

**Indemnity Benefits:** Workers' compensation indemnity benefits are cash benefits paid to injured workers. These benefits include benefits for temporary disability (time loss), permanent partial disability, permanent total disability, and death. Statute sets eligibility criteria and the rates at which insurers pay these benefits. In the case of death from work-related causes, indemnity benefits are paid to survivors. Indemnity benefits also include vocational assistance benefits paid on behalf of severely disabled workers to get them back to work.

Indemnity benefits are generally reported at the time of claim closure. This occurs when the worker has become medically stationary, and the insurer stops temporary disability and determines permanent partial disability. Workers and insurers may avoid the claim closure process by negotiating settlements. There are two types of settlements typically paid as lump sums: claim disposition agreements and disputed claim settlements.

Workers can also receive benefits through other programs. The Workers' Benefit Fund reimburses insurers for certain benefits they pay workers. The most important benefits are paid to beneficiaries of workers who suffered death or permanent total disability and to workers who use certain return-to-work programs. More details are provided below.

WCD does not require all indemnity data be reported to the department. The data below includes estimates for unreported data. The largest estimates are of the temporary disability paid to workers who negotiate settlements, death and permanent disability benefits, and medical payments.

**Estimated total payments:** The following are estimated total paid benefits, in millions of dollars, in the calendar year.

Total benefits paid	The sum of the estimated indemnity and medical payments.
Total indemnity paid	Estimated indemnity payments, in millions of dollars, paid during the year. (See the description of the temporary disability payments for a description of the one exception to this definition.)
Total medical paid	Estimated total medical payments, in millions of dollars, paid during the year. The department requires the large insurers to report medical billing data. The total estimated amounts are extrapolated from these reports.

**Estimated indemnity payments for accepted disabling claims:** Nearly all indemnity payments are for accepted disabling claims. The figures are for insurer-paid benefits and are millions of dollars. The individual components are rounded, so the totals may not equal the sum of the components. Some data are estimated, and the historical data are revised by small amounts each year.

Total ADC indemnity	The sum of the seven components of the indemnity payments, in millions of dollars.
ADC Temporary disability	The estimated temporary disability payments, in millions of dollars. Temporary disability is reported at the time of claim closure, not by the date of payment. When a claim is settled with a CDA, insurers do not report the temporary disability paid prior to the settlement; these amounts are estimated.

ADC PPD	The permanent partial disability (PPD) payments, in millions of dollars, paid in the calendar year. Most PPD is paid at the time of claim closure. PPD can also be awarded or rescinded during the closure appeals process.
ADC PTD	Estimated insurer-paid permanent total disability (PTD) payments, in millions of dollars, paid during the calendar year. Not all insurers report data; the estimated amounts are extrapolated from the reported data.  PTD benefits are paid monthly when a worker is totally and permanently disabled due to a work injury. Most PTD benefits are not paid by insurers. They are paid from the Workers' Benefit Fund (WBF). This is described in more detail below.
ADC Death	Estimated insurer-paid death benefit payments, in millions of dollars, paid during the calendar year. Not all insurers report data; the estimated amounts are extrapolated from the reported data.  Death benefits are provided to surviving family members of a worker who dies on the job or while permanently and totally disabled. Most death benefits are not paid by insurers. They are paid from the Workers' Benefit Fund (WBF). This is described in more detail below
ADC CDA	The claims disposition agreements (CDA) payments, in millions of dollars, paid in the calendar year for accepted disabling claims. Workers may give up their rights to future benefits other than medical services and the Preferred Worker Program in exchange for a cash settlement.
ADC DCS	The disputed claim settlement (DCS) payments, in millions of dollars, paid in the calendar year for accepted disabling claims. Workers may give up all rights to future benefits in exchange for a cash settlement. The settlement may cover the entire claim or just certain accepted conditions.
ADC Vocational assistance	Vocational assistance payments, in millions of dollars, each year.  Insurers provide assistance, usually through professional rehabilitation organizations, to a small number of injured workers who are eligible for vocational assistance. Benefits include professional rehabilitation services such as plan development, counseling and guidance, and placement; purchases of goods and services such as tuition; and temporary disability while the worker is actively engaged in training. The typical eligible worker is entitled to a training plan, the training described in the plan, followed by direct employment services.
ADC Average benefits paid	The average indemnity payments for the accepted disabling claims resolved in the year in dollars.
<p><b>Workers' Benefit Fund (WBF) payments:</b> The Workers' Benefit Fund provides funds for several programs that assist employers and injured workers. Employers and workers pay the assessments that fund the WBF. The two major programs are the Retroactive Program and the Re-employment Assistance Program. The Retroactive Program pays cost-of-living increases to workers or their beneficiaries based on changes in average wages. The benefits paid are for permanent total disability and death. The Re-employment Assistance Program provides</p>	

<p>incentives for injured workers to return to work, through the Employer-at-Injury Program (EAIP) and the Preferred Worker Program (PWP). Benefits common to both are wage subsidies, worksite modifications, and employment purchases.</p> <p>The figures are in millions of dollars. Some data are estimated, and the historical data are revised by small amounts each year.</p>	
Total WBF payments	The sum of the six components of the WBF reimbursements, in millions of dollars.
PTD, WBF	<p>Estimated WBF-paid permanent total disability (PTD) payments, in millions of dollars, paid during the calendar year. PTD benefits are paid monthly when a worker is totally and permanently disabled due to a work injury. The WBF pays cost-of-living increases to workers or their beneficiaries based on changes in average wages.</p> <p>Not all insurers report data; the estimated amounts are extrapolated from the reported data.</p>
Death, WBF	<p>Estimated WBF-paid death benefit payments, in millions of dollars, paid during the calendar year. Death benefits are provided to surviving family members of a worker who dies on the job or while permanently and totally disabled. The WBF pays cost-of-living increases to workers or their beneficiaries based on changes in average wages.</p> <p>Not all insurers report data; the estimated amounts are extrapolated from the reported data.</p>
EAIP ADCs, WBF	The WBF reimbursements for EAIP costs for disabling claims, in millions of dollars. EAIP benefits include wage subsidies, worksite modifications, and employment purchases.
EAIP nondisabling claim, WBF	The WBF reimbursements for EAIP costs for nondisabling claims, in millions of dollars. EAIP benefits include wage subsidies, worksite modifications, and employment purchases.
PWP WBF	The WBF reimbursements for the PWP, in millions of dollars. Included are the wage subsidies, worksite modifications, and employment purchases. These are broken out into PWP worker initiated and PWP employer initiated WBF reimbursements.
PWP claim costs reimbursed, WBF	The WBF reimbursements for claims costs for new claims for claimants in the PWP, in millions of dollars. In most circumstances, if a worker in the PWP suffer new compensable injuries, the WBF reimburses the claims costs.

Source:  
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