

## 9.B Workers' Compensation

Table 9.B1.—Coverage, benefits, and costs, 1940–1999 <sup>1</sup>

| Calendar year | Estimated number of workers covered per month (in millions) | Benefits paid during year (in millions) |  |   |   |                             |                       | Cost of program as a percentage of covered payroll <sup>2</sup> | Benefits as a percentage of covered payroll <sup>3</sup> |
|---------------|---|---|--|---|---|-----------------------------|-----------------------|---|--|
|               |   | Total                                   | Type of insurance                                      |   |   | Type of benefits            |                       |   |  |
|               |   |   | Insurance losses paid by private carriers <sup>4</sup> | State and federal fund disbursements <sup>5</sup> | Employers' self-insurance payments <sup>6</sup> | Medical and hospitalization | Compensation payments |   |  |
| 1940.....     | 24.6  | \$256                                   | \$135  | \$73  | \$48  | \$95                        | \$161                 | 1.19  | 0.72   |
| 1946.....     | 32.7  | 434                                     | 270  | 96  | 68  | 140                         | 294                   | .91   | .54  |
| 1948.....     | 36.0  | 534                                     | 335  | 121   | 78  | 175                         | 359                   | .96   | .51  |
| 1949.....     | 35.3  | 566                                     | 353  | 132   | 81  | 185                         | 381                   | .98   | .55  |
| 1950.....     | 36.9  | 615                                     | 381  | 149   | 85  | 200                         | 415                   | .89   | .54  |
| 1951.....     | 38.7  | 709                                     | 444  | 170   | 94  | 233                         | 476                   | .90   | .54  |
| 1952.....     | 39.4  | 785                                     | 491  | 193   | 101   | 260                         | 525                   | .94   | .55  |
| 1953.....     | 40.7  | 841                                     | 524  | 210   | 107   | 280                         | 561                   | .97   | .55  |
| 1954.....     | 39.8  | 876                                     | 540  | 225   | 110   | 308                         | 568                   | .98   | .57  |
| 1955.....     | 41.4  | 916                                     | 563  | 238   | 115   | 325                         | 591                   | .91   | .55  |
| 1956.....     | 43.0  | 1,002                                   | 618  | 259   | 125   | 350                         | 652                   | .92   | .55  |
| 1957.....     | 43.3  | 1,062                                   | 661  | 271   | 130   | 360                         | 702                   | .91   | .56  |
| 1958.....     | 42.5  | 1,112                                   | 694  | 285   | 132   | 375                         | 737                   | .91   | .58  |
| 1959.....     | 44.0  | 1,210                                   | 753  | 316   | 141   | 410                         | 800                   | .89   | .58  |
| 1960.....     | 44.9  | 1,295                                   | 810  | 325   | 160   | 435                         | 860                   | .93   | .59  |
| 1961.....     | 45.0  | 1,374                                   | 851  | 347   | 176   | 460                         | 914                   | .95   | .61  |
| 1962.....     | 46.2  | 1,489                                   | 924  | 371   | 194   | 495                         | 994                   | .96   | .62  |
| 1963.....     | 47.3  | 1,582                                   | 988  | 388   | 207   | 525                         | 1,057                 | .99   | .62  |
| 1964.....     | 48.8  | 1,707                                   | 1,070  | 412   | 226   | 565                         | 1,142                 | 1.00  | .63  |
| 1965.....     | 50.8  | 1,814                                   | 1,124  | 445   | 244   | 600                         | 1,214                 | 1.00  | .61  |
| 1966.....     | 53.7  | 2,000                                   | 1,239  | 486   | 275   | 680                         | 1,320                 | 1.02  | .61  |
| 1967.....     | 55.0  | 2,189                                   | 1,363  | 524   | 303   | 750                         | 1,439                 | 1.07  | .63  |
| 1968.....     | 56.8  | 2,376                                   | 1,482  | 556   | 338   | 830                         | 1,546                 | 1.07  | .62  |
| 1969.....     | 59.0  | 2,634                                   | 1,641  | 607   | 386   | 920                         | 1,714                 | 1.08  | .62  |
| 1970.....     | 59.2  | 3,031                                   | 1,843  | 755   | 432   | 1,050                       | 1,981                 | 1.11  | .66  |
