

Judicial Branch Workers' Compensation Program

Advisory Committee Meeting

February 23, 2022



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Call to Order & Roll Call



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Public Comments



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Updates from the Chair

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



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Meeting Agenda

- **JBWCP Audit Results**
- **AIMS Annual Stewardship Report**
- **Draft Actuarial Report and Premium Allocation**
- **Legislative Updates**



Judicial Branch Workers' Compensation Program Audit Results

Alan Turnipseed, Senior Vice President

Marsh Advisory



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Audit Objectives

- Evaluate 2020-2021 performance across 14 distinct audit categories comprising 91 unique audit metrics
- Compare 2020-2021 performance against the prior year baseline audit (2019-2020)
- Identify areas of opportunity to enhance overall Program performance
- Provide strategic recommendations to ensure future compliance $\geq 90\%$, adoption of best practices and support future Program initiatives



Audit Areas Of Focus

- **Technical performance**
- **Regulatory compliance**
- **Contractual compliance**
- **Customer service**
- **Member involvement**



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Audit Methodology

- Review of 180 indemnity claims
- Relevant audit timeframe September 1, 2020 through October 8, 2021
- Segmentation of claims based upon:
 - Claim Examiner (18 claims each)
 - Trial Courts and Judiciary/Judicial Officers
 - Member Size



Audit Scoring

- The following four-tiered scoring protocol was utilized in conjunction with the 2020-2021 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



Audit Performance (2021-2021)

AUDIT CATEGORY	2020-2021
• JBWCP Member Loss Reporting ¹	82.76
• Claim Set-Up & Assignment/Reassignment	96.67
• Three-Point Contact	98.17
• Investigation	92.63
• Medical Cost Containment	96.90
• Disability Management	84.75
• Litigation Management	95.22
• Subrogation, Apportionment & Contribution	100.00
• Reserving	94.96
• Communication	91.72
• Payments	99.26
• Settlement/Resolution	92.70
• Strategic Plans & Documentation	94.01
• Supervisory Review	86.98

¹ Excluded from overall TPA score

Composite Audit Score → **93.73**



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Audit Performance (Vs. Prior Yr.)

AUDIT CATEGORY	2020-2021	2019-2020	Change
• JBWCP Member Loss Reporting ¹	82.76	65.38	↑
• Claim Set-Up & Assignment/Reassignment	96.67	97.33	↓
• Three-Point Contact	98.17	82.61	↑
• Investigation	92.63	91.43	↑
• Medical Cost Containment	96.90	99.61	↓
• Disability Management	84.75	85.61	↓
• Litigation Management	95.22	97.86	↓
• Subrogation, Apportionment & Contribution	100.00	96.88	↑
• Reserving	94.96	89.84	↑
• Communication	91.72	88.76	↑
• Payments	99.26	98.90	↑
• Settlement/Resolution	92.70	89.88	↑
• Strategic Plans & Documentation	94.01	96.18	↓
• Supervisory Review	86.98	94.00	↓

¹ Excluded from overall TPA score

Composite Audit Scores → **93.73** **94.45** ↓



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Audit Q&A

Questions relating to audit methodology,
findings and recommendations



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AIMS Annual Stewardship Report

Beth Harville, Program Manager

AIMS



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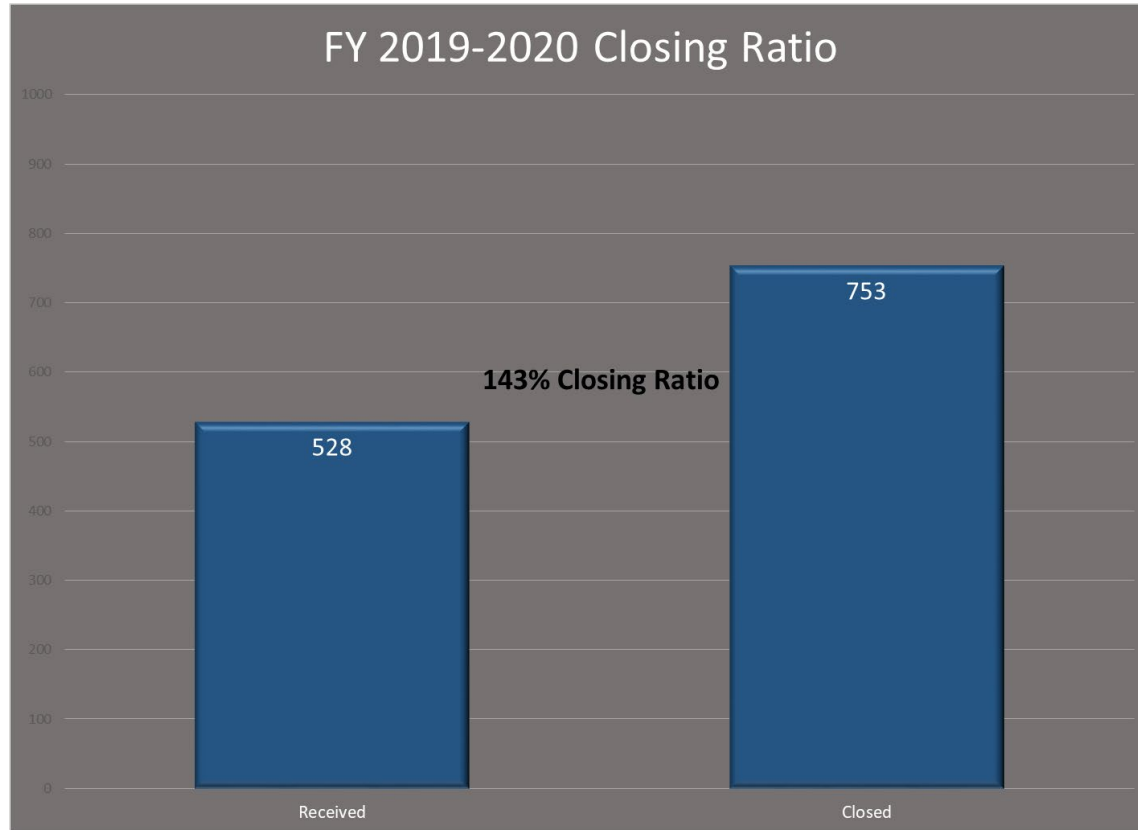


TPA Metrics

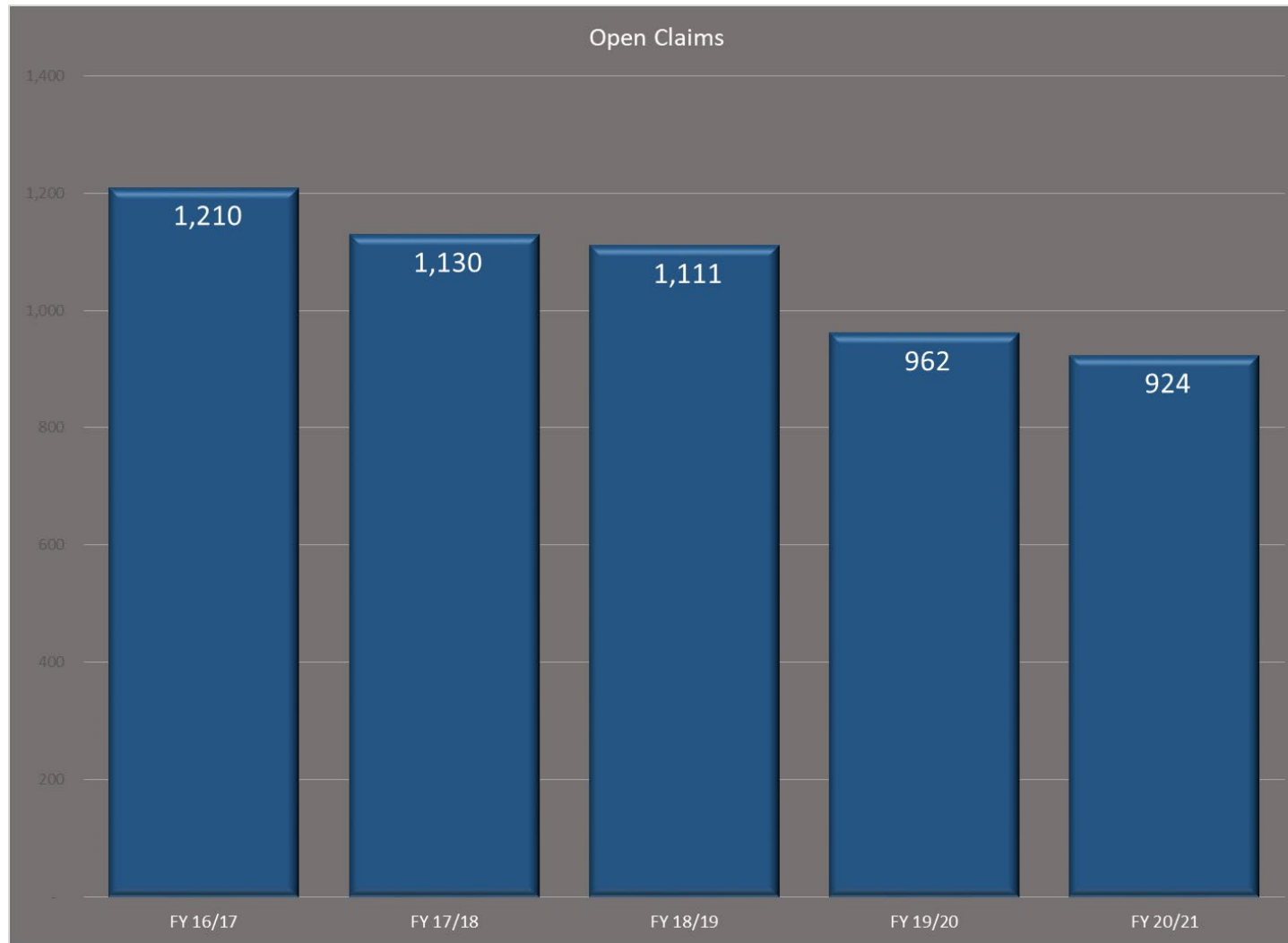
- **Prior and Current Year Closing Ratio**
- **5 Year History of Open Claims at FY End**
- **5 Year History of Settlements Finalized at FY End**
- **5 Year History of Total TD Disability Benefits Paid**
- **5 Year History of Total & Average Medical Paid Per Claim**
- **Litigation Ratio for Current FY**
- **Legal Costs (Share of Defense Counsel, Applicant Attorney 5710 Fees, Deposition Costs/Court Reporting)**



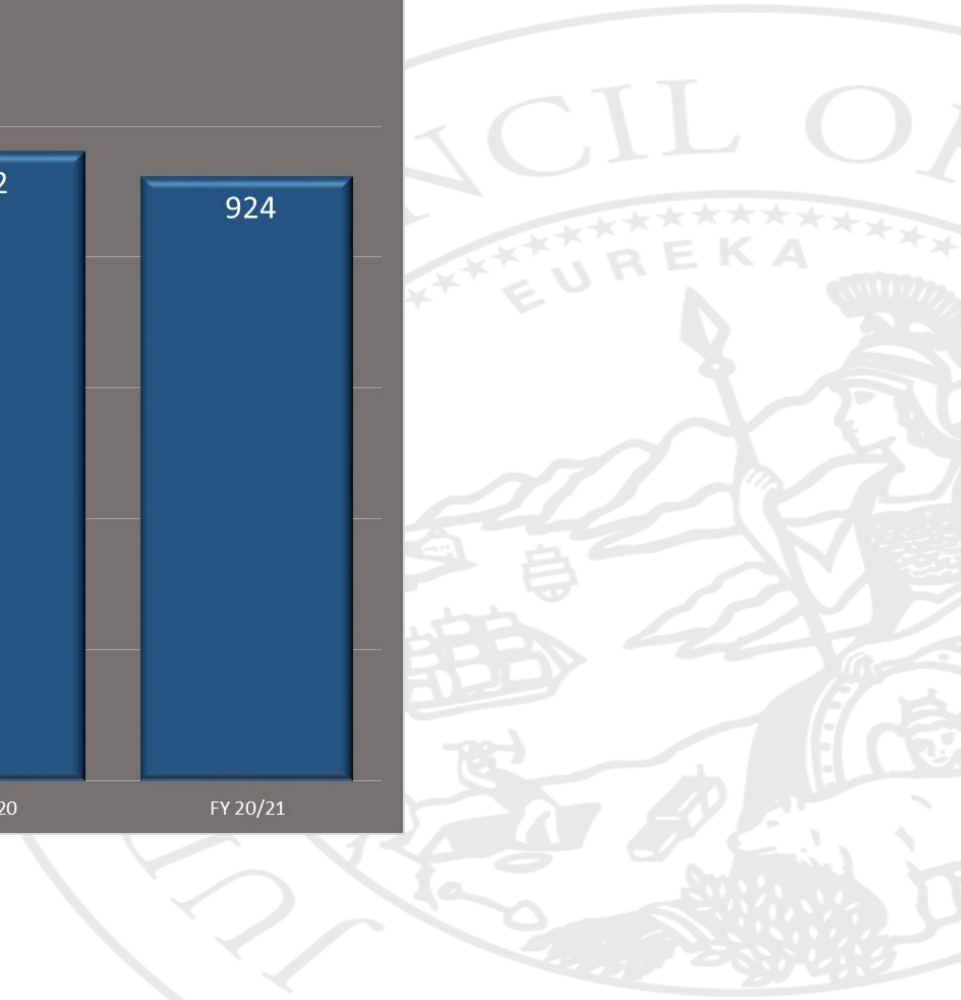
Closing Ratio



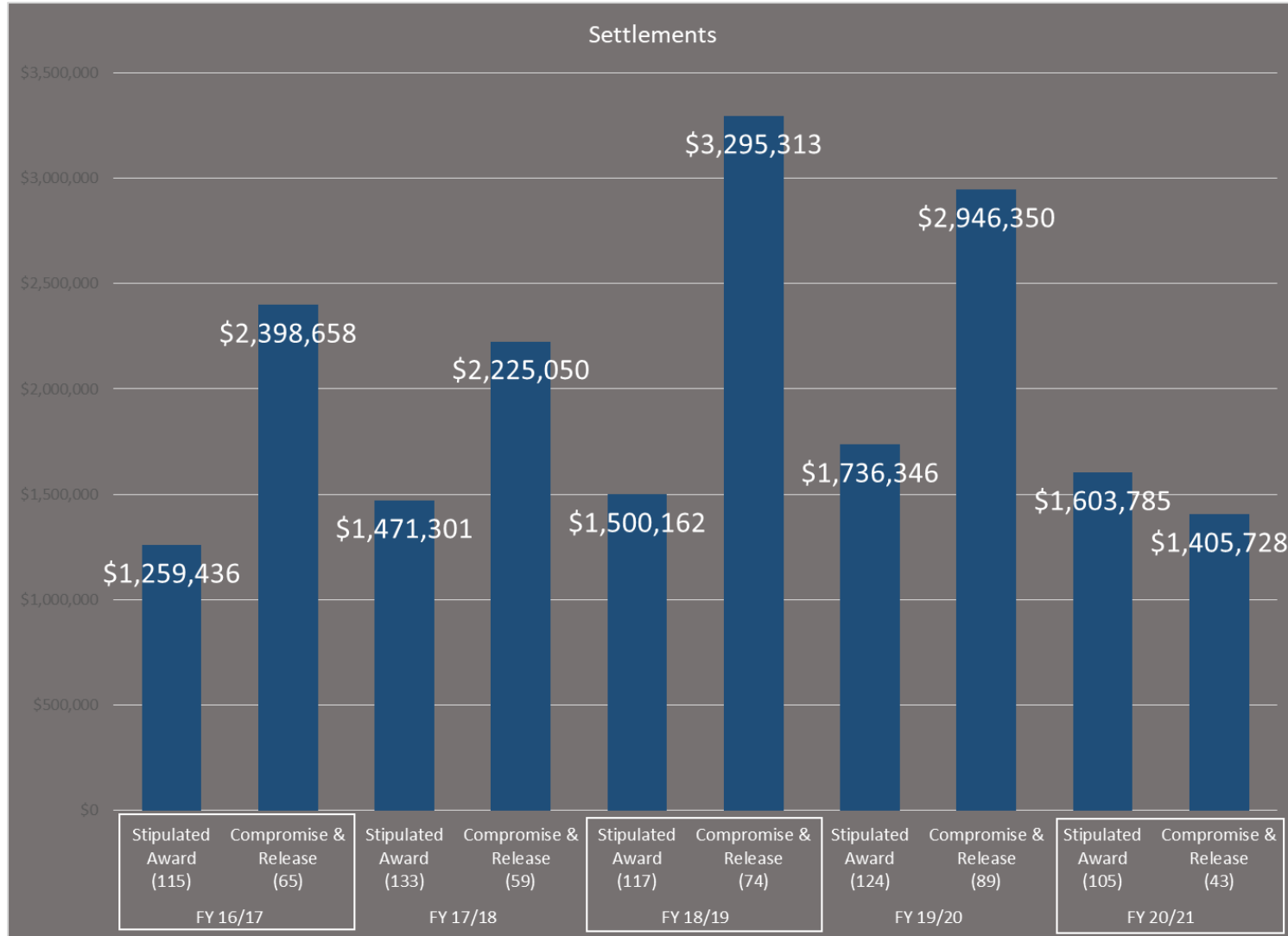
5 Year History of Open Claims at FY End



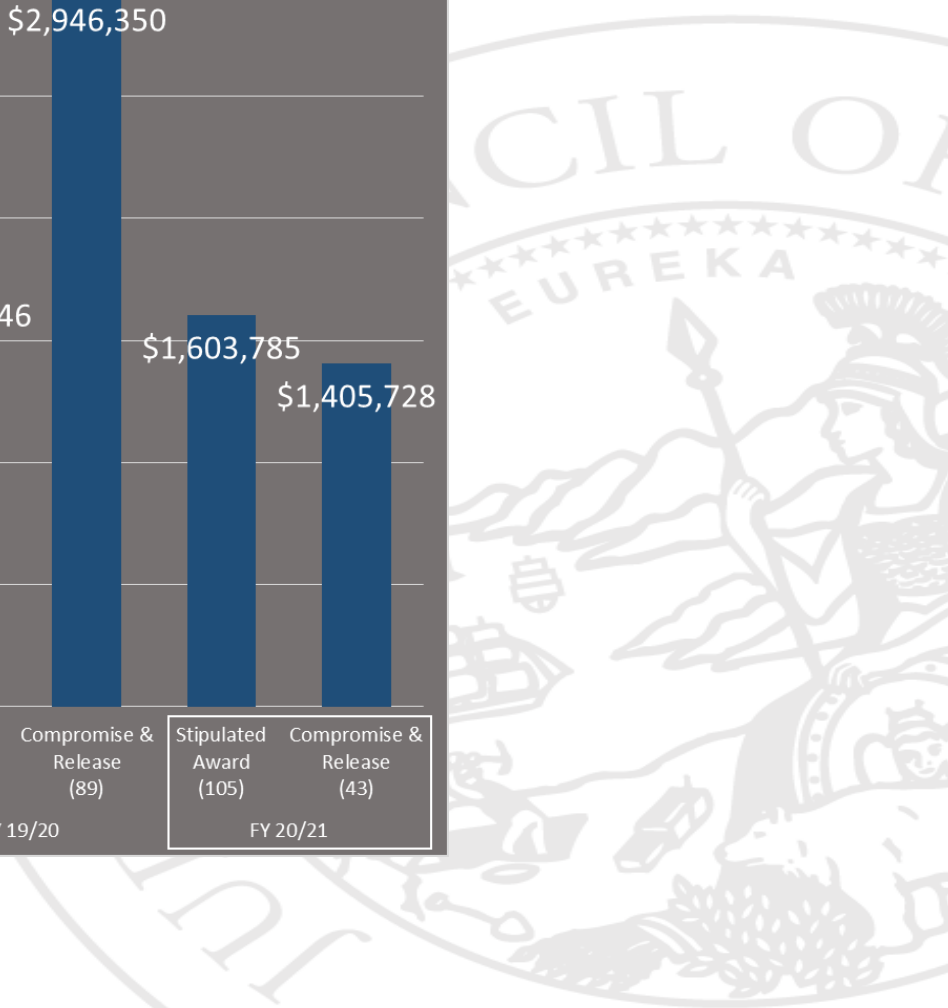
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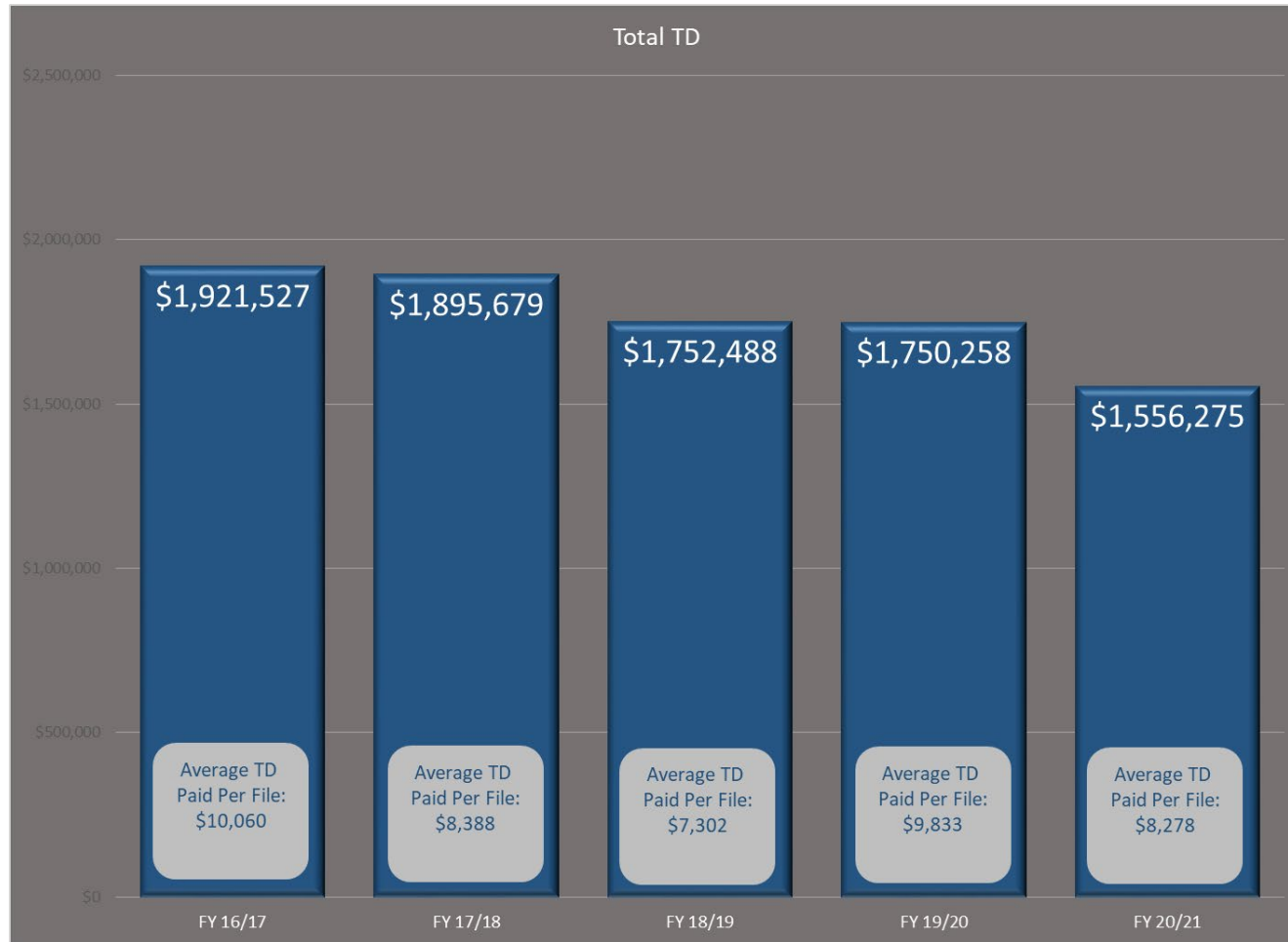
5 Year History of Settlements Finalized at FY End



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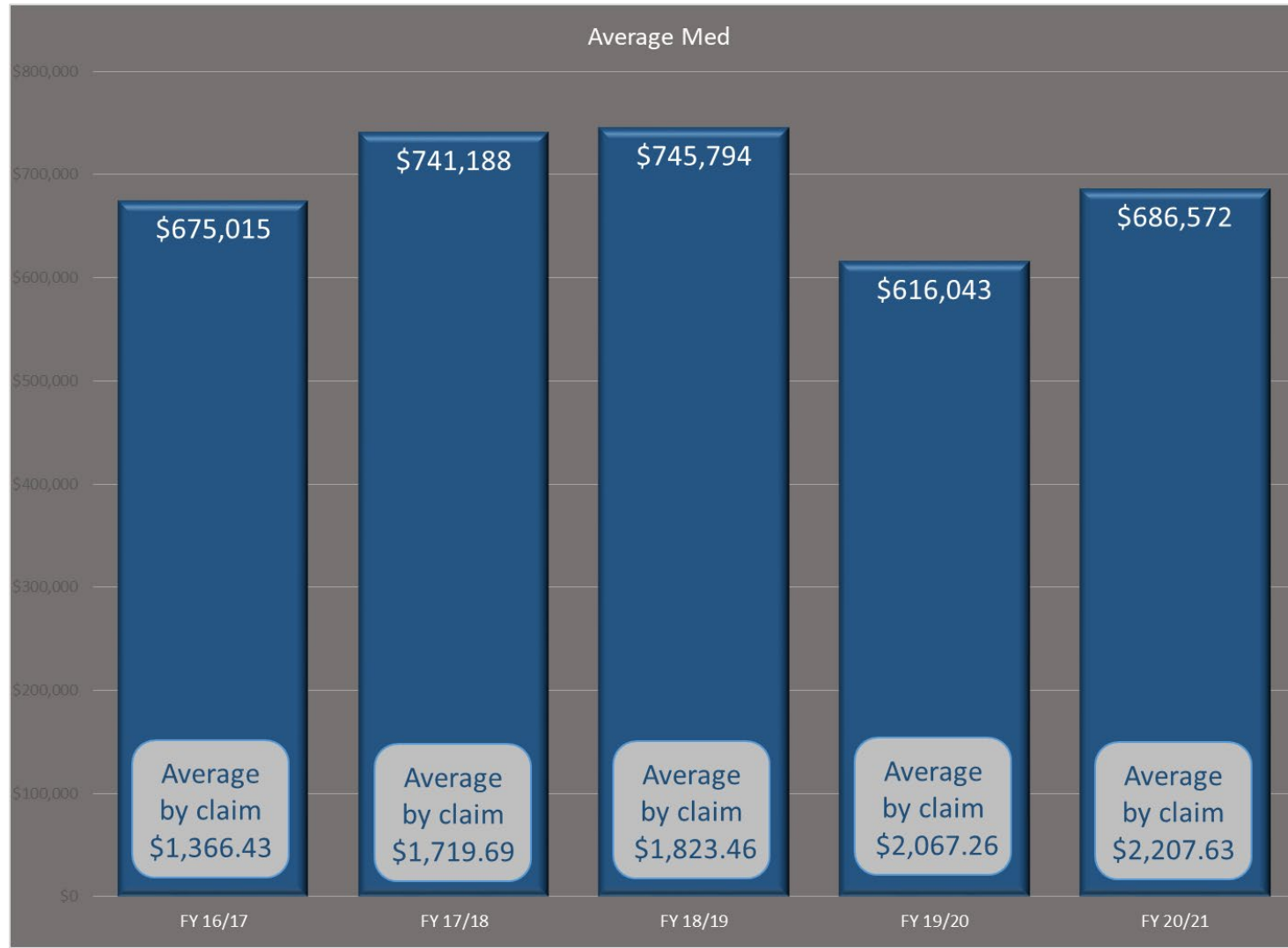


5 Year History of Total TD Benefits Paid



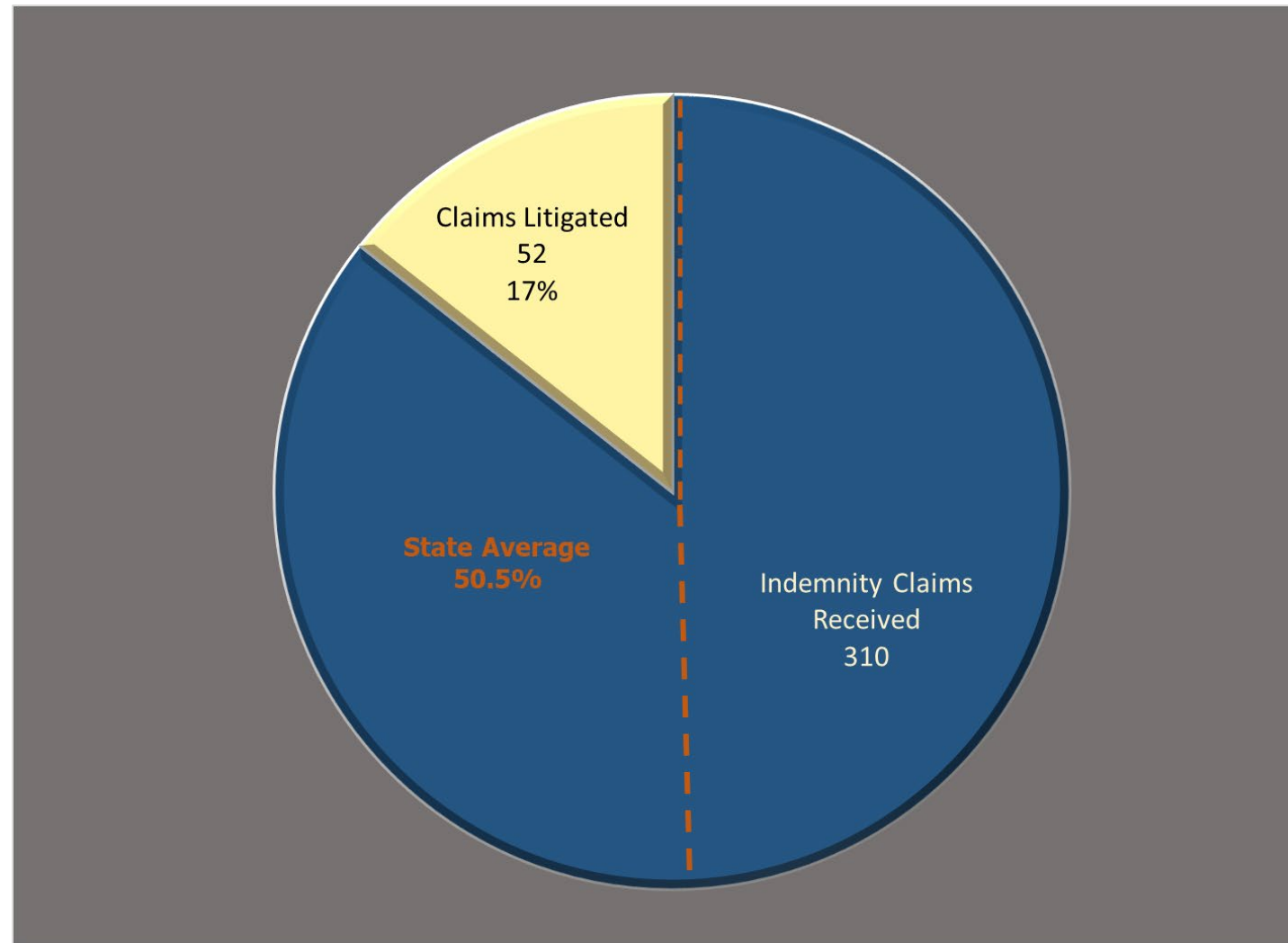
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5 Year History of Total & Average Medical Paid Per Claim



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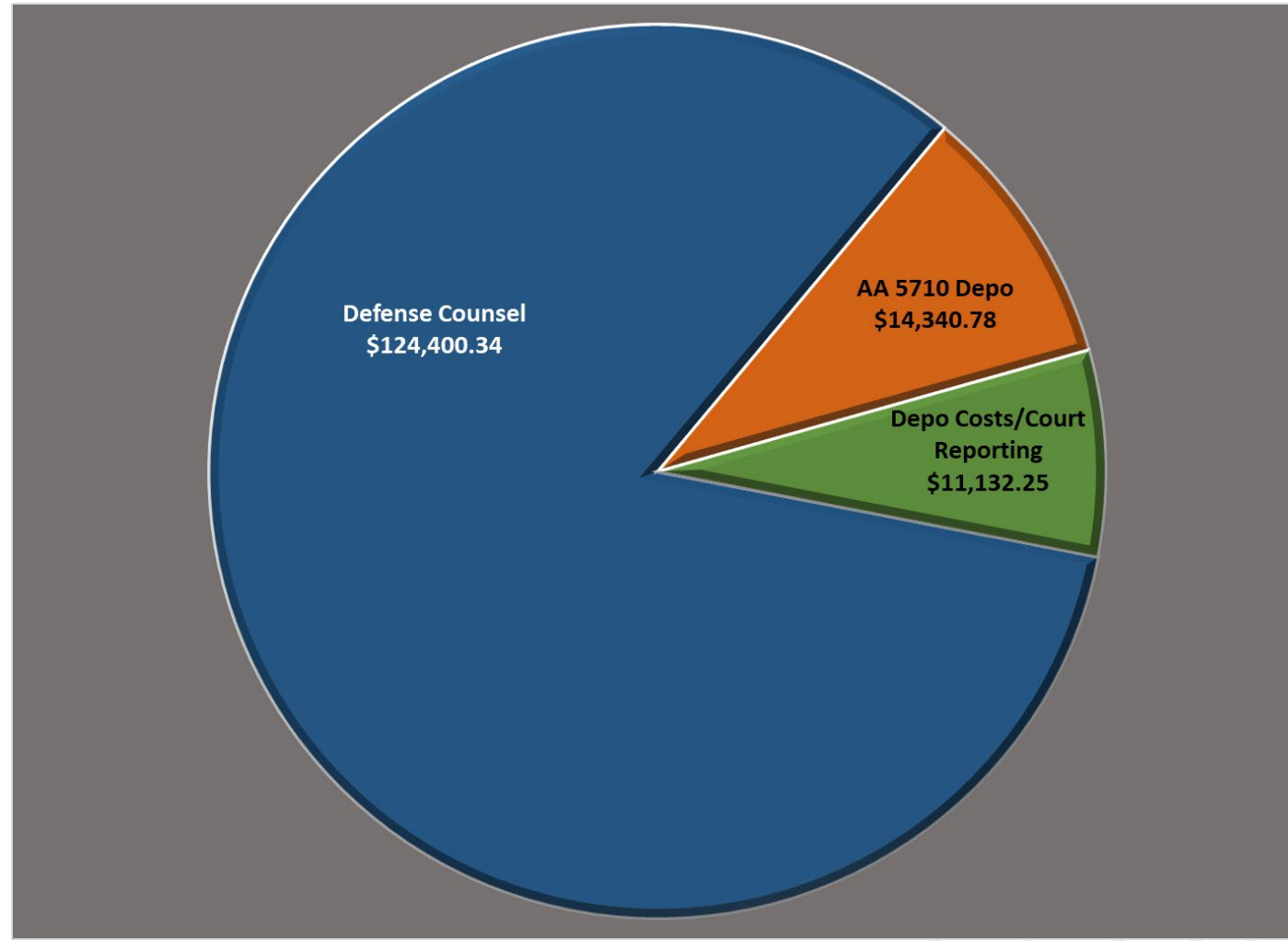
Litigation Ratio – FY 2020-2021



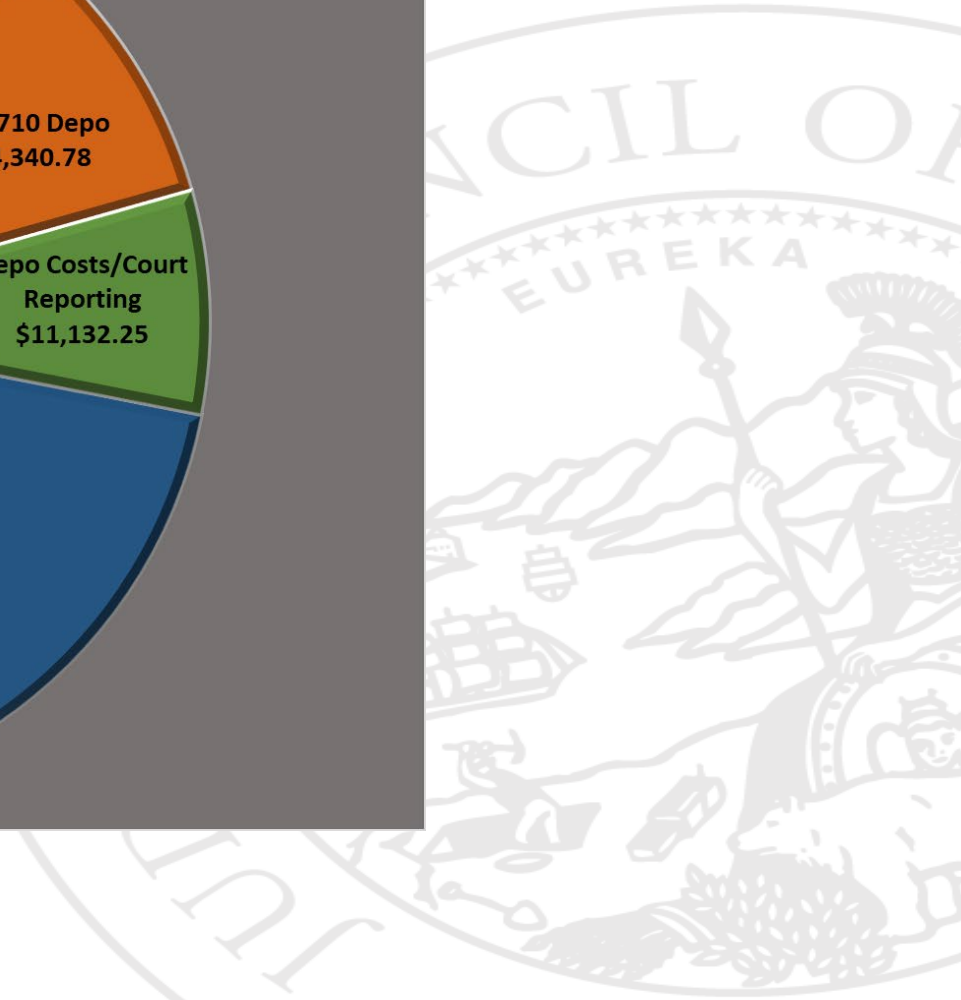
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Legal Costs – FY – 2020 -2021



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Questions?



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Draft Actuarial Report & Premium Allocation

Becky Richard, Senior Manager

Bickmore Actuarial



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2021 - 22 Actuarial Report

- Brief Review of Terminology
- Outstanding Liabilities at June 30, 2022
 - a.k.a. Reserves
- 2022 - 23 Funding Guidelines
 - a.k.a. Rates



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	\$227,330	\$88,481	(\$138,849)
2004-05	27,014	48,402	21,388
2005-06	97,428	85,767	(11,661)
2006-07	118,532	61,770	(56,762)
2007-08	143,978	76,095	(67,883)
2008-09	104,043	55,708	(48,335)
2009-10	175,096	267,358	92,262
2010-11	235,020	295,188	60,168
2011-12	273,622	320,634	47,012
2012-13	414,051	270,111	(143,940)
2013-14	453,003	256,567	(196,436)
2014-15	602,452	531,611	(70,841)
2015-16	668,677	594,705	(73,972)
2016-17	849,703	765,097	(84,606)
2017-18	1,223,932	1,209,366	(14,566)
2018-19	1,561,383	1,914,890	353,507
2019-20	2,192,580	1,718,010	(474,570)
2020-21	2,440,009	2,555,927	115,918
Total	\$11,807,853	\$11,115,687	(\$692,166)

Paid Losses

Development from 12/31/20 to 12/31/21



Incurring Loss Development – Trial Courts

Accident Year	Expected	Actual	Difference
Prior	\$97,761	(\$100,419)	(\$198,180)
2004-05	27,845	(35,209)	(63,054)
2005-06	42,011	(71,673)	(113,684)
2006-07	42,030	160,136	118,106
2007-08	65,863	(56,210)	(122,073)
2008-09	97,501	72,909	(24,592)
2009-10	201,703	150,997	(50,706)
2010-11	215,217	123,515	(91,702)
2011-12	253,271	395,658	142,387
2012-13	476,619	223,789	(252,830)
2013-14	402,967	26,165	(376,802)
2014-15	400,462	142,894	(257,568)
2015-16	550,745	369,254	(181,491)
2016-17	593,233	647,354	54,121
2017-18	882,354	845,511	(36,843)
2018-19	1,450,775	1,162,006	(288,769)
2019-20	3,148,804	1,808,224	(1,340,580)
2020-21	4,840,175	4,137,242	(702,933)
Total	\$13,789,336	\$10,002,143	(\$3,787,193)

Incurring Losses

Development from 12/31/20 to 12/31/21

-\$2.3M for Recent 5 Years

Favorable Overall



Ultimate Loss – Trial Courts

Accident Year	Prior	Current	Change
Prior	\$63,393,653	\$63,206,000	(\$187,000)
2004-05	14,217,787	14,154,000	(64,000)
2005-06	14,352,609	14,224,000	(129,000)
2006-07	14,450,613	14,542,000	91,000
2007-08	13,720,428	13,569,000	(151,000)
2008-09	11,417,886	11,359,000	(59,000)
2009-10	16,675,475	16,614,000	(61,000)
2010-11	15,831,800	15,712,000	(120,000)
2011-12	15,218,872	15,321,000	102,000
2012-13	17,239,969	16,963,000	(277,000)
2013-14	13,684,207	13,306,000	(378,000)
2014-15	13,783,818	13,547,000	(237,000)
2015-16	14,773,080	14,641,000	(133,000)
2016-17	12,917,109	12,772,000	(145,000)
2017-18	12,554,082	12,418,000	(136,000)
2018-19	12,641,644	12,457,000	(185,000)
2019-20	12,975,995	11,716,000	(1,260,000)
2020-21	13,953,607	13,202,000	(752,000)
Total	\$303,802,634	\$299,722,000	(\$4,080,000)



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Liabilities – Trial Courts

Comparison of June 30 Projections...

	Prior Report June 30, 2021	Current Report June 30, 2022	Change
Case Reserves	\$19,706,000	\$19,202,000	(\$504,000)
IBNR Reserves	41,791,000	40,129,000	(1,662,000)
ULAE Reserves	5,793,000	5,713,000	(80,000)
Total Reserves	\$67,290,000	\$65,044,000	(\$2,246,000)



Paid Loss Development – Judiciary

Accident Year	Expected	Actual	Difference
Prior	\$89,625	\$64,952	(\$24,673)
2004-05	0	85	85
2005-06	0	0	0
2006-07	0	372	372
2007-08	0	326	326
2008-09	6,480	(11,745)	(18,225)
2009-10	0	0	0
2010-11	0	25	25
2011-12	8,039	(7,434)	(15,473)
2012-13	0	0	0
2013-14	0	(19,429)	(19,429)
2014-15	17,693	14,487	(3,206)
2015-16	46,804	32,244	(14,560)
2016-17	43,788	14,901	(28,887)
2017-18	48,173	29,075	(19,098)
2018-19	67,764	17,993	(49,771)
2019-20	92,580	67,070	(25,510)
2020-21	66,450	3,920	(62,530)
Total	\$487,396	\$206,842	(\$280,554)

Paid Losses

Development from 12/31/20 to 12/31/21



Incurring Loss Development – Judiciary

Accident Year	Expected	Actual	Difference
Prior	\$18,213	(\$206,330)	(\$224,543)
2004-05	0	11,700	11,700
2005-06	0	0	0
2006-07	0	372	372
2007-08	0	19,345	19,345
2008-09	9,912	(16,871)	(26,783)
2009-10	0	0	0
2010-11	0	25	25
2011-12	12,087	(11,981)	(24,068)
2012-13	0	0	0
2013-14	0	(19,429)	(19,429)
2014-15	13,027	(15,089)	(28,116)
2015-16	25,969	(13,721)	(39,690)
2016-17	38,011	(4,542)	(42,553)
2017-18	51,933	24,376	(27,557)
2018-19	79,710	1,157	(78,553)
2019-20	148,609	137,400	(11,209)
2020-21	170,680	(1,443)	(172,123)
Total	\$568,151	(\$95,031)	(\$663,182)

Incurring Losses

Development from 12/31/20 to 12/31/21

-\$332K for Recent 5 Years

Favorable Overall

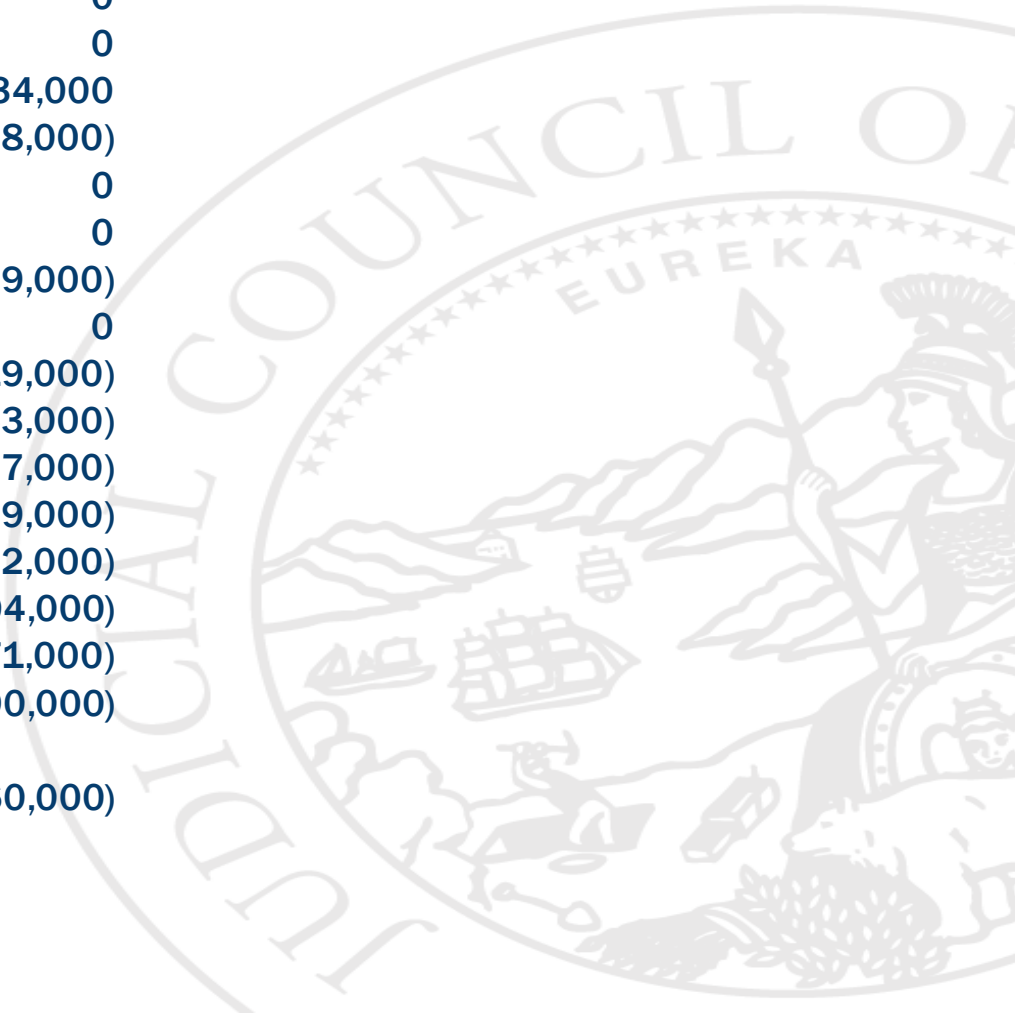


Ultimate Loss – Judiciary

Accident Year	Prior	Current	Change
Prior	\$14,080,000	\$13,975,000	(\$108,000)
2004-05	366,000	392,000	26,000
2005-06	229,000	229,000	0
2006-07	575,000	575,000	0
2007-08	242,000	276,000	34,000
2008-09	811,000	782,000	(28,000)
2009-10	686,000	686,000	0
2010-11	309,000	309,000	0
2011-12	639,000	549,000	(89,000)
2012-13	431,000	431,000	0
2013-14	81,000	62,000	(19,000)
2014-15	370,000	317,000	(53,000)
2015-16	824,000	757,000	(67,000)
2016-17	548,000	499,000	(49,000)
2017-18	390,000	347,000	(42,000)
2018-19	562,000	459,000	(104,000)
2019-20	647,000	576,000	(71,000)
2020-21	647,000	456,000	(190,000)
Total	\$22,437,000	\$21,677,000	(\$760,000)



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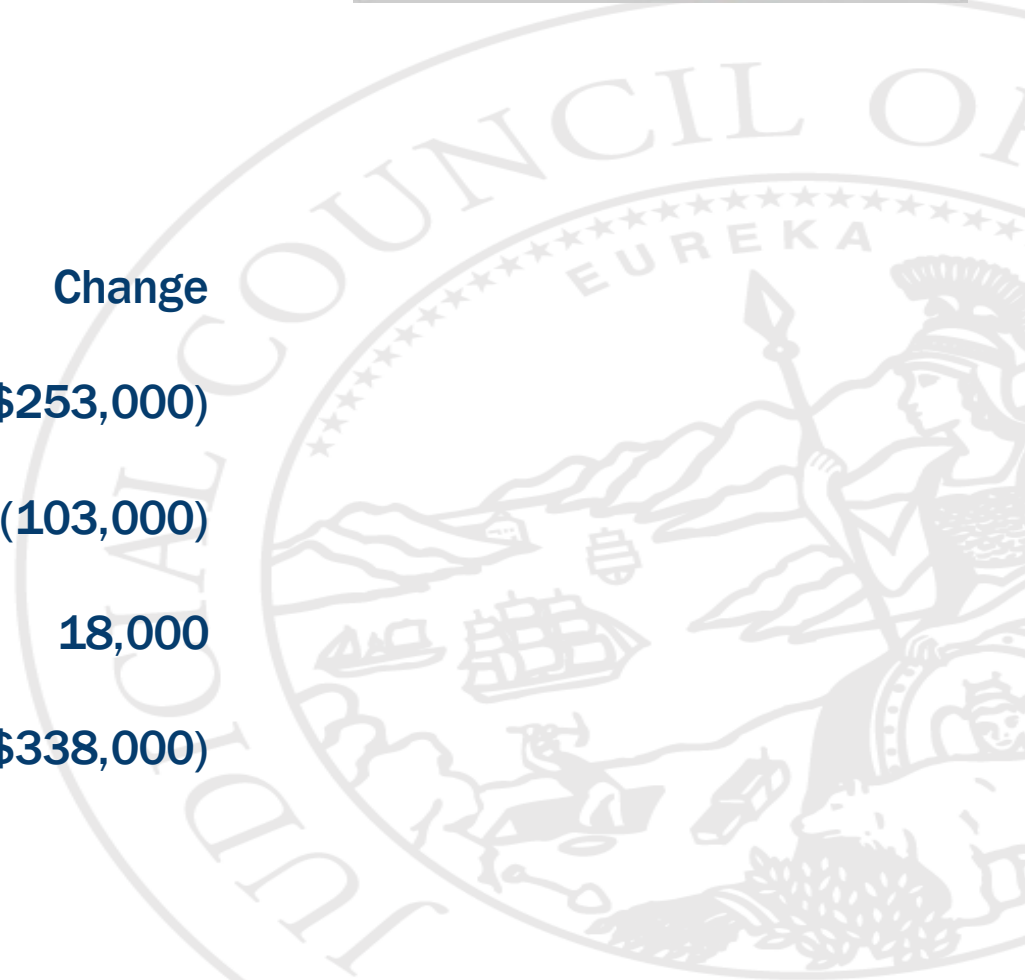


Liabilities – Judiciary



Comparison of June 30 Projections...

	Prior Report June 30, 2021	Current Report June 30, 2022	Change
Case Reserves	\$1,033,000	\$780,000	(\$253,000)
IBNR Reserves	2,257,000	2,154,000	(103,000)
ULAE Reserves	864,000	882,000	18,000
Total Reserves	\$4,154,000	\$3,816,000	(\$338,000)



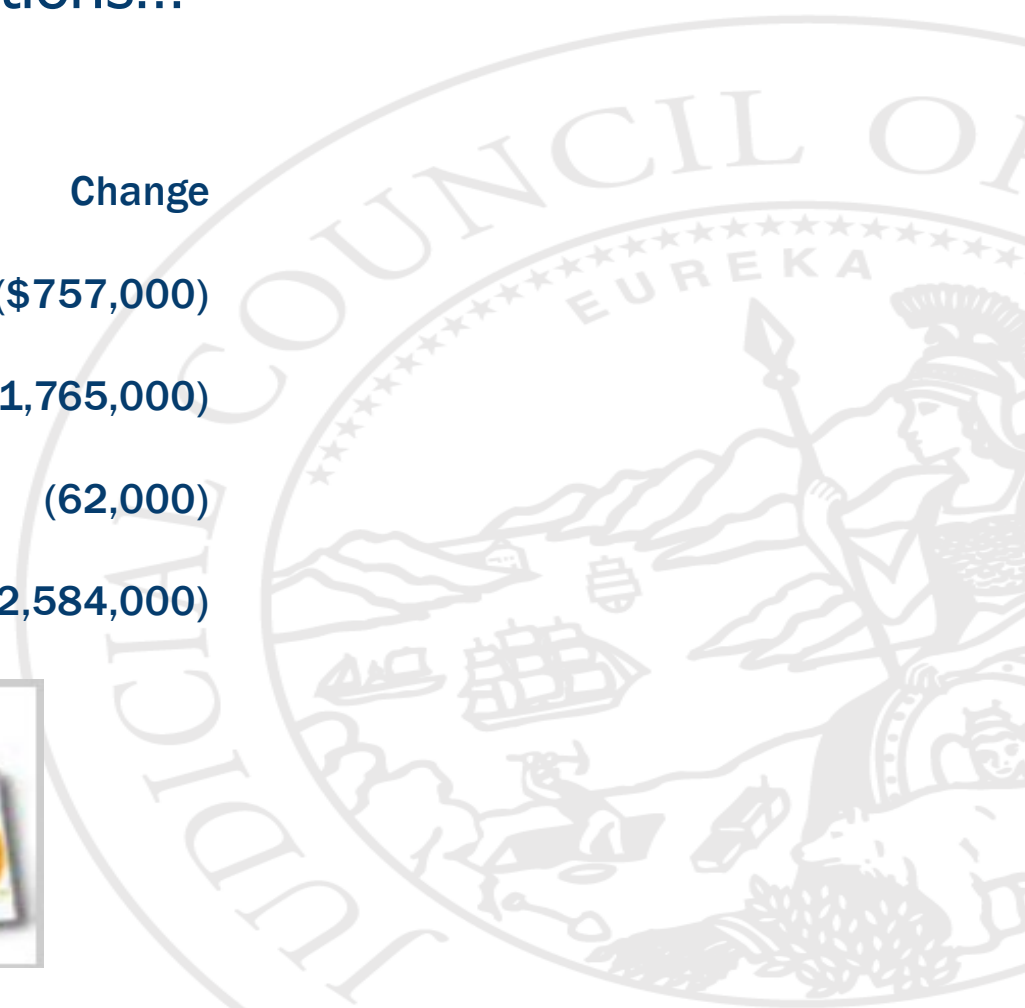
Liabilities – Total Trial Courts and Judiciary

Comparison of June 30 Projections...

