



JUDICIAL COUNCIL OF CALIFORNIA

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM ADVISORY COMMITTEE

TABLE OF CONTENTS

	TAB
MARCH 28, 2022 MEETING MINUTES	1
AGENDA	2
JBWCP ADVISORY COMMITTEE PRESENTATION	3
JBWCP – 2022 ANNUAL AUDIT REPORT	4
UPDATED MEMORANDUM OF COVERAGE – TRIAL COURT (REDLINE)	5
UPDATED MEMORANDUM OF COVERAGE – TRIAL COURT	6
UPDATED MEMORANDUM OF COVERAGE – JUDICIARY (REDLINE)	7
UPDATED MEMORANDUM OF COVERAGE – JUDICIARY	8
DRAFT BICKMORE ACTUARIAL – 2022 ANNUAL ACTUARIAL REVIEW	9
DRAFT BICKMORE ACTUARIAL – 2023-24 MEMBER PREMIUMS	10



JUDICIAL COUNCIL OF CALIFORNIA

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM ADVISORY COMMITTEE

www.courts.ca.gov/jbwcp.htm
jbwcp@jud.ca.gov

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM ADVISORY COMMITTEE

MINUTES OF OPEN MEETING

March 28, 2022

1:00 p.m. - 3:30 p.m.

<https://jcc.granicus.com/player/event/1688>

Advisory Body Members Present:	Hon. Matthew Brower, Ms. Heather Capps, Ms. Stephanie Cvitkovich, Mr. Charles Johnson, Ms. Krista LeVier, Ms. Arline Lisinski, Mr. James Owen, Ms. Bryna Smith, Ms. Kimberlie Turner, Ms. Shelby Wineinger, Mr. T. Michael Yuen
Advisory Body Members Absent:	Ms. Kim Bartleson, Mr. Brandon E. Riley, Mr. Hugh Swift, Mr. Brian Taylor
Others Present:	Mr. Patrick Farrales, Ms. Maria Kato, Mr. Edward Metro, Ms. Jade Vu, Ms. Miki Katsuyama Novitski, Ms. Sayuri Okamoto, Ms. Jacquelyn Miller, Ms. Becky Richard, Mr. Jon Paulsen

OPEN MEETING

Call to Order and Roll Call

Ms. Shelby Wineinger, Chair, called the meeting to order at 1:04 p.m. and Mr. Patrick Farrales was asked to take roll call.

PUBLIC COMMENT (CAL. RULES OF COURT, RULE 10.75(K)(1))

Written Comment

Mr. Patrick Farrales reported that there were no public comments received. However, Mr. Patrick Farrales informed the Committee members that comments were received from Court Executive Officers concerning confidence level proposals.

DISCUSSION AND ACTION ITEMS (ITEMS 1-2)

Item 1

Updated Draft Actuarial Report and Premium Allocation

Ms. Becky Richard, Senior Manager, Bickmore Actuarial, presented updated actuarial report numbers, which were originally presented in February. The new report reflects adjustments to the TPA fees, based on the new contract. She presented the total allocation costs for both programs. The changes to the cost were minimal from the time she presented in February, with a slight decrease in ultimate loss and excess insurance premiums. Third-party claims administration fees have decreased significantly based on the new contract. Consulting and brokerage expenses have remained mostly unchanged, with only a 1.2%

increase. The loss allocation methodology remains unchanged. Everything is based on a three-year period, losses are capped at \$75,000 per claim. The expense allocation methodology also remains unchanged. For both programs, both excess insurance premiums and consulting brokerage fees are allocated based on % of total payroll. TPA fees are allocated based on the court's percentage of total loss/ALAE funding for the program year.

Ms. Richard proposed considering changing the confidence level from the current 60% to 70%. She explained that if the confidence level is kept at 60% for another year, a significant decrease could be seen. If a 70% confidence level is chosen, the numbers are increased, however, it would help to bring the program surplus higher, at a quicker rate.

Mr. Farrales and Ms. Wineinger shared that the comments received from the members were all in support of increasing confidence levels.

Question: Do the confidence level numbers presented mean that the spending will be less than the amount taken in?

Answer: Yes, although there may be some years that are high or low, overall if it is funded at a 70% confidence level, then over time more money will be brought into the fund, adding to the surplus a little bit each year.

Question: In the last five years, have we had any years where more was spent than what was taken in?

Answer: No, for the last several years claims have been coming in consistently lower than what was estimated. Which is the reason the program is now at a slight surplus. This is a good time to bump up the confidence level considering the fund is at a break-even point. Most entities are funding between 75-85% confidence level.

Question: Was there any feedback related to confidence level from the judiciary program?

Answer: Yes, feedback in support of increasing confidence level was received from the judiciary program. It was further explained that the discussion was held with the Budget Services team to make sure that entities in the judiciary who would receive an increase do have sufficient funds to afford the increase, which they confirmed would not be an issue.

Action: Review and approve the selected confidence level

Motion: Ms. LeVier moved to approve and move to a 70% confidence level. Mr. Johnson seconded the motion. Mr. Owen opposed the motion. There were no abstentions.

Ms. Shelby Wineinger called for a motion on approving the actuarial report.

Motion: Ms. Capps moved to approve the actuarial report, without amendment. Ms. Turner seconded the motion. There were no oppositions nor abstentions.

Item 2

Program goal setting and initiatives

Mr. Patrick Farrales, Supervising Analyst, Judicial Council, and Mr. Edward Metro, Senior Analyst, Judicial Council presented an overview of the various priorities and the recommended items to be discussed during the first year while transitioning with the new TPA. Mr. Farrales mentioned there is some flexibility in the timeline of the initiatives, given the members may have to spend significant time on the transition itself. Judicial Council staff and program vendors will work together to create recommendations first for the working groups to review.

For year one, under governance, the working group would work to update the memorandum of coverage which includes catastrophic incidents, volunteers, member reporting requirements, and the process of the acceptance of terms and conditions from other members. In regard to litigation management, in the past, there may have been an overreliance on defense and litigation which resulted in higher costs when it could have been managed at the adjuster level. After learning of all of Sedgwick's technological capabilities, there may be an opportunity for potential savings in cost. The program staff will review Sedgwick's performance in these areas and develop initiatives to present to the working group members.

Under risk control, beginning December 1, an inventory of the existing program training will be developed. A discussion will also be held with the auditor to discuss ways to measure Sedgwick's performance, at that time. For Financial goals and metrics, during the first year, the goal would include developing a dashboard as well as setting the financial goals and initiatives. The program will determine the appropriate surplus level. Mr. Farrales hopes to create a standardized financial reporting system using Sedgwick's technology to share with the members in the future.

A timeline for the respective goals was presented.

Question: Could you please clarify, what the end date is expected for each of the initiatives?

Answer: The end dates will need to be determined as some of these initiatives will extend for a couple of fiscal years.

Question: If the expectation is for the (governance piece) to be done and ready for the fiscal year 23-24 for the subcommittee to review, will the working group be expected to draft this within three to four months?

Answer: Yes, the draft for the Memorandum of coverage will have to be written before the next advisory meeting so that the committee may approve it.

Ms. Shelby Wineinger called for a motion on approving the priorities and timeframes for the upcoming fiscal year.

Motion: Ms. Capps moved to set forth the timeline presented. Mr. Johnson seconded the motion. There were no oppositions nor abstentions.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:34 p.m.



JUDICIAL COUNCIL OF CALIFORNIA

JUDICIAL BRANCH WORKERS'
COMPENSATION PROGRAM
ADVISORY COMMITTEE

www.courts.ca.gov/jbwcp.htm
jbwcp@jud.ca.gov

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM ADVISORY COMMITTEE OPEN MEETING WITH CLOSED SESSION AGENDA

Open to the Public Unless Indicated as Closed (Cal. Rules of Court, rule 10.75(c) & (d))

THIS MEETING IS BEING CONDUCTED BY ELECTRONIC MEANS

OPEN PORTION OF THIS MEETING IS BEING RECORDED

Date: February 22, 2023
Time: 1:00 p.m.
Public Call-in Number: See URL: <https://jcc.granicus.com/player/event/2138>

Meeting materials will be posted on the advisory body web page on the California Courts website at least three business days before the meeting.

Agenda items are numbered for identification purposes only and will not necessarily be considered in the indicated order.

I. OPEN MEETING (CAL. RULES OF COURT, RULE 10.75(C)(1))

Call to Order and Roll Call

Approval of Minutes

Approve minutes of the March 28, 2022, Judicial Branch Workers' Compensation Program Advisory Committee meeting(s).

II. PUBLIC COMMENT (CAL. RULES OF COURT, RULE 10.75(K)(1))

Written Comment

This meeting will be conducted by electronic means with a listen only conference line available for the public. As such, the public may submit comments for this meeting in writing. In accordance with California Rules of Court, rule 10.75(k)(1), written comments pertaining to any agenda item of a regularly noticed open meeting can be submitted up to one complete business day before the meeting. For this specific meeting, comments should be e-mailed to jbwcp@jud.ca.gov or mailed or delivered to 2850 Gateway Oaks Drive, Sacramento, CA 95833-4348, attention: Edward Metro. Only written comments received by 4:30 p.m. February 17, 2023, will be provided to advisory body members prior to the start of the meeting.

III. DISCUSSION AND POSSIBLE ACTION ITEMS (ITEMS 1-3)

Item 1

Third Party Administrator Annual Audit (Action Required)

Review of annual audit results and next steps.

Presenter(s)/Facilitator(s): *Mr. Alan Turnipseed, Marsh*

Item 2

Strategic Planning Five Year Plan: Review Changes to the Memorandum of Coverage (Action Required)

Recommended updates to the Memorandum of Coverage.

Presenter(s)/Facilitator(s): *Mr. Edward Metro, Lead Staff*

Mr. Jon Paulson, Sedgwick Risk

Item 3

Presentation of Draft Actuarial Report and Premium Allocation Results for FY2023-24 (Action Required)

Review of fiscal year 2023-24 workers' compensation premium allocation.

Presenter(s)/Facilitator(s): *Ms. Becky Richard, Bickmore Actuarial*

IV. INFORMATION ONLY ITEMS (NO ACTION REQUIRED)

Info 1

Program Updates (No Action Required)

Update on the JBWCP.

Presenter(s)/Facilitator(s): *Ms. Shelby Wineinger, Chair*

Mr. Edward Metro, Lead Staff

Info 2

Third Party Administrator Plan of Action (No Action Required)

Discussion of steps taken to address areas of deficiency outlined in the audit report.

Presenter(s)/Facilitator(s): *Ms. Amanda Garcia, Sedgwick Claims*

Mr. Chris Perez, Sedgwick Claims

Info 3

Workers' Compensation Legislative Updates (No Action Required)

Discussion of upcoming workers' compensation legislation.

Presenter(s)/Facilitator(s): *Ms. Jacquelyn Miller, Sedgwick Risk*

Info 4

Sedgwick Stewardship Report (No Action Required)

Review of third-party administrator's annual metrics.

Presenter(s)/Facilitator(s): *Ms. Amanda Garcia, Sedgwick Claims*
Ms. Heather Allen, Sedgwick Claims

V. ADJOURNMENT

Adjourn to Closed Session

VI. CLOSED SESSION (CAL. RULES OF COURT, RULE 10.75(D))

Item 1

Pursuant to California Rules of Court, rule 10.75(D)(2)

Strategic Planning Five Year Plan: Risk Assessment

Discussion on program data and sharing practices.

Item 2

Pursuant to California Rules of Court, rule 10.75(D)(7)

Strategic Planning Five Year Plan: Next Steps

Discussion on phase one of the five year plan.

Adjourn Closed Session

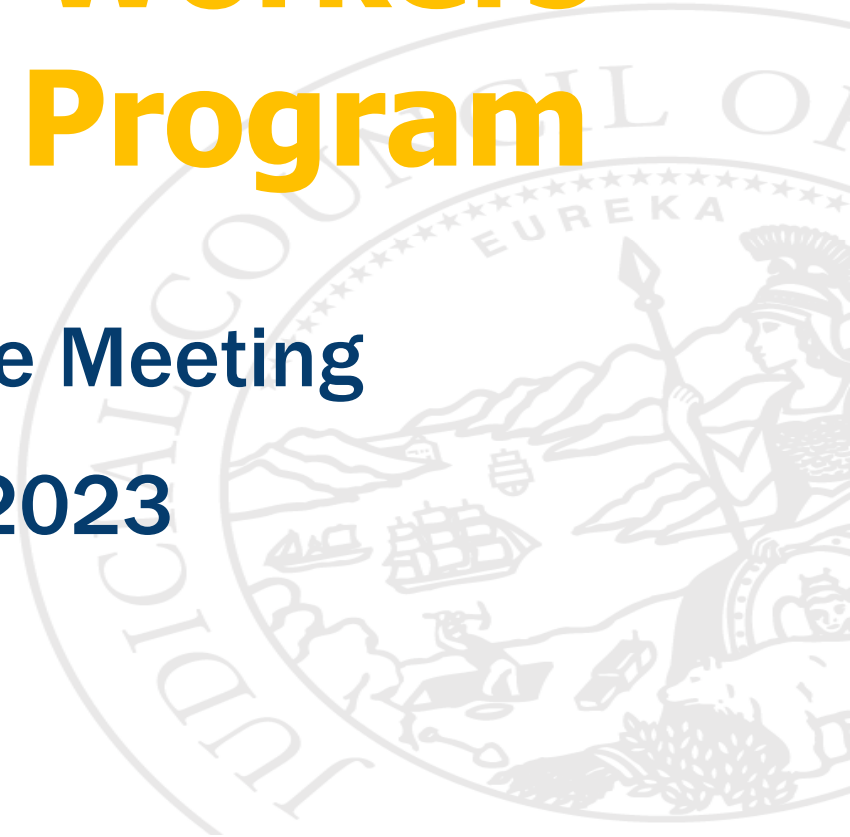
Judicial Branch Workers' Compensation Program

Advisory Committee Meeting

February 22, 2023



JUDICIAL COUNCIL
OF CALIFORNIA



Call to Order & Roll Call



JUDICIAL COUNCIL
OF CALIFORNIA



Public Comments



JUDICIAL COUNCIL
OF CALIFORNIA



Meeting Agenda

- **Program Updates**
- **JBWCP Audit Results**
 - Marsh Report
 - Sedgwick Claims Audit Response
- **Update on Program Goal Setting and Initiatives**
 - MOC
 - Policies & Procedures
- **Legislative Updates**
- **Sedgwick's Claims Annual Stewardship Report**
- **Draft Actuarial Report and Premium Allocation**
- **Closed Session**
 - Financial Statements (Closed)
 - Risk Assessment and Sharing Data (Closed)
- **Next Steps**



JUDICIAL COUNCIL
OF CALIFORNIA



Updates from the Chair

**Ms. Shelby Wineinger
Court Executive Officer
Superior Court of California
County of El Dorado**



JUDICIAL COUNCIL
OF CALIFORNIA

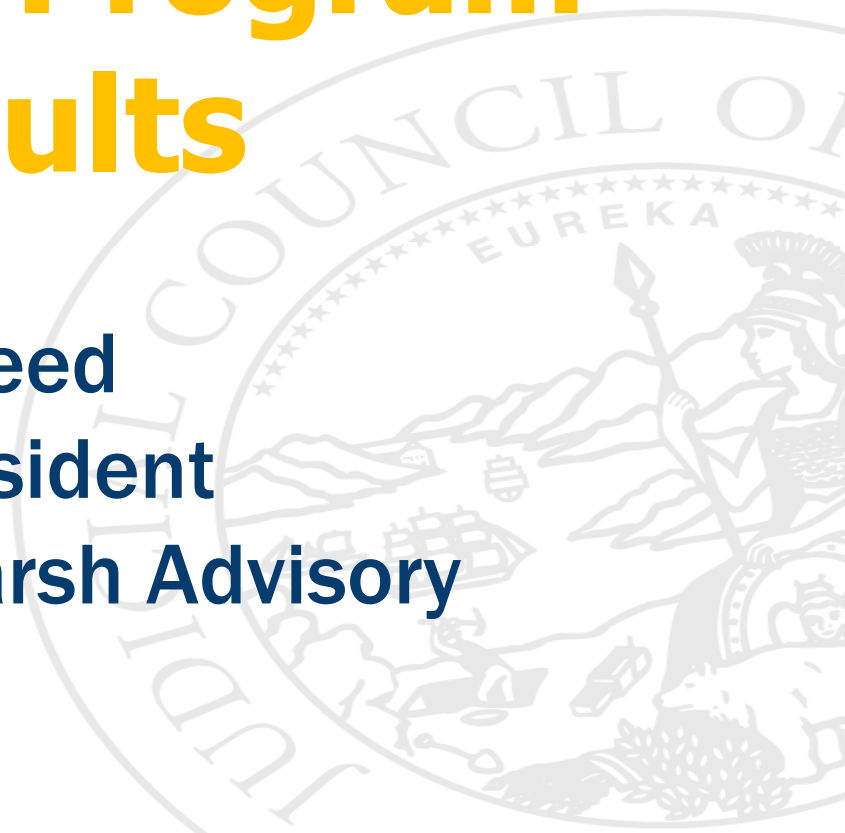


Judicial Branch Workers' Compensation Program Audit Results

Alan Turnipseed
Senior Vice President
Claims Consulting, Marsh Advisory



JUDICIAL COUNCIL
OF CALIFORNIA



Annual Audit - Objectives

- **Assessment of TPA/Managed Care Strategic Partner (Sedgwick)**
 - Focus Period – July 1, 2022 to date (corresponding to Program migration)
- Evaluate performance across 18 targeted audit categories
- Identify areas of opportunity to enhance overall Program performance
- Provide strategic recommendations to ensure future compliance ≥90%, adoption of best practices and support future Program initiatives



JUDICIAL COUNCIL
OF CALIFORNIA

Annual Audit - Areas Of Focus

- **Technical performance**
- **Regulatory compliance**
- **Contractual/Service Guideline compliance**
- **Customer service experience**
- **Member involvement**



JUDICIAL COUNCIL
OF CALIFORNIA

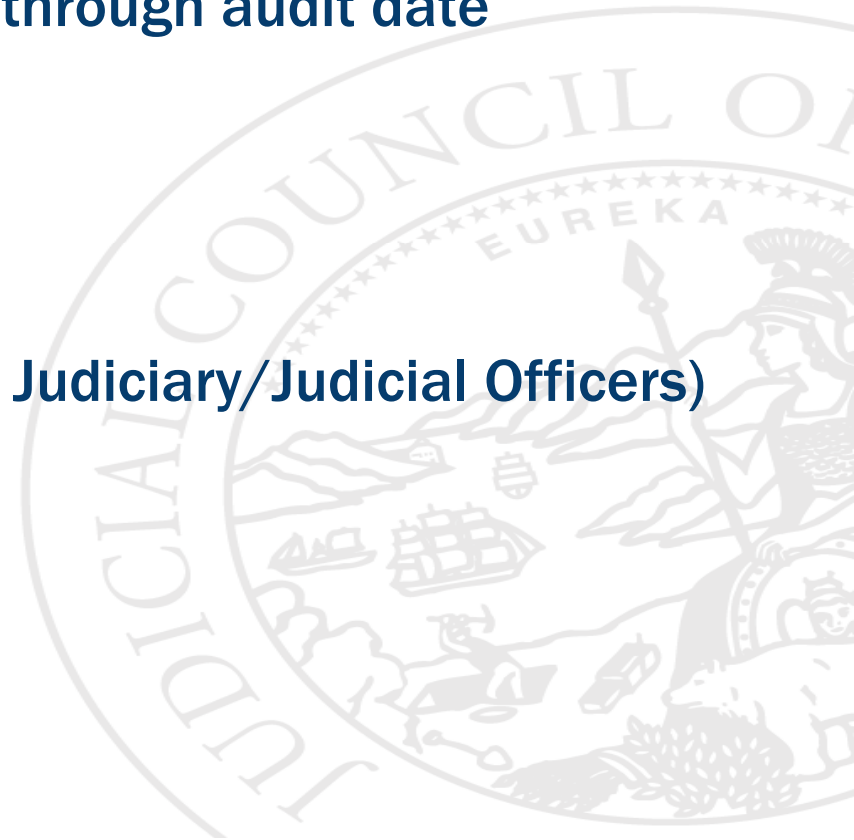


Annual Audit - Methodology

- Review of 260 indemnity claims
- Relevant audit timeframe July 1, 2022 through audit date (approximately 90 days)
- Claim sample construction by:
 - Indemnity Adjuster
 - JBWCP Segment type (Trial Courts & Judiciary/Judicial Officers)
 - Member Size



JUDICIAL COUNCIL
OF CALIFORNIA



Annual Audit – Scoring Overview

- The following four-tiered scoring protocol was utilized in conjunction with the 2022-2023 annual audit

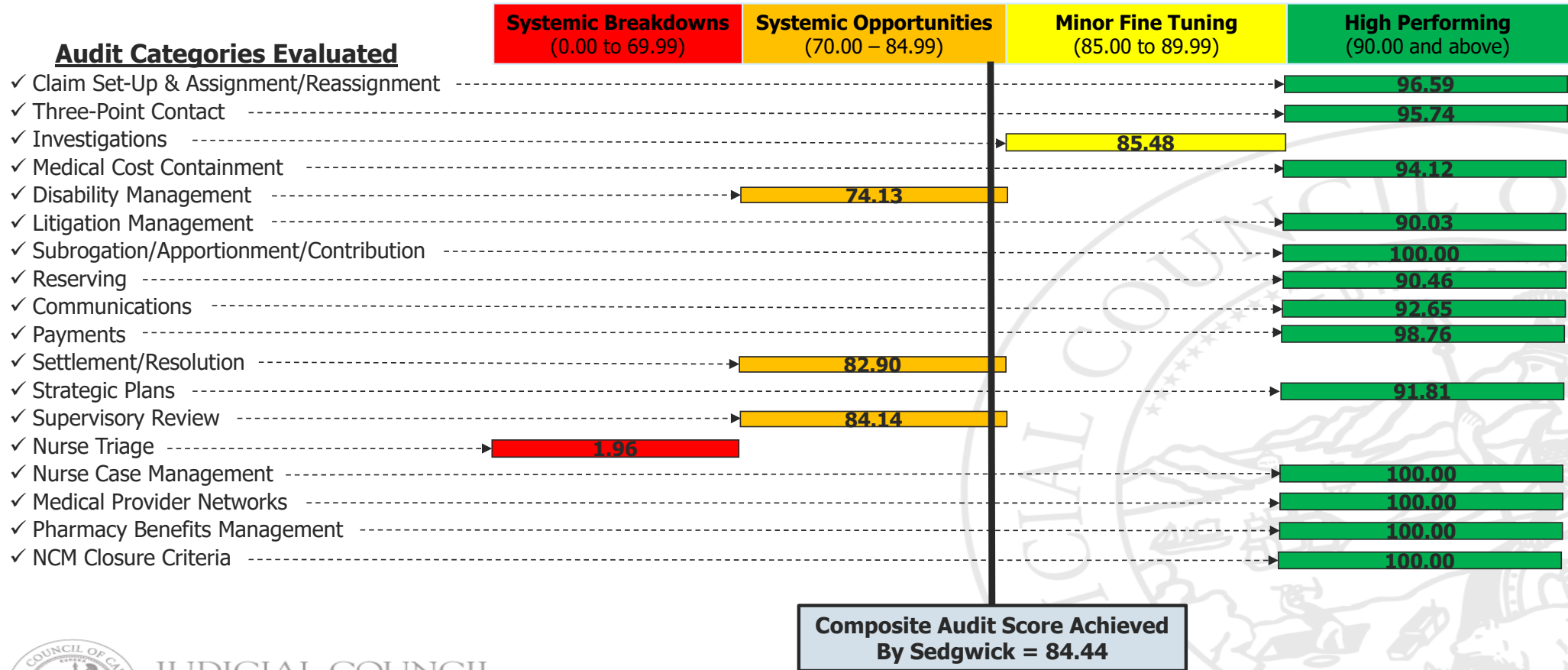
Observed Scores	Interpretation of Performance
90.00 – 100.00	High performance warranting no associated recommendations
85.00 – 89.99	Overall performance is sound with minor fine-tuning opportunities
70.00 – 84.99	Systemic process inconsistencies exist presenting opportunities for further improvement
0.00 – 69.99	Systemic breakdowns in performance exist warranted immediate corrective action

***** Composite Audit Score Achieved By Sedgwick = 84.42 *****



JUDICIAL COUNCIL
OF CALIFORNIA

Annual Audit - Findings



JUDICIAL COUNCIL
OF CALIFORNIA

Annual Audit - Q&A

Questions relating to annual audit



JUDICIAL COUNCIL
OF CALIFORNIA



Action Item

- Approve Audit Report



JUDICIAL COUNCIL
OF CALIFORNIA



Sedgwick's Claims Audit Response

Amanda Garcia

Chris Perez

Sedgwick Claims



JUDICIAL COUNCIL
OF CALIFORNIA



Overall Audit Results

Managed Care Audit: Total Audit Score of 50.17%

- 5 sections audited
- 4 of 5 categories received a perfect score of 100%
- Opportunity for Improvement: Nurse Triage scored 1.96%.

Third Party Administration (TPA): Total Audit score of 91.07%

- 12 sections audited
- 8 of the 12 categories evaluated scored above 90%.
- Opportunities for Improvement:
 - 85.48% Investigations
 - 74.13% Disability Management
 - 82.90% Settlement/Resolution
 - 84.14% Supervisory Review



JUDICIAL COUNCIL
OF CALIFORNIA



Managed Care



JUDICIAL COUNCIL
OF CALIFORNIA



Managed Care: Nurse Triage

Triage Nurse contacted claimant and the treating doctor within 3 business days of the claim assignment and documented the file accordingly

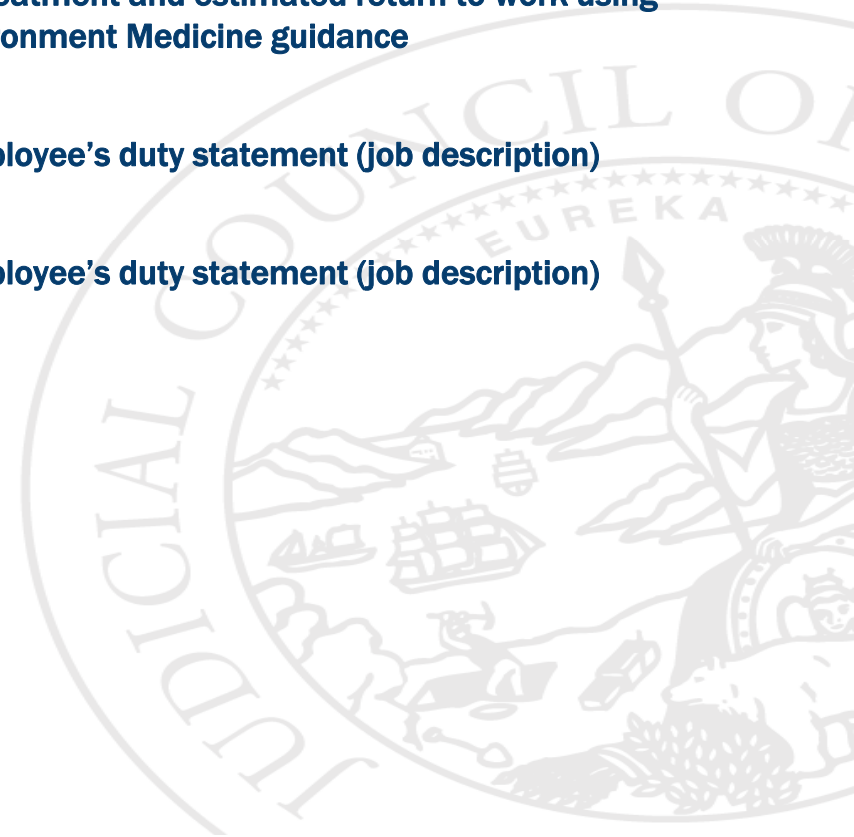
Triage Nurse completed Sedgwick's triage template outlining appropriate treatment and estimated return to work using official Disability Guidelines and the American College of Occupational Environment Medicine guidance

Triage Nurse obtained availability of transitional work and a copy of the employee's duty statement (job description)

Triage Nurse obtained availability of transitional work and a copy of the employee's duty statement (job description)



JUDICIAL COUNCIL
OF CALIFORNIA



Managed Care: Nurse Triage (cont.)

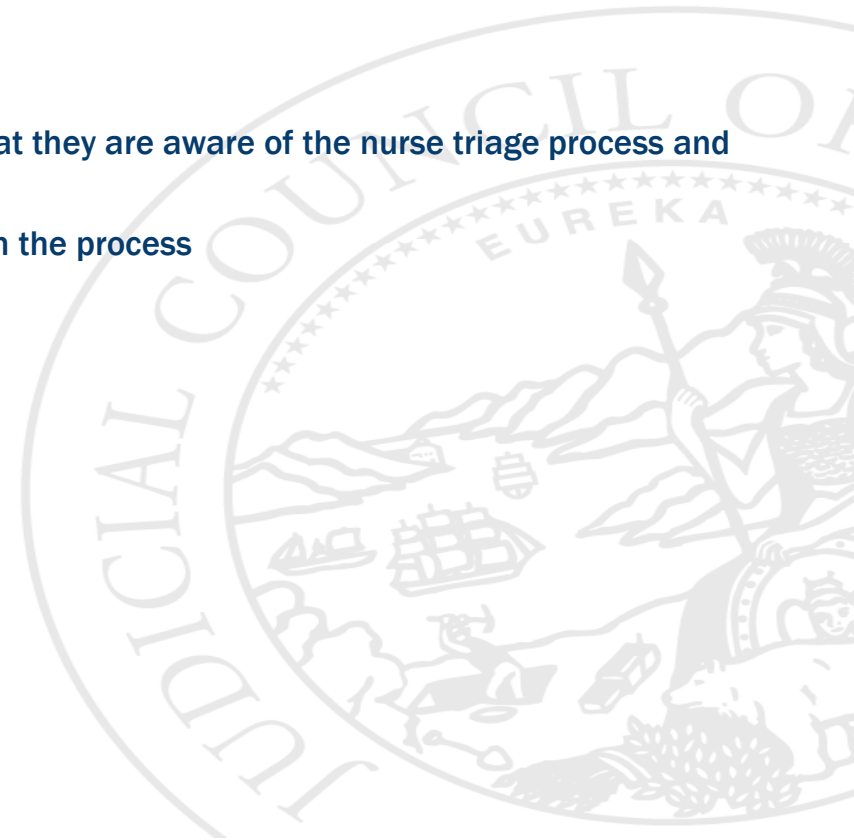
Triage Nurse documented activities in Sedgwick claim system

Triage Nurse forwarded Triage report to adjuster within 3 business days

- Educate/Remind the examiners of this process and the CSIs.
 - Received email communication from the examiners advising that they are aware of the nurse triage process and will follow the process of referral upon new claim receipt
- Discussed with the team leads who will follow up with their examiners on the process
- Report being automated to ensure compliance with the nurse triage



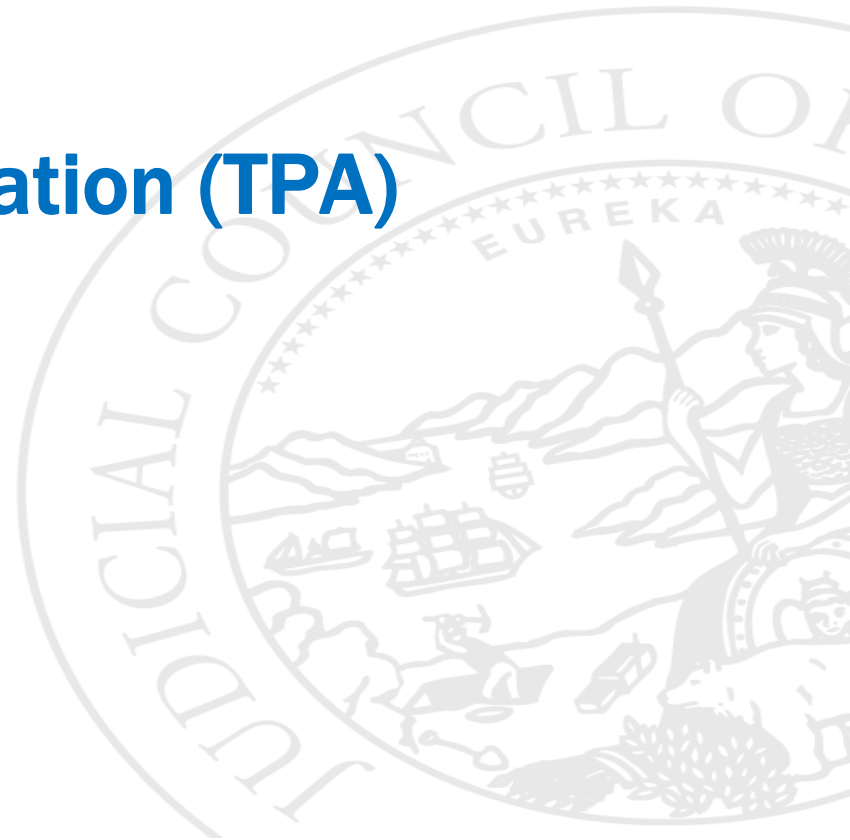
JUDICIAL COUNCIL
OF CALIFORNIA



Third Party Administration (TPA)



JUDICIAL COUNCIL
OF CALIFORNIA



Investigations

Investigations: Total Audit Score of 85.48

Were claims timely reported to the Index Bureau and re-indexed every 12 months thereafter

- Index files are set automatically as follows:
 - On Indemnity files at onset
 - On claim reopening
 - Every 180 days
- Examiners can request indexing at any time.

Where “hits” are identified through Index Bureau reports, was a follow-up appropriate

- When the index is completed and ready, there is a diary set for the examiner to notify them that it is ready to review. The examiner is required to address this in the claim notes
- The examiner is to follow up on any index results that warrant a follow up. They will do this by requesting any records and set diaries to follow up on these.

The need for field investigations (including surveillance) were appropriately recognized, authorized by JBWCP Member and managed

- If the need for field investigation arises or is appropriate, the examiner will obtain the necessary authorization from the member and set diaries to follow up and manage.



Disability Management

Disability Management: Total Audit Score of 74.13%

Where the Claimants disability exceeds recognized industry standards, did the Adjuster / Nurse Case Manager request clarification from the treating physician?

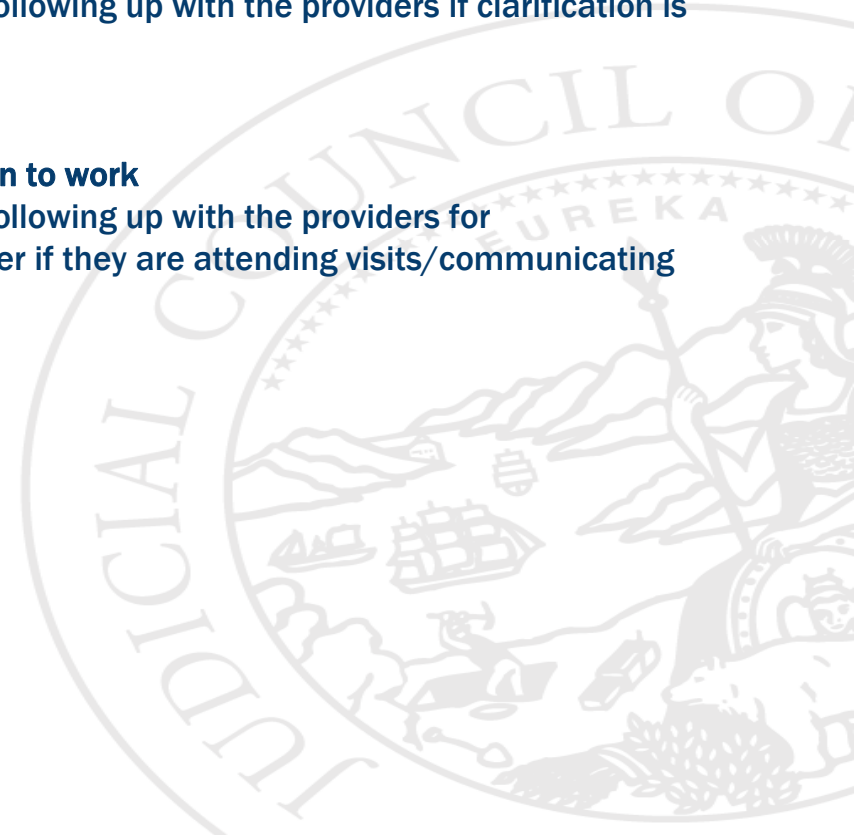
- The team leads will work with the examiners to ensure that they are following up with the providers if clarification is needed or having them request so of the nurse case manager
- Examiners will set diaries for follow up and tracking

Adjuster/Nurse Case Manager demonstrate proactive efforts to pursue return to work

- The team leads will work with the examiners to ensure that they are following up with the providers for updates/status, or having them request this of the nurse case manager if they are attending visits/communicating with the provider
- Provide job descriptions to provider where appropriate
- Examiners will set diaries for follow up and tracking.



JUDICIAL COUNCIL
OF CALIFORNIA



Disability Management (cont.)

Where necessary, were clarifications relating to specific temporary and/or permanent restrictions sought from the treating physician, Agreed Medical Examination &/or Qualified Medical Examination providing all evaluating physicians with all appropriate records and documentation prior to the evaluation

- The team leads will work with the examiners to ensure that they are following up with the providers for clarifications, updates/status, or having them request this of the nurse case manager if they are attending visits/communicating with the provider
- Examiners will ensure that all appropriate records and documentation has been provided to the physician on all necessary appointments.
- Diaries will be set to ensure that these tasks are completed

Were Official Disability Guidelines (ODG) documented within Plans of Action and referenced for ongoing resolution and reserving in indemnity claim files

- The first round of action plans, were trying to put together the overview and review/getting to know the file. Now that the examiners are going through and doing their second round, they will be using/referencing the ODG guidelines. These will be referenced in their action plans moving forward.
- When the examiners start to utilize the ODG guidelines, it will help them in that they will have a basis to know when to follow up with the providers



Settlement / Resolution

Settlement/Resolution: Total Audit Score of 82.90%

Adjuster recognized settlement opportunities early and approached settlement creatively including relevant methods and considerations to conclude the claim (i.e., global resolution, employment status, MSA, structures, arbitration, mediation)

- Sedgwick examiners will review claims for early onset resolution upon receipt of new claims and focus on settlement or resolutions on aged at every review of the claim file
- Sedgwick examiners and team leads will set timely diaries to ensure that they are following up within necessary timeframes for SAR completion and further information to assist with opportunities for settlement

A Settlement Authority Request was completed (including rationale) and submitted to appropriate party/parties (i.e., Level) within 30 days of the occurrence of a "triggering" event by the assigned Adjuster

- Sedgwick examiner will utilize the diary system to ensure that these are completed timely.
- Team Leads will review this during their review of the claims, to ensure that compliance is met and communicate anything outside with the examiner



JUDICIAL COUNCIL
OF CALIFORNIA

Settlement / Resolution (cont.)

The Adjuster appropriately addressed Medicare Set-Aside and Medicare-related issues in the claim resolution strategy

- As settlement is approaching, the adjuster will confirm Medicare status and obtain set when needed / appropriate
- Sedgwick examiners will identify Medicare eligibility at onset of claim and upon claim review thereafter
- Diaries will be utilized to ensure that these are being followed up on and addressed
- Medicare notes and follow up's will be documented in the file notes and action plan

Adjuster conducted aggressive, strategic and prompt settlement negotiations and follow up

- Sedgwick examiner will set reoccurring diaries to follow up with all necessary parties
- Sedgwick examiner will document attempts and communication in the file notes

Provider and Employment Development Department liens were/are being resolved in a timely and effective manner

- Sedgwick examiner to set follow up diaries to ensure that they follow up on liens
- If something was received and the examiner is unable to reach them via telephone, they will send a written letter as a follow up

Claim file notes were completed at least every 90 days by Adjuster (2 weeks grace period apply) on non-future medical claims. On future medical claims, at least every 180 days (two weeks grace period to apply)

- Sedgwick examiner to set strict diaries to review the claims timely.
- Team Leads will review for timely action plans upon their supervisory reviews and address examiner if needed



Settlement / Resolution (cont.)

Target dates regarding the completion of identified activities are documented by Adjuster in Plans of Action

- Sedgwick examiners will use exact dates and timeframes for each action item

Diary Functionality is prospectively utilized by Adjusters for all open claim activities including:

- Follow-up on contacts/maintaining communications
 - Management of delay and/or denial decisions
 - Excess Carrier reporting
 - Management of future medical benefits and utilization review requirements
 - Requesting of Index Reports
 - Management of investigation
- Sedgwick examiners will utilize the diary functionality for communications/follow-up's compensability decisions, excess carrier (automatic diaries), benefits, UR, index reports (automatic diaries), investigations and follow up's

Supervisor feedback/recommendations are appropriately responded to and acted upon by Adjuster

- The team lead will follow up with the examiners to ensure they are addressing/responding to their recommendations on the claim file.



JUDICIAL COUNCIL
OF CALIFORNIA



Supervisor/Team Lead Reviews

Supervisory Review: Total Audit Score of 84.14%

Subsequent indemnity review(s) completed within 90 days and then 120 days thereafter by Supervisor (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (2 week grace period to apply)

- Appropriate Diaries will be set for timely follow ups of SR notes/reviews

Throughout the claim, the Supervisor provided timely, responsive and meaningful direction on the claim

- At each supervisory review of the file, the supervisor will ensure that they are reviewing for a meaningful direction on the claim file and follow up on those at each review or at the time it deems appropriate.

If the Adjuster(s) did not appropriately respond to Supervisor's direction, did the Supervisor provide the appropriate level of follow-up

- The supervisor can use the diary function to set diaries for the examiner to review and complete/document a response to their suggestions/direction
- The supervisor will set diary for follow up on that direction if immediate is needed or review at next supervisor review if that is appropriate
- The team lead will follow up with the examiners to ensure that they are addressing/responding to their recommendations in the claim file.



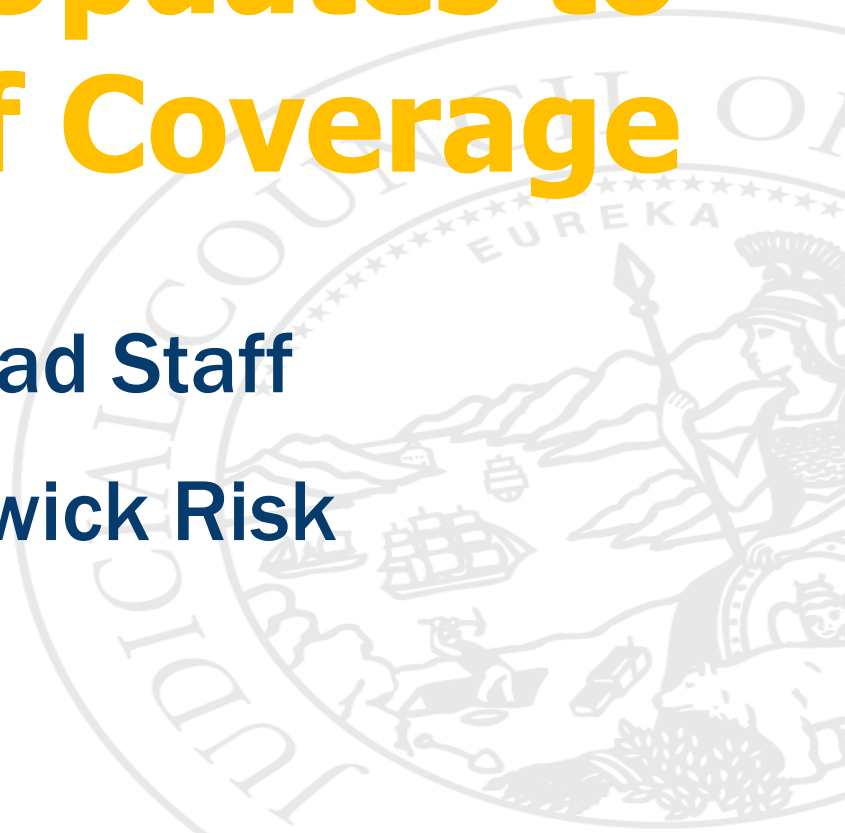
Recommended Updates to Memorandum of Coverage

Edward Metro, Lead Staff

Jon Paulsen, Sedgwick Risk



JUDICIAL COUNCIL
OF CALIFORNIA



Summary of Initiatives

- **Governance and Documentation**
 - MOC
 - Policies and Procedures
- **Improving Claims Outcomes**
 - Litigation Management
 - Risk Control, Training and Services
- **Financial Goals and Metrics**



JUDICIAL COUNCIL
OF CALIFORNIA



Formal Acceptance of the Program Terms

- Annual Email with read receipt to members of the program providing the MOC:

Thank you for your continued participation in the Judicial Branch Workers' Compensation Program (JBWCP).

As we embark on a new program year, the JBWCP staff will continue to provide members with important information regarding program developments and significant updates.

Please review the attached Memorandum of Coverage (MOC) for the 2023/24 Program Year. The MOC may also be viewed on the website listed below:

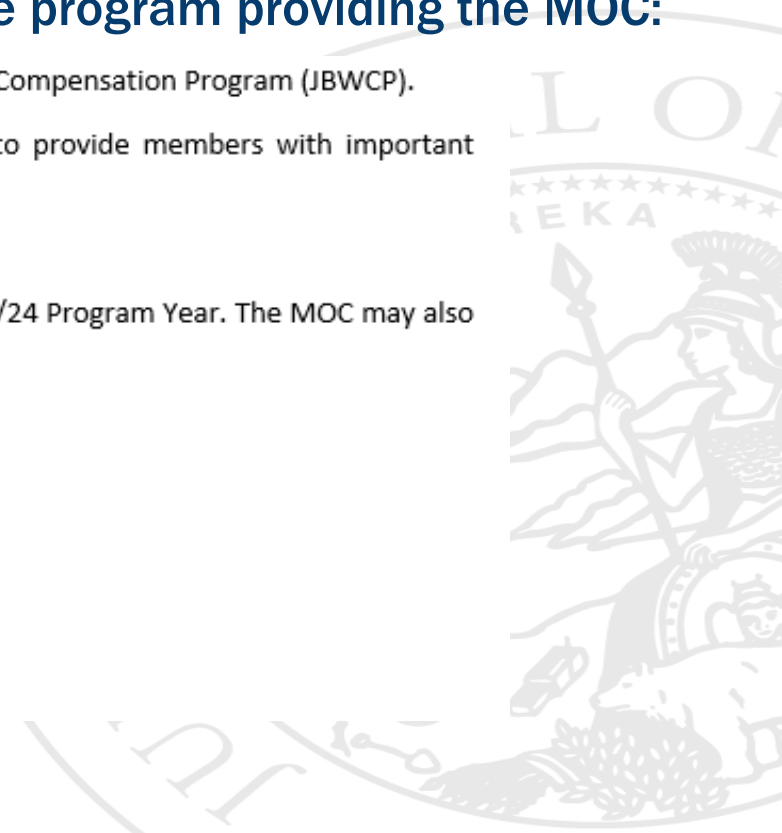
[2023/24 Memorandum of Coverage](#)

Should you have any questions or concerns, please contact:

- Trial Court: Maria Kato, JBWCP, maria.kato@jud.ca.gov
- Judiciary: Jade Vu, JBWCP, jade.vu@jud.ca.gov



JUDICIAL COUNCIL
OF CALIFORNIA

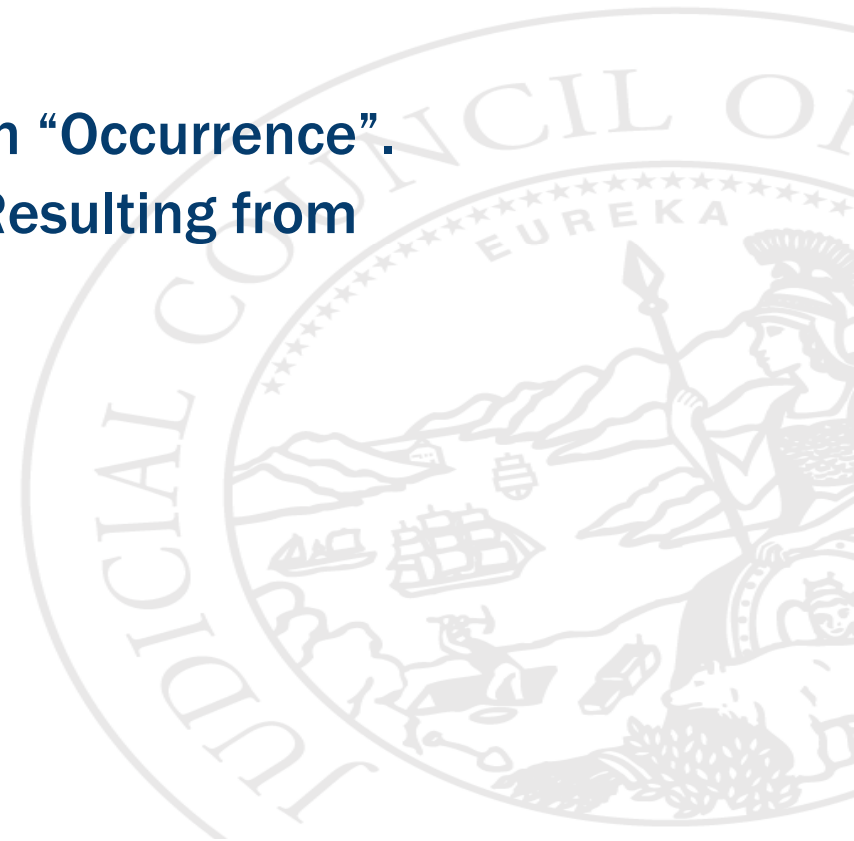


Catastrophic Events

- **Define Occurrence.**
- **Replace most references to “Loss” with “Occurrence”.**
- **Update WC Coverage to include Loss Resulting from Occurrence.**



JUDICIAL COUNCIL
OF CALIFORNIA

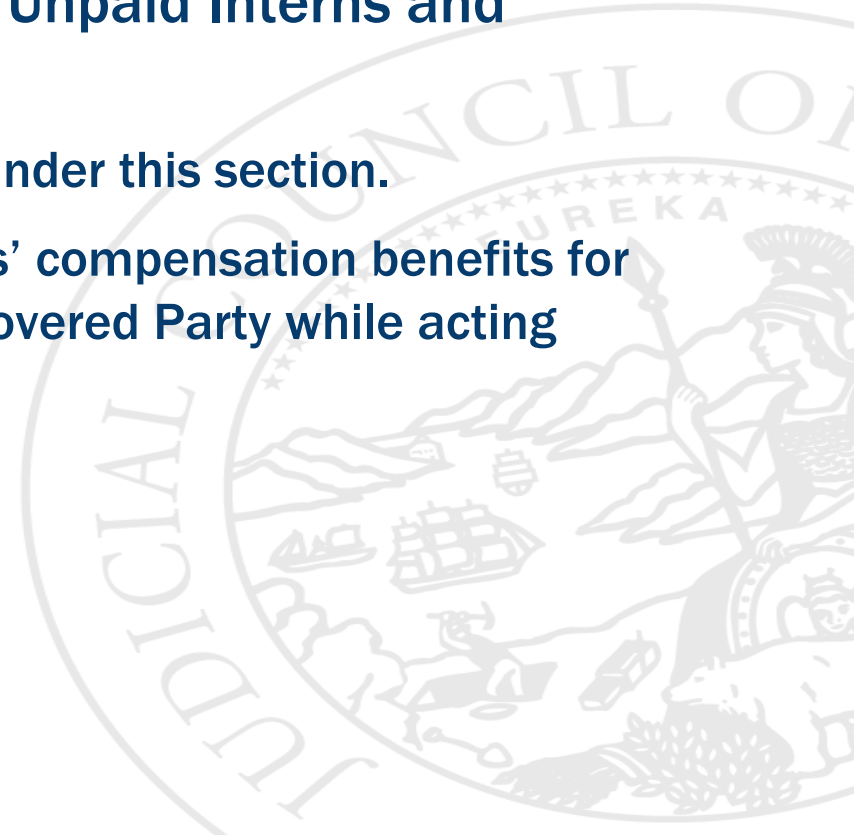


Volunteers, Jurors, Interns

- Language added to include Volunteers, Unpaid Interns and Jurors
 - Unpaid interns are considered volunteers under this section.
 - Trial Court Jurors are also afforded workers' compensation benefits for performing duties for or on behalf of the Covered Party while acting within the scope of their duties.



JUDICIAL COUNCIL
OF CALIFORNIA

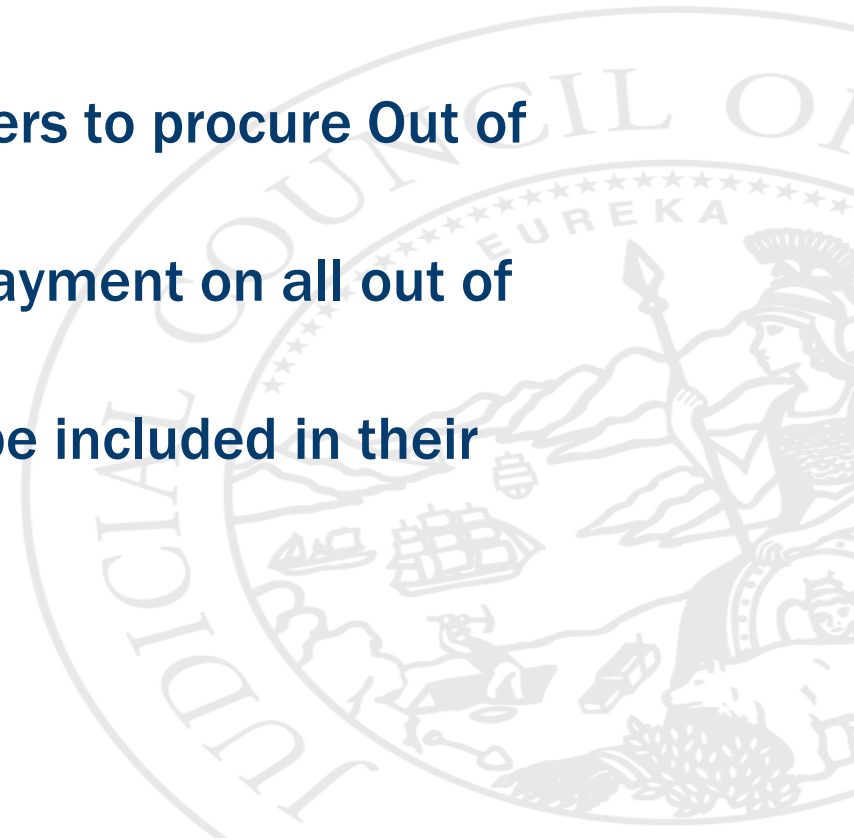


Out of State Coverage

- **Memorializing the current process**
 - **Program Staff will work with members to procure Out of State Coverage**
 - **Trial courts will be responsible for payment on all out of state coverage.**
 - **Judiciary out of state coverage will be included in their premium.**



JUDICIAL COUNCIL
OF CALIFORNIA

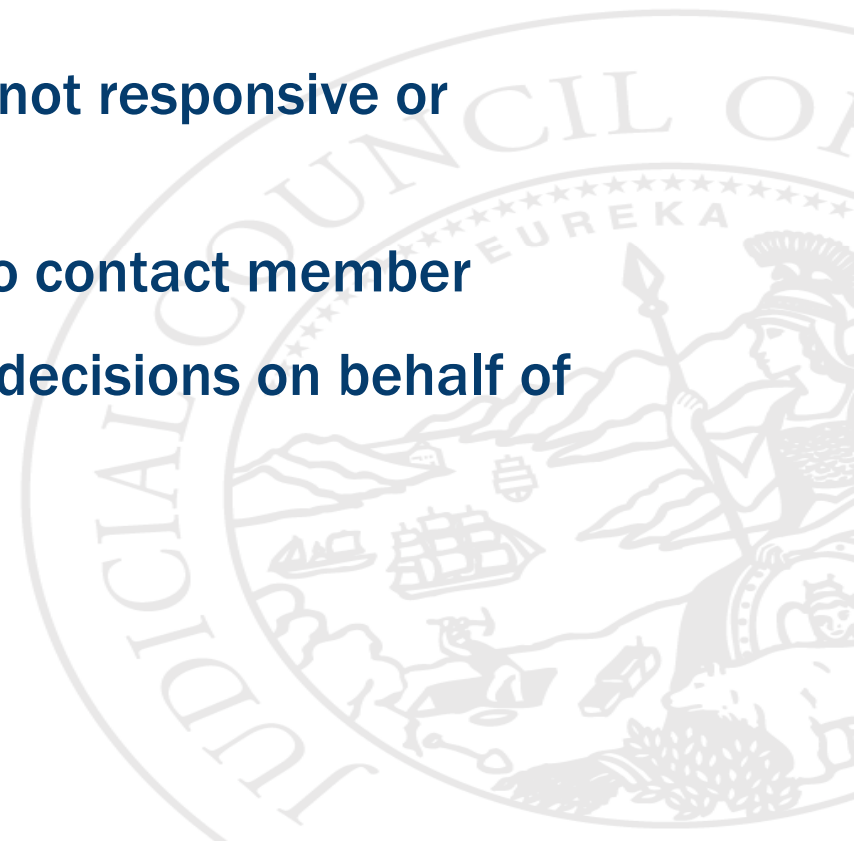


Member Claim Reporting Responsiveness

- Outline the process when a member is not responsive or unavailable
- JBWCP Staff will make every attempt to contact member
- JBWCP Staff may be required to make decisions on behalf of the member



JUDICIAL COUNCIL
OF CALIFORNIA

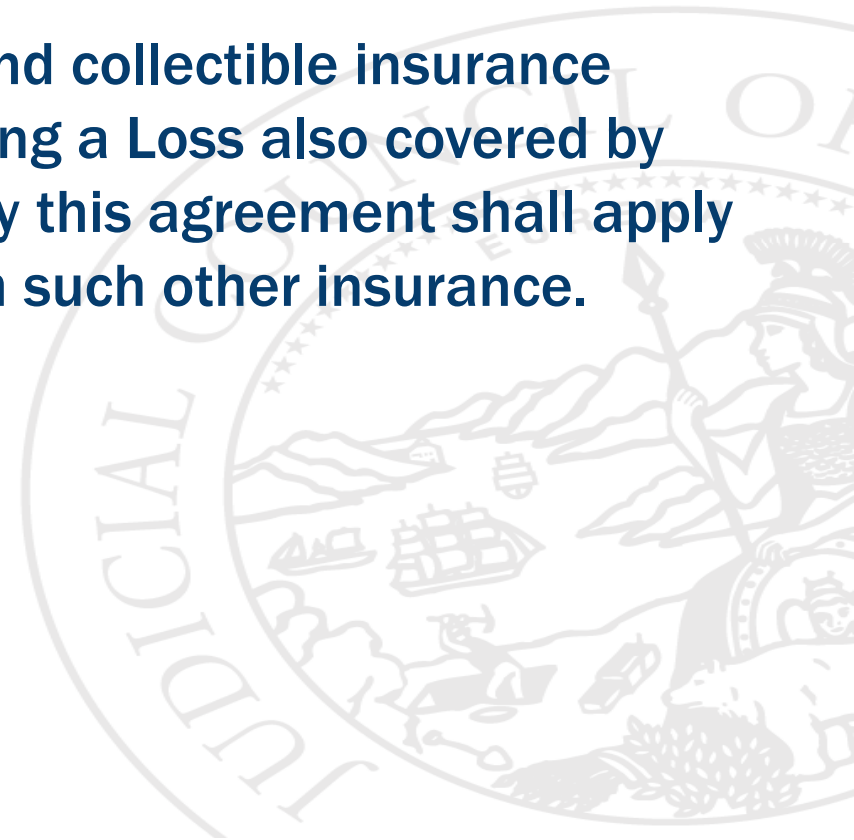


Other Insurance

If the Covered Party carries other valid and collectible insurance with any other insurer or reinsurer covering a Loss also covered by this agreement, the coverage afforded by this agreement shall apply in excess of and shall not contribute with such other insurance.



JUDICIAL COUNCIL
OF CALIFORNIA



Disputes and Appeals

- **Covered Party and Program Administrator, outside of a coverage dispute outlined in the MOC, shall be called to the attention of the Program Administrator, and heard by the Advisory Committee or its designee. The Advisory Committee or its designee will review the dispute and respond to the Covered Party within sixty (60) days of submittal.**



JUDICIAL COUNCIL
OF CALIFORNIA

Action Item

- Approve MOC Updates



JUDICIAL COUNCIL
OF CALIFORNIA



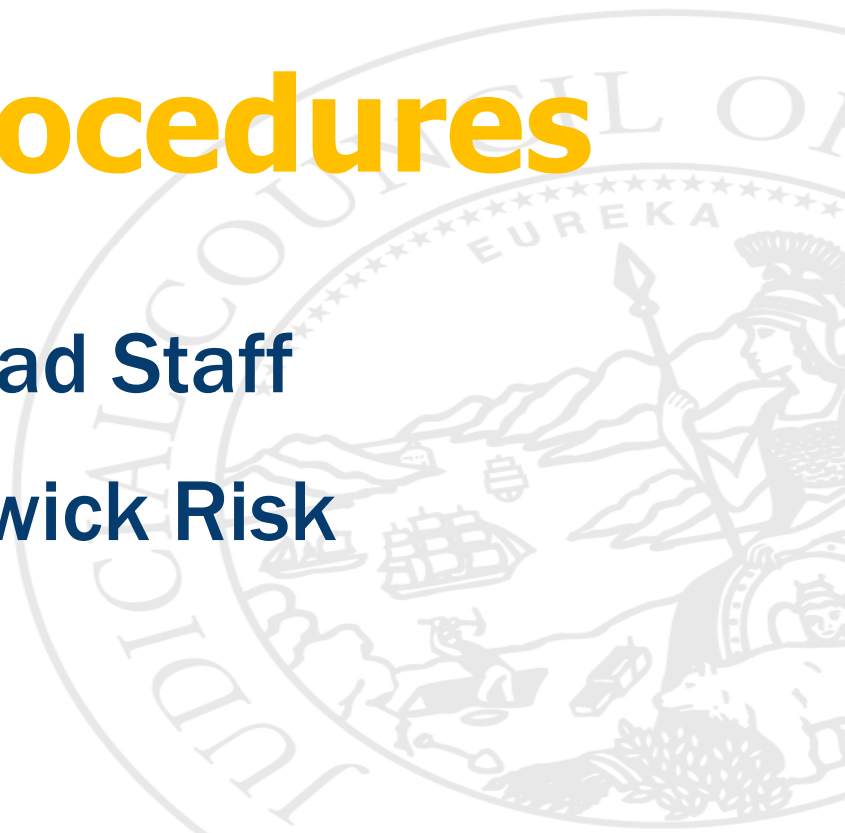
Policies and Procedures

Edward Metro, Lead Staff

Jon Paulsen, Sedgwick Risk



JUDICIAL COUNCIL
OF CALIFORNIA



Policies & Procedures

- Premium Calculations
- Target Fund Balance/ Member Equity
- Premium Assessments
- Program Member Joining and Withdrawal



JUDICIAL COUNCIL
OF CALIFORNIA

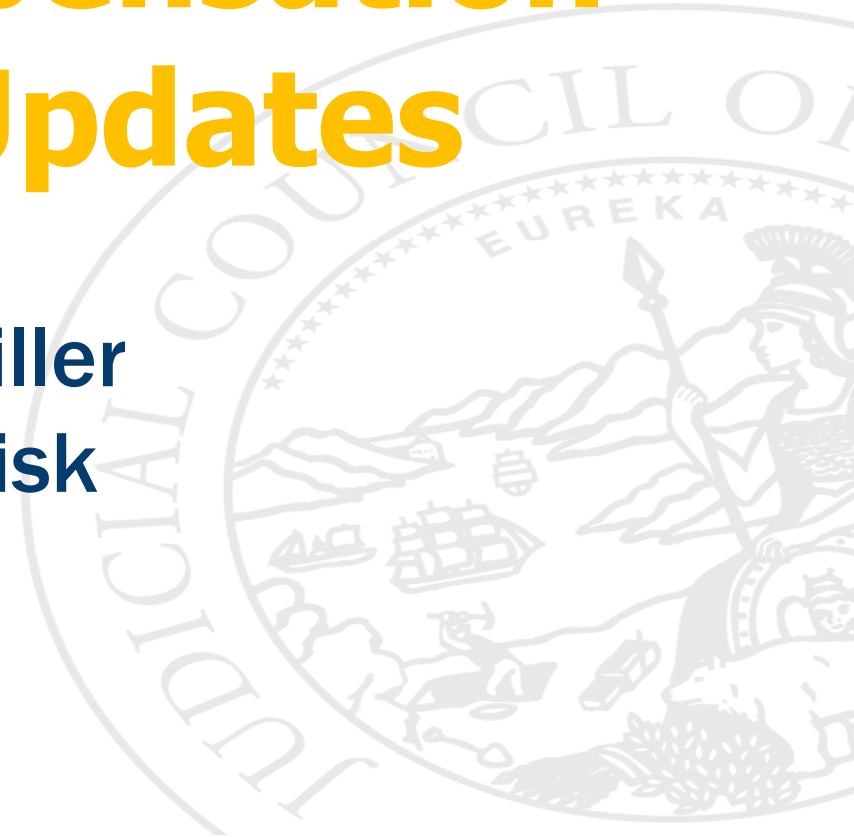


Workers' Compensation Legislative Updates

Jacquelyn Miller
Sedgwick Risk



JUDICIAL COUNCIL
OF CALIFORNIA



Legislative Update

- **Workers' Compensation Legislation**
- **Workers' Compensation Reform**



JUDICIAL COUNCIL
OF CALIFORNIA



Break



JUDICIAL COUNCIL
OF CALIFORNIA



Sedgwick Claims Annual Stewardship Report

Amanda Garcia

Heather Allen

Sedgwick Claims



JUDICIAL COUNCIL
OF CALIFORNIA





PEOPLE FIRST



TECH FORWARD



DATA DRIVEN

JBWCP Annual Advisory Committee Meeting 2023

Presented by: Heather Allen and Amanda Garcia

Sedgwick Introductions

Client Services

Amanda C. Garcia

Vice President, Client Services

Heather Allen

Manager, Client Services

Claims Leadership

Christopher Perez

Vice President, Claims

Candace Maibes

Assistant Vice President, Claims

Marie Woodward

Assistant Vice President, Claims

Bret Milne

Claims Manager



JUDICIAL COUNCIL
OF CALIFORNIA

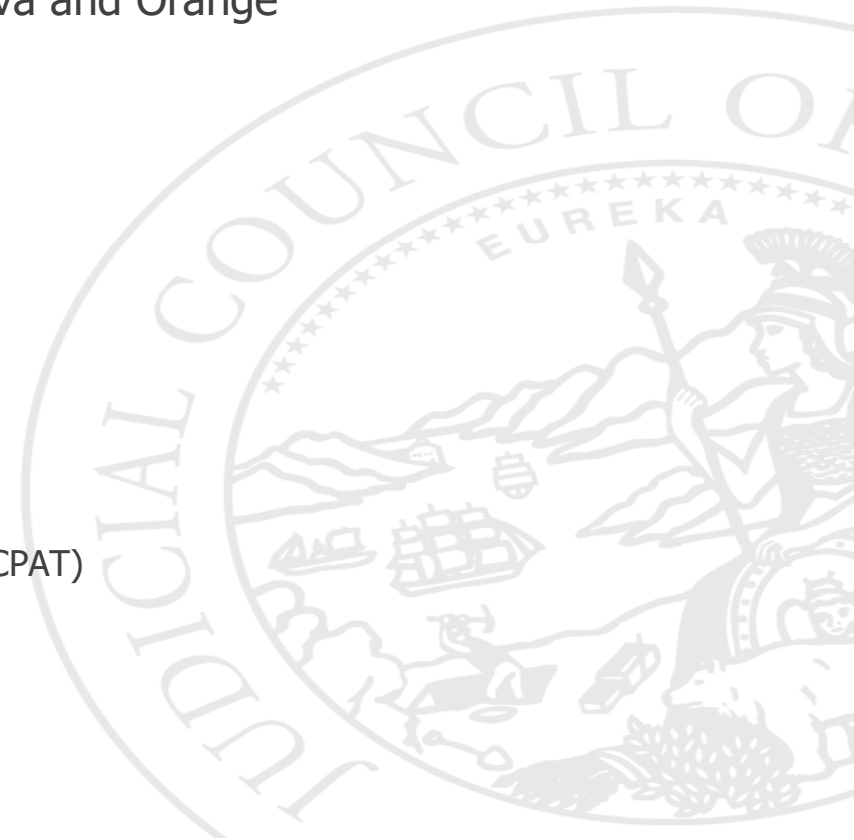


The Sedgwick Transition

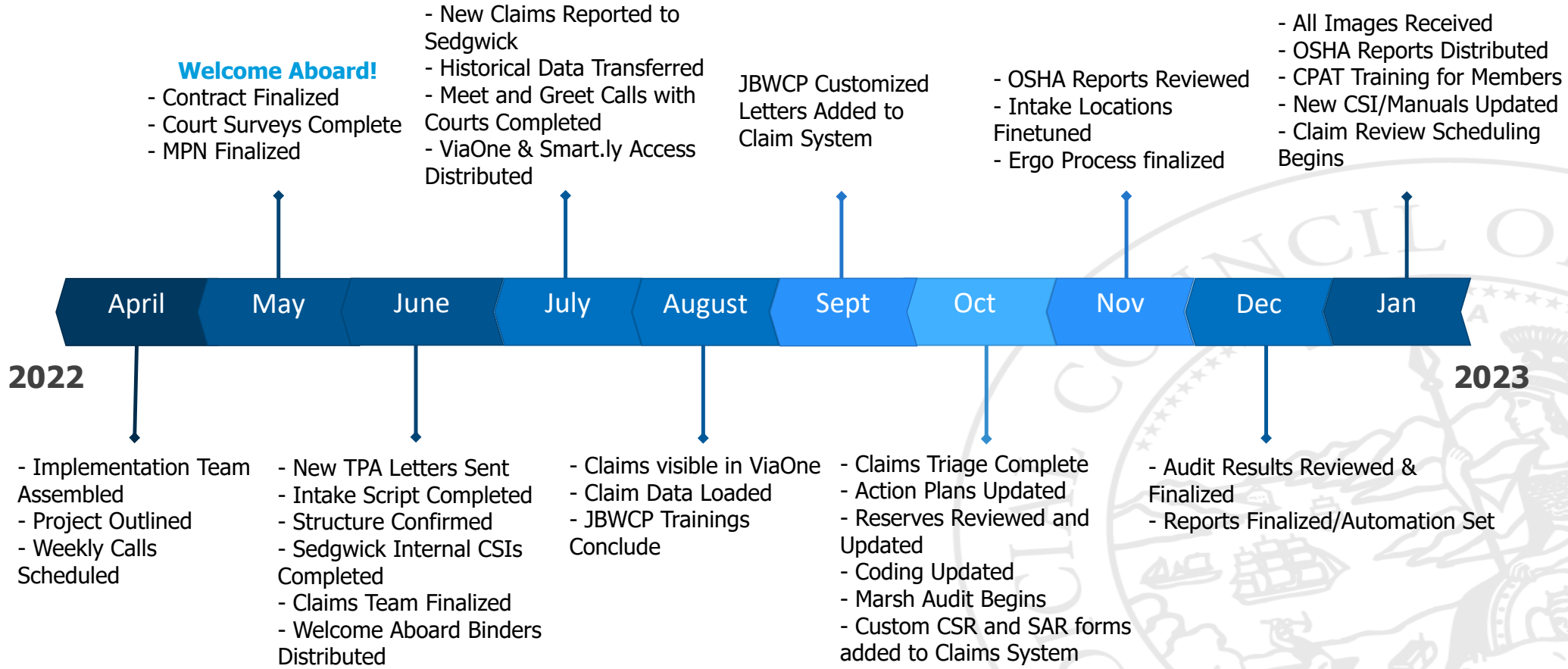
- 100% Fully Staffed and Sedgwick Remains Fully Staffed!
- 2 Sedgwick Offices Servicing JBWCP: Rancho Cordova and Orange
- +40 Meet and Greet Conference Calls Conducted
- Welcome Aboard Binders Sent to Every Court
- Online Trainings Scheduled:
 - Transition to Sedgwick Claims
 - How to Report a Claim and SB 1159 Reporting
 - viaOne Training
 - Medical Provider Network Training
 - Ancillary Services
 - OSHA Training
 - How to Run Reports
 - How to Run and Use The Claim Performance Analysis Tool (CPAT)



JUDICIAL COUNCIL
OF CALIFORNIA



Transitional Timeline



A Look Back (cont.): Images

Background: Sedgwick examiners identified missing documents from the claim files and Sedgwick's implementation team worked with the prior TPA to identify how many files should have transferred from them

Resolution: Sedgwick requested a reconciliation file and full "resend" of all images to ensure all were accounted for. Sedgwick supplied the resources to sort out any duplication of images.

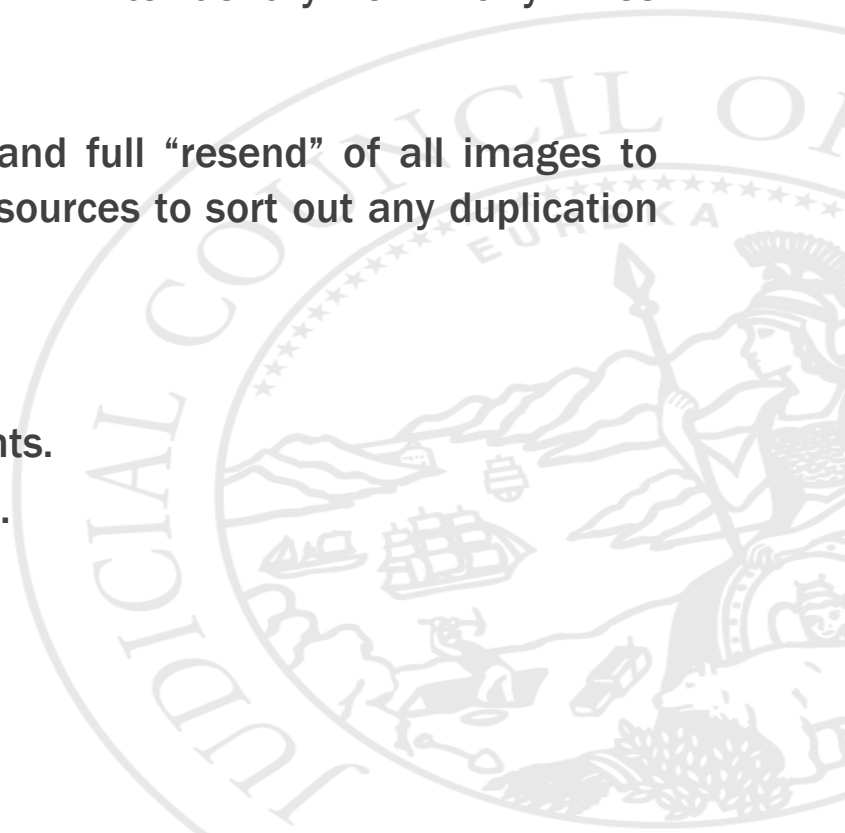
Impacts:

- Manual look up process to retrieve needed documents.
- Inaccuracies in claims handling and communication.

Current Status: **RESOLVED**



JUDICIAL COUNCIL
OF CALIFORNIA



A Look Back (cont.): Intake Structure Coding

Background: The Trial Courts and Trial Court Judges are listed within the location structure containing the same name and address, leading to incorrect locations to be selected at claim set up.

Resolution: Create differentiators within the structure for easier identification and set intake instructions so that the correct locations are selected.

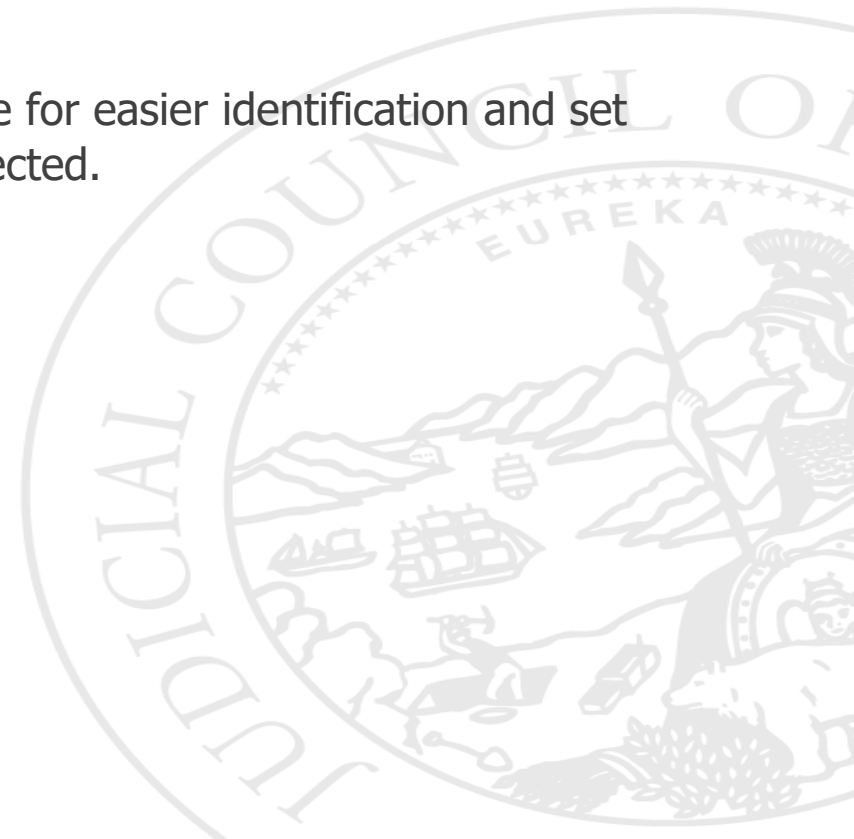
Impact to Members:

- Claims Set Up Under Incorrect Court
- Invoicing Inaccuracies
- Report Inaccuracies

Current Status: **RESOLVED**



JUDICIAL COUNCIL
OF CALIFORNIA



A Look Back (cont.): OSHA Reporting

Background: Upon review of OSHA reports, courts recognized location updates were needed.

Resolution: Location structure was sent to the courts to review for finetuning. Sedgwick's IT team updated the location structure.

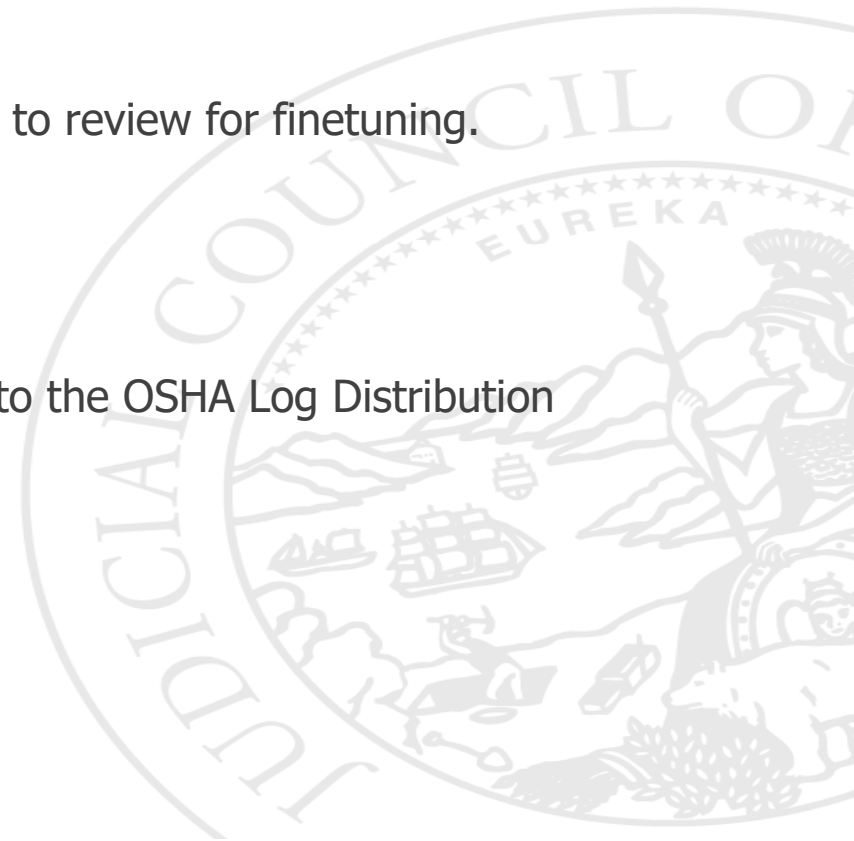
Impact to Members:

- Members Reviewed Locations for Corrections
- Corrections to the Locations were Complete Prior to the OSHA Log Distribution

Current Status: **RESOLVED**

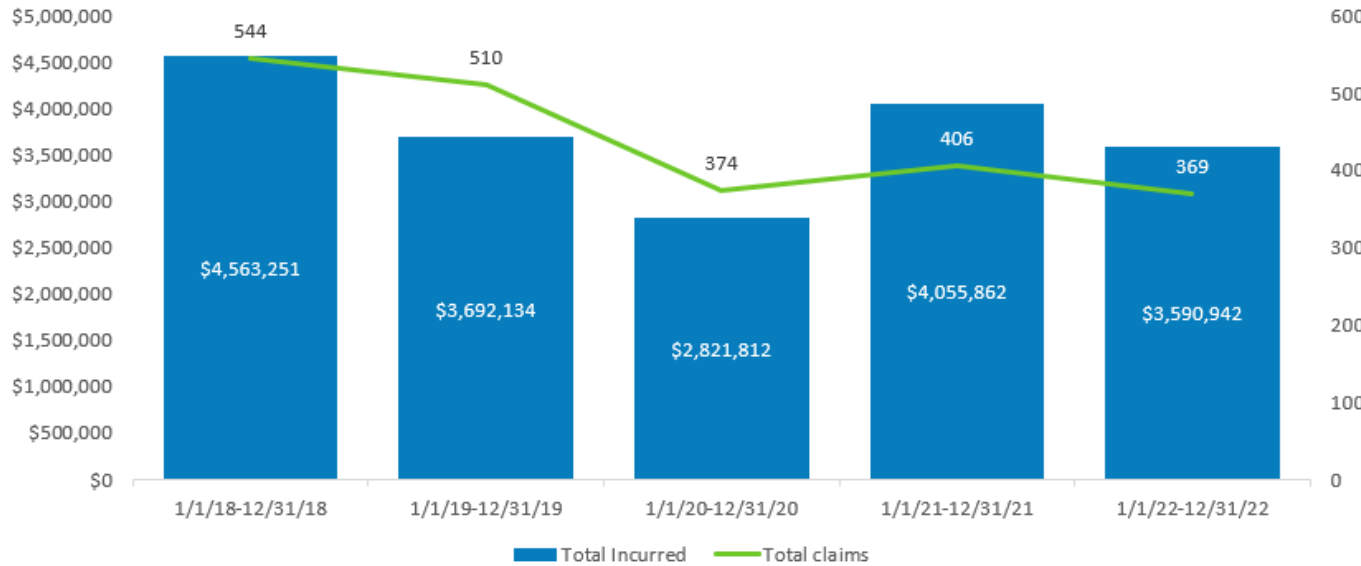


JUDICIAL COUNCIL
OF CALIFORNIA



New Claim Count and Total Incurred

New Claim Count and Total Incurred



New Total Incurred:

- 369 New claims reported in calendar year 2022, the lowest level in five years and 9% lower than the prior year.
- 12% Reduction in total incurred from 2021 to 2022.

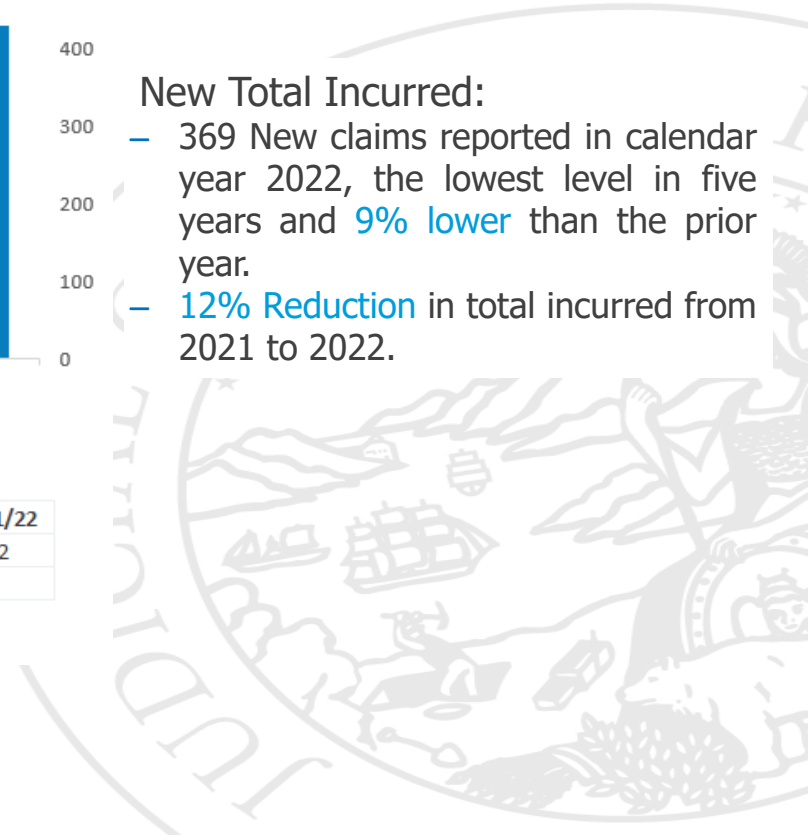
Calendar Year:	1/1/18-12/31/18	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22
Total Incurred	\$4,563,251	\$3,692,134	\$2,821,812	\$4,055,862	\$3,590,942
Total claims	544	510	374	406	369

*Opened in Fiscal Year Noted, Regardless of Date of Loss

*Excludes Incident Onlys

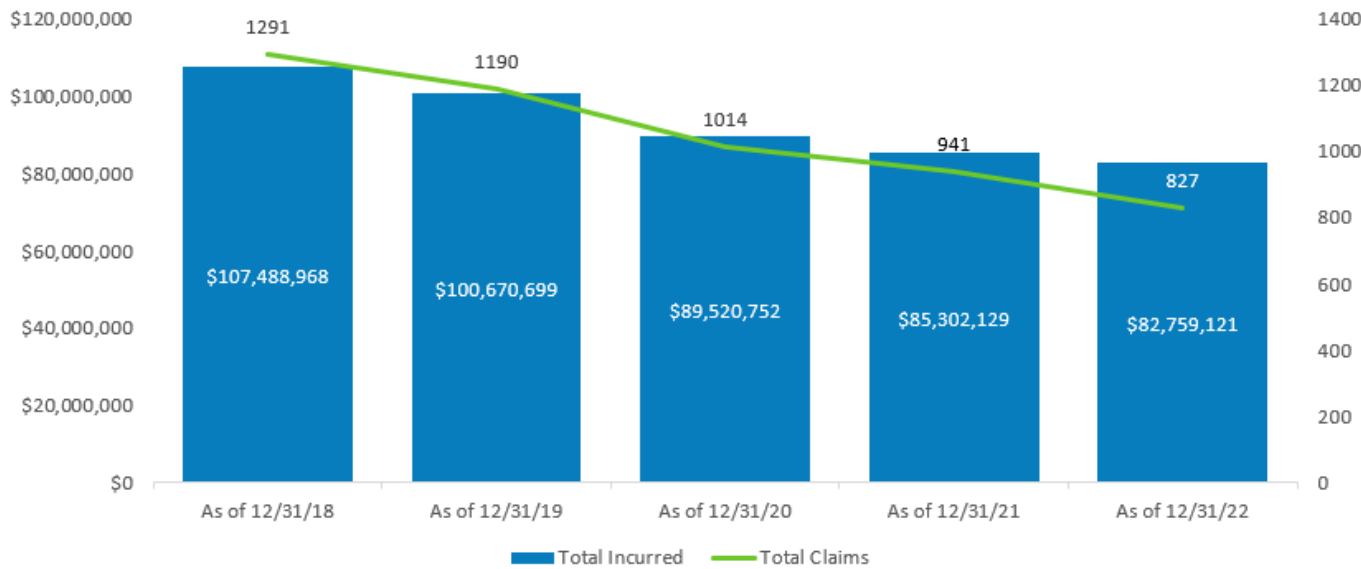


JUDICIAL COUNCIL
OF CALIFORNIA



Pending Claim Count and Total Incurred

Pending Count and Total Incurred



Pending Claims:

- 827 Pending claims as of 12/31/22, the lowest level in five years and 12% lower than the prior year.
- \$2,543,008 Reduction in Total Incurred for pending claims, from the prior year.

	As of 12/31/18	As of 12/31/19	As of 12/31/20	As of 12/31/21	As of 12/31/22
Total Incurred	\$107,488,968	\$100,670,699	\$89,520,752	\$85,302,129	\$82,759,121
Total Claims	1291	1190	1014	941	827

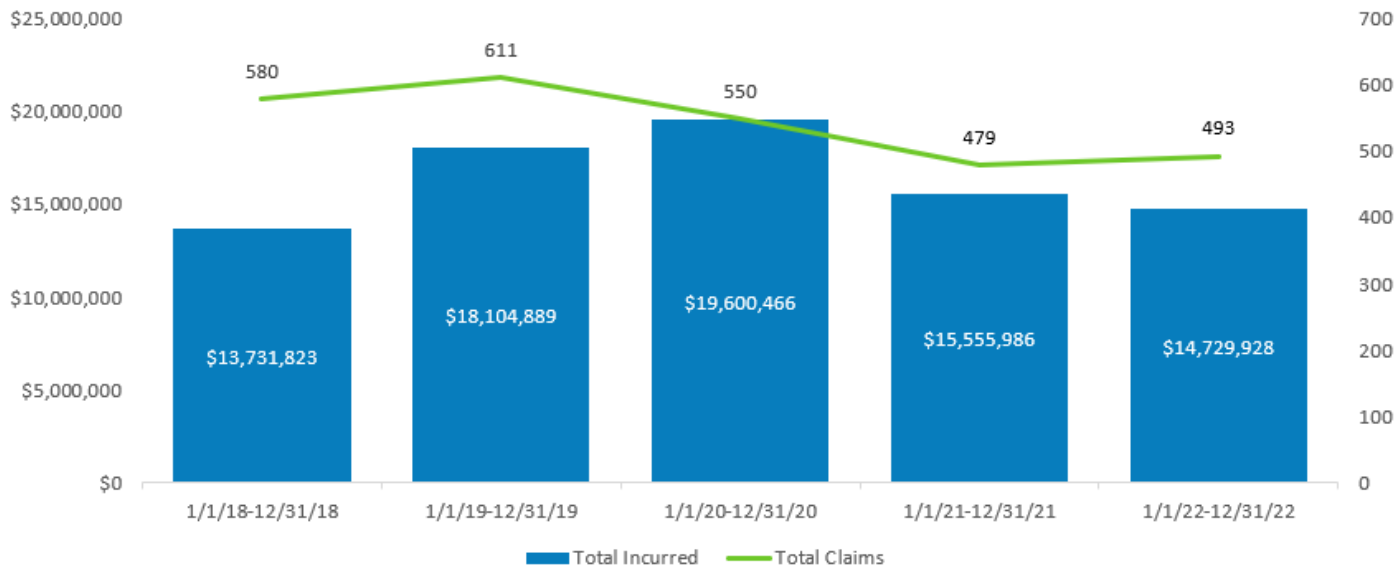
*Excludes Incident Onlys



JUDICIAL COUNCIL OF CALIFORNIA

Closed Claim Count and Total Incurred

Closed Count and Total Incurred



Pending Claims:

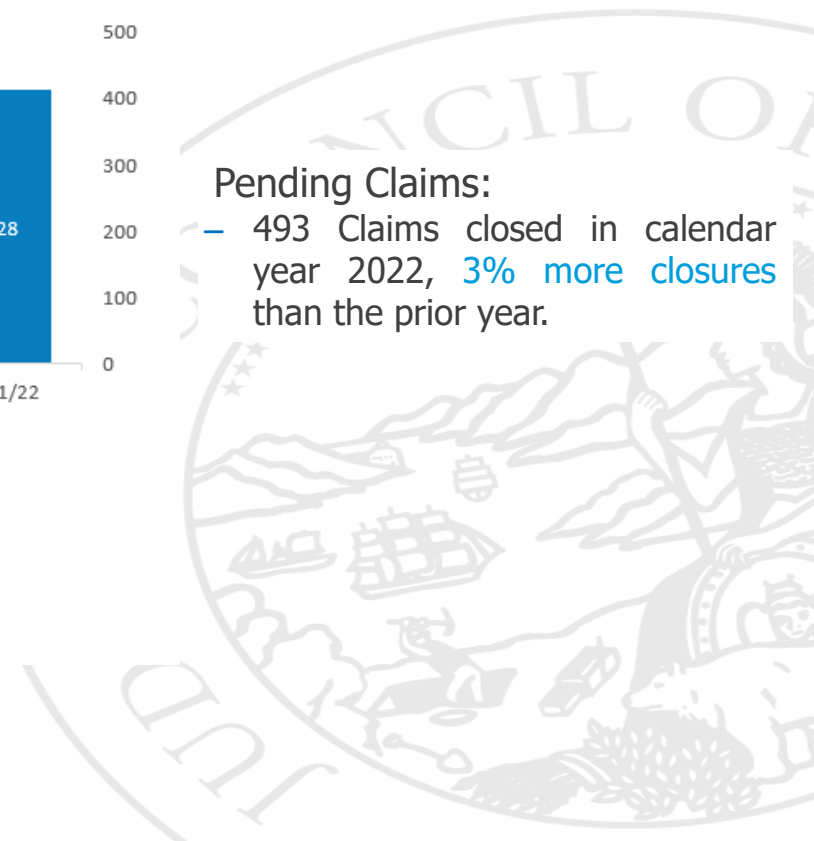
- 493 Claims closed in calendar year 2022, 3% more closures than the prior year.

Calendar Year:	1/1/18-12/31/18	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22
Total Incurred	\$13,731,823	\$18,104,889	\$19,600,466	\$15,555,986	\$14,729,928
Total Claims	580	611	550	479	493

*Excludes Incident Onlys

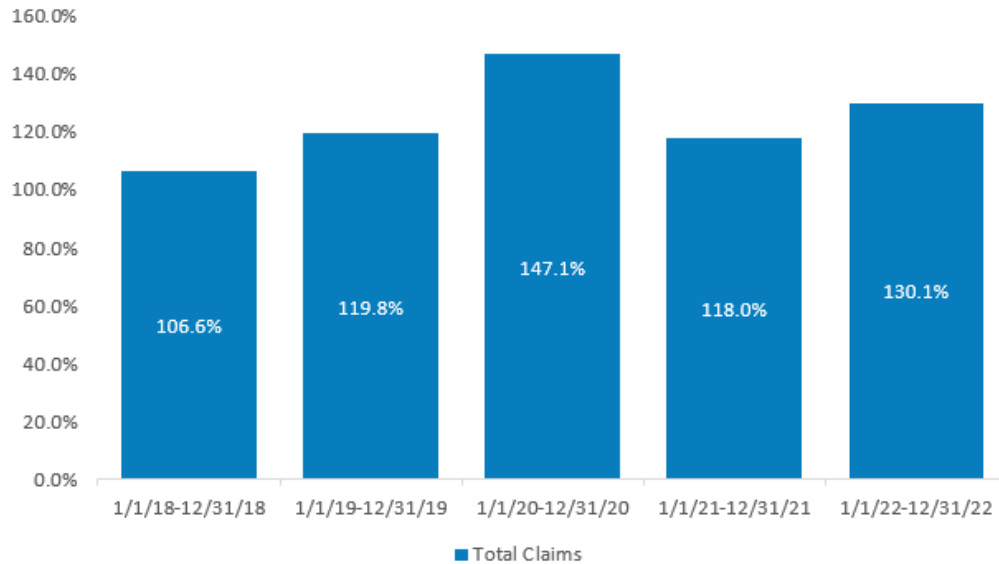


JUDICIAL COUNCIL
OF CALIFORNIA

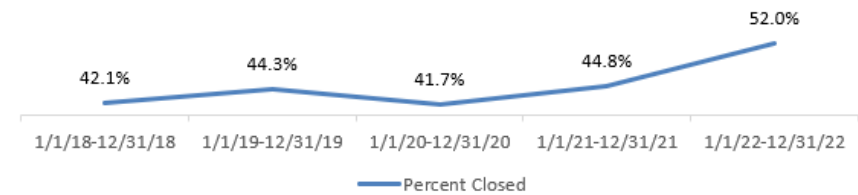


Closing Ratios / New Claim Closing Rate

Annual Closing Ratio



New Claim Closing Rate



Annual Closing Ratio:

- 130.1% Closing Ratio in 2022.
- 8.5% Higher Closing Ratio than the Prior Year.

