

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

4629 HJUD INSURANCE OVERVIEWS (.INT. WITH HOUSE T&C)

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.

TABLE OF CONTENTS

1	Preface
2	What Is Workers' Compensation?
3	Who Benefits?
	Who Pays?
	What Does The Price Cover?
	Workers' Compensation—A Pre-Funded System
4	Risk Vs. Reward
	What Is Meant By The Phrase, "Premium Level"?
	The Ratemakers Dilemma
	What Data Are Available?
5	Data Validation
	Financial Data
	Policy Year Data
6	Calendar Year Data
	Calendar/Accident Year Data
	Adjustments To Data
7	The Test For Premium Level Adequacy
	Conceptual Approach
8	Quantitative Approach
	Policy Year Cost Ratio
	Calendar Year Cost Ratio
	The Average Cost Ratio
	Target Cost Ratio
	Necessary Rate Level
9	Trend Factors
	Updating For Changes In Statutory Benefits
10	Distribution Of Overall Rate Level Change To Individual Classifications
	The "Manual Premium"—A Starting Point
11	Experience Rating Plan
	Premium Discounts
12	Retrospective Rating
	Summary



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

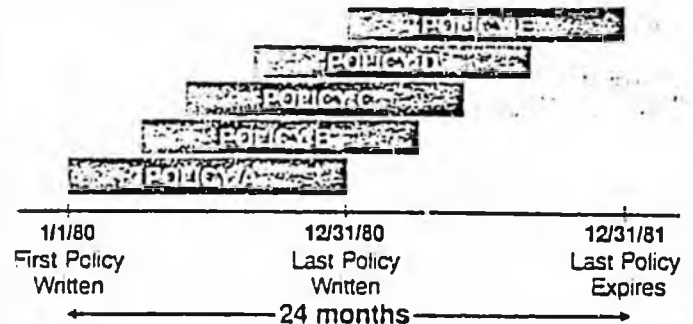
Sampling of policies from Policy Year 1980

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.

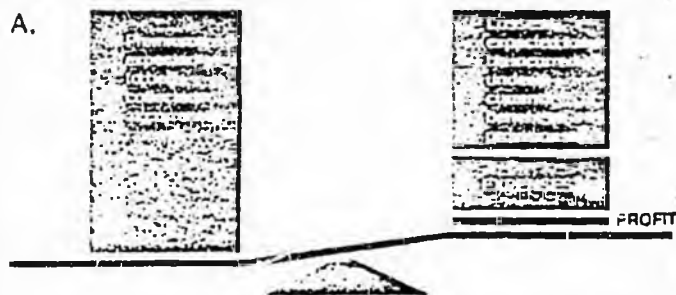
Conceptual Approach

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.

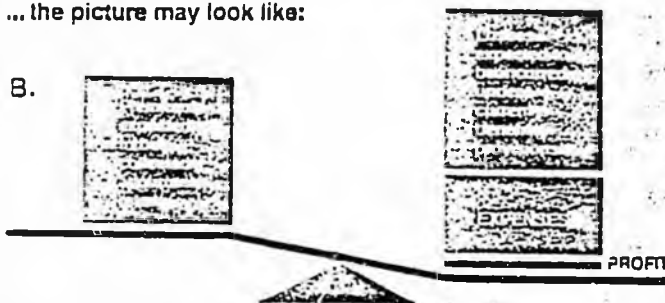
It should be emphasized that this illustration uses data which have already been actuarially adjusted—the premium expected to be collected is based upon the *current* rate level, and the benefits expected to be incurred are based upon the *current* benefit level.

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)

Test for Premium Level Adequacy

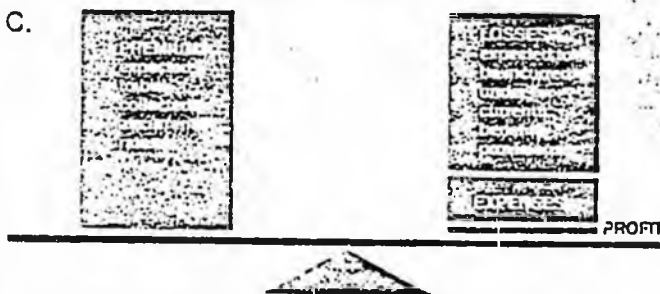


Current rates too high—Premium level decrease is indicated Or, ... the picture may look like:



Current rates too low—Premium level increase is indicated

An overall proposed Premium level change is determined so as to produce the following picture:



Goal is achieved when funding system is in balance

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.

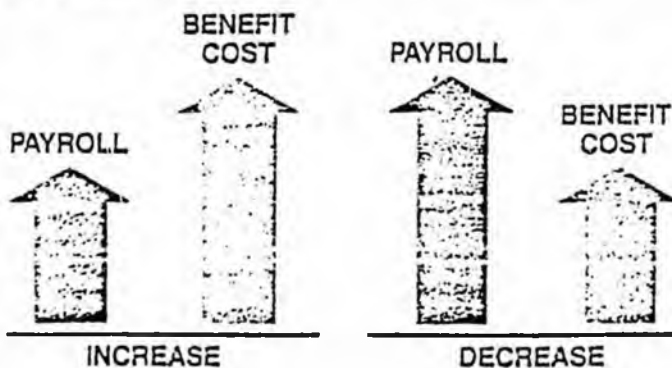
It should be understood that even in states in which application of a trend factor is not practicable, payroll growth is still reflected in the determination of rates. This is so because the most current premium figures are used which, in turn, reflect current payrolls.

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.

