COLORADO WORKERS' COMPENSATION

CLOSED CLAIM STUDY

2001

Requested by:
State of Colorado
Department of Regulatory Agencies
Division of Insurance
Denver, Colorado

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CLOSED CLAIM STUDY - 2001

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EXECUTIVE SUMMARY

INTRODUCTION

Responding to widespread concern about the then increasing cost of workers' compensation insurance, the Colorado General Assembly enacted Senate Bill 91-218 (SB 218), effective July 1, 1991. Among the many changes implemented by SB 218 were improvements in workers' compensation data collection and reporting that would lead to a better understanding of the costs that are driving the system.

The Division of Insurance identified the data to be collected by the National Council on Compensation Insurance (NCCI) from insurance carriers. Senate Bill 114, effective April 24, 1997, requires the Executive Director to collect similar information from self insurers. In general, the required elements include:

- Basic claim information about the accident, claimant, employer, and claim administration details;
- Benefit information such as medical, indemnity, vocational rehabilitation, and expenses; and
- Legal information such as claimant attorney involvement.

Milliman & Robertson, Inc. (M&R) was engaged by the Division of Insurance to conduct the 2001 Colorado Workers' Compensation Closed Claim Study (2001 study).

The purpose of this study is threefold:

1. To search for and obtain cost drivers associated with claims involving permanency;
2. To compare the results of this study with the results of the prior studies; and
3. To summarize and present the data collected (Cross-Tabulation Analysis).

The objective of this executive summary is to give an overview of the information contained in the report. It will summarize the statistically significant conclusions of the report regarding those cost drivers that affect the amount of a workers' compensation claim. This executive summary will also highlight the noteworthy differences in the 2001 study as compared with the two earlier studies, and it will present several data cross-tabulations. The report which supports this summary shows more extensive comparisons and greater detail.

THE 2001 STUDY

The 2001 study continues to build upon the data collected in the earlier studies. A total sample of 6,241 claims involving permanency are now included (up from 5,077 last year). The carriers represented in the sample are Pinnacol Assurance (approximately 40% of the commercial market), 47 commercial insurers (approximately 35 % of the commercial market), and 53 self insurers (approximately 80% of self insurer market). Up until 1999, Pinnacol Assurance was known as CCIA (Colorado Compensation Insurance Authority).

For the commercial carriers and Pinnacol Assurance we relied on Detailed Claim Information (DCI) collected by NCCI along with supplemental information that we collected from the carriers on the same claims. The DCI is a continuing random sample of claims that began with accidents on or after January 1, 1991. We obtained an electronic copy of this database from NCCI as of October 2000.

For self insurer claims, we relied on data provided by the Colorado Division of Workers' Compensation (DWC). This data was also supplemented by data we collected directly from self insurers on the same claims.

For the comparison section of this study, we isolated the 1874 DCI claims, and 203 self insurer claims that involved permanency and were closed between July 1, 1999 and June 30, 2000.

For the regression analysis in this study, we utilized all DCI closed claims and included the new self insurer claims and the self insurer claims from the 1996, and the 1998-2000 studies. We then eliminated 978 claims with unknown values for any of the variables used in the regressions. This produced a total of 5,263 claims.

The chart numbers used in this executive summary are from the report. They will not necessarily be consecutively numbered in this summary.

CONCLUSIONS

- A small upward claim cost trend was identified for indemnity, medical and total costs.
- Use of claimant attorneys continues to be significantly associated with higher indemnity, medical, and total costs.
- Employer choice of provider is not significantly associated with medical costs.
- Claims closed by settlement are more expensive than claims closed by other methods.

In performing the regression analysis , it was found that the accident year of the claim was significantly associated with higher costs, for indemnity, medical and total costs. The rate of increase (2.0% for indemnity, 3.5% for medical and 3.4% for total) is considered small. Since the exposure base for workers' compensation is payroll, it also increases with wage trend. Absent a trend in the frequency of claims, only a claim cost trend exceeding the wage trend leads to increasing workers' compensation rates. This study examined only workers' compensation claims, and not the exposures underlying those claims. Therefore, there is no information from this study to test whether there is a frequency trend (positive or negative).

A claim cost trend was first found in the 2000 study for medical and total costs. This is the first study in which an indemnity claim cost trend has been found.

As in prior studies, claimant attorneys continued to be associated with the higher indemnity, medical, and total claim costs, and this result was significant. However, this does not necessarily imply a cause and effect relationship. Although we did control for the severity of an injury through other variables, it is possible that the presence of a claimant attorney is another indicator of the severity of a claim as larger claims may have greater opportunity for a dispute, due to their complexity. Note that the data analyzed in this study did not capture claimant attorney costs. We are therefore unable to conclude whether or not claimant attorneys are associated with higher or lower net claimant awards.

Employer choice of physician continues to not be significantly associated with different costs when compared to cases where the employer did not select, or to cases where it was unknown who was responsible for the selection. Over 80% of the claims in this study did show that the employer designated the provider.

REGRESSION RESULTS

Cost Drivers Affecting the Amount of a Workers' Compensation Claim

A cross-tabulation analysis is informative, but it does not establish whether a relationship is statistically significant. A multivariate analysis is used for this purpose.

Multivariate statistical analysis was performed to determine the marginal impact of claim characteristics on workers' compensation costs. Least squares regression was used to model indemnity, medical, and total costs as a function of claim characteristics. This technique allows us to identify those characteristics that have a significant relationship with the cost of a workers' compensation claim.

The following characteristics were significantly associated with higher workers' compensation costs for the identified categories of costs:

- Higher Pre-Injury Wage - Indemnity, Medical and Total Costs
- Accident Year - Indemnity, Medical and Total Costs
- Claimant is Male - Indemnity, Medical and Total Costs
- Claimant Attorney Involvement - Indemnity, Medical and Total Costs
- Self Insurer Claim - Indemnity, Medical and Total Costs
- Pinnacol Assurance Claim - Indemnity Costs
- Greater Number of Days to Close - Indemnity, Medical and Total Costs
- Vocational Rehabilitation Used - Indemnity, Medical, and Total Costs
- Hospital Used - Indemnity, Medical, and Total Costs
- Closure by Negotiated Settlement - Indemnity Costs
- Permanent Total Claim - Indemnity and Total Costs
- Fatal Claim- Indemnity and Total Costs
- Case Manager Involved - Indemnity, Medical and Total Costs
- Utilization Review Involved- Medical and Total Costs
- Chiropractor Used- Indemnity, Medical and Total Costs
- Physical Therapy Used- Indemnity, Medical Costs and Total Costs

The following characteristics were significantly associated with lower workers' compensation costs for the identified categories of cost:

- Greater Lag to First Indemnity Payment - Indemnity, Medical, and Total Costs
- Greater Number of Days to Report- Medical Costs
- Closure by Admission - Indemnity and Total Costs

- Permanent Partial Schedule Claim - Indemnity and Total Costs
- Fatal Claim - Medical Costs
- Other Permanent Benefit Types - Indemnity, Medical, and Total Costs
- Early Reporting Phone Number Used - Indemnity and Total Costs

When a characteristic is listed above as significant, it implies that the statistical model indicated a 5% chance or less that the association could have been caused by randomness alone. The regression model also tested the following characteristics, and did not find significant associations with costs:

- Claimant Age
- Claimant is Married
- Employer Designated Provider

If a characteristic is listed as significant for one type of costs, but not another, this means that there was no significant association with the type of cost not listed. For example, negotiated settlements were found to be significantly associated with higher indemnity costs, but were not significantly associated with medical or total costs.

Note that while the indemnity and total costs were significantly higher for fatal claims, the medical costs were significantly lower than the base group. It is not unexpected that the medical portion of costs for fatal claims are lower than the medical costs for permanent partial unscheduled claims, while the total costs are higher.

It is important to point out the difference between association and cause and effect. Regression techniques can only determine associations; they cannot determine cause and effect. For example, a hospital staywas found to be significantly associated with higher indemnity costs. It is likely that the more serious injuries are more likely to require a hospital stay and consequently would involve higher indemnity costs. It does not imply that the hospital stay caused the higher indemnity costs.

Additional variables were included primarily as controls. These were body part and nature of injury groupings, and industry groupings based on SIC code (Standard Industry Classification).

COMPARISONS

Average Costs

Chart 1a compares the average combined (indemnity and medical) claims cost of the latest three studies. Pinnacol Assurance generally shows the highest average costs, and the highest amount of variability between studies. Pinnacol Assurance's high variability in average costs are caused by variability in the number of large claims.

Chart 1a - Average Combined Claim Cost

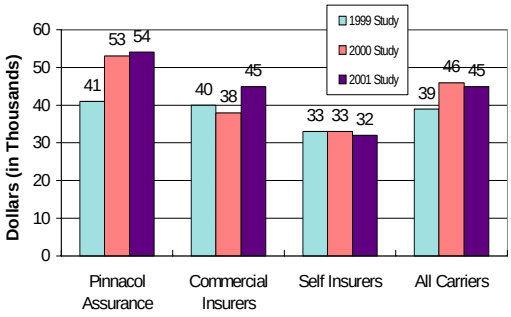


Chart 2a - Distribution by Claim Size

Incremental Count Distribution (Percent) Excluding Claims Over $100,000			
Size of Claim	**1999 Study**	**2000 Study**	**2001 Study**
Under 1,000	0.4	0.9	1.1
1,001 - 5,000	8.7	10.9	6.6
5,001 - 10,000	14.8	13.8	10.4
10,001 - 20,000	27.3	23.1	24.4
20,001 - 30,000	15.4	15.3	18.9
30,001 - 40,000	9.6	11.1	9.7
40,001 - 50,000	6.5	8.5	10.7
50,001 - 100,000	17.2	16.5	18.2

Chart 2b - Distribution by Claim Size

Incremental Dollar Distribution (Percent) Excluding Claims Over $100,000			
Size of Claim	**1999 Study**	**2000 Study**	**2001 Study**
Under 1,000	0.0	0.0	0.0
1,001 - 5,000	1.1	1.2	0.7
5,001 - 10,000	4.1	3.8	2.5
10,001 - 20,000	14.7	12.4	12.0
20,001 - 30,000	14.0	13.5	15.0
30,001 - 40,000	12.1	13.8	11.0
40,001 - 50,000	10.4	14.0	15.7
50,001 - 100,000	43.7	41.3	43.1

Claim Size

Chart 2 displays the distributions by size of claim as both percent of claims and percent of dollars for each of the studies. In both charts, the percentages are shown relative to claims less than $100,000 in cost. We have eliminated the 82 claims over this amount from the comparison because their variability would obscure the results for claims less than $100,000. Both the percentage of claims and the percentage of dollars in the $40,000-$50,000 range has continued to increase with the 2001 study.

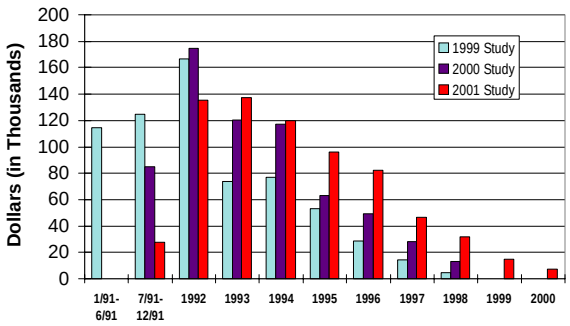
Distribution by Accident Year and Carrier

Chart 3 shows the average cost per claim by accident year since January 1, 1991for each of the studies. It is obvious that the more recent years have lower costs. The reader should be cautioned, however, that this is not evidence of a decreasing trend, but rather is a manifestation of the expected pattern with closed claim studies.

In reviewing the average cost by accident year, it is important also to keep in mind the nature

of closed claim studies. Because the earlier accident years have the opportunity to include claims with longer durations, in general, their cost is expected to be higher. The regression results show the number of days to close is significantly associated with higher costs. Thus, the pattern shown in Chart 3 is due to differences in the time to close and other characteristics rather than due to a decreasing cost trend.

Chart 3
Average Cost by Accident Year



Method of Closure

Method of closure is categorized as negotiated settlement, admission, order, or other. Charts 4a through 4c are the percent of claims for each category of closure for the last three years. The distribution of the 2001 study continues the higher level of claims closed by negotiated settlement and fewer claims closed by admission seen in the 2000 study.

Chart 4a - 1999 Study

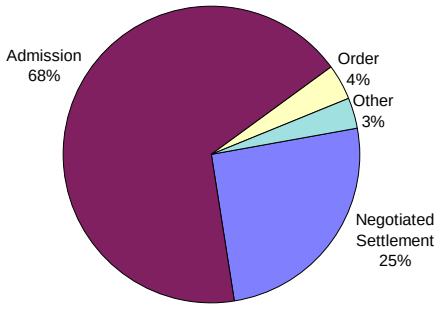


Chart 4b - 2000 Study

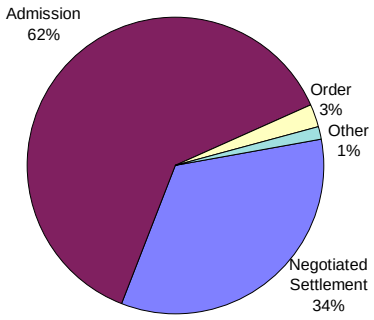
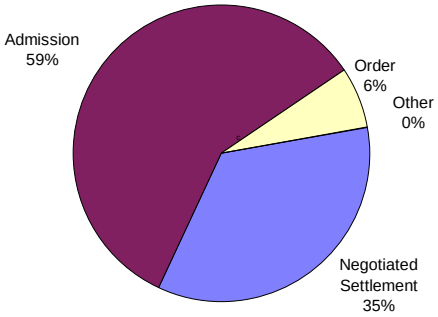


Chart 4c - 2001 Study



Claimant Attorney Involvement

Attorney involvement in the studies since 1996 is defined as the use of a claimant attorney. The percent of claims closing with claimant attorney involvement is 39% in the 2001 study. This is about the same as the 2000 study (40%).

Chart 5d shows the comparison of average claim costs by attorney involvement. The pattern shown in prior studies is continued this year. That is, claims involving an attorney are more expensive.

Chart 5d - Comparison of Average Claim Costs by Attorney Involvement

	1999 Study	2000 Study	2001 Study
Pinnacol Assurance			
Claimant Attorney	$68,457	$78,057	$81,205
No Claimant Attorney	22,098	28,828	27,291
Commercial Insurers			
Claimant Attorney	$54,658	$52,997	$48,875
No Claimant Attorney	38,429	37,181	46,033
Self Insurers			
Claimant Attorney	$78,429	$104,326	$59,624
No Claimant Attorney	21,333	21,514	21,264
All Carriers			
Claimant Attorney	$68,725	$80,739	$72,829
No Claimant Attorney	26,031	27,582	31,228

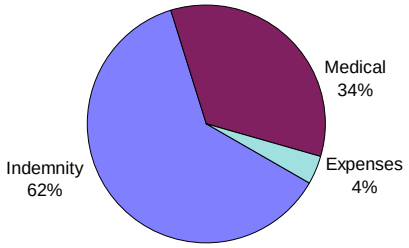
CROSS TABULATION RESULTS

Averages are shown in this report for descriptive purposes only; they demonstrate neither a correlation nor a cause and effect relationship between variables. The averages help the reader obtain a general view of the data. Total cost in this section refers to the sum of indemnity, medical, vocational rehabilitation, and loss adjustment expenses. Since the definition of total cost in the Comparisons section above did not include the vocational rehabilitation and expense values, there will be slight differences between the results in this section and the results in the Comparisons section.

Total Costs

The total cost in the sample of new claims was approximately $34.5 million. The distribution of costs by type are shown in Chart 7.

Chart 7 - Distribution of Dollars



Claims and Costs by Method of Closure

Method of closure is categorized as negotiated settlement, admission, order, or other. Chart 10a shows that, of the claims where method of closure was coded, 59% closed with an admission, 35% closed with a negotiated settlement, and 6% closed by an order. Chart 10b shows that claims closed by admission represented 33% of total cost, claims closed by negotiated settlement represented 59% of total cost, and claims closed by an order represented 8% of total cost.

Chart 10a - % of Claims

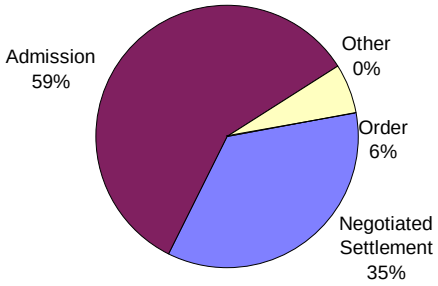
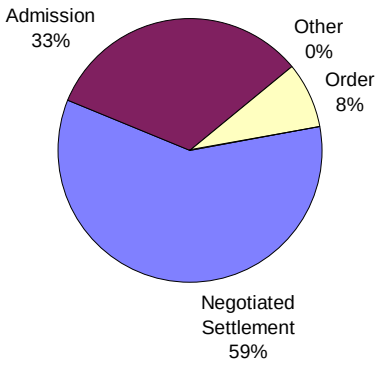


Chart 10b - % of Dollars



The average total cost of claims closed by negotiated settlement is approximately three times the cost of claims closed by admission, and approximately one third more than the cost of claims closed by order.

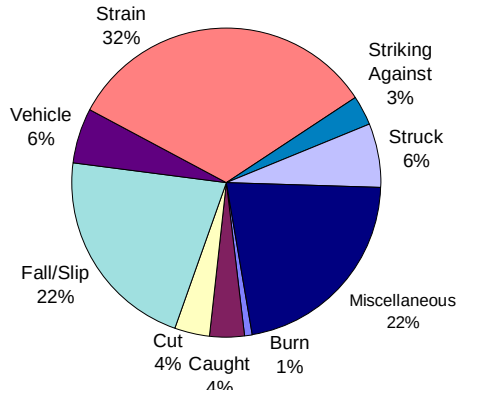
Chart 10c - Method of Closure

Method of Closure	Number of Claims	Dollar Cost of Claims	Average Cost of Claims
Negotiated Settlement	254	$20,426,832	$80,421
Admission	427	$11,261,321	$26,373
Order	47	$2,801,808	$59,613
Other	1	$6,832	$6,832
Not Reported	0	$0	
Totals/Average	729	$34,496,793	$47,321

Claims and Costs by Cause of Injury

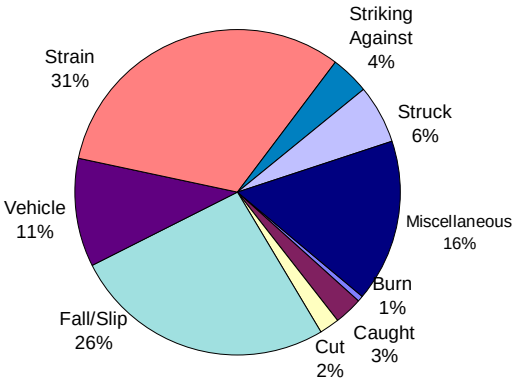
The two most common causes of injury observed were strain and fall/slip. Chart 11a shows that 32% of the injuries in the sample were caused by a strain and 22% were caused by a fall or slip.

Chart 11a - Cause of Injury - % of Claims



Correspondingly, the causes of injury representing the largest proportion of total costs were strain and fall/slip. Chart 11b shows that 31% of the total dollars included in the sample were from injuries caused by strain and 26% were from injuries caused by a fall or slip.

Chart 11b - Cause of Injury - % of Dollars



The average indemnity and medical costs were highest for injuries in the vehicle category, followed by injuries in the fall/slip category and injuries caused by a striking against an object.

Chart 11c - Cause of Injury
Average Cost for Indemnity & Medical

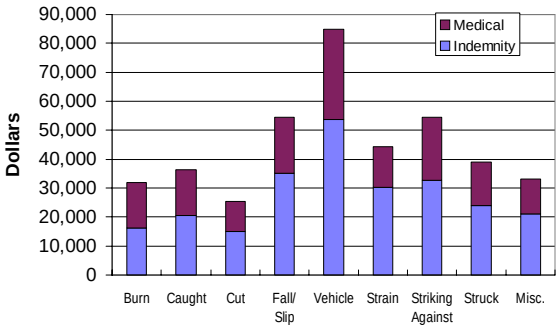
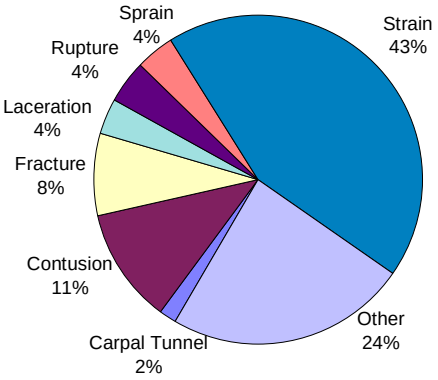


Chart 12a - Nature of Injury - % of Claims

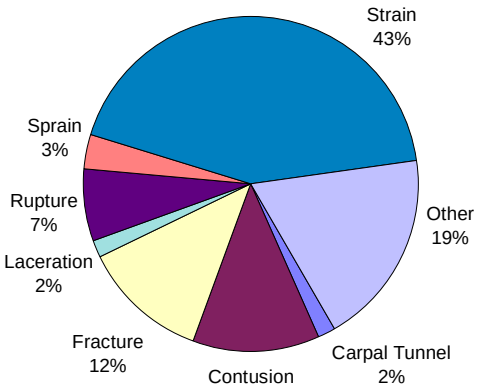


The natures of injury representing the largest proportion of total cost were strain (43%), sprain (3%), fracture (12%) and contusion (12%). Carpal Tunnel Syndrome represented less than 2% of the dollars in the study.

Claims and Costs by Nature of Injury

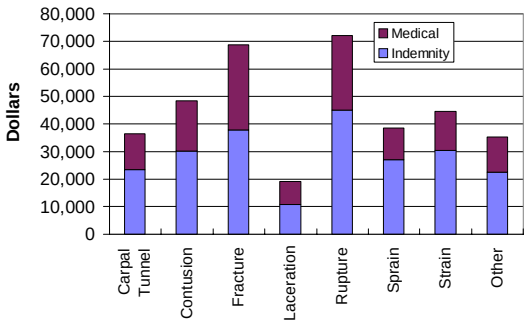
The most common natures of injury, based on percent of claims, were strain (43%), fracture (8%) and contusion (11%). Carpal Tunnel Syndrome represented approximately 2% of the claims in the study. The category of "other" shown on the charts below not only includes the "all other" that was coded, but also contains the classes that each had less than 2% of the claims sampled. These included such natures of injury as amputation, inflammation, and puncture.

Chart 12b - Nature of Injury - % of Dollars



Among the natures of injury with greater than 2% of claims, the average medical and indemnity costs were highest for contusions, fractures and ruptures.

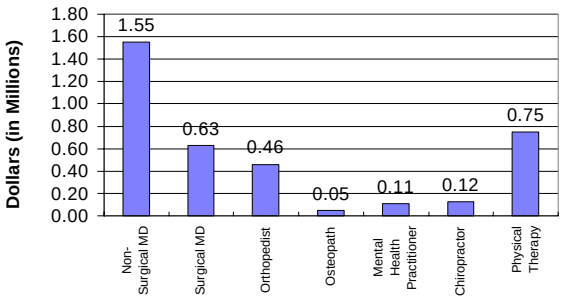
Chart 12c - Nature of Injury
Average Cost for Indemnity & Medical



Components of Medical Costs

The distribution of charges by type of doctor is broken down in chart 17b.

Chart 17b - Distribution of Charges by Type of Doctor



Payments to physical therapists appeared in 52% of claims and accounted for 7% of the total medical costs. Payments to chiropractors appeared in 9% of the claims and accounted for 1% of the total medical costs (see Table 17 in Appendix C).

Charts 18a and 18b show that in 83% of the claims and 85% of the dollars, the employer designated the medical provider for the claimant. For the remaining claims, the employer did not designate or the designation was unknown.

Chart 18a - % of Medical Claims

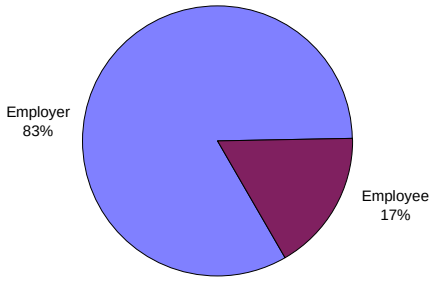
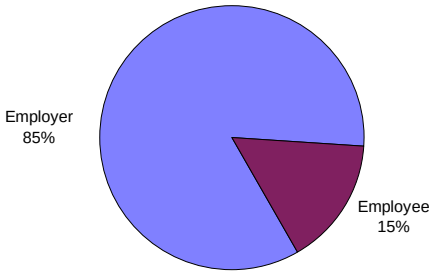


Chart 18b - % of Medical Dollars



Managed care claims represent 90% of the total number of claims (see Table 19, Sheet 1 in Appendix C).

LIMITATIONS

In preparing this report, we relied upon data from a variety of sources. These sources included the DCI data collected by NCCI, self insurer data collected by the Colorado Department of Labor, and supplemental information collected by M&R. While we did review the data for reasonableness and consistency, we did not audit the data for accuracy. Such an audit is beyond the scope of this assignment. If the data submitted to us are inaccurate or incomplete, the results of this report may likewise be inaccurate or incomplete.

Workers' compensation data are subject to a wide range of potential costs. We reviewed a sample of 6,241 claims. Many of the summaries and cross-tabulations will contain substantially fewer claims. Caution must be used in comparing various costs as the results may not be statistically significant or may be related to other undisclosed factors. The regression analysis in this report identifies relationships in the data that show significance.

Note that a statistically significant relationship does not imply cause and effect. It is only indicative of a relationship. Although we do discuss potential reasons for the results observed, it is highly likely that there are other plausible explanations that we have not identified.