New Claim Closing Rate:

- 52% New Claims Closing Rate, the highest in five years.
- 14% Higher New Claim Closing Rate than the Prior Year.

Calendar Year:	1/1/18-12/31/18	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22
Total Claims	106.6%	119.8%	147.1%	118.0%	130.1%

*Excludes Incident Onlys



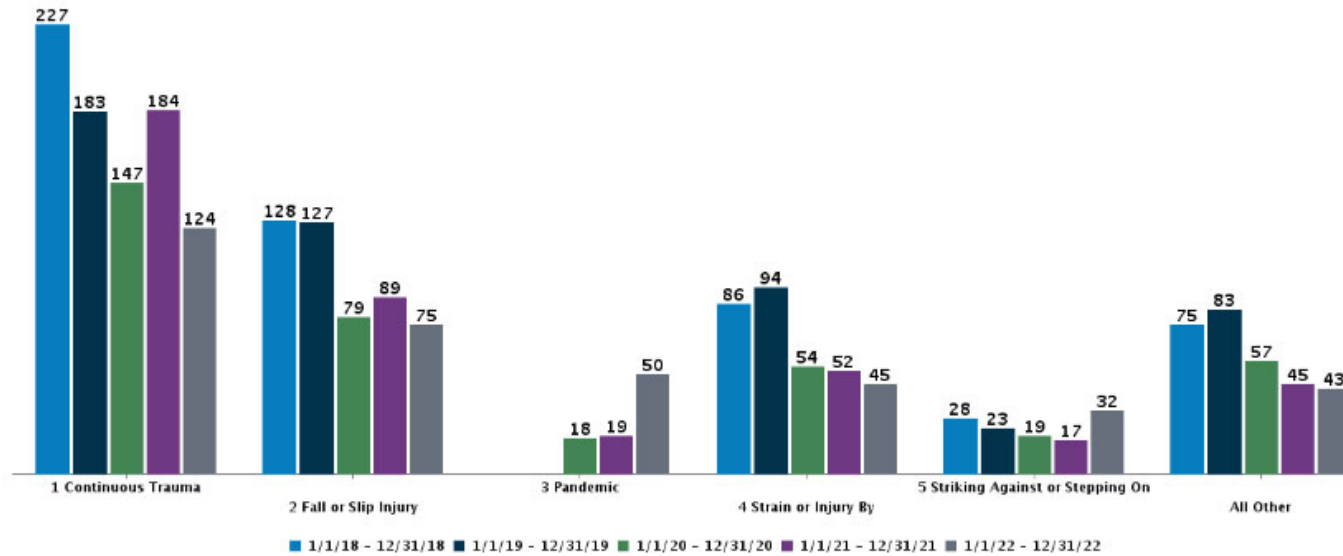
JUDICIAL COUNCIL
OF CALIFORNIA

Closing Ratio: the number of new claims reported divided by the number of claims closed in the same period, regardless of date of loss.

New Claim Closing Rate: the number of claims newly reported, closed within 12 months.

Claim Cause: Frequency

New Claim Count by Top Frequent Cause and Year



Continuous Trauma:

- 33.6% of Injuries in 2022
- 124 Continuous Trauma Claims Reported, **Lowest in Five Years.**

Fall or Slip:

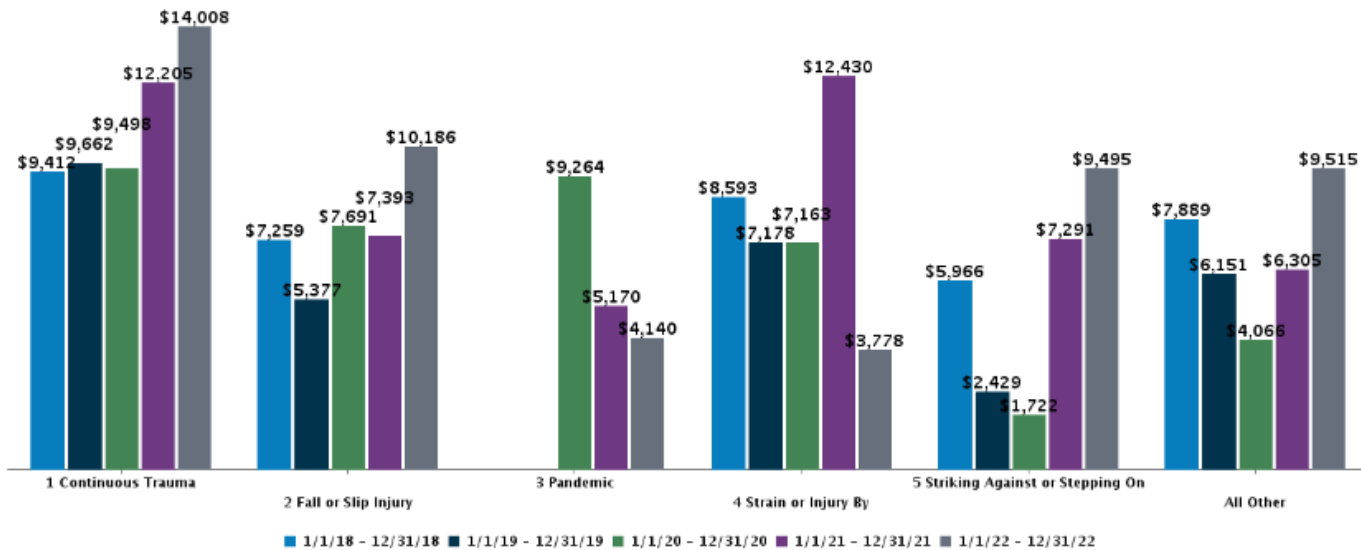
- 20.3% of Injuries in 2022
- 75 Slip and Fall Claims Reported, **Lowest in Five Years.**

New Count	1/1/18 - 12/31/18	% of Total	1/1/19 - 12/31/19	% of Total	1/1/20 - 12/31/20	% of Total	1/1/21 - 12/31/21	% of Total	1/1/22 - 12/31/22	% of Total
1 Continuous Trauma	227	41.7%	183	35.9%	147	39.3%	184	45.3%	124	33.6%
2 Fall or Slip Injury	128	23.5%	127	24.9%	79	21.1%	89	21.9%	75	20.3%
3 Pandemic					18	4.8%	19	4.7%	50	13.6%
4 Strain or Injury By	86	16.8%	94	18.4%	54	14.4%	52	12.8%	45	12.2%
5 Striking Against or Stepping On	28	5.1%	23	4.5%	19	5.1%	17	4.2%	32	8.7%
All Other	75	13.8%	83	16.3%	57	15.2%	45	11.1%	43	11.7%
Total	544	100.0%	510	100.0%	374	100.0%	406	100.0%	369	100.0%



JUDICIAL COUNCIL
OF CALIFORNIA

Claim Cause: Average Incurred per Claim



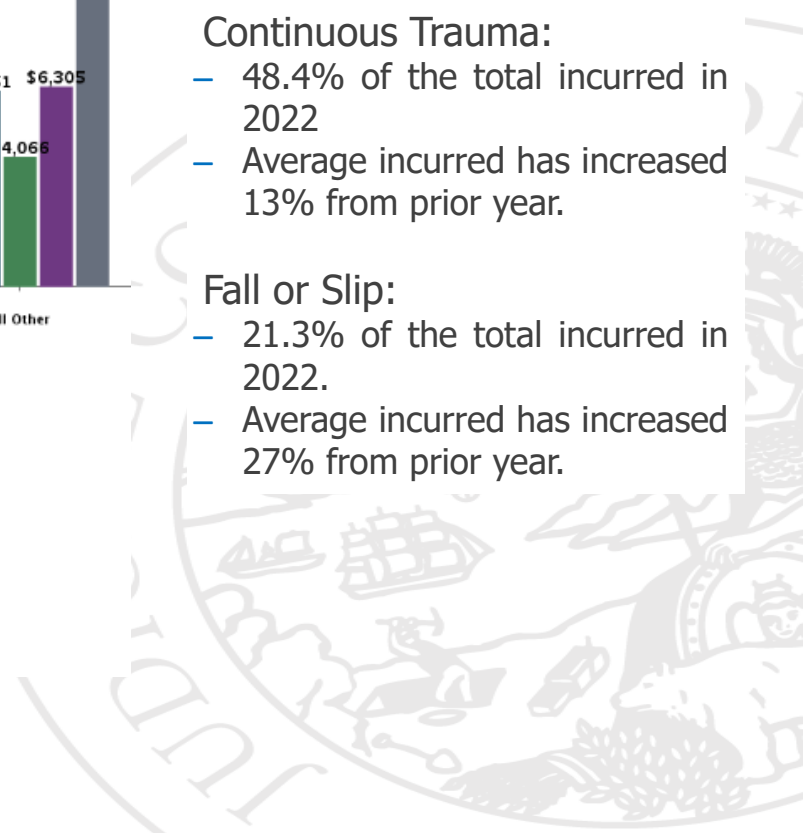
Continuous Trauma:

- 48.4% of the total incurred in 2022
- Average incurred has increased 13% from prior year.

Fall or Slip:

- 21.3% of the total incurred in 2022.
- Average incurred has increased 27% from prior year.

New Incurred	1/1/18 - 12/31/18	% of Total	1/1/19 - 12/31/19	% of Total	1/1/20 - 12/31/20	% of Total	1/1/21 - 12/31/21	% of Total	1/1/22 - 12/31/22	% of Total
1 Continuous Trauma	\$2,136,418	48.8%	\$1,788,094	47.9%	\$1,396,212	49.5%	\$2,245,628	55.4%	\$1,737,004	48.4%
2 Fall or Slip Injury	\$929,182	20.4%	\$682,830	18.5%	\$607,593	21.5%	\$658,018	16.2%	\$763,952	21.3%
3 Pandemic					\$166,751	5.9%	\$98,221	2.4%	\$208,981	5.8%
4 Strain or Injury By	\$738,991	16.2%	\$674,772	18.3%	\$386,778	13.7%	\$646,353	15.9%	\$170,028	4.7%
5 Striking Against or Stepping On	\$167,037	3.7%	\$55,874	1.5%	\$32,722	1.2%	\$123,939	3.1%	\$303,839	8.6%
All Other	\$591,644	13.0%	\$510,583	13.8%	\$231,756	8.2%	\$283,703	7.0%	\$409,139	11.4%
Total	\$4,563,251	100.0%	\$3,692,134	100.0%	\$2,821,812	100.0%	\$4,055,862	100.0%	\$3,590,942	100.0%

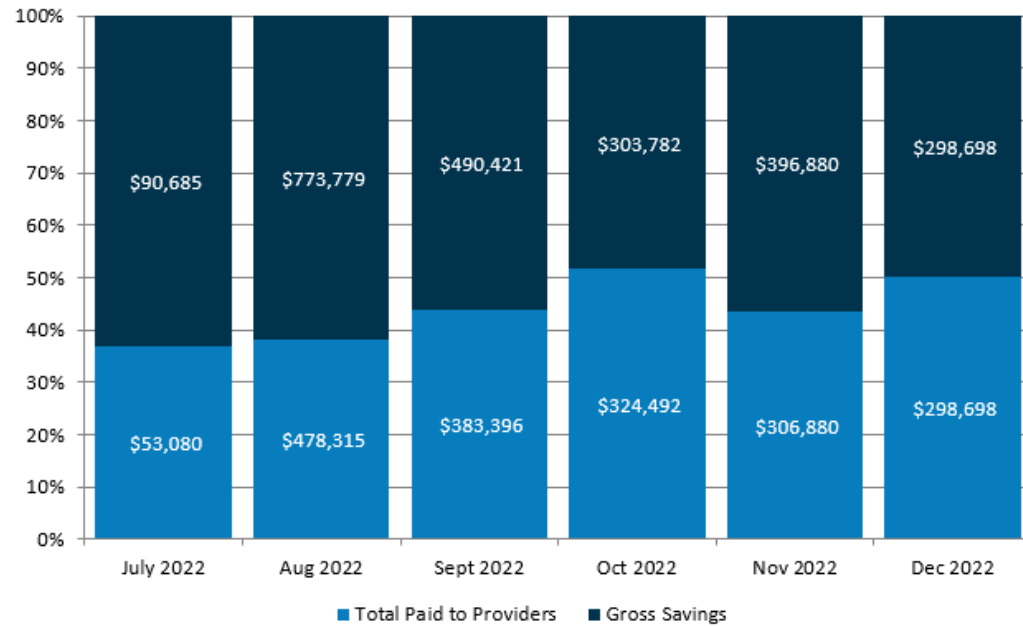


Medical Bill Review

Bill Review Snapshot

Medical Bill Review
7/1/22 – 12/31/22

- JBWCP saved **\$2,329,446** (net) from 7/1/22-12/31/22 through Sedgwick's bill review process.
- **19:1 Return on Investment** (net)
- PPO Penetration was 93.05%
- Opportunity: There is a direct correlation with increased PPO Penetration to increased return on investment. Review out of network providers.



Month	Bill Count	Billed Charges	Total Paid to Providers	Gross Savings	Net Savings	Net ROI	PPO Penetration
July 2022	227	\$ 143,765	\$ 53,080	\$ 90,685	\$ 86,523	21:01	96.60%
Aug 2022	1,802	\$ 1,252,328	\$ 478,315	\$ 773,779	\$ 741,829	23:01	91.40%
Sept 2022	1,275	\$ 876,965	\$ 383,396	\$ 490,421	\$ 467,833	21:01	95.10%
Oct 2022	1,054	\$ 628,627	\$ 324,492	\$ 303,782	\$ 285,060	15:01	89.00%
Nov 2022	1,386	\$ 703,284	\$ 306,880	\$ 396,880	\$ 371,197	15:01	92.50%
Dec 2022	1,176	\$ 695,908	\$ 298,698	\$ 298,698	\$ 377,004	19:01	93.70%
Total	6,920	\$ 4,300,877	\$ 1,844,861	\$ 2,354,245	\$ 2,329,446	19:01	93.05%



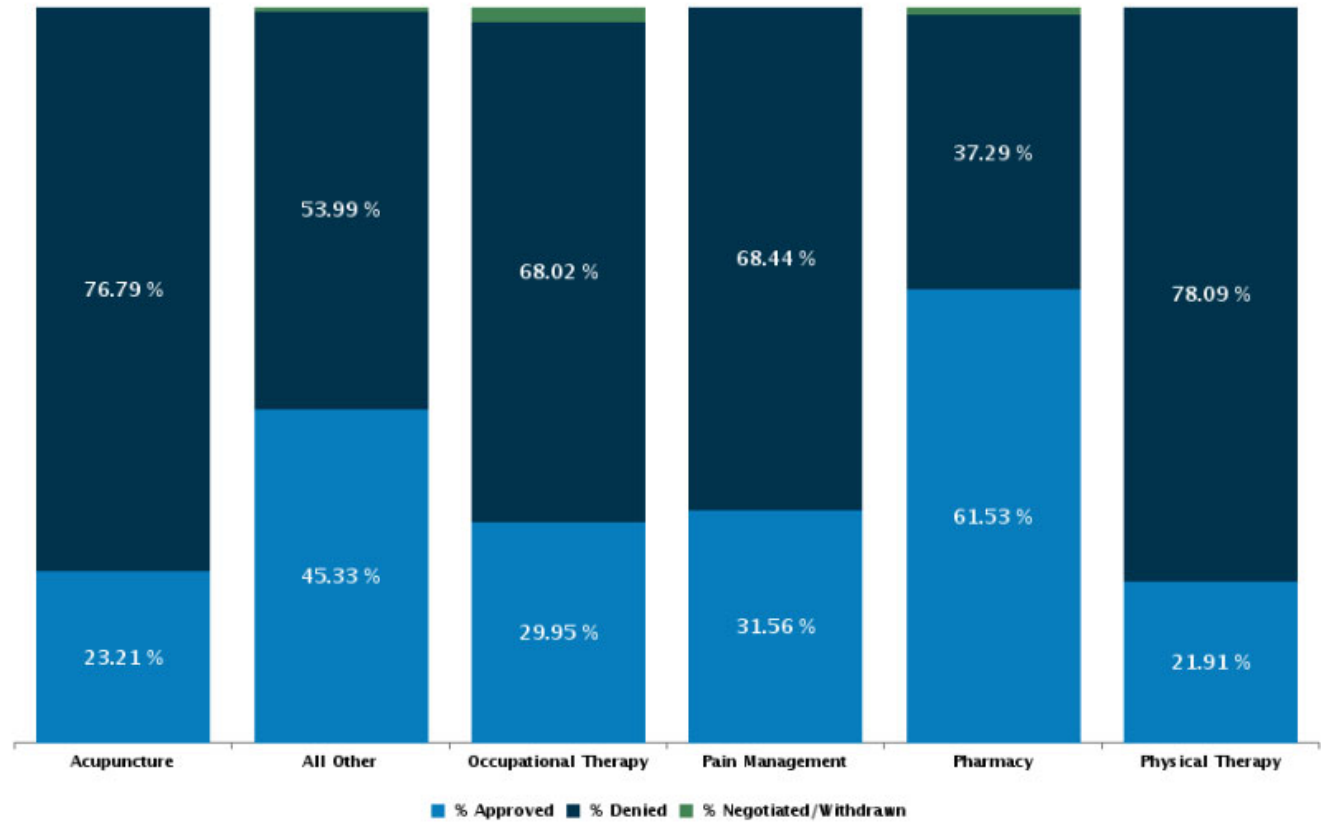
JUDICIAL COUNCIL
OF CALIFORNIA

Utilization Review

Utilization Review 7/1/22 – 12/31/22

Key Statistics	
Total Savings	Total Fees
\$461,885	\$282,575
Savings/Claim	% Approved
\$1,259	40.5%
# of Reviews	% Negotiated
1,066	.6%
# of Procedures	% Withdrawn
2,944	.0%
ROI	% Denied
\$1.6	56.6%

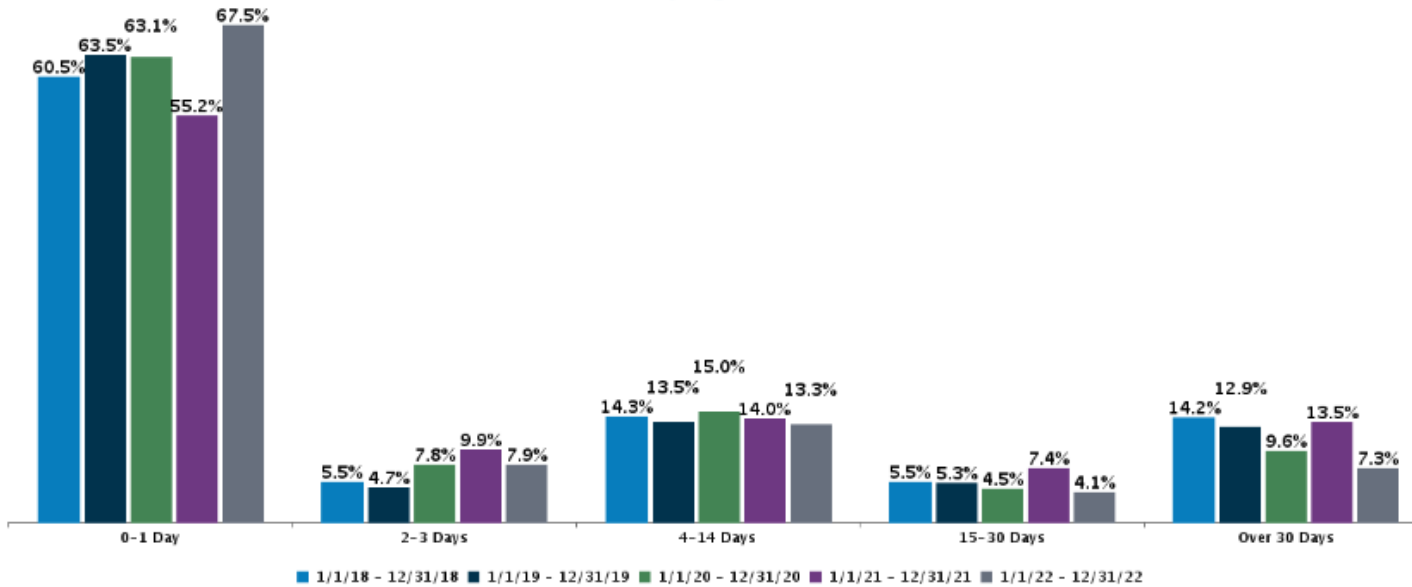
Procedure Category: % of Procedures by Decision Status



JUDICIAL COUNCIL
OF CALIFORNIA

Lag Time: Reporting to Employer

New Claim Count by Lag to Client Stratification



Lag to Client: Measures the number of days from Date of Loss to Date Reported to Client.

- 67.5% of all injured employees reported their injuries to their employer within one day of the injury.
- 7.9% of all injured employees reported their injuries to their employer within 2-3 days of the injury.
- Opportunity: Injured employees reporting later than 3 days.

Lag to Client	1/1/18 - 12/31/18	% of Total	Avg. Incurred	1/1/19 - 12/31/19	% of Total	Avg. Incurred	1/1/20 - 12/31/20	% of Total	Avg. Incurred	1/1/21 - 12/31/21	% of Total	Avg. Incurred	1/1/22 - 12/31/22	% of Total	Avg. Incurred
0-1 Day	329	60.5%	\$8,035	324	63.5%	\$8,324	236	63.1%	\$8,952	224	55.2%	\$9,389	249	67.5%	\$8,485
2-3 Days	30	5.5%	\$5,168	24	4.7%	\$8,728	29	7.8%	\$7,016	40	9.9%	\$4,908	29	7.9%	\$8,218
4-14 Days	78	14.3%	\$9,016	69	13.5%	\$8,766	56	15.0%	\$8,845	57	14.0%	\$9,747	49	13.3%	\$13,236
15-30 Days	30	5.5%	\$9,542	27	5.3%	\$8,944	17	4.5%	\$9,470	30	7.4%	\$16,932	15	4.1%	\$14,413
Over 30 Days	77	14.2%	\$9,154	66	12.9%	\$9,715	36	9.6%	\$8,927	55	13.5%	\$12,598	27	7.3%	\$18,037
Total	544	100.0%	\$8,388	510	100.0%	\$7,239	374	100.0%	\$7,545	406	100.0%	\$9,990	369	100.0%	\$9,732

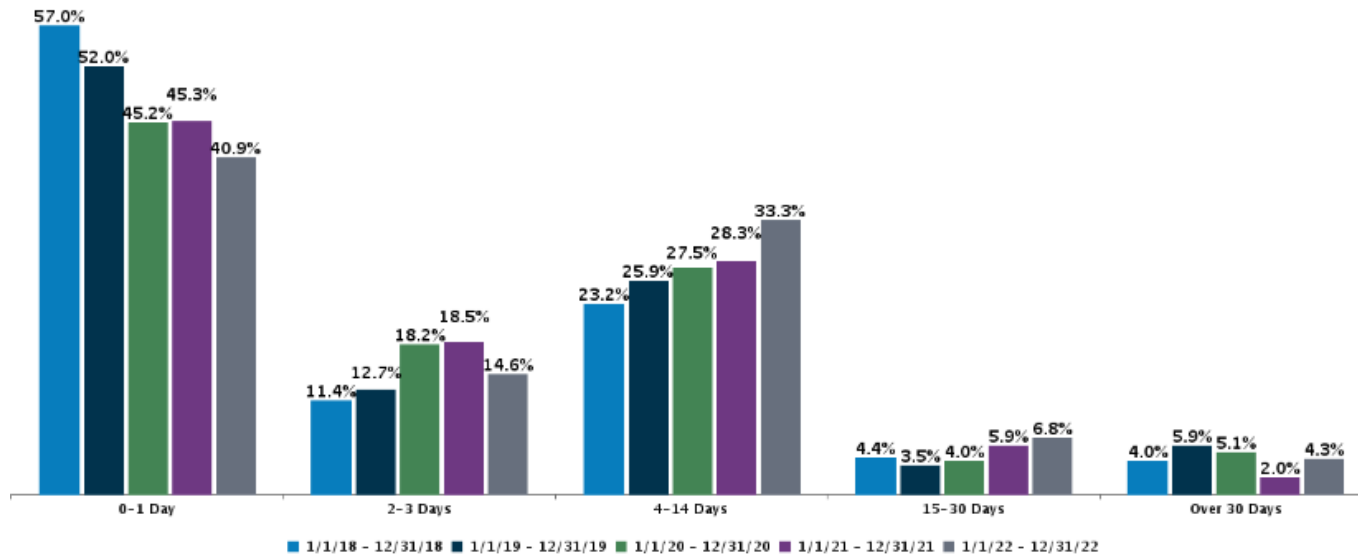


JUDICIAL COUNCIL OF CALIFORNIA



Lag Time: Reporting to Sedgwick

New Claim Count by Lag to Sedgwick Stratification



Lag to Sedgwick: Measures the number of days from Date Reported to Client to Date Reported to Sedgwick.

- 40.9% of injuries were reported to Sedgwick within 1 day of the date the injury was reported to the court.
- 14.6% of injuries were reported to Sedgwick within 2-3 days of the date the injury was reported to the court.
- Opportunity: Injuries reported to the courts in the 4-14 days stratification.

Lag to Sedgwick	1/1/18 - 12/31/18	% of Total	Avg. Incurred	1/1/19 - 12/31/19	% of Total	Avg. Incurred	1/1/20 - 12/31/20	% of Total	Avg. Incurred	1/1/21 - 12/31/21	% of Total	Avg. Incurred	1/1/22 - 12/31/22	% of Total	Avg. Incurred
0-1 Day	310	57.0%	\$7,533	265	52.0%	\$7,537	189	45.2%	\$7,979	184	45.3%	\$11,543	151	40.9%	\$10,301
2-3 Days	62	11.4%	\$7,795	65	12.7%	\$5,834	68	18.2%	\$8,122	75	18.5%	\$9,857	54	14.6%	\$12,662
4-14 Days	128	23.2%	\$9,238	132	25.9%	\$8,708	103	27.5%	\$8,248	115	28.3%	\$7,888	123	33.3%	\$8,491
15-30 Days	24	4.4%	\$13,408	18	3.5%	\$8,198	15	4.0%	\$10,788	24	5.9%	\$6,754	25	6.8%	\$4,777
Over 30 Days	22	4.0%	\$11,788	30	5.9%	\$9,421	19	5.1%	\$6,087	8	2.0%	\$15,468	16	4.3%	\$11,743
Total	544	100.0%	\$8,388	510	100.0%	\$7,239	374	100.0%	\$7,545	406	100.0%	\$9,990	369	100.0%	\$9,732



Looking Ahead...

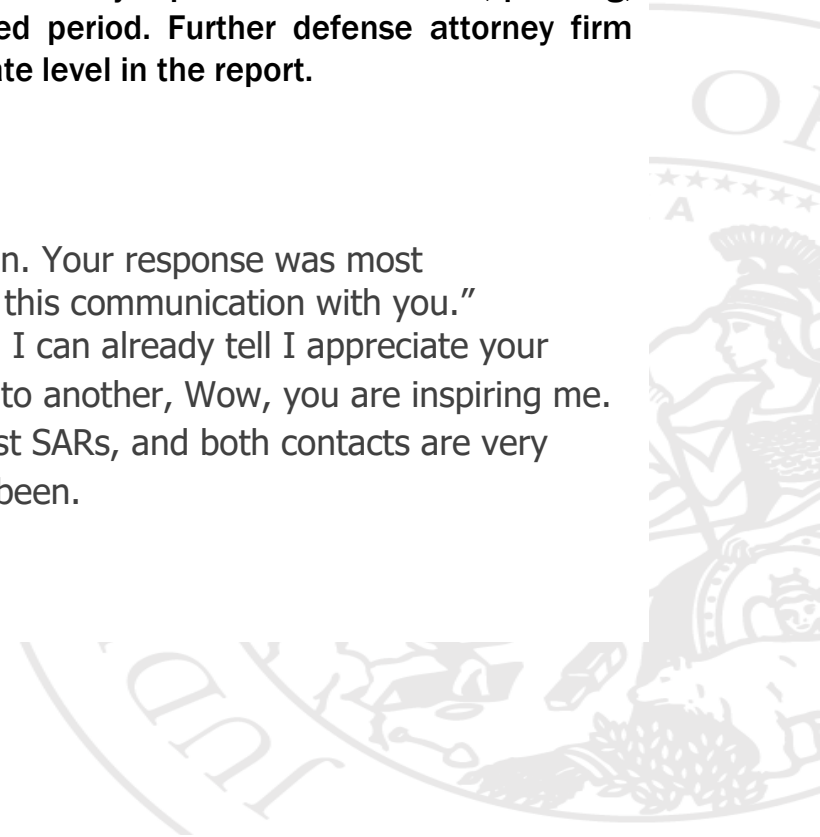
- File Review Scheduling
- **Litigation Scorecards-** Tracks statistics based on litigation and attorney representation for new, pending, and closed claims as well as legal payments made in the selected period. Further defense attorney firm information is also provided and summarized at both national and state level in the report.
- Continue Building the Relationship.

Some examples of feedback:

- “[...] Thank you so much for your response and information. Your response was most helpful. Again, it is so refreshing and appreciated to have this communication with you.”
 - “[...] While we have only worked together in a short time, I can already tell I appreciate your work and the effort you put forth. So as one professional to another, Wow, you are inspiring me.
 - “[...] mentioned that the SAR was easier to follow than past SARs, and both contacts are very happy with Sarah, and especially how responsive she has been.
- Comprehensive Use of the CPAT



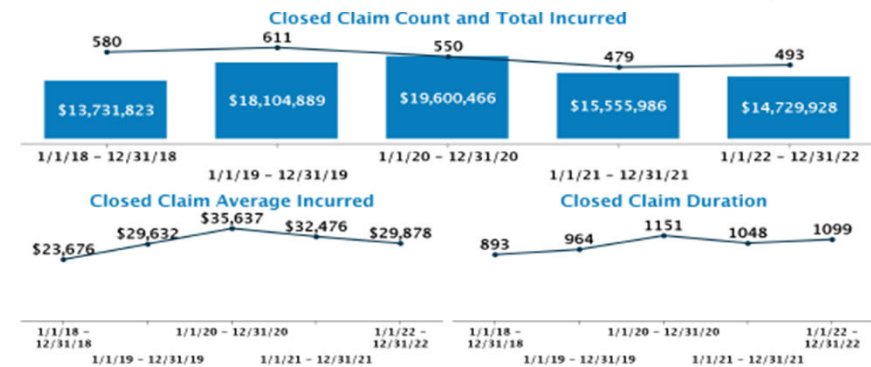
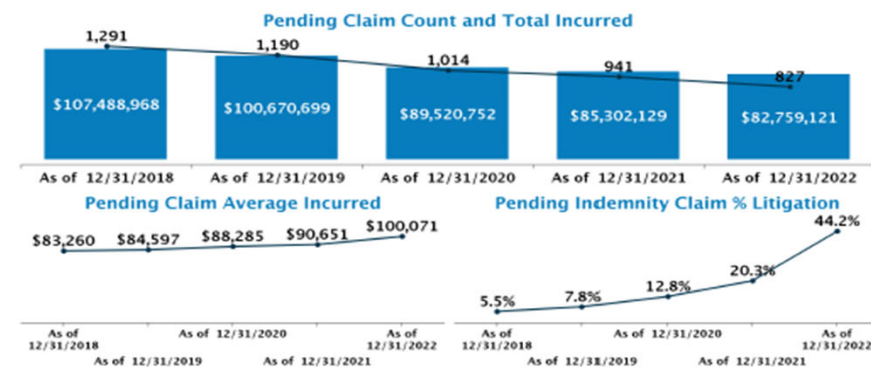
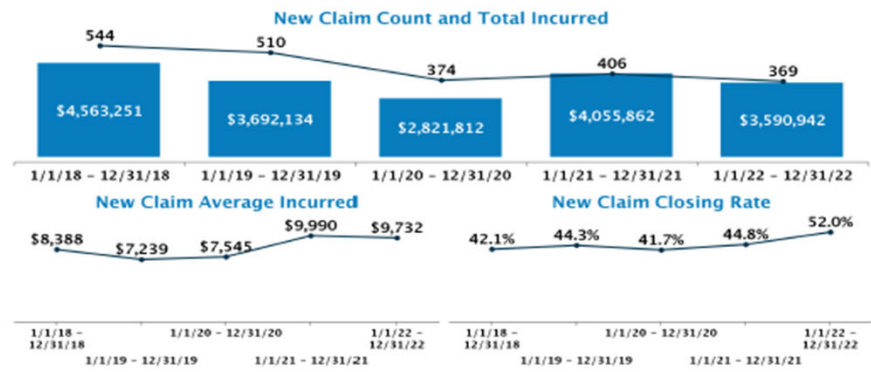
JUDICIAL COUNCIL
OF CALIFORNIA



New Claims	1/1/18 - 12/31/18	1/1/19 - 12/31/19	1/1/20 - 12/31/20	1/1/21 - 12/31/21	1/1/22 - 12/31/22	% Change
Indemnity Type Claims	381	359	290	306	213	-30.4%
Total Claims	544	510	374	406	369	-9.1%
% Indemnity Type of New Claims	70.0%	70.4%	77.5%	75.4%	57.7%	-17.6%
Average Incurred	\$8,388	\$7,239	\$7,545	\$9,990	\$9,732	-2.6%
Average Paid on Closed Claims	\$1,437	\$1,366	\$1,430	\$1,914	\$2,069	8.1%
Total Claims w/incurred > \$100K	3	1		3	2	-33.3%
Total Incurred	\$4,563,251	\$3,692,134	\$2,821,812	\$4,055,862	\$3,590,942	-11.5%
Total Paid	\$1,879,523	\$1,584,571	\$1,254,798	\$1,934,403	\$1,755,197	-9.3%
% Litigated on Indemnity Only		1.4%	1.0%	1.6%	11.7%	10.1%
Closing Rate	42.1%	44.3%	41.7%	44.8%	52.0%	7.2%
Average Days Open	129	127	122	134	117	-12.1%
Average TTD Days on IN Claims	11	9	9	14	19	35.3%

Pending Claims	As of 12/31/2018	As of 12/31/2019	As of 12/31/2020	As of 12/31/2021	As of 12/31/2022	% Change
Indemnity Type Claims	1,238	1,140	988	910	753	-17.3%
Total Claims	1,291	1,190	1,014	941	827	-12.1%
% Indemnity Type	95.7%	95.8%	97.4%	96.7%	91.1%	-5.7%
Average Incurred	\$83,260	\$84,597	\$88,285	\$90,651	\$100,071	10.4%
% Incurred w/incurred > \$100K	71.6%	71.6%	72.8%	73.2%	73.0%	-0.2%
% Claims w/incurred > \$100K	26.3%	26.4%	29.0%	30.3%	31.3%	1.0%
Total Incurred	\$107,488,968	\$100,670,699	\$89,520,752	\$85,302,129	\$82,759,121	-3.0%
Total Outstanding Reserves	\$28,913,114	\$24,757,866	\$20,529,866	\$19,761,199	\$18,771,890	-5.0%
% Litigated on Indemnity Only	5.5%	7.8%	12.8%	20.3%	44.2%	23.9%
% over 2 year old	61.2%	61.8%	65.0%	63.2%	64.8%	1.6%
# over 2 year old	790	733	659	595	536	-9.9%
Average TTD Days on IN Claims	103	106	109	108	131	21.7%

Closed Claims	1/1/18 - 12/31/18	1/1/19 - 12/31/19	1/1/20 - 12/31/20	1/1/21 - 12/31/21	1/1/22 - 12/31/22	% Change
Indemnity Type Claims	399	455	442	384	379	-1.3%
Total Claims	580	611	550	479	493	2.9%
% Indemnity Type	68.8%	74.5%	80.4%	80.2%	76.9%	-3.3%
Average Incurred	\$23,676	\$29,632	\$35,637	\$32,476	\$29,878	-8.0%
% Incurred w/incurred > \$100K	56.1%	61.7%	63.1%	60.5%	62.0%	1.5%
% Claims w/incurred > \$100K	7.2%	8.3%	9.8%	9.8%	10.8%	0.9%
Total Incurred	\$13,731,823	\$18,104,889	\$19,600,466	\$15,555,986	\$14,729,928	-5.3%
% Litigated on Indemnity Only	7.8%	9.0%	20.1%	19.5%	23.5%	4.0%
Average Days Open	893	964	1,151	1,048	1,099	4.9%
Average TTD Days on IN Claims	56	53	59	61	48	-20.1%
Closing Ratio by Claim	106.6%	119.8%	147.1%	118.0%	130.1%	12.1%



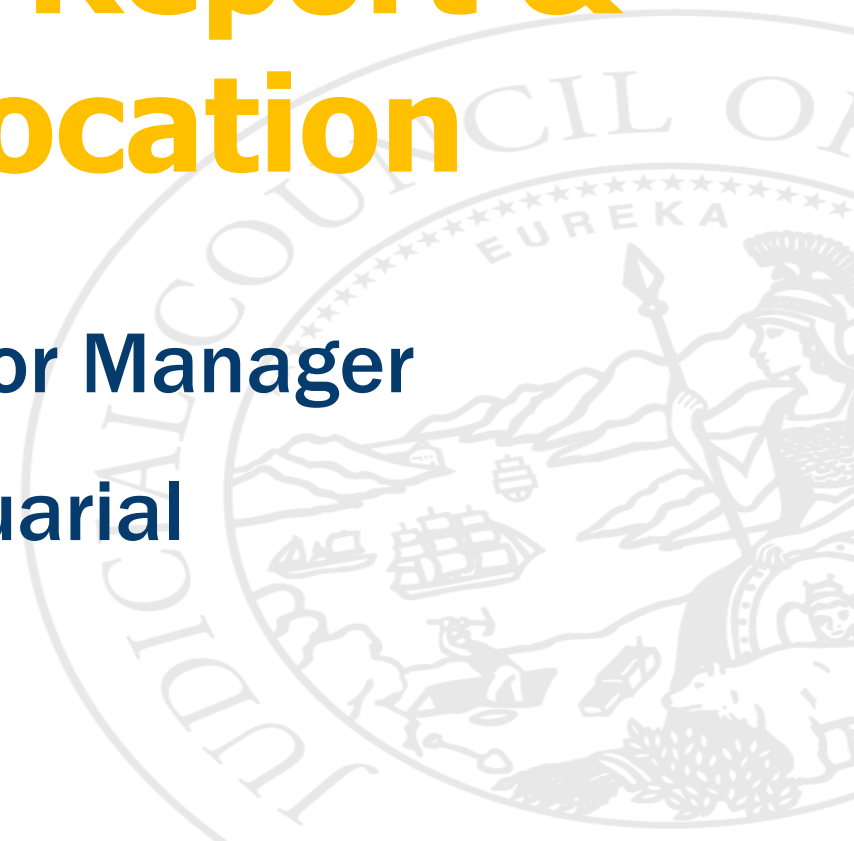
Draft Actuarial Report & Premium Allocation

Becky Richard, Senior Manager

Bickmore Actuarial



JUDICIAL COUNCIL
OF CALIFORNIA



2022 - 23 Actuarial Report

- Brief Review of Terminology
- Outstanding Liabilities at June 30, 2023
 - a.k.a. Reserves
- 2023 - 24 Funding Guidelines
 - a.k.a. Rates



JUDICIAL COUNCIL
OF CALIFORNIA

The Lingo

- **Loss – Medical/Indemnity for WC**
- **ALAE – Allocated Loss Adjustment Expenses, which consist primarily of legal fees, usually analyzed together with loss**
- **ULAE – Unallocated Loss Adjustment Expenses, which consist primarily of claims administration expenses (in-house or TPA), usually analyzed separately from loss**



Ultimate Loss

- **Ultimate Loss is the total cost of claims occurring in a given year**
- **Components of Ultimate Loss**
 - = Paid Loss**
The Accountant's Number
 - + Case Reserves**
The Claim Adjuster's Number
 - + IBNR (Incurred But Not Reported) Reserves**
The Actuary's Number



Reserves

- Reserves are the amounts remaining to be paid on claims occurring in a given year
- Also called outstanding liabilities

So,

- Reserves = Case Reserves + IBNR Reserves

Or...

Reserves = Ultimate Losses - Paid Losses



Paid Loss Development – Trial Courts

Accident Year	Expected	Actual	Difference
Prior	\$209,787	\$463,826	\$254,039
2005-06	35,726	97,311	61,585
2006-07	75,711	60,111	(15,600)
2007-08	106,891	109,265	2,374
2008-09	95,028	86,467	(8,561)
2009-10	140,108	196,703	56,595
2010-11	175,819	140,307	(35,512)
2011-12	250,208	522,984	272,776
2012-13	386,561	247,062	(139,499)
2013-14	319,926	349,173	29,247
2014-15	471,340	75,542	(395,798)
2015-16	610,683	541,299	(69,384)
2016-17	621,787	612,184	(9,603)
2017-18	807,974	1,207,790	399,816
2018-19	1,153,999	1,308,131	154,132
2019-20	1,497,128	1,242,683	(254,445)
2020-21	2,100,798	2,835,546	734,748
2021-22	2,323,526	1,750,674	(572,852)
Total	11,383,000	11,847,058	464,058

**Paid
Losses**

**Development
from
12/31/21
to
12/31/22**



Incurring Loss Development – Trial Courts

Accident Year	Expected	Actual	Difference
Prior	\$129,971	\$294,157	\$164,186
2005-06	13,942	44,363	30,421
2006-07	28,451	26,561	(1,890)
2007-08	39,706	45,864	6,158
2008-09	43,843	(28,068)	(71,911)
2009-10	142,828	249,480	106,652
2010-11	191,690	57,112	(134,578)
2011-12	205,019	210,197	5,178
2012-13	389,903	92,402	(297,501)
2013-14	394,749	216,015	(178,734)
2014-15	399,729	(228,238)	(627,967)
2015-16	462,336	294,399	(167,937)
2016-17	570,182	210,558	(359,624)
2017-18	572,816	520,422	(52,394)
2018-19	878,322	770,589	(107,733)
2019-20	1,599,417	1,194,000	(405,417)
2020-21	2,691,925	3,569,973	878,048
2021-22	4,591,171	2,648,614	(1,942,557)
Total	13,346,000	10,188,400	(3,157,600)

Incurring Losses

Development from 12/31/21 to 12/31/22

-\$1.63M for Recent 5 Years

Favorable Overall



Ultimate Loss – Trial Courts

Accident Year	Prior	Current	Change
Prior	\$77,360,515	\$77,521,000	\$161,000
2005-06	14,223,601	14,254,000	31,000
2006-07	14,541,626	14,525,000	(16,000)
2007-08	13,569,399	13,562,000	(7,000)
2008-09	11,359,286	11,296,000	(64,000)
2009-10	16,614,492	16,693,000	79,000
2010-11	15,712,244	15,544,000	(168,000)
2011-12	15,320,512	15,274,000	(46,000)
2012-13	16,963,308	16,734,000	(229,000)
2013-14	13,305,887	13,153,000	(153,000)
2014-15	13,546,983	12,925,000	(622,000)
2015-16	14,640,570	14,536,000	(104,000)
2016-17	12,772,175	12,378,000	(394,000)
2017-18	12,417,911	12,331,000	(87,000)
2018-19	12,456,617	12,296,000	(160,000)
2019-20	11,715,648	11,214,000	(502,000)
2020-21	13,201,725	14,133,000	931,000
2021-22	13,242,659	11,671,000	(1,572,000)
Total	\$312,965,158	\$310,041,000	(\$2,924,000)



JUDICIAL COUNCIL
OF CALIFORNIA



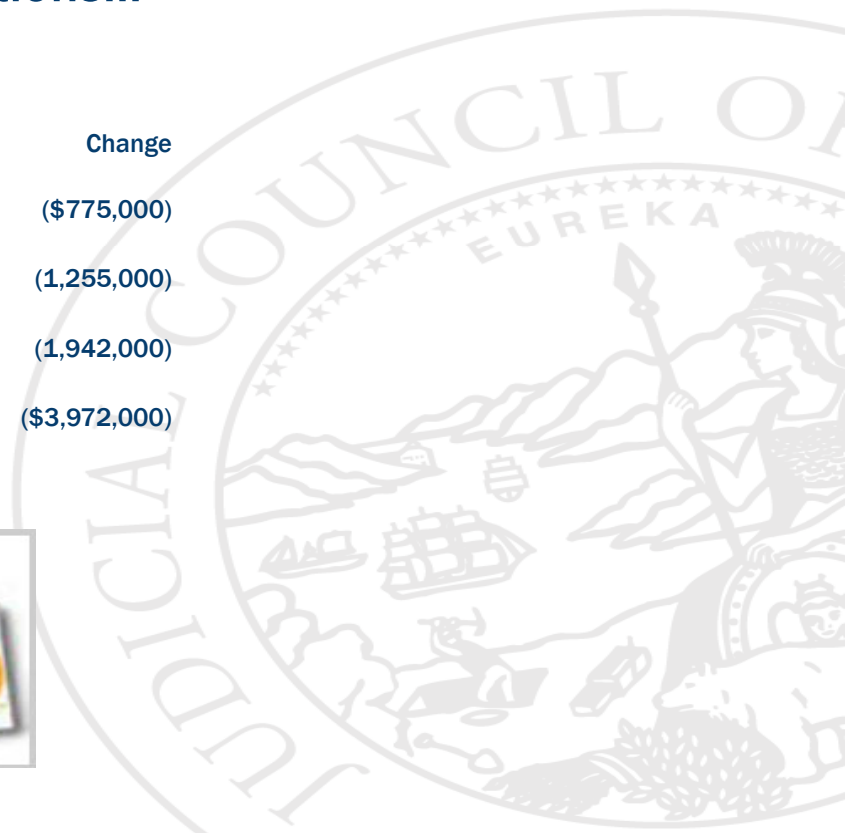
Liabilities – Trial Courts

Comparison of June 30 Projections...

	Prior Report June 30, 2022	Current Report June 30, 2023	Change
Case Reserves	\$19,202,000	\$18,427,000	(\$775,000)
IBNR Reserves	40,128,000	38,873,000	(1,255,000)
ULAE Reserves	5,713,000	3,771,000	(1,942,000)
Total Reserves	\$65,043,000	\$61,071,000	(\$3,972,000)



JUDICIAL COUNCIL
OF CALIFORNIA



Paid Loss Development – Judiciary

Accident Year	Expected	Actual	Difference
Prior	\$72,793	\$82,899	\$10,106
2005-06	0	1,043	1,043
2006-07	0	0	0
2007-08	2,673	2,068	(605)
2008-09	4,819	0	(4,819)
2009-10	0	0	0
2010-11	0	17	17
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	7,237	15,626	8,389
2015-16	28,489	58,322	29,833
2016-17	27,615	13,707	(13,908)
2017-18	43,214	18,145	(25,069)
2018-19	52,234	0	(52,234)
2019-20	76,375	64,367	(12,008)
2020-21	79,571	0	(79,571)
2021-22	66,986	11,280	(55,706)
Total	462,006	267,474	(194,532)

Paid Losses

Development from 12/31/21 to 12/31/22

Incurring Loss Development – Judiciary

Accident Year	Expected	Actual	Difference
Prior	\$36,427	\$81,018	\$44,591
2005-06	0	4,881	4,881
2006-07	0	0	0
2007-08	1,741	0	(1,741)
2008-09	5,564	(6,587)	(12,151)
2009-10	0	0	0
2010-11	0	17	17
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	5,992	6,399	407
2015-16	16,853	76,646	59,793
2016-17	24,127	30,999	6,872
2017-18	36,732	4,196	(32,536)
2018-19	62,672	(18,242)	(80,914)
2019-20	83,895	5,848	(78,047)
2020-21	147,857	(1,660)	(149,517)
2021-22	173,440	42,053	(131,387)
Total	595,300	225,568	(369,732)

Incurring Losses

Development from 12/31/21 to 12/31/22

-\$472K for Recent 5 Years

Favorable Overall

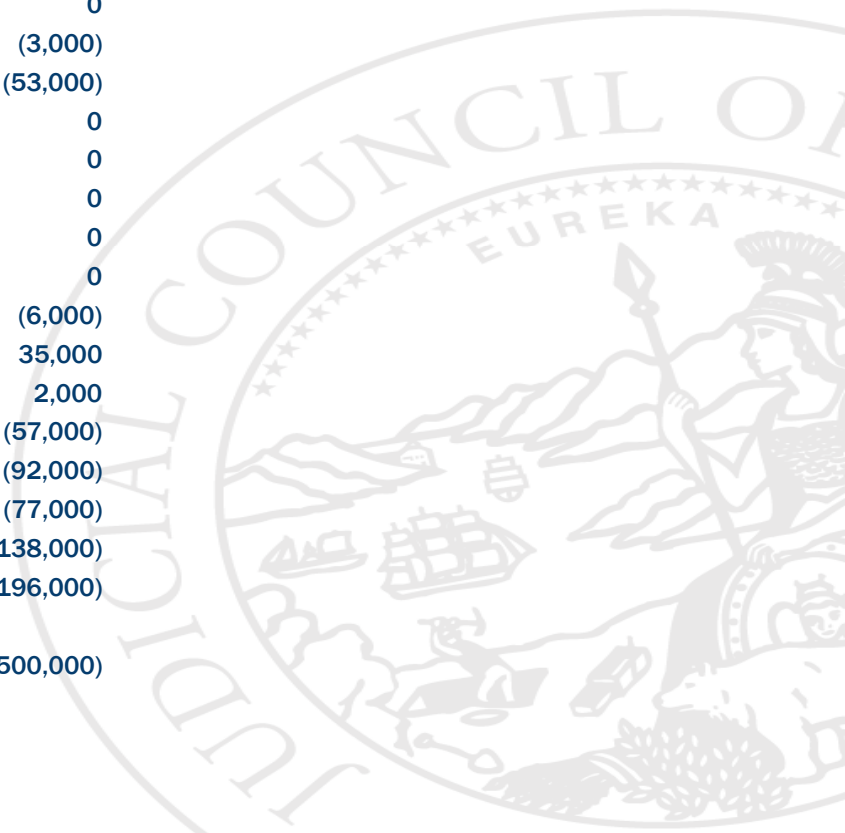


Ultimate Loss – Judiciary

Accident Year	Prior	Current	Change
Prior	\$14,367,000	\$14,439,000	\$72,000
2005-06	229,000	242,000	13,000
2006-07	575,000	575,000	0
2007-08	276,000	273,000	(3,000)
2008-09	782,000	729,000	(53,000)
2009-10	686,000	686,000	0
2010-11	309,000	309,000	0
2011-12	549,000	549,000	0
2012-13	431,000	431,000	0
2013-14	62,000	62,000	0
2014-15	317,000	310,000	(6,000)
2015-16	757,000	792,000	35,000
2016-17	499,000	502,000	2,000
2017-18	347,000	290,000	(57,000)
2018-19	459,000	367,000	(92,000)
2019-20	576,000	499,000	(77,000)
2020-21	456,000	318,000	(138,000)
2021-22	615,000	419,000	(196,000)
Total	22,292,000	21,792,000	(500,000)



JUDICIAL COUNCIL
OF CALIFORNIA



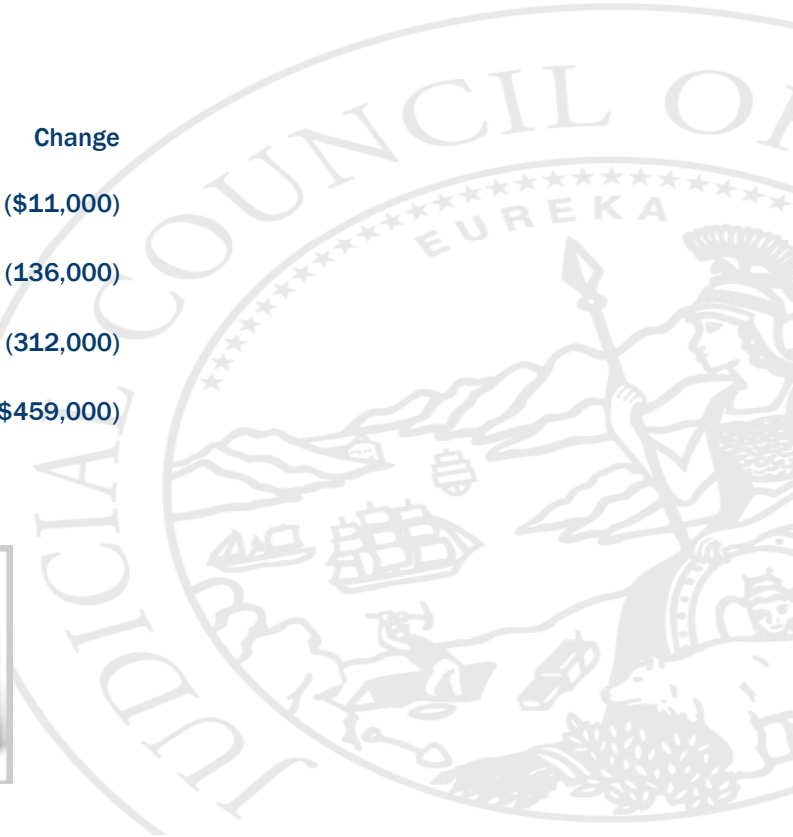
Liabilities – Judiciary

Comparison of June 30 Projections...

	Prior Report June 30, 2022	Current Report June 30, 2023	Change
Case Reserves	\$780,000	\$769,000	(\$11,000)
IBNR Reserves	2,155,000	2,019,000	(136,000)
ULAE Reserves	882,000	570,000	(312,000)
Total Reserves	\$3,817,000	\$3,358,000	(\$459,000)



JUDICIAL COUNCIL
OF CALIFORNIA



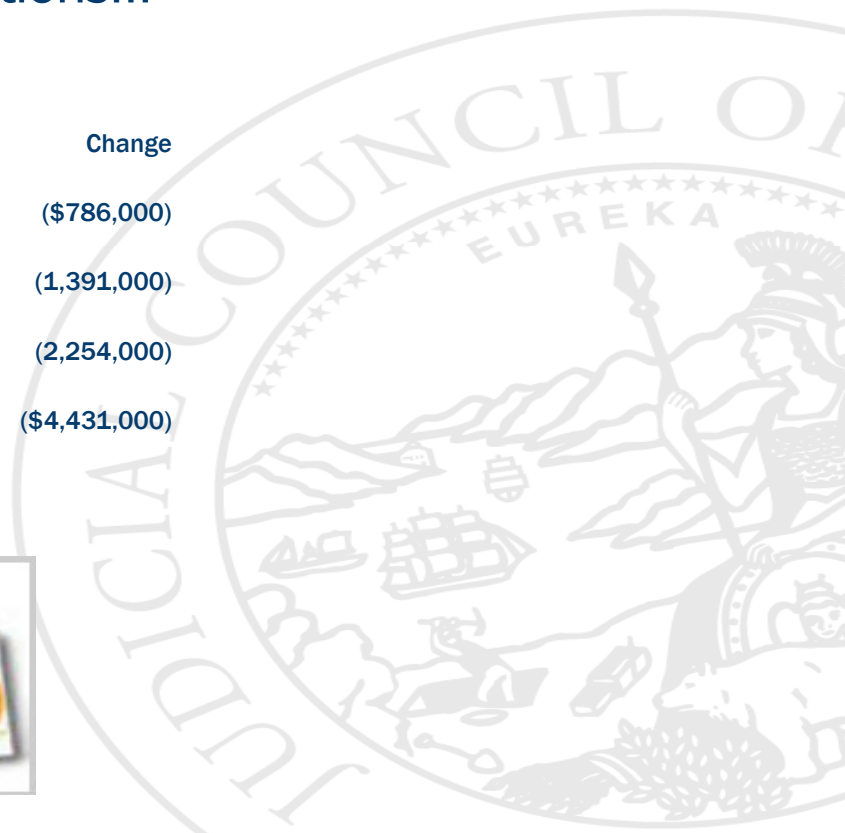
Liabilities – Total Trial Courts and Judiciary

Comparison of June 30 Projections...

	Prior Report June 30, 2022	Current Report June 30, 2023	Change
Case Reserves	\$19,982,000	\$19,196,000	(\$786,000)
IBNR Reserves	42,283,000	40,892,000	(1,391,000)
ULAE Reserves	6,595,000	4,341,000	(2,254,000)
Total Reserves	\$68,860,000	\$64,429,000	(\$4,431,000)



JUDICIAL COUNCIL
OF CALIFORNIA



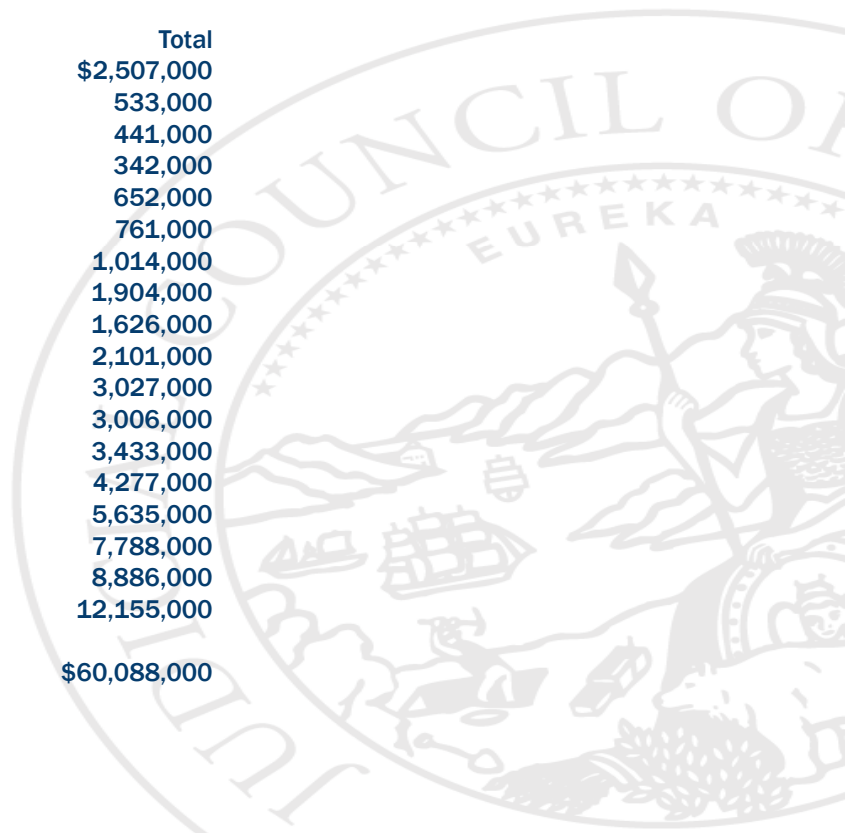
Outstanding Liabilities at 6/30/23

As of June 30, loss and ALAE by year...

Accident Year	Trial Courts	Judiciary	Total
Prior	\$1,990,000	\$517,000	\$2,507,000
2006-07	533,000	0	533,000
2007-08	414,000	27,000	441,000
2008-09	342,000	0	342,000
2009-10	652,000	0	652,000
2010-11	761,000	0	761,000
2011-12	1,014,000	0	1,014,000
2012-13	1,904,000	0	1,904,000
2013-14	1,626,000	0	1,626,000
2014-15	2,058,000	43,000	2,101,000
2015-16	2,796,000	231,000	3,027,000
2016-17	2,838,000	168,000	3,006,000
2017-18	3,279,000	154,000	3,433,000
2018-19	4,090,000	187,000	4,277,000
2019-20	5,381,000	254,000	5,635,000
2020-21	7,509,000	279,000	7,788,000
2021-22	8,515,000	371,000	8,886,000
2022-23	11,598,000	557,000	12,155,000
Total	\$57,300,000	\$2,788,000	\$60,088,000



JUDICIAL COUNCIL
OF CALIFORNIA



Outstanding Liabilities at 6/30/23

As of June 30, Adding ULAE and Confidence Levels...

	Trial Courts	Judiciary	Total
Loss and ALAE Reserves	\$57,300,000	\$2,788,000	\$60,088,000
ULAE Reserves	3,771,000	570,000	4,341,000
Total Reserves			
Expected	\$61,071,000	\$3,358,000	\$64,429,000
70%	\$65,896,000	\$3,815,000	\$69,711,000
75%	\$67,850,000	\$4,019,000	\$71,869,000
80%	\$70,049,000	\$4,254,000	\$74,303,000
85%	\$72,736,000	\$4,550,000	\$77,286,000
90%	\$76,278,000	\$4,943,000	\$81,221,000

Confidence levels reflect variability of outstanding liabilities



JUDICIAL COUNCIL
OF CALIFORNIA

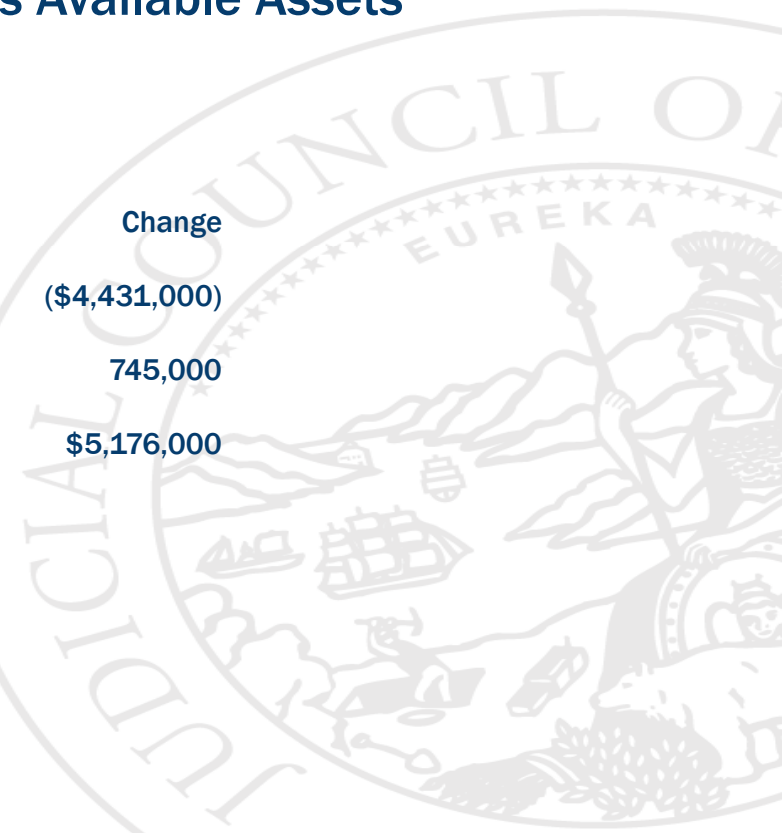
Funding Margin at 6/30/23

As of June 30, Outstanding Liability minus Available Assets

	Prior Report June 30, 2022	Current Report June 30, 2023	Change
Total Reserves	\$68,860,000	\$64,429,000	(\$4,431,000)
Assets	73,489,000	74,234,000	745,000
Deficit	\$4,629,000	\$9,805,000	\$5,176,000

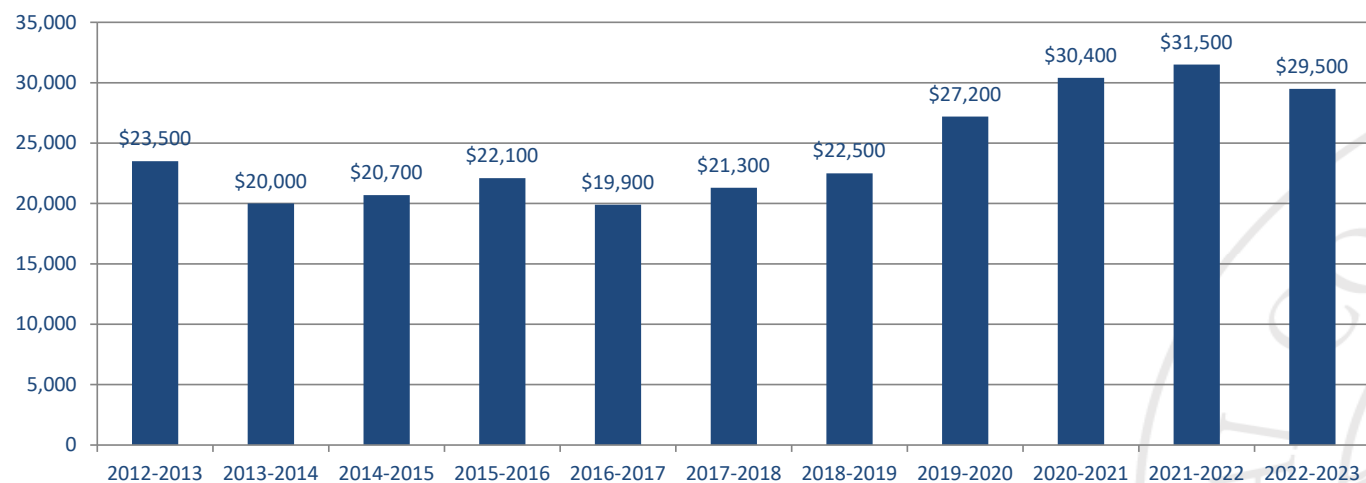


JUDICIAL COUNCIL
OF CALIFORNIA



Severity Trends – Trial Courts

Loss per Claim



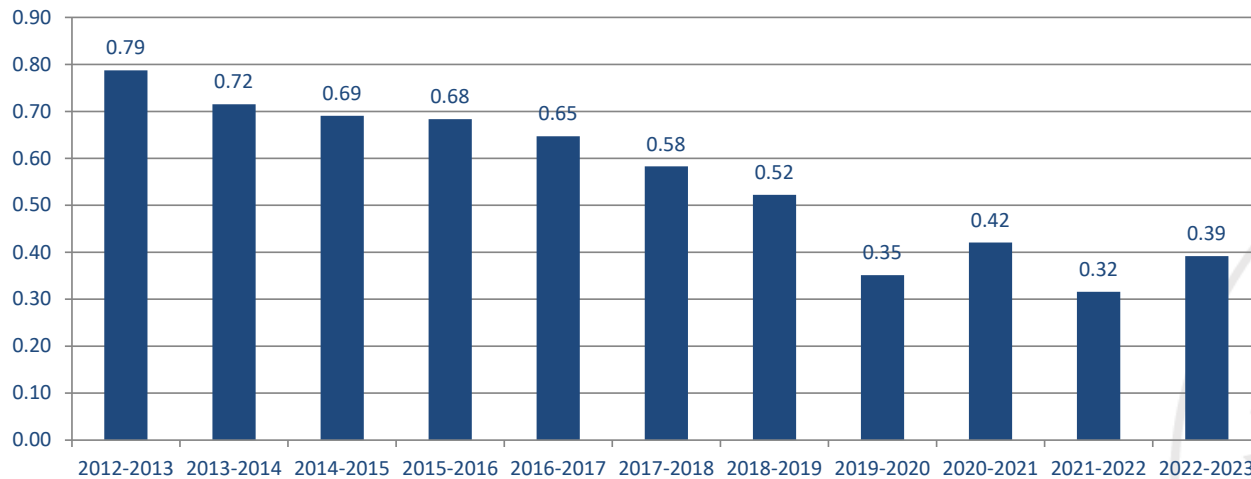
Note: All losses limited to \$250,000



JUDICIAL COUNCIL
OF CALIFORNIA

Frequency Trends – Trial Courts

Claims per \$1M of Payroll



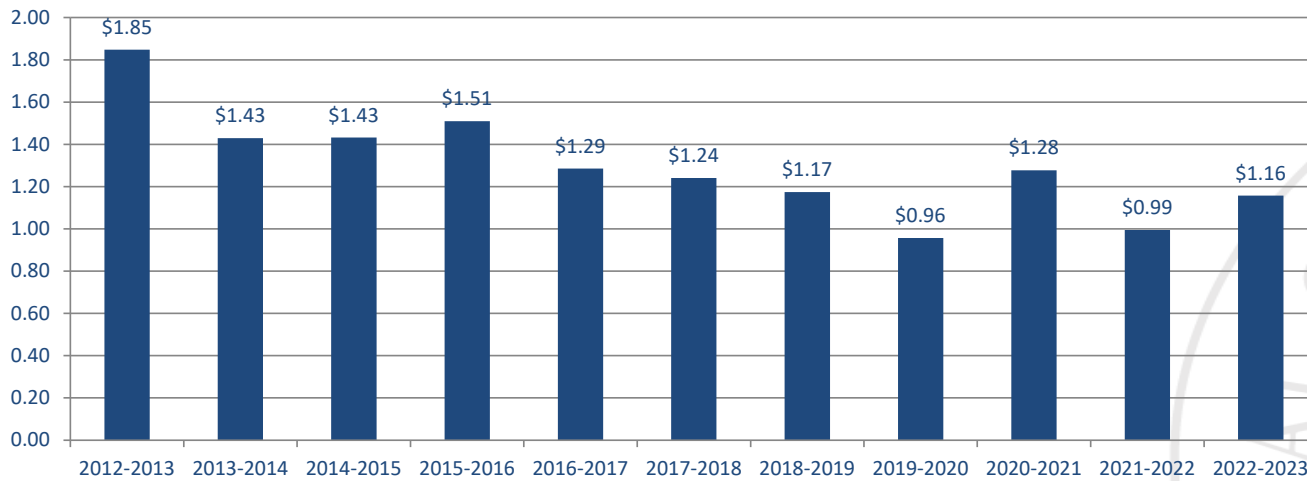
Decreasing Trend followed by Recent Increasing Trend



JUDICIAL COUNCIL
OF CALIFORNIA

Loss Rate Trends – Trial Courts

Loss Rate per \$1M of Payroll



Flattening Trend

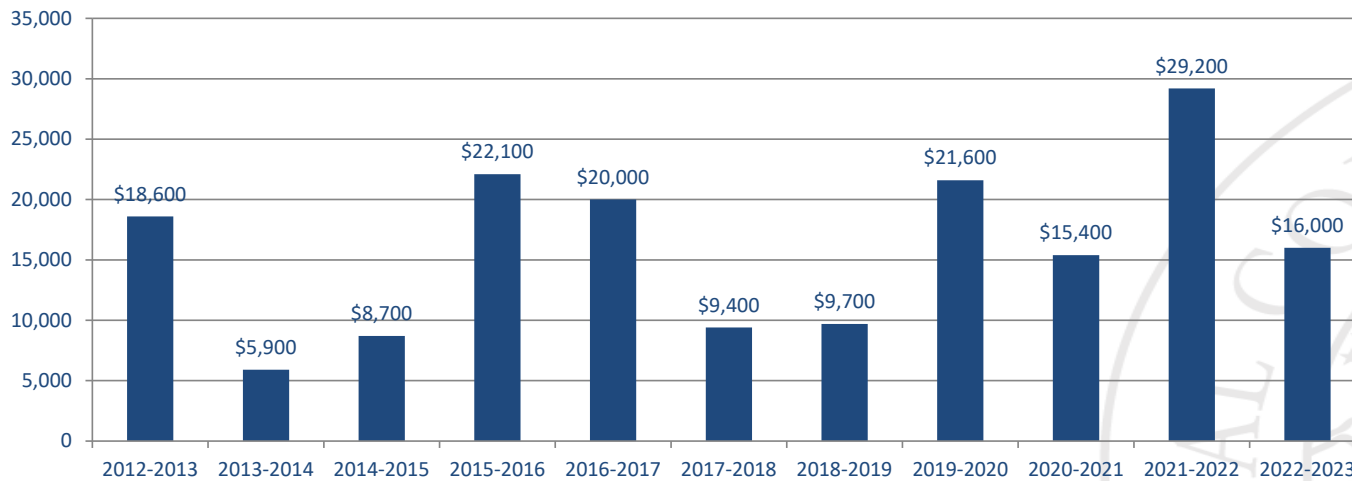
Note: All losses limited to \$250,000



JUDICIAL COUNCIL
OF CALIFORNIA

Severity Trends – State Judiciary

Loss per Claim



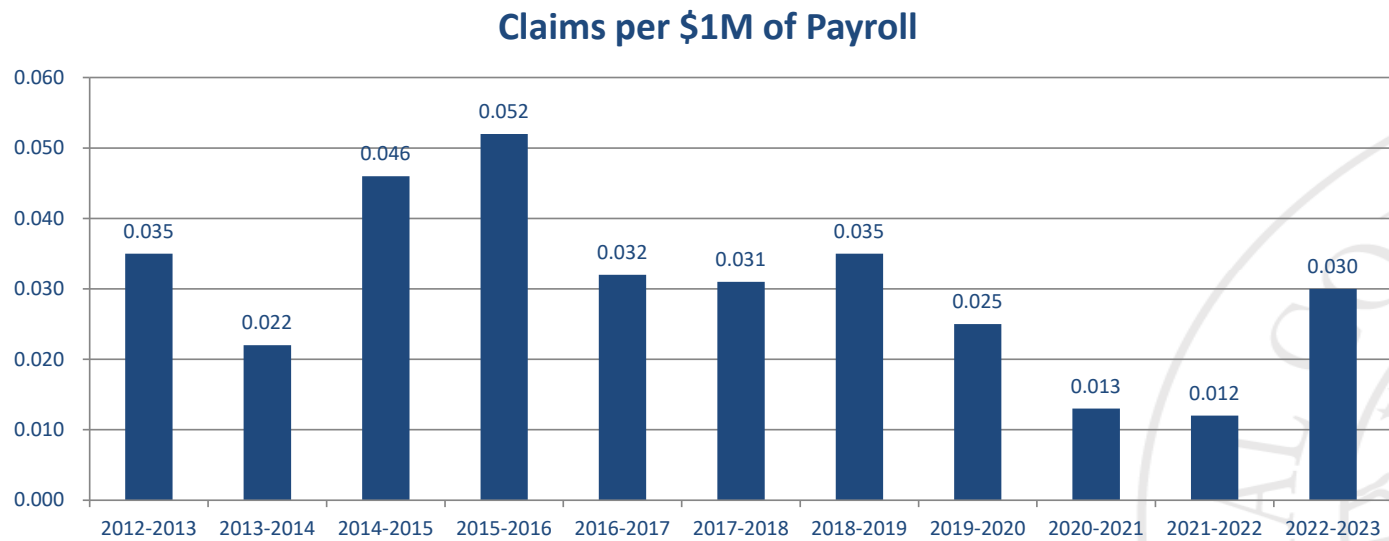
Volatility due to small program

Note: All losses limited to \$100,000

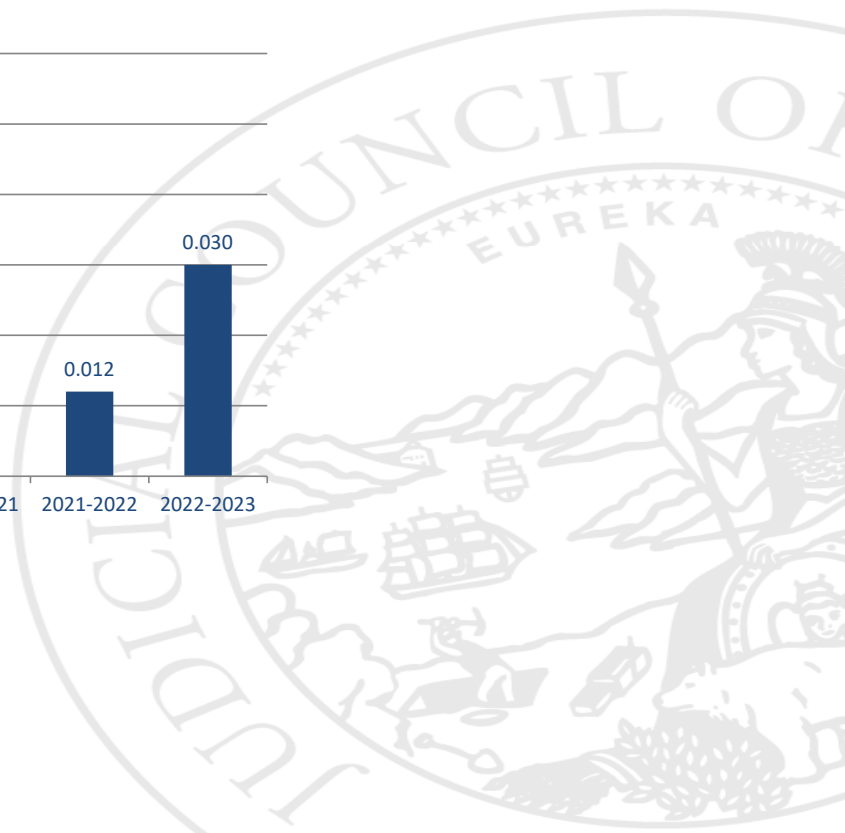


JUDICIAL COUNCIL
OF CALIFORNIA

Frequency Trends – State Judiciary

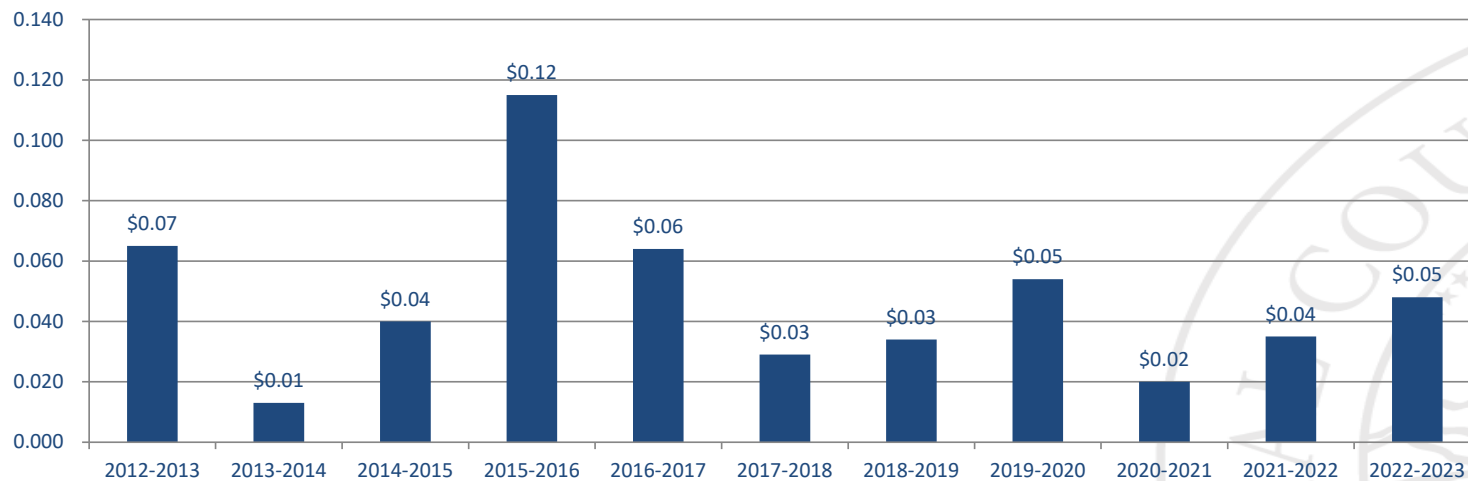


JUDICIAL COUNCIL
OF CALIFORNIA



Loss Rate Trends – State Judiciary

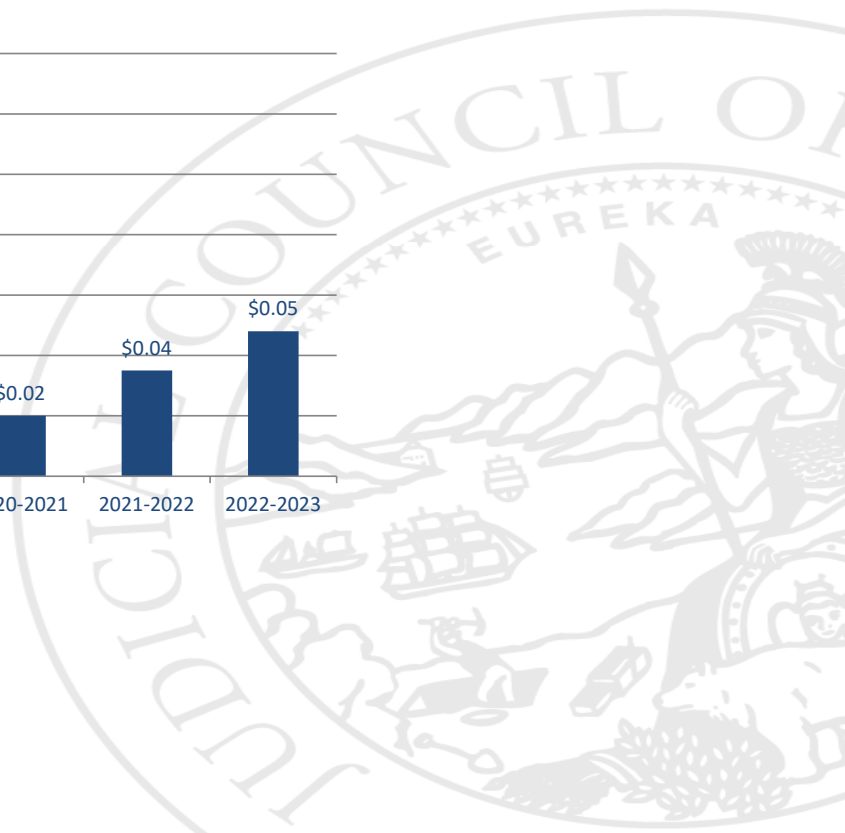
Loss Rate per \$1M of Payroll



Note: All losses limited to \$100,000



JUDICIAL COUNCIL
OF CALIFORNIA



Projected Ultimate Loss & ALAE For 2023-24

Ultimate Loss and ALAE for claims occurring between 7/1/23 and 6/30/24

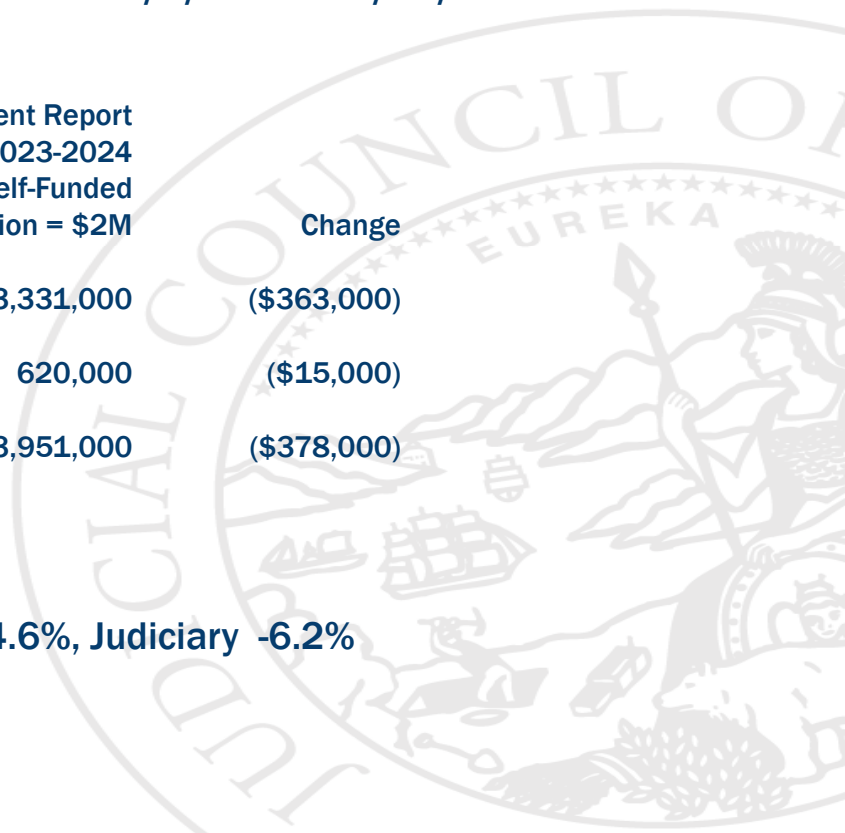
"Expected"
Confidence
Level

	Prior Report 2022-2023 Self-Funded Retention = \$2M	Current Report 2023-2024 Self-Funded Retention = \$2M	Change
Trial Courts	\$13,694,000	\$13,331,000	(\$363,000)
State Judiciary	635,000	620,000	(\$15,000)
Total	\$14,329,000	\$13,951,000	(\$378,000)

Note: On a loss/ALAE rate basis, Trial Courts -4.6%, Judiciary -6.2%



JUDICIAL COUNCIL
OF CALIFORNIA



Projected Total Funding For 2023 - 24

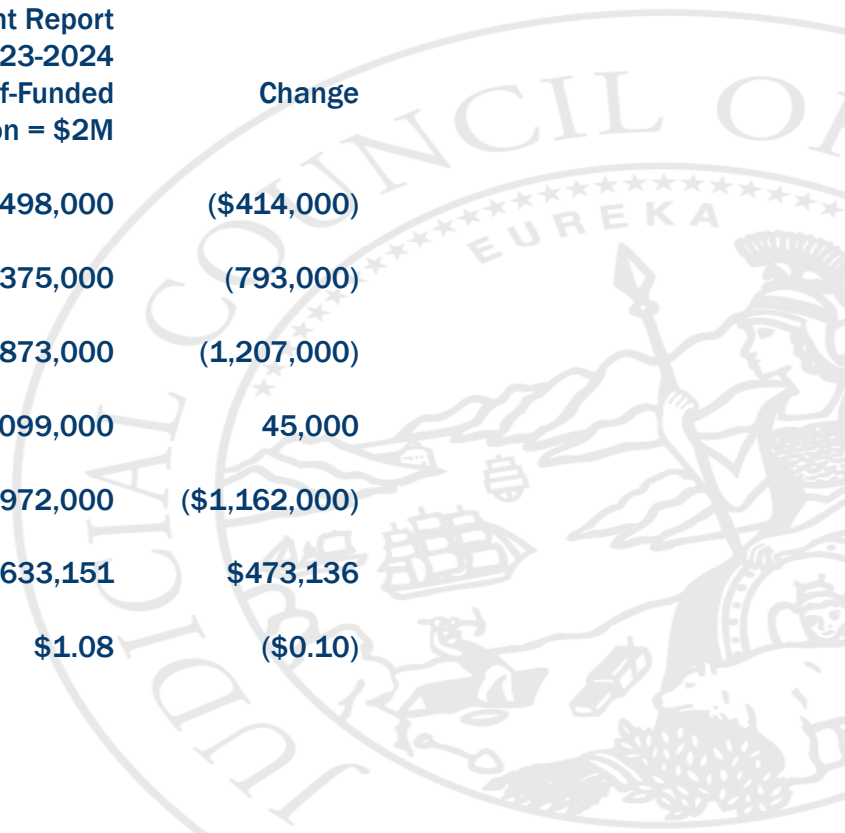
Total Required Funding for Claims Between 7/1/23 and 6/30/24

70%
Confidence
Level

	Prior Report 2022-2023 Self-Funded Retention = \$2M	Current Report 2023-2024 Self-Funded Retention = \$2M	Change
Loss and ALAE	\$15,912,000	\$15,498,000	(\$414,000)
ULAE	2,168,000	1,375,000	(793,000)
Total Claims	18,080,000	16,873,000	(1,207,000)
Non Claim Expenses	1,054,000	1,099,000	45,000
Total Funding	\$19,134,000	\$17,972,000	(\$1,162,000)
Payroll	\$16,160,015	\$16,633,151	\$473,136
Total Rate	\$1.18	\$1.08	(\$0.10)



JUDICIAL COUNCIL
OF CALIFORNIA



Actuarial Analysis

Allocation Report for FY 2023 - 2024



JUDICIAL COUNCIL
OF CALIFORNIA

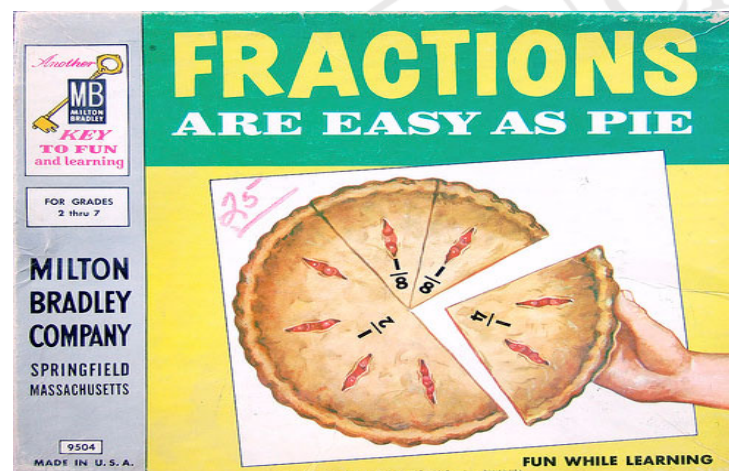


2023 - 24 Allocation

How do we divide up the program cost between courts?

- % of Total Losses
- % of Total Payrolls

$$\frac{3}{4} = .75$$



JUDICIAL COUNCIL
OF CALIFORNIA

Costs To Allocate - Total

- **Ultimate Loss and ALAE (70% Confidence Level)**
 - **\$15,498,000 (-2.6%)**
- **Third-Party Claims Administration Fees**
 - **\$1,375,000 (-36.6%)**
- **Excess Insurance Premiums**
 - **\$661,000 (7.3%)**
- **Consulting and Brokerage Expenses**
 - **\$438,000 (+0.0%)**
- **Total**
 - **\$17,972,000 (-6.1%)**



JUDICIAL COUNCIL
OF CALIFORNIA



Costs To Allocate – Trial Courts

- **Ultimate Loss and ALAE (70% Confidence Level)**
 - **\$14,731,000 (-2.6%)**
- **Third-Party Claims Administration Fees**
 - **\$1,248,000 (-36.6%)**
- **Excess Insurance Premiums**
 - **\$464,000 (7.7%)**
- **Consulting and Brokerage Expenses**
 - **\$271,000 (-0.4%)**
- **Total**
 - **\$16,714,000 (-6.1%)**



JUDICIAL COUNCIL
OF CALIFORNIA



Costs To Allocate – Judiciary

- **Ultimate Loss and ALAE (70% Confidence Level)**
 - **\$767,000 (-1.8%)**
- **Third-Party Claims Administration Fees**
 - **\$127,000 (-39.2%)**
- **Excess Insurance Premiums**
 - **\$197,000 (+6.5%)**
- **Consulting and Brokerage Expenses**
 - **\$167,000 (+0.6%)**
- **Total**
 - **\$1,258,000 (-6.2%)**



JUDICIAL COUNCIL
OF CALIFORNIA



Loss Allocation Methodology

For each court...

- **Determine 3-Year Incurred Losses % of Total**
 - **Losses capped at \$75,000 per claim**
- **Determine 3-Year Payroll % of Total**
- **Determine Loss Weight**
 - **80% to Largest Court**
 - **Smaller Courts receive less weight**
- **% Allocation = (% Capped Losses) x (Loss Weight) + (% Payroll) x (1.0 – Loss Weight)**



JUDICIAL COUNCIL
OF CALIFORNIA



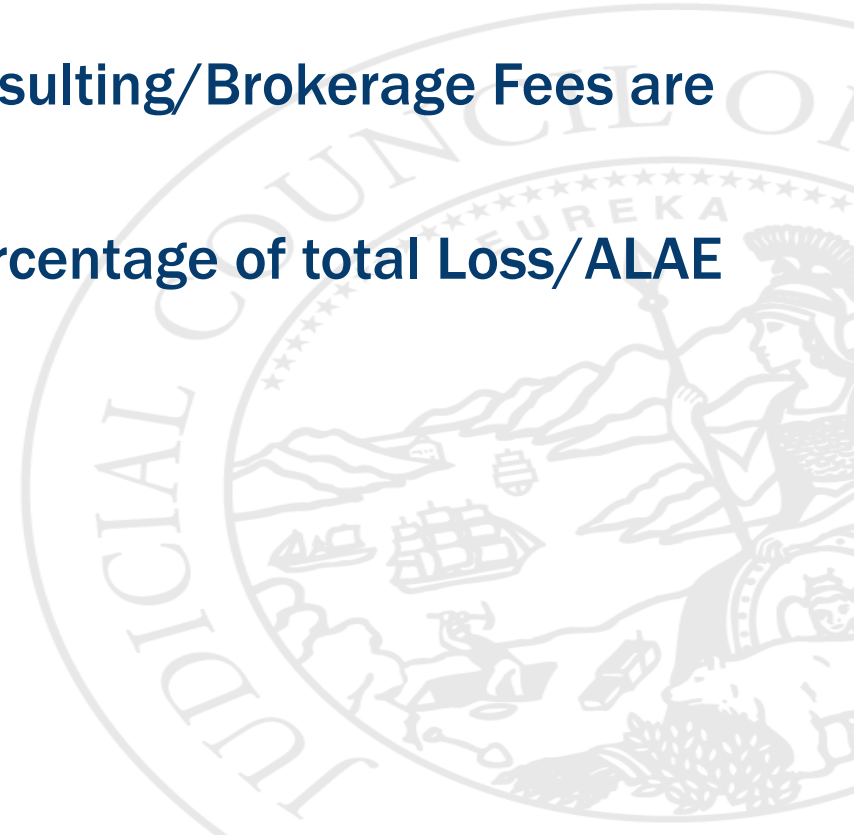
Expense Allocation Methodology

For each court...

- **Both Excess Insurance Premiums and Consulting/Brokerage Fees are allocated based upon % of Total Payroll**
- **TPA Fees are allocated based on courts percentage of total Loss/ALAE funding**



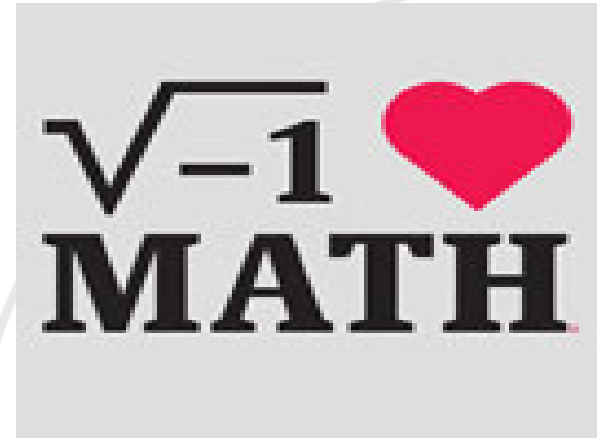
JUDICIAL COUNCIL
OF CALIFORNIA



Questions ??

Ask an Actuary !

