



## STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION

**2018 ANNUAL REPORT** 



#### **Analysis of Workers' Compensation Claims Data**

11,000 10,000 Department of Labor and Workforce Development

DIVISION OF WORKERS'
COMPENSATION

Web: http://labor.state.ak.us/wc

In 2018, there were 17,694 reports of injury and occupational illness filed with the Workers' Compensation Division, a 3.8% decrease from 18,396 reports filed in 2017.

The Alaska Workers' Compensation Board held 231 hearings in 2018, compared to 255, in 2017.

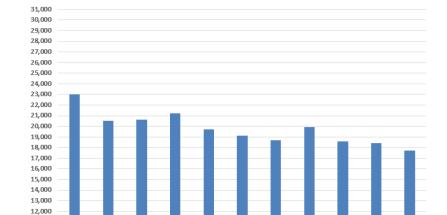
The Alaska Workers' Compensation Appeals Commission held 10 hearings in 2018, compared to 16 in 2017.

Of the case files established in 2018:

No-time-loss cases: 14,121 cases, 79.8%Time-loss cases: 3,554 cases, 20.2%

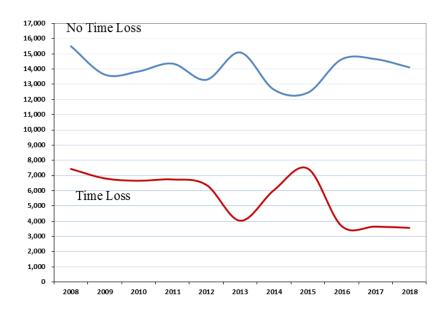
Notification only cases: 4,209 cases

Fatalities: 19 cases



2012

Total Injury Notices Received





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#### **Analysis of Workers' Compensation Claims Data**

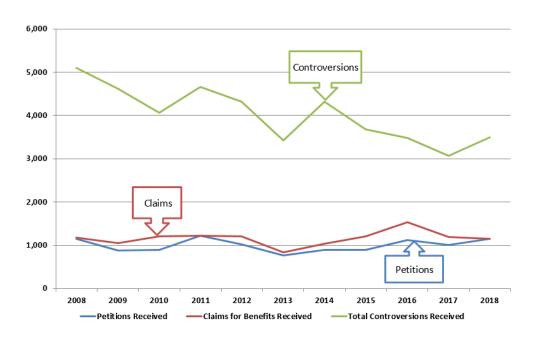
In 2018, there were 1,155 claims filed, a 3.6% decrease from 1,198 claims filed in 2017.

There were 1,151 petitions filed in 2018, a 13.7 % increase from 1,012 petitions filed in 2017.

There were 3,495 controversion notices filed in 2018, a 14.1% increase from the all time low of 3,064 in 2017.

The number of cases controverted in 2018 totaled 2,573, a 12.8% increase from 2,281 cases in 2017.

#### Filed Claims, Controversions, and Petitions





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#### ANNUAL REPORTING OF TOTAL PAID COMPENSATION

#### **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 Workers' 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 self-insured employers and uninsured employers.

Along with the annual report, each insurer, adjuster, self-insured employer, or uninsured employer must submit payment of their Second Injury Fund (SIF) contribution and their Workers' Safety and Compensation Administration Account fee (WSCAA). 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, 2018 to December 31, 2018
  - > FY = Fiscal Period from July 1, 2018 to June 30, 2019

#### Notes:

Medical Costs Totals for CY 2018 include the following Medical Costs: Physical Therapy, Chiropractic Fees, Durable Medical expenses, Medical Travel, Employee Medical-Legal Costs. The costs were previously captured in the other category for CY2014, CY2015, CY2016, and CY2017.

Other Costs for CY 2018 include: Unspecified Lump Sum Payment/Settlement, interest, penalty and SIF Contribution Fee.

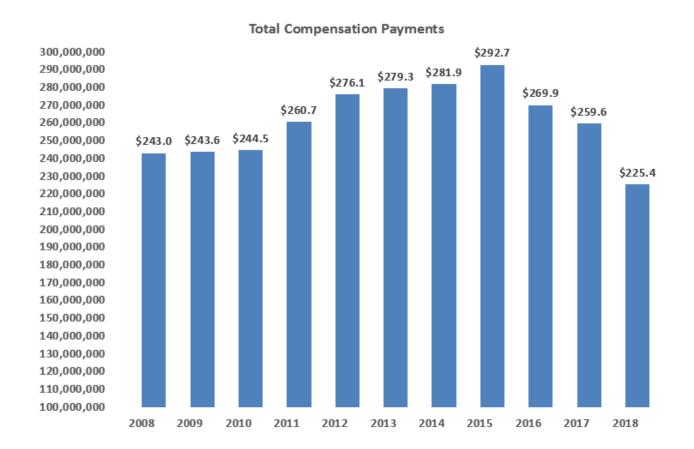


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### **Total Compensation Payments**

A total of \$225.4 million was paid in workers' compensation benefits during calendar year 2018 by 202 market-insured employers and self-insured employers. This is a decrease of 13.1% from \$259.6 million in 2017.