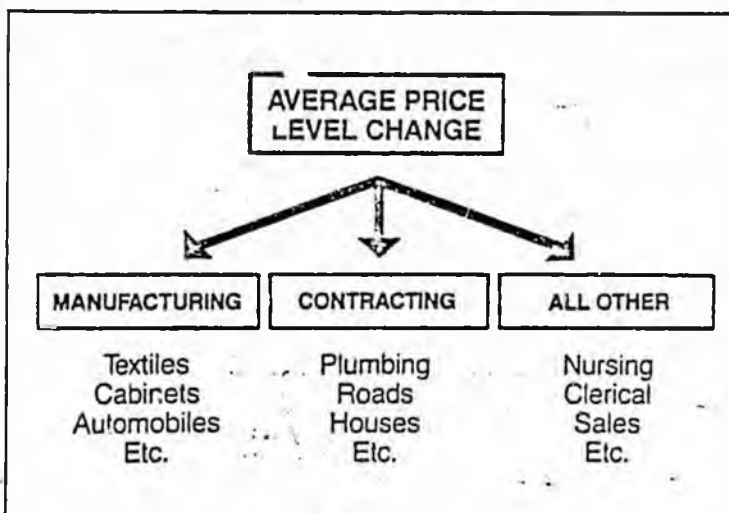
Trend Factor



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

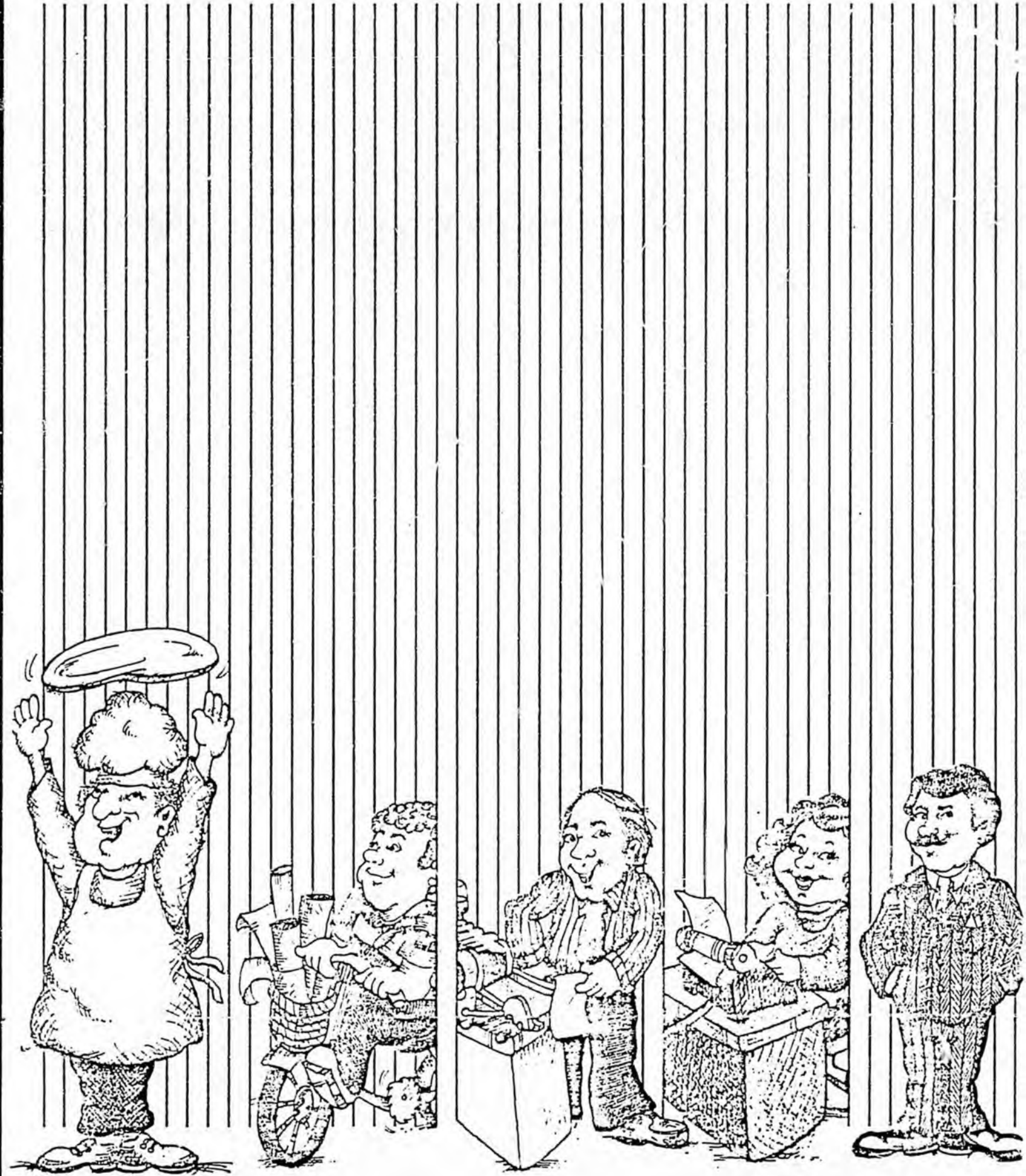
1. Completely optional
2. "Cost Plus"
3. Employer pays own benefit costs plus a basic charge for services
4. Cost to employer has pre-selected minimum and maximum premium
5. Actuarial propriety of each agreement checked by rating bureau

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.