Pinnacol Assurance operates as a market of last resort in Colorado. It is possible that their mix of business by employer represents greater hazard and potential for large loss than that of commercial insurers or self insurers.

This study is a closed claim study. For lines of insurance like workers' compensation where claims may remain open for a substantial length of time, a closed claim study will encompass claims across several time periods. Differences in benefit levels, market shares across time, and claim settlement practices will have a large impact on costs and cost comparisons. Identification of market shares across time and claim settlement practices involve exposure information that was not collected in this study. The lack of such exposure information increases the variability of results and decreases the significance of any comparisons. In addition, the comparison of averages from different time periods will be affected by the limitation of Pinnacol Assurance and commercial carrier claims to only those occurring subsequent to January 1, 1991.

CLOSING REMARKS

We appreciate the opportunity to provide this report. We would like to thank the Division of Insurance, the Division of Workers' Compensation, NCCI, and the participants from Pinnacol Assurance, commercial insurers, and self insurers who submitted data. We recognize that completion of the data requested represented a significant contribution of time and effort. We would especially like to thank the participants for their prompt and courteous responses to our questions concerning the data submitted.

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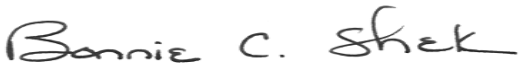

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January 31, 2001

COLORADO WORKERS' COMPENSATION

CLOSED CLAIM STUDY

2001

INTRODUCTION

Responding to widespread concern about the spiraling costs of workers' compensation insurance, the Colorado General Assembly passed Senate Bill 91-218 (SB 218), effective July 1, 1991. Among the numerous reforms enacted by SB 218 were improvements in workers' compensation data collection and reporting that would lead to a better understanding of the costs that are driving the system.

Senate Bill 218 was a substantial reform to the then existing Colorado Workers' Compensation Act. It became quite apparent during the 1980's that workers' compensation costs were spiraling upward. However, the existing workers' compensation databases were geared to the identification of overall costs for the purpose of ratemaking and did not identify the factors driving the increases. There was some ancillary and explanatory information in the existing database, but this was considerably short of the desirable information needed to identify and correct the drivers impacting workers' compensation costs.

The lack of critical information concerning the existing workers' compensation system affected the general assembly's ability to draft the appropriate change. There was often considerable dispute concerning the potential impact of changes and a lack of agreement concerning the problems with the system as it existed. This informational void created uncertainty concerning the costs and benefits of changes proposed.

In response to the workers' compensation reforms enacted in 1991 by the Colorado legislature, the Division of Insurance promulgated Regulation 5-3-2 which identified the data to be collected by the NCCI from insurance carriers. Senate Bill 114, effective April 24, 1997, requires the Executive Director to collect similar information from self-insurers. Self insurers contributed data in the 1996 and prior studies as well as the 1998 and

subsequent studies, but were exempt from the data collection requirement during the 1997 study. In general, the required elements include:

- Basic claim information about the accident, claimant, employer, and claim administration details;
- Benefit information such as medical, indemnity, vocational rehabilitation, and expenses; and
- Legal information such as claimant attorney involvement.

These workers' compensation data reports are designed to fill the informational void concerning the cost drivers of workers' compensation. Future costs will need to be monitored to determine the effectiveness of the Senate Bill 218 reform, and to provide information so costs can continue to be controlled as changes occur and the system evolves.

Milliman & Robertson, Inc. was engaged by the Division of Insurance to conduct the 2001 Colorado Workers' Compensation Closed Claim Study (2001 Study). Prior reports were prepared in 1996 - 2000 by M&R and in 1990, and 1993 - 1995 by Tillinghast, a Towers Perrin Company. The M&R reports are descriptive in nature: our objective is to present a snapshot picture of the variables affecting workers' compensation costs.

THE 2001 STUDY

The 2001 study continues to build upon the data collected in the earlier studies. A total sample of 6,241 claims involving permanency are now included (up from 5,077 last year). The carriers represented in the sample are Pinnacol Assurance (approximately 40% of the commercial market), 47 commercial insurers (approximately 35% of the commercial market), and 53 self insurers (approximately 80% of the self insurer market). Up until 1999, Pinnacol Assurance was known as CCIA (Colorado Compensation Insurance Authority).

For the commercial carriers and Pinnacol Assurance we relied on Detailed Claim Information (DCI) collected by NCCI along with supplemental information that we collected from the carriers on the same claims. The DCI is a continuing random sample of claims that began with accidents on or after January 1, 1991. We obtained an electronic copy of this database from NCCI as of October 2000.

For self insurer claims, we relied on data provided by the Colorado Division of Workers' Compensation (DWC). This data was also supplemented by data we collected directly from self insurers on the same claims.

To supplement the DCI and DWC data, we collected a breakdown of medical dollars by type of provider, information on managed

care, method of closure, designator of medical provider, and the number of days hospitalized.

For the comparison section of this study, we isolated all DCI claims involving permanency that closed between July 1, 1999 and June 30, 2000. This produced 526 new Pinnacol Assurance and commercial carrier claims. For self insurers, we included 203 new claims closed between July 1, 1999 and June 30, 2000.

	Male	Female
Average Age	44.7	45.1
Percent Married	64.2%	53.7%
Percent of Claims	66.7%	33.3%
Percent of Dollars	70.2%	29.8%

The demographic characteristics of the new claims are set forth below:

For the regression analysis in this study, we utilized all DCI closed claims involving permanency and included the new self insurer claims and the self insurer claims from the 1996 and 1998-2000 studies. We then eliminated 978 claims with unknown values for any of the variables used in the regressions. This produced a total of 5263 claims.

This report provides the results of the 2000 study. It is divided into the following sections: regression analysis; comparisons to the two earlier studies and cross-tabulations. Information on the sample is included in Appendix A. Appendix B contains the regression analysis, and Appendix C contains the tables of the cross-tabulation results.

REGRESSION ANALYSIS RESULTS

Regression analysis is concerned with modeling the relationships between variables. Through the use of regression, we seek to evaluate the relationship between the cost of a claim (indemnity, medical and total) and other potential explanatory variables. Regression can be used to both determine whether a particular variable is significant in explaining the cost and to describe the nature of the relationship. When a characteristic is listed as significant, it implies that the statistical model indicated a 5% chance or less that the association could have been caused by randomness alone. In this case, we would say that the result was significant at the 0.05 (5%) level.

When interpreting the results of a regression analysis, it is important to recognize the difference between association and cause and effect. Regression only establishes whether or not there is an association between variables. It cannot determine whether a cause and effect relationship is involved. For example, the use of a case manager was found to be significantly associated with higher costs. It is likely that the more serious cases, those with potentially higher costs, require a case manager. It does not imply that the use of a case manager caused the higher cost.

In the regression analysis we are attempting to understand as many of the impacts of explanatory variables as possible. We represent total costs (indemnity, medical, and total) by a multiplicative function of the potential explanatory variables. The use of a multiplicative function allows us to express the impact in terms of percentage changes in cost. Where we show a percentage impact in the tables below, it also implies that the relationship is significant at the 5% level. Where a variable is not shown, it implies that the variable tested was not significant. If a variable is listed, but no percentage impact is shown, it implies that the particular impact was not significant for that category of loss (indemnity, medical, or total), but was significant for at least one other category of loss. Appendix B to this report shows the impact of each variable that is significant for any category of loss along with the level of significance. The shaded variables on each sheet are the ones that are not significant.

Nature of Injury and Part of Body

We grouped the various nature of injury and part of body codes into one of nineteen different classes. A total of ten of these showed differences in cost that were significant. In the next table, we show the impact in terms of the percentage deviation of each group from the comparison group which is the average of the remaining nine groups not shown.

Type of Injury	Percentage Impact on Indemnity	Medical	Total
Back Sprains and Strains	61%		28%
All Other Back Injuries	81%		39%
Intermediate Fractures/Dislocations		18%	
Fractures/Dislocations Hands and Digits	-37%	-20%	-29%
Cut/Laceration/Contusion Hand and Finger	-63%	-27%	-45%
Sprains/Strains to Lower Body		-17%	
Knee Disorders		25%	6%
Neck & Head	21%		14%
Major Trauma	25%		17%
Burns		31%	

It is important to recognize that the chart shows the impact of only those groups exhibiting a significant difference in cost. It is often the case that some combinations of nature of injury and part of body are more expensive (e.g., burns), but if the variation of the costs of that particular category is also large (e.g., many burns can be quite minor), then the difference will not be significant. Of the categories exhibiting significant differences, injuries to the back are the most expensive, 28% more than the comparison group for sprains and strains, and 39% more expensive for all other back injuries. It is apparent that this difference results from the difference in indemnity costs, where back sprains are 61% more expensive than average, and all other back injuries are 81% more expensive than average. Medical costs were not significantly different from the comparison group for back injuries. The differences in costs between the other groups exhibit little surprise.

Type of Industry

We grouped claims by Standard Industrial Code (SIC) groupings. We initially selected the following eleven broad groups:

Agriculture
Mining
Construction
Manufacturing
Transportation
Wholesale Trade
Retail Trade
Finance, Insurance and Real Estate
Services
Public Administration
Non Classifiable or Unknown

Of these groups, only the following three showed a significant difference in cost from the average of the other groups:

Type of Industry	Percentage Impact on Indemnity	Medical	Total
Mining	24%		21%
Construction	27%		14%
Transportation	23%		14%

It is interesting that the differences in indemnity costs for the three groups shown are driving the difference in total cost. The difference in medical costs were <u>not</u> significant for any of these groups. One potential explanation for the significantly higher indemnity costs for these SIC groups and no similar difference in medical costs may be that a given physical injury in these industries (proxied by average medical costs) is more disabling, leading to longer time loss. This could be true even though permanent partial disability benefits are impairment based. It could be that the healing periods are longer, or that the system compensates by assigning higher impairment ratings.

Claimant Characteristics

We initially tested the following four claimant characteristics for potential significant differences in cost.

Pre-injury wage (percentage change)
Claimant age (in years)
Claimant gender is male (yes, no)
Claimant is married (yes, no)

The table below shows the results for the characteristics exhibiting differences in cost that were significant.

	Percentage Impact on		
Claimant Characteristics	Indemnity	Medical	Total
Male	14%	7%	10%
Pre-injury Wage (Elasticity)	37%	9%	26%

Males show significantly higher costs than females. This result is consistent with the results of prior studies in this regard. Since we separately measure differences in cost resulting from pre injury wages, wage differences between males and females is not an explanation. We would expect, however, that a larger proportion of males than females may be involved in physical work where there is a greater chance of being involved in a serious accident, or where substantial physical recovery is required prior to returning to work.

We show the impact of wages as an elasticity. An elasticity describes the relationship between percentage changes. In this case, it is the relative response in costs (indemnity, medical, or total) to a percentage change in the wage. The 26% for total costs means that we expect total costs to increase by 26% of any percentage change in wages. For example, if one worker has wages that are 10% higher than another, we expect that total benefit costs for the higher paid worker will be 2.6% higher (26% of the 10% is passed through as a workers' compensation cost).

We were somewhat surprised not to find a higher relationship between wages and benefits (i.e. closer to 100%), particularly for indemnity. Except for permanent partial scheduled benefits and the impact of minimum and maximum benefits, the indemnity benefit formula is proportional to wages. There are several potential reasons why a stronger relationship is not observed. Higher wage workers may be more likely to be in supervisory roles, and consequently, not exposed to as much hazard as lower paid workers. Higher wage workers may also have a greater opportunity cost of lost wages than lower paid workers, and therefore return to work earlier. The maximum weekly benefit would flatten the response of benefits to wages. Finally, it is possible that injuries that are settled are compensated on the basis of the severity of the injury rather than as a function of wages (e.g., adjuster and claimant agree on a specific dollar amount).

The +9% result above also confirm the widely held belief that higher medical costs are

associated with higher pre-injury wages. This can result if wages and medical costs co-vary with geography (e.g., if urban workers are paid more and urban medical costs are also higher), or if higher-paid workers are better educated and consequently demand more expensive medical treatment.

Neither age nor marital status showed a significant impact on overall costs.

Time Sensitive Components

We test the following four variables for their potential impact on cost:

Accident Year
Length to Close (percentage change)
Delay to Initial Report of Injury
Delay to First Indemnity Payment

All four were significant.

	Percentage Impact on		
Time Sensitive Components	Indemnity	Medical	Total
Accident Year	2.0%	3.5%	3.4%
Length to Close (Elasticity)	82%	74%	78%
Report Lag		-0.07%	
First Indemnity Payment Lag	-0.13%	-0.10%	-0.10%

The positive association between accident year and costs implies that costs are increasing over time. However, the size of the relationship (3.4%) is not inconsistent with recent wage growth rates in Colorado, and is not by itself alarming. Absent a frequency trend, since the exposure base for workers compensation premium is payroll, an increase in benefit costs equal to the exposure payroll growth rate implies a stable rate trend. We calculate that an annual exposure payroll growth rate of approximately 4.6% or higher is enough to offset this accident year trend in costs. A growth of 4.6% in exposure payroll implies an increase in benefit costs of the same magnitude and consequently no contribution to a rate trend (1.2% for the wage elasticity above (26% of 4.6%), plus the 3.4% increase in costs for the accident year trend).

We found that the length-to-close was the single characteristic having the greatest explanatory power in the regression model. It was found that the longer a claim remains open the higher the associated costs. Like wages, the impact is expressed as an elasticity. That is, the 82% impact on indemnity costs implies that if the length-to-close is increased by 100% (e.g., from one year to two), indemnity costs are increased by 82%. This is expected since indemnity payments are often paid periodically, and the more serious injuries are expected to last longer. The somewhat lower impact for medical costs is also expected. Medical costs are often characterized by high initial expenses to diagnose, stabilize and cure followed by a leveling off.

The longer the delay to report a daim, the lower the medical cost. The result above is expressed as the percentage change in costs for each day delay in reporting a claim. For example, the -0.07% impact on medical costs implies that if a claim had a 10 day delay in reporting, the medical costs are expected to

be 0.7% lower. This is somewhat counter-intuitive since it is normally expected that earlier reporting allows a claim to be better managed. In fact, as we will later show, the presence of an early reporting mechanism does indicate a reduction in costs comporting to the earlier reported better managed theory.

An explanation for the association between the delay in reporting and lower costs is that serious injuries are generally recognized immediately and are quickly reported. It is these claims that also incur substantial initial medical costs. Consequently, a claim that is late reported is more likely not to have been catastrophic, resulting in the negative association observed.

The number of days to the first indemnity payment is significantly associated with lower indemnity, medical, and total costs. In other words, the longer the delay in making the first indemnity payment, the lower the costs. This result is also expressed as the percentage change in costs for each day delay in the first indemnity payment. For example, the -0.1% impact on total costs implies that if a claim had a 50 day delay in first indemnity benefits, there is a 5% reduction in costs.

The delay in making the first indemnity payment is possibly due to the investigation of questionable claims, thereby resulting in the successful elimination of unnecessary costs. Another explanation for the delay is that the disability may surface at some time after the accident actually occurred. This delay causes the period of time in which payments are made to be shorter, thus resulting in fewer payments. Finally, if there is a delay in making indemnity payments, then it is likely that the initial injury was not as severe. Certainly, most serious traumatic injuries involve a period of immediate incapacity. If the initial injury was not severe enough to involve an immediate incapacity then it is also likely that there would be lower than average initial medical treatment and lower than average indemnity and medical costs.

Type of Carrier

We examined the level of costs based on the type of carrier providing the benefits. The following carrier types were compared:

Pinnacol Assurance Claim
Self-Insurer Claim
Commercial Carrier Claim

The table below shows the results for the entities where the cost differences were significant.

	Percentage Impact on		
Type of Carrier	Indemnity	Medical	Total
Pinnacol Assurance Claim	#N/A		
Self-Insured Claim	15%	18%	17%

The relationships shown above are relative to the level of costs of commercial carrier claims. This year only the indemnity portion of Pinnacol Assurance claims showed a significant difference in costs (last year it was all three elements). The indemnity portion of

Pinnacol Assurance claims is 7% more expensive, and self-insurer claims are 15% more expensive than commercial claims. Extreme care must be used in evaluating these results, however. We found that because the length-to-close variable has such large explanatory power, the type-of-carrier variable is picking up only residual unexplained variation. We reran the model deleting the length to close variable. Pinnacol Assurance still exhibited significantly higher indemnity costs with this revised model. This may be explained by their higher settlement costs. The implication for self insurers is that they may pay more per day open than commercial insurers, but also have fewer days open offsetting the cost. This can occur if liberal permanent impairment benefits are offered to encourage early return to work and swift resolution.

Claim Characteristics

We examined the following claim characteristics, all indicated by a yes or no response.

Claimant attorney involvement
Chiropractor involvement
Claim is post-Senate Bill 218
Physical Therapy used
Hospital used
Surgery used
Vocational rehabilitation used

The next table shows the percentage change in costs associated to a yes response to any of these variables compared to a no response for the claim characteristics where the cost differences were significant.

	Percentage Impact on		
Claim Characteristics	Indemnity	Medical	Total
Claimant Attorney	18%	12%	14%
Chiropractor Used	16%	12%	12%
Physical Therapy Used	18%	36%	22%
Hospital Used	24%	82%	38%
Vocational Rehabilitation Used	47%	21%	42%

We initially included an indicator for whether the claim was post Senate Bill 218, a major reform effective July 1, 1991. However, we found that this variable was not significant and dropped it from the final model. We believe that the lack of significance for the Senate Bill 218 indicator is due to two reasons. The first is that the DCI call forming the source of Pinnacol Assurance and Commercial Carrier claims is restricted to claims on or after January 1, 1991. Thus, there are comparatively few claims in the pre-218 era. Few claims implies a large relative variation in costs, and difficulty in discerning cost differences. More importantly, however, part of the Senate Bill 218 reforms included changes in definition and eligibility for permanent disability, restricting eligibility to more seriously impaired workers. Thus, even though overall costs were likely reduced, those claims that remain classified as permanent total or permanent partial after the reform may not have changed much in average cost. Because this study includes only permanent disability claims and does not include medical only or temporary claims, we cannot observe the savings that may have occurred due to a shift to these types of claims.

The presence of a claimant attorney is associated with higher claim costs. Overall, we found that costs were 18%, 12%, and 14% more expensive for the indemnity, medical, and total cost categories, respectively, when claimant attorneys were involved. There are different possible explanations for the significance of this variable. It could be that claimant attorneys are successful in obtaining higher benefits for their clients. It may also be that more serious injuries tend to be more complicated and therefore, are more likely to have an attorney. The greater impact on indemnity cost than medical could result if the presence of an attorney increases the likelihood of a settlement. We found that some carriers code all settlement dollars to the indemnity category of benefits (with a settlement, it is often not clear what the components are). If an attorney implies a greater probability of a settlement, then we would expect a somewhat larger proportion of indemnity benefits on attorney represented claims due to this coding procedure. The data call did not collect information on claimant attorney fees (often these are not known by the carriers). Therefore, we are unable to assert whether the claimant received a net benefit considering the cost of the attorney against the award.

Chiropractors were also associated with higher claim costs. We found that indemnity costs were 16% higher and both medical and total costs were 12% higher when a chiropractor was involved with the claim.

We also found that the use of physical therapy is an indicator of higher cost. Indemnity, medical, and total benefit costs are 18%, 36%, and 22% higher when a claimant utilizes physical therapy. This result is not surprising since generally the more serious the medical injury, the more likely there will be physical therapy required.

The use of a hospital was found to be significantly associated with higher indemnity, medical and total costs. When an injury requires treatment in a hospital, it is usually serious enough to require more medical attention and longer recovery periods. In addition, hospital stays in and of themselves entail substantial expense as indicated by the 82% increase in medical cost associated with claims involving a hospital stay.

The use of vocational rehabilitation is associated with higher costs. Specifically, indemnity, medical, and total costs were each 47%, 21%, and 42% higher than claims with no vocational rehabilitation benefits. Vocational rehabilitation is generally only necessary when someone has a serious enough disability to require a change in employment or job function. Therefore, the higher indemnity, medical, and total costs could result, not because of the use of vocational rehabilitation, but because of all the medical attention and recovery time involved in treating a serious injury or disability.

Method of Closure

We looked to the cost impact associated with the following different methods of closure:

Negotiated settlement (yes, no)
Admission (yes, no)
Order (yes, no)
Other (no for each of the above)

There was only one claim closed by "other" so this category was combined with "order" to form the reference group. The table below shows the percentage change in costs associated with a yes response as compared to a no response for the two methods of closure where the differences were significant.

	Percentage Impact on		
Method to Close	Indemnity	Medical	Total
Settlement	43%		28%
Admission	-26%		-19%

It was found that costs do differ by method of closure. For total costs, the ranking from most expensive to least is: negotiated settlement, order/other and admission. Negotiated settlements are 28% more expensive than claims closed by order/other, and admissions are 19% less expensive.

This result is expected since claims with settlements are likely to be complicated and disputed. Negotiated settlements, in particular, also include amounts intended to compensate the claimant for costs beyond the date of closure, and may also include compensation for facts that are disputed. Closure by admission generally results from claims achieving their natural end at the time of final admission. These claims are likely to be less complicated, have fewer areas of dispute, and be shorter duration. Small claims tend to resolve themselves with little intervention required.

Benefit Types

We looked at claims cost for the following benefit types:
Permanent Total claim (yes, no)
Fatal claim (yes, no)
Permanent Partial Scheduled (yes, no)
Other (yes, no)
Permanent Partial Unscheduled (a default classification resulting from "no" on all other types)

The results are shown below, where the base group to which the others are compared is permanent partial unscheduled:

	Percentage Impact on		
Benefit Type	Indemnity	Medical	Total
Permanent Total	86%		62%
Fatal	92%	-50%	77%
Permanent Partial Schedule	-21%		-15%
Other	-47%	-49%	-38%

The ranking of claim cost from most expensive to least is fatal, permanent total, permanent partial unscheduled, permanent partial scheduled and other. There was a significant difference in all the categories of total loss. This is the expected ranking of claim costs in the Colorado system.

An explanation for the lower costs associated with permanent partial scheduled claims is that these claims are paid at a lower weekly rate, and that injuries to the scheduled body part members may be less disabling than injuries to unscheduled body part members.

Note that while the indemnity and the total costs were significantly higher for fatal claims, the medical costs were significantly lower than the base group. It is not unexpected that medical portion of costs for fatal claims would be lower than the medical costs for permanent partial unscheduled while in total the costs were higher.

Medical Management Techniques

We reviewed the potential impact of various medical management techniques in common use, all indicated by a yes or no response:

Employer designated medical provider
Early reporting
Case manager
Utilization review

The table below shows the percentage change in costs significantly associated with a yes response as compared to a no response.

	Percentage Impact on		
Managed Care Techniques	Indemnity	Medical	Total
Early Report	-9%		-5%
Case Manager	17%	16%	18%
Utilization Review		36%	16%

The difference in costs associated with the employer designation medical provider turned out not to be significant for any of the indemnity, medical, or total categories of loss, and consequently, this variable was dropped from the model. The lack of significance associated with this variable is consistent with the last three studies. We note that a substantial majority of the claims in this study did show that the employer designated the provider. The use of a PPO network is classified as an employer designated provider.

The use of a case manager was found to be significantly associated with higher indemnity, medical, and total costs. One explanation is that the more serious cases, those with potentially higher overall costs, are assigned to a case manager.

Early reporting was based on whether telephone reporting of the claim was used at the time the claim was reported. The use of a toll-free early reporting hotline was significantly associated with 9% lower indemnity cost, and 5% lower total cost. The impact of this variable is in contrast to the reduction in cost associated with delayed reporting discussed above. We believe that there is a natural explanation. Late reported claims do tend to be lower in cost than average due to the nature of these claims. Chances are a serious claim will have a higher urgency and will be reported earlier. However, if a carrier can accelerate the reporting of all claims (serious and non-serious alike), claims can be better managed leading to lower costs.

COMPARISONS

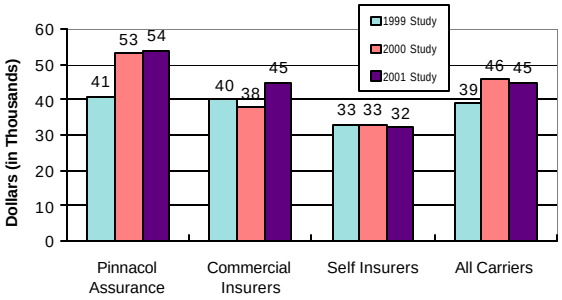
The analysis in this section is a comparison of the results of the 2001 study with the results of the 2000 study and the 1999 study (the M&R Workers' Compensation Closed Claim Studies dated January 31, 2000 and January 31, 1999). Note that for comparison purposes, the definition of cost in this section has been adapted to that used in the 1996 study. Therefore, combined cost in this section refers only to indemnity (including lump sum payments) and medical. Lump sum payments are defined to include stipulated settlements. Combined cost does not include vocational rehabilitation and expense amounts. This means that there will be slight differences between the combined results in this section and the total results in the cross-tabulation section with the difference being due to the vocational rehabilitation and expense amounts.

Note that for easy reference, the chart numbers in this section correspond to the table numbers in Appendix C.

