



**Rhode Island Department of
Labor and Training**

*Providing workforce protection and development services
with courtesy, responsiveness and effectiveness*



Division of Workers' Compensation
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2006 Annual Report to

The Governor's Workers' Compensation Advisory Council
On The Workers' Compensation System

April 10, 2007

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Introduction

The Division of Workers' Compensation is tasked with collection and analysis of information to gauge the health of the workers' compensation system in Rhode Island. The Division collects a variety of data in order to accomplish this task. A summary of the information collected is presented here. This information was selected to give a broad view of the workers' compensation system for the past ten years. Additional information is available in greater detail by contacting the Division directly. The Division's web site at <http://www.dlt.ri.gov/wc> also provides a variety of information. Detailed injury information is available by nature of injury, type of injury, injured body part, and the age and gender of worker on indemnity injuries from 1992 and for non-indemnity injuries from 1998.

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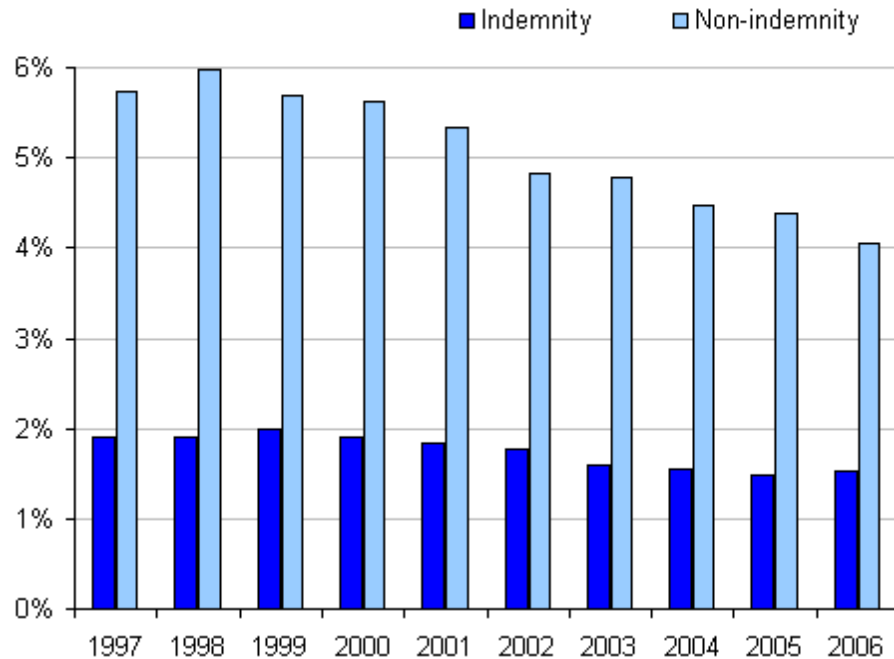
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Injuries from 1994 to 2006

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Indemnity Injuries	8,335	7,990	8,025	8,189	8,334	8,886	8,691	8,443	8,115	7,379	7,224	6,967	7,215
Non-Indemnity Injuries	26,664	26,525	27,363	24,694	26,180	25,436	25,730	24,438	22,091	22,119	20,816	20,471	18,994
Injuries	34,999	34,515	35,388	32,883	34,514	34,322	34,421	32,881	30,206	29,498	28,040	27,438	26,209
Covered Employment	417,175	422,701	423,693	430,520	437,544	446,422	456,700	458,238	458,212	462,374	466,403	467,811	469,650
Indemnity Rate	2.00%	1.89%	1.89%	1.90%	1.90%	1.99%	1.90%	1.84%	1.77%	1.60%	1.55%	1.49%	1.54%
Non-Indemnity Rate	6.39%	6.28%	6.46%	5.74%	5.98%	5.70%	5.63%	5.33%	4.82%	4.78%	4.46%	4.38%	4.04%
Injury Rate	8.39%	8.17%	8.35%	7.64%	7.89%	7.69%	7.54%	7.18%	6.59%	6.38%	6.01%	5.87%	5.58%

Injury Rate Per Employment



RI worker's compensation is a no-fault system that requires employers to maintain insurance coverage to protect their employees from a work-related loss of earnings and medical expenses. An indemnity injury is a work-related injury or illness for which workers' compensation disability benefits are paid. For a non-indemnity injury, medical benefits may be paid, but workers' compensation disability benefits are not.

The rate of indemnity injuries per employment remained close to 2% between 1994 through 2000. In 2001, the rate started to decline. It appears that there was overall decline in the rate of indemnity injuries in the last 6 years. The rate of non-indemnity injuries has also declined since 1998.

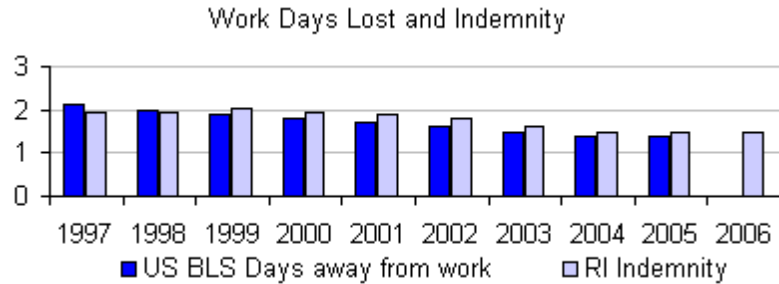
Employers with one or more employee have been required to carry workers' compensation insurance since 1999. Before 1999, insurance was only required of employers with 4 or more employees. The rate of injuries per employment before 1999 is slightly understated because the population covered by workers' compensation for those years was smaller than the employment figures used here.

US and RI Injury Rate Comparison

US Bureau of Labor Statistics: Rate of injury & illness, cases per 100 full time workers

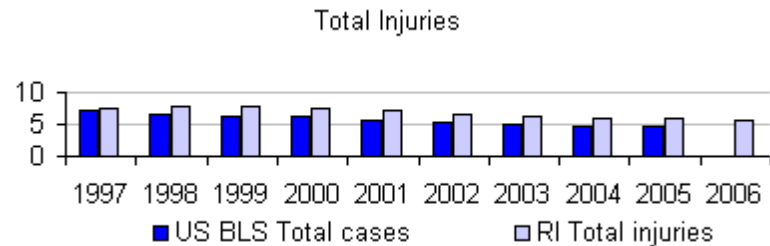
RI Division of Workers' Compensation: Rate of injury & illness, cases per 100 covered employees

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
US BLS: Cases involving days away from work	2.1	2	1.9	1.8	1.7	1.6	1.5	1.4	1.4	*
RI: Indemnity injuries & illnesses	1.9	1.9	2.0	1.9	1.9	1.8	1.6	1.5	1.5	1.5
US BLS: Total recordable cases	7.1	6.7	6.3	6.1	5.7	5.3	5.0	4.8	4.8	*
RI: Total injuries & illnesses	7.6	7.9	7.7	7.5	7.2	6.6	6.4	6.0	5.9	5.6



These figures compare rate of workers' compensation injuries to the rate of injuries and illnesses reported to US Bureau of Labor Statistics. It is important to note that the criteria used in reporting and developing the rates for BLS are not the same as for RI injuries. In RI, injuries are not due indemnity until more than three days are lost from work.

There is a similar trend in the rates of BLS cases involving days away from work and the rate of RI indemnity injuries. Overall, both rates have declined since 1997. The BLS rate has declined more sharply than the RI indemnity injury rate.

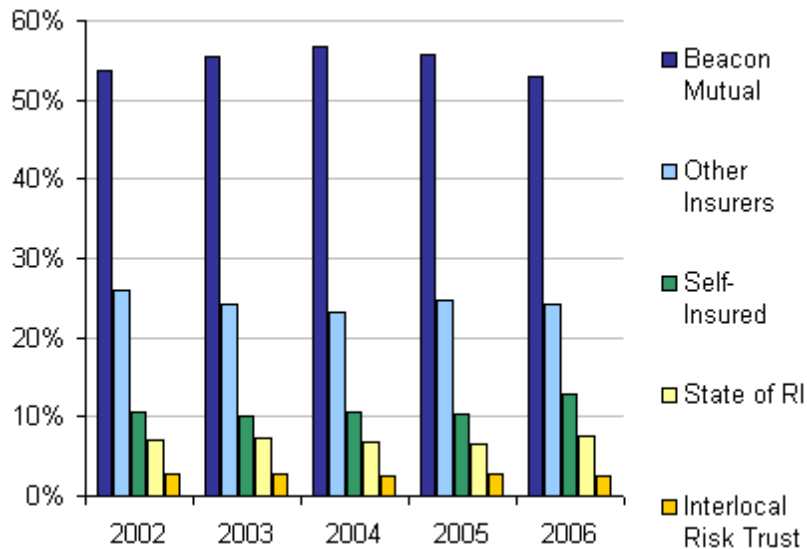


The total rate of injury for US BL and RI also show an overall decline from 1997 to 2005. Again, the decline in BLS injuries is steeper.

* BLS figures for 2006 were not yet available at the time of this report.

Indemnity Injuries by Insurer Type

Indemnity Injuries	Beacon Mutual		Self-Insured		State of RI		Interlocal Risk Trust		Other Insurers		Total
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	
1997	2,491	29.85%	1,735	20.79%	484	5.80%	155	1.86%	3,481	41.71%	8,346
1998	2,675	31.53%	1,439	16.96%	499	5.88%	221	2.60%	3,651	43.03%	8,485
1999	3,342	37.01%	1,355	15.01%	509	5.64%	212	2.35%	3,611	39.99%	9,029
2000	3,805	43.21%	1,121	12.73%	563	6.39%	215	2.44%	3,101	35.22%	8,805
2001	4,255	49.48%	977	11.36%	581	6.76%	219	2.55%	2,567	29.85%	8,599
2002	4,054	53.67%	803	10.63%	540	7.15%	202	2.67%	1,955	25.88%	7,554
2003	4,096	55.51%	748	10.14%	539	7.30%	203	2.75%	1,793	24.30%	7,379
2004	4,098	56.73%	770	10.66%	488	6.76%	186	2.57%	1,682	23.28%	7,224
2005	3,880	55.69%	721	10.35%	464	6.66%	189	2.71%	1,713	24.59%	6,967
2006	3,812	52.83%	935	12.96%	540	7.48%	175	2.43%	1,753	24.30%	7,215



The distribution of indemnity injuries among the different types of insurers has changed dramatically since 1997. Beacon Mutual Insurance Company has increased its share of indemnity injuries from 29.85% in 1997 to 52.83% in 2006.

The percent of injuries to self-insured employers has been dropping steadily from a high of 32% in 1992, leveling at about 10% from 2002 through 2005. It increased to 12.96% in 2006.

The RI state employees' share of injuries increased from 6.66% in 2005 to 7.48% in 2006.

The Interlocal Risk Trust saw an increase in the percent of injuries insured to a high of 2.75% in 2003 and falling to 2.43% in 2006.

Other insurers' (mostly private insurers) percent of injuries dropped to 24.3% in 2006.

