

Workers' Compensation Advisory Committee (WCAC)

June 15, 2023



This meeting will be streamed by TVW

AGENDA

Time	Topic	Presenter(s)
9:00 am - 9:10 am	Welcome <ul style="list-style-type: none">• Introductions• Motion to approve minutes• Safety Message	Joel Sacks Mike Ratko Sheri Sundstrom
9:10 am – 9:35 am	General Updates <ul style="list-style-type: none">• COVID• WCSM• Budget Requests	Mike Ratko Liz Smith Joel Sacks
9:35 am – 9:45 am	Insurance Services Operational Health Dashboard	Mike Ratko
9:45 am – 9:55 am	Board of Industrial Insurance (BIIA) Update	Holly Kessler
9:55 am – 10:05 am	<i>Break</i>	
10:05 am – 11:15 am	Program Spotlight <ul style="list-style-type: none">• SHARP Overview• MSD Data Introduction• PTSD Overview	Dr. Dave Bonauto Dr. Jennifer Marcum Dr. Dave Bonauto
11:15 am – 11:35 am	Industrial Insurance State Fund Financial Overview	Rob Cotton
11:35 am – 11:55 am	Spanish Language Web Access Project	Tim Church

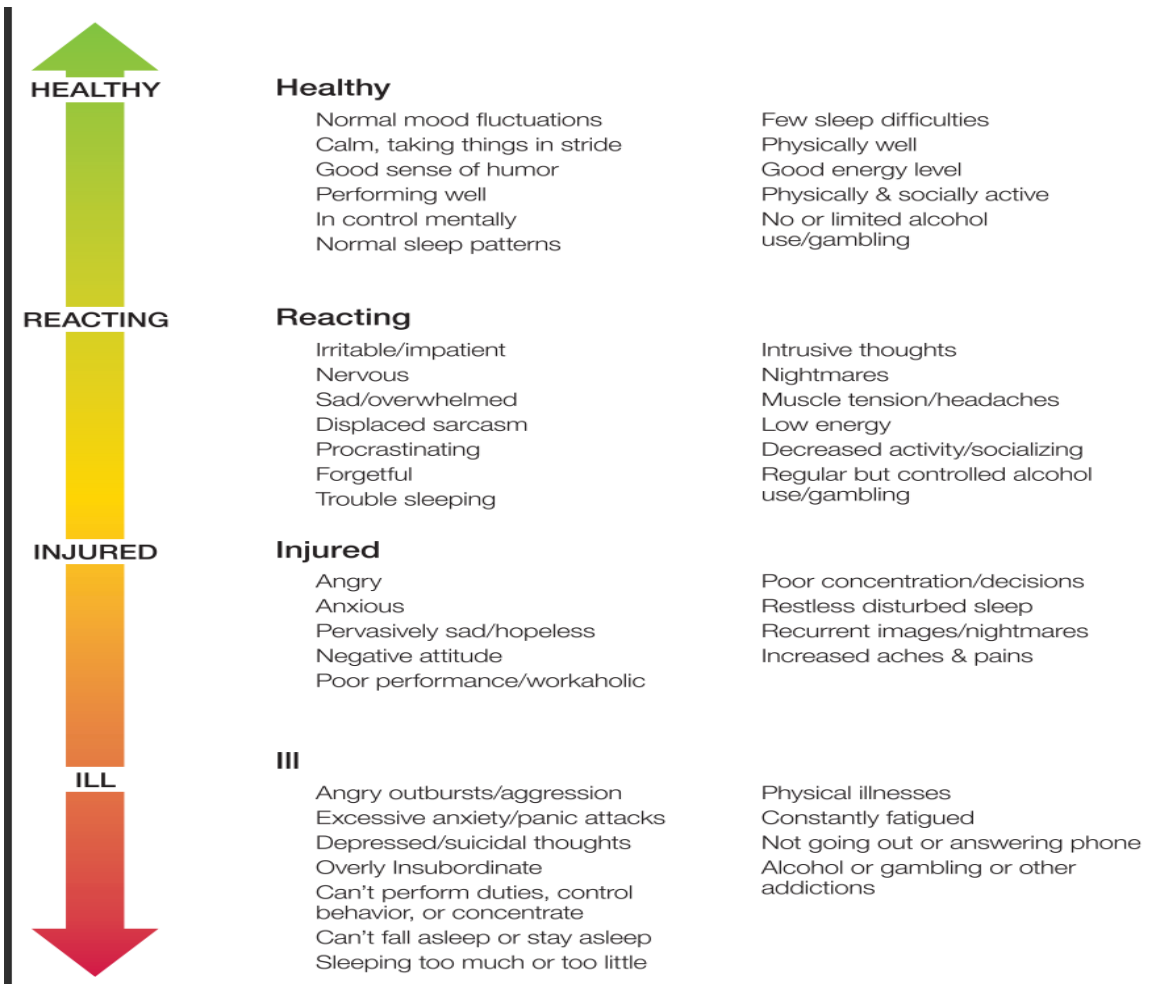
Safety Message

Sheri Sundstrom, Committee Member



Safety Net for Wellbeing

- People do not talk about mental health like they do medical issues
- 1 in 5 adults deal with mental health
 - Construction suicides outnumber jobsite related deaths
- Two mental health conditions most frequently observed in the workplace are depression and anxiety. These are illnesses just like flu, cancer that may require professional care.
- Progression can accelerate fast (see scale)
- Knowledge of how to access assistance greatest deterrent to care



Safety Net For Wellbeing

- Incorporate into your personal/family wellbeing plan:
 - Apps like Headspace & Calm **HEALTHY**
 - Employee Assistance Program (EAP), **HEALTHY/REACTING**
 - Providers through insurance plan/referrals **INJURED/ILL**
 - 988 **ILL**

Thank you to the [Construction Suicide Prevention Partnership – reducing suicide and promoting mental well-being in the construction industry \(suicide-stops-here.org\)](https://suicide-stops-here.org) and Jenny Haykin with Puget Sound Energy

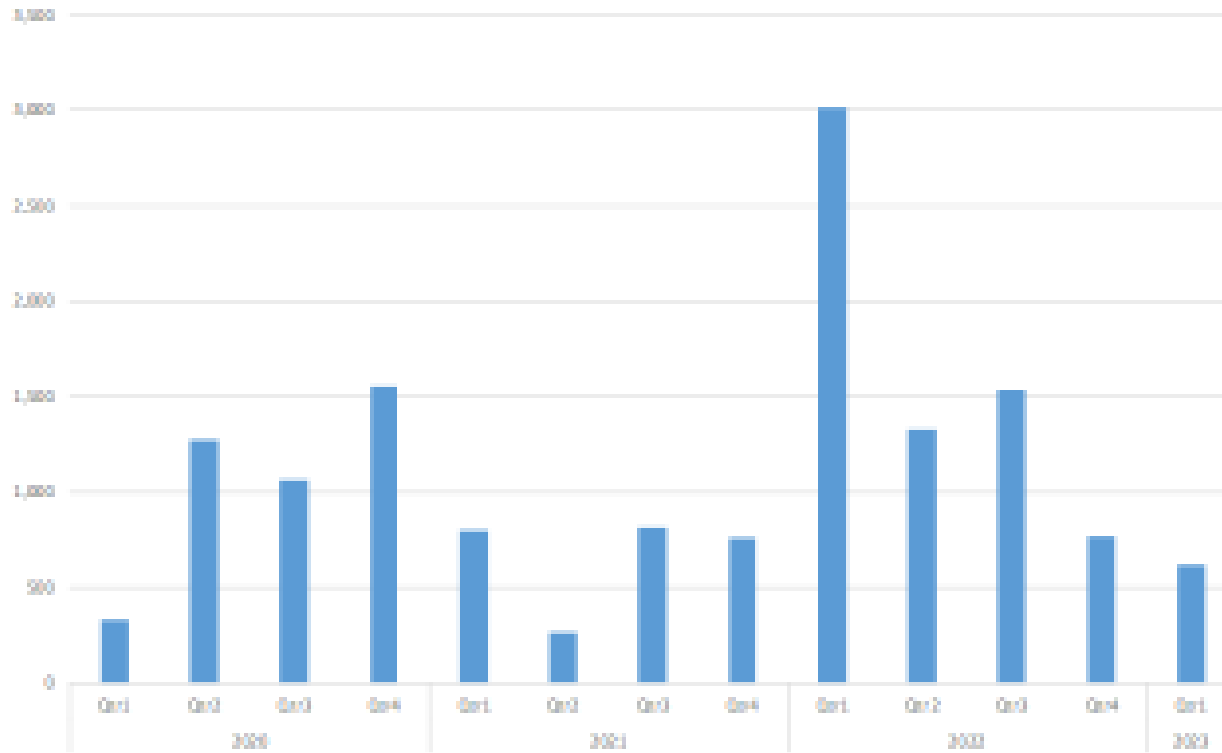
General Updates

Joel Sacks, Agency Director

Mike Ratko, Assistant Director for Insurance Services



Covid-19 impact on incoming claims



Current Projected COVID-19 Costs

- Total COVID-19 losses \$197 Million
- Total costs about 4% of accident and 2% of medical aid costs
- Average cost per claim close to \$14,000 for FAY '22 & '21

For the Pandemic period 1/1/20 to 3/31/2023 as of 3/31/2023

Open COVID Claims by Days¹ Open

	State Fund			Self-insured			Total
	Open < 90days	Open >= 90 days	Total	Open < 90days	Open >= 90 days	Total	
Healthcare related	13	66	79	54	226	280	359
Misc. Professional and Clerical	1	4	5	19	48	67	72
Schools	1	1	2	5	54	59	61
Government	1	7	8	19	29	48	56
First responders	6	14	20	3	24	27	47
Miscellaneous Services	7	14	21	1	3	4	25
Miscellaneous Manufacturing				2	6	8	8
Transportation and Warehousing		3	3	1	3	4	7
All Other		6	6	1	9	10	16
Total	29	115	144	105	402	507	651

¹Days from claim receipt to 05/31/2023 report date. Claims open as of 5/31/2023.

Workers' Compensation Systems Modernization

- We have our roadmap; new approach.
- Initial focus will be on state-fund and self-insured claims.
 - Work on employer accounts, payment and billing systems will follow.
- Foundational work starts in July 2023.

23-25 Funded Requests







- Enhanced Workers' Comp Training (\$1.7M)
- Enhanced Provider Support and Outreach (\$1.4M)
- Equity for Underserved Workers (\$2.8M)
- Work Equity Research Center (\$1.8M)
- Workers Compensation Modernization System (\$9.4M)

Operational Health Dashboard

Mike Ratko, Assistant Director for Insurance Services

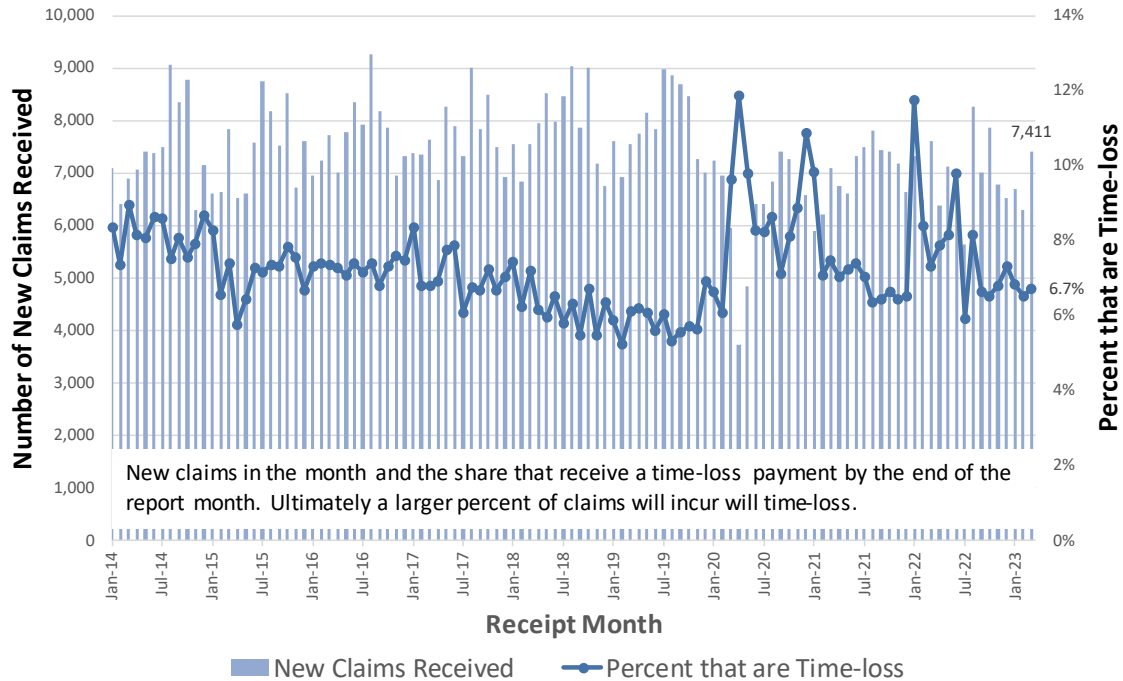


Operational Health Dashboard

Measure	Trend	Status	Definition
Percent of new claims that are time-loss	steady		Claims new (received) in the month and percent with a time-loss payment by the end of the month – increase in percent that are time-loss indicates a more severe claim mix.
Long-term disability rate	increasing		Percent of all compensable claims with a time-loss payment 12 months post injury – decrease indicates less long-term disability
Pensions funded	steady		Number of pensions funded in the quarter – decrease indicates less permanent total disability
Covered hours and claim rate	steady		Claims received per 100 FTE indicates the rate of claims considering volume of work - increase indicates higher claim frequency.
Medical cost growth	steady		Percent change in medical costs for services performed in the current quarter vs. the same quarter last year – increase means higher costs estimated for the quarter.
Operational efficiency	steady		Percent of operational measures meeting target greater than 80 percent– increase indicates more measures exceeding target.

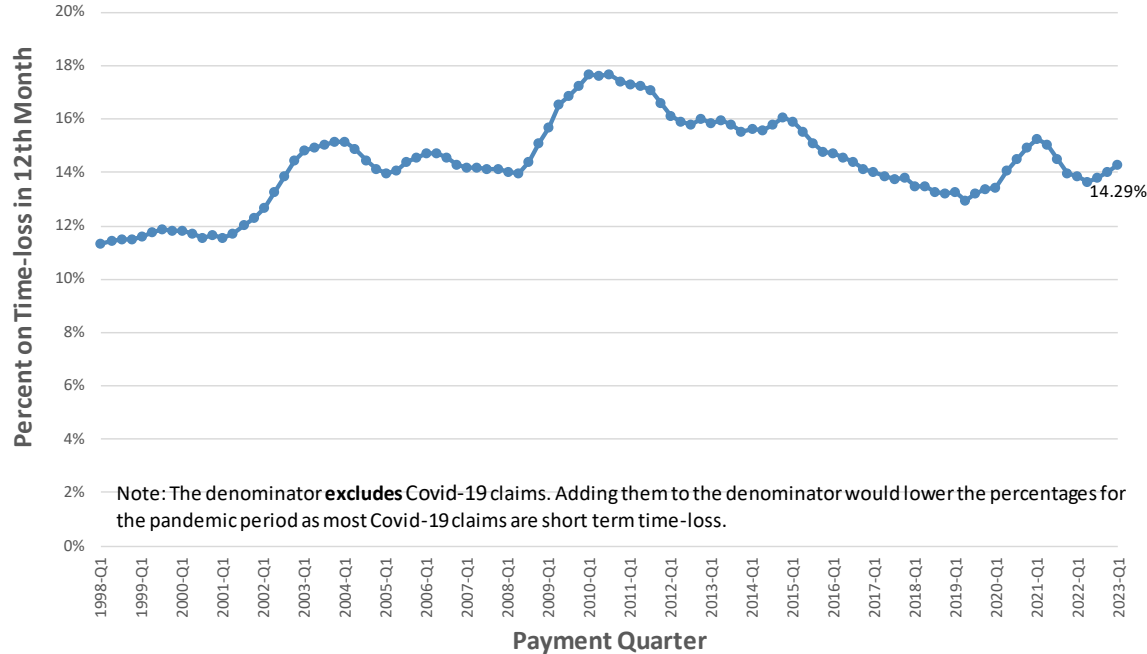
● Right direction — Neutral ▲ Wrong direction