	Prior Report June 30, 2021	Current Report June 30, 2022	Change
Case Reserves	\$20,739,000	\$19,982,000	(\$757,000)
IBNR Reserves	44,048,000	42,283,000	(1,765,000)
ULAE Reserves	6,657,000	6,595,000	(62,000)
Total Reserves	\$71,444,000	\$68,860,000	(\$2,584,000)



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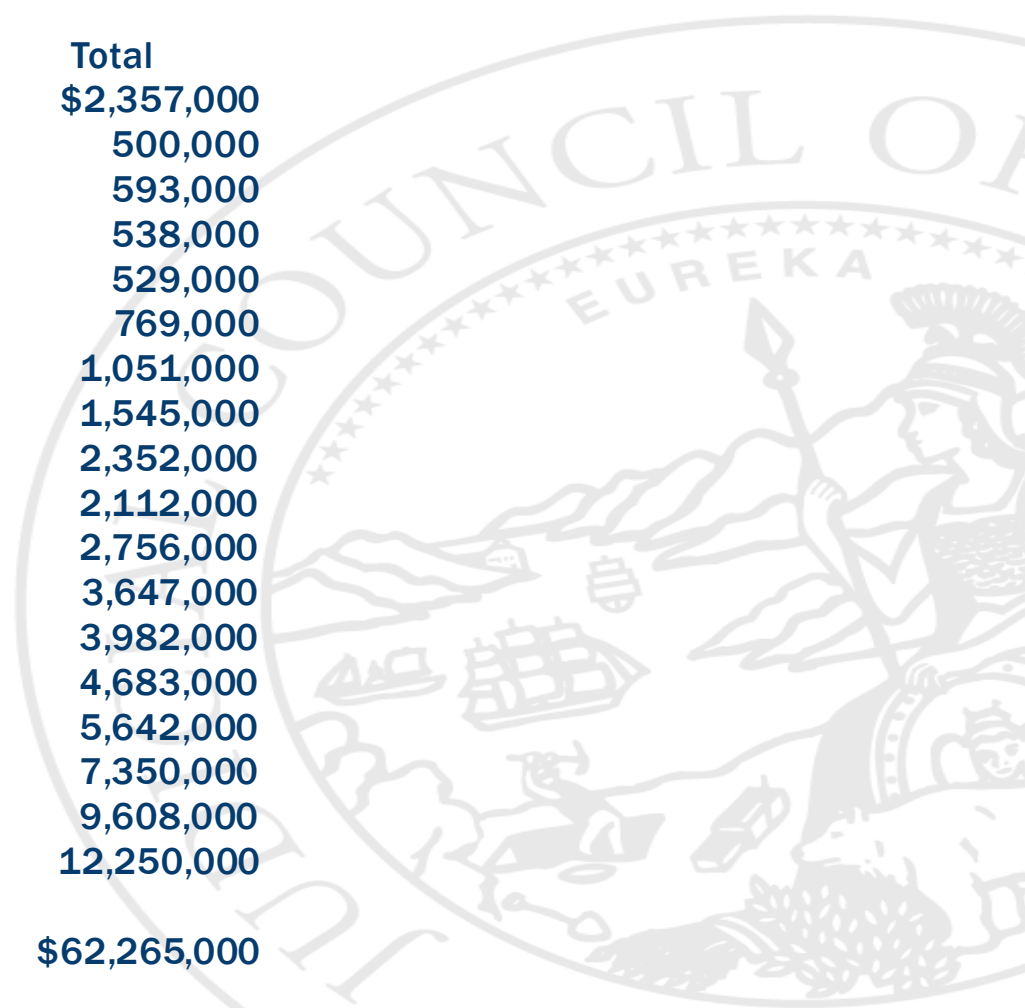
Outstanding Liabilities at 6/30/22

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

Accident Year	Trial Courts	Judiciary	Total
Prior	\$1,852,000	\$505,000	\$2,357,000
2005-06	500,000	0	500,000
2006-07	593,000	0	593,000
2007-08	506,000	32,000	538,000
2008-09	478,000	51,000	529,000
2009-10	769,000	0	769,000
2010-11	1,051,000	0	1,051,000
2011-12	1,545,000	0	1,545,000
2012-13	2,352,000	0	2,352,000
2013-14	2,112,000	0	2,112,000
2014-15	2,693,000	63,000	2,756,000
2015-16	3,398,000	249,000	3,647,000
2016-17	3,805,000	177,000	3,982,000
2017-18	4,463,000	220,000	4,683,000
2018-19	5,371,000	271,000	5,642,000
2019-20	6,969,000	381,000	7,350,000
2020-21	9,203,000	405,000	9,608,000
2021-22	11,669,000	581,000	12,250,000
Total	\$59,331,000	\$2,934,000	\$62,265,000



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Outstanding Liabilities at 6/30/22

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

	Trial Courts	Judiciary	Total
Loss and ALAE Reserves	\$59,330,000	\$2,935,000	\$62,265,000
ULAE Reserves	\$5,713,000	\$882,000	\$6,595,000
Total Reserves			
Expected	\$65,043,000	\$3,817,000	\$68,860,000
70%	\$70,182,000	\$4,323,000	\$74,505,000
75%	\$72,199,000	\$4,545,000	\$76,743,000
80%	\$74,540,000	\$4,808,000	\$79,348,000
85%	\$77,402,000	\$5,132,000	\$82,534,000
90%	\$81,175,000	\$5,563,000	\$86,738,000

Confidence levels reflect variability of outstanding liabilities



Funding Margin at 6/30/22

As of June 30, Outstanding Liability minus Available Assets

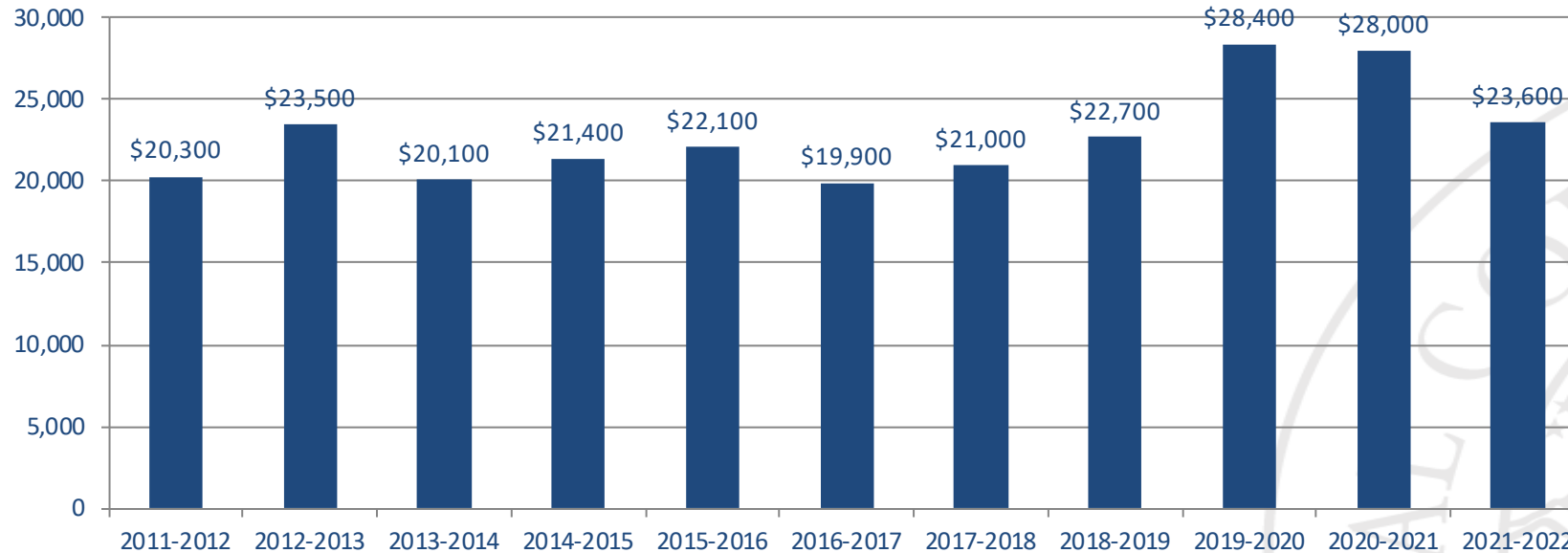
	Prior Report June 30, 2021	Current Report June 30, 2022	Change
Total Reserves	\$71,444,000	\$68,860,000	(\$2,584,000)
Assets	71,689,000	73,489,000	1,800,000
Deficit	\$245,000	\$4,629,000	\$4,384,000



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Severity Trends – Trial Courts

Loss per Claim



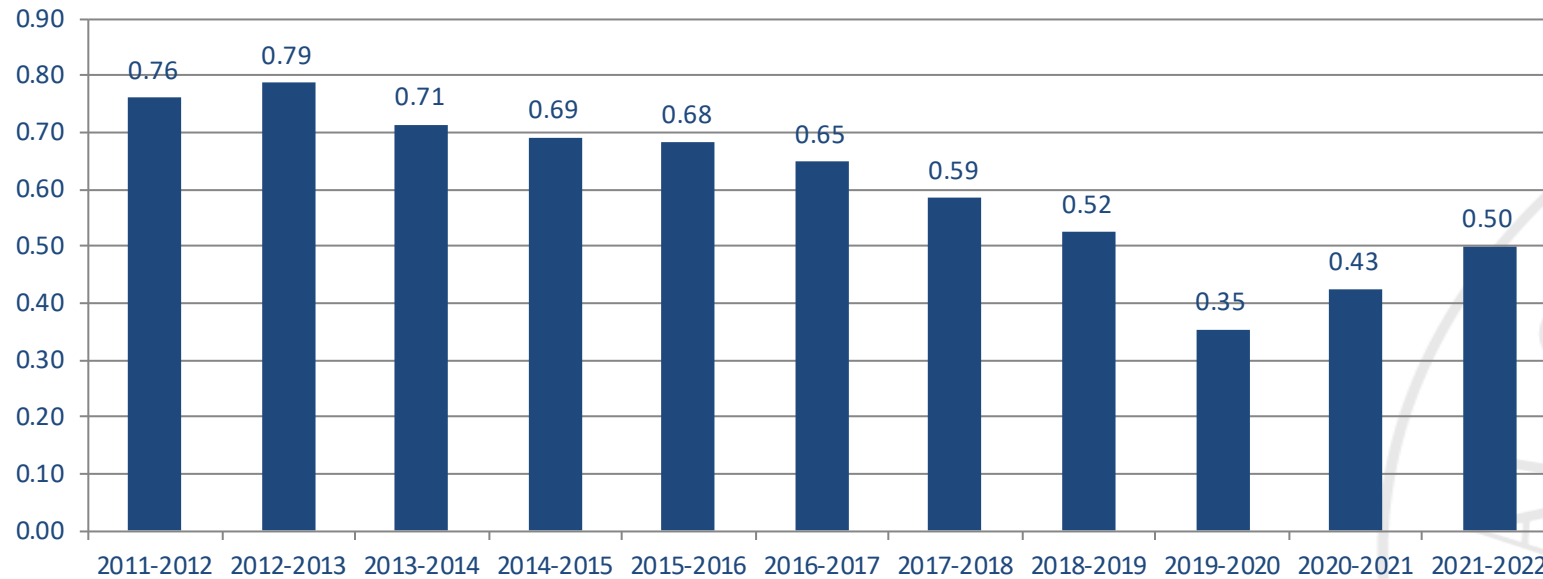
Note: All losses limited to \$250,000



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Frequency Trends – Trial Courts

Claims per \$1M of Payroll

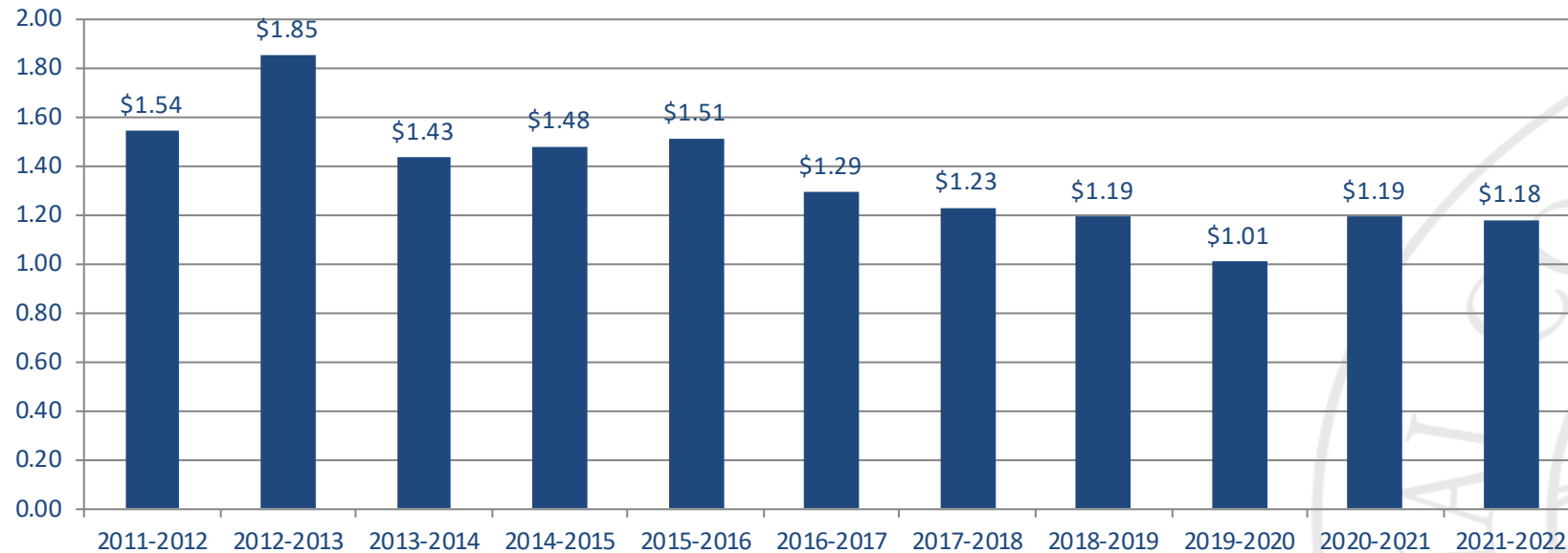


Decreasing Trend followed by Recent Increasing Trend



Loss Rate Trends – Trial Courts

Loss Rate per \$1M of Payroll



Flattening Trend

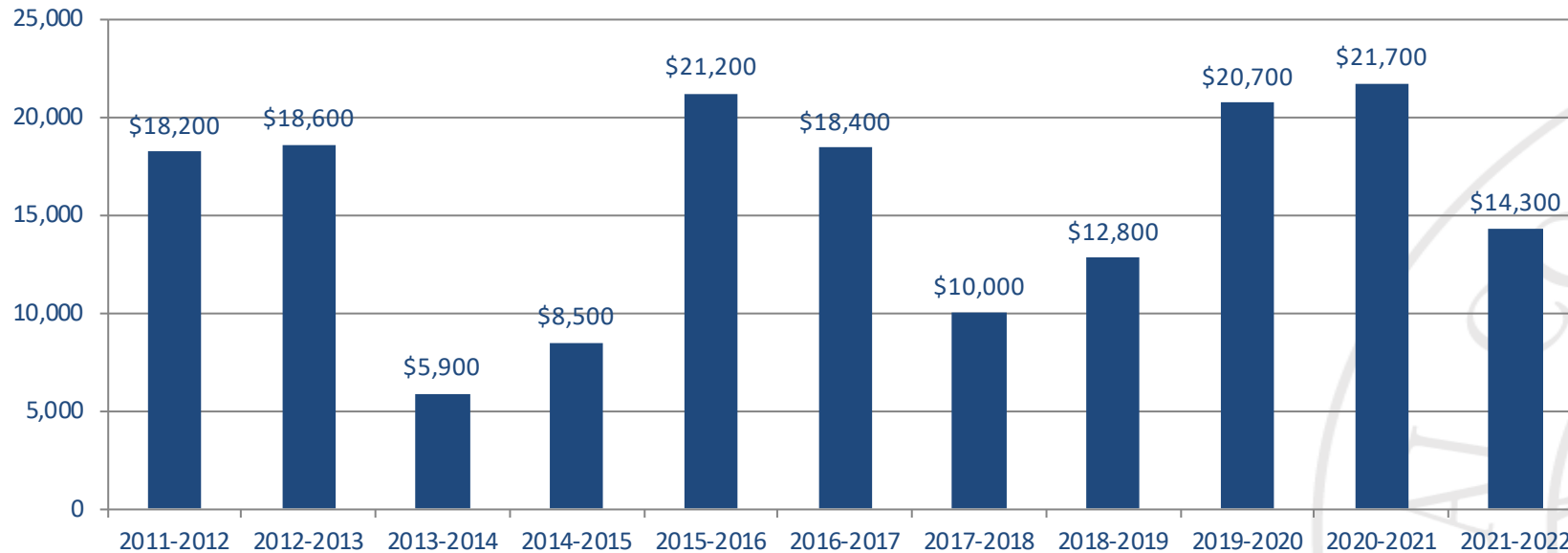
Note: All losses limited to \$250,000



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Severity Trends – State Judiciary

Loss per Claim



Volatility due to small program

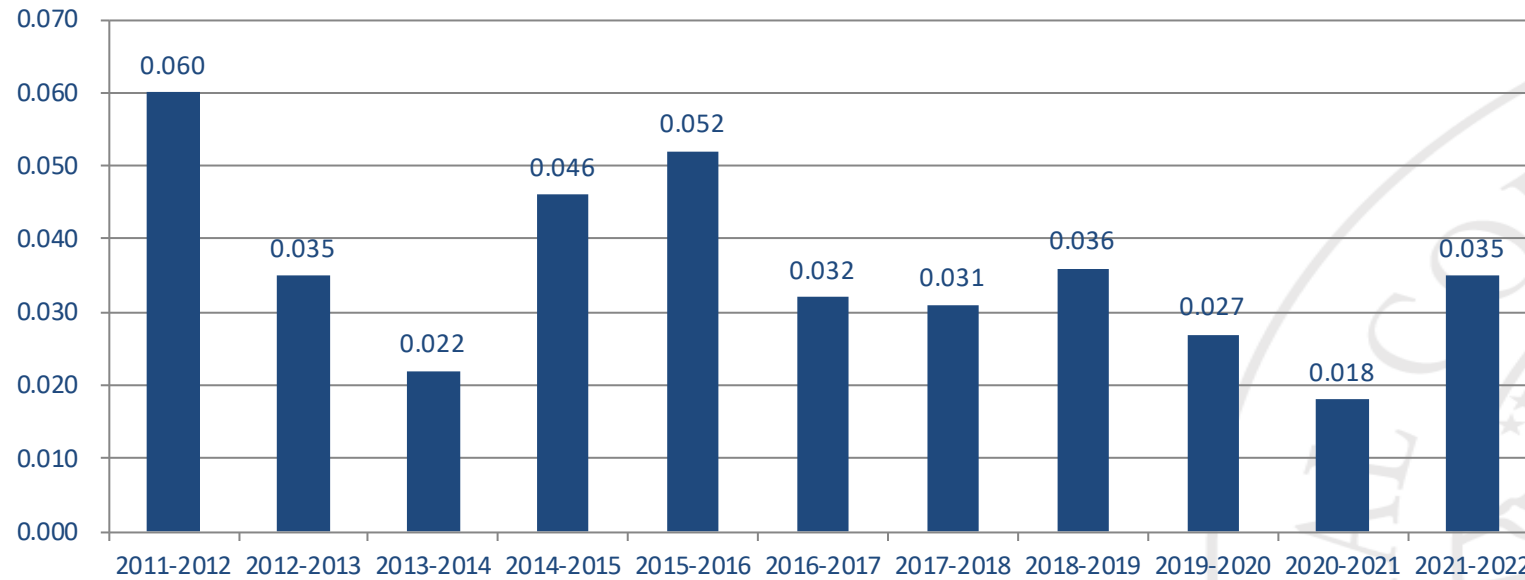
Note: All losses limited to \$100,000



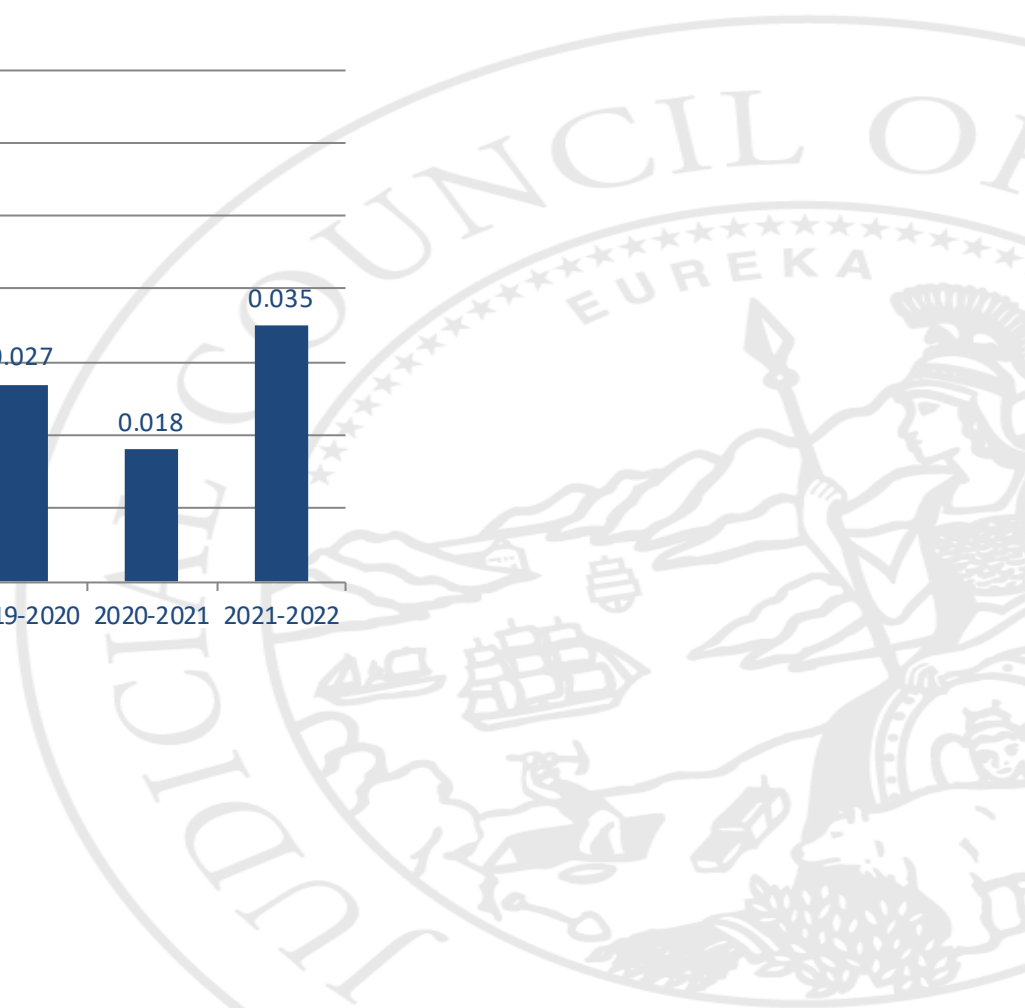
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Frequency Trends – State Judiciary

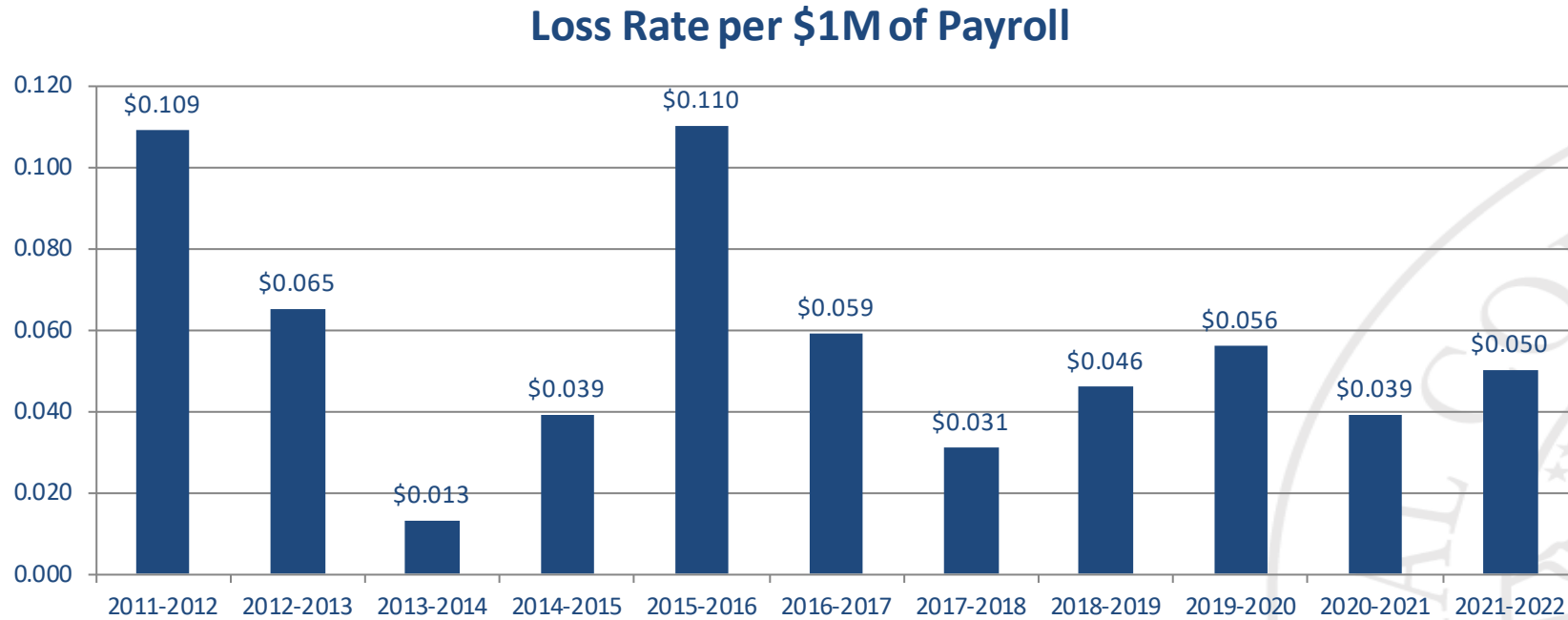
Claims per \$1M of Payroll



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Loss Rate Trends – State Judiciary



Note: All losses limited to \$100,000



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Projected Ultimate Loss & ALAE For 2022-23

Ultimate Loss and ALAE for claims occurring between 7/1/22 and 6/30/23

"Expected"
Confidence
Level

	Prior Report 2021-2022 Self-Funded Retention = \$2M	Current Report 2022-2023 Self-Funded Retention = \$2M	Change
Trial Courts	\$14,021,000	\$13,694,000	(\$327,000)
State Judiciary	647,000	635,000	(\$12,000)
Total	\$14,668,000	\$14,329,000	(\$339,000)

Note: On a loss/ALAE rate basis, Trial Courts -2.8%, Judiciary -6.7%



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Projected Total Funding For 2022 - 23

Total Required Funding for Claims Between 7/1/22 and 6/30/23

60%
Confidence
Level

	Prior Report 2021-2022 Self-Funded Retention = \$2M	Current Report 2022-2023 Self-Funded Retention = \$2M	Change
Loss and ALAE	\$15,119,000	\$14,755,000	(\$364,000)
ULAE	2,683,000	2,682,000	(1,000)
Total Claims	17,802,000	17,437,000	(365,000)
Non Claim Expenses	1,066,000	1,054,000	(12,000)
Total Funding	\$18,868,000	\$18,491,000	(\$377,000)
Payroll	\$15,787,047	\$16,160,015	\$372,968
Total Rate	\$1.20	\$1.14	(\$0.05)



Actuarial Analysis

Allocation Report for FY 2022 - 2023



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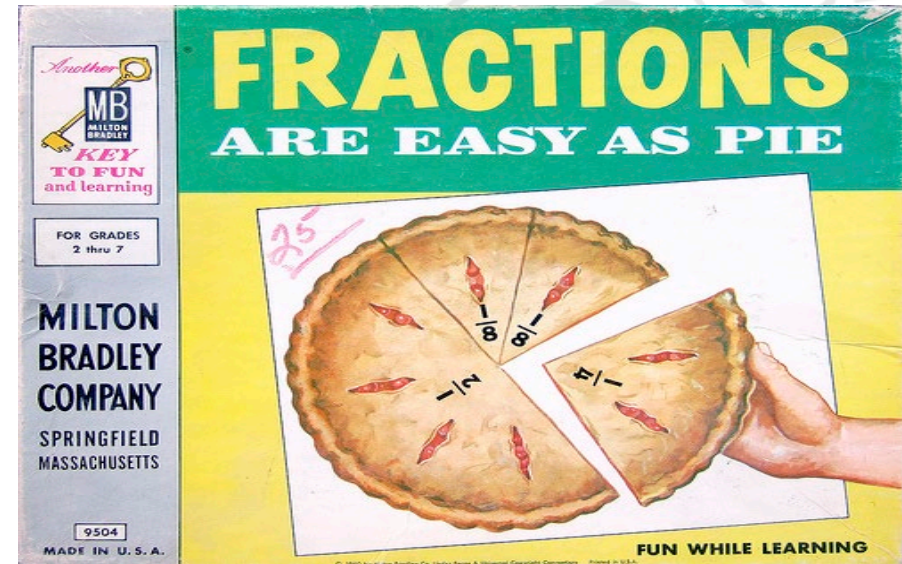


2022 - 23 Allocation

How do we divide up the program cost between courts?

- % of Total Losses
- % of Total Payrolls

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



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Costs To Allocate - Total

- **Ultimate Loss and ALAE (60% Confidence Level)**
 - **\$14,755,000 (-2.4%)**
- **Third-Party Claims Administration Fees**
 - **\$2,682,000 (0.0%)**
- **Excess Insurance Premiums**
 - **\$616,000 (-2.7%)**
- **Consulting and Brokerage Expenses**
 - **\$438,000 (+1.2%)**
- **Total**
 - **\$18,491,000 (-2.0%)**



Costs To Allocate – Trial Courts

- **Ultimate Loss and ALAE (60% Confidence Level)**
 - **\$14,118,000 (-2.4%)**
- **Third-Party Claims Administration Fees**
 - **\$2,424,000 (-0.1%)**
- **Excess Insurance Premiums**
 - **\$431,000 (-4.9%)**
- **Consulting and Brokerage Expenses**
 - **\$272,000 (+1.1%)**
- **Total**
 - **\$17,245,000 (-2.1%)**



Costs To Allocate – Judiciary

- **Ultimate Loss and ALAE (60% Confidence Level)**
 - **\$637,000 (-1.8%)**
- **Third-Party Claims Administration Fees**
 - **\$258,000 (+0.8%)**
- **Excess Insurance Premiums**
 - **\$185,000 (+2.8%)**
- **Consulting and Brokerage Expenses**
 - **\$166,000 (+1.2%)**
- **Total**
 - **\$1,246,000 (-0.2%)**



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)**



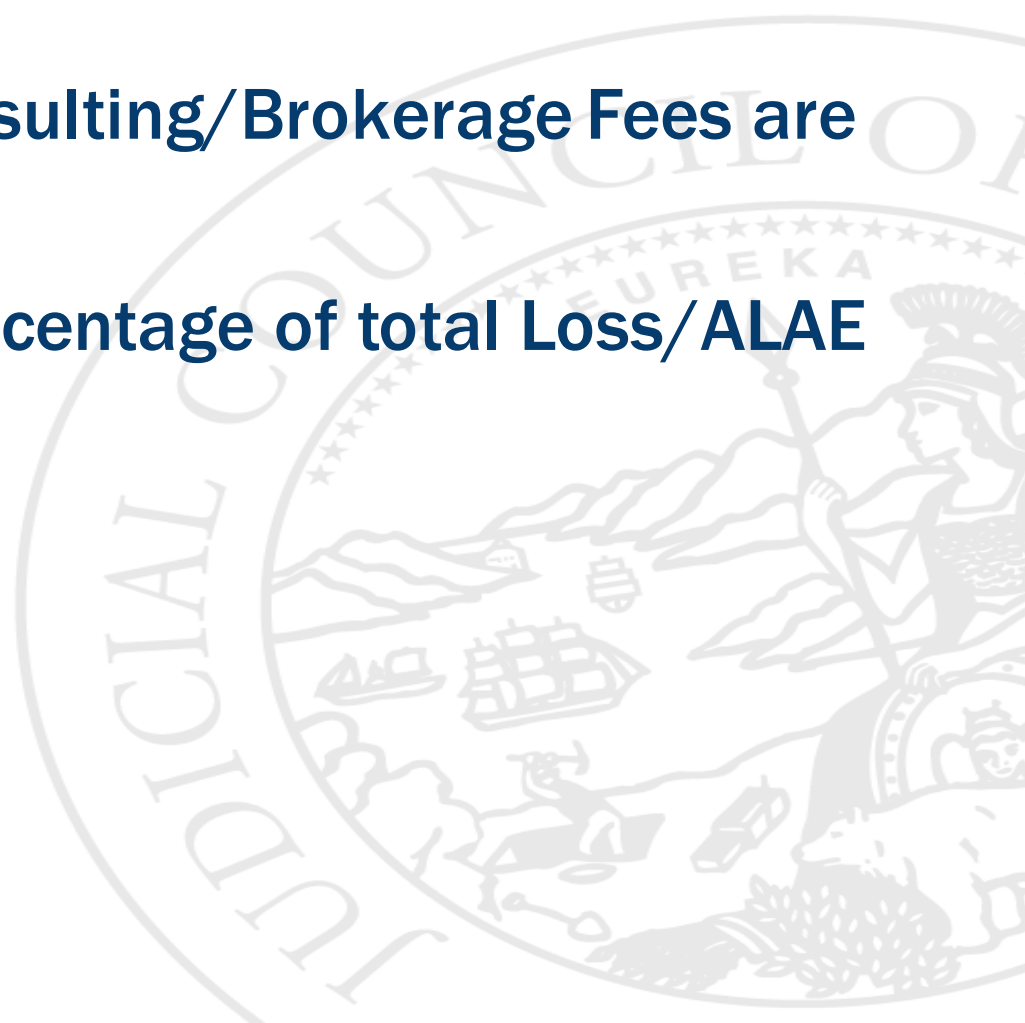
Expense Allocation Methodology

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



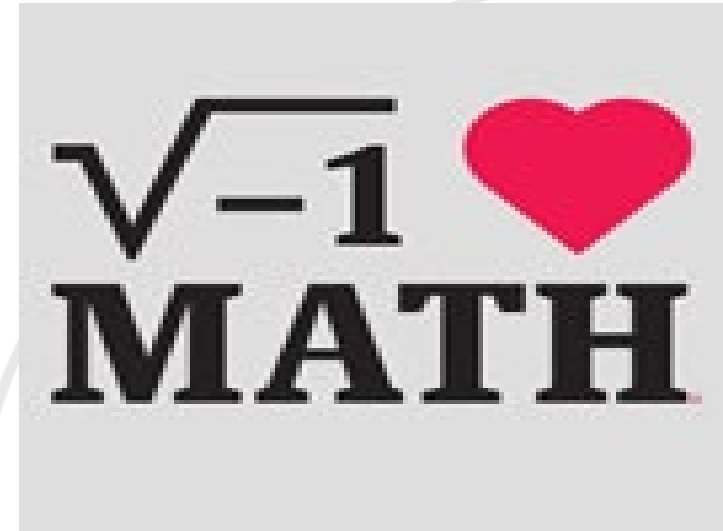
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Questions ??

Ask an Actuary !

Call 1-800-[(10x)²-2x+34]

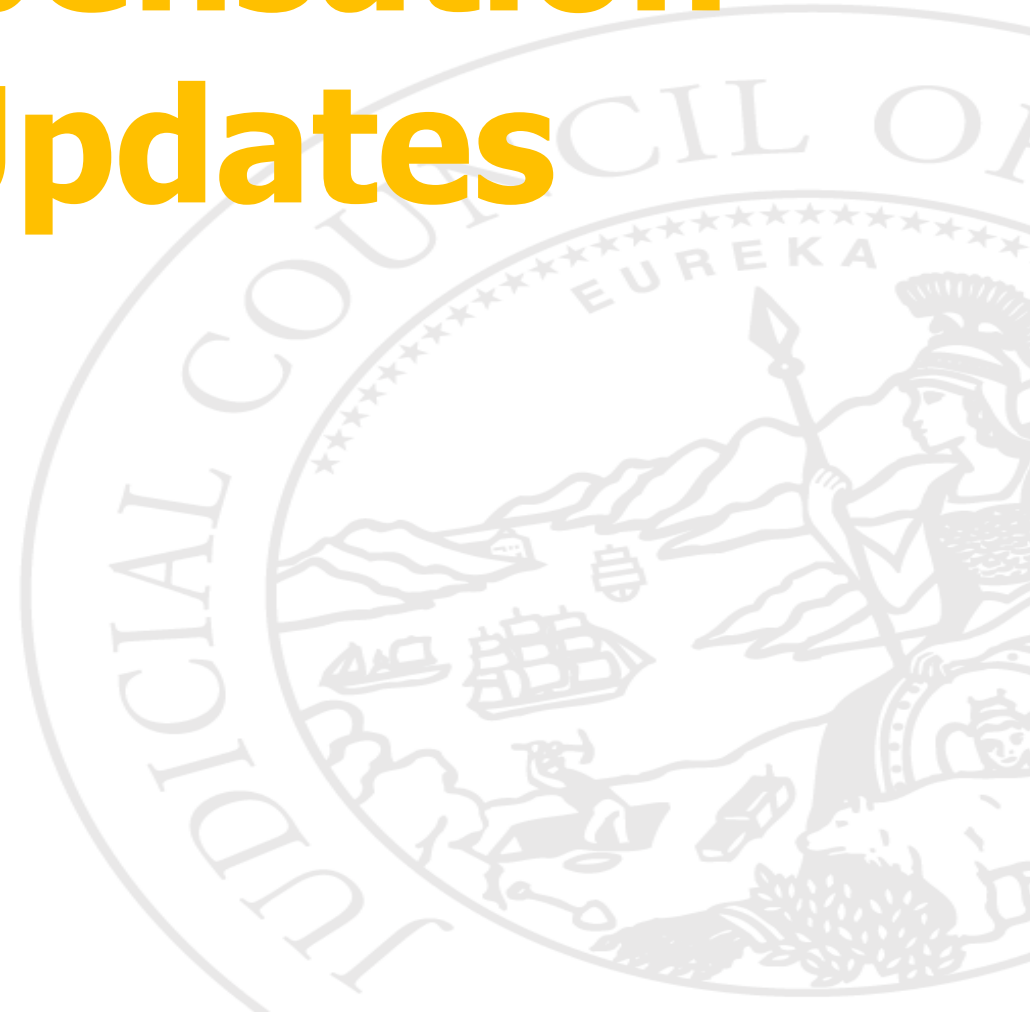


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Workers' Compensation Legislative Updates



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Pending Legislation

- **AB 1751 – COVID-19 Presumption Extended**
- **SB 114 – COVID-19 Supplemental Paid Sick Leave**
- **SB 335 Compensability Timeline/Claim Acceptance**



Adjourn to Closed Session



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**2021 ANNUAL CLAIMS
SERVICES PROVIDER AUDIT**

**JUDICIAL BRANCH WORKERS'
COMPENSATION PROGRAM**

JANUARY 11, 2022

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Executive Summary

The Judicial Council of California (JCC) contracted with Marsh Advisory (Marsh) to provide various claim auditing services over the period extending from July 1, 2021 through June 30, 2022. One such requested service was the completion of an annual audit of The Judicial Branch Workers' Compensation Program's (JBWCP) claim services provider, Acclamation Insurance Management Services (AIMS).

The purpose of the audit was to provide a broad baseline of AIMS operational performance to allow The JBWCP to: (1) identify potential opportunities to enhance Program performance and key outcomes; as well as (2) support future business decisions. The following is a high-level summary of the outcomes achieved for the audit.

Scores for the fourteen audit categories evaluated are as follows:

AUDIT CATEGORY	# OF APPLICABLE CLAIMS	AUDIT SCORES
• JBWCP Member Loss Reporting ¹	29	82.76
• Claim Setup & Assignment/Reassignment	32	96.67
• Three-Point Contacts	30	98.17
• Investigation	140	92.63
• Medical Cost Containment	150	96.90
• Disability Management	81	84.75
• Litigation Management	92	95.22
• Subrogation, Apportionment, Contribution	44	100.00
• Reserving	180	94.96
• Communication	141	91.72
• Payments	159	99.26
• Settlement/Resolution	79	92.70
• Strategic Plans & Documentation	180	94.01
• Supervisory Review	180	86.98
AIMS COMPOSITE AUDIT SCORE		93.73

The AIMS overall composite score achieved for the 2021 annual audit is **93.73**. This score is indicative of strong overall management of JBWCP's Workers' Compensation Program.

AIMS received scores of 90.00 or more in eleven of the thirteen applicable categories audited. 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.

¹ Though Member Loss Reporting performance was tracked and scored, this audit category is not factored into the AIMS composite audit score as performance is outside of the control of the claim services provider.

AIMS received a score of **86.98** regarding supervisory review. Scores falling within the range from 85.00 to 89.99 generally reflect sound operational performance with some minor number of observed exceptions. As a result, while recommendations have been offered, we view the vast majority of these recommendations to be “fine-tuning” opportunities that are not indicative of larger systemic concerns.

Finally, AIMS received a score of **84.75** regarding disability management. Scores falling within the range of 70.00–84.99 are indicative of one or more systemic breakdowns in performance. As a result, corrective actions are required by AIMS to address these process and execution-related deficiencies.

Overall, AIMS’ claim files demonstrate sound technical acumen and managerial oversight. The audited claim files also demonstrate generally consistent communications and collaboration with JBWCP Members. An overall improvement in performance is observed by AIMS for the current year when compared against 2020 annual audit results.

Reserving practices also appeared to be generally sound. A comparison of AIMS’ total incurred claim values against our comparative claim value estimates found that aggregate total incurred claim values were under-reserved by approximately **(\$522,000)** or **(4.3%)** or approximately \$2,900 per indemnity claim. This result is similar to the 2020 annual audit results. A variance of +/- 10% is common in the industry.

The top five, most impactful opportunities identified to further enhance JBWCP performance on a go-forward basis include:

- Continued emphasis of the importance of timely loss reporting by Members
- Greater utilization of the Official Disability Guidelines (or other similar disability benchmarking tool) by Adjusters to manage claims and control medical and disability outcomes
- Expanded utilization of nurse case management services to facilitate disability management activities and outcomes
- Enhanced clarification (and memorialization) surrounding reserving practices associated with future medical claims (i.e., what is the applicable standard regarding “probable outcome”)
- Utilization of data mining to proactively identify and pursue early settlement opportunities

Finally, we observed further opportunities to enhance JBWCP Program performance and/or outcomes through: (1) further revisions to the current AIMS Services Guidelines; and (2) adoption of industry best practices. A detailed discussion of AIMS audit findings and associated recommendations can be found in **Section 3** of this report. Associated Scoring Reports can be found in **Appendices B-E** of this report.

Methodology

Senior Vice President Alan Turnipseed was responsible for leading the AIMS audit. Alan was also responsible for preparing this written report. Marsh Colleagues Kelly Byrkit, Urvi Sutariya, James Baker and Ryan Kielhorn provided auditing support.

AIMS Auditing Methodology:

At the inception of the AIMS audit, JBWCP and Marsh collaboratively developed audit categories and associated metrics. Fourteen audit categories were developed included:

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.

91 associated audit metrics were developed across all fourteen audit categories.

Once audit categories and metrics were finalized, a loss run was requested from AIMS containing all open workers' compensation indemnity claims as of the valuation date of the loss run (i.e., August 31, 2021). 888 claims were identified on the loss run. Marsh was requested to review an equal number of claims for the ten (10) current AIMS Indemnity Adjusters assigned to the JBWCP Account.

A total claim sample was constructed consisting of 180 workers' compensation claims. 18 claims were randomly selected across JBWCP's Judiciary Members including:

- Supreme Court;
- District Courts of Appeal;
- Habeas Corpus Resource Center;

- Commission on Judicial Performance;
- Judicial Council of California; and
- Trial Court Judges.

The remaining 162 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 claim sample can be found in **Appendix A** of this report.

The audit was conducted remotely via on-line access to AIMS' Ventiv claim system. Auditing activities were completed between September 20th and October 8th, 2021. 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).

The audit was performed using Marsh's proprietary software Performer. The Performer audit software was configured with JBWCP's specific audit categories and metrics for the audit. Each of the fourteen 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 4 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 were calculated for:

- Each individual audit metric²;
- Each audit category³; and
- The overall audit.

² Metrics that are "indicators" (limited to Subrogation category) were not scored.

Additional metrics (though separately scored) were not factored into AIMS overall audit composite score. The reason for excepting these metrics from scoring consideration is that current AIMS Service Guidelines do not require compliance by AIMS. 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 AIMS 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 AIMS and its Adjusters/Supervisors. Accordingly, the 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 AIMS.

At the conclusion of our auditing activities, preliminary scoring reports, auditor findings and supporting commentary were provided to AIMS 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 AIMS, final discretion rested with 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 scoring reports can be found at the end of this report and include:

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

Audit Findings & Recommendations – Claim Services Provider

An audit of 180 claims was completed in September and October of 2021 of JBWCP's claim services provider – Acclamation Insurance Management Services (AIMS). A total of 14 audit categories were evaluated during the audit to provide a broad baseline of performance regarding JBWCP's Workers' Compensation Program. For purposes of developing an overall composite performance score for AIMS, thirteen of the fourteen categories were scored. The remaining category (i.e., JBWCP Member Loss Reporting) was excluded from scoring as performance of required activities was outside the control of AIMS.

Within each of the fourteen audit categories evaluated, one or more metrics were evaluated and scored. Unless otherwise indicated, each metric outcome was factored into an overall composite score for the associated audit category.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 Claim Services Guidelines with AIMS (i.e., AIMS Service Guidelines) against industry best practices to provide additional opportunities to further enhance overall program performance.

AIMS' achieved a final composite audit score of **93.73**. While the overall score reflects favorable performance, multiple opportunities for improvement were identified. The remainder of this section provides granular detail relating to the observed performance of AIMS, the identification of opportunities for enhancing Program performance, and recommendations as to how those opportunities can be successfully achieved. Detailed scoring reports by category, question, Adjuster and financials are located in **Appendices B, C, D and E** respectfully of this report.

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

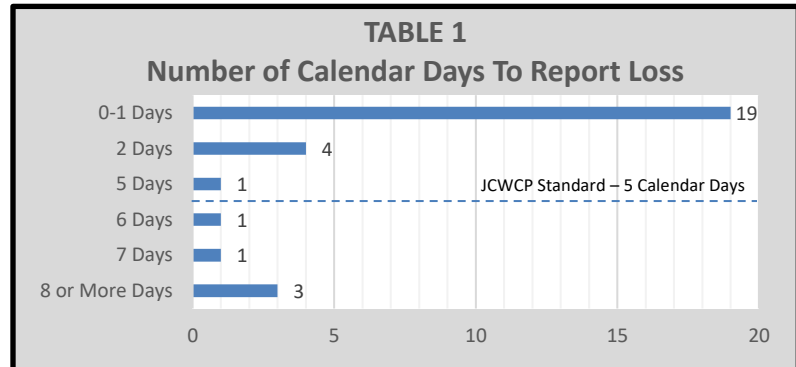
JBWCP Member Loss Reporting

Composite Score = 82.76

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 AIMS (NOTE: Standard is 5 calendar days; Members encouraged to submit within 2-3 calendar days)	82.76	✓

Findings:

Section IV.B of the Judicial Branch Workers' Compensation Program (JBWCP) Claims Manual outlines the requirement for Members to complete and provide Form 5020 (i.e., Employer's Report of Occupational Injury or Illness) to AIMS within five calendar days of the date of knowledge of a reported injury or illness. A total of 29 of the 180 claims audited had dates of loss that fell within the audit review period (i.e., dates of loss on or after September 1, 2020).



Of these 29 applicable claims, a total of 24 claims were observed to have been timely reported by Members resulting in a score of **82.76**. The remaining five claims were reported beyond the current five-calendar day requirement identified within the JBWCP Claims Manual. **Table 1** above provides an overview of observed JBWCP Member performance for the 29 applicable claims evaluated during the audit.

Note: As the timely reporting of losses by Members is outside the control of AIMS, the reported audit score of 82.76 for this category has been excluded from the overall AIMS composite audit score.

Recommendations:

The audit score of **82.76** represents continued improvement in JBWCP Member performance from the 2020 annual audit results (i.e., **65.38**). Prompt reporting of losses by Members is critical to:

- Ensure the timely provision of benefits to Claimants;
- Provide AIMS 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.

Claim Set-up & Assignment/Reassignment

Composite Score = 96.67

Audit Metric	Audit Category #2 - Metric Descriptions	Final Score	Metric Scored
2.1	Total days required to assign to Adjuster (i.e., Assignment Date - AIMS Date of Knowledge)	95.31	✓
2.2	Initial claim classification appropriate (i.e., indemnity, medical only)	100.00	✓
2.3	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	91.67	✓

Findings:

The timely set-up and assignment of claims by a claim services provider is critical to ensure Adjusters can promptly initiate necessary activities to address compensability, and when warranted, provide necessary medical and/or indemnity benefits. AIMS' overall composite audit score for this category is **96.67**, which is consistent with a high-performing claims organization. This represents a slight decrease from the prior year audit score of 97.33. 32 of the 180 claims audited had claim set-ups and assignments within the audit review period (i.e., on or after September 1, 2020).

Of these 32 applicable claims, a total of 30 claims were observed to have been set-up and assigned to Adjusters within one calendar day from the date claims were received by AIMS resulting in a score is **95.31**.⁵ The remaining two claims required two and seven calendar days to be set-up and assigned. Though seven days represents a significant delay on the part of AIMS relating to the set-up and assignment of a claim, only one such instance was observed. As such, this does not suggest any systemic concerns.

Additionally, the initial classification of claims was to be appropriate. Out of 31 applicable claims, all 31 or **100.00** of claims were observed to have been classified appropriately (i.e., indemnity of medical only) at the inception of the claim.

The final audit criteria evaluated involved the timely and appropriate re-assignment of claims from medical only to lost time adjuster based upon specific claim file developments. 12 applicable claims were identified. 11 claims were observed to have been appropriately re-assigned. The one claim failing to meet the audit criteria was the result of a medical only claim

⁵ 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.

remaining open for more than six months without reassignment. The resulting score for this audit metric was **91.67**.

Recommendations:

No recommendations are warranted.

Three-Point Contact
Composite Score = 98.17

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	96.67	✓
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	96.15	✓
3.4	Where initial Claimant contact was unsuccessful, follow-up attempts were made and documented in the file	100.00	✓
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	100.00	✓
3.6	Attempt to contact Medical Provider was made within 1 business day of assignment	100.00	✓
3.7	Where initial Medical Provider contact was unsuccessful, follow-up attempts were made and documented in the file	100.00	✓

Findings:

Prompt attempts to communicate with Members, Claimants and Medical Providers 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 where possible. 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. AIMS' overall composite audit score for this category is **98.17**. This represents a significant improvement in performance from the audit score achieved during the 2020 annual audit of 82.61, and is one of the stronger performances we have observed for this audit category by a claim services provider over the prior 12-month period.

Observed performance relating to AIMS' Adjusters initial communication attempts were highly consistent. Scores relating to initial communication attempts with Members, Claimants and Medical Providers were **96.67**, **96.15** and **100.00** respectively. This represents a significant increase in the same three scores achieved during the 2020 annual audit (i.e., 81.48, 87.50 and 85.71 respectively).

Follow-up communication attempts with Members, Claimants and Medical Providers received scores of **100.00** across the board. Once again, this represents a significant increase from the

score achieved during the 2020 annual audit (i.e., **71.43**, **81.82** and **50.00** respectively). We additionally evaluated the degree to which Member communications were initiated by AIMS Adjusters to obtain alternate contact information for Claimants in the event communications attempts were unsuccessful. In the six applicable claims audited, appropriate Member follow-up occurred in each of the claims audited for a resulting score of **100.00**.

Recommendations:

No recommendations are warranted.