Average Costs

Chart 1a compares the average combined (indemnity and medical) claims cost of the latest three studies. Pinnacol Assurance generally shows the highest average costs, and the highest amount of variability between studies

Chart 1a - Average Combined Claim Cost



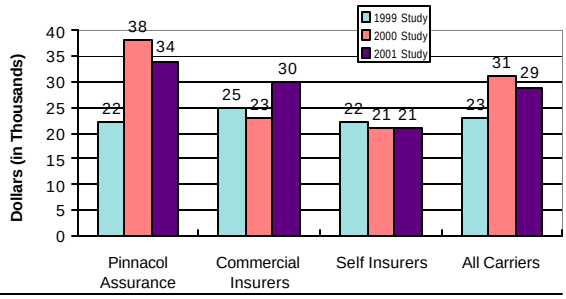
Pinnacol Assurance's high variability in average costs is caused by variability in the number of large claims. The number of Pinnacol Assurance claims over $100,000 was 31 in the 1999 study, 67 in the 2000 study and 53 in this year's study.

Commercial and self insurer claims show less variation between studies with self insurer claims generally having the lowest average cost.

The average costs for the indemnity and medical components are shown in Charts 1b and 1c.

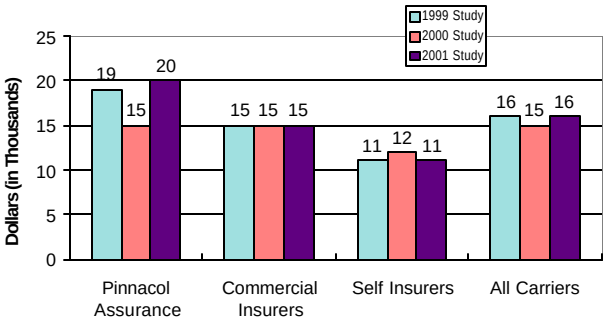
Chart 1b shows the comparison of the average indemnity costs. Again, we observe a larger variability for Pinnacol Assurance than for the commercial carriers or the self insurers.

Chart 1b - Average Indemnity Claim Cost



Pinnacol Assurance medical costs are more stable than their indemnity costs or total costs. The average cost for medical remained at the same level for commercial carriers, while self insurer costs were about the same as in 1999.

Chart 1c - Average Medical Claim Cost



Claim Size

Chart 2 displays the distributions by size of claim as both percent of claims and percent of dollars for each of the studies. In both charts, the percentages are shown relative to claims less than $100,000 in cost. We have eliminated claims over this amount from the comparison because their variability would obscure the results for claims less than $100,000. Both the percentage of claims and the percentage of dollars in the $40,000-$50,000 range has continued to increase with the 2001 study.

Chart 2a - Distribution by Claim Size

Incremental Count Distribution (Percent)
Excluding Claims Over $100,000

Size of Claim	1999 Study	2000 Study	2001 Study
Under 1,000	0.4	0.9	1.1
1,001 - 5,000	8.7	10.9	6.6
5,001 - 10,000	14.8	13.8	10.4
10,001 - 20,000	27.3	23.1	24.4
20,001 - 30,000	15.4	15.3	18.9
30,001 - 40,000	9.6	11.1	9.7
40,001 - 50,000	6.5	8.5	10.7
50,001 - 100,000	17.2	16.5	18.2

Chart 2b - Distribution by Claim Size

Incremental Dollar Distribution (Percent)
Excluding Claims Over $100,000

Size of Claim	1999 Study	2000 Study	2001 Study
Under 1,000	0.0	0.0	0.0
1,001 - 5,000	1.1	1.2	0.7
5,001 - 10,000	4.1	3.8	2.5
10,001 - 20,000	14.7	12.4	12.0
20,001 - 30,000	14.0	13.5	15.0
30,001 - 40,000	12.1	13.8	11.0
40,001 - 50,000	10.4	14.0	15.7
50,001 - 100,000	43.7	41.3	43.1

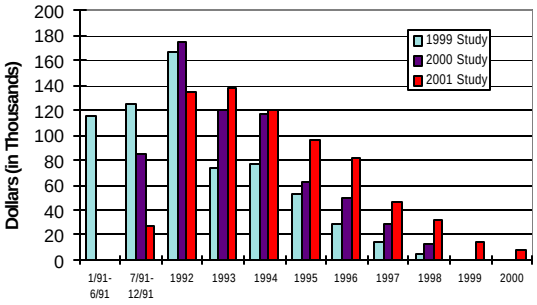
Distribution by Accident Year and Carrier

In our earlier studies, Senate Bill 218 was used as a reference point for comparing the accident year distribution of claims and dollars among the carrier types. The related charts showed that in each successive study, the proportion of claims from the pre-SB218 period decreased from the prior study. The decrease each year is expected since each successive study allows for one more year of post-SB218 claims. Much of this change is also explained by a difference in the data collected. Starting with the 1997 study, Pinnacol Assurance and commercial carrier data was obtained from the DCI . The DCI began with accidents on or after January 1, 1991. For Pinnacol Assurance and commercial carriers, therefore, pre-SB218 claims are only the accidents occurring January 1, 1991 through June 30, 1991. We have now eliminated these comparisons because the percentages are 1% or less.

Chart 3 shows the average cost per claim by accident year since January 1, 1991 for each of the last three studies. It is obvious that the more recent accident years have lower costs. The reader should be cautioned, however, that this is not evidence of a decreasing trend, but rather is a manifestation of the expected pattern with closed claim studies.

Since a closed claim study looks to accidents closed during a period for its base, it is expected that those claims taking longer to close would have arisen from an earlier accident year. In workers' compensation, longer duration claims are generally more expensive.

Chart 3
Average Cost by Accident Year



Method of Closure

Method of closure is categorized as negotiated settlement, admission, order, or other. Charts 4a through 4c are the percent of claims for each category of closure for the 1999, 2000 and 2001 studies, respectively. The distribution of the 2001 study continues the higher level of claims closed by negotiated settlement and fewer claims closed by admission seen in the 2000 study.

Chart 4a - 1999 Study

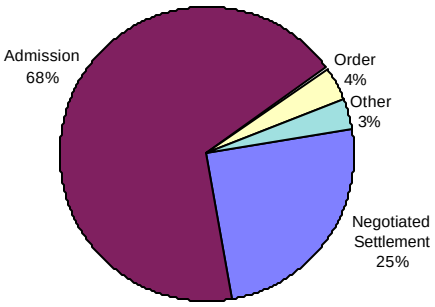


Chart 4b - 2000 Study

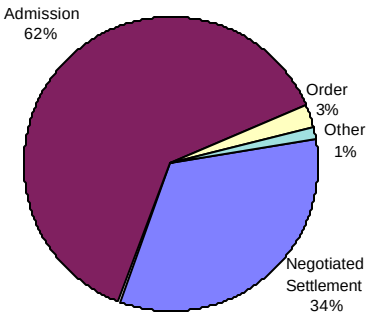
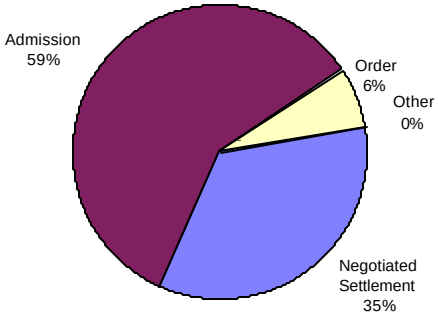


Chart 4c - 2001 Study



The increase in settlements is driven by Pinnacol Assurance, where negotiated settlements increased from 20% in the 1999 study to 40% in the 2000 study and 38% in the 2001 study. The percentage of claims closed by order doubled in this year's study from 3% to 6% due to the commercial insurers where the percent of claims closed by order increased from 8% last year to 20% this year.

Chart 4d shows the average cost of negotiated settlements compared with prior studies. The costs are shown for indemnity (including lump sums), medical, and the combined cost of indemnity and medical. In the 1999 study the average cost of the combined negotiated settlements increased to $75,000 from $61,000 in the prior study. The higher level is continued in the 2000 and 2001 studies.

Chart 4d
Average Cost of Negotiated Settlements

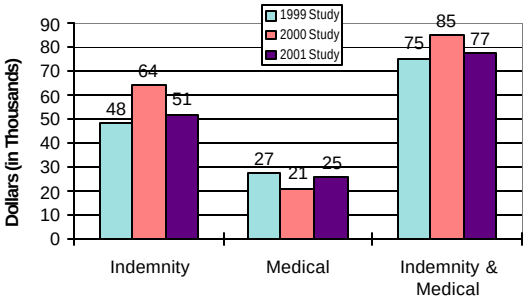
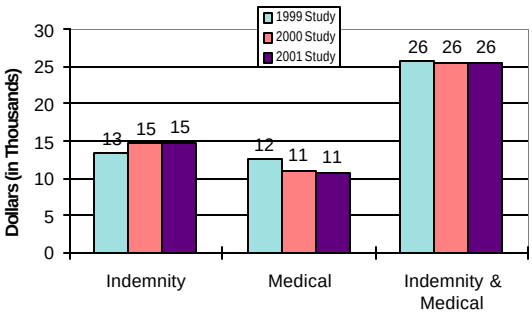


Chart 4e shows the average cost of admissions compared with prior studies. The costs are shown for indemnity (including lump sums), medical, and the combined cost of indemnity and medical. The average cost of admissions has remained consistent from $24,000 to $26,000 in the last four studies.

Chart 4e
Average Cost of Admissions



Claimant Attorney Involvement

Attorney involvement in the studies since 1996 is defined as the use of a claimant attorney. The percent of claims closing with claimant attorney involvement increased from 35% in the 1999 study to 40% in the 2000 study and 39% in the 2001 study. It is important to recognize, however, that the studies do not include accidents prior to 1991 for Pinnacol Assurance and commercial carriers. We have found that claimant attorney involvement is generally much higher with the older claims (those taking longer to close) and each successive study loses a smaller proportion of potential claims due to the 1991 claim cutoff. The increase in claimant attorney involvement is also likely to be related to the increase in closure by negotiated settlement and order since typically, claimant attorneys are involved in these types of claims.

Chart 5a - 1999 Study

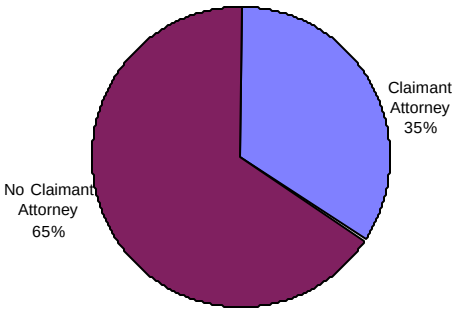


Chart 5b - 2000 Study

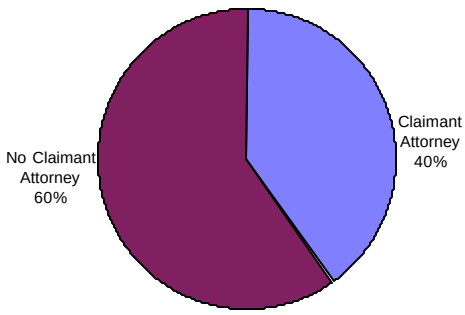


Chart 5c - 2001 Study

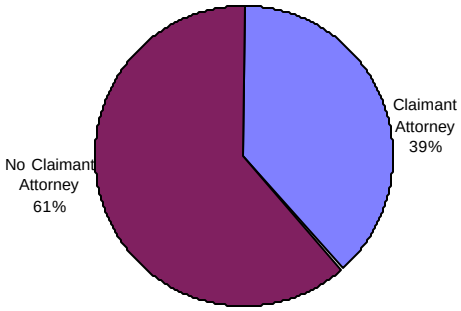


Chart 5d shows the comparison of average claim costs by attorney involvement. The pattern shown in prior studies is continued this year. That is, claims involving an attorney are more expensive.

Chart 5d - Comparison of Average Claim Costs by Attorney Involvement

	1999 Study	2000 Study	2001 Study
Pinnacol Assurance			
Claimant Attorney	$68,457	$78,057	$81,205
No Claimant Attorney	22,098	28,828	27,291
Commercial Insurers			
Claimant Attorney	$54,658	$52,997	$48,875
No Claimant Attorney	38,429	37,181	46,033
Self Insurers			
Claimant Attorney	$78,429	$104,326	$59,624
No Claimant Attorney	21,333	21,514	21,264
All Carriers			
Claimant Attorney	$68,725	$80,739	$72,829
No Claimant Attorney	26,031	27,582	31,228

Chiropractor Involvement

As shown in Charts 6a to 6f, the percent of claims with chiropractors has stayed between 9% and 10% for the past 3 years.

The costs of chiropractor claims are addressed in the regression section where total medical costs are taken into account. This allows the incorporation of all the medical services that a chiropractor might provide. A comparison of the average cost of a chiropractor to the average cost of another medical provider might not consider all these services.

Chart 6a - 1999 Study

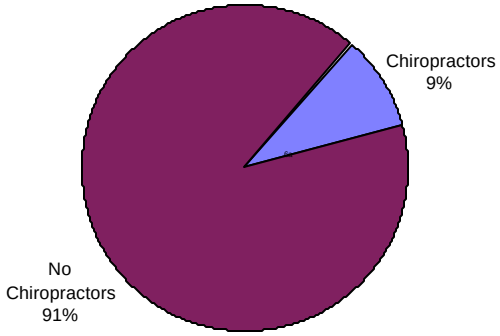


Chart 6b - 2000 Study

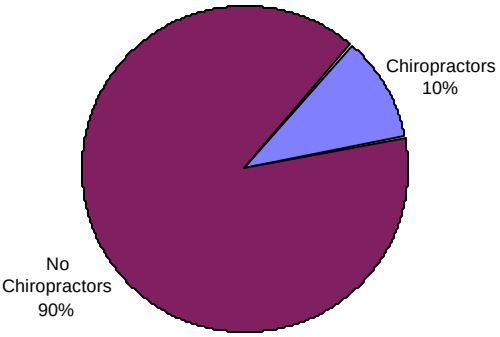
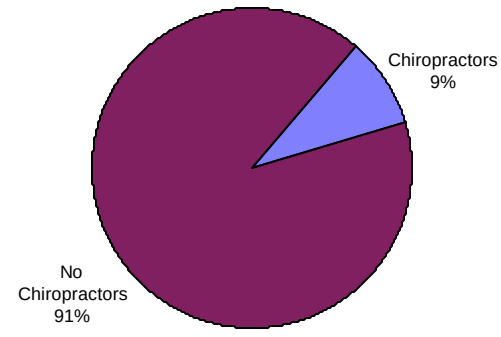


Chart 6c - 2001 Study



CROSS-TABULATION RESULTS

Averages are shown in this report for descriptive purposes only; they demonstrate neither a correlation nor a cause and effect relationship between variables. The averages help the reader obtain a general view of the data.

Total cost in this section refers to indemnity, medical, vocational rehabilitation, and loss adjustment expenses. Since the definition of total cost in the Comparisons section above did not include the vocational rehabilitation or expense values, there will be slight differences between the results in this section and the results in the Comparisons section. Lump sum payment amounts are included in cost types listed above and are shown separately for information only.

Loss adjustment expenses include insurer legal expenses, insurer expert witness fees, other insurer legal costs, penalties, and other allocated loss adjustment expenses. Insurers and regulators typically define these expenses as allocated loss adjustment expenses. They exclude the expenses of most insurer personnel.

Workers' compensation claims are driven by many variables which have complex interactions. Differences observed between variables are neither conclusive nor are they statistically significant per se. Any differences observed could be caused by random variations as well as by differences in other variables. The Regression Analysis section of this report discusses the relationships between the variables.

The results in this section are divided into the following categories: distribution of total dollars; injury analysis; indemnity; medical; vocational rehabilitation; attorney involvement; and time lines.

The supporting data for each of the charts below is shown in the tables of Appendix C. For easy reference, each chart number in this report corresponds to the table number in Appendix C.

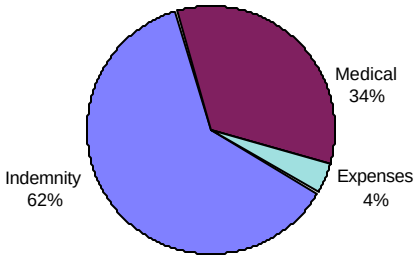
A. DISTRIBUTION OF TOTAL DOLLARS

This section shows the distribution of total dollars by type of cost, type of carrier, claim size, and method of closure.

Type of Cost

The total costs in the sample of 729 claims closed from July, 1999 to June, 2000 were approximately $34.5 million with 62% of these costs from indemnity payments, 34% from medical payments, 4% from expenses, and less than 1% from vocational rehabilitation.

Chart 7 - Distribution of Dollars



Type of Carrier

Of the new claims sampled, 50% were from Pinnacol Assurance and represented 58% of the total cost. Commercial insurers had 22% of the claims which represented 22% of the total cost. Self insurers were 28% of the new claims sampled and 20% of the costs.

Chart 8a - % of Claims

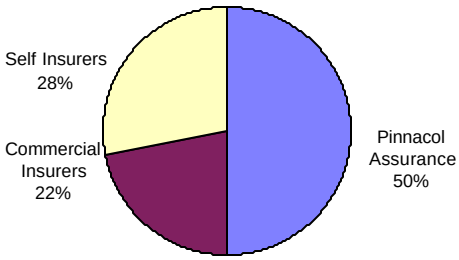
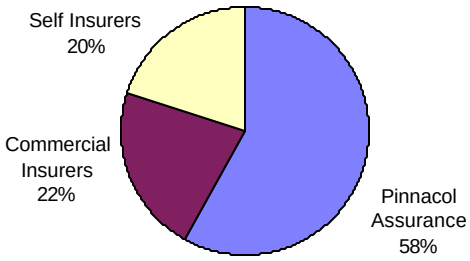
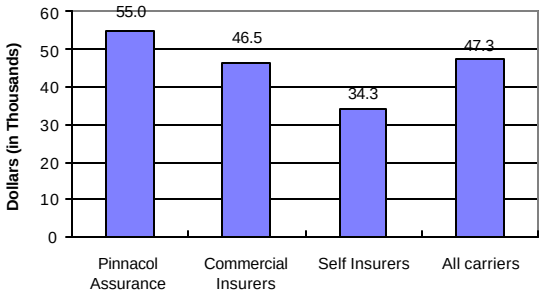


Chart 8b - % of Dollars



The average total cost of a claim was approximately $55,000 for Pinnacol Assurance, $46,500 for commercial insurers, and $34,000 for self insurers.

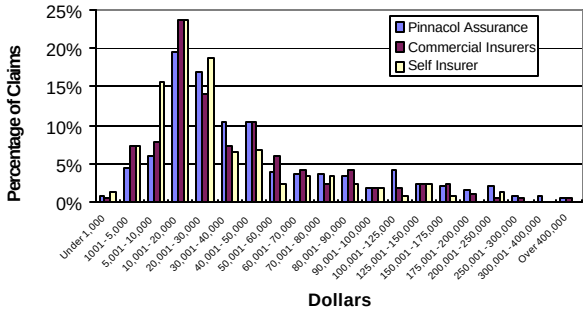
Chart 8c - Average Total Claim Cost



Claim Size

Chart 9 shows that for all carriers, the largest percentage of claims is in the $10,000 to $20,000 range.

Chart 9
Distribution of Cost of Claim by Carrier



Method of Closure

Method of closure is categorized as negotiated settlement, admission, order, or other. Chart 10a shows that of the claims where method of closure was coded, 59% closed with an admission, 35% closed with a negotiated settlement, and 6% closed by an

order. Chart 10b shows that claims closed by admission represented 33% of total cost, claims closed by negotiated settlement represented 59% of total cost, and claims closed by an order represented 8% of total cost.

Chart 10a - % of Claims

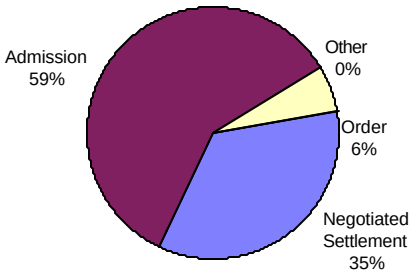
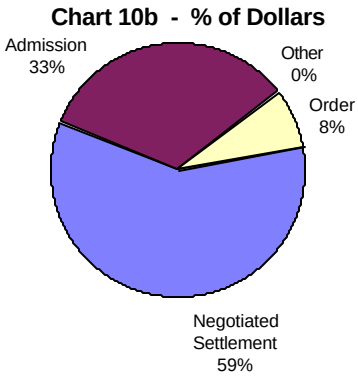


Chart 10b - % of Dollars



The average total cost of claims closed by negotiated settlement is approximately three times the cost of claims closed by admission, and approximately one third more than the cost of claims closed by order.

Chart 10c - Method of Closure

Method of Closure	Number of Claims	Dollar Cost of Claims	Average Cost of Claims
Negotiated Settlement	254	20,426,832	80,421
Admission	427	11,261,321	26,373
Order	47	2,801,808	59,613
Other	1	6,832	6,832
Not Reported	0	0	
Totals/Average	729	34,496,793	47,321

Charts 10d through 10f contain method of closure information for each of the entities.

Chart 10d
Method of Closure as % of Claims

Method of Closure	CCIA	Commercial Insurers	Self Insurers
Negotiated Settlement	38%	37%	28%
Admission	59%	43%	71%
Order	3%	20%	1%
Other	0%	0%	0%

Chart 10e
Method of Closure as % of Dollars

Method of Closure	CCIA	Commercial Insurers	Self Insurers
Negotiated Settlement	64%	55%	50%
Admission	33%	22%	44%
Order	3%	23%	6%
Other	0%	0%	0%

Chart 10f - Average Total Dollars by Method of Closure

Method of Closure	CCIA	Commercial Insurers	Self Insurers
Negotiated Settlement	93,013	70,022	61,100
Admission	30,461	23,536	21,631
Order	58,707	53,143	134,101
Other			6,832

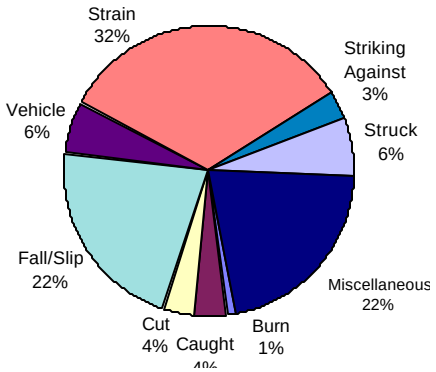
B. INJURY ANALYSIS

This section provides an analysis by the cause of injury, the nature of injury, and the part of body injured.

Cause of Injury

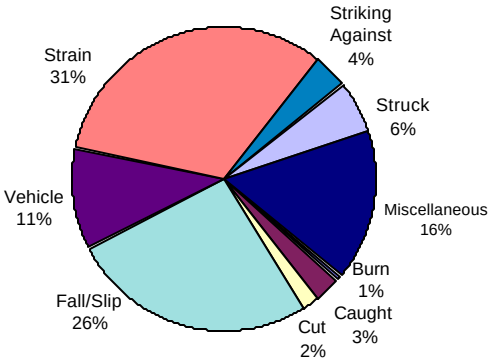
Similar to prior years, the two most common causes of injury observed were strain and fall/slip. Chart 11a shows that 32% of the injuries in the sample were caused by a strain and 22% were caused by a fall or slip.

Chart 11a - Cause of Injury - % of Claims



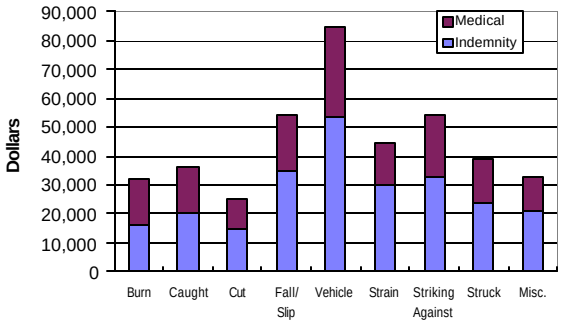
Correspondingly, the causes of injury representing the largest proportion of total costs were also strain and fall/slip. Chart 11b shows that 31% of the total dollars included in the sample were from injuries caused by strain and 26% were from injuries caused by a fall or slip.

Chart 11b - Cause of Injury - % of Dollars



The average indemnity and medical costs were highest for injuries in the vehicle category, followed by injuries in the fall/slip category, and injuries caused by striking against an object.

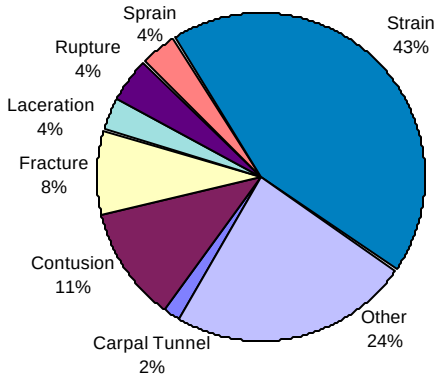
Chart 11c - Cause of Injury
Average Cost for Indemnity & Medical



Nature of Injury

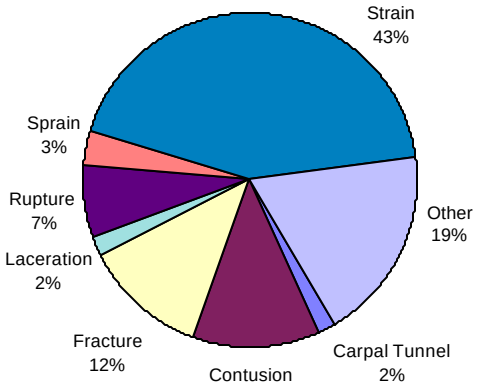
The category of "other" shown on the charts below not only includes the "all other" that was coded, but also contains the classes that each had less than 2% of the claims sampled. These included such injuries as amputation, inflammation, and puncture. Similar to prior years, the most common natures of injury, based on percent of claims, were strain (43%), fracture (8%) and contusion (11%). Carpal Tunnel Syndrome represented approximately 2% of the claims in the study.