Number of New State Fund Claims and the Percent that are Time-loss

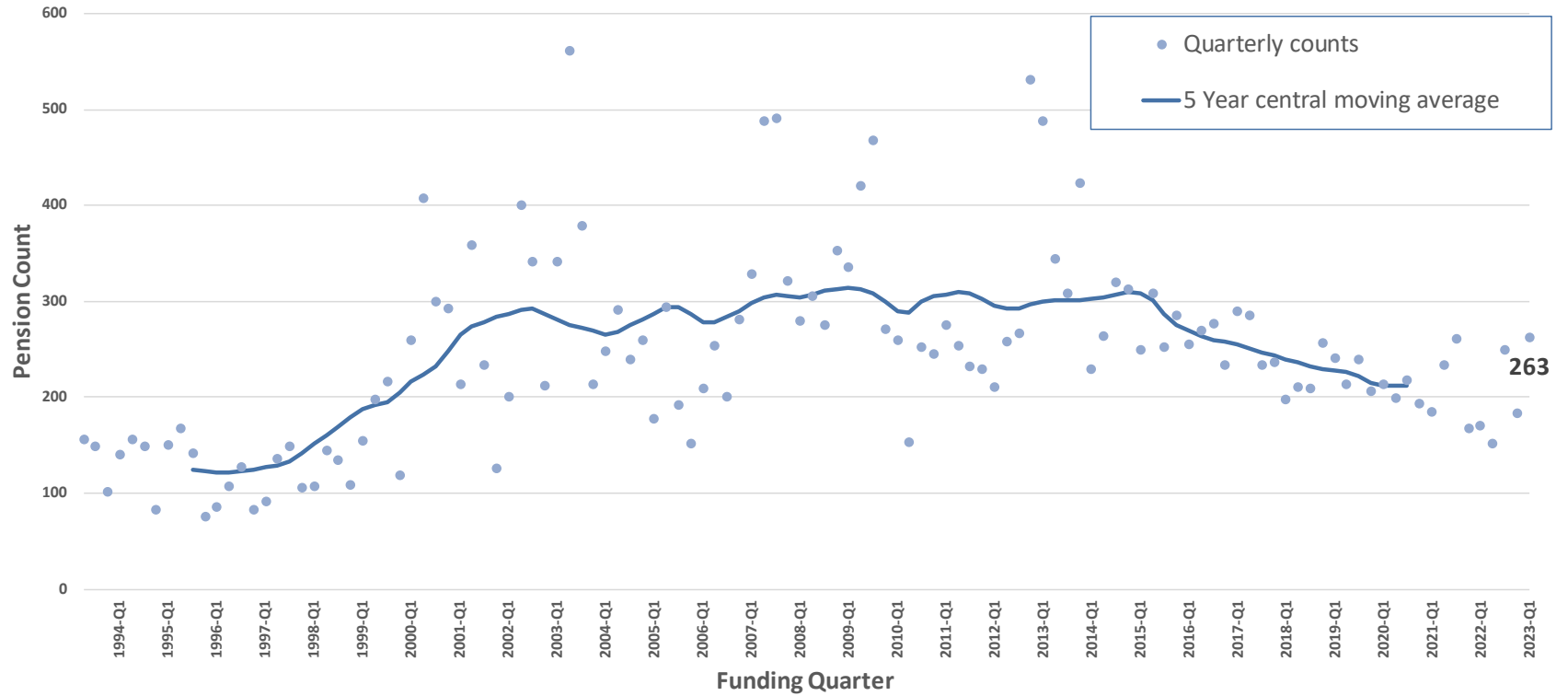


Long Term Disability Claims

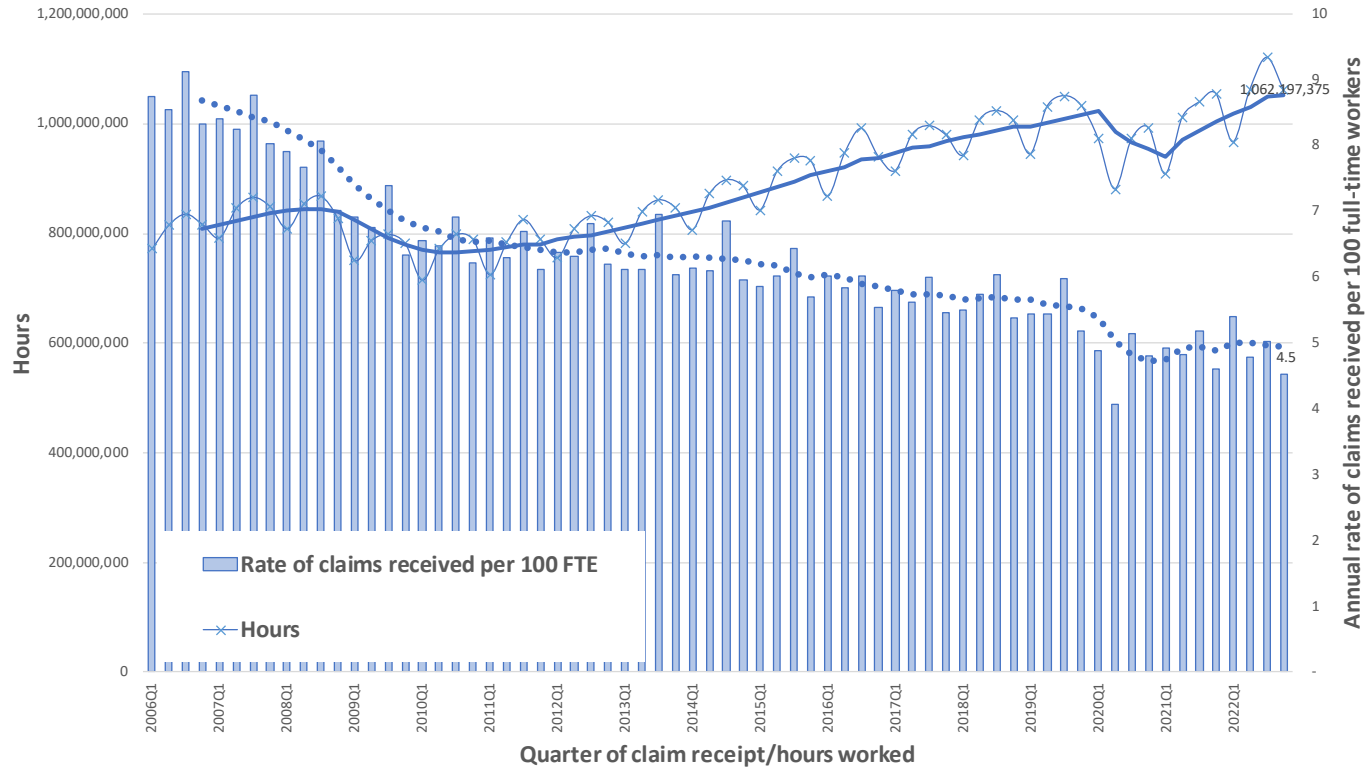
The percent of injured workers with compensable claims that have time-loss paid in the 12th month post injury: *smaller percentage indicates less long-term disability*



State Fund Total Permanent Disability Pensions Funded per Quarter

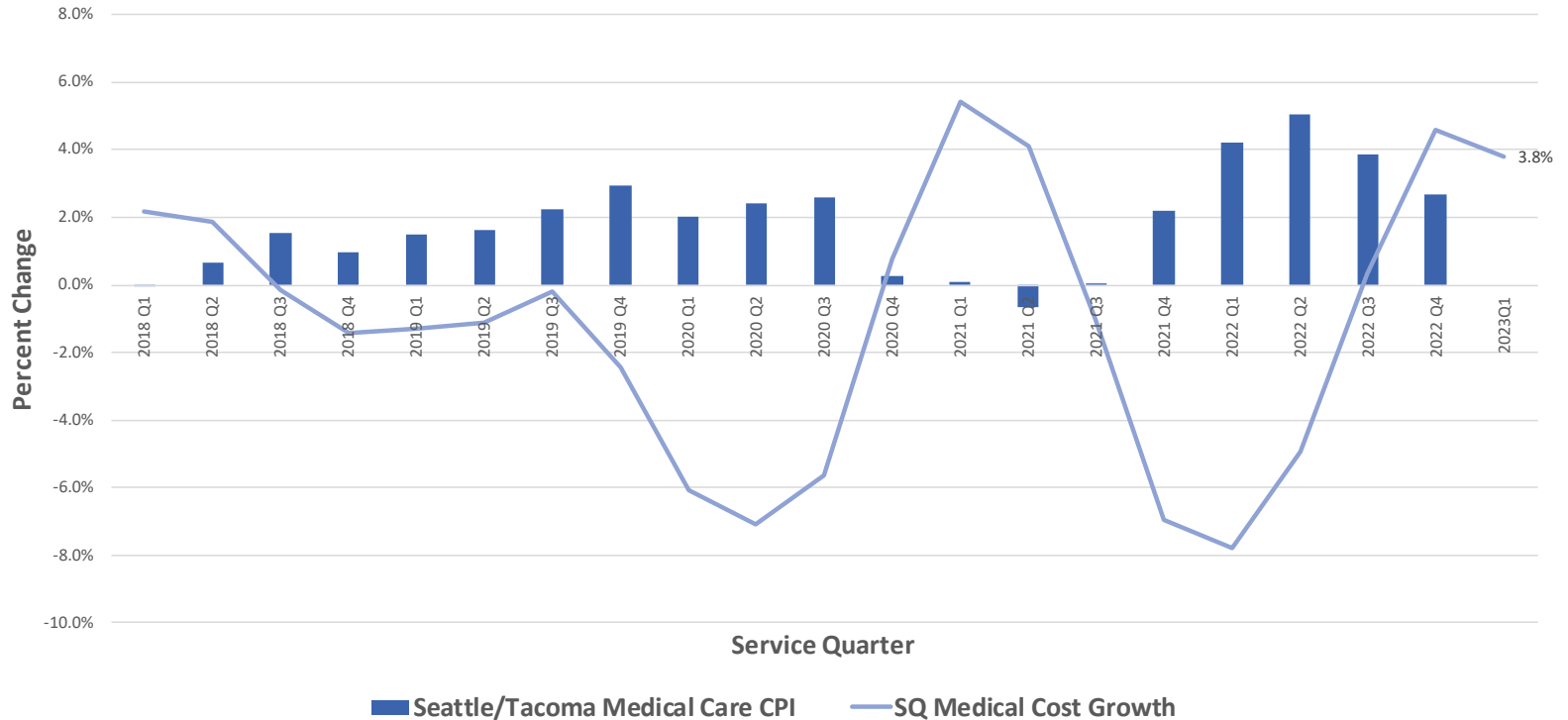


Covered Hours and the Rate of Claims Received



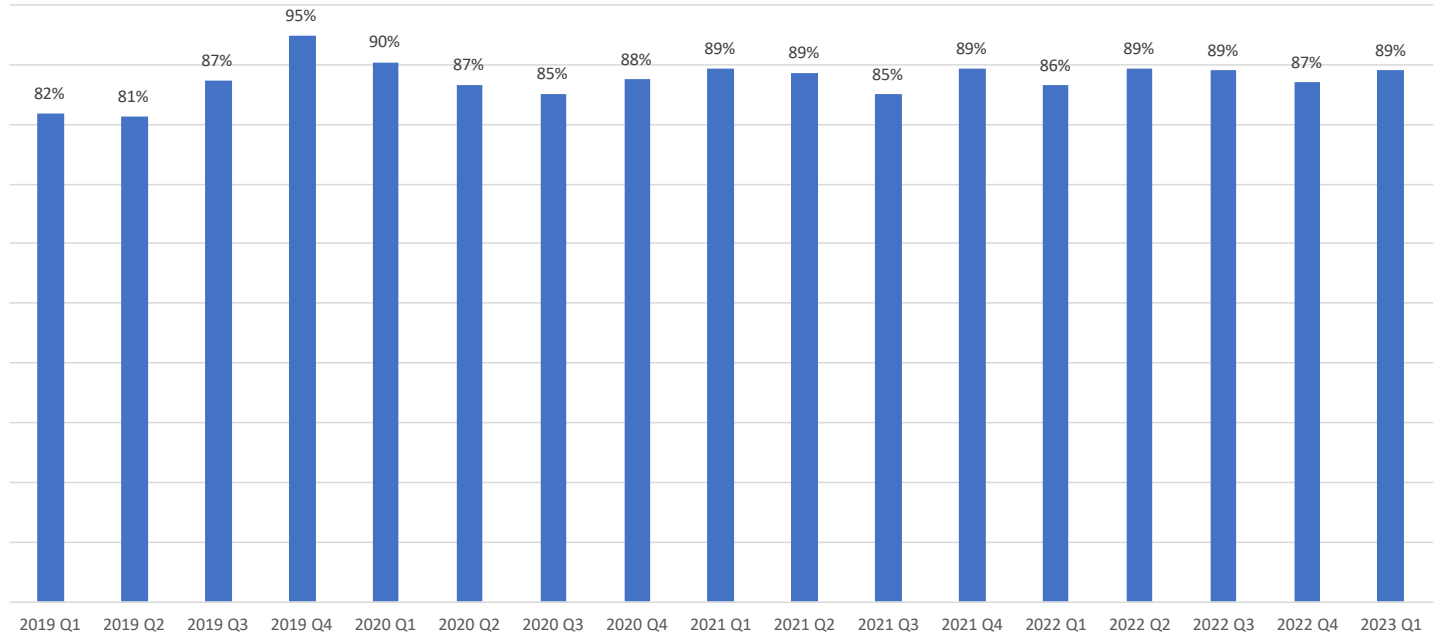
Annualized Medical Cost Growth

All Claims Excluding Hearing Loss



Percent of Workers' Comp Operational Measures Meeting Target

The percent of operational measures that meet operational targets is consistently above 80%.



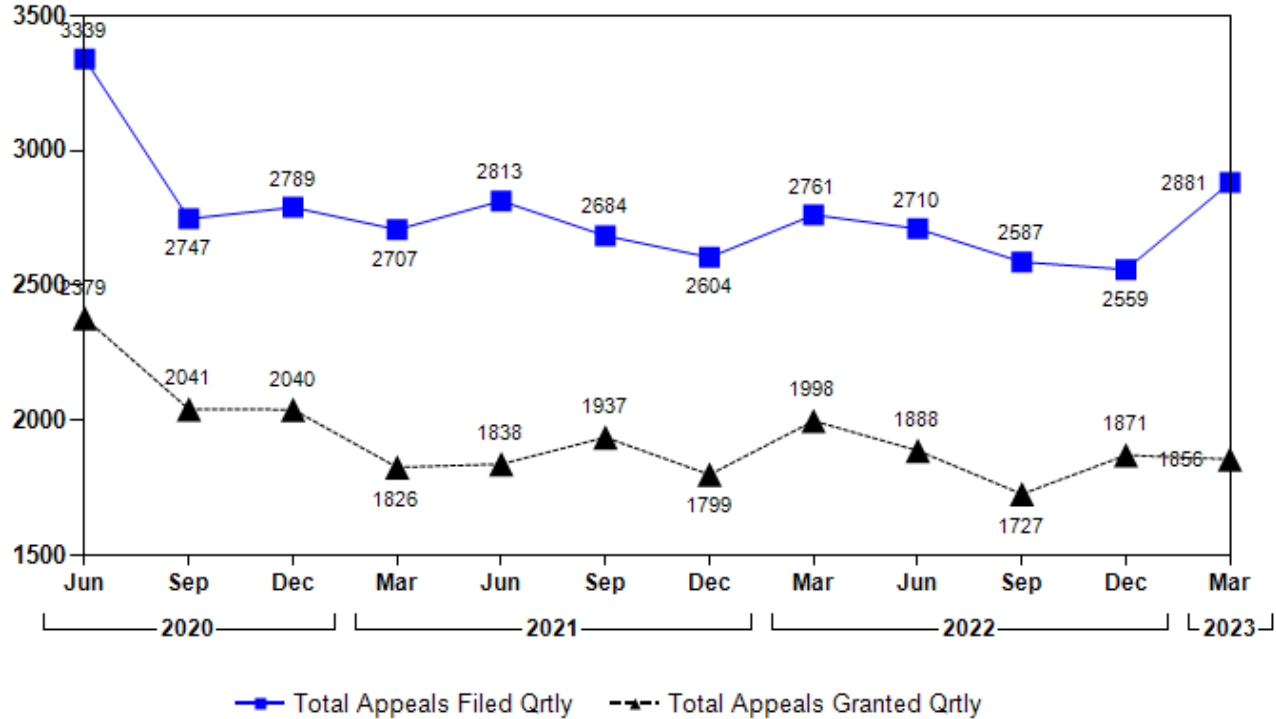
Currently there are 36 active operational measures in Insurance Services

