



Department of Labor and
Workforce Development
DIVISION OF WORKERS'
COMPENSATION
Web: <http://labor.state.ak.us/wc>

STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION

2017 ANNUAL REPORT



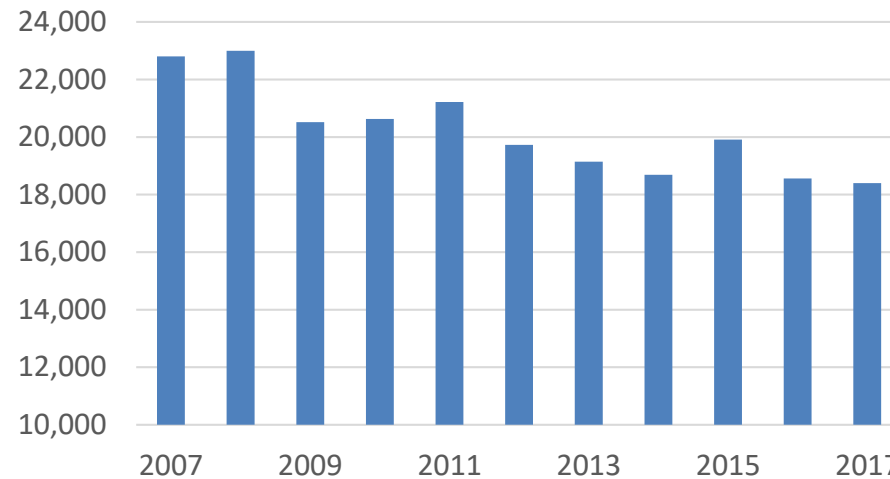
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Analysis of Workers' Compensation Claims Data

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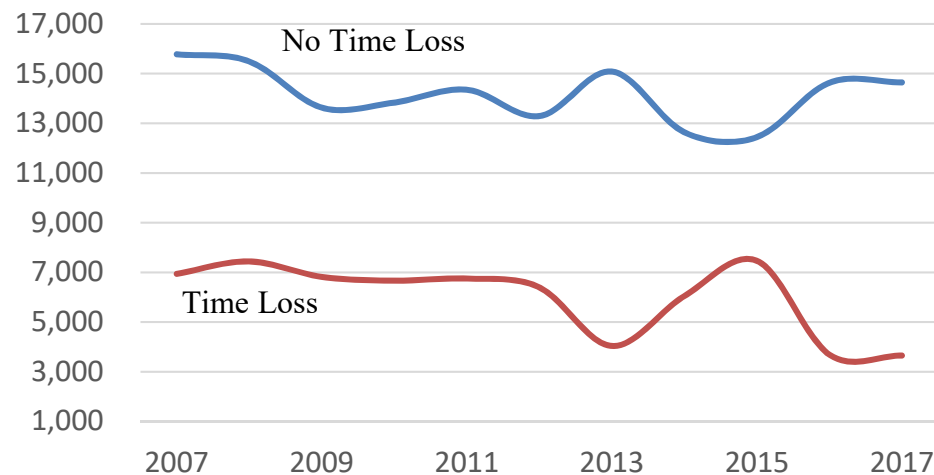
In 2017, there were 18,396 reports of injury and occupational illness filed with the Workers' Compensation Division, a 0.9% decrease from 18,555 reports filed in 2016.

Total Injury Notices Received



Of the case files established in 2017:

- No-time-loss cases: 14,646 cases, 80%
- Time-loss cases: 3,652 cases, 20%
- Notification only cases: 4,198 cases
- Fatalities: 18 cases, 0.10%
- Jurisdictional claims: 80 cases, 0.43%





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Analysis of Workers' Compensation Claims Data

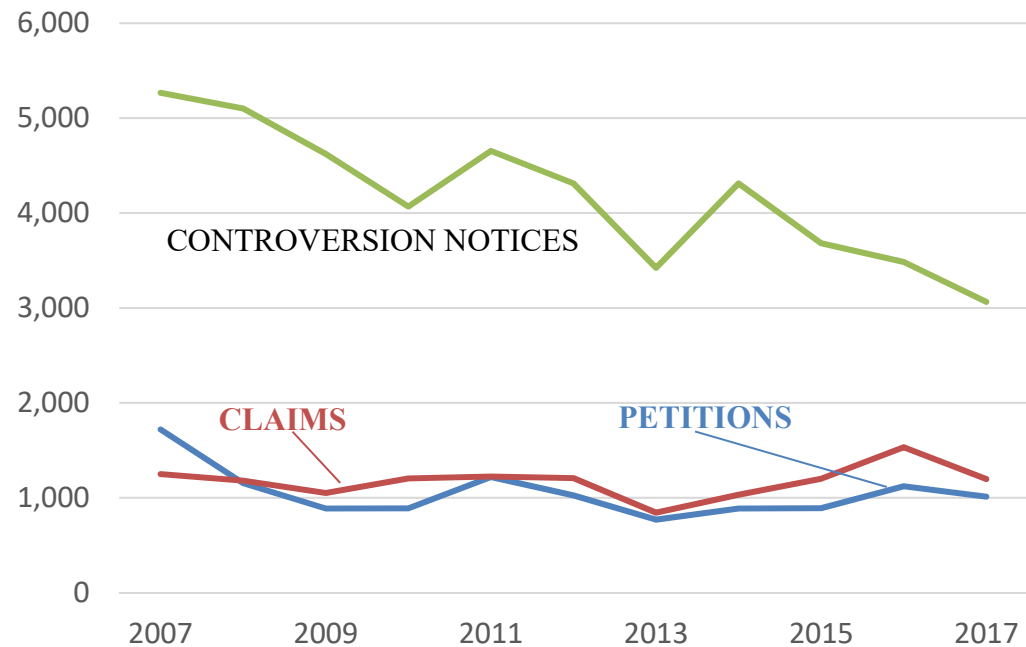
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In 2017, there were 1,198 claims filed, a 21.9% decrease from 1,533 claims filed in 2016.

There were 1,012 petitions filed, a 9.8% decrease from 1,122 petitions filed in 2016.

3,064 controversion notices were filed, a 5.4% decrease from 3,485 in 2016. The number of cases controverted in 2017 totaled 2,281, an 11.6% decrease from 2,579 cases in 2016.

CLAIMS & PETITIONS





2017 ANNUAL REPORT

ANNUAL TOTAL COMPENSATION REPORTING

Financial Reports and Audits

MONITORING: This section of the report provides information from the prior calendar year.

Under Alaska Statute 23.30.155(m), each insurer, providing workers' compensation coverage in Alaska or their adjuster must file an annual report with the Alaska Compensation Board providing number of claims filed, the type of claims filed, total dollars spent on medical, lost wages compensation, death benefits, rehabilitation costs and claim litigation costs. The annual report requirement also applies to uninsured employers and self-insured employers.

Along with the annual report, each insurer, adjuster, uninsured employer, or self insured employer must submit payment of their Second Injury Fund (SIF) contribution and their Workers' Compensation Fund fee. These fees fund reimbursements from the SIF and help support the Division's operations.

- This report covers activity from:
 - CY = Calendar Year Period from January 1, 2017 to December 31, 2017
 - FY = Fiscal Period from July 1 to June 30

Notes:

Other Costs Totals include the following Medical Costs: Physical Therapy, Chiropractic Fees, Durable Medical expenses, Medical Travel, Employee Medical-Legal Costs. This is a significant change in reporting medical expenses from previous medical expense data captured prior to 2014.



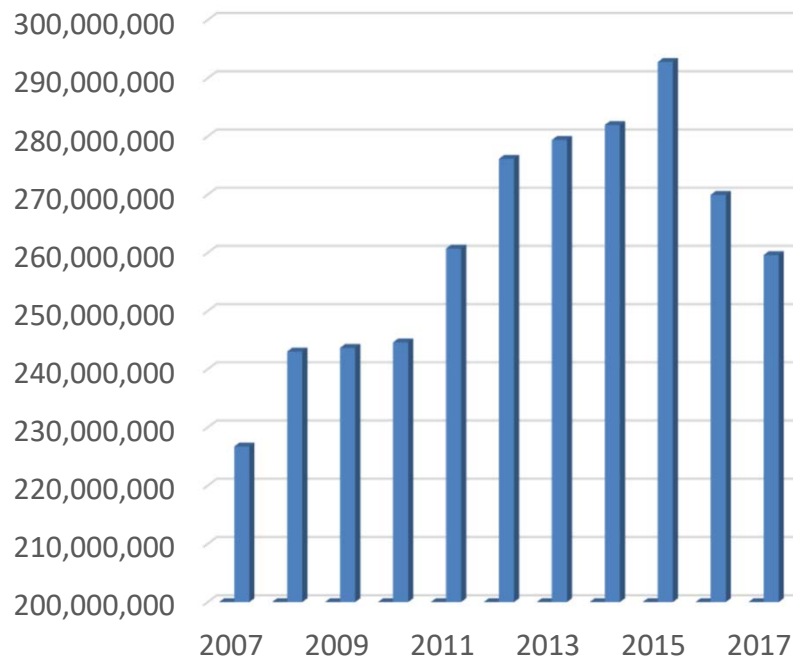
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Total Compensation Payments

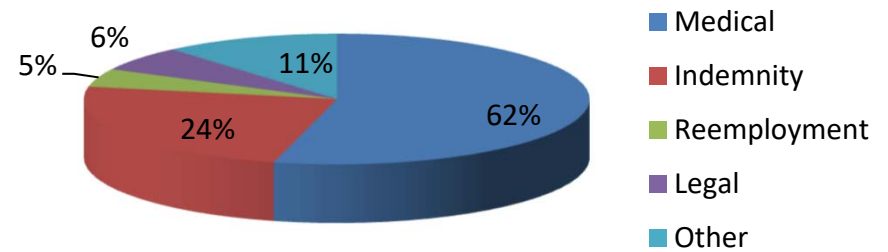
A total of \$259.5 million was paid in workers' compensation benefits during calendar year 2017 by 200 market-insured employers and self-insured employers. This is a decrease of 3.8% from \$269.9 million in 2016.

Of this amount, \$192.8 was paid by market-insured employers (74.3%), and \$66.7 million was paid by self-insured employers (25.7%).

Total Compensation Payments



Benefit Distribution





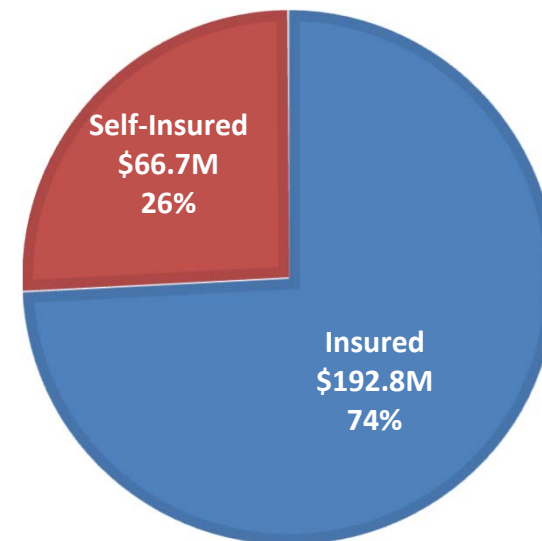
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Total Benefits Paid by Top Twenty Insurers/Self-Insured Employers

Of the \$259.5 million in total benefits paid in 2017, 192.8 million was paid by market-insured employers (74.3%), and \$66.7 million was paid by self-insured employers (25.7%). The top twenty insurers/self-insured employers paid \$176.2 million, or 68% of total workers' compensation benefits paid in 2017. This compares to \$186.7 million, or 69%, in 2016.

