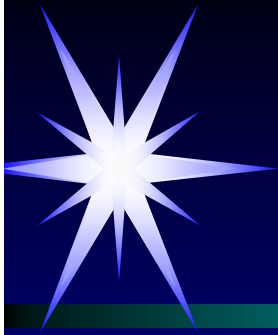


# Kentucky's Workers' Compensation Program



Commissioner Dwight T. Lovan  
Kentucky Department of Workers' Compensation

CompEd  
June 3-4, 2010



# 2010 Regular Legislative Session

## A. Passed Legislation

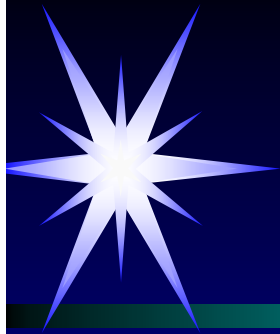
### 1. HB 38

Retain use of the 5<sup>th</sup> Edition of the AMA Guides and chapter 12 of the 2nd edition for psychological impairments;

### 2. Confirmation by the Senate of four Administrative Law Judges and one Board Member

### 3. Extended the life of the Funding Commission from 2018 to 2029.

### 4. Reorganization bill creating three cabinets including the Labor Cabinet and making Workers' Claims a Department.

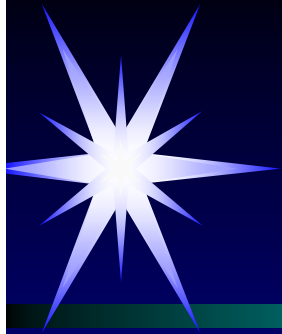


# 2010 Regular Legislative Session



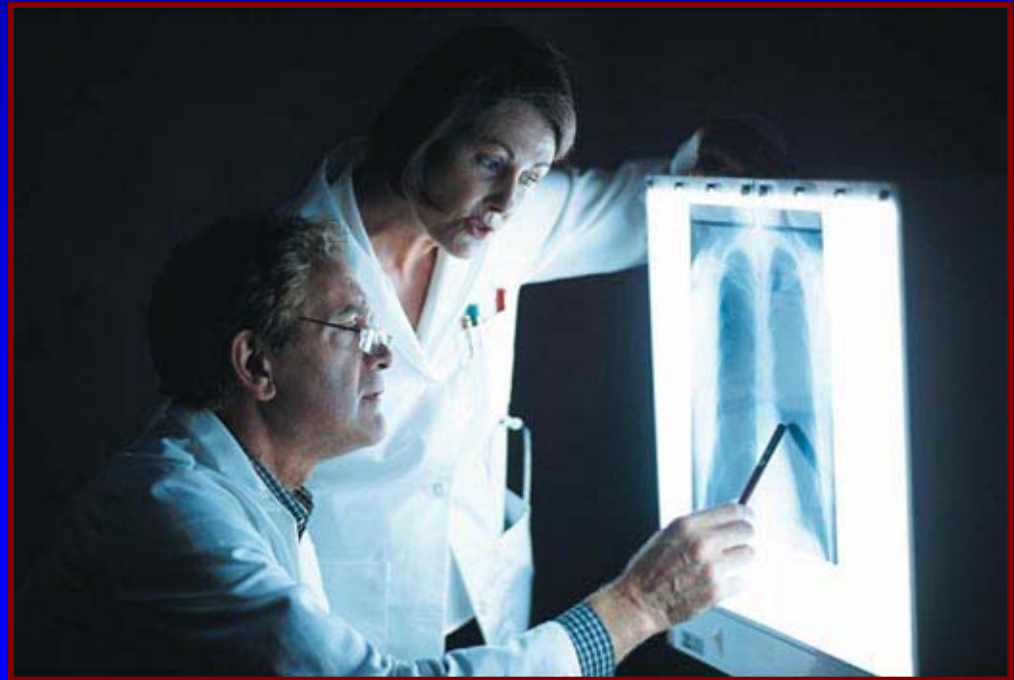
## B. Introduced Legislation: Senate Bill 220

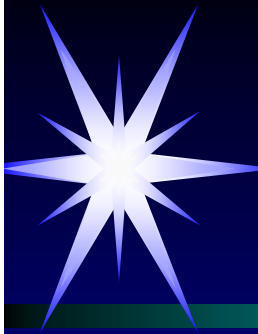
This includes significant changes such as amending various sections of KRS Chapter 342 to limit income and medical benefits to age 70 or five years after the injury, change the time for reopenings, and increase attorney fees; modify the income benefits in KRS 342.730; allow retention for sitting board members; create a study group for medical issues.



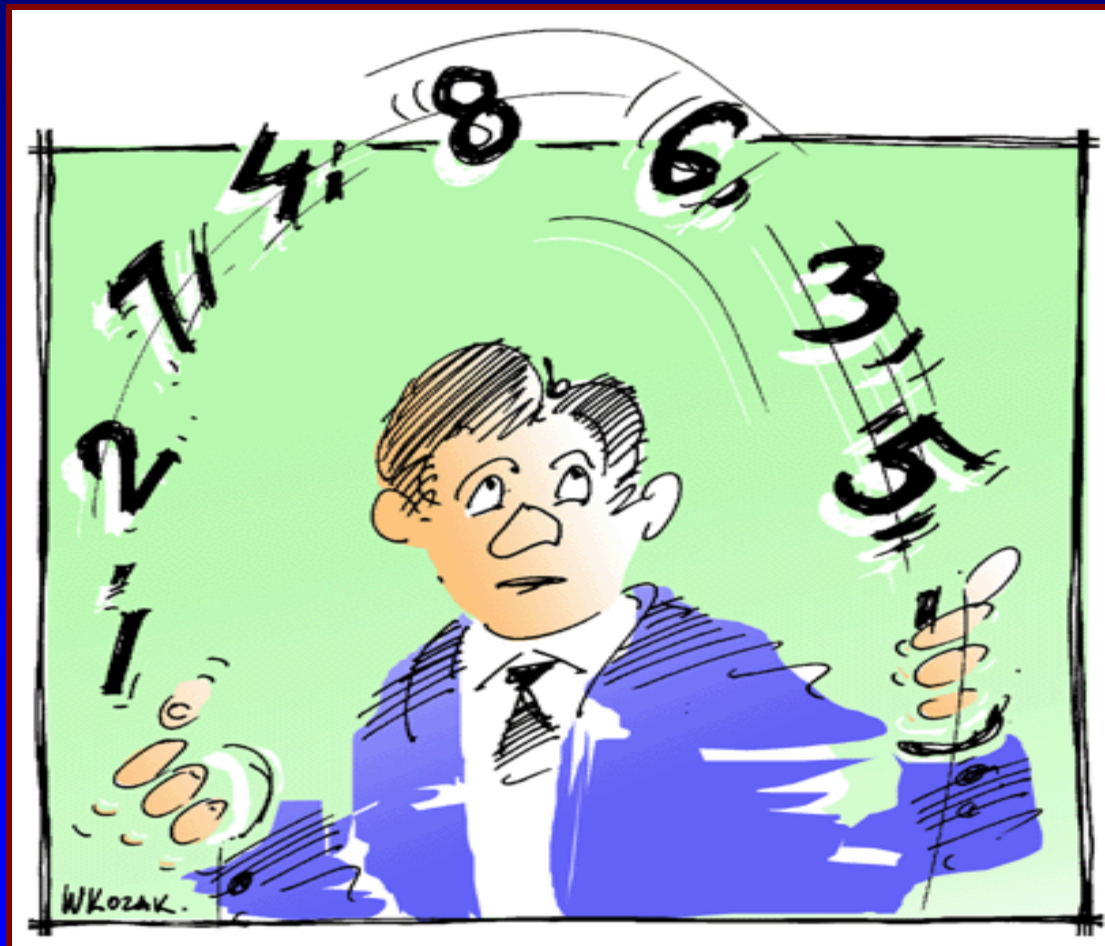
# What's New at the Department of Workers' Claims?

