



**JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM  
ADVISORY COMMITTEE**

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## Judicial Council of California

Judicial Branch Workers' Compensation  
Program Advisory Committee

[www.courts.ca.gov/jbwcp.htm](http://www.courts.ca.gov/jbwcp.htm)  
[jbwcp@jud.ca.gov](mailto:jbwcp@jud.ca.gov)

### JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM ADVISORY COMMITTEE

#### MINUTES OF OPEN MEETING WITH CLOSED SESSION

February 22, 2023

1:00 PM- 3:40 PM

Public Videocast

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**Advisory Body  
Members Present:**

Ms. Shelby Wineinger  
Ms. Heather Capps  
Ms. Sulakshna Chauhan  
Ms. Stephanie Cvitkovich  
Mr. Charles Johnson  
Ms. Krysta Levier  
Mr. James Owen  
Ms. Nocona Soboleski  
Mr. Hugh Swift

**Advisory Body  
Members Absent:**

Hon. Matthew Brower  
Ms. Arline Lisinski  
Mr. Brandon Riley  
Ms. Kimberlie Turner

**Others Present:**

Mr. Edward Metro  
Mr. Patrick Farrales  
Ms. Maria Kato  
Ms. Jade Vu  
Ms. Miki Novitski  
Ms. Shirley Mohammed  
Ms. Sayuri Okamoto  
Ms. Jacquelyn Miller  
Ms. Becky Richard  
Ms. Amanda Garcia  
Mr. Christopher Perez  
Ms. Candace Maibes  
Ms. Heather Allen  
Mr. Alan Turnipseed

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#### OPEN MEETING

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##### Call to Order and Roll Call

The chair called the meeting to order at 1:00 PM and took roll call.

##### Approval of Minutes

The advisory body reviewed and approved the minutes of the March 28, 2022, Judicial Branch Workers' Compensation Program Advisory Committee meeting. (*Motion: Johnson, Second: LeVier*)

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**DISCUSSION AND ACTION ITEMS (ITEMS 1 – 3)**

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**Item 1**

**Third Party Administrator Annual Audit**

A detailed audit report was presented by Marsh. Significant attention was given to the performance of Sedgwick, the third-party administrator, which received an overall performance score of 84.4. The report highlighted areas of strong performance and areas needing improvement.

**Action: The advisory committee voted to approve the audit report.**

*(Motion: Johnson, Second: Capps)*

**Item 2**

**Strategic Planning Five-Year Plan: Review Changes to Memorandum of Coverage**

In Sedgwick Risk's presentation on the Memorandum of Coverage, he highlighted key updates and clarifications. The focus was on ensuring members' understanding and receipt of the document, introducing an annual confirmation process via email, and detailing content updates. The presentation addressed specific sections of the MOC, language revisions for legal alignment, definitions of key terms like 'occurrence' and 'loss', coverage specifics for various groups, and member responsibilities in claim notification and dispute handling.

**Action: The advisory committee voted to approve the memorandum of coverage updates that apply to the Judiciary as well as the trial courts with the understanding that it will be further reviewed by legal counsel.**

*(Motion: LeVier, Second: Chauhan)*

**Item 3**

**Presentation of Draft Actuarial Report and Premium Allocation Results for Fiscal Year 2023-2024**

The presentation focused on reviewing the outstanding liabilities as of June 30, 2023, and funding guidelines. She discussed various financial aspects including the components of appropriate loss, reserve calculations, and adjustments based on actual versus expected outcomes. The presentation also covered the analysis of incurred losses, updates on liabilities, and funding needs for the trial courts and judiciary. She emphasized the decrease in overall reserves and the favorable development of the program, concluding with details on the allocation methodology for funding distribution.

**Action: The advisory committee voted to approve the program year 2023-2024 premium allocation and actuarial report.**

*(Motion: Riley, Second: Johnson)*

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**A D J O U R N M E N T**

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There being no further open meeting business, the meeting was adjourned at 3:40 PM.

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**C L O S E D   S E S S I O N**

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*The Advisory Committee agreed to review the closed session items over email due to the lack of time.*

**Item 1**

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

**Strategic Planning Five-Year Plan: Risk Assessment**

Discussion on program data and sharing practices.

**Item 2**

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

**Strategic Planning Five-Year Plan: Next Steps**

Discussion on phase one of the five-year plan.



# JUDICIAL COUNCIL OF CALIFORNIA

JUDICIAL BRANCH WORKERS'  
COMPENSATION PROGRAM  
ADVISORY COMMITTEE

[www.courts.ca.gov/jbwcp.htm](http://www.courts.ca.gov/jbwcp.htm)  
[jbwcp@jud.ca.gov](mailto:jbwcp@jud.ca.gov)

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

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

THIS MEETING IS BEING CONDUCTED BY ELECTRONIC MEANS

OPEN PORTION OF THIS MEETING IS BEING RECORDED

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**Date:** February 20, 2024  
**Time:** 9:00 a.m.  
**Public Call-in Number:** See URL: <https://jcc.granicus.com/player/event/3140>

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

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

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

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#### **Call to Order and Roll Call**

#### **Approval of Minutes**

Approve minutes of the February 22, 2023, Judicial Branch Workers' Compensation Program Advisory Committee meeting(s).

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

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#### **Written Comment**

This meeting will be conducted by electronic means with a listen only conference line available for the public. As such, the public may submit comments for this meeting in writing. In accordance with California Rules of Court, rule 10.75(k)(1), written comments pertaining to any agenda item of a regularly noticed open meeting can be submitted up to one complete business day before the meeting. For this specific meeting, comments should be e-mailed to [jbwcp@jud.ca.gov](mailto:jbwcp@jud.ca.gov) or mailed or delivered to 2850 Gateway Oaks Drive, Sacramento, CA 95833-4348, attention: Edward Metro. Only written comments received by 4:30 p.m., February 16, 2024, will be provided to advisory body members prior to the start of the meeting.

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**III. DISCUSSION AND POSSIBLE ACTION ITEMS (ITEMS 1–3)**

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**Item 1**

**Presentation of Draft Actuarial Report and Premium Allocation Results for FY2024-25 (Action Required)**

Review and consider approval of fiscal year 2024-25 workers' compensation premium allocation.

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

**Item 2**

**Third Party Administrator Annual Audit (Action Required)**

Review and consider approval of annual audit results and next steps.

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

**Item 3**

**JBWCP Advisory Committee Annual Agenda (Action Required)**

Review and consider approval of the 2024 annual agenda for JBWCP Advisory Committee.

Presenter(s)/Facilitator(s): *Ms. Shelby Wineinger, Chair*  
*Mr. Edward Metro, Lead Staff*

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**IV. INFORMATION ONLY ITEMS (NO ACTION REQUIRED)**

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**Info 1**

**Third Party Administrator Plan of Action (No Action Required)**

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

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

**Info 2**

**Sedgwick Stewardship Report (No Action Required)**

Review of third-party administrator's annual metrics.

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

**Info 3**

**Workers' Compensation Legislative Updates (No Action Required)**

Information on upcoming changes and updates to workers' compensation legislation.

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

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**V. ADJOURNMENT**

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**Adjourn Session**

# Judicial Branch Workers' Compensation Program Advisory Committee Meeting

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February 20, 2024





# Call to Order and Roll Call

# Approval of Minutes

# Public Comments

# Updates from the Chair

## **Ms. Shelby Wineinger**

Court Executive Officer  
Superior Court of California  
County of El Dorado

# Meeting Agenda

- Draft Actuarial Report and Premiums Allocation
- JBWCP Audit Results
- Sedgwick Claims Audit Response
- Sedgwick Claims Annual Stewardship Report
- Annual Agenda
- Legislative Updates

# Draft Actuarial Report & Premium Allocation

Becky Richard, Partner  
Bickmore Actuarial

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February 20, 2024



# 2023 - 24 Actuarial Report

- Brief Review of Terminology
- Outstanding Liabilities at June 30, 2024

➤ a.k.a. Reserves



- 2024 - 25 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,

- $\text{Reserves} = \text{Case Reserves} + \text{IBNR Reserves}$

Or...

$$\text{Reserves} = \text{Ultimate Losses} - \text{Paid Losses}$$

# Paid Loss Development – Trial Courts

Accident Year	Expected	Actual	Difference	Paid Losses
Prior	\$246,197	\$377,094	\$130,897	Development from 12/31/22 to 12/31/23
2006-07	31,607	35,337	3,730	
2007-08	51,862	85,671	33,809	
2008-09	66,519	38,293	(28,226)	
2009-10	131,912	247,078	115,166	
2010-11	137,459	113,531	(23,928)	
2011-12	170,310	196,775	26,465	
2012-13	328,618	271,469	(57,149)	
2013-14	286,242	203,997	(82,245)	
2014-15	343,392	390,930	47,538	
2015-16	516,406	487,858	(28,548)	
2016-17	544,496	496,564	(47,932)	
2017-18	578,694	595,057	16,363	
2018-19	779,553	1,102,866	323,313	
2019-20	1,182,580	995,025	(187,555)	
2020-21	1,677,083	2,879,715	1,202,632	
2021-22	2,007,550	1,432,145	(575,405)	
2022-23	2,378,520	2,515,907	137,387	
Total	\$11,459,000	\$12,465,312	\$1,006,312	

# Incurring Loss Development – Trial Courts

Accident Year	Expected	Actual	Difference	Incurring Losses
Prior	\$143,642	(\$134,774)	(\$278,416)	Development from 12/31/22 to 12/31/23
2006-07	0	(129,286)	(129,286)	
2007-08	26,561	(20,714)	(47,275)	
2008-09	14,461	(152,832)	(167,293)	
2009-10	63,341	98,128	34,787	
2010-11	129,446	77,134	(52,312)	
2011-12	168,506	49,611	(118,895)	
2012-13	321,440	336,840	15,400	
2013-14	338,981	162,820	(176,161)	
2014-15	378,893	101,944	(276,949)	
2015-16	453,350	239,420	(213,930)	
2016-17	426,862	(41,535)	(468,397)	
2017-18	596,236	486,990	(109,246)	
2018-19	627,117	711,981	84,864	
2019-20	1,007,750	301,278	(706,472)	
2020-21	1,453,492	2,847,258	1,393,766	
2021-22	2,829,335	1,102,368	(1,726,967)	
2022-23	4,609,587	3,377,916	(1,231,671)	
Prior	\$13,589,000	\$9,414,547	(\$4,174,453)	

**-\$2.2M for Recent 5 Years**

**Favorable Overall**

# Ultimate Loss – Trial Courts

Accident Year	Prior	Current	Change
Prior	\$91,775,724	\$91,766,000	(\$10,000)
2006-07	14,525,318	14,438,000	(88,000)
2007-08	13,562,293	13,582,000	19,000
2008-09	11,295,770	11,153,000	(143,000)
2009-10	16,693,058	16,817,000	124,000
2010-11	15,543,956	15,588,000	44,000
2011-12	15,274,221	15,261,000	(14,000)
2012-13	16,733,985	16,437,000	(297,000)
2013-14	13,153,011	13,058,000	(95,000)
2014-15	12,924,764	12,781,000	(143,000)
2015-16	14,536,416	14,357,000	(180,000)
2016-17	12,377,967	12,083,000	(295,000)
2017-18	12,330,570	12,215,000	(115,000)
2018-19	12,296,488	12,401,000	104,000
2019-20	11,213,803	10,540,000	(674,000)
2020-21	14,133,169	15,076,000	943,000
2021-22	11,670,624	10,383,000	(1,288,000)
2022-23	13,311,479	12,324,000	(987,000)
Total	\$323,352,616	\$320,260,000	(\$3,093,000)

# Liabilities – Trial Courts

## Comparison of June 30 Projections...

	Prior Report June 30, 2023	Current Report June 30, 2024	Change
Case Reserves	\$18,427,000	\$15,934,000	(\$2,493,000)
IBNR Reserves	38,873,000	38,411,000	(462,000)
ULAE Reserves	3,771,000	2,934,000	(837,000)
Total Reserves	\$61,071,000	\$57,279,000	(\$3,792,000)



# Paid Loss Development – Judiciary

Accident Year	Expected	Actual	Difference
Prior	\$71,849	\$154,483	\$82,634
2006-07	0	0	0
2007-08	2,031	0	(2,031)
2008-09	0	8,832	8,832
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	669	669
2013-14	0	0	0
2014-15	3,832	16,864	13,032
2015-16	20,703	51,353	30,650
2016-17	22,224	27,394	5,170
2017-18	23,903	12,387	(11,516)
2018-19	36,727	0	(36,727)
2019-20	49,581	52,592	3,011
2020-21	56,080	2,369	(53,711)
2021-22	73,325	73,512	187
2022-23	66,804	54,595	(12,209)
Total	\$427,059	\$455,050	\$27,991

Paid  
Losses

Development from  
12/31/22  
to  
12/31/23

# Incurring Loss Development – Judiciary

Accident Year	Expected	Actual	Difference
Prior	\$71,786	\$164,380	\$92,594
2006-07	0	0	0
2007-08	1,519	0	(1,519)
2008-09	0	17,384	17,384
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	9,499	9,499
2013-14	0	0	0
2014-15	4,067	24,471	20,404
2015-16	11,271	22,842	11,571
2016-17	21,387	9,281	(12,106)
2017-18	23,210	2,503	(20,707)
2018-19	42,472	0	(42,472)
2019-20	55,541	23,432	(32,109)
2020-21	84,524	(4,346)	(88,870)
2021-22	139,463	142,419	2,956
2022-23	163,974	76,005	(87,969)
<b>Total</b>	<b>\$619,214</b>	<b>\$487,870</b>	<b>(\$131,344)</b>

Incurring Losses

Development from  
12/31/22  
to  
12/31/23

-\$249K for  
Recent 5 Years

Favorable  
Overall



# Ultimate Loss – Judiciary

Accident Year	Prior	Current	Change
Prior	\$14,681,000	\$14,790,000	\$109,000
2006-07	575,000	575,000	0
2007-08	273,000	269,000	(4,000)
2008-09	729,000	770,000	41,000
2009-10	686,000	686,000	0
2010-11	309,000	309,000	0
2011-12	549,000	549,000	0
2012-13	431,000	464,000	34,000
2013-14	62,000	62,000	0
2014-15	310,000	325,000	15,000
2015-16	792,000	781,000	(12,000)
2016-17	502,000	412,000	(90,000)
2017-18	290,000	228,000	(62,000)
2018-19	367,000	313,000	(54,000)
2019-20	499,000	501,000	2,000
2020-21	318,000	275,000	(43,000)
2021-22	419,000	404,000	(14,000)
2022-23	592,000	497,000	(95,000)
Total	\$22,384,000	\$22,210,000	(\$173,000)

# Liabilities – Judiciary

## Comparison of June 30 Projections...

	Prior Report June 30, 2023	Current Report June 30, 2024	Change
Case Reserves	\$769,000	\$824,000	\$55,000
IBNR Reserves	2,019,000	1,892,000	(127,000)
ULAE Reserves	570,000	425,000	(145,000)
Total Reserves	\$3,358,000	\$3,141,000	(\$217,000)



# Liabilities – Total Trial Courts and Judiciary

## Comparison of June 30 Projections...

	Prior Report June 30, 2023	Current Report June 30, 2024	Change
Case Reserves	\$19,196,000	\$16,758,000	(\$2,438,000)
IBNR Reserves	40,892,000	40,303,000	(589,000)
ULAE Reserves	4,341,000	3,359,000	(982,000)
Total Reserves	\$64,429,000	\$60,420,000	(\$4,009,000)



# Outstanding Liabilities at 6/30/24

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

Accident Year	Trial Courts	Judiciary	Total
Prior	\$2,027,000	\$461,000	\$2,488,000
2007-08	358,000	23,000	381,000
2008-09	188,000	30,000	218,000
2009-10	546,000	0	546,000
2010-11	695,000	0	695,000
2011-12	823,000	0	823,000
2012-13	1,388,000	32,000	1,420,000
2013-14	1,349,000	0	1,349,000
2014-15	1,563,000	40,000	1,603,000
2015-16	2,209,000	172,000	2,381,000
2016-17	2,127,000	58,000	2,185,000
2017-18	2,622,000	86,000	2,708,000
2018-19	3,203,000	140,000	3,343,000
2019-20	3,934,000	207,000	4,141,000
2020-21	5,779,000	238,000	6,017,000
2021-22	6,108,000	289,000	6,397,000
2022-23	8,310,000	400,000	8,710,000
2022-23	11,116,000	540,000	11,656,000
Total	\$54,345,000	\$2,716,000	\$57,061,000

# Outstanding Liabilities at 6/30/24

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

	Trial Courts	Judiciary	Total
Loss and ALAE Reserves	\$54,345,000	\$2,716,000	\$57,061,000
ULAE Reserves	\$2,934,000	\$425,000	\$3,359,000
Total Reserves			
Expected	\$57,279,000	\$3,141,000	\$60,420,000
70%	\$61,861,000	\$3,562,000	\$65,423,000
80%	\$65,756,000	\$3,967,000	\$69,723,000
85%	\$68,277,000	\$4,237,000	\$72,514,000
90%	\$71,656,000	\$4,595,000	\$76,251,000
98%	\$86,026,000	\$6,204,000	\$92,230,000

Confidence levels reflect variability of outstanding liabilities

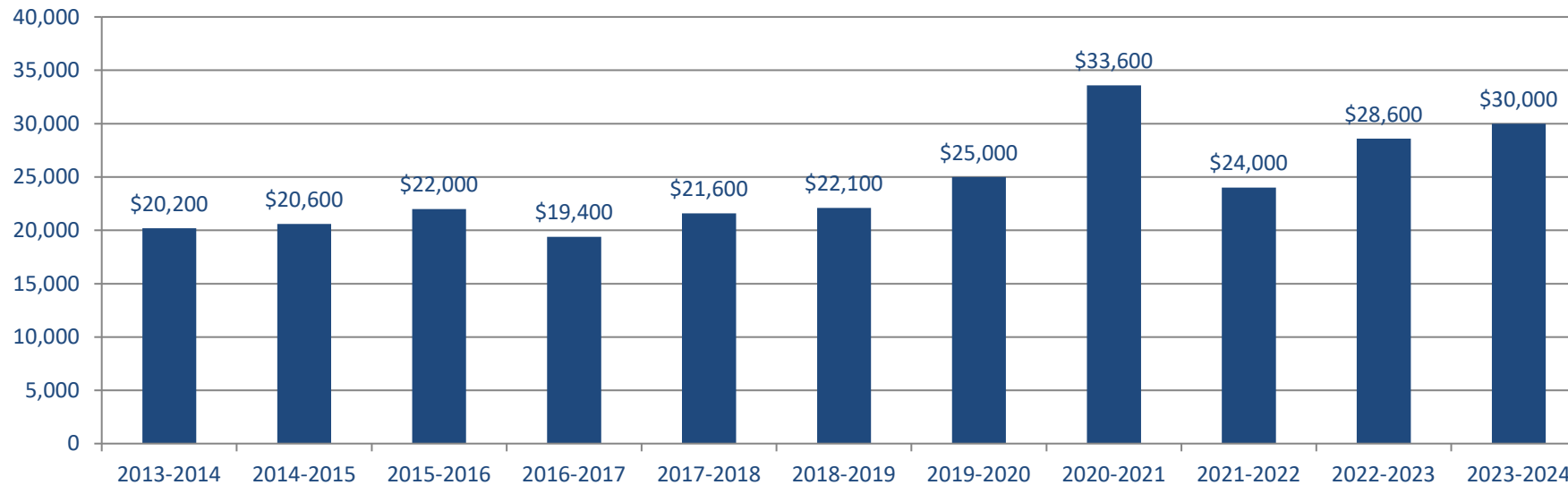
# Funding Margin at 6/30/24

As of June 30, Outstanding Liability minus Available Assets

	Prior Report June 30, 2023	Current Report June 30, 2024	Change
Total Reserves	\$64,429,000	\$60,420,000	(\$4,009,000)
Assets	74,234,000	76,000,000	1,766,000
Balance	\$9,805,000	\$15,580,000	\$5,775,000

