



STATE OF RHODE ISLAND
DEPARTMENT OF LABOR AND TRAINING
DIVISION OF WORKERS' COMPENSATION
1511 Pontiac Avenue, Cranston, RI 02920
(401) 462-8100



2002 Annual Report to
The Governor's Workers' Compensation Advisory Council
On The Workers' Compensation System
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Marvin D. Perry, Director

E. Jean Severance, Associate Director

Matthew P. Carey, Assistant Director

Report Prepared by Laura V. Evans

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 eleven 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. More detailed information is available on cost of compensation by type of insurer and type of indemnity. 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 since 1992 and for non-indemnity injuries from 1998.

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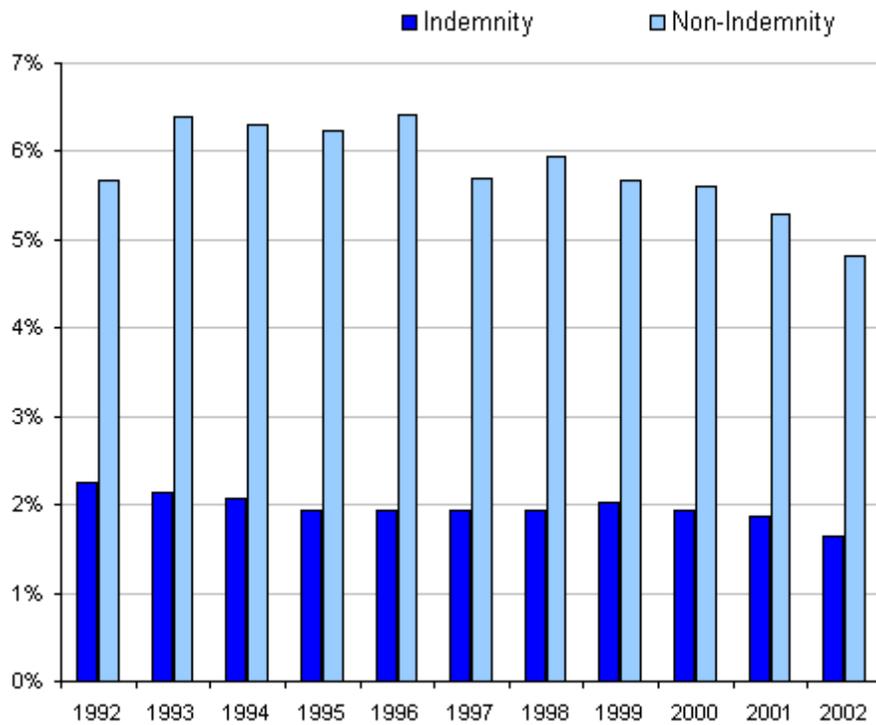
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Injuries from 1992 to 2002

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Indemnity Injuries	9,172	8,841	8,678	8,160	8,168	8,346	8,485	9,029	8,805	8,599	7,554
Non-Indemnity Injuries	23,189	26,443	26,321	26,351	27,219	24,531	26,028	25,285	25,594	24,189	22,070
Injuries	32,361	35,284	34,999	34,511	35,387	32,877	34,513	34,314	34,399	32,788	29,624
Covered Employment	409,277	414,046	417,175	422,701	423,693	430,520	437,544	446,422	456,700	458,238	459,100
Indemnity Rate	2.24%	2.14%	2.08%	1.93%	1.93%	1.94%	1.94%	2.02%	1.93%	1.88%	1.65%
Non-Indemnity Rate	5.67%	6.39%	6.31%	6.23%	6.42%	5.70%	5.95%	5.66%	5.60%	5.28%	4.81%
Injury Rate	7.91%	8.52%	8.39%	8.16%	8.35%	7.64%	7.89%	7.69%	7.53%	7.16%	6.45%



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.

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.

The rate of injuries per employment has declined from 7.9% in 1992 to 6.5% in 2002. The rate of indemnity injuries had been close to 2% from 1994 to 2000, but it declined slightly in 2001 and more in 2002. The non-indemnity rate is more variable, but it has declined steadily since 1998.

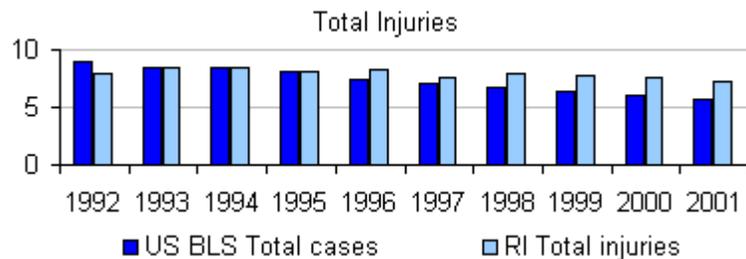
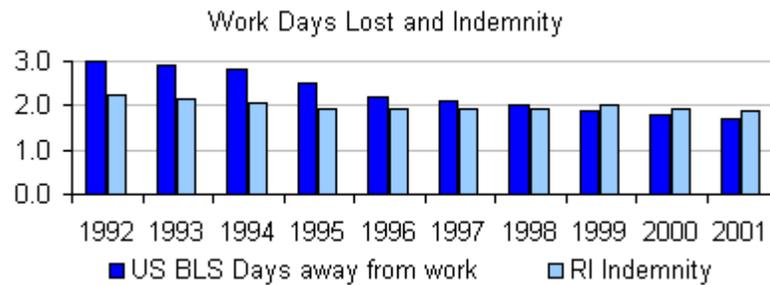
Employment information provided by LMI. 2002 Average Covered employment is estimated.

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

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
US BLS: Cases involving days away from work	3.0	2.9	2.8	2.5	2.2	2.1	2	1.9	1.8	1.7
RI: Indemnity injuries & illnesses	2.2	2.1	2.1	1.9	1.9	1.9	1.9	2.0	1.9	1.9
US BLS: Total recordable cases	8.9	8.5	8.4	8.1	7.4	7.1	6.7	6.3	6.1	5.7
RI: Total injuries & illnesses	7.9	8.5	8.4	8.2	8.4	7.6	7.9	7.7	7.5	7.2



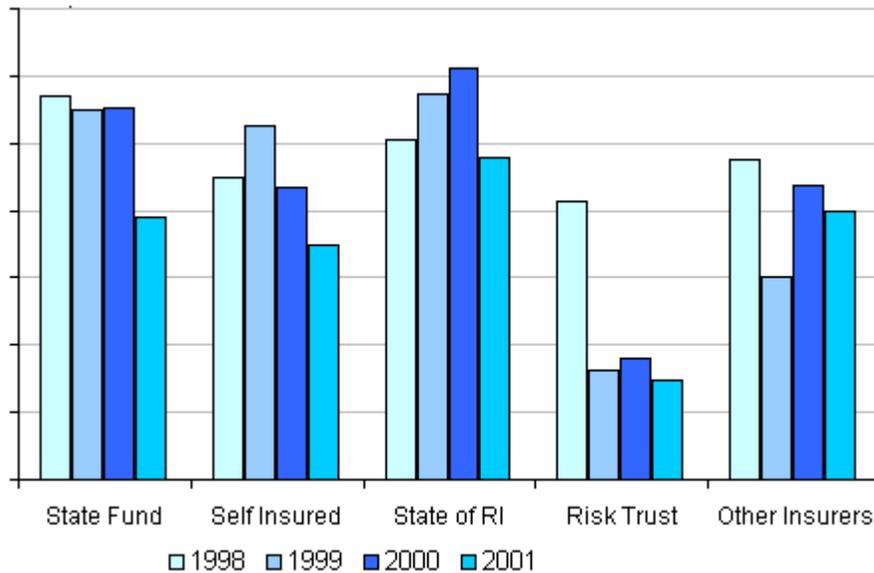
These figures compare rate of workers' compensation injuries to the rate of injuries and illnesses reported to US Bureau of Labor Statistics. It is important to note that the criteria used in reporting and developing the rates for BLS are not the same as for RI injuries. In RI, injuries are not due indemnity 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 1992. 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 1992 to 2001. Again, the decline in BLS injuries is steeper.

Cumulative Average Indemnity as of December 31, 2002 by Injury Year

Injury Year	State Fund	Self Insured	State of RI	Risk Trust	Other Insurers	Group Self	Total
1992	\$5,568	\$6,497	\$5,814	\$4,930	\$6,247	\$9,128	\$7,828
1993	\$5,087	\$6,423	\$4,879	\$4,782	\$2,441	\$7,691	\$6,199
1994	\$5,737	\$6,116	\$4,771	\$4,377	\$3,558	\$4,858	\$5,565
1995	\$6,576	\$6,029	\$5,216	\$3,994	\$3,025	\$5,187	\$5,856
1996	\$6,829	\$4,906	\$4,391	\$3,588	\$3,414	\$5,345	\$5,558
1997	\$6,525	\$4,232	\$5,356	\$3,237	\$5,462	\$5,436	\$5,430
1998	\$5,699	\$4,482	\$5,047	\$4,127	\$4,760	\$5,170	\$5,190
1999	\$5,486	\$5,272	\$5,719	\$1,619	\$3,000	\$6,093	\$5,636
2000	\$5,516	\$4,344	\$6,121	\$1,794	\$4,370	\$4,489	\$5,009
2001	\$3,889	\$3,472	\$4,773	\$1,480	\$3,995	\$3,179	\$3,688
2002	\$1,459	\$1,566	\$2,676	\$521	\$1,504	\$1,113	\$1,468



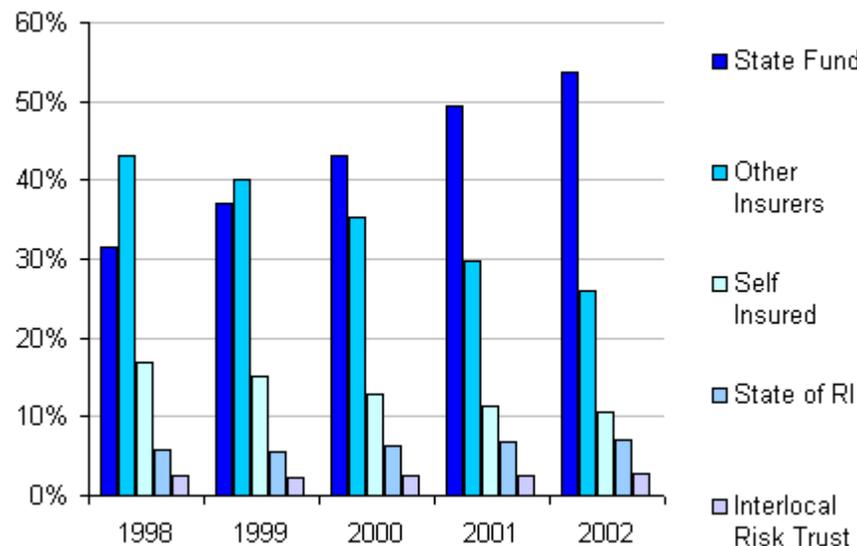
Cumulative average indemnity is calculated for the lost time injuries that occurred in a given year. For the injury year, indemnity accrued on those injuries through December 31, 2002 is totaled and divided by the injuries in the year. The indemnity amounts have not been adjusted for inflation.

The amounts for 2001 are immature and will rise as additional indemnity is reported in 2003 for injuries in 2002. The number of injuries for the group self-insured employers from 1999 forward is so low that these figures should be discounted.

Generally, the cumulative indemnity falls for successive injury years because more recent injuries have not collected indemnity for the same amount of time.