Rank	Self-Insurer	Total Benefits Paid
1	ALASKA NATIONAL INS CO	40,130,335.07
2	ALASKA, STATE OF	20,062,149.00
3	LIBERTY NORTHWEST INSURANCE CO	10,713,560.20
4	COMMERCE AND INDUSTRY INS CO	10,078,187.38
5	LIBERTY INSURANCE CORP	8,755,173.05
6	ANCHORAGE, MUNICIPALITY OF	8,276,151.64
7	ACE AMERICAN INSURANCE COMPANY	6,957,147.09
8	AMERICAN INTERSTATE INSURANCE CO	6,919,970.70
9	INDEMNITY INS CO OF NORTH AMERICA	6,671,901.26
10	AMERICAN ZURICH INS CO	6,372,994.97
11	ALASKA INS GUARANTY ASSN	6,154,365.47
12	REPUBLIC INDEMNITY CO OF AMERICA	5,999,379.48
13	ARCTIC SLOPE REGIONAL CORP	5,932,103.45
14	NEW HAMPSHIRE INSURANCE CO	5,332,737.24
15	ANCHORAGE SCHOOL DISTRICT	4,996,577.40
16	BERKSHIRE HATHAWAY HOMESTATE INSURANCE COMPANY	4,846,023.21
17	ALASKA MUNICIPAL LEAGUE JOINT INSURANCE ASSOC	4,703,201.52
18	TRAVELERS PROPERTY CASUALTY CO OF AMERICA	4,656,939.10
19	EMPLOYERS INS CO OF WAUSAU	4,642,200.15
20	FEDERAL INS CO	4,083,061.86
Total		176,284,159.24

Insurers	186,366,341
Self-Insured Employers	66,695,390
Guaranty Associations	6,212,175
AK Benefits Guaranty Fund	316,825
Total	259,590,730





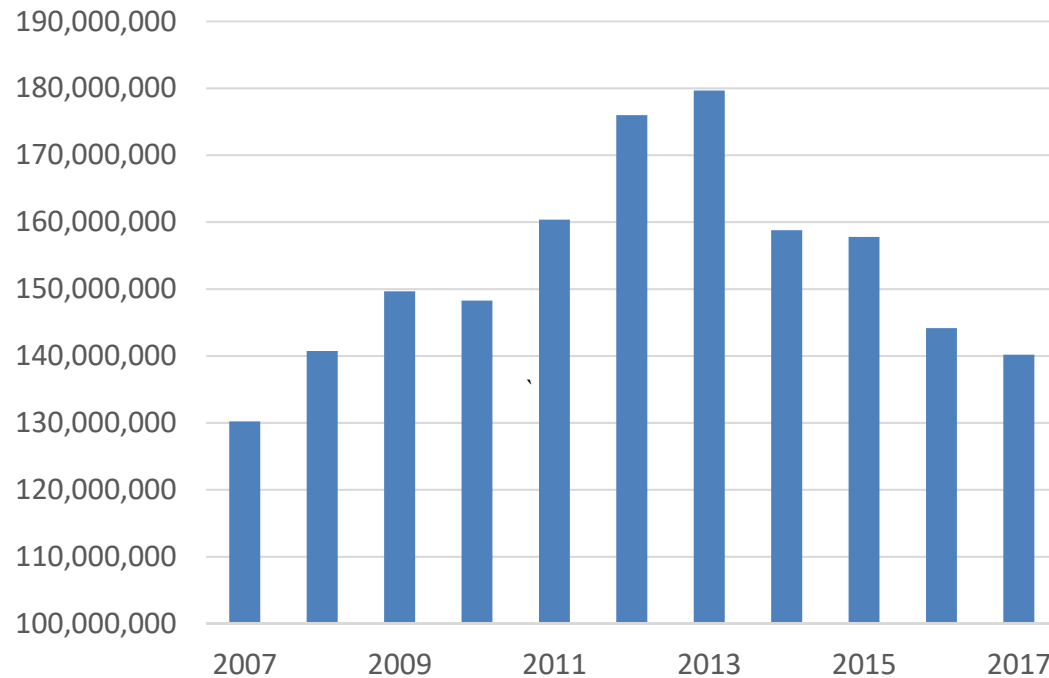
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Medical Benefits

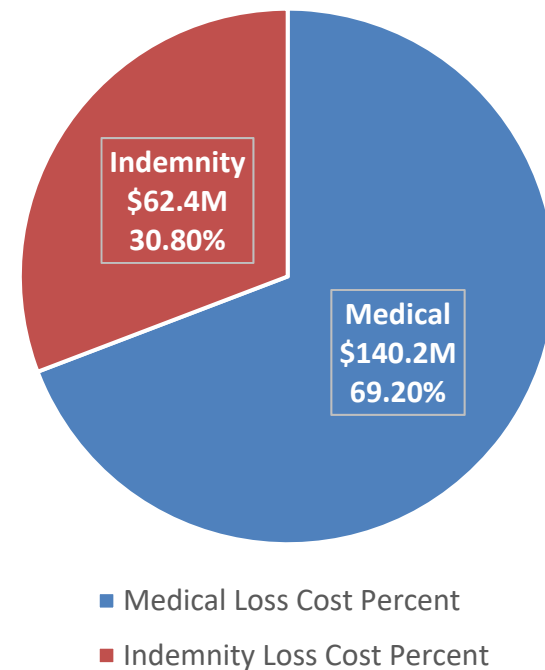
In the calendar year 2017, medical benefits totaled \$140.2 million, a 2.75% decrease from \$144.2 million in 2016.

Medical benefits were 54% of total benefits paid and 69.2% of loss costs in 2017, compared to 53.41% of total benefits paid and 67.3% of loss costs in 2016.

Medical Payments



Loss Cost Distribution





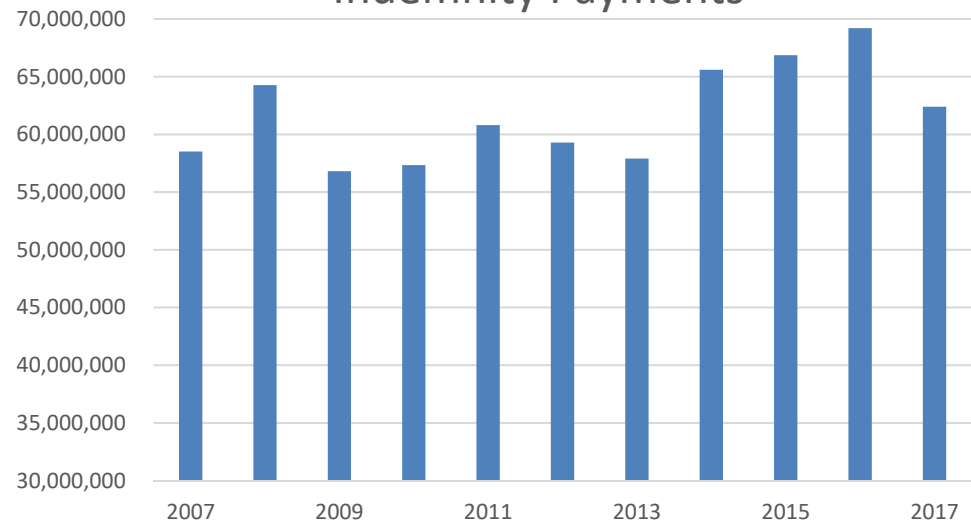
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Indemnity Benefits

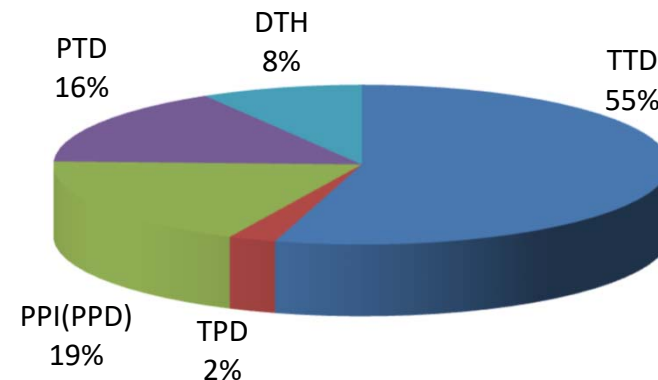
For calendar year 2017 indemnity benefits (TTD, TPD, PPI, PTB & Death Benefits) totaled \$62.4 million, a 9.84% decrease from \$69.2 million in 2016.

- TTD benefits totaled \$34.0 million in 2017, a 0.43% decrease from \$34.2 million in 2016.
- TPD benefits totaled \$1.5 million in 2017, a 36.33% increase from \$1.1 million in 2016.
- PPI benefits totaled \$11.6 million in 2017, an 8.9% decrease from \$12.7 million in 2016.
- PTB benefits totaled \$9.9 million in 2017, a 24% decrease from \$13 million in 2016.
- Death benefits totaled \$5.3 million in 2017, a 34.4% decrease from \$8.0 million in 2016.

Indemnity Payments



Indemnity Benefit Distribution





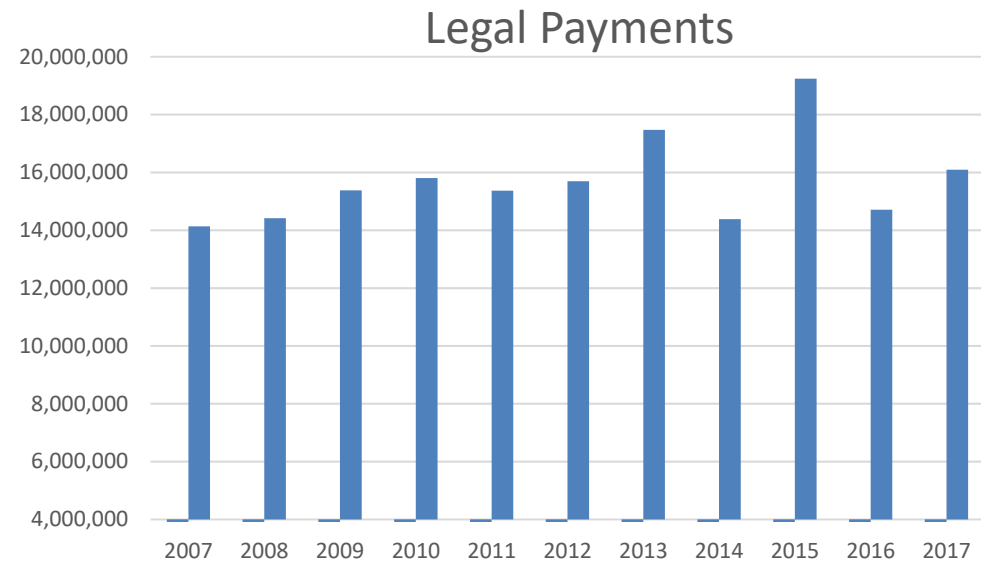
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Legal Costs

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For calendar year 2017, legal expenses totaled \$16 million, a 9.4% increase from \$14.7 million in 2016.

- Employee attorney fees were \$6.1 million in 2017, a 13.4% increase from \$5.4 million in 2016.
- Employer attorney fees were \$9.5 million in 2017, a 9.14% increase from \$8.7 million in 2016.
- Litigation costs were \$486 thousand in 2017, a 21.5% decrease from \$619 thousand in 2016.





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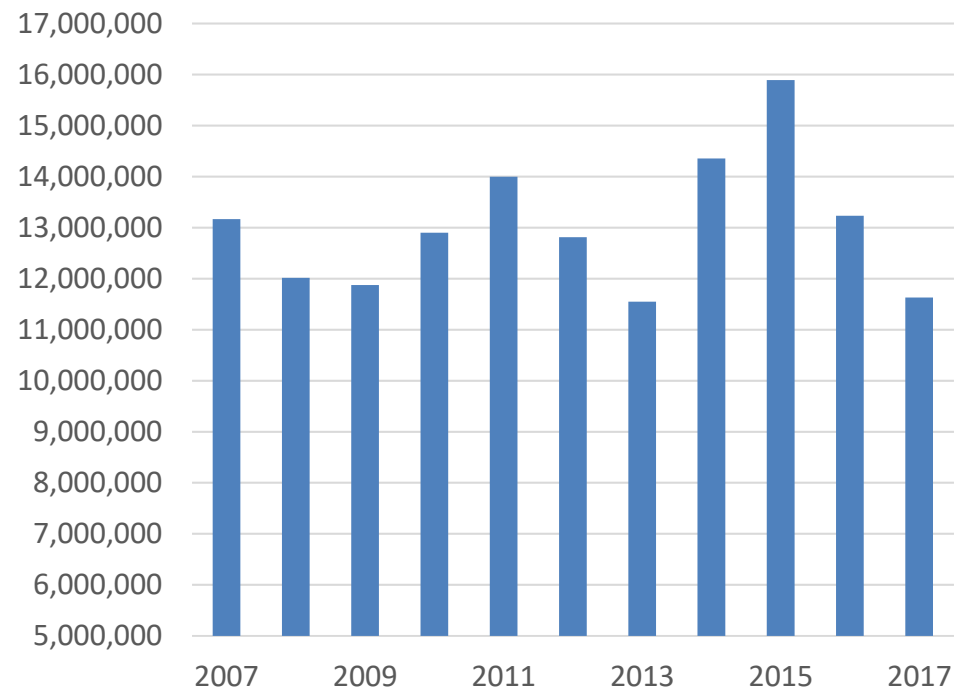
Reemployment Benefits

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Total reemployment benefit payments totaled \$11.6 million in 2017, a 12.1% decrease from \$13.2 million in 2016.