# Severity Trends – Trial Courts

## Loss per Claim

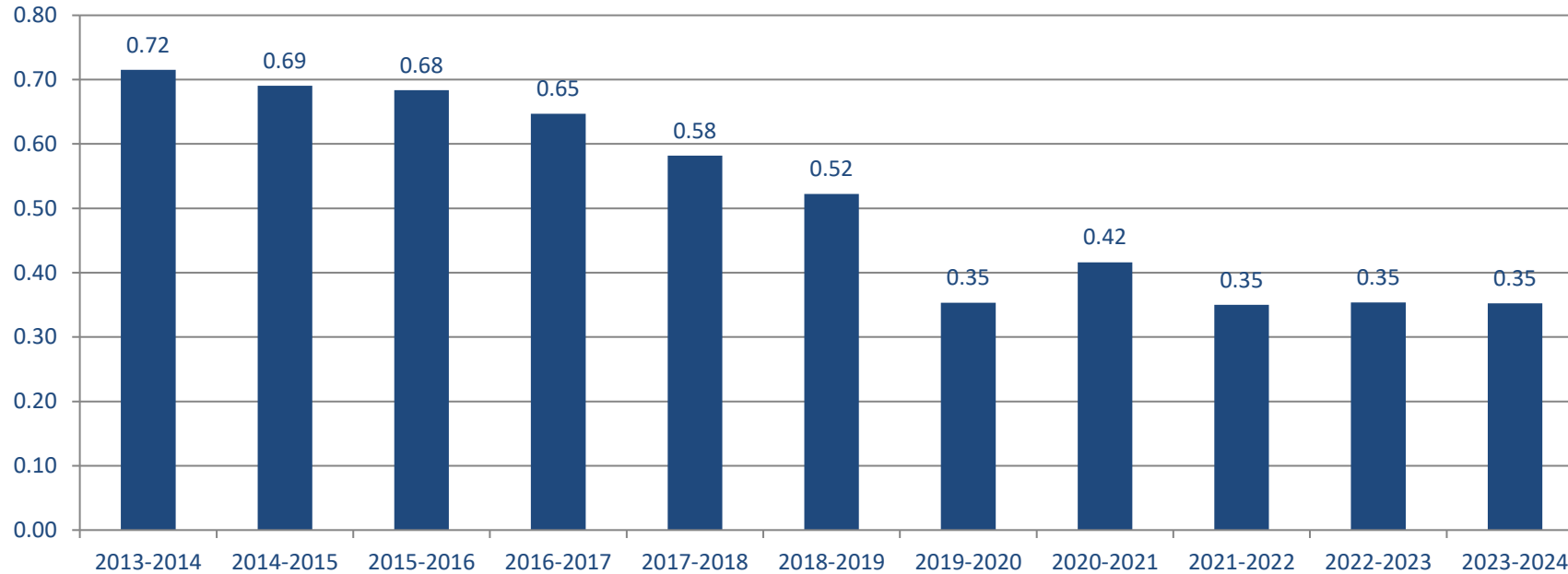


Increasing Trend

Note: All losses limited to \$250,000

# Frequency Trends – Trial Courts

Claims per \$1M of Payroll

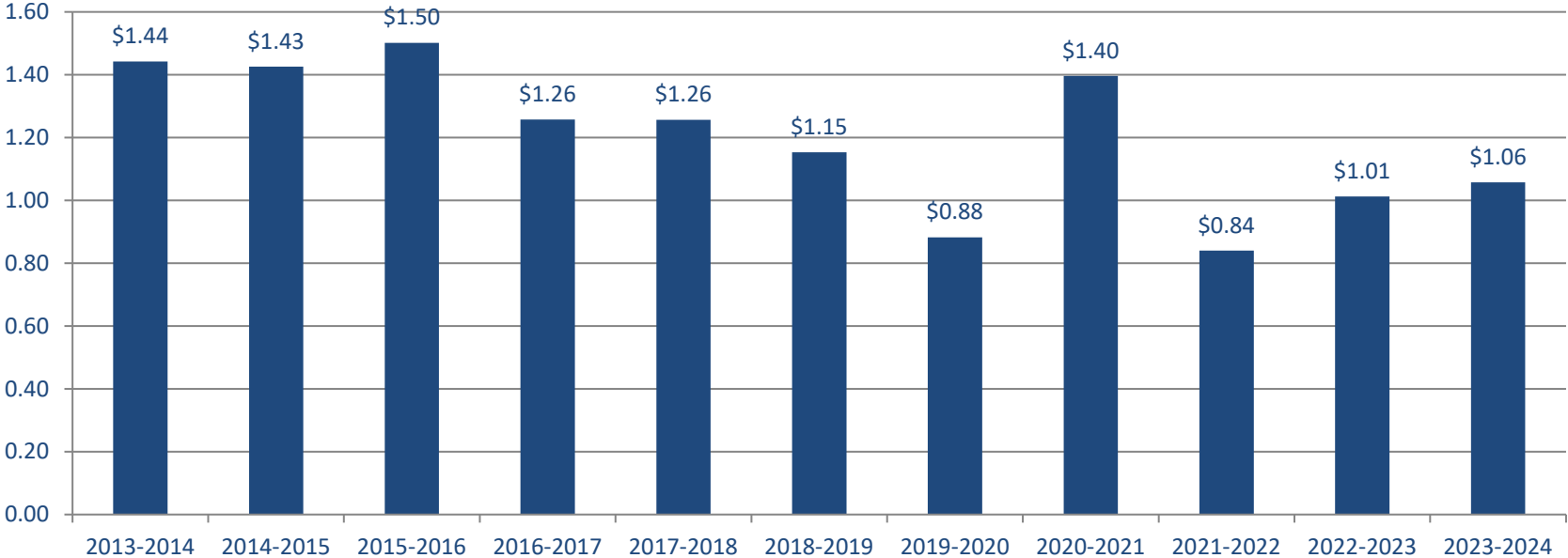


Decreasing Trend  
followed by Recent  
Increasing Trend



# Loss Rate Trends – Trial Courts

Loss Rate per \$1M of Payroll

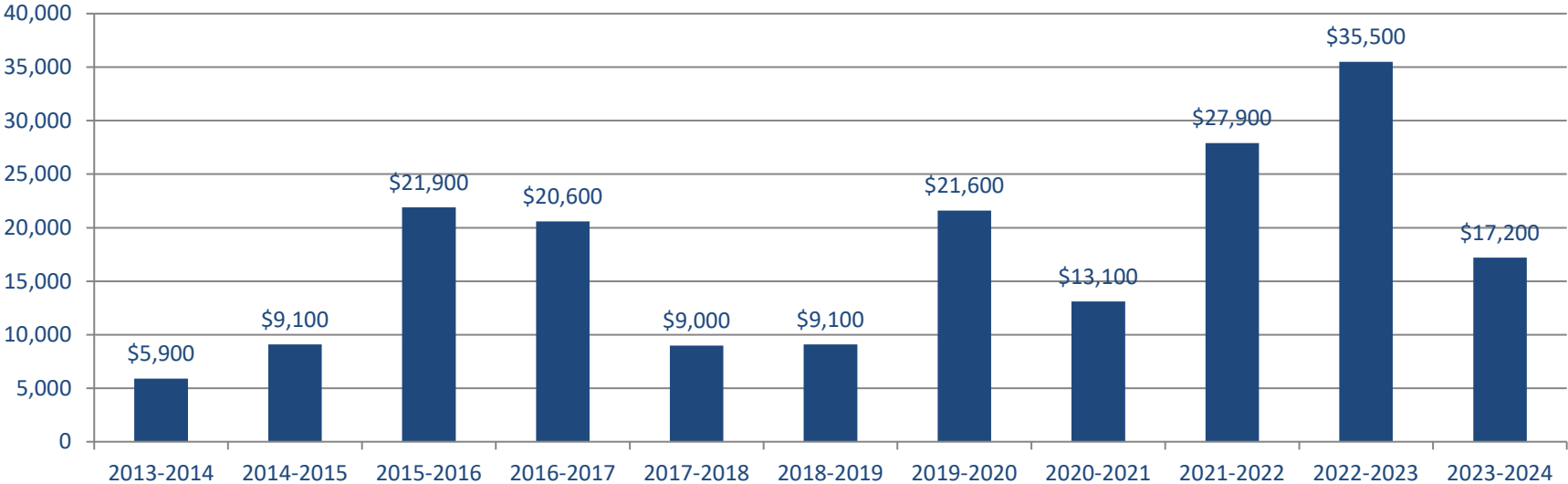


Recent Increasing Trend

Note: All losses limited to \$250,000

# Severity Trends – State Judiciary

Loss per Claim

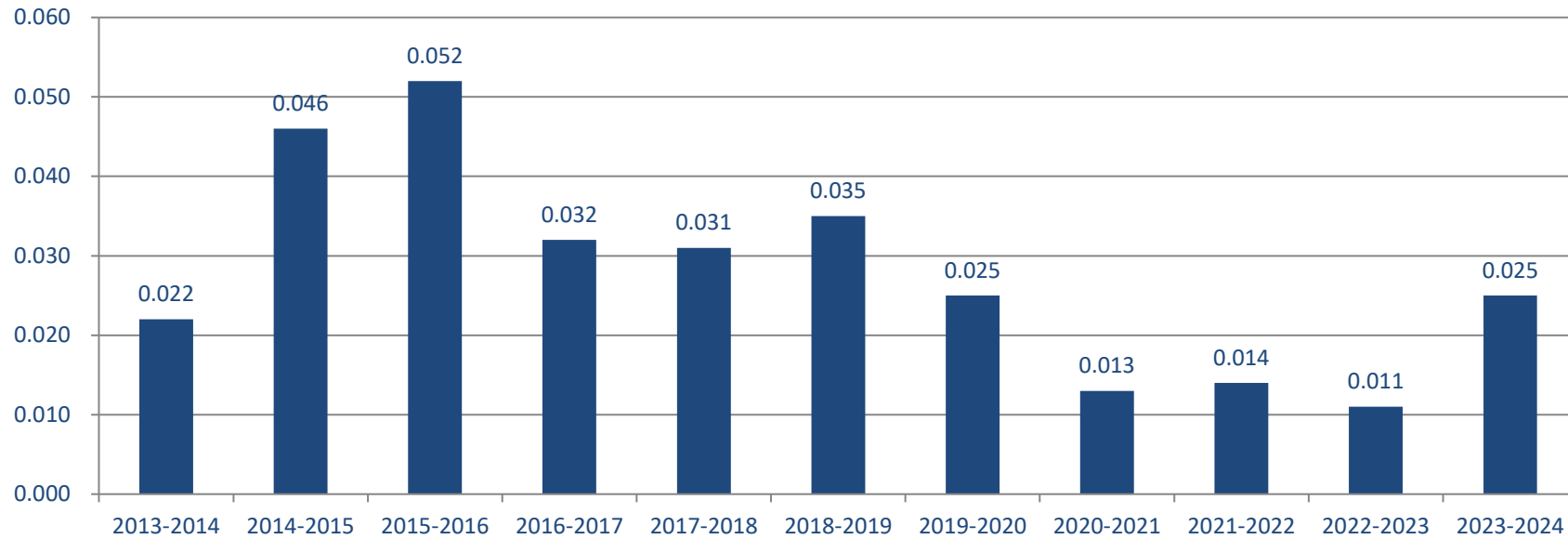


Volatility due to small program

Note: All losses limited to \$100,000

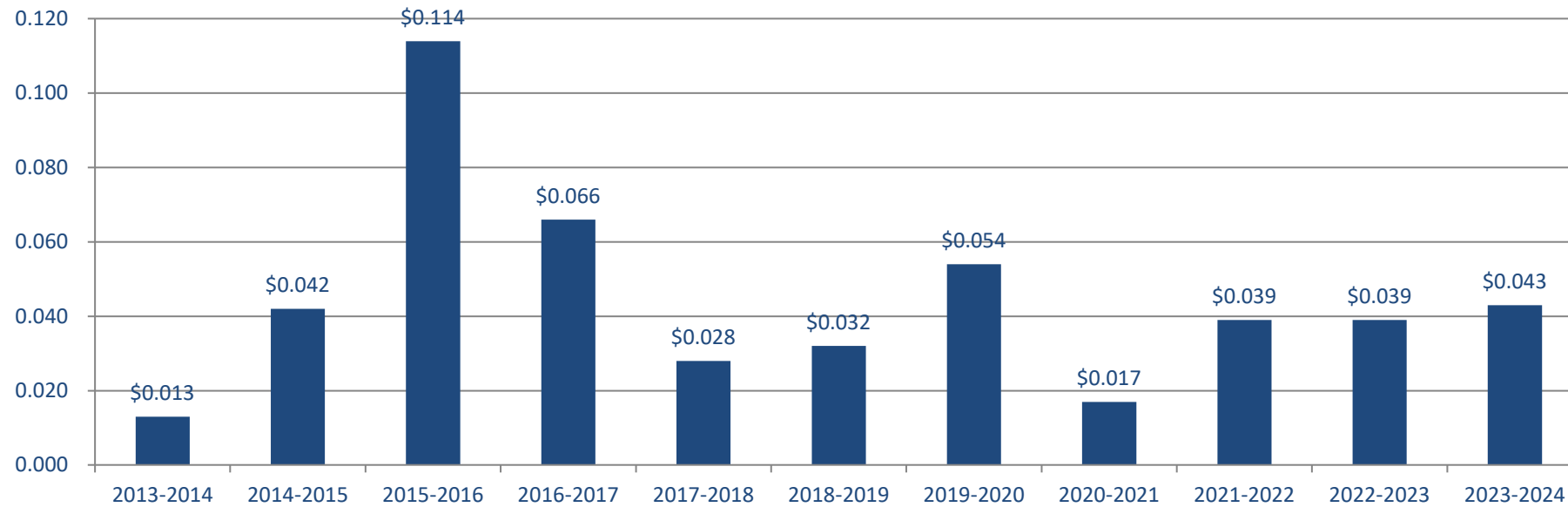
# Frequency Trends – State Judiciary

Claims per \$1M of Payroll



# Loss Rate Trends – State Judiciary

## Loss Rate per \$1M of Payroll



Note: All losses limited to \$100,000

# Projected Ultimate Loss & ALAE For 2024-25

## Ultimate Loss and ALAE for claims occurring between 7/1/24 and 6/30/25

Expected”  
Confidence  
Level

	Prior Report 2023-2024 Self-Funded Retention = \$2M	Current Report 2024-2025 Self-Funded Retention = \$2M	Change
Trial Courts	\$13,331,000	\$14,039,000	\$708,000
State Judiciary	620,000	604,000	(\$16,000)
Total	\$13,951,000	\$14,643,000	\$692,000

Note: On a loss/ALAE rate basis, Trial Courts -5.5%, Judiciary -6.6%

# Projected Total Funding For 2024 - 25

## Total Required Funding for Claims Between 7/1/24 and 6/30/25

70%  
Confidence  
Level

	Prior Report 2023-2024 Self-Funded Retention = \$2M	Current Report 2024-2025 Self-Funded Retention = \$2M	Change
Loss and ALAE	\$15,498,000	\$16,334,000	\$836,000
ULAE	1,375,000	1,378,000	3,000
Total Claims	16,873,000	17,712,000	839,000
Non Claim Expenses	1,099,000	1,165,000	66,000
Total Funding	\$17,972,000	\$18,877,000	\$905,000
Payroll	\$16,633,000	\$18,047,000	\$1,414,000
Total Rate	\$1.08	\$1.05	(\$0.03)

# Actuarial Analysis

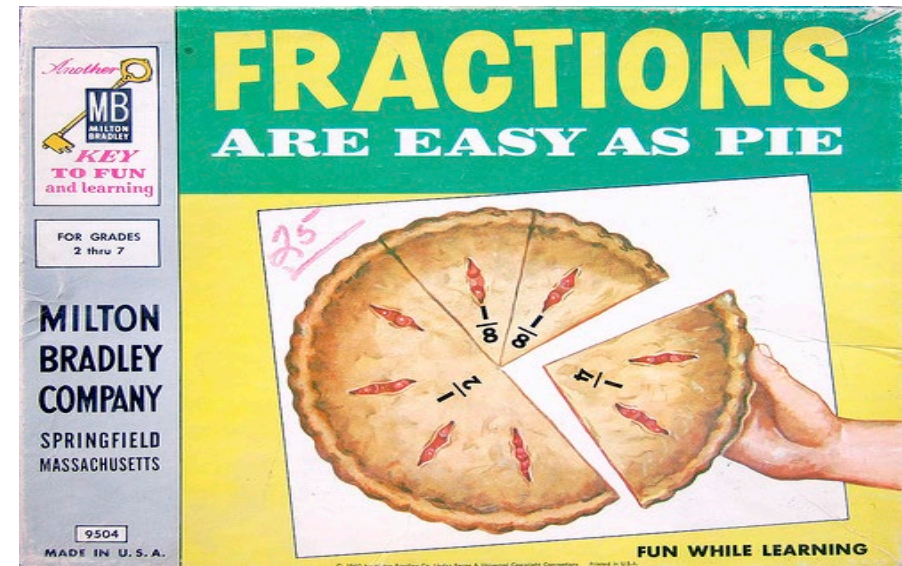
## Allocation Report for FY 2024 - 2025

# 2024 - 25 Allocation

How do we divide up the program cost between courts?

- % of Total Losses
- % of Total Payrolls

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





# Costs To Allocate - Total

- Ultimate Loss and ALAE (70% Confidence Level)
  - \$16,334,000 (+5.4%)
- Third-Party Claims Administration Fees
  - \$1,378,000 (+0.2%)
- Excess Insurance Premiums
  - \$774,000 (+17.1%)
- Consulting and Brokerage Expenses
  - \$391,000 (-10.7%)
- Total
  - \$18,877,000 (+5.0%)

# Costs To Allocate – Trial Courts

- Ultimate Loss and ALAE (70% Confidence Level)
  - \$15,583,000 (+5.8%)
- Third-Party Claims Administration Fees
  - \$1,253,000 (+0.4%)
- Excess Insurance Premiums
  - \$554,000 (+19.4%)
- Consulting and Brokerage Expenses
  - \$240,000 (-11.4%)
- Total
  - \$17,630,000 (+5.5%)

# Costs To Allocate – Judiciary

- Ultimate Loss and ALAE (70% Confidence Level)
  - \$751,000 (-2.1%)
- Third-Party Claims Administration Fees
  - \$125,000 (--1.6%)
- Excess Insurance Premiums
  - \$220,000 (+11.7%)
- Consulting and Brokerage Expenses
  - \$151,000 (-9.6%)
- Total
  - \$1,247,000 (-0.9%)

# 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
- $\% \text{ Allocation} = (\% \text{ Capped Losses}) \times (\text{Loss Weight}) + (\% \text{ Payroll}) \times (1.0 - \text{Loss Weight})$

# 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

# Motion to Approve

# Premium Calculation Methodology

How are the annual premiums determined each year?

# Topics

## Topics...

- Program Overview
- What is Premium?
- Premium Calculation Methodology
- Sample Premium Calculation
- Ways to Influence or Reduce Annual Premium



# Program Overview

- Trial Court:
  - ✓ 57 out of the 58 California Trial Courts
- State Judiciary:
  - ✓ Appellate Justices
  - ✓ Trial Court Judges
  - ✓ Retired Judges in the Assigned Judges Program
  - ✓ Supreme Court
  - ✓ Courts of Appeal
  - ✓ Habeas Corpus Resource Center
  - ✓ Commission on Judicial Performance
  - ✓ California Judicial Center Library
  - ✓ Judicial Council

# Program Overview (continued)

- Third Party Claims Administrator (TPA) – Sedgwick
  - ✓ Adjustment of claims filed by injured workers
  - ✓ Set claim reserves and pay claim expenses
- Risk management and insurance brokerage consulting
  - ✓ Sedgwick/Bickmore Actuarial
  - ✓ Provide financial stewardship
  - ✓ Assist with claims, identify trends, annual claims audit
  - ✓ Collaborate with Merriwether & Williams for excess insurance placement

# What is the Premium?

## What is the Premium?

- Your entity's portion of the annual cost of the WC Coverage provided by the JBWCP Your court should receive this information by memorandum.
- Each participant's premium is determined by the actuary. This report is posted on the Judicial Council's intranet and will be discussed later in this session.

# Premium Calculation Methodology

Each members premium is developed in two main steps:

**Step 1:** Establish adequate Total Trial Courts and State Judiciary 2024-25 funding which, for each, includes:

- Ultimate claim costs for 2024-25
- Excess insurance premiums
- Claims handling fees (TPA)
- Risk management and insurance brokerage fees

# Premium Calculation Methodology (Cont.)

Each members premium is developed in two main steps:

**Step 2:** Allocate the parts of the 2024-25 funding from Step 1 to each member in the program:

- Allocate ultimate claim costs
- Allocate excess insurance premiums
- Allocate claims handling fees (TPA)
- Allocate risk management and insurance brokerage fees

# **Premium Calculation – Step 1**

## **Total Trial Court and State Judiciary 2024-25 Funding**

# Premium Calculation – Step 1

Determine total Trial Courts and State Judiciary 2024-25 funding separately which includes:

- Ultimate claim costs for Trial Courts and State Judiciary determined through separate actuarial analysis based on 20+ year of historical loss experience
- Excess premiums for Trial Courts and State Judiciary
- Total JBWCP Third-Party Administrator Fees
  - ✓ Allocated between Trial Courts and State Judiciary based on weighted average of:
    - 80% of three year claims capped at \$75,000
    - 20% of three year payroll
- Total JBWCP Risk Management and Insurance Brokerage fees
  - ✓ Allocated between Trial Courts and State Judiciary based on % of three year payroll

# Step 1: Trial Courts 2024-25 Costs

- Ultimate Loss and ALAE (70% Confidence Level)
  - \$15,583,000
- Third-Party Claims Administration Fees
  - \$1,253,000
- Excess Insurance Premiums
  - \$554,000
- Consulting and Brokerage Expenses
  - \$240,000
- Total
  - \$17,630,000



# Step 1: State Judiciary 2024-25 Costs

- Ultimate Loss and ALAE (70% Confidence Level)
  - \$751,000
- Third-Party Claims Administration Fees
  - \$125,000
- Excess Insurance Premiums
  - \$220,000
- Consulting and Brokerage Expenses
  - \$151,000
- Total
  - \$1,247,000

# **Premium Calculation – Step 2**

## **Individual Member 2024-25 Premiums**

# Premium Calculation – Step 2

For all Members, the 2024-25 Premiums are based on:

- Three year experience period:
  - ✓ Payroll between July 1, 2020 and June 30, 2023
  - ✓ Claims with dates of loss between July 1, 2020 and June 30, 2023
  
- All claims have been capped at \$75,000

# Premium Calculation – Step 2

Allocate the total 2024-25 funding from Step 1 to the members in each program through four steps:

- Allocate the Ultimate Claim Costs from Step 1 using a weighted average of 2 different methods:
  - ✓ Method 1: Ultimate Claim Costs based on % of three year payroll
  - ✓ Method 2: Ultimate Claim Costs based on % of three year claims capped at \$75,000
  - ✓ Weight the 2 methods with the largest member receiving an 80% weight
- Allocate Excess Insurance Premiums based on:
  - ✓ % of total three year payroll
- Allocate Claims handling fees (TPA) fees based on:
  - ✓ % of total allocated claims costs above
- Allocate Risk Management and Insurance Brokerage Fees based on:
  - ✓ % of total three year payroll

# Questions so Far?



# Premium Calculation Example

# Example 2024-25 Member Premium - Trial Court Member A

Recall that each member's 2024-25 premiums is determined in four steps:

- Step 1: Ultimate claim costs based on weighted average of 2 methods
- Step 2: Excess insurance premiums allocated based on % of three year payroll
- Step 3: Claims handling fees (TPA) allocated based on % of Ultimate claim costs calculated in Step 1 above
- Step 4: Risk management and insurance consulting fees allocated based on % of three year payroll

# Example 2024-25 Member Premium - Trial Court Member A – Step 1

## Step 1: Premium Allocation for Ultimate Claim Costs

- **Method 1:** Based on 3-Year (2020-21 to 2022-23) Payroll (\$000's)
  - ✓ Member A's 3 Year Payroll = \$141,600
  - ✓ Trial Court Total 3 Year Payroll = \$2,859,042
  - ✓ Member A's % of Total 3 Year Payroll = 4.95% ( $\$141,600 / \$2,859,042$ )
  - ✓ Total Trial Court Ultimate Claim Cost = \$15,583,000
  - ✓ Member A Method 1 Claim Cost Allocation:  $4.95\% \times \$15,583,000 = \underline{\$771,780}$
  
- **Method 2:** Based on 3-Year (2020-21 to 2022-23) Claims Capped at \$75,000
  - ✓ Member A's 3 Year Capped Claims = \$707,365
  - ✓ Trial Court Total 3 Year Capped Claims = \$15,682,395
  - ✓ Member A's % of Total 3 Year Capped Claims = 4.51% ( $\$707,365 / \$15,682,395$ )
  - ✓ Total Trial Court Ultimate Claim Cost = \$15,583,000
  - ✓ Member A Method 2 Claim Cost Allocation:  $4.51\% \times \$15,583,000 = \underline{\$702,882}$



# Example 2024-25 Member Premium - Trial Court Member A – Step 1 (cont.)

## Step 1: Premium Allocation for Ultimate Claim Costs (cont.)

- Weight to claim Experience = 60.26%
  - ✓ Weight given to Method 2 above (method based on claim experience)
  - ✓ Based on each members three year payroll
  - ✓ Largest member receiving 80% weight

So putting it all together.....

- Member A's 2024-25 Ultimate Claim Costs:
  - ✓ Method 1 Premium from Above: \$771,780
  - ✓ Method 2 Premium from Above: \$702,882
  - ✓ Weight To Method 2 = 60.26%
  - ✓ Balancing Factor: 1.001
  - ✓ Member A's Ultimate Claim Cost:  $[39.74\% \times \$771,780 + 60.26\% \times \$702,882] \times 1.013 = \$739,399$

# Premium Example

## 2024-25 Member Premium - Trial Court Member A – Step 2

### Step 2: Premium Allocation for Excess Insurance:

- Based on 3-Year (2020-21 to 2022-23) Payroll (\$000's)
  - ✓ Member A's 3 Year Payroll = \$141,600
  - ✓ Trial Court Total 3 Year Payroll = \$2,859,042
  - ✓ Member A's % of Total 3 Year Payroll = 4.95% ( $\$141,600 / \$2,859,042$ )
  - ✓ Total Trial Court Excess Premium = \$554,000
  - ✓ Member A's Excess Insurance Premium:  $4.95\% \times \$554,000 = \$27,438$

### Step 3: Premium Allocation for Claims Handling Fees (TPA):

- Based on 2024-25 Loss and ALAE Claims Costs
  - ✓ Member A's total Claim Cost premium from Step 1 = \$739,399
  - ✓ Trial Court Total Claim Cost premium from Step 1 = \$15,583,000
  - ✓ Member A's % of Total Claim Cost premium from Step 1 = 4.74%  
(\$739,399 / \$15,583,000)
  - ✓ Total Trial Court Claims Handling Fees (TPA) = \$1,253,000
  - ✓ Member A's Claims Handling Premium: 4.74% x \$1,253,000 = \$59,454

### Step 4: Premium Allocation for Risk Management and Insurance Consulting Fees:

- Based on 3-Year (2020-21 to 2022-23) Payroll (\$000's)
  - ✓ Member A's 3 Year Payroll = \$141,600
  - ✓ Trial Court Total 3 Year Payroll = \$2,859,042
  - ✓ Member A's % of Total 3 Year Payroll = 4.95% ( $\$141,600 / \$2,859,042$ )
  - ✓ Total Trial Court Risk Management and Insurance Consulting Fees = \$240,000
  - ✓ Member A's Risk Management and Insurance Consulting Premium:  
 $4.95\% \times \$240,000 = \$11,886$

# Example 2024-25 Member Premium - Trial Court Member A

Putting it all together.....