Board of Industrial Insurance Appeals (BIIA) Update

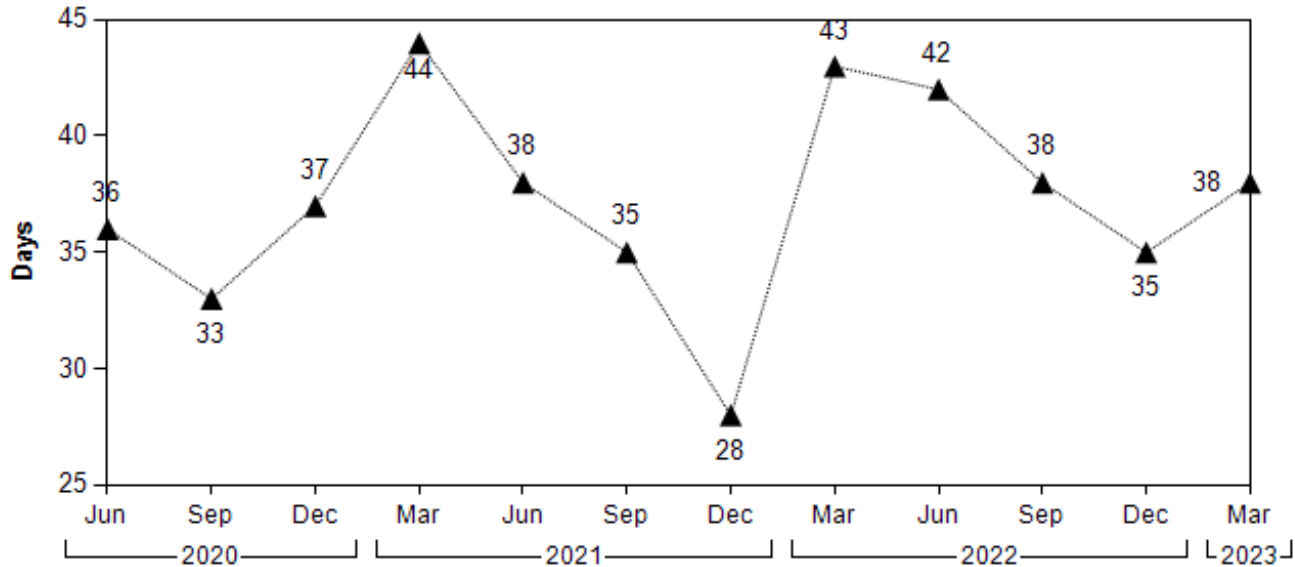
Holly Kessler, BIIA Chair



Total Appeals Filed and Granted

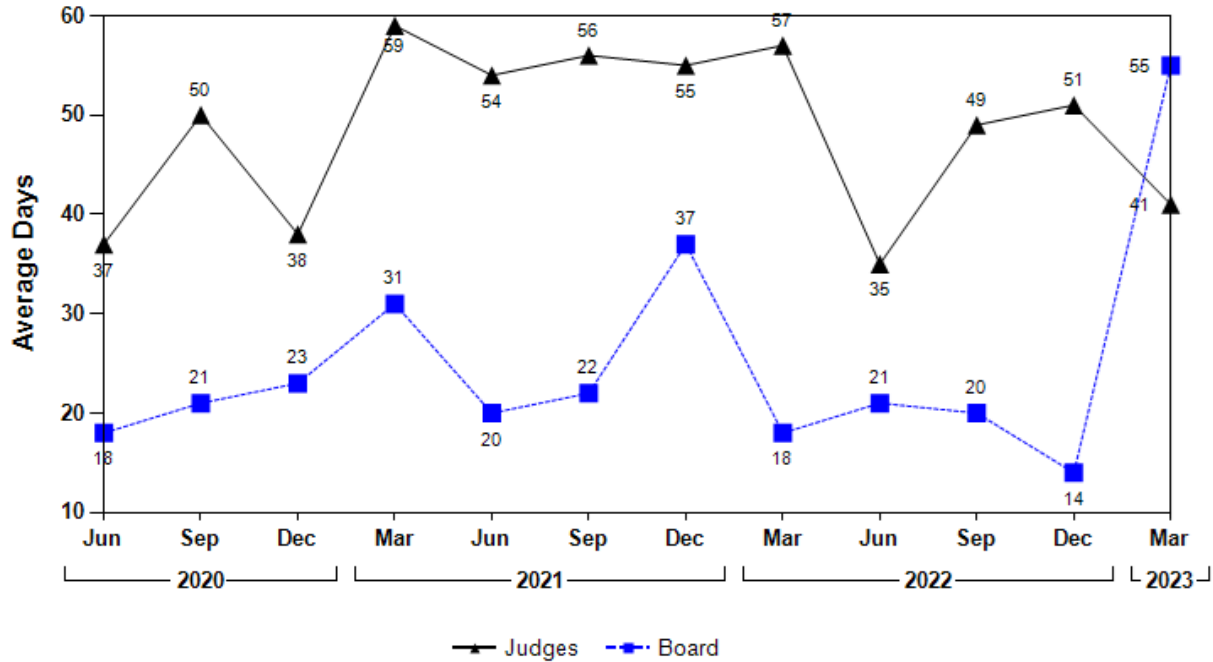


Average PD&O* Time-lag by Quarter for Hearing Judges



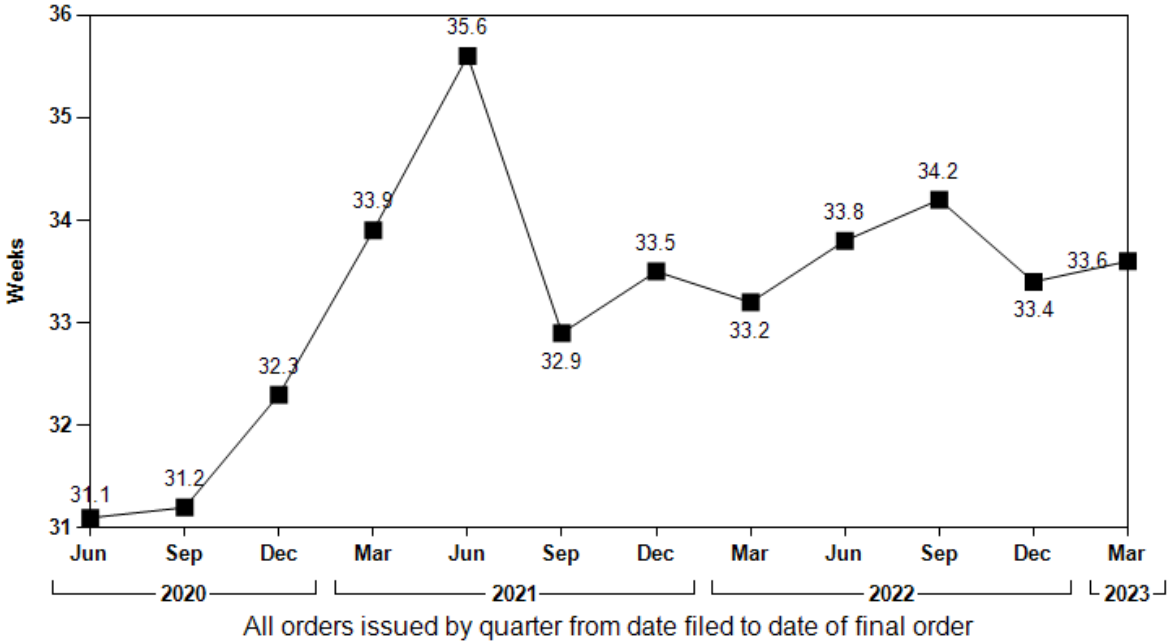
*Proposed Decision and Order

D & O* Time-Lag by Quarter

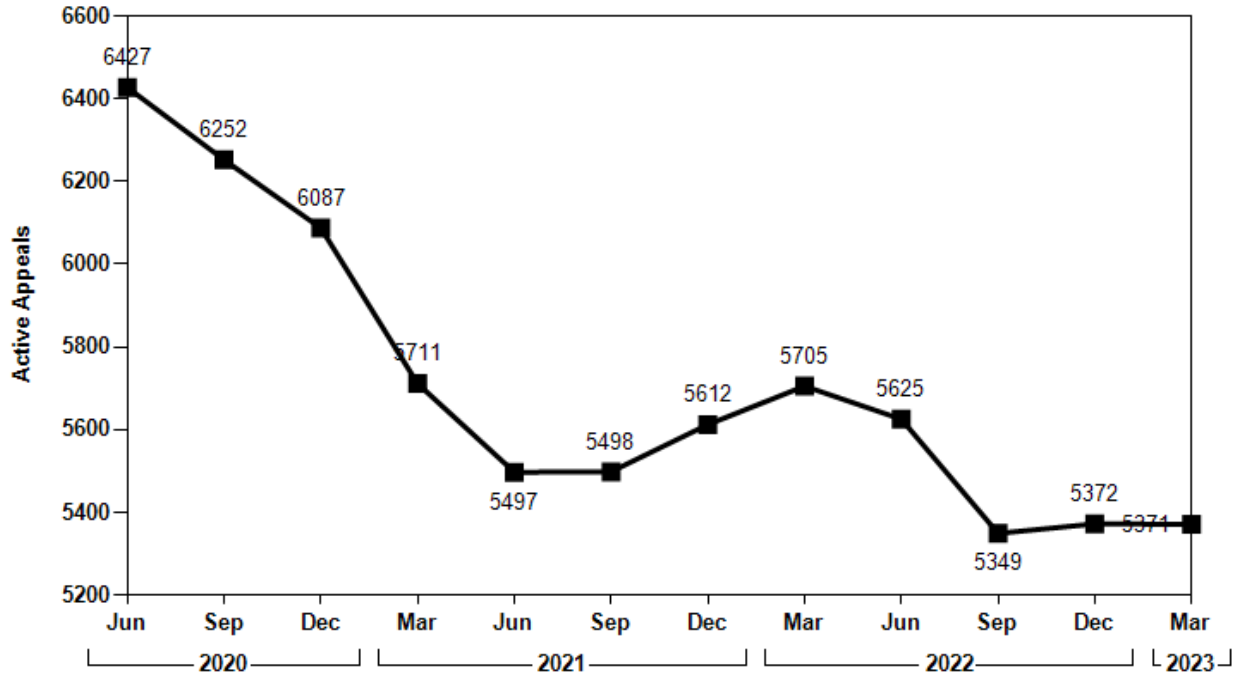


*Decision and Order

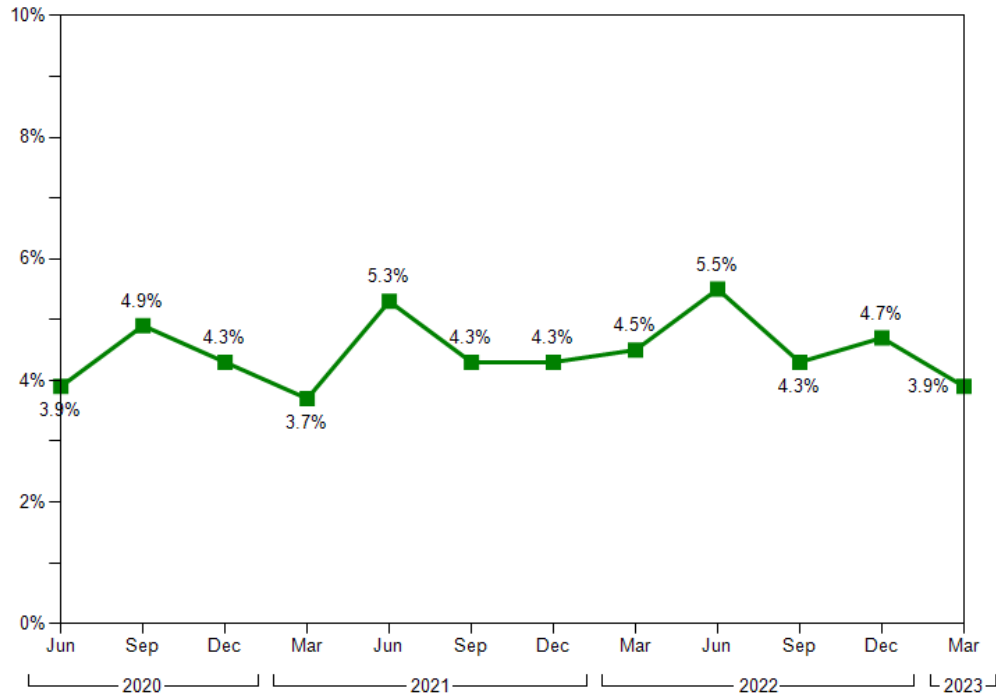
Quarterly Average Weeks to Completion



Caseload at End of Quarter



Percentage of Final Orders Appealed to Superior Court - Quarterly



Break Time



Program Spotlight – SHARP

Dave Bonauto, MD, MPH
Research Director



Safety and **H**ealth **A**ssessment and **R**esearch for **P**revention program

SHARP origins

- **Chemically related illness**

What is SHARP?

A multidisciplinary team

- *Epidemiology*
- *Economics*
- *Ergonomics*
- *Industrial Hygiene/Safety Engineer*
- *Occupational Medicine*
- *Organizational psychology*
- *Database Management and Systems Support*

Where do we do it?

Tumwater/Olympia

Ergonomics lab, IH lab

Workplaces all over the state in many industries

**In Department of Labor -
Workers compensation, DOSH, Labor Standards, and
Government Affairs and Policy Development.**

What does SHARP do? Information for Action

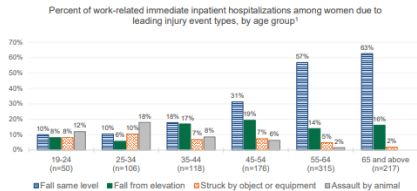
1. IDENTIFYING and TRACKING high hazard, common high cost occupational injuries and illnesses and high risk populations

SHARP Safety & Health Assessment & Research for Prevention

SHARP Stats

Work-Related Hospitalizations Among Women

Risk of hospitalized work-related falls among women increases with age
WA Work-Related Immediate Inpatient Hospitalization Surveillance System, 2014–2020



From 2014 through 2020, women accounted for 20% of work-related immediate inpatient hospitalizations in Washington State (n=989).¹

- Over half of hospitalized women were age 55 or older (54%).²
- Two-thirds of hospitalizations among women were due to four injury event types: Falls on the same level (41%); Fall from elevation (15%); Struck by object or equipment (6%); and Assault by animal (5%).³
- The percentage of hospitalizations due to falls on the same level increased with age.
- 30% of hospitalizations from falls on the same level were for hip injuries.⁴
- The three industry sectors where women experienced the most hospitalizations were: Health Care and Social Assistance (19%); Retail Trade (13%); and Educational Services (12%).⁵

1. Age 18 and under not shown due to fewer than 10 hospitalizations.
2. A work-related immediate inpatient hospitalization is a work-related injury that leads to an inpatient hospital admission within one day of the injury event. For case identification methods, see: <https://doi.org/10.2196/medrxiv.2020.03.03.200186>
3. For information on injury event type classification, see: <https://dx.doi.org/10.2196/medrxiv.2019.03.29.190186>
4. Coded in Washington workers' compensation claim data using the Occupational Injury and Illness Classification System, v1.01, U.S. Department of Labor, Bureau of Labor Statistics. <https://www.bls.gov/oselt/2019/03/29/oiis.html>
5. Industries coded using the North American Industry Classification System (NAICS): <https://www.census.gov/naics/>

SHARP publication: 76-34-2022



SHARP Safety & Health Assessment & Research for Prevention

Research Findings

Racial Disparities in Claim Rates

Overview

Workers of color experience disproportionate rates of work-related injury and illness (WRII). Workers' compensation systems, however, typically do not track race and ethnicity, making it difficult to monitor WRII disparities.

Identifying racial and ethnic differences in WRII is essential for understanding how racism affects workplace safety and workers' compensation insurance programs.

In this study, using Washington State workers' compensation claim information from 2013 through 2017, we employed the Bayesian Improved Surname Geocode (BISG) method to estimate the race and ethnicity of injured workers, and then compared WRII claim rates within industries and occupations by race and ethnicity to identify disparities.

Contact the author:
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Research for Safe Work

The SHARP Program at the Washington State Department of Labor & Industries partners with business and labor to develop actionable, effective solutions to identify and eliminate industry-wide hazards. Learn more at: <https://www.wa.gov/sharp>

75-47-2023
FY14-66 (6/2014)

Racial and ethnic disparities in workers' compensation claims rates
PLoS ONE, 2023
Caroline K. Smith, Sara Wuellner, and Jennifer Marcum

Key Findings

- In all industry sectors, WRII claim rates for non-White workers were significantly different from rates for White workers.
 - Black/African Americans had considerably higher claim rates compared to Whites in every industry sector—ranging from 2.3 to 14-fold higher, including rates:
 - Fourteen times higher in Agriculture, Forestry, and Fishing.
 - Over eight times higher in Construction.
 - Three times higher in Wholesale and Retail Trade.
 - Hispanic/Latino claim rates were also higher than those for Whites in every industry sector, including double the rate in both the Manufacturing and Agriculture, Forestry and Fishing sectors.
 - Asian/Pacific Islanders had similar or lower claim rates compared to Whites in all industry sectors, except for a rate 3.9 times higher in Agriculture, Forestry, and Fishing.
- Black/African American workers had the highest rates of WRII claims across all industry sectors and occupational groups.

Impact

Work-related injury rates differ by race and ethnicity both across and within industry sectors and occupational groups, and certain industries and occupations show greater disproportions in worker risk. The results of this study, and further research to better understand these disparities, can inform prevention efforts and provide policymakers with knowledge needed to identify steps to eliminate the increased risks faced by workers of color.

Find the article here:
<https://doi.org/10.1371/journal.pone.0280307>

75-47-2023
FY14-66 (6/2014)



1. IDENTIFYING and TRACKING illnesses

Asthma from Hop Dust



- Asthma surveillance: 1 to 3 claims per year
- Beyond asthma: Rate of *all respiratory disease* **30 times higher** in hop workers compared to vegetable crop workers.

US Hop Production Areas - 2014

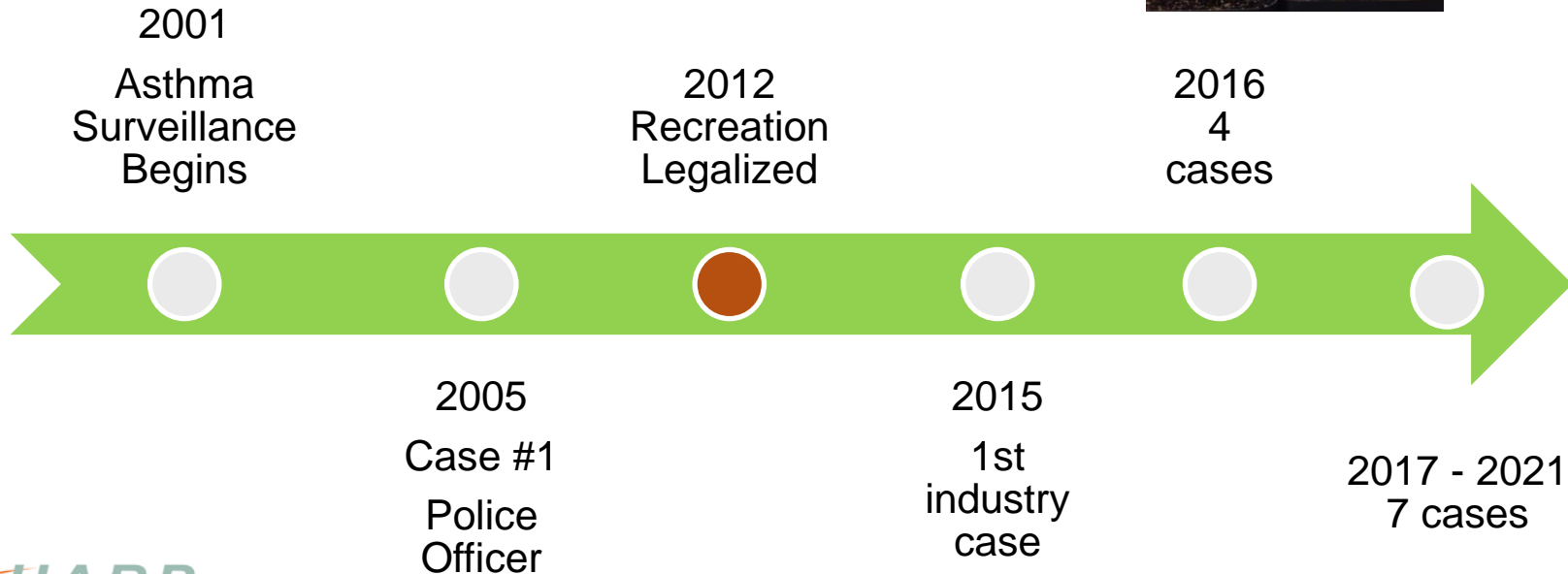


Anatomy of a hop cone



1. IDENTIFYING and TRACKING illnesses

Cannabis Respiratory Dz: 12 Emerging Cases



What does SHARP do? Applied Research

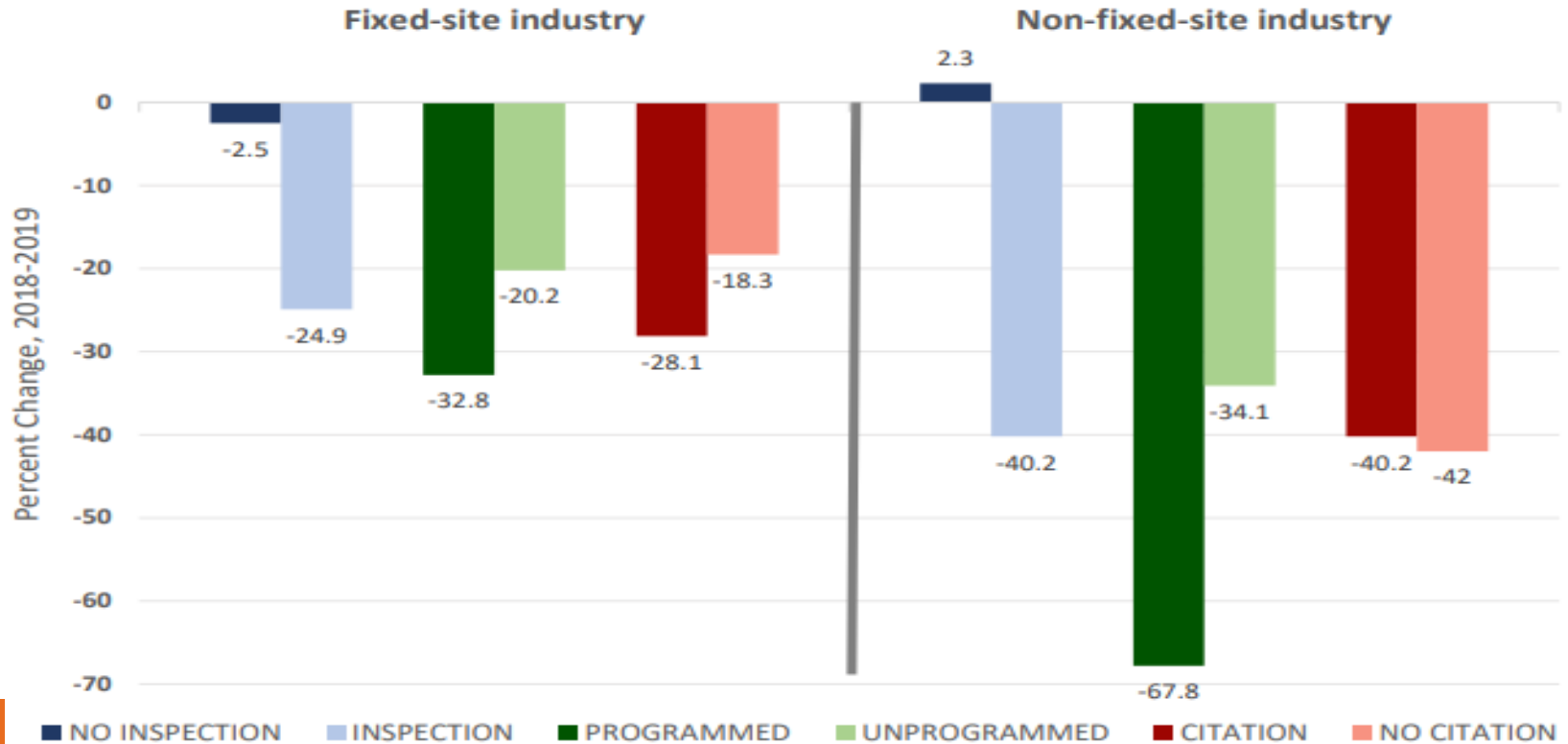
2. DEVELOPING, PROMOTING and/or EVALUATING prevention and intervention efforts