| 1971.....     | 59.4  | 3,563                                   | 2,005  | 1,098   | 460   | 1,130                       | 2,433                 | 1.11  | .67  |
| 1972.....     | 62.3  | 4,061                                   | 2,179  | 1,379   | 504   | 1,250                       | 2,811                 | 1.14  | .68  |
| 1973.....     | 66.3  | 5,103                                   | 2,514  | 1,998   | 592   | 1,480                       | 3,623                 | 1.17  | .70  |
| 1974.....     | 68.0  | 5,781                                   | 2,971  | 2,086   | 724   | 1,760                       | 4,021                 | 1.24  | .75  |
| 1975.....     | 67.2  | 6,598                                   | 3,422  | 2,324   | 852   | 2,030                       | 4,568                 | 1.32  | .83  |
| 1976.....     | 69.6  | 7,584                                   | 3,976  | 2,570   | 1,039   | 2,380                       | 5,204                 | 1.49  | .87  |
| 1977.....     | 72.1  | 8,630                                   | 4,629  | 2,750   | 1,250   | 2,680                       | 5,950                 | 1.71  | .92  |
| 1978.....     | 75.6  | 9,796                                   | 5,256  | 3,043   | 1,497   | 2,980                       | 6,816                 | 1.86  | .94  |
| 1979.....     | 78.6  | 12,027                                  | 6,157  | 4,022   | 1,848   | 3,520                       | 8,507                 | 1.95  | 1.01   |
| 1980.....     | 78.8  | 13,618                                  | 7,029  | 4,330   | 2,259   | 3,947                       | 9,671                 | 1.96  | 1.07   |
| 1981.....     | 78.3  | 15,054                                  | 7,876  | 4,595   | 2,583   | 4,431                       | 10,623                | 1.85  | 1.08   |
| 1982.....     | 77.0  | 16,407                                  | 8,647  | 4,768   | 2,993   | 5,058                       | 11,349                | 1.75  | 1.16   |
| 1983.....     | 78.0  | 17,575                                  | 9,265  | 5,061   | 3,249   | 5,681                       | 11,894                | 1.67  | 1.17   |
| 1984.....     | 81.9  | 19,685                                  | 10,610   | 5,405   | 3,671   | 6,424                       | 13,261                | 1.66  | 1.21   |
| 1985.....     | 84.3  | 22,217                                  | 12,341   | 5,744   | 4,132   | 7,498                       | 14,719                | 1.82  | 1.30   |
| 1986.....     | 86.0  | 24,613                                  | 13,827   | 6,248   | 4,538   | 8,642                       | 15,971                | 1.99  | 1.37   |
| 1987.....     | 88.4  | 27,318                                  | 15,453   | 6,782   | 5,082   | 9,912                       | 17,406                | 2.07  | 1.43   |
| 1988.....     | 91.3  | 30,733                                  | 17,512   | 7,477   | 5,744   | 11,518                      | 19,215                | 2.16  | 1.49   |
| 1989.....     | 93.7  | 34,316                                  | 19,918   | 7,965   | 6,433   | 13,424                      | 20,892                | 2.04  | 1.46   |
| 1990.....     | 95.1  | 38,238                                  | 22,222   | 8,658   | 7,358   | 15,187                      | 23,051                | 2.13  | 1.57   |
| 1991.....     | 93.6  | 42,169                                  | 24,515   | 9,711   | 7,944   | 16,832                      | 25,337                | 2.16  | 1.65   |
| 1992.....     | 94.6  | 44,660                                  | 24,030   | 10,987  | 9,643   | 18,252                      | 26,408                | 2.13  | 1.69   |
| 1993.....     | 96.1  | 42,925                                  | 21,773   | 11,294  | 9,857   | 17,521                      | 25,403                | 2.17  | 1.62   |
| 1994.....     | 109.4   | 44,586                                  | 22,306   | 10,753  | 11,527  | 17,194                      | 27,392                | 2.05  | 1.51   |
| 1995.....     | 112.8   | 43,373                                  | 21,145   | 10,996  | 11,232  | 16,733                      | 26,640                | 1.83  | 1.39   |
| 1996.....     | 114.6   | 41,836                                  | 20,392   | 10,669  | 10,775  | 16,555                      | 25,281                | 1.67  | 1.26   |
| 1997.....     | 117.7   | 41,147                                  | 20,978   | 10,294  | 9,875   | 15,701                      | 25,445                | 1.47  | 1.15   |
| 1998.....     | 120.9   | 42,312                                  | 22,821   | 10,269  | 9,222   | 16,390                      | 25,922                | 1.37  | 1.09   |
| 1999.....     | 123.9   | 43,371                                  | 23,813   | 10,221  | 9,337   | 18,043                      | 25,329                | 1.29  | 1.05   |