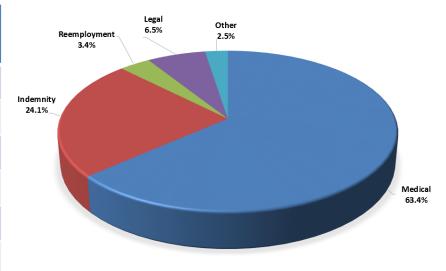


## **Total Compensation Payments Distribution**

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Benefit Type	Amount Paid	% of Cost to Total Cost
Medical	\$143,119,431	63.4%
Indemnity	\$54,272,071	24.1%
Reemployment	\$7,745,962	3.4%
Legal	\$14,586,179	6.5%
Other*	\$5,681,984	2.5%
Total	\$225,405,628	





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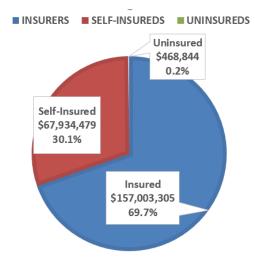
#### **Total Benefits Paid by Top Twenty Insurers/Self-Insured Employers**

Of total benefits paid, market-insured employers paid \$157.0 million (69.7%), self-insured employers paid \$67.9 million (30.1%).

The top twenty insurers and self-insured employers paid \$147.5 million, or 65.5% of total workers' compensation benefits paid in 2018. This compares to \$176.2 million, or 67.9%, in 2017.

Rank			Benefits Paid
1	ALASKA NATIONAL INS CO	\$	31,864,598
2	ALASKA, STATE OF	\$	20,002,247
3	AMERICAN ZURICH INS CO	\$	9,983,922
4	ANCHORAGE, MUNICIPALITY OF	\$	6,957,732
5	NEW HAMPSHIRE INSURANCE CO	\$	6,402,126
6	AMERICAN INTERSTATE INSURANCE CO	\$	6,128,723
7	ACE AMERICAN INSURANCE COMPANY	\$	5,952,535
8	LIBERTY INSURANCE CORP	\$	5,893,058
9	COMMERCE AND INDUSTRY INS CO	\$	5,809,056
10	LIBERTY NORTHWEST INSURANCE CO	\$	5,764,342
11	ARCTIC SLOPE REGIONAL CORP	\$	5,289,797
12	ANCHORAGE SCHOOL DISTRICT	\$	5,257,417
13	JUNEAU, CITY & BOROUGH	\$	4,921,151
14	BERKSHIRE HATHAWAY HOMESTATE INS CO	\$	4,211,735
15	REPUBLIC INDEMNITY CO OF AMERICA	\$	4,209,399
16	INDEMNITY INS CO OF NORTH AMERICA	\$	4,109,289
17	ALASKA INS GUARANTY ASSN	\$	4,036,817
18	ZURICH AMERICAN INS CO	\$	3,929,195
19	TRAVELERS PROPERTY CASUALTY CO OF AM	\$	3,688,503
20	PROVIDENCE HEALTH SYSTEM - WASHINGTON	\$	3,167,593
Total		\$147	,579,234

INSURER TYPE	Total Benefits Paid	% of Total Costs
Insurer  Market Insurer  Guaranty Associations	<b>\$157,003,304</b> \$152,900,855 \$4,102,449	69.7%
Self-Insured Employers	\$67,934,479	30.1%
Uninsured  AK Benefits Guaranty Fund  Uninsured Employer	\$468,844 \$466,800 \$2,044	0.2%
Total	\$225,406,628	