- Compensation paid for rehabilitation AS 23.30.041(k) benefits totaled \$4.4 million in 2017, a 1.4% decrease from \$4.48 million in 2016.
- Employee evaluation costs totaled \$1.9 million in 2017, a 16.1% decrease from \$2.3 million in 2016.
- Rehabilitation specialist fees/plan monitoring fees totaled \$637 thousand in 2017, a 33.3% decrease from \$945 thousand in 2016.
- Plan development costs totaled \$1.5 million in 2017, a 6.1% decrease from \$1.6 million in 2016.
- Rehabilitation AS 23.30.041(g) benefits totaled \$3.1 million in 2017, a 19.4% decrease from \$3.8 million in 2016.

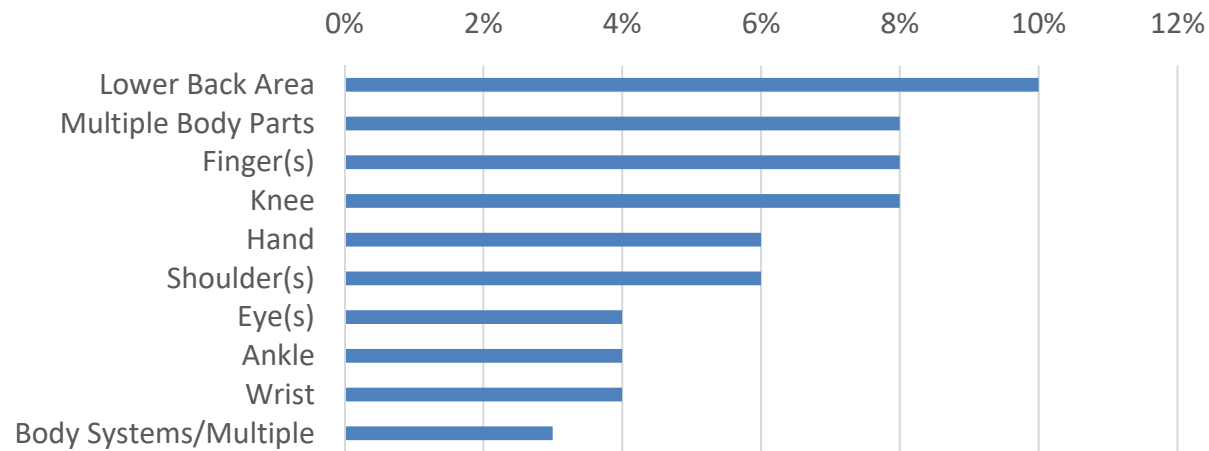
Reemployment Benefit Payments





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Top Ten Injuries by Body Part Injured



	Body Part Injured	Cases	%
1.	Lower Back	1756	10%
2.	Multiple Body Parts	1474	8%
3.	Finger(s)	1465	8%
4.	Knee	1357	8%
5.	Hand	1086	6%

	Body Part Injured	Cases	%
6.	Shoulder(s)	1052	6%
7.	Eye(s)	674	4%
8.	Ankle	634	4%
9.	Wrist	613	4%
10.	Body Systems /Multiple	561	3%

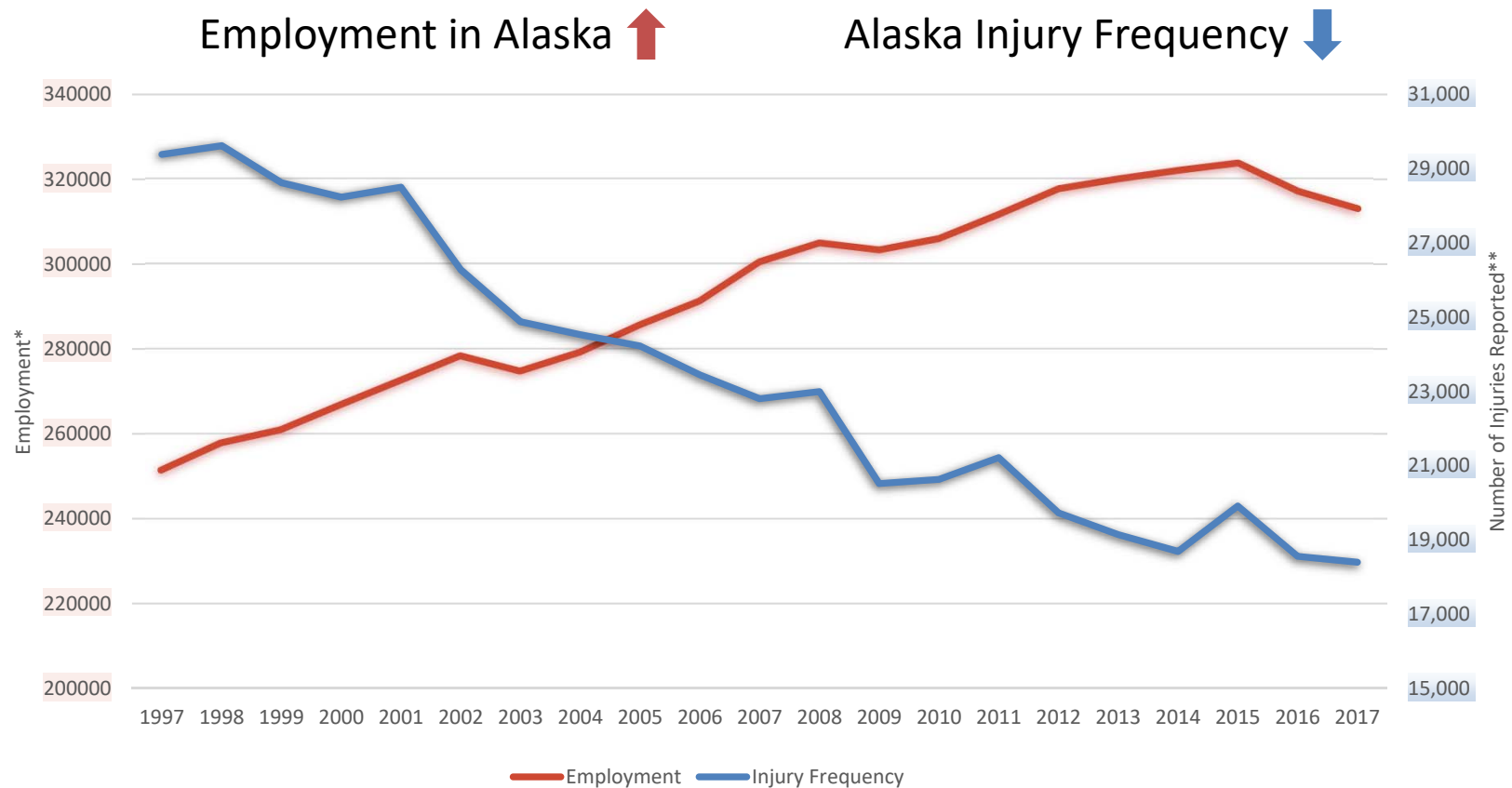


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Alaska Injury Frequency

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Based on Department of Labor & Workforce Development, Research and Analysis Section data of estimated statewide average monthly employment, employment totaled 327,963 in 2017, a 1.27% decrease from 332,177 in 2016. Excluding 15,077 federal employees, the number of workers covered under the Alaska Workers' Compensation Act in 2017 was approximately 312,886, a 1.29% decrease from 316,979 in 2016.

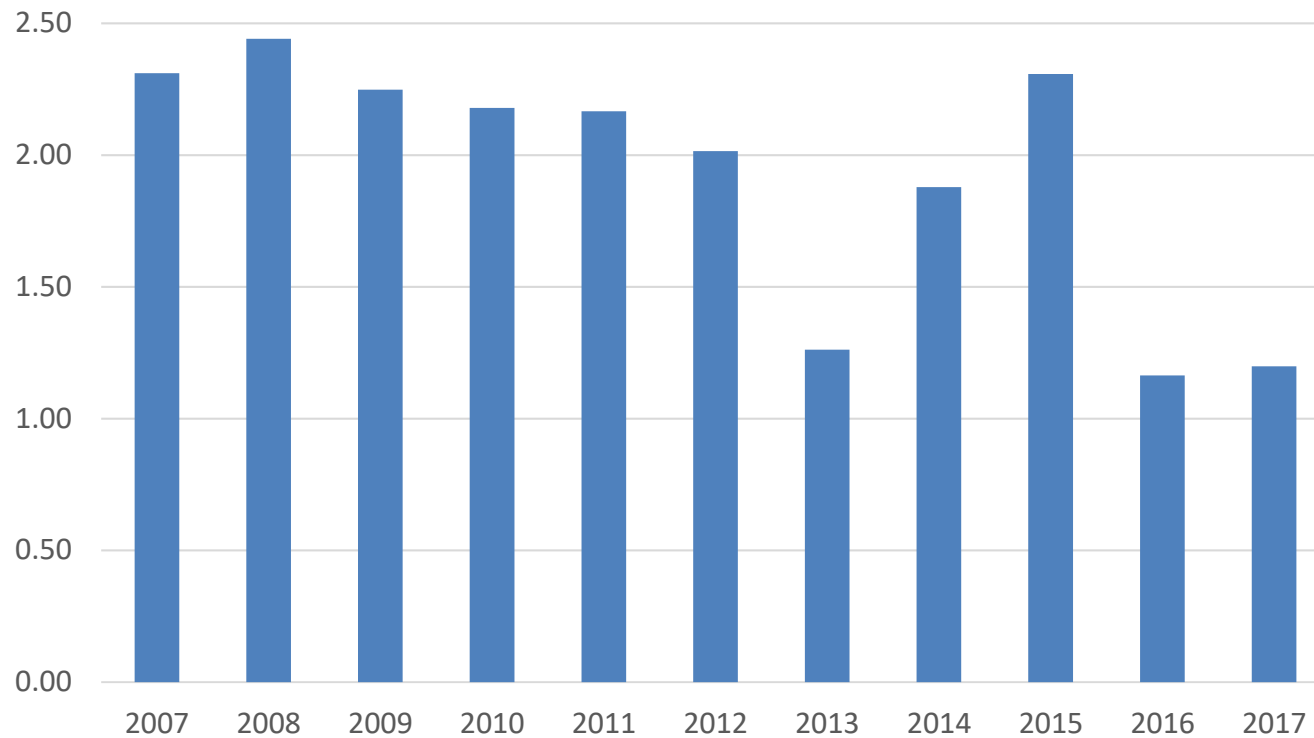




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Time Loss Rate

Using the number of time-loss claims established by the Workers' Compensation Division divided by average monthly employment statewide (less Federal Government), the time loss rate per 100 employees in 2017 was 1.20, a 3% increase from a time loss rate of 1.16 in 2016.



