



**Division of Workers' Compensation**

**1511 Pontiac Avenue, Cranston, RI 02920**

**401-462-8100**

**2014 Annual Report to**

**The Governor's Workers' Compensation Advisory Council**

**On The Workers' Compensation System**

**October 5, 2015**

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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.

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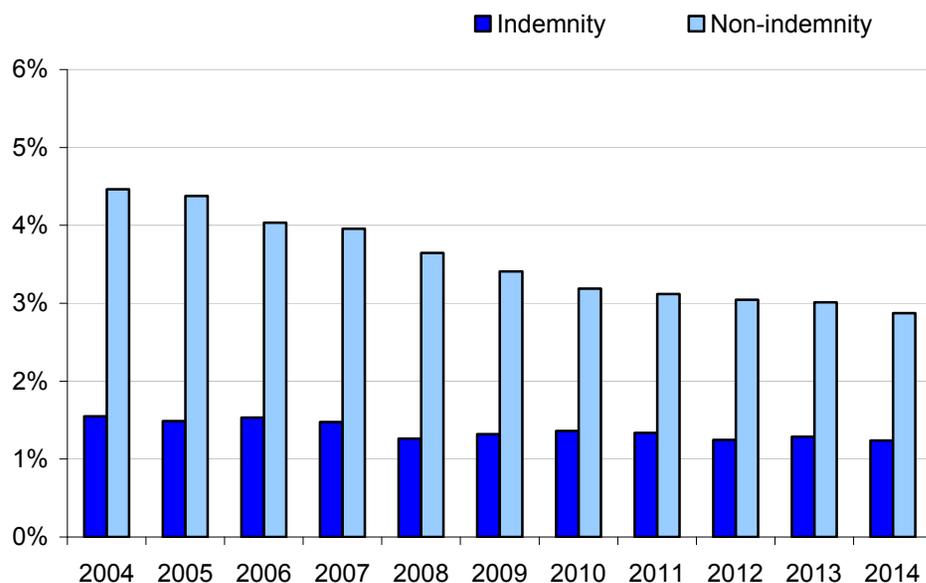
### Dr. John E. Donley Rehabilitation Center

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### RI Workers' Compensation Injuries

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Indemnity Injuries	8,115	7,379	7,224	6,967	7,215	6,933	5,818	5,791	5,956	5,864	5,498	5,742	5,591
Non-Indemnity Injuries	22,091	22,119	20,816	20,471	18,994	18,611	16,765	14,932	13,963	13,675	13,437	13,442	12,958
Injuries	30,206	29,498	28,040	27,438	26,209	25,544	22,583	20,723	19,919	19,539	18,935	19,184	18,549
Covered Employment	458,212	462,374	466,403	467,811	470,632	470,374	460,046	438,213	438,213	438,309	441,112	445,996	451,300
Indemnity Rate	1.77%	1.60%	1.55%	1.49%	1.53%	1.47%	1.26%	1.32%	1.36%	1.34%	1.25%	1.29%	1.24%
Non-Indemnity Rate	4.82%	4.78%	4.46%	4.38%	4.04%	3.96%	3.64%	3.41%	3.19%	3.12%	3.05%	3.01%	2.87%
Injury Rate	6.59%	6.38%	6.01%	5.87%	5.57%	5.43%	4.91%	4.73%	4.55%	4.46%	4.29%	4.30%	4.11%

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 overall rate of injuries to employment has dropped from 6.59% in 2002 to 4.11% in 2014. The rate of indemnity injuries per employment dropped from 1.77% in 2002 to 1.24% in 2014. The rate of non-indemnity injuries declined from 4.82% in 2002 to 2.87% in 2014.

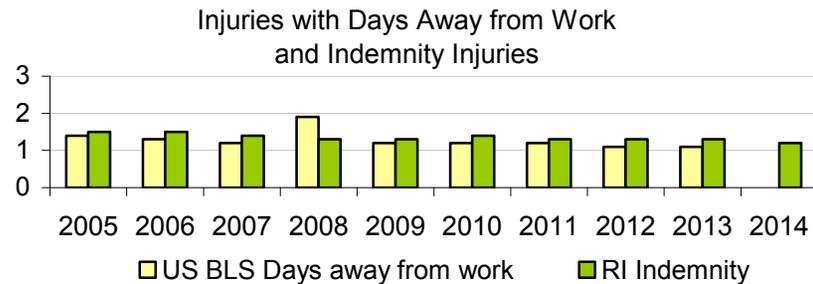
Employment information is provided by RI DLT LMI Unit. 2014 Average Covered Employment is estimated.

## US and RI Injury Rate Comparison

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

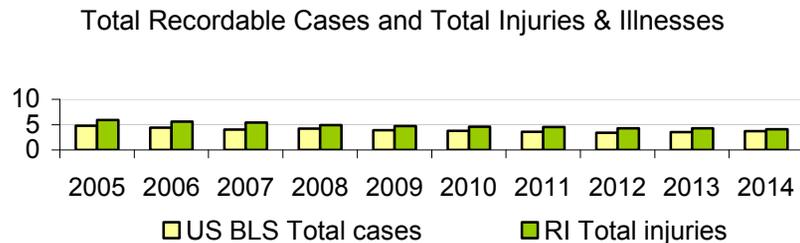
RI Division of Workers' Compensation: Rate of injury & illness, cases per 100 covered employees

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
US BLS: Cases involving days away from work	1.4	1.3	1.2	1.9	1.2	1.2	1.2	1.1	1.1	*
RI: Indemnity injuries & illnesses	1.5	1.5	1.4	1.3	1.3	1.4	1.3	1.3	1.3	1.2
US BLS: Total recordable cases	4.8	4.4	4.0	4.2	3.9	3.8	3.6	3.4	3.5	3.7
RI: Total injuries & illnesses	5.9	5.6	5.4	4.9	4.7	4.6	4.5	4.3	4.3	4.1



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.

The rate of BLS cases involving days away from work declined from 1.4 in 2005 to 1.1 in 2013 with a rise to 1.9% in 2008. The rate of RI Indemnity injuries declined from 1.5 in 2005 to 1.2 in 2014.



