



The Early Effect Of COVID-19 On Workers' Compensation Claims

April 2021

About WCRI

- Independent, not-for-profit research organization founded in 1983
- Diverse membership and funding support
 - Insurers, service providers, employers, labor unions, state agencies, independent rating bureaus
- Focus on WC benefit delivery systems
- Don't make policy recommendations nor take positions on issues – just the facts
- Resource for public officials & stakeholders

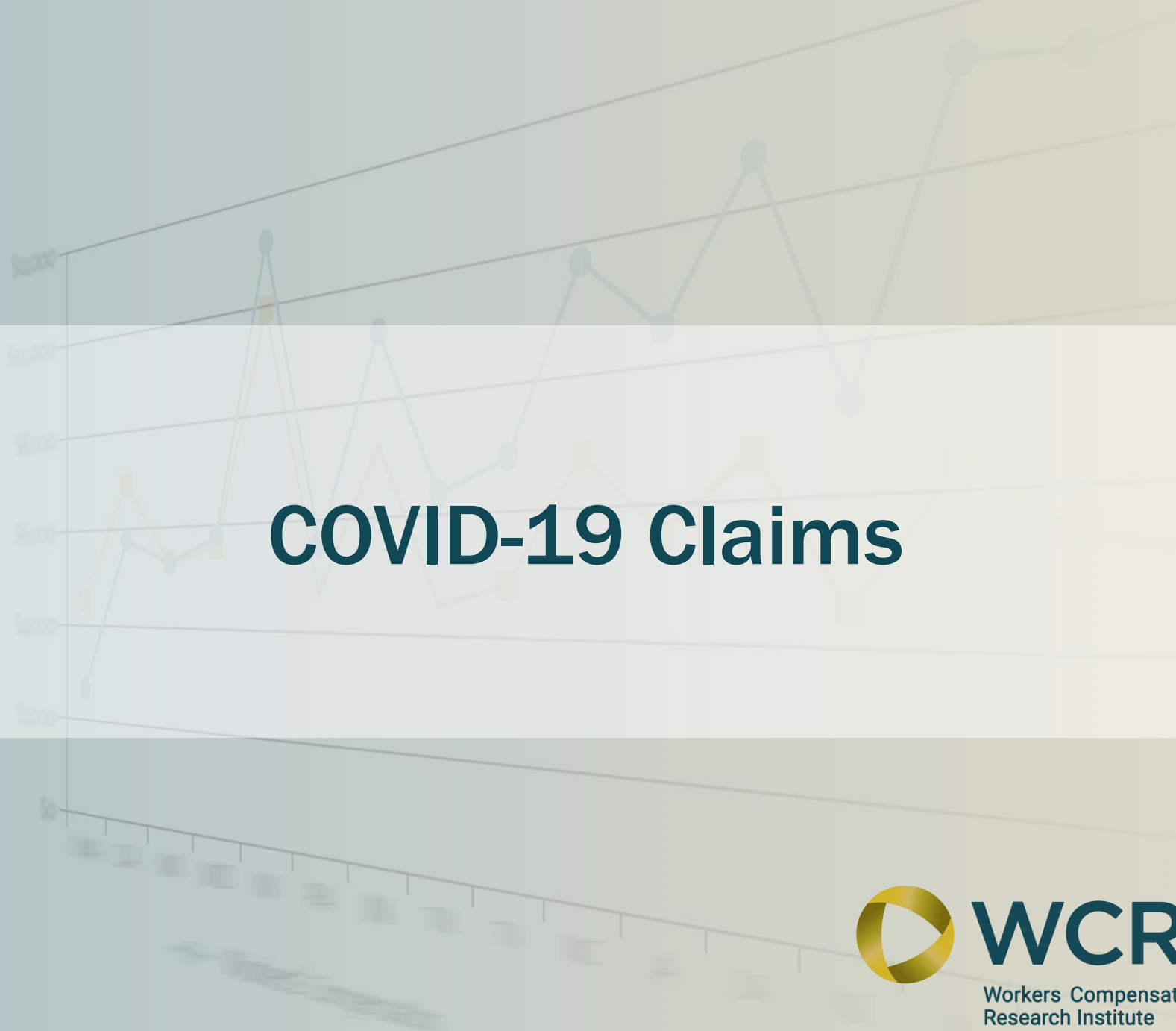
WCRI Study Questions

- COVID-19 Claims:
 - How did COVID-19 claims vary across states in Q1 and Q2 of 2020?
 - What factors are behind this variation?
- Non-COVID-19 Claims:
 - How did the pandemic affect the number of non-COVID-19 claims in Q1 and Q2 of 2020?
- Was time from injury to treatment impacted?

Sources: *The Early Impact Of COVID-19 On Workers' Compensation Claim Composition* (2021); *The Early Effect Of COVID-19 On Workers' Compensation Medical Treatment Patterns* (Forthcoming)