Distribution of Indemnity Injuries by Employer Sector

Indemnity Injuries	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Agriculture, Fishing, Forestry	64	69	85	118	124	124	87	109	107	118
Mining	7	12	11	9	3	7	8	11	5	3
Construction	456	505	709	626	708	598	602	602	552	574
Manufacturing	2,031	2,210	2,071	1,932	1,665	1,324	1,222	1,173	1,117	1,045
Transportation & Public Utilities	674	564	662	703	712	642	652	598	607	596
Wholesale & Retail Trade	1,543	1,538	1,733	1,691	1,632	1,419	1,348	1,398	1,348	1,343
Finance, Insurance, Real Estate	211	189	198	201	196	182	170	149	162	143
Service Industry	2,636	2,608	2,748	2,635	2,643	2,437	2,432	2,550	2,394	2,625
Government & Other	724	790	812	890	916	821	858	634	675	768
Total	8,346	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215

Distribution by Sector	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Service Industry	31.6%	30.7%	30.4%	29.9%	30.7%	32.3%	33.0%	35.3%	34.4%	36.4%
Wholesale & Retail Trade	18.5%	18.1%	19.2%	19.2%	19.0%	18.8%	18.3%	19.4%	19.3%	18.6%
Manufacturing	24.3%	26.0%	22.9%	21.9%	19.4%	17.5%	16.6%	16.2%	16.0%	14.5%
Government & Other	8.7%	9.3%	9.0%	10.1%	10.7%	10.9%	11.6%	8.8%	9.7%	10.6%
Construction	5.5%	6.0%	7.9%	7.1%	8.2%	7.9%	8.2%	8.3%	7.9%	8.0%
Transportation & Public Utilities	8.1%	6.6%	7.3%	8.0%	8.3%	8.5%	8.8%	8.3%	8.7%	8.3%
Finance, Insurance, Real Estate	2.5%	2.2%	2.2%	2.3%	2.3%	2.4%	2.3%	2.1%	2.3%	2.0%
Agriculture, Fishing, Forestry	0.8%	0.8%	0.9%	1.3%	1.4%	1.6%	1.2%	1.5%	1.5%	1.6%
Mining	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.2%	0.1%	0.0%

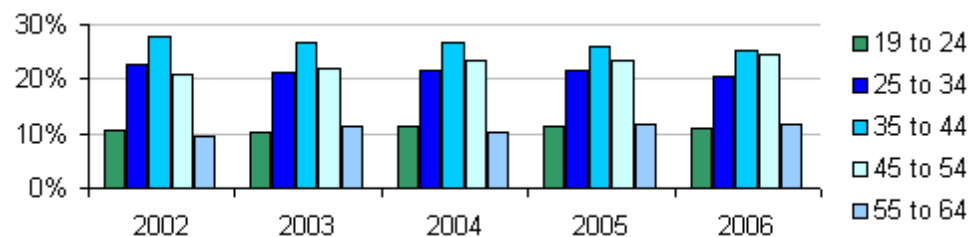


An average of 32.5% of indemnity injuries occurred in the service sector for the past 10 years. While 26.3% of indemnity injuries occurred in the manufacturing sector in 1995, that percent has declined to 14.5% in 2006, following the drop in manufacturing employment. Indemnity injuries in the wholesale & retail sector have remained stable. Transportation, communication and public utilities sector shows a 10 year average of 8.1%. The construction sector showed an increase in the percent of indemnity injuries from 5.5% in 1997 to an average of 8.4% between 2000 and 2006.

Indemnity Injuries by Age

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Under 16	9	9	19	15	7	4	6	4	5	2
16 to 18	172	176	219	187	183	143	113	127	105	130
19 to 24	905	959	968	961	960	791	769	814	782	788
25 to 34	2,126	2,083	2,160	2,075	1,933	1,704	1,576	1,557	1,507	1,483
35 to 44	2,247	2,407	2,598	2,502	2,529	2,087	1,961	1,926	1,816	1,824
45 to 54	1,454	1,555	1,652	1,687	1,734	1,566	1,630	1,696	1,625	1,760
55 to 64	654	650	747	763	706	730	827	744	807	842
65 and over	142	121	131	124	148	114	124	154	147	183
Not reported	637	525	535	491	399	415	373	202	173	203
Total	8,346	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Under 16	0.11%	0.11%	0.21%	0.17%	0.08%	0.05%	0.08%	0.06%	0.07%	0.03%
16 to 18	2.06%	2.07%	2.43%	2.12%	2.13%	1.89%	1.53%	1.76%	1.51%	1.80%
19 to 24	10.84%	11.30%	10.72%	10.91%	11.16%	10.47%	10.42%	11.27%	11.22%	10.92%
25 to 34	25.47%	24.55%	23.92%	23.57%	22.48%	22.56%	21.36%	21.55%	21.63%	20.55%
35 to 44	26.92%	28.37%	28.77%	28.42%	29.41%	27.63%	26.58%	26.66%	26.07%	25.28%
45 to 54	17.42%	18.33%	18.30%	19.16%	20.17%	20.73%	22.09%	23.48%	23.32%	24.39%
55 to 64	7.84%	7.66%	8.27%	8.67%	8.21%	9.66%	11.21%	10.30%	11.58%	11.67%
65 and over	1.70%	1.43%	1.45%	1.41%	1.72%	1.51%	1.68%	2.13%	2.11%	2.54%
Not reported	7.63%	6.19%	5.93%	5.58%	4.64%	5.49%	5.05%	2.80%	2.48%	2.81%

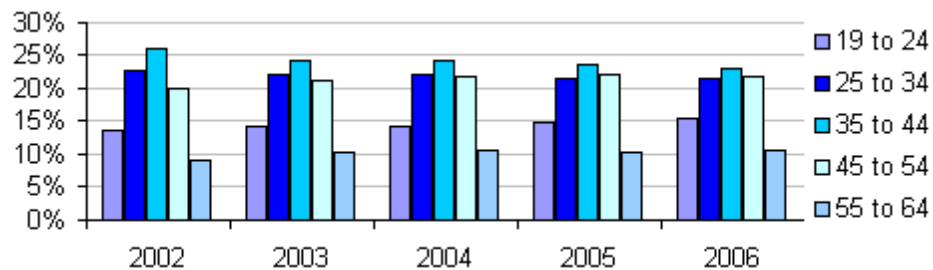


Indemnity injuries occur to workers in the 35 to 44 year old age category most often, possibly because of the age distribution of the work force. Injuries to workers in the 45 to 54 year old age category are the next most frequent, and they increased steadily from 17% in 1997 to 24% in 2006. Injuries to workers 55 to 64 show an increase from 7.8% in 1997 to 11.7% in 2006.

Non-Indemnity Injuries by Age

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Under 16	46	64	48	49	46	33	19	22	17
16 to 18	907	863	888	751	593	579	537	550	517
19 to 24	3,640	3,510	3,635	3,429	3,038	3,133	2,984	3,049	2,908
25 to 34	6,778	6,424	6,084	5,507	5,042	4,919	4,577	4,405	4,079
35 to 44	6,852	6,558	6,720	6,316	5,736	5,332	5,041	4,810	4,377
45 to 54	4,358	4,499	4,707	4,723	4,406	4,664	4,526	4,555	4,148
55 to 64	1,872	1,886	2,004	2,021	1,977	2,272	2,212	2,136	2,031
65 and over	266	301	350	337	296	321	375	364	348
Not reported	1,309	1,180	1,158	1,056	936	866	545	580	569
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Under 16	0.18%	0.25%	0.19%	0.20%	0.21%	0.15%	0.09%	0.11%	0.09%
16 to 18	3.48%	3.41%	3.47%	3.10%	2.69%	2.62%	2.58%	2.69%	2.72%
19 to 24	13.98%	13.88%	14.20%	14.18%	13.77%	14.16%	14.34%	14.89%	15.31%
25 to 34	26.04%	25.41%	23.77%	22.77%	22.85%	22.24%	21.99%	21.52%	21.48%
35 to 44	26.33%	25.94%	26.26%	26.11%	25.99%	24.11%	24.22%	23.50%	23.04%
45 to 54	16.74%	17.79%	18.39%	19.53%	19.96%	21.09%	21.74%	22.25%	21.84%
55 to 64	7.19%	7.46%	7.83%	8.36%	8.96%	10.27%	10.63%	10.43%	10.69%
65 and over	1.02%	1.19%	1.37%	1.39%	1.34%	1.45%	1.80%	1.78%	1.83%
Not reported	5.03%	4.67%	4.52%	4.37%	4.24%	3.92%	2.62%	2.83%	3.00%



Non-indemnity injuries occur to workers in the 35 to 44 year old age category most often, probably because of the age distribution of the work force. Injuries to workers in both the 25 to 34 year old and 45 to 54 year old age categories are almost as frequent. Injuries to workers age 25 to 34 are decreasing, while injuries to workers age 45 to 54 are increasing.

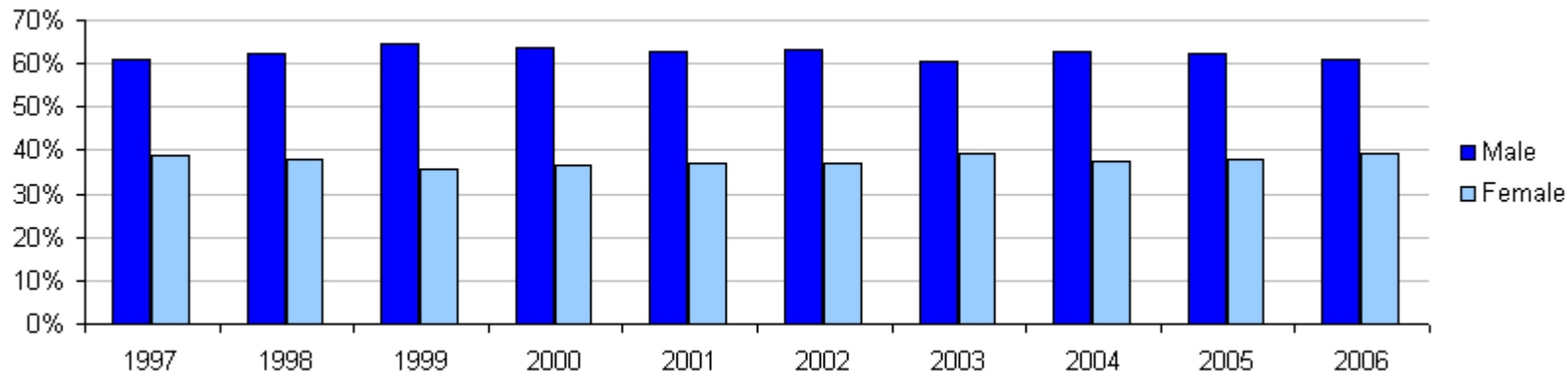
Indemnity Injuries by Gender

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Male	4,444	4,876	5,413	5,336	5,318	4,691	4,242	4,389	4,214	4,244
Female	2,826	2,976	2,996	3,073	3,138	2,743	2,766	2,608	2,559	2,734
Not reported	1,076	633	620	396	143	120	371	227	194	237
Total	8,346	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Male (percent of reported)	61.13%	62.10%	64.37%	63.46%	62.89%	63.10%	60.53%	62.73%	62.22%	60.82%
Female (percent of reported)	38.87%	37.90%	35.63%	36.54%	37.11%	36.90%	39.47%	37.27%	37.78%	39.18%

	<u>2005</u>
US BLS Occupational Injuries & Illnesses with Days away from Work	Male 65.95%
	Female 33.68%

From 1997 to 2006, for indemnity injuries where gender was reported, an average of 62.3% occurred to males and 37.7% to females. Distribution of injuries by gender has remained fairly stable, with a peak of injuries to males of 64.4% in 1999. Injuries to males dropped to a low of 60.5% in 2003.