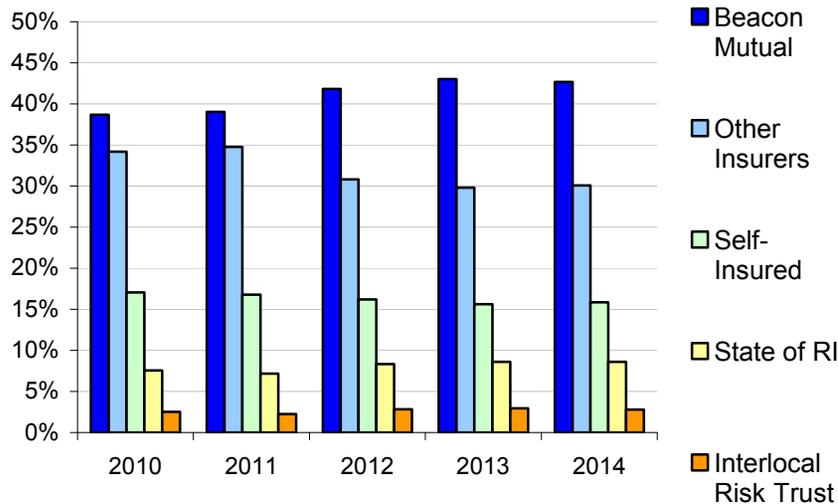
The US BLS total recordable cases declined from 4.8 in 2005 to 3.4 in 2012, and rose to 3.7 in 2014. The rate of RI injuries fell from 5.9% in 2004 to 4.1% in 2014.

\* US BLS data for Cases involving days away from work for 2014 was not available at the time of this report.

US BLS data was obtained from the [www.bls.gov](http://www.bls.gov) web site.

### 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	
2005	3,880	55.7%	721	10.3%	464	6.7%	189	2.7%	1,713	24.6%	6,967
2006	3,812	52.8%	935	13.0%	540	7.5%	175	2.4%	1,753	24.3%	7,215
2007	3,355	48.4%	1,100	15.9%	465	6.7%	174	2.5%	1,839	26.5%	6,933
2008	2,603	44.5%	1,030	17.6%	393	6.7%	112	1.9%	1,715	29.3%	5,853
2009	2,406	41.5%	904	15.6%	447	7.7%	138	2.4%	1,896	32.7%	5,791
2010	2,304	38.7%	1,016	17.1%	450	7.6%	150	2.5%	2,036	34.2%	5,956
2011	2,508	39.0%	1,078	16.8%	462	7.2%	144	2.2%	2,235	34.8%	6,427
2012	2,300	41.8%	890	16.2%	458	8.3%	156	2.8%	1,694	30.8%	5,498
2013	2,469	43.0%	897	15.6%	494	8.6%	169	2.9%	1,711	29.8%	5,740
2014	2,387	42.7%	886	15.8%	482	8.6%	155	2.8%	1,681	30.1%	5,591
Average		44.8%		15.4%		7.6%		2.5%		29.7%	



The distribution of indemnity injuries among the different types of insurers shows Beacon Mutual Insurance Company insured an average of 44.8% of indemnity injuries from 2005 to 2014. Their share of indemnity injuries declined from a high of 55.7% in 2005 to 38.7% in 2010 and increased to 42.7% in 2014.

Self-insured employers including municipalities other than RI state employees covered an average of 15.4% of the indemnity injuries from 2005 to 2014, with a high of 17.6% in 2008.

The RI state employees' share of injuries averaged 7.6% for the last 10 years with a high of 8.6% in 2013 and 2014.

The Interlocal Risk Trust's percent of indemnity injuries increased from a low of 1.9% in 2008 to 2.8% in 2014.

Other insurers' percent of injuries dropped from a high of 34.8% in 2011 to 30.1% in 2014, with an average of 29.7% for the last 10 years.

### Distribution of Indemnity Injuries by Employer Sector

Indemnity Injuries by Employer Type	2011	2012	2013	2014
Accommodation and Food Services	283	286	267	187
Administrative and Support Services	285	245	245	228
Agriculture, Forestry, Fishing and Hunting	1	12	8	11
Arts, Entertainment, and Recreation	56	56	60	55
Construction	182	259	170	193
Educational Services	112	199	197	161
Finance and Insurance	28	35	40	33
Health Care and Social Assistance	1,001	944	739	817
Information	46	58	47	47
Management of Companies and Enterprises	79	63	128	69
Manufacturing	451	419	399	379
Mining, Quarrying, and Oil and Gas Extraction	1	3	4	2
Other Services (except Public Administration)	88	1,676	92	78
Professional, Scientific, and Technical Services	62	95	61	53
Public Administration	57	79	216	182
Real Estate and Rental and Leasing	114	173	84	63
Retail Trade	381	81	405	376
Transportation and Warehousing	241	354	220	236
Utilities	54	270	33	45
Waste Management and Remediation Services	40	38	27	29
Wholesale Trade	108	24	135	115
Unknown	2,757	129	2,165	2,232
<b>Total</b>	<b>6,427</b>	<b>5,498</b>	<b>5,742</b>	<b>5,591</b>

The NAICS code system is used to identify the type of employer for injuries starting in 2011. Previously the SIC code system was used. There are many injuries where the employer's NAICS code is not recorded on our database. Those injuries show as employer type unknown. For 2012, fewer employer NAICS codes were unknown because DLT staff researched unrecorded codes.