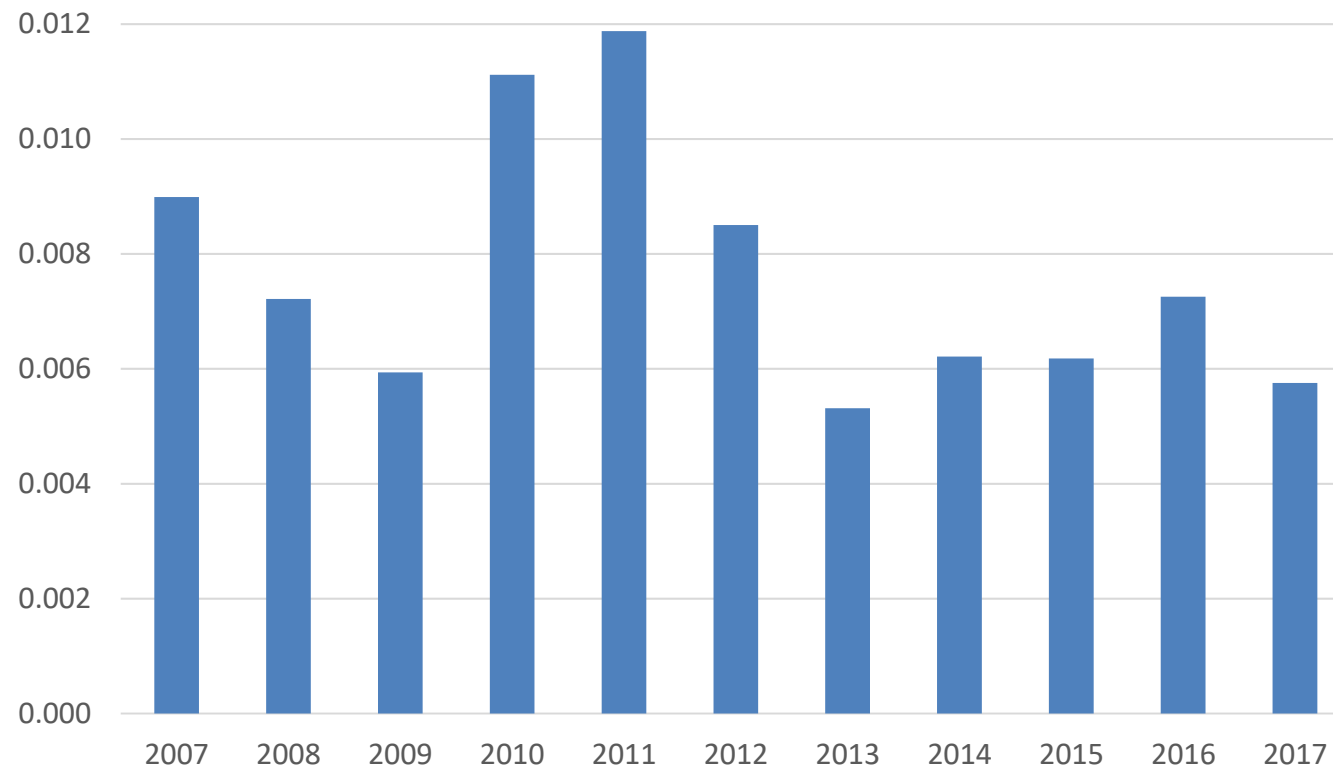


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Fatality Rate

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There were 18 fatalities reported in 2017, a 21.74% decrease from 23 in 2016. Using the number of fatalities established by the Workers' Compensation Division, the fatality rate per 100 employees in 2017 was .006, compared to .007 in 2016.





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Direct Written Premium

Calendar Year	Direct Written Premium (000s)
2017	\$251,109*
2016	\$268,052
2015	\$281,738
2014	\$279,615

*Estimate based on The Division of Insurance Calendar Year 2017 reconciliation report for Workers' Compensation Service Fee.

For the period January 1, 2015 through December 31, 2017, the servicing carriers for the Workers' Compensation Assigned Risk Plan are Alaska National Insurance Company, LM Insurance Corporation, Riverport Insurance Company, and Travelers Property Casualty Company of America. American Interstate Insurance Company is a direct assignment carrier.

For 2015, the 7,942 assigned risk policies made up 52.2% of all workers' compensation policies. The \$34.8 million in premium was approximately 13.9% of total workers' compensation premium. Of the 7,942 assigned risk policies, 5,099 had premiums of less than \$2,500.



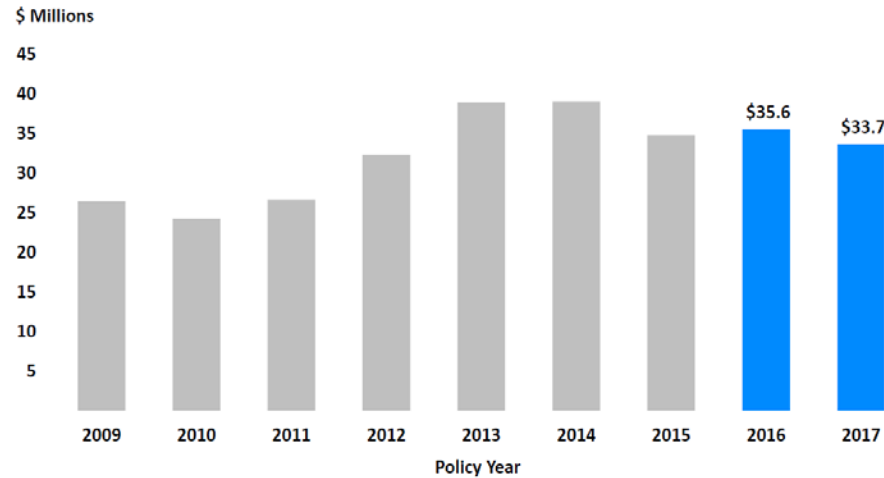
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Alaska Residual Market

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Alaska Residual Market Plan Premium

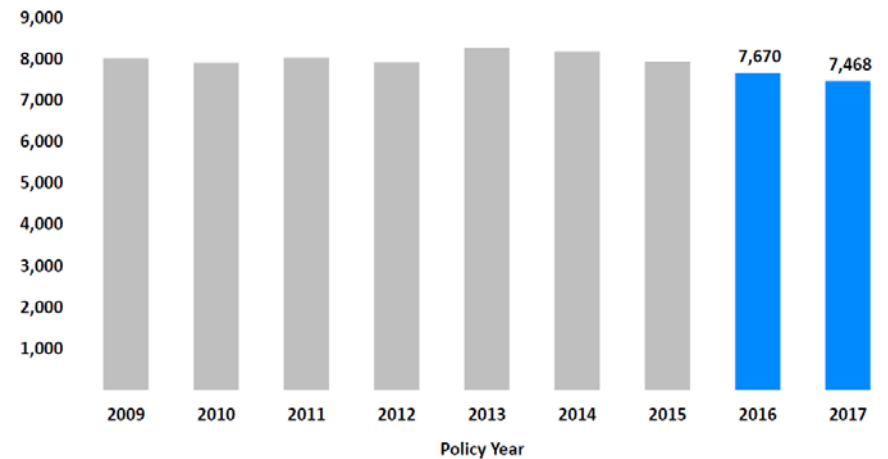
As of 12/31/2017



Premium data is on a policy year basis as reported to NCCI, for policies effective from January 1, 2017, to December 31, 2017, including prorated cancellations, with all policies' premium associated to the dominant state

Alaska Residual Market Plan Policy Counts

As of 12/31/2017



Policy count data is on a policy year basis as reported to NCCI, for policies effective from January 1, 2017, to December 31, 2017, including prorated cancellations, with all policies' premium associated to the dominant state



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Active Self-Insured Employers

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There were 25 active self-insured employers in 2017

Active Alaska Self-Insured Employers	Start Date of Self-Insurance	Active Alaska Self-Insured Employers	Start Date of Self-Insurance
Alaska Air Group, Inc.	5/1/1980	Fred Meyer Stores, Inc.	10/1/1996
Alaska Railroad Corp.	7/1/1996	General Communication, Inc.	12/31/2005
Alyeska Pipeline Service Co.	7/1/1983	Harnish Group Inc.	5/1/2005
Anchorage School District	6/1/2004	Kenai Peninsula Borough & School District	2/16/1992
Arctic Slope Regional Corp.	6/1/2005	Matanuska-Susitna Borough	8/15/2008
Bristol Bay Area Health Corporation	2/1/2005	Matanuska-Susitna School District	7/1/1994
CH2M Hill Energy, LTD (formerly Veco)	4/1/2005	Municipality of Anchorage	1/1/2004
Chevron Corporation	5/12/1999	Nabors Alaska Drilling, Inc.	1/1/1987
Chugach Electric Assn. Inc.	1/1/2014	Providence Health System - WA	4/1/1995
City & Borough of Juneau	4/1/2004	Safeway Stores, Inc.	11/2/1998
Costco Wholesale Corp.	9/3/1999	State of Alaska	11/24/2003
Fairbanks North Star Borough & School District	7/1/1977	University of Alaska	2/1/2004
Federal Express Corp.	10/10/1990		



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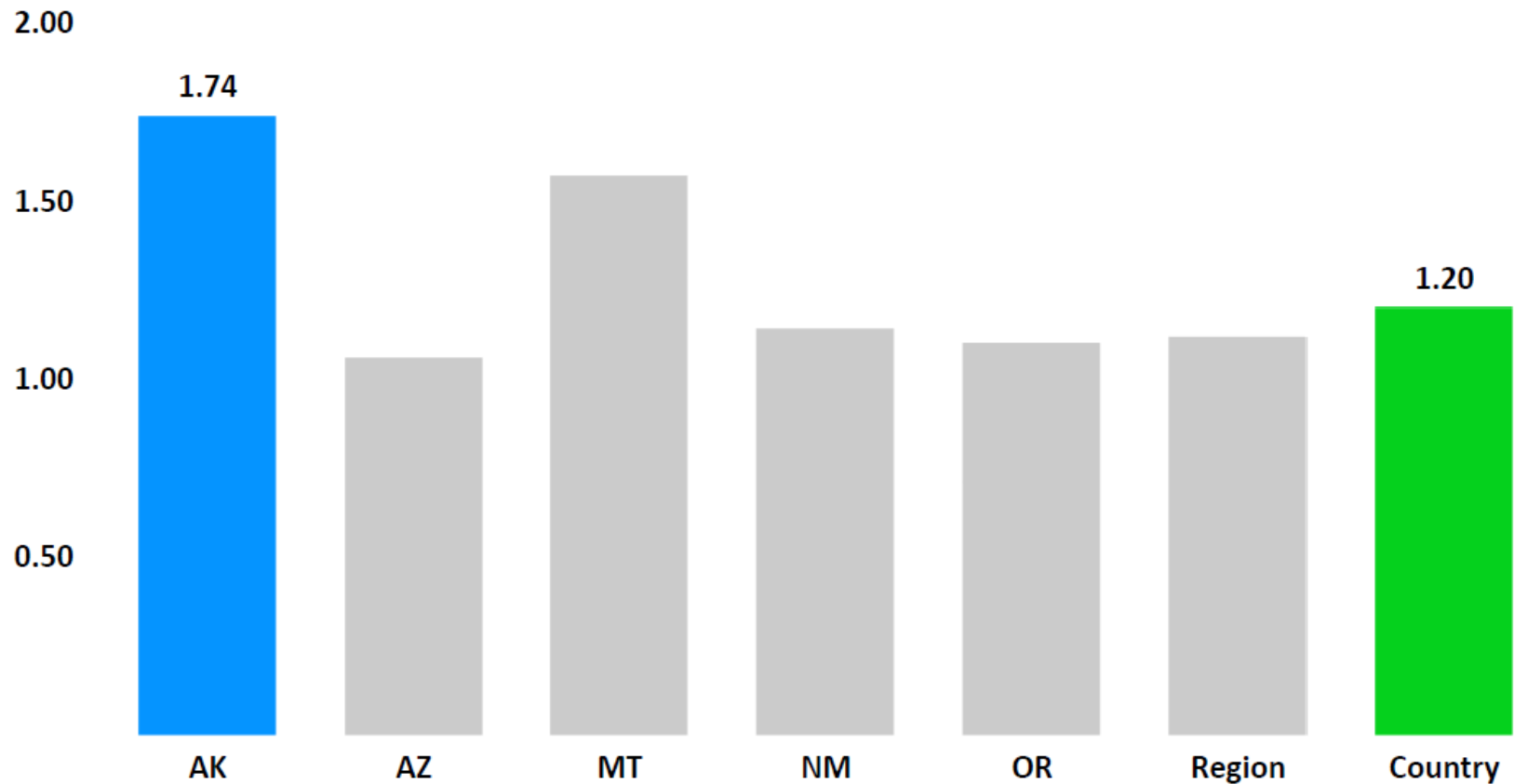
Workers' Compensation Premium Rate Ranking