<sup>1</sup> Beginning in 1959, includes Alaska and Hawaii.

<sup>2</sup> Premiums written by private carriers, and state funds and benefits paid by self-insurers increased by 5–11 percent to allow for administrative costs; also includes benefits paid and administrative costs of federal system for government employees.

<sup>3</sup> Excludes programs financed from general revenue—most federal Black Lung benefits.

<sup>4</sup> Net cash and medical benefits paid during calendar year by private insurance companies under standard workers' compensation policies.

<sup>5</sup> Net cash and medical benefits paid by competitive and exclusive state funds and by federal system for government employees and, beginning in 1970, cash benefits paid by federal Black Lung program.

<sup>6</sup> Cash and medical benefits paid by self-insurers, plus value of medical benefits paid by employers carrying workers' compensations policies that exclude standard medical coverage.

Source: National Academy of Social Insurance estimates based on data received from state agencies, the Department of Labor, A.M. Best Company and the National Council on Compensation Insurance.

CONTACT: Daniel Mont (202) 452-8097 for further information.

Table 9.B2.—Benefits, by state, 1996–1999

[In thousands]

| State                     | 1996         | 1997         | 1998         | 1999         |
|---------------------------|--------------|--------------|--------------|--------------|
| Total 1 .....             | \$41,835,949 | \$41,146,574 | \$42,311,540 | \$43,371,412 |
| Alabama.....              | 525,073      | 530,230      | 615,316      | 596,233      |
| Alaska.....               | 121,597      | 130,045      | 128,576      | 137,630      |
| Arizona.....              | 458,593      | 427,885      | 417,673      | 427,841      |
| Arkansas.....             | 160,328      | 157,128      | 163,733      | 165,854      |
| California.....           | 6,829,656    | 7,073,544    | 7,374,486    | 7,856,442    |
| Colorado.....             | 679,270      | 674,035      | 656,894      | 702,458      |
| Connecticut.....          | 672,241      | 731,830      | 711,130      | 722,156      |
| Delaware.....             | 121,154      | 120,719      | 118,511      | 105,436      |
| District of Columbia..... | 89,945       | 81,696       | 75,800       | 82,011       |
| Florida.....              | 2,706,603    | 2,318,086    | 2,207,984    | 2,079,830    |
| Georgia.....              | 821,952      | 713,041      | 807,582      | 816,249      |
| Hawaii.....               | 288,495      | 254,995      | 233,491      | 211,138      |
| Idaho.....                | 189,575      | 212,563      | 237,444      | 230,218      |
| Illinois.....             | 1,643,487    | 1,576,695    | 1,687,070    | 1,719,617    |
| Indiana.....              | 409,901      | 437,797      | 482,029      | 522,237      |
| Iowa.....                 | 260,628      | 273,028      | 292,002      | 283,983      |
| Kansas.....               | 269,507      | 312,698      | 318,352      | 326,196      |
| Kentucky.....             | 506,771      | 380,417      | 410,003      | 430,953      |
| Louisiana.....            | 557,131      | 419,777      | 428,441      | 428,808      |
| Maine.....                | 314,116      | 271,307      | 246,145      | 249,674      |
| Maryland.....             | 1,037,957    | 1,082,280    | 1,127,128    | 1,169,386    |
| Massachusetts.....        | 700,375      | 653,327      | 641,409      | 633,840      |
| Michigan.....             | 1,346,409    | 1,332,222    | 1,366,963    | 1,392,806    |
| Minnesota.....            | 739,500      | 738,100      | 732,300      | 744,600      |