Non-Indemnity Injuries by Gender

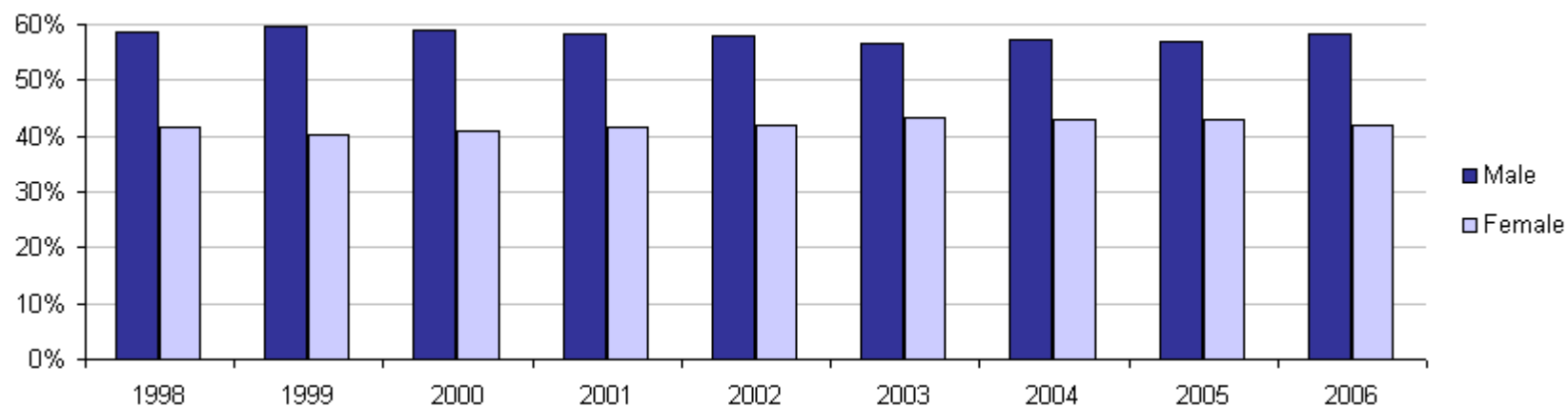
	1998	1999	2000	2001	2002	2003	2004	2005	2006
Male	14,272	14,333	14,621	13,909	12,675	12,027	11,564	11,311	10,663
Female	10,136	9,642	10,116	9,897	9,201	9,222	8,671	8,520	7,679
Gender not reported	1,620	1,310	857	383	194	870	581	640	652
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Male (percent of reported)	58.47%	59.78%	59.11%	58.43%	57.94%	56.60%	57.15%	57.04%	58.13%
Female (percent of reported)	41.53%	40.22%	40.89%	41.57%	42.06%	43.40%	42.85%	42.96%	41.87%

US Employment, age 16 years and over (BLS)

	2005
Male	53.60%
Female	46.40%

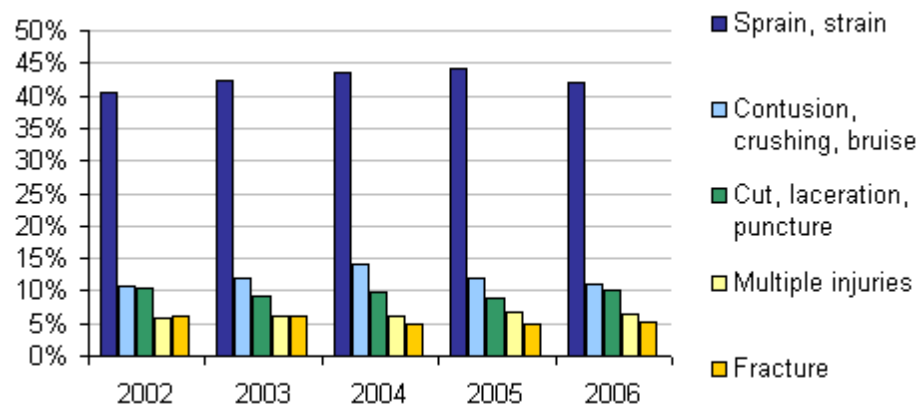
Over a 9 year span from 1998 to 2006, an average of 58.07% of non-indemnity injuries where gender was reported occurred to males and 41.93% to females. The proportion of injuries to males was highest in 2000 with a distribution of 59.11% to males and 40.89% to females. The distribution for 2006 shows 41.87% of injuries to females and 58.13% to males. This differs somewhat from the 2005 distribution of employed persons over 16 years for the US according to BLS figures.



Indemnity Injuries by Nature of Injury

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sprain, strain	2,977	3,543	3,376	3,364	3,663	3,056	3,132	3,154	3,084	3,030
Contusion, crushing, bruise	849	999	936	1,056	1,061	802	888	1,015	829	790
Cut, laceration, puncture	768	862	946	926	898	786	674	712	617	730
Fracture	479	500	512	582	522	444	445	447	474	460
Multiple injuries	388	365	344	247	458	475	455	355	344	370
Inflammation, irritation	923	618	652	1,093	304	212	218	217	171	180
Burn from heat	136	213	214	217	199	154	128	121	125	180
Other	1,826	1,385	2,049	1,320	1,494	1,625	1,439	1,203	1,323	1,475
Total	8,346	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sprain, strain	35.7%	41.8%	37.4%	38.2%	42.6%	40.5%	42.4%	43.7%	44.3%	42.0%
Contusion, crushing, bruise	10.2%	11.8%	10.4%	12.0%	12.3%	10.6%	12.0%	14.1%	11.9%	10.9%
Cut, laceration, puncture	9.2%	10.2%	10.5%	10.5%	10.4%	10.4%	9.1%	9.9%	8.9%	10.1%
Multiple injuries	5.7%	5.9%	5.7%	6.6%	6.1%	5.9%	6.0%	6.2%	6.8%	6.4%
Fracture	4.6%	4.3%	3.8%	2.8%	5.3%	6.3%	6.2%	4.9%	4.9%	5.1%
Inflammation, irritation	11.1%	7.3%	7.2%	12.4%	3.5%	2.8%	3.0%	3.0%	2.5%	2.5%
Burn from heat	1.6%	2.5%	2.4%	2.5%	2.3%	2.0%	1.7%	1.7%	1.8%	2.5%
Other	21.9%	16.3%	22.7%	15.0%	17.4%	21.5%	19.5%	16.7%	19.0%	20.4%

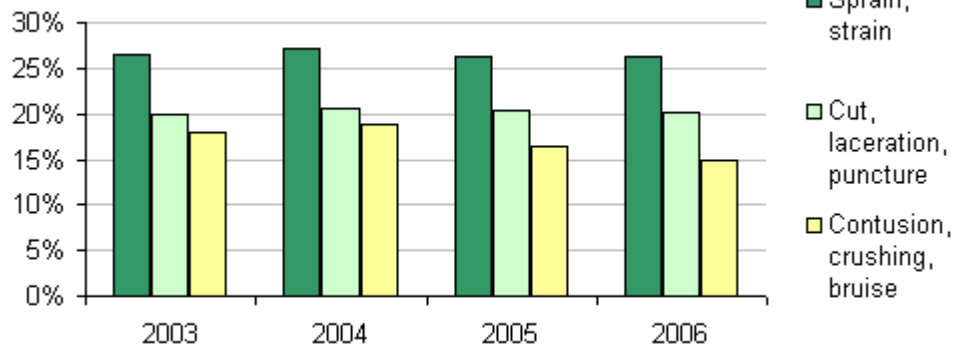


Sprains and strains are by far the most frequently occurring nature of injury for indemnity injuries. The percent of injuries with sprain or strain averages 42.6% for the last 5 years. The next most frequently occurring indemnity injuries are contusion, crushing and bruise injuries, with an average of 11.9% over the last 5 years. Cut, laceration and puncture injuries are the next most frequent with an average of 9.7%. Fractures averaged 5.5%, dropping to 4.9% for 2004 and 2005. Multiple nature of injuries averaged 6.3%. Inflammation of irritation of joints and muscles has decreased in frequency, which may be attributable to the way these are reported.

Non-Indemnity Injuries by Nature of Injury

Nature of Injury	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sprain, strain	6,750	6,590	6,628	7,169	5,883	5,844	5,645	5,365	4,979
Cut, laceration, puncture	4,923	4,668	4,761	4,586	4,355	4,386	4,299	4,159	3,826
Contusion, crushing, bruise	4,678	4,416	4,812	4,507	4,121	3,980	3,917	3,340	2,820
Eye: disease, particle	1,132	1,082	1,037	1,028	881	789	795	889	978
Multiple injuries	606	500	451	760	764	926	772	685	698
Exposed to germs	532	602	652	659	589	658	393	429	486
Burn from heat	708	642	674	616	551	561	535	547	465
Other	6,699	6,785	6,579	4,864	4,926	4,975	4,460	5,057	4,742
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sprain, strain	25.9%	26.1%	25.9%	29.6%	26.7%	26.4%	27.1%	26.2%	26.2%
Cut, laceration, puncture	18.9%	18.5%	18.6%	19.0%	19.7%	19.8%	20.7%	20.3%	20.1%
Contusion, crushing, bruise	18.0%	17.5%	18.8%	18.6%	18.7%	18.0%	18.8%	16.3%	14.8%
Eye: disease, particle	4.3%	4.3%	4.1%	4.2%	4.0%	3.6%	3.8%	4.3%	5.1%
Multiple injuries	2.3%	2.0%	1.8%	3.1%	3.5%	4.2%	3.7%	3.3%	3.7%
Exposed to germs	2.0%	2.4%	2.5%	2.7%	2.7%	3.0%	1.9%	2.1%	2.6%
Burn from heat	2.7%	2.5%	2.6%	2.5%	2.5%	2.5%	2.6%	2.7%	2.4%
Other	25.7%	26.8%	25.7%	20.1%	22.3%	22.5%	21.4%	24.7%	25.0%

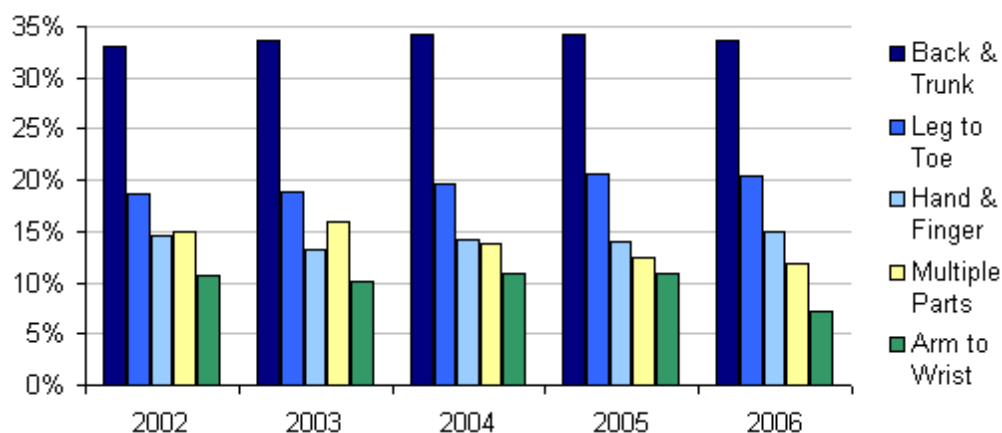


Sprains and strains are the most frequently occurring non-indemnity injury. An average of 26.5% of non-indemnity injuries from 2002 to 2006 are sprains or strains. The next most frequent non-indemnity injuries are cut, laceration and puncture injuries, followed very closely by contusion, crushing, and bruise injuries. An average of 20.1% of non-indemnity injuries between 2002 and 2006 were cut, laceration or puncture. Contusion, crushing and bruise injuries averaged 17.3% for the same period.