**WA SAFE
PATIENT HANDLING**

2. EVALUATING prevention and intervention efforts

Time-Loss Claim Rates Decrease at Workplaces Following a DOSH¹ Inspection
Percent Change in Non-Musculoskeletal Claims Rates by Industry Type² from 2018 to 2019



What does SHARP do? Research to Practice

3. DELIVERING research to practice

Janitorial workload assessment & tools

Example of job entered into workload calculator

ask, Location and Tool ×

Task	Location	Tool	Variation	Hours	Productivity	
Trashing	Cafeteria/break room (tr	Trash can with liner/larg	variation124	1	25	*
Trashing	Conference room (trashii	Trash can with liner/sma	variation132	1	50	*
Trashing	Kitchen/coffee bar (trash	Trash can with liner/sma	variation140	1	10	*
Trashing	Office/cubicle (trashing)	Trash can with liner/sma	variation149	1.5	300	*
Trashing	Restroom (trashing)	Trash can without liner/l	variation174	1	15	*
Cubicle cleaning	Office/cubicle (cleaning)	Multiple tools (for cubicle	variation4	1.5	10000	*
Vacuuming	Carpet (vacuuming)	Back-pack vacuum & 14"	variation186	1	10000	*

Please check your entries. Click * if you want to make changes to the task. You can adjust hours and productivity directly.

Total number of hours for the job:

3. DELIVERING research to practice

KeepTruckingSafe.org

You are disconnecting the trailer from the tractor. Which body position is best to avoid an injury when lowering the trailer landing gear to the ground?



In Front **To the Side** **A Blend of Both**



Research Findings

Shoulder assessment for truck drivers while hand cranking landing gear

Overview

Hand cranking of truck landing gear is a common task performed by truck drivers to raise or lower trailers. The shoulder is at risk for injury while cranking due to the required force and possibly restricted body posture.

The objective of this laboratory-based study was to examine how body posture and the load resistance during cranking affect scapular posture and shoulder muscle activities.

Twelve males operated a custom-built cranking simulator with two postures, sagittal and frontal, with resistance loads of 0, 10 and 20 newton-meter. The biomechanical effects of cranking were measured using a 3-D motion tracking system, and muscle activity using electromyography (EMG) during trials of 5 crank rotations each.

Occupational cranking operations: The scapula perspective

Applied Ergonomics, 2018
Jia-Hua Lin, PhD and Xu Xu, PhD

Key Findings

Study findings include:

- Motion analysis demonstrated that cranking in the frontal posture increases the shoulder impingement risk compared to the sagittal posture, regardless of the resistance level. This is due to the large range of motion needed in this posture.

- EMG results showed that the shoulder muscles do more work when cranking in the frontal posture compared to the sagittal posture, particularly when resistance is high.

Best practices for truck drivers are:

- When raising the trailer, the driver should stand in the sagittal posture with one shoulder near the trailer and eyes facing the cab. This posture allows full body strength to be used. The sagittal posture does require a firm grip on the handle, as it is under some tension and could strike the worker if the grip should slip.
- When lowering the trailer, the driver can face the trailer and crank the landing gear in the frontal posture.

Impact

The best practices identified in this study can help reduce truck drivers' risk for injury such as shoulder rotator cuff syndrome. Additionally, the findings from this study can be applied to other hand crank tasks such as to open and close heavy-duty valves, or to turn handles in certain manual tools.

Contact the author:
Jim.Lin@Lni.wa.gov

Research for Safe Work

The SHARP Program at the Washington State Department of Labor & Industries partners with business and labor to develop sensible, effective solutions to identify and eliminate industry-wide hazards. Learn more at www.Lni.wa.gov/SafetyResearch

Find the article here:
<https://doi.org/10.1016/j.apergo.2018.09.011>

This work was supported in part by the Washington State Department of Labor & Industries and the Liberty Mutual Research Institute for Safety.

15-04-2019
0714-05 (04-2014)



3. DELIVERING research to practice

WASHINGTON
State FACE Program

AGRICULTURE
NARRACIÓN DE LESIONES

La mano de un trabajador agrícola fue aplastada en una cosechadora de lúpulo

REPORT #: 71-232-2023a

REPORT DATE: January 30, 2023

INCIDENT DATE: September 8, 2022

WORKER: 32 años old

INDUSTRY: Miscellaneous Crops Farming

OCCUPATION: Hop Farmer

SCENE: Indoor hop sorting area

EVENT TYPE: Amputation / Machine

SUMMARY:
A 32-year-old hop farmer mangled his hand in an employer-built hop harvester machine. He was a Spanish-speaking worker who worked at the facility several times a week at the indoor hop sorting area. The harvester was used to separate hop cones from the hop harvesters. The harvester was used to separate hop cones from the hop harvesters. The harvester was used to separate hop cones from the hop harvesters.

RECOMMENDATIONS:
• Workers given first aid and drove to the hospital, where doctors amputated his index and middle fingers. Hop harvester machine was inspected for two days. Machine has the hot not removed to work and needs more treatment for his physical and mental trauma. Following the incident, emergency found.

RECOMMENDATIONS:
• A harvester guard that has a horizontal steel mesh guard that was too low to prevent someone from reaching over the 4 1/2 inch auger and get caught in the chain and sprocket drive.
• The worker did not follow his training from the employer to notify a lead mechanic, who was nearby, to perform his lockout (LOTO) procedure requirements before clearing out debris.
• A harvester cannot be guarded by distance and location, prevent workers from hazards created by rotating or moving parts by using one or more safeguarding methods. Make sure guards are a sturdy of design, durable construction, and at an angle or non-rotating, suspended method, and one mesh is securely fastened to the machine or the building structure if they cannot be attached to the machine.
• A harvester's exposed and unguarded, or exposed if not in a removable condition.
• Make sure guards prevent workers from protruding hands or other body parts from reaching through, over, under, or around the guard into the hazard area, and preventing objects or debris from falling onto or being thrown towards a worker.
• Natural warning signs and near machines to remind workers of operating hazards and LOTO requirements written in a language all workers can understand.
• Conduct an incident analysis (LAI) to identify machine operating hazards, and solutions before use.

RESOURCES:
Informational Document and Protective Equipment from Amputation: [DMSA](#)
Machine Safety: [Washington State Department of Labor & Industries](#)

The worker's own negligence in not inspecting the machine for safety hazards may be a contributing factor. This document represents the information regarding the incident that is reported to the state of Washington. This document is intended for informational purposes only. It does not constitute an official finding or recommendation. For more information visit www.dir.wa.gov or call 1-800-422-6842.

WASHINGTON
State FACE Program

INJURY NARRATIVE

Resources

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INJURY NARRATIVE

Recommendations

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State FACE Program

INJURY NARRATIVE

Requirements

WASHINGTON
State FACE Program

AGRICULTURE
INJURY NARRATIVE

Farm Worker's Hand Mangled in Hop Harvester

INCIDENT FACTS
REPORT #: 71-232-2023a
REPORT DATE: January 30, 2023
INCIDENT DATE: September 8, 2022
WORKER: 32 years old
INDUSTRY: Miscellaneous Crops Farming
OCCUPATION: Hop Farm Worker
SCENE: Indoor Hop Sorting Area
EVENT TYPE: Amputation / Machine

RESOURCES:
Informational Document and Protective Equipment from Amputation: [DMSA](#)
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What is SHARP? Knowledge sharing

4. **SERVING** as an objective scientific resource for workers, employers, business groups, labor groups, L&I, Washington State and national groups



Washington
State Labor
Council,
AFL-CIO



L&I DOSH

National Occupational Research Agenda (NORA)



Work Equity Research Center (NEW)

Focuses on:

- **Building coalitions with low wage, historically and currently underserved workers and their employers**
- **Co-create research, interventions and outcomes that prioritize the needs of the those who are underserved**
 - **Participatory action research**
 - **Translational research**
 - **Outcomes**
- **Research informs agency actions to improve services and outcomes**

Thank You

David Bonauto

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SHARP Program

Email: SHARP@Lni.wa.gov

Toll-free: 1-888-667-4277

Phone: 360-902-5669

<https://lni.wa.gov/safety-health/safety-research/about-sharp>

Work-related Musculoskeletal Disorder (WMSD) claims

Jennifer Marcum, MS DrPH

Safety and Health Assessment and Research for Prevention (SHARP)



Resources

- SHARP web pages on WMSD claims

<https://lni.wa.gov/safety-health/safety-research/ongoing-projects/wmsd-claim-tracking>

- SHARP research director, Dr. Dave Bonauto

BONE235@LNI.WA.GOV

- SHARP WMSD epidemiologist, Dr. Jennifer Marcum

MAJL235@LNI.WA.GOV



WMSDs are common and costly

- WMSDs account for 1/3 of all compensable claims
- WMSDs are 45% of compensable claim costs to the State Fund
- Since 2006, WMSD compensable claim rates have been decreasing by ~4% annually
 - Decline is not consistent across industries or risk classes

WMSDs defined

- Conditions that disturb or disrupt the functions of the *soft tissues* of musculoskeletal system.
 - E.g., nerves, tendons, ligaments, blood vessels, joints, spinal discs
- Occur when the physical requirements of the job exceed the physical capacity of the human body.
 - E.g., overexertion or overuse, repetitive motions or positions, unnatural positions

What WMSDs are NOT

WMSDs are not injuries caused by “impact”, e.g.:

- Falls
- Struck by or against
- Cuts
- Motor vehicle crashes

Examples of WMSDs

- Back sprain due to lifting heavy objects or patients
- Carpal Tunnel Syndrome due to repetitive placing, grasping or moving objects
- Tendonitis in arm/wrist due to repetitive use of tools
- Rotator cuff syndrome due to bending and reaching

WMSD case definition

- WMSD conceptual definition → case definition
- Systematically identify WMSD claims in workers' compensation
 - Track trends in WMSD rates
 - Identify workers at risk
 - Describe WMSD burden
 - Identify common causes

Identifying WMSDs in workers' compensation claims



Report of Accident (Workplace Injury, Accident or Occupational Disease)

18. Is this condition due to a specific incident? YES NO

19a. Body parts injured or exposed: Upper back

19b. Describe in detail how your injury or exposure occurred.
(include tools, machinery, chemicals or fumes that may have been involved)

I was lifting a roofing roll and I felt a pinch on my back, and it started getting worse through the night

1. Diagnosis	2. ICD Codes	1. Diagnosis
<u>Thoracic left back strain</u>		<u>S29.012.A</u>

4. Is the condition due to a specific incident? YES NO

5. Objective findings supporting your diagnosis (include physical, lab and X-ray findings)

Pain, left thoracic back w/ palpation

Occupational Injury and Illness Classification System "OIICS"

Occupational Injury and Illness Coding System

OIICS Code Trees

v2.01

v1.01

Search

Find



Nature

Part of Body

Source/Secondary Source

Event

Nature

Part of Body

Source

Event/Exposure

- NATURE 1.01 ⓘ SELECTION RULES
 - + 0* : Traumatic Injuries and Disorders ⓘ
 - + 1* : Systemic Diseases and Disorders ⓘ
 - + 2* : Infectious and Parasitic Diseases ⓘ
 - + 3* : Neoplasms, Tumors, and Cancer ⓘ
 - + 4* : Symptoms, Signs, and Ill-Defined Conditions ⓘ
 - + 5* : Other Diseases, Conditions, and Disorders ⓘ
 - 8 : Multiple Diseases, Conditions, and Disorders ⓘ
 - 9999 : Nonclassifiable ⓘ

Nature

Part of Body

Source

Event/Exposure

Hide Tree

- EVENT OR EXPOSURE 1.01 ⓘ SELECTION RULES
 - + 0* : Contact With Objects And Equipment ⓘ
 - + 1* : Falls ⓘ
 - + 2* : Bodily Reaction And Exertion ⓘ
 - + 3* : Exposure To Harmful Substances Or Environments ⓘ
 - + 4* : Transportation Accidents ⓘ
 - + 5* : Fires And Explosions ⓘ
 - + 6* : Assaults And Violent Acts ⓘ
 - 9 : Other Events Or Exposures ⓘ
 - 9999 : Nonclassifiable

Arriving at the final WMSD case definition

- Bureau of Labor Statistics (BLS) WMSD definition
(<https://www.bls.gov/iif/definitions/occupational-safety-and-health-definitions.htm>)



- Manual review of WA workers' compensation claim files



- Final case definition

WMSD case definition for workers' compensation claims

Requires claim be coded with one of the following nature codes:

OIICS v1.01 nature	
011	Traumatic injuries and disorders: dislocations of bone or cartilage
013	Traumatic injuries and disorders: traumatic injuries to spinal cord
014	Traumatic injuries and disorders: traumatic injuries to nerves, except spinal cord
021	Traumatic injuries and disorders: sprains, strains, tears
029	Traumatic injuries and disorders: injuries to muscles, tendons, ligaments, joints, etc., n.e.c.
0972	Traumatic injuries and disorders: back pain, hurt back
0973	Traumatic injuries and disorders: soreness, pain, hurt, except the back
1241	System diseases and disorders: Carpal Tunnel Syndrome
1249	System diseases and disorders: other disorders of the peripheral nervous system, n.e.c.
1371	Circulatory system diseases: Raynaud's syndrome or phenomenon
17*	All musculoskeletal system and connective tissue diseases and disorders included
40	Symptoms, signs and ill-defined conditions: unspecified
410	Symptoms, signs and ill-defined conditions: symptoms, unspecified
4110	Symptoms, signs and ill-defined conditions: general symptoms, unspecified
4119	Symptoms, signs and ill-defined conditions: general symptoms, n.e.c.
412	Symptoms, signs and ill-defined conditions: symptoms involving nervous and musculoskeletal systems
48*	Symptoms, signs and ill-defined conditions: multiple symptoms, signs, and ill-defined conditions
49	Symptoms, signs and ill-defined conditions: n.e.c.
9999	Nonclassifiable

AND

one of the following event codes:

OIICS v1.01 event	
051	Rubbed or abraded by kneeling on surface
06*	All rubbed, abraded, or jarred by vibration included
211	Bodily reaction: bending, climbing, crawling, reaching, twisting
214	Bodily reaction: sitting
216	Bodily reaction: standing
22*	All overexertion events included
23*	All repetitive motion events included

https://www.lni.wa.gov/safety-health/safety-research/files/2020/99_05_2020_WMSDEvaluationTechnicalReport.pdf

Do we capture all WMSDs?

No! This is a conservative case definition.

- Workers' compensation claims are not filed for all WMSDs
- WMSDs are only counted if they are the primary reason the worker sought treatment on the claim
- Conservative inclusion during manual review

SHARP web pages on WMSD claims

The screenshot shows the SHARP website's navigation and content structure. At the top, a dark blue header contains the 'Safety & Health' logo and menu items: 'Claims', 'Patient Care', 'Insurance', 'Workers' Rights', and 'Licensing & Permits'. Below this is a breadcrumb trail: 'Home > Safety & Health > SAFETY RESEARCH > Ongoing Projects'. The main content area is titled 'Ongoing Projects' and features a sidebar on the left with a 'SAFETY RESEARCH' section containing links for 'SHARP Publications', 'COVID-19', 'Ongoing Projects', 'Completed Projects', and 'About SHARP'. The main content area has four tabs: 'OVERVIEW', 'METHODS', 'PUBLICATIONS', and 'CLAIM RATES FOR SB 5217 DISCUSSION'. The 'OVERVIEW' tab is active, displaying the title 'WMSD Claim Tracking' and the sub-heading 'What are work-related musculoskeletal disorders (WMSDs)?'. The text explains that WMSDs are conditions that disturb or disrupt the functions of the musculoskeletal system, caused or exacerbated by work. It lists examples of affected tissues (joints, nerves, tendons, ligaments, muscles, blood vessels, cartilage, or spinal discs) and notes that WMSDs can be painful and debilitating. It further states that WMSDs occur when physical requirements (intensity, frequency, and duration) of a job exceed the human body's capacity, and are generally caused by overuse, overexertion, repetitive motions, unnatural positions, and/or vibration. It also clarifies that WMSDs do not include injuries from impact, such as falls, strikes, cuts, or motor vehicle crashes. Finally, it mentions that WMSDs often develop gradually over time due to an accumulation of exposures, but can also appear as an immediate effect of certain exposures.