### Indemnity Injuries by Age

RI Indemnity Injuries	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Under 19	110	132	92	75	67	47	32	34	27	34
19 to 24	782	788	799	619	602	587	491	431	473	454
25 to 34	1,507	1,483	1,434	1,165	1,162	1,229	1,322	1,160	1,170	1,146
35 to 44	1,816	1,824	1,650	1,402	1,371	1,356	1,472	1,141	1,186	1,126
45 to 54	1,625	1,760	1,731	1,439	1,442	1,560	1,618	1,424	1,467	1,387
55 to 64	807	842	881	821	823	846	1,091	960	1,065	1,054
65 and over	147	183	159	176	155	163	209	206	218	224
<b>Total</b>	<b>6,967</b>	<b>7,215</b>	<b>6,933</b>	<b>5,853</b>	<b>5,791</b>	<b>5,956</b>	<b>6,427</b>	<b>5,498</b>	<b>5,742</b>	<b>5,591</b>

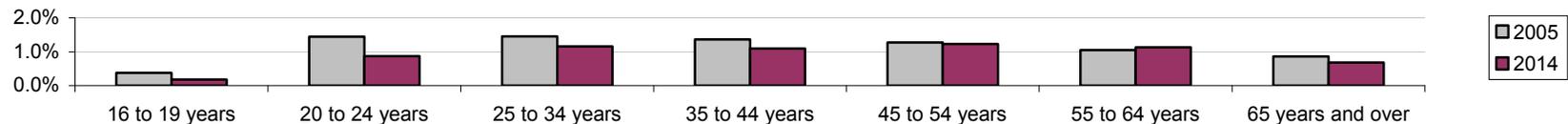
  

RI Employment in Thousands*	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
16 to 19 years	29	27	28	24	22	22	19	20	18	19
20 to 24 years	54	54	50	47	45	52	46	53	48	52
25 to 34 years	104	104	113	102	97	97	99	89	96	99
35 to 44 years	133	135	126	118	113	109	108	108	108	103
45 to 54 years	128	134	135	126	119	115	118	117	114	113
55 to 64 years	77	74	76	79	81	88	83	84	87	93
65 years and over	17	20	20	23	24	25	24	28	32	33
<b>Total</b>	<b>541</b>	<b>548</b>	<b>548</b>	<b>520</b>	<b>501</b>	<b>508</b>	<b>497</b>	<b>499</b>	<b>503</b>	<b>512</b>

Indemnity Injuries per Employment in Thousands	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Under 19; 16 to 19 years	0.4%	0.5%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%
19 to 24; 20 to 24 years	1.4%	1.5%	1.6%	1.3%	1.3%	1.1%	1.1%	0.8%	1.0%	0.9%
25 to 34	1.4%	1.4%	1.3%	1.1%	1.2%	1.3%	1.3%	1.3%	1.2%	1.2%
35 to 44	1.4%	1.4%	1.3%	1.2%	1.2%	1.2%	1.4%	1.1%	1.1%	1.1%
45 to 54	1.3%	1.3%	1.3%	1.1%	1.2%	1.4%	1.4%	1.2%	1.3%	1.2%
55 to 64	1.0%	1.1%	1.2%	1.0%	1.0%	1.0%	1.3%	1.1%	1.2%	1.1%
65 and over	0.9%	0.9%	0.8%	0.8%	0.6%	0.7%	0.9%	0.7%	0.7%	0.7%
<b>Total (includes age not reported)</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.1%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>1.3%</b>	<b>1.1%</b>	<b>1.1%</b>	<b>1.1%</b>

Indemnity Injuries per RI Employment by Age Group



The rate of indemnity injuries per employment for all age groups decreased from 1.3% in 2005 to 1.1% in 2014. Overall injuries per employment declined from 2005 to 2014 for all age groups except the 55 to 64 year old group.

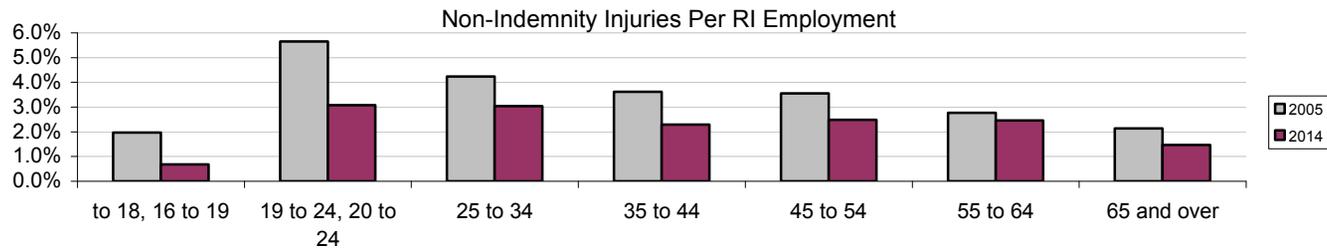
\*Source: US Bureau of Labor Statistics, Geographic Profile of Employment and Unemployment

### Non-Indemnity Injuries by Age

Non-Indemnity Injuries	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
to 18	572	534	420	351	257	241	123	154	127	129
19 to 24	3,049	2,908	2,648	2,303	1,942	1,885	1,721	1,740	1,688	1,597
25 to 34	4,405	4,079	3,978	3,703	3,181	3,083	3,099	3,009	2,957	3,013
35 to 44	4,810	4,377	4,132	3,519	3,039	2,774	2,591	2,541	2,607	2,362
45 to 54	4,555	4,148	4,286	3,909	3,625	3,301	3,140	3,111	3,013	2,808
55 to 64	2,136	2,031	2,186	2,143	2,084	1,918	2,159	2,139	2,263	2,287
65 and over	364	348	384	350	367	383	407	451	500	486
Not reported	580	569	577	472	437	378	326	292	287	276
<b>Total</b>	<b>20,471</b>	<b>18,994</b>	<b>18,611</b>	<b>16,750</b>	<b>14,932</b>	<b>13,963</b>	<b>13,566</b>	<b>13,437</b>	<b>13,442</b>	<b>12,958</b>

RI Employment in Thousands*	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
16 to 19 years	29	27	28	24	22	22	19	20	18	19
20 to 24 years	54	54	50	47	45	52	46	53	48	52
25 to 34 years	104	104	113	102	97	97	99	89	96	99
35 to 44 years	133	135	126	118	113	109	108	108	108	103
45 to 54 years	128	134	135	126	119	115	118	117	114	113
55 to 64 years	77	74	76	79	81	88	83	84	87	93
65 years and over	17	20	20	23	24	25	24	28	32	33
<b>Total</b>	<b>541</b>	<b>548</b>	<b>548</b>	<b>520</b>	<b>501</b>	<b>508</b>	<b>497</b>	<b>499</b>	<b>503</b>	<b>512</b>