Step 1: Ultimate Claim Costs:	\$739,399
Step 2: Excess Insurance Premiums:	27,438
Step 3: Claims Handling Fees (TPA):	59,454
Step 4: Risk Management & Insurance Consulting:	<u>11,886</u>
Total 2024-25 Member A Premium:	<u><b>\$838,177</b></u>

# Almost Done



# Some Things to Think About...

- Because the premium is determined by a weighting formula, **there is not a dollar for dollar relationship between your claims and your premium**
- Scenarios that could affect the premium from year to year:
  - ✓ The claims in the three year weighting period increase or decrease substantially
  - ✓ Large shifts in payroll, caused by layoffs or other factors
  - ✓ Additional courts join or leave the program
  - ✓ Large claims in the insurance market increase insurance premiums
  - ✓ New TPA or Broker with a different cost

# Reducing Your Premium

What can members do to reduce their annual premium

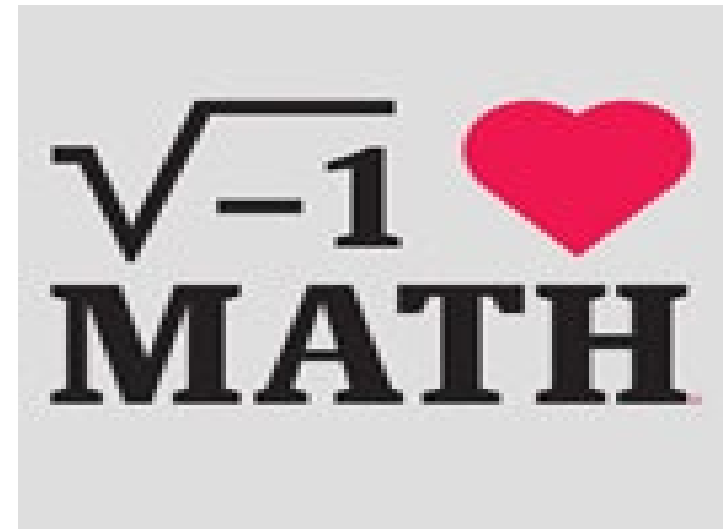
- Focus on safety and training to reduce injuries and incoming claims
- Take advantage of cost saving opportunities available, such as MPN
- Facilitate early return to work to reduce claim cost and duration
- Report claims promptly
- Be aware of open claims and ask questions of TPA concerning status and resolution opportunities
- Share your successful techniques with others. Everyone benefits when claims are reduced.



# Questions?

Ask an Actuary !

Call 1-800-[(10x)<sup>2</sup>-2x+34]



# JBWCP Audit Results

Alan Turnipseed, Senior Engagement Lead  
Marsh Advisory

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February 20, 2024



# Audit Objectives

- Assessment of third party administrator (TPA) and managed care strategic partner (Sedgwick Claims)
- Evaluate performance across 18 targeted audit categories
- Identify areas of opportunity to enhance Program performance
- Provide strategic recommendations to:
  - Drive future Program compliance =>90%
  - Adopt industry best practices
  - Support future Program initiatives

# Areas Of Focus

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

# Audit Methodology

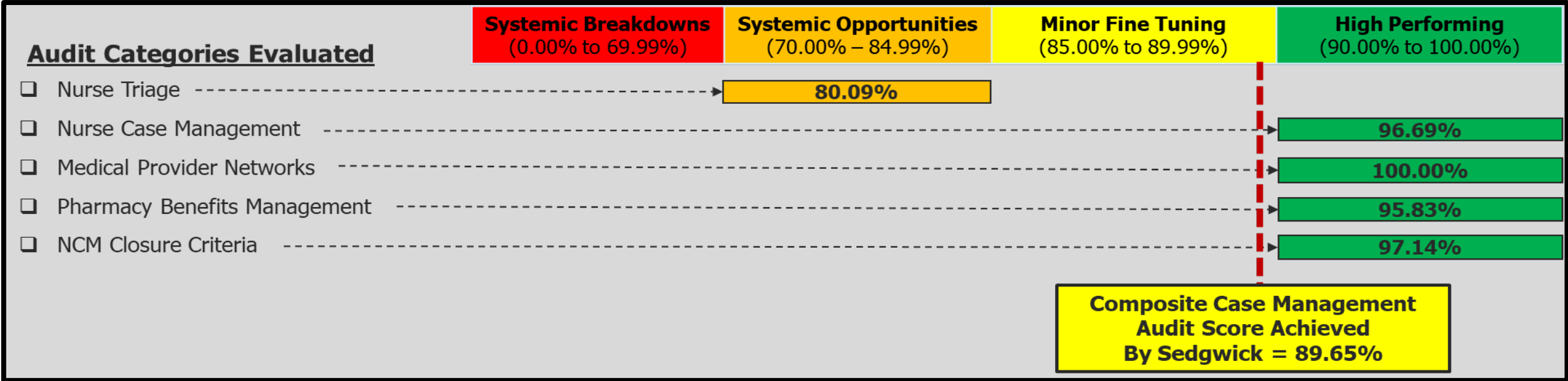
- Review of 260 indemnity claims (TPA audit = 180; MC audit = 80)
- Relevant audit timeframe from October 1, 2022 to present
- Claim sample construction by:
  - JBWCP Segment type (Trial Courts & Judiciary/Judicial Officers)
  - Adjuster
  - Member size based upon headcount - (Large {>500}; Medium {101-499}; Small {<=100})

# Scoring Overview

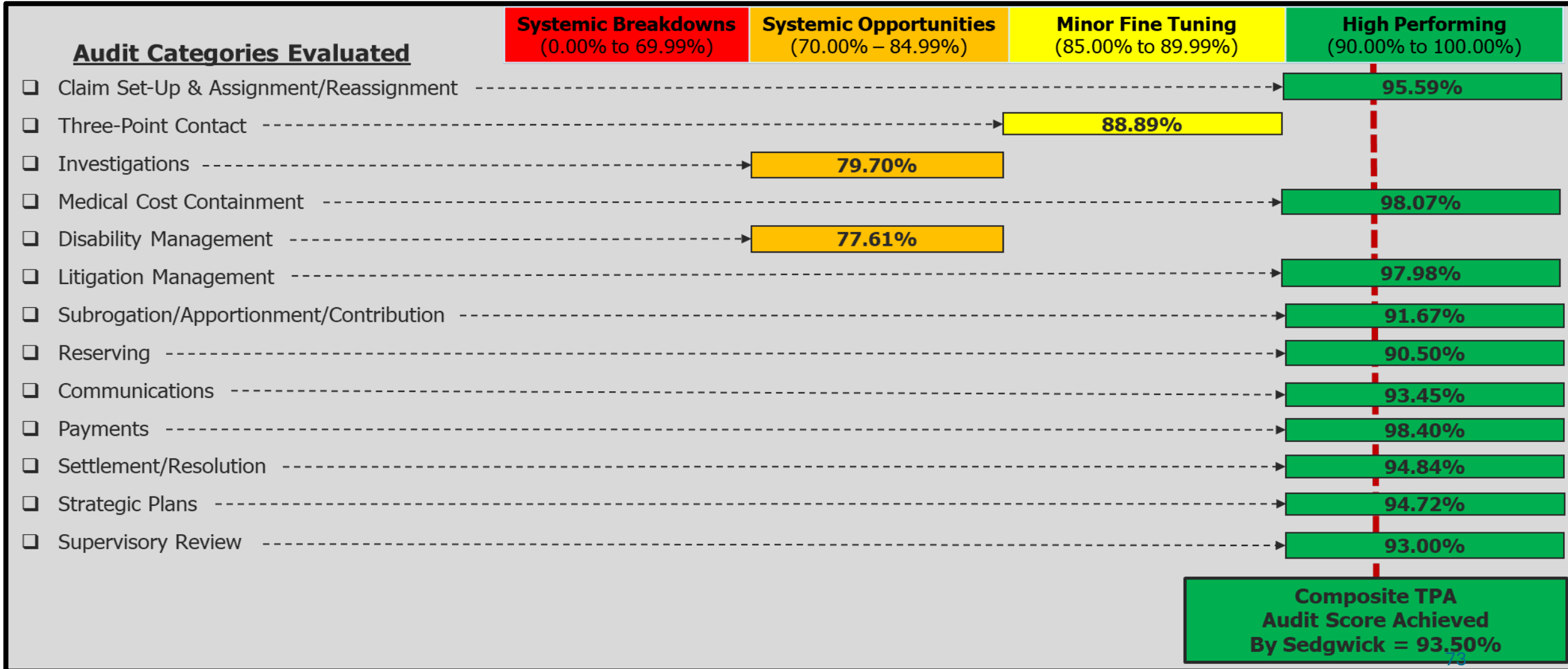
- The following four-tiered scoring protocol was utilized in conjunction with the 2023-2024 annual audit

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

# Case Management Audit Findings



# TPA Audit Findings





# Audit Findings

- Lapses in execution (or documentation thereof) by Adjusters/Triage Nurses
- Breakdowns in follow-up on prior recommendations by Supervisory personnel
- A lack of alignment between documented Program expectations and Adjusters'/ Triage Nurses' interpretations of those expectations including:
  - Use of Official Disability Guidelines
  - Initial Contact Requirements
  - Resolution/settlement philosophy
  - Future medical reserving philosophy

The lack of alignment is driven in-part by ambiguities in JBWCP's Claims Service Guidelines causing confusion on the part of Adjusters/Triage Nurses

# Program Recommendations

- Reinforcement of Program expectations by supervisory personnel with Adjusters/Triage Nurses via:
  - Informal coaching/instruction; and
  - Formal training (as warranted).
- Amendment of JBWCP Claims Service Guidelines to provide greater clarity regarding Program expectations

# Questions & Answers

## Case Management & Third Party Administrator Audit Q&A

# Motion to Approve

# Sedgwick Claims Audit Response

Candace Maibes, AVP Claims

Rachel Kerby, Client Service Manager

Sedgwick Claims

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02/20/2024



# Overall Audit Results

## **Managed Care Audit:**

- 2023 Audit Score: 89.65% (Prior year 50.17%)
- 4 of the 5 categories scored above 90%.
- Opportunity for Improvement:
  - 80.09% Nurse Triage

## **Third Party Administration (TPA):**

- 2023 Audit Score: 93.50% (Prior year 91.07%)
- 9 of the 12 categories scored above 90%.
- Opportunities for Improvement:
  - 88.89% Three-Point Contact
  - 79.70% Investigations
  - 77.61% Disability Management

# Managed Care

# Nurse Triage: 80.09%

**Triage Nurse contacted Claimant (if open to communication) and the Treating Doctor within three (3) business days of the claim assignment and documented the file accordingly**

- Remind the examiners and triage department of the process and Client Service Instructions (CSIs)
- Discussed with the team lead who will follow up with the examiners and triage nurses on the process
- Focused training with the newer examiners

**Triage Nurse documented: (1) appropriate treatment and estimated return to work using Official Disability Guidelines (ODG) and the American College of Occupational and Environmental Medicine (ACOEM) guidance; (2) review of work status; and availability of accommodations; and (3) treating Physician's treatment/disability Plan and their recommendations activities in Sedgwick claim system**

- Remind the triage nurses of this process and the CSIs
- Discussed with the triage leadership who will follow up with the triage nurses on the process



# Nurse Triage (cont.)

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

- Educate/Remind the examiners of this process and the CSIs
- Discussed with the claims team lead who will follow up with the examiners on this process

**Triage Nurse followed-up with Adjuster with specific recommendations if additional clinical resources were warranted within three (3) business days**

- Educate/Remind the examiners and triage department of this process
- Discussed with the triage leadership who will follow up with the triage nurses on this process

# **Third Party Administration (TPA)**

# Three-Point Contact: 88.89%

## **Where initial JBWCP Member contact was unsuccessful, follow-up attempts were made and documented in the file**

- We will reinforce the standards of making initial contacts and the importance of follow-up contacts
- Team Lead will monitor for trends and ensure to address any potential misses
- As of 10/16/23, we have fully aligned our entire team under one team lead to ensure consistency
- Focused training for newer examiners

## **Attempt to contact Medical Provider was made within 1 business day of assignment**

- Sedgwick will reinforce the standards of making timely initial contact with the Medical Provider in order to obtain the initial diagnosis and medical treatment plan which provides the baseline for the claim

## **Where initial Medical Provider contact was unsuccessful, follow-up attempts were made and documented in the file**

- We will reinforce the importance of making follow-up contacts in order to obtain the diagnosis and treatment plan for each claim

# Investigations: 79.70%

**Were both indemnity and medical only claims timely reported to the Index Bureau and re-indexed every 180 days thereafter until closed OR annually on future medical claims**

- Index files are set automatically at onset, claim reopening, every 180 days for future medical files
- Examiners can request indexing at any time
- CSIs will be updated to reflect the need for indexing on medical only claims as well as indemnity claims

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

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

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

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

# Disability Management: 77.61%

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

- The team lead will work with the examiners to ensure that they are documenting and using ODG in their action plans
- The team lead will also ensure that the examiners are following up with the providers if clarification is needed or having them request so of the nurse case manager

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

- Action Plan template has been updated to include a separate section for ODG
- Team lead will coach the team to include these guidelines in their action plans going forward making sure they documenting whether ODG is appropriate to follow and why or why not

# Questions & Answers

## Sedgwick Audit Response Q&A

# Sedgwick Claims Stewardship Report

Amanda Garcia, VP Client Services

Rachel Kerby, Client Service Manager

Sedgwick Claims

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February 20, 2024





PEOPLE FIRST



TECH FORWARD



DATA DRIVEN

**JBWCP Annual Committee Meeting 2024**  
Presented by: Rachel Kerby and Amanda Garcia



# Sedgwick Introductions

## **Claims and Client Services:**

**Amanda C. Garcia**, Vice President, Client Services

**Candace Maibes**, Sr. Assistant Vice President, Claims

**Rachel Kerby**, Manager, Client Services

# In the Know: Releases / Enhancements



April 2023: Launched [Circles](#)



April 2023: Launched Sidekick (pilot)



January 2024: [UR Live Chat](#) Resource

# In the Know: Circles

## INDUSTRIES



I'm interested



I'm interested



I'm interested



I'm interested



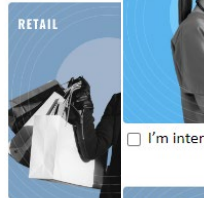
I'm interested



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I'm interested

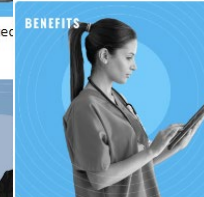


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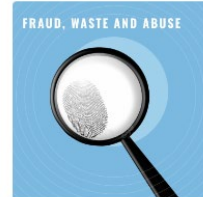


I'm interested

## AREAS OF INTEREST



I'm interested



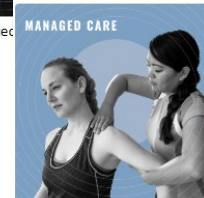
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I'm interested



I'm interested



I'm interested

### In the know!

Quarterly webinars regarding industry trends, solutions and technology updates.

**Open to all Sedgwick clients**

**NO COST to Sedgwick clients**

[Register here: Sedgwick | Circles](#)

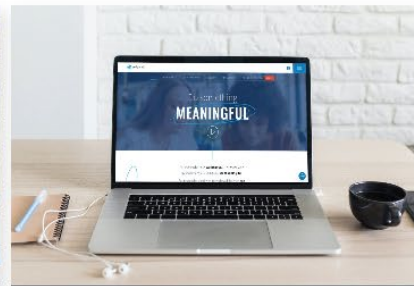
# In the Know: Live UR Chat

The screenshot shows the Sedgwick website with a live chat window open. The chat window title is "Sedgwick Help Chat". The chat message from Carey reads: "Hello. My name is Carey. I can help you with questions about claims, careers & miscellaneous topics at Sedgwick. Please choose from one of the options below or type your question. For e.g., I need help with product recall." Below the message are four buttons: "I have a question about your company", "I have a question about a new or existing claim or leave", "I need log in assistance", and "I have a question about careers at Sedgwick". The chat window also shows the time "Carey at 11:06:33 AM" and a text input field with a send button.

- [www.Sedgwick.com](http://www.Sedgwick.com)
- Open to Colleagues, Vendors, Providers and Injured Workers
- Cannot submit referrals here

Taking care of people is at the **heart** of everything we do.

[Check your claim](#) [Chat with us](#)



# Program Accomplishments

## Partnership in Action

- ✓ 29 file reviews in Calendar Year 2023
- ✓ January 2023 Training: How to Run and use CPAT Reports
- ✓ April 2023: Set annual goals for FY 23/24
- ✓ April 2023: Introduced Circles to JBWCP
- ✓ October 2023: Designated a JBWCP Managed Care Service Manager
- ✓ October 2023: JBWCP Advisory Committee - New Member Orientation
- ✓ October 2023: State of the Line webinar
- ✓ October 2023: Streamlined claims team leadership
- ✓ JBWCP / Sedgwick: Weekly Check In Meetings
- ✓ JBWCP / Sedgwick: Monthly Team Meetings

## Results

- ✓ 5% decrease in total incurred for new claims
- ✓ 9.5% reduction in lost days from CY 2022 to CY 2023
- ✓ 120.7% Closing ratio in Calendar Year 2023
- ✓ 398 Closures in legacy pending claims since program inception
- ✓ 99 Closures in aged pending (claims older than two years)
- ✓ 41% reduction in open future medical claims from prior year
- ✓ 9.8% reduction in total open pending claims from prior year

# In Focus: Goal Tracker

## ANNUAL GOALS - FY 2023-2024

### GOAL 1: Nurse Triage Compliance

- Increase Nurse Triage compliance to 93% at the next audit

### GOAL 2: Decrease Reporting Lag Time

- Decrease the overall number of days it takes to report a claim to Sedgwick by 5%

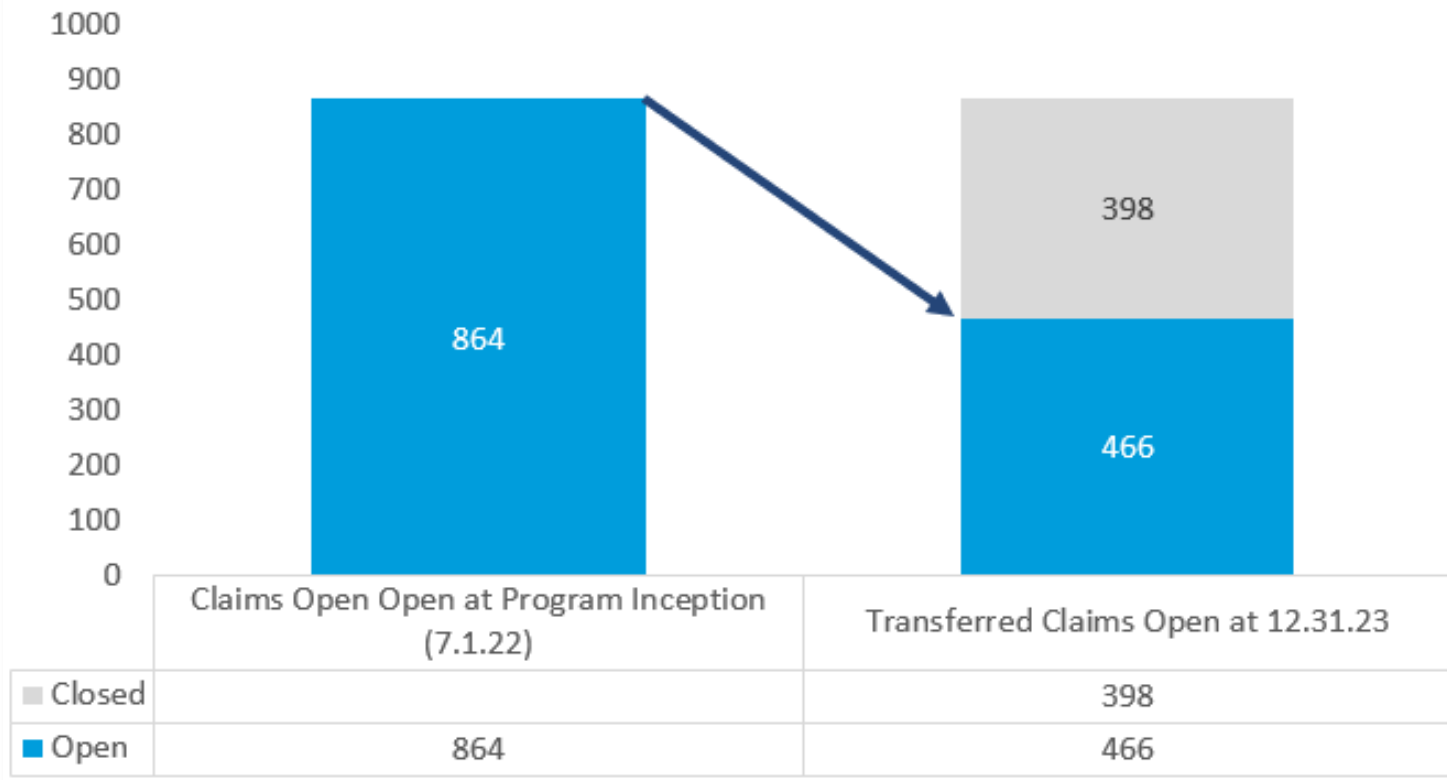
### GOAL 3: Decrease the number of claims older than 2 years by 5% or 28 claims

- Close claims before they get to the 2 year mark

Nurse Triage				Decrease reporting Lag Time						Aged Pending - Claims over 2 years					
Goal: Increase Compliance to 93%				Goal: Decrease # of days to report by 5%						Goal: 540 Claims					
Month	Claims Reported	Claims to Triage or process followed	Goal Met	Month	Claims Reported	Lag 5-13 Days	Lag >14 Days	Total Lag > 5 Days	Prior Lag > 5 days	Goal Met	Month	Prior Year Claims 2+ Years	Prior Year Claims 2+ Years	Difference	Claims Closed within 5 months of hitting 2+ Years
July	20	19	95%	Jul	20	5	4	9	9	0.00%	July	510	559	49	1
Aug	34	33	97%	Aug	34	10	3	15	13	-13.33%	Aug	509	547	38	2
<b>Sept</b>	<b>35</b>	<b>29</b>	<b>83%</b>	<b>Sept</b>	<b>35</b>	<b>11</b>	<b>3</b>	<b>14</b>	<b>17</b>	<b>21.43%</b>	<b>Sept</b>	<b>505</b>	<b>536</b>	<b>31</b>	<b>4</b>
Oct	25	22	88%	Oct	25	8	0	8	11	37.50%	Oct	484	538	54	0
Nov	22	16	73%	Nov	22	5	4	9	11	22.22%	Nov	478	543	65	2
<b>Dec</b>	<b>39</b>	<b>32</b>	<b>82%</b>	<b>Dec</b>	<b>39</b>	<b>11</b>	<b>3</b>	<b>14</b>	<b>12</b>	<b>-14.29%</b>	<b>Dec</b>	<b>469</b>	<b>536</b>	<b>67</b>	<b>0</b>
Total:	175	151	86%	Total:	175	50	17	69	73	5.80%					

# In Focus: Closing Takeover Claims

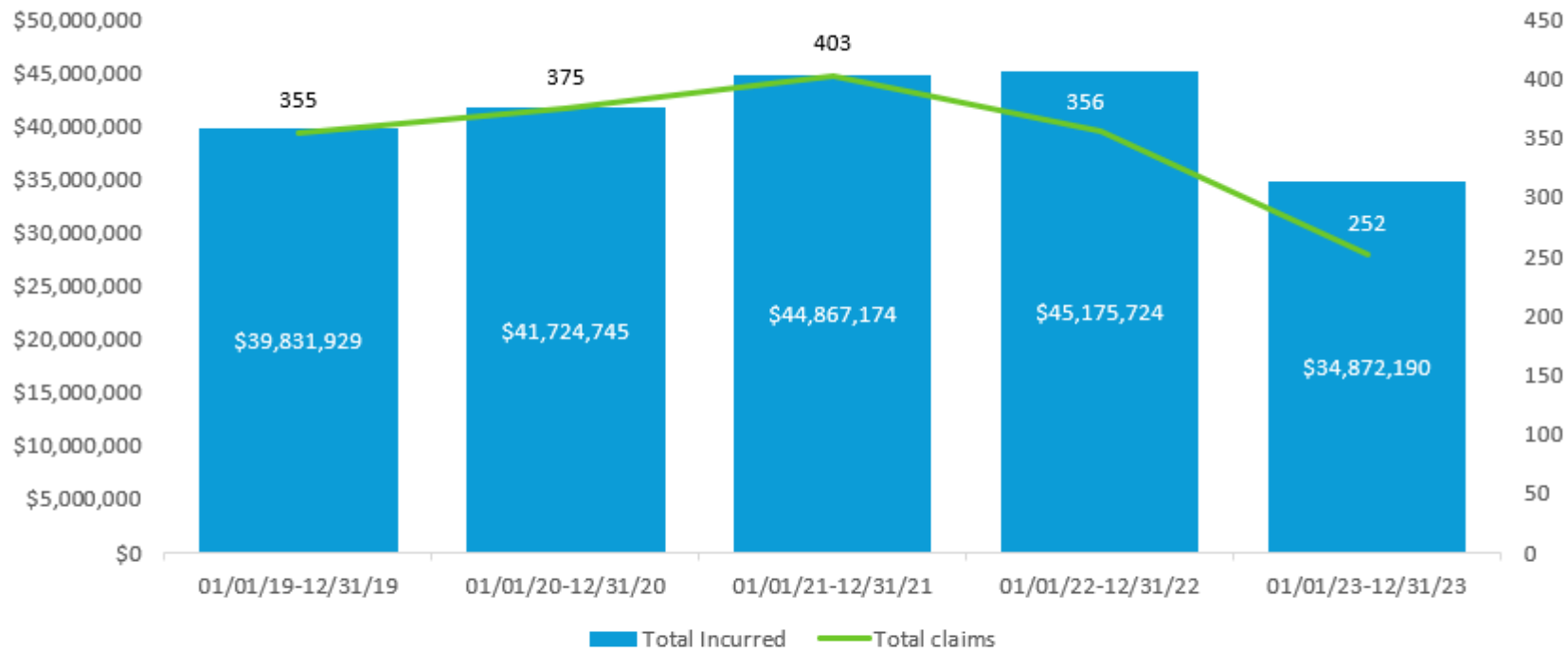
## Status of Claims Open at Program Inception



- There were 864 open claims at program inception (07.1.2022).
- Sedgwick examiners have resolved 398 of those claims as of 12.31.2023.