Call 1-800-[(10x)²-2x+34]



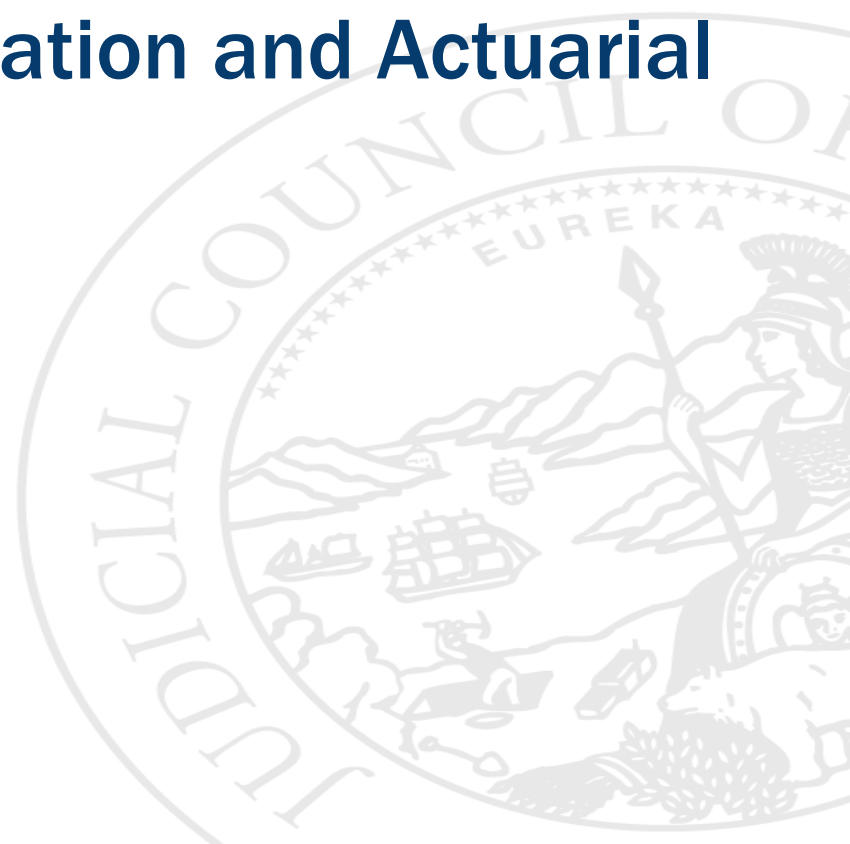
JUDICIAL COUNCIL
OF CALIFORNIA

Action Item

- Approve Premium Allocation and Actuarial Report



JUDICIAL COUNCIL
OF CALIFORNIA



Closed Session



JUDICIAL COUNCIL
OF CALIFORNIA



Meeting Adjourned



JUDICIAL COUNCIL
OF CALIFORNIA



Consulting Solutions | Marsh Advisory
Risk. Disputes. Strategy.

2022 ANNUAL AUDIT OF CLAIMS ADMINISTRATION & CASE MANAGEMENT SERVICES PROVIDER

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

FEBRUARY 6, 2023

TABLE OF CONTENTS

1. Executive Summary	1
2. Methodology	3
3. Audit Findings & Recommendations.....	7
• Third Party Administration (TPA) Audit Categories & Metrics	8
• Case Management Audit Categories & Metrics	34
Appendix A: Third Party Administrator Audit Claim Sample.....	42
Appendix B: Case Management Audit Claim Sample.....	47
Appendix C: Scoring By Category	49
Appendix D: Scoring By Question	50
Appendix E: Claim Value Roster	55
Appendix F: Scoring By Adjuster.....	57

1

Executive Summary

The Judicial Council of California (JCC) contracted with Marsh USA, Inc. (Marsh) to provide various claim auditing services over the period extending from July 1, 2022 through June 30, 2023. One such requested service was the completion of two annual audits of The Judicial Branch Workers' Compensation Program's (JBWCP) primary third party administrator (TPA) and managed care vendor – Sedgwick Claim Management Services (Sedgwick).

The purpose of the audits was to assess Sedgwick's operational performance to allow JBWCP to: (1) identify potential opportunities to enhance Program performance and key outcomes; as well as (2) support future business decisions. Claim auditing activities were completed in late September and early October of 2022. A total of one hundred eighty TPA and eighty managed care claims were audited. The following represents a high-level summary of our aggregated findings and associated recommendations.

Aggregated TPA/Managed Care Audit Results:

Scores for each of the nineteen audit categories evaluated are as follows where:

AUDIT CATEGORY	APPLICABLE CLAIMS	AUDIT SCORES
• JBWCP Member Loss Reporting	23	Not Scored
• Claim Setup & Assignment/Reassignment	22	96.59
• Three-Point Contacts	22	95.74
• Investigation	43	85.48
• Medical Cost Containment	106	94.12
• Disability Management	47	74.13
• Litigation Management	69	90.03
• Subrogation, Apportionment, Contribution	17	100.00
• Reserving	176	90.46
• Communication	121	92.65
• Payments	147	98.76
• Settlement/Resolution	67	82.90
• Strategic Plans & Documentation	172	91.81
• Supervisory Review	175	84.14
• Nurse Triage	31	1.96
• Nurse Case Management & Compliance	5	100.00
• Medical Provider Network	78	100.00
• Pharmacy Benefits Program	15	100.00
• Closure Criteria	1	100.00
SEDGWICK COMPOSITE AUDIT SCORE		84.44

Despite the lower overall composite score of **84.44** overall performance across the board was generally sound. We note that the composite score was skewed heavily due to an extremely low category score involving the "Nurse Triage". As opposed to poor or inconsistent

performance, nurse triage activities were simply not performed based on what appears to have been a misunderstanding on the part of Sedgwick relating to the necessity to perform mandatory nurse triage on newly reported losses.

Sedgwick received scores of 90.00 or more in thirteen of the eighteen-scored audit categories. Scores in the range of 90.00–100.00 suggest strong operational performance. Observed exceptions are typically extremely limited and are not suggestive of larger adverse trends in performance, and do not require corrective actions to be undertaken.

Sedgwick received one score in the 85.00–89.99 range. Scores falling within this range generally reflect sound operational performance with some minor number of observed exceptions. As a result, though recommendations have been offered, we view these recommendations to represent “fine-tuning” opportunities that are not indicative of larger systemic concerns.

Sedgwick received three scores in the 70.00–84.99 range. Scores falling within this range are indicative of systemic process inconsistencies and present opportunities for material improvements in program performance. In the case of these three specific audit categories (i.e., “Disability Management”, “Settlement/Resolution” and “Supervisory Review”) they represent critical components of JBWCP’s overall Program that are designed to mitigate costs and reduce claim durations and should be prioritized.

Finally, Sedgwick received one score below 70.00 (i.e., “Nurse Triage”). Scores falling within this range are typically reflective of systemic breakdowns in performance. As a result, immediate corrective actions are typically warranted to address identified process and execution-related deficiencies. As noted above, the underlying issue was not performance-based, but rather, one of the scope of required services. Given the “Nurse Case Management” audit category received a score of 100%, there is no reason to believe “Nurse Triage” performance should differ significantly once the business process is rolled-out by Sedgwick.

Claimant and Member communications appear to be sound as do reserving practices. Additionally, adverse impacts to both Claimants and Members resulting from the recent Program migration from AIMS/AMC to Sedgwick were not apparent in audited claim file documentation. A global recommendation was made to update JBWCP’s TPA Service Guidelines and Managed Care Guideline to reflect the Organization’s new relationship with Sedgwick.

A detailed discussion of Marsh’s audit findings and associated recommendations can be found in **Section 3** of this report. Associated Audit Scoring Reports are located in **Appendices C-F** of this report.

2

Methodology

Alan Turnipseed, Senior Vice President, led the 2022 annual audits of Sedgwick on the JBWCP Account including preparation of this written report. Marsh Colleagues Kelly Byrkit, Urvi Sutariya, James Baker and Ryan Kielhorn provided auditing support on both audits.

Case Management Auditing Methodology:

At the inception of the case management audit, JBWCP and Marsh collaboratively developed applicable audit categories and associated metrics. Five case management audit categories were developed including:

1. Nurse Triage;
2. Nurse Case Management & Compliance With Protocols;
3. Medical Provider Network;
4. Pharmacy Benefits Program; and
5. Closure Criteria.

Thirty associated case management audit metrics were developed across all five audit categories.

Once audit categories and metrics were finalized, a loss run was requested from Sedgwick containing all open workers' compensation claims. 888 claims were identified on the September 15, 2022 loss run. Claims were stratified into three distinct categories:

1. Claims with large managed care payments;
2. Claims with multiple managed care payments; and
3. Single small managed care payments.¹

A claim sample was constructed consisting of 80 workers' compensation claims. All claims with managed care payments from categories 1 and 2 were selected for the audit. The remaining claims were randomly selected from category 3. The final claim management claim sample can be found in **Appendix B** of this report.

The audit was conducted remotely via on-line access to Sedgwick's "ViaOne" claim system. Case management auditing activities were completed during the week of September 26, 2022. The following types of information were utilized by the Marsh project team to complete the audit:

- Claim/loss information;

¹ The total number of applicable claims with managed care charges was relatively small due to the recent transition of case management services from AMC to Sedgwick. Managed care payments were limited to those occurring on or after 7/1 2022 (the date of the transition).

- Claim notes;
- Financial transactions (i.e., payments and reserve histories);
- Images/documents (e.g., forms, emails, correspondence, reports); and
- Current JBWCP Managed Care Guidelines (effective July 15, 2021).

Third Party Administrator Auditing Methodology:

At the inception of the third party administrator audit, JBWCP and Marsh collaboratively developed applicable audit categories and associated metrics. Fourteen third party administrator audit categories were developed including:

1. JBWCP Member Loss Reporting;
2. Claim Set-up & Assignment/Reassignment;
3. Three-Point Contact;
4. Investigation;
5. Medical Cost Containment;
6. Disability Management;
7. Litigation Management;
8. Subrogation, Apportionment, Contribution;
9. Reserving;
10. Communication;
11. Payments;
12. Settlement/Resolution;
13. Strategic Plans & Documentation; and
14. Supervisory Review.

Ninety-four associated third party administrator audit metrics were developed across all fourteen audit categories.

Once audit categories and metrics were finalized, a loss run was requested from Sedgwick containing all open workers' compensation indemnity claims as of the valuation date of the loss run (i.e., September 30, 2022). 855 claims were identified on the loss run. Marsh was requested to review a similar number of claims for each Sedgwick Indemnity Adjuster assigned to the JBWCP Account.

A total claim sample was constructed consisting of 180 workers' compensation claims. Nineteen claims were randomly selected across JBWCP's Judiciary Members including:

- Supreme Court (2);
- District Courts of Appeal (4);
- Habeas Corpus Resource Center (1);
- Judicial Council of California (3); and
- Trial Court Judges (9).

The remaining one hundred and sixty-one claims were randomly selected across JBWCP's Trial Court Members. With respect to the Trial Court portion of the claim sample (where possible), claim selections were made from each of the three strata of Trial Court Members:

- Large Members (i.e., Headcounts => 500 employees);
- Medium Members (i.e., Headcounts ranging from 101 to 499 employees);
- Small Members (i.e., Headcounts <= 100 employees).

The final third party administrator claim sample can be found in **Appendix A** of this report.

The audit was conducted remotely via on-line access to Sedgwick's "ViaOne" claim system. Auditing activities were completed during the weeks of October 3, 2022 and October 10, 2022. The following types of information were utilized by the Marsh project team to complete the audit:

- Claim/loss information;
- Claim notes;
- Financial transactions (i.e., payments and reserve histories);
- Images/documents (e.g., forms, emails, correspondence, reports); and
- Current JBWCP Third Party Administrator Services Guidelines (Effective July 15, 2021).

Scoring Methodology:

Both audits were performed using Marsh's proprietary software "*Performer*". The Performer audit software was configured with JBWCP's specific case management and third party administrator audit categories and associated metrics. Each of the five case management and fourteen third party administrator audit categories were equally weighted and contained one or more metrics with multiple-choice type answers. The maximum score for any one metric was **100**. Some metrics have simple "Yes", "No" or "*Not Applicable*" answers. These are scored **100** for "Yes" and **0** for "No". "*Not Applicable*" answers were automatically removed from scoring by the software. Other metrics may have four or more different choices with various scores assigned to each answer that range between **0** and **100**. Based upon auditor responses captured within the software, scores/grades were calculated for:

- Each individual audit metric²;
- Each audit category³; and
- The overall audit (both case management and third party administrator)

² Metrics that are purely indicators (limited to Subrogation category) were not scored. Three such metrics exist.

Additional metrics (though separately scored) were not factored into the overall audit composite score. The reason for excepting these metrics from scoring consideration is that JBWCP's Service Guidelines do not require compliance by the third party administrator. Accordingly, these metrics were separately tracked to provide baseline data. All such metrics have been identified in Section 3 of this report.

³ The JBWCP Member Loss Reporting audit category was not factored into the overall audit composite score. The reason for excluding this audit category is that the required actions involve Members exclusively, and are therefore out of the control of Sedgwick and its Adjusters/Supervisors. Accordingly, this category and associated metric was separately tracked to provide information baseline data to JBWCP.

All audit metrics and categories were tabulated to arrive at an overall composite score relating to the performance of Sedgwick on both the case management and third party administrator audits. This represents a departure from the approach used in the 2020 annual auditing process whereby case management and third party administrator audit scores were separately calculated.

At the conclusion of our auditing activities, preliminary scoring reports, auditor findings and supporting commentary were provided to Sedgwick for their review and rebuttal. In instances where audit findings (and associated comments) were demonstrated to be factually inaccurate, corresponding adjustments were made to our work papers and scoring. In instances where a professional difference of opinion existed between Marsh and Sedgwick, adjustments were negotiated and ultimately, mutually agreed upon by both Sedgwick and Marsh. Our work papers and scoring reports were subsequently adjusted and form the basis for our findings and conclusions set forth within this report.

Final aggregated scoring reports can be found in the Appendices of this report:

- **Appendix C – Scoring By Category.**
- **Appendix D – Scoring By Question.**
- **Appendix E – Claim Value Roster.**
- **Appendix F – Scoring By Adjuster.**

3

Audit Findings & Recommendations

Third party administrator (TPA) and case management audits of 180 and 80 claims respectively were completed in September and October of 2022 of JBWCP's claim services provider Sedgwick Claim Management Services (Sedgwick). Fourteen TPA and five case management audit categories were evaluated during both audits to provide a broad baseline of performance regarding JBWCP's Workers' Compensation Program. For purposes of developing an overall composite performance score for Sedgwick, thirteen of the fourteen TPA audit categories were scored. The remaining TPA audit category (i.e., JBWCP Member Loss Reporting) was excluded from scoring as performance of required activities was outside the control of Sedgwick.

Within each of the nineteen combined audit categories evaluated, one or more metrics were evaluated and scored. Unless otherwise indicated, each metric outcome was factored into an overall 2022 annual audit composite score for each of the associated audit categories.⁴

Our scoring methodology is as follows:

OBSERVED SCORE	INTERPRETATION OF PERFORMANCE
90.00 - 100.00	High performance warranting no associated recommendations
85.00 - 89.99	Overall performance is sound with minor fine-tuning opportunities
70.00 - 84.99	Systemic process inconsistencies exist presenting opportunities for improvement
0.00 - 69.99	Systemic breakdowns in performance exist warranted immediate corrective action

For any metric scoring less than **90.00**, recommendations have been provided for JBWCP's consideration. Additionally, we evaluated audit observations and JBWCP's current Services Guidelines against industry best practices to provide additional opportunities to further enhance overall program performance. Only activities undertaken by Sedgwick subsequent to the 07/01/2022 transition of the program from AIMS to Sedgwick were evaluated in conjunction with both audits.

Sedgwick achieved a final composite audit score of **84.44**.⁵ While the overall score reflects favorable performance, multiple opportunities for improvement were identified. The remainder of this section provides specific details relating to the observed performance of Sedgwick, the identification of opportunities for enhancing Program performance, and recommendations as to

⁴ Individual audit metrics were tracked to provide a broad baseline of Sedgwick performance. However, in instances where the activity identified within a metric was not required of Sedgwick in the current JBWCP Service Guidelines, it has been excluded from the observed audit category score.

⁵ One aggregate annual audit score was developed across both audits. This represents a departure from the 2020 audits where two separate audit scores were calculated – one for the TPA audit and another for the case management audit. Note: no case management audit was completed in 2021.

how those opportunities can be successfully achieved. Detailed scoring reports by category, question, reserves are located in **Appendices C, D** and **E** respectively of this report respectively.

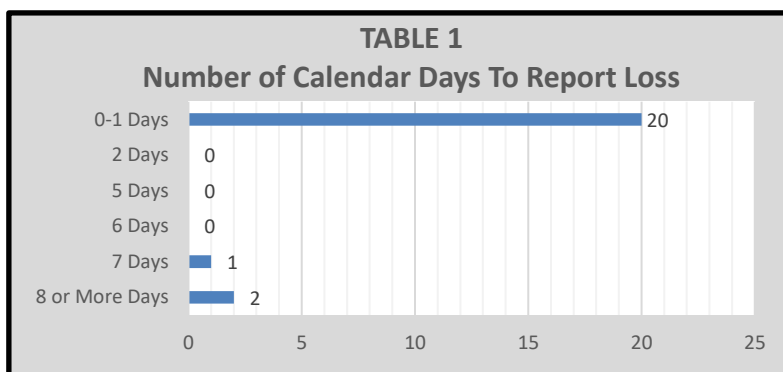
Third Party Administration (TPA) Audit Categories & Metrics

TPA Audit Category: JBWCP Member Loss Reporting Composite Score = 86.96

Audit Metric	Audit Category #1 - Metric Descriptions	Final Score	Metric Scored
1.1	Number of calendar days required for JBWCP Member to submit Employer's First Report of Injury form 5020 to Sedgwick (NOTE: Standard is 5 calendar days; Members encouraged to submit within 2-3 calendar days)	86.96	Not Scored

Findings:

Section IV.B of the Judicial Branch Workers' Compensation Program (JBWCP) Claims Manual outlines the requirement for Members to complete and provide an Employer's Report of Occupational Injury or Illness (i.e., 5020) to the third party administrator within five calendar days of the date of knowledge of a reported injury or illness.⁶ Twenty-three of the one hundred eighty claims audited had dates of loss that fell within the audit review period (i.e., on or after 07/01/2022).



Of these twenty-three applicable claims, twenty or **86.96** of claims were timely reported by Members. The remaining three claims were reported beyond the current five-calendar day requirement identified within the JBWCP Claims Manual (all seven days or more). **Table 1** above provides an overview of observed JBWCP Member performance for the 23 applicable claims evaluated during the audit.

*Note: As the timely reporting of losses by Members is outside the control of Sedgwick, the reported score of **86.96** has been excluded from the overall composite audit score.*

⁶ This requirement appears to be at odds with the reporting requirement contained within the current TPA Services Guidelines, which requires Member reporting on Form 5020 within 24 hours of injury or notification of injury (Claim Set-up, first paragraph found on page #3).

Recommendations:

The audit score of **86.96** represents continued improvement in JBWCP Member performance when compared against the 2020 and 2021 annual audit results (**65.38** and **82.76** respectively). Prompt reporting of losses by Members is critical to:

- Ensure the timely provision of benefits to Claimants;
- Provide third party administrator with the ability to maintain maximum control over claim-related activities; as well as
- Avoid unnecessary litigation.

We recommend that a general reminder or refresher continue to be periodically provided to all Members relating to both the requirement and its overall importance to the Program (one to two times per year). Additionally, JBWCP should track ongoing compliance by Member. Where issues are observed with timely reporting, one-on-one follow-up by JBWCP leadership with identified members would be appropriate including the need to provide additional training to Member staff.

**TPA Audit Category: Claim Set-up & Assignment/Reassignment
Composite Score = 96.59**

Audit Metric	Audit Category #2 - Metric Descriptions	Final Score	Metric Scored
2.1	Total days required to assign to Adjuster (i.e., Assignment Date - Sedgwick Date of Knowledge)	93.18	✓
2.2	Initial claim classification appropriate (i.e., indemnity, medical only)	100.00	✓
2.3	Claims meeting escalation criteria were timely and appropriate reassigned to indemnity Adjuster	N/A	✓

Findings:

Sedgwick’s overall composite audit score for claim set-up and assignment activities is **96.59**, which is consistent with a high-performing claims organization. Three audit metrics were evaluated - one of which was found to be not applicable (i.e., **Metric 2.3**).

The timely set-up and assignment of claims by a third party administrator is critical to ensure Adjusters can promptly initiate necessary activities to address compensability, and when warranted, provide necessary medical and/or indemnity benefits. Claim set-up should be achieved within one business day from the receipt of a loss.

Of the twenty-two applicable claims audited, Sedgwick both set-up and assigned claims within one business day in twenty of the claims, achieving an overall score of **93.18**.⁷ In the case of the two noted exceptions, lags of two and three business days were observed.

⁷ For purposes of scoring, claims set-up and assigned within: (i) 0-1 calendar days received a score of 100.00; (ii) 2 calendar days received a score of 50.00; (iii) 3 calendar days received a score of 25.00; and (iv) 4 or more calendar days received a score of 0.00.

Once claims were set-up, the initial classification of claims (i.e., lost time versus medical only) were deemed to be appropriate resulting in a score is **100.00** with no exceptions identified.

Auditor comment relating to observed deficiencies are as follows:

Claim Number	Auditor comment
4A2207F0W7F-0001	Sedgwick DOK is 7/13/2022. Claim not assigned to 7/15/2022 (2 business days)
4A22096RYMG-0001	DOK for Sedgwick is 9/7/22 and assigned to CE on 9/12/2022 (3 business days)

Recommendations:

(*** Global ***) JBWCP’s current TPA Service Guidelines reference the prior TPA (AIMS) throughout the document. The TPA Service Guidelines should be updated to reflect the Organization’s current relationship with Sedgwick – especially regarding claim set-up and assignment practices.

Though the initial classification of claims were observed to be appropriate, we note that the current JBWCP Service Guidelines do not specify the criteria for determining when a claim should be categorized as indemnity versus medical only. Memorialization of these criteria would be valuable to ensure that claim classification protocols are mutually agreed upon between Sedgwick and JBWCP, and that billing for claims administration services is accurate.

Additional Best Practices Considerations:

No additional considerations are offered.

**TPA Audit Category: Three-Point Contact
Composite Score = 95.74**

Audit Metric	Audit Category #3 - Metric Descriptions	Final Score	Metric Scored
3.1	Attempt to contact JBWCP Member was made within 1 business day of assignment	100.00	✓
3.2	Where initial JBWCP Member contact was unsuccessful, follow-up attempts were made and documented in the file	100.00	✓
3.3	Attempt to contact Claimant was made within 1 business day of assignment	100.00	✓
3.4	Where initial Claimant contact was unsuccessful, follow-up attempts were made and documented in the file	92.31	✓
3.5	Where Claimant contact attempts were unsuccessful, an attempt was made to contact the JBWCP Member to obtain alternate contact information for the Claimant including documentation of the file	80.00	✓
3.6	Attempt to contact Medical Provider was made within 1 business day of assignment	94.44	✓
3.7	Where initial Medical Provider contact was unsuccessful, follow-up attempts were made and documented in the file	75.00	✓

Findings:

Sedgwick’s overall composite audit score for three-point contact is **95.74**, which (overall) is consistent with a high-performing claims organization. Seven audit metrics were evaluated. Performance across the metrics ranged from **75.00** to **100.00**. Of the seven specific audit metrics evaluated, five scored **92.31** or higher.

Prompt attempts to communicate with Claimants, Medical Providers and Members is a key activity in the overall investigation process. Industry best practices typically require initial attempts to communicate with all three parties within one business day of assignment to an Adjuster. While best practices relating to follow-up communications varies by claim services provider, typically multiple attempts (i.e., 2-3) will be required over a two to five-day timeframe. In the case of the JBWCP’s Service Guidelines, a twenty-four-hour contact requirement exists as to Members, Claimants and Medical Providers.

As a result, observed performance relating to Sedgwick’s Adjusters communication attempts were mixed. Scores relating to initial communication attempts with Members, Claimants and Medical Providers were **100.00**, **100.00** and **94.44** respectively. Scores relating to follow-up communication attempts with Members, Claimants and Medical Providers were **100.00**, **92.31** and **75.00** (one exception) respectively and were observed to be more inconsistent across the board than initial communication attempts. Where communications could not be established with the Claimant, Sedgwick Adjuster follow-up with Members for alternative contact information was inconsistent as well scoring **80.00** albeit only one observed exception was identified (one exception on five applicable claims). These observed outcomes present minor fine-tuning opportunities to further enhance overall Program performance and represent an improvement over prior year audit results.

Recommendations:

No recommendations are warranted.

Additional Best Practices Considerations:

No additional considerations are offered.

TPA Audit Category: Investigations
Composite Score = 85.48

Audit Metric	Audit Category #4 - Metric Descriptions	Final Score	Metric Scored
4.1	Did the Adjuster take all necessary actions to evaluate compensability	95.65	✓
4.2	Was the claim appropriately accepted, delayed or denied within the 14-day statutory time period	100.00	✓

4.3	If recorded statements were required relating to questions of compensability, did the Sedgwick Adjuster refer to outside vendor/investigator and document the results in the claim file upon completion	N/A	✓
4.4	Were claims timely reported to the Index Bureau and re-indexed every 12 months thereafter	70.73	✓
4.5	Where "hits" are identified through Index Bureau reports, was follow-up appropriate	78.57	✓
4.6	The need for field investigations (including surveillance) were appropriately recognized, authorized by JBWCP Member and managed	0.00	✓
4.7	Does a note exist within the claim file documenting both: (1) the final compensability decision made by the Adjuster; and (2) a supporting rationale/justification? Where claim denial issued, was denial discussed with the Member and all approvals were obtained and documented?	95.83	✓
4.8	Where a sub-rosa investigation was made by Sedgwick, the assignment (both scope and provided information) was thorough and timely	N/A	✓

Findings:

Sedgwick's overall composite audit score for investigation-related activities is **85.48**, which suggests generally sound claim management practices with the potential to fine tune one or more underlying claim management activities. Eight audit metrics were evaluated - two of which were found to be not applicable (i.e., **Metric 4.3** and **Metric 4.8**). A wide variance in performance was observed across the remaining six metrics with scores ranging from **0.00** to **100.00**. Of the six applicable audit metrics evaluated, three scored **95.65** or higher.

Sedgwick investigations were observed to be sufficiently thorough to support compensability decisions resulting in an audit score of **95.65**. Decisions to initially accept, deny and/or delay claims were consistently rendered within the 14-day statutory requirement resulting in an audit score of **100.00**. No claims requiring recorded statements were identified (i.e., not applicable).

Identification of the need for field investigations was lacking resulting in an audit score of **0.00**. However, just one applicable claim was identified. As a result, the small number of exceptions (one) may not be indicative of a larger adverse trend. Compensability decisions were typically completed with supporting rationales documented within electronic claim notes resulting in an audit score of **95.83**.

Two potential areas of opportunity exist within the investigation category – both involving the claim indexing process. First, claims were not consistently indexed/re-indexed by Adjusters or support personnel as is required by the TPA Service Guidelines (i.e., **70.73**).⁸ This may have more to do with the transition of the Program from AIMS and Sedgwick than with the normal cadence of Sedgwick's underlying business processes. Regardless, documentation as to these activities was inconsistent. Additionally, where potential "hits" were identified within index bureau reports, appropriate follow-up by Adjusters to secure additional information was either

⁸ A total of 12 exceptions out of 41 applicable claims were identified during the audit.

not completed (or alternatively) was completed but not documented resulting in an audit score of **78.57**.⁹

Auditor comment relating to observed deficiencies are as follows:

Claim Number	Auditor comment
210000165JUD	ISO check is not completed after claim takeover
200000510JUD	ISO check is not completed during audit period.
4A2207L57K5-0001	There are hits on the ISO report per the 7/27/2022 IS note but nothing is documented or action required
4A2209T71RH-0001	There is no documentation stating if there have been ISO hits or not to determine if follow up was needed.
4A2209T71RH-0001	Surveillance may be warranted as IW has been unresponsive and appears to be "dodging" providing a statement to adjuster.

Recommendations:

Indexing requirements identified within the JBWCP TPA Service Guidelines are consistent with commonly observed industry practices. As a result, current Sedgwick indexing processes do not provide the necessary safeguards to ensure consistency of execution by claim technical staff. Accordingly, we recommend Sedgwick review current process deficiencies and submit an action plan to the JBWCP addressing the corrective actions that will be undertaken to strengthen overall performance relating to indexing activities.

We also recommend Sedgwick reinforce the importance of documentation surrounding Index reports (i.e., completion dates, required follow-up and outcomes/impacts on claim strategies) within claim notes via the supervisory review process.

Additional Best Practices Considerations:

No additional considerations are offered.

**TPA Audit Category: Medical Cost Containment
Composite Score = 94.12**

Audit Metric	Audit Category #5 - Metric Descriptions	Final Score	Metric Scored
5.1	Assuming the JBWCP Member elected to participate within the Medical Provider Network AND the Claimant elected to treat outside of the Medical Provider Network, did the Adjuster either: (1) appropriately re-direct care; or (2) document why re-direction of care within Medical Provider Network was not possible	100.00	✓
5.2	Where JBWCP Member did not elect to participate within the Sedgwick Medical Provider Network, did Adjuster direct or soft channel the Claimant to a preferred provider (primary or specialty) where possible	87.50	✓
5.3	Issues of causation, treatment plan and permanent and stationary status are timely addressed and appropriately documented	93.65	✓

⁹ A total of 3 exceptions out of 14 applicable claims were identified during the audit.

5.4	Utilization review (e.g., surgical requests, medical diagnostics, treatment duration) referrals were timely made and the results were appropriately documented and acted upon	100.00	✓
5.5	Agreed Medical Examinations/Qualified Medical Examinations/Peer Reviews were timely made and utilization was appropriate	97.14	✓
5.6	Nurse case management (either telephonic or field) assignment was approved by the Member and was timely, for appropriate duration and added value	77.78	✓
5.7	On legacy claims transferred from the prior TPA, did the newly assigned Sedgwick Adjuster provide appropriate direction to the Employee relating to treatment options within Sedgwick's MPN. (Note: Includes only Trial Court Claims. Judiciary Claims (including Judge claims) are Not Applicable).	80.00	✓

Findings:

Sedgwick’s overall composite audit score for medical cost containment is **94.12**, which (overall) is consistent with a high-performing claims organization. Seven audit metrics were evaluated. Performance across the metrics ranged from **77.78** to **100.00**. Of the seven specific audit metrics evaluated, three scored **93.65** or higher.

Claimants consistently participated within Sedgwick’s or AIMS’/AMC’s Medical Provider Network (legacy claims), or the alternate medical networks (in the event Members elected to opt out) resulting in an audit score of **100.00**. In instances where Claimants attempted to treat outside preferred Medical Provider Networks, Adjusters generally attempted to re-directed or “soft channel” care resulting in an audit score of **87.50**. Where efforts to re-direct care were unsuccessful, Adjusters appropriately documented why re-direction of care was not possible. However, while the overall score is less than the 90% performance target, only one exception was observed (i.e., one exception on eight applicable claims) suggesting this does not reflect an adverse trend.

Medical issues relating to causation, treatment plans and permanent and stationary status were typically observed to be appropriately addressed and documented by Adjusters resulting in an audit score of **93.65**. Utilization review was consistently employed by Adjusters to ensure the appropriateness of medical procedures, diagnostic testing, and treatment plans resulting in an audit score of **100.00**. Additionally, where medical disputes could be not reasonably resolved in a timely manner, Adjusters typically utilized a combination of agreed and/or qualified medical examinations to resolve all underlying disputes resulting in an audit score of **97.14**.

One observed opportunity involves the utilization of Nurse Case Managers, which scored **77.78**. Nine applicable claims were identified with two claims serving as exceptions. The primary issues identified involving both claims involved the non-utilization of nurse case management on claims where such services are deemed warranted. A second opportunity centers around inconsistencies on trial court claims transitioned from AIMS to Sedgwick relating to the potential for Claimants to move treatment into Sedgwick’s medical network. These inconsistencies resulted in an audit score of **80.00**.

Auditor comment relating to observed deficiencies are as follows:

Claim Number	Auditor comment
JC13020081	There is no documentation of adjuster confirming IW PTP is in MPN and if not, recommending PTP MPN.
210000021JUD	The claim is accepted for Right Thumb and Right Hand per the action plan. The treating Dr. has recommended treatment for the left hand/cervical. Although the CE has proactively recommended a QME evaluation, there is currently an opportunity for the CE to assign a medical resource as we have passed the ODG Guidelines for medical treatment for accepted body parts, and denied body parts that treatment is being requested is inappropriate as those body parts are not part of the claim.
4A2209T71RH-0001	Recommend NCM as IW is off of work as employer is not able to meet work restrictions.
JC06000658	There is no documentation of adjuster advising IW about Sedgwick MPN.
190000607JUD	There is no documentation of adjuster advising IW about Sedgwick MPN.

Recommendations:

(***) Global (***) JBWCP’s current TPA Service Guidelines reference the prior TPA (AIMS) throughout the document. The TPA Service Guidelines should be updated to reflect the Organization’s current relationship with Sedgwick – especially regarding medical exams and nurse case management.

Utilization of nurse case management services on the Program by Sedgwick appears conservative compared to other large California workers’ compensation programs. This observation was also identified when AIMS was managing the Program. We recommend JBWCP consider undertaking a specialized audit to evaluate the overall effectiveness of nurse case management services, and specifically, a comparison of the appropriateness of nurse case manager utilization versus disability duration outcomes. Based upon the findings of the audit, we further recommend that current nurse case management triggers identified in the JBWCP Service Guidelines and Managed Care Guidelines be evaluated and amended as necessary to further enhance disability outcomes.

Additional Best Practices Considerations:

No additional considerations are offered.

**TPA Audit Category: Disability Management
Composite Score = 74.13**

Audit Metric	Audit Category #6 - Metric Descriptions	Final Score	Metric Scored
6.1	Where the Claimant's disability exceeds recognized industry standards, did the Adjuster/Nurse Case Manager request clarification from the treating physician	50.00	✓
6.2	Adjuster/Nurse Case Manager demonstrate proactive efforts to pursue return to work	84.62	✓
6.3	Where changes in temporary or permanent restrictions were provided, were those restrictions communicated to the JBWCP Member within 2 business days of receipt by the Adjuster	96.30	✓
6.4	Where necessary, were clarifications relating to specific temporary and/or permanent restrictions sought from the treating physician, Agreed Medical	76.92	✓

	Examination &/or Qualified Medical Examination providing all evaluating physicians with all appropriate records and documentation prior to the evaluation		
6.5	Confirmation email received and documented from the JBWCP Member regarding ability or inability to accommodate	96.88	✓
6.6	Were Official Disability Guidelines (ODG) documented within Plans of Action and referenced for ongoing resolution and reserving in indemnity claim files	34.29	✓

Findings:

Sedgwick’s overall composite audit score for disability management is **74.13**, which suggests that there are systemic process inconsistencies in-place that present multiple, major opportunities for improvement. Six audit metrics were evaluated. Performance across the metrics ranged from **34.29** to **96.88**. Of the six specific audit metrics evaluated, two scored **96.30** or higher.

One major area of concern involves the active management of disabilities against industry disability guidelines. Specifically, where Claimants’ disabilities exceeded recognized industry standards, requests for clarification from the treating physician were not always requested, or if requested, were not documented. These inconsistencies resulted in an audit score of **50.00**, which reflects a significant departure of commonly observed industry practices and required immediate corrective action. In essence, even where initial estimates of disability durations were identified, claims were not actively and continuously managed against these identified disability guidelines overtime.

Inconsistencies were observed by Adjusters and/or Nurse Case Managers regarding the required level of proactivity in managing efforts to return Claimants to work. These inconsistencies resulting in an audit score of **84.62**. To achieve return to work objectives, Adjusters and/or Nurse Case Managers need to be diligent in requesting and providing necessary information and/or clarifications regarding work restrictions to evaluating physicians. Gaps in these communications are lacking.

Where changes in temporary or permanent restrictions were provided by physicians, Adjusters typically communicated this information to JBWCP Members on a timely basis resulting in an audit score of **96.30**. Additionally, emails from JBWCP Members relating to their ability/inability to accommodate work restrictions were consistently documented in claim files – either notes or attachments (i.e., **96.88**).

Clarifications relating to temporary and/or permanent restrictions were not consistently made of primary or independent medical providers. The vast majority of these inconsistencies surrounded clarifications from primary treating providers. These inconsistencies resulted in an audit score of **76.92**.

A second major area of concern is the lack of documented disability duration guidelines within Adjuster plans of action, and the use of this information to inform as to broader issues relating to settlement/resolution as well as impact on the claims reserves. These inconsistencies resulted in an audit score of **34.29**, which reflects a significant departure of commonly observed industry practices and required immediate corrective action. The availability and use of this information is key to strategy management disability-related aspects of the claim. This observation is a departure from JBWCP TPA Service Guideline requirements.

Auditor comment relating to observed deficiencies are as follows:

Claim Number	Auditor comment
4A2207L57K5-0001	No industry standards are listed within the claim file.
4A22096RYMG-0001	No ODG guidelines are listed in the file to identify the industry standards. EE was on full duty but then released back to modified duty.
4A2207L57K5-0001	Employee has been on TTD since 7/20/2022 (date of knowledge). No aggressive action has been taken to get the EE back to work. Diagnostics were approved but took some time to get. No confirmation that they were sent to the PTP for review.
220000305JUD	There is no documentation of adjuster discussing off work / RTW with employer or medical provider.
4A22076SQZ1-0001	8/17/22 Employer inquired about work restrictions and adjuster responded; however, adjuster did not seek clarification from PTP.
4A2209T71RH-0001	Work restrictions have not been discussed with PTP. Recommend NCM to address work restrictions prior to obtaining AME/QME.
4A2208J4FN6-0001	ODG or other similar disability duration guidelines are not identified within Plans of Action (or elsewhere within the claim notes).
4A2208QBK6R-0001	CE had an opportunity to provide ODG Guidelines based on the initial diagnosis from Kaiser, now that the MRI's are documented, action plan can reflect ODG, or separate note can provide ODG Guidelines.

Recommendations:

The Sedgwick Account Manager should review and reinforce current communication and documentation requirements with Sedgwick Adjusters as well Nurse Case Managers. Additionally, existing processes, system access capabilities, and oversight mechanisms should be evaluated and modified as necessary to ensure consistency in the execution of disability-related activities – particularly when multiple roles are involved (i.e., Adjuster and Nurse Case Manager).

Additional Best Practices Considerations:

Though JBWCP TPA Service Guidelines require the inclusion of disability duration guidelines within plans of action, the information does not appear to be strategically taken into account by Adjusters. A discussion with Sedgwick would be appropriate to better define the expectations relating to disability duration guideline information to better inform as to “go-forward” disability management activities, as well as the impact of evolving disability durations on other critical aspects of strategic claims management including valuation and resolution.

Once expectations have been defined, Sedgwick should propose the communication strategy as to how these expectations will be cascaded throughout their staff (both Adjusters and Supervisors) including training needs, timing and monitoring across time – presumably through the supervisory review process.

The JBWCP TPA Service Guidelines document should be amended to reflect that *both* modified and full duty return to work target dates should be documented in action plans. Where benchmarks are anticipated to be exceeded, Adjusters should address within plans of action how disabilities will be managed in the future to including the assignment of claims for Nurse Case Manager Intervention. Additionally, where treating providers are found to be non-responsive or do not provide necessary justifications for ongoing disabilities, escalation to Field

Case Management (FCM), peer review or QME should be considered to strategically manage claims and associated disabilities.

TPA Audit Category: Litigation Management
Composite Score = 90.03

Audit Metric	Audit Category #7 - Metric Descriptions	Final Score	Metric Scored
7.1	Adjuster made a legal referral to defense counsel within five calendar days of the need of litigation referral	100.00	✓
7.2	Adjuster appropriately followed-up for required status reports when not provided by Defense Counsel on a timely basis	89.09	✓
7.3	Adjuster worked collaboratively with Defense Counsel to develop long term strategy and specific tasks to resolve litigation	87.88	✓
7.4	Defense Counsel activities were appropriately monitored by the Adjuster	90.91	✓
7.5	Assigned Defense Counsel activities represent an appropriate delegation of work. (NOTE: Adjusters are responsibility for obtaining/subpoenaing prior medical records and/or claims information and forwarding to AME/PQME)	94.64	✓
7.6	Adjuster was responsive to all Defense Counsel requests for information, assistance and authority	96.36	✓
7.7	On legacy claims transferred from the prior TPA, did the new assigned Sedgwick Adjuster reach out to previously assigned defense counsel within the first 30 days of the transition of August 1, 2022)	81.54	✓

Findings:

Sedgwick’s overall composite audit score for litigation management is **90.03**, which is consistent with a high-performing claims organization. Seven audit metrics were evaluated. Performance across the metrics ranged from **81.54** to **100.00**. Of the seven specific audit metrics evaluated, four scored **90.91** or higher.

Referrals to Defense Counsel by Adjusters were consistently made on a timely basis resulting in a score of **100.00**. Where referrals were made to defense counsel, the scope of work requested generally reflected an appropriate delegation of activities resulting in a score of **94.64**. Where Defense Counsel requested information, assistance, and/or authority from Adjusters, responses were observed to be both timely and sufficient in nature resulting in an audit score of **96.36**. Adjusters generally did a reasonable job monitoring defense counsel activities resulting in an audit score of **90.91**.

One minor opportunity identified was for Adjusters to work more collaboratively with defense counsel on ongoing litigation to jointly develop legal strategies and/or specific activities/tasks. The observed inconsistencies resulted in an audit score of **87.88**. Another minor opportunity identified was the need for Adjusters to ensure appropriate follow-up for status reports from Defense Counsel that are overdue. Observed inconsistencies resulted in an audit score of **89.09**.

A larger (albeit temporary) opportunity tied to the transition of the Program from AIMS to Sedgwick involved the timely contact of defense counsel by the newly assigned Sedgwick Adjusters after July 1, 2022. On all litigated files transferred from AIMS, newly assigned Sedgwick Adjusters reached out to current defense counsel within thirty-days in only fifty-three of the sixty-five applicable claims audited. These inconsistencies resulted in an audit score of **81.54**.

Auditor comment relating to observed deficiencies are as follows:

Claim Number	Auditor comment
JC06000658	AP note dated 7/14/22 states "confirm with DA if IW is still treating". There are no further follow up with DA for an updated status report.
200000510JUD	There is no documentation of adjuster requesting status reports from defense counsel.
JC06000658	AP note dated 7/14/22 states "confirm with DA if IW is still treating". There are no further discussions with DA to collaborate on if IW is treating and next steps for claim resolution.
190000607JUD	There is no communication with defense counsel for long term strategy and resolution of the claim as IW is retired and moved to AZ.
JC06000658	There is no documentation of adjuster advising DA of transition.
200000510JUD	There is no documentation of adjuster advising defense counsel about transition.

Recommendations:

(***) Global (***) JBWCP's current Litigation Management Guidelines reference the prior TPA (AIMS) throughout the document. The Litigation Management Guidelines should be updated to reflect the Organization's current relationship with Sedgwick – especially regarding litigation management practices and expectations.

Additionally, expectations pertaining to ongoing oversight and follow-up of legal referrals should be reviewed with Sedgwick Adjusters and monitored via the supervisory review process. Where gaps in performance are identified, information coaching and instruction should be undertaken by Supervisors.

Additional Best Practices Considerations:

No additional considerations are offered.

**TPA Audit Category: Subrogation, Apportionment, Contribution
Composite Score = 100.00**

Audit Metric	Audit Category #8 - Metric Descriptions	Final Score	Metric Scored
8.1	<i>Does subrogation potential exist:</i>	Indicator Only	Not Scored
8.1.1	-Was subrogation potential identified by the Adjuster	100.00	✓
8.1.2	-Was subrogation timely pursued, as authorized and directed by JBWCP Member or JBWCP Administrator	100.00	✓

8.1.3	-Where subrogation potential exists and the JBWCP Member elects not to pursue, Sedgwick should bring the matter to the attention of the JBWCP Administrator for direction and assistance	N/A	✓
8.1.4	-Was authority for compromised settlement of the Third-Party Lien obtained from the JBWCP Administrator	N/A	✓
8.2	<i>Does apportionment potential exist:</i>	Indicator Only	Not Scored
8.2.1	-Was apportionment potential identified by the Adjuster	100.00	✓
8.2.2	-Was apportionment appropriately pursued	100.00	✓
8.3	<i>Does contribution potential exist:</i>	Indicator Only	Not Scored
8.3.1	-Was contribution potential identified by the Adjuster	100.00	✓
8.3.2	-Was contribution appropriately pursued	100.00	✓

Findings:

Sedgwick’s overall composite audit score for subrogation, apportionment and contribution-related activities is **100.00**, which is consistent with a high-performing claims organization. Eight audit metrics were evaluated - two of which were found to be not applicable (i.e., **Metric 8.1.3** and **Metric 8.1.4**). No adverse observations were identified regarding the six remaining subrogation, appointment and contribution metrics evaluated. We also note the fact that the overall number of claims audited presenting both subrogation and contribution potential and/or pursuit were limited (i.e., three and one respectively). Accordingly, scores in these two sub-categories may not lend themselves to extrapolation to JBWCP’s broader workers’ compensation claims population.

On claims presenting subrogation opportunities, Adjusters appropriately identified recovery potential. Once identified, Adjusters timely and appropriately pursued subrogation opportunities including protecting the financial interests of JBWCP. No performance-related deficiencies were detected.

Similarly, Adjusters appropriately identified contribution potential on all applicable filed audited. Once identified, Adjusters timely and appropriately pursued activities necessary to mitigate claim exposures on the part of JBWCP. No performance-related deficiencies were detected.

Finally, Adjusters consistently identified the potential for apportionment and the ability to mitigate impairment ratings based upon pre-existing injuries and/or medical conditions. Once identified, Adjusters timely and appropriately pursued activities necessary to support the mitigation of claim exposure to JBWCP.

Recommendations:

No recommendations are warranted.

Additional Best Practices Considerations:

No additional considerations offered.

TPA Audit Category: Reserving
Composite Score = 90.46

Audit Metric	Audit Category #9 - Metric Descriptions	Final Score	Metric Scored
9.1	Initial case reserves set by Adjuster within 5 business days of assignment	95.24	✓
9.2	Subsequent case reserve reviews for all non-future medical claims occurred at least every 90 days OR within 14 days of knowledge of a material claim file development impacting the claim's overall exposure. Subsequent case reserve reviews for future medical claims occurred at least every 180 days.	86.67	✓
9.3	Case reserves are sufficiently documented	91.38	✓
9.4	Current case reserves reflect "probable outcome" based upon currently known facts	91.62	✓
9.5	Is a reserve change (+/-) required? (If so, indicate required change(s))	Table 1	Not Scored

Findings:

Sedgwick’s overall composite audit score for reserving is **90.46**, which is consistent with a high-performing claims organization. Five audit metrics were evaluated – one of which is not scored (i.e., **Metric 9.5**) but is displayed in Table 1 below. Performance across the remaining four metrics ranged from **86.67** to **95.24**. Of the four scored audit metrics evaluated, three scored **91.38** or higher.

The timing, documentation, and valuation of claim exposures were largely viewed as consistent with JBWCP TPA Service Guidelines. For example, JBWCP’s TPA Service Guidelines provide that initial (preliminary) reserves are to be established within five (5) business days from the date of claim receipt. Of the twenty-one applicable claims audited, twenty of the claims reflected initial case reserves being established within the frequency required by the standard resulting in an audit score of **95.24**.

Similarly, the JBWCP TPA Service Guidelines require reserves to be subsequently reviewed at least every 90 calendar days (or a minimum of every 180 calendar days on future medical claims) or within 14 days of receipt of a material claim file development impacting a claim’s projected exposure. Of the one hundred twenty applicable claims audited, one hundred four of those claims demonstrated case reserves being evaluated within the frequency required by the standard resulting in an audit score of **86.67**. Where exceptions were identified, they were entirely observed on “transitioned” claims as opposed to claims with dates of loss of 07/01/2022 or later.

Where reserves are established and updated, sufficiency of case reserve documentation including the rationales applied to each reserve category (i.e., medical, indemnity and expense) were typically found to be compliant with JBWCP TPA Service Guidelines. One hundred seventy-four applicable claims were evaluated in conjunction with the audit. Of these applicable claims, one hundred fifty-nine claims were evaluated as being adequately documented resulting in an audit score of **91.38**.

Finally, one hundred sixty-seven claims were audited regarding their compliance relating to JBWCP’s “probable outcome” standard identified in the TPA Service Guidelines. Of these applicable claims, one hundred fifty-three were observed to be compliant with the standard resulting in an audit score of **91.62**.

A Claim Value Roster is found in **Appendix E** of this report. The Claim Value Roster compares Sedgwick’s total incurred claim value versus Marsh’s corresponding comparative estimate of total incurred value for each open applicable claim audited. Marsh’s comparative estimates are based upon information known to Sedgwick at the time each file was audited based upon documentation contained within the electronic claim file.

Sedgwick’s total incurred claim values on all claims subject to audit total **\$18,982,874**. Marsh’s comparative estimates of total incurred values on these same claims total **\$19,152,376**. This results in an aggregate under-reserving of loss exposures by **(\$169,502)** or **(0.9%)**. Case reserve variances of +/-10% or less are viewed as reasonable.

On the eleven claims in which case reserves failed to reflect “probable outcome” (or **6.6%** of the applicable claims), nine of the claims were observed to be under-reserved. A more granular breakdown of aggregate case reserving discrepancies by reserve category is detailed in **Table 2** below.

TABLE 2

Reserve Category	Variations In Dollars	Variations In Percentage
- Medical Reserves	(\$71,701)	(0.8%)
- Indemnity Reserves	(\$76,484)	(1.3%)
- Expense Reserves	(\$21,317)	(0.5%)

In discussions with both JBWCP and Sedgwick, there appears to be an understanding that lifetime reserves on older claims (mostly future medical claims) are not required (i.e., self-insurance reserving requirements do not apply). The inclusion of the language “probable outcome” within JBWCP’s TPA Service Guidelines appear to be at odds with the parties understanding of reserve practices on these older losses. Greater specificity is required within the TPA Service Guidelines on older losses unlikely to close as to the specific manner in which these older losses should be reserves (e.g., “X”% of probable outcome; “Y” years of lifetime medical benefits).

Claim Number	Auditor comment
200000340JUD	No documentation in the claim notes demonstrating that reserves were evaluated post transition to Sedgwick.
210000100JUD	Reserve update not completed since the claim was transferred to Sedgwick (despite multiple requests by Supervisor to do so).

Recommendations:

JBWCP should define and memorialize their specific case reserving understanding relating to older loss that have no immediate prospects for closure – particularly future medical claims – within the TPA Service Guidelines as current case reserving practices are inconsistent with existing “probable outcome” language.

Additional Best Practices Considerations:

No additional considerations offered.

TPA Audit Category: Communications
Composite Score = 92.65

Audit Metric	Audit Category #10 - Metric Descriptions	Final Score	Metric Scored
10.1	Ongoing contact with the injured worker was maintained on indemnity files that have not been settled as needed or at intervals not to exceed every 90 calendar days.	86.67	✓
10.2	Adjuster maintained appropriate communication with the JBWCP Member including responding to all telephonic or written requests within 1 business day (check on 24 hour standard)	100.00	✓
10.3	Did the Adjuster keep the JBWCP Member informed of case status, significant changes and resolution plans without the Member initiating an inquiry	90.10	✓
10.4	With respect to 132(a) actions filed against a JBWCP Member, Adjuster communicated what is and is not covered by the JBWCP program	N/A	✓

Findings:

Sedgwick's overall composite audit score for communications is **92.65**, which (overall) is consistent with a high-performing claims organization. Four audit metrics were evaluated - one of which was found to be not applicable (i.e., **Metric 10.4**). Performance across the remaining three applicable metrics ranged from **86.67** to **100.00**.

The most significant opportunity involved Adjusters failing to consistently maintain ongoing communications with Claimants during periods of either total disability or modified duty. Specifically, JBWCP's Service Guidelines require communications with Claimants every fourteen-calendar days during periods of total disability, modified duty or changes in work status. Sixty applicable claims were identified during the audit. Of these sixty claims, fifty-two evidenced the required level of communications with Claimants resulting in a score of **86.67**.

Though some latitude was provided to Sedgwick Adjusters during the initial 30-45 days of the transition, inconsistencies were observed after this period as well. Maintaining communications with Claimants in general is critical to achieving key program outcomes including mitigating loss costs, maintaining control of the claim and litigation avoidance.

Responsiveness to JBWCP Member inquiries was found to be highly consistent. The JBWCP standard for response times is one business day. Eighty-four applicable claims were identified during the audit – all of which were found to be compliant resulting in a score of **100.00**.

General status communications to JBWCP Members (i.e., case status, material developments, and resolution strategies) were generally observed to be consistent. One hundred and one

applicable claims were identified during the audit of which ninety-one were found to be compliant resulting in a score of **90.10**.

A sampling of Auditor comments relating to observed deficiencies are as follows:

Claim Number	Auditor comment
4A2207CYVNH-0001	No communication other than initial statement.
200000340JUD	Per notes from the 9/9/22 Client (Member) communication, the Adjuster lacks contact information to communicate with the Employee. As a result, periodic communications have not occurred. It would be reasonable to verify/secure this information from Client (Member) to meet the required standard.
200000510JUD	There is no documentation of communication with employer to advise them of QME depo and discussing nuisance value settlement of the claim.
210000021JUD	Opportunity present to discuss denial, Med-Legal Route, recommendations for a medical resource engagement.

Recommendations:

Sedgwick’s Account Manager should address communication-related concerns arising from the audit with Sedgwick Supervisors and Adjusters. To further enhance the likelihood of improved performance centered around Claimant and Member communications, the degree to which internal claim management practices and/or JBWCP Service Guidelines fail to specifically address communication requirements and/or required communication updates, those items should be memorialized in operational documentation to ensure clarity and enhance consistency across Sedgwick’s claim organization.

Additional Best Practices Considerations:

No additional considerations offered.

TPA Audit Category: Payments
Composite Score = 98.76

Audit Metric	Audit Category #11 - Metric Descriptions	Final Score	Metric Scored
11.1	Average weekly wage and workers' compensation benefit rates appropriately calculated and documented in claim file	98.57	✓
11.2	Initial and ongoing temporary total disability benefits were paid timely (i.e., no penalties/fines imposed)	96.67	✓
11.3	Initial and ongoing permanent partial disability benefits were paid timely (i.e., no penalties/fines imposed)	96.43	✓
11.4	Approved medical invoices were paid timely (i.e., no penalties/fines imposed)	100.00	✓
11.5	Payment of medical invoices were appropriate (i.e., no payments made for non-accepted body part or non-approved treatments)	100.00	✓
11.6	Legal invoices from Defense Counsel were reviewed for accuracy and paid timely (i.e., no evidence of defense counsel requesting payment on outstanding invoices)	100.00	✓
11.7	No evidence of 132(a) awards paid against the file (defense costs ok)	100.00	✓

11.8	Appropriate benefit notices were provided on all accepted and denied claims (e.g., initial, revised, final) including identification of any overpayment of benefits and a request for credit against future permanent partial disability benefits payable)	100.00	✓
11.9	Where an overpayment exists, was notification provided to the Sedgwick Program Manager and documented within the claim file by the Adjuster	100.00	✓
11.10	Where an overpayment exists, did the Adjuster attempt to recover or offset against future payments (NOTE: Neither Sedgwick or a JBWCP Member can agree to waive an overpayment or provide a future credit - only the JBWCP Administrator may do so)	100.00	✓
11.11	If an Employment Development Department notice was received, did the Adjuster proactively contact the organization to coordinate or negotiate benefits/reimbursement as opposed to waiting until the claim is ultimately settled	92.86	✓
11.12	Adjusters will establish proactive diaries focused on case resolution activities, including management of upcoming disability due to surgeries and scheduled time loss, anticipated PD advances and settlements.	95.73	✓

Findings:

Sedgwick’s overall composite audit score for payments is **98.76**, which is consistent with a high-performing claims organization. Twelve audit metrics were evaluated. Performance across the metrics ranged from **92.86** to **100.00**. Of the twelve specific audit metrics evaluated, all scored **92.86** or higher.

Average weekly wage, temporary total and permanent benefit rates were typically found to have been appropriately calculated and documented in the audited claim files scoring **98.57**. Adjusters paid both temporary total disability and permanent partial disability benefits timely resulting in audit scores of **96.67** and **96.43** respectively. Payments made on submitted medical and legal invoices were both appropriate and paid in a timely fashion resulting in audit scores of **100.00**.

Appropriate benefit notices were provided on all claims (both accepted and denied) resulting in an audit score of **100.00**. Where Section 132(a) awards were entered against Members, we observed no evidence of awards being paid against the claim files resulting in an audit score of **100.00**. Finally, where Employment Development Department (EDD) lien notices were received, Sedgwick Adjusters generally made proactive attempt to contact the organization to coordinate and/or negotiate benefits and/or reimbursements on the claim **92.86**.

The one noted opportunity involves overpayments. Where overpayments were observed to exist, Sedgwick Adjusters consistently made efforts to recover and/or offset against future payments resulting in an audit score of **100.00**. Overpayment notifications were consistently provided to the Sedgwick Account Manager and documented within the claim file notes resulting in an audit score of **100.00**.

Recommendations:

(*** Global ***) JBWCP's current TPA Service Guidelines reference the prior TPA (AIMS) throughout the document. The TPA Service Guidelines should be updated to reflect the Organization's current relationship with Sedgwick – especially regarding payments and penalties/overpayments.

Additional Best Practices Considerations:

No additional considerations offered.

**TPA Audit Category: Settlement/Resolution
Composite Score = 82.90**

Audit Metric	Audit Category #12 - Metric Descriptions	Final Score	Metric Scored
12.1	Adjuster recognized settlement opportunities early and approached settlement creatively including relevant methods and considerations to conclude the claim (i.e., global resolution, employment status, MSA, structures, arbitration, mediation)	77.05	✓
12.2	A Settlement Authority Request was completed (including rationale) and submitted to appropriate party/parties (i.e., Level) within 30 days of the occurrence of a "triggering" event by the assigned Adjuster	80.00	✓
12.3	10 calendar days within receipt of the SAR from the Adjuster (total 40 calendar days of the occurrence of a "triggering" event), and/or 10 Court days prior to any Hearing, MSC, or Trial, the Sedgwick Supervisor submitted the SAR to Members for approval, with a copy to the JBWCP Administrator's assigned analyst for the trial courts or directly to the analyst for the judiciary claims. File documentation will clarify any time these timelines cannot be met.	90.91	✓
12.4	Adjuster adhered to the following settlement authority guidelines (new money to be paid out but not money that has already been paid out or advanced against settlement): * Level I - \$0-\$10,000 Sedgwick has full authority with notice to JBWCP Member ten court days prior to finalizing the settlement offer * Level II - \$10,001-\$100,000 JBWCP Member has full authority. * Level III - \$100,001+ Settlement Authority Panel (majority of 4 voting JBWCP Advisory Committee Members and the JBWCP Administrator/designee) in consultation with JBWCP Member.	95.65	✓
12.5	The Adjuster appropriately addressed Medicare Set-Aside and Medicare-related issues in the claim resolution strategy	81.82	✓
12.6	Adjuster conducted aggressive, strategic and prompt settlement negotiations and follow-up	82.35	✓
12.7	Provider and Employment Development Department liens were/are being resolved in a timely and effective manner	87.50	✓
12.8	The file closed appropriately without delay, final bills were received and paid timely	100.00	✓

12.9	Administrative closure occurred on future medical claims with no treatment in excess of 12 months	100.00	✓
------	---	--------	---

Findings:

Sedgwick’s overall composite audit score for settlement/resolution activities is **82.90**, which suggests that there are systemic process inconsistencies in-place that present multiple, major opportunities for improvement. Nine audit metrics were evaluated. Performance across the metrics ranged from **77.05** to **100.00**. Of the nine specific audit metrics evaluated, four scored **90.91** or higher.

Multiple inconsistencies were observed relating to the completion of core settlement/resolution activities. Specifically, Sedgwick Adjusters’ recognition of early settlement opportunities, and the ability to demonstrate creative solutions to resolve open claims is inconsistent resulting in an audit score of **77.05**. Adjuster performance was also inconsistent regarding the timely completion of settlement authority requests given “triggering events” based upon JBWCP’s TPA Service Guidelines resulting in an audit score of **80.00**. Supervisor turnaround of settlement requests to Members and the JBWCP Assigned Trial Court and Judiciary Analysts were more consistent in nature resulting in an audit score of **90.91**.

Additionally, when evaluating settlement opportunities, Adjusters inconsistently addressed and/or documented potential Medicare Set-Aside and other Medicare-related issues in conjunction with the development of overall claim resolution strategies resulting in an audit score of **81.82**. Moreover, Adjusters were not always observed to conduct aggressive, strategic, and prompt settlement negotiations with appropriate follow-up resulting in an audit score of **82.35**. These four activities present the primary opportunities to JBWCP. Adjusters were generally observed to comply with JBWCP’s settlement authority guidelines relating to new money payouts identified in the TPA Service Guidelines resulting in an audit score of **96.65**.

Two a lesser degree, Provider and/or Employment Development Department liens were also not consistently resolved in a timely and effective manner resulting in an audit score of **87.50** (we note this score is based on just one noted exception out of an applicable population of eight claims and may not be indicative of a larger adverse trend).

Claims were consistently closed in a timely and efficient manner resulting in an audit score of **100.00** though due to the recent transition of the program to Sedgwick, only two closures were observed. Future medical claims were consistently “administratively” closed on a timely basis in instances where no treatment had occurred in the prior 12-month period resulting in an audit score of **100.00**. However, we would point out that the absolute number of observed exceptions regarding these latter two items were limited to one apiece.

A sampling of Auditor comments relating to observed deficiencies are as follows:

Claim Number	Auditor comment
200000510JUD	Adjuster does not recognize settlement opportunity for claim resolution though it is recommended by supervisor in the review dated 10/3/22.
200000086JUD	Action Plan note dated 7/14/22 states IW resigned. Recommend adjuster prepare settlement evaluation to obtain settlement authority for C&R and resolve claim.
200000086JUD	Settlement authority request was not completed to obtain authority to resolve the claim.
190000607JUD	It appears a SAR was completed but there is no documentation in the claim notes.

190000607JUD	There is no documentation of MSA being addressed in AP.
JC07000004	DA recommended an MSA on 7/19/22 but no referral has been made
200000052JUD	This file is in a position of settlement, however, no activity has been taken since takeover
JC07000004	DA recommended settlement 7/19/22 with the need for an MSA, no action has been taken on trying to settle via C&R (prior stip)
JC09020810	EDD lien resolved. There is no further documentation or discussion with DA regarding resolution of the medical liens.

Recommendations:

(** Global **) JBWCP’s current TPA Service Guidelines reference the prior TPA (AIMS) throughout the document. The TPA Service Guidelines should be updated to reflect the Organization’s current relationship with Sedgwick – especially regarding settlement authority level guidelines and settlement requests.

Additionally, we recommend:

- Utilize the supervisory review process to identify potential settlement opportunities, and to push for more timely development of valuations and resolution strategies at the Adjuster level of the Organization.
- Sedgwick Adjusters should continuously track outstanding liens over the life of a claim within Action Plans (i.e., both EDD and Provider liens) as opposed to addressing these matters only after the underlying claim has been resolved in-line with JBWCP’s TPA Service Guidelines. This requirement should be addressed with Sedgwick Adjusters and Supervisors, and monitored/reinforced via the supervisory review process.
- Consider developing strategic relationships with third-party vendors offering services tied to claim resolution (e.g., MSA administration providers, structured settlement providers) and seek to involve these vendors into internal roundtables to foster the development of strategic resolution strategies. Alternatively, if JBWCP intends to leverage Sedgwick’s preferred vendors, then consider expanding settlement conferences, round tables, etc. to include representatives from these vendor resources to enhance settlement perspectives as well as execution-related resolution activities.

Additional Best Practices Considerations:

In addition to the above recommendations, we would also consider working with Sedgwick to develop data mining capabilities within ViaOne to identify and prioritize open claims appropriate for resolution activities based upon pre-existing data points. If appropriately constructed, this functionality would allow both Sedgwick and JBWCP to identify, pursue and close claims more efficiently. In turn, this capability on the part of Sedgwick will assist JBWCP to drive claim closures and ultimately reductions in actuarially derived IBNR.

TPA Audit Category: Strategic Plans & Documentation
Composite Score = 91.81

Audit Metric	Audit Category 13 - Metric Descriptions	Final Score	Metric Scored
13.1	Initial claim file review completed by Adjuster within 30 days of claim assignment	100.00	✓
13.2	Claim file reviews completed at least every 90 days by Adjuster (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (two 2 week grace period to apply).	88.64	✓
13.3	Claim files are appropriately documented	95.88	✓
13.4	Target dates regarding the completion of identified activities are documented by Adjuster in Plans of Action	71.52	Not Scored
13.5	Claim notes reflect consistent and timely follow-up on key activities	94.58	✓
13.6	Diary functionality is prospectively utilized by Adjuster for all open claim activities including: <ul style="list-style-type: none"> * Follow-up on contacts/maintaining communications * Management of delay and/or denial decisions * Excess Carrier reporting * Management of future medical benefits and utilization review reqs. * Requesting of Index Reports * Management of investigations, vendors and benefit decisions * Management of PQME process * Management of MSA process * Management of settlement processes including completion of SARs * Subrogation 	88.37	✓
13.7	Supervisor feedback/recommendations are appropriately responded to and acted upon by Adjuster	88.54	✓
13.8	*** Not Scored *** Total number of assigned lost time Adjusters documented in claim file over the audit period	Table 3	Not Scored

Findings:

Sedgwick's overall composite audit score for strategic plans and documentation is **91.81**, which is consistent with a high-performing claims organization. Eight audit metrics were evaluated – two of which are not scored (i.e., **Metric 13.4** and **13.8**). The former metric is excluded as it is not a requirement of JBWCP's TPA Service Guidelines. It is however, tracked for informational purposes. The latter metric is displayed in Table 3 below. Performance across the remaining six scored metrics ranged from **88.37** to **100.00**. Of the six scored audit metrics evaluated, three scored **94.58** or higher.

Initial claim file reviews (primary on losses occurring on or after 7/1/2022) were consistently completed by Adjusters within 30 days of claim assignment resulting in an audit score of **100.00**. Subsequent reviews demonstrated minor levels of inconsistency resulting in an audit score of **88.64**. The majority of noted exceptions involved non-future medical claims recently transitioned from AIMS.

Sedgwick claim files were appropriately documented by Adjusters resulting in an audit score of **95.88**. Additionally, claim notes generally reflect timely follow-up (i.e., execution) of prospective activities identified in strategic plans resulting in an audit score of **94.58**. Sedgwick Adjusters typically utilized the diary functionality contained within Juris to manage existing caseloads resulting in an audit score of **88.37**. However, they were also managed through a common diary (versus multiple specific diaries) or through the use of target completion dates identified within plans of action (see below).

On claims where supervisory feedback and/or recommendations were provided, Sedgwick Adjusters were generally responsive to those suggestions with follow-up being documented within the claim notes. The resulting audit score is **88.54**.

A sampling of Auditor comments relating to observed deficiencies are as follows:

Claim Number	Auditor comment
210000146JUD	Adjuster states that AP will be updated by 9/30 but none has been completed by time of audit.
200000052JUD	There is not a current action plan by the new examiner
220000305JUD	Diary does not include f/u on communication, medical management, requesting index reports.
JC06000321	Recommend diary for ISO check, confirming NOV, determining administrative closure date
220000278JUD	The supervisor recommended assigning a task nurse to address RTW on 7/16/2022 and 10/21/2022. The examiner did not document in the notes why a task nurse is not assigned or respond to the supervisor.
200000510JUD	Supervisor review on 10/3/22 recommends nuisance value settlement discussion with DA. Legal roundtable was on 10/20/22 with DA and there is no documentation of settlement discussion.

One additional metric was tracked during the audit to provide baseline data regarding Adjuster performance. Specifically, audited claims were evaluated to determine if Sedgwick Adjusters identified target completion dates for key activities within their strategic plans. Based upon our evaluation of the audited claim files, target completion dates were inconsistently utilized by Sedgwick Adjusters resulting in an informational-only audit score of **71.52**.

The use of target completion dates is not a requirement of JBWCP's TPA Service Guidelines. As a result, this additional audit metric outcome was not factored into the composite score for the Strategic Plans & Documentation audit category. We note that the use of target completion date by Sedgwick Adjusters was more prevalent than we previously observed by AIMS Adjusters, which we view as a favorable trend in ensured high levels of execution on the Program.

Finally, we tracked one additional audit metric for informational purposes in conjunction with this audit category. This audit metric was also not scored. The audit metric tracked the total number of assigned lost time adjusters documented on each of the 179 audited, applicable files over the relevant audit period (i.e., on or after July 1, 2022) to assess Adjuster turnover. The average number of lost time adjusters observed was slightly more than **1.00** per claim file. This result is largely driven by the brief period of time that elapsed from the transition date of the Program to Sedgwick to the date the audits were completed. **Table 3** below provides a breakdown of the actual number of lost time Adjusters observed across the applicable, audited claim files.

TABLE 3

# of Assigned Adjusters	Total Adjuster Count	% Of Audit Population
- 1 Lost Time Adjuster	178	99.4%
- 2 Lost Time Adjusters	1	0.6%
- 3 or more Lost Time Adjusters	0	0.0%
TOTALS	179	100.0%

In addition to the audit metrics evaluated through the auditing process, we were also requested to validate Sedgwick Indemnity Adjuster caseloads. Current TPA Service Guidelines to require Sedgwick Adjusters to maintain average caseloads not to exceed 130 claims per Adjuster

Due to the recent transition of Program claims from AIMS to Sedgwick, coupled with the slow build of “new” losses (i.e., date of loss of 7/1/2022 or later), we utilized the 9/30/2022 loss run to assess caseloads for the seven JBWCP lost time adjusters. Results of the request are documented in **Table 4**. Based upon the most recent loss run immediately prior to the, two of the Sedgwick Adjusters (i.e., Palmer and Segovia-Humble) maintained caseloads slightly in excess of the 130 target identified in the TPA Service Guidelines.

TABLE 4

Lost Time Adjuster	Caseload
Bosanko (Sarah)	109
Christian (Natalie)	121
Diaz (Rey Francis G.)	114
McWatters (Ben)	130
Palmer (Nadine)	131
Segovia-Humble (Stacey)	134
Williams (Justyce)	116

Recommendations:

Opportunities for improvement represent fine-tuning opportunities. I recommend that Adjuster performance be monitoring via the supervisory review process. Where performance issues are identified, informal coaching/instruction should be provided.

Pending caseload levels should be discussed with the Sedgwick Account Manager to ensure that the 130 limit is monitored for compliance.

Additionally, it is recommended that the current diary requirements identified within JBWCP’s TPA Service Guidelines be discussed with the Sedgwick Account Manager to ensure alignment between the two organizations.

Additional Best Practices Considerations:

No additional considerations offered.

TPA Audit Category: Supervisory Review
Composite Score = 84.14

Audit Metric	Audit Category #14 - Metric Descriptions	Final Score	Metric Scored
14.1	Initial indemnity Supervisor review completed within 10 days of claim assignment	100.00	✓
14.2	Subsequent indemnity review(s) completed within 90 days and then 120 days (180 days prior to 7/15/21) thereafter by Supervisor (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (2 week grace period to apply).	75.70	✓
14.3	Throughout the claim, the Supervisor provided timely, responsive and meaningful direction on the claim	80.83	✓
14.4	If the Adjuster(s) did not appropriately respond to Supervisor's direction, did the Supervisor provide the appropriate level of follow-up	60.00	✓
14.5	Total number of assigned Supervisors documented in the claim file over the audit period	Table 5	Not Scored
14.6	Supervisors will establish proactive diaries to follow up on specific cases or issues as necessary.	93.23	✓

Findings:

Sedgwick’s overall composite audit score for supervisory review is **84.14**, which suggests that there are systemic process inconsistencies in-place that present multiple, major opportunities for improvement.. Six audit metrics were evaluated – one of which are not scored (i.e., **Metric 14.6**). The metric is displayed in Table 5 below. Performance across the remaining five scored metrics ranged from **60.00** to **100.00**. Of the five scored audit metrics evaluated, two scored **93.23** or higher.

With respect to timing considerations, initial supervisor reviews were consistently completed within 10 days of claim assignment resulting in an audit score of **100.00**. In contrast, the frequency of subsequent supervisory reviews were not consistently completed in accordance with JBWCP’s TPA Service Guidelines. These inconsistencies resulting in an audit score of **75.70**. Supervisors were observed to consistently utilize the diary functionality to track future review dates, which resulted in an audit score of **93.23**.

Supervisory reviews did not always demonstrate the requisite level of sound technical expertise, or existence of necessary feedback/recommendations within claim notes given existing obstacles to claim resolution. As a result, the audit score achieved by Sedgwick was **80.83**. However, where Adjusters posed questions to assigned Supervisors, feedback was observed to be timely in nature and on-point with the underlying questions/concerns posed by Adjusters.

One significant area of opportunity involved Supervisors’ failure to consistently follow through on prior feedback and/or recommendations. In instances where prior feedback/recommendations had not been (timely) acted upon by Adjusters, Supervisors did not consistently provide the necessary level of follow-up to ensure completion of requested activities which resulted in an audit score of just **60.00**.

A sampling of Auditor comments relating to observed deficiencies are as follows:

Claim Number	Auditor comment
210000478JUD	There is no supervisor review documented in the claim file 07/01/2022 to 10/31/2022.
JC03000186	Last supervisor review was on 11/2021, no supervisor review was done during the audit scope, which is well outside of the 180-day review period.
4A22076SQZ1-0001	In the initial review on 8/12/22, Supervisor did not address negative MRI and RTW.
200000340JUD	Supervisory review at Sedgwick noted within the claim notes post transition. However, recommendations do not reflect that an action plan has never been completed post transition. This should have been completed within 60 days. Diary exists to do so but the delay is unreasonable following transition/onboarding of claim, as is the practice on other JBWCP claims audited. Also, recommendation to obtain Employee contact information from Client (Trial Court) would be appropriate.
200000510JUD	There is no follow up from supervisor after review to confirm if nuisance value settlement was discussed with DA.
220000278JUD	The supervisor did not follow up with the adjuster regarding assigning a task nurse.

Finally, we tracked one additional audit metric for informational purposes in conjunction with this audit category. This audit metric was not scored. The audit metric tracked the total number of assigned Supervisors documented on each of the applicable audited files over the relevant audit period (i.e., on or after July 1, 2022) to assess turnover. The average number of Supervisors observed was slightly more than **1.00** per claim file. As was the case with Adjusters, this result is largely driven by the brief period of time that elapsed from the transition date of the Program to Sedgwick to the date the audits were completed. **Table 5** below provided a breakdown of the actual number of Supervisors observed across all the 175 of the applicable claim files that were audited.

TABLE 5

# of Supervisors	Total Supervisor Count	% Of Audit Population
- 1 Supervisors	174	99.4%
- 2 Supervisors	1	0.6%
- 3 or more Supervisors	0	0.0%
TOTALS	175	100.0%

Recommendations:

Though some inconsistency was observed regarding the ongoing cadence of supervisory reviews, greater variability was identified relating to the substantive analysis and feedback/instruction being provided by Supervisors. These consistencies are likely due to a combination of span of control constraints and/or skills gaps involving technical analysis and/or effective coaching/instruction. These concerns should be addressed with Sedgwick's Account Manager with some level of oversight recommended to include the potential for formal training and development of supervisory personnel.

Additional Best Practices Considerations:

No additional considerations offered.

Case Management Audit Categories & Metrics

Case Management Audit Category: Nurse Triage Composite Score = 1.96

Audit Metric	Audit Category #16 - Metric Descriptions	Final Score	Metric Scored
15.1	Triage Nurse contacted Claimant and the Treating Doctor within 3 business days of the claim assignment and documented the file accordingly	3.23	✓
15.2	Triage Nurse completed Sedgwick's Triage template outlining appropriate treatment and estimated return to work using Official Disability Guidelines and the American College of Occupational and Environmental Medicine guidance	0.00	✓
15.3	If Claimant is a judge, was approval first obtained to triage claim	N/A	✓
15.4	Triage Nurse obtained availability of transitional work and a copy of the employee's duty statement (job description)	0.00	✓
15.5	Triage Nurse documented activities in claims system	3.23	✓
15.6	Triage Nurse forwarded Triage report to Adjuster within 3 business days	3.23	✓

Findings:

Sedgwick's overall composite audit score for nurse triage is **1.96**. Six audit metrics were evaluated - one of which was found to be not applicable (i.e., **Metric 15.3**). All five of the remaining audit metrics scored between **0.00** and **3.23**.

According to JBWCP's Managed Care Guidelines, Adjusters are required to communicate with treating doctors and Claimants during three-point contacts that a Nurse will contact them within three days to medically triage and assess the claim. The Nurse is to then contact those individuals and complete triage reports to forward to Adjusters within three days. The Nurse is also expected to recommend whether claims should be referred for nurse case management (NCM) and at what level (i.e., telephonic case management (TCM) vs. field case management (FCM)) based on pre-selected triggers.

Based upon our review of the audited claim files, virtually no nurse triage activities consistent with JBWCP's Managed Care Guidelines were observed. Though thirty-one applicable claim files were identified, just one claim evidenced one or more of the required activities being completed consistent with the Managed Care Guidelines.

This significant gap in performance was addressed with Sedgwick. Based upon that discussion, we believe that Sedgwick was unaware of the requirements pertaining to required nurse triage activities at the time the Program was transitioned from AIMS to Sedgwick. Specifically, Adjusters were not communicating with treating doctors and Claimants during three-point contacts that a Nurse would contact them within three days to medically triage and assess the claims. Additionally, Adjusters were not notifying Nurses of new losses to allow them to complete triage-related activities. Due to the overall lack of work product to evaluate, it is unclear with Sedgwick Nurses were aware of the nurse triage requirements identified within JBWCP's Managed Care Guidelines.

Recommendations:

(*** Global ***) JBWCP’s current Managed Care Guidelines reference the prior TPA (AIMS) and the organization’s managed care provider (Allied Managed Care), systems, processes etc. throughout the document. The Managed Care Guidelines should be updated to reflect the Organization’s current relationship with Sedgwick – especially regarding nurse triage activities.

An immediate discussion with Sedgwick is required to determine what corrective actions have (or are being) put in-place to ensure execution of required nurse triage activities identified within JBWCP’s Managed Care Guidelines. Discussion points should include both the nature of required activities as well as timing requirements. Additionally, JBWCP should address the ability of Sedgwick’s current business processes to support overall nurse triage activities, including what (if any) changes are required and a timeline for implementation.

Additionally, consider amending the Managed Care Guidelines to either:

- Refining contact requirements for Triage Nurses to include contact with Claimants’ Supervisors and/or primary Members so that information may be more consistently received regarding transitional work and to obtain a job description; or alternatively
- Only require the above recommendation for claims involving modified duty/lost time, or when referred for nurse case management.

Additional Best Practices Considerations:

Revise the criteria involving the triaging of all medical only and indemnity claims. Most medical only claims are self-limiting and do not require nurse intervention. Further, by more specifically defining referral criteria, Nurses can be more appropriately utilized. Specifically:

- Draft criteria that includes medical only claims with protracted modified duty that is anticipated to (or exceeds) disability guidelines.
- Conduct an analysis of claims converting from medical only to indemnity status to determine characteristics that support additional triggers for nurse triage.

Case Management Audit Category: Nurse Case Management & Compliance With Protocols

Composite Score = 100.00

Audit Metric	Audit Category #17 - Metric Descriptions	Final Score	Metric Scored
16.1	If a Nurse Case Manager is assigned, is it consistent with case management protocols and by agreement of Adjuster and JBWCP Member	100.00	✓
16.2	Was case management initiated within 24 hours of referral	100.00	✓
16.3	Three-point contact (i.e., Provider, Claimant and Adjuster) was completed by the Nurse Case Manager within 48 hours of assignment	100.00	✓
16.4	Nurse Case Manager progress reports contain medical treatment plan, next appointment date, work status, barriers to recovery and recommendations	100.00	✓

16.5	Nurse Case Manager integrated Official Disability Guidelines and American College of Occupational and Environmental Medicine guidance into progress reports	100.00	✓
16.6	Initial Nurse Case Manager evaluation completed within 7 business days of referral	100.00	✓
16.7	Nurse Case Manager Progress Reports completed every 30 days or upon significant activity	100.00	✓
16.8	Appointment updates provided to Adjuster within 24 hours of appointment	100.00	✓
16.9	Updates provided to Adjuster within 24 hours of significant file developments (return to work full or modified duty, anticipated surgery, etc.)	100.00	✓
16.10	Nurse Case Manager tracked lost time, modified and return to work dates in Juris	100.00	✓
16.11	If a Telephonic Case Management assignment exceeded 60 lost time days or other barriers to recovery or return to work are present, was Field Case Management considered	100.00	✓
16.12	Did Nurse Case Manager discuss the claim with Adjuster and Supervisor when the claim reached 90-days of service	100.00	✓
16.13	Claim notes appropriately documented in the claim system	100.00	✓
16.14	A positive nurse case management impact was achieved on the claim	100.00	✓

Findings:

Sedgwick’s overall composite audit score for nurse case management compliance with JBWCP protocols is **100.00**. Fourteen audit metrics were evaluated. No adverse observations were identified.

Case management protocols are defined within the JBWCP’s Managed Care Guidelines, which include the ability to assign nurse case management throughout the life of the claim as well as how to determine the appropriate level of assignment (i.e., telephonic case management versus field case management). Furthermore, required activities are identified, including:

1. Timeframes for making three-point contacts;
2. Required information to be included within the nurse case management reports (and timeframes for supplying those reports to the Adjusters);
3. Utilization of standard of care guidelines to facilitate recovery/return to work; and
4. The tracking of lost time/modified duty.

Lastly, there are guardrails in place for TCM assignments, which include assessing claims at sixty days for possible task FCM assignments, and for Adjusters and Supervisors to review files at ninety days to evaluate the need to continue ongoing case management.

Sedgwick Nurses were highly compliant with existing protocols, and the auditors felt a positive case management impact was achieved. Sedgwick Nurses were assigned consistent with the existing case management protocols. Progress reports were timely and contained the required level of information in accordance with JBWCP’s Managed Care Guidelines (i.e., medical treatment plan, next appointment date, work status, barriers to recovery and recommendations).

Case management was consistently initiated within twenty-four hours after the case was referred. Furthermore, three-point contact with providers, Claimants and Adjusters were consistently achieved within the required forty-eight-hour window. Significant file developments such as surgical recommendations were communicated to Adjusters timely. Medical updates were also consistently provided to Adjusters within twenty-four hours of each office visit.

Lost time, modified duty and return to work dates were documented within Sedgwick's Juris system. It is unclear whether Sedgwick Nurses or Adjusters were responsible for completing this task.

Assessing the claim at sixty days for possible task FCM assignment and at ninety days for the continued need for ongoing case management (with Adjusters and Supervisors) were both consistently performed and adequately documented within Juris.

Finally, there is a general statement in the JBWCP's Managed Care guidelines that a nurse case management assignment can occur at any point in the life of the claim. However, there are no specific criteria for when referrals should be initiated.

Recommendations:

(*** Global ***) JBWCP's current Managed Care Guidelines reference the prior TPA (AIMS) and the organization's managed care provider (Allied Managed Care), systems, processes etc. throughout the document. The Managed Care Guidelines should be updated to reflect the Organization's current relationship with Sedgwick – especially regarding the application and utilization of medical case management services.

Additionally, we recommend that nurse case management referral criteria to be identified within JBWCP's Managed Care Guidelines (similar to the closure criteria identified on page 25 of the document).

Additional Best Practices Considerations:

Additionally, we would recommend the following best practices to be adopted:

- Require Adjusters to document and comment on field case management progress reports as well as on-going communication and collaboration with Telephonic Case Management and Field Case Management Nurses.
- Discuss the need for developing mid-case referral triggers with Sedgwick.
- While Nurses are required to reference ODG for disability durations, there are no requirement within JBWCP's Managed Care Guidelines for action to be undertaken where the best practice benchmark is anticipated to be exceeded. Consider adding the following language:
 - Establish modified and full duty return to work target dates as well as goals based on best practice benchmarks. If claim typical or maximum is being utilized, justify why.
 - Collaborate with the Adjuster on the plan of action when the benchmark is anticipated to be exceeded.

- Escalate to a task FCM, Peer Review or QME if the treating provider is non-responsive or does not provide justification for on-going disability.

Refine JBWCP’s Managed Care Guidelines to require Nurses to document whether medical treatment is within ODG/ACOEM guidelines. Despite most medical treatment being referred for utilization review (UR), Nurses should consistently provide oversight of all medical treatment, including referrals to specialty care and assuring the treatment is within evidenced-based guidelines. If medical treatment is not within evidenced-based guidelines, or if treatment is denied by utilization review, then Nurses should intervene and develop plans of action with the assigned Adjusters, as well as communicate with Claimants on next steps.

Require Sedgwick to present proposed referral criteria, including any predictive modeling capabilities and/or business rules for those claims that should be referred for nurse case management (or claim triage). At a minimum, refer claims wherein the proposed medical treatment and/or disability duration exceeds guidelines.

Case Management Audit Category: Medical Provider Network

Composite Score = 100.00

Audit Metric	Audit Category #17 - Metric Descriptions	Final Score	Metric Scored
17.1	Did the Nurse Case Manager attempt to influence the Claimant to treat within the preferred medical provider network relating to the choice of a primary or specialty provider (if applicable)	100.00	✓
17.2	Where a complaint regarding a physician in the Medical Provider Network was made by a JBWCP Member, was a response provided to the Adjuster (and documented in the claim file) acknowledging receipt of the complaint and demonstrating that the complaint has been acted upon by Sedgwick.	N/A	✓
17.3	Did the Treating Physician in the Medical Provider Network appropriately diagnose the Claimant's injuries	100.00	✓
17.4	Where a misdiagnosis of the Claimant's injuries occurred, was there follow-up by the Adjuster or Nurse Case Manager with the Treating Physician as well as coordination/follow-up with the Claimant and JBWCP Member	N/A	✓

Findings:

Sedgwick’s overall composite audit score involving the medical provider network is **100.00** which is consistent with a high-performing managed care organization. Four audit metrics were evaluated - two of which were found to be not applicable (i.e., **Metric 17.2** and **Metric 17.4**). No adverse observations were identified regarding either of the two remaining medical provider network metrics evaluated.

JBWCP currently utilizes the Sedgwick’s MPN. This is an elective network in which the Member may or may not participate (though it is strongly encouraged for all Members to do so to minimize costs across the Program). Nurses are expected to attempt to influence Claimants to treat within the network, where possible. Claim file documentation reviewed evidenced Nurses complying with this requirement on claims with dates of loss occurring after 7/1/2022. For

legacy claims with dates of loss preceding 7/1/2022, Claimants have been allowed to continue to treat with the providers selected under AIMS' medical provider network to facilitate continuity of treatment and to avoid disruptions associated with the transition of the program from AIMS to Sedgwick.

Additionally, we were also asked to evaluate the degree to which MPN treating physicians appropriately diagnosed Claimants' injuries. We observed no instances of improper diagnoses of Claimants on the audited claims during the applicable review period (i.e., July 1, 2022 and after).

Recommendations:

(***) Global (***) JBWCP's current Managed Care Guidelines reference the prior TPA (AIMS) and the organization's managed care provider (Allied Managed Care), systems, processes etc. throughout the document. The Managed Care Guidelines should be updated to reflect the Organization's current relationship with Sedgwick – especially regarding Sedgwick's medical provider network.

Additional Best Practices Considerations:

No additional best practices considerations are offered.

**Case Management Audit Category: Pharmacy Benefits Program
Composite Score = 100.00**

Audit Metric	Audit Category #18 - Metric Descriptions	Final Score	Metric Scored
18.1	Utilization of Optum/VitalPoint pharmacy network program for prescription drugs	100.00	✓
18.2	Non-exempt medications falling outside of the California pharmacy formulary were sent to Pharmacy Nurse (as part of an early intervention program) to review for release and prevent addition issues	N/A	✓
18.3	Where a medication was held and not released, the Pharmacy Nurse contacted both Claimant and Adjuster to explain the rationale and what actions may be required before the medication can be released	N/A	✓
18.4	If a medication was determined to require utilization review before being released, did the Pharmacy Nurse first contact the prescribing physician and request a current Reasons For Assessment and medical report documenting the need for the medication, and then forward to the Adjuster	100.00	✓

Findings:

Sedgwick's overall composite audit score pertaining to the pharmacy benefits network is **100.00**. Four audit metrics were evaluated - two of which were found to be not applicable (i.e., **Metric 18.2** and **Metric 18.3**). No adverse observations were identified regarding either of the two remaining pharmacy benefit network metrics evaluated./

Per JBWCP’s Managed Care Guidelines, the third party administrator must utilize the designated pharmacy network program (i.e., in the case of Sedgwick, Optum/VitalPoint). All claims evaluated were observed to consistently utilize this pharmacy network.

No claims were identified in which non-exempt medications were prescribed that fell outside of the California pharmacy formulary. Similarly, no claims were identified in which medications were released or held prompting follow-up action by a Nurse. Accordingly, both of these metrics are found to be “not applicable”.

Where the issuance of particular medications were determined to require utilization review before being released, Pharmacy Nurses were observed to consistently contact the prescribing physicians and request current Reasons For Assessment (RFAs) and medical reports documenting the need for the medication. Requested documentation was consistently provided to the assigned Adjusters.

Recommendations:

(** Global **) JBWCP’s current Managed Care Guidelines reference the prior TPA (AIMS) and the organization’s managed care provider (Allied Managed Care), systems, processes etc. throughout the document. The Managed Care Guidelines should be updated to reflect the Organization’s current relationship with Sedgwick – especially regarding Sedgwick’s pharmacy benefits program through Optum/VitalPoint.

Additional Best Practices Considerations:

No additional best practices considerations are offered.

**Case Management Audit Category: Closure Criteria
Composite Score = 100.00**

Audit Metric	Audit Category #19 - Metric Descriptions	Final Score	Metric Scored
19.1	If one or more of the following criteria were met, was the nurse case management assignment timely closed out: (1) Claimant returned to work full duty (2) Claimant returned to work in a permanent modified position (3) Claimant was declared Permanent & Stationary (4) Claim was denied (5) No impact can be made on the file (6) Request made by Adjuster (7) Task assignment completed	100.00	✓
19.2	Closure report completed upon file closure within 5 days	100.00	✓

Findings:

Sedgwick's overall composite audit score pertaining to closure criteria is **100.00** which is consistent with a high-performing managed care organization. No adverse observations were identified regarding either of the two closure metrics evaluated.

Consistent with JBWCP's Managed Care Guidelines, there are closure criteria in place for when case management assignments should be terminated, as well as a five-day requirement for Sedgwick Nurses to complete submit closure reports to Adjusters. Sedgwick Nurses completed and closed case management assignments consistent with existing closure criteria. Additionally, required closure reports were timely provided to Adjusters.

Recommendations:

No recommendations are warranted.

Additional Best Practices Considerations:

We recommend amending the JBWCP's Managed Care Guidelines to allow Nurse Case Managers to continue their assignments in the scenario where a Claimant is released to modified duty but elects to retire; or has their employment terminated by a JBWCP Member. The Nurse Case Manager referral should continue until a full duty release is obtained to mitigate both temporary and permanent indemnity benefit exposures.