National
Council on
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Insurance

Classification is
Fundamental to
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Pricing



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Contents

- 2 Introduction
- 5 Explanation of Classifications
- 7 Classification Assignment
- 9 Classification Dynamics
- 11 Classification Administration
- 11 Conclusion
- 12 Compensation Classification Inspection Report

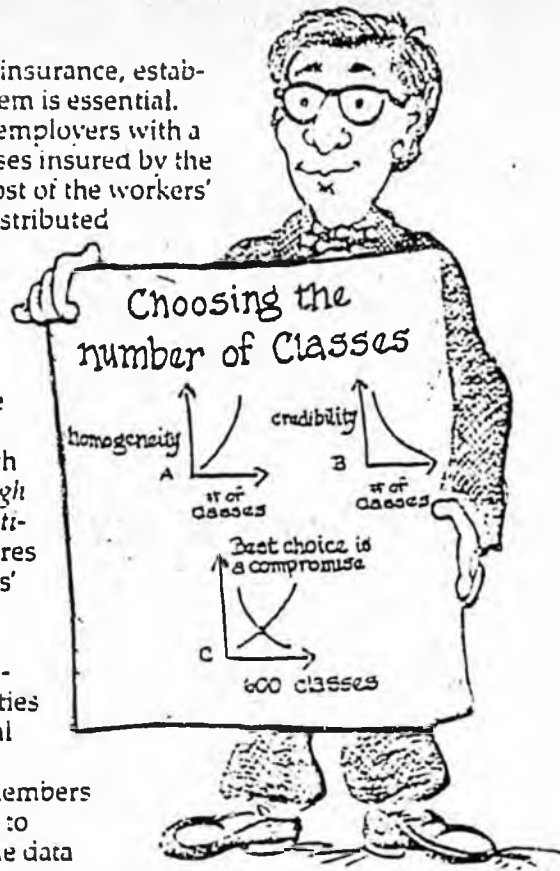
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DEPARTMENT OF COMMERCE
& ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

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.

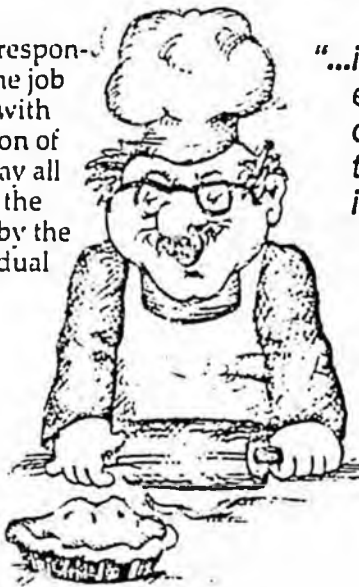
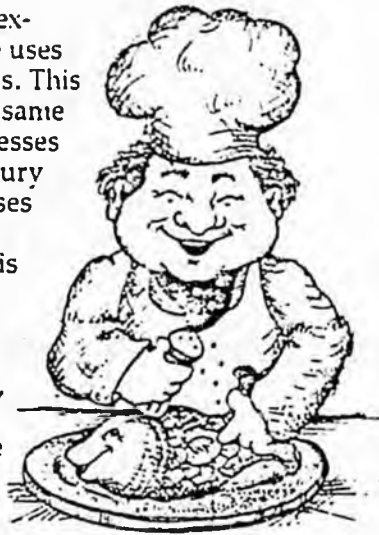
As opposed to these two impractical extremes, workers' compensation insurance uses approximately 600 industrial classifications. This system groups employers involved in the same kind of business. Generally, similar businesses have similar exposures to occupational injury and disease, even though no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

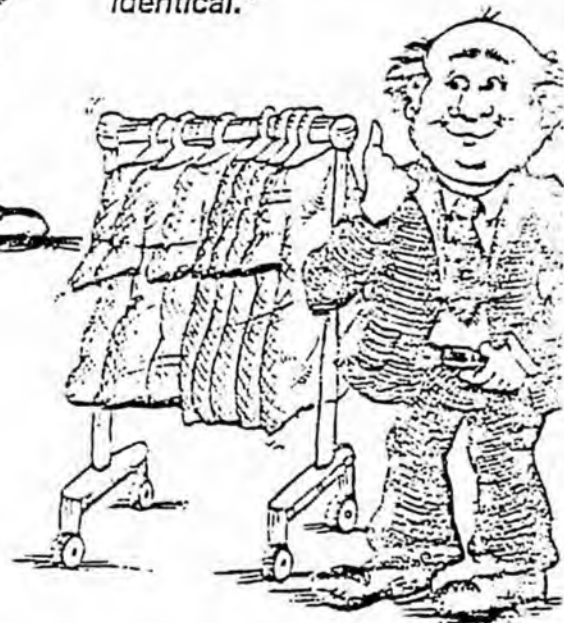
3. In addition to being consistent with the principles of workers' compensation insurance, this procedure promotes safety and loss prevention and reduces the expenses of administering the insurance program. By grouping employers in accordance with the nature of the business, each industry has the opportunity 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.

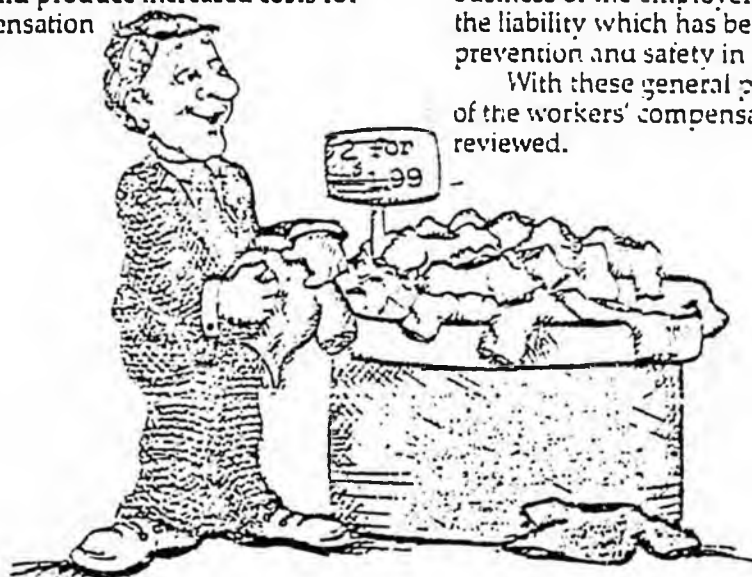


"...similar businesses have similar exposures to occupational injury and disease, even though no two businesses are identical."