2018 Ranking	2016 Ranking	State	Index Rate	Percent of study median	Effective Date	Percent of 2016 study median
1	3	New York	3.08	181%	October 1, 2017	154%
2	1	California	2.87	169%	January 1, 2018	176%
3	2	New Jersey	2.84	167%	January 1, 2018	158%
4	5	Alaska	2.51	148%	January 1, 2018	149%
5	6	Delaware	2.50	147%	December 1, 2017	126%
6	27	Georgia	2.27	134%	March 1, 2017	98%
7	5	Connecticut	2.20	129%	January 1, 2018	149%
8	9	Rhode Island	2.19	129%	August 1, 2017	119%
9	14	Vermont	2.09	123%	April 1, 2017	110%
10	10	Louisiana	2.05	121%	January 1, 2018	115%
11	12	Wisconsin	2.02	119%	October 1, 2017	112%
13	17	Hawaii	2.01	118%	January 1, 2018	107%
13	11	Montana	2.01	118%	July 1, 2017	114%
14	18	South Carolina	1.95	115%	September 1, 2016	105%
16	15	Washington	1.87	110%	January 1, 2018	107%
16	23	Wyoming	1.87	110%	January 1, 2018	101%
17	26	Pennsylvania	1.85	109%	April 1, 2017	100%
19	22	North Carolina	1.84	108%	April 1, 2017	103%
19	14	Maine	1.84	108%	April 1, 2017	110%
21	28	Idaho	1.81	106%	January 1, 2018	97%
21	33	Florida	1.81	106%	January 1, 2018	90%
22	8	Illinois	1.80	106%	January 1, 2018	121%
23	32	South Dakota	1.73	102%	July 1, 2017	91%
24	8	Oklahoma	1.71	101%	January 1, 2018	121%
26	17	New Hampshire	1.70	100%	January 1, 2018	106%
26	32	Nebraska	1.70	100%	February 1, 2017	91%
27	20	Missouri	1.68	99%	January 1, 2018	104%
28	22	Minnesota	1.67	98%	January 1, 2018	104%
29	25	Alabama	1.65	97%	March 1, 2017	100%
30	24	Iowa	1.64	96%	January 1, 2018	101%
31	29	Mississippi	1.54	91%	March 1, 2017	92%
32	30	Tennessee	1.52	89%	March 1, 2017	91%
33	36	Kentucky	1.51	89%	October 1, 2017	82%
34	20	New Mexico	1.50	88%	January 1, 2018	104%
35	35	Colorado	1.43	84%	January 1, 2018	84%
36	40	Ohio	1.40	82%	July 1, 2017	79%
37	34	Michigan	1.38	81%	January 1, 2017	85%
38	44	Massachusetts	1.37	81%	July 1, 2016	70%
39	38	Maryland	1.33	78%	January 1, 2018	82%
40	38	Arizona	1.30	76%	January 1, 2018	82%
41	47	Virginia	1.28	75%	April 1, 2017	67%
42	42	District of Columbia	1.25	74%	November 1, 2017	74%
43	40	Texas	1.21	71%	July 1, 2017	79%
44	43	Nevada	1.18	69%	March 1, 2017	71%
46	41	Kansas	1.15	68%	January 1, 2018	77%
46	45	OREGON	1.15	68%	January 1, 2018	69%
47	46	Utah	1.06	62%	December 1, 2017	69%
48	48	West Virginia	1.01	59%	November 1, 2017	66%
49	49	Arkansas	0.90	53%	July 1, 2017	57%
50	50	Indiana	0.87	51%	January 1, 2018	57%
51	51	North Dakota	0.82	48%	July 1, 2017	48%



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Average Voluntary Pure Loss Costs Using Alaska Payroll Distribution



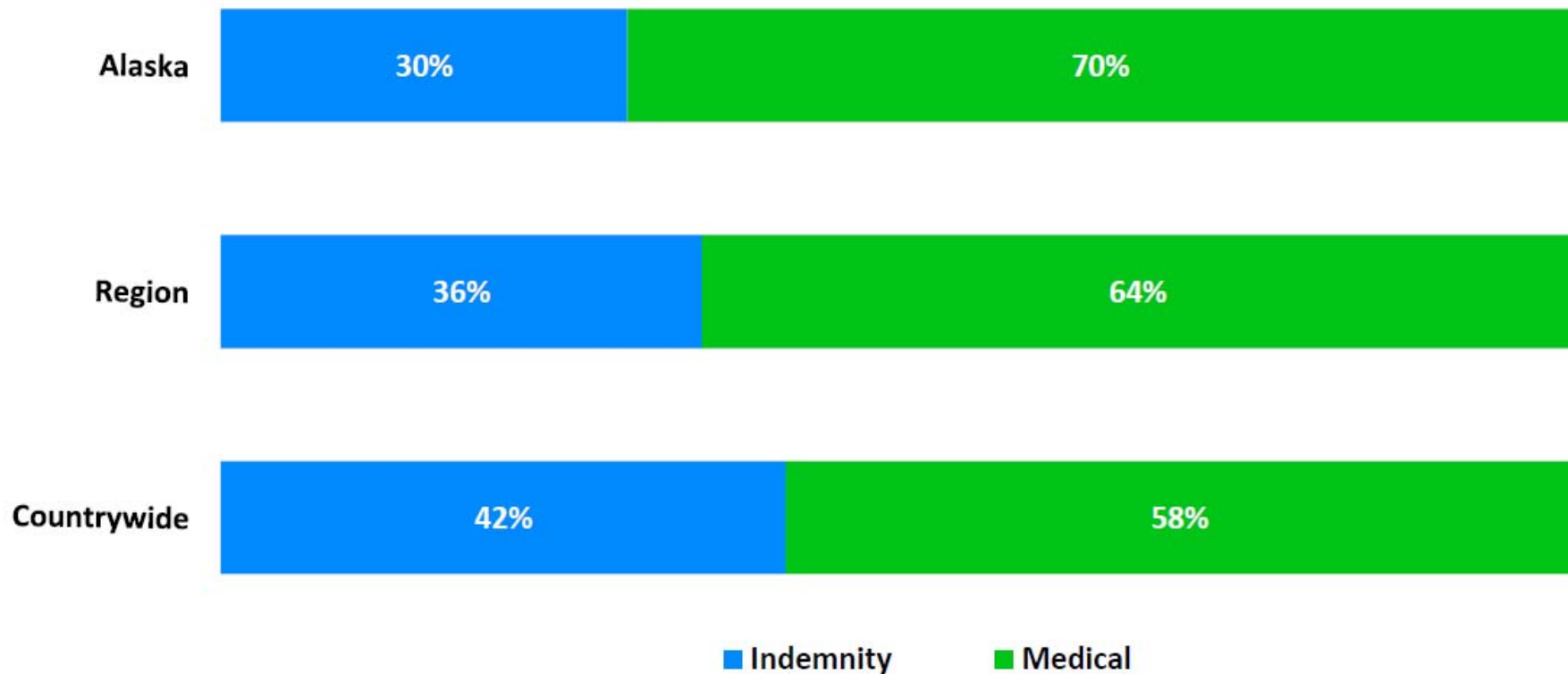
Based on approved rates and loss costs in various jurisdictions from filings using data valued as of 12/31/2016



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Total Benefit Costs in Alaska

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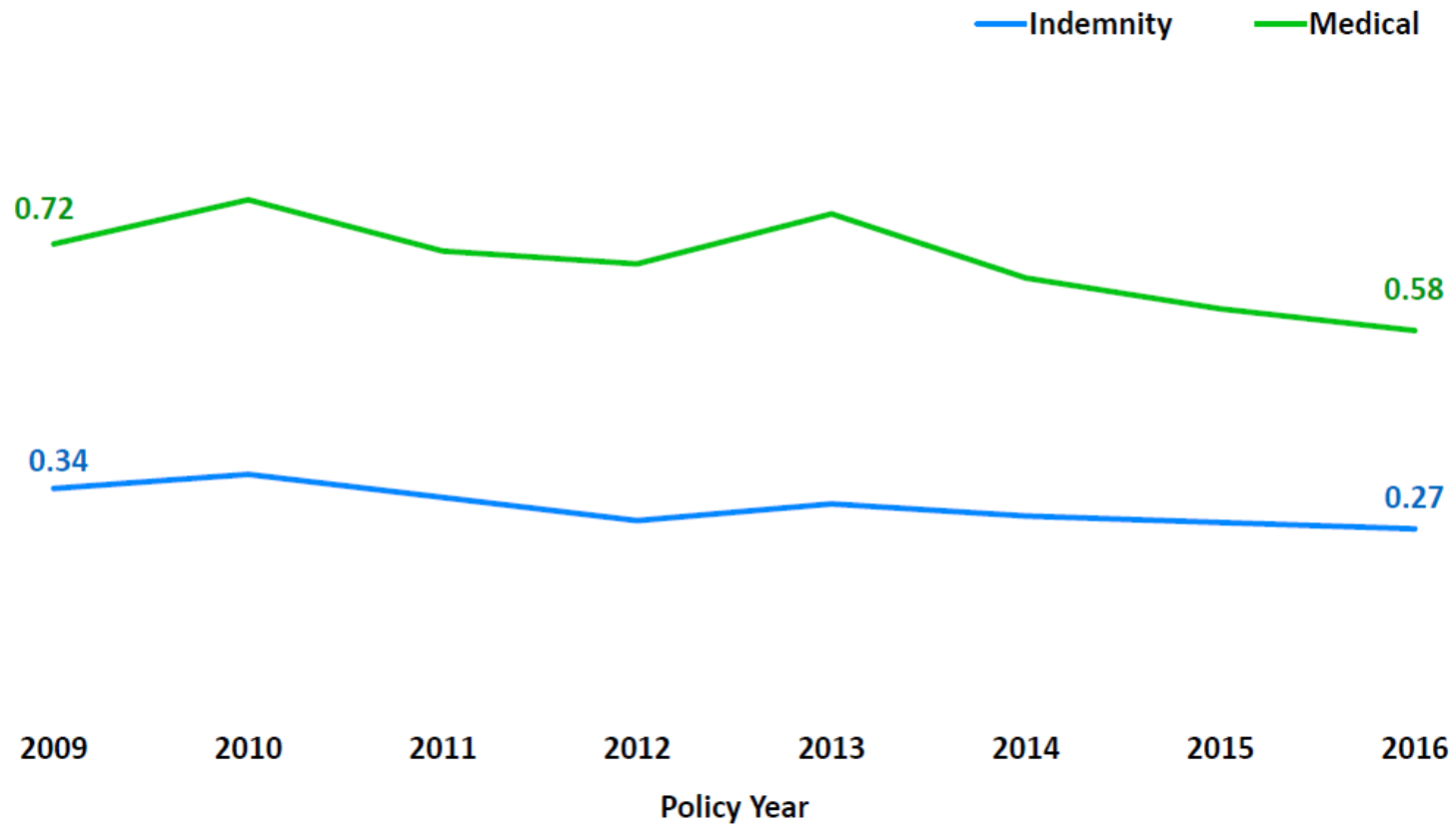
Regional states are AZ, MT, NM, and OR
Based on NCCI's financial data through 12/31/2017

Source: 2018 Alaska State Advisory Forum, National Council on Compensation Insurance



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Alaska Indemnity and Medical Loss Ratios

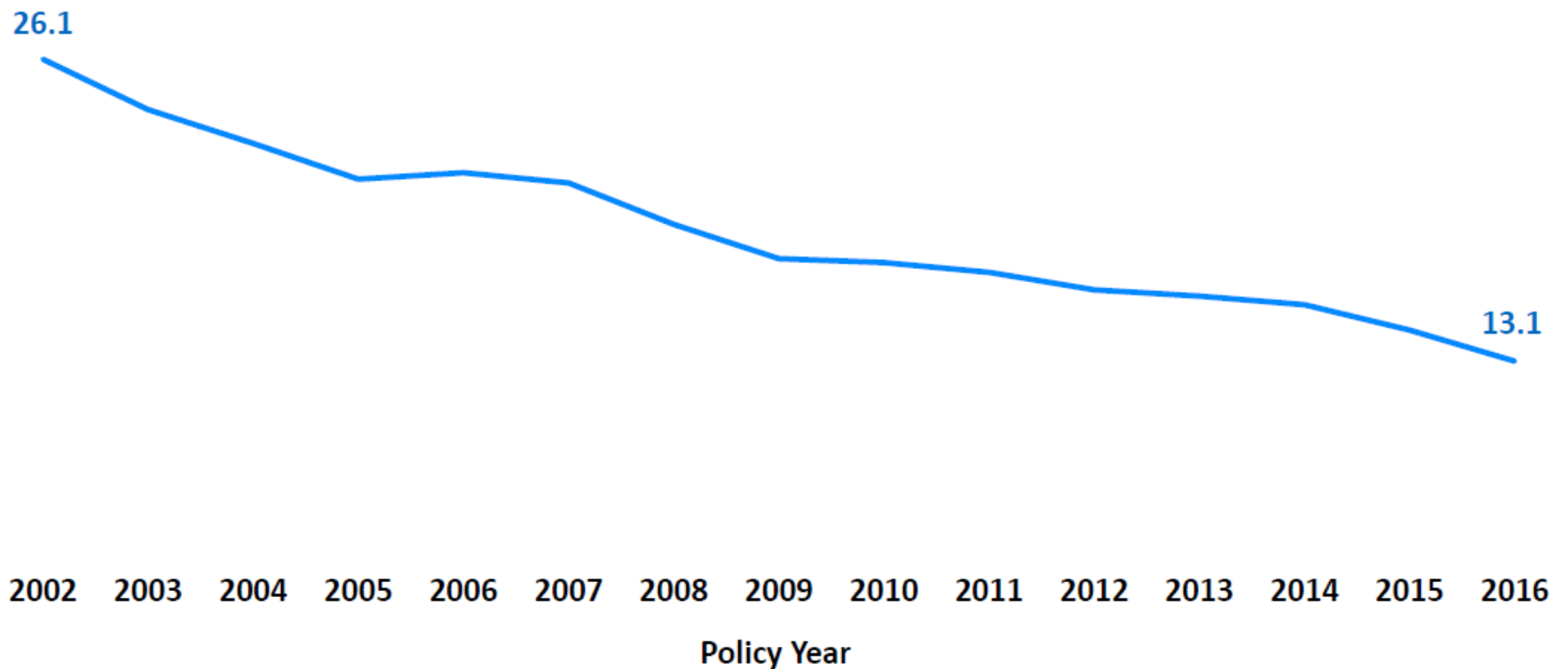


Based on NCCI's financial data through 12/31/2017 at current benefit level and developed to ultimate