Investigations

Composite Score = 92.63

Audit Metric	Audit Category #4 - Metric Descriptions	Final Score	Metric Scored
4.1	Did the Adjuster take all necessary actions to evaluate compensability	97.14	✓
4.2	Was the claim appropriately accepted, delayed or denied within the 14-day statutory time period	94.59	✓
4.3	If recorded statements were required relating to questions of compensability, did the AIMS Adjuster refer to outside vendor/investigator and document the results in the claim file upon completion	100.00	✓
4.4	Were claims timely reported to the Index Bureau and re-indexed every 12 months thereafter	89.63	✓
4.5	Where "hits" are identified through Index Bureau reports, was follow-up appropriate	93.02	✓
4.6	The need for field investigations (including surveillance) were appropriately recognized, authorized by JBWCP Member and managed	75.00	✓
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?	97.14	✓
4.8	Where a sub-rosa investigation was made by AIMS, the assignment (both scope and provided information) was thorough and timely	100.00	✓

Findings:

AIMS' overall composite audit score for this category is **92.63**. While above 90.00 in aggregate, one notable opportunity exists to strengthen overall performance. Of the eight specific audit metrics evaluated, six scored in excess of 90.00. Specifically, investigations were generally observed to be sufficiently thorough to support compensability decisions (**97.14**). Decisions to initially accept, deny and/or delay claims were generally found to be consistently rendered within the 14-day statutory requirement (**94.59**). Where questions relating to compensability were identified by a JBWCP Member or AIMS Adjuster, recorded statements were consistently secured (**100.00**).

Some minor inconsistency was observed relating to the timeliness of initial index reports and follow-up re-indexing of losses to the Index Bureau resulting in an audit score of **89.63**.

However, where potential “hits” were identified within index bureau reports, appropriate follow-up by AIMS Adjusters was generally observed to secure additional information (93.02).

The need for field investigations (including surveillance) were generally found to be appropriately recognized, authorized by JBWCP Member, properly managed. While the audit score of 75.00 would normally warrant greater discussion, we note only four applicable audit findings were observed. As a result, the observed audit score is representative of only one adverse observation and in our opinion, does not reflect an adverse trend within the Program. The use of sub-rosa investigations (though limited in frequency) were appropriate in-scope and timely pursued by Adjusters (100.00). Finally, compensability decisions complete with supporting rationales were generally observed to have been consistently documented within electronic claim notes by AIMS Adjusters (97.14).

Recommendations:

Indexing requirements identified within the AIMS Service Guidelines are consistent with commonly observed industry practices. As a result, current AIMS indexing processes do not provide the necessary safeguards to ensure consistency of execution/n by claim technical staff. A similar finding (and audit metric scores) regarding indexing/re-indexing was identified during the 2020 AIMS audit. Accordingly, we continue to recommend AIMS 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.

**Medical Cost Containment
Composite Score = 96.90**

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	96.00	✓
5.2	Where JBWCP Member did not elect to participate within the AIMS-AMC Medical Provider Network, did Adjuster direct or soft channel the Claimant to a preferred provider (primary or specialty) where possible	100.00	✓
5.3	Issues of causation, treatment plan and permanent and stationary status are timely addressed and appropriately documented	100.00	✓
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	97.00	✓
5.6	Nurse case management (either telephonic or field) assignment was approved by the Member and was timely, for appropriate duration and added value	52.94	✓
5.7	JBWCP medical bill review outcomes	Table 2	✓
5.8	JBWCP utilization review and independent medical review outcomes	Table 3	✓

Findings:

AIMS' overall composite audit score for this category is **96.90** which is consistent with a high-performing claims organization. Of the six specific scored audit metrics evaluated, five scored in 90.00 or higher. Claimants were generally observed to participate within either the AIMS-AMC Medical Provider Network or the alternate medical networks in the event Members elected to opt out (**96.00**). In instances where Claimants attempted to treat outside preferred Medical Provider Networks, Adjuster were generally able to re-directed care (**100.00**). In instances where efforts to re-direct care were unsuccessful, Adjusters appropriately documented why re-direction of care was not possible.

Medical issues relating to causation, treatment plans and permanent and stationary status were observed to be appropriately acted upon and documented by Adjusters (**100.00**). Utilization review was consistently employed by Adjusters to ensure the appropriateness of medical procedures, diagnostic testing, and treatment plans (**100.00**). Additionally, where medical disputes could be not reasonably resolved in a timely manner, Adjusters were generally observed to reasonably utilize agreed and/or qualified medical examinations to resolve all such medical disputes (**97.00**).

The only metric within the medical cost containment category that failed to score 90.00 or more involved utilization of nurse case managers (i.e., **52.94**). This represents a notable decline from the score achieved during the 2020 annual audit of 81.82. 17 applicable claims were identified with eight claims serving as exceptions. The primary issues identified involved the under-utilization of nurse case management on claims – particularly following surgeries or during sustained periods of disabilities resulting in ongoing temporary total benefit payments.

In addition to the six specific audit metrics, we also evaluated two components to JCWCP's medical cost containment efforts. The first involved a 12-month evaluation of JBWCP's medical bill review process. We evaluated all medical bills reviewed by Allied Medical Care (AMC) from 9/1/2020 through 8/31/2021 to assess turnaround times. Findings from our evaluation are identified in **Table 2** above. During this 12-month time period, 23,243 medical bills were received by AMC requiring a total of 182,219 days to process. Medical bill review turnaround time averaged **7.84 days** during the current audit period. **94%** of all received medical bills were processed in **14 days or less**.

Table 2

Category	Outcome
• Total Medical Bills Processed	23,243
• Total Processing Days	182,219
• Average Processing Days Per Medical Bill	7.84
• Percentage of Medical Bills Processed within 14 Days	94.0%

The second component involved a 12-month evaluation of JBWCP's utilization review process. Initially, all utilization reviews completed by AMC from 9/1/2020 through 8/31/2021 were evaluated to assess average turnaround times.

Table 3(a)

Category	Outcome
• Total Utilization Reviews Conducted	4,610
• Total Processing Days	6,785
• Average Processing Days Per U/R Request	1.47

Findings from our evaluation are identified in **Table 3(a)** above. During this 12-month time period, a total of 4,610 utilization reviews were completed by AMC requiring a total of 6,785 days

to process. Utilization review turnaround time averaged **1.47 days** during the current audit period.

We additionally evaluated decisions achieved regarding Independent Medical Reviews (IMRs) and specifically, overall success rates (i.e., IMR decisions fully or partially upheld). Findings from our evaluation are identified in **Table 3(b)**.

Table 3(b)

Category	Outcome
• Total IMRs handled	320
• IMR Decisions (Upheld)	86.8%
• IMR Decisions (Partially Upheld)	8.8%
• IMR Decisions (Overturned)	4.4%

During this 12-month time period, a total of 320 IMRs were filed. **86.8%** (or 278) of all IMR decisions were fully upheld. Another **8.8%** (or 28) of all IMR decisions were partially upheld for an overall success rate of **95.6%**. Just **4.4%** (or 14) of all IMR decisions were overturned which is a favorable benchmark.

Recommendations:

Utilization of nurse case management services by AIMS within the JBWCP remains conservative compared to other large California workers’ compensation programs. This trend appears more pronounced in the 2021 annual audit than what was observed during the 2020 annual audit (i.e., 52.94 vs. 81.82). We continue to 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 AIMS Service Guidelines be evaluated and amended as necessary to further enhance disability outcomes.

Disability Management
Composite Score = 84.75

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	72.73	✓
6.2	Adjuster/Nurse Case Manager demonstrate proactive efforts to pursue return to work	97.73	✓
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	91.80	✓
6.4	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	97.67	✓
6.5	Confirmation email received and documented from the JBWCP Member regarding ability or inability to accommodate	98.28	✓
6.6	Were Official Disability Guidelines (ODG) documented within Plans of Action and referenced for ongoing resolution and reserving in indemnity claim files	46.30	✓

Findings:

AIMS' overall composite audit score for this category is **84.75**. This overall composite score is slightly lower than the score achieved during the 2020 annual audit (85.61). Of the six specific audit metrics evaluated, four received scores of 90.00 or higher. Several identified audit metrics warrant corrective action by AIMS to address targeted performance-related concerns.

With respect to these four favorable audit categories, Adjusters and/or Nurse Case Managers were observed to be proactive in efforts to return Claimants to work (**97.73**). Where changes in temporary or permanent restrictions were provided by treating physicians, AIMS promptly communicated those restrictions to the JBWCP Members (**91.80**). Where necessary, clarifications relating to specific temporary and/or permanent restrictions were sought from treating and or independent examination physicians providing each with all appropriate records and documentation prior to evaluations (**97.67**). Additionally, confirmation email received from JBWCP Members were routinely documented by AIMS regarding the ability or inability to accommodate physical restrictions (**98.28**).

Of the two remaining metrics audited, significant inconsistencies were identified. Where Claimants' disabilities exceeded recognized industry standards, requests for clarification from the treating physician were not always requested resulting in an audit score of **72.73**. While improvement was observed from the 2020 annual audit score of 58.33, continued improvement is necessary.

The more significant issue identified was the inconsistent use of the Official Disability Guidelines to manage Claimants' ongoing disabilities. An audit score of **46.30** was achieved by AIMS. Based upon our audit observations as well as rebuttal feedback, AIMS appears to be able to identify and track official disability guidelines only on claims where nurse case management has been assigned. Given the judicious use of nurse case management identified in the Medical Cost Containment subsection above, a significant number of lost time claims with extended disability durations (and no assigned nurse case managers) lacked evidence of the use of Official Disability Guidelines by the assigned Adjusters. This appears to be a systemic limitation of the AIMS operational model. Though the AIMS Service Guidelines were amended to include this requirement following the 2020 annual audit, consistent adoption has not occurred.

Recommendations:

AIMS should provide a corrective action plan to JBWCP indicating how its Adjusters will manage the population of indemnity claims with no nurse case managers assigned using Official Disability Guidelines. There appear to be systemic issues within AIMS operational model that contribute to the underlying issue. Accordingly, the action plan should delineate how AIMS will address this concern within its current operational model (e.g., process, technology, training).

We recommend JBWCP consider amending the AIMS Service Guidelines to include the following language:

1. Ultimate responsibility for ensuring identification of, and management against, Official Disability Guidelines should reside with Adjusters on all indemnity claims (whether or not a Nurse Case Manager is assigned).

2. Both modified and full duty return to work target dates should be established on all indemnity claims.
3. Where disability benchmarks are likely to be exceeded, Adjusters should include a plan of action as to how disabilities will be managed in the future to include the potential for assignment of claims for nurse case management.

Litigation Management

Composite Score = 95.22

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	88.24	✓
7.2	Adjuster appropriately followed-up for required status reports when not provided by Defense Counsel on a timely basis	91.76	✓
7.3	Adjuster worked collaboratively with Defense Counsel to develop long term strategy and specific tasks to resolve litigation	91.86	✓
7.4	Defense Counsel activities were appropriately monitored by the Adjuster	97.75	✓
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)	98.80	✓
7.6	Adjuster was responsive to all Defense Counsel requests for information, assistance and authority	98.80	✓

Findings:

AIMS' overall composite audit score for this category is **95.22**, which is consistent with a high-performing claims organization. This represents a slight decrease from the composite score achieved during the 2020 annual audit of 97.86. Of the six specific audit metrics evaluated, five scored 90.00 or higher.

The one audit metric audited that achieved a score less than 90.00 was the timeliness of legal referrals (**88.24**). Specifically, legal referrals were not consistently made on a timely basis (i.e., within five calendar days) following notification of triggering events requiring the assignment to defense counsel.

Otherwise, Adjusters were observed to work collaboratively with defense counsel on ongoing litigation to jointly develop legal strategies, as well as to identify activities that needed to be performed on individual claims (**91.86**). Where legal referrals were made by AIMS, the scope of requested services were observed to be appropriate and did not reflect improper delegation of activities that should be retained (and performed) by Adjusters (**98.80**). Adjusters were also observed to appropriately manage Defense Counsel activities (**97.75**). Defense Counsel status reports were typically provided within reasonable timeframes on an ongoing basis. In instances where legal updates were not forthcoming on a timely basis, Adjusters were observed to have proactively followed-up for receipt of required information with Defense Counsel (**91.76**). Finally, where Defense Counsel requested information, assistance, and/or authority from Adjusters, responses were observed to be both timely and sufficient in nature (**98.80**).

Recommendations:

No recommendations are warranted.

**Subrogation, Apportionment, Contribution
Composite Score = 100.00**

Audit Metric	Audit Category #8 - Metric Descriptions	Final Score	Metric Scored
8.1	Does subrogation potential exist	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, AIMS 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	100.00	✓
8.2	Does apportionment potential exist	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	Does contribution potential exist	Indicator Only	Not Scored
8.3.1	Was contribution potential identified by the Adjuster	N/A	✓
8.3.2	Was contribution appropriately pursued	N/A	✓

Findings:

AIMS' overall composite audit score for this category is **100.00**, which is consistent with a high-performing claims organization. This represents a slight increase from the 2020 annual audit score of 96.88. Of the eight specific audit metrics evaluated, six achieved perfect scores of **100.00** (i.e., audit metrics related to both subrogation and apportionment). The remaining two metrics involving the topic of contribution were found to be not applicable (i.e., no applicable claims involving contribution potential were observed to exist). The overall number of claims audited presenting subrogation potential were limited (i.e., 8 total). Accordingly, despite the perfect audit score, findings relating to subrogation may not lend themselves to extrapolation to JBWCP's broader claims population.

On claims presenting subrogation opportunities, Adjusters were observed to appropriately identify recovery potential. Once identified, Adjusters were also observed to timely and appropriately pursue recovery opportunities on behalf the JBWCP.

On claims presenting apportionment opportunities, Adjusters were generally observed to appropriately identify the potential for compensable impairment ratings to be mitigated based

upon either pre-existing injuries and or medical conditions. Once identified, Adjusters were also generally observed to timely and appropriately pursue activities necessary to support the mitigation of exposure to JBWCP.

Recommendations:

No recommendations are warranted.

Reserving

Composite Score = 94.96

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	97.30	✓
9.2	Subsequent case reserve reviews for all <i>non-future medical claims</i> 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 <i>future medical claims</i> occurred at least every 180 days.	99.41	✓
9.3	Case reserves are sufficiently documented	98.86	✓
9.4	Current case reserves reflect "probable outcome" based upon currently known facts	86.21	✓
9.5	Is a reserve change (+/-) required? (If so, indicate required change(s))	Table 4	Not Scored

Findings:

AIMS' overall composite audit score for this category is **94.96**. This represents an increase in the prior-year composite score of 89.84.

Initial reserves are to be set within five (5) business days from the date of assignment. Of the 37 applicable claims reviewed, just one claim demonstrated initial case reserves being established more than five business days after the receipt of the loss (i.e., **97.30**). Similarly, the AIMS 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 169 applicable claims reviewed, just one claim demonstrated case reserves being evaluated outside of timeframes identified in the required Service Guidelines (i.e., **99.41**).

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 generally observed to be both consistent and thorough. A total of 176 applicable claims were evaluated in conjunction with the audit. Of these 176 claims, a total of two claims were identified where case reserves were not adequately documented resulting in a score of **98.86**. Issues regarding sufficient documentation were limited to insufficient case reserve rationales as opposed to reserve notes being devoid of a supporting rationale. Documentation was primarily included within plans or action as opposed to a standalone reserve notes.

Finally, a total of 174 claims that were audited were open at the time of our review. Of these 174 claims, 24 claims (or 13.8%) failed to reflect “probable outcomes” which is the required standard set forth in the AIMS Service Guidelines resulting in a score of **86.21**. A Claim Value Roster is found in **Appendix E** of this report. The Claim Value Roster compares AIMS total incurred claim values at the time the audit was completed versus each auditor’s corresponding comparative estimate of total incurred value for each open claim audited. Marsh’s comparative estimates are based upon: (1) information known to AIMS at the time each file was audited; and (2) documented within the electronic claim file.

AIMS total incurred values on all claims subject to audit total \$12,227,957.10. Marsh’s comparative estimates of total incurred values on these same claims total \$12,750,070.22. This results in an aggregate under-reserving of loss exposures by **(\$522,113.12)** or **(4.3%)**. Of the 24 claims in which case reserves failed to reflect “probable outcome”, 16 of the 24 claims were observed to be under-reserved. The remaining eight claims were observed to be over-reserved. A more granular breakdown of aggregate case reserving discrepancies by reserve category is provided in **Table 4** below.

TABLE 4

Reserve Category	Variations Based On Dollars	Variations Based On Count
- Medical Reserves	(\$375,845.08) or (7.4%)	19 of 24 claims or 79.2%
- Indemnity Reserves	(\$95,009.32) or (2.3%)	14 of 24 claims or 58.3%
- Expense Reserves	(\$51,258.72) or (1.7%)	9 of 24 claims or 37.5%

Overall, reserving of medical exposures appears to present the greatest opportunity to JBWCP – particularly on older claims that have or are expected to transition to future medical status. This finding remains consistent with our 2020 annual audit.

The AIMS Services Guidelines require reserving based upon “probable outcome”. However, the Guidelines further state that, “*Self-Insured reserving guidelines are not a requirement of the JBWCP*”. In discussions with both JBWCP and AIMS representatives, there appears to be an understanding that lifetime reserves on older claims (including future medical claims) are not required. The inclusion of the language “probable outcome” within the AIMS Service Guidelines appears to be at odds with the parties understanding of reserve practices on these older losses and, in our opinion, is partially responsible for the observed variances in loss exposures. Greater specificity is required within the AIMS Service Guidelines on older losses unlikely to close.

Recommendations:

AIMS and JBWCP should memorialize their specific case reserving understanding relating to older loss that have no immediate prospects for closure – particularly future medical claims – within the AIMS Service Guidelines as current case reserving practices are inconsistent with existing “probable outcome” language (e.g., 50% of exposures, 5-years of exposures).

While we understand that JBWCP is not subject to the same standards as a self-insured under California’s Workers’ Compensation Act, we would point out that the current case reserving practices involving the valuation of older losses with little or no likelihood of settling is inconsistent with commonly observed industry practices. Based upon our experiences and

observations with other workers' compensation programs with similar practices, a by-product of the failure to appropriately value (i.e., undervalue) likely lifetime claim exposures is the adverse impact on claim resolution efforts, a corresponding build in claim inventories that results from distorting actual and perceived claim valuations and the certainty of JBWCP's actuarial projections.

Communications

Composite Score = 91.72

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	81.97	✓
10.2	Adjuster maintained appropriate communication with the JBWCP Member including responding to all telephonic or written requests within 1 business day	98.39	✓
10.3	Did the Adjuster keep the JBWCP Member informed of case status, significant changes and resolution plans without the Member initiating an inquiry	89.84	✓
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	100.00	✓

Findings:

AIMS' overall composite audit score for this category is **91.72**. This represents an increase in the audit score achieved in the 2020 annual audit of 88.76. A total of four audit metrics were evaluated. Scores of 90.00 or higher were achieved in two of the four metrics.

The most significant opportunity involved Adjusters failing to consistently maintain ongoing communications with Claimants during periods of either total disability or modified duty. Adjuster communications with Claimants are required every 14-calendar days during periods of total disability, modified duty or changes in work status. A total of 61 applicable claims were identified during the audit. Of these 61 claims, 13 failed to evidence the required level of communications with Claimants resulting in a score of **81.97**. While still representing an opportunity for continued improvement, we note a significant increase in performance from the score of 63.89 achieved during the 2020 annual audit.

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. Given the relatively low caseloads maintained by AIMS Adjusters during the relevant audit period, capacity constraints do not appear to be a contributing factor leaving process breakdowns and/or lack of internal oversight as the likely contributors for these execution-related deficiencies.⁶

⁶ Average Adjuster caseloads for Indemnity Adjusters was lower during the 2020-2021 audit period versus the 2019-2020 audit period. For more detail relating to AIMS Adjuster caseloads on the JBWCP program, please refer to Section #3 - Audit Category #13 of this report)

Responsiveness to JBWCP Member inquiries was found to be highly consistent (i.e., standard = one business day). A total of 124 applicable claims were identified during the audit of which all but two were found to demonstrate appropriate and timely communications with JBWCP members resulting in a score of **98.39**.

General status communications to JBWCP Members (i.e., case status, material developments, and resolution strategies) evidenced slight inconsistencies. A total of 128 applicable claims were identified during the audit of which 115 were found to demonstrate appropriate and timely communications with JBWCP members resulting in an audit score of **88.19**.

Finally, coverage-related communications involving 132(a) actions by AIMS Adjusters to JBWCP Members received a perfect audit score of **100.00**. We note that the overall population of applicable claims within the claim sample was exceptionally small (i.e. one). Notwithstanding the favorable audit score, it is difficult to extrapolate this observed level of performance to JBWCP's broader claim population.

Recommendations:

AIMS' Account Manager should continue to address communication-related concerns arising from the audit with JBWCP Supervisors and Adjusters. To further enhance the likelihood of improved performance centered around JBWCP Member communications, the degree to which internal claim management practices and/or AIMS Service Guidelines fail to specifically address required claim information to be updated, those items should be memorialized in operational documentation to ensure clarity and enhance consistency across the AIMS claims organization. A similar recommendation was provided in the 2020 annual audit. It is unclear if the recommendation was implemented internally by AIMS.

Payments

Composite Score = 99.26

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	100.00	✓
11.2	Initial and ongoing temporary total disability benefits were paid timely (i.e., no penalties/fines imposed)	100.00	✓
11.3	Initial and ongoing permanent partial disability benefits were paid timely (i.e., no penalties/fines imposed)	100.00	✓
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)	100.0	✓
11.9	Where an overpayment exists, was notification provided to the AIMS Program Manager and documented within the claim file by the Adjuster	88.89	✓
11.10	Where an overpayment exists, did the Adjuster attempt to recover or offset against future payments (NOTE: Neither AIMS 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?	100.00	✓
11.12	(*** Post 07/15/21 ***) 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	96.30	✓

Findings:

AIMS' overall composite audit score for this category is **99.26**, which is consistent with a high-performing claims organization as well as prior year performance. Of the twelve specific audit metrics evaluated, eleven scored 90.00 or higher with ten achieving perfect scores of **100.00**.

Average weekly wage and benefit rates were appropriately calculated and documented in the clean files. Adjusters paid both temporary total disability and permanent partial disability benefits timely. Payments made on submitted medical invoices were both appropriate and paid in a timely fashion. Finally, legal invoices submitted by defense counsel were also observed to have been paid in a timely fashion.

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

The one noted opportunity for improvement involved the management of claim overpayments. Specifically, where overpayments were observed to exist, notifications were not always provided to the AIMS Account Manager and documented within the claim file notes (i.e., **88.89**). A total of nine applicable claims were identified with just one adverse observation identified. Based upon the singular adverse observation, this is not indicative of a larger adverse trend within the Program. Where overpayments were observed to exist, attempts by the Adjuster to recover and/or offset against future payments were consistently documented.

Recommendations:

No recommendations are warranted.

Settlement/Resolution

Composite Score = 92.70

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)	84.51	✓
12.2	(*** Post 07/15/21 ***) 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 (Post 07.15.21)	91.67	✓
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 AIMS 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.	97.56	✓
12.4	Adjuster adhered to the following settlement authority guidelines (new money to be paid out <i>but not money that has already been paid out or advanced against settlement</i>): <ul style="list-style-type: none"> * Level I - \$0-\$10,000 AIMS 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. 	100.00	✓
12.5	The Adjuster appropriately addressed Medicare Set-Aside and Medicare-related issues in the claim resolution strategy	91.89	✓
12.6	Adjuster conducted aggressive, strategic, and prompt settlement negotiations and follow-up	92.98	✓
12.7	Provider and Employment Development Department liens were/are being resolved in a timely and effective manner	100.00	✓
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	N/A	✓

Findings:

AIMS' overall composite audit score for this category is **92.70**. A slight increase in performance was observed from the 2020 annual audit score of 89.88. A total of nine metrics were evaluated. One of the nine metrics was found to be not applicable (i.e., no observations).⁷ Of the remaining eight metrics, seven scored 90.00 or higher.

⁷ No applicable claims were identified during the audit pertaining to the metric, "Administrative closure occurred on future medical claims with no medical treatment in excess of 12 months" (Metric 12.9).

The only opportunity detected relating to the settlement/resolution category was the inconsistent recognition and pursuit of early settlement opportunities. This is somewhat surprising given the relatively low average caseloads maintained by AIMS Adjusters. A total of 11 adverse observations were identified resulting in a score of **84.51**. This reflects an observed decrease in performance from the 2020 annual audit score of 89.87.

AIMS Adjusters were generally observed to complete and submit settlement authority requests within 30 days of a “triggering event” consistent with the updated standard contained within the AIMS Service Guidelines that went into effect on July 15, 2021 (**91.67**). Additionally, AIMS supervisory personnel were generally observed to timely submit settlement authority requests to JBWCP Members within the 10-calendar day requirement (40-calendar day total) following a “triggering event” or prior to hearings, mandatory settlement conferences or trials (**97.56**).

Adjusters consistently complied with settlement authority guidelines based upon settlement value for post-July 1, 2020 protocols (**100.00**). When evaluating settlement opportunities, Adjusters were generally observed to appropriately address Medicare Set-Aside and other Medicare-related issues in conjunction with developing overall claim resolution strategies (**91.89**).

Settlement negotiations performed by Adjusters were generally observed to be aggressive, strategic, and timely with appropriate follow-up (**92.98**). Provider and/or Employment Development Department liens were consistently resolved in a timely and reasonable manner (**100.00**). Finally, claim files were observed to appropriately close without delay including the receipt, processing and payment of final bills (**100.00**).

Recommendations:

Development of an internal mechanism to target focus files within JBWCP’s open inventory to facilitate the identification and proactive resolution of claims via data mining. If appropriately constructed, this functionality would allow JBWCP to identify, pursue and close claims more efficiently. In turn, this functionality will assist JBWCP to drive claim closures and ultimately reductions in actuarially derived IBNR.

Additionally, 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 in internal roundtables to further develop strategic resolution strategies and identify claim resolution opportunities.

Finally, where impediments to resolution are encountered, consider the expanded use of internal roundtables to address impediments/objections and develop alternative strategies to resolving and/or closing claims. Where practical, defense counsel should be involved to leverage relationships with Applicants Attorneys to enhance resolution efforts.

Strategic Plans & Documentation

Composite Score = 94.01

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 <i>non-future medical claims</i> . On <i>future medical claims</i> , at least every 180 days (two 2-week grace period to apply).	98.86	✓
13.3	Claim files are appropriately documented	93.14	✓
13.4	Target dates regarding the completion of identified activities are documented by Adjuster in Plans of Action	74.29	✓
13.5	Claim notes reflect consistent and timely follow-up on key activities	96.57	✓
13.6	(*** Post 07/15/21 ***) Diary functionality is prospectively utilized by Adjuster for all open claim activities including: (1) follow-up on contacts/maintaining communications; (2) management of delay and/or denial decisions; (3) excess carrier reporting; (4) management of future medical benefits and utilization review requirements; (5) requesting of Index Reports; (6) management of investigations, vendors and benefit decisions; (7) Management of PQME process; (8) management of MSA process; (9) management of settlement processes including completion of SARs; and (10) subrogation	97.48	✓
13.7	Supervisor feedback/recommendations are appropriately responded to and acted upon by Adjuster	98.17	✓
13.8	Total number of assigned lost time Adjusters documented in claim file over the audit period	Table 5	Not Scored

Findings:

AIMS' Adjusters consistently completed strategic plans & documentation-related activities. AIMS' overall composite audit score for this category is **94.01** which is consistent with a high-performing claims organization. A nominal decrease in performance was observed in the composite audit score of 96.18 achieved during the 2020 annual audit. Of the six specific audit metrics evaluated (and scored) during the audit, all scored 90.00 or higher.

Specifically, initial claim file reviews were observed to have been completed by Adjusters within 30 days of claim assignment (**100.00**). Following completion of initial claim file reviews, subsequent reviews were generally completed a minimum of every 90 days by Adjusters on non-future medical claims (**98.86**). Similarly, with regard to future medical claims, subsequent reviews were generally completed a minimum of every 180 days (**98.86**).

Claim notes generally reflect timely follow-up (i.e., execution) of prospective activities identified in strategic plans (**96.57**) as well as appropriate documentation (**93.14**). Adjusters generally utilized the diary functionality contained within AIMS' internal claims system (i.e., Ventiv) to manage existing caseloads (**97.48**). Where supervisory feedback and/or recommendations were provided, AIMS' Adjusters were generally observed to be responsive to those suggestions with follow-up being documented within the claim notes (**98.17**).

One additional metric was tracked during the audit to provide baseline data regarding Adjuster performance. Specifically, audited claims were evaluated to determine if Adjusters identified target completion dates for key activities identified within their strategic plans. Based upon our evaluation of the audited claim files, target completion dates were inconsistently utilized by AIMS' Adjusters resulting in a score of **74.29**. However, we note a marked improvement in overall Adjuster performance compared to the composite audit score of 50.86 achieved during the 2020 annual audit. We attribute this improvement in performance (in large part) to the revised diary requirements incorporated throughout the AIMS Service Guidelines relating to the performance of key claim management activities. As the specific use of target completion dates is not a requirement within the AIMS Service Guidelines, this audit metric outcome has not been factored into the composite AIMS' score for the Strategic Plans & Documentation category.

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 audited files over the relevant audit period (i.e., September 1, 2020 or later).

TABLE 5

# of Assigned Adjusters	Total Adjuster Count	% Of Audit Population
- 1 Adjuster	130	73.5%
- 2 Adjusters	36	20.3%
- 3 or more Adjusters	11	6.2%
TOTALS	177	100.0%

The average number of lost time adjusters observed was **1.30** lost time adjusters per claim file (a slight increase in the score achieved during the 2020 annual audit (1.17)). **Table 5** above provides a breakdown of the actual number of lost time Adjusters observed across all the applicable claim files that were audited.

In addition to the audit metrics evaluated through the auditing process, we were also requested to validate AIMS Indemnity Adjuster caseloads. The Service Guidelines require AIMS to maintain average monthly caseloads not to exceed 130 claims per Adjuster. Caseload information was requested for the time period extending from September 1, 2020 through August 31, 2021. As a general observation, average Indemnity caseloads maintained by AIMS Adjusters on the JBWCP Program are significantly lower than industry averages in California. Excluding the indemnity Adjuster overseeing future medical claims, average annual indemnity caseloads ranged from a low of **54.92** claims per month (Taylor) to a high of **99.75** claims per month (VanCamp) with an overall average of **75.11** claims. The average for all indemnity Adjusters over the twelve-month timeframe was **87.82** claims per indemnity Adjuster per month. Results of the request are documented in **Table 6** below.

TABLE 6

Examiner	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21
As of:	9/3/20	10/1/20	11/2/20	12/7/20	1/4/21	2/1/21	3/1/21	3/30/21	4/27/21	6/1/20	7/6/21	8/2/20
Sandison/Carroll	62	66	66	62	61	61	61	58	55	60	61	59
Harris	71	71	70	70	65	65	67	68	62	63	70	70
VanCamp	104	102	100	106	103	99	99	102	102	99	90	91
Ball	71	75	77	75	76	75	77	78	78	80	81	79
Lopez/Amezcuca	80	82	75	69	70	75	75	75	69	67	73	72
Taylor	60	57	59	57	56	56	52	54	54	52	50	52
Legarde	83	87	86	84	78	77	84	87	86	88	81	82
Palmer	81	80	81	82	81	79	80	84	83	81	85	90
Munroe/Taizan/Bishop	79	78	74	79	76	76	76	77	77	78	68	80
McKinley (FM)	207	198	194	196	198	195	203	203	207	207	208	210

No instances were observed of a non-future medical desk indemnity Adjuster exceeding the 130-caseload target. The Adjuster assigned to manage future medical claims (McKinley) exceeded the 130-claim maximum caseload target for all twelve months in question.⁸ No active caseloads were maintained by supervisory personnel consistent with the current AIMS Service Guidelines. No other deviations were identified during the audit period.

Recommendations:

No recommendations are warranted.

Supervisory Review
Composite Score = 86.98

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).	79.78	✓
14.3	Throughout the claim, the Supervisor provided timely, responsive and meaningful direction on the claim	85.23	✓
14.4	If the Adjuster(s) did not appropriately respond to Supervisor's direction, did the Supervisor provide the appropriate level of follow-up	94.00	✓
14.5	Supervisors will establish proactive diaries to follow up on specific cases or issues as necessary	92.54	✓
14.6	Total number of assigned Supervisors documented in the claim file over the audit period (** Post 07/15/21 **)	Table 7	Not Scored

Findings:

AIMS' overall composite audit score for this category is **86.98**. This represents a decrease in performance from the composite audit score achieved during the 2020 annual audit of 94.00. The majority of supervisory review activities audited were reasonably performed by AIMS' Supervisors and Account Leadership Team. Of the five specific audit metrics evaluated (and scored) during the audit, three scored 90.00 or higher.

With respect to timing considerations, initial supervisor reviews were consistently observed to be completed within 10 days of claim assignment (**100.00**). However, inconsistency was observed regarding follow-up reviews by supervisory personnel resulting in an audit score of **79.78**. This

⁸ AIMS provided the following explanation for this deviation from the Service Guidelines. "Rita McKinley is the future medical examiner so the case count target does not apply to her".

represents a marked decrease in performance compared to the audit score of 96.02 achieved in the 2020 annual audit.

Some inconsistency was also observed regarding the technical content of supervisory review notes resulting in an audit score of **85.23**. This represents a decrease in the 2020 annual audit score of 93.89. Content actually provided by supervisory personnel was reasonable demonstrating sound technical expertise based upon feedback and/or recommendations documented within claim notes. However, there were additional items that our auditors felt were appropriate for comment but that were not addressed within the supervisor notes – particularly regarding a focus on longer-term claim resolution activities. 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.

Supervisors were generally observed to reasonably follow-up on prior feedback and/or recommendations based on delayed in execution by Adjusters (**94.00**). This represents a notable improvement in performance in the audit score achieved during the 2020 annual audit of 80.65. Additionally, supervisory personnel were generally observed to utilize the diary function to track claims assigned to their direct reports (**92.54**).

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 180 audited files over the relevant audit period (i.e., September 1, 2020 or later). The average number of Supervisors observed was **1.2** Supervisors per claim file. **Table 7** below provided a breakdown of the actual number of Supervisors observed across all the 180 claim files that were audited.

TABLE 7

# of Supervisors	Total Supervisor Count	% Of Audit Population
- 1 Supervisors	145	80.5%
- 2 Supervisors	30	16.7%
- 3 or more Supervisors	5	2.8%
TOTALS	180	100.0%

Recommendations:

No systemic or operational concerns were identified. Accordingly, we recommend that AIMS periodically review the Supervisor Review/Diary requirements contained within the existing Service Guidelines with supervisory personnel to ensure the timeliness of ongoing review activities – particularly on older legacy claims.

Additionally, we recommend that supervisory personnel specifically address longer-term claim resolution opportunities (and supporting activities) in their documented notes on a go-forward basis on claims that are open in excess of 12 months. Where resolution strategies are dependent upon the developments/activities within other more active companion claims (i.e., master claims), the secondary (inactive) claim(s) should document the overall global resolution strategy across all claims as well as the specific activities (if applicable) required within the inactive claims to facilitate overall global claim resolution strategies.

Appendix A: Claim Sample – Claim Services Provider Audit

Claim Count	JBWCP Segment	JCWCP Member	Date of Loss	Claim Adjuster
1	Trial Courts	Kings County	10/2/14	Harris
2	Trial Courts	San Diego County	9/22/2014	McKinley
3	Trial Courts	San Bernardino County	10/9/2014	McKinley
4	Trial Courts	Contra Costa County	2/26/2015	Palmer
5	Trial Courts	Orange County	4/22/2015	Bishop
6	Trial Courts	San Diego County	5/8/2015	McKinley
7	Judiciary	Supreme Court of California	4/2/2015	VanCamp
8	Trial Courts	San Diego County	6/26/2015	Legardye
9	Trial Courts	Placer County	6/29/2015	Amezcuca
10	Trial Courts	Fresno County	7/8/2015	Harris
11	Trial Courts	San Diego County	7/8/2015	Legardye
12	Judiciary	JBWCP	8/3/2015	VanCamp
13	Trial Courts	Butte County	10/6/2015	Ball
14	Trial Courts	Orange County	8/1/2015	Bishop
15	Trial Courts	Ventura County	1/4/2016	Taylor
16	Trial Courts	Santa Clara County	12/24/2015	Carroll
17	Trial Courts	San Diego County	3/9/2016	Legardye
18	Judiciary	Judicial Council of California	4/7/2016	VanCamp
19	Trial Courts	Tulare County	4/22/2016	Ball
20	Trial Courts	Humboldt County	5/20/2016	Ball
21	Trial Courts	Butte County	2/1/2016	Ball
22	Judiciary	Judicial Council of California	6/22/2016	VanCamp
23	Trial Courts	Solano County	9/2/2016	Amezcuca
24	Judiciary	Judicial Council of California	9/6/2016	VanCamp
25	Trial Courts	Orange County	9/28/2016	Bishop
26	Trial Courts	El Dorado County	12/22/2016	Palmer
27	Trial Courts	Alameda County	1/26/2017	McKinley
28	Trial Courts	Santa Clara County	2/28/2017	Carroll
29	Trial Courts	Stanislaus County	3/3/2017	Ball
30	Trial Courts	Santa Clara County	11/1/2016	Carroll
31	Trial Courts	Orange County	4/19/2017	McKinley
32	Judiciary	Judicial Council of California	4/7/2017	VanCamp
33	Trial Courts	San Francisco County	4/25/2017	Taylor
34	Trial Courts	San Diego County	2/1/2017	Legardye
35	Trial Courts	San Diego County	5/31/2017	Legardye
36	Trial Courts	Ventura County	5/23/2017	Taylor
37	Trial Courts	Humboldt County	5/20/2016	Ball
38	Trial Courts	Contra Costa County	4/25/2017	Palmer
39	Trial Courts	Butte County	9/8/2017	Ball

Claim Count	JBWCP Segment	JCWCP Member	Date of Loss	Claim Adjuster
40	Trial Courts	Santa Clara County	10/18/2017	McKinley
41	Trial Courts	Santa Clara County	10/20/2017	Carroll
42	Trial Courts	Santa Clara County	10/26/2017	McKinley
43	Trial Courts	Contra Costa County	11/2/2017	Palmer
44	Trial Courts	San Diego County	10/23/2017	Legardye
45	Trial Courts	Contra Costa County	1/17/2018	McKinley
46	Trial Courts	Alameda County	1/19/2018	Harris
47	Trial Courts	Orange County	8/6/2015	Bishop
48	Trial Courts	Kern County	3/2/2018	Amezcuca
49	Trial Courts	Alameda County	10/19/2017	Harris
50	Trial Courts	Monterey County	4/3/2018	Palmer
51	Trial Courts	Orange County	4/30/2018	Bishop
52	Trial Courts	Sutter County	8/11/2016	Amezcuca
53	Trial Courts	Santa Clara County	5/10/2018	Carroll
54	Trial Courts	Yolo County	6/5/2018	Ball
55	Trial Courts	Shasta County	6/15/2018	Ball
56	Trial Courts	Kings County	6/12/2018	Harris
57	Trial Courts	Contra Costa County	6/25/2018	Palmer
58	Trial Courts	Kings County	7/6/2018	Harris
59	Trial Courts	Solano County	7/13/2018	Amezcuca
60	Judiciary	Second District Appellate Court	6/25/2018	VanCamp
61	Trial Courts	Ventura County	1/3/2018	Taylor
62	Trial Courts	Alameda County	8/2/2018	McKinley
63	Trial Courts	Ventura County	9/11/2018	Taylor
64	Trial Courts	Orange County	10/3/2018	Bishop
65	Trial Courts	Santa Clara County	10/17/2018	McKinley
66	Trial Courts	Orange County	7/23/2018	Bishop
67	Trial Courts	San Francisco County	2/8/2019	Taylor
68	Trial Courts	Nevada County	3/22/2019	Harris
69	Trial Courts	Orange County	3/14/2019	Bishop
70	Trial Courts	Monterey County	4/12/2019	Palmer
71	Trial Courts	San Diego County	4/12/2019	Legardye
72	Trial Courts	San Diego County	5/2/2019	McKinley
73	Judiciary	Sixth District Appellate Court	5/3/2019	VanCamp
74	Trial Courts	Santa Clara County	5/17/2019	Carroll
75	Trial Courts	Ventura County	1/4/2016	Taylor
76	Trial Courts	Stanislaus County	6/27/2019	Ball
77	Trial Courts	San Joaquin County	6/26/2019	Harris
78	Trial Courts	Kern County	7/10/2019	Amezcuca
79	Trial Courts	Santa Clara County	7/1/2019	Carroll
80	Trial Courts	San Bernardino County	7/11/2019	Palmer
81	Trial Courts	Santa Clara County	7/10/2019	Carroll
82	Trial Courts	Tulare County	7/16/2019	Ball
83	Trial Courts	Alameda County	8/8/2018	Harris

Claim Count	JBWCP Segment	JCWCP Member	Date of Loss	Claim Adjuster
84	Trial Courts	San Joaquin County	8/2/2019	Harris
85	Trial Courts	Contra Costa County	8/14/2019	Palmer
86	Trial Courts	Contra Costa County	8/20/2019	McKinley
87	Judiciary	Supreme Court	8/23/2019	VanCamp
88	Trial Courts	Contra Costa County	2/20/2019	Palmer
89	Trial Courts	Santa Clara County	9/13/2019	Carroll
90	Trial Courts	San Diego County	8/1/2019	Legardye
91	Trial Courts	San Diego County	10/4/2019	Legardye
92	Trial Courts	Alameda County	5/23/2019	Harris
93	Trial Courts	San Francisco County	10/16/2019	Taylor
94	Trial Courts	San Diego County	10/22/2019	Legardye
95	Trial Courts	Placer County	11/7/2019	Amezcuca
96	Judiciary	Habeas Corpus Resource Center	8/1/2019	VanCamp
97	Trial Courts	San Diego County	11/19/2019	McKinley
98	Trial Courts	San Francisco County	11/19/2019	Taylor
99	Judiciary	First District Appellate Court	12/5/2019	VanCamp
100	Trial Courts	Tulare County	12/9/2019	Ball
101	Trial Courts	Solano County	12/18/2019	Amezcuca
102	Trial Courts	Orange County	12/19/2019	Bishop
103	Trial Courts	Ventura County	10/1/2018	Taylor
104	Trial Courts	Santa Barbara County	12/6/2019	Amezcuca
105	Trial Courts	Shasta County	2/20/2018	Ball
106	Trial Courts	Tehama County	1/13/2020	Palmer
107	Trial Courts	Solano County	2/26/2020	Amezcuca
108	Trial Courts	Ventura County	11/8/2019	Taylor
109	Trial Courts	Santa Clara County	3/3/2020	Carroll
110	Trial Courts	El Dorado County	4/10/2020	Palmer
111	Trial Courts	San Francisco County	11/19/2019	Taylor
112	Trial Courts	Fresno County	5/27/2020	Harris
113	Trial Courts	Orange County	6/9/2020	Bishop
114	Trial Courts	Alameda County	7/10/2020	Harris
115	Judiciary	Second District Appellate Court	6/9/2020	VanCamp
116	Trial Courts	Monterey County	6/29/2020	Palmer
117	Trial Courts	Contra Costa County	7/16/2020	Palmer
118	Trial Courts	Santa Clara County	5/1/2020	Carroll
119	Trial Courts	Santa Clara County	7/24/2020	Carroll
120	Trial Courts	Shasta County	8/19/2019	Ball
121	Trial Courts	San Diego County	8/11/2020	Legardye
122	Trial Courts	Kern County	8/7/2020	Amezcuca
123	Trial Courts	Marin County	9/16/2020	McKinley
124	Trial Courts	Orange County	9/15/2020	Bishop
125	Trial Courts	Kern Superior County	7/31/2020	Amezcuca
126	Trial Courts	San Diego County	9/17/2020	Legardye

Claim Count	JBWCP Segment	JCWCP Member	Date of Loss	Claim Adjuster
127	Trial Courts	San Diego County	10/27/2020	Legardye
128	Trial Courts	Orange County	11/3/2020	Bishop
129	Trial Courts	San Francisco County	11/23/2020	Taylor
130	Trial Courts	Kern County	1/25/2021	Amezcuca
131	Trial Courts	San Diego County	1/28/2021	Legardye
132	Trial Courts	Orange County	2/3/2021	Bishop
133	Trial Courts	Kern County	1/15/2021	Amezcuca
134	Trial Courts	Marin County	2/8/2021	Harris
135	Trial Courts	Napa County	12/2/2020	Harris
136	Trial Courts	Contra Costa County	2/25/2021	Palmer
137	Trial Courts	San Bernardino County	3/3/2021	Palmer
138	Trial Courts	San Mateo County	2/17/2021	Amezcuca
139	Trial Courts	San Francisco County	3/10/2021	Taylor
140	Trial Courts	Kern County	3/17/2021	Amezcuca
141	Trial Courts	San Francisco County	4/16/2021	Taylor
142	Trial Court Judges	Los Angeles County	5/25/2021	VanCamp
143	Trial Courts	Ventura County	8/10/2020	Taylor
144	Trial Court Judges	Siskiyou County	6/9/2021	VanCamp
145	Trial Courts	Santa Clara County	6/10/2021	Carroll
146	Trial Courts	Orange County	5/31/2021	Bishop
147	Trial Courts	Nevada County	11/2/2020	Harris
148	Trial Courts	Fresno County	5/10/2021	Carroll
149	Trial Courts	San Diego County	1/25/2001	Legardye
150	Trial Courts	Santa Clara County	9/26/2001	Carroll
151	Trial Court Judges	Los Angeles County	4/16/2002	VanCamp
152	Trial Courts	Imperial County	6/27/2003	Legardye
153	Trial Courts	Orange County	6/3/2004	Bishop
154	Trial Courts	Contra Costa County	7/9/2003	Palmer
155	Trial Courts	Orange County	10/30/2006	Bishop
156	Trial Courts	Tulare County	5/31/2006	Ball
157	Trial Courts	Orange County	8/31/2006	Bishop
158	Trial Courts	Madera County	5/2/2008	McKinley
159	Trial Courts	Alameda County	3/8/2007	Harris
160	Judiciary	Judicial Council of California	4/7/2008	VanCamp
161	Trial Court Judges	El Dorado County	5/9/2009	VanCamp
162	Trial Courts	Sutter County	9/25/2009	Amezcuca
163	Trial Courts	San Francisco County	12/9/2009	Taylor
164	Trial Courts	Santa Clara County	3/26/2010	Carroll
165	Trial Courts	Contra Costa County	12/1/2009	Palmer
166	Trial Courts	Stanislaus County	7/1/2010	Ball
167	Trial Courts	Santa Clara County	1/12/2011	Carroll
168	Trial Courts	San Diego County	1/27/2012	Legardye
169	Trial Courts	Madera County	5/1/2012	McKinley
170	Trial Courts	Kern County	7/12/2012	Amezcuca

Claim Count	JBWCP Segment	JCWCP Member	Date of Loss	Claim Adjuster
171	Trial Courts	Santa Clara County	8/2/2012	Carroll
172	Trial Courts	Riverside County	9/12/2012	McKinley
173	Trial Courts	Alameda County	1/22/2013	Harris
174	Trial Courts	San Bernardino County	3/19/2013	McKinley
175	Trial Courts	Butte County	3/26/2013	Ball
176	Trial Courts	Merced County	1/28/2014	Ball
177	Trial Courts	Orange County	4/17/2014	Bishop
178	Trial Courts	San Diego County	5/14/2014	Legardye
179	Trial Courts	San Francisco County	7/21/2014	Taylor
180	Trial Court Judges	Santa Clara County	10/5/1989	VanCamp

Both "Claim Number" and "Claimant Names" have been redacted from Appendix A

Appendix B: Scoring By Category – Claim Services Provider Audit

CONSULTING SERVICES | MARSH ADVISORY

Auditing Solutions

Client: Judicial Branch Workers' Compensation Program

Audit: 2021 Annual TPA Audit - Acclamation Insurance Management Services ("AIMS")

Audit Scoring By Category

Services Provider	Coverage Line	Date of Review
Acclamation Ins. Mgmt. Svcs.	Workers' Compensation	09/20/2021 - 10/08/2021

Audit Category	Total Claims	Applicable Claims	Score
Member Loss Reporting	180	29	82.76
Claim Set-up & Assignment/Reassignment	180	32	96.67
Three-Point Contact	180	30	98.17
Investigations	180	140	92.63
Medical Cost Containment	180	150	96.90
Disability Management	180	81	84.75
Litigation Management	180	92	95.22
Subrogation, Apportionment, Contribution	180	44	100.00
Reserving	180	180	94.96
Communications	180	141	91.72
Payments	180	159	99.26

<u>Audit Category</u>	<u>Total Claims</u>	<u>Applicable Claims</u>	<u>Score</u>
Settlement/Resolution	180	79	92.70
Strategic Plans & Documentation	180	180	94.01
Supervisory Review	180	180	86.98
Composite Score			93.73

Notes: The **Member Loss Reporting** audit category score has been excluded from the composite AIMS audit score (i.e., Not Scored). Scoring for this audit category is reported separately within Section #3 of this report.

Any non-scoring questions (those with an assigned question weight of (0) are included in this report. A claim section score is the average of all the applicable questions within the section for a single claim. The audit section score shown in this report is the average of all the claim section scores.

Appendix C: Scoring By Question – Claim Services Provider Audit

CONSULTING SERVICES | MARSH ADVISORY

Auditing Solutions

Client: Judicial Branch Workers' Compensation Program

Audit: 2021 Annual TPA Audit - Acclamation Insurance Management Services ("AIMS")

Audit Scoring By Question

Services Provider	Coverage Line	Date of Review
Acclamation Ins. Mgmt. Svcs.	Workers' Compensation	09/20/2021 - 10/08/2021

<u>Audit Category</u>	<u>Total Claims</u>	<u>Applicable Claims</u>	<u>Score</u>
Member Loss Reporting	180	29	82.76
Number of CALENDAR days required for JBWCP Member to submit Employer's First Report of Injury form 5020 to AIMS (NOTE: Standard is 5 calendar days; Members encouraged to submit within 2-3 calendar days)	180	29	82.76
Claim Set-up & Assignment/Reassignment	180	32	96.67
Total days required to assign to Adjuster (i.e., Assignment Date - AIMS Date of Knowledge)	180	32	95.31
Initial claim classification appropriate (i.e., indemnity, medical only)	180	31	100.00
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	12	91.67
Three-Point Contact	180	30	98.17
Attempt to contact JBWCP Member was made within 1 business day of assignment	180	30	96.67
Where initial JBWCP Member contact was unsuccessful, follow-up attempts were made and documented in the file	180	9	100.00
Attempt to contact Claimant was made within 1 business day of assignment	180	26	96.15
Where initial Claimant contact was unsuccessful, follow-up attempts were made and documented in the file	180	9	100.00

Audit Category	Total Claims	Applicable Claims	Score
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	6	100.00
Attempt to contact Medical Provider was made within 1 business day of assignment	180	24	100.00
Where initial Medical Provider contact was unsuccessful, follow-up attempts were made and documented in the file	180	5	100.00
Investigation	180	140	92.63
Did the Adjuster take all necessary actions to evaluate compensability	180	35	97.14
Was the claim appropriately accepted, delayed or denied within the 14-day statutory time period	180	37	94.59
If recorded statements were required relating to questions of compensability, did the AIMS Adjuster refer to outside vendor/investigator and document the results in the claim file upon completion	180	3	100.00
Were claims timely reported to the Index Bureau and re-indexed every 12 months thereafter	180	135	89.63
Where "hits" are identified through Index Bureau reports, was follow-up appropriate	180	86	93.02
The need for field investigations (including surveillance) were appropriately recognized, authorized by JBWCP Member and managed	180	4	75.00
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	35	97.14
Where a sub-rosa investigation was made by AIMS, the assignment (both scope and provided information) was thorough and timely	180	4	100.00
Medical Cost Containment	180	150	96.90
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-directly care; or (2) document why re-direction of care within Medical Provider Network was not possible	180	25	96.00
Where JBWCP Member did not elect to participate within the AIMS-AMC Medical Provider Network, did Adjuster direct or soft channel the Claimant to a preferred provider (primary or specialty) where possible	180	5	100.00

Audit Category	Total Claims	Applicable Claims	Score
Issues of causation, treatment plan and permanent and stationary status are timely addressed and appropriately documented	180	114	100.00
Utilization review (e.g., surgical requests, medical diagnostics, treatment duration) referrals were timely made and the results were appropriately documented and acted upon	180	126	100.00
Agreed Medical Examinations/Qualified Medical Examinations/Peer Reviews were timely made and utilization was appropriate	180	100	97.00
Nurse case management (either telephonic or field) assignment was approved by the Member and was timely, for appropriate duration and added value	180	17	52.94
Disability Management	180	81	84.75
Where the Claimant's disability exceeds recognized industry did the Adjuster/Nurse Case Manager request clarification from the treating physician	180	22	72.73
Adjuster/Nurse Case Manager demonstrate proactive efforts to pursue return to work	180	44	97.73
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	61	91.80
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	43	97.67
Confirmation email received and documented from the JBWCP Member regarding ability or inability to accommodate	180	58	98.28
Were Official Disability Guidelines (ODG) documented within Plans of Action and referenced for ongoing resolution and reserving in indemnity claim files	180	54	46.30
Litigation Management	180	92	95.22
Adjuster made a legal referral to defense counsel within five calendar days of the need of litigation referral	180	34	88.24
Adjuster appropriately followed-up for required status reports when not provided by Defense Counsel on a timely basis	180	85	91.76

Audit Category	Total Claims	Applicable Claims	Score
Adjuster worked collaboratively with Defense Counsel to develop long term strategy and specific tasks to resolve litigation	180	86	91.86
Defense Counsel activities were appropriately monitored by the Adjuster	180	89	97.75
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	83	98.80
Adjuster was responsive to all Defense Counsel requests for information, assistance and authority	180	83	98.80
Subrogation, Apportionment, Contribution	180	44	100.00
Does subrogation potential exist	180	8	Indicator
Was subrogation potential identified by the Adjuster	180	8	100.00
Was subrogation timely pursued, as authorized and directed by JBWCP Member or JBWCP Administrator	180	1	100.00
Where subrogation potential exists and the JBWCP Member elects not to pursue, AIMS should bring the matter to the attention of the JBWCP Administrator for direction and assistance	180	0	N/A
Was authority for compromised settlement of the Third Party Lien obtained from the JBWCP Administrator	180	1	100.00
Does apportionment potential exist	180	40	Indicator
Was apportionment potential identified by the Adjuster	180	40	100.00
Was apportionment appropriately pursued	180	35	100.00
Does contribution potential exist	180	0	Indicator
Was contribution potential identified by the Adjuster	180	0	N/A
Was contribution appropriately pursued	180	0	N/A
Reserving	180	180	94.96
Initial case reserves set by Adjuster within 5 business days of assignment	180	37	97.30

Audit Category	Total Claims	Applicable Claims	Score
Subsequent case reserve reviews for all <u>non-future medical claims</u> 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 <u>future medical claims</u> occurred at least every 180 days.	180	169	99.41
Case reserves are sufficiently documented	180	176	98.86
Current case reserves reflect "probable outcome" based upon currently known facts	180	174	86.21
Is a reserve change (+/-) required? (If so, indicate required change(s))	180	172	Not Scored
Communications	180	141	91.72
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	61	81.97
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	124	98.39
Did the Adjuster keep the JBWCP Member informed of case status, significant changes and resolution plans without the Member initiating an inquiry	180	128	89.84
With respect to 132(a) actions filed against a JBWCP Member, Adjuster communicated what is and is not covered by the JBWCP program	180	1	100.00
Payments	180	159	99.26
Average weekly wage and workers' compensation benefit rates appropriately calculated and documented in claim file	180	96	100.00
Initial and ongoing temporary total disability benefits were paid timely (i.e., no penalties/fines imposed)	180	44	100.00
Initial and ongoing permanent partial disability benefits were paid timely (i.e., no penalties/fines imposed)	180	42	100.00
Approved medical invoices were paid timely (i.e., no penalties/fines imposed)	180	141	100.00
Payment of medical invoices were appropriate (i.e., no payments made for non-accepted body part or non-approved treatments)	180	141	100.00

Audit Category	Total Claims	Applicable Claims	Score
Legal invoices from Defense Counsel were paid timely (i.e., no evidence of defense counsel requesting payment on outstanding invoices)	180	82	100.00
No evidence of 132(a) awards paid against the file (defense costs ok)	180	2	100.00
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	96	100.00
Where an overpayment exists, was notification provided to the AIMS Program Manager and documented within the claim file by the Adjuster	180	9	88.89
Where an overpayment exists, did the Adjuster attempt to recover or offset against future payments (NOTE: Neither AIMS or a JBWCP Member can agree to waive an overpayment or provide a future credit - only the JBWCP Administrator may do so)	180	8	100.00
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	16	100.00
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	180	135	96.30
Settlement/Resolution	180	79	92.70
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	71	84.51
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	48	91.67

Audit Category	Total Claims	Applicable Claims	Score
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 AIMS 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	41	97.56
Adjuster adhered to the following settlement authority guidelines (new money to be paid out <i>but not money that has already been paid out or advanced against settlement</i>): * Level I - \$0-\$10,000 AIMS 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	42	100.00
The Adjuster appropriately addressed Medicare Set-Aside and Medicare-related issues in the claim resolution strategy	180	37	91.89
Adjuster conducted aggressive, strategic and prompt settlement negotiations and follow-up	180	57	92.98
Provider and Employment Development Department liens were/are being resolved in a timely and effective manner	180	12	100.00
The file closed appropriately without delay, final bills were received and paid timely	180	7	100.00
Administrative closure occurred on future medical claims with no treatment in excess of 12 months	180	0	N/A
Strategic Plans & Documentation	180	79	94.01
Initial claim file review completed by Adjuster within 30 days of claim assignment	180	32	100.00
Claim file reviews completed at least every 90 days by Adjuster (2 week grace period to apply) on <i>non-future medical claims</i> . On <i>future medical claims</i> , at least every 180 days (two 2 week grace period to apply).	180	176	98.86
Claim files are appropriately documented	180	175	93.14
Target dates regarding the completion of identified activities are documented by Adjuster in Plans of Action	180	175	74.29
Claim notes reflect consistent and timely follow-up on key activities	180	175	96.57

Audit Category	Total Claims	Applicable Claims	Score
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 requirements * 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	159	97.48
Supervisor feedback/recommendations are appropriately responded to and acted upon by Adjuster	180	164	98.17
Total number of assigned lost time Adjusters documented in claim file over the audit period	180	177	Not Scored
Supervisory Review	180	180	86.98
Initial indemnity Supervisor review completed within 10 days of claim assignment	180	38	100.00
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	178	79.78
Throughout the claim, the Supervisor provided timely, responsive and meaningful direction on the claim	180	176	85.23
If the Adjuster(s) did not appropriately respond to Supervisor's direction, did the Supervisor provide the appropriate level of follow-up	180	50	94.00
Supervisors will establish proactive diaries to follow up on specific cases or issues as necessary	180	134	92.54
Total number of assigned Supervisors documented in the claim file over the audit period	180	180	Not Scored

Composite Score **93.73**

Notes: The **Member Loss Reporting** audit category score has been excluded from the composite AIMS audit score (i.e., Not Scored). Scoring for this audit category is reported separately within Section #3 of this report.