Appendix A: Third Party Administrator Audit Claim Sample

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
1	Judiciary	Supreme Court	150000535JUD	04/02/2015	Redacted	Diaz
2	Trial Courts	Placer Co.	160000003JUD	06/29/2015	Redacted	Segovia-Humble
3	Trial Courts	San Joaquin Co.	160000060JUD	06/12/2015	Redacted	Segovia-Humble
4	Trial Courts	Santa Barbara Co.	160000197JUD	09/15/2015	Redacted	Christian
5	Trial Courts	Alameda Co.	160000239JUD	10/01/2015	Redacted	McWatters
6	Trial Courts	Madera Co.	160000260JUD	10/14/2015	Redacted	Christian
7	Judiciary	JCC	160000263JUD	10/21/2015	Redacted	Diaz
8	Trial Courts	Santa Clara Co.	160000377JUD	12/21/2015	Redacted	Bosanko
9	Trial Courts	Ventura Co.	160000473JUD	01/04/2016	Redacted	Christian
10	Trial Courts	Humboldt Co.	160000726JUD	05/20/2016	Redacted	Williams
11	Trial Courts	Sonoma Co.	170000068JUD	08/04/2016	Redacted	Bosanko
12	Trial Courts	Ventura Co.	170000263JUD	10/21/2016	Redacted	Christian
13	Trial Courts	Ventura Co.	170000277JUD	06/01/2015	Redacted	Christian
14	Trial Courts	Humboldt Co.	170000280JUD	10/14/2016	Redacted	Williams
15	Trial Courts	El Dorado Co.	170000327JUD	12/22/2016	Redacted	Segovia-Humble
16	Trial Courts	Solano Co.	170000411JUD	12/16/2016	Redacted	McWatters
17	Trial Courts	San Diego Co.	170000420JUD	01/16/2017	Redacted	Williams
18	Trial Courts	Stanislaus Co.	170000496JUD	03/03/2017	Redacted	Bosanko
19	Trial Courts	Riverside Co.	170000530JUD	03/17/2017	Redacted	Christian
20	Trial Courts	Tulare Co.	170000668JUD	04/25/2017	Redacted	Segovia-Humble
21	Trial Courts	Santa Barbara Co.	170000676JUD	04/14/2017	Redacted	Christian
22	Trial Courts	Butte Co.	180000022JUD	07/03/2017	Redacted	Segovia-Humble
23	Trial Courts	Siskiyou Co.	180000065JUD	08/01/2017	Redacted	Bosanko
24	Trial Courts	Orange Co.	180000084JUD	08/09/2017	Redacted	Diaz
25	Trial Courts	Orange Co.	180000108JUD	07/18/2017	Redacted	Diaz
26	Trial Courts	Kings Co.	180000175JUD	04/01/2016	Redacted	Christian
27	Trial Courts	Sacramento Co.	180000195JUD	06/13/2016	Redacted	Segovia-Humble
28	Trial Courts	Marin Co.	180000259JUD	10/27/2017	Redacted	Bosanko
29	Trial Courts	Siskiyou Co.	180000418JUD	01/25/2018	Redacted	Bosanko
30	Trial Courts	Kern Co.	180000443JUD	02/05/2018	Redacted	Palmer
31	Trial Courts	Santa Clara Co.	180000470JUD	02/21/2018	Redacted	Bosanko
32	Trial Courts	Tulare Co.	180000520JUD	03/12/2018	Redacted	Segovia-Humble
33	Trial Courts	Sutter Co.	180000618JUD	08/11/2016	Redacted	Segovia-Humble
34	Trial Courts	San Francisco Co.	180000653JUD	05/04/2018	Redacted	Segovia-Humble
35	Trial Courts	Yolo Co.	180000662JUD	06/05/2018	Redacted	Segovia-Humble
36	Trial Courts	Solano Co.	190000031JUD	07/13/2018	Redacted	McWatters
37	Judiciary	Ct. of Appeals (2 nd)	190000040JUD	06/25/2018	Redacted	Diaz
38	Trial Courts	San Bernardino Co.	190000143JUD	09/05/2018	Redacted	Palmer

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
39	Trial Courts	San Luis Obispo Co.	190000216JUD	10/09/2018	Redacted	Christian
40	Trial Courts	San Bernardino Co.	190000262JUD	10/29/2018	Redacted	Palmer
41	Trial Courts	San Bernardino Co.	190000298JUD	11/14/2018	Redacted	Palmer
42	Trial Courts	Santa Clara Co.	190000325JUD	11/26/2018	Redacted	Bosanko
43	Trial Courts	Nevada Co.	190000508JUD	03/22/2019	Redacted	Segovia-Humble
44	Trial Courts	Placer Co.	190000529JUD	04/03/2019	Redacted	Segovia-Humble
45	Trial Courts	Fresno Co.	190000547JUD	04/11/2019	Redacted	McWatters
46	Trial Courts	Santa Clara Co.	190000549JUD	03/25/2019	Redacted	Bosanko
47	Trial Courts	Solano Co.	190000568JUD	04/24/2019	Redacted	McWatters
48	Trial Courts	Contra Costa Co.	190000607JUD	06/26/2012	Redacted	Palmer
49	Trial Courts	Merced Co.	190000624JUD	02/26/2019	Redacted	Bosanko
50	Trial Courts	Orange Co.	190000663JUD	06/11/2019	Redacted	Diaz
51	Trial Courts	San Joaquin Co.	200000003JUD	06/26/2019	Redacted	Segovia-Humble
52	Trial Courts	Contra Costa Co.	200000038JUD	04/25/2017	Redacted	Palmer
53	Trial Courts	Riverside Co.	200000052JUD	03/26/2019	Redacted	Christian
54	Trial Courts	Sonoma Co.	200000067JUD	07/24/2019	Redacted	Bosanko
55	Trial Courts	Santa Cruz Co.	200000086JUD	08/05/2019	Redacted	Bosanko
56	Trial Courts	Tulare Co.	200000095JUD	08/15/2019	Redacted	Segovia-Humble
57	Trial Courts	Imperial Co.	200000100JUD	08/05/2019	Redacted	Christian
58	Trial Courts	Contra Costa Co.	200000108JUD	08/14/2019	Redacted	Palmer
59	Trial Courts	Riverside Co.	200000208JUD	10/08/2019	Redacted	Christian
60	Trial Courts	Alameda Co.	200000210JUD	05/23/2019	Redacted	McWatters
61	Trial Courts	Fresno Co.	200000233JUD	10/22/2019	Redacted	McWatters
62	Judiciary	HCRC	200000257JUD	08/01/2019	Redacted	Diaz
63	TC Judges	Monterey Co.	200000277JUD	11/27/2019	Redacted	Diaz
64	Judiciary	Court of Appeals (1 st)	200000285JUD	12/05/2019	Redacted	Diaz
65	Trial Courts	Merced Co.	200000307JUD	12/01/2018	Redacted	Bosanko
66	Trial Courts	Ventura Co.	200000329JUD	10/01/2018	Redacted	Christian
67	Trial Courts	Orange Co.	200000340JUD	01/10/2020	Redacted	Diaz
68	Trial Courts	Kings Co.	200000372JUD	12/09/2019	Redacted	Christian
69	Trial Courts	Alameda Co.	200000453JUD	02/27/2020	Redacted	McWatters
70	Trial Courts	Shasta Co.	200000496JUD	05/22/2020	Redacted	Williams
71	Trial Courts	Orange Co.	200000510JUD	10/27/2017	Redacted	Diaz
72	Judiciary	Court of Appeal (2 nd)	210000016JUD	06/09/2020	Redacted	Diaz
73	Trial Courts	Monterey Co.	210000019JUD	06/29/2020	Redacted	McWatters
74	Trial Courts	Mendocino Co.	210000021JUD	07/09/2020	Redacted	Segovia-Humble
75	Trial Courts	Contra Costa Co.	210000025JUD	07/16/2020	Redacted	Palmer
76	Trial Courts	Shasta Co.	210000065JUD	08/19/2019	Redacted	Williams
77	Trial Courts	Marin Co.	210000085JUD	08/28/2020	Redacted	Bosanko
78	Trial Courts	Shasta Co.	210000093JUD	08/12/2020	Redacted	Williams
79	Trial Courts	Riverside Co.	210000100JUD	08/18/2020	Redacted	Christian
80	Trial Courts	Imperial Co.	210000103JUD	09/11/2020	Redacted	Christian
81	Trial Courts	Ventura Co.	210000146JUD	09/18/2020	Redacted	Christian
82	Trial Courts	San Diego Co.	210000158JUD	10/21/2020	Redacted	Williams
83	Trial Courts	Kern Co.	210000165JUD	10/16/2020	Redacted	Palmer

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
84	Trial Courts	Fresno Co.	210000171JUD	10/28/2020	Redacted	McWatters
85	Trial Courts	Plumas Co.	210000179JUD	10/23/2020	Redacted	Segovia-Humble
86	Trial Courts	Yolo Co.	210000235JUD	12/14/2020	Redacted	Segovia-Humble
87	Trial Courts	Monterey Co.	210000240JUD	12/17/2020	Redacted	McWatters
88	Trial Courts	Sacramento Co.	210000266JUD	01/06/2021	Redacted	Segovia-Humble
89	Trial Courts	Marin Co.	210000272JUD	08/28/2020	Redacted	Bosanko
90	Trial Courts	Santa Cruz Co.	210000320JUD	02/02/2021	Redacted	Bosanko
91	Trial Courts	Butte Co.	210000324JUD	12/16/2020	Redacted	Segovia-Humble
92	Trial Courts	Napa Co.	210000338JUD	12/02/2020	Redacted	Bosanko
93	Trial Courts	San Bernardino Co.	210000363JUD	03/03/2021	Redacted	Palmer
94	Trial Courts	Shasta Co.	210000388JUD	05/30/2016	Redacted	Williams
95	Trial Courts	Merced Co.	210000397JUD	02/08/2021	Redacted	Bosanko
96	Trial Courts	Sonoma Co.	210000411JUD	04/02/2021	Redacted	Bosanko
97	Trial Courts	Santa Clara Co.	210000462JUD	01/01/2021	Redacted	Bosanko
98	Trial Courts	Tuolumne Co.	210000478JUD	05/13/2021	Redacted	Segovia-Humble
99	Trial Courts	Stanislaus Co.	210000485JUD	05/19/2021	Redacted	Bosanko
100	Trial Courts	San Mateo Co.	210000528JUD	06/16/2021	Redacted	McWatters
101	Trial Courts	San Bernardino Co.	210000537JUD	06/18/2021	Redacted	Palmer
102	Trial Courts	Santa Clara Co.	220000010JUD	06/10/2021	Redacted	Bosanko
103	Trial Courts	Placer Co.	220000024JUD	11/02/2020	Redacted	Segovia-Humble
104	Trial Courts	Orange Co.	220000140JUD	10/12/2021	Redacted	Diaz
105	Trial Courts	San Francisco Co.	220000202JUD	04/20/2021	Redacted	Segovia-Humble
106	Trial Courts	Colusa Co.	220000235JUD	12/27/2021	Redacted	Segovia-Humble
107	Trial Courts	Shasta Co.	220000278JUD	01/10/2022	Redacted	Williams
108	Trial Courts	San Luis Obispo Co.	220000305JUD	01/28/2022	Redacted	Christian
109	Trial Courts	Santa Cruz Co.	220000433JUD	05/06/2022	Redacted	Bosanko
110	Trial Courts	Santa Cruz Co.	4A22074PBL7-0001	07/01/2022	Redacted	Bosanko
111	Trial Courts	Tulare Co.	4A22076SQZ1-0001	07/07/2022	Redacted	Segovia-Humble
112	Trial Courts	San Bernardino Co.	4A2207CYVNH-0001	07/01/2022	Redacted	Palmer
113	Trial Courts	San Mateo Co.	4A2207F0W7F-0001	07/05/2022	Redacted	McWatters
114	Trial Courts	San Bernardino Co.	4A2207L57K5-0001	07/15/2022	Redacted	Palmer
115	Trial Courts	Orange Co.	4A22080NN9Z-0001	07/06/2022	Redacted	Diaz
116	Trial Courts	San Diego Co.	4A22080NP1L-0001	07/29/2022	Redacted	Williams
117	Trial Courts	Fresno Co.	4A2208C29G6-0001	08/11/2022	Redacted	McWatters
118	Trial Courts	Sacramento Co.	4A2208H3PGS-0001	08/13/2022	Redacted	Segovia-Humble
119	Trial Courts	Kern Co.	4A2208J4FN6-0001	08/08/2022	Redacted	Palmer
120	Trial Courts	San Joaquin Co.	4A2208K5C02-0001	08/04/2022	Redacted	Segovia-Humble
121	Trial Courts	Riverside Co.	4A2208QBK6R-0001	08/23/2022	Redacted	Christian
122	Trial Courts	Sonoma Co.	4A2208ZLF11-0001	08/12/2022	Redacted	Bosanko
123	TC Judges	San Joaquin Co.	4A22091NKL4-0001	08/03/2022	Redacted	Segovia-Humble
124	Trial Courts	Solano Co.	4A22096RYMG-0001	09/06/2022	Redacted	McWatters
125	Trial Courts	San Diego Co.	4A22096SBH2-0001	09/07/2022	Redacted	Williams
126	Trial Courts	San Diego Co.	4A22096SM3K-0001	09/07/2022	Redacted	Williams

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
127	Trial Courts	Merced Co.	4A2209G0ZW-2-0001	09/15/2022	Redacted	Bosanko
128	Trial Courts	San Mateo Co.	4A2209H117G-0001	09/10/2022	Redacted	McWatters
129	TC Judges	Orange Co.	4A2209N38DP-0001	04/09/2021	Redacted	Diaz
130	TC Judges	San Mateo Co.	4A2209P46ZT-0001	09/21/2022	Redacted	McWatters
131	TC Judges	Orange Co.	4A2209T71RH-0001	09/26/2022	Redacted	Diaz
132	TC Judges	Los Angeles Co.	JC01000042	02/29/2000	Redacted	Diaz
133	Trial Courts	Sacramento Co.	JC010020050	02/20/2001	Redacted	Segovia-Humble
134	Trial Courts	Alameda Co.	JC02000031	03/20/2001	Redacted	McWatters
135	Trial Courts	Riverside Co.	JC02000599	01/10/2001	Redacted	Christian
136	Trial Courts	Imperial Co.	JC020020218	03/06/2002	Redacted	Christian
137	TC Judges	Los Angeles Co.	JC03000186	04/16/2002	Redacted	Diaz
138	Trial Courts	Del Norte Co.	JC04000583	01/17/2003	Redacted	Segovia-Humble
139	Trial Courts	Santa Clara Co.	JC04000593	12/11/2003	Redacted	Bosanko
140	Trial Courts	Kern Co.	JC04001062	03/05/2004	Redacted	Palmer
141	Trial Courts	San Mateo Co.	JC05001124	09/02/2005	Redacted	McWatters
142	Trial Courts	Del Norte Co.	JC06000181	08/24/2005	Redacted	Segovia-Humble
143	Trial Courts	Butte Co.	JC06000321	01/25/2005	Redacted	Segovia-Humble
144	Trial Courts	Marin Co.	JC06000658	03/10/2005	Redacted	Bosanko
145	Trial Courts	San Diego Co.	JC07000004	01/12/2006	Redacted	Williams
146	Judiciary	Court of Appeals (2 nd)	JC07000157	05/23/2006	Redacted	Diaz
147	Trial Courts	Riverside Co.	JC07000833	04/03/2007	Redacted	Christian
148	Trial Courts	Colusa Co.	JC08000081	05/05/2008	Redacted	Segovia-Humble
149	Trial Courts	Kern Co.	JC08000518	04/26/2007	Redacted	Palmer
150	Trial Courts	Sacramento Co.	JC08000568	07/16/2007	Redacted	Segovia-Humble
151	Trial Courts	Madera Co.	JC08020009	05/23/2008	Redacted	Christian
152	Judiciary	JCC	JC09000020	04/07/2008	Redacted	Diaz
153	Trial Courts	Kings Co.	JC09020405	12/03/2008	Redacted	Christian
154	Trial Courts	Santa Clara Co.	JC09020548	02/06/2009	Redacted	Bosanko
155	Trial Courts	San Diego Co.	JC09020810	05/08/2009	Redacted	Williams
156	Trial Courts	Sutter Co.	JC10000310	09/25/2009	Redacted	Segovia-Humble
157	Trial Courts	San Francisco Co.	JC10000352	12/09/2009	Redacted	Segovia-Humble
158	Trial Courts	Alameda Co.	JC10000450	01/11/2010	Redacted	McWatters
159	Trial Courts	Yolo Co.	JC10000556	03/10/2010	Redacted	Segovia-Humble
160	Trial Courts	San Mateo Co.	JC10000625	04/05/2010	Redacted	McWatters
161	Trial Courts	San Joaquin Co.	JC10000788	04/28/2010	Redacted	Segovia-Humble
162	Trial Courts	San Francisco Co.	JC11000226	10/13/2010	Redacted	Segovia-Humble
163	Trial Courts	Siskiyou Co.	JC11000400	01/12/2011	Redacted	Bosanko
164	Trial Courts	Orange Co.	JC12020086	08/19/2011	Redacted	Diaz
165	Trial Courts	Madera Co.	JC12020592	05/01/2012	Redacted	Christian
166	Trial Courts	San Luis Obispo Co.	JC12020651	02/21/2012	Redacted	Christian
167	Trial Courts	Contra Costa Co.	JC12020768	07/13/2012	Redacted	Palmer
168	Trial Courts	Kern Co.	JC13020029	07/12/2012	Redacted	Palmer
169	Trial Courts	Humboldt Co.	JC13020081	08/13/2012	Redacted	Williams
170	Trial Courts	Mendocino Co.	JC13020160	09/24/2012	Redacted	Segovia-Humble

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
171	Trial Courts	Solano Co.	JC13020463	02/21/2013	Redacted	McWatters
172	Trial Courts	Monterey Co.	JC13020612	05/14/2013	Redacted	McWatters
173	Trial Courts	San Diego Co.	JC13020675	06/13/2013	Redacted	Williams
174	Trial Courts	Tuolumne Co.	JC14020037	07/11/2013	Redacted	Segovia-Humble
175	Trial Courts	Stanislaus Co.	JC14020609	06/25/2014	Redacted	Bosanko
176	TC Judges	Los Angeles Co.	JC91000040	01/22/1990	Redacted	Diaz
177	TC Judges	Sutter Co.	JC93000011	06/08/1992	Redacted	Diaz
178	Judiciary	JCC	JC96000020	05/22/1995	Redacted	Diaz
179	Judiciary	Supreme Court	JC99000018	01/04/1999	Redacted	Diaz
180	Trial Courts	San Francisco Co.	JC99000034	05/06/1999	Redacted	Diaz

Appendix B: Case Management Audit Claim Sample

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
1	Trial Courts	Stanislaus Co.	4A22081PBT0-0001	07/11/2022	Redacted	Bosanko
2	Trial Courts	San Diego Co.	4A2208YK5LD-0001	08/18/2022	Redacted	Williams
3	TC Judges	Alameda Co.	4A22090MDGR-0001	08/29/2022	Redacted	McWatters
4	Trial Courts	El Dorado Co.	4A22090LW58-0001	08/10/2022	Redacted	Segovia-Humble
5	Trial Courts	San Diego Co.	220000401JUD	04/18/2022	Redacted	Williams
6	Trial Courts	Sacramento Co.	220000471JUD	06/09/2022	Redacted	Segovia-Humble
7	Trial Courts	Riverside Co.	220000218JUD	11/29/2021	Redacted	Christian
8	Trial Courts	Santa Clara Co.	220000227JUD	11/01/2021	Redacted	Bosanko
9	Trial Courts	Kern Co.	4A2208J4FN6-0001	08/08/2022	Redacted	Palmer
10	Trial Courts	Santa Clara Co.	220000492JUD	06/22/2022	Redacted	Bosanko
11	Trial Courts	Riverside Co.	220000460JUD	05/31/2022	Redacted	Christian
12	Trial Courts	San Francisco Co.	220000495JUD	06/16/2022	Redacted	Segovia-Humble
13	Trial Courts	San Diego Co.	220000456JUD	05/24/2022	Redacted	Williams
14	Trial Courts	San Diego Co.	220000150JUD	10/22/2021	Redacted	Williams
15	Trial Courts	San Luis Obispo Co.	220000305JUD	01/28/2022	Redacted	Christian
16	Trial Courts	Sacramento Co.	4A2208H3PGS-0001	08/13/2022	Redacted	Segovia-Humble
17	Trial Courts	San Bernardino Co.	4A2207P8NQH-0001	07/21/2022	Redacted	Palmer
18	Trial Courts	Madera Co.	4A2207TFJZ1-0001	07/20/2022	Redacted	Christian
/19	Trial Courts	San Diego Co.	4A2207DZWS5-0001	07/12/2022	Redacted	Williams
20	Trial Courts	Santa Clara Co.	4A2208XJ39J-0001	08/05/2022	Redacted	Bosanko
21	Trial Courts	San Bernardino Co.	4A2208J41KM-0001	08/12/2022	Redacted	Palmer
22	Trial Courts	Sonoma Co.	4A2208ZLF11-0001	08/12/2022	Redacted	Bosanko
23	Trial Courts	Sacramento Co.	220000346JUD	03/01/2022	Redacted	Segovia-Humble
24	Trial Courts	San Joaquin Co.	4A2208K5C02-0001	08/04/2022	Redacted	Segovia-Humble
25	Trial Courts	Fresno Co.	4A2208C29G6-0001	08/11/2022	Redacted	McWatters
26	Trial Courts	San Diego Co.	4A22080NP1L-0001	07/29/2022	Redacted	Williams
27	Trial Courts	Orange Co.	220000353JUD	03/14/2022	Redacted	Diaz
28	Trial Courts	Shasta Co.	220000143JUD	10/18/2021	Redacted	Williams
29	Trial Courts	San Diego Co.	220000325JUD	02/10/2022	Redacted	Williams
30	Trial Courts	Santa Cruz Co.	4A22074PBL7-0001	07/01/2022	Redacted	Bosanko
31	Trial Courts	San Bernardino Co.	220000211JUD	11/17/2021	Redacted	Palmer
32	Trial Courts	Mariposa Co.	220000289JUD	10/03/2021	Redacted	Bosanko
33	Trial Courts	San Luis Obispo Co.	4A22091NGTT-0001	08/31/2022	Redacted	Christian
34	Trial Courts	Santa Clara Co.	4A22080NFZ3-0001	07/27/2022	Redacted	Bosanko
35	TC Judges	San Mateo Co.	4A2207N88H7-0001	07/08/2022	Redacted	McWatters
36	Trial Courts	Fresno Co.	220000391JUD	04/12/2022	Redacted	McWatters
37	Trial Courts	Orange Co.	4A2207CY5C3-0001	07/11/2022	Redacted	Diaz
38	Trial Courts	San Francisco Co.	4A2209CXVPS-0001	09/12/2022	Redacted	Segovia-Humble

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
39	Trial Courts	Alameda Co.	220000271JUD	01/13/2022	Redacted	McWatters
40	Trial Courts	Kern Co.	220000459JUD	05/23/2022	Redacted	Palmer
41	Trial Courts	Riverside Co.	4A2208QBK6R-0001	08/23/2022	Redacted	Christian
42	Trial Courts	Orange Co.	220000140JUD	10/12/2021	Redacted	Diaz
43	Trial Courts	Orange Co.	220000481JUD	06/08/2022	Redacted	Diaz
44	Trial Courts	San Diego Co.	220000348JUD	03/09/2022	Redacted	Williams
45	Trial Courts	Ventura Co.	220000386JUD	03/25/2022	Redacted	Christian
46	Trial Courts	Sacramento Co.	220000233JUD	11/01/2021	Redacted	Segovia-Humble
47	Trial Courts	Ventura Co.	220000323JUD	01/21/2022	Redacted	Christian
48	Trial Courts	Shasta Co.	220000278JUD	01/10/2022	Redacted	Williams
49	Trial Courts	Riverside Co.	4A2208BOHWW-0001	08/02/2022	Redacted	Christian
50	Trial Courts	Alameda Co.	4A2207WJCHC-0001	07/25/2022	Redacted	McWatters
51	Trial Courts	San Diego Co.	4A22096SM3K-0001	09/07/2022	Redacted	Williams
52	Trial Courts	Alameda Co.	4A2208YJR4L-0001	08/08/2022	Redacted	McWatters
53	TC Judges	San Mateo Co.	4A22084TR47-0001	07/26/2022	Redacted	McWatters
54	Trial Courts	San Francisco Co.	4A22087X3DK-0001	07/28/2022	Redacted	Segovia-Humble
55	Trial Courts	San Bernardino Co.	4A2207CYVNH-0001	07/01/2022	Redacted	Palmer
56	Trial Courts	Sacramento Co.	220000422JUD	04/29/2022	Redacted	Segovia-Humble
57	Trial Courts	Tulare Co.	4A22076SQZ1-0001	07/07/2022	Redacted	Segovia-Humble
58	Trial Courts	Orange Co.	4A22080NN9Z-0001	07/06/2022	Redacted	Diaz
59	Trial Courts	San Bernardino Co.	220000189JUD	11/16/2021	Redacted	Palmer
60	Trial Courts	San Bernardino Co.	220000463JUD	06/02/2022	Redacted	Palmer
61	Trial Courts	Santa Cruz Co.	220000433JUD	05/06/2022	Redacted	Bosanko
62	Trial Courts	San Bernardino Co.	4A2207L57K5-0001	07/15/2022	Redacted	Palmer
63	Trial Courts	Alameda Co.	220000354JUD	03/09/2022	Redacted	McWatters
64	Trial Courts	Imperial Co.	220000171JUD	11/04/2021	Redacted	Christian
65	Trial Courts	Solano Co.	4A22096RYMG-0001	09/06/2022	Redacted	McWatters
66	Trial Courts	Stanislaus Co.	4A22095QW3F-0001	09/01/2022	Redacted	Bosanko
67	TC Judges	Orange Co.	4A2208J4WHB-0001	08/17/2022	Redacted	Diaz
68	Trial Courts	San Bernardino Co.	4A22081P96Q-0001	07/29/2022	Redacted	Palmer
69	Trial Courts	San Diego Co.	4A22096SBH2-0001	09/07/2022	Redacted	Williams
70	Trial Courts	Sacramento Co.	4A2209CXP9L-0001	07/25/2022	Redacted	Segovia-Humble
71	Trial Courts	Orange Co.	220000430JUD	05/10/2022	Redacted	Diaz
72	Trial Courts	Tehama Co.	220000329JUD	02/04/2022	Redacted	McWatters
73	Trial Courts	San Diego Co.	220000135JUD	10/05/2021	Redacted	Williams
74	Trial Courts	San Joaquin Co.	220000172JUD	10/27/2021	Redacted	Segovia-Humble
75	Trial Courts	Colusa Co.	220000235JUD	12/27/2021	Redacted	Segovia-Humble
76	TC Judges	San Joaquin Co.	4A22091NKL4-0001	08/03/2022	Redacted	Segovia-Humble
77	Trial Courts	San Diego Co.	220000101JUD	09/16/2021	Redacted	Williams
78	Trial Courts	San Diego Co.	220000385JUD	04/06/2022	Redacted	Williams
79	Trial Courts	Santa Clara Co.	220000139JUD	10/13/2021	Redacted	Bosanko
80	Trial Courts	Santa Clara Co.	220000214JUD	12/06/2021	Redacted	Bosanko

Appendix C: Scoring By Category

JBWCP 2022 ANNUAL AUDIT SCORING SUMMARY	AUDIT CATEGORY SCORES		
	Total	Applicable	Score
JCC Member Loss Reporting	180	23	Not Scored
Claim Set-Up & Assignment/Reassignment	180	22	96.59
Three-Point Contact	180	22	95.74
Investigations	180	43	85.48
Medical Cost Containment	180	106	94.12
Disability Management	180	47	74.13
Litigation Management	180	69	90.03
Subrogation, Apportionment, Contribution	180	17	100.00
Reserving	180	176	90.46
Communications	180	121	92.65
Payments	180	147	98.76
Settlement/Resolution	180	67	82.90
Action Plans	180	172	91.81
Supervisory Review	180	175	84.14
Nurse Triage	80	31	1.96
Nurse Case Management & Compliance With Protocols	80	5	100.00
Medical Provider Network	80	78	100.00
Pharmacy Benefits Program	80	15	100.00
Nurse Case Management Closure Criteria	80	1	100.00
OVERALL AUDIT SCORE			84.44

Appendix D: Scoring By Question

JBWCP 2022 ANNUAL AUDIT SCORING SUMMARY		AUDIT METRIC SCORES			AUDIT CATEGORY SCORES		
		Total	Applicable	Score	Total	Applicable	Score
JCC Member Loss Reporting:					180	23	Not Scored
1.01	***Not Scored*** Number of CALENDAR days required for JBWCP Member to submit Employer's First Report of Injury form 5020 to Sedgwick (NOTE: Standard is 5 calendar days; Members encouraged to submit within 2-3 calendar days)	180	23	86.96			
Claim Set-Up & Assignment/Reassignment:					180	22	96.59
2.01	Total days required to assign to Adjuster (i.e., Assignment Date - Sedgwick Date of Knowledge)	180	22	93.18			
2.02	Initial claim classification appropriate (i.e., indemnity, medical only)	180	22	100.00			
2.03	Medical Only claims will be transitioned to Indemnity status following management review when: (1) the claim has been open six months; (2) has an incurred value of \$7,500 and/or (3) if the I/W has been on modified duty for 90 days or more	180	0	N/A			
Three-Point Contact:					180	22	95.74
3.01	Attempt to contact JBWCP Member was made within 1 business day of assignment	180	22	100.00			
3.02	Where initial JBWCP Member contact was unsuccessful, follow-up attempts were made and documented in the file	180	12	100.00			
3.03	Attempt to contact Claimant was made within 1 business day of assignment	180	20	100.00			
3.04	Where initial Claimant contact was unsuccessful, follow-up attempts were made and documented in the file	180	13	92.31			
3.05	Where Claimant contact attempts were unsuccessful, an attempt was made to contact the JBWCP Member to obtain alternate contact information for the Claimant including documentation of the file	180	5	80.00			
3.06	Attempt to contact Medical Provider was made within 1 business day of assignment	180	18	94.44			
3.07	Where initial Medical Provider contact was unsuccessful, follow-up attempts were made and documented in the file	180	4	75.00			
Investigations:					180	43	85.48
4.01	Did the Adjuster take all necessary actions to evaluate compensability	180	23	95.65			
4.02	Was the claim appropriately accepted, delayed or denied within the 14-day statutory time period	180	21	100.00			
4.03	If recorded statements were required relating to questions of compensability, did the Sedgwick Adjuster refer to outside vendor/investigator and document the results in the claim file upon completion	180	0	N/A			
4.04	Were claims timely reported to the Index Bureau and re-indexed every 12 months thereafter	180	41	70.73			
4.05	Where "hits" are identified through Index Bureau reports, was follow-up appropriate	180	14	78.57			
4.06	The need for field investigations (including surveillance) were appropriately recognized, authorized by JBWCP Member and managed	180	1	0.00			
4.07	Does a note exist within the claim file documenting both: (1) the final compensability decision made by the Adjuster; and (2) a supporting rationale/justification. Where claim denial issued, was denial discussed with the Member and all approvals were obtained and documented?	180	24	95.83			
4.08	Where a sub-rosa investigation was made by Sedgwick, the assignment (both scope and provided information) was thorough and timely	180	0	N/A			
Medical Cost Containment:					180	106	94.12
5.01	Assuming the JBWCP Member elected to participate within the Medical Provider Network AND the Claimant elected to treat outside of the Medical Provider Network, did the Adjuster either: (1) appropriately re-direct care; or (2) document why re-direction of care within Medical Provider Network was not possible	180	7	100.00			
5.02	Where JBWCP Member did not elect to participate within the Sedgwick Medical Provider Network, did Adjuster direct or soft channel the Claimant to a preferred provider (primary or specialty) where possible	180	8	87.50			

5.03	Issues of causation, treatment plan and permanent and stationary status are timely addressed and appropriately documented	180	63	93.65			
5.04	Utilization review (e.g., surgical requests, medical diagnostics, treatment duration) referrals were timely made and the results were appropriately documented and acted upon	180	74	100.00			
5.05	Agreed Medical Examinations/Qualified Medical Examinations/Peer Reviews were timely made and utilization was appropriate	180	35	97.14			
5.06	Nurse case management (either telephonic or field) assignment was approved by the Member and was timely, for appropriate duration and added value	180	9	77.78			
5.07	On legacy claims transferred from the prior TPA, did the newly assigned Sedgwick Adjuster provide appropriate direction to the Employee relating to treatment options within Sedgwick's MPN. (Note: Includes only Trial Court Claims. Judiciary Claims (including Judge claims) are Not Applicable).	180	25	80.00			
Disability Management:					180	47	74.13
6.01	Where the Claimant's disability exceeds recognized industry standards, did the Adjuster/Nurse Case Manager request clarification from the treating physician	180	10	50.00			
6.02	Adjuster/Nurse Case Manager demonstrate proactive efforts to pursue return to work	180	26	84.62			
6.03	Where changes in temporary or permanent restrictions were provided, were those restrictions communicated to the JBWCP Member within 2 business days of receipt by the Adjuster	180	27	96.30			
6.04	Where necessary, were clarifications relating to specific temporary and/or permanent restrictions sought from the treating physician, Agreed Medical Examination &/or Qualified Medical Examination providing all evaluating physicians with all appropriate records and documentation prior to the evaluation	180	13	76.92			
6.05	Confirmation email received and documented from the JBWCP Member regarding ability or inability to accommodate	180	32	96.88			
6.06	Were Official Disability Guidelines (ODG) documented within Plans of Action and referenced for ongoing resolution and reserving in indemnity claim files	180	35	34.29			
Litigation Management:					180	69	90.03
7.01	Adjuster made a legal referral to defense counsel within five calendar days of the need of litigation referral	180	8	100.00			
7.02	Adjuster appropriately followed-up for required status reports when not provided by Defense Counsel on a timely basis	180	55	89.09			
7.03	Adjuster worked collaboratively with Defense Counsel to develop long term strategy and specific tasks to resolve litigation	180	66	87.88			
7.04	Defense Counsel activities were appropriately monitored by the	180	66	90.91			
7.05	Assigned Defense Counsel activities represent an appropriate delegation of work. (NOTE: Adjusters are responsibility for obtaining/subpoenaing prior medical records and/or claims information and forwarding to AME/PQME)	180	56	94.64			
7.06	Adjuster was responsive to all Defense Counsel requests for information, assistance and authority	180	55	96.36			
7.07	On legacy claims transferred from the prior TPA, did the new assigned Sedgwick Adjuster reach out to previously assigned defense counsel within the first 30 days of the transition of August 1, 2022)	180	65	81.54			
Subrogation, Apportionment, Contribution:					180	17	100.00
8.01	<u>Does subrogation potential exist:</u>						
8.01.1	-Was subrogation potential identified by the Adjuster	180	3	100.00			
8.01.2	-Was subrogation timely pursued, as authorized and directed by JBWCP Member or JBWCP Administrator	180	1	100.00			
8.01.3	-Where subrogation potential exists and the JBWCP Member elects not to pursue, Sedgwick should bring the matter to the attention of the JBWCP Administrator for direction and assistance	180	0	N/A			
8.01.4	-Was authority for compromised settlement of the Third-Party Lien obtained from the JBWCP Administrator	180	0	N/A			
8.02	<u>Does apportionment potential exist:</u>						
8.02.1	-Was apportionment potential identified by the Adjuster	180	14	100.00			
8.02.2	-Was apportionment appropriately pursued	180	11	100.00			
8.03	<u>Does contribution potential exist:</u>						
8.03.1	-Was contribution potential identified by the Adjuster	180	1	100.00			
8.03.2	-Was contribution appropriately pursued	180	1	100.00			

Reserving:				180	176	90.46
9.01	Initial case reserves set by Adjuster within 5 business days of	180	21	95.24		
9.02	Subsequent case reserve reviews for all non-future medical claims occurred at least every 90 days OR within 14 days of knowledge of a material claim file development impacting the claim's overall exposure. Subsequent case reserve reviews for future medical claims occurred at least every 180 days.	180	120	86.67		
9.03	Case reserves are sufficiently documented	180	174	91.38		
9.04	Current case reserves reflect "probable outcome" based upon currently known facts	180	167	91.62		
9.05	***Not Scored*** Is a reserve change (+/-) required? (If so, indicate required change(s))	180	167	TABLE 2		
Communications:				180	121	92.65
10.01	Ongoing contact with the injured worker was maintained on indemnity files that have not been settled as needed or at intervals not to exceed every 90 calendar days.	180	60	86.67		
10.02	Adjuster maintained appropriate communication with the JBWCP Member including responding to all telephonic or written requests within 1 business day (check on 24 hour standard)	180	84	100.00		
10.03	Did the Adjuster keep the JBWCP Member informed of case status, significant changes and resolution plans without the Member initiating an inquiry	180	101	90.10		
10.04	With respect to 132(a) actions filed against a JBWCP Member, Adjuster communicated what is and is not covered by the JBWCP program	180	0	N/A		
Payments:				180	147	98.76
11.01	Average weekly wage and workers' compensation benefit rates appropriately calculated and documented in claim file	180	70	98.57		
11.02	Initial and ongoing temporary total disability benefits were paid timely (i.e., no penalties/fines imposed)	180	30	96.67		
11.03	Initial and ongoing permanent partial disability benefits were paid timely (i.e., no penalties/fines imposed)	180	28	96.43		
11.04	Approved medical invoices were paid timely (i.e., no penalties/fines imposed)	180	107	100.00		
11.05	Payment of medical invoices were appropriate (i.e., no payments made for non-accepted body part or non-approved treatments)	180	107	100.00		
11.06	Legal invoices from Defense Counsel were reviewed for accuracy and paid timely (i.e., no evidence of defense counsel requesting payment on outstanding invoices)	180	57	100.00		
11.07	No evidence of 132(a) awards paid against the file (defense costs ok)	180	138	100.00		
11.08	Appropriate benefit notices were provided on all accepted and denied claims (e.g., initial, revised, final) including identification of any overpayment of benefits and a request for credit against future permanent partial disability benefits payable)	180	50	100.00		
11.09	Where an overpayment exists, was notification provided to the Sedgwick Program Manager and documented within the claim file by the Adjuster	180	3	100.00		
11.10	Where an overpayment exists, did the Adjuster attempt to recover or offset against future payments (NOTE: Neither Sedgwick or a JBWCP Member can agree to waive an overpayment or provide a future credit - only the JBWCP Administrator may do so)	180	5	100.00		
11.11	If an Employment Development Department notice was received, did the Adjuster proactively contact the organization to coordinate or negotiate benefits/reimbursement as opposed to waiting until the claim is ultimately settled	180	14	92.86		
11.12	Adjusters will establish proactive diaries focused on case resolution activities, including management of upcoming disability due to surgeries and scheduled time loss, anticipated PD advances and	180	117	95.73		
Settlement/Resolution:				180	67	82.90
12.01	Adjuster recognized settlement opportunities early and approached settlement creatively including relevant methods and considerations to conclude the claim (i.e., global resolution, employment status, MSA, structures, arbitration, mediation)	180	61	77.05		
12.02	A Settlement Authority Request was completed (including rationale) and submitted to appropriate party/parties (i.e., Level) within 30 days of the occurrence of a "triggering" event by the assigned Adjuster	180	30	80.00		

12.03	10 calendar days within receipt of the SAR from the Adjuster (total 40 calendar days of the occurrence of a "triggering" event), and/or 10 Court days prior to any Hearing, MSC, or Trial, the Sedgwick Supervisor submitted the SAR to Members for approval, with a copy to the JBWCP Administrator's assigned analyst for the trial courts or directly to the analyst for the judiciary claims. File documentation will clarify any time these timelines cannot be met.	180	11	90.91			
12.04	Adjuster adhered to the following settlement authority guidelines (new money to be paid out but not money that has already been paid out or advanced against settlement): * Level I - \$0-\$10,000 Sedgwick has full authority with notice to JBWCP Member ten court days prior to finalizing the settlement offer * Level II - \$10,001-\$100,000 JBWCP Member has full authority. * Level III - \$100,001+ Settlement Authority Panel (majority of 4 voting JBWCP Advisory Committee Members and the JBWCP Administrator/designee) in consultation with JBWCP Member.	180	23	95.65			
12.05	The Adjuster appropriately addressed Medicare Set-Aside and Medicare-related issues in the claim resolution strategy	180	22	81.82			
12.06	Adjuster conducted aggressive, strategic and prompt settlement negotiations and follow-up	180	34	82.35			
12.07	Provider and Employment Development Department liens were/are being resolved in a timely and effective manner	180	8	87.50			
12.08	The file closed appropriately without delay, final bills were received and paid timely	180	2	100.00			
12.09	Administrative closure occurred on future medical claims with no treatment in excess of 12 months	180	2	100.00			
Action Plans:					180	172	91.81
13.01	Initial claim file review completed by Adjuster within 30 days of claim assignment	180	21	100.00			
13.02	Claim file reviews completed at least every 90 days by Adjuster (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (two 2 week grace period to apply).	180	132	88.64			
13.03	Claim files are appropriately documented	180	170	95.88			
13.04	***Not Scored*** Target dates regarding the completion of identified activities are documented by Adjuster in Plans of Action	180	151	71.52			
13.05	Claim notes reflect consistent and timely follow-up on key activities	180	166	94.58			
13.06	Diary functionality is prospectively utilized by Adjuster for all open claim activities including: * Follow-up on contacts/maintaining communications * Management of delay and/or denial decisions * Excess Carrier reporting * Management of future medical benefits and utilization review reqs. * Requesting of Index Reports * Management of investigations, vendors and benefit decisions * Management of PQME process * Management of MSA process * Management of settlement processes including completion of SARs * Subrogation	180	172	88.37			
13.07	Supervisor feedback/recommendations are appropriately responded to and acted upon by Adjuster	180	96	88.54			
13.08	*** Not Scored *** Total number of assigned lost time Adjusters documented in claim file over the audit period	180	179	TABLE 3			
Supervisory Review:					180	175	84.14
14.01	Initial indemnity Supervisor review completed within 10 days of claim assignment	180	21	100.00			
14.02	Subsequent indemnity review(s) completed within 90 days and then 120 days (180 days prior to 7/15/21) thereafter by Supervisor (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (2 week grace period to apply).	180	107	75.70			
14.03	Throughout the claim, the Supervisor provided timely, responsive and meaningful direction on the claim	180	120	80.83			
14.04	If the Adjuster(s) did not appropriately respond to Supervisor's direction, did the Supervisor provide the appropriate level of follow-up	180	10	60.00			
14.05	*** Not Scored*** Supervisors will establish proactive diaries to follow up on specific cases or issues as necessary.	180	175	TABLE #5			
14.06	Total number of assigned Supervisors documented in the claim file over the audit period	180	133	93.23			

Nurse Triage:				80	31	1.96
15.01	Triage Nurse contacted Claimant and the Treating Doctor within 3 business days of the claim assignment and documented the file accordingly	80	31	3.23		
15.02	Triage Nurse completed Sedgwick's Triage template outlining appropriate treatment and estimated return to work using Official Disability Guidelines and the American College of Occupational and Environmental Medicine guidance	80	30	0		
15.03	If Claimant is a judge, was approval first obtained to triage claim	80	0	N/A		
15.04	Triage Nurse obtained availability of transitional work and a copy of the employee's duty statement (job description)	80	30	0		
15.05	Triage Nurse documented activities in claims system	80	31	3.23		
15.06	Triage Nurse forwarded Triage report to Adjuster within 3 business days	80	31	3.23		
Nurse Case Management & Compliance With Protocols:				80	5	100.00
16.01	If a Nurse Case Manager is assigned, is it consistent with case management protocols and by agreement of Adjuster and JBWCP Member	80	4	100.00		
16.02	Was case management initiated within 24 hours of referral	80	4	100.00		
16.03	3 point contact (i.e., Provider, Claimant and Adjuster) was completed by the Nurse Case Manager within 48 hours of assignment	80	3	100.00		
16.04	Nurse Case Manager progress reports contain medical treatment plan, next appointment date, work status, barriers to recovery and recommendations	80	3	100.00		
16.05	Nurse Case Manager integrated Official Disability Guidelines and American College of Occupational and Environmental Medicine guidance into progress reports	80	2	100.00		
16.06	Initial Nurse Case Manager evaluation completed within 7 business days of referral	80	3	100.00		
16.07	Nurse Case Manager Progress Reports completed every 30 days or upon significant activity	80	3	100.00		
16.08	Appointment updates provided to Adjuster within 24 hours of appointment	80	3	100.00		
16.09	Updates provided to Adjuster within 24 hours of significant file developments (return to work full or modified duty, anticipated surgery, etc.)	80	3	100.00		
16.10	Nurse Case Manager tracked lost time, modified and return to work dates in ViaOne	80	2	100.00		
16.11	If a Telephonic Case Management assignment exceeded 60 lost time days or other barriers to recovery or return to work are present, was Field Case Management considered	80	1	100.00		
16.12	Did Nurse Case Manager discuss the claim with Adjuster and Supervisor when the claim reached 90-days of service	80	1	100.00		
16.13	Claim notes appropriately documented in the claim system	80	5	100.00		
16.14	A positive nurse case management impact was achieved on the claim	80	4	100.00		
Medical Provider Network:				80	78	100.00
17.01	Did the Nurse Case Manager attempt to influence the Claimant to treat within the preferred medical provider network relating to the choice of a primary or specialty provider (if applicable)	80	7	100.00		
17.02	Where a complaint regarding a physician in the Medical Provider Network was made by a JBWCP Member, was a response provided to the Adjuster (and documented in the claim file) acknowledging receipt of the complaint and demonstrating that the complaint has been acted upon by Sedgwick.	80	0	N/A		
17.03	Did the Treating Physician in the Medical Provider Network misdiagnose the Claimant's injuries	80	78	100.00		
17.04	Where a misdiagnosis of the Claimant's injuries occurred, was there follow-up by the Adjuster or Nurse Case Manager with the Treating Physician as well as coordination/follow-up with the Claimant and JBWCP Member	80	0	N/A		
Pharmacy Benefits Program:				80	15	100.00
18.01	Utilization of Optum/VitalPoint pharmacy network program for prescription drugs	80	15	100.00		
18.02	Non-exempt medications falling outside of the California pharmacy formulary were sent to Pharmacy Nurse (as part of an early intervention program) to review for release and prevent addition issues	80	0	N/A		
18.03	Where a medication was held and not released, the Pharmacy Nurse contacted both Claimant and Adjuster to explain the rationale and what actions may be required before the medication can be released	80	0	N/A		
18.04	If a medication was determined to require utilization review before being released, did the Pharmacy Nurse first contact the prescribing physician and request a current Reasons For Assessment and medical report documenting the need for the medication, and then forward to the Adjuster	80	5	100.00		
Nurse Case Management Closure Criteria:				80	1	100.00
19.01	If one or more of the following criteria were met, was the nurse case management assignment timely closed out: (1) Claimant returned to work full duty (2) Claimant returned to work in a permanent modified position (3) Claimant was declared Permanent & Stationary (4) Claim was denied (5) No impact can be made on the file (6) Request made by adjuster (7) Task assignment completed	80	1	100.00		
19.02	Closure report completed upon file closure within 5 days	80	1	100.00		
OVERALL AUDIT SCORE						84.44

Appendix E: Claim Value Roster

Cour	Claim #	Sedgwick Medical TI	Marsh Medical TI	Medical Dollar Variance	Medical Percentage Variance	Sedgwick Indemnity TI	Marsh Indemnity TI	Indemnity Dollar Variance	Indemnity Percentage Variance	Sedgwick Expense TI	Marsh Expense TI	Expense Dollar Variance	Expense Percentage Variance	Sedgwick Aggregate TI	Marsh Aggregate TI	Aggregate Dollar Variance	Aggregate Percentage Variance
1	150000535IU	\$ 61,450	\$ 71,450	\$ (10,000)	-16.3%	\$ 109,303	\$ 109,303	\$ 0	0.0%	\$ 23,219	\$ 32,218	\$ (8,999)	-38.8%	\$ 193,972	\$ 212,971	\$ (18,999)	-9.8%
2	160000003IU	\$ 77,190	\$ 77,190	\$ -	0.0%	\$ 138,524	\$ 138,524	\$ -	0.0%	\$ 29,303	\$ 29,303	\$ -	0.0%	\$ 245,017	\$ 245,017	\$ -	0.0%
3	160000060IU	\$ 45,406	\$ 45,406	\$ -	0.0%	\$ 21,210	\$ 21,210	\$ -	0.0%	\$ 59,274	\$ 59,274	\$ -	0.0%	\$ 125,890	\$ 125,890	\$ -	0.0%
4	160000197IU	\$ 13,806	\$ 13,806	\$ -	0.0%	\$ 19,010	\$ 19,010	\$ -	0.0%	\$ 4,523	\$ 4,523	\$ -	0.0%	\$ 37,338	\$ 37,338	\$ -	0.0%
5	160000239IU	\$ 44,201	\$ 44,201	\$ -	0.0%	\$ 27,217	\$ 27,217	\$ -	0.0%	\$ 28,164	\$ 28,164	\$ -	0.0%	\$ 99,582	\$ 99,582	\$ -	0.0%
6	160000260IU	\$ 17,048	\$ 17,048	\$ -	0.0%	\$ 13,386	\$ 13,386	\$ -	0.0%	\$ 4,206	\$ 4,206	\$ -	0.0%	\$ 34,639	\$ 34,639	\$ -	0.0%
7	160000263IU	\$ 103,060	\$ 103,060	\$ -	0.0%	\$ 50,640	\$ 50,640	\$ -	0.0%	\$ 99,170	\$ 99,170	\$ -	0.0%	\$ 252,870	\$ 252,870	\$ -	0.0%
8	160000377IU	\$ 55,129	\$ 55,129	\$ -	0.0%	\$ 55,295	\$ 55,295	\$ -	0.0%	\$ 53,550	\$ 53,550	\$ -	0.0%	\$ 163,974	\$ 163,974	\$ -	0.0%
9	160000473IU	\$ 25,537	\$ 25,537	\$ -	0.0%	\$ 88	\$ 88	\$ -	0.0%	\$ 45,699	\$ 45,699	\$ -	0.0%	\$ 71,324	\$ 71,324	\$ -	0.0%
10	160000726IU	\$ 38,281	\$ 38,281	\$ -	0.0%	\$ 31,402	\$ 31,402	\$ -	0.0%	\$ 34,717	\$ 34,717	\$ -	0.0%	\$ 104,399	\$ 104,399	\$ -	0.0%
11	170000068IU	\$ 34,206	\$ 34,206	\$ -	0.0%	\$ 24,062	\$ 24,062	\$ -	0.0%	\$ 29,010	\$ 29,010	\$ -	0.0%	\$ 87,279	\$ 87,279	\$ -	0.0%
12	170000263IU	\$ 15,981	\$ 20,000	\$ (4,019)	-25.1%	\$ 4,991	\$ 4,991	\$ -	0.0%	\$ 5,825	\$ 4,000	\$ 1,825	31.3%	\$ 26,798	\$ 28,991	\$ (2,194)	-8.2%
13	170000277IU	\$ 33,592	\$ 33,592	\$ -	0.0%	\$ 94,829	\$ 94,829	\$ -	0.0%	\$ 9,014	\$ 9,014	\$ -	0.0%	\$ 137,435	\$ 137,435	\$ -	0.0%
14	170000280IU	\$ 24,504	\$ 24,504	\$ -	0.0%	\$ 7,082	\$ 7,082	\$ -	0.0%	\$ 13,542	\$ 13,542	\$ -	0.0%	\$ 45,129	\$ 45,129	\$ -	0.0%
15	170000327IU	\$ 32,704	\$ 32,704	\$ -	0.0%	\$ 24,970	\$ 24,970	\$ -	0.0%	\$ 22,472	\$ 22,472	\$ -	0.0%	\$ 80,145	\$ 80,145	\$ -	0.0%
16	170000411IU	\$ 28,975	\$ 28,975	\$ -	0.0%	\$ 9,933	\$ 9,933	\$ -	0.0%	\$ 12,000	\$ 12,000	\$ -	0.0%	\$ 50,907	\$ 50,907	\$ -	0.0%
17	170000420IU	\$ 4,313	\$ 4,313	\$ -	0.0%	\$ 9,698	\$ 9,698	\$ -	0.0%	\$ 43,288	\$ 43,288	\$ -	0.0%	\$ 57,299	\$ 57,299	\$ -	0.0%
18	170000496IU	\$ 79,560	\$ 79,560	\$ -	0.0%	\$ 76,468	\$ 76,468	\$ -	0.0%	\$ 47,937	\$ 47,937	\$ -	0.0%	\$ 203,965	\$ 203,965	\$ -	0.0%
19	170000530IU	\$ 54,578	\$ 54,578	\$ -	0.0%	\$ 18,249	\$ 18,249	\$ -	0.0%	\$ 17,677	\$ 17,677	\$ -	0.0%	\$ 90,503	\$ 90,503	\$ -	0.0%
20	170000668IU	\$ 8,313	\$ 8,313	\$ -	0.0%	\$ 56,260	\$ 56,260	\$ -	0.0%	\$ 5,252	\$ 5,252	\$ -	0.0%	\$ 69,825	\$ 69,825	\$ -	0.0%
21	170000766IU	\$ 19,164	\$ 19,164	\$ -	0.0%	\$ 20,783	\$ 20,783	\$ -	0.0%	\$ 9,133	\$ 9,133	\$ -	0.0%	\$ 49,080	\$ 49,080	\$ -	0.0%
22	180000022IU	\$ 21,200	\$ 21,200	\$ -	0.0%	\$ 29,113	\$ 29,113	\$ -	0.0%	\$ 16,697	\$ 16,697	\$ -	0.0%	\$ 67,010	\$ 67,010	\$ -	0.0%
23	180000065IU	\$ 23,926	\$ 23,926	\$ -	0.0%	\$ 14,091	\$ 14,091	\$ -	0.0%	\$ 5,599	\$ 5,599	\$ -	0.0%	\$ 43,616	\$ 43,616	\$ -	0.0%
24	180000084IU	\$ 64,210	\$ 64,210	\$ -	0.0%	\$ 98,400	\$ 98,400	\$ -	0.0%	\$ 46,773	\$ 46,773	\$ -	0.0%	\$ 209,383	\$ 209,383	\$ -	0.0%
25	180000108IU	\$ 10,200	\$ 10,200	\$ -	0.0%	\$ 39,709	\$ 39,709	\$ -	0.0%	\$ 3,430	\$ 3,430	\$ -	0.0%	\$ 53,339	\$ 53,339	\$ -	0.0%
26	180000175IU	\$ 42,096	\$ 42,096	\$ -	0.0%	\$ 21,895	\$ 21,895	\$ -	0.0%	\$ 52,454	\$ 52,454	\$ -	0.0%	\$ 116,445	\$ 116,445	\$ -	0.0%
27	180000195IU	\$ 60,839	\$ 60,839	\$ -	0.0%	\$ 37,577	\$ 37,577	\$ -	0.0%	\$ 33,764	\$ 33,764	\$ -	0.0%	\$ 132,179	\$ 132,179	\$ -	0.0%
28	180000259IU	\$ 48,774	\$ 48,774	\$ -	0.0%	\$ 109,916	\$ 109,916	\$ -	0.0%	\$ 82,233	\$ 82,233	\$ -	0.0%	\$ 240,923	\$ 240,923	\$ -	0.0%
29	180000418IU	\$ 12,515	\$ 12,515	\$ -	0.0%	\$ 420	\$ 420	\$ -	0.0%	\$ 16,250	\$ 16,250	\$ -	0.0%	\$ 29,185	\$ 29,185	\$ -	0.0%
30	180000443IU	\$ 38,085	\$ 38,085	\$ -	0.0%	\$ 155,710	\$ 155,710	\$ -	0.0%	\$ 15,215	\$ 15,215	\$ -	0.0%	\$ 209,010	\$ 209,010	\$ -	0.0%
31	180000470IU	\$ 20,078	\$ 20,078	\$ -	0.0%	\$ 2,610	\$ 2,610	\$ -	0.0%	\$ 5,235	\$ 5,235	\$ -	0.0%	\$ 27,922	\$ 27,922	\$ -	0.0%
32	180000520IU	\$ 41,684	\$ 41,684	\$ -	0.0%	\$ 76,239	\$ 76,239	\$ -	0.0%	\$ 7,902	\$ 7,902	\$ -	0.0%	\$ 125,825	\$ 125,825	\$ -	0.0%
33	180000618IU	\$ 8,206	\$ 8,206	\$ -	0.0%	\$ 12,664	\$ 12,664	\$ -	0.0%	\$ 7,794	\$ 7,794	\$ -	0.0%	\$ 28,664	\$ 28,664	\$ -	0.0%
34	180000653IU	\$ 5,704	\$ 5,704	\$ -	0.0%	\$ 58,290	\$ 58,290	\$ -	0.0%	\$ 5,357	\$ 5,357	\$ -	0.0%	\$ 69,351	\$ 69,351	\$ -	0.0%
35	180000662IU	\$ 32,067	\$ 32,067	\$ -	0.0%	\$ 63,709	\$ 63,709	\$ -	0.0%	\$ 29,939	\$ 29,939	\$ -	0.0%	\$ 125,714	\$ 125,714	\$ -	0.0%
36	190000031IU	\$ 53,395	\$ 53,395	\$ -	0.0%	\$ 11,806	\$ 11,806	\$ -	0.0%	\$ 17,000	\$ 17,000	\$ -	0.0%	\$ 82,200	\$ 82,200	\$ -	0.0%
37	190000040IU	\$ 21,985	\$ 21,985	\$ -	0.0%	\$ 48,140	\$ 48,140	\$ -	0.0%	\$ 44,134	\$ 44,134	\$ -	0.0%	\$ 114,259	\$ 114,259	\$ -	0.0%
38	190000143IU	\$ 96,901	\$ 96,901	\$ -	0.0%	\$ 40,020	\$ 40,020	\$ -	0.0%	\$ 67,789	\$ 67,789	\$ -	0.0%	\$ 204,710	\$ 204,710	\$ -	0.0%
39	190000216IU	\$ 77,548	\$ 77,548	\$ -	0.0%	\$ 71,592	\$ 71,592	\$ -	0.0%	\$ 42,758	\$ 42,758	\$ -	0.0%	\$ 191,897	\$ 191,897	\$ -	0.0%
40	190000262IU	\$ 8,541	\$ 8,541	\$ -	0.0%	\$ 4,468	\$ 4,468	\$ -	0.0%	\$ 12,182	\$ 12,182	\$ -	0.0%	\$ 25,192	\$ 25,192	\$ -	0.0%
41	190000298IU	\$ 20,155	\$ 20,155	\$ -	0.0%	\$ 10,350	\$ 10,350	\$ -	0.0%	\$ 37,287	\$ 37,287	\$ -	0.0%	\$ 67,792	\$ 67,792	\$ -	0.0%
42	190000325IU	\$ 39,972	\$ 39,972	\$ -	0.0%	\$ 72,685	\$ 72,685	\$ -	0.0%	\$ 25,550	\$ 25,550	\$ -	0.0%	\$ 138,207	\$ 138,207	\$ -	0.0%
43	190000508IU	\$ 50,764	\$ 55,764	\$ (5,000)	-9.8%	\$ 77,955	\$ 83,955	\$ (6,000)	-7.7%	\$ 47,142	\$ 47,142	\$ -	0.0%	\$ 175,861	\$ 186,861	\$ (11,000)	-6.3%
44	190000529IU	\$ 19,534	\$ 19,534	\$ -	0.0%	\$ 35,679	\$ 35,679	\$ -	0.0%	\$ 5,217	\$ 5,217	\$ -	0.0%	\$ 60,430	\$ 60,430	\$ -	0.0%
45	190000547IU	\$ 32,503	\$ 32,503	\$ -	0.0%	\$ 19,840	\$ 19,840	\$ -	0.0%	\$ 7,057	\$ 7,057	\$ -	0.0%	\$ 59,400	\$ 59,400	\$ -	0.0%
46	190000549IU	\$ 12,251	\$ 12,251	\$ -	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 19,492	\$ 19,492	\$ -	0.0%	\$ 31,743	\$ 31,743	\$ -	0.0%
47	190000568IU	\$ 25,828	\$ 25,828	\$ -	0.0%	\$ 3,559	\$ 3,559	\$ -	0.0%	\$ 7,007	\$ 7,007	\$ -	0.0%	\$ 36,394	\$ 36,394	\$ -	0.0%
48	190000607IU	\$ 10,000	\$ 10,000	\$ -	0.0%	\$ 8,798	\$ 8,798	\$ -	0.0%	\$ 20	\$ 20	\$ -	0.0%	\$ 18,818	\$ 18,818	\$ -	0.0%
49	190000624IU	\$ 25,333	\$ 25,333	\$ -	0.0%	\$ 3,156	\$ 3,156	\$ -	0.0%	\$ 20,775	\$ 20,775	\$ -	0.0%	\$ 49,263	\$ 49,263	\$ -	0.0%
50	190000663IU	\$ 22,009	\$ 22,009	\$ -	0.0%	\$ 31,657	\$ 31,657	\$ -	0.0%	\$ 27,167	\$ 27,167	\$ -	0.0%	\$ 80,834	\$ 80,834	\$ -	0.0%
51	200000003IU	\$ 15,660	\$ 15,660	\$ -	0.0%	\$ 20,256	\$ 20,256	\$ -	0.0%	\$ 2,164	\$ 2,164	\$ -	0.0%	\$ 38,080	\$ 38,080	\$ -	0.0%
52	200000038IU	\$ 18,727	\$ 18,727	\$ -	0.0%	\$ 136,799	\$ 136,799	\$ -	0.0%	\$ 38,638	\$ 38,638	\$ -	0.0%	\$ 194,164	\$ 194,164	\$ -	0.0%
53	200000052IU	\$ 19,605	\$ 19,605	\$ -	0.0%	\$ 4,840	\$ 4,840	\$ -	0.0%	\$ 6,184	\$ 6,184	\$ -	0.0%	\$ 30,629	\$ 30,629	\$ -	0.0%
54	200000067IU	\$ 37,000	\$ 37,000	\$ -	0.0%	\$ 103,662	\$ 103,662	\$ -	0.0%	\$ 6,872	\$ 6,872	\$ -	0.0%	\$ 147,534	\$ 147,534	\$ -	0.0%
55	200000088IU	\$ 16,941	\$ 16,941	\$ -	0.0%	\$ 43,220	\$ 43,220	\$ -	0.0%	\$ 3,191	\$ 3,191	\$ -	0.0%	\$ 63,352	\$ 63,352	\$ -	0.0%
56	200000095IU	\$ 20,289	\$ 20,289	\$ -	0.0%	\$ 7,847	\$ 7,847	\$ -	0.0%	\$ 3,266	\$ 3,266	\$ -	0.0%	\$ 31,402	\$ 31,402	\$ -	0.0%
57	200000100IU	\$ 78,052	\$ 78,052	\$ -	0.0%	\$ 65,526	\$ 65,526	\$ -	0.0%	\$ 10,109	\$ 10,109	\$ -	0.0%	\$ 153,687	\$ 153,687	\$ -	0.0%
58	200000108IU	\$ 26,609	\$ 26,609	\$ -	0.0%	\$ 24,114	\$ 24,114	\$ -	0.0%	\$ 43,002	\$ 43,002	\$ -	0.0%	\$ 93,725	\$ 93,725	\$ -	0.0%
59	200000208IU	\$ 37,350	\$ 37,350	\$ -	0.0%	\$ 66,118	\$ 66,118	\$ -	0.0%	\$ 7,960	\$ 7,960	\$ -	0.0%	\$ 111,428	\$ 111,428	\$ -	0.0%
60	200000210IU	\$ 14,887	\$ 14,887	\$ -	0.0%	\$ 179	\$ 179	\$ -	0.0%	\$ 2,068	\$ 2,068	\$ -	0.0%	\$ 17,133	\$ 17,133	\$ -	0.0%
61	200000233IU	\$ 28,768	\$ 28,768	\$ -	0.0%	\$ 78,811	\$ 78,811	\$ -	0.0%	\$ 5,782	\$ 5,782	\$ -	0.0%	\$ 112,862	\$ 112,862	\$ -	0.0%
62	200000257IU	\$ 31,868	\$ 31,868	\$ -	0.0%	\$ 3,480	\$ 3,480	\$ -	0.0%	\$ 38,373	\$ 38,373	\$ -	0.0%	\$ 75,721	\$ 75,721	\$ -	0.0%
63	200000277IU	\$ 9,409	\$ 9,409	\$ -	0.0%	\$ 2,680	\$ 2,680	\$ -	0.0%	\$ 15,501	\$ 15,501	\$ -	0.0%	\$ 27,589	\$ 27,589	\$ -	0.0%
64	200000285IU	\$ 25,718	\$ 25,718	\$ -	0.0%	\$ 9,933	\$ 9,933	\$ -	0.0%	\$ 6,086	\$ 6,086	\$ -	0.0%	\$ 41,736	\$ 41,736	\$ -	0.0%
65	200000307IU	\$ 36,190	\$ 36,190	\$ -	0.0%	\$ 31,592	\$ 31,592	\$ -	0.0%	\$ 13,929	\$ 13,929	\$ -	0.0%	\$ 81,711	\$ 81,711	\$ -	0.0%
66	200000329IU	\$ 10,187	\$ 10,187	\$ -	0.0%	\$ 27,695	\$ 27,695	\$ -	0.0%	\$ 3,465	\$ 3,465	\$ -	0.0%	\$ 41,347	\$ 41,347	\$ -	0.0%
67	200000340IU	\$ 18,111	\$ 18,111	\$ -	0.0%	\$ 6,500	\$ 6,500	\$ -	0.0%	\$ 4,000	\$ 4,000	\$ -	0.0%	\$ 28,611	\$ 28,611	\$ -	0.0%
68	200000372IU</																

2022 ANNUAL AUDIT OF CLAIMS MANAGEMENT
& CASE MANAGEMENT SERVICES PROVIDER

JUDICIAL BRANCH WORKERS'
COMPENSATION PROGRAM

91	210000324IUD	\$ 11,205	\$ 11,205	\$ -	0.0%	\$ 3,939	\$ 3,939	\$ -	0.0%	\$ 2,242	\$ 2,242	\$ -	0.0%	\$ 17,386	\$ 17,386	\$ -	0.0%
92	210000338IUD	\$ 14,937	\$ 14,937	\$ -	0.0%	\$ 31,971	\$ 31,971	\$ -	0.0%	\$ 15,788	\$ 15,788	\$ -	0.0%	\$ 62,696	\$ 62,696	\$ -	0.0%
93	210000363IUD	\$ 19,465	\$ 19,967	\$ 1,503	7.7%	\$ 6,215	\$ 14,483	\$ (8,268)	-133.0%	\$ 29,863	\$ 29,863	\$ -	0.0%	\$ 55,543	\$ 62,307	\$ (6,764)	-12.2%
94	210000388IUD	\$ 5,959	\$ 5,959	\$ -	0.0%	\$ 16,095	\$ 16,095	\$ -	0.0%	\$ 1,492	\$ 1,492	\$ -	0.0%	\$ 23,545	\$ 23,545	\$ -	0.0%
95	210000397IUD	\$ 7,200	\$ 7,200	\$ -	0.0%	\$ 3,605	\$ 3,605	\$ -	0.0%	\$ 3,703	\$ 3,703	\$ -	0.0%	\$ 14,507	\$ 14,507	\$ -	0.0%
96	210000411IUD	\$ 10,750	\$ 10,750	\$ -	0.0%	\$ 39,762	\$ 39,762	\$ -	0.0%	\$ 17,500	\$ 17,500	\$ -	0.0%	\$ 68,012	\$ 68,012	\$ -	0.0%
97	210000462IUD	\$ 10,000	\$ 10,000	\$ -	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 16,500	\$ 16,500	\$ -	0.0%	\$ 26,500	\$ 26,500	\$ -	0.0%
98	210000478IUD	\$ 15,412	\$ 15,412	\$ (0)	0.0%	\$ 21,619	\$ 21,619	\$ (0)	0.0%	\$ 4,481	\$ 6,700	\$ (2,219)	-49.5%	\$ 41,512	\$ 43,731	\$ (2,219)	-5.3%
99	210000485IUD	\$ 10,747	\$ 10,747	\$ -	0.0%	\$ 25,023	\$ 25,023	\$ -	0.0%	\$ 1,800	\$ 1,800	\$ -	0.0%	\$ 37,570	\$ 37,570	\$ -	0.0%
100	210000528IUD	\$ 15,337	\$ 15,337	\$ -	0.0%	\$ 3,450	\$ 3,450	\$ -	0.0%	\$ 4,525	\$ 4,525	\$ -	0.0%	\$ 23,312	\$ 23,312	\$ -	0.0%
101	210000537IUD	\$ 51,932	\$ 51,932	\$ -	0.0%	\$ 43,879	\$ 43,879	\$ -	0.0%	\$ 38,068	\$ 38,068	\$ -	0.0%	\$ 133,878	\$ 133,878	\$ -	0.0%
102	220000101IUD	\$ 14,000	\$ 11,360	\$ 2,640	18.9%	\$ -	\$ 5,000	\$ (5,000)	#DIV/0!	\$ 17,000	\$ 10,739	\$ 6,261	36.8%	\$ 31,000	\$ 27,099	\$ 3,901	12.6%
103	220000204IUD	\$ 1,523	\$ 1,523	\$ -	0.0%	\$ 5,220	\$ 5,220	\$ -	0.0%	\$ 2,000	\$ 2,000	\$ -	0.0%	\$ 8,743	\$ 8,743	\$ -	0.0%
104	220000140IUD	\$ 10,807	\$ 10,807	\$ -	0.0%	\$ 1,370	\$ 1,370	\$ -	0.0%	\$ 2,608	\$ 2,608	\$ -	0.0%	\$ 14,785	\$ 14,785	\$ -	0.0%
105	220000202IUD	\$ 16,328	\$ 21,360	\$ (5,032)	-30.8%	\$ 200	\$ 11,000	\$ (10,800)	-5400.6%	\$ 5,906	\$ 13,895	\$ (7,989)	-135.3%	\$ 22,434	\$ 46,255	\$ (23,821)	-106.2%
106	220000235IUD	\$ 16,021	\$ 16,021	\$ -	0.0%	\$ 663	\$ 663	\$ -	0.0%	\$ 2,429	\$ 2,429	\$ -	0.0%	\$ 19,113	\$ 19,113	\$ -	0.0%
107	220000278IUD	\$ 29,769	\$ 85,000	\$ (55,231)	-185.5%	\$ 102,866	\$ 142,865	\$ (39,999)	-38.9%	\$ 25,999	\$ 32,000	\$ (6,001)	-23.1%	\$ 158,634	\$ 259,865	\$ (101,231)	-63.8%
108	220000305IUD	\$ 7,500	\$ 7,500	\$ -	0.0%	\$ 53,759	\$ 53,759	\$ -	0.0%	\$ 2,200	\$ 2,200	\$ -	0.0%	\$ 63,459	\$ 63,459	\$ -	0.0%
109	220000433IUD	\$ 10,741	\$ 10,741	\$ -	0.0%	\$ 38,462	\$ 38,462	\$ -	0.0%	\$ 2,500	\$ 2,500	\$ -	0.0%	\$ 51,703	\$ 51,703	\$ -	0.0%
110	4A22074PBL7-0001	\$ 26,160	\$ 26,160	\$ -	0.0%	\$ 55,430	\$ 55,430	\$ -	0.0%	\$ 3,648	\$ 3,648	\$ -	0.0%	\$ 85,237	\$ 85,237	\$ -	0.0%
111	4A220765Q21-0001	\$ 6,110	\$ 6,110	\$ -	0.0%	\$ 5,748	\$ 5,748	\$ -	0.0%	\$ 1,112	\$ 1,112	\$ -	0.0%	\$ 12,970	\$ 12,970	\$ -	0.0%
112	4A2207CVVNH-0001	\$ 4,200	\$ 4,200	\$ -	0.0%	\$ 220	\$ 220	\$ -	0.0%	\$ 3,011	\$ 3,011	\$ -	0.0%	\$ 7,431	\$ 7,431	\$ -	0.0%
113	4A2207F0WF-0001	\$ -	\$ -	\$ -	#DIV/0!	\$ 674	\$ 674	\$ -	0.0%	\$ 11	\$ 11	\$ -	0.0%	\$ 685	\$ 685	\$ -	0.0%
114	4A2207L57K5-0001	\$ 10,400	\$ 10,400	\$ -	0.0%	\$ 26,122	\$ 26,122	\$ -	0.0%	\$ 3,928	\$ 3,928	\$ -	0.0%	\$ 40,450	\$ 40,450	\$ -	0.0%
115	4A22080NNSZ-0001	\$ 5,500	\$ 5,500	\$ -	0.0%	\$ 2,500	\$ 2,500	\$ -	0.0%	\$ 6,762	\$ 6,762	\$ -	0.0%	\$ 14,762	\$ 14,762	\$ -	0.0%
116	4A22080NPL1-0001	\$ 3,900	\$ 3,900	\$ -	0.0%	\$ 10,819	\$ 10,819	\$ -	0.0%	\$ 1,747	\$ 1,747	\$ -	0.0%	\$ 16,467	\$ 16,467	\$ -	0.0%
117	4A2208C29G6-0001	\$ 4,050	\$ 4,050	\$ -	0.0%	\$ 8,243	\$ 8,243	\$ -	0.0%	\$ 1,220	\$ 1,220	\$ -	0.0%	\$ 13,513	\$ 13,513	\$ -	0.0%
118	4A2208H3P6S-0001	\$ 136,020	\$ 136,020	\$ -	0.0%	\$ 77,375	\$ 77,375	\$ -	0.0%	\$ 25,482	\$ 25,482	\$ -	0.0%	\$ 238,877	\$ 238,877	\$ -	0.0%
119	4A2208J4FN6-0001	\$ 4,975	\$ 4,975	\$ -	0.0%	\$ 7,504	\$ 7,504	\$ -	0.0%	\$ 1,560	\$ 1,560	\$ -	0.0%	\$ 14,039	\$ 14,039	\$ -	0.0%
120	4A2208K5C02-0001	\$ 7,920	\$ 7,920	\$ -	0.0%	\$ 2,248	\$ 2,248	\$ -	0.0%	\$ 1,582	\$ 1,582	\$ -	0.0%	\$ 11,750	\$ 11,750	\$ -	0.0%
121	4A2208Q8K6R-0001	\$ 6,000	\$ 6,000	\$ -	0.0%	\$ 18,408	\$ 18,408	\$ -	0.0%	\$ 1,011	\$ 1,011	\$ -	0.0%	\$ 25,419	\$ 25,419	\$ -	0.0%
122	4A2208LF11-0001	\$ -	\$ -	\$ -	#DIV/0!	\$ 1,055	\$ 1,055	\$ -	0.0%	\$ 11	\$ 11	\$ -	0.0%	\$ 1,067	\$ 1,067	\$ -	0.0%
123	4A22091NK4-0001	\$ 16,210	\$ 16,210	\$ -	0.0%	\$ 1,529	\$ 1,529	\$ -	0.0%	\$ 3,512	\$ 3,512	\$ -	0.0%	\$ 21,251	\$ 21,251	\$ -	0.0%
124	4A22096RVMG-0001	\$ 11,900	\$ 11,900	\$ -	0.0%	\$ 5,435	\$ 5,435	\$ -	0.0%	\$ 3,520	\$ 3,520	\$ -	0.0%	\$ 20,855	\$ 20,855	\$ -	0.0%
125	4A22096SBH2-0001	\$ 5,900	\$ 5,900	\$ -	0.0%	\$ 24,635	\$ 24,635	\$ -	0.0%	\$ 1,971	\$ 1,971	\$ -	0.0%	\$ 32,507	\$ 32,507	\$ -	0.0%
126	4A22096SM3K-0001	\$ 3,900	\$ 3,900	\$ -	0.0%	\$ 11,173	\$ 11,173	\$ -	0.0%	\$ 1,971	\$ 1,971	\$ -	0.0%	\$ 17,044	\$ 17,044	\$ -	0.0%
127	4A22096GZV2-0001	\$ 5,960	\$ 5,960	\$ -	0.0%	\$ 4,081	\$ 4,081	\$ -	0.0%	\$ 1,990	\$ 1,990	\$ -	0.0%	\$ 12,031	\$ 12,031	\$ -	0.0%
128	4A2209H117G-0001	\$ 6,200	\$ 6,200	\$ -	0.0%	\$ 2,500	\$ 2,500	\$ -	0.0%	\$ 13,050	\$ 13,050	\$ -	0.0%	\$ 21,750	\$ 21,750	\$ -	0.0%
129	4A2209N380P-0001	\$ 12,200	\$ 12,200	\$ -	0.0%	\$ 2,500	\$ 2,500	\$ -	0.0%	\$ 12,512	\$ 12,512	\$ -	0.0%	\$ 27,212	\$ 27,212	\$ -	0.0%
130	4A2209P46ZT-0001	\$ 13,550	\$ 13,550	\$ -	0.0%	\$ 5,222	\$ 5,222	\$ -	0.0%	\$ 1,550	\$ 1,550	\$ -	0.0%	\$ 20,322	\$ 20,322	\$ -	0.0%
131	4A2209T71RH-0001	\$ 7,650	\$ 7,650	\$ -	0.0%	\$ 1,600	\$ 1,600	\$ -	0.0%	\$ 1,912	\$ 1,912	\$ -	0.0%	\$ 11,162	\$ 11,162	\$ -	0.0%
132	JC01000042	\$ 96,324	\$ 96,324	\$ -	0.0%	\$ 14,467	\$ 14,467	\$ -	0.0%	\$ 21,784	\$ 21,784	\$ -	0.0%	\$ 132,576	\$ 132,576	\$ -	0.0%
133	JC010020050	\$ 344,919	\$ 344,919	\$ -	0.0%	\$ 13,750	\$ 13,750	\$ -	0.0%	\$ 58,038	\$ 58,038	\$ -	0.0%	\$ 416,707	\$ 416,707	\$ -	0.0%
134	JC02000031	\$ 167,229	\$ 167,229	\$ -	0.0%	\$ 11,248	\$ 11,248	\$ -	0.0%	\$ 12,970	\$ 12,970	\$ -	0.0%	\$ 191,447	\$ 191,447	\$ -	0.0%
135	JC02000599	\$ 155,924	\$ 155,924	\$ -	0.0%	\$ 105,505	\$ 105,505	\$ -	0.0%	\$ 29,385	\$ 29,385	\$ -	0.0%	\$ 290,814	\$ 290,814	\$ -	0.0%
136	JC020020218	\$ 48,276	\$ 48,276	\$ -	0.0%	\$ 17,298	\$ 17,298	\$ -	0.0%	\$ 7,694	\$ 7,694	\$ -	0.0%	\$ 73,267	\$ 73,267	\$ -	0.0%
137	JC03000186	\$ 108,334	\$ 108,334	\$ -	0.0%	\$ 120,628	\$ 120,628	\$ -	0.0%	\$ 69,081	\$ 69,081	\$ -	0.0%	\$ 298,042	\$ 298,042	\$ -	0.0%
138	JC04000583	\$ 156,228	\$ 156,228	\$ -	0.0%	\$ 81,127	\$ 81,127	\$ -	0.0%	\$ 42,931	\$ 42,931	\$ -	0.0%	\$ 280,286	\$ 280,286	\$ -	0.0%
139	JC04000593	\$ 285,828	\$ 285,828	\$ -	0.0%	\$ 60,114	\$ 60,114	\$ -	0.0%	\$ 52,528	\$ 52,528	\$ -	0.0%	\$ 398,470	\$ 398,470	\$ -	0.0%
140	JC04001062	\$ 284,841	\$ 284,841	\$ -	0.0%	\$ 97,021	\$ 97,021	\$ -	0.0%	\$ 87,500	\$ 87,500	\$ -	0.0%	\$ 469,362	\$ 469,362	\$ -	0.0%
141	JC05001124	\$ 86,239	\$ 86,239	\$ -	0.0%	\$ 15,359	\$ 15,359	\$ -	0.0%	\$ 79,237	\$ 79,237	\$ -	0.0%	\$ 180,836	\$ 180,836	\$ -	0.0%
142	JC06000181	\$ 143,744	\$ 143,744	\$ -	0.0%	\$ 29,485	\$ 29,485	\$ -	0.0%	\$ 73,854	\$ 73,854	\$ -	0.0%	\$ 247,083	\$ 247,083	\$ -	0.0%
143	JC06000321	\$ 77,091	\$ 77,091	\$ -	0.0%	\$ 4,452	\$ 4,452	\$ -	0.0%	\$ 11,370	\$ 11,370	\$ -	0.0%	\$ 92,912	\$ 92,912	\$ -	0.0%
144	JC06000658	\$ 31,961	\$ 31,961	\$ -	0.0%	\$ 30,806	\$ 30,806	\$ -	0.0%	\$ 30,236	\$ 30,236	\$ -	0.0%	\$ 93,003	\$ 93,003	\$ -	0.0%
145	JC07000004	\$ 243,461	\$ 243,461	\$ -	0.0%	\$ 124,602	\$ 124,602	\$ -	0.0%	\$ 104,440	\$ 104,440	\$ -	0.0%	\$ 472,502	\$ 472,502	\$ -	0.0%
146	JC07000157	\$ 13,263	\$ 13,263	\$ -	0.0%	\$ 18,352	\$ 18,352	\$ -	0.0%	\$ 3,321	\$ 3,321	\$ -	0.0%	\$ 34,935	\$ 34,935	\$ -	0.0%
147	JC07000833	\$ 121,246	\$ 121,246	\$ -	0.0%	\$ 13,131	\$ 13,131	\$ -	0.0%	\$ 45,777	\$ 45,777	\$ -	0.0%	\$ 180,154	\$ 180,154	\$ -	0.0%
148	JC08000081	\$ 116,693	\$ 116,693	\$ -	0.0%	\$ 39,396	\$ 39,396	\$ -	0.0%	\$ 47,008	\$ 47,008	\$ -	0.0%	\$ 203,096	\$ 203,096	\$ -	0.0%
149	JC08000518	\$ 48,532	\$ 48,532	\$ -	0.0%	\$ 26,915	\$ 26,915	\$ -	0.0%	\$ 8,320	\$ 8,320	\$ -	0.0%	\$ 83,768	\$ 83,768	\$ -	0.0%
150	JC08000668	\$ 41,992	\$ 41,992	\$ -	0.0%	\$ 17,365	\$ 17,365	\$ -	0.0%	\$ 6,339	\$ 6,339	\$ -	0.0%	\$ 65,696	\$ 65,696	\$ -	0.0%
151	JC08002009	\$ 148,912	\$ 148,912	\$ -	0.0%	\$ 136,388	\$ 136,388	\$ -	0.0%	\$ 142,434	\$ 142,434	\$ -	0.0%	\$ 427,733	\$ 427,733	\$ -	0.0%
152	JC09000020	\$ 40,211	\$ 40,211	\$ -	0.0%	\$ 20,689	\$ 20,689	\$ -	0.0%	\$ 1,356	\$ 1,356	\$ -	0.0%	\$ 62,257	\$ 62,257	\$ -	0.0%
153	JC09002405	\$ 49,591	\$ 49,591	\$ -	0.0%	\$ 111	\$ 111	\$ -	0.0%	\$ 8,063	\$ 8,063	\$ -	0.0%	\$ 57,765	\$ 57,765	\$ -	0.0%
154	JC09002548	\$ 55,481	\$ 55,481	\$ -	0.0%	\$ 15,706	\$ 15,706	\$ -	0.0%	\$ 18,205	\$ 18,205	\$ -	0.0%	\$ 89,391	\$ 89,391	\$ -	0.0%
155	JC09002810	\$ 93,197	\$ 93,197	\$ -	0.0%	\$ 54,354	\$ 54,354	\$ -	0.0%	\$ 70,469	\$ 70,469	\$ -	0.0%	\$ 218,020	\$ 218,020	\$ -	0.0%
156	JC10000310	\$ 53,510	\$ 53,510	\$ -	0.0%	\$ 31,989	\$ 31,989	\$ -	0.0%	\$ 31,061	\$ 31,061	\$ -	0.0%	\$ 116,560	\$ 116,560	\$ -	0.0%
157	JC10000352	\$ 99,599	\$ 99,599	\$ -	0.0%	\$ 12,422	\$ 12,422	\$ -	0.0%	\$ 38,325	\$ 38,325	\$ -	0.0%	\$ 110,346	\$ 110,346	\$ -	0.0%
158	JC10000450	\$ 301,477	\$ 301,477	\$ -	0.0%	\$ 59,396	\$ 59,396	\$ -	0.0%	\$ 127,972	\$ 12						

Appendix F: Scoring By Adjuster

JBWCP 2022 ANNUAL TPA AUDIT SCORING SUMMARY	AUDIT CATEGORY SCORES		
	Total	Applicable	Score
Bosanko (Sarah)	31	31	94.97
Christian (Natalie)	26	26	81.42
Diaz (Rey Francis G.)	26	26	89.36
McWatters (Ben)	23	23	92.40
Palmer (Nadine)	18	18	92.58
Segovia-Humble (Stacey)	40	40	91.54
Williams (Justyce)	16	16	91.77
OVERALL AUDIT SCORE (Exclusively To TPA-Portion of The Annual Audit)			91.09

Consulting Solutions | Marsh Advisory

Marsh USA Inc.
America Tower
2929 Allen Parkway
26th Floor
Houston, TX 77019
+1 713 276 8000

**JUDICIAL BRANCH
WORKERS' COMPENSATION PROGRAM (JBWCP)**

**TRIAL COURTS
POOLED WORKERS' COMPENSATION PROGRAM**

MEMORANDUM OF COVERAGE



Judicial Council of California

**JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM
(JBWCP)**

WORKERS' COMPENSATION COVERAGE

DECLARATIONS

1. NAMED COVERED MEMBER: Judicial Branch Workers' Compensation Program, et al; As per Endorsement No. 1
2. TERM:
Inception: 12:01 a.m. Pacific Standard Time on July 1, 20__
Expiration: 12:01 a.m. Pacific Standard Time on July 1, 20__
3. EXCESS LIMITS OF LIABILITY:
Workers' Compensation \$100,000,000 ~~Million per loss~~ Per Occurrence
Employer's Liability \$2,000,000 ~~any one loss~~ Per Occurrence
4. FORMS ENDORSEMENTS: Form No. JBWCP 20__ - __ WC (A)
FORMING PART OF THE POLICY AT Endorsement No. 1
INCEPTION

ON BEHALF OF THE JUDICIAL BRANCH WORKERS' COMPENSATION
PROGRAM

AUTHORIZED REPRESENTATIVE

**JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM
(JBWCP)**

MEMORANDUM OF COVERAGE

WORKERS' COMPENSATION COVERAGE

ENDORSEMENT NO. 1

It is understood that the Covered Party of the Declarations is completed as follows:

Superior Court of California, County of Alameda
Superior Court of California, County of Alpine
Superior Court of California, County of Amador
Superior Court of California, County of Butte
Superior Court of California, County of Calaveras
Superior Court of California, County of Colusa
Superior Court of California, County of Contra Costa
Superior Court of California, County of Del Norte
Superior Court of California, County of El Dorado
Superior Court of California, County of Fresno
Superior Court of California, County of Glenn
Superior Court of California, County of Humboldt
Superior Court of California, County of Imperial
Superior Court of California, County of Inyo
Superior Court of California, County of Kern
Superior Court of California, County of Kings
Superior Court of California, County of Lake
Superior Court of California, County of Lassen
Superior Court of California, County of Madera
Superior Court of California, County of Marin
Superior Court of California, County of Mariposa
Superior Court of California, County of Mendocino
Superior Court of California, County of Merced
Superior Court of California, County of Modoc
Superior Court of California, County of Mono
Superior Court of California, County of Monterey
Superior Court of California, County of Napa
Superior Court of California, County of Nevada
Superior Court of California, County of Orange

Superior Court of California, County of Placer
Superior Court of California, County of Plumas
Superior Court of California, County of Riverside
Superior Court of California, County of Sacramento
Superior Court of California, County of San Benito
Superior Court of California, County of San Bernardino
Superior Court of California, County of San Diego
Superior Court of California, County of San Francisco
Superior Court of California, County of San Joaquin
Superior Court of California, County of San Luis Obispo
Superior Court of California, County of San Mateo
Superior Court of California, County of Santa Barbara
Superior Court of California, County of Santa Clara
Superior Court of California, County of Santa Cruz
Superior Court of California, County of Shasta
Superior Court of California, County of Sierra
Superior Court of California, County of Siskiyou
Superior Court of California, County of Solano
Superior Court of California, County of Sonoma
Superior Court of California, County of Stanislaus
Superior Court of California, County of Sutter
Superior Court of California, County of Tehama
Superior Court of California, County of Trinity
Superior Court of California, County of Tulare
Superior Court of California, County of Tuolumne
Superior Court of California, County of Ventura
Superior Court of California, County of Yolo
Superior Court of California, County of Yuba

Attached to and forming part of Policy No. JBWCP 2022-23 WC (A)

Effective Date: July 1, 20__

AUTHORIZED REPRESENTATIVE

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM (JBWCP)

MEMORANDUM OF COVERAGE

Trial Court Pooled Workers' Compensation Program

Form No. JBWCP 20__ - __ WC (A)

This Memorandum of Coverage (MOC) sets forth the terms, conditions, and limitations of coverage provided under the [Judicial Branch Workers' Compensation Program's \(JBWCP\)](#)'s Trial Court Pooled Workers' Compensation Program. The terms of this MOC may not be changed or waived except by amendment made a part of this MOC.

Throughout this MOC, words and phrases that appear in **bold** have special meaning. They are defined in General Section A, "Definitions."

GENERAL SECTION

A. DEFINITIONS

The terms in bold print are defined as follows:

1. **Bodily i**njury shall mean bodily injury by accident or disease, including death resulting therefrom, but shall not include **e**Occupational **d**Disease.
2. **Covered Party** shall mean a participant in the [JBWCP Program](#) which has sustained a **L**oss which is covered under this MOC of Coverage.
3. **Employee** shall mean any person performing work which renders the **Covered Party** legally liable as an employer under the Workers' Compensation [Act-Law](#) of the State of California, or under the common law of the State of California.
4. **Loss** shall mean only such amounts as are actually paid by the **Covered Party** in payment or benefits under the applicable **Workers' Compensation Law**, in settlement of claims, or in satisfaction of awards or judgments for liabilities imposed by the **Workers' Compensation Act-Law** or other law for **b**Bodily **i**njury or **e**Occupational **d**Disease to an **e**Employee.
5. **Occupational Disease** shall include (1) death resulting therefrom and (2) cumulative injuries.
6. [Occurrence shall mean an injury or disease of an Employee arising out of and in the course of employment that is compensable under the Workers' Compensation Law. Bodily Injury, illness, or disease sustained by one \(1\) or](#)

more **Employees**, as a result of a single accident, incident, or exposure, shall be deemed to arise from a single **Occurrence**. The **Occurrence** shall be deemed to take place on the earlier of (a) the last day of the last exposure, in the employment of the **Covered Party**, to conditions causing or aggravating the disease, or (b) the date upon which the **Employee** first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by employment with the **Covered Party**. All **Occupational Disease** sustained by one (1) or more **Employees** as a result of an outbreak of the same communicable disease shall be deemed to arise from a single **Occurrence**. An outbreak of the same communicable disease that spans more than one coverage period shall be deemed to take place during the first such coverage period.

6-7. **Participant** shall mean a trial court which has elected to participate as a Member of in the JBWCP's Trial Court Pooled Workers' Compensation Program **and are listed on Endorsement Number 1 of the MOC.**

B. THE MEMORANDUM OF COVERAGE

This MOC includes at its effective date the Declarations Page and all endorsements listed on the Declarations Page. This MOC is the coverage document between the **Covered Party** and the JBWCP. The terms of this MOC may not be changed or waived except by endorsement issued by the JBWCP to be part of this MOC.

C. COVERAGE PERIOD

This MOC applies to ~~losses~~ **Loss(es) resulting from an Occurrence** ~~occurring~~ during the coverage period defined in the Declarations.

D. WHO IS COVERED

The **Covered Party** is a **Participant** in the JBWCP. If a **Covered Party** loses its status as a Member, the coverage under this MOC shall terminate immediately upon such change in status.

Volunteer workers are also afforded workers' compensation benefits for performing duties for or on behalf of the **Covered Party** while acting within the scope of their duties on behalf of the **Covered Party** provided that the **Covered Party** has first adopted a resolution as provided in Division 4, Part 1, Chapter 2, Article 2 of the California Labor Code declaring such volunteer workers to be **eEmployees** of the **Covered Party** for purposes of **Workers' Compensation Law**. Unpaid interns are considered volunteers under this section.

Trial Court Jurors are also afforded workers' compensation benefits for performing duties for or on behalf of the **Covered Party** while acting within the scope of their duties.

E. WORKERS' COMPENSATION LAW

Workers' Compensation Law means the workers' or workmen's compensation law and ~~Occupational Disease~~ law of the State of California, or any similar law. It includes any amendments to that law that are in effect during the term of this MOC. It does not include any federal workers' or workmen's compensation law, any federal ~~Occupational Disease~~ law, or the provisions of any law that provide non-occupational disability benefits.

PART ONE – WORKERS' COMPENSATION COVERAGE

A. COVERAGE

The JBWCP will pay ~~those sums for~~ **Loss sustained as a result of an Occurrence** ~~for~~ which the **Covered Party** becomes liable under ~~the~~ **Workers' Compensation Law** ~~Act~~ to which this coverage applies. ~~The JBWCP will not pay more than provided that:~~

~~Limit of Liability stated in Item 3 of the Declarations page and further defined under Part Four of this Memorandum during the Coverage Period provided that:~~

1. Injury must occur during the coverage period; and
2. ~~Illness by disease must be caused or aggravated by the conditions of employment by the~~ **Covered Party** and the **eEmployee's** exposure to the conditions causing or aggravating such injury by disease must occur during the coverage period.

~~This includes coverage for Loss resulting from an Occurrence for Employees normally employed by the Covered Party in the State of California who perform work outside the State of California, but only if all of the following are true: such work is incidental to the Employee's regular employment in the State of California; such Loss is compensable under the Workers' Compensation Law and the Loss shall not be greater than it would have been had liability been imposed by the State of California; the Employee claims benefits under the Workers' Compensation Law and benefits under the Workers' Compensation Law are administered.~~

~~Although Out of State premiums are not covered by the JBWCP program, the program will work with each trial court to facilitate the process. Please contact JBWCP staff for assistance in procuring out of state coverage. Trial courts will be responsible for payment on all eOut of sState coverage.~~

B. DEFENSE

The JBWCP has the right and duty to defend at its expense any claim, proceeding, or suit against the **Covered Party** for liabilities payable by this coverage. The JBWCP has the right to investigate and settle these claims, proceedings, or suits.

The JBWCP shall provide for the defense of, but not the indemnity for, serious and willful misconduct pursuant to Labor Code [section](#) 4553, or discrimination or any other actions pursuant to Labor Code [section](#) 132a brought before the Workers' Compensation Appeals Board (WCAB). The JBWCP's duty to defend such claims shall cease upon the resolution of the underlying claim for disability.

C. PAYMENTS THE MEMBER MUST MAKE

The JBWCP is not responsible for any payments in excess of benefits regularly provided by the **Workers' Compensation LawAet** including those imposed on the **Covered Party** because:

1. Of the **Covered Party's** serious and willful misconduct (except as stated herein above);
2. The **Covered Party** employs an **eEmployee** in violation of law;
3. The **Covered Party** fails to comply with a health or safety law or regulation;
4. The **Covered Party** discharges, coerces, or otherwise discriminates against any **eEmployee** in violation of the **Workers' Compensation LawAet**; or
5. The **Covered Party** violates or fails to comply with any **Workers' Compensation Law** or regulation.

If the JBWCP makes any payments in excess of the benefits regularly provided by the **Workers' Compensation LawAet** on the **Covered Party's** behalf, the **Covered Party** shall reimburse the JBWCP promptly.

PART TWO – EMPLOYER'S LIABILITY COVERAGE

The **Program** will provide coverage for ~~em~~**Employer's** ~~Liability losses~~ **Liability Losses** up to the ~~Employer's Liability Program's Limit of Liability~~ stated in the Declarations Page.

This coverage applies to **bBodily iInjury**. This coverage is subject to the Limit of Liability set forth herein, provided that those amounts awarded are the direct consequence of **bBodily iInjury** that arises out of and in the course of the injured **eEmployee's** employment by the **Covered Party**, and are claimed against the **Covered Party** in a capacity other than as employer.

1. The **bBodily iInjury** must arise out of and in the course of the injured **eEmployee's** employment by the **Covered Party**.
2. **Bodily iInjury** by accident must occur during the coverage period.

3. **Bodily iInjury** by disease must be caused or aggravated by the conditions of employment by the **Covered Party**. The **eEmployee's** exposure to the conditions causing or aggravating such **bBodily iInjury** by disease must occur during the coverage period.

PART THREE - POLICY EXCLUSIONS

This MOC shall not apply to:

- A. Liability imposed by the **Workers' Compensation Laws** because of **bBodily iInjury** to prisoners or inmates who receive compensation from an entity, other than the **Covered Party**, for the work performed except for liability imposed by the **Workers' Compensation Laws** because of **bBodily iInjury** to participants of a work release program or other community service program established by a county of the State of California.
- B. Employer's Liability Coverage herein does not apply to:
 1. Any obligation imposed by a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law.
 2. **Bodily injury**, illness or disease intentionally caused or aggravated or caused at the direction of the **Covered Party**.
 3. Bodily injury to an employee while employed in violation of law with the actual knowledge of the **Covered Party**.

~~E.C.~~ Liability for additional compensation imposed on the **Covered Party** under Labor Code ~~S~~section 4557 by reason of injury to an **eEmployee** under sixteen (16) years of age and illegally employed at the time of the injury.

~~F.D.~~ Liability imposed by Labor Code ~~S~~section 4856.

PART FOUR - THE COVERED PARTY'S RETENTION AND JBWCP'S LIMIT OF LIABILITY

A. LIMIT OF COVERAGE BY JBWCP

The **JBWCP** will indemnify the **Covered Party** for **HLoss resulting from an Occurrence** under **Workers' Compensation Laws**, but will not exceed the **JBWCP** Limit of Liability stated in Item 3 of the Declarations Page on any one **HLoss**. Coverage will include all benefits required under **Workers' Compensation Laws**, including full salary benefits listed in Labor Code ~~S~~section 4850. The **JBWCP** will pay on behalf of the **Covered Party** for Employer's Liability **HLosses** but will not exceed the Limits of Liability stated in Item 3 of the Declarations Page on any one **HLoss**.

B. HOW THE LIMIT OF COVERAGE APPLIES

The JBWCP's Limit of ~~Liability Coverage~~ stated in the Declarations Page applies to ~~claims~~ Loss resulting from an Occurrence covered under the Workers' Compensation Coverage or Employer's Liability Coverage as follows:

1. To one (1) or more ~~e~~Employees for ~~b~~Bodily ~~i~~Injury or death in any one accident; and
2. To any one (1) ~~e~~Employee for ~~b~~Bodily ~~i~~Injury or death by disease.

Nothing contained herein shall operate to increase the JBWCP's Limit of ~~Coverage~~ Liability under this MOC.

PART FIVE - CONDITIONS

A. NOTICE OF ACCIDENT

1. The **Covered Party** shall immediately; within the reporting requirements of the State of California give prompt written notice to the JBWCP, or its agent, if a claim for an injury, illness, or disease occurs which appears to involve coverage by the JBWCP.
2. Notice of injury, illness, or disease given to the JBWCP shall contain complete details on the injury, illness, or disease. If a suit, claim, or other proceeding is commenced which appears to involve coverage by the JBWCP, the **Covered Party** shall give the JBWCP:
 - a) all notices and legal papers related to the claim, proceeding, or suit, or copies of these notices and legal papers;
 - b) copies of reports on investigations made by the **Covered Party** on such claims, proceedings, or suits.

