDY INJURED WORKER. IT HAS ENCOURAGED THE FREELoader. IT IS ENRICHING A FEW - AT A GREAT COST TO THE INJURED WORKER, AND THE EMPLOYER.

ALASKAN EMPLOYERS, UNION AND NON-UNION, PUBLIC AND PRIVATE SECTOR ALIKE, ARE STRUGGLING TO DEAL WITH THE REALITY OF SOME POWERFUL ECONOMIC FORCES.

1) 1987 WORKERS' COMPENSATION RATE INCREASES

IN NOVEMBER 1986, THE DIVISION OF INSURANCE ANNOUNCED AN AVERAGE 14.3% INCREASE IN COMPENSATION RATES FOR THE INSURANCE YEAR BEGINNING JANUARY 1, 1987, FOR ALL NEW AND RENEWAL BUSINESS.

MORE SPECIFICALLY, AVERAGE INCREASES BY GROUP ARE:

<u>GROUP</u>	<u>IMPACT</u>	<u>RANGE OF IMPACT</u>
--------------	---------------	------------------------

MANUFACTURING	+ 1.8%	+27% TO -23%
CONTRACTING	+20.5%	+46% TO - 4%
OIL AND GAS	+ 7.4%	+33% TO -17%
ALL OTHER	+13.3%	+39% TO -11%

RATE INCREASES RIVALING THOSE FOR 1987 ARE EXPECTED FOR THE INSURANCE YEAR 1988.

WE BELIEVE THESE RATE CHANGES REFLECT THE INCREASING COSTS OF SETTLING COMPENSATION CLAIMS IN ALASKA. WE DO NOT BELIEVE THEY REFLECT INCREASING JOB INJURIES.

2) WORKERS' COMPENSATION POOL SURCHARGE INCREASE

IN NOVEMBER 1986, THE DIVISION OF INSURANCE ANNOUNCED AN INCREASE IN THE PREMIUM SURCHARGE FOR BUSINESS PLACED INTO THE ALASKA ASSIGNED RISK WORKERS' COMPENSATION POOL FROM 10% TO 20%. I UNDERSTAND THE DIVISION IS IN RECEIPT OF DATA WHICH INDICATES THE SURCHARGE SHOULD ACTUALLY BE 33%.

THE SURCHARGE APPLIES AGAINST THE STANDARD PREMIUM. FURTHER, WHEN INSURED IN THE POOL, THE EMPLOYER NOT ONLY PAYS A SURCHARGE OF 20% ON THE STANDARD PREMIUM, HE LOSES ALL SCHEDULED CREDITS.

THE POOL WAS DESIGNED TO INSURE THE HIGH RISK BUSINESSES, THE BUSINESSES WITH TYPICALLY POOR MANAGEMENT AND A POOR CLAIMS HISTORIES.

REALITY TODAY IN 1987, DUE TO AN EXTREME LACK OF COMPETITION AMONG INSURANCE COMPANIES FOR ALASKAN WORKERS' COMPENSATION BUSINESS, THE POOL HAS BECOME THE ONLY SOURCE OF COMPENSATION INSURANCE PROTECTION FOR A LARGE SEGMENT OF ALASKAN EMPLOYERS - ESPECIALLY THE SMALL EMPLOYER - MOST OF THEM GOOD EMPLOYERS WITH VERY ACCEPTABLE CLAIMS HISTORIES.

AND IT APPEARS THE INSURANCE COMPANIES ARE TAKING ADVANTAGE OF THE POOL SURCHARGE BY REFUSING TO WRITE BUSINESS AT STANDARD RATES, FORCING MUCH BUSINESS INTO THE POOL. I POINT OUT THAT LESS THAN TWO YEARS AGO, PREMIUM DISCOUNTS RANGING FROM 15% TO 85%, WERE READILY AVAILABLE TO ALASKAN EMPLOYERS - FROM THESE SAME COMPANIES WHO TODAY REFUSE GOOD BUSINESS AT STANDARD RATES.

3) NATIONAL AND INTERNATIONAL COMPETITION

DAILY ALASKAN EMPLOYERS ARE IMPACTED BY COMPETITORS FROM OUTSIDE THE STATE WHO MANY TIMES ARE MORE PRICE COMPETITIVE - NOT BECAUSE THEY ARE BETTER BUSINESS MANAGERS - BUT BECAUSE THEY HAVE LOWER COSTS - ESPECIALLY WORKERS' COMPENSATION COSTS.

4) IMPORTED LABOR NOT PAYING ALASKA WORKERS' COMPENSATION

LOCAL HIRE IS CERTAINLY A FRONT BURNER ISSUE WITH LABOR AND MANAGEMENT ALIKE IN ALASKA. LABOR AND MANAGEMENT CONSTANTLY DEAL WITH EMPLOYERS WHO IMPORT LABOR INTO THE STATE - AND COVER THESE EMPLOYEES UNDER THE COMPENSATION SYSTEM OF SOME OTHER STATE - AT A SUBSTANTIALLY REDUCED COST OVER THE ALASKA COMPENSATION SYSTEM.

THE STATE OF ALASKA DAILY IGNORES ITS OWN STATUTES AND ALLOWS THESE OUT OF STATE EMPLOYEES TO WORK IN ALASKA WITHOUT ALASKA COMPENSATION. THERE APPEARS TO BE LITTLE, IF ANY, FUNDING FOR ENFORCEMENT WITHIN THE DEPARTMENT OF LABOR - ANY ONLY ONE ENFORCEMENT OFFICER FOR THE ENTIRE STATE.

ENFORCEMENT OF THE PROVISION TO PURCHASE ALASKA WORKERS' COMPENSATION FOR ALL EMPLOYEES WHO WORK WITHIN STATE BORDERS WOULD GREATLY ADVANCE THE CAUSE OF LOCAL HIRE - AND GIVE ALASKAN LABOR AND MANAGEMENT A DECIDEDLY MORE EVEN PLAYING FIELD WITH OUTSIDE COMPETITION.

4) THE COLLAPSE OF ALASKA'S OIL ECONOMY

I NEED NOT REMIND OUR STATE OFFICIALS OF THE PAIN AND SACRIFICE INVOLVED IN FARING LARGE OPERATING BUDGETS TO THE BONE TO COME IN LINE WITH REDUCED OPERATING INCOME.

PRIVATE AND PUBLIC EMPLOYERS IN THE STATE ARE ALL GRAPPLING WITH THE SAME PROBLEM - AND AT THE SAME TIME FACING SUBSTANTIAL INCREASES IN THE COST OF COMPENSATION INSURANCE.

THE FOREGOING STATEMENTS WERE DESIGNED TO FRAME TO SIZE AND COMPLEXITY OF THE PROBLEM. CAUSES OF THE INEQUITIES AND IMBALANCES WITHIN THE WORKERS' COMPENSATION SYSTEM ARE TOO NUMEROUS TO RECOUNT DURING THE SHORT TIME ALLOTTED FOR PUBLIC COMMENT DURING THESE HEARINGS. NOR IS IT TIMELY TO SPEAK OF POSSIBLE SOLUTIONS. MUCH WORK REMAINS TO INVENTORY THE ISSUES, IDENTIFY THE PROBLEMS AND RECOMMEND THE SOLUTIONS.

RECOGNIZING THE NEED TO COMMUNICATE TOGETHER ON THE IMPORTANT SOCIAL AND ECONOMIC ISSUE OF WORKERS' COMPENSATION, LABOR AND MANAGEMENT HAVE TAKEN A UNITED AND DETERMINED STAND TO ASSESS THE PROBLEMS AND PROPOSE OUR SOLUTIONS.

WE HAVE REACTIVATED A JOINT LABOR/MANAGEMENT PLATFORM, HEREINAFTER THE AD HOC COMMISSION. IN THE NEXT FEW DAYS WE WILL FORWARD A JOINTLY WORDED LETTER FROM LABOR (AFL-CIO AND TEAMSTERS) AND MANAGEMENT (WCCA) TO THE COMMISSIONER OF LABOR, REQUESTING THE GOVERNOR TO APPOINT THE AD HOC COMMISSION AS A BLUE RIBBON TASK FORCE TO:

- A) STUDY IN DEPTH THE ALASKA WORKERS' COMPENSATION STATUTES AND ADMINISTRATIVE REGULATIONS - BOTH ON THEIR OWN MERITS AND IN COMPARISON WITH THE COMPENSATION SYSTEMS OF OTHER STATES;

B) STUDY IN DEPTH THE OPERATIONS OF SERVICE PROVIDERS WHOM DAILY INTERACT WITH THE WORKERS' COMPENSATION SYSTEM - PROVIDERS SUCH AS INSURANCE COMPANIES, ADJUSTORS, REHABILITATION COUNSELORS, ATTORNEYS AND PHYSICIANS;

C) MAKE JOINTLY AGREED UPON RECOMMENDATIONS FOR STATUTORY OR REGULATORY REFORMS WITHIN THE WORKERS' COMPENSATION SYSTEM.

FINDINGS OF THE AD HOC COMMISSION WOULD BE TRANSMITTED TO THE ADMINISTRATION AND APPROPRIATE COMMITTEES OF THE STATE LEGISLATURE.

IT IS THE INTENT OF THE AD HOC COMMISSION TO WORK CLOSELY WITH THE STATE LEGISLATURE, THE ADMINISTRATION AND ITS DEPARTMENTS OF LABOR AND COMMERCE ON THIS MOST SENSITIVE ISSUE.

WE ENCOURAGE YOUR SUPPORT OF AD HOC'S MISSION.

THANK YOU FOR THE OPPORTUNITY, ON SUCH SHORT NOTICE, TO PROVIDE OUR ORAL TESTIMONY TO YOUR RESPECTIVE COMMITTEES.

Steve Cowper, Governor

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

P.O. BOX 1149
JUNEAU, ALASKA 99802
PHONE:

January 28, 1987

Frank L. Thomas-Mears
Professional Trust Administrators, Inc.
P.O. Box 220713
Anchorage, AK 99522-0713

Dear Mr. Thomas-Mears:

Your December 10, 1986 letter to Governor Cowper concerning the appointment of a workers' compensation blue ribbon task force has been referred to me for response.

It is my understanding that representatives from both the employer and labor sectors are currently meeting in an attempt to organize a group along the lines of the previous Joint Labor/Management Ad Hoc Committee. It is my belief that solutions to workers' compensation are best derived through an ongoing dialogue between the two main parties in the system, labor and management, and, as in the past, we pledge our support and cooperation to a committee whose members are sanctioned by the Alaska labor and employer communities.

Sincerely,


Jim Sampson
Commissioner

cc: Governor Cowper

AD HOC COMMISSION

A. Mission

The mission of the Ad Hoc Commission shall be to reach and maintain a joint labor/management consensus on issues relating to the Alaska workers' compensation system - with emphasis on regaining and maintaining a cost effective system.

B. Goals

The goal of the Ad Hoc Commission shall be to examine the current statutes and administrative regulations with a view to reducing the overall cost of workers' compensation by one third while at the same time minimizing the impact of that cost reduction on the injured worker.

C. Composition

The Ad Hoc shall be composed of five members each from labor and management; four prime players plus an alternate. It is a requisite that each player be knowledgeable on workers' compensation issues - an expert panel.

To foster continuity from the former Ad Hoc commission, at least one member on each side shall be a previous member. (Dorgherty and Cattanach)

To enhance the Commissions understanding of legal and judicial issues in workers' compensation, at least one member on each side shall be a member of the Workers' Compensation Board. (Anders and Pierce)

To provide fresh blood and new thinking, at least one member on each side shall be new to the Commission. (Linenschmidt and Rehnberg)

Understanding that Anchorage is the prime center of activity for labor, management and service sector providers, at least three members on each side shall be from the Anchorage area. To regionalize, at least one member from each side shall be either from the north or south east sectors of the state.

Composition of the Ad Hoc Committee

Kevin Dorgherty
Laborers
Counsel

Dick Cattanach
Unit Company
AGC Ins/Bonding Committee

Robert Anders

Mary Pierce

AD HOC COMMISSION

Operating Engineers
Work Comp Board

Ins and Risk Mgmt Consulting
Work Comp Board

Ralph Mingo
Teamsters 959
Ak Society of Safety
Engineers

Steve Rehnberg
Tanadgusix Corporation
Certified Public Accountant

Harvey Linenschmidt
Painters/Allied Trades

Pending

Alternates:

Joe Thomas
Laborers/Fairbanks
Work Comp Board

Pending

D. Powers

- 1) Conduct Public Hearings
Both open and closed door testimony.
- 2) Conduct Investigative Research
Need broad powers.
- 3) Negotiate Legislative and Administrative Reforms
Only legislative or administrative reforms first
reviewed and negotiated by Ad Hoc eligible for intro-
duction in Juneau 1987/1988.
- 4) Present Reforms to the Administration/Legislature
Administration to submit legislation and enact
administrative changes.

WORKERS' COMPENSATION COMMITTEE OF ALASKA, INC.

A. Mission Statement

The mission of the Workers' Compensation Committee of Alaska, an Alaskan corporation, is to:

a) promote management's continued education and understanding of Alaska's workers' compensation laws and regulations.

b) act as a platform of communication between management and the service providers whom daily interact with the Alaska workers' compensation system.

b) foster and promote the Ad Hoc Commission as a platform for communication and negotiation on workers' compensation issues between management and labor.

c) act as a liaison between management and various governmental and non-governmental institutions, including but not limited to the:

- * Ad Hoc Commission
- * Department of Labor
 - Division of Workers' Compensation
 - Workers' Compensation Board
- * Department of Commerce
 - Division of Insurance
- * Alaska Classification and Rate Committee
- * National Council on Compensation Insurance

d) administer and foster greater practical utilization of the Second Injury Fund among Alaskan employers.

e) play an active role in the rate making and classification process by gaining and retaining admission to the Alaska Classification and Rate Committee.

WORKERS' COMPENSATION COMMITTEE OF ALASKA, INC.

B. Goals

Short term goals of WCCA:

a) monitor and detect waste and abuse within the Alaska workers' compensation system, irrespective of the source of such waste and abuse, and to bring such proven or suspected waste and abuse to the attention of the Ad Hoc Commission, the public and public officials.

b) study the structure of Alaska workers' compensation statutes and administrative regulations in comparison to other states;

c) study the relationship and interaction of system providers (i.e., adjustors, medical and chiropractic communities, rehabilitation counselors, attorneys, insurance companies and others) with the Alaska workers' compensation system in comparison to other states;

d) study the structure, organization and mission of the Division of Workers' Compensation and the Workers' Compensation Board;

e) study the structure, organization and mission of the Alaska Classification and Rate Committee;

f) study the classification and rating system utilized by the National Council on Compensation Insurance and the Alaska Classification and Rating Committee;

g) study, jointly with labor, the creation of a competitive state insurance fund for workers' compensation insurance along with other insuring alternatives;

h) study the structure, organization and mission of the Second Injury Fund to gauge its effectiveness as an employer incentive to hire the pre-injured and disabled;

communicate the results of such studies, our conclusions and written recommendations to the Ad Hoc Commission, the public and public officials.

C. Composition

WCCA is and shall remain a management advocate on Workers' Compensation issues.

Recognizing that service sector providers within the workers' compensation system (a) play an important role in the process of insuring the employer and providing benefits to the injured

worker, and that (b) the service sector provider to a large extent effects the cost involved to provide benefits to an injured worker, and that (c) the Alaska service sector providers are in the best position to define and offer constructive advice to correct inequities and imbalances within the system, WCCA will make every attempt to encourage the service sector providers to work within WCCA to assist labor and management in correcting the inequities and imbalances.

Further, WCCA recognizes that management consists of public and private sector employers, union and non-union. WCCA will make every attempt to secure even representation from each type of management.

WCCA will undertake its studies of the system as set forth in our goals, and will submit our findings and recommendations to the Ad Hoc Commission for their review, consideration and debate.

All such findings and recommendations shall first be examined and agreed upon by the executive board/legislative committee of WCCA.

COMPOSITION:

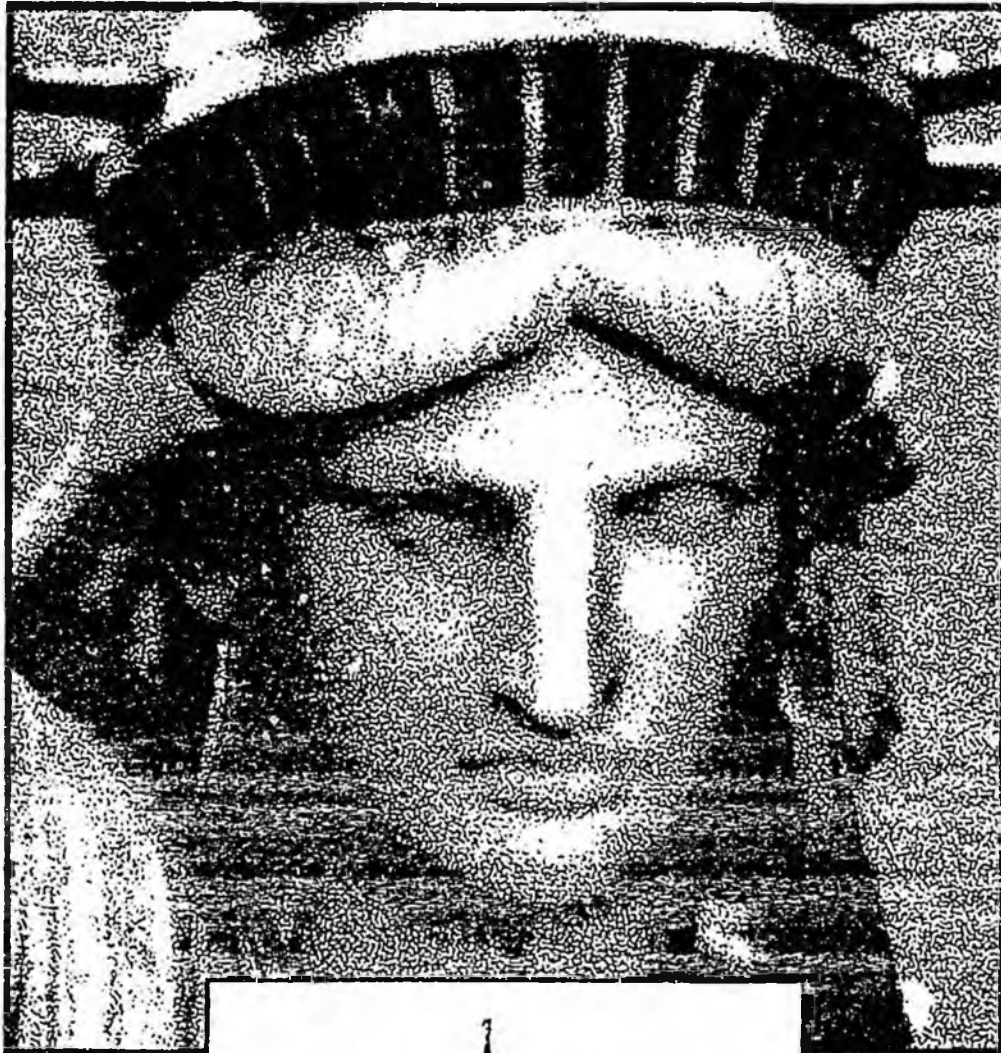
1. Executive Board/Legislative Committee
Management Only
2. Board of Directors
Management and Service Sector Providers

THE PRECEDING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

1 9 8 6

Analysis of Workers' Compensation Laws

Prepared and Published Annually
By the U.S. Chamber of Commerce



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FOREWORD

The 1986 edition of *Analysis of Workers' Compensation Laws* offers an overview of the important provisions of workers' compensation statutes and is intended to provide both a comparison and an improved understanding of the various laws. Sixteen detailed charts are presented to aid employers, employees, insurance firms, agents, brokers, attorneys, physicians, and others in locating specific provisions of workers' compensation laws.

The *Analysis* tracks the laws of the 50 states, the District of Columbia, Guam, and Puerto Rico, as well as the statutory provisions of American Samoa and the U.S. Virgin Islands. Full treatment is also provided for the federal, provincial, and territorial laws of Canada.

Although the *Analysis* provides essential information needed daily in many business offices, it should not be considered as supplanting exact provisions to be found in statutory texts.

The underlying data required to bring together this publication were supplied by legislative reporting services, insurance companies, and government officials in the several states and jurisdictions. Additional assistance came from the Social Security Administration, U.S. Department of Health and Human Services.

The legal research, analysis, and editing of the charts and text was furnished by Deborah D. Cumberland, Assistant Manager, in the Office of Special Projects, Domestic Policy, of the Chamber of Commerce of the United States. For further information, you can write to her at 1615 H Street, N.W., Washington, D.C. 20062 or phone (202) 463-5509.

All contributions to this publication are gratefully acknowledged.

Richard L. Leshner
President
Chamber of Commerce
of the United States

INTRODUCTION

HISTORY OF WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Workers' compensation laws are designed to provide satisfactory means of handling occupational disabilities. A 20th century development in North America, the laws have evolved as the economy became more industrial and less agricultural.

Before these laws were enacted, a well-established common-law principle held that a master or employer was responsible for injury or death of employees *resulting from a negligent act by him*. Thus, disabled workers who sued employers for damages had to prove their injuries were due to employer negligence—a slow, costly, uncertain legal process. As business enterprise and machine production expanded, the number of industrial accidents and personal-injury suits increased. At the close of the 19th century it was apparent that the accepted common-law defenses—contributory negligence, assumption of risk, negligent acts of fellow servants—operated too harshly on claims of disabled workers. The situation led to demands for new legal provisions.

As a result, between 1900 and 1910 so-called employer's liability laws were adopted by many states. Although they tended to modify common-law defenses, they did not prove completely satisfactory; employees still had to prove employer responsibility and negligence. Other legal remedies were urged.

A new answer was forthcoming: In 1911 the first workers' compensation laws were enacted in the United States on an enduring basis. The first comprehensive Canadian laws were enacted in 1915.

Today, each of the 50 states has a workers' compensation law. The compensation laws of American Samoa, Guam, Puerto Rico, and the U.S. Virgin Islands are also outlined in this *Analysis*. Federal workers' compensations laws have been enacted; for example, the District of Columbia Workmen's Compensation Act, the Federal Employees' Compensation Act, and the Longshoremen's and Harbor Workers' Compensation Act—the latter providing for private or public employees in nationwide maritime work. Each of the Canadian provinces and territories has a compensation act or ordinance.

In essence, workers' compensation laws hold that industrial employers should assume costs of occupational disabilities without regard to any fault involved. Resulting economic losses are considered costs of production—chargeable, to the extent possible, as a price factor. The laws serve to relieve employers of liability from common-law suits involving negligence.

Six basic objectives underlie workers' compensation laws:

1—Provide sure, prompt, and reasonable income and medical benefits to work-accident victims, or income benefits to their dependents, regardless of fault;

2—Provide a single remedy and reduce court delays, costs, and workloads arising out of personal-injury litigation;

3—Relieve public and private charities of financial drains—incident to uncompensated industrial accidents;

4—Eliminate payment of fees to lawyers and witnesses as well as time-consuming trials and appeals;

5—Encourage maximum employer interest in safety and rehabilitation through an appropriate experience-rating mechanism; and

6—Promote frank study of causes of accidents (rather than concealment of fault)—reducing preventable accidents and human suffering.

To what extent have the laws achieved desired objectives? Answers to this vary from state to state and depend on many factors including the viewpoint of the appraiser.

However, a 1972 evaluation by the National Commission on State Workmen's Compensation Laws concluded that state laws were not living up to their potential, and the Commission made 84 recommendations for the improvement of the system. Nineteen of these were labeled "essential." Despite this negative assessment, the Commission was convinced that workers' com-

ensation is a fundamentally sound system and a valued institution in our industrial economy.

In January 1976, the policy group of the Inter-Agency Workers' Compensation Task Force, with members from several U.S. government departments and agencies, reported its findings on the need for reform of state workers' compensation programs. Essentially, the Task Force found that existing programs must be reformed to bring about more effective management at the state level, with the federal government monitoring progress and providing technical assistance. The group felt that, without a reordering of priorities and a new mode of operation, workers' compensation would become more expensive, less equitable, and less effective. After completing its mission, the Task Force was merged with the Division of State Workers' Compensation Standards in the Office of Workers' Compensation Programs, Department of Labor.

The constructive criticism rendered by the Commission and the Task Force gave new impetus to the development and growth of workers' compensation laws, and these laws now enjoy a more prominent role within the social insurance system of the United States.

The National Commission and the Task Force both rejected proposals to replace the various state programs with one federal program. Nevertheless, legislation has been introduced in the U.S. Congress for the past several years to give the federal government a direct role in the state systems by setting federally mandated "minimum standards." There has never been sufficient support for these bills to move them beyond the committee level, however.

INTRODUCTION

GENERAL INFORMATION

This analysis of workers' compensation laws attempts to provide a ready reference to the statutory provisions found in the federal, state, and territorial laws of the United States and the federal, provincial, and territorial laws of Canada. American Samoa, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands are included.

In the following pages, 16 charts will be found grouped under three categories:

- *Coverage of Laws*, listing the various requirements pertaining to employments, injuries, and diseases (Part I);
- *Benefits Provided*, detailing the required income replacement benefits and medical benefits (Part II);
- *Administration of Laws*, grouping the many administrative requirements and safeguards (Part III).

COMMENTS ON CHARTS

Complete up to January 1, 1986, the charts on the following pages present the statutory provisions of the workers' compensation laws as amended. The effects of many decisions—by courts and administrative agencies—have been taken into account in interpreting these laws.

All provisions presented by the charts in this booklet have required study and interpretation to reduce them to the brief statements found in the charts. In some cases space does not permit sufficient explanation to clarify all points. In such cases it is suggested that the text of the law should be examined.

For an explanation of the abbreviations used in the charts and a note on benefit computations, see page 46.

FEDERAL AND DISTRICT OF COLUMBIA LAWS

Two federal workers' compensation laws are charted. The Federal Employees' Compensation Act (F.E.C.A.) governs compensation of all employees of the United States government. The Longshore and Harbor Workers' Compensation Act provides job disability benefits for all U.S. maritime employment and certain others. Courts have held that the Longshore Act does not apply to maritime employment in Puerto Rico, however.

Entries for the District of Columbia are derived from the District of Columbia Workers' Compensation Act, a D.C. enactment replacing the Longshore Act, effective July 26, 1982. D.C. government employees are covered by a separate D.C. enactment that replaces the F.E.C.A. The law for D.C. government workers is not charted except where it differs materially from the F.E.C.A.

The charts do not cover the federal Black Lung Act, the disability provisions of the Social Security program, the Federal Employer's Liability Act (Jones Act), or veterans' benefits.

CANADIAN LAWS

This booklet includes an analysis of the Canadian federal and provincial workers' compensation acts. Each province and territory administers its own act or ordinance. The federal Merchant Seamen's Compensation Act is charted, also.

Employees of the Canadian federal government are compensated under the Government Employees' Compensation Act, administered by Labour Canada. Compensation is paid by the Canadian government, but the amount is determined by the workers' compensation board for the province where the worker is usually employed. Government employees residing in the Northwest Territories or the Yukon Territory may receive compensation in accordance with the Alberta Act. In view of this arrangement, the charts do not include the Government Employees' Compensation Act except where it differs materially from the provincial acts.

ANNUAL COST

Reporting in *Social Security Bulletin*, the U.S. Department of Health and Human Services estimates that employers spent just over \$22.9 billion in 1983 to insure or self-insure their work-injury risks.

This was almost \$.4 billion, or 1.8 percent, higher than the 1982 cost of workers' compensation. The prior year, the decrease in cost was 1.9 percent. This was the first decrease since 1949. The average cost per \$100 of payroll was \$1.67 for 1983, compared with \$1.72 for 1982.

Medical costs totaled \$5.4 billion in 1983. Compensation payments amounted to \$12.2 billion—about 70 percent of all workers' compensation payments, which totaled \$17.6 billion. Figures for 1984 were not available at the time of publication.

HIGHLIGHTS OF 1985

The United States Congress and legislatures in forty-nine states convened in general session in 1985. In all, more than 235 laws were enacted covering almost every aspect of workers' compensation.

Benefits: Indemnity benefit maximums increased in 46 states and the District of Columbia as well as under the Longshore Act. Forty-one states and the District of Columbia now provide for the automatic adjustment of maximums annually, based upon the state average weekly wage. In 42 states, the maximum weekly benefit now equals or exceeds 66 2/3 percent of the statewide average weekly wage for temporary total disability cases. Of these, 31 pay 100 percent or more.

Funeral allowances were raised in five states and five Canadian jurisdictions.

Occupational Disease: Four states extended statutes of limitations or expanded coverage for claims based on occupational disease resulting from exposure to asbestos, or for other long latency illnesses.

Federal Legislation: During 1985, Congress reviewed—but took no final action on—the tax treatment of workers' compensation benefits, compensation for occupational disease, workplace product liability, and financing of the Black Lung program.

The Reagan Administration tax reform bill would have taxed workers' compensation cash benefits. However, this provision was deleted in committee, and the tax reform bill that passed the House made no change in the tax treatment of workers' compensation benefits.

House and Senate subcommittees conducted hearings but took no further action on proposals to establish a federal compensation program for occupational disease. A product liability reform bill, which would have abolished employer subrogation rights, failed in a Senate committee on a tie vote. Subsequent hearings on that issue centered around establishing a no-fault federal product liability compensation program.

An increase in the coal tonnage tax used to finance Black Lung benefits came closest to enactment, as an item in the Consolidated Omnibus Budget Reconciliation Act of 1985. That legislation passed both House and Senate but was reported back to a conference committee because of a dispute over an unrelated provision.

NEXT EDITION OF THE ANALYSIS OF WORKERS' COMPENSATION LAWS

Forty-four state legislatures and Congress convene in 1986. Undoubtedly, there will be numerous changes in many workers' compensation laws. A complete revision of this volume is printed annually. The 1987 edition will be available in March 1987. It will reflect changes made in workers' compensation laws up to January 1, 1987.

PART 1

COVERAGE OF LAWS

A basic and oft-repeated objective of workers' compensation is that coverage under the acts should be virtually, if not completely, universal. For various historical, political, economic, or administrative reasons no state law covers all forms of employment.

In 1983 the proportion of all wage and salary employees covered by job-injury laws was 86 percent representing 78.5 million workers. Covered payrolls amounted to approximately \$1.38 trillion, or 85 percent of total civilian wage and salary disbursements. Charts I through III delineate the statutory employment coverage requirements.

Another basic objective for workers' compensation is to provide compensation for all work-related injuries and diseases. Note that workers' compensation does not seek to cover all worker health problems. To make this distinction, fairly uniform statutory definitions and tests have been adopted in each state. Typically the statute limits compensation benefits to "personal injury caused by accidents arising out of and in the course of employment."

Although the test is fairly uniform, its interpretation has not resulted in completely uniform coverage of injuries and diseases. Initially, this problem was remedied by providing coverage for specific occupational diseases. With advances in medical technology and increased exposures to a growing number of substances with a variety of physical stresses, it became impractical to define work-related diseases by specific enumeration. The states have therefore amended their statutes to provide coverage of all occupational diseases. Chart IV portrays the status of the laws on this point.

TYPE OF LAW: CHART I

Compensation laws are compulsory or elective. Under an elective law, the employer may accept or reject the act, but if he rejects it he loses the three common-law defenses—assumption of risk, negligence of fellow employees, and contributory negligence. Practically, this means that all the laws, in effect, are "compulsory." A compulsory law requires each employer within its scope to accept its provisions and provide for benefits specified. Coverage is still elective in only three states: South Carolina, New Jersey, and Texas.

Suits for Damages—Under workers' compensation acts employers generally are exempted from damage suits. Where an employee rejects the act, and sues an employer who has accepted it, the employer usually retains the three common-law defenses. Conditions for rejection of the act often are so severe as to make the privilege virtually inoperative. In a few states, however, courts have created exceptions to the exclusive remedy rule under certain circumstances.

INSURANCE REQUIREMENTS: CHART I

Security for Payment of Benefits—Most jurisdictions require employers to obtain insurance or prove financial ability to carry their own risk.

Chart I notes provisions relating to (1) insurance requirements, (2) penalties for failure to insure, and (3) whether self-insurance or group self-insurance is permitted.

Six states and most provinces require employers to insure in a monopolistic state or provincial fund; in some instances, employers may qualify as self-insurers. Twelve states permit employers to purchase insurance either from a competitive state fund or private insurance company. Five of the six monopolistic state funds were created between 1913 and 1915, when the principles of workers' compensation were still new. In 1983 state funds collected \$3.1 billion in premiums.

The Chamber of Commerce of the United States advocates that employers be permitted to buy private insurance if they so desire

and that employers who can qualify be allowed to be self-insurers. Chamber policy states:

"Insurance is an integral part of private enterprise. Insurance should not be regarded as a function to be carried on by the government, and insurance monopolies carried on by governmentally created entities should not be permitted."

Self-Insurers—Some large corporations prefer to assume liability for workers' compensation and avoid administrative costs associated with insurance policies. Twenty-five states and the Longshore Act authorize group self-insurance for smaller employers who pool their risks and liabilities. Employers spent just under \$3.5 billion in 1983 on self-insurance.

Self-insurance operates best when an employer has a spread of risks so large that he may benefit from the law of large numbers. It is necessary and desirable that the self-insurer establish his own protective services—similar to those insurance companies would furnish for safety engineering and claims adjustment. Also, the self-insurer may have to retain attorneys and doctors to handle problems incident to claims and medical and legal services.

Self-insurance is permitted in 47 states—as shown in Chart I. Chart I also reflects those states that specifically authorize group self-insurance.

Employers may set up a reserve fund for self-insurance to pay compensation and other benefits under the workers' compensation acts of the states. Contrary to the treatment accorded insurance premiums, amounts paid into this reserve fund are not always deductible from gross income as a business expense for income tax purposes. However, amounts paid out—as cash or medical benefits—are deductible. In many cases insurance is purchased because such purchase can dispose of the item of expense and future cost in the current year.

PRIVATE AND PUBLIC EMPLOYMENTS: CHART II

Virtually all industrial employment is covered by workers' compensation. Chart II shows this in detail; also it indicates the extent of coverage for public employment.

Some jurisdictions cover all private employment; others exempt those with less than a stipulated number of employees. Most jurisdictions specifically exclude certain employments. Due to the nature of the work, farm labor, domestic servants, and casual employees usually are exempted. Most jurisdictions permit employees in an exempted class to be brought in voluntarily by the employer or by administrative agency order.

Many jurisdictions provide workers' compensation for all or certain classes of public employees.

Merchant marine and railroad workers in interstate commerce generally are not covered by workers' compensation acts and may seek damages under the Federal Employer's Liability Act.

MINORS: CHART III

Minors are covered by workers' compensation. Some jurisdictions provide double compensation or added penalties—as shown in Chart III. In many states minors also enjoy special legal protections. These are specifically noted for each state.

OCCUPATIONAL DISEASES: CHART IV

Although workers' compensation laws initially had no specific provisions for occupational diseases, now all states recognize responsibility for them. Coverage extends to all diseases arising out of and in the course of employment. Most states do not provide compensation for a disease that is an "ordinary disease of life" or which is not "peculiar to or characteristic of" the employee's occupation.

Chart IV outlines provisions governing occupational disease in each jurisdiction. Generally, compensation is the same as for trauma

matic injuries (see Part II). Medical care is unlimited. A few states that do not provide permanent partial disability benefits for certain diseases are charted under the heading "Compensation."

Occupational diseases usually become evident during employment or soon after exposure. However, as with radiation disabilities, certain diseases may be latent for considerable time. As Chart IV notes, most states have extended periods in which claims may be filed concerning latent, slowly developing occupational diseases.

Some states impose special restrictions regarding disability resulting from exposure to coal dust, asbestos, silica, or radiation. A number of states have established presumptions for police and firefighters who have heart attacks or respiratory conditions, but no attempt is made to chart them.

OCCUPATIONAL HEARING LOSS: CHART V

The difficulty of distinguishing between work-related permanent hearing loss and loss of hearing caused by nonoccupational factors has resulted in enactment of special provisions in certain states, as shown in Chart V. Entries include the threshold for compensable loss of hearing, minimum exposure requirements, and deductions for loss caused by aging (presbycusis).

OTHER CONSIDERATIONS

A. Accident Prevention—The encouragement of safety is another basic objective of workers' compensation. The effort to reduce the frequency and severity of work-related injuries is accomplished in at least two ways.

First, the workers' compensation program provides employers with preventive services, including safety engineering. This role is assumed by casualty insurance carriers, state funds and safety agencies, and employers. A second general role is to provide a monetary incentive to employers to improve their safety records. Here the insurance premium structure is a primary force.

Costs of accident-prevention services are included in workers' compensation insurance premiums. Casualty insurance engineers help in setting up accident-prevention programs of continuing benefit. Benefits are found in lower insurance rates, increased production efficiency, and better use of manpower. Of course, the greatest beneficiaries are those kept from industrial accidents through application of effective loss-prevention engineering methods.

B. National Council on Compensation Insurance—Premium rates for workers' compensation insurance are compiled scientifically. Accident experience throughout American business is collected by an agency recognized by all insurance carriers and state fund administrators in the U.S. This agency—the National Council on Compensation Insurance—operates in most states. It grew out of a 1915 conference which agreed that rate making for compensation insurance could not be handled by each state separately. The states that maintain independent agencies cooperate with the Council in making rates. The Council's manual rates generally are a basis for compensation rates charged by stock and mutual companies.

Member companies of the Council report experience incurred under workers' compensation policies. This experience serves as a basis for workers' compensation rate determinations in accord with a standard nationwide rate-making procedure approved by the National Association of Insurance Commissioners.

The National Council's basic manual is standard with all insurance companies. It sets forth Council rules, procedures, and rates applicable to workers' compensation insurance. Where statutes provide for rate regulation by a state supervising authority, revised compensation rates and supporting data are filed annually with it; often, public hearings are held before rates are revised. The supervising authority must approve the rates carriers charge. All states now provide for rate regulation by state authority. In Canada

rates are in the form of an assessment—established by each provincial compensation board annually by class of risk.

As set forth in the Council's manual, compensation rates are based on payroll. Usually only an estimated premium is collected when the policy is written. After the policy expires, a payroll audit is required. The actual premium is then figured and adjustments made.

C. Injuries Outside the Jurisdiction—Frequently, when a worker's occupation takes him into another jurisdiction, questions arise as to which law determines compensation payable. In effect, most compensation laws are extraterritorial—either by specific provisions or court decision. Answers depend on provisions of the particular laws involved and require consideration of circumstances—such as place and nature of employment, place where contract was made, employee's residence, and employer's place of business.

D. Civil Defense and Other Volunteers—Many states have laws to compensate civil defense and other volunteer workers (such as firemen) injured in line of duty. Attention is called to these laws, but no attempt is made to chart their provisions.

E. Black Lung Act—The federal Black Lung Act (Title IV of the federal Coal Mine Health and Safety Act of 1969, as amended in 1972, 1978, and 1981) provides benefits for total disability or death caused by respiratory illness attributable to coal mining (black lung disease). The Act is administered by the Division of Coal Mine Workers in the U.S. Department of Labor's Office of Workmen's Compensation Programs and by the Social Security Administration.

Effective January 1, 1986, monthly benefits range from \$328.20 to \$656.40, computed at 137½ percent of the minimum monthly pay for federal employees, plus an allowance for dependents equal to 50%, 75%, or 100% of the basic benefit, for 1, 2, or 3 or more dependents, respectively. Beneficiaries also receive an annual cost-of-living increase.

A total of \$17.1 billion in black lung payments have been made to claimants from 1970 to 1984. In 1984 alone, \$1.6 billion was paid to almost 500,000 claimants.

A Black Lung Disability Trust Fund, financed by an excise tax on coal production, was set up by the 1978 amendments to pay claims where the last employment was prior to 1970 or where no responsible coal mine operator has been identified. The fund was in deficit by \$2.8 billion as of January 31, 1986, despite 1981 amendments that doubled the coal tax and revised eligibility criteria in an effort to make the fund solvent.

F. Social Security Disability—The federal Social Security Disability program pays benefits on behalf of disabled workers under age 65 whose disability is expected to last 12 months or result in death. A worker becomes eligible after a minimum period of employment covered by Social Security, measured in calendar quarters. There is a 5-month waiting period.

Cash benefits are payable monthly based on wages in covered employment, plus allowances for spouse and children. Effective January 1, 1986, the maximum is \$962.00 for an individual, family maximum \$1,443.70. Average benefit awarded in January 1986 was \$472.00 monthly. Cost-of-living increases are effective each December, payable the following January.

Benefits are paid out of the Disability Trust Fund, financed from the federal Social Security tax.

Combined Social Security Disability and workers' compensation benefits may not exceed 80 percent of "average current earnings" prior to disability. The Omnibus Budget Reconciliation Act of 1981 requires that Social Security disability benefits supplement workers' compensation unless state law provided for a reverse offset on or before February 18, 1981.

CHART I

TYPE OF LAW AND INSURANCE REQUIREMENTS

January 1, 1986

JURISDICTION	TYPE OF LAW	INSURANCE	SELF-INSURANCE	PENALTIES ON FAILURE TO INSURE
ALABAMA	Compulsory	Required	Individual and group	Fine of not less than \$25 nor more than \$1,000. Employer may be enjoined from doing business and liable to suit with defenses abrogated and double amount of compensation.
ALASKA	Compulsory	Required	Permitted	Class B or F. Injury (up to 10 years' imprisonment, \$50,000 fine, or both). Board may enjoin use of labor. Employer liable to suit with defenses abrogated, and employer negligence presumed proximate cause of injury. Individuals in charge of corporation personally liable for compensation.
AMERICAN SAMOA	Compulsory	Required	Permitted	Misdemeanor; fine up to \$1,000 or imprisonment up to 1 year, or both. Employer liable to suit with defenses abrogated.
ARIZONA	Compulsory	Required	Permitted	Employer liable to suit with defenses abrogated. 10% penalty of award, expenses, and attorney's fees, or \$500 (whichever is greater) plus 10% interest on amount paid from fund and penalty award paid from Special Fund; injunction against doing business in state.
ARKANSAS	Compulsory	Required	Individual and group	\$500 fine or 1 year imprisonment, or both; employer liable to suit with defenses abrogated.
CALIFORNIA	Compulsory	Required	Permitted	Employer may be enjoined from doing business. Mandatory penalty upon issuance of stop order is \$100 per employee, raised to \$500 per employee if case is compensable (maximum \$10,000). Failure to obey stop order is misdemeanor; penalty is fine up to \$1,000, imprisonment up to 60 days, or both. \$50 penalty for failure to respond to Director's inquiry. Penalties are paid into Uninsured Employers Fund and constitute lien on employer's assets. Employee may sue for damages with employer's defenses abrogated and file for compensation. Intentional failure to insure is misdemeanor.
COLORADO	Compulsory	Required	Permitted	Compensation increased 50% or employer liable to suit with defenses abrogated (at option of employee). Employer may also be enjoined from doing business.
CONNECTICUT	Compulsory	Required	Permitted	Willful failure to insure—fine up to \$1,000, payable into Second Injury Fund.
DELAWARE	Compulsory	Required	Individual and group	Fine of 10 cents per day per employee (maximum \$50, minimum \$1 per day); if default continues for 30 days employer may be enjoined from doing business. Employer liable to suit with defenses abrogated.
DISTRICT OF COLUMBIA	Compulsory	Required	Permitted	Fine of not more than \$1,000 or 1 year imprisonment or both.
FLORIDA	Compulsory	Required	Individual and group	Fine of not more than \$500 or not more than 1 year imprisonment, or both; employer liable to suit with defenses abrogated, and may be enjoined from doing business.
GEORGIA	Compulsory	Required	Individual and group	Misdemeanor. Compensation may be increased 10% plus attorney's fees. Penalty up to \$50 per day.
GUAM	Compulsory	Required	Not permitted	Misdemeanor—fine up to \$1,000, imprisonment up to 1 year, or both. Employer liable to suit with defenses abrogated and must reimburse fund for compensation payable. Corporate officers are personally liable for compensation.
HAWAII	Compulsory	Required	Permitted	\$25 or \$1 per employee per day during default, whichever is greater. Injunction against business in the state.
IDAHO	Compulsory	Required	Permitted	Misdemeanor. Employer also liable to penalty of \$1 per day per employee, and may be enjoined from doing business after 30 days default. For default in premium to state fund, penalty is \$1 per day per employee, and policy may be canceled after 30 days default.
ILLINOIS	Compulsory	Required	Individual and group	Fine of \$100 to \$500 for each day's default.
INDIANA	Compulsory	Required	Permitted	Class A infraction—maximum fine \$10,000. Uninsured employer may be liable for medical and legal expenses plus double compensation and may be enjoined from doing business.
IOWA	Compulsory	Required	Individual and group	Employer liable to suit with defenses abrogated and presumption of negligence of employer. In coal mining, employer is liable to penalty of \$10 to \$100 per day and may be enjoined from further noncompliance.
KANSAS	Compulsory	Required	Individual and group	Employer liable to suit with defenses abrogated.
KENTUCKY	Compulsory	Required	Individual and group	Failure to secure payment of compensation—claimant may claim compensation and bring action at law or in admiralty with employer's common law defenses abrogated. Employer may be enjoined from doing business.
LOUISIANA	Compulsory	Required	Individual and group	12% penalty and reasonable attorney's fees for collection of claim.
MAINE	Compulsory	Required	Individual and group	Class D crime. Employer liable to suit with defenses abrogated.
MARYLAND	Compulsory	Required	Permitted	Fine of \$500 to \$5,000 and/or imprisonment for not more than 1 year. Additional penalty for failure to comply with Commission's orders amounting to 6 months' insurance premiums. Employer also liable to suit with defenses abrogated. Other insurers assessed to pay unpaid claims of insolvent insurer. Fine of \$150 and 15% penalty on award payable to Uninsured Employers Fund.
MASSACHUSETTS	Compulsory	Required	Permitted	Fine of not more than \$500 or imprisonment for not more than 1 year, or both; employer liable to suit with defenses abrogated.
MICHIGAN	Compulsory	Required	Individual and group	Fine of \$1,000 or imprisonment for 30 days to 6 months, or both; employer liable for damages.
MINNESOTA	Compulsory	Required	Individual and group	Penalty \$100 if under 5 employees, otherwise \$400. Additional penalty times liability premiums for continued noncompliance. Employer may be enjoined from further employment. Employer must reimburse compensation paid plus 30% penalty. Intentional noncompliance is gross misdemeanor. Employer liable to suit with some defenses abrogated.
MISSISSIPPI	Compulsory	Required	Permitted	Fine up to \$1,000 or one year imprisonment or both. Employer also liable to suit with defenses abrogated.
MISSOURI	Compulsory	Required	Individual and group	Employer liable to suit with defenses abrogated. Worker may receive medical and/or funeral benefits out of Second Injury Fund and employer is liable for amounts paid plus fine of \$100 per day of noncompliance after date of injury (up to \$5,000).
MONTANA	Compulsory	Required	Individual and group	Division must enjoin employer from doing business. Double amount of unpaid premiums assessed as penalty (minimum \$200). Employer liable for compensation payable up to \$50,000. Employer automatically negligent if no coverage obtained. Penalties payable to Uninsured Employers Fund.
NEBRASKA	Compulsory	Required	Permitted	Employer liable to suit with defenses abrogated, \$1,000 fine maximum, 1 year imprisonment, or both; may be enjoined from doing business.
NEVADA	Compulsory	Required in state fund	Individual	Employer liable to suit with defenses abrogated and may be enjoined from doing business; misdemeanor punishable by a fine up to \$500 per offense.
NEW HAMPSHIRE	Compulsory	Required	Individual and group	Penalty of \$500, or \$100 per employee per day. Employer may be enjoined from doing business and injured worker may sue for damages.
NEW JERSEY	Elective	Required	Permitted	Employer liable to suit with defenses abrogated. Misdemeanor, punishable by a fine of not more than \$1,000 or not more than 60 days imprisonment or both; plus \$25 for each 10-day period but not more than \$100 at any one time. Also assessment of \$150 plus 15% of award up to \$1,500 payable to Uninsured Employers Fund.
NEW MEXICO	Compulsory	Required	Permitted	Fine of not more than \$1,000. Employer may be enjoined from doing business.
NEW YORK	Compulsory	Required	Individual and group	Fine of \$100 to \$500 or imprisonment for not more than 1 year, or both with graduated fines to \$2,500 for repeated failures. Employer liable to suit with certain special defenses abrogated. Additional fine of \$200 for each 10 day period of no coverage, or a sum not in excess of 0.5% of payroll for period of no coverage.
NORTH CAROLINA	Compulsory	Required	Individual and group	Misdemeanor, punishable by fine of 10¢ per day per employee (maximum \$50.00, minimum \$1 per day), imprisonment, or both. Employer liable to suit with common law defenses abrogated.

Ind. *Except as to state and political subdivisions, banks, trust companies, and savings and loan associations.
 Md. *Eligibility for group self insurance is limited to counties and municipalities.
 Minn. *\$500 and \$2,000, respectively, for deliberate failure to insure.
 Mo. *Employer engaged in mining must insure only to the extent of maximum liability for 10 deaths in any one accident.

N.J. *Unless employer rejects, Employer of farm worker not required to insure.

**Group self insurance authorized for hospitals and local government units.

N.Y. *Corporate officer who failed to obtain insurance ineligible for benefits out of Uninsured Employers Fund (for himself, surviving spouse, or dependents).

CHART I □ TYPE OF LAW AND INSURANCE REQUIREMENTS □ January 1, 1986 (continued)

JURISDICTION	TYPE OF LAW	INSURANCE	SELF-INSURANCE	PENALTIES ON FAILURE TO INSURE
NORTH DAKOTA	Compulsory	Required in state fund	Not permitted	Misdemeanor punishable by \$500 fine, 1 year imprisonment, or both. Uninsured employer liable for damage or injuries or death and cannot avail himself of common law defense. Employer may be enjoined from employing uninsured workers.
OHIO	Compulsory	Required in state fund	Permitted	Minor misdemeanor—fine up to \$100. If willful, second degree misdemeanor—fine up to \$750, imprisonment up to 90 days, or both. Employer may be enjoined from doing business. Employer is also liable to suit with defenses abrogated.
OKLAHOMA	Compulsory	Required	Individual and group*	Penalty of \$1 per day per employee. Employer liable to suit with defenses abrogated.
OREGON	Compulsory	Required	Individual and group	Employer is liable to suit with defenses abrogated. Enjoined from hiring workers. Fine up to \$1,000 plus up to \$25 per day administrative costs and legal fees, and fines up to \$5,000 based on type of injury.
PENNSYLVANIA	Compulsory	Required	Permitted	Fine of \$500 to \$2,000 per day or not more than 1 year imprisonment, or both. Employer liable to suit with defenses abrogated.
PUERTO RICO	Compulsory	Required in territorial fund	Not permitted	Misdemeanor, fine of \$25 to \$1,000, or imprisonment for not more than 6 months or both. Employer liable to suit with defenses abrogated. Penalty 30% of compensation (minimum \$100).
RHODE ISLAND	Compulsory	Required	Individual and group	Fine of \$1,000 and 1 year imprisonment. Corporate officer liable personally; employer liable to suit with defenses abrogated.
SOUTH CAROLINA	Elective	Required*	Individual and group	If employer does not reject and fails to insure, fine of 10 cents per day per employee (maximum \$50, minimum \$1 per day); if default continues for 30 days employer may be enjoined from doing business. Employer liable to suit with defenses abrogated. Willful failure to insure is misdemeanor punishable by fine of \$100 to \$1,000 or imprisonment of 30 days to 6 months, or both.
SOUTH DAKOTA	Compulsory	Required	Individual and group	Employer liable to suit for damages or double compensation and medical care as benefits.
TENNESSEE	Compulsory	Required	Individual and group	Fine of \$10 to \$100 and after conviction, fine of \$1 for each day of noncompliance. Employer also liable to suit with defenses abrogated.
TEXAS	Elective	Required*	Not permitted**	Employer liable to suit with defenses abrogated. Motor bus certificate may be revoked on failure to insure.
UTAH	Compulsory	Required	Permitted	Fine of \$10 to \$100 or imprisonment of 30 days to 6 months or both. Employer also liable to suit with defenses abrogated. Also, costs and attorney's fees in civil suit.
VERMONT	Compulsory	Required	Permitted	Failure to provide security within 30 days after notice by Commissioner—fine up to \$100 per day.
VIRGIN ISLANDS	Compulsory	Required in territorial fund	Not permitted	Employer liable for compensation and expenses plus penalty equal to 30% of compensation and expenses. Employer liable to suit with defenses abrogated. Fine up to \$500 or imprisonment up to 6 months, or both. Interest on premiums in default. Employer may be enjoined from doing business.
VIRGINIA	Compulsory	Required	Individual and group	Fine of \$50 to \$1,000. Employer liable to suit with defenses abrogated and may be enjoined from doing business. Intentionally uninsured employer commits class 2 misdemeanor.
WASHINGTON	Compulsory	Required in state fund	Permitted*	Employer may be enjoined from doing business. Willful failure is misdemeanor—fine is \$25 to \$100 daily, 50% to 100% of claim cost, plus \$200 or twice the unpaid premium (whichever is greater), 25% of premiums in default; employer may have to furnish double bond.
WEST VIRGINIA	Compulsory	Required in state fund	Permitted	Employer liable to suit with defenses abrogated, all past premiums plus interest, reimbursement to state fund for claims paid on his behalf for failure to subscribe, may be enjoined from doing business in state.
WISCONSIN	Compulsory	Required	Permitted	Fine of \$10 to \$100 or imprisonment from 30 days to 6 months, or both. Each day is a separate offense. Employer may be restrained from employing any person pending compliance.
WYOMING	Compulsory	Required in state fund*	Not permitted	Fine of not more than \$500, plus 10% of premiums due. Employer may also be enjoined from doing business. Employer liable to suit with defenses abrogated.
F.E.C.A.	Compulsory	Federal appropriation		
LONGSHORE ACT	Compulsory	Required	Individual and group	Fine of not more than \$1,000 or 1 year in prison or both for failure to secure payment of compensation.
ALBERTA	Compulsory	Required in provincial fund	Not permitted	Failure to furnish required security—Board may order employer to cease employment; violation—fine up to \$200 daily. Failure to submit statement of wages—up to 15% assessment plus penalty up to half of compensation payable, maximum \$500. Violation of judgment—injunctio against operating. Failure to pay assessment—up to 8% penalty; employer's goods may be seized.
BRITISH COLUMBIA	Compulsory	Required in provincial fund*	Not permitted	Failure to submit statement of wages—compensation payable plus percentage of assessment set by Board. Failure to pay assessment—unpaid amount plus costs of collection and percentage penalty, compensation payable, and employer may be enjoined from operating.
MANITOBA	Compulsory	Required in provincial fund	Not permitted	Failure to submit statement of wages—maximum fine \$500. Failure to submit payroll return statement—employer liable for half of compensation payable (maximum \$50). Failure to pay assessment—penalty of 5% of amount in default for first month and 1% for each succeeding month.
NEW BRUNSWICK	Compulsory	Required in provincial fund*	Not permitted	Failure to submit statement of wages—maximum penalty \$500 plus percentage fixed by Board. Failure to pay assessment—employer liable for compensation payable plus percentage penalty and costs of collection.
NEWFOUNDLAND	Compulsory	Required in provincial fund	Not permitted	Failure to submit statement of wages—maximum penalty \$1,000. Failure to pay assessment—assessment plus costs of collection, percentage penalty. Employer may be enjoined from operating.
NORTHWEST TERRITORIES	Compulsory	Required in territorial fund	Not permitted	Failure to submit statement of wages or to pay assessment—employer liable for compensation payable and assessment, plus percentage of assessment as penalty established by Board or regulations.
NOVA SCOTIA	Compulsory	Required in provincial fund	Not permitted	Employer liable for compensation payable. Failure to submit statement of wages—employer liable for unpaid amount and costs of collection plus 5% penalty; 1% penalty for each month in default; \$50 if annual statement. Failure to pay assessment—2% penalty plus 1% for each month in default and employer may be enjoined from operating.
ONTARIO	Compulsory	Required in provincial fund	Not permitted	Failure to submit statement of wages upon commencing operations or at other required times—penalty plus liability for additional percentage of assessment and costs of claim at discretion of Board.
PRINCE EDWARD ISLAND	Compulsory	Required in provincial fund	Not permitted	Failure to report payroll or pay assessment—penalty of \$100 per week of default plus 2% of amount unpaid after 1 month and 1% for each additional month. Failure to pay assessment—employer may be enjoined from operating.
QUEBEC	Compulsory	Required in provincial fund	Not permitted	Failure to submit statement of wages upon commencing operations or at other required times—maximum fine \$1,000. Failure to pay assessment, employer liable for 10% of claim cost which cannot be less than \$100.
SASKATCHEWAN	Compulsory	Required in provincial fund	Not permitted	Failure to submit statements of wages upon commencing operations or at other required times—maximum fine \$500. Failure to pay assessment, employer liable for percentage penalty to be established by Board and may be enjoined from operating.
YUKON TERRITORY	Compulsory	Required in territorial fund	Not permitted	Failure to submit statement of wages upon commencing operations or at other required times—maximum fine \$500. Failure to pay assessment—employer liable for percentage penalty established by Board, and employer may be enjoined from operating.
CANADIAN MERCHANT SEAMEN'S ACT	Compulsory	Required	At discretion of Board	Failure to insure or cover by other means satisfactory to the Board may cause ship to be detained by Customs.

Ohio: *Attorney General has ruled statutory provision for group self-insurance is unconstitutional.
 S.C.: *Unless employer rejects.
 Texas: **If employer accepts.
 **Except for state and political subdivisions.

Wash: *Group self-insurance permitted for school districts and hospitals.
 Wyo: *Nonhazardous employments may also be insured with private carriers.

B.C.: *Employer directly liable for compensation if injury was caused by employer's gross negligence or lack of an accident prevention program, maximum \$24,417.00.
 N.B.: *Subject to approval of Lt. Gov. in Council. Board may make arrangement for insurance or reinsurance.

JURISDICTION	EMPLOYMENTS COVERED ¹		EXCEPTIONS ²	SPECIAL COVERAGE PROVISIONS ³
	PRIVATE	PUBLIC		
ALABAMA	Compulsory as to employers of 3 or more. Elective as to partners or sole proprietors. Corporate officers may reject.	Compulsory as to all public employments except municipalities of less than 2,000 population. Certain school systems and institutions covered.*	Domestic servants and casual employees	Voluntary for employers of less than 3, including farmers.
ALASKA	Compulsory as to all employments, including elected or appointed corporate executive officers.	Compulsory as to state and political subdivisions, members of state boards, and commissions. Includes regular firemen if not prohibited by local law. Voluntary as to executive officers of municipal corporations.	Part-time baby sitters, cleaning persons, harvest help, etc.	Voluntary as to executive officers of a charitable, religious, educational, or other nonprofit corporation.
AMERICAN SAMOA	Compulsory as to employers of 3 or more, coverage may be required for all hazardous employments.	Compulsory as to all public employments.		Voluntary as to exempt employers.
ARIZONA	Compulsory as to all employments including sole proprietors and working partners. Employee may reject.	Compulsory as to state, counties, cities, towns, municipal corporations, school districts, and volunteers enumerated by statute.	Domestic servants, casual employees, and real estate licensees.	Voluntary as to employers of domestic servants. Monopicture business employers and employees may be exempt from law provided equal benefits are provided by insurance in domestic state.
ARKANSAS	Compulsory as to employers of 3 or more. Elective as to partners or sole proprietors.	Compulsory as to state agencies, departments, institutions, counties and unincorporated cities and towns. Excludes welfare recipients.	Firm labor, domestic servants, casual workers, public charities, vendors, or distributors of newspapers and other publications.	Voluntary as to excepted employments. Compulsory for employments in which two or more employees are engaged in building or building repair work, in which one or more employees of a contractor who subcontracts any part of his contract, and in which one or more employees is employed by a subcontractor.
CALIFORNIA	Compulsory as to all employments. Elective for working members of a partnership and for working officers and directors of a private corporation who are sole shareholders.	Compulsory as to all public employments except clerks and deputies serving without remuneration, and to regional occupational centers, programs or school districts offering training to pupils outside attendance area as to enrolled pupils.	Charity workers and volunteer member workers at camps, etc., operated by nonprofit organizations. Employers sponsoring bowling teams. Domestic workers who work less than 52 hours during preceding 90 days or earn less than \$100. Students in sport events (excludes amateur athletic participants who are not employees).	Voluntary as to excepted employments and sponsoring agencies of Economic Opportunity Programs. Employer not liable for injury due to off-duty recreational, social, or athletic activity not part of work-related duties.
COLORADO	Compulsory as to all employments. Corporate officer who is 10% shareholder may reject. Elective as to active employer or partner.	Compulsory as to all salaried public employments. Job trainees deemed employees of training institution.	Employees of religious or charitable organizations, domestic servants and casual employees who earn less than \$2,000 per year, volunteer ski lift operators, independent real estate salespersons and brokers, and independent truckers.	All farm labor covered in 1977. Officers of farm corporation may reject coverage.
CONNECTICUT	Compulsory as to all employments. Corporate officer may reject. Elective as to sole proprietors or partners.	Compulsory as to all state, public corporations, and members of General Assembly. Municipalities may elect coverage of elected and appointed officials, police, and firemen.	Casual employees, outworkers, ³ domestics employed less than 28 hours weekly, officers of fraternal organizations paid less than \$100 per year.	Voluntary as to excluded employments.
DELAWARE	Compulsory as to all employments. Up to 4 corporate officer-stockholders may reject. Elective as to sole proprietors or partners.	Elective as to state and certain counties, cities, and towns.	Domestic servants, casual employees earning less than \$300 in 3 months from one household, farm labor.	
DISTRICT OF COLUMBIA	Compulsory as to all employments.	Separate act is compulsory for all public employments, except officers or employees of the United States, state, or foreign government, and uniformed D.C. police or firemen.	Farm labor, casual employees, licensed real estate salespersons and brokers, master or crew of any vessel, and employees of common carrier by railroad in interstate commerce.	Act applies to employees principally localized in Washington, D.C. Domestic workers covered if employer employs 1 or more for 240 hours or more per quarter.
FLORIDA	Compulsory as to employers of 3 or more. Elective as to corporate officers, partners, and sole proprietors.	Compulsory as to state and political subdivisions (includes volunteers), except elected officials.	Domestic servants, casual employees, 12 or fewer casual or 5 or fewer regular farm labor, professional athletes, employees of common carriers, and volunteers (except for government entities).	Voluntary as to excepted employments. Excludes real estate salesmen, solely on commission. Numerical exemption inapplicable to employees of subcontractors.
GEORGIA	Compulsory as to all employers of 3 or more. Elective as to active partners or sole proprietors.	Compulsory as to state, county, municipal corporations, and political subdivisions including school districts. Voluntary as to planning commissions.	Farm labor, domestic servants, employees of common carriers by railroad, casual labor and licensed real estate salesmen and brokers.	Voluntary as to excepted employments.
GUAM	Compulsory as to all industrial employments.*	Compulsory as to paid and voluntary work done for Government of Guam or any political subdivision except federal employees covered by P.L. 77-298 and elected officials.	Workers in interstate or foreign commerce covered by federal law, casual labor, and members of Board of Education.	All contracts of hire are presumed to include an agreement to cover injuries received outside the territory by accident and arising out of and in the course of employment.
HAWAII	Compulsory as to all industrial employments.*	Compulsory as to all public officials, elective or appointed. Covers public board members.	Employees of religious, charitable, or nonprofit organizations. Domestic workers who earn less than \$325 during each quarter in the preceding year. Unpaid 25% shareholders of corporation with no employees.	Voluntary as to employments not defined as industrial.
IDAHO	Compulsory as to all employments. Elective as to corporate officers who are 10% shareholders, sole proprietors, and working members of partnership.	Compulsory as to all public employments except officials at secondary school athletic contests.	Agricultural pursuits, domestic servants, casual labor, including members of employer's family, volunteers, ³ employment not for money, women, and commission real estate salesmen and brokers.	Employees within state who work for employers domiciled in another state are covered. Credit is provided for benefits paid to employees under the law of other states.
ILLINOIS	Compulsory as to enumerated "extra hazardous" employments (including occupational diseases). Elective as to partners and sole proprietors.	Compulsory as to all public employments except members of law and police departments in cities over 200,000 population (such firemen covered to extent of burn-related disfigurement).	Certain farm labor, domestics, and persons not in usual course of employer's business, real estate brokers and salesmen paid by commission only.	Voluntary as to excluded employments.* Corporate officers of small business may reject.
INDIANA	Compulsory as to all employments including corporate officers. Elective as to sole proprietors, or partners.	Compulsory as to state, municipal corporations, and political subdivisions, includes state legislators, and elected and appointed officials.	Farm labor, domestic servants, casual workers, and railroad workers*.	Compulsory as to coal mining and for students in cooperative education.
IOWA	Compulsory as to all employments but up to 4 corporate officers may reject.	Compulsory as to all public employments except firemen and policemen entitled to pension fund. Covers highway safety patrol officers, conservation officers, and agricultural workers at state universities.	Domestic and casual workers earning under \$200 per quarter; farm labor, if employer payroll under \$2,500 per year.	Voluntary as to excepted employments.
KANSAS	Compulsory as to all employments, including corporate executive officers. Elective as to partners, individuals, or self-employed.	Compulsory as to all public employments. Members of firemen's level associations may elect to accept or reject coverage.	Farm labor of any employer whose gross annual payroll is not more than \$10,000.	Compulsory as to eleemosynary institutions. Voluntary as to excluded employments. Labor unions and associations may elect coverage for their members who perform services and are not full-time employees.

NOTE: State courts vary in decisions whether minimum of persons must be in state.

¹ Compensation laws are classified as compulsory or elective. A compulsory law requires every employer to accept the act and pay the compensation specified. An elective act is one in which the employer has the option of either accepting or rejecting the act, but if he rejects it he loses the customary common law defenses (i.e., assumed by employee, negligence of fellow servants, and contributory negligence). In most states workers in excepted or excluded employments may be brought under coverage of the act through voluntary action of the employer. In other states, such action of the employer must be concurred in by the employees.

² Applying to private employments only. The exceptions for public employments are given under "Employments Covered—Public."

³ Outworker is person to whom articles are given for cleaning, repair, etc., at home.

Ala. *Employees of all county and city boards of education. Ala. Inst. for Deaf and Blind, and 2-yr. colleges under state Bd. of Educ. control. Special act covers employees of U.S.S. Alabama Battleship Comm. and authorizes excess medical care benefits not to exceed \$10,000 per employee, also for employees of Department of Agriculture and Industries. Special act covers employees of Tannehill Furnace and Foundry Commission.