Non-Indemnity Injuries per RI Employment in Thousands	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
to 18, 16 to 19	2.0%	2.0%	1.5%	1.5%	1.2%	1.1%	0.6%	0.8%	0.7%	0.7%
19 to 24, 20 to 24	5.6%	5.4%	5.3%	4.9%	4.3%	3.6%	3.7%	3.3%	3.5%	3.1%
25 to 34	4.2%	3.9%	3.5%	3.6%	3.3%	3.2%	3.1%	3.4%	3.1%	3.0%
35 to 44	3.6%	3.2%	3.3%	3.0%	2.7%	2.5%	2.4%	2.4%	2.4%	2.3%
45 to 54	3.6%	3.1%	3.2%	3.1%	3.0%	2.9%	2.7%	2.7%	2.6%	2.5%
55 to 64	2.8%	2.7%	2.9%	2.7%	2.6%	2.2%	2.6%	2.5%	2.6%	2.5%
65 and over	2.1%	1.7%	1.9%	1.5%	1.5%	1.5%	1.7%	1.6%	1.6%	1.5%
<b>Total</b>	<b>3.8%</b>	<b>3.5%</b>	<b>3.4%</b>	<b>3.2%</b>	<b>3.0%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.5%</b>



Non-indemnity injuries per employment dropped most sharply in the 19 or 20 to 24 year age group, from 5.6% in 2005 to 3.1% in 2014. The change for the age 55 to 64 group is quite small, from 2.8% to 2.5%.

Employment data source: US Bureau of Labor Statistics, Geographic Profile of Employment and Unemployment

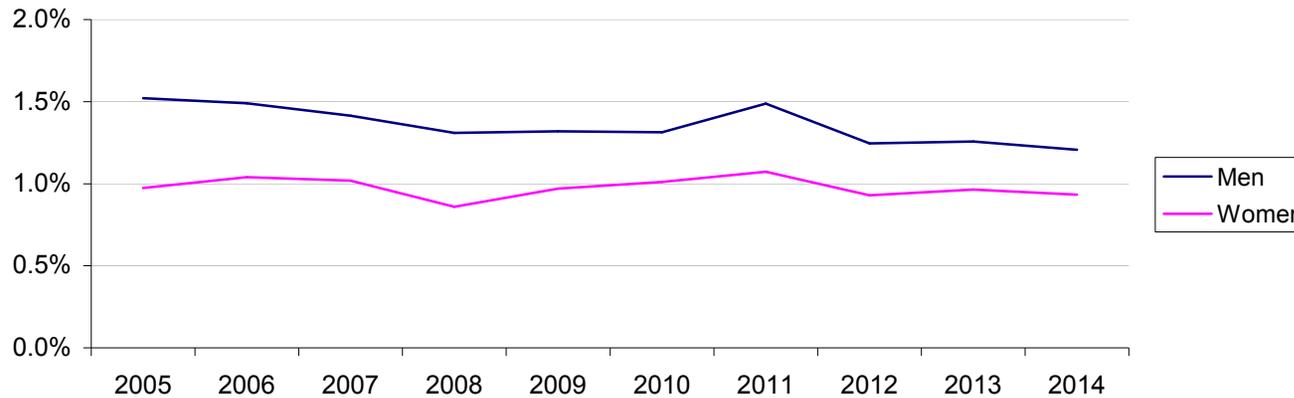
### Indemnity Injuries by Gender

RI Indemnity Injuries	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Men	4,214	4,244	4,032	3,498	3,366	3,363	3,733	3,150	3,257	3,150
Women	2,559	2,734	2,688	2,172	2,386	2,535	2,639	2,288	2,353	2,334
Not reported	194	237	212	183	39	58	55	60	132	83
Total	6,967	7,215	6,933	5,853	5,791	5,956	6,427	5,498	5,742	5,591

RI Employment by Gender in Thousands*	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Men	277	285	285	267	255	256	251	253	259	261
Women	263	263	264	253	246	251	246	246	244	250
Total	541	548	548	520	501	508	497	499	503	511

RI Indemnity Injuries per Employment by Gender	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Men	1.5%	1.5%	1.4%	1.3%	1.3%	1.3%	1.5%	1.2%	1.3%	1.2%
Women	1.0%	1.0%	1.0%	0.9%	1.0%	1.0%	1.1%	0.9%	1.0%	0.9%
Total	1.3%	1.3%	1.3%	1.1%	1.2%	1.2%	1.3%	1.1%	1.1%	1.1%

Indemnity Injuries Per RI Employment



Indemnity injuries per employment for men dropped from 1.5% in 2005 to 1.2% in 2014.

For women, indemnity injuries per employment have stayed close to 1.0%.

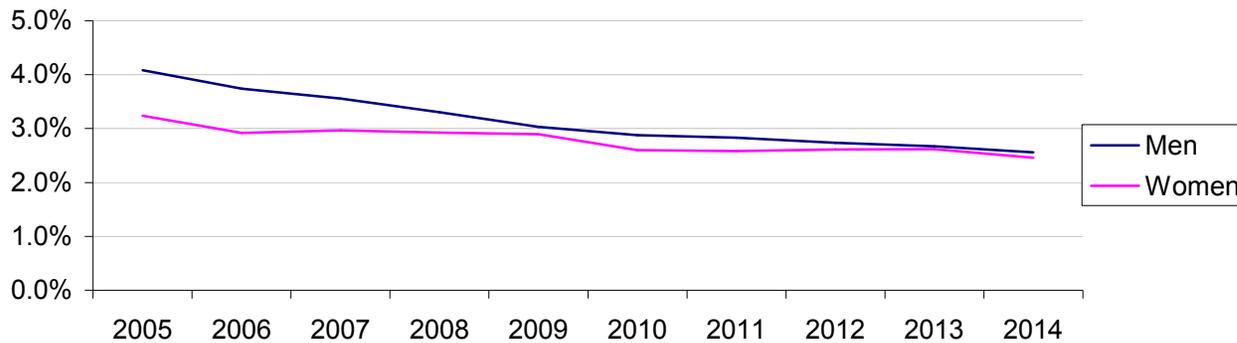
### Non-Indemnity Injuries by Gender

Non-Indemnity Injuries	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Male	11,311	10,663	10,139	8,819	7,724	7,367	7,104	6,917	6,926	6,682
Female	8,520	7,679	7,837	7,404	7,130	6,529	6,360	6,423	6,383	6,142
Gender not reported	640	652	635	527	78	67	102	97	133	134
<b>Total</b>	<b>20,471</b>	<b>18,994</b>	<b>18,611</b>	<b>16,750</b>	<b>14,932</b>	<b>13,963</b>	<b>13,566</b>	<b>13,437</b>	<b>13,442</b>	<b>12,958</b>