Any non-scoring questions (those with an assigned question weight of (0) are included in this report. A claim section score is the average of all the applicable questions within the section for a single claim. The audit section score shown in this report is the average of all the claim section scores.

Appendix D: Scoring By Adjuster – Claim Services Provider Audit

CONSULTING SERVICES MARSH ADVISORY				
Auditing Solutions				
Client: Judicial Branch Workers' Compensation Program				
Audit: 2021 Annual TPA Audit - Acclamation Insurance Management Services ("AIMS")				
Audit Scoring By Adjuster				
Services Provider	Coverage Line	Date of Review		
Acclamation Ins. Mgmt. Svcs. Workers' Compensation		09/20/2021 - 10/08/2021		
Audit Category	Total Claims	Applicable Claims	Score	
A. Carroll	18	18	94.12	
C. Harris	18	18	91.34	
C. VanCamp	18	18	88.24	
D. Ball	18	18	94.12	
L. Amezcua	18	18	93.31	
M. Taylor	18	18	89.92	
N. Legardye	18	18	96.09	
N. Palmer	18	18	96.84	
R. McKinley	18	18	98.82	
T. Bishop	18	18	94.14	
Composite Score			93.73	

Appendix E: Claim Value Roster – Claim Services Provider Audit

CONSULTING SERVICES | MARSH ADVISORY

Auditing Solutions

Client: Judicial Branch Workers' Compensation Program

Audit: 2021 Annual TPA Audit - Acclamation Insurance Management Services ("AIMS")

Claim Value Roster

Services Provider

Coverage Line

Date of Review

Acclamation Ins. Mgmt. Svcs.

Workers' Compensation

09/20/2021 - 10/08/2021

Claim Count	Claim Number	AIMS Total Inc.	Marsh Estimate	Total Inc. Variance	Medical Adjustment	Indemnity Adjustment	Expense Adjustment
1	0000009JUD	\$ 108,643.94	\$ 108,643.94	\$ -	\$ -	\$ -	\$ -
2	0000011JUD	\$ 150,009.19	\$ 150,009.19	\$ -	\$ -	\$ -	\$ -
3	0000029JUD	\$ 140,979.42	\$ 140,979.42	\$ -	\$ -	\$ -	\$ -
4	150000361JUD	\$ 274,439.66	\$ 274,439.66	\$ -	\$ -	\$ -	\$ -
5	150000469JUD	\$ 49,608.99	\$ 49,608.99	\$ -	\$ -	\$ -	\$ -
6	150000507JUD	\$ 76,795.94	\$ 76,795.94	\$ -	\$ -	\$ -	\$ -
7	150000535JUD	\$ 193,491.49	\$ 193,491.49	\$ -	\$ -	\$ -	\$ -
8	150000617JUD	\$ 90,741.34	\$ 90,741.34	\$ -	\$ -	\$ -	\$ -
9	160000003JUD	\$ 244,968.19	\$ 244,968.19	\$ -	\$ -	\$ -	\$ -
10	160000029JUD	\$ 50,898.66	\$ 50,898.66	\$ -	\$ -	\$ -	\$ -
11	160000048JUD	\$ 367,608.88	\$ 367,608.88	\$ -	\$ -	\$ -	\$ -
12	160000085JUD	\$ 64,218.18	\$ 64,218.18	\$ -	\$ -	\$ -	\$ -
13	160000230JUD	\$ 27,577.25	\$ 27,577.25	\$ -	\$ -	\$ -	\$ -
14	160000255JUD	\$ 82,943.27	\$ 82,943.27	\$ -	\$ -	\$ -	\$ -
15	160000473JUD	\$ 66,324.17	\$ 66,324.17	\$ -	\$ -	\$ -	\$ -
16	160000528JUD	\$ 144,028.19	\$ 144,028.19	\$ -	\$ -	\$ -	\$ -
17	160000549JUD	\$ 174,788.03	\$ 174,788.03	\$ -	\$ -	\$ -	\$ -
18	160000577JUD	\$ 88,695.54	\$ 88,695.54	\$ -	\$ -	\$ -	\$ -
19	160000626JUD	\$ 195,498.29	\$ 195,498.29	\$ -	\$ -	\$ -	\$ -
20	160000726JUD	\$ 95,381.33	\$ 95,381.33	\$ -	\$ -	\$ -	\$ -
21	160000736JUD	\$ 56,361.30	\$ 56,361.30	\$ -	\$ -	\$ -	\$ -
22	160000751JUD	\$ 36,452.77	\$ 36,452.77	\$ -	\$ -	\$ -	\$ -

Claim Count	Claim Number	AIMS Total Inc.	Marsh Estimate	Total Inc. Variance	Medical Adjustment	Indemnity Adjustment	Expense Adjustment
23	170000133JUD	\$ 50,595.49	\$ 50,595.49	\$ -	\$0.00	\$0.00	\$0.00
24	170000152JUD	\$ 111,753.17	\$ 319,868.57	\$ (208,115.40)	(\$208,115.40)	\$0.00	\$0.00
25	170000187JUD	\$ 64,862.23	\$ 64,862.23	\$ -	\$0.00	\$0.00	\$0.00
26	170000327JUD	\$ 57,743.40	\$ 57,743.40	\$ -	\$0.00	\$0.00	\$0.00
27	170000450JUD	\$ 85,669.21	\$ 85,669.21	\$ -	\$0.00	\$0.00	\$0.00
28	170000481JUD	\$ 16,551.12	\$ 16,551.12	\$ -	\$0.00	\$0.00	\$0.00
29	170000496JUD	\$ 139,115.58	\$ 139,115.58	\$ -	\$0.00	\$0.00	\$0.00
30	170000517JUD	\$ 108,084.37	\$ 108,084.37	\$ -	\$0.00	\$0.00	\$0.00
31	170000584JUD	\$ 66,197.99	\$ 66,197.99	\$ -	\$0.00	\$0.00	\$0.00
32	170000588JUD	\$ 19,563.52	\$ 34,900.00	\$ (15,336.48)	(\$4,797.50)	(\$9,900.00)	(\$638.98)
33	170000609JUD	\$ 165,526.95	\$ 165,526.95	\$ -	\$0.00	\$0.00	\$0.00
34	170000650JUD	\$ 78,870.29	\$ 78,870.29	\$ -	\$0.00	\$0.00	\$0.00
35	170000701JUD	\$ 66,855.06	\$ 86,855.06	\$ (20,000.00)	(\$20,000.00)	\$0.00	\$0.00
36	170000778JUD	\$ 50,897.70	\$ 50,897.70	\$ -	\$0.00	\$0.00	\$0.00
37	180000008JUD	\$ 21,215.00	\$ 21,215.00	\$ -	\$0.00	\$0.00	\$0.00
38	180000114JUD	\$ 35,445.32	\$ 35,445.32	\$ -	\$0.00	\$0.00	\$0.00
39	180000149JUD	\$ 76,288.76	\$ 76,288.76	\$ -	\$0.00	\$0.00	\$0.00
40	180000230JUD	\$ 18,222.40	\$ 18,222.40	\$ -	\$0.00	\$0.00	\$0.00
41	180000234JUD	\$ 77,966.34	\$ 77,966.34	\$ -	\$0.00	\$0.00	\$0.00
42	180000237JUD	\$ 20,776.47	\$ 20,776.47	\$ -	\$0.00	\$0.00	\$0.00
43	180000261JUD	\$ 81,419.96	\$ 81,419.96	\$ -	\$0.00	\$0.00	\$0.00
44	180000307JUD	\$ 50,280.00	\$ 50,280.00	\$ -	\$0.00	\$0.00	\$0.00
45	180000405JUD	\$ 37,307.69	\$ 37,307.69	\$ -	\$0.00	\$0.00	\$0.00
46	180000414JUD	\$ 67,535.91	\$ 107,535.91	\$ (40,000.00)	\$ (20,000.00)	(\$15,000.00)	(\$5,000.00)
47	180000475JUD	\$ 54,292.78	\$ 54,292.78	\$ -	\$0.00	\$0.00	\$0.00
48	180000502JUD	\$ 81,556.03	\$ 81,556.03	\$ -	\$0.00	\$0.00	\$0.00
49	180000507JUD	\$ 58,823.22	\$ 58,823.22	\$ -	\$0.00	\$0.00	\$0.00
50	180000552JUD	\$ 93,180.98	\$ 93,180.98	\$ -	\$0.00	\$0.00	\$0.00
51	180000604JUD	\$ 99,031.80	\$ 99,031.80	\$ -	\$0.00	\$0.00	\$0.00
52	180000618JUD	\$ 28,663.93	\$ 28,663.93	\$ -	\$0.00	\$0.00	\$0.00
53	180000624JUD	\$ 59,472.91	\$ 59,472.91	\$ -	\$0.00	\$0.00	\$0.00
54	180000662JUD	\$ 121,714.43	\$ 121,714.43	\$ -	\$0.00	\$0.00	\$0.00
55	180000705JUD	\$ 78,838.44	\$ 78,838.44	\$ -	\$0.00	\$0.00	\$0.00
56	180000716JUD	\$ 32,474.96	\$ 32,474.96	\$ -	\$0.00	\$0.00	\$0.00
57	180000727JUD	\$ 12,412.71	\$ 12,412.71	\$ -	\$0.00	\$0.00	\$0.00
58	190000010JUD	\$ 60,267.09	\$ 60,267.09	\$ -	\$0.00	\$0.00	\$0.00
59	190000031JUD	\$ 92,755.73	\$ 92,755.73	\$ -	\$0.00	\$0.00	\$0.00
60	190000040JUD	\$ 114,062.96	\$ 114,062.96	\$ -	\$0.00	\$0.00	\$0.00
61	190000043JUD	\$ 128,684.95	\$ 128,684.95	\$ -	\$0.00	\$0.00	\$0.00
62	190000066JUD	\$ 90,691.85	\$ 90,691.85	\$ -	\$0.00	\$0.00	\$0.00

63	190000192JUD	\$ 26,282.04	\$ 32,288.91	\$ (6,006.87)	(\$6,006.87)	\$0.00	\$0.00
64	190000224JUD	\$ 41,207.26	\$ 41,207.26	\$ -	\$0.00	\$0.00	\$0.00
65	190000248JUD	\$ 20,708.39	\$ 20,708.39	\$ -	\$0.00	\$0.00	\$0.00
66	190000345JUD	\$ 8,800.00	\$ 8,800.00	\$ -	\$0.00	\$0.00	\$0.00
67	190000442JUD	\$ 95,790.59	\$ 95,790.59	\$ -	\$0.00	\$0.00	\$0.00
68	190000508JUD	\$ 122,750.90	\$ 173,895.00	\$ (51,144.10)	(\$19,957.95)	(\$22,514.32)	(\$8,671.83)
69	190000523JUD	\$ 83,600.87	\$ 83,600.87	\$ -	\$0.00	\$0.00	\$0.00
70	190000527JUD	\$ 58,995.73	\$ 68,143.72	\$ (9,147.99)	(\$9,147.99)	\$0.00	\$0.00
71	190000551JUD	\$ 81,327.97	\$ 81,327.97	\$ -	\$0.00	\$0.00	\$0.00
72	190000580JUD	\$ 10,476.00	\$ 10,476.00	\$ -	\$0.00	\$0.00	\$0.00
73	190000597JUD	\$ 45,137.35	\$ 45,137.35	\$ -	\$0.00	\$0.00	\$0.00
74	190000639JUD	\$ 34,520.08	\$ 34,520.08	\$ -	\$0.00	\$0.00	\$0.00
75	190000651JUD	\$ 48,317.19	\$ 48,317.19	\$ -	\$0.00	\$0.00	\$0.00
76	190000660JUD	\$ 65,380.00	\$ 65,380.00	\$ -	\$0.00	\$0.00	\$0.00
77	190000688JUD	\$ 44,472.86	\$ 44,472.86	\$ -	\$0.00	\$0.00	\$0.00
78	200000003JUD	\$ 39,264.36	\$ 39,264.36	\$ -	\$0.00	\$0.00	\$0.00
79	200000018JUD	\$ 33,782.82	\$ 33,782.82	\$ -	\$0.00	\$0.00	\$0.00
80	200000022JUD	\$ 51,517.89	\$ 51,517.89	\$ -	\$0.00	\$0.00	\$0.00
81	200000023JUD	\$ 92,177.86	\$ 135,550.31	\$ (43,372.45)	(\$20,000.00)	(\$18,372.45)	(\$5,000.00)
82	200000032JUD	\$ 97,459.08	\$ 97,459.08	\$ -	\$0.00	\$0.00	\$0.00
83	200000033JUD	\$ 28,611.18	\$ 61,000.00	\$ (32,388.82)	(\$12,500.00)	(\$10,544.50)	(\$9,344.32)
84	200000061JUD	\$ 97,395.42	\$ 97,395.42	\$ -	\$0.00	\$0.00	\$0.00
85	200000066JUD	\$ 25,932.20	\$ 25,932.20	\$ -	\$0.00	\$0.00	\$0.00
86	200000108JUD	\$ 74,196.81	\$ 74,196.81	\$ -	\$0.00	\$0.00	\$0.00
87	200000111JUD	\$ 33,662.04	\$ 33,662.04	\$ -	\$0.00	\$0.00	\$0.00
88	200000137JUD	\$ 21,454.06	\$ 36,454.06	\$ (15,000.00)	(\$15,000.00)	\$0.00	\$0.00
89	200000171JUD	\$ 52,205.91	\$ 52,205.91	\$ -	\$0.00	\$0.00	\$0.00
90	200000181JUD	\$ 68,912.45	\$ 68,912.45	\$ -	\$0.00	\$0.00	\$0.00
91	200000195JUD	\$ 42,108.51	\$ 42,108.51	\$ -	\$0.00	\$0.00	\$0.00
92	200000204JUD	\$ 67,760.54	\$ 67,760.54	\$ -	\$0.00	\$0.00	\$0.00
93	200000210JUD	\$ 12,169.00	\$ 12,169.00	\$ -	\$0.00	\$0.00	\$0.00
94	200000224JUD	\$ 13,573.00	\$ 28,573.00	\$ (15,000.00)	(\$15,000.00)	\$0.00	\$0.00
95	200000232JUD	\$ 64,390.24	\$ 64,390.24	\$ -	\$0.00	\$0.00	\$0.00
96	200000252JUD	\$ 19,282.26	\$ 19,282.26	\$ -	\$0.00	\$0.00	\$0.00
97	200000257JUD	\$ 29,750.00	\$ 36,500.00	\$ (6,750.00)	\$0.00	(\$6,750.00)	\$0.00
98	200000266JUD	\$ 35,478.88	\$ 35,478.88	\$ -	\$0.00	\$0.00	\$0.00
99	200000282JUD	\$ 33,777.14	\$ 33,777.14	\$ -	\$0.00	\$0.00	\$0.00
100	200000285JUD	\$ 34,768.86	\$ 39,050.67	\$ (4,281.81)	(\$4,281.81)	\$0.00	\$0.00
101	200000299JUD	\$ 80,570.51	\$ 80,570.51	\$ -	\$0.00	\$0.00	\$0.00
102	200000309JUD	\$ 53,591.38	\$ 53,591.38	\$ -	\$0.00	\$0.00	\$0.00

Claim Count	Claim Number	AIMS Total Inc.	Marsh Estimate	Total Inc. Variance	Medical Adjustment	Indemnity Adjustment	Expense Adjustment
103	200000320JUD	\$ 5,000.00	\$ 5,000.00	\$ -	\$0.00	\$0.00	\$0.00
104	200000329JUD	\$ 39,012.44	\$ 39,012.44	\$ -	\$0.00	\$0.00	\$0.00
105	200000343JUD	\$ 16,000.00	\$ 36,000.00	\$ (20,000.00)	(\$5,000.00)	\$0.00	(\$15,000.00)
106	200000373JUD	\$ 18,791.25	\$ 18,791.25	\$ -	\$0.00	\$0.00	\$0.00
107	200000427JUD	\$ 32,021.58	\$ 32,021.58	\$ -	\$0.00	\$0.00	\$0.00
108	200000445JUD	\$ 23,022.00	\$ 23,022.00	\$ -	\$0.00	\$0.00	\$0.00
109	200000456JUD	\$ 72,837.31	\$ 72,837.31	\$ -	\$0.00	\$0.00	\$0.00
110	200000457JUD	\$ 23,001.53	\$ 23,001.53	\$ -	\$0.00	\$0.00	\$0.00
111	200000482JUD	\$ 85,502.84	\$ 85,502.84	\$ -	\$0.00	\$0.00	\$0.00
112	200000498JUD	\$ 68,289.52	\$ 68,289.52	\$ -	\$0.00	\$0.00	\$0.00
113	200000509JUD	\$ 83,574.41	\$ 83,574.41	\$ -	\$0.00	\$0.00	\$0.00
114	21000015JUD	\$ 30,669.35	\$ 55,000.00	\$ (24,330.65)	(\$498.29)	(\$15,000.00)	(\$8,832.36)
115	21000016JUD	\$ 60,294.58	\$ 60,294.58	\$ -	\$0.00	\$0.00	\$0.00
116	21000019JUD	\$ 16,972.72	\$ 16,972.72	\$ -	\$0.00	\$0.00	\$0.00
117	21000025JUD	\$ 26,153.88	\$ 5,000.00	\$ 21,153.88	\$7,454.74	\$9,970.37	\$3,728.77
118	210000046JUD	\$ 26,050.00	\$ 26,050.00	\$ -	\$0.00	\$0.00	\$0.00
119	210000052JUD	\$ 8,497.72	\$ 10,237.72	\$ (1,740.00)	\$0.00	(\$1,740.00)	\$0.00
120	210000065JUD	\$ 23,629.53	\$ 23,629.53	\$ -	\$0.00	\$0.00	\$0.00
121	210000066JUD	\$ 8,831.48	\$ 8,831.48	\$ -	\$0.00	\$0.00	\$0.00
122	210000081JUD	\$ 76,312.98	\$ 76,312.98	\$ -	\$0.00	\$0.00	\$0.00
123	210000106JUD	\$ 53,415.41	\$ 53,415.41	\$ -	\$0.00	\$0.00	\$0.00
124	210000110JUD	\$ 63,467.20	\$ 63,467.20	\$ -	\$0.00	\$0.00	\$0.00
125	210000123JUD	\$ 49,794.00	\$ 49,794.00	\$ -	\$0.00	\$0.00	\$0.00
126	210000128JUD	\$ 27,263.70	\$ 27,263.70	\$ -	\$0.00	\$0.00	\$0.00
127	210000164JUD	\$ 40,127.21	\$ 40,127.21	\$ -	\$0.00	\$0.00	\$0.00
128	210000214JUD	\$ 27,880.00	\$ 44,000.00	\$ (16,120.00)	(\$6,120.00)	(\$10,000.00)	\$0.00
129	210000222JUD	\$ 84,023.47	\$ 84,023.47	\$ -	\$0.00	\$0.00	\$0.00
130	210000295JUD	\$ 74,508.24	\$ 74,508.24	\$ -	\$0.00	\$0.00	\$0.00
131	210000310JUD	\$ 31,920.59	\$ 47,920.59	\$ (16,000.00)	(\$10,000.00)	(\$6,000.00)	\$0.00
132	210000319JUD	\$ 11,910.00	\$ 11,910.00	\$ -	\$0.00	\$0.00	\$0.00
133	210000335JUD	\$ 66,824.80	\$ 66,824.80	\$ -	\$0.00	\$0.00	\$0.00
134	210000337JUD	\$ 6,194.76	\$ 6,194.76	\$ -	\$0.00	\$0.00	\$0.00
135	210000338JUD	\$ 21,137.29	\$ 21,137.29	\$ -	\$0.00	\$0.00	\$0.00
136	210000360JUD	\$ 11,471.38	\$ 11,471.38	\$ -	\$0.00	\$0.00	\$0.00
137	210000363JUD	\$ 20,146.74	\$ 20,146.74	\$ -	\$0.00	\$0.00	\$0.00
138	210000373JUD	\$ 10,743.28	\$ 29,110.00	\$ (18,366.72)	(\$12,000.00)	(\$6,366.72)	\$0.00
139	210000377JUD	\$ 31,141.44	\$ 31,141.44	\$ -	\$0.00	\$0.00	\$0.00
140	210000412JUD	\$ 49,608.30	\$ 27,400.00	\$ 22,208.30	\$0.00	\$24,708.30	(\$2,500.00)
141	210000433JUD	\$ 16,050.00	\$ 23,550.00	\$ (7,500.00)	\$0.00	(\$7,500.00)	\$0.00
142	210000493JUD	\$ 17,000.00	\$ 17,000.00	\$ -	\$0.00	\$0.00	\$0.00

Claim Count	Claim Number	AIMS Total Inc.	Marsh Estimate	Total Inc. Variance	Medical Adjustment	Indemnity Adjustment	Expense Adjustment
143	210000515JUD	\$ 8,620.00	\$ 8,620.00	\$ -	\$0.00	\$0.00	\$0.00
144	210000518JUD	\$ 9,700.00	\$ 9,700.00	\$ -	\$0.00	\$0.00	\$0.00
145	220000010JUD	\$ 31,000.00	\$ 31,000.00	\$ -	\$0.00	\$0.00	\$0.00
146	220000019JUD	\$ 19,125.00	\$ 19,125.00	\$ -	\$0.00	\$0.00	\$0.00
147	220000024JUD	\$ 5,220.00	\$ 5,220.00	\$ -	\$0.00	\$0.00	\$0.00
148	220000041JUD	\$ 12,000.00	\$ 12,000.00	\$ -	\$0.00	\$0.00	\$0.00
149	JC02000092	\$ 23,990.86	\$ 23,990.86	\$ -	\$0.00	\$0.00	\$0.00
150	JC02000256	\$ 72,762.04	\$ 72,762.04	\$ -	\$0.00	\$0.00	\$0.00
151	JC03000186	\$ 297,677.51	\$ 297,677.51	\$ -	\$0.00	\$0.00	\$0.00
152	JC030020235	\$ 19,361.37	\$ 19,361.37	\$ -	\$0.00	\$0.00	\$0.00
153	JC04000385	\$ 302,464.22	\$ 302,464.22	\$ -	\$0.00	\$0.00	\$0.00
154	JC04000468	\$ 201,106.05	\$ 201,106.05	\$ -	\$0.00	\$0.00	\$0.00
155	JC06001030	\$ 65,210.52	\$ 65,210.52	\$ -	\$0.00	\$0.00	\$0.00
156	JC07000303	\$ 58,784.34	\$ 58,784.34	\$ -	\$0.00	\$0.00	\$0.00
157	JC07000502	\$ 44,624.75	\$ 44,624.75	\$ -	\$0.00	\$0.00	\$0.00
158	JC08000009	\$ 69,912.05	\$ 69,912.05	\$ -	\$0.00	\$0.00	\$0.00
159	JC08000275	\$ 138,866.17	\$ 138,866.17	\$ -	\$0.00	\$0.00	\$0.00
160	JC09000020	\$ 62,256.66	\$ 62,256.66	\$ -	\$0.00	\$0.00	\$0.00
161	JC09020792	\$ 153,405.00	\$ 153,405.00	\$ -	\$0.00	\$0.00	\$0.00
162	JC10000310	\$ 113,054.70	\$ 113,054.70	\$ -	\$0.00	\$0.00	\$0.00
163	JC10000352	\$ 99,640.27	\$ 99,640.27	\$ -	\$0.00	\$0.00	\$0.00
164	JC10000590	\$ 40,629.98	\$ 40,629.98	\$ -	\$0.00	\$0.00	\$0.00
165	JC10000757	\$ 28,247.97	\$ 28,247.97	\$ -	\$0.00	\$0.00	\$0.00
166	JC11000011	\$ 25,466.00	\$ 25,466.00	\$ -	\$0.00	\$0.00	\$0.00
167	JC11000415	\$ 82,051.04	\$ 82,051.04	\$ -	\$0.00	\$0.00	\$0.00
168	JC12020360	\$ 83,920.72	\$ 83,920.72	\$ -	\$0.00	\$0.00	\$0.00
169	JC12020592	\$ 18,216.72	\$ 18,216.72	\$ -	\$0.00	\$0.00	\$0.00
170	JC13020029	\$ 90,366.02	\$ 90,366.02	\$ -	\$0.00	\$0.00	\$0.00
171	JC13020046	\$ 225,846.42	\$ 225,846.42	\$ -	\$0.00	\$0.00	\$0.00
172	JC13020141	\$ 56,054.49	\$ 56,054.49	\$ -	\$0.00	\$0.00	\$0.00
173	JC13020371	\$ 77,647.95	\$ 77,647.95	\$ -	\$0.00	\$0.00	\$0.00
174	JC13020509	\$ 92,440.70	\$ 92,440.70	\$ -	\$0.00	\$0.00	\$0.00
175	JC13020519	\$ 15,618.97	\$ 15,618.97	\$ -	\$0.00	\$0.00	\$0.00
176	JC14020357	\$ 170,384.69	\$ 170,384.69	\$ -	\$0.00	\$0.00	\$0.00
177	JC14020503	\$ 239,367.20	\$ 239,367.20	\$ -	\$0.00	\$0.00	\$0.00
178	JC14020548	\$ 90,837.33	\$ 90,837.33	\$ -	\$0.00	\$0.00	\$0.00
179	JC15020031	\$ 21,411.08	\$ 16,285.09	\$ 5,125.99	\$5,125.99	\$0.00	\$0.00
180	JC89000004	\$ 53,893.03	\$ 53,893.03	\$ -	\$0.00	\$0.00	\$0.00
		\$12,227,957.10	\$12,750,070.22	(\$522,113.12)	(\$375,845.08)	(\$95,009.32)	(\$51,258.72)
				(-4.3%)			

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Bickmore

Actuarial

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

Outstanding Liabilities as of June 30, 2022

Forecast for Program Years 2021-22 through 2024-25

Presented to

Judicial Council of California

February 3, 2022 - DRAFT



Thursday, February 3, 2022

Mr. Patrick Farrales
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. Farrales:

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, 2022. Estimates are provided at the expected level, as well as various confidence levels.
- Projection of ultimate loss and ALAE for fiscal accident years 2021-22 through 2024-25. Estimates are provided at the expected level, as well as various confidence levels.
- Projection of loss and ALAE payments for fiscal years 2021-22 through 2024-25.

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, 2021, 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, 2022 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, 2022

Year	Trial Courts	State Judiciary	Total
Prior	\$1,852,000	\$505,000	\$2,357,000
2005-06	500,000	0	500,000
2006-07	593,000	0	593,000
2007-08	506,000	32,000	538,000
2008-09	478,000	51,000	529,000
2009-10	769,000	0	769,000
2010-11	1,051,000	0	1,051,000
2011-12	1,545,000	0	1,545,000
2012-13	2,352,000	0	2,352,000
2013-14	2,112,000	0	2,112,000
2014-15	2,693,000	63,000	2,756,000
2015-16	3,398,000	249,000	3,647,000
2016-17	3,805,000	177,000	3,982,000
2017-18	4,463,000	220,000	4,683,000
2018-19	5,372,000	271,000	5,643,000
2019-20	6,969,000	381,000	7,350,000
2020-21	9,203,000	405,000	9,608,000
2021-22	11,669,000	581,000	12,250,000
Loss and ALAE	\$59,330,000	\$2,935,000	\$62,265,000
ULAE	5,713,000	882,000	6,595,000
Total	\$65,043,000	\$3,817,000	\$68,860,000
70% CL	70,182,000	4,323,000	74,506,000
75% CL	72,199,000	4,545,000	76,743,000
80% CL	74,540,000	4,808,000	79,348,000
85% CL	77,402,000	5,132,000	82,534,000
90% CL	81,175,000	5,563,000	86,738,000

The \$68,860,000 estimate is the minimum liability to be booked by the Judicial Council at June 30, 2022 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, 2021, 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, 2022 to be \$0.

The table below shows our estimates of projected ultimate loss and ALAE for the JBWCP for the 2021-22 through 2024-25 fiscal years.

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

Year	2021-22	2022-23	2023-24	2024-25
Trial Courts	\$13,243,000	\$13,694,000	\$14,059,000	\$14,455,000
State Judiciary	615,000	635,000	642,000	656,000
Total	\$13,858,000	\$14,329,000	\$14,701,000	\$15,111,000
60% Confidence	14,271,000	14,756,000	15,139,000	15,561,000
65% Confidence	14,813,000	15,316,000	15,714,000	16,151,000
70% Confidence	15,390,000	15,913,000	16,325,000	16,780,000
75% Confidence	16,043,000	16,588,000	17,017,000	17,490,000
80% Confidence	16,790,000	17,361,000	17,809,000	18,304,000

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.

The table below shows our estimates of projected ultimate loss and LAE for the JBWCP for the 2022-23 fiscal year.

Judicial Branch Workers' Compensation Program
Self-Funded Workers' Compensation Program
Loss and LAE Funding Guidelines for 2022-23

	Expected	Marginally Acceptable			Recommended Range	
		60% CL	65% CL	70% CL	Low 75% CL	Target 80% CL
Trial Courts	\$16,821,000	\$17,245,000	\$17,738,000	\$18,259,000	\$18,848,000	\$19,519,000
State Judiciary	<u>1,244,000</u>	<u>1,246,000</u>	<u>1,314,000</u>	<u>1,390,000</u>	<u>1,476,000</u>	<u>1,578,000</u>
Total	\$18,065,000	\$18,491,000	\$19,052,000	\$19,649,000	\$20,324,000	\$21,097,000
Increase Over Expected		\$426,000	\$987,000	\$1,584,000	\$2,259,000	\$3,032,000

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 2021-22 through 2024-25 fiscal year.

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

Year	2021-22	2022-23	2023-24	2024-25
Trial Courts	\$5,716,000	\$11,907,000	\$12,264,000	\$12,692,000
State Judiciary	198,000	482,000	501,000	520,000
Total	\$5,914,000	\$12,389,000	\$12,765,000	\$13,212,000

Note: 2021-22 is for the period 1/1/22 to 6/30/22

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.

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Actuarial Consultant

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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, 2021, 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, 2022, project ultimate loss costs for 2021-22, 2022-23, 2023-24 and 2024-25 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, 2022. 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 \$68,860,000 as of June 30, 2022. 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.

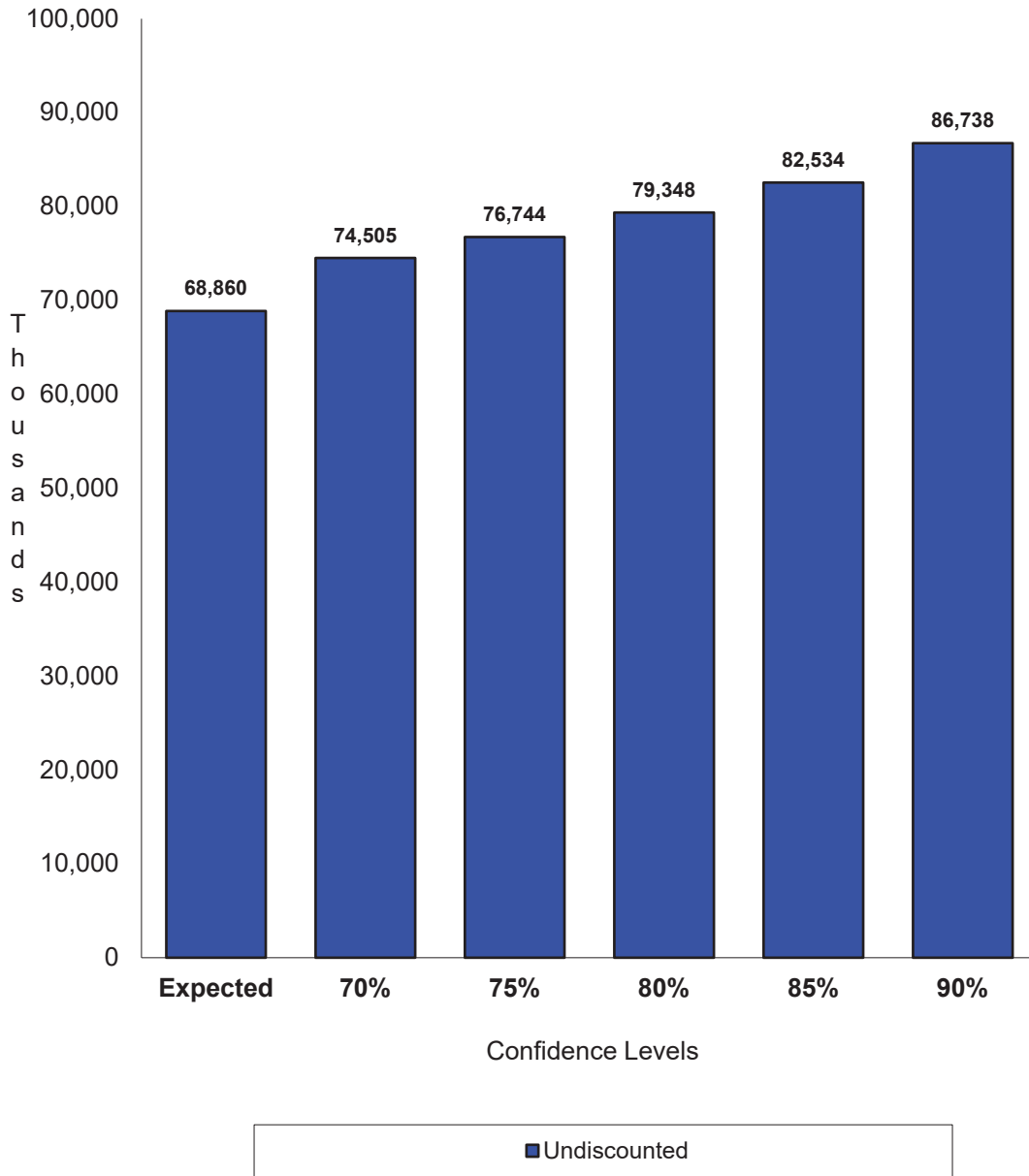
ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). Other program expenses may include 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, 2022



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, 2022, 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, 2022

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$474,512	\$174,590	\$649,102
2001-02	177,616	59,626	237,242
2002-03	243,132	89,213	332,345
2003-04	777,421	148,393	925,814
2004-05	86,673	125,999	212,672
2005-06	372,762	126,886	499,648
2006-07	434,779	158,292	593,071
2007-08	351,019	187,462	538,481
2008-09	295,519	233,358	528,877
2009-10	349,685	419,649	769,334
2010-11	507,727	543,760	1,051,487
2011-12	839,156	705,460	1,544,616
2012-13	927,097	1,425,330	2,352,427
2013-14	635,456	1,476,963	2,112,419
2014-15	990,959	1,765,154	2,756,113
2015-16	1,298,287	2,348,610	3,646,897
2016-17	1,437,625	2,543,953	3,981,578
2017-18	1,586,472	3,096,546	4,683,018
2018-19	1,763,840	3,878,276	5,642,116
2019-20	1,820,265	5,529,783	7,350,048
2020-21	2,738,904	6,868,586	9,607,490
2021-22	1,872,910	10,376,818	12,249,728
Loss and ALAE	\$19,981,816	\$42,282,707	\$62,264,523
ULAE		6,595,024	6,595,024
Total	\$19,981,816	\$48,877,731	\$68,859,547

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.

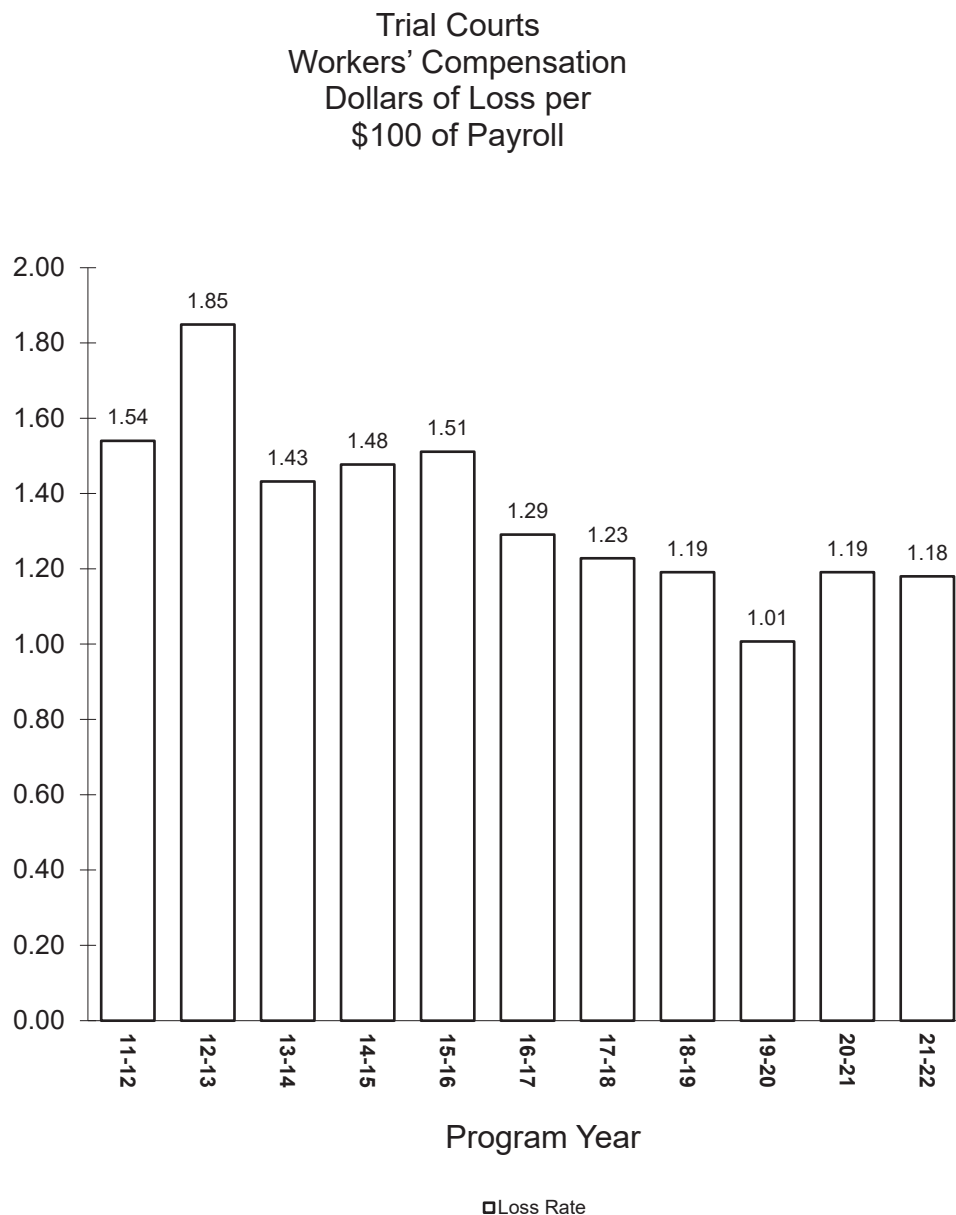
In general, we recommend that you fund each year's claims costs in that year. When surpluses or deficiencies have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. 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.

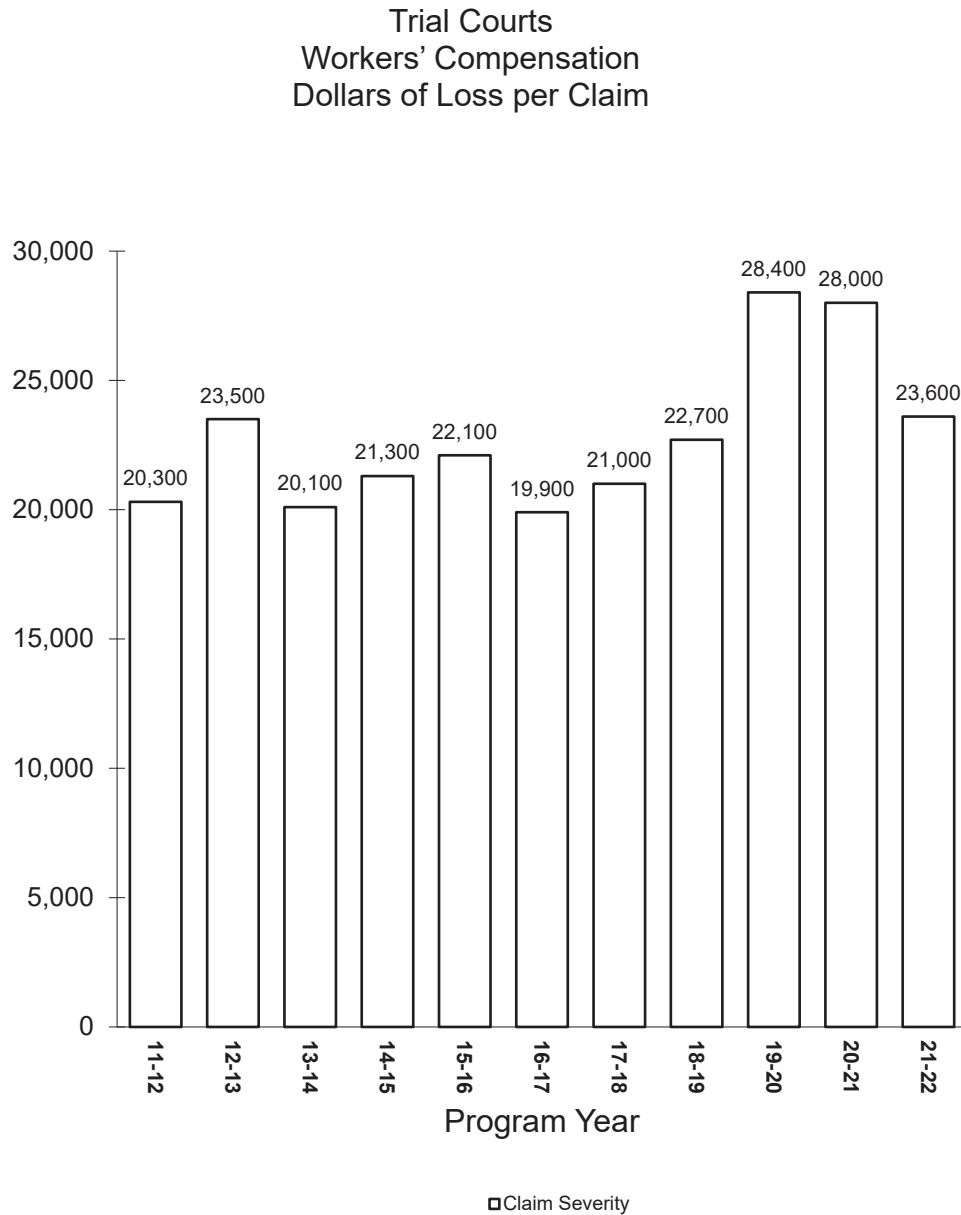
The Trial Courts' loss rate (limited to \$250,000 per occurrence) has been relatively stable overall during the past ten years. The Trial Courts' loss rate averaged \$1.56 during the 2011-12 and 2015-16 program years and averaged \$1.18 per \$100 of payroll during 2016-17 through 2020-21. Our projected loss rate for 2021-22 is \$1.18 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 2021-22 average cost per claim of \$23,600 is based on the recent increasing trend. The large increase in 2019-20 and 2020-21 is lower claim counts due to the COVID-19 pandemic.

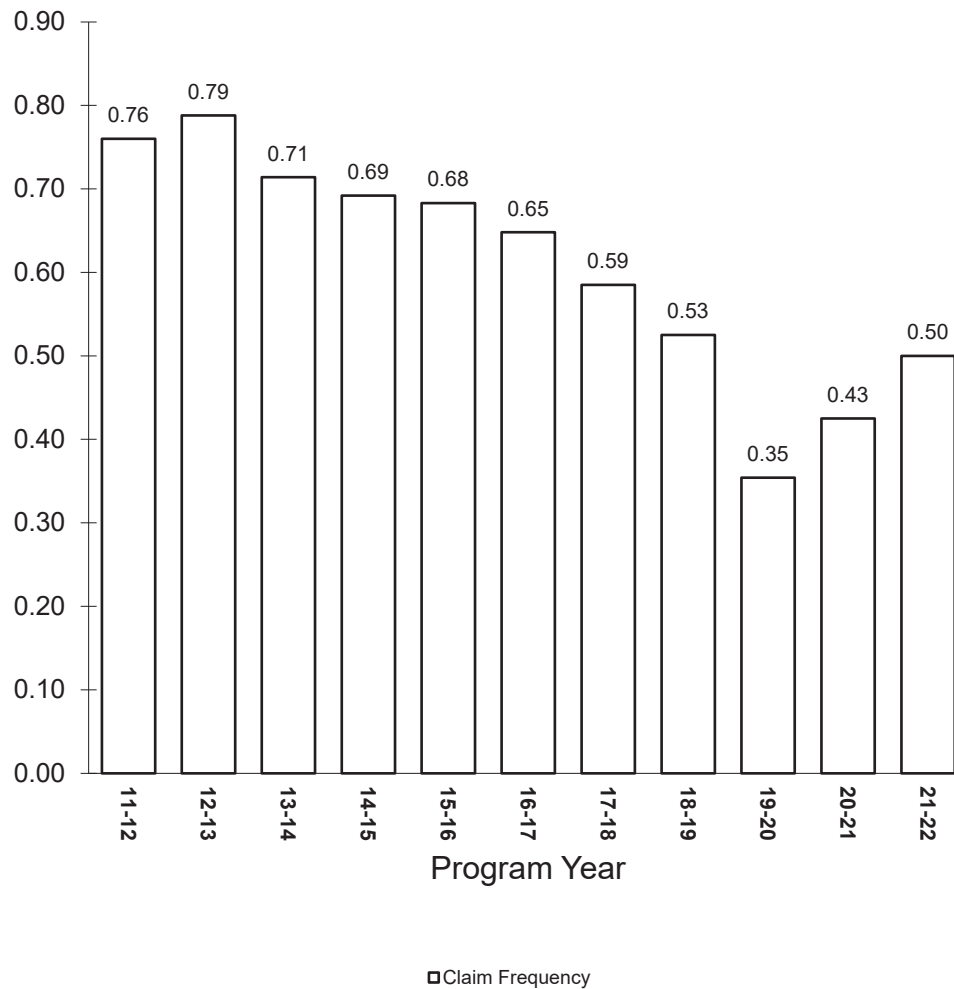
Graph 3



The Trial Courts' claim frequency, or number of claims per \$1 million of payroll, has been generally decreasing since 2011-12. Our projected claims frequency of 0.50 for 2021-22 is similar to the average of the recent four years and the apparent downward trend. The drop in 2019-20 and 2020-21 is due to the COVID-19 pandemic.

Graph 4

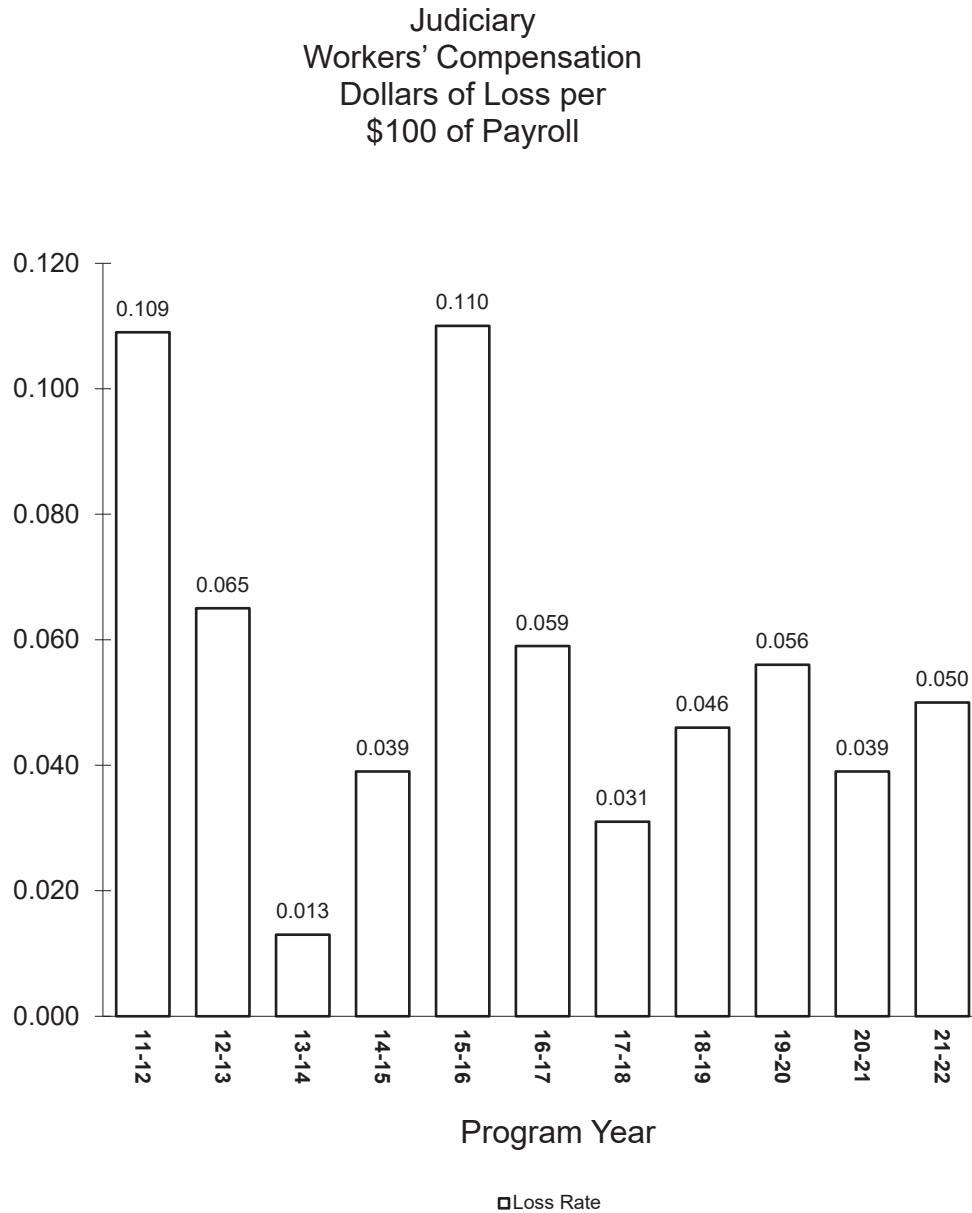
Trial Courts
Workers' Compensation
Number of Claims per
\$1 Million of Payroll



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 \$0.067 from 2011-12 to 2015-16 and \$0.046 between 2016-17 and 2020-21. Our projected loss rate for 2021-22 is \$0.050 per \$100 of payroll.