Chart 12a - Nature of Injury - % of Claims



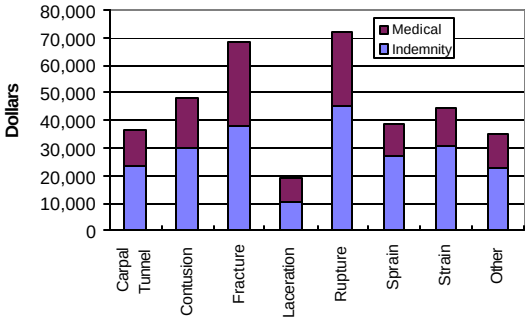
The natures of injury representing the largest proportion of total cost were strain (43%), fracture (12%) and contusion (12%). Carpal Tunnel Syndrome represented less than 2% of the dollars in the study.

Chart 12b - Nature of Injury - % of Dollars



Among the natures of injury with greater than 2% of claims, the average medical and indemnity costs were highest for contusions, fractures, and ruptures.

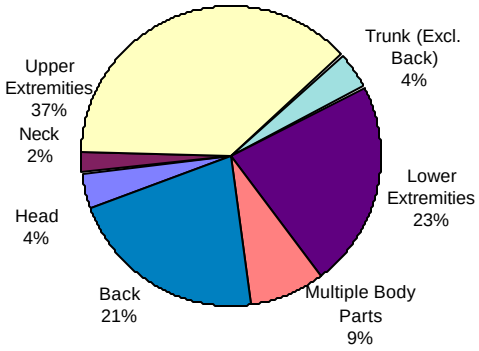
Chart 12c - Nature of Injury
Average Cost for Indemnity & Medical



Part of Body

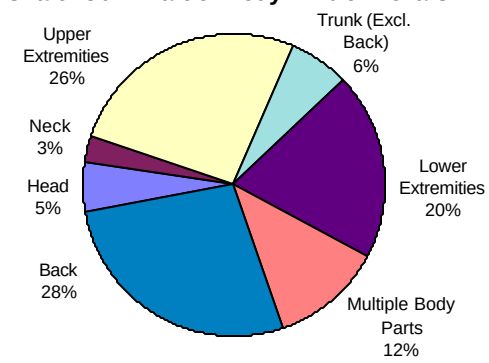
Similar to prior years, the most common parts of the body involved in injuries, based on percent of claims, were the upper extremities (37%), the lower extremities (23%), and the back (21%).

Chart 13a - Part of Body - % of Claims



The injuries to the trunk upper extremities accounted for 34% of the total costs, including 28% from back injuries and 6% from other trunk injuries. Of the total costs, 26% were for injuries to the upper extremities and 20% were for injuries to the lower extremities.

Chart 13b - Part of Body - % of Dollars

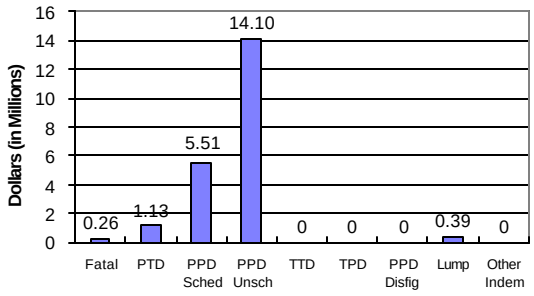


C. INDEMNITY

Type of Injury

Approximately 65% of the indemnity dollars ($14.1 million) were spent on claims involving unscheduled permanent partial disability (PPD). Scheduled permanent partial disability claims accounted for another $5.5 million, or 26% of the total dollars.

Chart 14
Indemnity Dollars By Type of Injury

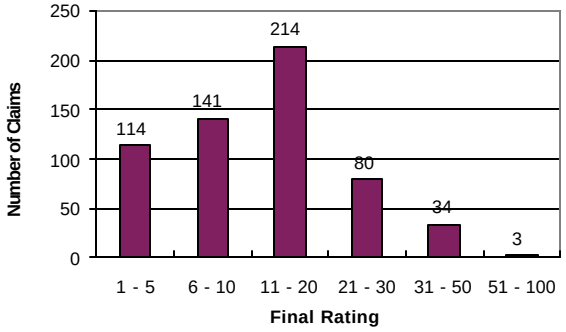


Impairment Rating

In the 2001 study, 20% of claims are coded with an unknown impairment rating. This is a reduction from 70% in the 1999 study and 38.5% in the 2000 study and is evidence of improved record keeping.

Of the claims with an impairment rating, 43.5% have an impairment rating of 10% or less, and 80% have a rating of 20% or less. There has been an increase this year in the percentage of claims in the 11-20% range from 26% last year to 36.5% this year.

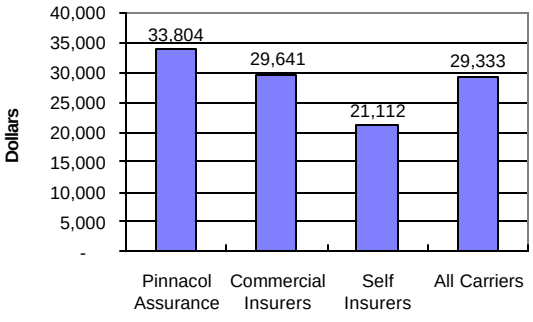
Chart 15
Impairment Rating Claim Count by Range



Average Indemnity Costs by Type of Carrier

The Pinnacol Assurance average indemnity cost at $33,804 is approximately 14% higher than the commercial carrier average of $29,641 and approximately 60% higher than the self insurer average of $21,112. The average for all the carriers combined is $29,333. As stated earlier, the higher average indemnity cost for Pinnacol Assurance is caused by a higher number of claims in the Over $100,000 category.

Chart 16 - Average Indemnity Claim Cost



D. MEDICAL

Distribution of Medical Costs

Doctors (including physical therapists) account for 34% of the total medical costs and hospital charges account for 32% of the costs. The category of "other" shown in Chart 17a includes medical costs coded as "other" as well as the classes that each had less than 2% of the medical costs in the sample. These included pain rehab/work reconditioning, prosthetics, and independent medical examinations. The distribution of charges by type of doctor is broken down in Chart 17b.

Payments to physical therapists appeared in 52% of the claims and accounted for 7% of the total medical costs. Payments to chiropractors appeared in 9% of the claims and accounted for 1% of the total medical costs (see Table 17 in Appendix C).

Designator of Medical Provider

Charts 18a and 18b show that in 83% of the claims and 85% of the dollars, the employer designated the medical provider for the claim. For the remaining claims, the employer did not designate or the designation was unknown.

Chart 17a - Distribution of Medical Costs

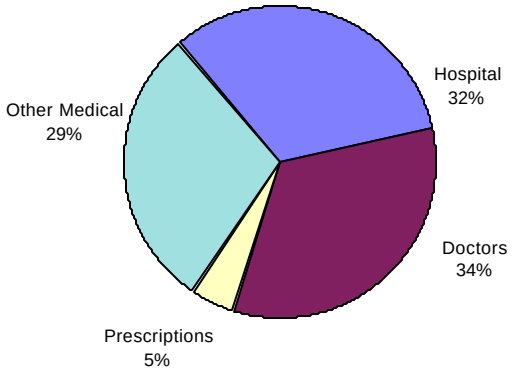


Chart 18a - % of Medical Claims

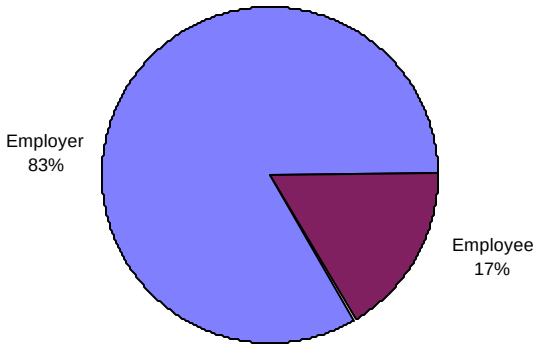


Chart 17b - Distribution of Charges by Type of Doctor

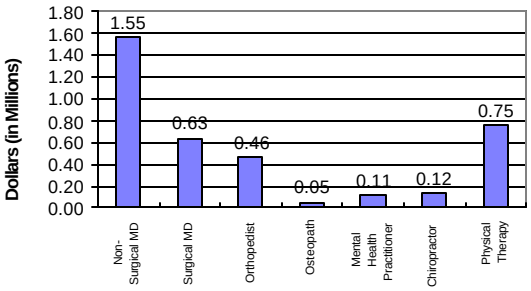
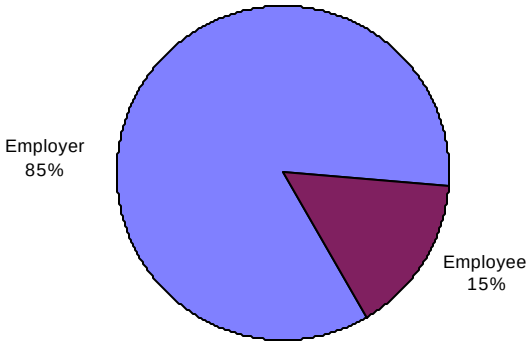


Chart 18b - % of Medical Dollars



As shown in Chart 18c, a simple comparison of average claim size indicates that the average medical cost of Pinnacol Assurance claims with the employer designated medical provider is higher than the average for claims where the employer did not designate. However, the average medical cost of claims with the employer designated medical provider is lower for commercial carriers and self insurers. The regression section found no significant association between who makes the choice of provider and higher or lower costs. The average medical costs shown in this section have not been controlled for the impact of other variables affecting costs as was done in the regression analysis.

Chart 18c
Designator of Medical Provider by Carrier Type

	Pinnacol Assurance		Commercial Insurers		Self Insurers	
Designator	Percent of Claims	Average Medical Cost	Percent of Claims	Average Medical Cost	Percent of Claims	Average Medical Cost
Employer	87.4%	$ 20,831	57.1%	$ 13,445	96.5%	$ 10,607
Employee / Not Reported	12.6%	$ 12,258	42.9%	$ 16,588	3.5%	$ 11,780

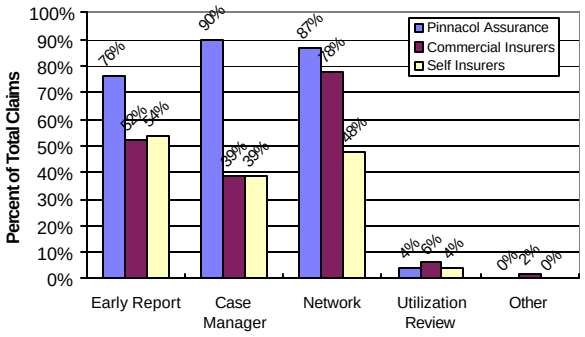
Managed Care

In this study, a claim is considered a managed care claim if one or more of the following parameters is present:

- An 800 telephone number for early reporting
- A Case Manager
- A network of doctors as in a PPO or an HMO
- Utilization Review, either prospective or retrospective

Managed care claims represent 90% of the total number of claims (see Table 19, Sheet 1 in Appendix C). Pinnacol Assurance shows that managed care was used for all of its claims, but one.

Chart 19a - Managed Care



Average medical costs are higher for all entities where there is managed care.

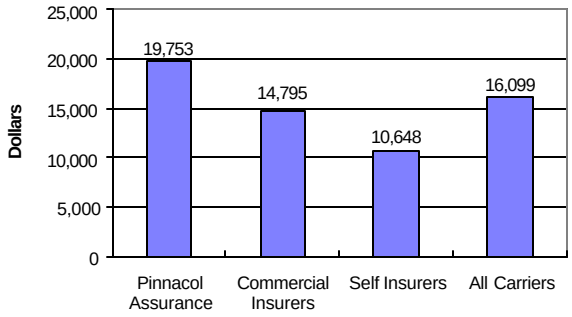
Chart 19b - Average Medical Cost With and Without Managed Care by Carrier Type

Carrier	Average Medical Cost With Managed Care	Average Medical Cost Without Managed Care
Pinnacol Assurance	$ 19,804	$ 1,643
Commercial Insurers	$ 15,040	$ 12,820
Self Insurers	$ 11,464	$ 8,369
TOTAL	$ 16,842	$ 9,388

Average Medical Cost by Type of Carrier

The average medical claim cost was approximately $20,000 for Pinnacol Assurance, $15,000 commercial insurers, and $10,600 for self insurers.

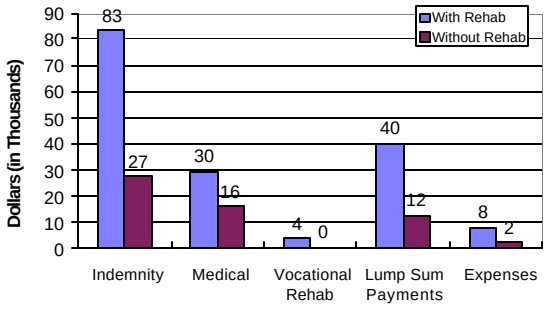
Chart 20 - Average Medical Claim Cost



E. VOCATIONAL REHABILITATION

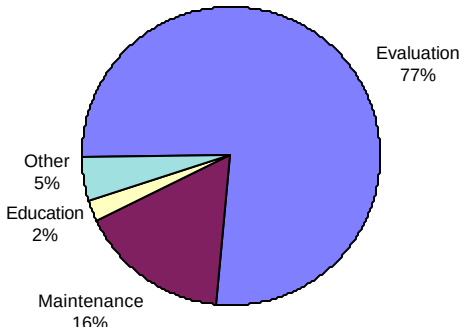
Vocational rehabilitation was categorized as evaluation, maintenance, education, and other. Of the new claims in the sample, only 26 claims involved vocational rehabilitation. Pinnacol Assurance had 8 claims involving vocational rehabilitation. Chart 21a compares the average costs of the claims in the study that involved vocational rehabilitation with the average costs of those claims that did not involve rehabilitation.

Chart 21a - Average Costs With and Without Vocational Rehabilitation



Of the vocational rehabilitation dollars in the sample, 77% was spent on evaluation. This breakdown is shown in Chart 21b.

Chart 21b
Vocational Rehabilitation - % of Dollars



F. ATTORNEY INVOLVEMENT

Attorney involvement means that the claimant had an attorney. Chart 22a shows the number of claims with attorney involvement for each type of carrier. Chart 22b shows the average costs by attorney involvement. For commercial carriers and self insurers the majority of claims involved no claimant attorney. The average cost of a claim involving an attorney is triple those not involving an attorney for Pinnacol Assurance and self insurers but only slightly higher for commercial insurers.

Chart 22a - Attorney Involvement

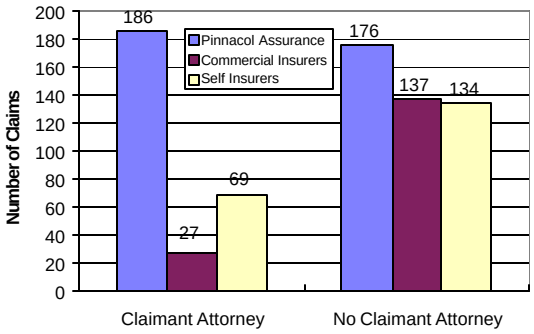
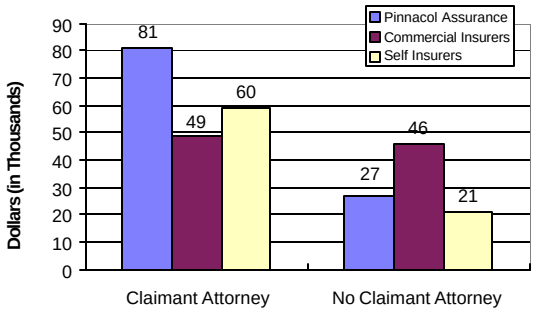


Chart 22b - Average Cost per Claim by Attorney Involvement



G. TIME LINES

In order to present a picture of lag time, the statistical measures of the mean (average) and the median are used. The median is the middle value of a set of ordered data values observed for a particular characteristic. That is, there are as many claims with values above the median as there are below. In a long-term line of insurance like workers' compensation, the median is often more useful as an indicator because of the effect of extreme data observations on the mean.

The mean lags for the date reported to employer and the date of return to work continue to decrease. The mean lag of date reported to insurer also decreased this year. The date of maximum medical improvement, and date of claim closed continue to increase from the 1998 study.

Chart 23a
Comparison of Mean Lags from Date of Injury

Lag Time From Date of Injury to:	1999 Mean Number of Days	2000 Mean Number of Days	2001 Mean Number of Days
Date Reported to Employer	7	6	5
Date Reported to Insurer	23	26	15
Date of First Indemnity Payment	106	118	147
Date of Return to Work	155	113	84
Date of Max Medical Improvement	413	433	450
Date of Claim Closed	669	733	778

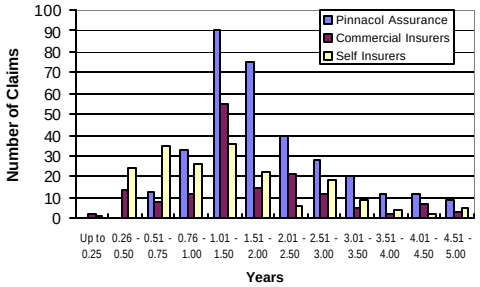
The median lag for the date of first indemnity payment increased from the 2000 study from 26 days to 56 days. The median lag for the date of maximum medical improvement and the date of claim closed continues to increase.

Chart 23b
Comparison of Median Lags from Date of Injury

Lag Time From Date of Injury to:	1999 Median Number of Days	2000 Median Number of Days	2001 Median Number of Days
Date Reported to Employer	0	0	0
Date Reported to Insurer	6	6	4
Date of First Indemnity Payment	45	26	56
Date of Return to Work	62	14	14
Date of Max Medical Improvement	279	298	316
Date of Claim Closed	489	516	561

The duration is the number of years from date of injury to the closing of the claim. As shown in the following chart, the most frequent duration was 1.0 to 1.5 years. The Pinnacol Assurance percentage of claims in the 1.5 to 2.0 years increased to 21% this year from 4% last year.

Chart 24
Distribution by Duration of Claim



CHARTS

COMPARISONS

CROSS-TABULATION RESULTS

DISTRIBUTION OF TOTAL DOLLARS

Chart 7 - Distribution of Dollars
Chart 8a - Distribution by Type of Carrier - % of Claims
Chart 8b - Distribution by Type of Carrier - % of Dollars

DISTRIBUTION OF TOTAL DOLLARS (CON'T)

Chart 8c - Average Total Claim Cost
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Chart 10b - Method of Closure - % of Dollars
Chart 10c - Method of Closure
Chart 10d - Method of Closure as a % of Claims (by Carrier)
Chart 10e - Method of Closure as a % of Dollars (by Carrier)
Chart 10f - Average Total Dollars by Method of Closure

INJURY ANALYSIS

Chart 11a - Cause of Injury - % of Claims
Chart 11b - Cause of Injury - % of Dollars
Chart 11c - Cause of Injury - Average Cost for Indemnity & Medical
Chart 12a - Nature of Injury - % of Claims
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Chart 12c - Nature of Injury - Average Cost for Indemnity & Medical
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INDEMNITY

Chart 14 - Indemnity Dollars by Type of Injury
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Chart 17a	-	Distribution of Medical Costs
Chart 17b	-	Distribution of Charges by Type of Doctor
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Chart 18c	-	Designator of Medical Provider by Carrier Type
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Chart 19b	-	Average Medical Cost With and Without Managed Care
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VOCATIONAL REHABILITATION

Chart 21a	-	Average Costs With and Without Vocational Rehabilitation
Chart 21b	-	Vocational Rehabilitation - % of Dollars

ATTORNEY INVOLVEMENT

Chart 22a	-	Attorney Involvement
Chart 22b	-	Average Cost per Claim by Attorney Involvement

TIME LINES

Chart 23a	-	Comparison of Mean Lags from Date of Injury
Chart 23b	-	Comparison of Median Lags from Date of Injury
Chart 24	-	Distribution by Duration of Claim

CLAIMS FOR THE 2001 STUDY

SAMPLE

The 2001 Study reviewed a sample of 729 new claims involving permanency that were closed between July 1, 1999, and June 30, 2000. The carriers represented in the sample are Pinnacol Assurance, 18 commercial insurers, and 21 self insurers.

The number and source of these claims are listed below:

Source of New Claims in 2001 Study

Type of Carrier	Primary Source of Data	Dates Accidents Closed	Number of Claims
Pinnacol Assurance	DCI Database	July 1, 1999 to June 30, 2000	362
Commercial Carriers	DCI Database	July 1, 1999 to June 30, 2000	164
Self Insurers	Division of Workers' Compensation Database	July 1, 1999 to June 30, 2000	203
Total			729

This compares to the last two years as follows:

Comparisons	1999	2000	2001
Pinnacol Assurance	393	386	362
Commercial Carriers	159	92	164
Self Insurers	198	198	203
Total	750	676	729
Regressions	4,073	4,401	5,263

For all groups of carriers, we supplemented the primary source of data with a supplementary call for information on the same claims.

The Detailed Claim Information (DCI) database is collected by the National Council on Compensation Insurance (NCCI) on a sample basis. The claims are selected randomly based on each insurer's market share. Once selected for inclusion, information must be reported on claims 6 months after accident, and annually thereafter until claims close. The database includes both open and closed claims. We obtained an electronic copy of this NCCI DCI database as of October 2000 for use in this study.

Self insurer data was obtained from the Division of Workers' Compensation, together with the supplemental data request. This sample was generated as follows:

1. The manual premium equivalent for FY99 (July 1, 1999 to June 30, 2000) was determined by the DWC for each entity. Self insured employers whose permits had been cancelled or revoked in FY00, as well as those who had been self-insured during part of the year were eliminated. The remaining self insurers were ranked by premium and subdivided into quartiles.
2. Cases involving fatality, permanent partial disability, or permanent total disability closing during FY00 were initially selected. Self-insurers having three or fewer claims were eliminated.
3. The Division of Workers Compensation randomly selected two self-insurers from the top quartile, three from the second, five from the third, and twelve from the fourth.
4. Milliman & Robertson, Inc. randomly selected 60 claims from each quartile uniformly from each self-insurer within each quartile.

The claims from Pinnacol Assurance, commercial carriers, and self insurers were combined, cross tabulations were computed and comparisons were made with the results of earlier studies.

For the regression analysis, the data collected from self-insurers for the 1996, and 1998- 2000 studies were included. In addition, all closed claims from Pinnacol Assurance and the DCI Database were included. A total of 5,263 claims were used in the regression analysis. Since the DCI Database is cumulative, it is possible that some claims changed in value from the values contained in last year's study. This can occur primarily due to the correction of data, to late payments recorded after a claim has closed, and to a claim reported as closed not previously included due to data reporting lags. We compared the current DCI database to the DCI database included in last year's study. The supplementary data request was collected on all

claims in the database that closed prior to July 1, 2000 that were either new or had a change in their values.

EDITING THE RESPONSES

Responses to the request for additional information were received electronically, via floppy disk, or through hard copy. These responses were reviewed for consistency.

The sum of the medical payments of various types (Surgery, PT, prescriptions, etc.) were verified to match the "Total Medical" fields. Where they did not match, the carrier was contacted to clarify the information. Also, where hospital costs were reported but the number of days hospitalized was either coded as zero or was left blank, the carrier was contacted to determine if the hospital cost was due to an outpatient surgery or if a correction to the data was needed.

Several of the other fields were also checked to verify a valid response. "Age of Claimant at Time of Injury," "Date of Birth," "Date of Injury," "Date Claim Closed," "Method of Closure," "Cause of Injury," "Nature of Injury," "Part of Body," "Designator of Medical Provider," "Impairment Rating" and "Benefit Type" are some of the fields that were checked for validity. Again, if a response for any one of these fields was invalid or omitted, we contacted the corresponding carrier to obtain the correct information.

Individual claims were classified as either usable or unusable. Unusable claims were deleted from the database. Many of the unusable claims were deleted because the supplemental medical information received from carriers could not be reconciled with the DCI medical information. Also, several claims were deleted because their current status was open.

SUMMARY OF REGRESSION RESULTS

Regression analysis is concerned with modeling the relationships between variables. Through the use of regression, we seek to evaluate the relationship between the cost of a claim (indemnity, medical and total) and other potential explanatory variables. Regression can be used to determine whether a particular variable is significant in explaining the cost and the nature of the relationship. In most statistical analysis, including the regressions contained herein, it is common practice to adopt what is called the "Null Hypothesis." The Null Hypothesis is that the variable in question does not affect the outcome (in our case, the cost of a claim). A result is generally called significant if we are able to reject the null hypothesis with 95% certainty. That is, that the statistical model indicated a 5% chance or less that the association could have been caused by randomness alone. In this case, we would say the result was significant at the .05 (5%) level.

In the regression analysis we are attempting to understand as many of the impacts of the explanatory variables as possible. We represent the costs (indemnity, medical, and total) as a multiplicative function of the variables listed. We first transform the multiplicative function to linear by using the natural logarithm of indemnity, medical, and total cost as the dependent variable. This is a common procedure and is preferred for workers compensation losses that often exhibit significant skewness.

To test whether or not a certain variable is significant in explaining the cost of a claim, the regression analysis calculates the t-statistic for the null hypothesis. The t-statistic is calculated as the ratio of the parameter estimate to the standard error and measures whether or not the parameter estimate is significantly different from 0. We then compare the t-statistic to a critical value which is based on the number of parameters estimated (1 for each variable), and the significance level.

The standard error measures the amount of variation around the value of the parameter.