Guam. *Employment in trade, occupation, or profession, earned on by employer for pecuniary gain.

Hawaii. *Employment in trade, occupation, or profession, earned on by employer for pecuniary gain.

Ill. *The law is "elective" as to private employments of a nonhazardous nature, but it does not abrogate the employer's defenses if he does not accept the act, and thus is considered to be voluntary.

Ind. *Elective for officer of a charitable, religious, educational, or nonprofit corporation.

CHART II □ COVERAGE OF LAWS □ January 1, 1986 (continued)

JURISDICTION	EMPLOYMENTS COVERED ¹		EXCEPTIONS ²	SPECIAL COVERAGE PROVISIONS ³
	PRIVATE	PUBLIC		
KENTUCKY	Compulsory as to all employments, including corporate executives. Elective as to owner of business or partner. Worker may reject voluntarily prior to injury.	Compulsory as to state and political subdivisions, including elected and appointed state officials and employees of the General Assembly.	Domestic servants if employer employs fewer than 2 each regularly employed 40 hours a week; casual workers employed less than 20 consecutive days; agricultural labor; worker for charitable or religious organization in return for aid or sustenance; and participant in carpool to and from work.	Specifically covers newboys and operators of coal mines. Voluntary as to excluded employments.
LOUISIANA	Compulsory as to all employments, including corporate executives. Corporate officers who are 10% shareholders and sole promoters may reject.	Compulsory as to all public employments, except sheriffs, deputies and officials. Subdivisions may cover elective and appointive officials.	Crews of crop spraying aircraft while acting as contractors; or employees of persons principally engaged in agriculture; real estate brokers and salesmen; domestic workers.	Excludes officers of nonprofit charitable, fraternal, cultural, or religious corporations or associations.
MAINE	Compulsory as to all employments, including corporate executive officers. Corporate officers who are 20% shareholders may reject. Elective as to self-employed persons or partners.	Compulsory as to state, counties, cities, towns, and quasi-municipal corporations. Includes firemen and police and volunteer firemen and emergency medical services personnel.	Domestic workers, seasonal or casual employees,* Maritime employee in interstate or foreign commerce, or lobster sternman. Commission-paid real estate salesman or broker. Independent contractor. Employee harvesting 150 cords of wood from farm wood lot. Voluntary participant in employer-sponsored athletic event.	Voluntary as to excluded employments. Parent, spouse, or child of sole proprietor or partner may reject coverage.
MARYLAND	Compulsory as to all employments, including corporate officers. Elective as to partners or sole proprietors. Corporate farm officers who are 20% shareholders may reject. Elective for officers owning 20% or more of a professional services corporation and performing professional services for that corporation.	Compulsory as to state, counties, cities, and their agencies, paid firemen in certain counties, prisoners working for county roads boards, forest wardens, crewmen and fire fighters for Department of Forest and Parks, jurors for non-federal courts.	Domestic workers who earn less than \$250 in a quarter from a single household; certain maintenance workers: not employed for 30 consecutive days around a private home; seasonal, migratory farm labor within 25 miles of residence who work no more than 13 weeks a year; and commission-paid real estate salesman or broker.	Voluntary as to excluded employments. Officers of close corporation may reject. Small employers of farm labor may be insured under a group policy.
MASSACHUSETTS	Compulsory as to all employments.	Compulsory as to state, elective as to counties, cities, and districts having power of taxation. Municipalities required to indemnify police and firemen. Cities and towns may cover certain elected or appointed officials.	Seasonal and casual labor, domestic servants employed less than 16 hours a week, masters and seamen in interstate commerce covered by federal law, athletes whose contracts provide wages during job disability, commission-paid salespersons, independent taxi drivers, and voluntary participants in recreational activities.	Voluntary as to domestic servants hired casually or on a seasonal basis.
MICHIGAN	Compulsory as to all employers of 3 or more, or less than 3 if 1 is employed for 35 hours per week for 13 weeks by same employer.*	Compulsory as to all public employments, including Michigan Conservation Corps members. Trainees in federally funded training program deemed employees of sponsoring public entity.	Professional athletes whose average weekly wage is more than 200% of state-wide average weekly wage; domestic servants who work less than 35 hours a week for 13 weeks a year; licensed real estate salesmen.	Voluntary as to employer of 2 or less, and domestic service. Family members may be excluded by endorsement.
MINNESOTA	Compulsory as to all employments. Elective as to owners of business or farm and officers of certain family farms or close corporations and their families.	Compulsory as to all public employments, including elected and appointed state officers, and medical students and certain faculty at University of Minnesota. Elective for elected or appointed officers of political subdivisions.	Certain casual labor, household workers who earn under \$500 per 3 months from one private household, family farms with annual farm labor payroll under \$8,000, railroad workers covered by federal law, and nonprofit corporations with annual payroll under \$500; commercial threshers or baler for family farm.*	Election must be in writing. Elective coverage for independent contractors.
MISSISSIPPI	Compulsory as to all employers of 5 or more. Corporate officers may reject.	Voluntary as to public employments. Specifically excludes handicapped in state sheltered workshop programs.	Domestic servants; farmers, farm labor, newspaper distributors; officers of nonprofit charitable, fraternal, cultural, or religious corporations or associations.	Voluntary as to unemptied employers.
MISSOURI	Compulsory as to all employers of 5 or more.* Elective for partners and sole proprietors.	Compulsory as to all public employments, including elected and appointed state officials, contractors of a public corporation, state militia, and sheriffs and deputy sheriffs. Compulsory for workers on state welfare projects under federal Economic Opportunity Act.	Farm labor, domestic servants, occasional labor for private household and qualified real estate agents.	Voluntary as to exempt employments, employers of less than 5 employees, and salaried officers of Missouri farm corporations.
MONTANA	Compulsory as to all employments. Corporate officers may reject. Elective as to partners and sole proprietors.	Compulsory as to all public employments, including public contractors, and volunteer rescue workers.	Domestic and casual employment, family members, employees covered by federal law, person performing services for aid and sustenance only, officials at amateur athletic events, and door-to-door salespeople.	Coverage is mandatory for partner or sole proprietor who is independent contractor (except real estate or farm services), but may apply for personal exemption. Voluntary as to exempt employments.
NEBRASKA	Compulsory as to all employments. Corporate officers who are 25% shareholders may reject. Elective as to proprietors, partners or self-employed.	Compulsory as to all employments, including officials elected or appointed for fixed terms.	Farm labor and domestic servants.	Voluntary as to farm labor and domestic service.
NEVADA	Compulsory as to all employments. Elective as to sole proprietors.	Compulsory as to all employments, including public contractors. Also includes unpaid members of state departments, boards, commissions, agencies, or bureaus appointed by a statutory authority, members of local boards and committees.	Farm labor, domestic servants, casual employees; employees engaged without pay in employer's social or athletic events; voluntary ski patrolmen; and any clergyman, rabbi or lay minister.	Voluntary as to exempt employments. Employees may elect compensation if mandated employer is uninsured.
NEW HAMPSHIRE	Compulsory as to all employments. First 3 corporate officers not counted as employees. Elective as to partners and sole proprietors.	Compulsory as to all public employments.	Railroad workers covered under F.E.L.A. (Jones Act).	
NEW JERSEY	Elective as to all employments.	Compulsory as to all public employments.	Casual workers, maritime workers, and railroad workers engaged in interstate commerce.	
NEW MEXICO	Compulsory as to employers of 3 or more. Corporate officers who are 10% shareholders may reject. Elective as to partner or self-employed.	Compulsory as to state, counties, cities, towns, schools, drainage, irrigation, or conservancy districts, public instruction or administrative boards; includes elected or appointed officials.	Farm or ranch labor, domestic servants, and casual employees.	Voluntary as to farm labor, domestic service, and where less than 3 are employed.
NEW YORK	Compulsory as to all employments. Corporate officer who is sole shareholder may reject.* Elective as to partner or self-employed.	Compulsory as to state and subdivisions when worker is engaged in hazardous occupations enumerated. Covers school aides and public school teachers in districts outside New York City. Voluntary as to municipal corporations in nonhazardous employments.	Farm labor if payroll during prior year was less than \$1,200; volunteer workers; domestic worker not employed by same employer at least 40 hours per week; teacher or nonmanual laborer for religious, charitable, or educational institution; and corporate officer who is sole shareholder and has no other employees.	Voluntary as to exempt employments and for certain employment in fulfillment of probationary sentence.
NORTH CAROLINA	Compulsory as to all employers of 4 or more and all employments with exposure to radiation. Corporate officers count toward total number of employees but may reject. Elective as to partner or sole proprietor.	Compulsory as to public employments, public and quasi-public corporations, and elective officials.	Farm labor, domestic servants, casual workers, railroad workers, voluntary ski patrolmen, individual sawmill or logging operators with fewer than 10 employees who operate less than 60 days over a 6-month period.	Voluntary as to casual employees, domestic servants, and employers of fewer than 4 employees. Compulsory as to agricultural employer with 10 or more full-time nonseasonal workers.

NOTE: State courts vary in decisions whether minimum number of persons must be in state.
¹ Compensation laws are classified as compulsory or elective. A compulsory law requires every employer to accept the act and pay the compensation specified. An elective act is one in which the employer has the option of either accepting or rejecting the act, but if he rejects it he loses the customary common law defenses (negligence assumed by employee, negligence of fellow servants, and contributory negligence). In most states workers in exempted or excluded employments may be brought under coverage of the act through voluntary action of the employer. In other states, such action of the employer must be concurred in by the employees.

² Applying to private employments only. The exceptions for public employments are given under "Employments Covered—Public."

Me. *Seasonal or casual employees exempt if employer maintains liability insurance.

Mch. *Corporate officer who is 10% shareholder of corporation with up to 10 shareholders may reject.

Minn. *Act does not apply to persons covered by Domestic Volunteer Service Act of 1972, as amended.

Mo. *Employers who do not elect coverage are liable to suit with defenses abrogated.

N.Y. *Unsalaries executive officers of a not-for-profit, unincorporated association may reject.

CHART II □ COVERAGE OF LAWS □ January 1, 1986 (continued)

JURISDICTION	EMPLOYMENTS COVERED ¹		EXCEPTIONS ²	SPECIAL COVERAGE PROVISIONS ³
	PRIVATE	PUBLIC		
NORTH DAKOTA	Compulsory as to all hazardous employments. Elective as to corporate officers, partners or sole proprietors, and resident family members.	Compulsory as to all public employments.	Farm labor, domestic servants, casual workers, illegal enterprises or occupations, and clergy.	Voluntary as to nonhazardous and excluded employments.
OHIO	Compulsory as to all employments. Elective as to partners and sole proprietors.	Compulsory as to state, counties, cities, townships, incorporated villages, and school districts.	Casual and domestic workers paid less than \$160 by one employer in any 3-month period.	Elective as to officers of family farm corporations.
OKLAHOMA	Compulsory as to all employments. Elective as to 10% shareholders, partners, and sole proprietors.	Compulsory as to the state, counties, cities, or municipalities employing workers in hazardous employments, except where equivalent schemes are in force.	Domestic and casual employees of homeowner whose annual payroll is under \$10,000, worker covered by federal law, agricultural/horticultural employer whose annual payroll is under \$100,000, real estate salesmen and brokers.	Excludes certain persons sentenced to public service, assigned to work release or private prison industry programs.
OREGON	Compulsory as to all employments. Elective as to sole proprietors, partners, and corporate officers who are also directors with a substantial ownership interest. ⁴	Compulsory as to state, departments, cities, or towns and other political subdivisions. Covers volunteer trainees in state schools for deaf and blind.	Domestics; casual labor, interstate transportation, certain charitable or relief work, newspaper carriers, amateur sports officials, volunteer ski patrol, owners and operators of certain motor vehicles, and commission-paid real estate agents.	Voluntary as to exempt employments. Covers clients in Vocational Rehabilitation Division. Owner-operator of equipment for hire or taxi may elect coverage.
PENNSYLVANIA	Compulsory as to all employments.	Compulsory as to all public employments except elected officials. Students in vocational work program covered as employees of employer.	Domestic or casual labor, outworker, ⁵ farmer with 1 employee who works less than 20 days a year or earns less than \$150 a year.	Voluntary as to casual and domestic service. ⁶
PUERTO RICO	Compulsory as to all employments.	Compulsory as to all salaried public employments.	Casual and domestic workers.	Voluntary for sole proprietors and their families when supervising or engaging in manual labor in their business or farm.
RHODE ISLAND	Compulsory as to all employers of 4 or more, and employers in hazardous occupations.	Compulsory as to the state and city of Providence, elective as to cities or towns.	Agriculture, domestic service. Excludes van pooling recipients except driver.	Voluntary as to agriculture, domestic service, and employers of less than 4 employees, except those in hazardous occupations. Excludes employer-sponsored social or athletic activity.
SOUTH CAROLINA	Elective as to all employers of 4 or more including active partners and sole proprietors whose employees are eligible for benefits.	Compulsory as to all public employments except elective and appointive officials. Coverage extended to members of the State and National Guard.	Casual employees, persons engaged in selling agricultural products, farm labor, railroads, express companies, state and county law associations, employer with annual payroll under \$3,000.	Voluntary as to excluded employments.
SOUTH DAKOTA	Compulsory as to all employments. Elective as to employer performing labor incidental to job.	Compulsory as to all public employments, except elected or appointed officials. Firemen covered. Subdivisions of state may elect to cover elected and appointed officials. Students in vocational work program covered as employees of employer.	Farm labor, domestic servants if employed more than 20 hours in any week and more than 6 weeks in any 13-week period, and welfare participants.	Voluntary as to farm labor and domestic service. Compulsory as to operators of farm machinery, e.g., threshers, combines, shellers, cornhuskers.
TENNESSEE	Compulsory as to all employers of 5 or more. Corporate officers may reject. Elective as to partners and sole proprietors.	Voluntary as to state and political subdivisions.	Farm labor, domestic servants, casual employees, employees of interstate common carriers, and voluntary ski patrolmen.	Voluntary as to employers of less than 5.
TEXAS	Elective as to all employments. Elective as to corporate officers, partners, and sole proprietors. Farm ranch operator may elect to cover self, partner, corporate officer or family member.	State provides self-insurance coverage for Highway Dept., University of Texas, and Texas A&M University. Counties and municipalities may provide compensation for their employees (by separate act). ⁷	Domestic servants, railways used as common carriers, and employees not in usual course of employer's business; seasonal farm ranch labor for employer with payroll under \$25,000, ⁸ and other farm ranch labor for employer with payroll under \$75,000. ⁹	Specifically covers motorbus companies. Elective as to exempt workers. Real estate salesmen by commission only may elect coverage.
UTAH	Compulsory as to all employments. Elective as to partners and sole proprietors.	Compulsory as to all public employments, including volunteers.	Casual employees. Farm employers whose payroll is less than \$2,500 per year, who do not employ 4 persons for 40 hours per week for 13 weeks during year, or employer-owner's family. Domestics who work less than 40 hours per week for a single employer. Real estate salesman or broker.	Voluntary as to farm labor and domestic service.
VERMONT	Compulsory as to all employments. Corporate officers may reject.	Compulsory as to all public employees, including legislators while in session, teachers, police, firemen, town and school employees, other municipal employees entitled to pensions, and road commissioners or selectmen engaged in highway maintenance or construction. ¹⁰	Casual or domestic employees, amateur athletes; farm labor where employer's payroll is under \$2,000 per year.	Specifically covers cruises and carnivals. Farmstead farmers and employers of domestics may elect coverage.
VIRGIN ISLANDS	Compulsory as to all employments. Elective as to partners and sole proprietors.	Compulsory as to all public employments.	Casual and domestic employees, and volunteers for charitable organizations.	Voluntary as to exempt employers and employees.
VIRGINIA	Compulsory as to employers of 3 or more and farm employer with more than 2 full-time employees. Elective for partners and sole proprietors. Corporate officers may reject for accidental injury only.	Compulsory as to all public employments, except administrative officers and employees elected or appointed for definite terms. ¹¹ Includes judges of Supreme Court and Circuit Court and judges and clerks of juvenile, domestic relations, and district courts.	Casual employees, horticultural and farm laborers, domestic servants, employees of steam railroads, employments not in usual course of employer's trade, business, or occupation, and real estate salesmen associated brokers on commission, unless independent contract, or who are not treated as employees for federal income tax purposes.	Voluntary as to employers of less than 3, farm labor, and domestics.
WASHINGTON	Compulsory as to all employments. Elective as to partners, sole proprietors, joint venturers, and corporate officers who are shareholders or directors.	Compulsory as to all public employments.	Home repair and gardening workers, railroad workers, unpaid workers in eleemosynary institutions, children under 18 on a family farm, jockeys, farm labor (earning less than \$150 from one employer in calendar quarter), and employments not in usual course of employer's business.	Covers apprentices registered with Apprenticeship Council. Excludes purchaser of contract musical or entertainment performance.
WEST VIRGINIA	Compulsory as to all employments. Elective as to partners, sole proprietors, and officers or shareholders in Subchapter S corporations.	Compulsory as to all public employments, including elected officials. Elective for churches.	Domestic workers, farm labor of 5 or fewer, casual employees, and employees working out of state (except temporarily).	Compulsory for officers of corporations and executive associations. Elective as to employers in organized professional sports, including thoroughbred horse racing.
WISCONSIN	Compulsory as to all employments (except farm labor) if paid \$500 or more in any calendar quarter for services in the state. Compulsory as to farmers with 6 or more employees.	Compulsory as to all employees, including state legislators. Includes certain vocational education students.	Domestic servants and casual employees.	Voluntary as to excluded employments. Elective as to working partners and up to two corporate officers in a closely held family corporation. Includes participant in community work experience program.

NOTE: State courts vary in decisions whether minimum number of persons must be in state.

¹ Compensation laws are classified as compulsory or elective. A compulsory law requires every employer to accept the act and pay the compensation specified. An elective act is one in which the employer has the option to either accept or reject the act, but if he rejects it he loses the customary common law defenses (risk assumed by employee, negligence of fellow servants, and contributory negligence). In most states workers in exempt or excluded employments may be brought under coverage of the act through voluntary action of the employer. In other states, such action if the employer must be concurred in by the employees.

² Applying to private employments only. The exceptions for public employments are given under "Employments Covered—Public."

³ Outworker is person to whom articles are given for cleaning, repair, etc., at home.

⁴ One. Ownership interest not required for certain family farms.

⁵ Pa. "Elective for members of certain State Treasurer, and State religious sects whose tenets prohibit benefits from insurance, provided the sect makes provision for its members."

⁶ Texas "Subdivisions may elect to cover officer deemed volunteer fireman, police, and emergency medical personnel."
⁷ To be adjusted for inflation.

⁸ \$50,000 for 1988-90, \$25,000 or 3 more employees for 1991 (dollar amounts to be adjusted for inflation).

⁹ Va. "Municipalities may elect coverage of other employees. Excludes other elected officials, certain judges, sheriffs, and county treasurers and clerks."

¹⁰ "Governing body of county, city, or town may elect coverage of its members."

¹¹ Wash. "Farm labor provision held unconstitutional by state Supreme Court (*Macias vs. Dept. of Labor and Industries*) on 9-8-83."

CHART II □ COVERAGE OF LAWS □ January 1, 1986 (continued)

JURISDICTION	EMPLOYMENTS COVERED ¹		EXCEPTIONS ²	SPECIAL COVERAGE PROVISIONS ³
	PRIVATE	PUBLIC		
WYOMING	Compulsory as to enumerated "extra-hazardous" occupations conducted for gain. Elective as to corporate officers.*	Compulsory as to state, counties, and municipal corporations when engaged in "extra-hazardous" work.	Domestic servants and casual employees, office workers, sales clerks, farm and ranch workers.	Elective as to farm and ranch workers (except dude ranches).
F.E.C.A.		All civil employees of the U.S. government, including wholly owned instrumentalities, and persons performing activities of civil employees without pay.		
LONGSHORE ACT	Compulsory as to all maritime employment nationwide, including longshoring, harborworking, shipbuilding, or ship repair.	Officers and employees of the U.S. or any state or foreign governments are not covered.	Master or crew of any vessel and persons unloading or unpanning vessels of less than 18 tons. ⁴ Not applicable to maritime employment in Puerto Rico. ⁵	Act also applies to workers at military bases and public works abroad; welfare and morale service workers for military abroad; and workers for nonappropriated funds (shop workers, P.K.'s, etc.) in U.S. and abroad.
ALBERTA	Compulsory as to all non-unionized employments. Corporate officers are covered ⁶ ; employer may elect coverage for self. Elective as to partners and sole proprietors.	Compulsory as to provincial employees, most school teachers are exempt.	Employments listed in General Regulations (includes farm labor, domestics, outworkers ³ , financial institutions, religious and charitable institutions, legal services, medical and dental services, salaried, and employees of labor unions).	Voluntary as to exempt employments and corporate directors. Board may include any individual or class by regulation.
BRITISH COLUMBIA	Compulsory as to all employments listed in Part I. Employer may elect coverage for self.	Compulsory as to all provincial and municipal employees, including members of fire brigade, ambulance staff.	Outworkers, ³ casual labor, performers.	Voluntary as to independent operators, certain members of employer's family and unenumerated employments. Board may include any industry by regulation. Lt. Gov.-in-Council may require coverage of commercial fishing industry.
MANITOBA	Compulsory as to all employments listed in Schedule I. Elective as to corporate officer, employer, or sole proprietor.	Compulsory as to all provincial and municipal employments, except employees of school boards, including teachers.	Farm labor, outworkers, ³ casual labor.	Voluntary as to unenumerated and excepted employments. Lt. Gov.-in-Council may include any industry by regulation.
NEW BRUNSWICK	Compulsory as to all regular employers of 3 or more. Compulsory as to salaried corporate officer or director. Employer may elect coverage for self.	Elective as to public employments.	Outworkers, ³ domestic servants, and persons whose employment is of a casual nature and otherwise than for the purpose of business. ⁷	Voluntary as to excepted employments. Lt. Gov. in council may regulate exclusion of industry in which not more than stated number of workers fixed by regulation are usually employed.
NEWFOUNDLAND	Compulsory as to all employments except as excluded by regulation.	All provincial and federal employees are covered.	Artists, entertainers, circus and trade shows, newsboys, and clergy; employment by a person in respect of a function in private residence of that person; salesmen employed out of province; sports professionals, instructors, players and coaches; volunteers and outworkers. ³	Commission may accept excluded employer or worker.
NORTHWEST TERRITORIES	Compulsory as to all employments. Elective as to corporate officers.	Compulsory as to territory government.	Partners in professional firms.	Commissioner may exempt industry, employer, or worker. Voluntary as to accepted employment.
NOVA SCOTIA	Compulsory as to employments listed in Part I. Board has exempted employers of 2 or fewer. Includes corporate executives; employer may elect coverage for self.	Elective as to public employments. Firemen and police are excluded. Board may exclude public officials.	Casual labor, outworkers, ³ farm labor, domestic servants. By regulation Board has excluded specific industries, including educational institutions, persons in medical work and dental surgery, veterinarians, athletes, barbers, taxicabs, florists, horticultural employment, entertainers, and aviation industry.	Voluntary as to excepted employments. Board may include or exclude any industry or set numerical exemption, by regulation.
ONTARIO	Compulsory as to all employments listed in Schedules I and II. Corporate officer may elect coverage.	Compulsory as to all provincial and municipal employments.	Domestic servants, outworkers ³ .	Voluntary as to unenumerated and excepted employments.
PRINCE EDWARD ISLAND	Compulsory as to employments listed in Part I. Board has exempted employers with 1 employee. Elective as to corporate officer.	Compulsory except for municipal officers. Municipal firemen and police may be covered on application.	Casual labor, outworkers, ³ farm labor, domestic servants, taxi industry, junk industry employers of 9 or fewer, aviation industry employers of 99 or fewer.	Voluntary as to unenumerated and excepted employments.
QUEBEC	Compulsory as to all employments.	Compulsory as to all provincial and municipal employments.	Domestic servants and outworkers covered upon request. ³	Voluntary as to unenumerated and excepted employments.
SASKATCHEWAN	Compulsory as to all employments. Compulsory for corporate officers and salaried employees.	Compulsory as to all provincial and municipal employments. Municipalities and corporations may elect coverage of mayor and members of governing body.	Farm and ranch labor, domestics, outworkers, ³ and school teachers.	Voluntary as to excepted employments. Lt. Gov.-in-Council may exclude any industry, employer, or worker.
YUKON TERRITORY	Compulsory as to all employments.	Compulsory as to territory government.	Casual employees, domestics, outworkers ³ .	Voluntary as to excepted employments.
CANADIAN GOVERNMENT EMPLOYEES' ACT		Compulsory as to employees of government departments, Crown corporations, boards, commissions, etc., in Canada and abroad.		Claims are determined by provincial boards; benefits same as for private employees in same province; worker in territory is deemed employed in Alberta.
CANADIAN MERCHANT SEAMEN'S ACT	Compulsory as to all employees of Canadian registered ships, as defined.		Pilots, apprenticed pilots, and fishermen.	No compensation payable if employed under Government Employees' Compensation Act or any provincial act.

¹Compensation laws are classified as compulsory or elective. A compulsory law requires every employer to accept the act and pay the compensation specified. An elective act is one in which the employer has the option of either accepting or rejecting the act, but if he rejects it he loses the customary common law defenses (risk assumed by employee, negligence of fellow servants, and contributory negligence). In most jurisdictions workers in excepted or excluded employments may be brought under coverage of the act through voluntary action of the employer. In other jurisdictions such action of the employer must be concluded in by the employees.

²Applying to private employments only. The exceptions for public employments are given under "Employments Covered—Public."

³Outworker is person to whom articles are given for cleaning, repair, etc., at home.

Wyo. *Salary of corporate officer is \$2,400 minimum, \$4,800 maximum.

Longshore *Also excluded to extent covered by state law are: office, clerical, secretarial, security or data processing employees; club, camp, recreational operation, restaurant, museum or retail outlet employees; marins employees not engaged in construction, replacement or expansion; persons temporarily on premises not doing work normally performed by employer; aquaculture workers; builders, repairers or dismantlers of recreational vessels under 65 feet in length; and master or crew member of any vessel.

⁴By decisional law *Garcia v. Firestone*, 597 F.2d 284 (1st Cir.), cert. denied, 444 U.S. 940 (1979).

Alta. *Corporate director may elect coverage.

N.B. *By regulation also excludes fishing industry, employers of less than 10 workers in hand laundry and air or water transport, employers of less than 500 workers on vessel in intraprovincial waters.

JURISDICTION	COVERED	FUTURE EARNING CAPACITY	ILLEGAL EMPLOYMENT	SPECIAL BENEFIT PROVISIONS
ALABAMA	Yes		Double compensation	Settlement valid.
ALASKA	Yes	Considered		
AMERICAN SAMOA	Yes	Considered		Guardian may be required.
ARIZONA	Yes	Considered	50% additional compensation ¹	Lump sum payable to guardian.
ARKANSAS	Yes		Double compensation ¹	
CALIFORNIA	Yes	Considered	50% additional compensation ¹	Settlement valid until claimed by parent or guardian.
COLORADO	Yes		(-)	
CONNECTICUT	Yes	Considered		If under 18, 50% additional compensation for scheduled injury. If under 16, 100% added. Guardian may be required.
DELAWARE	Yes			
DISTRICT OF COLUMBIA	Yes	Considered		
FLORIDA	Yes			Guardian may be required.
GEORGIA	Yes			Board may appoint special guardian where no general guardian has been appointed.
GUAM	Yes	Considered		Guardian may be required.
HAWAII	Yes	Considered ²		
IDAHO	Yes	Considered ²		Lump sum under probate jurisdiction.
ILLINOIS	Yes		If under 16, 50% additional compensation.	Minor may elect suit for damages.
INDIANA	Yes		If under 16, double compensation ¹ .	If over \$100, payable to guardian.
IOWA	Yes	Considered if apprentice or trainee.		Settlement valid.
KANSAS	Yes			Payments to minor, guardian or conservator.
KENTUCKY	Yes	Considered		Lump sum payable to guardian.
LOUISIANA	Yes ³			
MAINE	Yes			
MARYLAND	Yes	Considered	Double compensation, discretionary ¹	
MASSACHUSETTS	Yes	Considered	Double compensation ¹	If guardian required, insurer must pay expenses.
MICHIGAN	Yes		If under 18, double compensation ¹	
MINNESOTA	Yes			Entitled to maximum benefits if permanent partial disability. Guardian may be required.
MISSISSIPPI	Yes		Double compensation ¹	Guardian may be required.
MISSOURI	Yes	Considered	50% additional compensation	
MONTANA	Yes	Considered		
NEBRASKA	Yes		Same as adults	
NEVADA	Yes		Up to \$500 per offense ⁴	
NEW HAMPSHIRE	Yes	Considered	Legally employed, double compensation	
NEW JERSEY	Yes ⁵		Under 14, or between 14-18 without permit. Double compensation ¹ . Minor may elect suit for damages.	Guardian required.
NEW MEXICO	Yes			

JURISDICTION	COVERED	FUTURE EARNING CAPACITY	ILLEGAL EMPLOYMENT	SPECIAL BENEFIT PROVISIONS
NEW YORK	Yes	Considered	If under 18, double compensation ¹	Applies to second injuries, rehabilitation, and reopened cases.
NORTH CAROLINA	Yes	Considered ²		Permanent disability payments over \$500 payable to guardian.
NORTH DAKOTA	Yes	Considered		Lump sum payable to guardian.
OHIO	Yes	Considered	Double compensation	Lump sum payable to guardian.
OKLAHOMA	Yes	Considered	Excluded	
OREGON	Yes		25% (maximum \$500) to state fund	Lump sum payable to guardian.
PENNSYLVANIA	Yes		Violation of child labor law—50% additional compensation ¹	
PUERTO RICO	Yes		If under 18, double compensation	
RHODE ISLAND	Yes		Triples compensation	
SOUTH CAROLINA	Yes			If over \$250, payable to guardian.
SOUTH DAKOTA	Yes			
TENNESSEE	Yes			If over \$250, payable to guardian.
TEXAS	Yes	Considered		Payable to guardian.
UTAH	Yes	Considered		Lump sum payable to guardian.
VERMONT	Yes			
VIRGIN ISLANDS	Yes		30% additional compensation ¹	
VIRGINIA	Yes			If over \$200, payable to guardian.
WASHINGTON	Yes		50% to state fund ²	If over \$750, lump sum payable under probate jurisdiction.
WEST VIRGINIA	Yes		Same as adults	
WISCONSIN	Yes	Considered	Doubled or tripled ²	Guardian may be required.
WYOMING	Yes			Lump sum payable under probate jurisdiction.
F.E.C.A.	Yes	Considered		
LONGSHORE ACT	Yes	Considered		
ALBERTA	Yes	Considered		Paid as Board deems best.
BRITISH COLUMBIA	Yes	Considered		Paid as Board deems best.
MANITOBA	Yes	Considered		Part as Board deems best.
NEW BRUNSWICK	Yes	Considered		Paid as Board deems best.
NEWFOUNDLAND	Yes	Considered	Death benefit to parent may be withheld.	Paid as Commission deems best.
NORTHWEST TERRITORIES	Yes	Considered		Paid as Board deems best.
NOVA SCOTIA	Yes	Considered	If under 14, death benefit to parent may be withheld.	Paid as Board deems best.
ONTARIO	Yes	Considered	(-)	Paid as Board deems best.
PRINCE EDWARD ISLAND	Yes	Considered	(-)	Part as Board deems best.
QUEBEC	Yes	Considered		Paid as required by law.
SASKATCHEWAN	Yes	Considered		Paid as Board deems best.
YUKON TERRITORY	Yes	Considered		Paid as Commission deems best.
CANADIAN MERCHANT SEAMEN'S ACT	Yes			Paid as Board deems best.

¹ Employer may not insure additional amount of compensation.
 Ark. ² Unless minor misrepresents age in writing to employer.
 Cal. ³ Permanent disability and death benefits paid at maximum rate payable at time of death or determination of permanent disability.
 Hawaii ⁴ Permanent total disability and death benefits based on AWW employee would have received at age 25.
 Idaho ⁵ Adult wages for 311 scheduled injuries.
 Ind. ⁶ Student in vocational education program treated as worker age 17 and not entitled to double compensation.
 La. ⁷ Compulsory coverage for minors between 12 and 18 engaged in street trade.
 Mich. ⁸ Except in case of fraudulent use of permits or age certificates.
 Mass. ⁹ Employer may not insure additional amount of compensation. Students 14 and over employed between semesters or on on-the-job training, and junior auxiliary firemen, are excepted.
 Nev. ¹⁰ Employer guilty of misdemeanor.
 N.J. ¹¹ Does not apply if working under certificate.
¹² Employer may not insure additional amount of compensation. Students age 14 and over employed between semesters or on on-the-job training, and junior auxiliary firemen, are excepted.

N.C. ¹³ Compensation for permanent disability or death with surviving dependents is based on AWW paid an adult employee at a position to which a minor employee would likely be promoted; if no position exists, then the minor is entitled to the maximum benefit. In temporary disability and no-dependency death cases, compensation may be increased in proportion to expected earnings where total disability extends over 52 weeks.
 Wash. ¹⁴ Imposed only if minor is below minimum age for employment or working without permit.
 Wis. ¹⁵ Doubles for minor of permit age employed without a permit. Maximum \$7,500 tripled where such minor employed in prohibited work, or in the case of minor under permit age and illegally employed. Maximum additional compensation payable by employer. Minors given contractual power under the Act. Employer fraudulent written evidence of age by minor. Extra compensation paid into special fund. Paid as death benefit.

Ont. ¹⁶ Employer may be held individually liable.
 P.E.I. ¹⁷ Employer may be held individually liable.

CHART IV

COVERAGE OF OCCUPATIONAL DISEASES

January 1, 1986

JURISDICTION	NATURE OF COVERAGE ¹	MEDICAL BOARDS	ONSET OF DISABILITY OR DEATH	TIME LIMIT ON CLAIM FILING	DEDUCTIONS FROM DEATH AWARDS	MEDICAL CARE	COMPENSATION ²
ALABAMA	All diseases		Death—within 3 years after last exposure or last payment. Radiation or occupational pneumoconiosis—exposure must occur in at least 12 months over 5 years prior to last exposure.	Disability—within 2 years after last exposure or last payment (radiation—within 2 years and claimant knows should know relation to employment). Death—within 2 years after death or last payment. Coal-miner's pneumoconiosis—within 3 years after total disability or death and claimant knows should know relation to employment.		Unlimited	Same as for accidents. Coal-miner's pneumoconiosis—total disability or death compensated same as Federal Black Lung Act.
ALASKA	All diseases			2 years after knowledge of relation to employment. Within 1 year after death.		Unlimited	Same as for accidents
AMERICAN SAMOA	All diseases	Claimant examined by physician selected by Commissioner.		Within 1 year after claimant knows should know relation to employment.		Unlimited	Same as for accidents
ARIZONA	All diseases	Board of 3 medical consultants may be appointed by Commission. Report is prima facie evidence of facts.	Silicosis or asbestosis—employer liable only if exposure during 2 years.	Within 1 year after disability or accrual of right, excusable.*	Disability payments	Unlimited	Same as for accidents
ARKANSAS	All diseases		Disability or death—within 1 year after last exposure (3 years for silicosis or asbestosis), or 7 years for death following continuous disability. Does not apply to radiation. Silicosis or asbestosis presumed nonoccupational absent exposure in 5 years over 10 years prior to disability (2 of 5 years in-state unless same employer).	Disability—within 2 years after last exposure (silicosis or asbestosis—within 1 year from disablement; radiation—within 2 years from diagnosis). Death—within 2 years.		Unlimited	Same as for accidents. Silicosis and asbestosis—partial disability less than 33-1/3% non-compensable.**
CALIFORNIA	All diseases. Special account for asbestos-related disease.			Disability—within 1 year from injury or last payment. Death—within 1 year after death (for death within 1 year after injury); 1 year after last medical payment, or 1 year after death if compensation paid, no proceedings more than 240 weeks after injury except for claims based on asbestos exposure.*		Unlimited	Same as for accidents
COLORADO	All diseases*		Disability—within 5 years after injury (no limit for radiation, asbestosis, silicosis, or anthracosis). Silicosis or asbestosis—employer liable only if exposure lasts 60 days.	Within 3 years after disability or death (5 years in case of ionizing radiation, asbestosis, silicosis, or anthracosis or if reasonable excuse).		Unlimited	Same as for accidents
CONNECTICUT	All diseases	Panel of 3 physicians may be appointed by Commissioner to resolve medical issues involving lung disease.		Within 3 years after first manifestation of disease (within 2 years if death occurs within 2 years after first manifestation of disease, or 1 year after death, whichever is later).		Unlimited	Same as for accidents
DELAWARE	All diseases			Disability or death—within 1 year after claimant knows relation to employment.		Unlimited	Same as for accidents
DISTRICT OF COLUMBIA	All diseases			Within 1 year after injury, death, last payment, or knowledge of relation to employment.		Unlimited	Same as for accidents
FLORIDA	All diseases		Death—following continuous disability and within 350 weeks after last exposure. Employer liable for dust disease only if exposure lasts 60 days.	Within 2 years after disablement, death, or last payment.		Unlimited	Same as for accidents
GEORGIA	All diseases	Medical board of 5 tripartite concisive.	Within 1 year after last exposure (3 years for cysticosis, silicosis, or asbestosis; 7 years for death following continuous disability). Employer liable for silicosis or asbestosis only if exposure lasts 60 days, presumed nonoccupational absent exposure in 5 years over 10 years prior to disability (2 years in-state unless same employer).**	Within 1 year after disablement, death, or medical care, or 2 years after last payment. Radiation—within 1 year after onset of disability and claimant knows should know relation to employment.*	Disability payments	Unlimited	Same as for accidents***
GUAM	All diseases			Within 1 year after injury, death, or payment.		Unlimited	Same as for accidents
HAWAII	All diseases			Within 2 years after claimant knows relation to employment.		Unlimited	Same as for accidents

¹Employer and insurance carrier at time of last exposure are liable in Arkansas, Colorado, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Maine, Maryland, Minnesota, New Hampshire, North Carolina, Oklahoma, Tennessee, Vermont, and Virginia. The employer at time of last exposure is liable in Alabama, Arizona, Iowa, Michigan, Missouri, Montana, New Mexico, Pennsylvania, South Dakota, Texas, and Utah. Liability is apportioned among responsible employers in New York and Rhode Island. California limits liability to employer during last year of exposure.

²Benefits determined as of the date of last exposure or last injurious exposure in Arkansas, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Michigan, Minnesota, Missouri, New Jersey, South Dakota, Texas, Washington, Wisconsin, and Wyoming. Benefits determined as of the date of disability, knowledge, or manifestation in Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Iowa, Maryland, Massachusetts, Mississippi, Montana, Nebraska, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Vermont, and West Virginia.

All. *Radiation illness caused by gradual exposure.

Any time limit on filing runs from when injury is manifest or when claimant knows should know relation to employment, including turning incapacity.

All. **Silicosis or asbestosis—worker who is affected but not disabled may leave work and receive up to 26 weeks of benefits plus up to \$400 for retraining.

Cal. Date of injury is date of disability and claimant knows should know relation to employment.

Cal. Supreme Court held that employees may be entitled to benefits for job-related mental or emotional stress. *Cry v. Outdoor v. Stebb*, 706 P.2d 785 (1985).

Cal. Silicosis claims diagnosed before July 1, 1983, must be filed before July 1, 1984.

**Year is 200 days exposure over 12 months.

***Silicosis or asbestosis—worker who is affected but not disabled may waive full compensation and if later disabled receive benefits up to 100 weeks/\$2,000.

CHART IV □ COVERAGE OF OCCUPATIONAL DISEASES □ January 1, 1986 (continued)

JURISDICTION	NATURE OF COVERAGE ¹	MEDICAL BOARDS	ONSET OF DISABILITY OR DEATH	TIME LIMIT ON CLAIM FILING	DEDUCTIONS FROM DEATH AWARDS	MEDICAL CARE	COMPENSATION ²
IDAHO	All diseases		Within 1 year after last exposure (4 years for silicosis, 7 years for death following continuous disability). Employer liable for nonacute disease only if exposure lasts 60 days. Silicosis—exposure must occur in 5 years during 10 years prior to disablement (last 2 in-state unless same employer)	Within 1 year after manifestation or death. Silicosis—within 4 years after last exposure. Radiation or unusual disease—within 1 year after incapacity, disability, or death and claimant knows should know relation to employment.	Disability payments	Unlimited	Same as for accidents. Silicosis—partial disability noncompensable*
ILLINOIS	All diseases		Disability—within 2 years after last exposure (3 years for berylliosis or silicosis, 25 years for asbestosis or radiation).	Disability—within 3 years after disablement or 2 years after last payment. Death—within 3 years after death or last payment. Coal-miner's pneumoconiosis—within 5 years after last exposure or last payment. Radiation or asbestosis—within 25 years after last exposure.	Disability payments but with minimum compensation	Unlimited	Same as for accidents
INDIANA	All diseases		Disablement—within 2 years after last exposure (3 years if caused by coal or silica dust, 20 years if caused by asbestos ¹). Radiation—within 2 years after claimant knows should know relation to employment. Death—within 2 years after disablement or during pendency of disability claim filed within that period, within 2 years after first disability expires but no later than 300 weeks after disablement. Employer liable for silicosis or asbestosis only if exposure lasts 60 days.	Within 2 years after disablement or death.	Disability payments	Unlimited	Same as for accidents
IOWA	All diseases	Medical Board may decide controverted medical questions or provide medical examinations for certain employees.	Disability or death—within 1 year after last exposure (3 years for pneumoconiosis, 7 years for death following continuous disability). Pneumoconiosis presumed nonoccupational absent exposure in 5 years over 10 years prior to disability (2 of 5 years in-state); employer liable only if exposure lasts 60 days.	Within 2 years after death or disablement or 3 years after last payment. Radiation—within 90 days after disablement or death and claimant knows should know relation to employment.	Same as for accidents	Unlimited	Same as for accidents. Pneumoconiosis—partial disability less than 33-1/3% is noncompensable**
KANSAS	All diseases		Disability or death—within 1 year after last exposure (3 years for death from silicosis, 7 years for death following continuous disability). Does not apply to radiation. Silicosis presumed nonoccupational absent exposure in 5 years over 10 years prior to disability (2 of 5 years in-state unless same employer); employer liable only if exposure lasts 60 days.	Within 1 year after disablement, death, or last payment (2 years after last payment in case of silicosis). Radiation—within 1 year after claimant knows should know relation to employment.		Unlimited	Same as for accidents*
KENTUCKY	All diseases*			Disability—within 3 years after last exposure or first manifestation. Death—within 3 years, if it occurs within 3 years after last exposure or first manifestation. Limit waived where voluntary payment or employer knows of disease and cause. No claim more than 5 years after last exposure (20 years in case of radiation), except for death within 20 years after continuous disability begins in cases where there is a hint or timely claim for disability.		Unlimited	Same as for accidents. Where disablement occurs after 5 years exposure or results from silicosis or pneumoconiosis, apportioned between employer and Special Fund. Fund pays 75% of cost if not conclusively proven to result from last exposure, otherwise pays 40%. Employer pays balance.
LOUISIANA	All diseases		Diseases contracted in less than 1 year presumed to be nonoccupational. Presumption is rebuttable by "overwhelming preponderance of evidence."	Disability—within 6 months after manifestation, occurrence of disability, or worker knows should know relation to employment. Death—within 6 months or within 6 months after worker knows should know relation to employment.	Same as for accidents	Unlimited	Same as for accidents
MAINE	All diseases		Incapacity—within 3 years after last exposure (does not apply to asbestos-related disease). Employer liable only if exposure lasts 60 days (except for radiation and asbestos-related disease). Silicosis presumed nonoccupational absent in-state exposure in 2 years during 15 years preceding disability (part of exposure may be out of state if same employer).	Within 2 years after incapacity or 1 year after death or last payment (40 years after last payment for asbestos-related disease). ¹ If mistake of fact, within reasonable time but no later than 10 years after last payment. Radiation—limit runs from date of incapacity and claimant knows should know relation to employment.	Disability payments	Unlimited	Same as for accidents
MARYLAND	All diseases*			Within 2 years after disablement, death, or actual knowledge of relation to employment, excusable (3 years for pulmonary dust disease).		Unlimited	Same as for accidents
MASSACHUSETTS	All diseases			Within 1 year after injury, or death, excusable.	Disability payments	Unlimited	Same as for accidents
MICHIGAN	All diseases			Within 2 years after claimant knows should know relation to employment.		Unlimited	Same as for accidents*

Idaho *Silicosis—worker who is affected but not disabled may waive full compensation and, if later disabled, receive benefits up to \$5,000.

Ind. *20 years if last asbestos dust exposure occurs on or after 7/1/85, 3 years if last exposure occurred before 7/1/85.

Iowa *Death from respiratory disease of coalminer employed 10 years presumed due to pneumoconiosis.

**Effective 7/1/84, 33% threshold requirement repealed, benefits now payable are prospective only.

Kan. *Worker who is affected but not disabled may waive full compensation and if later disabled receive benefits up to 100 weeks.

Ky. *Black lung claimant must file under state and federal law.

Me. *Claim for asbestos-related disease contracted between 11/30/67 and 10/1/83 must be filed by 1/1/85.

Md. *Disease or injury compensable under federal law (other than Social Security Disability Insurance) is not compensable.

Mich. *Silicosis dust disease, and logging industry fund reimburses compensation over \$25,000 or 104 weeks, whichever is greater for injury after 6/30/85, and reimburses benefits in case of exposure to brominated biphenyl before 7/24/79 and where disability or death occurs becomes known after 7/24/79.

CHART IV COVERAGE OF OCCUPATIONAL DISEASES January 1, 1986 (continued)

JURISDICTION	NATURE OF COVERAGE ¹	MEDICAL BOARDS	ONSET OF DISABILITY OR DEATH	TIME LIMIT ON CLAIM FILING	DEDUCTIONS FROM DEATH AWARDS	MEDICAL CARE	COMPENSATION ²
MINNESOTA	All diseases			Within 3 years after employee's knowledge of cause of injury or disability.		Unlimited	Same as for accidents. Non-disabled claimants eligible for medical benefits. Supplemental benefits may be payable after 4 years from last exposure.
MISSISSIPPI	All diseases			Within 2 years after injury ³ or death.	Same as for accidents.	Unlimited	Same as for accidents.
MISSOURI	All diseases		Last employer liable for silicosis, asbestosis and radiation if exposure lasts 90 days. ⁴	Within 2 years after injury, death, or last payment (3 years if no injury report filed); limitation runs from date injury is reasonably apparent.	Disability payments	Unlimited	Same as for accidents.
MONTANA	All diseases	Examinations made by 1 or more members of the occupational disease panel.	Death—within 3 years after last employment unless continuous total disability (does not apply to radiation).	Within 2 years after disability and claimant knew or should know relation to employment, may be extended 2 more years. ⁵	Disability payments	Unlimited	Same as for accidents, excluding partial disability. Worker who is affected but not disabled may leave job and receive compensation up to \$10,000. Pneumoconiosis benefits reduced by amount payable under federal law. Benefits for silicosis are supplemented so that combined compensation is \$200 monthly; supplement is general revenue financed.
NEBRASKA	All diseases			Within 2 years after knew should have known of injury and relation to employment.		Unlimited	Same as for accidents.
NEVADA	All diseases	Medical review board selected by director; findings conclusive.	Silicosis or respiratory dust disease is noncompensable absent in-state exposure in 3 years during 10 years preceding disability or death.	Within 90 days after knowledge of disability and relation to employment or 1 year after death. Silicosis or respiratory dust disease—within 1 year after temporary or total disability or death.		Unlimited	Same as for accidents.
NEW HAMPSHIRE	All diseases			Within 2 years after injury or death and claimant knows should know of injury and relation to employment. ⁶	Disability payments	Unlimited	Same as for accidents.
NEW JERSEY	All diseases			Within 2 years after claimant knows relation to employment or last payment.		Unlimited	Same as for accidents.
NEW MEXICO	All diseases		Death—within 1 year after last employment (3 years for death following continuous disability), and death must follow disability within 2 years. Silicosis or asbestosis—disability or death within 2 years after last employment (5 years for death following continuous disability), employer is liable only if exposure lasts 60 days; noncompensable absent in-state exposure in 1250 workshifts during 10 years preceding disability. Radiation—disability or death within 10 years after last employment.	Within 1 year after disability or death or 1 year 31 days after last voluntary payment. Radiation—within 1 year after disability begins or death and claimant knows should know relation to employment.	Disability payments	Unlimited	Same as for accidents.
NEW YORK	All diseases			Within 2 years after disablement or death or two years after claimant knows should know relation to employment.		Unlimited	Same as for accidents. ⁷
NORTH CAROLINA	All diseases	Commission appoints 3-member advisory board for silicosis or asbestosis cases.	Death within 2 years after injury; if totally disabled 6 years after injury or 2 years after final determination. Asbestosis—disability or death within 10 years after last exposure; for death following continuous disability, disability must occur within 10 years after last exposure. ⁸ Lead poisoning—disability or death within 2 years after last exposure; for death following continuous disability, disability must occur within 2 years after last exposure.	Within 2 years after disablement, death or final payment or within 2 years of notification by competent medical authority, whichever last occurs. Radiation—within 2 years after incapacity and claimant knows should know relation to employment.		Unlimited	Same as for accidents. ⁹
NORTH DAKOTA	All diseases		Death—within 1 year after injury if no disability, or 1 year after cessation of disability, or 6 years after injury if disability is continuous. ¹⁰	Within 1 year after injury within 2 years after death (2 years after injury if no claim prior to death). ¹¹		Unlimited	Same as for accidents.
OHIO	All diseases	Medical specialist in sporadic cases; findings advisory.		Within 2 years after disability or death or within 6 months after diagnosis (whichever is later).		Unlimited	Same as for accidents. No partial disability for respiratory dust disease. ¹²

Mss. ¹For radiation, date of disablement is date of injury.

Mo. ²By court decision. Does not apply to insurer. *Bolman v. Certain-Feed Products Corp.*, 651 S.W.2d 613 (Cl. App. 1984).

Mont. ³Claimant who is discharged or transferred to avoid liability may receive compensation when totally disabled up to \$10,000.

N.M. ⁴Date of injury is last date of exposure or first date worker knows should know relation to employment.

N.Y. ⁵Disability or death due to silicosis or dust disease reimbursed from special fund for all payments over 104 weeks.

N.C. ⁶Asbestosis or silicosis is noncompensable absent in-state exposure in 2 years during 10 years preceding last exposure or if exposure is less than 30 working days in 7 consecutive months.

⁷Worker who is affected but not disabled by asbestosis or silicosis or who is removed from exposure receives benefits up to \$80 weekly for 104 weeks. If later totally disabled, full compensation is paid. If death results within 2 years after last exposure (350 weeks if caused by secondary infection), full compensation is paid. If partially disabled, 66-2/3% of wage loss is paid for another 198 weeks. If unrelated death, balance of 104 weeks is paid plus 300 weeks (total disability) or percentage of 198 weeks (partial disability). Worker may waive full compensation and receive 104 weeks of compensation plus 100 more weeks if later disabled or dies.

N.D. ⁸Date of injury is date on which a reasonable person knows should know relation to employment.

Ohio ⁹Includes asbestosis, silicosis, and coalminer's pneumoconiosis. Worker who is affected but not disabled by respiratory dust disease and leaves employment may receive \$43 weekly for 30 weeks, then 66-2/3% of wage loss (not to exceed \$40.25 weekly).

CHART IV □ COVERAGE OF OCCUPATIONAL DISEASES □ January 1, 1986 (continued)

JURISDICTION	NATURE OF COVERAGE ¹	MEDICAL BOARDS	ONSET OF DISABILITY OR DEATH	TIME LIMIT ON CLAIM FILING	DEDUCTIONS FROM DEATH AWARDS	MEDICAL CARE	COMPENSATION ²
OKLAHOMA	All diseases		Employer liable for silicosis or asbestosis only if exposure lasts 60 days.	Within 2 years after last exposure or manifestation and diagnosis by a physician.		Unlimited	Same as for accidents*
OREGON	All diseases			Within 5 years after last exposure and within 180 days after disablement or physician informs claimant of disablement. 10 years after last exposure for radon disease.		Unlimited	Same as for accidents
PENNSYLVANIA	All diseases	Examination by impartial physician may be ordered.	Within 300 weeks after last exposure (except death following disability that occurs within 300 weeks after last exposure). Silicosis, anthracosis, or coalminer's pneumoconiosis—noncompensable absent in-state exposure in 2 years during 10 years preceding disability.*	Within 3 years after disablement, death, or last payment. Radon—within 3 years after the employee knows/should know relation to employment.		Unlimited	Same as for accidents*
PUERTO RICO	Diseases as provided by law		Disability—within 1 year after last exposure, except diseases with longer latency periods.	Within 3 years from time employee learns nature of disability.		Unlimited	Same as for accidents
RHODE ISLAND	All diseases	Director of Workers' Compensation appoints one or more impartial physicians; any commissioner can appoint impartial examiner.	Disability date determined by Commissioner.	Within 3 years from date of discovery. Radon—within 1 year after claimant knows/should know relation to employment.		Unlimited	Same as for accidents
SOUTH CAROLINA	All diseases	Medical board determines controverted medical questions; pulmonary cases may be referred to pulmonary specialists of state medical universities.	Disease must be contracted within 1 year after last exposure (2 years for pulmonary dust disease), except radon. Bystinosis is noncompensable absent exposure for 7 years.	Within 2 years after definitive diagnosis or 1 year after death. Radon—limitation runs from date of disability and claimant knows/should know relation to employment.	Disability payments	Unlimited	Same as for accidents. Worker who is affected but not disabled may waive compensation (except radon).
SOUTH DAKOTA	All diseases	Envision may contract with physicians for reports	Silicosis—noncompensable absent in-state exposure in 2 years (in-state requirement waived if same employer); employer liable only if exposure lasts 60 days.	Within 2 years after disability or death. Radon—within 1 year after disability and claimant knows relation to employment.	Disability payments	Unlimited	Same as for accidents. No permanent partial disability for silicosis.*
TENNESSEE	All diseases			Within 1 year after incapacity or death.	Same as for accidents	Unlimited	Same as for accidents. Coalminer's pneumoconiosis—same as Federal Black Lung Act.
TEXAS	All diseases	Provides for medical committee to pass on controverted questions and with power to order examinations.		Within 1 year after injury or first distinct manifestation, 1 year after death. May be extended.	Same as for accidents		Same as for accidents
UTAH	All diseases	Commission appoints medical panel of 1 or more to report on extent of disability.	Partial disability—within 2 years after last exposure. Total disability—within 1 year after last employment; for silicosis, 3 years (uncomplicated) or 5 years (complicated). Death—within 3 years after last employment (5 years for complicated silicosis or death following continuous total disability). Not applicable to radon. Silicosis—noncompensable absent 5 years in-state exposure in 15 years preceding disability; employer liable only if exposure lasts 30 days.	Within 1 year after incapacity or death and claimant knows/should know relation to employment, but no later than 3 years after death. Permanent partial disability—within 2 years.	Disability payments	Unlimited	Same as for accidents*
VERMONT	All diseases		Disablement—within 5 years after last exposure. Death—during employment or after continuous disability beginning within 5 years after last exposure, but no later than 12 years after last exposure. Does not apply to radon.	Within 1 year after discovery, death, or last payment. Radon—within 1 year after last incapacity and worker knows/should have known relation to employment.		Unlimited	Same as for accidents. Affected but non-disabled worker may waive full compensation and later receive limited compensation.
VIRGIN ISLANDS	All diseases			Within 60 days after disability.		Same as for accidents	Same as for accidents
VIRGINIA	All diseases		Exposure in 90 workdays conclusive as to injurious exposure only for pneumoconiosis.	Within 2 years after diagnosis is first communicated to worker, or within 5 years after last exposure whichever is first. Within 3 years after death occurring within periods for disability.	Disability payments	Unlimited	Same as for accidents.** Worker who is affected but not disabled may waive compensation.
WASHINGTON	All diseases			Within 2 years after physician's written notice to claimant.		Unlimited	Same as for accidents

Okl. *Worker who is affected but not disabled by silicosis or asbestosis may waive compensation for aggravation of disease and, if later disabled, receive benefits for 100 weeks up to \$2,000.

Ore. *Asbestos-related disease—within 40 years after last exposure and 180 days after disability or knowledge of disability.

Pa. *Under Occupational Disease Act, state pays \$125 monthly for total disability or death caused by silicosis, anthracosis, coalminer's pneumoconiosis, or asbestosis, provided there has been 2 years of in-state exposure, in cases where the claim is barred by the statute of limitations and the last exposure occurred before 1965 or where exposure occurred under several employers.

S.D. *Worker who is affected by silicosis but not disabled may waive full compensation and if later disabled or dies receive benefits up to 52 times the maximum weekly benefit; if leaves employment, may receive compensation up to \$1,000.

Utah *Worker with permanent partial disability who must change occupation may receive up to \$1,000 for vocational rehabilitation and retraining, plus compensation of 66-2/3% of average weekly wages up to 66-2/3% of SAWW for up to 20 weeks, then additional compensation (cumulative total may not exceed \$2,080).

Va. *5-year limitation does not apply to cataract of the eyes, skin cancer, radium disability, ulceration, undulant fever, angiosarcoma of the liver due to vinyl chloride exposure, or mesothelioma; byssinosis—within 7 years after last exposure; coalminer's pneumoconiosis—within 3 years after diagnosis; asbestosis—within 2 years after diagnosis or if based on changed condition, within 2 years after diagnosis of advanced stage. No claim for an advanced stage of asbestosis shall be denied on the ground that there has been no subsequent accident.

**Compensation for advanced asbestosis based on wages at time of diagnosis if employed in same employment where injurious exposure occurred, otherwise based on average weekly wage of worker in similar employment.

CHART IV COVERAGE OF OCCUPATIONAL DISEASES January 1, 1986 (continued)

JURISDICTION	NATURE OF COVERAGE ¹	MEDICAL BOARDS	ONSET OF DISABILITY OR DEATH	TIME LIMIT ON CLAIM FILING	DEDUCTIONS FROM DEATH AWARDS	MEDICAL CARE	COMPENSATION ²
WEST VIRGINIA	All diseases	Occupational Pneumoconiosis Board appointed by Commissioner determines medical questions	Occupational pneumoconiosis is non-compensable absent 2 years continuous exposure or 10 years before last exposure or 5 years cumulative exposure within 15 years before date of last exposure	Within 3 years after knowledge or last exposure. Within 2 years after death		Unlimited	Same as for accidents
WISCONSIN	All diseases	May appoint independent medical expert in doubtful cases		Unlimited. After 12 years claim may be filed with state fund		Unlimited	Same as for accidents
WYOMING	All diseases	Yes		Within 1 year after diagnosis or 3 years after exposure, whichever is last. Radiation—within 1 year after diagnosis or death	Disability payments	Unlimited	Same as for accidents
F.E.C.A.	All diseases			Within 3 years after injury, death, or disability and claimant knows; should know relation to employment; excusable		Unlimited	Same as for accidents
LONGSHORE ACT	All diseases			Within 1 year after injury, death, last payment, or knowledge of relation to employment		Unlimited	Same as for accidents
ALBERTA	All diseases	Independent medical board may be appointed to report on medical questions and extent of disability		Within 1 year after injury or death, excusable		Unlimited	Same as for accidents
BRITISH COLUMBIA	All diseases in schedule *	Medical review panel issues final decision on disputed medical question		Within 1 year after injury, death or disablement by disease; excusable within 3 years**		Unlimited	Same as for accidents
MANITOBA	All diseases	Medical or neurosis review panel reports on medical questions. Special panel for silicosis		Within 1 year after injury or death. Silicosis—1 year after last exposure; if continuously exposed, within 2 years after exam free of disease.		Unlimited	Same as for accidents
NEW BRUNSWICK	All defined industrial diseases			Within 1 year after injury or 6 months after death		Unlimited	Same as for accidents
NEWFOUNDLAND	All diseases	Committee of medical referees appointed by Commission		Within 6 months after injury, disablement, or death		Unlimited	Same as for accidents
NORTHWEST TERRITORIES	All diseases	Board may require examination by impartial physician		Disability—within 1 year after injury, excusable. Death—within 3 years after last employment and within 3 years after death.		Unlimited	Same as for accidents
NOVA SCOTIA	All diseases	Board may appoint medical board to advise on silicosis and coal miner's pneumoconiosis cases	Disablement or death within 1 year after last employment (excusable for radiation)	Within 6 months after injury or death. Silicosis or coal miner's pneumoconiosis—within 5 years after last employment and within 1 year after discovery of relation to employment, excusable but paid only from filing date.		Unlimited	Same as for accidents
ONTARIO	All diseases			Within 6 months after injury or death; excusable		Unlimited	Same as for accidents
PRINCE EDWARD ISLAND	All industrial diseases		Disablement within 1 year after last exposure	Within 6 months after injury or death		Unlimited	Same as for accidents
QUEBEC	All pulmonary diseases are submitted to a special medical board					Unlimited	Same as for accidents
SASKATCHEWAN		Medical panel issues final decision on disputed medical questions	Disablement within 1 year after last exposure	Within 6 months after injury or death		Unlimited	Same as for accidents
YUKON TERRITORY	All diseases	Disputes may be referred to a practitioner for decision.		Within 1 year after injury or death. Silicosis 1 year from when found disabled if continuously exposed for two years.		Unlimited	Same as for accidents
CANADIAN MERCHANT SEAMEN'S ACT	All diseases	Disablement in the course of employment (otherwise than as a result of an accident) is compensated as for an accident					

Longshore *In permanent partial disability claims due to occupational disease where time of injury occurs after retirement, compensation is 66 2/3 of average weekly wage times percentage of permanent impairment (according to AMA guidelines) payable while impairment continues.

B.C. *Certain diseases are presumed caused by work exposure as provided in schedule
 **After 3 years, compensation is payable only from date of filing

Yukon *Within 3 years after accident in just case if proof is filed with Commissioner.

CHART V

OCCUPATIONAL HEARING LOSS

January 1, 1986

JURISDICTION	SEPARATION FROM NOISE BEFORE FILING	MINIMUM EXPOSURE IN LAST EMPLOYMENT	LIABILITY FOR PRIOR LOSS	BENEFITS		DEDUCTION FOR PRESBYCUSIS	FAILURE TO USE PROTECTIVE DEVICE	COMPENSABLE LOSS OF HEARING (IN DB)	LOSS OF HEARING CONSIDERED TOTAL (IN DB)	CYCLES AT WHICH LOSS IS MEASURED
				Total Loss	One Ear					
DISTRICT OF COLUMBIA	6 months			200 weeks	52 weeks					
GEORGIA	6 months	90 days	No	150 weeks	proportional		No compensation	over 15 (26 ANSI ISO)	82 (93 ANSI ISO)	500-1,000-2,000
ILLINOIS				200 weeks	100 weeks			over 30	85	1,000-2,000-3,000
IOWA	6 months	90 days	No	175 weeks	proportional		No compensation	over 25 ANSI ISO	92 ANSI ISO	500-1,000-2,000-3,000
MAINE	30 days	90 days		200 weeks	50 weeks	Yes		over 15 ASA (25 ANSI)	82 ASA (92 ANSI)	500-1,000-2,000
MARYLAND		90 days	imped prior employers			Yes		over 15	82	500-1,000-2,000
MISSOURI	6 months	(*)	No	148 weeks	40 weeks	Yes		over 15	82	500-1,000-2,000
MONTANA	6 months	90 days 8 hours daily	No	200 weeks	40 weeks	Yes		over 25 ISO 64	92 ISO 64	500-1,000-2,000
NEW JERSEY	4 weeks	1 year, 3 days weekly during 40 weeks	No	200 weeks	proportional	Yes	No compensation	over 20 ASA 51 (30 ANSI 69)		1,000-2,000-3,000
NEW YORK	3 months	Under 90 days presumed non-compensable	imped prior employers	150 weeks	60 weeks	No		over 25 (ANSI 69)	92 (ANSI 69)	500-1,000-2,000-3,000
NORTH CAROLINA	6 months	90 days	No	150 weeks	proportional		No compensation	over 15 (26 ANSI ISO)	82 (93 ANSI ISO)	500-1,000-2,000
NORTH DAKOTA				200 weeks	50 weeks	Yes		over 25 (ANSI)	92 (ANSI)	500-1,000-2,000-3,000
RHODE ISLAND	6 months		No	100 weeks lump sum	17 weeks lump sum			over 15	82	500-1,000-2,000
UTAH	6 months		No	160 weeks	proportional	Yes		over 25 ANSI 69	92 ANSI 69	500-1,000-2,000-3,000
VIRGIN ISLANDS	6 months			180 weeks	120 weeks					
VIRGINIA								27 ASA	82 ASA	500-1,000-2,000
WEST VIRGINIA	NR	NR	Yes, unless prior non-industrial loss is ascertained and state of prior industrial loss is reduced to award	250 weeks*	100 weeks*	No	No consequence	over 25 (ANSI 69)	92 (ANSI 69)	500-1,000-2,000-3,000
WISCONSIN	14 days	90 days	No	218 weeks	36 weeks					
LONGSHORE ACT			Last covered employer	200 weeks	52 weeks			over 25 (ANSI)	92 (ANSI)	500-1,000-2,000-3,000

Mo * Employment in which employee was last exposed to hazards for which claim is made regardless of the length of time of such last exposure.

West Va * A additional award up to thirteen weeks for tinnitus and 40 weeks for poor speech discrimination.

PART 2

BENEFITS PROVIDED

Because workers' compensation imposes an absolute (but limited) liability upon the employer for employee disabilities caused by the employment, the benefits payable to the injured employee attempt to cover most of the worker's economic loss. This loss includes both loss of earnings and extra expenses associated with the injury.

Specifically, the benefits provided are:

- **Cash benefits**, which include both impairment benefits and disability benefits. The former are paid for certain specific physical impairments, while the latter are available whenever there is an impairment and a wage loss.
- **Medical benefits**, which are usually provided without dollar or time limits. In the case of most workplace injuries, only medical benefits are provided since substantial impairment or wage loss is not involved.
- **Rehabilitation benefits**, which include both medical rehabilitation and vocational rehabilitation for those cases involving severe disabilities.

CASH BENEFITS

In considering workers' compensation income or cash benefits—which replace employee loss of income or earning capacity due to occupational injury or disease—four classifications of disability are used: (1) temporary total, (2) permanent total, (3) temporary partial, and (4) permanent partial. Permanent partial is divided into "nonscheduled" and "scheduled" disabilities.