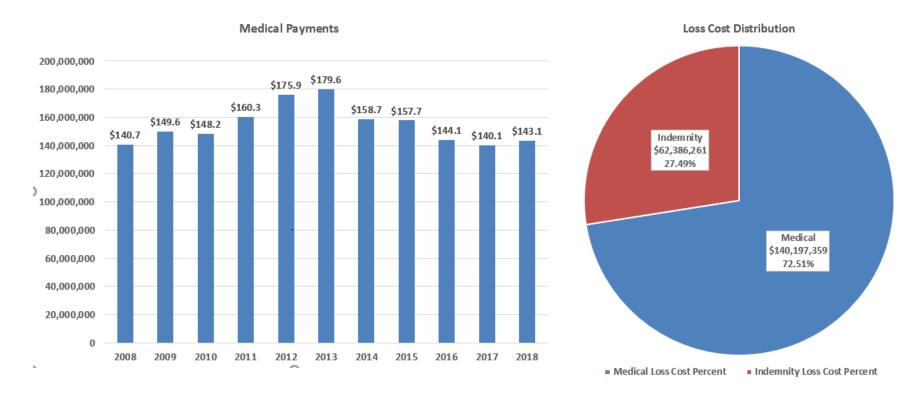
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#### **Medical Benefits**

In the calendar year 2018, medical benefits totaled \$143.1 million, a 2% increase from \$140.1 million in 2017.

Medical benefits were 63.5% of total benefits paid and 72.5% of loss costs in 2018, compared to 54% of total benefits paid and 69.2% of loss costs in 2017.





#### **Indemnity Benefits**

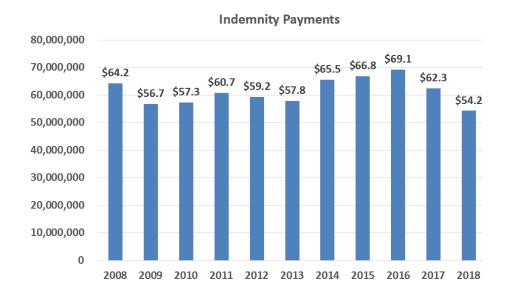
Department of Labor and Workforce Development

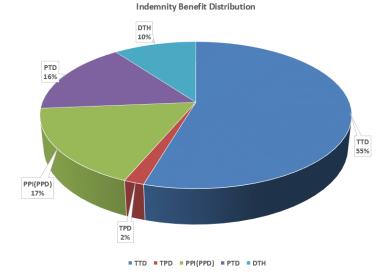
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For calendar year 2018 indemnity benefits (TTD, TPD, PPI, PTD & Death Benefits) totaled \$54.2 million, a 13% decrease from \$62.3 million in 2017.

- TTD benefits totaled \$29.6 million in 2018, a 12.9% decrease from \$34 million in 2017.
- TPD benefits totaled \$976,419 in 2018, a 37.2% decrease from \$1.5 million in 2017.
- PPI benefits totaled \$9.4 million in 2018, a 18.9% decrease from \$11.5 million in 2017.
- PTD benefits totaled \$8.7 million in 2018, a 11.3% decrease from \$9.9 million in 2017.
- Death benefits totaled \$5.4 million in 2018, a 3.6% increase from \$5.29 million in 2017.







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#### **Legal Costs**

For calendar year 2018, legal expenses totaled \$14.5 million, a 9.3% decrease from \$16 million in 2017.

- Employee attorney fees were \$4.8 million in 2018, a 20.5% decrease from \$6.1 million in 2017.
- Employer attorney fees were \$9.1 million in 2018, a 3.4% decrease from \$9.5 million in 2017.
- Litigation costs totaled \$566,983 in 2018, a 16.6% increase from \$485,933 in 2017.
- Litigation costs include:
  - Total Expert Witness Fees
  - Total Court Reporter Fees
  - Total Private Investigator Fees

\*Some Legal costs may have been reported in lump sum settlements as a total benefit payment.







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#### **Reemployment Benefits**

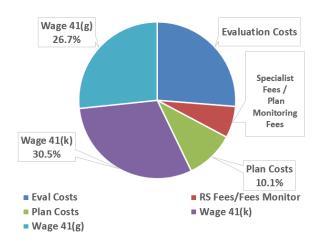
Total reemployment benefit payments totaled \$7.7 million in 2018, a 33.3% decrease from \$11.6 million in 2017.

- Rehabilitation benefit costs under AS 23.30.041(k) totaled \$2.3 million in 2018, a 46.5% decrease from \$4.4 million in 2017.
- Employee evaluation costs totaled \$2.0 million in 2018, a 4.8% decrease from \$1.9 million in 2017.
- Rehabilitation specialist fees/plan monitoring fees totaled \$324,449 in 2018, a 49.5% increase from \$216,961 in 2017.
- Plan development costs totaled \$781,518 in 2018, a 48.8% decrease from \$1.5 million in 2017.
- Rehabilitation benefit costs under AS 23.30.041(g) totaled \$2.0 million in 2018, a 33.5% decrease from \$3.1 million in 2017.

