



Division of Workers' Compensation
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2007 Annual Report to
The Governor's Workers' Compensation Advisory Council
On The Workers' Compensation System

March 12, 2008

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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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Dr. John E. Donley Rehabilitation Center

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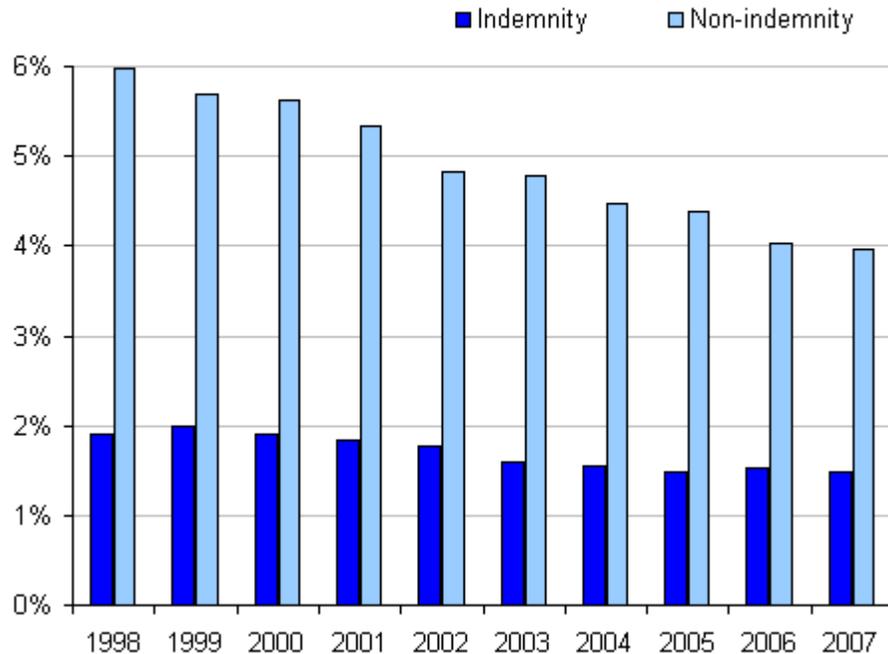
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Injuries from 1995 to 2007

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Indemnity Injuries	7,990	8,025	8,189	8,334	8,886	8,691	8,443	8,115	7,379	7,224	6,967	7,215	6,933
Non-Indemnity Injuries	26,525	27,363	24,694	26,180	25,436	25,730	24,438	22,091	22,119	20,816	20,471	18,994	18,611
Injuries	34,515	35,388	32,883	34,514	34,322	34,421	32,881	30,206	29,498	28,040	27,438	26,209	25,544
Covered Employment	422,701	423,693	430,520	437,544	446,422	456,700	458,238	458,212	462,374	466,403	467,811	470,632	470,300
Indemnity Rate	1.89%	1.89%	1.90%	1.90%	1.99%	1.90%	1.84%	1.77%	1.60%	1.55%	1.49%	1.53%	1.47%
Non-Indemnity Rate	6.28%	6.46%	5.74%	5.98%	5.70%	5.63%	5.33%	4.82%	4.78%	4.46%	4.38%	4.04%	3.96%
Injury Rate	8.17%	8.35%	7.64%	7.89%	7.69%	7.54%	7.18%	6.59%	6.38%	6.01%	5.87%	5.57%	5.43%

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 1.9% between 1995 and 2000. In 2001, the rate started to decline. It appears that there was overall decline in the rate of indemnity injuries in the last 7 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.

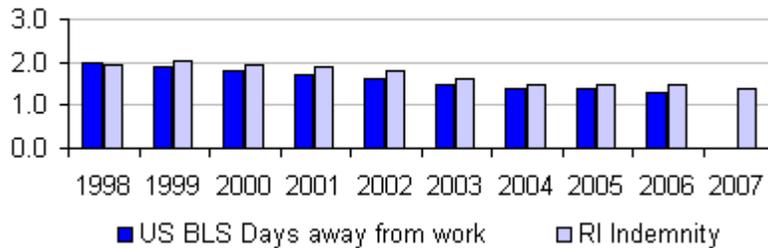
US and RI Injury Rate Comparison

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

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
US BLS: Cases involving days away from work	2.0	1.9	1.8	1.7	1.6	1.5	1.4	1.4	1.3	*
RI: Indemnity injuries & illnesses	1.9	2.0	1.9	1.9	1.8	1.6	1.5	1.5	1.5	1.4
US BLS: Total recordable cases	6.7	6.3	6.1	5.7	5.3	5.0	4.8	4.8	4.4	*
RI: Total injuries & illnesses	7.9	7.7	7.5	7.2	6.6	6.4	6.0	5.9	5.6	5.4

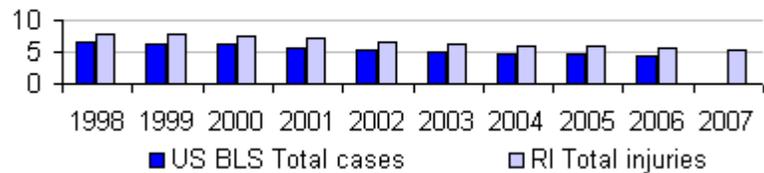
Work Days Lost and Indemnity



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 1998.

Total Injuries

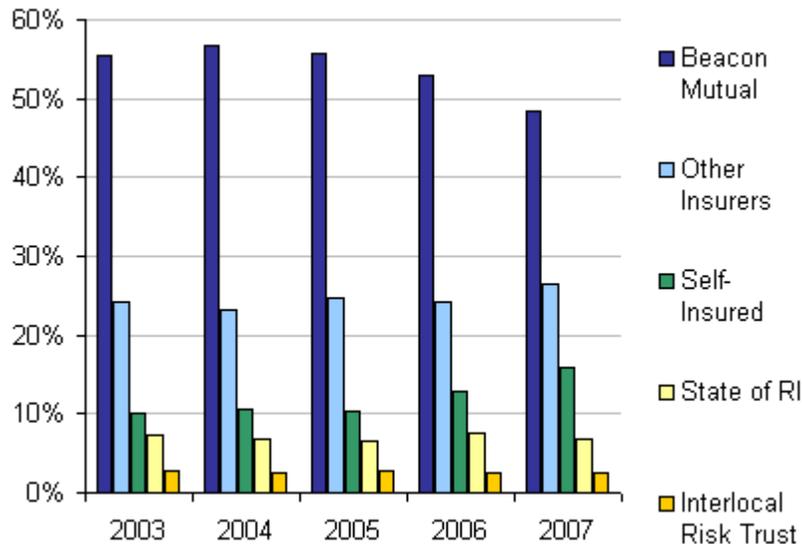


The total rate of injury for US BL and RI also show an overall decline from 1998 to 2006.

* BLS figures for 2007 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	
1998	2,675	31.5%	1,439	17.0%	499	5.9%	221	2.6%	3,651	43.0%	8,485
1999	3,342	37.0%	1,355	15.0%	509	5.6%	212	2.3%	3,611	40.0%	9,029
2000	3,805	43.2%	1,121	12.7%	563	6.4%	215	2.4%	3,101	35.2%	8,805
2001	4,255	49.5%	977	11.4%	581	6.8%	219	2.5%	2,567	29.9%	8,599
2002	4,054	53.7%	803	10.6%	540	7.1%	202	2.7%	1,955	25.9%	7,554
2003	4,096	55.5%	748	10.1%	539	7.3%	203	2.8%	1,793	24.3%	7,379
2004	4,098	56.7%	770	10.7%	488	6.8%	186	2.6%	1,682	23.3%	7,224
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



The distribution of indemnity injuries among the different types of insurers has changed dramatically since 1998. Beacon Mutual Insurance Company has increased its share of indemnity injuries from 31.5% in 1998 to a high of 56.7% in 2004. In 2007, Beacon Mutual's share dropped to 48.4%.

The percent of injuries to self-insured employers dropped from a high of 32% in 1992, leveling at about 10% from 2002 through 2005. It increased to 15.9% in 2007.

The RI state employees' share of injuries decreased from 7.5% in 2006 to 6.7% in 2007.

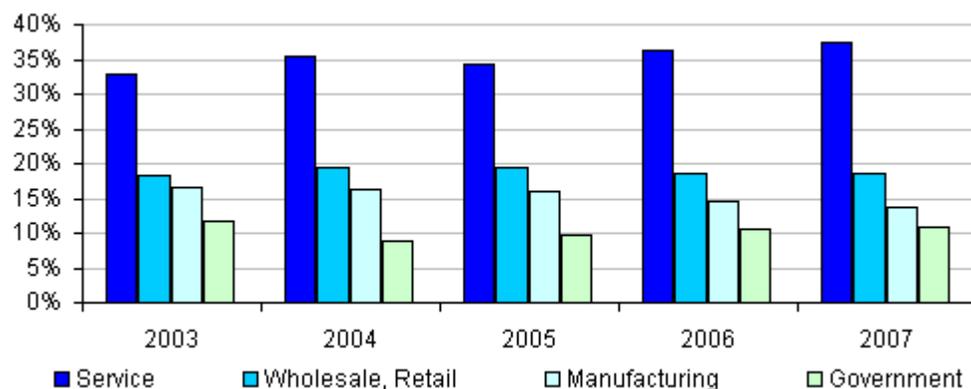
The Interlocal Risk Trust's percent of injuries averages 2.6% for the last 10 years.

Other insurers' (mostly private insurers) percent of injuries was 26.5% in 2007, a slight increase from the year before.