<https://lni.wa.gov/safety-health/safety-research/ongoing-projects/wmsd-claim-tracking>

Work-related musculoskeletal disorder (WMSD) claim rates by Washington Risk Classification and the North American Industry Classification System (NAICS), Washington State, 2016–2020.

Prepared by L&I/SHARP to accompany discussion of proposed Senate Bill 5217, January 2023.

Work-related Musculoskeletal Disorders (WMSD) are common. Risks for WMSDs vary across industries. These data provide WMSD claim rates from the Washington workers' compensation system. The rates are for 'compensable' claims which are those that typically involve expenses beyond medical expenses such as wage replacement, or disability payments. Both employers insured through the state fund and who are self-insured are included in these data. The rate of compensable claims, expressed as the number of compensable claims per 1,000 full-time equivalent workers, is provided for the Washington workers' compensation risk classifications, and three levels of the North American Industry Classification System - industry sector, industry group and industry. A comparison measure of the industry's rate to the overall state workers' compensable WMSD claim rate, a 'rate ratio' is provided.

[Table 1. Rate of compensable WMSD claims by NAICS industry sector, State Fund and self-insured combined, 2016-2020](#)

[Table 2. Rate of compensable WMSD claims by NAICS Industry Group, State Fund and self-insured combined, 2016-2020](#)

[Table 3. Rate of compensable WMSD claims by NAICS Industry, State Fund and self-insured, 2016-2020](#)

[Table 4. Rate of compensable WMSD claims by Washington Risk Class, State Fund and self-insured, 2016-2020](#)

WMSD claim rate by risk class, State Fund and self-insured, 2016-2020*

Washington Risk Classification	Washington Risk Classification description	Average annual number of compensable claims	Average annual number of full time equivalent employees	Compensable claims per 1,000 full time equivalent employees (Claim rate)	Risk class claims per FTE / all state claims per FTE (Rate Ratio)
	Baseline- All Risk Classes Combined	12,385.8	2,654,662	4.7	1.00
0302	Masonry Construction	31.0	1,398	22.2	4.75
7118	Temporary Help - Construction	26.6	1,214	21.9	4.70
1101	Parcel and Package Delivery Service	452.6	20,919	21.6	4.64
0519	Sheet Metal Siding, Gutters and Downspout Installation	10.4	1,104	9.4	2.02
6809	Baseball, Basketball & Soccer Teams	0.6	64	9.4	2.02
3511	Fiberglass Products Manufacturing, N.O.C.	7.2	769	9.4	2.01
1301	Electric Power Plants	52.8	5,690	9.3	1.99
2106	Fertilizer Dealer	7.0	1,482	4.7	1.01
0521	Painting: Buildings - Interior Work	26.4	5,654	4.7	1.00
5207	Bowling Centers and Skating Rinks	3.2	1,162	2.8	0.59
6107	Veterinary Services	21.4	7,828	2.7	0.59

*Example records from published table: https://lni.wa.gov/safety-health/safety-research/files/2023/Table4_SB5217_Risk%20Class.xlsx

Industrial Insurance (State) Fund Financial Overview

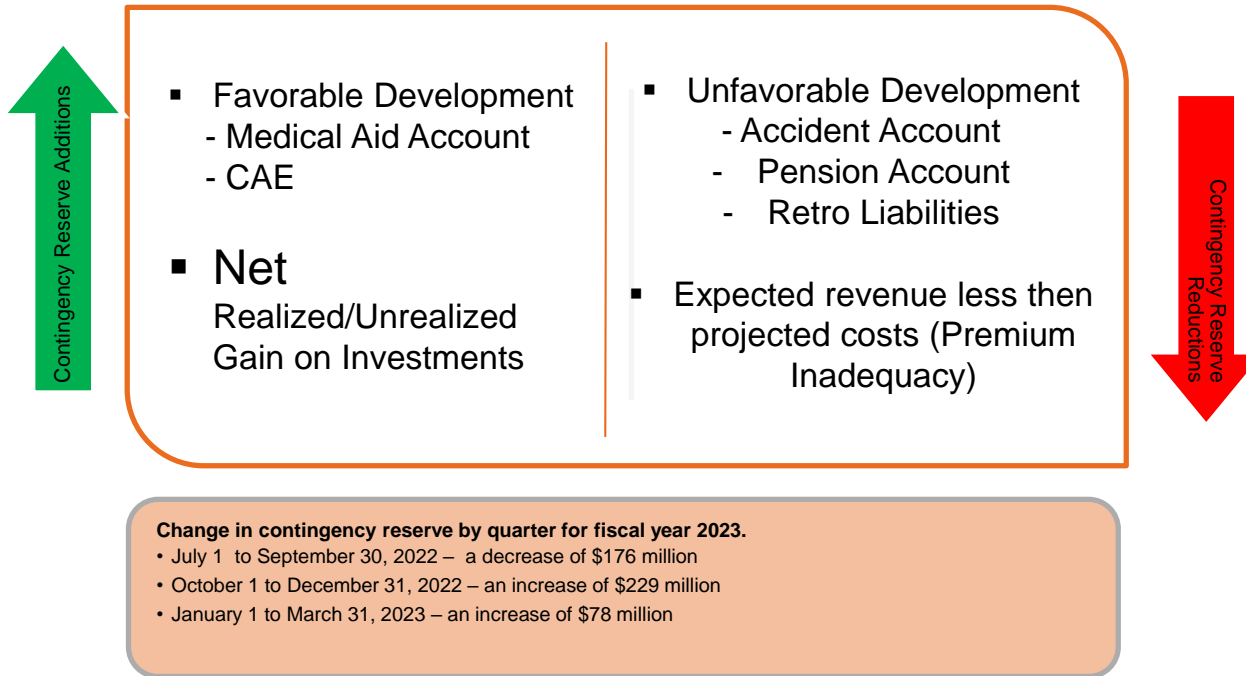
Rob Cotton, Chief Accounting Officer



Significant Financial Highlights

July 2022 through March 2023

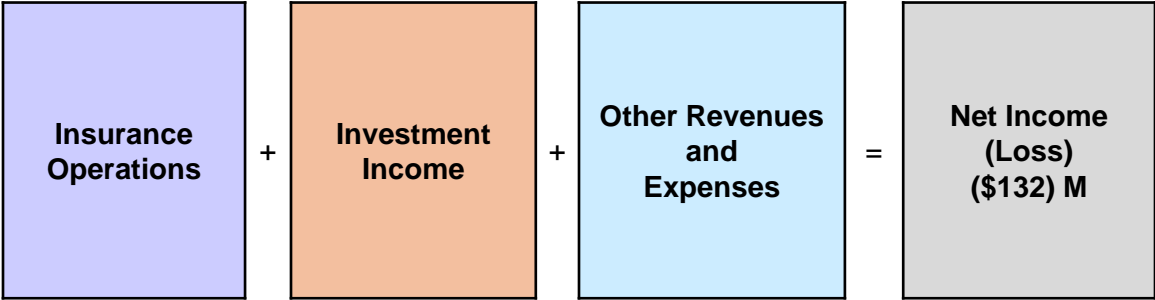
The contingency reserve increased **\$131 million**, from \$4,314 million on July 1, 2022 to \$4,445 million on March 31, 2023.



State Fund Results

“Net Income”

July 2022 through March 2023



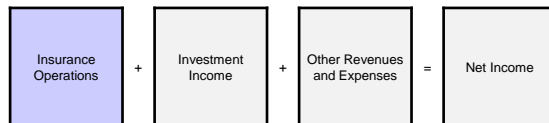
Insurance Operations

July through March 2023
(in millions)

Nine Months Ended

		March 31, 2023	March 31, 2022
We took in (Premiums Earned)	+	\$ 1,443	\$ 1,382
We spent (Expenses Incurred)			
Benefits Incurred		1,703	1,260
Claim Administrative Expenses		156	172
Other Insurance Expenses		73	70
Total Expenses Incurred	-	1,932	1,502
Net Income (Loss) from Insurance Operations	=	\$ (489)	\$ (120)

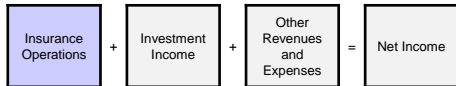
Net loss from insurance operations is normal for workers compensation insurers who routinely rely on investment income to cover a portion of benefit payments.



Premiums Earned

July through March 2023
(in millions)

	Nine Months Ended		Difference
	March 31, 2023	March 31, 2022	
Standard Premiums Collected	\$1,602	\$1,546	
Less Retrospective Rating Adjustments	(43)	(57)	
Less Ceded Reinsurance Premiums	(15)	(15)	
Net Premiums Collected	1,544	1,474	
Changes in future Premium Amounts To Be Collected	(1)	23	
Changes in future Retrospective Rating Adjustment Refunds	(100)	(115)	
Net Premiums Earned	\$ 1,443	\$ 1,382	\$ 61

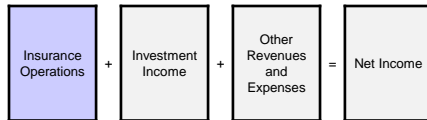


Benefits Incurred

July through March 2023
(in millions)

Nine Months Ended

	March 31, 2023	March 31, 2022	Difference
Benefits Paid	\$ 1,287	\$ 1,241	\$ 46
Change in Benefit Liabilities	416	19	397
Total Benefits Incurred	\$ 1,703	\$ 1,260	\$ 443

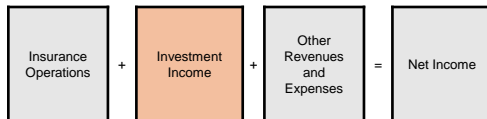


Investment Income

July through March 2023
(in millions)

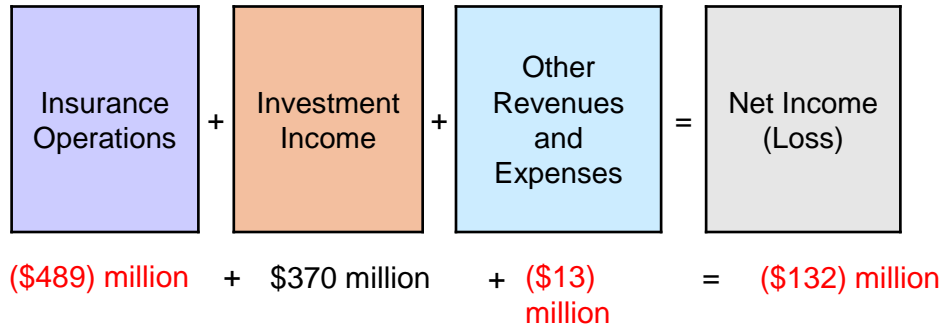
Nine Months Ended

		March 31, 2023	March 31, 2022
Investment Income Earned from Interest on bonds	+	\$372	\$ 341
Realized Gain/(Loss) from Fixed Income Investments Sold	+	(16)	78
Realized Gains from Stocks (Equity Investments) Sold	+	14	67
Total Investment Income	=	\$ 370	\$ 486



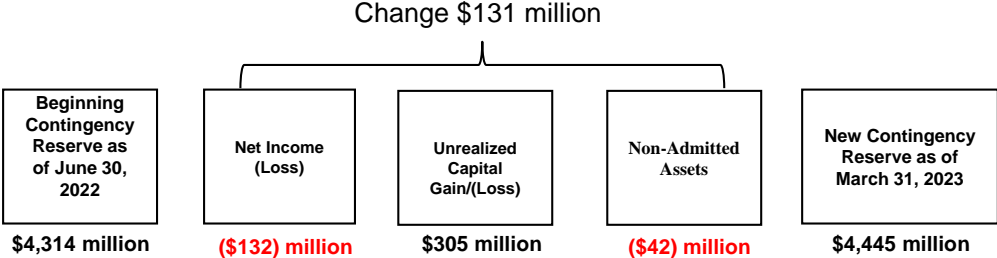
Results of Operations

July 2022 through March 2023

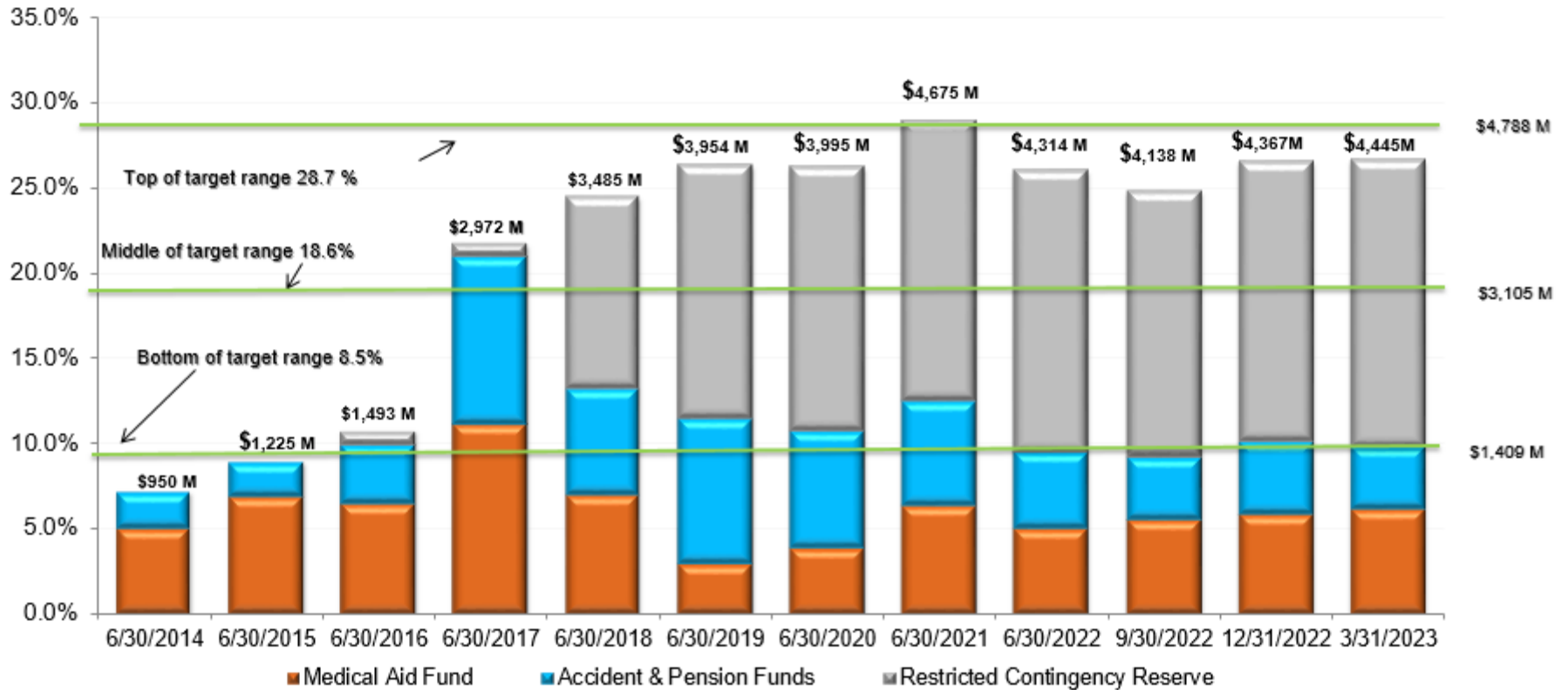


How Did Contingency Reserve Perform?