Indemnity Injuries by Insurer Type

Indemnity Injuries	State Fund		Self Insured		State of RI		Interlocal Risk Trust		Other Insurers		Total
1992	40	0.44%	2,967	32.35%	719	7.84%	152	1.66%	5,294	57.72%	9,172
1993	2,254	25.49%	2,674	30.25%	669	7.57%	133	1.50%	3,111	35.19%	8,841
1994	3,860	44.48%	2,553	29.42%	592	6.82%	137	1.58%	1,536	17.70%	8,678
1995	3,256	39.90%	2,155	26.41%	516	6.32%	122	1.50%	2,111	25.87%	8,160
1996	2,808	34.38%	1,967	24.08%	500	6.12%	136	1.67%	2,757	33.75%	8,168
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



The distribution of indemnity injuries among the different types of insurers has changed dramatically since 1992. The state fund, Beacon Mutual Insurance Company, has insured between 25% to 54% of indemnity injuries since its first full year of business in 1993. The percent of injuries to self-insured employers has been dropping steadily from a high of 32% in 1992 to 10.6% in 2002 as self-insured employers find other means of insurance. The RI state employees' share of injuries dropped from a high of 7.8% in 1992 to a low of 5.8% in 1998, but has increased to 7.2% in 2002. The Interlocal Risk Trust has seen an increase in the percent of injuries insured, climbing to 2.7% in 2002. Other insurers' (mostly private insurers) percent of injuries declined dramatically to a low of 18% in 1994 during the period where WC insurers were leaving the RI market. Their share increased to 43% in 1998, but has since declined to 26% in 2002 as Beacon Mutual's share increased.

Distribution of Indemnity Injuries by Employer Sector

Indemnity Injuries	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Agriculture, Fishing, Forestry	52	60	47	52	72	64	69	85	118	124	124
Mining	1	3	8	14	13	7	12	11	9	3	7
Construction	371	404	466	442	408	456	505	709	626	708	598
Manufacturing	2,479	2,319	2,187	2,144	2,003	2,031	2,210	2,071	1,932	1,665	1,324
Transportation & Public Utilities	637	599	640	545	614	674	564	662	703	712	642
Wholesale & Retail Trade	1,713	1,667	1,633	1,595	1,598	1,543	1,538	1,733	1,691	1,632	1,419
Finance, Insurance, Real Estate	231	214	208	139	184	211	189	198	201	196	182
Service Industry	2,726	2,696	2,667	2,518	2,562	2,636	2,608	2,748	2,635	2,643	2,437
Government & Other	962	879	822	711	714	724	790	812	890	916	821
Total	9,172	8,841	8,678	8,160	8,168	8,346	8,485	9,029	8,805	8,599	7,554

Distribution by Sector	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Service Industry	29.7%	30.5%	30.7%	30.9%	31.4%	31.6%	30.7%	30.4%	29.9%	30.7%	32.3%
Wholesale & Retail Trade	18.7%	18.9%	18.8%	19.5%	19.6%	18.5%	18.1%	19.2%	19.2%	19.0%	18.8%
Manufacturing	27.0%	26.2%	25.2%	26.3%	24.5%	24.3%	26.0%	22.9%	21.9%	19.4%	17.5%
Government & Other	10.5%	9.9%	9.5%	8.7%	8.7%	8.7%	9.3%	9.0%	10.1%	10.7%	10.9%
Transportation & Public Utilities	6.9%	6.8%	7.4%	6.7%	7.5%	8.1%	6.6%	7.3%	8.0%	8.3%	8.5%
Construction	4.0%	4.6%	5.4%	5.4%	5.0%	5.5%	6.0%	7.9%	7.1%	8.2%	7.9%
Finance, Insurance, Real Estate	2.5%	2.4%	2.4%	1.7%	2.3%	2.5%	2.2%	2.2%	2.3%	2.3%	2.4%
Agriculture, Fishing, Forestry	0.6%	0.7%	0.5%	0.6%	0.9%	0.8%	0.8%	0.9%	1.3%	1.4%	1.6%
Mining	0.0%	0.0%	0.1%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%

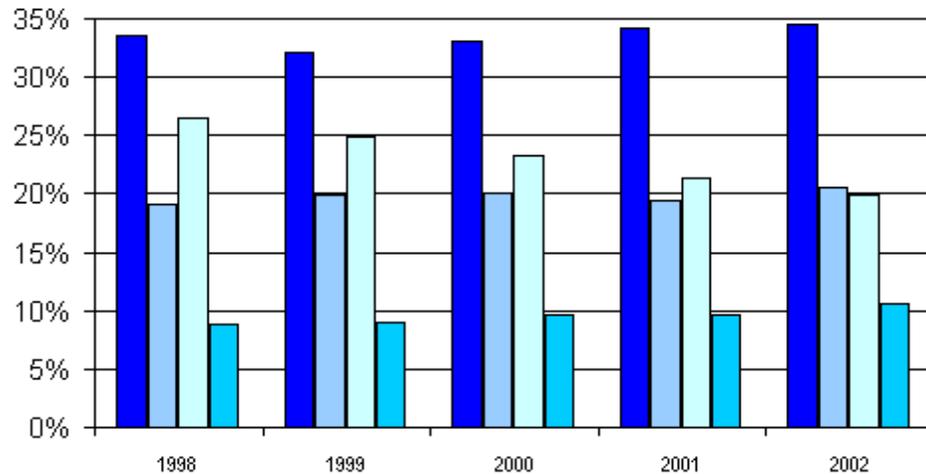


About 30% of indemnity injuries occur in the service sector. While 27% of indemnity injuries occurred in the manufacturing sector in 1992, that percent has declined to 17.5% in 2002, following the drop in manufacturing employment. Indemnity injuries in the wholesale & retail and government sectors have remained stable. Transportation, communication and public utilities sector shows a fluctuating percent of injuries, with a low of 6.6 % in 1998 and a high of 8.5% in 2002. The construction sector shows a steady increase in the percent of indemnity from 4% in 1992 to 7.9% in 2002.

Employment data is provided by the LMI unit. Data for 2002 is estimated.

Distribution of Non-Indemnity Injuries by Employer Sector

Non-Indemnity Injuries	Non-Indemnity Injuries					Distribution by Sector				
	1998	1999	2000	2001	2002	1998	1999	2000	2001	2002**
Service	8,716	8,108	8,468	8,286	7,603	33.49%	32.07%	33.09%	34.26%	34.45%
Wholesale & Retail	4,974	5,016	5,122	4,700	4,521	19.11%	19.84%	20.01%	19.43%	20.48%
Manufacturing	6,880	6,293	5,974	5,177	4,393	26.43%	24.89%	23.34%	21.40%	19.90%
Government & Other	2,300	2,264	2,450	2,327	2,325	8.84%	8.95%	9.57%	9.62%	10.53%
Transportation	1,305	1,418	1,387	1,422	1,166	5.01%	5.61%	5.42%	5.88%	5.28%
Construction	1,116	1,382	1,276	1,337	1,144	4.29%	5.47%	4.99%	5.53%	5.18%
Finance, Insurance, Real Estate	597	593	681	624	579	2.29%	2.35%	2.66%	2.58%	2.62%
Agriculture, Fishing, Forestry	124	197	232	290	319	0.48%	0.78%	0.91%	1.20%	1.45%
Mining	16	14	4	26	20	0.06%	0.06%	0.02%	0.11%	0.09%
Total	26,028	25,285	25,594	24,189	22,070	100.00%	100.00%	100.00%	100.00%	100.00%



■ Service ■ Wholesale & Retail ■ Manufacturing ■ Government & Other

The distribution of non-indemnity injuries shows that between 32% and 34% of injuries occur in the service sector. Wholesale & Retail is next, with an increasing share of injuries. The manufacturing sector is third, with a declining share of the injuries from 26.4% in 1998 to 19.9% in 2002.

The declining share of non-indemnity injuries in the manufacturing sector follows the decline of employment in manufacturing, as does the increase in the service sector.

Employment data is provided by the LMI Unit. Data for 2002 is estimated.

Rate of Indemnity Injuries per Employment

Covered Employment *	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Agriculture, Forestry, Fisheries	2,502	2,514	2,587	2,743	2,923	2,971	3,117	3,326	3,481	3,599	3,800
Mining	187	174	182	169	162	181	193	226	223	231	230
Construction	12,223	12,538	13,123	13,349	13,873	14,524	15,718	17,666	18,340	18,548	19,000
Manufacturing	89,346	88,022	87,295	84,885	81,847	79,661	78,352	74,969	72,679	69,896	65,000
Transportation, Comm, Pub Util	14,423	14,079	14,608	14,480	14,765	15,129	15,653	15,947	16,447	16,741	16,200
Wholesale & Retail Trade	90,810	93,097	94,746	97,713	96,839	98,503	98,898	104,099	109,217	107,517	110,700
Finance, Ins. & Real Estate	24,395	24,230	24,237	23,591	23,910	25,090	27,114	27,926	28,995	30,731	31,000
Services	125,734	128,523	130,496	136,093	139,353	143,208	147,314	150,113	153,616	155,455	156,500
State & Local Government	48,883	49,334	48,873	48,738	49,009	49,685	49,753	50,751	51,980	53,268	54,200
Total	409,277	414,046	417,175	422,701	423,693	430,520	437,544	446,422	456,700	458,238	459,100

Injury Rate per Employment	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Agriculture, Forestry, Fisheries	2.08%	2.39%	1.82%	1.90%	2.46%	2.15%	2.21%	2.56%	3.39%	3.45%	3.26%
Mining	0.53%	1.72%	4.40%	8.28%	8.02%	3.87%	6.22%	4.87%	4.04%	1.30%	3.04%
Construction	3.04%	3.22%	3.55%	3.31%	2.94%	3.14%	3.21%	4.01%	3.41%	3.82%	3.15%
Manufacturing	2.77%	2.63%	2.51%	2.53%	2.45%	2.55%	2.82%	2.76%	2.66%	2.38%	2.04%
Transportation, Comm, Pub Util	4.42%	4.25%	4.38%	3.76%	4.16%	4.46%	3.60%	4.15%	4.27%	4.25%	3.96%
Wholesale & Retail Trade	1.89%	1.79%	1.72%	1.63%	1.65%	1.57%	1.56%	1.66%	1.55%	1.52%	1.28%
Finance, Ins. & Real Estate	0.95%	0.88%	0.86%	0.59%	0.77%	0.84%	0.70%	0.71%	0.69%	0.64%	0.59%
Services	2.17%	2.10%	2.04%	1.85%	1.84%	1.84%	1.77%	1.83%	1.72%	1.70%	1.56%
Government & Other	1.97%	1.78%	1.68%	1.46%	1.46%	1.46%	1.59%	1.60%	1.71%	1.72%	1.51%
Total	2.24%	2.14%	2.08%	1.93%	1.93%	1.94%	1.94%	2.02%	1.93%	1.88%	1.65%



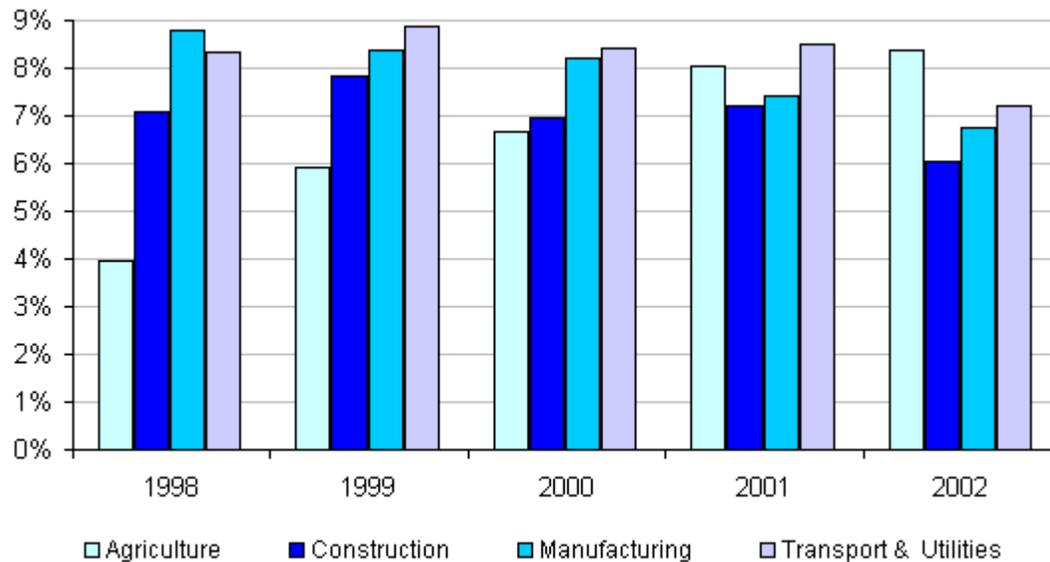
The sector of employment with the highest rate of injury per employment is transportation, communication, & public utilities. The agricultural sector has shown an increase in the injury rate from 2.2% in 1998 to 3.3% in 2002. The injury rate for construction peaked at 4% in 1999, but has since declined to 3.1% in 2002. The irregular rates for mining are not valid because of the very low numbers in that category. The total rate of indemnity injuries per employment was steady at about 2%, but it declined to 1.6% for 2002.