- Gardner V. Vision Mining, Inc. – Black lung process unconstitutional
- Practice and Procedural Regulations





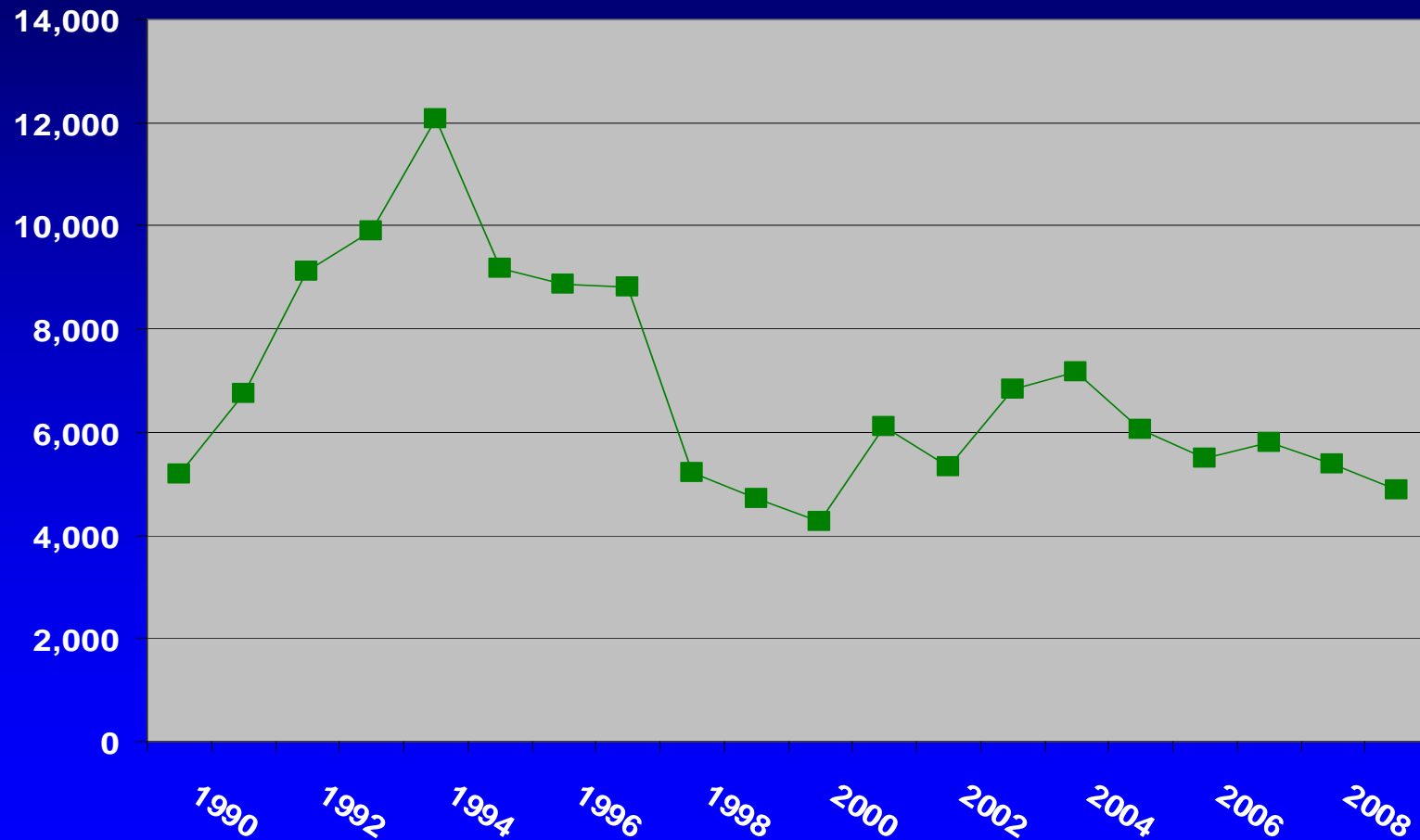
# Statistical Update





# Kentucky Claims Frequency

*Fiscal Year Ending 1990 - 2009*



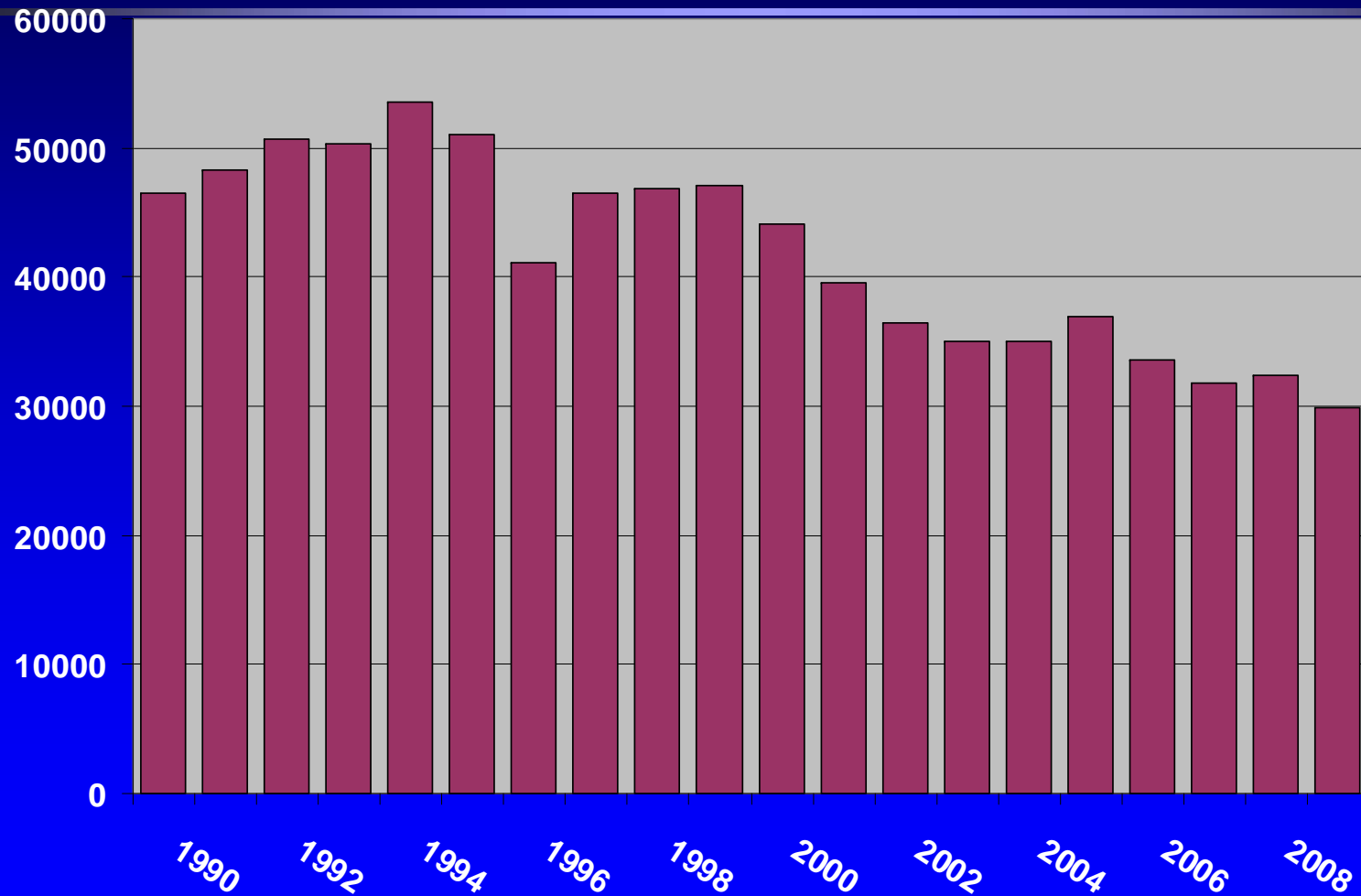
Based on claims filed during fiscal year ending.