Distribution of Indemnity Injuries by Employer Sector

Indemnity Injuries	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Agriculture, Fishing, Forestry	69	85	118	124	124	87	109	107	118	94
Mining	12	11	9	3	7	8	11	5	3	8
Construction	505	709	626	708	598	602	602	552	574	513
Manufacturing	2,210	2,071	1,932	1,665	1,324	1,222	1,173	1,117	1,045	958
Transportation & Public Utilities	564	662	703	712	642	652	598	607	596	575
Wholesale & Retail Trade	1,538	1,733	1,691	1,632	1,419	1,348	1,398	1,348	1,343	1,278
Finance, Insurance, Real Estate	189	198	201	196	182	170	149	162	143	168
Service Industry	2,608	2,748	2,635	2,643	2,437	2,432	2,550	2,394	2,625	2,588
Government & Other	790	812	890	916	821	858	634	675	768	751
Total	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215	6,933

Distribution by Sector	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Service Industry	30.7%	30.4%	29.9%	30.7%	32.3%	33.0%	35.3%	34.4%	36.4%	37.3%
Wholesale & Retail Trade	18.1%	19.2%	19.2%	19.0%	18.8%	18.3%	19.4%	19.3%	18.6%	18.4%
Manufacturing	26.0%	22.9%	21.9%	19.4%	17.5%	16.6%	16.2%	16.0%	14.5%	13.8%
Government & Other	9.3%	9.0%	10.1%	10.7%	10.9%	11.6%	8.8%	9.7%	10.6%	10.8%
Transportation & Public Utilities	6.6%	7.3%	8.0%	8.3%	8.5%	8.8%	8.3%	8.7%	8.3%	8.3%
Construction	6.0%	7.9%	7.1%	8.2%	7.9%	8.2%	8.3%	7.9%	8.0%	7.4%
Finance, Insurance, Real Estate	2.2%	2.2%	2.3%	2.3%	2.4%	2.3%	2.1%	2.3%	2.0%	2.4%
Agriculture, Fishing, Forestry	0.8%	0.9%	1.3%	1.4%	1.6%	1.2%	1.5%	1.5%	1.6%	1.4%
Mining	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.2%	0.1%	0.0%	0.1%

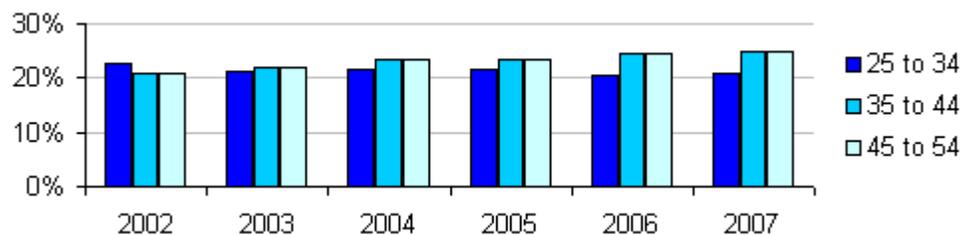


An average of 33.0% of indemnity injuries occurred in the service sector for the past 10 years. While 26.0% of indemnity injuries occurred in the manufacturing sector in 1998, that percent has declined to 13.8% in 2007, following the drop in manufacturing employment. Indemnity injuries in the wholesale and retail sector have remained stable. Transportation, communication and public utilities sector shows a 10 year average of 8.1%. The construction sector averaged 7.7% of injuries in the past 10 years.

Indemnity Injuries by Age

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Under 16	9	19	15	7	4	6	4	5	2	3
16 to 18	176	219	187	183	143	113	127	105	130	89
19 to 24	959	968	961	960	791	769	814	782	788	799
25 to 34	2,083	2,160	2,075	1,933	1,704	1,576	1,557	1,507	1,483	1,434
35 to 44	2,407	2,598	2,502	2,529	2,087	1,961	1,926	1,816	1,824	1,650
45 to 54	1,555	1,652	1,687	1,734	1,566	1,630	1,696	1,625	1,760	1,731
55 to 64	650	747	763	706	730	827	744	807	842	881
65 and over	121	131	124	148	114	124	154	147	183	159
Not reported	525	535	491	399	415	373	202	173	203	187
Total	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215	6,933

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Under 16	0.1%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%
16 to 18	2.1%	2.4%	2.1%	2.1%	1.9%	1.5%	1.8%	1.5%	1.8%	1.3%
19 to 24	11.3%	10.7%	10.9%	11.2%	10.5%	10.4%	11.3%	11.2%	10.9%	11.5%
25 to 34	24.5%	23.9%	23.6%	22.5%	22.6%	21.4%	21.6%	21.6%	20.6%	20.7%
35 to 44	28.4%	28.8%	28.4%	29.4%	27.6%	26.6%	26.7%	26.1%	25.3%	23.8%
45 to 54	18.3%	18.3%	19.2%	20.2%	20.7%	22.1%	23.5%	23.3%	24.4%	25.0%
55 to 64	7.7%	8.3%	8.7%	8.2%	9.7%	11.2%	10.3%	11.6%	11.7%	12.7%
65 and over	1.4%	1.5%	1.4%	1.7%	1.5%	1.7%	2.1%	2.1%	2.5%	2.3%
Not reported	6.2%	5.9%	5.6%	4.6%	5.5%	5.1%	2.8%	2.5%	2.8%	2.7%

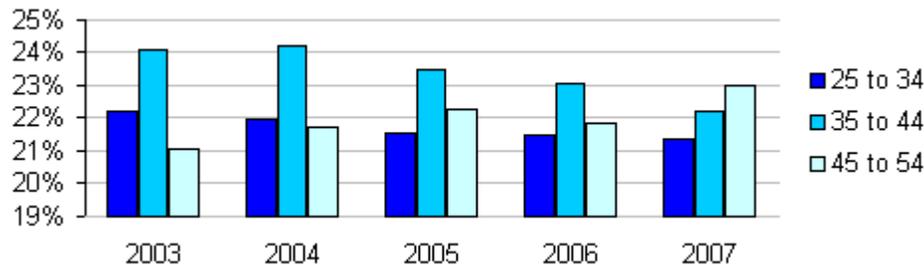


Indemnity injuries have decreased in frequency from 24.5% to workers aged 25-34 in 1998 to 20.7% in 2007. Indemnity injuries for workers aged 45 to 54 increased from 18.3% in 1998 to 25% in 2007. In general, indemnity injuries have shifted from younger to older workers in most age ranges in the last 10 years. This trend is likely due to an aging of the RI workforce.

Non-Indemnity Injuries by Age

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Under 16	46	64	48	49	46	33	19	22	17	18
16 to 18	907	863	888	751	593	579	537	550	517	402
19 to 24	3,640	3,510	3,635	3,429	3,038	3,133	2,984	3,049	2,908	2,648
25 to 34	6,778	6,424	6,084	5,507	5,042	4,919	4,577	4,405	4,079	3,978
35 to 44	6,852	6,558	6,720	6,316	5,736	5,332	5,041	4,810	4,377	4,132
45 to 54	4,358	4,499	4,707	4,723	4,406	4,664	4,526	4,555	4,148	4,286
55 to 64	1,872	1,886	2,004	2,021	1,977	2,272	2,212	2,136	2,031	2,186
65 and over	266	301	350	337	296	321	375	364	348	384
Not reported	1,309	1,180	1,158	1,056	936	866	545	580	569	577
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994	18,611

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Under 16	0.2%	0.3%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
16 to 18	3.5%	3.4%	3.5%	3.1%	2.7%	2.6%	2.6%	2.7%	2.7%	2.2%
19 to 24	14.0%	13.9%	14.2%	14.2%	13.8%	14.2%	14.3%	14.9%	15.3%	14.2%
25 to 34	26.0%	25.4%	23.8%	22.8%	22.8%	22.2%	22.0%	21.5%	21.5%	21.4%
35 to 44	26.3%	25.9%	26.3%	26.1%	26.0%	24.1%	24.2%	23.5%	23.0%	22.2%
45 to 54	16.7%	17.8%	18.4%	19.5%	20.0%	21.1%	21.7%	22.3%	21.8%	23.0%
55 to 64	7.2%	7.5%	7.8%	8.4%	9.0%	10.3%	10.6%	10.4%	10.7%	11.7%
65 and over	1.0%	1.2%	1.4%	1.4%	1.3%	1.5%	1.8%	1.8%	1.8%	2.1%
Not reported	5.0%	4.7%	4.5%	4.4%	4.2%	3.9%	2.6%	2.8%	3.0%	3.1%



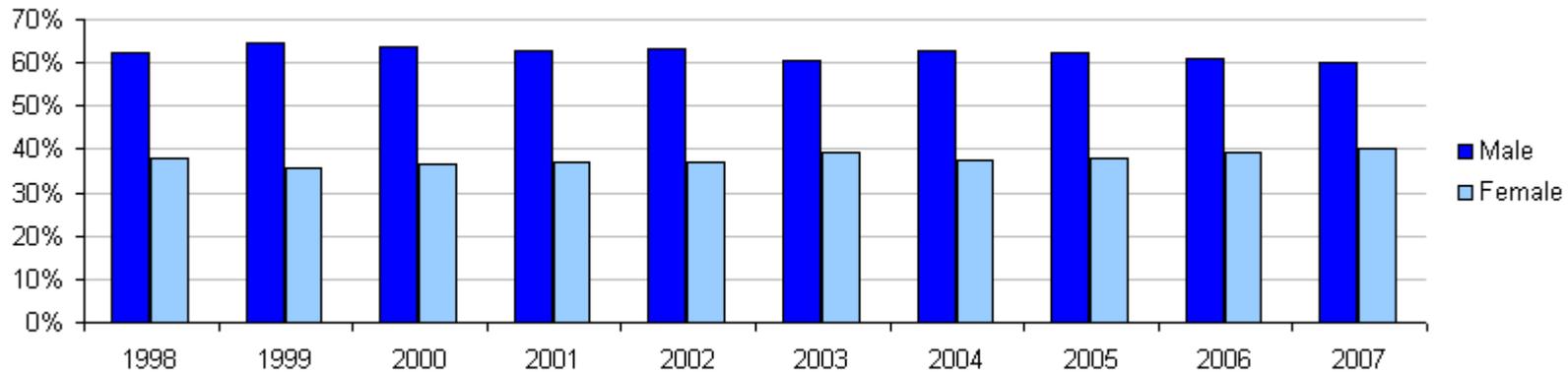
Non-indemnity injuries to workers aged 45 to 54 increased from 16.7% of all non-indemnity injuries in 1998 to 23% in 2007. Non-indemnity injuries for workers aged 55 to 64 and aged 65 and over also increased from 1998 to 2007, while non-indemnity injuries to younger workers declined.

Indemnity Injuries by Gender

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Male	4,876	5,413	5,336	5,318	4,691	4,242	4,389	4,214	4,244	4,032
Female	2,976	2,996	3,073	3,138	2,743	2,766	2,608	2,559	2,734	2,688
Not reported	633	620	396	143	120	371	227	194	237	212
Total	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215	6,933
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Male (percent of reported)	62.1%	64.4%	63.5%	62.9%	63.1%	60.5%	62.7%	62.2%	60.8%	60.0%
Female (percent of reported)	37.9%	35.6%	36.5%	37.1%	36.9%	39.5%	37.3%	37.8%	39.2%	40.0%

	2006
US BLS Occupational Injuries & Illnesses with Days away from Work	
Male	65.6%
Female	34.1%

Distribution of indemnity injuries by gender in the last 10 years shows a small decrease of injuries to males and increase of injuries to females. For 2007, indemnity injuries in RI were more evenly divided between males and females than are shown in the 2006 US BLS figures.