Total covered employment includes non-classified industry employment. Data for 2002 is estimated.

Corrected 5/14/2003.

Rate of Non-Indemnity Injuries per Employment

Covered Employment	1998	1999	2000	2001	2002	Non-Indemnity Injuries Per Employment	1998	1999	2000	2001	2002
Agriculture, Forest & Fishery	124	197	232	290	319	Agriculture	4.0%	5.9%	6.7%	8.1%	8.4%
Mining	16	14	4	26	20	Mining	8.3%	6.2%	1.8%	11.3%	8.7%
Construction	1,116	1,382	1,276	1,337	1,144	Construction	7.1%	7.8%	7.0%	7.2%	6.0%
Manufacturing	6,880	6,293	5,974	5,177	4,393	Manufacturing	8.8%	8.4%	8.2%	7.4%	6.8%
Transportation & Utilities	1,305	1,418	1,387	1,422	1,166	Transport & Utilities	8.3%	8.9%	8.4%	8.5%	7.2%
Wholesale & Retail Trade	4,974	5,016	5,122	4,700	4,521	Wholesale & Retail	5.0%	4.8%	4.7%	4.4%	4.1%
Finance, Insurance, Real Estate	597	593	681	624	579	Finance, Real Estate	2.2%	2.1%	2.3%	2.0%	1.9%
Services	8,716	8,108	8,468	8,286	7,603	Service	5.9%	5.4%	5.5%	5.3%	4.9%
State & Local Government	2,300	2,264	2,450	2,327	2,325	Government & Other	4.6%	4.5%	4.7%	4.4%	4.3%
Total	26,028	25,285	25,594	24,189	22,070	Total	5.9%	5.7%	5.6%	5.3%	4.8%



The overall rate of non-indemnity injuries per employment has declined steadily from 5.9% in 1998 to 4.8% in 2002.

The injury rate for the mining sector must be discounted because of the very small numbers involved.

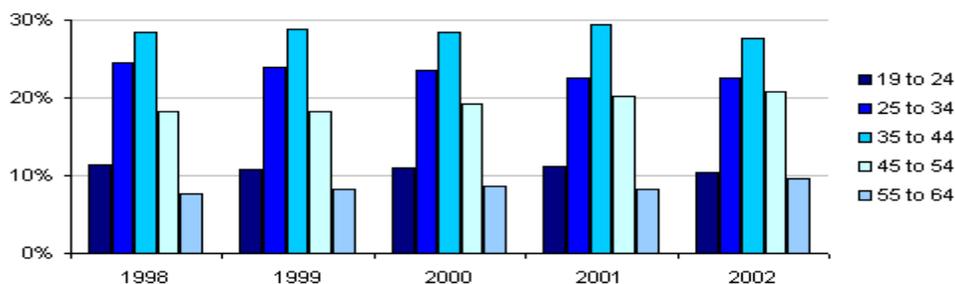
The agriculture sector has the highest rate. Overall, employment is low in that sector, but it has increased sharply since 1998. The transportation, communications and public utilities sector has the next highest injury rate, with 7.2% of non-indemnity injuries in 2002, followed closely by manufacturing with a 6.8% injury rate in 2002. The finance, insurance and real estate sector shows the lowest injury rate of about 2%.

Employment data is provided by the LMI Unit. Data for 2002 is estimated.

Summary of Indemnity Injuries by Age of Injured Worker

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Under 16	8	3	12	4	4	9	9	19	15	7	4
16 to 18	159	176	167	165	148	172	176	219	187	183	143
19 to 24	1,127	1,127	1,012	933	927	905	959	968	961	960	791
25 to 34	2,243	2,442	2,310	2,174	2,093	2,126	2,083	2,160	2,075	1,933	1,704
35 to 44	1,760	1,953	2,156	2,072	2,039	2,247	2,407	2,598	2,502	2,529	2,087
45 to 54	1,094	1,276	1,318	1,249	1,395	1,454	1,555	1,652	1,687	1,734	1,566
55 to 64	616	657	672	645	620	654	650	747	763	706	730
65 and over	79	110	115	117	118	142	121	131	124	148	114
Not reported	2,086	1,097	916	801	824	637	525	535	491	399	415
Total	9,172	8,841	8,678	8,160	8,168	8,346	8,485	9,029	8,805	8,599	7,554

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Under 16	0.09%	0.03%	0.14%	0.05%	0.05%	0.11%	0.11%	0.21%	0.17%	0.08%	0.05%
16 to 18	1.73%	1.99%	1.92%	2.02%	1.81%	2.06%	2.07%	2.43%	2.12%	2.13%	1.89%
19 to 24	12.29%	12.75%	11.66%	11.43%	11.35%	10.84%	11.30%	10.72%	10.91%	11.16%	10.47%
25 to 34	24.45%	27.62%	26.62%	26.64%	25.62%	25.47%	24.55%	23.92%	23.57%	22.48%	22.56%
35 to 44	19.19%	22.09%	24.84%	25.39%	24.96%	26.92%	28.37%	28.77%	28.42%	29.41%	27.63%
45 to 54	11.93%	14.43%	15.19%	15.31%	17.08%	17.42%	18.33%	18.30%	19.16%	20.17%	20.73%
55 to 64	6.72%	7.43%	7.74%	7.90%	7.59%	7.84%	7.66%	8.27%	8.67%	8.21%	9.66%
65 and over	0.86%	1.24%	1.33%	1.43%	1.44%	1.70%	1.43%	1.45%	1.41%	1.72%	1.51%
Not reported	22.74%	12.41%	10.56%	9.82%	10.09%	7.63%	6.19%	5.93%	5.58%	4.64%	5.49%

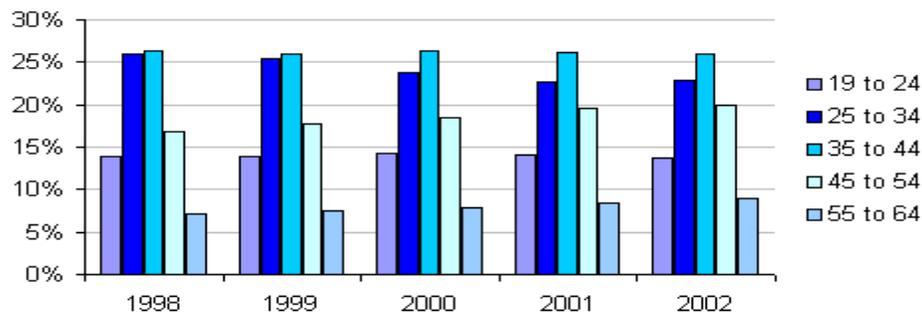


Indemnity injuries occur to workers in the 35 to 44 year old age category most often, possibly because of the age distribution of the work force. Injuries to workers in the 45 to 54 year old age category are the next most frequent, and they have increased steadily from 12% in 1992 to 21% in 2002. The slight decline in injuries to workers in the 19 to 24 year old and 25 to 34 year old ranges may also be due to the shift in age distribution of the work force.

Summary of Non-Indemnity Injuries by Age of Injured Worker

	1998	1999	2000	2001	2002
Under 16	46	64	48	49	46
16 to 18	907	863	888	751	593
19 to 24	3,640	3,510	3,635	3,429	3,038
25 to 34	6,778	6,424	6,084	5,507	5,042
35 to 44	6,852	6,558	6,720	6,316	5,736
45 to 54	4,358	4,499	4,707	4,723	4,406
55 to 64	1,872	1,886	2,004	2,021	1,977
65 and over	266	301	350	337	296
Not reported	1,309	1,180	1,158	1,056	936
Total	26,028	25,285	25,594	24,189	22,070

	1998	1999	2000	2001	2002
Under 16	0.18%	0.25%	0.19%	0.20%	0.21%
16 to 18	3.48%	3.41%	3.47%	3.10%	2.69%
19 to 24	13.98%	13.88%	14.20%	14.18%	13.77%
25 to 34	26.04%	25.41%	23.77%	22.77%	22.85%
35 to 44	26.33%	25.94%	26.26%	26.11%	25.99%
45 to 54	16.74%	17.79%	18.39%	19.53%	19.96%
55 to 64	7.19%	7.46%	7.83%	8.36%	8.96%
65 and over	1.02%	1.19%	1.37%	1.39%	1.34%
Not reported	5.03%	4.67%	4.52%	4.37%	4.24%



Non-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 25 to 34 year old age category are almost as frequent. The increase over time of non-indemnity injuries to workers in the 45 to 54 and 55 to 64 year ranges is probably a reflection of the aging work force.

Summary of Indemnity Injuries by Gender of Injured Worker

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Male	4,498	4,990	4,921	4,567	4,456	4,444	4,876	5,413	5,336	5,318	4,691
Female	3,010	3,105	2,973	2,843	2,743	2,826	2,976	2,996	3,073	3,138	2,743
Not reported	1,664	746	784	750	969	1,076	633	620	396	143	120
Total	9,172	8,841	8,678	8,160	8,168	8,346	8,485	9,029	8,805	8,599	7,554

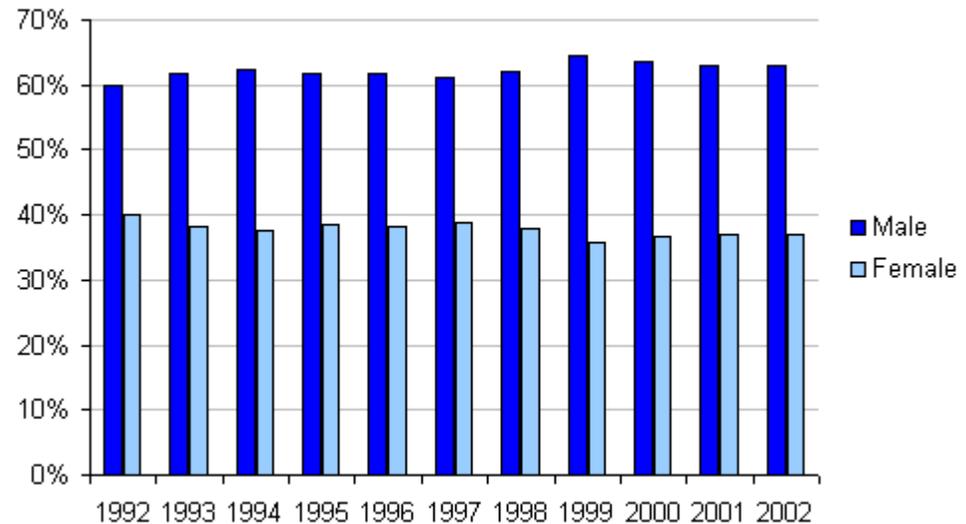
	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Male (percent of reported)	59.91%	61.64%	62.34%	61.63%	61.90%	61.13%	62.10%	64.37%	63.46%	62.89%	63.10%
Female (percent of reported)	40.09%	38.36%	37.66%	38.37%	38.10%	38.87%	37.90%	35.63%	36.54%	37.11%	36.90%

2001 Employment (BLS)	US	RI
Male	53.36%	51.25%
Female	46.64%	48.75%

Employed population 16 years and over (US Census Bureau)	1990	2000
Male	52.44%	51.57%
Female	47.56%	48.43%

The BLS and Census figures on employment in the US and RI show a distribution between 51.25% and 53.36% male to between 48.75% and 46.64% female workers. Figures for RI show a distribution of about 52% males and 48% females in employment.