Source: Research; 5/10/2010



# Lost Time First Report of Injury:

*Fiscal Year Ending 1990 - 2009*

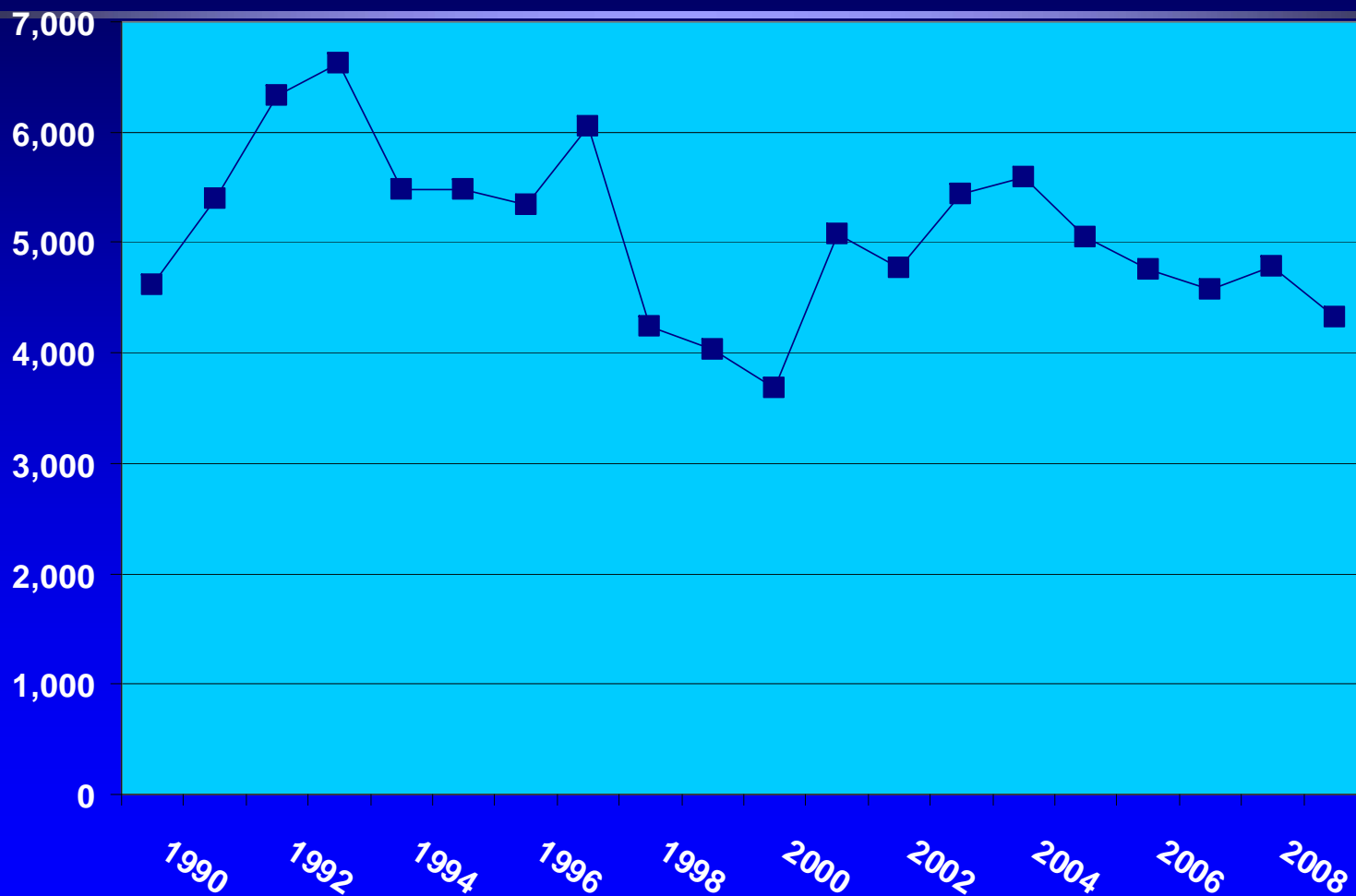


Source: Research; 5/10/2010

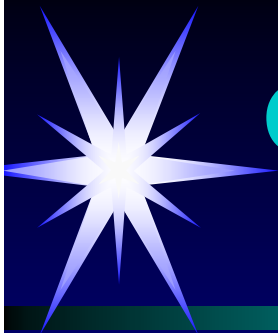


# Injury Claims Filed by Fiscal Year

1990 - 2009

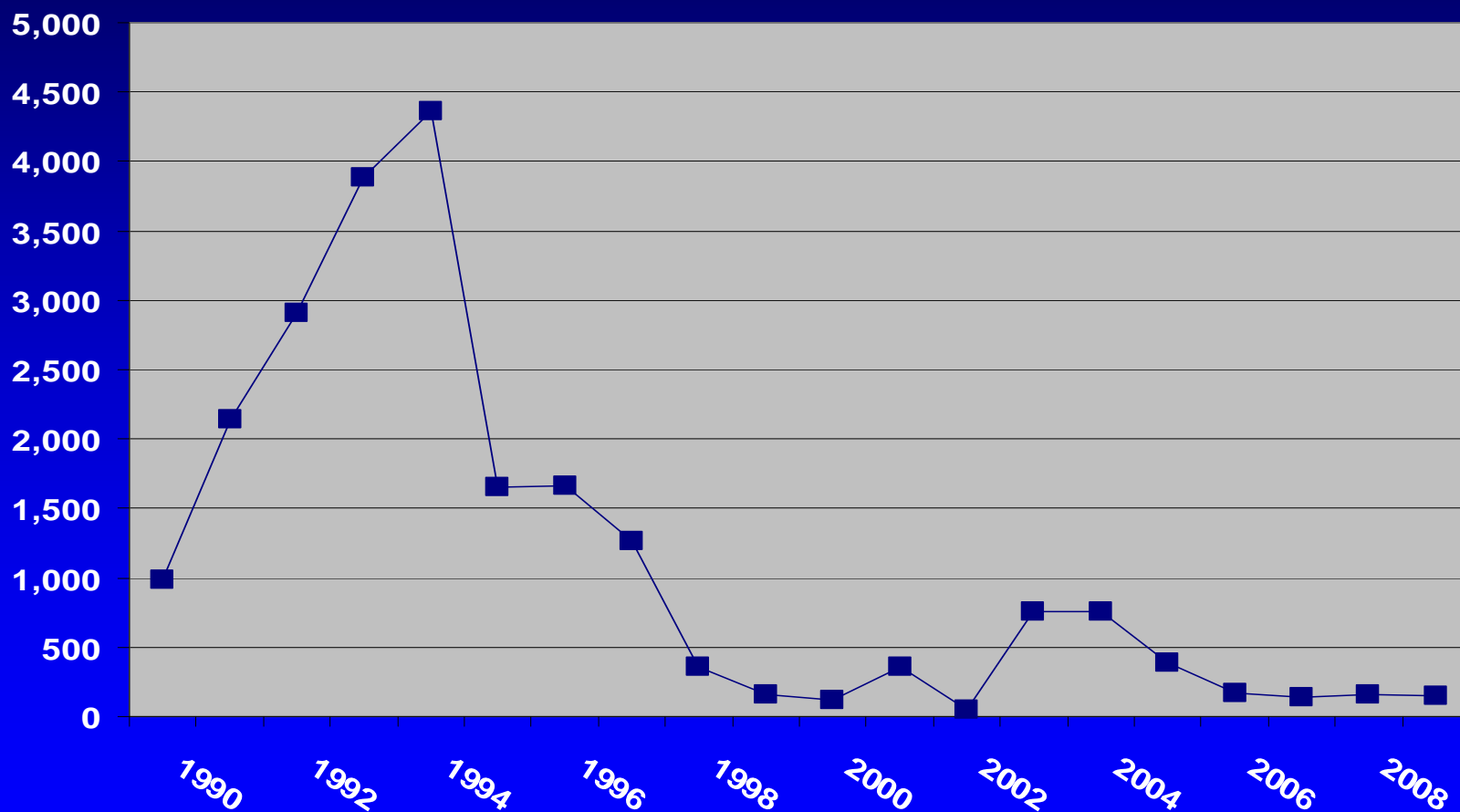


Source: Research; 5/10/2010 (By Nature Type: Injury Classification)



