

Tennessee Workers' Compensation Data Calendar Years 2009-2014

A Report of Statewide Data for the
Tennessee Advisory Council on Workers' Compensation

October 2015
Revised 12.15



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Data Summary

- Only 46 cases concluded in 2014 contained dates of injuries after the implementation of the 2013 Reform Act.
- The percent of trials per year has decreased from 1.1% in 2010 to 0.3% in 2014 cases with pre reform act injuries. The percent of Division approved settlements decreased from 61.4% in 2009 to 45.1% in 2014 pre act cases. From 2009 to 2014 (pre act injury cases) the percent of court approved settlements increased from 24.7% to 39.4%.
- The median number of weeks to conclude cases was fairly consistent from year to year, ranging from 66 to 70 weeks. The median number of weeks from the date of maximum medical improvement to the date of conclusion was 21 or 22 weeks for all six years analyzed.
- The median age of injured workers in cases with permanent disability decreased from 48 years in 2012 and 2013 to 47 for 2014 pre act cases.
- The percent of injured workers with a high school or high school equivalent level of education was relatively constant at around 61%. The percent with less than a high school education decreased from 13.5% in 2009 to 10.4% in 2014 (pre act). In that same time period the percent of injured workers with more than a high school education increased from 24.6% to 28.1%.
- The median number of weeks of temporary total benefits decreased from 19.6 in 2010 to 17.0 in 2013 and 2014 pre act cases.
- The median compensation rate for injured workers for 2014 pre act cases was \$430.13, down less than \$2 from 2013.
- Permanent impairment ratings for injured workers who returned to pre injury employment decreased from 4.0 in 2009 to 3.0 in 2012 through 2014 pre act cases. For this analysis PPI ratings include body as a whole and scheduled member injuries converted to body as a whole impairment percentages.
- Permanent partial disability amounts for injured workers who returned to pre injury employment decreased from 6.0 in 2009 to 4.5 in 2012 through 2014 pre act cases.
- When adding converted scheduled member PPI ratings with body as a whole PPI ratings for return to work cases, median PPD multipliers were 1.5 for the six years analyzed.

- Median PPD benefit amounts for cases where injured workers were returned to work decreased from \$11,809 in 2009 to \$8,707 in 2014 pre act cases.
- The median amount of medical benefits paid for return to work cases decreased from \$14,745 in 2012 to \$13,926 for 2014 pre act cases.
- For cases where injured workers were not returned to pre injury employment median PPI ratings remained 7.0 from 2009 to 2013. For 2014 pre act cases, the median PPI rating was 6.0. This included scheduled member ratings converted to body as a whole as well as body as a whole ratings.
- Median PPD amounts for non return to work cases decreased from 19.3 in 2010 to 15.0 in 2013 and 2014 pre act cases.
- PPD multipliers for non return to work cases showed no trend in the six years analyzed. Median multipliers varied between 2.5 and 2.9.
- The median PPD amounts paid for cases where injured workers were not returned to pre injury employment decreased from \$38,125 in 2010 to \$28,333 for 2014 pre act cases.
- Median amounts paid for non return to work medical benefits increased from \$22,473 in 2009 to \$26,159 for 2014 pre act cases.
- Between 3.0% and 5.4% of cases per year contained information regarding lump sum payments made. The median amount of lump sum payments for 2014 pre act cases was \$7,000.
- According to information given at the time of conclusion, medical and permanent partial disability benefits comprised 87% of the total systemic benefits paid for cases involving permanent disability.

Introduction

This is a statistical report of the Tennessee workers' compensation system for the Advisory Council on Workers' Compensation. It covers cases closed in calendar years 2009 to 2014. In April, 2013 the General Assembly passed SB0200/HB0914 reforming Tennessee's workers' compensation system. It was signed into law by Governor Haslam the same month and applies to cases with injuries on or after July 1, 2014. The Reform Act brought about many changes. Most notably, it created an administrative system for adjudicating cases and restructured permanent partial disability benefits. The effects of these changes will not be evident for a few years. Workers' compensation cases typically take around a year and a half from the date of injury to the date of conclusion. Since the Reform Act applies to cases with injuries on or after July 1, 2014, there simply has not been enough time for a significant number of cases to have concluded to get an accurate picture of the Reform Act's effects. A very small number (46) of post reform cases have concluded, but that amount cannot be considered representative. Therefore, the data presented in the following pages for post act cases (designated 2014 POST) should be viewed with caution and not as being representative of post act effects. This point cannot be overstated. Therefore, when discussing ranges for the various metrics in this report, 2014 POST will not be included. The averages for 2014 POST will be listed in tables however.

This report will begin to lay the basis for future comparisons as more cases that fall under the new system conclude. It is anticipated that 2015 and 2016 will continue to provide a combination of pre and post act cases, with an increasing amount of post act frequencies as time progresses. The Advisory Council on Workers' Compensation has been a clearinghouse for workers' compensation information for many years. There are statistical reports for cases dating back to 1996. Analyzing reform act implementations has been central to Advisory Council statistical reports from the beginning. The 2013 Reform Act is no different. To aid in pre and post act comparisons, a number of changes have been implemented to this report. Past reports have concentrated on ten years of data, adding the most recent year to what was previously reported. This report takes a different approach. It was determined that a new query of cases from 2009 to the most recent full calendar year (2014) would be produced together. This will allow for greater possibilities of pre and post act comparisons in the future. Overlapping years from previous reports to this one correlate very strongly, but are not exactly one to one. Previous reports are mentioned to give context and validity to the numbers reported.

Additionally, because the Reform Act considers all impairments as impairments to the body as a whole, pre act impairments and disability amounts have been converted to corresponding body as a whole amounts. The reporting of statistics has changed as well. Because workers' compensation data is often positively skewed, meaning case information is concentrated to the left or smaller side of the mean, it was determined that greater emphasis will be placed on the median. Mean and standard deviation figures will still be reported, but just in tables. The median is the middle most data point in a distribution and is less affected by case extremes. It is being used to provide a more accurate picture of the typical workers' compensation case experience. Median amounts or percentages are also

presented graphically to the right of the tables below descriptive text for the variables analyzed.

Methods

Pursuant to Tennessee statute, participants in the Tennessee workers' compensation system are required to send certain reports to the Tennessee Bureau of Workers' Compensation, formerly the Workers' Compensation Division. One of the final reports received by the Division/Bureau is the Statistical Data Form (SD-1). It is the closing document for a claim in which a permanent injury was sustained. The Division/Bureau operates an integrated computer system which is referred to as the Workers' Compensation Computer System (WCS). It is into this database that the information from the SD-1 forms are entered. The Division/Bureau provided, at the request of the Advisory Council on Workers' Compensation, data from the WCS. Appeals data is provided by the Tennessee Administrative Office of the Courts.