With an average of 62% of indemnity injuries occurring to males and 38% to females, it is clear that males suffer indemnity injuries more often than females.



Over an 11 year span from 1992 to 2002, an average of 62% of indemnity injuries occurred to males and an average of 38% of indemnity injuries occurred to females. Distribution of injuries by gender has remained fairly stable, with an increase of injuries to males rising from nearly 60% in 1992 to more than 64% in 1999.

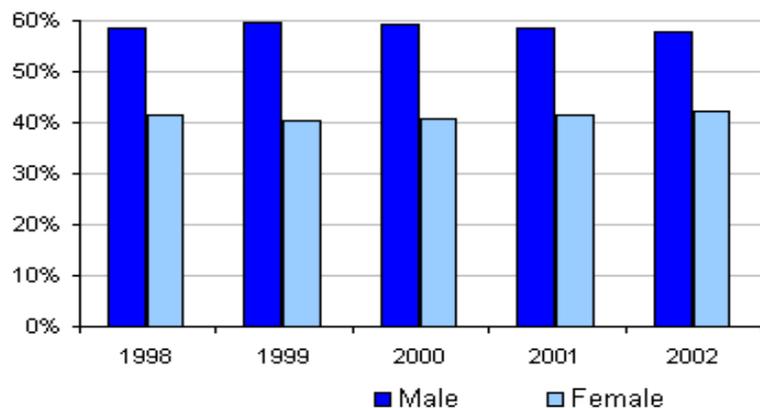
Summary of Non-Indemnity Injuries by Gender of Injured Worker

	1998	1999	2000	2001	2002
Male	14,272	14,333	14,621	13,909	12,675
Female	10,136	9,642	10,116	9,897	9,201
Not reported	1,620	1,310	857	383	194
Total	26,028	25,285	25,594	24,189	22,070

	1998	1999	2000	2001	2002
Male (percent of reported)	58.47%	59.78%	59.11%	58.43%	57.94%
Female (percent of reported)	41.53%	40.22%	40.89%	41.57%	42.06%

2001 Employment (BLS)	US	RI
Male	53.36%	51.25%
Female	46.64%	48.75%

Employed population 16 years and over (US Census Bureau)	1990	2000
Male	52.44%	51.57%
Female	47.56%	48.43%



Over a 5 year span from 1998 to 2002, an average of 58.7% of non-indemnity injuries occurred to males and an average of 41.3% of non-indemnity injuries occurred to females. Distribution of injuries by gender has remained fairly stable. There were more injuries to males in 1999, with a distribution of 59.8% to males and 40.2% to females. The distribution has leveled slightly since 1999. The distribution for 2002 shows close to 42% of injuries to females and 58% to males.

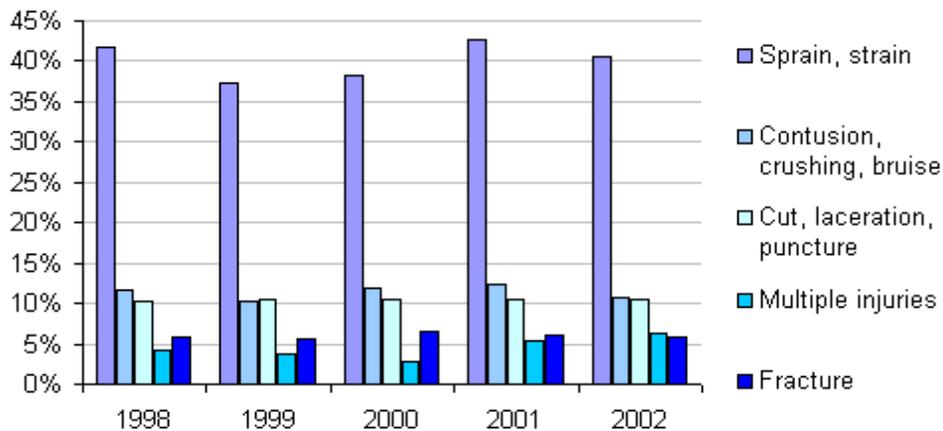
In contrast, the BLS and Census figures on employment in the US and RI show a distribution between 51.25% and 53.36% male to between 48.75% and 46.64% female workers. Figures for RI show a distribution of about 52% males and 48% females in employment.

An average of 59% of non-indemnity injuries occur to males and 41% to females, indicating that males suffer proportionally more non-indemnity injuries than females.

Summary of Indemnity Injuries by Nature of Injury

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Sprain, strain	2,758	3,088	2,789	2,776	2,992	2,977	3,543	3,376	3,364	3,663	3,056
Contusion, crushing, bruise	890	915	1,102	941	851	849	999	936	1,056	1,061	802
Cut, laceration, puncture	575	680	660	710	738	768	862	946	926	898	786
Multiple injuries	397	402	451	437	372	388	365	344	247	458	475
Fracture	482	478	565	503	458	479	500	512	582	522	444
Inflammation, irritation	1,234	1,256	1,194	1,228	1,015	923	618	652	1,093	304	212
Burn from heat	109	111	130	121	138	136	213	214	217	199	154
Other	2,727	1,911	1,787	1,444	1,604	1,826	1,385	2,049	1,320	1,494	1,625
Total	9,172	8,841	8,678	8,160	8,168	8,346	8,485	9,029	8,805	8,599	7,554

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Sprain, strain	30.1%	34.9%	32.1%	34.0%	36.6%	35.7%	41.8%	37.4%	38.2%	42.6%	40.5%
Contusion, crushing, bruise	9.7%	10.3%	12.7%	11.5%	10.4%	10.2%	11.8%	10.4%	12.0%	12.3%	10.6%
Cut, laceration, puncture	6.3%	7.7%	7.6%	8.7%	9.0%	9.2%	10.2%	10.5%	10.5%	10.4%	10.4%
Multiple injuries	4.3%	4.5%	5.2%	5.4%	4.6%	4.6%	4.3%	3.8%	2.8%	5.3%	6.3%
Fracture	5.3%	5.4%	6.5%	6.2%	5.6%	5.7%	5.9%	5.7%	6.6%	6.1%	5.9%
Inflammation, irritation	13.5%	14.2%	13.8%	15.0%	12.4%	11.1%	7.3%	7.2%	12.4%	3.5%	2.8%
Burn from heat	1.2%	1.3%	1.5%	1.5%	1.7%	1.6%	2.5%	2.4%	2.5%	2.3%	2.0%
Other	29.7%	21.6%	20.6%	17.7%	19.6%	21.9%	16.3%	22.7%	15.0%	17.4%	21.5%

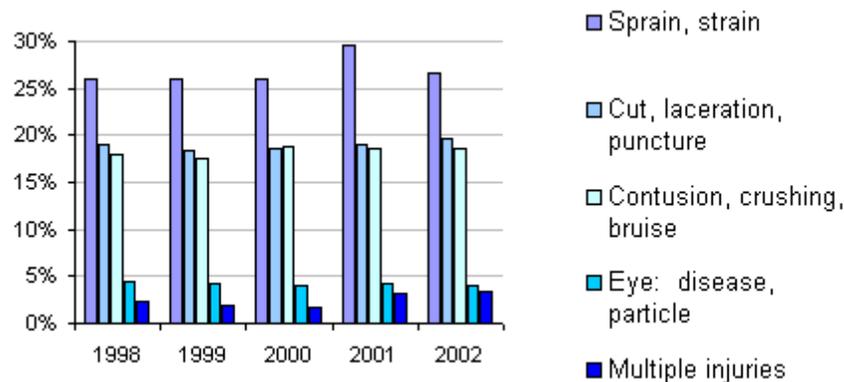


Sprains and strains are by far the most frequently occurring nature of injury for indemnity injuries. The percent of injuries with sprain or strain injuries averaged about 40% from 1998 to 2002. The next most frequently occurring indemnity injuries are contusion, crushing and bruise injuries, with an average of 11.4% over the last 5 years. Cut, laceration and puncture injuries are nearly as frequent, with an average of 10.4%. The Multiple nature of injuries classification has a fluctuating frequency, as does inflammation or irritation of joints and muscles. This variation may be attributable to the way these are reported. The description of inflammation injuries is often vague. Fractures remain steady, with an average of 6% from 1998 to 2002.

Summary of Non-Indemnity Injuries by Nature of Injury

Nature of Injury	1998	1999	2000	2001	2002
Sprain, strain	6,750	6,590	6,628	7,169	5,883
Cut, laceration, puncture	4,923	4,668	4,761	4,586	4,355
Contusion, crushing, bruise	4,678	4,416	4,812	4,507	4,121
Eye: disease, particle	1,132	1,082	1,037	1,028	881
Multiple injuries	606	500	451	760	764
Exposed to germs	532	602	652	659	589
Burn from heat	708	642	674	616	551
Other	6,699	6,785	6,579	4,864	4,926
Total	26,028	25,285	25,594	24,189	22,070

	1998	1999	2000	2001	2002
Sprain, strain	25.9%	26.1%	25.9%	29.6%	26.7%
Cut, laceration, puncture	18.9%	18.5%	18.6%	19.0%	19.7%
Contusion, crushing, bruise	18.0%	17.5%	18.8%	18.6%	18.7%
Eye: disease, particle	4.3%	4.3%	4.1%	4.2%	4.0%
Multiple injuries	2.3%	2.0%	1.8%	3.1%	3.5%
Exposed to germs	2.0%	2.4%	2.5%	2.7%	2.7%
Burn from heat	2.7%	2.5%	2.6%	2.5%	2.5%
Other	25.7%	26.8%	25.7%	20.1%	22.3%

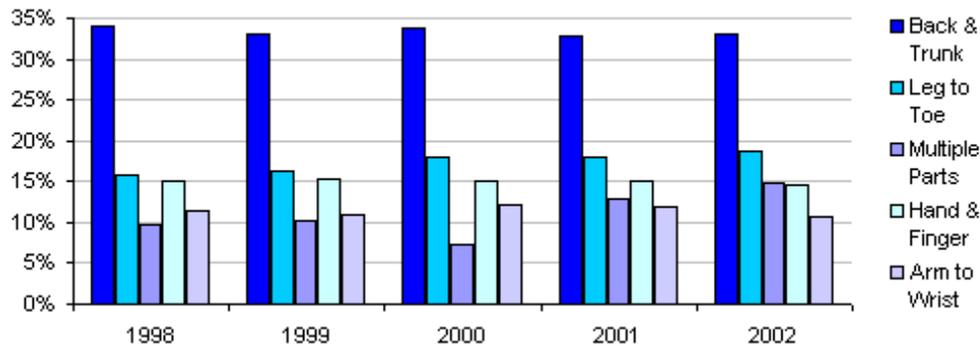


Sprains and strains are the most frequently occurring non-indemnity injury. An average of about 27% of non-indemnity injuries from 1998 to 2002 are sprains or strains. The next most frequent non-indemnity injuries are cut, laceration and puncture injuries, followed very closely by contusion, crushing, and bruise injuries. An averaged of nearly 19% of non-indemnity injuries between 1998 and 2002 were cut, laceration or puncture. Contusion, crushing and bruise injuries averaged just over 18% for the same period.