Non-Indemnity Injuries by Gender

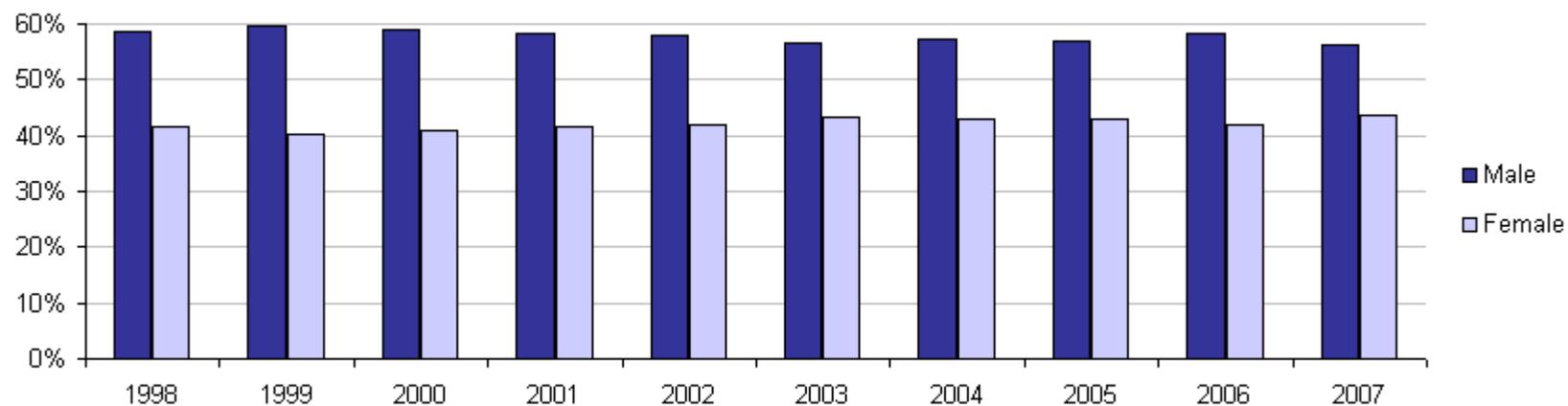
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Male	14,272	14,333	14,621	13,909	12,675	12,027	11,564	11,311	10,663	10,139
Female	10,136	9,642	10,116	9,897	9,201	9,222	8,671	8,520	7,679	7,837
Gender not reported	1,620	1,310	857	383	194	870	581	640	652	635
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994	18,611

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Male (percent of reported)	58.5%	59.8%	59.1%	58.4%	57.9%	56.6%	57.1%	57.0%	58.1%	56.4%
Female (percent of reported)	41.5%	40.2%	40.9%	41.6%	42.1%	43.4%	42.9%	43.0%	41.9%	43.6%

US Employment, age 16 years and over (BLS)

	January 2007
Male	53.3%
Female	46.7%

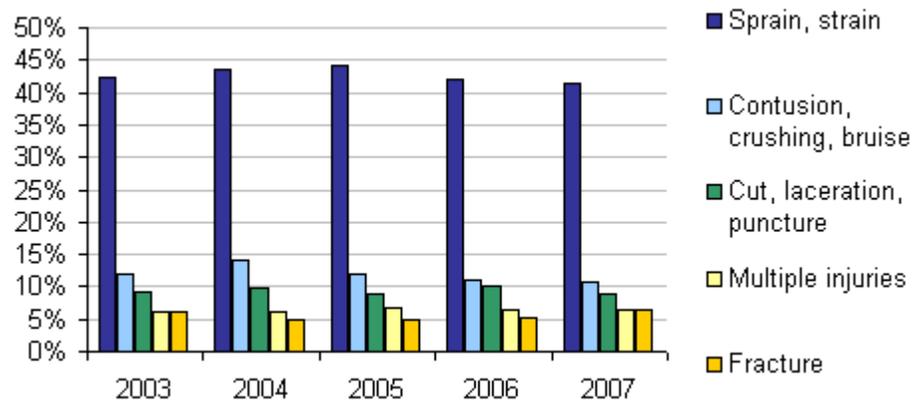
The percentage of non-indemnity injuries to males decreased from 58.5% in 1998 to 56.4% in 2007. The change in distribution between males and females brings the injury rate closer to the distribution of US employment by gender.



Indemnity Injuries by Nature of Injury

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Sprain, strain	3,543	3,376	3,364	3,663	3,056	3,132	3,154	3,084	3,030	2,868
Contusion, crushing, bruise	999	936	1,056	1,061	802	888	1,015	829	790	744
Cut, laceration, puncture	862	946	926	898	786	674	712	617	730	623
Fracture	500	512	582	522	444	445	447	474	460	451
Multiple injuries	365	344	247	458	475	455	355	344	370	437
Inflammation, irritation	618	652	1,093	304	212	218	217	171	180	140
Burn from heat	213	214	217	199	154	128	121	125	180	130
Other	1,385	2,049	1,320	1,494	1,625	1,439	1,203	1,323	1,475	1,540
Total	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215	6,933

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Sprain, strain	41.8%	37.4%	38.2%	42.6%	40.5%	42.4%	43.7%	44.3%	42.0%	41.4%
Contusion, crushing, bruise	11.8%	10.4%	12.0%	12.3%	10.6%	12.0%	14.1%	11.9%	10.9%	10.7%
Cut, laceration, puncture	10.2%	10.5%	10.5%	10.4%	10.4%	9.1%	9.9%	8.9%	10.1%	9.0%
Multiple injuries	5.9%	5.7%	6.6%	6.1%	5.9%	6.0%	6.2%	6.8%	6.4%	6.5%
Fracture	4.3%	3.8%	2.8%	5.3%	6.3%	6.2%	4.9%	4.9%	5.1%	6.3%
Inflammation, irritation	7.3%	7.2%	12.4%	3.5%	2.8%	3.0%	3.0%	2.5%	2.5%	2.0%
Burn from heat	2.5%	2.4%	2.5%	2.3%	2.0%	1.7%	1.7%	1.8%	2.5%	1.9%
Other	16.3%	22.7%	15.0%	17.4%	21.5%	19.5%	16.7%	19.0%	20.4%	22.2%

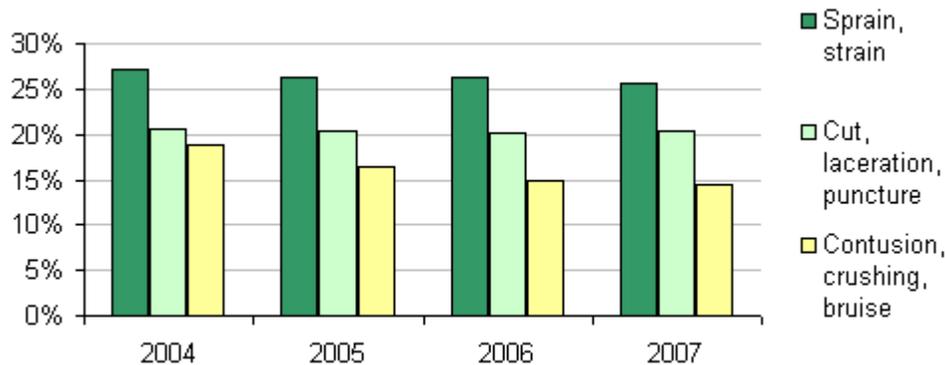


Sprains and strains are by far the most frequently occurring nature of injury for indemnity injuries. The percent of injuries with sprain or strain averages 42.7% for the last 5 years. The next most frequently occurring indemnity injuries are contusion, crushing and bruise injuries, with an average of 11.9% over the last 5 years. Cut, laceration and puncture injuries are the next most frequent with an average of 9.4%. Multiple nature of injuries averaged 6.4%. Fractures averaged 5.5%, dropping to 4.9% for 2004 and 2005. 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	2007
Sprain, strain	6,750	6,590	6,628	7,169	5,883	5,844	5,645	5,365	4,979	4,768
Cut, laceration, puncture	4,923	4,668	4,761	4,586	4,355	4,386	4,299	4,159	3,826	3,792
Contusion, crushing, bruise	4,678	4,416	4,812	4,507	4,121	3,980	3,917	3,340	2,820	2,698
Multiple injuries	606	500	451	760	764	926	772	685	698	815
Eye: disease, particle	1,132	1,082	1,037	1,028	881	789	795	889	978	786
Exposed to germs	532	602	652	659	589	658	393	429	486	541
Burn from heat	708	642	674	616	551	561	535	547	465	448
Other	6,699	6,785	6,579	4,864	4,926	4,975	4,460	5,057	4,742	4,763
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994	18,611

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Sprain, strain	25.9%	26.1%	25.9%	29.6%	26.7%	26.4%	27.1%	26.2%	26.2%	25.6%
Cut, laceration, puncture	18.9%	18.5%	18.6%	19.0%	19.7%	19.8%	20.7%	20.3%	20.1%	20.4%
Contusion, crushing, bruise	18.0%	17.5%	18.8%	18.6%	18.7%	18.0%	18.8%	16.3%	14.8%	14.5%
Eye: disease, particle	2.3%	2.0%	1.8%	3.1%	3.5%	4.2%	3.7%	3.3%	3.7%	4.2%
Multiple injuries	4.3%	4.3%	4.1%	4.2%	4.0%	3.6%	3.8%	4.3%	5.1%	4.4%
Exposed to germs	2.0%	2.4%	2.5%	2.7%	2.7%	3.0%	1.9%	2.1%	2.6%	2.9%
Burn from heat	2.7%	2.5%	2.6%	2.5%	2.5%	2.5%	2.6%	2.7%	2.4%	2.4%
Other	25.7%	26.8%	25.7%	20.1%	22.3%	22.5%	21.4%	24.7%	25.0%	25.6%