RI Employment by Gender in Thousands*	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Men	277	285	285	267	255	256	251	253	259	261
Women	263	263	264	253	246	251	246	246	244	250
<b>Total</b>	<b>541</b>	<b>548</b>	<b>548</b>	<b>520</b>	<b>501</b>	<b>508</b>	<b>497</b>	<b>499</b>	<b>503</b>	<b>511</b>

RI Indemnity Injuries per Employment in Thousands by Gender	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Men	4.1%	3.7%	3.6%	3.3%	3.0%	2.9%	2.8%	2.7%	2.7%	2.6%
Women	3.2%	2.9%	3.0%	2.9%	2.9%	2.6%	2.6%	2.6%	2.6%	2.5%
<b>Total</b>	<b>3.8%</b>	<b>3.5%</b>	<b>3.4%</b>	<b>3.2%</b>	<b>3.0%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.5%</b>

Non-Indemnity Injuries per Employment by Gender



Non-indemnity injuries as a percent of employment for both men and women declined from 2005 to 2014. Non-indemnity injuries per employment for men dropped from 4.1% in 2005 to 2.6% in 2014. For women, non-indemnity injuries per employment dropped from 3.2% in 2005 to 2.5% in 2014.

### Workers' Compensation Fatalities

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Compensable Fatalities	4	6	2	3	4	5	3	2	4	4	37
<b>Gender</b>											
Female	0	0	0	0	0	0	0	0	0	0	0
Male	4	6	2	3	4	5	3	2	4	4	37
<b>County</b>											
Kent	0	3	0	0	2	1	0	0	2	1	9
Newport	0	0	0	0	0	0	0	0	0	0	0
Providence	3	3	0	1	0	3	0	1	2	3	16
Washington	1	0	1	0	2	0	2	0	0	0	6
Out of State	0	0	1	2	0	1	1	1	0	0	6
<b>Accident Type</b>											
Asbestosis	1	0	0	0	0	0	0	0	0	0	1
Assaulted or shot	0	0	0	0	0	1	0	0	0	0	1
Carbon monoxide poisoning	0	0	0	0	0	0	0	1	0	0	1
Crushed	1	0	0	0	0	1	0	0	1	0	3
Electrocuted	0	1	0	0	0	0	0	1	2	0	4
Fell from elevation	0	0	0	2	0	1	1	0	0	0	4
Fire	0	0	0	0	0	0	0	0	0	0	0
Heart attack or stroke	0	1	0	0	0	0	0	0	0	0	1
Industrial vehicle accident	1	0	1	0	0	1	0	0	1	1	5
Motor vehicle accident	1	3	1	1	1	1	0	0	0	1	9
Struck by falling or flying object	0	1	0	0	2	0	1	0	0	2	6
Type not reported	0	0	0	0	1	0	1	0	0	0	2
<b>Employer Type</b>											
Construction	1	1	1	0	0	0	1	1	1	2	8
Manufacturing	0	0	0	0	2	0	1	0	0	0	3
Transport & Public Utilities	0	1	0	1	0	1	1	0	1	0	5
Wholesale & Retail	1	1	0	1	0	0	0	0	0	1	4
Finance, Insurance, Real Estate	0	0	0	0	1	0	0	0	0	0	1
Services	1	2	1	1	1	2	0	1	2	1	12
Government	1	1	0	0	0	2	0	0	0	0	4

# 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.

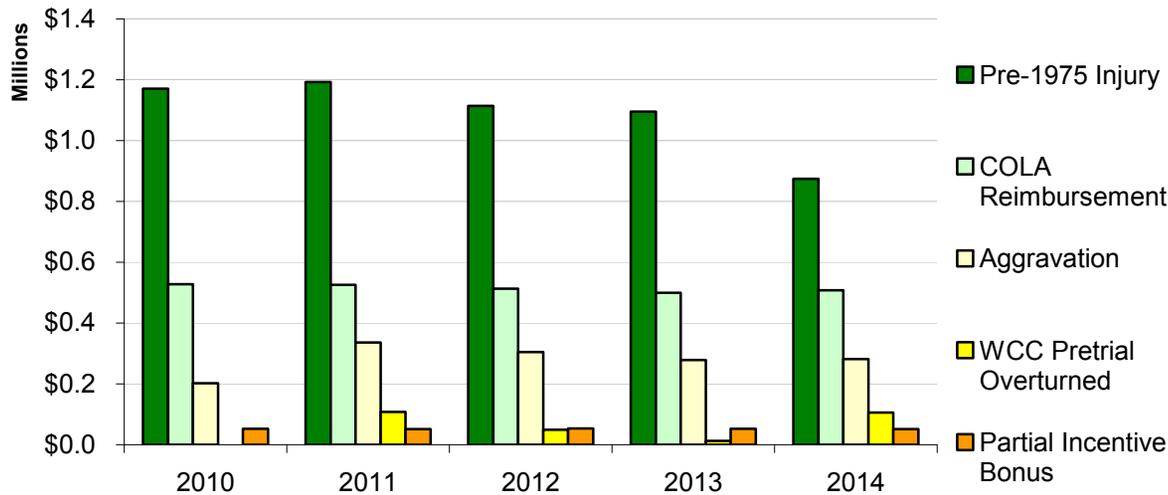
WCC Pretrial Overturned: RIGL § 28-35-20 (f) provides for reimbursement of payments made pursuant to an order of the Workers' Compensation Court that is later overturned or amended.