Because it is necessary to have adequate time to obtain a representative collection of closed case information for analysis and pre/post act comparisons, cases were selected with dates of conclusion between January 1, 2009 and December 31, 2014. Some of the cases presented multiple conclusion dates coinciding with the various venues in which cases can be finalized. This is possible because a case may be reconsidered if, for example, changes in the injured employee's work status occur. It is impossible from a data perspective to piece back together what information translates to which conclusion, therefore cases with multiple conclusion dates were excluded from this report, with two exceptions. There were some Division offices that did not have a Workers' Compensation Specialist 4 present to approve settlements at the time of agreement. In this situation, the parties needed court approval for their case to be finalized, thus creating a Division approval date and a court approval date in close proximity. To include cases of this nature, cases with court approval dates and Division approval dates within 30 days of each other were included and coded as Division approved settlements. The other case of dual conclusion date inclusion in analysis was when a joint petition settlement and a court approved settlement were within 30 days of each other. Additionally, 82 cases were not included in the analysis due to having dates of injury before dates of conclusion.

Other changes in methods compared to previous ACWC statistical reports have to do with permanent impairment and disability. Historically, permanent impairment and disability in Tennessee was split between scheduled members and the body as whole (BAW). Under the Reform Act, all impairments and disability are calculated based on the impact to the body as whole. To aid in future comparisons, pre act cases have been converted to BAW impairments and disabilities. Permanent partial impairment ratings were converted using the AMA guides and permanent partial disability amounts were converted using the reported permanent partial disability amount multiplied by the ratio of the pre act scheduled member number of weeks of benefits to the pre act body as whole number of weeks of benefits.

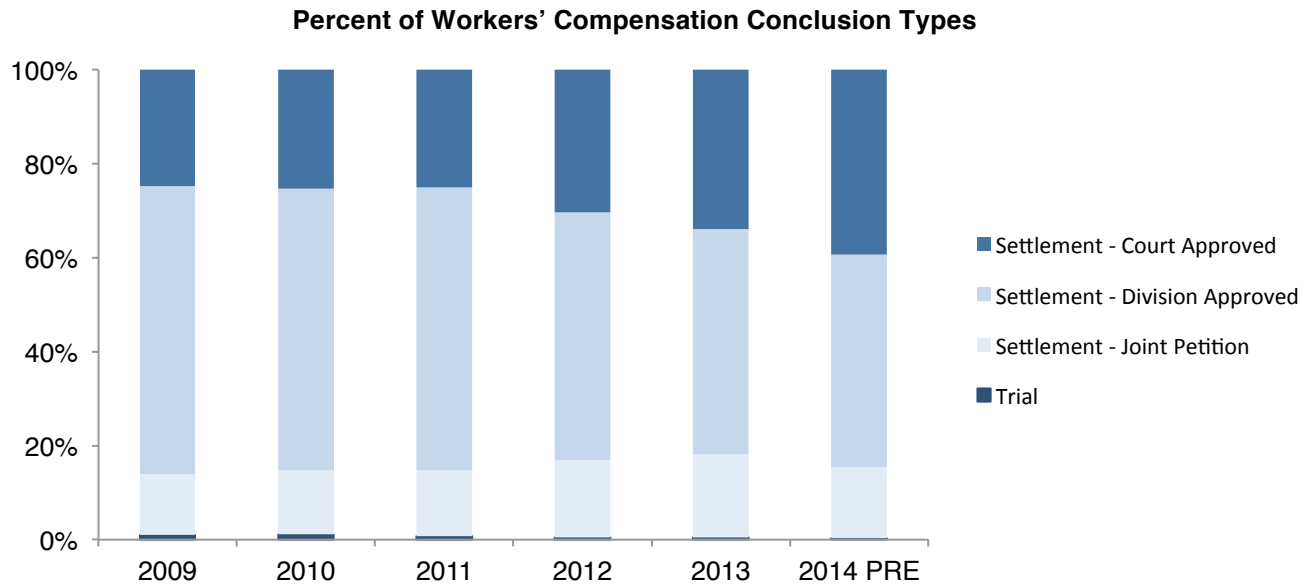
Conclusion Types

Pre reform act workers' compensation cases could be concluded in four ways, by trial, joint petition settlement, Workers' Compensation Division approved settlement (now Bureau of Workers' Compensation), and by court approved settlement. The following charts depict the frequency and percent the various conclusion types were utilized. The conclusion types were determined by the conclusion type date field that was indicated on SD-1 forms. Cases were excluded if they contained more than one conclusion type date. However, as mentioned in the methods section, cases with both court and Division approved settlements within 30 days of each other or joint petition settlement and court approved settlement within 30 days of each other were included.

From 2010 to 2014 pre act cases, trials were utilized in a decreasing amount, from 1.1% to 0.3% of conclusion types. Joint petition settlement utilization increased from 12.9% in 2009 to 17.6% in 2013. 15.2% of 2014 pre act cases were concluded with joint petition settlements. Division approved settlements decreased from 61.4% of cases in 2009 to 45.2% of 2014 pre act cases. Court approved settlements increased from 24.7% of settlements in 2009 to 39.4% of 2014 pre act cases. In 5 of the 2014 post act cases, there was a court approved settlement date listed for the conclusion type. Since cases are handled by the Bureau of Workers' Compensation, new terminology or education may be necessary for data collection.

Frequency and Percent of Workers' Compensation Conclusion Types

Year	Trial		Settlement - Joint Petition		Settlement - Division Approved		Settlement - Court Approved		Total
	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency
2009	88	1.0	1135	12.9	5398	61.4	2174	24.7	8795
2010	93	1.1	1122	13.7	4908	59.9	2075	25.3	8198
2011	60	0.8	1112	14.0	4789	60.3	1984	25.0	7945
2012	42	0.5	1397	16.5	4472	52.7	2570	30.3	8481
2013	45	0.5	1580	17.6	4316	48.0	3047	33.9	8988
2014 PRE	22	0.3	1236	15.2	3675	45.2	3201	39.4	8134
2014 POST	-	-	-	-	41	89.1	5	10.9	46

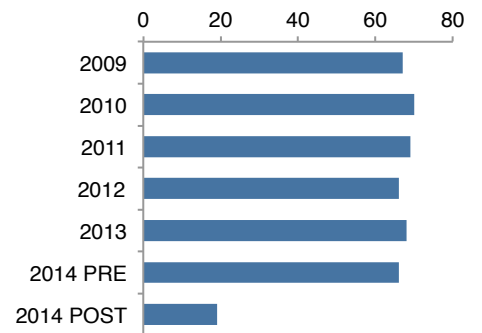


Date of Injury to Date of Conclusion

The median case length for 2014 pre act cases from the date of injury to the date of conclusion was 66 weeks. Between 2009 and 2014, case lengths ranged from 66 weeks to 70 weeks. The following table displays total case length averages for all conclusion types for cases involving permanent disability. The median amounts are consistent with what has been reported in previous statistical reports to the ACWC. The median number of weeks from the date of injury to conclusion for trials increased from 155 weeks in 2011 to 195 weeks in 2014 pre act cases. Joint petition and Division approved settlements remained relatively constant in the mid 60s for the median number of weeks from injury to conclusion. The length of time from injury to conclusion for court approved settlements decreased from 87 weeks in 2010 to 66 weeks for 2014 pre act cases.