Most cases involve *temporary total disability*. That is, the employee—although totally disabled during the period when benefits are payable—is expected to recover and return to employment. *Permanent total disability* generally indicates that the employee is regarded as totally and permanently unable to perform gainful employment.

INCOME BENEFITS FOR PERMANENT AND TEMPORARY TOTAL DISABILITY: CHART VI

Income or cash benefits payable under either temporary total or permanent total disability are shown in Chart VI. For computing weekly benefit payments, a formula—expressed as a percentage of wage—is used. In most states limitations are placed on maximum and minimum benefits payable weekly; some states also limit the total number of weeks and total dollar amount of benefit eligibility. Where there is permanent total disability most states provide payments extending through the employee's lifetime.

For either temporary total or permanent total disability the wage-replacement percentage in each jurisdiction is the same. However, in permanent total disability cases the time limits tend to be longer and the total dollar amounts higher than in cases of temporary total disability. Some states provide additional amounts for dependents and other benefits. Allowances for dependents are charted as a range in the Maximum Weekly Payment and Notations columns.

PARTIAL DISABILITY

Most awards and the preponderance of dollars paid out as income benefits are either for temporary total or permanent partial disability. As partial disabilities involve current earnings or wage-earning ability, in many states weekly benefit payments for temporary or permanent *partial disabilities* of the "non-scheduled" type are based on a wage-loss replacement percentage. The percentage applies to the difference between wages earned before and after injury. In some states "non-scheduled" permanent partial disabilities are compensated as a percentage of the total disability cases.

INCOME BENEFITS FOR SCHEDULED INJURIES: CHART VII

Chart VII indicates maximum amounts payable in cases of "scheduled" injuries. Listed by law, these injuries involve loss—or loss of

use of—specific body members, where wage loss based on nature of impairment is presumed. In most jurisdictions the actual amount payable is a specific number of weeks of benefits (based on the member involved) multiplied by the weekly benefit amount (based on earnings at time of injury).

The chart also indicates whether the "scheduled" award is in addition to any payment otherwise payable to the employee while he may be temporarily totally disabled (healing period). Some states limit the amount payable for such periods of temporary total disability.

The Canadian statutes do not provide schedules of specific injuries. Cases are decided individually using medical impairment ratings as guidelines.

SURVIVOR BENEFITS FOR FATAL INJURIES: CHART VIII

Benefits payable in the event of fatal injuries—comprising more than 14 percent of all total income benefits—are shown in Chart VIII. The benefits provided include a burial allowance as well as a proportion of the worker's former weekly wages.

Although death is the ultimate work-related tragedy, the economic loss associated with death cases is often less than that of a permanent total disability. Because of these considerations, death benefits are generally paid to the spouse until remarriage and to the children until a specified age. In addition, some laws provide a maximum benefit total expressed as a maximum period for the payment of benefits. Figures for one child only reflect compensation if sole survivor.

MEDICAL BENEFITS, WAITING PERIOD: CHART IX

Medical Benefits—amounting to about 30 percent of all workers' compensation benefits paid—are shown in Chart IX. In most instances unlimited medical benefits are provided either specifically by statute or by administrative discretion.

Choice of Physician—Practices vary with respect to choice of attending physician. States are divided nearly evenly between those that give this decision to the employer or the employee. In some states selection must be made from an approved list. The employer normally has the right to have his own physician conduct an examination.

Waiting Periods—Statutes provide that a waiting period must elapse during which income benefits are not payable. This waiting period affects only compensation; medical and hospital care are provided immediately. If disability continues for a certain number of days or weeks, most laws provide for payment of income benefits retroactive to the date of injury. Statutory provisions for waiting periods are summarized in Chart IX.

REHABILITATION BENEFITS: CHART X

Mutual interests of disabled employees and employers generally favor starting rehabilitation as soon as possible. Although rehabilitation is considered an integral part of complete medical treatment, its uses may extend beyond this (for example, where it includes vocational rehabilitation and retraining).

Specific rehabilitation provisions now in workers' compensation laws are outlined in Chart X. However, rehabilitation is provided in all states even if unspecified in the law. Maintenance allowance amounts and special fund sources to finance rehabilitation also are indicated.

Insurance carriers and many employers having medical departments are leaders in carrying on rehabilitation for the industrially injured. Likewise, many major industries have comprehensive programs for employment of the physically handicapped. Smaller industries maintain modified programs for placement of disabled individuals in congenial tasks. All of these private programs help employees and employers alike.

The Federal Vocational Rehabilitation Act is now effective in all states; it includes federal funds to aid states in vocational rehabilitation of the industrially disabled.

CHART VI

INCOME BENEFITS FOR TOTAL DISABILITY

January 1, 1986

JURISDICTION	PERCENT OF WAGES	MAXIMUM WEEKLY PAYMENT		MINIMUM WEEKLY PAYMENT		TIME LIMIT	AMOUNT LIMIT ²	AUTOMATIC COST OF LIVING INCREASE	OFFSETS ³	NOTATIONS
		AMOUNT	RATE	AMOUNT	RATE					
ALABAMA	66-2/3	\$ 303.00	100% SAWW	\$83.00 ¹	27.5% SAWW ¹	Disability				Annual increase in maximum effective July 1.
ALASKA	80% of spendable earnings	1,114.00	200% SAWW	110.00 ¹		Disability			Social Security, unemployment compensation	Annual increase in maximum effective January 1.
AMERICAN SAMOA	66-2/3	205.00		40.00		Disability				Compensation increased 10% if installment without award unpaid after 14 days, 20% if installment following award unpaid after 10 days.
ARIZONA	66-2/3	205.53				TT—Disability PT—Life				Benefits payable monthly. Additional \$10 monthly if 1 or more total dependents, not subject to maximum.
ARKANSAS	66-2/3	154.00 ¹		15.00		TT—450 weeks PT—Disability	TT—69,300 ¹		Unemployment compensation, Social Security	15% penalty for employer's violation of safety laws, payable to Second Injury Fund. ¹¹
CALIFORNIA	66-2/3	224.00		112.00		TT—Disability PT—Life		TT—After 2 years	Unemployment compensation, Social Security	50% increased compensation if injury due to employer's serious, willful misconduct.
COLORADO	66-2/3	336.42	80% SAWW			TT—Disability PT—Life			Social Security	Annual increase in maximum effective July 1. Compensation increased 50% if employer failed to comply with insurance provisions. Compensation decreased 50% if injury results from worker's failure to obey safety regulations or from intoxication.
CONNECTICUT	66-2/3	397.00 to 595.50	100% SAWW	79.40 ¹	20% SAWW	Disability		October 1		Annual increase in maximum effective October 1. Additional \$10 weekly per dependent child under 18, maximum 50% of basic benefit or 75% of wage (whichever is less). Compensation increased to 75% of wages if employer violated OSHA regulation. ¹¹
DELAWARE	66-2/3	235.69	66-2/3% SAWW	78.58 ¹	22-29% SAWW ¹	Disability				Annual increase in maximum effective June 15.
DISTRICT OF COLUMBIA	66-2/3 up to 90% of spendable earnings ¹	431.70 ¹	100% SAWW ¹	107.93 ¹	25% SAWW ¹	Disability		PT—October 1, maximum 5% ¹¹	Social Security, employer-funded pension	Annual increase in maximum effective January 1.
FLORIDA	66-2/3	315.00	100% SAWW	20.00		TT—350 weeks PT—Disability	TT—110,250		Unemployment compensation, Social Security	Annual increase in maximum effective January 1. Compensation increased 10% if installment unpaid after 14 days. ¹
GEORGIA	66-2/3	155.00 ¹		25.00 ¹		Disability				Board may assess \$500 penalty for refusal, unreasonable delay, or willful neglect to make payment. ¹¹
GUAM	66-2/3	140.00	66-2/3% SAWW	50.00 ¹		Disability	40,000			Compensation increased 10% for late payment without award, 20% if award.
HAWAII	6-2/3	299.00	100% SAWW	TT—74.75 ¹ PT—74.75	TT—25% SAWW ¹ PT—25% SAWW	Disability		PT—Injury prior to June 18, 1980		Annual increase in maximum effective January 1. Compensation may be increased 10% for failure to pay within 31 days after decision or award, or within 10 business days for uncontested temporary total disability case.
IDAHO	60	269.10 to 373.75	50% SAWW	134.55	45% SAWW	Disability		After 52 weeks		Annual increase in maximum effective January 1. For first 52 weeks benefit is 60% of worker's wages if there are no dependent children under 18, after 52 weeks benefit is 60% of SAWW. Benefit is increased 7% of SAWW per dependent child (up to 5), but may not exceed 90% of wages, 8% interest on late payments.
ILLINOIS	66-2/3	511.81	133-133% SAWW	TT—100.90 ¹ PT—191.93	PT—50% SAWW	TT—Disability PT—Life		PT—July 15 of 2nd year		Semiannual increase in maximum effective January 15 and July 15. ¹¹
INDIANA	66-2/3	178.00 ¹		50.00 ¹		500 weeks	39,000 ¹			After 500 weeks, additional benefits are payable from second injury fund in 150-week increments. ¹¹
IOWA	60% of spendable earnings	598.00	200% SAWW	105.00 ¹	35% SAWW ¹	Disability				Annual increase in maximum effective July 1. Benefits increased 50% if late or stopped without good cause.
KANSAS	66-2/3	239.00	75% SAWW	25.00		Disability	TT—75,000 PT—100,000 (includes TT)			Annual increase in maximum effective July 1. Compensation may be increased up to \$100 per week past due (plus up to \$25 per week past due for failure to pay medical bill).
KENTUCKY	66-2/3 ¹	316.54	100% SAWW	63.31	20% SAWW	Disability				Annual increase in maximum effective January 1. Compensation increased or decreased 15% if injury caused by safety violation, 12% interest on late payments.
LOUISIANA	66-2/3	254.00	75% SAWW	68.00	20% SAWW ¹	Disability			Social Security, unemployment compensation, employer-funded disability, federal workers compensation	Annual increase in maximum effective September 1. 12% interest on late payments.

¹ Actual weekly wage if less.

² Amounts shown in italics have been calculated.

³ Social Security offsets generally apply by formula up to 50% of basic benefit.

Ala. ¹¹ Compensation may be increased up to 10% for failure to pay within 30 days after due.

Alaska ¹¹ Spendable weekly earnings if less.

Ark. ¹¹ Amounts over \$75,000 are payable from Civilian and Permanent Total Disability Bank Fund.

¹¹ 10% penalty on late installments.

Conn. ¹¹ 80% of average weekly wages, if less.

¹¹ 12% interest benefits added if undue delay in payment, 6% interest added if undue delay in adjustment (4 weeks presumed undue delay).

D.C. ¹¹ Maximum is no less than \$431.70, minimum is 25% SAWW or 60% of actual earnings if less. Benefits for D.C. government employees are similar to F.E.C.A. (effective 10/1/85, maximum—\$762.21, minimum—\$153.17).

Fla. ¹¹ Compensation increased 20% if unpaid 30 days after award.

Ga. ¹¹ Increased to \$175 as of 7/1/86.

¹¹ Income payable without award increased 15% if not paid within 14 days unless claim is controverted or Board excuses. Awarded benefits increased 20% if not paid within 20 days unless Board grants review.

Hawaii ¹¹ Actual wages if less, but no less than \$38.

Ill. ¹¹ Minimum TT benefit is \$100.90 if unmarried and ranges up to \$124.30 if 4 or more dependents. In all cases claimant receives actual weekly wage if less.

¹¹ TT benefits may be increased \$10 per day, up to \$2,500, for unreasonable delay in payment, 14 days is presumed unreasonable. Compensation may be increased 50% for unreasonable or willful delay in payment. Compensation may be increased 25% for employer's willful violation of safety standard.

Ind. ¹¹ Effective 7/1/85. As of 7/1/86, maximum increased to \$190, amount limit to \$95,000.

¹¹ Award is increased 5% if employer loses on court appeal, court may increase to 10%.

Iowa ¹¹ Employee's spendable earnings if less.

Ky. ¹¹ 80% of AWW during rehabilitation.

La. ¹¹ PT benefits reduced so that combined Social Security and PT benefits do not exceed 80% of pre-injury wages.

INCOME BENEFITS FOR TOTAL DISABILITY JANUARY 1, 1986 (continued)

JURISDICTION	PERCENT OF WAGES	MAXIMUM WEEKLY PAYMENT		MINIMUM WEEKLY PAYMENT		TIME LIMIT	AMOUNT LIMIT ²	AUTOMATIC COST OF LIVING INCREASE	OFFSETS ³	NOTATIONS
		AMOUNT	RATE	AMOUNT	RATE					
MAINE	66-2.3	\$ 447.92*	(†)	\$25.00		Disability		Anniversary (July 1 if maximum benefit)	Employer funded benefits, old age Social Security	Annual increase in maximum effective July 1. Compensation may be increased 10% for failure to pay uncontroverted claim within 10 days.**
MARYLAND	66-2.3	344.00	100% SAWW	TT—50.00 ¹		Disability		(-)		Annual increase in maximum effective January 1. If permanent disability exceeds 50% of whole body, worker receives additional compensation from Subsequent Injury Fund after completion of payments by employer.
MASSACHUSETTS	66-2.3	360.50	100% SAWW	TT—20.00* PT—72.50	PT—20% SAWW	Disability	TT—93,730**		Unemployment compensation, pension, old age Social Security	Annual increase in maximum effective October 1. Additional \$6 weekly per dependent if total benefit does not exceed \$150 or 100% of wages.***
MICHIGAN	80% of schedule earnings	375.00	90% SAWW	PT—104.05	PT—25% SAWW	Disability*		PT (injury prior to 1-1-82)	Disability, unemployment compensation, pension, old age Social Security retirement**	Annual increase in maximum effective January 1. Additional \$50 per day for award unpaid after 30 days, maximum \$1,500.
MINNESOTA	65-2.3	342.00	100% SAWW	171.00	50% SAWW*	Disability		Anniversary of injury	Social Security after \$25,000 paid**	Annual increase in maximum effective October 1. Late payment may be increased 10% if inexcusably delayed, plus interest.
MISSISSIPPI	66-2.3	133.00*		25.00		450 weeks	\$9,850*			Additional rehabilitation allowance up to \$10 weekly for 52 weeks.
MISSOURI	66-2.3	233.84*	70% SAWW	40.00		TT—400 weeks PT—Life	TT—92,535			Annual increase in maximum effective July 1. 8% interest for late payments.**
MONTANA	66-2.3	233.00	100% SAWW			Disability*			Social Security	Annual increase in maximum effective July 1. TT and PT benefits may be paid out in a lump sum, subject to a discount of 7%. Compensation may be increased 20% if payment unreasonably delayed or refused.
NEBRASKA	66-2.3	225.00		49.00 ¹		Disability				
NEVADA	66-2.3	331.10	100% SAWW			TT—Disability PT—Life			Social Security	TT benefits payable bi-weekly, PP benefits payable monthly.* Annual increase in maximum effective July 1.
NEW HAMPSHIRE	66-2.3	462.00	150% SAWW	123.00 ¹	40% SAWW ¹	Disability		July 1—after 3 years		Annual increase in maximum effective July 1. Double compensation if employer violated prior recorded safety standard.
NEW JERSEY	70	284.00	75% SAWW	76.00	20% SAWW	TT—400 weeks PT—Life	TT—113,600		Social Security	Annual increase in maximum effective January 1. After 450 weeks at reduced rate if employed; at full rate if not able to be rehabilitated.
NEW MEXICO	66-2.3	308.38	100% SAWW	36.00 ¹		600 weeks	185,028			Annual increase in maximum effective January 1. 10% additional compensation payable by employer for failure to provide safety devices.
NEW YORK	66-2.3	300.00		TT—20.00 ¹ PT—30.00 ¹		Disability			Social Security	Persons receiving PT benefits may collect full compensation and wages, but not in excess of premium, wage base.*
NORTH CAROLINA	66-2.3	294.00	100% SAWW	30.00		TT—Disability PT—Life			Unemployment benefits	Annual increase in maximum effective January 1.
NORTH DAKOTA	66-2.3	291.00 plus dependents	100% SAWW	175.00 ¹	60% SAWW ¹	Disability			Social Security	Annual increase in maximum effective July 1. Additional \$5 weekly per dependent child under 18, or to age 22 if child is attending a full-time educational institution; total benefits may not exceed claimant's net take-home pay.
OHIO	72—first 12 weeks 66-2.3—after 12 weeks	355.00	100% SAWW	TT—121.63 ¹ PT—182.50 ¹	TT—33-1.3% SAWW ¹ PT—50% SAWW ¹	TT—Disability* PT—Life			Employer funded benefits	Annual increase in maximum effective January 1. If PT benefit plus Social Security are less than \$161.92 weekly, Disabled Workers' Rehab Fund pays difference; amount increased annually by increase in Consumer Price Index.
OKLAHOMA	66-2.3	217.00	66-2.3% SAWW	30.00 ¹		TT—300 weeks PT—Disability	TT—65,100			Annual increase in maximum effective November 1. TT may be extended to 500 weeks.
OREGON	66-2.3	334.58 to 559.58	100% SAWW	50.00*		Disability			PT—Social Security	Annual increase in maximum effective July 1. Additional \$5 weekly per dependent (up to 5).**
PENNSYLVANIA	66-2.3	347.00	100% SAWW	173.50*	50% SAWW*	Disability				Annual increase in maximum effective January 1.
PUERTO RICO	66-2.3	TT—45.00 PT—28.66		TT—10.00 PT—11.54		TT—312 weeks PT—Life	TT—14,040 PT—18,300*			Compensation doubled if due to employer's violation of safety or health law or regulation.
RHODE ISLAND	66-2.3	307.00 plus 9.00 per dependent	100% SAWW			Disability				Annual increase in maximum effective September 1. Additional \$9 per dependent child under 18; total benefit may not exceed 80% of pre-injury wages.*
SOUTH CAROLINA	66-2.3	294.95	100% SAWW	25.00		500 weeks*	147,475*			Annual increase in maximum effective January 1.
SOUTH DAKOTA	66-2.3	254.00	100% SAWW	127.00 ¹	50% SAWW ¹	TT—Disability PT—Life				Annual increase in maximum effective July 1.
TENNESSEE	66-2.3	168.00*		20.00		TT—Disability PT—550 weeks**	67,200			After 400 weeks PT benefit is reduced to \$15.

Maine *Frozen at \$447.92 until 6/30/88

**Carrier may be assessed up to \$25 per day for failure to pay award within 10 days. Added benefits during rehabilitation—\$15 weekly

Md *Benefits increased October 1 for persons injured any time during July 1, 1965, through June 30, 1978, and receiving PT benefits in July, 1973

Mass *Actual wages if less, but no less than \$20 if working at least 15 hours a week.

**260 times SAWW includes permanent partial disability

***Double compensation if injury due to employer's serious and willful misconduct. If no benefits are paid prior to final decision of claim award is based on benefits in effect at time of decision instead of date of injury. Eligible for supplementary benefits after 24 months, calculated on October 1, equal to base benefit times percent increase in SAWW over SA/W at time of injury.

Mich *Conclusive presumption of PT disability does not extend beyond 600 weeks from injury, thereafter determined in accordance with facts

**Benefits reduced if claimant is eligible for Social Security and such benefits are not being coordinated.

Minn. *Actual wages if less, but not less than 20% of SAWW, \$75.00 through 9/30/86. After 200 weeks total disability, supplementary benefits bring compensation to 65% of SAWW, \$243.75 through 9/30/86.

**Other government disability benefits from same injury also offset.

Miss. *Effective 7/1/85. As of 7/1/85, maximum increased to \$140, amount limit to \$63,000.

Mo. *Increased to 75% of SAWW, effective 9/28/85.

**Compensation increased 15% if injury caused by failure to comply with statute or order, decreased 15% if caused by worker's failure to use safety device.

Mont. *Compensation terminates upon receipt of Social Security retirement benefits.

Nevada *Maximum monthly wages on which benefits are computed are \$2,159.33, effective 7/1/85.

N.Y. *Wage base at time of earning (150% of maximum payable).

Ohio *After 200 weeks claimant examined to determine if disability is permanent.

Ore. *90% of actual wages, if less.

**Employer may be sued for damages for failure to comply with posted notice of violation of safety code.

Pa. *90% of wages if less, but no less than 33-1/3% of SAWW (\$115.67, effective 1/1/86).

P.R. *May be paid in monthly installments of \$100 to \$125 for life.

R.I. *No compensation for PT disability if worker is earning pre-injury wages. Lump sum benefits available after benefits have been received for 6 months.

S.C. *Person who is para or quadriplegic or has suffered brain damage shall receive PT benefits for life. Compensation may not order lump sum payment in such cases.

Tenn. *Increased to \$189 as of 7/1/86, minimum \$25.00, amount limit \$75,600.

**From date injury is determined to be permanent.

CHART VI INCOME BENEFITS FOR TOTAL DISABILITY January 1, 1986 (continued)

JURISDICTION	PERCENT OF WAGES	MAXIMUM WEEKLY PAYMENT		MINIMUM WEEKLY PAYMENT		TIME LIMIT	AMOUNT LIMIT ²	AUTOMATIC COST OF LIVING INCREASE	OFFSETS ³	NOTATIONS
		AMOUNT	RATE	AMOUNT	RATE					
TEXAS	66-2/3	\$ 217.00	(¹)	\$17.00	(¹)	401 weeks ⁴	\$7,017			Annual increase in maximum effective September 1. ⁵
UTAH	66-2/3	TT—321.00 PT—275.00	TT—100% SAWW PT— 85% SAWW	45.00 ¹		Disability ⁶			Social Security	Annual increase in maximum effective July 1. Additional \$5 if spouse, plus \$5 per dependent child under 18 (up to 4); total benefit may not exceed maximum. ⁷
VERMONT	66-2/3	293.00 plus dependents	100% SAWW	147.00 ¹	50% SAWW ¹	Disability ⁶		July 1		Annual increase in maximum effective July 1. Additional \$10 per dependent child under 21; total benefits may not exceed pre-injury wages. ⁸
VIRGIN ISLANDS	TT—66-2/3 PT—75	183.00 ¹	66-2/3% SAWW ⁶	60.00 ^{1,6}		Disability		After 2 years on January 1		Annual increase in maximum effective January 1. Total disability benefits begin after medical and vocational rehabilitation end. Compensation increased 15% for injury caused by employer's failure to obey safety order. ⁹
VIRGINIA	66-2/3	311.00	100% SAWW	77.75 ¹	25% SAWW ¹	TT—500 weeks PT—Disability	TT—153,500	October 1 ¹⁰		Annual increase in maximum effective July 1. Compensation increased 20% for failure to pay within 2 weeks after due.
WASHINGTON	60 to 75, depending on marital status	260.94	75% SAWW	42.69 ¹		Disability		July 1	Social Security under age 65	Benefits payable monthly. Annual increase in maximum effective July 1. 60% of wage, additional 5% of wages for spouse, plus 2% of wages per dependent child (up to 5), up to maximum.
WEST VIRGINIA	70	332.83	100% SAWW	110.83	33-1/3% SAWW	TT—208 weeks PT—Life	TT—69,229			All 1-4 TT benefits payable monthly. Annual adjustment in maximum effective July 1.
WISCONSIN	66-2/3	329.00	100% SAWW	30.00		TT—Disability PT—Life			Social Security	Annual increase in maximum effective January 1. ¹¹
WYOMING	TT—66-2/3	TT—352.26 PT—234.83 plus dependents	TT—100% SAWW PT—66-2/3% SAWW	TT—180.00 PT—234.83	PT—66-2/3% SAWW	TT—Disability PT—Life	(¹)			Benefits payable monthly. Quarterly increases in maximum effective January 1, April 1, July 1, and October 1. PT benefit fixed at 66-2/3% of SAWW plus \$100 per child monthly.
F.E.C.A.	66-2/3 or 75	979.90	66-2/3% or 75% of highest rate for GS-15	151.46 ¹	66-2/3% or 75% of lowest rate for GS-2 ¹	TT—Disability PT—Life		October 1	(¹)	Benefits payable monthly. Increase effective 1-6-85. Higher percentage payable if 1 or more dependent.
LONGSHORE ACT	66-2/3	595.24 ¹	200% NAWW ¹	148.81 ^{1,6}	50% NAWW ^{1,6}	Disability		PT—October 1	Jones Act, other workers' compensation benefits	Annual increase in maximum effective October 1.
ALBERTA	90% of weighted net income	509.73		155.34 ¹		TT—Disability PT—Life				PT payable monthly. Maximum annual earnings is \$40,000. ¹²
BRITISH COLUMBIA	75	575.34		263.00 ¹		TT—Disability PT—Life		January 1 and July 1		PT payable monthly. Maximum annual earnings \$40,000. Annual increase in maximum effective January 1.
MANITOBA	75	447.12	(¹)	TT—159.92 ¹ PT—159.92		TT—Disability PT—Life				PT payable monthly. Maximum annual earnings \$31,000. Annual increase in maximum effective January 1.
NEW BRUNSWICK	90% of weighted net income	384.09 to 416.76 ¹	110% of provincial average wage			TT—Disability ¹³ PT—Life			Can. Pension Disability Benefits	PT payable monthly. Maximum annual earnings is \$30,700. Annual increase in maximum effective January 1.
NEWFOUNDLAND	90% of weighted net income	587.82	250% of provincial average wage	200.00 ¹		to age 65				PT payable monthly. Maximum annual earnings \$45,500, effective 1-1-83. Board may raise compensation as it deems equitable.
NORTHWEST TERRITORIES	75	438.46		192.92 ¹		TT—Disability PT—Life				Benefits payable monthly. Maximum annual earnings \$30,400.
NOVA SCOTIA	75	403.85 plus dependents		120.00 ¹		TT—Disability PT—Life		January 1		PT payable monthly. Maximum annual earnings \$28,000, effective 1-1-86. Additional \$33.00 weekly per child; total benefit may exceed maximum.
ONTARIO	75	386.54		188.00 ^{1,6}		TT—Disability PT—Life		TT—after 12 months		PT payable monthly. Maximum annual earnings \$29,800, effective July 1, 1984.
PRINCE EDWARD ISLAND	75	274.03		60.00 ¹		TT—Disability PT—Life				PT payable monthly. Maximum annual earnings \$19,000, effective January 1, 1986.
QUEBEC	90% of weighted net income	394.91 to 436.37	150% of provincial average wages	Minimum salary		TT—Disability PT—Lump Sum		TT—Anniversary of incident PT—January 1		PT lump sum. Maximum annual earnings \$34,500. Annual increase in maximum effective January 1.
SASKATCHEWAN	90% of net income	558.38 to 533.21 ¹	(¹)	194.72 ^{1,6}		TT—Disability PT—Life			Canada Pension after 1 year	PT payable monthly. Maximum annual earnings \$48,000, effective 9-1-85. For assessment purposes, maximum is equal to \$34,000 per annum. After 2 years' disability, an amount equal to 10% of compensation is set aside to purchase annuity for benefits after age 65. ¹⁴
YUKON TERRITORY	75	445.90	(¹)	132.00 ^{1,6}		TT—Disability PT—Life		January 1		Maximum annual earnings \$28,500.
CANADIAN MERCHANT SEAMEN'S ACT	75	393.04		124.00		TT—Disability PT—Life				Benefits payable monthly. Maximum annual earnings \$29,250. Gov'n Council may raise benefits to level paid in maritime provinces.

Texas ¹For the rate of amputation or paralysis of two limbs, loss of vision in both eyes, or permanent insanity.

²Maximum increased \$7 and minimum increased \$1 per \$10 increase in SAWW.

Utah ⁶Disability beyond 312 weeks is payable from Second Injury Fund, minimum \$120 weekly.

Vt. ¹PT benefits payable at least 300 weeks after temporary disability benefits cease. After 300 weeks, PT benefits continue while there is lost earning capacity.

²Benefits may be disallowed if injury results from worker's failure to use safety device.

Vt. ⁸During vocational rehabilitation, income benefits are 75% of AWW, maximum SAWW, minimum \$75 or actual wages if less.

Va. ¹500 week limit for certain PT cases.

²Recipient of Social Security ineligible for cost of living increases.

Wash. ¹Plus \$8.53 for first child, \$7.15 for second child, \$5.30 each for third through fifth children, and \$8.92 for spouse.

Wisc. ⁹Compensation may be adjusted up or down by 15% (up to \$15,000) for failure to use safety device or obey code of order. 10% interest payable on late payments. Employer, insurer, or both may be assessed penalty up to double the amount of compensation (not to exceed \$15,000) for bad faith failure to make payments.

Wyo. ¹Court must approve PT payments after \$60,351.31 (257 times 66-2/3% SAWW).

F.E.C.A. ¹Civil Service Retirement and Disability Fund (CSRA) overpayments.

Longshore ¹Effective 9-29-84, Nonappropriated Fund Instrumentalities Act employees subject to same maximum minimum weekly rates as employees covered under Longshore Act.

Ala. ¹Employer must pay half of costs of the claim to Accident Fund if injury caused by safety violation.

Man. ¹Maximum earning ceiling increased by \$1,000 if 10% of workers injured in preceding year earn in excess of maximum.

N.B. ¹Annual review of maximum. Lower figure for single, higher figure for married claimant with 2 children.

²If 63 or older at time of loss, maximum is 2 years.

Nfld. ¹100% of weighted net earnings if less.

N.S. ¹Minimum for temporary total disability is 75% of minimum wage.

Ont. ¹No less than award if worker had been fatally injured.

P.E.I. ¹Actual wages if less, but Board may set minimum at \$15.

Sask. ¹Lower figure for single; higher figure for married claimant with 2 children under 16 years old.

²Maximum earning ceiling increased by \$1,000 if 10% of workers injured in preceding year earn in excess of maximum.

³Actual wages if less for first 2 years disability.

Yukon ¹Benefits increased annually based on Consumer Price Index.

JURISDICTION	ARM AT SHOULDER	HAND	THUMB	FIRST FINGER	SECOND FINGER	THIRD FINGER	FOURTH FINGER	LEG AT HIP	FOOT	GREAT TOE	OTHER TOES	ONE EYE	HEARING ONE EAR	HEARING BOTH EARS
IN THIS GROUP OF STATES, COMPENSATION FOR TEMPORARY DISABILITY IS ALLOWED IN ADDITION TO ALLOWANCE FOR SCHEDULED INJURY														
ALABAMA*	\$48,840	\$37,400	\$13,640	\$ 9,460	\$ 6,820	\$ 4,840	\$ 3,520	\$44,000	\$30,580	\$ 7,040	\$ 2,420	\$27,280	\$11,660	\$35,880
ALASKA*	59,000	45,400	14,000	8,700	5,700	4,700	2,800	\$4,400	39,700	7,200	3,000	30,200	9,800	37,800
AMERICAN SAMOA PPD benefits paid at 66-2/3% of wages for specified number of weeks, no maximum.*														
ARIZONA*	43,725	38,437	10,831	6,559	5,101	3,644	2,915	36,417	29,150	5,101	1,822	21,862	14,575	43,725
ARKANSAS*	30,800	23,100	9,240	5,390	4,620	3,060	2,310	28,950	19,250	4,620	1,540	15,400	8,160	23,100
CALIFORNIA*	54,975**	43,540	7,525	3,360	3,360	2,520	2,520	64,575**	33,740	4,235	840	21,105**	8,335	43,540
COLORADO*	17,472	8,736	4,200	2,184	1,512	924	1,092	17,472	8,736	2,184	924	11,676	2,940	11,676
CONNECTICUT*	133,254	100,044	37,713	21,438	17,468	12,307	10,322	84,486	74,635	16,874	5,181	93,295	20,644	81,932
DELAWARE	58,923	51,852	17,877	11,785	9,428	7,071	4,714	58,923	37,710	9,428	3,535	47,138	17,677	41,246
DISTRICT OF COLUMBIA	134,690	105,335	32,378	19,858	12,951	10,793	6,478	124,330	68,499	12,951	6,907	69,072	22,448	86,340
FLORIDA No schedule. Benefits paid according to degree of impairment and loss of earnings.*														
GEORGIA	34,875	24,800	9,300	6,200	5,425	4,650	3,875	34,875	29,925	4,650	3,100	23,250	11,625	23,250
GUAM	39,200	29,680	7,140	3,920	2,520	2,380	980	34,720	24,220	3,640	1,120	19,600	7,280	28,000
HAWAII*	93,288	72,956	22,425	13,754	8,970	7,475	4,485	88,112	81,295	11,362	4,784	47,840	15,548	59,800
IDAHO*	49,335	44,402	18,090	11,512	9,045	4,111	2,467	32,890	23,023	6,907	1,151	28,779	—	28,779
ILLINOIS*	120,275	87,244	35,827	20,472	17,913	12,795	10,236	102,382	79,331	17,913	6,142	78,772	14,681	58,722
IOWA*	137,500	104,550	33,000	19,250	16,500	13,750	11,000	121,000	82,500	22,000	8,250	77,000	27,500	96,250
MAINE*	37,656	31,066	9,414	6,025	5,272	3,768	3,201	37,656	31,066	4,707	1,683	18,828	9,414	37,656
MARYLAND*	92,000	78,590	11,500	4,600	4,025	3,450	2,875	92,000	76,590	4,600	1,150	78,590	14,375	78,590
MASSACHUSETTS*	15,502	12,257	—	—	—	—	—	14,060	10,455	—	—	14,060	10,455	27,759
MICHIGAN*	100,875	80,825	24,375	14,250	12,375	8,250	6,000	80,825	60,750	12,375	4,125	60,750	(-)	(-)
MINNESOTA No schedule. Benefits paid according to degree of impairment and loss of earnings.*														
MISSISSIPPI	28,600	19,950	7,980	4,655	3,990	2,660	1,995	23,275	16,625	3,111	1,330	13,300	5,320	19,950
MISSOURI*	34,877	26,308	9,020	6,765	5,262	5,262	3,307	31,118	22,550	6,013	2,105	21,046	8,615**	25,255**
MONTANA*	41,200	29,300	10,988	5,660	5,421	3,663	2,198	43,950	26,370	5,431	2,344	24,173	5,860	29,300
NEBRASKA*	50,925	39,375	13,500	7,815	6,750	4,500	3,375	48,375	33,750	6,750	2,250	28,125	11,250	(-)
NEVADA No schedule. Degree of disability determined in relation to whole man.*														
NEW HAMPSHIRE	97,020	87,318	35,112	21,714	17,556	8,778	4,158	64,680	45,276	8,316	1,386	38,608	13,660	56,826
NEW JERSEY*	68,640	41,650	5,700	3,800	3,040	2,280	1,520	65,520	34,730	3,040	1,140	26,600	4,560	28,600
NEW MEXICO	81,676	38,548	16,981	8,635	6,784	5,242	4,317	81,676	35,464	10,793	4,317	40,089	12,335	46,257
NORTH CAROLINA	70,560	58,800	22,050	13,230	11,760	7,350	5,880	58,800	42,338	10,230	2,940	35,280	20,580	44,100
NORTH DAKOTA*	18,750	15,000	4,875	3,000	2,250	1,500	1,200	14,740	9,000	1,800	720	9,000	3,000	12,000
OHIO*	41,063	31,938	10,950	6,388	5,475	3,650	2,738	38,500	27,375	5,475	1,825	22,813	4,563	22,813
OREGON*	24,000	18,750	6,000	3,000	2,750	1,200	750	18,750	16,875	2,250	500	12,500	7,500	24,000
PUERTO RICO*	10,000	9,000	3,375	1,800	1,350	1,125	875	10,000	7,875	1,350	675	(-)	2,250	9,000
RHODE ISLAND*	28,080	21,960	6,750	4,140	2,700	2,250	1,800	28,080	18,450	3,420	900	14,400	5,400	18,000
SOUTH CAROLINA	64,889	54,568	19,172	11,798	10,323	7,374	5,999	57,515	41,293	10,323	2,950	32,445	23,598	48,667
SOUTH DAKOTA	50,800	38,100	12,700	8,890	7,620	5,080	3,810	40,640	31,750	7,620	2,540	38,100	12,700	38,100
TENNESSEE	33,600	25,200	10,080	5,880	5,040	3,360	2,520	33,600	21,000	5,040	1,680	16,800	12,600	25,200
UTAH*	40,205	36,120	14,405	9,030	7,310	3,655	1,720	26,875	18,920	5,590	860	25,800	3,583**	21,500
VERMONT*	62,995	51,275	14,650	9,376	7,325	5,860	3,516	62,995	51,275	7,325	2,930	36,625	15,238*	82,995
VIRGINIA*	62,200	46,850	18,660	10,885	9,330	6,220	4,685	54,425	38,875	9,330	3,110	31,100	15,550	31,100
VIRGIN ISLANDS*	40,263	32,940	14,640	14,640	14,640	14,640	13,725	32,940	21,960	14,640	13,725**	35,885	21,960	32,940
WASHINGTON*	36,000	32,400	12,960	8,100	6,480	3,240	1,620	36,000	25,200	7,560	2,760	14,400	4,800	28,800
WEST VIRGINIA*	53,251	44,376	17,750	8,875	6,212	4,438	4,438	53,251	31,063	8,875	3,550	29,288	22,148	57,689
WISCONSIN*	56,000	44,800	17,920	8,720	5,040	2,912	3,136	56,000	28,000	9,333	2,800**	29,800	4,032**	24,92**
WYOMING*	35,225	28,649	10,333	6,810	3,522	3,522	3,522	35,225	23,483	4,697	1,644	22,074	9,393	—
F.E.C.A.*	305,729	239,096	73,493	45,075	29,237	24,498	14,699	282,211	200,860	37,236	15,678	156,784	50,955	195,980
LONGSHORE ACT	185,715	145,239	44,643	27,381	17,857	14,881	8,929	171,429	122,024	17,857	9,524	95,238	30,953	119,048
IN THIS GROUP OF STATES, COMPENSATION FOR TEMPORARY DISABILITY IS ALLOWED IN ADDITION TO SCHEDULED INJURY WITH CERTAIN LIMITATIONS AS TO PERIOD														
INDIANA*	18,750	15,000	5,000	3,000	2,250	1,500	1,500	16,875	13,125	1,500	2,250**	13,125	5,625	15,000
KANSAS*	50,190	35,850	14,340	8,643	7,170	4,780	3,585	47,800	29,875	7,170	2,390	28,689	7,170	26,290
NEW YORK*	46,800	36,600	11,250	6,900	4,500	3,750	2,250	43,200	30,750	5,700	2,400	24,000	9,000	22,500
PENNSYLVANIA*	142,270	116,245	34,700	17,350	13,890	10,410	9,716	142,270	109,750	13,940	5,552	35,125	20,820	40,220
IN THIS GROUP OF STATES, COMPENSATION FOR TEMPORARY DISABILITY IS DEDUCTED FROM THE ALLOWANCE FOR SCHEDULED INJURY														
No schedule. PPD benefits paid at 66-2/3% of wages up to 425 weeks according to degree of disability.**														
KENTUCKY	—	—	—	—	—	—	—	—	—	—	—	—	—	—
LOUISIANA*	50,400	39,100	12,700	7,620	5,094	5,080	5,080	44,450	31,750	5,080	2,540	25,400	—	25,400**
OKLAHOMA*	40,750	32,600	9,780	5,705	4,890	3,260	2,445	40,750	32,600	4,890	1,630	32,600	16,300	48,900
TEXAS	43,400	32,550	13,020	9,765	6,510	4,557	3,255	43,400	27,125	6,510	2,170	21,700	—	32,550

NOTE—Amounts in chart reflect maximum potential entitlement. In Canada, permanent physical impairments generally are compensated by degree of disability using medical rating schedule as guideline. Numbers in italics are computations for loss of major member, loss of leg precluding use of artificial limb, or loss of eye by enucleation.

CHART VII □ INCOME BENEFITS FOR SCHEDULED INJURIES □ January 1, 1986 (continued)

- Ala.** *Effective 2/1/85, maximum weekly PP benefit is lesser of \$220 or 100% SAWW.
Alaska *Maximum dollar amount fixed by statute.
- Am. Samoa** *Arm—312, hand—244, thumb—75, first finger—48, second finger—30, third finger—25, fourth finger—15, leg—288, foot—205, great toe—30, other toes—16, one eye—160, one ear—52, both ears—200.
- Ariz.** *PP benefit is 55% of monthly compensation up to \$1,325 (= \$168.01 weekly).
Ark. *Maximum amount for PP is \$63,000.
- Calif.** *Maximum PP benefit is \$100.00 effective 1/1/84. Duration varies according to percentage of permanent disability, adjusted for age and occupation. Chart reflects standard rating for individual age 39 and loss of major arm.
 **Chart reflects benefits for loss of eye if unable to wear artificial eye. Life pension up to \$64.21 weekly also payable for loss of arm or leg.
- Colo.** *Maximum weekly benefit is \$84.
Conn. *Commission may award additional benefits based on loss of earnings.
- Fla.** *Permanent impairment caused by amputation, loss of 60% of vision in either eye after correction, or serious facial disfigurement—\$250 per 1% of disability up to 10%, and \$500 per 1% of disability over 10%. Wage-loss benefits also payable in all permanent impairment cases—85% of difference between 85% of pre-injury wages and earnings after maximum medical improvement, up to 100% of SAWW weekly; Social Security retirement benefits are deducted from wage loss benefits.
- Hawaii** *In cases in which the disability is determined as a percentage of total loss or impairment of physical or mental function of the whole man, the maximum compensation is the corresponding percentage of 312 times SAWW (= \$93,288 effective 1/1/86).
- Idaho** *Maximum weekly PP benefit is 55% of SAWW for year in which injury occurred (= \$164.45 for 1986).
Ill. *Effective January 15, figures reflect benefits for amputation of member—maximum 100-1/3% of SAWW (= \$511.81 as of 1/15/86). For other PP benefits, wage replacement rate is 60% and maximum is \$293.61 from 7/1/84-6/30/87, and thereafter increased by percentage increase in SAWW.
- Ind.** *Payable for 52 weeks; maximum weekly PP benefit is \$75.
 **Second toe—\$2,250, third toe—\$1,500, fourth toe—\$1,125, fifth toe—\$750.
Iowa *Maximum weekly PP benefit is 184% of SAWW (= \$350.00).
- Kan.** *Additional healing period up to 15 weeks may be allowed. Maximum weekly PP benefit is 75% of SAWW.
- Ky.** *Maximum weekly PP benefit is 75% of SAWW (= \$237.41). Degree of disability is determined by American Medical Association Guide or decrease in earning capacity, whichever is greater.
 **Since 1980, an employee sustaining work-related hearing loss is entitled to either functional loss to the body as a whole or occupational disability, whichever is greater. Hearing loss claims receive same treatment as occupational diseases and injuries, with a final determination by the Board as to degree of disability.
- La.** *Schedule applies to amputation or disability greater than 50% loss of use (until 12/31/85) or greater than 25% as of 1/1/86. Supplemental earnings benefits are 66-2/3% of the difference between 90% of pre-injury wages and post-injury earnings, maximum 520 weeks; cease 2 years after termination of temporary total disability (unless paid for 13 consecutive weeks during that time) or upon retirement or receipt of Social Security retirement benefits.
 **Permanent hearing loss due to single traumatic accident.
- Me.** *Maximum weekly PP benefit is 66-2/3% of SAWW (= \$188.28).
- Md.** *Maximum weekly PP benefit is 33-1/3% of SAWW (= \$115.00); where benefits are payable for 250 weeks or more, the number of weeks are increased by 1/3, and maximum is 66-2/3% of SAWW (= \$230.00).
- Mass.** *Maximum PP benefit is 100% of SAWW (= \$360.50). Proportional benefits for partial loss of limbs (fingers, toes).
- Mich.** *Wage-loss benefits payable for life.
 **Hearing loss compensable based on lost earnings.
- Minn.** *For permanent partial disability, impairment compensation (IC) is paid in lump sum if take job. If no job offer made, economic recovery compensation (ER) is paid weekly. IC equals scheduled dollar amount (\$75,000 to \$400,000) times percent whole body disability. ER equals percent disability times scheduled number of weeks (600 to 1200 weeks) times weekly TT rate. Concurrent payment of PPD and TPD benefits allowed if employee has returned to work for at least 6 months, and, if applicable, completed rehabilitation program.
- Mo.** *Maximum weekly PP benefit is 45% of SAWW (\$150.33 effective 7/1/85); minimum is \$40. If amputation or 100% loss of use, additional 10% compensation.
 **Occupational hearing loss law provides benefits up to 44 weeks (1 ear) or 168 weeks (both ears).
Mont. *Maximum weekly PP benefit is 50% of SAWW (= \$146.50, effective 7/1/85). Claimant may elect schedule or wage-loss indemnity.
- Neb.** *Terms run consecutively for loss of, or loss of use of, more than 1 member but less than total disability.
 **Permanent total loss of hearing is compensated as permanent total disability.
- Nev.** *Each 1% of impairment is compensated by .6% of worker's monthly wage up to maximum, payable for 5 years or until age 66 (rising 1 year annually until age 70 beginning 7/1/88), whichever is later. Maximum monthly wages are \$2,157.33 as of 7/1/85.
- N.J.** *Calculations include allowance for amputation of member (30% additional compensation). Compensation is payable weekly at 70% of pre-injury weekly wages, up to a maximum of 55% of SAWW for arm or leg, 45% of SAWW for hand, 40% of SAWW for foot or one eye, 35% of SAWW for hearing—both ears, 20% of SAWW for other scheduled injuries in chart.
- N.Y.** *Additional weeks for TT in excess of statutory healing period; maximum \$150 as of 7/1/85. Compensation for wage-loss in addition to schedule if impairment due to loss of 50% or more of member.
- N.D.** *PP benefit is \$60 weekly for scheduled number of weeks.
- Ohio** *Maximum weekly PP benefit is 50% of SAWW (= \$182.50 for 1986). Compensation payable for 200 weeks if percentage of disability is 90% or greater.
- Okl.** *Maximum PP benefit is 50% of SAWW (= \$163.00 effective 1/1/85).
- Ore.** *Calculated at \$125 per degree for scheduled injury, \$100 per degree for unscheduled injury.
- Pa.** *Healing period is 25 weeks for leg or foot; 20 weeks for an arm or hand; 12 weeks for great toe; 10 weeks for thumb, eye, or hearing; 6 weeks for finger or toe.
- P.R.** *Maximum PP benefit is \$45 weekly.
 **Permanent visual disability is compensated according to percentage of total disability; in addition, loss of eye by enucleation is compensated at 10% of permanent total disability.
- R.I.** *Maximum scheduled PP benefit is \$90.00 weekly. Maximum is 100% of SAWW for unscheduled injury.
- Utah** *Maximum per week, including allowances for dependents, is 66-2/3% of SAWW (= \$215 effective 7/1/85).
 **Entry presumes total loss of hearing in one ear and no loss of hearing in the other (16-23 weeks). Benefits are based on the percentage of binaural hearing loss, adjusted for claimant's age.
- Vt.** *In addition to TT except for loss of hearing in 1 ear.
- Va.** *Benefits for scheduled injuries are payable in addition to compensation for temporary disability. *County of Spotsylvania v. Hart*, 218 Va. 565, 238 S.E.2d 813 (1977). After expiration of scheduled award, claimant may file for further benefits within 1 year if still incapacitated.
- Vt.** *PP benefit is 66-2/3% of SAWW weekly (= \$183.00 effective 1/1/85).
 **For loss of two or more digits or one or more phalanges of two or more digits on a hand or foot, benefits may be proportioned to the loss of use of the hand or foot.
- Wash.** *Benefits fixed at amount reflected in chart.
- W.Va.** *PP benefit is 70% of wages, payable in 4-week periods per 1% of disability up to 85%, which is considered PT. Maximum is 66-2/3% of SAWW (= \$221.88 effective 7/1/85).
- Wis.** *Maximum weekly PP benefit is \$112 effective 1/1/86.
 **Second toe—\$2,800, other toe—\$2,240.
 **Under occupational hearing loss law, maximum is \$4,032.36 weeks for one ear and \$24,192.216 weeks for both ears, as of 1/1/86.
- Wyo.** *PP benefit is 66-2/3% of SAWW (= \$234.83 as of 1/1/86).
- F.E.C.A.** *Includes allowance for dependents.

CHART VIII FATALITIES—INCOME BENEFITS FOR SPOUSE AND CHILDREN January 1, 1986

JURISDICTION	PERCENT OF WAGES			MAXIMUM WEEKLY PAYMENT		MINIMUM PER WEEK SPOUSE ONLY	TIME LIMIT	AMOUNT LIMIT ¹		MAXIMUM BURIAL ALLOWANCE
	SPOUSE PLUS CHILDREN	SPOUSE ONLY	ONE CHILD ONLY	SPOUSE PLUS CHILDREN	SPOUSE ONLY			SPOUSE PLUS CHILDREN	SPOUSE ONLY	
ALABAMA	66-2-3	50	50	\$ 303.00*	\$ 303.00*	503.00*	500 weeks ^{2,3}	\$151,500	\$151,500	\$1,000
ALASKA	80% of spendable earnings	80% of spendable earnings	80% of spendable earnings	1,114.00*	1,114.00*	75.00	(^{2,4})			2,500
AMERICAN SAMOA	66-2-3	35	35	70.00	36.75	5.00 ²	(^{2,4})			1,000
ARIZONA	66-2-3	35	25	205.99	107.93		(^{2,4})			1,000
ARKANSAS	66-2-3	35	50	154.00	154.00	15.00	(^{2,4})	(-)	(-)	1,500
CALIFORNIA	66-2-3	66-2-3	66-2-3	224.00	224.00	112.00	(³)	95,000	70,000	2,000*
COLORADO	66-2-3	66-2-3	66-2-3	336.42*	336.42*	105.14*	(^{2,4})			1,000
CONNECTICUT	66-2-3	66-2-3	66-2-3	397.00*	397.00*	79.40*	(^{2,3})			3,000
DELAWARE ⁷	60	66-2-3	66-2-3	282.82*	235.69*	77.20*	(^{2,4})			700**
DISTRICT OF COLUMBIA	66-2-3	50	50	431.70*	431.70*	(-)	(^{2,4})			1,000
FLORIDA	66-2-3	50	33-1-3	315.00*	315.00*	20.00 ⁸	(^{2,3})	100,000	100,000	2,500
GEORGIA	66-2-3	66-2-3	66-2-3	155.00	155.00	25.00 ⁹	400 weeks ^{2,3}	62,000	65,000	5,000
GUAM	65-2-3	35	35	140.00	73.50	31.50*	(^{2,4})	40,000	40,000	1,200
HAWAII	66-2-3	50	40	299.00*	224.25*	74.75*	(^{2,4})	(-)	(-)	4,485***
IDAHO				179.40*	134.55*	134.55*	500 weeks ²	89,700	67,275	1,500 ⁷
ILLINOIS	66-2-3	66-2-3	66-2-3	511.81*	511.81*	191.93*	20 years ^{2,4} **	(-)	(-)	1,750
INDIANA	66-2-3	66-2-3	66-2-3	178.00*	178.00*	50.00 ⁸	500 weeks ^{2,4}	89,000*	89,000*	2,000*
IOWA	80% of spendable earnings	80% of spendable earnings	80% of spendable earnings	598.00*	598.00*		(^{2,4})			1,000
KANSAS	66-2-3	66-2-3	66-2-3	239.00*	239.00*	25.00	(^{2,5})	100,000	100,000	3,200
KENTUCKY	75	50	50	237.40*	158.27*	63.30*	(^{2,4})			2,500 ⁷
LOUISIANA	65	32-1-2	32-1-2	254.00*	254.00*	68.00*	(^{2,4})			3,000
MAINE ⁹	66-2-3	66-2-3	66-2-3	470.71*	473.71*	25.00	(^{2,3})			1,000
MARYLAND	66-2-3	66-2-3	66-2-3	344.00*	344.00*	25.00 ⁸	(^{2,4})			1,200**
MASSACHUSETTS	66-2-3	66-2-3	66-2-3	360.50*	360.50*	150.00*	(^{2,4})	(-)	(-)	2,000
MICHIGAN	80% of spendable earnings	80% of spendable earnings	80% of spendable earnings	375.00*	375.00*	208.10*	500 weeks ^{2,5} **	(-)	187,500*	1,500
MINNESOTA***	66-2-3	50	60	342.00*	342.00*		(^{2,4})			2,500
MISSISSIPPI ²	66-2-3	35	25	133.00*	133.00*	25.00	450 weeks ²	59,850**	59,850**	2,000
MISSOURI	66-2-3	66-2-3	66-2-3	233.84*	233.84*		(^{2,4})			2,000
MONTANA	66-2-3	66-2-3	66-2-3	293.00*	293.00*	146.50*	(^{2,4})			1,400
NEBRASKA	75	66-2-3	66-2-3	225.00	225.00	49.00 ⁸	(^{2,4})			2,000
NEVADA	66-2-3	66-2-3	66-2-3	331.10*	331.10*		(^{2,4})			2,500 ⁷
NEW HAMPSHIRE	66-2-3	66-2-3	66-2-3	462.00*	462.00*	123.00*	(^{2,4})			1,000
NEW JERSEY	70	50	50	284.00*	284.00*	78.00*	(^{2,3})			2,000
NEW MEXICO	66-2-3	66-2-3	66-2-3	308.38*	309.38*	36.00	600 weeks ^{2,4}	185,029	185,028	1,500
NEW YORK	66-2-3	66-2-3	66-2-3	300.00**	300.00**	30.00	(^{2,4})			1,500

¹Amount limits have been computed where not stipulated by law and are shown in italics. Disability payments deducted in all laws, except those of Arizona, Arkansas, California, Delaware, District of Columbia, Florida, Michigan, Mississippi, Missouri, Nevada, New York, North Dakota, Oregon, Washington, West Virginia, Wisconsin, Wyoming, F.E.C.A., and Longshore Act.

²To child until age 18 (16 in Manitoba, Newfoundland, Northwest Territories, Ontario, Saskatchewan, and Yukon; 1 in Alaska, Alberta, Oregon, and Wyoming; 18 in Michigan and 21 if in school in New Brunswick). If invalid, for duration of invalidity (for 15 years in Wisconsin, for period decedent would have supported child in Newfoundland, Prince Edward Island, and Yukon). If student, to age 21 in Colorado, British Columbia, New Brunswick, Nova Scotia, Newfoundland, Prince Edward Island, Saskatchewan, and C.M.S.C.A., 22 in Connecticut, Florida, Georgia, Kentucky, Maryland, Nevada, North Dakota, South Dakota, Tennessee, and Virgin Islands; 23 in D.C., Kansas, Louisiana, Maine, Maryland, Massachusetts, New Mexico, New York, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Virginia, Washington, F.E.C.A., and Longshore Act; 25 in America Samoa, Arkansas, Delaware, Hawaii, Illinois, Iowa, Minnesota, Montana, Nebraska, New Hampshire, Ohio, Puerto Rico, Texas, West Virginia, and Wyoming, no age limit in Alaska (4 years only), Massachusetts, Vermont, Manitoba, Northwest Territories, Ontario, and Quebec.

³To spouse for life; compensation ceases on remarriage. (Georgia—to spouse until age 55 or 400 weeks, whichever is greater.)

⁴To spouse for life; 2 years lump sum upon remarriage (but only if no children in Colorado, Idaho, Indiana, and Iowa) or balance of compensation if less (Indiana, New Mexico, and South Carolina). In Idaho, lump sum is paid upon remarriage only if there were no children at time of death.

⁵To spouse for life; 1 year's lump sum upon remarriage.

⁶To spouse for life; 2 year's lump sum upon remarriage. Kansas—100 weeks or balance if less; Michigan—\$500 or balance if less; Oregon—24 times monthly benefit; Washington—\$7,500 or 50% of remaining annuity value if less; Manitoba—\$3,600; New Brunswick—1 year's spouse's income; Northwest Territories—\$8,712; Nova Scotia—\$2,800; Prince Edward Island—\$4,200; Yukon—\$7,019.

⁷Additional allowance for transportation of body, no maximum except Virginia—\$500; Alberta—\$450; British Columbia—\$526.04 and \$526.04 for incidental death expenses; Nova Scotia—\$300; Quebec—\$500; Prince Edward Island—\$100; Yukon—\$283; C.M.S.C.A.—\$125.

⁸Actual wage if less.

⁹Spouse receives cash lump sum in addition to other benefits: Maine—\$1,000; Mississippi—\$250; North Dakota—\$500 plus \$100 per child; Oklahoma—\$10,000 plus \$2,500 per dependent (maximum \$15,000); Washington—\$800; Alberta—\$1,100; British Columbia—\$1,261.91; Manitoba—\$1,305; Northwest Territories—\$1,056; Nova Scotia—\$1,000; Ontario—\$1,500; Prince Edward Island—\$500; Quebec—\$500; Saskatchewan—\$1,000; Yukon—\$1,348; C.M.S.C.A.—\$750.

¹⁰If no dependents.

¹¹To spouse for 5 years or until youngest child reaches the age of 16. Benefits not interrupted upon remarriage.

Ala. *Maximum is 100% of SAWW; minimum is 27-1/2% of SAWW, actual wage if less.

Alaska *Maximum is 200% of SAWW.

**Spousal benefit reduced by 1/3 as of 5 years after worker's death, by 1/2 as of 8 years, and ceases after 10 years; reductions do not apply if spouse is over 52 or permanently and totally disabled. Limited Social Security offset.

Ark. *Benefits in excess of \$75,000 payable from Death and Permanent Disability Bank Fund.

Calif. *Maximum burial allowance for local public agencies remains at \$1,500 unless agency agrees to pay \$2,000.

Colo. *Maximum is 80% of SAWW; minimum is 25% of maximum.

**Social Security offset.

Conn. *Maximum is 100% of SAWW and minimum is 20% of SAWW (80% of average weekly wages if less). Employer-funded cost of living increase payable each October.

Del. *Maximum is 80% of SAWW for spouse and children; 66-2/3% of SAWW for spouse only. Minimum for spouse only is 1/3 of maximum for spouse only.

**Additional burial allowance payable on Board approval.

D.C. *Maximum is 100% of SAWW (but no less than \$431.70); minimum is 25% of SAWW or 80% of actual earnings, if less Social Security offset.

Fla. *Maximum is 100% of SAWW.

Guam *Actual wages if less.

Hawaii *Maximum is 100% of SAWW for spouse and children; 75% of SAWW for spouse only. Minimum is 25% of SAWW.

**Maximum amount for persons other than spouse and children is 1/3 maximum benefit times 312.

**Funeral expense of 10 times SAWW, plus burial allowance equal to 5 times SAWW.

Idaho *Death benefit is fixed at 45% of SAWW for spouse plus 5% of SAWW per dependent child up to 3; 30% of SAWW for one child if no dependent spouse.

Ill. *Maximum is 133-1/3% of SAWW; minimum is 50% of SAWW.

**Benefits are \$251,000 or 20 years of FT rate, whichever is greater. Child under 18 is entitled to at least 6 years benefits.

Ind. *Effective 7/1/85. Maximum increased to \$190; amount limit to \$95,000, as of 7/1/86.

Iowa *Maximum is 200% of SAWW.

Kan. *Maximum is 75% of SAWW.

Ky. *Maximum is 75% of SAWW for spouse and children; 50% of SAWW for spouse only. Minimum is 20% of SAWW.

La. *Maximum is 75% of SAWW; minimum is 20% of SAWW, actual wage if less.

Maine *Maximum is 166-2/3% of SAWW.

Md. *Maximum is 100% of SAWW.

**Additional burial allowance payable on Commission approval.

Mass. *Maximum is 100% of SAWW. Annual cost of living increase payable up to 5% for deaths after that date.

**After receiving an amount equal to 250 times SAWW, spouse must prove actual dependence; time and amount limits do not apply to children's benefits.

Mich. *Maximum is 90% of SAWW; minimum is 50% of SAWW.

**500 week limit does not apply to children.

Minn. *Maximum is 100% of SAWW.

**Government survivors' benefits offset. During dependency of children, then 10 years' benefits.

**For unrelated death while decedent was receiving impairment compensation or economic recovery benefits, benefits continue to surviving spouse and children until 10 years after dependency of last child, not affected by remarriage.

Miss. *Effective 7/1/85. Increased to \$140 as of 7/1/86.

**Effective 7/1/85. Increased to \$63,000 as of 7/1/86.

Mo. *Maximum is 70% of SAWW, increased to 75% of SAWW, effective 9/28/86.

**4 years' benefits payable to child on active duty in armed forces at age 18 who enrolls in school prior to age 23.

Mont. *Maximum is 100% of SAWW; minimum is 50% of SAWW, actual wage if less.

Nev. *Maximum is 100% of SAWW.

N.H. *Maximum is 150% of SAWW; minimum is 40% of SAWW or actual wages if less.

**On remarriage, the unpaid balance otherwise due is payable to parent or guardian for the children's benefit.

N.J. *Maximum is 75% of SAWW; minimum is 20% of SAWW.

**After 450 weeks, spouse's earnings are deducted.

N.M. *Maximum is 100% of SAWW.

N.Y. *Social Security offset.

**Effective 7/1/85.

CHART VIII □ FATALITIES—INCOME BENEFITS FOR SPOUSE AND CHILDREN □ January 1, 1986 (continued)

JURISDICTION	PERCENT OF WAGES			MAXIMUM WEEKLY PAYMENT		MINIMUM PER WEEK SPOUSE ONLY	TIME LIMIT	AMOUNT LIMIT ¹		MAXIMUM BURIAL ALLOWANCE
	SPOUSE PLUS CHILDREN	SPOUSE ONLY	ONE CHILD ONLY	SPOUSE PLUS CHILDREN	SPOUSE ONLY			SPOUSE PLUS CHILDREN	SPOUSE ONLY	
NORTH CAROLINA	66-23	66-23	66-23	\$ 2,400*	\$ 294.00*	\$30.00	(2,3,4)			\$1,000
NORTH DAKOTA ²	66-23*	66-23	66-23	(-)	210.00	105.00	(2)	(-)	\$175,000*	2,500
OHIO	76-23	66-23	66-23	365.00*	365.00*	182.50*	(2,4)			1,200
OKLAHOMA ⁴	75	50	35	217.00*	217.00*	30.00 ⁶	(2,4)			1,000 ¹⁰
OREGON				446.10*	167.23*	167.23*	(2,4)			3,000
PENNSYLVANIA	66-23	51	32	347.00*	347.00*	173.50*	(2,4)			1,500
PUERTO RICO	85	50	60	29.85*	23.04*	11.54*	(2,4,4,4)			300 ¹⁰
RHODE ISLAND	80	66-23	66-23	(-)	307.00*		(2,3)			3,000
SOUTH CAROLINA	66-23	66-23	66-23	294.95*	234.95*	25.00	500 weeks ^{2,4}	147,510	147,510	400
SOUTH DAKOTA	66-23	66-23	66-23	(-)	254.00*	127.00*	(2,4)			3,000 ⁷
TENNESSEE	66-23	50	50	168.00*	168.00*	20.00*	(2,3)	67,200*	67,200*	2,000 ^{**}
TEXAS	66-23	66-23	66-23	217.00*	217.00*	37.00*	(2,4)			2,500
UTAH	66-23*	66-23	66-23	275.00*	275.00*	45.00 ⁶	(2,4)			1,800
VERMONT	76-23	66-23	71-23	293.00*	293.00*	147.00*	(2,4)			1,000
VIRGIN ISLANDS				(-)	(-)	(-)	(2)	16,500*	16,500*	800 ¹⁰
VIRGINIA	66-23	66-23	66-23	311.00*	311.00*	77.75*	500 weeks ²	155,500	155,500	3,000 ⁷
WASHINGTON ⁹	70	60	35	256.38*	256.38*	42.69	(2,4)			2,000
WEST VIRGINIA	70	70	70	332.83*	332.83*	110.83*	(2,3)			2,500
WISCONSIN	66-23	66-23	66-23	329.00*	329.00*	30.00	(-)	98,700 ^{***}	98,700 ^{***}	1,000
WYOMING				(-)	234.83*	234.83*	(-)	(-)	(-)	1,800 ^{**}
F.E.C.A.	75*	50	40	979.90	979.90	151.48	(2,4,4)			800 ^{7,***}
LONGSHORE ACT	66-23	50	50	595.24*	595.24*	198.41*	(2,4)			3,000
ALBERTA ⁸	90% of weighted net income	50% of weighted net income		(-)	(-)	(-)	5 years ²			1,350 ⁷
BRITISH COLUMBIA ²			40	(-)	(-)	(-)	(2,4)			1,578.11 ⁷
MANITOBA ³	75	75		447.12*	447.12*	159.92*	(2,4)	31,000	31,000	1,500 ⁷
NEW BRUNSWICK	80% of weighted net income	80% of weighted net income		(-)	(-)	(-)	Age 65 ^{2,6}			980 ⁷
NEWFOUNDLAND	(-)	(-)	67-12% of weighted net income	(-)	440.86*	111.24*	(2)			1,120 ⁷
NORTHWEST TERRITORIES ⁹				(-)	192.92*	192.92*	(2,3)			1,216 ⁷
NOVA SCOTIA ⁹	(-)	(-)		(-)	126.23*	126.23*	(2,4)			750 ⁷
ONTARIO ⁹				(-)	136.86*	136.86*	(2,4)			1,500 ⁷
PRINCE EDWARD ISLAND ⁹	(-)	(-)		(-)	103.93*	103.93*	(2,4)			500 ⁷
QUEBEC ⁹	72*	49-12 (weighted net income)	49-12	324.50*	(-)	91.24*	(2,3,4)			1,560 ⁷
SASKATCHEWAN	90% of net income	90% of net income		(-)	558.38	194.72	5 years ^{2,11}			3,000 ⁷
YUKON TERRITORY ⁹				(-)	172.51*	172.51*	(2,4)			1,605 ^{7,***}
CANADIAN MERCHANT SEAMEN'S ACT ³				393.04*	393.04*	102.00 ²	(2,4)			742 ⁷

NC: *Maximum is 100% of SAWW.

**Payable for life if spouse disabled at time of decedent's death.

ND: *Maximum \$210 plus \$1 per dependent child under 18 or 22 if in school. Payments on behalf of children are not subject to amount limit; minimum 50% of maximum weekly death benefit. Effective 7/1/85, claimants receiving death benefits between 7/1/80 and 7/1/85 are eligible for supplemental benefits not less than \$34 per week.

OH: *Maximum is 100% of SAWW; minimum is 50% of SAWW.

OK: *Maximum is 66-23% of SAWW.