Summary of Indemnity Injuries by Injured Body Part

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Back & Trunk	2,864	3,036	2,898	2,664	2,585	2,608	2,892	2,981	2,977	2,818	2,496
Leg to Toe	1,246	1,404	1,317	1,292	1,180	1,280	1,335	1,471	1,579	1,549	1,406
Multiple Parts	955	1,035	1,096	972	948	839	826	912	652	1,100	1,124
Hand & Finger	1,048	1,188	1,159	1,189	1,164	1,176	1,278	1,389	1,334	1,295	1,102
Arm to Wrist	891	830	834	792	833	868	972	979	1,080	1,032	802
Head, all parts	221	244	274	234	232	250	297	318	374	324	259
Neck	163	195	157	151	128	139	178	227	296	218	126
Other	120	163	159	116	129	110	74	132	117	120	119
No Statistics	1,664	746	784	750	969	1,076	633	620	396	143	120
Total	9,172	8,841	8,678	8,160	8,168	8,346	8,485	9,029	8,805	8,599	7,554

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Back & Trunk	31.23%	34.34%	33.39%	32.65%	31.65%	31.25%	34.08%	33.02%	33.81%	32.77%	33.04%
Leg to Toe	13.58%	15.88%	15.18%	15.83%	14.45%	15.34%	15.73%	16.29%	17.93%	18.01%	18.61%
Multiple Parts	10.41%	11.71%	12.63%	11.91%	11.61%	10.05%	9.73%	10.10%	7.40%	12.79%	14.88%
Hand & Finger	11.43%	13.44%	13.36%	14.57%	14.25%	14.09%	15.06%	15.38%	15.15%	15.06%	14.59%
Arm to Wrist	9.71%	9.39%	9.61%	9.71%	10.20%	10.40%	11.46%	10.84%	12.27%	12.00%	10.62%
Head, all parts	2.41%	2.76%	3.16%	2.87%	2.84%	3.00%	3.50%	3.52%	4.25%	3.77%	3.43%
Neck	1.78%	2.21%	1.81%	1.85%	1.57%	1.67%	2.10%	2.51%	3.36%	2.54%	1.67%
Other	1.31%	1.84%	1.83%	1.42%	1.58%	1.32%	0.87%	1.46%	1.33%	1.40%	1.58%
No Statistics	18.14%	8.44%	9.03%	9.19%	11.86%	12.89%	7.46%	6.87%	4.50%	1.66%	1.59%

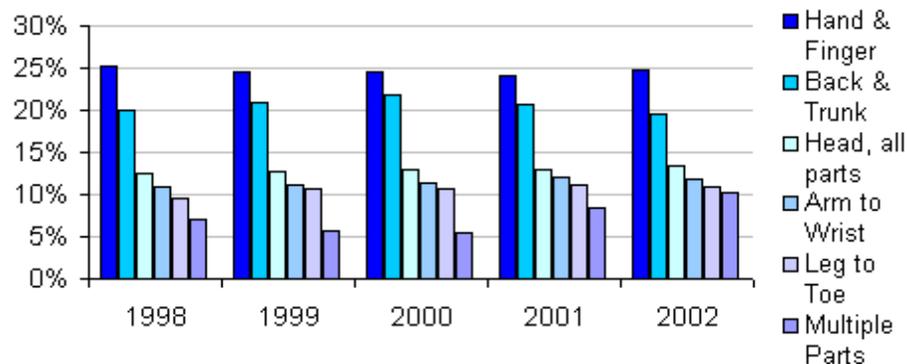


From 1998 to 2002, an average of about 33% of indemnity injuries occurred to the back and trunk. Other body parts have a much lower frequency of injury. Injuries to the leg, including the foot and toes, made up an average of 17% of indemnity injuries for that same time frame. Injuries to multiple body parts averaged about 11% of injuries from 1998 to 2002. For the same time period, injuries to hand and fingers were about 15% of injuries, and injuries from arm to wrist made up an average of 11% of indemnity injuries.

Summary of Non-Indemnity Injuries by Injured Body Part

	1998	1999	2000	2001	2002
Hand & Finger	6,593	6,220	6,285	5,806	5,482
Back & Trunk	5,203	5,282	5,596	5,014	4,291
Head, all parts	3,242	3,241	3,309	3,112	2,945
Arm to Wrist	2,828	2,811	2,923	2,923	2,591
Leg to Toe	2,484	2,677	2,728	2,690	2,426
Multiple Parts	1,829	1,459	1,412	2,040	2,272
Foot & Toe	1,183	1,105	1,209	1,119	908
Neck	449	517	655	471	343
Other	597	663	620	631	618
No Statistics	1,620	1,310	857	383	194
Total	26,028	25,285	25,594	24,189	22,070

	1998	1999	2000	2001	2002
Hand & Finger	25.33%	24.60%	24.56%	24.00%	24.84%
Back & Trunk	19.99%	20.89%	21.86%	20.73%	19.44%
Head, all parts	12.46%	12.82%	12.93%	12.87%	13.34%
Arm to Wrist	10.87%	11.12%	11.42%	12.08%	11.74%
Leg to Toe	9.54%	10.59%	10.66%	11.12%	10.99%
Multiple Parts	7.03%	5.77%	5.52%	8.43%	10.29%
Foot & Toe	4.55%	4.37%	4.72%	4.63%	4.11%
Neck	1.73%	2.04%	2.56%	1.95%	1.55%
Other	2.29%	2.62%	2.42%	2.61%	2.80%
No Statistics	6.22%	5.18%	3.35%	1.58%	0.88%

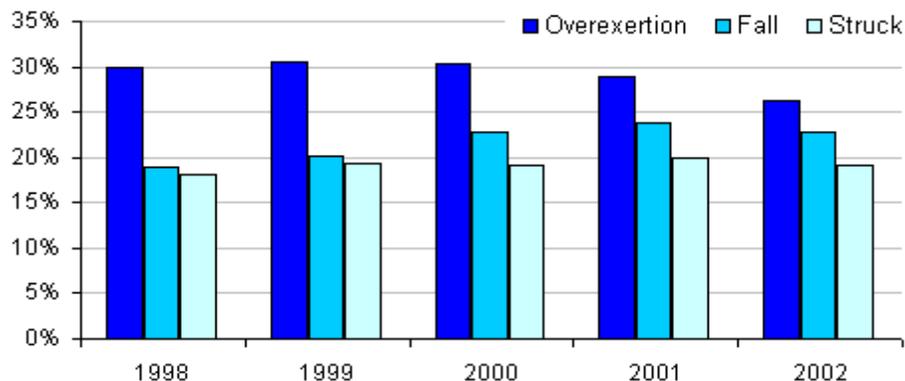


Injuries to the hand and fingers occur most frequently, accounting for an average of 25% of non-indemnity injuries from 1998 to 2002. Injuries to the back and trunk area are the next most frequent, averaging 21% of non-indemnity injuries for that period. Head injuries average 13% for those years. Injuries from arm to wrist and from leg to toe both averaged about 11% of non-indemnity injuries.

Summary of Indemnity Injuries by Type of Injury

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Overexertion	2,726	2,886	2,564	2,506	2,390	2,474	2,536	2,749	2,666	2,486	1,982
Fall	1,473	1,662	1,849	1,511	1,488	1,487	1,609	1,812	1,998	2,049	1,716
Struck	1,493	1,499	1,403	1,392	1,369	1,405	1,535	1,739	1,681	1,708	1,446
Bodily reaction	595	555	549	561	509	411	580	488	470	619	829
Caught in, under, between	459	513	597	527	532	546	556	511	488	433	393
Motor vehicle accident	183	214	233	211	227	241	273	278	279	315	268
Other	579	766	699	702	684	706	763	832	827	846	800
No statistics on file	1,664	746	784	750	969	1,076	633	620	396	143	120
Total	9,172	8,841	8,678	8,160	8,168	8,346	8,485	9,029	8,805	8,599	7,554

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Overexertion	29.72%	32.64%	29.55%	30.71%	29.26%	29.64%	29.89%	30.45%	30.28%	28.91%	26.24%
Fall	16.06%	18.80%	21.31%	18.52%	18.22%	17.82%	18.96%	20.07%	22.69%	23.83%	22.72%
Struck	16.28%	16.96%	16.17%	17.06%	16.76%	16.83%	18.09%	19.26%	19.09%	19.86%	19.14%
Bodily reaction	6.49%	6.28%	6.33%	6.88%	6.23%	4.92%	6.84%	5.40%	5.34%	7.20%	10.97%
Caught in, under, between	5.00%	5.80%	6.88%	6.46%	6.51%	6.54%	6.55%	5.66%	5.54%	5.04%	5.20%
Motor vehicle accident	2.00%	2.42%	2.68%	2.59%	2.78%	2.89%	3.22%	3.08%	3.17%	3.66%	3.55%
Other	6.31%	8.66%	8.05%	8.60%	8.37%	8.46%	8.99%	9.21%	9.39%	9.84%	10.59%
No statistics on file	18.14%	8.44%	9.03%	9.19%	11.86%						



Overexertion is the most frequently occurring type of injury. While overexertion accounted for about 30% of indemnity injuries from 1992 to 2000, the frequency dropped to 29% in 2001 and 26% in 2002.

The second most frequent indemnity injury type is a fall. From a low of 17.8% in 1997, the frequency of falls increased to 23.8% in 2001 and dropped to 22.7% in 2002.

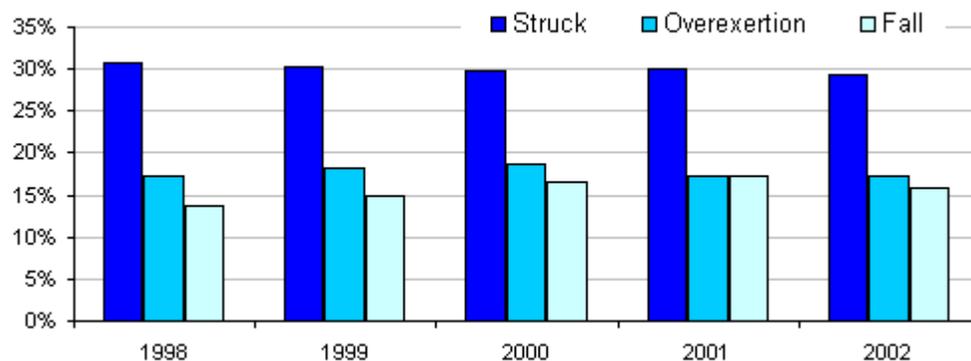
Injuries where the worker was struck against or by an object are the next most frequent with 19% in 2002.

The frequency of bodily reaction injuries increased sharply in 2002. This may be due to inconsistent coding.

Summary of Non-Indemnity Injuries by Type of Injury

	1998	1999	2000	2001	2002
Struck	8,003	7,669	7,606	7,254	6,495
Overexertion	4,508	4,600	4,797	4,195	3,785
Fall	3,571	3,738	4,263	4,164	3,473
Bodily reaction	1,055	1,000	799	1,355	1,436
Caught in, under, between	1,670	1,565	1,578	1,282	1,132
Particle in eye	1,093	1,113	1,159	1,113	959
Other	4,508	4,233	4,486	4,386	3,918
No statistics on file	1,620	1,310	857	383	194
Total	26,028	25,285	25,594	24,189	22,070

	1998	1999	2000	2001	2002
Struck	30.75%	30.33%	29.72%	29.99%	29.43%
Overexertion	17.32%	18.19%	18.74%	17.34%	17.15%
Fall	13.72%	14.78%	16.66%	17.21%	15.74%
Bodily reaction	4.05%	3.95%	3.12%	5.60%	6.51%
Caught in, under, between	6.42%	6.19%	6.17%	5.30%	5.13%
Particle in eye	4.20%	4.40%	4.53%	4.60%	4.35%
Other	17.32%	16.97%	17.72%	18.37%	20.82%
No statistics on file	6.22%	5.18%	3.35%	1.58%	0.88%



Injuries where the worker was struck against or by an object are the most frequent, averaging about 30% since 1998.

Overexertion is the next most frequently occurring type of injury. In 2002, 17% of non-indemnity injuries were classified as overexertion.