# In Focus: Future Medical Claims

Future Medical Claim Count and Total Incurred



## Future Medical Claims:

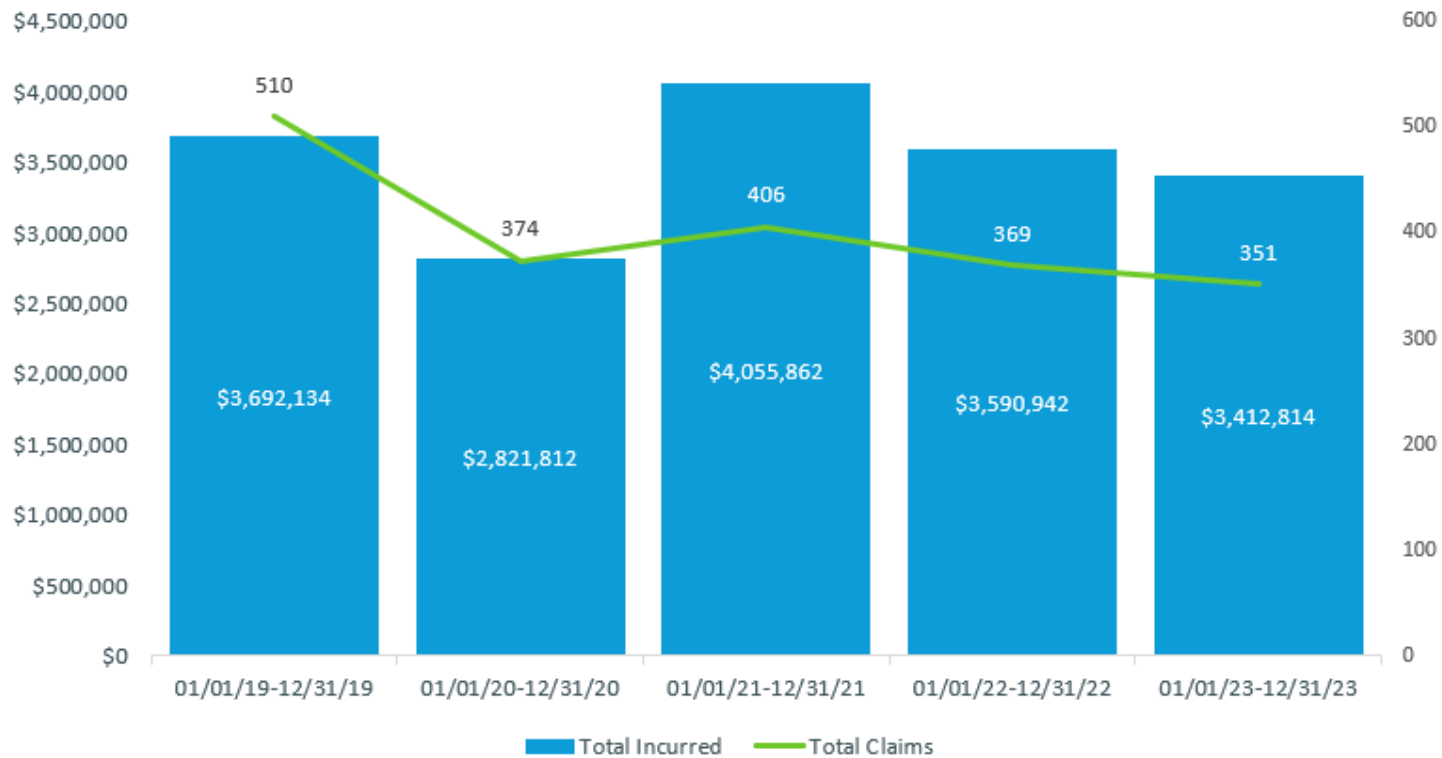
- 252 Future Medical claims as of 12/31/23, the lowest level in 5 years, **41% lower** than the prior year.
- **\$10,303,534 Reduction** in Total Incurred for future medical claims, from the prior year.

Calendar Year:	01/01/19-12/31/19	01/01/20-12/31/20	01/01/21-12/31/21	01/01/22-12/31/22	01/01/23-12/31/23
<b>Total Incurred</b>	\$39,831,929	\$41,724,745	\$44,867,174	\$45,175,724	\$34,872,190
<b>Total claims</b>	355	375	403	356	252



# New Claim Count and Total Incurred

New Claim Count and Total Incurred



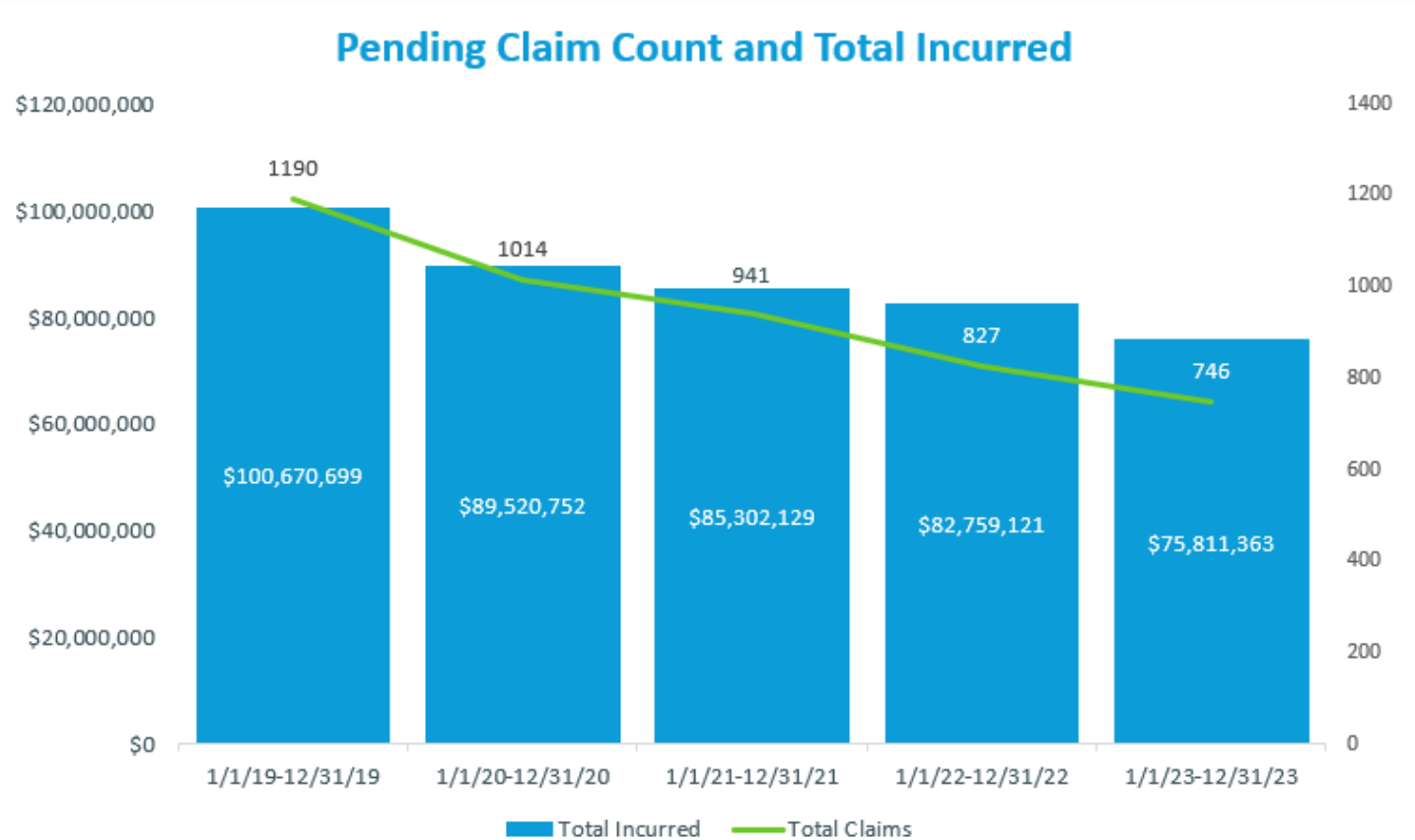
## New Total Incurred:

- 351 New claims reported in calendar year 2023, the lowest level in five years and 5% lower than the prior year.
- 5% Reduction in total incurred from 2022 to 2023.

Calendar Year	01/01/19-12/31/19	01/01/20-12/31/20	01/01/21-12/31/21	01/01/22-12/31/22	01/01/23-12/31/23
<b>Total Incurred</b>	\$3,692,134	\$2,821,812	\$4,055,862	\$3,590,942	\$3,412,814
<b>Total Claims</b>	510	374	406	369	351

\*Excludes Incident Only Claims

# Pending Claim Count and Total Incurred



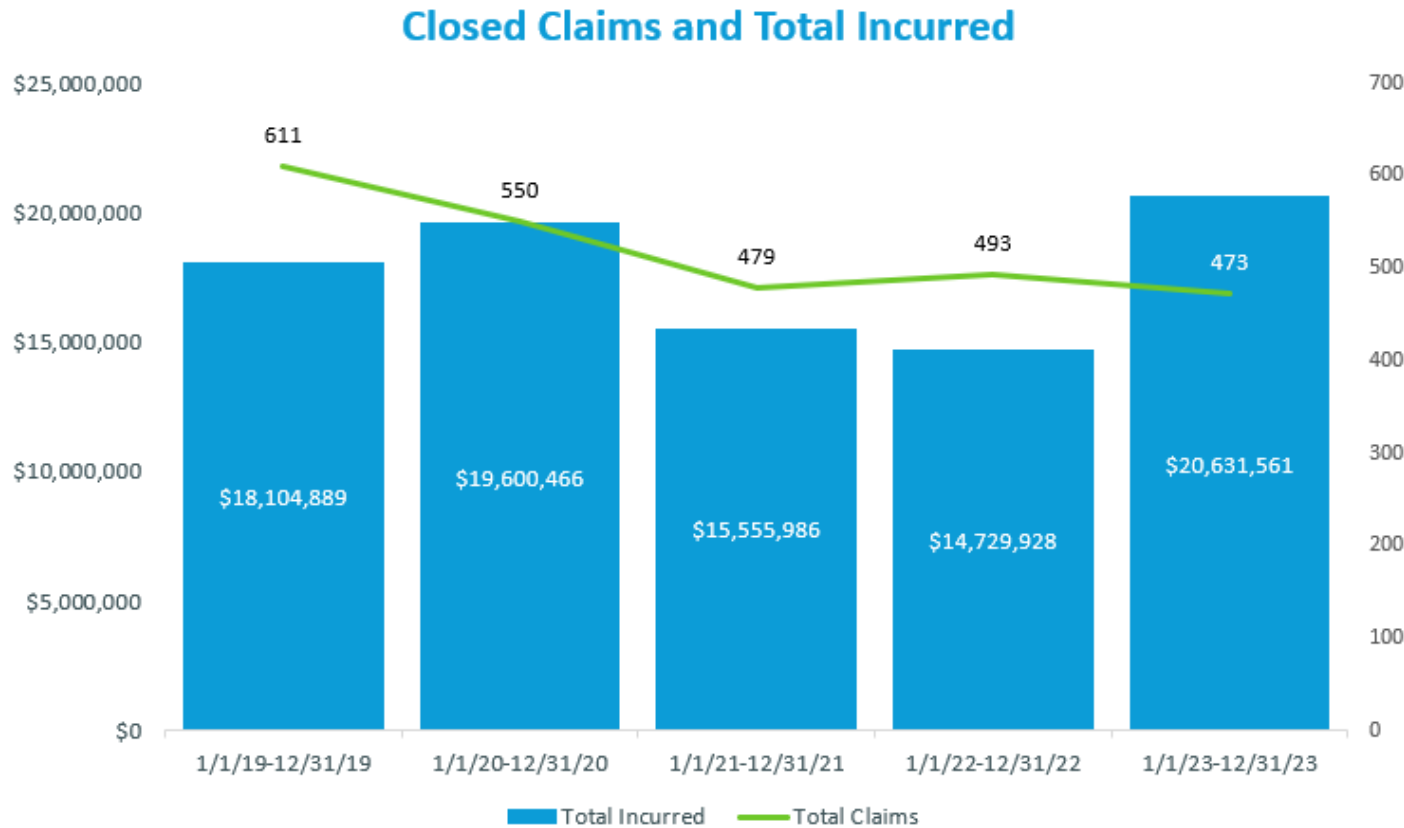
## Pending Claims:

- 746 Pending claims as of 12/31/23, the lowest level in five years and **9% lower** than the prior year.
- **\$6,947,758 Reduction** in Total Incurred for pending claims, from the prior year.

Calendar Year	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22	1/1/23-12/31/23
<b>Total Incurred</b>	\$100,670,699	\$89,520,752	\$85,302,129	\$82,759,121	\$75,811,363
<b>Total Claims</b>	1190	1014	941	827	746

\*Excludes Incident Only Claims

# Closed Claim Count and Total Incurred



## Closed Claims:

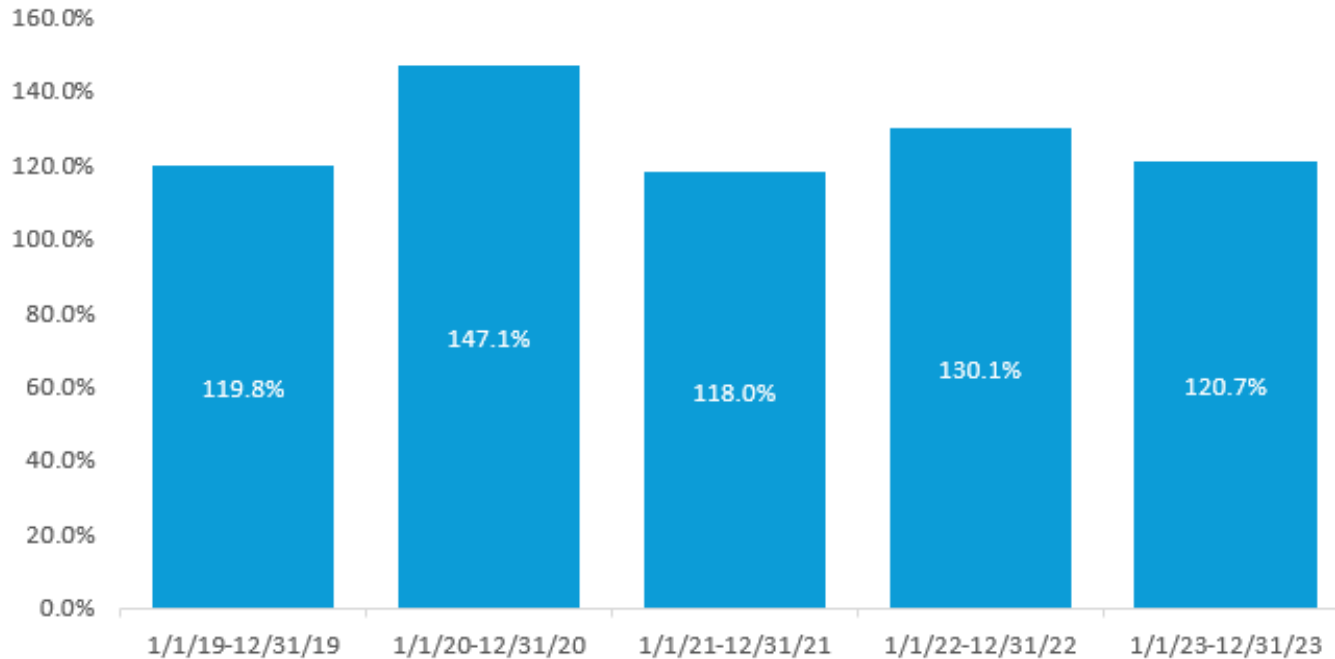
- 473 Claims closed in calendar year 2023
- Elevated total incurred is expected as older future medical claims close out.

Calendar Year	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22	1/1/23-12/31/23
<b>Total Incurred</b>	\$18,104,889	\$19,600,466	\$15,555,986	\$14,729,928	\$20,631,561
<b>Total Claims</b>	611	550	479	493	473

\*Excludes Incident Only Claims

# Closing Ratios / New Claim Closing Rate

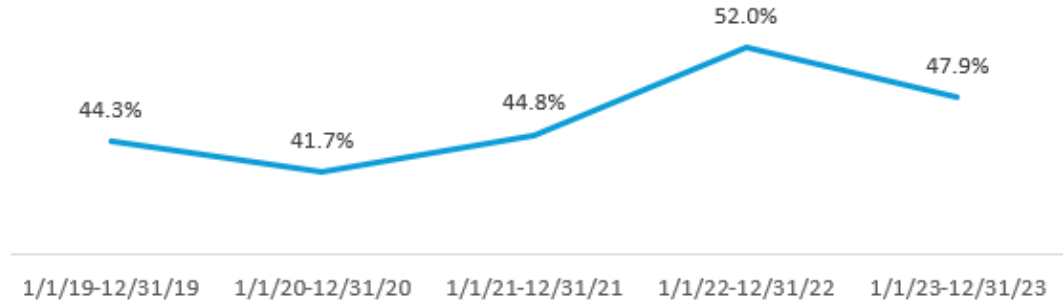
## Annual Closing Ratios



Calendar Year:	1/1/19-12/31/19	1/1/20-12/31/20	1/1/21-12/31/21	1/1/22-12/31/22	1/1/23-12/31/23
<b>Closing Ratio:</b>	119.8%	147.1%	118.0%	130.1%	120.7%

\*Excludes Incident Onlys

## New Claim Closing Rate



Annual Closing Ratio: **120.7%** Closing Ratio in 2023.

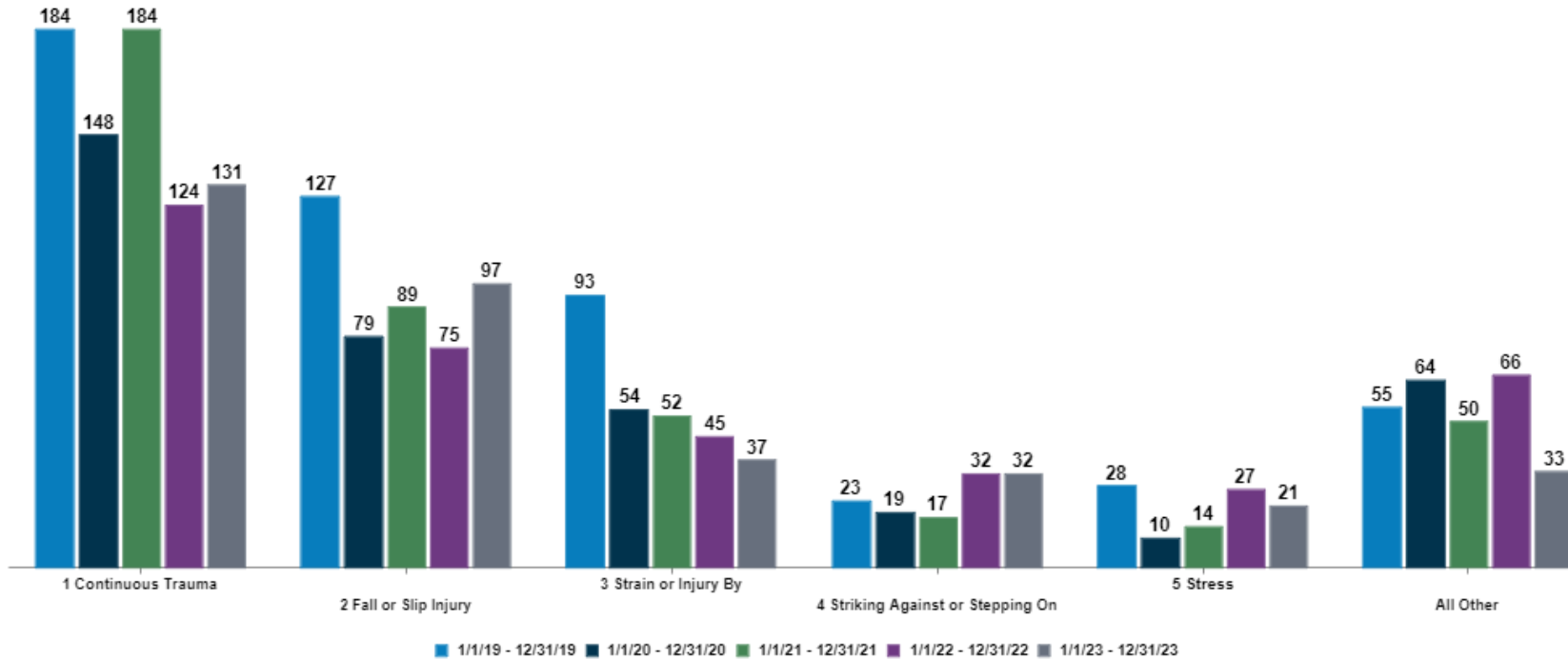
New Claim Closing Rate: **47.9%** New Claims Closing Rate