Indemnity Injuries by Body Part

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Back & Trunk	2,608	2,892	2,981	2,977	2,818	2,496	2,481	2,477	2,381	2,422
Leg to Toe	1,280	1,335	1,471	1,579	1,549	1,406	1,392	1,417	1,432	1,467
Hand & Finger	1,176	1,278	1,389	1,334	1,295	1,102	978	1,027	973	1,077
Multiple Parts	839	826	912	652	1,100	1,124	1,179	996	861	851
Arm to Wrist	868	972	979	1,080	1,032	802	749	787	764	526
Head, all parts	250	297	318	374	324	259	286	248	282	321
Neck	139	178	227	296	218	126	116	112	91	95
Other	1,186	707	752	513	263	239	198	160	183	456
Total	8,346	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Back & Trunk	31.2%	34.1%	33.0%	33.8%	32.8%	33.0%	33.6%	34.3%	34.2%	33.6%
Leg to Toe	15.3%	15.7%	16.3%	17.9%	18.0%	18.6%	18.9%	19.6%	20.6%	20.3%
Hand & Finger	14.1%	15.1%	15.4%	15.2%	15.1%	14.6%	13.3%	14.2%	14.0%	14.9%
Multiple Parts	10.1%	9.7%	10.1%	7.4%	12.8%	14.9%	16.0%	13.8%	12.4%	11.8%
Arm to Wrist	10.4%	11.5%	10.8%	12.3%	12.0%	10.6%	10.2%	10.9%	11.0%	7.3%
Head, all parts	3.0%	3.5%	3.5%	4.2%	3.8%	3.4%	3.9%	3.4%	4.0%	4.4%
Neck	1.7%	2.1%	2.5%	3.4%	2.5%	1.7%	1.6%	1.6%	1.3%	1.3%
Other	14.2%	8.3%	8.3%	5.8%	3.1%	3.2%	2.7%	2.2%	2.6%	6.3%

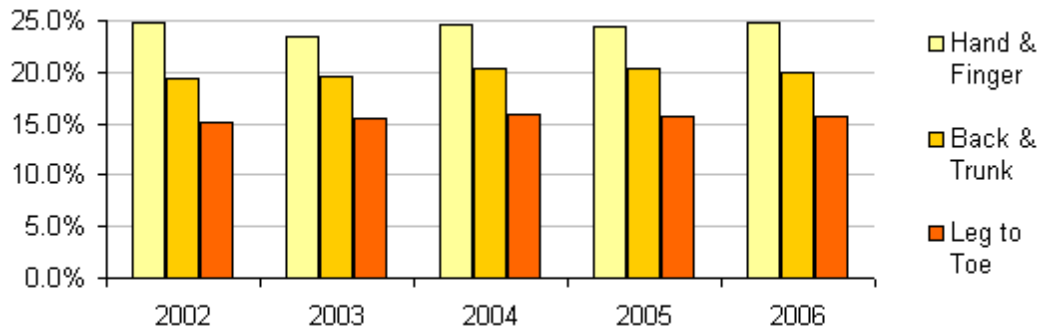


In the past 10 years, an average of 33% of indemnity injuries occurred to the back and trunk. Other body parts have a much lower frequency of injury. Injuries to the leg, including the foot and toes made up an average of 18.1% of indemnity injuries for the same time frame. Injuries to hand & fingers averaged 14.6%. For the same time period, injuries to multiple body parts were 11.9% of injuries, and from arm to wrist made up an average of 10.7% of indemnity injuries.

Non-Indemnity Injuries by Body Part

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Hand & Finger	6,593	6,220	6,285	5,806	5,482	5,179	5,136	4,988	4,700
Back & Trunk	5,203	5,282	5,596	5,014	4,291	4,331	4,251	4,164	3,797
Leg to Toe	3,667	3,782	3,937	3,809	3,334	3,437	3,307	3,228	2,984
Head, all parts	3,242	3,241	3,309	3,112	2,945	2,786	2,736	2,818	2,589
Arm to Wrist	2,828	2,811	2,923	2,923	2,591	2,627	2,378	2,284	2,173
Multiple Parts	1,829	1,459	1,412	2,040	2,272	2,607	2,015	1,852	1,599
Neck	449	517	655	471	343	311	261	250	208
Other	2,217	1,973	1,477	1,014	812	841	732	887	944
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Hand & Finger	25.3%	24.6%	24.6%	24.0%	24.8%	23.4%	24.7%	24.4%	24.7%
Back & Trunk	20.0%	20.9%	21.9%	20.7%	19.4%	19.6%	20.4%	20.3%	20.0%
Leg to Toe	14.1%	15.0%	15.4%	15.7%	15.1%	15.5%	15.9%	15.8%	15.7%
Head, all parts	12.5%	12.8%	12.9%	12.9%	13.3%	12.6%	13.1%	13.8%	13.6%
Arm to Wrist	10.9%	11.1%	11.4%	12.1%	11.7%	11.9%	11.4%	11.2%	11.4%
Multiple Parts	7.0%	5.8%	5.5%	8.4%	10.3%	11.8%	9.7%	9.0%	8.4%
Neck	1.7%	2.0%	2.6%	1.9%	1.6%	1.4%	1.3%	1.2%	1.1%
Other	8.5%	7.8%	5.8%	4.2%	3.7%	3.8%	3.5%	4.3%	5.0%

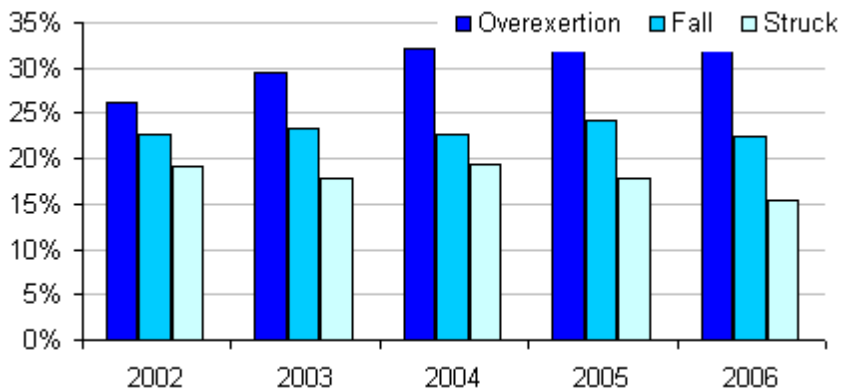


Injuries to the hand and fingers occur most frequently, accounting for an average of 24.5% of non-indemnity injuries from 1998 to 2006. Injuries to the back and trunk area are the next most frequent, averaging 20.4% of non-indemnity injuries for that period. Injuries from leg to toe averaged 15.4% of non-indemnity injuries.

Indemnity Injuries by Injury Type

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Overexertion	2,474	2,536	2,749	2,666	2,486	1,982	2,183	2,320	2,220	2,316
Fall	1,487	1,609	1,812	1,998	2,049	1,716	1,717	1,640	1,685	1,625
Struck	1,405	1,535	1,739	1,681	1,708	1,446	1,322	1,395	1,237	1,114
Caught in, under, between	546	556	511	488	433	393	301	307	302	332
Bodily reaction	411	580	488	470	619	829	573	347	296	272
Motor vehicle accident	241	273	278	279	315	268	263	224	254	207
Other	1,782	1,396	1,452	1,223	989	920	1,020	991	973	1,349
Total	8,346	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Overexertion	29.6%	29.9%	30.4%	30.3%	28.9%	26.2%	29.6%	32.1%	31.9%	32.1%
Fall	17.8%	19.0%	20.1%	22.7%	23.8%	22.7%	23.3%	22.7%	24.2%	22.5%
Struck	16.8%	18.1%	19.3%	19.1%	19.9%	19.1%	17.9%	19.3%	17.8%	15.4%
Caught in, under, between	6.5%	6.6%	5.7%	5.5%	5.0%	5.2%	4.1%	4.2%	4.3%	4.6%
Bodily reaction	4.9%	6.8%	5.4%	5.3%	7.2%	11.0%	7.8%	4.8%	4.2%	3.8%
Motor vehicle accident	2.9%	3.2%	3.1%	3.2%	3.7%	3.5%	3.6%	3.1%	3.6%	2.9%
Other	21.4%	16.5%	16.1%	13.9%	11.5%	12.2%	13.8%	13.7%	14.0%	18.7%



Overexertion is the most frequently occurring type of injury. From 1997 to 2006, overexertion accounted for an average of 30.1% of indemnity injuries.

The second most frequent indemnity injury type is a fall. For the last 10 years, an average of 21.9% of indemnity injuries were falls.

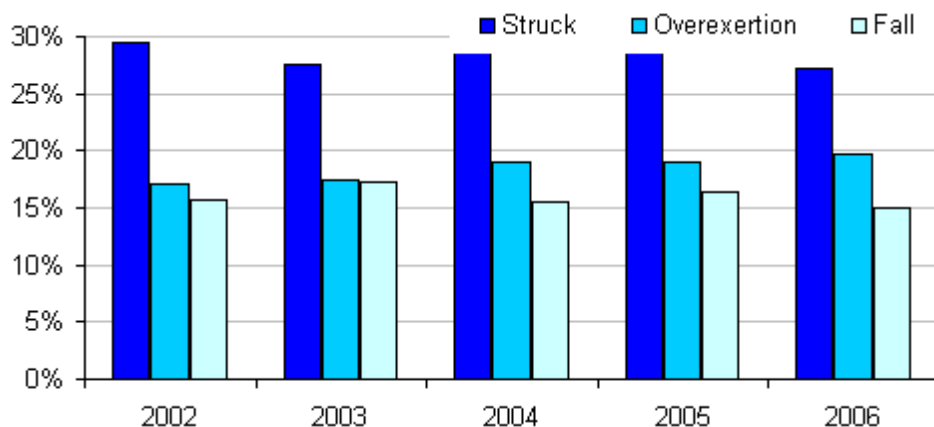
Injuries where the worker was struck against or by an object are the next most frequent, averaging 18.3% from 1997 to 2006.

The frequency of bodily reaction injuries increased sharply in 2002. This may be due to inconsistent coding. In 2006, the percent of bodily reaction injuries dropped to 3.8%.