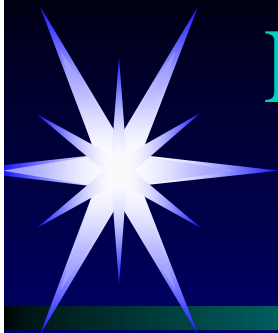
# CWP Claims Filed by Fiscal Year

1990 - 2009



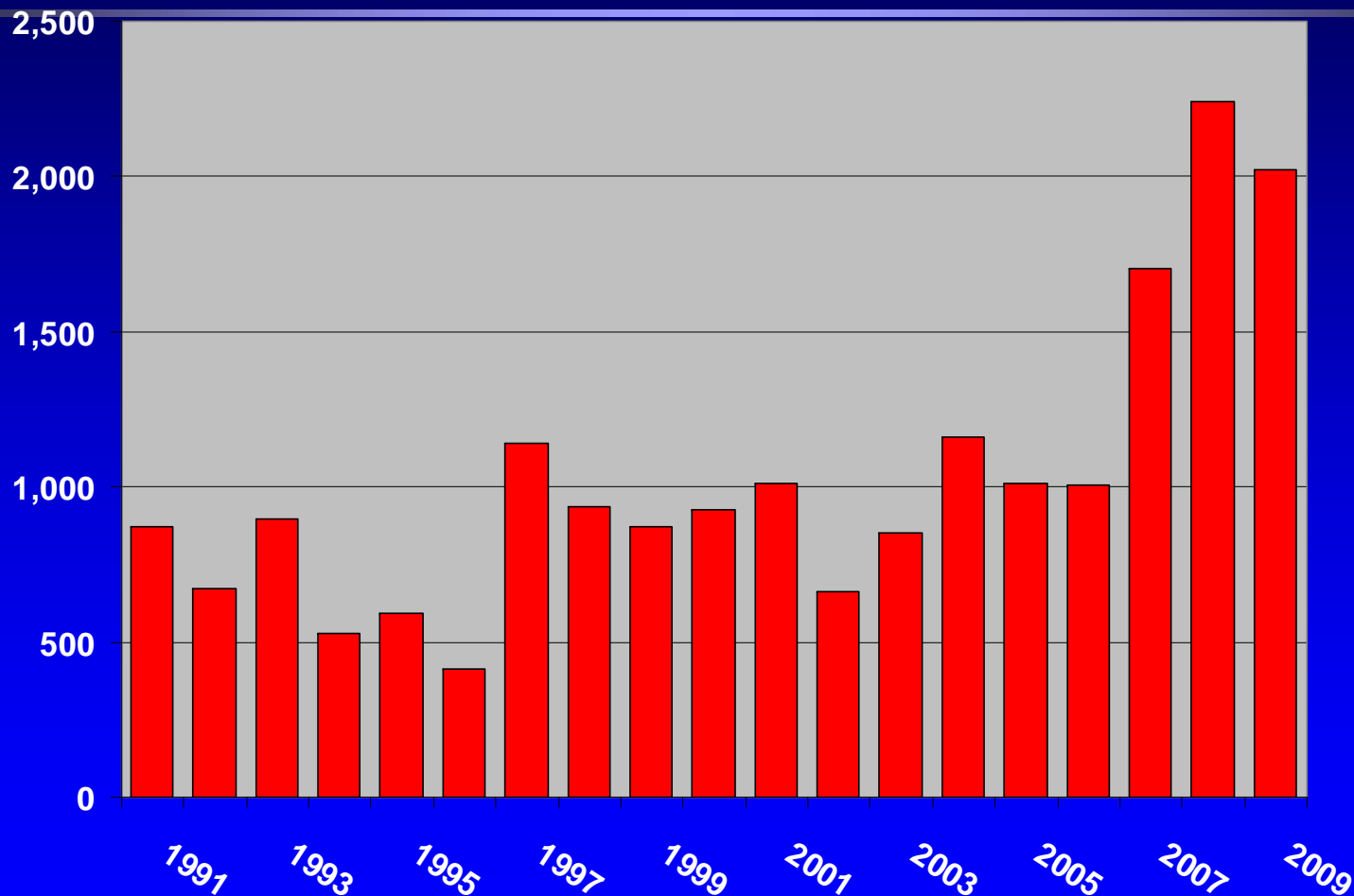
Source: Research; 5/10/2010

\*1990 - 1993 CWP data includes all OD categories including RIB claims



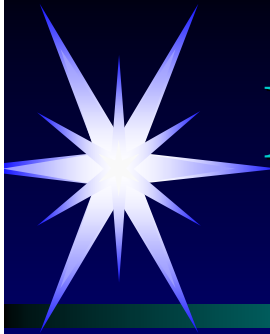
# Reopenings by Fiscal Year

1990 - 2009



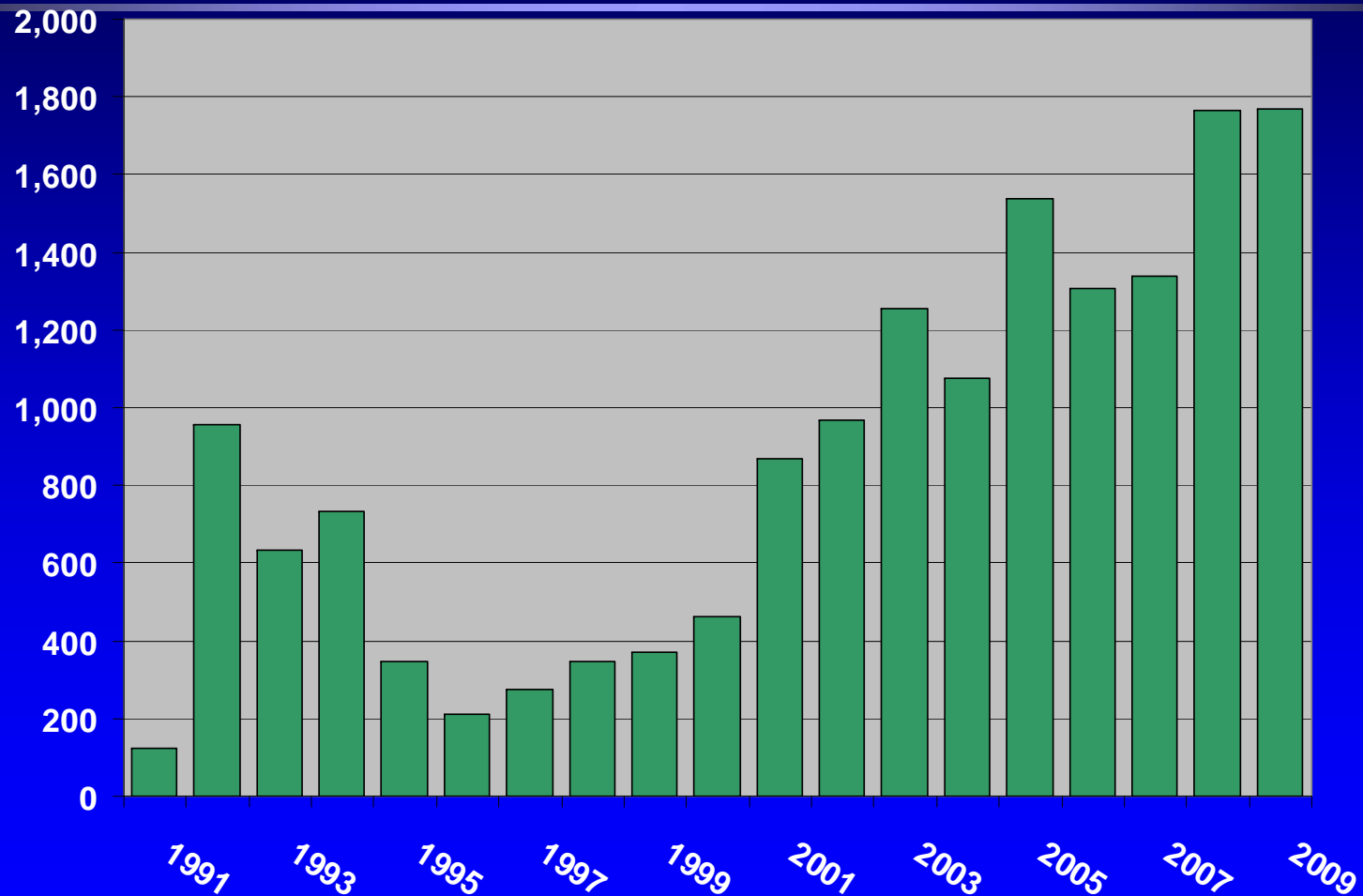
Data may contain more than one reopening for each individual claim number.