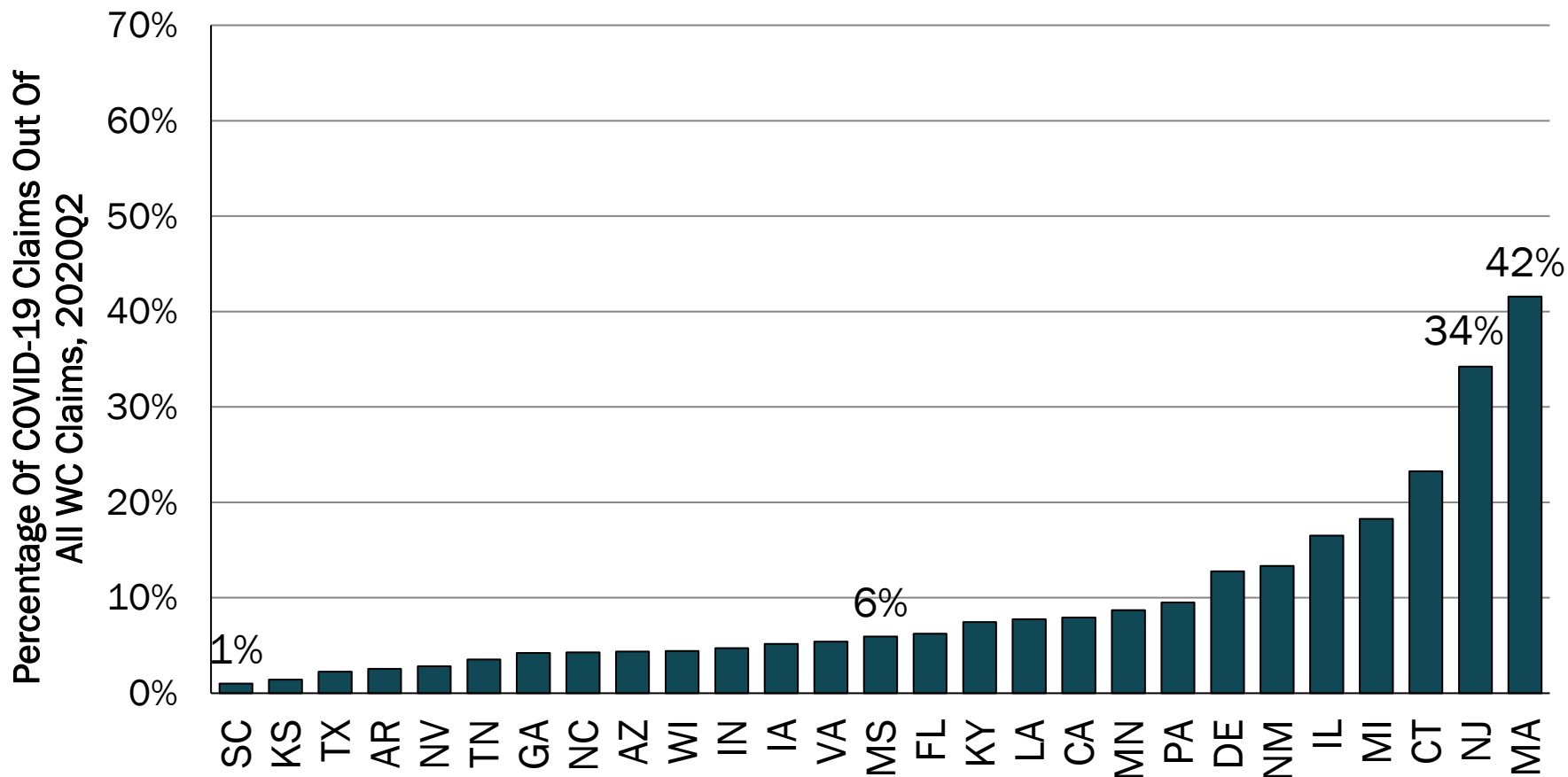
Scope Of The Study

- 27 states
 - AR, AZ, CA, CT, DE, FL, GA, IA, IL, IN, KS, KY, LA, MA, MI, MN, MS, NC, NJ, NM, NV, PA, SC, TN, TX, VA, WI
- All claims with medical or indemnity payments arising in Q1 and Q2 of 2019 and 2020



COVID-19 Claims

2020Q2: Percentage Of COVID-19 Claims Among All Paid Claims Varied Greatly Across 27 States

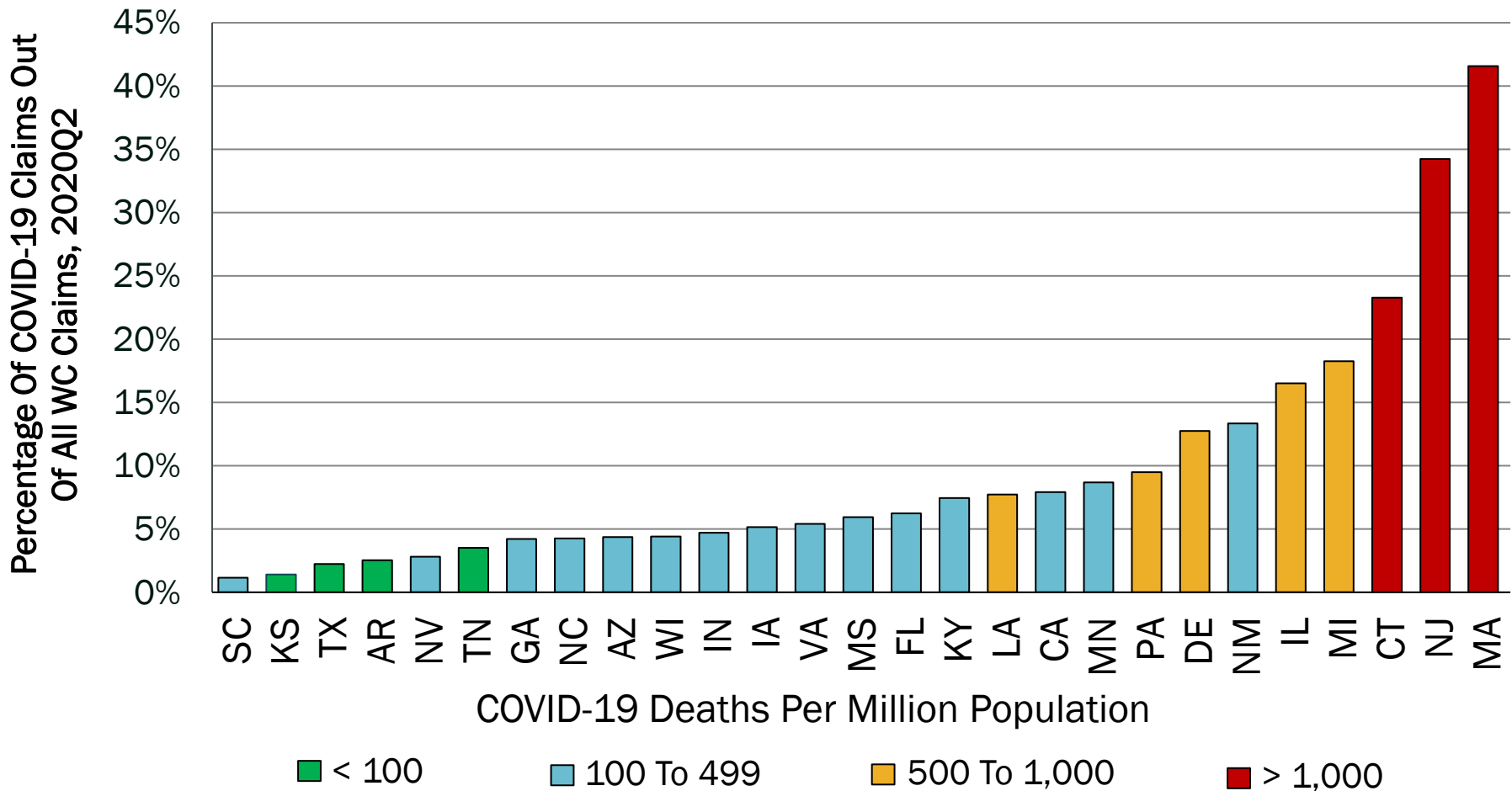


Note: All claims with injury dates in 2020Q2, evaluated as of June 30, 2020.