Non-Indemnity Injuries by Injury Type

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Struck	8,003	7,669	7,606	7,254	6,495	6,080	6,078	5,848	5,155
Overexertion	4,508	4,600	4,797	4,195	3,785	3,841	3,944	3,892	3,759
Fall	3,571	3,738	4,263	4,164	3,473	3,813	3,242	3,343	2,848
Particle in eye	1,093	1,113	1,159	1,113	959	836	852	893	981
Caught in, under, between	1,670	1,565	1,578	1,282	1,132	919	931	797	760
Other	7,183	6,600	6,191	6,181	6,226	6,630	5,769	5,698	5,491
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Struck	30.75%	30.33%	29.72%	29.99%	29.43%	27.49%	29.20%	28.57%	27.14%
Overexertion	17.32%	18.19%	18.74%	17.34%	17.15%	17.37%	18.95%	19.01%	19.79%
Fall	13.72%	14.78%	16.66%	17.21%	15.74%	17.24%	15.57%	16.33%	14.99%
Particle in eye	6.42%	6.19%	6.17%	5.30%	5.13%	4.15%	4.47%	3.89%	4.00%
Caught in, under, between	4.20%	4.40%	4.53%	4.60%	4.35%	3.78%	4.09%	4.36%	5.16%
Other	27.60%	26.10%	24.19%	25.55%	28.21%	29.97%	27.71%	27.83%	28.91%



Injuries where the worker was struck against or by an object are the most frequent, averaging 29.2% from 1998 to 2006.

Overexertion is the next most frequently occurring type of injury. In 2006, 19.8% of non-indemnity injuries were classified as overexertion.

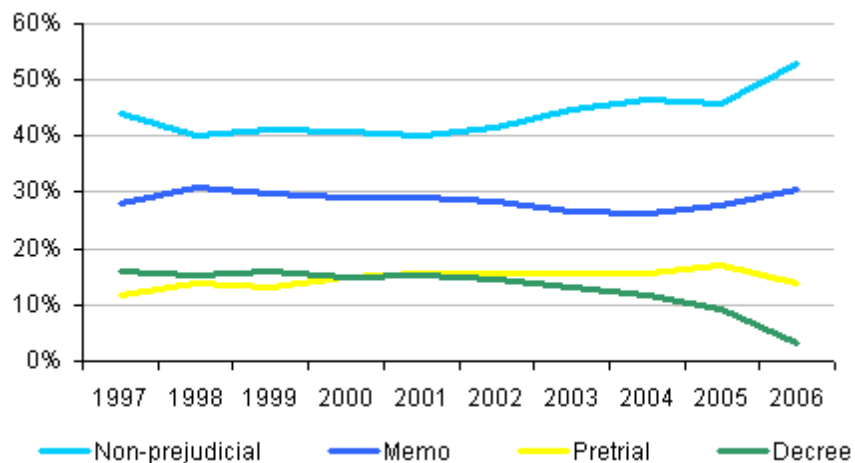
Falls are the third most frequent type of non-indemnity injury. Since 1998, an average of 15.8% of non-indemnity injuries were caused by falls.

Fatalities

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Total
Compensable Fatalities	5	7	7	3	6	5	12	2	4	6	57
Gender											
Female	0	2	0	0	1	2	2	0	0	0	7
Male	5	5	7	3	5	3	10	2	4	6	50
County											
Kent	1	0	0	0	3	0	6	1	0	3	14
Newport	0	0	0	1	0	0	0	0	0	0	1
Providence	3	4	4	0	2	3	4	1	3	3	27
Washington	1	2	2	0	0	0	0	0	1	0	6
Out of State	0	1	1	2	1	2	2	0	0	0	9
Accident Type											
Aircraft accident	0	0	1	0	1	0	0	0	0	0	2
Asbestosis	0	0	0	0	0	0	0	0	1	0	1
Assaulted or shot	0	1	0	0	1	1	0	0	0	0	3
Crushed	0	1	0	2	0	0	3	1	1	0	8
Drowned or asphyxiated	0	0	0	0	0	0	0	0	0	0	0
Electrocuted	0	0	2	0	1	0	0	0	0	1	4
Fell from elevation	0	0	1	0	0	0	1	0	0	0	2
Fire	0	0	0	0	0	0	6	0	0	0	6
Heart attack or stroke	0	1	0	0	0	0	0	0	0	1	2
Industrial vehicle accident	2	0	0	0	0	0	0	0	1	0	3
Motor vehicle accident	0	4	2	1	3	4	2	1	1	3	21
Struck by falling/flying object	2	0	0	0	0	0	0	0	0	1	3
Type not reported	1	0	1	0	0	0	0	0	0	0	2
Employer Type											
Construction	1	0	2	3	1	0	3	1	1	1	13
Manufacturing	2	1	3	0	2	1	1	0	0	0	10
Transport & Public Utilities	0	0	2	0	1	1	0	0	0	1	5
Wholesale & Retail	1	3	0	0	1	1	7	1	1	1	16
Finance, Insurance, Real Estate	0	1	0	0	0	0	0	0	0	0	1
Services	1	2	0	0	1	1	1	0	1	2	9
Government	0	0	0	0	0	1	0	0	1	1	3

Files Opened by Level of Agreement or Order to Compensate

Files Opened	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Number of injury files opened	12,120	33,913	34,468	34,035	33,463	30,841	30,410	28,653	28,503	26,209
With no agreement	3,680	25,123	25,552	25,374	24,701	22,564	22,069	20,691	20,726	19,787
Under nonprejudicial agreement	3,711	3,529	3,666	3,548	3,514	3,433	3,739	3,702	3,571	3,999
Under memorandum of agreement	2,376	2,700	2,648	2,529	2,565	2,340	2,214	2,094	2,167	2,304
Under pretrial order	1,001	1,224	1,180	1,301	1,358	1,303	1,298	1,232	1,330	1,044
Under decree	1,352	1,337	1,422	1,283	1,325	1,201	1,090	934	709	230
Under agreement or decree total	8,440	8,790	8,916	8,661	8,762	8,277	8,341	7,962	7,777	7,577
Non-prejudicial rate	44.0%	40.1%	41.1%	41.0%	40.1%	41.5%	44.8%	46.5%	45.9%	52.8%
Memorandum rate	28.2%	30.7%	29.7%	29.2%	29.3%	28.3%	26.5%	26.3%	27.9%	30.4%
Pretrial rate	11.9%	13.9%	13.2%	15.0%	15.5%	15.7%	15.6%	15.5%	17.1%	13.8%
Decree rate	16.0%	15.2%	15.9%	14.8%	15.1%	14.5%	13.1%	11.7%	9.1%	3.0%



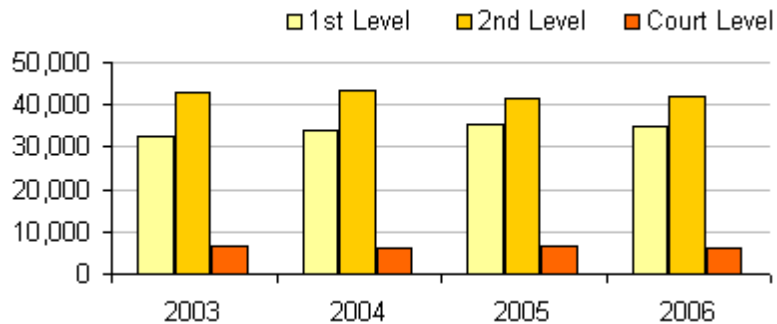
In 1998, The Division of Workers' Compensation began recording all injuries electronically, including non-indemnity. The dramatic increase in the number of files opened and files opened with no agreement between 1997 and 1998 reflects this change in policy.

In 1997, 44% of all files with an agreement or decree were paid under a nonprejudicial agreement. Usage decreased to about 40% between 1998 and 2002, with an increase to 52.8% in 2006. The memorandum is the next most frequently used with a 10 year average rate of 28.6%.

The rate of files under pretrial order increased steadily until 2003. The rate of files under a decree for 1997 to 2001 averages 15.4%. The rate of files under decree on files opened between 2002 and 2006 is expected to rise as open litigation cases are resolved.

Filings Received Per Calendar Year

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
First Report of Injury	10,695	31,377	32,787	32,639	32,891	30,714	30,370	29,245	29,290	28,600
Non-Payment of Indemnity	2,922	18,094	19,529	19,491	18,783	16,643	1,935	666	0	0
Non-Indemnity Itemized Statement							107	4,161	5,891	6,383
First Level Filings	13,617	49,471	52,316	52,130	51,674	47,357	32,412	34,072	35,181	34,983
Nonprejudicial Agreement	8,144	7,676	7,983	7,606	7,692	7,208	7,549	7,795	7,495	7,297
Wage Statement	7,682	7,871	8,180	7,758	8,422	7,913	7,874	7,849	7,375	7,234
Dependency	5,354	5,573	5,948	5,494	5,985	5,483	5,432	5,125	4,824	4,851
Termination of Benefits	5,639	5,058	5,526	5,212	5,295	4,986	5,243	5,666	5,260	4,820
Memorandum of Agreement	3,503	3,915	3,780	3,609	3,962	3,588	3,375	3,383	3,074	3,205
Mutual Agreement	2,756	2,998	2,823	2,653	2,906	3,128	1,904	715	698	705
Interim Payment Report	2,435	2,322	3,333	2,853	3,020	3,056	2,570	2,918	2,387	2,462
Specific Payment Report	1,915	2,021	1,996	1,865	2,115	2,250	2,155	2,361	2,546	2,423
Final Payment Report	4,547	4,708	4,441	4,226	4,810	4,902	3,973	3,662	3,316	2,908
Suspension Agreement	2,624	2,964	2,811	2,640	2,886	2,652	2,386	2,355	2,206	2,304
Wage Transcript	43	19	16	12	28	23	22	28	7	12
Itemized Statement for Indemnity	0	0	0	0	1	0	334	1,775	2,119	3,763
Second Level Filings	44,642	45,125	46,837	43,928	47,122	45,189	42,817	43,632	41,307	41,984
Pretrial Order	4,029	3,889	4,014	4,488	4,976	4,918	4,699	4,719	4,576	4,491
Decree	2,156	2,222	1,810	1,993	1,907	2,147	1,836	1,565	1,843	1,807
Court Level Filings	6,185	6,111	5,824	6,481	6,883	7,065	6,535	6,284	6,419	6,298



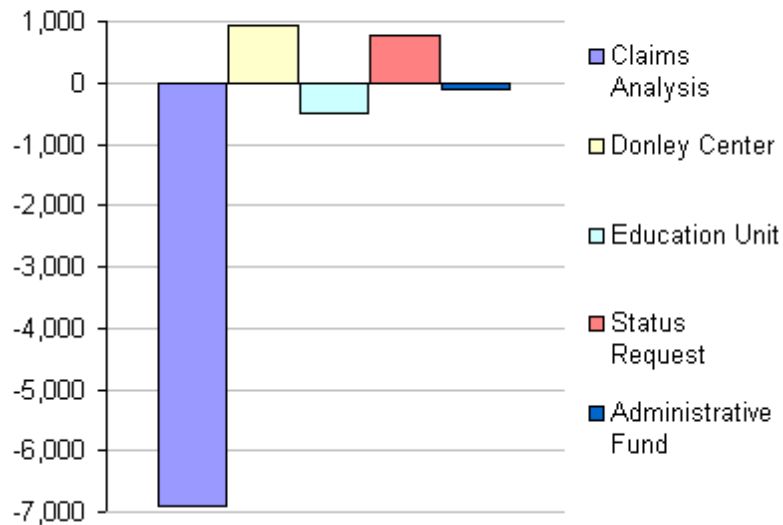
First Reports and Reports of Non-Payment of Indemnity Benefits are first level reports. Before 1998, non-indemnity first reports were recorded manually and are not included in these figures. In the second half of 2002, the Report of Non-Payment of Indemnity form was discontinued. The number of first reports received has declined since 1999.