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

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

# Claim Cause: Frequency

New Claim Count by Top Frequent Cause and Year



## Continuous Trauma:

- 37.3% of Injuries in 2023
- 131 Continuous Trauma Claims Reported in 2023

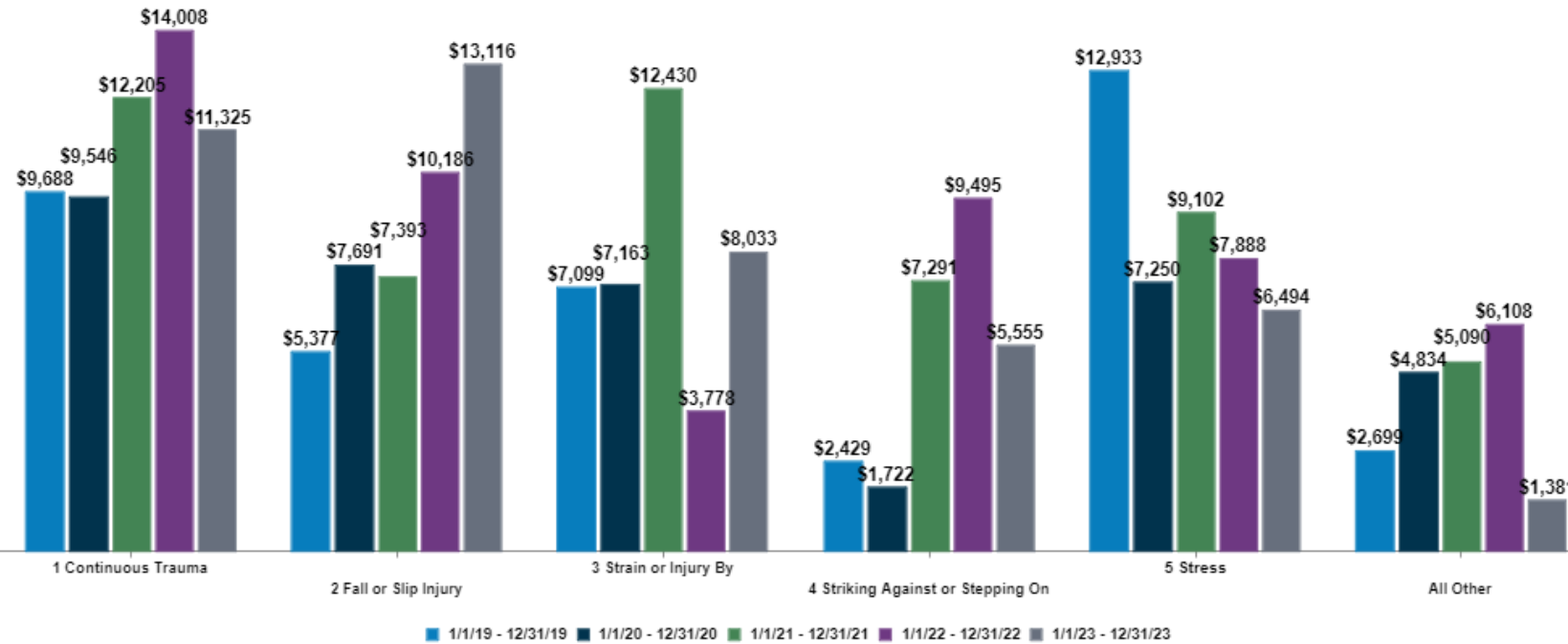
## Slip and Fall:

- 27.6% of Injuries in 2023
- 97 Slip and Fall Claims Reported

New Count	1/1/19 - 12/31/19	% of Total	1/1/20 - 12/31/20	% of Total	1/1/21 - 12/31/21	% of Total	1/1/22 - 12/31/22	% of Total	1/1/23 - 12/31/23	% of Total
1 Continuous Trauma	184	36.1%	148	39.6%	184	45.3%	124	33.6%	131	37.3%
2 Fall or Slip Injury	127	24.9%	79	21.1%	89	21.9%	75	20.3%	97	27.6%
3 Strain or Injury By	93	18.2%	54	14.4%	52	12.8%	45	12.2%	37	10.5%
4 Striking Against or Stepping On	23	4.5%	19	5.1%	17	4.2%	32	8.7%	32	9.1%
5 Stress	28	5.5%	10	2.7%	14	3.4%	27	7.3%	21	6.0%
All Other	55	10.8%	64	17.1%	50	12.3%	66	17.9%	33	9.4%
<b>Total</b>	<b>510</b>	<b>100.0%</b>	<b>374</b>	<b>100.0%</b>	<b>406</b>	<b>100.0%</b>	<b>369</b>	<b>100.0%</b>	<b>351</b>	<b>100.0%</b>

# Claim Cause: Average Incurred per Claim

New Claim Average Incurred by Top Frequent Cause and Year



## Continuous Trauma:

- 43.5% of the total incurred in 2023
- \$2,683 lower average incurred than the prior year.

## Slip and Fall:

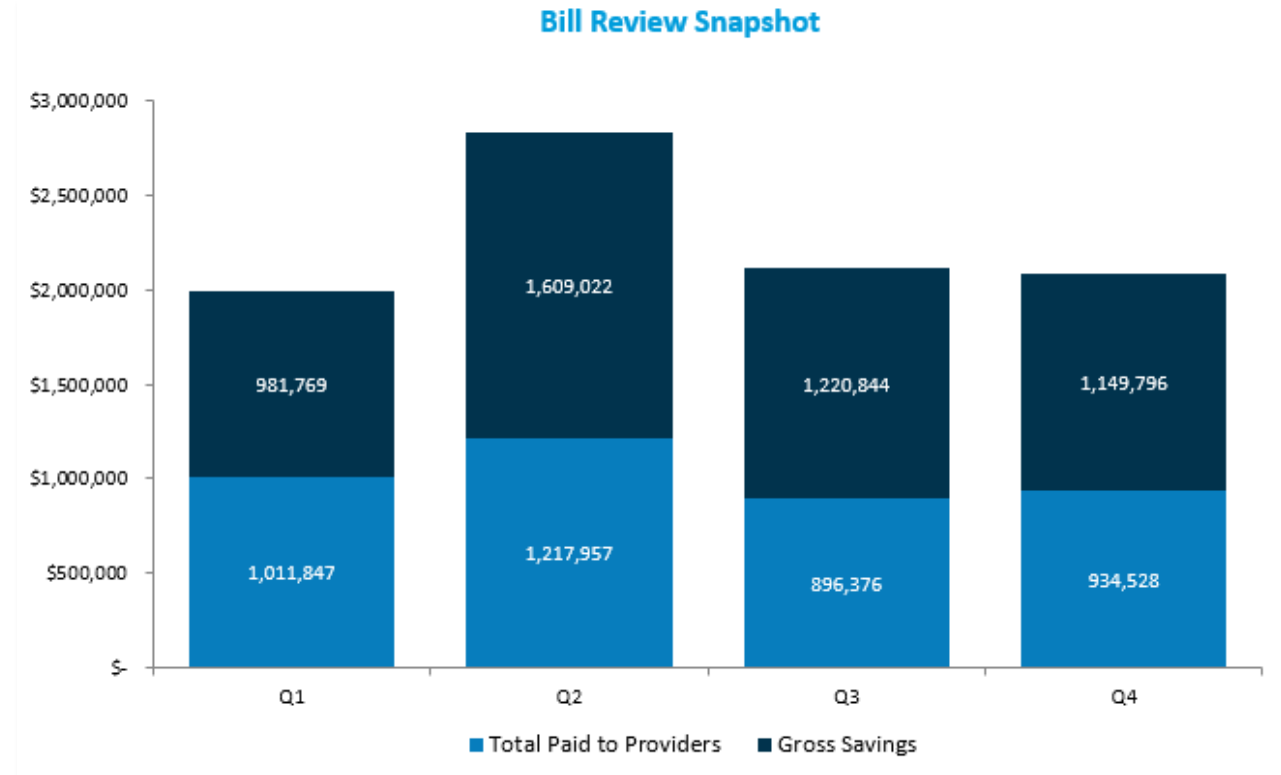
- 37.3% of the total incurred in 2023.
- \$2,930 higher average incurred than the prior year.

New Incurred	1/1/19 - 12/31/19	% of Total	1/1/20 - 12/31/20	% of Total	1/1/21 - 12/31/21	% of Total	1/1/22 - 12/31/22	% of Total	1/1/23 - 12/31/23	% of Total
1 Continuous Trauma	\$1,782,644	48.3%	\$1,412,841	50.1%	\$2,245,828	55.4%	\$1,737,004	48.4%	\$1,483,838	43.5%
2 Fall or Slip Injury	\$682,830	18.5%	\$607,593	21.5%	\$658,018	16.2%	\$763,952	21.3%	\$1,272,224	37.3%
3 Strain or Injury By	\$660,222	17.9%	\$386,778	13.7%	\$646,353	15.9%	\$170,028	4.7%	\$297,238	8.7%
4 Striking Against or Stepping On	\$55,874	1.5%	\$32,722	1.2%	\$123,939	3.1%	\$303,839	8.5%	\$177,770	5.2%
5 Stress	\$362,135	9.8%	\$72,498	2.6%	\$127,427	3.1%	\$212,979	5.9%	\$136,384	4.0%
All Other	\$148,428	4.0%	\$309,381	11.0%	\$254,497	6.3%	\$403,141	11.2%	\$45,559	1.3%
<b>Total</b>	<b>\$3,692,134</b>	<b>100.0%</b>	<b>\$2,821,812</b>	<b>100.0%</b>	<b>\$4,055,862</b>	<b>100.0%</b>	<b>\$3,590,942</b>	<b>100.0%</b>	<b>\$3,412,814</b>	<b>100.0%</b>

# Medical Bill Review

## Medical Bill Review 1/1/23 – 12/31/23

Month	Bill Count	Billed Charges	Total Paid to Providers	Gross Savings	Net Savings	Net ROI	PPO Penetration
Jan-23	907	\$752,421	\$350,129	\$402,292	\$385,906	24:1	92.2%
Feb-23	964	\$486,189	\$266,766	\$219,423	\$202,217	11:1	93.1%
Mar-23	1,104	\$755,006	\$394,952	\$360,054	\$340,420	17:1	93.0%
<b>Q1</b>	<b>2,975</b>	<b>\$1,993,616</b>	<b>\$1,011,847</b>	<b>\$981,769</b>	<b>\$928,543</b>	<b>17:1</b>	<b>92.8%</b>
Apr-23	1,064	\$776,103	\$449,590	\$326,513	\$307,285	16:1	96.1%
May-23	1,313	\$1,255,688	\$392,552	\$863,136	\$839,692	36:1	94.5%
Jun-23	1,247	\$795,188	\$375,815	\$419,373	\$396,641	17:1	93.0%
<b>Q2</b>	<b>3,624</b>	<b>\$2,826,979</b>	<b>\$1,217,957</b>	<b>\$1,609,022</b>	<b>\$1,543,618</b>	<b>23:1</b>	<b>94.5%</b>
Jul-23	1,068	\$654,682	\$243,962	\$410,720	\$391,601	20:1	93.5%
Aug-23	1,232	\$714,799	\$353,369	\$361,430	\$339,449	15:1	91.9%
Sep-23	1,158	\$747,739	\$299,045	\$448,694	\$428,066	20:1	93.6%
<b>Q3</b>	<b>3,458</b>	<b>\$2,117,220</b>	<b>\$896,376</b>	<b>\$1,220,844</b>	<b>\$1,159,116</b>	<b>18:1</b>	<b>93.0%</b>
Oct-23	1,171	\$817,850	\$338,161	\$479,689	\$458,343	21:1	93.2%
Nov-23	1,122	\$668,015	\$336,190	\$331,825	\$310,789	15:1	92.6%
Dec-23	1,063	\$598,459	\$260,177	\$338,282	\$318,437	16:1	92.3%
<b>Q4</b>	<b>3,356</b>	<b>\$2,084,324</b>	<b>\$934,528</b>	<b>\$1,149,796</b>	<b>\$1,087,569</b>	<b>17:1</b>	<b>92.7%</b>
<b>TOTAL</b>	<b>\$ 13,413</b>	<b>\$9,022,139</b>	<b>\$4,060,708</b>	<b>\$4,958,518</b>	<b>\$4,718,846</b>	<b>19:1</b>	<b>93.25%</b>



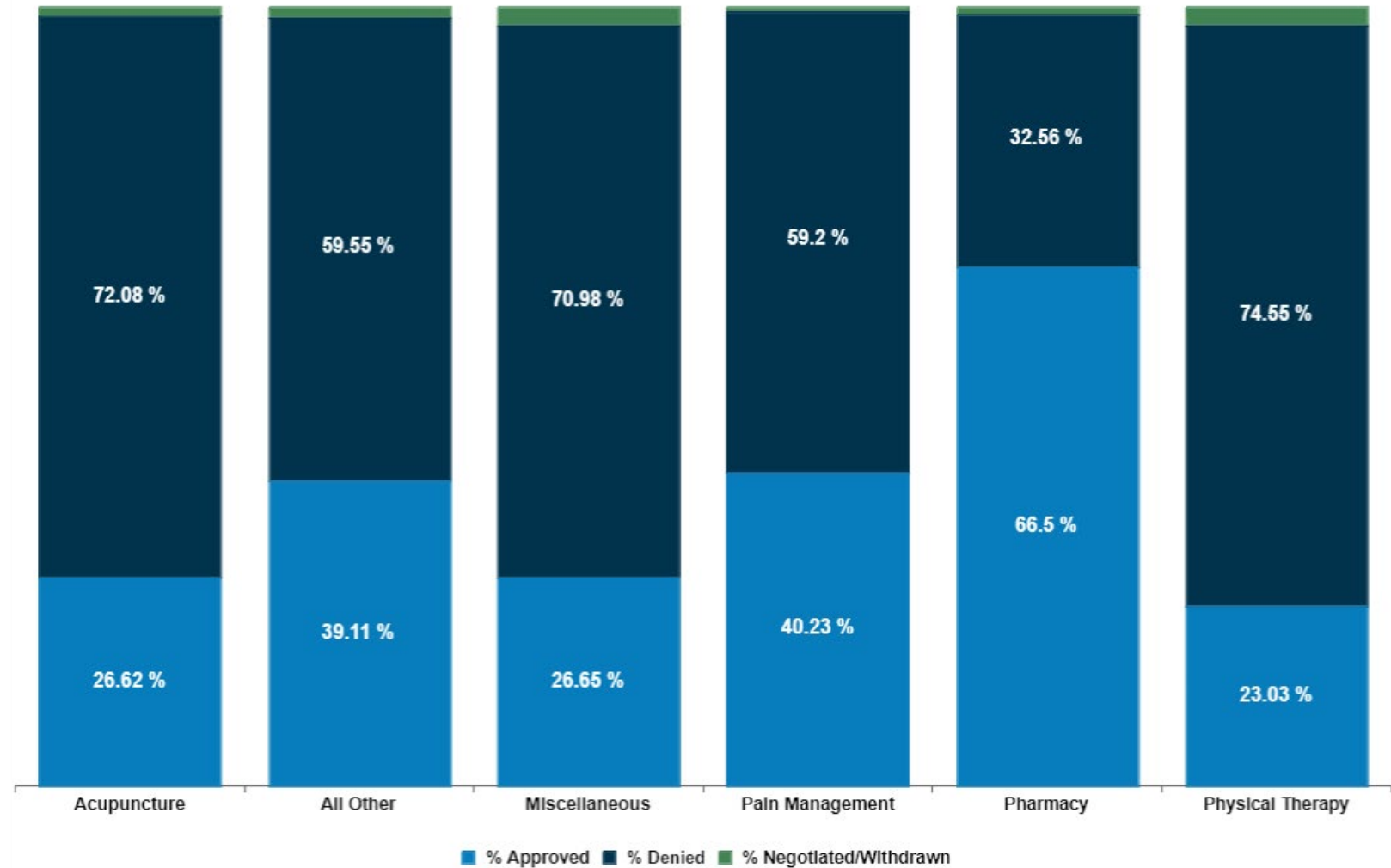
- JBWCP saved **\$4,958,518** (gross) from 1/1/23-12/31/23 through Sedgwick’s bill review process.
- **19:1 Net Return on Investment (ROI)**
- PPO Penetration was 93.25%

# Utilization Review

Utilization Review 1/1/23 – 12/31/23

Key Statistics	
Total Savings	Total Fees
\$1,474,838	\$606,600
Savings/Claim	% Approved
\$2,998	40.7%
# of Reviews	% Negotiated
2,164	1.4%
# of Procedures	% Withdrawn
6,230	.0%
ROI	% Denied
\$2.4	56.4%

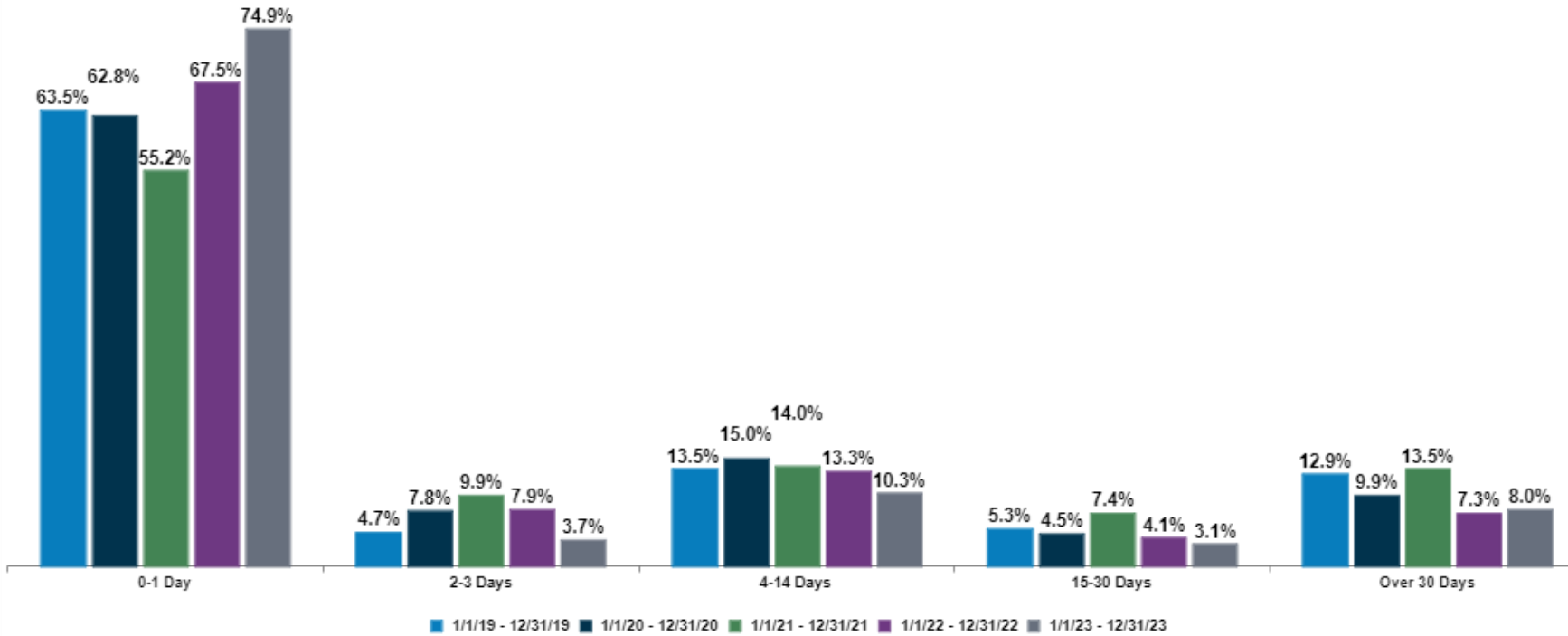
Procedure Category: % of Procedures by Decision Status





# Lag Time: Reporting to Employer

New Claim Count by Lag to Client Stratification



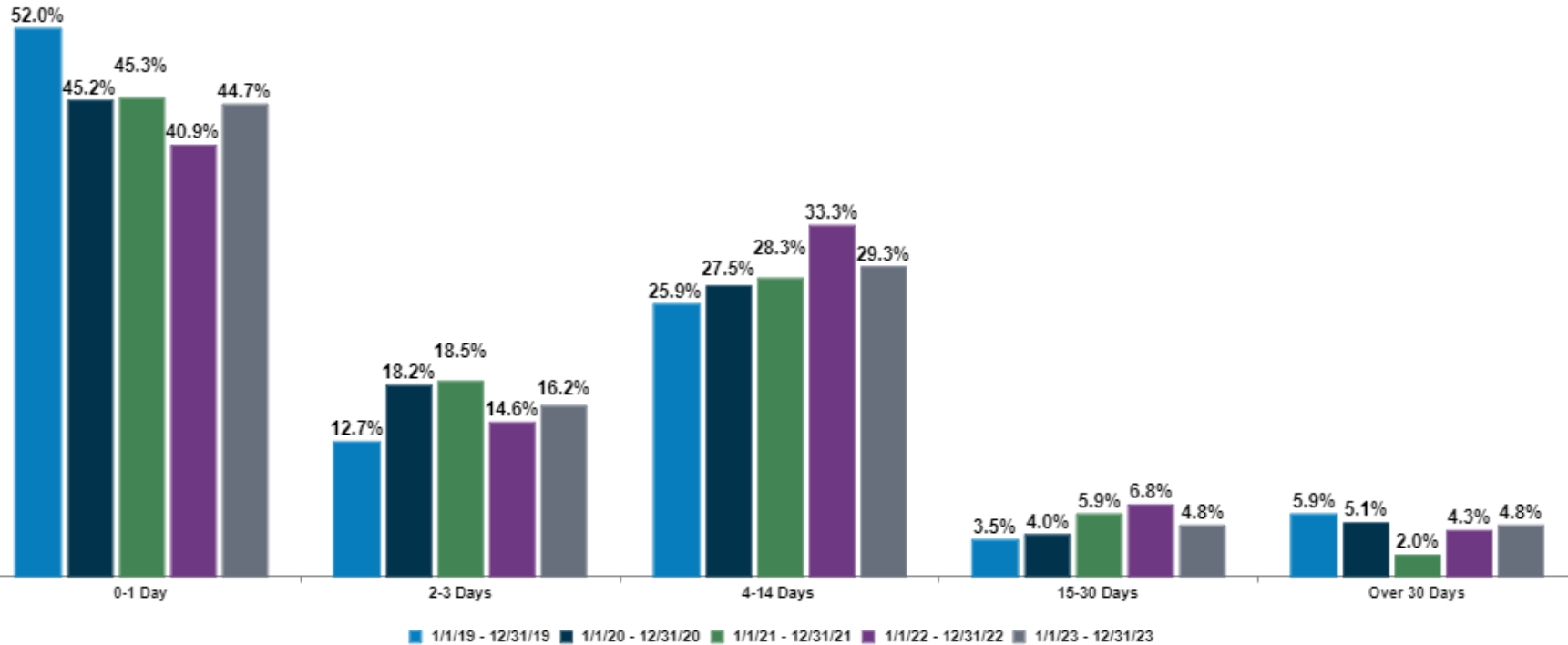
Lag to Client: Measures the number of days from Date of Loss to Date Reported to Client.

- 74.9% of all injured employees reported their injuries to their employer within one day of the injury. (7.4% improvement over prior year).
- 3.7% of all injured employees reported their injuries to their employer within 2-3 days of the injury.

Lag to Client	1/1/19 - 12/31/19	% of Total	Avg. Incurred	1/1/20 - 12/31/20	% of Total	Avg. Incurred	1/1/21 - 12/31/21	% of Total	Avg. Incurred	1/1/22 - 12/31/22	% of Total	Avg. Incurred	1/1/23 - 12/31/23	% of Total	Avg. Incurred
0-1 Day	324	63.5%	\$6,324	235	62.8%	\$6,970	224	55.2%	\$9,389	249	67.5%	\$8,485	263	74.9%	\$10,217
2-3 Days	24	4.7%	\$8,728	29	7.8%	\$7,018	40	9.9%	\$4,908	29	7.9%	\$6,218	13	3.7%	\$6,998
4-14 Days	69	13.5%	\$8,766	56	15.0%	\$8,845	57	14.0%	\$9,747	49	13.3%	\$13,236	36	10.3%	\$7,707
15-30 Days	27	5.3%	\$6,944	17	4.5%	\$9,470	30	7.4%	\$16,932	15	4.1%	\$14,413	11	3.1%	\$12,352
Over 30 Days	66	12.9%	\$9,715	37	9.9%	\$8,759	55	13.5%	\$12,596	27	7.3%	\$16,037	28	8.0%	\$7,909
<b>Total</b>	<b>510</b>	<b>100.0%</b>	<b>\$7,239</b>	<b>374</b>	<b>100.0%</b>	<b>\$7,545</b>	<b>406</b>	<b>100.0%</b>	<b>\$9,990</b>	<b>369</b>	<b>100.0%</b>	<b>\$9,732</b>	<b>351</b>	<b>100.0%</b>	<b>\$9,723</b>

# Lag Time: Reporting to Sedgwick

New Claim Count by Lag to Sedgwick Stratification



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

- 44.7% of injuries were reported to Sedgwick within 1 day of the date the injury was reported to the court. (3.8% improvement over prior year).
- 16.2% of injuries were reported to Sedgwick within 2-3 days of the date the injury was reported to the court.
- Opportunity: Injuries reported to Sedgwick in the 4-14 days stratification.