Reasons For Interstate Variation

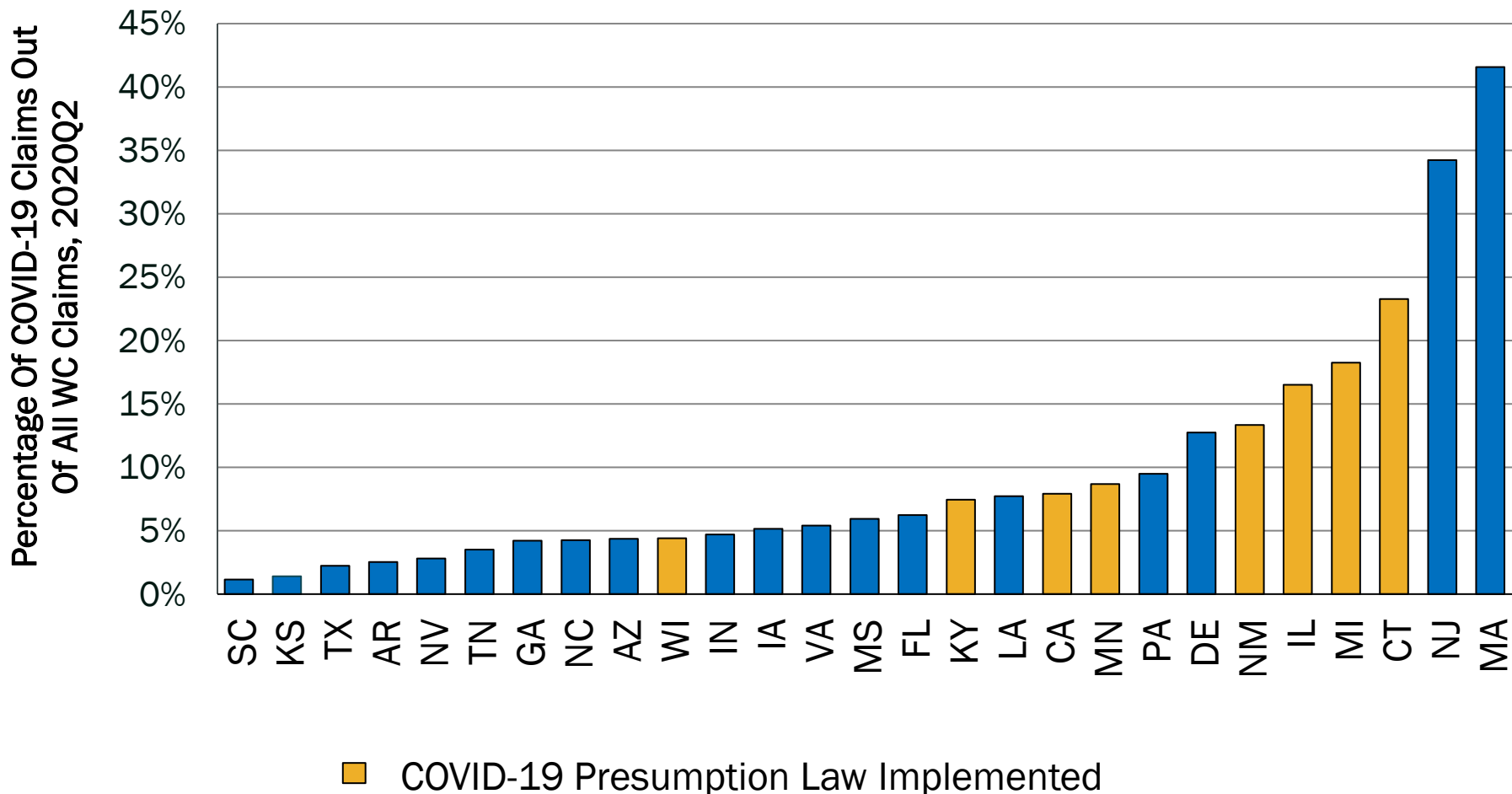
- Severity of the pandemic and its timing
- Compensability rules
 - Presumption laws, orders, and policies
 - Pay without prejudice (MA)
 - Other compensability rules (NJ)
 - Thomas P. Canzanella Twenty First Century First Responders Protection Act
- Changes in the volume of WC claims (denominator):
 - Impact of shutdown, social distancing, and work from home
- Industry mix only a minor factor

Variation In Percentage Of COVID-19 Claims Related To Severity Of Pandemic



Note: All claims with injury dates in 2020Q2, evaluated as of June 30, 2020.

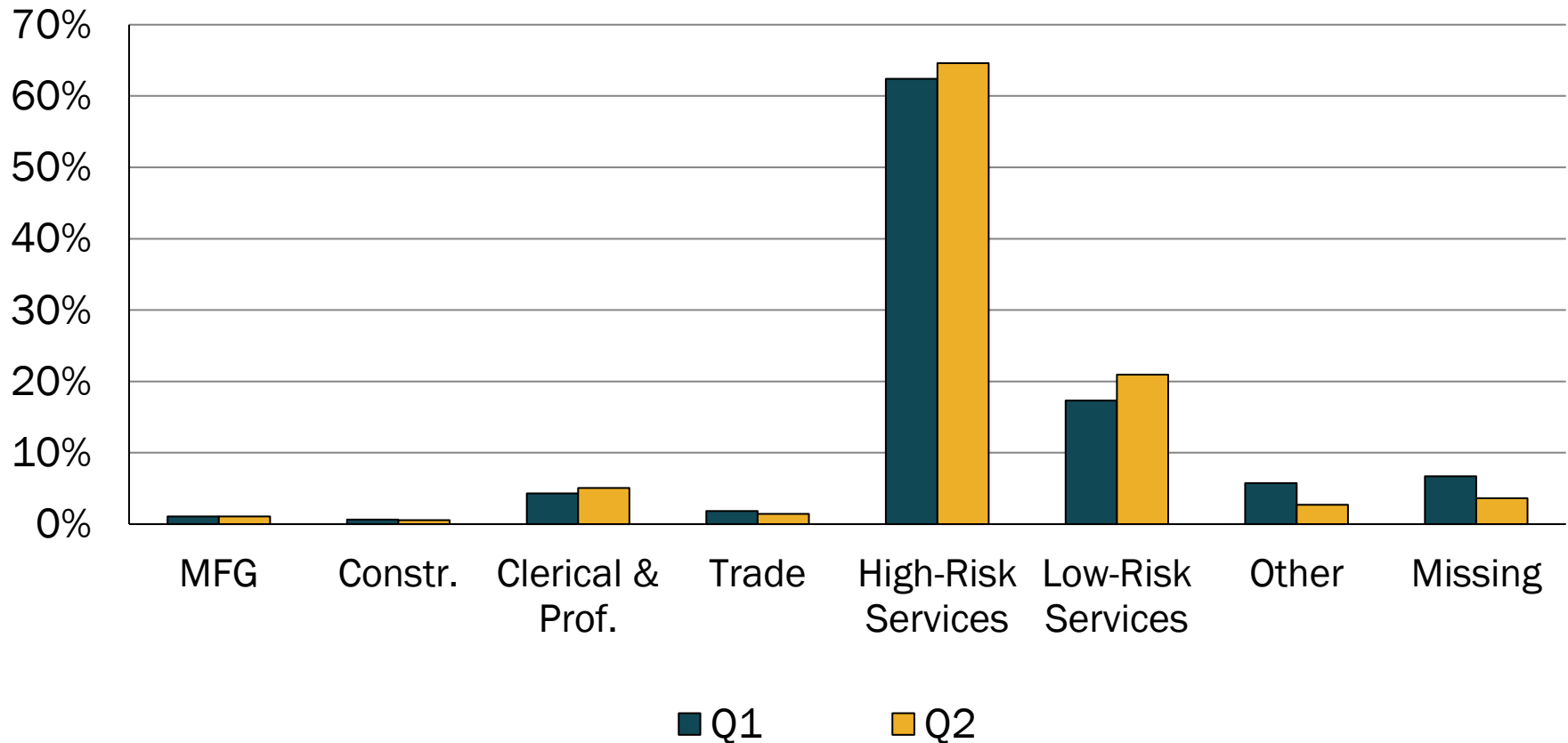
Presumption Law States Have Higher Percentage Of COVID-19 Claims



Note: All claims with injury dates in 2020Q2, evaluated as of June 30, 2020.