Source: Research; 5/10/2010



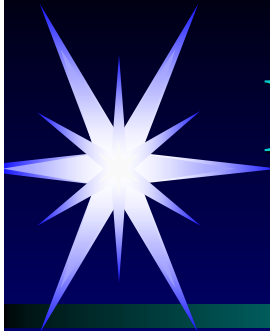
# Medical Fee Disputes

1990-2009



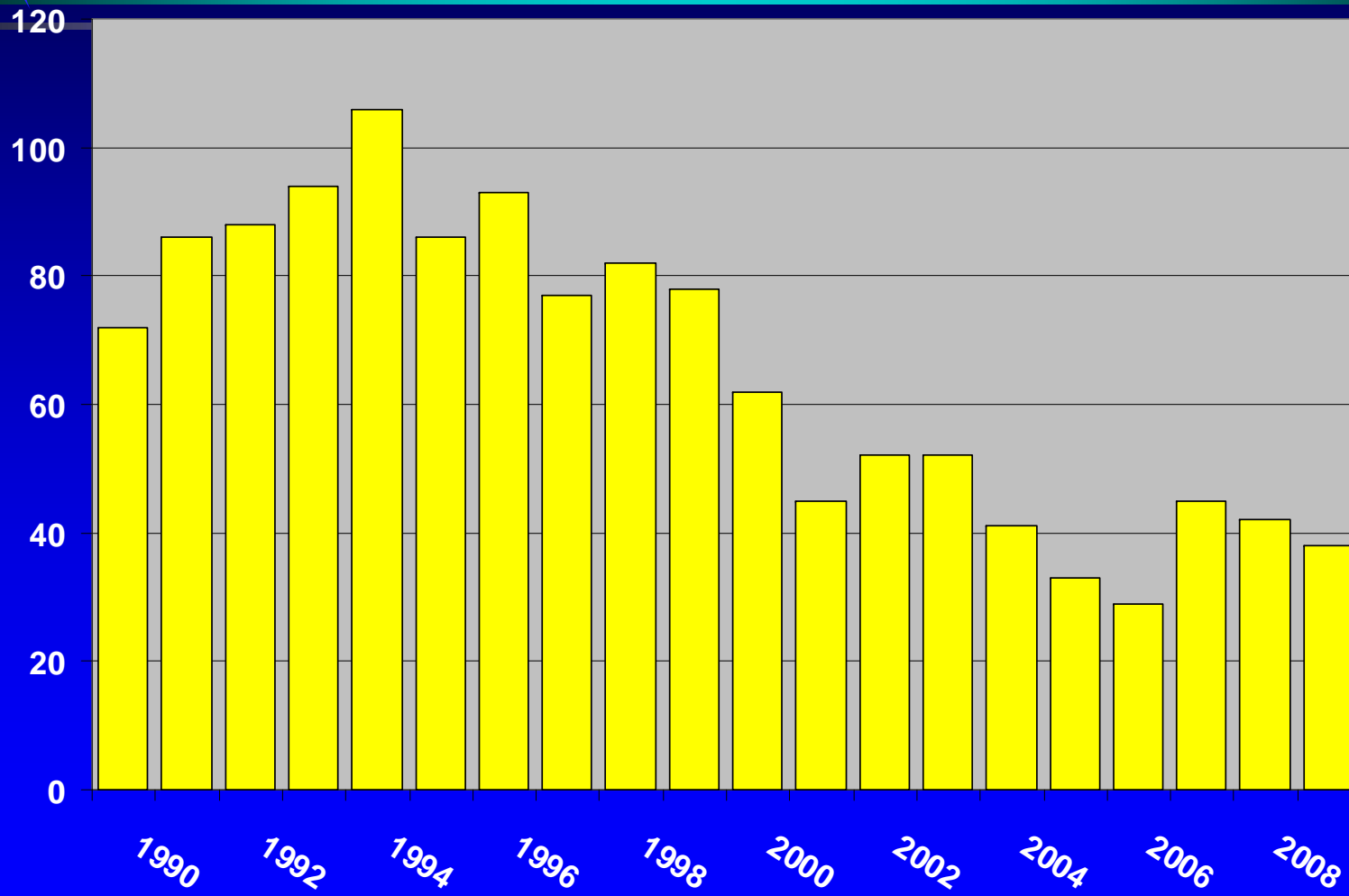
Source: Research; 5/10/2010

\*New procedures for medical fee dispute resolution were instituted during FY 91-92