| Mississippi.....          | 224,341      | 231,340      | 234,700      | 253,532      |
| Missouri.....             | 618,911      | 527,053      | 589,232      | 592,993      |
| Montana.....              | 149,540      | 167,812      | 170,715      | 145,306      |
| Nebraska.....             | 198,923      | 184,673      | 181,816      | 173,149      |
| Nevada.....               | 382,873      | 341,203      | 334,659      | 362,971      |
| New Hampshire.....        | 188,262      | 155,397      | 163,885      | 170,876      |
| New Jersey.....           | 930,724      | 923,460      | 954,696      | 987,378      |
| New Mexico.....           | 151,299      | 119,893      | 116,819      | 117,168      |
| New York.....             | 2,558,704    | 2,618,320    | 2,556,658    | 2,782,474    |
| North Carolina.....       | 500,506      | 618,426      | 765,817      | 710,100      |
| North Dakota.....         | 66,819       | 76,617       | 81,403       | 77,236       |
| Ohio.....                 | 2,146,314    | 2,030,046    | 2,068,878    | 2,018,923    |
| Oklahoma.....             | 645,329      | 547,355      | 520,181      | 465,231      |
| Oregon.....               | 445,505      | 417,222      | 432,825      | 398,965      |
| Pennsylvania.....         | 2,533,788    | 2,471,021    | 2,418,072    | 2,441,255    |
| Rhode Island.....         | 135,520      | 138,211      | 145,252      | 152,861      |
| South Carolina.....       | 371,724      | 459,377      | 483,606      | 511,735      |
| South Dakota.....         | 82,063       | 73,862       | 72,722       | 80,331       |
| Tennessee.....            | 432,422      | 432,662      | 517,846      | 514,242      |
| Texas.....                | 1,259,647    | 1,377,393    | 1,488,896    | 1,677,824    |
| Utah.....                 | 224,146      | 192,381      | 220,247      | 219,338      |
| Vermont.....              | 74,271       | 87,488       | 95,056       | 103,928      |
| Virginia.....             | 560,309      | 534,350      | 591,068      | 581,357      |
| Washington.....           | 1,192,926    | 1,234,495    | 1,309,371    | 1,418,255    |
| West Virginia.....        | 523,803      | 616,790      | 629,480      | 665,403      |
| Wisconsin.....            | 647,520      | 594,463      | 621,973      | 652,281      |
| Wyoming.....              | 73,592       | 68,068       | 74,469       | 71,151       |
| Federal programs:         |              |              |              |              |
| Civilian employee.....    | 1,911,682    | 1,900,963    | 1,955,287    | 2,008,909    |
| Black lung 2 .....        | 1,154,222    | 1,102,798    | 1,035,450    | 980,642      |

1 Calendar year data, except fiscal year data for federal civilian and other programs and for some states with state funds. Payments represent compensation and medical benefits and include insurance losses paid by private insurance carriers (compiled from state workers' compensation agencies and the A.M. Best Company); disbursement of state funds (compiled from the A.M. Best Company, state workers' compensation agencies and U.S. Census Bureau); and self-insurance payments, estimated from available state data. Includes benefit payments under Longshore and Harbor Workers' Compensation Act for states in which such payments are made. For data for years 1990, 1993–95, see U.S. Census Bureau, *Statistical Abstract of the United States: 1999* (119th edition) Washington, DC, 1999, table 630, p.397.

2 Includes payments by the Social Security Administration and the Department of Labor.

Source: National Academy of Social Insurance estimates based on data received from state agencies, the Department of Labor, A.M. Best Company and the National Council on Compensation Insurance.