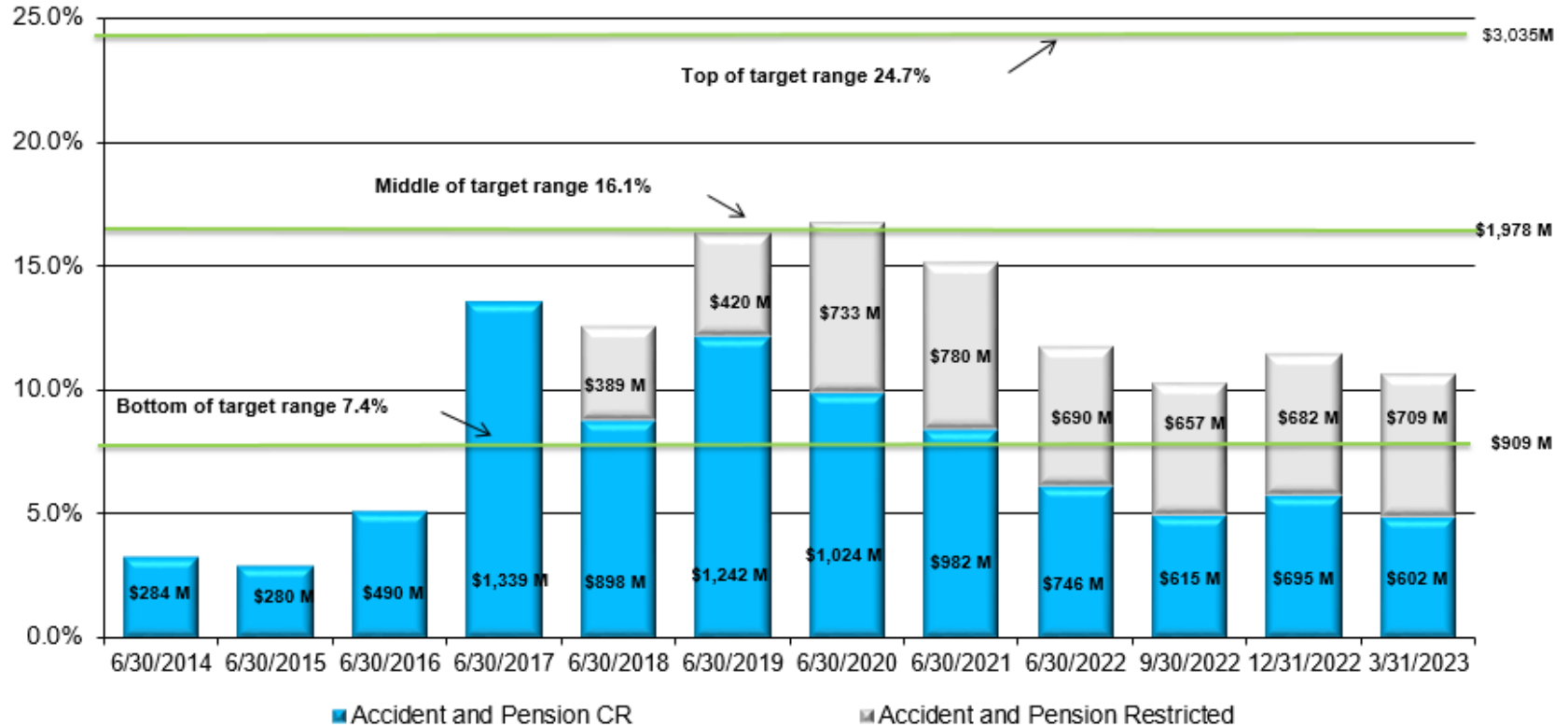
July 2022 through March 2023



Combined Contingency Reserve vs. Targets



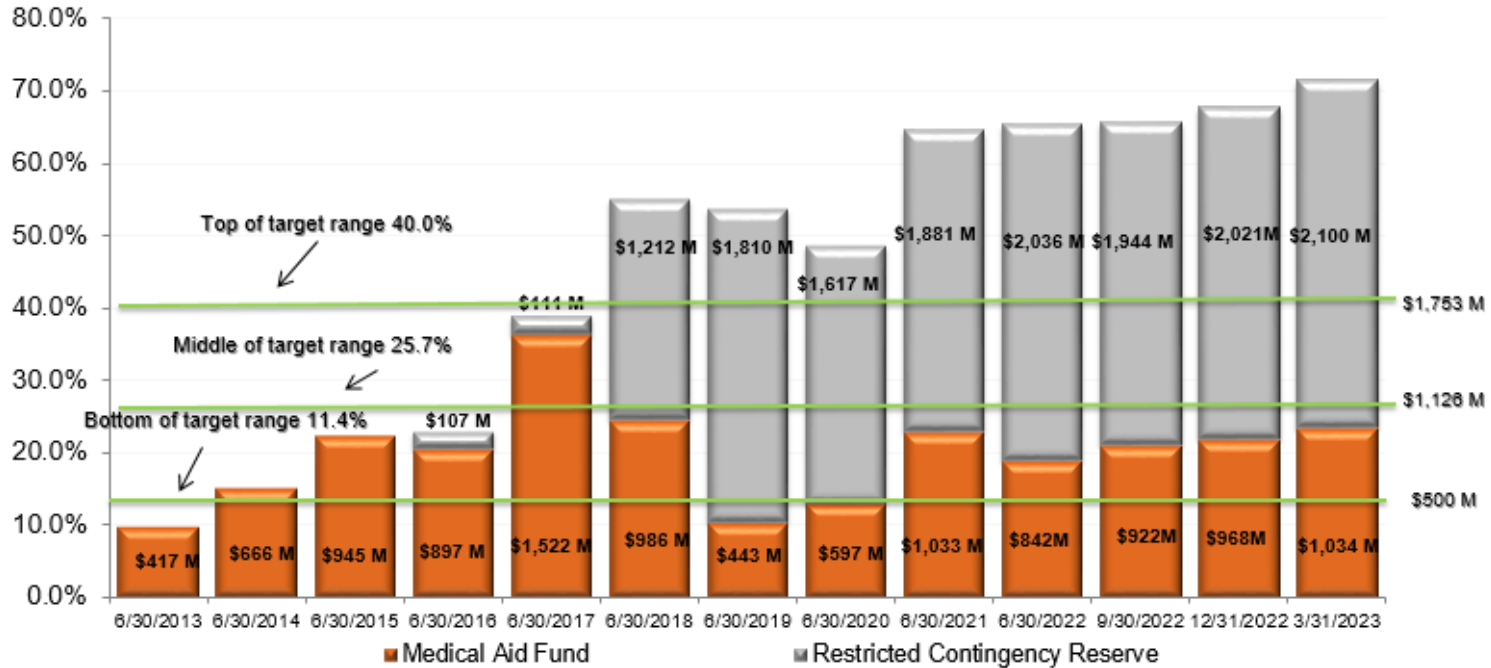
Accident, Pension & Restricted Contingency Reserve is 10.7% of Liabilities



The WCAC Target has historically been the midpoint between the bottom and middle target.

Medical Aid & Restricted Contingency Reserve is 71.5% of Liabilities

Medical Aid & Restricted Contingency Reserve vs. Targets



Restricted is based on final March 31, 2023 financial information and investment earnings through 3-31-23

The WCAC Target has historically been the midpoint between the bottom and middle target.

Key Financial Ratios

as a percentage of premium earned

Ratios	Quarter Ended March 31, 2023		Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021
	State Fund	Industry Forecast		
Current Year Benefit (Loss Ratio)	101.3%		104.3%	117.1%
Prior Year Benefit (Loss Ratio)	16.7%		(9.2)%	30.0%
Total Benefit (Loss Ratio)	118.0%	50.6%	95.1%	147.1%
Current Year CAE Ratio	12.3%		12.5%	14.4%
Prior Year CAE Ratio	(1.5)%		(1.5)%	1.8%
Total Claim Administration Expense (CAE) Ratio	10.8%	13.2%	11.0%	16.2%
Sub-Total: Benefit and Claim Administration Expense Ratios	128.8%	63.8%	106.1%	163.3%
Underwriting Expense Ratio includes all insurance administrative expenses except CAE	5.1%	27.2%	5.0%	6.1%
Combined Ratio (Industry omits dividends)	133.9%	91.0%	111.1%	169.4%
Investment Income Ratio	25.7%	18.8%	24.7%	28.9%
Operating Ratio	108.2%	72.2%	86.4%	140.5%

Questions & Comments

Contact Rob Cotton,
Chief Accounting Officer

- Phone: 360-902-5743
- Email: rob.cotton@lni.wa.gov.

Thank You!

Spanish Language Web Access Project

Tim Church, Assistant Director for Web & Communications

Lizzy Drown, Enterprise Project Manager



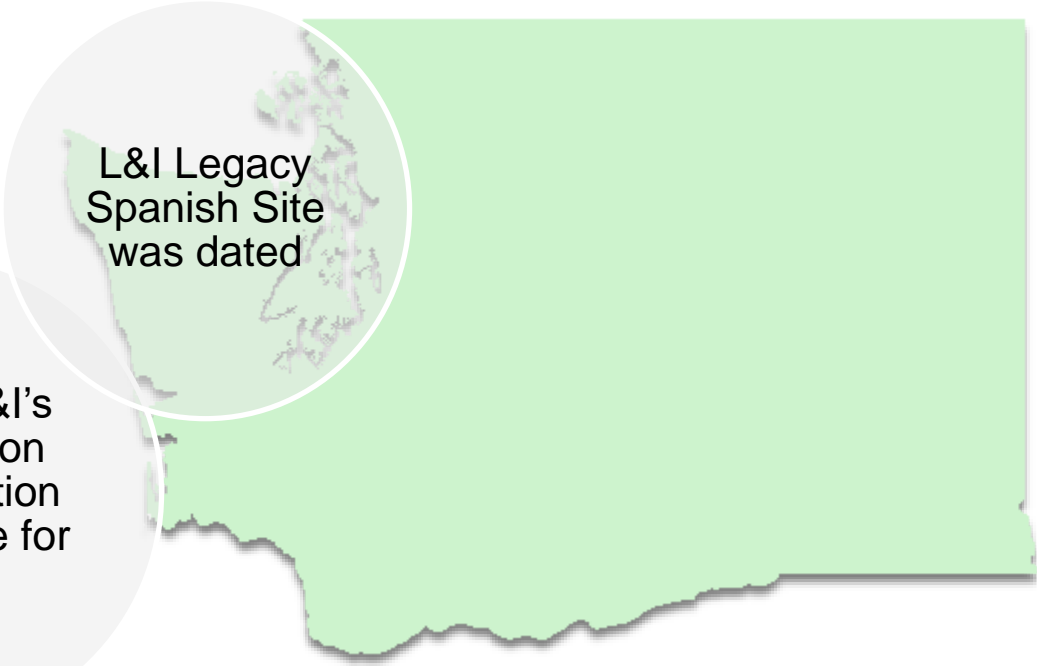
Setting the Stage

Washington workers need Spanish-language information

15% of
Washington
workers
identify as
Hispanic

>75% of L&I's
interpretation
and translation
requests are for
Spanish

L&I Legacy
Spanish Site
was dated

A map of Washington state is shown in a light green color. A white circular callout is positioned over the western part of the state, containing the text 'L&I Legacy Spanish Site was dated'. The callout circle overlaps with the text bubbles on the left.


New L&I Spanish-Language Web

Launched June 14

More comprehensive, accurate, better organized, and easier to navigate Spanish web content



Easier for customers to engage with us online in Spanish



One of the most comprehensive Spanish-Language sites in Washington State government

Much Improved Experience

A bilingual Lni.wa.gov

From: 2 Websites.

- Separately maintained
- Different content, organization, and functionality
- Previous Spanish website:
 - Less content
 - Content was hard to find and sometimes outdated
 - Not mobile-friendly

To: One website. Two languages.

- One unified website with English and Spanish versions of the same content
- Easily toggle between languages
- Mobile friendly
- New language alerts
- English and Spanish content update to the website together

Demonstration

Lni.wa.gov/espanol



Questions and Follow Up



Closing Comments & Adjourn

Mike Ratko, Assistant Director for Insurance Services

Joel Sacks, Agency Director



Next Meeting

- Sept 28, 2023
- 9:00-12:00
- Location TBD

Appendix A

COVID

COVID Claims – received through 05/31/23

	State Fund	Self-Insured	Total
Accepted total	12,652	9,789	22,441
<i>Open</i>	144	507	651
<i>Closed</i>	12,508	9,282	21,790
Rejected	2,275	821	3,096
Pending	120	10	130
Total	15,047	10,620	25,667

Fatal Claims

State Fund	38
Self-Insured	16
Total	54

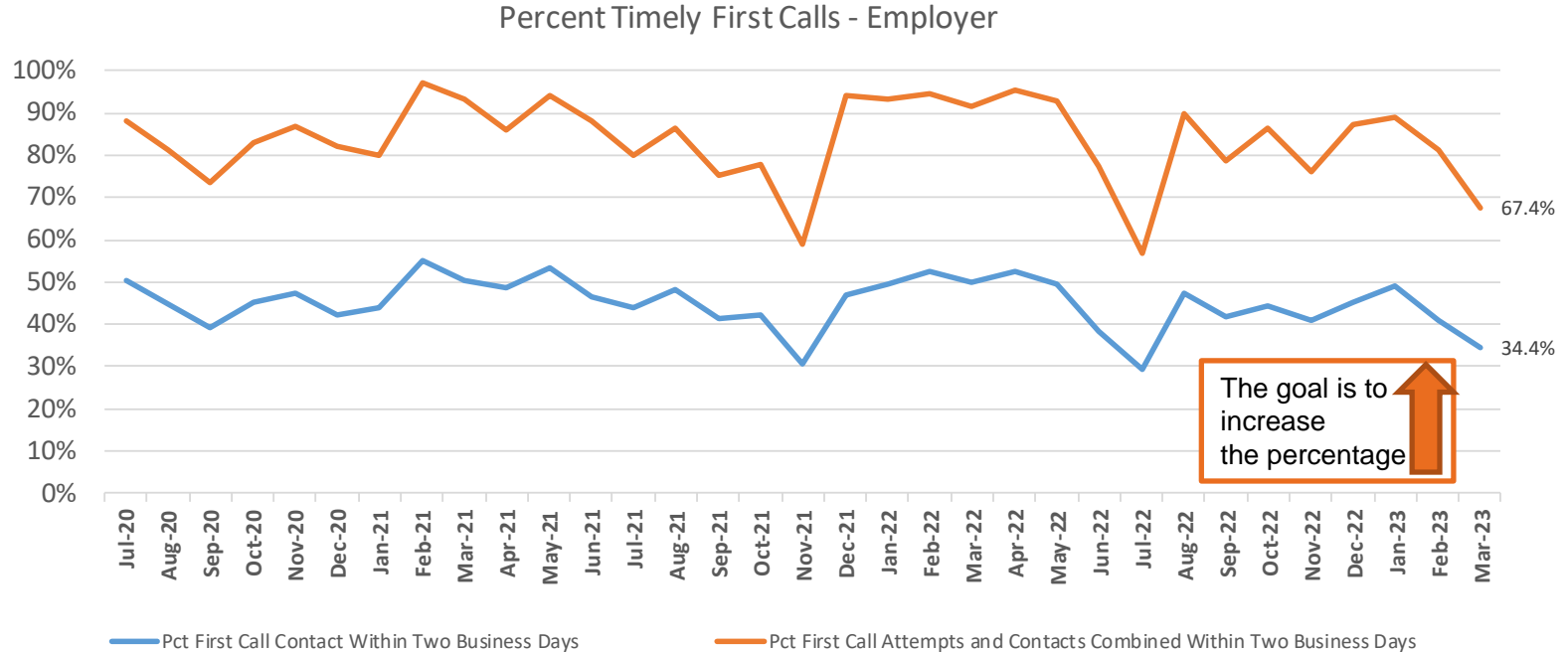
Accepted Claims	State Fund	Self-Insured	Total
Time-loss	10,922	9,511	20,433
Medical	802	174	976
KOS	928	104	1,032
Total	12,652	9,789	22,441

	State Fund	Self-Insured	Total
Healthcare related	7,233	4,954	12,187
First responders	2,315	1,626	3,941
Miscellaneous Services	1,827	59	1,886
Government	534	956	1,490
Misc. Professional and Clerical	227	1,076	1,303
Schools	90	938	1,028
Stores	142	20	162
Transportation and Warehousing	62	66	128
Agriculture	100	9	109
Food Processing and Manufacturing	52	20	72
Miscellaneous Manufacturing	13	29	42
Temporary Help	13	16	29
Trades	16	5	21
Other	28	15	43
Total	12,652	9,789	22,441

Appendix B

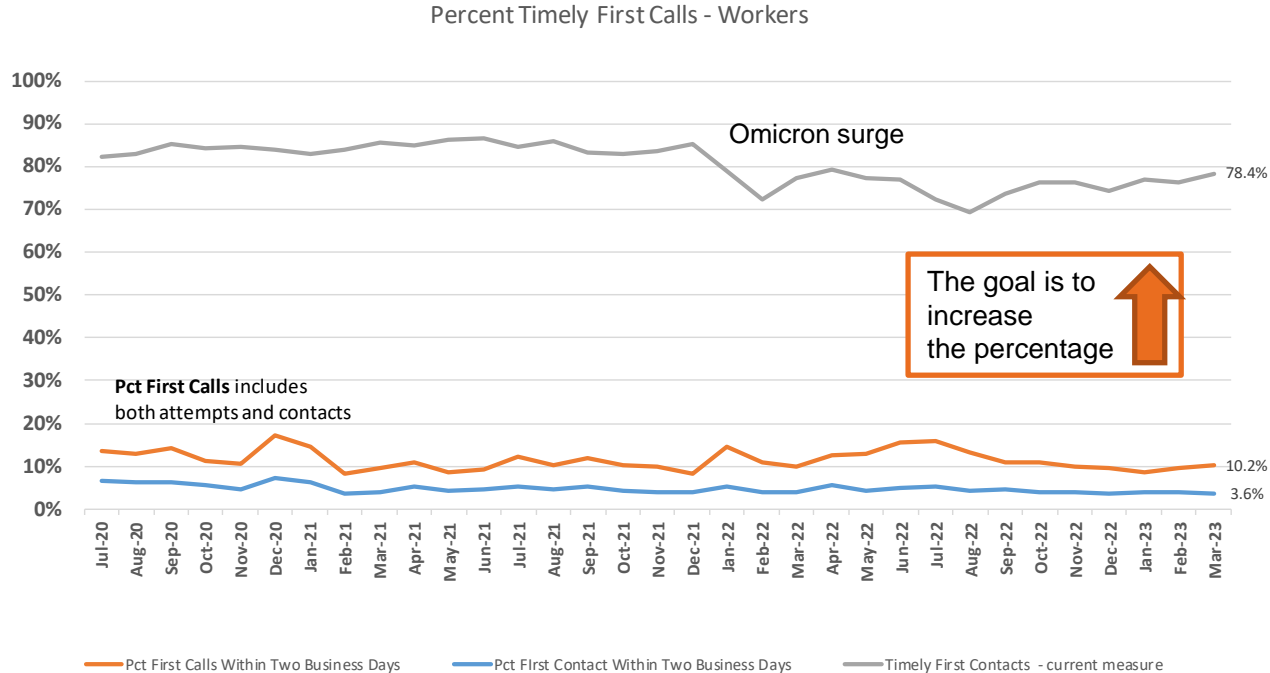
Operational Health

JLARC recommended employer contact measure



Note: Clock starts when claim is established in the system.