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Alaska Claim Frequency Per Million of On-Levelled Premium



Based on NCCI's financial data through 12/31/2017, adjusted to a common wage level

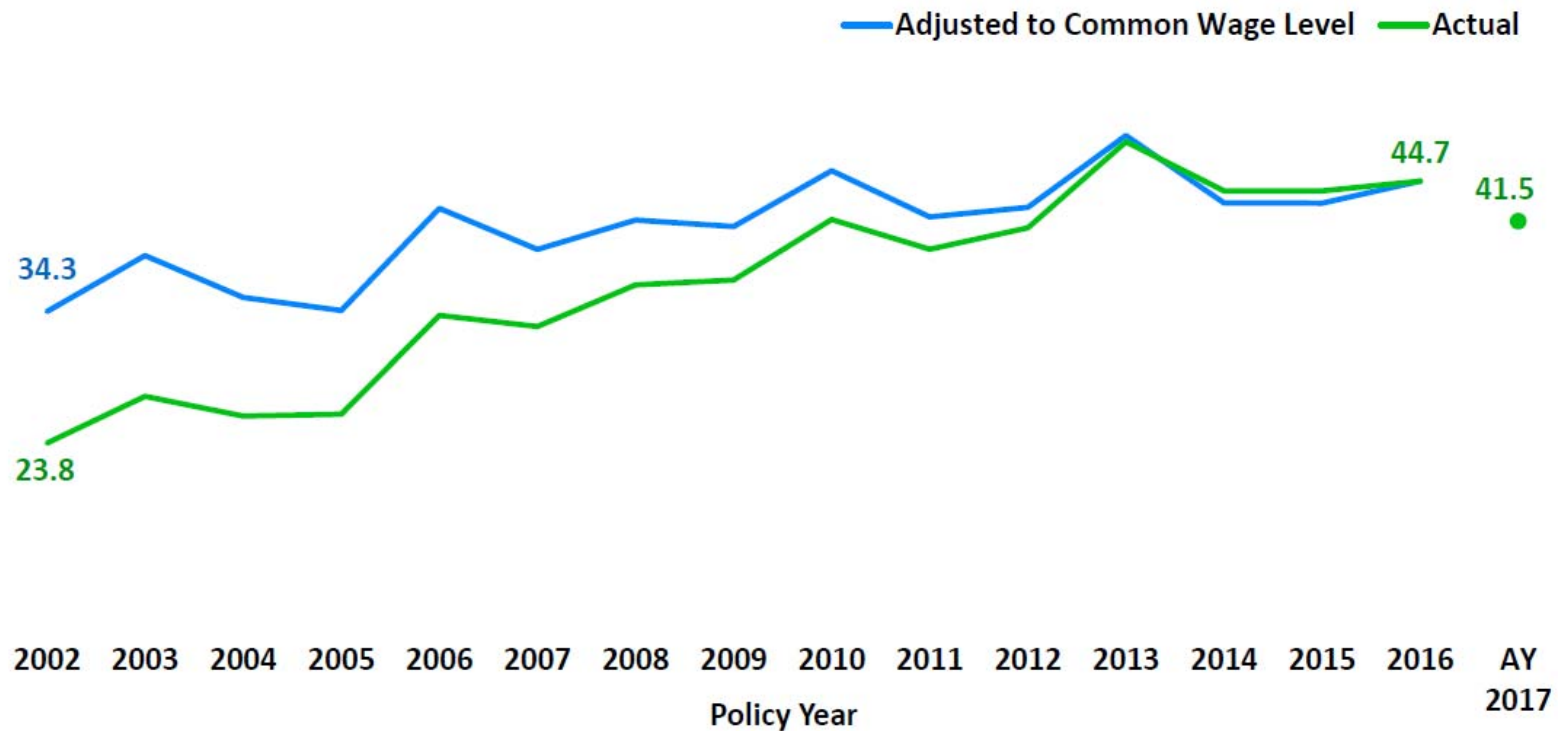


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Alaska Average Medical Claim Severity

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Average Medical Claim Severity in \$ Thousands



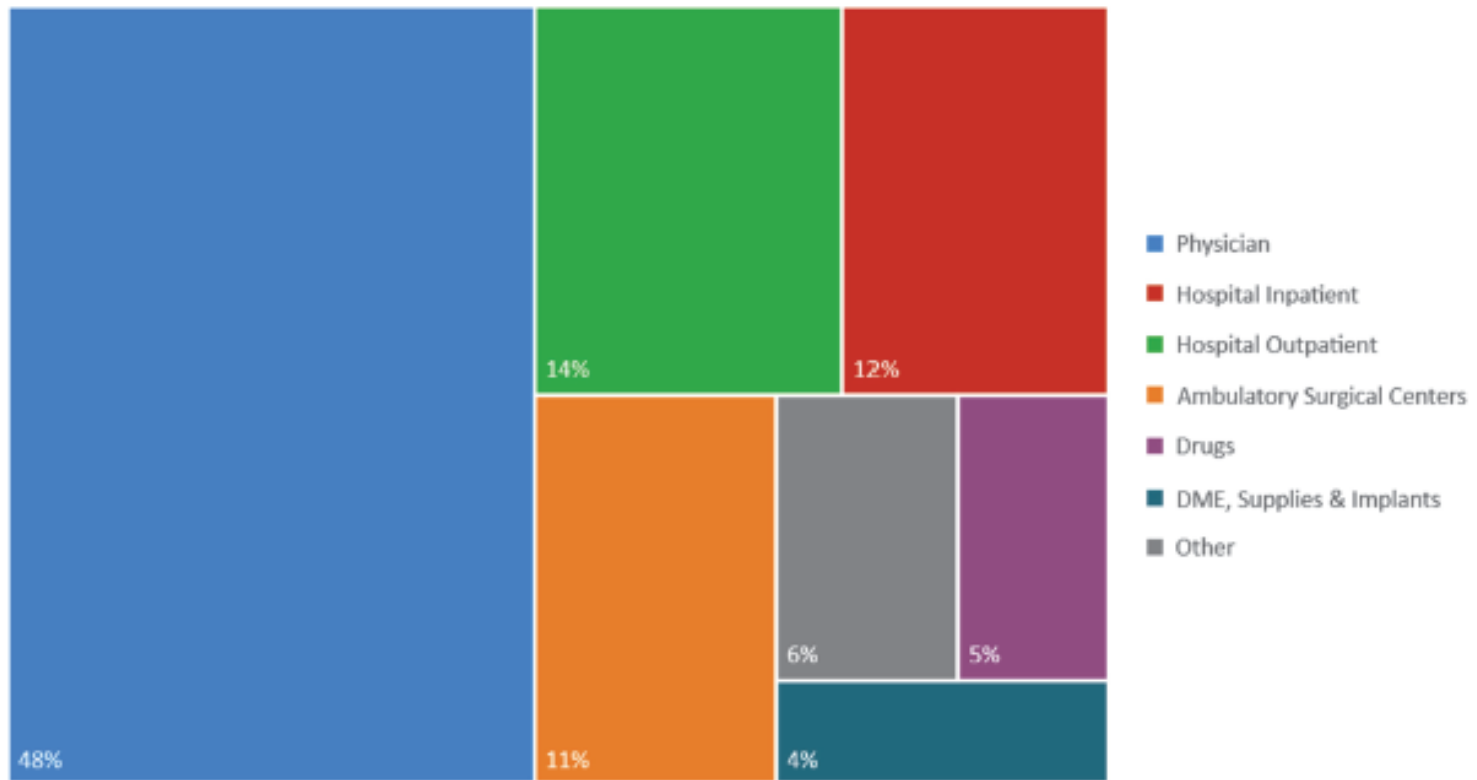
Based on NCCI's financial data through 12/31/2017 for lost-time claims at current benefit level and developed to ultimate

Source: 2018 Alaska State Advisory Forum, National Council on Compensation Insurance



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Distribution of Medical Payments for Alaska



Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



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Payments as a Percentage of Medicare

Physician Service Category	Alaska	Region	Countrywide
Surgery	410%	207%	275%
Radiology	506%	215%	236%
General and Physical Medicine	164%	129%	131%
Evaluation and Management	184%	145%	141%
All Physician Services	239%	153%	167%

Medical Cost Category	Alaska	Region	Countrywide
Hospital Inpatient	187%	171%	191%
Hospital Outpatient	255%	206%	256%
Ambulatory Surgical Center	414%	212%	285%

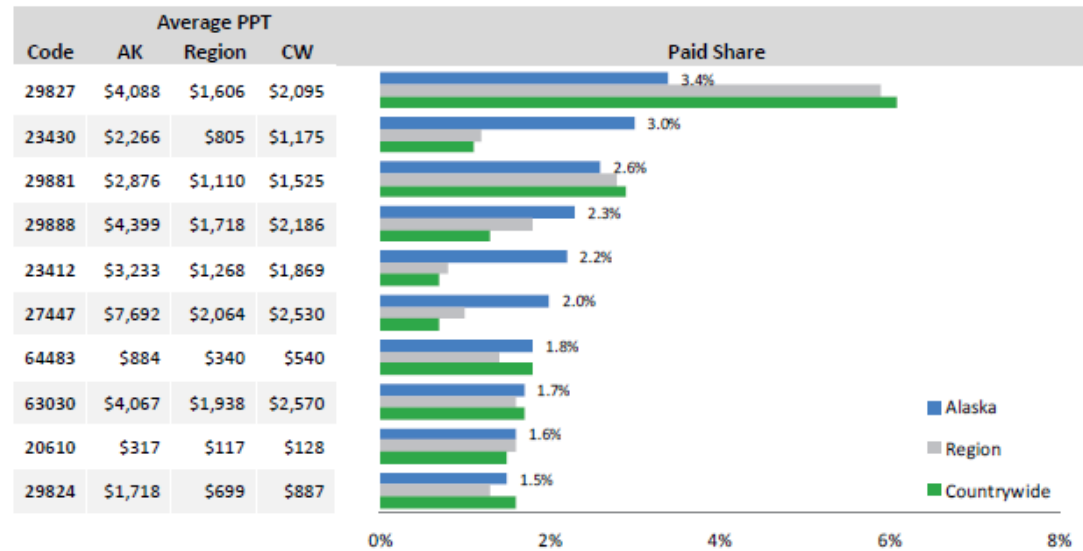
Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



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Top 10 Surgery Procedure Codes by Amount Paid



Code	Description
29827	Arthroscopy, shoulder, surgical; with rotator cuff repair
23430	Tenodesis of long tendon of biceps
29881	Arthroscopy, knee, surgical; with meniscectomy (medial or lateral including any meniscal shaving), including debridement/shaving of articular cartilage
29888	Arthroscopically aided anterior cruciate ligament repair/augmentation or reconstruction
23412	Repair of ruptured musculotendinous cuff (e.g., rotator cuff) open; chronic
27447	Arthroplasty, knee condyle and plateau; medial and lateral compartments, with or without patella resurfacing (total knee arthroplasty)
64483	Injection(s), anesthetic agent, and/or steroid, transforaminal epidural, with imaging guidance (fluoroscopy or computed tomography (CT)); lumbar or sacral, single level
63030	Laminotomy (hemilaminectomy) with decompression of nerve root(s) including partial facetectomy, foraminotomy, and/or excision of herniated intervertebral disc; 1 interspace lumbar
20610	Arthrocentesis, aspiration, and/or injection; major joint or bursa (e.g., shoulder, hip, knee, joint, subacromial bursa)
29824	Arthroscopy, shoulder, surgical; distal claviclectomy including distal articular surface (Mumford procedure)