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## 9.B Workers' Compensation

Table 9.B3.—Type of insurer and medical benefits, by state, 1999

[In thousands]

| State                      | Total        | Private carriers <sup>4</sup> | State funds | Self-insurance <sup>1</sup> | Medical amount | Medical percent   |
|----------------------------|--------------|-------------------------------|-------------|-----------------------------|----------------|-------------------|
| Total .....                | \$43,371,412 | ...                           | ...         | ...                         | \$18,042,726   | 41.6              |
| Alabama.....               | 596,233      | \$320,786                     | ...         | \$275,447                   | 309,392        | 51.9              |
| Alaska.....                | 137,630      | 108,604                       | ...         | 29,026                      | 73,456         | 53.4              |
| Arizona.....               | 427,841      | 191,455                       | \$174,825   | 61,561                      | 149,956        | <sup>2</sup> 35.0 |
| Arkansas.....              | 165,854      | 110,673                       | ...         | 55,182                      | 71,317         | <sup>3</sup> 43.0 |
| California.....            | 7,856,442    | 4,611,639                     | 1,002,435   | 2,242,368                   | 3,506,531      | 44.6              |
| Colorado.....              | 702,458      | 330,465                       | 181,449     | 190,543                     | 348,110        | <sup>2</sup> 49.6 |
| Connecticut.....           | 722,156      | 553,612                       | ...         | 168,544                     | 196,079        | <sup>2</sup> 27.2 |
| Delaware.....              | 105,436      | 78,243                        | ...         | 27,193                      | 45,337         | <sup>3</sup> 43.0 |
| District of Columbia.....  | 82,011       | 64,157                        | ...         | 17,853                      | 35,265         | <sup>3</sup> 43.0 |
| Florida.....               | 2,079,830    | 1,668,092                     | ...         | 411,738                     | 1,277,633      | 61.4              |
| Georgia.....               | 816,249      | 450,288                       | ...         | 365,961                     | 487,804        | 59.8              |
| Hawaii.....                | 211,138      | 144,706                       | 5,223       | 61,209                      | 86,574         | 40.9              |
| Idaho.....                 | 230,218      | 141,392                       | 77,754      | 11,072                      | 111,303        | 48.3              |
| Illinois.....              | 1,719,617    | 1,353,213                     | ...         | 366,405                     | 828,341        | <sup>2</sup> 48.2 |
| Indiana.....               | 522,237      | 391,347                       | ...         | 130,890                     | 343,188        | <sup>2</sup> 65.7 |
| Iowa.....                  | 283,983      | 236,098                       | ...         | 47,885                      | 159,420        | <sup>2</sup> 56.1 |
| Kansas.....                | 326,196      | 236,753                       | ...         | 89,443                      | 113,239        | 34.7              |
| Kentucky.....              | 430,953      | 260,222                       | 20,420      | 150,310                     | 229,300        | 53.2              |
| Louisiana.....             | 428,808      | 207,532                       | 101,602     | 119,674                     | 184,387        | <sup>3</sup> 43.0 |
| Maine.....                 | 249,674      | 106,619                       | 48,183      | 94,872                      | 93,731         | 37.7              |
| Maryland.....              | 1,169,386    | 905,032                       | 158,165     | 106,188                     | 493,481        | 42.2              |
| Massachusetts.....         | 633,840      | 515,852                       | ...         | 117,988                     | 202,341        | 31.9              |
| Michigan.....              | 1,392,806    | 760,306                       | ...         | 632,500                     | 413,859        | 29.7              |
| Minnesota.....             | 744,600      | 479,400                       | 88,100      | 177,100                     | 315,700        | 42.4              |
| Mississippi.....           | 253,532      | 162,808                       | ...         | 90,724                      | 132,971        | 52.4              |
| Missouri.....              | 592,993      | 506,218                       | 43,357      | 43,418                      | 363,761        | 59.5              |
| Montana.....               | 145,306      | 53,222                        | 60,962      | 31,121                      | 62,482         | <sup>3</sup> 43.0 |
| Nebraska.....              | 173,149      | 131,579                       | ...         | 41,570                      | 86,079         | 49.7              |
| Nevada.....                | 362,971      | 4,649                         | 273,386     | 84,935                      | 125,871        | 34.7              |
| New Hampshire.....         | 170,876      | 134,339                       | ...         | 36,537                      | 88,787         | <sup>2</sup> 52.0 |