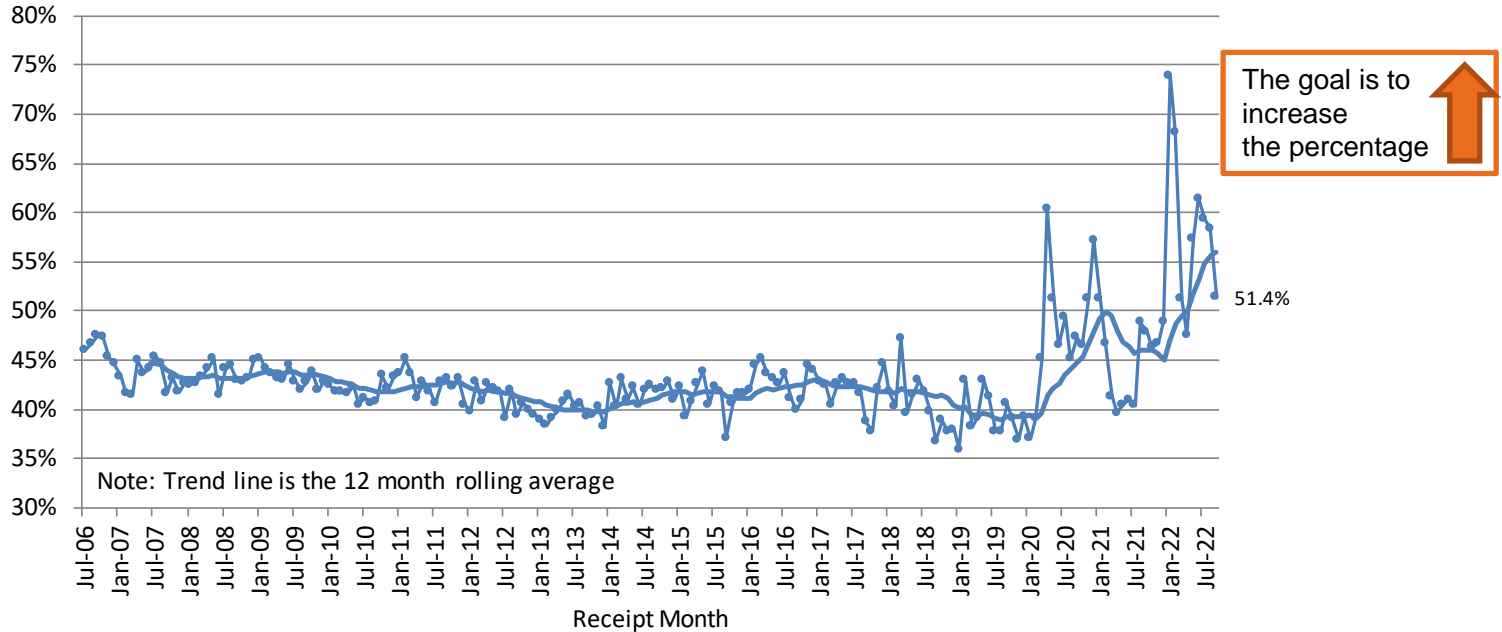
JLARC recommended worker contact measures & L&I's current measure



Note: Clock starts when firm and class are assigned on the JLARC recommended measure and when time loss is first paid on the current operational measure.

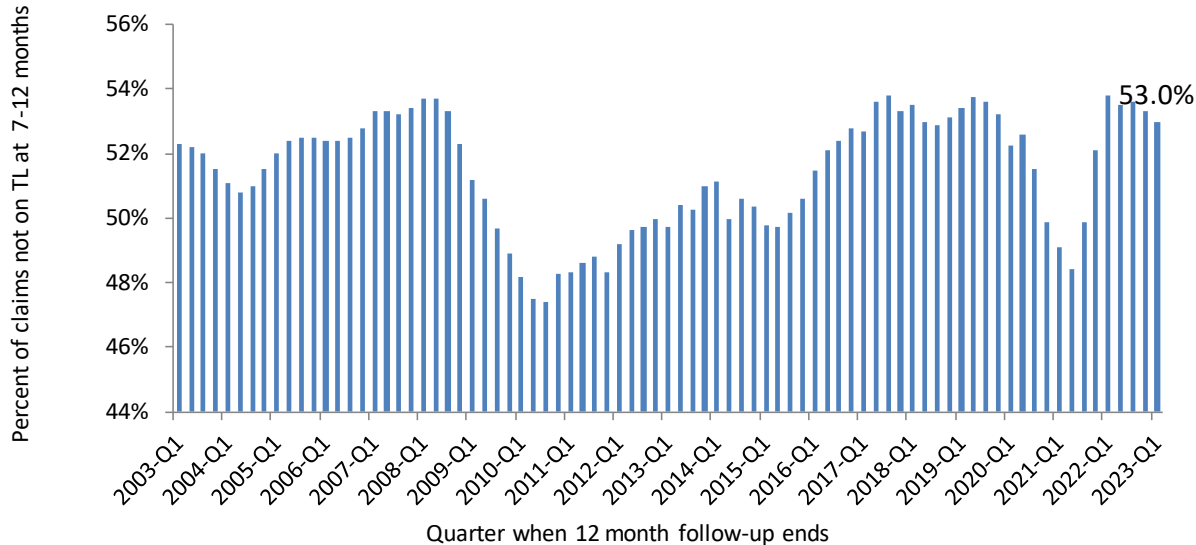
The share of time-loss claims resolved six months after claim receipt

Share of time-loss claims resolved six months after claim receipt



High risk claims – Initiatives in the first year are improving RTW outcomes

The share of injured workers off work 40 days after claim receipt who are likely to have returned to work: Note: 12-month rolling average



High risk workers are defined as those being disabled on the 40th day following claim receipt, about 1,400 claims per quarter. RTW is defined as the status of not receiving disability benefits between 7 and 12 months

Transitioned to COTS

Workers newly on opioids transitioned to chronic opioid therapy

61

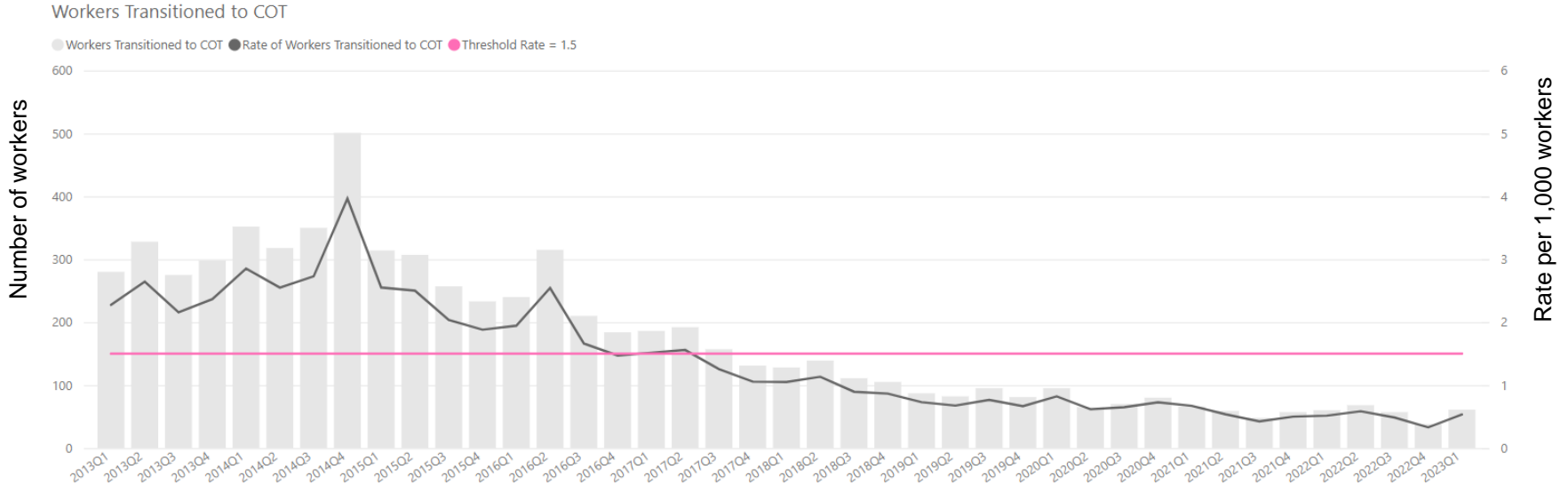
Workers Transitioned to COT

+61%

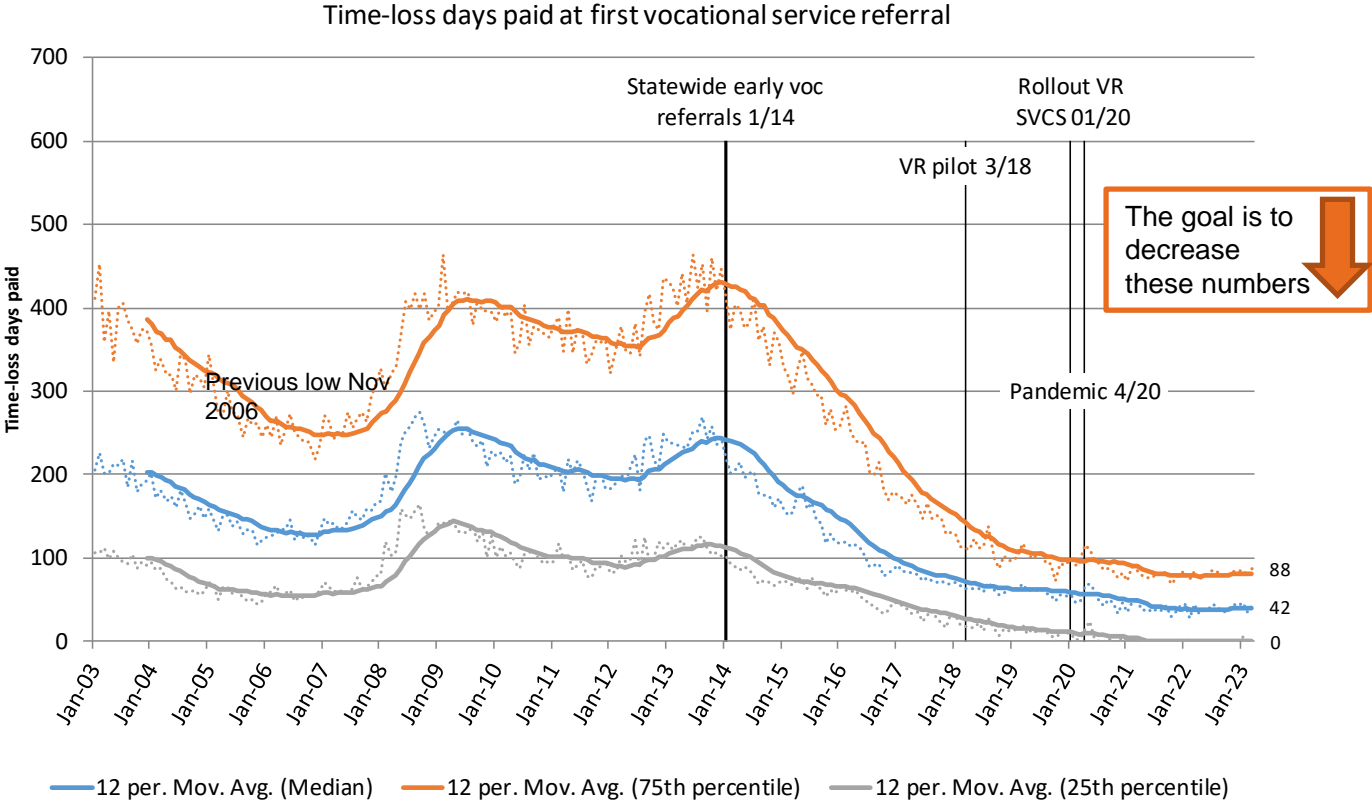
Change Since Previous Quarter

0.53

Rate per 1000 Injured Workers

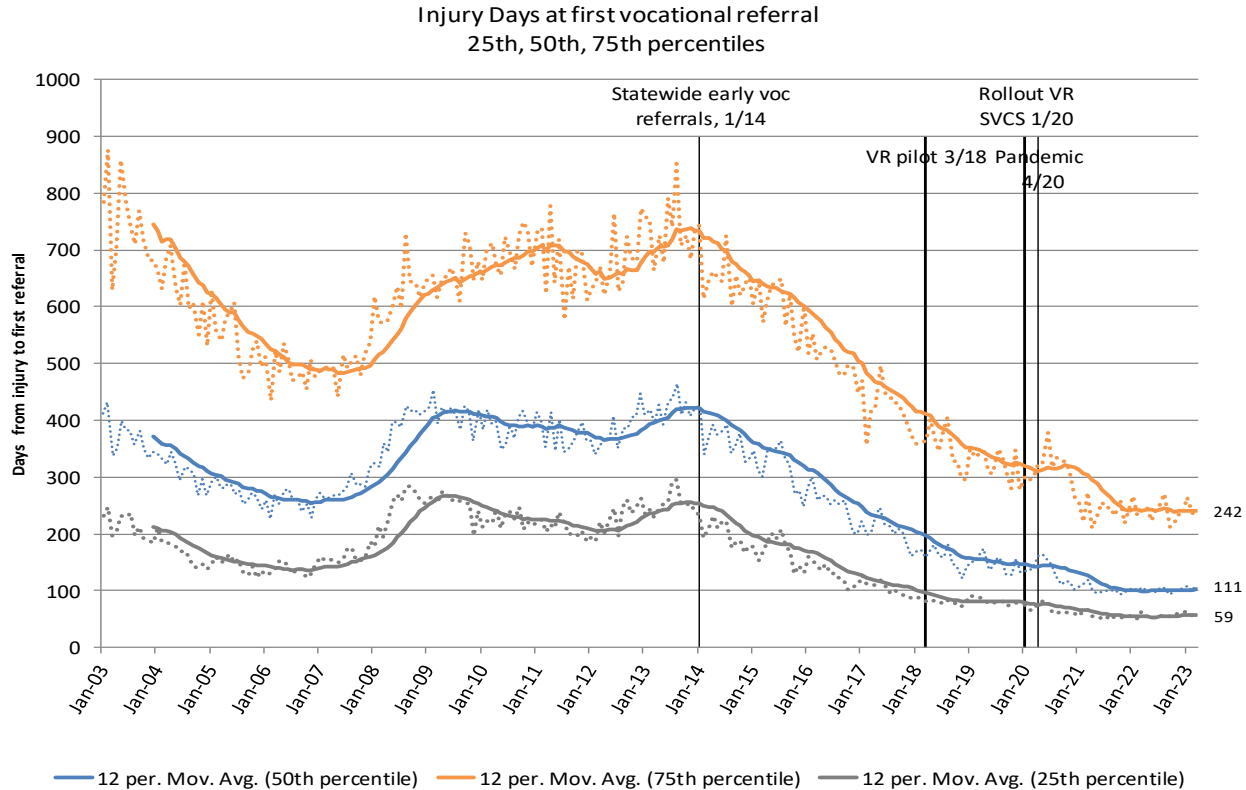


Referrals are now targeted to address the onset of disability



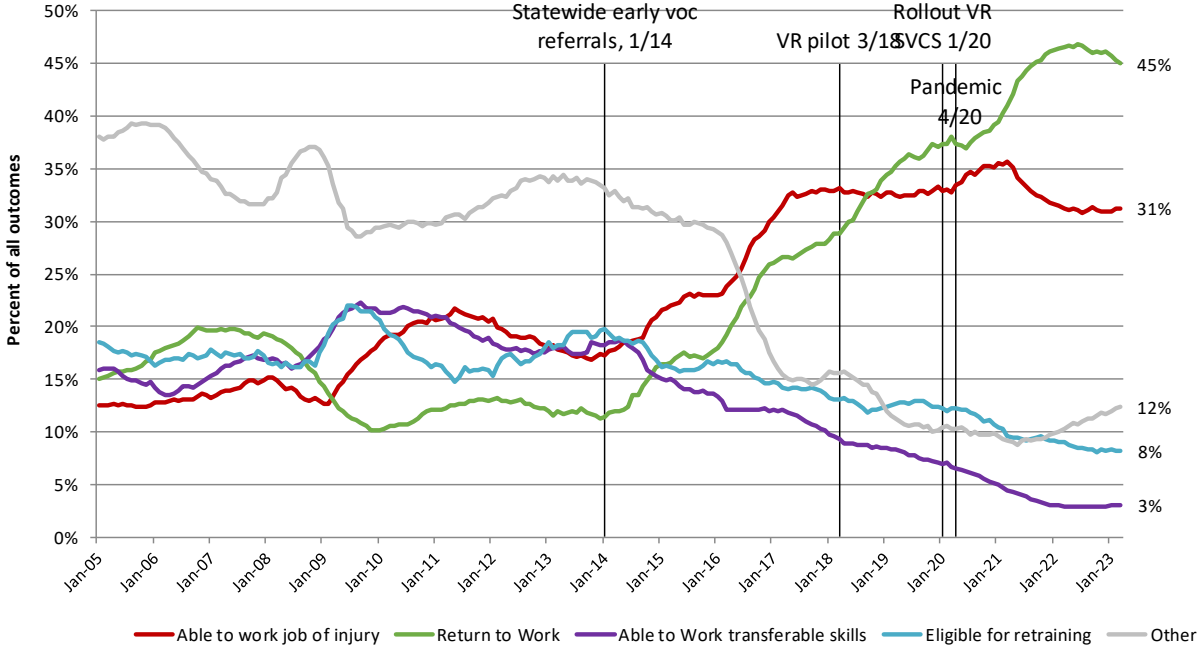
Referrals are now targeted to address the onset of disability


- days from date of injury



New focus on return to work has increased positive employable outcomes for all first vocational service referrals

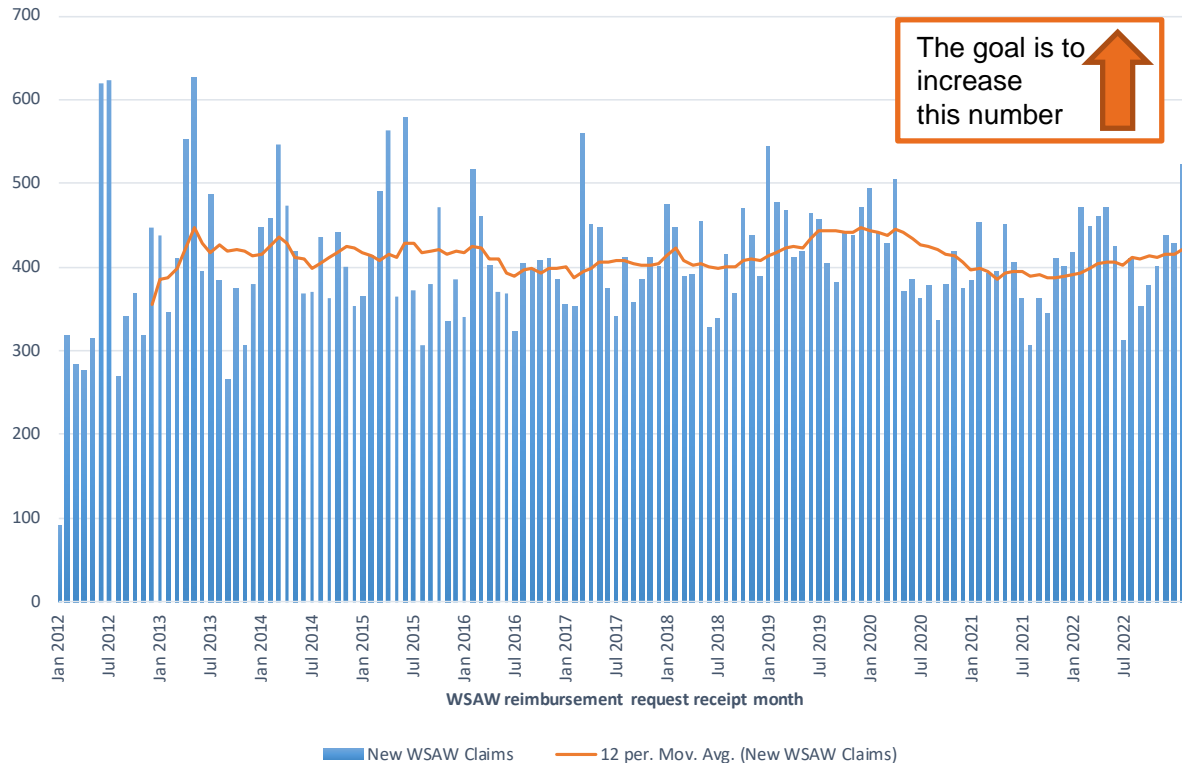
Outcome distribution, first vocational service referrals, select outcomes (12-month average)