Lag to Sedgwick	1/1/19 - 12/31/19	% of Total	Avg. Incurred	1/1/20 - 12/31/20	% of Total	Avg. Incurred	1/1/21 - 12/31/21	% of Total	Avg. Incurred	1/1/22 - 12/31/22	% of Total	Avg. Incurred	1/1/23 - 12/31/23	% of Total	Avg. Incurred
0-1 Day	265	52.0%	\$7,537	169	45.2%	\$7,979	184	45.3%	\$11,543	151	40.9%	\$10,301	157	44.7%	\$8,822
2-3 Days	65	12.7%	\$5,834	68	18.2%	\$8,122	75	18.5%	\$9,857	54	14.6%	\$12,662	57	16.2%	\$10,648
4-14 Days	132	25.9%	\$6,708	103	27.5%	\$6,248	115	28.3%	\$7,886	123	33.3%	\$8,491	103	29.3%	\$9,871
15-30 Days	18	3.5%	\$8,198	15	4.0%	\$10,786	24	5.9%	\$6,754	25	6.8%	\$4,777	17	4.8%	\$14,315
Over 30 Days	30	5.9%	\$9,421	19	5.1%	\$6,087	8	2.0%	\$15,466	16	4.3%	\$11,743	17	4.8%	\$9,456
<b>Total</b>	<b>510</b>	<b>100.0%</b>	<b>\$7,239</b>	<b>374</b>	<b>100.0%</b>	<b>\$7,545</b>	<b>406</b>	<b>100.0%</b>	<b>\$9,990</b>	<b>369</b>	<b>100.0%</b>	<b>\$9,732</b>	<b>351</b>	<b>100.0%</b>	<b>\$9,723</b>

# Looking Ahead...

- Comprehensive use of Litigation Score Card
- Focus on Litigation Management
- Continue tracking goals
  - Clinical Consultation Compliance
  - Reduction of claim reporting lag time
  - Closing out Aged Pending (claims older than 2 years)

# Questions & Answers

## Sedgwick Stewardship Report Q&A

# Annual Agenda

Shelby Wineinger, Chair  
Edward Metro, Lead Staff  
JBWCP

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February 20, 2024



# Annual Agenda

- Allocation of Fiscal Year 2024-25 Premiums
- Draft Program Policies and Procedures
- Litigation Management
- Financial Metrics
- Risk Control and Resources

# Motion to Approve

# Legislative Updates

Jacquelyn Miller, Risk Consultant  
Sedgwick Risk

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February 20, 2024





# Legislative Update

- 2<sup>nd</sup> Year of 2-Year Legislative Session
- AB 1213 TD Extension/IMR Decision **VETOED**
- AB 1870 Notice to Employees
- AB 623 PTSD Presumption Extended **APPROVED**
- SB 631 Gender Disparity Study

# Next Steps

Edward Metro, Staff Lead  
JBWCP

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February 20, 2024



# Next Steps

- Draft Premium Distribution
- JBWCP Advisory Committee Meeting
  - March 27, 2024, 9:00 AM

# Meeting Adjourned

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February 20, 2024





# **Bickmore**

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# **Actuarial**

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

*Outstanding Liabilities as of June 30, 2024*

*Forecast for Program Years 2023-24 through 2026-27*

*Presented to*  
**Judicial Council of California**

January 12, 2024 - DRAFT



Friday, January 12, 2024

Mr. Edward Metro  
Supervising Analyst  
Human Resources / Administrative Division  
Judicial Council of California  
2850 Gateway Oaks Drive, Suite 100  
Sacramento, CA 95833-4348

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

Dear Mr. Metro:

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

- Estimated outstanding liabilities for loss and allocated loss adjustment expenses (ALAE) as of June 30, 2024. Estimates are provided at the expected level, as well as various confidence levels.
- Projection of ultimate loss and ALAE for fiscal accident years 2023-24 through 2026-27. Estimates are provided at the expected level, as well as various confidence levels.
- Projection of loss and ALAE payments for fiscal years 2023-24 through 2026-27.

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, 2023, 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, 2024 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, 2024

Year	Trial Courts	State Judiciary	Total
Prior	\$2,028,000	\$460,000	\$2,488,000
2007-08	358,000	23,000	381,000
2008-09	188,000	30,000	218,000
2009-10	546,000	0	546,000
2010-11	695,000	0	695,000
2011-12	823,000	0	823,000
2012-13	1,388,000	32,000	1,420,000
2013-14	1,349,000	0	1,349,000
2014-15	1,563,000	40,000	1,603,000
2015-16	2,209,000	172,000	2,381,000
2016-17	2,127,000	58,000	2,185,000
2017-18	2,622,000	86,000	2,708,000
2018-19	3,203,000	140,000	3,343,000
2019-20	3,934,000	207,000	4,141,000
2020-21	5,779,000	238,000	6,017,000
2021-22	6,108,000	289,000	6,397,000
2022-23	8,310,000	400,000	8,710,000
2023-24	11,116,000	540,000	11,656,000
Loss and ALAE	\$54,345,000	\$2,716,000	\$57,061,000
ULAE	2,934,000	425,120	3,359,000
Total	\$57,279,000	\$3,141,000	\$60,420,000
70% CL	61,861,000	3,562,000	65,424,000
80% CL	65,756,000	3,967,000	69,723,000
85% CL	68,277,000	4,237,000	72,514,000
90% CL	71,656,000	4,595,000	76,251,000
98% CL	86,026,000	6,204,000	92,230,000

The \$60,420,000 estimate is the minimum liability to be booked by the Judicial Council at June 30, 2024 for its workers’ compensation program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10.

Per CAJPA accreditation requirements, the 98% CL discounted outstanding liabilities total \$92,230,000; \$86,026,000 for the Trial Courts, and \$6,204,000 for the State Judiciary.

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, 2023, 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, 2024 to be \$0.

The table below shows our estimates of projected ultimate loss and ALAE for the JBWCP for the 2023-24 through 2026-27 fiscal years.

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

Year	2023-24	2024-25	2025-26	2026-27
Trial Courts	\$12,655,000	\$14,039,000	\$14,233,000	\$14,428,000
State Judiciary	575,000	604,000	634,000	665,000
Total	\$13,229,000	\$14,643,000	\$14,867,000	\$15,093,000
60% Confidence	13,675,000	15,136,000	15,367,000	15,600,000
65% Confidence	14,196,000	15,711,000	15,952,000	16,195,000
70% Confidence	14,762,000	16,334,000	16,587,000	16,842,000
75% Confidence	15,400,000	17,038,000	17,303,000	17,571,000
80% Confidence	16,154,000	17,868,000	18,149,000	18,432,000

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

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



**DRAFT**

The table below shows our estimates of projected ultimate loss and LAE for the JBWCP for the 2024-25 fiscal year.

**Judicial Branch Workers' Compensation Program  
Self-Funded Workers' Compensation Program  
Loss and LAE Funding Guidelines for 2024-25**

	Expected	Marginally Acceptable			Recommended Range	
		60% CL	65% CL	70% CL	Low 75% CL	Target 80% CL
Trial Courts	\$16,086,000	\$16,577,000	\$17,083,000	\$17,630,000	\$18,248,000	\$18,978,000
State Judiciary	<u>1,100,000</u>	<u>1,102,000</u>	<u>1,171,000</u>	<u>1,247,000</u>	<u>1,332,000</u>	<u>1,433,000</u>
Total	\$17,186,000	\$17,679,000	\$18,254,000	\$18,877,000	\$19,581,000	\$20,412,000
Increase Over Expected		\$493,000	\$1,068,000	\$1,691,000	\$2,394,000	\$3,225,000

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 2023-24 through 2026-27 fiscal year.

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

Year	2023-24	2024-25	2025-26	2026-27
Trial Courts	\$5,403,000	\$11,406,000	\$11,925,000	\$12,394,000
State Judiciary	184,000	457,000	479,000	503,000
Total	\$5,587,000	\$11,863,000	\$12,404,000	\$12,897,000

Note: 2023-24 is for the period 1/1/24 to 6/30/24.

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.

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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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## **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, 2023, 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, 2024, project ultimate loss costs for 2023-24, 2024-25, 2025-26 and 2026-27 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, 2024. 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 \$60,420,000 as of June 30, 2024. 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.

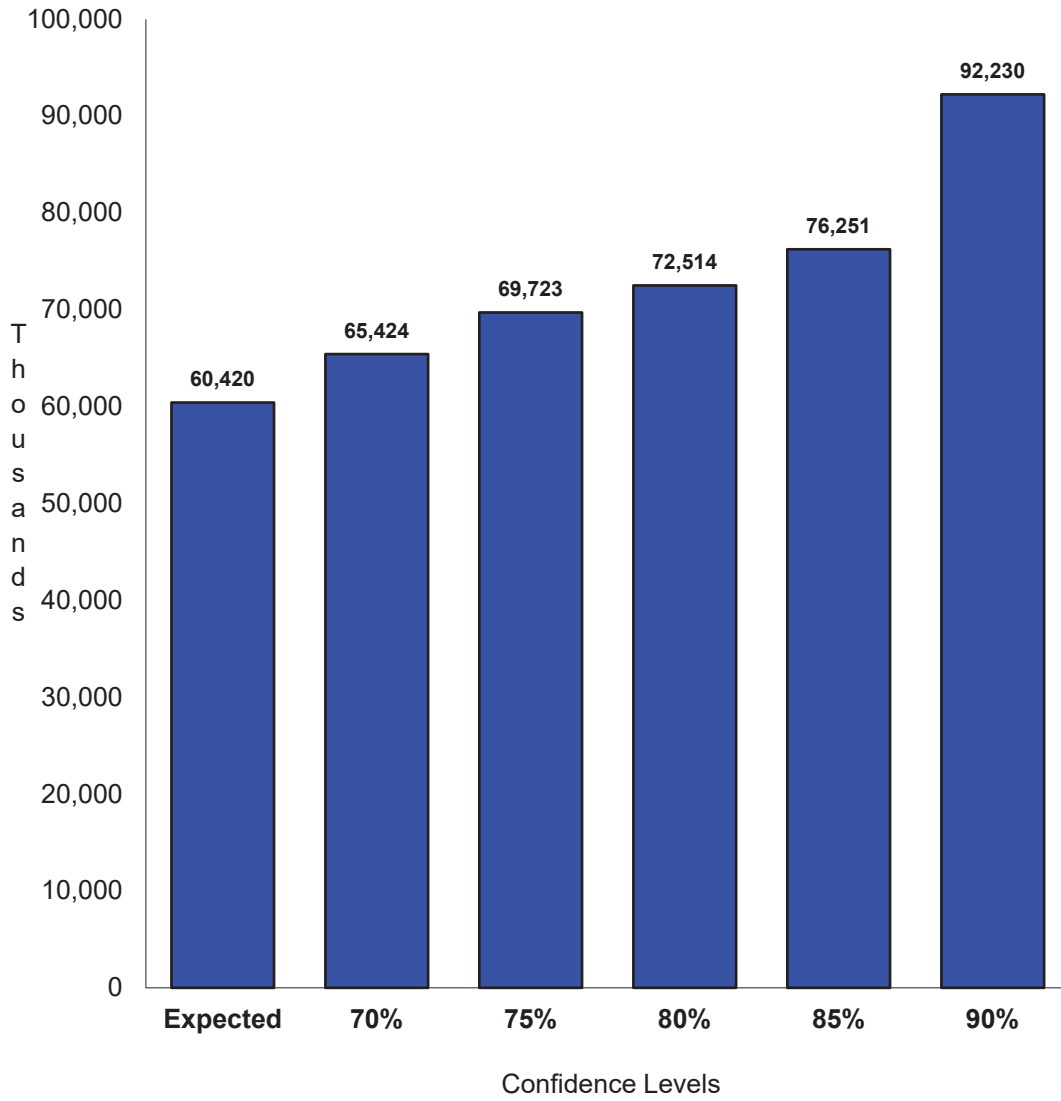
ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). Other program expenses may include 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, 2024



■ Undiscounted

The table below displays a breakdown of the program's outstanding loss and ALAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2024, 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, 2024

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$525,368	\$253,512	\$778,880
2003-04	504,459	106,012	610,471
2004-05	203,817	123,487	327,304
2005-06	210,376	146,030	356,406
2006-07	257,963	157,160	415,123
2007-08	199,842	180,760	380,602
2008-09	31,844	186,497	218,341
2009-10	232,130	313,729	545,859
2010-11	344,079	350,534	694,613
2011-12	392,720	429,988	822,708
2012-13	810,366	608,890	1,419,256
2013-14	413,956	935,426	1,349,382
2014-15	439,199	1,164,275	1,603,474
2015-16	867,748	1,512,812	2,380,560
2016-17	506,776	1,678,902	2,185,678
2017-18	833,342	1,874,228	2,707,570
2018-19	941,869	2,401,007	3,342,876
2019-20	895,494	3,245,562	4,141,056
2020-21	2,865,138	3,151,565	6,016,703
2021-22	1,455,041	4,942,265	6,397,306
2022-23	2,067,657	6,642,519	8,710,176
2023-24	1,758,254	9,898,027	11,656,281
Total	\$16,757,438	\$40,303,187	\$57,060,625
ULAE		3,359,458	3,359,458
Total	\$16,757,438	\$43,662,645	\$60,420,083

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.

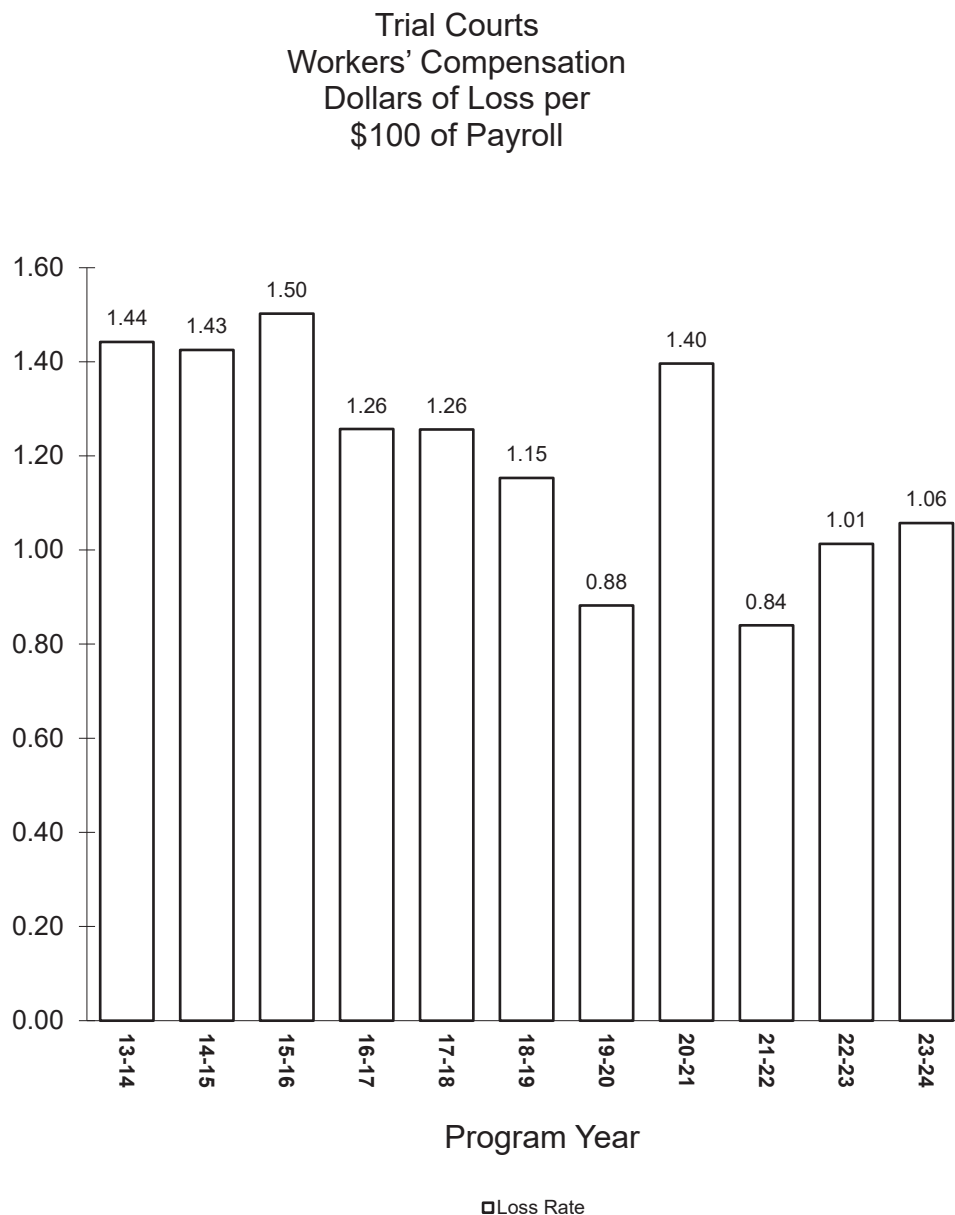
In general, we recommend that you fund each year's claims costs in that year. When surpluses or deficiencies have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. 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 \$1.41 during the 2013-14 to 2016-17 program years and averaged \$1.09 per \$100 of payroll during 2017-18 through 2022-23. Our projected loss rate for 2023-24 is \$1.06 per \$100 of payroll. This selection is based on the Trial Courts' average for the most recent five years.

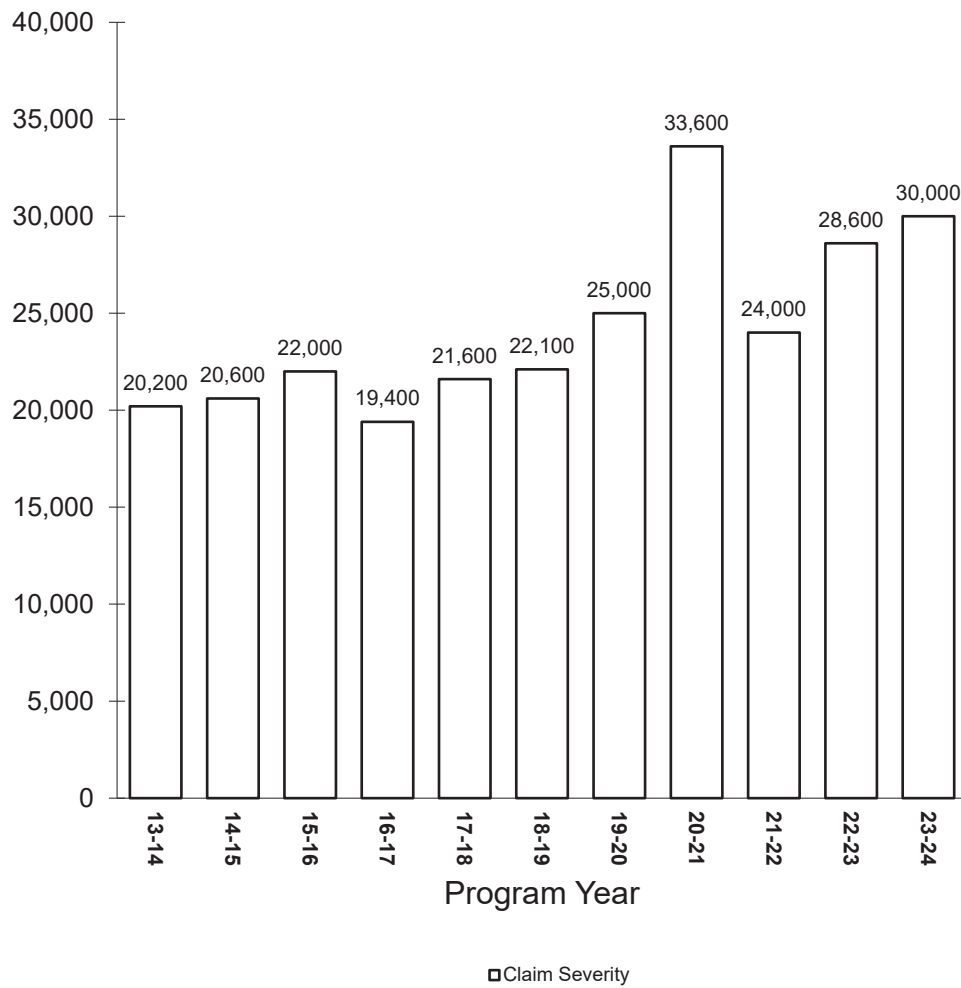
Graph 2



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 2023-24 average cost per claim of \$30,000 is based on the recent increasing trend.

Graph 3

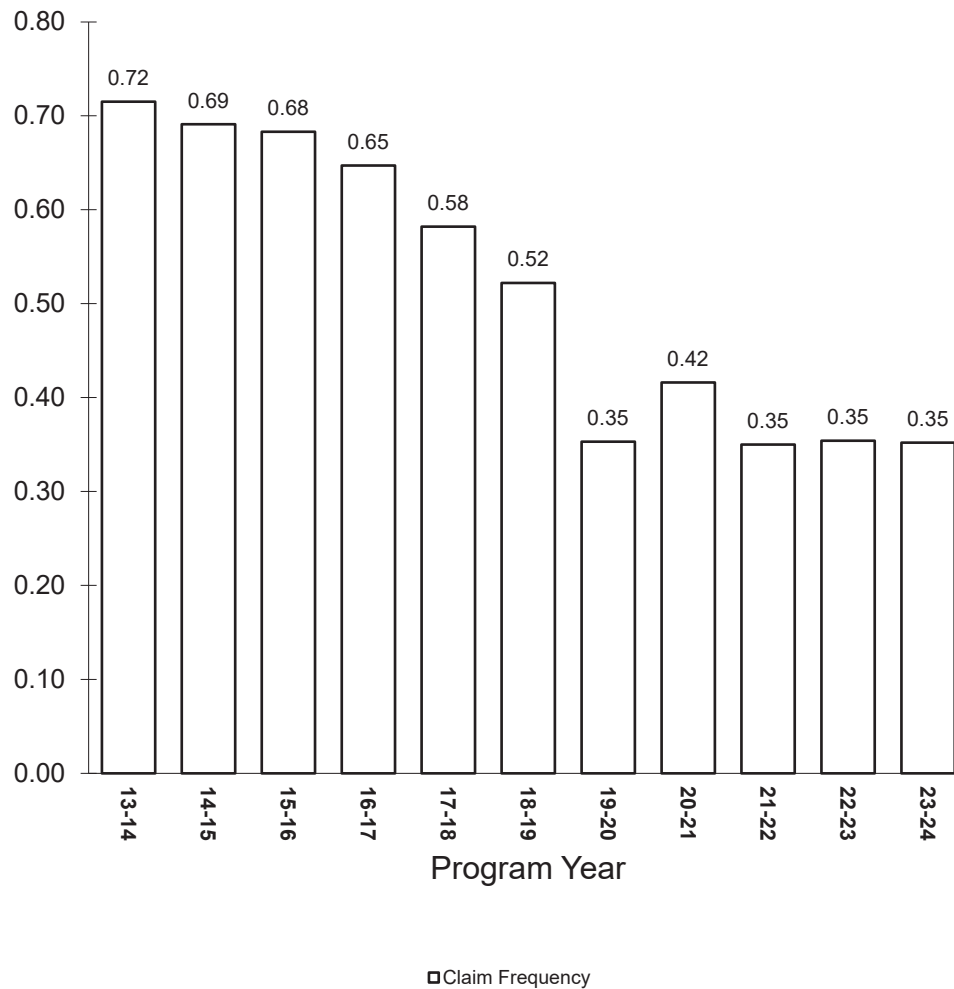
Trial Courts  
Workers' Compensation  
Dollars of Loss per Claim



The Trial Courts' claim frequency, or number of claims per \$1 million of payroll, has been generally decreasing through 2019-20 and has been relatively stable since. Our projected claims frequency of 0.35 for 2023-24 is similar to the average of the recent four years.