| New Jersey.....            | 987,378      | 937,022                       | ...         | 50,356                      | 424,573        | <sup>3</sup> 43.0 |
| New Mexico.....            | 117,168      | 60,348                        | 12,036      | 44,784                      | 65,857         | 56.2              |
| New York.....              | 2,782,474    | 1,314,422                     | 836,453     | 631,599                     | 835,726        | 30.0              |
| North Carolina.....        | 710,100      | 534,710                       | ...         | 175,390                     | 327,739        | <sup>2</sup> 46.2 |
| North Dakota.....          | 77,236       | 428                           | 76,808      | ...                         | 36,201         | 46.9              |
| Ohio.....                  | 2,018,923    | 18,104                        | 1,571,004   | 429,815                     | 803,675        | 39.8              |
| Oklahoma.....              | 465,231      | 261,595                       | 105,621     | 98,015                      | 221,583        | <sup>2</sup> 47.6 |
| Oregon.....                | 398,965      | 202,220                       | 145,285     | 51,460                      | 190,422        | 47.7              |
| Pennsylvania.....          | 2,441,255    | 1,692,089                     | 176,004     | 573,162                     | 867,097        | 35.5              |
| Rhode Island.....          | 152,861      | 98,356                        | 43,409      | 11,096                      | 35,306         | 23.1              |
| South Carolina.....        | 511,735      | 358,012                       | 37,100      | 116,623                     | 247,866        | <sup>2</sup> 48.4 |
| South Dakota.....          | 80,331       | 69,408                        | ...         | 10,923                      | 38,915         | 48.4              |
| Tennessee.....             | 514,242      | 404,946                       | ...         | 109,296                     | 264,953        | <sup>2</sup> 51.5 |
| Texas.....                 | 1,677,824    | 1,353,079                     | 185,305     | 139,441                     | 721,464        | <sup>3</sup> 43.0 |
| Utah.....                  | 219,338      | 133,718                       | 67,987      | 17,633                      | 152,456        | 69.5              |
| Vermont.....               | 103,928      | 78,652                        | ...         | 25,276                      | 51,214         | <sup>2</sup> 49.3 |
| Virginia.....              | 581,357      | 441,457                       | ...         | 139,900                     | 214,004        | 36.8              |
| Washington.....            | 1,418,255    | 20,873                        | 1,117,017   | 280,365                     | 475,492        | 33.5              |
| West Virginia.....         | 665,403      | 3,894                         | 552,302     | 109,207                     | 176,139        | 26.5              |
| Wisconsin.....             | 652,281      | 609,039                       | ...         | 43,242                      | 342,874        | <sup>2</sup> 52.6 |
| Wyoming.....               | 71,151       | 1,432                         | 69,719      | ...                         | 45,068         | 63.3              |
| Total without federal..... | 40,381,861   | 23,813,108                    | 7,231,914   | 9,336,839                   | 17,474,320     | 43.3              |
| Total federal.....         | 2,989,551    | ...                           | ...         | ...                         | 568,406        | 19.0              |
| Civilian employee.....     | 2,008,909    | ...                           | ...         | ...                         | 492,835        | 24.5              |
| Black Lung.....            | 980,642      | ...                           | ...         | ...                         | 75,571         | 7.7               |

<sup>1</sup> Self-insurance includes individual self-insurers and group self-insurance.

<sup>2</sup> Imputed based on regression analysis using data from states where the percentage was known. The independent variables used in regression were percent of private carrier incurred losses that is attributed to medical benefits, the market insured by private carriers, and the presence of a state fund.

<sup>3</sup> For these states, the data used for the imputation procedure were unavailable, so the percentage of medical benefits was estimated to be the weighted average of the percentages in the states reporting such a percentage.

<sup>4</sup> States with exclusive funds (Nevada, North Dakota, Ohio, Washington, West Virginia and Wyoming), also have small amounts of benefits paid in the private carrier category. This results from two sources: companies with group policies that overlap states and the fact that some companies include excess workers' compensation coverage in their reports of workers' compensation benefits to A.M. Best Company.

Source: National Academy of Social Insurance estimates based on data received from state agencies, the Department of Labor, A.M. Best Company, and the National Council on Compensation Insurance.

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