~~If written notice is not provided by the Covered Party to the JBWCP within thirty (30) calendar days of knowledge of such claim, coverage will not be provided under this Memorandum of Coverage.~~

3. If continued cooperation through the life of the claim is not provided by the Covered Party to the JBWCP within thirty (30) calendar days of knowledge of such claim, or subsequent details about the injury, disease or death including any correspondence and communication with the injured Employee, the JBWCP may be required to make decisions on behalf of the Covered Party. JBWCP will continue to contact and work with the member before making any final decisions.

This requirement is a condition precedent to coverage under this MOC.

B. SUBROGATION - RECOVERY FROM OTHERS

1. The JBWCP has the Covered Party's rights, and the rights of persons entitled to workers' compensation benefits from the **Covered Party**, to recover the JBWCP's loss from any third person liable for the injury, illness or disease.
2. The **Covered Party** shall not take any action after injury or disease that would jeopardize the JBWCP's right of recovery.
3. Any subrogation recovery by the JBWCP will be used to reduce the JBWCP's **Loss**

C. MEMORANDUM CONFORMS TO LAW

If terms of this Memorandum MOC are in conflict with any laws applicable to this Memorandum this statement amends this Memorandum MOC to conform to such law or document.

D. ACCEPTANCE

By acceptance of this Memorandum MOC, the **Covered Party** agrees that the statements made on the Declarations Page are the **Covered Party's** agreements and representations, that this Memorandum MOC is issued in reliance upon the truth of such representations, and that this Memorandum MOC embodies all agreements existing between the **Covered Party** and the JBWCP or any of the JBWCP's agents relating to this coverage.

E. INSPECTION

The JBWCP has the right, but is not obligated review the **Covered Party's** programs and operations relating to safety. The JBWCP may give the **Covered Party** reports on the conditions the JBWCP finds. The JBWCP may recommend changes. While they may help reduce losses, the JBWCP does not undertake to perform the duty of any person to provide for the health or safety of the **Covered Party's** **eEmployees** or the public. The

JBWCP does not warrant that the **Covered Party's** workplaces are safe or healthful or that they comply with law, regulations, codes, or standards.

F. OTHER INSURANCE

If the **Covered Party** carries other valid and collectible insurance with any other insurer or reinsurer covering a **Loss** also covered by this agreement, the coverage afforded by this agreement shall apply in excess of and shall not contribute with such other insurance.

F.G. TRANSFER OF THE COVERED PARTY'S RIGHTS AND DUTIES

The **Covered Party's** rights and duties under this Memorandum-MOC may not be transferred without the JBWCP's written consent.

G.H. DISPUTES AND APPEALS/ARBITRATION

Final decisions by the JBWCP concerning a claim (including, but not limited to, decisions regarding claim resolution, negotiation, investigation, defense, appeal, or settlement, and decisions about whether coverage exists for a particular claim or part of a claim) shall be made by the Advisory Committee of the JBWCP or its designee within sixty (60) days. ~~The JBWCP and Covered Party may agree to submit any dispute arising from such decisions to binding arbitration if mutually agreeable by all disputing parties.~~

~~Arbitration shall be conducted pursuant to the California Code of Civil Procedure, Title 9 (commencing with Section 1280). The parties may agree upon a single arbitrator, in which case arbitration shall be conducted by that single arbitrator. If the parties cannot agree upon a single arbitrator, arbitration shall be conducted by a three-person panel. The Covered Party shall select one (1) arbitrator and the JBWCP shall select one (1) arbitrator, and the two (2) arbitrators shall select a third (3rd) arbitrator upon mutual agreement. No arbitrator shall be employed or affiliated with the Program or the Covered Party.~~

~~The selection of arbitrators shall take place within twenty (20) calendar days from the receipt of the request for arbitration.~~

~~If a single arbitrator is used, each party shall bear one-half (1/2) of the cost of the arbitrator. In three (3) arbitrator cases, each party shall bear the cost of its selected arbitrator and one-half (1/2) of the third (3rd) selected arbitrator. In addition, each party shall be responsible for its own costs and expenses of arbitration.~~

~~Any matter in dispute between the Covered Party and the Program Administrator, outside of a coverage dispute outlined in the Memorandum of Coverage MOC, shall be called to the attention of the Program Administrator, and heard by the Advisory Committee or its designee. The Advisory Committee or its designee will review the dispute and respond to the Covered Party within Sixty (60) days of submittal.~~

**JUDICIAL BRANCH
WORKERS' COMPENSATION PROGRAM (JBWCP)**

**TRIAL COURTS
POOLED WORKERS' COMPENSATION PROGRAM**

MEMORANDUM OF COVERAGE



Judicial Council of California

**JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM
(JBWCP)**

WORKERS' COMPENSATION COVERAGE

DECLARATIONS

1. NAMED COVERED MEMBER: Judicial Branch Workers' Compensation Program, et al; As per Endorsement No. 1
2. TERM:
Inception: 12:01 a.m. Pacific Standard Time on July 1, 20__
Expiration: 12:01 a.m. Pacific Standard Time on July 1, 20__
3. EXCESS LIMITS OF LIABILITY:
Workers' Compensation \$100,000,000 Per Occurrence
Employer's Liability \$2,000,000 Per Occurrence
4. FORMS ENDORSEMENTS: Form No. JBWCP 20__ - __ WC (A)
FORMING PART OF THE POLICY AT Endorsement No. 1
INCEPTION

ON BEHALF OF THE JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

AUTHORIZED REPRESENTATIVE

**JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM
(JBWCP)**

MEMORANDUM OF COVERAGE

WORKERS' COMPENSATION COVERAGE

ENDORSEMENT NO. 1

It is understood that the Covered Party of the Declarations is completed as follows:

Superior Court of California, County of Alameda
Superior Court of California, County of Alpine
Superior Court of California, County of Amador
Superior Court of California, County of Butte
Superior Court of California, County of Calaveras
Superior Court of California, County of Colusa
Superior Court of California, County of Contra Costa
Superior Court of California, County of Del Norte
Superior Court of California, County of El Dorado
Superior Court of California, County of Fresno
Superior Court of California, County of Glenn
Superior Court of California, County of Humboldt
Superior Court of California, County of Imperial
Superior Court of California, County of Inyo
Superior Court of California, County of Kern
Superior Court of California, County of Kings
Superior Court of California, County of Lake
Superior Court of California, County of Lassen
Superior Court of California, County of Madera
Superior Court of California, County of Marin
Superior Court of California, County of Mariposa
Superior Court of California, County of Mendocino
Superior Court of California, County of Merced
Superior Court of California, County of Modoc
Superior Court of California, County of Mono
Superior Court of California, County of Monterey
Superior Court of California, County of Napa
Superior Court of California, County of Nevada
Superior Court of California, County of Orange

Superior Court of California, County of Placer
Superior Court of California, County of Plumas
Superior Court of California, County of Riverside
Superior Court of California, County of Sacramento
Superior Court of California, County of San Benito
Superior Court of California, County of San Bernardino
Superior Court of California, County of San Diego
Superior Court of California, County of San Francisco
Superior Court of California, County of San Joaquin
Superior Court of California, County of San Luis Obispo
Superior Court of California, County of San Mateo
Superior Court of California, County of Santa Barbara
Superior Court of California, County of Santa Clara
Superior Court of California, County of Santa Cruz
Superior Court of California, County of Shasta
Superior Court of California, County of Sierra
Superior Court of California, County of Siskiyou
Superior Court of California, County of Solano
Superior Court of California, County of Sonoma
Superior Court of California, County of Stanislaus
Superior Court of California, County of Sutter
Superior Court of California, County of Tehama
Superior Court of California, County of Trinity
Superior Court of California, County of Tulare
Superior Court of California, County of Tuolumne
Superior Court of California, County of Ventura
Superior Court of California, County of Yolo
Superior Court of California, County of Yuba

Attached to and forming part of Policy No. JBWCP 2022-23 WC (A)

Effective Date: July 1, 20__

AUTHORIZED REPRESENTATIVE

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM (JBWCP)

MEMORANDUM OF COVERAGE

Trial Court Pooled Workers' Compensation Program

Form No. JBWCP 20__ - __ WC (A)

This Memorandum of Coverage (MOC) sets forth the terms, conditions, and limitations of coverage provided under the Judicial Branch Workers' Compensation Program's (JBWCP) Trial Court Pooled Workers' Compensation Program. The terms of this MOC may not be changed or waived except by amendment made a part of this MOC.

Throughout this MOC, words and phrases that appear in **bold** have special meaning. They are defined in General Section A, "Definitions."

GENERAL SECTION

A. DEFINITIONS

The terms in bold print are defined as follows:

1. **Bodily Injury** shall mean bodily injury by accident or disease, including death resulting therefrom, but shall not include **Occupational Disease**.
2. **Covered Party** shall mean a participant in the JBWCP which has sustained a **Loss** which is covered under this MOC of Coverage.
3. **Employee** shall mean any person performing work which renders the **Covered Party** legally liable as an employer under the Workers' Compensation Law of the State of California, or under the common law of the State of California.
4. **Loss** shall mean only such amounts as are actually paid by the **Covered Party** in payment or benefits under the applicable **Workers' Compensation Law**, in settlement of claims, or in satisfaction of awards or judgments for liabilities imposed by the **Workers' Compensation Law** or other law for **Bodily Injury** or **Occupational Disease** to an **Employee**.
5. **Occupational Disease** shall include (1) death resulting therefrom and (2) cumulative injuries.
6. **Occurrence** shall mean an injury or disease of an **Employee** arising out of and in the course of employment that is compensable under the **Workers' Compensation Law**. **Bodily Injury**, illness, or disease sustained by one (1) or

more **Employees**, as a result of a single accident, incident, or exposure, shall be deemed to arise from a single **Occurrence**. The **Occurrence** shall be deemed to take place on the earlier of (a) the last day of the last exposure, in the employment of the **Covered Party**, to conditions causing or aggravating the disease, or (b) the date upon which the **Employee** first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by employment with the **Covered Party**. All **Occupational Disease** sustained by one (1) or more **Employees** as a result of an outbreak of the same communicable disease shall be deemed to arise from a single **Occurrence**. An outbreak of the same communicable disease that spans more than one coverage period shall be deemed to take place during the first such coverage period.

7. **Participant** shall mean a trial court which has elected to participate as a Member in the JBWCP's Trial Court Pooled Workers' Compensation Program and are listed on Endorsement Number 1 of the MOC.

B. THE MEMORANDUM OF COVERAGE

This MOC includes at its effective date the Declarations Page and all endorsements listed on the Declarations Page. This MOC is the coverage document between the **Covered Party** and the JBWCP. The terms of this MOC may not be changed or waived except by endorsement issued by the JBWCP to be part of this MOC.

C. COVERAGE PERIOD

This MOC applies to **Loss(es)** resulting from an **Occurrence** during the coverage period defined in the Declarations.

D. WHO IS COVERED

The **Covered Party** is a **Participant** in the JBWCP. If a **Covered Party** loses its status as a Member, the coverage under this MOC shall terminate immediately upon such change in status.

Volunteer workers are also afforded workers' compensation benefits for performing duties for or on behalf of the **Covered Party** while acting within the scope of their duties on behalf of the **Covered Party** provided that the **Covered Party** has first adopted a resolution as provided in Division 4, Part 1, Chapter 2, Article 2 of the California Labor Code declaring such volunteer workers to be **Employees** of the **Covered Party** for purposes of **Workers' Compensation Law**. Unpaid interns are considered volunteers under this section.

Trial Court Jurors are also afforded workers' compensation benefits for performing duties for or on behalf of the **Covered Party** while acting within the scope of their duties.

E. **WORKERS' COMPENSATION LAW**

Workers' Compensation Law means the workers' or workmen's compensation law and **Occupational Disease** law of the State of California, or any similar law. It includes any amendments to that law that are in effect during the term of this MOC. It does not include any federal workers' or workmen's compensation law, any federal **Occupational Disease** law, or the provisions of any law that provide non-occupational disability benefits.

PART ONE – WORKERS' COMPENSATION COVERAGE

A. **COVERAGE**

The JBWCP will pay for **Loss** sustained as a result of an **Occurrence** which the **Covered Party** becomes liable under **Workers' Compensation Law** to which this coverage applies provided that:

1. Injury must occur during the coverage period; and
2. Illness by disease must be caused or aggravated by the conditions of employment by the **Covered Party** and the **Employee's** exposure to the conditions causing or aggravating such injury by disease must occur during the coverage period.

This includes coverage for **Loss** resulting from an **Occurrence** for **Employees** normally employed by the **Covered Party** in the State of California who perform work outside the State of California, but only if all of the following are true: such work is incidental to the **Employee's** regular employment in the State of California; such **Loss** is compensable under the **Workers' Compensation Law** and the Loss shall not be greater than it would have been had liability been imposed by the State of California; the **Employee** claims benefits under the **Workers' Compensation Law** and benefits under the **Workers' Compensation Law** are administered.

Although Out of State premiums are not covered by the JBWCP, the program will work with each trial court to facilitate the process. Please contact JBWCP staff for assistance in procuring out of state coverage. Trial courts will be responsible for payment on all Out of State coverage.

B. **DEFENSE**

The JBWCP has the right and duty to defend at its expense any claim, proceeding, or suit against the **Covered Party** for liabilities payable by this coverage. The JBWCP has the right to investigate and settle these claims, proceedings, or suits.

The JBWCP shall provide for the defense of, but not the indemnity for, serious and willful misconduct pursuant to Labor Code section 4553, or discrimination or any other actions pursuant to Labor Code section 132a brought before the Workers' Compensation Appeals Board

(WCAB). The JBWCP's duty to defend such claims shall cease upon the resolution of the underlying claim for disability.

C. PAYMENTS THE MEMBER MUST MAKE

The JBWCP is not responsible for any payments in excess of benefits regularly provided by the **Workers' Compensation Law** including those imposed on the **Covered Party** because:

1. Of the **Covered Party's** serious and willful misconduct (except as stated herein above);
2. The **Covered Party** employs an **Employee** in violation of law;
3. The **Covered Party** fails to comply with a health or safety law or regulation;
4. The **Covered Party** discharges, coerces, or otherwise discriminates against any **Employee** in violation of the **Workers' Compensation Law**; or
5. The **Covered Party** violates or fails to comply with any **Workers' Compensation Law** or regulation.

If the JBWCP makes any payments in excess of the benefits regularly provided by the **Workers' Compensation Law** on the **Covered Party's** behalf, the **Covered Party** shall reimburse the JBWCP promptly.

PART TWO – EMPLOYER'S LIABILITY COVERAGE

The **Program** will provide coverage for Employer's Liability **Losses** up to the **Employer's Liability** stated in the Declarations Page.

This coverage applies to **Bodily Injury**. This coverage is subject to the Limit of Liability set forth herein, provided that those amounts awarded are the direct consequence of **Bodily Injury** that arises out of and in the course of the injured **Employee's** employment by the **Covered Party**, and are claimed against the **Covered Party** in a capacity other than as employer.

1. The **Bodily Injury** must arise out of and in the course of the injured **Employee's** employment by the **Covered Party**.
2. **Bodily Injury** by accident must occur during the coverage period.
3. **Bodily Injury** by disease must be caused or aggravated by the conditions of employment by the **Covered Party**. The **Employee's** exposure to the conditions causing or aggravating such **Bodily Injury** by disease must occur during the coverage period.

PART THREE - POLICY EXCLUSIONS

This MOC shall not apply to:

- A. Liability imposed by the **Workers' Compensation Laws** because of **Bodily Injury** to prisoners or inmates who receive compensation from an entity, other than the **Covered Party**, for the work performed except for liability imposed by the **Workers' Compensation Laws** because of **Bodily Injury** to participants of a work release program or other community service program established by a county of the State of California.
- B. Employer's Liability Coverage herein does not apply to:
 - 1. Any obligation imposed by a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law.
 - 2. **Bodily injury**, illness or disease intentionally caused or aggravated or caused at the direction of the **Covered Party**.
 - 3. Bodily injury to an employee while employed in violation of law with the actual knowledge of the **Covered Party**.
- C. Liability for additional compensation imposed on the **Covered Party** under Labor Code section 4557 by reason of injury to an **Employee** under sixteen (16) years of age and illegally employed at the time of the injury.
- D. Liability imposed by Labor Code section 4856.

PART FOUR - THE COVERED PARTY'S RETENTION AND JBWCP'S LIMIT OF LIABILITY

A. LIMIT OF COVERAGE BY JBWCP

The **JBWCP** will indemnify the **Covered Party** for **Loss** resulting from an **Occurrence** under **Workers' Compensation Laws**, but will not exceed the JBWCP Limit of Liability stated in Item 3 of the Declarations Page on any one **Loss**. Coverage will include all benefits required under **Workers' Compensation Laws**, including full salary benefits listed in Labor Code section 4850. The JBWCP will pay on behalf of the **Covered Party** for Employer's Liability **Losses** but will not exceed the Limits of Liability stated in Item 3 of the Declarations Page on any one **Loss**.

B. HOW THE LIMIT OF COVERAGE APPLIES

The JBWCP's Limit of Liability stated in the Declarations Page applies to **Loss** resulting from an **Occurrence** covered under the Workers' Compensation Coverage or Employer's Liability Coverage as follows:

- 1. To one (1) or more **Employees** for **Bodily Injury** or death in any one accident;
and

2. To any one (1) **Employee** for **Bodily Injury** or death by disease.

Nothing contained herein shall operate to increase the JBWCP's Limit of Liability under this MOC.

PART FIVE - CONDITIONS

A. NOTICE OF ACCIDENT

1. The **Covered Party** shall immediately; within the reporting requirements of the State of California give prompt written notice to the JBWCP, or its agent, if a claim for an injury, illness, or disease occurs which appears to involve coverage by the JBWCP.
2. Notice of injury, illness, or disease given to the JBWCP shall contain complete details on the injury, illness, or disease. If a suit, claim, or other proceeding is commenced which appears to involve coverage by the JBWCP, the **Covered Party** shall give the JBWCP:
 - a) all notices and legal papers related to the claim, proceeding, or suit, or copies of these notices and legal papers;
 - b) copies of reports on investigations made by the **Covered Party** on such claims, proceedings, or suits.
3. If continued cooperation through the life of the claim is not provided by the **Covered Party** to the JBWCP within thirty (30) calendar days of knowledge of such claim, or subsequent details about the injury, disease or death including any correspondence and communication with the injured **Employee**, the JBWCP may be required to make decisions on behalf of the **Covered Party**. JBWCP will continue to contact and work with the member before making any final decisions. This requirement is a condition precedent to coverage under this MOC.

B. SUBROGATION - RECOVERY FROM OTHERS

1. The JBWCP has the Covered Party's rights, and the rights of persons entitled to workers' compensation benefits from the **Covered Party**, to recover the JBWCP's loss from any third person liable for the injury, illness or disease.
2. The **Covered Party** shall not take any action after injury or disease that would jeopardize the JBWCP's right of recovery.
3. Any subrogation recovery by the JBWCP will be used to reduce the JBWCP's

Loss

C. MEMORANDUM CONFORMS TO LAW

If terms of this MOC are in conflict with any laws applicable to this Memorandum this statement amends this MOC to conform to such law or document.

D. ACCEPTANCE

By acceptance of this MOC, the **Covered Party** agrees that the statements made on the Declarations Page are the **Covered Party's** agreements and representations, that this MOC is issued in reliance upon the truth of such representations, and that this MOC embodies all agreements existing between the **Covered Party** and the JBWCP or any of the JBWCP's agents relating to this coverage.

E. INSPECTION

The JBWCP has the right, but is not obligated review the **Covered Party's** programs and operations relating to safety. The JBWCP may give the **Covered Party** reports on the conditions the JBWCP finds. The JBWCP may recommend changes. While they may help reduce losses, the JBWCP does not undertake to perform the duty of any person to provide for the health or safety of the **Covered Party's Employees** or the public. The

JBWCP does not warrant that the **Covered Party's** workplaces are safe or healthful or that they comply with law, regulations, codes, or standards.

F. OTHER INSURANCE

If the **Covered Party** carries other valid and collectible insurance with any other insurer or reinsurer covering a **Loss** also covered by this agreement, the coverage afforded by this agreement shall apply in excess of and shall not contribute with such other insurance.

G. TRANSFER OF THE COVERED PARTY'S RIGHTS AND DUTIES

The **Covered Party's** rights and duties under this MOC may not be transferred without the JBWCP's written consent.

H. DISPUTES AND APPEALS

Final decisions by the JBWCP concerning a claim (including, but not limited to, decisions regarding claim resolution, negotiation, investigation, defense, appeal, or settlement, and decisions about whether coverage exists for a particular claim or part of a claim) shall be made by the Advisory Committee of the JBWCP or its designee within sixty (60) days.

Any matter in dispute between the **Covered Party** and the Program Administrator, outside of a coverage dispute outlined in the MOC, shall be called to the attention of the Program Administrator, and heard by the Advisory Committee or its designee. The Advisory Committee or its designee will review the dispute and respond to the **Covered Party** within sixty (60) days of submittal.

**JUDICIAL BRANCH
WORKERS' COMPENSATION PROGRAM (JBWCP)**

**JUDICIARY
MEMORANDUM OF COVERAGE**



Judicial Council of California

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

WORKERS' COMPENSATION COVERAGE

DECLARATIONS

1. NAMED COVERED MEMBER: Judicial Branch Workers' Compensation Program, et al; As per Endorsement No. 1

2. TERM:
Inception: 12:01 a.m. Pacific Standard Time on July 1, 2022
Expiration: 12:01 a.m. Pacific Standard Time on July 1, 2023

3. LIMITS OF LIABILITY:
Workers' Compensation \$100,000,000 ~~Million per~~ Per Occurrence ~~loss~~
Employer's Liability \$2,000,000 ~~any one loss~~ Per Occurrence

4. FORMS ENDORSEMENTS: Form No. JBWCP 20__ - __ WC (B)
FORMING PART OF THE POLICY AT Endorsement No. 1
INCEPTION

ON BEHALF OF THE JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

AUTHORIZED REPRESENTATIVE

**JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM
(JBWCP)**

MEMORANDUM OF COVERAGE

WORKERS' COMPENSATION COVERAGE

ENDORSEMENT NO. 1

It is understood that the Covered Party of the Declarations is completed as follows:

JBWCP Judiciary Program Members:

California Supreme Court
California Court of Appeal - 1st District
California Court of Appeal - 2nd District
California Court of Appeal - 3rd District
California Court of Appeal - 4th District
California Court of Appeal - 5th District
California Court of Appeal - 6th District
Commission on Judicial Performance
Habeas Corpus Resource Center
California Judicial Center Library
Trial Court Judges for California Superior Courts
Judicial Council of California

Attached to and forming part of Policy No. JBWCP 2022-23 WC (B)

Effective Date: July 1, 20__

AUTHORIZED REPRESENTATIVE

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

MEMORANDUM OF COVERAGE

Judiciary Pooled Workers' Compensation Program

Form No. JBWCP 20__ - __ WC (B)

This Memorandum of Coverage (MOC) sets forth the terms, conditions, and limitations of coverage provided under the Judicial Branch Workers' Compensation Program's (JBWCP) [Judiciary Pooled Workers' Compensation Program](#). The terms of this MOC may not be changed or waived except by amendment made a part of this MOC.

Throughout this MOC, words and phrases that appear in **bold** have special meaning. They are defined in General Section A, "Definitions."

GENERAL SECTION

A. DEFINITIONS

The terms in bold print are defined as follows:

1. **Bodily iInjury** shall mean bodily injury by accident or disease, including death resulting therefrom, but shall not include ~~eOccupational dDisease~~.
2. **Covered Party** shall mean a **Participant** in the ~~JBWCP Program~~ which has sustained a **Loss** which is covered under this MOC of Coverage.
3. **Employee** shall mean any person performing work which renders the **Covered Party** legally liable as an employer under the Workers' Compensation Act of the State of California, or under the common law of the State of California.
4. **Loss** shall mean only such amounts as are actually paid by the **Covered Party** in payment or benefits under the applicable **Workers' Compensation Law**, in settlement of claims, or in satisfaction of awards or judgments for liabilities imposed by the **Workers' Compensation Act-Law** or other law for ~~bBodily iInjury~~ or ~~eOccupational dDisease~~ to an ~~eEmployee~~.
5. Occupational Disease shall include (1) death resulting therefrom and (2) cumulative injuries.
6. Occurrence shall mean an injury or disease of an Employee arising out of and in the course of employment that is compensable under the Workers' Compensation

Law. Bodily Injury, illness, or disease sustained by one (1) or more Employees, as a result of a single accident, incident, or exposure, shall be deemed to arise from a single Occurrence. The Occurrence shall be deemed to take place on the earlier of (a) the last day of the last exposure, in the employment of the Covered Party, to conditions causing or aggravating the disease, or (b) the date upon which the Employee first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by employment with the Covered Party. -All Occupational Disease sustained by one (1) or more Employees as a result of an outbreak of the same communicable disease shall be deemed to arise from a single Occurrence. -An outbreak of the same communicable disease that spans more than one coverage period shall be deemed to take place during the first such coverage period.

5.7. Participant shall mean all courts and branch agencies electing to participate as a Member in the JBWCP's Judiciary Pooled Workers' Compensation Program and are listed on Endorsement Number 1 of this Memorandum MOC.

B. THE MEMORANDUM OF COVERAGE

This MOC includes at its effective date the Declarations Page and all endorsements listed on the Declarations Page. This MOC is the coverage document between the **Covered Party** and the JBWCP. The terms of this MOC may not be changed or waived except by endorsement issued by the JBWCP to be part of this MOC.

C. COVERAGE PERIOD

This MOC applies to Loss(es) resulting from an Occurrence~~losses occurring~~ during the coverage period defined in the Declarations.

D. WHO IS COVERED

The **Covered Party** is a **Participant** in the JBWCP. If a **Covered Party** loses its status as a Member, the coverage under this MOC shall terminate immediately upon such change in status.

Volunteer workers are also afforded workers' compensation benefits for performing duties for or on behalf of the **Covered Party** while acting within the scope of their duties on behalf of the **Covered Party** provided that the **Covered Party** has first adopted a resolution as provided in Division 4, Part 1, Chapter 2, Article 2 of the California Labor Code declaring such volunteer workers to be **e**mployees of the **Covered Party** for purposes of **Workers' Compensation Law**. Unpaid interns are considered volunteers under this section.

E. WORKERS' COMPENSATION LAW

Workers' Compensation Law means the workers' or workmen's compensation law and ~~o~~**Occupational d**~~D~~**isease** law of the State of California, or any similar law. It includes any amendments to that law that are in effect during the term of this MOC. It does not include any federal workers' or workmen's compensation law, any federal ~~o~~**Occupational d**~~D~~**isease** law, or the provisions of any law that provide non-occupational disability benefits.

PART ONE – WORKERS' COMPENSATION COVERAGE

A. COVERAGE

The JBWCP will pay for Loss sustained as a result of an Occurrence ~~these sums~~ for which the Covered Party becomes liable under ~~the Workers' Compensation Law Act~~ to which this coverage applies. ~~The JBWCP will not pay more than Limit of Liability stated in Item 3 of the Declarations page and further defined under Part Four of this Memorandum during the Coverage Period~~ provided that:

1. Injury must occur during the coverage period; and
2. Illness by disease must be caused or aggravated by the conditions of employment by the Covered Party and the ~~e~~**Employee's** exposure to the conditions causing or aggravating such injury by disease must occur during the coverage period.

This includes coverage for Loss resulting from an Occurrence for Employees normally employed by the Covered Party in the State of California who perform work outside the State of California, but only if all of the following are true: such work is incidental to the Employee's regular employment in the State of California; such Loss is compensable under the Workers' Compensation Law and the Loss shall not be greater than it would have been had liability been imposed by the State of California; the Employee claims benefits under the Workers' Compensation Law and benefits under the Workers' Compensation Law are administered.

Although Out of State premiums are not covered by the JBWCP program, the program will work with each Judiciary Program Member to facilitate the process. Please contact JBWCP staff for assistance in procuring ~~e~~Out of ~~s~~State coverage. The premiums for ~~O~~out of ~~s~~State coverage will be added to the Judiciary Program Member's JBWCP premium for payment.

B. DEFENSE

The JBWCP has the right and duty to defend at its expense any claim, proceeding, or suit against the **Covered Party** for liabilities payable by this coverage. The JBWCP has the right to investigate and settle these claims, proceedings, or suits.

The JBWCP shall provide for the defense of, but not the indemnity for, serious and willful misconduct pursuant to Labor Code [section 4553](#), or discrimination or any other actions pursuant to Labor Code [section 132a](#) brought before the Workers' Compensation Appeals Board (WCAB). The JBWCP's duty to defend such claims shall cease upon the resolution of the underlying claim for disability.

C. PAYMENTS THE MEMBER MUST MAKE

The JBWCP is not responsible for any payments in excess of benefits regularly provided by the **Workers' Compensation Act/Law** including those imposed on the **Covered Party** because:

1. Of the **Covered Party's** serious and willful misconduct (except as stated herein above);
2. The **Covered Party** employs an **eEmployee** in violation of law;
3. The **Covered Party** fails to comply with a health or safety law or regulation;
4. The **Covered Party** discharges, coerces, or otherwise discriminates against any **eEmployee** in violation of the **Workers' Compensation Law/Act**; or
5. The **Covered Party** violates or fails to comply with any **Workers' Compensation Law** or regulation.

If the JBWCP makes any payments in excess of the benefits regularly provided by the **Workers' Compensation Law/Act** on the **Covered Party's** behalf, the **Covered Party** shall reimburse the JBWCP promptly.

PART TWO – EMPLOYER'S LIABILITY COVERAGE

The ~~JBWCP Program~~ will provide coverage for **eEmployer's Liability Losses** up to the ~~Program's Employer's Liability Limit of Liability~~ stated in the Declarations Page.

This coverage applies to **bBodily Injury**. This coverage is subject to the Limit of Liability set forth herein, provided that those amounts awarded are the direct consequence of **bBodily Injury** that arises out of and in the course of the injured **eEmployee's** employment by the **Covered Party**,

and are claimed against the **Covered Party** in a capacity other than as employer.

1. The **bBodily iInjury** must arise out of and in the course of the injured **eEmployee's** employment by the **Covered Party**.
2. **Bodily iInjury** by accident must occur during the coverage period.
3. **Bodily iInjury** by disease must be caused or aggravated by the conditions of employment by the **Covered Party**. The **eEmployee's** exposure to the conditions causing or aggravating such **bBodily iInjury** by disease must occur during the coverage period.

PART THREE - POLICY EXCLUSIONS

This MOC shall not apply to:

- A. Liability imposed by the **Workers' Compensation Laws** because of **bBodily iInjury** to prisoners or inmates who receive compensation from an entity, other than the **Covered Party**, for the work performed except for liability imposed by the **Workers' Compensation Laws** because of **bBodily iInjury** to participants of a work release program or other community service program established by a county of the State of California;
- B. Employer's Liability Coverage herein does not apply to:
 1. Any obligation imposed by a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law.
 2. Bodily injury, illness, or disease intentionally caused or aggravated or caused at the direction of the **Covered Party**.
 3. **Bodily iInjury** to an **eEmployee** while employed in violation of law with the actual knowledge of the **Covered Party**.
- EC.** Liability for additional compensation imposed on the **Covered Party** under Labor Code **S**section 4557 by reason of injury to an **eEmployee** under sixteen **(16)** years of age and illegally employed at the time of the injury.
- FD.** Liability imposed by Labor Code **S**section 4856.

PART FOUR - THE COVERED PARTY'S RETENTION AND JBWCP'S LIMIT OF LIABILITY

A. LIMIT OF COVERAGE BY JBWCP

The JBWCP will indemnify the **Covered Party** for **HLoss resulting from an Occurrence** under **Workers' Compensation Laws**, but will not exceed the **JBWCP** Limit of Liability stated in Item 3 of the Declarations Page on any one **HLoss**. Coverage will include all benefits required under **Workers' Compensation Laws**, including full salary benefits listed in Labor Code **Section 4850**. The JBWCP will pay on behalf of the **Covered Party** for Employer's Liability **HLosses** but will not exceed the Limits of Liability stated in Item 3 of the Declarations Page on any one **HLoss**.

B. HOW THE LIMIT OF COVERAGE APPLIES

The JBWCP's Limit of **Coverage-Liability** stated in the Declarations Page applies to **elaims Loss resulting from an Occurrence** covered under the Workers' Compensation Coverage or Employer's Liability Coverage as follows:

1. To one **(1)** or more **employees** for **bBodily injury** or death in any one accident; and
2. To any one **(1)** **employee** for **bBodily injury** or death by disease.

Nothing contained herein shall operate to increase the JBWCP's Limit of **Coverage Liability** under this MOC.

PART FIVE - CONDITIONS

A. NOTICE OF ACCIDENT

1. The **Covered Party** shall immediately; within the reporting requirements of the State of California give prompt written notice to the JBWCP, or its agent, if a claim for an injury, illness, or disease occurs which appears to involve coverage by the JBWCP.
2. Notice of injury, illness, or disease given to the JBWCP shall contain complete details on the injury, illness, or disease. If a suit, claim, or other proceeding is commenced which appears to involve coverage by the JBWCP, the **Covered Party** shall give the JBWCP:
 - a) all notices and legal papers related to the claim, proceeding, or suit, or copies of these notices and legal papers;
 - b) copies of reports on investigations made by the **Covered Party** on such claims, proceedings, or suits.

~~If written notice is not provided by the Covered Party to the JBWCP within thirty~~

~~(30) calendar days of knowledge of such claim, coverage will not be provided under this Memorandum of Coverage.~~

- ~~3. If continued cooperation through the life of the claim is not provided by the Covered Party to the JBWCP within thirty (30) calendar days of knowledge of such claim, or subsequent details about the injury, disease, or death including any correspondence and communication with the injured Employee, the JBWCP may be required to make decisions on behalf of the Covered Party. JBWCP will continue to contact and work with the member before making any final decisions. This requirement is a condition precedent to coverage under this MOC.~~

B. SUBROGATION - RECOVERY FROM OTHERS

1. The JBWCP has the **Covered Party's** rights, and the rights of persons entitled to workers' compensation benefits from the **Covered Party**, to recover the JBWCP's loss from any third person liable for the injury, illness, or disease.
2. The **Covered Party** shall not take any action after injury or disease that would jeopardize the JBWCP's right of recovery.
3. Any subrogation recovery by the JBWCP will be used to reduce the JBWCP's **Loss**

C. MEMORANDUM CONFORMS TO LAW

If terms of this Memorandum-MOC are in conflict with any laws applicable to this Memorandum this statement amends this Memorandum-MOC to conform to such law or document.

D. ACCEPTANCE

By acceptance of this MemorandumMOC, the **Covered Party** agrees that the statements made on the Declarations Page are the **Covered Party's** agreements and representations, that this Memorandum-MOC is issued in reliance upon the truth of such representations, and that this Memorandum-MOC embodies all agreements existing between the **Covered Party** and the JBWCP or any of the JBWCP's agents relating to this coverage.

E. INSPECTION

The JBWCP has the right, but is not obligated review the **Covered Party's** programs and operations relating to safety. The JBWCP may give the **Covered Party** reports on the conditions the JBWCP finds. The JBWCP may recommend changes. While they may help reduce losses, the JBWCP does not undertake to perform the duty of any person to provide for the health or safety of the **Covered Party's eEmployees** or the public. The JBWCP

does not warrant that the **Covered Party's** workplaces are safe or healthful or that they comply with law, regulations, codes, or standards.

F. OTHER INSURANCE

~~If the **Covered Party** carries other valid and collectible insurance with any other insurer or reinsurer covering a **Loss** also covered by this agreement, the coverage afforded by this agreement shall apply in excess of and shall not contribute with such other insurance.~~

FG. TRANSFER OF THE COVERED PARTY'S RIGHTS AND DUTIES

The **Covered Party's** rights and duties under this ~~Memorandum~~ MOC may not be transferred without the JBWCP's written consent.

HG. ARBITRATION DISPUTES AND APPEALS

Final decisions by the JBWCP concerning a claim (including, but not limited to, decisions regarding claim resolution, negotiation, investigation, defense, appeal, or settlement, and decisions about whether coverage exists for a particular claim or part of a claim) shall be made by the Advisory Committee of the JBWCP or its designee within sixty (60) days. ~~The JBWCP and **Covered Party** may agree to submit any dispute arising from such decisions to binding arbitration if mutually agreeable by all disputing parties.~~

~~Arbitration shall be conducted pursuant to the California Code of Civil Procedure, Title 9 (commencing with Section 1280). The parties may agree upon a single arbitrator, in which case arbitration shall be conducted by that single arbitrator. If the parties cannot agree upon a single arbitrator, arbitration shall be conducted by a three person panel. The **Covered Party** shall select one (1) arbitrator and the JBWCP shall select one (1) arbitrator, and the two (2) arbitrators shall select a third (3rd) arbitrator upon mutual agreement. No arbitrator shall be employed or affiliated with the Program or the **Covered Party**.~~

~~The selection of arbitrators shall take place within twenty (20) calendar days from the receipt of the request for arbitration.~~

~~If a single arbitrator is used, each party shall bear one-half (1/2) of the cost of the arbitrator. In three (3) arbitrator cases, each party shall bear the cost of its selected arbitrator and one-half (1/2) of the third (3rd) selected arbitrator. In addition, each party shall be responsible for its own costs and expenses of arbitration.~~

~~Any matter in dispute between the **Covered Party** and the Program Administrator, outside of a coverage dispute outlined in the Memorandum of Coverage MOC, shall be called to the attention of the Program Administrator, and heard by the Advisory Committee or its designee. The Advisory Committee or its designee will review the dispute and respond to the **Covered Party** within Sixty (60) days of submittal.~~

**JUDICIAL BRANCH
WORKERS' COMPENSATION PROGRAM (JBWCP)**

**JUDICIARY
MEMORANDUM OF COVERAGE**



Judicial Council of California

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

WORKERS' COMPENSATION COVERAGE

DECLARATIONS

1. NAMED COVERED MEMBER: Judicial Branch Workers' Compensation Program, et al; As per Endorsement No. 1

2. TERM:
 Inception: 12:01 a.m. Pacific Standard Time on July 1, 2022
 Expiration: 12:01 a.m. Pacific Standard Time on July 1, 2023

3. LIMITS OF LIABILITY:
 Workers' Compensation \$100,000,000 Per Occurrence
 Employer's Liability \$2,000,000 Per Occurrence

4. FORMS ENDORSEMENTS: Form No. JBWCP 20__ - __ WC (B)
FORMING PART OF THE POLICY AT Endorsement No. 1
INCEPTION

ON BEHALF OF THE JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

AUTHORIZED REPRESENTATIVE

**JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM
(JBWCP)**

MEMORANDUM OF COVERAGE

WORKERS' COMPENSATION COVERAGE

ENDORSEMENT NO. 1

It is understood that the Covered Party of the Declarations is completed as follows:

JBWCP Judiciary Program Members:

California Supreme Court
California Court of Appeal - 1st District
California Court of Appeal - 2nd District
California Court of Appeal - 3rd District
California Court of Appeal - 4th District
California Court of Appeal - 5th District
California Court of Appeal - 6th District
Commission on Judicial Performance
Habeas Corpus Resource Center
California Judicial Center Library
Trial Court Judges for California Superior Courts
Judicial Council of California

Attached to and forming part of Policy No. JBWCP 2022-23 WC (B)

Effective Date: July 1, 20__

AUTHORIZED REPRESENTATIVE

JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM

MEMORANDUM OF COVERAGE

Judiciary Pooled Workers' Compensation Program

Form No. JBWCP 20__ - __ WC (B)

This Memorandum of Coverage (MOC) sets forth the terms, conditions, and limitations of coverage provided under the Judicial Branch Workers' Compensation Program's (JBWCP) Judiciary Pooled Workers' Compensation Program. The terms of this MOC may not be changed or waived except by amendment made a part of this MOC.

Throughout this MOC, words and phrases that appear in **bold** have special meaning. They are defined in General Section A, "Definitions."

GENERAL SECTION

A. DEFINITIONS

The terms in bold print are defined as follows:

1. **Bodily Injury** shall mean bodily injury by accident or disease, including death resulting therefrom, but shall not include **Occupational Disease**.
2. **Covered Party** shall mean a **Participant** in the JBWCP which has sustained a **Loss** which is covered under this MOC of Coverage.
3. **Employee** shall mean any person performing work which renders the **Covered Party** legally liable as an employer under the Workers' Compensation Act of the State of California, or under the common law of the State of California.
4. **Loss** shall mean only such amounts as are actually paid by the **Covered Party** in payment or benefits under the applicable **Workers' Compensation Law**, in settlement of claims, or in satisfaction of awards or judgments for liabilities imposed by the **Workers' Compensation Law** or other law for **Bodily Injury** or **Occupational Disease** to an **Employee**.
5. **Occupational Disease** shall include (1) death resulting therefrom and (2) cumulative injuries.
6. **Occurrence** shall mean an injury or disease of an **Employee** arising out of and in the course of employment that is compensable under the **Workers' Compensation**

Law. Bodily Injury, illness, or disease sustained by one (1) or more **Employees**, as a result of a single accident, incident, or exposure, shall be deemed to arise from a single **Occurrence**. The **Occurrence** shall be deemed to take place on the earlier of (a) the last day of the last exposure, in the employment of the **Covered Party**, to conditions causing or aggravating the disease, or (b) the date upon which the **Employee** first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by employment with the **Covered Party**. All **Occupational Disease** sustained by one (1) or more **Employees** as a result of an outbreak of the same communicable disease shall be deemed to arise from a single **Occurrence**. An outbreak of the same communicable disease that spans more than one coverage period shall be deemed to take place during the first such coverage period.

7. **Participant** shall mean all courts and branch agencies electing to participate as a Member in the JBWCP's Judiciary Pooled Workers' Compensation Program and are listed on Endorsement Number 1 of this MOC.

B. THE MEMORANDUM OF COVERAGE

This MOC includes at its effective date the Declarations Page and all endorsements listed on the Declarations Page. This MOC is the coverage document between the **Covered Party** and the JBWCP. The terms of this MOC may not be changed or waived except by endorsement issued by the JBWCP to be part of this MOC.

C. COVERAGE PERIOD

This MOC applies to **Loss(es)** resulting from an **Occurrence** during the coverage period defined in the Declarations.

D. WHO IS COVERED

The **Covered Party** is a **Participant** in the JBWCP. If a **Covered Party** loses its status as a Member, the coverage under this MOC shall terminate immediately upon such change in status.

Volunteer workers are also afforded workers' compensation benefits for performing duties for or on behalf of the **Covered Party** while acting within the scope of their duties on behalf of the **Covered Party** provided that the **Covered Party** has first adopted a resolution as provided in Division 4, Part 1, Chapter 2, Article 2 of the California Labor Code declaring such volunteer workers to be **Employees** of the **Covered Party** for purposes of **Workers' Compensation Law**. Unpaid interns are considered volunteers under this section.

E. **WORKERS' COMPENSATION LAW**

Workers' Compensation Law means the workers' or workmen's compensation law and **Occupational Disease** law of the State of California, or any similar law. It includes any amendments to that law that are in effect during the term of this MOC. It does not include any federal workers' or workmen's compensation law, any federal **Occupational Disease** law, or the provisions of any law that provide non-occupational disability benefits.

PART ONE – WORKERS' COMPENSATION COVERAGE

A. **COVERAGE**

The JBWCP will pay for **Loss** sustained as a result of an **Occurrence** for which the **Covered Party** becomes liable under **Workers' Compensation Law** to which this coverage applies provided that:

1. Injury must occur during the coverage period; and
2. Illness by disease must be caused or aggravated by the conditions of employment by the **Covered Party** and the **Employee's** exposure to the conditions causing or aggravating such injury by disease must occur during the coverage period.

This includes coverage for **Loss** resulting from an **Occurrence** for **Employees** normally employed by the **Covered Party** in the State of California who perform work outside the State of California, but only if all of the following are true: such work is incidental to the **Employee's** regular employment in the State of California; such **Loss** is compensable under the **Workers' Compensation Law** and the **Loss** shall not be greater than it would have been had liability been imposed by the State of California; the **Employee** claims benefits under the **Workers' Compensation Law** and benefits under the **Workers' Compensation Law** are administered.

Although Out of State premiums are not covered by the JBWCP, the program will work with each Judiciary Program Member to facilitate the process. Please contact JBWCP staff for assistance in procuring Out of State coverage. The premiums for Out of State coverage will be added to the Judiciary Program Member's JBWCP premium for payment.

B. **DEFENSE**

The JBWCP has the right and duty to defend at its expense any claim, proceeding, or suit against the **Covered Party** for liabilities payable by this coverage. The JBWCP has the right to investigate and settle these claims, proceedings, or suits.

The JBWCP shall provide for the defense of, but not the indemnity for, serious and willful misconduct pursuant to Labor Code section 4553, or discrimination or any other actions pursuant to Labor Code section 132a brought before the Workers' Compensation Appeals Board (WCAB). The JBWCP's duty to defend such claims shall cease upon the resolution of the underlying claim for disability.

C. PAYMENTS THE MEMBER MUST MAKE

The JBWCP is not responsible for any payments in excess of benefits regularly provided by the **Workers' Compensation Law** including those imposed on the **Covered Party** because:

1. Of the **Covered Party's** serious and willful misconduct (except as stated herein above);
2. The **Covered Party** employs an **Employee** in violation of law;
3. The **Covered Party** fails to comply with a health or safety law or regulation;
4. The **Covered Party** discharges, coerces, or otherwise discriminates against any **Employee** in violation of the **Workers' Compensation Law**; or
5. The **Covered Party** violates or fails to comply with any **Workers' Compensation Law** or regulation.

If the JBWCP makes any payments in excess of the benefits regularly provided by the **Workers' Compensation Law** on the **Covered Party's** behalf, the **Covered Party** shall reimburse the JBWCP promptly.

PART TWO – EMPLOYER'S LIABILITY COVERAGE

The JBWCP will provide coverage for Employer's Liability **Losses** up to the Employer's Liability stated in the Declarations Page.

This coverage applies to **Bodily Injury**. This coverage is subject to the Limit of Liability set forth herein, provided that those amounts awarded are the direct consequence of **Bodily Injury** that arises out of and in the course of the injured **Employee's** employment by the **Covered Party**, and are claimed against the **Covered Party** in a capacity other than as employer.

1. The **Bodily Injury** must arise out of and in the course of the injured **Employee's** employment by the **Covered Party**.
2. **Bodily Injury** by accident must occur during the coverage period.

3. **Bodily Injury** by disease must be caused or aggravated by the conditions of employment by the **Covered Party**. The **Employee's** exposure to the conditions causing or aggravating such **Bodily Injury** by disease must occur during the coverage period.

PART THREE - POLICY EXCLUSIONS

This MOC shall not apply to:

- A. Liability imposed by the **Workers' Compensation Laws** because of **Bodily Injury** to prisoners or inmates who receive compensation from an entity, other than the **Covered Party**, for the work performed except for liability imposed by the **Workers' Compensation Laws** because of **Bodily Injury** to participants of a work release program or other community service program established by a county of the State of California;
- B. Employer's Liability Coverage herein does not apply to:
 1. Any obligation imposed by a workers' compensation, occupational disease, unemployment compensation, or disability benefits law, or any similar law.
 2. Bodily injury, illness, or disease intentionally caused or aggravated or caused at the direction of the **Covered Party**.
 3. **Bodily Injury** to an **Employee** while employed in violation of law with the actual knowledge of the **Covered Party**.
- C. Liability for additional compensation imposed on the **Covered Party** under Labor Code section 4557 by reason of injury to an **Employee** under sixteen (16) years of age and illegally employed at the time of the injury.
- D. Liability imposed by Labor Code section 4856.

PART FOUR - THE COVERED PARTY'S RETENTION AND JBWCP'S LIMIT OF LIABILITY

A. LIMIT OF COVERAGE BY JBWCP

The JBWCP will indemnify the **Covered Party** for **Loss** resulting from an **Occurrence** under **Workers' Compensation Laws**, but will not exceed the JBWCP Limit of Liability stated in Item 3 of the Declarations Page on any one **Loss**. Coverage will include all benefits required under **Workers' Compensation Laws**, including full salary benefits listed in Labor Code section 4850. The JBWCP will pay on behalf of the **Covered Party** for Employer's Liability **Losses** but will not exceed the Limits of Liability stated in Item 3 of the Declarations Page on any one **Loss**.

B. HOW THE LIMIT OF COVERAGE APPLIES

The JBWCP's Limit of Liability stated in the Declarations Page applies to **Loss** resulting from an **Occurrence** covered under the Workers' Compensation Coverage or Employer's Liability Coverage as follows:

1. To one (1) or more **Employees** for **Bodily Injury** or death in any one accident; and
2. To any one (1) **Employee** for **Bodily Injury** or death by disease.

Nothing contained herein shall operate to increase the JBWCP's Limit of Liability under this MOC.

PART FIVE - CONDITIONS

A. NOTICE OF ACCIDENT

1. The **Covered Party** shall immediately; within the reporting requirements of the State of California give prompt written notice to the JBWCP, or its agent, if a claim for an injury, illness, or disease occurs which appears to involve coverage by the JBWCP.
2. Notice of injury, illness, or disease given to the JBWCP shall contain complete details on the injury, illness, or disease. If a suit, claim, or other proceeding is commenced which appears to involve coverage by the JBWCP, the **Covered Party** shall give the JBWCP:
 - a) all notices and legal papers related to the claim, proceeding, or suit, or copies of these notices and legal papers;
 - b) copies of reports on investigations made by the **Covered Party** on such claims, proceedings, or suits.
3. If continued cooperation through the life of the claim is not provided by the **Covered Party** to the JBWCP within thirty (30) calendar days of knowledge of such claim, or subsequent details about the injury, disease, or death including any correspondence and communication with the injured **Employee**, the JBWCP may be required to make decisions on behalf of the **Covered Party**. JBWCP will continue to contact and work with the member before making any final decisions. This requirement is a condition precedent to coverage under this MOC.

B. SUBROGATION - RECOVERY FROM OTHERS

1. The JBWCP has the **Covered Party's** rights, and the rights of persons entitled to workers' compensation benefits from the **Covered Party**, to recover the JBWCP's loss from any third person liable for the injury, illness, or disease.
2. The **Covered Party** shall not take any action after injury or disease that would jeopardize the JBWCP's right of recovery.
3. Any subrogation recovery by the JBWCP will be used to reduce the JBWCP's **Loss**

C. MEMORANDUM CONFORMS TO LAW

If terms of this MOC are in conflict with any laws applicable to this Memorandum this statement amends this MOC to conform to such law or document.

D. ACCEPTANCE

By acceptance of this MOC, the **Covered Party** agrees that the statements made on the Declarations Page are the **Covered Party's** agreements and representations, that this MOC is issued in reliance upon the truth of such representations, and that this MOC embodies all agreements existing between the **Covered Party** and the JBWCP or any of the JBWCP's agents relating to this coverage.

E. INSPECTION

The JBWCP has the right, but is not obligated review the **Covered Party's** programs and operations relating to safety. The JBWCP may give the **Covered Party** reports on the conditions the JBWCP finds. The JBWCP may recommend changes. While they may help reduce losses, the JBWCP does not undertake to perform the duty of any person to provide for the health or safety of the **Covered Party's Employees** or the public. The JBWCP does not warrant that the **Covered Party's** workplaces are safe or healthful or that they comply with law, regulations, codes, or standards.

F. OTHER INSURANCE

If the **Covered Party** carries other valid and collectible insurance with any other insurer or reinsurer covering a **Loss** also covered by this agreement, the coverage afforded by this agreement shall apply in excess of and shall not contribute with such other insurance.

G. TRANSFER OF THE COVERED PARTY'S RIGHTS AND DUTIES

The **Covered Party's** rights and duties under this MOC may not be transferred without the JBWCP's written consent.

H. DISPUTES AND APPEALS

Final decisions by the JBWCP concerning a claim (including, but not limited to, decisions regarding claim resolution, negotiation, investigation, defense, appeal, or settlement, and decisions about whether coverage exists for a particular claim or part of a claim) shall be made by the Advisory Committee of the JBWCP or its designee within sixty (60) days.

Any matter in dispute between the **Covered Party** and the Program Administrator, outside of a coverage dispute outlined in the MOC, shall be called to the attention of the Program Administrator, and heard by the Advisory Committee or its designee. The Advisory Committee or its designee will review the dispute and respond to the **Covered Party** within sixty (60) days of submittal.



Bickmore

Actuarial

Actuarial Review of the Self-Insured Judicial Branch Workers' Compensation Program

Outstanding Liabilities as of June 30, 2023

Forecast for Program Years 2022-23 through 2025-26

Presented to
Judicial Council of California

February 3, 2023 - DRAFT



Friday, February 3, 2023

Mr. Edward Metro
Supervising Analyst
Human Resources / Administrative Division
Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102-3688

Re: Actuarial Review of the Self-Funded Workers' Compensation Program

Dear Mr. Metro:

We have completed our review of the Judicial Council of California (the Judicial Council), Judicial Branch Workers' Compensation Program (JBWCP). Specifically, the scope of this review includes providing the following information for the program:

- Estimated outstanding liabilities for loss and allocated loss adjustment expenses (ALAE) as of June 30, 2023. Estimates are provided at the expected level, as well as various confidence levels.
- Projection of ultimate loss and ALAE for fiscal accident years 2022-23 through 2025-26. Estimates are provided at the expected level, as well as various confidence levels.
- Projection of loss and ALAE payments for fiscal years 2022-23 through 2025-26.

The JBWCP is analyzed in two parts: (1) Trial Courts and (2) State Judiciary (including Trial Court Judges).

The estimates contained in this report are based upon loss data valued as of December 31, 2022, as well as other information provided by the Judicial Council, including exposure and financial data. Our estimates include medical and indemnity benefits, allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and benefit payments made under the provisions of labor code 4850. Our estimates exclude all other program expenses. Furthermore, the estimates in this report are not discounted for anticipated investment income.

ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). Other program expenses may include excess insurance, brokerage, consulting, and administrative expenses.

Our conclusions regarding the JBWCP's liability for unpaid loss and allocated loss adjustment expenses (ALAE) at June 30, 2023 are summarized in the table below at the expected level, as well as various confidence levels.

Judicial Branch Workers' Compensation Program
Self-Funded Workers' Compensation Program
Estimated Liability for Unpaid Loss and ALAE
at June 30, 2023

Year	Trial Courts	State Judiciary	Total
Prior	\$1,988,000	\$518,000	\$2,506,000
2006-07	533,000	0	533,000
2007-08	414,000	27,000	441,000
2008-09	342,000	0	342,000
2009-10	652,000	0	652,000
2010-11	761,000	0	761,000
2011-12	1,014,000	0	1,014,000
2012-13	1,904,000	0	1,904,000
2013-14	1,626,000	0	1,626,000
2014-15	2,058,000	43,000	2,101,000
2015-16	2,796,000	231,000	3,027,000
2016-17	2,838,000	168,000	3,006,000
2017-18	3,279,000	154,000	3,433,000
2018-19	4,090,000	187,000	4,277,000
2019-20	5,381,000	254,000	5,635,000
2020-21	7,509,000	279,000	7,788,000
2021-22	8,516,000	370,000	8,886,000
2022-23	11,599,000	557,000	12,156,000
Loss and ALAE	\$57,300,000	\$2,788,000	\$60,088,000
ULAE	3,771,000	570,000	4,341,000
Total	\$61,071,000	\$3,358,000	\$64,429,000
70% CL	65,896,000	3,815,000	69,711,000
75% CL	67,850,000	4,019,000	71,869,000
80% CL	70,049,000	4,254,000	74,303,000
85% CL	72,736,000	4,550,000	77,286,000
90% CL	76,278,000	4,943,000	81,221,000

The \$64,429,000 estimate is the minimum liability to be booked by the Judicial Council at June 30, 2023 for its workers' compensation program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires the Judicial Council to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income. GASB #10 does not address an asset requirement for the program, but only speaks to the liability to be recorded on the Judicial Council's financial statements.

Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the undiscounted expected loss costs be set aside as a margin for contingencies. Generally, the amount should be sufficient to bring funding to the 75% to 85% confidence level for primary programs. We consider funding to the 70% confidence level to be marginally acceptable and funding to the 90% confidence level to be conservative.

It should be noted that the Trial Courts had an additional contingent liability for claims occurring from January 1, 2001 through June 30, 2003. These are referred to as Trial Courts Group II claims. As of December 31, 2022, all Court Group II claims are closed. For these claims, we estimate the expected liability for unpaid loss and allocated loss adjustment expenses (ALAE) at June 30, 2023 to be \$0.

The table below shows our estimates of projected ultimate loss and ALAE for the JBWCP for the 2022-23 through 2025-26 fiscal years.

Judicial Branch Workers' Compensation Program
Self-Funded Workers' Compensation Program
Projected Ultimate Loss and ALAE

Year	2022-23	2023-24	2024-25	2025-26
Trial Courts	\$13,311,000	\$13,331,000	\$13,592,000	\$13,878,000
State Judiciary	592,000	620,000	643,000	660,000
Total	\$13,903,000	\$13,951,000	\$14,235,000	\$14,538,000
60% Confidence	14,304,000	14,353,000	14,645,000	14,956,000
65% Confidence	14,849,000	14,901,000	15,205,000	15,529,000
70% Confidence	15,441,000	15,497,000	15,814,000	16,151,000
75% Confidence	16,095,000	16,157,000	16,488,000	16,840,000
80% Confidence	16,857,000	16,925,000	17,272,000	17,641,000

Note: Self-Funded Retention = \$2M for Trial Courts, \$2M for State Judiciary

The estimates in the table above do not include any recognition of the existing funding margin. They are for loss, allocated loss adjustment expenses (ALAE), and payments for 4850 benefits. These amounts do not include unallocated loss adjustment expenses (ULAE), other program expenses, or a discount for anticipated investment income.

DRAFT

The table below shows our estimates of projected ultimate loss and LAE for the JBWCP for the 2023-24 fiscal year.

Judicial Branch Workers' Compensation Program
Self-Funded Workers' Compensation Program
Loss and LAE Funding Guidelines for 2023-24

	Expected	Marginally Acceptable			Recommended Range	
		60% CL	65% CL	70% CL	Low 75% CL	Target 80% CL
Trial Courts	\$15,314,000	\$15,714,000	\$16,194,000	\$16,714,000	\$17,287,000	\$17,954,000
State Judiciary	<u>1,111,000</u>	<u>1,113,000</u>	<u>1,181,000</u>	<u>1,258,000</u>	<u>1,344,000</u>	<u>1,445,000</u>
Total	\$16,425,000	\$16,827,000	\$17,375,000	\$17,972,000	\$18,631,000	\$19,399,000
Increase Over Expected		\$402,000	\$950,000	\$1,546,000	\$2,206,000	\$2,974,000

Note: Self-Funded Retention = \$2M for Trial Courts, \$2M for State Judiciary

The estimates in the table above do not include any recognition of the existing funding margin. They are for loss, allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), other program expenses, and payments for 4850 benefits. These amounts do not include a discount for anticipated investment income.

The table below shows our estimates of the expected loss and ALAE payments for the JBWCP for the 2022-23 through 2025-26 fiscal year.

Judicial Branch Workers' Compensation Program
Self-Funded Workers' Compensation Program
Expected Loss and ALAE Payments

Year	2022-23	2023-24	2024-25	2025-26
Trial Courts	\$5,764,000	\$11,934,000	\$12,254,000	\$12,538,000
State Judiciary	167,000	452,000	478,000	503,000
Total	\$5,931,000	\$12,386,000	\$12,732,000	\$13,041,000

Note: 2022-23 is for the period 1/1/23 to 6/30/23

The loss projections in this report reflect the estimated impact of benefit legislation contained in AB749, AB227, SB228, SB899, SB863, and recent WCAB court decisions based upon information provided by the WCIRB.

DRAFT

The ultimate impact on loss costs of legislated benefit adjustments are generally difficult to forecast in advance because the changes typically take place over a period of several years following enactment. Furthermore, actuarially derived benefit level evaluations often underestimate actual future cost levels. The shortfalls result from a variety of circumstances, including: increases in utilization levels, unanticipated changes in administrative procedures, and cost shifting among benefit categories. Thus, actual cost increases could differ, perhaps substantially, from the WCIRB's estimates.

Please note, the estimates included in this report include a provision for the potential increased cost of workers' compensation claims as a result of the coronavirus (COVID-19) pandemic.

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for the Judicial Council's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service the Judicial Council of California in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162, Becky Richard at (916) 244-1183 or Eric Small at (916) 244-1165 with any questions you may have concerning this report.

Bickmore Actuarial

DRAFT

Mike Harrington, FCAS, MAAA
President and Principal, Bickmore Actuarial
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries

DRAFT

Becky Richard, ACAS, MAAA
Senior Actuarial Manager, Bickmore Actuarial
Associate, Casualty Actuarial Society
Member, American Academy of Actuaries

DRAFT

Eric Small
Actuarial Consultant

TABLE OF CONTENTS

I. BACKGROUND	7
II. CONCLUSIONS AND RECOMMENDATIONS	8
A. LIABILITY FOR OUTSTANDING CLAIMS	8
B. PROGRAM FUNDING: GOALS AND OBJECTIVES	11
C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM	13
D. COMPARISON WITH PREVIOUS RESULTS	19
E. DATA PROVIDED FOR THE ANALYSIS	29
III. ASSUMPTIONS AND LIMITATIONS	30
IV. GLOSSARY OF ACTUARIAL TERMS	32
V. SUMMARY EXHIBITS	34
VI. TRIAL COURTS EXHIBITS	40
VII. TRIAL COURTS APPENDICES	51
VIII. STATE JUDICIARY EXHIBITS	87
IX. STATE JUDICIARY APPENDICES	98

I. BACKGROUND

The Judicial Council of California the policymaking body of the California courts, the largest court system in the nation. Under the leadership of the Chief Justice and in accordance with the California Constitution, the Judicial Council is responsible for ensuring the consistent, independent, impartial, and accessible administration of justice. The Judicial Council's staff agency and is responsible for implementing council policies.

The Judicial Council self-funds its exposure for workers' compensation claims, with the program being administered by the Judicial Council. The self-funded workers' compensation program is referred to as the Judicial Branch Workers' Compensation Program. Claims administration services are provided by AIMS.

The JBWCP is a self-funded program in which each entity pays a share of cost based on each member's workers' compensation claims experience and historical payroll. The total cost for this program is broken up into three groups: 1) Trial Court employees and volunteers, which includes the membership of 57 out of the 58 California Trial Courts, 2) Judicial, which includes member coverage for the Appellate Justices, Trial Court Judges, and Retired Judges in the Assigned Judges Program, and 3) State Judiciary, which includes the membership of the Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, California Judicial Center Library, Commission on Judicial Performance, and the Judicial Council and provides coverage for all of their employees and volunteers.

Given the low volume of loss experience and exposure, and in order to provide a credible actuarial estimate, the Judicial and the State Judiciary groups are valued together for purposes of determining total program cost. Thus for the purpose of the analysis, the three groups are consolidated to two groups, Trial Courts and the State Judiciary.

Beginning January 1, 2003, the JBWCP assumed liability for the Trial Court's workers' compensation claims for those members who joined the program retroactive to January 1, 2001. As of December 31, 2022, 57 of the 58 trial courts in California have joined the program; only Los Angeles does not participate in the program. The current self-funded retention is \$2,000,000 per occurrence for both the Trial Courts and the State Judiciary.

The purpose of this review is to provide a guide to the Judicial Council to determine reasonable funding levels for its self-insurance program according to the funding policy the Judicial Council has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate the JBWCP's liability for outstanding claims as of June 30, 2023, project ultimate loss costs for 2022-23, 2023-24, 2024-25 and 2025-26 and provide funding guidelines to meet these liabilities and future costs.

II. CONCLUSIONS AND RECOMMENDATIONS

A. LIABILITY FOR OUTSTANDING CLAIMS

Graph 1 on the following page summarizes our assessment of the JBWCP's funding position as of June 30, 2023. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due.

Our best estimate of the full value of the JBWCP's liability for outstanding claims within its self-funded retention is \$64,429,000 as of June 30, 2023. This amount includes losses, allocated loss adjustment expenses (ALAE), unallocated loss adjustment expenses (ULAE), and payments for 4850 benefits. This amount excludes all other program expenses. Furthermore, the estimates in this report are not discounted for anticipated investment income.

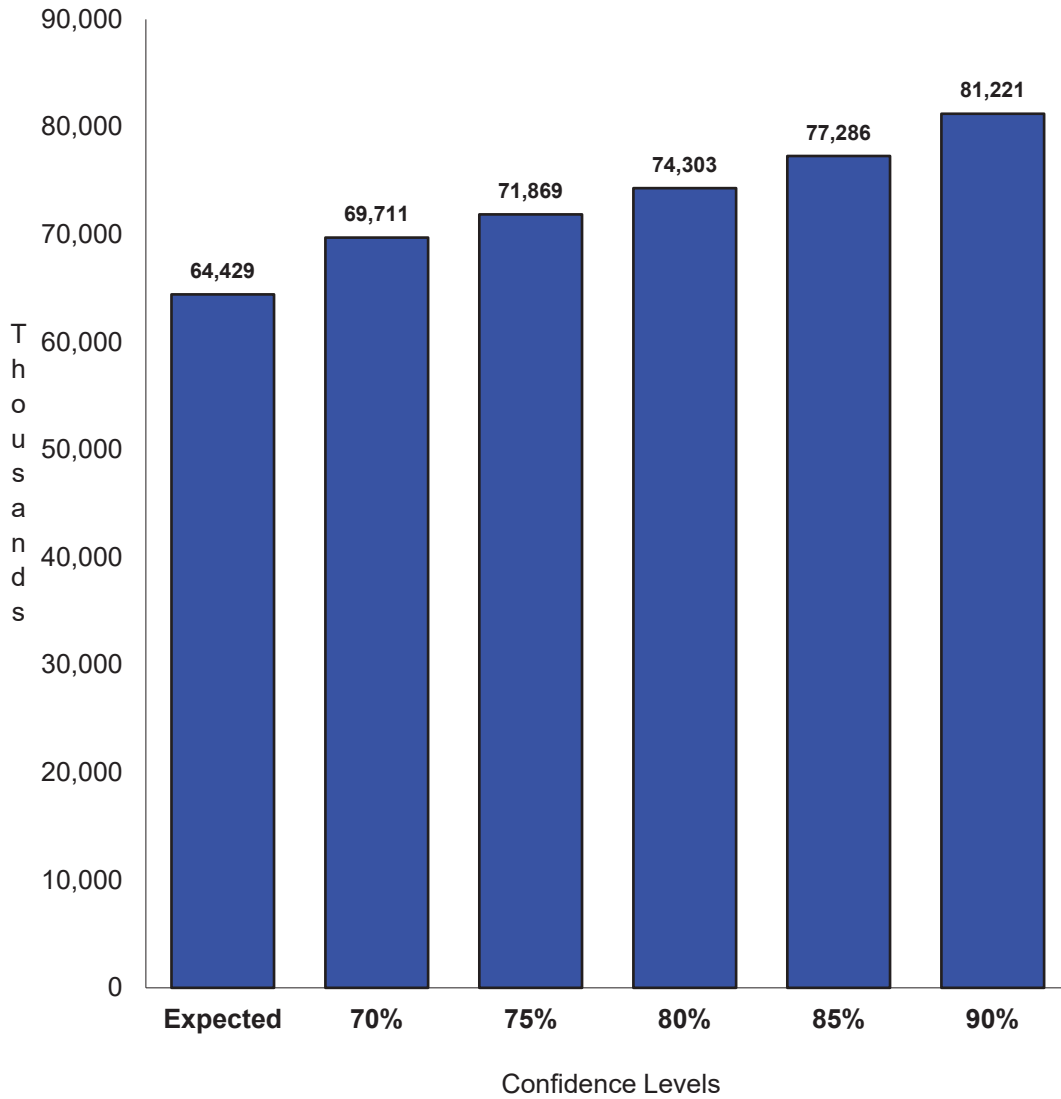
ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). Other program expenses may include excess insurance, brokerage, consulting, and administrative expenses.

There is some uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate.

We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding.

Graph 1 shows the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

Judicial Branch Workers' Compensation Program
Outstanding Liability (\$000's)
at June 30, 2023



■ Undiscounted

The table below displays a breakdown of the program's outstanding loss and ALAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2023, before recognition of investment income.

Judicial Branch Workers' Compensation Program
Self-Funded Workers' Compensation Program
Estimated Liability for Unpaid Loss and ALAE at June 30, 2023

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$645,946	\$215,244	\$861,190
2002-03	156,067	53,426	209,493
2003-04	664,483	106,144	770,627
2004-05	125,446	95,717	221,163
2005-06	323,338	120,667	444,005
2006-07	403,875	129,562	533,437
2007-08	295,977	144,780	440,757
2008-09	180,530	161,894	342,424
2009-10	373,954	277,677	651,631
2010-11	421,902	339,538	761,440
2011-12	547,199	466,972	1,014,171
2012-13	782,351	1,121,152	1,903,503
2013-14	489,988	1,135,587	1,625,575
2014-15	740,280	1,360,478	2,100,758
2015-16	1,111,981	1,914,570	3,026,551
2016-17	1,027,529	1,978,188	3,005,717
2017-18	1,004,909	2,428,398	3,433,307
2018-19	1,268,327	3,009,005	4,277,332
2019-20	1,571,427	4,063,664	5,635,091
2020-21	3,050,116	4,737,769	7,787,885
2021-22	2,074,287	6,811,846	8,886,133
2022-23	1,935,922	10,220,052	12,155,974
Total	\$19,195,834	\$40,892,330	\$60,088,164
ULAE		4,340,905	4,340,905
Total	\$19,195,834	\$45,233,235	\$64,429,069

The case reserve is the amount left to be paid on a claim, as estimated by the claims administrator. The IBNR reserve is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

B. PROGRAM FUNDING: GOALS AND OBJECTIVES

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-funded events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by the Judicial Council.

GASB #10 and #30 do not address funding requirements. They do, however, allow a range of funded amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 which allow recognition of a funding margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some margin for unexpected adverse loss experience.

The amount of the margin should be a question of long-term funding policy. We recommend that the margin be determined by thinking in terms of the probability that a given level of funding will prove to be adequate. For example, a reasonable goal might be to maintain a fund at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to fund at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for current claims. The additional contributions for years by that time long past may be required at the same time that costs are increasing dramatically on then-current claims. The burden of funding increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program funding at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting funding will be sufficient to meet claim liabilities, yet the required margins are not so large that they will cause most self-funded entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required margin for the most part, which means that it is also reasonable to think of the liabilities as being stated on an undiscounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, the Judicial Council's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

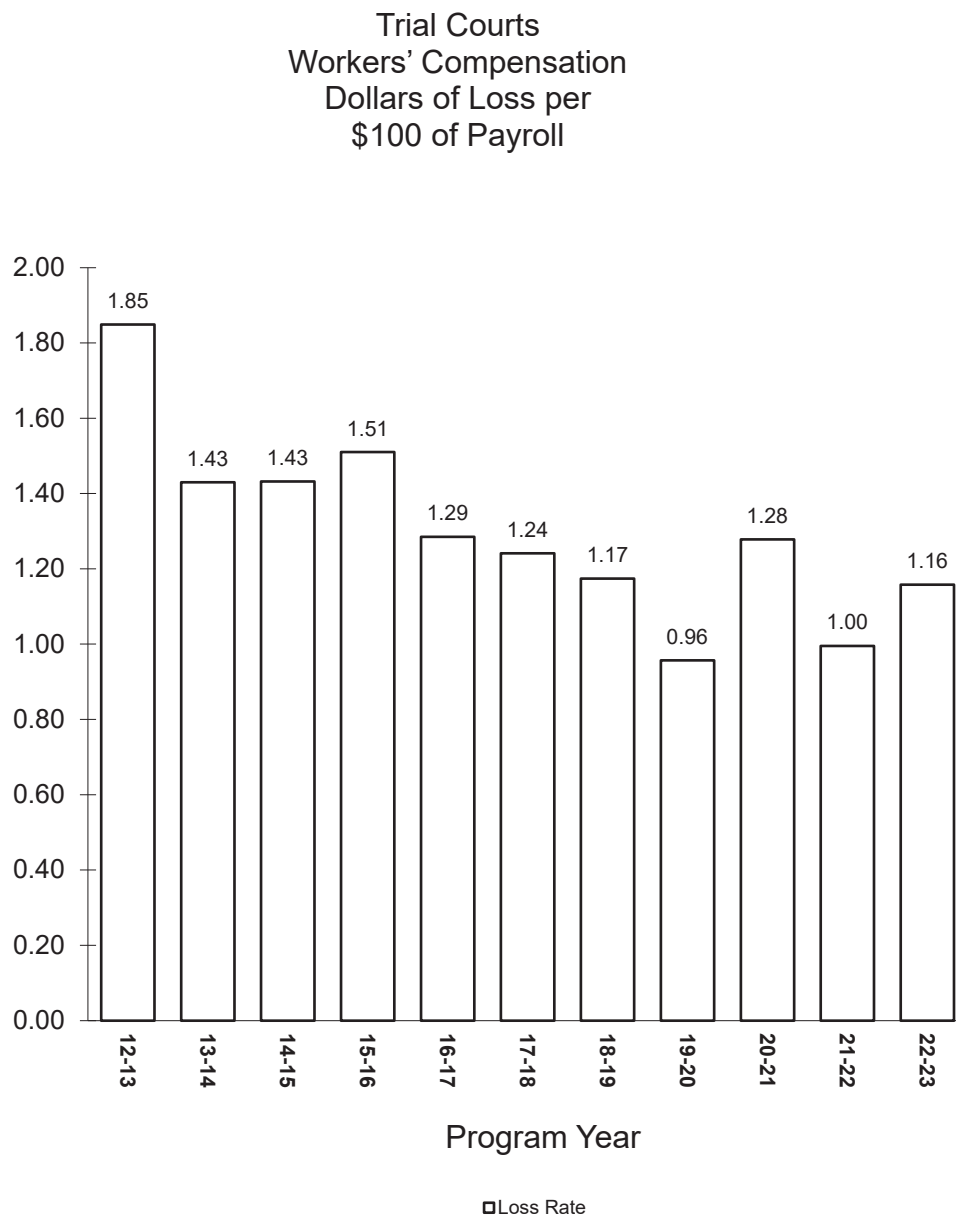
In general, we recommend that you fund each year's claims costs in that year. When surpluses or deficiencies have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce surplus funding more slowly than you would accumulate funding to make up a deficiency.

C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

Graphs 2, 3 and 4 below delineate the average loss rate, severity and frequency, respectively for the Trial Courts. Note that for the purposes of these graphs, all individual losses have been limited to \$250,000.

The Trial Courts' loss rate (limited to \$250,000 per occurrence) has been relatively stable overall during the past ten years. The Trial Courts' loss rate averaged \$1.50 during the 2012-13 and 2016-17 program years and averaged \$1.13 per \$100 of payroll during 2017-18 through 2021-22. Our projected loss rate for 2022-23 is \$1.16 per \$100 of payroll. This selection is based on the Trial Courts' average for the most recent five years.

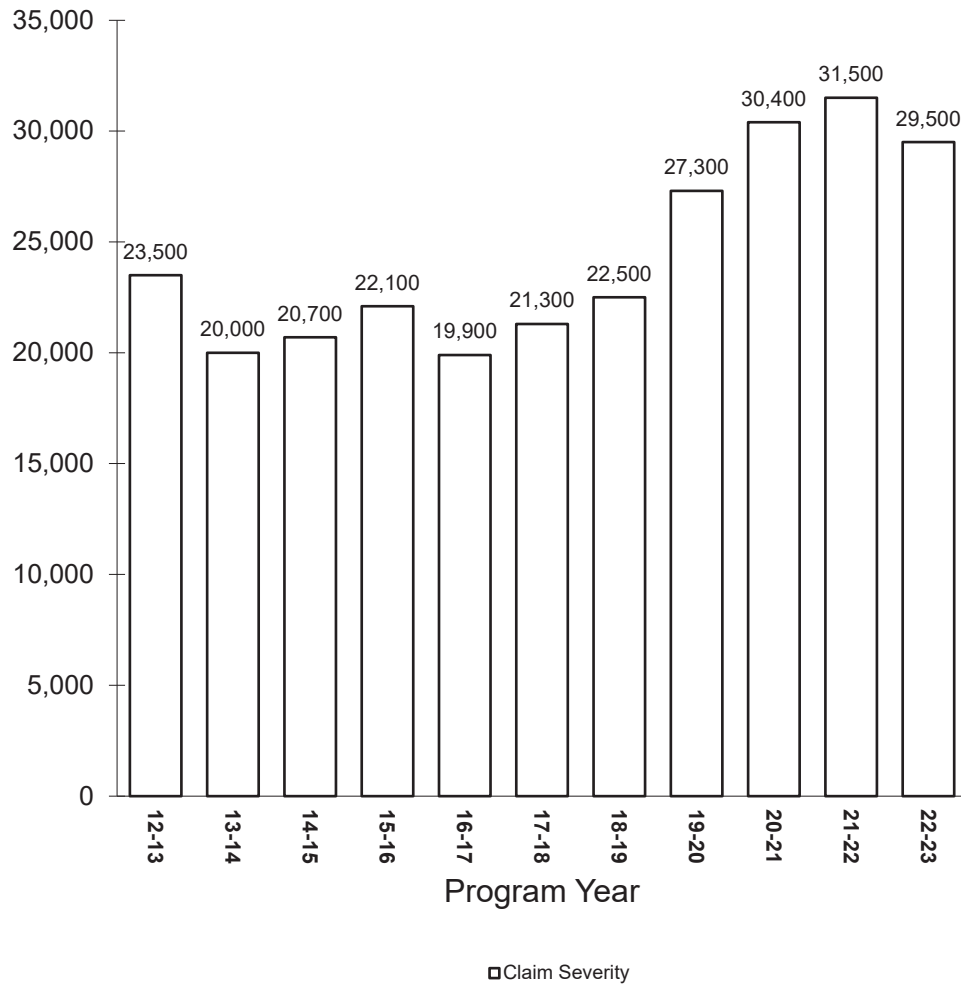
Graph 2



The Trial Courts' claim severity, or cost per claim (limited to \$250,000 per occurrence), has been rising overall during the past ten years. The projected 2022-23 average cost per claim of \$29,500 is based on the recent increasing trend.

Graph 3

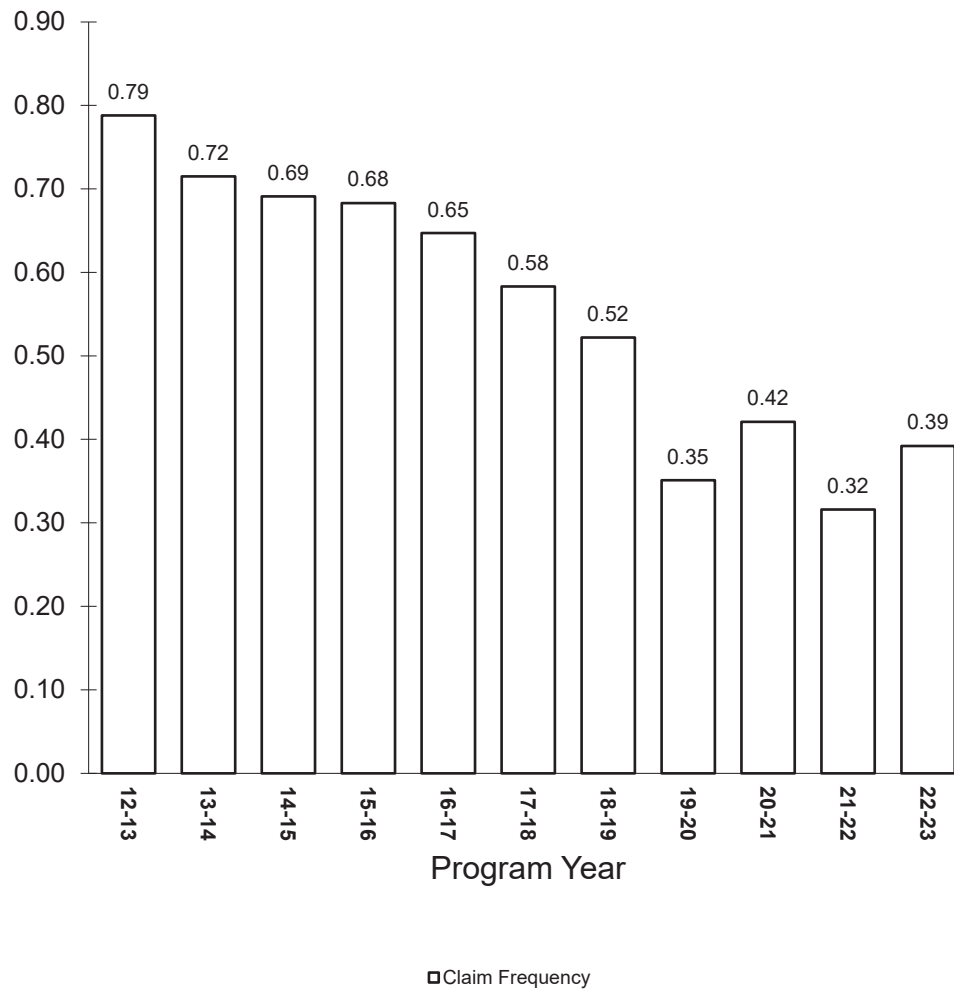
Trial Courts
Workers' Compensation
Dollars of Loss per Claim



The Trial Courts' claim frequency, or number of claims per \$1 million of payroll, has been generally decreasing since 2012-13. Our projected claims frequency of 0.39 for 2022-23 is similar to the average of the recent four years and the apparent downward trend.

Graph 4

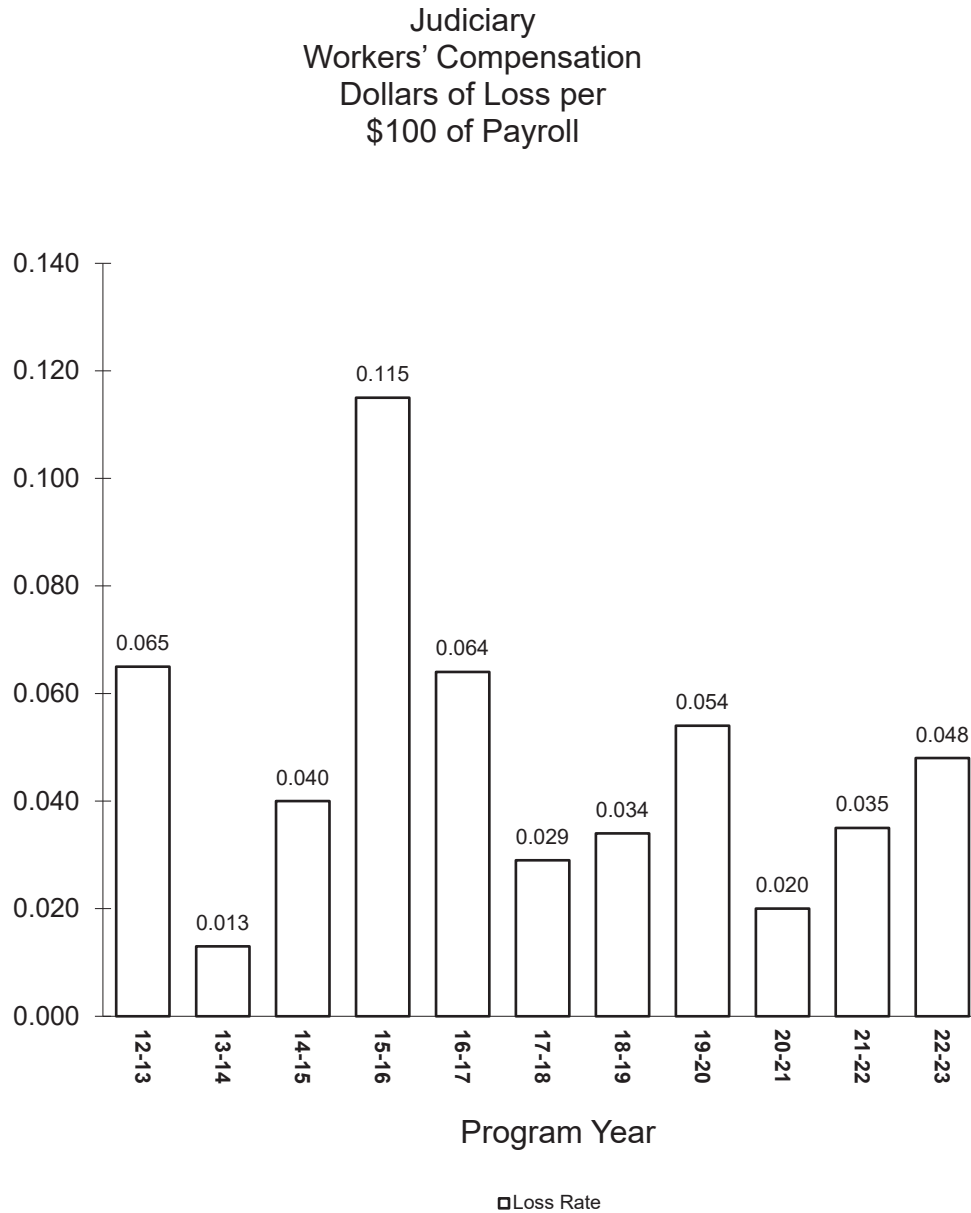
Trial Courts
Workers' Compensation
Number of Claims per
\$1 Million of Payroll



Graphs 5, 6 and 7 below delineate the average loss rate, severity and frequency, respectively for the State Judiciary. Note that for the purposes of these graphs, all individual losses have been limited to \$100,000.

The State Judiciary's loss rate (limited to \$100,000 per occurrence) has been quite volatile over the past ten years. The State Judiciary's loss rate averaged \$0.059 from 2012-13 to 2016-17 and \$0.034 between 2017-18 and 2021-22. Our projected loss rate for 2022-23 is \$0.048 per \$100 of payroll.

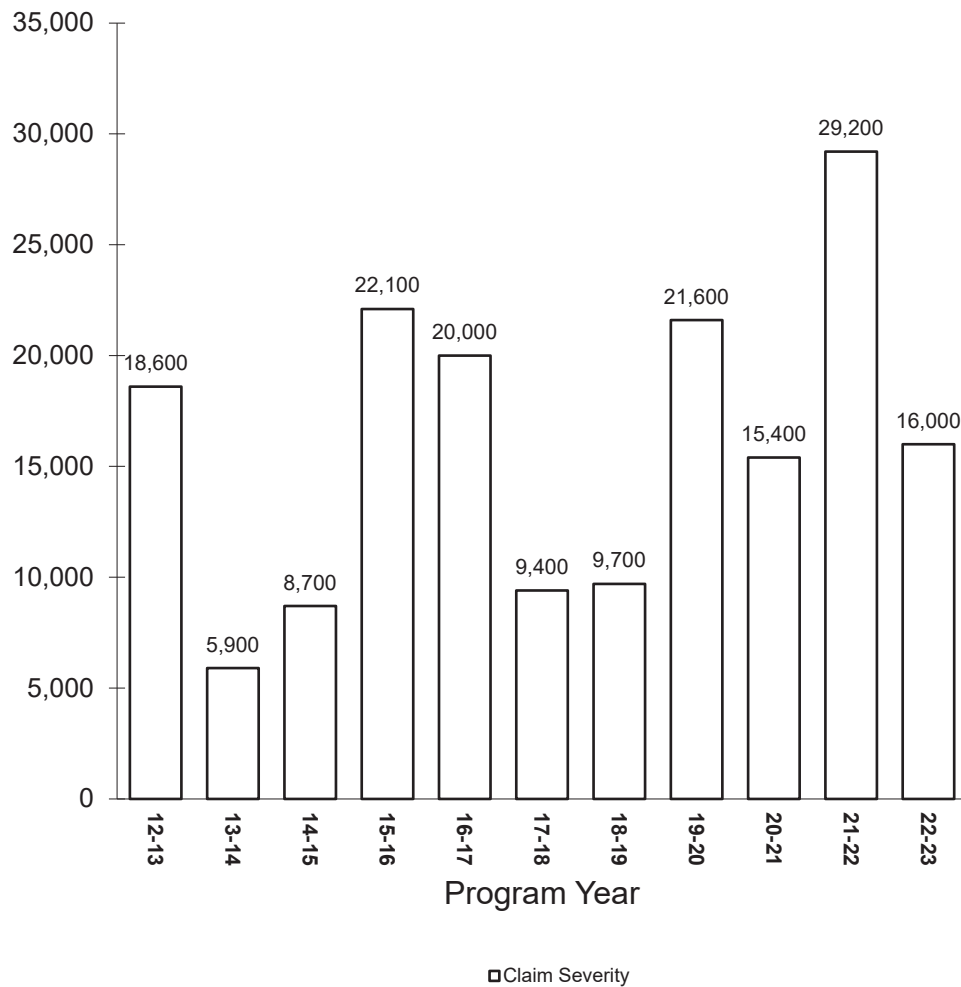
Graph 5



The State Judiciary's claim severity, or cost per claim (limited to \$100,000 per occurrence), fell to a low of \$5,900 during 2013-14. Since that time the average claim severity has increased overall. Our projection of \$16,000 for 2022-23 is based on the recent years and apparent upward trend.

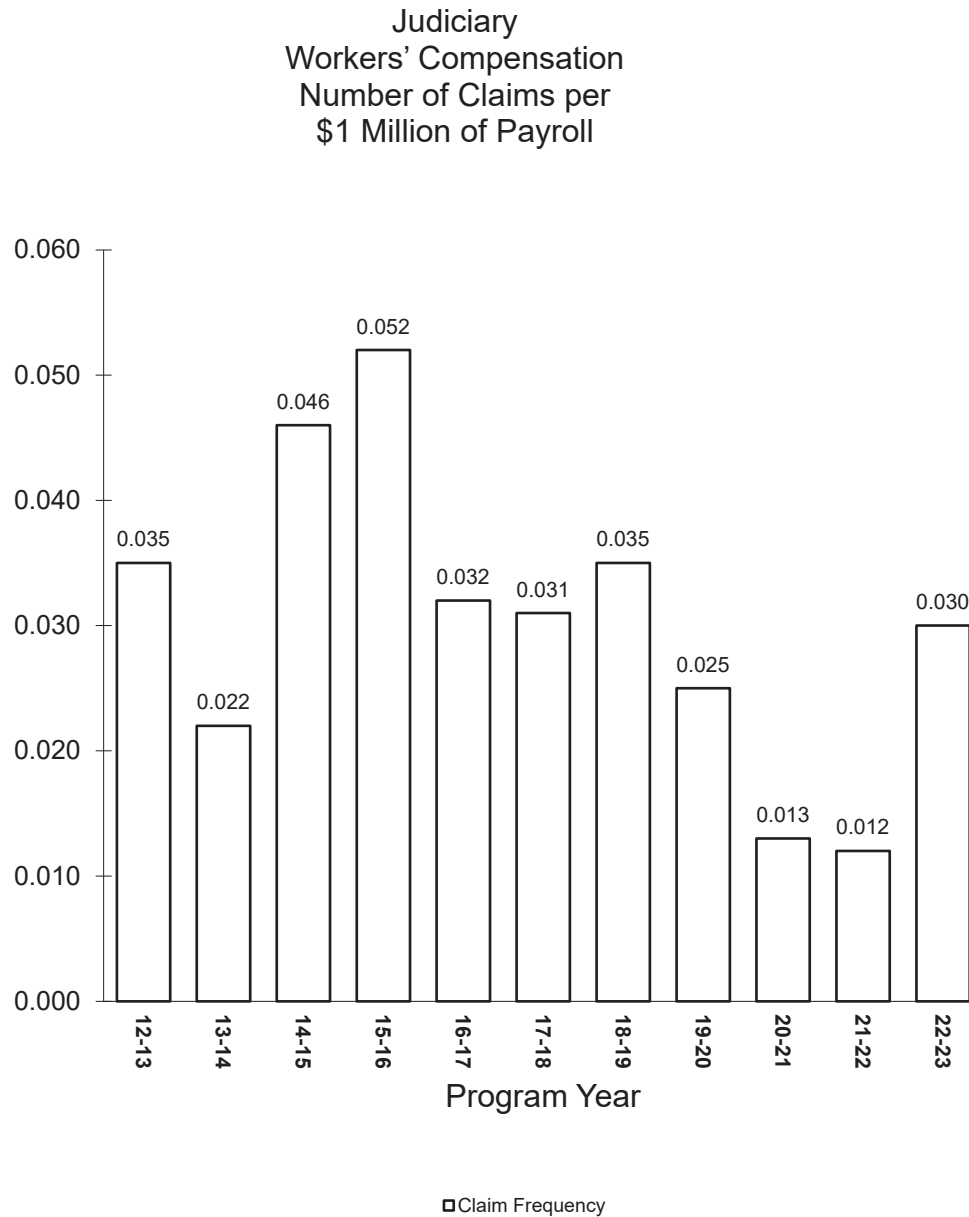
Graph 6

Judiciary
Workers' Compensation
Dollars of Loss per Claim



Since 2012-13, the State Judiciary’s claim frequency, or number of claims per \$1 million payroll, has ranged from a high of 0.052 in 2015-16 to a low of 0.012 during 2021-22. The projected 2022-23 frequency of 0.030 claims per \$1 million of payroll is based on the average of the most recent seven years.

Graph 7



D. COMPARISON WITH PREVIOUS RESULTS

The prior report for the Judicial Branch Workers' Compensation Program was dated March 8, 2022. In the following table, we display actual versus expected development of incurred losses and ALAE by accident year for the Trial Courts between the December 31, 2021 evaluation date of the prior report and the December 31, 2022 evaluation date of the current report.

Trial Courts Actual Versus Expected Incurred Loss and ALAE Development

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$38,000	\$219,000	\$181,000
2002-03	35,514	(43,508)	(79,022)
2003-04	42,180	37,110	(5,070)
2004-05	13,888	81,615	67,727
2005-06	13,942	44,363	30,421
2006-07	28,451	26,561	(1,890)
2007-08	39,706	45,864	6,158
2008-09	43,843	(28,068)	(71,911)
2009-10	142,828	249,480	106,652
2010-11	191,690	57,112	(134,578)
2011-12	205,019	210,197	5,178
2012-13	389,903	92,402	(297,501)
2013-14	394,749	216,015	(178,734)
2014-15	399,729	(228,238)	(627,967)
2015-16	462,336	294,399	(167,937)
2016-17	570,182	210,558	(359,624)
2017-18	572,816	520,422	(52,394)
2018-19	878,322	770,589	(107,733)
2019-20	1,599,417	1,194,000	(405,417)
2020-21	2,691,925	3,569,973	878,048
2021-22	4,591,171	2,648,614	(1,942,557)
Total	\$13,346,000	\$10,188,400	(\$3,157,600)

As shown, actual incurred development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase by \$13,346,000 between the two evaluation dates. However, actual development was approximately \$10,188,000; or about \$3,158,000 less than expected. Most accident years have developed less expected.

In the table below we display actual versus expected development of paid losses and ALAE by accident year for the Trial Courts between the December 31, 2021 evaluation date of the prior report and the December 31, 2022 evaluation date of the current report.

Trial Courts
Actual Versus Expected Paid Loss and ALAE Development

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$46,000	\$213,000	\$167,000
2002-03	42,168	62,494	20,326
2003-04	102,758	152,628	49,870
2004-05	18,654	35,787	17,133
2005-06	35,726	97,311	61,585
2006-07	75,711	60,111	(15,600)
2007-08	106,891	109,265	2,374
2008-09	95,028	86,467	(8,561)
2009-10	140,108	196,703	56,595
2010-11	175,819	140,307	(35,512)
2011-12	250,208	522,984	272,776
2012-13	386,561	247,062	(139,499)
2013-14	319,926	349,173	29,247
2014-15	471,340	75,542	(395,798)
2015-16	610,683	541,299	(69,384)
2016-17	621,787	612,184	(9,603)
2017-18	807,974	1,207,790	399,816
2018-19	1,153,999	1,308,131	154,132
2019-20	1,497,128	1,242,683	(254,445)
2020-21	2,100,798	2,835,546	734,748
2021-22	2,323,526	1,750,674	(572,852)
Total	\$11,383,000	\$11,847,058	\$464,058

As shown, actual paid development was slightly more than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$11,383,000 between the two evaluation dates. However, actual development was approximately \$11,847,000; or about \$464,000 more than expected.