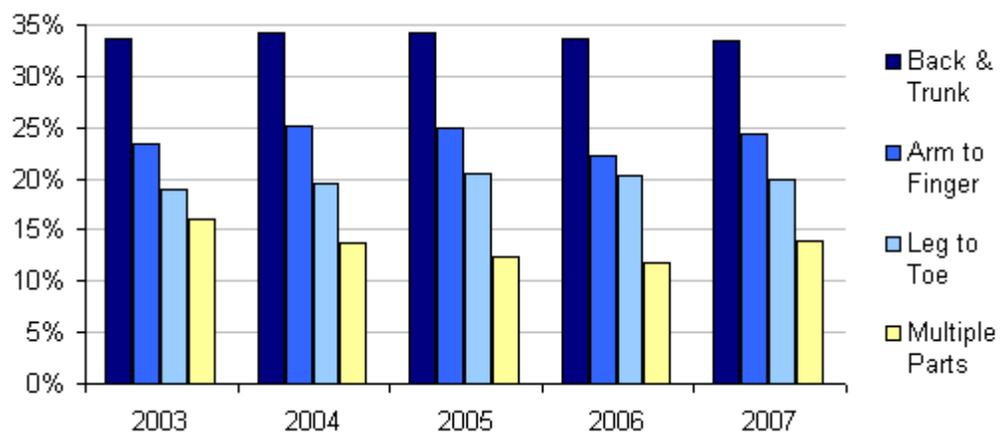


Sprains and strains are the most frequently occurring non-indemnity injury. An average of 26.3% of non-indemnity injuries from 2004 to 2007 are sprains or strains. The next most frequent non-indemnity injuries are cut, laceration and puncture injuries, followed very closely by contusion, crushing, and bruise injuries. An average of 20.4% of non-indemnity injuries between 2004 and 2007 were cut, laceration or puncture. Contusion, crushing and bruise injuries averaged 16.1% for the same period.

Indemnity Injuries by Body Part

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Back & Trunk	2,892	2,981	2,977	2,818	2,496	2,481	2,477	2,381	2,422	2,314
Arm to Finger	2,250	2,368	2,414	2,327	1,904	1,727	1,814	1,737	1,603	1,691
Leg to Toe	1,335	1,471	1,579	1,549	1,406	1,392	1,417	1,432	1,467	1,386
Multiple Parts	826	912	652	1,100	1,124	1,179	996	861	851	960
Head, all parts	297	318	374	324	259	286	248	282	321	262
Neck	178	227	296	218	126	116	112	91	95	113
Other	707	752	513	263	239	198	160	183	456	207
Total	8,485	9,029	8,805	8,599	7,554	7,379	7,224	6,967	7,215	6,933

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Back & Trunk	34.1%	33.0%	33.8%	32.8%	33.0%	33.6%	34.3%	34.2%	33.6%	33.4%
Arm to Finger	26.5%	26.2%	27.4%	27.1%	25.2%	23.4%	25.1%	24.9%	22.2%	24.4%
Leg to Toe	15.7%	16.3%	17.9%	18.0%	18.6%	18.9%	19.6%	20.6%	20.3%	20.0%
Multiple Parts	9.7%	10.1%	7.4%	12.8%	14.9%	16.0%	13.8%	12.4%	11.8%	13.8%
Head, all parts	3.5%	3.5%	4.2%	3.8%	3.4%	3.9%	3.4%	4.0%	4.4%	3.8%
Neck	2.1%	2.5%	3.4%	2.5%	1.7%	1.6%	1.6%	1.3%	1.3%	1.6%
Other	8.3%	8.3%	5.8%	3.1%	3.2%	2.7%	2.2%	2.6%	6.3%	3.0%

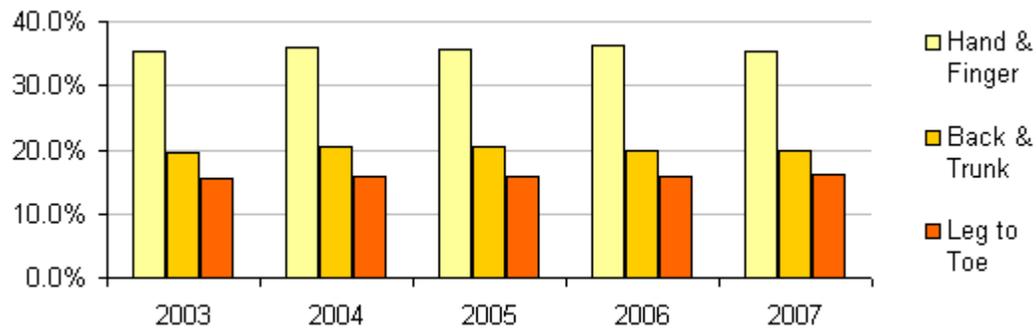


In the past 10 years, an average of 33.6% of indemnity injuries occurred to the back and trunk. An average of 25.5% of injuries occurred to the arm, including hand and wrist. Injuries to the leg, including the foot and toes made up an average of 18.6% of indemnity injuries for the same time frame. For the same time period, injuries to multiple body parts were 12.3% of injuries.

Non-Indemnity Injuries by Body Part

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Arm to Finger	9,421	9,031	9,208	8,729	8,073	7,806	7,514	7,272	6,873	6,565
Back & Trunk	5,203	5,282	5,596	5,014	4,291	4,331	4,251	4,164	3,797	3,682
Leg to Toe	3,667	3,782	3,937	3,809	3,334	3,437	3,307	3,228	2,984	2,981
Head, all parts	3,242	3,241	3,309	3,112	2,945	2,786	2,736	2,818	2,589	2,387
Multiple Parts	1,829	1,459	1,412	2,040	2,272	2,607	2,015	1,852	1,599	1,842
Neck	449	517	655	471	343	311	261	250	208	218
Other	2,217	1,973	1,477	1,014	812	841	732	887	944	936
Total	26,028	25,285	25,594	24,189	22,070	22,119	20,816	20,471	18,994	18,611

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Hand & Finger	36.2%	35.7%	36.0%	36.1%	36.6%	35.3%	36.1%	35.5%	36.2%	35.3%
Back & Trunk	20.0%	20.9%	21.9%	20.7%	19.4%	19.6%	20.4%	20.3%	20.0%	19.8%
Leg to Toe	14.1%	15.0%	15.4%	15.7%	15.1%	15.5%	15.9%	15.8%	15.7%	16.0%
Head, all parts	12.5%	12.8%	12.9%	12.9%	13.3%	12.6%	13.1%	13.8%	13.6%	12.8%
Multiple Parts	7.0%	5.8%	5.5%	8.4%	10.3%	11.8%	9.7%	9.0%	8.4%	9.9%
Neck	1.7%	2.0%	2.6%	1.9%	1.6%	1.4%	1.3%	1.2%	1.1%	1.2%
Other	8.5%	7.8%	5.8%	4.2%	3.7%	3.8%	3.5%	4.3%	5.0%	5.0%

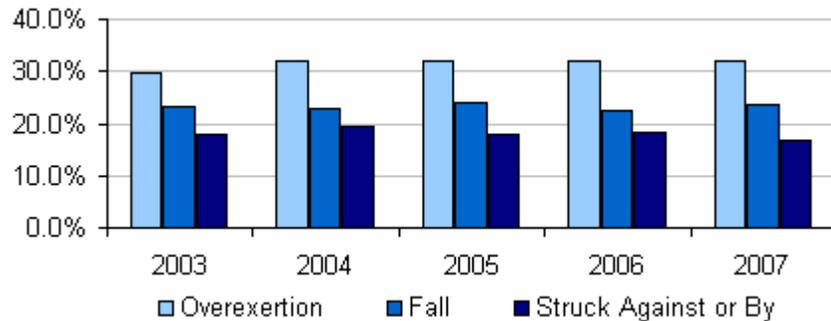


Non-indemnity injuries to the arm including hand and fingers occur most frequently, accounting for an average of 35.9% of non-indemnity injuries from 1998 to 2007. Injuries to the back and trunk area are the next most frequent, averaging 20.3% of non-indemnity injuries for that period. Injuries from leg to toe averaged 15.4% of non-indemnity injuries for the past 10 years.

Indemnity Injuries by Injury Type

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Average
Overexertion	2,496	2,713	2,633	2,435	2,133	2,183	2,320	2,220	2,316	2,222	2,367
Fall	1,575	1,778	1,965	2,014	1,796	1,717	1,640	1,685	1,625	1,648	1,744
Struck Against or By	1,501	1,715	1,665	1,696	1,599	1,322	1,395	1,237	1,327	1,171	1,463
Bodily Reaction	573	478	465	605	863	573	347	296	272	260	473
Caught In, Under, Between	550	502	484	433	425	301	307	302	332	294	393
Motor Vehicle Accident	270	272	273	304	287	263	224	254	207	253	261
Contact with Temperature Extremes	188	197	199	190	180	113	117	109	140	113	155
Assault	49	48	39	51	115	219	122	69	160	166	104
Rubbed or Abraded	81	78	100	95	105	50	33	46	55	55	70
Contact with Caustics	88	94	85	81	59	34	45	43	58	53	64
Particle in Eye	30	30	33	28	40	31	37	47	52	42	37
Animal, Insect Bite	31	24	17	28	23	16	20	21	19	21	22
Exposed to Germs	15	13	14	17	19	15	8	8	24	23	16
Other	18	27	32	33	24	12	19	28	21	13	23
Not Reported	235	294	292	292	345	479	549	541	569	548	414
No First Report on File	634	623	395	141	102	51	41	61	38	51	214
Total	8,334	8,886	8,691	8,443	8,115	7,379	7,224	6,967	7,215	6,933	7,819

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Average
Overexertion	29.9%	30.5%	30.3%	28.8%	26.3%	29.6%	32.1%	31.9%	32.1%	32.0%	30.3%
Fall	18.9%	20.0%	22.6%	23.9%	22.1%	23.3%	22.7%	24.2%	22.5%	23.8%	22.3%
Struck Against or By	18.0%	19.3%	19.2%	20.1%	19.7%	17.9%	19.3%	17.8%	18.4%	16.9%	18.7%



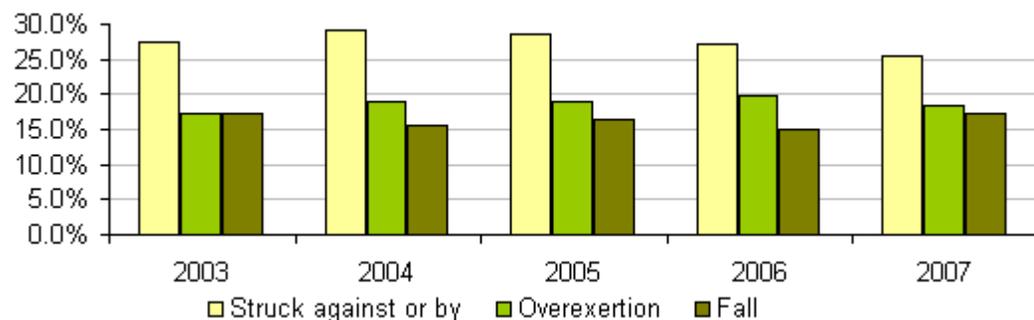
The most frequently occurring type of indemnity injury in the past 10 years is overexertion, followed by fall and struck against or by. Other types of indemnity injuries occur much less frequently.