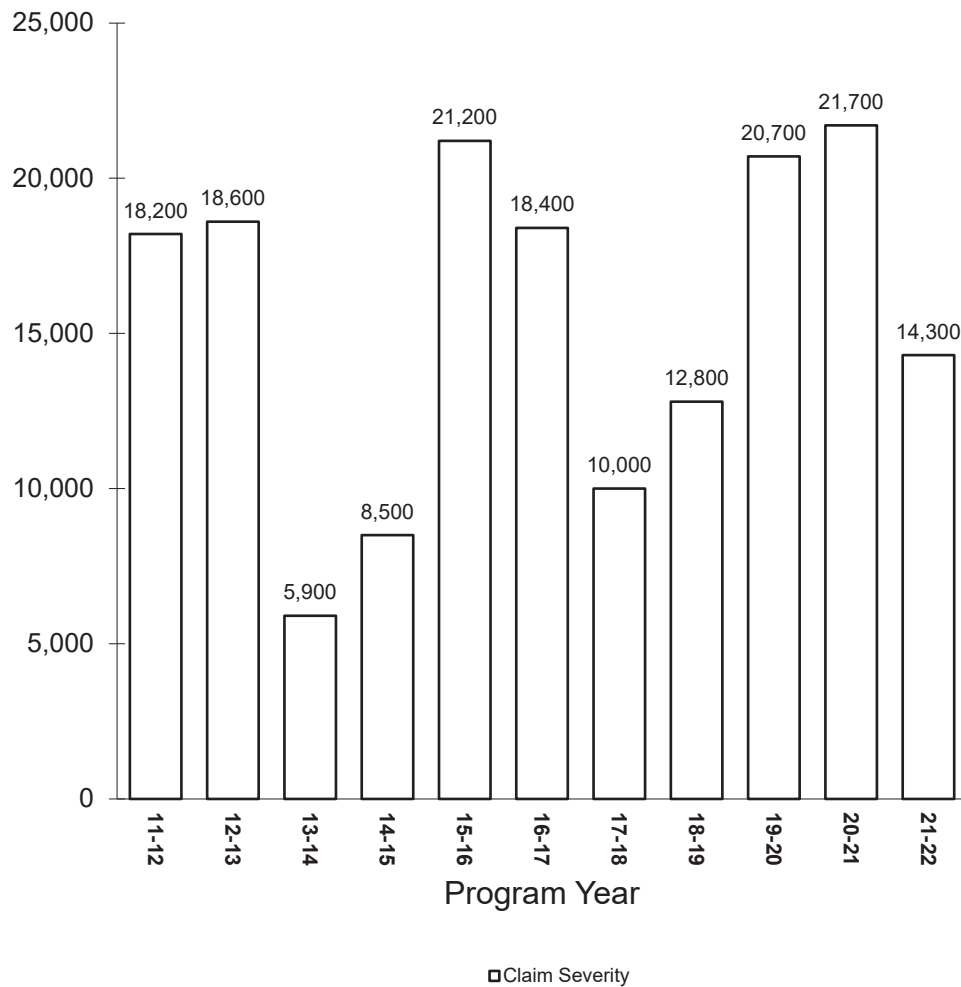
Graph 5



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 \$14,300 for 2021-22 is based on the recent years and apparent upward trend.

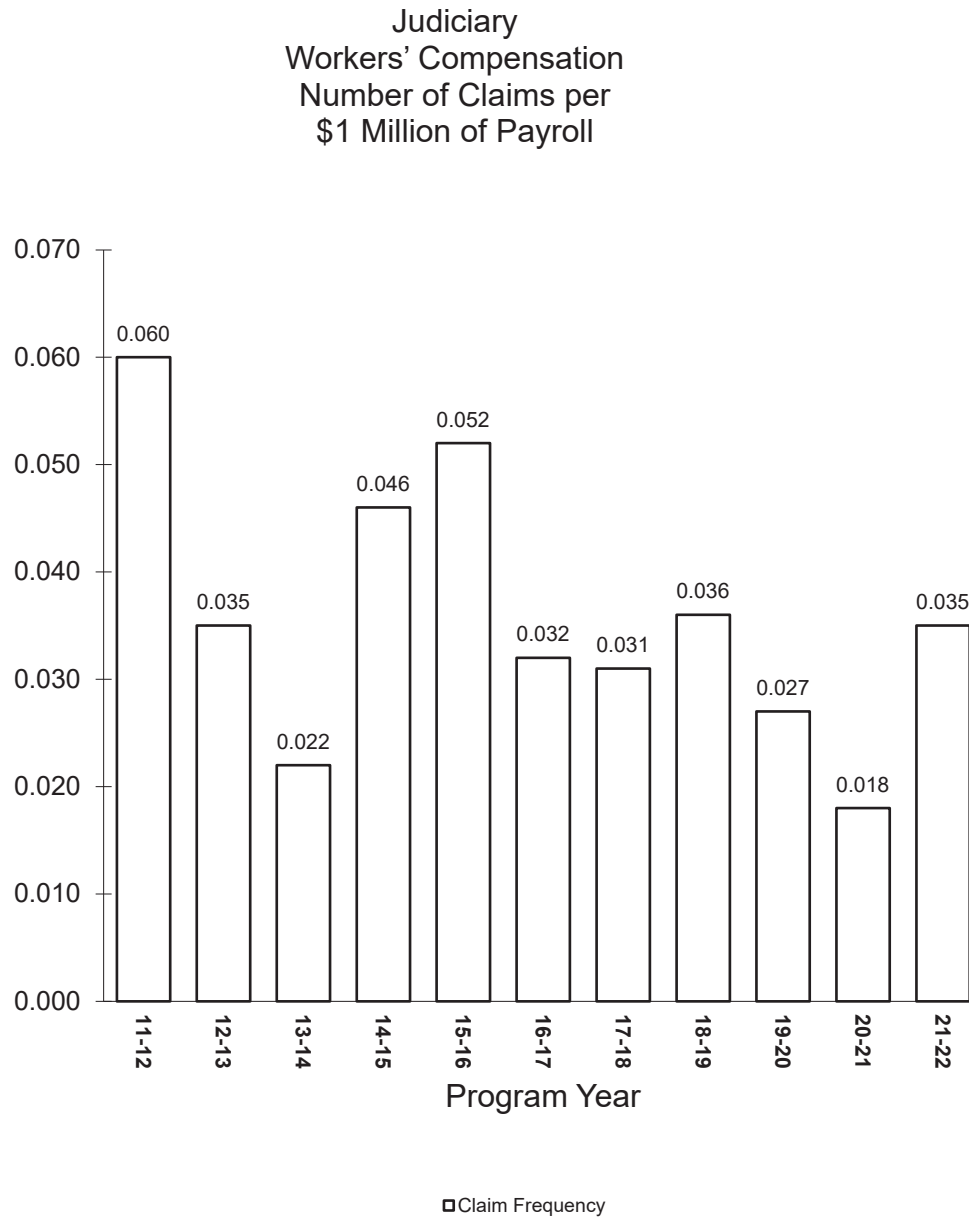
Graph 6

Judiciary
Workers’ Compensation
Dollars of Loss per Claim



Since 2011-12, the State Judiciary’s claim frequency, or number of claims per \$1 million payroll, has ranged from a high of 0.060 in 2011-12 to a low of 0.018 during 2020-21. The projected 2021-22 frequency of 0.035 claims per \$1 million of payroll is based on the average of the most recent five years.

Graph 7



D. COMPARISON WITH PREVIOUS RESULTS

The prior report for the Judicial Branch Workers' Compensation Program was dated February 16, 2021. 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, 2020 evaluation date of the prior report and the December 31, 2021 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
2000-01	\$10,000	(\$156,000)	(\$166,000)
2001-02	\$28,186	(\$37,112)	(\$65,298)
2002-03	17,654	67,529	49,875
2003-04	42,066	25,258	(16,808)
2004-05	27,845	(35,209)	(63,054)
2005-06	42,011	(71,673)	(113,684)
2006-07	42,030	160,136	118,106
2007-08	65,863	(56,210)	(122,073)
2008-09	97,501	72,909	(24,592)
2009-10	201,703	150,997	(50,706)
2010-11	215,217	123,515	(91,702)
2011-12	253,271	395,658	142,387
2012-13	476,619	223,789	(252,830)
2013-14	402,967	26,165	(376,802)
2014-15	400,462	142,894	(257,568)
2015-16	550,745	369,254	(181,491)
2016-17	593,233	647,354	54,121
2017-18	882,354	845,511	(36,843)
2018-19	1,450,775	1,162,006	(288,769)
2019-20	3,148,804	1,808,224	(1,340,580)
2020-21	4,840,175	4,137,242	(702,933)
Total	\$13,789,336	\$10,002,143	(\$3,787,193)

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 \$13,789,000 between the two evaluation dates. However, actual development was approximately \$10,002,000; or about \$3,787,000 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, 2020 evaluation date of the prior report and the December 31, 2021 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
2000-01	\$45,000	(\$77,000)	(\$123,000)
2001-02	\$29,314	(\$20,860)	(\$50,174)
2002-03	22,549	39,723	17,174
2003-04	129,999	146,673	16,674
2004-05	27,014	48,402	21,388
2005-06	97,428	85,767	(11,661)
2006-07	118,532	61,770	(56,762)
2007-08	143,978	76,095	(67,883)
2008-09	104,043	55,708	(48,335)
2009-10	175,096	267,358	92,262
2010-11	235,020	295,188	60,168
2011-12	273,622	320,634	47,012
2012-13	414,051	270,111	(143,940)
2013-14	453,003	256,567	(196,436)
2014-15	602,452	531,611	(70,841)
2015-16	668,677	594,705	(73,972)
2016-17	849,703	765,097	(84,606)
2017-18	1,223,932	1,209,366	(14,566)
2018-19	1,561,383	1,914,890	353,507
2019-20	2,192,580	1,718,010	(474,570)
2020-21	2,440,009	2,555,927	115,918
Total	\$11,807,853	\$11,115,687	(\$692,166)

As 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 \$11,808,000 between the two evaluation dates. However, actual development was approximately \$11,116,000; or about \$692,000 less 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
2000-01	\$9,934,000	\$9,758,000	(\$176,000)
2001-02	\$14,234,574	\$14,169,014	(\$65,560)
2002-03	17,885,105	17,935,278	50,173
2003-04	21,339,797	21,344,107	4,310
2004-05	14,217,787	14,154,134	(63,653)
2005-06	14,352,609	14,223,601	(129,008)
2006-07	14,450,613	14,541,626	91,013
2007-08	13,720,428	13,569,399	(151,029)
2008-09	11,417,886	11,359,286	(58,600)
2009-10	16,675,475	16,614,492	(60,983)
2010-11	15,831,800	15,712,244	(119,556)
2011-12	15,218,872	15,320,512	101,640
2012-13	17,239,969	16,963,308	(276,661)
2013-14	13,684,207	13,305,887	(378,320)
2014-15	13,783,818	13,546,983	(236,835)
2015-16	14,773,080	14,640,570	(132,510)
2016-17	12,917,109	12,772,175	(144,934)
2017-18	12,554,082	12,417,911	(136,171)
2018-19	12,641,644	12,456,617	(185,027)
2019-20	12,975,995	11,715,648	(1,260,347)
2020-21	13,953,607	13,201,725	(751,882)
Total	\$303,802,634	\$299,722,499	(\$4,080,135)

As shown, overall we have decreased the estimated ultimates by \$4,080,000 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, 2020 evaluation date of the prior report and the December 31, 2021 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	\$14,835	(\$206,695)	(\$221,530)
2001-02	3,378	365	(3,013)
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	11,700	11,700
2005-06	0	0	0
2006-07	0	372	372
2007-08	0	19,345	19,345
2008-09	9,912	(16,871)	(26,783)
2009-10	0	0	0
2010-11	0	25	25
2011-12	12,087	(11,981)	(24,068)
2012-13	0	0	0
2013-14	0	(19,429)	(19,429)
2014-15	13,027	(15,089)	(28,116)
2015-16	25,969	(13,721)	(39,690)
2016-17	38,011	(4,542)	(42,553)
2017-18	51,933	24,376	(27,557)
2018-19	79,710	1,157	(78,553)
2019-20	148,609	137,400	(11,209)
2020-21	170,680	(1,443)	(172,123)
Total	\$568,151	(\$95,031)	(\$663,182)

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 \$568,000 between the two evaluation dates. However, actual development was approximately (\$95,000); or \$663,000 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, 2020 evaluation date of the prior report and the December 31, 2021 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	\$85,460	\$60,932	(\$24,528)
2001-02	4,165	4,020	(145)
2002-03	0	0	0
2003-04	0	0	0
2004-05	0	85	85
2005-06	0	0	0
2006-07	0	372	372
2007-08	0	326	326
2008-09	6,480	(11,745)	(18,225)
2009-10	0	0	0
2010-11	0	25	25
2011-12	8,039	(7,434)	(15,473)
2012-13	0	0	0
2013-14	0	(19,429)	(19,429)
2014-15	17,693	14,487	(3,206)
2015-16	46,804	32,244	(14,560)
2016-17	43,788	14,901	(28,887)
2017-18	48,173	29,075	(19,098)
2018-19	67,764	17,993	(49,771)
2019-20	92,580	67,070	(25,510)
2020-21	66,450	3,920	(62,530)
Total	\$487,396	\$206,842	(\$280,554)

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 \$487,000 between the two evaluation dates. However, actual development was approximately \$207,000; or about \$281,000 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	\$12,747,000	\$12,634,000	(\$113,000)
2001-02	872,000	879,000	6,000
2002-03	172,000	172,000	0
2003-04	289,000	289,000	0
2004-05	366,000	392,000	26,000
2005-06	229,000	229,000	0
2006-07	575,000	575,000	0
2007-08	242,000	276,000	34,000
2008-09	811,000	782,000	(28,000)
2009-10	686,000	686,000	0
2010-11	309,000	309,000	0
2011-12	639,000	549,000	(89,000)
2012-13	431,000	431,000	0
2013-14	81,000	62,000	(19,000)
2014-15	370,000	317,000	(53,000)
2015-16	824,000	757,000	(67,000)
2016-17	548,000	499,000	(49,000)
2017-18	390,000	347,000	(42,000)
2018-19	562,000	459,000	(104,000)
2019-20	647,000	576,000	(71,000)
2020-21	647,000	456,000	(190,000)
Total	\$22,437,000	\$21,677,000	(\$760,000)

For the years shown, overall we have decreased the estimated ultimates by \$760,000 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, 2021 was estimated to be \$67,290,000 for the Trial Courts and \$4,154,000 for the State Judiciary for a total of \$71,444,000. Our current estimate as of June 30, 2022, is \$65,044,000 for the Trial Courts and \$3,816,000 for the State Judiciary for a total of \$68,860,000. 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, 2021	Current Report at June 30, 2022	Change
(A) Case Reserves:	\$19,706,000	\$19,202,000	(\$504,000)
(B) IBNR Reserves:	41,791,000	40,129,000	(1,662,000)
(C) Claims Administration Reserves:	5,793,000	5,713,000	(80,000)
(D) Total Reserves:	\$67,290,000	\$65,044,000	(\$2,246,000)

State Judiciary Only
Outstanding Claim Liabilities for Loss and LAE

	Prior Report at June 30, 2021	Current Report at June 30, 2022	Change
(A) Case Reserves:	\$1,033,000	\$780,000	(\$253,000)
(B) IBNR Reserves:	2,257,000	2,154,000	(103,000)
(C) Claims Administration Reserves:	864,000	882,000	18,000
(D) Total Reserves:	\$4,154,000	\$3,816,000	(\$338,000)

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

	Prior Report at June 30, 2021	Current Report at June 30, 2022	Change
(A) Case Reserves:	\$20,739,000	\$19,982,000	(\$757,000)
(B) IBNR Reserves:	44,048,000	42,283,000	(1,765,000)
(C) Claims Administration Reserves:	6,657,000	6,595,000	(62,000)
(D) Total Reserves:	\$71,444,000	\$68,860,000	(\$2,584,000)

As shown, the estimate of outstanding claims liabilities at the expected level has decreased between June 30, 2021 and June 30, 2022 as reflected in the prior report and current report respectively for both the Trial Courts and State Judiciary.

Since the prior evaluation, case reserves decreased for both the Trial Courts and the State Judiciary. These decreases are coupled with decreases in the estimate of IBNR reserves for the Judiciary. Reserves for future claims administration expenses have decreased. The overall change is a decrease of \$2,584,000 in the estimate of outstanding claim liabilities for loss and ALAE.

Available assets were \$71,689,000 as of June 30, 2021, 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 \$73,489,000 as of June 30, 2022, which corresponds to the currently estimated liability for outstanding claims between the expected and 70% confidence level. It can be summarized as follows:

Funding Margin			
	Prior Report at June 30, 2021	Current Report at June 30, 2022	Change
(A) Outstanding Liability at the Undiscounted Expected Level:	\$71,444,000	\$68,860,000	(\$2,584,000)
(B) Assets At June 30:	71,689,000	73,489,000	1,800,000
(C) Surplus:	\$245,000	\$4,629,000	\$4,384,000

As you can see, our estimate of the program's funding surplus at the undiscounted, expected level has increased by \$4,384,000 between June 30, 2021 (as previously estimated) and June 30, 2022 (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 2021-22 funding projections at the expected level were \$17,170,000 for the Trial Courts. Our current projections for the 2022-23 year are \$16,821,000 for the Trial Courts. The comparison is shown in the following table:

Comparison of Funding

Trial Courts

	Prior Report 2021-22 Retention = \$2M	Current Report 2022-23 Retention = \$2M	Change
(A) Ultimate Loss and ALAE:	\$14,021,000	\$13,694,000	(\$327,000)
(B) Ultimate Claims Administration (ULAE):	2,427,000	2,424,000	(3,000)
(C) Total Claim Costs:	\$16,448,000	\$16,118,000	(\$330,000)
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	722,000	703,000	(19,000)
(F) Total Recommended Funding:	\$17,170,000	\$16,821,000	(\$349,000)
(G) Funding per \$100 of Payroll:	\$1.79	\$1.75	(\$0.04)

As you can see, the projected funding for the Trial Courts have decreased and the between 2021-22 and 2022-23, as shown in the prior and current reports respectively.

At the time of the prior report, the 2021-22 funding projections at the expected level were \$1,246,000 for the State Judiciary. Our current projections for the 2022-23 year are \$1,244,000 for the State Judiciary. The comparison is shown in the following table:

Comparison of Funding

State Judiciary

	Prior Report 2021-22 Retention = \$2M	Current Report 2022-23 Retention = \$2M	Change
(A) Ultimate Loss and ALAE:	\$647,000	\$635,000	(\$12,000)
(B) Ultimate Claims Administration (ULAE):	255,000	258,000	3,000
(C) Total Claim Costs:	\$902,000	\$893,000	(\$9,000)
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	344,000	351,000	7,000
(F) Total Recommended Funding:	\$1,246,000	\$1,244,000	(\$2,000)
(G) Funding per \$100 of Payroll:	\$0.200	\$0.190	(\$0.01)

As you can see, the projected funding for the State Judiciary have decreased between 2021-22 and 2022-23, as shown in the prior and current reports respectively.

At the time of the prior report, the 2021-22 expected loss and ALAE payments were \$12,305,000 for the Trial Courts and \$518,000 for the State Judiciary, for a total of \$12,823,000. Our current estimates for the 2022-23 year are \$11,907,000 for Trial Courts and \$482,000 for the State Judiciary for a total of \$12,389,000. The comparison is shown in the following table:

Comparison of Expected Loss and ALAE Payments

	Prior Report 2021-22	Current Report 2022-23	Change
(A) Trial Courts:	\$12,305,000	\$11,907,000	(\$398,000)
(B) State Judiciary:	518,000	482,000	(36,000)
(C) Total:	\$12,823,000	\$12,389,000	(\$434,000)

As you can see, the expected payments have decreased for the Trial Courts and the State Judiciary between 2021-22 and 2022-23, 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 2021-22, 2022-23, 20223-24, and 2024-25 (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 2021-22, 2022-23, 20223-24, and 2024-25 (See Appendix J-J for the State Judiciary).
- We received loss data evaluated as of December 31, 2021 (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.

- 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 2.5% per year, and that claim frequency decreases at 2.5% 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 2.5% 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, 2021

(A) Estimated Ultimate Losses Incurred through 12/31/21: (From Appendix TC - G and Appendix J - G)	\$328,328,000
(B) Estimated Paid Losses through 12/31/21: (From Appendix TC - G and Appendix J - G)	267,079,000
(C) Estimated Liability for Claims Outstanding at 12/31/21: (From Appendix TC - G and Appendix J - G)	<u>\$61,250,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/21: (From Appendix TC - F and Appendix J - F)	6,369,000
(E) Total Outstanding Liability for Claims at 12/31/21: ((C) + (D))	<u>\$67,618,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%): (Not Included)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/21: ((E) x (F))	<u>\$67,618,000</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	1.114	1.152	1.198	1.259
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	5,536,000	7,729,000	10,282,000	13,404,000	17,523,000
(J) Total Required Assets at 12/31/21: ((G) + (I))	<u>\$73,154,000</u>	<u>\$75,347,000</u>	<u>\$77,900,000</u>	<u>\$81,023,000</u>	<u>\$85,142,000</u>

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Guidelines for Outstanding Liabilities at
June 30, 2022

(A) Estimated Ultimate Losses Incurred through 6/30/22: (From Appendix TC - G and Appendix J - G)	\$335,257,000
(B) Estimated Paid Losses through 6/30/22: (From Appendix TC - G and Appendix J - G)	272,992,000
(C) Estimated Liability for Claims Outstanding at 6/30/22: (From Appendix TC - G and Appendix J - G)	<u>\$62,265,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/22: (From Appendix TC - F and Appendix J - F)	6,595,000
(E) Total Outstanding Liability for Claims at 6/30/22: ((C) + (D))	<u>\$68,860,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/22: ((E) x (F))	<u>\$68,860,000</u>

Confidence Level of Adequacy:	Confidence Level of Adequacy:				
	Marginally Acceptable 70%	75%	Recommended 80%	85%	Conservative 90%
(H) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.082	1.114	1.152	1.199	1.260
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	5,646,000	7,884,000	10,488,000	13,675,000	17,878,000
(J) Total Required Assets at 6/30/22: ((G) + (I))	<u>\$74,506,000</u>	<u>\$76,743,000</u>	<u>\$79,348,000</u>	<u>\$82,534,000</u>	<u>\$86,738,000</u>
(K) Estimated Total Assets at 6/30/22: (Provided by the Judicial Council.)	\$73,489,000	\$73,489,000	\$73,489,000	\$73,489,000	\$73,489,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>(\$1,017,000)</u>	<u>(\$3,254,000)</u>	<u>(\$5,859,000)</u>	<u>(\$9,045,000)</u>	<u>(\$13,249,000)</u>

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary
Funding Options for Program Year 2021-2022 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year : (From Appendix TC - G and Appendix J - G)	\$13,858,000	\$0.876			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022:	2,683,000	0.170			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$16,541,000</u>	<u>\$1.046</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 2021-2022: ((C) x (D))	<u>\$16,541,000</u>	<u>\$1.046</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.025	1.058	1.093	1.132	1.177
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	413,000	955,000	1,531,000	2,185,000	2,932,000
(H) Recommended Funding in for Claims Costs: ((E) + (G))	<u>\$16,953,000</u>	<u>\$17,495,000</u>	<u>\$18,072,000</u>	<u>\$18,726,000</u>	<u>\$19,473,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$15,816,791)	\$1.072	\$1.106	\$1.143	\$1.184	\$1.231

Payroll rates are per hundred dollars of payroll of \$1,581,679,100.

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 2022-2023: (From Appendix TC - G and Appendix J - G)	\$14,329,000	\$0.887			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2022-2023:	2,682,000	0.166			
(C) Total Claims Costs Incurred in Accident Year 2022-2023: ((A) + (B))	<u>\$17,011,000</u>	<u>\$1.053</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>\$17,011,000</u>	<u>\$1.053</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.025	1.058	1.093	1.133	1.178
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	426,000	987,000	1,584,000	2,259,000	3,032,000
(H) Recommended Funding in for Claims Costs: ((E) + (G))	<u>\$17,437,000</u>	<u>\$17,998,000</u>	<u>\$18,595,000</u>	<u>\$19,270,000</u>	<u>\$20,043,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	1,054,000	1,054,000	1,054,000	1,054,000	1,054,000
(J) Recommended Funding in for Claims Costs and Other Expenses: ((H) + (I))	<u>\$18,491,000</u>	<u>\$19,052,000</u>	<u>\$19,649,000</u>	<u>\$20,324,000</u>	<u>\$21,097,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$16,160,015)	\$1.14	\$1.18	\$1.22	\$1.26	\$1.31

Payroll rates are per hundred dollars of payroll of \$1,616,001,500.

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 : (From Appendix TC - G and Appendix J - G)	\$14,701,000	\$0.890			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024:	2,750,000	0.167			
(C) Total Claims Costs Incurred in Accident Year : ((A) + (B))	<u>\$17,451,000</u>	<u>\$1.057</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>\$17,451,000</u>	<u>\$1.057</u>			
			Marginally Acceptable		
	60%	65%	70%	Recommended	
				75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.025	1.058	1.093	1.133	1.178
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	438,000	1,013,000	1,624,000	2,316,000	3,108,000
(H) Recommended Funding in for Claims Costs and Other Expenses: ((E) + (G))	<u>\$17,889,000</u>	<u>\$18,464,000</u>	<u>\$19,075,000</u>	<u>\$19,767,000</u>	<u>\$20,559,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$16,510,687)	\$1.083	\$1.118	\$1.155	\$1.197	\$1.245

Payroll rates are per hundred dollars of payroll of \$1,651,068,700.

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)	\$15,111,000	\$0.896			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:	2,826,000	0.168			
(C) Total Claims Costs Incurred in Accident Year : ((A) + (B))	<u>\$17,937,000</u>	<u>\$1.063</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>\$17,937,000</u>	<u>\$1.063</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.025	1.060	1.096	1.138	1.186
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	451,000	1,070,000	1,730,000	2,477,000	3,333,000
(H) Recommended Funding in for Claims Costs and Other Expenses: ((E) + (G))	<u>\$18,387,000</u>	<u>\$19,007,000</u>	<u>\$19,667,000</u>	<u>\$20,414,000</u>	<u>\$21,270,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$16,868,969)	\$1.090	\$1.127	\$1.166	\$1.210	\$1.261

Payroll rates are per hundred dollars of payroll of \$1,686,896,900.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Guidelines for Outstanding Liabilities at
December 31, 2021

(A) Estimated Ultimate Losses Incurred through 12/31/21: (From Appendix TC - G)	\$306,344,000
(B) Estimated Paid Losses through 12/31/21: (From Appendix TC - G)	247,918,000
(C) Estimated Liability for Claims Outstanding at 12/31/21: (From Appendix TC - G)	<u>\$58,425,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/21: (From Appendix TC - F)	5,602,000
(E) Total Outstanding Liability for Claims at 12/31/21: ((C) + (D))	<u>\$64,027,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/21: ((E) x (F))	<u>\$64,027,000</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 TC - I)	1.079	1.110	1.146	1.190	1.248
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	5,058,000	7,043,000	9,348,000	12,165,000	15,879,000
(J) Total Required Assets at 12/31/21: ((G) + (I))	<u>\$69,086,000</u>	<u>\$71,070,000</u>	<u>\$73,375,000</u>	<u>\$76,193,000</u>	<u>\$79,906,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Guidelines for Outstanding Liabilities at
June 30, 2022

(A) Estimated Ultimate Losses Incurred through 6/30/22: (From Appendix TC - G)	\$312,965,000
(B) Estimated Paid Losses through 6/30/22: (From Appendix TC - G)	253,635,000
(C) Estimated Liability for Claims Outstanding at 6/30/22: (From Appendix TC - G)	<u>\$59,330,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/22: (From Appendix TC - F)	5,713,000
(E) Total Outstanding Liability for Claims at 6/30/22: ((C) + (D))	<u>\$65,044,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/22: ((E) x (F))	<u>\$65,044,000</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	1.110	1.146	1.190	1.248
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	5,138,000	7,155,000	9,496,000	12,358,000	16,131,000
(J) Total Required Assets at 6/30/22: ((G) + (I))	<u>\$70,182,000</u>	<u>\$72,199,000</u>	<u>\$74,540,000</u>	<u>\$77,402,000</u>	<u>\$81,175,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Funding Options for Program Year 2021-2022 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From Appendix TC - G)	\$13,243,000	\$1.407			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Exhibit TC - 5, Page 1,)	2,427,000	0.258			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$15,670,000</u>	<u>\$1.665</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 2021-2022: ((C) x (D))	<u>\$15,670,000</u>	<u>\$1.665</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.031	1.067	1.105	1.148	1.197
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	411,000	887,000	1,390,000	1,960,000	2,609,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$16,081,000</u>	<u>\$16,557,000</u>	<u>\$17,060,000</u>	<u>\$17,630,000</u>	<u>\$18,279,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$9,411,982)	\$1.709	\$1.759	\$1.813	\$1.873	\$1.942

Payroll rates are per hundred dollars of 2021-2022 payroll of \$941,198,200.

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)		\$13,694,000	\$1.424			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2022-2023: (From Exhibit TC - 5, Page 1,)		2,424,000	0.252			
(C) Total Claims Costs Incurred in Accident Year 2022-2023: ((A) + (B))		<u>\$16,118,000</u>	<u>\$1.676</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>\$16,118,000</u>	<u>\$1.676</u>			
				Marginally Acceptable	Recommended	
(F) Confidence Level Factor: (From Appendix TC - I)	55%	60%	65%	70%	75%	80%
	0.999	1.031	1.067	1.105	1.148	1.197
(G) Margin for Adverse Experience: ((E) x [(F) - 1])		424,000	917,000	1,438,000	2,027,000	2,698,000
(H) Recommended Funding in 2022-2023 for Claims Costs and Other Expenses: ((E) + (G))		<u>\$16,542,000</u>	<u>\$17,035,000</u>	<u>\$17,556,000</u>	<u>\$18,145,000</u>	<u>\$18,816,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)		703,000	703,000	703,000	703,000	703,000
(J) Recommended Funding in 2022-2023 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))		<u>\$17,245,000</u>	<u>\$17,738,000</u>	<u>\$18,259,000</u>	<u>\$18,848,000</u>	<u>\$19,519,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$9,616,222)		\$1.793	\$1.845	\$1.899	\$1.960	\$2.030

Payroll rates are per hundred dollars of 2022-2023 payroll of \$961,622,200.

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)	\$14,059,000	\$1.431			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit TC - 5, Page 1,)	2,489,000	0.253			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$16,548,000</u>	<u>\$1.684</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>\$16,548,000</u>	<u>\$1.684</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.031	1.067	1.105	1.148	1.197
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	436,000	942,000	1,476,000	2,081,000	2,770,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$16,984,000</u>	<u>\$17,490,000</u>	<u>\$18,024,000</u>	<u>\$18,629,000</u>	<u>\$19,318,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$9,824,894)	\$1.729	\$1.780	\$1.835	\$1.896	\$1.966

Payroll rates are per hundred dollars of 2023-2024 payroll of \$982,489,400.

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)	\$14,455,000	\$1.440			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025: (From Exhibit TC - 5, Page 1,)	2,559,000	0.255			
(C) Total Claims Costs Incurred in Accident Year 2024-2025: ((A) + (B))	<u>\$17,014,000</u>	<u>\$1.695</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>\$17,014,000</u>	<u>\$1.695</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.031	1.067	1.105	1.148	1.197
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	448,101	968,475	1,517,760	2,139,319	2,847,606
(H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$17,462,000</u>	<u>\$17,982,000</u>	<u>\$18,532,000</u>	<u>\$19,153,000</u>	<u>\$19,861,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$10,038,094)	\$1.740	\$1.791	\$1.846	\$1.908	\$1.979

Payroll rates are per hundred dollars of 2024-2025 payroll of \$1,003,809,400.

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

IBNR as of 6/30/22 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/21 (B)	Estimated IBNR as of 12/31/21 (C)	Estimated Percent of IBNR Reported Between 1/1/22 and 6/30/22 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/22 (F)
2001-2002	14,169,000	14,113,000	56,000	24.9%	14,000	42,000
2002-2003	17,935,000	17,828,000	107,000	16.6%	18,000	89,000
2003-2004	21,344,000	21,175,000	169,000	12.4%	21,000	148,000
2004-2005	14,154,000	14,028,000	126,000	11.0%	14,000	112,000
2005-2006	14,224,000	14,083,000	141,000	9.9%	14,000	127,000
2006-2007	14,542,000	14,369,000	172,000	8.2%	14,000	158,000
2007-2008	13,569,000	13,369,000	201,000	13.2%	26,000	174,000
2008-2009	11,359,000	11,147,000	212,000	10.4%	22,000	190,000
2009-2010	16,614,000	16,124,000	491,000	14.5%	71,000	420,000
2010-2011	15,712,000	15,073,000	639,000	14.9%	95,000	544,000
2011-2012	15,321,000	14,513,000	807,000	12.6%	102,000	705,000
2012-2013	16,963,000	15,345,000	1,618,000	11.9%	193,000	1,425,000
2013-2014	13,306,000	11,633,000	1,673,000	11.7%	196,000	1,477,000
2014-2015	13,547,000	11,625,000	1,922,000	10.3%	198,000	1,724,000
2015-2016	14,641,000	12,181,000	2,459,000	9.6%	236,000	2,223,000
2016-2017	12,772,000	10,095,000	2,677,000	10.6%	284,000	2,393,000
2017-2018	12,418,000	9,218,000	3,200,000	8.9%	285,000	2,915,000
2018-2019	12,457,000	8,390,000	4,066,000	10.7%	435,000	3,631,000
2019-2020	11,716,000	5,657,000	6,058,000	13.2%	800,000	5,259,000
2020-2021	13,202,000	5,354,000	7,848,000	17.1%	1,342,000	6,506,000
2021-2022	13,243,000	1,097,000	5,525,000	18.9%	2,296,000	9,850,000
Totals	\$312,965,000	\$266,157,000	\$40,187,000		\$6,679,000	\$40,129,000

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 1/1/22 and 6/30/22. 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 6/30/22. 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 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)	
2001-2002	14,169,000	14,468,000	14,170,000	14,467,000	14,328,000	14,169,000	14,169,000	
2002-2003	17,935,000	18,299,000	17,938,000	18,289,000	18,230,000	17,935,000	17,935,000	
2003-2004	21,344,000	21,292,000	21,338,000	21,252,000	20,356,000	21,344,000	21,344,000	
2004-2005	14,154,000	14,667,000	14,160,000	14,675,000	14,670,000	14,154,000	14,154,000	
2005-2006	14,224,000	14,460,000	14,226,000	14,451,000	14,325,000	14,224,000	14,224,000	
2006-2007	14,542,000	14,787,000	14,524,000	14,672,000	12,911,000	14,542,000	14,542,000	
2007-2008	13,569,000	14,038,000	13,584,000	14,055,000	14,313,000	13,569,000	13,569,000	
2008-2009	11,359,000	11,893,000	11,381,000	11,924,000	12,286,000	11,359,000	11,359,000	
2009-2010	16,559,000	17,669,000	16,568,000	17,606,000	17,107,000	16,614,000	16,614,000	
2010-2011	15,661,000	16,683,000	15,660,000	16,533,000	15,445,000	15,712,000	15,712,000	
2011-2012	15,283,000	16,042,000	15,275,000	15,923,000	15,238,000	15,321,000	15,321,000	
2012-2013	16,435,000	17,492,000	16,472,000	17,423,000	17,061,000	16,963,000	16,963,000	
2013-2014	12,738,000	13,873,000	12,787,000	13,742,000	13,265,000	13,306,000	13,306,000	
2014-2015	13,055,000	14,039,000	13,116,000	13,927,000	13,555,000	13,547,000	13,547,000	
2015-2016	14,082,000	15,447,000	14,129,000	15,152,000	14,731,000	14,641,000	14,641,000	
2016-2017	12,185,000	13,189,000	12,351,000	13,193,000	14,278,000	12,772,000	12,772,000	
2017-2018	11,651,000	12,851,000	11,933,000	12,903,000	13,364,000	12,418,000	12,418,000	
2018-2019	11,436,000	13,322,000	11,950,000	13,346,000	12,981,000	12,457,000	12,457,000	
2019-2020	8,865,000	10,948,000	10,659,000	12,772,000	9,520,000	11,716,000	11,716,000	
2020-2021	11,912,000	14,640,000	12,460,000	13,247,000	11,206,000	13,202,000	13,202,000	
Totals						\$299,722,000	\$299,722,000	
						Projected Losses for the Year 2021-2022 (H)	\$13,243,000	\$13,243,000
						Projected Losses for the Year 2022-2023 (I)	13,694,000	13,694,000
						Projected Losses for the Year 2023-2024 (J)	14,059,000	14,059,000
						Projected Losses for the Year 2024-2025 (K)	14,455,000	14,455,000

Notes:

- (A) From Appendix TC - A, Page 1, Column (G).
- (B) From Appendix TC - B, Page 1, Column (G).
- (C) From Appendix TC - C, Page 1, Column (G).
- (D) From Appendix TC - C, Page 2, Column (G).
- (E) From Appendix TC - D, Page 1, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) (F) limited to applicable aggregate.
- (H) From Exhibit TC - 5, Page 1, Line (K).
- (I) From Exhibit TC - 5, Page 1, Line (K).
- (J) From Exhibit TC - 5, Page 1, Line (K).
- (K) From Exhibit TC - 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
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)
2001-2002	13,329,000	13,512,000	13,329,000	13,514,000	13,329,000	13,329,000
2002-2003	16,925,000	17,127,000	16,926,000	17,130,000	16,925,000	16,925,000
2003-2004	18,754,000	18,889,000	18,754,000	18,877,000	18,753,000	18,754,000
2004-2005	13,465,000	13,655,000	13,466,000	13,644,000	13,466,000	13,465,000
2005-2006	13,091,000	13,072,000	13,092,000	13,068,000	13,092,000	13,091,000
2006-2007	11,748,000	11,771,000	11,749,000	11,766,000	11,748,000	11,748,000
2007-2008	12,963,000	13,013,000	12,964,000	13,012,000	12,963,000	12,963,000
2008-2009	11,077,000	11,097,000	11,078,000	11,092,000	11,076,000	11,077,000
2009-2010	15,348,000	15,645,000	15,350,000	15,636,000	15,348,000	15,348,000
2010-2011	13,787,000	14,245,000	13,790,000	14,212,000	13,787,000	13,787,000
2011-2012	13,532,000	13,976,000	13,537,000	13,937,000	13,532,000	13,532,000
2012-2013	15,076,000	15,250,000	15,069,000	15,233,000	15,075,000	15,076,000
2013-2014	11,657,000	12,091,000	11,657,000	12,043,000	11,657,000	11,657,000
2014-2015	11,849,000	12,277,000	11,848,000	12,214,000	11,849,000	11,849,000
2015-2016	12,541,000	13,415,000	12,546,000	13,253,000	12,803,000	12,803,000
2016-2017	10,913,000	11,458,000	10,950,000	11,447,000	12,339,000	11,198,000
2017-2018	10,206,000	11,069,000	10,308,000	11,100,000	11,483,000	10,704,000
2018-2019	9,822,000	11,389,000	10,065,000	11,411,000	11,089,000	10,738,000
2019-2020	7,581,000	9,296,000	8,636,000	10,684,000	8,082,000	9,660,000
2020-2021	10,081,000	12,350,000	10,457,000	11,235,000	9,453,000	10,846,000
Totals						\$267,759,000
			Projected Losses for the Year 2021-2022 (G)			\$11,104,000
			Projected Losses for the Year 2022-2023 (H)			11,407,000
			Projected Losses for the Year 2023-2024 (I)			11,637,000
			Projected Losses for the Year 2024-2025 (J)			11,884,000

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)
2001-2002	13,329,000	0.669	8,917,000	7,912,000	1.127
2002-2003	16,925,000	0.703	11,899,000	9,155,000	1.300
2003-2004	18,754,000	0.871	16,335,000	10,025,000	1.629
2004-2005	13,465,000	1.130	15,216,000	10,224,000	1.488
2005-2006	13,091,000	1.230	16,102,000	10,850,000	1.484
2006-2007	11,748,000	1.169	13,734,000	11,491,000	1.195
2007-2008	12,963,000	1.093	14,169,000	12,416,000	1.141
2008-2009	11,077,000	1.025	11,354,000	12,698,000	0.894
2009-2010	15,348,000	0.943	14,473,000	11,660,000	1.241
2010-2011	13,787,000	0.894	12,325,000	11,548,000	1.067
2011-2012	13,532,000	0.887	12,003,000	11,244,000	1.067
2012-2013	15,076,000	0.911	13,734,000	10,181,000	1.349
2013-2014	11,657,000	0.929	10,829,000	9,920,000	1.092
2014-2015	11,849,000	0.926	10,972,000	9,538,000	1.150
2015-2016	12,803,000	0.967	12,381,000	9,828,000	1.260
2016-2017	11,198,000	1.025	11,478,000	9,817,000	1.169
2017-2018	10,704,000	1.026	10,983,000	9,623,000	1.141
2018-2019	10,738,000	1.011	10,856,000	9,710,000	1.118
2019-2020	9,660,000	1.023	9,883,000	10,085,000	0.980
2020-2021	10,846,000	1.021	11,074,000	9,333,000	1.187
Totals	\$267,759,000		\$257,278,000	\$211,012,000	\$1.219
14/15-18/19	57,293,066		56,670,110	48,515,686	1.168
15/16-19/20	55,104,153		55,580,231	49,062,826	1.133
				Selected Limited Rate (F):	\$1.180
				Prior:	\$1.230
Program Year:		2021-2022	2022-2023	2023-2024	2024-2025
(G) Factor to SIR:		1.193	1.200	1.208	1.216
(H) Trend Factor:		1.000	1.005	1.004	1.003
(I) Program Rate:		\$1.407	\$1.424	\$1.431	\$1.440
(J) Trended Payroll (\$00):		9,412,000	9,616,000	9,825,000	10,038,000
(K) Projected Program Losses:		13,243,000	13,694,000	14,059,000	14,455,000

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) x (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.
- (H) From Appendix TC - E.
- (I) #REF!
- (J) Appendix TC - L, Column (C).
- (K) (I) x (J).

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 12/31/21 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/21 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
2001-2002	13,289,129	1.003	13,328,996	14,112,563	1.004	14,169,013
2002-2003	16,858,049	1.004	16,925,481	17,828,308	1.006	17,935,278
2003-2004	18,660,434	1.005	18,753,736	21,174,709	1.008	21,344,107
2004-2005	13,385,183	1.006	13,465,494	14,027,883	1.009	14,154,134
2005-2006	13,000,393	1.007	13,091,396	14,082,773	1.010	14,223,601
2006-2007	11,654,863	1.008	11,748,102	14,369,195	1.012	14,541,625
2007-2008	12,847,543	1.009	12,963,171	13,368,866	1.015	13,569,399
2008-2009	10,966,960	1.010	11,076,630	11,147,483	1.019	11,359,285
2009-2010	15,166,276	1.012	15,348,271	16,123,674	1.027	16,559,013
2010-2011	13,582,768	1.015	13,786,510	15,073,278	1.039	15,661,136
2011-2012	13,280,090	1.019	13,532,412	14,513,350	1.053	15,282,558
2012-2013	14,722,269	1.024	15,075,603	15,345,453	1.071	16,434,980
2013-2014	11,284,309	1.033	11,656,691	11,633,222	1.095	12,738,378
2014-2015	11,339,011	1.045	11,849,267	11,625,208	1.123	13,055,109
2015-2016	11,830,835	1.060	12,540,685	12,181,337	1.156	14,081,626
2016-2017	10,095,262	1.081	10,912,978	10,095,262	1.207	12,184,981
2017-2018	9,169,643	1.113	10,205,813	9,217,819	1.264	11,651,323
2018-2019	8,316,546	1.181	9,821,841	8,390,312	1.363	11,435,995
2019-2020	5,657,250	1.340	7,580,715	5,657,250	1.567	8,864,911
2020-2021	5,353,546	1.883	10,080,727	5,353,546	2.225	11,911,640
Totals	\$249,648,861		\$262,951,398	\$265,059,995		\$290,916,072

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	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
2000-2001									8,408,002	9,398,756	9,282,595
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	18,252,954
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	
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		
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			
2015-2016	1,841,257	6,912,410	9,659,649	10,285,158	11,008,942	11,470,232	11,830,835				
2016-2017	1,277,577	6,303,846	8,428,148	9,115,288	9,447,908	10,095,262					
2017-2018	1,609,668	5,295,232	7,815,249	8,372,308	9,169,643						
2018-2019	1,288,504	4,905,159	7,228,306	8,316,546							
2019-2020	1,206,028	3,849,026	5,657,250								
2020-2021	1,216,304	5,353,546									
2021-2022	1,096,703										

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
2000-2001									1.118	0.988	0.996
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	
2012-2013	3.730	1.382	1.166	1.138	1.059	0.994	1.029	1.008	1.014		
2013-2014	3.516	1.346	1.146	1.099	0.998	1.011	0.996	1.000			
2014-2015	3.921	1.638	1.315	0.986	1.023	1.011	1.015				
2015-2016	3.754	1.397	1.065	1.070	1.042	1.031					
2016-2017	4.934	1.337	1.082	1.036	1.069						
2017-2018	3.290	1.476	1.071	1.095							
2018-2019	3.807	1.474	1.151								
2019-2020	3.191	1.470									
2020-2021	4.401										
Average	3.906	1.404	1.132	1.062	1.030	1.019	1.014	1.015	1.014	1.006	1.005
Dollar-Weighted Averages											
3-yr	3.802	1.473	1.099	1.067	1.043	1.018	1.015	1.007	1.004	1.005	0.999
4-yr	3.647	1.431	1.089	1.044	1.031	1.011	1.010	1.003	1.002	1.005	0.999
Industry Factors	2.780	1.245	1.050	1.007	1.003	1.004	1.003	1.003	1.003	1.003	1.004
Prior	3.894	1.407	1.137	1.060	1.029	1.020	1.014	1.012	1.009	1.005	1.004
Selected	3.900	1.405	1.135	1.061	1.029	1.020	1.014	1.012	1.009	1.005	1.004
Cumulated	7.344	1.883	1.340	1.181	1.113	1.081	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
2000-2001	9,248,080	9,192,830	9,278,839	9,306,812	9,179,354	9,219,210	9,226,689	9,190,717	9,176,140	9,266,146	9,188,502
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	
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		
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			
2004-2005	13,203,802	13,320,640	13,538,704	13,417,106	13,407,710	13,405,678	13,385,183				
2005-2006	13,117,866	12,952,624	12,888,306	12,791,601	12,929,744	13,000,393					
2006-2007	11,565,891	11,542,198	11,593,311	11,533,363	11,654,863						
2007-2008	12,638,619	12,812,884	12,876,403	12,847,543							
2008-2009	10,830,425	10,894,992	10,966,960								
2009-2010	15,053,835	15,166,276									
2010-2011	13,582,768										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	<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
2000-2001	0.994	1.009	1.003	0.986	1.004	1.001	0.996	0.998	1.010	0.992	
2001-2002	1.005	1.009	0.990	1.006	0.985	1.001	1.016	1.007	0.995		
2002-2003	1.002	1.005	0.999	0.998	0.996	0.987	1.005	1.001			
2003-2004	0.997	0.997	1.012	0.995	1.014	1.008	0.998				
2004-2005	1.009	1.016	0.991	0.999	1.000	0.998					
2005-2006	0.987	0.995	0.992	1.011	1.005						
2006-2007	0.998	1.004	0.995	1.011							
2007-2008	1.014	1.005	0.998								
2008-2009	1.006	1.007									
2009-2010	1.007										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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	0.998	1.001	1.001	0.999	1.004	1.002	1.003	0.992	
3-yr	1.009	1.005	0.995	1.007	1.007	0.998	1.005	1.002			
4-yr	1.007	1.003	0.994	1.003	1.004	0.998	1.004				
Industry Factors	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	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
2000-2001									1,142,634	1,120,134	1,166,939
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	
2013-2014			57,190	117,585	532,568	295,011	309,099	325,233	348,913		
2014-2015				233,807	114,833	117,508	312,576	286,197			
2015-2016			31,603	38,024	201,339	341,851	350,502				
2016-2017		93,608	95,008	160,011							
2017-2018					48,176						
2018-2019				73,766							
2019-2020											
2020-2021											
2021-2022											

	<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
2000-2001									0.980	1.042	0.982
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	
2012-2013			31.307	14.541	1.706	0.948	0.895	0.924	1.035		
2013-2014			2.056	4.529	0.554	1.048	1.052	1.073			
2014-2015				0.491	1.023	2.660	0.916				
2015-2016			1.203	5.295	1.698	1.025					
2016-2017		1.015	1.684								
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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	5.759	3.162	2.330	1.284	1.161	1.155	1.138	1.044
3-yr						1.289	0.937	1.147	1.079	1.051	1.028
4-yr						1.121	1.064	0.961	1.035	1.048	0.996
Industry Factors	4.045	1.904	1.383	1.194	1.093	1.052	1.043	1.037	1.033	1.027	1.025
Prior	6.403	3.292	2.387	1.896	1.587	1.546	1.296	1.228	1.214	1.183	1.137
Selected	6.403	3.292	2.387	1.896	1.587	1.588	1.258	1.191	1.179	1.154	1.108
Cumulated	701.566	109.569	33.281	13.940	7.351	4.631	2.917	2.319	1.946	1.650	1.430

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
2000-2001	1,146,497	1,127,258	1,151,406	1,151,406	1,113,665	1,087,910	1,322,472	1,419,700	1,238,319	978,452	900,001
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	
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		
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			
2004-2005	604,660	571,375	658,159	626,019	638,588	409,712	394,998				
2005-2006	924,975	1,132,473	1,203,742	1,229,377	1,097,776	1,082,380					
2006-2007	2,212,910	2,500,707	2,617,634	1,731,408	1,754,578						
2007-2008	512,195	525,111	548,673	521,322							
2008-2009	156,677	179,581	180,523								
2009-2010	918,842	957,398									
2010-2011	1,376,640										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

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
2000-2001	0.983	1.021	1.000	0.967	0.977	1.216	1.074	0.872	0.790	0.920	
2001-2002	1.001	0.993	0.940	0.986	1.052	0.966	0.983	0.804	0.931		
2002-2003	1.016	1.028	0.960	0.857	1.018	0.808	0.971	1.050			
2003-2004	1.167	1.003	1.358	0.960	1.151	0.744	1.009				
2004-2005	0.945	1.152	0.951	1.020	0.642	0.964					
2005-2006	1.224	1.063	1.021	0.893	0.986						
2006-2007	1.130	1.047	0.661	1.013							
2007-2008	1.025	1.045	0.950								
2008-2009	1.146	1.005									
2009-2010	1.042										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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	1.068	1.040	0.980	0.957	0.971	0.940	1.009	0.909	0.861	0.920	
3-yr	1.047	1.044	0.797	0.973	1.005	0.790	0.989	0.884			
4-yr	1.095	1.049	0.817	0.969	1.008	0.849	1.010				
Industry Factors	1.023	1.017	1.015	1.013	1.012	1.010	1.010	1.009	1.010	1.009	1.064
Prior	1.112	1.079	1.047	1.028	1.018	1.007	1.011	1.009	1.014	1.006	1.009
Selected	1.093	1.064	1.033	1.016	1.011	0.998	1.010	1.009	1.014	1.006	1.009
Cumulated	1.291	1.181	1.110	1.075	1.058	1.047	1.049	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 12/31/21 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/21 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
2001-2002	13,233,872	1.021	13,511,783	13,965,288	1.036	14,468,038
2002-2003	16,757,858	1.022	17,126,531	17,577,918	1.041	18,298,613
2003-2004	18,464,077	1.023	18,888,751	20,356,045	1.046	21,292,423
2004-2005	13,334,709	1.024	13,654,742	13,955,689	1.051	14,667,429
2005-2006	12,753,385	1.025	13,072,220	13,705,831	1.055	14,459,652
2006-2007	11,472,259	1.026	11,770,538	13,910,699	1.063	14,787,073
2007-2008	12,596,964	1.033	13,012,664	13,009,760	1.079	14,037,531
2008-2009	10,659,686	1.041	11,096,733	10,831,352	1.098	11,892,825
2009-2010	14,899,865	1.050	15,644,858	15,775,524	1.120	17,668,587
2010-2011	13,425,974	1.061	14,244,958	14,570,564	1.145	16,683,296
2011-2012	12,976,759	1.077	13,975,969	13,652,460	1.175	16,041,641
2012-2013	13,876,160	1.099	15,249,900	14,420,144	1.213	17,491,635
2013-2014	10,737,639	1.126	12,090,582	11,036,909	1.257	13,873,395
2014-2015	10,484,321	1.171	12,277,140	10,619,407	1.322	14,038,856
2015-2016	10,844,895	1.237	13,415,135	10,939,461	1.412	15,446,519
2016-2017	8,654,379	1.324	11,458,398	8,654,379	1.524	13,189,274
2017-2018	7,550,597	1.466	11,069,175	7,550,597	1.702	12,851,116
2018-2019	6,508,167	1.750	11,389,292	6,508,167	2.047	13,322,218
2019-2020	3,998,493	2.325	9,296,496	3,998,493	2.738	10,947,874
2020-2021	2,953,928	4.181	12,350,373	2,953,928	4.956	14,639,667
Totals	\$235,319,220		\$273,914,176	\$247,512,938		\$309,941,673