#### Reemployment Benefit Payments



#### **Reemployment Costs Distribution**



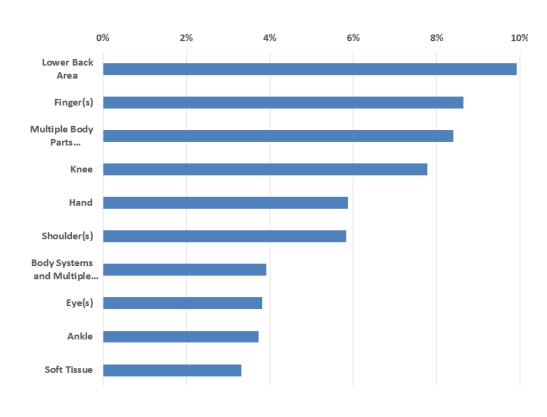


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### **Top Ten Injuries by Body Part Injured**

	Body Part Injured	Cases	%
1.	Lower Back	1755	10%
2.	Finger(s)	1528	9%
3.	Multiple Body Parts	1487	8%
4.	Knee	1376	8%
5.	Hand	1038	6%
6.	Shoulder(s)	1031	6%
7.	Body Systems /Multiple	693	4%
8.	Eye(s)	675	4%
9.	Ankle	659	4%
10.	Soft Tissue	587	3%





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#### **Alaska Injury Frequency**

In 2018, 17,694 injury cases were reported resulting in an Alaska injury frequency rate per 100 employees is 5.8%. In 2017, 18,396 injury cases were reported resulting in an Alaska injury frequency rate per 100 employees is 5.9%.

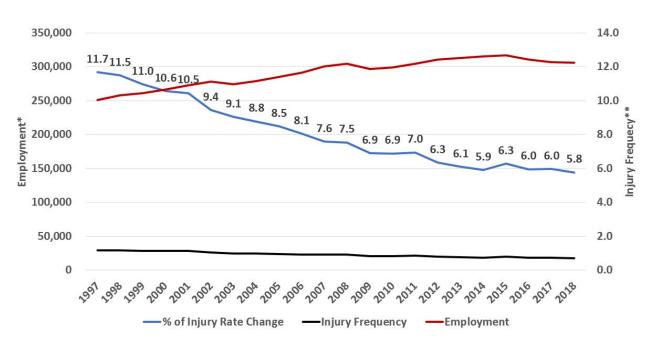
Based on Department of Labor & Workforce Development, Research and Analysis Section data of estimated statewide average monthly employment, employment totaled 321,079 in 2018, a 2.1% decrease from 327,963 in 2017. Excluding 14,868 federal employees, the number of workers covered under the Alaska Workers' Compensation Act in 2018 was approximately 306,211 a 2.13% decrease from 312,886 in 2017.

## Employment in Alaska

### Alaska Injury Frequency



	Injury	
Year	Frequency	Employment
2018	17,694	306,211
2017	18,396	307,063
2016	18,555	311,091
2015	19,909	316,757
2014	18,686	315,331
2013	19,140	313,278
2012	19,726	311,060
2011	21,213	305,015
2010	20,628	299,311
2009	20,516	296,814
2008	22,996	304,833



<sup>\*</sup>Based on Department of Labor and Workforce Development, Research and Analysis Section Data, Average Alaska Monthly Employment.

<sup>\*\*</sup>Alaska injury frequency rate equals annual reported claims divided by Average Alaska Monthly Employment.

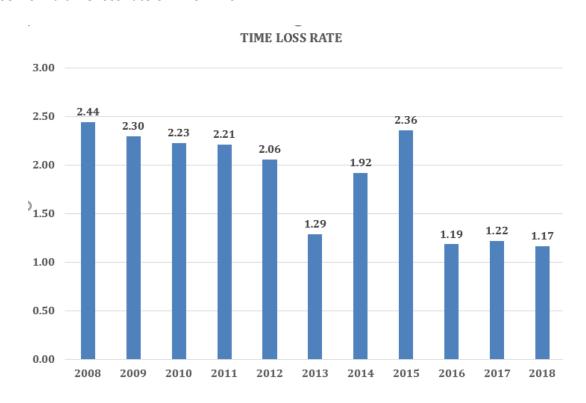


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#### **Time Loss Rate**

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 2018 was 1.17, a 2.64% decrease from a time loss rate of 1.20 in 2017.



A lost time claim is the compensation (financial, leave, other benefits) that is paid to a worker who remains absent for 3 days or more because of a work related injury.