Average Number of Weeks from Date of Injury to Date of Conclusion

Year	N	Median	Mean	Std. Deviation
2009	8751	67.0	84.3	60.5
2010	8166	70.0	87.6	62.3
2011	7917	69.0	85.7	59.7
2012	8457	66.0	83.7	60.7
2013	8952	68.0	86.7	65.4
2014 PRE	8109	66.0	85.4	67.0
2014 POST	46	19.0	19.2	3.3

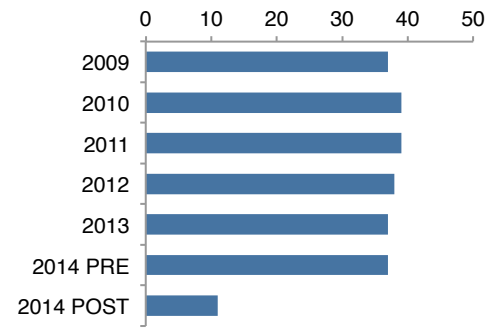


Date of Injury to Date of Maximum Medical Improvement

The following table presents the average number of weeks from the date of injury to the date of maximum medical improvement. Median amounts ranged from 37 to 39 weeks. For 2014 pre act cases, the median number of weeks from injury to MMI is 37. The median amounts are identical to those stated in previous ACWC statistical reports. The median number of weeks from the date of injury to the date of MMI for trials was 65 weeks for 2014 pre act cases. For the other conclusion types, the median number of weeks from injury to MMI ranged from 36 to 39 for all the years analyzed.

Average Number of Weeks from the Date of Injury to the Date of MMI

Year	N	Median	Mean	Std. Deviation
2009	8084	37.0	49.1	44.1
2010	7601	39.0	51.2	42.9
2011	7415	39.0	50.7	44.6
2012	8003	38.0	49.8	43.5
2013	8267	37.0	51.1	49.8
2014 PRE	7711	37.0	50.7	50.8
2014 POST	43	11.0	10.7	3.3

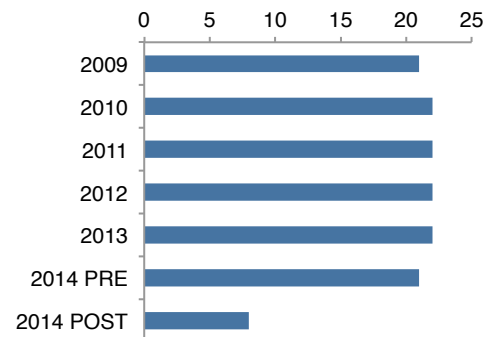


Date of MMI to Date of Conclusion

The median number of weeks from the date of maximum medical improvement to the date of conclusion for 2014 pre act cases is 21 weeks. The median number of weeks from MMI to conclusion is 21 or 22 weeks for the five years analyzed. Previous reports stated a range of 20 to 22 weeks. The median number of weeks from MMI to conclusion for 2014 pre act trials was 110 weeks. For the other conclusion types, the 2014 pre act median length from MMI to conclusion was between 19 and 22 weeks.

Average Number of Weeks from the Date of MMI to the Date of Conclusion

Year	N	Median	Mean	Std. Deviation
2009	8159	21.0	34.5	41.1
2010	7665	22.0	36.1	45.5
2011	7452	22.0	34.9	41.6
2012	8030	22.0	34.0	39.6
2013	8366	22.0	34.0	38.8
2014 PRE	7753	21.0	33.7	39.1
2014 POST	44	8.0	13.0	32.5

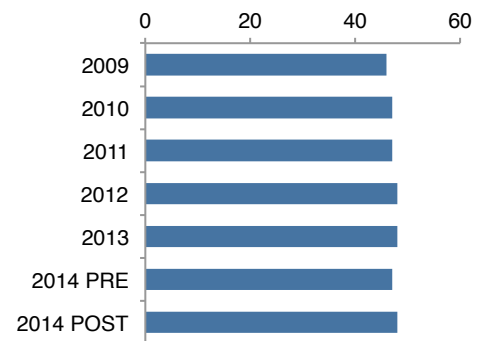


Age

Median ages of injured workers in cases that involved permanent disability ranged from 46 to 48 years. The median age for injured workers for 2014 pre act cases was 47. The ages reported are consistent with previous ACWC reports. Additionally, this marks the first time that the average age did not increase. Average age is one of the few workers' compensation variables that is normally distributed, therefore the mean and median are close in their measures of central tendency.

Average Age of Injured Workers

Year	N	Median	Mean	Std. Deviation
2009	5779	46.0	45.2	11.6
2010	5147	47.0	45.8	11.2
2011	5110	47.0	46.2	11.5
2012	5639	48.0	46.6	11.6
2013	6072	48.0	46.6	11.6
2014 PRE	5409	47.0	46.3	11.6
2014 POST	31	48.0	47.6	12.0



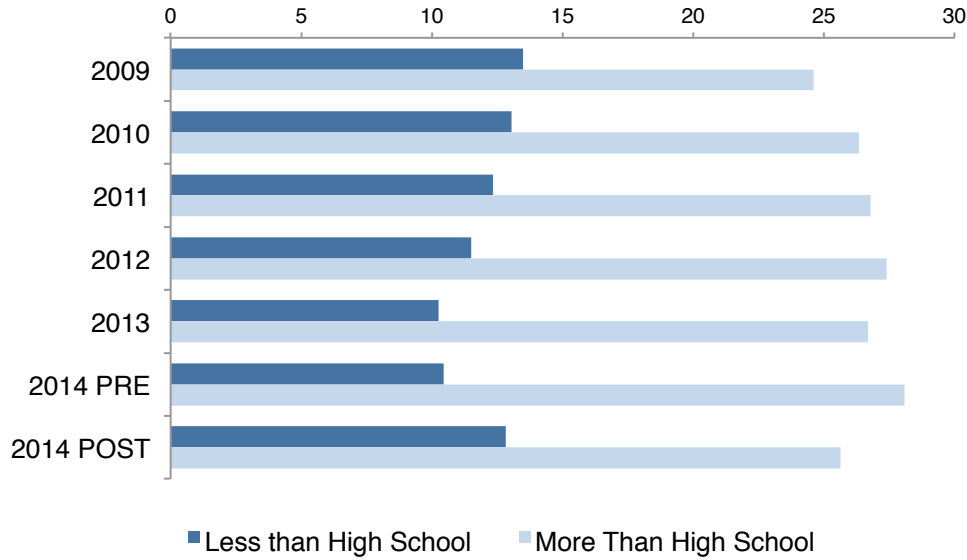
Education

From 2009 to 2014, the percent of injured workers with less than a high school education dropped from 13.5% to 10.4%. During that same period, the percent with more than a high school education increased from 24.6% to 28.1%. The percent of injured workers with a high school or equivalent education remained relatively constant at around 61% to 63%. The percentages reported here are consistent with previous ACWC statistical reports.