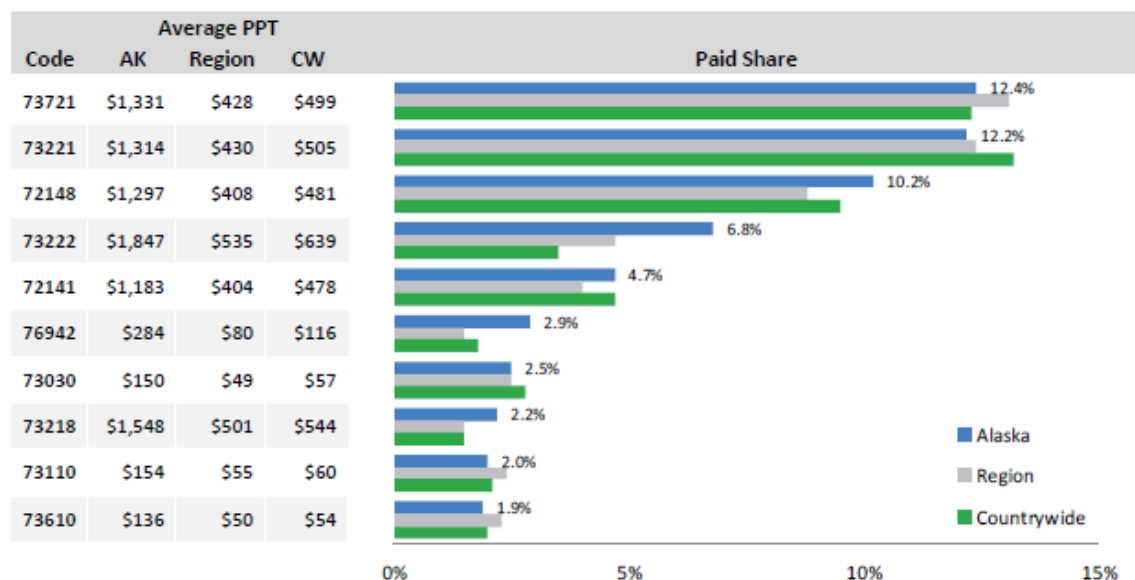
Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



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Top 10 Radiology Procedure Codes by Amount Paid



Code	Description
73721	Magnetic resonance (e.g., proton) imaging, any joint of lower extremity; without contrast material
73221	Magnetic resonance (e.g., proton) imaging, any joint of upper extremity; without contrast material
72148	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, lumbar; without contrast material
73222	Magnetic resonance (e.g., proton) imaging, any joint of upper extremity; with contrast material
72141	Magnetic resonance (e.g., proton) imaging, spinal canal and contents, cervical; without contrast material
76942	Ultrasonic guidance for needle placement (e.g., biopsy, aspiration, injection, localization device)
73030	Radiologic examination, shoulder; complete minimum of 2 views
73218	Magnetic resonance (e.g., proton) imaging, upper extremity other than joint; without contrast material
73110	Radiologic examination, wrist; complete minimum of 3 views
73610	Radiologic examination, ankle; complete minimum of 3 views

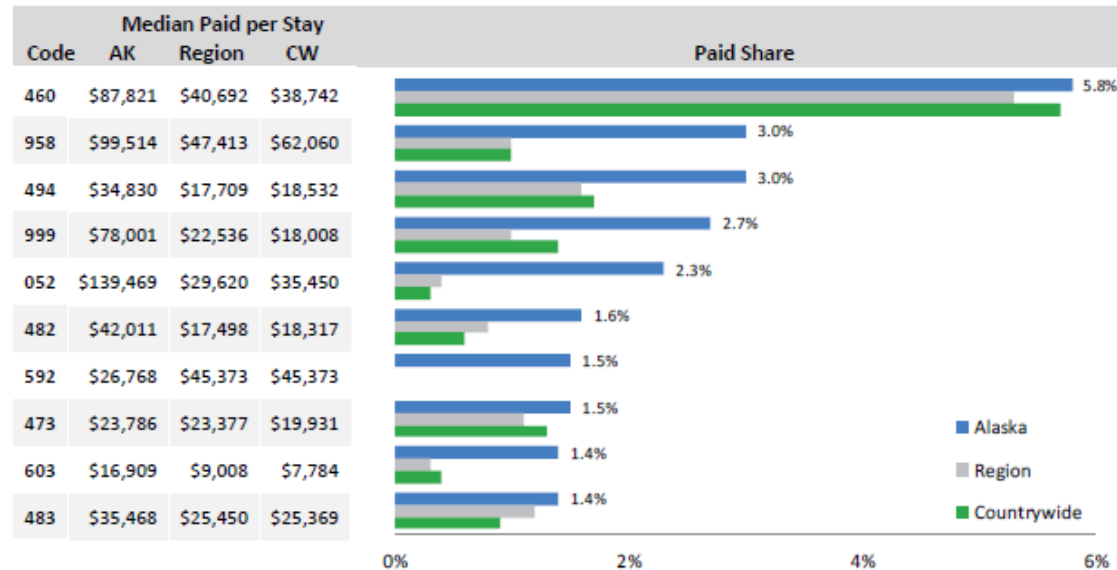
Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



2017 ANNUAL REPORT

Top 10 DRG Codes by Amount Paid for Hospital Inpatient Services



Code	Description
460	Spinal fusion, except cervical, without major complications or comorbidities
958	Other operation room procedures for multiple significant trauma with complications or comorbidities
494	Lower extremity and humerus procedures except hip, foot, and femur without complications or comorbidities/major complications or comorbidities
999	Ungroupable
052	Spinal disorders and injuries with complications or comorbidities/major complications or comorbidities
482	Hip and femur procedures except major joint without complications or comorbidities/major complications or comorbidities
592	Skin ulcers with major complications or comorbidities
473	Cervical spinal fusion without complications or comorbidities/major complications or comorbidities
603	Cellulitis without major complications or comorbidities
483	Major joint/limb reattachment procedure of upper extremities

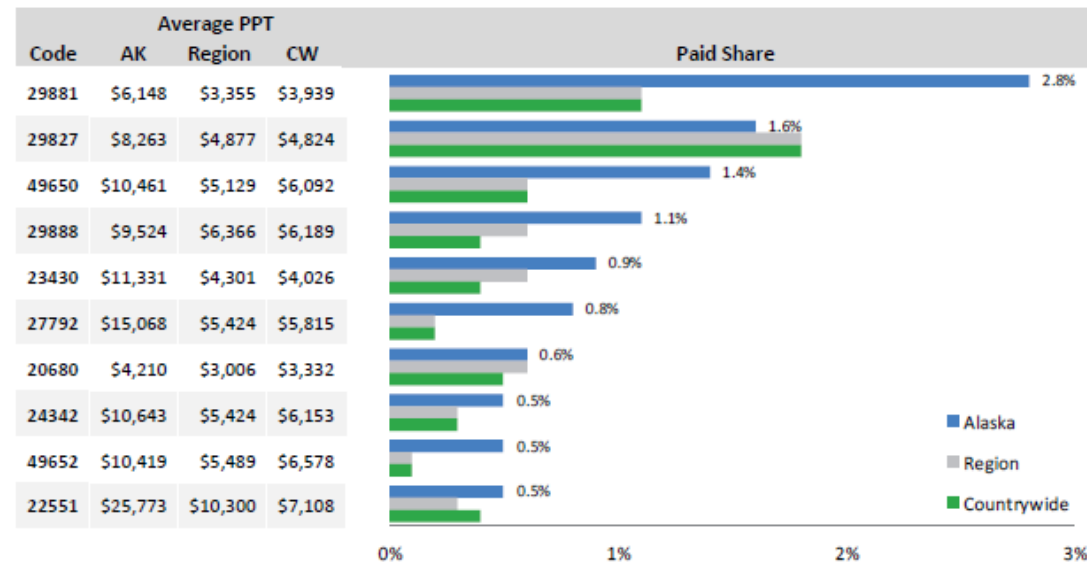
Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



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Top 10 Surgery Procedure Codes by Amount Paid for Hospital Outpatient Services



Code	Description
29881	Arthroscopy, knee, surgical; with meniscectomy (medial or lateral including any meniscal shaving), including debridement/shaving of articular cartilage
29827	Arthroscopy, shoulder, surgical; with rotator cuff repair
49650	Laparoscopy, surgical; repair initial inguinal hernia
29888	Arthroscopically aided anterior cruciate ligament repair/augmentation or reconstruction
23430	Tenodesis of long tendon of biceps
27792	Open treatment of distal fibular fracture (lateral malleolus), includes internal fixation, when performed
20680	Removal of implant; deep (e.g., buried wire, pin, screw, metal, band, nail, rod or plate)
24342	Reinsertion of ruptured biceps or triceps tendon, distal, with or without tendon graft
49652	Laparoscopy; surgical, to repair ventral, umbilical, spigelian or epigastric hernia (includes mesh insertion, when performed); reducible
22551	Arthrodesis, anterior interbody, including disc space preparation, discectomy, osteophyctectomy and decompression of spinal cord and/or nerve roots; cervical below C2

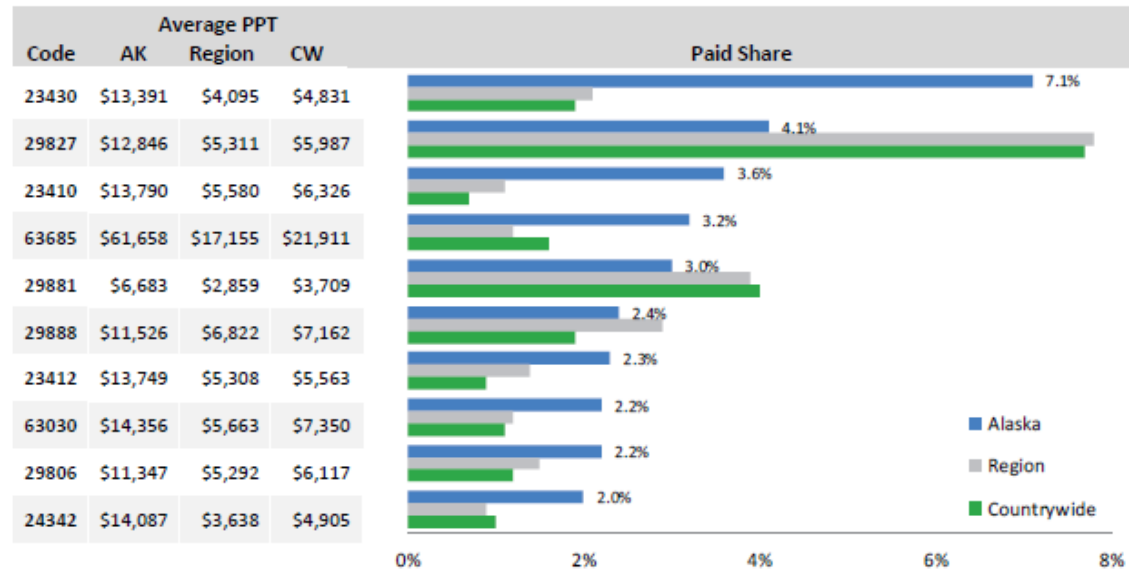
Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



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Top 10 Surgery Procedure Codes by Amount Paid for Ambulatory Surgical Center (ASC) Services



Code	Description
23430	Tenodesis of long tendon of biceps
29827	Arthroscopy, shoulder, surgical; with rotator cuff repair
23410	Repair of ruptured musculotendinous cuff (e.g., rotator cuff) open; acute
63685	Insertion or replacement of spinal neurostimulator pulse generator or receiver, direct or inductive coupling
29881	Arthroscopy, knee, surgical; with meniscectomy (medial or lateral including any meniscal shaving), including debridement/shaving of articular cartilage
29888	Arthroscopically aided anterior cruciate ligament repair/augmentation or reconstruction
23412	Repair of ruptured musculotendinous cuff (e.g., rotator cuff) open; chronic
63030	Laminotomy (hemilaminectomy) with decompression of nerve root(s) including partial facetectomy, foraminotomy, and/or excision of herniated intervertebral disc; 1 interspace lumbar
29806	Arthroscopy, shoulder, surgical; capsulorrhaphy
24342	Reinsertion of ruptured biceps or triceps tendon, distal, with or without tendon graft

Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



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Average Amount Paid Per Visit/Stay

Department of Labor and
Workforce Development
DIVISION OF WORKERS'
COMPENSATION
Web: <http://labor.state.ak.us/wc>