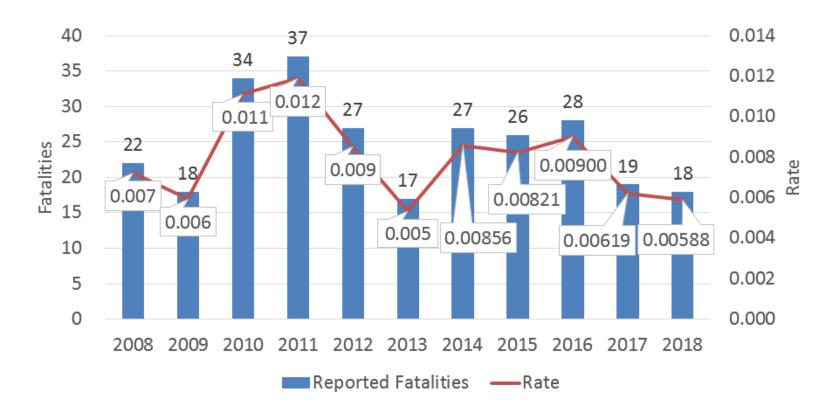


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#### **Fatality Rate**

There were 18 fatalities reported in 2018, a 5.5% decrease from 19 fatalities reported in 2017. The fatality rate per 100 employees in 2018 was .00588, compared to .00619 in 2017.





#### **Direct Written Premiums**

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Calendar Year	Direct Written Premiums (000s)
2018	240,150*
2017	\$251,110
2016	\$268,052
2015	\$281,738

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 2017, the 7,511 assigned risk policies made up 41.8% of all workers' compensation policies. The \$37.1 million in premium was approximately 12.0% of total workers' compensation premium. Of the 7,511 assigned risk policies, 4,900 had premiums of less than \$2,500.

<sup>\*</sup>Estimate based on The Division of Insurance Calendar Year 2018 reconciliation report for Workers' Compensation Service Fee.



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### **Active Self-Insured Employers**

There were 24 active self-insured employers in 2018

Active Alaska Self-Insured Employers	Start Date of Self-Insurance
Alaska Air Group, Inc.	5/1/1980
Alaska Railroad Corp.	7/1/1996
Alyeska Pipeline Service Co.	7/1/1983
Anchorage School District	6/1/2004
Arctic Slope Regional Corp.	6/1/2005
Bristol Bay Area Health Corporation	2/1/2005
Chevron Corporation	5/12/1999
Chugach Electric Assn. Inc.	1/1/2014
City & Borough of Juneau	4/1/2004
Costco Wholesale Corp.	9/3/1999
Fairbanks North Star Borough & School District	7/1/1977
Federal Express Corp.	10/10/1990

Active Alaska Self-Insured Employers	Start Date of Self-Insurance
Fred Meyer Stores, Inc.	10/1/1996
GCI Holdings, LLC*	12/31/2017
Harnish Group Inc.	5/1/2005
Jacobs Engineering Group**	7/1/2018
Kenai Peninsula Borough & School District	2/16/1992
Matanuska-Susitna Borough	8/15/2008
Matanuska-Susitna School District	7/1/1994
Municipality of Anchorage	1/1/2004
Nabors Alaska Drilling, Inc.	1/1/1987
Providence Health System – WA	4/1/1995
State of Alaska	11/24/2003
University of Alaska	2/1/2004

<sup>\*</sup>GCI Holdings, LLC acquired General Communications, Inc.

<sup>\*\*</sup> Jacobs Engineering Group Inc. acquired CH2M Hill



## 2018 ANNUAL REPORT LEGISLATION PASSED IN 2018

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#### **HB 79**

An Act relating to workers' compensation; relating to the second injury fund; relating to service fees and civil penalties for the workers' safety programs and the workers' compensation program; relating to incorporation of reference materials in workers' compensation regulations; excluding independent contractors from workers' compensation coverage; establishing the circumstances under which certain nonemployee executive corporate officers and members of limited liability companies may obtain workers' compensation coverage; establishing a legislative workers' compensation working group; and providing for an effective date. The workers' compensation reforms passed by the State of Alaska Legislature on May 11, 2018, (SCS CSHB 79(FIN) provided for:

- The closure of the Second Injury Fund (SIF)
- The closure of issuing Executive Officer Waiver Program
- Definition of Employee and Independent Contractor



#### Department of Labor and Workforce Development DIVISION OF WORKERS' COMPENSATION

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### **Workers' Compensation Premium Rate Ranking**