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 Incentive 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

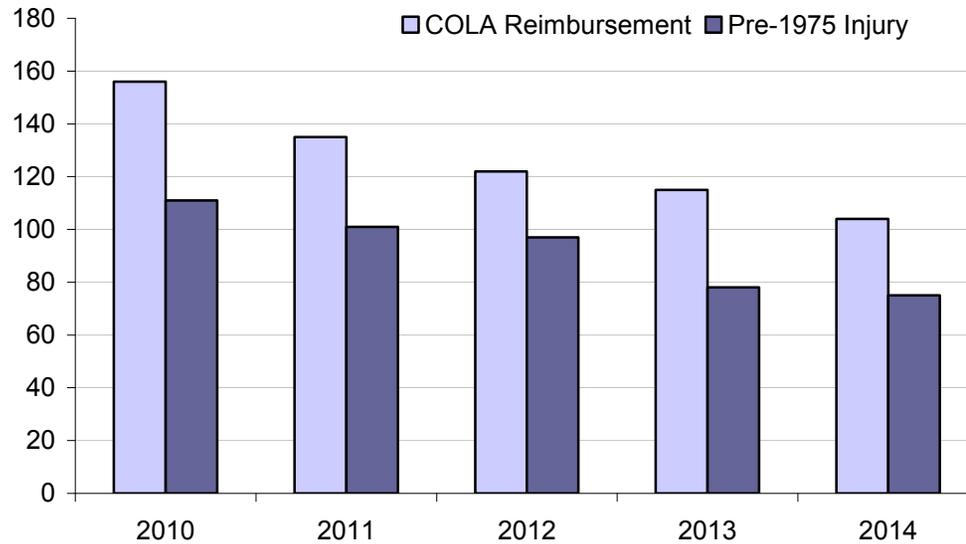
Amount Paid	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Pre-1975 Injury	\$1,513,879	\$1,789,737	\$1,644,535	\$1,624,688	\$1,490,426	\$1,170,308	\$1,192,407	\$1,114,209	\$1,095,616	\$873,961
COLA Reimbursement	\$496,496	\$562,029	\$593,388	\$606,715	\$630,524	\$527,258	\$525,320	\$512,999	\$499,464	\$508,213
Aggravation	\$277,615	\$310,117	\$295,733	\$346,137	\$229,972	\$202,254	\$336,052	\$304,984	\$278,024	\$281,924
WCC Pretrial Overturned	\$193,699	\$117,821	\$54,151	\$44,047	\$133,565	\$0	\$107,844	\$49,211	\$12,308	\$105,526
Partial Incentive Bonus	\$58,969	\$49,057	\$30,017	\$51,586	\$45,013	\$52,645	\$51,382	\$52,978	\$52,386	\$51,511
<b>Total</b>	<b>\$2,540,658</b>	<b>\$2,828,762</b>	<b>\$2,617,824</b>	<b>\$2,673,172</b>	<b>\$2,529,501</b>	<b>\$1,952,465</b>	<b>\$2,213,004</b>	<b>\$2,034,380</b>	<b>\$1,937,799</b>	<b>\$1,821,135</b>



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 the injured worker was permanently and totally disabled. Legislation allowed these disabled workers to continue receiving payment beyond the cap, and the costs are reimbursed from the Workers' Compensation Administrative 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. Medical care and costs increase on remaining open claims while total indemnity decreases as claims close.

### Number of Workers' Compensation Administrative Fund Claims Paid

Number of Claims Paid	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
COLA Reimbursement	184	188	184	176	168	156	135	122	115	104
Pre-1975 Injury	174	161	148	131	120	111	101	97	78	75
Aggravation	19	20	18	15	12	11	13	11	12	11
WCC Pretrial Overturned	7	6	3	2	6	0	6	5	2	5
Partial Incentive Bonus	3	2	3	2	2	2	2	2	2	2
<b>Total</b>	<b>402</b>	<b>387</b>	<b>356</b>	<b>326</b>	<b>308</b>	<b>280</b>	<b>257</b>	<b>237</b>	<b>209</b>	<b>197</b>

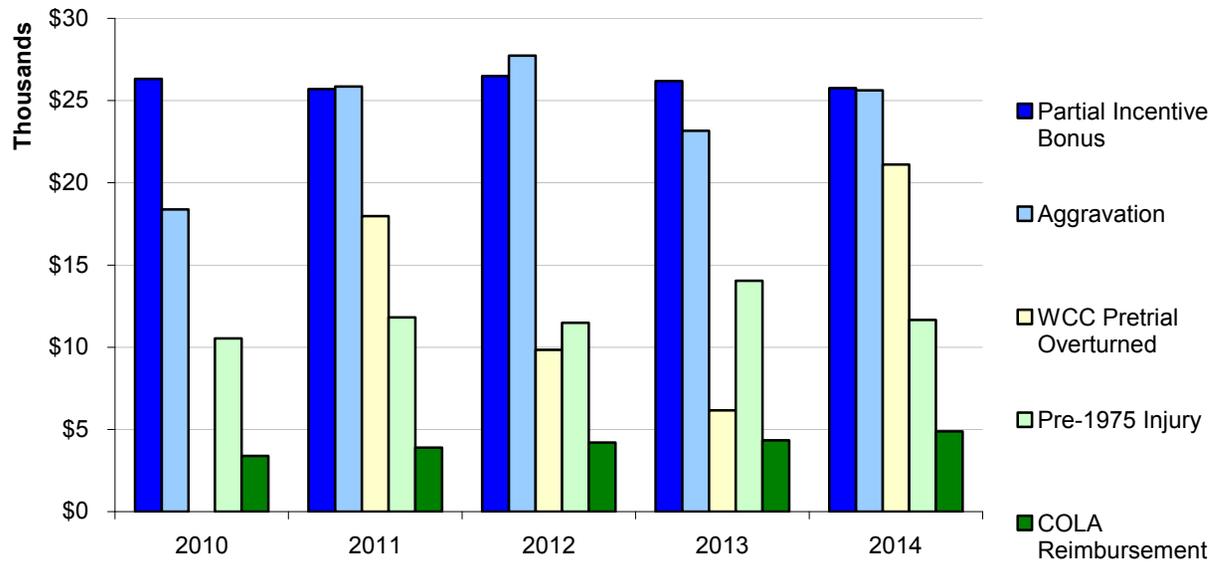


The pre-1975 injuries and claims for COLA Reimbursement account for the largest number of claims paid each year. As the pre-1975 injured workers age, the number of those claims paid is decreasing.