While the number of injuries without first reports received has decreased since 1998, the number of injuries where the type of injury is not reported has been increasing.

Non-Indemnity Injuries by Injury Type

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Average
Struck against or by	8,037	7,693	7,622	7,286	6,464	6,080	6,078	5,848	5,155	4,742	6,501
Overexertion	4,548	4,637	4,836	4,272	3,794	3,841	3,944	3,892	3,759	3,423	4,095
Fall	3,605	3,772	4,298	4,210	3,465	3,813	3,242	3,343	2,848	3,208	3,580
Caught In, Under, Between	1,676	1,574	1,582	1,286	1,116	919	931	797	760	710	1,135
Particle in Eye	1,097	1,117	1,161	1,126	977	836	852	893	981	791	983
Bodily Reaction	1,062	1,010	804	1,369	1,433	1,173	651	562	432	457	895
Exposed to Germs	601	599	680	648	647	697	473	588	685	633	625
Contact with Temperature Extremes	684	649	669	677	622	550	551	483	427	406	572
Contact with Caustics	724	718	767	657	460	430	422	474	454	383	549
Assault	157	59	49	60	668	1,075	693	520	756	967	500
Rubber or Abraded	602	615	742	619	381	299	283	302	310	340	449
Motor Vehicle Accident	422	386	396	415	374	405	330	348	303	338	372
Animal, Insect Bite	370	313	325	411	344	380	343	320	303	371	348
Other	111	111	112	100	88	63	71	118	94	78	95
Not Reported	865	872	828	939	1,043	1,530	1,922	1,822	1,583	1,662	1,307
No Statistics on File	1,619	1,311	859	363	215	28	30	161	144	102	483
Total	26,180	25,436	25,730	24,438	22,091	22,119	20,816	20,471	18,994	18,611	22,489

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Average
Struck against or by	30.7%	30.2%	29.6%	29.8%	29.3%	27.5%	29.2%	28.6%	27.1%	25.5%	28.9%
Overexertion	17.4%	18.2%	18.8%	17.5%	17.2%	17.4%	18.9%	19.0%	19.8%	18.4%	18.2%
Fall	13.8%	14.8%	16.7%	17.2%	15.7%	17.2%	15.6%	16.3%	15.0%	17.2%	15.9%



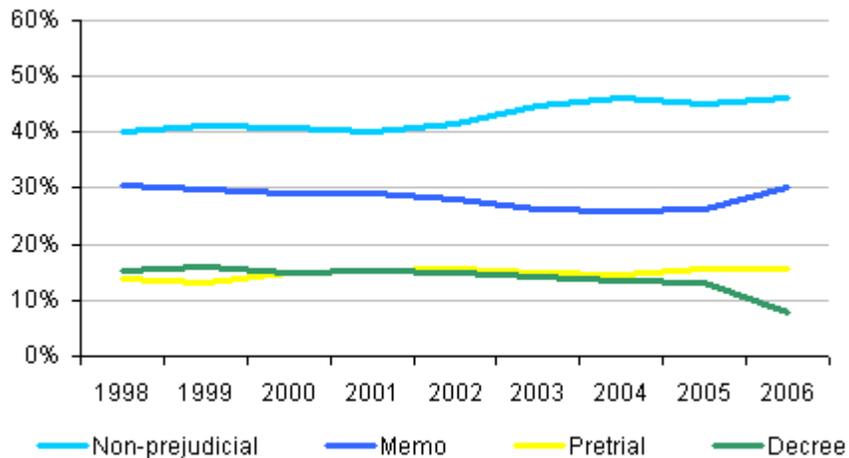
The most frequent type of non-indemnity injury is struck against or by something, followed by overexertion and falls. Those three types of injury make up an average of about 63% of all non-indemnity injuries for the past 10 years.

Fatalities

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Total
Compensable Fatalities	7	7	3	6	5	12	2	4	6	0	52
Gender											
Female	2	0	0	1	2	2	0	0	0	2	9
Male	5	7	3	5	3	10	2	4	6	0	45
County											
Kent	0	0	0	3	0	6	1	0	3	0	13
Newport	0	0	1	0	0	0	0	0	0	0	1
Providence	4	4	0	2	3	4	1	3	3	0	24
Washington	2	2	0	0	0	0	0	1	0	1	6
Out of State	1	1	2	1	2	2	0	0	0	1	10
Accident Type											
Aircraft accident	0	1	0	1	0	0	0	0	0	0	2
Asbestosis	0	0	0	0	0	0	0	1	0	0	1
Assaulted or shot	1	0	0	1	1	0	0	0	0	0	3
Crushed	1	0	2	0	0	3	1	1	0	0	8
Electrocuted	0	2	0	1	0	0	0	0	1	0	4
Fell from elevation	0	1	0	0	0	1	0	0	0	0	2
Fire	0	0	0	0	0	6	0	0	0	0	6
Heart attack or stroke	1	0	0	0	0	0	0	0	1	0	2
Industrial vehicle accident	0	0	0	0	0	0	0	1	0	1	2
Motor vehicle accident	4	2	1	3	4	2	1	1	3	1	22
Struck by falling/flying object	0	0	0	0	0	0	0	0	1	0	1
Type not reported	0	1	0	0	0	0	0	0	0	0	1
Employer Type											
Construction	0	2	3	1	0	3	1	1	1	1	13
Manufacturing	1	3	0	2	1	1	0	0	0	0	8
Transport & Public Utilities	0	2	0	1	1	0	0	0	1	0	5
Wholesale & Retail	3	0	0	1	1	7	1	1	1	0	15
Finance, Insurance, Real Estate	1	0	0	0	0	0	0	0	0	0	1
Services	2	0	0	1	1	1	0	1	2	1	9
Government	0	0	0	0	1	0	0	1	1	0	3

Files Opened by Highest Level of Agreement or Order to Compensate

Files Opened	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Number of injury files opened	33,912	34,465	34,033	33,460	30,839	30,410	28,650	28,499	27,358	26,129
With no agreement	25,121	25,550	25,370	24,700	22,558	22,066	20,672	20,673	19,480	18,896
Under nonprejudicial agreement	3,526	3,664	3,548	3,509	3,429	3,734	3,692	3,522	3,634	3,630
Under memorandum of agreement	2,699	2,646	2,519	2,561	2,325	2,185	2,055	2,058	2,391	2,330
Under pretrial order	1,221	1,172	1,296	1,343	1,285	1,251	1,167	1,228	1,241	1,034
Under decree	1,345	1,433	1,300	1,347	1,242	1,174	1,064	1,018	612	239
Under agreement or decree total	8,791	8,915	8,663	8,760	8,281	8,344	7,978	7,826	7,878	7,233
Non-prejudicial rate	40.1%	41.1%	41.0%	40.1%	41.4%	44.8%	46.3%	45.0%	46.1%	50.2%
Memorandum rate	30.7%	29.7%	29.1%	29.2%	28.1%	26.2%	25.8%	26.3%	30.4%	32.2%
Pretrial rate	13.9%	13.1%	15.0%	15.3%	15.5%	15.0%	14.6%	15.7%	15.8%	14.3%
Decree rate	15.3%	16.1%	15.0%	15.4%	15.0%	14.1%	13.3%	13.0%	7.8%	3.3%

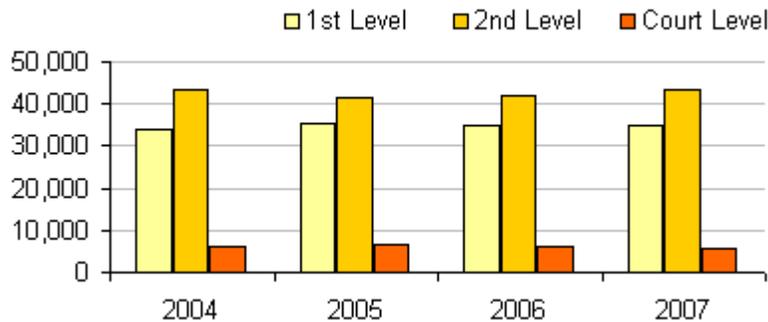


In 1998, 40.1% of all files with an agreement or decree were paid with a nonprejudicial agreement as the highest level of agreement or decree. Usage stays level through 2002, with increase to 50.2% in 2007. Note that recent files may change to show payment under a higher level of agreement or decree. The memorandum is the next most common used with a 10 year average rate of 28.8%.

The rate of files under pretrial order averages 14.8% for the past 10 years. The rate of files under decree on recent years' files is expected to rise as open litigation cases are resolved.