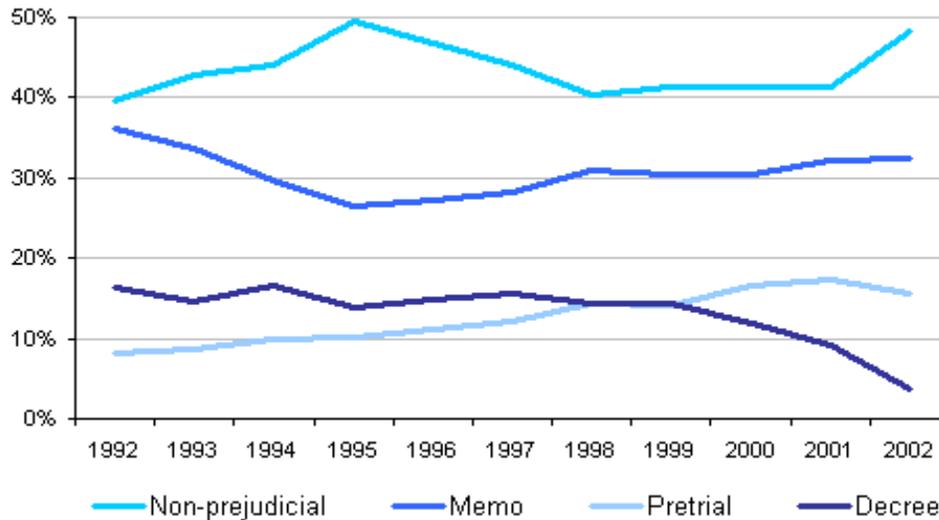
Falls are the third most frequent type of non-indemnity injury. In 2002, 15.7% of non-indemnity injuries were from falls.

Workers' Compensation Fatalities

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Compensable Fatalities	11	6	4	7	7	5	7	7	3	5	6
Gender											
Female	2	0	0	1	1	0	2	0	0	1	2
Male	9	6	4	6	6	5	5	7	3	4	4
County											
Kent	1	0	1	2	0	1	0	0	0	2	1
Newport	0	0	0	1	1	0	0	0	1	0	0
Providence	9	3	2	3	1	3	4	4	0	2	3
Washington	1	0	0	0	3	1	2	2	0	0	0
Out of State	0	3	1	1	2	0	1	1	2	1	2
Accident Type											
Aircraft accident	0	0	0	0	0	0	0	1	0	1	0
Assaulted or shot	2	0	0	2	0	0	1	0	0	1	1
Crushed	1	0	0	1	0	0	1	0	2	0	0
Drowned or asphyxiated	1	1	0	1	1	0	0	0	0	0	0
Electrocuted	2	0	1	0	0	0	0	2	0	1	0
Fell from elevation	1	1	0	1	0	0	0	1	0	0	0
Heart attack or stroke	0	0	1	2	2	0	1	0	0	0	1
Industrial vehicle accident	0	0	0	0	0	2	0	0	0	0	0
Motor vehicle accident	3	3	2	0	3	0	4	2	1	2	4
Struck by falling/flying object	0	0	0	0	1	2	0	0	0	0	0
Type not reported	1	1	0	0	0	1	0	1	0	0	0
Employer Type											
Construction	3	0	2	1	3	1	0	2	3	1	0
Manufacturing	2	0	0	0	0	2	1	3	0	2	3
Transport & Public Utilities	1	1	0	2	1	0	0	2	0	1	0
Retail	0	1	1	0	0	1	3	0	0	0	1
Finance, Insurance, Real Estate	0	0	0	0	0	0	1	0	0	0	0
Services	5	4	1	4	3	1	2	0	0	1	1
Government	0	0	0	0	0	0	0	0	0	0	1

Files Opened by Level of Agreement or Order to Compensate

Files Opened	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of injury files opened	10,819	11,932	12,818	11,716	11,313	12,121	33,915	34,474	34,039	33,471	30,861
With no agreement	2,365	2,906	3,667	3,383	3,047	3,682	25,133	25,565	25,404	24,783	22,996
Under nonprejudicial agreement	3,346	3,874	4,023	4,118	3,874	3,717	3,543	3,682	3,566	3,584	3,791
Under memorandum of agreement	3,046	3,044	2,708	2,207	2,244	2,385	2,725	2,705	2,621	2,799	2,552
Under pretrial order	688	788	913	854	916	1,016	1,254	1,247	1,425	1,512	1,235
Under decree	1,374	1,320	1,507	1,154	1,232	1,321	1,260	1,275	1,023	793	287
Under agreement or decree total	8,454	9,026	9,151	8,333	8,266	8,439	8,782	8,909	8,635	8,688	7,865
Non-prejudicial rate	39.58%	42.92%	43.96%	49.42%	46.87%	44.05%	40.34%	41.33%	41.30%	41.25%	48.20%
Memorandum rate	36.03%	33.72%	29.59%	26.49%	27.15%	28.26%	31.03%	30.36%	30.35%	32.22%	32.45%
Pretrial rate	8.14%	8.73%	9.98%	10.25%	11.08%	12.04%	14.28%	14.00%	16.50%	17.40%	15.70%
Decree rate	16.25%	14.62%	16.47%	13.85%	14.90%	15.65%	14.35%	14.31%	11.85%	9.13%	3.65%



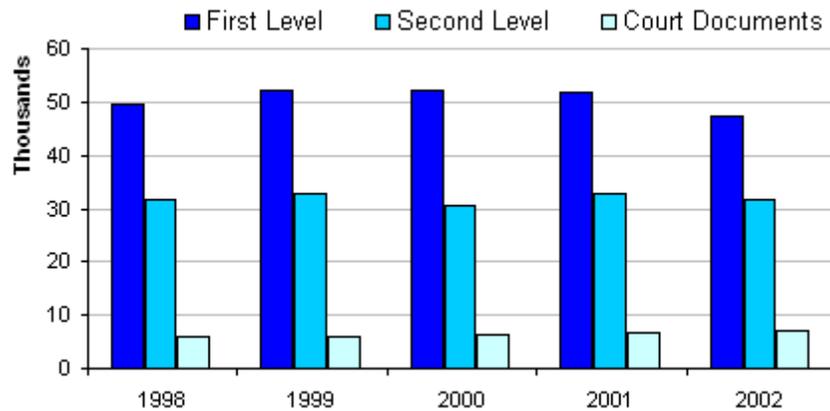
In 1998, The Division of Workers' Compensation began recording all injuries electronically, including non-indemnity. The dramatic increase in the number of files opened and files opened with no agreement between 1997 and 1998 reflects this change in policy.

The nonprejudicial agreement is used most often. In 1995, 45% of all files with an agreement or decree were paid only under a nonprejudicial agreement. The memorandum is the next most frequently used, about 30%.

The rate of files under pretrial order has increased steadily since 1992. The rate of files under a decree is expected to increase over time for 2001 and 2002 as litigation is resolved.

First Reports and Filings Received Per Calendar Year

Filings Received	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
First reports	8,860	11,300	11,032	10,809	10,142	10,698	31,317	32,788	32,640	32,890	30,730
Report of no indemnity benefit	886	3,433	3,365	3,465	3,010	2,922	18,094	19,532	19,495	18,784	16,648
First Level Report Total	9,746	14,733	14,397	14,274	13,152	13,620	49,411	52,320	52,135	51,674	47,378
Nonprejudicial agreements	7,077	8,664	8,197	8,058	8,096	8,144	7,677	7,983	7,605	7,693	7,207
Memorandums of agreement	3,501	4,652	3,633	3,297	3,274	3,504	3,915	3,781	3,609	3,962	3,587
Mutual agreements	538	1,469	1,923	2,365	2,697	2,756	2,998	2,823	2,653	2,905	3,127
Payment reports	4,331	11,053	9,033	8,781	9,642	8,894	9,051	9,769	8,944	9,940	10,209
Terminations of benefits	4,505	6,140	6,003	5,689	5,682	5,639	5,059	5,526	5,212	5,296	4,987
Suspension agreements	2,295	3,391	2,775	2,471	2,452	2,624	2,964	2,811	2,640	2,886	2,651
Wage transcripts	84	332	60	37	69	43	19	16	13	28	23
Second Level Report Total	22,331	35,701	31,624	30,698	31,912	31,604	31,683	32,709	30,676	32,710	31,791
Pretrial Orders	2,185	3,272	3,549	3,770	3,810	4,020	3,884	4,006	4,483	4,973	4,905
Decrees	1,305	1,854	1,871	1,991	2,108	2,151	2,216	1,808	1,991	1,904	2,138
Court Documents Total	3,490	5,126	5,420	5,761	5,918	6,171	6,100	5,814	6,474	6,877	7,043



First reports and Reports of non-payment of indemnity benefits are first level reports. 47,378 of these reports were received in 2002, the lowest number since 1998. Before 1998, non-indemnity first reports were not recorded electronically and are not included in these figures.

Second level reports include agreements to compensate, documents to end compensation, and reports of payments. Since 1994, the number of second level reports has ranged between 30,000 and 33,000 per year.

The number of Court documents received has increased steadily over time. In 1992, disputes were initially addressed at a Hearing Unit, and those documents are not included here.

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.

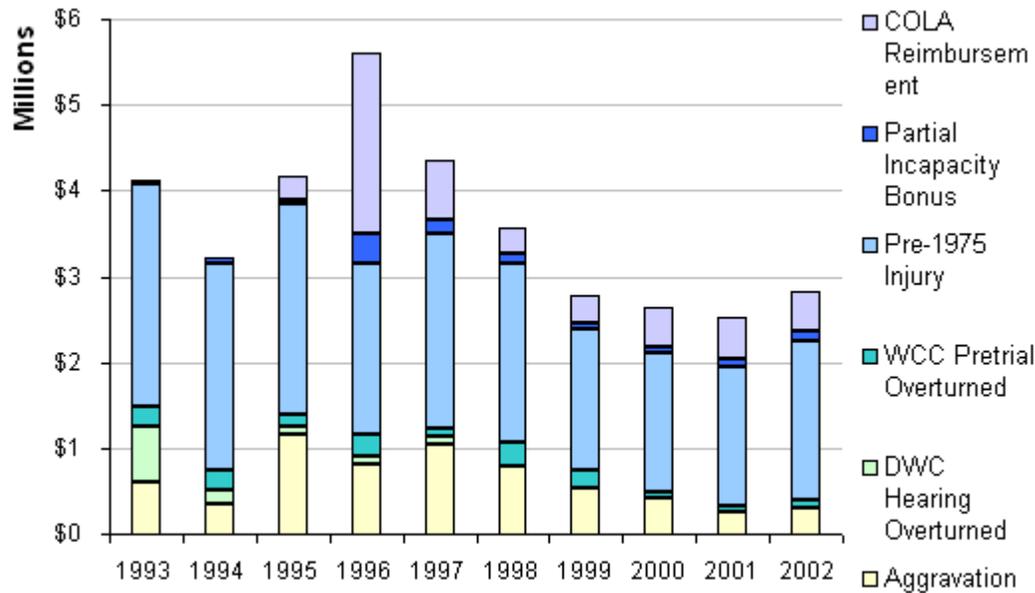
DWC Hearing Overturned. RIGL § 28-33-1.1 (i) (1) (B) provides for the reimbursement of payments made pursuant to a preliminary determination issued by the Workers' Compensation Hearing unit that was later overturned or amended. This section was repealed.