Educational Attainment of Injured Workers

Year	N	Percent		
		Less than High School	High School/GED	More Than High School
2009	6670	13.5	61.9	24.6
2010	6126	13.0	60.6	26.3
2011	5927	12.3	60.9	26.8
2012	6508	11.5	61.1	27.4
2013	6397	10.3	63.1	26.7
2014 PRE	5692	10.4	61.5	28.1
2014 POST	39	12.8	61.5	25.6

Percent of Injured Workers with Less Than or More Than a High School Education

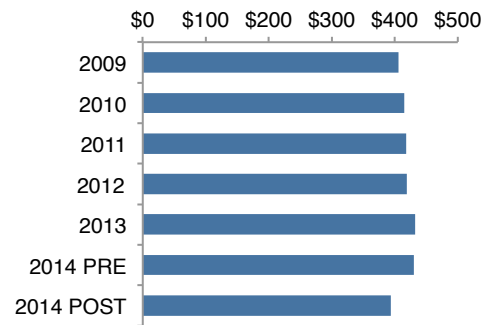


Compensation Rate

The median compensation rate for injured workers in 2014 pre act cases was \$430.13. This is down less than \$2 from 2013 and the only year in which average compensation rates did not increase from the previous year. Mean compensation rates still showed year-to-year increases. Like the other variables reported, the average compensation rates mirror previous ACWC statistical reports.

Average Compensation Rates for Injured Workers

Year	N	Median	Mean	Std. Deviation
2009	8529	\$405.87	\$431.77	\$183.65
2010	8016	\$414.65	\$442.02	\$189.00
2011	7805	\$418.00	\$445.69	\$192.86
2012	8350	\$419.16	\$446.74	\$196.08
2013	8874	\$432.49	\$458.67	\$200.70
2014 PRE	8016	\$430.13	\$461.24	\$208.71
2014 POST	46	\$393.66	\$417.78	\$197.12

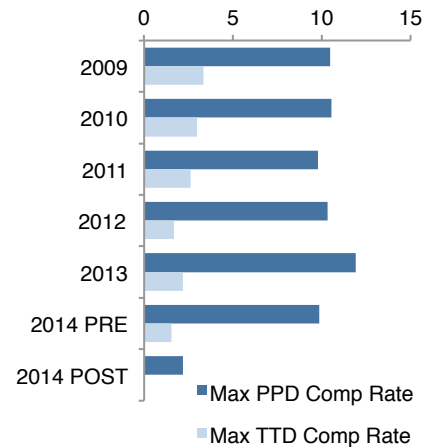


Maximum Compensation Rate

Temporary total benefits are capped at 110% of the Tennessee's average weekly wage. Permanent partial benefits are capped at 105% of the state's average weekly wage. The following charts show the percent of cases with compensation rates capped at the maximum amount for 2009 to 2014 cases. For 2014 pre act cases, 9.9% were capped at the PPD maximum and 1.5% were capped at the TTD maximum. PPD maximum percentages have fluctuated between 9.8% and 11.9% of cases. The number at the TTD maximum has fluctuated between 1.5% and 3.3% of cases.

Frequency and Percent of Cases with Maximum Compensation Rates

Year	Max PPD Comp Rate		Max TTD Comp Rate	
	N	Percent	N	Percent
2009	891	10.5	285	3.3
2010	844	10.5	238	3.0
2011	764	9.8	204	2.6
2012	862	10.3	140	1.7
2013	1057	11.9	195	2.2
2014 PRE	786	9.9	121	1.5
2014 POST	1	2.2	0	0.0

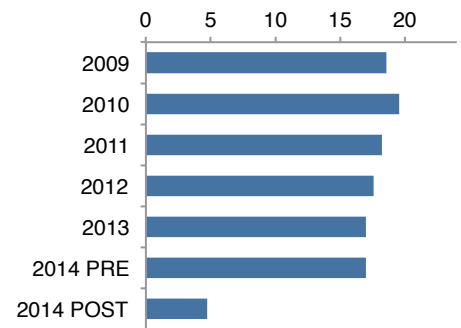


Number of Weeks of Temporary Total Disability Benefits

The median number of weeks of temporary total benefits paid for cases involving permanent injury was 17.0 for 2014 pre act cases. This was the same number of weeks for 2013 and was down from 19.6 weeks in 2010. The median number of weeks of TTD benefits in this report was approximately two to three weeks more than previous ACWC statistical reports. The charts below represent the average number of weeks of TTD benefits paid for all injury types and severities where there has been permanent disability.

Average Number of Weeks of Temporary Total Disability Benefits Paid

Year	N	Median	Mean	Std. Deviation
2009	5624	18.6	32.2	40.1
2010	5374	19.6	34.8	44.4
2011	5185	18.2	33.9	45.1
2012	5678	17.6	31.8	42.2
2013	5851	17.0	31.5	43.0
2014 PRE	5516	17.0	31.2	42.7
2014 POST	26	4.7	7.3	6.2

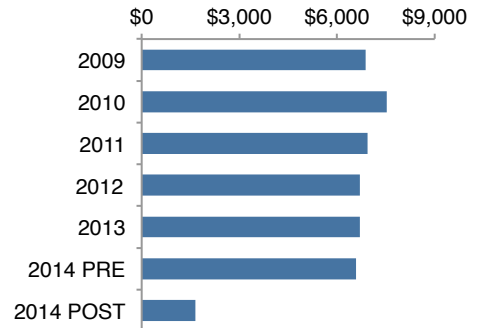


Temporary Total Disability Benefit Amounts

The median amount of TTD benefits has decreased by \$938 since 2010. For 2014 pre act cases, the median amount of TTD benefits paid is \$6,592. The 2013 median amount is \$800 more than what was reported in last year's ACWC statistical report.

Average Amounts of Temporary Total Disability Benefits Paid

Year	N	Median	Mean	Std. Deviation
2009	5624	\$6,872	\$12,803	\$16,232
2010	5374	\$7,530	\$13,928	\$16,947
2011	5185	\$6,932	\$13,470	\$17,367
2012	5678	\$6,696	\$12,875	\$16,560
2013	5851	\$6,692	\$12,631	\$16,266
2014 PRE	5516	\$6,592	\$12,429	\$15,888
2014 POST	26	\$1,650	\$2,595	\$2,285

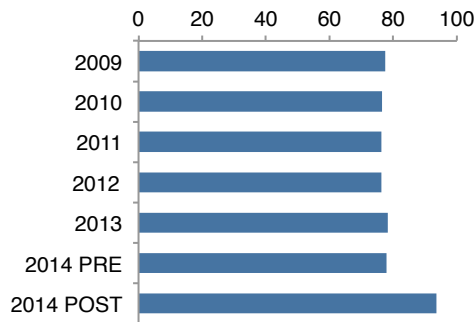


Return to Work

The SD-1 form has a field to indicate whether the employee returned to work for the same employer. This is the field used to delineate return to work status for permanent partial impairment and permanent partial disability reporting. The following charts depict the percent of SD-1 forms per year that indicated the employee returned to work for their pre injury employer. The percentages are between 76.3% in 2012 and 77.9% in 2014 pre act cases.