Second level reports include agreements to compensate, documents to end compensation, and reports of payments. On average, 44,258 second level filings were received in each of the last 10 years.

Summary of Notices

Notices Generated	2000	2001	2002	2003	2004	2005	2006	Change from 2005 to 2006
Claims Analysis	17,426	18,471	16,836	15,914	16,880	10,489	3,598	-6,891
First Report Compliance	5,472	6,128	4,461	1,649	2,039	1,972	1,979	7
Donley Center	18,249	19,988	19,020	11,954	11,272	11,322	12,245	923
Education Unit	33,971	33,267	30,635	30,686	28,923	28,316	27,825	-491
IME & Annual Review	10,927	12,457	11,826	7,968	8,181	8,030	8,006	-24
Status Request	8,435	9,738	9,528	6,018	5,944	5,888	6,658	770
Administrative Fund	1,798	1,833	1,326	1,076	1,031	995	883	-112
Total	96,278	101,882	93,632	75,265	74,270	67,012	61,194	-5,818

Change from 2005 to 2006



The overall number of notices has decreased since 2001 for a number of reasons.

Claims analysis notices decreased significantly in 2005 and again in 2006. A process to streamline correspondence was implemented in 2004. In 2005, the business process was modified to shift notice to claims administrators of claim problems from individual claims to an aggregate basis.

First Report Compliance notices dropped to a low of 1,649 in 2003 after successful implementation of a stricter compliance program. Starting in 2004, additional notices were generated identifying sub-standard reports.

Notices on open indemnity claims were reduced starting in 2003 due to a change in policy to reduce misclassification of non-indemnity claims. The number of notices for open indemnity claims, including Donley Center, IME & Annual Review, and Status Requests, all show a decline. Donley Center added a new notice in 2006 which caused an increase in the number of those notices. Status requests also increased, possibly because of a delay in submission of notice of claim closure by claims administrators.

Workers Compensation Administrative Fund

Administrative Fund Information

The Workers' Compensation Administrative Fund, formerly the Second Injury Fund, collects income each year through assessments on insurance companies, self-insured employers, group self-insured employers and municipalities covered under the Workers' Compensation Act. The Fund supports these agencies:

Dr. John E. Donley Rehabilitation Center

Education Unit

Workers' Compensation Court System

Medical Advisory Board

Workers' Compensation Fraud and Compliance Unit

Department of Labor & Training's Workers' Compensation Unit

Workers' Compensation Advisory Council.

The Administrative Fund is also responsible to reimburse contributors to the fund for claims that fall within these sections of the Workers' Compensation Act:

Pre-1975 Injuries. RIGL § 28-37-9 provides for the reimbursement of compensation and medical payments for claims with injury dates before September, 1974. These claims were subject to a cap on benefits. If a totally disabled employee reached the cap, the insurer would be reimbursed for compensation benefits until the end of total disability or death.

Aggravation. RIGL § 28-27-4 provided for reimbursement of benefits for injured employees with a pre-existing work-related disability. This section was repealed on July 3, 1998. Injuries accepted prior to repeal are still eligible for reimbursement, but no new claims are accepted.

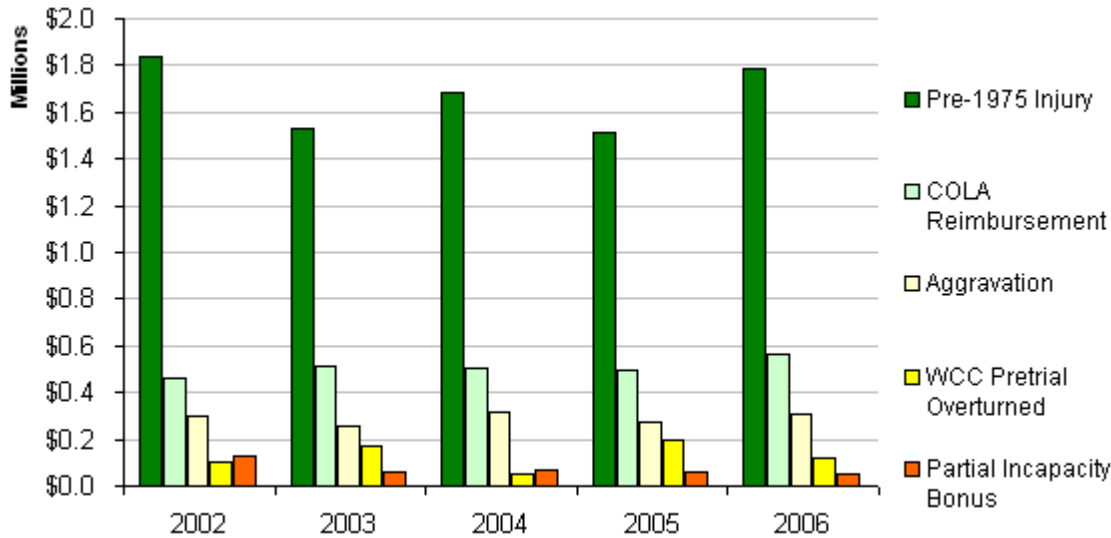
WCC Pretrial Overturned. RIGL § 28-35-20 (f) provides for reimbursement of payments made pursuant to an order of the Workers' Compensation Court that is later overturned or amended.

COLA Reimbursement. RIGL § 28-37-1 (b) (8) provides for reimbursement of insurer payment made for cost-of-living adjustments pursuant to RIGL § 28-33-17. The application period for this type of reimbursement has expired.

Partial Incapacity Bonus. RIGL § 28-37-4 (i) provides for direct payment to injured workers who return to employment at wages less than those received before the work-related injury. Payment from the Fund makes up the difference between the pre-injury wages and the total of current wages plus compensation. This law was repealed in 1992, but by Supreme Court order the Fund is obligated to make payments to employees accepted prior to the repeal.

Workers' Compensation Administrative Fund Total Expenditures

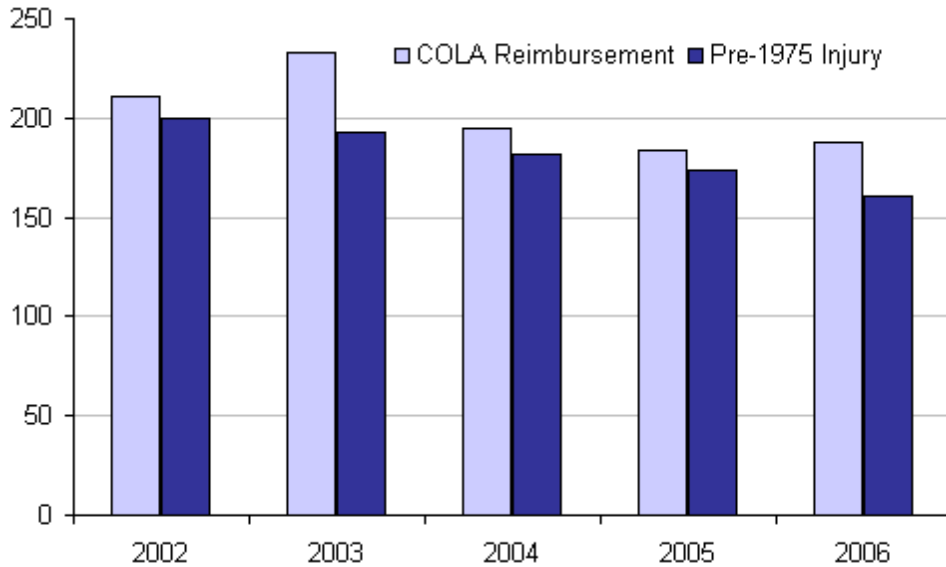
Amount Paid	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Pre-1975 Injury	\$2,269,566	\$2,080,103	\$1,629,944	\$1,631,669	\$1,640,010	\$1,841,880	\$1,529,564	\$1,686,002	\$1,513,879	\$1,789,737
COLA Reimbursement	\$674,244	\$296,584	\$319,364	\$452,229	\$493,602	\$458,963	\$513,839	\$502,285	\$496,496	\$562,029
Aggravation	\$1,046,448	\$784,945	\$538,650	\$415,393	\$250,501	\$296,247	\$254,262	\$318,951	\$277,615	\$310,117
WCC Pretrial Overturned	\$82,828	\$284,415	\$207,297	\$70,138	\$62,587	\$105,047	\$174,314	\$52,113	\$193,699	\$117,821
Partial Incapacity Bonus	\$180,801	\$116,964	\$89,924	\$69,639	\$80,713	\$126,103	\$63,038	\$67,105	\$58,969	\$49,057
DWC Hearing Overturned	\$89,992	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$4,343,878	\$3,563,011	\$2,785,179	\$2,639,067	\$2,527,413	\$2,828,241	\$2,535,017	\$2,626,457	\$2,540,658	\$2,828,762



The largest component of the fund expenditures is for pre-1975 injuries. Before 1975, there was a limit on the amount of compensation an injured worker could collect, even if permanently totally disabled. Legislation allowed these disabled workers to continue receiving payment beyond the cap, and the costs are reimbursed from the fund. Because no new injuries are eligible for this reimbursement, the amount of the expenditure on indemnity is expected to decrease as this population declines over time. The increasing medical costs offset the decrease in indemnity.