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
2000-2001									7,820,858	8,242,969	8,518,254
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	
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		
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			
2015-2016	416,214	3,275,544	5,732,421	7,537,992	9,100,768	10,297,803	10,844,895				
2016-2017	299,568	2,721,824	5,121,094	6,959,370	7,889,282	8,654,379					
2017-2018	320,467	2,819,403	5,066,565	6,341,231	7,550,597						
2018-2019	360,102	2,603,660	4,593,277	6,508,167							
2019-2020	367,700	2,280,483	3,998,493								
2020-2021	398,001	2,953,928									
2021-2022	405,497										

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
2000-2001									1.054	1.033	1.022
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	
2012-2013	8.213	1.841	1.342	1.284	1.134	1.067	1.069	1.035	1.020		
2013-2014	6.346	1.652	1.332	1.202	1.102	1.069	1.056	1.023			
2014-2015	10.332	2.111	1.383	1.221	1.117	1.071	1.048				
2015-2016	7.870	1.750	1.315	1.207	1.132	1.053					
2016-2017	9.086	1.881	1.359	1.134	1.097						
2017-2018	8.798	1.797	1.252	1.191							
2018-2019	7.230	1.764	1.417								
2019-2020	6.202	1.753									
2020-2021	7.422										

	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	7.981	1.789	1.327	1.187	1.104	1.070	1.055	1.037	1.027	1.023	1.017
Dollar-Weighted Averages											
3-yr	6.962	1.773	1.340	1.178	1.116	1.064	1.059	1.036	1.027	1.024	1.013
4-yr	7.369	1.801	1.333	1.188	1.113	1.065	1.061	1.034	1.027	1.022	1.015
Industry Factors	3.486	1.626	1.228	1.115	1.064	1.042	1.027	1.020	1.016	1.012	1.011
Prior	8.127	1.808	1.330	1.200	1.110	1.071	1.057	1.040	1.025	1.020	1.015
Selected	8.054	1.798	1.329	1.194	1.107	1.070	1.056	1.040	1.025	1.020	1.015
Cumulated	33.674	4.181	2.325	1.750	1.466	1.324	1.237	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
2000-2001	8,709,346	8,739,440	8,802,602	8,895,256	8,956,603	9,007,420	9,074,447	9,097,439	9,113,004	9,216,520	9,135,233
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	
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		
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			
2004-2005	12,681,865	12,873,737	13,154,579	13,183,163	13,245,647	13,286,516	13,334,709				
2005-2006	12,251,097	12,417,670	12,463,243	12,565,990	12,684,211	12,753,385					
2006-2007	11,127,846	11,263,156	11,408,022	11,442,767	11,472,259						
2007-2008	12,056,102	12,352,077	12,554,923	12,596,964							
2008-2009	10,473,231	10,615,289	10,659,686								
2009-2010	14,736,442	14,899,865									
2010-2011	13,425,974										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

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
2000-2001	1.003	1.007	1.011	1.007	1.006	1.007	1.003	1.002	1.011	0.991	
2001-2002	1.011	1.012	1.002	1.003	0.994	1.005	1.015	1.009	0.998		
2002-2003	1.010	1.010	1.017	1.004	1.002	0.992	1.006	1.000			
2003-2004	1.014	1.009	1.007	1.004	1.018	1.009	0.997				
2004-2005	1.015	1.022	1.002	1.005	1.003	1.004					
2005-2006	1.014	1.004	1.008	1.009	1.005						
2006-2007	1.012	1.013	1.003	1.003							
2007-2008	1.025	1.016	1.003								
2008-2009	1.014	1.004									
2009-2010	1.011										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
Average Dollar-Weighted Averages	1.013	1.011	1.007	1.005	1.005	1.003	1.005	1.004	1.005	0.991	
3-yr	1.016	1.011	1.005	1.006	1.010	1.002	1.005	1.003			
4-yr	1.015	1.009	1.004	1.005	1.008	1.002	1.005				
Industry Factors	1.010	1.008	1.008	1.006	1.006	1.006	1.005	1.005	1.004	1.003	1.042
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
2000-2001									367,930	418,772	470,725
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	
2013-2014					97,339	128,375	253,053	279,215	299,270		
2014-2015				58,149	57,827	79,931	135,087				
2015-2016					1,769	46,953	94,566				
2016-2017			16,920	36,435							
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	<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
2000-2001									1.138	1.124	1.079
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	
2012-2013					66.397	1.662	1.880	0.984	0.991		
2013-2014					1.319	1.971	1.103	1.072			
2014-2015				0.994	1.000	1.382	1.690				
2015-2016					26.542	2.014					
2016-2017			2.153								
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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	2.346	1.573	1.411	1.264	1.155
3-yr						1.834	1.535	1.063	1.199	1.181	1.121
4-yr						1.762	1.674	1.094	1.283	1.186	1.115
Industry Factors	5.513	3.109	2.008	1.494	1.288	1.196	1.144	1.101	1.072	1.062	1.057
Prior	19.016	6.521	4.366	3.092	2.379	1.948	1.852	1.612	1.504	1.417	1.350
Selected	19.016	6.521	4.366	3.092	2.379	1.814	1.821	1.533	1.429	1.345	1.280
Cumulated	#####	8,639.189	1,324.871	303.477	98.142	41.262	22.741	12.486	8.143	5.699	4.238

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
2000-2001	507,948	541,963	574,009	600,925	632,731	670,508	727,818	777,725	657,911	651,558	650,419
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	
2002-2003	549,918	662,012	800,533	930,474	723,936	886,846	703,180	779,239	820,061		
2003-2004	622,324	722,364	887,225	984,415	1,090,543	1,478,030	1,165,478	1,242,226			
2004-2005	385,829	396,627	419,864	619,445	619,560	373,069	373,279				
2005-2006	466,500	675,512	730,878	844,539	935,853	952,446					
2006-2007	1,533,191	1,662,849	2,075,751	1,544,411	1,576,689						
2007-2008	353,730	364,500	378,742	412,796							
2008-2009	139,718	160,355	171,666								
2009-2010	771,724	875,659									
2010-2011	1,030,720										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

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
2000-2001	1.067	1.059	1.047	1.053	1.060	1.085	1.069	0.846	0.990	0.998	
2001-2002	1.075	0.776	1.000	1.040	1.064	0.956	1.033	1.059	0.903		
2002-2003	1.204	1.209	1.162	0.778	1.225	0.793	1.108	1.052			
2003-2004	1.161	1.228	1.110	1.108	1.355	0.789	1.066				
2004-2005	1.028	1.059	1.475	1.000	0.602	1.001					
2005-2006	1.448	1.082	1.156	1.108	1.018						
2006-2007	1.085	1.248	0.744	1.021							
2007-2008	1.030	1.039	1.090								
2008-2009	1.148	1.071									
2009-2010	1.135										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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	1.138	1.086	1.098	1.015	1.054	0.925	1.069	0.986	0.947	0.998	
3-yr	1.107	1.200	0.880	1.041	1.060	0.819	1.065	0.993			
4-yr	1.095	1.172	0.949	1.058	1.095	0.857	1.066				
Industry Factors	1.053	1.048	1.039	1.033	1.030	1.027	1.026	1.025	1.022	1.020	1.313
Prior	1.301	1.256	1.225	1.160	1.118	1.054	1.048	1.022	1.068	1.005	1.289
Selected	1.243	1.202	1.181	1.121	1.096	1.032	1.048	1.022	1.068	1.005	1.289
Cumulated	3.310	2.664	2.217	1.878	1.675	1.528	1.481	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 12/31/21 (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)
2001-2002	7,911,886	14,112,563	1.004	0.004	1.811	57,314	14,169,877
2002-2003	9,155,417	17,828,308	1.006	0.006	1.992	109,426	17,937,734
2003-2004	10,024,644	21,174,709	1.008	0.008	2.031	162,880	21,337,589
2004-2005	10,224,413	14,027,883	1.009	0.009	1.435	132,048	14,159,931
2005-2006	10,850,224	14,082,773	1.010	0.010	1.321	143,331	14,226,104
2006-2007	11,490,970	14,369,195	1.012	0.012	1.123	154,852	14,524,047
2007-2008	12,415,891	13,368,866	1.015	0.015	1.153	214,733	13,583,599
2008-2009	12,698,130	11,147,483	1.019	0.019	0.967	233,303	11,380,786
2009-2010	11,660,428	16,123,674	1.027	0.026	1.467	444,752	16,568,426
2010-2011	11,548,267	15,073,278	1.039	0.038	1.338	587,160	15,660,438
2011-2012	11,244,448	14,513,350	1.053	0.050	1.355	761,811	15,275,161
2012-2013	10,180,880	15,345,453	1.071	0.066	1.676	1,126,168	16,471,621
2013-2014	9,919,500	11,633,222	1.095	0.087	1.337	1,153,826	12,787,048
2014-2015	9,538,264	11,625,208	1.123	0.110	1.421	1,490,926	13,116,134
2015-2016	9,827,677	12,181,337	1.156	0.135	1.468	1,947,649	14,128,986
2016-2017	9,816,673	10,095,262	1.207	0.171	1.344	2,256,107	12,351,369
2017-2018	9,622,955	9,217,819	1.264	0.209	1.350	2,715,117	11,932,936
2018-2019	9,710,117	8,390,312	1.363	0.266	1.378	3,559,224	11,949,536
2019-2020	10,085,404	5,657,250	1.567	0.362	1.370	5,001,755	10,659,005
2020-2021	9,332,855	5,353,546	2.225	0.551	1.382	7,106,801	12,460,347
Totals	211,011,608	\$265,059,995				\$29,378,901	\$294,438,896

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 12/31/21 (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)
2001-2002	7,911,886	13,965,288	1.036	0.035	1.811	501,495	14,466,783
2002-2003	9,155,417	17,577,918	1.041	0.039	1.992	711,266	18,289,184
2003-2004	10,024,644	20,356,045	1.046	0.044	2.031	895,842	21,251,887
2004-2005	10,224,413	13,955,689	1.051	0.049	1.435	718,930	14,674,619
2005-2006	10,850,224	13,705,831	1.055	0.052	1.321	745,324	14,451,155
2006-2007	11,490,970	13,910,699	1.063	0.059	1.123	761,357	14,672,056
2007-2008	12,415,891	13,009,760	1.079	0.073	1.153	1,045,033	14,054,793
2008-2009	12,698,130	10,831,352	1.098	0.089	0.967	1,092,839	11,924,191
2009-2010	11,660,428	15,775,524	1.120	0.107	1.467	1,830,326	17,605,850
2010-2011	11,548,267	14,570,564	1.145	0.127	1.338	1,962,351	16,532,915
2011-2012	11,244,448	13,652,460	1.175	0.149	1.355	2,270,198	15,922,658
2012-2013	10,180,880	14,420,144	1.213	0.176	1.676	3,003,115	17,423,259
2013-2014	9,919,500	11,036,909	1.257	0.204	1.337	2,705,524	13,742,433
2014-2015	9,538,264	10,619,407	1.322	0.244	1.421	3,307,145	13,926,552
2015-2016	9,827,677	10,939,461	1.412	0.292	1.468	4,212,693	15,152,154
2016-2017	9,816,673	8,654,379	1.524	0.344	1.344	4,538,601	13,192,980
2017-2018	9,622,955	7,550,597	1.702	0.412	1.350	5,352,288	12,902,885
2018-2019	9,710,117	6,508,167	2.047	0.511	1.378	6,837,457	13,345,624
2019-2020	10,085,404	3,998,493	2.738	0.635	1.370	8,773,797	12,772,290
2020-2021	9,332,855	2,953,928	4.956	0.798	1.382	10,292,608	13,246,536
Totals	211,011,608	\$247,512,938				\$61,883,502	\$309,396,440

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)
2001-2002	7,911,886	13,328,997	0.669	8,917,099	1.127	1.685	1.075	1.811
2002-2003	9,155,417	16,925,482	0.703	11,898,614	1.300	1.849	1.077	1.992
2003-2004	10,024,644	18,753,737	0.871	16,334,505	1.629	1.871	1.086	2.031
2004-2005	10,224,413	13,465,495	1.130	15,216,009	1.488	1.317	1.089	1.435
2005-2006	10,850,224	13,091,396	1.230	16,102,417	1.484	1.207	1.094	1.321
2006-2007	11,490,970	11,748,102	1.169	13,733,531	1.195	1.022	1.099	1.123
2007-2008	12,415,891	12,963,171	1.093	14,168,746	1.141	1.044	1.104	1.153
2008-2009	12,698,130	11,076,630	1.025	11,353,546	0.894	0.872	1.109	0.967
2009-2010	11,660,428	15,348,272	0.943	14,473,421	1.241	1.316	1.115	1.467
2010-2011	11,548,267	13,786,510	0.894	12,325,140	1.067	1.194	1.120	1.338
2011-2012	11,244,448	13,532,412	0.887	12,003,249	1.067	1.203	1.126	1.355
2012-2013	10,180,880	15,075,604	0.911	13,733,875	1.349	1.481	1.132	1.676
2013-2014	9,919,500	11,656,692	0.929	10,829,067	1.092	1.175	1.138	1.337
2014-2015	9,538,264	11,849,267	0.926	10,972,421	1.150	1.242	1.144	1.421
2015-2016	9,827,677	12,540,686	0.967	12,126,843	1.234	1.276	1.151	1.468
2016-2017	9,816,673	11,185,689	1.025	11,465,331	1.168	1.161	1.157	1.344
2017-2018	9,622,955	10,637,494	1.026	10,914,069	1.134	1.160	1.164	1.350
2018-2019	9,710,117	10,605,567	1.011	10,722,228	1.104	1.177	1.171	1.378
2019-2020	10,085,404	9,296,497	1.023	9,510,316	0.943	1.163	1.178	1.370
2020-2021	9,332,855	10,761,621	1.021	10,987,615	1.177	1.166	1.185	1.382
Total/Avg	211,011,608	\$266,836,200		\$256,350,441	\$1.215			
14/15-17/18	38,805,569	46,213,136		45,478,665	1.172			
15/16-18/19	38,977,422	44,969,436		45,228,472	1.160			
				Selected Limited Rate:	\$1.190			
				Prior:	\$1.240			

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 2015-2016 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)
2001-2002	20,917	685	14,328,145
2002-2003	20,930	871	18,230,030
2003-2004	18,489	1,101	20,356,389
2004-2005	15,108	971	14,669,868
2005-2006	15,191	943	14,325,113
2006-2007	13,958	925	12,911,150
2007-2008	18,026	794	14,312,644
2008-2009	14,057	874	12,285,818
2009-2010	21,545	794	17,106,730
2010-2011	20,243	763	15,445,409
2011-2012	22,811	668	15,237,748
2012-2013	26,575	642	17,061,150
2013-2014	22,832	581	13,265,392
2014-2015	24,424	555	13,555,320
2015-2016	25,442	579	14,730,918
2016-2017	25,406	562	14,278,172
2017-2018	26,203	510	13,363,530
2018-2019	27,445	473	12,981,485
2019-2020	27,999	340	9,519,660
2020-2021	28,956	387	11,205,972
Total		14,431	\$299,032,257

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)
2001-2002	13,328,997	685	19,458	1.118	21,754	19,458	1.075	20,917
2002-2003	16,925,482	871	19,432	1.146	22,269	19,432	1.077	20,930
2003-2004	18,753,737	1,101	17,033	1.384	23,574	17,033	1.086	18,489
2004-2005	13,465,495	971	13,868	1.748	24,241	13,868	1.089	15,108
2005-2006	13,091,396	943	13,883	1.855	25,753	13,883	1.094	15,191
2006-2007	11,748,102	925	12,701	1.718	21,820	12,701	1.099	13,958
2007-2008	12,963,171	794	16,326	1.565	25,550	16,326	1.104	18,026
2008-2009	11,076,630	874	12,673	1.431	18,135	12,673	1.109	14,057
2009-2010	15,348,272	794	19,330	1.284	24,820	19,330	1.115	21,545
2010-2011	13,786,510	763	18,069	1.186	21,430	18,069	1.120	20,243
2011-2012	13,532,412	668	20,258	1.147	23,236	20,258	1.126	22,811
2012-2013	15,075,604	642	23,482	1.148	26,957	23,482	1.132	26,575
2013-2014	11,656,692	581	20,063	1.141	22,892	20,063	1.138	22,832
2014-2015	11,849,267	555	21,350	1.108	23,656	21,350	1.144	24,424
2015-2016	12,803,021	579	22,112	1.128	24,942	22,112	1.151	25,442
2016-2017	11,198,366	562	19,926	1.166	23,234	21,955	1.157	25,406
2017-2018	10,704,272	510	20,989	1.137	23,864	22,515	1.164	26,203
2018-2019	10,738,140	473	22,702	1.092	24,791	23,443	1.171	27,445
2019-2020	9,660,354	340	28,413	1.077	30,601	23,770	1.178	27,999
2020-2021	10,846,234	387	28,026	1.048	29,371	24,427	1.185	28,956

Average Limited Severity: \$24,688
Average 15/16-19/20 Limited Severity: 25,486
Average 16/17-19/20 Limited Severity: 25,623

Selected Limited Severity: \$25,600
Prior: \$24,400

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)
2001-2002	685	675	685	791.2	0.866	0.604	0.523
2002-2003	871	859	871	915.5	0.951	0.619	0.589
2003-2004	1,101	1,083	1,101	1,002.5	1.098	0.635	0.697
2004-2005	971	964	971	1,022.4	0.950	0.652	0.619
2005-2006	943	929	943	1,085.0	0.869	0.668	0.580
2006-2007	925	914	925	1,149.1	0.805	0.685	0.551
2007-2008	794	780	794	1,241.6	0.640	0.702	0.449
2008-2009	874	864	874	1,269.8	0.688	0.721	0.496
2009-2010	794	780	794	1,166.0	0.681	0.739	0.503
2010-2011	763	755	763	1,154.8	0.661	0.758	0.501
2011-2012	668	660	668	1,124.4	0.594	0.778	0.462
2012-2013	642	630	642	1,018.1	0.631	0.797	0.503
2013-2014	581	580	581	992.0	0.586	0.818	0.479
2014-2015	555	545	555	953.8	0.582	0.838	0.488
2015-2016	579	578	579	982.8	0.589	0.860	0.507
2016-2017	562	565	562	981.7	0.572	0.881	0.504
2017-2018	510	509	510	962.3	0.530	0.904	0.479
2018-2019	473	472	473	971.0	0.487	0.927	0.451
2019-2020	340	335	340	1,008.5	0.337	0.950	0.320
2020-2021	387	342	387	933.3	0.415	0.975	0.405
Total	14,431	14,224	14,431	21,101.2			0.508
15/16-19/20	1,885	1,881	1,885	3,923.5			0.438
						(H) Selected Frequency:	0.500
						Prior:	0.510
Program Year:				2021-2022	2022-2023	2023-2024	2024-2025
(I) Trend Factor:				1.000	0.975	0.951	0.927
(J) Selected Frequency:				0.500	0.488	0.476	0.464
(K) Est. Payroll (\$000,000):				941.2	961.6	982.5	1,003.8
(L) Ultimate Claims:				471	469	468	466

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 0.500 is based on (G).
- (I) Appendix TC - E, Page 1, Column (F).
- (J) (H) x (I).
- (K) Appendix TC - 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
Trial CourtsFrequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2021 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2001-2002	685	1.000	685	0.523
2002-2003	871	1.000	871	0.589
2003-2004	1,101	1.000	1,101	0.697
2004-2005	971	1.000	971	0.619
2005-2006	943	1.000	943	0.581
2006-2007	925	1.000	925	0.551
2007-2008	794	1.000	794	0.449
2008-2009	874	1.000	874	0.496
2009-2010	794	1.000	794	0.503
2010-2011	763	1.000	763	0.501
2011-2012	668	1.000	668	0.462
2012-2013	642	1.000	642	0.503
2013-2014	581	1.000	581	0.479
2014-2015	555	1.000	555	0.488
2015-2016	579	1.000	579	0.507
2016-2017	561	1.001	562	0.504
2017-2018	508	1.003	510	0.479
2018-2019	470	1.006	473	0.452
2019-2020	336	1.011	340	0.320
2020-2021	376	1.028	387	0.404
Total	14,410		14,431	0.508

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 12/31/2021 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2001-2002	675	1.000	675	0.515
2002-2003	859	1.000	859	0.581
2003-2004	1,083	1.000	1,083	0.686
2004-2005	964	1.000	964	0.615
2005-2006	929	1.000	929	0.572
2006-2007	913	1.001	914	0.545
2007-2008	778	1.002	780	0.441
2008-2009	861	1.003	864	0.491
2009-2010	773	1.009	780	0.494
2010-2011	745	1.014	755	0.496
2011-2012	646	1.021	660	0.457
2012-2013	612	1.029	630	0.493
2013-2014	558	1.039	580	0.478
2014-2015	518	1.052	545	0.479
2015-2016	537	1.076	578	0.506
2016-2017	511	1.105	565	0.507
2017-2018	439	1.160	509	0.478
2018-2019	382	1.236	472	0.451
2019-2020	247	1.358	335	0.316
2020-2021	208	1.643	342	0.357
Total	13,643		14,224	0.500

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
2000-2001									410	409	409	409	410	410
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	
2010-2011	328	730	749	753	757	759	760	762	763	763	763	763		
2011-2012	264	647	658	660	664	664	666	666	667	667	668			
2012-2013	283	625	635	633	640	642	642	642	642	642				
2013-2014	274	573	572	574	577	578	580	580	581					
2014-2015	246	529	547	551	550	552	553	555						
2015-2016	250	556	568	574	577	578	579							
2016-2017	217	551	558	559	560	561								
2017-2018	223	497	501	506	508									
2018-2019	208	467	469	470										
2019-2020	190	329	336											
2020-2021	170	376												
2021-2022	145													

Reported Claim Count Development Factors:

	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174
	Months	Months	Months	Months	Months	Months	Months	Months	Months	Months	Months	Months	Months	Months
2000-2001									0.998	1.000	1.000	1.002	1.000	1.000
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	
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		
2010-2011	2.226	1.026	1.005	1.005	1.003	1.001	1.003	1.001	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				
2012-2013	2.208	1.016	0.997	1.011	1.003	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						
2014-2015	2.150	1.034	1.007	0.998	1.004	1.002	1.004							
2015-2016	2.224	1.022	1.011	1.005	1.002	1.002								
2016-2017	2.539	1.013	1.002	1.002	1.002									
2017-2018	2.229	1.008	1.010	1.004										
2018-2019	2.245	1.004	1.002											
2019-2020	1.732	1.021												
2020-2021	2.212													
Average Claim-Weighted Averages	2.196	1.017	1.003	1.004	1.002	1.001	0.999	0.999	1.000	1.000	1.000	1.001	1.000	1.000
3-yr	2.063	1.010	1.005	1.004	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000
4-yr	2.110	1.011	1.006	1.002	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000	1.001	1.000
Comparative Factors	2.456	1.039	1.009	1.006	1.007	1.005	1.004	1.002	1.001	1.001	1.001	1.001	1.001	1.001
Prior	2.141	1.018	1.005	1.004	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	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
Cumulated	2.145	1.028	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
2000-2001									339	375	382	385	389	390
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	
2010-2011	123	475	564	604	642	672	692	710	718	731	740	745		
2011-2012	73	413	508	529	567	597	608	624	630	641	646			
2012-2013	72	385	446	490	535	566	575	592	608	612				
2013-2014	97	286	413	455	490	514	530	548	558					
2014-2015	18	330	391	430	464	492	507	518						
2015-2016	59	361	441	475	504	527	537							
2016-2017	83	374	425	469	500	511								
2017-2018	61	304	362	411	439									
2018-2019	49	292	352	382										
2019-2020	50	211	247											
2020-2021	36	208												
2021-2022	39													

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
2000-2001									1.106	1.019	1.008	1.010	1.003	1.008
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	
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		
2010-2011	3.862	1.187	1.071	1.063	1.047	1.030	1.026	1.011	1.018	1.012	1.007			
2011-2012	5.658	1.230	1.041	1.072	1.053	1.018	1.026	1.010	1.017	1.008				
2012-2013	5.347	1.158	1.099	1.092	1.058	1.016	1.030	1.027	1.007					
2013-2014	2.948	1.444	1.102	1.077	1.049	1.031	1.034	1.018						
2014-2015	18.333	1.185	1.100	1.079	1.060	1.030	1.022							
2015-2016	6.119	1.222	1.077	1.061	1.046	1.019								
2016-2017	4.506	1.136	1.104	1.066	1.022									
2017-2018	4.984	1.191	1.135	1.068										
2018-2019	5.959	1.205	1.085											
2019-2020	4.220	1.171												
2020-2021	5.778													
Average Claim-Weighted Averages	6.039	1.211	1.097	1.065	1.046	1.027	1.028	1.021	1.018	1.008	1.005	1.007	1.005	1.006
3-yr	5.267	1.191	1.108	1.065	1.042	1.027	1.029	1.018	1.014	1.009	1.006	1.008	1.002	1.006
4-yr	5.179	1.174	1.099	1.068	1.044	1.024	1.028	1.016	1.012	1.007	1.005	1.007	1.002	1.007
Comparative Factors	2.779	1.252	1.076	1.062	1.046	1.032	1.020	1.015	1.010	1.007	1.006	1.004	1.004	1.003
Prior	4.952	1.217	1.099	1.065	1.051	1.028	1.022	1.012	1.010	1.008	1.007	1.005	1.006	1.001
Selected	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
Cumulated	8.581	1.643	1.358	1.236	1.160	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 2021-2022 Loss Rate Level (B)	Factor to 2022-2023 Loss Rate Level (C)	Factor to 2023-2024 Loss Rate Level (D)	Factor to 2024-2025 Loss Rate Level (E)	Factor to 2021-2022 Frequency Level (F)	Factor to 2022-2023 Frequency Level (G)	Factor to 2023-2024 Frequency Level (H)	Factor to 2024-2025 Frequency Level (I)	Factor to 2021-2022 Severity Level (J)
2000-2001	0.950	0.930	0.935	0.934	0.933	0.589	0.574	0.560	0.546	1.595
2001-2002	0.683	0.669	0.672	0.672	0.671	0.604	0.589	0.574	0.560	1.118
2002-2003	0.717	0.703	0.707	0.706	0.705	0.619	0.604	0.589	0.574	1.146
2003-2004	0.887	0.871	0.876	0.875	0.874	0.635	0.619	0.604	0.589	1.384
2004-2005	1.150	1.130	1.135	1.134	1.133	0.652	0.635	0.619	0.604	1.748
2005-2006	1.250	1.230	1.236	1.235	1.234	0.668	0.651	0.635	0.619	1.855
2006-2007	1.187	1.169	1.174	1.173	1.172	0.685	0.668	0.651	0.635	1.718
2007-2008	1.108	1.093	1.098	1.097	1.096	0.702	0.685	0.668	0.651	1.565
2008-2009	1.038	1.025	1.030	1.029	1.028	0.721	0.702	0.685	0.668	1.431
2009-2010	0.955	0.943	0.948	0.947	0.946	0.739	0.720	0.703	0.685	1.284
2010-2011	0.904	0.894	0.898	0.897	0.896	0.758	0.739	0.721	0.703	1.186
2011-2012	0.896	0.887	0.891	0.890	0.889	0.778	0.758	0.739	0.721	1.147
2012-2013	0.919	0.911	0.915	0.914	0.913	0.797	0.777	0.758	0.739	1.148
2013-2014	0.937	0.929	0.934	0.933	0.932	0.818	0.797	0.777	0.758	1.141
2014-2015	0.933	0.926	0.930	0.930	0.929	0.838	0.817	0.797	0.777	1.108
2015-2016	0.973	0.967	0.972	0.971	0.970	0.860	0.838	0.817	0.797	1.128
2016-2017	1.030	1.025	1.030	1.029	1.028	0.881	0.859	0.838	0.817	1.166
2017-2018	1.030	1.026	1.030	1.029	1.028	0.904	0.881	0.859	0.838	1.137
2018-2019	1.014	1.011	1.016	1.015	1.014	0.927	0.903	0.881	0.859	1.092
2019-2020	1.025	1.023	1.028	1.027	1.026	0.950	0.926	0.904	0.881	1.077
2020-2021	1.022	1.021	1.026	1.025	1.024	0.975	0.951	0.927	0.904	1.048
2021-2022	1.000	1.000	1.005	1.004	1.003	1.000	0.975	0.951	0.927	1.000
2022-2023	0.994	--	1.000	0.999	0.998	--	1.000	0.975	0.951	--
2023-2024	0.994	--	--	1.000	0.999	--	--	1.000	0.975	--
2024-2025	0.994	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a -0.1% annual loss rate trend.
- (F) - (I) (A) adjusted for a -2.5% annual frequency trend.
- (J) (A) adjusted for a 2.5% 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)
2000-2001	\$9,206,879	413	0.950	21,186	3,752,565	1.101
2001-2002	13,328,997	685	0.683	13,286	7,911,886	0.866
2002-2003	16,925,482	871	0.717	13,930	9,155,417	0.951
2003-2004	18,753,737	1,101	0.887	15,117	10,024,644	1.098
2004-2005	13,465,495	971	1.150	15,941	10,224,413	0.950
2005-2006	13,091,396	943	1.250	17,356	10,850,224	0.869
2006-2007	11,748,102	925	1.187	15,069	11,490,970	0.805
2007-2008	12,963,171	794	1.108	18,092	12,415,891	0.640
2008-2009	11,076,630	874	1.038	13,159	12,698,130	0.688
2009-2010	15,348,272	794	0.955	18,457	11,660,428	0.681
2010-2011	13,786,510	763	0.904	16,333	11,548,267	0.661
2011-2012	13,532,412	668	0.896	18,141	11,244,448	0.594
2012-2013	15,075,604	642	0.919	21,583	10,180,880	0.631
2013-2014	11,656,692	581	0.937	18,792	9,919,500	0.586
2014-2015	11,849,267	555	0.933	19,909	9,538,264	0.582
2015-2016	12,540,686	579	0.973	21,069	9,827,677	0.589
2016-2017	11,185,689	562	1.030	20,502	9,816,673	0.572
2017-2018	10,637,494	510	1.030	21,477	9,622,955	0.530
2018-2019	10,605,567	473	1.014	22,736	9,710,117	0.487
2019-2020	9,296,497	340	1.025	28,026	10,085,404	0.337
2020-2021	10,761,621	387	1.022	28,421	9,332,855	0.415

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2020-2021	1.042	0.951
Mvg 5-Yr Wtd Latest 10 x 2020-2021	1.035	0.970
Latest 5 x 2020-2021	1.070	0.880
Mvg 5-Yr Wtd Latest 5 x 2020-2021	1.027	0.959
Prior	1.025	0.975
Default	1.025	0.980
Selected Residual Trend	1.025	0.975

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 Courts

Outstanding Liability for
Unallocated Loss Adjustment Expenses
as of 6/30/21

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)
2021-2022	843.0	\$2,054	1.000	\$2,054	\$1,731,522
2022-2023	495.0	2,054	1.050	2,157	1,067,715
2023-2024	340.0	2,054	1.103	2,266	770,440
2024-2025	238.1	2,054	1.158	2,379	566,440
2025-2026	164.7	2,054	1.216	2,498	411,421
2026-2027	113.7	2,054	1.277	2,623	298,235
2027-2028	78.8	2,054	1.341	2,754	217,015
2028-2029	53.3	2,054	1.408	2,892	154,144
2029-2030	35.8	2,054	1.478	3,036	108,689
2030-2031	22.9	2,054	1.552	3,188	73,005
2031-2032	13.7	2,054	1.630	3,348	45,868
2032-2033	7.4	2,054	1.712	3,516	26,018
2033-2034	3.4	2,054	1.798	3,693	12,556
2034-2035	1.1	2,054	1.888	3,878	4,266
2035-2036	0.4	2,054	1.982	4,071	1,628
2036-2037	0.0	2,054	2.081	4,274	0
2037-2038	0.0	2,054	2.185	4,488	0
2038-2039	0.0	2,054	2.294	4,712	0

(G) Total ULAE Outstanding as of 6/30/21: \$5,488,962

(H) Total ULAE Outstanding as of 12/31/21: \$5,602,058

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 12/31/21.

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 6/30/22

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	786.1	\$2,054	1.050	\$2,157	\$1,695,618
2023-2024	490.3	2,054	1.103	2,266	1,111,020
2024-2025	343.2	2,054	1.158	2,379	816,473
2025-2026	241.3	2,054	1.216	2,498	602,767
2026-2027	168.7	2,054	1.277	2,623	442,500
2027-2028	117.7	2,054	1.341	2,754	324,146
2028-2029	81.6	2,054	1.408	2,892	235,987
2029-2030	56.1	2,054	1.478	3,036	170,320
2030-2031	38.4	2,054	1.552	3,188	122,419
2031-2032	25.2	2,054	1.630	3,348	84,370
2032-2033	15.3	2,054	1.712	3,516	53,795
2033-2034	8.5	2,054	1.798	3,693	31,391
2034-2035	3.9	2,054	1.888	3,878	15,124
2035-2036	1.3	2,054	1.982	4,071	5,292
2036-2037	0.5	2,054	2.081	4,274	2,137
2037-2038	0.0	2,054	2.185	4,488	0
2038-2039	0.0	2,054	2.294	4,712	0
2039-2040	0.0	2,054	2.409	4,948	0

(G) Total ULAE Outstanding as of 6/30/22: \$5,713,359

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>12/31/2021</u>	<u>Calendar Period</u>			
		<u>1/1/2022</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</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>
Prior					
Ultimate Loss	\$77,360,515	\$77,360,515	\$77,360,515	\$77,360,515	\$77,360,515
Paid in Calendar Period	-	133,347	207,831	178,060	206,341
Paid to Date	75,375,263	75,508,610	75,716,441	75,894,501	76,100,842
Outstanding Liability	1,985,252	1,851,905	1,644,074	1,466,014	1,259,673
2005-2006					
Ultimate Loss	\$14,223,601	\$14,223,601	\$14,223,601	\$14,223,601	\$14,223,601
Paid in Calendar Period	-	18,122	44,968	45,468	45,832
Paid to Date	13,705,831	13,723,953	13,768,921	13,814,389	13,860,221
Outstanding Liability	517,770	499,648	454,680	409,212	363,380
2006-2007					
Ultimate Loss	\$14,541,626	\$14,541,626	\$14,541,626	\$14,541,626	\$14,541,626
Paid in Calendar Period	-	37,856	57,528	48,199	48,734
Paid to Date	13,910,699	13,948,555	14,006,083	14,054,282	14,103,016
Outstanding Liability	630,927	593,071	535,543	487,344	438,610
2007-2008					
Ultimate Loss	\$13,569,399	\$13,569,399	\$13,569,399	\$13,569,399	\$13,569,399
Paid in Calendar Period	-	53,166	81,036	41,267	34,575
Paid to Date	13,009,760	13,062,926	13,143,962	13,185,229	13,219,804
Outstanding Liability	559,639	506,473	425,437	384,170	349,595
2008-2009					
Ultimate Loss	\$11,359,286	\$11,359,286	\$11,359,286	\$11,359,286	\$11,359,286
Paid in Calendar Period	-	49,626	86,095	62,754	31,958
Paid to Date	10,831,352	10,880,978	10,967,073	11,029,827	11,061,785
Outstanding Liability	527,934	478,308	392,213	329,459	297,501
2009-2010					
Ultimate Loss	\$16,614,492	\$16,614,492	\$16,614,492	\$16,614,492	\$16,614,492
Paid in Calendar Period	-	69,634	136,172	113,969	83,071
Paid to Date	15,775,524	15,845,158	15,981,330	16,095,299	16,178,370
Outstanding Liability	838,968	769,334	633,162	519,193	436,122
2010-2011					
Ultimate Loss	\$15,712,244	\$15,712,244	\$15,712,244	\$15,712,244	\$15,712,244
Paid in Calendar Period	-	90,193	165,083	156,894	131,312
Paid to Date	14,570,564	14,660,757	14,825,840	14,982,734	15,114,046
Outstanding Liability	1,141,680	1,051,487	886,404	729,510	598,198
2011-2012					
Ultimate Loss	\$15,320,512	\$15,320,512	\$15,320,512	\$15,320,512	\$15,320,512
Paid in Calendar Period	-	123,436	239,415	204,917	194,750
Paid to Date	13,652,460	13,775,896	14,015,311	14,220,228	14,414,978
Outstanding Liability	1,668,052	1,544,616	1,305,201	1,100,284	905,534

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2021</u>	<u>Calendar Period</u>			
		<u>1/1/2022</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</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>
2012-2013					
Ultimate Loss	\$16,963,308	\$16,963,308	\$16,963,308	\$16,963,308	\$16,963,308
Paid in Calendar Period	-	190,737	355,216	309,568	264,960
Paid to Date	14,420,144	14,610,881	14,966,097	15,275,665	15,540,625
Outstanding Liability	2,543,164	2,352,427	1,997,211	1,687,643	1,422,683
2013-2014					
Ultimate Loss	\$13,305,887	\$13,305,887	\$13,305,887	\$13,305,887	\$13,305,887
Paid in Calendar Period	-	156,559	308,413	272,405	237,398
Paid to Date	11,036,909	11,193,468	11,501,881	11,774,286	12,011,684
Outstanding Liability	2,268,978	2,112,419	1,804,006	1,531,601	1,294,203
2014-2015					
Ultimate Loss	\$13,546,983	\$13,546,983	\$13,546,983	\$13,546,983	\$13,546,983
Paid in Calendar Period	-	234,206	406,699	333,854	294,875
Paid to Date	10,619,407	10,853,613	11,260,312	11,594,166	11,889,041
Outstanding Liability	2,927,576	2,693,370	2,286,671	1,952,817	1,657,942
2015-2016					
Ultimate Loss	\$14,640,570	\$14,640,570	\$14,640,570	\$14,640,570	\$14,640,570
Paid in Calendar Period	-	303,491	553,812	429,415	352,501
Paid to Date	10,939,461	11,242,952	11,796,764	12,226,179	12,578,680
Outstanding Liability	3,701,109	3,397,618	2,843,806	2,414,391	2,061,890
2016-2017					
Ultimate Loss	\$12,772,175	\$12,772,175	\$12,772,175	\$12,772,175	\$12,772,175
Paid in Calendar Period	-	312,952	597,361	522,820	405,384
Paid to Date	8,654,379	8,967,331	9,564,692	10,087,512	10,492,896
Outstanding Liability	4,117,796	3,804,844	3,207,483	2,684,663	2,279,279
2017-2018					
Ultimate Loss	\$12,417,911	\$12,417,911	\$12,417,911	\$12,417,911	\$12,417,911
Paid in Calendar Period	-	403,987	709,669	589,324	515,786
Paid to Date	7,550,597	7,954,584	8,664,253	9,253,577	9,769,363
Outstanding Liability	4,867,314	4,463,327	3,753,658	3,164,334	2,648,548
2018-2019					
Ultimate Loss	\$12,456,617	\$12,456,617	\$12,456,617	\$12,456,617	\$12,456,617
Paid in Calendar Period	-	577,000	977,604	698,622	580,150
Paid to Date	6,508,167	7,085,167	8,062,771	8,761,393	9,341,543
Outstanding Liability	5,948,450	5,371,450	4,393,846	3,695,224	3,115,074
2019-2020					
Ultimate Loss	\$11,715,648	\$11,715,648	\$11,715,648	\$11,715,648	\$11,715,648
Paid in Calendar Period	-	748,564	1,351,907	1,022,236	730,517
Paid to Date	3,998,493	4,747,057	6,098,964	7,121,200	7,851,717
Outstanding Liability	7,717,155	6,968,591	5,616,684	4,594,448	3,863,931

Judicial Branch Workers' Compensation Program - Workers' Compensation
Trial Courts

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2021</u>	<u>Calendar Period</u>			
		<u>1/1/2022</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</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>
2020-2021					
Ultimate Loss	\$13,201,725	\$13,201,725	\$13,201,725	\$13,201,725	\$13,201,725
Paid in Calendar Period	-	1,045,275	1,840,504	1,428,231	1,079,949
Paid to Date	2,953,928	3,999,203	5,839,707	7,267,938	8,347,887
Outstanding Liability	10,247,797	9,202,522	7,362,018	5,933,787	4,853,838
2021-2022					
Ultimate Loss	\$6,621,330	\$13,242,659	\$13,242,659	\$13,242,659	\$13,242,659
Paid in Calendar Period	-	1,168,182	2,240,444	1,885,707	1,463,309
Paid to Date	405,497	1,573,679	3,814,123	5,699,830	7,163,139
Outstanding Liability	6,215,833	11,668,980	9,428,536	7,542,829	6,079,520
2022-2023					
Ultimate Loss	-	-	\$13,693,500	\$13,693,500	\$13,693,500
Paid in Calendar Period	-	-	1,547,366	2,332,058	1,962,815
Paid to Date	-	-	1,547,366	3,879,424	5,842,239
Outstanding Liability	-	-	12,146,134	9,814,076	7,851,261
2023-2024					
Ultimate Loss	-	-	-	\$14,059,423	\$14,059,423
Paid in Calendar Period	-	-	-	1,588,715	2,394,376
Paid to Date	-	-	-	1,588,715	3,983,091
Outstanding Liability	-	-	-	12,470,708	10,076,332
2024-2025					
Ultimate Loss	-	-	-	-	\$14,454,855
Paid in Calendar Period	-	-	-	-	1,633,399
Paid to Date	-	-	-	-	1,633,399
Outstanding Liability	-	-	-	-	12,821,456
Totals					
Ultimate Loss	\$306,343,829	\$312,965,158	\$326,658,658	\$340,718,081	\$355,172,936
Paid in Calendar Period	-	5,716,333	11,907,123	12,264,483	12,691,992
Paid to Date	247,918,435	253,634,768	265,541,891	277,806,374	290,498,366
Outstanding Liability	58,425,394	59,330,390	61,116,767	62,911,707	64,674,570
Total Outstanding ULAE	5,602,058	5,713,359	6,066,994	6,444,333	6,823,928
Outstanding Liability plus ULAE	64,027,452	65,043,749	67,183,761	69,356,040	71,498,498

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 2019-2020, \$748,564 is expected to be paid between 1/1/22 and 6/30/22, \$4,747,057 will have been paid by 6/30/22, and the reserve for remaining payments on these claims should be \$6,968,591.
- 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, $\$1,351,907 = \$6,968,591 \times 19.4\%$.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, $\$6,098,964 = \$1,351,907 + \$4,747,057$.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, $\$6,968,591 = \$11,715,648 - \$4,747,057$.

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 12/31/21:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$9,752,010	\$9,752,010
	ULAE:	1,731,522	1,731,522
	Short-Term Loss and LAE:	<u>\$11,483,532</u>	<u>\$11,483,532</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$48,673,384	\$48,673,384
	ULAE:	3,870,536	3,870,536
	Long-Term Loss and LAE:	<u>\$52,543,920</u>	<u>\$52,543,920</u>
<u>Total Liability</u>	Loss and ALAE:	\$58,425,394	\$58,425,394
	ULAE:	5,602,058	5,602,058
	Total Loss and LAE:	<u>\$64,027,452</u>	<u>\$64,027,452</u>
<u>Liabilities as of 6/30/22:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$10,359,757	\$10,359,757
	ULAE:	1,695,618	1,695,618
	Short-Term Loss and LAE:	<u>\$12,055,375</u>	<u>\$12,055,375</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$48,970,633	\$48,970,633
	ULAE:	4,017,741	4,017,741
	Long-Term Loss and LAE:	<u>\$52,988,374</u>	<u>\$52,988,374</u>
<u>Total Liability</u>	Loss and ALAE:	\$59,330,390	\$59,330,390
	ULAE:	5,713,359	5,713,359
	Total Loss and LAE:	<u>\$65,043,749</u>	<u>\$65,043,749</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 12/31/21:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$10,522,419	\$10,824,731	\$11,175,803	\$11,604,892	\$12,170,508
	ULAE:	1,868,312	1,921,989	1,984,324	2,060,511	2,160,939
	Short-Term Loss and LAE:	<u>\$12,390,731</u>	<u>\$12,746,720</u>	<u>\$13,160,127</u>	<u>\$13,665,403</u>	<u>\$14,331,447</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$52,518,581	\$54,027,456	\$55,779,699	\$57,921,327	\$60,744,384
	ULAE:	4,176,309	4,296,296	4,435,634	4,605,938	4,830,429
	Long-Term Loss and LAE:	<u>\$56,694,890</u>	<u>\$58,323,752</u>	<u>\$60,215,333</u>	<u>\$62,527,265</u>	<u>\$65,574,813</u>
<u>Total Liability</u>	Loss and ALAE:	\$63,041,000	\$64,852,187	\$66,955,502	\$69,526,219	\$72,914,892
	ULAE:	6,044,621	6,218,285	6,419,958	6,666,449	6,991,368
	Total Loss and LAE:	<u>\$69,085,621</u>	<u>\$71,070,472</u>	<u>\$73,375,460</u>	<u>\$76,192,668</u>	<u>\$79,906,260</u>
<u>Liabilities as of 6/30/22:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$11,178,178	\$11,499,330	\$11,872,282	\$12,328,111	\$12,928,977
	ULAE:	1,829,572	1,882,136	1,943,178	2,017,785	2,116,131
	Short-Term Loss and LAE:	<u>\$13,007,750</u>	<u>\$13,381,466</u>	<u>\$13,815,460</u>	<u>\$14,345,896</u>	<u>\$15,045,108</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$52,839,313	\$54,357,403	\$56,120,345	\$58,275,053	\$61,115,350
	ULAE:	4,335,142	4,459,692	4,604,331	4,781,112	5,014,141
	Long-Term Loss and LAE:	<u>\$57,174,455</u>	<u>\$58,817,095</u>	<u>\$60,724,676</u>	<u>\$63,056,165</u>	<u>\$66,129,491</u>
<u>Total Liability</u>	Loss and ALAE:	\$64,017,491	\$65,856,733	\$67,992,627	\$70,603,164	\$74,044,327
	ULAE:	6,164,714	6,341,828	6,547,509	6,798,897	7,130,272
	Total Loss and LAE:	<u>\$70,182,205</u>	<u>\$72,198,561</u>	<u>\$74,540,136</u>	<u>\$77,402,061</u>	<u>\$81,174,599</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	1.340
90%	1.338	1.248
85%	1.258	1.190
80%	1.197	1.146
75%	1.148	1.110
70%	1.105	1.079
65%	1.067	1.051
60%	1.031	1.025
55%	0.999	1.002
50%	0.967	0.979
45%	0.937	0.957
40%	0.907	0.935
35%	0.877	0.913
30%	0.847	0.891
25%	0.815	0.867

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.338 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
7/1/2001	6/30/2002	2001-2002	Various	(none)
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)

Third Party Claims Administrator	Begin Date	End Date
Corvel	7/1/2008	9/30/2014
AIMS	10/1/2014	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 12/31/21

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)
2001-2002	15,951,709	0	967,974	14,983,734	871,171	1,694,605	13,289,129	823,434	14,112,563	14,112,563
2002-2003	17,844,047	0	15,739	17,828,308	0	970,260	16,858,049	970,260	17,828,308	17,828,308
2003-2004	21,768,226	0	593,517	21,174,709	0	2,514,275	18,660,434	2,514,275	21,174,709	21,174,709
2004-2005	14,037,543	0	9,660	14,027,883	0	642,699	13,385,183	642,699	14,027,883	14,027,883
2005-2006	14,149,008	0	66,236	14,082,773	0	1,082,380	13,000,393	1,082,380	14,082,773	14,082,773
2006-2007	14,416,531	0	47,337	14,369,195	0	2,714,332	11,654,863	2,714,332	14,369,195	14,369,195
2007-2008	13,465,012	0	96,147	13,368,866	0	521,322	12,847,543	521,322	13,368,866	13,368,866
2008-2009	11,165,731	0	18,248	11,147,483	0	180,523	10,966,960	180,523	11,147,483	11,147,483
2009-2010	16,127,121	0	3,447	16,123,674	0	957,398	15,166,276	957,398	16,123,674	16,123,674
2010-2011	15,076,853	0	3,575	15,073,278	0	1,490,511	13,582,768	1,490,511	15,073,278	15,073,278
2011-2012	14,523,765	0	10,415	14,513,350	0	1,233,260	13,280,090	1,233,260	14,513,350	14,513,350
2012-2013	15,538,714	0	193,261	15,345,453	0	623,184	14,722,269	623,184	15,345,453	15,345,453
2013-2014	11,721,486	0	88,264	11,633,222	0	348,913	11,284,309	348,913	11,633,222	11,633,222
2014-2015	11,743,126	0	117,918	11,625,208	0	286,197	11,339,011	286,197	11,625,208	11,625,208
2015-2016	12,231,999	0	50,662	12,181,337	0	350,502	11,830,835	350,502	12,181,337	12,181,337
2016-2017	10,223,072	0	127,810	10,095,262	0	0	10,095,262	0	10,095,262	10,095,262
2017-2018	9,262,600	0	44,781	9,217,819	0	48,176	9,169,643	48,176	9,217,819	9,217,819
2018-2019	8,402,301	0	11,989	8,390,312	0	73,766	8,316,546	73,766	8,390,312	8,390,312
2019-2020	5,660,130	0	2,880	5,657,250	0	0	5,657,250	0	5,657,250	5,657,250
2020-2021	5,353,546	0	0	5,353,546	0	0	5,353,546	0	5,353,546	5,353,546
2021-2022	1,096,703	0	0	1,096,703	0	0	1,096,703	0	1,096,703	1,096,703
Total	\$270,535,861	\$0	\$2,902,395	\$267,633,466	\$1,476,768	\$16,887,903	\$250,745,564	\$15,411,135	\$266,156,698	\$266,156,698

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 12/31/21

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)
2001-2002	15,264,095	0	967,974	14,296,120	330,832	1,062,248	13,233,872	731,416	13,965,288	13,965,288
2002-2003	17,593,657	0	15,739	17,577,918	0	820,061	16,757,858	820,061	17,577,918	17,577,918
2003-2004	20,949,562	0	593,517	20,356,045	0	1,891,968	18,464,077	1,891,968	20,356,045	20,356,045
2004-2005	13,965,349	0	9,660	13,955,689	0	620,980	13,334,709	620,980	13,955,689	13,955,689
2005-2006	13,772,067	0	66,236	13,705,831	0	952,446	12,753,385	952,446	13,705,831	13,705,831
2006-2007	13,958,035	0	47,337	13,910,699	0	2,438,440	11,472,259	2,438,440	13,910,699	13,910,699
2007-2008	13,105,907	0	96,147	13,009,760	0	412,796	12,596,964	412,796	13,009,760	13,009,760
2008-2009	10,849,600	0	18,248	10,831,352	0	171,666	10,659,686	171,666	10,831,352	10,831,352
2009-2010	15,778,970	0	3,447	15,775,524	0	875,659	14,899,865	875,659	15,775,524	15,775,524
2010-2011	14,574,139	0	3,575	14,570,564	0	1,144,590	13,425,974	1,144,590	14,570,564	14,570,564
2011-2012	13,662,875	0	10,415	13,652,460	0	675,701	12,976,759	675,701	13,652,460	13,652,460
2012-2013	14,613,405	0	193,261	14,420,144	0	543,984	13,876,160	543,984	14,420,144	14,420,144
2013-2014	11,125,173	0	88,264	11,036,909	0	299,270	10,737,639	299,270	11,036,909	11,036,909
2014-2015	10,737,325	0	117,918	10,619,407	0	135,087	10,484,321	135,087	10,619,407	10,619,407
2015-2016	10,990,123	0	50,662	10,939,461	0	94,566	10,844,895	94,566	10,939,461	10,939,461
2016-2017	8,782,188	0	127,810	8,654,379	0	0	8,654,379	0	8,654,379	8,654,379
2017-2018	7,595,378	0	44,781	7,550,597	0	0	7,550,597	0	7,550,597	7,550,597
2018-2019	6,520,156	0	11,989	6,508,167	0	0	6,508,167	0	6,508,167	6,508,167
2019-2020	4,001,372	0	2,880	3,998,493	0	0	3,998,493	0	3,998,493	3,998,493
2020-2021	2,953,928	0	0	2,953,928	0	0	2,953,928	0	2,953,928	2,953,928
2021-2022	405,497	0	0	405,497	0	0	405,497	0	405,497	405,497
Total	\$251,426,499	\$0	\$2,902,395	\$248,524,104	\$605,669	\$12,799,388	\$235,724,716	\$12,193,719	\$247,918,435	\$247,918,435

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 12/31/21

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)
2001-2002	687,614	0	0	687,614	540,339	632,357	55,257	92,018	147,275	147,275
2002-2003	250,390	0	0	250,390	0	150,199	100,191	150,199	250,390	250,390
2003-2004	818,664	0	0	818,664	0	622,308	196,356	622,308	818,664	818,664
2004-2005	72,194	0	0	72,194	0	21,719	50,474	21,719	72,194	72,194
2005-2006	376,941	0	0	376,941	0	129,934	247,007	129,934	376,941	376,941
2006-2007	458,496	0	0	458,496	0	275,892	182,604	275,892	458,496	458,496
2007-2008	359,105	0	0	359,105	0	108,526	250,579	108,526	359,105	359,105
2008-2009	316,132	0	0	316,132	0	8,857	307,274	8,857	316,132	316,132
2009-2010	348,150	0	0	348,150	0	81,739	266,411	81,739	348,150	348,150
2010-2011	502,714	0	0	502,714	0	345,920	156,794	345,920	502,714	502,714
2011-2012	860,891	0	0	860,891	0	557,560	303,331	557,560	860,891	860,891
2012-2013	925,309	0	0	925,309	0	79,199	846,109	79,199	925,309	925,309
2013-2014	596,313	0	0	596,313	0	49,643	546,670	49,643	596,313	596,313
2014-2015	1,005,801	0	0	1,005,801	0	151,110	854,691	151,110	1,005,801	1,005,801
2015-2016	1,241,876	0	0	1,241,876	0	255,936	985,940	255,936	1,241,876	1,241,876
2016-2017	1,440,884	0	0	1,440,884	0	0	1,440,884	0	1,440,884	1,440,884
2017-2018	1,667,222	0	0	1,667,222	0	48,176	1,619,046	48,176	1,667,222	1,667,222
2018-2019	1,882,145	0	0	1,882,145	0	73,766	1,808,379	73,766	1,882,145	1,882,145
2019-2020	1,658,757	0	0	1,658,757	0	0	1,658,757	0	1,658,757	1,658,757
2020-2021	2,399,618	0	0	2,399,618	0	0	2,399,618	0	2,399,618	2,399,618
2021-2022	691,206	0	0	691,206	0	0	691,206	0	691,206	691,206
Total	\$19,109,363	\$0	\$0	\$19,109,363	\$871,099	\$4,088,514	\$15,020,848	\$3,217,416	\$18,238,264	\$18,238,264

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 12/31/21

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)
2001-2002	685	0	0	685	675	0	0	675	10	10
2002-2003	871	0	0	871	859	0	0	859	12	12
2003-2004	1,101	0	0	1,101	1,083	0	0	1,083	18	18
2004-2005	971	0	0	971	964	0	0	964	7	7
2005-2006	943	0	0	943	929	0	0	929	14	14
2006-2007	925	0	0	925	913	0	0	913	12	12
2007-2008	794	0	0	794	778	0	0	778	16	16
2008-2009	874	0	0	874	861	0	0	861	13	13
2009-2010	794	0	0	794	773	0	0	773	21	21
2010-2011	763	0	0	763	745	0	0	745	18	18
2011-2012	668	0	0	668	646	0	0	646	22	22
2012-2013	642	0	0	642	612	0	0	612	30	30
2013-2014	581	0	0	581	558	0	0	558	23	23
2014-2015	555	0	0	555	518	0	0	518	37	37
2015-2016	579	0	0	579	537	0	0	537	42	42
2016-2017	561	0	0	561	511	0	0	511	50	50
2017-2018	508	0	0	508	439	0	0	439	69	69
2018-2019	470	0	0	470	382	0	0	382	88	88
2019-2020	336	0	0	336	247	0	0	247	89	89
2020-2021	376	0	0	376	208	0	0	208	168	168
2021-2022	145	0	0	145	39	0	0	39	106	106
Total	14,555	0	0	14,555	13,682	0	0	13,682	873	873

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)
2001-2002	4,830,211	1.638	7,911,886
2002-2003	5,729,297	1.598	9,155,417
2003-2004	6,430,176	1.559	10,024,644
2004-2005	6,722,165	1.521	10,224,413
2005-2006	7,311,472	1.484	10,850,224
2006-2007	7,935,753	1.448	11,490,970
2007-2008	8,786,901	1.413	12,415,891
2008-2009	9,208,216	1.379	12,698,130
2009-2010	8,669,463	1.345	11,660,428
2010-2011	8,802,033	1.312	11,548,267
2011-2012	8,784,725	1.280	11,244,448
2012-2013	8,151,225	1.249	10,180,880
2013-2014	8,137,408	1.219	9,919,500
2014-2015	8,022,089	1.189	9,538,264
2015-2016	8,472,135	1.160	9,827,677
2016-2017	8,671,973	1.132	9,816,673
2017-2018	8,716,445	1.104	9,622,955
2018-2019	9,015,893	1.077	9,710,117
2019-2020	9,596,008	1.051	10,085,404
2020-2021	9,105,224	1.025	9,332,855
2021-2022	9,411,982	1.000	9,411,982
2022-2023	9,616,222	1.000	9,616,222
2023-2024	9,824,894	1.000	9,824,894
2024-2025	10,038,094	1.000	10,038,094

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, 2021

(A) Estimated Ultimate Losses Incurred through 12/31/21: (From Appendix J - G)	\$21,984,000
(B) Estimated Paid Losses through 12/31/21: (From Appendix J - G)	19,160,000
(C) Estimated Liability for Claims Outstanding at 12/31/21: (From Appendix J - G)	<u>\$2,824,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/21: (From Appendix J - F)	767,000
(E) Total Outstanding Liability for Claims at 12/31/21: ((C) + (D))	<u>\$3,591,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/21: ((E) x (F))	<u>\$3,591,000</u>

	<u>Marginally Acceptable</u>		<u>Recommended</u>		<u>Conservative</u>
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix J - I)	1.133	1.191	1.260	1.345	1.458
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	478,000	686,000	934,000	1,239,000	1,645,000
(J) Total Required Assets at 12/31/21: ((G) + (I))	<u>\$4,069,000</u>	<u>\$4,277,000</u>	<u>\$4,525,000</u>	<u>\$4,830,000</u>	<u>\$5,236,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Guidelines for Outstanding Liabilities at
June 30, 2022

(A) Estimated Ultimate Losses Incurred through 6/30/22: (From Appendix J - G)	\$22,292,000
(B) Estimated Paid Losses through 6/30/22: (From Appendix J - G)	19,358,000
(C) Estimated Liability for Claims Outstanding at 6/30/22: (From Appendix J - G)	<u>\$2,934,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/22: (From Appendix J - F)	882,000
(E) Total Outstanding Liability for Claims at 6/30/22: ((C) + (D))	<u>\$3,816,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/22: ((E) x (F))	<u>\$3,816,000</u>

	<u>Marginally Acceptable</u>		<u>Recommended</u>		<u>Conservative</u>
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix J - I)	1.133	1.191	1.260	1.345	1.458
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	508,000	729,000	992,000	1,316,000	1,748,000
(J) Total Required Assets at 6/30/22: ((G) + (I))	<u>\$4,323,000</u>	<u>\$4,545,000</u>	<u>\$4,808,000</u>	<u>\$5,132,000</u>	<u>\$5,563,000</u>

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Funding Options for Program Year 2021-2022 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From Appendix J - G)	\$615,000	\$0.096			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Exhibit J - 5, Page 1, (L))	256,000	0.040			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$871,000</u>	<u>\$0.136</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 2021-2022: ((C) x (D))	<u>\$871,000</u>	<u>\$0.136</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.110	1.230	1.366	1.526
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	2,000	68,000	141,000	225,000	323,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$873,000</u>	<u>\$938,000</u>	<u>\$1,012,000</u>	<u>\$1,096,000</u>	<u>\$1,194,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$6,404,809)	\$0.136	\$0.147	\$0.158	\$0.171	\$0.186

Payroll rates are per hundred dollars of 2021-2022 payroll of \$640,480,900.