Percent of Injured Workers That Returned to Pre Injury Employment

Year	N	Percent
2009	6232	77.4
2010	5798	76.5
2011	5682	76.4
2012	6253	76.3
2013	6820	78.3
2014 PRE	6088	77.9
2014 POST	43	93.5



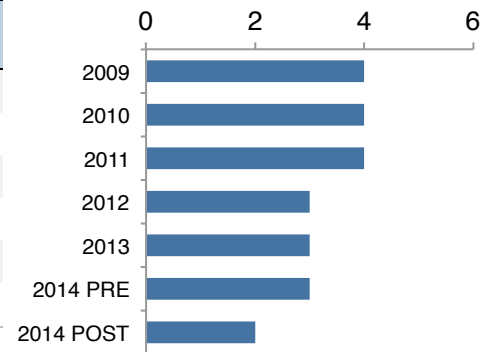
Permanent Partial Impairment Ratings – Employee Returned to Work

To be able to get as accurate of a picture as possible for permanent impairment, disability and subsequent multipliers, cases were selected with only one permanent disability per side, including those with no side indicated. In other words, an injury to the left shoulder would result in a left PPI rating and PPD amount. It would not be possible to piece back together case information for multiple injuries to the same side. Analyzing single side injury information allowed for clean determination of which impairment ratings went with the corresponding disability and accounted for 98.4% of permanent impairment cases. Multiple injuries were included if the injuries were to different, or no, sides. Less than 4.5% of cases had injury information to more than one side.

In preparation for post act comparisons, pre act scheduled member impairment ratings have been converted to body as a whole equivalents. This was done using the AMA guides. The average PPI ratings reported below are for all injury types, scheduled member ratings converted to body as a whole as well as body as a whole ratings. Because of the conversions, and because previous ACWC reports presented body as a whole, arm, and leg injury information separately, comparisons are not one to one. However, previous reports showed a decreasing trend in PPI ratings, which was also reflected in the data analyzed.

Average PPI Ratings – Employee Returned to Work

Year	N	Median	Mean	Std. Deviation
2009	5190	4.0	6.0	6.6
2010	4882	4.0	5.7	6.7
2011	4822	4.0	5.4	6.1
2012	5163	3.0	4.9	5.5
2013	5482	3.0	4.9	5.9
2014 PRE	5074	3.0	4.7	5.5
2014 POST	31	2.0	2.2	1.4



Percentage Awarded for Permanent Partial Disability – Employee Returned to Work

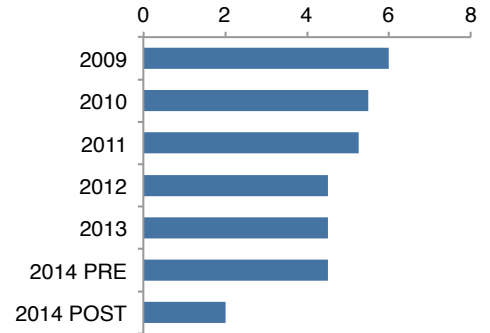
Like the PPI ratings, scheduled member ratings have been converted to body as a whole and are reported together in the following charts. Pre act scheduled member disability amounts were converted using the following formula:

$$\text{Case PPD Amount} \times \frac{\text{Scheduled Member \# of weeks}}{400 \text{ (previous BAW \# of weeks)}}$$

The median PPD percent amount for 2012 to 2014 pre act cases was 4.5, this translates to 18 weeks of benefits. While the inclusion of previously scheduled member benefits with body as a whole benefits does not allow for one to one comparisons with PPD percent amounts previous reported, average permanent partial disability amounts were noted as decreasing, and this analysis also reflects that trend.

Average PPD Percent – Employee Returned to Work

Year	N	Median	Mean	Std. Deviation
2009	4281	6.0	8.7	10.0
2010	4177	5.5	8.5	10.1
2011	4294	5.3	8.0	9.7
2012	4637	4.5	7.2	8.4
2013	5052	4.5	7.0	8.5
2014 PRE	3911	4.5	6.9	8.8
2014 POST	21	2.0	2.8	2.8

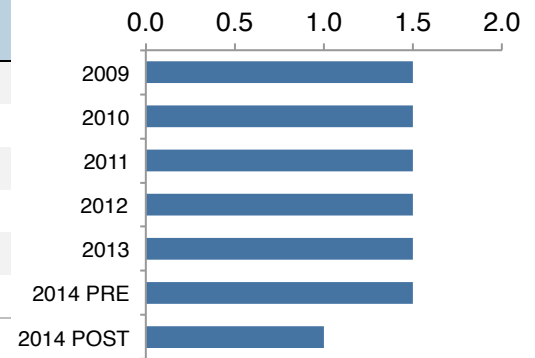


Permanent Partial Disability Multipliers – Employee Returned to Work

A permanent partial disability multiplier is the ratio of the PPD judgment or settlement amount to the highest PPI rating associated with an injury. PPD multipliers are calculated by dividing the PPD percent amount by the highest PPI rating. PPD multipliers reported in the tables below reflect the combination of converted scheduled member injuries with body as a whole injuries. The median PPD multiplier for 2009 to 2014 pre act cases is 1.5. While there were only 19 cases representing 2014 post act injuries, it is interesting to note that the mean and median PPD multiplier was 1.0, the statutory multiplier determination for cases where the injured workers were returned to pre injury employment.

Average PPD Multipliers – Employee Returned to Work

Year	N	Median	Mean	Std. Deviation
2009	4139	1.5	1.6	1.3
2010	4084	1.5	1.6	1.2
2011	4190	1.5	1.5	0.9
2012	4542	1.5	1.6	1.1
2013	4925	1.5	1.6	1.3
2014 PRE	3810	1.5	1.5	1.3
2014 POST	19	1.0	1.0	0.4

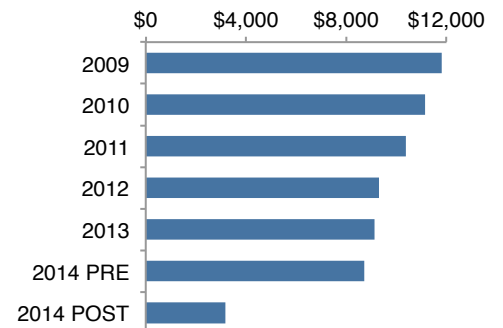


Permanent Partial Disability – Monetary Benefits – Employee Returned to Work

Median PPD monetary benefits have reduced from \$11,809 in 2009 to \$8,707 for 2014 pre act cases. Average amounts reported below reflect the combination of converted scheduled member injuries with body as a whole injuries. Previous ACWC statistical reports described a similar reduction in PPD benefits to what is presented.