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

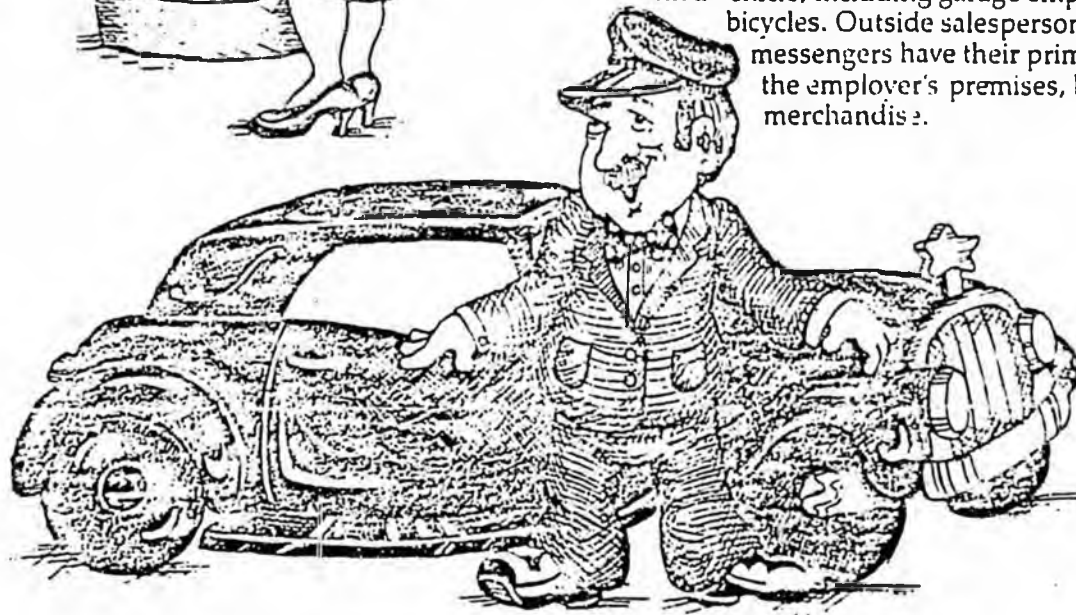
*Not Otherwise Classified

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.

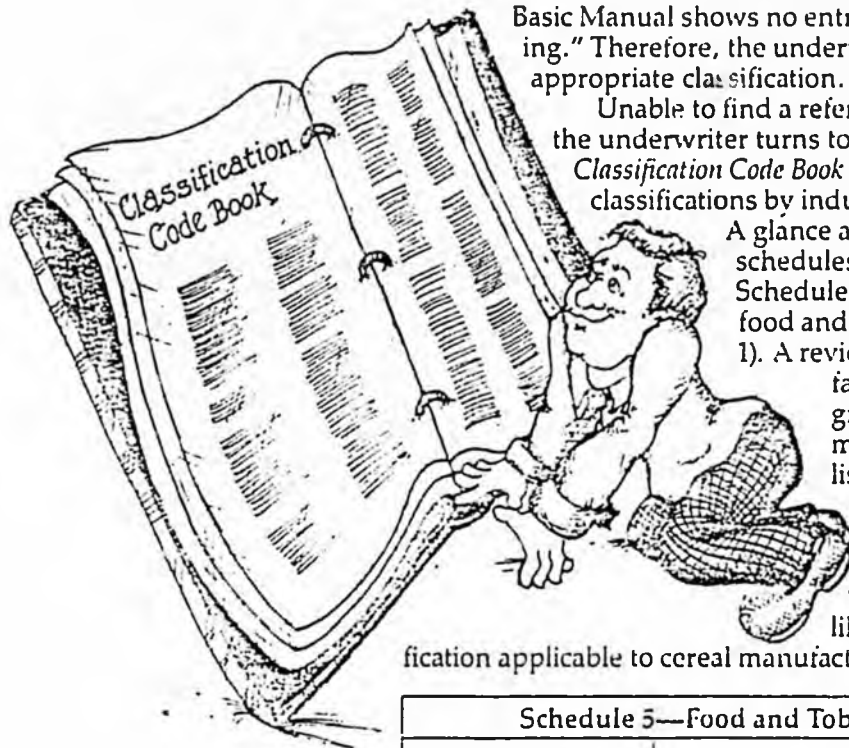
While the general classification principle is to group similar businesses to produce a fair and equitable manual rate, this approach is not practical in the building trades where contractors undertake different projects using several construction trades for varying periods of time until completion of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

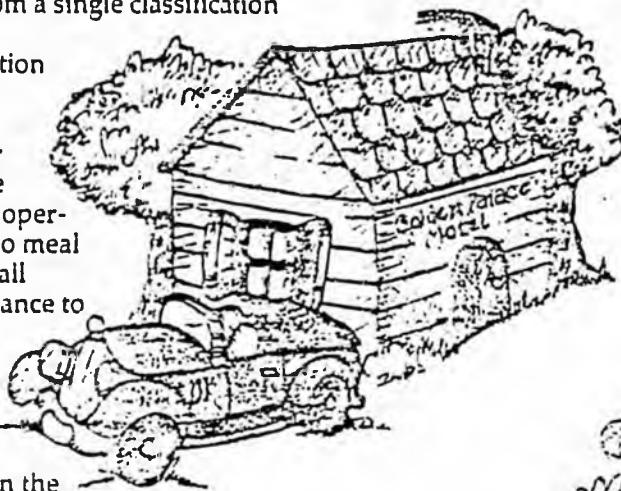
Perhaps the best example of evolution in the classification system itself is the motel industry. Until the mid-1940's, "motels" were usually tourist cabins or tourist courts and were classified in the manner as camps, i.e., under building operation. These early "motels" provided no meal service and were 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.