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)	\$635,000	\$0.097			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2022-2023: (From Exhibit J - 5, Page 1, (L))	258,000	0.039			
(C) Total Claims Costs Incurred in Accident Year 2022-2023: ((A) + (B))	<u>\$893,000</u>	<u>\$0.136</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>\$893,000</u>	<u>\$0.136</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.110	1.230	1.366	1.526
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	2,000	70,000	146,000	232,000	334,000
(H) Recommended Funding in 2022-2023 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$895,000</u>	<u>\$963,000</u>	<u>\$1,039,000</u>	<u>\$1,125,000</u>	<u>\$1,227,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	351,000	351,000	351,000	351,000	351,000
(J) Recommended Funding in 2022-2023 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$1,246,000</u>	<u>\$1,314,000</u>	<u>\$1,390,000</u>	<u>\$1,476,000</u>	<u>\$1,578,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$6,543,793)	\$0.190	\$0.201	\$0.212	\$0.226	\$0.241

Payroll rates are per hundred dollars of 2022-2023 payroll of \$654,379,300.

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)	\$642,000	\$0.096			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit J - 5, Page 1, (L))	261,000	0.039			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$903,000</u>	<u>\$0.135</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>\$903,000</u>	<u>\$0.135</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.110	1.230	1.366	1.526
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	2,000	71,000	148,000	235,000	338,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$905,000</u>	<u>\$973,000</u>	<u>\$1,050,000</u>	<u>\$1,138,000</u>	<u>\$1,240,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$6,685,793)	\$0.135	\$0.146	\$0.157	\$0.170	\$0.186

Payroll rates are per hundred dollars of 2023-2024 payroll of \$668,579,300.

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)	\$656,000	\$0.096			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025: (From Exhibit J - 5, Page 1, (L))	267,000	0.039			
(C) Total Claims Costs Incurred in Accident Year 2024-2025: ((A) + (B))	<u>\$923,000</u>	<u>\$0.135</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>\$923,000</u>	<u>\$0.135</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.110	1.230	1.366	1.526
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	3,000	102,000	212,000	338,000	485,000
(H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$926,000</u>	<u>\$1,024,000</u>	<u>\$1,135,000</u>	<u>\$1,260,000</u>	<u>\$1,408,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$6,830,875)	\$0.135	\$0.150	\$0.166	\$0.185	\$0.206

Payroll rates are per hundred dollars of 2024-2025 payroll of \$683,087,500.

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

IBNR as of 6/30/22 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/21 (B)	Estimated IBNR as of 12/31/21 (C)	Estimated Percent of IBNR Reported Between 1/1/22 and 6/30/22 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/22 (F)
Prior	\$12,634,000	\$12,435,000	\$199,000	19.6%	\$39,000	\$160,000
2001-2002	879,000	857,000	21,000	19.6%	4,000	17,000
2002-2003	172,000	172,000	0	9.7%	0	0
2003-2004	289,000	289,000	0	5.7%	0	0
2004-2005	392,000	378,000	15,000	7.4%	1,000	14,000
2005-2006	229,000	229,000	0	4.5%	0	0
2006-2007	575,000	575,000	0	6.0%	0	0
2007-2008	276,000	262,000	14,000	6.9%	1,000	13,000
2008-2009	782,000	736,000	46,000	6.0%	3,000	44,000
2009-2010	686,000	686,000	0	6.4%	0	0
2010-2011	309,000	309,000	0	7.5%	0	0
2011-2012	549,000	549,000	0	6.4%	0	0
2012-2013	431,000	431,000	0	6.9%	0	0
2013-2014	62,000	62,000	0	7.1%	0	0
2014-2015	317,000	272,000	44,000	6.9%	3,000	41,000
2015-2016	757,000	623,000	134,000	6.2%	8,000	125,000
2016-2017	499,000	336,000	163,000	7.5%	12,000	151,000
2017-2018	347,000	148,000	200,000	9.2%	18,000	181,000
2018-2019	459,000	180,000	279,000	11.3%	31,000	247,000
2019-2020	576,000	263,000	313,000	13.4%	42,000	271,000
2020-2021	456,000	20,000	436,000	16.9%	74,000	362,000
2021-2022	615,000	2,000	305,000	14.1%	86,000	526,000
Totals	\$22,292,000	\$19,814,000	\$2,170,000		\$324,000	\$2,154,000

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 1/1/22 and 6/30/22. 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 6/30/22. 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	\$12,634,000	\$13,124,000	\$12,591,000	\$12,890,000	\$9,751,000	\$12,634,000	\$12,634,000
2001-2002	879,000	922,000	875,000	904,000	730,000	879,000	879,000
2002-2003	177,000	192,000	179,000	197,000	247,000	172,000	172,000
2003-2004	299,000	326,000	303,000	337,000	422,000	289,000	289,000
2004-2005	392,000	416,000	392,000	412,000	385,000	392,000	392,000
2005-2006	239,000	264,000	244,000	275,000	344,000	229,000	229,000
2006-2007	603,000	670,000	597,000	643,000	478,000	575,000	575,000
2007-2008	276,000	287,000	283,000	306,000	410,000	276,000	276,000
2008-2009	782,000	878,000	790,000	883,000	914,000	782,000	782,000
2009-2010	736,000	844,000	739,000	832,000	781,000	686,000	686,000
2010-2011	335,000	389,000	346,000	407,000	467,000	309,000	309,000
2011-2012	604,000	710,000	627,000	741,000	848,000	549,000	549,000
2012-2013	481,000	573,000	484,000	556,000	501,000	431,000	431,000
2013-2014	70,000	85,000	75,000	91,000	106,000	62,000	62,000
2014-2015	317,000	360,000	317,000	348,000	314,000	317,000	317,000
2015-2016	742,000	750,000	772,000	811,000	924,000	757,000	757,000
2016-2017	414,000	515,000	436,000	523,000	458,000	499,000	499,000
2017-2018	192,000	207,000	274,000	372,000	466,000	347,000	347,000
2018-2019	257,000	398,000	348,000	496,000	602,000	459,000	459,000
2019-2020	443,000	567,000	503,000	584,000	485,000	576,000	576,000
2020-2021	52,000	98,000	353,000	490,000	309,000	456,000	456,000
Totals						\$21,677,000	\$21,677,000
			Projected Losses for the Year 2021-2022 (H)			\$615,000	\$615,000
			Projected Losses for the Year 2022-2023 (I)			635,000	635,000
			Projected Losses for the Year 2023-2024 (J)			642,000	642,000
			Projected Losses for the Year 2024-2025 (K)			656,000	656,000

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	\$7,811,000	\$7,976,000	\$7,812,000	\$7,970,000	\$7,811,000	\$7,811,000
2001-2002	518,000	531,000	518,000	531,000	515,000	515,000
2002-2003	173,000	177,000	173,000	177,000	172,000	172,000
2003-2004	292,000	299,000	292,000	299,000	289,000	289,000
2004-2005	260,000	254,000	260,000	255,000	260,000	260,000
2005-2006	231,000	238,000	231,000	237,000	229,000	229,000
2006-2007	316,000	325,000	316,000	325,000	313,000	313,000
2007-2008	265,000	253,000	265,000	253,000	265,000	265,000
2008-2009	588,000	607,000	588,000	606,000	581,000	581,000
2009-2010	495,000	513,000	495,000	511,000	487,000	487,000
2010-2011	293,000	304,000	293,000	303,000	287,000	287,000
2011-2012	525,000	546,000	524,000	544,000	512,000	512,000
2012-2013	306,000	320,000	306,000	318,000	297,000	297,000
2013-2014	64,000	67,000	64,000	67,000	62,000	62,000
2014-2015	188,000	199,000	188,000	197,000	179,000	179,000
2015-2016	532,000	539,000	532,000	538,000	532,000	532,000
2016-2017	292,000	294,000	293,000	295,000	259,000	292,000
2017-2018	154,000	145,000	170,000	188,000	259,000	162,000
2018-2019	210,000	264,000	223,000	281,000	329,000	252,000
2019-2020	327,000	352,000	325,000	333,000	261,000	329,000
2020-2021	36,000	58,000	147,000	240,000	163,000	217,000
Totals						\$14,045,000
			Projected Losses for the Year 2021-2022 (G)			\$319,000
			Projected Losses for the Year 2022-2023 (H)			\$324,000
			Projected Losses for the Year 2023-2024 (I)			\$322,000
			Projected Losses for the Year 2024-2025 (J)			\$323,000

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)
2001-2002	515,000	0.456	235,000	3,287,000	0.071
2002-2003	172,000	0.489	84,000	3,346,000	0.025
2003-2004	289,000	0.618	179,000	5,406,000	0.033
2004-2005	260,000	0.816	212,000	5,600,000	0.038
2005-2006	229,000	0.906	208,000	5,653,000	0.037
2006-2007	313,000	0.878	275,000	6,130,000	0.045
2007-2008	265,000	0.836	221,000	6,442,000	0.034
2008-2009	581,000	0.799	464,000	6,374,000	0.073
2009-2010	487,000	0.750	366,000	6,183,000	0.059
2010-2011	287,000	0.724	208,000	6,162,000	0.034
2011-2012	512,000	0.732	375,000	6,022,000	0.062
2012-2013	297,000	0.767	228,000	5,721,000	0.040
2013-2014	62,000	0.797	49,000	5,622,000	0.009
2014-2015	179,000	0.810	145,000	5,483,000	0.026
2015-2016	532,000	0.862	459,000	5,624,000	0.082
2016-2017	292,000	0.932	272,000	5,612,000	0.049
2017-2018	162,000	0.950	154,000	5,738,000	0.027
2018-2019	252,000	0.955	241,000	5,924,000	0.041
2019-2020	329,000	0.985	324,000	6,219,000	0.052
2020-2021	217,000	1.001	217,000	5,707,000	0.038
Totals	\$14,045,000		\$9,774,000	\$115,387,000	\$0.085
15/16-19/20	1,567,556		1,449,871	29,116,644	0.050
16/17-19/20	1,035,529		991,264	23,492,466	0.042
			(F) Selected Limited Rate:		\$0.050
			Prior:		\$0.055
Program Year:		2021-2022	2022-2023	2023-2024	2024-2025
(G) Factor to SIR:		1.925	1.959	1.994	2.030
(H) Trend Factor:		1.000	0.986	0.966	0.946
(I) Program Rate:		\$0.096	\$0.097	\$0.096	\$0.096
(J) Trended Payroll (\$00):		6,405,000	6,544,000	6,686,000	6,831,000
(K) Projected Program Losses:		615,000	635,000	642,000	656,000
(L) Projected ULAE:		458,000	481,000	527,000	553,000
(M) Projected Loss and ULAE:		\$1,073,000	\$1,116,000	\$1,169,000	\$1,209,000

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) x (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) x (G) x (H).
- (J) Appendix J - L, Column (C).
- (K) (I) x (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 12/31/21 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/21 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$7,772,504	1.005	\$7,811,367	\$12,434,864	1.016	\$12,633,822
2001-2002	515,316	1.006	518,408	857,229	1.025	878,660
2002-2003	171,866	1.007	173,069	171,866	1.030	177,022
2003-2004	289,343	1.008	291,658	289,343	1.034	299,181
2004-2005	257,680	1.009	259,999	377,570	1.039	392,295
2005-2006	229,270	1.009	231,333	229,270	1.043	239,129
2006-2007	313,363	1.010	316,497	575,305	1.048	602,920
2007-2008	261,670	1.011	264,548	261,670	1.055	276,062
2008-2009	580,677	1.013	588,226	735,938	1.063	782,302
2009-2010	487,464	1.016	495,263	686,343	1.073	736,446
2010-2011	286,930	1.020	292,669	308,896	1.086	335,461
2011-2012	512,002	1.025	524,802	549,454	1.100	604,399
2012-2013	296,942	1.031	306,147	430,767	1.117	481,167
2013-2014	61,947	1.038	64,301	61,947	1.138	70,496
2014-2015	179,281	1.048	187,886	272,292	1.163	316,676
2015-2016	500,025	1.064	532,027	623,211	1.191	742,244
2016-2017	269,471	1.085	292,376	336,229	1.232	414,234
2017-2018	137,620	1.118	153,859	147,683	1.300	191,988
2018-2019	180,168	1.163	209,535	180,168	1.424	256,559
2019-2020	256,709	1.275	327,304	262,553	1.686	442,664
2020-2021	19,890	1.805	35,901	19,890	2.600	51,714
Totals	\$13,580,138		\$13,877,176	\$19,812,488		\$20,925,440

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	<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
2000-2001									556,233	598,506	598,168
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	
2013-2014	31,800	80,977	101,267	117,468	91,708	91,708	92,170	81,376	61,947		
2014-2015	59,415	160,387	322,601	233,170	189,984	180,760	191,902	179,281			
2015-2016	61,797	274,185	308,294	461,565	482,562	516,250	500,025				
2016-2017	37,632	151,356	265,636	250,033	274,033	269,471					
2017-2018	21,621	67,646	77,735	123,307	137,620						
2018-2019	79,605	112,551	179,011	180,168							
2019-2020	57,250	125,153	256,709								
2020-2021	21,333	19,890									
2021-2022	2,000										

	<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
2000-2001									1.076	0.999	0.926
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	
2012-2013	2.732	0.980	0.910	0.865	1.017	1.000	0.926	1.003	1.000		
2013-2014	2.546	1.251	1.160	0.781	1.000	1.005	0.883	0.761			
2014-2015	2.699	2.011	0.723	0.815	0.951	1.062	0.934				
2015-2016	4.437	1.124	1.497	1.045	1.070	0.969					
2016-2017	4.022	1.755	0.941	1.096	0.983						
2017-2018	3.129	1.149	1.586	1.116							
2018-2019	1.414	1.590	1.006								
2019-2020	2.186	2.051									
2020-2021	0.932										

	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	3.484	1.447	1.087	1.026	1.092	0.999	0.979	0.973	1.011	0.992	0.992
Dollar-Weighted Averages											
3-yr	1.628	1.682	1.060	1.071	1.021	0.994	0.922	0.960	1.000	0.990	1.000
4-yr	1.809	1.706	1.222	1.015	1.019	0.996	0.969	0.976	1.000	0.993	0.995
Industry Factors	2.780	1.245	1.050	1.007	1.003	1.004	1.003	1.003	1.003	1.003	1.004
Prior	2.574	1.363	1.071	1.040	1.030	1.020	1.015	1.010	1.007	1.006	1.005
Selected	2.416	1.416	1.096	1.040	1.030	1.020	1.015	1.010	1.007	1.006	1.005
Cumulated	4.361	1.805	1.275	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
2000-2001	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684
2001-2002	523,770	551,920	547,115	511,526	511,782	611,782	611,782	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		
2003-2004	313,119	313,119	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				
2005-2006	229,011	227,199	235,295	235,295	229,270	229,270					
2006-2007	313,363	313,363	313,363	313,363	313,363						
2007-2008	268,273	261,670	242,325	261,670							
2008-2009	620,024	597,547	580,677								
2009-2010	487,464	487,464									
2010-2011	286,930										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	<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
2000-2001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001-2002	1.054	0.991	0.935	1.001	1.195	1.000	0.842	1.000	1.000		
2002-2003	1.001	0.955	1.000	0.878	1.000	1.000	1.000	1.000			
2003-2004	1.000	0.924	1.000	1.000	1.000	1.000	1.000				
2004-2005	1.000	1.000	1.000	1.000	1.000	1.048					
2005-2006	0.992	1.036	1.000	0.974	1.000						
2006-2007	1.000	1.000	1.000	1.000							
2007-2008	0.975	0.926	1.080								
2008-2009	0.964	0.972									
2009-2010	1.000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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	0.999	0.978	1.002	0.979	1.033	1.010	0.961	1.000	1.000	1.000	
Dollar-Weighted Averages											
3-yr	0.979	0.969	1.024	0.992	1.000	1.017	0.910	1.000			
4-yr	0.983	0.980	1.019	0.994	1.000	1.009	0.941				
Industry Factors	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	1.003	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
2000-2001											
2001-2002								175,743	420,285	412,694	395,413
2002-2003									505,817	547,953	512,718
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	
2013-2014											
2014-2015				7,314	91,347	91,998	95,479	93,011			
2015-2016					96,683	120,683	123,186				
2016-2017			63,728	66,730	66,738	66,758					
2017-2018					10,063						
2018-2019											
2019-2020			5,844								
2020-2021											
2021-2022											

	<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
2000-2001											
2001-2002									0.982	0.958	1.002
2002-2003								2.878	1.083	0.936	1.060
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	
2012-2013		0.690	0.983	1.000	1.000	1.000	1.000	1.000	1.000		
2013-2014											
2014-2015				12.489	1.007	1.038	0.974				
2015-2016					1.248	1.021					
2016-2017			1.047	1.000	1.000						
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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		0.882	1.423	2.896	0.999	1.090	1.208	1.316	1.302	0.933	1.032
Dollar-Weighted											
Averages											
3-yr					1.097				1.154	0.937	1.002
4-yr									1.074	0.972	
Industry											
Factors	4.045	1.904	1.383	1.194	1.093	1.052	1.043	1.037	1.033	1.027	1.025
Prior	3.854	2.078	1.518	1.281	1.163	1.097	1.078	1.067	1.055	1.046	1.040
Selected	4.045	1.904	1.383	1.194	1.093	1.052	1.043	1.037	1.033	1.027	1.025
Cumulated	20.795	5.141	2.700	1.952	1.635	1.496	1.422	1.363	1.314	1.272	1.239

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
2000-2001	396,372	396,529	396,686	396,865	396,865	396,865	506,865	451,912	397,284	397,469	398,097
2001-2002	543,370	543,370	543,938	404,352	425,509	449,566	417,019	352,107	341,549	341,913	
2002-2003											
2003-2004											
2004-2005	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						
2007-2008											
2008-2009	198,468	155,261	155,261								
2009-2010	198,879	198,879									
2010-2011	21,966										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

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
	2000-2001	1.000	1.000	1.000	1.000	1.000	1.277	0.892	0.879	1.000	1.002
2001-2002	1.000	1.001	0.743	1.052	1.057	0.928	0.844	0.970	1.001		
2002-2003											
2003-2004											
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000					
2005-2006											
2006-2007	0.926	0.896	1.001	1.001							
2007-2008											
2008-2009	0.782	1.000									
2009-2010	1.000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
Average Dollar-Weighted Averages	0.951	0.979	0.936	1.013	1.019	1.068	0.868	0.925	1.001	1.002	
3-yr Industry Factors	1.023	1.017	1.015	1.013	1.012	1.010	1.010	1.009	1.010	1.009	1.064
4-yr Industry Factors	1.033	1.028	1.025	1.023	1.021	1.018	1.013	1.011	1.010	1.008	1.028
Selected	1.023	1.017	1.015	1.013	1.012	1.010	1.010	1.009	1.010	1.009	1.064
Cumulated	1.209	1.182	1.162	1.145	1.130	1.117	1.106	1.095	1.085	1.074	1.064

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/21 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/21 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$7,743,463	1.030	\$7,975,767	\$12,197,274	1.076	\$13,124,267
2001-2002	515,316	1.031	531,291	833,813	1.106	922,197
2002-2003	171,866	1.032	177,366	171,866	1.115	191,631
2003-2004	289,343	1.033	298,891	289,343	1.126	325,800
2004-2005	246,065	1.034	254,431	365,955	1.138	416,457
2005-2006	229,270	1.036	237,524	229,270	1.151	263,890
2006-2007	313,363	1.037	324,957	575,305	1.165	670,230
2007-2008	242,651	1.041	252,600	242,651	1.182	286,813
2008-2009	580,677	1.046	607,388	729,351	1.204	878,139
2009-2010	487,464	1.052	512,812	686,343	1.230	844,202
2010-2011	286,930	1.059	303,859	308,896	1.259	388,900
2011-2012	512,002	1.067	546,306	549,454	1.292	709,895
2012-2013	296,942	1.077	319,807	430,767	1.330	572,920
2013-2014	61,947	1.088	67,398	61,947	1.374	85,115
2014-2015	179,281	1.110	199,002	250,281	1.440	360,405
2015-2016	470,136	1.146	538,776	493,180	1.521	750,127
2016-2017	242,046	1.214	293,844	308,803	1.669	515,392
2017-2018	105,892	1.370	145,072	105,892	1.954	206,913
2018-2019	161,926	1.633	264,425	161,926	2.456	397,690
2019-2020	155,949	2.256	351,821	155,949	3.635	566,875
2020-2021	11,515	5.019	57,794	11,515	8.520	98,108
Totals	\$13,304,044		\$14,261,130	\$19,159,781		\$22,575,965

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
2000-2001									545,482	548,626	551,968
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	
2013-2014	3,931	24,089	38,936	71,070	76,508	77,577	79,133	81,376	61,947		
2014-2015	1,980	44,999	122,031	131,400	164,265	180,760	179,902	179,281			
2015-2016	8,026	82,155	159,301	282,169	387,351	454,926	470,136				
2016-2017	4,233	88,693	192,273	212,766	227,164	242,046					
2017-2018	823	44,578	61,082	76,817	105,892						
2018-2019	8,269	70,794	143,933	161,926							
2019-2020	12,442	88,879	155,949								
2020-2021	7,595	11,515									
2021-2022	314										

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
2000-2001									1.006	1.006	1.003
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	
2012-2013	2.979	4.195	1.282	1.031	1.005	1.001	1.000	1.003	1.000		
2013-2014	6.128	1.616	1.825	1.077	1.014	1.020	1.028	0.761			
2014-2015	22.727	2.712	1.077	1.250	1.100	0.995	0.997				
2015-2016	10.236	1.939	1.771	1.373	1.174	1.033					
2016-2017	20.953	2.168	1.107	1.068	1.066						
2017-2018	54.165	1.370	1.258	1.378							
2018-2019	8.561	2.033	1.125								
2019-2020	7.143	1.755									
2020-2021	1.516										

	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	16.378	2.110	1.364	1.212	1.172	1.046	1.052	1.015	1.032	1.018	1.015
Dollar-Weighted Averages											
3-yr	6.048	1.767	1.136	1.260	1.127	1.022	1.003	0.987	1.006	1.025	1.006
4-yr	7.407	1.889	1.318	1.258	1.117	1.016	1.014	0.998	1.006	1.025	1.023
Industry Factors	3.486	1.626	1.228	1.115	1.064	1.042	1.027	1.020	1.016	1.012	1.011
Prior	14.903	2.248	1.385	1.179	1.129	1.060	1.032	1.020	1.010	1.009	1.008
Selected	15.149	2.225	1.382	1.192	1.129	1.060	1.032	1.020	1.010	1.009	1.008
Cumulated	76.031	5.019	2.256	1.633	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
2000-2001	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684	553,684
2001-2002	499,831	501,748	509,628	511,526	511,782	611,782	611,782	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		
2003-2004	288,006	288,633	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				
2005-2006	226,861	227,199	229,141	229,270	229,270	229,270					
2006-2007	313,363	313,363	313,363	313,363	313,363						
2007-2008	242,004	242,325	242,325	242,651							
2008-2009	597,475	597,547	580,677								
2009-2010	487,464	487,464									
2010-2011	286,930										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

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
2000-2001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001-2002	1.004	1.016	1.004	1.001	1.195	1.000	0.842	1.000	1.000		
2002-2003	1.001	1.000	1.000	0.878	1.000	1.000	1.000	1.000			
2003-2004	1.002	1.002	1.000	1.000	1.000	1.000	1.000				
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000					
2005-2006	1.001	1.009	1.001	1.000	1.000						
2006-2007	1.000	1.000	1.000	1.000							
2007-2008	1.001	1.000	1.001								
2008-2009	1.000	0.972									
2009-2010	1.000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
Average	1.001	1.000	1.001	0.983	1.033	1.000	0.961	1.000	1.000	1.000	
Dollar-Weighted											
Averages											
3-yr	1.000	0.985	1.001	1.000	1.000	1.000	0.910	1.000			
4-yr	1.000	0.989	1.000	1.000	1.000	1.000	0.941				
Industry											
Factors	1.010	1.008	1.008	1.006	1.006	1.006	1.005	1.005	1.004	1.003	1.042
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
2000-2001									379,345	386,033	395,413
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	
2013-2014											
2014-2015						28,110	55,892	70,999			
2015-2016					220	6,011	23,044				
2016-2017			47,925	66,730	66,738	66,758					
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	<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
2000-2001											
2001-2002								1.034	1.018	1.024	1.002
2002-2003									1.023	1.023	1.196
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	
2012-2013			1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2013-2014											
2014-2015						1.988	1.270				
2015-2016					27.323	3.834					
2016-2017			1.392	1.000	1.000						
2017-2018											
2018-2019											
2019-2020											
2020-2021											

	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	9.544	1.735	1.097	1.099	1.012	1.034
3-yr											1.002
4-yr											
Industry Factors	5.513	3.109	2.008	1.494	1.288	1.196	1.144	1.101	1.072	1.062	1.057
Prior	5.176	3.268	2.458	1.845	1.516	1.330	1.231	1.176	1.119	1.086	1.074
Selected	5.513	3.109	2.008	1.494	1.288	1.196	1.144	1.101	1.072	1.062	1.057
Cumulated	216.308	39.236	12.620	6.285	4.207	3.266	2.731	2.387	2.168	2.022	1.904

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
2000-2001	396,372	396,529	396,686	396,865	396,865	396,865	397,129	397,284	397,284	397,469	398,097
2001-2002	119,901	125,415	135,058	267,506	280,071	319,013	337,632	310,040	314,477	318,498	
2002-2003											
2003-2004											
2004-2005	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						
2007-2008											
2008-2009	102,561	143,549	148,674								
2009-2010	198,879	198,879									
2010-2011	21,966										
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											

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
	2000-2001	1.000	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.002
2001-2002	1.046	1.077	1.981	1.047	1.139	1.058	0.918	1.014	1.013		
2002-2003											
2003-2004											
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000					
2005-2006											
2006-2007	1.035	0.999	1.001	1.001							
2007-2008											
2008-2009	1.400	1.036									
2009-2010	1.000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
Average Dollar-Weighted Averages	1.080	1.022	1.246	1.012	1.046	1.020	0.959	1.007	1.007	1.002	
3-yr Industry Factors	1.053	1.048	1.039	1.033	1.030	1.027	1.026	1.025	1.022	1.020	1.313
4-yr Prior	1.062	1.051	1.043	1.036	1.033	1.032	1.032	1.032	1.031	1.030	1.281
Selected	1.053	1.048	1.039	1.033	1.030	1.027	1.026	1.025	1.022	1.020	1.313
Cumulated	1.801	1.710	1.632	1.571	1.521	1.477	1.438	1.402	1.368	1.339	1.313

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 12/31/21 (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)
2001-2002	3,286,745	857,229	1.025	0.024	0.222	17,512	874,741
2002-2003	3,345,637	171,866	1.030	0.029	0.073	7,083	178,949
2003-2004	5,405,641	289,343	1.034	0.033	0.079	14,093	303,436
2004-2005	5,599,904	377,570	1.039	0.038	0.068	14,470	392,040
2005-2006	5,653,467	229,270	1.043	0.041	0.062	14,371	243,641
2006-2007	6,130,283	575,305	1.048	0.046	0.078	21,995	597,300
2007-2008	6,442,354	261,670	1.055	0.052	0.064	21,440	283,110
2008-2009	6,374,086	735,938	1.063	0.059	0.143	53,778	789,716
2009-2010	6,183,436	686,343	1.073	0.068	0.126	52,980	739,323
2010-2011	6,161,883	308,896	1.086	0.079	0.077	37,483	346,379
2011-2012	6,021,535	549,454	1.100	0.091	0.141	77,262	626,716
2012-2013	5,720,720	430,767	1.117	0.105	0.088	52,859	483,626
2013-2014	5,621,823	61,947	1.138	0.121	0.019	12,925	74,872
2014-2015	5,482,982	272,292	1.163	0.140	0.058	44,522	316,814
2015-2016	5,624,178	623,211	1.191	0.160	0.165	148,478	771,689
2016-2017	5,611,571	336,229	1.232	0.188	0.095	100,223	436,452
2017-2018	5,737,511	147,683	1.300	0.231	0.095	125,910	273,593
2018-2019	5,923,962	180,168	1.424	0.298	0.095	167,707	347,875
2019-2020	6,219,422	262,553	1.686	0.407	0.095	240,474	503,027
2020-2021	5,707,383	19,890	2.600	0.615	0.095	333,454	353,344
Totals	115,387,453	\$19,812,488				\$1,715,013	\$21,527,501

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 Judiciary

Exposure and Development Method
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 12/31/21 (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)
2001-2002	3,286,745	833,813	1.106	0.096	0.222	70,047	903,860
2002-2003	3,345,637	171,866	1.115	0.103	0.073	25,156	197,022
2003-2004	5,405,641	289,343	1.126	0.112	0.079	47,829	337,172
2004-2005	5,599,904	365,955	1.138	0.121	0.068	46,076	412,031
2005-2006	5,653,467	229,270	1.151	0.131	0.062	45,917	275,187
2006-2007	6,130,283	575,305	1.165	0.142	0.078	67,899	643,204
2007-2008	6,442,354	242,651	1.182	0.154	0.064	63,496	306,147
2008-2009	6,374,086	729,351	1.204	0.169	0.143	154,043	883,394
2009-2010	6,183,436	686,343	1.230	0.187	0.126	145,694	832,037
2010-2011	6,161,883	308,896	1.259	0.206	0.077	97,740	406,636
2011-2012	6,021,535	549,454	1.292	0.226	0.141	191,882	741,336
2012-2013	5,720,720	430,767	1.330	0.248	0.088	124,849	555,616
2013-2014	5,621,823	61,947	1.374	0.272	0.019	29,054	91,001
2014-2015	5,482,982	250,281	1.440	0.306	0.058	97,312	347,593
2015-2016	5,624,178	493,180	1.521	0.343	0.165	318,300	811,480
2016-2017	5,611,571	308,803	1.669	0.401	0.095	213,773	522,576
2017-2018	5,737,511	105,892	1.954	0.488	0.095	265,991	371,883
2018-2019	5,923,962	161,926	2.456	0.593	0.095	333,726	495,652
2019-2020	6,219,422	155,949	3.635	0.725	0.095	428,363	584,312
2020-2021	5,707,383	11,515	8.520	0.883	0.095	478,764	490,279
Totals	115,387,453	\$19,159,781				\$3,938,138	\$23,097,919

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)
2001-2002	3,286,745	515,316	0.456	234,984	0.071	0.157	1.417	0.222
2002-2003	3,345,637	171,866	0.489	84,042	0.025	0.051	1.437	0.073
2003-2004	5,405,641	289,343	0.618	178,814	0.033	0.054	1.458	0.079
2004-2005	5,599,904	260,000	0.816	212,160	0.038	0.046	1.479	0.068
2005-2006	5,653,467	229,270	0.906	207,719	0.037	0.041	1.502	0.062
2006-2007	6,130,283	313,363	0.878	275,133	0.045	0.051	1.526	0.078
2007-2008	6,442,354	264,549	0.836	221,163	0.034	0.041	1.550	0.064
2008-2009	6,374,086	580,677	0.799	463,961	0.073	0.091	1.575	0.143
2009-2010	6,183,436	487,464	0.750	365,598	0.059	0.079	1.601	0.126
2010-2011	6,161,883	286,930	0.724	207,737	0.034	0.047	1.629	0.077
2011-2012	6,021,535	512,002	0.732	374,785	0.062	0.085	1.657	0.141
2012-2013	5,720,720	296,942	0.767	227,755	0.040	0.052	1.686	0.088
2013-2014	5,621,823	61,947	0.797	49,372	0.009	0.011	1.717	0.019
2014-2015	5,482,982	179,281	0.810	145,218	0.026	0.033	1.749	0.058
2015-2016	5,624,178	532,027	0.862	458,607	0.082	0.095	1.737	0.165
2016-2017	5,611,571	292,377	0.932	272,495	0.049	0.054	1.766	0.095
2017-2018	5,737,511	153,860	0.950	146,167	0.025	0.053	1.796	0.095
2018-2019	5,923,962	236,981	0.955	226,317	0.038	0.052	1.827	0.095
2019-2020	6,219,422	339,563	0.985	334,470	0.054	0.051	1.859	0.095
2020-2021	5,707,383	46,848	1.001	46,895	0.008	0.050	1.891	0.095
Total/Avg	115,387,453	\$13,861,973		\$9,592,062	\$0.083			
15/16-19/20	29,116,644	1,554,808		1,438,056	0.049			
16/17-19/20	23,492,466	1,022,781		979,449	0.042			
				Selected Limited Rate:	\$0.050			
				Prior:	\$0.055			

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 2015-2016 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	\$21,245	459	\$9,751,455
2001-2002	20,283	36	730,188
2002-2003	6,501	38	247,038
2003-2004	14,544	29	421,776
2004-2005	12,020	32	384,640
2005-2006	12,755	27	344,385
2006-2007	14,487	33	478,071
2007-2008	18,634	22	409,948
2008-2009	39,759	23	914,457
2009-2010	30,021	26	780,546
2010-2011	18,694	25	467,350
2011-2012	30,300	28	848,400
2012-2013	31,298	16	500,768
2013-2014	10,637	10	106,370
2014-2015	14,930	21	313,530
2015-2016	36,974	25	924,350
2016-2017	28,637	16	458,192
2017-2018	29,124	16	465,984
2018-2019	30,095	20	601,900
2019-2020	30,282	16	484,512
2020-2021	30,901	10	309,010
Total		928	\$19,942,870

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	\$7,811,367	459	\$17,018	0.950	\$16,167	\$17,018	1.248	\$21,245
2001-2002	515,316	36	14,314	0.683	9,776	14,314	1.417	20,283
2002-2003	171,866	38	4,523	0.717	3,243	4,523	1.437	6,501
2003-2004	289,343	29	9,977	0.887	8,850	9,977	1.458	14,544
2004-2005	260,000	32	8,125	1.150	9,344	8,125	1.479	12,020
2005-2006	229,270	27	8,491	1.250	10,614	8,491	1.502	12,755
2006-2007	313,363	33	9,496	1.187	11,272	9,496	1.526	14,487
2007-2008	264,549	22	12,025	1.108	13,324	12,025	1.550	18,634
2008-2009	580,677	23	25,247	1.038	26,206	25,247	1.575	39,759
2009-2010	487,464	26	18,749	0.955	17,905	18,749	1.601	30,021
2010-2011	286,930	25	11,477	0.904	10,375	11,477	1.629	18,694
2011-2012	512,002	28	18,286	0.896	16,384	18,286	1.657	30,300
2012-2013	296,942	16	18,559	0.919	17,056	18,559	1.686	31,298
2013-2014	61,947	10	6,195	0.937	5,805	6,195	1.717	10,637
2014-2015	179,281	21	8,537	0.933	7,965	8,537	1.749	14,930
2015-2016	532,027	25	21,281	0.973	20,706	21,281	1.737	36,974
2016-2017	292,377	16	18,274	1.030	18,822	16,214	1.766	28,637
2017-2018	161,857	16	10,116	1.030	10,419	16,214	1.796	29,124
2018-2019	252,371	20	12,619	1.014	12,796	16,469	1.827	30,095
2019-2020	328,924	16	20,558	1.025	21,072	16,293	1.859	30,282
2020-2021	216,864	10	21,686	1.022	22,163	16,341	1.891	30,901

Average Limited Severity: \$13,822
Average 15/16-19/20 Limited Severity: 16,763
Average 17/18-20/21 Limited Severity: 16,613

Selected Limited Severity: \$16,700
Prior: \$15,700

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	459	452	459	313.3	1.465	0.655	0.960
2001-2002	36	35	36	328.7	0.110	0.668	0.073
2002-2003	38	38	38	334.6	0.114	0.682	0.078
2003-2004	29	29	29	540.6	0.054	0.696	0.038
2004-2005	32	31	32	560.0	0.057	0.710	0.040
2005-2006	27	27	27	565.3	0.048	0.725	0.035
2006-2007	33	33	33	613.0	0.054	0.740	0.040
2007-2008	22	21	22	644.2	0.034	0.755	0.026
2008-2009	23	22	23	637.4	0.036	0.769	0.028
2009-2010	26	27	26	618.3	0.042	0.785	0.033
2010-2011	25	26	25	616.2	0.041	0.801	0.033
2011-2012	28	29	28	602.2	0.046	0.817	0.038
2012-2013	16	17	16	572.1	0.028	0.834	0.023
2013-2014	10	11	10	562.2	0.018	0.851	0.015
2014-2015	21	22	21	548.3	0.038	0.868	0.033
2015-2016	25	25	25	562.4	0.044	0.886	0.039
2016-2017	16	15	16	561.2	0.029	0.904	0.026
2017-2018	16	19	16	573.8	0.028	0.922	0.026
2018-2019	20	26	20	592.4	0.034	0.942	0.032
2019-2020	16	17	16	621.9	0.026	0.961	0.025
2020-2021	7	12	10	570.7	0.018	0.980	0.018
Total	925	934	928	11,538.7			0.058
15/16-19/20	93	102	93	2,911.7			0.029
						(H) Selected Frequency:	0.035
						Prior:	0.040
Program Year:				2021-2022	2022-2023	2023-2024	2024-2025
(I) Trend Factor:				1.000	0.980	0.960	0.941
(J) Selected Frequency:				0.035	0.034	0.034	0.033
(K) Est. Payroll (\$000,000):				640.5	654.4	668.6	683.1
(L) Ultimate Claims:				22	22	23	23

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 0.035 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 Judiciary

Frequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2021 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	459	1.000	459	0.960
2001-2002	36	1.000	36	0.073
2002-2003	38	1.000	38	0.077
2003-2004	29	1.000	29	0.037
2004-2005	32	1.000	32	0.041
2005-2006	27	1.000	27	0.035
2006-2007	33	1.000	33	0.040
2007-2008	22	1.000	22	0.026
2008-2009	23	1.000	23	0.028
2009-2010	26	1.000	26	0.033
2010-2011	25	1.000	25	0.032
2011-2012	28	1.000	28	0.038
2012-2013	16	1.000	16	0.023
2013-2014	10	1.000	10	0.015
2014-2015	21	1.000	21	0.033
2015-2016	25	1.000	25	0.039
2016-2017	16	1.002	16	0.026
2017-2018	16	1.013	16	0.026
2018-2019	19	1.033	20	0.032
2019-2020	15	1.069	16	0.025
2020-2021	6	1.126	7	0.012
Total	922		925	0.058

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 JudiciaryFrequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2021 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	450	1.005	452	0.945
2001-2002	35	1.006	35	0.071
2002-2003	38	1.007	38	0.077
2003-2004	29	1.008	29	0.037
2004-2005	31	1.009	31	0.039
2005-2006	27	1.010	27	0.035
2006-2007	33	1.011	33	0.040
2007-2008	21	1.012	21	0.025
2008-2009	22	1.017	22	0.027
2009-2010	26	1.023	27	0.034
2010-2011	25	1.030	26	0.034
2011-2012	28	1.038	29	0.039
2012-2013	16	1.047	17	0.025
2013-2014	10	1.057	11	0.017
2014-2015	20	1.083	22	0.035
2015-2016	22	1.115	25	0.039
2016-2017	13	1.157	15	0.024
2017-2018	15	1.281	19	0.031
2018-2019	18	1.447	26	0.041
2019-2020	10	1.745	17	0.026
2020-2021	5	2.430	12	0.021
Total	894		934	0.059

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
2000-2001									30	30	30	30	30	30
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	28	28
2012-2013	7	15	15	16	16	16	16	16	16	16	16	16	16	16
2013-2014	6	11	11	11	11	11	11	11	11	10	10	10	10	10
2014-2015	9	21	25	23	24	23	22	21	21	21	21	21	21	21
2015-2016	13	25	26	26	26	26	25	25	25	25	25	25	25	25
2016-2017	6	15	16	16	16	16	16	16	16	16	16	16	16	16
2017-2018	4	16	16	16	16	16	16	16	16	16	16	16	16	16
2018-2019	8	20	19	19	19	19	19	19	19	19	19	19	19	19
2019-2020	12	15	15	15	15	15	15	15	15	15	15	15	15	15
2020-2021	4	6	6	6	6	6	6	6	6	6	6	6	6	6
2021-2022	1	1	1	1	1	1	1	1	1	1	1	1	1	1

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
2000-2001									1.000	1.000	1.000	1.000	1.000	1.000
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	0.958
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	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	0.966	0.966	0.966	0.966
2012-2013	2.143	1.000	1.067	1.000	1.000	1.000	1.000	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	0.909	0.909	0.909	0.909	0.909	0.909
2014-2015	2.333	1.190	0.920	1.043	0.958	0.957	0.955	0.955	0.955	0.955	0.955	0.955	0.955	0.955
2015-2016	1.923	1.040	1.000	1.000	1.000	1.000	0.962	0.962	0.962	0.962	0.962	0.962	0.962	0.962
2016-2017	2.500	1.067	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2017-2018	4.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2018-2019	2.500	0.950	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2019-2020	1.250	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2020-2021	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2021-2022	1.500	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average Claim-Weighted Averages	2.352	1.036	1.027	1.015	1.010	0.995	0.997	0.999	1.000	0.997	1.000	1.000	0.995	1.000
3-yr	1.708	0.980	1.000	1.000	0.985	0.967	0.980	1.000	1.000	0.988	1.000	1.000	0.987	1.000
4-yr	2.036	1.000	1.000	1.012	0.987	0.974	0.987	1.000	1.000	0.990	1.000	1.000	0.991	1.000
Comparative Factors	2.456	1.039	1.009	1.006	1.007	1.005	1.004	1.002	1.001	1.001	1.001	1.001	1.001	1.001
Prior	2.606	1.056	1.036	1.021	1.011	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	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
Cumulated	2.887	1.126	1.069	1.033	1.013	1.002	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
2000-2001									27	27	28	30	30	30
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	
2010-2011	4	12	15	18	22	24	24	24	24	24	25	25		
2011-2012	1	9	12	20	22	26	25	26	28	28	28			
2012-2013	1	6	10	12	15	14	14	14	16	16				
2013-2014	2	7	10	10	10	10	10	11	10					
2014-2015	1	13	17	20	21	21	20	20						
2015-2016	4	15	19	18	19	21	22							
2016-2017	1	8	11	14	13	13								
2017-2018	1	13	13	14	15									
2018-2019		11	16	18										
2019-2020		8	10											
2020-2021		5												
2021-2022														

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
2000-2001									1.000	1.037	1.071	1.000	1.000	1.000
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	
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		
2010-2011	3.000	1.250	1.200	1.222	1.091	1.000	1.000	1.000	1.000	1.042	1.000			
2011-2012	9.000	1.333	1.667	1.100	1.182	0.962	1.040	1.077	1.000	1.000				
2012-2013	6.000	1.667	1.200	1.250	0.933	1.000	1.000	1.143	1.000					
2013-2014	3.500	1.429	1.000	1.000	1.000	1.000	1.100	0.909						
2014-2015	13.000	1.308	1.176	1.050	1.000	0.952	1.000							
2015-2016	3.750	1.267	0.947	1.056	1.105	1.048								
2016-2017	8.000	1.375	1.273	0.929	1.000									
2017-2018	13.000	1.000	1.077	1.071										
2018-2019		1.455	1.125											
2019-2020		1.250												
2020-2021														
Average	7.458	1.360	1.184	1.108	1.077	1.022	1.024	1.033	1.002	1.014	1.012	1.011	1.007	0.998
Claim-Weighted Averages														
3-yr		1.219	1.150	1.022	1.038	1.000	1.023	1.059	1.000	1.026	1.000	1.014	1.013	0.988
4-yr		1.250	1.085	1.030	1.032	1.000	1.029	1.040	1.000	1.020	1.022	1.010	1.000	0.991
Comparative Factors	2.779	1.252	1.076	1.062	1.046	1.032	1.020	1.015	1.010	1.007	1.006	1.004	1.004	1.003
Prior	2.847	1.399	1.210	1.134	1.107	1.038	1.030	1.025	1.010	1.009	1.008	1.007	1.006	1.005
Selected	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
Cumulated	6.918	2.430	1.745	1.447	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 2021-2022 Loss Rate Level (B)	Factor to 2022-2023 Loss Rate Level (C)	Factor to 2023-2024 Loss Rate Level (D)	Factor to 2024-2025 Loss Rate Level (E)	Factor to 2021-2022 Frequency Level (F)	Factor to 2022-2023 Frequency Level (G)	Factor to 2023-2024 Frequency Level (H)	Factor to 2024-2025 Frequency Level (I)	Factor to 2021-2022 Severity Level (J)
Prior	0.950	0.622	0.613	0.601	0.589	0.655	0.642	0.629	0.616	0.950
2001-2002	0.683	0.456	0.450	0.441	0.432	0.668	0.655	0.642	0.629	0.683
2002-2003	0.717	0.489	0.482	0.472	0.463	0.682	0.669	0.655	0.642	0.717
2003-2004	0.887	0.618	0.609	0.597	0.585	0.696	0.682	0.668	0.655	0.887
2004-2005	1.150	0.816	0.805	0.788	0.772	0.710	0.696	0.682	0.668	1.150
2005-2006	1.250	0.906	0.893	0.875	0.858	0.725	0.710	0.696	0.682	1.250
2006-2007	1.187	0.878	0.865	0.848	0.831	0.740	0.725	0.710	0.696	1.187
2007-2008	1.108	0.836	0.824	0.808	0.791	0.755	0.740	0.724	0.710	1.108
2008-2009	1.038	0.799	0.788	0.772	0.756	0.769	0.754	0.739	0.724	1.038
2009-2010	0.955	0.750	0.739	0.724	0.710	0.785	0.770	0.754	0.739	0.955
2010-2011	0.904	0.724	0.714	0.700	0.686	0.801	0.785	0.769	0.754	0.904
2011-2012	0.896	0.732	0.722	0.707	0.693	0.817	0.801	0.785	0.769	0.896
2012-2013	0.919	0.767	0.756	0.741	0.726	0.834	0.818	0.801	0.785	0.919
2013-2014	0.937	0.797	0.786	0.770	0.755	0.851	0.834	0.817	0.801	0.937
2014-2015	0.933	0.810	0.798	0.782	0.766	0.868	0.851	0.834	0.817	0.933
2015-2016	0.973	0.862	0.850	0.833	0.816	0.886	0.869	0.851	0.834	0.973
2016-2017	1.030	0.932	0.918	0.900	0.882	0.904	0.886	0.868	0.851	1.030
2017-2018	1.030	0.950	0.936	0.917	0.899	0.922	0.904	0.886	0.868	1.030
2018-2019	1.014	0.955	0.941	0.922	0.904	0.942	0.923	0.904	0.886	1.014
2019-2020	1.025	0.985	0.971	0.951	0.932	0.961	0.942	0.922	0.904	1.025
2020-2021	1.022	1.001	0.987	0.967	0.948	0.980	0.960	0.941	0.922	1.022
2021-2022	1.000	1.000	0.986	0.966	0.946	1.000	0.980	0.960	0.941	1.000
2022-2023	0.994	--	1.000	0.980	0.960	--	1.000	0.980	0.960	--
2023-2024	0.994	--	--	1.000	0.980	--	--	1.000	0.980	--
2024-2025	0.994	--	--	--	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	\$7,811,367	459	0.950	16,173	3,132,930	1.465
2001-2002	515,316	36	0.683	9,773	3,286,745	0.110
2002-2003	171,866	38	0.717	3,242	3,345,637	0.114
2003-2004	289,343	29	0.887	8,855	5,405,641	0.054
2004-2005	260,000	32	1.150	9,340	5,599,904	0.057
2005-2006	229,270	27	1.250	10,616	5,653,467	0.048
2006-2007	313,363	33	1.187	11,267	6,130,283	0.054
2007-2008	264,549	22	1.108	13,326	6,442,354	0.034
2008-2009	580,677	23	1.038	26,214	6,374,086	0.036
2009-2010	487,464	26	0.955	17,902	6,183,436	0.042
2010-2011	286,930	25	0.904	10,374	6,161,883	0.041
2011-2012	512,002	28	0.896	16,375	6,021,535	0.046
2012-2013	296,942	16	0.919	17,058	5,720,720	0.028
2013-2014	61,947	10	0.937	5,802	5,621,823	0.018
2014-2015	179,281	21	0.933	7,961	5,482,982	0.038
2015-2016	532,027	25	0.973	20,701	5,624,178	0.044
2016-2017	292,377	16	1.030	18,823	5,611,571	0.029
2017-2018	153,860	16	1.030	9,902	5,737,511	0.028
2018-2019	236,981	20	1.014	12,015	5,923,962	0.034
2019-2020	339,563	16	1.025	21,753	6,219,422	0.026
2020-2021	46,848	10	1.022	4,788	5,707,383	0.018

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2020-2021	1.039	0.971
Mvg 5-Yr Wtd Latest 10 x 2020-2021	0.992	0.972
Latest 5 x 2020-2021	0.966	0.912
Mvg 5-Yr Wtd Latest 5 x 2020-2021	1.021	0.991
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 6/30/21

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)
2021-2022	24.0	\$5,966	1.000	\$5,966	\$143,184
2022-2023	18.0	5,966	1.050	6,264	112,752
2023-2024	13.4	5,966	1.103	6,580	88,172
2024-2025	9.7	5,966	1.158	6,909	67,017
2025-2026	7.2	5,966	1.216	7,255	52,236
2026-2027	5.1	5,966	1.277	7,619	38,857
2027-2028	3.7	5,966	1.341	8,000	29,600
2028-2029	2.8	5,966	1.408	8,400	23,520
2029-2030	2.3	5,966	1.478	8,818	20,281
2030-2031	1.9	5,966	1.552	9,259	17,592
2031-2032	1.5	5,966	1.630	9,725	14,588
2032-2033	1.2	5,966	1.712	10,214	12,257
2033-2034	1.0	5,966	1.798	10,727	10,727
2034-2035	0.6	5,966	1.888	11,264	6,758
2035-2036	0.4	5,966	1.982	11,825	4,730
2036-2037	0.3	5,966	2.081	12,415	3,725
2037-2038	0.2	5,966	2.185	13,036	2,607
2038-2039	0.1	5,966	2.294	13,686	1,369
(G) Total ULAE Outstanding as of 6/30/21:					\$649,972
(H) Total ULAE Outstanding as of 12/31/21:					\$766,745

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 12/31/21.