More Than 80% Of COVID-19 Claims Concentrated In High- And Low-Risk Services

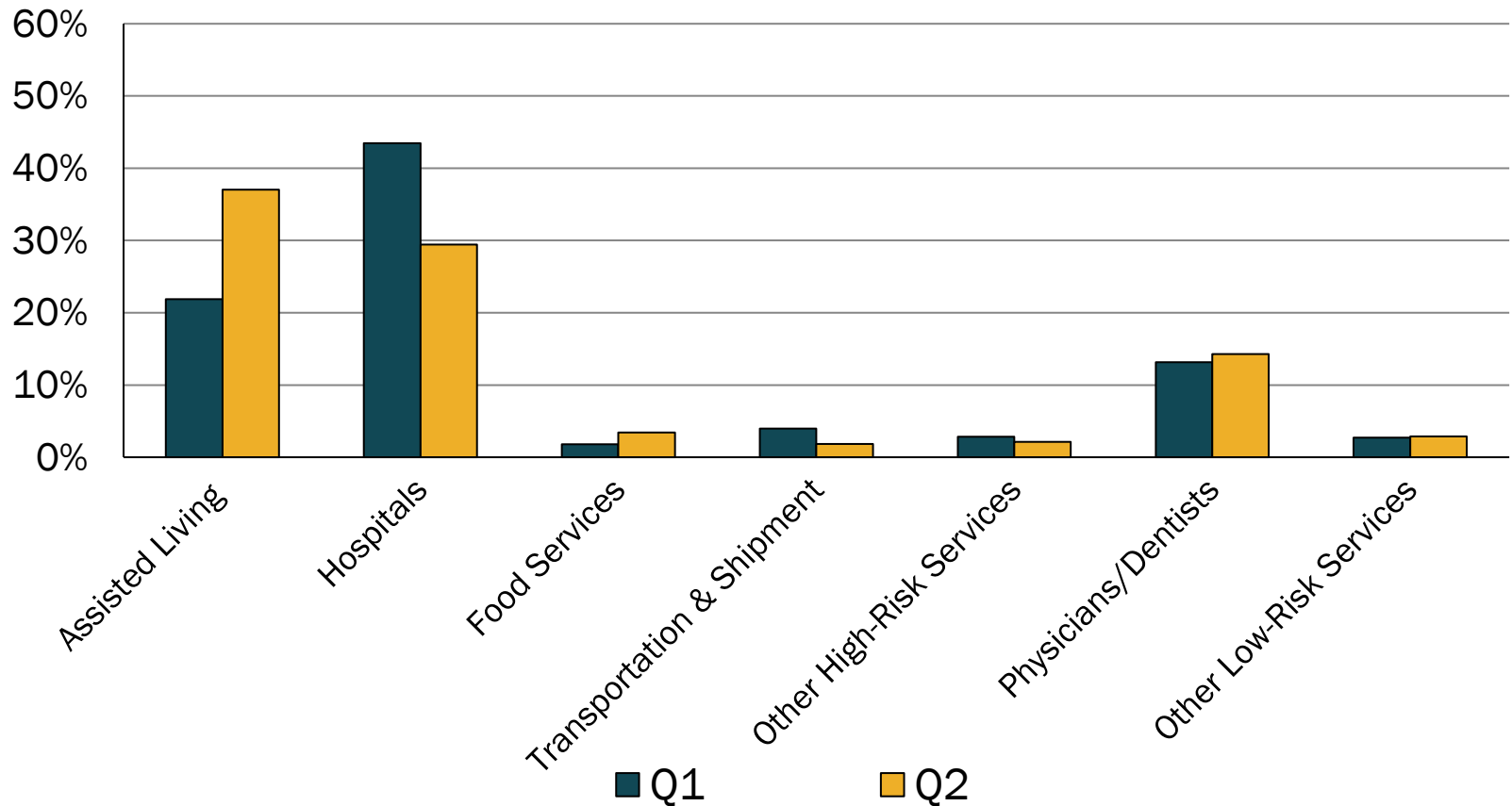
% Of COVID-19 Claims, 2020



Note: High and Low Risk defined by non-COVID-19 claims. All claims with injury dates in Q1 and Q2 2020.
Key: Constr.: Construction; MFG: Manufacturing; Prof.: Professional

For Service Industries, COVID-19 Claims Were In Assisted Living, Hospitals, And Physicians