The sign of the parameter (positive or negative) indicates the direction of the association. If positive, the cost is expected to increase by the value of the parameter estimate for each unit increase in the variable. If the variable is of the yes/no variety, a positive parameter estimate indicates that the cost is expected to be higher by the amount of the parameter estimate in the presence of a yes. Since the dependent variable is a natural logarithm, the parameter estimate represents an increase in the log of the dependent variable of interest. This can be transformed to a percentage change by exponentiation (the inverse of the natural log function). This transformation is as follows:

$$\text{Percentage Change} = e^{(\text{Parameter estimate})} - 1 \times 100\%$$

We also take the natural logarithm of two of the independent (right hand side or explanatory) variables prior to their use in the regression. We use the logs of wage and length to close. When transformed in this fashion, the resulting parameter estimate is an elasticity. An elasticity is a comparison of percentage changes:

$$\text{Elasticity} = \frac{\text{Percentage change in dependent variable}}{\text{Percentage change in independent variable}}$$

Many of the characteristics above are represented with "dummy" variables. The use of dummy variables is a standard technique to describe variables that entail a true/false or one-of-a-list of choices. An example of the true/false choice is the variable "Claimant is Male." If true, the variable is represented by a 1, and if false, by a 0. Whether or not this variable is significant refers to the change in cost with respect to the alternative. In this case, a "significant" result implies that the alternative, "Claimant is Female," is significant also, with the opposite sign.

The method of closure is an example of the one-of-a-list type of dummy variable. Again, a 1 is used to represent the variable when the condition is true, and a 0 is used when the condition is false. In this situation, we need one less variable than the number of combinations. The variable that does not appear is represented by 0's for all the rest. For example, method of closure was modeled using the following list:

- negotiated settlement,
- admission,
- order,
- and other.

The variable "other" does not explicitly appear. Rather, it is modeled with 0's (false) for the other three, forming the comparison or reference group. In this case, we found that closure types "other" and "order" did not differ significantly in costs. We changed the list so that only settlement and admission were represented by 1's when true. The comparison group then changed to the combination of "order" and "other."

The statistical output from the regression can also be used to consider other combinations without re-running the regressions and changing the base. This technique was used, for example, to determine that permanent partial schedule and "other" benefit type differed significantly in cost.

For each of the regression models that follows we show the variable name, the parameter estimate, the standard error, the t-statistic for the null hypothesis, and the significance level. We have shaded the parameter estimates that are not statistically significant at the .05 level.

We also show the F value and the R^2 value for each of the models. The F value shows that for each of the models the regression is highly significant. The R^2 value the proportion of the variation in cost that has been explained by the regression model.

SUMMARY OF REGRESSION RESULTS

Model - Natural Logarithm of Indemnity costs as Linear Function

F Statistic= 238.54 Prob >F= 0.0001

R^2= 0.6217

Independent Variable	Degrees of Freedom	Parameter Estimate	Standard Error	T Statistic	Significance Prob>|T|
Type of Injury					
Back Sprains and Strains	1	0.4766	0.0368	12.9600	0.0001
All Other Back Injuries	1	0.5951	0.0772	7.7000	0.0001
Intermediate Fractures/Dislocations	1	-0.0655	0.0494	-1.3300	0.1849
Fractures/Dislocations Hands and Digits	1	-0.4669	0.0526	-8.8800	0.0001
Cut/Laceration/Contusion Hand and Finger	1	-1.0077	0.0514	-19.6200	0.0001
Sprains/Strains to Lower Body	1	0.0897	0.0747	1.2000	0.2303
Knee Disorders	1	-0.0099	0.0376	-0.2600	0.7921
Neck & Head	1	0.1891	0.0704	2.6900	0.0072
Major Trauma	1	0.2226	0.0436	5.1000	0.0001
Burns	1	-0.2033	0.1392	-1.4600	0.1442
Type of Industry					
Mining	1	0.2179	0.0917	2.3800	0.0175
Construction	1	0.2362	0.0307	7.7000	0.0001
Transportation	1	0.2110	0.0405	5.2000	0.0001
Claimant Characteristics					
Male	1	0.1348	0.0276	4.8800	0.0001
Wage (Elasticity)	1	0.3660	0.0237	15.4500	0.0001
Time Sensitive Components					
Accident Year	1	0.0194	0.0081	2.3900	0.0171
Length to Close (Elasticity)	1	0.8175	0.0231	35.3700	0.0001
Lag to Report	1	0.0004	0.0003	1.4000	0.1627
Lag to First Indemnity Payment	1	-0.0013	0.0001	-14.7900	0.0001
Type of Carrier					
Pinnacol Assurance Claim	1	0.0719	0.0288	2.5000	0.0126
Self-Insured Claim	1	0.1410	0.0502	2.8100	0.0049
Claim Characteristics (Impact if Yes)					
Claimant Attorney	1	0.1662	0.0303	5.4900	0.0001
Chiropractor Used	1	0.1465	0.0437	3.3600	0.0008
Physical Therapy Used	1	0.1629	0.0245	6.6400	0.0001
Hospital Used	1	0.2137	0.0298	7.1700	0.0001
Vocational Rehabilitation Used	1	0.3830	0.0544	7.0400	0.0001
Method to Close (Base is Closed by Order)					
Settlement	1	0.3578	0.0498	7.1800	0.0001
Admission	1	-0.2965	0.0457	-6.4800	0.0001
Injury Type (Base is Perm. Partial Unscheduled)					
Permanent Total	1	0.6206	0.1365	4.5500	0.0001
Permanent Partial Schedule	1	-0.2336	0.0295	-7.9100	0.0001
Fatal	1	0.6503	0.1520	4.2800	0.0001
Other	1	-0.6323	0.0936	-6.7600	0.0001
Managed Care Techniques					
Early Report	1	-0.0942	0.0272	-3.4600	0.0005
Case Manager	1	0.1600	0.0267	6.0000	0.0001
Utilization Review	1	0.0802	0.0545	1.4700	0.1413
Intercept	1	-0.1071	0.8281	-0.1300	0.8971

SUMMARY OF REGRESSION RESULTS

Model - Natural Logarithm of Medical costs as Linear Function

F Statistic= 127.74 Prob >F= 0.0001

R^2= 0.4681

Independent Variable	Degrees of Freedom	Parameter Estimate	Standard Error	T Statistic	Significance Prob>|T|
Type of Injury					
Back Sprains and Strains	1	-0.0219	0.0347	-0.6300	0.5293
All Other Back Injuries	1	0.0331	0.0729	0.4500	0.6502
Intermediate Fractures/Dislocations	1	0.1665	0.0467	3.5700	0.0004
Fractures/Dislocations Hands and Digits	1	-0.2270	0.0497	-4.5700	0.0001
Cut/Laceration/Contusion Hand and Finger	1	-0.3103	0.0485	-6.4000	0.0001
Sprains/Strains to Lower Body	1	-0.1828	0.0706	-2.5900	0.0096
Knee Disorders	1	0.2224	0.0355	6.2600	0.0001
Neck & Head	1	-0.0037	0.0664	-0.0600	0.9551
Major Trauma	1	0.0602	0.0412	1.4600	0.1442
Burns	1	0.2691	0.1315	2.0500	0.0407
Type of Industry					
Mining	1	0.1115	0.0866	1.2900	0.1979
Construction	1	0.0270	0.0290	0.9300	0.3512
Transportation	1	0.0281	0.0383	0.7300	0.4627
Claimant Characteristics					
Male	1	0.0722	0.0261	2.7700	0.0057
Wage (Elasticity)	1	0.0943	0.0224	4.2200	0.0001
Time Sensitive Components					
Accident Year	1	0.0342	0.0077	4.4700	0.0001
Length to Close (Elasticity)	1	0.7411	0.0218	33.9500	0.0001
Lag to Report	1	-0.0007	0.0002	-2.8400	0.0046
Lag to First Indemnity Payment	1	-0.0010	0.0001	-12.1500	0.0001
Type of Carrier					
Pinnacol Assurance Claim	1	0.0045	0.0272	0.1600	0.8690
Self-Insured Claim	1	0.1629	0.0474	3.4400	0.0006
Claim Characteristics (Impact if Yes)					
Claimant Attorney	1	0.1115	0.0286	3.9000	0.0001
Chiropractor Used	1	0.1139	0.0412	2.7600	0.0057
Physical Therapy Used	1	0.3046	0.0232	13.1500	0.0001
Hospital Used	1	0.5981	0.0282	21.2500	0.0001
Vocational Rehabilitation Used	1	0.1872	0.0514	3.6400	0.0003
Method to Close (Base is Closed by Order)					
Settlement	1	0.0642	0.0470	1.3600	0.1727
Admission	1	-0.0787	0.0432	-1.8200	0.0685
Injury Type (Base is Perm. Partial Unscheduled)					
Permanent Total	1	-0.1406	0.1289	-1.0900	0.2755
Permanent Partial Schedule	1	-0.0355	0.0279	-1.2700	0.2027
Fatal	1	-0.6833	0.1435	-4.7600	0.0001
Other	1	-0.6819	0.0884	-7.7200	0.0001
Managed Care Techniques					
Early Report	1	-0.0304	0.0257	-1.1800	0.2378
Case Manager	1	0.1453	0.0252	5.7700	0.0001
Utilization Review	1	0.3040	0.0515	5.9100	0.0001
Intercept	1	-0.1257	0.7821	-0.1600	0.8723

SUMMARY OF REGRESSION RESULTS

Model - Natural Logarithm of Total costs as Linear Function

F Statistic= 272.09 Prob >F= 0.0001

R^2= 0.6521

Independent Variable	Degrees of Freedom	Parameter Estimate	Standard Error	T Statistic	Significance Prob>|T|
Type of Injury					
Back Sprains and Strains	1	0.2501	0.0280	8.9200	0.0001
All Other Back Injuries	1	0.3303	0.0589	5.6100	0.0001
Intermediate Fractures/Dislocations	1	0.0374	0.0376	0.9900	0.3201
Fractures/Dislocations Hands and Digits	1	-0.3435	0.0401	-8.5700	0.0001
Cut/Laceration/Contusion Hand and Finger	1	-0.5944	0.0391	-15.1900	0.0001
Sprains/Strains to Lower Body	1	-0.0685	0.0570	-1.2000	0.2293
Knee Disorders	1	0.0586	0.0287	2.0500	0.0407
Neck & Head	1	0.1298	0.0536	2.4200	0.0155
Major Trauma	1	0.1537	0.0333	4.6200	0.0001
Burns	1	-0.0042	0.1061	-0.0400	0.9686
Type of Industry					
Mining	1	0.1943	0.0699	2.7800	0.0055
Construction	1	0.1317	0.0234	5.6300	0.0001
Transportation	1	0.1277	0.0309	4.1300	0.0001
Claimant Characteristics					
Male	1	0.0980	0.0211	4.6600	0.0001
Wage (Elasticity)	1	0.2567	0.0181	14.2200	0.0001
Time Sensitive Components					
Accident Year	1	0.0332	0.0062	5.3800	0.0001
Length to Close (Elasticity)	1	0.7799	0.0176	44.2700	0.0001
Lag to Report	1	0.0000	0.0002	-0.2500	0.8059
Lag to First Indemnity Payment	1	-0.0010	0.0001	-14.8600	0.0001
Type of Carrier					
Pinnacol Assurance Claim	1	0.0175	0.0220	0.8000	0.4262
Self-Insured Claim	1	0.1562	0.0382	4.0900	0.0001
Claim Characteristics (Impact if Yes)					
Claimant Attorney	1	0.1329	0.0231	5.7600	0.0001
Chiropractor Used	1	0.1123	0.0333	3.3800	0.0007
Physical Therapy Used	1	0.2027	0.0187	10.8500	0.0001
Hospital Used	1	0.3231	0.0227	14.2300	0.0001
Vocational Rehabilitation Used	1	0.3503	0.0414	8.4500	0.0001
Method to Close (Base is Closed by Order)					
Settlement	1	0.2494	0.0380	6.5700	0.0001
Admission	1	-0.2141	0.0349	-6.1400	0.0001
Injury Type (Base is Perm. Partial Unscheduled)					
Permanent Total	1	0.4830	0.1040	4.6400	0.0001
Permanent Partial Schedule	1	-0.1649	0.0225	-7.3300	0.0001
Fatal	1	0.5734	0.1158	4.9500	0.0001
Other	1	-0.4833	0.0713	-6.7800	0.0001
Managed Care Techniques					
Early Report	1	-0.0561	0.0208	-2.7000	0.0069
Case Manager	1	0.1616	0.0203	7.9500	0.0001
Utilization Review	1	0.1465	0.0415	3.5300	0.0004
Intercept	1	0.0832	0.6310	0.1300	0.8952

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 1

AVERAGE COSTS

See Table 8 for 2001 data used in Charts 1a, 1b, and 1c.

Prior Data from 1996, 1997, 1998, 1999 and 2000 Studies.

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 2

CLAIM SIZE

See Table 9 for 2001 data used in Chart 2.

Prior Data from 1996, 1997, 1998, 1999 and 2000 Studies.

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 3

DISTRIBUTION BY ACCIDENT YEAR AND CARRIER

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*	*(8)*	*(9)*	*(10)*	*(11)*
	Claim Count			*Indemnity & Medical Cost*			*Average Cost per Claim*			
Accident Year	*Pinnacol Assurance*	*Comm. Carrier*	*Self Insured*	*Pinnacol Assurance*	*Comm. Carrier*	*Self Insured*	*Pinnacol Assurance (4) / (2)*	*Comm. Carrier (5) / (3)*	*Self Insured*	*Total*
1975	0	0	0	0	0	0	0	0	0	0
1976	0	0	0	0	0	0	0	0	0	0
1977	0	0	0	0	0	0	0	0	0	0
1978	0	0	0	0	0	0	0	0	0	0
1979	0	0	0	0	0	0	0	0	0	0
1980	0	0	0	0	0	0	0	0	0	0
1981	0	0	0	0	0	0	0	0	0	0
1982	0	0	0	0	0	0	0	0	0	0
1983	0	0	0	0	0	0	0	0	0	0
1984	0	0	0	0	0	0	0	0	0	0
1985	0	0	1	0	0	224,338	0	0	224,338	224,338
1986	0	0	1	0	0	59,360	0	0	59,360	59,360
1987	0	0	0	0	0	0	0	0	0	0
1988	0	0	1	0	0	10,000	0	0	10,000	10,000
1989	0	0	1	0	0	73,993	0	0	73,993	73,993
1990	0	0	0	0	0	0	0	0	0	0
1/1/91-6/30/91	0	0	0	0	0	0	0	0	0	0
7/1/91-12/31/91	0	1	3	0	61,377	48,831	0	61,377	16,277	27,552
1992	4	4	1	433,442	761,241	22,765	108,361	190,310	22,765	135,272
1993	10	1	3	1,567,286	126,737	228,654	156,729	126,737	76,218	137,334
1994	17	3	4	2,350,947	289,055	234,709	138,291	96,352	58,677	119,780
1995	19	9	6	2,240,562	525,896	489,409	117,924	58,433	81,568	95,761
1996	33	10	14	2,704,038	1,006,005	965,272	81,941	100,601	68,948	82,023
1997	69	34	26	3,205,215	1,548,003	1,276,943	46,452	45,530	49,113	46,745
1998	200	72	65	6,564,549	2,578,006	1,659,906	32,823	35,806	25,537	32,055
1999	10	30	76	242,643	376,374	1,124,375	24,264	12,546	14,794	15,029
2000	0	0	1	0	0	7,563	0	0	7,563	7,563
Totals Pre SB 218	0	0	4	0	0	367,691	0	0	91,923	91,923
Totals Post SB 218	362	164	199	19,308,682	7,272,694	6,058,427	53,339	44,346	30,444	45,020
Totals/Average	362	164	203	19,308,682	7,272,694	6,426,118	53,339	44,346	31,656	45,278

NOTE: (11) Equals the sum of Cols (5) through (7) divided by the sum of Cols (2) through (4).

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 4

METHOD OF CLOSURE

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Method of Closure	*Count*	*%*	*Average Indemnity*	*Average Medical*	*Average Indemnity & Medical*
Negotiated Settlement	254	34.8%	51,489	25,411	76,900
Admission	427	58.6%	14,759	10,813	25,572
Order	47	6.4%	42,597	14,799	57,396
Other	1	0.1%	1,560	5,248	6,808
Not Reported	-	0.0%	-	-	-
Total / Average	729	100.0%	29,333	16,099	45,432

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 5

ATTORNEY INVOLVEMENT

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Claimant Attorney Involvement	*Number of Claims*	*Percent of Claims*	*Indemnity & Medical Cost*	*Percent of Cost*	*Average Cost of Claims* *(4) / (2)*
Pinnacol Assurance					
Claimant Attorney	186	26%	14,572,553	44%	78,347
No Claimant Attorney	176	24%	4,736,129	14%	26,910
Unknown	0	0%	0	0%	
Total	362	50%	19,308,682	58%	53,339
Commercial					
Claimant Attorney	27	4%	1,242,305	4%	46,011
No Claimant Attorney	137	19%	6,030,389	18%	44,017
Unknown	0	0%	0	0%	
Total	164	22%	7,272,694	22%	44,346
Self Insurer					
Claimant Attorney	69	9%	3,743,793	11%	54,258
No Claimant Attorney	134	18%	2,682,325	8%	20,017
Unknown	0	0%	0	0%	
Total	203	28%	6,426,118	19%	31,656
All Carriers					
Claimant Attorney	282	39%	19,558,651	59%	69,357
No Claimant Attorney	447	61%	13,448,843	41%	30,087
Unknown	0	0%	0	0%	
Total	729	100%	33,007,494	100%	45,278

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 6

CHIROPRACTOR INVOLVEMENT

See Table 17 for 2001 data used in Charts 6c.

Prior Data from 1996, 1997, 1998, 1999 and 2000 Studies.

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 7

DISTRIBUTION BY TYPE OF COST

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Type of Cost	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Total Indemnity	729	100%	21,384,074	62%	29,333
Total Medical	722	99%	11,623,420	34%	16,099
Total Vocational Rehab	26	4%	94,093	0%	3,619
Total Lump Sum Payments	397	54%	5,391,410		13,580
Total Expenses	598	82%	1,395,206	4%	2,333
Totals/Average	*729*		*34,496,793*		*47,321*

Note: Lump Sum Payments not included in Total

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 8, SHEET 1

DISTRIBUTION BY TYPE OF CARRIER
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Type of Carrier	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Pinnacol Assurance	362	50%	19,907,270	58%	54,992
Commercial Insurers	164	22%	7,626,088	22%	46,501
Self Insurers	203	28%	6,963,435	20%	34,303
Totals/Average	*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 8, SHEET 2

DISTRIBUTION BY TYPE OF CARRIER
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Carrier	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance	362	12,237,105	33,804
Commercial Insurers	164	4,861,139	29,641
Self Insurers	203	4,285,830	21,112
Totals/Average	*729*	*21,384,074*	*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 8, SHEET 3

DISTRIBUTION BY TYPE OF CARRIER
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Carrier	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance	286	2,720,416	9,512
Commercial Insurers	57	1,206,610	21,169
Self Insurers	54	1,464,384	27,118
Totals/Average	*397*	*5,391,410*	*13,580*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 8, SHEET 4

DISTRIBUTION BY TYPE OF CARRIER
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Carrier	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance	358	7,071,577	19,753
Commercial Insurers	163	2,411,555	14,795
Self Insurers	201	2,140,288	10,648
Totals/Average	*722*	*11,623,420*	*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 8, SHEET 5

DISTRIBUTION BY TYPE OF CARRIER
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Carrier	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance	8	8,134	1,017
Commercial Insurers	7	9,046	1,292
Self Insurers	11	76,913	6,992
Totals/Average	*26*	*94,093*	*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 8, SHEET 6

DISTRIBUTION BY TYPE OF CARRIER
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Carrier	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance	326	590,454	1,811
Commercial Insurers	141	344,348	2,442
Self Insurers	131	460,404	3,515
Totals/Average	*598*	*1,395,206*	*2,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 9, SHEET 1

DISTRIBUTION BY SIZE OF CLAIM

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Size of Claim	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
Up to 1,000	7	1%	4,697	0%	671
1,001 - 5,000	43	6%	138,129	0%	3,212
5,001 - 10,000	67	9%	494,720	1%	7,384
10,001 - 20,000	158	22%	2,358,523	7%	14,927
20,001 - 30,000	122	17%	2,946,340	9%	24,150
30,001 - 40,000	63	9%	2,162,445	6%	34,325
40,001 - 50,000	69	9%	3,095,088	9%	44,856
50,001 - 60,000	29	4%	1,585,392	5%	54,669
60,001 - 70,000	27	4%	1,728,732	5%	64,027
70,001 - 80,000	24	3%	1,798,796	5%	74,950
80,001 - 90,000	24	3%	2,046,633	6%	85,276
90,001 - 100,000	14	2%	1,324,566	4%	94,612
100,001 - 125,000	20	3%	2,228,584	6%	111,429
125,001 - 150,000	18	2%	2,457,089	7%	136,505
150,001 - 175,000	14	2%	2,216,437	6%	158,317
175,001 - 200,000	8	1%	1,526,630	4%	190,829
200,001 - 250,000	12	2%	2,731,195	8%	227,600
250,001 - 300,000	4	1%	1,074,241	3%	268,560
300,001 - 400,000	3	0%	972,121	3%	324,040
Over 400,000	3	0%	1,606,435	5%	535,478
Totals\Average	*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 9, SHEET 2

DISTRIBUTION BY SIZE OF CLAIM - PINNACOL ASSURANCE

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Size of Claim	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Up to 1,000	3	1%	1,956	0%	652
1,001 - 5,000	16	4%	53,612	0%	3,351
5,001 - 10,000	22	6%	164,506	1%	7,478
10,001 - 20,000	71	20%	1,036,052	5%	14,592
20,001 - 30,000	61	17%	1,475,460	7%	24,188
30,001 - 40,000	38	10%	1,290,246	6%	33,954
40,001 - 50,000	38	10%	1,710,404	9%	45,011
50,001 - 60,000	14	4%	767,439	4%	54,817
60,001 - 70,000	13	4%	830,986	4%	63,922
70,001 - 80,000	13	4%	976,579	5%	75,121
80,001 - 90,000	12	3%	1,017,121	5%	84,760
90,001 - 100,000	7	2%	660,232	3%	94,319
100,001 - 125,000	15	4%	1,699,033	9%	113,269
125,001 - 150,000	9	2%	1,223,089	6%	135,899
150,001 - 175,000	8	2%	1,276,730	6%	159,591
175,001 - 200,000	6	2%	1,151,516	6%	191,919
200,001 - 250,000	8	2%	1,781,306	9%	222,663
250,001 - 300,000	3	1%	818,765	4%	272,922
300,001 - 400,000	3	1%	972,121	5%	324,040
Over 400,000	2	1%	1,000,117	5%	500,059
Totals\Average	*362*		*19,907,270*		*54,992*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 9, SHEET 3

DISTRIBUTION BY SIZE OF CLAIM - COMMERCIAL INSURERS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Size of Claim	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
Up to 1,000	1	1%	722	0%	722
1,001 - 5,000	12	7%	38,722	1%	3,227
5,001 - 10,000	13	8%	87,375	1%	6,721
10,001 - 20,000	39	24%	608,834	8%	15,611
20,001 - 30,000	23	14%	545,765	7%	23,729
30,001 - 40,000	12	7%	412,114	5%	34,343
40,001 - 50,000	17	10%	764,077	10%	44,946
50,001 - 60,000	10	6%	541,017	7%	54,102
60,001 - 70,000	7	4%	453,507	6%	64,787
70,001 - 80,000	4	2%	297,140	4%	74,285
80,001 - 90,000	7	4%	607,238	8%	86,748
90,001 - 100,000	3	2%	282,198	4%	94,066
100,001 - 125,000	3	2%	318,400	4%	106,133
125,001 - 150,000	4	2%	563,608	7%	140,902
150,001 - 175,000	4	2%	618,834	8%	154,709
175,001 - 200,000	2	1%	375,114	5%	187,557
200,001 - 250,000	1	1%	249,629	3%	249,629
250,001 - 300,000	1	1%	255,476	3%	255,476
300,001 - 400,000	0	0%	0	0%	0
Over 400,000	1	1%	606,318	8%	606,318
Totals\Average	*164*		*7,626,088*		*46,501*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 9, SHEET 4

DISTRIBUTION BY SIZE OF CLAIM - SELF INSURERS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Size of Claim	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
Up to 1,000	3	1%	2,019	0%	673
1,001 - 5,000	15	7%	45,795	1%	3,053
5,001 - 10,000	32	16%	242,839	3%	7,589
10,001 - 20,000	48	24%	713,637	10%	14,867
20,001 - 30,000	38	19%	925,115	13%	24,345
30,001 - 40,000	13	6%	460,085	7%	35,391
40,001 - 50,000	14	7%	620,607	9%	44,329
50,001 - 60,000	5	2%	276,936	4%	55,387
60,001 - 70,000	7	3%	444,239	6%	63,463
70,001 - 80,000	7	3%	525,077	8%	75,011
80,001 - 90,000	5	2%	422,274	6%	84,455
90,001 - 100,000	4	2%	382,136	5%	95,534
100,001 - 125,000	2	1%	211,151	3%	105,576
125,001 - 150,000	5	2%	670,392	10%	134,078
150,001 - 175,000	2	1%	320,873	5%	160,437
175,001 - 200,000	0	0%	0	0%	0
200,001 - 250,000	3	1%	700,260	10%	233,420
250,001 - 300,000	0	0%	0	0%	0
300,001 - 400,000	0	0%	0	0%	0
Over 400,000	0	0%	0	0%	0
Totals\Average	*203*		*6,963,435*		*34,303*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 10, SHEET 1