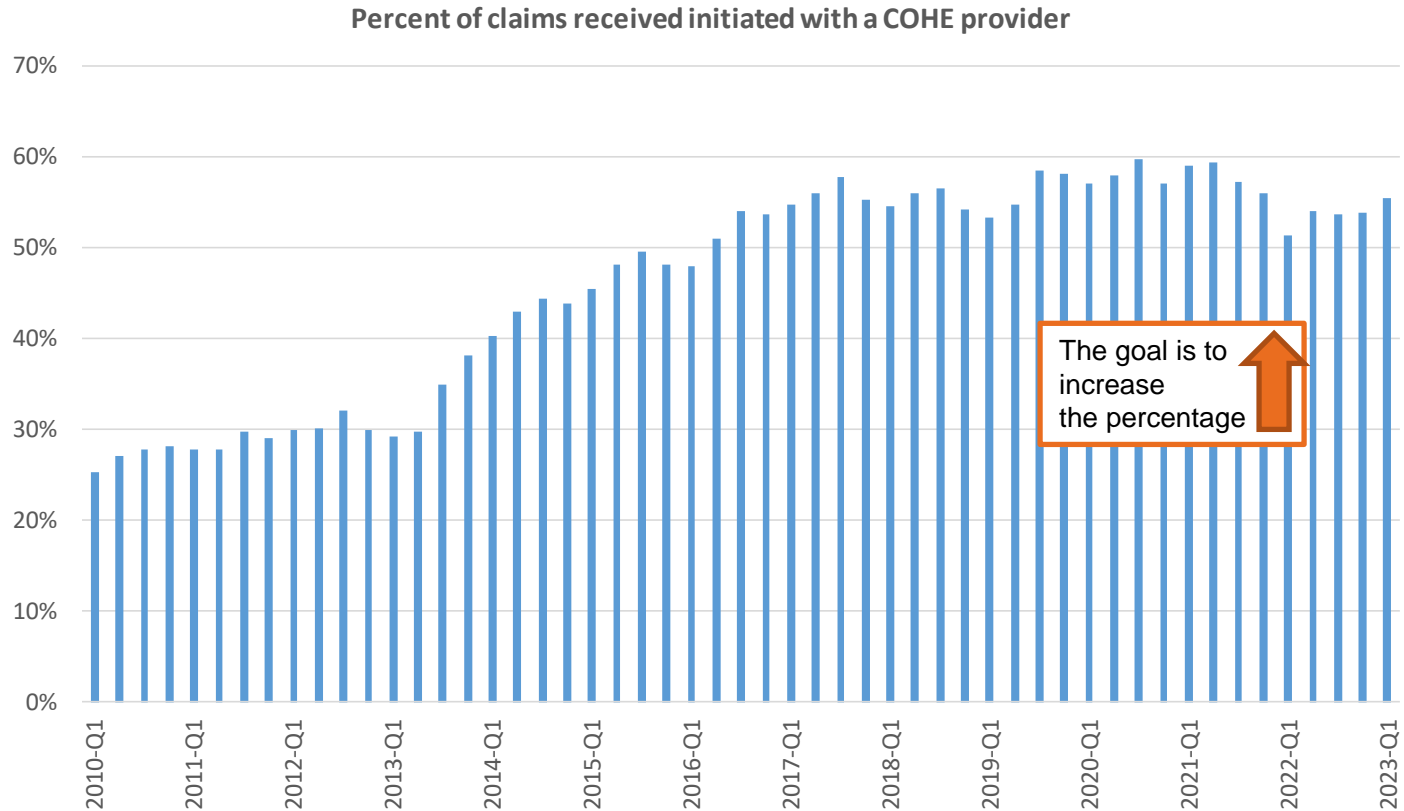
The goal is to increase the share of RTW outcomes 

Participation in light duty job assignments helps maintain the employer/injured worker relationship.

New WSAW Claims



Percentage of claims for injured workers initiated with a COHE provider



Appendix C

Industrial Insurance (State) Fund Financial Overview

Reconciliation of Change in Benefit Liabilities

(In \$1,000s)

July 1, 2022 Benefit Liability Beginning Balance	\$14,768,690
Prior Year Benefit Payments	(\$1,120,668)
Prior Year Development and Model Change (Favorable)	(\$7,679)
Self Insurance Prefunded Pension Transfers	\$0
Regular reserve discount reduction	\$249,847
Net Total Prior Year Benefit Liability as of March 31, 2023	<u>\$13,890,190</u>
New Current Year Benefit Liabilities	\$1,294,738
March 31, 2023 Benefit Liabilities Ending Balance	<u><u>\$15,184,928</u></u>
Change Between Beginning and Ending Balance	\$416,238

Highlights of Changes in the Contingency Reserve

	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	Q3 FY23
Actuarial Development ¹	\$149M	\$543M	\$147M	\$926M	\$941M	\$352M	\$(197)M	\$287M	\$526M	\$7M
Rate Changes	\$58M	\$59M	\$38M	\$27M	\$(14)M	\$(120)M	\$(110)M	\$(44)M	\$(29)M	\$17M
Greater (less) than expected changes in the stock market	\$279M	\$(29)M	\$(101)M	\$411M	\$199M	\$50M	\$340M	\$1,263M	\$(639)M	\$242M
Mortality table change	-	\$(146)M	-	-	-	-	-	-	-	-
Adjustments to avoid double counting 2011 reform savings	\$(130)M	\$(83)M	-	-	-	-	-	-	-	-
Discount rate reduction	\$(256)M ²	\$(31)M	\$(31)M	\$(36)M	\$(646)M ³	-	\$(90)M ⁴	\$(384)M ⁵	\$(6)M ⁶	-

1. Includes numerous, offsetting factors including model changes, operational influences, and the state of the economy

2. Model change for 13-year plus claims \$102 M; Pension Discount change \$154 M.

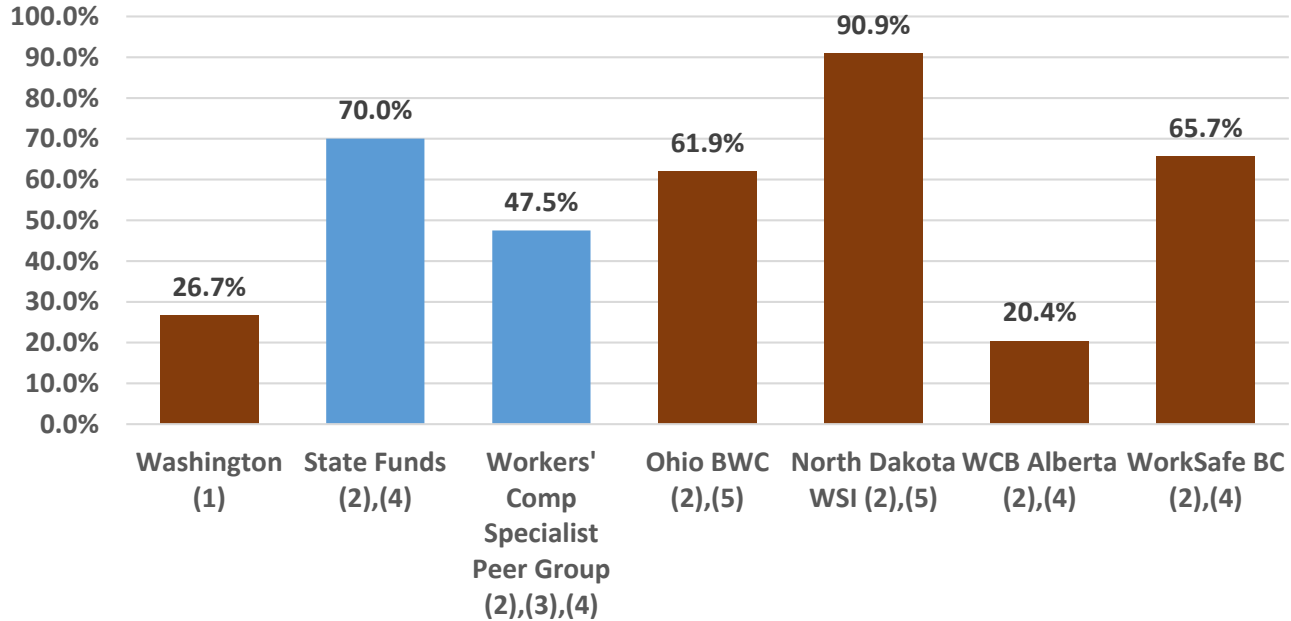
3. Pension Discount Rate reduction from 6.2% to 4.5%

4. Non-Pension Discount Rate reduction from 1.5% to 1.0%

5. Proposed Pension Discount Rate 4.5% to 4.0%

6. Self-insurance prefunded rate reduction from 5.8 to 5.7%

Washington's CR is below most other funds as a percent of liabilities



(1) Preliminary as of 3/31/2023

(2) Source: Conning Peer Analysis, August 17, 2022

(3) Worker's Comp Specialist Peer Group—workers' compensation specialist insurers including some state funds

(4) As of 12/31/2021

(5) As of 9/30/2021

Historic Results of Operations

July through March
(in millions)

As of Quarter Ended March 31,	Insurance Operations	+	Investment Income	+	Other Revenues & Expenses	=	Net Income (Loss)
2023	(489)		370		(13)		(132)
2022	(120)		486		(12)		354
2021	(824)		643		(26)		(207)
2020	(639)		513		(13)		(139)
2019	(14)		347		16		349
2018	(301)		491		36		226
2017	119		387		45		551
2016	(219)		462		43		286
2015	(475)		420		40		(15)
2014	(470)		597		43		170
2013	(579)		427		26		(126)
2012	(620)		394		52		(174)

Historical Investment Performance

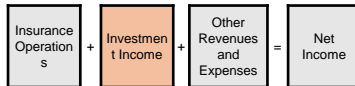
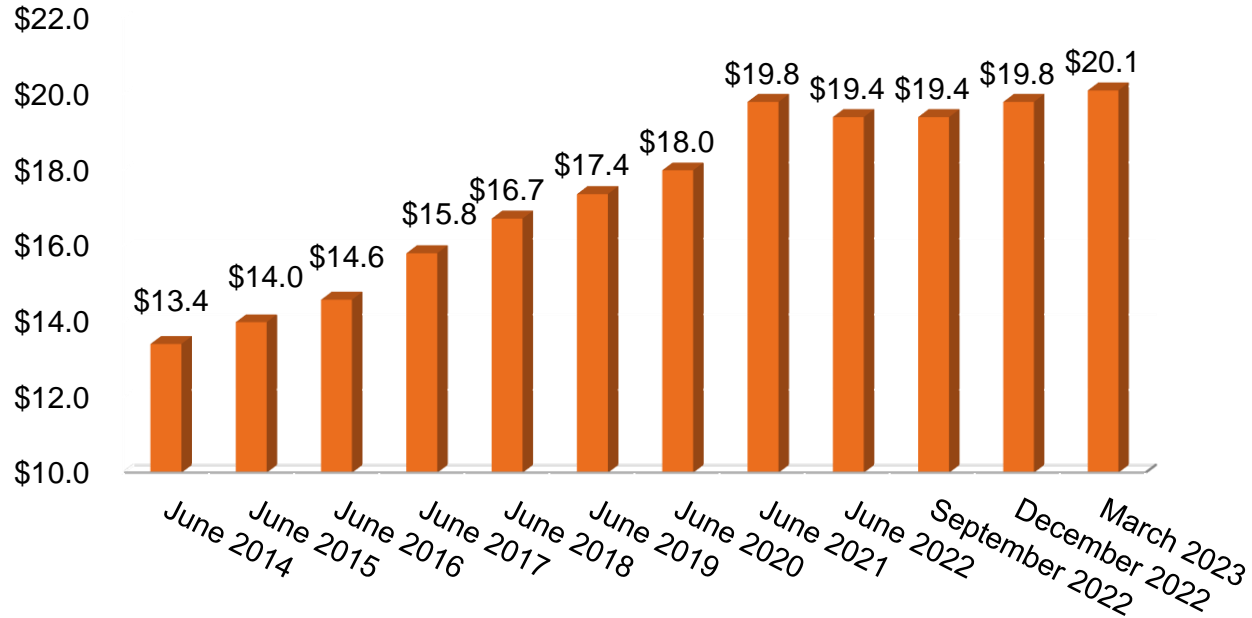
Fiscal Year Ended

	Quarter Ended March 31, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Investment Income	371,503,000	456,375,000	462,700,000	496,981,000	498,626,000	481,048,000
Realized Gain (Loss)	(1,547,000)	141,857,000	299,787,000	272,266,000	(23,498,000)	1,092,446,000
Unrealized Gain (Loss)	305,790,000	(676,444,000)	1,069,560,000	161,264,000	151,820,000	(812,942,000)*
Total Invested Assets	20,069,917,000	19,420,354,000	19,793,907,000	17,992,984,000	17,443,448,000	16,728,166,000

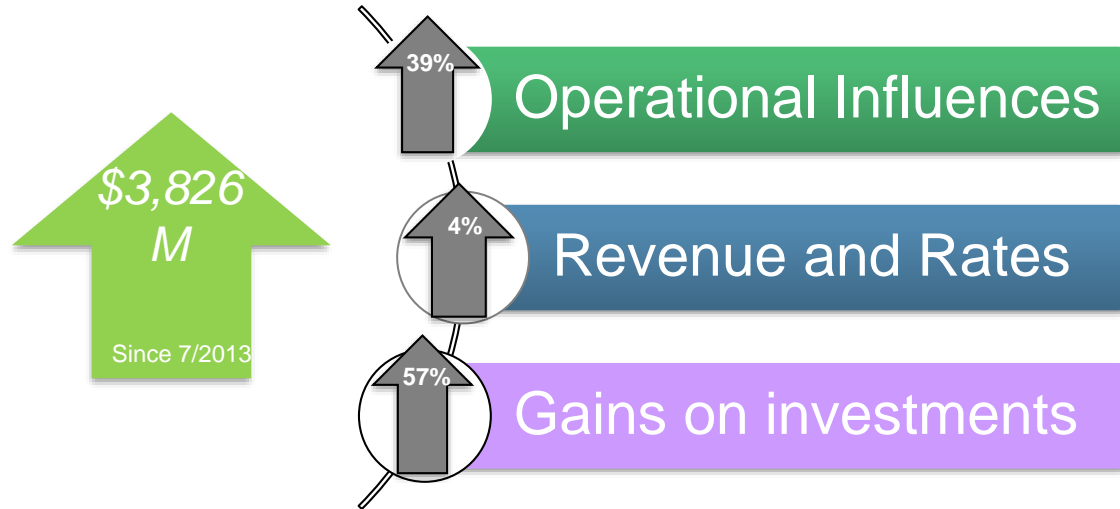
***Unrealized gains in prior years that increased the contingency reserve were removed from unrealized and included in realized gains when equities were sold in fiscal year 2018.**

Total Investments

(rounded to billions)



Contingency Reserve Drivers



As of 3/31/2023 the CR is at \$4,445M.

Benefit Liability History

(in thousands)

	Benefit Liabilities	\$ Increase/ (Decrease)	% Increase/ (Decrease)
March 31, 2023	\$ 15,184,928	416,238	2.8%
June 30, 2022	14,768,690	146,597	1.0%
June 30, 2021	14,622,093	728,107	5.2%
June 30, 2020	13,893,986	730,933	5.6%
June 30, 2019	13,163,053	71,245	0.5%
June 30, 2018	13,091,808	365,076	2.9%
June 30, 2017	12,726,732	(251,425)	(1.9%)
June 30, 2016	12,978,157	317,999	2.5%
June 30, 2015	12,660,158	287,485	2.3%
June 30, 2014	12,372,673	566,601	4.8%
June 30, 2013	11,806,072	603,117	5.4%

Appendix D

Spanish Website Project

Spanish Homepage View

English বাংলা-ভাষা 中国-简体 中文繁體 한국어 русский Soomaali tiếng Việt Other Languages

Washington State Department of Labor & Industries

Contacto Mi L&I: Iniciar sesión Buscar en L&I

Seguridad y salud Reclamos Atención al paciente Seguro Derechos de los trabajadores Licencias y permisos

Verifique la licencia de un contratista o de un oficio Encuentre un formulario o publicación Pagar un saldo adeudado

Mantenemos a Washington seguro y trabajando

PROVEEDORES

- Verifique el estado del reclamo de un paciente ▶
- Busque una tabla de tarifas ▶
- Averigüe si un paciente está financiado por el estado o ▶

EMPRESAS

- Presente informes trimestrales ▶
- Carteles requeridos para el lugar de trabajo ▶
- Busque un contratista o una empresa ▶

TRABAJADORES

- ¿Está lesionado? ▶
- Consultar estado de mi reclamo ▶
- Presente un reclamo ▶
- Comprenda los derechos y ▶

Language Alerts




Aplicación no disponible

[Ver aplicación en inglés →](#)

Lo lamentamos. La aplicación que intenta ver no está disponible en el idioma seleccionado. Si necesita más información sobre este contenido, o soporte adicional en su idioma, comuníquese con uno de los recursos que se enumeran a continuación.

[use el directorio para llamarnos](#)

Licencia de administrador externo (TPA, por su sigla en inglés)

El Código Revisado de Washington (RCW, por su sigla en inglés) [51.14.170](#)  entró en vigor el 1 de julio de 2021. Este RCW ordena lo siguiente:

1. L&I debe elaborar, adoptar y administrar las normas para implementar la nueva ley.
2. Todos los TPAs que administran reclamos de empleadores autoasegurados deben estar autorizados por el L&I.
3. Todos los administradores de reclamos de los empleadores autoasegurados deben estar certificados por el L&I.
4. Se deben incrementar los montos de las sanciones.

Share Options