Hospital Inpatient Statistics	2013	2014	2015	2016	2017
Average Amount Paid Per Stay	\$41,797	\$49,795	\$38,673	\$40,756	\$46,057
Number of Stays per 1,000 Active Claims	24	22	20	20	18

Hospital Outpatient Surgery Statistics	2013	2014	2015	2016	2017
Average Amount Paid Per Visit	\$5,723	\$5,260	\$5,154	\$4,826	\$5,242
Number of Visits per 1,000 Active Claims	92	82	78	84	79

ASC Statistics	2013	2014	2015	2016	2017
Average Amount Paid Per Visit	\$5,984	\$7,723	\$8,289	\$6,344	\$7,074
Number of Visits per 1,000 Active Claims	106	103	133	126	105

Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

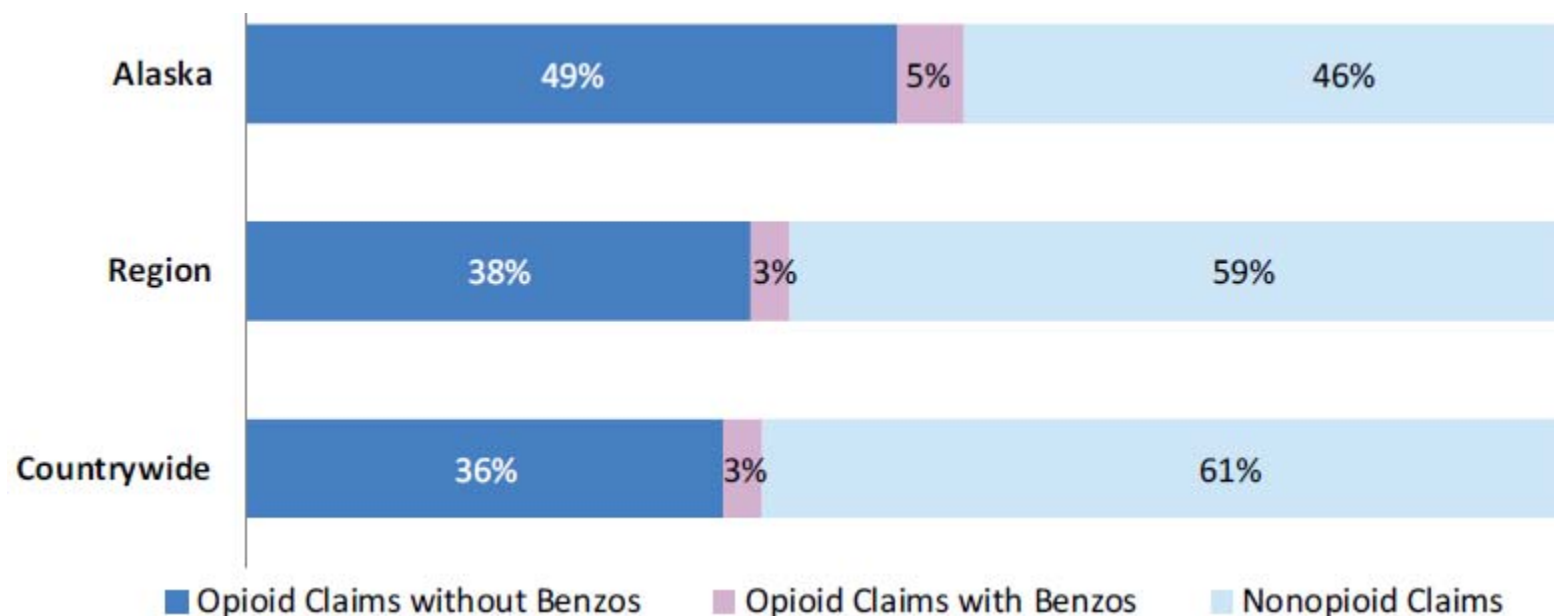
Source: 2018 Alaska Medical Data Report, National Council on Compensation Insurance



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Opioid Rx Claim Statistics

- **Rx claim**—A WC claim that had at least one prescription during the period
- **Opioid claim**—A WC claim that had at least one opioid prescription during the period
- **Nonopioid claim**—A WC claim that had at least one prescription but no opioids during the period
- **Opioid claim with benzos**—A WC claim that had at least one opioid prescription and at least one benzo prescription during the period
- **Opioid claim without benzos**—A WC claim that had at least one opioid prescription and no benzo prescriptions during the period



Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report Opioid Utilization Supplement, National Council on Compensation Insurance



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Oxycodone Pill Equivalents (OPE)

The CDC¹³ provides a way to convert daily—or hourly—doses of opioids to an equivalent daily dose of morphine by assigning a conversion factor to each type of drug, thus deriving the Morphine Milligram Equivalents (MME) for any opioid prescription, based on the number of units (pills for example) prescribed and the drug formulation. One milligram per day of oxycodone, for instance, is assigned an MME factor of 1.5; one milligram per day of codeine, on the other hand, is assigned an MME factor of 0.15.

NCCI converts milligrams of morphine to a number of oxycodone pills and calls it the Oxycodone Pill Equivalent (OPE). A 20mg oxycodone pill, which contains 30 MMEs, is exactly 1 OPE. Oxycodone is used as the standard of reference since it is the most prevalent opioid used in workers compensation. The chart below provides sample MME and OPE conversions for some commonly used opioids.



Morphine Milligram Equivalents (MME)

Vicodin® (10mg)	Oxycodone (20mg)	Butrans® (20mcg/hr)
10 MMEs	30 MMEs	36 MMEs/Day



Oxycodone Pill Equivalents (OPE)

Vicodin® (10mg)	Oxycodone (20mg)	Butrans® (20mcg/hr)
0.3 OPEs	1 OPE	1.2 OPEs/Day

¹³ www.cdc.gov/drugoverdose/pdf/calculating_total_daily_dose-a.pdf

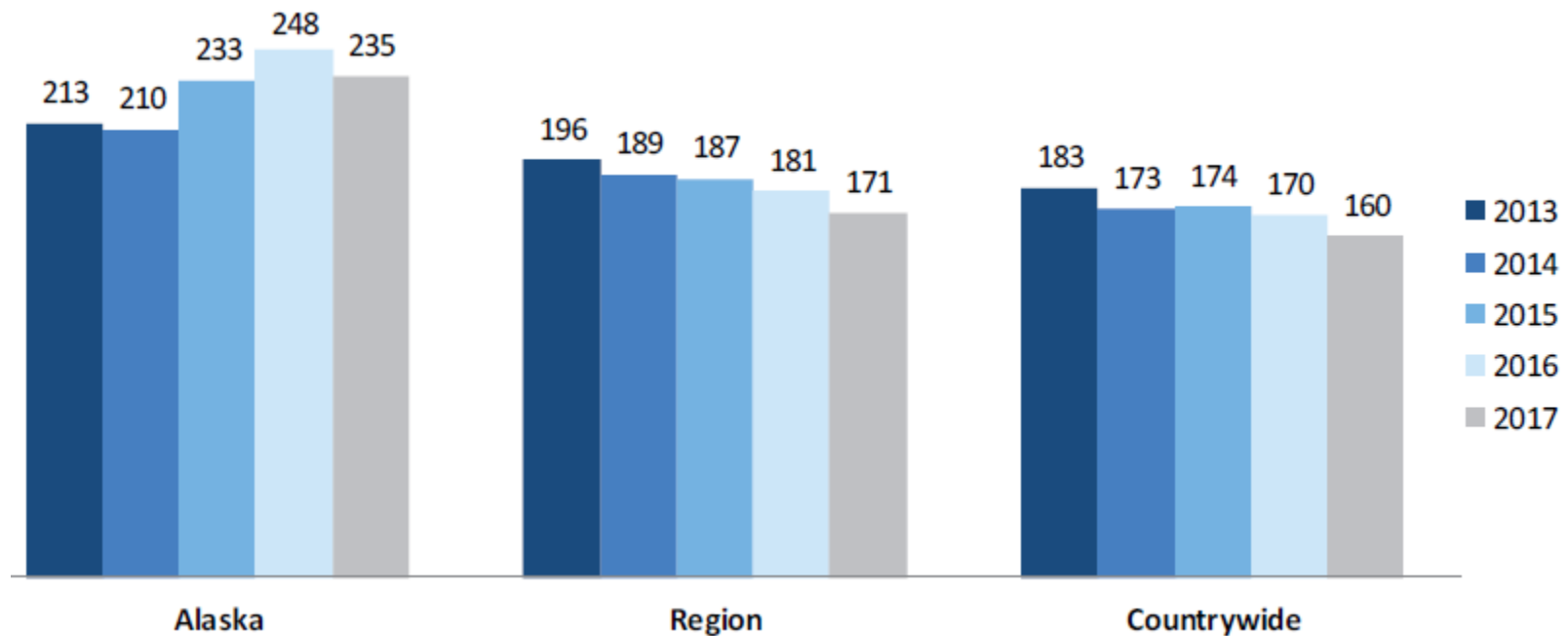
Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report Opioid Utilization Supplement, National Council on Compensation Insurance



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Average Yearly OPE per Opioid Claim by Service Year



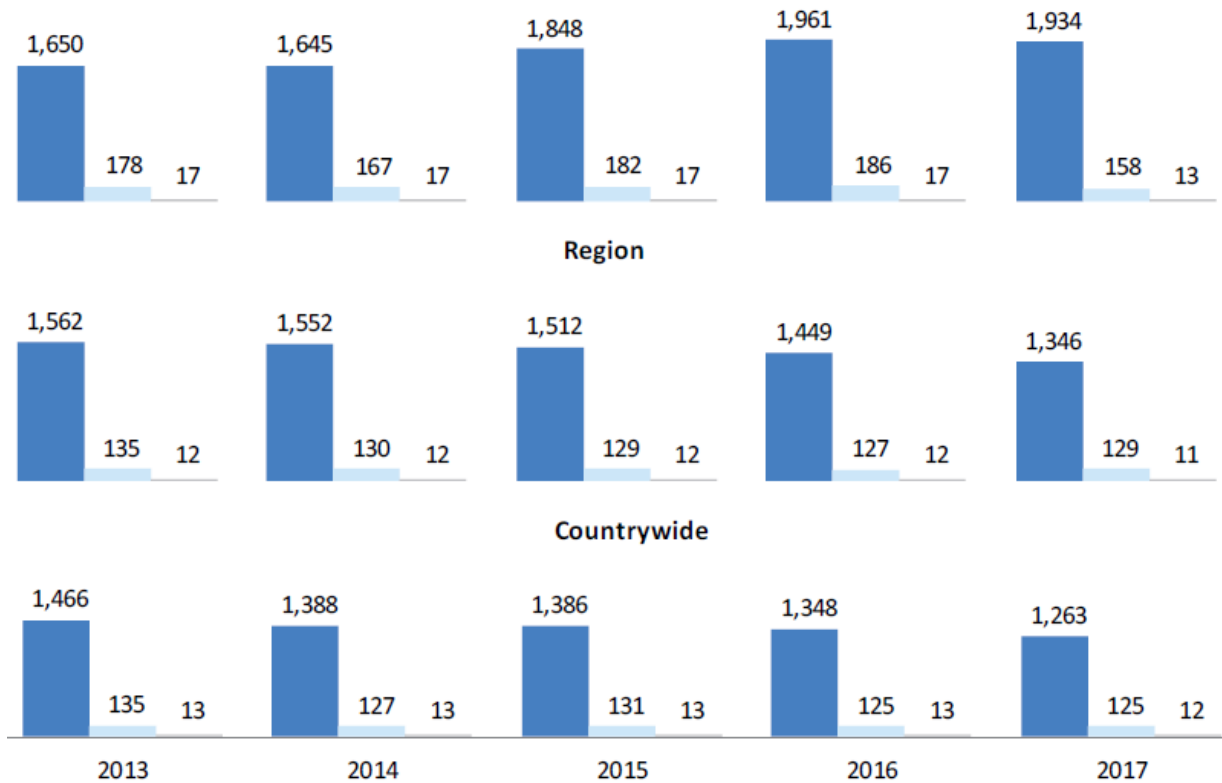
Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report Opioid Utilization Supplement, National Council on Compensation Insurance



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Average Yearly OPE per Opioid Claim by Service Year and Classification



- **Heavy Users** - top 10% of claims by OPE consumption
- **Moderate Users** - next 20% of claims by OPE consumption
- **Mild Users** - bottom 70% of claims by OPE consumption

Based on NCCI data for medical transactions for Service Year 2017; excludes lump-sum settlements and self-insured data.

Source: 2018 Alaska Medical Data Report Opioid Utilization Supplement, National Council on Compensation Insurance