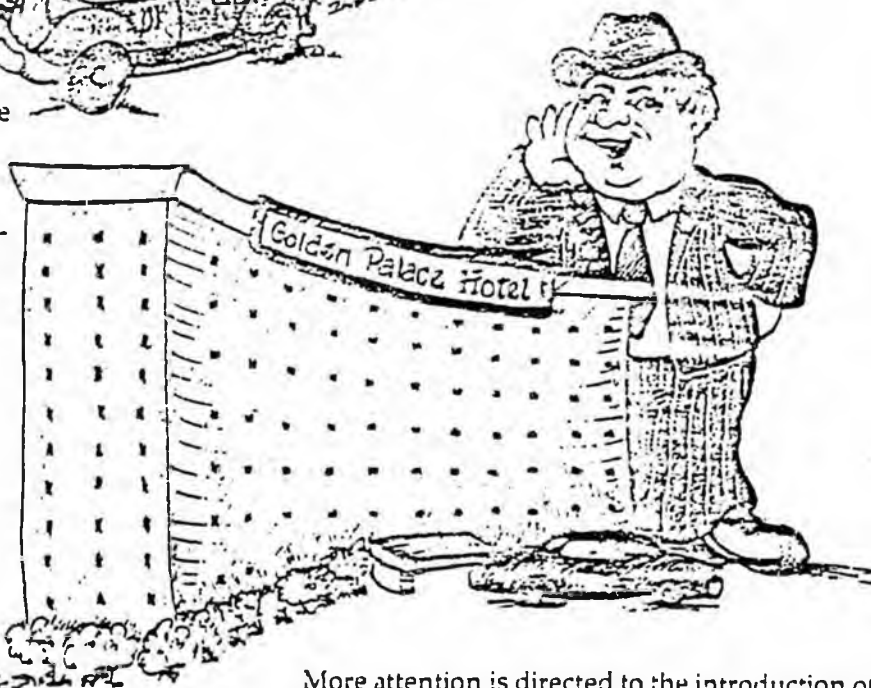
As part of the general upgrading of services over the years, motels gradually began to offer food service. Sometimes the motel would be next to a diner—perhaps operated by the same owners—or else would have a small area providing breakfast and basic meal service. Again, over the years conditions have 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

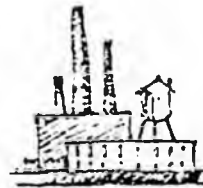
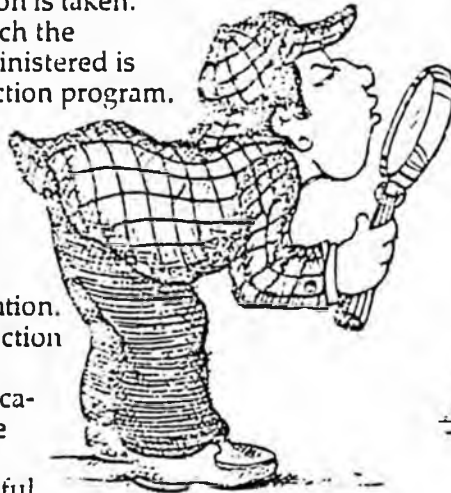
At the beginning of this booklet, it was explained that classifications are necessary for the development of a fair and equitable distribution of the overall premium among individual employers. Classification experience also is used as a predictor of future premium needs for each group of employers. 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.



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

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.

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 employ exclusive officers, selling agents or agents used in its business? **NO**
8. Does the firm subcontract or lease any operations? **NO**

EXPLAIN ANY QUESTIONS ANSWERED AFFIRMATIVELY

GENERAL INFORMATION

There are 4 ms of production departments in this operation 47 employees 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 employees are involved in machining aluminum and steel finished parts such as valves, bushings, fittings, and other parts. 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 for 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, 1234 Main Street, Anytown**

Location (City, State, Zip) _____

Product Manufactured _____

PRODUCT MANUFACTURED - TYPE OF BUSINESS

This insured manufactures products which are used in the construction of buildings and various types of machinery. These products are designed to be followed by masons and framers. The products are designed to be used in addition to the masonry and framing work. The insured manufactures products in accordance with the following specifications: _____

MATERIALS USED IN MANUFACTURE - PRODUCTS SOLD

Steel Stock, Aluminum Stock, Precision Parts, Springs, Pumps

Case No. _____

Carrier _____

Office _____

City/State/Zip _____

Insured _____

Policy No. _____

DEPARTMENT OPERATIONS

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

CLERICAL
DRIVERS/HELPERS
SALESMEN

Inspector's Code

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,



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	USAIG	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:

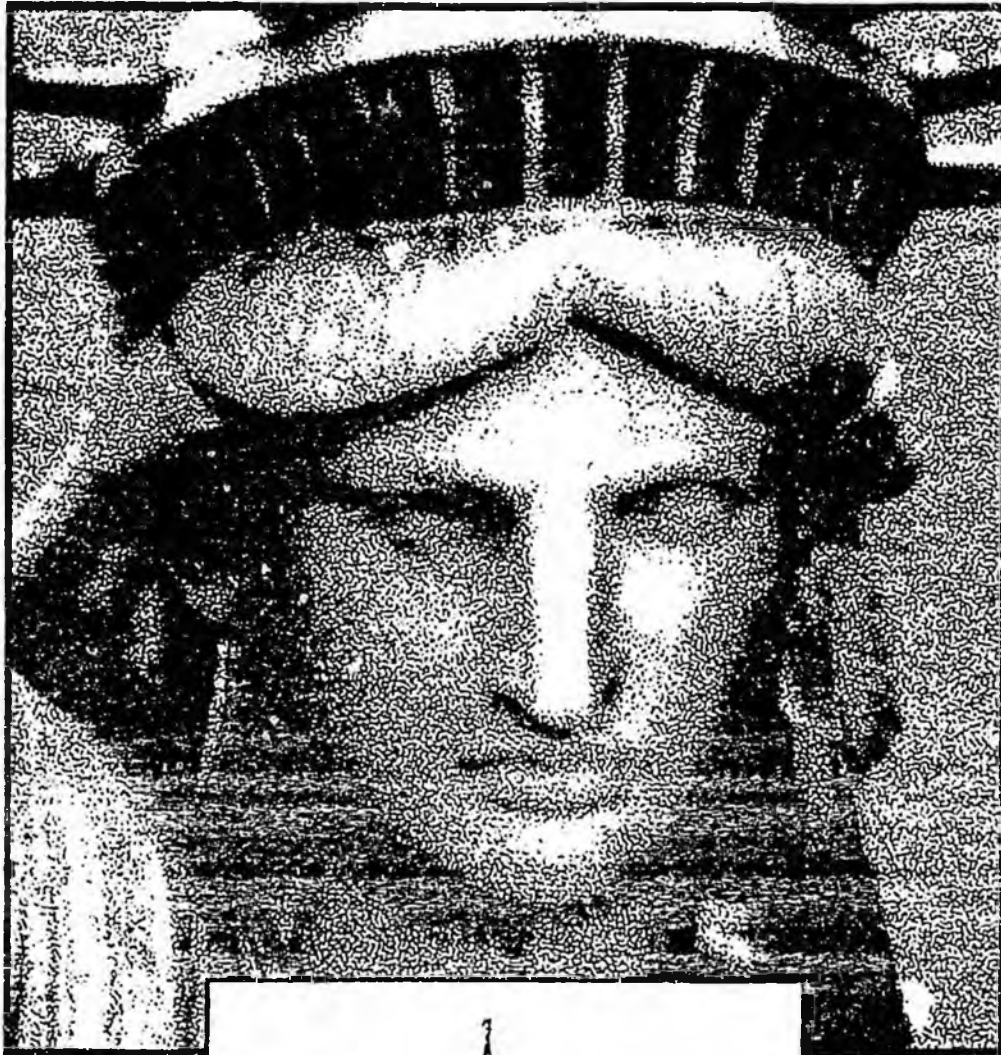
1. Executive Board/Legislative Committee
Management Only
2. Board of Directors
Management and Service Sector Providers

THE PRECEDING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

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Analysis of Workers' Compensation Laws

Prepared and Published Annually
By the U.S. Chamber of Commerce



Contents

Foreword	v
Introduction / HISTORY OF WORKERS' COMPENSATION	vii
GENERAL INFORMATION	viii
Part 1 / COVERAGE OF LAWS	
Discussion.....	1
Chart I Type of Law and Insurance Requirements.....	3
Chart II Coverage of Laws.....	5
Chart III Coverage of Minors.....	9
Chart IV Coverage of Occupational Diseases.....	10
Chart V Occupational Hearing Loss.....	15
Part 2 / BENEFITS PROVIDED	
Discussion.....	16
Chart VI Income Benefits for Total Disability.....	17
Chart VII Income Benefits for Scheduled Injuries.....	20
Chart VIII Fatalities—Income Benefits for Spouse & Children.....	22
Chart IX Waiting Period for Income Benefits; Medical Benefits.....	24
Chart X Rehabilitation of Disabled Workers.....	26
Part 3 / ADMINISTRATION OF LAWS	
Discussion.....	28
Chart XI Administration—Notice to Employer—Claims.....	29
Chart XII Employer's Report of Accidents.....	34
Chart XIII Second-Injury Funds.....	36
Chart XIV Administration Expenses, Workers' Compensation Departments.....	40
Chart XV Appeal Provisions.....	42
Chart XVI Directory of Workers' Compensation Administrators.....	44
Abbreviations and Computations in Charts	46

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 Seaman'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 unpaid 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—injunctive 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 \$24,417.90.
 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 in 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 relief 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 owners 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 members 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 proprietors may reject.	Compulsory as to all public employments, except sheriff's 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; 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 executives. 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; Mainline employee in interstate or foreign commerce, or toll-free stevedore. 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 performing professional services corporation and that corporation.	Compulsory as to state, counties, cities, and their agencies, paid firemen in certain counties, prisoners working for county roads boards, forest wardens, firemen 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, maids and seamen in interstate commerce covered by federal law, athletes whose contracts provide wages during job (including 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 employments of 3 or more, or less than 3 if it 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 statewide 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 officials, 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 \$300 per 3 months from one private household; family farms with annual farm labor under \$8,000; railroad workers covered by federal law, and nonprofit corporations with annual payroll under \$500; commercial treasurer or broker for family farm.	Election must be in writing. Elective coverage for independent contractors.
MISSISSIPPI	Compulsory as to all employments 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 self-employed employees.
MISSOURI	Compulsory as to all employments 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 agents 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, employees 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 contractors, partners or self-employed.	Compulsory as to all employments, including public contractors, insurance brokers, contractors. Also includes unpaid members of state organizations, boards, committees, agencies, or departments appointed by statutory authority; members of local boards and officers.	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, insurance brokers, contractors. Also includes unpaid members of state organizations, boards, committees, agencies, or departments appointed by statutory authority; members of local boards and officers.	Farm labor, domestic servants, casual employees, employees engaged without duty in employer's social or athletic events; voluntary salaried; and any clergyman, rabbi or lay minister.	Voluntary as to exempt employments. Employee may elect compensation if insured 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.	Voluntary as to farm labor, domestic service, and where less than 3 are employed.
NEW MEXICO	Compulsory as to employees 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, public instruction or administrative boards, includes elected or appointed officials.	Farm or ranch labor, domestic servants, and casual employees.	
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 employment.	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 nonannual 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 employments 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 salaried, individual salaried or working 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 employees of fewer than 4 employees. Compulsory as to agricultural employer with 10 or more full-time nonseasonal workers.