Average PPD Benefit Amount – Employee Returned to Work

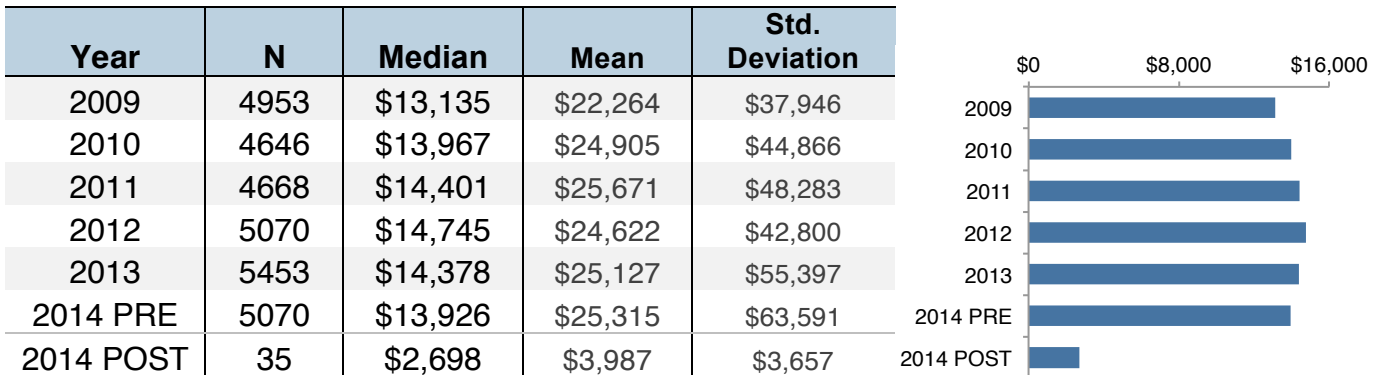
Year	N	Median	Mean	Std. Deviation
2009	5185	\$11,809	\$25,558	\$47,367
2010	4852	\$11,145	\$25,203	\$50,940
2011	4854	\$10,366	\$23,844	\$48,826
2012	5181	\$9,302	\$20,855	\$43,829
2013	5542	\$9,133	\$19,741	\$37,402
2014 PRE	5162	\$8,707	\$19,318	\$42,400
2014 POST	34	\$3,181	\$4,464	\$3,805



Medical Benefits/Expenses – Employee Returned to Work

Average medical benefits/expenses for cases where the injured workers were returned to pre injury employment are reported in the charts below. Average medical amounts reported are for combined scheduled member and body as a whole cases and range from a median of \$13,135 to \$14,745. The median amount for 2014 pre act cases was \$13,926.

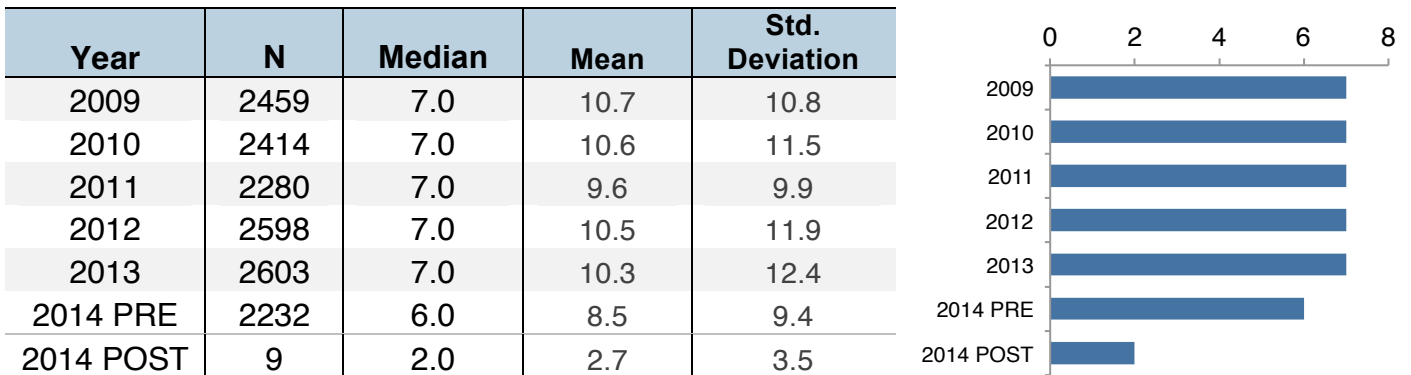
Average Medical Benefit/Expense – Employee Returned to Work



Permanent Partial Impairment Ratings – Employee did not Return to Work

Like cases where the injured worker was returned to pre injury employment, cases involving single side injuries were selected for PPI, PPD, multiplier and medical amount for analysis of non return to work experiences. Additionally, scheduled member PPI ratings were converted to body as a whole using the AMA guides. The median PPI rating for 2014 pre act cases was 6.0, down from 7.0 in 2009 through 2013 cases.

Average PPI Ratings – Employee did not Return to Work

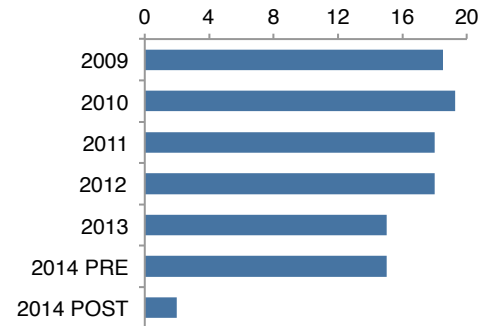


Percentage Awarded for Permanent Partial Disability – Employee did not Return to Work

The median PPD percent for 2014 pre act cases where injured workers did not return to work was 15.0. The charts below displays average PPD percentages and include converted scheduled member and body as a whole amounts together. PPD percentages ranged from a high of 19.3 in 2010 to a low of 15.0 in 2013 and 2014 pre act cases. A PPD amount of 15.0 translates to 60 weeks of benefits.

Average PPD Percent - Employee did not Return to Work

Year	N	Median	Mean	Std. Deviation
2009	2078	18.5	25.3	22.2
2010	2096	19.3	26.0	22.3
2011	1965	18.0	24.2	21.0
2012	2301	18.0	24.3	21.2
2013	2465	15.0	22.3	21.1
2014 PRE	1690	15.0	22.3	21.1
2014 POST	5	2.0	5.9	6.4

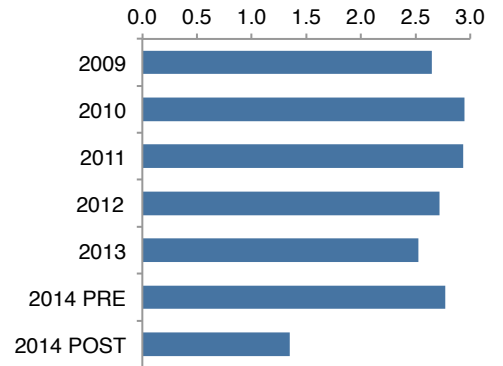


Permanent Partial Disability Multipliers – Employee did not Return to Work

Permanent partial disability multipliers for cases involving permanent injury where injured workers did not return to pre injury employment ranged from 2.5 to 2.9. The PPD multiplier for 2014 pre act cases where the injured worker did not return to work was 2.8. This does not include cases that were reconsidered due to changes related to the injured workers' work status or other factors of reconsideration.