Filings Received Per Calendar Year

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
First Report of Injury	31,377	32,787	32,639	32,891	30,714	30,370	29,245	29,290	28,600	27,812
Non-Payment of Indemnity	18,094	19,529	19,491	18,783	16,643	1,935	666	0	0	0
Non-Indemnity Itemized Statement						107	4,161	5,891	6,383	7,235
First Level Filings	49,471	52,316	52,130	51,674	47,357	32,412	34,072	35,181	34,983	35,047
Nonprejudicial Agreement	7,676	7,983	7,606	7,692	7,208	7,549	7,795	7,495	7,297	7,301
Wage Statement	7,871	8,180	7,758	8,422	7,913	7,874	7,849	7,375	7,234	7,217
Dependency	5,573	5,948	5,494	5,985	5,483	5,432	5,125	4,824	4,851	4,940
Termination of Benefits	5,058	5,526	5,212	5,295	4,986	5,243	5,666	5,260	4,820	4,546
Memorandum of Agreement	3,915	3,780	3,609	3,962	3,588	3,375	3,383	3,074	3,205	3,342
Mutual Agreement	2,998	2,823	2,653	2,906	3,128	1,904	715	698	705	736
Interim Payment Report	2,322	3,333	2,853	3,020	3,056	2,570	2,918	2,387	2,462	2,877
Specific Payment Report	2,021	1,996	1,865	2,115	2,250	2,155	2,361	2,546	2,423	2,454
Final Payment Report	4,708	4,441	4,226	4,810	4,902	3,973	3,662	3,316	2,908	3,036
Suspension Agreement	2,964	2,811	2,640	2,886	2,652	2,386	2,355	2,206	2,304	2,441
Wage Transcript	19	16	12	28	23	22	28	7	12	7
Itemized Statement for Indemnity	0	0	0	1	0	334	1,775	2,119	3,763	4,524
Second Level Filings	45,125	46,837	43,928	47,122	45,189	42,817	43,632	41,307	41,984	43,421
Pretrial Order	3,889	4,014	4,488	4,976	4,918	4,699	4,719	4,576	4,491	4,085
Decree	2,222	1,810	1,993	1,907	2,147	1,836	1,565	1,843	1,807	1,781
Court Level Filings	6,111	5,824	6,481	6,883	7,065	6,535	6,284	6,419	6,298	5,866



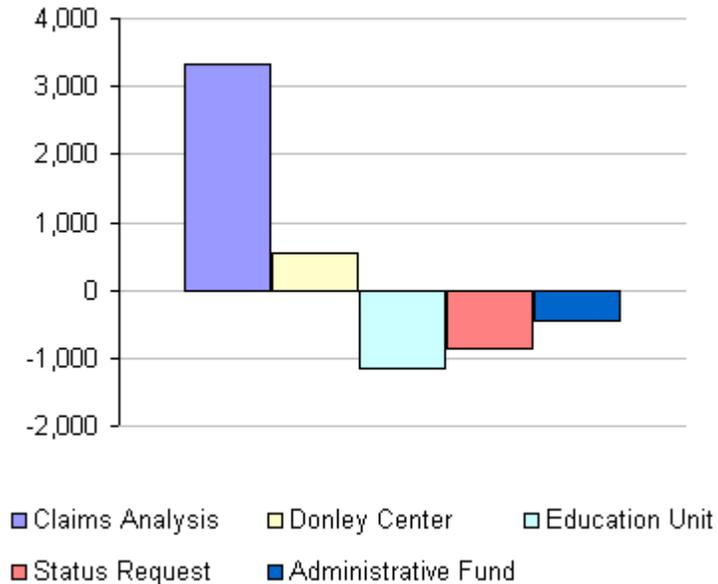
First Reports, Reports of Non-Payment of Indemnity Benefits and Non-Indemnity Itemized Statements are first level reports. In the second half of 2002, the Report of Non-Payment of Indemnity form was discontinued. The number of first reports received has declined since 2001 along with a decline in the number of injuries.

Second level reports include agreements to compensate, documents to end compensation, and reports of payments. An average of 44,136 second level filings were received in the last 10 years.

Summary of Notices

Notices Generated	2000	2001	2002	2003	2004	2005	2006	2007	Change from 2006 to 2007
Claims Analysis	17,426	18,471	16,836	15,914	16,880	10,489	3,598	6,938	3,340
First Report Compliance	5,472	6,128	4,461	1,649	2,039	1,972	1,979	1,580	-399
Donley Center	18,249	19,988	19,020	11,954	11,272	11,322	12,245	12,793	548
Education Unit	33,971	33,267	30,635	30,686	28,923	28,316	27,825	26,683	-1,142
IME & Annual Review	10,927	12,457	11,826	7,968	8,181	8,030	8,006	7,444	-562
Status Request	8,435	9,738	9,528	6,018	5,944	5,888	6,658	5,798	-860
Administrative Fund	1,798	1,833	1,326	1,076	1,031	995	883	420	-463
Total	96,278	101,882	93,632	75,265	74,270	67,012	61,194	61,656	462

Change from 2006 to 2007



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. In 2007, additional notices were added to target specific problems.

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. Compliance notices dropped to 1,580 in 2007 due to an improvement in quality and timeliness of first reports submitted.

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 increased in 2006, 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.

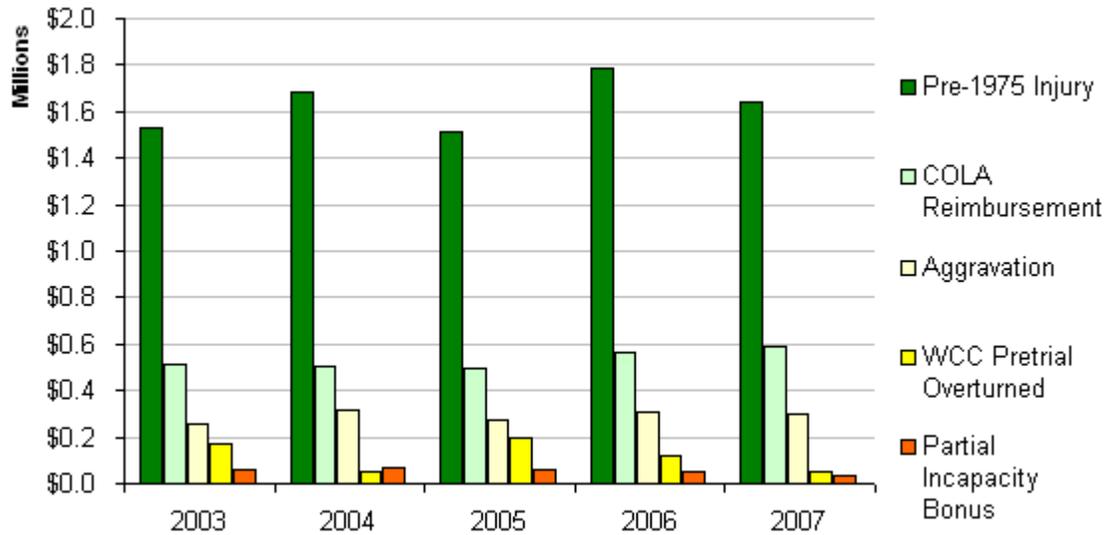
WCC Pretrial Overturned. RIGL § 28-35-20 (f) provides for reimbursement of payments made pursuant to an order of the Workers' Compensation Court that is later overturned or amended.

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 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

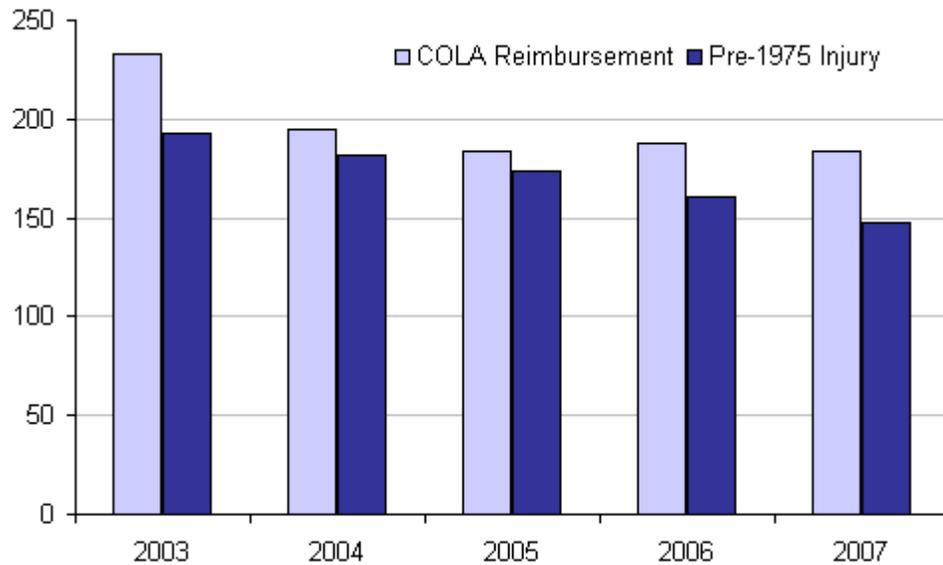
Amount Paid	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Pre-1975 Injury	\$2,080,103	\$1,629,944	\$1,631,669	\$1,640,010	\$1,841,880	\$1,529,564	\$1,686,002	\$1,513,879	\$1,789,737	\$1,644,535
COLA Reimbursement	\$296,584	\$319,364	\$452,229	\$493,602	\$458,963	\$513,839	\$502,285	\$496,496	\$562,029	\$593,388
Aggravation	\$784,945	\$538,650	\$415,393	\$250,501	\$296,247	\$254,262	\$318,951	\$277,615	\$310,117	\$295,733
WCC Pretrial Overturned	\$284,415	\$207,297	\$70,138	\$62,587	\$105,047	\$174,314	\$52,113	\$193,699	\$117,821	\$54,151
Partial Incentive Bonus	\$116,964	\$89,924	\$69,639	\$80,713	\$126,103	\$63,038	\$67,105	\$58,969	\$49,057	\$30,017
Total	\$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	\$2,617,824



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 care and costs offset the decrease in indemnity.

Number of Workers' Compensation Administrative Fund Claims Paid

Number of Claims Paid	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
COLA Reimbursement	169	234	259	251	211	233	195	184	188	184
Pre-1975 Injury	271	241	223	207	200	193	182	174	161	148
Aggravation	38	29	34	18	18	17	18	19	20	18
WCC Pretrial Overturned	26	15	11	7	9	8	4	7	6	3
Partial Incentive Bonus	7	4	4	4	4	3	3	3	2	3
Total	511	523	531	487	442	454	402	387	377	356

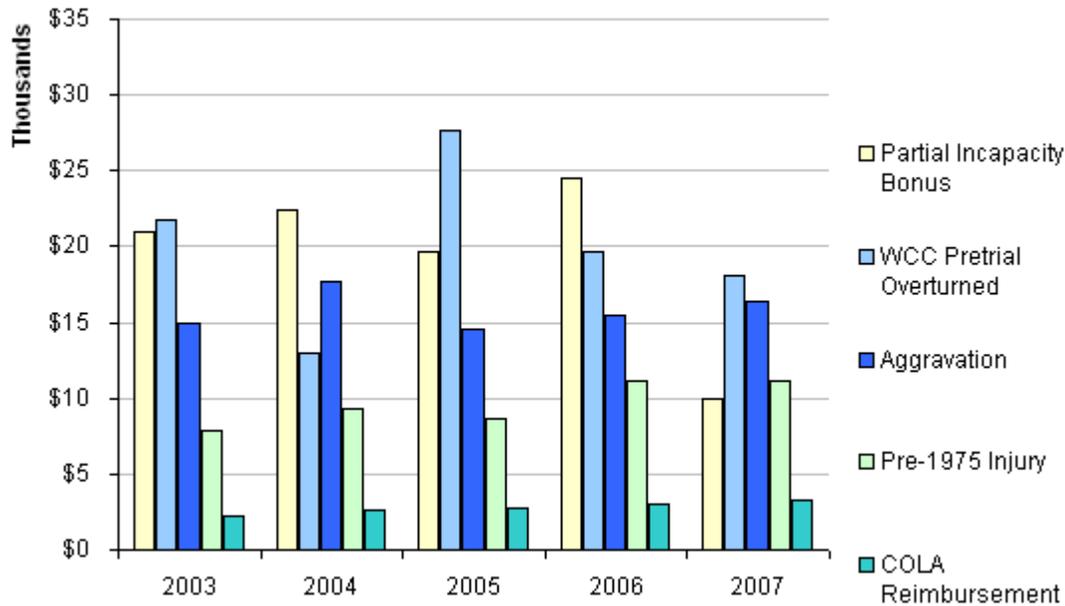


The pre-1975 injuries and claims for COLA Reimbursement account for the largest number of claims paid each year. As the pre-1975 injured workers age, the number of those claims paid is decreasing.