Number of Workers' Compensation Administrative Fund Claims Paid

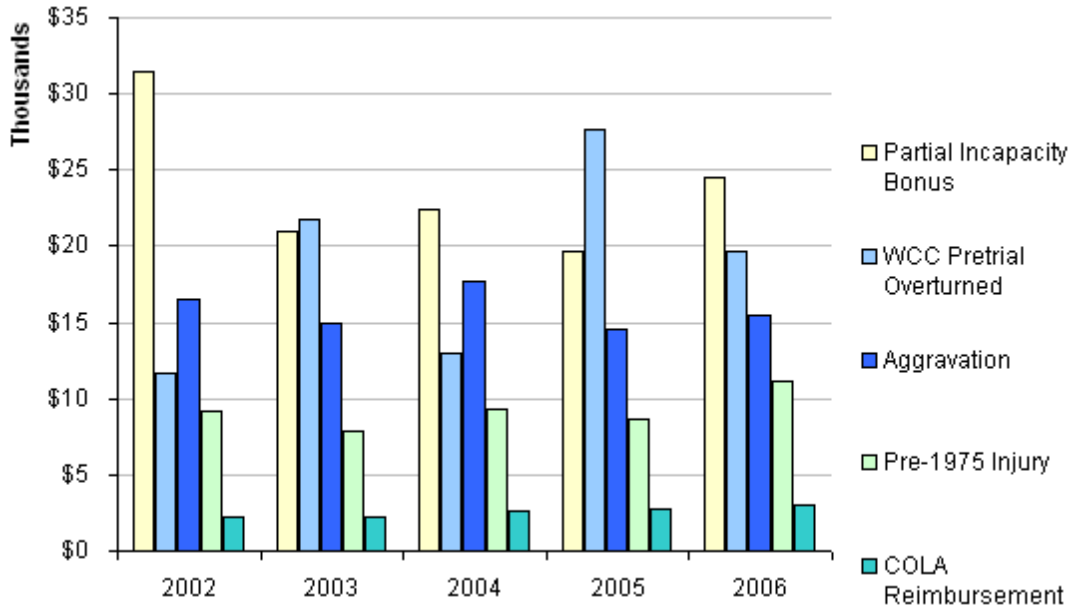
Number of Claims Paid	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
COLA Reimbursement	319	169	234	259	251	211	233	195	184	188
Pre-1975 Injury	291	271	241	223	207	200	193	182	174	161
Aggravation	40	38	29	34	18	18	17	18	19	20
WCC Pretrial Overturned	10	26	15	11	7	9	8	4	7	6
Partial Incapacity Bonus	9	7	4	4	4	4	3	3	3	2
DWC Hearing Overturned	2	0	0	0	0	0	0	0	0	0
Total	671	511	523	531	487	442	454	402	387	377



The pre-1975 injuries and claims for COLA Reimbursement account for the largest number of claims paid each year. As the pre-1975 injured workers age and die, the number of those claims paid is decreasing.

Average Amount Paid per Workers' Compensation Administrative Fund Claim

Average Paid per Claim	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Partial Incapacity Bonus	\$20,089	\$16,709	\$22,481	\$17,410	\$20,178	\$31,526	\$21,013	\$22,368	\$19,656	\$24,529
WCC Pretrial Overturned	\$8,283	\$10,939	\$13,820	\$6,376	\$8,941	\$11,672	\$21,789	\$13,028	\$27,671	\$19,637
Aggravation	\$26,161	\$20,656	\$18,574	\$12,217	\$13,917	\$16,458	\$14,957	\$17,720	\$14,611	\$15,506
Pre-1975 Injury	\$7,799	\$7,676	\$6,763	\$7,317	\$7,923	\$9,209	\$7,925	\$9,264	\$8,700	\$11,116
COLA Reimbursement	\$2,114	\$1,755	\$1,365	\$1,746	\$1,967	\$2,175	\$2,205	\$2,576	\$2,698	\$2,990
DWC Hearing Overturned	\$44,996	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$6,474	\$6,973	\$5,325	\$4,970	\$5,190	\$6,399	\$5,584	\$6,533	\$6,656	\$7,503



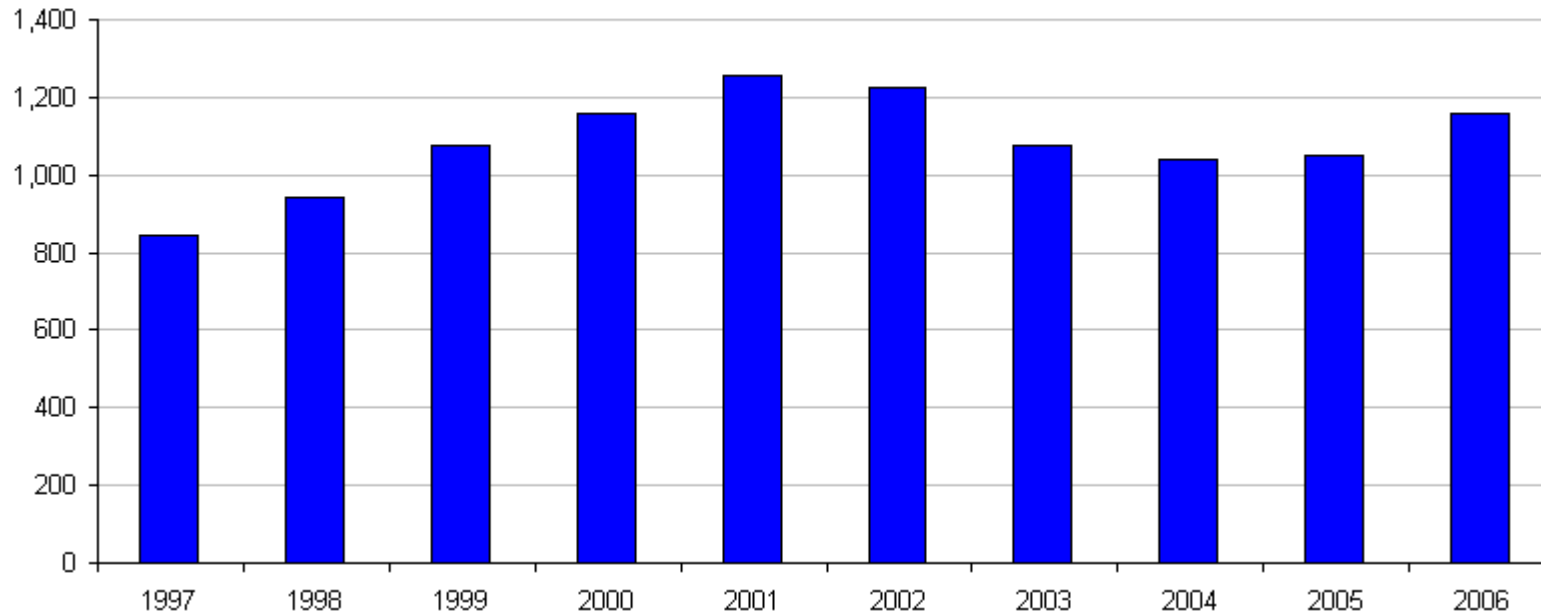
The average cost per claim gives a different perspective on the WCAF expenditures. While Pre-1975 Injuries makes up a large part of the number of claims and total dollar expenditures, the average payment per claim is relatively low in comparison. Similarly, the average payment per COLA injury is low.

There is a low number of claims with Aggravation, Workers' Compensation Court Pretrial Orders Overturned or Partial Incapacity Bonus, but the average payment per claim is high. The average amount paid per claim for Partial Incapacity Bonus rose to \$24,529 in 2006. The average for WCC Pretrial Orders Overturned fell to \$19,637 in 2006.

Dr. John E. Donley Rehabilitation Center Admissions

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Number of Admissions	843	941	1,077	1,157	1,258	1,224	1,078	1,038	1,048	1,158

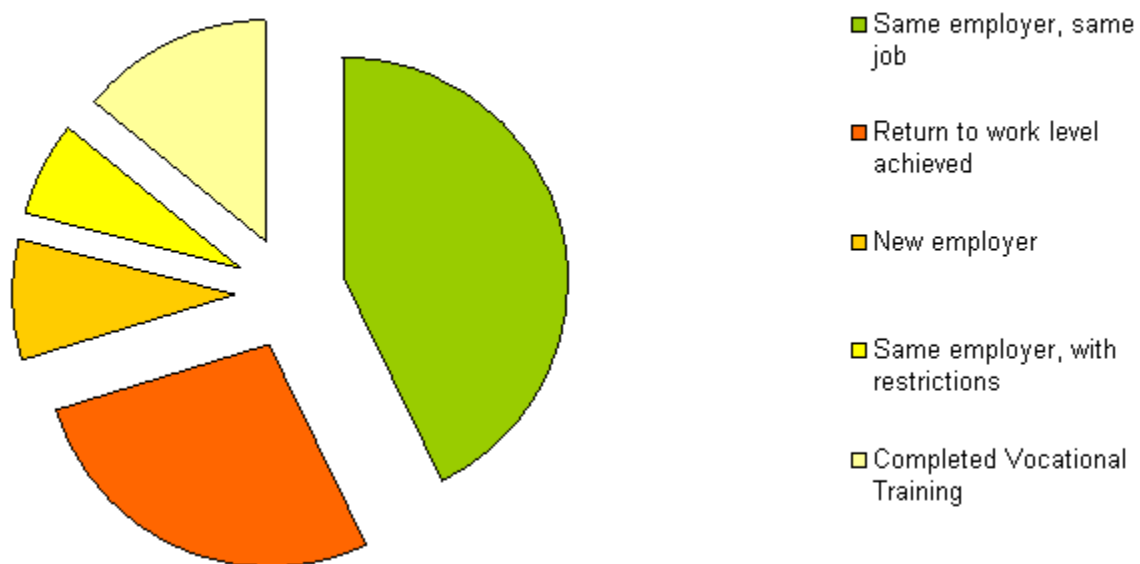
Number of Admissions



Dr. John E. Donley Rehabilitation Center Discharges Returned to Work

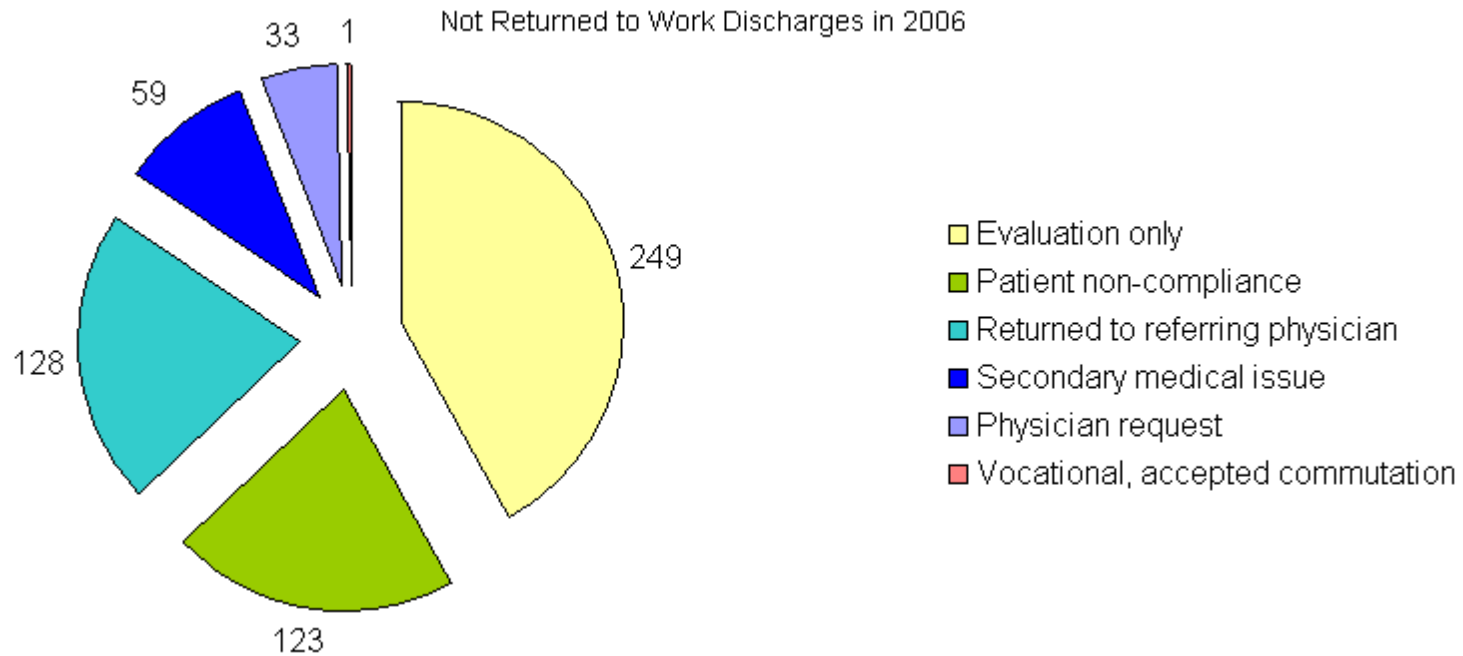
	1998	1999	2000	2001	2002	2003	2004	2005	2006
Return to work level was achieved	310	375	397	514	483	527	441	469	605
Same employer, same job	171	218	215	271	236	257	213	191	258
Return to work level achieved	72	76	84	131	148	119	109	121	165
New employer	40	47	55	66	61	65	43	58	54
Same employer, with restrictions	27	34	43	46	38	46	41	39	42
Completed Vocational Training						40	35	60	86