Average PPD Multiplier - Employee did not Return to Work

Year	N	Median	Mean	Std. Deviation
2009	1985	2.7	2.8	1.8
2010	2038	2.9	3.1	2.6
2011	1906	2.9	3.0	2.2
2012	2238	2.7	3.0	2.4
2013	2298	2.5	3.2	6.4
2014 PRE	1641	2.8	3.1	4.7
2014 POST	5	1.4	1.7	1.3

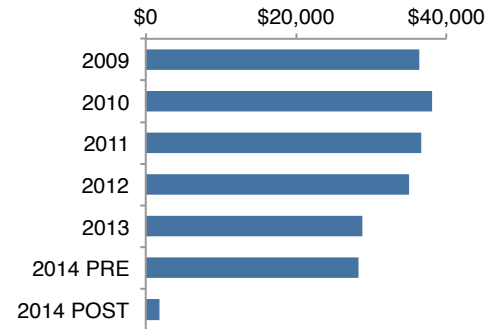


Permanent Partial Disability – Monetary Benefits – Employee did not Return to Work

The median PPD amount paid for injured workers who did not return to pre injury employment for 2014 pre act cases was \$28,333, down from \$38,125 for cases concluded in 2010. The following charts display average medical expenses paid for cases involving permanent disability where injured workers did not return to work.

Average PPD Benefit Amounts - Employee did not Return to Work

Year	N	Median	Mean	Std. Deviation
2009	2477	\$36,363	\$69,186	\$96,081
2010	2434	\$38,125	\$76,013	\$123,561
2011	2300	\$36,654	\$73,954	\$120,956
2012	2619	\$35,030	\$71,796	\$115,366
2013	2741	\$28,767	\$67,720	\$115,956
2014 PRE	2245	\$28,333	\$65,833	\$117,224
2014 POST	9	\$1,850	\$5,004	\$6,748

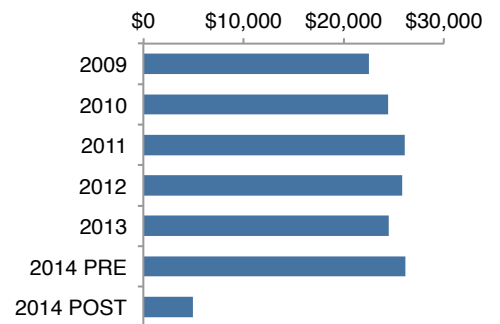


Medical Benefits/Expenses – Employee did not Return to Work

No consistent trend is displayed in the following charts for median medical benefits/expenses paid for cases where the injured workers were not returned to pre injury employment. Cases concluded in 2009 had the lowest median amount of \$22,473 while 2014 pre act cases had the highest amount of \$26,159.

Average Medical Benefits/Expenses - Employee did not Return to Work

Year	N	Median	Mean	Std. Deviation
2009	2177	\$22,473	\$55,529	\$425,890
2010	2150	\$24,440	\$52,777	\$112,086
2011	2056	\$26,077	\$56,797	\$138,057
2012	2310	\$25,850	\$62,734	\$230,356
2013	2324	\$24,503	\$69,653	\$576,212
2014 PRE	2081	\$26,159	\$56,645	\$132,151
2014 POST	10	\$4,935	\$6,924	\$6,253

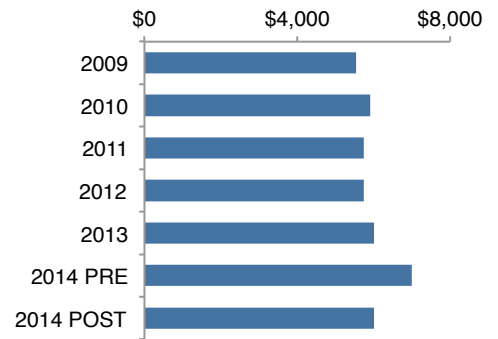


Lump Sum Benefits

The following charts depict the average amount paid in lump sums at the time of conclusion (SD-1 filing). The median lump sum amount increased from \$5,536 in 2009 to \$7,000 in 2014 pre act cases. The percent of cases per year with lump sum payments varies between 3.0% to 5.4%. The numbers reported represent all cases, regardless of return to work status. Average lump sum information was not presented in previous ACWC statistical reports.

Average Lump Sum Benefits Paid

Year	N	Median	Mean	Std. Deviation
2009	261	\$5,536	\$19,289	\$51,568
2010	252	\$5,900	\$20,967	\$51,707
2011	270	\$5,738	\$17,801	\$43,816
2012	460	\$5,738	\$18,353	\$72,835
2013	396	\$6,000	\$18,432	\$70,114
2014 PRE	257	\$7,000	\$23,270	\$82,739
2014 POST	2	\$6,000	\$6,000	\$0

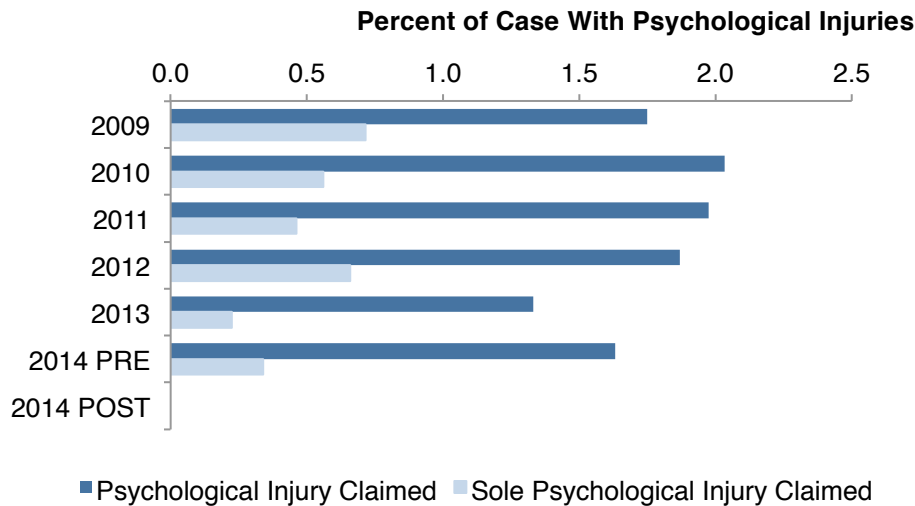


Psychological Injury

Psychological injury can be associated with workers' compensation cases in two ways, an injured worker can claim psychological injury in addition to other injuries, or it can be the sole injury. The chart below displays the frequency and percent of claims involving psychological injury. For 2014 pre act cases, 130 cases (1.6%) involved psychological injury and in 27 (0.3%) cases, psychological injury was the sole claim.