2018	2016	21.1	Index	Percent of		Percent of 2016
Ranking	Ranking	State	Rate	study median	Effective Date	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 19	26	Pennsylvania	1.85	109%	April 1, 2017	100%
	22	North Carolina	1.84	108%	April 1, 2017	103%
19 21	14 28	Maine Idaho	1.84 1.81	108% 106%	April 1, 2017	110% 97%
					January 1, 2018	
21 22	33 8	Florida Illinois	1.81 1.80	106% 106%	January 1, 2018	90% 121%
23	32	South Dakota	1.73	102%	January 1, 2018 July 1, 2017	91%
24	8	Oklahoma	1.71	101%		121%
26	17	New Hampshire	1.70	100%	January 1, 2018 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	lowa	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%



# STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

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Medical costs have consistently been on the rise over the last 30 years. Today, in many states, close to 60% of workers compensation benefits are attributed to medical costs. The rising cost of medical care is one of the major issues facing workers compensation stakeholders now and in the foreseeable future. The availability of medical data on workers compensation claims is essential for the pricing of proposed state legislation, assessing impacts of changes to medical fee schedules, and conducting research.

This report illustrates the breakdown of services by the following categories:

**Physician** 

**Hospital Outpatient** 

**Hospital Inpatient** 

**Ambulatory Surgical Centers** 

Drugs

Durable Medical Equipment, Prosthetics, Orthotics and Supplies

Other

Self-insured data is not included

Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance



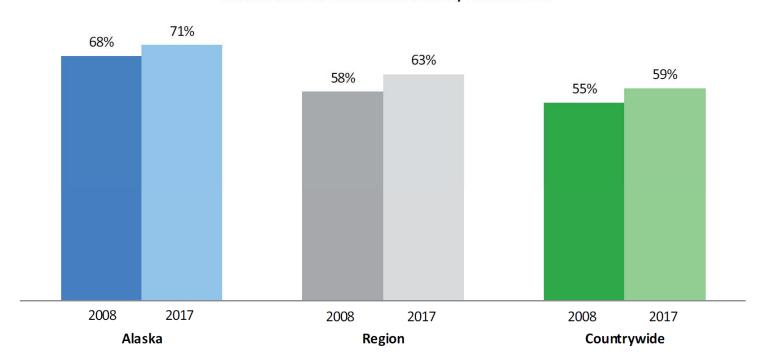
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**2018 MEDICAL DATA REPORT** 

#### Medical Share of Total Benefit Costs by Accident Year



Source: NCCI's Calendar-Accident Year Call for Compensation Experience. Region includes AZ, CO, HI, ID, MT, NM, NV, OR, and UT. Countrywide data includes AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, and WV.

Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance

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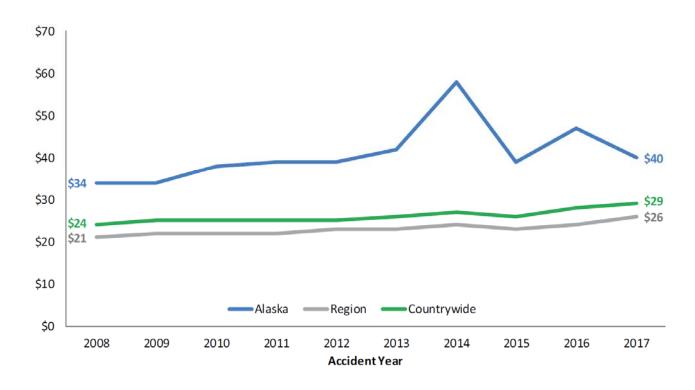
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## **STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION** 2018 MEDICAL DATA REPORT

Overall Medical Average Cost per Lost-Time Claim (in 000s)



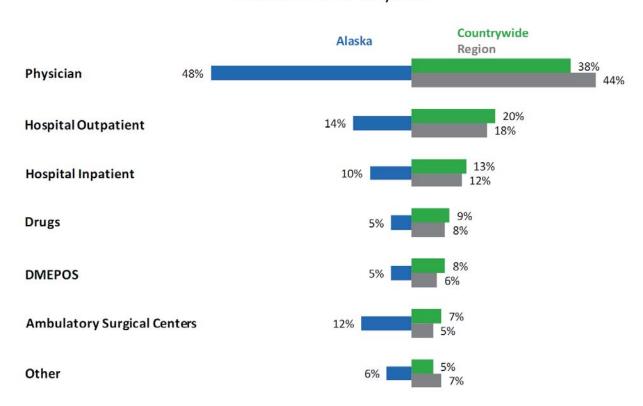


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# STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

#### **Distribution of Medical Payments**



Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance



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## STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

#### Physician Payments as a Percentage of Medicare

Physician Service Category	Alaska	Region	Countrywide
General and Physical Medicine	162%	133%	131%
Surgery	368%	210%	269%
Evaluation and Management	183%	151%	142%
Radiology	450%	212%	228%
Anesthesia	292%	233%	281%
All Physician Services	226%	158%	167%