# Fatalities by Fiscal Year

1990 - 2009

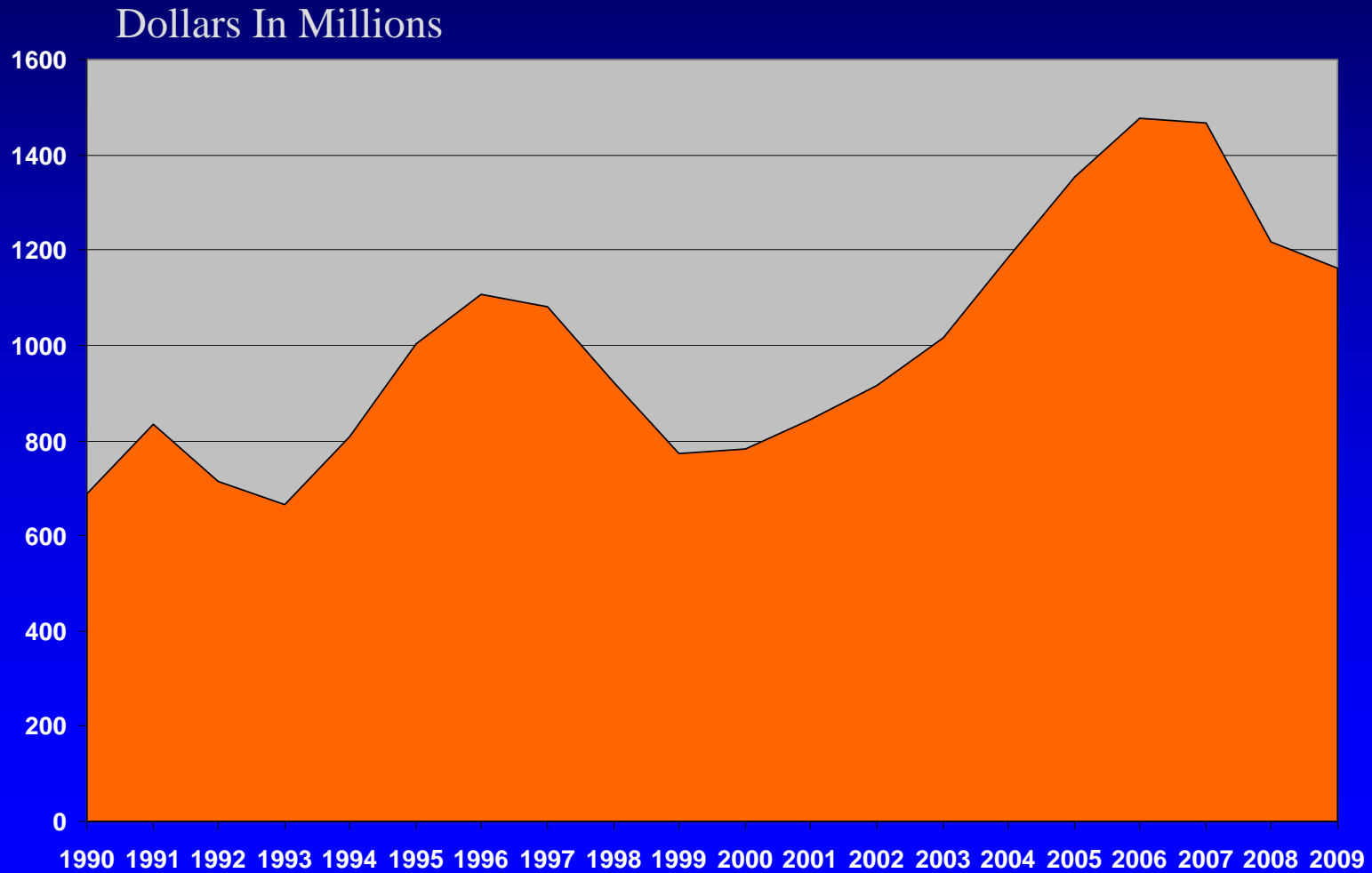


Data represents fatalities determined to be work related.  
Source: Research; 5/10/2010



# Kentucky Workers' Compensation Program

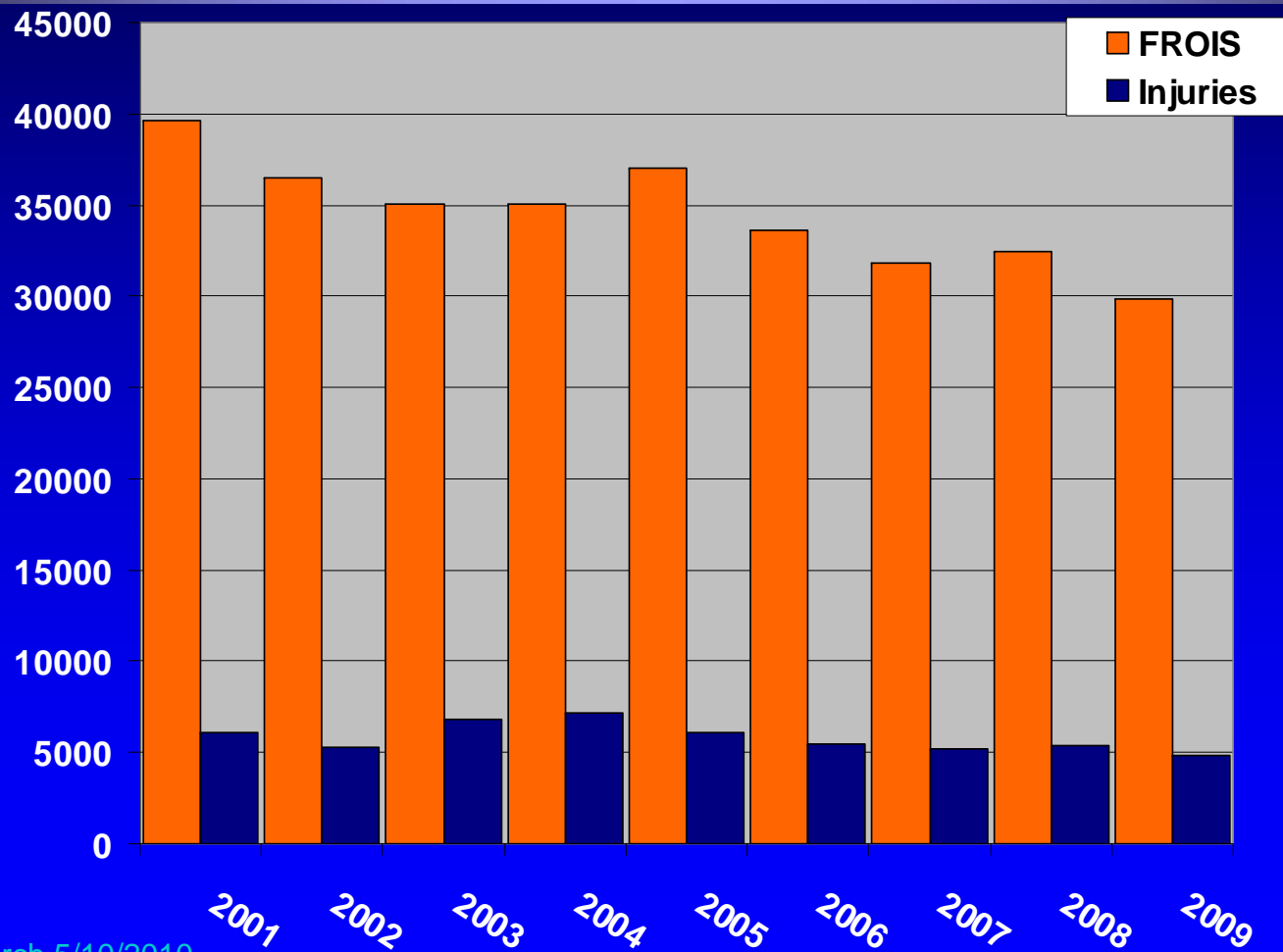
## *Total System Costs 1990 - 2009*



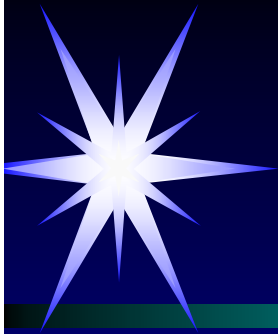
Source: Kentucky Funding Commission: 5/20/2010