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

Average Amount Paid per Workers' Compensation Administrative Fund Claim

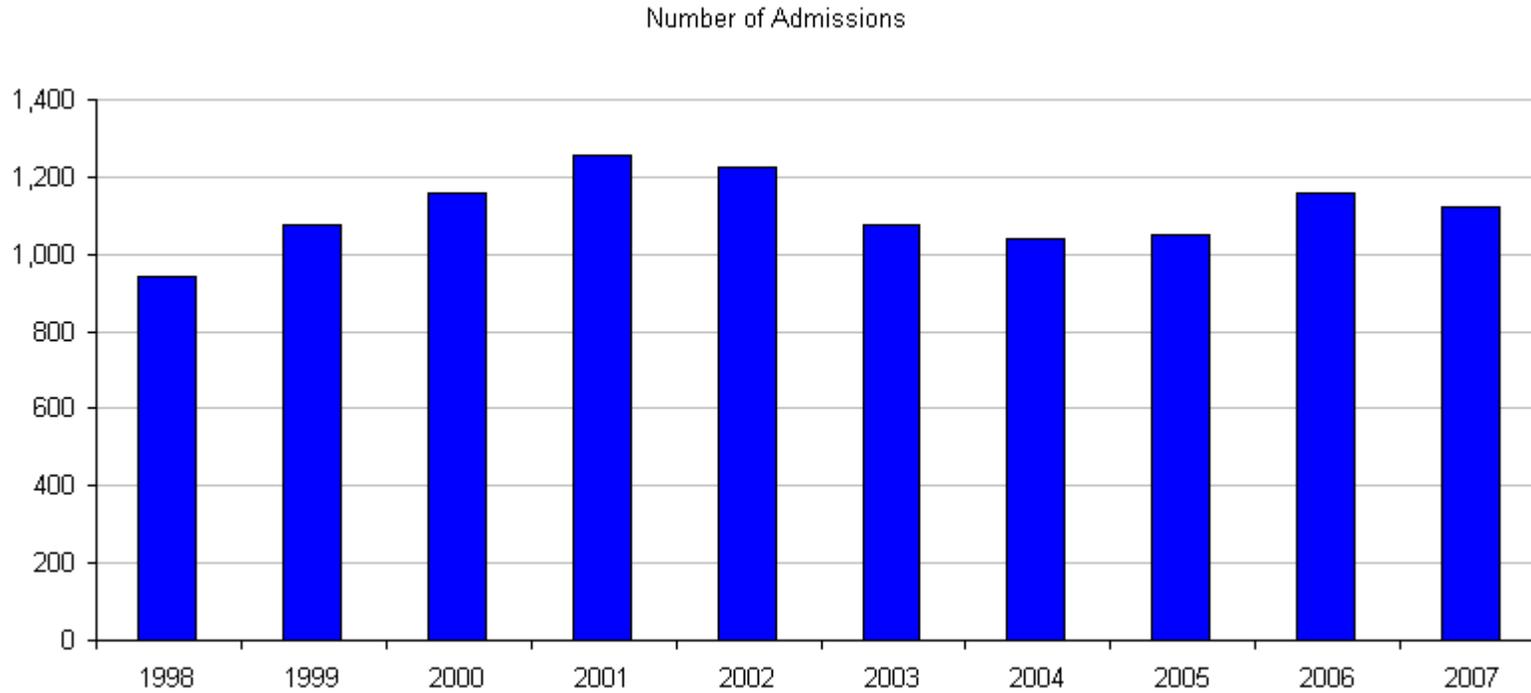
Average Paid per Claim	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Partial Incentive Bonus	\$16,709	\$22,481	\$17,410	\$20,178	\$31,526	\$21,013	\$22,368	\$19,656	\$24,529	\$10,006
WCC Pretrial Overturned	\$10,939	\$13,820	\$6,376	\$8,941	\$11,672	\$21,789	\$13,028	\$27,671	\$19,637	\$18,050
Aggravation	\$20,656	\$18,574	\$12,217	\$13,917	\$16,458	\$14,957	\$17,720	\$14,611	\$15,506	\$16,430
Pre-1975 Injury	\$7,676	\$6,763	\$7,317	\$7,923	\$9,209	\$7,925	\$9,264	\$8,700	\$11,116	\$11,112
COLA Reimbursement	\$1,755	\$1,365	\$1,746	\$1,967	\$2,175	\$2,205	\$2,576	\$2,698	\$2,990	\$3,225
Total	\$6,973	\$5,325	\$4,970	\$5,190	\$6,399	\$5,584	\$6,533	\$6,656	\$7,503	\$7,353



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 WCC Pretrial Overturned and Aggravation. The 2007 average for Partial Incentive Bonus is low for 2007 because one of the three claims was paid a small amount.

Dr. John E. Donley Rehabilitation Center Admissions

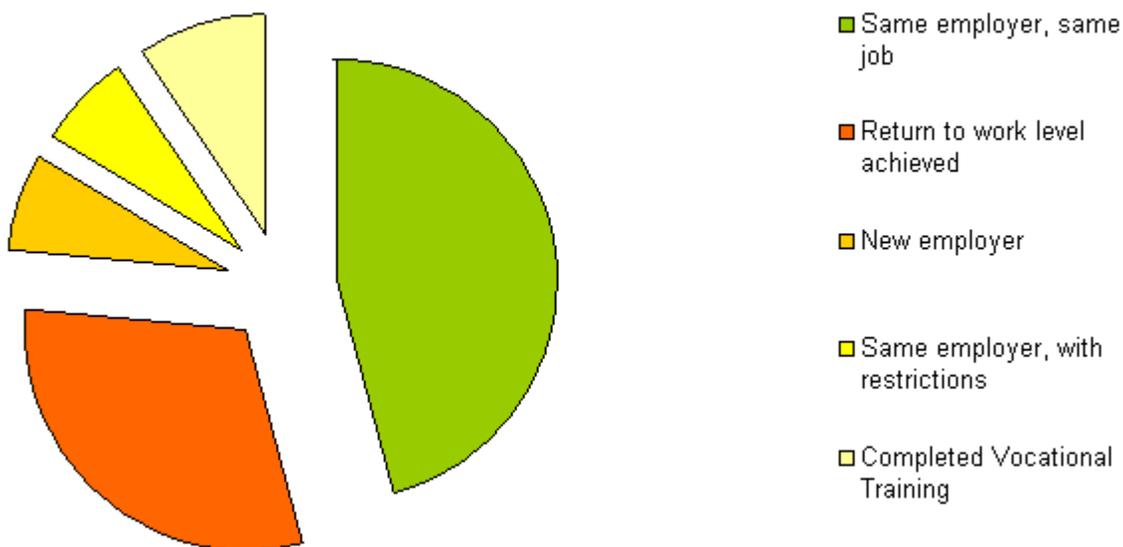
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Number of Admissions	941	1,077	1,157	1,258	1,224	1,078	1,038	1,048	1,158	1,124



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

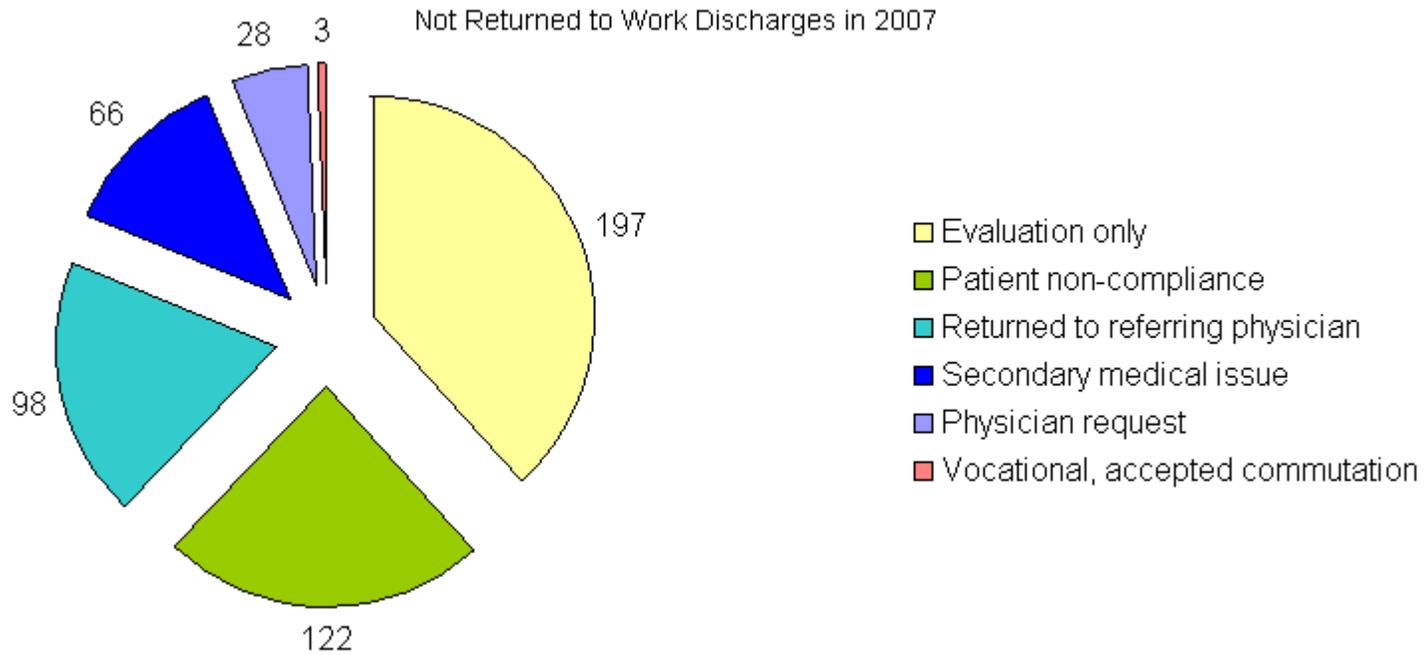
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Return to work level was achieved	310	375	397	514	483	527	441	469	605	606
Same employer, same job	171	218	215	271	236	257	213	191	258	277
Return to work level achieved	72	76	84	131	148	119	109	121	165	186
New employer	40	47	55	66	61	65	43	58	54	43
Same employer, with restrictions	27	34	43	46	38	46	41	39	42	42
Completed Vocational Training						40	35	60	86	58