Graph 4

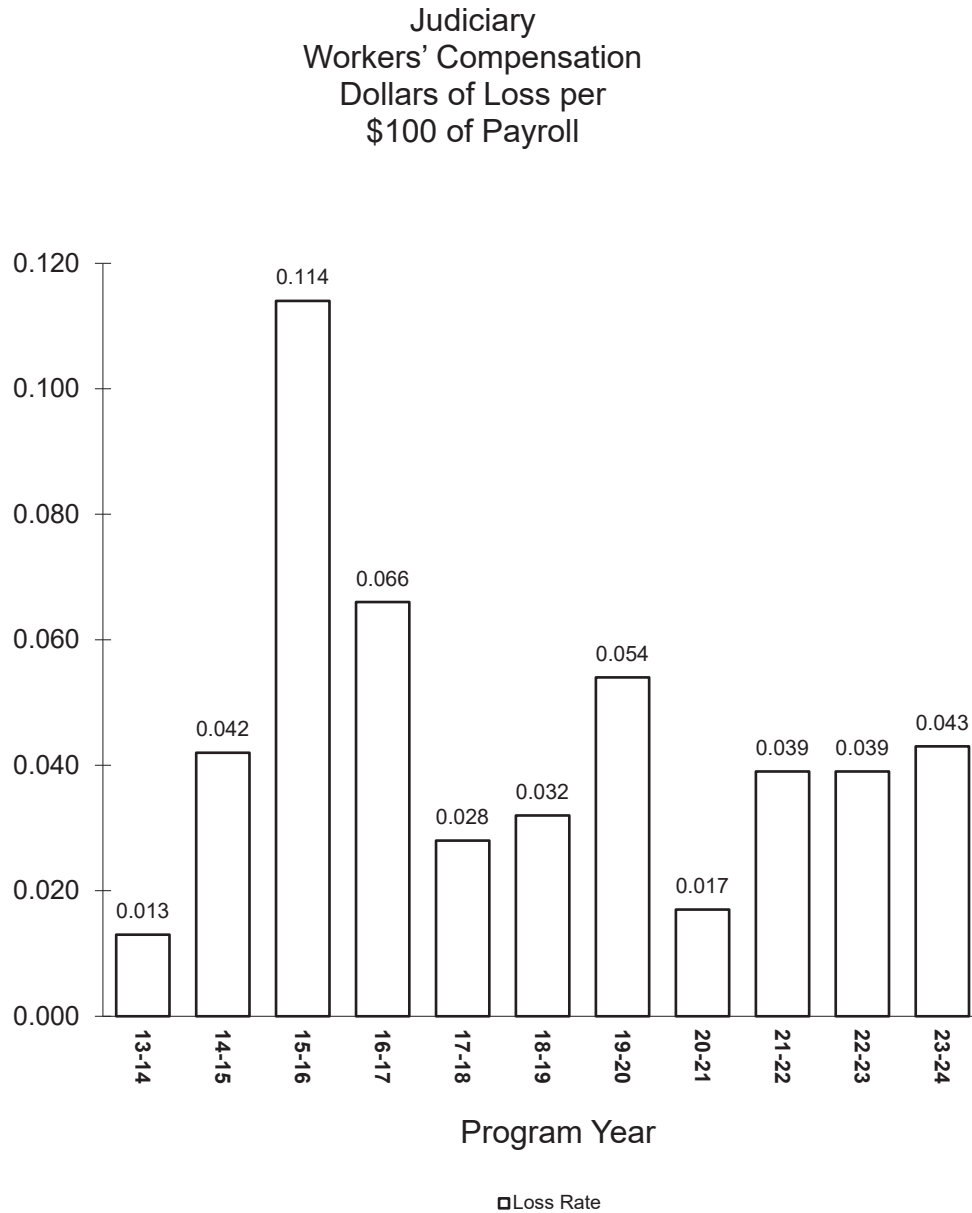
Trial Courts  
Workers' Compensation  
Number of Claims per  
\$1 Million of Payroll



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

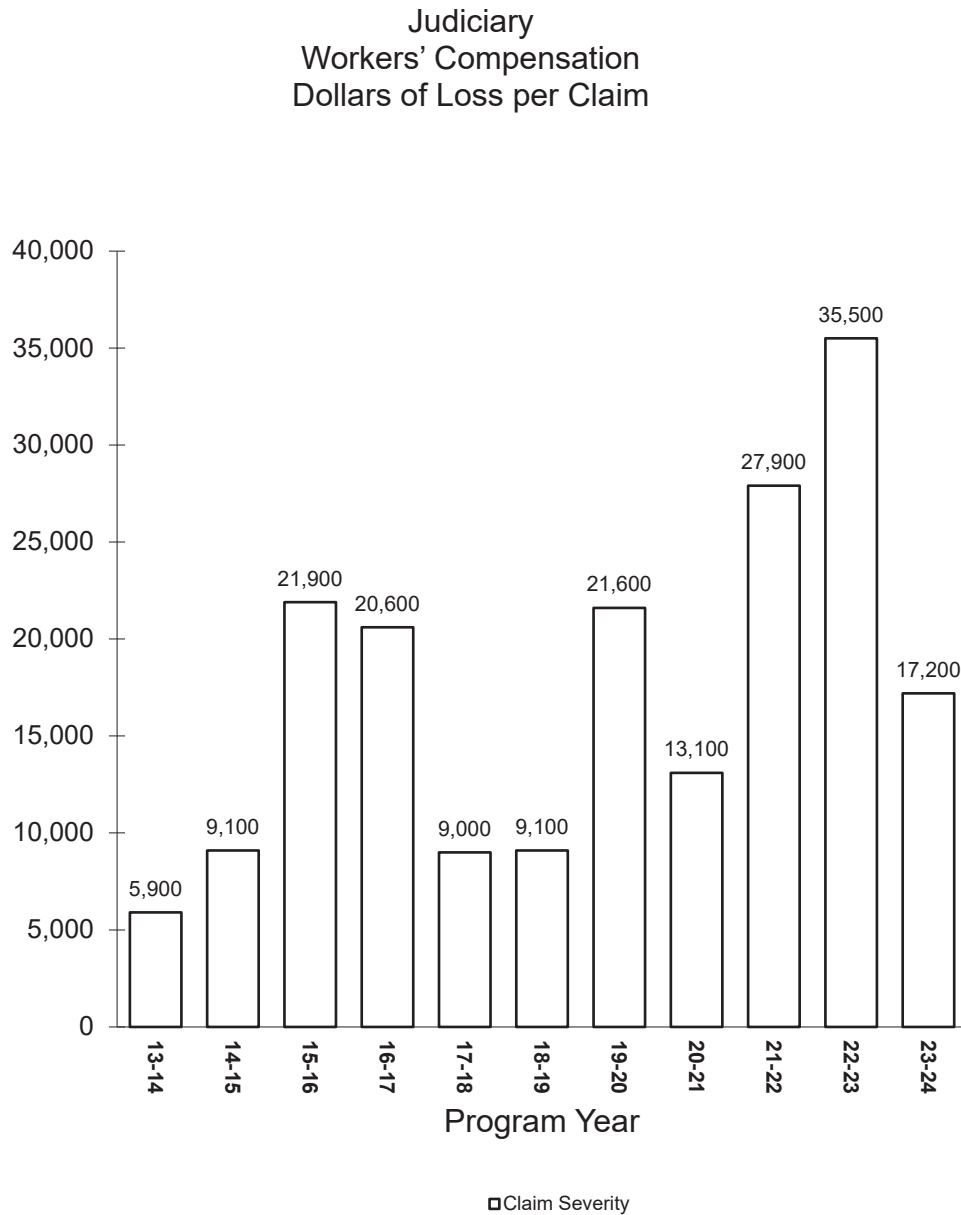
The State Judiciary's loss rate (limited to \$100,000 per occurrence) has been quite volatile over the past ten years. The State Judiciary's loss rate averaged \$0.059 from 2013-14 to 2016-17 and \$0.035 between 2017-18 and 2022-23. Our projected loss rate for 2023-24 is \$0.043 per \$100 of payroll.

Graph 5



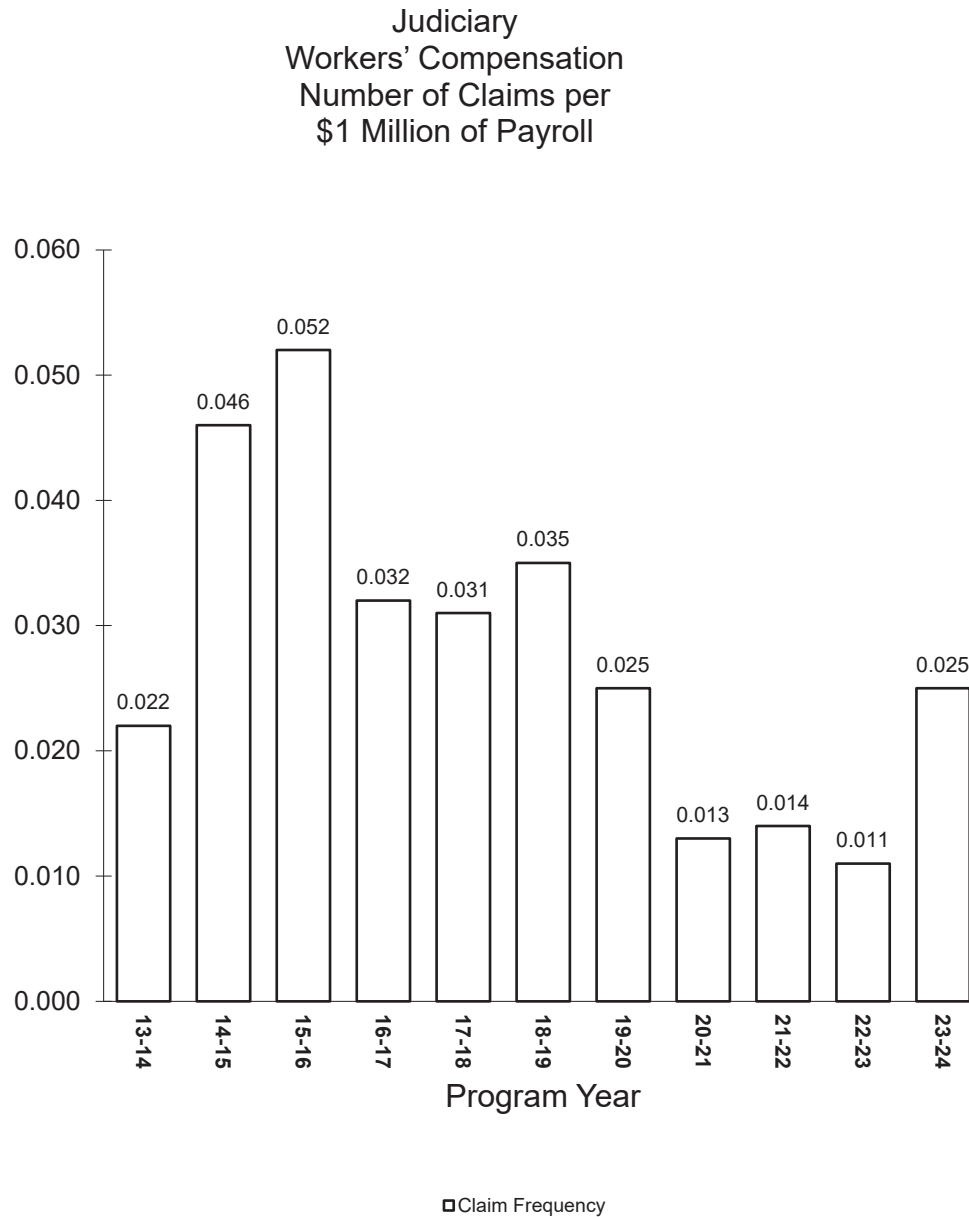
The State Judiciary's claim severity, or cost per claim (limited to \$100,000 per occurrence), fell to a low of \$5,900 during 2013-14. Since that time the average claim severity has increased overall. Our projection of \$17,200 for 2023-24 is based on the recent years and apparent upward trend.

Graph 6



Since 2013-14, the State Judiciary’s claim frequency, or number of claims per \$1 million payroll, has ranged from a high of 0.052 in 2015-16 to a low of 0.011 during 2022-23. The projected 2023-24 frequency of 0.025 claims per \$1 million of payroll is based on the average of the most recent seven years.

Graph 7



## D. COMPARISON WITH PREVIOUS RESULTS

The prior report for the Judicial Branch Workers' Compensation Program was dated February 3, 2023. 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, 2022 evaluation date of the prior report and the December 31, 2023 evaluation date of the current report.

### Trial Courts Actual Versus Expected Incurred Loss and ALAE Development

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$59,000	(\$44,000)	(\$104,000)
2003-04	42,254	(60,110)	(102,364)
2004-05	14,025	(23,318)	(37,343)
2005-06	28,099	(6,993)	(35,092)
2006-07	0	(129,286)	(129,286)
2007-08	26,561	(20,714)	(47,275)
2008-09	14,461	(152,832)	(167,293)
2009-10	63,341	98,128	34,787
2010-11	129,446	77,134	(52,312)
2011-12	168,506	49,611	(118,895)
2012-13	321,440	336,840	15,400
2013-14	338,981	162,820	(176,161)
2014-15	378,893	101,944	(276,949)
2015-16	453,350	239,420	(213,930)
2016-17	426,862	(41,535)	(468,397)
2017-18	596,236	486,990	(109,246)
2018-19	627,117	711,981	84,864
2019-20	1,007,750	301,278	(706,472)
2020-21	1,453,492	2,847,258	1,393,766
2021-22	2,829,335	1,102,368	(1,726,967)
2022-23	4,609,587	3,377,916	(1,231,671)
Total	\$13,589,000	\$9,414,547	(\$4,174,453)

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 \$13,589,000 between the two evaluation dates. However, actual development was approximately \$9,416,000; or about \$4,174,000 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, 2022 evaluation date of the prior report and the December 31, 2023 evaluation date of the current report.

**Trial Courts  
Actual Versus Expected Paid Loss and ALAE Development**

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$74,000	\$132,000	\$57,000
2003-04	120,410	128,982	8,572
2004-05	14,525	17,265	2,740
2005-06	36,993	99,189	62,196
2006-07	31,607	35,337	3,730
2007-08	51,862	85,671	33,809
2008-09	66,519	38,293	(28,226)
2009-10	131,912	247,078	115,166
2010-11	137,459	113,531	(23,928)
2011-12	170,310	196,775	26,465
2012-13	328,618	271,469	(57,149)
2013-14	286,242	203,997	(82,245)
2014-15	343,392	390,930	47,538
2015-16	516,406	487,858	(28,548)
2016-17	544,496	496,564	(47,932)
2017-18	578,694	595,057	16,363
2018-19	779,553	1,102,866	323,313
2019-20	1,182,580	995,025	(187,555)
2020-21	1,677,083	2,879,715	1,202,632
2021-22	2,007,550	1,432,145	(575,405)
2022-23	2,378,520	2,515,907	137,387
Total	\$11,459,000	\$12,465,312	\$1,006,312

As shown, actual paid development was more than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$11,459,000 between the two evaluation dates. However, actual development was approximately \$12,465,000; or about \$1,006,000 more than expected.

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

**Trial Courts**  
**Change in Ultimate Loss and ALAE**

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$41,974,000	\$41,978,000	\$4,000
2003-04	21,339,090	21,299,771	(39,319)
2004-05	14,208,265	14,212,956	4,691
2005-06	14,254,281	14,275,465	21,184
2006-07	14,525,318	14,437,668	(87,650)
2007-08	13,562,293	13,581,533	19,240
2008-09	11,295,770	11,153,015	(142,755)
2009-10	16,693,058	16,817,179	124,121
2010-11	15,543,956	15,587,713	43,757
2011-12	15,274,221	15,260,673	(13,548)
2012-13	16,733,985	16,437,233	(296,752)
2013-14	13,153,011	13,058,395	(94,616)
2014-15	12,924,764	12,781,275	(143,489)
2015-16	14,536,416	14,356,661	(179,755)
2016-17	12,377,967	12,083,017	(294,950)
2017-18	12,330,570	12,215,373	(115,197)
2018-19	12,296,488	12,400,737	104,249
2019-20	11,213,803	10,540,027	(673,776)
2020-21	14,133,169	15,076,264	943,095
2021-22	11,670,624	10,382,835	(1,287,789)
2022-23	13,311,479	12,324,257	(987,222)
Total	\$323,352,616	\$320,259,743	(\$3,092,873)

As shown, overall we have decreased the estimated ultimates by \$3,093,000 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, 2022 evaluation date of the prior report and the December 31, 2023 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	\$70,000	(\$49,000)	(\$119,000)
2003-04	0	0	0
2004-05	1,101	213,707	212,606
2005-06	685	0	(685)
2006-07	0	0	0
2007-08	1,519	0	(1,519)
2008-09	0	17,384	17,384
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	9,499	9,499
2013-14	0	0	0
2014-15	4,067	24,471	20,404
2015-16	11,271	22,842	11,571
2016-17	21,387	9,281	(12,106)
2017-18	23,210	2,503	(20,707)
2018-19	42,472	0	(42,472)
2019-20	55,541	23,432	(32,109)
2020-21	84,524	(4,346)	(88,870)
2021-22	139,463	142,419	2,956
2022-23	163,974	76,005	(87,969)
Total	\$619,214	\$487,870	(\$131,344)

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 \$619,000 between the two evaluation dates. However, actual development was approximately \$488,000; or \$131,000 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, 2022 evaluation date of the prior report and the December 31, 2023 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	\$70,000	\$63,000	(\$6,000)
2003-04	0	0	0
2004-05	1,120	89,464	88,344
2005-06	885	1,658	773
2006-07	0	0	0
2007-08	2,031	0	(2,031)
2008-09	0	8,832	8,832
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	669	669
2013-14	0	0	0
2014-15	3,832	16,864	13,032
2015-16	20,703	51,353	30,650
2016-17	22,224	27,394	5,170
2017-18	23,903	12,387	(11,516)
2018-19	36,727	0	(36,727)
2019-20	49,581	52,592	3,011
2020-21	56,080	2,369	(53,711)
2021-22	73,325	73,512	187
2022-23	66,804	54,595	(12,209)
Total	\$427,059	\$455,050	\$27,991

For the years shown, actual paid development was slightly greater than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase by \$427,000 between the two evaluation dates. However, actual development was approximately \$455,000; or about \$28,000 more than expected.

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

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

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$13,759,000	\$13,657,000	(\$101,000)
2003-04	289,343	289,343	0
2004-05	389,540	602,774	213,234
2005-06	242,113	239,069	(3,044)
2006-07	575,305	575,305	0
2007-08	272,922	268,736	(4,186)
2008-09	729,351	769,884	40,533
2009-10	686,343	686,343	0
2010-11	308,913	308,913	0
2011-12	549,454	549,454	0
2012-13	430,767	464,481	33,714
2013-14	61,947	61,947	0
2014-15	310,462	324,990	14,528
2015-16	792,239	780,515	(11,724)
2016-17	501,739	411,901	(89,838)
2017-18	290,032	228,449	(61,583)
2018-19	367,106	313,092	(54,014)
2019-20	498,861	501,277	2,416
2020-21	317,962	274,896	(43,066)
2021-22	418,954	404,479	(14,475)
2022-23	591,533	496,932	(94,601)
Total	\$22,383,572	\$22,210,118	(\$173,454)

For the years shown, overall we have decreased the estimated ultimates by \$173,000 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, 2023 was estimated to be \$61,071,000 for the Trial Courts and \$3,358,000 for the State Judiciary for a total of \$64,429,000. Our current estimate as of June 30, 2024, is \$57,279,000 for the Trial Courts and \$3,141,000 for the State Judiciary for a total of \$60,420,000. 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, 2023	Current Report at June 30, 2024	Change
(A) Case Reserves:	\$18,427,000	\$15,934,000	(\$2,493,000)
(B) IBNR Reserves:	38,873,000	38,411,000	(462,000)
(C) Claims Administration Reserves:	3,771,000	2,934,000	(837,000)
(D) Total Reserves:	\$61,071,000	\$57,279,000	(\$3,792,000)

**State Judiciary Only**  
**Outstanding Claim Liabilities for Loss and LAE**

	Prior Report at June 30, 2023	Current Report at June 30, 2024	Change
(A) Case Reserves:	\$769,000	\$824,000	\$55,000
(B) IBNR Reserves:	2,019,000	1,892,000	(127,000)
(C) Claims Administration Reserves:	570,000	425,000	(145,000)
(D) Total Reserves:	\$3,358,000	\$3,141,000	(\$217,000)

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

	Prior Report at June 30, 2023	Current Report at June 30, 2024	Change
(A) Case Reserves:	\$19,196,000	\$16,758,000	(\$2,438,000)
(B) IBNR Reserves:	40,892,000	40,303,000	(589,000)
(C) Claims Administration Reserves:	4,341,000	3,359,000	(982,000)
(D) Total Reserves:	\$64,429,000	\$60,420,000	(\$4,009,000)

As shown, the estimate of outstanding claims liabilities at the expected level has decreased between June 30, 2023 and June 30, 2024 as reflected in the prior report and current report respectively for both the Trial Courts and State Judiciary.

Since the prior evaluation, case reserves and IBNR have decreased for the Trial Courts; case reserves have increased slightly but IBNR have decreased for the State Judiciary. Reserves for future claims administration expenses have decreased. The overall change is a decrease of \$4,009,000 in the estimate of outstanding claim liabilities for loss and ALAE.

Available assets were \$74,234,000 as of June 30, 2023, which corresponded to the then-estimated undiscounted liability for outstanding claims between the 75% and 80% confidence level. Available assets are currently estimated to be \$76,000,000 as of June 30, 2024, which corresponds to the currently estimated liability for outstanding claims between the 85% and 90% confidence levels. It can be summarized as follows:

**Funding Margin**

	Prior Report at June 30, 2023	Current Report at June 30, 2024	Change
(A) Outstanding Liability at the Undiscounted Expected Level:	\$64,429,000	\$60,420,000	(\$4,009,000)
(B) Assets At June 30:	74,234,000	76,000,000	1,766,000
(C) Balance:	\$9,805,000	\$15,580,000	\$5,775,000

As you can see, our estimate of the program’s funding balance at the undiscounted, expected level has increased by \$5,775,000 between June 30, 2023 (as previously estimated) and June 30, 2024 (as currently estimated). This is driven by a decrease in the estimated outstanding liability coupled with an increase in the estimated fund assets.

At the time of the prior report, the 2023-24 funding projections at the 70% confidence level were \$16,714,000 for the Trial Courts. Our current projections for the 2024-25 year at the 70% confidence level are \$17,630,000 for the Trial Courts. The comparison is shown in the following table:

**Comparison of Funding**

**Trial Courts**

	Prior Report 2023-24 Retention = \$2M	Current Report 2024-25 Retention = \$2M	Change
(A) Ultimate Loss and ALAE:	\$14,731,000	\$15,583,000	\$852,000
(B) Ultimate Claims Administration (ULAE):	\$1,248,000	\$1,253,000	5,000
(C) Total Claim Costs:	\$15,979,000	\$16,836,000	857,000
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	735,000	794,000	59,000
(F) Total Recommended Funding:	\$16,714,000	\$17,630,000	\$916,000
(G) Funding per \$100 of Payroll:	\$1.70	\$1.61	(\$0.09)

As you can see, the projected funding for the Trial Courts has increased and the between 2023-24 and 2024-25, as shown in the prior and current reports respectively.

At the time of the prior report, the 2023-24 funding projections at the 70% confidence level were \$1,258,000 for the State Judiciary. Our current projections for the 2024-25 year at the 70% confidence level are \$1,247,000 for the State Judiciary. The comparison is shown in the following table:

**Comparison of Funding**

**State Judiciary**

	Prior Report 2023-24 Retention = \$2M	Current Report 2024-25 Retention = \$2M	Change
(A) Ultimate Loss and ALAE:	\$767,000	\$751,000	(\$16,000)
(B) Ultimate Claims Administration (ULAE):	\$127,000	\$125,000	(2,000)
(C) Total Claim Costs:	\$894,000	\$876,000	(18,000)
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	364,000	371,000	7,000
(F) Total Recommended Funding:	\$1,258,000	\$1,247,000	(\$11,000)
(G) Funding per \$100 of Payroll:	\$0.18	\$0.18	(\$0.01)

As you can see, the projected funding for the State Judiciary have decreased between 2023-24 and 2024-25, as shown in the prior and current reports respectively.