In the table below we display the change in the estimates of the program's ultimate losses and ALAE by accident year for the Trial Courts since our prior report.

Trial Courts
Change in Ultimate Loss and ALAE

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$23,927,000	\$24,118,000	\$191,000
2002-03	17,935,278	17,855,940	(79,338)
2003-04	21,344,107	21,339,090	(5,017)
2004-05	14,154,134	14,208,265	54,131
2005-06	14,223,601	14,254,281	30,680
2006-07	14,541,626	14,525,318	(16,308)
2007-08	13,569,399	13,562,293	(7,106)
2008-09	11,359,286	11,295,770	(63,516)
2009-10	16,614,492	16,693,058	78,566
2010-11	15,712,244	15,543,956	(168,288)
2011-12	15,320,512	15,274,221	(46,291)
2012-13	16,963,308	16,733,985	(229,323)
2013-14	13,305,887	13,153,011	(152,876)
2014-15	13,546,983	12,924,764	(622,219)
2015-16	14,640,570	14,536,416	(104,154)
2016-17	12,772,175	12,377,967	(394,208)
2017-18	12,417,911	12,330,570	(87,341)
2018-19	12,456,617	12,296,488	(160,129)
2019-20	11,715,648	11,213,803	(501,845)
2020-21	13,201,725	14,133,169	931,444
2021-22	13,242,659	11,670,624	(1,572,035)
Total	\$312,965,158	\$310,041,137	(\$2,924,021)

As shown, overall we have decreased the estimated ultimates by \$2,924,000 when compared to the ultimate losses calculated in the prior report. The changes in the estimates of ultimate losses generally track with actual versus expected incurred loss development shown in the tables on the previous pages.

In the following table, we display the State Judiciary's actual versus expected development of incurred losses and ALAE by accident year between the December 31, 2021 evaluation date of the prior report and the December 31, 2022 evaluation date of the current report.

State Judiciary
Actual Versus Expected Incurred Loss and ALAE Development

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$35,000	\$81,000	\$46,000
2002-03	0	0	0
2003-04	0	0	0
2004-05	1,826	257	(1,569)
2005-06	0	4,881	4,881
2006-07	0	0	0
2007-08	1,741	0	(1,741)
2008-09	5,564	(6,587)	(12,151)
2009-10	0	0	0
2010-11	0	17	17
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	5,992	6,399	407
2015-16	16,853	76,646	59,793
2016-17	24,127	30,999	6,872
2017-18	36,732	4,196	(32,536)
2018-19	62,672	(18,242)	(80,914)
2019-20	83,895	5,848	(78,047)
2020-21	147,857	(1,660)	(149,517)
2021-22	173,440	42,053	(131,387)
Total	\$595,300	\$225,568	(\$369,732)

For the years shown, actual incurred development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase by \$595,000 between the two evaluation dates. However, actual development was approximately \$226,000; or \$370,000 less than expected.

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the December 31, 2021 evaluation date of the prior report and the December 31, 2022 evaluation date of the current report.

**State Judiciary
Actual Versus Expected Paid Loss and ALAE Development**

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$71,000	\$74,000	\$3,000
2002-03	0	0	0
2003-04	0	0	0
2004-05	2,028	8,851	6,823
2005-06	0	1,043	1,043
2006-07	0	0	0
2007-08	2,673	2,068	(605)
2008-09	4,819	0	(4,819)
2009-10	0	0	0
2010-11	0	17	17
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	7,237	15,626	8,389
2015-16	28,489	58,322	29,833
2016-17	27,615	13,707	(13,908)
2017-18	43,214	18,145	(25,069)
2018-19	52,234	0	(52,234)
2019-20	76,375	64,367	(12,008)
2020-21	79,571	0	(79,571)
2021-22	66,986	11,280	(55,706)
Total	\$462,006	\$267,474	(\$194,532)

For the years shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$462,000 between the two evaluation dates. However, actual development was approximately \$267,000; or about \$195,000 less than expected. As shown, most accident years developed favorably.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE by accident year since our prior report.

**State Judiciary
Change in Ultimate Loss and ALAE**

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$13,512,000	\$13,587,000	\$74,000
2002-03	171,866	171,866	0
2003-04	289,343	289,343	0
2004-05	392,296	389,540	(2,756)
2005-06	229,270	242,113	12,843
2006-07	575,305	575,305	0
2007-08	276,062	272,922	(3,140)
2008-09	782,303	729,351	(52,952)
2009-10	686,343	686,343	0
2010-11	308,896	308,913	17
2011-12	549,454	549,454	0
2012-13	430,767	430,767	0
2013-14	61,947	61,947	0
2014-15	316,676	310,462	(6,214)
2015-16	756,967	792,239	35,272
2016-17	499,249	501,739	2,490
2017-18	347,311	290,032	(57,279)
2018-19	458,709	367,106	(91,603)
2019-20	575,594	498,861	(76,733)
2020-21	456,046	317,962	(138,084)
2021-22	614,862	418,954	(195,908)
Total	\$22,291,748	\$21,792,039	(\$499,709)

For the years shown, overall we have decreased the estimated ultimates by \$500,000 since our prior report. The changes in the estimates of ultimate losses generally track with actual versus expected loss development shown in the tables on the previous pages.

At the time of the prior report, the liability for outstanding claims at the expected level as of June 30, 2022 was estimated to be \$65,043,000 for the Trial Courts and \$3,817,000 for the State Judiciary for a total of \$68,860,000. Our current estimate as of June 30, 2023, is \$61,071,000 for the Trial Courts and \$3,358,000 for the State Judiciary for a total of \$64,429,000. These changes in the assessment of the JBWCP's outstanding liabilities for both the Trial Courts and State Judiciary are shown in the following tables:

Trial Courts Only
Outstanding Claim Liabilities for Loss and LAE

	Prior Report at June 30, 2022	Current Report at June 30, 2023	Change
(A) Case Reserves:	\$19,202,000	\$18,427,000	(\$775,000)
(B) IBNR Reserves:	40,128,000	38,873,000	(1,255,000)
(C) Claims Administration Reserves:	5,713,000	3,771,000	(1,942,000)
(D) Total Reserves:	\$65,043,000	\$61,071,000	(\$3,972,000)

State Judiciary Only
Outstanding Claim Liabilities for Loss and LAE

	Prior Report at June 30, 2022	Current Report at June 30, 2023	Change
(A) Case Reserves:	\$780,000	\$769,000	(\$11,000)
(B) IBNR Reserves:	2,155,000	2,019,000	(136,000)
(C) Claims Administration Reserves:	882,000	570,000	(312,000)
(D) Total Reserves:	\$3,817,000	\$3,358,000	(\$459,000)

Trial Courts and State Judiciary Combined
Outstanding Claim Liabilities for Loss and LAE

	Prior Report at June 30, 2022	Current Report at June 30, 2023	Change
(A) Case Reserves:	\$19,982,000	\$19,196,000	(\$786,000)
(B) IBNR Reserves:	42,283,000	40,892,000	(1,391,000)
(C) Claims Administration Reserves:	6,595,000	4,341,000	(2,254,000)
(D) Total Reserves:	\$68,860,000	\$64,429,000	(\$4,431,000)

As shown, the estimate of outstanding claims liabilities at the expected level has decreased between June 30, 2022 and June 30, 2023 as reflected in the prior report and current report respectively for both the Trial Courts and State Judiciary.

Since the prior evaluation, case reserves and IBNR have decreased for both the Trial Courts and the State Judiciary. Reserves for future claims administration expenses have decreased. The overall change is a decrease of \$4,431,000 in the estimate of outstanding claim liabilities for loss and ALAE.

Available assets were \$73,489,000 as of June 30, 2022, which corresponded to the then-estimated undiscounted liability for outstanding claims between the expected and 70% confidence level. Available assets are currently estimated to be \$74,234,000 as of June 30, 2023, which corresponds to the currently estimated liability for outstanding claims between the 75% and 80% confidence levels. It can be summarized as follows:

Funding Margin

	Prior Report at June 30, 2022	Current Report at June 30, 2023	Change
(A) Outstanding Liability at the Undiscounted Expected Level:	\$68,860,000	\$64,429,000	(\$4,431,000)
(B) Assets At June 30:	73,489,000	74,234,000	745,000
(C) Surplus:	\$4,629,000	\$9,805,000	\$5,176,000

As you can see, our estimate of the program’s funding surplus at the undiscounted, expected level has increased by \$5,176,000 between June 30, 2022 (as previously estimated) and June 30, 2023 (as currently estimated). This is driven by a decrease in the estimated outstanding liability coupled with by an increase in the estimated fund assets.

At the time of the prior report, the 2022-23 funding projections at the 70% confidence level were \$17,793,000 for the Trial Courts. Our current projections for the 2023-24 year at the 70% confidence level are \$16,714,000 for the Trial Courts. The comparison is shown in the following table:

Comparison of Funding

Trial Courts

	Prior Report 2022-23 Retention = \$2M	Current Report 2023-24 Retention = \$2M	Change
(A) Ultimate Loss and ALAE:	\$15,131,000	\$14,731,000	(\$400,000)
(B) Ultimate Claims Administration (ULAE):	\$1,959,000	\$1,248,000	(711,000)
(C) Total Claim Costs:	\$17,090,000	\$15,979,000	(1,111,000)
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	703,000	735,000	32,000
(F) Total Recommended Funding:	\$17,793,000	\$16,714,000	(\$1,079,000)
(G) Funding per \$100 of Payroll:	\$1.85	\$1.70	(\$0.15)

As you can see, the projected funding for the Trial Courts have decreased and the between 2022-23 and 2023-24, as shown in the prior and current reports respectively.

At the time of the prior report, the 2022-23 funding projections at the 70% confidence level were \$1,341,000 for the State Judiciary. Our current projections for the 2023-24 year at the 70% confidence level are \$1,258,000 for the State Judiciary. The comparison is shown in the following table:

Comparison of Funding

State Judiciary

	Prior Report 2022-23 Retention = \$2M	Current Report 2023-24 Retention = \$2M	Change
(A) Ultimate Loss and ALAE:	\$781,000	\$767,000	(\$14,000)
(B) Ultimate Claims Administration (ULAE):	\$209,000	\$127,000	(82,000)
(C) Total Claim Costs:	\$990,000	\$894,000	(96,000)
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	351,000	364,000	13,000
(F) Total Recommended Funding:	\$1,341,000	\$1,258,000	(\$83,000)
(G) Funding per \$100 of Payroll:	\$0.20	\$0.18	(\$0.02)

As you can see, the projected funding for the State Judiciary have decreased between 2022-23 and 2023-24, as shown in the prior and current reports respectively.

At the time of the prior report, the 2022-23 expected loss and ALAE payments were \$11,907,000 for the Trial Courts and \$482,000 for the State Judiciary, for a total of \$12,389,000. Our current estimates for the 2023-24 year are \$11,934,000 for Trial Courts and \$452,000 for the State Judiciary for a total of \$12,386,000. The comparison is shown in the following table:

Comparison of Expected Loss and ALAE Payments

	Prior Report 2022-23	Current Report 2023-24	Change
(A) Trial Courts:	\$11,907,000	\$11,934,000	\$27,000
(B) State Judiciary:	482,000	452,000	(30,000)
(C) Total:	\$12,389,000	\$12,386,000	(\$3,000)

As you can see, the expected payments have increased for the Trial Courts and decreased for the State Judiciary between 2022-23 and 2023-24, as shown in the prior and current reports respectively.

The amounts shown above for both ultimates and payments include loss, allocated loss adjustment expenses (ALAE), and payments for 4850 benefits. These amounts do not include unallocated loss adjustment expenses (ULAE), other program expenses or a discount for anticipated investment income.

E. DATA PROVIDED FOR THE ANALYSIS

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the program's self-funded retention will remain at \$2,000,000 per occurrence for the Trial Courts for 2022-23, 2023-24, 2024-25, and 2025-26 (See Appendix TC-J for the Trial Courts).
- We have assumed that the program's self-funded retention will remain at \$2,000,000 per occurrence for Judiciary for 2022-23, 2023-24, 2024-25, and 2025-26 (See Appendix J-J for the State Judiciary).
- We received loss data evaluated as of December 31, 2022 (See Appendix TC-K for the Trial Courts and Appendix J-K for the State Judiciary). We also utilized the data from the JBWCP's most recent actuarial study for our assessment of loss development.

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

III. ASSUMPTIONS AND LIMITATIONS

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by the Judicial Council. We have accepted all of this information without audit.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California public entities.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of other California public entities with self-funded workers' compensation programs.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the cost of workers' compensation claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- The changes in cost levels associated with benefit increases and administrative changes typically take place over a period of several years following their enactment, and these changes are very difficult to forecast in advance. We have based our benefit level factors on those produced by the Workers' Compensation Insurance Rating Bureau of California (WCIRB). See Appendix E for a display of the benefit level cost indices by fiscal year.

DRAFT

- For the Trial Counts, we have assumed that the loss rate trend associated with claim costs decreases at 0.1% per year. We have assumed that claim severity increases at 3.0% per year, and that claim frequency decreases at 4.0% per year. For the State Judiciary, we have assumed that the loss rate trend associated with claim costs decreases at 2.0% per year. We have assumed that claim severity will remain flat, and that claim frequency decreases at 2.0% per year.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.56% annually due to inflation.
- Our funding recommendations do not include provisions for catastrophic events not in the JBWCP's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than the JBWCP's excess coverage.

IV. GLOSSARY OF ACTUARIAL TERMS

Accident Year - Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

Allocated Loss Adjustment Expenses (ALAE) - Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, etc.)

Benefit Level Factor - Factor used to adjust historical losses to the current level of workers' compensation benefits.

Case Reserve - The amount left to be paid on a claim, as estimated by the claims administrator.

Claim Count Development Factor - A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

Claim Frequency - Number of claims per \$1 million of payroll.

Confidence Level - An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Discount Factor - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

Expected Losses - The best estimate of the full, ultimate value of loss costs.

Incurred but not Reported (IBNR) Losses - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

Loss Development Factor - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

Loss Rate - Ultimate losses per \$100 of payroll.

Non-Claims Related Expenses – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

Outstanding Losses - Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

Paid Losses - Losses actually paid on all reported claims.

Program Losses - Losses, including ALAE, limited to the self-funded retention for each occurrence.

Reported Losses - The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

Self-Funded Retention - The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

Severity - Average claim cost.

Ultimate Losses - The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

Unallocated Loss Adjustment Expenses (ULAE) – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims adjusters' salaries, taxes, etc.)

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Guidelines for Outstanding Liabilities at
December 31, 2022

(A) Estimated Ultimate Losses Incurred through 12/31/22: (From Appendix TC - G and Appendix J - G)	\$338,785,000
(B) Estimated Paid Losses through 12/31/22: (From Appendix TC - G and Appendix J - G)	279,717,000
(C) Estimated Liability for Claims Outstanding at 12/31/22: (From Appendix TC - G and Appendix J - G)	<u>\$59,068,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/22: (From Appendix TC - F and Appendix J - F)	4,263,000
(E) Total Outstanding Liability for Claims at 12/31/22: ((C) + (D))	<u>\$63,330,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/22: ((E) x (F))	<u>\$63,330,000</u>

Confidence Level of Adequacy:	<u>Marginally Acceptable</u>	<u>75%</u>	<u>Recommended</u>	<u>85%</u>	<u>Conservative</u>
(H) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.082	1.115	1.153	1.199	1.260
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	5,183,000	7,300,000	9,687,000	12,612,000	16,471,000
(J) Total Required Assets at 12/31/22: ((G) + (I))	<u>\$68,513,000</u>	<u>\$70,631,000</u>	<u>\$73,018,000</u>	<u>\$75,943,000</u>	<u>\$79,802,000</u>

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Guidelines for Outstanding Liabilities at
June 30, 2023

(A) Estimated Ultimate Losses Incurred through 6/30/23: (From Appendix TC - G and Appendix J - G)	\$345,736,000
(B) Estimated Paid Losses through 6/30/23: (From Appendix TC - G and Appendix J - G)	285,648,000
(C) Estimated Liability for Claims Outstanding at 6/30/23: (From Appendix TC - G and Appendix J - G)	<u>\$60,088,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/23: (From Appendix TC - F and Appendix J - F)	4,341,000
(E) Total Outstanding Liability for Claims at 6/30/23: ((C) + (D))	<u>\$64,429,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/23: ((E) x (F))	<u>\$64,429,000</u>

Confidence Level of Adequacy:	<u>Marginally Acceptable</u>	<u>75%</u>	<u>Recommended</u>	<u>85%</u>	<u>Conservative</u>
	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.082	1.115	1.153	1.200	1.261
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	5,282,000	7,440,000	9,874,000	12,857,000	16,792,000
(J) Total Required Assets at 6/30/23: ((G) + (I))	<u>\$69,711,000</u>	<u>\$71,869,000</u>	<u>\$74,303,000</u>	<u>\$77,286,000</u>	<u>\$81,221,000</u>
(K) Estimated Total Assets at 6/30/23: (Provided by the Judicial Council.)	\$74,234,000	\$74,234,000	\$74,234,000	\$74,234,000	\$74,234,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$4,523,000</u>	<u>\$2,365,000</u>	<u>(\$69,000)</u>	<u>(\$3,052,000)</u>	<u>(\$6,987,000)</u>

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Options for Program Year 2022-2023 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year : (From Appendix TC - G and Appendix J - G)	\$13,903,000	\$0.857			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2022-2023:	2,168,000	0.134			
(C) Total Claims Costs Incurred in Accident Year 2022-2023: ((A) + (B))	<u>\$16,071,000</u>	<u>\$0.991</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%): (Not Included)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2022-2023: ((C) x (D))	<u>\$16,071,000</u>	<u>\$0.991</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.025	1.059	1.096	1.136	1.184
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	401,000	946,000	1,538,000	2,192,000	2,954,000
(H) Recommended Funding in for Claims Costs: ((E) + (G))	<u>\$16,472,000</u>	<u>\$17,017,000</u>	<u>\$17,609,000</u>	<u>\$18,263,000</u>	<u>\$19,025,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$16,217,970)	\$1.016	\$1.049	\$1.086	\$1.126	\$1.173

Payroll rates are per hundred dollars of payroll of \$1,621,797,000.

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Options for Program Year 2023-2024 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2023-2024: (From Appendix TC - G and Appendix J - G)	\$13,951,000	\$0.839			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024:	1,375,000	0.083			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$15,326,000</u>	<u>\$0.921</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%): (Not Included)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2023-2024: ((C) x (D))	<u>\$15,326,000</u>	<u>\$0.921</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.026	1.062	1.101	1.144	1.194
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	402,000	950,000	1,546,000	2,206,000	2,974,000
(H) Recommended Funding in for Claims Costs: ((E) + (G))	<u>\$15,728,000</u>	<u>\$16,276,000</u>	<u>\$16,872,000</u>	<u>\$17,532,000</u>	<u>\$18,300,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	1,099,000	1,099,000	1,099,000	1,099,000	1,099,000
(J) Recommended Funding in for Claims Costs and Other Expenses: ((H) + (I))	<u>\$16,827,000</u>	<u>\$17,375,000</u>	<u>\$17,971,000</u>	<u>\$18,631,000</u>	<u>\$19,399,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$16,633,151)	\$1.01	\$1.05	\$1.08	\$1.12	\$1.17

Payroll rates are per hundred dollars of payroll of \$1,663,315,100.

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Options for Program Year 2024-2025 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year : (From Appendix TC - G and Appendix J - G)	\$14,235,000	\$0.834			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:	1,404,000	0.082			
(C) Total Claims Costs Incurred in Accident Year : ((A) + (B))	<u>\$15,639,000</u>	<u>\$0.917</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year : ((C) x (D))	<u>\$15,639,000</u>	<u>\$0.917</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.026	1.062	1.101	1.144	1.194
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	410,000	970,000	1,579,000	2,253,000	3,037,000
(H) Recommended Funding in for Claims Costs and Other Expenses: ((E) + (G))	<u>\$16,049,000</u>	<u>\$16,608,000</u>	<u>\$17,218,000</u>	<u>\$17,892,000</u>	<u>\$18,676,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$17,058,959)	\$0.941	\$0.974	\$1.009	\$1.049	\$1.095

Payroll rates are per hundred dollars of payroll of \$1,705,895,900.

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Options for Program Year 2025-2026 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year : (From Appendix TC - G and Appendix J - G)	\$14,537,000	\$0.831			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2025-2026:	1,434,000	0.082			
(C) Total Claims Costs Incurred in Accident Year : ((A) + (B))	<u>\$15,971,000</u>	<u>\$0.913</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year : ((C) x (D))	<u>\$15,971,000</u>	<u>\$0.913</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.026	1.063	1.103	1.147	1.199
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	419,000	1,006,000	1,645,000	2,352,000	3,175,000
(H) Recommended Funding in for Claims Costs and Other Expenses: ((E) + (G))	<u>\$16,390,000</u>	<u>\$16,977,000</u>	<u>\$17,616,000</u>	<u>\$18,323,000</u>	<u>\$19,147,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$17,495,669)	\$0.937	\$0.970	\$1.007	\$1.047	\$1.094

Payroll rates are per hundred dollars of payroll of \$1,749,566,900.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial CourtsFunding Guidelines for Outstanding Liabilities at
December 31, 2022

(A) Estimated Ultimate Losses Incurred through 12/31/22: (From Appendix TC - G)	\$316,697,000
(B) Estimated Paid Losses through 12/31/22: (From Appendix TC - G)	260,289,000
(C) Estimated Liability for Claims Outstanding at 12/31/22: (From Appendix TC - G)	<u>\$56,408,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/22: (From Appendix TC - F)	3,774,000
(E) Total Outstanding Liability for Claims at 12/31/22: ((C) + (D))	<u>\$60,182,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/22: ((E) x (F))	<u>\$60,182,000</u>

	Marginally Acceptable	75%	Recommended	85%	Conservative
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix TC - I)	1.079	1.111	1.147	1.191	1.249
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	4,754,000	6,680,000	8,847,000	11,495,000	14,985,000
(J) Total Required Assets at 12/31/22: ((G) + (I))	<u>\$64,936,000</u>	<u>\$66,862,000</u>	<u>\$69,028,000</u>	<u>\$71,676,000</u>	<u>\$75,167,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Guidelines for Outstanding Liabilities at
June 30, 2023

(A) Estimated Ultimate Losses Incurred through 6/30/23: (From Appendix TC - G)	\$323,353,000
(B) Estimated Paid Losses through 6/30/23: (From Appendix TC - G)	266,053,000
(C) Estimated Liability for Claims Outstanding at 6/30/23: (From Appendix TC - G)	<u>\$57,300,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/23: (From Appendix TC - F)	3,771,000
(E) Total Outstanding Liability for Claims at 6/30/23: ((C) + (D))	<u>\$61,071,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/23: ((E) x (F))	<u>\$61,071,000</u>

	Marginally Acceptable	75%	Recommended	85%	Conservative
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix TC - I)	1.079	1.111	1.147	1.191	1.249
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	4,825,000	6,779,000	8,977,000	11,665,000	15,207,000
(J) Total Required Assets at 6/30/23: ((G) + (I))	<u>\$65,896,000</u>	<u>\$67,850,000</u>	<u>\$70,049,000</u>	<u>\$72,736,000</u>	<u>\$76,278,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Options for Program Year 2022-2023 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2022-2023: (From Appendix TC - G)	\$13,311,000	\$1.391			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2022-2023: (From Exhibit TC - 5, Page 1,)	1,959,000	0.205			
(C) Total Claims Costs Incurred in Accident Year 2022-2023: ((A) + (B))	<u>\$15,270,000</u>	<u>\$1.595</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2022-2023: ((C) x (D))	<u>\$15,270,000</u>	<u>\$1.595</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.030	1.066	1.105	1.148	1.198
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	399,000	879,000	1,398,000	1,970,000	2,636,000
(H) Recommended Funding in 2022-2023 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$15,669,000</u>	<u>\$16,149,000</u>	<u>\$16,668,000</u>	<u>\$17,240,000</u>	<u>\$17,906,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$9,571,528)	\$1.637	\$1.687	\$1.741	\$1.801	\$1.871

Payroll rates are per hundred dollars of 2022-2023 payroll of \$957,152,800.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Options for Program Year 2023-2024 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2023-2024: (From Appendix TC - G)	\$13,331,000	\$1.358			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit TC - 5, Page 1,)	1,248,000	0.127			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$14,579,000</u>	<u>\$1.485</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2023-2024: ((C) x (D))	<u>\$14,579,000</u>	<u>\$1.485</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.030	1.066	1.105	1.148	1.198
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	400,000	880,000	1,400,000	1,973,000	2,640,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$14,979,000</u>	<u>\$15,459,000</u>	<u>\$15,979,000</u>	<u>\$16,552,000</u>	<u>\$17,219,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	735,000	735,000	735,000	735,000	735,000
(J) Recommended Funding in 2023-2024 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$15,714,000</u>	<u>\$16,194,000</u>	<u>\$16,714,000</u>	<u>\$17,287,000</u>	<u>\$17,954,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$9,816,560)	\$1.601	\$1.650	\$1.703	\$1.761	\$1.829

Payroll rates are per hundred dollars of 2023-2024 payroll of \$981,656,000.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Options for Program Year 2024-2025 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025: (From Appendix TC - G)	\$13,592,000	\$1.350			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025: (From Exhibit TC - 5, Page 1,)	1,272,000	0.126			
(C) Total Claims Costs Incurred in Accident Year 2024-2025: ((A) + (B))	<u>\$14,864,000</u>	<u>\$1.476</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2024-2025: ((C) x (D))	<u>\$14,864,000</u>	<u>\$1.476</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.030	1.066	1.105	1.148	1.198
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	408,000	897,000	1,427,000	2,012,000	2,691,000
(H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$15,272,000</u>	<u>\$15,761,000</u>	<u>\$16,291,000</u>	<u>\$16,876,000</u>	<u>\$17,555,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$10,067,863)	\$1.517	\$1.565	\$1.618	\$1.676	\$1.744

Payroll rates are per hundred dollars of 2024-2025 payroll of \$1,006,786,300.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Options for Program Year 2025-2026 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2025-2026: (From Appendix TC - G)	\$13,878,000	\$1.344			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2025-2026: (From Exhibit TC - 5, Page 1,)	1,299,000	0.126			
(C) Total Claims Costs Incurred in Accident Year 2025-2026: ((A) + (B))	<u>\$15,177,000</u>	<u>\$1.470</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2025-2026: ((C) x (D))	<u>\$15,177,000</u>	<u>\$1.470</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.030	1.066	1.105	1.148	1.198
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	416,328	915,922	1,457,149	2,053,886	2,747,766
(H) Recommended Funding in 2025-2026 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$15,593,000</u>	<u>\$16,093,000</u>	<u>\$16,634,000</u>	<u>\$17,230,000</u>	<u>\$17,924,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$10,325,601)	\$1.510	\$1.559	\$1.611	\$1.669	\$1.736

Payroll rates are per hundred dollars of 2025-2026 payroll of \$1,032,560,100.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

IBNR as of 6/30/23 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/22 (B)	Estimated IBNR as of 12/31/22 (C)	Estimated Percent of IBNR Reported Between 1/1/23 and 6/30/23 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/23 (F)
2002-2003	17,856,000	17,785,000	71,000	24.9%	18,000	53,000
2003-2004	21,339,000	21,212,000	127,000	16.6%	21,000	106,000
2004-2005	14,208,000	14,109,000	99,000	14.2%	14,000	85,000
2005-2006	14,254,000	14,127,000	127,000	11.0%	14,000	113,000
2006-2007	14,525,000	14,396,000	130,000	0.0%	0	130,000
2007-2008	13,562,000	13,415,000	148,000	9.0%	13,000	134,000
2008-2009	11,296,000	11,119,000	176,000	8.2%	14,000	162,000
2009-2010	16,693,000	16,373,000	320,000	13.2%	42,000	278,000
2010-2011	15,544,000	15,130,000	414,000	17.9%	74,000	340,000
2011-2012	15,274,000	14,724,000	551,000	15.2%	84,000	467,000
2012-2013	16,734,000	15,438,000	1,296,000	13.5%	175,000	1,121,000
2013-2014	13,153,000	11,849,000	1,304,000	12.9%	168,000	1,136,000
2014-2015	12,925,000	11,397,000	1,528,000	12.9%	197,000	1,331,000
2015-2016	14,536,000	12,476,000	2,061,000	11.3%	233,000	1,828,000
2016-2017	12,378,000	10,306,000	2,072,000	10.5%	218,000	1,855,000
2017-2018	12,331,000	9,738,000	2,592,000	11.2%	290,000	2,302,000
2018-2019	12,296,000	9,161,000	3,136,000	9.9%	310,000	2,825,000
2019-2020	11,214,000	6,851,000	4,363,000	11.5%	502,000	3,861,000
2020-2021	14,133,000	8,924,000	5,210,000	14.0%	729,000	4,480,000
2021-2022	11,671,000	3,745,000	7,925,000	17.9%	1,419,000	6,507,000
2022-2023	13,311,000	1,276,000	5,380,000	19.2%	2,311,000	9,725,000
Totals	\$323,353,000	\$277,621,000	\$39,076,000		\$6,858,000	\$38,873,000

Notes:

- (A) From Exhibit TC - 4, Page 1.
- (B) Provided by the Judicial Council. These losses exclude amounts incurred above the Judicial Council's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 1/1/23 and 6/30/23. The percentage is based on the development pattern selected in Appendix TC - A.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/23. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Estimated Ultimate Limited Losses Capped at \$250,000 per Claim

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
2002-2003	16,894,000	17,129,000	16,894,000	17,132,000	16,894,000	16,894,000
2003-2004	18,698,000	18,918,000	18,699,000	18,922,000	18,698,000	18,698,000
2004-2005	13,468,000	13,662,000	13,469,000	13,651,000	13,469,000	13,468,000
2005-2006	13,110,000	13,131,000	13,111,000	13,125,000	13,111,000	13,110,000
2006-2007	11,753,000	11,799,000	11,753,000	11,793,000	11,753,000	11,753,000
2007-2008	12,975,000	12,999,000	12,976,000	12,994,000	12,975,000	12,975,000
2008-2009	11,029,000	11,096,000	11,030,000	11,094,000	11,029,000	11,029,000
2009-2010	15,367,000	15,639,000	15,369,000	15,623,000	15,367,000	15,367,000
2010-2011	13,711,000	14,149,000	13,713,000	14,133,000	13,711,000	13,711,000
2011-2012	13,506,000	13,849,000	13,509,000	13,822,000	13,506,000	13,506,000
2012-2013	15,069,000	15,206,000	15,075,000	15,188,000	15,070,000	15,069,000
2013-2014	11,634,000	12,074,000	11,629,000	12,034,000	11,634,000	11,634,000
2014-2015	11,489,000	11,856,000	11,490,000	11,816,000	11,489,000	11,489,000
2015-2016	12,631,000	13,283,000	12,637,000	13,211,000	12,794,000	12,794,000
2016-2017	10,907,000	11,453,000	10,919,000	11,376,000	11,148,000	11,148,000
2017-2018	10,384,000	11,581,000	10,373,000	11,255,000	12,060,000	10,814,000
2018-2019	10,034,000	11,371,000	10,086,000	11,091,000	11,811,000	10,589,000
2019-2020	8,075,000	9,141,000	8,500,000	9,866,000	8,755,000	9,183,000
2020-2021	11,984,000	13,403,000	11,574,000	11,692,000	10,731,000	11,633,000
2021-2022	7,112,000	8,983,000	9,057,000	10,691,000	9,303,000	9,516,000
2022-2023	9,416,000	17,285,000	10,869,000	11,294,000	12,188,000	11,081,000
Totals						\$288,070,000
						Projected Losses for the Year 2022-2023 (G) \$11,081,000
						Projected Losses for the Year 2023-2024 (H) 11,360,000
						Projected Losses for the Year 2024-2025 (I) 11,516,000
						Projected Losses for the Year 2025-2026 (J) 11,691,000

Notes:

- (A) From Appendix TC - A, Page 1, Column (D).
- (B) From Appendix TC - B, Page 1, Column (D).
- (C) Based on results in Appendix TC - C, Page 1.
- (D) Based on results in Appendix TC - C, Page 2.
- (E) Based on results in Appendix TC - D, Page 1.
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Exhibit TC - 5, Page 1, Line (K) / Line (G).
- (H) From Exhibit TC - 5, Page 1, Line (K) / Line (G).
- (I) From Exhibit TC - 5, Page 1, Line (K) / Line (G).
- (J) From Exhibit TC - 5, Page 1, Line (K) / Line (G).

This exhibit summarizes the results of the actuarial methods we have applied to estimate limited losses for each year. These results are used to select a limited loss rate for future years.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ULAE

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended Payroll (\$00) (D)	Trended Limited Loss Rate (E)
2002-2003	16,894,000	0.663	11,201,000	9,385,000	1.194
2003-2004	18,698,000	0.829	15,501,000	10,275,000	1.509
2004-2005	13,468,000	1.085	14,613,000	10,480,000	1.394
2005-2006	13,110,000	1.195	15,667,000	11,121,000	1.409
2006-2007	11,753,000	1.150	13,516,000	11,777,000	1.148
2007-2008	12,975,000	1.088	14,117,000	12,723,000	1.110
2008-2009	11,029,000	1.033	11,393,000	13,011,000	0.876
2009-2010	15,367,000	0.962	14,783,000	11,955,000	1.237
2010-2011	13,711,000	0.923	12,655,000	11,839,000	1.069
2011-2012	13,506,000	0.925	12,493,000	11,526,000	1.084
2012-2013	15,069,000	0.955	14,391,000	10,434,000	1.379
2013-2014	11,634,000	0.978	11,378,000	10,164,000	1.119
2014-2015	11,489,000	0.982	11,283,000	9,779,000	1.154
2015-2016	12,794,000	1.033	13,216,000	10,073,000	1.312
2016-2017	11,148,000	1.106	12,329,000	10,059,000	1.226
2017-2018	10,814,000	1.116	12,069,000	9,867,000	1.223
2018-2019	10,589,000	1.100	11,647,000	9,954,000	1.170
2019-2020	9,183,000	1.107	10,165,000	10,335,000	0.984
2020-2021	11,633,000	1.068	12,424,000	9,570,000	1.298
2021-2022	9,516,000	1.013	9,640,000	9,808,000	0.983
2022-2023	11,081,000	1.000	11,081,000	9,572,000	1.158
Totals	\$288,070,000		\$279,647,000	\$235,567,000	\$1.187
15/16-22/23	86,757,528		92,572,008	79,236,963	1.168
20/21-22/23	32,230,308		33,145,062	28,948,642	1.145
				Selected Limited Rate (F):	\$1.155
				Prior:	\$1.180
Program Year:		2022-2023	2023-2024	2024-2025	2025-2026
(G) Factor to SIR:		1.201	1.174	1.180	1.187
(H) Trend Factor:		1.000	1.002	0.990	0.980
(I) Program Rate:		\$1.391	\$1.358	\$1.350	\$1.344
(J) Trended Payroll (\$00):		9,572,000	9,817,000	10,068,000	10,326,000
(K) Projected Program Losses:		13,311,000	13,331,000	13,592,000	13,878,000

Notes appear on the next page.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial CourtsSelection of Projected Limited Loss Rate
and Projection of Program Losses and ULAE

Notes:

- (A) From Exhibit TC - 4, Page 2, Column (F).
For purposes of projecting future losses, losses are capped at \$250,000 per occurrence.
- (B) From Appendix TC - E, Page 1, Column (B).
- (C) $(A) \times (B)$.
- (D) Appendix TC - L, Column (C).
- (E) $(C) / (D)$.
- (F) Selected based on (E).
- (G) Based on a Weibull distribution, a mathematical model of claims sizes. 2022-2023 is $(K) / (A)$.
- (H) From Appendix TC - E.
- (I) $(F) \times (G) \times (H)$. 2022-2023 is $(K) / (J)$.
- (J) Appendix TC - L, Column (C).
- (K) $(I) \times (J)$. 2022-2023 is from Exhibit TC - 4, Page 1.

This exhibit shows the calculation of future loss costs based on the past loss rates. The projections will be accurate only to the extent that what has happened in the past is representative of what will happen in the future.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/22 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
2002-2003	16,843,156	1.003	16,893,685	17,784,800	1.004	17,855,939
2003-2004	18,623,836	1.004	18,698,331	21,211,819	1.006	21,339,090
2004-2005	13,401,372	1.005	13,468,379	14,109,498	1.007	14,208,264
2005-2006	13,032,206	1.006	13,110,399	14,127,136	1.009	14,254,280
2006-2007	11,670,936	1.007	11,752,633	14,395,756	1.009	14,525,318
2007-2008	12,872,129	1.008	12,975,106	13,414,730	1.011	13,562,292
2008-2009	10,930,574	1.009	11,028,949	11,119,415	1.012	11,252,848
2009-2010	15,215,130	1.010	15,367,281	16,373,154	1.015	16,618,751
2010-2011	13,548,271	1.012	13,710,850	15,130,390	1.022	15,463,259
2011-2012	13,306,008	1.015	13,505,598	14,723,547	1.032	15,194,701
2012-2013	14,788,379	1.019	15,069,358	15,437,855	1.043	16,101,683
2013-2014	11,361,037	1.024	11,633,702	11,849,237	1.059	12,548,342
2014-2015	11,122,451	1.033	11,489,492	11,396,970	1.080	12,308,728
2015-2016	12,086,996	1.045	12,630,911	12,475,736	1.105	13,785,688
2016-2017	10,289,746	1.060	10,907,131	10,305,820	1.136	11,707,412
2017-2018	9,614,535	1.080	10,383,698	9,738,241	1.184	11,530,077
2018-2019	9,015,306	1.113	10,034,036	9,160,901	1.241	11,368,678
2019-2020	6,831,813	1.182	8,075,203	6,851,250	1.338	9,166,973
2020-2021	8,923,519	1.343	11,984,286	8,923,519	1.539	13,733,296
2021-2022	3,745,317	1.899	7,112,357	3,745,317	2.197	8,228,461
2022-2023	1,276,003	7.379	9,415,626	1,276,003	8.594	10,965,970
Totals	\$261,062,220		\$281,855,638	\$277,621,101		\$309,838,196

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council. These losses exclude amounts over \$250,000 per occurrence.
- (C) From Appendix TC - A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$250,000 per occurrence.
- (E) Losses capped at the Judicial Council's SIR. Amounts are provided by the Judicial Council.
- (F) Derived from factors on Appendix TC - A, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses and case reserves as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								12,010,232	12,880,828	12,739,813	12,823,464
2002-2003							15,852,694	16,551,761	16,605,166	16,641,071	16,943,997
2003-2004							17,081,348	17,607,526	17,831,466	18,113,577	18,498,696
2004-2005					11,918,204	12,788,313	12,918,562	12,935,223	13,132,746	13,071,296	13,175,846
2005-2006				10,613,575	11,383,120	11,433,004	11,643,265	12,158,901	12,365,308	12,579,276	12,769,237
2006-2007			10,628,404	11,376,186	11,606,600	11,241,180	10,936,562	11,128,753	11,264,289	11,387,221	11,448,157
2007-2008		6,840,751	9,248,340	10,435,853	11,169,718	11,718,268	12,210,055	12,233,366	12,201,755	12,349,590	12,654,673
2008-2009	1,818,711	7,104,278	9,822,441	10,488,489	10,755,699	10,650,780	10,747,868	10,623,422	10,727,955	10,865,101	10,932,102
2009-2010	1,608,680	8,414,296	11,653,395	13,062,279	13,775,458	14,205,608	14,444,660	14,429,697	14,947,708	14,878,002	15,028,790
2010-2011	2,077,731	7,600,947	10,005,154	11,627,046	12,296,649	12,754,832	13,216,498	13,783,493	13,661,056	13,576,245	13,540,429
2011-2012	2,062,750	7,094,966	9,204,118	10,747,063	11,578,024	12,178,455	13,036,954	12,979,532	13,135,662	13,191,955	13,280,090
2012-2013	1,942,676	7,247,078	10,017,071	11,682,361	13,297,166	14,083,944	13,992,451	14,397,907	14,518,479	14,722,269	14,788,379
2013-2014	1,883,261	6,621,326	8,913,543	10,211,051	11,223,356	11,200,387	11,322,699	11,281,824	11,284,309	11,361,037	
2014-2015	1,297,240	5,086,907	8,333,536	10,956,287	10,802,836	11,046,794	11,169,739	11,339,011	11,122,451		
2015-2016	1,841,257	6,912,410	9,659,649	10,285,158	11,008,942	11,470,232	11,830,835	12,086,996			
2016-2017	1,277,577	6,303,846	8,428,148	9,115,288	9,447,908	10,095,262	10,289,746				
2017-2018	1,609,668	5,295,232	7,815,249	8,372,308	9,169,643	9,614,535					
2018-2019	1,288,504	4,905,159	7,228,306	8,316,546	9,015,306						
2019-2020	1,206,028	3,849,026	5,657,250	6,831,813							
2020-2021	1,216,304	5,353,546	8,923,519								
2021-2022	1,096,703	3,745,317									
2022-2023	1,276,003										

Reported Loss Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								1.072	0.989	1.007	1.023
2002-2003							1.044	1.003	1.002	1.018	1.001
2003-2004						1.031	1.013	1.016	1.021	0.987	1.001
2004-2005					1.073	1.010	1.001	1.015	0.995	1.008	1.002
2005-2006				1.073	1.004	1.018	1.044	1.017	1.017	1.015	1.027
2006-2007			1.070	1.020	0.969	0.973	1.018	1.012	1.011	1.005	1.010
2007-2008		1.352	1.128	1.070	1.049	1.042	1.002	0.997	1.012	1.025	0.999
2008-2009	3.906	1.383	1.068	1.025	0.990	1.009	0.988	1.010	1.013	1.006	0.991
2009-2010	5.231	1.385	1.121	1.055	1.031	1.017	0.999	1.036	0.995	1.010	1.002
2010-2011	3.658	1.316	1.162	1.058	1.037	1.036	1.043	0.991	0.994	0.997	1.003
2011-2012	3.440	1.297	1.168	1.077	1.052	1.070	0.996	1.012	1.004	1.007	1.002
2012-2013	3.730	1.382	1.166	1.138	1.059	0.994	1.029	1.008	1.014	1.004	
2013-2014	3.516	1.346	1.146	1.099	0.998	1.011	0.996	1.000	1.007		
2014-2015	3.921	1.638	1.315	0.986	1.023	1.011	1.015	0.981			
2015-2016	3.754	1.397	1.065	1.070	1.042	1.031	1.022				
2016-2017	4.934	1.337	1.082	1.036	1.069	1.019					
2017-2018	3.290	1.476	1.071	1.095	1.049						
2018-2019	3.807	1.474	1.151	1.084							
2019-2020	3.191	1.470	1.208								
2020-2021	4.401	1.667									
2021-2022	3.415										

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	3.871	1.423	1.137	1.063	1.032	1.019	1.015	1.012	1.006	1.007	1.006
Dollar-Weighted Averages											
3-yr	3.679	1.546	1.136	1.071	1.052	1.021	1.011	0.997	1.009	1.003	1.002
4-yr	3.714	1.527	1.120	1.071	1.044	1.018	1.016	1.001	1.005	1.005	1.000
Industry Factors	2.783	1.244	1.049	1.004	0.999	1.000	1.001	1.001	1.002	1.002	1.002
Prior	3.900	1.405	1.135	1.061	1.029	1.020	1.014	1.012	1.009	1.005	1.004
Selected	3.886	1.414	1.136	1.062	1.031	1.019	1.015	1.012	1.009	1.005	1.004
Cumulated	7.379	1.899	1.343	1.182	1.113	1.080	1.060	1.045	1.033	1.024	1.019

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	13,119,055	13,179,748	13,303,807	13,173,787	13,247,289	13,043,768	13,052,506	13,266,904	13,354,641	13,289,129	13,291,051
2002-2003	16,966,022	17,005,514	17,094,754	17,069,678	17,036,977	16,976,556	16,750,346	16,836,806	16,858,049	16,843,156	
2003-2004	18,279,069	18,226,045	18,164,653	18,387,593	18,299,094	18,555,017	18,698,247	18,660,434	18,623,836		
2004-2005	13,203,802	13,320,640	13,538,704	13,417,106	13,407,710	13,405,678	13,385,183	13,401,372			
2005-2006	13,117,866	12,952,624	12,888,306	12,791,601	12,929,744	13,000,393	13,032,206				
2006-2007	11,565,891	11,542,198	11,593,311	11,533,363	11,654,863	11,670,936					
2007-2008	12,638,619	12,812,884	12,876,403	12,847,543	12,872,129						
2008-2009	10,830,425	10,894,992	10,966,960	10,930,574							
2009-2010	15,053,835	15,166,276	15,215,130								
2010-2011	13,582,768	13,548,271									
2011-2012	13,306,008										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	<u>Reported Loss Development Factors:</u>										
	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.005	1.009	0.990	1.006	0.985	1.001	1.016	1.007	0.995	1.000	
2002-2003	1.002	1.005	0.999	0.998	0.996	0.987	1.005	1.001	0.999		
2003-2004	0.997	0.997	1.012	0.995	1.014	1.008	0.998	0.998			
2004-2005	1.009	1.016	0.991	0.999	1.000	0.998	1.001				
2005-2006	0.987	0.995	0.992	1.011	1.005	1.002					
2006-2007	0.998	1.004	0.995	1.011	1.001						
2007-2008	1.014	1.005	0.998	1.002							
2008-2009	1.006	1.007	0.997								
2009-2010	1.007	1.003									
2010-2011	0.997										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
Average Dollar-Weighted Averages	1.002	1.005	0.997	1.003	1.000	0.999	1.005	1.002	0.997	1.000	
3-yr	1.004	1.005	0.996	1.008	1.002	1.003	1.001	1.001			
4-yr	1.006	1.005	0.995	1.005	1.006	0.999	1.005				
Industry Factors	1.003	1.002	1.003	1.002	1.001	1.002	1.002	1.002	1.002	1.002	1.021
Prior	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.002
Selected	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.002
Cumulated	1.015	1.012	1.010	1.009	1.008	1.007	1.006	1.005	1.004	1.003	1.002

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Reported between \$250,000 and \$500,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								769,497	1,043,994	1,656,599	1,815,730
2002-2003							310,285	307,317	543,487	1,046,732	1,265,186
2003-2004						304,210	406,710	892,235	1,034,586	936,797	980,589
2004-2005					23,232	278,625	226,993	416,019	434,789	505,507	540,094
2005-2006					41,061	344,639	466,942	511,059	501,109	529,607	955,828
2006-2007			21,038	280,954	435,397	533,449	1,034,629	1,232,300	1,375,282	1,744,538	1,816,983
2007-2008		133,559				23,517	289,352	372,067	547,688	506,189	589,127
2008-2009				24,584	345,494	235,365	247,797	241,870	139,772	151,199	149,622
2009-2010			14,898	276,901	183,248	194,590	426,655	682,386	1,014,019	930,275	940,577
2010-2011				55,242	273,550	830,937	1,164,248	1,470,056	1,105,578	1,337,658	1,295,659
2011-2012					66,389	226,348	501,557	701,537	967,740	925,737	1,121,223
2012-2013			941	29,460	428,371	730,668	692,950	620,101	572,872	592,884	619,176
2013-2014			57,190	117,585	532,568	295,011	309,099	325,233	348,913	488,200	
2014-2015				233,807	114,833	117,508	312,576	286,197	274,519		
2015-2016			31,603	38,024	201,339	341,851	350,502	388,740			
2016-2017		93,608	95,008	160,011			16,074				
2017-2018					48,176	123,706					
2018-2019				73,766	145,596						
2019-2020				19,437							
2020-2021											
2021-2022											
2022-2023											

	<u>Reported Loss Development Factors:</u>										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								1.357	1.587	1.096	1.020
2002-2003							0.990	1.768	1.926	1.209	1.064
2003-2004						1.337	2.194	1.160	0.905	1.047	1.155
2004-2005					11.993	0.815	1.833	1.045	1.163	1.068	1.120
2005-2006					8.393	1.355	1.094	0.981	1.057	1.805	0.968
2006-2007			13.355	1.550	1.225	1.940	1.191	1.116	1.268	1.042	1.218
2007-2008						12.304	1.286	1.472	0.924	1.164	0.869
2008-2009				14.054	0.681	1.053	0.976	0.578	1.082	0.990	1.047
2009-2010			18.587	0.662	1.062	2.193	1.599	1.486	0.917	1.011	0.977
2010-2011				4.952	3.038	1.401	1.263	0.752	1.210	0.969	1.063
2011-2012					3.409	2.216	1.399	1.379	0.957	1.211	1.164
2012-2013			31.307	14.541	1.706	0.948	0.895	0.924	1.035	1.044	
2013-2014			2.056	4.529	0.554	1.048	1.052	1.073	1.399		
2014-2015				0.491	1.023	2.660	0.916	0.959			
2015-2016			1.203	5.295	1.698	1.025	1.109				
2016-2017		1.015	1.684								
2017-2018					2.568						
2018-2019				1.974							
2019-2020											
2020-2021											
2021-2022											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average Dollar-Weighted Averages		1.015	11.365	5.339	3.113	2.330	1.271	1.146	1.187	1.138	1.060
3-yr							1.029	0.971	1.062	1.063	1.072
4-yr							0.973	1.119	1.117	1.050	1.071
Industry Factors	4.158	1.916	1.372	1.187	1.092	1.053	1.038	1.030	1.024	1.020	1.016
Prior	6.403	3.292	2.387	1.896	1.587	1.588	1.258	1.191	1.179	1.154	1.108
Selected	6.403	3.292	2.387	1.896	1.587	1.617	1.228	1.162	1.158	1.133	1.088
Cumulated	611.534	95.508	29.010	12.151	6.408	4.037	2.496	2.032	1.749	1.510	1.333

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Reported between \$250,000 and \$500,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	1,851,751	1,853,876	1,841,534	1,731,149	1,706,263	1,794,778	1,734,550	1,705,249	1,371,288	1,276,645	1,311,237
2002-2003	1,346,228	1,367,884	1,405,829	1,349,716	1,156,446	1,177,674	951,970	923,974	970,260	941,645	
2003-2004	1,132,654	1,321,659	1,325,255	1,799,350	1,726,944	1,988,442	1,478,573	1,491,407	1,565,115		
2004-2005	604,660	571,375	658,159	626,019	638,588	409,712	394,998	460,424			
2005-2006	924,975	1,132,473	1,203,742	1,229,377	1,097,776	1,082,380	1,094,931				
2006-2007	2,212,910	2,500,707	2,617,634	1,731,408	1,754,578	1,758,200					
2007-2008	512,195	525,111	548,673	521,322	542,601						
2008-2009	156,677	179,581	180,523	188,842							
2009-2010	918,842	957,398	1,150,589								
2010-2011	1,376,640	1,403,273									
2011-2012	1,304,633										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Reported Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.001	0.993	0.940	0.986	1.052	0.966	0.983	0.804	0.931	1.027	
2002-2003	1.016	1.028	0.960	0.857	1.018	0.808	0.971	1.050	0.971		
2003-2004	1.167	1.003	1.358	0.960	1.151	0.744	1.009	1.049			
2004-2005	0.945	1.152	0.951	1.020	0.642	0.964	1.166				
2005-2006	1.224	1.063	1.021	0.893	0.986	1.012					
2006-2007	1.130	1.047	0.661	1.013	1.002						
2007-2008	1.025	1.045	0.950	1.041							
2008-2009	1.146	1.005	1.046								
2009-2010	1.042	1.202									
2010-2011	1.019										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average Dollar-Weighted Averages	1.072	1.060	0.986	0.967	0.975	0.899	1.032	0.968	0.951	1.027	
3-yr	1.036	1.131	0.730	0.975	0.931	0.853	1.018	0.948			
4-yr	1.034	1.080	0.807	0.982	1.004	0.842	1.005				
Industry Factors	1.016	1.015	1.010	1.012	1.014	1.008	1.005	1.006	1.007	1.008	1.064
Prior	1.093	1.064	1.033	1.016	1.011	0.998	1.010	1.009	1.014	1.006	1.009
Selected	1.079	1.057	1.023	1.008	1.006	0.985	1.013	1.009	1.014	1.006	1.009
Cumulated	1.226	1.136	1.075	1.051	1.042	1.036	1.051	1.038	1.029	1.015	1.009

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/22 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
2002-2003	16,777,159	1.021	17,129,479	17,640,412	1.034	18,240,186
2003-2004	18,511,024	1.022	18,918,267	20,508,673	1.040	21,329,020
2004-2005	13,354,829	1.023	13,661,990	13,991,476	1.043	14,593,109
2005-2006	12,823,594	1.024	13,131,360	13,803,142	1.047	14,451,890
2006-2007	11,510,829	1.025	11,798,600	13,970,810	1.050	14,669,351
2007-2008	12,669,513	1.026	12,998,920	13,119,025	1.057	13,866,809
2008-2009	10,741,330	1.033	11,095,794	10,917,819	1.070	11,682,066
2009-2010	15,023,470	1.041	15,639,432	15,972,227	1.087	17,361,811
2010-2011	13,475,327	1.050	14,149,093	14,710,871	1.106	16,270,223
2011-2012	13,052,444	1.061	13,848,643	14,175,444	1.128	15,989,901
2012-2013	14,118,513	1.077	15,205,639	14,667,206	1.156	16,955,290
2013-2014	10,986,744	1.099	12,074,432	11,386,082	1.192	13,572,210
2014-2015	10,529,014	1.126	11,855,670	10,694,949	1.235	13,208,262
2015-2016	11,343,106	1.171	13,282,777	11,480,760	1.297	14,890,546
2016-2017	9,266,563	1.236	11,453,472	9,266,563	1.384	12,824,923
2017-2018	8,753,720	1.323	11,581,172	8,758,387	1.495	13,093,789
2018-2019	7,761,789	1.465	11,371,021	7,816,298	1.669	13,045,401
2019-2020	5,241,176	1.744	9,140,611	5,241,176	2.000	10,482,352
2020-2021	5,789,474	2.315	13,402,632	5,789,474	2.672	15,469,475
2021-2022	2,156,171	4.166	8,982,608	2,156,171	4.834	10,422,931
2022-2023	523,737	33.003	17,284,892	523,737	38.513	20,170,683
Totals	\$246,866,079		\$300,912,188	\$260,289,230		\$337,047,108

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council. These losses exclude amounts over \$250,000 per occurrence.
- (C) From Appendix TC - B, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$250,000 per occurrence.
- (E) Losses capped at the Judicial Council's SIR. Amounts are provided by the Judicial Council.
- (F) Derived from factors on Appendix TC - B, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								11,209,342	11,965,583	12,259,437	12,444,418
2002-2003							13,895,219	14,639,844	15,008,317	15,436,250	15,909,865
2003-2004						14,244,193	15,135,240	15,795,943	16,385,329	16,825,676	17,134,379
2004-2005					9,312,103	10,263,766	10,959,900	11,554,070	11,929,327	12,193,453	12,517,980
2005-2006				7,518,738	8,522,029	9,388,958	9,984,912	10,554,943	11,055,421	11,377,246	11,736,360
2006-2007			5,604,484	7,197,283	8,310,895	9,190,933	9,737,594	10,218,829	10,549,323	10,828,048	11,002,691
2007-2008		3,185,782	5,297,864	7,033,067	8,337,068	9,082,337	10,028,334	10,938,511	11,396,645	11,578,352	11,796,041
2008-2009	454,230	3,499,847	5,966,402	7,711,858	8,680,674	9,236,108	9,599,782	9,907,242	10,107,914	10,225,208	10,359,238
2009-2010	429,214	3,866,567	6,981,920	9,142,137	10,885,297	11,814,154	12,804,749	13,246,012	13,767,036	14,171,967	14,543,862
2010-2011	434,154	3,507,731	6,028,970	8,016,256	9,451,632	10,554,256	11,539,699	12,178,483	12,537,919	12,874,138	13,226,361
2011-2012	427,443	3,187,957	5,784,261	7,595,166	9,253,021	10,269,285	11,009,731	11,762,400	12,341,860	12,752,881	12,976,759
2012-2013	389,782	3,201,349	5,892,691	7,910,587	10,160,662	11,523,730	12,294,542	13,146,077	13,601,506	13,876,160	14,118,513
2013-2014	502,329	3,187,869	5,266,456	7,014,954	8,431,241	9,295,101	9,939,680	10,501,126	10,737,639	10,986,744	
2014-2015	227,098	2,346,387	4,954,175	6,853,331	8,365,366	9,345,951	10,007,865	10,484,321	10,529,014		
2015-2016	416,214	3,275,544	5,732,421	7,537,992	9,100,768	10,297,803	10,844,895	11,343,106			
2016-2017	299,568	2,721,824	5,121,094	6,959,370	7,889,282	8,654,379	9,266,563				
2017-2018	320,467	2,819,403	5,066,565	6,341,231	7,550,597	8,753,720					
2018-2019	360,102	2,603,660	4,593,277	6,508,167	7,761,789						
2019-2020	367,700	2,280,483	3,998,493	5,241,176							
2020-2021	398,001	2,953,928	5,789,474								
2021-2022	405,497	2,156,171									
2022-2023	523,737										

Paid Loss Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								1.067	1.025	1.015	1.012
2002-2003							1.054	1.025	1.029	1.031	1.012
2003-2004						1.063	1.044	1.037	1.027	1.018	1.017
2004-2005					1.102	1.068	1.054	1.032	1.022	1.027	1.013
2005-2006				1.133	1.102	1.063	1.057	1.047	1.029	1.032	1.044
2006-2007			1.284	1.155	1.106	1.059	1.049	1.032	1.026	1.016	1.011
2007-2008		1.663	1.328	1.185	1.089	1.104	1.091	1.042	1.016	1.019	1.022
2008-2009	7.705	1.705	1.293	1.126	1.064	1.039	1.032	1.020	1.012	1.013	1.011
2009-2010	9.008	1.806	1.309	1.191	1.085	1.084	1.034	1.039	1.029	1.026	1.013
2010-2011	8.079	1.719	1.330	1.179	1.117	1.093	1.055	1.030	1.027	1.027	1.015
2011-2012	7.458	1.814	1.313	1.218	1.110	1.072	1.068	1.049	1.033	1.018	1.006
2012-2013	8.213	1.841	1.342	1.284	1.134	1.067	1.069	1.035	1.020	1.017	
2013-2014	6.346	1.652	1.332	1.202	1.102	1.069	1.056	1.023	1.023		
2014-2015	10.332	2.111	1.383	1.221	1.117	1.071	1.048	1.004			
2015-2016	7.870	1.750	1.315	1.207	1.132	1.053	1.046				
2016-2017	9.086	1.881	1.359	1.134	1.097	1.071					
2017-2018	8.798	1.797	1.252	1.191	1.159						
2018-2019	7.230	1.764	1.417	1.193							
2019-2020	6.202	1.753	1.311								
2020-2021	7.422	1.960									
2021-2022	5.317										

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	7.790	1.801	1.326	1.187	1.108	1.070	1.054	1.034	1.024	1.022	1.016
Dollar-Weighted Averages											
3-yr	6.310	1.835	1.325	1.171	1.129	1.064	1.050	1.022	1.025	1.021	1.011
4-yr	6.527	1.825	1.334	1.181	1.126	1.066	1.055	1.029	1.026	1.022	1.011
Industry Factors	3.505	1.631	1.229	1.115	1.064	1.040	1.027	1.019	1.015	1.011	1.011
Prior	8.054	1.798	1.329	1.194	1.107	1.070	1.056	1.040	1.025	1.020	1.015
Selected	7.922	1.800	1.327	1.190	1.107	1.070	1.055	1.040	1.025	1.020	1.015
Cumulated	33.003	4.166	2.315	1.744	1.465	1.323	1.236	1.171	1.126	1.099	1.077

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	12,598,952	12,736,441	12,895,071	12,920,129	12,960,466	12,881,827	12,950,799	13,143,416	13,265,370	13,233,872	13,250,277
2002-2003	16,094,236	16,258,522	16,422,472	16,702,882	16,764,281	16,800,139	16,659,395	16,758,956	16,757,858	16,777,159	
2003-2004	17,420,152	17,656,429	17,820,525	17,952,636	18,025,032	18,342,707	18,511,555	18,464,077	18,511,024		
2004-2005	12,681,865	12,873,737	13,154,579	13,183,163	13,245,647	13,286,516	13,334,709	13,354,829			
2005-2006	12,251,097	12,417,670	12,463,243	12,565,990	12,684,211	12,753,385	12,823,594				
2006-2007	11,127,846	11,263,156	11,408,022	11,442,767	11,472,259	11,510,829					
2007-2008	12,056,102	12,352,077	12,554,923	12,596,964	12,669,513						
2008-2009	10,473,231	10,615,289	10,659,686	10,741,330							
2009-2010	14,736,442	14,899,865	15,023,470								
2010-2011	13,425,974	13,475,327									
2011-2012	13,052,444										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.011	1.012	1.002	1.003	0.994	1.005	1.015	1.009	0.998	1.001	
2002-2003	1.010	1.010	1.017	1.004	1.002	0.992	1.006	1.000	1.001		
2003-2004	1.014	1.009	1.007	1.004	1.018	1.009	0.997	1.003			
2004-2005	1.015	1.022	1.002	1.005	1.003	1.004	1.002				
2005-2006	1.014	1.004	1.008	1.009	1.005	1.006					
2006-2007	1.012	1.013	1.003	1.003	1.003						
2007-2008	1.025	1.016	1.003	1.006							
2008-2009	1.014	1.004	1.008								
2009-2010	1.011	1.008									
2010-2011	1.004										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average Dollar-Weighted Averages	1.013	1.011	1.006	1.005	1.004	1.003	1.005	1.004	1.000	1.001	
3-yr	1.009	1.010	1.005	1.006	1.004	1.006	1.001	1.003			
4-yr	1.013	1.010	1.006	1.006	1.008	1.002	1.004				
Industry Factors	1.010	1.008	1.006	1.006	1.005	1.005	1.005	1.006	1.005	1.005	1.043
Prior	1.010	1.009	1.008	1.007	1.001	1.001	1.001	1.001	1.001	1.001	1.020
Selected	1.010	1.009	1.008	1.007	1.001	1.001	1.001	1.001	1.001	1.001	1.020
Cumulated	1.061	1.050	1.041	1.033	1.026	1.025	1.024	1.023	1.022	1.021	1.020

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Paid between \$250,000 and \$500,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								258,323	607,471	766,633	1,029,354
2002-2003							77,597	126,932	163,862	210,349	377,268
2003-2004							21,057	151,728	302,937	395,608	480,720
2004-2005						63,571	87,226	142,521	164,946	319,981	357,821
2005-2006							41,774	191,927	344,679	377,329	452,915
2006-2007				56,074	206,592	281,994	405,486	615,341	769,011	1,102,966	1,278,972
2007-2008								45,884	106,333	253,061	327,829
2008-2009						7,468	24,017	39,667	90,387	93,647	121,410
2009-2010					10,328	97,117	111,611	167,604	272,227	487,078	675,163
2010-2011				2,270	83,989	208,211	429,902	635,542	730,851	870,421	935,340
2011-2012					47,878	104,791	145,194	328,284	387,817	578,945	675,701
2012-2013					2,539	168,581	280,130	526,532	518,214	513,685	518,393
2013-2014					97,339	128,375	253,053	279,215	299,270	399,338	
2014-2015				58,149	57,827	57,827	79,931	135,087	165,935		
2015-2016					1,769	46,953	94,566	137,654			
2016-2017			16,920	36,435							
2017-2018						4,667					
2018-2019					54,509						
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	<u>Paid Loss Development Factors:</u>										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								2.352	1.262	1.343	1.091
2002-2003							1.636	1.291	1.284	1.794	1.458
2003-2004							7.205	1.997	1.306	1.215	1.295
2004-2005						1.372	1.634	1.157	1.940	1.118	1.078
2005-2006							4.594	1.796	1.095	1.200	1.030
2006-2007				3.684	1.365	1.438	1.518	1.250	1.434	1.160	1.199
2007-2008								2.317	2.380	1.295	1.079
2008-2009						3.216	1.652	2.279	1.036	1.296	1.151
2009-2010					9.403	1.149	1.502	1.624	1.789	1.386	1.143
2010-2011				37.000	2.479	2.065	1.478	1.150	1.191	1.075	1.102
2011-2012					2.189	1.386	2.261	1.181	1.493	1.167	1.569
2012-2013					66.397	1.662	1.880	0.984	0.991	1.009	
2013-2014					1.319	1.971	1.103	1.072	1.334		
2014-2015				0.994	1.000	1.382	1.690	1.228			
2015-2016					26.542	2.014	1.456				
2016-2017			2.153								
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average Dollar-Weighted Averages			2.153	13.893	13.837	1.766	2.278	1.548	1.426	1.255	1.200
3-yr Industry Factors							1.291	1.045	1.238	1.085	1.252
4-yr Industry Factors							1.524	1.080	1.220	1.145	1.247
Prior	6.098	3.132	1.988	1.487	1.282	1.193	1.143	1.100	1.072	1.063	1.059
Selected	19.016	6.521	4.366	3.092	2.379	1.814	1.821	1.533	1.429	1.345	1.280
Cumulated	119,484.171	6,283.487	963.610	220.726	71.381	30.011	16.540	9.242	6.272	4.553	3.525

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Paid between \$250,000 and \$500,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	1,123,512	1,208,329	937,176	937,599	974,761	1,037,035	991,657	1,024,166	1,084,812	979,624	1,050,655
2002-2003	549,918	662,012	800,533	930,474	723,936	886,846	703,180	779,239	820,061	863,253	
2003-2004	622,324	722,364	887,225	984,415	1,090,543	1,478,030	1,165,478	1,242,226	1,326,448		
2004-2005	385,829	396,627	419,864	619,445	619,560	373,069	373,279	388,946			
2005-2006	466,500	675,512	730,878	844,539	935,853	952,446	979,548				
2006-2007	1,533,191	1,662,849	2,075,751	1,544,411	1,576,689	1,598,230					
2007-2008	353,730	364,500	378,742	412,796	449,512						
2008-2009	139,718	160,355	171,666	176,489							
2009-2010	771,724	875,659	948,757								
2010-2011	1,030,720	1,121,472									
2011-2012	1,060,448										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.075	0.776	1.000	1.040	1.064	0.956	1.033	1.059	0.903	1.073	
2002-2003	1.204	1.209	1.162	0.778	1.225	0.793	1.108	1.052	1.053		
2003-2004	1.161	1.228	1.110	1.108	1.355	0.789	1.066	1.068			
2004-2005	1.028	1.059	1.475	1.000	0.602	1.001	1.042				
2005-2006	1.448	1.082	1.156	1.108	1.018	1.028					
2006-2007	1.085	1.248	0.744	1.021	1.014						
2007-2008	1.030	1.039	1.090	1.089							
2008-2009	1.148	1.071	1.028								
2009-2010	1.135	1.083									
2010-2011	1.088										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average Dollar-Weighted Averages	1.140	1.088	1.096	1.021	1.046	0.913	1.062	1.060	0.978	1.073	
3-yr	1.111	1.070	0.812	1.057	0.933	0.898	1.075	1.061			
4-yr	1.098	1.167	0.887	1.047	1.042	0.873	1.062				
Industry Factors	1.051	1.045	1.040	1.035	1.032	1.029	1.028	1.028	1.027	1.028	1.319
Prior	1.243	1.202	1.181	1.121	1.096	1.032	1.048	1.022	1.068	1.005	1.289
Selected	1.201	1.163	1.148	1.095	1.080	1.015	1.047	1.022	1.068	1.005	1.289
Cumulated	2.849	2.373	2.040	1.776	1.622	1.502	1.480	1.413	1.383	1.295	1.289

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial CourtsExposure and Development Method
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
2002-2003	9,384,588	17,784,800	1.004	0.004	1.916	71,923	17,856,723
2003-2004	10,275,421	21,211,819	1.006	0.006	1.950	120,222	21,332,041
2004-2005	10,479,855	14,109,498	1.007	0.007	1.381	101,309	14,210,807
2005-2006	11,120,749	14,127,136	1.009	0.009	1.272	127,310	14,254,446
2006-2007	11,776,657	14,395,756	1.009	0.009	1.080	114,469	14,510,225
2007-2008	12,723,433	13,414,730	1.011	0.011	1.108	155,073	13,569,803
2008-2009	13,011,209	11,119,415	1.012	0.012	0.925	144,424	11,263,839
2009-2010	11,955,189	16,373,154	1.015	0.015	1.408	252,494	16,625,648
2010-2011	11,838,734	15,130,390	1.022	0.022	1.274	331,816	15,462,206
2011-2012	11,525,559	14,723,547	1.032	0.031	1.295	462,694	15,186,241
2012-2013	10,433,568	15,437,855	1.043	0.041	1.602	685,298	16,123,153
2013-2014	10,163,623	11,849,237	1.059	0.056	1.277	726,821	12,576,058
2014-2015	9,778,926	11,396,970	1.080	0.074	1.316	952,311	12,349,281
2015-2016	10,073,369	12,475,736	1.105	0.095	1.429	1,367,510	13,843,246
2016-2017	10,059,489	10,305,820	1.136	0.120	1.242	1,499,266	11,805,086
2017-2018	9,867,016	9,738,241	1.184	0.155	1.181	1,806,207	11,544,448
2018-2019	9,953,546	9,160,901	1.241	0.194	1.205	2,326,840	11,487,741
2019-2020	10,334,901	6,851,250	1.338	0.253	1.203	3,145,520	9,996,770
2020-2021	9,569,590	8,923,519	1.539	0.350	1.254	4,200,093	13,123,612
2021-2022	9,807,524	3,745,317	2.197	0.545	1.329	7,103,639	10,848,956
2022-2023	9,571,528	1,276,003	8.594	0.884	1.354	11,456,506	12,732,509
Totals	235,566,963	\$277,621,101				\$37,199,718	\$314,820,819

Notes:

- (A) Appendix TC - L, Column (C).
- (B) Provided by the Judicial Council. These losses exclude amounts incurred above the Judicial Council's SIR for each year.
- (C) From Appendix TC - A, Page 1, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Appendix TC - C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unreported will cost what this relationship would suggest.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial CourtsExposure and Development Method
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
2002-2003	9,384,588	17,640,412	1.034	0.033	1.916	593,369	18,233,781
2003-2004	10,275,421	20,508,673	1.040	0.038	1.950	761,409	21,270,082
2004-2005	10,479,855	13,991,476	1.043	0.041	1.381	593,380	14,584,856
2005-2006	11,120,749	13,803,142	1.047	0.045	1.272	636,552	14,439,694
2006-2007	11,776,657	13,970,810	1.050	0.048	1.080	610,502	14,581,312
2007-2008	12,723,433	13,119,025	1.057	0.054	1.108	761,268	13,880,293
2008-2009	13,011,209	10,917,819	1.070	0.065	0.925	782,299	11,700,118
2009-2010	11,955,189	15,972,227	1.087	0.080	1.408	1,346,632	17,318,859
2010-2011	11,838,734	14,710,871	1.106	0.096	1.274	1,447,925	16,158,796
2011-2012	11,525,559	14,175,444	1.128	0.113	1.295	1,686,593	15,862,037
2012-2013	10,433,568	14,667,206	1.156	0.135	1.602	2,256,468	16,923,674
2013-2014	10,163,623	11,386,082	1.192	0.161	1.277	2,089,610	13,475,692
2014-2015	9,778,926	10,694,949	1.235	0.190	1.316	2,445,123	13,140,072
2015-2016	10,073,369	11,480,760	1.297	0.229	1.429	3,296,419	14,777,179
2016-2017	10,059,489	9,266,563	1.384	0.277	1.242	3,460,806	12,727,369
2017-2018	9,867,016	8,758,387	1.495	0.331	1.181	3,857,125	12,615,512
2018-2019	9,953,546	7,816,298	1.669	0.401	1.205	4,809,603	12,625,901
2019-2020	10,334,901	5,241,176	2.000	0.500	1.203	6,216,443	11,457,619
2020-2021	9,569,590	5,789,474	2.672	0.626	1.254	7,512,166	13,301,640
2021-2022	9,807,524	2,156,171	4.834	0.793	1.329	10,336,120	12,492,291
2022-2023	9,571,528	523,737	38.513	0.974	1.354	12,622,893	13,146,630
Totals	235,566,963	\$260,289,230				\$68,866,269	\$329,155,499

Notes:

- (A) Appendix TC - L, Column (C).
- (B) Provided by the Judicial Council. These losses exclude amounts paid above the Judicial Council's SIR for each year.
- (C) From Appendix TC - B, Page 1, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Appendix TC - C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unpaid will cost what this relationship would suggest.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
2002-2003	9,384,588	16,893,686	0.663	11,200,514	1.194	1.800	1.064	1.916
2003-2004	10,275,421	18,698,332	0.829	15,500,917	1.509	1.820	1.071	1.950
2004-2005	10,479,855	13,468,379	1.085	14,613,191	1.394	1.285	1.075	1.381
2005-2006	11,120,749	13,110,400	1.195	15,666,928	1.409	1.179	1.079	1.272
2006-2007	11,776,657	11,752,633	1.150	13,515,528	1.148	0.998	1.083	1.080
2007-2008	12,723,433	12,975,107	1.088	14,116,916	1.110	1.020	1.087	1.108
2008-2009	13,011,209	11,028,950	1.033	11,392,905	0.876	0.848	1.091	0.925
2009-2010	11,955,189	15,367,282	0.962	14,783,325	1.237	1.285	1.096	1.408
2010-2011	11,838,734	13,710,851	0.923	12,655,115	1.069	1.158	1.100	1.274
2011-2012	11,525,559	13,505,599	0.925	12,492,679	1.084	1.172	1.105	1.295
2012-2013	10,433,568	15,069,359	0.955	14,391,238	1.379	1.444	1.110	1.602
2013-2014	10,163,623	11,633,702	0.978	11,377,761	1.119	1.145	1.115	1.277
2014-2015	9,778,926	11,489,492	0.982	11,282,681	1.154	1.175	1.120	1.316
2015-2016	10,073,369	12,793,878	1.033	13,216,076	1.312	1.270	1.126	1.429
2016-2017	10,059,489	11,043,717	1.106	12,214,351	1.214	1.098	1.131	1.242
2017-2018	9,867,016	10,982,435	1.116	12,256,397	1.242	1.039	1.137	1.181
2018-2019	9,953,546	10,702,529	1.100	11,772,782	1.183	1.055	1.142	1.205
2019-2020	10,334,901	8,607,907	1.107	9,528,953	0.922	1.048	1.148	1.203
2020-2021	9,569,590	12,693,460	1.068	13,556,615	1.417	1.086	1.155	1.254
2021-2022	9,807,524	8,047,483	1.013	8,152,100	0.831	1.145	1.161	1.329
2022-2023	9,571,528	11,382,943	1.000	11,382,943	1.189	1.160	1.167	1.354
Total/Avg	235,566,963	\$287,566,751		\$279,155,092	\$1.185			
15/16-22/23	79,236,963	86,254,352		92,080,218	1.162			
20/21-22/23	28,948,642	32,123,886		33,091,659	1.143			
				Selected Limited Rate:	\$1.160			
				Prior:	\$1.190			

Notes:

- (A) Appendix TC - L, Column (C).
 (B) Selected average of results from Appendices T and T.
 (C) From Appendix TC - E, Page 1, Column (B).
 (D) (B) x (C).
 (E) (D) / (A).
 (F) Selected Limited Rate / (C). For 2016-2017 and prior (B) / (A).
 (G) Based on a Weibull distribution, a mathematical model of claim sizes.
 (H) (F) x (G).

This exhibit shows the calculation of the underlying historical relationship between losses and exposure that is needed to apply the estimation methods shown on pages 1 and 2 of this Appendix.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
2002-2003	20,642	871	17,979,182
2003-2004	18,193	1,101	20,030,493
2004-2005	14,904	971	14,471,784
2005-2006	14,994	943	14,139,342
2006-2007	13,754	925	12,722,450
2007-2008	17,759	794	14,100,646
2008-2009	13,767	874	12,032,358
2009-2010	21,176	795	16,834,920
2010-2011	19,771	763	15,085,273
2011-2012	22,341	668	14,923,788
2012-2013	26,049	642	16,723,458
2013-2014	22,288	582	12,971,616
2014-2015	23,228	554	12,868,312
2015-2016	24,870	579	14,399,730
2016-2017	22,474	561	12,607,914
2017-2018	26,981	508	13,706,348
2018-2019	28,644	471	13,491,324
2019-2020	29,830	337	10,052,710
2020-2021	32,346	383	12,388,518
2021-2022	35,750	302	10,796,500
2022-2023	37,928	375	14,223,000
Total		15,096	\$320,537,765

Notes:

- (A) From Appendix TC - D, Page 2, Column (H).
- (B) From Appendix TC - D, Page 2, Column (B).
- (C) (A) x (B).

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
2002-2003	16,893,686	871	19,396	1.497	29,036	19,396	1.064	20,642
2003-2004	18,698,332	1,101	16,983	1.796	30,501	16,983	1.071	18,193
2004-2005	13,468,379	971	13,871	2.258	31,321	13,871	1.075	14,904
2005-2006	13,110,400	943	13,903	2.387	33,186	13,903	1.079	14,994
2006-2007	11,752,633	925	12,706	2.205	28,017	12,706	1.083	13,754
2007-2008	12,975,107	794	16,341	2.004	32,747	16,341	1.087	17,759
2008-2009	11,028,950	874	12,619	1.825	23,030	12,619	1.091	13,767
2009-2010	15,367,282	795	19,330	1.634	31,585	19,330	1.096	21,176
2010-2011	13,710,851	763	17,970	1.505	27,045	17,970	1.100	19,771
2011-2012	13,505,599	668	20,218	1.449	29,296	20,218	1.105	22,341
2012-2013	15,069,359	642	23,473	1.436	33,707	23,473	1.110	26,049
2013-2014	11,633,702	582	19,989	1.412	28,224	19,989	1.115	22,288
2014-2015	11,489,492	554	20,739	1.359	28,184	20,739	1.120	23,228
2015-2016	12,793,878	579	22,097	1.373	30,339	22,097	1.126	24,870
2016-2017	11,147,774	561	19,871	1.412	28,058	19,871	1.131	22,474
2017-2018	10,814,169	508	21,288	1.369	29,143	23,740	1.137	26,981
2018-2019	10,588,506	471	22,481	1.296	29,135	25,077	1.142	28,644
2019-2020	9,182,893	337	27,249	1.251	34,088	25,979	1.148	29,830
2020-2021	11,633,042	383	30,373	1.160	35,233	28,017	1.155	32,346
2021-2022	9,515,970	302	31,510	1.055	33,243	30,806	1.161	35,750
2022-2023	11,081,296	375	29,550	1.000	29,550	32,500	1.167	37,928

Average Limited Severity: \$30,222
Average 18/19-22/23 Limited Severity: 32,250
Average 20/21-22/23 Limited Severity: 32,675

Selected Limited Severity: \$32,500
Prior: \$25,600

Notes:

- (A) Selected average of results from Appendices T, T, and T.
- (B) Appendix TC - D, Page 3, Column (C).
- (C) (A) / (B).
- (D) From Appendix TC - E, Page 1, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the historical average cost per claim, or severity. The observed average severity is used in the method shown on page 1 of this Appendix.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Frequency and Severity Method
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
2002-2003	871	861	871	938.5	0.928	0.441	0.409
2003-2004	1,101	1,088	1,101	1,027.5	1.071	0.459	0.492
2004-2005	971	964	971	1,048.0	0.927	0.478	0.443
2005-2006	943	931	943	1,112.1	0.848	0.498	0.422
2006-2007	925	914	925	1,177.7	0.785	0.519	0.407
2007-2008	794	779	794	1,272.3	0.624	0.540	0.337
2008-2009	874	868	874	1,301.1	0.672	0.563	0.378
2009-2010	795	776	795	1,195.5	0.665	0.586	0.390
2010-2011	763	759	763	1,183.9	0.644	0.611	0.393
2011-2012	668	660	668	1,152.6	0.580	0.637	0.369
2012-2013	642	630	642	1,043.4	0.615	0.664	0.408
2013-2014	582	578	582	1,016.4	0.573	0.692	0.397
2014-2015	554	547	554	977.9	0.567	0.721	0.409
2015-2016	579	572	579	1,007.3	0.575	0.751	0.432
2016-2017	561	560	561	1,005.9	0.558	0.783	0.437
2017-2018	508	509	508	986.7	0.515	0.816	0.420
2018-2019	471	478	471	995.4	0.473	0.850	0.402
2019-2020	337	326	337	1,033.5	0.326	0.885	0.289
2020-2021	383	334	383	957.0	0.400	0.922	0.369
2021-2022	302	314	302	980.8	0.308	0.960	0.296
2022-2023	307	446	375	957.2	0.392	1.000	0.392
Total	15,028	14,977	15,096	23,556.7			0.394
16/17-20/21	1,699	1,647	1,699	3,972.5			0.369
						(H) Selected Frequency:	0.450
						Prior:	0.500
Program Year:				2022-2023	2023-2024	2024-2025	2025-2026
(I) Trend Factor:				1.000	0.960	0.922	0.885
(J) Selected Frequency:				0.392	0.432	0.415	0.398
(K) Est. Payroll (\$000,000):				957.2	981.7	1,006.8	1,032.6
(L) Ultimate Claims:				375	424	418	411

Notes:

- (A) Appendix TC - D, Page 4, (C).
- (B) Appendix TC - D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) Appendix TC - L, Column (C) / 10,000.
- (E) (C) / (D).
- (F) Appendix TC - E, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 0.450 is based on (G).
- (I) Appendix TC - E, Page 1, Column (F).
- (J) (H) x (I). 2022-2023 is (L) / (K).
- (K) Appendix TC - L, Column (C) / 10,000.
- (L) (J) x (K). 2022-2023 is (C).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per \$1,000,000 of trended payroll.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial CourtsFrequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2022 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2002-2003	871	1.000	871	0.409
2003-2004	1,101	1.000	1,101	0.492
2004-2005	971	1.000	971	0.443
2005-2006	943	1.000	943	0.422
2006-2007	925	1.000	925	0.408
2007-2008	794	1.000	794	0.337
2008-2009	874	1.000	874	0.378
2009-2010	795	1.000	795	0.390
2010-2011	763	1.000	763	0.394
2011-2012	668	1.000	668	0.369
2012-2013	642	1.000	642	0.409
2013-2014	582	1.000	582	0.396
2014-2015	554	1.000	554	0.408
2015-2016	579	1.000	579	0.432
2016-2017	561	1.000	561	0.437
2017-2018	507	1.001	508	0.420
2018-2019	470	1.003	471	0.402
2019-2020	335	1.006	337	0.289
2020-2021	379	1.011	383	0.369
2021-2022	294	1.027	302	0.296
2022-2023	148	2.072	307	0.321
Total	14,853		15,028	0.391

Notes:

- (A) Provided by the Judicial Council.
- (B) From Appendix TC - D, Page 6.
- (C) (A) x (B).
- (D) (C) / [Appendix TC - D, Page 3, (D)] x [Appendix TC - D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on reported claims as provided by the Judicial Council. These numbers of claims tend to "develop" or change from period to period as more claims are filed. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial CourtsFrequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2022 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2002-2003	861	1.000	861	0.405
2003-2004	1,088	1.000	1,088	0.486
2004-2005	964	1.000	964	0.440
2005-2006	931	1.000	931	0.417
2006-2007	914	1.000	914	0.403
2007-2008	778	1.001	779	0.331
2008-2009	866	1.002	868	0.376
2009-2010	774	1.003	776	0.380
2010-2011	752	1.009	759	0.392
2011-2012	651	1.014	660	0.365
2012-2013	617	1.021	630	0.401
2013-2014	562	1.029	578	0.394
2014-2015	526	1.039	547	0.403
2015-2016	544	1.052	572	0.426
2016-2017	520	1.076	560	0.436
2017-2018	461	1.105	509	0.421
2018-2019	412	1.159	478	0.408
2019-2020	264	1.235	326	0.279
2020-2021	246	1.358	334	0.322
2021-2022	192	1.638	314	0.307
2022-2023	54	8.254	446	0.466
Total	14,060		14,977	0.392

Notes:

- (A) Provided by the Judicial Council.
- (B) From Appendix TC - D, Page 7.
- (C) (A) x (B).
- (D) (C) / [Appendix TC - D, Page 3, (D)] x [Appendix TC - D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on closed claims as provided by the Judicial Council. These numbers of closed claims tend to "develop" or change from period to period as more claims are closed. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Reported Claim Count Development

Accident Year	Claims Reported as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002								694	676	679	680	682	684	684
2002-2003							890	867	867	867	867	868	869	869
2003-2004						1,099	1,098	1,101	1,101	1,101	1,101	1,101	1,101	1,102
2004-2005					971	972	970	969	969	969	969	971	971	971
2005-2006				930	931	941	941	941	942	942	944	943	942	943
2006-2007			929	923	923	918	919	921	922	925	925	925	925	925
2007-2008		761	785	792	793	792	793	792	793	793	794	793	794	794
2008-2009	413	857	866	868	870	871	872	872	872	873	873	873	873	874
2009-2010	355	767	783	783	788	789	791	793	794	794	794	794	794	795
2010-2011	328	730	749	753	757	759	760	762	763	763	763	763	763	
2011-2012	264	647	658	660	664	664	666	666	667	667	668	668		
2012-2013	283	625	635	633	640	642	642	642	642	642	642			
2013-2014	274	573	572	574	577	578	580	580	581	582				
2014-2015	246	529	547	551	550	552	553	555	554					
2015-2016	250	556	568	574	577	578	579	579						
2016-2017	217	551	558	559	560	561	561							
2017-2018	223	497	501	506	508	507								
2018-2019	208	467	469	470	470									
2019-2020	190	329	336	335										
2020-2021	170	376	379											
2021-2022	145	294												
2022-2023	148													

Reported Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002								0.974	1.004	1.001	1.003	1.003	1.000	1.001
2002-2003							0.974	1.000	1.000	1.000	1.001	1.001	1.000	1.001
2003-2004						0.999	1.003	1.000	1.000	1.000	1.000	1.000	1.001	1.000
2004-2005					1.001	0.998	0.999	1.000	1.000	1.000	1.002	1.000	1.000	1.000
2005-2006				1.001	1.011	1.000	1.000	1.001	1.000	1.002	0.999	0.999	1.001	1.000
2006-2007			0.994	1.000	0.995	1.001	1.002	1.001	1.003	1.000	1.000	1.000	1.000	1.000
2007-2008		1.032	1.009	1.001	0.999	1.001	0.999	1.001	1.000	1.001	0.999	1.001	1.000	1.000
2008-2009	2.075	1.011	1.002	1.002	1.001	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.001	1.000
2009-2010	2.161	1.021	1.000	1.006	1.001	1.003	1.003	1.001	1.000	1.000	1.000	1.000	1.001	
2010-2011	2.226	1.026	1.005	1.005	1.003	1.001	1.003	1.001	1.000	1.000	1.000	1.000		
2011-2012	2.451	1.017	1.003	1.006	1.000	1.003	1.000	1.002	1.000	1.001	1.000			
2012-2013	2.208	1.016	0.997	1.011	1.003	1.000	1.000	1.000	1.000	1.000				
2013-2014	2.091	0.998	1.003	1.005	1.002	1.003	1.000	1.002	1.002					
2014-2015	2.150	1.034	1.007	0.998	1.004	1.002	1.004	0.998						
2015-2016	2.224	1.022	1.011	1.005	1.002	1.002	1.000							
2016-2017	2.539	1.013	1.002	1.002	1.002	1.000								
2017-2018	2.229	1.008	1.010	1.004	0.998									
2018-2019	2.245	1.004	1.002	1.000										
2019-2020	1.732	1.021	0.997											
2020-2021	2.212	1.008												
2021-2022	2.028													
Average Claim-Weighted Averages	2.184	1.017	1.003	1.003	1.002	1.001	0.999	0.999	1.001	1.000	1.000	1.000	1.000	1.000
3-yr	1.978	1.010	1.004	1.002	1.001	1.001	1.001	1.000	1.001	1.000	1.000	1.000	1.001	1.000
4-yr	2.056	1.010	1.003	1.003	1.001	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000
Comparative Factors	2.454	1.039	1.008	1.007	1.006	1.006	1.003	1.003	1.002	1.001	1.002	1.001	1.002	1.001
Prior	2.087	1.017	1.005	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.017	1.016	1.005	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	2.072	1.027	1.011	1.006	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts
Closed Claim Development

Accident Year	Claims Closed as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002								567	626	649	649	650	659	663
2002-2003							729	806	818	823	823	832	834	842
2003-2004						973	998	1,037	1,050	1,048	1,063	1,062	1,068	1,078
2004-2005					841	872	898	911	920	935	938	945	943	949
2005-2006				774	817	857	878	883	895	894	904	909	918	920
2006-2007			640	729	767	835	862	871	876	890	898	901	904	907
2007-2008		480	589	644	680	701	722	734	747	756	761	762	771	774
2008-2009	94	588	690	753	786	816	823	834	846	848	851	855	861	861
2009-2010	104	472	570	641	675	692	727	741	755	759	764	769	773	774
2010-2011	123	475	564	604	642	672	692	710	718	731	740	745	752	
2011-2012	73	413	508	529	567	597	608	624	630	641	646	651		
2012-2013	72	385	446	490	535	566	575	592	608	612	617			
2013-2014	97	286	413	455	490	514	530	548	558	562				
2014-2015	18	330	391	430	464	492	507	518	526					
2015-2016	59	361	441	475	504	527	537	544						
2016-2017	83	374	425	469	500	511	520							
2017-2018	61	304	362	411	439	461								
2018-2019	49	292	352	382	412									
2019-2020	50	211	247	264										
2020-2021	36	208	246											
2021-2022	39	192												
2022-2023	54													

Closed Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002								1.104	1.037	1.000	1.002	1.014	1.006	1.009
2002-2003							1.106	1.015	1.006	1.000	1.011	1.002	1.010	1.006
2003-2004						1.026	1.039	1.013	0.998	1.014	0.999	1.006	1.009	0.999
2004-2005					1.037	1.030	1.014	1.010	1.016	1.003	1.007	0.998	1.006	1.008
2005-2006				1.056	1.049	1.025	1.006	1.014	0.999	1.011	1.006	1.010	1.002	1.005
2006-2007			1.139	1.052	1.089	1.032	1.010	1.006	1.016	1.009	1.003	1.003	1.003	1.008
2007-2008		1.227	1.093	1.056	1.031	1.030	1.017	1.018	1.012	1.007	1.001	1.012	1.004	1.005
2008-2009	6.255	1.173	1.091	1.044	1.038	1.009	1.013	1.014	1.002	1.004	1.005	1.007	1.000	1.006
2009-2010	4.538	1.208	1.125	1.053	1.025	1.051	1.019	1.019	1.005	1.007	1.007	1.005	1.001	
2010-2011	3.862	1.187	1.071	1.063	1.047	1.030	1.026	1.011	1.018	1.012	1.007	1.009		
2011-2012	5.658	1.230	1.041	1.072	1.053	1.018	1.026	1.010	1.017	1.008	1.008			
2012-2013	5.347	1.158	1.099	1.092	1.058	1.016	1.030	1.027	1.007	1.008				
2013-2014	2.948	1.444	1.102	1.077	1.049	1.031	1.034	1.018	1.007					
2014-2015	18.333	1.185	1.100	1.079	1.060	1.030	1.022	1.015						
2015-2016	6.119	1.222	1.077	1.061	1.046	1.019	1.013							
2016-2017	4.506	1.136	1.104	1.066	1.022	1.018								
2017-2018	4.984	1.191	1.135	1.068	1.050									
2018-2019	5.959	1.205	1.085	1.079										
2019-2020	4.220	1.171	1.069											
2020-2021	5.778	1.183												
2021-2022	4.923													
Average Claim-Weighted Averages	5.959	1.209	1.095	1.066	1.047	1.026	1.027	1.021	1.011	1.007	1.005	1.007	1.005	1.006
3-yr	4.888	1.188	1.100	1.071	1.039	1.022	1.023	1.021	1.011	1.010	1.007	1.007	1.002	1.006
4-yr	5.190	1.189	1.101	1.068	1.044	1.024	1.025	1.018	1.013	1.009	1.006	1.008	1.002	1.006
Comparative Factors	2.769	1.249	1.076	1.062	1.046	1.032	1.022	1.015	1.010	1.007	1.006	1.006	1.004	1.004
Prior	5.223	1.210	1.099	1.065	1.050	1.027	1.023	1.012	1.010	1.008	1.007	1.005	1.006	1.001
Selected	5.039	1.206	1.099	1.066	1.049	1.027	1.023	1.012	1.010	1.008	1.007	1.005	1.006	1.001
Cumulated	8.254	1.638	1.358	1.235	1.159	1.105	1.076	1.052	1.039	1.029	1.021	1.014	1.009	1.003

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2022-2023 Loss Rate Level (B)	Factor to 2023-2024 Loss Rate Level (C)	Factor to 2024-2025 Loss Rate Level (D)	Factor to 2025-2026 Loss Rate Level (E)	Factor to 2022-2023 Frequency Level (F)	Factor to 2023-2024 Frequency Level (G)	Factor to 2024-2025 Frequency Level (H)	Factor to 2025-2026 Frequency Level (I)	Factor to 2022-2023 Severity Level (J)
Prior	0.788	0.623	0.624	0.617	0.610	0.423	0.406	0.390	0.374	1.466
2002-2003	0.828	0.663	0.664	0.657	0.649	0.441	0.423	0.406	0.390	1.497
2003-2004	1.023	0.829	0.830	0.821	0.812	0.459	0.440	0.423	0.406	1.796
2004-2005	1.325	1.085	1.087	1.075	1.063	0.478	0.459	0.441	0.423	2.258
2005-2006	1.443	1.195	1.197	1.184	1.171	0.498	0.478	0.459	0.441	2.387
2006-2007	1.373	1.150	1.152	1.139	1.127	0.519	0.498	0.478	0.459	2.205
2007-2008	1.285	1.088	1.090	1.078	1.066	0.540	0.518	0.498	0.478	2.004
2008-2009	1.206	1.033	1.034	1.023	1.011	0.563	0.540	0.519	0.498	1.825
2009-2010	1.112	0.962	0.964	0.953	0.943	0.586	0.563	0.541	0.519	1.634
2010-2011	1.055	0.923	0.925	0.914	0.904	0.611	0.587	0.564	0.541	1.505
2011-2012	1.046	0.925	0.926	0.916	0.906	0.637	0.612	0.588	0.564	1.449
2012-2013	1.068	0.955	0.956	0.946	0.935	0.664	0.638	0.613	0.588	1.436
2013-2014	1.081	0.978	0.980	0.969	0.958	0.692	0.664	0.638	0.612	1.412
2014-2015	1.073	0.982	0.983	0.972	0.962	0.721	0.692	0.665	0.638	1.359
2015-2016	1.116	1.033	1.034	1.023	1.012	0.751	0.721	0.693	0.665	1.373
2016-2017	1.182	1.106	1.108	1.095	1.083	0.783	0.752	0.722	0.693	1.412
2017-2018	1.180	1.116	1.118	1.106	1.094	0.816	0.783	0.752	0.722	1.369
2018-2019	1.150	1.100	1.102	1.090	1.078	0.850	0.816	0.783	0.752	1.296
2019-2020	1.145	1.107	1.108	1.096	1.084	0.885	0.849	0.816	0.783	1.251
2020-2021	1.093	1.068	1.070	1.058	1.046	0.922	0.885	0.850	0.816	1.160
2021-2022	1.025	1.013	1.014	1.003	0.992	0.960	0.922	0.885	0.850	1.055
2022-2023	1.000	1.000	1.002	0.990	0.980	1.000	0.960	0.922	0.885	1.000
2023-2024	0.987	--	1.000	0.989	0.978	--	1.000	0.960	0.922	--
2024-2025	0.987	--	--	1.000	0.989	--	--	1.000	0.960	--
2025-2026	0.987	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a -1.1% annual loss rate trend.
- (F) - (I) (A) adjusted for a -4.0% annual frequency trend.
- (J) (A) adjusted for a 3.0% annual severity trend.