¹NOTE: State courts vary in decision whether minimum number of persons must be in state.

²Compensation 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 it rejects if it rejects in the usual customarily common law defenses (risk assumed by employee, negligence of fellow servants, and contributory negligence). In most states workers are accepted 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 accompanied in by the employee.

³Applying 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.

Mo: Corporate officer who is 10% shareholder of corporation with up to 10 shareholders may reject.

Mn: Act does not apply to persons covered by Domestic Volunteer Service Act of 1972, as amended.

Ny: Employees who do not need coverage are able to suit with defenses adopted in N.Y.

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 exempted 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 exempted 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, under 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 exempted 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 fraudulently 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 lung 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 valid 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).* 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, also reimburses benefits in cases 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 \$49 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. Radiation—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. Radiation—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. Radiation—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 radiation).
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. Radiation—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. Radiation—within 1 year after first 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 (including 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. ¹¹
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	133-13% 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.

Aa. Compensation may be increased up to 10% for failure to pay within 30 days after due.

Alaska. Spendable weekly earnings if less.

Ark. Amounts over \$75,000 are payable from Civilian and Permanent Total Disability Bank Fund.

¹¹ 10% penalty on late installments.

Conn. 80% of average weekly wages, if less.

¹² 12% interest benefits added if undue delay in payment, 6% interest added if undue delay in adjustment (4 weeks presumed undue delay).

D.C. 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. Compensation increased 20% if unpaid 30 days after award.

Ga. 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. Actual wages if less, but no less than \$38.

Ill. 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. 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. Employee's spendable earnings if less.

Ky. 80% of AWW during rehabilitation.

La. PT benefits reduced so that combined Social Security and PT benefits do not exceed 80% of pre-injury wages.

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	\$ 417.92 ¹	(¹)	\$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 uncontested claim within 10 days. ²
MARYLAND	66-2.3	344.00	100% SAWW	TT—50.00 ¹		Disability		(¹)		Annual increase in maximum effective January 1. If permanent disability at least 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 ¹ PT—72.50	PT—20% SAWW	Disability	TT—93,730 ²		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. ²
MICHIGAN	80% of comparable 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 ¹	Annual increase in maximum effective January 1. Additional \$50 per day for award unpaid after 30 days, maximum \$1,500
MINNESOTA	66-2.3	342.00	100% SAWW	171.00	50% SAWW ¹	Disability		Anniversary of injury	Social Security after 325,000 paid ²	Annual increase in maximum effective October 1. Late payment may be increased 10% if retroactively delayed, plus interest. Additional rehabilitation allowance up to \$10 weekly for 52 weeks.
MISSISSIPPI	66-2.3	133.00 ¹		25.00		450 weeks	59,850 ¹			Annual increase in maximum effective July 1. 8% interest for late payments. ²
MISSOURI	66-2.3	233.84 ¹	70% SAWW	40.00		TT—400 weeks PT—Life	TT—93,538		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.
MONTANA	66-2.3	233.00	100% SAWW			Disability				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			Social Security	TT benefits payable bi-weekly, PP benefits payable monthly. ² Annual increase in maximum effective July 1.
NEVADA	66-2.3	331.10	100% SAWW			TT—Disability PT—Life			Social Security	Annual increase in maximum effective July 1. Double compensation if employer violated prior recorded safety standard.
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. After 450 weeks at reduced rate if employed, at full rate if not able to be rehabilitated.
NEW JERSEY	70	284.00	75% SAWW	76.00	20% SAWW	TT—100 weeks PT—Life	TT—112,600		Social Security	Annual increase in maximum effective January 1. Additional \$5 weekly per dependent child under 18, or age 22 if child is attending a full-time educational institution; total benefits may not exceed claimant's net take-home pay.
NEW MEXICO	66-2.3	308.38	100% SAWW	36.00 ¹		500 weeks	165,028			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 pre-injury wage base. ²
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	231.00 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 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	365.00	100% SAWW	TT—121.63 ¹ PT—182.50 ¹	PT—33-13% 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 Benefit Fund pays difference. Amount increased annually by increase in Consumer Price Index.
OKLAHOMA	66-2.3	217.00	16-23% SAWW	30.00 ¹		TT—200 weeks PT—Disability	TT—63,100			Annual increase in maximum effective November 1. TT may be extended to 300 weeks.
OREGON	66-2.3	304.58 to 339.58	100% SAWW	50.00 ¹		Disability			PT—Social Security	Annual increase in maximum effective July 1. Additional \$5 weekly per dependent child to 31 ¹ .
PENNSYLVANIA	66-2.3	347.00	100% SAWW	173.50 ¹	50% SAWW	Disability				Annual increase in maximum effective January 1.
PUERTO RICO	66-2.3	TT—45.00 PT—38.86		TT—10.00 PT—11.54		TT—112 weeks PT—Life	TT—14,000 PT—18,900 ¹			Compensation awarded 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 60% of pre-injury wages. ²
SOUTH CAROLINA	66-2.3	294.95	100% SAWW	25.00		500 weeks ¹	147,475 ¹			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 June 1.
TENNESSEE	66-2.3	168.00 ¹		20.00		TT—Disability PT—550 weeks ¹	67,200			Annual increase in maximum effective June 1.