Cost of Living Adjustment (COLA) reimbursement is paid to workers injured before 1992. This population is declining over time as well.

### Average Amount Paid per Workers' Compensation Administrative Fund Claim

Average Paid per Claim	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Partial Incentive Bonus	\$19,656	\$24,529	\$10,006	\$25,793	\$22,507	\$26,323	\$25,691	\$26,489	\$26,193	\$25,755
Aggravation	\$14,611	\$15,506	\$16,430	\$23,076	\$19,164	\$18,387	\$25,850	\$27,726	\$23,169	\$25,629
WCC Pretrial Overturned	\$27,671	\$19,637	\$18,050	\$22,024	\$22,261	\$0	\$17,974	\$9,842	\$6,154	\$21,105
Pre-1975 Injury	\$8,700	\$11,116	\$11,112	\$12,402	\$12,420	\$10,543	\$11,806	\$11,487	\$14,046	\$11,653
COLA Reimbursement	\$2,698	\$2,990	\$3,225	\$3,447	\$3,753	\$3,380	\$3,891	\$4,205	\$4,343	\$4,887
<b>Total</b>	<b>\$6,656</b>	<b>\$7,503</b>	<b>\$7,353</b>	<b>\$8,200</b>	<b>\$8,213</b>	<b>\$6,973</b>	<b>\$8,611</b>	<b>\$8,584</b>	<b>\$9,272</b>	<b>\$9,244</b>

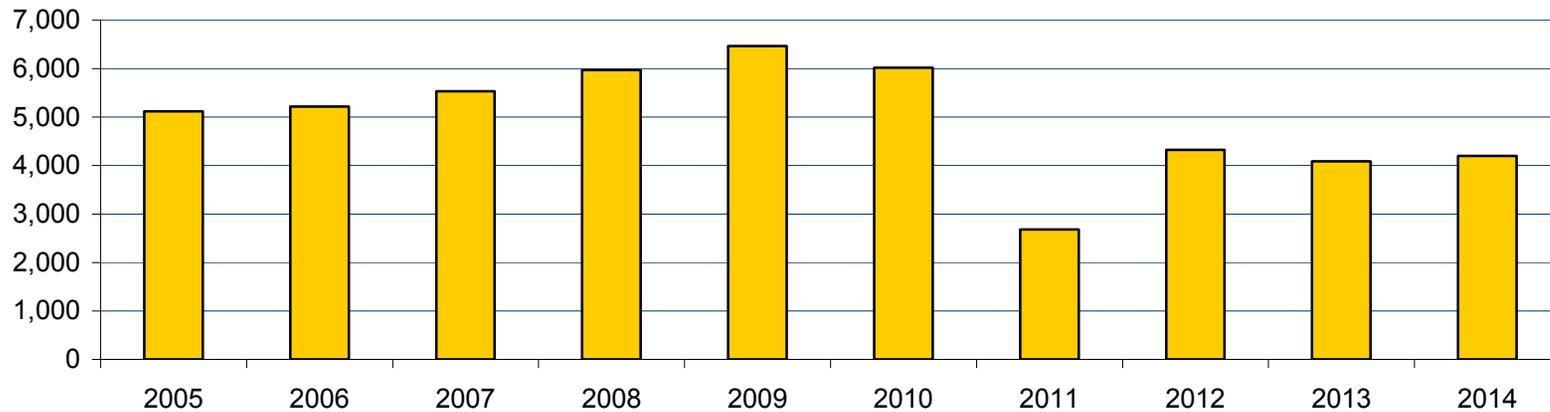


The average cost per claim gives a different perspective on the WCAF expenditures. While COLA and Pre-1975 Injuries make up a large part of the number of claims and total dollar expenditures, the average payment per claim is lower than the average cost for Partial Incentive Bonus or Aggravation.

### Fraud & Compliance Unit Referrals, Inquiries and Filings

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Independent Contractor Forms Filed	7,936	7,702	7,055	6,551	6,963	6,075	6,339	6,175	5,782	5,766
Inquiries and Referrals	5,121	5,219	5,534	5,972	6,466	6,022	2,684	4,326	4,087	4,200
Fraud Referrals	44	45	36	31	29	29	29	34	19	26
Opened for investigation	15	21	8	14	14	10	5	6	4	7
Referred to AG	5	4	5	3	3	3	4	4	3	4
Waiver filing fees	\$14,345	\$16,720	\$12,075	\$11,325	\$9,985	\$9,005	\$8,600	\$8,940	\$9,325	\$9,635