OR: *Monthly spouse benefit is fixed at 66-23% of SAWW + 4.33 for spouse with no children (\$970.33 for 1985-86) and fixed at 50% of SAWW for spouse with children (\$727.71 for 1985-86); maximum is 133-13% of SAWW + 4.25 (\$1,941.52 for 1985-86).

PA: *Maximum is 100% of SAWW; minimum is 50% of SAWW.

PR: *Maximum for spouse and children is \$125 monthly; for spouse only, \$100 monthly. Minimum is \$50 monthly. Maximum advance payment is \$500 to a widow plus \$50 per child, up to \$1,100 total. **54-week time limit applicable to spouse and children.

RI: *Maximum is 100% of SAWW plus \$9 per dependent child, up to 80% of pre-injury wages.

SC: *Maximum is 100% of SAWW.

SD: *Maximum is 100% of SAWW; minimum is 50% of SAWW; actual wage if less. Additional \$50 monthly is payable for each dependent child through age 18.

Tenn: *Effective 7/1/85, maximum increased to \$189; minimum \$25.00; amount limit \$75,600, as of 7/1/86. **Employer must pay \$10,000 lump sum into estate if worker had no dependents.

UTah: *Additional allowance for dependents is \$5 for spouse plus \$5 for dependent child (up to 4). Maximum (including dependents' allowance) is 85% of SAWW.

**After 312 weeks payments are continued only after annual review. Receives same payment minus 50% Social Security payment. Balance of 312 weeks or 52 weeks is payable to spouse upon remarriage, whichever less.

VI: *Maximum is 100% of SAWW; minimum is 50% of SAWW; actual wage if less. **To spouse until age 62 or when entitled to Social Security; balance of 330 weeks, if any, is payable on remarriage. Maximum 330 weeks payable to or for any child.

Vt: *Death benefit is \$12,500 to \$16,500, payable in installments or lump sum; 60% is payable to children, if any. Amount limit includes amounts paid for disability.

Va: *Maximum is 100% of SAWW; minimum is 25% of SAWW; actual wage if less.

Wash: *Maximum monthly benefit is 75% of state average monthly wage.

W Va: *Maximum is 100% of SAWW; minimum is 33-13% of SAWW.

Wis: *Maximum is 100% of SAWW. Benefits are payable on monthly basis. **If death follows disability, total time limit for disability plus death is 1,000 weeks. ***Amount limit is 300 times SAWW. When primary benefit expires, a supplementary monthly benefit continues for children at 10% of the spouse's monthly benefit, payable from the Children's Fund, to age 18 or for 15 years if invalid.

Wyo: *Monthly benefit is fixed at 66-23% of state average monthly wage plus \$100 monthly per child until age 19 (21 if invalid or emancipated). After 231 weeks court may continue payments at 33-13% of state average monthly wage. PT benefits in excess of \$4,000 are deducted.

**Employer may make other arrangements.

F.E.C.A.: *2 or more children.

**Spouse who remarries after age 60 continues to receive monthly benefits.

***Additional \$200 lump sum payable for cost of terminating status as U.S. employee.

Longshore: *Effective 10/1/85 (75% of SAWW). Benefits shall not exceed lesser of employee's weekly wage or \$535.24. Minimum is 33-13% of SAWW; actual wage if less. Death benefits not payable if employee receiving PP benefits from various other than compensable injury.

Alta: *5 years' declining payment if spouse jointly employed.

B.C.: *After deduction of Canada pension, maximum monthly benefit for spouse with 2 children is \$1,593.04, plus \$164 for each additional child. Maximum monthly benefit for spouse with 1 child is 85% of \$1,593.04. Children's spouse under 40 receives capital sum of \$25,237.19. Benefits for children's spouse age 40 or older vary by age.

Man: *Maximum is \$1,914 monthly; minimum is \$693 monthly. Allowance for 1 dependent is additional \$156 monthly if under 18 or \$174 monthly if over 18 and in school; allowance for 2 or more dependents is amount payable for 2 oldest children. Total monthly benefit may not exceed maximum.

N.B.: *Spouse receives monthly benefit based on 80% of family income, less Canada pension.

Nfld: *Spouse receives lump sum. Additional monthly benefits vary as to age and/or youngest child reaching 18. For all dependent spouses, marriage results in payment of lesser of \$5,000 or aggregate of one year's payments. Effective 1/1/85, dependency benefits before 1/1/84 receive a 3.8% increase.

N.W.T.: *Fixed monthly benefit is \$836 plus \$190 monthly per child.

N.S.: *Fixed monthly benefit is \$547 plus \$143 monthly per child.

Ont: *Fixed monthly benefit is \$593 plus \$165 monthly per child.

P.E.I.: *Effective 4/1/85, fixed monthly benefit is \$450 plus \$100 monthly per child.

Quebec: *Benefits for surviving spouse or child only are increased by 4% of weighted net income for first child, then 4-12% for each additional child. **Benefits stop after 5 years if spouse was under 35. Five years' benefits are payable to any spouse regardless of marital status.

Sask: *Varies in accordance with the number of dependents.

Yukon: *Fixed monthly benefit is \$747 plus \$190 monthly per child.

**Additional burial expenses of \$1,402.

C.M.S.C.A.: *Fixed monthly benefit is \$393.04 for spouse only; actual weekly wage if less. Monthly benefit for spouse and children is \$393.04 plus \$85 per child, up to \$1,703.17 monthly.

CHART IX WAITING PERIOD FOR INCOME BENEFITS; MEDICAL BENEFITS January 1, 1986

JURISDICTION	WAITING PERIOD ¹	RETRO-ACTIVE PERIOD	MEDICAL BENEFITS				
			UNLIMITED	CHOICE OF PHYSICIAN ²		ARTIFICIAL APPLIANCES FURNISHED	SPECIAL PROVISIONS
				EMPLOYER	EMPLOYEE		
ALABAMA	3 days*	3 weeks	Yes	Initial choice	(**)	Yes	Employer must replace appliances damaged in work-related accident and provide physical and vocational rehabilitation.
ALASKA	3 days	4 weeks	Yes		Yes	Yes	Injury includes damage to eyeglasses, dentures, hearing aids, or any prosthetic devices.
AMERICAN SAMOA	3 days	2 weeks	Yes			Yes	
ARIZONA	7 days	2 weeks	Yes		Yes	Yes	Prayer or spiritual treatment by agreement.
ARKANSAS	7 days	2 weeks	Yes	Agency may change		Yes	Spiritual treatment by agreement.
CALIFORNIA	3 days*	3 weeks*	Yes		If prior notification given to employer	Yes	Includes x-ray reports, medical reports, and testimony and laboratory fees reasonably required to prove a claim.**
COLORADO	3 days	2 weeks	Yes	Agency may change		Yes	Dental Service—maximum \$500
CONNECTICUT	3 days	1 week	Yes		From state list	Yes*	Worker compensated for time lost due to medical attention. Employer must repair or replace appliances damaged in employment; must also repair or replace eyeglasses, contact lenses, hearing aids, or dentures where injury to face or head. Prayer or spiritual treatment with Commissioner's approval.
DELAWARE	3 days*	7 days*	Yes		Yes	Yes	Employer must replace prostheses as needed.
DISTRICT OF COLUMBIA	3 days	2 weeks	Yes		From state list	Yes	Spiritual treatment by agreement.
FLORIDA	7 days	2 weeks	Yes	Yes		Yes	Injury includes damage to dentures, eyeglasses, and prosthetic devices in conjunction with accident. Employer must provide custodial care.
GEORGIA	7 days	4 weeks	Yes	Agency may change		Yes*	
GUAM	7 days	21 days	Yes			Yes	
HAWAII	3 days		Yes		Yes	Yes	Maximum monthly attendant's allowance—4 times SAWW.
IDaho	5 days*	2 weeks*	Yes	Yes		Yes	Christian Science treatment permitted.
ILLINOIS	3 days*	2 weeks	Yes		Yes	Yes	Spiritual treatment by agreement. Employer must repair/replace appliances damaged in compensable accident.
INDIANA	7 days	3 weeks	Yes	Yes		Yes	Employer pays reasonable expenses, including travel, food, and lodging, for treatment outside county. Spiritual treatment by agreement.
IOWA	3 days*	2 weeks	Yes	Yes		Yes	Employer must repair or replace appliances.
KANSAS	7 days	3 weeks	Yes	Yes		Yes	Prayer or spiritual treatment by agreement.
KENTUCKY	7 days	2 weeks	Yes		Yes	Yes	
LOUISIANA	14 days	6 weeks	Yes		Yes	Yes	Employer must repair/replace appliances.
MAINE	3 days*	2 weeks	Yes		Yes	Yes	Chiropractic services authorized.
MARYLAND	3 days	2 weeks	Yes		Yes	Yes	Employer must repair/replace appliances.
MASSACHUSETTS	5 days	6 days	Yes		Yes	Yes	
MICHIGAN	7 days	2 weeks	Yes	Initial choice		Yes	
MINNESOTA	3 days	10 days	Yes		Yes	Yes	Christian Science treatment by agreement. Chiropractic and podiatric treatment authorized.
MISSISSIPPI	5 days	2 weeks	Yes		Yes	Yes	
MISSOURI	1 days	2 weeks	Yes	Agency may change		Yes	Prayer or spiritual treatment by agreement.
MONTANA	5 days*	3 days*	Yes		Initial choice	Yes	Employer must repair/replace appliances damaged as a result of injury.
NEBRASKA	7 days	6 weeks	Yes		Yes	Yes	Employer must replace appliances damaged due to compensable injury. Employer must provide plastic surgery for disfigurement.
NEVADA	5 days	5 days	Yes		Yes	Yes	Spiritual treatment permitted.
NEW HAMPSHIRE	3 days	1 week	Yes		Yes	Yes	
NEW JERSEY	7 days	8 days	Yes	Yes		Yes	Hospital care must be semi-private, if available.
NEW MEXICO	7 days	4 weeks	Yes	Yes		Yes	Claimant may not refuse treatment reasonably essential to provide recovery.*
NEW YORK	7 days	2 weeks	Yes		From state list	Yes	Employer liable for X-rays, special diagnostic tests, consultations.
NORTH CAROLINA	7 days	4 weeks	Yes	Yes	Agency may change	Yes	Employer must repair/replace appliances damaged in compensable accident. Medical care includes rehabilitation services.
NORTH DAKOTA	5 days	5 days	Yes		Yes	Yes	
OHIO	7 days	2 weeks	Yes		Yes	Yes	Includes hospitalization and damage to eyeglasses, dentures, hearing aids, or prostheses.
OKLAHOMA	3 days	3 days	Yes		Yes	Yes	Employer must repair/replace appliances. Special provisions for hernias.
OREGON	3 days	2 weeks	Yes		Yes*	Yes	Spiritual treatment by agreement.

¹ If disability continues for longer than stated periods, compensation is paid for the waiting period. Waiting periods do not apply to medical care, which is furnished from the first day of injury.

² Information for 1984 supplied by Division of State Standards, U.S. Department of Labor.

Alt: *Temporary disability only.

**Employee can select second physician from a panel selected by employer.

Cal: *Waiting period also terminated by hospitalization.

**Psychologists included within definition of physician and treatment permitted. Personal chiropractor allowed if employee has previously notified employer that chiropractic treatments were being rendered.

Conn: *By court decision, *Olmstead v. Lempner*, 93 Conn. 20, 104 A. 458 (1918).

Del: *No waiting period if incapacity results in hospitalization or is caused by amputation of member.

Ga: *Included in total amount allowed for medical care.

Idaho: *Waiting period also terminated by hospitalization.

Ill: *Temporary total disability only.

Iowa: *No waiting period for permanent partial disability.

Maine: *Firemen are exempt from waiting period and receive compensation from date of disability.

Mont: *Waiting period refers to number of days on which worker has a loss of wages.

N.M.: *By court decision, *Brooks vs. Employers National Insurance Co.*, 668 P.2d 25 (1984).

Ore: *May choose physician within state. Allowed 4 changes; changes thereafter require Director's approval.

CHART IX WAITING PERIOD FOR INCOME BENEFITS; MEDICAL BENEFITS January 1, 1986 (continued)

JURISDICTION	WAITING PERIOD ¹	RETRO-ACTIVE PERIOD	MEDICAL BENEFITS				
			UNLIMITED	CHOICE OF PHYSICIAN ²		ARTIFICIAL APPLIANCES FURNISHED	SPECIAL PROVISIONS
				EMPLOYER	EMPLOYEE		
PENNSYLVANIA	7 days	2 weeks	Yes	Initial choice ³		Yes	
PUERTO RICO	3 days	10 days	Yes	State agency			
RHODE ISLAND	3 days	2 weeks	Yes		Yes	Yes	
SOUTH CAROLINA	7 days	2 weeks	Yes	Yes		Yes	
SOUTH DAKOTA	7 days ⁴	8 days	Yes	Yes		Yes	Employer must repair/replace appliances damaged in compensable accident.
TENNESSEE	7 days	2 weeks	Yes		From employer list	Yes	Provides for nursing services, treatment by chiropractors.
TEXAS	7 days	4 weeks	Yes		Yes	Yes	Repair or replacement of appliances when determined by physician.
UTAH	3 days	2 weeks	Yes	Agency may change		Yes	\$1,800 limit for each artificial appliance, except unusual cases.
VERMONT	3 days ⁵	4 days	Yes		Initial choice	Yes	Injury includes damage to and cost of replacement of eyeglasses, hearing aids, and prosthetic devices.
VIRGIN ISLANDS	1 day	1 day	\$16,000		Yes; agency may change	Yes	\$30,000 amount limit if treatment outside Virgin Islands.
VIRGINIA	7 days	3 weeks	Yes		From employer list	Yes	Employer must repair/replace appliances damaged in compensable accident. Employer may be ordered to furnish wheelchair and make alterations to home, maximum \$10,000.
WASHINGTON	3 days	2 weeks	Yes		Yes	Yes	Employees pay half of medical aid premiums. Department will repair/replace appliances damaged in compensable accident.
WEST VIRGINIA	3 days	1 week	Yes		Yes	Yes	Payment for prosthetic/orthotic appliances will not be made until appliance is deemed serviceable. Repair or replacement of glasses damaged in an accident not paid for unless there was compensable injury.
WISCONSIN	3 days	1 week	Yes		Yes	Yes	Repair or replacement of appliances is limited to normal wear and tear.
WYOMING	3 days	8 days	Yes		Yes	Yes	Maximum amount for prosthesis or hearing aid—\$1,500 plus \$350 for travel for fitting; amount in excess may be granted upon application.
F.E.C.A.	3 days ⁶	14 days	Yes			Yes	Additional \$500 monthly for medical attendant.
LONGSHORE ACT	3 days	2 weeks	Yes		Labor Secretary may change	Yes	Consent for specialist, if needed. Spiritual treatment permitted.
ALBERTA	1 day	1 day	Yes		Yes	Yes	Appliances repaired or replaced by Board. Board may repair or replace garment damaged in compensable accident. Clothing allowance for wear due to prosthetic or wheelchair—\$200 per year. Attendance allowance—\$378 to \$1,329 per month, plus independence allowance of \$125 per month.
BRITISH COLUMBIA	1 day		Yes		Yes	Yes	Appliances repaired or replaced at Board's discretion, regardless of personal injury (includes eyeglasses, dentures, and hearing aids unless worker is at fault). Board may provide eyeglasses for serious visual impairment caused by work injury. Personal care allowance—maximum \$1,050.21 monthly. Annual clothing allowance for wear due to prosthesis—\$160.64 for upper limb, \$321.33 for lower limb, \$481.94 for both.
MANITOBA	1 day	1 day	Yes		Yes	Yes	Appliances repaired or replaced at Board's discretion, regardless of personal injury. Clothing allowance for wear due to prosthetic device—\$120 upper limb, \$240 lower limb. Attendance allowance \$102 to \$714 monthly.
NEW BRUNSWICK	1 day	1 day	Yes		Yes	Yes	Medical aid includes repair or replacement of appliances. Clothing allowance for wear due to prosthesis—\$150. Attendance allowance \$90 to \$300 monthly.
NEWFOUNDLAND	1 day	(-)	Yes	No	Initially yes, should consult Commission before changing	Yes	Commission may repair or replace appliances and may pay daily allowance for treatment away from home. Clothing allowance for wear due to prosthetic device—\$150 to \$300. Attendant's allowance—\$100 to \$400 monthly. Home care allowance payable at Commission's discretion.
NORTHWEST TERRITORIES	1 day	1 day	Yes		Yes, subject to Board approval	Yes	Clothing allowance for wear due to prosthetic device—\$100. Board may repair/replace appliances damaged in a compensable accident.
NOVA SCOTIA	3 days ⁷	3 days	Yes		Yes	Yes	Attendant's allowance—\$300 monthly. Clothing allowance for wear due to prosthetic device—\$350 per year. Board may repair or replace appliances, and renew eyeglasses (replaced if damaged in any accident).
ONTARIO	1 day	(-)	Yes		Initial choice	Yes	Maximum attendance allowance—\$1,029 monthly. Clothing allowance for wear due to prosthetic device—\$175 for upper limb and \$350 for lower limb ⁸ .
PRINCE EDWARD ISLAND	1 day	1 day	Yes		Initial choice	Yes	Appliances repaired or replaced at Board's discretion.
QUEBEC	1 day	(-)	Yes		Yes	Yes	Commission may repair/replace prosthesis damaged in course of employment. Additional clothing allowance for wear due to prosthetic device—\$300. Attendance allowance—\$200 to \$800 monthly.
SASKATCHEWAN	(-)	(-)	Yes		Yes	Yes	Clothing allowance for wear due to prosthetic device—\$142 for arm, \$318 for leg. Employer must repair/replace appliances damaged in compensable accident. Personal care allowance—\$213 to \$1,075.
YUKON TERRITORY	1 day	1 day	Yes		Yes	Yes	Clothing allowance—\$132 for upper limb and \$268 for lower limb. Personal care allowance—\$7.00 to \$24.00 per day, independence allowance \$100 per month.
CANADIAN MERCHANT SEAMEN'S ACT	3 days	3 days	Yes		Yes	Yes	Employer must keep appliances in repair or replace, at Board's discretion.

Pa. ¹Only if 5 physicians posted and for first 14 days of treatment.

SD ²Consecutive days.

W ³Total disability only.

F.E.C.A. ⁴Waiting period begins running after 45 days' continuation of day.

MI ⁵Employer payment for day on which accident occurs.

NS ⁶No waiting period for permanent partial disability.

Ont. ⁷Compensation not paid for the day on which the accident occurs.

⁸Compensation payable during disability caused by damage to prosthetic device.

Quebec ⁹Compensation not paid for day on which injury occurs.

Sask. ¹⁰Compensation not paid for the day on which the accident occurs.

JURISDICTION	SOURCE OF FUND	MAINTENANCE ALLOWANCE	SPECIAL PROVISIONS
ALABAMA	No fund established	Board, lodging, and travel, if away from home.	Physical and vocational rehabilitation, to restore employee to gainful employment furnished at employer's expense. Employee's refusal results in loss of compensation.
ALASKA	No fund established	Board, lodging, travel, and temporary disability benefits. Additional \$200 monthly if extreme financial hardship.	Employer pays full cost. Services available 37 weeks, extendable to 74 weeks. Compensation suspended for unreasonable refusal of evaluation or failure to participate in approved or agreed plan.
AMERICAN SAMOA	Second Injury Fund	\$10 weekly paid by employer plus maintenance from Special Fund.	Commission arranges for vocational rehabilitation of permanently disabled workers.
ARIZONA	\$1,150 in no-dependency death cases. Appropriations annually from general fund up to 2% of annual premium.	Commission may authorize additional necessary awards to persons undergoing vocational rehabilitation.	Vocational rehabilitation trainees considered an employee at \$200 monthly wage rate for compensation benefits.
ARKANSAS	No fund established	Reasonable expenses for maintenance, travel, and other necessary costs for 60 weeks maximum.	Must apply to Commission within 60 days. Commission may authorize vocational rehabilitation if reasonable in relation to disability, but worker may refuse.
CALIFORNIA	No fund established	All additional necessary living expenses during rehabilitation.	Rehabilitation unit in Division of Industrial Accidents. Rehabilitation program is compulsory on part of employer or carrier. Rehabilitation trainee is considered employee of training employer for insurance purposes.
COLORADO	No fund established for vocational rehabilitation	Maintenance, tuition, and transportation during 26 weeks.	Period of time may be extended another 26 weeks if necessary. Employee cannot receive disability benefits and maintenance simultaneously.
CONNECTICUT	2% tax upon compensation paid by insurers and self-insurers	Weekly subsistence allowance during vocational rehabilitation.	Employer pays full cost of medical rehabilitation, which continues until employee reaches maximum improvement. Vocational rehabilitation is furnished by Division of Workers' Rehabilitation.
DELAWARE	No fund established	Reasonable board, lodging, and travel.	Physical and vocational rehabilitation furnished at employer's expense. Employee's refusal results in loss of compensation.
DISTRICT OF COLUMBIA	No fund established	Not exceeding \$50 per week.	Employer must provide vocational rehabilitation. Benefits forfeited if worker fails to cooperate.
FLORIDA	Payments from Special Fund and assessments upon insurers and self-insurers	Reasonable board, lodging, and travel.	Injured worker is entitled to prompt rehabilitation including retraining, provided by or at the expense of the employer. Rehabilitation may be up to 26 weeks extendable for an additional 26 weeks. Refusal to accept rehabilitation deemed necessary by deputy commissioner results in automatic 50% reduction in compensation for each week of refusal.
GEORGIA	No fund established	Reasonable board, lodging, and travel, if away from home.	Vocational rehabilitation furnished for 26 weeks but may be extended if necessary. Employee's unreasonable refusal may result in suspension of compensation.
GUAM	State fund (appropriation)	\$10 per week during retraining	Commission directs the vocational rehabilitation of permanently disabled employees and arranges with the appropriate public or private agencies for such education.
HAWAII	Payments from Second Injury Fund	Director of Labor to issue rules.	Rehabilitation unit within Department of Labor and Industrial Relations makes recommendation for physical or vocational rehabilitation. Director approves services and reviews progress.
IDAHO	7% tax on insurers and self-insurers	Reasonable expenses for maintenance and travel.	Rehabilitation Division administers. Temporary disability benefits payable up to 104 weeks where retraining required.
ILLINOIS	No fund established	Maintenance costs and incidental expenses.	Physical, mental, and vocational rehabilitation as may be necessary. Institutional care, if required.
INDIANA	No fund established	No specific statutory provision*	
IOWA	No fund established	\$20 weekly in addition to other compensation for 13 weeks	May be extended additional 13 weeks. Medical care includes physical rehabilitation.
KANSAS	No fund established	If employer provides vocational rehabilitation, must pay reasonable board, lodging, and travel up to \$2,000 for a 26-week period (may be increased to \$3,000).	If vocational rehabilitation unavailable through public facility, employer must provide up to 26 weeks, extendable additional 26 weeks. Compensation suspended for worker's unreasonable refusal of physical or vocational rehabilitation, compensation canceled after 90 days' refusal. Rehabilitation Section of Division administers. Compensation paid during vocational rehabilitation is deducted from benefits for permanent partial disability.
KENTUCKY	No fund established	Board, lodging, and travel, if away from home.	Unlimited medical rehabilitation; vocational rehabilitation up to 52 weeks (may be extended). Employee's refusal results in loss of 50% of compensation.
LOUISIANA	No fund established	Board, lodging, and travel paid by employer or carrier.	Employer or carrier provides up to 26 weeks of vocational rehabilitation, extendable another 26 weeks. Benefits reduced 30% for refusal of necessary rehabilitation.
MAINE	Employment Rehabilitation Fund*	Tuition, books, fees, and sum for sustenance and travel not to exceed 25% of SAWW.	Office of Employment Rehabilitation monitors cases. Employer must file report within 120 days of injury if employee has not returned to employment. Benefits suspended if employee does not comply with program.
MARYLAND	No fund established	Up to \$40 weekly paid by employer	Workers' Compensation Commission investigates all claims and reports of injury or disability for referral to Division of Vocational Rehabilitation. Employee entitled to 24 months of vocational rehabilitation. Employee's unreasonable refusal results in loss of compensation. Employer pays compensation for temporary total disability plus expenses of vocational rehabilitation.
MASSACHUSETTS	No fund established. Paid the same as compensation by employer or insurer.	Office of Vocational Rehabilitation may approve room, board, and travel expenses for 52 weeks.	Necessary cost of rehabilitation subject to approval of Office of Vocational Rehabilitation. Benefits suspended for refusal to participate.
MICHIGAN	No fund established	Transportation and other necessary expenses during 52 weeks training.	Medical and vocational rehabilitation services under Workers' Compensation Bureau—approved facility Bureau may extend training period additional 52 weeks, maximum total 104 weeks.
MINNESOTA	General fund	Necessary expenses, including tuition, books, travel, board, lodging, and custodial daycare.	Qualified injured worker entitled to rehab. provided by at expense of employer. Employer must provide rehab. for up to 156 weeks, through approved plan. Participant may request 25% benefit increase and is eligible for one-time relocation allowance. Employer may seek termination or suspension of benefits if worker fails to cooperate. Appeals of rehab. decisions are heard by Rehab. Review Panel.
MISSISSIPPI	No fund established	Up to \$10 per week up to 52 weeks.	Commission cooperates with federal and state agencies.
MISSOURI	No fund established. At expense of employer or insurer.	\$40 weekly for physical rehabilitation (by order of Division after 20 weeks).	Administered by Director of Worker's Compensation Division. Division may order employer to provide transportation.
MONTANA	Rehabilitation Fund by 1% tax upon compensation paid by insurers, self-insured, and state fund	Must be paid TT benefits during reasonable period of retraining. May be paid additional \$50 weekly for living expenses while in training plus transportation, tuition, books, and equipment.	Administered by Workers' Compensation Division in conjunction with Department of Social and Rehabilitation Services. Employee's refusal may result in loss of compensation.
NEBRASKA	Vocational Rehabilitation Fund by 1% premium tax on insurers and self-insurers (minimum \$25) payable to Court.	Board, lodging, and travel paid by fund. Temporary total indemnity paid by self-insurer or carrier.	Insurer must furnish medical, physical, and vocational rehabilitation services voluntarily (if not, may be ordered to do so). Costs may be apportioned between the employer and the Vocational Rehabilitation Fund. Payments into fund suspended when fund reaches \$400,000 (see Chart XIII).
NEVADA	State Insurance Fund and self-insurance	Insurer may allow maintenance as needed.	Insurer is authorized to provide all necessary rehabilitation services. Employee's refusal results in loss of all benefits.
NEW HAMPSHIRE	No fund established	Board, lodging, travel, books, and basic materials in addition to compensation.	Insurer must furnish rehabilitation services voluntarily, or may be ordered to do so, for one year and further treatment if needed. Vocational and physical rehabilitation staff assist in program.
NEW JERSEY	No fund established		Permanent total disability benefits may be stopped after 450 weeks unless the worker has submitted to physical or educational retraining.

Ind. *State Rehabilitation Services Board administers vocational rehabilitation programs. Compensation suspended for refusal of suitable employment by partially disabled claimant.

Maine *Funded by assessment of 0.5% on insurers and self-insurers in 1986 and 1.0% thereafter.

Minn. *Surviving spouse may request rehabilitation.

CHART X □ REHABILITATION OF DISABLED WORKERS □ January 1, 1986 (continued)

JURISDICTION	SOURCE OF FUND	MAINTENANCE ALLOWANCE	SPECIAL PROVISIONS
NEW MEXICO	No fund established	Board, lodging, travel, and maintenance for family, \$3,000 maximum in addition to other compensation	Employer must furnish vocational rehabilitation services to render worker fit to engage in remunerative employment
NEW YORK	\$2,000 in no-dependency death cases	Up to \$30 per week for rehabilitation maintenance	Department of Labor cooperates with Department of Education
NORTH CAROLINA	No fund established		Insurer must furnish rehabilitation services required to lessen disability. Employee's unreasonable refusal of services ordered by Commission results in loss of compensation
NORTH DAKOTA	Benefit Fund	Rehabilitation allowance in lieu of and equal to compensation, plus 25%	Bureau through its Director of Rehabilitation provides retraining. Employee's unreasonable refusal to cooperate shall forfeit compensation. Additional allowance of \$5,000 maximum during lifetime, for remodeling living or business facilities, if required
OHIO	State Insurance Fund	Same as for temporary total disability, minimum 50% of SAWW, for 6 months (renewable)	Rehabilitation Division within Commission administers. Division may make all necessary expenditures, medically including treatment of non-occupational conditions inhibiting return to work.
OKLAHOMA	No fund established	Board, lodging, travel, tuition, and books	Court may order necessary rehabilitation up to 52 weeks
OREGON	No fund established	Worker receives temporary total disability compensation during rehabilitation	Physical and vocational rehabilitation furnished at employers' expense and in accordance with Department regulations. Need determined within 120 days from date of injury. Benefits may be suspended for failure to participate
PENNSYLVANIA	No fund established	Rehabilitation Board may provide cash payments for living expenses	State Board of Rehabilitation may provide vocational rehabilitation, training, and services
PUERTO RICO	No fund established	Administrator may grant \$45 weekly for up to 26 weeks	Rehabilitation center provides physical, medical, and rehabilitation services
RHODE ISLAND	\$750 in no-dependency death cases; 1% of insurance premium	Board, lodging, and travel	Rehabilitation clinic financed by the Curative Centre Fund. Compensation suspended for willful refusal of rehabilitation
SOUTH CAROLINA	No fund established	No specific statutory provision	
SOUTH DAKOTA			TT during period of approved vocational rehabilitation
TENNESSEE	No fund established		Division of Workers' Compensation refers feasible cases to Department of Education pursuant to plan providing full or partial recovery of expenses from employer or insurer
TEXAS	No fund established		Insurer furnishes necessary medical care and services for physical rehabilitation. Board may refer employee to Texas Rehabilitation Commission for vocational services
UTAH	\$18,720 in no-dependency death cases	\$1,000 maximum during rehabilitation of permanently and totally disabled person	If cannot be rehabilitated, worker receives benefits for life from Second Injury Fund, minimum \$120 per week
VERMONT	No fund established	Board, lodging, travel, books, and tools	Commissioner may order vocational rehabilitation services. If employee refuses, compensation may be suspended
VIRGIN ISLANDS	Government Insurance Fund	Board, lodging, and travel	Income benefits during rehabilitation suspended for employee's refusal to accept vocational rehabilitation. See Chart V—Total Disability Benefits
VIRGINIA	Second Injury Fund		Commission may award compensation, medical care, and vocational rehabilitation. Employee's unreasonable refusal may suspend compensation
WASHINGTON	No fund established	Compensation, board, lodging, travel, books, equipment, and child care allowance, up to 52 weeks (maximum \$3,000)	Supervisor may extend period for another 52 weeks. Dept. operates a Rehabilitation Center and pays maintenance and employer's cost of job modification. Compensation may be halted for refusing rehabilitation without good cause. Evaluation mandatory in 120 day time-loss cases
WEST VIRGINIA	State Fund used, no special account	Up to \$10,000 (includes tuition, books, supplies, travel, lodging, and tools). No limit on physical rehabilitation costs. Temporary total disability payments if totally disabled	Fund-employed Rehabilitation Counselors provide referrals and direct services. Direct job placement emphasized, but training considered on basis of need. Short term training preferred. Longer programs approved when no other employment alternatives available, normally limited to 2 years
WISCONSIN	No fund established	Board, lodging, and travel up to 40 weeks. Temporary total disability paid during training	Course of instructions must be undertaken within 60 days from date sufficiently recovered or as soon thereafter as State Board provides opportunity. 40-week period may be extended if necessary. Department employs rehabilitation specialists (physical, medical, and vocational) to evaluate and refer injured employee for treatment
WYOMING	No fund established	Up to \$10 per week (may be increased to \$15 per week if insufficient) up to 72 weeks	District judge grants maintenance allowance on recommendations of Board of Education
F.E.C.A.	Employees' Compensation Fund	Up to \$200 per month	If person fails to undergo rehabilitation, administrator may reduce benefit if rehabilitation would have increased earnings
LONGSHORE ACT	50% of Special Fund*	Up to \$25 per week	Surplus in Fund in any one year may be carried over. Appropriations authorized
ALBERTA	Accident Fund	Discretion of Board	Board operates physical rehabilitation center. Board may make necessary expenditures to aid rehabilitation and may provide vocational rehabilitation to a dependent spouse
BRITISH COLUMBIA	Accident Fund	Discretion of Board	Rehabilitation Clinic established. Board may make necessary expenditures to aid rehabilitation and may provide vocational rehabilitation to a dependent spouse
MANITOBA	Accident Fund	Discretion of Board	Board may make necessary expenditures to aid rehabilitation
NEW BRUNSWICK	Accident Fund	Discretion of Board	Board operates physical rehabilitation center. Board may make necessary expenditures to aid rehabilitation
NEWFOUNDLAND	Accident Fund	Discretion of Commission	Commission may make necessary expenditures to aid rehabilitation
NORTHWEST TERRITORIES	Accident Fund	\$50 daily for first 7 days, \$30 daily thereafter. Employer pays transportation cost	Board may order rehabilitation and retraining
NOVA SCOTIA	Accident Fund	Discretion of Board	Board may make necessary expenditures to aid rehabilitation
ONTARIO	Schedule 1 cases—Accident Fund Schedule 2 cases—employers individually	Discretion of Board Discretion of Board	No limit on amount in any one case or in any year for rehabilitation
PRINCE EDWARD ISLAND	Accident Fund	Discretion of Board	Board may make necessary expenditures to aid rehabilitation
QUEBEC	Accident Fund. Each employer held personally responsible for the payment of benefits	As required by law	Board may make necessary expenditures to aid rehabilitation
SASKATCHEWAN	Injury Fund	Discretion of Board	Board provides on-the-job training, employer assistance, and physical and occupational therapy. Vocational training is also available for spouse, as well as additional allowance for dependent children of fatally injured workers
YUKON TERRITORY	Compensation Fund	Discretion of Board	Board may make necessary expenditures to aid rehabilitation
CANADIAN MERCHANT SEAMEN'S ACT	No fund established	No specific statutory provision	

Longshore *See Chart XII—Second Injury Funds—Special Provisions

PART 3 ADMINISTRATION

Because workers' compensation grew out of a public dissatisfaction with the manner in which job-related disabilities were handled, it is not surprising that the system was designed with an eye toward prompt and effective disposition of disability cases. Without an effective delivery system, many of the problems associated with the common law and employer liability statutes would remain.

This requirement for an effective delivery system remains valid today. Indeed the National Commission on State Workmen's Compensation Laws, in listing this as a major objective for a modern workers' compensation system, made special note that the achievement of the system's objectives for protecting against workplace disabilities was dependent upon an effective system for delivery of the benefits and services. This observation was reaffirmed by a second federal report on workers' compensation delivery in 1977 which emphasized the importance of efficient program administration.

As originally envisioned, the system would be self-administering. Over time, the complexities of the system proved too much for a laissez-faire approach, and states moved to take a more affirmative role in the administration of their laws.

Generally, the states have moved either to administer their laws through their court system, a special commission or board, or a combination of both. In Canada, administrative activities are carried out by a board. The principal areas of administration include—

- Supervision of compliance with statutory requirements for employers, employees, carriers, and medical and legal personnel.
- Investigation and decision on disputed claims and the supervision of medical and vocational rehabilitation.
- Management of second injury funds, special assessment requirements.
- Collection of data and evaluation of program performance.

ADMINISTRATION—NOTICE TO EMPLOYER—CLAIMS: CHART XI

Workers' compensation laws generally are administered by commissions or boards created by law. A few states provide for court administration.

Chart XI shows statutory provisions relating to administration. These include (1) time limits in which employers must be advised of injury, (2) time in which claims must be filed, (3) claims settlement conditions, and (4) regulation of attorney fees.

EMPLOYER'S REPORT OF ACCIDENTS: CHART XII

All employers are interested in requirements legally imposed on them to report injuries, and the penalty—if any—imposed for failure to report. In many jurisdictions, except for preliminary reports, the insured's company relieves an employer of this burden. Provisions for employers' reports of accidents are summarized in Chart XII.

SECOND-INJURY FUNDS: CHART XIII

Second-injury funds (or like arrangements) were developed to meet problems arising when a pre-existing injury combines with a second to produce disability greater than that caused by the latter alone. The funds (1) encourage hiring of the physically handicapped and (2) more equitably allocate costs of providing benefits to such employees. Second-injury employers pay compensation related primarily to the disability caused by the second injury alone—even though the employee receives a benefit relating to his combined disability; the difference is made up from a second-injury fund.

Where no special second-injury fund is provided by law, an employer in whose employ a second injury is sustained usually is liable for compensation due for the total resulting disability. Because of the potential increased cost of compensation benefits, an employer thus may be influenced to refuse employment to

handicapped persons. It is for this reason that second-injury funds are advocated.

Most compensation laws now limit employer liability in second-injury cases to payment for the disability resulting from the second injury considered by itself—as shown in Chart XIII. The chart indicates the nature of the injury covered, portion payable by the employer and by the fund, and the sources of the fund.

ADMINISTRATION EXPENSES: CHART XIV

Chart XIV refers to (1) how costs of administration are met; (2) nature of assessments, if any; and (3) type of insurance provided for—whether private or state or both.

APPEAL PROVISIONS: CHART XV

Appeal provisions—including designation of the court of appeal and nature of the procedures—are summarized in Chart XV. Most Canadian jurisdictions use the inquiry system and do not provide for judicial appeals.

DIRECTORY: CHART XVI

The names and addresses of the administrators, boards, and commissioners for all jurisdictions reported upon by the *Analysis* are furnished.

JURISDICTION	ADMINISTRATION	NOTICE TO EMPLOYER	CLAIM FILING	HOW CLAIMS ARE SETTLED	AWARD EFFECT	REVIEW BY AGENCY	MODIFICATIONS	ATTORNEY'S FEES
ALABAMA	Courts	In writing within 5 days; excusable up to 90 days.	Within 2 years after accident; last payment, or removal of incapacity.	By agreement, which must conform substantially to terms of act unless court approves lesser sum. Disputed cases settled by courts.	Lien when registered with probate judge.		Award for more than 6 months at any time by agreement of parties with court approval.	Fixed by Circuit Court judge up to 15% of award.
ALASKA	Workmen's Compensation Board	In writing to Board and employer within 30 days; excusable.*	Within 2 years after knowledge of disability. Within 1 year after death or 2 years after last payment.	By agreement, on approval of Board.	Lien; recording required in 1 year. Interest and penalties accrue.	By Board.	Within 1 year after last payment of compensation or after rejection of claim.	Fixed by Board.
AMERICAN SAMOA	Workmen's Compensation Commission	In writing within 30 days; excusable.	Disability—within 1 year after injury or last payment. Death—within 1 year after death or claimant should know relation to employment.	Compensation without award except in contested cases. Disputed cases settled by Commission.	Award is effective upon filing; enforceable by High Court.		By Commissioner on application or own motion within 1 year after last payment or rejection of claim. At any time in case of fraud.	Subject to approval of Commissioner or High Court. Court may assess costs against party that proceeds without reasonable grounds.
ARIZONA	Industrial Commission	Fortwith; excusable.	Within 1 year after injury or accrual of right; excusable.* Claim not barred if compensation has commenced.	By Commission.	Lien upon filing.	By administrative law judge within 30 days.	By administrative law judge on application.	Commission may regulate; maximum 25% of award.
ARKANSAS	Workers' Compensation Commission	Within 60 days; excusable.	Within 2 years after injury or death.	Compensation without award except in contested claims. Disputed claims heard by Commission, member, or administrative law judge, upon application.	Preference rights of unpaid wage claims.	By Commission from decision of member of administrative law judge within 30 days.	By Commission within 6 months of end of compensation period, except in "joint settlements."	Sliding scale subject to approval by Commission; fees awarded in addition to compensation. Maximum \$100 on appeal to full Commission; \$250 on appeal to Court.
CALIFORNIA	Division of Industrial Accidents handles administration. Appeals Board handles judicial functions.	In writing within 30 days; excusable.	Disability—within 1 year from date of injury or last payment. Death—within 1 year after death to 240 weeks after injury.	By agreement on approval of Appeals Board which may order hearing. Disputed cases settled by Appeals Board on application.	Judgment on filing in Superior Court.	By Appeals Board from workers' compensation judge's findings.	Reconsideration within 20 days; no modification after 5 years.	Reasonable fee fixed by Appeals Board. If Court finds no reasonable basis for appeal, Appeals Board may award fees as supplementary award.
COLORADO	Director, Division of Labor and Employment	Within 2 days; excusable (claimant loses one day's compensation for each day's delay).	Within 3 years after injury or death. Does not apply if compensation paid or if reasonable excuse in 5 years.	By agreement approved by Director or hearing officer. Disputed claims settled by hearing officer after hearing.	Judgment on filing copy of award against uninsured employer in District Court.	By Director or hearing officer within 15 days; then by Industrial Commission within 15 days.	By Division within 6 years from date of accident or 2 years after last payment (whichever is later).*	
CONNECTICUT	Workers' Compensation Commissioners (one for each of 7 districts plus chairman and one at large)	Fortwith; excusable.**	Within 1 year after accident*** if death results within 2 years after accident or disease—within 2 years from accident or disease, or within 1 year from death (whichever is later).	By agreement, on approval of Commission. Disputed cases settled by Commission.	Judgment on filing in Superior Court. Award has preference rights of unpaid wages.	By Compensation Review Division within 10 days***.	By Commissioner during compensation period.	Subject to approval of Board.
DELAWARE	Industrial Accident Board	If notice not given in 90 days no compensation due (until notice or knowledge of injury).	Within 2 years after injury, death, or 5 years from last payment.	By agreement, on approval of Board. Disputed cases settled by Board after hearing.	Preference rights of unpaid claims.		By Board at any time, but no more often than once each 6 months.	30% of award or \$2,250, whichever is less. Reasonable fee on appeals.
DISTRICT OF COLUMBIA	D.C. Office of Workers' Compensation	In writing within 30 days; excusable.	Within 1 year after accident or last payment.	By Mayor.	Award is effective upon filing.	By Mayor on application or own motion.	By Mayor within 1 year after last payment or denial of claim.	Approval by Mayor.
DISTRICT OF COLUMBIA GOVERNMENT WORKERS	D.C. Office of Workers' Compensation	48 hours; extended for cause.	Within 90 days after injury or 1 year after death, extended for cause.	By Office of Workers' Compensation.	Fund pays award.	By administrator upon own motion or application at any time.	By administrator.	Subject to approval by administrator.
FLORIDA	Division of Workers' Compensation	In writing within 30 days; excusable.	Within 2 years after injury, death, or last payment.	By agreement, but Division may investigate. Upon appeal on Division must order hearing conducted by deputy commissioner.	May be filed in proper court; execution or other process in Circuit Court.		By deputy commissioner on application or own motion within 2 years after last payment or claim rejection.*	Subject to approval of Division, deputy commissioner, or court; or within 60 days own fee.
GEORGIA	Board of Workers' Compensation	Within 30 days; excusable†.	Within 1 year after injury, death or medical care, or within 2 years after last payment.	Compensation without award except in contested claims. Disputed claims settled by Board, Director, or administrative law judge.†	Judgment in Superior Court on certified copy of award.**	By Board on application within 30 days.	By Board on application or own motion within 2 years after final payment. Final settlement may not be modified.	Fees in excess of \$100 subject to Board approval. Board may assess attorney's fees against any party who proceeds without reasonable grounds or fails to provide income benefits as required.
GUAM	Workers' Compensation Commission	In writing within 30 days; excusable.	Within 1 year after injury, death, or last payment.	Compensation without award within 14 days after knowledge of injury or death. Controversial claims are settled by the Commission.	Lien against assets of carrier or employer. Enforcement of final order by Superior Court.		By Commissioner within 1 year after last payment or rejection of claim, on own motion or application.	Subject to approval of Commissioner or Court on review. Costs assessed against party who proceeds without reasonable grounds.
HAWAII	Director of Labor and Industrial Relations	Fortwith; excusable.	2 years after date on which effects of injury become manifest, but within 5 years after date of accident causing injury.	Agreements must be prepared by Director within 60 days after conclusion of hearing,† in accord with law. If not agreed, Director makes award.	Judgment on filing in Circuit Court.	By Appellate Board within 20 days.	By Director on own motion or on application of any party within 20 days but no later than 6 years after decision.	Subject to approval of Director.
IDAHO	Industrial Commission	In writing within 60 days after accident; excusable.	Within 1 year after accident or death.	By agreement, subject to approval of Commission. Disputed cases settled by Commission or member after hearing.	Judgment in District Court on filing certified copy of award.	By Commission within 20 days.	By Commission within 5 years of accident, but no more often than once in 6 months.	Subject to approval of Commission.

Alaska *Burden of proof shifted to claimant if late notice excused.

Ariz. †Limit on filing runs from when injury is manifest or when claimant knows should know relation to employment, tolled during incapacity.

Ariz. **A "joint settlement" is authorized where all parties petition an immediate final settlement by the Commission in such cases; an order of the Commission is final except as to appeals to the courts, but an order of the Commission allowing or denying such petition is not appealable.

Cal. †If claimant has previously agreed to settlement, case will not be reopened except on grounds of fraud or mutual mistake of material fact.

Conn. †Lack of notice excused if voluntary agreement, or medical treatment within 1 year after accident.

**Within 3 years after final manifestation of disease (see Chart IV).

***The 9 Commissioners comprise the Review Division (appointed in 3-member panels).

Fla. †Approved lump sum settlement final if claim initially controverted. Expires 7/1/86.

Ga. †Automatic dismissal of claims for which no hearing has been held for 5 years.

**7 percent interest on all accrued amounts of awards. Interest runs on Superior Court judgment in event of appeal.

Ha. †Director may extend due date for good cause if parties agree.

CHART XI □ ADMINISTRATION—NOTICE TO EMPLOYER—CLAIMS □ January 1, 1986 (continued)

JURISDICTION	ADMINISTRATION	NOTICE TO EMPLOYER	CLAIM FILING	HOW CLAIMS ARE SETTLED	AWARD EFFECT	REVIEW BY AGENCY	MODIFICATIONS	ATTORNEY'S FEES
ILLINOIS	Industrial Commission	Within 45 days for radiological injury, within 90 days after employee knows or suspects that he has received an excessive dose of radiation	Barred after 3 years from injury or death, or 2 years after last payment, whichever is later. Radiation and asbestos—within 25 years after last exposure for injury, within 1 year after death*	By agreement, subject to approval of Commission, after 7 days from injury. Disputed cases settled by arbitrator.	Judgment in Circuit Court on filing certified copy of award	By Commission from decision of arbitrator within 15 days	By Commission within 30 months of agreement or award	Maximum 20% of compensation paid, up to 364 weeks of permanent total disability. Unreasonable delay by employer or carrier in payment of compensation may be penalized by payment of attorney's fees.
INDIANA	Industrial Board	In writing as soon as practicable, excusable. Compensation accrues from date of notice if given after 30 days	Within 2 years after injury or death. Radiation—2 years after work; knows should know relation to employment	By agreement, after 7 days from injury or at any time after death, subject to approval of Board. Disputed cases settled by Board or member on application.	Judgment in Circuit or Superior Court on certified copy of agreement or award. Preference rights of unpaid wages.	By full Board within 20 days after award	By Board on application or own motion, within 2 years after last day for which compensation is paid.	Subject to approval of Board. Paid out of fund unless barred by employer or lack of diligence, in which case minimum fee is \$150.
IOWA	Industrial Commissioner	Within 90 days after injury unless employer has actual knowledge.	Within 2 years after injury or 3 years after last payment.	Compensation without award except in contested cases, but claim may be settled by agreement, subject to approval of Industrial Commissioner.	Judgment in District Court on filing certified copy of agreement or decision	By Commissioner from decision of Deputy Commissioner within 20 days	By Commissioner within 3 years from last payment, award or noncommuted settlement.	Subject to Commissioner's approval.
KANSAS	Division of Workers' Compensation	Within 10 days, excusable.	Claim must be served on employer: within 200 days after accident or last payment, or within 1 year after death for death within 5 years after accident. Application for hearing must be filed with Division within 3 years after accident or within 2 years after last payment, whichever is later.	By agreement, subject to approval of Director. Disputed cases settled by administrative law judge after hearing, subject to an appeal to the Director.	Judgment in district court on filing certified copy of award.	By Director at any time before final payment, on application.	By Director, before final payment and within 1 year of prior approval, on application.	Maximum 25% of recovery in matters before Director or district court, subject to approval of Director pursuant to written contract which must be filed.
KENTUCKY	Workers' Compensation Board	In writing as soon as practicable, excusable.	Within 2 years after accident or death if paid voluntarily—within 2 years after suspension of accident, whichever is later. Limits tolled during minority or incapacity.	By agreement, subject to approval of Board. Disputed cases settled by full Board.	Judgment in Circuit Court on filing certified copy of award or approved agreement.	By Board	By Board at any time, on application or own motion.	Subject to Board's approval. Maximum \$8,500, except \$750 maximum in uncontested occupational disease case. Court costs and attorney's fees may be assessed against party who proceeds without reasonable grounds.
LOUISIANA	Office of Workers' Compensation and Courts	Within 30 days (12 months if employer fails to post requirements); excusable.	Within 1 year after accident, death, or last payment; 2 years for delayed development of injury; 3 years from last payment in cases of partial disability.	By agreement, subject to approval of Director. Disputed cases settled by the Director.	Approved settlement entered as judgment.		By Director or court after 6 months or any time by agreement.	Subject to Director's approval; maximum 20% of award on last \$10,000 and 10 percent of any additional amount.
MAINE	Workers' Compensation Commission	Within 30 days after injury, within 3 months after death; excusable.	Within 2 years after accident or last payment** or within 1 year after death if mistake of fact, within a reasonable time, but no more than 10 years after last payment in any case.	Compensation without award except in contested cases. Disputed cases settled by Commission.	Decision enforceable in Superior Court by suitable process.	By single commissioner, then by Appellate Division.	On application; approved lump sum is final.	Awards of fees and costs only for cases in which employee prevails on appeal***.
MARYLAND	Workers' Compensation Commission	Within 10 days after injury (30 days for hernia); within 30 days after death; excusable.	Within 60 days after disability begins; excusable to 2 years. Within 18 months after death. Not barred for 3 years if treated by physician acting for employer.	By agreement, subject to approval of Commission. Disputed cases settled by Commission or arbitration committee, hearing required on application.	Decision enforceable in Superior Court by suitable process.	By Commission from arbitration committee on application.	From final award, on application or own motion within 5 years.	Subject to approval of Commission.
MASSACHUSETTS	Division of Industrial Accidents, under supervision of Industrial Accidents Board	In writing as soon as practicable; excusable.	Within 4 years after injury or death, within one year after discovery for medical benefits; excusable.	By agreement, subject to approval of Division. Disputed cases settled by member of Division after preliminary on-site visit prior to hearing.	Decree in Superior Court on certified copy of agreement or decision.	By reviewing Board from decision of member.	On application at any time, entered in death cases.	Subject to Board approval, amount fixed as multiple of SAWW, according to stage of proceeding—maximum 7 times SAWW. Lump-sum settlements—maximum 20% of settlement.
MICHIGAN	Bureau of Workers' Disability Compensation	Within 30 days after injury, excusable.	Within 2 years after injury, death, recovery from incapacity, or after worker knows/should know relation of disease to employment.	Compensation without award except in contested cases. Disputed cases settled by administrative law judge (by Bureau if "small dispute").	Judgment in Circuit Court on filing certified copy of award.	By Appeal Board within 15 days from decision of administrative law judge.		Subject to approval of Bureau based on administrative rules and contingency fee schedules.
MINNESOTA	Commissioner, Department of Labor and Industry as head of Workers' Compensation Division	In writing within 14 days unless employer has actual knowledge; excusable up to 180 days (later if mental or physical incapacity).	Within 3 years after employer's report, no more than 6 years from date of injury. Radiation—within 3 years after employee knows cause of disability.	By agreement prior to hearing. Disputed cases settled by compensation judge after hearing subject to appeal.	Judgment in District Court on filing certified copy of award.	Appeals must be filed with Workers' Compensation Court of Appeals within 30 days from decision of compensation judge.	By petition to Court of Appeals to vacate.	Approval by Division, compensation judge, or district court judge required for fee greater than 25% of first \$4,000 compensation and 20% thereafter, up to a maximum fee of \$8,500.
MISSISSIPPI	Workers' Compensation Commission	Within 30 days, excusable.	Within 2 years after injury or death.	Compensation without award except in contested claims. Disputed claims heard by Commission member or referee on application.	Lien against assets and has preference rights of unpaid wages.	By Commission within 20 days from decision of administrative judge.	By Commission on application or own motion within 1 year from last payment or claim rejection.	Subject to approval of Commission or court.
MISSOURI	Industrial Commission through Division of Workers' Compensation	In writing within 30 days unless employer has actual knowledge. Division notifies worker of rights.	Within 2 years after injury or death or last payment (3 years if no report filed).	By agreement, after 7 days from injury or death, subject to approval of administrative law judge or Commission. Disputed cases settled by administrative law judge.	Judgment in Circuit Court on certified copy of memorandum of agreement, order, decision or award of Division or Commission.	By Industrial Commission within 20 days.	By Commission on application or own motion, after notice and hearing.	Commission or Division may allow reasonable fee.

□ *Death from radiation must occur within 2 years from last exposure if not compensation or Bureau within 2 years after injury, death, paid.
 Kan. If employer fails to report accident within 28 days, claim must be served on employer within 1 year after accident, and application must be filed with Division within 3 years after employer reports accident. *Chidress Packing Co., 597 P.2d 637 (Kansas S. Ct. 1979)*

Maine *Overpayments are made pending review and may be recovered in lawsuit by employer if employee resumes work. Any award or agreement may be reopened within 30 days on grounds of newly discovered evidence.
 **Two year period does not run until employer who has actual knowledge of injury files report.
 *** "Prevail" means to obtain more compensation than was offered in writing before the proceeding, or, if no offer was made, to obtain benefits under the act.
 Md. *Employer or insurer who receives completed claim form must send it to Commission immediately and may not advise claimant that claim is denied.
 Mich. *No claim valid unless made within 2 years after injury, manifestation of disability, or last employment, whichever is later. Deadline suspended if worker receives any disability benefits.
 Minn. *Employer who threatens to discharge claimant for filing claim is subject to civil suit for treble damages, costs, and attorney fees.

CHART XI □ ADMINISTRATION—NOTICE TO EMPLOYER—CLAIMS □ January 1, 1986 (continued)

JURISDICTION	ADMINISTRATION	NOTICE TO EMPLOYER	CLAIM FILING	HOW CLAIMS ARE SETTLED	AWARD EFFECT	REVIEW BY AGENCY	MODIFICATIONS	ATTORNEY'S FEES
MONTANA	Division of Workers' Compensation	For injuries not resulting in death within 60 days unless employer has actual knowledge.	Verified claim within 12 months after accident. Division may grant additional 24 months.	By agreement subject to approval of Division. Disputed cases settled by Workers' Compensation Judge.	Lien on deposit of employer or insurer.	By W.C. Judge. 10 days to disapprove final compromise settlement.	By W.C. Judge within 4 years after final award. Final compromise settlement not renewable.	May be filed by Division or W.C. Judge. Added to successful claimant's award on appeal.
NEBRASKA	Workers' Compensation Court	In writing as soon as practicable, excusable.	Within 2 years after injury, death, removal of incapacity or last payment. For minors within 2 years after becoming 19.	By agreement with consent of insurer, but must be in accordance with Act. Disputed claims submitted to Compensation Court for hearing. Lump sums approved by Compensation Court and district court.	Judgment in District Court on filing certified copy of order or award.	By Compensation Court within 14 days after order or award of Judge.	By agreement, subject to approval of Compensation Court; or on application after 6 months by Compensation Court.	Subject to approval of Judge of Compensation Court or Supreme Court (for lien purposes).
NEVADA	Department of Industrial Relations	Forthwith.	Within 90 days after accident, 1 year after death.	By agreement, in conformity with Act, subject to approval of insurer.		By Department of Administration.	Medical investigation may be conducted at any time based on changed circumstances.	District Court may assess costs and attorney's fees if appeal is frivolous.
NEW HAMPSHIRE	Department of Labor	As soon as practicable but no later than 2 years after date of injury.	Within 2 years after injury or death and claimant knows, should know of injury and relation to employment.	Compensation without award except in contested cases.		By Commissioner Special review board for state employees.	Commissioner of Labor may modify no later than 4 years after last indemnity payment.	Subject to approval of Labor Commissioner or court. Attorney's fees and interest to successful claimant on appeal.
NEW JERSEY	Division of Workers' Compensation	Within 14 days, excusable up to 90 days. Separate provisions for occupational diseases.	Within 2 years after accident, death, last payment, or default. Separate provisions for occupational diseases.	By agreement, subject to approval of Division. Disputed cases settled by Division.	On filing with county clerk has effect of County Court judgment, may be docketed in Superior Court.		By agreement or on application for review within 2 years of last payment. Settlement approved by compensation judge is final and conclusive.	Not over 20 percent before Division. Court may fix reasonable fee on appeal.
NEW MEXICO	Courts	In writing within 30 days, excusable up to 60 days, and for knowledge.	Within 1 year after notice, death, or failure to pay. Time limit tolled while in same employment.	By agreement, subject to approval of District Court. Disputed cases settled by court.	Award is judgment.		Provision only for decrease or termination.	10 percent except on successful contest. Court may allow additional fee payable by employer.
NEW YORK	Workers' Compensation Board	In writing within 30 days, excusable.	Within 2 years after accident or death. When advance payment is made, claim is not barred.	Compensation without award within 18 days after disability, except in contested claims. Disputed claims settled by referee or Board. Hearing is mandatory upon application.	Payment within 10 days after decision, except in event of appeal. Judgment or filing certified copy of award in default.	Full Board review on application within 30 days after split decision.	By Board at any time. Subject to special conditions.	As a lien on award if approved by Board.
NORTH CAROLINA	Industrial Commission	In writing within 30 days, excusable.	Within 24 months after accident.	By agreement, after 7 days from injury, or at any time in case of death subject to approval of Commission. Disputed cases settled by Commission or member.	Judgment in Superior Court on filing certified copy of agreement or decision.	By Commission upon application within 15 days after award.	By Commission on application or own motion, within 2 years.	Subject to approval of Commission. Commission may assess attorney's fees and court costs against party who proceeds without reasonable ground.
NORTH DAKOTA	Workers' Compensation Bureau	None required.	Within 1 year after injury or 2 years after death.	By Bureau.	Fund pays award and has liened claim against defaulting uninsured employers.		By Bureau at any time on application or own motion.	Determined by schedule adopted by Bureau; trial judge files on appeal but must give consideration to amount allowed by Bureau.
OHIO	Bureau of Workers' Compensation and Industrial Commission	None required except to self-insurers.	Within 2 years after accident, injury, or death.	By Industrial Commission after hearing.	Fund or self-insurer pays award after judgment.	By regional review board, then Commission, within 20 days from receipt of decision.	By Commission or Bureau within 6 years after injury (no lost time) or 10 years from last payment or death (lost time).	Court files on appeal and direct payment. 10% of award up to \$3,000, plus 10% of balance, maximum \$1,500.
OKLAHOMA	Workers' Compensation Court and an Administrator	In writing within 30 days, excusable.	Within 2 years after injury or last payment. Death claims within 2 years after death or last payment.	By agreement, after 3-day disability, subject to approval of Workers' Compensation Court. Disputed cases settled by Court.	Judgment in District Court on certified copy after 10-day default.	By Workers' Compensation Court within 10 days.	By W.C. Court on application or own motion at any time. May reopen case within maximum number of weeks for which award is possible.	W.C. Court must approve and direct payment. 10% maximum for temporary disability; 20% maximum for permanent disability or death.
OREGON	Workers' Compensation Department	In writing within 30 days, excusable.	Within 1 year after accident, last payment, or last date of medical services.	Compensation due within 14 days after knowledge of injury or death unless insurer has 60 days to accept or deny claim but must pay up to date of denial if denied after 14 days. Department makes permanent disability award.	Payment on award within 30 days after order.	By interview on application within 60 days, further appeal to Board within 30 days.	By Board on own motion or on application of employer within 5 years.	Subject to approval of hearing officer, Board, or Court. Board establishes the schedule.
PENNSYLVANIA	Bureau of Workers' Compensation	Within 21 days, excusable to 120 days. No compensation due until notice is given.	Within 3 years after injury, death, or last payment.	By agreement, after 7 days from injury, subject to Department approval. Disputed cases heard by Referee with appeals to Board.	Judgment in court or filing award or agreement.	By Appeal Board from referee's decision within 20 days.	By Department on application within statutory time limits.	Subject to approval of referee, Appeal Board, or court.
PUERTO RICO	Manager of the State Insurance Fund and Industrial Commission	None required.	As soon as possible within 5 days from accident.		Fund pays award.		By Commission, within 30 days after copy of Manager's decision is served on the employee. Reconsideration on own motion or upon petition of interested party within 10 days.	No attorneys required in hearings, but if requested by employee, they are paid a percentage of the award fixed by the Commission, court, or Fund.
RHODE ISLAND	Workers' Compensation Department	In writing within 30 days, excusable.	Within 3 years after injury, manifestation, knowledge of injury, death, or removal of incapacity.	By voluntary agreement of both parties by hearing officer if not mediated, or by Commissioner by decree.	Award enforceable by Commissioner or Director.	By Commission within 72 hours.	By Commission during compensation period or within 10 years after compensation period has ceased, on own motion or on petition of either party.	Subject to approval of Commission. Maximum 15% of lump sum or structured settlements.

Nev. *For occupational disease, within 90 days after knowledge of disability and relation to employment or within 1 year after death.

N.J. *Based on excess over amount of award rendered in good faith a reasonable time before a hearing.

Ohio *Commission must fix attorney's fees in controversies, approve method of payment, and allow a reasonable fee upon application for review. In other cases, fees are negotiated between client and attorney.

Okl. *If employer has actual notice of injury, statute of limitations is tolled until employer informs worker of right to file a claim.

**Employer that discriminates against claimant is liable for damages.

Pa. *Workers' Compensation Advisory Council recommends changes in administration of law.

CHART XI □ ADMINISTRATION—NOTICE TO EMPLOYER—CLAIMS □ January 1, 1986 (continued)

JURISDICTION	ADMINISTRATION	NOTICE TO EMPLOYER	CLAIM FILING	HOW CLAIMS ARE SETTLED	AWARD EFFECT	REVIEW BY AGENCY	MODIFICATIONS	ATTORNEY'S FEE
SOUTH CAROLINA	Industrial Commission—2 divisions: Judicial Division and Administration Department	In writing as soon as practicable or within 90 days; excusable.	Within 2 years after accident or 1 year after death.	By agreement, after 7 days from date of injury or any time in case of death, subject to approval of Commission or member, after hearing upon application.	Judgment in Common Pleas Court on certified copy of agreement or award.	By 3-member panel within 14 days after award.	To Commission on application or own motion within 12 months from last payment.	Subject to approval of Commission.
SOUTH DAKOTA	Division of Labor and Management	In writing as soon as practicable within 30 days; excusable.	Within 2 years after notice of intention to deny coverage.	By agreement, if not disapproved by Director, within 20 days. Disputed cases settled by arbitration after hearing upon application.	Judgment in Circuit Court on certified copy of agreement or decision.	By Labor Secretary within 10 days.	By Secretary by application.	Subject to approval of Director of Division of Labor and Management.
TENNESSEE	Courts and Workers' Compensation Division	In writing within 30 days; excusable up to 1 year.	Within 1 year after accident. Dependents—within 1 year after employer's notice accepting liability.	By agreement, subject to approval of County Court. Disputed cases determined by Circuit Court.	Judgment in Circuit Court on approved agreement.		By court, on application after 6 months. Award payable for more than 6 months may be modified by agreement approved by court.	Subject to approval of court; maximum 20% of recovery or award.
TEXAS	Industrial Accident Board	Within 30 days; excusable.	Within 1 year after injury, death, or removal of incapacity; excusable.	By agreement, in conformity to Act, subject to approval of Board (compromise agreements may be approved). Disputed cases settled by Board.	Collectible by suit for full amount of compensation, 12% penalty and attorney's fees.		By Board at any time during compensation period, on application or own motion.	Subject to approval of Board or court but not to exceed 25% of recovery.
UTAH	Industrial Commission	Within 48 hours; excusable up to 1 year.	Within 1 year after death; within 3 years after disability or last payment. Payment of benefits after filing injury report tolls limitation on claim filing until denial of liability.	By Industrial Commission.	Lien from time of docketing in District Court.	By Commission within 15 days.	By Commission; at any time. Award may be reviewed upon showing change within 2 years for successful—discontinued, 5 years.	Fixed by Commission.
VERMONT	Commissioner of Labor and Industry	In writing as soon as practicable; excusable.	Within 6 months after injury, death, loss of damage suit, or removal of incapacity; excusable.	By agreement, in conformity to Act, subject to approval of Commissioner (compromise agreements may be approved). Disputed cases settled by Commissioner.	Judgment in county court on certified copy of agreement or award.	By Commissioner on application within 6 months.	By Commissioner on own motion or application at any time.	Commissioner may award to successful claimant, and on appeal, 12% interest on contested part of award.
VIRGIN ISLANDS	Commissioner of Labor	In writing within 48 hours; extendable up to 30 days; occupational disease—within 30 days from first manifestation; extendable to 90 days.	Within 60 days after injury.	By Commissioner; disputed cases settled after hearing (subject to appeal to any Court of Competent Jurisdiction).	First priority lien on employer's assets.	By Deputy Commissioner.	By Deputy Commissioner.	Subject to approval of Commissioner.
VIRGINIA	Industrial Commission	In writing within 30 days.	Within 2 years after accident or 2 years after death. Payment of benefits after filing injury report tolls limitation on claim filing.	By agreement, after 10 days from injury, or at any time after death, subject to approval of Commission. Disputed cases settled by Commission or member after hearing upon application.	Judgment in Circuit Court on certified copy of agreement or award.	By full Commission within 20 days after opinion.	By Commission on own motion or application within 2 years of last payment or 3 years for scheduled injuries.	Subject to approval of Commission.
WASHINGTON	Department of Labor and Industries	Immediately.	Within 1 year from date of injury.	By Department of Labor and Industries.		By Board of Industrial Insurance Appeals within 60 days on application.	By Department within 7 years, on application or own motion, 10 years for loss of vision claims.	By Appeals Board upon application, reviewable by Superior Court.
WEST VIRGINIA	Workers' Compensation Commissioner	Immediately.	Within 2 years after injury or death; disease claims—within 3 years after exposure or knowledge, whichever is later, or death; extended for cause.	By Commissioner; hearing upon application.		By Appeal Board within 30 days, or 60 days without notice.	By Commissioner within set time limits, on written application; subject to review by Appeal Board.	Maximum fees established; limited to 20% of award up to 208 weeks of benefits.
WISCONSIN	Workers' Compensation Division	Within 30 days; excusable.	Within 2 years after injury or death. Excusable if employer knew of disability. All rights barred after 12 years from injury, death, or last payment.	By payment of amount due. Compromise subject to review by Department within 1 year. Disputed cases settled by Department.	Judgment in Circuit Court on certified copy of award.	By Commission within 21 days from examiner.	By Commission on its own motion within 21 days; compromises may be modified within 1 year, if occupational disease, subject to review within 8 years.	Limited to 20% of amount in dispute, if admitted liability, not to exceed 10% or \$100.
WYOMING	Courts and Division of Workers' Compensation	Within 24 hours (also within 20 days to the court); excusable.	Within 1 year after injury or discovery of injury not readily apparent.	By District Court with right of jury trial in certain cases.			By court within 2 years or during time payments are made on application.	Reasonable fee as allowed by court.
F.E.C.A.	Division of Federal Employees' Compensation, O.W.C.P., U.S. Department of Labor	48 hours; extended for cause.	Within 60 days after injury or 1 year after death; extended for cause.	By Division.	Fund pays award.	By Secretary of Labor on own motion or application at any time.	By Secretary of Labor or Employees' Compensation Appeals Board on review.	Subject to approval by Division or Appeals Board.
LONGSHORE ACT	Division of Longshore and Harbor Workers' Compensation, O.W.C.P., U.S. Department of Labor	Within 30 days.	Within 1 year after injury or death.	By Deputy Commissioner (by agreement) or administrative law judge (formal hearing).	Award is effective on filing.	By Deputy Commissioner upon own motion or application and by Benefits Review Board on Appeal.	By Deputy Commissioner or court on review.	Approval by Deputy Commissioner, court, or Review Board where service given.