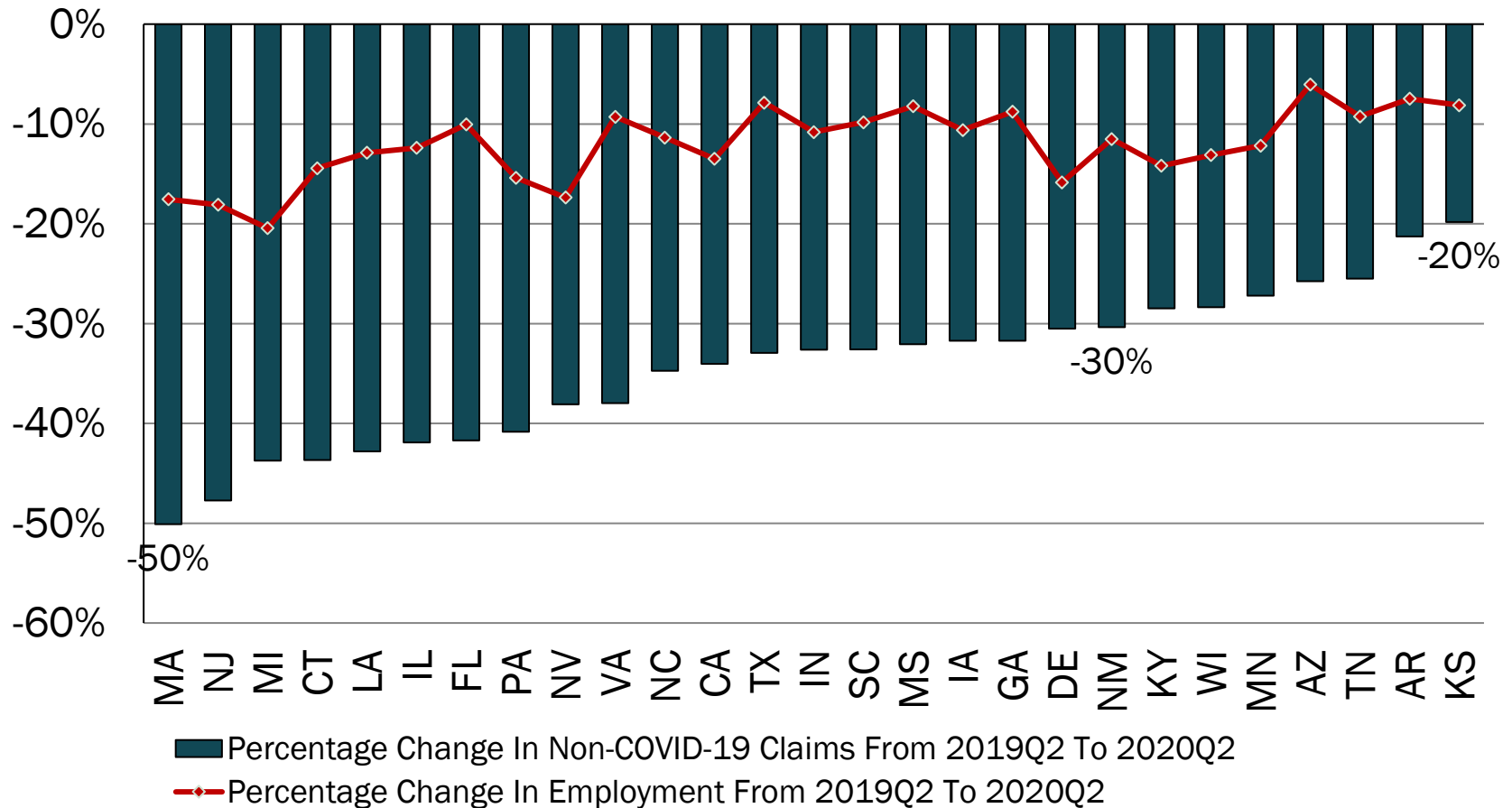
% Of COVID-19 Claims, 2020



Note: All claims with injury dates in Q1 and Q2 2020.

Non-COVID-19 Claims

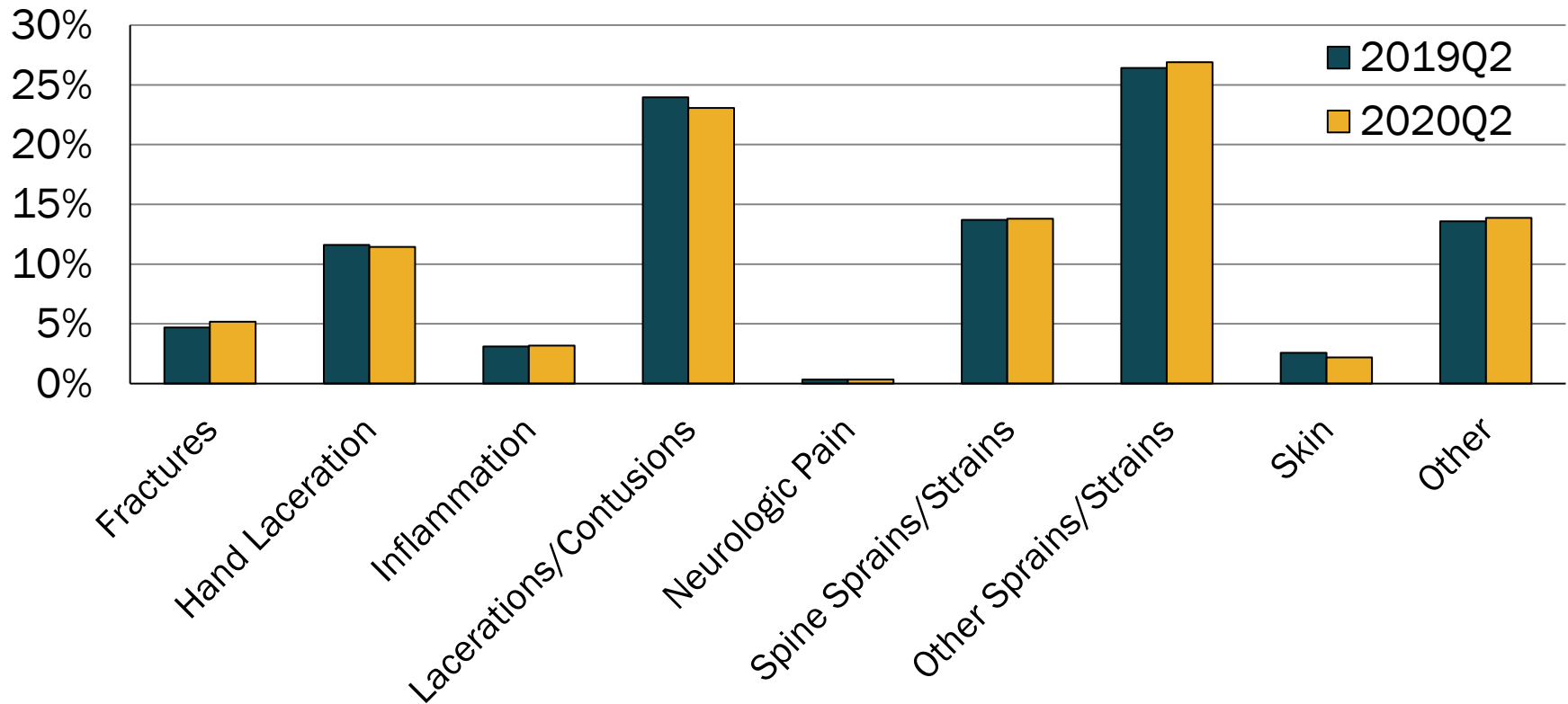
Majority Of States Had At Least 30% Decrease In Number Of Paid Non-COVID-19 WC Claims In 2020Q2 Vs. 2019Q2



Note: All claims with injury dates in 2019Q2 and 2020Q2.

Almost No Change In Injury Composition Of Non-COVID-19 Claims Between 2019 And 2020

Percentage Of Non-COVID-19 Claims



Note: All claims with injury dates in 2019Q2 and 2020Q2.