Return to Work Discharges in 2007



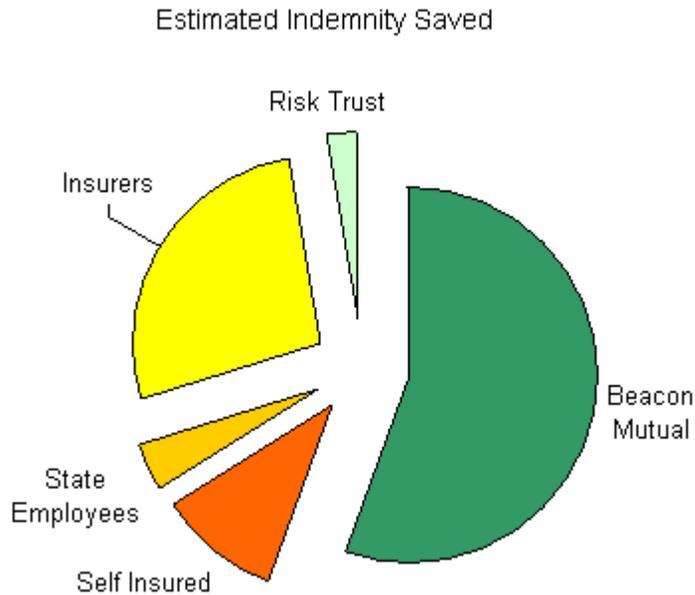
Dr. John E. Donley Rehabilitation Center Discharges Not Returned to Work

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Not Returned to Work	580	657	734	771	771	556	593	534	605	524
Evaluation only	255	294	251	281	337	236	250	224	249	197
Patient non-compliance	110	115	133	188	131	131	129	107	123	122
Returned to referring physician	81	74	121	141	112	77	105	94	128	98
Secondary medical issue	36	49	65	70	57	46	51	66	59	66
Physician request	27	27	51	46	45	45	52	35	33	28
Vocational, accepted commutation	0	0	0	9	15	12	5	3	1	3
Other	71	98	113	36	74	9	1	5	12	10



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	38,038	\$17,051,538
Self Insured	30	7,254	\$3,251,940
State Employees	13	3,007	\$1,348,163
Insurers	74	18,798	\$8,426,543
Risk Trust	7	1,806	\$809,654
Total	274	68,903	\$30,887,838

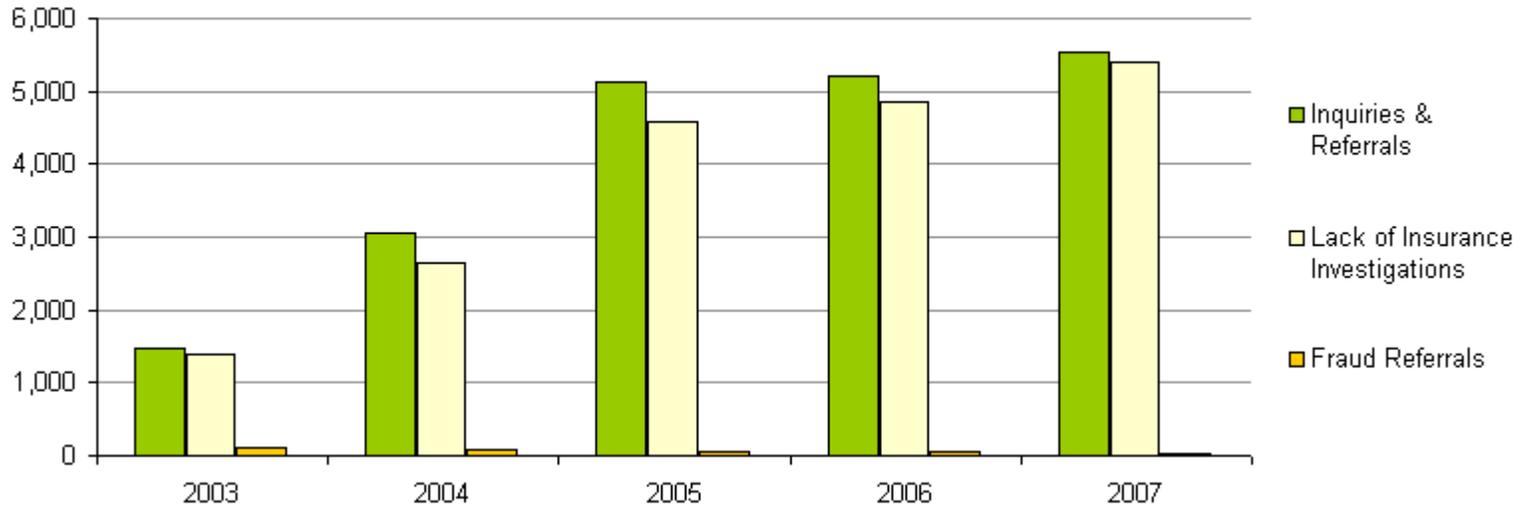


Indemnity savings is estimated for patients discharged to return to work from Donley Center in 2007 where the time between the injury and date of admission is over 3 months. The length of time between the date of discharge and the anticipated date of the 312 week gate is the estimated weeks of indemnity 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 2006.

Fraud & Compliance Unit Referrals, Inquiries and Filings

	2000	2001	2002	2003	2004	2005	2006	2007
Independent Contractor Forms Filed	NA	7,754	6,756	6,334	7,346	7,936	7,702	7,055
Inquiries/Referrals	505	737	1,858	1,483	3,062	5,121	5,219	5,534
Fraud Referrals	*	210	101	97	73	44	45	36
Opened for investigation	*	140	46	29	31	15	21	8
From Insurers	17	31	30	19	13	10	11	6
Referred to AG	7	8	12	9	12	5	4	5
Lack of Insurance Investigations	532	527	1,757	1,386	2,634	4,581	4,841	5,395

Investigations and Referrals

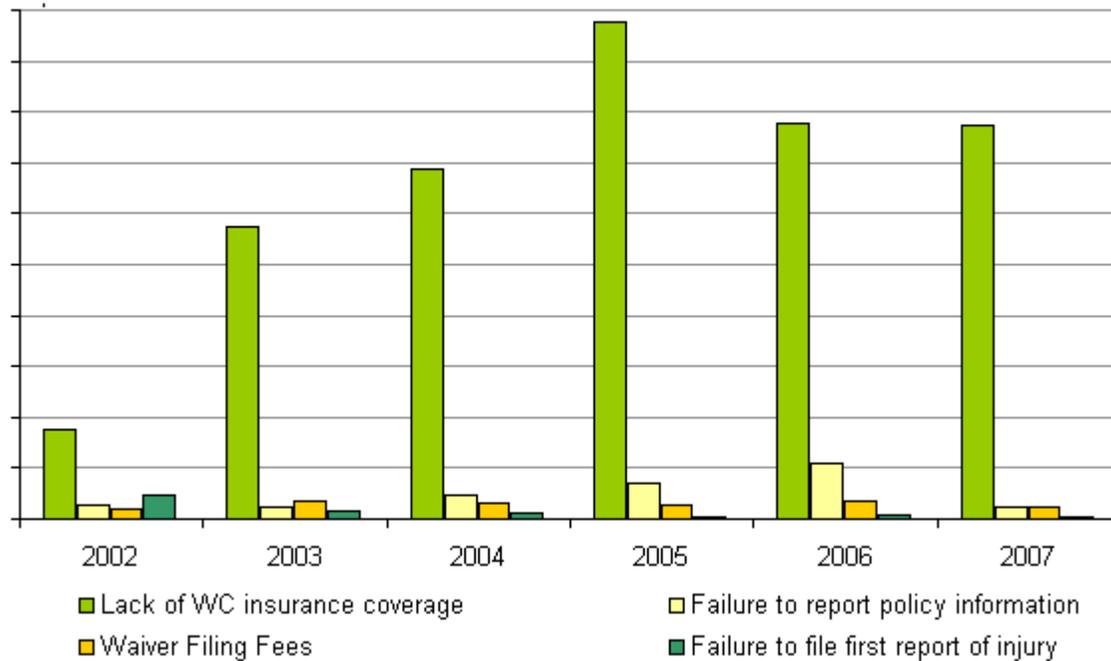


* Fraud and Compliance were not separated in 2000.

Fraud & Compliance Unit Penalties and Fees

	2000	2001	2002	2003	2004	2005	2006	2007
Lack of WC insurance coverage	\$44,439	\$43,955	\$87,514	\$286,872	\$342,884	\$488,246	\$389,033	\$387,316
Employers penalized	n/a	n/a	n/a	140	123	270	342	291
Average penalty	n/a	n/a	n/a	\$2,049	\$2,788	\$1,808	\$1,138	\$1,331
Failure to report policy information	\$6,250	\$3,250	\$13,800	\$11,250	\$22,750	\$35,750	\$54,750	\$11,250
Waiver filing fees	\$745	\$4,205	\$9,515	\$18,045	\$14,895	\$14,345	\$16,720	\$12,075
Failure to file First Report of Injury	\$3,000	\$13,000	\$23,270	\$8,000	\$5,000	\$1,250	\$3,500	\$1,750

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 peaked in 2006 at 342. Reporting of policy information is a key to determining employer coverage. Penalties for failure to report policy information increased to a high of \$54,750 in 2006.