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	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Aggravation	\$593,413	\$358,665	\$1,155,283	\$799,983	\$1,046,448	\$784,945	\$538,650	\$415,393	\$250,501	\$296,247
DWC Hearing Overturned	\$664,765	\$144,700	\$95,368	\$106,845	\$89,992	\$0	\$0	\$0	\$0	\$0
WCC Pretrial Overturned	\$233,740	\$229,205	\$128,616	\$246,230	\$82,828	\$284,415	\$207,297	\$70,138	\$62,587	\$105,047
Pre-1975 Injury	\$2,591,191	\$2,407,849	\$2,466,048	\$1,994,084	\$2,269,566	\$2,080,103	\$1,629,944	\$1,631,669	\$1,640,010	\$1,841,880
Partial Incapacity Bonus	\$38,690	\$85,521	\$56,202	\$353,075	\$180,801	\$116,964	\$89,924	\$69,639	\$80,713	\$126,103
COLA Reimbursement	\$0	\$0	\$269,895	\$2,110,936	\$674,244	\$296,584	\$319,364	\$452,229	\$493,602	\$458,963
Total	\$4,121,800	\$3,225,940	\$4,171,413	\$5,611,152	\$4,343,878	\$3,563,011	\$2,785,179	\$2,639,067	\$2,527,413	\$2,828,241

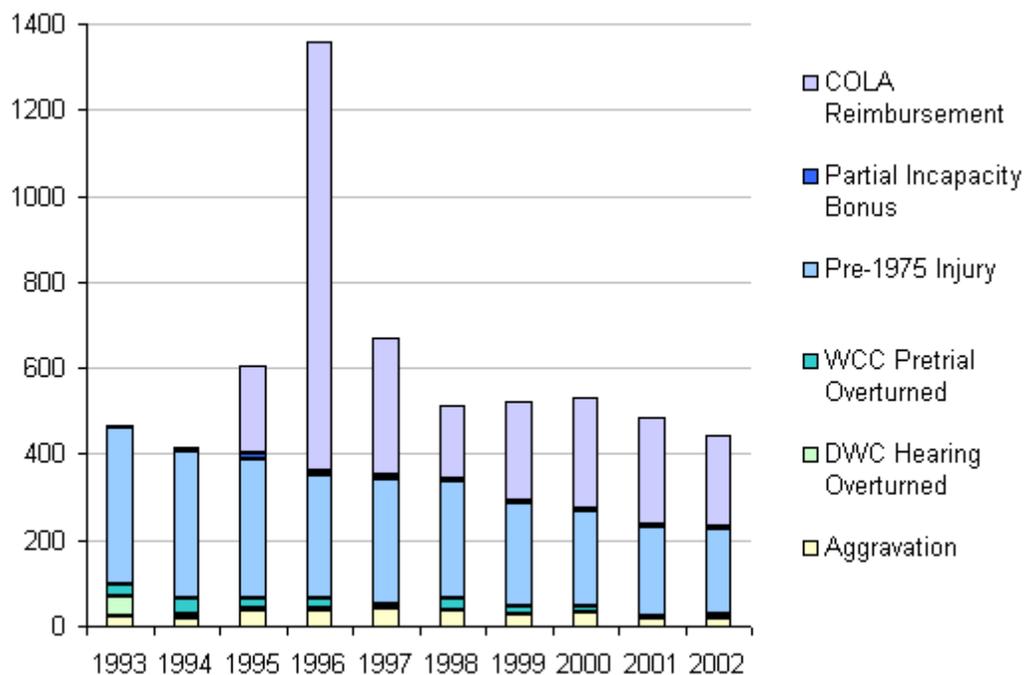


1996 stands out as the year with highest combined expenditures with COLA reimbursement making up a large part. The September, 1990 reform granted COLA increases starting May 10, 1991 for all total incapacity injuries, regardless of injury date. Because the cost of COLA had not been anticipated in the premiums for older claims, insurers were allowed reimbursement of the COLA costs effective late in 1995. The high cost for COLA in 1996 is the combined cost of COLA from 1991 through 1996.

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 is expected to decrease as this population declines over time.

Workers' Compensation Administrative Fund Claims Paid

Number of Claims Paid	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Aggravation	25	20	36	36	40	38	29	34	18	18
DWC Hearing Overturned	45	8	6	5	2	0	0	0	0	0
WCC Pretrial Overturned	26	35	21	24	10	26	15	11	7	9
Pre-1975 Injury	364	343	326	285	291	271	241	223	207	200
Partial Incapacity Bonus	8	11	13	11	9	7	4	4	4	4
COLA Reimbursement	0	0	203	996	319	169	234	259	251	211
Total	468	417	605	1357	671	511	523	531	487	442

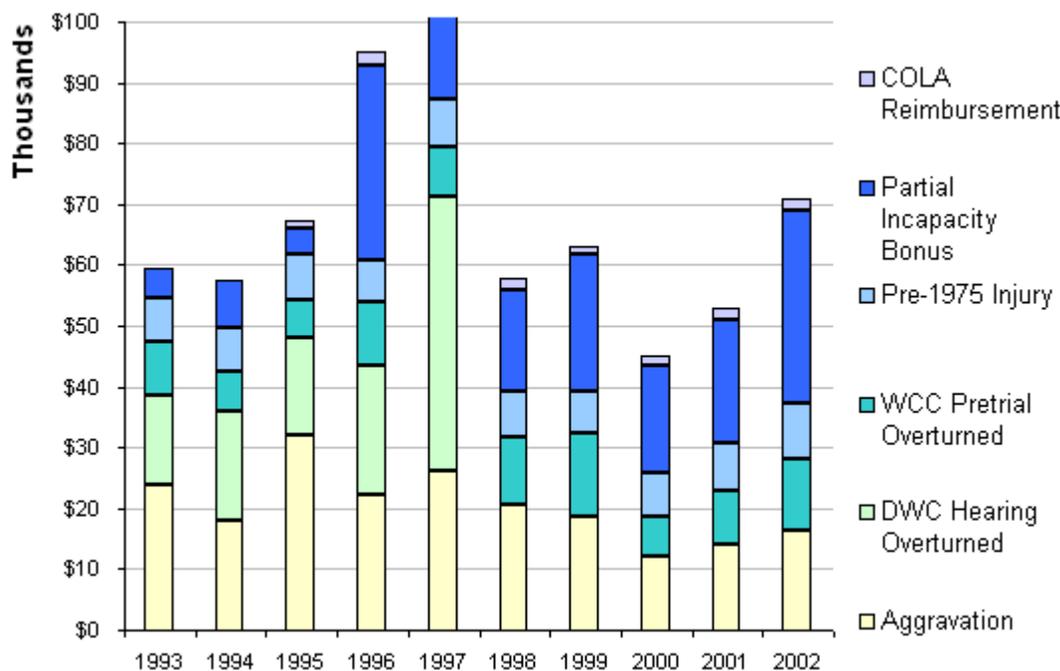


1996 stands out as having the highest number of claims, with a high number of claims paid COLA reimbursement. The September, 1990 reform granted COLA increases starting May 10, 1991 for all total incapacity injuries, regardless of injury date. Because the cost of COLA had not been anticipated in the premiums for older claims, insurers were allowed reimbursement of the COLA costs effective late in 1995. The high number of COLA claims reimbursed in 1996 reflects claims from 1991 through 1996.

The pre-1975 injuries make up the largest number of claims paid in all years except 1996 and 1997, when the number of COLA claims were higher. As the pre-1975 injured workers age and die, the number of claims paid is decreasing.

Average Workers' Compensation Administrative Fund Expenditures

Average Paid per Claim	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Aggravation	\$23,737	\$17,933	\$32,091	\$22,222	\$26,161	\$20,656	\$18,574	\$12,217	\$13,917	\$16,458
DWC Hearing Overturned	\$14,773	\$18,088	\$15,895	\$21,369	\$44,996	\$0	\$0	\$0	\$0	\$0
WCC Pretrial Overturned	\$8,990	\$6,549	\$6,125	\$10,260	\$8,283	\$10,939	\$13,820	\$6,376	\$8,941	\$11,672
Pre-1975 Injury	\$7,119	\$7,020	\$7,565	\$6,997	\$7,799	\$7,676	\$6,763	\$7,317	\$7,923	\$9,209
Partial Incapacity Bonus	\$4,836	\$7,775	\$4,323	\$32,098	\$20,089	\$16,709	\$22,481	\$17,410	\$20,178	\$31,526
COLA Reimbursement	\$0	\$0	\$1,330	\$2,119	\$2,114	\$1,755	\$1,365	\$1,746	\$1,967	\$2,175
Total	\$8,807	\$7,736	\$6,895	\$4,135	\$6,474	\$6,973	\$5,325	\$4,970	\$5,190	\$6,399



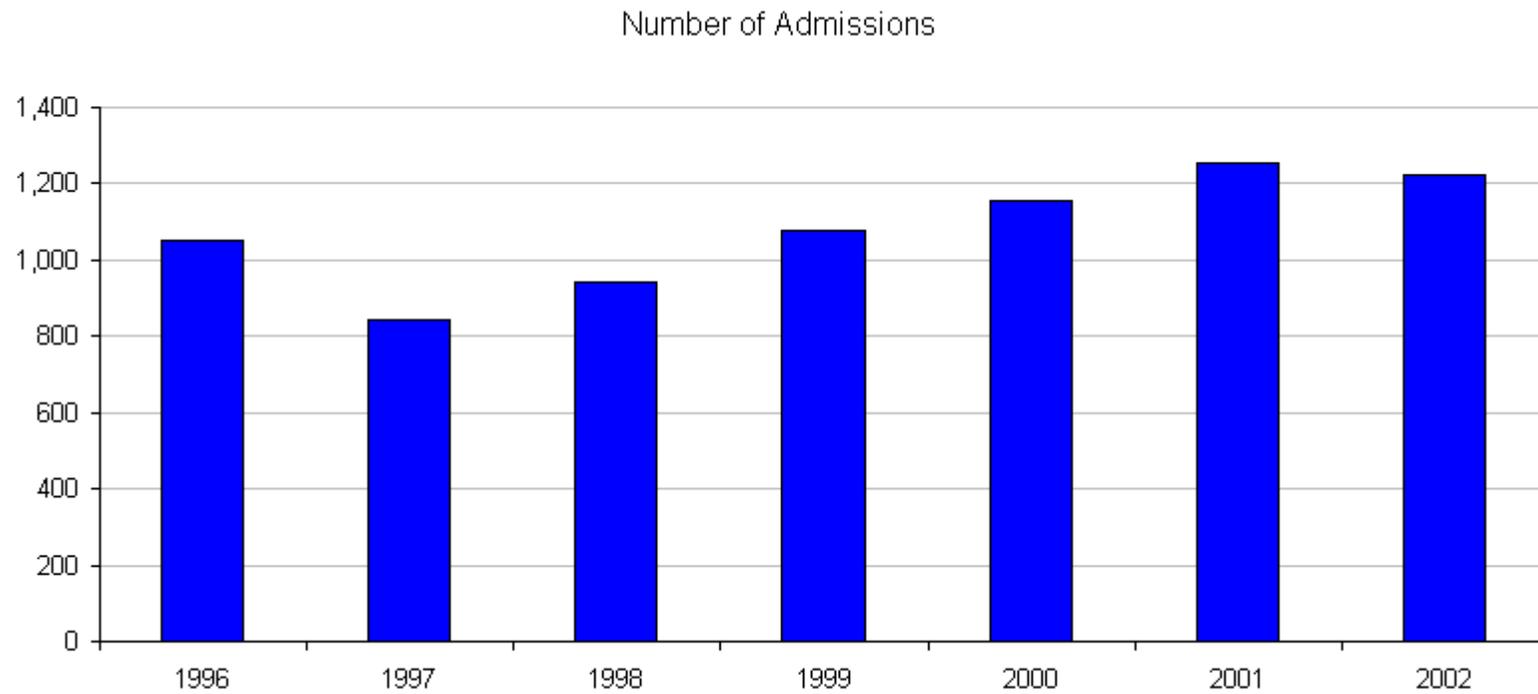
The average cost per claim gives a different perspective on the WCAF expenditures. While COLA makes up a large part of the number of claims and total dollar expenditures, the average payment per claim is quite small in comparison. Similarly, the average payment per pre-1975 injury is relatively low.

Despite a small number of claims, the average payment for partial incapacity bonus is high. The average payment for Department of Workers' Compensation hearing determination overturned was high and increasing from 1992 through 1997.