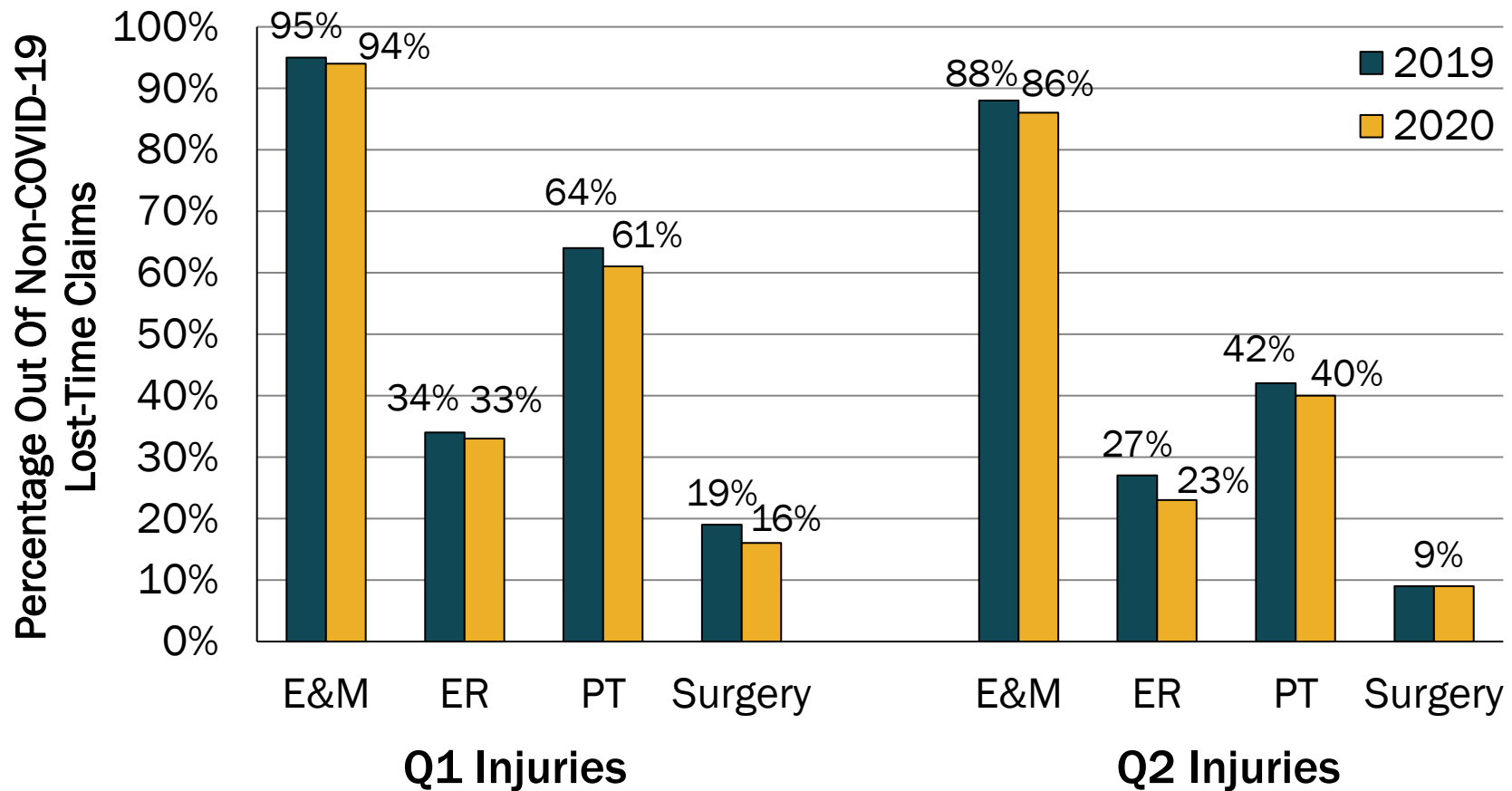
Time From Injury To Treatment

Time To Treatment Comparison

- Non-COVID-19 claims with paid medical services
- More than seven days of lost time
- For immediate impact of the pandemic, claims with injury dates in Q1 and Q2 of 2020 are compared to claims with injury dates in Q1 and Q2 of 2019

Note: Claims with injury dates in Q1 and Q2 of 2020 are evaluated as of June 30, 2020, and claims with injury dates in Q1 and Q2 of 2019 are evaluated as of June 30, 2019.

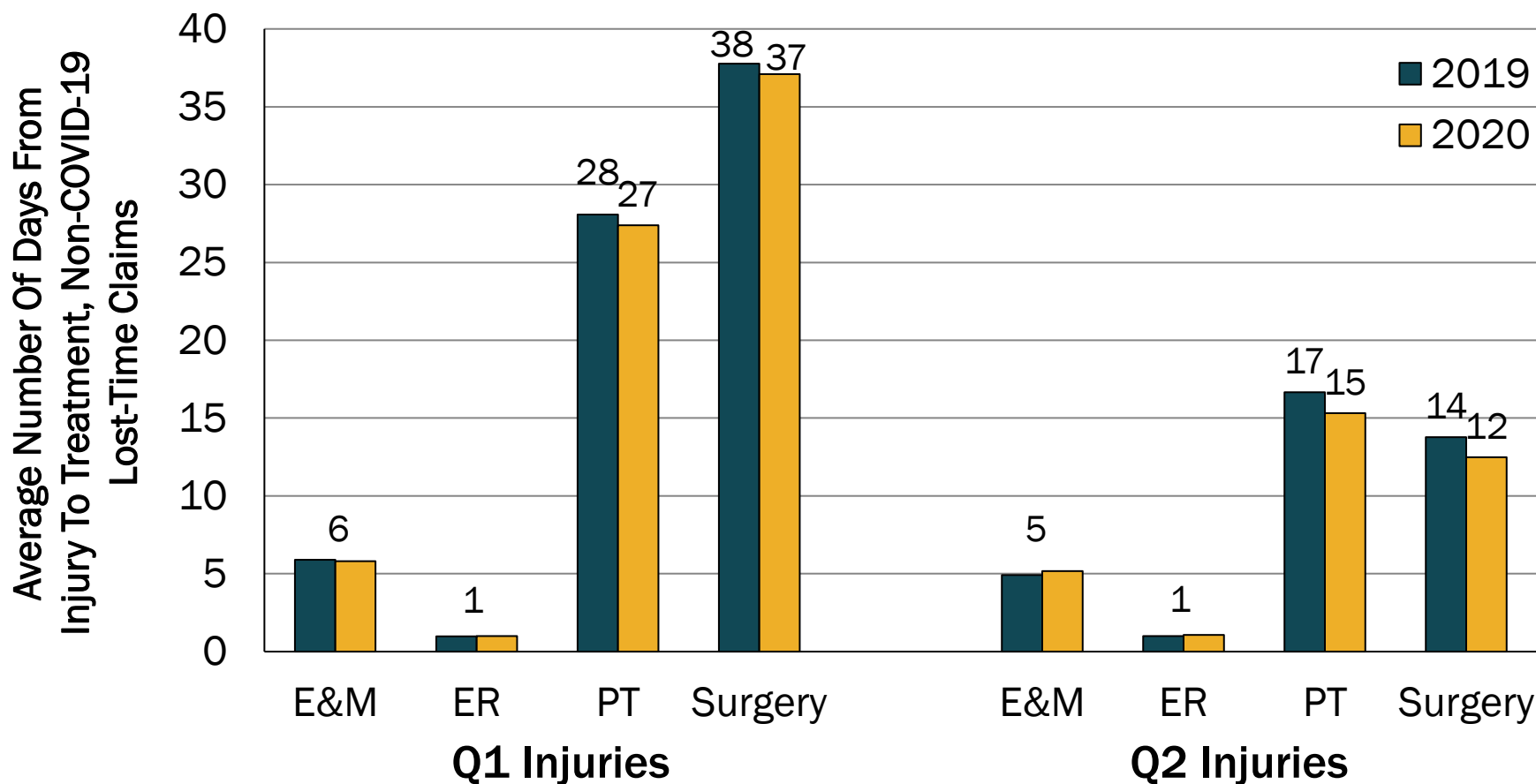
Small Drop In Whether Medical Services Provided



Note: Claims with more than seven days of lost time with injury dates in Q1 and Q2 of 2020 are evaluated as of June 30, 2020, and claims with injury dates in Q1 and Q2 of 2019 are evaluated as of June 30, 2019.