# Ratio of Injuries to Claims by Fiscal Year 2001-2009

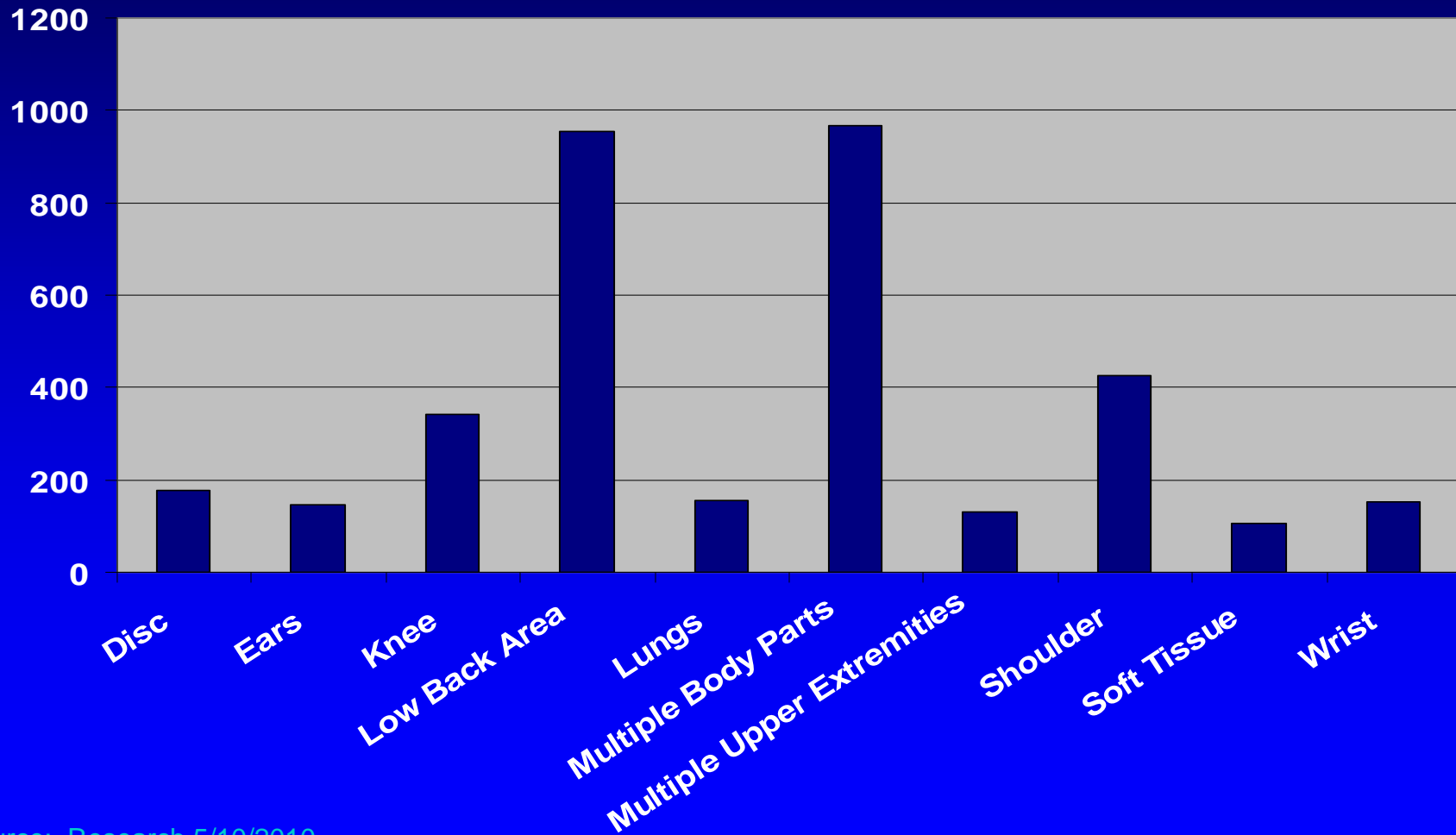


Source: Research 5/10/2010  
All classifications have been included



# Distribution of Claims by Body Part

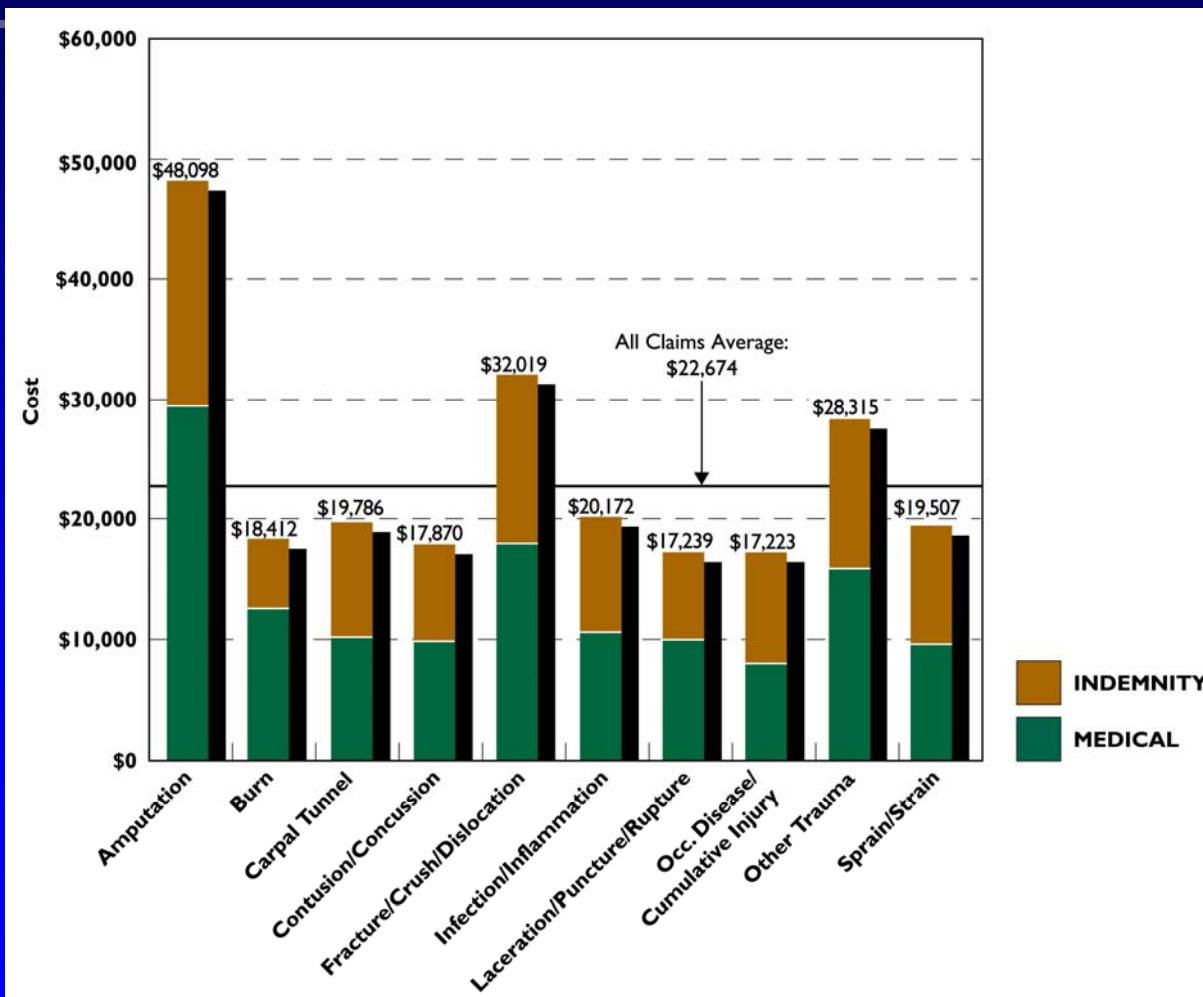
## (Top Ten) FY 08-09



Source: Research 5/10/2010  
Based on file date



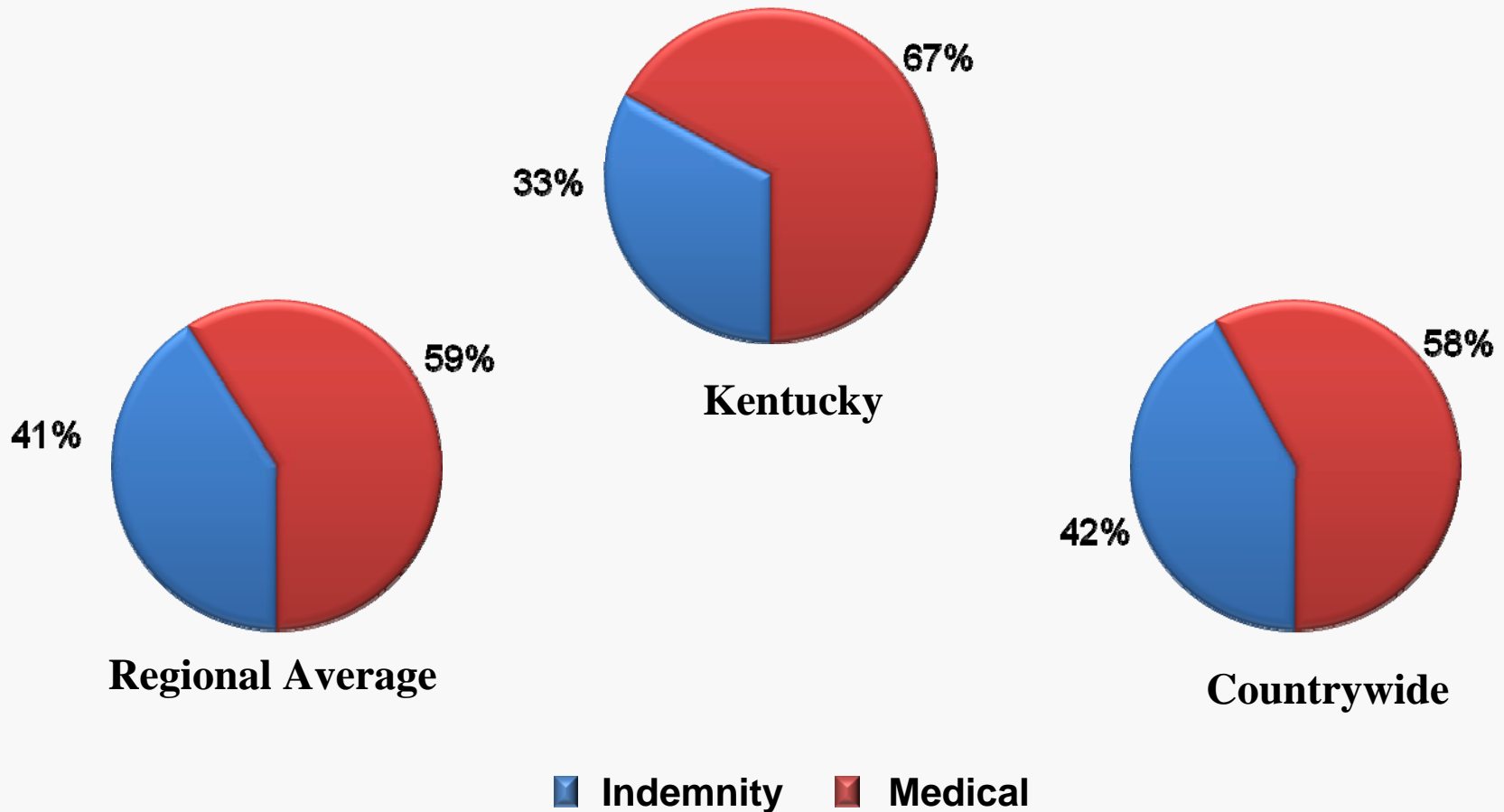
# Average Total Incurred Costs Per Claim by Nature of Injury FY 06-07