This exhibit shows the calculation of the ways in which we expect claims costs to have changed over the past twenty years due to changes in statutory workers' compensation benefit levels and changes in actual claims costs in excess of changes in payroll. Changes in the ways in which claims are filed as a result of greater awareness of workers' compensation benefits are not generally reflected in the statutory benefit level factors shown above, but may be part of the reason for changes in actual claims costs in excess of payroll changes.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Payroll (\$00) (E)	Ultimate Frequency (F)
Prior	\$22,608,627	1,097	0.788	16,232	11,862,489	0.925
2002-2003	16,893,686	871	0.828	16,065	9,384,588	0.928
2003-2004	18,698,332	1,101	1.023	17,381	10,275,421	1.071
2004-2005	13,468,379	971	1.325	18,382	10,479,855	0.927
2005-2006	13,110,400	943	1.443	20,058	11,120,749	0.848
2006-2007	11,752,633	925	1.373	17,445	11,776,657	0.785
2007-2008	12,975,107	794	1.285	21,001	12,723,433	0.624
2008-2009	11,028,950	874	1.206	15,218	13,011,209	0.672
2009-2010	15,367,282	795	1.112	21,493	11,955,189	0.665
2010-2011	13,710,851	763	1.055	18,964	11,838,734	0.644
2011-2012	13,505,599	668	1.046	21,149	11,525,559	0.580
2012-2013	15,069,359	642	1.068	25,059	10,433,568	0.615
2013-2014	11,633,702	582	1.081	21,613	10,163,623	0.573
2014-2015	11,489,492	554	1.073	22,244	9,778,926	0.567
2015-2016	12,793,878	579	1.116	24,654	10,073,369	0.575
2016-2017	11,043,717	561	1.182	23,260	10,059,489	0.558
2017-2018	10,982,435	508	1.180	25,508	9,867,016	0.515
2018-2019	10,702,529	471	1.150	26,139	9,953,546	0.473
2019-2020	8,607,907	337	1.145	29,235	10,334,901	0.326
2020-2021	12,693,460	383	1.093	36,223	9,569,590	0.400
2021-2022	8,047,483	302	1.025	27,300	9,807,524	0.308

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2021-2022	1.045	0.947
Mvg 5-Yr Wtd Latest 10 x 2021-2022	1.035	0.965
Latest 5 x 2021-2022	1.108	0.894
Mvg 5-Yr Wtd Latest 5 x 2021-2022	1.041	0.940
Prior	1.025	0.975
Default	1.025	0.980
Selected Residual Trend	1.030	0.960

Notes:

- (A) Selected average of results from Appendix TC - A and Appendix TC - B.
- (B) Appendix TC - D, Page 3, Column (C).
- (C) Appendix TC - E, Page 1, Column (A).
- (D) (A) x (C) / (B).
- (E) Appendix TC - L, Column (C).
- (F) (B) / (E) x 10,000.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial CourtsOutstanding Liability for
Unallocated Loss Adjustment Expenses
as of 6/30/22

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2022-2023	759.0	\$1,548	1.000	\$1,548	\$1,174,932
2023-2024	451.3	1,548	1.050	1,625	733,363
2024-2025	314.7	1,548	1.103	1,707	537,193
2025-2026	218.9	1,548	1.158	1,793	392,488
2026-2027	151.8	1,548	1.216	1,882	285,688
2027-2028	105.3	1,548	1.277	1,977	208,178
2028-2029	72.4	1,548	1.341	2,076	150,302
2029-2030	49.4	1,548	1.408	2,180	107,692
2030-2031	33.0	1,548	1.478	2,288	75,504
2031-2032	21.0	1,548	1.552	2,402	50,442
2032-2033	12.4	1,548	1.630	2,523	31,285
2033-2034	6.7	1,548	1.712	2,650	17,755
2034-2035	2.9	1,548	1.798	2,783	8,071
2035-2036	1.0	1,548	1.888	2,923	2,923
2036-2037	0.3	1,548	1.982	3,068	920
2037-2038	0.0	1,548	2.081	3,221	0
2038-2039	0.0	1,548	2.185	3,382	0
2039-2040	0.0	1,548	2.294	3,551	0

(G) Total ULAE Outstanding as of 6/30/22: \$3,776,736

(H) Total ULAE Outstanding as of 12/31/22: \$3,774,026

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by the Judicial Council.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).
- (H) (G) from this page and the next, interpolated to 12/31/22.

This exhibit shows the calculation of the outstanding ULAE based on the expected pattern of claims closings and assumptions about future claims administration costs per open claim.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Outstanding Liability for
Unallocated Loss Adjustment Expenses
as of 6/30/23

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2023-2024	682.3	\$1,548	1.050	\$1,625	\$1,108,738
2024-2025	434.2	1,548	1.103	1,707	741,179
2025-2026	303.1	1,548	1.158	1,793	543,458
2026-2027	213.1	1,548	1.216	1,882	401,054
2027-2028	148.4	1,548	1.277	1,977	293,387
2028-2029	103.1	1,548	1.341	2,076	214,036
2029-2030	71.7	1,548	1.408	2,180	156,306
2030-2031	49.0	1,548	1.478	2,288	112,112
2031-2032	33.2	1,548	1.552	2,402	79,746
2032-2033	21.5	1,548	1.630	2,523	54,245
2033-2034	12.9	1,548	1.712	2,650	34,185
2034-2035	6.9	1,548	1.798	2,783	19,203
2035-2036	3.2	1,548	1.888	2,923	9,354
2036-2037	1.0	1,548	1.982	3,068	3,068
2037-2038	0.4	1,548	2.081	3,221	1,288
2038-2039	0.0	1,548	2.185	3,382	0
2039-2040	0.0	1,548	2.294	3,551	0
2040-2041	0.0	1,548	2.409	3,729	0

(G) Total ULAE Outstanding as of 6/30/23: \$3,771,359

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by the Judicial Council.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).

This exhibit shows the calculation of the outstanding ULAE based on the expected pattern of claims closings and assumptions about future claims administration costs per open claim.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2022</u>	<u>Calendar Period</u>			
		<u>1/1/2023</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>
Prior					
Ultimate Loss	\$91,775,724	\$91,775,724	\$91,775,724	\$91,775,724	\$91,775,724
Paid in Calendar Period	-	145,272	222,684	232,170	211,936
Paid to Date	89,642,231	89,787,503	90,010,187	90,242,357	90,454,293
Outstanding Liability	2,133,493	1,988,221	1,765,537	1,533,367	1,321,431
2006-2007					
Ultimate Loss	\$14,525,318	\$14,525,318	\$14,525,318	\$14,525,318	\$14,525,318
Paid in Calendar Period	-	21,071	32,006	42,622	43,128
Paid to Date	13,970,810	13,991,881	14,023,887	14,066,509	14,109,637
Outstanding Liability	554,508	533,437	501,431	458,809	415,681
2007-2008					
Ultimate Loss	\$13,562,293	\$13,562,293	\$13,562,293	\$13,562,293	\$13,562,293
Paid in Calendar Period	-	29,699	37,221	22,581	30,070
Paid to Date	13,119,025	13,148,724	13,185,945	13,208,526	13,238,596
Outstanding Liability	443,268	413,569	376,348	353,767	323,697
2008-2009					
Ultimate Loss	\$11,295,770	\$11,295,770	\$11,295,770	\$11,295,770	\$11,295,770
Paid in Calendar Period	-	35,527	51,706	26,165	15,873
Paid to Date	10,917,819	10,953,346	11,005,052	11,031,217	11,047,090
Outstanding Liability	377,951	342,424	290,718	264,553	248,680
2009-2010					
Ultimate Loss	\$16,693,058	\$16,693,058	\$16,693,058	\$16,693,058	\$16,693,058
Paid in Calendar Period	-	69,200	117,945	80,587	40,779
Paid to Date	15,972,227	16,041,427	16,159,372	16,239,959	16,280,738
Outstanding Liability	720,831	651,631	533,686	453,099	412,320
2010-2011					
Ultimate Loss	\$15,543,956	\$15,543,956	\$15,543,956	\$15,543,956	\$15,543,956
Paid in Calendar Period	-	71,645	132,491	113,840	77,781
Paid to Date	14,710,871	14,782,516	14,915,007	15,028,847	15,106,628
Outstanding Liability	833,085	761,440	628,949	515,109	437,328
2011-2012					
Ultimate Loss	\$15,274,221	\$15,274,221	\$15,274,221	\$15,274,221	\$15,274,221
Paid in Calendar Period	-	84,606	166,324	147,525	126,758
Paid to Date	14,175,444	14,260,050	14,426,374	14,573,899	14,700,657
Outstanding Liability	1,098,777	1,014,171	847,847	700,322	573,564
2012-2013					
Ultimate Loss	\$16,733,985	\$16,733,985	\$16,733,985	\$16,733,985	\$16,733,985
Paid in Calendar Period	-	163,276	300,753	262,851	233,142
Paid to Date	14,667,206	14,830,482	15,131,235	15,394,086	15,627,228
Outstanding Liability	2,066,779	1,903,503	1,602,750	1,339,899	1,106,757

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2022</u>	<u>Calendar Period</u>			
		<u>1/1/2023</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>
2013-2014					
Ultimate Loss	\$13,153,011	\$13,153,011	\$13,153,011	\$13,153,011	\$13,153,011
Paid in Calendar Period	-	141,354	261,718	215,489	188,332
Paid to Date	11,386,082	11,527,436	11,789,154	12,004,643	12,192,975
Outstanding Liability	1,766,929	1,625,575	1,363,857	1,148,368	960,036
2014-2015					
Ultimate Loss	\$12,924,764	\$12,924,764	\$12,924,764	\$12,924,764	\$12,924,764
Paid in Calendar Period	-	171,696	321,067	279,665	230,267
Paid to Date	10,694,949	10,866,645	11,187,712	11,467,377	11,697,644
Outstanding Liability	2,229,815	2,058,119	1,737,052	1,457,387	1,227,120
2015-2016					
Ultimate Loss	\$14,536,416	\$14,536,416	\$14,536,416	\$14,536,416	\$14,536,416
Paid in Calendar Period	-	259,731	452,940	365,506	318,374
Paid to Date	11,480,760	11,740,491	12,193,431	12,558,937	12,877,311
Outstanding Liability	3,055,656	2,795,925	2,342,985	1,977,479	1,659,105
2016-2017					
Ultimate Loss	\$12,377,967	\$12,377,967	\$12,377,967	\$12,377,967	\$12,377,967
Paid in Calendar Period	-	273,804	490,905	380,165	306,779
Paid to Date	9,266,563	9,540,367	10,031,272	10,411,437	10,718,216
Outstanding Liability	3,111,404	2,837,600	2,346,695	1,966,530	1,659,751
2017-2018					
Ultimate Loss	\$12,330,570	\$12,330,570	\$12,330,570	\$12,330,570	\$12,330,570
Paid in Calendar Period	-	292,919	547,637	472,571	365,967
Paid to Date	8,758,387	9,051,306	9,598,943	10,071,514	10,437,481
Outstanding Liability	3,572,183	3,279,264	2,731,627	2,259,056	1,893,089
2018-2019					
Ultimate Loss	\$12,296,488	\$12,296,488	\$12,296,488	\$12,296,488	\$12,296,488
Paid in Calendar Period	-	389,777	691,280	567,655	489,846
Paid to Date	7,816,298	8,206,075	8,897,355	9,465,010	9,954,856
Outstanding Liability	4,480,190	4,090,413	3,399,133	2,831,478	2,341,632
2019-2020					
Ultimate Loss	\$11,213,803	\$11,213,803	\$11,213,803	\$11,213,803	\$11,213,803
Paid in Calendar Period	-	591,290	1,011,691	738,470	606,406
Paid to Date	5,241,176	5,832,466	6,844,157	7,582,627	8,189,033
Outstanding Liability	5,972,627	5,381,337	4,369,646	3,631,176	3,024,770
2020-2021					
Ultimate Loss	\$14,133,169	\$14,133,169	\$14,133,169	\$14,133,169	\$14,133,169
Paid in Calendar Period	-	834,370	1,501,865	1,129,402	824,392
Paid to Date	5,789,474	6,623,844	8,125,709	9,255,111	10,079,503
Outstanding Liability	8,343,695	7,509,325	6,007,460	4,878,058	4,053,666

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2022</u>	<u>Calendar Period</u>			
		<u>1/1/2023</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>
2021-2022					
Ultimate Loss	\$11,670,624	\$11,670,624	\$11,670,624	\$11,670,624	\$11,670,624
Paid in Calendar Period	-	999,018	1,762,695	1,350,548	1,015,612
Paid to Date	2,156,171	3,155,189	4,917,884	6,268,432	7,284,044
Outstanding Liability	9,514,453	8,515,435	6,752,740	5,402,192	4,386,580
2022-2023					
Ultimate Loss	\$6,655,740	\$13,311,479	\$13,311,479	\$13,311,479	\$13,311,479
Paid in Calendar Period	-	1,189,260	2,284,901	1,927,911	1,477,134
Paid to Date	523,737	1,712,997	3,997,898	5,925,809	7,402,943
Outstanding Liability	6,132,003	11,598,482	9,313,581	7,385,670	5,908,536
2023-2024					
Ultimate Loss	-	-	\$13,330,888	\$13,330,888	\$13,330,888
Paid in Calendar Period	-	-	1,546,383	2,321,547	1,958,832
Paid to Date	-	-	1,546,383	3,867,930	5,826,762
Outstanding Liability	-	-	11,784,505	9,462,958	7,504,126
2024-2025					
Ultimate Loss	-	-	-	\$13,591,615	\$13,591,615
Paid in Calendar Period	-	-	-	1,576,627	2,366,953
Paid to Date	-	-	-	1,576,627	3,943,580
Outstanding Liability	-	-	-	12,014,988	9,648,035
2025-2026					
Ultimate Loss	-	-	-	-	\$13,877,608
Paid in Calendar Period	-	-	-	-	1,609,803
Paid to Date	-	-	-	-	1,609,803
Outstanding Liability	-	-	-	-	12,267,805
Totals					
Ultimate Loss	\$316,696,877	\$323,352,616	\$336,683,504	\$350,275,119	\$364,152,727
Paid in Calendar Period	-	5,763,515	11,934,212	12,253,897	12,538,164
Paid to Date	260,289,230	266,052,745	277,986,957	290,240,854	302,779,018
Outstanding Liability	56,407,647	57,299,871	58,696,547	60,034,265	61,373,709
Total Outstanding ULAE	3,774,026	3,771,359	4,051,180	4,303,323	4,540,700
Outstanding Liability plus ULAE	60,181,673	61,071,230	62,747,727	64,337,588	65,914,409

Notes appear on the next page.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2020-2021, \$834,370 is expected to be paid between 1/1/23 and 6/30/23, \$6,623,844 will have been paid by 6/30/23, and the reserve for remaining payments on these claims should be \$7,509,325.
- Ultimate Losses for each accident year are from Exhibit TC - 4, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example, $\$1,501,865 = \$7,509,325 \times 20.0\%$.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, $\$8,125,709 = \$1,501,865 + \$6,623,844$.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, $\$7,509,325 = \$14,133,169 - \$6,623,844$.

This exhibit shows the calculation of the liability for outstanding claims as of the date of evaluation, the end of the current fiscal year, and the end of the coming fiscal year. It also shows the expected claims payout during the remainder of the current fiscal year and the coming fiscal year. Refer to the Totals at the end of the exhibit for the balance sheet information. The top parts of the exhibit show information for each program year.

Short- and Long-Term Liabilities

		<u>Expected</u>	<u>Discounted</u>
<u>Liabilities as of 12/31/22:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$9,791,575	\$9,791,575
	ULAE:	1,174,932	1,174,932
	Short-Term Loss and LAE:	<u>\$10,966,507</u>	<u>\$10,966,507</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$46,616,072	\$46,616,072
	ULAE:	2,599,094	2,599,094
	Long-Term Loss and LAE:	<u>\$49,215,166</u>	<u>\$49,215,166</u>
<u>Total Liability</u>	Loss and ALAE:	\$56,407,647	\$56,407,647
	ULAE:	3,774,026	3,774,026
	Total Loss and LAE:	<u>\$60,181,673</u>	<u>\$60,181,673</u>
<u>Liabilities as of 6/30/23:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$10,387,829	\$10,387,829
	ULAE:	1,108,738	1,108,738
	Short-Term Loss and LAE:	<u>\$11,496,567</u>	<u>\$11,496,567</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$46,912,042	\$46,912,042
	ULAE:	2,662,621	2,662,621
	Long-Term Loss and LAE:	<u>\$49,574,663</u>	<u>\$49,574,663</u>
<u>Total Liability</u>	Loss and ALAE:	\$57,299,871	\$57,299,871
	ULAE:	3,771,359	3,771,359
	Total Loss and LAE:	<u>\$61,071,230</u>	<u>\$61,071,230</u>

		<u>Discounted with a Margin for Contingencies</u>				
		<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 12/31/22:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$10,565,109	\$10,878,440	\$11,230,937	\$11,661,766	\$12,229,677
	ULAE:	1,267,752	1,305,349	1,347,647	1,399,344	1,467,490
	Short-Term Loss and LAE:	<u>\$11,832,861</u>	<u>\$12,183,789</u>	<u>\$12,578,584</u>	<u>\$13,061,110</u>	<u>\$13,697,167</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$50,298,742	\$51,790,456	\$53,468,634	\$55,519,742	\$58,223,474
	ULAE:	2,804,422	2,887,594	2,981,161	3,095,521	3,246,269
	Long-Term Loss and LAE:	<u>\$53,103,164</u>	<u>\$54,678,050</u>	<u>\$56,449,795</u>	<u>\$58,615,263</u>	<u>\$61,469,743</u>
<u>Total Liability</u>	Loss and ALAE:	\$60,863,851	\$62,668,896	\$64,699,571	\$67,181,508	\$70,453,151
	ULAE:	4,072,174	4,192,943	4,328,808	4,494,865	4,713,759
	Total Loss and LAE:	<u>\$64,936,025</u>	<u>\$66,861,839</u>	<u>\$69,028,379</u>	<u>\$71,676,373</u>	<u>\$75,166,910</u>
<u>Liabilities as of 6/30/23:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$11,208,467	\$11,540,878	\$11,914,840	\$12,371,904	\$12,974,398
	ULAE:	1,196,328	1,231,808	1,271,722	1,320,507	1,384,814
	Short-Term Loss and LAE:	<u>\$12,404,795</u>	<u>\$12,772,686</u>	<u>\$13,186,562</u>	<u>\$13,692,411</u>	<u>\$14,359,212</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$50,618,094	\$52,119,279	\$53,808,112	\$55,872,242	\$58,593,141
	ULAE:	2,872,968	2,958,172	3,054,027	3,171,182	3,325,613
	Long-Term Loss and LAE:	<u>\$53,491,062</u>	<u>\$55,077,451</u>	<u>\$56,862,139</u>	<u>\$59,043,424</u>	<u>\$61,918,754</u>
<u>Total Liability</u>	Loss and ALAE:	\$61,826,561	\$63,660,157	\$65,722,952	\$68,244,146	\$71,567,539
	ULAE:	4,069,296	4,189,980	4,325,749	4,491,689	4,710,427
	Total Loss and LAE:	<u>\$65,895,857</u>	<u>\$67,850,137</u>	<u>\$70,048,701</u>	<u>\$72,735,835</u>	<u>\$76,277,966</u>

Note: Current (short term) liabilities are the portion of the total estimated liability shown on Appendix TC - G that is expected to be paid out within the coming year. Totals may vary from Exhibit TC - 1, due to rounding.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	1.466	1.343
90%	1.340	1.249
85%	1.259	1.191
80%	1.198	1.147
75%	1.148	1.111
70%	1.105	1.079
65%	1.066	1.051
60%	1.030	1.026
55%	0.997	1.002
50%	0.965	0.979
45%	0.934	0.956
40%	0.903	0.934
35%	0.873	0.912
30%	0.842	0.890
25%	0.809	0.866

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.340 times the average expected amount of losses.

This exhibit shows the loads that must be applied to bring estimated losses at the expected level to the various indicated confidence levels.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
7/1/2002	6/30/2003	2002-2003	Various	(none)
7/1/2003	6/30/2004	2003-2004	Various	(none)
7/1/2004	6/30/2005	2004-2005	Various	(none)
7/1/2005	6/30/2006	2005-2006	2,000,000	(none)
7/1/2006	6/30/2007	2006-2007	2,000,000	(none)
7/1/2007	6/30/2008	2007-2008	2,000,000	(none)
7/1/2008	6/30/2009	2008-2009	2,000,000	(none)
7/1/2009	6/30/2010	2009-2010	2,000,000	(none)
7/1/2010	6/30/2011	2010-2011	2,000,000	(none)
7/1/2011	6/30/2012	2011-2012	2,000,000	(none)
7/1/2012	6/30/2013	2012-2013	2,000,000	(none)
7/1/2013	6/30/2014	2013-2014	2,000,000	(none)
7/1/2014	6/30/2015	2014-2015	2,000,000	(none)
7/1/2015	6/30/2016	2015-2016	2,000,000	(none)
7/1/2016	6/30/2017	2016-2017	2,000,000	(none)
7/1/2017	6/30/2018	2017-2018	2,000,000	(none)
7/1/2018	6/30/2019	2018-2019	2,000,000	(none)
7/1/2019	6/30/2020	2019-2020	2,000,000	(none)
7/1/2020	6/30/2021	2020-2021	2,000,000	(none)
7/1/2021	6/30/2022	2021-2022	2,000,000	(none)
7/1/2022	6/30/2023	2022-2023	2,000,000	(none)
7/1/2023	6/30/2024	2023-2024	2,000,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Corvel	7/1/2008	9/30/2014
AIMS	10/1/2014	6/30/2022
Sedgwick	7/1/2022	Current

This exhibit summarizes some of the key facts about the history of the program.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Incurred Losses as of 12/31/22

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over \$250,000 (G)	Incurred Capped at \$250,000 (H)	Incurred \$250,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
2002-2003	17,800,539	0	15,739	17,784,800	0	941,645	16,843,156	941,645	17,784,800	17,784,800
2003-2004	21,805,336	0	593,517	21,211,819	0	2,587,983	18,623,836	2,587,983	21,211,819	21,211,819
2004-2005	14,119,158	0	9,660	14,109,498	0	708,126	13,401,372	708,126	14,109,498	14,109,498
2005-2006	14,193,372	0	66,236	14,127,136	0	1,094,931	13,032,206	1,094,931	14,127,136	14,127,136
2006-2007	14,443,092	0	47,337	14,395,756	0	2,724,819	11,670,936	2,724,819	14,395,756	14,395,756
2007-2008	13,510,877	0	96,147	13,414,730	0	542,601	12,872,129	542,601	13,414,730	13,414,730
2008-2009	11,137,663	0	18,248	11,119,415	0	188,842	10,930,574	188,842	11,119,415	11,119,415
2009-2010	16,376,601	0	3,447	16,373,154	0	1,158,024	15,215,130	1,158,024	16,373,154	16,373,154
2010-2011	15,133,964	0	3,575	15,130,390	0	1,582,119	13,548,271	1,582,119	15,130,390	15,130,390
2011-2012	14,733,962	0	10,415	14,723,547	0	1,417,538	13,306,008	1,417,538	14,723,547	14,723,547
2012-2013	15,631,115	0	193,261	15,437,855	0	649,476	14,788,379	649,476	15,437,855	15,437,855
2013-2014	11,937,502	0	88,264	11,849,237	0	488,200	11,361,037	488,200	11,849,237	11,849,237
2014-2015	11,499,520	0	102,550	11,396,970	0	274,519	11,122,451	274,519	11,396,970	11,396,970
2015-2016	12,526,398	0	50,662	12,475,736	0	388,740	12,086,996	388,740	12,475,736	12,475,736
2016-2017	10,433,630	0	127,810	10,305,820	0	16,074	10,289,746	16,074	10,305,820	10,305,820
2017-2018	9,813,022	0	74,781	9,738,241	0	123,706	9,614,535	123,706	9,738,241	9,738,241
2018-2019	9,182,890	0	21,989	9,160,901	0	145,596	9,015,306	145,596	9,160,901	9,160,901
2019-2020	6,865,281	0	14,031	6,851,250	0	19,437	6,831,813	19,437	6,851,250	6,851,250
2020-2021	8,923,822	0	302	8,923,519	0	0	8,923,519	0	8,923,519	8,923,519
2021-2022	3,745,516	0	199	3,745,317	0	0	3,745,317	0	3,745,317	3,745,317
2022-2023	1,276,003	0	0	1,276,003	0	0	1,276,003	0	1,276,003	1,276,003
Total	\$282,039,720	\$0	\$2,973,529	\$279,066,191	\$1,445,089	\$18,003,971	\$261,062,220	\$16,558,882	\$277,621,102	\$277,621,102

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council.
- (C) No adjustments were made.
- (D) Subrogation recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix TC - J.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Paid Losses as of 12/31/22

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over \$250,000 (G)	Paid Capped at \$250,000 (H)	Paid \$250,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
2002-2003	17,656,150	0	15,739	17,640,412	0	863,253	16,777,159	863,253	17,640,412	17,640,412
2003-2004	21,102,190	0	593,517	20,508,673	0	1,997,648	18,511,024	1,997,648	20,508,673	20,508,673
2004-2005	14,001,137	0	9,660	13,991,476	0	636,647	13,354,829	636,647	13,991,476	13,991,476
2005-2006	13,869,378	0	66,236	13,803,142	0	979,548	12,823,594	979,548	13,803,142	13,803,142
2006-2007	14,018,147	0	47,337	13,970,810	0	2,459,981	11,510,829	2,459,981	13,970,810	13,970,810
2007-2008	13,215,171	0	96,147	13,119,025	0	449,512	12,669,513	449,512	13,119,025	13,119,025
2008-2009	10,936,067	0	18,248	10,917,819	0	176,489	10,741,330	176,489	10,917,819	10,917,819
2009-2010	15,975,674	0	3,447	15,972,227	0	948,757	15,023,470	948,757	15,972,227	15,972,227
2010-2011	14,714,445	0	3,575	14,710,871	0	1,235,544	13,475,327	1,235,544	14,710,871	14,710,871
2011-2012	14,185,859	0	10,415	14,175,444	0	1,123,000	13,052,444	1,123,000	14,175,444	14,175,444
2012-2013	14,860,466	0	193,261	14,667,206	0	548,693	14,118,513	548,693	14,667,206	14,667,206
2013-2014	11,474,346	0	88,264	11,386,082	0	399,338	10,986,744	399,338	11,386,082	11,386,082
2014-2015	10,797,499	0	102,550	10,694,949	0	165,935	10,529,014	165,935	10,694,949	10,694,949
2015-2016	11,531,422	0	50,662	11,480,760	0	137,654	11,343,106	137,654	11,480,760	11,480,760
2016-2017	9,394,373	0	127,810	9,266,563	0	0	9,266,563	0	9,266,563	9,266,563
2017-2018	8,833,168	0	74,781	8,758,387	0	4,667	8,753,720	4,667	8,758,387	8,758,387
2018-2019	7,838,287	0	21,989	7,816,298	0	54,509	7,761,789	54,509	7,816,298	7,816,298
2019-2020	5,255,207	0	14,031	5,241,176	0	0	5,241,176	0	5,241,176	5,241,176
2020-2021	5,789,777	0	302	5,789,474	0	0	5,789,474	0	5,789,474	5,789,474
2021-2022	2,156,370	0	199	2,156,171	0	0	2,156,171	0	2,156,171	2,156,171
2022-2023	523,737	0	0	523,737	0	0	523,737	0	523,737	523,737
Total	\$263,904,159	\$0	\$2,973,529	\$260,930,630	\$641,401	\$14,064,551	\$246,866,079	\$13,423,151	\$260,289,230	\$260,289,230

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council.
- (C) No adjustments were made.
- (D) Subrogation recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix TC - J.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Case Reserves as of 12/31/22

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over \$250,000 (G)	Reserves Capped at \$250,000 (H)	Reserves to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
2002-2003	144,389	0	0	144,389	0	78,392	65,997	78,392	144,389	144,389
2003-2004	703,146	0	0	703,146	0	590,334	112,812	590,334	703,146	703,146
2004-2005	118,022	0	0	118,022	0	71,478	46,543	71,478	118,022	118,022
2005-2006	323,994	0	0	323,994	0	115,383	208,612	115,383	323,994	323,994
2006-2007	424,945	0	0	424,945	0	264,838	160,107	264,838	424,945	424,945
2007-2008	295,705	0	0	295,705	0	93,089	202,617	93,089	295,705	295,705
2008-2009	201,597	0	0	201,597	0	12,353	189,244	12,353	201,597	201,597
2009-2010	400,927	0	0	400,927	0	209,267	191,660	209,267	400,927	400,927
2010-2011	419,519	0	0	419,519	0	346,575	72,944	346,575	419,519	419,519
2011-2012	548,103	0	0	548,103	0	294,539	253,564	294,539	548,103	548,103
2012-2013	770,649	0	0	770,649	0	100,783	669,866	100,783	770,649	770,649
2013-2014	463,155	0	0	463,155	0	88,862	374,293	88,862	463,155	463,155
2014-2015	702,021	0	0	702,021	0	108,584	593,437	108,584	702,021	702,021
2015-2016	994,976	0	0	994,976	0	251,086	743,890	251,086	994,976	994,976
2016-2017	1,039,257	0	0	1,039,257	0	16,074	1,023,183	16,074	1,039,257	1,039,257
2017-2018	979,854	0	0	979,854	0	119,038	860,816	119,038	979,854	979,854
2018-2019	1,344,603	0	0	1,344,603	0	91,087	1,253,517	91,087	1,344,603	1,344,603
2019-2020	1,610,074	0	0	1,610,074	0	19,437	1,590,637	19,437	1,610,074	1,610,074
2020-2021	3,134,045	0	0	3,134,045	0	0	3,134,045	0	3,134,045	3,134,045
2021-2022	1,589,146	0	0	1,589,146	0	0	1,589,146	0	1,589,146	1,589,146
2022-2023	752,266	0	0	752,266	0	0	752,266	0	752,266	752,266
Total	\$18,135,561	\$0	\$0	\$18,135,561	\$803,688	\$3,939,420	\$14,196,141	\$3,135,731	\$17,331,872	\$17,331,872

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Appendix TC - K, Page 1, Column (B) - Appendix TC - K, Page 2, Column (B).
- (C) Appendix TC - K, Page 1, Column (C) - Appendix TC - K, Page 2, Column (C).
- (D) Appendix TC - K, Page 1, Column (D) - Appendix TC - K, Page 2, Column (D).
- (E) (B) + (C) - (D).
- (F) Sum of case reserves in excess of SIR.
- (G) Sum of case reserves in excess of \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix TC - J.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Claim Counts as of 12/31/22

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
2002-2003	871	0	0	871	861	0	0	861	10	10
2003-2004	1,101	0	0	1,101	1,088	0	0	1,088	13	13
2004-2005	971	0	0	971	964	0	0	964	7	7
2005-2006	943	0	0	943	931	0	0	931	12	12
2006-2007	925	0	0	925	914	0	0	914	11	11
2007-2008	794	0	0	794	778	0	0	778	16	16
2008-2009	874	0	0	874	866	0	0	866	8	8
2009-2010	795	0	0	795	774	0	0	774	21	21
2010-2011	763	0	0	763	752	0	0	752	11	11
2011-2012	668	0	0	668	651	0	0	651	17	17
2012-2013	642	0	0	642	617	0	0	617	25	25
2013-2014	582	0	0	582	562	0	0	562	20	20
2014-2015	554	0	0	554	526	0	0	526	28	28
2015-2016	579	0	0	579	544	0	0	544	35	35
2016-2017	561	0	0	561	520	0	0	520	41	41
2017-2018	507	0	0	507	461	0	0	461	46	46
2018-2019	470	0	0	470	412	0	0	412	58	58
2019-2020	335	0	0	335	264	0	0	264	71	71
2020-2021	379	0	0	379	246	0	0	246	133	133
2021-2022	294	0	0	294	192	0	0	192	102	102
2022-2023	148	0	0	148	54	0	0	54	94	94
Total	14,853	0	0	14,853	14,060	0	0	14,060	793	793

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council.
- (C) No adjustments were made.
- (D) No adjustments were made.
- (E) (B) + (C) - (D).
- (F) Provided by the Judicial Council.
- (G) No adjustments were made.
- (H) No adjustments were made.
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
2002-2003	5,729,297	1.638	9,384,588
2003-2004	6,430,176	1.598	10,275,421
2004-2005	6,722,165	1.559	10,479,855
2005-2006	7,311,472	1.521	11,120,749
2006-2007	7,935,753	1.484	11,776,657
2007-2008	8,786,901	1.448	12,723,433
2008-2009	9,208,216	1.413	13,011,209
2009-2010	8,669,463	1.379	11,955,189
2010-2011	8,802,033	1.345	11,838,734
2011-2012	8,784,725	1.312	11,525,559
2012-2013	8,151,225	1.280	10,433,568
2013-2014	8,137,408	1.249	10,163,623
2014-2015	8,022,089	1.219	9,778,926
2015-2016	8,472,135	1.189	10,073,369
2016-2017	8,671,973	1.160	10,059,489
2017-2018	8,716,445	1.132	9,867,016
2018-2019	9,015,893	1.104	9,953,546
2019-2020	9,596,008	1.077	10,334,901
2020-2021	9,105,224	1.051	9,569,590
2021-2022	9,568,316	1.025	9,807,524
2022-2023	9,571,528	1.000	9,571,528
2023-2024	9,816,560	1.000	9,816,560
2024-2025	10,067,863	1.000	10,067,863
2025-2026	10,325,601	1.000	10,325,601

Notes:

- (A) Provided by the Judicial Council.
- (B) Based on WCIRB.
- (C) (A) x (B).

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Guidelines for Outstanding Liabilities at
December 31, 2022

(A) Estimated Ultimate Losses Incurred through 12/31/22: (From Appendix J - G)	\$22,088,000
(B) Estimated Paid Losses through 12/31/22: (From Appendix J - G)	19,428,000
(C) Estimated Liability for Claims Outstanding at 12/31/22: (From Appendix J - G)	<u>\$2,660,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/22: (From Appendix J - F)	489,000
(E) Total Outstanding Liability for Claims at 12/31/22: ((C) + (D))	<u>\$3,149,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/22: ((E) x (F))	<u>\$3,149,000</u>

	<u>Marginally Acceptable</u>	<u>75%</u>	<u>Recommended</u>	<u>85%</u>	<u>Conservative</u>
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix J - I)	1.136	1.197	1.267	1.355	1.472
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	428,000	620,000	841,000	1,118,000	1,486,000
(J) Total Required Assets at 12/31/22: ((G) + (I))	<u>\$3,577,000</u>	<u>\$3,769,000</u>	<u>\$3,989,000</u>	<u>\$4,266,000</u>	<u>\$4,635,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Guidelines for Outstanding Liabilities at
June 30, 2023

(A) Estimated Ultimate Losses Incurred through 6/30/23: (From Appendix J - G)	\$22,384,000
(B) Estimated Paid Losses through 6/30/23: (From Appendix J - G)	19,595,000
(C) Estimated Liability for Claims Outstanding at 6/30/23: (From Appendix J - G)	<u>\$2,788,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/23: (From Appendix J - F)	570,000
(E) Total Outstanding Liability for Claims at 6/30/23: ((C) + (D))	<u>\$3,358,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/23: ((E) x (F))	<u>\$3,358,000</u>

	<u>Marginally Acceptable</u>	<u>75%</u>	<u>Recommended</u>	<u>85%</u>	<u>Conservative</u>
Confidence Level of Adequacy:	70%				90%
(H) Confidence Level Factor: (From Appendix J - I)	1.136	1.197	1.267	1.355	1.472
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	457,000	661,000	897,000	1,192,000	1,585,000
(J) Total Required Assets at 6/30/23: ((G) + (I))	<u>\$3,815,000</u>	<u>\$4,019,000</u>	<u>\$4,254,000</u>	<u>\$4,550,000</u>	<u>\$4,943,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Options for Program Year 2022-2023 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2022-2023: (From Appendix J - G)	\$592,000	\$0.089			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2022-2023: (From Exhibit J - 5, Page 1, (L))	209,000	0.031			
(C) Total Claims Costs Incurred in Accident Year 2022-2023: ((A) + (B))	<u>\$801,000</u>	<u>\$0.120</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2022-2023: ((C) x (D))	<u>\$801,000</u>	<u>\$0.120</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.113	1.236	1.375	1.538
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	2,000	67,000	140,000	222,000	318,000
(H) Recommended Funding in 2022-2023 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$802,000</u>	<u>\$867,000</u>	<u>\$940,000</u>	<u>\$1,022,000</u>	<u>\$1,119,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$6,646,442)	\$0.121	\$0.131	\$0.141	\$0.154	\$0.168

Payroll rates are per hundred dollars of 2022-2023 payroll of \$664,644,200.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Options for Program Year 2023-2024 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2023-2024: (From Appendix J - G)	\$620,000	\$0.091			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit J - 5, Page 1, (L))	127,000	0.019			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$747,000</u>	<u>\$0.110</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2023-2024: ((C) x (D))	<u>\$747,000</u>	<u>\$0.110</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.113	1.236	1.375	1.538
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	2,000	70,000	146,000	233,000	334,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$749,000</u>	<u>\$817,000</u>	<u>\$894,000</u>	<u>\$980,000</u>	<u>\$1,081,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	364,000	364,000	364,000	364,000	364,000
(J) Recommended Funding in 2023-2024 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$1,113,000</u>	<u>\$1,181,000</u>	<u>\$1,258,000</u>	<u>\$1,344,000</u>	<u>\$1,445,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$6,816,591)	\$0.163	\$0.173	\$0.185	\$0.197	\$0.212

Payroll rates are per hundred dollars of 2023-2024 payroll of \$681,659,100.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Options for Program Year 2024-2025 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025: (From Appendix J - G)	\$643,000	\$0.092			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025: (From Exhibit J - 5, Page 1, (L))	132,000	0.019			
(C) Total Claims Costs Incurred in Accident Year 2024-2025: ((A) + (B))	<u>\$775,000</u>	<u>\$0.111</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2024-2025: ((C) x (D))	<u>\$775,000</u>	<u>\$0.111</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.113	1.236	1.375	1.538
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	2,000	73,000	152,000	241,000	346,000
(H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$777,000</u>	<u>\$848,000</u>	<u>\$927,000</u>	<u>\$1,016,000</u>	<u>\$1,121,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$6,991,096)	\$0.111	\$0.121	\$0.133	\$0.145	\$0.160

Payroll rates are per hundred dollars of 2024-2025 payroll of \$699,109,600.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Options for Program Year 2025-2026 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2025-2026: (From Appendix J - G)	\$660,000	\$0.092			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2025-2026: (From Exhibit J - 5, Page 1, (L))	135,000	0.019			
(C) Total Claims Costs Incurred in Accident Year 2025-2026: ((A) + (B))	<u>\$795,000</u>	<u>\$0.111</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2025-2026: ((C) x (D))	<u>\$795,000</u>	<u>\$0.111</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.113	1.236	1.375	1.538
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	2,000	90,000	188,000	298,000	428,000
(H) Recommended Funding in 2025-2026 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$797,000</u>	<u>\$884,000</u>	<u>\$982,000</u>	<u>\$1,093,000</u>	<u>\$1,222,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$7,170,068)	\$0.111	\$0.123	\$0.137	\$0.152	\$0.170

Payroll rates are per hundred dollars of 2025-2026 payroll of \$717,006,800.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

IBNR as of 6/30/23 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/22 (B)	Estimated IBNR as of 12/31/22 (C)	Estimated Percent of IBNR Reported Between 1/1/23 and 6/30/23 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/23 (F)
Prior	\$13,587,000	\$13,373,000	\$214,000	16.3%	\$35,000	\$179,000
2002-2003	172,000	172,000	0	16.3%	0	0
2003-2004	289,000	289,000	0	7.0%	0	0
2004-2005	390,000	378,000	12,000	6.3%	1,000	11,000
2005-2006	242,000	234,000	8,000	5.7%	0	8,000
2006-2007	575,000	575,000	0	5.2%	0	0
2007-2008	273,000	262,000	11,000	6.7%	1,000	10,000
2008-2009	729,000	729,000	0	5.9%	0	0
2009-2010	686,000	686,000	0	5.2%	0	0
2010-2011	309,000	309,000	0	6.0%	0	0
2011-2012	549,000	549,000	0	7.6%	0	0
2012-2013	431,000	431,000	0	6.5%	0	0
2013-2014	62,000	62,000	0	6.5%	0	0
2014-2015	310,000	279,000	32,000	6.3%	2,000	30,000
2015-2016	792,000	700,000	92,000	6.1%	6,000	87,000
2016-2017	502,000	367,000	135,000	8.1%	11,000	124,000
2017-2018	290,000	152,000	138,000	8.5%	12,000	126,000
2018-2019	367,000	162,000	205,000	10.4%	21,000	184,000
2019-2020	499,000	268,000	230,000	12.0%	28,000	203,000
2020-2021	318,000	18,000	300,000	14.1%	42,000	257,000
2021-2022	419,000	44,000	375,000	18.6%	70,000	305,000
2022-2023	592,000	14,000	282,000	14.2%	82,000	495,000
Totals	\$22,384,000	\$20,054,000	\$2,034,000		\$310,000	\$2,019,000

Notes:

- (A) From Exhibit J - 4, Page 1.
- (B) Provided by the Judicial Council. These losses exclude amounts incurred above the Judicial Council's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 1/1/23 and 6/30/23. The percentage is based on the development pattern selected in Appendix J - A.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/23. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Estimated Ultimate Program Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)	Selected Estimate of Ultimate Losses Limited to Aggregate (G)	
Prior	\$13,587,000	\$14,088,000	\$13,537,000	\$13,825,000	\$10,277,000	\$13,587,000	\$13,587,000	
2002-2003	176,000	190,000	177,000	195,000	241,000	172,000	172,000	
2003-2004	297,000	323,000	300,000	333,000	411,000	289,000	289,000	
2004-2005	390,000	423,000	389,000	417,000	374,000	390,000	390,000	
2005-2006	242,000	263,000	246,000	273,000	345,000	242,000	242,000	
2006-2007	597,000	664,000	592,000	638,000	464,000	575,000	575,000	
2007-2008	273,000	286,000	278,000	302,000	397,000	273,000	273,000	
2008-2009	765,000	866,000	771,000	870,000	887,000	729,000	729,000	
2009-2010	724,000	830,000	726,000	817,000	756,000	686,000	686,000	
2010-2011	328,000	381,000	335,000	394,000	452,000	309,000	309,000	
2011-2012	590,000	693,000	606,000	720,000	820,000	549,000	549,000	
2012-2013	467,000	557,000	469,000	541,000	484,000	431,000	431,000	
2013-2014	68,000	83,000	71,000	88,000	103,000	62,000	62,000	
2014-2015	310,000	366,000	311,000	352,000	314,000	310,000	310,000	
2015-2016	792,000	786,000	808,000	828,000	931,000	792,000	792,000	
2016-2017	426,000	489,000	443,000	508,000	544,000	502,000	502,000	
2017-2018	182,000	206,000	225,000	297,000	454,000	290,000	290,000	
2018-2019	205,000	314,000	256,000	379,000	548,000	367,000	367,000	
2019-2020	371,000	536,000	404,000	509,000	451,000	499,000	499,000	
2020-2021	30,000	41,000	190,000	332,000	215,000	318,000	318,000	
2021-2022	114,000	96,000	335,000	428,000	229,000	419,000	419,000	
Totals						\$21,792,000	\$21,792,000	
						Projected Losses for the Year 2022-2023 (H)	\$592,000	\$592,000
						Projected Losses for the Year 2023-2024 (I)	620,000	620,000
						Projected Losses for the Year 2024-2025 (J)	643,000	643,000
						Projected Losses for the Year 2025-2026 (K)	660,000	660,000

Notes:

- (A) From Appendix J - A, Page 1, Column (G).
- (B) From Appendix J - B, Page 1, Column (G).
- (C) From Appendix J - C, Page 1, Column (G).
- (D) From Appendix J - C, Page 2, Column (G).
- (E) From Appendix J - D, Page 1, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) (F) limited to applicable aggregate.
- (H) From Exhibit J - 5, Page 1, Line (K).
- (I) From Exhibit J - 5, Page 1, Line (K).
- (J) From Exhibit J - 5, Page 1, Line (K).
- (K) From Exhibit J - 5, Page 1, Line (K).

This exhibit summarizes the results of the actuarial methods we have applied to estimate ultimate losses for each year. It is important to apply a number of estimation methods because each one relies on specific assumptions about the claims process that tend to hold generally true, but that may be violated in specific situations. Thus, the more estimation methods that can be applied, the better.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Estimated Ultimate Limited Losses Capped at \$100,000 per Claim

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
Prior	\$8,323,000	\$8,508,000	\$8,323,000	\$8,501,000	\$8,322,000	\$8,323,000
2002-2003	173,000	177,000	173,000	177,000	172,000	172,000
2003-2004	291,000	299,000	291,000	298,000	289,000	289,000
2004-2005	260,000	263,000	260,000	263,000	260,000	260,000
2005-2006	236,000	238,000	236,000	238,000	236,000	236,000
2006-2007	316,000	325,000	316,000	324,000	313,000	313,000
2007-2008	264,000	254,000	264,000	254,000	264,000	264,000
2008-2009	587,000	604,000	587,000	603,000	581,000	581,000
2009-2010	494,000	510,000	494,000	509,000	487,000	487,000
2010-2011	292,000	302,000	291,000	301,000	287,000	287,000
2011-2012	522,000	542,000	522,000	541,000	512,000	512,000
2012-2013	304,000	317,000	304,000	316,000	297,000	297,000
2013-2014	64,000	67,000	64,000	66,000	62,000	62,000
2014-2015	186,000	195,000	186,000	194,000	186,000	186,000
2015-2016	555,000	547,000	555,000	548,000	555,000	555,000
2016-2017	320,000	293,000	320,000	297,000	320,000	320,000
2017-2018	149,000	151,000	157,000	169,000	262,000	149,000
2018-2019	181,000	222,000	189,000	231,000	312,000	185,000
2019-2020	312,000	360,000	307,000	327,000	252,000	317,000
2020-2021	23,000	26,000	70,000	148,000	118,000	109,000
2021-2022	82,000	57,000	164,000	217,000	124,000	204,000
Totals						\$14,109,000
			Projected Losses for the Year 2022-2023 (G)			\$315,000
			Projected Losses for the Year 2023-2024 (H)			\$325,000
			Projected Losses for the Year 2024-2025 (I)			\$331,000
			Projected Losses for the Year 2025-2026 (J)			\$334,000

Notes:

- (A) From Appendix J - A, Page 1, Column (D).
- (B) From Appendix J - B, Page 1, Column (D).
- (C) Based on results in Appendix J - C, Page 1.
- (D) Based on results in Appendix J - C, Page 2.
- (E) Based on results in Appendix J - D, Page 1.
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Exhibit J - 5, Page 1, Line (K) / Line (G).
- (H) From Exhibit J - 5, Page 1, Line (K) / Line (G).
- (I) From Exhibit J - 5, Page 1, Line (K) / Line (G).
- (J) From Exhibit J - 5, Page 1, Line (K) / Line (G).

This exhibit summarizes the results of the actuarial methods we have applied to estimate limited losses for each year. These results are used to select a limited loss rate for future years.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ULAE

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended Payroll (\$00) (D)	Trended Limited Loss Rate (E)
Prior	\$8,323,000	0.503	\$4,186,000	\$6,502,000	0.644
2002-2003	172,000	0.515	89,000	3,429,000	0.026
2003-2004	289,000	0.552	160,000	5,541,000	0.029
2004-2005	260,000	0.695	181,000	5,740,000	0.031
2005-2006	236,000	0.918	217,000	5,794,000	0.037
2006-2007	313,000	1.021	320,000	6,283,000	0.051
2007-2008	264,000	0.991	262,000	6,602,000	0.040
2008-2009	581,000	0.946	549,000	6,531,000	0.084
2009-2010	487,000	0.906	442,000	6,340,000	0.070
2010-2011	287,000	0.852	244,000	6,317,000	0.039
2011-2012	512,000	0.825	422,000	6,172,000	0.068
2012-2013	297,000	0.834	248,000	5,863,000	0.042
2013-2014	62,000	0.869	54,000	5,760,000	0.009
2014-2015	186,000	0.898	167,000	5,621,000	0.030
2015-2016	555,000	0.909	505,000	5,765,000	0.088
2016-2017	320,000	0.965	309,000	5,750,000	0.054
2017-2018	149,000	1.043	156,000	5,883,000	0.026
2018-2019	185,000	1.062	196,000	6,072,000	0.032
2019-2020	317,000	1.057	335,000	6,373,000	0.053
2020-2021	109,000	1.073	117,000	5,852,000	0.020
2021-2022	204,000	1.045	213,000	6,000,000	0.036
Totals	\$14,109,000		\$9,371,000	\$124,192,000	\$0.075
16/17-20/21	1,080,119		1,112,856	29,931,311	0.037
17/18-20/21	760,418		804,344	24,180,938	0.033
			(F) Selected Limited Rate:		\$0.048
			Prior:		\$0.050
Program Year:		2022-2023	2023-2024	2024-2025	2025-2026
(G) Factor to SIR:		1.879	1.911	1.944	1.977
(H) Trend Factor:		1.000	1.004	0.997	0.977
(I) Program Rate:		\$0.089	\$0.091	\$0.092	\$0.092
(J) Trended Payroll (\$00):		6,646,000	6,817,000	6,991,000	7,170,000
(K) Projected Program Losses:		592,000	620,000	643,000	660,000
(L) Projected ULAE:		314,000	329,000	346,000	363,000
(M) Projected Loss and ULAE:		\$905,000	\$950,000	\$989,000	\$1,023,000

Notes appear on the next page.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State JudiciarySelection of Projected Limited Loss Rate
and Projection of Program Losses and ULAE

Notes:

- (A) From Exhibit J - 4, Page 2, Column (F).
For purposes of projecting future losses, losses are capped at \$100,000 per occurrence.
- (B) From Appendix J - E, Page 1, Column (B).
- (C) $(A) \times (B)$.
- (D) Appendix J - L, Column (C).
- (E) $(C) / (D)$.
- (F) Selected based on (E).
- (G) Based on a Weibull distribution, a mathematical model of claims sizes.
- (H) From Appendix J - E.
- (I) $(F) \times (G) \times (H)$.
- (J) Appendix J - L, Column (C).
- (K) $(I) \times (J)$.
- (L) Based on an estimated claim closing pattern and the Judicial Council's historical claims administration expenses.
- (M) $(K) + (L)$.

This exhibit shows the calculation of future loss costs based on the past loss rates. The projections will be accurate only to the extent that what has happened in the past is representative of what will happen in the future.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/22 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$8,281,100	1.005	\$8,322,506	\$13,372,854	1.016	\$13,586,820
2002-2003	171,866	1.006	172,897	171,866	1.024	175,991
2003-2004	289,343	1.007	291,368	289,343	1.028	297,445
2004-2005	257,937	1.008	260,001	377,827	1.031	389,540
2005-2006	234,151	1.009	236,258	234,151	1.034	242,112
2006-2007	313,363	1.009	316,183	575,305	1.037	596,591
2007-2008	261,670	1.010	264,287	261,670	1.043	272,922
2008-2009	580,677	1.011	587,064	729,351	1.049	765,089
2009-2010	487,464	1.013	493,801	686,343	1.055	724,092
2010-2011	286,930	1.016	291,521	308,913	1.063	328,375
2011-2012	512,002	1.020	522,242	549,454	1.074	590,114
2012-2013	296,942	1.025	304,366	430,767	1.085	467,382
2013-2014	61,947	1.031	63,867	61,947	1.098	68,018
2014-2015	179,281	1.038	186,094	278,691	1.114	310,462
2015-2016	530,019	1.048	555,460	699,857	1.132	792,238
2016-2017	300,470	1.064	319,700	367,228	1.161	426,352
2017-2018	137,620	1.085	149,318	151,879	1.200	182,255
2018-2019	161,926	1.118	181,033	161,926	1.266	204,998
2019-2020	268,401	1.163	312,150	268,401	1.383	371,199
2020-2021	18,230	1.267	23,097	18,230	1.628	29,678
2021-2022	44,053	1.867	82,247	44,053	2.592	114,185
Totals	\$13,675,392		\$13,935,461	\$20,040,056		\$20,935,856

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council. These losses exclude amounts over \$100,000 per occurrence.
- (C) From Appendix J - A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$100,000 per occurrence.
- (E) Losses capped at the Judicial Council's SIR. Amounts are provided by the Judicial Council.
- (F) Derived from factors on Appendix J - A, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses and case reserves as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Reported Loss Development

Accident Year	Limited Losses Reported as of:										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								540,859	532,190	506,663	516,290
2002-2003							224,031	194,858	203,345	208,396	208,266
2003-2004						286,269	301,363	314,579	286,077	286,077	313,119
2004-2005					161,421	273,277	242,702	259,116	244,498	244,620	244,620
2005-2006				206,938	291,994	278,945	251,887	239,738	274,233	275,012	226,861
2006-2007			311,045	352,592	300,539	327,830	310,413	315,826	313,310	313,310	313,363
2007-2008		182,230	255,251	163,066	223,161	285,786	323,191	319,880	257,090	279,035	276,348
2008-2009	72,893	227,884	390,648	494,307	490,959	558,429	567,221	576,827	620,024	620,024	620,024
2009-2010	38,553	422,040	493,213	499,430	483,058	493,254	493,279	493,305	489,301	489,301	487,464
2010-2011	36,770	148,198	217,390	238,726	261,768	270,543	279,073	279,073	286,930	286,930	286,930
2011-2012	144,363	447,283	515,762	598,208	558,075	539,408	529,308	541,107	522,921	522,921	512,002
2012-2013	149,222	407,603	399,291	363,277	314,241	319,532	319,532	295,917	296,942	296,942	296,942
2013-2014	31,800	80,977	101,267	117,468	91,708	91,708	92,170	81,376	61,947	61,947	
2014-2015	59,415	160,387	322,601	233,170	189,984	180,760	191,902	179,281	179,281		
2015-2016	61,797	274,185	308,294	461,565	482,562	516,250	500,025	530,019			
2016-2017	37,632	151,356	265,636	250,033	274,033	269,471	300,470				
2017-2018	21,621	67,646	77,735	123,307	137,620	137,620					
2018-2019	79,605	112,551	179,011	180,168	161,926						
2019-2020	57,250	125,153	256,709	268,401							
2020-2021	21,333	19,890	18,230								
2021-2022	2,000	44,053									
2022-2023	14,159										

Reported Loss Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								0.984	0.952	1.019	1.014
2002-2003							0.870	1.044	1.025	0.999	0.983
2003-2004						1.053	1.044	0.909	1.000	1.095	1.000
2004-2005					1.693	0.888	1.068	0.944	1.000	1.000	1.006
2005-2006				1.411	0.955	0.903	0.952	1.144	1.003	0.825	1.009
2006-2007			1.134	0.852	1.091	0.947	1.017	0.992	1.000	1.000	1.000
2007-2008		1.401	0.639	1.369	1.281	1.131	0.990	0.804	1.085	0.990	0.971
2008-2009	3.126	1.714	1.265	0.993	1.137	1.016	1.017	1.075	1.000	1.000	1.000
2009-2010	10.947	1.169	1.013	0.967	1.021	1.000	1.000	0.992	1.000	0.996	1.000
2010-2011	4.030	1.467	1.098	1.097	1.034	1.032	1.000	1.028	1.000	1.000	1.000
2011-2012	3.098	1.153	1.160	0.933	0.967	0.981	1.022	0.966	1.000	0.979	1.000
2012-2013	2.732	0.980	0.910	0.865	1.017	1.000	0.926	1.003	1.000	1.000	
2013-2014	2.546	1.251	1.160	0.781	1.000	1.005	0.883	0.761	1.000		
2014-2015	2.699	2.011	0.723	0.815	0.951	1.062	0.934	1.000			
2015-2016	4.437	1.124	1.497	1.045	1.070	0.969	1.060				
2016-2017	4.022	1.755	0.941	1.096	0.983	1.115					
2017-2018	3.129	1.149	1.586	1.116	1.000						
2018-2019	1.414	1.590	1.006	0.899							
2019-2020	2.186	2.051	1.046								
2020-2021	0.932	0.917									
2021-2022	22.027										
Average	4.809	1.409	1.084	1.017	1.086	1.007	0.985	0.975	1.005	0.992	0.998
Dollar-Weighted Averages											
3-yr	2.347	1.762	1.114	1.036	1.033	1.027	1.008	0.967	1.000	0.990	1.000
4-yr	1.883	1.635	1.055	1.040	1.018	1.025	0.985	0.967	1.000	0.992	1.000
Industry Factors	2.783	1.244	1.049	1.004	0.999	1.000	1.001	1.001	1.002	1.002	1.002
Prior	2.416	1.416	1.096	1.040	1.030	1.020	1.015	1.010	1.007	1.006	1.005
Selected	2.405	1.474	1.089	1.040	1.030	1.020	1.015	1.010	1.007	1.006	1.005
Cumulated	4.490	1.867	1.267	1.163	1.118	1.085	1.064	1.048	1.038	1.031	1.025

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	523,770	551,920	547,115	511,526	511,782	611,782	611,782	515,316	515,316	515,316	515,316
2002-2003	204,695	204,939	195,771	195,771	171,866	171,866	171,866	171,866	171,866	171,866	171,866
2003-2004	313,119	313,119	289,343	289,343	289,343	289,343	289,343	289,343	289,343	289,343	
2004-2005	245,971	245,980	245,980	245,980	245,980	245,980	257,680	257,937			
2005-2006	229,011	227,199	235,295	235,295	229,270	229,270	234,151				
2006-2007	313,363	313,363	313,363	313,363	313,363	313,363					
2007-2008	268,273	261,670	242,325	261,670	261,670						
2008-2009	620,024	597,547	580,677	580,677							
2009-2010	487,464	487,464	487,464								
2010-2011	286,930	286,930									
2011-2012	512,002										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Reported Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.054	0.991	0.935	1.001	1.195	1.000	0.842	1.000	1.000	1.000	1.000
2002-2003	1.001	0.955	1.000	0.878	1.000	1.000	1.000	1.000	1.000	1.000	
2003-2004	1.000	0.924	1.000	1.000	1.000	1.000	1.000	1.000			
2004-2005	1.000	1.000	1.000	1.000	1.000	1.048	1.001				
2005-2006	0.992	1.036	1.000	0.974	1.000	1.021					
2006-2007	1.000	1.000	1.000	1.000	1.000						
2007-2008	0.975	0.926	1.080	1.000							
2008-2009	0.964	0.972	1.000								
2009-2010	1.000	1.000									
2010-2011	1.000										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average	0.999	0.978	1.002	0.979	1.033	1.014	0.961	1.000	1.000	1.000	
Dollar-Weighted											
Averages											
3-yr	0.984	0.973	1.017	0.993	1.000	1.022	1.000	1.000			
4-yr	0.983	0.978	1.014	0.994	1.000	1.018	0.928				
Industry											
Factors	1.003	1.002	1.003	1.002	1.001	1.002	1.002	1.002	1.002	1.002	1.021
Prior	1.004	1.003	1.002	1.001	1.001	1.000	1.001	1.001	1.001	1.001	1.005
Selected	1.004	1.003	1.002	1.001	1.001	1.000	1.001	1.001	1.001	1.001	1.005
Cumulated	1.020	1.016	1.013	1.011	1.010	1.009	1.009	1.008	1.007	1.006	1.005

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Reported between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								175,743	505,817	547,953	512,718
2002-2003											
2003-2004											
2004-2005						215,299	215,299	215,299	119,890	119,890	119,890
2005-2006					31,500				29,924	29,924	
2006-2007			24,768		48,987	50,405	112,853	178,973	285,617	272,323	272,323
2007-2008											
2008-2009			42,100	119,768	119,768	101,528	101,791	104,685	123,670	193,341	197,798
2009-2010		191,500	205,410	195,816	205,100	209,294	212,775	198,879	198,879	198,879	198,879
2010-2011									11,239	38,312	21,941
2011-2012			53,416	68,749	57,543	48,324	19,367	37,452	37,452	38,514	37,452
2012-2013		197,315	136,141	133,826	133,826	133,826	133,826	133,826	133,826	133,826	133,826
2013-2014											
2014-2015				7,314	91,347	91,998	95,479	93,011	99,410		
2015-2016					96,683	120,683	123,186	169,838			
2016-2017			63,728	66,730	66,738	66,758	66,758				
2017-2018					10,063	14,259					
2018-2019											
2019-2020			5,844								
2020-2021											
2021-2022											
2022-2023											

	<u>Reported Loss Development Factors:</u>										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								2.878	1.083	0.936	1.060
2002-2003											
2003-2004											
2004-2005						1.000	1.000	0.557	1.000	1.000	1.000
2005-2006									1.000		
2006-2007					1.029	2.239	1.586	1.596	0.953	1.000	1.157
2007-2008											
2008-2009			2.845	1.000	0.848	1.003	1.028	1.181	1.563	1.023	1.003
2009-2010		1.073	0.953	1.047	1.020	1.017	0.935	1.000	1.000	1.000	1.000
2010-2011									3.409	0.573	1.001
2011-2012			1.287	0.837	0.840	0.401	1.934	1.000	1.028	0.972	1.000
2012-2013		0.690	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2013-2014											
2014-2015				12.489	1.007	1.038	0.974	1.069			
2015-2016					1.248	1.021	1.379				
2016-2017			1.047	1.000	1.000	1.000					
2017-2018					1.417						
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average Dollar-Weighted Averages		0.882	1.423	2.896	1.045	1.080	1.230	1.285	1.337	0.938	1.032
3-yr					1.163	1.021				0.917	1.000
4-yr					1.109					0.957	1.002
Industry Factors	4.158	1.916	1.372	1.187	1.092	1.053	1.038	1.030	1.024	1.020	1.016
Prior	4.045	1.904	1.383	1.194	1.093	1.052	1.043	1.037	1.033	1.027	1.025
Selected	4.158	1.916	1.372	1.187	1.092	1.053	1.038	1.030	1.024	1.020	1.016
Cumulated	19.900	4.786	2.498	1.821	1.534	1.405	1.334	1.285	1.248	1.219	1.195

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Reported between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	543,370	543,370	543,938	404,352	425,509	449,566	417,019	352,107	341,549	341,913	341,913
2002-2003											
2003-2004											
2004-2005	119,890	119,890	119,890	119,890	119,890	119,890	119,890	119,890			
2005-2006											
2006-2007	314,969	291,698	261,397	261,570	261,942	261,942					
2007-2008											
2008-2009	198,468	155,261	155,261	148,674							
2009-2010	198,879	198,879	198,879								
2010-2011	21,966	21,983									
2011-2012	37,452										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Reported Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
	2001-2002	1.000	1.001	0.743	1.052	1.057	0.928	0.844	0.970	1.001	1.000
2002-2003											
2003-2004											
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2005-2006											
2006-2007	0.926	0.896	1.001	1.001	1.000						
2007-2008											
2008-2009	0.782	1.000	0.958								
2009-2010	1.000	1.000									
2010-2011	1.001										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average Dollar-Weighted Averages	0.952	0.979	0.926	1.018	1.019	0.964	0.922	0.970	1.001	1.000	
3-yr	0.897										
4-yr											
Industry Factors	1.016	1.015	1.010	1.012	1.014	1.008	1.005	1.006	1.007	1.008	1.064
Prior	1.023	1.017	1.015	1.013	1.012	1.010	1.010	1.009	1.010	1.009	1.064
Selected	1.016	1.015	1.010	1.012	1.014	1.008	1.005	1.006	1.007	1.008	1.064
Cumulated	1.176	1.157	1.140	1.129	1.116	1.101	1.092	1.087	1.081	1.073	1.064

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/22 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$8,260,033	1.030	\$8,507,834	\$13,105,135	1.075	\$14,088,020
2002-2003	171,866	1.031	177,194	171,866	1.107	190,256
2003-2004	289,343	1.032	298,602	289,343	1.118	323,485
2004-2005	254,916	1.033	263,328	374,806	1.129	423,156
2005-2006	230,313	1.034	238,144	230,313	1.141	262,787
2006-2007	313,363	1.036	324,644	575,305	1.155	664,477
2007-2008	244,719	1.037	253,774	244,719	1.169	286,077
2008-2009	580,677	1.041	604,485	729,351	1.187	865,740
2009-2010	487,464	1.046	509,887	686,343	1.209	829,789
2010-2011	286,930	1.052	301,850	308,913	1.233	380,890
2011-2012	512,002	1.059	542,210	549,454	1.262	693,411
2012-2013	296,942	1.067	316,837	430,767	1.294	557,413
2013-2014	61,947	1.077	66,717	61,947	1.332	82,513
2014-2015	179,281	1.088	195,058	265,907	1.375	365,622
2015-2016	492,922	1.110	547,143	551,502	1.425	785,890
2016-2017	255,752	1.146	293,092	322,510	1.516	488,925
2017-2018	124,037	1.214	150,581	124,037	1.660	205,901
2018-2019	161,926	1.370	221,839	161,926	1.939	313,975
2019-2020	220,316	1.636	360,437	220,316	2.433	536,029
2020-2021	11,515	2.257	25,989	11,515	3.580	41,224
2021-2022	11,594	4.948	57,367	11,594	8.269	95,871
Totals	\$13,447,858		\$14,257,012	\$19,427,569		\$22,481,450

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council. These losses exclude amounts over \$100,000 per occurrence.
- (C) From Appendix J - B, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$100,000 per occurrence.
- (E) Losses capped at the Judicial Council's SIR. Amounts are provided by the Judicial Council.
- (F) Derived from factors on Appendix J - B, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								470,017	477,343	480,710	495,337
2002-2003							182,670	186,742	188,794	195,263	195,428
2003-2004						277,725	278,063	283,963	286,077	286,077	287,998
2004-2005					115,310	149,544	172,436	234,840	244,498	244,620	244,620
2005-2006				105,402	126,995	208,376	215,200	220,746	224,651	226,776	226,861
2006-2007			107,952	173,399	242,590	285,331	290,371	301,928	313,310	313,310	313,363
2007-2008		42,869	76,942	85,522	100,926	129,066	134,527	141,605	159,251	207,132	214,469
2008-2009	14,270	155,054	269,155	371,169	425,671	449,069	477,417	499,473	558,306	574,868	589,147
2009-2010	2,193	112,420	275,166	300,157	344,298	393,422	466,869	468,446	472,290	474,792	487,464
2010-2011	4,096	43,931	79,332	134,773	178,164	226,748	235,163	246,942	256,181	262,311	286,930
2011-2012	28,206	159,528	296,493	416,624	489,136	493,696	499,081	511,949	518,373	518,373	512,002
2012-2013	17,823	53,096	222,714	285,510	294,257	295,716	295,980	295,917	296,942	296,942	296,942
2013-2014	3,931	24,089	38,936	71,070	76,508	77,577	79,133	81,376	61,947	61,947	
2014-2015	1,980	44,999	122,031	131,400	164,265	180,760	179,902	179,281	179,281		
2015-2016	8,026	82,155	159,301	282,169	387,351	454,926	470,136	492,922			
2016-2017	4,233	88,693	192,273	212,766	227,164	242,046	255,752				
2017-2018	823	44,578	61,082	76,817	105,892	124,037					
2018-2019	8,269	70,794	143,933	161,926	161,926						
2019-2020	12,442	88,879	155,949	220,316							
2020-2021	7,595	11,515	11,515								
2021-2022	314	11,594									
2022-2023	343										

Paid Loss Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								1.016	1.007	1.030	1.009
2002-2003							1.022	1.011	1.034	1.001	1.001
2003-2004						1.001	1.021	1.007	1.000	1.007	1.000
2004-2005					1.297	1.153	1.362	1.041	1.000	1.000	1.006
2005-2006				1.205	1.641	1.033	1.026	1.018	1.009	1.000	1.000
2006-2007			1.606	1.399	1.176	1.018	1.040	1.038	1.000	1.000	1.000
2007-2008		1.795	1.112	1.180	1.279	1.042	1.053	1.125	1.301	1.035	1.128
2008-2009	10.866	1.736	1.379	1.147	1.055	1.063	1.046	1.118	1.030	1.025	1.014
2009-2010	51.261	2.448	1.091	1.147	1.143	1.187	1.003	1.008	1.005	1.027	1.000
2010-2011	10.725	1.806	1.699	1.322	1.273	1.037	1.050	1.037	1.024	1.094	1.000
2011-2012	5.656	1.859	1.405	1.174	1.009	1.011	1.026	1.013	1.000	0.988	1.000
2012-2013	2.979	4.195	1.282	1.031	1.005	1.001	1.000	1.003	1.000	1.000	
2013-2014	6.128	1.616	1.825	1.077	1.014	1.020	1.028	0.761	1.000		
2014-2015	22.727	2.712	1.077	1.250	1.100	0.995	0.997	1.000			
2015-2016	10.236	1.939	1.771	1.373	1.174	1.033	1.048				
2016-2017	20.953	2.168	1.107	1.068	1.066	1.057					
2017-2018	54.165	1.370	1.258	1.378	1.171						
2018-2019	8.561	2.033	1.125	1.000							
2019-2020	7.143	1.755	1.413								
2020-2021	1.516	1.000									
2021-2022	36.924										
Average	17.846	2.031	1.368	1.197	1.172	1.047	1.052	1.014	1.032	1.017	1.014
Dollar-Weighted Averages											
3-yr	5.503	1.819	1.272	1.096	1.140	1.032	1.033	0.967	1.000	1.017	1.000
4-yr	6.387	1.726	1.214	1.203	1.132	1.031	1.024	0.989	1.005	1.020	1.004
Industry Factors	3.505	1.631	1.229	1.115	1.064	1.040	1.027	1.019	1.015	1.011	1.011
Prior	15.149	2.225	1.382	1.192	1.129	1.060	1.032	1.020	1.010	1.009	1.008
Selected	15.598	2.192	1.379	1.194	1.129	1.060	1.032	1.020	1.010	1.009	1.008
Cumulated	77.180	4.948	2.257	1.636	1.370	1.214	1.146	1.110	1.088	1.077	1.067

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	499,831	501,748	509,628	511,526	511,782	611,782	611,782	515,316	515,316	515,316	515,316
2002-2003	195,527	195,771	195,771	195,771	171,866	171,866	171,866	171,866	171,866	171,866	171,866
2003-2004	288,006	288,633	289,343	289,343	289,343	289,343	289,343	289,343	289,343	289,343	
2004-2005	245,971	245,980	245,980	245,980	245,980	245,980	246,065	254,916			
2005-2006	226,861	227,199	229,141	229,270	229,270	229,270	230,313				
2006-2007	313,363	313,363	313,363	313,363	313,363	313,363					
2007-2008	242,004	242,325	242,325	242,651	244,719						
2008-2009	597,475	597,547	580,677	580,677							
2009-2010	487,464	487,464	487,464								
2010-2011	286,930	286,930									
2011-2012	512,002										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.004	1.016	1.004	1.001	1.195	1.000	0.842	1.000	1.000	1.000	1.000
2002-2003	1.001	1.000	1.000	0.878	1.000	1.000	1.000	1.000	1.000	1.000	
2003-2004	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000			
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.036				
2005-2006	1.001	1.009	1.001	1.000	1.000	1.005					
2006-2007	1.000	1.000	1.000	1.000	1.000						
2007-2008	1.001	1.000	1.001	1.009							
2008-2009	1.000	0.972	1.000								
2009-2010	1.000	1.000									
2010-2011	1.000										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average Dollar-Weighted Averages	1.001	1.000	1.001	0.984	1.033	1.001	0.970	1.000	1.000	1.000	
3-yr	1.000	0.987	1.000	1.003	1.000	1.001	1.013	1.000			
4-yr	1.000	0.990	1.000	1.002	1.000	1.001	0.934				
Industry Factors	1.010	1.008	1.006	1.006	1.005	1.005	1.005	1.006	1.005	1.005	1.043
Prior	1.007	1.006	1.005	1.004	1.001	1.002	1.001	1.001	1.001	1.001	1.030
Selected	1.007	1.006	1.005	1.004	1.001	1.002	1.001	1.001	1.001	1.001	1.030
Cumulated	1.059	1.052	1.046	1.041	1.037	1.036	1.034	1.033	1.032	1.031	1.030

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Paid between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2001-2002								92,642	95,813	98,054	100,284
2002-2003											
2003-2004											
2004-2005								116,940	119,890	119,890	119,890
2005-2006											
2006-2007						2,690	37,861	82,818	133,884	230,153	244,655
2007-2008											
2008-2009			5,000	27,875	34,876	101,528	101,791	101,791	101,856	101,856	101,856
2009-2010				4,316	4,085	4,085	179,131	198,879	198,879	198,879	198,879
2010-2011											21,941
2011-2012				9,253	3,276	9,228	9,741	37,452	37,452	38,514	37,452
2012-2013			133,826	133,826	133,826	133,826	133,826	133,826	133,826	133,826	133,826
2013-2014											
2014-2015						28,110	55,892	70,999	86,626		
2015-2016					220	6,011	23,044	58,581			
2016-2017			47,925	66,730	66,738	66,758	66,758				
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	<u>Paid Loss Development Factors:</u>										
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
2001-2002								1.034	1.023	1.023	1.196
2002-2003											
2003-2004											
2004-2005								1.025	1.000	1.000	1.000
2005-2006											
2006-2007						14.073	2.187	1.617	1.719	1.063	1.034
2007-2008											
2008-2009			5.575	1.251	2.911	1.003	1.000	1.001	1.000	1.000	1.007
2009-2010				0.946	1.000	43.851	1.110	1.000	1.000	1.000	1.000
2010-2011											1.001
2011-2012				0.354	2.817	1.056	3.845	1.000	1.028	0.972	1.000
2012-2013			1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2013-2014											
2014-2015						1.988	1.270	1.220			
2015-2016					27.323	3.834	2.542				
2016-2017			1.392	1.000	1.000	1.000					
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average Dollar-Weighted Averages			2.656	0.910	6.009	8.476	1.851	1.112	1.110	1.008	1.034
3-yr						1.444					1.000
4-yr											1.002
Industry Factors	6.098	3.132	1.988	1.487	1.282	1.193	1.143	1.100	1.072	1.063	1.059
Prior	5.513	3.109	2.008	1.494	1.288	1.196	1.144	1.101	1.072	1.062	1.057
Selected	6.098	3.132	1.988	1.487	1.282	1.193	1.143	1.100	1.072	1.063	1.059
Cumulated	242.194	39.717	12.681	6.379	4.290	3.346	2.805	2.454	2.231	2.081	1.958

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Paid between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
2001-2002	119,901	125,415	135,058	267,506	280,071	319,013	337,632	310,040	314,477	318,498	319,348
2002-2003											
2003-2004											
2004-2005	119,890	119,890	119,890	119,890	119,890	119,890	119,890	119,890			
2005-2006											
2006-2007	252,853	261,631	261,397	261,570	261,942	261,942					
2007-2008											
2008-2009	102,561	143,549	148,674	148,674							
2009-2010	198,879	198,879	198,879								
2010-2011	21,966	21,983									
2011-2012	37,452										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
2001-2002	1.046	1.077	1.981	1.047	1.139	1.058	0.918	1.014	1.013	1.003	
2002-2003											
2003-2004											
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2005-2006											
2006-2007	1.035	0.999	1.001	1.001	1.000						
2007-2008											
2008-2009	1.400	1.036	1.000								
2009-2010	1.000	1.000									
2010-2011	1.001										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
Average Dollar-Weighted Averages	1.080	1.022	1.246	1.016	1.046	1.029	0.959	1.014	1.013	1.003	
3-yr	1.127										
4-yr											
Industry Factors	1.051	1.045	1.040	1.035	1.032	1.029	1.028	1.028	1.027	1.028	1.319
Prior	1.053	1.048	1.039	1.033	1.030	1.027	1.026	1.025	1.022	1.020	1.313
Selected	1.051	1.045	1.040	1.035	1.032	1.029	1.028	1.028	1.027	1.028	1.319
Cumulated	1.849	1.759	1.683	1.618	1.563	1.515	1.472	1.432	1.393	1.356	1.319

Judicial Branch Workers' Compensation Program - Workers' Compensation
State JudiciaryExposure and Development Method
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
Prior	6,501,944	13,372,854	1.016	0.016	1.581	164,473	13,537,327
2002-2003	3,429,382	171,866	1.024	0.023	0.070	5,521	177,387
2003-2004	5,540,868	289,343	1.028	0.027	0.074	11,071	300,414
2004-2005	5,739,809	377,827	1.031	0.030	0.065	11,193	389,020
2005-2006	5,794,423	234,151	1.034	0.033	0.060	11,473	245,624
2006-2007	6,282,694	575,305	1.037	0.036	0.074	16,737	592,042
2007-2008	6,601,932	261,670	1.043	0.041	0.060	16,241	277,911
2008-2009	6,531,242	729,351	1.049	0.047	0.136	41,748	771,099
2009-2010	6,339,746	686,343	1.055	0.052	0.119	39,230	725,573
2010-2011	6,316,869	308,913	1.063	0.059	0.071	26,461	335,374
2011-2012	6,172,073	549,454	1.074	0.069	0.133	56,641	606,095
2012-2013	5,862,707	430,767	1.085	0.078	0.083	37,955	468,722
2013-2014	5,760,178	61,947	1.098	0.089	0.018	9,228	71,175
2014-2015	5,621,325	278,691	1.114	0.102	0.056	32,109	310,800
2015-2016	5,764,782	699,857	1.132	0.117	0.161	108,591	808,448
2016-2017	5,750,373	367,228	1.161	0.139	0.095	75,934	443,162
2017-2018	5,883,028	151,879	1.200	0.167	0.074	72,702	224,581
2018-2019	6,072,474	161,926	1.266	0.210	0.074	94,366	256,292
2019-2020	6,373,280	268,401	1.383	0.277	0.077	135,936	404,337
2020-2021	5,852,156	18,230	1.628	0.386	0.076	171,679	189,909
2021-2022	6,000,427	44,053	2.592	0.614	0.079	291,057	335,110
Totals	124,191,712	\$20,040,056				\$1,430,346	\$21,470,402

Notes:

- (A) Appendix J - L, Column (C).
- (B) Provided by the Judicial Council. These losses exclude amounts incurred above the Judicial Council's SIR for each year.
- (C) From Appendix J - A, Page 1, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Appendix J - C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unreported will cost what this relationship would suggest.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State JudiciaryExposure and Development Method
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
Prior	6,501,944	13,105,135	1.075	0.070	1.581	719,570	13,824,705
2002-2003	3,429,382	171,866	1.107	0.097	0.070	23,286	195,152
2003-2004	5,540,868	289,343	1.118	0.106	0.074	43,463	332,806
2004-2005	5,739,809	374,806	1.129	0.114	0.065	42,532	417,338
2005-2006	5,794,423	230,313	1.141	0.124	0.060	43,111	273,424
2006-2007	6,282,694	575,305	1.155	0.134	0.074	62,299	637,604
2007-2008	6,601,932	244,719	1.169	0.145	0.060	57,437	302,156
2008-2009	6,531,242	729,351	1.187	0.158	0.136	140,343	869,694
2009-2010	6,339,746	686,343	1.209	0.173	0.119	130,516	816,859
2010-2011	6,316,869	308,913	1.233	0.189	0.071	84,766	393,679
2011-2012	6,172,073	549,454	1.262	0.208	0.133	170,744	720,198
2012-2013	5,862,707	430,767	1.294	0.227	0.083	110,459	541,226
2013-2014	5,760,178	61,947	1.332	0.249	0.018	25,817	87,764
2014-2015	5,621,325	265,907	1.375	0.273	0.056	85,939	351,846
2015-2016	5,764,782	551,502	1.425	0.298	0.161	276,583	828,085
2016-2017	5,750,373	322,510	1.516	0.340	0.095	185,737	508,247
2017-2018	5,883,028	124,037	1.660	0.398	0.074	173,267	297,304
2018-2019	6,072,474	161,926	1.939	0.484	0.074	217,492	379,418
2019-2020	6,373,280	220,316	2.433	0.589	0.077	289,047	509,363
2020-2021	5,852,156	11,515	3.580	0.721	0.076	320,675	332,190
2021-2022	6,000,427	11,594	8.269	0.879	0.079	416,676	428,270
Totals	124,191,712	\$19,427,569				\$3,619,758	\$23,047,327

Notes:

- (A) Appendix J - L, Column (C).
- (B) Provided by the Judicial Council. These losses exclude amounts paid above the Judicial Council's SIR for each year.
- (C) From Appendix J - B, Page 1, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Appendix J - C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unpaid will cost what this relationship would suggest.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
Prior	6,501,944	8,322,506	0.503	4,186,221	0.644	1.280	1.235	1.581
2002-2003	3,429,382	171,866	0.515	88,511	0.026	0.050	1.401	0.070
2003-2004	5,540,868	289,343	0.552	159,717	0.029	0.052	1.420	0.074
2004-2005	5,739,809	260,001	0.695	180,701	0.031	0.045	1.439	0.065
2005-2006	5,794,423	236,259	0.918	216,886	0.037	0.041	1.460	0.060
2006-2007	6,282,694	313,363	1.021	319,944	0.051	0.050	1.482	0.074
2007-2008	6,601,932	264,287	0.991	261,908	0.040	0.040	1.504	0.060
2008-2009	6,531,242	580,677	0.946	549,320	0.084	0.089	1.527	0.136
2009-2010	6,339,746	487,464	0.906	441,642	0.070	0.077	1.551	0.119
2010-2011	6,316,869	286,930	0.852	244,464	0.039	0.045	1.576	0.071
2011-2012	6,172,073	512,002	0.825	422,402	0.068	0.083	1.602	0.133
2012-2013	5,862,707	296,942	0.834	247,650	0.042	0.051	1.629	0.083
2013-2014	5,760,178	61,947	0.869	53,832	0.009	0.011	1.657	0.018
2014-2015	5,621,325	186,094	0.898	167,112	0.030	0.033	1.686	0.056
2015-2016	5,764,782	555,460	0.909	504,913	0.088	0.096	1.676	0.161
2016-2017	5,750,373	319,701	0.965	308,511	0.054	0.056	1.702	0.095
2017-2018	5,883,028	149,318	1.043	155,739	0.026	0.043	1.730	0.074
2018-2019	6,072,474	161,926	1.062	171,965	0.028	0.042	1.758	0.074
2019-2020	6,373,280	336,294	1.057	355,463	0.056	0.043	1.787	0.077
2020-2021	5,852,156	24,544	1.073	26,336	0.005	0.042	1.817	0.076
2021-2022	6,000,427	69,808	1.045	72,949	0.012	0.043	1.848	0.079
Total/Avg	124,191,712	\$13,886,732		\$9,136,187	\$0.074			
16/17-20/21	29,931,311	991,783		1,018,014	0.034			
17/18-20/21	24,180,938	672,082		709,503	0.029			
				Selected Limited Rate:	\$0.045			
				Prior:	\$0.050			

Notes:

- (A) Appendix J - L, Column (C).
- (B) Selected average of results from Appendices J and J.
- (C) From Appendix J - E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2016-2017 and prior (B) / (A).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the underlying historical relationship between losses and exposure that is needed to apply the estimation methods shown on pages 1 and 2 of this Appendix.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
Prior	\$20,762	495	\$10,277,190
2002-2003	6,336	38	240,768
2003-2004	14,164	29	410,756
2004-2005	11,696	32	374,272
2005-2006	12,778	27	345,006
2006-2007	14,071	33	464,343
2007-2008	18,065	22	397,430
2008-2009	38,550	23	886,650
2009-2010	29,082	26	756,132
2010-2011	18,092	25	452,300
2011-2012	29,299	28	820,372
2012-2013	30,236	16	483,776
2013-2014	10,267	10	102,670
2014-2015	14,945	21	313,845
2015-2016	37,236	25	930,900
2016-2017	34,015	16	544,240
2017-2018	28,356	16	453,696
2018-2019	28,849	19	548,131
2019-2020	30,076	15	451,140
2020-2021	30,739	7	215,173
2021-2022	32,726	7	229,082
Total		930	\$19,697,872

Notes:

- (A) From Appendix J - D, Page 2, Column (H).
 (B) From Appendix J - D, Page 2, Column (B).
 (C) (A) x (B).

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
Prior	\$8,322,506	495	\$16,813	0.769	\$12,929	\$16,813	1.235	\$20,762
2002-2003	171,866	38	4,523	0.770	3,483	4,523	1.401	6,336
2003-2004	289,343	29	9,977	0.808	8,061	9,977	1.420	14,164
2004-2005	260,001	32	8,125	0.999	8,117	8,125	1.439	11,696
2005-2006	236,259	27	8,750	1.294	11,323	8,750	1.460	12,778
2006-2007	313,363	33	9,496	1.408	13,370	9,496	1.482	14,071
2007-2008	264,287	22	12,013	1.340	16,097	12,013	1.504	18,065
2008-2009	580,677	23	25,247	1.254	31,660	25,247	1.527	38,550
2009-2010	487,464	26	18,749	1.177	22,068	18,749	1.551	29,082
2010-2011	286,930	25	11,477	1.085	12,453	11,477	1.576	18,092
2011-2012	512,002	28	18,286	1.030	18,835	18,286	1.602	29,299
2012-2013	296,942	16	18,559	1.021	18,949	18,559	1.629	30,236
2013-2014	61,947	10	6,195	1.042	6,455	6,195	1.657	10,267
2014-2015	186,094	21	8,862	1.055	9,349	8,862	1.686	14,945
2015-2016	555,460	25	22,218	1.047	23,262	22,218	1.676	37,236
2016-2017	319,701	16	19,981	1.089	21,759	19,981	1.702	34,015
2017-2018	149,318	16	9,332	1.153	10,760	16,392	1.730	28,356
2018-2019	184,998	19	9,737	1.152	11,217	16,406	1.758	28,849
2019-2020	316,845	15	21,123	1.123	23,721	16,830	1.787	30,076
2020-2021	109,257	7	15,608	1.117	17,434	16,920	1.817	30,739
2021-2022	204,063	7	29,152	1.067	31,105	17,713	1.848	32,726

Average Limited Severity: \$15,829
Average 16/17-20/21 Limited Severity: 16,978
Average 18/19-21/22 Limited Severity: 20,869

Selected Limited Severity: \$18,900
Prior: \$16,700

Notes:

- (A) Selected average of results from Appendices J, J, and J.
- (B) Appendix J - D, Page 3, Column (C).
- (C) (A) / (B).
- (D) From Appendix J - E, Page 1, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

This exhibit shows the calculation of the historical average cost per claim, or severity. The observed average severity is used in the method shown on page 1 of this Appendix.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Frequency and Severity Method
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
Prior	495	487	495	650.2	0.761	0.655	0.498
2002-2003	38	38	38	342.9	0.111	0.668	0.074
2003-2004	29	29	29	554.1	0.052	0.682	0.035
2004-2005	32	31	32	574.0	0.056	0.696	0.039
2005-2006	27	26	27	579.4	0.047	0.710	0.033
2006-2007	33	33	33	628.3	0.053	0.725	0.038
2007-2008	22	21	22	660.2	0.033	0.740	0.024
2008-2009	23	23	23	653.1	0.035	0.755	0.026
2009-2010	26	26	26	634.0	0.041	0.769	0.032
2010-2011	25	26	25	631.7	0.040	0.785	0.031
2011-2012	28	29	28	617.2	0.045	0.801	0.036
2012-2013	16	17	16	586.3	0.027	0.817	0.022
2013-2014	10	10	10	576.0	0.017	0.834	0.014
2014-2015	21	21	21	562.1	0.037	0.851	0.031
2015-2016	25	24	25	576.5	0.043	0.868	0.037
2016-2017	16	14	16	575.0	0.028	0.886	0.025
2017-2018	16	17	16	588.3	0.027	0.904	0.024
2018-2019	19	24	19	607.2	0.031	0.922	0.029
2019-2020	15	16	15	637.3	0.024	0.942	0.023
2020-2021	7	10	7	585.2	0.012	0.961	0.012
2021-2022	8	5	7	600.0	0.012	0.980	0.012
Total	931	927	930	12,419.2			0.054
16/17-20/21	73	81	73	2,993.1			0.022
						(H) Selected Frequency:	0.030
						Prior:	0.035
Program Year:				2022-2023	2023-2024	2024-2025	2025-2026
(I) Trend Factor:				1.000	0.980	0.960	0.941
(J) Selected Frequency:				0.030	0.029	0.029	0.028
(K) Est. Payroll (\$000,000):				664.6	681.7	699.1	717.0
(L) Ultimate Claims:				20	20	20	20

Notes:

- (A) Appendix J - D, Page 4, (C).
- (B) Appendix J - D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) Appendix J - L, Column (C) / 10,000.
- (E) (C) / (D).
- (F) Appendix J - E, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 0.030 is based on (G).
- (I) Appendix J - E, Page 1, Column (F).
- (J) (H) x (I).
- (K) Appendix J - L, Column (C) / 10,000.
- (L) (J) x (K).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per \$1,000,000 of trended payroll.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State JudiciaryFrequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2022 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	495	1.000	495	0.499
2002-2003	38	1.000	38	0.074
2003-2004	29	1.000	29	0.036
2004-2005	32	1.000	32	0.039
2005-2006	27	1.000	27	0.033
2006-2007	33	1.000	33	0.038
2007-2008	22	1.000	22	0.025
2008-2009	23	1.000	23	0.027
2009-2010	26	1.000	26	0.032
2010-2011	25	1.000	25	0.031
2011-2012	28	1.000	28	0.036
2012-2013	16	1.000	16	0.022
2013-2014	10	1.000	10	0.014
2014-2015	21	1.000	21	0.032
2015-2016	25	1.000	25	0.038
2016-2017	16	1.000	16	0.025
2017-2018	16	1.001	16	0.025
2018-2019	19	1.012	19	0.029
2019-2020	15	1.031	15	0.022
2020-2021	7	1.065	7	0.011
2021-2022	7	1.120	8	0.013
Total	930		931	0.054

Notes:

- (A) Provided by the Judicial Council.
- (B) From Appendix J - D, Page 6.
- (C) (A) x (B).
- (D) (C) / [Appendix J - D, Page 3, (D)] x [Appendix J - D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on reported claims as provided by the Judicial Council. These numbers of claims tend to "develop" or change from period to period as more claims are filed. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Frequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2022 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	485	1.005	487	0.491
2002-2003	38	1.006	38	0.074
2003-2004	29	1.007	29	0.036
2004-2005	31	1.008	31	0.038
2005-2006	26	1.009	26	0.032
2006-2007	33	1.010	33	0.038
2007-2008	21	1.011	21	0.024
2008-2009	23	1.012	23	0.027
2009-2010	26	1.017	26	0.032
2010-2011	25	1.023	26	0.032
2011-2012	28	1.030	29	0.038
2012-2013	16	1.038	17	0.024
2013-2014	10	1.047	10	0.014
2014-2015	20	1.057	21	0.032
2015-2016	22	1.083	24	0.036
2016-2017	13	1.115	14	0.022
2017-2018	15	1.157	17	0.026
2018-2019	19	1.281	24	0.036
2019-2020	11	1.442	16	0.024
2020-2021	6	1.732	10	0.016
2021-2022	2	2.399	5	0.008
Total	899		927	0.054

Notes:

- (A) Provided by the Judicial Council.
- (B) From Appendix J - D, Page 7.
- (C) (A) x (B).
- (D) (C) / [Appendix J - D, Page 3, (D)] x [Appendix J - D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on closed claims as provided by the Judicial Council. These numbers of closed claims tend to "develop" or change from period to period as more claims are closed. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Reported Claim Count Development

Accident Year	Claims Reported as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002								36	36	36	36	36	36	36
2002-2003							39	39	39	39	39	39	39	39
2003-2004						29	29	29	29	29	29	29	29	29
2004-2005					32	32	32	32	32	32	32	32	32	32
2005-2006				22	23	27	27	27	27	27	27	27	27	27
2006-2007			34	33	33	33	33	33	33	33	33	33	33	33
2007-2008		22	21	21	21	21	22	22	22	22	22	22	22	22
2008-2009	5	17	20	21	23	23	23	23	24	24	24	24	24	23
2009-2010	12	24	25	25	26	26	26	26	26	26	26	26	26	26
2010-2011	8	24	23	25	25	25	25	25	25	25	25	25	25	25
2011-2012	10	22	24	30	29	29	28	28	29	29	28	28		
2012-2013	7	15	15	16	16	16	16	16	16	16	16			
2013-2014	6	11	11	11	11	11	11	11	10	10				
2014-2015	9	21	25	23	24	23	22	21	21					
2015-2016	13	25	26	26	26	26	25	25						
2016-2017	6	15	16	16	16	16	16							
2017-2018	4	16	16	16	16	16								
2018-2019	8	20	19	19	19									
2019-2020	12	15	15	15										
2020-2021	4	6	7											
2021-2022	1	7												
2022-2023	3													

Reported Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002								1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002-2003							1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003-2004						1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004-2005					1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005-2006				1.045	1.174	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006-2007			0.971	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007-2008		0.955	1.000	1.000	1.000	1.048	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008-2009	3.400	1.176	1.050	1.095	1.000	1.000	1.000	1.043	1.000	1.000	1.000	1.000	0.958	1.000
2009-2010	2.000	1.042	1.000	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010-2011	3.000	0.958	1.087	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2011-2012	2.200	1.091	1.250	0.967	1.000	0.966	1.000	1.036	1.000	0.966	1.000			
2012-2013	2.143	1.000	1.067	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2013-2014	1.833	1.000	1.000	1.000	1.000	1.000	1.000	0.909	1.000					
2014-2015	2.333	1.190	0.920	1.043	0.958	0.957	0.955	1.000						
2015-2016	1.923	1.040	1.000	1.000	1.000	0.962	1.000							
2016-2017	2.500	1.067	1.000	1.000	1.000	1.000								
2017-2018	4.000	1.000	1.000	1.000	1.000									
2018-2019	2.500	0.950	1.000	1.000										
2019-2020	1.250	1.000	1.000											
2020-2021	1.500	1.167												
2021-2022	7.000													
Average Claim-Weighted Averages	2.684	1.045	1.025	1.014	1.009	0.995	0.997	0.999	1.000	0.997	1.000	1.000	0.995	1.000
3-yr	1.647	1.000	1.000	1.000	1.000	0.969	0.983	0.979	1.000	0.986	1.000	1.000	0.986	1.000
4-yr	1.920	1.000	1.000	1.000	0.988	0.974	0.986	1.000	1.000	0.990	1.000	1.000	0.990	1.000
Comparative Factors	2.454	1.039	1.008	1.007	1.006	1.006	1.003	1.003	1.002	1.001	1.002	1.001	1.002	1.001
Prior	2.564	1.053	1.035	1.020	1.011	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.584	1.052	1.033	1.019	1.011	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	2.894	1.120	1.065	1.031	1.012	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary
Closed Claim Development

Accident Year	Claims Closed as of:													
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2001-2002								30	32	33	33	32	33	33
2002-2003							36	37	37	37	37	38	38	39
2003-2004						27	28	27	29	29	28	28	28	29
2004-2005					27	28	30	30	32	32	32	32	32	32
2005-2006				13	18	25	25	26	25	25	27	26	27	26
2006-2007			21	25	29	29	30	31	32	32	32	32	32	33
2007-2008		8	13	15	15	15	17	18	19	19	19	21	21	22
2008-2009	3	10	13	15	17	20	21	21	22	22	22	22	23	22
2009-2010	1	12	17	21	22	24	24	25	25	25	26	26	26	26
2010-2011	4	12	15	18	22	24	24	24	24	24	25	25	25	
2011-2012	1	9	12	20	22	26	25	26	28	28	28	28		
2012-2013	1	6	10	12	15	14	14	14	16	16	16			
2013-2014	2	7	10	10	10	10	10	11	10	10				
2014-2015	1	13	17	20	21	21	20	20	20					
2015-2016	4	15	19	18	19	21	22	22						
2016-2017	1	8	11	14	13	13	13							
2017-2018	1	13	13	14	15	15								
2018-2019		11	16	18	19									
2019-2020		8	10	11										
2020-2021		5	6											
2021-2022		2												
2022-2023														

Closed Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2001-2002								1.067	1.031	1.000	0.970	1.031	1.000	1.030
2002-2003							1.028	1.000	1.000	1.000	1.027	1.000	1.026	1.000
2003-2004						1.037	0.964	1.074	1.000	0.966	1.000	1.000	1.036	1.000
2004-2005					1.037	1.071	1.000	1.067	1.000	1.000	1.000	1.000	1.000	1.000
2005-2006				1.385	1.389	1.000	1.040	0.962	1.000	1.080	0.963	1.038	0.963	1.000
2006-2007			1.190	1.160	1.000	1.034	1.033	1.032	1.000	1.000	1.000	1.000	1.031	1.000
2007-2008		1.625	1.154	1.000	1.000	1.133	1.059	1.056	1.000	1.000	1.105	1.000	1.048	0.955
2008-2009	3.333	1.300	1.154	1.133	1.176	1.050	1.000	1.048	1.000	1.000	1.000	1.045	0.957	1.045
2009-2010	12.000	1.417	1.235	1.048	1.091	1.000	1.042	1.000	1.000	1.040	1.000	1.000	1.000	
2010-2011	3.000	1.250	1.200	1.222	1.091	1.000	1.000	1.000	1.000	1.042	1.000	1.000		
2011-2012	9.000	1.333	1.667	1.100	1.182	0.962	1.040	1.077	1.000	1.000	1.000			
2012-2013	6.000	1.667	1.200	1.250	0.933	1.000	1.000	1.143	1.000	1.000				
2013-2014	3.500	1.429	1.000	1.000	1.000	1.000	1.100	0.909	1.000					
2014-2015	13.000	1.308	1.176	1.050	1.000	0.952	1.000	1.000						
2015-2016	3.750	1.267	0.947	1.056	1.105	1.048	1.000							
2016-2017	8.000	1.375	1.273	0.929	1.000	1.000								
2017-2018	13.000	1.000	1.077	1.071	1.000									
2018-2019		1.455	1.125	1.056										
2019-2020		1.250	1.100											
2020-2021		1.200												
2021-2022														
Average Claim-Weighted Averages	7.458	1.348	1.178	1.104	1.072	1.021	1.022	1.031	1.002	1.011	1.006	1.011	1.007	1.004
3-yr		1.333	1.103	1.022	1.043	1.000	1.019	1.022	1.000	1.015	1.000	1.014	1.000	1.000
4-yr		1.216	1.140	1.031	1.029	1.000	1.015	1.042	1.000	1.022	1.000	1.011	1.010	1.000
Comparative Factors	2.769	1.249	1.076	1.062	1.046	1.032	1.022	1.015	1.010	1.007	1.006	1.006	1.004	1.004
Prior	2.847	1.392	1.206	1.130	1.107	1.038	1.030	1.025	1.010	1.009	1.008	1.007	1.006	1.005
Selected	2.847	1.385	1.201	1.126	1.107	1.038	1.030	1.025	1.010	1.009	1.008	1.007	1.006	1.005
Cumulated	6.830	2.399	1.732	1.442	1.281	1.157	1.115	1.083	1.057	1.047	1.038	1.030	1.023	1.017

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2022-2023 Loss Rate Level (B)	Factor to 2023-2024 Loss Rate Level (C)	Factor to 2024-2025 Loss Rate Level (D)	Factor to 2025-2026 Loss Rate Level (E)	Factor to 2022-2023 Frequency Level (F)	Factor to 2023-2024 Frequency Level (G)	Factor to 2024-2025 Frequency Level (H)	Factor to 2025-2026 Frequency Level (I)	Factor to 2022-2023 Severity Level (J)
Prior	0.788	0.503	0.505	0.501	0.491	0.655	0.642	0.629	0.616	0.769
2002-2003	0.789	0.515	0.517	0.513	0.503	0.668	0.655	0.642	0.629	0.770
2003-2004	0.828	0.552	0.554	0.550	0.539	0.682	0.669	0.655	0.642	0.808
2004-2005	1.023	0.695	0.698	0.693	0.679	0.696	0.682	0.668	0.655	0.999
2005-2006	1.325	0.918	0.922	0.915	0.897	0.710	0.696	0.682	0.668	1.294
2006-2007	1.443	1.021	1.025	1.017	0.997	0.725	0.710	0.696	0.682	1.408
2007-2008	1.373	0.991	0.995	0.988	0.968	0.740	0.725	0.710	0.696	1.340
2008-2009	1.285	0.946	0.950	0.943	0.924	0.755	0.740	0.724	0.710	1.254
2009-2010	1.206	0.906	0.909	0.903	0.884	0.769	0.754	0.739	0.724	1.177
2010-2011	1.112	0.852	0.856	0.849	0.832	0.785	0.770	0.754	0.739	1.085
2011-2012	1.055	0.825	0.829	0.823	0.806	0.801	0.785	0.769	0.754	1.030
2012-2013	1.046	0.834	0.838	0.831	0.815	0.817	0.801	0.785	0.769	1.021
2013-2014	1.068	0.869	0.873	0.866	0.849	0.834	0.818	0.801	0.785	1.042
2014-2015	1.081	0.898	0.902	0.895	0.877	0.851	0.834	0.817	0.801	1.055
2015-2016	1.073	0.909	0.913	0.906	0.888	0.868	0.851	0.834	0.817	1.047
2016-2017	1.116	0.965	0.969	0.962	0.943	0.886	0.869	0.851	0.834	1.089
2017-2018	1.182	1.043	1.047	1.039	1.019	0.904	0.886	0.868	0.851	1.153
2018-2019	1.180	1.062	1.067	1.059	1.037	0.922	0.904	0.886	0.868	1.152
2019-2020	1.150	1.057	1.062	1.053	1.032	0.942	0.923	0.904	0.886	1.123
2020-2021	1.145	1.073	1.078	1.069	1.048	0.961	0.942	0.922	0.904	1.117
2021-2022	1.093	1.045	1.050	1.042	1.021	0.980	0.960	0.941	0.922	1.067
2022-2023	1.025	1.000	1.004	0.997	0.977	1.000	0.980	0.960	0.941	1.000
2023-2024	1.000	--	1.000	0.992	0.972	--	1.000	0.980	0.960	--
2024-2025	0.987	--	--	1.000	0.980	--	--	1.000	0.980	--
2025-2026	0.987	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a -2.0% annual loss rate trend.
- (F) - (I) (A) adjusted for a -2.0% annual frequency trend.
- (J) (A) adjusted for a 0.0% annual severity trend.