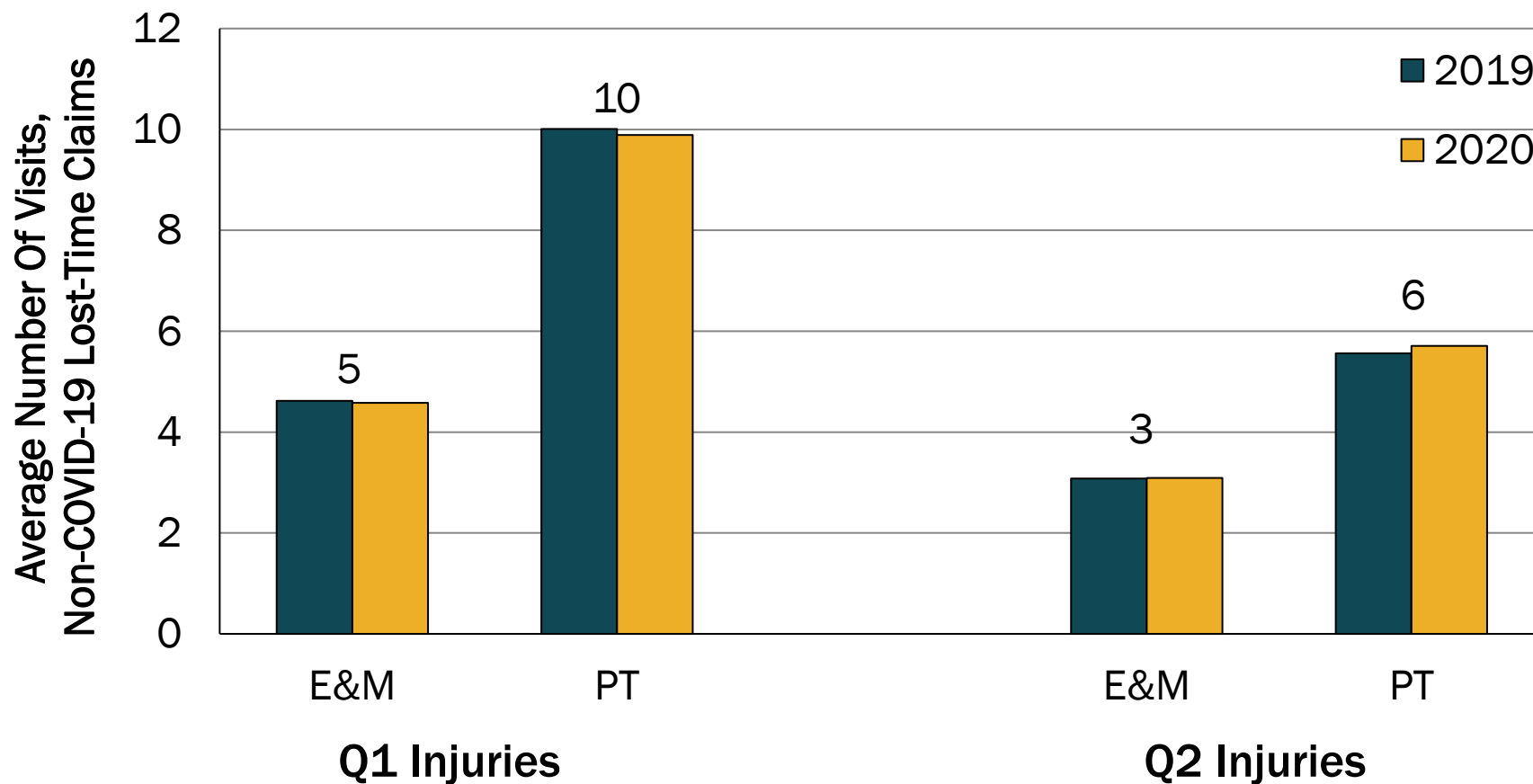
Key: E&M: Evaluation And Management; ER: Emergency; PT: Physical Therapy

No Evidence Of Delays In Medical Treatment For Claims With Injury Dates In Q1 And Q2 Of 2020



Note: Claims with more than seven days of lost time with injury dates in Q1 and Q2 of 2020 are evaluated as of June 30, 2020, and claims with injury dates in Q1 and Q2 of 2019 are evaluated as of June 30, 2019.

No Evidence Of Change In The Number Of Visits For E&M And PT Services



Note: Claims with more than seven days of lost time with injury dates in Q1 and Q2 of 2020 are evaluated as of June 30, 2020, and claims with injury dates in Q1 and Q2 of 2019 are evaluated as of June 30, 2019.

Summary Of Major Findings

- COVID-19 Claims:
 - Substantial variation in percentage of paid COVID-19 claims across states
 - COVID-19 paid claims found mostly in hospitals, assisted living facilities, and offices of physicians/dentists
- Non-COVID-19 Claims:
 - Large decreases in numbers of paid non-COVID-19 WC claims
- Time to Treatment:
 - No change in time to first treatment and number of visits
 - Small impact on percentage of claims with surgeries, ER, and PT



Some Recent Evidence

Some Recent Consistent Evidence

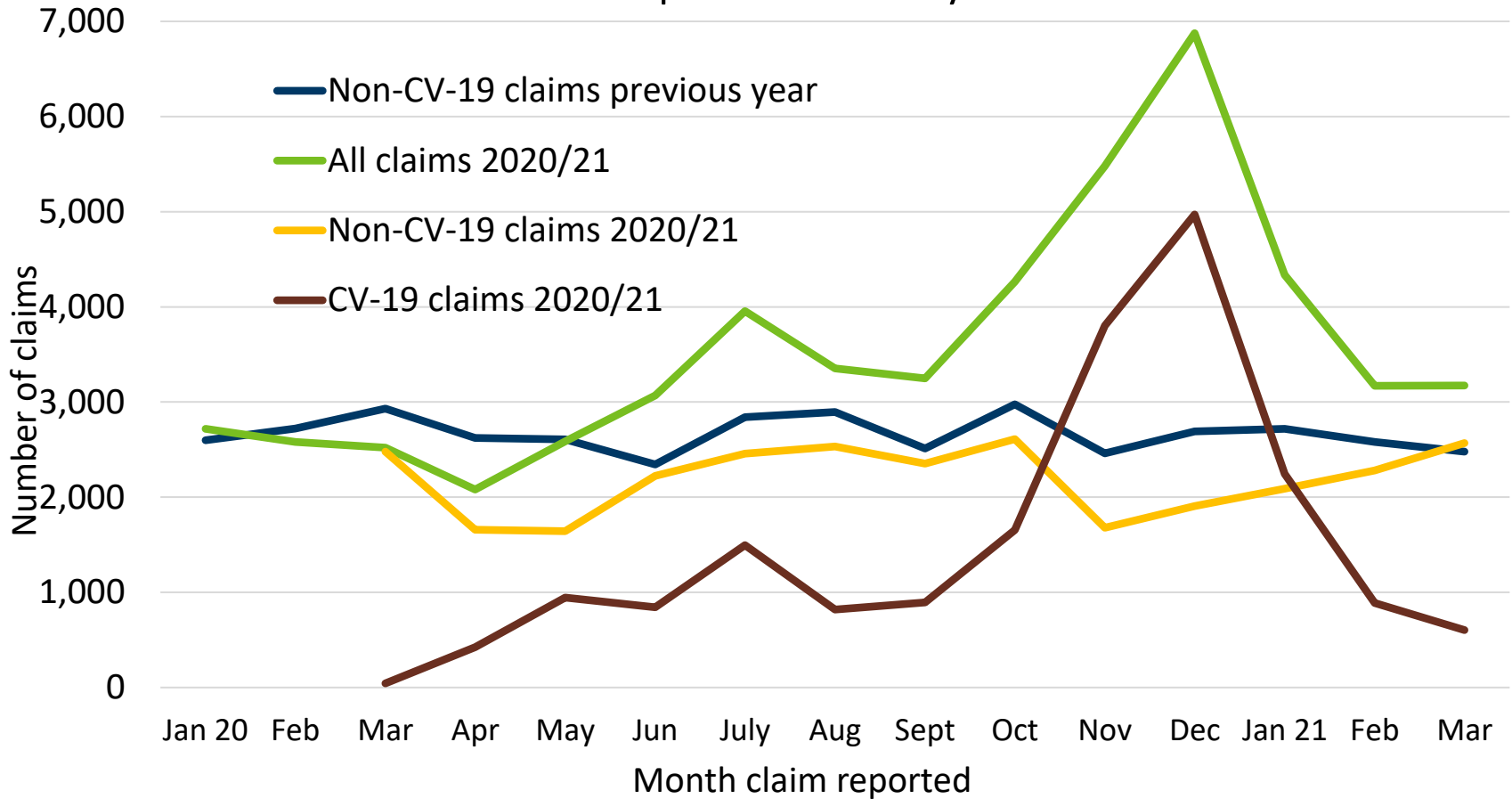
- Non-COVID-19 claims lower in 2020 than in 2019
- COVID-19 claims mostly seen in
 - Health Care and Social Assistance
 - Public Administration (First Responders)