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 6/30/22

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	31.7	\$5,966	1.050	\$6,264	\$198,569
2023-2024	23.5	5,966	1.103	6,580	154,630
2024-2025	17.7	5,966	1.158	6,909	122,289
2025-2026	12.8	5,966	1.216	7,255	92,864
2026-2027	8.8	5,966	1.277	7,619	67,047
2027-2028	6.2	5,966	1.341	8,000	49,600
2028-2029	4.7	5,966	1.408	8,400	39,480
2029-2030	3.7	5,966	1.478	8,818	32,627
2030-2031	3.0	5,966	1.552	9,259	27,777
2031-2032	2.4	5,966	1.630	9,725	23,340
2032-2033	1.9	5,966	1.712	10,214	19,407
2033-2034	1.5	5,966	1.798	10,727	16,091
2034-2035	1.0	5,966	1.888	11,264	11,264
2035-2036	0.7	5,966	1.982	11,825	8,278
2036-2037	0.5	5,966	2.081	12,415	6,208
2037-2038	0.4	5,966	2.185	13,036	5,214
2038-2039	0.3	5,966	2.294	13,686	4,106
2039-2040	0.2	5,966	2.409	14,372	2,874

(G) Total ULAE Outstanding as of 6/30/22: \$881,665

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>12/31/2021</u>	<u>Calendar Period</u>			
		<u>1/1/2022</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</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>
Prior					
Ultimate Loss	\$14,365,987	\$14,365,987	\$14,365,987	\$14,365,987	\$14,365,987
Paid in Calendar Period	-	2,466	71,642	61,623	54,892
Paid to Date	13,858,251	13,860,717	13,932,359	13,993,982	14,048,874
Outstanding Liability	507,736	505,270	433,628	372,005	317,113
2005-2006					
Ultimate Loss	\$229,270	\$229,270	\$229,270	\$229,270	\$229,270
Paid in Calendar Period	-				
Paid to Date	229,270	229,270	229,270	229,270	229,270
Outstanding Liability					
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	\$276,062	\$276,062	\$276,062	\$276,062	\$276,062
Paid in Calendar Period	-	1,403	2,401	2,280	2,022
Paid to Date	242,651	244,054	246,455	248,735	250,757
Outstanding Liability	33,411	32,008	29,607	27,327	25,305
2008-2009					
Ultimate Loss	\$782,303	\$782,303	\$782,303	\$782,303	\$782,303
Paid in Calendar Period	-	2,383	4,450	3,459	3,285
Paid to Date	729,351	731,734	736,184	739,643	742,928
Outstanding Liability	52,952	50,569	46,119	42,660	39,375
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	\$308,896	\$308,896	\$308,896	\$308,896	\$308,896
Paid in Calendar Period	-				
Paid to Date	308,896	308,896	308,896	308,896	308,896
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					

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2021</u>	<u>Calendar Period</u>			
		<u>1/1/2022</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</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>
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					
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	\$316,676	\$316,676	\$316,676	\$316,676	\$316,676
Paid in Calendar Period	-	3,652	6,149	5,037	4,692
Paid to Date	250,281	253,933	260,082	265,119	269,811
Outstanding Liability	66,395	62,743	56,594	51,557	46,865
2015-2016					
Ultimate Loss	\$756,967	\$756,967	\$756,967	\$756,967	\$756,967
Paid in Calendar Period	-	14,508	26,922	21,791	17,850
Paid to Date	493,180	507,688	534,610	556,401	574,251
Outstanding Liability	263,787	249,279	222,357	200,566	182,716
2016-2017					
Ultimate Loss	\$499,249	\$499,249	\$499,249	\$499,249	\$499,249
Paid in Calendar Period	-	13,712	22,799	16,625	13,456
Paid to Date	308,803	322,515	345,314	361,939	375,395
Outstanding Liability	190,446	176,734	153,935	137,310	123,854
2017-2018					
Ultimate Loss	\$347,311	\$347,311	\$347,311	\$347,311	\$347,311
Paid in Calendar Period	-	21,728	35,810	23,721	17,297
Paid to Date	105,892	127,620	163,430	187,151	204,448
Outstanding Liability	241,419	219,691	183,881	160,160	142,863
2018-2019					
Ultimate Loss	\$458,709	\$458,709	\$458,709	\$458,709	\$458,709
Paid in Calendar Period	-	26,117	48,179	36,265	24,023
Paid to Date	161,926	188,043	236,222	272,487	296,510
Outstanding Liability	296,783	270,666	222,487	186,222	162,199
2019-2020					
Ultimate Loss	\$575,594	\$575,594	\$575,594	\$575,594	\$575,594
Paid in Calendar Period	-	38,188	68,662	55,678	41,910
Paid to Date	155,949	194,137	262,799	318,477	360,387
Outstanding Liability	419,645	381,457	312,795	257,117	215,207

Judicial Branch Workers' Compensation Program - Workers' Compensation
State Judiciary

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2021</u>	<u>Calendar Period</u>			
		<u>1/1/2022</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</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>
2020-2021					
Ultimate Loss	\$456,046	\$456,046	\$456,046	\$456,046	\$456,046
Paid in Calendar Period	-	39,563	72,894	59,773	48,470
Paid to Date	11,515	51,078	123,972	183,745	232,215
Outstanding Liability	444,531	404,968	332,074	272,301	223,831
2021-2022					
Ultimate Loss	\$307,431	\$614,862	\$614,862	\$614,862	\$614,862
Paid in Calendar Period	-	33,800	82,466	89,691	73,546
Paid to Date	314	34,114	116,580	206,271	279,817
Outstanding Liability	307,117	580,748	498,282	408,591	335,045
2022-2023					
Ultimate Loss	-	-	\$634,748	\$634,748	\$634,748
Paid in Calendar Period	-	-	39,989	84,456	91,855
Paid to Date	-	-	39,989	124,445	216,300
Outstanding Liability	-	-	594,759	510,303	418,448
2023-2024					
Ultimate Loss	-	-	-	\$641,836	\$641,836
Paid in Calendar Period	-	-	-	40,436	85,399
Paid to Date	-	-	-	40,436	125,835
Outstanding Liability	-	-	-	601,400	516,001
2024-2025					
Ultimate Loss	-	-	-	-	\$655,764
Paid in Calendar Period	-	-	-	-	41,313
Paid to Date	-	-	-	-	41,313
Outstanding Liability	-	-	-	-	614,451
Totals					
Ultimate Loss	\$21,984,317	\$22,291,748	\$22,926,496	\$23,568,332	\$24,224,096
Paid in Calendar Period	-	197,520	482,363	500,835	520,010
Paid to Date	19,160,095	19,357,615	19,839,978	20,340,813	20,860,823
Outstanding Liability	2,824,222	2,934,133	3,086,518	3,227,519	3,363,273
Total Outstanding ULAE	766,745	881,665	1,076,769	1,266,536	1,429,200
Outstanding Liability plus ULAE	3,590,967	3,815,798	4,163,287	4,494,055	4,792,473

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 2019-2020, \$38,188 is expected to be paid between 1/1/22 and 6/30/22, \$194,137 will have been paid by 6/30/22, and the reserve for remaining payments on these claims should be \$381,457.
- 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, $\$68,662 = \$381,457 \times 18.0\%$.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, $\$262,799 = \$68,662 + \$194,137$.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, $\$381,457 = \$575,594 - \$194,137$.

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 12/31/21:</u>		<u>Expected</u>	<u>Discounted</u>
<u>Current (Short Term)</u>	Loss and ALAE:	\$381,191	\$381,191
	ULAE:	143,184	143,184
	Short-Term Loss and LAE:	<u>\$524,375</u>	<u>\$524,375</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,443,032	\$2,443,031
	ULAE:	623,561	623,561
	Long-Term Loss and LAE:	<u>\$3,066,593</u>	<u>\$3,066,592</u>
<u>Total Liability</u>	Loss and ALAE:	\$2,824,222	\$2,824,222
	ULAE:	766,745	766,745
	Total Loss and LAE:	<u>\$3,590,967</u>	<u>\$3,590,967</u>
<u>Liabilities as of 6/30/22:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$442,374	\$442,374
	ULAE:	198,569	198,569
	Short-Term Loss and LAE:	<u>\$640,943</u>	<u>\$640,943</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,491,759	\$2,491,759
	ULAE:	683,096	683,096
	Long-Term Loss and LAE:	<u>\$3,174,855</u>	<u>\$3,174,855</u>
<u>Total Liability</u>	Loss and ALAE:	\$2,934,133	\$2,934,133
	ULAE:	881,665	881,665
	Total Loss and LAE:	<u>\$3,815,798</u>	<u>\$3,815,798</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 12/31/21:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$431,889	\$453,998	\$480,301	\$512,702	\$555,776
	ULAE:	162,227	170,532	180,412	192,582	208,762
	Short-Term Loss and LAE:	<u>\$594,116</u>	<u>\$624,530</u>	<u>\$660,713</u>	<u>\$705,284</u>	<u>\$764,538</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,767,955	\$2,909,650	\$3,078,219	\$3,285,877	\$3,561,940
	ULAE:	706,495	742,662	785,686	838,690	909,152
	Long-Term Loss and LAE:	<u>\$3,474,450</u>	<u>\$3,652,312</u>	<u>\$3,863,905</u>	<u>\$4,124,567</u>	<u>\$4,471,092</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,199,844	\$3,363,648	\$3,558,520	\$3,798,579	\$4,117,716
	ULAE:	868,722	913,194	966,098	1,031,272	1,117,914
	Total Loss and LAE:	<u>\$4,068,566</u>	<u>\$4,276,842</u>	<u>\$4,524,618</u>	<u>\$4,829,851</u>	<u>\$5,235,630</u>
<u>Liabilities as of 6/30/22:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$501,210	\$526,867	\$557,391	\$594,993	\$644,981
	ULAE:	224,979	236,496	250,197	267,075	289,514
	Short-Term Loss and LAE:	<u>\$726,189</u>	<u>\$763,363</u>	<u>\$807,588</u>	<u>\$862,068</u>	<u>\$934,495</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,823,163	\$2,967,685	\$3,139,617	\$3,351,416	\$3,632,985
	ULAE:	773,947	813,567	860,700	918,764	995,953
	Long-Term Loss and LAE:	<u>\$3,597,110</u>	<u>\$3,781,252</u>	<u>\$4,000,317</u>	<u>\$4,270,180</u>	<u>\$4,628,938</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,324,373	\$3,494,552	\$3,697,008	\$3,946,409	\$4,277,966
	ULAE:	998,926	1,050,063	1,110,897	1,185,839	1,285,467
	Total Loss and LAE:	<u>\$4,323,299</u>	<u>\$4,544,615</u>	<u>\$4,807,905</u>	<u>\$5,132,248</u>	<u>\$5,563,433</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%	2.448	1.644
90%	1.997	1.458
85%	1.725	1.345
80%	1.526	1.260
75%	1.366	1.191
70%	1.230	1.133
65%	1.110	1.081
60%	1.003	1.034
55%	0.905	0.991
50%	0.815	0.949
45%	0.733	0.910
40%	0.656	0.871
35%	0.584	0.832
30%	0.515	0.793
25%	0.448	0.752

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.997 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	6/30/2001	Prior	Unlimited	(none)
7/1/2001	6/30/2002	2001-2002	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)

Third Party Claims Administrator	Begin Date	End Date
Corvel	7/1/2008	9/30/2014
AIMS	10/1/2014	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 12/31/21

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	\$12,439,527	\$0	\$4,664	\$12,434,864	\$0	\$4,662,360	\$7,772,504	\$4,662,360	\$12,434,864	\$12,434,864
2001-2002	857,229	0	0	857,229	0	341,913	515,316	341,913	857,229	857,229
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	377,570	0	0	377,570	0	119,890	257,680	119,890	377,570	377,570
2005-2006	229,270	0	0	229,270	0	0	229,270	0	229,270	229,270
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	735,938	0	0	735,938	0	155,261	580,677	155,261	735,938	735,938
2009-2010	686,343	0	0	686,343	0	198,879	487,464	198,879	686,343	686,343
2010-2011	308,896	0	0	308,896	0	21,966	286,930	21,966	308,896	308,896
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	272,773	0	481	272,292	0	93,011	179,281	93,011	272,292	272,292
2015-2016	635,968	0	12,757	623,211	0	123,186	500,025	123,186	623,211	623,211
2016-2017	373,910	0	37,681	336,229	0	66,758	269,471	66,758	336,229	336,229
2017-2018	147,683	0	0	147,683	0	10,063	137,620	10,063	147,683	147,683
2018-2019	205,168	0	25,000	180,168	0	0	180,168	0	180,168	180,168
2019-2020	263,756	0	1,202	262,553	0	5,844	256,709	5,844	262,553	262,553
2020-2021	19,890	0	0	19,890	0	0	19,890	0	19,890	19,890
2021-2022	2,000	0	0	2,000	0	0	2,000	0	2,000	2,000
Total	\$19,941,771	\$0	\$127,282	\$19,814,489	\$0	\$6,232,351	\$13,582,138	\$6,232,351	\$19,814,489	\$19,814,489

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 12/31/21

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	\$12,201,938	\$0	\$4,664	\$12,197,274	\$0	\$4,453,812	\$7,743,463	\$4,453,812	\$12,197,274	\$12,197,274
2001-2002	833,813	0	0	833,813	0	318,498	515,316	318,498	833,813	833,813
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	365,955	0	0	365,955	0	119,890	246,065	119,890	365,955	365,955
2005-2006	229,270	0	0	229,270	0	0	229,270	0	229,270	229,270
2006-2007	575,305	0	0	575,305	0	261,942	313,363	261,942	575,305	575,305
2007-2008	250,087	0	7,436	242,651	0	0	242,651	0	242,651	242,651
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	308,896	0	0	308,896	0	21,966	286,930	21,966	308,896	308,896
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	250,761	0	481	250,281	0	70,999	179,281	70,999	250,281	250,281
2015-2016	505,937	0	12,757	493,180	0	23,044	470,136	23,044	493,180	493,180
2016-2017	346,484	0	37,681	308,803	0	66,758	242,046	66,758	308,803	308,803
2017-2018	105,892	0	0	105,892	0	0	105,892	0	105,892	105,892
2018-2019	186,926	0	25,000	161,926	0	0	161,926	0	161,926	161,926
2019-2020	157,151	0	1,202	155,949	0	0	155,949	0	155,949	155,949
2020-2021	11,515	0	0	11,515	0	0	11,515	0	11,515	11,515
2021-2022	314	0	0	314	0	0	314	0	314	314
Total	\$19,287,378	\$0	\$127,282	\$19,160,095	\$0	\$5,855,740	\$13,304,356	\$5,855,740	\$19,160,095	\$19,160,095

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 12/31/21

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	\$237,589	\$0	\$0	\$237,589	\$0	\$208,549	\$29,041	\$208,549	\$237,589	\$237,589
2001-2002	23,416	0	0	23,416	0	23,416	0	23,416	23,416	23,416
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	11,615	0	0	11,615	0	0	11,615	0	11,615	11,615
2005-2006	0	0	0	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0	0	0	0
2007-2008	19,019	0	0	19,019	0	0	19,019	0	19,019	19,019
2008-2009	6,587	0	0	6,587	0	6,587	0	6,587	6,587	6,587
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	22,012	0	0	22,012	0	22,012	0	22,012	22,012	22,012
2015-2016	130,031	0	0	130,031	0	100,142	29,889	100,142	130,031	130,031
2016-2017	27,426	0	0	27,426	0	0	27,426	0	27,426	27,426
2017-2018	41,791	0	0	41,791	0	10,063	31,728	10,063	41,791	41,791
2018-2019	18,242	0	0	18,242	0	0	18,242	0	18,242	18,242
2019-2020	106,605	0	0	106,605	0	5,844	100,761	5,844	106,605	106,605
2020-2021	8,376	0	0	8,376	0	0	8,376	0	8,376	8,376
2021-2022	1,686	0	0	1,686	0	0	1,686	0	1,686	1,686
Total	\$654,394	\$0	\$0	\$654,394	\$0	\$376,612	\$277,782	\$376,612	\$654,394	\$654,394

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 12/31/21

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	459	0	0	459	450	0	0	450	9	9
2001-2002	36	0	0	36	35	0	0	35	1	1
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	27	0	0	27	0	0
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	22	0	0	22	1	1
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	18	0	0	18	1	1
2019-2020	15	0	0	15	10	0	0	10	5	5
2020-2021	6	0	0	6	5	0	0	5	1	1
2021-2022	1	0	0	1	0	0	0	0	1	1
Total	923	0	0	923	894	0	0	894	29	29

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)
2001-2002	2,006,560	1.638	3,286,745
2002-2003	2,093,640	1.598	3,345,637
2003-2004	3,467,377	1.559	5,405,641
2004-2005	3,681,725	1.521	5,599,904
2005-2006	3,809,614	1.484	5,653,467
2006-2007	4,233,621	1.448	6,130,283
2007-2008	4,559,345	1.413	6,442,354
2008-2009	4,622,252	1.379	6,374,086
2009-2010	4,597,350	1.345	6,183,436
2010-2011	4,696,557	1.312	6,161,883
2011-2012	4,704,324	1.280	6,021,535
2012-2013	4,580,240	1.249	5,720,720
2013-2014	4,611,832	1.219	5,621,823
2014-2015	4,611,423	1.189	5,482,982
2015-2016	4,848,429	1.160	5,624,178
2016-2017	4,957,218	1.132	5,611,571
2017-2018	5,197,021	1.104	5,737,511
2018-2019	5,500,429	1.077	5,923,962
2019-2020	5,917,623	1.051	6,219,422
2020-2021	5,568,179	1.025	5,707,383
2021-2022	6,404,809	1.000	6,404,809
2022-2023	6,543,793	1.000	6,543,793
2023-2024	6,685,793	1.000	6,685,793
2024-2025	6,830,875	1.000	6,830,875

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 2022-23

Presented to
Judicial Council of California

February 3, 2022 - DRAFT



Thursday, February 3, 2022

Mr. Patrick Farrales
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 2022-23

Dear Mr. Farrales:

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 2022-23 program premiums. The premiums include a provision for:

- Estimated Ultimate loss and ALAE at the 60% 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 2022-23 premiums, the experience period used includes the 2018-19, 2019-20, and 2020-21 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:

$$\sqrt[3]{\frac{\text{Individual Court Payroll for 3 – Yr Period (\$000's)}}{632,979}}$$

where 632,979 is a constant derived to set the weight given to the largest court at 80%.

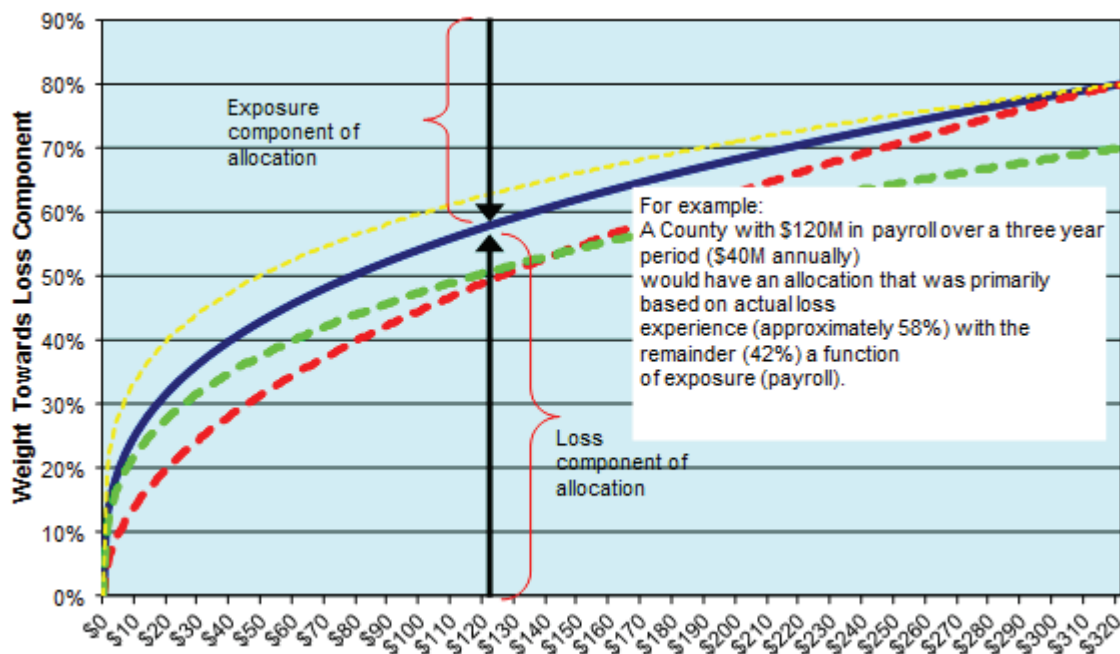
Inputs:

- 324,085 = 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.

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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

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**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
Trial Courts**

2022-23 Premium

Court	2018-19 to 2020-21		2022-23 Indicated Loss & ALAE		2018-19 to 2020-21		2022-23 Indicated Loss & ALAE		2022-23 Weighted		2022-23 Weighted		2022-23		2022-23		2022-23	
	Payroll (\$000)	Percent Payroll	Premium Based on Payroll	Limited to \$75K	Percent Limited Losses	Premium Based on Losses	Weighting	Weighted Loss & ALAE Premium	Adjusted Loss & ALAE Premium	Excess Premium	Claims Handling (TPA) Fees	Program Admin. Premium	Brokerage / Consulting Premium	Total Premium	Out of State Premium	2022-23 Adjusted Premium	Percent of Premium	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	
Alameda	\$163,754	5.91%	\$834,099	\$844,172	5.20%	\$733,580	63.72%	\$770,049	\$771,171	\$25,464	\$132,407	\$0	\$16,070	\$945,111	\$0	\$945,111	5.48%	
Alpine	957	0.03%	4,873	0	0.00%	0	11.48%	4,314	4,320	149	742	0	94	5,305	0	5,305	0.03%	
Amador	6,018	0.22%	30,652	4,510	0.03%	3,919	21.18%	24,989	25,025	936	4,297	0	591	30,848	0	30,848	0.18%	
Butte	21,801	0.79%	111,048	50,740	0.31%	44,093	32.54%	89,263	89,393	3,390	15,348	0	2,139	110,271	0	110,271	0.64%	
Calaveras	5,226	0.19%	26,619	2,136	0.01%	1,856	20.21%	21,614	21,645	813	3,716	0	513	26,687	0	26,687	0.15%	
Colusa	2,360	0.09%	12,019	0	0.00%	0	15.51%	10,156	10,171	367	1,746	0	232	12,515	0	12,515	0.07%	
Contra Costa	75,126	2.71%	382,662	967,612	5.96%	840,848	49.14%	607,831	608,716	11,682	104,514	0	7,372	732,285	0	732,285	4.25%	
Del Norte	4,484	0.16%	22,838	0	0.00%	0	19.21%	18,452	18,479	697	3,173	0	440	22,789	0	22,789	0.13%	
El Dorado	13,503	0.49%	68,777	91,848	0.57%	79,815	27.73%	71,838	71,943	2,100	12,352	0	1,325	87,720	0	87,720	0.51%	
Fresno	87,118	3.14%	443,747	324,718	2.00%	282,178	51.63%	360,328	360,853	13,547	61,957	0	8,549	444,906	0	444,906	2.58%	
Glenn	3,631	0.13%	18,496	227	0.00%	197	17.90%	15,220	15,243	565	2,617	0	356	18,781	0	18,781	0.11%	
Humboldt	13,388	0.48%	68,195	66,873	0.41%	58,112	27.66%	65,407	65,502	2,082	11,246	0	1,314	80,144	0	80,144	0.46%	
Imperial	18,779	0.68%	95,655	268,937	1.66%	233,704	30.96%	138,392	138,593	2,920	23,796	0	1,843	167,152	0	167,152	0.97%	
Inyo	3,453	0.12%	17,588	0	0.00%	0	17.60%	14,492	14,513	537	2,492	0	339	17,880	0	17,880	0.10%	
Kern	97,244	3.51%	495,323	782,269	4.82%	679,787	53.56%	594,118	594,984	15,121	102,156	0	9,543	721,804	0	721,804	4.19%	
Kings	14,546	0.52%	74,090	76,133	0.47%	66,159	28.43%	71,835	71,940	2,262	12,352	0	1,427	87,981	0	87,981	0.51%	
Lake	5,946	0.21%	30,288	73,026	0.45%	63,459	21.10%	37,287	37,341	925	6,411	0	584	45,261	0	45,261	0.26%	
Lassen	3,989	0.14%	20,320	0	0.00%	0	18.47%	16,567	16,591	620	2,849	0	391	20,451	0	20,451	0.12%	
Madera	16,890	0.61%	86,032	23,228	0.14%	20,185	29.88%	66,355	66,452	2,626	11,409	0	1,658	82,145	0	82,145	0.48%	
Marin	24,471	0.88%	124,648	111,259	0.68%	96,684	33.81%	115,192	115,360	3,805	19,807	0	2,401	141,373	0	141,373	0.82%	
Mariposa	2,360	0.09%	12,022	0	0.00%	0	15.51%	10,158	10,173	367	1,747	0	232	12,518	370	12,888	0.07%	
Mendocino	11,690	0.42%	59,546	40,804	0.25%	35,459	26.43%	53,179	53,256	1,818	9,144	0	1,147	65,365	0	65,365	0.38%	
Merced	21,814	0.79%	111,112	231,297	1.42%	200,996	32.54%	140,362	140,567	3,392	24,135	0	2,141	170,234	0	170,234	0.99%	
Modoc	1,912	0.07%	9,741	0	0.00%	0	14.46%	8,333	8,345	297	1,433	0	188	10,263	0	10,263	0.06%	
Mono	2,923	0.11%	14,887	8,528	0.05%	7,411	16.65%	13,642	13,662	454	2,346	0	287	16,749	0	16,749	0.10%	
Monterey	40,850	1.47%	208,074	252,049	1.55%	219,029	40.11%	212,469	212,778	6,352	36,533	0	4,009	259,672	0	259,672	1.51%	
Napa	14,728	0.53%	75,020	75,988	0.47%	66,033	28.55%	72,455	72,560	2,290	12,458	0	1,445	88,754	0	88,754	0.51%	
Nevada	9,792	0.35%	49,878	173,825	1.07%	151,053	24.92%	75,088	75,197	1,523	12,911	0	961	90,592	0	90,592	0.53%	
Orange	324,085	11.69%	1,650,760	1,277,311	7.86%	1,109,975	80.00%	1,218,132	1,219,906	50,395	209,453	0	31,804	1,511,558	0	1,511,558	8.77%	
Placer	29,180	1.05%	148,629	90,413	0.56%	78,568	35.86%	123,508	123,688	4,537	21,237	0	2,864	152,326	0	152,326	0.88%	
Plumas	1,784	0.06%	9,085	5,428	0.03%	4,717	14.12%	8,468	8,481	277	1,456	0	175	10,389	0	10,389	0.06%	
Riverside	240,047	8.66%	1,222,703	1,297,629	7.99%	1,127,631	72.38%	1,153,887	1,155,568	37,327	198,406	0	23,557	1,414,858	0	1,414,858	8.20%	
Sacramento	155,182	5.60%	790,433	405,942	2.50%	352,761	62.59%	516,508	517,260	24,131	88,811	0	15,229	645,431	0	645,431	3.74%	
San Benito	4,984	0.18%	25,384	0	0.00%	0	19.89%	20,334	20,364	775	3,496	0	489	25,125	0	25,125	0.15%	
San Bernardino	217,379	7.84%	1,107,244	1,344,902	8.28%	1,168,711	70.03%	1,150,289	1,151,964	33,802	197,787	0	21,332	1,404,886	0	1,404,886	8.15%	
San Diego	252,863	9.12%	1,287,981	1,783,633	10.98%	1,549,965	73.65%	1,480,929	1,483,086	39,320	254,640	0	24,814	1,801,860	0	1,801,860	10.45%	
San Francisco	114,678	4.14%	584,124	908,224	5.59%	789,241	56.58%	700,188	701,208	17,832	120,394	0	11,254	850,689	0	850,689	4.93%	
San Joaquin	66,862	2.41%	340,570	284,230	1.75%	246,994	47.27%	296,335	296,767	10,397	50,954	0	6,561	364,679	0	364,679	2.11%	
San Luis Obispo	28,226	1.02%	143,773	138,194	0.85%	120,089	35.46%	135,374	135,572	4,389	23,277	0	2,770	166,008	0	166,008	0.96%	
San Mateo	72,703	2.62%	370,318	430,670	2.65%	374,249	48.61%	372,229	372,771	11,305	64,003	0	7,135	455,214	0	455,214	2.64%	
Santa Barbara	43,408	1.57%	221,101	31,961	0.20%	27,774	40.93%	141,969	142,176	6,750	24,411	0	4,260	177,596	0	177,596	1.03%	
Santa Clara	154,340	5.57%	786,145	1,439,271	8.86%	1,250,717	62.47%	1,076,379	1,077,947	24,000	185,079	0	15,146	1,302,172	0	1,302,172	7.55%	
Santa Cruz	27,348	0.99%	139,302	150,548	0.93%	130,825	35.09%	136,327	136,526	4,253	23,441	0	2,684	166,903	0	166,903	0.97%	
Shasta	32,702	1.18%	166,573	242,217	1.49%	210,485	37.24%	182,928	183,194	5,085	31,454	0	3,209	222,943	0	222,943	1.29%	
Sierra	899	0.03%	4,578	0	0.00%	0	11.24%	4,064	4,070	140	699	0	88	4,997	0	4,997	0.03%	
Siskiyou	4,868	0.18%	24,797	123	0.00%	107	19.74%	19,923	19,952	757	3,426	0	478	24,613	0	24,613	0.14%	

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**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
Trial Courts**

2022-23 Premium

Court	2018-19 to 2020-21		2022-23 Indicated Loss & ALAE Premium Based on		2018-19 to 2020-21 Incurred Limited Losses		2022-23 Indicated Loss & ALAE Premium Based on		2022-23 Weighted Loss & ALAE		2022-23 Excess Claims Handling (TPA) Fees		2022-23 Program Admin. Consulting		2022-23 Total Premium		2022-23 Out of State Adjusted Premium		2022-23 Percent of Premium	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)			
Solano	42,917	1.55%	218,602	438,550	2.70%	381,097	40.78%	284,862	285,277	6,674	48,981	0	4,212	345,143	0	345,143	2.00%			
Sonoma	39,356	1.42%	200,461	187,775	1.16%	163,175	39.62%	185,690	185,960	6,120	31,929	0	3,862	227,871	0	227,871	1.32%			
Stanislaus	44,549	1.61%	226,914	224,972	1.38%	195,499	41.29%	213,944	214,255	6,927	36,787	0	4,372	262,341	0	262,341	1.52%			
Sutter	9,644	0.35%	49,125	1,631	0.01%	1,417	24.79%	37,298	37,352	1,500	6,413	0	946	46,211	0	46,211	0.27%			
Tehama	8,083	0.29%	41,172	76,194	0.47%	66,212	23.37%	47,024	47,093	1,257	8,086	0	793	57,229	0	57,229	0.33%			
Trinity	3,019	0.11%	15,379	0	0.00%	0	16.83%	12,790	12,808	469	2,199	0	296	15,773	0	15,773	0.09%			
Tulare	44,204	1.59%	225,159	331,130	2.04%	287,750	41.18%	250,935	251,300	6,874	43,147	0	4,338	305,659	0	305,659	1.77%			
Tuolumne	6,486	0.23%	33,037	30,414	0.19%	26,430	21.72%	31,602	31,648	1,009	5,434	0	637	38,727	0	38,727	0.22%			
Ventura	82,014	2.96%	417,747	597,836	3.68%	519,516	50.60%	469,244	469,927	12,753	80,684	0	8,048	571,413	0	571,413	3.31%			
Yolo	20,965	0.76%	106,786	52,752	0.32%	45,841	32.11%	87,214	87,341	3,260	14,996	0	2,057	107,654	0	107,654	0.62%			
Yuba	10,183	0.37%	51,868	4,251	0.03%	3,694	25.24%	39,707	39,764	1,583	6,827	0	999	49,175	0	49,175	0.29%			
All Courts	\$2,771,713	100.00%	\$14,117,999	\$16,246,379	100.00%	\$14,117,999		\$14,097,466	\$14,117,999	\$431,000	\$2,424,000	\$0	\$272,000	\$17,244,999	\$370	\$17,245,369	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 2022-23 Premium
Trial Courts**

Summary of Payroll

Court	Payroll		
	2018-19	2019-20	2020-21
Alameda	\$52,259,981	\$57,478,691	\$54,015,597
Alpine	325,532	312,420	318,766
Amador	1,809,230	2,192,805	2,015,667
Butte	7,269,128	7,285,876	7,246,418
Calaveras	1,592,674	1,791,003	1,842,236
Colusa	712,719	805,594	841,410
Contra Costa	25,163,032	25,973,635	23,989,330
Del Norte	1,451,629	1,511,412	1,520,633
El Dorado	4,544,224	4,499,072	4,459,249
Fresno	27,494,029	29,840,823	29,783,570
Glenn	1,184,764	1,251,937	1,194,581
Humboldt	4,270,775	4,578,896	4,538,779
Imperial	6,247,329	6,264,100	6,268,043
Inyo	1,053,128	1,182,762	1,216,979
Kern	32,432,880	33,874,332	30,936,990
Kings	4,396,743	5,188,190	4,960,792
Lake	1,967,275	2,037,688	1,941,278
Lassen	1,256,897	1,418,099	1,314,316
Madera	5,363,249	5,813,659	5,713,255
Marin	7,924,960	8,031,993	8,514,440
Mariposa	696,365	775,112	888,789
Mendocino	3,737,201	4,063,713	3,889,444
Merced	6,827,782	7,669,516	7,316,751
Modoc	560,441	671,876	680,152
Mono	913,269	987,529	1,021,912
Monterey	13,302,519	14,385,470	13,162,182
Napa	5,079,475	4,957,105	4,691,760
Nevada	3,342,188	3,330,134	3,120,021
Orange	105,405,399	111,587,881	107,091,822
Placer	9,091,971	9,792,083	10,295,564
Plumas	583,499	649,200	550,989
Riverside	78,241,380	83,168,031	78,637,420
Sacramento	49,837,569	52,224,139	53,119,887
San Benito	1,472,980	1,782,524	1,728,083
San Bernardino	70,106,352	74,234,851	73,038,229
San Diego	82,953,615	89,794,908	80,114,006
San Francisco	38,182,149	39,430,978	37,064,877
San Joaquin	21,433,799	23,174,698	22,253,735
San Luis Obispo	9,074,252	9,657,577	9,494,330
San Mateo	23,205,563	25,898,129	23,598,890
Santa Barbara	14,449,758	14,719,149	14,238,617
Santa Clara	52,475,192	54,824,752	47,039,773
Santa Cruz	8,824,026	9,289,030	9,235,288
Shasta	10,809,155	11,117,258	10,775,974
Sierra	294,482	315,605	288,782
Siskiyou	1,579,216	1,612,530	1,676,473

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
Trial Courts**

Summary of Payroll

Court	Payroll		
	2018-19	2019-20	2020-21
Solano	13,754,974	14,822,091	14,339,869
Sonoma	12,547,462	13,662,011	13,146,036
Stanislaus	14,213,191	15,311,185	15,024,438
Sutter	3,070,731	3,396,261	3,177,476
Tehama	2,630,443	2,705,606	2,746,943
Trinity	928,883	1,008,836	1,081,474
Tulare	14,441,157	15,369,202	14,393,981
Tuolumne	1,961,866	2,221,093	2,303,083
Ventura	27,216,418	28,988,001	25,809,585
Yolo	6,448,614	7,190,929	7,325,206
Yuba	3,175,774	3,478,860	3,528,245
All Courts	\$901,589,285	\$959,600,844	\$910,522,413

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
Trial Courts**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2018-19	2019-20	2020-21	2018-19	2019-20	2020-21
Alameda	\$917,772	\$141,381	\$287,960	\$444,820	\$141,381	\$257,971
Alpine	0	0	0	0	0	0
Amador	1,049	0	3,462	1,049	0	3,462
Butte	9,221	24,216	17,303	9,221	24,216	17,303
Calaveras	68	0	2,068	68	0	2,068
Colusa	0	0	0	0	0	0
Contra Costa	857,423	210,146	360,511	417,443	198,752	351,416
Del Norte	0	0	0	0	0	0
El Dorado	18,071	63,533	10,244	18,071	63,533	10,244
Fresno	103,965	197,941	60,674	103,965	160,079	60,674
Glenn	0	0	227	0	0	227
Humboldt	42,035	12,614	12,224	42,035	12,614	12,224
Imperial	40,856	236,948	69,819	40,856	158,262	69,819
Inyo	0	0	0	0	0	0
Kern	62,736	86,174	737,934	62,736	86,174	633,359
Kings	63,199	11,765	1,168	63,199	11,765	1,168
Lake	0	73,026	0	0	73,026	0
Lassen	0	0	0	0	0	0
Madera	2,063	0	21,165	2,063	0	21,165
Marin	636	0	110,623	636	0	110,623
Mariposa	0	0	0	0	0	0
Mendocino	4,618	3,056	33,131	4,618	3,056	33,131
Merced	147,819	38,429	45,049	147,819	38,429	45,049
Modoc	0	0	0	0	0	0
Mono	0	316	8,212	0	316	8,212
Monterey	86,659	80,298	91,421	80,331	80,298	91,421
Napa	3,577	3,920	68,491	3,577	3,920	68,491
Nevada	284,032	9,096	14,728	150,000	9,096	14,728
Orange	688,581	433,870	417,905	515,720	377,411	384,179
Placer	61,372	19,282	9,759	61,372	19,282	9,759
Plumas	0	0	5,428	0	0	5,428
Riverside	500,954	409,046	482,269	424,748	390,612	482,269
Sacramento	218,091	70,346	176,410	168,611	70,346	166,985
San Benito	0	0	0	0	0	0
San Bernardino	474,897	845,495	254,521	465,077	625,304	254,521
San Diego	844,359	483,175	535,733	796,589	451,311	535,733
San Francisco	288,276	502,161	364,791	209,322	363,841	335,062
San Joaquin	316,629	190,493	51,365	120,249	112,616	51,365
San Luis Obispo	181,130	3,183	32,504	102,507	3,183	32,504
San Mateo	71,521	204,053	229,583	71,521	129,567	229,583
Santa Barbara	4,647	24,241	3,073	4,647	24,241	3,073
Santa Clara	1,085,566	437,849	223,525	800,356	415,390	223,525
Santa Cruz	3,254	63,352	83,942	3,254	63,352	83,942
Shasta	44,623	58,940	138,655	44,623	58,940	138,655
Sierra	0	0	0	0	0	0
Siskiyou	0	0	123	0	0	123

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
Trial Courts**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2018-19	2019-20	2020-21	2018-19	2019-20	2020-21
Solano	254,909	145,451	45,390	247,709	145,451	45,390
Sonoma	30,523	102,723	78,212	30,523	79,039	78,212
Stanislaus	157,204	24,302	44,828	155,842	24,302	44,828
Sutter	763	868	0	763	868	0
Tehama	837	59,422	15,934	837	59,422	15,934
Trinity	0	0	0	0	0	0
Tulare	61,332	222,784	50,789	61,332	219,009	50,789
Tuolumne	687	0	29,727	687	0	29,727
Ventura	439,894	159,770	83,712	358,089	156,036	83,712
Yolo	10,213	3,584	38,954	10,213	3,584	38,954
Yuba	4,251	0	0	4,251	0	0
All Courts	8,390,312	5,657,250	5,353,546	6,251,348	4,858,023	5,137,008

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
Trial Courts**

Comparison to Prior Premium

Court	60%	60%	Total Difference (C)	Percent Change (D)
	Confidence Level 2021-22 Total Premium (A)	Confidence Level 2022-23 Total Premium (B)		
Alameda	\$943,063	\$945,111	\$2,048	0.22%
Alpine	5,427	5,305	-123	-2.26%
Amador	29,695	30,848	1,153	3.88%
Butte	150,565	110,271	-40,294	-26.76%
Calaveras	25,093	26,687	1,594	6.35%
Colusa	12,497	12,515	18	0.14%
Contra Costa	690,228	732,285	42,057	6.09%
Del Norte	23,046	22,789	-258	-1.12%
El Dorado	85,184	87,720	2,536	2.98%
Fresno	428,258	444,906	16,648	3.89%
Glenn	18,918	18,781	-137	-0.72%
Humboldt	74,522	80,144	5,622	7.54%
Imperial	190,456	167,152	-23,304	-12.24%
Inyo	17,284	17,880	596	3.45%
Kern	503,151	721,804	218,653	43.46%
Kings	97,194	87,981	-9,213	-9.48%
Lake	29,803	45,261	15,458	51.87%
Lassen	20,748	20,451	-297	-1.43%
Madera	76,367	82,145	5,778	7.57%
Marin	142,434	141,373	-1,061	-0.74%
Mariposa	12,248	12,888	640	5.22%
Mendocino	64,906	65,365	459	0.71%
Merced	143,309	170,234	26,925	18.79%
Modoc	9,779	10,263	484	4.95%
Mono	15,120	16,749	1,629	10.77%
Monterey	267,206	259,672	-7,534	-2.82%
Napa	73,477	88,754	15,277	20.79%
Nevada	90,011	90,592	581	0.65%
Orange	1,741,579	1,511,558	-230,022	-13.21%
Placer	163,892	152,326	-11,567	-7.06%
Plumas	10,465	10,389	-76	-0.73%
Riverside	1,323,704	1,414,858	91,154	6.89%
Sacramento	582,639	645,431	62,792	10.78%
San Benito	24,553	25,125	571	2.33%
San Bernardino	1,527,373	1,404,886	-122,487	-8.02%
San Diego	1,876,615	1,801,860	-74,755	-3.98%
San Francisco	854,693	850,689	-4,004	-0.47%
San Joaquin	393,417	364,679	-28,738	-7.30%
San Luis Obispo	151,547	166,008	14,461	9.54%
San Mateo	403,772	455,214	51,442	12.74%
Santa Barbara	218,795	177,596	-41,199	-18.83%
Santa Clara	1,520,123	1,302,172	-217,951	-14.34%
Santa Cruz	135,589	166,903	31,314	23.09%
Shasta	257,476	222,943	-34,534	-13.41%
Sierra	5,917	4,997	-920	-15.55%
Siskiyou	30,816	24,613	-6,203	-20.13%

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
Trial Courts**

Comparison to Prior Premium

Court	60% Confidence Level 2021-22 Total Premium (A)	60% Confidence Level 2022-23 Total Premium (B)	Total Difference (C)	Percent Change (D)
	Solano	409,073	345,143	-63,930
Sonoma	250,332	227,871	-22,461	-8.97%
Stanislaus	241,745	262,341	20,596	8.52%
Sutter	47,166	46,211	-954	-2.02%
Tehama	53,493	57,229	3,736	6.98%
Trinity	15,234	15,773	539	3.54%
Tulare	290,517	305,659	15,142	5.21%
Tuolumne	38,103	38,727	624	1.64%
Ventura	642,715	571,413	-71,302	-11.09%
Yolo	117,834	107,654	-10,180	-8.64%
Yuba	49,460	49,175	-286	-0.58%
All Courts	\$17,618,628	\$17,245,369	-\$373,260	-2.12%

Notes:

- (A): From Prior Premium Report
- (B): From Exhibit TC-1.
- (C): (B) - (A)
- (D): (C) / (A)

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
State Judiciary**

2022-23 Premium

Court	2018-19 to 2020-21		2022-23 Indicated		2018-19 to 2020-21		2022-23 Indicated		2022-23		2022-23 Excess Premium (J)	2022-23 Claims Handling (TPA) Fees (K)	2022-23 Program Admin. Premium (L)	2022-23 Brokerage / Consulting Premium (M)	2022-23 Total Premium (N)	2022-23 Out of State Premium (O)	2022-23 Adjusted Premium (P)	2022-23 Percent of Premium (Q)
	Payroll (\$000) (A)	Percent Payroll (B)	Loss & ALAE Premium Based on Payroll (C)	Premium Incurred 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)									
Supreme Court	\$56,916	3.35%	\$21,332	\$22,843	5.41%	\$34,450	30.11%	\$25,282	\$33,726	\$6,199	\$13,667	\$0	\$5,562	\$59,154	\$0	\$59,154	4.75%	
1st District Court	46,556	2.74%	17,449	38,624	9.15%	58,250	28.16%	28,938	38,603	5,070	15,644	0	4,550	63,867	0	63,867	5.13%	
2nd District Court	95,698	5.63%	35,868	75,000	17.77%	113,110	35.80%	63,521	84,738	10,423	34,340	0	9,352	138,852	0	138,852	11.14%	
3rd District Court	33,102	1.95%	12,407	4,854	1.15%	7,320	25.13%	11,128	14,845	3,605	6,016	0	3,235	27,701	0	27,701	2.22%	
4th District Court	79,440	4.68%	29,775	10,899	2.58%	16,436	33.65%	25,287	33,733	8,652	13,670	0	7,763	63,818	0	63,818	5.12%	
5th District Court	29,789	1.75%	11,165	6,504	1.54%	9,809	24.26%	10,836	14,455	3,244	5,858	0	2,911	26,469	393	26,862	2.16%	
6th District Court	21,498	1.27%	8,058	56,966	13.49%	85,912	21.76%	25,001	33,352	2,341	13,516	0	2,101	51,310	0	51,310	4.12%	
Judicial Council	235,296	13.85%	88,190	117,399	27.81%	177,053	48.32%	131,129	174,928	25,626	70,888	0	22,995	294,437	0	294,437	23.63%	
CJP	8,399	0.49%	3,148	1,074	0.25%	1,620	15.91%	2,905	3,875	915	1,570	0	821	7,181	0	7,181	0.58%	
HCRC	22,266	1.31%	8,345	45,879	10.87%	69,191	22.02%	21,744	29,006	2,425	11,755	0	2,176	45,362	0	45,362	3.64%	
CJCL	1,874	0.11%	702	0	0.00%	0	9.65%	635	847	204	343	0	183	1,577	0	1,577	0.13%	
Trial Court Judges	1,067,790	62.86%	400,213	42,105	9.97%	63,500	80.00%	130,842	174,545	116,295	70,733	0	104,351	465,924	0	465,924	37.39%	
All Courts	\$1,698,623	100.00%	\$636,652	\$422,146	100.00%	\$636,652		\$477,248	\$636,652	\$185,000	\$258,000	\$0	\$166,000	\$1,245,652	\$393	\$1,246,045	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 2022-23 Premium
State Judiciary**

2022-23 Premium
2nd and 4th District by Division

Court	Division	2018-19 to 2020-21		2022-23 Indicated		2018-19 to 2020-21		2022-23 Indicated		2022-23 Weighted Loss & ALAE Premium (H)	2022-23 Excess Premium (I)	2022-23 Claims Handling (TPA) Fees (J)	2022-23 Brokerage / Consulting Premium (K)	2022-23 Total Premium (L)	2022-23 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)	\$84,284	87.73%	\$74,344	\$0	0.00%	\$0	35.80%	\$47,728	\$9,144	\$19,342	\$8,205	\$84,419	60.80%	
	COA 2nd District- (Ven)	11,783	12.27%	10,394	75,000	100.00%	84,738	35.80%	37,010	1,278	14,998	1,147	54,433	39.20%	
	Total	\$96,067	100.00%	\$84,738	\$75,000	100.00%	\$84,738	35.80%	\$84,738	\$10,423	\$34,340	\$9,352	\$138,852		
4th District Court	COA 4th District (SD)	\$29,481	37.14%	\$12,528	\$129	1.18%	\$400	33.65%	\$8,447	\$3,213	\$3,423	\$2,883	\$17,966	28.15%	
	COA 4th District (RSVD)	24,628	31.03%	10,466	10,735	98.50%	33,228	33.65%	18,124	2,684	7,345	2,409	30,562	47.89%	
	COA 4th District (SA)	25,273	31.84%	10,739	34	0.31%	105	33.65%	7,161	2,755	2,902	2,472	15,290	23.96%	
	Total	\$79,382	100.00%	\$33,733	\$10,899	100.00%	\$33,733	33.65%	\$33,733	\$8,652	\$13,670	\$7,763	\$63,818	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 2022-23 Premium
State Judiciary**

Summary of Payroll

Court	Payroll		
	2018-19	2019-20	2020-21
Supreme Court	\$18,867,737	\$19,055,424	\$18,992,397
1st District Court	14,587,098	15,933,598	16,035,265
2nd District Court	31,653,387	32,207,032	31,837,205
3rd District Court	10,891,309	11,296,814	10,913,433
4th District Court	25,934,153	26,723,744	26,782,535
5th District Court	9,671,912	10,026,487	10,090,184
6th District Court	7,332,430	7,505,435	6,660,199
Judicial Council	74,871,422	87,808,308	72,616,169
CJP	2,758,074	2,736,664	2,904,086
HCRC	7,408,297	7,755,560	7,102,392
CJCL	623,148	605,241	645,846
Trial Court Judges	345,443,929	370,108,039	352,238,224
All Courts	\$550,042,896	\$591,762,346	\$556,817,935

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
State Judiciary**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2018-19	2019-20	2020-21	2018-19	2019-20	2020-21
Supreme Court	\$1,389	\$21,454	\$0	\$1,389	\$21,454	\$0
1st District Court	3,855	34,769	0	3,855	34,769	0
2nd District Court	0	105,844	0	0	75,000	0
3rd District Court	4,854	0	0	4,854	0	0
4th District Court	10,769	129	0	10,769	129	0
5th District Court	0	5,371	1,133	0	5,371	1,133
6th District Court	35,239	17,255	4,473	35,239	17,255	4,473
Judicial Council	111,344	15,678	0	101,721	15,678	0
CJP	0	0	1,074	0	0	1,074
HCRC	0	45,879	0	0	45,879	0
CJCL	0	0	0	0	0	0
Trial Court Judges	12,719	16,176	13,210	12,719	16,176	13,210
All Courts	180,168	262,553	19,890	170,546	231,709	19,890

Notes:

Provided by Judicial Branch Workers' Compensation Program.

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2022-23 Premium
State Judiciary

Comparison to Prior Premium

Court	60%	60%	Total Difference (C)	Percent Change (D)
	Confidence Level 2021-22 Total Premium (A)	Confidence Level 2022-23 Total Premium (B)		
Supreme Court	\$58,813	\$59,154	\$342	0.58%
1st District Court	53,129	63,867	10,737	20.21%
2nd District Court	161,469	138,852	-22,617	-14.01%
3rd District Court	27,940	27,701	-238	-0.85%
4th District Court	58,756	63,818	5,062	8.62%
5th District Court	29,776	26,862	-2,914	-9.79%
6th District Court	49,573	51,310	1,737	3.50%
Judicial Council	312,075	294,437	-17,638	-5.65%
CJP	6,529	7,181	652	9.98%
HCRC	25,133	45,362	20,229	80.49%
CJCL	1,500	1,577	78	5.17%
Trial Court Judges	463,939	465,924	1,986	0.43%
All Courts	\$1,248,632	\$1,246,045	-\$2,586	-0.21%

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 2022-23 Premium
State Judiciary**

Trial Court and State Judiciary Claims Handling, Program Admin and Brokerage/Consulting Premium

Division	2018-19 to 2020-21 Payroll (\$000) (A)	Percent Payroll (B)	2018-19 to 2020-21 Incurred Limited to \$75K (C)	Percent Limited Losses (D)	2022-23 Claims Handling (E)	2022-23 Program Admin. (F)	2022-23 Brokerage / Consulting (G)
Trial Courts	\$2,771,713	62.00%	\$16,246,379	97.47%	\$2,424,000	\$0	\$272,000
State Judiciary	1,698,623	38.00%	422,146	2.53%	258,000	0	166,000
Total	\$4,470,336	100.00%	\$16,668,525	100.00%	\$2,682,000	\$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.