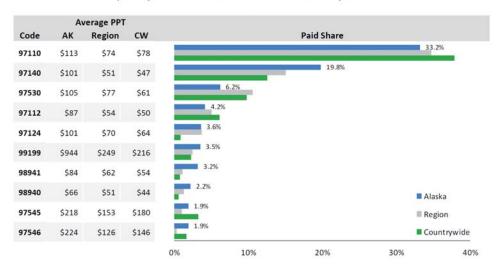


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## STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

Top 10 Physical and General Medicine Procedure Codes by Amount Paid



Code	Description
97110	Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion, and flexibility
97140	Manual therapy techniques (e.g., mobilization/manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes
97530	Therapeutic activities, direct (one-on-one) patient contact by the provider (use of dynamic activities to improve functional performance), each 15 minutes
97112	Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities
97124	Therapeutic procedure, 1 or more areas, each 15 minutes; massage, including effleurage, petrissage and/or tapotement (stroking, compression, percussion)
99199	Unlisted special service procedure or report
98941	Chiropractic manipulative treatment (CMT); spinal 3-4 regions
98940	Chiropractic manipulative treatment (CMT); spinal, 1-2 regions
97545	Work hardening/conditioning; initial 2 hours
97546	Work hardening/conditioning; each additional hour

Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance

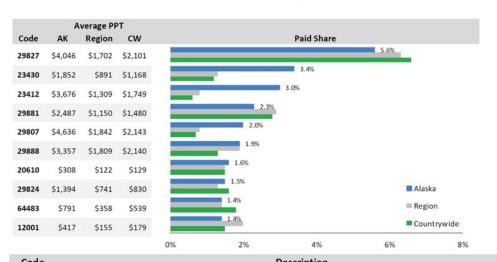


DIVISION OF WORKERS'
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Web: http://labor.state.ak.us/wc

# STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

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
23412	Repair of ruptured musculotendinous cuff (e.g., rotator cuff) open; chronic
29881	Arthroscopy, knee, surgical; with meniscectomy (medial or lateral including any meniscal shaving), including debridement/shaving of articular cartilage
29807	Arthroscopy, shoulder, surgical; repair of superior labral tear from anterior to posterior (SLAP) lesion
29888	Arthroscopically aided anterior cruciate ligament repair/augmentation or reconstruction
20610	Arthrocentesis, aspiration, and/or injection; major joint or bursa (e.g., shoulder, hip, knee, joint, subacromial bursa)
29824	Arthroscopy, shoulder, surgical; distal claviculectomy including distal articular surface (Mumford procedure)
64483	Injection(s), anesthetic agent, and/or steroid, transforaminal epidural, with imaging guidance (fluoroscopy or computed tomography (CT)); lumbar or sacral, single level
12001	Simple repair of superficial wounds of scalp, neck, axillae, external genitalia, trunk, and/or extremities (including hands and feet); 2.5 cm or less

Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance PPT = average amount paid per transaction

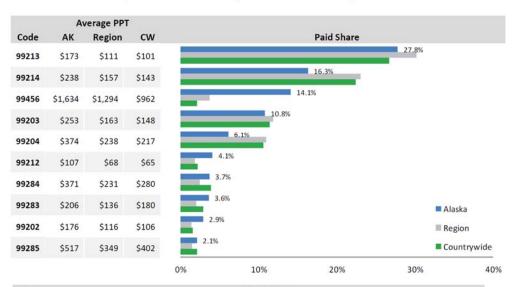


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## STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

Top 10 Evaluation and Management Procedure Codes by Amount Paid



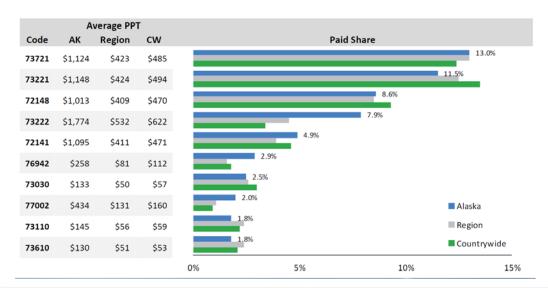
Code	Description
99213	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of low to moderate severity. Physicians typically spend 15 minutes face-to-face with the patient and/or family.
99214	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 25 minutes face-to-face with the patient and/or family.
99456	Work related or medical disability examination by other than the treating physician.
99203	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of moderate severity. Physicians typically spend 30 minutes face-to-face with the patient and/or family.
99204	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 45 minutes face-to-face with the patient and/or family.
99212	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are self limited or minor. Physicians typically spend 10 minutes face-to-face with the patient and/or family.
99284	Emergency department visit. Usually the presenting problem(s) are of high severity and require urgent evaluation by the physician but do not pose an immediate significant threat to life or physiologic function.
99283	Emergency department visit. Usually the presenting problem(s) are of moderate severity.
99202	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of low to moderate severity. Physicians typically spend 20 minutes face-to-face with the patient and/or family.
99285	Emergency department visit. Usually the presenting problem(s) are of high severity and pose an immediate significant threat to life or physiologic function.