Average payments for all WCAF expenditure types increased in 2002, continuing a trend in increased average payments from a low in 2000.

Dr. John E. Donley Rehabilitation Admissions

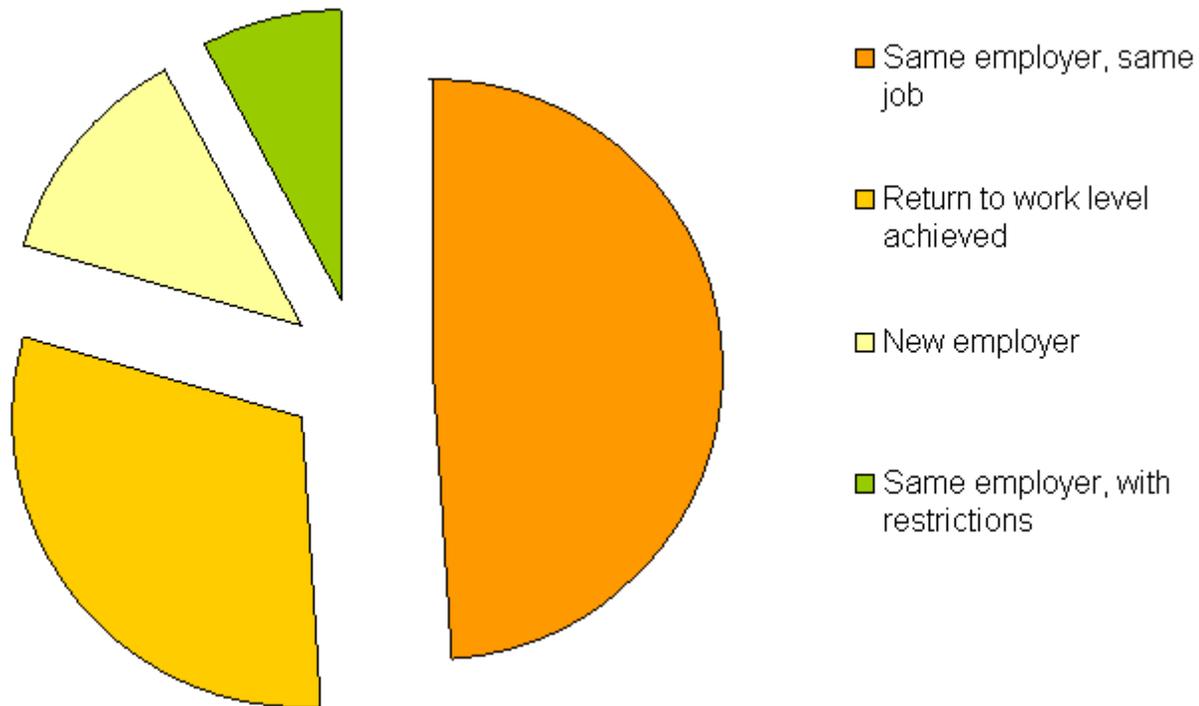
	1996	1997	1998	1999	2000	2001	2002
Number of Admissions	1,051	843	941	1,077	1,157	1,255	1,224



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

	1998	1999	2000	2001	2002
Return to work level was achieved	310	375	397	513	482
Same employer, same job	171	218	215	270	235
Return to work level achieved	72	76	84	131	148
New employer	40	47	55	66	61
Same employer, with restrictions	27	34	43	46	38

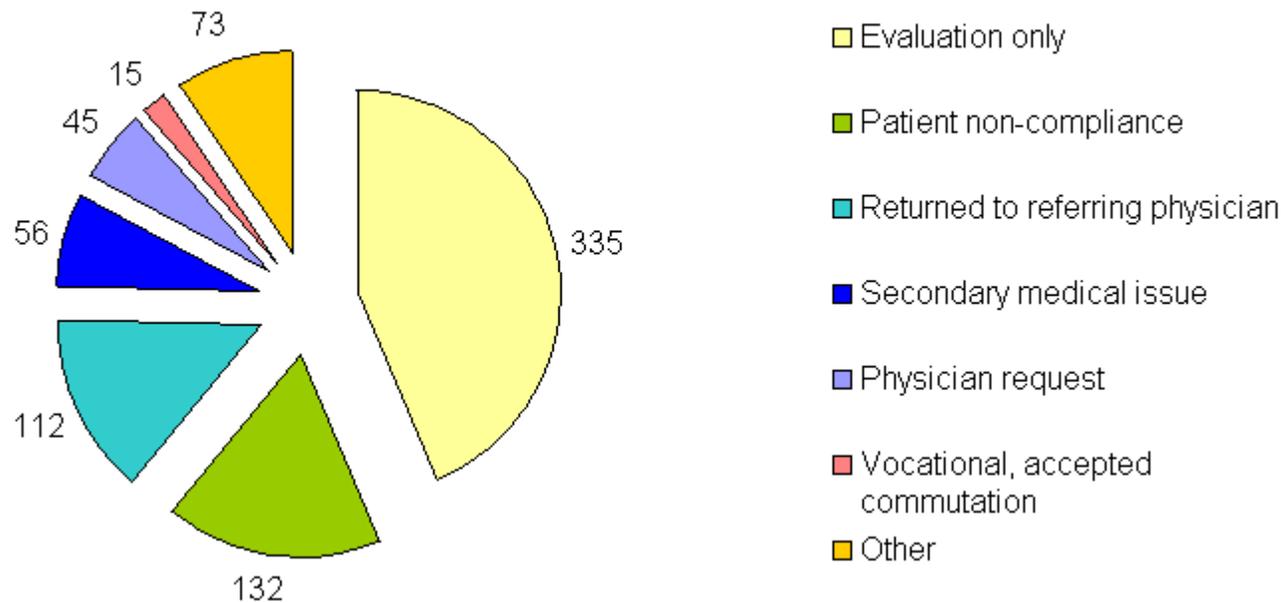
Return to Work Discharges in 2002



Dr. John E. Donley Rehabilitation Center No Return to Work Discharges

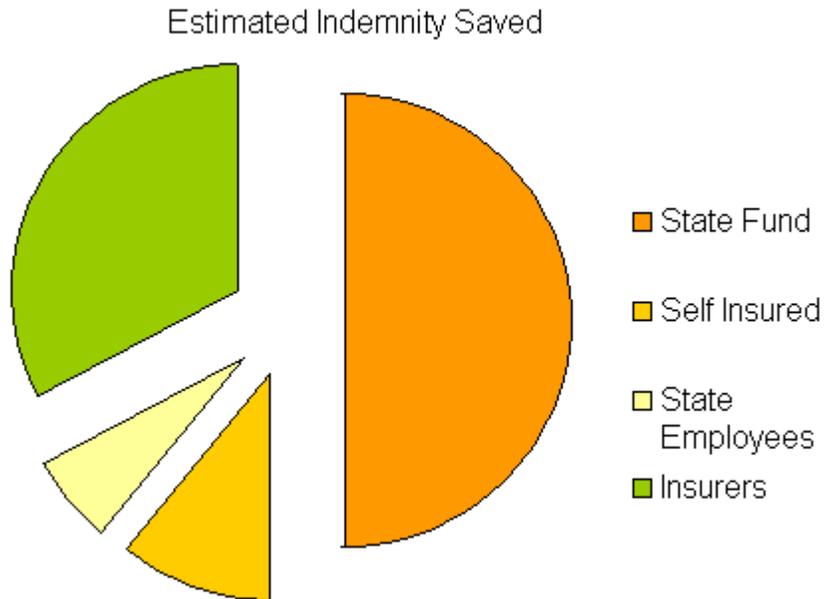
	1998	1999	2000	2001	2002
Not Returned to Work	580	657	734	771	768
Evaluation only	255	294	251	281	335
Patient non-compliance	110	115	133	188	132
Returned to referring physician	81	74	121	141	112
Secondary medical issue	36	49	65	70	56
Physician request	27	27	51	46	45
Vocational, accepted commutation	0	0	0	9	15
Other	71	98	113	36	73

Not Returned to Work Discharges in 2002



Dr. John E. Donley 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
State Fund	115	29,346	\$14,042,451
Self Insured	26	6,445	\$3,084,257
State Employees	15	3,633	\$1,738,387
Insurers	78	19,319	\$9,244,694
Total	234	58,743	\$28,109,789



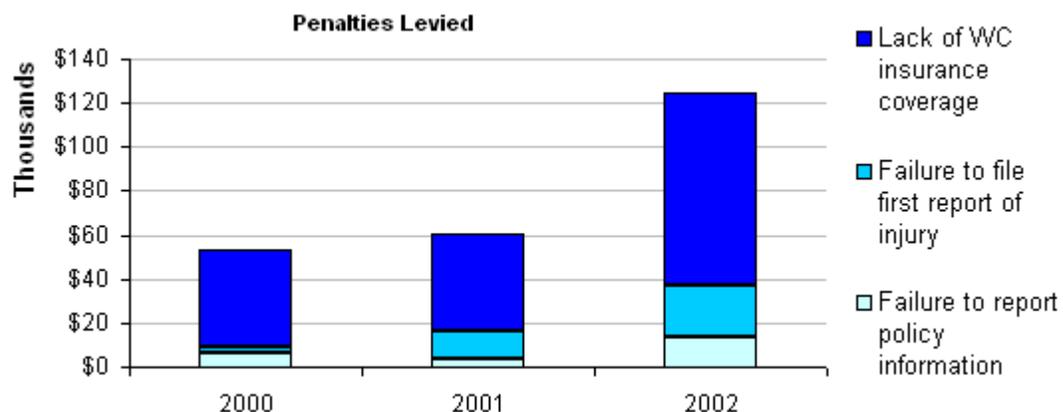
Indemnity savings is estimated for patients discharged to return to work from Donley Center in 2002 where the time between the injury and date of admission is over 3 months. The length of time between the date of discharge and the anticipated date of the 312 week gate is the estimated weeks of indemnity saved. The dollar amount of indemnity is calculated using a compensation rate of 75% of the average weekly wage for covered unemployment insured employers in calendar year 2001. (The 2002 rate will be available in June, 2003.)

Fraud and Compliance Unit Statistics

	2000	2001	2002
Independent Contractor Forms Filed	NA	7,754	6,756
Inquiries/Referrals	505	737	1,858
Fraud Referrals	*	210	101
Opened for investigation	*	140	46
From Insurers	17	31	30
Referred to AG	7	8	12
Penalties Levied			
Failure to report policy information	\$6,250	\$3,250	\$13,800
Failure to file first report of injury	\$3,000	\$13,000	\$23,270
Lack of WC insurance coverage	\$44,439	\$43,955	\$87,514
Waiver Filing Fees	\$745	\$4,205	\$9,515
Lack of Insurance Investigations	532	527	1,757

The Workers' Compensation Fraud Prevention Unit resides within the Rhode Island Department of Labor and Training. The Fraud Unit's work, pursuant to R.I.G.L. 42-16.1-12, is directed at reducing and preventing fraud in the workers' compensation system as well as ensuring employer and insurer compliance with the requirements of the Workers' Compensation Act.

There has been increased activity against those that fail to comply with the provisions of the Workers' Compensation Act. The Fraud Unit has increased the tempo of enforcement activity with penalties being imposed against those employers who have failed to file first reports of injury, and against insurers for failure to report insurance coverage for a business. Additionally, penalties have been levied against businesses for not having required insurance coverage. Our staff attends lack of insurance hearings and presents evidence. Each case is followed up and monitored to its eventual conclusion.



Penalties levied for non-compliance increased substantially in 2002. Penalties for lack of workers' compensation insurance nearly doubled from \$43,955 in 2001 to \$87,514 in 2002. Penalties for failure to file a first report of injury have risen dramatically from \$3,000 in 2000 to \$23,270 in 2002.

* Fraud and Compliance were not separated in 2000.