Return to Work Discharges in 2006



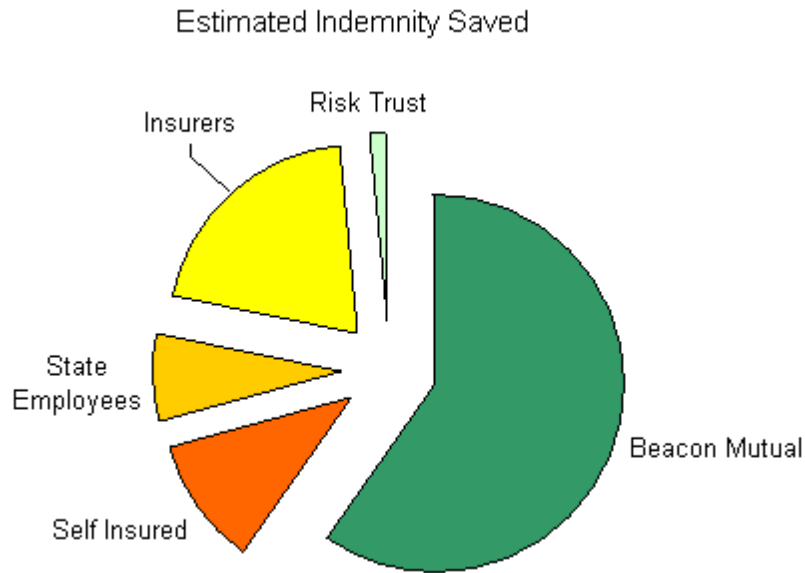
Dr. John E. Donley Rehabilitation Center Discharges Not Returned to Work

	1998	1999	2000	2001	2002	2003	2004	2005	2006
Not Returned to Work	580	657	734	771	771	556	593	534	605
Evaluation only	255	294	251	281	337	236	250	224	249
Patient non-compliance	110	115	133	188	131	131	129	107	123
Returned to referring physician	81	74	121	141	112	77	105	94	128
Secondary medical issue	36	49	65	70	57	46	51	66	59
Physician request	27	27	51	46	45	45	52	35	33
Vocational, accepted commutation	0	0	0	9	15	12	5	3	1
Other	71	98	113	36	74	9	1	5	12



Dr. John E. Donley Rehabilitation Center Estimated Indemnity Savings Report

Type of Insurer	Number of Injured Workers Returned to Work	Estimated Weeks of Indemnity Saved	Estimated Amount of Indemnity Saved
Beacon Mutual	150	37,578	\$16,148,505
Self Insured	29	7,115	\$3,057,330
State Employees	19	4,627	\$1,988,349
Insurers	52	13,063	\$5,613,660
Risk Trust	4	866	\$372,329
Total	254	63,250	\$27,180,173

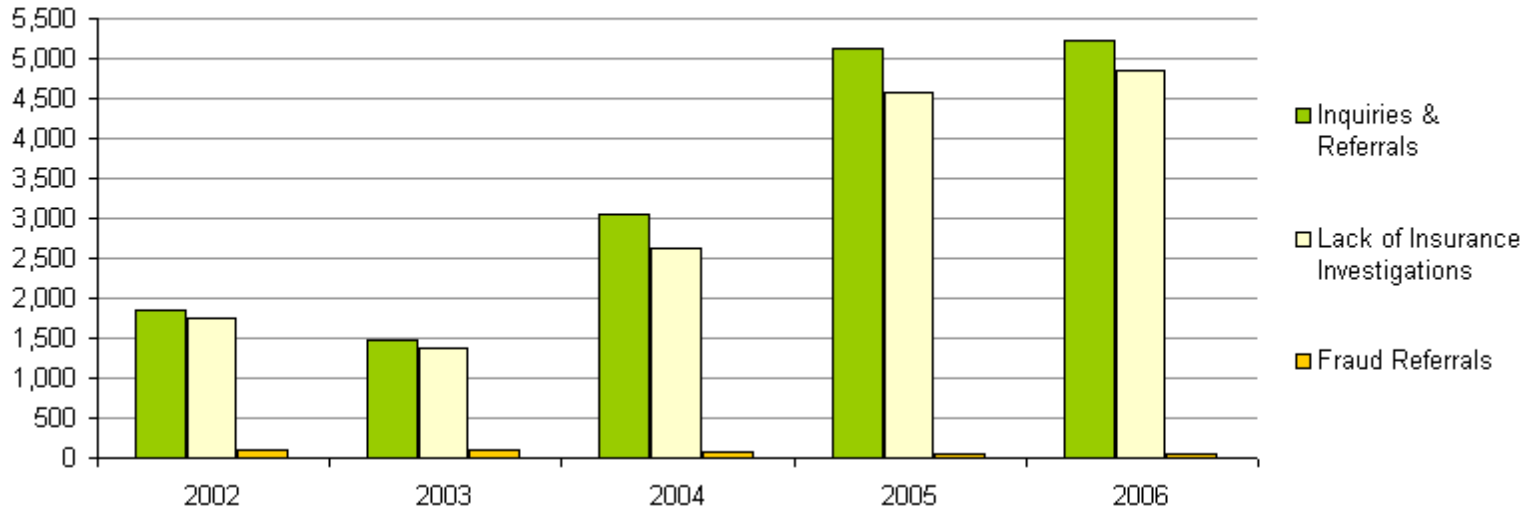


Indemnity savings is estimated for patients discharged to return to work from Donley Center in 2006 where the time between the injury and date of admission is over 3 months. The length of time between the date of discharge and the anticipated date of the 312 week gate is the estimated weeks of indemnity saved. The dollar amount of indemnity is calculated using a compensation rate of 75% of the spendable base wage from the average weekly wage for employers covered by unemployment insurance in calendar year 2005.

Fraud & Compliance Unit Referrals, Inquiries and Filings

	2000	2001	2002	2003	2004	2005	2006
Independent Contractor Forms Filed	NA	7,754	6,756	6,334	7,346	7,936	7,702
Inquiries/Referrals	505	737	1,858	1,483	3,062	5,121	5,219
Fraud Referrals	*	210	101	97	73	44	45
Opened for investigation	*	140	46	29	31	15	21
From Insurers	17	31	30	19	13	10	11
Referred to AG	7	8	12	9	12	5	4
Lack of Insurance Investigations	532	527	1,757	1,386	2,634	4,581	4,841

Investigations and Referrals

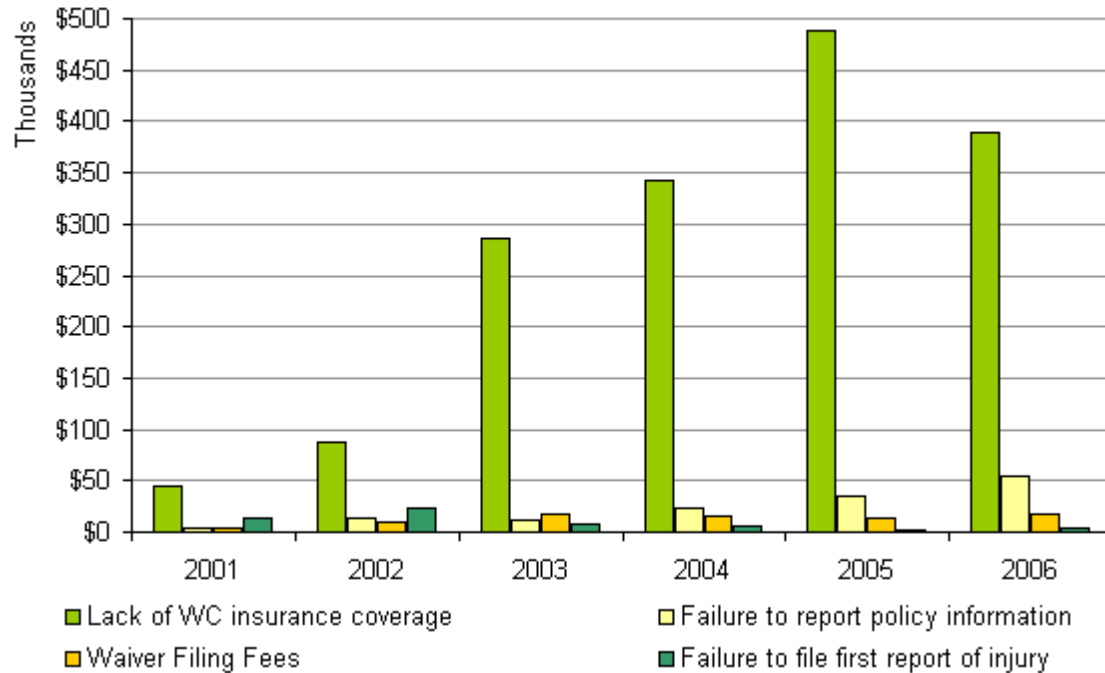


* Fraud and Compliance were not separated in 2000.

Fraud & Compliance Unit Penalties and Fees

	2000	2001	2002	2003	2004	2005	2006
Lack of WC insurance coverage	\$44,439	\$43,955	\$87,514	\$286,872	\$342,884	\$488,246	\$389,033
Employers penalized	n/a	n/a	n/a	140	123	270	342
Average penalty	n/a	n/a	n/a	\$2,049	\$2,788	\$1,808	\$1,138
Failure to report policy information	\$6,250	\$3,250	\$13,800	\$11,250	\$22,750	\$35,750	\$54,750
Waiver Filing Fees	\$745	\$4,205	\$9,515	\$18,045	\$14,895	\$14,345	\$16,720
Failure to file first report of injury	\$3,000	\$13,000	\$23,270	\$8,000	\$5,000	\$1,250	\$3,500

Penalties and Fees



Penalties levied for lack of insurance coverage increased substantially through 2005 and leveled off in 2006. The number of employers penalized for lack of insurance has increased since 2004. Reporting of policy information is a key to determining employer coverage. Penalties for failure to report policy information have increased steadily since 2001.