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## STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

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
77002	Fluoroscopic guidance for needle placement (e.g., biopsy aspiration injection localization device)
73110	Radiologic examination, wrist; complete minimum of 3 views
73610	Radiologic examination, ankle; complete minimum of 3 views

Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance

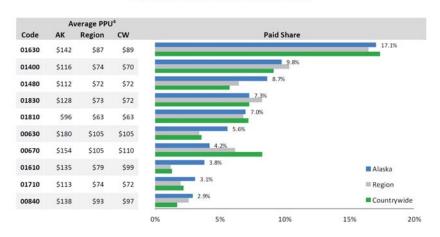


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# STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

Top 10 Anesthesia Procedure Codes by Amount Paid



Code	Description
01630	Anesthesia for open or surgical arthroscopic procedures on humeral head and neck, sternoclavicular joint, acromioclavicular joint, and shoulder joint; not otherwise specified
01400	Anesthesia for open or surgical arthroscopic procedures on knee joint; not otherwise specified
01480	Anesthesia for open procedures on bones of lower leg, ankle, and foot; not otherwise specified
01830	Anesthesia for open or surgical arthroscopic/endoscopic procedures on distal radius, distal ulna, wrist, or hand joints; not otherwise specified
01810	Anesthesia for all procedures on nerves, muscles, tendons, fascia, and bursae of forearm, wrist, and hand
00630	Anesthesia for procedures in lumbar region; not otherwise specified
00670	Anesthesia for extensive spine and spinal cord procedures (e.g., spinal instrumentation or vascular procedures)
01610	Anesthesia for all procedures on nerves, muscles, tendons, fascia, and bursae of shoulder and axilla
01710	Anesthesia for procedures on nerves, muscles, tendons, fascia, and bursae of upper arm and elbow; not otherwise specified
00840	Anesthesia for intraperitoneal procedures in lower abdomen including laparoscopy; not otherwise specified

Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance



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# STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MEDICAL DATA REPORT

#### Hospital Inpatient Payments as a Percentage of Medicare

Medical Cost Category	Alaska	Region	Countrywide
Hospital Inpatient	172%	181%	198%

#### Hospital Outpatient Payments as a Percentage of Medicare

Medical Cost Category	Alaska	Region	Countrywide
Hospital Outpatient	236%	197%	244%

#### ASC Payments as a Percentage of Medicare

Medical Cost Category	Alaska	Region	Countrywide
Ambulatory Surgical Center	397%	217%	279%

Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance A review of physician costs in workers compensation compared to group health results show that WC costs are 77% higher than group health costs.

Physical medicine services in WC are almost three times the costs of group health, largely due to the number of services provided. PPT = the average amount paid per transaction.



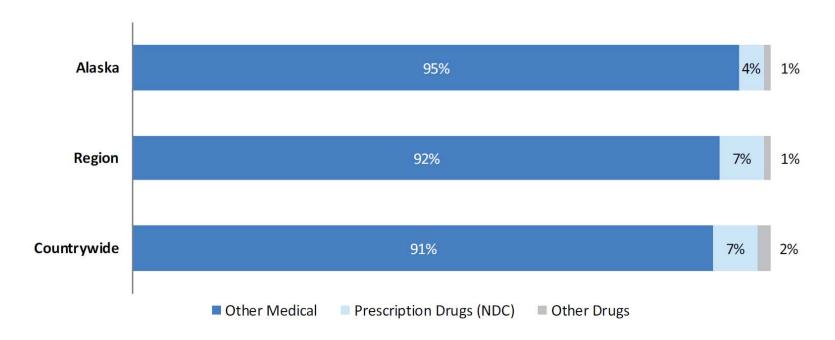
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## STATE OF ALASKA DIVISION OF WORKERS' COMPENSATION 2018 MFDICAL DATA REPORT

## **Opioid Utilization**

#### **Drug Share of Medical Payments**



Source: 2019 Alaska State Advisory Forum, National Council on Compensation Insurance For Service Year 2018, Alaska spent \$3 million on 15,000 prescriptions for workers compensation claims.