¹Modification of award due to aggravation or recurrence of injury may be based on earnings and benefits in effect at that time.

W. Va. *Within 2 years for fatal or non-fatal cases, 5 years for temporary total disability or in cases of no awards.

Tenn. *Tennessee Claims Commission administers claims by State employers.

Texas *Employer who discriminates against claimant is liable for damages.

Utah *Claim must be filed within 8 years after injury.

Wash. *Provision is made for recoupment of benefits paid through mistake or fraud.

Part XI □ ADMINISTRATION—NOTICE TO EMPLOYER—CLAIMS □ January 1, 1986 (continued)

PROVINCE	ADMINISTRATION	NOTICE TO EMPLOYER	CLAIM FILING	HOW CLAIMS ARE SETTLED	AWARD EFFECT	REVIEW BY AGENCY	MODIFICATIONS	ATTORNEY'S FEES
ALBERTA	Workers' Compensation Board	As soon as practicable	Within 1 year after injury or death; excusable.	By Claims Adjudicator.	Fund pays award.	By review committee on request, then by full Board, at any time.	By Board at any time on application or own motion.	
BRITISH COLUMBIA	Workers' Compensation Board	As soon as practicable	Within 1 year after injury, death, or disablement by disease; excusable.	By Board	Fund pays award.	By Board of Review if appealed within 90 days. From Board of Review to commissioners of the Board if appealed within 60 days.	By Board at any time.	Board may award expenses of proceeding to successful party.**
MANITOBA	Workers' Compensation Board	In writing as soon as practicable but no later than 30 days; excusable.	Within 12 months after accident or death; excusable.	By Claims Adjudicator	Fund pays award.	At any time.	By Board	(-)
NEW BRUNSWICK	Workers' Compensation Board	As soon as practicable	Within 1 year after injury or 6 months after death; excusable.	By Board	Fund pays award.	At any time.	By Board ¹	
NEWFOUNDLAND	Workers' Compensation Commission	As soon as practicable	Within 6 months after injury or death.	By Commission	Fund pays award.	At any time.	By Commission	
NORTHWEST TERRITORIES	Workers' Compensation Board	As soon as practicable	Within 1 year after injury or death; excusable if as soon as practicable; maximum 3 years after death.	By Board	Fund pays award.	At any time.	By Board	
NOVA SCOTIA	Workers' Compensation Board	As soon as practicable	Within 6 months after injury or death; excusable.	By Board	Fund pays award.	At any time.	By Board at any time or Workers' Compensation Appeal Board within 1 year.	(-)
ONTARIO	Workers' Compensation Board	As soon as practicable	Within 6 months after injury or death.	By Board	Fund pays award.	At any time.	By Board	
PRINCE EDWARD ISLAND	Workers' Compensation Board	As soon as practicable	Within 6 months after injury or death.	By Board	Fund pays award.	At any time.	By Board ¹	
QUEBEC	Commission de la Santé et de la Sécurité du travail du Québec	As soon as practicable	Within 6 months after injury or death.	By Commission	Fund pays award. Each employer held personally responsible for the payment of benefits.	30 days; 60 days to Appeal Commission.	By Appeal Commission	
SASKATCHEWAN	Workers' Compensation Board	As soon as practicable; excusable.	Within 6 months after injury or death; excusable.	By Board	Fund pays award.	At any time.	By Board	(-)
YUKON TERRITORY	Workers' Compensation Board	As soon as practicable	Within 1 year after injury or death; excusable if proof of disability or death is furnished within 3 years after accident and claim is a just one.	By Claims Adjudicator	Fund pays award.	By review committee upon request, then by full Board at anytime.	By Board	
CANADIAN MERCHANT SEAMEN'S ACT	Merchant Seamen Compensation Board	As soon as practicable	Within 6 months after injury or death; excusable.	By Board	Judgment in county, district, or Quebec Superior Court on certified copy of award.	At any time.	By Board	Board may award "expenses of proceeding" to successful party.

¹ Modification of award due to aggravation or recurrence of injury may be based on earnings and benefits in effect at that time.

B.C. *After 3 years, compensation is payable only from date of filing.
 **Government-appointed advisors handle workers' and employers' claims.

Man. *Government-appointed adviser handles workers' claims.
 N.S. *Gov. in Council may appoint counsellor to assist claimants.
 Sask. *Government-appointed adviser handles workers' claims.

CHART XII

EMPLOYER'S REPORT OF ACCIDENTS

January 1, 1986

JURISDICTION	KEEPING OF ACCIDENT RECORDS BY EMPLOYER ¹	REPORTING REQUIREMENTS ¹		PENALTIES FOR FAILURE TO REPORT		
		INJURIES COVERED	TIME LIMIT	FINES		IMPRISONMENT
				MAXIMUM	MINIMUM	
ALABAMA	Required	Death or disability exceeding 3 days	Within 15 days			
ALASKA	Required	Death or injury or disease or infection	Within 10 days	(-)		
AMERICAN SAMOA	Required	Injury or death	Within 10 days ¹	\$500		
ARIZONA	Not required	All injuries	Immediately and as required			Petty offense
ARKANSAS	Required	Injury or death	Within 10 days and as required	100		
CALIFORNIA	Required	Death cases or serious injuries	Immediately ¹	100	25	
		1 day or more than first aid	As prescribed			
		Occupational diseases or pesticide poisoning	Within 5 days			
COLORADO	Required	Death cases	Immediately	100 per day		
		All injuries causing lost time of 3 days or more ¹	Within 10 days ¹			
CONNECTICUT	Required	Disability of 1 day or more	7 days, or as directed	250		
DELAWARE	Required	Death cases or injuries requiring hospitalization	Within 48 hours ¹	100	25	Up to 20 days
		Other injuries	Within 10 days ¹			
DISTRICT OF COLUMBIA	Required	All injuries	Within 10 days	1,000		
FLORIDA	Required	Death cases	Within 24 hours ¹	100		
		All injuries	Within 10 days and as required ¹			
GEORGIA	Required	All injuries requiring medical or surgical treatment or causing over 7 days' absence	Within 10 days ¹	100**		
GUAM	Required	Injury or death	Within 10 days ¹	500**		
HAWAII	Required	Death cases	Within 48 hours	100		Up to 90 days
		1 day of absence	Within 7 days ¹			
IDAHO	Required	All injuries requiring medical treatment or causing 1 day's absence	As soon as practicable but not later than 10 days after the accident ²	300		Up to 6 months
ILLINOIS	Required	Death cases or serious injuries	Within 2 working days	200	100	Misdemeanor
		Disability of over 3 days	Between 15th and 25th of month			
		Permanent disability	Soon as determinable			
INDIANA	Required	Disability of 1 day or more	Within 7 days ¹	500		
IOWA	Required	Disability of more than 3 days	Within 4 days	100	100	
KANSAS	Not required	Death cases	Within 28 days	(-)		
		Disability of 1 day or more	Within 20 days			
KENTUCKY	Required	Disability of more than 1 day	Within 7 days ²	25		
LOUISIANA	Required ¹	Lost time over 1 week or death	Within 10 days			
MAINE	Not required	All injuries ¹	Within 7 days	100		
MARYLAND	Not required	Disability of more than 3 days	Within 10 days	50		
MASSACHUSETTS	Required	Disability of more than 5 days	Within 5 work days ²	100		
MICHIGAN	Required	Death cases, disabilities of 7 days or more, and specific losses	Immediately			
MINNESOTA	Required	Death or serious injury	Within 48 hours	200		
		Disability of 3 days or more	Within 14 days			
MISSISSIPPI	Required	Disability of one day or working shift	Within 10 days	100 ¹		
MISSOURI	Not required	Death or injury	Within 10 days ¹	500	50	1 year to 1 year
MONTANA	Required	All injuries	Within 6 days ¹			
NEBRASKA	Required	Death cases ¹	Within 48 hours ¹	1,000 ¹		Up to 6 months
		All injuries ¹	Within 7 days ¹			
NEVADA	Required	All injuries	Within 6 working days	250, each failure		
NEW HAMPSHIRE	Required	All injuries	Within 5 days	100	25	
NEW JERSEY	Required	All injuries ¹	Immediately	50	10	

¹Federal Occupational Safety and Health Act of 1970 established uniform requirements and forms to meet its criteria for all businesses affecting interstate or commerce to be used for statistical purposes and compliance with the Act. 12 U.S.C. §651.

²Supplemental report required after 60 days or upon termination of or upon termination of disability.

³Attending physician also required to make periodic reports to Board.

⁴Supplemental report within 24 hours after returning to work or knowledge that worker is able to return.

Alaska: 20% of unpaid amounts due.

Am. Samoa: Employer must also notify Commissioner upon first payment and suspension of payment, and within 16 days after final payment.

Calif.: To Safety Division, in form required by Federal Occupational Safety and Health Act.

Colo.: Failure to report tolls time limit for claims. Disability of less than 3 days must be reported to insurer.

Del.: Supplemental report due on termination of disability.

Fla.: Report to carrier within 7 days, to Division within 10 days if injury caused employee to lose 7 or more days. Supplemental report within 30 days after final payment.

Gu.: Supplemental report on first payment and suspension of payment, and within 30 days after final payment. **For each refusal or willful neglect to report.

Guam: Failure to report tolls limits for claims. **For each refusal or willful neglect to report.

Ind.: Supplemental report within 10 days after termination of compensation period.

Kan.: Failure to report tolls time limit for claims. *Childress v. Childress Printing Co.* (1979).

La.: Employers with more than 10 employees must also report within 90 days after death, illness, or injury causing loss of consciousness, restriction of work or motion, job transfer, or medical treatment other than first aid, violation is misdemeanor subject to fine up to \$500.

Me.: Must report asbestosis, mesothelioma, silicosis, and exposure to heavy metals no later than 30 days from date of diagnosis.

Miss.: Added to compensation.

Mo.: Supplemental report within 1 month after original notice to Division.

Mont.: Insurance carrier also required to report (by rule).

Neb.: Report may be made by insurance carrier or employer. Failure to report tolls time limits.

N.J.: Uninsured employers are required to report compensable injuries only. If insured, carrier is also required to make report.

CHART XII **EMPLOYER'S REPORT OF ACCIDENTS** **January 1, 1986 (continued)**

JURISDICTION	KEEPING OF ACCIDENT RECORDS BY EMPLOYER ¹	REPORTING REQUIREMENTS ¹		PENALTIES FOR FAILURE TO REPORT		
		INJURIES COVERED	TIME LIMIT	FINES		IMPRISONMENT
				MAXIMUM	MINIMUM	
NEW MEXICO	Required	Compensable injuries ¹	Within 10 days	\$100	\$ 25	
		All injuries ^{1*}	Within 30 days			
NEW YORK	Required ¹	Disability of 1 day or more or requiring medical care beyond two first aid treatments	Within 10 days	500		
		All injuries	As required			
NORTH CAROLINA	Required	Disability of more than 1 day	Within 5 days ²	25	5	
NORTH DAKOTA	Not required	No statutory provision				
OHIO	Required	Injuries causing 7 days total disability or more	Within 1 week	250		Up to 30 days
OKLAHOMA	Required	All injuries causing lost time or requiring treatment away from worksite	Within 10 days or a reasonable time	500		
OREGON	Required	All serious injuries	Within 5 days	(-)		
PENNSYLVANIA	Required	Death cases	Within 48 hours	100		Up to 30 days
		Disability of 1 day or more	After 7 days but not later than 10 days			
PUERTO RICO	Required	All injuries	Within 5 days	100		
RHODE ISLAND	Not required	Death cases	Within 48 hours	250		
		Disability of 3 days or more	Within 10 days ¹			
		Any claim resulting in medical expense	Within 3 years of injury			
SOUTH CAROLINA	Required	All injuries requiring medical attention	Within 10 days ²	50	10	
SOUTH DAKOTA	Required	(-)	Within 10 days	100		Or 30 days
TENNESSEE	Not required	Disability of 7 days or more	Within 14 days	100	50	
TEXAS	Required	Disability of more than 1 day	Within 8 days ²	500		
UTAH	Required	All injuries	Within 1 week	500		
VERMONT	Required	Disability of 1 day or more or requiring medical care	Within 72 hours ²	25		
VIRGIN ISLANDS	Required	Injury or disease	Within 8 days	500		Up to 6 months
VIRGINIA	Required	All injuries	Within 10 days ²	250		
WASHINGTON	Not required	All injuries requiring medical attention	Immediately	\$250 per offense		
WEST VIRGINIA	Not required	All injuries	Within 5 days			
WISCONSIN	Required	Disability beyond 3-day waiting period	Within 4 days	100	10	
WYOMING	Required	All injuries	Within 10 days	100		Up to 6 months
P.E.C.A.	No provision	Death or probable disability	Immediately			
LONGSHORE ACT	Required	All accidents	10 days	10,000		
ALBERTA	Required	Disability of 1 day or more or requiring medical aid not covered by Alberta Health Care Insurance	72 hours ^{3,4}	500	100 per day	
BRITISH COLUMBIA	No provision	Death cases	Immediately	(-)		
		All injuries	3 days ³			
MANITOBA	No provision	All injuries	3 days ^{3,4}	500 ¹	50	
NEW BRUNSWICK	No provision	All injuries that disable or require medical aid	3 days ^{4,5}	(-)		
NEWFOUNDLAND	No provision	All accidents that disable or require medical aid	3 days	500 ¹		Or up to 3 months, or both
NORTHWEST TERRITORIES	No provision	All accidents and deaths	3 days ^{3,4}	250		
NOVA SCOTIA	No provision	All accidents that disable or require medical aid	3 days ³	50		
ONTARIO	Required	All accidents that disable or require medical aid	3 days ^{3,4}	250 ¹	25 ¹	
PRINCE EDWARD ISLAND	No provision	All accidents that disable or require medical aid	3 days	100	10 per day	
QUEBEC	Required, including no lost time injuries	All accidents that disable or require medical aid	2 days after day of return to work within first 14 days. If more than 14 days 2 days after the 14th day.	2,000	500	
SASKATCHEWAN	No provision	All accidents	3 days ³	500 ¹		
YUKON TERRITORY	First aid cases	All accidents in which workman is injured	3 days ¹	1,000		Failure to pay penalty, imprisonment of 6 months to 1 year in aggregate
CANADIAN MERCHANT SEAMEN'S ACT	No provision	All accidents that disable or require medical aid	60 days	500		Up to 12 months

NM ¹To the State Labor Commissioner

²To the Insurance Department of the State Corporation Commission

NY ¹Also required to provide written statement of right under Act to injured employee or dependent, if deceased.

OR ¹25% additional compensation plus attorneys' fees

RI ¹Supplemental report upon termination of disability.

SD ¹Any injury requiring treatment other than first aid of which incapacitates employee for at least 7 calendar days

BC ¹Employer may be liable for up to full cost of claim

Man ¹Plus 50% of compensation payable

Nld ¹Claim may be charged against employer's experience for failure to notify

NW T ¹Supplemental report within 3 days after return to work or knowledge that worker is able to return

Ont ¹Employer may also be liable for additional fine up to \$200 payable to court

Sask ¹Plus percentage of assessment

CHART XIII

SECOND-INJURY FUNDS

January 1, 1986

JURISDICTION	INJURIES COVERED	PAYABLE BY EMPLOYER	PAYABLE BY FUND	SOURCE OF FUND	SPECIAL PROVISIONS
ALABAMA	Second injury which combined with prior permanent partial disability results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent total disability.	\$100 in death cases.	Employer must have knowledge of prior disabling injury affecting employability.
ALASKA	Second injury which added to pre-existing permanent physical impairment results in substantially greater disability than from second injury alone.	Disability caused by second injury up to 104 weeks.	Compensation in excess of 104 weeks.	Up to 6% of compensation payable to fund; percentage varies from 0% to 6% depending on fund balance. \$10,000 in no-dependency death cases, civil penalties.	"Physical impairment" as listed or would support an award of 200 weeks or more.
AMERICAN SAMOA	Second injury which combined with prior permanent impairment results in death or compensable disability greater than from second injury alone.	Benefits for first 104 weeks.	Benefits beyond first 104 weeks.	\$1,000 in no-dependency death cases, plus fines and penalties.	Employer must have prior knowledge of disability.
ARIZONA	Second injury involving loss of use of member or eye which added to pre-existing loss of use of member or eye results in permanent total disability. Also aggravation of a pre-existing disease or condition whether or not work-related.	Disability caused by second injury.	Difference between compensation payable for second injury and compensation for combined disability. If earning capacity is reduced by more than 50%, fund pays half of award for reduced capacity in excess of 50%.	\$1,150 in no-dependency death cases. Commission may allocate up to 1-1/2% of yearly premiums to special fund to keep fund actuarially sound.	For aggravation of pre-existing condition, combined disability must be greater than 40%. Payments are also made from fund for vocational rehabilitation.
ARKANSAS	Second injury which added to previous permanent partial disability or impairment results in additional disability or impairment greater than from second injury alone.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent disability.	\$1,000 in no-dependency death cases. \$500 to Second Injury Fund and \$500 to Permanent Total Disability and Death Fund, added penalty of 15% of benefits if due to employer's violation of health or safety regulations. Portion of premium tax.	Employer liable for combined disability of both injuries in same employment.
CALIFORNIA	Second permanent partial injury which added to pre-existing permanent partial disability results in 70 percent or more permanent disability. Second injury must account for 35 percent.*	Disability caused by second injury.	Difference between compensation payable for second injury and permanent disability.	Legislative appropriations and \$50,000 in each no-dependency death case or unpaid balance.	Payments are made by State Compensation Insurance Fund.
COLORADO	Second injury which added to pre-existing permanent partial disability results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent total disability.	\$15,000 in no-dependency or partial-dependency cases.	Amount payable by fund is limited to 1/2 of average wage loss, in case employee obtains employment while securing benefits.
CONNECTICUT	Second injury or disease which added to pre-existing injury, disease, or congenital causes results in permanent disability greater than from second injury alone.	Benefits for first 104 weeks, less compensation payable for prior disability.	Benefits beyond first 104 weeks, less compensation payable for prior disability.	Tax equal to 3-1/2% of compensation paid by carriers and self-insurers during preceding calendar year plus fines.	Tax imposed each time fund balance is reduced to \$500,000.
DELAWARE	Second injury or disease which added to existing permanent injury from any cause results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent disability.	Tax of 2% of premiums received by insurance carriers and equivalent charge on self-insurers.	Payments suspended when fund reaches \$750,000 and resumed when below \$250,000.
DISTRICT OF COLUMBIA	Second injury or disease which added to pre-existing injury, disease, or congenital causes results in permanent disability greater than from second injury alone.	Disability caused by second injury for first 104 weeks and first \$1,000 medical expenses.	Difference between compensation payable for second injury and permanent disability.	\$5,000 in no-dependency death cases or unpaid awards. Pro-rata assessments upon carriers and self-insurers based on paid losses. Fines and penalties.	Assessment must equal sum of immediate past 3 years' disbursements.
FLORIDA	Second injury or disease which merges with previous permanent physical impairment and results in substantially greater disability than from the second injury alone.		Fund reimburses employer for 60% of impairment benefits, 60% of wage-loss benefits during first 5 years after maximum medical improvements and 75% thereafter, PT benefits after 175 weeks, 75% of death benefits and funeral expenses, and 50% of first \$10,000 in temporary disability and medical benefits and 100% beyond \$10,000.	Pro-rata annual assessment upon net premiums of insurers and self-insurers.	Assessment must equal sum of immediate past 3 years' disbursements.
GEORGIA	Second injury or disease which merges with prior permanent physical impairment and results in greater disability than from second injury alone.	Disability caused by second injury for first 104 weeks.	Employer reimbursed for 50% of medical and rehabilitation expenses in excess of \$5,000 up to \$10,000, and 100% of medical and rehabilitation expenses in excess of \$10,000, plus income benefits beyond 104 weeks.	Assessments on carriers and self-insurers proportionate to 175% of disbursements from fund to annual compensation benefits paid. In no-dependency death cases, 1/2 of benefits payable or \$10,000, whichever is less.	Employer must have prior knowledge of impairment. Assessments may be reduced or suspended when no funds are needed.
GUAM	Second injury which combined with a previous disability causes permanent disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent total disability.	State fund (appropriation).	
HAWAII	Second injury which added to pre-existing disabilities results in greater permanent disability, permanent total disability, or death.	Disability benefits for first 104 weeks.	Benefits beyond first 104 weeks.	\$8,775 in no-dependency death cases; and unpaid balance of compensation due in permanent total and permanent partial disability cases, if no dependents; 1.4% premium tax on insurers and self-insurers.	Premium tax suspended when balance exceeds \$200,000, resumed when below \$100,000.
IDAHO	Second injury which combined with prior permanent physical impairment results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent disability.	Amount equal to 4% of award for scheduled or unscheduled injuries and \$5,000 in no-dependency death cases.	When fund exceeds \$500,000 excess may be suspended or reduced.
ILLINOIS	Second injury involving loss or loss of use of major members or eye which added to pre-existing loss of member results in permanent total disability.	Disability caused by second injury.*	Difference between compensation payable for second injury and permanent total disability.	Semi-yearly employer payment of 1.25% of compensation payments.	When fund reaches \$500,000 amount payable into fund reduced by 1/2. When fund reaches \$600,000, payments cease. When fund reduced to \$400,000, payment of 1/2 amount required. When fund is reduced to \$300,000, payment of full amount shall be resumed.
INDIANA	Second injury involving loss or loss of use of hand, arm, foot, leg, or eye which added to pre-existing loss or loss of use of member results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent total disability.	1% of compensation paid by insurers and self-insurers during preceding calendar year.	Payment suspended when fund reaches \$400,000.

*Second injury must account for 35% unless prior disability involved a major member and second injury was to opposite and corresponding member and accounts for at least 5%. No benefits payable for subsequent unrelated noncompensable injury.

†Employer is liable in full if second injury is permanent and total without relation to prior injury.

CHART XIII □ SECOND-INJURY FUNDS □ January 1, 1986 (continued)

JURISDICTION	INJURIES COVERED	PAYABLE BY EMPLOYER	PAYABLE BY FUND	SOURCE OF FUND	SPECIAL PROVISIONS
IOWA	Second injury involving loss of use of member or eye which added to pre-existing loss of use of member results in permanent disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent loss of member, less value of previous loss of organ.	\$2,000 in dependent death cases; \$5,000 in no-dependent death cases; any contributions by the United States; payments due but not paid to non-resident alien dependents; and sums recovered from third parties.	Payments suspended when fund reaches \$500,000, resumed when below \$300,000.
KANSAS	Second injury related to 17 types of handicap as listed in statute—any physical or mental impairment.	Difference between fund payment and maximum award.	Compensation to the extent pre-existing handicap contributed to second injury.	\$18,500 from employer in no-dependency death cases, and pro-rata annual assessment upon carriers and self-insurers based on losses.	Legislature oversees adequacy of workers' compensation fund, administered by Insurance Commissioner. Employer must prove knowledge of prior disability.*
KENTUCKY	Second injury or disease which added to prior disability condition results in permanent disability greater than from second injury alone.	Disability caused by second injury or dormant condition.	Difference between compensation payable for second injury and greater disability, less amount paid for prior injury.	3.4% premium tax on carriers and self-insurers for administrative and variable assessment based on need.	
LOUISIANA	Second injury which combined with prior permanent partial disability results in disability greater than from second injury alone, or in death. ¹	Total disability benefits for first 104 weeks; in death cases, first 175 weeks; 50% of medical benefits which exceed \$5,000 but are less than \$10,000, and 100% thereafter.	Employer reimbursed for balance of benefits.	1.5% premium tax on carriers and self-insurers, minimum \$10.	Assessments reduced at discretion of the Board with 30 days written notice before assessment is due.
MAINE	Second injury caused by accident, disease, or congenital condition, which added to pre-existing impairment results in permanent total disability.	Disability caused by second injury.	Fund reimburses employer for difference between compensation payable for second injury and permanent total disability.	In no-dependency death cases, 100% SAWW.	Duplicate payments from Second Injury Fund and Employment Rehabilitation Fund prohibited.
MARYLAND	Second injury which combined with a pre-existing permanent impairment due to accident, disease, or congenital condition results in a greater combined disability constituting a hindrance to employment.	Disability caused by second injury.	If permanent disability exceeds 50% of the body as a whole, employee is entitled to additional compensation for the full disability from the "Subsequent Injury Fund." Prior injury and second injury must each be compensable for at least 125 weeks.	5% of compensation paid for disability, death, or settlements.	Payments suspended when fund reaches \$1,000,000, resumed when below \$500,000.
MASSACHUSETTS	Second injury which added to pre-existing physical impairment results in substantially greater disability or death. Pre-existing disability must support 25% earnings loss or 90 weeks of benefits.	Benefits for first 104 weeks.	Employer reimbursed for half of benefits after first 104 weeks.	\$500 in no-dependency death cases, and additional \$500 in every death case, unpaid balance of scheduled awards.	Pro-rata assessment based on losses paid during preceding year by carriers and self-insureds.
MICHIGAN	Second injury involving loss of member or eye, which added to pre-existing loss of member results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent total disability.	Assessments on carriers and self-insurers proportionate to 175% of disbursements from fund to annual compensation benefits paid.	Fund is credited with any balance in excess of \$200,000.*
MINNESOTA	Second injury that results in substantially greater disability than would have resulted from second injury alone.	Disability caused by second injury.	Employer reimbursed for disability after 52 weeks, medical after \$2,000. If second injury results in permanent partial disability, fund pays difference between compensation payable for second injury and greater disability. ²	\$25,000 in no-dependency death cases; 20% of compensation for injuries 6/2/71 through 12/31/83; percentage of indemnity benefits for earlier injuries; assessment based on various factors for injuries occurring 1/1/84; certain penalties.	Commissioner determines assessment base and rate dependent on fund's financial position and increasing up to 12% annually.
MISSISSIPPI	Second injury involving loss of use of member or eye, which added to pre-existing loss of use of member or eye results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent disability.	\$500 in no-dependency death cases; \$300 in dependency cases. Commission may transfer up to \$100,000 from Administrative Expense Fund.	\$150 payments suspended when fund reaches \$250,000 and until reduced to \$50,000.
MISSOURI	Second injury resulting in permanent partial disability which compounds either a greater permanent partial or a permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and compounded disability.	20% of 3% premium tax. Payment by carriers or self-insurers of 1-2 percent of total compensation paid.	
MONTANA	Second injury which combined with prior permanent physical impairment results in death or disability.	Benefits for first 104 weeks.	Employer reimbursed after first 104 weeks.	\$1,000 paid by employers, insurers, or accident fund in every death case. Carriers and self-insurers assessed 5% of losses paid in preceding year.	Division must certify unemployed worker as vocationally handicapped.
NEBRASKA	Second injury which combined with pre-existing disability causes substantially greater disability. Pre-existing disability must support 25% earnings loss or 90 weeks of benefits. ¹	Disability caused by second injury.	Difference between compensation payable for second injury and previous disability.	1% premium tax on carriers or self-insurers (\$25 minimum) payable to Workmen's Compensation Court.	Payments suspended when fund reaches \$400,000. Assessment (1%) when fund reduced to \$200,000.
NEVADA	Second injury which combined with any previous permanent physical disability causes substantially greater disability. ²		Compensation allocated between insurer and fund.	Subsequent Injury Fund in state treasury. ³	Compensable claim considered "excess loss" in calculation of employer's experience rating. Employer must prove knowledge of prior impairment.
NEW HAMPSHIRE	Second injury which combined with any pre-existing disability results in substantially greater disability. ¹	Benefits for first 104 weeks.	Employer reimbursed after first 104 weeks.	Assessment against carriers and self-insurers proportional to total benefits paid by all carriers.	
NEW JERSEY	Second injury resulting in permanent partial disability which added to pre-existing partial disability, compensable or not, results in permanent total disability.	Disability caused by compensable injury.	Difference between compensation payable for second injury and permanent total disability.	Carriers and self-insurers assessed pro-rata for 150% of payments made from fund as it bears to total compensation paid during preceding year. Annual assessments paid quarterly.	When fund balance exceeds \$1,250,000, up to \$50,000 per year may be applied toward administrative costs of Division.
NEW MEXICO	Second injury which added to pre-existing disability results in permanent disability greater than from second injury alone, or, second injury resulting in death.	Liability apportioned by judicial determination.	Liability apportioned by judicial determination.	\$1,000 in no-dependency death cases. Employer or insurer pays quarterly assessment up to 1% of compensation paid during quarter, exclusive of medical benefits and attorney's fees.	

¹In death cases it must be established that either the injury or the death would not have occurred except for such pre-existing permanent physical impairment. "Permanent physical impairment" means any permanent condition due to previous accident, disease, or congenital condition which is likely to be a hindrance to employment.

Kan. "Employer may file description of prior impairment to create presumption of prior knowledge.

La. "Permanent partial disability" means any permanent condition due to injury, disease, or congenital causes which is likely to be a hindrance to employment. Certain scheduled conditions are presumed to be permanent partial disability if employer had prior knowledge.

Mch. "Compensation to certified vocationally handicapped persons payable from fund after 104 weeks.

Min. "If injury, disability or death would not have occurred but for the pre-existing impairment, the fund pays all benefits except for a carrier's portion, impairment of at least 10% of the whole man, or as prescribed by rule).

Nev. "Pre-existing disability must support a rating of 12% or more of the whole man based on A.M.A. guides, which is likely to be a hindrance to employment."
 "Fund is composed of assessments, penalties, bonds, securities, and all other property collected by administrator, Division of Industrial Insurance Regulation.

PART XIII □ SECOND-INJURY FUNDS □ January 1, 1986 (continued)

SECTION	INJURIES COVERED	PAYABLE BY EMPLOYER	PAYABLE BY FUND	SOURCE OF FUND	SPECIAL PROVISIONS
NEW YORK	Second injury involving loss or loss of use of member or eye, which added to pre-existing injury results in permanent total disability; second injury which added to pre-existing loss or partial loss of member or eye or other "permanent physical impairment" not resulting from a dust disease result, in disability greater than from second injury alone or second injury or disease resulting in death, which is caused by pre-existing disability. ¹	Benefits for first 104 weeks.	Employer reimbursed after first 104 weeks.	Assessment against carriers and self-insurers proportional to compensation payments made by all carriers.	Employer or insurer pays awards and medical expenses, but is reimbursed from special disability fund for benefits after first 104 weeks.
NORTH CAROLINA	Second injury involving loss of member or eye which added to pre-existing injury results in permanent total disability, provided the original and increased disability were each 20% of the entire member. ²	Disability caused by second injury.	Difference between compensation payable for second injury and permanent total disability.	Assessments against employer or insurer for each permanent partial disability, up to \$50 for a minor member and \$200 for a major member (currently \$25 and \$100, respectively).	
NORTH DAKOTA	Second injury or aggravation of any previous injury or condition which results in further disability.	Disability caused by second injury.	Percent attributable to aggravation or second injury.	Benefit Fund.	Compensation in excess of amount chargeable to second injury is charged to general fund.
OHIO	Second injury which aggravates pre-existing disease or condition (25 types of handicaps as listed by statute), resulting in death, temporary or permanent total disability, and disability compensable under a special schedule. ³	Disability attributable to injury or occupational disease sustained in employment.	Amount of disability or proportion of cost of death award determined by Industrial Commission to be attributable to employee's pre-existing disability.	Reserve set aside out of statutory surplus funds.	In the case of a self-insuring employer, excess payments are made from the surplus fund. By rule of Commission in the case of State Fund employer, compensation in excess of amount chargeable to second injury is charged to surplus fund.
OKLAHOMA	Second injury to "physically impaired person" which results in additional permanent disability greater than from second injury alone.	Disability caused by second injury.	Difference between compensation payable for second injury and compensation for combined injuries.	3% of permanent disability losses by carriers, state fund, and self-insurers, and 3% of awards for permanent disability by employers. ⁴	Permanent total awards are payable by the fund for 5 years or until age 65, whichever is longer.
OREGON	Injury caused by preexisting condition (may be congenital) or which combined with preexisting condition results in greater permanent disability.	First \$1,000 claim cost and portion of claim for which relief not granted are charged to employer loss experience.	Claims cost above \$1,000 and percentage of balance for which Department grants relief.	Employer and worker each pay 3c per worker per day.	Reimbursement from fund subject to funds available. Amount of reimbursement not reviewable. Settlement of claim requires Department approval if involves reimbursement.
PENNSYLVANIA	Second injury involving loss or loss of use which added to pre-existing loss or loss of use of member results in permanent total disability.	Scheduled benefits as a result of second injury.	Remaining compensation due for total disability.	Assessment against carriers and self-insurers proportional to compensation payments.	Payments are made directly by the Department.
PUERTO RICO	Second injury which aggravates or augments any former disability.		Job injury not caused by work accident is compensated in addition to second injury. Compensation for prior job injury is deducted from compensation payable for total disability, except where combined injury results in permanent total disability, which is compensated as such.	Insurance premiums.	The difference between expenditures by the Industrial Commission and the Manager of the State Insurance Fund and their maximum budget allotment are placed in the Reserve Fund for catastrophes (except for medical expense surpluses, maximum \$1 million).
RHODE ISLAND	Second injury which merges with pre-existing work-related disability resulting in greater disability or death.	Benefits for first 52 weeks. ⁵	Employer reimbursed after first 52 weeks. ⁶	2-3.4% tax on gross premiums collected by insurers and comparable tax on self-insurers, plus \$750 in no-dependency death cases, also certain penalties.	Employer must prove knowledge of prior injury unless employee failed to disclose. Tax may be reduced when fund reaches \$2 million.
SOUTH CAROLINA	Second injury which added to any previous permanent physical impairment results in substantially greater disability or death.	Disability caused by second injury for first 78 weeks; compensation and medical costs.	Employer reimbursed for all benefits after 78 weeks, plus 50% of medical payments over \$3000 during first 78 weeks.	Pro rata assessments on carriers and self-insurers based on losses paid. In no-dependency deaths, unpaid benefits to fund.	Employer must prove prior knowledge of impairment or that worker was unaware of impairment. ⁷
SOUTH DAKOTA	Second injury which combined with pre-existing disability, results in additional permanent partial or total disability or death.	Disability caused by second injury.	Difference between compensation payable for second injury and compensation for combined injuries.	Carriers and self-insurers assessed 1% of losses paid during preceding year and \$500 in no-dependency death cases.	Payments suspended at \$200,000, and resumed at \$100,000.
TENNESSEE	Second injury involving loss or loss of use of member or eye, which added to pre-existing loss or loss of use of member results in permanent total disability. ⁸	Disability caused by second injury.	Benefits in excess of 100% total disability to apply as a whole.	15% in death cases and 1% in each case of permanent partial disability; 50% of revenues from the 4% premium tax on insurers and self-insurers.	
TEXAS	Second injury which added to pre-existing injury results in permanent total disability.	Disability caused by second injury.	Difference between compensation payable for second injury and permanent total disability.	Maximum \$73,080 ⁹ payable into fund in each no-dependency death case.	The Industrial Accident Board has right of subrogation to recover claims and attorney's fees paid from Second Injury Funds.
UTAH	Second injury which combined with a previous permanent incapacity due to accident, disease, or congenital condition results in a substantially greater disability.	Disability caused by second injury.	Difference between compensation payable for second injury and compensation for combined injuries. Fund liability calculated by computing second injury as percentage impairment to whole person on uncombined basis, deducted from total combined rating.	\$30,000 in no-dependency death cases, less compensation paid when Default Indemnity Fund reaches limit; 3% premium tax on insurers and self-insurers. Fines from uninsured employers.	Medical panel determines percentage of disability attributable to prior disability and second injury. Fund is also used to extend the period of compensation above regular award for certain claimants who are permanently and totally disabled and who cannot be rehabilitated.
VERMONT	Second injury involving loss of use of member or eye which added to previous disability results in permanent total disability.		Difference between compensation payable for second injury and permanent total disability.	\$500 in no-dependency death cases.	
VIRGIN ISLANDS	Second injury which combined with prior impairment results in death or compensable disability greater than from second injury alone.	None. Employer's experience rating affected by disability payments after 104 weeks.	All benefits.	Premiums paid by employers by classification and experience, plus fines, penalties, and interest.	Employer must have prior knowledge of disability.

N.C. ¹Epilepsy is considered a prior permanent disability.

Ohio ²Does not apply to compensation for temporary partial or percentage of permanent partial disability.

Ohio ³Payable quarterly, not later than the 15th day of the month following, total tax is 6% (3% of awards for permanent disability, total or partial). Tax is based on award and is payable regardless of whether award is paid. State political subdivisions pay 3% of permanent disability compensation paid in preceding year.

R.I. ⁴For claims filed after 5/18/85. Employer reimbursed after first 104 weeks for claims filed before 5/18/85.

S.C. ⁵"Permanent physical impairment" means any permanent condition due to injury, disease, or congenital causes which is likely to be a hindrance to employment. Certain scheduled conditions are presumed to be permanent physical impairment if employer had prior knowledge.

Tenn. ⁶Also covers death or disablement resulting from injuries of an epileptic seizure occurring on or after 7/1/85.

Texas ⁹\$60 times maximum weekly benefit.

XIII □ SECOND-INJURY FUNDS □ January 1, 1986 (continued)

PROVINCE/TERRITORY	INJURIES COVERED	PAYABLE BY EMPLOYER	PAYABLE BY FUND	SOURCE OF FUND	SPECIAL PROVISIONS
ALBERTA					
BRITISH COLUMBIA	Injury or disease superimposed on existing disability.	No	Proportion of disability attributable to second injury.	Accident Fund	
MANITOBA	All enhanced disabilities because of similar or other disabilities	No	Yes	Accident Fund	Compensation must be at least had the benefit payable if the entire disability were caused by the pre-existing condition. Condition includes nervous or psychoneurosis
NEW BRUNSWICK	Second injury coupled with other prior injuries or disabilities	No	Yes	Reserve Fund	
NEWFOUNDLAND	All enhanced disabilities because of similar or other disabilities	No	Difference between compensation payable for second injury and final result of disablement.	Reserve Fund	
NOVA SCOTIA	Injury that aggravates, activates, or accelerates pre-existing disease or disability; or injury that results in injury or disease caused partly by employment and partly by other causes	No	Disability attributable to second injury	Accident Fund	Board has authority to establish second injury fund.
NORTHWEST TERRITORIES	All disabilities due to pre-existing disease condition or disability.	No	Difference between second injury and total cost	Contingency reserve	
ONTARIO	All enhanced disabilities due to pre-existing diseases condition or disability	No	Difference between second injury and total cost	Accident Fund	Not restricted to permanent disability cases
PRINCE EDWARD ISLAND					
QUEBEC	Enhanced disability because of previous infirmity				Commission has authority to establish second injury fund.
SASKATCHEWAN	All enhanced disabilities due to pre-existing disease condition or disability	No	Difference between second injury and total cost.	Injury Fund	
YUKON TERRITORY	All enhanced disabilities because of similar or other disabilities	No	Yes	Compensation Reserve Fund for enhanced disabilities. Assessment on employer's annual payroll	
CANADIAN MERCHANT SEAMEN'S ACT					

Wash. Defined as workers who must change jobs due to effect of an industrial injury or illness.

Ala. Board has established reserve funds to cover enhanced disability or aggravation of previous condition.

CHART XIV

ADMINISTRATION EXPENSES,
WORKERS' COMPENSATION DEPARTMENTS

Janu. 1, 1986

JURISDICTION	SYSTEM PROVIDED FOR	FUND OR APPROPRIATION	ASSESSMENT PROVISIONS		OTHER INCOME
			AGAINST WHOM	AMOUNT	
ALABAMA	Private insurance	General appropriation; court administration			
ALASKA	Private insurance	General appropriation			
AMERICAN SAMOA	Private insurance	Special fund			
ARIZONA	Competitive fund	Administrative fund	Carriers, self-insurers, and state fund	3% of premiums, minimum \$250.	
ARKANSAS	Private insurance	Special fund	Carriers and self-insurers	3% of annual premiums maximum.	\$500 first year for carriers, \$100 first year for self-insurance.
CALIFORNIA	Competitive fund	General appropriation			
COLORADO	Competitive fund	General appropriation			
CONNECTICUT	Private insurance	General appropriation	Carriers and self-insurers	Prorate assessment necessary to cover expenses.	
DISTRICT OF COLUMBIA	Private insurance*	Special fund*	Carriers and self-insurers	Prorated on basis of total compensation paid	Fines and penalties, and \$5,000 in no-dependency death cases.
DELAWARE	Private insurance	General appropriation	Carriers and self-insurers	Prorated	
FLORIDA	Private insurance	Special fund	Carriers and self-insurers	Maximum 4% of net earned premiums.	
GEORGIA	Private insurance	General appropriation	Carriers and self-insurers	Prorated	
GUAM	Private insurance	General appropriation			
HAWAII	Competitive fund	Special appropriation			
IDAHO	Competitive fund	Industrial Administration Fund	Carriers, self-insurers, and state fund	1.3% of premiums	Fees for records
ILLINOIS	Private insurance	General appropriation			
INDIANA	Private insurance	General appropriation			
IOWA	Private insurance	General appropriation			
KANSAS	Private insurance	Special fund		(-)	
KENTUCKY	Private insurance	Maintenance Fund	Carriers and self-insurers	2% of premiums plus additional prorata assessment necessary to cover expenses.	
LOUISIANA	Private insurance	Administrative Fund*	Carriers and self-insurers	Prorated on basis of total compensation paid.	20% monthly penalty for unpaid assessment
MAINE	Private insurance	General appropriation			
MARYLAND	Competitive fund	General appropriation	Carriers, self-insurers, and state fund	Prorated	Commission may assess up to \$500 annually against self-insurers and self-insured groups for actuarial studies and audits.
MASSACHUSETTS	Private insurance	General appropriation		Prorated assessment necessary to cover expenses.	
MICHIGAN	Competitive fund	General appropriation		(-)	
MINNESOTA	Competitive fund	General appropriation			
MISSISSIPPI	Private insurance	Special fund	Carriers and self-insurers	Prorated on basis of total compensation paid.	Civil penalties
MISSOURI	Private insurance	General appropriation	Carriers and self-insurers	3% of premiums	Fees for records, etc.
MONTANA	Competitive fund	Industrial Administration Fund, appropriation and fees	Carriers, self-insurers, and state fund	Prorated on prior year's costs, \$200 minimum	Graduated inspection fee, fees for records, etc., and fines.
NEBRASKA	Private insurance	General appropriation	Carriers and self-insurers	2% for foreign, 6% for domestic, 2% for self-insurers*	Fees for copies and publications, etc.
NEVADA	Exclusive fund and self-insurance	State Insurance Fund	Employers and self-insurers	As needed.	
NEW HAMPSHIRE	Private insurance	Administration Fund—appropriation	Carriers and self-insurers	Prorated on basis of total compensation paid; \$100 minimum*	Civil penalties
NEW JERSEY	Private insurance	General appropriation	Carriers	1.4% of premiums.*	Maximum of \$50,000 excess from 2nd Injury Fund may be paid over to W. C. administration.
NEW MEXICO	Private insurance	General appropriation, court administration			
NEW YORK	Competitive fund	Assessment	Carriers, self-insurers, and state fund	Total amount prorated on basis of compensation payments.	Fines and penalties.
NORTH CAROLINA	Private insurance	General appropriation	Carriers and self-insurers	On gross premiums at rate in revenue act.	
NORTH DAKOTA	Exclusive fund	Appropriation	State fund	Budget submitted biennially to legislature	Interest

Ark. *May be increased or reduced by Commission.

D.C. *Exclusive fund for D.C. government workers, financed from D.C. and/or federal appropriation.

Kan. *System of assessments, similar to Mississippi.

La. *Court administration financed by general appropriation.

Mch. *Annual assessment of 3.4% of compensation levied on insurers and self-insurers of compensation paid to be used for the safety education and training fund.

Neb. *Not specialty for workers' compensation administration.

N.H. *Total assessment may not exceed 1% of total benefits paid by all carriers and self-insurers.

N.J. *To administer insurance provisions.

CHART XIV □ ADMINISTRATION EXPENSES, WORKERS' COMPENSATION DEPARTMENTS □ Jan. 1, 1986 (cont.)

JURISDICTION	SYSTEM PROVIDED FOR	FUND OR APPROPRIATION	ASSESSMENT PROVISIONS		OTHER INCOME
			AGAINST WHOM	AMOUNT	
OHIO	Exclusive fund and self-insurance	State fund	All employers, including self-insurers, counties and taxing districts, and state instrumentalities	0.2% of payroll for State Fund employers and 0.05% for self-insurers	
OKLAHOMA	Competitive fund	Administrative Fund, State Insurance Fund, and general appropriations	Carriers and self-insurers	1% premium tax, and 2% tax on self-insurers based on compensation paid for permanent disability or death	
OREGON	Competitive fund	Administrative fund	Carriers, self-insurers, and state fund	Apportioned—percentage of premium needed to pay administration expenses	Fines, penalties, and interest
PENNSYLVANIA	Competitive fund	Administration Fund	Carriers, self-insurers, and state fund	Prorated on basis of total compensation paid	
PUERTO RICO	Exclusive fund	State fund and appropriations	Employer	Maximum 20% of total premium receipts	
RHODE ISLAND	Private insurance	General appropriation			
SOUTH CAROLINA	Private insurance	General appropriation	Carriers and self-insurers	4-1/2% of premiums	
SOUTH DAKOTA	Private insurance	General appropriation			
TENNESSEE	Private insurance	General appropriation, court administration	Carriers and self-insurers	4% of premiums	
TEXAS	Private insurance	General appropriation	Carriers and self-insurers	3.5 of 1% * Additional 7/10 of 1% gross W. C. premiums paid to General Revenue Fund for administration of Board.	
UTAH	Competitive fund	General appropriation	Carriers and state fund	1/4% of gross premiums	3-1/4% of premium tax; 3% to Second Injury Fund, 1/4% for administration.
VERMONT	Private insurance	General appropriation			
VIRGIN ISLANDS	Exclusive fund	Territorial fund	Territorial fund		Fines, penalties, and interest
VIRGINIA	Private insurance	Special fund	Carriers and self-insurers	2.5% of premiums	
WASHINGTON	Exclusive fund and self-insurance	State fund	State fund and self-insurers	Determined by Director	
WEST VIRGINIA	Exclusive fund and self-insurance	State fund	All regular subscribers and self-insureds	4% of premium and 4% assessment on self-insureds' manual rates	
WISCONSIN	Private insurance	Special fund	Carriers and self-insurers	Prorata on indemnity paid on closed cases during prior year.	
WYOMING	Exclusive fund	Industrial Accident Fund	State fund		
F.E.C.A.	Exclusive fund	Appropriation authorized from U.S. Treasury			
LONGSHORE ACT	Private insurance	Appropriation authorized from U.S. Treasury			
ALBERTA	Exclusive fund	Accident Fund	All employers under the act	Determined by Board	Penalties for violations
BRITISH COLUMBIA	Exclusive fund	Accident Fund	All enumerated employers	Determined by Board	
MANITOBA	Exclusive fund	Accident Fund	All enumerated employers	Determined by Board	Such sum out of consolidated fund as Lt. Gov-in-Council may direct
NEW BRUNSWICK	Exclusive fund	Accident Fund	All enumerated employers	Determined by Board	Penalties for violations
NEWFOUNDLAND	Exclusive fund	Injury Fund	All enumerated employers	Determined by Commission	Interest and penalties
NORTHWEST TERRITORIES	Exclusive fund	Workers' Compensation Fund	All employers	Determined by Board	
NOVA SCOTIA	Exclusive fund	Accident Fund	All enumerated employers	Determined by Board	
ONTARIO	Exclusive fund for Schedule I employers, individual liability for Schedule II employers.	Accident Fund for Schedule I employers. Deposit with Board for Schedule II employers	All employers in Schedule I. Administrative costs only for Schedule II employers	Determined by Board	
PRINCE EDWARD ISLAND	Exclusive fund for Part I; individual liability, Part II.	Accident Fund	All enumerated employers	Determined by Board	
QUEBEC	Exclusive fund, individual liability for employers held personally responsible for the payment of benefits		All employers		
SASKATCHEWAN	Exclusive fund	Injury Fund	All employers	Determined by Board	Penalties for violations
YUKON TERRITORY	Exclusive fund	Accident Fund	All employers	Determined by Board	
CANADIAN MERCHANT SEAMEN'S ACT	Private insurance	Cost of administration apportioned among employers	All employers of merchant seamen	Determined by Board	

Texas *To administer insurance provisions.

CHART XV

APPEAL PROVISIONS

January 1, 1986

JURISDICTION	ADMINISTRATION	TIME FOR APPEAL	TO WHAT COURT	PROCESS AND PROCEDURE	QUESTIONS REVIEWED		BASIS FOR REVIEW ¹	JURY TRIAL
					LAW ONLY	LAW AND FACT		
ALABAMA	Courts	30 days	Supreme Court	Certain	Yes		Record	No
ALASKA	Women's Compensation Board	30 days	Supreme Court	Notice of appeal		Yes	Record	No
AMERICAN SAMOA	Women's Compensation Commission	30 days	High Court	As in civil actions	Yes		Record	No
ARIZONA	Industrial Commission	30 days	Court of Appeals/Supreme Court	Certain		Yes	Record	No
ARKANSAS	Workers' Compensation Commission	30 days	Court of Appeals	As in civil actions, with precedence over all other civil cases	Yes		Record	No
		No provision	Supreme Court	As in civil actions	Yes		Record	No
CALIFORNIA	Appeals Board	45 days	Supreme Court or District Court	Writ of review	Yes		Record	No
COLORADO	Industrial Commission	20 days	Court of Appeals	Action to modify or vacate	Yes		Record	No
		No provision	Supreme Court	Writ of error	Yes		Record	No
CONNECTICUT	5 commissioners	20 days	Special session of Superior Court	Notice of appeal	Yes		Record	No
DELAWARE	Industrial Accident Board	20 days	Supreme Court	As prescribed by the court		Yes	Record	No
DISTRICT OF COLUMBIA	D.C. Office of Workers' Compensation	15 days	D.C. Court of Appeals	Petition	Yes		Record	No
DISTRICT OF COLUMBIA GOVT. WORKERS	Office of Workers' Compensation	90 days to a year	Supreme Court	Application for review		Yes	Record	No
FLORIDA	Division of Workers' Compensation	20 days	District Court of Appeals, First District	Notice of appeal	Yes		Record	No
GEORGIA	State Board of Workers' Compensation	30 days	Supreme Court	Notice of appeal	Yes		Record	No
			Court of Appeals	Discretionary authority				
GUAM	Workers' Compensation Commission	30 days	Supreme Court	Injunction proceedings	Yes		Record	No
HAWAII	Disability Compensation Division	30 days	Supreme Court	Notice of appeal	Yes		Record	Yes, if claimed within 10 days from the date case is docketed
IDAHO	Industrial Commission	42 days	Supreme Court	Notice of appeal	Yes		Record and transcript of evidence	No
ILLINOIS	Industrial Commission	20 days	Circuit Court, or City Court in cases over 25,000	Proceeding for review		Yes	Record; no additional evidence	No
		30 days	Supreme Court	As prescribed by the court	Yes			
INDIANA	Industrial Board	30 days	Court of Appeals	As in civil actions	Yes		Assignment of errors	No
IOWA	Industrial Commissioner	30 days	District Court	Petition for judicial review	Yes		Certified transcript of documents and evidence	No
		20 days	Supreme Court	As in civil cases	Yes		Transcript of evidence and proceedings	No
KANSAS	Division of Workers' Compensation	20 days	District Court	Notice of appeal		Yes	Transcript of evidence and proceedings	No
		30 days	Court of Appeals	Notice of appeal	Yes			
KENTUCKY	Workers' Compensation Board	20 days	Circuit Court	Petition summons, answer	Yes		Certified record	No
		No provision	Court of Appeals	As in civil actions			Certified record or scheduled portions	
LOUISIANA	Office of Workers' Compensation	60 days	District court	Petition		Yes	Trials de novo	No
		30 days	Appellate Court	As in civil actions		Yes	Transcript of proceedings	No
			Supreme Court	As in civil actions		Yes	Certified record	No
MAINE	Workers' Compensation Commission	20 days	Superior Court	As in equity procedure	Yes		Record	No
MARYLAND	Workers' Compensation Commission	30 days	County Circuit Courts or Baltimore Common Law Courts	Notice followed by informal and summary trial	Yes in occupational disease cases	Yes, except in occupational disease cases	Trials de novo	Yes, on demand
		No provision	Court of Special Appeals	As in civil cases				
MASSACHUSETTS	Industrial Accidents Board	30 days	Supreme Court	As in civil cases	Yes		Agreed statement of facts and findings and decision	No
		No provision	Supreme Judicial Court	As in civil cases	Yes			
MICHIGAN	Workers' Compensation Appeal Board	10 days	Court of Appeals	Certain, memorandum or other permissible method	Yes			No
		30 days	Supreme Court					
MINNESOTA	Workers' Compensation Division	30 days	Workers' Compensation Court of Appeals	Notice of Appeal		Yes	Certified record, Oral arguments on issues of law	No
			Supreme Court					
MISSISSIPPI	Workers' Compensation Commission	30 days	Circuit Court	Notice of appeal	Yes		Record	No
			Supreme Court	As in civil cases	Yes		Record	
MISSOURI	Division of Workers' Compensation	30 days	Appellate Court	Notice of appeal	Yes		Certified record	No
MONTANA	Division of Workers' Compensation	30 days	Supreme Court	Notice of appeal		Yes	Certified record	No
NEBRASKA	Workers' Compensation Court	1 month	Supreme Court	Notice of appeal and bill of exceptions (under general laws)	Yes		Certified record	No
NEVADA	Department of Administration Appeals Officer	60 days	District Court	Petition for judicial review	Yes		Record	No
NEW HAMPSHIRE	Commissioner of Labor	30 days	Superior Court	Petition for a hearing		Yes	Trials de novo	No

NOTE - Other Canadian jurisdictions do not provide for judicial appeal.
¹ Generally courts may set aside an award on one of the following grounds: (1) that the Commission acted in excess of its powers; (2) that the award was procured by fraud; (3) that the facts found by the Commission did not support the award; and (4) that there was not sufficient competent evidence in the record to warrant the finding.
² Board may request opinion on question of law or jurisdiction on its own motion.
³ Court has power to pass only upon question of law or jurisdiction of the Board.
 Conn. *Claimant may appeal commissioner's decision to Compensation Review Division (panel of 3 commissioners), then to appellate session of Superior Court.
 *Division may certify question of law on its own motion.
 Hawaii *Appellate Board may certify questions of law to Supreme Court.
 Ill. ** If defendants cannot be found in state, then in Circuit Court of county where accident occurred.
 **Workers' compensation appeals panel of court may decide case or refer to full court.

Ind. *Board may also certify questions of law on its own motion.
 Kan. *If court fails to appeal within 60 days, Director must request decision. If no decision is issued within 30 days after request, Director must advise Supreme Court.
 La. *60 days for devolutive appeal.
 Maine *First level of appeal is Appellate Division. Demand of review by Law Court is final. No appeal from decree based on memorandum of agreement. Appeal does not stay payment of compensation.
 Mich. *To be abolished as of 7/1/99 or when case load is exhausted. To be replaced by Appellate Commission.
 Mo. *Administrative Law Judge's award may be appealed to Industrial Commission.
 Neb. *The Court is constituted the same as the boards and commissions in other states.