Frequency of Psychological Injuries

Year	Psychological Injury Claimed		Sole Psychological Injury Claimed	
	N	Percent	N	Percent
2009	149	1.7	61	0.7
2010	163	2.0	45	0.6
2011	154	2.0	36	0.5
2012	156	1.9	55	0.7
2013	118	1.3	20	0.2
2014 PRE	130	1.6	27	0.3
2014 POST	0	0.0	0	0.0



Appeals

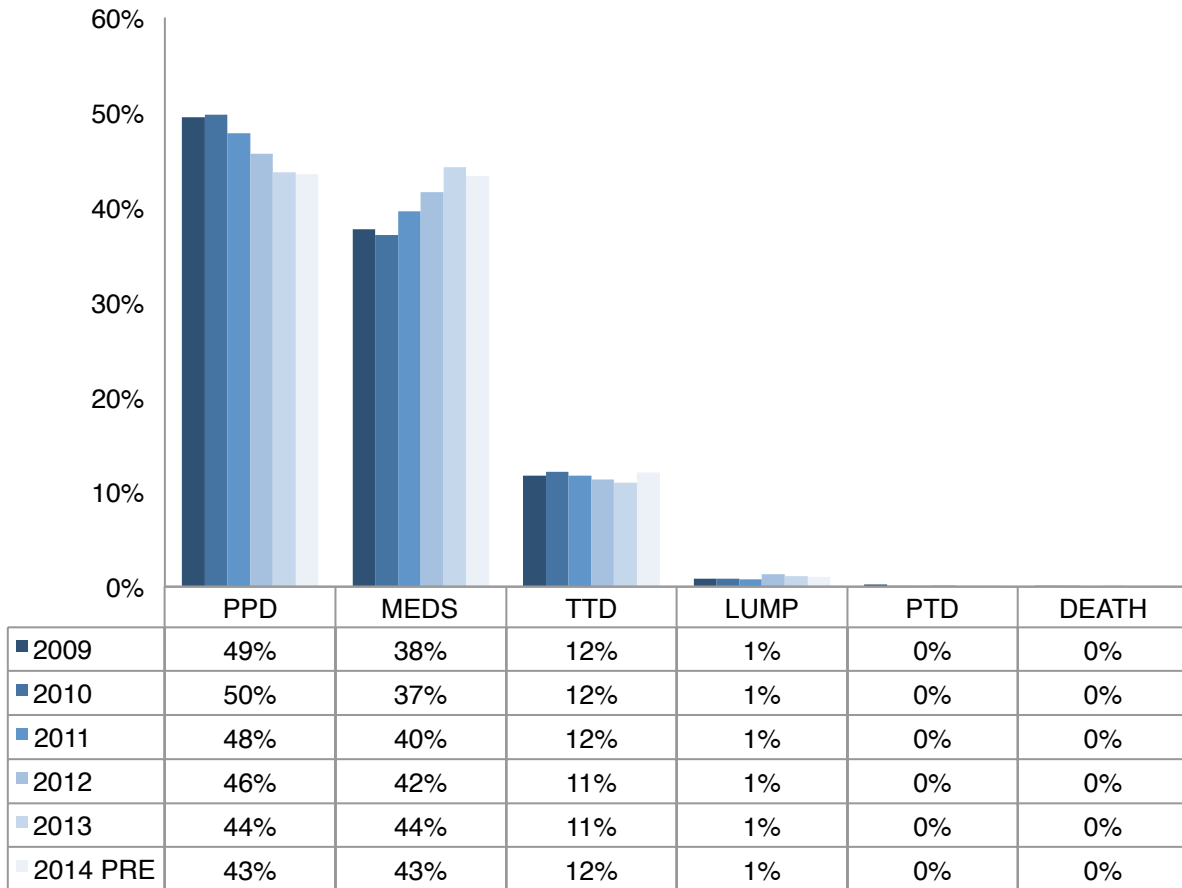
For pre 2013 Reform Act cases, after a case has been tried by a court in Tennessee, either party may appeal the court’s verdict to the Tennessee Supreme Court. Pursuant to Supreme Court rules, all workers’ compensation cases are referred to the Special Workers’ Compensation Panel for hearing. It is mandatory for the Appeals Panel to hear the case. After the decision of the Panel has been sent to the parties, either or both of the parties can request of the Supreme Court a Full Court Review of the case. This review is discretionary with the Supreme Court. If a Full Court Review is granted, the case is argued before the entire Supreme Court and an opinion is issued. If a motion for a Full Court Review is not filed, the Supreme Court formally adopts the Panel’s opinion. Decisions of both the Appeals Panel and the Supreme Court are published on the Supreme Court’s website (www.tncourts.gov). For post 2013 Reform Act cases, The University of Tennessee College of Law Library also publishes Court of Workers’ Compensation Claims and Appeals Board decisions online. Additionally, the ACWC publishes summaries of significant Supreme Court decisions. The following table contains information regarding workers’ compensation appeals that was provided by the Administrative Office of the Courts.

Number of Workers’ Compensation Supreme Court Appeals

Year	Number of Workers' Compensation Appeals	Number of Motions for Full Court Review Filed	Number of Motions for Full Court Review Granted	Number of Motions for Full Court Review Denied
2009	111	42	2	45
2010	94	22	3	17
2011	95	27	2	20
2012	76	25	1	25
2013	58	19	1	19
2014	64	22	0	22

Medical & Indemnity Summary

The following chart displays the percent of all medical and indemnity dollars paid at the time of conclusion as indicated on SD-1 forms. This does not include payments made in medical only claims. For 2013, the percent of benefits paid for permanent partial disability and for medical costs was the same, 44% for each. The percent paid for medical and PPD benefits were also the same for 2014 pre act cases at 43% for each. From 2009 to 2012, the percent of the total amount of benefits paid for medical benefits increased from 38% to 42%, while permanent partial disability benefits decreased from 49% to 46%. Temporary total benefits remained nearly constant at 11% or 12% of the total amount of benefits. Lump sum payments constituted 1% of benefits paid. While some benefit amounts were paid for permanent total disability and death benefits, the percentages were less than a half of a percent for the years analyzed. The total amount of benefits paid at the time of conclusion when medical and indemnity were added together ranged between \$569 million to \$676 million per year.



Conclusion

This report is the 19th year in which the Advisory Council on Workers' Compensation in Tennessee has had data in some form or another. What started as a look at several hundred trial judgments per year, has grown to an analysis of nearly 50,000 trial judgments and case settlements over six years. The implementation of workers' compensation reforms have been documented with data going back to the implementation of the 2.5 multiplier caps for body as a whole injuries in 1992¹, the implementation of the SD-1 form, and the 2004 Reform Act. While it is too early to analyze the effects of the 2013 Reform Act, this report lays the groundwork for future pre and post act comparisons. The numbers reported on the preceding pages are consistent with previous ACWC statistical reports. This provides validity to new research methods while adding possibilities for future capabilities in analysis. Even though gauging the impacts of the 2013 Reform Act is not yet possible, the basis for expanded analysis is being delivered. A snapshot of Tennessee's workers' compensation system has been benchmarked. This snapshot shows that pre act data trends previously reported have continued. The benchmarking also reveals that there are continued discrepancies in the amount of missing data provided on SD-1 forms. For instance, only 67% of cases had age information, and 70%-75% had education information. While there was data for a majority of the cases for even the most under reported variables, there were still, at times, 2,000 plus cases where there was not information given. It is assumed that the data that was reported is representative, since there were cases from all years and all regions across a wide spectrum of injury types. However, to put it simply, we don't know what we don't know. This report documents what is known, as reported on SD-1 forms. As more post 2013 Reform Act data becomes available, the systemic effects of its implementation will be reported.

¹ The multiplier cap was implemented for cases with injury dates after 8/1/1992. Trial judgments from 1996 were the first to be reported on by the ACWC.