Source: National Safety Council – Injury Facts 2010; Data depicts indemnity and medical benefits.



# Medical Benefits Constitute the Majority of Total Benefit Costs in Kentucky



Regional states are Illinois, Indiana, Tennessee, and Virginia – NCCI – 2009



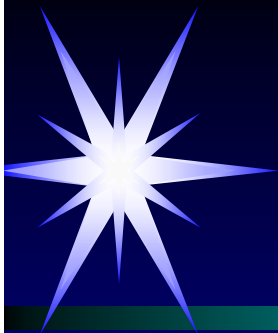
# DWC Enforcement Actions

## *by Fiscal Year*

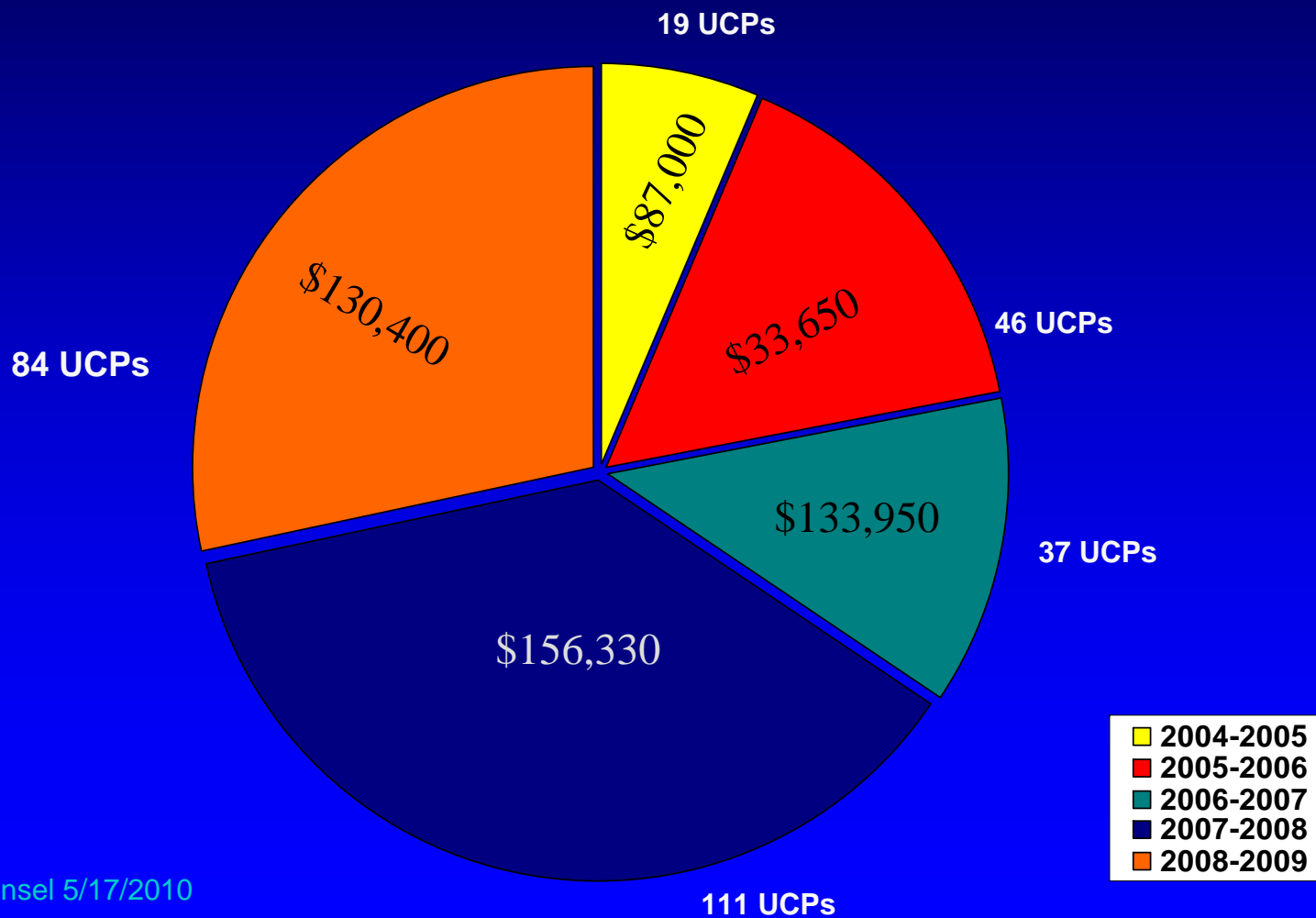
### Investigation Analysis

	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
Number of Investigations	8,993	10,474	7,797	10,049	10,415	10,798
Number of Citations	709	1,142	1,052	1,000	966	979
Penalties Collected (\$)	\$388,826	\$737,755	\$1,192,471	\$1,362,754	\$1,061,324	\$1,533,629

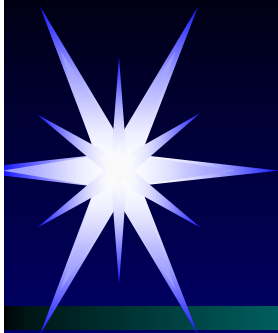
Source: Division of Security and Compliance



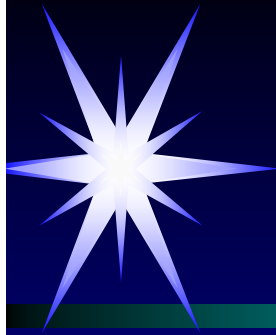
# Unfair Claims Practices *Penalties and cases by Fiscal Year*



Source: General Counsel 5/17/2010



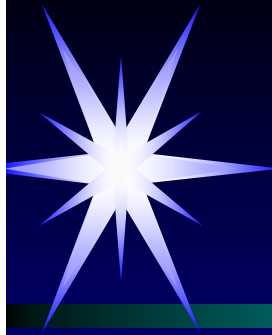
**COMING  
ATTRactions**



# Coming Attractions

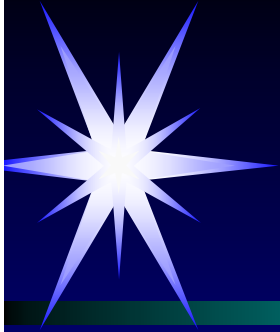
## Regulations

1. Medical Disputes and Medical Reopenings
2. Physicians Fee Schedule
3. All regulations of the Department



## *Work in Progress...*

- Online Filing
- Online Lookup



Thank you!