CHART XV APPEAL PROVISIONS January 1, 1986 (continued)

JURISDICTION	ADMINISTRATION	TIME FOR APPEAL	TO WHAT COURT	PROCESS AND PROCEDURE	QUESTIONS REVIEWED		BASIS FOR REVIEW ¹	JURY TRIAL
					LAW ONLY	LAW AND FACT		
NEW JERSEY	Division of Workers Compensation	No provision	Appellate Division of Superior Court	Notice of appeal		Yes	Trial de novo on the record	No
NEW MEXICO	Courts	No provision	Court of Appeals Supreme Court	Writ of error or appeal, or certiorari	Yes		Certified record	No
NEW YORK	Workers' Compensation Board	30 days after decision on review ¹ No provision	Appellate Division, Supreme Court, Third Department Court of Appeals	As in civil actions, with precedence over all other civil cases Regular appeal	Yes Yes		Record	No
NORTH CAROLINA	Industrial Commission	30 days	Court of Appeals	As in civil actions ²	Yes		Record	No
NORTH DAKOTA	Workers' Compensation Bureau	30 days 60 days	District Court Supreme Court	Appeal		Yes	Record	No
OHIO	Industrial Commission	60 days No provision	Court of Common Pleas Supreme Court	Notice of appeal and petition by claimant or employer		Yes	Trial de novo	Yes, on demand
OKLAHOMA	Workers' Compensation Court	20 days ³	Supreme Court ⁴	Petition	Yes		Certified record and specifications of error	No
OREGON	Workers' Compensation Board	30 days	Court of Appeals Supreme Court	Notice of appeal Notice of appeal		Yes	Record ⁵	No
PENNSYLVANIA	Workers' Compensation Bureau ⁶	20 days 30 days	Commonwealth Court Supreme Court	Notice of appeal As in civil actions	Yes Yes		Certified record	No
PUERTO RICO	Industrial Commission	30 days 15 days	Industrial Commission Supreme Court	Appeal Petition for review	Yes Yes	Yes	Record Certified record	No
RHODE ISLAND	Director of Labor and Commerce	5 days 10 days	3 members of Appellate Commission Supreme Court	Claim of appeal Writ of certiorari		Yes	Certified documents and testimony	No
SOUTH CAROLINA	Industrial Commission—Judicial Division	30 days	Court of Common Pleas	As in civil actions	Yes		Record	No
SOUTH DAKOTA	Division of Labor and Management	30 days ⁷ 120 days	Circuit Court Supreme Court	Notice of appeal As in civil actions	Yes		Certified record	No
TENNESSEE	Courts	10 days No provision	Circuit Courts Supreme Court	As in civil actions Writ of error		Yes	Trial de novo Trial de novo	No
TEXAS	Industrial Accident Board	20 days	Court of county of injury or worker's residence	Suit to set aside decision of Board		Yes	Trial de novo	Yes
UTAH	Industrial Commission	30 days	Supreme Court	Certiorari		Yes	Certified record	No
VERMONT	Commissioner of Labor and Industry	30 days After 30 days	County Court ⁸ Supreme Court	As prescribed by Court As prescribed by Court	Yes Yes	Yes	Certified record	Yes, on demand
VIRGIN ISLANDS	Commissioner of Labor	30 days	Court of competent jurisdiction	As in civil actions	Yes		Record	No
VIRGINIA	Industrial Commission	60 days	Supreme Court	As in civil actions	Yes		Certified record	No
WASHINGTON	Board of Industrial Insurance Appeals	60 days 20 days	Superior Court Further appeal	Notice of Appeal As in civil actions		Yes	Trial de novo, but on testimony before the Board	Yes, on demand
WEST VIRGINIA	Compensation Commissioner	30 days ⁹	Supreme Court of Appeals	Petition		Yes	Record of proceedings	No
WISCONSIN	Labor and Industry Review Commission	30 days	Circuit Court Supreme Court	Action against Commission As from orders	Yes		Record	No
WYOMING	Courts	70 days	Supreme Court	Petition and bill of exceptions		Yes	Record	No
F.E.C.A.	Division of Federal Employees Compensation, O.W.C.P.	90 days to 3 years	Federal Employees Compensation Board ¹⁰	Application for review		Yes	Record	No
LONGSHORE ACT	Division of Longshore and Harbor Workers' Compensation, O.W.C.P.	30 days 60 days	Benefits Review Board ¹¹ U.S. Court of Appeals	Petition Petition	Yes	Yes	Record Record	No No
ALBERTA	Workers' Compensation Board	No limitation	Board	In writing		Yes	Record and written or oral testimony	No
BRITISH COLUMBIA	Ministry of Labour	90 days 90 days	Board of Review Medical Review Panel	Appeal Appeal (medical facts only)		Yes	Record and written or oral testimony Diagnosis from the final examination	No No
NEW BRUNSWICK	Workers' Compensation Board	10 days	Appellate Division, Supreme Court	Under Judicature Act ¹²	Yes ¹³		Record	No
NEWFOUNDLAND	Workers' Compensation Commission	No limitation	Supreme Court	Petition ¹⁴	Yes		Record and written or oral testimony	No
NOVA SCOTIA	Workers' Compensation Board	1 year 30 days	Workers' Compensation Appeal Board Appeal Division, Supreme Court	Appeal Petition to judge for permission ¹⁵	Yes ¹⁶	Yes	De novo Record	No No
NORTHWEST TERRITORIES	Workers' Compensation Board	No limitation	Board ¹⁷	Board of review		Yes	Now evidence	No
ONTARIO	Workers' Compensation Board	No limitation	Appeals Adjudicator Appeal Board	Request to Registrar of Appeals		Yes	De novo	No
PRINCE EDWARD ISLAND	Workers' Compensation Board	15 days	Supreme Court in banc	Petition to judge for permission	Yes ¹⁸		Record	No
QUEBEC	Commission	30 to 90 days	Board of Review ¹⁹ Appelal Commission	Notice of appeal		Yes	Trial de novo	No
SASKATCHEWAN	Workers' Compensation Board	No limitation	Board	In writing		Yes	Record and written or oral testimony	No
YUKON	Workers' Compensation Board	No limitation	Board	Appeal in writing		Yes	Record and written or oral testimony	No

N.Y. ¹ Compensation is paid pending appeal; if reversed, carrier is reimbursed from Administration Fund

N.C. ² Commission may certify questions of law to Court of Appeals; Commission may order payment of portion of award not in dispute

Ore. ³ Appeal to Workers' Compensation Court en banc within 10 days may be bypassed in favor of appeal to Supreme Court

Ore. ⁴ Court may take additional evidence on disability not available at hearing

Pa. ⁵ Decisions of referees are subject to appeal to the Workers' Compensation Appeal Board

P.R. ⁶ On weight of expert testimony

S. Dak. ⁷ Commission may order payment of portion of award not in dispute

Vt. ⁸ Then to Supreme Court on exception

W. Va. ⁹ May be extended for cause

F.E.C.A. ¹⁰ There is no court appeal; Board has authority to make final decision on appeals

Longshore ¹¹ First level of appeal is to Benefits Review Board within the U.S. Department of Labor; Board may sit in 3-man panels; Panel decision may be reviewed upon petition by full Board

N.S. ¹² Board may request opinion on question of law on its own motion

N.W.T. ¹³ Further appeal to Corporate Board

Quebec ¹⁴ Further appeal to Social Affairs Commission

ART XVI DIRECTORY OF WORKERS' COMPENSATION ADMINISTRATORS January 1, 1986

ALABAMA
 Workers' Compensation Division
 Department of Industrial Relations
 Industrial Relations Building
 Montgomery, Alabama 36130
 (205) 261-2868
 Mr. Marcus A. Davis, Administrator

ALASKA
 Workers' Compensation Division
 Department of Labor
 P.O. Box 1149
 Juneau, Alaska 99802
 (907) 455-2790
 Ms. Jacquelyn McClintock, Director

Workers' Compensation Board
 Same address as Division
 Mr. Jim [Name] Chairman
 Mr. Thomas Ciferri, Member
 Mr. David Richards, Member
 Mr. Joe J. Thomas II, Member
 Ms. Jacqueline Russell, Member
 Ms. Mary Pierce, Member
 Mr. Donald Scott, Member
 Mr. John Creed, Member
 Mr. Stephen M. Thompson, Member
 Mr. Robert Anders, Member

AMERICAN SAMOA
 Workers' Compensation Commission
 Office of the Governor
 American Samoa Government
 Pago, Pago, American Samoa 96799
 Mr. Moalili T. Tu'ufu, Commissioner
 Mr. Tasi Mauga, Administrator

ARIZONA
 Industrial Commission
 1601 West Washington
 P.O. Box 19070
 Phoenix, Arizona 85005
 (602) 255-4661
 Mr. Daniel Ortega, Jr., Chairman
 Mrs. Ann Day Alexander, Vice Chairman
 Mr. Duane Pell, Member
 Mr. Charles W. Pine, Member
 Mr. G. Vernon McCracken, Member
 Mr. Larry J. Schuchury, Director
 Mrs. Marjorie L. Dight, Claims Manager

State Compensation Fund
 1616 West Adams
 Phoenix, Arizona 85007
 (602) 229-2000
 Mr. William L. Finlay, Manager

ARKANSAS
 Workers' Compensation Commission
 Justice Building
 State Capitol Grounds
 Little Rock, Arkansas 72201
 (501) 372-3930
 Mr. Wendell L. Griffin, Chairman
 Mr. J. Melvin Farrar, Commissioner
 Mr. Atlyn C. Tatum, Commissioner

CALIFORNIA
 Division of Industrial Accidents
 P.O. Box 603, Sixth Floor
 San Francisco, California 94101
 (415) 557-3542
 Mr. Barry Carmody, Acting Administrative Director

Workers' Compensation Appeals Board
 455 Golden Gate Avenue
 San Francisco, California 94102
 Mr. C. Gordon Taylor, Chairman
 Mr. Gordon R. Gaines, Commissioner
 Ms. Marilyn C. Lazar, Commissioner
 Mr. Charles L. Swazey, Commissioner
 Ms. Marilyn Murata-Demeln, Commissioner

State Compensation Insurance Fund
 1275 Market Street
 San Francisco, California 94103
 Mr. E. A. Sandberg, President

COLORADO
 Workers' Compensation Section
 Division of Labor
 313 Sherman Street, Room 314
 Denver, Colorado 80203
 (303) 866-2961
 Mr. Robert J. Husson, Director
 Ms. Ruthanne Gartland, WC Program Administrator

Industrial Commission
 State Services Building, 5th Floor
 1525 Sherman Street
 Denver, Colorado 80203
 (303) 866-2446
 Mr. Gary B. Rosa, Chairman
 Mr. Miguel Baca, Commissioner
 Mr. Robert Knous, Commissioner

State Compensation Insurance Fund
 950 Broadway
 Denver, Colorado 80203
 Mr. Glenn Adams, Manager

CONNECTICUT
 Workers' Compensation Commission
 1890 Dixwell Avenue
 Hamden, Connecticut 06514
 (203) 789-7783
 Mr. John A. Arcudi, Chairman
 Mr. A. Paul Bene, Commissioner
 Mr. Robin W. Walker, Commissioner
 Mrs. Rhoda L. Loeb, Commissioner
 Mr. Frank J. Vermili, Commissioner
 Mr. Edward F. Bradley, Commissioner
 Mr. Andrew P. Denuzza, Commissioner
 Mr. Gerald Kolinsky, Commissioner
 Mr. Danus J. Spain, Commissioner
 Mr. Michael Sherman, Commissioner

DELAWARE
 Industrial Accident Board
 State Office Building, 6th Floor
 820 North French Street
 Wilmington, Delaware 19801
 (302) 571-2885
 Mr. Warren T. Foraker, Chairman
 Mr. Robert S. Powell, Member
 Mrs. Joyce L. Wright, Member
 Mr. James P. Robinson, III, Member
 Mr. Calvin Boggs, Member
 Mr. Wm. E. Matthews, Member
 Miss Edwina A. Gagno, Administrator

DISTRICT OF COLUMBIA
 Department of Employment Services
 Office of Workers' Compensation
 P.O. Box 56098
 Washington, D.C. 20011
 (202) 576-6265
 Mr. Bruce M. Eanet, Associate Director

FLORIDA
 Division of Workers' Compensation
 Department of Labor and Employment Security
 1321 Executive Center Drive-East
 Tallahassee, Florida 32301
 (904) 488-2548
 Mr. Ray Nell, Director

GEORGIA
 Board of Workers' Compensation
 1000 South Omni International
 10th Floor
 Atlanta, Georgia 30335
 (404) 656-3875
 Mr. Herbert T. Greenholtz, Jr., Chairman
 Mr. Don L. Knowles, Director
 Mr. James C. Pullen, Secretary-Treasurer
 Mr. James W. Paris, Director

GUAM
 Workers' Compensation Commission
 Department of Labor
 Government of Guam
 P.O. Box 23548
 Guam Main Facility 96921-0318
 Mr. Lloyd L. Umagat, Commissioner
 Mr. Christian L. Delfin, Administrator

HAWAII
 Disability Compensation Division
 Department of Labor and Industrial Relations
 930 Punchbowl Street
 Honolulu, Hawaii 96813
 (808) 548-4131
 Dr. Joshua C. Aqsalud, Director
 Mr. Orlando K. Watanabe, Administrator

IDAHO
 Industrial Commission
 317 Main Street
 Boise, Idaho 83720
 (208) 334-2193
 Mr. Gerald A. Geddes, Chairman
 Mr. L. G. Sihall, Member
 Mr. Will S. Delenbach, Member
 Mr. Lawrence J. Spjute, Administrator

ILLINOIS
 Industrial Commission
 100 West Randolph Street
 Suite 8-200
 Chicago, Illinois 60601
 (312) 917-6611
 Mr. Mervin N. Buchman, Chairman
 Mr. Ralph W. Miller, Commissioner
 Mr. Theodores Black, Jr., Commissioner
 Mr. Calvin F. Tansor, Commissioner
 Mr. Dennis O. Douglas, Commissioner
 Mr. Alvin Cook, Commissioner
 Miss Barbara Sherman, Commissioner

INDIANA
 Industrial Board
 601 Stala Office Building
 100 North Senate Avenue
 Indianapolis, Indiana 46204
 (317) 272-3808
 Mr. John N. Shanks II, Chairman
 Mr. F. J. Noel, Member
 Mr. J. J. McDonagh, Member
 Mr. John A. Rader, Member
 Mr. Everett N. Lucas, Member
 Mr. G. Terrance Condon, Member
 Ms. Anna C. Thomas, Member

ICWA
 Industrial Commissioner's Office
 507 10th Street
 Des Moines, Iowa 50319
 (515) 281-5935
 Mr. Robert C. Landess, Industrial Commissioner

KANSAS
 Division of Workers' Compensation
 Department of Human Resources
 First Floor
 217 S.E. Fourth Street
 Topeka, Kansas 66603-3599
 (913) 236-3441
 Mr. John B. Rathmel, Director

KENTUCKY
 Workers' Compensation Board
 127 Building
 U.S. 127 South
 Frankfort, Kentucky 40601
 (502) 564-5550
 Mr. Lanny Holbrook, Chairman
 Mr. Glenn L. Schilling, Member
 Mr. William Brooks, Member
 Mr. George Simpson, Member
 Mr. William Miller, Jr., Member
 Ms. Suzanne Shively, Acting Director

LOUISIANA
 Department of Labor
 Office of Workers' Compensation
 910 No. Bon Marche Street
 Baton Rouge, Louisiana 70806
 (504) 922-0158
 Mr. Jack Leary, Assistant Secretary

MAINE
 Workers' Compensation Commission
 State Office Building
 State House Station 27
 Augusta, Maine 04333
 (207) 289-3751
 Mr. Ralph L. Tucker, Chairman
 Mr. Douglas A. Clapp, Commissioner
 Mr. Nicholas Scaccia, Commissioner
 Mr. David Soucy, Commissioner
 Mrs. Suzanne E.K. Smith, Commissioner
 Mrs. Jane S. Bradley, Commissioner
 Mr. Peter Michaud, Commissioner
 Mr. Roland Beaudoin, Commissioner
 Mr. James E. Smith, Commissioner

MARYLAND
 Workers' Compensation Commission
 6 North Liberty
 Baltimore, Maryland 21201
 (301) 659-4700
 Mr. Charles J. Krysiak, Chairman
 Mr. Sidney W. Albert, Commissioner
 Mr. Edward A. Palamara, Commissioner
 Mr. G. Joseph Sills, Jr., Commissioner
 Ms. Carmel J. Snow, Commissioner
 Mr. J. Max Millstone, Commissioner
 Mr. Robert S. Redding, Commissioner
 Mr. L. Douglas Jefferson, Commissioner
 Mr. Stephen Rosenbaum, Commissioner

State Accident Fund
 8722 Loch Raven Boulevard
 Towson, Maryland 21204
 (301) 321-3993
 Mr. Donald Patter, Superintendent

MASSACHUSETTS
 Industrial Accidents Board
 Leverett Sallontall Office Building
 100 Cambridge Street
 Boston, Massachusetts 02202
 (617) 727-3400
 Mr. Joel Pressman, Chairman
 Mr. James McGinness, Commissioner
 Mr. Harry Demeter, Jr., Commissioner
 Mr. William McCarthy, Commissioner
 Mr. Salvatore Musco, Commissioner
 Mrs. Martha Scannel, Commissioner
 Mr. William A. Tickett, Commissioner
 Mr. William Cleary, Commissioner
 Mr. John McKinnon, Commissioner
 Mr. Richard A. Rogers, Commissioner
 Mr. Nicholas J. Vergados, Commissioner

MICHIGAN
 Bureau of Workers' Disability Compensation
 Department of Labor
 P.O. Box 30016
 309 North Washington Square
 Lansing, Michigan 48909
 (517) 373-3480
 Mr. Edward M. Welch, Director
 Mr. John P. Miron, Chief Deputy

Workers' Compensation Appeal Board
 309 North Washington Square
 Leonard Plaza Building
 Lansing, Michigan 48909

Ms. Marilyn E. Atkins, Chairman
 Mr. Bert Lee, Member
 Mr. Nancy Dav, Member
 Ms. Rosemary K. Wolock, Member
 Mr. Michael J. Mason, Member
 Mrs. Molly Beiner, Member
 Mrs. Moley H. Phelps, Member
 Mr. Robert L. Richardson, Member
 Mrs. Jane S. Colombo, Member
 Mr. Helen Simpson, Member
 Mr. Ramona Fernandez, Member
 Mr. Steven Gonzales, Member
 Mr. Basil Lloyd Blair, Member
 Ms. Sheila Hughes, Member
 Ms. Diane J. Burt, Member

State Accident Fund
 232 South Capitol Street
 Lansing, Michigan 48914
 (517) 485-7193
 Mr. Edwin Lancaster, Manager

MINNESOTA
 Workers' Compensation Division
 Department of Labor and Industry
 444 Layalene Road
 St. Paul, Minnesota 55101
 (612) 296-2432
 Mr. Steve Keele, Commissioner
 Mr. Jay Benanav, Deputy Commissioner

Workers' Compensation Court of Appeals
 Second Floor
 MEA Building
 55 Sherburne Avenue
 St. Paul, Minnesota 55103
 (612) 296-6526
 Hon. Mahlon F. Hanson, Chief Judge
 Hon. Leslie M. Altman, Administrative Judge
 Hon. Karen C. Shimon, Judge
 Hon. Leigh Gard, Judge
 Hon. Raymond O. Adel, Judge

State Workers' Compensation Mutual Insurance Company
 Suite 562, Southdale Office Centre
 600 France Avenue South
 Minneapolis, Minnesota 55435
 (612) 925-3850
 Mr. Andrew C. Meuwissen, President/CEO

MISSISSIPPI
 Workers' Compensation Commission
 1428 Lakeland Drive
 P.O. Box 5300
 Jackson, Mississippi 39216
 (601) 947-4200
 Mr. Marshall G. Bennett, Chairman
 Mr. O. L. Garmon III, Commissioner
 Mr. Walter M. O'Barr, Commissioner
 Mrs. Brenda H. Goolsby, Secretary

MISSOURI
 Division of Workers' Compensation
 Department of Labor and Industrial Relations
 P.O. Box 58
 Jefferson City, Missouri 65102
 (314) 751-4231
 Mr. Richard R. Rousselot, Director

Labor and Industrial Relations Commission
 1904 Missouri Boulevard
 P.O. Box 599
 Jefferson City, Missouri 65102
 Mrs. Hannelore D. Fischer, Chairman
 Mr. Robert L. Fowler, Member
 Mr. William F. Ringer, Member

MONTANA
 Division of Workers' Compensation
 5 South Last Chance Gulch
 Helena, Montana 59604
 (406) 444-6518
 Mr. Gary L. Blewett, Administrator

Workers' Compensation Court
 5 South Last Chance Gulch
 P.O. Box 537
 Helena, Montana 59624
 Judge Timothy W. Reardon

State Compensation Insurance Fund
 Same address as Division
 Ms. Janice F. Van Riper, Bureau Chief

CHART XVI □ DIRECTORY OF WORKERS' COMPENSATION ADMINISTRATORS □ January 1, 1986 (continued)

NEBRASKA

Workmen's Compensation Court
State House, 12th Floor
Lincoln, Nebraska 68509
(402) 471-2568
Hon. Ben Novicoff, Presiding Judge
Hon. Paul E. LeClair, Judge
Hon. Mark A. Buchholz, Judge
Hon. James P. Momen, Judge
Hon. Theodore W. Vrana, Judge
Hon. Michael P. Cavel, Judge
Mrs. Yvonne Norton Leung, Administrator

NEVADA

State Industrial Insurance System
515 East Mussar Street
Carson City, Nevada 89714
(702) 885-5284
Mr. Laury M. Lewis, General Manager

Department of Industrial Relations
1330 South Curry Street
Carson City, Nevada 89710
(702) 885-3032
Mr. James Barnes, Director

NEW HAMPSHIRE

Department of Labor
19 Pillsbury Street
Concord, New Hampshire 03301
(603) 271-3171
Mr. Vance R. Kelly, Commissioner
Mrs. Ann B. Crane, Director, WC Program

NEW JERSEY

Division of Workers' Compensation
Department of Labor
Call Number 381
Trenton, New Jersey 08625
(609) 292-2414
Hon. A. J. Napier, Chief Judge
Mr. Glenn Paulsen, Director

NEW MEXICO

Labor and Industrial Commission
1596 Pacheco Street
Santa Fe, New Mexico 87501
(505) 827-9870
Mr. Frank B. Smith, Labor Commissioner

Workmen's Compensation Division
Same address as Commission
(505) 827-9876
Mrs. Consuelo C. Smith, Manager

NEW YORK

Workers' Compensation Board
180 Livingston Street
Brooklyn, New York 11248
(718) 802-6600
Mr. Robert Stongu, Chairman
Mr. Seymour Posner, Vice Chairman
Mr. William Kroeger, Member
Mr. Ernest R. Latham, Member
Mr. William C. Mullany, Member
Mr. Walter Shields, Member
Ms. Ilene J. Slater, Member
Mr. Joseph A. Tauriello, Member
Mr. Ferdinand Tremli, Member
Mr. Raymond A. Charles, Jr., Member
Mr. Sv Cohen, Member
Mr. Francis J. Griffin, Member
Mr. Thomas W. Gleason, Executive Director

State Insurance Fund
199 Church Street
New York, New York 10007
(212) 952-8000
Mr. Arnold Kidecker, Executive Director

NORTH CAROLINA

Industrial Commission
Obbs Building
430 North Salisbury Street
Raleigh, North Carolina 27611
(919) 733-4820
Mr. David V. Brooks, Chairman
Mr. William H. Stephenson, Commissioner
Mr. Charles Clay, Commissioner

NORTH DAKOTA

Workmen's Compensation Bureau
Russell Building-Hwy. 83 North
4007 N. State Street
Bismarck, North Dakota 58501
(701) 224-2700
Ms. Katherine M. Salrom, Chairman
Mr. Quentin Retterath, Commissioner
Mr. Richard A. Mikkelsen, Commissioner

Workmen's Compensation Fund
Same address as Bureau

OHIO

Bureau of Workers' Compensation
246 North High Street
Columbus, Ohio 43215
(614) 466-2950
Mr. James L. Mayfield, Administrator

Industrial Commission
Same address as Bureau
Mr. Leonard T. Lancaster, Chairman
Mr. Emory Huguely, Vice Chairman
Mr. Robert L. McAllister, Member
Mr. Raymond A. Connor, Member

State Insurance Fund
Same address as Bureau

OKLAHOMA

Oklahoma Workers' Compensation Court
Jim Thorpe Building
2101 North Lincoln Boulevard
Oklahoma City, Oklahoma 73105
(405) 521-8025
Hon. Charles L. Cashion, Presiding Judge
Hon. Gary W. Sleeper, Judge
Hon. Victor R. Seagle, Judge
Hon. Bill V. Cross, Judge
Hon. Dick Lynn, Judge
Hon. Clint G. Livingston, Judge
Hon. Jacques J. Jeffries-Brawner, Judge
Hon. Kay Karen Kennedy, Judge

State Insurance Fund
5th and Walnut
Oklahoma City, Oklahoma 73105
(405) 232-7653
Mr. David Elenburg, Manager

OREGON

Workers' Compensation Department
Labor and Industries Building
Salem, Oregon 97310
(503) 378-3304
Mr. William J. Brown, Director

Workers' Compensation Board
480 Church Street
Salem, Oregon 97310
Ms. Evelyn S. Ferns, Chairperson
Mr. George E. Lewis, Member
Mr. Greg McMurdo, Member

SAIF Corporation
400 High Street, S.E.
Salem, Oregon 97312
Mr. Gary A. Reid, President

PENNSYLVANIA

Bureau of Workers' Compensation
Department of Labor and Industry
3607 Derry Street
Harrisburg, Pennsylvania 17111
(717) 783-5421
Mr. Jan C. Smith, Director

Workers' Compensation Appeal Board
4th Floor
Harrisburg, Pennsylvania 17111
(717) 783-7838
Mr. Harold Fergus, Chairman
Mr. Anthony R. Cagnetti, Commissioner
Mr. Thomas Breslin, Commissioner
Mr. Robert Font, Commissioner
Mr. William H. Muir, Commissioner

State Workmen's Insurance Fund
100 Lackawanna Avenue
Scranton, Pennsylvania 18503
(717) 963-4630
Mr. William Westington, Acting Manager

PUERTO RICO

Industrial Commissioner's Office
G.P.O. Box 4466
San Juan, Puerto Rico 00936
(809) 783-2028
Mr. Gilberto M. Charnez, Chairman
Mr. Epifanio Aldahondo, Commissioner
Mr. Jorge Mondéz, Commissioner
Mr. Ramon Domenech, Commissioner
Mr. Luis Duprey, Commissioner

State Insurance Fund
G.P.O. Box 5028
San Juan, Puerto Rico 00936
Mr. Cirilo Trado, Administrator

RHODE ISLAND

Department of Workers' Compensation
230 Elmwood Avenue
Providence, Rhode Island 02907
(401) 277-2722
Mr. Robert Anagnano, Director
Mr. Michael J. Hartahan, Administrator

Workers' Compensation Commission
1 Dorrance Plaza
Providence, Rhode Island 02903
(401) 277-3097
Mr. Eugene J. Laferriere, Chairman
Mr. Robert F. Arngan, Commissioner
Mr. William G. Gilroy, Commissioner
Mr. Moses Kando, Commissioner
Mr. Andrew E. McConneil, Commissioner
Mr. Carmine Rao, Commissioner
Mr. John Rolando, Commissioner
Mr. William A. Castro, Administrator

SOUTH CAROLINA

Industrial Commission
Middleburg Office Park
1800 St. Julian Place
Columbia, South Carolina 29204
(803) 758-2558
Mr. James J. Reid, Chairman
Mr. John R. Tally, Commissioner
Ms. Virginia L. Crocker, Commissioner
Mr. Milton Kimpson, Commissioner
Mr. Holmes C. Dreher, Commissioner
Mr. W. J. Fedder, Commissioner
Mr. Reinhardt Brown, Commissioner
Mr. Samuel E. Kurven, Judicial Administrator
Mr. John E. Nabors, Executive Assistant

State Workers' Compensation Fund
800 Dutch Square Boulevard, Suite 160
Columbia, South Carolina 29210
(803) 759-6500
Mr. John W. Scott, Director

SOUTH DAKOTA

Division of Labor and Management
Department of Labor
Knap Building, Second Floor
700 Illinois North
Pierre, South Dakota 57501
(605) 773-3681
Mr. Peter de Hueck, Director

TENNESSEE

Workers' Compensation Division
Department of Labor
501 Union Building
Second Floor
Nashville, Tennessee 37219
(615) 741-2395
Mrs. Sue Ann Head, Director

TEXAS

Industrial Accident Board
200 East Riverside Drive, First Floor
Austin, Texas 78704
(512) 448-7900
Mr. Joseph C. Gagen, Chairperson
Mr. Bobby J. Barnes, Member
Mr. N. J. Huastis, Member
Mr. William Treacy, Executive Director

UTAH

Industrial Commission
160 East 300 South
Salt Lake City, Utah 84111
(801) 530-6800
Mr. Stephen M. Hadley, Chairman
Mr. Walter T. Axelgard, Commissioner
Mr. L. L. Neilsen, Commissioner

State Insurance Fund
560 South 300 East
Salt Lake City, Utah 84111
(801) 533-6526
Mr. Blaine Palmer, Director

VERMONT

Department of Labor and Industry
120 State Street
Montpelier, Vermont 05602
(802) 823-2236
Mr. William A. Dalton, Commissioner

VIRGIN ISLANDS

Department of Labor
P.O. Box 890
Christiansburg, St. Croix, Virgin Islands 00301
(809) 773-6200
Mr. Douglas E. Simpson, Deputy Commissioner

VIRGINIA

Industrial Commission
1000 DMV Building
P.O. Box 1794
Richmond, Virginia 23220
(804) 257-8600
Mr. Charles G. James, Chairman
Mr. Robert P. Joyner, Commissioner
Mr. William E. O'Neill, Commissioner

WASHINGTON

Department of Labor and Industries
General Administration Building
AX-31
Olympia, Washington 98504
(206) 753-6341
Mr. Richard A. Davis, Director
Mr. Joseph A. Dear, Deputy Director

Board of Industrial Insurance Appeals
410 West 5th Street
Capitol Center Building
Olympia, Washington 98504
Mr. Gary B. Wiggs, Chairman
Mr. Frank Fennerty, Jr., Member
Mr. Philip T. Bork, Member

Industrial Insurance Division (State Fund)
Same address as Department
Mr. William A. Ziegler, Jr., Assistant Director

WEST VIRGINIA

Workers' Compensation Commissioner's
Office
P.O. Box 3151
Charleston, West Virginia 25332
(304) 348-2580
Ms. Mary Martha Merritt, Commissioner

Workers' Compensation Appeal Board
601 Morris Street, Room 419
Charleston, West Virginia 25301
Mr. John Preston Bailey, Chairman
Mr. Louis J. John, Member
Mrs. Jane Coyle, Member

Workmen's Compensation Fund
Same address as Commissioner's Office

WISCONSIN

Workers' Compensation Division
Department of Industry, Labor, and Human
Relations
P.O. Box 7931
Room 161
201 East Washington Avenue
Madison, Wisconsin 53707
(608) 266-1340
Ms. Carol Lobes, Administrator

Labor and Industry Review Commission
P.O. Box 8126
Madison, Wisconsin 53708
Mr. David A. Pearson, Chairman

WYOMING

Workers' Compensation Division
State Treasurer's Office
122 West 25th Street, 2nd fl.
East Wing, Herschler Building
Cheyenne, Wyoming 82002
(307) 777-7441
Mrs. Ann E. Woodward, Director

Industrial Accident Fund
Same address as Division

UNITED STATES

Department of Labor
Employment Standards Administration
Washington, D.C. 20210
(202) 523-6191
Ms. Susan R. Meisinger,
Deputy Under Secretary

Office of Workers' Compensation Programs
(202) 523-7511
Mr. Lawrence W. Rogers Jr., Director

Division of Coal Mine Workers' Compensation
(202) 523-6692
Mr. James DeMarce, Associate Director

Division of Federal Employees' Compensation
(202) 523-7552
Mr. Thomas M. Markey, Associate Director

Division of Longshore and Harbor Workers'
Compensation
(202) 523-8572
Mr. Neil A. Montone, Associate Director

Office of State Liaison and
Legislative Analysis
(202) 523-3575
Mrs. June M. Robinson, Director

Division of State Workers' Compensation
Programs
(202) 523-9575
Mr. Glenn A. Whittington, Director

Benefits Review Board
1111 20th Street, N.W.
Suite 757
Vanquair Building
Washington, D.C. 20036
(202) 433-5060

Mr. Robert L. Ramsey, Chief Adm. Appeals Judge
Mr. Roy P. Smith, Adm. Appeals Judge
Mr. James F. Brown, Adm. Appeals Judge
Mrs. Nancy S. Dolder, Adm. Appeals Judge
Ms. Regina C. McGranery, Adm. Appeals Judge

Employees' Compensation Appeals Board
300 Reporters Building
7th & D Streets, S.W.
Room 300
Washington, D.C. 20210
(202) 472-5600
Mr. Michael J. Walsh, Chairman
Mr. George E. Rivers, Member
Mr. David S. Gerson, Member
Ms. Michelle V. Koisch, Alternate Member
Mr. Willie T.C. Thomas, Alternate Member

ALBERTA
 Workers' Compensation Board
 P.O. Box 2415
 9912 107th Street
 Edmonton, Alberta T5J 2S5
 (403) 427-1100
 Mr. Kenneth C. Pals, Chairman
 Dr. A.E. Hohol, Vice Chairman
 Mr. Roy H. Jamha, Member
 Mr. Peter Kolba, Member
 Mr. Maurice Barry, Member
 Mr. T.P. Griffin, Executive Director-Administration
 Mr. John Wisocky, Executive Director-Claims Services
 Mr. K.W. Coull, Executive Director-Finance

BRITISH COLUMBIA
 Workers' Compensation Board
 6951 Westminster Highway
 Richmond, British Columbia V7C 1C6
 (604) 273-2266
 Mr. Walter R. Fleisher, Chairman
 Ms. Joan Nutter, Commissioner
 Mr. Michael Parr, Commissioner
 Mr. Glenn Hall, Commissioner

MANITOBA
 Workers' Compensation Board
 333 Maryland Street
 Winnipeg, Manitoba R3G 1M2
 (204) 785-5471
 Ms. Sonny Arrojado, Chairperson
 Mr. T. Don Bulloch, Commissioner
 Mr. Allan A. Fleury, Commissioner
 Mr. Ken Kurbis, Chief Executive Officer

NEW BRUNSWICK
 Workers' Compensation Board
 P.O. Box 160
 Saint John, New Brunswick E2L 3X9
 (506) 632-2200
 Mr. Roland C. Boudreau, Vice Chairman
 Mr. M.P. Fisher, Commissioner
 Mr. Brian Baxter, Executive Director

NEWFOUNDLAND
 Workers' Compensation Board
 P.O. Box 9000
 Station B
 St. John's, Newfoundland A1A 3B8
 (709) 754-2940
 Mr. Edward Maynard, Chairman
 Mr. Gordon F. Woodford, Commissioner
 Mr. Andrew G. Rose, Commissioner
 Mr. Maxwell J. Bursey, Executive Director-Claims Services
 Mr. Bruce Peckford, Executive Director-Finance and Administration

NORTHWEST TERRITORIES
 Workers' Compensation Board
 P.O. Box 8888
 Yellowknife, Northwest Territories X1A 1J
 (403) 873-7484
 Mr. Bryan Roberts, Acting Chairman
 Mr. Bill Berezowski, Member
 Mr. W. Hettinck, Member
 Mr. D. Johnston, Member
 Mr. Mike Zubko, Member
 Mr. J. Todd, Member
 Mr. Arnold Hope, Member
 Mr. J.D.C. MacLean, Member

NOVA SCOTIA
 Workers' Compensation Board
 5668 South Street
 P.O. Box 1150
 Halifax, Nova Scotia B3J 2Y2
 (902) 425-8440
 Mr. R.J. Allen, Chairman
 Mr. Burt Couits, Vice Chairman
 Mr. James Vaughan, Commissioner
 Mr. Greg Hicks, Commissioner
 Mr. J.H. Cottenden, Executive Director, Finance
 Mr. M.J. MacNeil, Executive Director, Administration

Workers' Compensation Appeal Board
 3rd Floor, Lord Nelson Arcade
 Spring Garden Road
 P.O. Box 3311
 Halifax, Nova Scotia B3J 3J1
 Mr. Lawrence F. Scaravelli, Chairman
 Mr. H. Maxwell Pierce, Member
 Mr. Donald Hutchinson, Member
 Mrs. Shirley MacNeil, Member
 Mr. George Beckwith, Member
 Mr. John J. O'Brien, Executive Officer

ONTARIO
 Workers' Compensation Board
 2 Bloor Street East
 Toronto, Ontario M4W 3C3
 (416) 965-8884
 Hon. Lincoln M. Alexander, Chairman
 Mr. A.G. MacDonald, Vice Chairman-Administration
 Mr. T.D. Warrington, Vice Chairman Appeals
 Dr. W.F. Jacobs, Commissioner-Appeals
 Mr. Thomas A. McEwan, Commissioner-Appeals
 Mr. R. D. Reilly, Asst. General Manager
 Mr. Alex Joma, Secretary
 Mr. D. Cain, Associate Secretary
 Mr. P.J. Walker, Register of Appeals

PRINCE EDWARD ISLAND
 Workers' Compensation Board
 60 Belvedere Avenue
 P.O. Box 757
 Charlottetown, Prince Edward Island C1A 7L7
 (902) 894-8555
 Mr. Leo Rossiter, Chairman
 Mr. Arthur Brown, Member
 Mr. Raymond Livingstone, Vice Chairman
 Mr. C.E. Ready, Executive Secretary

QUEBEC
 Commission de la Sante et de la Securite du Travail
 524 Bourdages Street
 Quebec, Quebec G1K 7E2
 (418) 643-5973
 Hon. Robert Sauve, President
 Mr. Jean-Louis Bertrand, Vice President
 Mr. Lionel Bernier, Vice President
 Mr. Paul Emile Boucher, Vice President
 Mr. Pierre LaFrance, Secretary

SASKATCHEWAN
 Workers' Compensation Board
 1840 Lorne Street
 Regina, Saskatchewan S4P 2L8
 (306) 787-4370
 Mr. Garnet Garven, Chairman and CEO
 Mr. Phillip J. Leduc, Member
 Mr. Robert G. McWillie, Member
 Mr. Ernest R. Moody, Member
 Mr. K.L. Brown, Sr. V.P.-Administration
 Mr. J.A. McLean, Sr. V.P.-Adjudication

YUKON
 Workers' Compensation Board
 4114 4th Avenue
 Suite 300
 Whitehorse, Yukon Y1A 4N7
 (403) 667-5645
 Mr. Brian Booth, Chairman
 Mr. Gerry Dobson, Member
 Mr. Tom Mckey, Member
 Miss Dorothy Wasylynchuk, Executive Director

CANADA
 Labour Canada
 Occupational Safety and Health Branch
 Injury Compensation Division
 Ottawa, Ontario K1A 0J3
 (613) 997-2281
 Mr. J.F. Ellsworth, Chief

Merchant Seamen Compensation Board
 Labour Canada
 Ottawa, Ontario K1A 0J2
 Mrs. W. Porteous, Chairman
 Capt. J.G. Daniels, Vice Chairman
 Mr. J.F. Ellsworth, Secretary

ABBREVIATIONS AND COMPUTATIONS IN CHARTS

ABBREVIATIONS

AWW	—	Worker's average weekly wage
C.M.S.C.A.	—	Canadian Merchants Seamen's Compensation Act
F.E.C.A.	—	Federal Employees' Compensation Act
O.W.C.P.	—	Office of Workers' Compensation Programs, U.S. Department of Labor
NAWW	—	National average weekly wage
PP	—	Permanent partial disability
PT	—	Permanent total disability
SAMW	—	Statewide average monthly wage
SAWW	—	Statewide average weekly wage
TP	—	Temporary partial disability
TT	—	Temporary total disability

COMPUTATIONS—MONTHLY TO WEEKLY

All benefits payable other than on a weekly basis have been converted to an equivalent weekly rate. There are several methods of conversion in use, which may cause slight differences in result. This *Analysis* attempts to follow the practice of the jurisdiction wherever possible.

1. A method widely used in Canada is to multiply the monthly benefit by 12, divide by 365, and multiply the result by 7. Example for a monthly benefit of \$750:

$$\frac{750 \times 12 \times 7}{365} = \$172.60$$

2. A second method is to multiply the monthly benefit by 12 and divide by 52. Example:

$$\frac{750 \times 12}{52} = \$173.08$$

3. The third method is to divide the monthly benefit by 4.3 or a similar figure because the average month contains 4.33 weeks. Example:

$$\frac{750}{4.3} = \$174.42$$

State Workers' Compensation Laws



Jacque

U.S. Department of Labor
Employment Standards Administration
Office of State Liaison and Legislative Analysis
Division of State Workers' Compensation Programs

July 1986

AWCB
BUREAU AUG 13 1986

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- Table 2. Numerical Exemptions
- Table 3. Coverage of Agricultural Workers
- Table 4. Jurisdictions in Which Workers' Compensation Laws Apply to Domestic Employment
- Table 5. Medical Benefits and Methods of Physician Selection Provided by Workers' Compensation Statutes in the U. S.
- Table 6. Benefits for Temporary Total Disability Provided by Workers' Compensation Statutes in the U. S.
- Table 7. Benefits for Permanent Total Disability Provided by Workers' Compensation Statutes in the U. S.
- Table 8. Benefits for Permanent Partial Disability Provided by Workers' Compensation Statutes in the U. S.
- Table 9. Maximum Benefits and Periods of Payment for Selected Permanent Partial Disabilities
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TABLE 1. TYPE OF LAW AND INSURANCE REQUIREMENTS FOR PRIVATE EMPLOYMENT (cont.)

Jurisdiction	Type of Law: Compulsory or Elective	Waivers Permitted	Employer to Insure Through:			
			State Fund	Pvt. Carrier	Self-Insurance By: Indiv. Employer Grp. of Employers	
North Dakota	Compulsory	No	Exclusive	No	No	No
Ohio	Compulsory	Yes	Exclusive	No	Yes	No
Oklahoma	Compulsory	No	Competitive	Yes	Yes	Yes
Oregon	Compulsory	No	Competitive	Yes	Yes	No
Pennsylvania	Compulsory	No	Competitive	Yes	Yes	No
Puerto Rico	Compulsory	No	Exclusive	No	No	No
Rhode Island	Compulsory	No	No	Yes	Yes	Yes
South Carolina	Elective	Yes	No	Yes	Yes	Yes
South Dakota	Compulsory	Yes	No	Yes	Yes	Yes
Tennessee	Compulsory	Yes	No	Yes	Yes	Yes
Texas ^{2/}	Elective	No	No	Yes	No	No
Utah	Compulsory	No	Competitive	Yes	Yes	No
Vermont	Compulsory	Yes	No	Yes	Yes	No
Virgin Islands	Compulsory	No	Exclusive	No	No	No
Virginia	Compulsory	Yes	No	Yes	Yes	Yes
Washington	Compulsory	No	Exclusive	No	Yes	Yes
West Virginia	Compulsory	No	Exclusive	No	Yes	No
Wisconsin	Compulsory	No	No	Yes	Yes	No
Wyoming	Compulsory	No	Exclusive	No	No	No
United States*:						
FECA	Compulsory	No	Exclusive	No	Yes	No
LHWCA	Compulsory	No	No	Yes	Yes	No

* Federal Employees' Compensation Act.
Longshoremen's and Harbor Workers' Compensation Act.

^{1/} New Jersey: Permits ten or more employers licensed by the State as hospitals to group self-insure.

^{2/} Texas: Provides for mandatory workers' compensation coverage under Title 25 of State Statutes regarding rules and regulations for "Carriers" (Article 911-A, Sec. 11 Motor Bus Transportation and Regulations by the Railroad Commission).

TABLE 2. NUMERICAL EXEMPTIONS (cont.)

Footnotes:

- 1/ Illinois: A numerical exemption of 2 or less employees is applicable to "carriage by land, water, or aerial service and loading or unloading in connection therewith..."
- 2/ Kansas: Employers are exempt if they had a total gross annual payroll for the preceding year of less than \$10,000, and anticipate the same or lower payroll expenses for the current year.
- 3/ Arkansas: Contractor engaged in building or building repair work is covered if he or she employs 2 or more employees at any one time. If a contractor sub-contracts any portion of the work, the numerical exemption requirement applies. Corporate officers or self-employed employers who elect to be exempt from coverage are required to cover their employees, regardless of whether the number of employees in the business is reduced to less than three.
- 4/ Michigan: A numerical exemption of 2 or less employees applies, unless, at least 1 employee is employed by the same employer for 35 hours per week for 13 weeks or longer during the preceding 52 weeks.
- 5/ Wisconsin: Employers, other than farmers, who usually have less than 3 employees but who have paid wages of \$500 or more in any calendar quarter for work performed within the State are covered the first day of the next calendar year.
- 6/ North Carolina: Act exempts individual sawmill and logging operators with less than 10 employees, operating less than 50 days in 6 consecutive months and whose principal business is unrelated to sawmills.
- 7/ South Carolina: Numerical exemption does not apply if employer has a total annual payroll during the previous calendar year of less than \$3,000.

STATES IN WHICH WORKERS' COMPENSATION LAWS APPLY TO FARMWORKERS (cont.)

State	Farmworkers Covered	Type of Coverage
Alaska	Agricultural employees, <u>except</u> those employed on a part-time basis.	Compulsory
Arizona	Agricultural workers are covered the same as all other employees.	Compulsory
California	Agricultural workers are covered the same as all other employees.	Compulsory
Colorado	Agricultural workers are covered the same as all other employees.	Compulsory
Connecticut	Agricultural workers are covered the same as all other employees.	Compulsory
Delaware	Agricultural employees whose employer carries insurance to provide coverage for such workers or their dependents.	Elective
District of Columbia	Agricultural workers are covered the same as all other employees.	Compulsory
Florida	Agricultural workers, <u>except</u> those performing agricultural labor on a farm in the employ of a bona fide farmer or association of farmers, employing 5 or less regular employees and less than 12 other employees at one time for seasonal employment in less than 30 days, provided such seasonal employment does not exceed 45 days in the same calendar year.	Compulsory
Hawaii	Agricultural workers are covered the same as all other employees.	Compulsory
Illinois	Agricultural workers employed by an individual employer for 500 or more aggregate man-days in any quarter during the preceding calendar year; exclusive of the employer's spouse and other members of his immediate family residing with him.	Compulsory

STATES IN WHICH WORKERS' COMPENSATION LAWS APPLY TO FARMWORKERS (cont.)

State	Farmworkers Covered	Type of Coverage
Montana	Agricultural workers are covered the same as all other employees.	Compulsory
New Hampshire	Agricultural workers are covered the same as all other employees.	Compulsory
New Jersey	Agricultural workers are covered the same as all other employees.	Elective
New York	Requires workers' compensation coverage of farm laborers for 12 months, from April 1, if the farmer's total cash wage remuneration paid to all farm laborers during the preceding calendar year amounts to \$1,200 or more; farmworkers supplied to farmer by a farm labor contractor would be deemed to be employees of the farmer.	Compulsory
North Carolina	All county agricultural extension service employees who are not employed by the U.S. Department of Agriculture and who are field faculty members with professional rank; and those paid from State or county funds.	Compulsory
Ohio	Agricultural workers are covered the same as all other employees.	Compulsory
Oklahoma	All workers employed in agriculture or horticulture by an employer who had a gross annual payroll, including money paid to independent contractors, in the preceding calendar year of \$100,000 or more.	Compulsory
Oregon	Agricultural workers are covered the same as all other employees.	Compulsory
Puerto Rico	No expressed provision exempting farmworkers, therefore, farmworkers are covered in same manner as other workers. Sharecroppers are specifically covered.	Compulsory

TABLE 1. TYPE OF LAW AND INSURANCE REQUIREMENTS FOR PRIVATE EMPLOYMENT' (cont.)

Jurisdiction	Type of Law: Compulsory or Elective	Waivers Permitted	Employer to Insure Through:			
			State Fund	Pvt. Carrier	Self-Insurance By: Indiv. Employer Grp. of Employers	
North Dakota	Compulsory	No	Exclusive	No	No	No
Ohio	Compulsory	Yes	Exclusive	No	Yes	No
Oklahoma	Compulsory	No	Competitive	Yes	Yes	Yes
Oregon	Compulsory	No	Competitive	Yes	Yes	No
Pennsylvania	Compulsory	No	Competitive	Yes	Yes	No
Puerto Rico	Compulsory	No	Exclusive	No	No	No
Rhode Island	Compulsory	No	No	Yes	Yes	Yes
South Carolina	Elective	Yes	No	Yes	Yes	Yes
South Dakota	Compulsory	Yes	No	Yes	Yes	Yes
Tennessee	Compulsory	Yes	No	Yes	Yes	Yes
Texas ^{2/}	Elective	No	No	Yes	No	No
Utah	Compulsory	No	Competitive	Yes	Yes	No
Vermont	Compulsory	Yes	No	Yes	Yes	No
Virgin Islands	Compulsory	No	Exclusive	No	No	No
Virginia	Compulsory	Yes	No	Yes	Yes	Yes
Washington	Compulsory	No	Exclusive	No	Yes	Yes
West Virginia	Compulsory	No	Exclusive	No	Yes	No
Wisconsin	Compulsory	No	No	Yes	Yes	No
Wyoming	Compulsory	No	Exclusive	No	No	No
United States*:						
FECA	Compulsory	No	Exclusive	No	Yes	No
LHWCA	Compulsory	No	No	Yes	Yes	No

* Federal Employees' Compensation Act.
Longshoremen's and Harbor Workers' Compensation Act.

^{1/} New Jersey: Permits ten or more employers licensed by the State as hospitals to group self-insure.

^{2/} Texas: Provides for mandatory workers' compensation coverage under Title 25 of State Statutes regarding rules and regulations for "Carriers" (Article 911-A, Sec. 11 Motor Bus Transportation and Regulations by the Railroad Commission).

TABLE 1. TYPE OF LAW AND INSURANCE REQUIREMENTS FOR PRIVATE EMPLOYMENT

Jurisdiction	Type of Law: Compulsory or Elective	Waivers, Permitted	Employer to Insure Through:			
			State Fund	Pvt. Carrier	Self-Insurance By: Indiv. Employer Grp. of Employers	
Alabama	Compulsory	No	No	Yes	Yes	Yes
Alaska	Compulsory	Yes	No	Yes	Yes	No
Arizona	Compulsory	Yes	Competitive	Yes	Yes	No
Arkansas	Compulsory	Yes	No	Yes	Yes	Yes
California	Compulsory	No	Competitive	Yes	Yes	No
Colorado	Compulsory	Yes	Competitive	Yes	Yes	No
Connecticut	Compulsory	Yes	No	Yes	Yes	Yes
Delaware	Compulsory	No	No	Yes	Yes	Yes
Dist. of Col.	Compulsory	No	No	Yes	Yes	No
Florida	Compulsory	Yes	No	Yes	Yes	Yes
Georgia	Compulsory	Yes	No	Yes	Yes	Yes
Hawaii	Compulsory	No	Competitive	Yes	Yes	Yes
Idaho	Compulsory	No	Competitive	Yes	Yes	No
Illinois	Compulsory	No	No	Yes	Yes	Yes
Indiana	Compulsory	No	No	Yes	Yes	No
Iowa	Compulsory	Yes	No	Yes	Yes	Yes
Kansas	Compulsory	Yes	No	Yes	Yes	Yes
Kentucky	Compulsory	Yes	No	Yes	Yes	Yes
Louisiana	Compulsory	Yes	No	Yes	Yes	Yes
Maine	Compulsory	Yes	No	Yes	Yes	Yes
Maryland	Compulsory	Yes	Competitive	Yes	Yes	Yes
Massachusetts	Compulsory	No	No	Yes	Yes	No
Michigan	Compulsory	Yes	Competitive	Yes	Yes	Yes
Minnesota	Compulsory	No	Competitive	Yes	Yes	Yes
Mississippi	Compulsory	No	No	Yes	Yes	No
Missouri	Compulsory	No	No	Yes	Yes	Yes
Montana	Compulsory	Yes	Competitive	Yes	Yes	Yes
Nebraska	Compulsory	Yes	No	Yes	Yes	No
Nevada	Compulsory	No	Exclusive	No	Yes	No
New Hampshire	Compulsory	No	No	Yes	Yes	Yes
New Jersey	Elective	No	No	Yes	Yes	No ^{1/}
New Mexico	Compulsory	Yes	No	Yes	Yes	No
New York	Compulsory	No	Competitive	Yes	Yes	Yes
North Carolina	Compulsory	Yes	No	Yes	Yes	Yes

TABLE 1. TYPE OF LAW AND INSURANCE REQUIREMENTS FOR PRIVATE EMPLOYMENT

Jurisdiction	Type of Law: Compulsory or Elective	Waivers Permitted	Employer to Insure Through:			
			State Fund	Pvt. Carrier	Self-Insurance By:	
		Indiv. Employer			Grp. of Employers	
Alabama	Compulsory	No	No	Yes	Yes	Yes
Alaska	Compulsory	Yes	No	Yes	Yes	No
Arizona	Compulsory	Yes	Competitive	Yes	Yes	No
Arkansas	Compulsory	Yes	No	Yes	Yes	Yes
California	Compulsory	No	Competitive	Yes	Yes	No
Colorado	Compulsory	Yes	Competitive	Yes	Yes	No
Connecticut	Compulsory	Yes	No	Yes	Yes	Yes
Delaware	Compulsory	No	No	Yes	Yes	Yes
Dist. of Col.	Compulsory	No	No	Yes	Yes	No
Florida	Compulsory	Yes	No	Yes	Yes	Yes
Georgia	Compulsory	Yes	No	Yes	Yes	Yes
Hawaii	Compulsory	No	Competitive	Yes	Yes	Yes
Idaho	Compulsory	No	Competitive	Yes	Yes	No
Illinois	Compulsory	No	No	Yes	Yes	Yes
Indiana	Compulsory	No	No	Yes	Yes	No
Iowa	Compulsory	Yes	No	Yes	Yes	Yes
Kansas	Compulsory	Yes	No	Yes	Yes	Yes
Kentucky	Compulsory	Yes	No	Yes	Yes	Yes
Louisiana	Compulsory	Yes	No	Yes	Yes	Yes
Maine	Compulsory	Yes	No	Yes	Yes	Yes
Maryland	Compulsory	Yes	Competitive	Yes	Yes	Yes
Massachusetts	Compulsory	No	No	Yes	Yes	No
Michigan	Compulsory	Yes	Competitive	Yes	Yes	Yes
Minnesota	Compulsory	No	Competitive	Yes	Yes	Yes
Mississippi	Compulsory	No	No	Yes	Yes	No
Missouri	Compulsory	No	No	Yes	Yes	Yes
Montana	Compulsory	Yes	Competitive	Yes	Yes	Yes
Nebraska	Compulsory	Yes	No	Yes	Yes	No
Nevada	Compulsory	No	Exclusive	No	Yes	No
New Hampshire	Compulsory	No	No	Yes	Yes	Yes
New Jersey	Elective	No	No	Yes	Yes	No <u>1/</u>
New Mexico	Compulsory	Yes	No	Yes	Yes	No
New York	Compulsory	No	Competitive	Yes	Yes	Yes
North Carolina	Compulsory	Yes	No	Yes	Yes	Yes

TABLE 1. TYPE OF LAW AND INSURANCE REQUIREMENTS FOR PRIVATE EMPLOYMENT (cont.)

Jurisdiction	Type of Law: Compulsory or Elective	Waivers Permitted	Employer to Insure Through:			
			State Fund	Pvt. Carrier	Self-Insurance By: Indiv. Grp. of Employer Employers	
North Dakota	Compulsory	No	Exclusive	No	No	No
Ohio	Compulsory	Yes	Exclusive	No	Yes	No
Oklahoma	Compulsory	No	Competitive	Yes	Yes	Yes
Oregon	Compulsory	No	Competitive	Yes	Yes	No
Pennsylvania	Compulsory	No	Competitive	Yes	Yes	No
Puerto Rico	Compulsory	No	Exclusive	No	No	No
Rhode Island	Compulsory	No	No	Yes	Yes	Yes
South Carolina	Elective	Yes	No	Yes	Yes	Yes
South Dakota	Compulsory	Yes	No	Yes	Yes	Yes
Tennessee	Compulsory	Yes	No	Yes	Yes	Yes
Texas ^{2/}	Elective	No	No	Yes	No	No
Utah	Compulsory	No	Competitive	Yes	Yes	No
Vermont	Compulsory	Yes	No	Yes	Yes	No
Virgin Islands	Compulsory	No	Exclusive	No	No	No
Virginia	Compulsory	Yes	No	Yes	Yes	Yes
Washington	Compulsory	No	Exclusive	No	Yes	Yes
West Virginia	Compulsory	No	Exclusive	No	Yes	No
Wisconsin	Compulsory	No	No	Yes	Yes	No
Wyoming	Compulsory	No	Exclusive	No	No	No
United States*:						
FECA	Compulsory	No	Exclusive	No	Yes	No
LHWCA	Compulsory	No	No	Yes	Yes	No

* Federal Employees' Compensation Act.
Longshoremen's and Harbor Workers' Compensation Act.

^{1/} New Jersey: Permits ten or more employers licensed by the State as hospitals to group self-insure.

^{2/} Texas: Provides for mandatory workers' compensation coverage under Title 25 of State Statutes regarding rules and regulations for "Carriers" (Article 911-A, Sec. 11 Motor Bus Transportation and Regulations by the Railroad Commission).

TABLE 2. NUMERICAL EXEMPTIONS

Jurisdictions Making No Numerical Exemptions

Alaska	Nevada
Arizona	New Hampshire
California	New Jersey
Colorado	New York
Connecticut	North Dakota
Delaware	Ohio
District of Columbia	Oklahoma
Hawaii	Oregon
Idaho	Pennsylvania
Illinois <u>1/</u>	Puerto Rico
Indiana	South Dakota
Iowa	Texas
Kansas <u>2/</u>	Utah
Kentucky	Vermont
Louisiana	Virgin Islands
Maine	Washington
Maryland	West Virginia
Massachusetts	Wyoming
Minnesota	United States*:
Montana	FECA
Nebraska	LHWCA

In the following jurisdictions, employers are exempt who employ fewer than:

3 employees

4 employees

5 employees

Alabama
 Arkansas 3/
 Florida
 Georgia
 Michigan 4/
 New Mexico
 Virginia
 Wisconsin 5/

North Carolina 6/
 Rhode Island
 South Carolina 7/

Mississippi
 Tennessee
 Missouri

*Federal Employees' Compensation Act.

Longshoremen's and Harbor Workers' Compensation Act.

TABLE 2. NUMERICAL EXEMPTIONS (cont.)

Footnotes:

- 1/ Illinois: A numerical exemption of 2 or less employees is applicable to "carriage by land, water, or aerial service and loading or unloading in connection therewith..."
- 2/ Kansas: Employers are exempt if they had a total gross annual payroll for the preceding year of less than \$10,000, and anticipate the same or lower payroll expenses for the current year.
- 3/ Arkansas: Contractor engaged in building or building repair work is covered if he or she employs 2 or more employees at any one time. If a contractor sub-contracts any portion of the work, the numerical exemption requirement applies. Corporate officers or self-employed employers who elect to be exempt from coverage are required to cover their employees, regardless of whether the number of employees in the business is reduced to less than three.
- 4/ Michigan: A numerical exemption of 2 or less employees applies, unless, at least 1 employee is employed by the same employer for 35 hours per week for 13 weeks or longer during the preceding 52 weeks.
- 5/ Wisconsin: Employers, other than farmers, who usually have less than 3 employees but who have paid wages of \$500 or more in any calendar quarter for work performed within the State are covered the first day of the next calendar year.
- 6/ North Carolina: Act exempts individual sawmill and logging operators with less than 10 employees, operating less than 60 days in 6 consecutive months and whose principal business is unrelated to sawmills.
- 7/ South Carolina: Numerical exemption does not apply if employer has a total annual payroll during the previous calendar year of less than \$3,000.

TABLE 3. COVERAGE OF AGRICULTURAL WORKERS

Agricultural workers are covered in varying degrees in 38 jurisdictions. Sixteen jurisdictions^{1/} cover agricultural workers the same as all other employees, and 22 carry limitations that are not applicable to other covered employees as indicated in the following table.

Fifteen jurisdictions,^{2/} not listed in the table, permit agricultural employers to secure coverage voluntarily, even though no statutory provisions are prescribed.

1/ Arizona, California, Colorado, Connecticut, District of Columbia, Hawaii, Louisiana, Massachusetts, Michigan, Montana, New Hampshire, New Jersey, Ohio, Oregon, Puerto Rico, and the Virgin Islands.

2/ Alabama, Arkansas, Georgia, Idaho, Indiana, Kansas, Kentucky, Mississippi, Nebraska, Nevada, New Mexico, North Dakota, Rhode Island, South Carolina, and Tennessee.

STATES IN WHICH WORKERS' COMPENSATION LAWS APPLY TO FARMWORKERS (cont.)

State	Farmworkers Covered	Type of Coverage
Alaska	Agricultural employees, <u>except</u> those employed on a part-time basis.	Compulsory
Arizona	Agricultural workers are covered the same as all other employees.	Compulsory
California	Agricultural workers are covered the same as all other employees.	Compulsory
Colorado	Agricultural workers are covered the same as all other employees.	Compulsory
Connecticut	Agricultural workers are covered the same as all other employees.	Compulsory
Delaware	Agricultural employees whose employer carries insurance to provide coverage for such workers or their dependents.	Elective
District of Columbia	Agricultural workers are covered the same as all other employees.	Compulsory
Florida	Agricultural workers, <u>except</u> those performing agricultural labor on a farm in the employ of a bona fide farmer or association of farmers, employing 5 or less regular employees and less than 12 other employees at one time for seasonal employment in less than 30 days, provided such seasonal employment does not exceed 45 days in the same calendar year.	Compulsory
Hawaii	Agricultural workers are covered the same as all other employees.	Compulsory
Illinois	Agricultural workers employed by an individual employer for 500 or more aggregate man-days in any quarter during the preceding calendar year; exclusive of the employer's spouse and other members of his immediate family residing with him.	Compulsory

STATES IN WHICH WORKERS' COMPENSATION LAWS APPLY TO FARMWORKERS (cont.)

State	Farmworkers Covered	Type of Coverage
Iowa	Agricultural employees, other than excluded family members, whose employer's total cash wage payments during the preceding year amount to at least \$2,500.	Compulsory
Louisiana	Agricultural workers are covered the same as all other employees.	Compulsory
Maine	Agricultural workers, <u>except</u> seasonal or casual. An employer of 4 or less farmworkers may alternatively secure the payment of compensation by obtaining an employer's liability insurance policy (total limit not less than \$25,000 and medical payment coverage of not less than \$1,000).	Compulsory
Maryland	Agricultural employees whose employer has 3 or more full-time employees or a yearly payroll for full-time employees of \$15,000. Office workers are exempt from coverage.	Compulsory
Massachusetts	Agricultural workers are covered the same as all other employees.	Compulsory
Michigan	Agricultural workers are covered the same as all other employees.	Compulsory
Minnesota	Farm laborers who do not work for a "family farm". (Elective coverage is permitted for certain employees of family farms.) Defines "family farm" as any farm operation which pays less than \$8,000 in cash wages, exclusive of machine hire, to farm laborers for services rendered during the preceding calendar year.	Compulsory
Missouri	Farm laborers whose employer elects to accept the provisions of this act by the purchase of a valid compensation insurance policy. Members and officers of a family farm corporation may be covered under a policy of workers' compensation insurance if approved by a resolution of the board of directors.	Elective

STATES IN WHICH WORKERS' COMPENSATION LAWS APPLY TO FARMWORKERS (cont.)

State	Farmworkers Covered	Type of Coverage
Montana	Agricultural workers are covered the same as all other employees.	Compulsory
New Hampshire	Agricultural workers are covered the same as all other employees.	Compulsory
New Jersey	Agricultural workers are covered the same as all other employees.	Elective
New York	Requires workers' compensation coverage of farm laborers for 12 months, from April 1, if the farmer's total cash wage remuneration paid to all farm laborers during the preceding calendar year amounts to \$1,200 or more; farmworkers supplied to farmer by a farm labor contractor would be deemed to be employees of the farmer.	Compulsory
North Carolina	All county agricultural extension service employees who are not employed by the U.S. Department of Agriculture and who are field faculty members with professional rank; and those paid from State or county funds.	Compulsory
Ohio	Agricultural workers are covered the same as all other employees.	Compulsory
Oklahoma	All workers employed in agriculture or horticulture by an employer who had a gross annual payroll, including money paid to independent contractors, in the preceding calendar year of \$100,000 or more.	Compulsory
Oregon	Agricultural workers are covered the same as all other employees.	Compulsory
Puerto Rico	No expressed provision exempting farmworkers, therefore, farmworkers are covered in same manner as other workers. Sharecroppers are specifically covered.	Compulsory

STATES IN WHICH WORKERS' COMPENSATION LAWS APPLY TO FARMWORKERS (cont.)

State	Farmworkers Covered	Type of Coverage
Pennsylvania	All agricultural workers if the employer pays one agricultural worker wages of \$150 or more or furnishes employment to one employee in agricultural labor for 20 or more days during a calendar year.	Compulsory
South Dakota	Workers engaged commercially in the operation of threshing machines, grain combines, corn shellers, corn huskers, shredders, silage cutters, and seed hullers for profit.	Compulsory
Texas	Farm or ranch laborers who are migrant workers, or who are seasonal workers (under certain conditions), or who are employed by an employer with a certain minimum gross annual payroll for the preceding year.	Elective
Utah	All agricultural workers <u>except</u> those working for employers who employ five or fewer persons, other than immediate family members, for 40 hours or more per week per each employee for 13 consecutive weeks during any part of the preceding 12 months.	Compulsory
Vermont	All agricultural workers <u>except</u> those working for an employer whose aggregate payroll is less than \$2,000 in a calendar year.	Compulsory
Virgin Islands	Agricultural workers are covered the same as all other employees.	Compulsory
Virginia	Agricultural workers working for an employer who regularly has in service more than 2 full-time employees.	Compulsory

STATES IN WHICH WORKERS' COMPENSATION LAWS APPLY TO FARMWORKERS (cont.)

State	Farmworkers Covered	Type of Coverage
Washington	All agricultural employees <u>except</u> a child under 18 employed by the child's parents in agricultural activities on the family farm.	Compulsory
West Virginia	Employees of an employer who has 6 or more full-time workers in agricultural service.	Compulsory
Wisconsin	Farmworkers working for an employer who becomes subject to the Act 10 days after he or she has employed 6 or more employees, whether in one or more locations for 20 or more days during the calendar year.	Compulsory
Wyoming	Workers engaged in power farming when one or more are employed for an average of 6 months each year. "Power farming" means work on a farm, livestock ranch, or poultry farm, which uses in connection with its operation any power-driven equipment, such as a pick-up truck, feed grinder, stacking machinery, tractor, mower, baler, or road grader.	Elective

TABLE 4. JURISDICTIONS IN WHICH WORKERS' COMPENSATION LAWS APPLY TO DOMESTIC SERVICE

Jurisdiction ^{1/}	Domestic Service and Extent of Compulsory Coverage
Alaska	Any domestic worker <u>except</u> part-time babysitters, cleaning persons, and similar help. (Part-time is defined to mean fewer than 40 hours per week by the same employer.)
California	Any domestic worker—including one who cares for and supervises children—employed 52 or more hours, or who earned \$100 or more, during 90 calendar days immediately preceding date of injury or last employment exposing such worker to the hazards of an occupational disease. <u>Excludes</u> workers employed by a parent, spouse or child.
Colorado	Any domestic worker employed 40 or more hours per week or five or more days per week by one employer.
Connecticut	Any domestic worker employed more than 26 hours per week by one employer.
District of Columbia	Domestic workers employed by the same employer at least 240 hours during a calendar quarter.
Delaware	Any household worker who earns \$300 or more in any three-month period from a single private home or household.
Hawaii	Any worker employed solely for personal, family or household purposes whose wages are \$225 or more during the current calendar quarter and during each completed calendar quarter of the preceding 12-month period.
Illinois	Any worker or workers employed for a total of 40 or more hours per week for a period of 13 or more weeks during a calendar year by any household or residence.
Iowa	Any employee working in or about a private dwelling (who is not a regular household member) whose earnings are \$200 or more during the 13 consecutive weeks prior to an injury.

^{1/} Every jurisdiction not listed herein permits employers to provide voluntary coverage, except Louisiana, and Wyoming, which specifically excludes domestic servants.

TABLE 4. JURISDICTIONS IN WHICH WORKERS' COMPENSATION LAWS APPLY TO DOMESTIC SERVICE (cont.)

Jurisdiction <u>1/</u>	Domestic Service and Extent of Compulsory Coverage
Kansas	Any domestic worker if the employer had a total gross payroll for the preceding calendar year of \$10,000 or more for all workers under his or her employ.
Kentucky	Two or more domestic workers regularly employed in a private home 40 or more hours a week. (Law has no numerical exemption for general employments.)
Maryland	Any domestic worker whose earnings are \$250 or more in any calendar quarter from a private household.
Massachusetts	Domestic workers employed 16 or more hours per week by an employer.
Michigan	Any household domestic worker <u>except</u> those employed for less than 35 hours per week for 13 weeks or longer during the preceding 52 weeks.
Minnesota	Any domestic worker who earns \$500 or more in any three-month period or who has earned \$500 or more in any three-month period of the previous year from the same single, private household.
New Hampshire	All domestic workers.
New Jersey	Any domestic worker at the election of his or her employer. (Homeowners policies must contain provisions covering domestic services.)
New York	Any domestic worker employed (other than those employed on a farm) by the same employer for a minimum of 40 hours a week.
Ohio	Any domestic worker who earns \$160 or more in any calendar quarter from one employer.
Oklahoma	Any person employed as a domestic worker if the employer had a gross annual payroll in the preceding calendar year of \$10,000 or more for such workers.
Puerto Rico	Any domestic worker regularly employed by the same employer.

TABLE 4. JURISDICTIONS IN WHICH WORKERS' COMPENSATION LAWS APPLY TO DOMESTIC SERVICE (cont.)

Jurisdiction 1/	Domestic Service and Extent of Compulsory Coverage
South Carolina	Four or more domestic workers <u>except</u> those whose employer had a total annual payroll during the previous calendar year of less than \$3,000.
South Dakota	Any domestic worker employed more than 20 hours in any calendar week and for more than 6 weeks in any 13-week period.
Utah	Any domestic worker regularly employed for 40 or more hours per week by the same employer.
Washington	Two or more domestic workers if regularly employed in a private home 40 or more hours per week. (Law has no numerical exemption for general employments.)

TABLE 5a. MEDICAL BENEFITS PROVIDED BY WORKERS' COMPENSATION STATUTES

Full Medical Benefits*

Alabama	Illinois	Montana	South Carolina
Alaska	Indiana	Nebraska	South Dakota
Arizona	Iowa	Nevada	Tennessee
California	Kansas	New Hampshire	Texas
Colorado	Kentucky	New Mexico	Utah
Connecticut	Louisiana	New York	Vermont
Delaware	Maine	North Carolina	Virginia
District of Columbia	Maryland	North Dakota	Washington
Florida	Massachusetts	Oklahoma	West Virginia
Georgia	Michigan	Oregon	Wisconsin
Hawaii	Minnesota	Tennessee	Wyoming
Idaho	Mississippi	Puerto Rico	United States**:
	Missouri	Rhode Island	FECA
			LHWCA

Special Provisions

Arkansas.....	Employer liability ceases six months after injury where no time is lost from work, or six months after a claimant returns to work, or a maximum of \$10,000 has been paid unless the employer waives rights or the Commission extends time and dollar limits.
New Jersey.....	Employer liability ceases after \$100 has been paid for medical care; employee must petition for further treatment.
Ohio.....	Medical benefits for silicosis, asbestosis, or coal miners' pneumoconiosis are payable only for a temporary or permanent total disability.

*No time or monetary limitations.

**Federal Employees' Compensation Act.

Longshoremen's and Harbor Workers' Compensation Act.

TABLE 5b. METHODS OF PHYSICIAN SELECTION PROVIDED BY WORKERS' COMPENSATION STATUTES (cont.)

<u>Employee Choice of Physician</u>		<u>Employer Selection of Physician</u>	<u>Employer Initial Selection</u>		<u>State Agency Selects Physician</u>
Initial Choice	Selection from list prepared by State Agency	Selection from list maintained by employer	May be changed by State Agency	After specified periods stated in law, employee has free choice	
Alaska	Connecticut	Georgia	Alabama*	Arkansas	Puerto Rico
Arizona	District of Columbia	Tennessee	Florida	Colorado	Michigan
Delaware	Nevada	Virginia	Idaho	Minnesota	Pennsylvania
Hawaii	New York		Indiana	Missouri	
Illinois			Iowa	Utah	
Kentucky			Kansas	Vermont	
Louisiana			Maryland		
Maine			Montana		
Massachusetts			New Jersey		
Mississippi			New Mexico		
Nebraska			North Carolina		
New Hampshire			South Carolina		
North Dakota			South Dakota		
Ohio					
Oklahoma					
Oregon					
Rhode Island					

TABLE 5b. METHODS OF PHYSICIAN SELECTION PROVIDED BY WORKERS' COMPENSATION STATUTES (cont.)

Initial Choice	Employee Choice of Physician		Employer Selection of Physician	Employer Initial Selection		State Agency Selects Physician
	Selection from list prepared by State Agency	Selection from list maintained by employer		May be changed by State Agency	After specified periods stated in law, employee has free choice	

Texas
 Virgin Islands
 Washington
 West Virginia
 Wisconsin
 Wyoming
 FECA
 LHWCA

* Alabama - Selection of initial physician may be made by either the employer or employee for physical rehabilitation.

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S.

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Alabama.....	66 2/3	\$88 - 27½% of SAWW, or worker's average wage if less.	\$319.00	100	Duration of disability	
Alaska.....	80% of spendable earnings	\$110 or worker's spendable weekly wages if less.	\$1,114.00	200	Duration of disability	WC benefits subject to Social Security and UI benefit offsets.
Arizona.....	66 2/3	Payable, but not statutorily prescribed.	\$203.86	N/A	Duration of disability	Additional \$10 monthly added to benefits of dependents residing in the U.S.
Arkansas.....	66 2/3	\$20	\$175.00	N/A	450 weeks	Effective 7/1/87 thru 12/31/88, maximum weekly benefit will be \$189. On 1/1/89 thru 12/31/89, maximum weekly benefit will be based on 66 2/3% of the SAWW; and on 1/1/90, to 70% of SAWW.
California...	66 2/3	\$112.00	\$224.00	N/A	Duration of disability	
Colorado.....	66 2/3	-----	\$351.68	80	Duration of disability	WC benefits subject to Social Security benefit offsets.
Connecticut..	66 2/3	\$79.40 - 20% of SAWW, or an amount not to exceed 80% of worker's average wage if less.	\$397.00	100	Duration of disability	Additional \$10 weekly for each dependent child under 18 years of age, up to 50% of basic benefit, not to exceed 75% of worker's wage.