Inquiries and Referrals

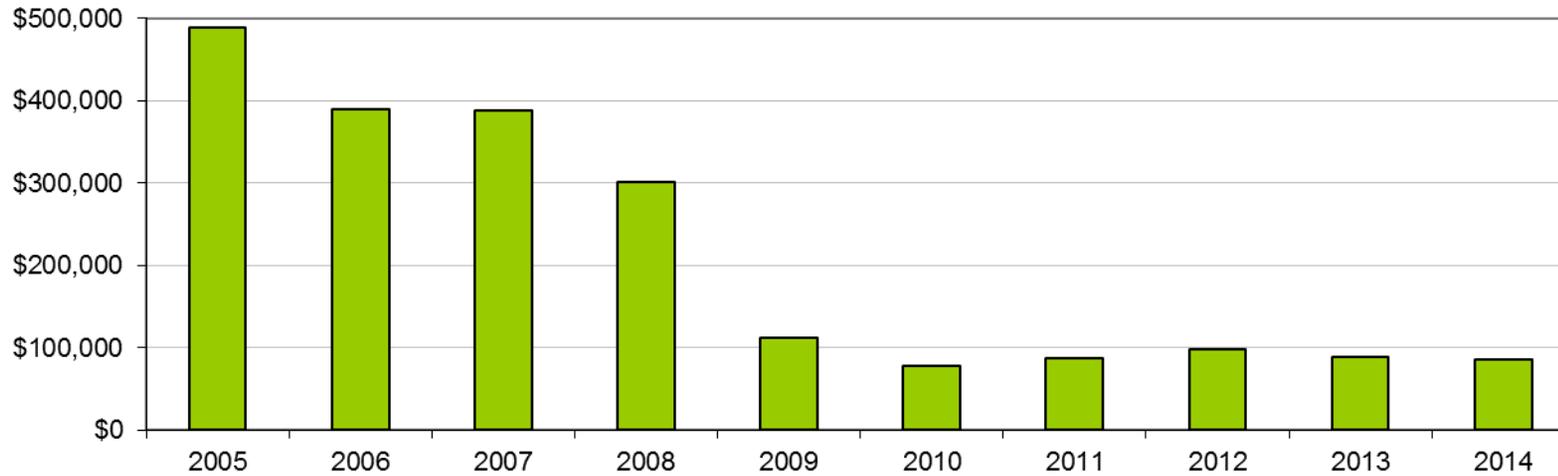


The number of Inquiries and Referrals has been fairly level since 2012. The majority of referrals result from transactions reported by insurance carriers that trigger an investigation.

### Fraud & Compliance Unit Lack of Insurance Coverage Penalties

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Lack of insurance investigations	4,581	4,841	5,395	5,874	6,315	5,790	2,641	4,249	4,058	4,165
Lack of insurance penalty deposits	\$488,246	\$389,033	\$387,316	\$301,126	\$112,777	\$78,160	\$87,475	\$98,654	\$89,426	\$85,017
Number of employers penalized	270	342	291	252	153	103	119	76	135	97
Stop Work Orders	n/a	n/a	37	45	59	73	84	63	43	77

Lack of Insurance Coverage Penalty

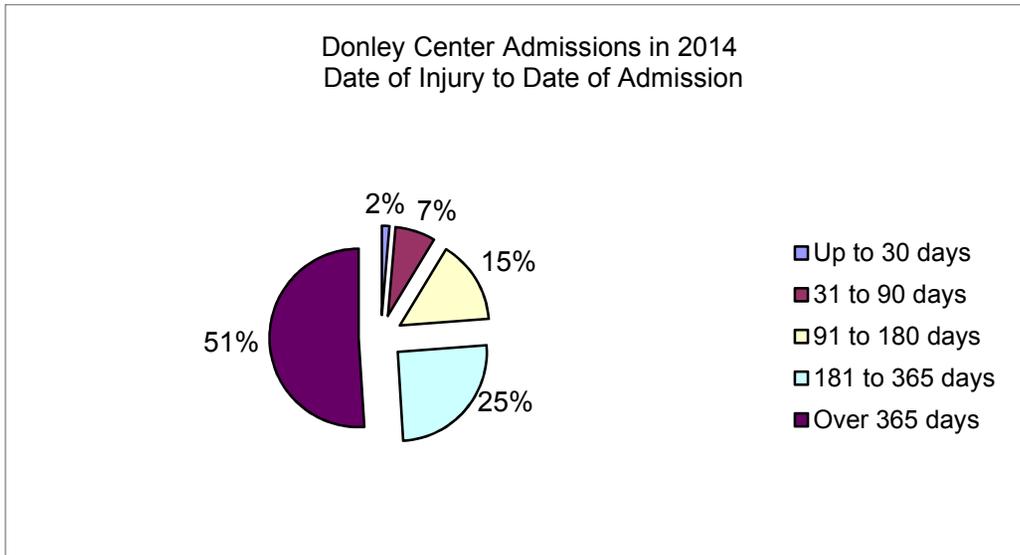


## Dr. John E. Donley Rehabilitation Center Admissions by Length of Time from Injury

The Dr. John E. Donley Rehabilitation Center is established under Section 28-38-19 of the Rhode Island Workers' Compensation law. It is a state of the art, multidisciplinary, outpatient facility dedicated to serving the injured worker's rehabilitation needs, especially the needs of the more complex cases, the cases with delayed recovery due to chronic pain, and the cases where vocational services are necessary to restore the injured worker to gainful employment.

The Dr. John E. Donley Rehabilitation Center Admissions by Duration of Injury

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Injury to Admission</b>										
Up to 30 days	31	24	18	29	14	15	9	16	10	15
31 to 90 days	115	169	124	110	107	94	111	92	76	80
91 to 180 days	159	192	198	177	173	155	164	184	144	166
181 to 365 days	270	288	301	250	271	269	246	319	295	276
Over 365 days	475	485	483	383	440	517	455	574	526	559



For 2014, 76% or more of cases admitted to the Donley Center have been injured for more than 6 months. 51% have been injured for over one year, making these the most costly and challenging cases.

## Vocational Services

Vocational Services at the Donley Center are particularly important for the injured worker with a date of injury over one year since their right to reinstatement (Section 28-33-47 of the Rhode Island Workers' Compensation law) has expired. Injured workers participating in vocational services have been released to work by their treating physician, have reached MMI, and have not achieved a functional level consistent with the demands of their pre-injury job. Many injured workers find work before being discharged, but the goal is to provide the injured worker the requisite skills in a timely fashion to be successful and independent in their job search. The majority of cases discharged with status "not returned to work" were evaluation only, not interested in services, or injured workers who were non-compliant with recommendations.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Cases with DOI over 1 year	134	153	138	114	111	123	114	166	163	102
% of all cases admitted	67%	65%	67%	58%	58%	72%	75%	79%	97%	79%
Outcome Discharged Cases										
Returned to Work	40	58	48	45	21	28	19	16	21	25
Return to Work Skills Completed	61	83	55	80	57	52	43	25	38	50
Not Returned to Work	81	119	93	88	99	101	71	74	94	27

Outcome of Vocational Services for 2014