DISTRIBUTION BY METHOD OF CLOSURE
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Carrier	*Method of Closure*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Pinnacol Assurance	Negotiated Settlement	137	38%	12,742,799	64%	93,013
	Admission	214	59%	6,518,696	33%	30,461
	Order	11	3%	645,775	3%	58,707
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Commercial Insurers	Negotiated Settlement	60	37%	4,201,334	55%	70,022
	Admission	71	43%	1,671,024	22%	23,536
	Order	33	20%	1,753,730	23%	53,143
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Self Insurers	Negotiated Settlement	57	28%	3,482,699	50%	61,100
	Admission	142	70%	3,071,601	44%	21,631
	Order	3	1%	402,303	6%	134,101
	Other	1	0%	6,832	0%	6,832
	Not Reported	0	0%	0	0%	
All Carriers	Negotiated Settlement	254	35%	20,426,832	59%	80,421
	Admission	427	59%	11,261,321	33%	26,373
	Order	47	6%	2,801,808	8%	59,613
	Other	1	0%	6,832	0%	6,832
	Not Reported	0	0%	0	0%	
Totals/Average		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 10, SHEET 2

DISTRIBUTION BY METHOD OF CLOSURE
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Carrier	*Method of Closure*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(5) / (3)*
Pinnacol	Negotiated Settlement	137	38%	8,061,068	66%	58,840
Assurance	Admission	214	59%	3,771,209	31%	17,622
	Order	11	3%	404,828	3%	36,803
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Commercial	Negotiated Settlement	60	37%	2,719,576	56%	45,326
Insurers	Admission	71	43%	870,110	18%	12,255
	Order	33	20%	1,271,453	26%	38,529
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Self	Negotiated Settlement	57	28%	2,297,637	54%	40,309
Insurers	Admission	142	70%	1,660,859	39%	11,696
	Order	3	1%	325,774	8%	108,591
	Other	1	0%	1,560	0%	1,560
	Not Reported	0	0%	0	0%	
All Carriers	Negotiated Settlement	254	35%	13,078,281	61%	51,489
	Admission	427	59%	6,302,178	29%	14,759
	Order	47	6%	2,002,055	9%	42,597
	Other	1	0%	1,560	0%	1,560
	Not Reported	0	0%	0	0%	
Totals/Average		*729*		*21,384,074*		*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 10, SHEET 3

DISTRIBUTION BY METHOD OF CLOSURE
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Carrier	*Method of Closure*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Pinnacol Assurance	Negotiated Settlement	104	36%	1,169,809	43%	11,248
	Admission	174	61%	1,360,821	50%	7,821
	Order	8	3%	189,786	7%	23,723
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Commercial Insurers	Negotiated Settlement	38	67%	883,405	73%	23,248
	Admission	6	11%	55,637	5%	9,273
	Order	13	23%	267,568	22%	20,582
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Self Insurers	Negotiated Settlement	53	98%	1,438,384	98%	27,139
	Admission	1	2%	26,000	2%	26,000
	Order	0	0%	0	0%	
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
All Carriers	Negotiated Settlement	195	49%	3,491,598	65%	17,906
	Admission	181	46%	1,442,458	27%	7,969
	Order	21	5%	457,354	8%	21,779
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Totals/Average		*397*		*5,391,410*		*13,580*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 10, SHEET 4

DISTRIBUTION BY METHOD OF CLOSURE
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Carrier	*Method of Closure*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Pinnacol Assurance	Negotiated Settlement	134	37%	4,225,681	60%	31,535
	Admission	213	59%	2,612,018	37%	12,263
	Order	11	3%	233,878	3%	21,262
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Commercial Insurers	Negotiated Settlement	59	36%	1,268,513	53%	21,500
	Admission	71	44%	734,183	30%	10,341
	Order	33	20%	408,859	17%	12,390
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Self Insurers	Negotiated Settlement	56	28%	833,055	39%	14,876
	Admission	141	70%	1,249,188	58%	8,859
	Order	3	1%	52,797	2%	17,599
	Other	1	0%	5,248	0%	5,248
	Not Reported	0	0%	0	0%	
All Carriers	Negotiated Settlement	249	34%	6,327,249	54%	25,411
	Admission	425	59%	4,595,389	40%	10,813
	Order	47	7%	695,534	6%	14,799
	Other	1	0%	5,248	0%	5,248
	Not Reported	0	0%	0	0%	
Totals/Average		*722*		*11,623,420*		*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 10, SHEET 5

DISTRIBUTION BY METHOD OF CLOSURE
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Carrier	*Method of Closure*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Pinnacol Assurance	Negotiated Settlement	8	100%	8,134	100%	1,017
	Admission	0	0%	0	0%	
	Order	0	0%	0	0%	
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Commercial Insurers	Negotiated Settlement	4	57%	4,946	55%	1,237
	Admission	1	14%	2,235	25%	2,235
	Order	2	29%	1,865	21%	933
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Self Insurers	Negotiated Settlement	9	82%	69,776	91%	7,753
	Admission	1	9%	1,340	2%	1,340
	Order	1	9%	5,797	8%	5,797
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
All Carriers	Negotiated Settlement	21	81%	82,856	88%	3,946
	Admission	2	8%	3,575	4%	1,788
	Order	3	12%	7,662	8%	2,554
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Totals/Average		*26*		*94,093*		*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 10, SHEET 6

DISTRIBUTION BY METHOD OF CLOSURE
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Carrier	*Method of Closure*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Pinnacol Assurance	Negotiated Settlement	131	40%	447,916	76%	3,419
	Admission	186	57%	135,469	23%	728
	Order	9	3%	7,069	1%	785
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Commercial Insurers	Negotiated Settlement	55	39%	208,299	60%	3,787
	Admission	53	38%	64,496	19%	1,217
	Order	33	23%	71,553	21%	2,168
	Other	0	0%	0	0%	
	Not Reported	0	0%	0	0%	
Self Insurers	Negotiated Settlement	53	40%	282,231	61%	5,325
	Admission	74	56%	160,214	35%	2,165
	Order	3	2%	17,935	4%	5,978
	Other	1	1%	24	0%	24
	Not Reported	0	0%	0	0%	
All Carriers	Negotiated Settlement	239	40%	938,446	67%	3,927
	Admission	313	52%	360,179	26%	1,151
	Order	45	8%	96,557	7%	2,146
	Other	1	0%	24	0%	24
	Not Reported	0	0%	0	0%	
Totals/Average		*598*		*1,395,206*		*2,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 1

DISTRIBUTION BY CAUSE OF INJURY
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Cause of Injury	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims*
					(4) / (2)
BURN OR SCALD - HEAT OR COLD EXPOSURE					
Acid Chemicals	1	0.1%	100,086	0.3%	100,086
Contact with Hot Objects	2	0.3%	32,689	0.1%	16,345
Temperature Extremes	0	0.0%	0	0.0%	
Fire or Flame	1	0.1%	15,148	0.0%	15,148
Steam or Hot Fluids	2	0.3%	30,867	0.1%	15,434
Dust, Fumes, Gas, or Vapors	0	0.0%	0	0.0%	
Welding Operations	0	0.0%	0	0.0%	
Radiation	0	0.0%	0	0.0%	
Misc - Burn	0	0.0%	0	0.0%	
SUBTOTAL - BURN	**6**	**0.8%**	**178,790**	**0.5%**	**29,798**
CAUGHT IN OR BETWEEN					
Machine or Machinery	8	1.1%	446,841	1.3%	55,855
Object Handled	5	0.7%	149,301	0.4%	29,860
Misc - Caught	13	1.8%	365,604	1.1%	28,123
SUBTOTAL - CAUGHT	**26**	**3.6%**	**961,746**	**2.8%**	**36,990**
CUT, PUNCTURE, SCRAPE INJURED BY					
Broken Glass	0	0.0%	0	0.0%	
Hand Tool, Utensil; Not Powered	4	0.5%	30,625	0.1%	7,656
Powered Hand Tool	16	2.2%	396,821	1.2%	24,801
Misc - Cut	6	0.8%	267,542	0.8%	44,590
SUBTOTAL - CUT	**26**	**3.6%**	**694,988**	**2.0%**	**26,730**
FALL OR SLIP INJURY					
From a Different Level	34	4.7%	2,626,691	7.6%	77,256
From a Ladder or Scaffolding	26	3.6%	1,176,731	3.4%	45,259
From Liquid or Grease Spills	16	2.2%	795,820	2.3%	49,739
On Same Level	36	4.9%	1,620,499	4.7%	45,014
Slipped, Did Not Fall	11	1.5%	662,467	1.9%	60,224
Misc - Fall/Slip	35	4.8%	2,095,454	6.1%	59,870
SUBTOTAL - FALL/SLIP	**158**	**21.7%**	**8,977,662**	**26.0%**	**56,821**
MOTOR VEHICLE					
Collision with Another Vehicle	21	2.9%	1,232,065	3.6%	58,670
Collision with a Fixed Object	0	0.0%	0	0.0%	
Crash of Airplane	3	0.4%	422,307	1.2%	140,769
Vehicle Upset	4	0.5%	429,924	1.2%	107,481
Misc - Vehicle	15	2.1%	1,687,719	4.9%	112,515
SUBTOTAL - VEHICLE	**43**	**5.9%**	**3,772,015**	**10.9%**	**87,721**

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 1 (CONT'D)

DISTRIBUTION BY CAUSE OF INJURY
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Cause of Injury	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
STRAIN OR INJURY BY					
Jumping	2	0.3%	34,737	0.1%	17,369
Holding or Carrying	9	1.2%	291,255	0.8%	32,362
Lifting	83	11.4%	4,075,318	11.8%	49,100
Pushing or Pulling	21	2.9%	1,099,708	3.2%	52,367
Reaching	9	1.2%	612,031	1.8%	68,003
Using Tool or Machine	16	2.2%	905,598	2.6%	56,600
Misc - Strain	100	13.7%	3,999,411	11.6%	39,994
SUBTOTAL - STRAIN	**240**	**32.9%**	**11,018,058**	**31.9%**	**45,909**
STRIKING AGAINST OR STEPPING ON					
Moving Parts of Machine	1	0.1%	1,498	0.0%	1,498
Objects Being Lifted or Handled	5	0.7%	276,339	0.8%	55,268
Sanding, Scraping, Cleaning	0	0.0%	0	0.0%	
Stationary Object	11	1.5%	919,071	2.7%	83,552
Stepping on Sharp Object	1	0.1%	12,577	0.0%	12,577
Misc - Striking Against	6	0.8%	164,027	0.5%	27,338
SUBTOTAL - STRIKING AGAINST	**24**	**3.3%**	**1,373,512**	**4.0%**	**57,230**
STRUCK OR INJURED BY					
Falling or Flying Object	19	2.6%	990,183	2.9%	52,115
Hand Tool or Machine in Use	3	0.4%	55,553	0.2%	18,518
Motor Vehicle	8	1.1%	420,101	1.2%	52,513
Moving Parts of Machine	4	0.5%	54,668	0.2%	13,667
Objects Being Lifted or Handled	4	0.5%	35,962	0.1%	8,991
Objects Handled by Others	1	0.1%	43,477	0.1%	43,477
Misc - Struck	8	1.1%	337,820	1.0%	42,228
SUBTOTAL - STRUCK	**47**	**6.4%**	**1,937,764**	**5.6%**	**41,229**
MISCELLANEOUS CAUSES					
Contact with Electric Current	2	0.3%	237,099	0.7%	118,550
Animal or Insect	3	0.4%	56,436	0.2%	18,812
Explosion or Flare Back	0	0.0%	0	0.0%	
Foreign Body in Eye	3	0.4%	188,329	0.5%	62,776
Robbery or Criminal Assault	4	0.5%	188,678	0.5%	47,170
Repetitive Motion	29	4.0%	682,915	2.0%	23,549
Cumulative (NOC)	38	5.2%	1,356,151	3.9%	35,688
Other (NOC)	80	11.0%	2,872,650	8.3%	35,908
SUBTOTAL - MISCELLANEOUS	**159**	**21.8%**	**5,582,258**	**16.2%**	**35,109**
Totals/Average	*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 2

DISTRIBUTION BY CAUSE OF INJURY
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Cause of Injury	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims*
					(4) / (2)
BURN OR SCALD - HEAT OR COLD EXPOSURE					
Acid Chemicals	1	0.1%	63,396	0.3%	63,396
Contact with Hot Objects	2	0.3%	15,560	0.1%	7,780
Temperature Extremes	0	0.0%	0	0.0%	
Fire or Flame	1	0.1%	4,621	0.0%	4,621
Steam or Hot Fluids	2	0.3%	13,838	0.1%	6,919
Dust, Fumes, Gas, or Vapors	0	0.0%	0	0.0%	
Welding Operations	0	0.0%	0	0.0%	
Radiation	0	0.0%	0	0.0%	
Misc - Burn	0	0.0%	0	0.0%	
SUBTOTAL - BURN	**6**	**0.8%**	**97,415**	**0.5%**	**16,236**
CAUGHT IN OR BETWEEN					
Machine or Machinery	8	1.1%	289,705	1.4%	36,213
Object Handled	5	0.7%	66,762	0.3%	13,352
Misc - Caught	13	1.8%	176,686	0.8%	13,591
SUBTOTAL - CAUGHT	**26**	**3.6%**	**533,153**	**2.5%**	**20,506**
CUT, PUNCTURE, SCRAPE INJURED BY					
Broken Glass	0	0.0%	0	0.0%	
Hand Tool, Utensil; Not Powered	4	0.5%	7,999	0.0%	2,000
Powered Hand Tool	16	2.2%	239,109	1.1%	14,944
Misc - Cut	6	0.8%	141,499	0.7%	23,583
SUBTOTAL - CUT	**26**	**3.6%**	**388,607**	**1.8%**	**14,946**
FALL OR SLIP INJURY					
From a Different Level	34	4.7%	1,728,321	8.1%	50,833
From a Ladder or Scaffolding	26	3.6%	617,017	2.9%	23,731
From Liquid or Grease Spills	16	2.2%	468,483	2.2%	29,280
On Same Level	36	4.9%	969,577	4.5%	26,933
Slipped, Did Not Fall	11	1.5%	422,672	2.0%	38,425
Misc - Fall/Slip	35	4.8%	1,340,313	6.3%	38,295
SUBTOTAL - FALL/SLIP	**158**	**21.7%**	**5,546,383**	**25.9%**	**35,104**
MOTOR VEHICLE					
Collision with Another Vehicle	21	2.9%	597,681	2.8%	28,461
Collision with a Fixed Object	0	0.0%	0	0.0%	
Crash of Airplane	3	0.4%	352,709	1.6%	117,570
Vehicle Upset	4	0.5%	270,713	1.3%	67,678
Misc - Vehicle	15	2.1%	1,086,728	5.1%	72,449
SUBTOTAL - VEHICLE	**43**	**5.9%**	**2,307,831**	**10.8%**	**53,670**

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 2 (CONT'D)

DISTRIBUTION BY CAUSE OF INJURY
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Cause of Injury	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
STRAIN OR INJURY BY					
Jumping	2	0.3%	12,087	0.1%	6,044
Holding or Carrying	9	1.2%	198,477	0.9%	22,053
Lifting	83	11.4%	2,734,801	12.8%	32,949
Pushing or Pulling	21	2.9%	748,981	3.5%	35,666
Reaching	9	1.2%	444,433	2.1%	49,381
Using Tool or Machine	16	2.2%	492,346	2.3%	30,772
Misc - Strain	100	13.7%	2,627,500	12.3%	26,275
SUBTOTAL - STRAIN	**240**	**32.9%**	**7,258,625**	**33.9%**	**30,244**
STRIKING AGAINST OR STEPPING ON					
Moving Parts of Machine	1	0.1%	225	0.0%	225
Objects Being Lifted or Handled	5	0.7%	194,613	0.9%	38,923
Sanding, Scraping, Cleaning	0	0.0%	0	0.0%	
Stationary Object	11	1.5%	483,791	2.3%	43,981
Stepping on Sharp Object	1	0.1%	7,800	0.0%	7,800
Misc - Striking Against	6	0.8%	98,235	0.5%	16,373
SUBTOTAL - STRIKING AGAINST	**24**	**3.3%**	**784,664**	**3.7%**	**32,694**
STRUCK OR INJURED BY					
Falling or Flying Object	19	2.6%	617,951	2.9%	32,524
Hand Tool or Machine in Use	3	0.4%	22,073	0.1%	7,358
Motor Vehicle	8	1.1%	281,155	1.3%	35,144
Moving Parts of Machine	4	0.5%	11,407	0.1%	2,852
Objects Being Lifted or Handled	4	0.5%	15,916	0.1%	3,979
Objects Handled by Others	1	0.1%	23,114	0.1%	23,114
Misc - Struck	8	1.1%	156,498	0.7%	19,562
SUBTOTAL - STRUCK	**47**	**6.4%**	**1,128,114**	**5.3%**	**24,002**
MISCELLANEOUS CAUSES					
Contact with Electric Current	2	0.3%	66,490	0.3%	33,245
Animal or Insect	3	0.4%	21,965	0.1%	7,322
Explosion or Flare Back	0	0.0%	0	0.0%	
Foreign Body in Eye	3	0.4%	114,076	0.5%	38,025
Robbery or Criminal Assault	4	0.5%	157,526	0.7%	39,382
Repetitive Motion	29	4.0%	392,803	1.8%	13,545
Cumulative (NOC)	38	5.2%	852,572	4.0%	22,436
Other (NOC)	80	11.0%	1,733,850	8.1%	21,673
SUBTOTAL - MISCELLANEOUS	**159**	**21.8%**	**3,339,282**	**15.6%**	**21,002**
Totals/Average	*729*		*21,384,074*		*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 3

DISTRIBUTION BY CAUSE OF INJURY
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Cause of Injury	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims*
			(3) / (2)
BURN OR SCALD - HEAT OR COLD EXPOSURE			
Acid Chemicals	1	15,349	15,349
Contact with Hot Objects	1	7,189	7,189
Temperature Extremes	0	0	
Fire or Flame	1	129	129
Steam or Hot Fluids	1	4,873	4,873
Dust, Fumes, Gas, or Vapors	0	0	
Welding Operations	0	0	
Radiation	0	0	
Misc - Burn	0	0	
SUBTOTAL - BURN	**4**	**27,540**	**6,885**
CAUGHT IN OR BETWEEN			
Machine or Machinery	4	53,993	13,498
Object Handled	2	7,989	3,995
Misc - Caught	4	47,133	11,783
SUBTOTAL - CAUGHT	**10**	**109,115**	**10,912**
CUT, PUNCTURE, SCRAPE INJURED BY			
Broken Glass	0	0	
Hand Tool, Utensil; Not Powered	0	0	
Powered Hand Tool	6	49,487	8,248
Misc - Cut	5	14,794	2,959
SUBTOTAL - CUT	**11**	**64,281**	**5,844**
FALL OR SLIP INJURY			
From a Different Level	22	248,473	11,294
From a Ladder or Scaffolding	15	103,656	6,910
From Liquid or Grease Spills	10	125,190	12,519
On Same Level	16	289,745	18,109
Slipped, Did Not Fall	7	178,252	25,465
Misc - Fall/Slip	17	352,905	20,759
SUBTOTAL - FALL/SLIP	**87**	**1,298,221**	**14,922**
MOTOR VEHICLE			
Collision with Another Vehicle	13	146,075	11,237
Collision with a Fixed Object	0	0	
Crash of Airplane	2	144,920	72,460
Vehicle Upset	4	34,132	8,533
Misc - Vehicle	8	322,956	40,370
SUBTOTAL - VEHICLE	**27**	**648,083**	**24,003**

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 3 (CONT'D)

DISTRIBUTION BY CAUSE OF INJURY
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Cause of Injury	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
STRAIN OR INJURY BY			
Jumping	0	0	
Holding or Carrying	5	33,637	6,727
Lifting	57	838,928	14,718
Pushing or Pulling	11	152,575	13,870
Reaching	5	47,720	9,544
Using Tool or Machine	5	64,967	12,993
Misc - Strain	52	882,995	16,981
SUBTOTAL - STRAIN	**135**	**2,020,822**	**14,969**
STRIKING AGAINST OR STEPPING ON			
Moving Parts of Machine	0	0	
Objects Being Lifted or Handled	2	35,134	17,567
Sanding, Scraping, Cleaning	0	0	
Stationary Object	7	50,250	7,179
Stepping on Sharp Object	0	0	
Misc - Striking Against	3	15,977	5,326
SUBTOTAL - STRIKING AGAINST	**12**	**101,361**	**8,447**
STRUCK OR INJURED BY			
Falling or Flying Object	12	151,075	12,590
Hand Tool or Machine in Use	2	5,790	2,895
Motor Vehicle	6	58,302	9,717
Moving Parts of Machine	1	2,000	2,000
Objects Being Lifted or Handled	0	0	
Objects Handled by Others	1	810	810
Misc - Struck	4	49,912	12,478
SUBTOTAL - STRUCK	**26**	**267,889**	**10,303**
MISCELLANEOUS CAUSES			
Contact with Electric Current	1	22,108	22,108
Animal or Insect	1	4,708	4,708
Explosion or Flare Back	0	0	
Foreign Body in Eye	3	38,787	12,929
Robbery or Criminal Assault	1	27,345	27,345
Repetitive Motion	11	121,348	11,032
Cumulative (NOC)	22	111,077	5,049
Other (NOC)	46	528,725	11,494
SUBTOTAL - MISCELLANEOUS	**85**	**854,098**	**10,048**
Totals/Average	*397*	*5,391,410*	*13,580*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 4

DISTRIBUTION BY CAUSE OF INJURY
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Cause of Injury	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims*
					(4) / (2)
BURN OR SCALD - HEAT OR COLD EXPOSURE					
Acid Chemicals	1	0.1%	35,830	0.3%	35,830
Contact with Hot Objects	1	0.1%	16,679	0.1%	16,679
Temperature Extremes	0	0.0%	0	0.0%	
Fire or Flame	1	0.1%	10,302	0.1%	10,302
Steam or Hot Fluids	2	0.3%	15,891	0.1%	7,946
Dust, Fumes, Gas, or Vapors	0	0.0%	0	0.0%	
Welding Operations	0	0.0%	0	0.0%	
Radiation	0	0.0%	0	0.0%	
Misc - Burn	0	0.0%	0	0.0%	
SUBTOTAL - BURN	**5**	**0.7%**	**78,702**	**0.7%**	**15,740**
CAUGHT IN OR BETWEEN					
Machine or Machinery	8	1.1%	151,426	1.3%	18,928
Object Handled	5	0.7%	80,572	0.7%	16,114
Misc - Caught	13	1.8%	180,295	1.6%	13,869
SUBTOTAL - CAUGHT	**26**	**3.6%**	**412,293**	**3.5%**	**15,857**
CUT, PUNCTURE, SCRAPE INJURED BY					
Broken Glass	0	0.0%	0	0.0%	
Hand Tool, Utensil; Not Powered	4	0.6%	19,940	0.2%	4,985
Powered Hand Tool	16	2.2%	143,320	1.2%	8,958
Misc - Cut	6	0.8%	107,673	0.9%	17,946
SUBTOTAL - CUT	**26**	**3.6%**	**270,933**	**2.3%**	**10,421**
FALL OR SLIP INJURY					
From a Different Level	34	4.7%	810,897	7.0%	23,850
From a Ladder or Scaffolding	26	3.6%	508,332	4.4%	19,551
From Liquid or Grease Spills	16	2.2%	278,093	2.4%	17,381
On Same Level	36	5.0%	557,171	4.8%	15,477
Slipped, Did Not Fall	11	1.5%	227,208	2.0%	20,655
Misc - Fall/Slip	35	4.8%	684,713	5.9%	19,563
SUBTOTAL - FALL/SLIP	**158**	**21.9%**	**3,066,414**	**26.4%**	**19,408**
MOTOR VEHICLE					
Collision with Another Vehicle	21	2.9%	600,625	5.2%	28,601
Collision with a Fixed Object	0	0.0%	0	0.0%	
Crash of Airplane	3	0.4%	53,963	0.5%	17,988
Vehicle Upset	4	0.6%	151,822	1.3%	37,956
Misc - Vehicle	15	2.1%	541,696	4.7%	36,113
SUBTOTAL - VEHICLE	**43**	**6.0%**	**1,348,106**	**11.6%**	**31,351**

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 4 (CONT'D)

DISTRIBUTION BY CAUSE OF INJURY
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Cause of Injury	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
STRAIN OR INJURY BY					
Jumping	2	0.3%	22,650	0.2%	11,325
Holding or Carrying	9	1.2%	79,819	0.7%	8,869
Lifting	82	11.4%	1,176,502	10.1%	14,348
Pushing or Pulling	21	2.9%	307,965	2.6%	14,665
Reaching	8	1.1%	151,219	1.3%	18,902
Using Tool or Machine	16	2.2%	368,399	3.2%	23,025
Misc - Strain	96	13.3%	1,185,344	10.2%	12,347
SUBTOTAL - STRAIN	**234**	**32.4%**	**3,291,898**	**28.3%**	**14,068**
STRIKING AGAINST OR STEPPING ON					
Moving Parts of Machine	1	0.1%	1,160	0.0%	1,160
Objects Being Lifted or Handled	5	0.7%	73,293	0.6%	14,659
Sanding, Scraping, Cleaning	0	0.0%	0	0.0%	
Stationary Object	11	1.5%	395,368	3.4%	35,943
Stepping on Sharp Object	1	0.1%	3,073	0.0%	3,073
Misc - Striking Against	6	0.8%	50,667	0.4%	8,445
SUBTOTAL - STRIKING AGAINST	**24**	**3.3%**	**523,561**	**4.5%**	**21,815**
STRUCK OR INJURED BY					
Falling or Flying Object	19	2.6%	291,227	2.5%	15,328
Hand Tool or Machine in Use	3	0.4%	30,390	0.3%	10,130
Motor Vehicle	8	1.1%	134,838	1.2%	16,855
Moving Parts of Machine	4	0.6%	40,131	0.3%	10,033
Objects Being Lifted or Handled	4	0.6%	19,748	0.2%	4,937
Objects Handled by Others	1	0.1%	19,356	0.2%	19,356
Misc - Struck	8	1.1%	172,253	1.5%	21,532
SUBTOTAL - STRUCK	**47**	**6.5%**	**707,943**	**6.1%**	**15,063**
MISCELLANEOUS CAUSES					
Contact with Electric Current	2	0.3%	152,035	1.3%	76,018
Animal or Insect	3	0.4%	33,708	0.3%	11,236
Explosion or Flare Back	0	0.0%	0	0.0%	
Foreign Body in Eye	3	0.4%	73,439	0.6%	24,480
Robbery or Criminal Assault	4	0.6%	26,077	0.2%	6,519
Repetitive Motion	29	4.0%	206,464	1.8%	7,119
Cumulative (NOC)	38	5.3%	446,403	3.8%	11,747
Other (NOC)	80	11.1%	985,444	8.5%	12,318
SUBTOTAL - MISCELLANEOUS	**159**	**22.0%**	**1,923,570**	**16.5%**	**12,098**
Totals/Average	*722*		*11,623,420*		*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 5