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week		Percentage of SAWW	Maximum Period	Notes
		Minimum	Maximum			
Delaware.....	66 2/3	\$81.41 - 22 2/9% of SAWW, or actual wage if less.	\$244.22	66 2/3	Duration of disability	
District of Columbia....	66 2/3 or 80% of spendable earnings whichever is less.	\$107.80 - 25% of SAWW.	\$431.70	100	Duration of disability	
Florida.....	66 2/3	\$20 or actual wage if less.	\$315.00	100	350 weeks	WC benefits subject to Social Security and UI benefit offsets.
Georgia.....	66 2/3	\$25 or average wage if less.	\$175.00	N/A	Duration of disability	
Hawaii.....	66 2/3	\$74.75 - 25% of SAWW, or worker's average wage if less, but not lower than \$38.	\$299.00	100	Duration of disability	
Idaho.....	60 - 90	\$134.55 - 45% of SAWW.	\$269.10 to \$373.75	90	52 weeks, thereafter 60% of SAWW for duration of disability	Additional 7% (\$20.93) of SAWW is payable for each dependent child up to 5 children.
Illinois.....	66 2/3	\$100.90 to \$124.30 or worker's average wage if less, according to number of dependents.	\$525.45	133 1/3	Duration of disability	

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Indiana.....	66 2/3	\$50 or worker's average wage if less.	\$190.00	N/A	500 weeks	Total amount payable is \$95,000.
Iowa.....	80% of worker's spendable earnings.	\$107.30 - 35% of SAWW, or actual wage if less.	\$613.00	200	Duration of disability	
Kansas.....	66 2/3	\$25	\$247.00	75	Duration of disability	Total amount payable is \$75,000.
Kentucky.....	66 2/3	\$63.31 - 20% of SAWW.	\$316.54	100	Duration of disability	
Louisiana.....	66 2/3	\$68 - 20% of SAWW, or actual wage if less.	\$254.00	75	Duration of disability	WC benefits subject to UI benefit offsets.
Maine.....	66 2/3	\$25	\$447.92*	166 2/3	Duration of disability	WC benefits subject to UI benefit offsets. (*Maximum weekly benefit is frozen at \$447.92 for injuries occurring on or after 7/1/85 until 6/30/88.)
Maryland.....	66 2/3	\$50 or actual wage less.	\$344.00	100	Duration of disability	

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Indiana.....	66 2/3	\$50 or worker's average wage if less.	\$190.00	N/A	500 weeks	Total amount payable is \$95,000.
Iowa.....	80% of worker's spendable earnings.	\$107.30 - 35% of SAWW, or actual wage if less.	\$613.00	200	Duration of disability	
Kansas.....	66 2/3	\$25	\$247.00	75	Duration of disability	Total amount payable is \$75,000.
Kentucky.....	66 2/3	\$63.31 - 20% of SAWW.	\$316.54	100	Duration of disability	
Louisiana.....	66 2/3	\$68 - 20% of SAWW, or actual wage if less.	\$254.00	75	Duration of disability	WC benefits subject to UI benefit offsets.
Maine.....	66 2/3	\$25	\$447.92*	166 2/3	Duration of disability	WC benefits subject to UI benefit offsets. (*Maximum weekly benefit is frozen at \$447.92 for injuries occurring on or after 7/1/85 until 6/30/88.)
Maryland.....	66 2/3	\$50 or actual wage less.	\$344.00	100	Duration of disability	

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Montana.....	66 2/3	Payable, but not statutorily prescribed.	\$299.00	100	Duration of disability	WC benefits subject to Social Security benefit offsets.
Nebraska.....	66 2/3	\$49 or actual wage if less.	\$225.00	N/A	Duration of disability	
Nevada.....	66 2/3	_____	\$341.95	100	Duration of disability	
New Hampshire	66 2/3	\$131 - 40% of SAWW or actual wage if less.	\$492.00	150	Duration of disability	If the employee's AWW exceeds 40% of SAWW, compensation will increase to 66 2/3% of employee's AWW not to exceed 150% of SAWW.
New Jersey...	70	\$76 - 20% of SAWW.	\$284.00	75	400 weeks	
New Mexico...	66 2/3	\$36 or actual wage if less.	\$308.38	100	600 weeks	Total maximum equals the sum of 600 multiplied by the maximum weekly benefit payable at time of injury.
New York.....	66 2/3	\$30 or actual wage if less.	\$300.00	N/A	Duration of disability	

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Montana.....	66 2/3	Payable, but not statutorily prescribed.	\$299.00	100	Duration of disability	WC benefits subject to Social Security benefit offsets.
Nebraska.....	66 2/3	\$49 or actual wage if less.	\$225.00	N/A	Duration of disability	
Nevada.....	66 2/3	_____	\$341.95	100	Duration of disability	
New Hampshire	66 2/3	\$131 - 40% of SAWW or actual wage if less.	\$492.00	150	Duration of disability	If the employee's AWW exceeds 40% of SAWW, compensation will increase to 66 2/3% of employee's AWW not to exceed 150% of SAWW.
New Jersey...	70	\$76 - 20% of SAWW.	\$284.00	75	400 weeks	
New Mexico...	66 2/3	\$36 or actual wage if less.	\$308.38	100	600 weeks	Total maximum equals the sum of 600 multiplied by the maximum weekly benefit payable at time of injury.
New York.....	66 2/3	\$30 or actual wage if less.	\$300.00	N/A	Duration of disability	

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
North Carolina	66 2/3	\$30	\$294.00	100	Duration of disability	
North Dakota..	66 2/3	\$178 - 60% of SAWW, or employee's actual wage if less.	\$296.00	100	Duration of disability	Additional \$5 per week for each dependent child, not to exceed worker's net wage. Benefits are reduced by 50% of Social Security benefits.
Ohio.....	72% for first 12 weeks; thereafter 66 2/3%	\$121.67 - 33 1/3% of SAWW or actual wage if less.	\$365.00	100	Duration of disability	WC benefits subject to offset if concurrent and/or duplicate with those under employer nonoccupational benefits plan.
Oklahoma.....	66 2/3	\$30 or actual wage if less	\$217*	66 2/3	300 weeks	*(Benefits are frozen at \$217 from 11/1/84 until 11/1/87.)
Oregon.....	66 2/3	\$50 or 90% of actual wage if less.	\$344.77	100	Duration of disability	
Pennsylvania..	66 2/3	\$173.50 - 50% of SAWW, with absolute minimum of \$115.67 - 33 1/3% of SAWW.	\$347.00	100	Duration of disability	
Puerto Rico...	66 2/3	\$10	\$45.00	N/A	312 weeks	

TABLE 6. BENEFITS FOR TEMPORARY 'TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week		Percentage of SAWW	Maximum Period	Notes
		Minimum	Maximum			
Rhode Island..	66 2/3	_____	\$307.00	100	Duration of disability	Additional \$9 for each dependent; including a nonworking spouse, aggregate not to exceed 80% of worker's AWW.
South Carolina	66 2/3	\$75 or actual wage if less.	\$294.95	100	500 weeks	
South Dakota..	66 2/3	\$131 - 50% of SAWW, or worker's average wage if less.	\$262.00	100	Duration of disability	
Tennessee....	66 2/3	\$25	\$189.00	N/A	Duration of disability	Total amount payable is \$75,600. Eff. 7/1/87, maximum weekly benefit will increase to \$210; to \$231, 7/1/88; and to \$252, 7/1/89.
Texas.....	66 2/3	\$37	\$217.00	See notes	401 weeks	Each cumulative \$10 increase in the AWW for manufacturing production workers will increase the maximum weekly benefit by \$7 per week, and the minimum by \$1 per week.
Utah.....	66 2/3	\$45	\$329.00	100	312 weeks	Additional \$5 for dependent spouse and each dependent child up to 4, but not to exceed 100% of SAWW.

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Vermont.....	66 2/3	\$155 - 50% of SAWW, or worker's average wage if less.	\$465.00	150	Duration of disability	Additional \$10 will be paid for each dependent under 21 years of age.
Virgin Islands	66 2/3	\$60, or actual wages if less.	\$187.00	66 2/3	Duration of disability	
Virginia.....	66 2/3	\$81.50 - 25% of SAWW, or employee's actual wage if less.	\$326.00	100	500 weeks	
Washington....	60 - 75	\$42.69 to \$81.23 according to marital status and number of dependents.	\$269.70	75% of State's <u>month-ly</u> wage.	Duration of disability	WC benefits subject to Social Security benefit offsets.
West Virginia.	70	\$114.35 - 33 1/3% of SAWW.	\$343.06	100	208 weeks	
Wisconsin.....	66 2/3	\$20	\$329.00	100	Duration of disability	WC benefits subject to Social Security benefit offsets.
Wyoming.....	66 2/3	\$43.39	\$353.00	100% of <u>monthly</u> wage	Duration of disability	

TABLE 6. BENEFITS FOR TEMPORARY TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
FECA.....	66 2/3	\$151.46 or actual wage if less.	\$979.90	See notes	Duration of disability	Maximum weekly benefit is based on 75% of the pay of specific grade level in the Federal Civil Service.
LHWCA.....	66 2/3	\$148.81 - 50% of NAWW, or worker's actual wage if less.	\$595.24	200% of NAWW	Duration of disability	(NAWW is \$297.62.)

*Federal Employees' Compensation Act.
 Longshoremen's & Harbor Workers' Compensation Act.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S.

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Alabama.....	66 2/3	\$88 - 27½% of SAWW, or worker's average wage if less.	\$319.00	100	Duration of disability	
Alaska.....	80% of spendable earnings	\$110 or worker's spendable weekly wages if less.	\$1,114.00	200	Duration of disability	WC benefits subject to Social Security and UI benefit offsets.
Arizona.....	66 2/3	Payable, but not statutorily prescribed.	\$203.86	N/A	Life or duration of disability	
Arkansas....	66 2/3	\$20	\$175.00	N/A	Duration of disability	Eff. 7/1/87 thru 12/31/88, maximum weekly benefit will be \$189. On 1/1/89 thru 12/31/89, maximum weekly benefit will be based on 66 2/3% of the SAWW; and on 1/1/90, to 70% of SAWW.
California..	66 2/3	\$112.00	\$224.00	N/A	Life	
Colorado....	66 2/3	-----	\$351.68	80	Life	WC benefits subject to Social Security benefit offsets. If lump sum is granted, maximum payable is \$26,292.
Connecticut..	66 2/3	\$79.40 - 20% of SAWW, or an amount not to exceed 80% of worker's average wage if less.	\$397.00	100	Duration of disability	Additional \$10 weekly for each dependent child under 18 years of age, up to 50% of basic benefit, not to exceed 75% of worker's wage.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week		Percentage of SAWW	Maximum Period	Notes
		Minimum	Maximum			
Delaware.....	66 2/3	\$81.41 - 22 2/9% of SAWW, or actual wage if less.	\$244.22	66 2/3	Duration of disability	
District of Columbia...	66 2/3 or 80% of spendable earnings, whichever is less.	\$107.80 - 25% of SAWW.	\$431.70	100	Duration of disability	
Florida.....	66 2/3	\$20 or actual wage if less.	\$315.00	100	Duration of disability	WC benefits subject to Social Security and UI benefit offsets.
Georgia.....	66 2/3	\$25 or average wage if less.	\$175.00	N/A	Duration of disability	
Hawaii.....	66 2/3	\$74.75 - 25% of SAWW, or worker's average wage if less, but not lower than \$38.	\$299.00	100	Duration of disability	
Idaho.....	60	\$134.55 - 45% of SAWW.	\$269.10	90	52 weeks, thereafter 60% of SAWW for duration of disability	Additional 7% (\$20.23) of SAWW is payable for each dependent child up to 5 children.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Illinois.....	66 2/3	\$197.05 - 50% of SAWW.	\$525.45	133 1/3	Life	
Indiana.....	66 2/3	\$50 or worker's average wage if less.	\$190.00	N/A	500 weeks	After first 500 weeks payments may be made from a special fund for an indefinite period. Total amount payable is \$95,000.
Iowa.....	80% of worker's spendable earnings	\$107.30 - 35% of SAWW, or actual wage if less.	613.00	200	Duration of disability	
Kansas.....	66 2/3	\$25	\$247.00	75	Duration of disability	Total amount payable is \$100,000.
Kentucky.....	66 2/3	\$63.31 - 20% of SAWW.	\$316.54	100	Duration of disability	
Louisiana....	66 2/3	\$68 - 20% of SAWW, or actual wage if less.	\$254.00	75	Duration of disability	WC benefits subject to Social Security benefit offsets.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Maine.....	66 2/3	\$25	\$447.92*	166 2/3	Duration of disability	WC benefits subject to UI benefit offsets. (*Maximum weekly benefit is frozen at \$447.92 for injuries occurring on or after 7/1/85 until 6/30/88.)
Maryland.....	66 2/3	\$50 or worker's average wage if less.	\$344.00	100	Duration of disability	Payments are in addition to compensation for TTD.
Massachusetts	66 2/3	\$40 or worker's average wage if less.	\$360.50	100	260 weeks	Additional \$6 will be added per dependent, if weekly benefits are below \$150. Total maximum payable not to exceed 250 times the SAWW in effect at time of injury.
Michigan.....	80% of worker's spendable earnings.	Payable, but not statutorily prescribed.	\$375.00	90	Duration of disability	WC benefits subject to reduction by UI and Social Security benefits, and by those under an employer disability, retirement, or pension plan.
Minnesota.....	66 2/3	\$171.00 - 50% of SAWW, or actual wage if less, but not less than 20% of SAWW (\$68.40).	\$342.00	100	Duration of disability	After \$25,000 is paid, continuing payments become subject to any government or Social Security benefit offsets.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week		Percentage of SAWW	Maximum Period	Notes
		Minimum	Maximum			
Mississippi...	66 2/3	\$25	\$140.00	N/A	450 weeks	Total amount payable is \$63,000.
Missouri.....	66 2/3	\$40	\$243.78	70	Duration of disability	Eff. 9/28/86, the SAWW will increase to 75 percent and the maximum weekly benefit to \$261.19.
Montana.....	66 2/3	Payable, but not statutorily prescribed.	\$299.00	100	Duration of disability	WC benefits subject to Social Security benefit offsets.
Nebraska.....	66 2/3	\$49 or actual wage if less.	\$225.00	N/A	Duration of disability	
Nevada.....	66 2/3	-----	\$341.95	100	Life	
New Hampshire.	66 2/3	\$131 - 40% of SAWW or actual wage if less.	\$492.00	150	Duration of disability	If the employee's AWW exceeds 40% of the SAWW, compensation will be 66 2/3% of employee's AWW not to exceed 150% of SAWW.
New Jersey....	70	\$76 - 20% of SAWW.	\$284.00	75	450 weeks, in some cases benefits are payable for life.	After 450 weeks, if worker has accepted prescribed rehabilitation, benefits may continue conditionally. Supplemental benefits for PTD subject to Social Security, black lung, or disability pension benefit offsets.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week		Percentage of SAWW	Maximum Period	Notes
		Minimum	Maximum			
New Mexico....	66 2/3	\$36 or actual wage if less.	\$308.38	100	600 weeks	Total maximum equals the sum of 600 multiplied by the maximum weekly benefit payable at the time of injury.
New York.....	66 2/3	\$30 or actual wage if less.	\$300.00	N/A	Duration of disability	
North Carolina	66 2/3	\$30	\$294.00	100	Duration of disability	
North Dakota.	66 2/3	\$178 - 60% of SAWW, or employee's actual wage if less.	\$296.00	100	Duration of disability	Additional \$5 weekly for each dependent child, not to exceed worker's net wage. WC benefits are reduced by 50% of Social Security benefits.
Ohio.....	66 2/3	\$182.50 - 50% of SAWW, or actual wage if less.	\$365.00	100	Life	WC benefits subject to Social Security benefit offsets.
Oklahoma.....	66 2/3	\$30 or actual wage if less.	\$217.00*	66 2/3	Duration of disability	*(Benefits are frozen at \$217 from 11/1/84 until 11/1/87.)
Oregon.....	66 2/3	\$50 or 90% of actual wage if less.	\$344.77	100	Duration of disability	Additional \$5 weekly not to exceed a specified time period as stated in the law for each dependent up to five people. WC benefits subject to Social Security benefit offsets.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Pennsylvania.	66 2/3	\$173.50 - 50% of SAWW, with absolute minimum of \$115.67 - 33 1/3% of SAWW.	\$347.00	100	Duration of disability	
Puerto Rico..	66 2/3	\$12.50	\$31.25	N/A	Duration of disability	Total amount payable is \$18,900.
Rhode Island.	66 2/3	_____	\$307.00	100	Duration of disability	Additional \$9 for each dependent including a nonworking spouse; aggregate not to exceed 80% of worker's AWW.
South Carolina	66 2/3	\$75 or actual wage if less.	\$294.95	100	500 weeks	
South Dakota.	66 2/3	\$131 - 50% of SAWW or worker's average wage if less.	\$262.00	100	Duration of disability	
Tennessee....	66 2/3	\$25	\$189.00	N/A	550 weeks	Total amount payable is \$75,600. (After 400 weeks, maximum compensation is reduced to \$25 weekly.) Eff. 7/1/87, maximum weekly benefit will increase to \$210; to \$231, 7/1/88; and to \$252, 7/1/89.

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week		Percentage of SAWW	Maximum Period	Notes
		Minimum	Maximum			
Texas.....	66 2/3	\$37	\$217.00	See notes	Life for injuries listed in statute as constituting PTD; otherwise 401 weeks.	Each cumulative \$10 increase in the AWW for manufacturing production workers will increase maximum weekly benefit by \$7, and minimum by \$1.
Utah.....	66 2/3	\$45	\$280.00	85	312 weeks, or life if claimant cannot be rehabilitated.	Additional \$5 for dependent spouse and each dependent child up to 4, not to exceed 85% of SAWW.
Vermont.....	66 2/3	\$155 - 50% of SAWW, or worker's average wage if less.	\$465.00	150	Duration of disability with a minimum of 330 weeks.	
Virgin Islands	66 2/3	\$60 or actual wages if less.	\$187.00	66 2/3	Duration of disability	
Virginia.....	66 2/3	\$81.50 - 25% of SAWW, or employee's actual wage if less.	\$326.00	100	Duration of disability	

TABLE 7. BENEFITS FOR PERMANENT TOTAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (con't.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period	Notes
		Minimum	Maximum	Percentage of SAWW		
Washington..	60 - 75	\$42.69 to \$81.23 according to marital status and number of dependents.	\$269.70	75% of State's <u>Monthly</u> wage.	Duration of disability	WC benefits are subject to Social Security benefit offsets.
West Virginia	70	\$114.35 - 33 1/3% of SAWW.	\$343.06	100	Life	
Wisconsin....	66 2/3	\$20	\$329.00	100	Life	WC benefits are subject to Social Security benefit offsets.
Wyoming.....	-----	-----	\$235.35	66 2/3	257 weeks; benefits may be extended by the district court.	Children receive a lump sum equal to \$100 per month until age of majority or until 21, if incapacitated.
United States*: FBCA.....	66 2/3 - 75	\$151.46 or actual wage if less.	\$979.90	N/A	Duration of disability	Maximum weekly benefit is based on 75% of the pay of a specific grade level in the Federal Civil Service.
LHWCA...	66 2/3	\$148.81 - 50% of NAWW, or worker's actual wage if less.	\$595.24	200% of NAWW	Duration of disability	(NAWW is \$297.62)

*Federal Employees' Compensation Act.
Longshoremen's and Harbor Workers' Compensation Act.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S.

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Alabama.....	66 2/3	\$88 - 27½% of SAWW, or worker's average wage if less, for scheduled injuries.	\$220.00*	N/A	300 weeks	*(By legislation, maximum weekly compensation is capped at \$220.) Also see <u>1/</u> .
Alaska.....	80% of spendable earnings	\$110 or worker's spendable weekly wages if less.	\$1,114.00	200	Duration of disability	Total maximum amount payable for non-scheduled injury is \$60,000. WC benefits are subject to Social Security benefit offsets; and are in addition to compensation for TTD.
Arizona.....	55	Payable, but not statutorily prescribed.	\$168.19	N/A	Duration of disability	
Arkansas.....	66 2/3	\$20	\$154.00	N/A	450 weeks	If the claimant's TTD rate for injury is \$205.35 or greater, maximum PPD rate will be 75% of claimant's TTD rate.

1/ Section 25-5-57--In case a scheduled permanent partial disability follows or accompanies a period of temporary total disability resulting from the same injury, the period of TTD shall not be deducted from the maximum number of weeks set for such partial disability; in case of non-scheduled PPD, such periods shall be deducted.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
California...	66 2/3	\$70	\$140.00	N/A	619.25 weeks (applicable to a worker with a 99.5% disability.)	3 to 8 weeks of WC payable for each 1% of permanent disability, depending on severity. Thereafter, if disability is at least 70%, but not more than 99.75%, a life pension of 1.5% of the employee's weekly earnings will be paid for each 1% of disability over 60% subject to a maximum weekly rate of \$116.27.
Colorado.....	—	—	\$84.00	N/A	Duration of disability	Benefits are in addition to compensation for TTD. Total maximum amount payable for non-scheduled injury is \$26,292. WC benefits subject to Social Security benefit offsets.
Connecticut...	66 2/3	\$79.40 - 20% of SAWW, or an amount not to exceed 80% of worker's average wage if less.	\$397.00	100	780 weeks	Benefits are in addition to compensation for TTD.
Delaware.....	66 2/3	\$81.41 - 22 2/9% of SAWW, or actual wage if less, for scheduled injury.	\$244.22	66 2/3	300 weeks	Benefits are in addition to compensation for TTD.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
District of Columbia....	66 2/3	-----	\$431.70	100	Duration of disability	Benefits are in addition to compensation for TTD.
Florida.....	<u>2/</u>	See <u>2/</u>	\$315.00	100	525 weeks	WC benefits subject to Social Security benefit offsets.
Georgia.....	66 2/3	\$25 or average wage if less.	\$175.00	N/A	Based on statutory schedule.	
Hawaii.....	66 2/3	\$74.75 - 25% of SAWW, or worker's average wage if less, but not lower than \$38.	\$299.00	100	In proportion to scheduled injuries; or a % of loss of the whole man.	Maximum WC for % of disability based on the whole man is the product of 312 times the effective maximum weekly benefit rate.
Idaho.....	-----	-----	\$164.45	55	In proportion to losses of the whole man based on a maximum of 500 weeks.	Benefits are in addition to compensation for TTD.

2/ Section 440.15(3) (b)--Wage loss benefits are based on actual wages lost and are not subject to a minimum. Wage loss is equal to 95% of the difference between 85% of the employee's average monthly wage and the wage employee is able to earn after reaching maximum medical improvement, provided the monthly wage loss benefits shall not exceed 66 2/3% of the employee's average monthly wage at the time of injury.

TABLE 3. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Illinois.....	60	\$80.90 - \$96.90 or worker's average wage if less, according to number of dependents.	*\$293.61	100	500 weeks (worker able to pursue usual work duties). Duration of disability (worker unable to pursue usual work duties.)	Maximum WC for amputation of a member or enucleation of an eye is 133 1/3% of SAWW. (\$525.45). Benefits are in addition to compensation for TTD. *Maximum weekly benefit of \$293.61 will remain in effect until 7/1/87 (based on 1/1/81 SAWW and increased by 1983 SAWW).
Indiana.....	60	Payable, but not statutorily prescribed.	\$75.00	N/A	500 weeks	
Iowa.....	80% of worker's spendable earnings.	\$107.30 - 35% of SAWW, or actual wage if less.	\$564.00	184	In proportion to scheduled injuries or in proportion to losses of the whole man based on a maximum of 500 weeks.	

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Kansas.....	66 2/3	—————	\$247.00	75	415 weeks	Total amount payable is \$75,000.
Kentucky.....	66 2/3	Payable, but not statutorily prescribed.	\$237.41	75	425 weeks	
Louisiana.....	66 2/3	—————	\$254.00	75	520 weeks	
Maine.....	66 2/3	Payable, but not statutorily prescribed.	\$447.92*	166 2/3	Duration of disability	(*Maximum weekly benefit is frozen at \$447.92 for injuries occurring on or after 7/1/85 until 6/30/88.) WC benefits, except for scheduled PPD, are subject to UI benefit offsets.
Maryland.....	66 2/3	\$50 or actual wage if less.	\$230.00 (serious cases-250 weeks or more) \$115.00 (nonserious cases)	66 2/3 33 1/3	Duration of disability	Benefits are in addition to compensation for TTD.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Massachusetts.	(Difference between employee's AWW before injury and AWW after injury.)	Payable, but not statutorily prescribed.	\$360.50	100	Duration of disability	Bulk sums allowed for scheduled losses depending on extent of loss. Additional \$6 will be added per dependent, if weekly benefits are below \$150. Total maximum payable not to exceed employee's AWW or 250 times the SAWW in effect at time of injury.
Michigan.....	80% of worker's spendable earnings.	\$104.05 - 25% of SAWW for scheduled injury only.	\$375.00	90	Duration of disability	WC benefits subject to reduction by UI and Social Security benefits, and by those under an employer disability, retirement, or pension plan.
Minnesota....	66 2/3	Payable, but not statutorily prescribed.	\$342.00	100	350 weeks	
Mississippi..	66 2/3	\$25 for scheduled injuries.	\$140.00	N/A	450 weeks	Benefits are in addition to compensation for TTD. Total amount payable is 63,000.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage Of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Missouri.....	66 2/3	\$40	\$156.71	45	400 weeks	Benefits are in addition to compensation for TTD.
Montana.....	66 2/3	Payable, but not statutorily prescribed.	\$149.50	50	500 weeks	Benefits are in addition to compensation for TTD. WC benefits are subject to Social Security benefit offsets.
Nebraska.....	66 2/3	\$49 or actual wage if less for scheduled injuries.	\$225.00	N/A	300 weeks	If partial disability begins after a period of total disability, the period of total disability will be deducted from the 300 week limit for PPD.
Nevada.....	-----	Payable, but not statutorily prescribed.	-----	N/A	241 weeks	The % of disability is determined by the Commission using AMA guides. Each 1% of impairment of the whole man is compensated by a monthly payment of 0.6% of the claimant's average monthly wage for 5 yrs. or until the 70th birthday of the claimant, whichever is later.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week		Percentage of SAWW	Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum			
New Hampshire.	66 2/3	\$131 - 40% of SAWW or actual wage if less.	\$492.00	150	Duration of disability	If the employee's AWW exceeds 40% of SAWW, compensation will increase to 66 2/3% of employee's AWW not to exceed 150% of SAWW.
New Jersey...	70	\$76 - 20% of SAWW.	\$284.00	75	600 weeks	Benefits set in accordance with a "wage and compensation schedule" and are paid in addition to those for TTD.
New Mexico...	66 2/3	\$36 or actual wage if less for scheduled injuries.	\$308.38	100	600 weeks	Total maximum equals 600 multiplied by the sum of the maximum weekly benefit at time of injury. If partial disability begins after a period of total disability, the period of total disability shall be deducted from the maximum period.
New York....	66 2/3	\$30 or actual wage if less.	\$150.00	N/A	Duration of disability	
North Carolina	66 2/3	\$30 for scheduled injuries.	\$294.00	100	300 weeks	

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
North Dakota.	-----	\$60	\$60.00	N/A	500 weeks	Compensation for TTD and PPD may be paid concurrently.
Ohio.....	66 2/3	\$91.25 - 25% of SAWW for scheduled injuries.	\$182.50	50	-----	See 3/
Oklahoma.....	66 2/3	\$30 or actual wage if less.	\$163.00*	50	500 weeks	*(Benefits are frozen at \$163 from 11/1/84 until 11/1/87.)
Oregon.....	66 2/3	\$125 (scheduled loss for each degree).	\$344.77	100	In proportion to scheduled injuries.	Non-scheduled PPD injuries are compensated at \$100 for each degree of disability subject to the maximum of 320 degrees.
Pennsylvania..	66 2/3	-----	\$347.00	100	500 weeks	WC for non-scheduled awards is determined at 66 2/3% of the difference between the wages of the injured employee and the earning power of the employee thereafter up to the SAWW.

3/ Employee may elect benefits under one of two plans: "A" under which benefits are 66 2/3% of earning capacity impairment; or "B" under which benefits are based on permanent physical impairment. Under "A" benefits are payable at a maximum of 100% of the SAWW (\$365) not to exceed an aggregate amount of \$17,500. Under "B" benefits are paid for maximum of 200 weeks if disability is 90% or more at a maximum of 33 1/3% of the SAWW (\$121.67), and are set at 66 2/3% of the employee's average wage.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Puerto Rico...	66 2/3	\$10	\$45.00	N/A	In proportion to scheduled injuries.	Benefits are in addition to compensation for TTD. Total maximum payable is \$10,000.
Rhode Island..	(Up to 66 2/3% of the difference between the worker's earnings before and after injury.)	\$45 for scheduled injuries.	\$307.00 - nonscheduled injury \$90 - scheduled injury	100	Duration of disability	If employee cannot obtain suitable work and employer cannot provide such work or show it is available elsewhere, benefits are paid as for total incapacity.
South Carolina.	66 2/3	\$25 for scheduled injuries.	\$294.95	100	340 weeks	Benefits are in addition to compensation for TTD.
South Dakota...	66 2/3 (scheduled) 50 (non-scheduled)	\$131 or worker's average wage if less.	\$262.00	100	Duration of disability	

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Tennessee.....	66 2/3	\$25	\$189.00	N/A	400 weeks	Eff. 7/1/87, maximum weekly benefit will increase to \$210; to \$231, 7/1/88; and to \$252, 7/1/89. Total amount payable is \$75,600.
Texas.....	66 2/3	\$37 for scheduled injuries.	\$217.00	N/A	300 weeks	Each cumulative \$10 increase in the AWW for manufacturing production workers will increase the maximum weekly benefit by \$7 per week and the minimum by \$1 per week.
Utah.....	66 2/3	\$45 to \$70 according to number of dependents but not more than the employee's AWW.	\$219.00	66 2/3	312 weeks	In case partial disability begins after a period of total disability, the period of total disability shall be deducted from the maximum.
Vermont.....	66 2/3	\$155.00 - 50% of SAWW, or worker's average wage if less.	\$465.00	150	330 weeks	

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Virgin Islands	66 2/3	\$60 or actual wages if less.	\$187.00	66 2/3	200 weeks	
Virginia.....	66 2/3	\$81.50 - 25% of SAWW, or actual wage if less for scheduled injuries.	\$326.00	100	500 weeks	Period of payment may be extended if employee is still disabled within 1 year of final payment.
Washington.....	-----	Payable, but not statutorily prescribed.	-----	N/A	-----	Total maximum amount payable for nonscheduled injury is \$90,000. ^{4/}
West Virginia	70	\$114.35 - 33 1/3% of SAWW.	\$228.71	66 2/3	336 weeks	If disability is 85 to 100%, benefits are payable for life.
Wisconsin....	66 2/3	\$20	\$112.00	N/A	1000 weeks	Eff. 1/1/87, maximum weekly compensation will increase to \$117. WC benefits are subject to Social Security benefit offsets.

^{4/} Washington: Payments based on permanent physical impairment; in event award exceeds three times the State's average monthly wage, employee receives first payment equal to three times the State's average monthly wage with balance in monthly payments per temporary disability schedule plus eight percent interest per annum on unpaid balance.

TABLE 8. BENEFITS FOR PERMANENT PARTIAL DISABILITY PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)
 NAWW - National Average Weekly Wage
 SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of Worker's Wage	Payments Per Week			Maximum Period For Unscheduled Injury	Notes
		Minimum	Maximum	Percentage of SAWW		
Wyoming.....	66 2/3	_____	\$235.35	66 2/3% of <u>monthly</u> wage.	In proportion to scheduled injuries	
United States*: FECA.....	66 2/3 - 75	Payable, but not statutorily prescribed.	\$979.90	N/A	Duration of disability	Maximum weekly benefit is based on 75% of the pay of a specific grade level in the Federal Civil Service.
LHWCA....	66 2/3	\$148.81 - 50% of NAWW, or actual wage if less	\$595.24	200% of NAWW	Duration of disability	(NAWW is \$297.62)

*Federal Employee's Compensation Act.
 Longshoremen's and Harbor Workers' Compensation Act.

TABLE 9. MAXIMUM BENEFIT PAYMENTS AND NUMBER OF WEEKS FOR SELECTED PERMANENT PARTIAL DISABILITIES

Jurisdiction	Scheduled Injuries						Hearing		Non-Scheduled Injuries Total Amount
	Arm at Shoulder	Hand	Leg at Hip	Foot	Eye	Both Ears	One Ear		
Alabama	\$48,840/222	\$37,400/170	\$44,000/200	\$30,580/139	\$27,280/124	\$35,860/163	\$11,660/53	\$ 65,000	
Alaska	59,000/280	45,400/212	54,400/248	39,700/173	30,200/140	37,800/200	9,800/52	60,000	
Arizona	43,725/260	36,438/217	36,438/217	29,150/173	21,863/130	43,725/260	14,575/87	No maximum	
Arkansas	32,340/210	24,332/158	28,336/184	20,174/131	16,170/105	24,332/158	6,468/42	60,300	
California 1/								No maximum	
Colorado	17,472/208	8,736/104	17,472/208	8,736/104	11,676/139	11,676/139	2,940/35	25,292	
Connecticut	123,864/312	100,044/252	94,486/238	74,636/188	93,295/235	61,932/156	20,644/52	309,660	
Delaware	61,055/250	53,728/220	61,055/250	39,075/160	48,844/200	42,739/175	18,317/75	73,266	
Dist. of Col.	134,690/312	105,335/244	124,330/288	88,499/205	69,072/160	86,340/200	22,448/52	No maximum	
Florida 3/								165,375	
Georgia	39,375/225	28,000/160	39,375/225	23,625/135	26,250/150	26,250/150	13,125/75	61,250	
Hawaii	93,288/312	72,956/244	86,112/288	61,295/205	47,840/160	59,800/200	15,548/52	93,288	
Idaho	49,335/300	44,402/270	32,890/200	23,023/140	28,779/175	28,779/175	1/	82,225	
Illinois	157,635/300	99,836/190	144,499/275	81,445/155	84,072/160	58,722/200	14,681/50	No maximum	
Indiana	18,750/250	15,000/200	16,875/225	13,125/175	13,125/175	15,000/200	5,625/75	37,500	
Iowa	141,000/250	107,160/190	124,080/220	84,600/150	78,960/140	98,700/175	28,200/50	282,000	
Kansas	51,870/210	37,050/150	49,400/200	30,875/125	29,640/120	27,170/110	7,410/30	75,000	
Kentucky 1/								100,899	
Louisiana	50,800/200	38,100/150	44,450/175	31,750/125	25,400/100	No provision	No provision	132,080	
Maine	89,584/200	73,907/165	89,584/200	73,907/165	44,792/100	89,584/200	22,396/50	No maximum	
Maryland	92,000/400	76,590/333	92,000/400	76,590/333	76,590/333	76,590/333	14,375/125	No maximum	
Massachusetts 4/	15,502	12,257	14,060	10,455	14,060	27,759	10,455	216,300	
Michigan	100,875/269	80,625/215	80,625/215	60,750/162	60,750/162	No provision	No provision	No maximum	
Minnesota 1/									
Mississippi	28,000/200	21,000/150	24,500/175	17,500/125	14,000/100	21,000/150	5,600/40	63,000	
Missouri 5/	39,992/232	30,167/175	35,683/207	25,857/150	21,939/140	26,327/168	6,895/44	62,684	
Montana	41,860/280	29,000/200	44,850/300	26,910/180	24,668/165	29,900/200	5,980/40	74,750	

TABLE 9. MAXIMUM BENEFIT PAYMENTS AND NUMBER OF WEEKS FOR SELECTED PERMANENT PARTIAL DISABILITIES (cont.)

Jurisdiction	Scheduled Injuries						Hearing		Non-Scheduled Injuries Total Amount
	Arm at Shoulder	Hand	Leg at Hip	Foot	Eye	Both Ears	One Ear		
Nebraska	50,625/225	39,375/175	48,375/215	33,750/150	28,125/125	6/	11,250/50	67,500	
Nevada <u>1/</u>									
New Hampshire	103,320/210	92,988/189	68,880/140	48,216/98	41,328/84	60,516	14,760/30	No maximum	
New Jersey <u>7/</u>	89,357/330	54,279/245	85,295/315	45,294/230	34,084/225	26,510/200	4,560/60	170,400	
New Mexico	61,676/200	38,548/125	61,676/200	35,464/115	40,089/130	46,257/150	12,335/40	185,028	
New York	46,800/312	36,600/244	43,200/288	30,750/205	24,000/160	22,500/150	9,000/60	No maximum	
North Carolina	70,560/240	58,800/200	58,800/200	42,336/144	35,280/120	44,100/150	20,580/70	88,200	
North Dakota <u>8/</u>	18,750/250	15,000/200	14,040/234	9,000/150	9,000/150	12,000/200	3,000/50	30,000	
Ohio	41,063/225	31,938/175	36,500/200	27,375/150	22,813/125	22,813/125	4,563/25	9/	
Oklahoma	40,750/250	32,600/200	40,750/250	32,600/200	32,600/200	48,900/300	16,300/100	81,500	
Oregon <u>10/</u>	24,000	18,750	18,750	16,875	12,500	24,000	7,500	32,000	
Pennsylvania	142,270/410	116,245/335	142,270/410	86,750	95,425/275	90,220/260	20,820/60	173,500	
Puerto Rico	10,000/300	9,000/200	10,000/300	7,875/175	<u>11/</u>	9,000/200	2,250/50	10,000	
Rhode Island	28,080/312	21,960/244	28,080/312	18,450/205	14,400/160	18,000/200	5,400/60	No maximum	
South Carolina	64,889/220	54,566/185	57,515/195	41,293/140	32,445/110	48,667/165	23,596/80	100,283	
South Dakota	52,400/200	39,300/150	41,920/160	32,750/125	39,300/150	39,300/150	<u>2/</u>	No maximum	
Tennessee	37,800/200	28,350/150	37,800/200	23,625/125	18,900/100	28,350/150	<u>2/</u>	75,600	
Texas	43,400/200	32,550/150	43,400/200	27,125/125	21,700/100	32,550/150	<u>2/</u>	65,100	
Utah	40,953/187	36,792/168	27,375/125	19,272/88	26,280/120	21,900/100	<u>2/</u>	68,328	
Vermont	99,975/215	81,375/175	99,975/215	81,375/175	58,125/125	99,975/215	24,180/52	153,450	
Virgin Islands	41,140/220	33,660/180	33,660/180	22,440/120	36,465/195	33,660/180	22,440/120	37,400	
Virginia	65,200/200	48,900/150	57,050/175	40,750/125	32,600/100	32,600/100	16,300/50	163,000	
Washington <u>12/</u>	54,000	48,600	54,000	43,200	21,600	43,200	7,200	90,000	
West Virginia <u>1/</u>								76,847	
Wisconsin	56,000/500	44,800/400	56,000/500	28,000/250	30,800/275	24,192/216	4,032/36	112,000	
Wyoming	35,303/150	28,713/122	31,772/135	23,535/100	22,123/94	18,828/80	9,414/40	No maximum	
United States*:									
FECA	305,729/312	239,096/244	282,211/288	200,880/205	156,784/160	195,980/200	50,955/52	No maximum	
LHWCA.....	185,715/312	145,239/244	171,429/288	122,024/205	95,238/160	119,048/200	30,952/52	No maximum	

TABLE 9. MAXIMUM BENEFIT PAYMENTS AND NUMBER OF WEEKS FOR SELECTED PERMANENT PARTIAL DISABILITIES (cont.)

- 1/ Ratings for compensation purposes are determined as a percentage of permanent total disability (California, Idaho, Kentucky, Minnesota, Nevada, and West Virginia).
- 2/ Monaural loss is determined as a percentage of binaural loss (South Dakota, Tennessee, Texas, and Utah).
- 3/ Florida: Benefits are paid based on a wage loss formula rather than on a statutory schedule.
- 4/ Massachusetts: Determined by multiplying the State average weekly wage by a certain amount.
- 5/ Missouri: If the scheduled injury is total by reason of severance or complete loss of use thereof, the number of weeks of compensation allowed in the schedule for such disability shall be increased by ten percent.
- 5/ Nebraska: Loss of hearing in both ears constitutes permanent total disability.
- 7/ New Jersey: Where members are amputated, an additional 30 percent is added to the award.
- 8/ North Dakota: Benefits are increased by 25 percent if loss is to master arm or hand.
- 9/ Ohio: Under the impairment of earning capacity plan, the aggregate payable is \$17,500; under the percentage of permanent partial disability plan, benefits are limited to 1/3 of the state average weekly wage multiplied by 200.
- 10/ Oregon: Law provides for a payment of \$125 for each degree of scheduled injury and \$100 for each degree of unscheduled injury, in monthly payments.
- 11/ Puerto Rico: The manager of the State Insurance Fund determines the extent of an eye disability, based upon an expert report of an oculist.
- 12/ Law provides for payment of fixed sums for specified injuries in weekly, monthly, or lump sum payments, under certain circumstances (Washington).

* Federal Employees' Compensation Act. Longshoremen's and Harbor Workers' Compensation Act.

TABLE 10. JURISDICTIONS HAVING "FLEXIBLE MAXIMUM" BENEFIT LEVELS
UNDER WORKERS' COMPENSATION STATUTES

Date of Adjustment	State
7/1	Alabama -- 66 2/3%
1/1	Alaska -- 200%
7/1	Colorado -- 80%
10/1	Connecticut -- 100% (plus dependents' allowances)
1/1	Delaware -- 66 2/3%
1/1	District of Columbia -- 100%
1/1	Florida -- 100%
1/1	Hawaii -- 100%
1/1	Idaho -- 90% (plus dependents' allowances)
1/15 & 7/15	Illinois -- 133 1/3%
7/1	Iowa -- 200%
7/1	Kansas -- 75%
1/1	Kentucky -- 100%
9/1	Louisiana -- 75%
7/1	Maine -- 166 2/3%
1/1	Maryland -- 100%
10/1	Massachusetts -- 100% (plus dependents' allowances)
1/1	Michigan -- 90%
10/1	Minnesota -- 100%
7/1	Missouri -- 70%
7/1	Montana -- 100%
7/1	Nevada -- 100%
7/1	New Hampshire -- 150%
1/1	New Jersey -- 75%
1/1	New Mexico -- 100%
1/1	North Carolina -- 100%
7/1	North Dakota -- 100% (plus dependents' allowances)
2/1	Ohio -- 100%
7/1	Oregon -- 100%
1/1	Pennsylvania -- 100%
9/1	Rhode Island -- 100% (plus dependents' allowances)
1/1	South Carolina -- 100%
7/1	South Dakota -- 100%
9/1	Texas -- 3/4
7/1	Utah -- 100% (plus dependents' allowances)
7/1	Vermont -- 100% (plus dependents' allowances)
1/1	Virgin Islands -- 66 2/3%
7/1	Virginia -- 100%
7/1	Washington -- 75%
7/1	West Virginia -- 100%
1/1	Wisconsin -- 100%
4/1	Wyoming -- 100%

TABLE 10. JURISDICTIONS HAVING "FLEXIBLE MAXIMUM" BENEFIT LEVELS
UNDER WORKERS' COMPENSATION STATUTES* (cont.)

* The percentages reflected in this table refer to State's Average Weekly Wage (SAWW) or State's Monthly Wage, if not otherwise indicated.

- 1/ Delaware: Date for changes in benefits is set at the discretion of the Governor.
- 2/ Oklahoma: Changes every three years.
- 3/ Texas: Increase is governed by increase in average weekly wage for manufacturing production workers.
- 4/ Wyoming: Changes every calendar quarter.

Source: Information from Table 6, Temporary Total Disability.

TABLE 11. JURISDICTIONS PROVIDING DISFIGUREMENT BENEFITS

State	Nature of Disfigurement	Compensation Received	Maximum Period
Alabama	Serious, materially affecting employability.	66-2/3 percent of employee's average weekly earnings.	100 weeks
Alaska	Serious, facial or head or exposed body parts likely to affect employability.	66-2/3 percent of employee's average weekly wages; in addition, the Board shall award compensation up to \$10,000.	-----
Arizona	Permanent, about head or face, including injury to, or loss of, teeth.	55 percent of average monthly wages; in addition, the Commission may allow such sum as it deems just.	18 months
Arkansas	Serious and permanent facial or head.	Maximum \$3,500; no award for disfigurement shall be entered until 12 months after injury.	-----
California	-----	No set figure but the nature of the disfigurement shall be taken into account when determining the percentages of permanent disability.	-----
Colorado	Serious facial, head, or exposed body parts.	Maximum \$2,000, in addition to accident benefits provided under the law.	-----

TABLE 11. JURISDICTIONS PROVIDING DISFIGUREMENT BENEFITS (CONT.)

State	Nature of Disfigurement	Compensation Received	Maximum Period
Connecticut	Permanent.	Compensation shall be awarded for disfigurement not caused solely by the loss or the loss of use of a member of the body.	208 weeks
Delaware	Permanent and serious to exposed parts of the human body.	66-2/3 percent of employee's weekly wage.	150 weeks
District of Columbia	Serious facial, head, neck or other exposed areas likely to handicap employment.	Maximum \$3,500	_____
Florida	Serious facial or head.	\$250 for each percent of permanent impairment of the body as a whole from 1 to 10 percent; and \$500 for each percent in excess of 10 percent.	_____
Hawaii	Scarring and other consequences caused by medical, surgical and hospital treatment.	Maximum \$15,000	_____
Idaho	_____	No set figure but effect on employment and nature of disfigurement shall be taken into account when determining the percentages of permanent disabilities less than total.	_____
Illinois	Serious and permanent to hand, head, face, neck, arm, leg, below knee or chest above axillary line.	60 percent of the employee's average weekly wage, except if benefits are otherwise payable for permanent disability.	150 weeks

TABLE 11. JURISDICTIONS WHICH PROVIDE DISFIGUREMENT BENEFITS (cont.)

State	Nature of Disfigurement	Compensation Received	Maximum Period
Indiana	Permanent, which may impair the future usefulness or opportunities of the employee.	At discretion of Industrial Board, except where benefits are payable elsewhere.	200 weeks
Iowa	Permanent head or facial, which impairs future usefulness and earnings.	Determined by the Industrial Commissioner according to severity of disfigurement.	150 weeks
Kansas ^{1/}	_____	_____	_____
Kentucky	Serious and permanent of face, head, neck or other exposed areas of the body that is likely to affect employment opportunities.	Proper and equitable scheduled benefits. Period for which benefits are payable is decided after maximum healing and restoration of function.	_____
Louisiana	Serious and permanent.	At discretion of Court, not to exceed 66-2/3 percent of employee's wages.	100 weeks
Maine	Serious facial or head; neck if affects earning capacity.	An amount not exceeding two-thirds of the State average weekly wage, multiplied by 50.	_____
Maryland	For mutilations and others not specifically covered in schedule.	Determined at the discretion of the Workmen's Compensation Commission.	156 weeks
Massachusetts	Bodily.	Proper and equitable compensation not to exceed the State average weekly wage multiplied by thirty-two; in addition to other compensation for disability.	_____

^{1/} Kansas: When a disfigurement is a handicap in obtaining or retaining employment, compensation will be paid up to a maximum of 415 weeks.

TABLE 11. JURISDICTIONS PROVIDING DISFIGUREMENT BENEFITS (cont.)

State	Nature of Disfigurement	Compensation Received	Maximum Period
Minnesota	Disfigurement or scarring, not result from loss of a member or other scheduled injury affecting employability or advancement opportunity.	66-2/3 percent of the employee's daily wage at time of injury.	90 weeks
Mississippi	Serious facial or head.	Maximum \$2,000	_____
Missouri	Serious and permanent about the head, neck, hands or arms including the loss of use or the loss of a member.	No statutory figure.	40 weeks
Montana	Serious face, head, or neck.	Maximum \$2,500	_____
New Mexico	Serious and permanent about the face or head.	Maximum \$2,500	_____
New York	Serious facial, head, neck, or chest.	Maximum \$10,000	_____
North Carolina	Serious facial or head, and body when no compensation payable under schedule of injuries.	Maximum \$10,000	_____
North Dakota	Effect diminishes the ability of the employee to obtain employment.	No set figure but such disfigurement shall be included as permanent partial disability.	_____
Ohio	Serious facial or head which handicaps employment.	Maximum \$5,000	_____

TABLE 11. JURISDICTIONS PROVIDING DISFIGUREMENT BENEFITS (cont.)

State	Nature of Disfigurement	Compensation Received	Maximum Period
Oklahoma	Serious and permanent.	Maximum \$10,000	_____
Pennsylvania	Serious and permanent of head, face, or neck.	66-2/3 percent of the employee's average weekly wage.	275 weeks
Puerto Rico	Serious scar, burn, or change in physiognomy of the face, head, or neck.	Maximum \$3,000	_____
	Hands or arms if not considered in determining any other compensation.	Maximum \$1,600	_____
Rhode Island	Permanent Bodily.	Proper and equitable compensation determined by the Workers' Compensation Commission.	500 weeks
South Carolina	Serious and permanent of face, head, neck, or other area normally exposed in employment.	Proper and equitable benefits, unless benefits are otherwise payable for the loss, except that benefits shall be paid for serious burn and keloid scars in addition to other benefits.	50 weeks
South Dakota ^{2/}	_____	_____	_____

^{2/} South Dakota: Compensation for permanent disfigurement shall be payable for a portion of 312 weeks which is represented by the percentage of permanent disfigurement that bears to the body as a whole.

TABLE 11. JURISDICTIONS PROVIDING DISFIGUREMENT BENEFITS (cont.)

State	Nature of Disfigurement	Compensation Received	Maximum Period
Tennessee	Serious of the head, face or hands, so altering the personal appearance as to materially affect employability.	66-2/3 percent of the employee's average weekly earnings; not to be awarded if compensated under any other provisions.	200 weeks
Texas	Any that will impair the future usefulness or occupational opportunities of the injured employee.	66-2/3 percent of employee's average weekly wages not to exceed the maximum weekly benefit, multiplied by the percentage of incapacity.	300 weeks
Utah	Areas of the body not specifically covered in schedule.	Such period of compensation as the Commission shall deem equitable and in proportion as near as may be to compensation for specific loss as set forth in the schedule.	312 weeks
Vermont ^{3/}	_____	_____	_____
Virgin Islands	Serious and permanent of the head, neck, or other normally exposed areas that would affect employability.	Equitable benefits in addition to scheduled income benefits.	100 weeks
Virginia	Severely marked of head, face, hands, arms or legs.	66-2/3 percent of employee's average weekly wages.	60 weeks
Wisconsin	Areas of the body that are exposed in the normal course of employment.	At the discretion of the Department of Industry, Labor and Human Relations, a sum not to exceed the employee's average annual earnings.	_____

^{3/} Vermont: Compensation and percentage of loss for permanent impairment of any physical function not specifically mentioned shall be determined by the Commissioner of Labor and Industry.

TABLE 11. JURISDICTIONS PROVIDING DISFIGUREMENT BENEFITS (cont.)

State	Nature of Disfigurement	Compensation Received	Maximum Period
Wyoming	Permanent of the face or head that affects earning capacity.	In proportion to the extent of the disfigurement plus an award based on two-thirds of the State's average weekly wage.	25 weeks
United States* FECA	Serious of the face, head or neck of a character likely to handicap employment.	66-2/3 percent of employee's monthly wage; in addition, proper and equitable benefits not to exceed \$3,500.	_____
LEWCA	Serious facial, head or neck, or of exposed areas likely to handicap employment.	Maximum \$3,500	_____

*Federal Employees' Compensation Act.
Longshoremen's and Harbor Workers' Compensation Act.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S.

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
Alabama.....	50	66 2/3	\$88 - 27½% of SAWW, or worker's average wage if less.	\$319.00	100	500 weeks	
Alaska.....	80% of spendable earnings	80% of spendable earnings	\$75 to \$125 according to number of dependents.	\$1,114.00	200	After 5 and 8 years, a spouse's benefit payments are reduced and terminated at 10 years unless spouse is permanently and totally disabled or has reached age 52; children until age 19 or married.	Children receive benefits if full-time students regardless of age for first 4 years. Spouse receives 2-year lump sum upon remarriage. WC benefits subject to Social Security benefit offsets.
Arizona.....	35	66 2/3	Payable, but not statutorily prescribed.	\$107.03 to \$203.86	N/A	Widow/Widowerhood; children until 18 or married.	Children receive benefits beyond 18 if physically or mentally disabled.
Arkansas....	35	66 2/3	\$20	\$175.00	N/A	Widow/Widowerhood; children until 18 or married.	Eff. 7/1/87 thru 12/31/88, maximum weekly benefit will be \$189. On 1/1/89 thru 12/31/89, maximum weekly benefit will be based on 66 2/3% of the SAWW; and on 1/1/90, to 70% of SAWW.

1/ The term "widow/widowerhood" means the period until the death or remarriage of either surviving spouse.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
California..	—	—	\$112	\$224.00	N/A	—	Total amount payable is \$95,000.
Colorado....	66 2/3	66 2/3	\$82.83	\$351.68	80	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage if there are no dependent children. Children are compensated beyond 18 if physically or mentally disabled, or until 21 years of age if full-time students. WC benefits are subject to Social Security benefit offsets.
Connecticut...	66 2/3	66 2/3	\$79.40 - 20% of SAWW, or an amount not to exceed 80% of worker's average wage if less.	\$397.00	100	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if physically or mentally disabled, or until 22 years of age if full-time students.
Delaware.....	66 2/3	80	\$81.41 - 22 2/9% of SAWW.	\$244.22 to \$293.06	66 2/3 to 80	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children are compensated until 25 years of age if full-time students.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW		
District of Columbia....	50	66 2/3	\$107.80 - 25% of SAWW.	\$431.70	100	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond 18 if physically or mentally disabled, or until 23 years of age if full-time students.
Florida.....	50	66 2/3	\$20 or actual wage if less.	\$315.00	100	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if physically or mentally disabled, or until 22 years of age if full-time students. Total amount payable is \$100,000.
Georgia.....	66 2/3	66 2/3	\$25 or average wage if less.	\$175.00	N/A	400 weeks	Total maximum of \$65,000 applies to surviving spouse who is sole dependent at time of death, and where there are no other dependents for 1 year or less. Children receive benefits beyond 18 if physically or mentally disabled, or until 22 years of age if full-time students.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW		
Hawaii.....	50	66 2/3	\$74.75 - 25% of SAWW, or worker's average wage if less, but not lower than \$38.	\$224.14 to \$299.00 according to no. of dependents.	100	Widow/Widowerhood; children until 18.	Total maximum payable for a spouse is 312 times the effective maximum weekly benefit rate. Two-year lump sum payable upon remarriage. Maximum amount does not apply to children under 18, or over 18 if they are unmarried and incapable of self-support.
Idaho.....	45	60	Payable, but not statutorily prescribed.	\$134.55 to \$179.40 according to no. of dependents.	45	500 weeks	Spouse with dependent children receives 45% of the employee's AWW plus 5% for each child until age 18 up to 3 children.
Illinois....	66 2/3	66 2/3	\$197.05 - 50% of SAWW.	\$525.45	133 1/3	Widow/Widowerhood; children until 18, or for not less than 6 years if orphan child is under age 18.	Children receive benefits beyond age 18 if physically or mentally disabled. Two-year lump sum payable upon remarriage in cases where there are no children. Children may receive benefits until 25 years of age if full-time students. The maximum payable in any case is \$250,000 or 20 years of compensation, whichever is greater.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont)
SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW		
Indiana.....	66 2/3	66 2/3	\$50 or worker's average wage if less.	\$178.00	N/A	500 weeks	Children receive benefits beyond 18 if physically or mentally disabled. Two-year lump sum is payable upon remarriage in cases where there are no dependent children or the remainder of compensation, whichever is smaller. The total maximum amount payable is \$95,000.
Iowa.....	80	80	\$107.30 - 35% of SAWW, or actual wage if less.	\$613.00	200	Widow/Widowerhood; children until 18.	Benefits are based on employee's spendable earnings. Two-year lump sum payable upon remarriage if no children. Children receive benefits beyond age 18 if they are physically or mentally disabled, or until 25 years of age, if full-time students.
Kansas.....	66 2/3	66 2/3	\$25	\$247.00	75	Widow/Widowerhood; children until 18.	Surviving spouses receive a lump sum equal to 100 weeks of compensation upon remarriage. Children receive benefits beyond age 18 if they are physically or mentally disabled and, if full-time students until 23 years of age. Total maximum payable is \$100,000, excluding dependent children.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont)
SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
Kentucky.....	50	75	\$63.31 - 20% of SAWW.	\$237.41	75	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if physically or mentally disabled, or until 22 years of age if full-time students.
Louisiana.....	32 1/2	65	\$68 - 20% of SAWW, or actual wage if less.	\$244.10	75	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if physically or mentally disabled, or until 23 years of age if full-time students.
Maine.....	66 2/3	66 2/3	\$25	\$447.92*	166 2/3	Widow/Widowerhood; children until 18.	(*Maximum weekly benefit is frozen at \$447.92 for injuries occurring on or after 7/1/85 until 6/30/88.) Children receive benefits beyond age 18 if physically or mentally disabled, or until 23 years of age if full-time students. WC benefits subject to UI benefit offsets, excluding lump sum settlements.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)
SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW		
Maryland.....	66 2/3	66 2/3	\$25 or worker's average wage if less.	\$344.00	100	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if physically or mentally disabled, or until 23 years of age if full-time students. WC benefits may continue after a maximum of \$45,000 has been paid, if there remain wholly dependent survivors.
Massachusetts	66 2/3	66 2/3	\$110	\$360.50	100	Widow/Widowerhood; children until 18.	Children receive benefits beyond age 18 if disabled, or regardless of age if full-time students. Dependent surviving spouses receive benefits during periods when they are not fully self-supporting. Total maximum payable not to exceed 250 times the SAWW in effect at time of injury. Additional \$6 will be added per child if weekly benefits are below \$150.
Michigan.....	80	80	\$208 - 50% of SAWW.	\$375.00	90	500 weeks	Children receive benefits until 21 years of age, or longer if disabled, notwithstanding the 500 week limit.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
Minnesota....	50	66 2/3	Payable, but not statutorily prescribed.	\$342.00	100	Surviving spouse only—10 years; surviving spouse with children—until last child is no longer dependent, plus 10 years; children until 18.	Children receive benefits beyond age 18 if disabled, or until 25 if full-time students. WC benefits subject to Social Security benefit offsets.
Mississippi..	35	66 2/3	\$25	\$140.00	N/A	450 weeks	An additional sum of \$250 is payable to widows. Children receive benefits beyond age 18 if disabled, or until age 23 if full-time students. The total maximum payable is \$63,000.
Missouri....	66 2/3	66 2/3	\$40	\$243.78	70	Widow/widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if disabled, or until age 22 if full-time students, and beyond age 23, if on active duty in the Armed Forces. The total maximum payable is \$195,000. Eff. 1/28/86, the percentage of the SAWW will increase to 75.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)
SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
Montana.....	66 2/3	66 2/3	\$149.50 - 50% of SAWW, or actual wage if less.	\$299.00	100	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if disabled, or until age 25 if full-time students.
Nebraska....	66 2/3	75	\$49 or actual wage if less.	\$225.00	N/A	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if disabled, or until age 25 if full-time students.
Nevada.....	66 2/3	66 2/3	—————	\$341.95	100	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if disabled, or until age 22 if full-time students.
New Hampshire	66 2/3	66 2/3	\$131—40% of SAWW or actual wage if less.	\$492.00	150	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if disabled, or until 25 years of age if full-time students. If the employee's AWW exceeds 40% of the SAWW, compensation will increase to 66 2/3% of employee's AWW not to exceed 150 of SAWW.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
New Jersey...	50	70	\$76 - 20% of SAWW.	\$284.00	75	Widow/Widowerhood; children until 18.	After 450 weeks of benefit payments, any earnings of surviving spouse will be deducted from future WC benefits payable to the surviving spouse. Surviving spouse receives \$1,000 lump sum upon remarriage. Children receive benefits beyond age 18 if disabled. Supplemental benefits for death are subject to Social Security, black lung, or disability pension benefit offsets.
New Mexico...	66 2/3	66 2/3	Payable, but not statutorily prescribed.	\$308.38	100	600 weeks	Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if disabled or until 23 years of age if full-time students. Total maximum equals the sum of 600 multiplied by the maximum weekly benefit payable at the time of injury.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont
SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/ Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW	
New York.....	66 2/3	66 2/3	\$30	\$300.00	N/A	Widow/Widowerhood; children until 18. Two-year lump sum payable upon remarriage. Children receive benefits beyond age 18 if disabled, or until age 23 if full- time students. WC pay- ments are subject to Social Security bene- fit offsets.
North Carolina	66 2/3	66 2/3	\$30	\$294.00	100	400 weeks WC benefits are payable to a surviving spouse in- capable of self-support for life. Dependent children receive bene- fits beyond the 400- week limit until age 18.
North Dakota..	66 2/3	66 2/3	\$105.00 - 50% of maxi- mum weekly death bene- fit.	\$210.00 plus \$7 per week for each dependent child.	N/A	Widow/Widowerhood; children until 18. Children receive benefits beyond age 18 if disabled, or until age 23 if full- time students. Widows receive a \$300 lump sum and a \$100 sum for each dependent child. Total maximum payable is \$175,000.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont..)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
Ohio.....	66 2/3	66 2/3	\$182.50 - 50% of SAWW.	\$365.00	100	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond 18 if disabled, or until 25 years of age if full-time students.
Oklahoma.....	50	75	—————	\$217.00*	66 2/3	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students. Spouse receives lump sum of \$10,000 and \$2,500 for each child up to \$5,000. *(Benefits are frozen at \$217 from 11/1/84 until 11/1/87.)
Oregon.....	—————	—————	Payable, but not statutorily prescribed.	\$229.85 to \$459.69	133 1/3	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students. Spouse receives 24 times the monthly benefit in a lump sum upon remarriage. Spouse receives \$150 a month per child for each of two children, and \$50 a month for each additional child, subject to the monthly maximum benefit.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)
SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
Pennsylvania.	51	66 2/3	\$173.50 - 50% of SAWW.	\$347.00	100	Widow/Widowerhood; children until 18.	Two-year lump sum payable to widows upon remarriage. Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students.
Puerto Rico..	50	85	\$12.50	\$31.25	N/A	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if disabled. As an advance, widows receive a sum of \$500. Children receive benefits until 25 years of age if full-time students.
Rhode Island..	66 2/3	80	—————	\$307.00 plus \$9 for each depen- dent child.	100	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
South Carolina	66 2/3	66 2/3	\$25	\$294.95	100	500 weeks	Two-year lump sum payable upon remarriage of spouse. Children receive benefits beyond 19 if disabled, or until 23 years of age if full-time students.
South Dakota..	66 2/3	66 2/3	\$131 - 50% of SAWW, or worker's average wage if less.	\$262.00 plus \$50 per month for each child.	100	Widow/Widowerhood; children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond 18 if disabled, or until 22 years of age if full-time students.
Tennessee.....	50	66 2/3	\$25	\$189.00	N/A	Widow/Widowerhood; children until 18.	Eff. 7/1/87, maximum weekly benefit will increase to \$210; to \$231, 7/1/88; and to \$252, 7/1/89. Children receive benefits beyond 18 if disabled, or until 22 years of age if full-time students. Total maximum amount payable is \$75,600. Lump sum of \$10,000 will be paid to decedent's estate when there are no dependents.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week		Percentage of SAWW	Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum			
Texas.....	66 2/3	66 2/3	\$37	\$217.00	See notes	Widow/Widowhood children until 18.	Two-year lump sum payable upon remarriage. Children receive benefits beyond 18 if disabled, or until 25 years of age if full-time students. Each cumulative \$10 increase in the AWW for manufacturing production workers will increase the maximum weekly benefit by \$7 and minimum by \$1.
Utah.....	66 2/3	66 2/3	\$45 to \$70 according to no. of dependents.	\$280.00	85	312 weeks	WC benefits may be extended if survivors remain wholly dependent. After first 6 years, benefits to wholly dependent spouses become subject to Social Security benefit offsets. 52-week lump sum payable upon remarriage or remainder of award, whichever is less.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)
SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW		
Vermont.....	66 2/3	76 2/3	\$155 - 50% of SAWW.	\$465.00	150	Widow/Widowerhood until age 62; children until 18.	Children receive benefits beyond 18 if disabled and if full-time students.
Virgin Islands 2/	—	—	—	—	—	—	—
Virginia.....	66 2/3	66 2/3	\$81.50 - 25% of SAWW, or actual wage if less.	\$326.00	100	500 weeks	Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students.
Washington...	60	70	\$42.69 to \$74.31 according to no. of dependents.	\$269.70	75% of State's <u>monthly</u> wage.	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students. Lump sum of \$1,600 becomes payable at time of death. Upon remarriage, surviving spouse is entitled to \$7,500, or 50% of remaining annuity value, if less.

2/ Virgin Islands: Dependents are entitled to receive compensation of not less than \$12,500, nor exceed \$16,500; except for dependents of policemen and firemen who are entitled to not less than \$12,500, nor more than \$25,000 at the discretion of the Commissioner of Labor.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont.)

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW		
West Virginia	70	70	\$114.35 - 33 1/3 of SAWW.	\$343.06	100	Widow/Widowhood; children until 18.	Children receive benefits beyond 18 if disabled, or until 25 years of age if full-time students.
Wisconsin....	66 2/3	See notes	\$20	\$329.00	100	300 weeks	Additional WC benefits are payable from the State Fund for dependent children until age 18 (10% of surviving spouse's benefit is the allowance made for each child); and if child is over 18 and disabled, benefits may continue for 15 years.
Wyoming.....	-----	-----	-----	\$235.35	66 2/3% of <u>monthly</u> wage	231 weeks	Children receive benefits until age 19 or beyond if disabled, but not to exceed 21 years of age. Beyond 231 weeks, court may continue benefit payments at 33 1/3% of SAWW.

TABLE 12. DEATH BENEFITS FOR SURVIVING SPOUSES AND CHILDREN PROVIDED BY WORKERS' COMPENSATION STATUTES IN THE U.S. (cont)

NAWW - National Average Weekly Wage

SAWW - State's Average Weekly Wage

Jurisdiction	Percentage of employee's wage		Payments Per Week			Maximum Period 1/	Notes
	Spouse Only	Spouse & Children	Minimum	Maximum	Percentage of SAWW		
United States*:							
FECA.....	50	75	Payable, but not statutorily prescribed.	\$979.90	See notes	Widow/Widowerhood; children until 18.	WC benefits are based on 75 of the pay of specific grade level in the Federal Civil Service. Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students.
LHWCA.....	50	66 2/3	\$148.81 50% of NAWW, or actual wage if less.	\$595.24	N/A	Widow/Widowerhood; children until 18.	Children receive benefits beyond 18 if disabled, or until 23 years of age if full-time students. (NAWW is \$297.62).

*Federal Employees' Compensation Act.