Minnesota: 19,702 CV-19 claims reported thru April 3, 2021

COVID-19 Claims Spike With Pandemic

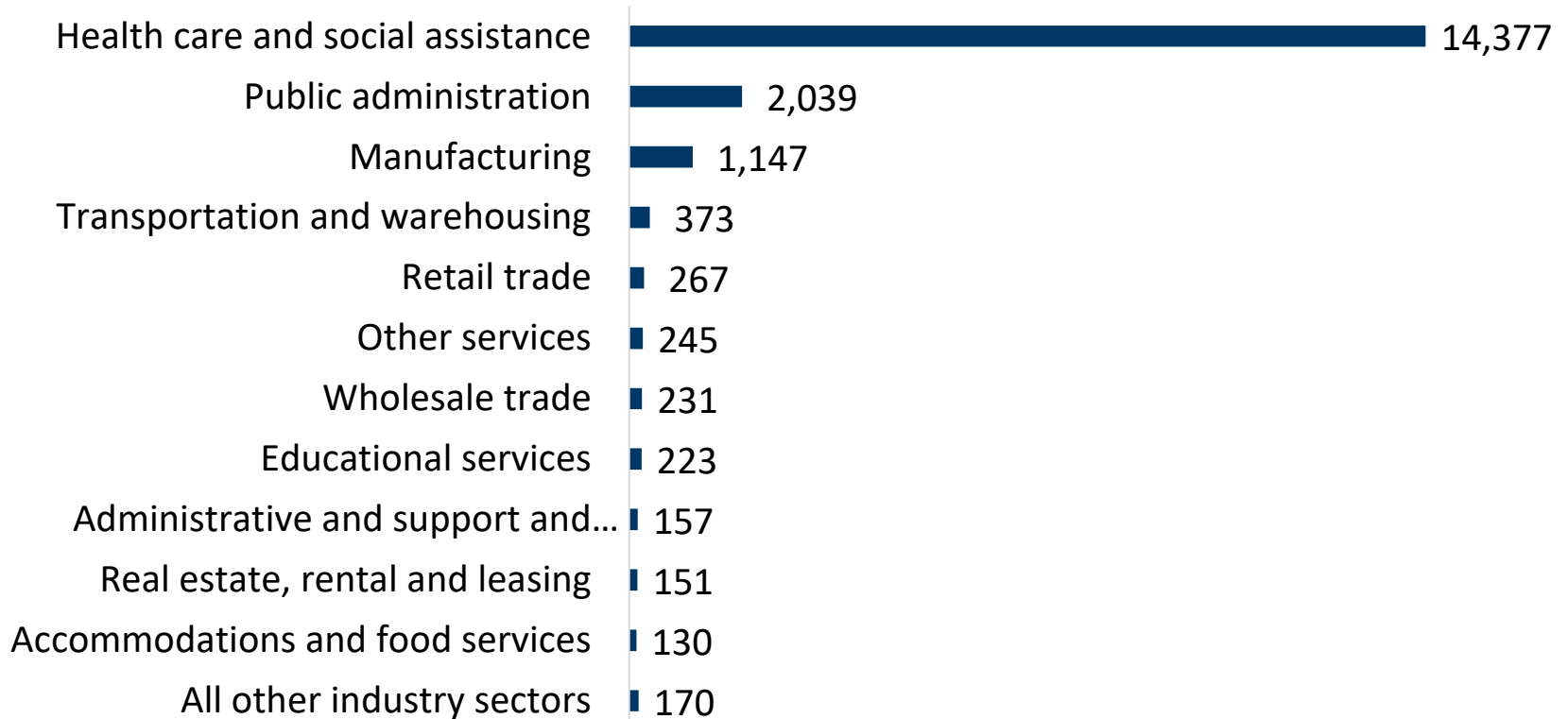
Non-COVID-19 Claims Lower In 2020 Than In 2019

Number of reported claims by month



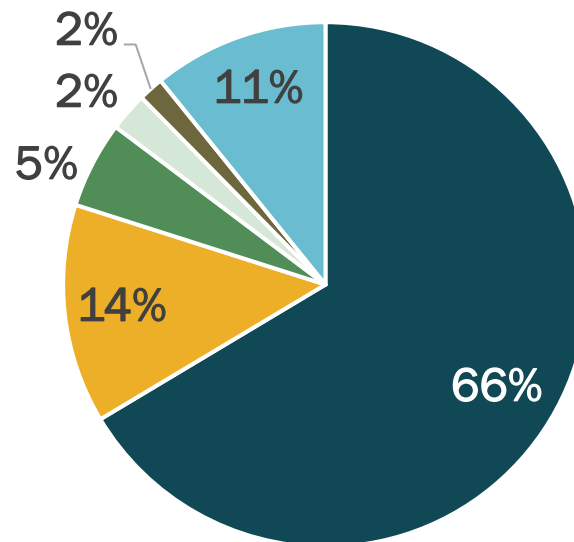
Minnesota: Health care and social assistance has the most COVID-19 claims

Number of CV-19 claims by industry sector as of April 3, 2021



80% Of COVID-19 Claims In Washington State In Health Care, Social Assistance, Public Admin

Washington State COVID-19 Claims Filed Through Feb 8, 2021



- Health Care and Social Assistance
- Public Administration
- Educational Services
- Retail & Wholesale Trade
- Accomodation and Food Services
- All Other

Source: Washington State SHARP Program, Publication # 64-25-2021, April 1, 2021.

Thank You!

- For comments/questions:
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