DISTRIBUTION BY CAUSE OF INJURY
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Cause of Injury	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims*
			(3) / (2)
BURN OR SCALD - HEAT OR COLD EXPOSURE			
Acid Chemicals	0	0	
Contact with Hot Objects	0	0	
Temperature Extremes	0	0	
Fire or Flame	0	0	
Steam or Hot Fluids	0	0	
Dust, Fumes, Gas, or Vapors	0	0	
Welding Operations	0	0	
Radiation	0	0	
Misc - Burn	0	0	
SUBTOTAL - BURN	**0**	**0**	
CAUGHT IN OR BETWEEN			
Machine or Machinery	0	0	
Object Handled	0	0	
Misc - Caught	0	0	
SUBTOTAL - CAUGHT	**0**	**0**	
CUT, PUNCTURE, SCRAPE INJURED BY			
Broken Glass	0	0	
Hand Tool, Utensil; Not Powered	0	0	
Powered Hand Tool	0	0	
Misc - Cut	0	0	
SUBTOTAL - CUT	**0**	**0**	
FALL OR SLIP INJURY			
From a Different Level	0	0	
From a Ladder or Scaffolding	1	1,498	1,498
From Liquid or Grease Spills	0	0	
On Same Level	4	24,489	6,122
Slipped, Did Not Fall	0	0	
Misc - Fall/Slip	2	3,599	1,800
SUBTOTAL - FALL/SLIP	**7**	**29,586**	**4,227**
MOTOR VEHICLE			
Collision with Another Vehicle	0	0	
Collision with a Fixed Object	0	0	
Crash of Airplane	0	0	
Vehicle Upset	0	0	
Misc - Vehicle	1	14,825	14,825
SUBTOTAL - VEHICLE	**1**	**14,825**	**14,825**

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 5 (CONT'D)

DISTRIBUTION BY CAUSE OF INJURY
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Cause of Injury	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
STRAIN OR INJURY BY			
Jumping	0	0	
Holding or Carrying	1	851	851
Lifting	3	18,954	6,318
Pushing or Pulling	2	1,426	713
Reaching	1	498	498
Using Tool or Machine	1	225	225
Misc - Strain	2	2,580	1,290
SUBTOTAL - STRAIN	**10**	**24,534**	**2,453**
STRIKING AGAINST OR STEPPING ON			
Moving Parts of Machine	0	0	
Objects Being Lifted or Handled	0	0	
Sanding, Scraping, Cleaning	0	0	
Stationary Object	0	0	
Stepping on Sharp Object	0	0	
Misc - Striking Against	0	0	
SUBTOTAL - STRIKING AGAINST	**0**	**0**	
STRUCK OR INJURED BY			
Falling or Flying Object	0	0	
Hand Tool or Machine in Use	0	0	
Motor Vehicle	0	0	
Moving Parts of Machine	0	0	
Objects Being Lifted or Handled	0	0	
Objects Handled by Others	0	0	
Misc - Struck	0	0	
SUBTOTAL - STRUCK	**0**	**0**	
MISCELLANEOUS CAUSES			
Contact with Electric Current	0	0	
Animal or Insect	0	0	
Explosion or Flare Back	0	0	
Foreign Body in Eye	0	0	
Robbery or Criminal Assault	0	0	
Repetitive Motion	3	2,788	929
Cumulative (NOC)	2	117	59
Other (NOC)	3	22,243	7,414
SUBTOTAL - MISCELLANEOUS	**8**	**25,148**	**3,144**
Totals/Average	*26*	*94,093*	*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 6

DISTRIBUTION BY CAUSE OF INJURY
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Cause of Injury	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims*
			(3) / (2)
BURN OR SCALD - HEAT OR COLD EXPOSURE			
Acid Chemicals	1	860	860
Contact with Hot Objects	1	450	450
Temperature Extremes	0	0	
Fire or Flame	1	225	225
Steam or Hot Fluids	2	1,138	569
Dust, Fumes, Gas, or Vapors	0	0	
Welding Operations	0	0	
Radiation	0	0	
Misc - Burn	0	0	
SUBTOTAL - BURN	**5**	**2,673**	**535**
CAUGHT IN OR BETWEEN			
Machine or Machinery	7	5,710	816
Object Handled	4	1,967	492
Misc - Caught	10	8,623	862
SUBTOTAL - CAUGHT	**21**	**16,300**	**776**
CUT, PUNCTURE, SCRAPE INJURED BY			
Broken Glass	0	0	
Hand Tool, Utensil; Not Powered	3	2,686	895
Powered Hand Tool	14	14,392	1,028
Misc - Cut	5	18,370	3,674
SUBTOTAL - CUT	**22**	**35,448**	**1,611**
FALL OR SLIP INJURY			
From a Different Level	29	87,473	3,016
From a Ladder or Scaffolding	24	49,884	2,079
From Liquid or Grease Spills	13	49,244	3,788
On Same Level	30	69,262	2,309
Slipped, Did Not Fall	8	12,587	1,573
Misc - Fall/Slip	30	66,829	2,228
SUBTOTAL - FALL/SLIP	**134**	**335,279**	**2,502**
MOTOR VEHICLE			
Collision with Another Vehicle	17	33,759	1,986
Collision with a Fixed Object	0	0	
Crash of Airplane	3	15,635	5,212
Vehicle Upset	4	7,389	1,847
Misc - Vehicle	12	44,470	3,706
SUBTOTAL - VEHICLE	**36**	**101,253**	**2,813**

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 11, SHEET 6 (CONT'D)

DISTRIBUTION BY CAUSE OF INJURY
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Cause of Injury	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
STRAIN OR INJURY BY			
Jumping	0	0	
Holding or Carrying	8	12,108	1,514
Lifting	77	145,061	1,884
Pushing or Pulling	17	41,336	2,432
Reaching	8	15,881	1,985
Using Tool or Machine	12	44,628	3,719
Misc - Strain	76	183,987	2,421
SUBTOTAL - STRAIN	**198**	**443,001**	**2,237**
STRIKING AGAINST OR STEPPING ON			
Moving Parts of Machine	1	113	113
Objects Being Lifted or Handled	3	8,433	2,811
Sanding, Scraping, Cleaning	0	0	
Stationary Object	8	39,912	4,989
Stepping on Sharp Object	1	1,704	1,704
Misc - Striking Against	4	15,125	3,781
SUBTOTAL - STRIKING AGAINST	**17**	**65,287**	**3,840**
STRUCK OR INJURED BY			
Falling or Flying Object	19	81,005	4,263
Hand Tool or Machine in Use	3	3,090	1,030
Motor Vehicle	7	4,108	587
Moving Parts of Machine	3	3,130	1,043
Objects Being Lifted or Handled	3	298	99
Objects Handled by Others	1	1,007	1,007
Misc - Struck	7	9,069	1,296
SUBTOTAL - STRUCK	**43**	**101,707**	**2,365**
MISCELLANEOUS CAUSES			
Contact with Electric Current	1	18,574	18,574
Animal or Insect	3	763	254
Explosion or Flare Back	0	0	
Foreign Body in Eye	2	814	407
Robbery or Criminal Assault	2	5,075	2,538
Repetitive Motion	24	80,860	3,369
Cumulative (NOC)	30	57,059	1,902
Other (NOC)	60	131,113	2,185
SUBTOTAL - MISCELLANEOUS	**122**	**294,258**	**2,412**
Totals/Average	*598*	*1,395,206*	*2,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 1

DISTRIBUTION BY NATURE OF INJURY
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Type of Cost	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
SPECIFIC INJURY					
Amputation	7	1.0%	71,066	0.2%	10,152
Angina Pectoris	0	0.0%	0	0.0%	
Burn	5	0.7%	78,704	0.2%	15,741
Concussion	3	0.4%	228,167	0.7%	76,056
Contusion	81	11.2%	4,158,325	12.3%	51,337
Crushing	7	1.0%	223,232	0.7%	31,890
Dislocation	9	1.2%	614,167	1.8%	68,241
Electric Shock	1	0.1%	212,625	0.6%	212,625
Enucleation	1	0.1%	63,654	0.2%	63,654
Foreign body	3	0.4%	139,700	0.4%	46,567
Fracture	59	8.1%	4,131,812	12.3%	70,031
Freezing	0	0.0%	0	0.0%	
Hearing Loss	1	0.1%	1,566	0.0%	1,566
Heat Prostration	0	0.0%	0	0.0%	
Hernia	6	0.8%	214,990	0.6%	35,832
Infection	0	0.0%	0	0.0%	
Inflammation	7	1.0%	243,308	0.7%	34,758
Laceration	26	3.6%	527,895	1.6%	20,304
Myocardial Infarction	2	0.3%	22,112	0.1%	11,056
Puncture	4	0.6%	41,341	0.1%	10,335
Rupture	31	4.3%	2,295,048	6.8%	74,034
Severance	4	0.6%	202,224	0.6%	50,556
Sprain	28	3.9%	1,151,407	3.4%	41,122
Strain	314	43.4%	14,553,217	43.2%	46,348
Asphyxiation	0	0.0%	0	0.0%	
Vascular Loss	0	0.0%	0	0.0%	
Vision Loss	1	0.1%	75,708	0.2%	75,708
All Other	83	11.5%	3,114,296	9.2%	37,522

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 1 (CONT'D)

DISTRIBUTION BY NATURE OF INJURY
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Type of Cost	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
OCCUPATIONAL DISEASE OR CUMULATIVE INJURY					
Dust Disease NOC	0	0.0%	0	0.0%	
Asbestosis	0	0.0%	0	0.0%	
Black Lung	0	0.0%	0	0.0%	
Byssinosis	0	0.0%	0	0.0%	
Silicosis	0	0.0%	0	0.0%	
Respiratory Disorders	0	0.0%	0	0.0%	
Poisoning - Chemical	0	0.0%	0	0.0%	
Poisoning - Metal	0	0.0%	0	0.0%	
Dermatitis	0	0.0%	0	0.0%	
Mental Disorder	0	0.0%	0	0.0%	
Radiation	0	0.0%	0	0.0%	
All Other Occupational Disease	2	0.3%	16,185	0.0%	8,093
Loss of Hearing	1	0.1%	1,105	0.0%	1,105
Contagious Disease	0	0.0%	0	0.0%	
Cancer	0	0.0%	0	0.0%	
AIDS	1	0.1%	24,823	0.1%	24,823
VDT-Related Disease	0	0.0%	0	0.0%	
Mental Stress	2	0.3%	46,767	0.1%	23,384
Carpal Tunnel Syndrome	13	1.8%	527,162	1.6%	40,551
All Other Cumulative Injuries	22	3.0%	708,556	2.1%	32,207
Totals/Average	*724*		*33,689,162*		*46,532*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 2

DISTRIBUTION BY NATURE OF INJURY
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
SPECIFIC INJURY			
Amputation	7	23,583	3,369
Angina Pectoris	0	0	
Burn	5	34,019	6,804
Concussion	3	159,640	53,213
Contusion	81	2,448,737	30,231
Crushing	7	115,351	16,479
Dislocation	9	375,961	41,773
Electric Shock	1	62,150	62,150
Enucleation	1	36,878	36,878
Foreign body	3	91,812	30,604
Fracture	59	2,229,035	37,780
Freezing	0	0	
Hearing Loss	1	1,355	1,355
Heat Prostration	0	0	
Hernia	6	137,029	22,838
Infection	0	0	
Inflammation	7	172,834	24,691
Laceration	26	279,873	10,764
Myocardial Infarction	2	14,398	7,199
Puncture	4	31,172	7,793
Rupture	31	1,398,342	45,108
Severance	4	150,240	37,560
Sprain	28	758,405	27,086
Strain	314	9,567,970	30,471
Asphyxiation	0	0	
Vascular Loss	0	0	
Vision Loss	1	27,236	27,236
All Other	83	1,941,617	23,393

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 2 (CONT'D)

DISTRIBUTION BY NATURE OF INJURY
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
OCCUPATIONAL DISEASE OR CUMULATIVE INJURY			
Dust Disease NOC	0	0	
Asbestosis	0	0	
Black Lung	0	0	
Byssinosis	0	0	
Silicosis	0	0	
Respiratory Disorders	0	0	
Poisoning - Chemical	0	0	
Poisoning - Metal	0	0	
Dermatitis	0	0	
Mental Disorder	0	0	
Radiation	0	0	
All Other Occupational Disease	2	6,583	3,292
Loss of Hearing	1	417	417
Contagious Disease	0	0	
Cancer	0	0	
AIDS	1	6,167	6,167
VDT-Related Disease	0	0	
Mental Stress	2	32,500	16,250
Carpal Tunnel Syndrome	13	304,500	23,423
All Other Cumulative Injuries	22	456,143	20,734
Totals/Average	*724*	*20,863,947*	*28,818*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 3

DISTRIBUTION BY NATURE OF INJURY
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
SPECIFIC INJURY			
Amputation	2	1,393	697
Angina Pectoris	0	0	
Burn	3	12,191	4,064
Concussion	1	10,000	10,000
Contusion	53	703,312	13,270
Crushing	4	33,363	8,341
Dislocation	4	21,580	5,395
Electric Shock	1	22,108	22,108
Enucleation	1	26,259	26,259
Foreign body	2	38,650	19,325
Fracture	34	418,596	12,312
Freezing	0	0	
Hearing Loss	0	0	
Heat Prostration	0	0	
Hernia	2	22,686	11,343
Infection	0	0	
Inflammation	4	101,608	25,402
Laceration	9	57,938	6,438
Myocardial Infarction	0	0	
Puncture	0	0	
Rupture	27	289,318	10,715
Severance	2	27,410	13,705
Sprain	12	103,092	8,591
Strain	176	2,677,198	15,211
Asphyxiation	0	0	
Vascular Loss	0	0	
Vision Loss	1	137	137
All Other	35	607,646	17,361

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 3 (CONT'D)

DISTRIBUTION BY NATURE OF INJURY
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
OCCUPATIONAL DISEASE OR CUMULATIVE INJURY			
Dust Disease NOC	0	0	
Asbestosis	0	0	
Black Lung	0	0	
Byssinosis	0	0	
Silicosis	0	0	
Respiratory Disorders	0	0	
Poisoning - Chemical	0	0	
Poisoning - Metal	0	0	
Dermatitis	0	0	
Mental Disorder	0	0	
Radiation	0	0	
All Other Occupational Disease	2	1,752	876
Loss of Hearing	1	417	417
Contagious Disease	0	0	
Cancer	0	0	
AIDS	0	0	
VDT-Related Disease	0	0	
Mental Stress	1	28,000	28,000
Carpal Tunnel Syndrome	8	92,703	11,588
All Other Cumulative Injuries	10	77,290	7,729
Totals/Average	*395*	*5,374,647*	*13,607*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 4

DISTRIBUTION BY NATURE OF INJURY
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
SPECIFIC INJURY			
Amputation	6	42,386	7,064
Angina Pectoris	0	0	
Burn	4	42,872	10,718
Concussion	3	60,520	20,173
Contusion	81	1,476,958	18,234
Crushing	7	102,803	14,686
Dislocation	9	223,165	24,796
Electric Shock	1	131,901	131,901
Enucleation	1	25,965	25,965
Foreign body	3	47,074	15,691
Fracture	59	1,821,623	30,875
Freezing	0	0	
Hearing Loss	1	203	203
Heat Prostration	0	0	
Hernia	5	67,051	13,410
Infection	0	0	
Inflammation	7	60,087	8,584
Laceration	26	221,085	8,503
Myocardial Infarction	1	6,637	6,637
Puncture	4	9,945	2,486
Rupture	31	836,046	26,969
Severance	4	47,647	11,912
Sprain	27	313,087	11,596
Strain	312	4,371,956	14,013
Asphyxiation	0	0	
Vascular Loss	0	0	
Vision Loss	1	48,472	48,472
All Other	83	973,118	11,724

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 4 (CONT'D)

DISTRIBUTION BY NATURE OF INJURY
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
OCCUPATIONAL DISEASE OR CUMULATIVE INJURY			
Dust Disease NOC	0	0	
Asbestosis	0	0	
Black Lung	0	0	
Byssinosis	0	0	
Silicosis	0	0	
Respiratory Disorders	0	0	
Poisoning - Chemical	0	0	
Poisoning - Metal	0	0	
Dermatitis	0	0	
Mental Disorder	0	0	
Radiation	0	0	
All Other Occupational Disease	2	9,090	4,545
Loss of Hearing	1	238	238
Contagious Disease	0	0	
Cancer	0	0	
AIDS	1	18,656	18,656
VDT-Related Disease	0	0	
Mental Stress	2	7,472	3,736
Carpal Tunnel Syndrome	13	168,978	12,998
All Other Cumulative Injuries	22	208,671	9,485
Totals/Average	*717*	*11,343,706*	*15,821*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 5

DISTRIBUTION BY NATURE OF INJURY
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
SPECIFIC INJURY			
Amputation	0	0	
Angina Pectoris	0	0	
Burn	0	0	
Concussion	0	0	
Contusion	3	18,236	6,079
Crushing	0	0	
Dislocation	0	0	
Electric Shock	0	0	
Enucleation	0	0	
Foreign body	0	0	
Fracture	0	0	
Freezing	0	0	
Hearing Loss	0	0	
Heat Prostration	0	0	
Hernia	0	0	
Infection	0	0	
Inflammation	0	0	
Laceration	0	0	
Myocardial Infarction	0	0	
Puncture	0	0	
Rupture	1	21	21
Severance	0	0	
Sprain	2	19,665	9,833
Strain	11	41,018	3,729
Asphyxiation	0	0	
Vascular Loss	0	0	
Vision Loss	0	0	
All Other	6	12,914	2,152

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 5 (CONT'D)

DISTRIBUTION BY NATURE OF INJURY
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
OCCUPATIONAL DISEASE OR CUMULATIVE INJURY			
Dust Disease NOC	0	0	
Asbestosis	0	0	
Black Lung	0	0	
Byssinosis	0	0	
Silicosis	0	0	
Respiratory Disorders	0	0	
Poisoning - Chemical	0	0	
Poisoning - Metal	0	0	
Dermatitis	0	0	
Mental Disorder	0	0	
Radiation	0	0	
All Other Occupational Disease	0	0	
Loss of Hearing	0	0	
Contagious Disease	0	0	
Cancer	0	0	
AIDS	0	0	
VDT-Related Disease	0	0	
Mental Stress	0	0	
Carpal Tunnel Syndrome	2	1,259	630
All Other Cumulative Injuries	1	980	980
Totals/Average	*26*	*94,093*	*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 6

DISTRIBUTION BY NATURE OF INJURY
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
SPECIFIC INJURY			
Amputation	6	5,097	850
Angina Pectoris	0	0	
Burn	4	1,813	453
Concussion	3	8,007	2,669
Contusion	73	214,394	2,937
Crushing	6	5,078	846
Dislocation	8	15,041	1,880
Electric Shock	1	18,574	18,574
Enucleation	1	811	811
Foreign body	2	814	407
Fracture	52	81,154	1,561
Freezing	0	0	
Hearing Loss	1	8	8
Heat Prostration	0	0	
Hernia	5	10,910	2,182
Infection	0	0	
Inflammation	6	10,387	1,731
Laceration	22	26,937	1,224
Myocardial Infarction	1	1,077	1,077
Puncture	2	224	112
Rupture	28	60,639	2,166
Severance	4	4,337	1,084
Sprain	24	60,250	2,510
Strain	253	572,273	2,262
Asphyxiation	0	0	
Vascular Loss	0	0	
Vision Loss	0	0	
All Other	58	186,647	3,218

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 12, SHEET 6 (CONT'D)

DISTRIBUTION BY NATURE OF INJURY
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Cost	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
OCCUPATIONAL DISEASE OR CUMULATIVE INJURY			
Dust Disease NOC	0	0	
Asbestosis	0	0	
Black Lung	0	0	
Byssinosis	0	0	
Silicosis	0	0	
Respiratory Disorders	0	0	
Poisoning - Chemical	0	0	
Poisoning - Metal	0	0	
Dermatitis	0	0	
Mental Disorder	0	0	
Radiation	0	0	
All Other Occupational Disease	2	512	256
Loss of Hearing	1	450	450
Contagious Disease	0	0	
Cancer	0	0	
AIDS	0	0	
VDT-Related Disease	0	0	
Mental Stress	2	6,795	3,398
Carpal Tunnel Syndrome	10	52,425	5,243
All Other Cumulative Injuries	19	42,762	2,251
Totals/Average	*594*	*######### #*	*2,336*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 13, SHEET 1

DISTRIBUTION BY PART OF BODY
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Part of Body	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Head	27	3.8%	1,855,109	5.4%	68,708
Neck	16	2.2%	920,628	2.7%	57,539
Upper Extremities	271	37.7%	8,932,509	26.2%	32,961
Trunk (Excluding Back)	29	4.0%	2,163,616	6.3%	74,607
Back	153	21.3%	9,403,219	27.6%	61,459
Lower Extremities	162	22.5%	6,792,832	19.9%	41,931
Multiple Body Parts	61	8.5%	4,048,705	11.9%	66,372
Totals/Average	*719*		*34,116,618*		*47,450*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 13, SHEET 2

DISTRIBUTION BY PART OF BODY
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Part of Body	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Head	27	966,178	35,784
Neck	16	605,093	37,818
Upper Extremities	271	5,263,667	19,423
Trunk (Excluding Back)	29	1,295,960	44,688
Back	153	6,762,129	44,197
Lower Extremities	162	3,682,931	22,734
Multiple Body Parts	61	2,550,295	41,808
Totals/Average	*719*	*21,126,253*	*29,383*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 13, SHEET 3

DISTRIBUTION BY PART OF BODY
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Part of Body	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Head	19	269,991	14,210
Neck	10	112,869	11,287
Upper Extremities	139	1,416,876	10,193
Trunk (Excluding Back)	16	328,970	20,561
Back	100	2,028,715	20,287
Lower Extremities	76	464,198	6,108
Multiple Body Parts	30	667,152	22,238
Totals/Average	*390*	*5,288,771*	*13,561*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 13, SHEET 4

DISTRIBUTION BY PART OF BODY
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Part of Body	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Head	27	849,703	31,470
Neck	16	273,454	17,091
Upper Extremities	270	3,265,590	12,095
Trunk (Excluding Back)	28	771,413	27,550
Back	150	2,295,151	15,301
Lower Extremities	161	2,851,247	17,710
Multiple Body Parts	61	1,236,396	20,269
Totals/Average	*713*	*11,542,954*	*16,189*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 13, SHEET 5

DISTRIBUTION BY PART OF BODY
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Part of Body	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Head	0	0	
Neck	1	1,498	1,498
Upper Extremities	8	7,330	916
Trunk (Excluding Back)	1	15,561	15,561
Back	10	29,984	2,998
Lower Extremities	1	1,340	1,340
Multiple Body Parts	4	19,362	4,841
Totals/Average	*25*	*75,075*	*3,003*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 13, SHEET 6

DISTRIBUTION BY PART OF BODY
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Part of Body	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Head	23	39,228	1,706
Neck	16	40,583	2,536
Upper Extremities	219	395,922	1,808
Trunk (Excluding Back)	25	80,682	3,227
Back	132	315,955	2,394
Lower Extremities	124	257,314	2,075
Multiple Body Parts	51	242,652	4,758
Totals/Average	*590*	*1,372,336*	*2,326*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 14

DISTRIBUTION OF INDEMNITY BY INJURY TYPE

(1)	*(2)*	*(3)*	*(4)*
Indemnity Injury Type	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
Fatal	3	256,503	85,501
PTD	10	1,131,740	113,174
PPD/Scheduled	362	5,505,213	15,208
PPD/Unscheduled	327	14,098,623	43,115
TTD	0	0	
TPD	0	0	
PPD/Disfigured	0	0	
Lump	26	391,995	15,077
Other Indemnity	1	0	0
Total / Average	*729*	*21,384,074*	*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 15

DISTRIBUTION BY IMPAIRMENT RATING

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*	*(8)*	*(9)*	*(10)*
Impairment	*Number of Claims*			*Dollar Cost of Claims*			*Average Cost per Claim*		
Rating	*Pre*	*Post*		*Pre*	*Post*		*Pre*	*Post*	
Range	*SB 218*	*SB 218*	***Total***	*SB 218*	*SB 218*	***Total***	*SB 218*	*SB 218*	***Total***
							(5) / (2)	*(6) / (3)*	***(7) / (4)***
1 - 5	1	113	114	42,320	695,437	737,757	42,320	6,154	6,472
6 - 10	0	141	141	0	2,142,441	2,142,441		15,195	15,195
11 - 20	0	214	214	0	6,015,173	6,015,173		28,108	28,108
21 - 30	0	80	80	0	3,994,909	3,994,909		49,936	49,936
31 - 50	0	34	34	0	2,025,519	2,025,519		59,574	59,574
51 - 100	0	3	3	0	250,447	250,447		83,482	83,482
Unknown	3	140	143	299,470	5,918,358	6,217,828	99,823	42,274	43,481
Totals / Averages	4	725	729	341,790	21,042,284	21,384,074	85,448	29,024	29,333

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 16

DISTRIBUTION BY TYPE OF CARRIER
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Carrier	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance	362	12,237,105	33,804
Commercial Insurers	164	4,861,139	29,641
Self Insurers	203	4,285,830	21,112
Totals/Average	*729*	*21,384,074*	*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 17

MEDICAL COSTS BY PROVIDER

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Type of Provider	*Number of Claims*	*Percent of Total Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(3) / (2)*
Non-Surgical MD	575	80.9%	1,554,049	14.3%	2,703
Surgical MD	281	39.5%	628,301	5.8%	2,236
Orthopedist	230	32.3%	457,153	4.2%	1,988
Osteopath	61	8.6%	50,166	0.5%	822
Mental Health Practitioner	76	10.7%	106,665	1.0%	1,403
Chiropractor	66	9.3%	124,087	1.1%	1,880
Hospital	408	57.4%	3,512,552	32.4%	8,609
Housekeeping	1	0.1%	365	0.0%	365
Home Modification Equipment	25	3.5%	20,016	0.2%	801
Prosthetics	21	3.0%	15,050	0.1%	717
Prescriptions	526	74.0%	489,531	4.5%	931
Pain Rehab/Work Hardening	46	6.5%	52,796	0.5%	1,148
Independent Medical Examiner	254	35.7%	136,080	1.3%	536
Funeral Expenses	4	0.6%	10,269	0.1%	2,567
Physical Therapy	367	51.6%	748,571	6.9%	2,040
Other Medical	655	92.1%	2,937,407	27.1%	4,485
Total / Average	*711*		*10,843,058*		*15,250*

NOTES:

Providers shown in BOLD are used in Chart 17b - Distribution of Charges by Type of Doctor.