Mass. Frozen at \$417.92 until 6/30/88
 "Carrier may be reimbursed up to \$25 per day for failure to pay award within 10 days. Added benefits during litigation—35% weekly
 Md. "Benefits increased October 1 for persons injured any time during July 1, 1985, through June 30, 1978, and receiving PT benefits in July, 1973
 Mass. "Actual wages at least, but not less than \$20 if working at least 15 hours a week
 "250 lines 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
 "Eggs for supplementary benefits after 24 months, calculated on October 1, equal to base benefit times percent increase in SAWW over SAWW at time of injury
 Mich. "Caricature presumption of PT disability does not extend beyond 800 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 at least, but not less than 80% of SAWW; \$75.00 through 9/30/86 After 208 weeks total disability, supplementary benefits being compensation to 65% of SAWW; \$23.75 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 23-1/2% 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 paid or qualifies for such benefits 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 \$75,000
 "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—155,500	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 case 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 ³Disability beyond 312 weeks is payable from Second Injury Fund, minimum \$120 weekly.

Vt. ⁴PT benefits payable at least 300 weeks after temporary disability benefits cease. After 330 weeks, PT benefits continue while there is lost earning capacity.

⁵Benefits may be disallowed if injury results from worker's failure to use safety device.

Vt. ⁶During vocational rehabilitation, income benefits are 75% of AWW, maximum SAWW, minimum \$75 or actual wages if less.

Va. ⁷500 week limit for certain PT cases.

⁸Recipient of Social Security ineligible for cost of living increases.

Wash. ⁹Plus \$8.53 for first child, \$7.15 for second child, \$5.30 each for third through fifth children, and \$8.92 for spouse.

Wisc. ¹⁰Compensation 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. ¹¹Court must approve PT payments after \$60,351.31 (257 times 66-2/3% SAWW).

F.E.C.A. ¹²Civil Service Retirement and Disability Fund (CSRA) overpayments.

Longshore ¹³Effective 9-29-84, Nonappropriated Fund Instrumentalities Act employees subject to same maximum minimum weekly rates as employees covered under Longshore Act.

Ala. ¹⁴Employer must pay half of costs of the claim to Accident Fund if injury caused by safety violation.

Man. ¹⁵Maximum earning ceiling increased by \$1,000 if 10% of workers injured in preceding year earn in excess of maximum.

N.B. ¹⁶Annual review of maximum. Lower figure for single, higher figure for married claimant with 2 children.

¹⁷If 63 or older at time of loss, maximum is 2 years.

Nfld. ¹⁸100% of weighted net earnings if less.

N.S. ¹⁹Minimum for temporary total disability is 75% of minimum wage.

Ont. ²⁰No less than award if worker had been fatally injured.

P.E.I. ²¹Actual wages if less, but Board may set minimum at \$15.

Sask. ²²Lower figure for single; higher figure for married claimant with 2 children under 16 years old.

²³Maximum earning ceiling increased by \$1,000 if 10% of workers injured in preceding year earn in excess of maximum.

²⁴Actual wages if less for first 2 years disability.

Yukon ²⁵Benefits 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	1,622	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	5,161	93,295	20,644	61,932
DELAWARE	58,923	51,852	17,877	11,785	9,428	7,071	4,714	58,923	37,710	9,428	3,535	47,136	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	66,340
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	86,112	61,295	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	102,362	79,331	17,913	6,142	76,772	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	76,590	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	26,600	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	6,615**	25,255**
MONTANA*	41,200	29,300	10,988	5,660	5,421	3,663	2,198	41,950	26,370	5,421	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	56,626
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	26,600
NEW MEXICO	61,676	38,548	16,961	8,635	6,784	5,242	4,317	61,676	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	5,820	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	36,500	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	5,899	57,515	41,293	10,323	2,950	32,445	23,596	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	15,236*	62,995
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	29,268	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	4,500	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	102,220
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	5,080	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 7/1/86), 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.
- Oklahoma** *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	(^{2,4})	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 ²	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 ²	(^{2,3})	100,000	100,000	2,500
GEORGIA	66-2-3	66-2-3	66-2-3	155.00	155.00	25.00 ²	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 ²	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 ²	(^{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 ^{2,3} **	(-)	187,200*	1,500
MINNESOTA***	66-2-3	50	60	342.00*	342.00*		(^{2,4})			2,500
MISSISSIPPI ³	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 ²	(^{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*	294.00*	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; 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; cash lump sum on 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 wages 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*	(2,4,5)			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	(2,4,5)			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 (\$97.33 for 1935-66) and fixed at 50% of SAWW for spouse with children (\$72.71 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 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

TE *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

UT *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

VI *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 sources 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.

N.S. ⁶No waiting period for permanent partial disability.

Ont. ⁷Compensation not paid for the day on which the accident occurs.

Que. ⁸Compensation payable during disability caused by damage to prosthetic device.

Que. 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. Appointments annuity from general fund up to 2% of annual premium.	Commission may authorize additional necessary benefits to persons undergoing vocational rehabilitation.	Vocational rehabilitation trustees consider to 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 trustee 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 (approximation)	\$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	Workmen's 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 maintenance 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 liability Bureau may extend training period additional 52 weeks, maximum total 104 weeks.
MINNESOTA	General fund	Necessary expenses, including tuition, books, travel, board, lodging, and out-of-pocket daycare	Qualified worker not entitled to rehab. provided by local 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 re-evaluation 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 AII).
NEVADA	State Insurance Fund and self-insurance	Insurer may allow maintenance as needed	Insurer is authorized to provide as 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	No fund established	Permanent total disability benefits may be stopped after 450 weeks unless the worker has submitted to physical or educational retraining.

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 wilful 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 30 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.

Ark: "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 first 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 cases. 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.

*** "Preval" 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.

Mo. *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.

Miss. *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 or 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—1 complicated, 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 foreign 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 ^{1,3}	(-)		
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 ^{1,4}	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

NWT 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