Longshoremen's and Harbor Workers' Compensation Act.

TABLE 13. MAXIMUM BURIAL ALLOWANCES

Jurisdiction	Maximum Amount	Jurisdiction	Maximum Amount
Alabama.....	\$1,000	Nevada <u>6/</u>	\$2,500
Alaska.....	2,500	New Hampshire.....	3,000
Arizona.....	1,000	New Jersey.....	2,000
Arkansas.....	3,000	New Mexico.....	1,500
California.....	2,000	New York.....	1,500
Colorado.....	2,000	North Carolina.....	1,000
Connecticut.....	3,000	North Dakota.....	2,500
Delaware <u>1/</u>	700	Ohio.....	1,200
District of Columbia...	1,000	Oklahoma.....	(7/)
Florida.....	2,500	Oregon.....	3,000
Georgia.....	5,000	Pennsylvania <u>8/</u>	1,500
Hawaii.....	(2/)	Puerto Rico.....	300
Idaho <u>3/</u>	1,500	Rhode Island.....	3,000
Illinois.....	1,750	South Carolina.....	400
Indiana.....	2,000	South Dakota <u>9/</u>	3,000
Iowa.....	1,000	Tennessee.....	3,000
Kansas.....	3,200	Texas.....	2,500
Kentucky <u>4/</u>	2,500	Utah.....	1,800
Louisiana.....	3,000	Vermont.....	2,000
Maine <u>5/</u>	1,000	Virgin Islands.....	800
Maryland <u>1/</u>	1,200	Virginia <u>10/</u>	3,000
Massachusetts.....	2,000	Washington.....	2,000
Michigan.....	1,500	West Virginia.....	3,500
Minnesota.....	2,500	Wisconsin.....	1,500
Mississippi.....	2,000	Wyoming <u>11/</u>	1,800
Missouri.....	2,000	United States*:	
Montana.....	1,400	FECA <u>12/</u>	800
Nebraska.....	2,000	LHWCA.....	1,000

*Federal Employees' Compensation Act.
Longshoremen's and Harbor Workers' Compensation Act.

** The burial allowance in Ohio will be \$3,200, effective August 1986.

TABLE 13. MAXIMUM BURIAL ALLOWANCES (cont.)

- 1/ Burial expenses in excess of maximum are payable if approved by the Industrial Accident Board in Delaware, and by the Workmen's Compensation Commission in Maryland, if there are no dependents.
- 2/ Hawaii: Funeral expenses will be paid to the mortician at an amount not to exceed ten times the maximum weekly benefit rate for death at the time of death; and to the cemetery at an amount not to exceed five times the maximum weekly benefit rate. (Presently, the maximum weekly benefit rate for death is \$299.)
- 3/ Idaho: Also, actual expenses of transportation of employee's body to his or her place of residence within the United States or Canada.
- 4/ Kentucky: Also, transportation costs are permitted for the deceased to place of residence within the Commonwealth of Kentucky.
- 5/ Maine: Also, \$1,000 will be paid to next of kin as incidental compensation.
- 6/ Nevada: Also, transportation expenses are allowed for the deceased and an accompanying person to a mortuary within the continental limits of the United States.
- 7/ Oklahoma: Where there are no dependents, \$1,000 may be paid to decedent's estate.
- 8/ Pennsylvania: Allowance for death from occupational disease is \$750.
- 9/ South Dakota: Also, costs are allowable for transportation of the decedent's remains to community of burial.
- 10/ Virginia: Also, reasonable expenses not exceeding \$500 will be authorized for transportation of the decedent's remains for burial.
- 11/ Wyoming: Unless other arrangements exist between employer and employee under agreement.
- 12/ FECA: Provision is also made for embalming, a hermetically sealed casket, and transportation costs of the return of the deceased who has died from home or home office. An additional \$200 is payable to the personal representative of the decedent for terminating the decedent's status as an employee of the United States.

TABLE 14. WAITING PERIODS

Waiting Period	Jurisdiction	Compensation retroactive if disability continues for period indicated from date of injury
3 days.....	Alabama (temporary total disability only)	21 days
	Alaska	More than 28 days
	California (temporary total disability only).....	More than 21 days ^{1/}
	Colorado.....	More than 2 weeks
	Connecticut.....	7 days
	Delaware (no waiting period in case of amputation of a member of the body, or a part thereof, or when the injury results in hospitalization of the employee).....	7 days, including date of injury
	District of Columbia.....	More than 14 days
	Hawaii (temporary total disability only)	10 days
	Illinois (temporary total disability only)	14 days or more
	Iowa (temporary and permanent total disability).....	More than 14 days
	Maine.....	More than 14 days except that firemen receive compensation from date of incapacity
	Maryland.....	More than 14 days
	Minnesota (temporary total disability)....	10 days
	Missouri.....	More than 14 days
	New Hampshire.....	7 days
Oklahoma.....	More than 3 days	

^{1/}California: In case of hospitalization, benefits are payable from the first day of hospitalization or the first day the employee leaves work; and in case of criminal violence against State civil service employees or certain other public employees, benefits are payable from the first day the employee leaves work because of the injury.

TABLE 14. WAITING PERIODS (cont.)

Waiting Period	Jurisdiction	Compensat on retroactive if disability continues for period indicated from date of injury
3 days (cont.)	Oregon (temporary total disability only)..	14 days (in-patients in hospital receive compensation from date of incapacity)
	Puerto Rico (temporary disability only)...	10 days
	Rhode Island (total disability only).....	More than 2 weeks
	Utah (temporary total disability only)....	More than 14 days
	Vermont (total disability only).....	10 days
	Washington (temporary total disability)...	14 days
	West Virginia.....	More than 7 days
	Wisconsin.....	More than 7 days
	Wyoming (temporary total disability only)	More than 8 days
	United States*:	
FECA (temporary disability only).....	More than 14 days	
LHWCA.....	More than 14 days	
4 days.....	North Dakota.....	5 days
5 days.....	Idaho.....	More than 2 weeks (in-patients in hospital receive compensation from date of incapacity)
	Massachusetts.....	5 days
	Mississippi.....	14 days
	Montana.....	5 days
	Nevada.....	5 days
7 days.....	Arizona.....	More than 2 weeks
	Arkansas.....	2 weeks
	Florida.....	More than 14 days
	Georgia.....	28 days
	Indiana (temporary disability only).....	More than 21 days

*Federal Employees' Compensation Act.
 Longshoremen's and Harbor Workers' Compensation Act.

TABLE 14. WAITING PERIODS (cont.)

Waiting Period	Jurisdiction	Compensation retroactive if disability continues for period indicated from date of injury
7 days (cont.)	Kansas (temporary total and permanent partial disability).....	3 consecutive weeks
	Kentucky.....	More than 2 weeks
	Louisiana.....	6 weeks
	Michigan.....	2 weeks (retroactive from day of injury if death results)
	Nebraska.....	6 weeks
	New Jersey.....	7 days
	New Mexico.....	4 weeks
	New York.....	More than 14 days
	North Carolina.....	More than 28 days
	Ohio.....	2 weeks (payment for waiting period applies only in cases of total disability)
	Pennsylvania (no waiting period for scheduled injuries).....	14 days or more
	South Carolina.....	More than 14 days
	South Dakota.....	7 consecutive days
	Tennessee.....	14 days
	Texas.....	4 weeks
	Virgin Islands.....	(compensation begins after first full day of disability)
	Virginia.....	More than 3 weeks

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS

State	Rehab. Statutes*		WC	Rehab. Unit Services*	Employer/Carrier Responsibilities 1/	Employee Re-sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit					
ALABAMA Secs. 25-5-57 (a) (4) (i) 25-5-77	x	x	No		1) provide VR upon request of VR Specialist and physician 2) VR costs including board, lodging and travel	1) accept PR & VR	1) compensation suspended	TTD plus board & lodging, if away from home, & travel
ALASKA Secs. 23.30.041 23.30.095	x	x	Yes	x	1) provide rehabilitation within 90 days after an injury that precludes return to suitable gainful employment. 2) VR costs including board, lodging and travel for a maximum of 74 weeks. 3) TTD plus maximum \$200/month maintenance.	1) accept PR & VR	1) compensation suspended	TTD plus maximum \$200/month maintenance. Board & lodging, if away from home, & travel

*LEGEND:

WC = workers' compensation
 PR = physical rehabilitation
 VR = vocational rehabilitation
 Rehab. Unit = Rehabilitation Unit
 D = Direct - Rehab Unit provides rehabilitation services to claimants.
 R = Referral - Rehab Unit refers claimants to State agencies or private companies.
 M = Monitor - Rehab Unit monitors the cases it has referred.
 TTD = temporary total disability
 PTD = permanent total disability
 PPD = permanent partial disability

FOOTNOTES:

- 1/ Self-insurers, carriers or State Funds (when employers insure through the State) cover the costs of physical rehabilitation.
- 2/ Penalties that affect workers' compensation apply only to the period of time the employee refuses rehabilitation.
- 3/ Physical rehabilitation (PR) is covered under medical services.
- 4/ No vocational rehabilitation (VR) provision in the workers' compensation law.

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC ¹	Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re-sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit	D	R	M				
ARIZONA Secs. 23-1026 23-1065(A) (1)	3/		No				1) at the discretion of the Industrial Commission, the State Special Fund pays some VR costs	1) accept PR	1) compensation reduced or suspended	
ARKANSAS Secs. 81-1310(f) 81-1311 81-1314(b) (5)	3/	x	No				1) VR costs and PPD for maximum 60 weeks 2) pays maximum 6 weeks additional compensation while employee is being evaluated for rehabilitation & receiving no income	1) accept PR 2) not required to accept VR	1) compensation suspended	PPD plus travel & maintenance expenses
CALIFORNIA Secs. 139.5 3209.5	x	x	Yes			x	1) VR costs 2) during PR & VR pay TTD & additional living expenses	1) must request VR within 15 years of the date of injury		TTD plus living expenses necessitated by rehabilitation
COLORADO Secs. 8-49-101 8-51-110	x	x	Yes			x	1) VR costs for maximum 52 weeks 2) during VR pay: tuition; travel; maintenance expenses equivalent to TTD	1) accept PR	1) compensation reduced or suspended	weekly maintenance equal to TTD for maximum 52 weeks
CONNECTICUT Secs. 31-283(a-c) 31-294 31-313	x	x	Yes			x	1) pays disability benefits during VR 2) pays medical rehabilitation services	1) accept PR	1) compensation suspended	80% of TTD

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC			Employer/Carrier Responsibilities 1/	Employee Responsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit	Rehab. D	Unit R / M				
DELAWARE Sec. 2353	x	x	No				1) VR costs 2) board, lodging & travel expenses during PR & VR	1) accept PR & VR 1) lose compensation; no compensation for increased disability during refusal period	TTD
DISTRICT OF COLUMBIA Sec. 36-307 (a), (c), & (d)	3/	x	Yes			x	1) VR costs	1) accept PR & VR 1) compensation suspended	TTD plus maximum \$50/week maintenance
FLORIDA Secs. 440.13 440.49	3/	x	Yes	x		x	1) VR costs including board, lodging & travel for maximum of 52 weeks 2) may be required to offer VR by Division of WC 3) make lump sum payments for rehabilitation costs	1) accept VR 1) compensation reduced 50%	TTD plus board, lodging & travel
GEORGIA Sec. 114-501	x	x	Yes			x	1) VR costs plus board, lodging & travel for maximum of 26 weeks 2) WC Board may extend time maximum	1) accept PR & VR 1) compensation reduced or suspended	TTD plus board, lodging & travel
HAWAII Secs. 386-24 386-25	x	x	Yes			x	1) Federal or State funds cover rehabilitation costs, including maintenance expenses. Maximum \$5,000/employee for PR plus VR	1) compensation reduced or suspended	TTD plus travel, tuition, books, & \$35/week living expenses

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re- sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Unit	D / R / M					
IDAHO Secs. 72-432 72-433 72-450 72-501A	x	x	Yes	x		1) VR travel costs 2) board, lodging & travel costs of PR 3) Special State Fund pays for PR & VR services.			TTD plus trans- portation costs
ILLINOIS Secs. 138.8 138.19	x	x	No			1) VR costs 2) PR & VR maintenance expenses	1) accept PR	1) compensation reduced or suspended	TTD plus inciden- tal maintenance expenses
INDIANA Sec. 22-3-3-4	3/	4/	No			1) travel expenses associated with PR	1) accept PR	1) lose compen- sation; no com- pensation for increased disa- bility during refusal period	
IOWA Secs. 85.27 85.70	x	x	Yes		x	1) VR costs 2) benefit payments during VR for maximum of 26 weeks			TTD plus \$20/week
KANSAS Sec. 44-510g	x	x	Yes		x x	1) may be required to provide PR and VR by Director of WC 2) pay TTD during VR 3) in absence of Federal & State funds, pay VR costs for maximum 52 weeks plus up to \$4,000/ employee for board, lodging & travel	1) accept PR & VR	1) compensation suspended	TTD plus board, lodging & travel

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*				Employer/Carrier Responsibilities 1/	Employee Re- sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit	D	R	M				
KENTUCKY Secs. 342.020 342.710	x	x	Yes			x	1) VR costs 2) costs of board, lodging & travel during PR & VR 3) may be required to offer VR by WC Board	1) accept PR & VR	1) compensation reduced by 50%	normal weekly compensation plus board & lodging, if away from home, & travel
LOUISIANA Sec. 23:1203 23:1223	x	x	Yes				1) PR & VR costs 2) TTD benefits during VR for a maximum of 26 weeks. 3) costs of board, lodging & travel during PR & VR	1) accept PR & VR within 2 yrs. after benefits for TTD are ter- minated	1) weekly com- pensation re- duced by 50% during refusal period	TTD plus board, lodging or travel if away from home
MAINE Secs. 52 54 65	x	x	Yes	x			1) VR costs 2) pays TTD plus maximum of \$35/week during VR, for maximum of 104 weeks	1) accept PR & VR	1) compensation suspended	TTD plus \$35/week for sustenance & travel
MARYLAND Secs. 36(9) 37	3/	x	Yes			x	1) VR costs plus TTD & maximum \$40/week maintenance for maximum 24 months	1) accept VR	1) compensation suspended	TTD plus maximum \$40/week main- tenance for maxi- mum 24 months
MASSACHUSETTS Secs. 30A 30B 30C	x	x	Yes			x	1) VR costs 2) costs of board, lodging & travel during PR & VR	1) not required to accept PR or VR	1) compensation suspended during period of re- fusal	TTD plus board, lodging & travel
MICHIGAN Secs. 418:315 418:319	x	x	Yes	x	x	x	1) costs of VR for maximum 104 weeks 2) costs of travel & expenses during VR 3) may be required to offer VR by WC Bureau	1) accept PR & VR	1) compensation reduced	compensation for "wage-loss" plus travel & neces- sary expenses

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC			Employer/Carrier Responsibilities 1/	Employee Re-sponsibilities	Penalties to Employees 2/	Employee Benefits During VR	
	PR	VR	Rehab. Unit	Rehab. D	Unit R					Services* M
MINNESOTA Secs. 176.101 176.102	x	x	Yes			x	1) offer employee rehabilitation counseling within 5 days when injury has caused 60 days lost work time and for back injury, after 30 lost work days 2) provide TTD benefits 90 days after mmi or approved training 3) VR costs including tuition, books, day care, travel; board and lodging during travel, reasonable moving expenses and retraining up to 156 weeks 4) VR for surviving spouse in death cases	1) submit to evaluation of VR needs	1) compensation suspended; and forfeited if employee refuses to submit to rehabilitation plans.	Compensation for TTD 90 days after mmi or at the end of approved training; plus tuition, books, custodial daycare, travel, board & lodging during travel; and reasonable moving expenses
MISSISSIPPI Secs. 71-3-15 71-3-19 71-3-93	3/	x	Yes			x	1) during VR, pay maximum \$10/week for 52 weeks 2) Second Injury Fund pays for VR services	1) accept PR	1) compensation suspended	TTD plus \$10/week for 52 weeks
MISSOURI Sec. 287.141 287.144	x	4/	Yes			x	1) may be required by Division of WC to furnish PR and transportation to PR facility	1) may be ordered to accept PR by Division of WC		

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*				Employer/Carrier Responsibilities 1/	Employee Re- sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit	D	R	M				
KENTUCKY Secs. 342.020 342.710	x	x	Yes			x	1) VR costs 2) costs of board, lodging & travel during PR & VR 3) may be required to offer VR by WC Board	1) accept PR & VR	1) compensation reduced by 50%	normal weekly compensation plus board & lodging, if away from home, & travel
LOUISIANA Sec. 23:1203 23:1223	x	x	Yes				1) PR & VR costs 2) TTD benefits during VR for a maximum of 26 weeks. 3) costs of board, lodging & travel during PR & VR	1) accept PR & VR within 2 yrs. after benefits for TTD are ter- minated	1) weekly com- pensation re- duced by 50% during refusal period	TTD plus board, lodging or travel if away from home
MAINE Secs. 52 54 65	x	x	Yes	x			1) VR costs 2) pays TTD plus maximum of \$35/week during VR, for maximum of 104 weeks	1) accept PR & VR	1) compensation suspended	TTD plus \$35/week for sustenance & travel
MARYLAND Secs. 36(9) 37	3/	x	Yes			x	1) VR costs plus TTD & maximum \$40/week maintenance for maximum 24 months	1) accept VR	1) compensation suspended	TTD plus maximum \$40/week main- tenance for maxi- mum 24 months
MASSACHUSETTS Secs. 30A 30B 30C	x	x	Yes			x	1) VR costs 2) costs of board, lodging & travel during PR & VR	1) not required to accept PR or VR	1) compensation suspended during period of re- fusal	TTD plus board lodging & travel
MICHIGAN Secs. 418:315 418:319	x	x	Yes	x	x	x	1) costs of VR for maximum 104 weeks 2) costs of travel & expenses during VR 3) may be required to offer VR by WC Bureau	1) accept PR & VR	1) compensation reduced	compensation for "wage-loss" plus travel & neces- sary expenses

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re- sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Unit	D / R / M					
MINNESOTA Secs. 176.101 176.102	x	x	Yes		x	1) offer employee rehabilitation counseling within 5 days when injury has caused 60 days lost work time and for back injury, after 30 lost work days 2) provide TTD benefits 90 days after mmi or approved training 3) VR costs including tuition, books, day care, travel; board and lodging during travel, reasonable moving expenses and retraining up to 156 weeks 4) VR for surviving spouse in death cases	1) submit to evaluation of VR needs	1) compensation suspended; and forfeited if employee refuses to make effort to submit to rehabilitation plans.	Compensation for TTD 90 days after mmi or at the end of approved training; plus tuition, books, custodial daycare, travel, board & lodging during travel; and reasonable moving expenses
MISSISSIPPI Secs. 71-3-15 71-3-19 71-3-93	3/	x	Yes		x	1) during VR, pay maximum \$10/week for 52 weeks 2) Second Injury Fund pays for VR services	1) accept PR	1) compensation suspended	TTD plus \$10/week for 52 weeks
MISSOURI Sec. 287.141 287.144	x	4/	Yes		x	1) may be required by Division of WC to furnish PR and transportation to PR facility	1) may be ordered to accept PR by Division of WC		

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC	Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re-sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit	D	R	M				
MONTANA Secs. 39-71-704 39-71-1001 through 1005	<u>3/</u>	x	Yes		x	x	1) contribute to Industrial Accident Rehabilitation Account Account pays VR costs, except TTD	1) accept VR	1) compensation suspended	TTD plus travel, books, tuition & maximum \$50/week maintenance
NEBRASKA Secs. 48-121 48-161.01 48-162.01	x	x	Yes	x		x	1) may be required by WC Court to offer PR 2) cost of board, lodging & travel during PR 3) State VR Fund pays VR costs, except TTD	1) accept PR & VR	1) compensation reduced or suspended	TTD plus board, lodging & travel
NEVADA Secs. 616.222 616.223	x	x	Yes	x		x	1) State Fund or Self-Insurer pays cost of VR and maintenance benefits	1) accept PR & VR	1) compensation suspended	an allowance that would not exceed TTD
NEW HAMPSHIRE Sec. 281:21	<u>3/</u>	x	Yes			x	1) VR costs, including books, tools, board, & lodging	1) accept VR	1) compensation loss	TTD plus books, tools, board lodging, & travel
NEW JERSEY Secs. 34:15-12(b) 34:15-15	x	x	No				1) may be required by courts to pay VR costs; otherwise, paid by Vocational Rehabilitation under the Department of Labor & Industries	1) accept PR & VR	1) compensation suspended	TTD
NEW MEXICO Secs. 52-1-49 52-1-50 52-3-17	x	x	No				1) VR costs 2) during VR, costs of board, lodging, travel & maintenance, maximum \$3,000/employee			TTD plus maximum \$3,000, board, lodging, travel, & maintenance
NEW YORK Secs. 13 15(9)	<u>3/</u>	x	Yes			x	1) contribute to State VR Fund. Fund pays VR costs, except TTD			TTD plus maximum \$30/week maintenance

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re- sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Unit	D	R / M				
NORTH CAROLINA Sec. 97-25 97-59	x	4/	Yes	x			1) accept PR	1) compensation suspended	
NORTH DAKOTA Secs. 65-05.1-01 through 65-05.1-06	x	x	Yes	x		1) State WC Bureau pays VR costs & benefits	1) accept PR & VR	1) compensation suspended	a rehabilitation allowance, maximum 125% of the normal weekly compensation Plus, maximum \$5,000 relocation/remodel- ing award
OHIO Secs. 4121.61 through 4121.69	x	x	Yes	x		1) State Surplus Fund or Self-Insurer pays costs of VR & main- tenance			maintenance payment not to exceed TTD
OKLAHOMA Secs. 14 15 16	x	x	Yes		x x	1) during PR & VR costs of: services, compensa- tion, board, lodging, travel, tuition, & books 2) VR costs maximum 104 weeks 3) may be required to offer PR & VR by WC Court	1) not required to accept PR or VR		normal weekly com- pensation plus living expenses, if travel required
OREGON Secs. 656.202 656.245 656.258 656.266 656.283 656.325 656.340 656.726	x	x	Yes		x	1) State Administrative Fund pays VR costs for injuries prior to 1986	1) accept PR & VR	1) compensation reduced or suspended	TTD

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Responsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit	D	R / M				
PENNSYLVANIA Sec. 306(f) (4)	3/	4/	No				1) accept PR	1) no compensation for increased disability during refusal period	
PUERTO RICO Secs. 3.1, 3.2 6	3/	x	No			1) Exclusive State Fund pays costs & benefits of PR & VR			TTD for maximum 26 weeks
RHODE ISLAND Secs. 28-33-5 28-33-6 28-33-41 28-38-1 through 28-38-5	x	x	Yes	x		1) submit a rehabilitation evaluation to Director of Labor after 3 months of compensation 2) VR costs including board, lodging & travel 3) contribute to Rehabilitation Center Fund	1) accept PR & VR	1) compensation suspended	TTD or PPD plus board & lodging, if away from home, & travel
SOUTH CAROLINA Secs. 42-3-80 42-15-60	3/	x	No			1) VR costs	1) accept PR	1) compensation suspended	TTD
SOUTH DAKOTA Secs. 62-4-1 62-4-5.1	3/		No			1) pay TTD during VR			TTD
TENNESSEE Secs. 50-1004 50-1028	3/		No			1) Division of WC refers cases for VR to the State Department of Education	1) accept PR	1) compensation suspended	

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC	Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re-sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Rehab. Unit	D	R	M				
TEXAS Part 1, Sec. 7, 7e(a) Part 2, Sec. 4	x	x	No				1) VR costs 2) State Rehabilitation Commission provides VR services & pays VR costs if carrier refuses	1) accept PR	1) compensation suspended	TTD
UTAH Secs. 35-1-67 35-1-69 35-1-81	3/	x	No				1) Industrial Commission refers all potential PTD cases to the State Department of Education for VR 2) Second Injury Fund pays VR costs, maximum \$1,000/employee	1) accept VR	1) will not receive PTD from Second Injury Fund after employer's liability for PTD ends after 312 weeks	An allowance of \$1,800 to replace each artificial means or appliance
VERMONT Secs. 640 641	3/	x	No				1) VR costs, books, tools; board, lodging & travel, if travel is required	1) accept VR	1) compensation suspended	TTD plus books, tools; board & lodging, if away from home, & travel
VIRGINIA Sec. 65.1-88	x	x	No				1) VR costs	1) accept PR & VR	1) compensation suspended	TTD

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re- sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Unit	D / R / M					
WASHINGTON Secs. 51.32.095 51.36.010 51.36.050 51.52.250	3/	x	Yes	x	x	1) during VR State Fund or Self-Insurer pays for: services; books, tuition, fees, supplies, child care or dependent care, travel (maximum \$3,000 in any 52-week period), and other expenses necessary for self-employment, reemployment or job placement.	1) accept VR	1) compensation reduced by 50%	maximum 104 weeks TTD plus maximum \$3,000 in any 52-week period for books, tuition, fees, supplies, child care or dependent care & travel; board & lodging, if away from home; job modification costs not to exceed \$5,000
WEST VIRGINIA Secs. 23-4-3 23-4-9	x	x	Yes		x	1) State Fund or Self-Insurer pays cost of VR, maximum \$10,000/employee			TTD
WISCONSIN Secs. 102.42 102.43 102.61	x	x	No			1) VR costs, including maintenance & travel			maximum 40 weeks TTD plus travel & maintenance; extensions available
WYOMING Secs. 27-12-401 27-12-406	3/	4/	No						

TABLE 15. REHABILITATION BENEFITS PROVIDED FOR INJURED WORKERS UNDER STATE WORKERS' COMPENSATION LAWS (cont.)

State	Rehab. Statutes*		WC Rehab. Unit Services*			Employer/Carrier Responsibilities 1/	Employee Re- sponsibilities	Penalties to Employees 2/	Employee Benefits During VR
	PR	VR	Unit	D	R / M				
UNITED STATES*: FECA Secs. 8103, 8104 8111, 8113	3/	x	Yes		x	1) Employees' Compensation Fund pays PR & VR costs, including travel	1) accept VR	1) compensation decreased	TTD plus maximum \$200/month maintenance
LHWCA Secs. 7(a) - (d) 8(g) 39(2)	3/		Yes		x	1) contribute to Special Fund. Fund pays VR costs, except TTD	1) accept PR	1) compensation suspended	TTD plus maximum \$25/week maintenance

*Federal Employees' Compensation Act.
Longshoremen's and Harbor Workers' Compensation Act.

TABLE 16. STATE WORKERS' COMPENSATION METHOD OF PAYMENT

<u>State</u>	<u>Direct Payment</u> ^{1/}	<u>Agreement</u>
Alabama	X	
Alaska	X	
Arizona	X	
Arkansas	X	
California	X	
Colorado	X	
Connecticut		X
Delaware		X
Dist. of Col.	X	
Florida	X	
Georgia	X	
Hawaii	X	
Idaho	X	
Illinois	X	
Indiana		X
Iowa		X
Kansas	X	
Kentucky	X	
Louisiana	X	
Maine	X	
Maryland	X	
Massachusetts		X
Michigan	X	
Minnesota	X	
Mississippi		X
Missouri	X	
Montana	X	

^{1/} Most employers file agreements with the Commission although these agreements are not required for payment of benefits to commence.

TABLE 16. STATE WORKERS' COMPENSATION METHOD OF PAYMENT (cont.)

<u>State</u>	<u>Direct Payment</u>	<u>Agreement</u>
Nebraska	X	
Nevada	X	
New Hampshire	X	
New Jersey	X	
New Mexico	X	
New York	X	
North Carolina		X
North Dakota	X	
Ohio	X	
Oklahoma	X	
Oregon	X	
Pennsylvania	X	
Puerto Rico	X	
Rhode Island	X	
South Carolina		X
South Dakota	X	
Tennessee	X	
Texas	X	
Utah	X	
Vermont		X
Virginia		X
Washington	X	
West Virginia	X	
Wisconsin	X	
Wyoming	X	
United States* :		
FECA	X	
LHWCA	X	

*Federal Employees' Compensation Act.
 Longshoremen's and Harbor Workers' Compensation Act.

TABLE 17. OFFSET PROVISIONS IN STATE WORKERS' COMPENSATION LAWS*

ALASKA

Section 23.30.225(a)—When periodic retirement or survivors' benefits are payable under Title II of the Social Security Act (42 U.S.C., 301 et. seq.), the weekly compensation for disability or death shall be reduced by an amount equal to one-half of the Federal benefits for such week. (When a claim has been filed under this chapter, any weekly disability benefits payable shall be offset by benefits in accordance with 42 U.S.C., 401 et. seq., by an amount which exceeds 80 percent of the employee's average weekly wage at the time of injury.)

Section 23.30.187—Compensation for temporary total and permanent total disability is not payable during any week in which unemployment compensation benefits are also payable.

CALIFORNIA

Section 4753—Additional compensation for subsequent injuries shall be reduced by any monetary payments from any source, except for a pension or a service-connected disability which was incurred in the U.S. armed forces.

Section 4904—Permits liens to be made against temporary total disability indemnity for any unemployment compensation disability benefits being received.

COLORADO

Sections 8-50-103 and 8-51-101—Benefits for disability in this State shall be reduced by 50 percent and death by 100 percent of any Federal OASDI payments, or the workmen's compensation act of another State or of the Federal Government, or of an employer pension plan.

FLORIDA

Section 440.15(3)(b)(4)—Provides that if an employee is entitled to both wage-loss benefits and social security retirement benefits, the social security retirement benefits will be primary and wage-loss benefits supplementary. The sum of any combined benefits must not exceed the amount of wage-loss benefits which would otherwise be payable.

*Information contained in this Table was taken directly from the statutes.

TABLE 17. OFFSET PROVISIONS IN STATE WORKERS' COMPENSATION LAWS (cont.)

FLORIDA (con't)

Section 440.15(9)—Weekly compensation benefits for disability are offset by the amount of any Federal OASDI payments so that the claimant's total benefits do not exceed 80% of his/her average weekly wage.

Section 440.15(10) (a)—No weekly compensation payments are made for temporary or permanent total disability under the workers' compensation law for any week in which unemployment compensation benefits are paid.

Section 440.15(10) (b)—Offsets wage-loss or temporary partial disability benefits by the amount of any unemployment compensation benefit payments.

LOUISIANA

Section 1225—Permanent total disability benefits payable under the Act will be reduced for those recipients who are also receiving Federal OASDI benefits. This reduction is to be made only to the extent that the amount of the combined Federal and State workers' compensation benefits would otherwise cause or result in a reduction of the Federal benefits pursuant to the Social Security Act (42 U.S.C., Section 424a).

Section 1225-B—No compensation will be paid for temporary or permanent total disability or supplemental earnings benefits during any week in which the employee is receiving or entitled to receive unemployment compensation benefits.

MAINE

Section 111-A—Offsets benefits for personal injury or disease under an insured disability or medical payments plan against payments for workers' compensation.

Section 62-A—Reduces benefit payments by the amount of any concurrent unemployment compensation benefits, excluding lump sum settlements and scheduled permanent partial disabilities.

Section 62-B—Reduces total and partial disability benefits by:

- (1) Fifty percent of the amount of old age insurance benefits received under the Federal Social Security Act;

TABLE 17. OFFSET PROVISIONS IN STATE WORKERS' COMPENSATION LAWS (cont.)

MAINE (con't)

(2) The after tax amount of the payments received under an employee benefit plan provided by the same employer, if the employee did not contribute directly to the plan; and,

(3) The proportional amount, based upon the ratio of the employer's contributions to the total contributions, if the employee did contribute directly to the plan.

MICHIGAN

Section 418.354—All workers' compensation benefits, except those for specific losses and for death, will be reduced by 50 percent of any Social Security benefits; and by amounts received after taxes under any self-insurance plan, wage continuation plan, pension or retirement plan provided by the employer to which the employee does not contribute.

Section 418.354(1) (f)—Workers' compensation benefits will be coordinated with those from employer contributions to a qualified profit sharing plan where the employer does not provide a pension plan.

Section 418.358—Offsets temporary total, permanent total, and permanent partial disability benefits under the workers' compensation act dollar for dollar by unemployment compensation benefits.

MINNESOTA

Section 176.101, Subdivision 4—After \$25,000 is paid for permanent total disability, benefits paid by any government disability program, or any old age and survivors' insurance benefits program are credited against workers' compensation benefits, if such disability benefits are occasioned by the same injury.

Section 176.111, Subdivision 21—Death benefits shall not exceed 100% of the deceased employee's weekly wage at the time of the injury causing his death, when the total weekly government survivor benefits and the state workers' compensation benefits are combined, nor be payable for any week in which the government benefits exceed such percentage.

TABLE 17. OFFSET PROVISIONS IN STATE WORKERS' COMPENSATION LAWS (cont.)

MONTANA

Sections 39-71-701(2) and 39-71-702(2)--If periodic disability benefits are payable to the worker under the Federal OASDI, weekly temporary total and permanent total disability benefits resulting from both injury and occupational disease shall be reduced by an amount approximating one-half (but not below zero) of the Federal benefit for such week which amount is to be calculated from the date of the social security disability entitlement.

NEW JERSEY

Section 34:15-29--Workers' compensation benefits may be offset against disability pension benefits or payments.

Section 34:15-95.4--Supplemental benefits for permanent total disability and death shall be offset by any Federal survivor or disability benefits, black lung, or disability pension benefits.

Section 34:15-95.5--Reduces permanent total disability or subsequent injury benefits of individuals under age 62 by Social Security benefits where the period of disability began after December 31, 1979.

NEW YORK

Section 16(1-c) and (7)--Applies a statutory offset of a sole surviving spouse's compensation by up to 50 percent of his or her social security benefits, if any. Further, provides that in computing the offsets, any increase in benefits under the Social Security Act that occurs after the date of death shall not be considered; and any such offset shall be equally applicable to payments under the Social Security Act which are received retroactively, but shall not apply to increases for such benefits received retroactively.

NORTH CAROLINA

Section 97-42.1--Provides that compensation for temporary total or permanent total disability benefits may be reduced by the amount of any unemployment insurance benefits received for the same period.

TABLE 17. OFFSET PROVISIONS IN STATE WORKERS' COMPENSATION LAWS (cont.)

NORTH DAKOTA

Section 65-05-09.1—The aggregate benefits payable for temporary total or permanent total disability shall be reduced, but not below zero, by an amount equal as nearly as practical to one-half of the benefits payable under Title II of the Social Security Act (42 U.S.C. 423) and will not be affected by any increase or decrease in Federal benefits. Any escalation of temporary or permanent total disability benefits, which would adversely affect the bureau's right to offset workers' compensation benefits against social security benefits, shall not be applicable to persons whose benefits are offset, as provided for in this chapter.

OHIO

Section 4123.56—Applies an offset against temporary total disability payments in the event of concurrent and duplicative benefits under an employer funded nonoccupational benefits plan.

OREGON

Section 656.209—Provides for a social security offset against permanent total disability benefits but subject to approval of the Department in each case. Such offsets must not result in either a reduction of benefits to an amount less than workers' compensation or in the reduction of combined benefits to an amount below the Federal benefit.

UTAH

Section 35-1-68(b)—Reduces weekly death benefits to wholly dependent spouses after the first six-year period following an employee's death by 50 percent of any Federal social security benefits.

TABLE 17. OFFSET PROVISIONS IN STATE WORKERS' COMPENSATION LAWS (cont.)

WASHINGTON

Section 51.32—Reduces temporary and permanent total disability benefits to allow an offset for social security retirement benefits under the Federal OASDI, in a manner similar to Section 51.32.220 below.

Sec. 51.32.220—Reduces temporary and permanent total disability benefits for persons under age 65 by an amount equal to the benefits payable under the Federal OASDI, under certain conditions.

WISCONSIN

Section 102.44(5)—Reduces disability benefits under this section when the employee also receives social security disability benefits. Combined workers' compensation and social security disability benefits are limited to 80 percent of the employee's average current earnings. However, such benefits may not be reduced to an amount less than the benefits payable under this chapter.

TABLE 18. ATTORNEY FEES IN WORKERS' COMPENSATION^{1/}

State	Attorney fees established by statute, rule, operating policy, or on individual case basis	Determined by:	Statutory provision whereby attorney fees are added to award in certain cases	Statutory provision making unlawful acceptance of unapproved fees	Laypersons permitted to represent claimants	Attorney fees, upon approval, become liens against awards
Alaska	25% minimum on first \$1,000; 10% on balance, statute	Agency	Yes	Yes	Yes	No
Alabama	15%, statute	Court	None	None	No	No
Arizona	25%, statute	Agency	None	None	No	No
Arkansas	30% first \$1,000; 20% next \$2,000; 10% on balance, statute	Agency	Yes	None	Yes	No
California	Individual case basis	Agency	Yes	None	Yes	Yes
Colorado	Individual case basis	Agency	None	None	No	Yes
Connecticut	Individual case basis	Agency	Yes	None	Yes	No
Delaware	30% or \$2,250, whichever is smaller, statute	Agency	Yes	None	No	No
District of Columbia	Individual case basis	Agency	Yes	Yes	Yes	Yes
Florida	25% first \$5,000; 20% second \$5,000; 15% on balance, statute	Agency	Yes	Yes	No	Yes
Georgia	25% to 33 1/3%, rule	Agency	Yes	Yes	No	No
Hawaii	Individual case basis	Agency	Yes	Yes	Yes	Yes
Idaho	Individual case basis	Agency	Yes	None	Yes	No
Illinois	20%, statute	Agency	Yes	None	No	No
Indiana	20% first \$5,000; 15% next \$5,000; 10% on balance, rule	Agency	Yes	None	No	No
Iowa	Individual case basis	Agency	None	None	No	Yes

TABLE 18. ATTORNEY FEES IN WORKERS' COMPENSATION (cont.)

State	Attorney fees established by statute, rule, operating policy, or on individual case basis	Determined by:	Statutory provision whereby attorney fees are added to award in certain cases	Statutory provision making unlawful acceptance of unapproved fees	Laypersons permitted to represent claimants	Attorney fees, upon approval, become liens against awards
Kansas	25%, statute	Agency	None	None	No	Yes
Kentucky	20% first \$25,000; 15% next \$10,000; 5% balance, \$6,500 maximum, statute	Agency	Yes	No	No	No
Louisiana	20% first \$10,000; 10% on balance, statute	Court	Yes	Yes	No	Yes
Maine	Individual case basis	Agency	Yes	Yes	No	No
Maryland	20% first \$7,000; 15% next \$18,000; 10% balance, policy	Agency	Yes	None	No	Yes
Massachusetts	20% on lump sum settlement, individual case basis, statute	Agency	Yes	None	No	Yes
Michigan	30%, rule; up to time of trial; plus 15% on redemption settlements	Agency	None	None	No	No
Minnesota	25% first \$4,000; 20% next \$27,500, statute	Agency	Yes	Yes	No	Yes
Mississippi	25% before Commission; 33 1/3% in Court, statute	Agency	None	Yes	No	Yes
Missouri	25%, policy	Agency	None	None	No	Yes
Montana	25% - 40%, policy	Agency	None	None	Yes	Yes
Nebraska	20% - 25%, policy	Court	Yes	None	No	Yes
Nevada	No provision		Yes		Yes	
New Hampshire	20% - 25%, policy	Agency	Yes	None	No	No
New Jersey	20%, statute	Agency	Yes	Yes	No	Yes
New Mexico	10% of first \$5,000, 15% of next \$5,000, and 10% of balance, statute; individual case basis if appealed to court	Agency	Yes	Yes	No	No
New York	Individual case basis	Agency	None	Yes	Yes	Yes
North Carolina	Individual case basis	Agency	Yes	Yes	No	No
North Dakota	\$50 per hour, maximum, rule	Agency	Yes	None	No	No

TABLE 18. ATTORNEY FEES IN WORKERS' COMPENSATION (cont.)

State	Attorney fees established by statute, rule, operating policy, or on individual case basis	Determined by:	Statutory provision whereby attorney fees are added to award in certain cases	Statutory provision making unlawful acceptance of unapproved fees	Laypersons permitted to represent claimants	Attorney fees, upon approval, become liens against awards
Ohio	Individual case basis	Agency	None	None	No	No
Oklahoma	10% TTD; 20% other types, statute	Court	None	None	No	Yes
Oregon	25% not to exceed \$3,000, rule	Agency	Yes	None	Yes	Yes
Pennsylvania	20%, statute	Agency	Yes	None	No	Yes
Puerto Rico	Individual case basis	Agency	Yes	None	No	No
Rhode Island	Individual case basis	Agency	Yes	None	No	No
South Carolina	Individual case basis	Agency	Yes	Yes	No	No
South Dakota	Individual case basis	Agency	Yes	None	Yes	No
Tennessee	20%, statute	Court	None	Yes	No	Yes
Texas	25%, statute	Agency	Yes	None	Yes	Yes
Utah	20% first \$15,000; 15% next \$15,000; 10% balance, maximum \$9,051, rule	Agency	None	None	Yes	No
Vermont	20% maximum \$3,000, policy	Agency	Yes	None	No	Yes
Virginia	Individual case basis	Agency	Yes	None	No	No
Washington	30%, statute	Agency	Yes	Yes	Yes	No
West Virginia	20%, 208 week limit, statute	Agency	None	Yes	No	No
Wisconsin	20% in dispute cases, statute	Agency	None	Yes	Yes	No
Wyoming	Individual case basis	Court	Yes	Yes	Yes	No

1/ This table refers only to attorney fees for claimants. Attorney fees of employers and insurance carriers are not regulated by State statutes or regulations.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Alabama	NO COMMITTEES OR COMMISSIONS						
Alaska	Labor-Management Workers' Compensation Ad Hoc Committee	Self-Appointed	Review wc legislation and make recommendations to Governor and Dept. of Labor for reform. Inform businesses of wc rules and regulations.	Proposed legislation agreed upon by labor and management.	Labor - 6 Management - 6	Start - 1980 Ongoing	Developing recommendations for improving workers' compensation legislation.
Arizona	NO COMMITTEES OR COMMISSIONS						
Arkansas	Workers' Compensation Task Force	Governor	Propose legislation.	Proposed legislation.	All interested parties represented: Labor - 2 Business - 2 Insurance - 2 General Public - 6	Start - 7/1/84 Ongoing	Action being taken regarding 1987 legislative session.
California	NO COMMITTEES OR COMMISSIONS						
Colorado	Policy Holders' Advisory Council for the State Fund	Governor	Advise the Manager of the State Fund, Industrial Commission, Executive Director of the Department of Labor and Employment, and the Governor.	Recommendations to the Fund manager regarding policy and legislative matters.	Employers insured by State Fund - 8 Employees of insured employers - 2 Senate - 1 House - 1 Insurance Commissioner (Ex Officio)	Ongoing	No recommendations as of 7/1/86.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Colorado	Legislative Interim Committee on Workers' Compensation	Speaker of the House and President of the Senate	Study wc focusing primarily on wage loss, benefit levels, premium costs, and inequities between employer and employee.	Recommendations to the Legislature.	Members of House and Senate	Start - 6/85 thru 1986 legislative session.	Recommendations made to the legislature to abolish the Industrial Commission and change the State Fund to a public nonprofit corporation were implemented. Also recommendations made to raise burial benefits from \$1,000 to \$2,000 were enacted into law.
Connecticut	NO COMMITTEES OR COMMISSIONS						
Delaware	Workers' Compensation Task Force	Insurance Commissioner	To conduct a comprehensive review of the wc system and determine where problems may exist.	Recommendations on solutions to problems.	Representatives of employers, insurers, and employees.	Start - 1985 Ongoing	Currently conducting studies of rate making, data collection, and data integrity.
District of Columbia	NO COMMITTEES OR COMMISSIONS						

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Florida	Workers' Compensation Advisory Council	Secretary of Labor and Employment Security	Aid WC Division in formulating policies, discussing problems, and in assuring impartiality and freedom from political influence in the solution of such problems.	Recommendations regarding policies, and solutions to problems.	Labor - 4 Employers - 4 Medical - 4 Insurance and Self-insurance - 4	Start - 1935 Permanent	No recommendations as of 7/1/86.
Florida	Self-Insurers Rules Advisory Committee	WC Division Director	Advise Division regarding rules for self-insurance.	Suggested rules.	Individual self-insurers Group self-insurers	Start - 1955 Ongoing	Recommended that self-insurance funds have authority under certain conditions to fund their aggregate excess insurance requirements.
Florida	Rehabilitation Advisory Committee	WC Division Director	Advise Division on matters relating to rehabilitation.	Suggestions on rules, procedures, and forms.	Representatives of rehabilitation, legal, medical, and insurance carriers	Not specified	Recommended the adoption of rules for licensing of rehabilitation providers.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Florida	Special Task Forces	WC Division Director	Statute allows Division to establish task forces as necessary to assist with specified charges such as the Carrier Practices Task Force and the Medical Forms Task Force.		Varies with the task assigned: (1) Carriers Task Force (2) Medical Forms Task Force Medical - 2 Rehabilitation - 2 Carriers - 5 Self-insurance - 2 Attorney - 1 Industry - 1 Labor - 1 Insurance Department - 1 WC Division - 3	Not specified	Carrier Practices Task Force continuously reviews carrier practices and makes recommendations as needed. Medical Forms Task Force developed the medical forms currently being used. Recommendations will be made as needed in future regarding any revisions.

NOTE: (Florida) All committee members are appointed for 1 year terms. Number of committee members is determined by the Division Director.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Georgia	Rehabilitation Advisory Council	WC Board	Discuss rehabilitation and reemployment of injured or diseased workers; review and make recommendations regarding needed or existing legislation and administration.	Consensus of opinion on rehabilitation matters to be considered by the Board or legislature.	Attorneys - 2 (plaintiff & defense) Clinical psychologist - 1 Rehabilitation counselors - 2 (private & public) Industrial physician - 1 Orthopedist - 1 Rehabilitation nurse - 1 Claims manager - 1 Self-insurer - 1	Start - 1/79 Indefinite	Provides guidance for Rehabilitation Director and Board on rehabilitation matters.
Georgia	The Chairman's Advisory Group	WC Board	Poster better communications between the Board, insurance carriers, and self-insurers.	Better communications and cooperation between the parties represented. Procedures may be changed, forms revised, or new procedures or law explained.	Top 15 carriers and 2 largest self-insurers in the State	Start - 3/79 Indefinite	Communication among parties has been enhanced.
Georgia	Standing Subcommittee on Workers' Compensation of the House Industrial Relations Committee	Chairman of the House Industrial Relations Committee	Study relevant wc issues on an ongoing basis; increase adequacy and equity of law for both management and labor.	Recommendations on legislative changes that are needed will be made to the Industrial Relations Committee as appropriate.	House members - 5	Start - 1/81 Indefinite	No recommendations as of 7/1/86.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Georgia	Standing Subcommittee on Workers' Compensation of the Senate Industry and Labor Committee	Chairman of the Senate Industry and Labor Committee	Study relevant wc issues on an ongoing basis; increase adequacy and equity of law for both management and labor.	Recommendations on legislative changes that are needed will be made to the Industry and Labor Committee as appropriate.	Senate members - 5	Start - 1/81 Indefinite	No recommendations as of 7/1/86.
Georgia	Governor's Study Committee on Workers' Compensation	Governor	Review existing law and make recommendations for changes.	Proposed legislation.	19 members - representing insurance, industry, labor, attorneys, and the Legislature.	Start - 10/12/83 Ongoing	Developing recommendations on occupational disease for presentation to the legislature.
Georgia	Workers' Compensation Coverage Study Committee	President of the Senate and Speaker of the House	Study coverage aspects of wc system	Recommendations to the Legislature.	Senate members - 3 House members - 3	Start - 3/7/86 End - 12/15/86	No recommendations as made as of 7/1/86.
Hawaii	NO COMMITTEES OR COMMISSIONS						

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Idaho	Governor's Advisory Committee on Workers' Compensation	Governor	Recommend changes to Governor and Legislature to improve wc system.	Recommendations to the Governor and Legislature.	Labor - 3 (2 attorneys) Industry - 3 (1 attorney) Insurance Carriers - 2 Insurance Repre. - 1 (1 attorney)	Start - 12/79 Ongoing	Recommendations were made to improve the financial base of the Second Injury Fund.
Idaho	Advisory Committee on Rehabilitation	Industrial Commission	Study and make recommendations to Commissioner for improving the rehabilitation program.	Report to Commissioner on recommended changes in rehabilitation program.	Labor - 2 Industry - 4 Insurance industry - 2 Legal profession - 2 Medical profession - 1	Start - 9/17/80 Ongoing	Subject to call. No recommendations made as of 7/1/86.
Illinois	NO COMMITTEES OR COMMISSIONS						
Indiana	NO COMMITTEES OR COMMISSIONS						

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Iowa	Iowa Workers' Compensation Advisory Committee	Nominated by Membership Sub-committee; elected by the membership.	Educate various interested parties on Iowa wc law; advise, counsel and assist Iowa Industrial Commissioner.	(1) Annual symposium attended by 500 people in 1984. (2) Rule changes to Industrial Commissioner. (3) Legislative recommendations in form of agreed-to bill.	Labor - 5 Management - 5 Insurance carriers - 5 Agriculture - 1 Claimant council - 5 Defense council - 5 Ex Officio members - 2 Ex Parte members - 5	Start - 1962 Ongoing	Revised administrative rules are being studied. No recommendations made as of 7/1/86.
Iowa	Workers' Compensation Sub-committee of the Governor's Workers' Compensation and Unemployment Insurance Task Force.	Governor	Develop recommendations to make the unemployment insurance and workers' compensation system more competitive.	Recommendations to the Governor.	Labor - 1 Business - 2 Insurance - 1 Legal Profession - 2 Ex-Officio members - 4	Start - June 1985 End - Indefinite	As a result of recommendations made for changes in the law, legislation was enacted to allow coverage of sole proprietors and partners and owners and operators of certain trucks.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Kansas	Workers' Compensation Joint Advisory Committee	Secretary, Department of Human Resources	Bring labor and industry together to recommend beneficial changes to the Kansas wc laws.	Legislative recommendations in form of agreed-to bill.	Labor - 3 Industry - 3 WC Division - 3	Start - reconvened in 1977 Ongoing	No recommendations made as of 7/1/86.
Kentucky	Rehabilitation Panel	WC Board	Review contested wc rehabilitation cases and determine appropriate actions.	Decision regarding the rehabilitation issue involved in a particular case; suggestions for rehabilitation procedures or legislative language on rehabilitation section of the law.	Physician - 1 State Manpower Agency - 1 State Vocational Rehabilitation Agency Rehabilitation Counselor - 1 Rehabilitation Director of Kentucky WC Board - 1 Administrator of Board - 1	Start - 1974 Ongoing	Meets when necessary to review rehabilitation matters and provide the Board with expert opinions regarding appropriate rehabilitation for claimants.
Louisiana	Workers' Compensation Advisory Council	Governor	Review wc system and make recommendations to the legislature.	Proposals for new legislation.	Plaintiff's attorneys Defense attorneys Business Labor Self-Insurers State Medical Society General Public	Start - 1983 Ongoing	Disbanded 6/30/86.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Maine	Employment Rehabilitation Advisory Board	Governor	Advise the Chairman of the Workers' Compensation Commission and Administrator regarding vocational rehabilitation.	To make ongoing recommendations regarding vocational rehabilitation.	Employers - 3 Employees - 3 Vocational Rehabilitation - 1 Public - 1	Start - 1/1/86 Ongoing	Presently holding meetings, however, no recommendations made as of 7/1/86.
Maryland	Governor's Commission on Workmen's Compensation	Governor	Total study of all phases of wc.	Report to Governor.	Secretary of Licensing and Regulations Dept. Dean of College of Business and Management, University of Maryland Legislature Labor Business Plaintiff and Claimant Attorneys	Ongoing	Recommended the establishment of a research group to study cost aspects of TTD, PPD, and medical benefits.
Massachusetts	NO COMMITTEES OR COMMISSIONS						
Michigan	NO COMMITTEES OR COMMISSIONS						

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Minnesota	Study performed by Commissioner	N/A	To study impact of 1983 law, including competitive State Fund, benefit payment levels and premium costs.	Report to Legislature	N/A	Ongoing	Report was submitted to Legislature.
Minnesota	Advisory Council on Workers' Compensation	Commissioner	Determine benefit changes in permanent total disability and permanent partial disability cases, and other aspects of the W/C Act.	Report to Governor and Legislature on or before November 15th of each even-numbered year.	Employers - 5 Employees - 5 Public - 5 (nonvoting) Claimants who have received w/c benefits - 2	Ongoing	Report was submitted to Governor.
Mississippi	House Insurance Committee (Subcommittee on Workers' Compensation)	Speaker	To develop legislation.	Legislation	Representatives - 5	Start - 1984 End - 1988	Reported a bill to the Full House which sets benefits at 66 2/3 percent of the SAWW, redefines injury, and prevents retaliatory employee discharge.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Mississippi	Workers' Compensation Advisory Council	Chairman, Workers' Compensation Commission	To develop legislation agreed upon by all parties.	Legislation. Make recommendations to improve administration of wc law.	20 members (representing all parties)	Start - 10/85 Ongoing	Recommended benefits at 66 2/3 percent of the SAWW, redefined injury, and established a provision preventing retaliatory employee discharge.
Missouri	NO COMMITTEES OR COMMISSIONS						
Montana	Workers' Compensation Advisory Council	Governor	Advise and counsel Governor on legislative changes, and on administrative rules and procedures.	Proposals for legislation and rules and procedure changes.	Chairman Employers - 3 Labor - 3 Insurance Agent - 1 Self-insurers - 1 Private insurance - 1 State Fund - 1 W/C Court - 1 Claimant attorney - 1 Insurers' attorney - 1 Physician - 1 Chiropractor - 1 State Vocational Rehabilitation Specialist - 1 Private Vocational Rehab. Specialist - 1	Start - 1/85 Ongoing	Report due 7/1/86.
Nebraska	NO COMMITTEES OR COMMISSIONS						
Nevada	NO COMMITTEES OR COMMISSIONS						

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
New Hampshire	Workers' Compensation Advisory Council	Governor	Forum for discussing wc program to identify problems and prepare legislation.	Annual Report.	Labor - 1 Employer - 1 Insurance Industry - 1 Labor Commissioner or designee - 1 Insurance Commissioner or designee - 1 Member of the House - 1 (appointed by the Speaker) Member of the Senate - 1 (appointed by President of the Senate)	Start - 7/79 Ongoing	Council meetings will be held monthly during 1986, to discuss the state's wc system. Council is now considering combined earnings in determining wc benefit payments.
New Jersey	Rules of Practice Committee	Commissioner of Labor	Develop, review and evaluate rules of practice for wc attorneys.	Set of rules.	Attorneys - 3 Corporate representatives - 3 Director, WC Commission	Disbanded	Rules promulgated June 1, 1986.
New Jersey	State Bar Association Workers' Compensation Advisory Committee	State Bar Association	Recommends administration reforms.	Improve system.	Attorneys - 6 Physicians - 2	Start - 7/83 Ongoing	Scheduling innovations.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
New Mexico	Interim Legislative Study Committee	Governor	To study the wc law	Recommendations to the 38th Legislature	Senators - 4 Representatives - 4	Start - June 86 End Dec. - 1986	Considering proposals
New York	Advisory Committee on Medical Fee Schedules and Allied Problems	Chairman of WC Board	Recommend and advise Chairman on changes in the medical fee schedule as well as promulgation of chiropractic, podiatry, physical therapy, and out-patient hospital fee schedules.	Chiropractic, medical and podiatry rating and fee recommendations.	Medical - 6 Commerce and Industry - 1 Labor - 1 Self-insurance - 1 No Fault insurance - 1 Insurance carriers - 5 State Insurance Department - 2	Ongoing	Completed medical fee schedule. Developing occupational therapy fee schedule.
New York	Temporary State Commission on WC and Disability Laws	Governor	To examine efficiency of wc laws regarding funding and occupational diseases.	Report with recommendations to Governor.	Labor Business Public	Disbanded	Submitted a final report to the Governor and Legislature.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
New York	Early Management of Medical Care Project	Chairman of WC Board	Evaluate, in designated WC cases, several aspects of the medical care of soft tissue injuries of the back, and injuries to members. Three main areas of concern: 1. Impact of early intercession in medical management by the carrier. 2. Impact of family cooperation with the treatment program. 3. Impact on costs to the industry.	Statistical reports and case studies.	WC Board Hartford Insurance Co. Insurance Co. of North America Liberty Mutual Travelers Insurance Co. State Insurance Fund	Start - 1/1/79 Indefinite	Preparing final report.
New York	Self-Insurance Advisory Committee	Chairman of WC Board	Advise Chairman on all matters relating to self-insurers, i.e., regarding rules governing self-insurers, and deposit or withdrawal of securities.	Recommendations to the Chairman.	Self-insurers WC Community	Start - 1965 Ongoing	No recommendations made as of 7/1/86.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
New York	Advisory Committee on Administrative Practices and Procedures	Chairman of WC Board	Provide assistance to Chairman in reviewing, revising and instituting new internal and external procedures, rules, regulations and L.S.	Suggestions for improvements of administration.	Law - 3 Medical - 1 Self-insurance - 2 Licensed representatives - 2 New York Committee for NYCOSH - 1 Carriers - 4 Special Funds Conservation Committee - 1 Business - 1 Labor - 1	Ongoing	Recommendations made regarding expediting the processing of wc cases. Prepared method of determining wages in concurrent employment situations. Prepared procedures regarding an offset of benefits by a family court lien.
North Carolina	Medical Advisory Committee	North Carolina Medical Society	Advise Commission on appropriate fees for medical services rendered to wc claimants by physicians, hospitals, dentists, prosthetists, and therapists. Provide meaningful communication between Industrial Commissioner and Medical Society.	Recommendations to Industrial Commission.	Physicians - 30	Permanent	Fee schedule revised and printed, July 1986.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
North Carolina	Advisory Medical Committee	Industrial Commission	Three physicians who examine claimants for silicosis & asbestosis.	Medical evaluations.	Physicians - 3	Start - 1935 Permanent	Case by case review. No general recommendations issued as of 7/1/86.
North Carolina	Brown Lung Study Committee	Governor	Examine ways to expedite handling of byssinosis claims.	Report to Governor with 25 recommendations for expediting byssinosis claims. Submitted 4/10/80.	Carriers, the textile industry, former presidents of Carolina Brown Lung Association, State Appeals Court Judge, medical pulmonary specialists	Start - 12/27/79 End - Indefinite	Committee meets with Commission monthly to determine progress being made regarding implementing recommendations and impact of implementing the 25 recommendations on expediting and improving claims processing. All recommendations have been implemented. Committee oversight is continuing.
North Carolina	Textile Occupational Disease Panel	Industrial Commission	Examine claimants suspected of having byssinosis. Provide medical opinions to Commission.	Medical evaluations.	Physicians - 22 (Number of physicians increases as more pulmonary specialists become interested in serving. The Commission approves their qualifications.)	Start - 1979 Permanent	Active committee composed of Board certified pulmonary specialists appointed by Commission.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
North Dakota	Board of Commissions	Governor	Make recommendations for reform of the wc system.	Report to Governor on changes in premium rates, impairment ratings, and benefit levels.	Employer - 1 Public - 1 Labor - 1	Start - 1919 End - Indefinite	Reduced employer premium rates and increased supplemental benefits for permanent total disability. Recommendation for changes will be made to the 1987 legislative session.
Ohio	Ohio Workers' Compensation Advisory Council	Governor	Study and recommend improvements for various aspects of the wc system.	Report to Governor, Legislature, and Industrial Commission, and Bureau of Workers' Compensation.	Labor - 2 Industry - 2 Public - 3	Start - 1955 Ongoing	Considering various proposals.
Oklahoma	NO COMMITTEES OR COMMISSIONS						
Oregon	Industrial Accident Workers' Advisory Committee	Workers' Compensation Department Director	Advise the Director on matters relating to wc.	Make recommendations by informal memorandum or orally.	Labor - 3 Industry - 3 Insurers - 3	Start - 1969 Ongoing	No recommendations made as of 7/1/86.
Oregon	Advisory Committee on Medical Care	Workers' Compensation Department Director	Advise the Director on medical care provisions and prepare rules for medical care.	Advice on rules and medical care to injured workers.	Physicians Insurers Labor Industry	Start - 1966 Ongoing	No recommendations as of 7/1/85.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Pennsylvania	Pennsylvania Workmen's Compensation Advisory Council	Secretary of Labor and Industry	Advise Department of Labor and Industry on wc administration.	Advice on matters relating to wc legislation and administration.	Secy of Labor - (Ex Officio) Employers - 2 Employees - 2 Public - 2 (2 years for each representative)	Start - 1976. End - Indefinite	Inactive.
Puerto Rico	NO COMMITTEES OR COMMISSIONS						
Rhode Island	NO COMMITTEES OR COMMISSIONS						
South Carolina	Workers' Compensation Study and Review Committee	Legislature	Review and monitor effectiveness of wc law and administration; study recommended guidelines of Federal government and recommend changes in law to comply with and make other necessary adjustments to the law; draft legislation to improve law.	Legislative proposals.	Senators - 3 Representatives - 3	Start - 1975 Permanent	Studying the possibility of a State Fund for the workers' compensation system.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
South Carolina	Governor's Advisory Committee for the Improvement of Workers' Compensation Laws	Governor	Consider improvements in wc laws and monitor the effectiveness of existing law; provide input to legislative process by knowledgeable representatives of interest groups.	Annual recommendations for changes are made to the General Assembly.	Defense attorney - 1 Claimant attorney - 1 Labor representative - 1 General public representative - 1 Plaintiff attorney - 1	Start - 1974 Permanent	Meets at least quarterly, often in conjunction with the WC Study and Review Committee.
South Dakota	NO COMMITTEES OR COMMISSIONS						
Tennessee	Joint Legislative Committee on Workers' Compensation	President of Senate and Speaker of House	Develop Legislation for 1986 session.	Legislation.	Senators and Representatives	Start - 7/84 Ongoing	Inactive.
Texas	Legislative Advisory Committee	Industrial Accident Board	Advise Board regarding needed or proposed legislation.	Recommendations and/or proposed legislation.	Labor - 3 Management - 3 Medical profession - 3 Insurance - 3 Trial Lawyers - 3	Start - 5/82 Ongoing	Considering new proposals.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Texas	Job Injury Advisory Committee	Governor	Review state job injury programs, including benefits, premium costs and prevention of disease and accidents.	Make proposals to Governor for legislative action.	All involved parties, including Federal and State government.	Start - 9/84 Ongoing	No current activities.
Texas	Speaker's Interim Select Committee on Workers' Compensation	Speaker of House of Representatives	To study all aspects of job injuries, including premium rates, benefits, medical costs, claims practices, and rehabilitation.	Recommendations to House of Representatives	Public - 5 House - 7 DOL - 1	Start - 1/1/86 to 1/1/87	Conducted hearings throughout the State.
Utah	Advisory Council (formerly State Council)	Industrial Commission	Meets monthly to study the wc law, administration, rules and regulations.	Drafts of legislation and suggested administrative rules and procedures.	Employers - 5 Employees - 5	Start - 7/1/79 Ongoing	Presently studying the possible revisions and modifications of rules and regulations governing self-insurance and rehabilitation.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Utah	Medical Fee Advisory Committee	Industrial Commission	Advises the Industrial Commission on medical fees and coding procedures.	Recommend medical fee factor for relative value system.	Physicians - 2 Chiropractors - 1 Physical Therapist - 1 Reviewer of medical billings - 1 Insurance - 1 State Fund - 1 Self-Insurers - 1 Labor - 1	Started- 1/81 Ongoing	New medical fee factors become operative on 7/1/86. Changes were made in the surgical code.
Utah	Blue ribbon Task Force on Workers' Compensation	Governor	Revise the wc law.	Recommend changes to the legislature.	Labor - 3 Medical - 1 2nd Injury Fund - 1 W/C Commission - 2 Rehabilitation - 1 Insurance Carriers - 2 Self-insurer - 1 Public - 2 State Insurance Fund - 1 Private Insurance	Started- 7/1/85 Ongoing	No recommendations made as of 7/1/86.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Vermont	NO COMMITTEES OR COMMISSIONS						
Virginia	Advisory Committee	Industrial Commission	Advise Industrial Commission (recommends legislation).	Recommendations to the Industrial Commission.	Employers - 1 Employees - 1 Physicians - 1 Insurance industry - 1 Attorney - 1 Public - 1	Ongoing	Studied and made suggestions to the Legislature on administration, funding, cost-of-living increases, and occupational disease.
Washington	Workers' Compensation Advisory Board	Director, Department of Labor and Industry	Study all facets of the wc law, and recommend improvements in the system.	Report to the Department, Industrial Insurance Board, and all special interest groups.	Employers - 3 Employees - 3 Labor Official AFL-CIO - 1 Self-Insured Employers - 1 Employees of Self-Insured - 1 Ex Officio Member - 1	Start - 7/1/81 Ongoing	No recommendations made as of 7/1/86.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Washington	Joint Select Committee on Industrial Insurance	State Legislature	Study operations of the wc system.	Recommendations to the State Legislature.	Senators-5 Representatives - 5	Ongoing	Recommended improvements in claims management, offsetting of Social Security benefits with workers' compensation, increases in PPD awards, adoption of a three tier compensation method, and a system to improve the collection of premiums.
West Virginia	Workers' Compensation Advisory Board	Governor	Advise the Commissioner of the WC Fund on matters pertinent to the administration of the WC Fund.	Recommendation to the Commissioner; annual report to the Commissioner and legislature.	WC Commissioner - Ex Officio Employers - 3 Employees - 3 Providers of medical services - 3 (each member serves a 3 year term)	Ongoing	Reinstituted in 1983. No recommendations made as of 7/1/86.
Wisconsin	Wisconsin Workers' Compensation Advisory Council	Labor and Industry Review Commission	Propose legislation to improve the wc system.	Series of amendments to the wc statute.	Labor - 5 Industry - 5 Insurance industry - 3 (non-voting) State agency - 1	Start - each October End - prior to commencement of legislative session.	Considering long-range goals.

TABLE 19. WORKERS' COMPENSATION ADVISORY COMMITTEES AND STUDY COMMISSIONS (cont.)

State	Name of Committee or Commission	Appointed By	Purpose	Nature of Finished Product	Interests Represented	Term	Status and/or Accomplishments
Wisconsin	Self-Insurers Council Commission	Labor and Industry Review Commission	Recommend to Secretary of Labor improvements regarding self-insurers.	Recommendations as need arises	Self-insurers - 5	Ongoing	Made recommendations as to whether specified companies should be self-insured.
Wyoming	NO COMMITTEES OR COMMISSIONS						