This exhibit shows the calculation of the ways in which we expect claims costs to have changed over the past twenty years due to changes in statutory workers' compensation benefit levels and changes in actual claims costs in excess of changes in payroll. Changes in the ways in which claims are filed as a result of greater awareness of workers' compensation benefits are not generally reflected in the statutory benefit level factors shown above, but may be part of the reason for changes in actual claims costs in excess of payroll changes.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Payroll (\$00) (E)	Ultimate Frequency (F)
Prior	\$8,322,506	495	0.788	13,242	6,501,944	0.761
2002-2003	171,866	38	0.789	3,569	3,429,382	0.111
2003-2004	289,343	29	0.828	8,264	5,540,868	0.052
2004-2005	260,001	32	1.023	8,316	5,739,809	0.056
2005-2006	236,259	27	1.325	11,596	5,794,423	0.047
2006-2007	313,363	33	1.443	13,700	6,282,694	0.053
2007-2008	264,287	22	1.373	16,495	6,601,932	0.033
2008-2009	580,677	23	1.285	32,446	6,531,242	0.035
2009-2010	487,464	26	1.206	22,610	6,339,746	0.041
2010-2011	286,930	25	1.112	12,762	6,316,869	0.040
2011-2012	512,002	28	1.055	19,298	6,172,073	0.045
2012-2013	296,942	16	1.046	19,413	5,862,707	0.027
2013-2014	61,947	10	1.068	6,613	5,760,178	0.017
2014-2015	186,094	21	1.081	9,581	5,621,325	0.037
2015-2016	555,460	25	1.073	23,831	5,764,782	0.043
2016-2017	319,701	16	1.116	22,294	5,750,373	0.028
2017-2018	149,318	16	1.182	11,027	5,883,028	0.027
2018-2019	161,926	19	1.180	10,055	6,072,474	0.031
2019-2020	336,294	15	1.150	25,790	6,373,280	0.024
2020-2021	24,544	7	1.145	4,013	5,852,156	0.012
2021-2022	69,808	7	1.093	10,900	6,000,427	0.012

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2021-2022	0.943	0.933
Mvg 5-Yr Wtd Latest 10 x 2021-2022	0.979	0.963
Latest 5 x 2021-2022	0.773	0.833
Mvg 5-Yr Wtd Latest 5 x 2021-2022	0.995	0.955
Prior	1.000	0.980
Default	1.025	0.980

Selected Residual Trend 1.000 0.980

Notes:

- (A) Selected average of results from Appendix J - A and Appendix J - B.
- (B) Appendix J - D, Page 3, Column (C).
- (C) Appendix J - E, Page 1, Column (A).
- (D) (A) x (C) / (B).
- (E) Appendix J - L, Column (C).
- (F) (B) / (E) x 10,000.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Outstanding Liability for
Unallocated Loss Adjustment Expenses
as of 6/30/22

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2022-2023	22.0	\$4,433	1.000	\$4,433	\$97,526
2023-2024	15.3	4,433	1.050	4,655	71,222
2024-2025	10.6	4,433	1.103	4,890	51,834
2025-2026	8.0	4,433	1.158	5,133	41,064
2026-2027	5.5	4,433	1.216	5,391	29,651
2027-2028	4.1	4,433	1.277	5,661	23,210
2028-2029	3.1	4,433	1.341	5,945	18,430
2029-2030	2.3	4,433	1.408	6,242	14,357
2030-2031	1.9	4,433	1.478	6,552	12,449
2031-2032	1.5	4,433	1.552	6,880	10,320
2032-2033	1.4	4,433	1.630	7,226	10,116
2033-2034	1.1	4,433	1.712	7,589	8,348
2034-2035	0.8	4,433	1.798	7,971	6,377
2035-2036	0.4	4,433	1.888	8,370	3,348
2036-2037	0.3	4,433	1.982	8,786	2,636
2037-2038	0.3	4,433	2.081	9,225	2,768
2038-2039	0.2	4,433	2.185	9,686	1,937
2039-2040	0.1	4,433	2.294	10,169	1,017

(G) Total ULAE Outstanding as of 6/30/22: \$406,610

(H) Total ULAE Outstanding as of 12/31/22: \$488,730

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by the Judicial Council.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).
- (H) (G) from this page and the next, interpolated to 12/31/22.

This exhibit shows the calculation of the outstanding ULAE based on the expected pattern of claims closings and assumptions about future claims administration costs per open claim.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Outstanding Liability for
Unallocated Loss Adjustment Expenses
as of 6/30/23

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2023-2024	27.8	\$4,433	1.050	\$4,655	\$129,409
2024-2025	19.9	4,433	1.103	4,890	97,311
2025-2026	15.5	4,433	1.158	5,133	79,562
2026-2027	10.8	4,433	1.216	5,391	58,223
2027-2028	7.6	4,433	1.277	5,661	43,024
2028-2029	5.5	4,433	1.341	5,945	32,698
2029-2030	4.1	4,433	1.408	6,242	25,592
2030-2031	3.2	4,433	1.478	6,552	20,966
2031-2032	2.5	4,433	1.552	6,880	17,200
2032-2033	2.2	4,433	1.630	7,226	15,897
2033-2034	1.8	4,433	1.712	7,589	13,660
2034-2035	1.3	4,433	1.798	7,971	10,362
2035-2036	0.8	4,433	1.888	8,370	6,696
2036-2037	0.6	4,433	1.982	8,786	5,272
2037-2038	0.5	4,433	2.081	9,225	4,613
2038-2039	0.4	4,433	2.185	9,686	3,874
2039-2040	0.3	4,433	2.294	10,169	3,051
2040-2041	0.2	4,433	2.409	10,679	2,136

(G) Total ULAE Outstanding as of 6/30/23: \$569,546

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by the Judicial Council.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).

This exhibit shows the calculation of the outstanding ULAE based on the expected pattern of claims closings and assumptions about future claims administration costs per open claim.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2022</u>	<u>Calendar Period</u>			
		<u>1/1/2023</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>
Prior					
Ultimate Loss	\$14,679,682	\$14,679,682	\$14,679,682	\$14,679,682	\$14,679,682
Paid in Calendar Period	-	(10,038)	73,479	64,585	56,108
Paid to Date	14,171,463	14,161,425	14,234,904	14,299,489	14,355,597
Outstanding Liability	508,219	518,257	444,778	380,193	324,085
2006-2007					
Ultimate Loss	\$575,305	\$575,305	\$575,305	\$575,305	\$575,305
Paid in Calendar Period	-				
Paid to Date	575,305	575,305	575,305	575,305	575,305
Outstanding Liability					
2007-2008					
Ultimate Loss	\$272,922	\$272,922	\$272,922	\$272,922	\$272,922
Paid in Calendar Period	-	1,015	2,039	1,936	1,834
Paid to Date	244,719	245,734	247,773	249,709	251,543
Outstanding Liability	28,203	27,188	25,149	23,213	21,379
2008-2009					
Ultimate Loss	\$729,351	\$729,351	\$729,351	\$729,351	\$729,351
Paid in Calendar Period	-				
Paid to Date	729,351	729,351	729,351	729,351	729,351
Outstanding Liability					
2009-2010					
Ultimate Loss	\$686,343	\$686,343	\$686,343	\$686,343	\$686,343
Paid in Calendar Period	-				
Paid to Date	686,343	686,343	686,343	686,343	686,343
Outstanding Liability					
2010-2011					
Ultimate Loss	\$308,913	\$308,913	\$308,913	\$308,913	\$308,913
Paid in Calendar Period	-				
Paid to Date	308,913	308,913	308,913	308,913	308,913
Outstanding Liability					
2011-2012					
Ultimate Loss	\$549,454	\$549,454	\$549,454	\$549,454	\$549,454
Paid in Calendar Period	-				
Paid to Date	549,454	549,454	549,454	549,454	549,454
Outstanding Liability					
2012-2013					
Ultimate Loss	\$430,767	\$430,767	\$430,767	\$430,767	\$430,767
Paid in Calendar Period	-				
Paid to Date	430,767	430,767	430,767	430,767	430,767
Outstanding Liability					

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2022</u>	<u>Calendar Period</u>			
		<u>1/1/2023</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>
2013-2014					
Ultimate Loss	\$61,947	\$61,947	\$61,947	\$61,947	\$61,947
Paid in Calendar Period	-				
Paid to Date	61,947	61,947	61,947	61,947	61,947
Outstanding Liability					
2014-2015					
Ultimate Loss	\$310,462	\$310,462	\$310,462	\$310,462	\$310,462
Paid in Calendar Period	-	1,916	3,667	3,391	3,167
Paid to Date	265,907	267,823	271,490	274,881	278,048
Outstanding Liability	44,555	42,639	38,972	35,581	32,414
2015-2016					
Ultimate Loss	\$792,239	\$792,239	\$792,239	\$792,239	\$792,239
Paid in Calendar Period	-	10,111	20,064	18,108	16,743
Paid to Date	551,502	561,613	581,677	599,785	616,528
Outstanding Liability	240,737	230,626	210,562	192,454	175,711
2016-2017					
Ultimate Loss	\$501,739	\$501,739	\$501,739	\$501,739	\$501,739
Paid in Calendar Period	-	11,112	17,652	13,090	11,814
Paid to Date	322,510	333,622	351,274	364,364	376,178
Outstanding Liability	179,229	168,117	150,465	137,375	125,561
2017-2018					
Ultimate Loss	\$290,032	\$290,032	\$290,032	\$290,032	\$290,032
Paid in Calendar Period	-	11,952	20,796	13,991	10,375
Paid to Date	124,037	135,989	156,785	170,776	181,151
Outstanding Liability	165,995	154,043	133,247	119,256	108,881
2018-2019					
Ultimate Loss	\$367,106	\$367,106	\$367,106	\$367,106	\$367,106
Paid in Calendar Period	-	18,261	30,468	21,121	14,210
Paid to Date	161,926	180,187	210,655	231,776	245,986
Outstanding Liability	205,180	186,919	156,451	135,330	121,120
2019-2020					
Ultimate Loss	\$498,861	\$498,861	\$498,861	\$498,861	\$498,861
Paid in Calendar Period	-	24,791	45,168	34,000	23,569
Paid to Date	220,316	245,107	290,275	324,275	347,844
Outstanding Liability	278,545	253,754	208,586	174,586	151,017
2020-2021					
Ultimate Loss	\$317,962	\$317,962	\$317,962	\$317,962	\$317,962
Paid in Calendar Period	-	27,887	50,419	40,609	30,568
Paid to Date	11,515	39,402	89,821	130,430	160,998
Outstanding Liability	306,447	278,560	228,141	187,532	156,964

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2022</u>	<u>Calendar Period</u>			
		<u>1/1/2023</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>
2021-2022					
Ultimate Loss	\$418,954	\$418,954	\$418,954	\$418,954	\$418,954
Paid in Calendar Period	-	36,662	67,096	54,952	44,260
Paid to Date	11,594	48,256	115,352	170,304	214,564
Outstanding Liability	407,360	370,698	303,602	248,650	204,390
2022-2023					
Ultimate Loss	\$295,767	\$591,533	\$591,533	\$591,533	\$591,533
Paid in Calendar Period	-	33,698	80,836	86,275	70,659
Paid to Date	343	34,041	114,877	201,152	271,811
Outstanding Liability	295,424	557,492	476,656	390,381	319,722
2023-2024					
Ultimate Loss	-	-	\$620,310	\$620,310	\$620,310
Paid in Calendar Period	-	-	40,320	84,099	89,756
Paid to Date	-	-	40,320	124,419	214,175
Outstanding Liability	-	-	579,990	495,891	406,135
2024-2025					
Ultimate Loss	-	-	-	\$643,181	\$643,181
Paid in Calendar Period	-	-	-	41,807	87,199
Paid to Date	-	-	-	41,807	129,006
Outstanding Liability	-	-	-	601,374	514,175
2025-2026					
Ultimate Loss	-	-	-	-	\$659,646
Paid in Calendar Period	-	-	-	-	42,877
Paid to Date	-	-	-	-	42,877
Outstanding Liability	-	-	-	-	616,769
Totals					
Ultimate Loss	\$22,087,806	\$22,383,572	\$23,003,882	\$23,647,063	\$24,306,709
Paid in Calendar Period	-	167,367	452,004	477,964	503,139
Paid to Date	19,427,912	19,595,279	20,047,283	20,525,247	21,028,386
Outstanding Liability	2,659,894	2,788,293	2,956,599	3,121,816	3,278,323
Total Outstanding ULAE	488,730	569,546	713,652	842,409	952,531
Outstanding Liability plus ULAE	3,148,624	3,357,839	3,670,251	3,964,225	4,230,854

Notes appear on the next page.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2020-2021, \$27,887 is expected to be paid between 1/1/23 and 6/30/23, \$39,402 will have been paid by 6/30/23, and the reserve for remaining payments on these claims should be \$278,560.
- Ultimate Losses for each accident year are from Exhibit J - 4, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example, $\$50,419 = \$278,560 \times 18.1\%$.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, $\$89,821 = \$50,419 + \$39,402$.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, $\$278,560 = \$317,962 - \$39,402$.

This exhibit shows the calculation of the liability for outstanding claims as of the date of evaluation, the end of the current fiscal year, and the end of the coming fiscal year. It also shows the expected claims payout during the remainder of the current fiscal year and the coming fiscal year. Refer to the Totals at the end of the exhibit for the balance sheet information. The top parts of the exhibit show information for each program year.

Short- and Long-Term Liabilities

<u>Liabilities as of 12/31/22:</u>		<u>Expected</u>	<u>Discounted</u>
<u>Current (Short Term)</u>	Loss and ALAE:	\$336,151	\$336,151
	ULAE:	97,526	97,526
	Short-Term Loss and LAE:	<u>\$433,677</u>	<u>\$433,677</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,323,743	\$2,323,743
	ULAE:	391,204	391,204
	Long-Term Loss and LAE:	<u>\$2,714,946</u>	<u>\$2,714,947</u>
<u>Total Liability</u>	Loss and ALAE:	\$2,659,894	\$2,659,894
	ULAE:	488,730	488,730
	Total Loss and LAE:	<u>\$3,148,624</u>	<u>\$3,148,624</u>
<u>Liabilities as of 6/30/23:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$411,684	\$411,684
	ULAE:	129,409	129,409
	Short-Term Loss and LAE:	<u>\$541,093</u>	<u>\$541,093</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,376,609	\$2,376,609
	ULAE:	440,137	440,137
	Long-Term Loss and LAE:	<u>\$2,816,746</u>	<u>\$2,816,746</u>
<u>Total Liability</u>	Loss and ALAE:	\$2,788,293	\$2,788,293
	ULAE:	569,546	569,546
	Total Loss and LAE:	<u>\$3,357,839</u>	<u>\$3,357,839</u>

		<u>Discounted with a Margin for Contingencies</u>				
		<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 12/31/22:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$381,868	\$402,373	\$425,903	\$455,485	\$494,814
	ULAE:	110,790	116,739	123,565	132,148	143,558
	Short-Term Loss and LAE:	<u>\$492,658</u>	<u>\$519,112</u>	<u>\$549,468</u>	<u>\$587,633</u>	<u>\$638,372</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,639,772	\$2,781,520	\$2,944,183	\$3,148,671	\$3,420,550
	ULAE:	444,407	468,271	495,656	530,082	575,853
	Long-Term Loss and LAE:	<u>\$3,084,179</u>	<u>\$3,249,791</u>	<u>\$3,439,839</u>	<u>\$3,678,753</u>	<u>\$3,996,403</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,021,640	\$3,183,893	\$3,370,086	\$3,604,156	\$3,915,364
	ULAE:	555,197	585,010	619,221	662,230	719,411
	Total Loss and LAE:	<u>\$3,576,837</u>	<u>\$3,768,903</u>	<u>\$3,989,307</u>	<u>\$4,266,386</u>	<u>\$4,634,775</u>
<u>Liabilities as of 6/30/23:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$467,673	\$492,786	\$521,604	\$557,832	\$605,999
	ULAE:	147,009	154,903	163,961	175,349	190,490
	Short-Term Loss and LAE:	<u>\$614,682</u>	<u>\$647,689</u>	<u>\$685,565</u>	<u>\$733,181</u>	<u>\$796,489</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,699,828	\$2,844,801	\$3,011,163	\$3,220,305	\$3,498,368
	ULAE:	499,995	526,843	557,654	596,386	647,882
	Long-Term Loss and LAE:	<u>\$3,199,823</u>	<u>\$3,371,644</u>	<u>\$3,568,817</u>	<u>\$3,816,691</u>	<u>\$4,146,250</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,167,501	\$3,337,587	\$3,532,767	\$3,778,137	\$4,104,367
	ULAE:	647,004	681,746	721,615	771,735	838,372
	Total Loss and LAE:	<u>\$3,814,505</u>	<u>\$4,019,333</u>	<u>\$4,254,382</u>	<u>\$4,549,872</u>	<u>\$4,942,739</u>

Note: Current (short term) liabilities are the portion of the total estimated liability shown on Appendix J - G that is expected to be paid out within the coming year. Totals may vary from Exhibit J - 1, due to rounding.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	2.480	1.664
90%	2.019	1.472
85%	1.741	1.355
80%	1.538	1.267
75%	1.375	1.197
70%	1.236	1.136
65%	1.113	1.083
60%	1.003	1.034
55%	0.902	0.990
50%	0.810	0.947
45%	0.725	0.906
40%	0.646	0.866
35%	0.572	0.827
30%	0.501	0.786
25%	0.433	0.744

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 2.019 times the average expected amount of losses.

This exhibit shows the loads that must be applied to bring estimated losses at the expected level to the various indicated confidence levels.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
1/1/1969	6/30/2002	Prior	Unlimited	(none)
7/1/2002	6/30/2003	2002-2003	Unlimited	(none)
7/1/2003	6/30/2004	2003-2004	Unlimited	(none)
7/1/2004	6/30/2005	2004-2005	Unlimited	(none)
7/1/2005	6/30/2006	2005-2006	Unlimited	(none)
7/1/2006	6/30/2007	2006-2007	Unlimited	(none)
7/1/2007	6/30/2008	2007-2008	Unlimited	(none)
7/1/2008	6/30/2009	2008-2009	Unlimited	(none)
7/1/2009	6/30/2010	2009-2010	Unlimited	(none)
7/1/2010	6/30/2011	2010-2011	Unlimited	(none)
7/1/2011	6/30/2012	2011-2012	Unlimited	(none)
7/1/2012	6/30/2013	2012-2013	Unlimited	(none)
7/1/2013	6/30/2014	2013-2014	Unlimited	(none)
7/1/2014	6/30/2015	2014-2015	Unlimited	(none)
7/1/2015	6/30/2016	2015-2016	2,000,000	(none)
7/1/2016	6/30/2017	2016-2017	2,000,000	(none)
7/1/2017	6/30/2018	2017-2018	2,000,000	(none)
7/1/2018	6/30/2019	2018-2019	2,000,000	(none)
7/1/2019	6/30/2020	2019-2020	2,000,000	(none)
7/1/2020	6/30/2021	2020-2021	2,000,000	(none)
7/1/2021	6/30/2022	2021-2022	2,000,000	(none)
7/1/2022	6/30/2023	2022-2023	2,000,000	(none)
7/1/2023	6/30/2024	2023-2024	2,000,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Corvel	7/1/2008	9/30/2014
AIMS	10/1/2014	6/30/2022
Sedgwick	7/1/2022	Current

This exhibit summarizes some of the key facts about the history of the program.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Incurred Losses as of 12/31/22

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over \$100,000 (G)	Incurred Capped at \$100,000 (H)	Incurred \$100,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
Prior	\$13,377,517	\$0	\$4,664	\$13,372,854	\$0	\$5,091,753	\$8,281,100	\$5,091,753	\$13,372,854	\$13,372,854
2002-2003	171,866	0	0	171,866	0	0	171,866	0	171,866	171,866
2003-2004	289,343	0	0	289,343	0	0	289,343	0	289,343	289,343
2004-2005	377,827	0	0	377,827	0	119,890	257,937	119,890	377,827	377,827
2005-2006	234,151	0	0	234,151	0	0	234,151	0	234,151	234,151
2006-2007	575,305	0	0	575,305	0	261,942	313,363	261,942	575,305	575,305
2007-2008	269,106	0	7,436	261,670	0	0	261,670	0	261,670	261,670
2008-2009	729,351	0	0	729,351	0	148,674	580,677	148,674	729,351	729,351
2009-2010	686,343	0	0	686,343	0	198,879	487,464	198,879	686,343	686,343
2010-2011	308,913	0	0	308,913	0	21,983	286,930	21,983	308,913	308,913
2011-2012	587,517	0	38,062	549,454	0	37,452	512,002	37,452	549,454	549,454
2012-2013	430,767	0	0	430,767	0	133,826	296,942	133,826	430,767	430,767
2013-2014	61,947	0	0	61,947	0	0	61,947	0	61,947	61,947
2014-2015	279,172	0	481	278,691	0	99,410	179,281	99,410	278,691	278,691
2015-2016	712,615	0	12,757	699,857	0	169,838	530,019	169,838	699,857	699,857
2016-2017	404,909	0	37,681	367,228	0	66,758	300,470	66,758	367,228	367,228
2017-2018	151,879	0	0	151,879	0	14,259	137,620	14,259	151,879	151,879
2018-2019	186,926	0	25,000	161,926	0	0	161,926	0	161,926	161,926
2019-2020	269,604	0	1,202	268,401	0	0	268,401	0	268,401	268,401
2020-2021	18,230	0	0	18,230	0	0	18,230	0	18,230	18,230
2021-2022	44,053	0	0	44,053	0	0	44,053	0	44,053	44,053
2022-2023	14,159	0	0	14,159	0	0	14,159	0	14,159	14,159
Total	\$20,181,498	\$0	\$127,282	\$20,054,216	\$0	\$6,364,665	\$13,689,551	\$6,364,665	\$20,054,216	\$20,054,216

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council.
- (C) No adjustments were made.
- (D) Recoveries
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix J - J.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Paid Losses as of 12/31/22

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over \$100,000 (G)	Paid Capped at \$100,000 (H)	Paid \$100,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
Prior	\$13,109,799	\$0	\$4,664	\$13,105,135	\$0	\$4,845,102	\$8,260,033	\$4,845,102	\$13,105,135	\$13,105,135
2002-2003	171,866	0	0	171,866	0	0	171,866	0	171,866	171,866
2003-2004	289,343	0	0	289,343	0	0	289,343	0	289,343	289,343
2004-2005	374,806	0	0	374,806	0	119,890	254,916	119,890	374,806	374,806
2005-2006	230,313	0	0	230,313	0	0	230,313	0	230,313	230,313
2006-2007	575,305	0	0	575,305	0	261,942	313,363	261,942	575,305	575,305
2007-2008	252,155	0	7,436	244,719	0	0	244,719	0	244,719	244,719
2008-2009	729,351	0	0	729,351	0	148,674	580,677	148,674	729,351	729,351
2009-2010	686,343	0	0	686,343	0	198,879	487,464	198,879	686,343	686,343
2010-2011	308,913	0	0	308,913	0	21,983	286,930	21,983	308,913	308,913
2011-2012	587,517	0	38,062	549,454	0	37,452	512,002	37,452	549,454	549,454
2012-2013	430,767	0	0	430,767	0	133,826	296,942	133,826	430,767	430,767
2013-2014	61,947	0	0	61,947	0	0	61,947	0	61,947	61,947
2014-2015	266,388	0	481	265,907	0	86,626	179,281	86,626	265,907	265,907
2015-2016	564,260	0	12,757	551,502	0	58,581	492,922	58,581	551,502	551,502
2016-2017	360,191	0	37,681	322,510	0	66,758	255,752	66,758	322,510	322,510
2017-2018	124,037	0	0	124,037	0	0	124,037	0	124,037	124,037
2018-2019	186,926	0	25,000	161,926	0	0	161,926	0	161,926	161,926
2019-2020	221,519	0	1,202	220,316	0	0	220,316	0	220,316	220,316
2020-2021	11,515	0	0	11,515	0	0	11,515	0	11,515	11,515
2021-2022	11,594	0	0	11,594	0	0	11,594	0	11,594	11,594
2022-2023	343	0	0	343	0	0	343	0	343	343
Total	\$19,555,195	\$0	\$127,282	\$19,427,913	\$0	\$5,979,713	\$13,448,200	\$5,979,713	\$19,427,913	\$19,427,913

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council.
- (C) No adjustments were made.
- (D) Recoveries
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix J - J.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Case Reserves as of 12/31/22

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over \$100,000 (G)	Reserves Capped at \$100,000 (H)	Reserves to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
Prior	\$267,719	\$0	\$0	\$267,719	\$0	\$246,651	\$21,067	\$246,651	\$267,719	\$267,719
2002-2003	0	0	0	0	0	0	0	0	0	0
2003-2004	0	0	0	0	0	0	0	0	0	0
2004-2005	3,021	0	0	3,021	0	0	3,021	0	3,021	3,021
2005-2006	3,839	0	0	3,839	0	0	3,839	0	3,839	3,839
2006-2007	0	0	0	0	0	0	0	0	0	0
2007-2008	16,951	0	0	16,951	0	0	16,951	0	16,951	16,951
2008-2009	0	0	0	0	0	0	0	0	0	0
2009-2010	0	0	0	0	0	0	0	0	0	0
2010-2011	0	0	0	0	0	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0	0	0	0
2012-2013	0	0	0	0	0	0	0	0	0	0
2013-2014	0	0	0	0	0	0	0	0	0	0
2014-2015	12,785	0	0	12,785	0	12,785	0	12,785	12,785	12,785
2015-2016	148,355	0	0	148,355	0	111,257	37,098	111,257	148,355	148,355
2016-2017	44,718	0	0	44,718	0	0	44,718	0	44,718	44,718
2017-2018	27,842	0	0	27,842	0	14,259	13,583	14,259	27,842	27,842
2018-2019	0	0	0	0	0	0	0	0	0	0
2019-2020	48,085	0	0	48,085	0	0	48,085	0	48,085	48,085
2020-2021	6,715	0	0	6,715	0	0	6,715	0	6,715	6,715
2021-2022	32,459	0	0	32,459	0	0	32,459	0	32,459	32,459
2022-2023	13,816	0	0	13,816	0	0	13,816	0	13,816	13,816
Total	\$626,303	\$0	\$0	\$626,303	\$0	\$384,952	\$241,351	\$384,952	\$626,303	\$626,303

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Appendix J - K, Page 1, Column (B) - Appendix J - K, Page 2, Column (B).
- (C) Appendix J - K, Page 1, Column (C) - Appendix J - K, Page 2, Column (C).
- (D) Appendix J - K, Page 1, Column (D) - Appendix J - K, Page 2, Column (D).
- (E) (B) + (C) - (D).
- (F) Sum of case reserves in excess of SIR.
- (G) Sum of case reserves in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix J - J.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Claim Counts as of 12/31/22

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
Prior	495	0	0	495	485	0	0	485	10	10
2002-2003	38	0	0	38	38	0	0	38	0	0
2003-2004	29	0	0	29	29	0	0	29	0	0
2004-2005	32	0	0	32	31	0	0	31	1	1
2005-2006	27	0	0	27	26	0	0	26	1	1
2006-2007	33	0	0	33	33	0	0	33	0	0
2007-2008	22	0	0	22	21	0	0	21	1	1
2008-2009	23	0	0	23	23	0	0	23	0	0
2009-2010	26	0	0	26	26	0	0	26	0	0
2010-2011	25	0	0	25	25	0	0	25	0	0
2011-2012	28	0	0	28	28	0	0	28	0	0
2012-2013	16	0	0	16	16	0	0	16	0	0
2013-2014	10	0	0	10	10	0	0	10	0	0
2014-2015	21	0	0	21	20	0	0	20	1	1
2015-2016	25	0	0	25	22	0	0	22	3	3
2016-2017	16	0	0	16	13	0	0	13	3	3
2017-2018	16	0	0	16	15	0	0	15	1	1
2018-2019	19	0	0	19	19	0	0	19	0	0
2019-2020	15	0	0	15	11	0	0	11	4	4
2020-2021	7	0	0	7	6	0	0	6	1	1
2021-2022	7	0	0	7	2	0	0	2	5	5
2022-2023	3	0	0	3	0	0	0	0	3	3
Total	933	0	0	933	899	0	0	899	34	34

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council.
- (C) No adjustments were made.
- (D) No adjustments were made.
- (E) (B) + (C) - (D).
- (F) Provided by the Judicial Council.
- (G) No adjustments were made.
- (H) No adjustments were made.
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
Prior	\$3,872,510	1.679	\$6,501,944
2002-2003	2,093,640	1.638	3,429,382
2003-2004	3,467,377	1.598	5,540,868
2004-2005	3,681,725	1.559	5,739,809
2005-2006	3,809,614	1.521	5,794,423
2006-2007	4,233,621	1.484	6,282,694
2007-2008	4,559,345	1.448	6,601,932
2008-2009	4,622,252	1.413	6,531,242
2009-2010	4,597,350	1.379	6,339,746
2010-2011	4,696,557	1.345	6,316,869
2011-2012	4,704,324	1.312	6,172,073
2012-2013	4,580,240	1.280	5,862,707
2013-2014	4,611,832	1.249	5,760,178
2014-2015	4,611,423	1.219	5,621,325
2015-2016	4,848,429	1.189	5,764,782
2016-2017	4,957,218	1.160	5,750,373
2017-2018	5,197,021	1.132	5,883,028
2018-2019	5,500,429	1.104	6,072,474
2019-2020	5,917,623	1.077	6,373,280
2020-2021	5,568,179	1.051	5,852,156
2021-2022	5,854,075	1.025	6,000,427
2022-2023	6,646,442	1.000	6,646,442
2023-2024	6,816,591	1.000	6,816,591
2024-2025	6,991,096	1.000	6,991,096
2025-2026	7,170,068	1.000	7,170,068

Notes:

- (A) Provided by the Judicial Council.
- (B) Based on WCIRB.
- (C) (A) x (B).



Bickmore **Actuarial**

Actuarial Review of the Self-Insured Judicial Branch Workers' Compensation Program

Member Premium for Program Year 2023-24

Presented to
Judicial Council of California

February 10, 2023 - DRAFT



DRAFT



Friday, February 10, 2023

Mr. Edward Metro
Supervising Analyst
Human Resources / Administrative Division
Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102-3688

Re: Member Premium Allocation for Fiscal Year 2023-24

Dear Mr. Metro:

We have completed our review of the Judicial Council of California (the Judicial Council), Judicial Branch Workers' Compensation Program (JBWCP), and have updated the member cost allocation for fiscal year 2023-24 program premiums. The premiums include a provision for:

- Estimated Ultimate loss and ALAE at the 70% Confidence Level
- Third-Party Claims Administration Fees
- Excess Insurance
- Consulting and Brokerage Expenses

The JBWCP is a self-funded program in which each entity pays a share of cost based on each member's workers' compensation claims experience and historical payroll. The total cost for this program is broken up into three groups: 1) Trial Court employees and volunteers, which includes the membership of 57 out of the 58 California Trial Courts, 2) Judicial, which includes member coverage for the Appellate Justices, Trial Court Judges, and Retired Judges in the Assigned Judges Program, and 3) State Judiciary, which includes the membership of the Supreme Court, Courts of Appeal, Habeas Corpus Resource Center, California Judicial Center Library, Commission on Judicial Performance, and the Judicial Council and provides coverage for all of their employees and volunteers.

Given the low volume of loss experience and exposure, and in order to provide a credible actuarial estimate, the Judicial and the State Judiciary groups are valued together for purposes of determining total program cost. Thus for the purpose of the analysis, the three groups are consolidated to two groups, Trial Courts and the State Judiciary.

JBWCP Methodology

The methodology used by the JBWCP utilizes a calculation derived from experience and exposure, along with program costs, such as excess insurance, third party administrator (TPA) claim handling, and brokerage fees. Given the relative sizes of the courts and judiciary entities participating in the JBWCP, the JBWCP's methodology has features which make it appropriate for entities of all sizes.

Each year JBWCP retains an actuary to undertake an actuarial analysis and estimate of loss costs. The actuarial projections are based on loss data from the inception of the JBWCP program (1/1/2001), provided by the Judicial Council and the third party claims administrators. Additionally, historical and projected payroll is provided. The actuary determines the estimated outstanding liabilities since program inception and the forecasted program costs for the upcoming policy term. They also provide an estimate of the loss payments that will be made during the upcoming fiscal year. It is the amount of loss payments expected to be made that is allocated among the participating courts.

For purposes of calculating the allocation, the actuarial data is combined with cost data, consisting of excess insurance premiums, TPA fees, and brokerage and consulting costs. The allocation formula uses a combination of a 3-year loss distribution and a 3-year payroll distribution for calculating the annual charge to each member using a weighting formula. For determining 2023-24 premiums, the experience period used includes the 2019-20, 2020-21, and 2021-22 program years.

The weighting formula was developed with the following goals in mind:

- To establish adequate funding to cover the annual expected loss payments, excess premiums, and expenses associated with the JBWCP.
- To provide incentives to control workers' compensation losses by making the allocation responsive to recent loss experience.
- To minimize year-to-year volatility for budgetary planning purposes.
- To recognize that thresholds of acceptable volatility will vary according to the size of the court.

The weight given to the loss component of the allocation for each individual court is calculated using the following formula:

$$\sqrt[3]{\frac{\text{Individual Court Payroll for 3 - Yr Period (\$000's)}}{644,376}}$$

where 644,376 is a constant derived to set the weight given to the largest court at 80%.

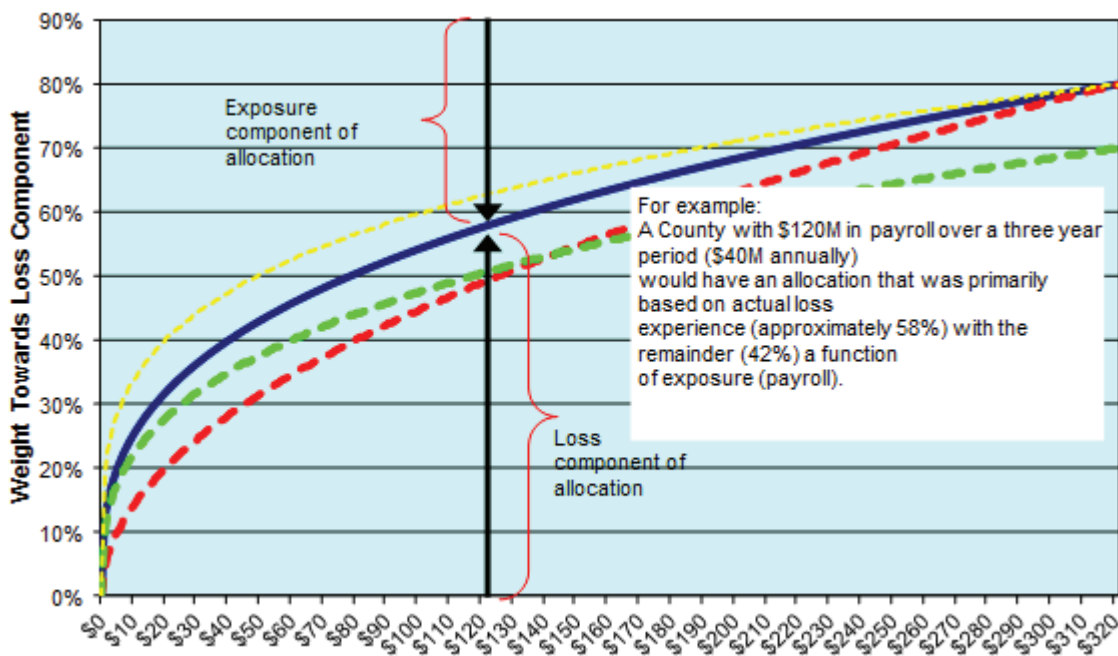
Inputs:

- 329,921 = Largest Court Payroll for 3-Yr Period (\$000's)
- 80% = Weight Given to Loss Component for Largest Court
- 3 = Exponent

For purposes of determining loss distribution, a cap of \$75,000 per occurrence is applied. This eliminates the volatility of large loss impact on distribution to individual courts. Ninety-five percent of all claims are within \$75,000 per occurrence.

The largest court by 3-year payroll size has a weighting of 80% of loss experience and 20% payroll. The smallest court by payroll size has a weighting of at least 10% loss experience. All other courts are weighted by payroll and loss experience along that continuum. This ensures that the larger courts with more predictable losses are subject to an allocation that emphasizes losses, while the smaller courts' allocations are more reliant upon payroll to ensure more year-to-year budget stability.

Here is a graphic illustration of the continuum:



The selected parameters of 80% weight and power of 3 are shown as the solid line above. Other parameters are shown as dashed lines for comparison.

DRAFT

The claims handling fees are allocated based upon the distribution of Loss and ALAE premium by member. Brokerage fees and Excess insurance costs are allocated based upon the distribution of payroll by member.

We appreciate the opportunity to be of service the Judicial Council of California in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162, Becky Richard at (916) 244-1183 or Eric Small at (916) 244-1165 with any questions you may have concerning this report.

Sincerely,

Bickmore Actuarial

DRAFT

Mike Harrington, FCAS, MAAA
President and Principal, Bickmore Actuarial
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries

DRAFT

Becky Richard, ACAS, MAAA
Senior Actuarial Manager, Bickmore Actuarial
Associate, Casualty Actuarial Society
Member, American Academy of Actuaries

DRAFT

Eric Small
Actuarial Consultant

DRAFT

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

2023-24 Premium

Court	2019-20 to 2021-22		2023-24 Indicated Loss & ALAE		Percent Limited Losses (E)	2023-24 Indicated Loss & ALAE		Weighting (G)	2023-24 Weighted Loss & ALAE		2023-24 Excess Premium (J)	2023-24 Claims Handling (TPA) Fees (K)	2023-24 Program Admin. Premium (L)	2023-24 Brokerage / Consulting Premium (M)	2023-24 Total Premium (N)	2023-24 Out of State Premium (O)	2023-24 Adjusted Premium (P)	2023-24 Percent of Premium (Q)
	Payroll (\$000) (A)	Percent Payroll (B)	Premium Based on Payroll (C)	2019-20 to 2021-22 Incurred Limited to \$75K (D)		Premium Based on Losses (F)	2023-24 Weighted Loss & ALAE (H)		2023-24 Adjusted Loss & ALAE (I)									
Alameda	\$169,854	6.01%	\$885,092	\$592,661	3.76%	\$554,380	64.12%	\$673,047	\$679,583	\$27,879	\$57,574	\$0	\$16,283	\$781,318	\$0	\$781,318	4.67%	
Alpine	985	0.03%	5,133	0	0.00%	0	11.52%	4,541	4,585	162	388	0	94	5,230	0	5,230	0.03%	
Amador	6,389	0.23%	33,292	10,771	0.07%	10,075	21.48%	28,304	28,579	1,049	2,421	0	612	32,662	0	32,662	0.20%	
Butte	21,590	0.76%	112,501	78,033	0.50%	72,993	32.24%	99,764	100,733	3,544	8,534	0	2,070	114,881	0	114,881	0.69%	
Calaveras	5,533	0.20%	28,831	2,068	0.01%	1,934	20.48%	23,323	23,550	908	1,995	0	530	26,983	0	26,983	0.16%	
Colusa	2,560	0.09%	13,339	19,113	0.12%	17,878	15.84%	14,058	14,195	420	1,203	0	245	16,063	0	16,063	0.10%	
Contra Costa	74,610	2.64%	388,786	814,323	5.17%	761,724	48.74%	570,556	576,097	12,246	48,807	0	7,152	644,302	0	644,302	3.85%	
Del Norte	4,546	0.16%	23,687	21,896	0.14%	20,482	19.18%	23,073	23,297	746	1,974	0	436	26,452	0	26,452	0.16%	
El Dorado	13,562	0.48%	70,670	73,792	0.47%	69,025	27.61%	70,216	70,898	2,226	6,006	0	1,300	80,430	0	80,430	0.48%	
Fresno	91,609	3.24%	477,368	316,129	2.01%	295,710	52.19%	382,558	386,273	15,036	32,725	0	8,782	442,816	0	442,816	2.65%	
Glenn	3,533	0.12%	18,410	10,998	0.07%	10,287	17.63%	16,978	17,143	580	1,452	0	339	19,514	0	19,514	0.12%	
Humboldt	13,704	0.48%	71,412	89,640	0.57%	83,850	27.71%	74,858	75,585	2,249	6,404	0	1,314	85,552	0	85,552	0.51%	
Imperial	18,900	0.67%	98,484	290,175	1.84%	271,432	30.84%	151,820	153,295	3,102	12,987	0	1,812	171,196	0	171,196	1.02%	
Inyo	3,606	0.13%	18,793	0	0.00%	0	17.75%	15,456	15,606	592	1,322	0	346	17,866	0	17,866	0.11%	
Kern	97,347	3.44%	507,269	1,001,039	6.36%	936,380	53.26%	735,810	742,956	15,978	62,943	0	9,332	831,209	0	831,209	4.97%	
Kings	15,780	0.56%	82,229	40,900	0.26%	38,261	29.04%	69,461	70,135	2,590	5,942	0	1,513	80,180	0	80,180	0.48%	
Lake	6,031	0.21%	31,426	74,531	0.47%	69,717	21.07%	39,495	39,879	990	3,378	0	578	44,825	0	44,825	0.27%	
Lassen	4,105	0.15%	21,392	258	0.00%	241	18.54%	17,471	17,641	674	1,495	0	394	20,203	0	20,203	0.12%	
Madera	17,515	0.62%	91,269	21,308	0.14%	19,931	30.07%	69,820	70,498	2,875	5,973	0	1,679	81,024	0	81,024	0.48%	
Marin	25,307	0.90%	131,875	119,547	0.76%	111,825	33.99%	125,060	126,274	4,154	10,698	0	2,426	143,552	0	143,552	0.86%	
Mariposa	2,510	0.09%	13,078	75,000	0.48%	70,156	15.73%	22,058	22,272	412	1,887	0	241	24,812	0	24,812	0.15%	
Mendocino	11,889	0.42%	61,952	46,795	0.30%	43,773	26.42%	57,148	57,703	1,951	4,889	0	1,140	65,683	0	65,683	0.39%	
Merced	22,865	0.81%	119,145	100,633	0.64%	94,133	32.86%	110,926	112,003	3,753	9,489	0	2,192	127,437	0	127,437	0.76%	
Modoc	2,051	0.07%	10,689	0	0.00%	0	14.71%	9,117	9,205	337	780	0	197	10,518	0	10,518	0.06%	
Mono	2,976	0.11%	15,508	3,790	0.02%	3,545	16.65%	13,515	13,647	488	1,156	0	285	15,577	0	15,577	0.09%	
Monterey	42,444	1.50%	221,172	269,685	1.71%	252,266	40.39%	233,730	236,000	6,967	19,994	0	4,069	267,029	0	267,029	1.60%	
Napa	14,293	0.51%	74,477	78,517	0.50%	73,445	28.10%	74,187	74,908	2,346	6,346	0	1,370	84,970	0	84,970	0.51%	
Nevada	9,907	0.35%	51,624	27,445	0.17%	25,673	24.87%	45,171	45,610	1,626	3,864	0	950	52,050	0	52,050	0.31%	
Orange	329,921	11.67%	1,719,185	1,271,503	8.07%	1,189,374	80.00%	1,295,336	1,307,916	54,151	110,806	0	31,627	1,504,500	0	1,504,500	9.00%	
Placer	31,348	1.11%	163,351	47,037	0.30%	43,999	36.51%	119,781	120,945	5,145	10,246	0	3,005	139,341	0	139,341	0.83%	
Plumas	1,805	0.06%	9,406	75,000	0.48%	70,156	14.10%	17,969	18,144	296	1,537	0	173	20,150	0	20,150	0.12%	
Riverside	246,147	8.71%	1,282,649	1,255,868	7.97%	1,174,749	72.56%	1,204,359	1,216,055	40,401	103,023	0	23,596	1,383,076	0	1,383,076	8.27%	
Sacramento	158,059	5.59%	823,632	558,848	3.55%	522,751	62.60%	635,287	641,456	25,943	54,344	0	15,152	736,895	0	736,895	4.41%	
San Benito	5,490	0.19%	28,607	0	0.00%	0	20.42%	22,765	22,986	901	1,947	0	526	26,360	0	26,360	0.16%	
San Bernardino	224,634	7.95%	1,170,549	1,377,088	8.74%	1,288,139	70.38%	1,253,308	1,265,480	36,870	107,211	0	21,534	1,431,095	0	1,431,095	8.56%	
San Diego	257,437	9.11%	1,341,479	1,689,010	10.73%	1,579,914	73.65%	1,517,088	1,531,821	42,254	129,775	0	24,679	1,728,529	0	1,728,529	10.34%	
San Francisco	114,294	4.04%	595,574	950,250	6.03%	888,872	56.19%	760,366	767,751	18,760	65,043	0	10,957	862,510	0	862,510	5.16%	
San Joaquin	68,963	2.44%	359,362	245,622	1.56%	229,757	47.48%	297,828	300,720	11,319	25,477	0	6,611	344,128	0	344,128	2.06%	
San Luis Obispo	29,166	1.03%	151,982	146,690	0.93%	137,215	35.64%	146,720	148,145	4,787	12,551	0	2,796	168,278	0	168,278	1.01%	
San Mateo	74,452	2.63%	387,961	442,813	2.81%	414,211	48.71%	400,746	404,638	12,220	34,281	0	7,137	458,276	0	458,276	2.74%	
Santa Barbara	44,882	1.59%	233,878	26,201	0.17%	24,508	41.14%	147,734	149,168	7,367	12,637	0	4,303	173,475	0	173,475	1.04%	
Santa Clara	148,802	5.26%	775,395	989,430	6.28%	925,521	61.35%	867,500	875,924	24,424	74,208	0	14,265	988,820	0	988,820	5.92%	
Santa Cruz	27,982	0.99%	145,812	194,013	1.23%	181,481	35.15%	158,350	158,887	4,593	13,546	0	2,682	180,708	0	180,708	1.08%	
Shasta	32,576	1.15%	169,751	518,809	3.29%	485,299	36.98%	286,427	289,209	5,347	24,502	0	3,123	322,180	0	322,180	1.93%	
Sierra	920	0.03%	4,793	0	0.00%	0	11.26%	4,254	4,295	151	364	0	88	4,898	0	4,898	0.03%	
Siskiyou	5,025	0.18%	26,184	334	0.00%	313	19.83%	21,053	21,258	825	1,801	0	482	24,365	0	24,365	0.15%	

DRAFT

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

2023-24 Premium

Court	2019-20 to		2023-24 Indicated		2019-20 to		2023-24 Indicated		2023-24		2023-24		2023-24		2023-24		2023-24	
	Payroll (\$000) (A)	Percent Payroll (B)	Loss & ALAE Premium Based on Payroll (C)	Losses Limited to \$75K (D)	Percent Limited Losses (E)	Loss & ALAE Premium Based on Losses (F)	Weighting (G)	Weighted Loss & ALAE Premium (H)	Weighted Adjusted Loss & ALAE Premium (I)	Excess Premium (J)	Claims Handling (TPA) Fees (K)	Program Admin. Premium (L)	Brokerage / Consulting Premium (M)	Total Premium (N)	Out of State Premium (O)	2023-24 Adjusted Premium (P)	Percent of Premium (Q)	
Solano	44,173	1.56%	230,182	275,722	1.75%	257,912	40.93%	241,531	243,876	7,250	20,661	0	4,235	276,022	0	276,022	1.65%	
Sonoma	39,621	1.40%	206,462	187,520	1.19%	175,408	39.47%	194,205	196,092	6,503	16,613	0	3,798	223,006	0	223,006	1.33%	
Stanislaus	46,633	1.65%	243,000	88,533	0.56%	82,815	41.67%	176,247	177,958	7,654	15,077	0	4,470	205,159	0	205,159	1.23%	
Sutter	9,906	0.35%	51,618	868	0.01%	812	24.86%	38,985	39,364	1,626	3,335	0	950	45,274	0	45,274	0.27%	
Tehama	8,350	0.30%	43,509	95,221	0.60%	89,071	23.49%	54,210	54,737	1,370	4,637	0	800	61,545	0	61,545	0.37%	
Trinity	3,183	0.11%	16,587	0	0.00%	0	17.03%	13,762	13,896	522	1,177	0	305	15,901	0	15,901	0.10%	
Tulare	45,307	1.60%	236,090	372,841	2.37%	348,758	41.27%	282,593	285,337	7,436	24,174	0	4,343	321,290	0	321,290	1.92%	
Tuolumne	7,092	0.25%	36,955	122,153	0.78%	114,263	22.24%	54,151	54,677	1,164	4,632	0	680	61,153	0	61,153	0.37%	
Ventura	81,868	2.90%	426,609	478,423	3.04%	447,521	50.27%	437,122	441,367	13,437	37,392	0	7,848	500,045	0	500,045	2.99%	
Yolo	22,103	0.78%	115,176	159,355	1.01%	149,062	32.49%	126,186	127,412	3,628	10,794	0	2,119	143,953	0	143,953	0.86%	
Yuba	10,815	0.38%	56,357	0	0.00%	0	25.60%	41,928	42,335	1,775	3,587	0	1,037	48,733	0	48,733	0.29%	
All Courts	\$2,826,955	100.00%	\$14,731,000	\$15,748,203	100.00%	\$14,731,000		\$14,589,314	\$14,731,000	\$464,000	\$1,248,000	\$0	\$271,000	\$16,714,000	\$0	\$16,714,000	100.00%	

Notes:

- (A): From Exhibit TC-2.
- (B): (A)/[Total (A)]
- (C): (B) x [Total (C)]. Total (C) was provided by Judicial Branch Workers' Compensation Program.
- (D): From Exhibit TC-3.
- (E): (D)/[Total (D)]
- (F): (E) x [Total (F)].
- (G): Based on relative size (according the (A)) of each court. The largest is subjectively set to an 80.00% weight. The weight of all other courts are based on that standard.
- (H): (G) x (F) + [1-(G)] x (C)
- (I): [Total (F) / Total (H)] x (H)
- (J): (B) x [Total (J)]. Total (J) was provided by Judicial Branch Workers' Compensation Program.
- (K): [(I) / Total (I)] x Total (K). Total (K) was provided by Judicial Branch Workers' Compensation Program.
- (L): (B) x [Total (L)]. Total (L) was provided by Judicial Branch Workers' Compensation Program.
- (M): (B) x [Total (M)]. Total (M) was provided by Judicial Branch Workers' Compensation Program.
- (N): Sum[(I)..(M)]
- (O): Adjustment for out of state workers.
- (P): (N) + (O).
- (Q): (P) x [Total (P)].

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

Summary of Payroll

Court	Payroll		
	2019-20	2020-21	2021-22
Alameda	\$57,478,691	\$54,015,597	\$58,359,337
Alpine	312,420	318,766	353,790
Amador	2,192,805	2,015,667	2,180,469
Butte	7,285,876	7,246,418	7,057,271
Calaveras	1,791,003	1,842,236	1,899,554
Colusa	805,594	841,410	912,882
Contra Costa	25,973,635	23,989,330	24,647,009
Del Norte	1,511,412	1,520,633	1,513,689
El Dorado	4,499,072	4,459,249	4,603,546
Fresno	29,840,823	29,783,570	31,985,039
Glenn	1,251,937	1,194,581	1,086,526
Humboldt	4,578,896	4,538,779	4,586,649
Imperial	6,264,100	6,268,043	6,367,498
Inyo	1,182,762	1,216,979	1,206,696
Kern	33,874,332	30,936,990	32,536,140
Kings	5,188,190	4,960,792	5,631,200
Lake	2,037,688	1,941,278	2,051,765
Lassen	1,418,099	1,314,316	1,372,840
Madera	5,813,659	5,713,255	5,988,105
Marin	8,031,993	8,514,440	8,761,010
Mariposa	775,112	888,789	845,789
Mendocino	4,063,713	3,889,444	3,935,658
Merced	7,669,516	7,316,751	7,878,243
Modoc	671,876	680,152	699,253
Mono	987,529	1,021,912	966,548
Monterey	14,385,470	13,162,182	14,896,490
Napa	4,957,105	4,691,760	4,643,728
Nevada	3,330,134	3,120,021	3,456,756
Orange	111,587,881	107,091,822	111,240,819
Placer	9,792,083	10,295,564	11,260,325
Plumas	649,200	550,989	604,778
Riverside	83,168,031	78,637,420	84,341,572
Sacramento	52,224,139	53,119,887	52,715,262
San Benito	1,782,524	1,728,083	1,979,318
San Bernardino	74,234,851	73,038,229	77,361,315
San Diego	89,794,908	80,114,006	87,527,770
San Francisco	39,430,978	37,064,877	37,797,867
San Joaquin	23,174,698	22,253,735	23,535,060
San Luis Obispo	9,657,577	9,494,330	10,014,295
San Mateo	25,898,129	23,598,890	24,954,718
Santa Barbara	14,719,149	14,238,617	15,924,584
Santa Clara	54,824,752	47,039,773	46,937,842
Santa Cruz	9,289,030	9,235,288	9,457,815
Shasta	11,117,258	10,775,974	10,682,774
Sierra	315,605	288,782	315,474
Siskiyou	1,612,530	1,676,473	1,735,781

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

Summary of Payroll

Court	Payroll		
	2019-20	2020-21	2021-22
Solano	14,822,091	14,339,869	15,011,080
Sonoma	13,662,011	13,146,036	12,813,159
Stanislaus	15,311,185	15,024,438	16,297,417
Sutter	3,396,261	3,177,476	3,332,080
Tehama	2,705,606	2,746,943	2,897,001
Trinity	1,008,836	1,081,474	1,092,846
Tulare	15,369,202	14,393,981	15,543,761
Tuolumne	2,221,093	2,303,083	2,567,700
Ventura	28,988,001	25,809,585	27,070,813
Yolo	7,190,929	7,325,206	7,586,762
Yuba	3,478,860	3,528,245	3,808,103
All Courts	\$959,600,844	\$910,522,413	\$956,831,571

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
Alameda	\$131,703	\$626,985	\$113,078	\$131,703	\$347,880	\$113,078
Alpine	0	0	0	0	0	0
Amador	0	3,462	7,310	0	3,462	7,310
Butte	60,647	17,386	0	60,647	17,386	0
Calaveras	0	2,068	0	0	2,068	0
Colusa	0	0	19,113	0	0	19,113
Contra Costa	215,767	920,470	102,019	196,318	515,986	102,019
Del Norte	0	0	21,896	0	0	21,896
El Dorado	48,598	21,595	3,599	48,598	21,595	3,599
Fresno	330,652	115,776	40,087	166,863	109,178	40,087
Glenn	0	227	10,771	0	227	10,771
Humboldt	12,614	134,982	117	12,614	76,909	117
Imperial	222,540	61,947	153,387	143,854	61,947	84,374
Inyo	0	0	0	0	0	0
Kern	200,236	962,203	92,119	176,114	732,807	92,119
Kings	20,076	1,168	19,659	20,076	1,168	19,659
Lake	74,531	0	0	74,531	0	0
Lassen	0	0	258	0	0	258
Madera	0	20,880	427	0	20,880	427
Marin	0	119,547	0	0	119,547	0
Mariposa	0	0	166,380	0	0	75,000
Mendocino	3,056	43,740	0	3,056	43,740	0
Merced	27,860	71,608	1,165	27,860	71,608	1,165
Modoc	0	0	0	0	0	0
Mono	316	3,474	0	316	3,474	0
Monterey	105,676	116,134	47,875	105,676	116,134	47,875
Napa	3,920	73,196	1,401	3,920	73,196	1,401
Nevada	9,096	18,349	0	9,096	18,349	0
Orange	599,622	570,439	310,660	399,508	561,335	310,660
Placer	7,357	10,340	29,339	7,357	10,340	29,339
Plumas	0	190,163	0	0	75,000	0
Riverside	545,244	737,214	150,919	463,829	641,120	150,919
Sacramento	74,516	282,403	267,302	74,516	217,029	267,302
San Benito	0	0	0	0	0	0
San Bernardino	1,016,295	609,902	184,860	692,916	499,311	184,860
San Diego	469,842	642,992	652,176	437,536	604,697	646,777
San Francisco	564,841	674,486	192,707	349,454	423,178	177,618
San Joaquin	257,689	79,633	53,373	112,616	79,633	53,373
San Luis Obispo	8,183	62,765	86,184	8,183	62,765	75,742
San Mateo	204,052	282,211	31,036	129,567	282,211	31,036
Santa Barbara	23,127	3,073	0	23,127	3,073	0
Santa Clara	482,913	305,654	341,442	430,262	305,654	253,515
Santa Cruz	63,352	78,624	52,037	63,352	78,624	52,037
Shasta	91,371	369,115	207,274	91,371	314,979	112,460
Sierra	0	0	0	0	0	0
Siskiyou	0	123	211	0	123	211

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
Solano	188,908	46,543	47,421	181,757	46,543	47,421
Sonoma	206,212	100,330	22,901	79,039	85,580	22,901
Stanislaus	24,302	55,847	8,384	24,302	55,847	8,384
Sutter	868	0	0	868	0	0
Tehama	44,234	14,366	36,621	44,234	14,366	36,621
Trinity	0	0	0	0	0	0
Tulare	289,334	93,290	16,373	263,178	93,290	16,373
Tuolumne	0	66,036	56,118	0	66,036	56,118
Ventura	218,112	153,306	194,879	171,539	134,176	172,709
Yolo	3,584	159,468	2,441	3,584	153,330	2,441
Yuba	0	0	0	0	0	0
All Courts	6,851,250	8,923,519	3,745,317	5,233,338	7,165,781	3,349,084

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

Comparison to Prior Premium

Court	70% Confidence Level 2022-23 Total Premium (A)	70% Confidence Level 2023-24 Total Premium (B)	Total Difference (C)	Percent Change (D)
	Alameda	\$975,062	\$781,318	-\$193,744
Alpine	5,472	5,230	-242	-4.43%
Amador	31,820	32,662	842	2.65%
Butte	113,743	114,881	1,137	1.00%
Calaveras	27,528	26,983	-545	-1.98%
Colusa	12,910	16,063	3,153	24.42%
Contra Costa	755,926	644,302	-111,624	-14.77%
Del Norte	23,507	26,452	2,946	12.53%
El Dorado	90,514	80,430	-10,084	-11.14%
Fresno	458,921	442,816	-16,104	-3.51%
Glenn	19,373	19,514	141	0.73%
Humboldt	82,688	85,552	2,863	3.46%
Imperial	172,535	171,196	-1,339	-0.78%
Inyo	18,444	17,866	-578	-3.13%
Kern	744,912	831,209	86,297	11.58%
Kings	90,775	80,180	-10,595	-11.67%
Lake	46,711	44,825	-1,886	-4.04%
Lassen	21,095	20,203	-893	-4.23%
Madera	84,726	81,024	-3,702	-4.37%
Marin	145,854	143,552	-2,302	-1.58%
Mariposa	12,913	24,812	11,899	92.14%
Mendocino	67,434	65,683	-1,751	-2.60%
Merced	175,694	127,437	-48,257	-27.47%
Modoc	10,587	10,518	-69	-0.65%
Mono	17,280	15,577	-1,703	-9.86%
Monterey	267,936	267,029	-907	-0.34%
Napa	91,572	84,970	-6,602	-7.21%
Nevada	93,513	52,050	-41,463	-44.34%
Orange	1,558,937	1,504,500	-54,437	-3.49%
Placer	157,129	139,341	-17,788	-11.32%
Plumas	10,719	20,150	9,432	87.99%
Riverside	1,459,738	1,383,076	-76,662	-5.25%
Sacramento	665,520	736,895	71,375	10.72%
San Benito	25,915	26,360	445	1.72%
San Bernardino	1,449,626	1,431,095	-18,532	-1.28%
San Diego	1,859,460	1,728,529	-130,932	-7.04%
San Francisco	877,923	862,510	-15,413	-1.76%
San Joaquin	376,205	344,128	-32,077	-8.53%
San Luis Obispo	171,273	168,278	-2,995	-1.75%
San Mateo	469,692	458,276	-11,416	-2.43%
Santa Barbara	183,118	173,475	-9,643	-5.27%
Santa Clara	1,344,038	988,820	-355,217	-26.43%
Santa Cruz	172,206	180,708	8,503	4.94%
Shasta	230,057	322,180	92,123	40.04%
Sierra	5,155	4,898	-257	-4.98%
Siskiyou	25,388	24,365	-1,022	-4.03%

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
Trial Courts**

Comparison to Prior Premium

Court	70% Confidence Level 2022-23 Total Premium (A)	70% Confidence Level 2023-24 Total Premium (B)	Total Difference (C)	Percent Change (D)
	Solano	356,223	276,022	-80,200
Sonoma	235,093	223,006	-12,088	-5.14%
Stanislaus	270,662	205,159	-65,503	-24.20%
Sutter	47,662	45,274	-2,388	-5.01%
Tehama	59,058	61,545	2,487	4.21%
Trinity	16,271	15,901	-370	-2.28%
Tulare	315,419	321,290	5,871	1.86%
Tuolumne	39,956	61,153	21,197	53.05%
Ventura	589,664	500,045	-89,620	-15.20%
Yolo	111,046	143,953	32,906	29.63%
Yuba	50,719	48,733	-1,986	-3.91%
All Courts	\$17,793,318	\$16,714,000	-\$1,079,318	-6.07%

Notes:

- (A): From Prior Premium Report
- (B): From Exhibit TC-1.
- (C): (B) - (A)
- (D): (C) / (A)

DRAFT

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
State Judiciary**

2023-24 Premium

Court	2019-20 to 2021-22		2023-24 Indicated			2023-24 Indicated			2023-24 Weighted		2023-24 Excess Premium (J)	2023-24 Claims Handling (TPA) Fees (K)	2023-24 Program Admin. Premium (L)	2023-24 Brokerage / Consulting Premium (M)	2023-24 Total Premium (N)	2023-24 Out of State Premium (O)	2023-24 Adjusted Premium (P)	2023-24 Percent of Premium (Q)
	Payroll (\$000) (A)	Percent Payroll (B)	Loss & ALAE Premium Based on Payroll (C)	2019-20 to 2021-22 Incurred Limited to \$75K (D)	Percent Limited Losses (E)	Loss & ALAE Premium Based on Losses (F)	Weighting (G)	2023-24 Weighted Loss & ALAE Premium (H)	2023-24 Weighted Adjusted Loss & ALAE Premium (I)									
Supreme Court	\$56,167	3.24%	\$24,844	\$17,278	5.23%	\$40,076	29.75%	\$29,376	\$41,300	\$6,381	\$6,838	\$0	\$5,409	\$59,929	\$308	\$60,237	4.79%	
1st District Court	48,204	2.78%	21,322	41,736	12.62%	96,805	28.27%	42,663	59,981	5,476	9,932	0	4,643	80,031	0	80,031	6.36%	
2nd District Court	96,379	5.56%	42,632	73,834	22.33%	171,253	35.62%	88,443	124,344	10,950	20,589	0	9,282	165,165	0	165,165	13.12%	
3rd District Court	34,374	1.98%	15,205	6,250	1.89%	14,496	25.26%	15,026	21,125	3,905	3,498	0	3,311	31,839	0	31,839	2.53%	
4th District Court	80,510	4.64%	35,612	9,243	2.80%	21,439	33.54%	30,858	43,383	9,147	7,183	0	7,754	67,467	0	67,467	5.36%	
5th District Court	31,250	1.80%	13,823	6,504	1.97%	15,086	24.47%	14,132	19,868	3,550	3,290	0	3,010	29,718	399	30,117	2.39%	
6th District Court	21,795	1.26%	9,641	26,377	7.98%	61,180	21.70%	20,825	29,278	2,476	4,848	0	2,099	38,701	0	38,701	3.07%	
Judicial Council	240,607	13.88%	106,428	15,817	4.78%	36,687	48.32%	72,731	102,253	27,336	16,931	0	23,173	169,693	0	169,693	13.48%	
CJP	8,764	0.51%	3,877	1,074	0.32%	2,492	16.02%	3,655	5,139	996	851	0	844	7,829	0	7,829	0.62%	
HCRC	21,908	1.26%	9,690	91,107	27.55%	211,316	21.74%	53,518	75,242	2,489	12,459	0	2,110	92,299	0	92,299	7.33%	
CJCL	1,941	0.11%	858	0	0.00%	0	9.69%	775	1,090	220	180	0	187	1,678	0	1,678	0.13%	
Trial Court Judges	1,092,090	62.98%	483,067	41,463	12.54%	96,171	80.00%	173,550	243,997	124,073	40,401	0	105,179	513,650	0	513,650	40.81%	
All Courts	\$1,733,988	100.00%	\$767,000	\$330,684	100.00%	\$767,000		\$545,552	\$767,000	\$197,000	\$127,000	\$0	\$167,000	\$1,258,000	\$707	\$1,258,707	100.00%	

Notes:

- (A): From Exhibit J-2.
- (B): (A)/[Total (A)]
- (C): (B) x [Total (C)]. Total (C) was provided by Judicial Branch Workers' Compensation Program.
- (D): From Exhibit J-3.
- (E): (D)/[Total (D)]
- (F): (E) x [Total (F)].
- (G): Based on relative size (according the (A)) of each court. The largest is subjectively set to an 80.00% weight. The weight of all other courts are based on that standard.
- (H): (G) x (F) + [1-(G)] x (C)
- (I): [Total (F) / Total (H)] x (H)
- (J): (B) x [Total (J)]. Total (J) was provided by Judicial Branch Workers' Compensation Program.
- (K): [(I) / Total (I)] x Total (K). Total (K) was provided by Judicial Branch Workers' Compensation Program.
- (L): (B) x [Total (L)]. Total (L) was provided by Judicial Branch Workers' Compensation Program.
- (M): (B) x [Total (M)]. Total (M) was provided by Judicial Branch Workers' Compensation Program.
- (N): Sum[(I)..(M)]
- (O): Adjustment for out of state workers.
- (P): (N) + (O).
- (Q): (P) x [Total (P)].

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
State Judiciary**

2023-24 Premium
2nd and 4th District by Division

Court	Division	2019-20 to 2021-22		2023-24 Indicated		2019-20 to 2021-22		2023-24 Indicated		2023-24 Weighted Loss & ALAE Premium (H)	2023-24 Excess Premium (I)	2023-24 Claims Handling (TPA) Fees (J)	2023-24 Brokerage / Consulting Premium (K)	2023-24 Total Premium (L)	2023-24 Percent of Premium (M)
		Payroll (\$000) (A)	Percent Payroll (B)	Loss & ALAE Premium Based on Payroll (C)	Loss & ALAE Premium Limited to \$75K (D)	Percent Limited Losses (E)	Loss & ALAE Premium Based on Losses (F)	Weighting (G)							
2nd District Court	COA 2nd District (LA)	\$84,619	87.80%	\$109,171	\$6,715	9.09%	\$11,309	35.62%	\$74,315	\$9,614	\$12,305	\$8,150	\$104,383	63.20%	
	COA 2nd District- (Ven)	11,760	12.20%	15,173	67,119	90.91%	113,035	35.62%	50,029	1,336	8,284	1,133	60,781	36.80%	
	Total	\$96,379	100.00%	\$124,344	\$73,834	100.00%	\$124,344	35.62%	\$124,344	\$10,950	\$20,589	\$9,282	\$165,165		
4th District Court	COA 4th District (SD)	\$29,625	36.80%	\$15,964	\$9,243	100.00%	\$43,383	33.54%	\$25,161	\$3,366	\$4,166	\$2,853	\$35,546	52.69%	
	COA 4th District (RSVD)	26,108	32.43%	14,069	0	0.00%	0	33.54%	9,349	2,966	1,548	2,514	16,378	24.28%	
	COA 4th District (SA)	24,777	30.77%	13,351	0	0.00%	0	33.54%	8,873	2,815	1,469	2,386	15,543	23.04%	
	Total	\$80,510	100.00%	\$43,383	\$9,243	100.00%	\$43,383	33.54%	\$43,383	\$9,147	\$7,183	\$7,754	\$67,467	100.00%	

Notes:

- (A): Provided by Juciary Branch Workers' Compensation Program
- (B): (A)/[Total (A)]
- (C): (B) x [Total (C)]. Total (C) was provided by Judicial Branch Workers' Compensation Program.
- (D): Provided by Juciary Branch Workers' Compensation Program
- (E): (D)/[Total (D)]
- (F): (E) x [Total (F)].
- (G): Allocated based on total for each court shown in Exhibit J-1
- (H): (G) x (F) + [1-(G)] x (C)
- (I): Allocated based on total for each court shown in Exhibit J-1
- (J): Allocated based on total for each court shown in Exhibit J-1
- (K): Allocated based on total for each court shown in Exhibit J-1
- (L): Sum[(H)..(K)]
- (M): (L) x [Total (L)].

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
State Judiciary**

Summary of Payroll

Court	Payroll		
	2019-20	2020-21	2021-22
Supreme Court	\$19,055,424	\$18,992,397	\$18,119,071
1st District Court	15,933,598	16,035,265	16,235,113
2nd District Court	32,207,032	31,837,205	32,334,555
3rd District Court	11,296,814	10,913,433	12,164,049
4th District Court	26,723,744	26,782,535	27,003,504
5th District Court	10,026,487	10,090,184	11,133,374
6th District Court	7,505,435	6,660,199	7,629,329
Judicial Council	87,808,308	72,616,169	80,182,072
CJP	2,736,664	2,904,086	3,123,664
HCRC	7,755,560	7,102,392	7,049,575
CJCL	605,241	645,846	689,664
Trial Court Judges	370,108,039	352,238,224	369,743,523
All Courts	\$591,762,346	\$556,817,935	\$585,407,493

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
State Judiciary**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
Supreme Court	\$17,278	\$0	\$0	\$17,278	\$0	\$0
1st District Court	41,736	0	0	41,736	0	0
2nd District Court	67,119	6,715	0	67,119	6,715	0
3rd District Court	0	0	6,250	0	0	6,250
4th District Court	129	0	9,114	129	0	9,114
5th District Court	5,371	1,133	0	5,371	1,133	0
6th District Court	17,255	4,473	4,650	17,255	4,473	4,650
Judicial Council	15,678	0	139	15,678	0	139
CJP	0	1,074	0	0	1,074	0
HCRC	73,721	0	17,385	73,721	0	17,385
CJCL	0	0	0	0	0	0
Trial Court Judges	30,115	4,834	6,514	30,115	4,834	6,514
All Courts	268,401	18,230	44,053	268,401	18,230	44,053

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
State Judiciary**

Comparison to Prior Premium

Court	70% Confidence Level 2022-23 Total Premium (A)	70% Confidence Level 2023-24 Total Premium (B)	Total Difference (C)	Percent Change (D)
	Supreme Court	\$64,191	\$60,237	-\$3,954
1st District Court	69,632	80,031	10,399	14.93%
2nd District Court	151,509	165,165	13,656	9.01%
3rd District Court	29,919	31,839	1,920	6.42%
4th District Court	68,856	67,467	-1,389	-2.02%
5th District Court	29,021	30,117	1,097	3.78%
6th District Court	56,291	38,701	-17,591	-31.25%
Judicial Council	320,564	169,693	-150,871	-47.06%
CJP	7,760	7,829	69	0.90%
HCRC	49,694	92,299	42,605	85.74%
CJCL	1,704	1,678	-26	-1.51%
Trial Court Judges	491,993	513,650	21,657	4.40%
All Courts	\$1,341,133	\$1,258,707	-\$82,426	-6.15%

Notes:

- (A): From Prior Premium Report
- (B): From Exhibit J-1.
- (C): (B) - (A)
- (D): (C) / (A)

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2023-24 Premium
State Judiciary**

Trial Court and State Judiciary Claims Handling, Program Admin and Brokerage/Consulting Premium

Division	2019-20 to 2021-22 Payroll (\$000) (A)	Percent Payroll (B)	2019-20 to 2021-22 Incurred Limited to \$75K (C)	Percent Limited Losses (D)	2023-24 Claims Handling (E)	2023-24 Program Admin. (F)	2023-24 Brokerage / Consulting (G)
Trial Courts	\$2,826,955	61.98%	\$15,748,203	97.94%	\$1,248,000	\$0	\$271,000
State Judiciary	1,733,988	38.02%	330,684	2.06%	127,000	0	167,000
Total	\$4,560,943	100.00%	\$16,078,887	100.00%	\$1,375,000	\$0	\$438,000

Notes:

- (A): Provided by Judicial Branch Workers' Compensation Program.
- (B): (A)/[Total (A)]
- (C): Provided by Judicial Branch Workers' Compensation Program.
- (D): (C)/[Total (C)]
- (E): Total (E) x [80% x (D) + 20% x (B)]
- (F): (B) x [Total (F)]. Total (F) was provided by Judicial Branch Workers' Compensation Program.
- (G): (B) x [Total (G)]. Total (G) was provided by Judicial Branch Workers' Compensation Program.



Judicial Branch Workers' Comp. Program

Workers' Compensation Claims Performance Report Definition and Filter

Sedgwick Copyright © 2023 All rights reserved. This document is provided for informational purposes only.

Measurement Period:

- 01/01/2018 - 12/31/2018 as of 12/31/2018
- 01/01/2019 - 12/31/2019 as of 12/31/2019
- 01/01/2020 - 12/31/2020 as of 12/31/2020
- 01/01/2021 - 12/31/2021 as of 12/31/2021
- 01/01/2022 - 12/31/2022 as of 12/31/2022

Category	Name	Definition	
New Claims and Incidents	New Incidents and Claims	Incidents and Claims with By Date Claim Opened in the reporting period where the row is hidden when excluding incidents	
	Indemnity Type/Financial Claims	Indemnity Claims with By Date Claim Opened in the reporting period	
	Total Claims	Claims with By Date Claim Opened in the reporting period	
	% Indemnity Type/Financial of New Claims	Number of Indemnity New Claims/Total New Claims	
	Average Incurred	Gross Total Incurred value on New Claims/Total New Counts	
	Average Paid on Closed Claims	Gross Total Paid value on New Closed/Total New Closed Counts	
	Total Claims w/incurred > \$100K	Number of new claims with incurred value greater than \$100K	
	Total Incurred	Gross Total Incurred Value on Total New Claims	
	% Litigated on Indemnity Only	The percentage of new IN claims with litigation versus all new IN claims	
	Closing Rate	Number of Closed New Claims/Total New Claims or both claims and incidents	
	Average Days Open	Average Days from Date Opened to Date Closed or As of Date on all New Claims or Both Claims and Incidents	
	Average TTD Days on IN Claims	Total TTD Days based off of Payments under 102 Paycode/Total New IN Claims	
	Lag Days to Client	Number of days from Date of Loss to Date Reported to Client	
	Lag Days to Sedgwick	Number of days from Date Reported to Client to Date Reported to Sedgwick	
	Pending Claims	Indemnity Type/Financial Claims	Indemnity Claims with Open status at the end of the reporting period
Total Claims		Claims with Open status at the end of the reporting period	
% Indemnity Type/Financial		Number of Indemnity Pending Claims/Total Pending Claims	
Average Incurred		Gross Total Incurred value on Pending Claims/Total Pending Claims	
% Incurred w/incurred > \$100K		The percentage of total incurred value on pending claims with incurred value greater than \$100K versus total incurred value on all pending claims	
% Claims w/incurred > \$100K		The percentage of pending claims with incurred value greater than \$100K versus total pending claims	
Total Incurred		Gross Total Incurred Value on Total pending Claims	
Total Outstanding Reserves		Gross Total Reserved Value on Pending Claims(Total Incurred-Total Paid)	
% Litigated on Indemnity Only		The percentage of pending claims with litigation versus all pending claims	
% over 2 year old		The percentage of claims which have been open for over 2 years from either date opened or date of loss to as of date versus all pending claims	
Average TTD Days on IN Claims		Total TTD Days based off of Payments under 102 Paycode/Total Pending IN Claims	
Reopen Indicator		Yes for Reopened claims which are claims with claim status at prior period as Closed and current period as Open.	
Lit and Atty Rep		If Litigation Flag is Yes Then "Yes Lit" Elseif [Date Of Attorney Representation]<=[As of Date] Then "Yes Atty Rep No Lit" Else "No Atty Rep No Lit"	
Closed Claims		Indemnity Type/Financial Claims	Indemnity Claims with date closed in the reporting period and Closed status at the end of the reporting period
		Total Claims	Claims with date closed in the reporting period and Closed status at the end of the reporting period
	% Indemnity Type/Financial	Number of Indemnity Closed Claims/Total Closed Claims	
	Average Incurred	Gross Total Incurred value on Closed Claims/Total Closed Claims	
	% Incurred w/incurred > \$100K	The percentage of total incurred value on closed claims with incurred value greater than \$100K versus total incurred value on all closed claims	
	% Claims w/incurred > \$100K	The percentage of closed claims with incurred value greater than \$100K versus total closed claims	
	Total Incurred	Gross Total Incurred Value on Total Closed Claims	
	% Litigated on Indemnity Only	The percentage of closed claims with litigation versus all closed claims	
	Average Days Open	Average Days from Date Opened or Date of Loss to Date Closed on all Closed Claims	
	Average TTD Days on IN Claims	Total TTD Days based off of Payments under 102 Paycode/Total Closed IN Claims	
	Closing Ratio	Net Reopened and Closed Claim Counts/(Newly Opened Claim Counts+Reopened Claim Counts); Net Reopened and Closed Claims are claims with claim status at prior period as Open or Null if it is a new claim and claim status at current period end as Closed);Reopened claims are claims with claim status at prior period as Closed and current period as Open.	
	Lit and Atty Rep	If Litigation Flag is Yes Then "Yes Lit" Elseif [Date Of Attorney Representation]<=[As of Date] Then "Yes Atty Rep No Lit" Else "No Atty Rep No Lit"	
	All Claims	Top categories such as State, Structure and Cause etc. are based on the claim count in the most current period sorted from High to Low.	

Filters	Value	Note
Date Option for New Claims	By Date Claim Opened	New claims and incidents where applied are defined by By Date Claim Opened
WC Claim Type Selection	By System Code	By System Code is how the claim type is coded in the system. By Financial Definition is if the claim has a positive indemnity incurred it is defined as an indemnity claim. By System Code is the default.
Client Name	All	Listing all client names even with multiple contracts
WC Claim Type	IN;MO	IN = Indemnity; MO = Medical Only; EL = Employer's Liability
Subtype	All	AC=Administrative Claims;CC=Companion Claim;FM=Future Medical;LE=Lifetime Exposure;SP=Special Handling etc.
Claim Substatus	All	
Closed No Paid(CNP)	All	"Excluding CNP" is to exclude any claims closed without payment. "CNP Only" is to only show claims closed without any payment.
Litigation Flag	All	If Litigation (Yes/No) is Yes and Date in Litigation is before As of Date then Yes else No
SCMS Cause Group	All	Sedgwick Cause Group
SCMS Target Group	All	Sedgwick Body Part Group
SCMS Nature Group	All	Sedgwick Nature Group
Incurred Stratification	All	Stratification of Total Incurred value
Claim Duration Group	All	Stratification of Duration based on days from Date Opened or Date of Loss to As of Date on claims with Open status or from Date Opened or Date of Loss to Date Closed on claims with Closed Status
Claimant Age Group	0-12 Months;12-24 Months;24-36 Months;36+ Months	Stratification of claimant age at date of loss
Service Length Group	All	Stratification of claimant's employment tenure at date of loss
Examiner Office Name	All	
State of Juris w TX Non Subscriber	All	State of Jurisdiction with TXNS and TXWC separated
Structure Level 02	All	
Structure Level 03	All	
Structure Level 04	All	
Account Name	All	
Unit Name	All	
Unit Number	All	
Policy - Plan Number	All	
Structure Selection	Structure Level 2	Structure Selection offers Structure Level 2 to 10 as options with default value as Structure Level 2.
Closed Claim Option	Excluding Reopened and Closed	Closed Option offers Including and excluding reopened and closed claims as options with default value as excluding reopened and closed claims.
Cause Selection	Cause Group	Cause Selection Option offers Cause Group and specific Cause Description as options with default value as Cause Group.
Body Part Selection	Body Part Group	Body Part Selection Option offers Body Part Group and specific Body Part Description as options with default value as Body Part Group.
Nature Selection	Nature Group	Nature Selection Option offers Nature Group and specific Result Nature Description as options with default value as Nature Group.
As Of Date	All	Options to select one or multiple as of dates for Raw Data Excel Output
Class Code	All	Job Codes
Injury Type Description	All	Injury Types include: Death, Permanent Total Disability, Scheduled Permanent Partial, Unscheduled Permanent Partial, Temporary Total/Partial Injury, Medical Only, Contract Medical/Hospital Allowance, and Permanent Partial
OSHA Recordable Flag	All	
If No SIR Amount Option	All	
Incident Indicator	Claims	Claims, Incidents or Both with Claims as default
TTD Paid Days Stratification	All	
Financial Indicator (Net/Gross)	Gross	Net Incurred/Paid=Total or Gross Incurred/Paid - Total Recoveries
Financial Cap or Exclusion	No Cap	For Excluding, it excludes incurred value over custom financial option amount entered.
Financial Cap/Exclusion Amount		
Duration Option for Claim Age	By Date Opened	
Duration Selection	Include Reopened Days	
TTD Claims Statistics based on	IN Claims	



Judicial Branch Workers' Comp. Program

Workers' Compensation Claims Performance Summary

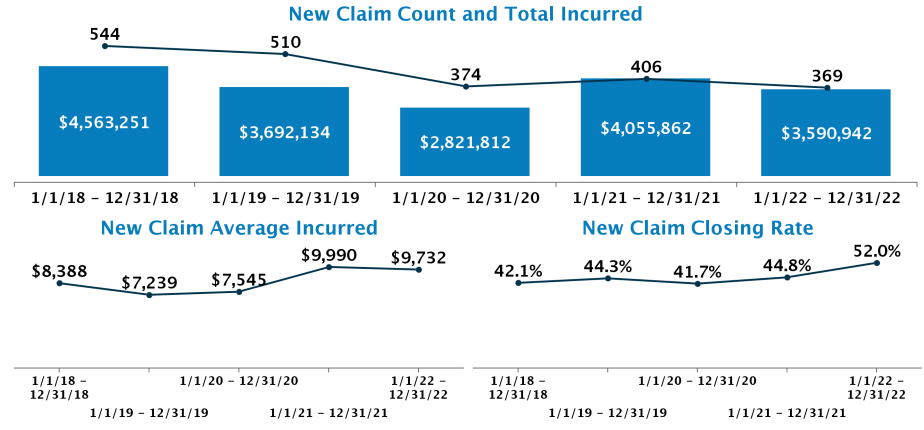
Filters Selected:

New Defined: By Date Claim Opened Indemnity Claim Defined: By System Code Closed Claim Option: Excluding Reopened and Closed WC Claim Type: IN;MO Claim Duration: 0-12 Months; 12-24 Months;24-36 Months;36+ Months Incident Indicator: Claims Financial Indicator: Gross Financial Option: No Cap Duration Option: By Date Opened Duration Selection: Include Reopened Days TTD Claim Statistics Based On: IN Claims

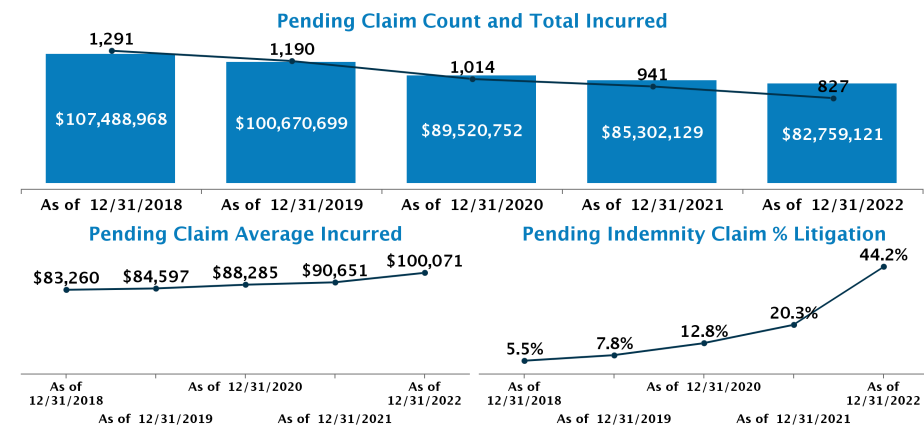
Measurement Period:

01/01/2018 - 12/31/2018 as of 12/31/2018
 01/01/2019 - 12/31/2019 as of 12/31/2019
 01/01/2020 - 12/31/2020 as of 12/31/2020
 01/01/2021 - 12/31/2021 as of 12/31/2021
 01/01/2022 - 12/31/2022 as of 12/31/2022

New Claims	1/1/18 - 12/31/18	1/1/19 - 12/31/19	1/1/20 - 12/31/20	1/1/21 - 12/31/21	1/1/22 - 12/31/22	% Change
Indemnity Type Claims	381	359	290	306	213	-30.4%
Total Claims	544	510	374	406	369	-9.1%
% Indemnity Type of New Claims	70.0%	70.4%	77.5%	75.4%	57.7%	-17.6%
Average Incurred	\$8,388	\$7,239	\$7,545	\$9,990	\$9,732	-2.6%
Average Paid on Closed Claims	\$1,437	\$1,366	\$1,430	\$1,914	\$2,069	8.1%
Total Claims w/incurred > \$100K	3	1		3	2	-33.3%
Total Incurred	\$4,563,251	\$3,692,134	\$2,821,812	\$4,055,862	\$3,590,942	-11.5%
Total Paid	\$1,879,523	\$1,584,571	\$1,254,798	\$1,934,403	\$1,755,197	-9.3%
% Litigated on Indemnity Only		1.4%	1.0%	1.6%	11.7%	10.1%
Closing Rate	42.1%	44.3%	41.7%	44.8%	52.0%	7.2%
Average Days Open	129	127	122	134	117	-12.1%
Average TTD Days on IN Claims	11	9	9	14	19	35.3%



Pending Claims	As of 12/31/2018	As of 12/31/2019	As of 12/31/2020	As of 12/31/2021	As of 12/31/2022	% Change
Indemnity Type Claims	1,236	1,140	988	910	753	-17.3%
Total Claims	1,291	1,190	1,014	941	827	-12.1%
% Indemnity Type	95.7%	95.8%	97.4%	96.7%	91.1%	-5.7%
Average Incurred	\$83,260	\$84,597	\$88,285	\$90,651	\$100,071	10.4%
% Incurred w/incurred > \$100K	71.6%	71.6%	72.8%	73.2%	73.0%	-0.2%
% Claims w/incurred > \$100K	26.3%	26.4%	29.0%	30.3%	31.3%	1.0%
Total Incurred	\$107,488,968	\$100,670,699	\$89,520,752	\$85,302,129	\$82,759,121	-3.0%
Total Outstanding Reserves	\$28,913,114	\$24,757,866	\$20,529,866	\$19,761,199	\$18,771,890	-5.0%
% Litigated on Indemnity Only	5.5%	7.8%	12.8%	20.3%	44.2%	23.9%
% over 2 year old	61.2%	61.6%	65.0%	63.2%	64.8%	1.6%
# over 2 year old	790	733	659	595	536	-9.9%
Average TTD Days on IN Claims	103	106	109	108	131	21.7%



Closed Claims	1/1/18 - 12/31/18	1/1/19 - 12/31/19	1/1/20 - 12/31/20	1/1/21 - 12/31/21	1/1/22 - 12/31/22	% Change
Indemnity Type Claims	399	455	442	384	379	-1.3%
Total Claims	580	611	550	479	493	2.9%
% Indemnity Type	68.8%	74.5%	80.4%	80.2%	76.9%	-3.3%
Average Incurred	\$23,676	\$29,632	\$35,637	\$32,476	\$29,878	-8.0%
% Incurred w/incurred > \$100K	56.1%	61.7%	63.1%	60.5%	62.0%	1.5%
% Claims w/incurred > \$100K	7.2%	8.3%	9.8%	9.8%	10.8%	0.9%
Total Incurred	\$13,731,823	\$18,104,889	\$19,600,466	\$15,555,986	\$14,729,928	-5.3%
% Litigated on Indemnity Only	7.8%	9.0%	20.1%	19.5%	23.5%	4.0%
Average Days Open	893	964	1,151	1,048	1,099	4.9%
Average TTD Days on IN Claims	56	53	59	61	48	-20.1%
Closing Ratio by Claim	106.6%	119.8%	147.1%	118.0%	130.1%	12.1%