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 A, SHEET 1

DESIGNATOR OF PROVIDER
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	602	83%	28,134,693	82%	46,735
Employee / Not Reported	127	17%	6,362,100	18%	50,095
Totals/Average	*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 A, SHEET 2

DESIGNATOR OF PROVIDER
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	602	83%	17,082,114	80%	28,376
Employee / Not Reported	127	17%	4,301,960	20%	33,874
Totals/Average	*729*		*21,384,074*		*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 A, SHEET 3

DESIGNATOR OF PROVIDER
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	332	84%	4,379,831	81%	13,192
Employee / Not Reported	65	16%	1,011,579	19%	15,563
Totals/Average	*397*		*5,391,410*		*13,580*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 A, SHEET 4

DESIGNATOR OF PROVIDER
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	600	83%	9,828,207	85%	16,380
Employee / Not Reported	122	17%	1,795,213	15%	14,715
Totals/Average	*722*		*11,623,420*		*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 A, SHEET 5

DESIGNATOR OF PROVIDER
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	22	85%	88,698	94%	4,032
Employee / Not Reported	4	15%	5,395	6%	1,349
Totals/Average	*26*		*94,093*		*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 A, SHEET 6

DESIGNATOR OF PROVIDER
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	491	82%	1,135,674	81%	2,313
Employee / Not Reported	107	18%	259,532	19%	2,426
Totals/Average	*598*		*1,395,206*		*2,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 B, SHEET 1

DESIGNATOR OF PROVIDER BY CARRIER
MEDICAL DOLLARS - PINNACOL ASSURANCE

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	313	87.4%	6,519,983	92.2%	20,831
Employee / Not Reported	45	12.6%	551,594	7.8%	12,258
Totals/Average	*358*		*7,071,577*		*19,753*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 18 B, SHEET 2

DESIGNATOR OF PROVIDER BY CARRIER
MEDICAL DOLLARS - COMMERCIAL INSURERS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
Designator	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (4) / (2)*
Employer	93	57.1%	1,250,398	51.9%	13,445
Employee / Not Reported	70	42.9%	1,161,157	48.1%	16,588
Totals/Average	*163*		*2,411,555*		*14,795*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 19, SHEET 1

MANAGED CARE MEDICAL COSTS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Carrier	*Claim Count With Managed Care*	*Claim Count Without Managed Care*	*Medical Cost With Managed Care*	*Medical Cost Without Managed Care*	*Average Medical Cost per Claim With Managed Care* *(4) / (2)*	*Average Medical Cost per Claim Without Managed Care* *(5) / (3)*
Pinnacol Assurance	357	1	7,069,934	1,643	19,804	1,643
Commercial Insurer	145	18	2,180,794	230,761	15,040	12,820
Self Insurer	148	53	1,696,739	443,549	11,464	8,369
Totals/Average	650	72	10,947,467	675,953	16,842	9,388

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 19, SHEET 2

MANAGED CARE MEDICAL COSTS

	(1)	*(2)*	*(3)*	*(4)*	*(5)*
Carrier	*Early Report*	*Case Manager*	*Network*	*Utilization Review*	*Other*
	Number of Claims with Given Indicator of Managed Care				
Pinnacol Assurance	273	322	313	13	0
Commercial Insurer	85	63	127	10	4
Self Insurer	108	79	96	8	1
Total	466	464	536	31	5
	(6)	*(7)*	*(8)*	*(9)*	*(10)*
	Amount of Medical Cost for the Claims with Given Indicator				
Pinnacol Assurance	3,825,403	6,921,869	6,519,983	1,845,285	0
Commercial Insurer	1,304,922	1,004,043	1,928,386	160,192	40,983
Self Insurer	1,151,072	1,009,413	1,130,216	157,660	35,621
Total	6,281,397	8,935,325	9,578,585	2,163,137	76,604
	(11)	*(12)*	*(13)*	*(14)*	*(15)*
	Average Medical Cost Per Claim				
	(6) / (1)	*(7) / (2)*	*(8) / (3)*	*(9) / (4)*	*(10) / (5)*
Pinnacol Assurance	14,012	21,496	20,831	141,945	
Commercial Insurer	15,352	15,937	15,184	16,019	10,246
Self Insurer	10,658	12,777	11,773	19,708	35,621
Total	13,479	19,257	17,870	69,779	15,321

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 20

DISTRIBUTION BY TYPE OF CARRIER
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Type of Carrier	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance	358	7,071,577	19,753
Commercial Insurers	163	2,411,555	14,795
Self Insurers	201	2,140,288	10,648
Totals/Average	*722*	*11,623,420*	*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 21

SUMMARY OF VOCATIONAL REHAB COSTS BY TYPE OF CARRIER

(1)	*(2)*	*(3)*	*(4)*
Vocational Rehabilitation	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Pinnacol Assurance			
Total Indemnity	8	827,441	103,430
Total Medical	8	389,501	48,688
Total Vocational Rehab	8	8,134	1,017
Total Lump Sum Payments	7	96,462	13,780
Total Expenses	8	69,904	8,738
Commercial			
Total Indemnity	7	523,573	74,796
Total Medical	7	124,728	17,818
Total Vocational Rehab	7	9,046	1,292
Total Lump Sum Payments	2	145,000	72,500
Total Expenses	7	36,644	5,235
Self Insurers			
Total Indemnity	11	810,227	73,657
Total Medical	11	253,681	23,062
Total Vocational Rehab	11	76,913	6,992
Total Lump Sum Payments	9	473,700	52,633
Total Expenses	10	91,058	9,106
All Carriers			
Total Indemnity	26	2,161,241	83,125
Total Medical	26	767,910	29,535
Total Vocational Rehab	26	94,093	3,619
Total Lump Sum Payments	18	715,162	39,731
Total Expenses	25	197,606	7,904
Total / Average		*3,220,850*	*123,879*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 A, SHEET 1

ATTORNEY INVOLVEMENT
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Attorney Involvement	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Yes	282	20,537,790	72,829
No	447	13,959,003	31,228
Unknown	0	0	
Totals/Average	*729*	*34,496,793*	*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 A, SHEET 2

ATTORNEY INVOLVEMENT
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Attorney Involvement	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Yes	282	13,109,362	46,487
No	447	8,274,712	18,512
Unknown	0	0	
Totals/Average	*729*	*21,384,074*	*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 A, SHEET 3

ATTORNEY INVOLVEMENT
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Attorney Involvement	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Yes	222	3,686,921	16,608
No	175	1,704,489	9,740
Unknown	0	0	
Totals/Average	*397*	*5,391,410*	*13,580*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 A, SHEET 4

ATTORNEY INVOLVEMENT
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Attorney Involvement	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Yes	277	6,449,289	23,283
No	445	5,174,131	11,627
Unknown	0	0	
Totals/Average	*722*	*11,623,420*	*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 A, SHEET 5

ATTORNEY INVOLVEMENT
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Attorney Involvement	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Yes	20	87,282	4,364
No	6	6,811	1,135
Unknown	0	0	
Totals/Average	*26*	*94,093*	*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 A, SHEET 6

ATTORNEY INVOLVEMENT
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Attorney Involvement	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims (3) / (2)*
Yes	257	891,857	3,470
No	341	503,349	1,476
Unknown	0	0	
Totals/Average	*598*	*1,395,206*	*2,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 B, SHEET 1

DISTRIBUTION BY ATTORNEY INVOLVEMENT

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
	Number of Claims	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims*
					(4) / (2)
Claimant Attorney	282	38.7%	20,537,790	59.5%	72,829
No Claimant Attorney	447	61.3%	13,959,003	40.5%	31,228
Unknown	0	0.0%	0	0.0%	
Totals/Average	*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 B, SHEET 2

DISTRIBUTION BY ATTORNEY INVOLVEMENT - PINNACOL ASSURANCE

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
	Number of Claims	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
Claimant Attorney	186	51.4%	15,104,128	75.9%	81,205
No Claimant Attorney	176	48.6%	4,803,142	24.1%	27,291
Unknown	0	0.0%	0	0.0%	
Totals/Average	*362*		*19,907,270*		*54,992*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 B, SHEET 3

DISTRIBUTION BY ATTORNEY INVOLVEMENT - COMMERCIAL INSURER

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
	Number of Claims	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
Claimant Attorney	27	16.5%	1,319,627	17.3%	48,875
No Claimant Attorney	137	83.5%	6,306,461	82.7%	46,033
Unknown	0	0.0%	0	0.0%	
Totals/Average	*164*		*7,626,088*		*46,501*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 22 B, SHEET 4

DISTRIBUTION BY ATTORNEY INVOLVEMENT - SELF INSURER

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
	Number of Claims	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims* *(4) / (2)*
Claimant Attorney	69	34.0%	4,114,035	59.1%	59,624
No Claimant Attorney	134	66.0%	2,849,400	40.9%	21,264
Unknown	0	0.0%	0	0.0%	
Totals/Average	*203*		*6,963,435*		*34,303*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 23 A

TIME LINES
REPORTED TO EMPLOYER

(1) *Number of Days from Date of Injury to Date Reported to Employer*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	10	657	90%	32,051,118	93%	48,784
11	20	16	2%	610,594	2%	38,162
21	30	7	1%	297,253	1%	42,465
31	60	8	1%	289,336	1%	36,167
61	90	3	0%	64,367	0%	21,456
91	180	3	0%	47,971	0%	15,990
181	270	3	0%	163,928	0%	54,643
271	360	1	0%	113,011	0%	113,011
361	540	1	0%	500	0%	500
541	720	0	0%	0	0%	
721	900	1	0%	17,763	0%	17,763
901	1260	0	0%	0	0%	
Over	1260	0	0%	0	0%	
Unknown		29	4%	840,952	2%	28,998
Totals		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 23 B

TIME LINES
REPORTED TO INSURER

(1) *Number of Days from Date of Injury to Date Reported to Insurer*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	10	520	71%	23,457,183	68%	45,110
11	20	84	12%	4,913,390	14%	58,493
21	30	32	4%	2,023,473	6%	63,234
31	60	34	5%	1,904,632	6%	56,019
61	90	7	1%	270,200	1%	38,600
91	180	14	2%	756,645	2%	54,046
181	270	4	1%	178,250	1%	44,563
271	360	0	0%	0	0%	
361	540	3	0%	123,572	0%	41,191
541	720	1	0%	10,733	0%	10,733
721	900	1	0%	17,763	0%	17,763
901	1260	0	0%	0	0%	
Over	1260	0	0%	0	0%	
Unknown		29	4%	840,952	2%	28,998
Totals		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 23 C

TIME LINES
FIRST INDEMNITY PAYMENT

(1) *Number of Days from Date of Injury to First Indemnity Payment*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	10	65	9%	3,979,158	12%	61,218
11	20	103	14%	5,832,995	17%	56,631
21	30	68	9%	4,499,324	13%	66,167
31	60	101	14%	5,824,499	17%	57,668
61	90	44	6%	1,963,762	6%	44,631
91	180	106	15%	3,703,840	11%	34,942
181	270	59	8%	1,845,926	5%	31,287
271	360	45	6%	1,258,756	4%	27,972
361	540	42	6%	1,333,828	4%	31,758
541	720	16	2%	934,762	3%	58,423
721	900	6	1%	304,883	1%	50,814
901	1260	7	1%	306,202	1%	43,743
Over	1260	3	0%	803,291	2%	267,764
Unknown		64	9%	1,905,567	6%	29,774
Totals		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 23 D

TIME LINES
RETURNED TO WORK

(1) *Number of Days from Date of Injury to Date of Return to Work*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	10	133	18%	3,182,203	9%	23,926
11	20	13	2%	508,917	1%	39,147
21	30	5	1%	236,265	1%	47,253
31	60	21	3%	835,608	2%	39,791
61	90	14	2%	442,995	1%	31,643
91	180	48	7%	1,367,199	4%	28,483
181	270	21	3%	906,737	3%	43,178
271	360	11	2%	678,977	2%	61,725
361	540	7	1%	214,147	1%	30,592
541	720	5	1%	255,086	1%	51,017
721	900	3	0%	186,199	1%	62,066
901	1260	0	0%	0	0%	
Over	1260	1	0%	46,074	0%	46,074
Unknown		447	61%	25,636,386	74%	57,352
Totals		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 23 E

TIME LINES
MAX MEDICAL IMPROVEMENT

(1) *Number of Days from Date of Injury to Max Medical Improvement*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	10	2	0%	16,253	0%	8,127
11	20	0	0%	0	0%	
21	30	0	0%	0	0%	
31	60	4	1%	69,618	0%	17,405
61	90	10	1%	274,574	1%	27,457
91	180	89	12%	1,807,885	5%	20,313
181	270	132	18%	3,709,370	11%	28,101
271	360	92	13%	3,028,261	9%	32,916
361	540	107	15%	5,103,903	15%	47,700
541	720	50	7%	3,440,796	10%	68,816
721	900	21	3%	1,931,947	6%	91,997
901	1260	30	4%	3,248,861	9%	108,295
Over	1260	34	5%	4,192,454	12%	123,307
Unknown	or N/A	158	22%	7,672,871	22%	48,562
Totals		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 24, SHEET 1

DURATION OF BENEFITS

(1) *Number of Years from Date of Injury to Date Claim Closed*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	0.25	3	0%	7,373	0%	2,458
0.26	0.50	38	5%	406,665	1%	10,702
0.51	0.75	56	8%	980,790	3%	17,514
0.76	1.00	71	10%	1,324,511	4%	18,655
1.01	1.50	181	25%	5,974,042	17%	33,006
1.51	2.00	112	15%	4,342,294	13%	38,770
2.01	2.50	67	9%	3,309,176	10%	49,391
2.51	3.00	58	8%	3,652,251	11%	62,970
3.01	3.50	34	5%	2,552,017	7%	75,059
3.51	4.00	18	2%	1,724,103	5%	95,784
4.01	4.50	21	3%	1,734,369	5%	82,589
4.51	5.00	17	2%	1,735,386	5%	102,082
Over	5.00	53	7%	6,753,816	20%	127,430
Totals/Average		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 24, SHEET 2

DURATION OF BENEFITS - PINNACOL ASSURANCE

(1) *Number of Years from Date of Injury to Date Claim Closed*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	0.25	0	0%	0	0%	
0.26	0.50	0	0%	0	0%	
0.51	0.75	13	4%	169,078	1%	13,006
0.76	1.00	33	9%	762,480	4%	23,105
1.01	1.50	90	25%	2,900,325	15%	32,226
1.51	2.00	75	21%	2,953,011	15%	39,373
2.01	2.50	40	11%	1,890,918	9%	47,273
2.51	3.00	28	8%	1,696,672	9%	60,595
3.01	3.50	20	6%	1,572,880	8%	78,644
3.51	4.00	12	3%	1,156,087	6%	96,341
4.01	4.50	12	3%	1,334,497	7%	111,208
4.51	5.00	9	2%	1,035,867	5%	115,096
Over	5.00	30	8%	4,435,455	22%	147,849
Totals/Average		*362*		*19,907,270*		*54,992*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 24, SHEET 3

DURATION OF BENEFITS - COMMERCIAL INSURERS

(1) *Number of Years from Date of Injury to Date Claim Closed*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	0.25	2	1%	4,238	0%	2,119
0.26	0.50	14	9%	129,747	2%	9,268
0.51	0.75	8	5%	115,893	2%	14,487
0.76	1.00	12	7%	175,976	2%	14,665
1.01	1.50	55	34%	2,163,187	28%	39,331
1.51	2.00	15	9%	657,246	9%	43,816
2.01	2.50	21	13%	1,073,595	14%	51,124
2.51	3.00	12	7%	813,304	11%	67,775
3.01	3.50	5	3%	317,937	4%	63,587
3.51	4.00	2	1%	341,809	4%	170,905
4.01	4.50	7	4%	365,832	5%	52,262
4.51	5.00	3	2%	210,910	3%	70,303
Over	5.00	8	5%	1,256,414	16%	157,052
Totals/Average		*164*		*7,626,088*		*46,501*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 24, SHEET 4

DURATION OF BENEFITS - SELF INSURERS

(1) *Number of Years from Date of Injury to Date Claim Closed*		*(2)* *Number of Claims*	*(3)* *Percent of Claims*	*(4)* *Dollar Cost of Claims*	*(5)* *Percent of Dollars*	*(6)* *Average Cost of Claims* *(4) / (2)*
Up to	0.25	1	0%	3,135	0%	3,135
0.26	0.50	24	12%	276,918	4%	11,538
0.51	0.75	35	17%	695,819	10%	19,881
0.76	1.00	26	13%	386,055	6%	14,848
1.01	1.50	36	18%	910,530	13%	25,293
1.51	2.00	22	11%	732,037	11%	33,274
2.01	2.50	6	3%	344,663	5%	57,444
2.51	3.00	18	9%	1,142,275	16%	63,460
3.01	3.50	9	4%	661,200	9%	73,467
3.51	4.00	4	2%	226,207	3%	56,552
4.01	4.50	2	1%	34,040	0%	17,020
4.51	5.00	5	2%	488,609	7%	97,722
Over	5.00	15	7%	1,061,947	15%	70,796
Totals/Average		*203*		*6,963,435*		*34,303*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 25, SHEET 1

DISTRIBUTION BY CLAIMANT AGE
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Claimant Age	*Average Age*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Up to 19	18.96	13	2%	440,428	1%	33,879
20 to 29	25.62	106	15%	5,212,704	15%	49,176
30 to 39	35.49	215	29%	10,870,637	32%	50,561
40 to 49	44.88	226	31%	10,976,704	32%	48,569
50 to 59	54.24	119	16%	4,876,970	14%	40,983
60 to 69	63.12	44	6%	1,973,131	6%	44,844
70 to 79	72.19	5	1%	104,165	0%	20,833
80 and Over	.	0	0%	0	0%	
Unknown		1	0%	42,054	0%	42,054
Totals/Average		*729*		*34,496,793*		*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 25, SHEET 2

DISTRIBUTION BY CLAIMANT AGE
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Claimant Age	*Average Age*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Up to 19	18.96	13	2%	268,839	1%	20,680
20 to 29	25.62	106	15%	3,187,079	15%	30,067
30 to 39	35.49	215	29%	6,221,535	29%	28,937
40 to 49	44.88	226	31%	7,150,856	33%	31,641
50 to 59	54.24	119	16%	3,191,176	15%	26,817
60 to 69	63.12	44	6%	1,297,472	6%	29,488
70 to 79	72.19	5	1%	31,939	0%	6,388
80 and Over	.	0	0%	0	0%	
Unknown		1	0%	35,178	0%	35,178
Totals/Average		*729*		*21,384,074*		*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 25, SHEET 3

DISTRIBUTION BY CLAIMANT AGE
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Claimant Age	*Average Age*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Up to 19	18.96	9	2%	113,386	2%	12,598
20 to 29	25.62	64	16%	723,430	13%	11,304
30 to 39	35.49	125	31%	1,648,317	31%	13,187
40 to 49	44.88	111	28%	1,646,049	31%	14,829
50 to 59	54.24	60	15%	994,707	18%	16,578
60 to 69	63.12	25	6%	254,536	5%	10,181
70 to 79	72.19	3	1%	10,985	0%	3,662
80 and Over	.	0	0%	0	0%	
Unknown		0	0%	0	0%	
Totals/Average		*397*		*5,391,410*		*13,580*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 25, SHEET 4

DISTRIBUTION BY CLAIMANT AGE
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Claimant Age	*Average Age*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Up to 19	18.96	12	2%	163,062	1%	13,589
20 to 29	25.62	105	15%	1,856,446	16%	17,680
30 to 39	35.49	213	30%	4,090,538	35%	19,204
40 to 49	44.88	226	31%	3,386,070	29%	14,983
50 to 59	54.24	116	16%	1,490,256	13%	12,847
60 to 69	63.12	44	6%	570,126	5%	12,957
70 to 79	72.19	5	1%	62,546	1%	12,509
80 and Over	.	0	0%	0	0%	
Unknown		1	0%	4,376	0%	4,376
Totals/Average		*722*		*11,623,420*		*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 25, SHEET 5

DISTRIBUTION BY CLAIMANT AGE
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Claimant Age	*Average Age*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Up to 19	18.96	0	0%	0	0%	
20 to 29	25.62	4	15%	2,200	2%	550
30 to 39	35.49	7	27%	57,569	61%	8,224
40 to 49	44.88	8	31%	10,442	11%	1,305
50 to 59	54.24	2	8%	19,083	20%	9,542
60 to 69	63.12	5	19%	4,799	5%	960
70 to 79	72.19	0	0%	0	0%	
80 and Over	.	0	0%	0	0%	
Unknown		0	0%	0	0%	
Totals/Average		*26*		*94,093*		*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 25, SHEET 6

DISTRIBUTION BY CLAIMANT AGE
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*	*(7)*
Claimant Age	*Average Age*	*Number of Claims*	*Percent of Claims*	*Dollar Cost of Claims*	*Percent of Dollars*	*Average Cost of Claims (5) / (3)*
Up to 19	18.96	10	2%	8,527	1%	853
20 to 29	25.62	92	15%	166,979	12%	1,815
30 to 39	35.49	178	30%	500,995	36%	2,815
40 to 49	44.88	184	31%	429,336	31%	2,333
50 to 59	54.24	90	15%	176,455	13%	1,961
60 to 69	63.12	38	6%	100,734	7%	2,651
70 to 79	72.19	5	1%	9,680	1%	1,936
80 and Over	.	0	0%	0	0%	
Unknown		1	0%	2,500	0%	2,500
Totals/Average		*598*		*1,395,206*		*2,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 26, SHEET 1

DISTRIBUTION BY CLAIMANT GENDER
TOTAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Gender	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
Male	483	24,054,776	49,803
Female	241	10,207,731	42,356
Not Reported	5	234,286	46,857
Totals/Average	*729*	*34,496,793*	*47,321*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 26, SHEET 2

DISTRIBUTION BY CLAIMANT GENDER
INDEMNITY DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Gender	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
Male	483	15,163,334	31,394
Female	241	6,066,820	25,174
Not Reported	5	153,920	30,784
Totals/Average	*729*	*21,384,074*	*29,333*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 26, SHEET 3

DISTRIBUTION BY CLAIMANT GENDER
LUMP SUM DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Gender	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
Male	263	3,799,651	14,447
Female	131	1,551,960	11,847
Not Reported	3	39,799	13,266
Totals/Average	*397*	*5,391,410*	*13,580*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 26, SHEET 4

DISTRIBUTION BY CLAIMANT GENDER
MEDICAL DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Gender	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
Male	477	8,060,527	16,898
Female	240	3,491,015	14,546
Not Reported	5	71,878	14,376
Totals/Average	*722*	*11,623,420*	*16,099*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 26, SHEET 5

DISTRIBUTION BY CLAIMANT GENDER
VOCATIONAL REHAB DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Gender	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
Male	16	33,534	2,096
Female	10	60,559	6,056
Not Reported	0	0	
Totals/Average	*26*	*94,093*	*3,619*

COLORADO WORKERS COMPENSATION CLOSED CLAIM STUDY

TABLE 26, SHEET 6

DISTRIBUTION BY CLAIMANT GENDER
EXPENSE DOLLARS

(1)	*(2)*	*(3)*	*(4)*
Claimant Gender	*Number of Claims*	*Dollar Cost of Claims*	*Average Cost of Claims* *(3) / (2)*
Male	393	797,381	2,029
Female	201	589,337	2,932
Not Reported	4	8,488	2,122
Totals/Average	*598*	*1,395,206*	*2,333*