At the time of the prior report, the 2023-24 expected loss and ALAE payments were \$11,934,000 for the Trial Courts and \$452,000 for the State Judiciary, for a total of \$12,386,000. Our current estimates for the 2024-25 year are \$11,406,000 for Trial Courts and \$457,000 for the State Judiciary for a total of \$11,863,000. The comparison is shown in the following table:

**Comparison of Expected Loss and ALAE Payments**

	Prior Report 2023-24	Current Report 2024-25	Change
(A) Trial Courts:	\$11,934,000	\$11,406,000	(\$528,000)
(B) State Judiciary:	452,000	457,000	5,000
(C) Total:	\$12,386,000	\$11,863,000	(\$523,000)

As you can see, the expected payments have decreased for the Trial Courts and the State Judiciary between 2023-24 and 2024-25, 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 2023-24, 2024-25, 2025-26, and 2026-27 (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 2023-24, 2024-25, 2025-26, and 2026-27 (See Appendix J-J for the State Judiciary).
- We received loss data evaluated as of December 31, 2023 (See Appendix TC-K for the Trial Courts and Appendix J-K for the State Judiciary). We also utilized the data from the JBWCP's most recent actuarial study for our assessment of loss development.

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

### **III. ASSUMPTIONS AND LIMITATIONS**

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

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

## DRAFT

- For the Trial Counts, we have assumed that the loss rate trend associated with claim costs decreases at 1.7% per year. We have assumed that claim severity increases at 3.5% per year, and that claim frequency decreases at 5.0% per year. For the State Judiciary, we have assumed that the loss rate trend associated with claim costs increases at 0.5% per year. We have assumed that claim severity increases at 2.5% per year, and that claim frequency decreases at 2.0% per year.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.58% 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, 2023

(A) Estimated Ultimate Losses Incurred through 12/31/23: (From Appendix TC - G and Appendix J - G)	\$349,085,000
(B) Estimated Paid Losses through 12/31/23: (From Appendix TC - G and Appendix J - G)	293,052,000
(C) Estimated Liability for Claims Outstanding at 12/31/23: (From Appendix TC - G and Appendix J - G)	<u>\$56,033,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/23: (From Appendix TC - F and Appendix J - F)	3,278,000
(E) Total Outstanding Liability for Claims at 12/31/23: ((C) + (D))	<u>\$59,311,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/23: ((E) x (F))	<u>\$59,311,000</u>

	<u>70%</u>	<u>80%</u>	<u>85%</u>	<u>Target</u>	<u>98%</u>
Confidence Level of Adequacy:					
(H) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.083	1.154	1.200	1.262	1.526
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	4,907,000	9,124,000	11,860,000	15,524,000	31,190,000
(J) Total Required Assets at 12/31/23: ((G) + (I))	<u>\$64,218,000</u>	<u>\$68,435,000</u>	<u>\$71,171,000</u>	<u>\$74,835,000</u>	<u>\$90,501,000</u>

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Guidelines for Outstanding Liabilities at  
June 30, 2024

(A) Estimated Ultimate Losses Incurred through 6/30/24: (From Appendix TC - G and Appendix J - G)	\$355,699,000
(B) Estimated Paid Losses through 6/30/24: (From Appendix TC - G and Appendix J - G)	298,639,000
(C) Estimated Liability for Claims Outstanding at 6/30/24: (From Appendix TC - G and Appendix J - G)	<u>\$57,061,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/24: (From Appendix TC - F and Appendix J - F)	3,359,000
(E) Total Outstanding Liability for Claims at 6/30/24: ((C) + (D))	<u>\$60,420,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/24: ((E) x (F))	<u>\$60,420,000</u>

	<u>70%</u>	<u>80%</u>	<u>85%</u>	<u>Target</u>	<u>90%</u>	<u>98%</u>
Confidence Level of Adequacy:						
(H) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.083	1.154	1.200	1.262	1.526	
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	5,004,000	9,303,000	12,094,000	15,831,000	31,810,000	
(J) Total Required Assets at 6/30/24: ((G) + (I))	<u>\$65,424,000</u>	<u>\$69,723,000</u>	<u>\$72,514,000</u>	<u>\$76,251,000</u>	<u>\$92,230,000</u>	
(K) Estimated Total Assets at 6/30/24: (Provided by the Judicial Council.)	\$76,000,000	\$76,000,000	\$76,000,000	\$76,000,000	\$76,000,000	
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$10,576,000</u>	<u>\$6,277,000</u>	<u>\$3,486,000</u>	<u>(\$251,000)</u>	<u>(\$16,230,000)</u>	



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)	\$13,229,000	\$0.752			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024:	1,375,000	0.078			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$14,604,000</u>	<u>\$0.830</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%.): (Not Included)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2023-2024: ((C) x (D))	<u>\$14,604,000</u>	<u>\$0.830</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.030	1.066	1.105	1.149	1.200
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	445,000	965,000	1,532,000	2,170,000	2,924,000
(H) Recommended Funding in for Claims Costs: ((E) + (G))	<u>\$15,049,000</u>	<u>\$15,570,000</u>	<u>\$16,136,000</u>	<u>\$16,775,000</u>	<u>\$17,529,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$17,592,891)	\$0.855	\$0.885	\$0.917	\$0.954	\$0.996

Payroll rates are per hundred dollars of payroll of \$1,759,289,100.

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary  
Funding Options for Program Year 2024-2025 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025: (From Appendix TC - G and Appendix J - G)	\$14,643,000	\$0.811			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:	1,378,486	0.076			
(C) Total Claims Costs Incurred in Accident Year 2024-2025: ((A) + (B))	<u>\$16,022,000</u>	<u>\$0.888</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 2024-2025: ((C) x (D))	<u>\$16,022,000</u>	<u>\$0.888</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.031	1.067	1.106	1.149	1.201
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	493,000	1,068,000	1,691,000	2,394,000	3,225,000
(H) Recommended Funding in for Claims Costs: ((E) + (G))	<u>\$16,514,000</u>	<u>\$17,089,000</u>	<u>\$17,712,000</u>	<u>\$18,416,000</u>	<u>\$19,247,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	1,165,000	1,165,000	1,165,000	1,165,000	1,165,000
(J) Recommended Funding in for Claims Costs and Other Expenses: ((H) + (I))	<u>\$17,679,000</u>	<u>\$18,254,000</u>	<u>\$18,877,000</u>	<u>\$19,581,000</u>	<u>\$20,412,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$18,046,789)	\$0.98	\$1.01	\$1.05	\$1.09	\$1.13

Payroll rates are per hundred dollars of payroll of \$1,804,678,900.

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary  
Funding Options for Program Year 2025-2026 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year : (From Appendix TC - G and Appendix J - G)	\$14,867,000	\$0.803			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2025-2026:	1,401,000	0.076			
(C) Total Claims Costs Incurred in Accident Year : ((A) + (B))	<u>\$16,268,000</u>	<u>\$0.879</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>\$16,268,000</u>	<u>\$0.879</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.031	1.067	1.106	1.150	1.202
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	500,000	1,085,000	1,720,000	2,436,000	3,282,000
(H) Recommended Funding in for Claims Costs and Other Expenses: ((E) + (G))	<u>\$16,768,000</u>	<u>\$17,353,000</u>	<u>\$17,988,000</u>	<u>\$18,704,000</u>	<u>\$19,550,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$18,512,395)	\$0.906	\$0.937	\$0.972	\$1.010	\$1.056

Payroll rates are per hundred dollars of payroll of \$1,851,239,500.

Judicial Branch Workers' Compensation Program - Trial Courts and Judiciary

Funding Options for Program Year 2026-2027 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year : (From Appendix TC - G and Appendix J - G)	\$15,093,000	\$0.795			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2026-2027:	1,424,000	0.075			
(C) Total Claims Costs Incurred in Accident Year : ((A) + (B))	<u>\$16,517,000</u>	<u>\$0.870</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>\$16,517,000</u>	<u>\$0.870</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I and Appendix J - I)	1.031	1.068	1.108	1.153	1.207
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	507,000	1,118,000	1,782,000	2,531,000	3,415,000
(H) Recommended Funding in for Claims Costs and Other Expenses: ((E) + (G))	<u>\$17,024,000</u>	<u>\$17,635,000</u>	<u>\$18,299,000</u>	<u>\$19,048,000</u>	<u>\$19,932,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$18,990,015)	\$0.896	\$0.929	\$0.964	\$1.003	\$1.050

Payroll rates are per hundred dollars of payroll of \$1,899,001,500.

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

Funding Guidelines for Outstanding Liabilities at  
December 31, 2023

(A) Estimated Ultimate Losses Incurred through 12/31/23: (From Appendix TC - G)	\$326,587,000				
(B) Estimated Paid Losses through 12/31/23: (From Appendix TC - G)	273,167,000				
(C) Estimated Liability for Claims Outstanding at 12/31/23: (From Appendix TC - G)	<u>\$53,420,000</u>				
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/23: (From Appendix TC - F)	2,884,000				
(E) Total Outstanding Liability for Claims at 12/31/23: ((C) + (D))	<u>\$56,304,000</u>				
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000				
(G) Discounted Outstanding Liability for Claims at 12/31/23: ((E) x (F))	<u>\$56,304,000</u>				
Confidence Level of Adequacy:	<u>70%</u>	<u>80%</u>	<u>85%</u>	<u>Target</u> 90%	<u>98%</u>
(H) Confidence Level Factor: (From Appendix TC - I)	1.080	1.148	1.192	1.251	1.502
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	4,504,000	8,333,000	10,810,000	14,132,000	28,258,000
(J) Total Required Assets at 12/31/23: ((G) + (I))	<u>\$60,809,000</u>	<u>\$64,637,000</u>	<u>\$67,115,000</u>	<u>\$70,437,000</u>	<u>\$84,562,000</u>

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

Funding Guidelines for Outstanding Liabilities at  
June 30, 2024

(A) Estimated Ultimate Losses Incurred through 6/30/24: (From Appendix TC - G)	\$332,914,000
(B) Estimated Paid Losses through 6/30/24: (From Appendix TC - G)	278,570,000
(C) Estimated Liability for Claims Outstanding at 6/30/24: (From Appendix TC - G)	<u>\$54,345,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/24: (From Appendix TC - F)	2,934,000
(E) Total Outstanding Liability for Claims at 6/30/24: ((C) + (D))	<u>\$57,279,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/24: ((E) x (F))	<u>\$57,279,000</u>

	<u>70%</u>	<u>80%</u>	<u>85%</u>	<u>Target</u> 90%	<u>98%</u>
Confidence Level of Adequacy:					
(H) Confidence Level Factor: (From Appendix TC - I)	1.080	1.148	1.192	1.251	1.502
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	4,582,000	8,477,000	10,998,000	14,377,000	28,747,000
(J) Total Required Assets at 6/30/24: ((G) + (I))	<u>\$61,861,000</u>	<u>\$65,756,000</u>	<u>\$68,277,000</u>	<u>\$71,656,000</u>	<u>\$86,026,000</u>

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)	\$12,655,000	\$1.186			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit TC - 5, Page 1, )	1,248,000	0.117			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$13,903,000</u>	<u>\$1.303</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>\$13,903,000</u>	<u>\$1.303</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.035	1.071	1.110	1.154	1.206
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	443,000	898,000	1,392,000	1,949,000	2,607,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$14,346,000</u>	<u>\$14,801,000</u>	<u>\$15,295,000</u>	<u>\$15,852,000</u>	<u>\$16,510,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$10,667,373)	\$1.345	\$1.387	\$1.434	\$1.486	\$1.548

Payroll rates are per hundred dollars of 2023-2024 payroll of \$1,066,737,300.

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)	\$14,039,000	\$1.283			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025: (From Exhibit TC - 5, Page 1, )	1,253,000	0.115			
(C) Total Claims Costs Incurred in Accident Year 2024-2025: ((A) + (B))	<u>\$15,292,000</u>	<u>\$1.398</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>\$15,292,000</u>	<u>\$1.398</u>			
	Marginally Acceptable		Recommended		
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.035	1.071	1.110	1.154	1.206
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	491,000	997,000	1,544,000	2,162,000	2,892,000
(H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$15,783,000</u>	<u>\$16,289,000</u>	<u>\$16,836,000</u>	<u>\$17,454,000</u>	<u>\$18,184,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	794,000	794,000	794,000	794,000	794,000
(J) Recommended Funding in 2024-2025 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$16,577,000</u>	<u>\$17,083,000</u>	<u>\$17,630,000</u>	<u>\$18,248,000</u>	<u>\$18,978,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$10,942,592)	\$1.515	\$1.561	\$1.611	\$1.668	\$1.734

Payroll rates are per hundred dollars of 2024-2025 payroll of \$1,094,259,200.



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

Funding Options for Program Year 2025-2026 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2025-2026: (From Appendix TC - G)	\$14,233,000	\$1.268			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2025-2026: (From Exhibit TC - 5, Page 1, )	1,270,000	0.113			
(C) Total Claims Costs Incurred in Accident Year 2025-2026: ((A) + (B))	<u>\$15,503,000</u>	<u>\$1.381</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2025-2026: ((C) x (D))	<u>\$15,503,000</u>	<u>\$1.381</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.035	1.071	1.110	1.154	1.206
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	498,000	1,011,000	1,566,000	2,192,000	2,932,000
(H) Recommended Funding in 2025-2026 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$16,001,000</u>	<u>\$16,514,000</u>	<u>\$17,069,000</u>	<u>\$17,695,000</u>	<u>\$18,435,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$11,224,910)	\$1.426	\$1.471	\$1.521	\$1.576	\$1.642

Payroll rates are per hundred dollars of 2025-2026 payroll of \$1,122,491,000.

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

Funding Options for Program Year 2026-2027 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2026-2027: (From Appendix TC - G)	\$14,428,000	\$1.253			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2026-2027: (From Exhibit TC - 5, Page 1, )	1,287,000	0.112			
(C) Total Claims Costs Incurred in Accident Year 2026-2027: ((A) + (B))	<u>\$15,715,000</u>	<u>\$1.365</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 2026-2027: ((C) x (D))	<u>\$15,715,000</u>	<u>\$1.365</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix TC - I)	1.035	1.071	1.110	1.154	1.206
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	504,969	1,024,366	1,587,045	2,221,863	2,972,103
(H) Recommended Funding in 2026-2027 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$16,220,000</u>	<u>\$16,739,000</u>	<u>\$17,302,000</u>	<u>\$17,937,000</u>	<u>\$18,687,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$11,514,513)	\$1.409	\$1.454	\$1.503	\$1.558	\$1.623

Payroll rates are per hundred dollars of 2026-2027 payroll of \$1,151,451,300.

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

IBNR as of 6/30/24 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/23 (B)	Estimated IBNR as of 12/31/23 (C)	Estimated Percent of IBNR Reported Between 1/1/24 and 6/30/24 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/24 (F)
2003-2004	21,300,000	21,152,000	148,000	28.4%	42,000	106,000
2004-2005	14,213,000	14,086,000	127,000	11.0%	14,000	113,000
2005-2006	14,275,000	14,120,000	155,000	9.0%	14,000	141,000
2006-2007	14,438,000	14,266,000	171,000	8.2%	14,000	157,000
2007-2008	13,582,000	13,394,000	188,000	7.1%	13,000	174,000
2008-2009	11,153,000	10,967,000	186,000	11.6%	22,000	165,000
2009-2010	16,817,000	16,471,000	346,000	9.3%	32,000	314,000
2010-2011	15,588,000	15,208,000	380,000	7.8%	30,000	351,000
2011-2012	15,261,000	14,773,000	488,000	11.8%	58,000	430,000
2012-2013	16,437,000	15,775,000	663,000	11.5%	76,000	586,000
2013-2014	13,058,000	12,012,000	1,046,000	10.6%	111,000	935,000
2014-2015	12,781,000	11,499,000	1,282,000	10.8%	138,000	1,144,000
2015-2016	14,357,000	12,715,000	1,642,000	11.2%	184,000	1,458,000
2016-2017	12,083,000	10,264,000	1,819,000	9.5%	173,000	1,646,000
2017-2018	12,215,000	10,225,000	1,990,000	9.2%	183,000	1,807,000
2018-2019	12,401,000	9,873,000	2,528,000	10.4%	263,000	2,265,000
2019-2020	10,540,000	7,153,000	3,387,000	9.6%	325,000	3,062,000
2020-2021	15,076,000	11,771,000	3,305,000	11.4%	377,000	2,929,000
2021-2022	10,383,000	4,848,000	5,535,000	14.0%	775,000	4,760,000
2022-2023	12,324,000	4,654,000	7,670,000	17.6%	1,350,000	6,320,000
2023-2024	12,655,000	1,015,000	5,312,000	19.0%	2,211,000	9,428,000
Totals	\$332,914,000	\$288,051,000	\$38,536,000		\$6,452,000	\$38,411,000

## 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 1/1/24 and 6/30/24. 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 6/30/24. 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)	
2003-2004	21,300,000	21,401,000	21,292,000	21,357,000	19,983,000	21,300,000	21,300,000	
2004-2005	14,213,000	14,583,000	14,216,000	14,572,000	14,435,000	14,213,000	14,213,000	
2005-2006	14,275,000	14,542,000	14,275,000	14,523,000	14,119,000	14,275,000	14,275,000	
2006-2007	14,438,000	14,706,000	14,419,000	14,616,000	12,699,000	14,438,000	14,438,000	
2007-2008	13,582,000	13,944,000	13,591,000	13,950,000	14,061,000	13,582,000	13,582,000	
2008-2009	11,153,000	11,635,000	11,168,000	11,644,000	11,865,000	11,153,000	11,153,000	
2009-2010	16,817,000	17,436,000	16,826,000	17,400,000	16,875,000	16,817,000	16,817,000	
2010-2011	15,588,000	16,188,000	15,570,000	16,093,000	15,107,000	15,588,000	15,588,000	
2011-2012	15,261,000	15,953,000	15,245,000	15,832,000	14,734,000	15,261,000	15,261,000	
2012-2013	16,437,000	16,911,000	16,447,000	16,904,000	16,811,000	16,437,000	16,437,000	
2013-2014	12,661,000	13,456,000	12,679,000	13,407,000	13,081,000	13,058,000	13,058,000	
2014-2015	12,304,000	13,259,000	12,331,000	13,186,000	12,807,000	12,781,000	12,781,000	
2015-2016	13,872,000	14,841,000	13,904,000	14,748,000	14,318,000	14,357,000	14,357,000	
2016-2017	11,445,000	12,721,000	11,533,000	12,634,000	12,331,000	12,083,000	12,083,000	
2017-2018	11,698,000	12,992,000	11,781,000	12,810,000	12,446,000	12,215,000	12,215,000	
2018-2019	11,749,000	13,379,000	11,857,000	13,048,000	12,447,000	12,401,000	12,401,000	
2019-2020	8,919,000	10,439,000	9,686,000	11,394,000	9,369,000	10,540,000	10,540,000	
2020-2021	15,832,000	17,382,000	14,876,000	14,722,000	11,254,000	15,076,000	15,076,000	
2021-2022	7,524,000	9,645,000	9,308,000	11,457,000	10,600,000	10,383,000	10,383,000	
2022-2023	10,318,000	14,757,000	11,585,000	13,064,000	11,659,000	12,324,000	12,324,000	
2023-2024	8,772,000	15,687,000	12,963,000	13,577,000	13,413,000	12,655,000	12,655,000	
Totals						\$332,914,000	\$332,914,000	
						Projected Losses for the Year 2023-2024 (H)	\$12,655,000	\$12,655,000
						Projected Losses for the Year 2024-2025 (I)	14,039,000	14,039,000
						Projected Losses for the Year 2025-2026 (J)	14,233,000	14,233,000
						Projected Losses for the Year 2026-2027 (K)	14,428,000	14,428,000

## 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)
2003-2004	18,654,000	18,926,000	18,655,000	18,929,000	18,654,000	18,654,000
2004-2005	13,434,000	13,655,000	13,434,000	13,657,000	13,434,000	13,434,000
2005-2006	13,090,000	13,196,000	13,091,000	13,187,000	13,091,000	13,090,000
2006-2007	11,731,000	11,805,000	11,732,000	11,798,000	11,732,000	11,731,000
2007-2008	12,938,000	13,052,000	12,939,000	13,044,000	12,938,000	12,938,000
2008-2009	10,876,000	11,059,000	10,877,000	11,051,000	10,876,000	10,876,000
2009-2010	15,404,000	15,618,000	15,405,000	15,612,000	15,404,000	15,404,000
2010-2011	13,730,000	14,079,000	13,732,000	14,060,000	13,730,000	13,730,000
2011-2012	13,334,000	13,767,000	13,336,000	13,751,000	13,334,000	13,334,000
2012-2013	15,149,000	15,267,000	15,152,000	15,253,000	15,149,000	15,149,000
2013-2014	11,732,000	12,040,000	11,736,000	12,012,000	11,732,000	11,732,000
2014-2015	11,434,000	11,905,000	11,429,000	11,861,000	11,435,000	11,434,000
2015-2016	12,721,000	13,266,000	12,722,000	13,206,000	12,721,000	12,721,000
2016-2017	10,726,000	11,433,000	10,733,000	11,354,000	10,903,000	10,903,000
2017-2018	10,644,000	11,521,000	10,660,000	11,392,000	10,951,000	10,951,000
2018-2019	10,072,000	11,359,000	10,131,000	11,238,000	10,897,000	10,393,000
2019-2020	7,807,000	9,124,000	8,150,000	9,758,000	8,160,000	8,466,000
2020-2021	12,899,000	15,034,000	12,516,000	13,092,000	9,748,000	12,708,000
2021-2022	6,519,000	8,314,000	7,630,000	9,723,000	9,134,000	8,035,000
2022-2023	8,852,000	12,648,000	9,788,000	11,259,000	9,991,000	10,042,000
2023-2024	7,496,000	13,368,000	10,981,000	11,576,000	11,430,000	11,278,000
Totals						\$296,492,000
						Projected Losses for the Year 2023-2024 (G) \$11,278,000
						Projected Losses for the Year 2024-2025 (H) 11,895,000
						Projected Losses for the Year 2025-2026 (I) 11,991,000
						Projected Losses for the Year 2026-2027 (J) 12,083,000

## 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)
2003-2004	18,654,000	0.692	12,909,000	10,533,000	1.226
2004-2005	13,434,000	0.920	12,359,000	10,742,000	1.151
2005-2006	13,090,000	1.020	13,352,000	11,399,000	1.171
2006-2007	11,731,000	0.989	11,602,000	12,070,000	0.961
2007-2008	12,938,000	0.943	12,201,000	13,040,000	0.936
2008-2009	10,876,000	0.900	9,788,000	13,333,000	0.734
2009-2010	15,404,000	0.846	13,032,000	12,250,000	1.064
2010-2011	13,730,000	0.818	11,231,000	12,138,000	0.925
2011-2012	13,334,000	0.826	11,014,000	11,815,000	0.932
2012-2013	15,149,000	0.858	12,997,000	10,694,000	1.215
2013-2014	11,732,000	0.883	10,360,000	10,416,000	0.995
2014-2015	11,434,000	0.892	10,200,000	10,020,000	1.018
2015-2016	12,721,000	0.942	11,983,000	10,328,000	1.160
2016-2017	10,903,000	1.008	10,990,000	10,311,000	1.066
2017-2018	10,951,000	1.025	11,225,000	10,111,000	1.110
2018-2019	10,393,000	1.015	10,549,000	10,206,000	1.034
2019-2020	8,466,000	1.027	8,695,000	10,594,000	0.821
2020-2021	12,708,000	1.012	12,860,000	9,806,000	1.311
2021-2022	8,035,000	1.006	8,084,000	10,056,000	0.804
2022-2023	10,042,000	1.015	10,193,000	10,165,000	1.003
2023-2024	11,278,000	1.000	11,278,000	10,667,000	1.057
Totals	\$296,492,000		\$263,950,000	\$252,176,000	\$1.047
16/17-23/24	82,777,007		83,873,832	81,916,836	1.024
20/21-23/24	42,063,682		42,415,020	40,694,800	1.042
				Selected Limited Rate (F):	\$1.100
				Prior:	\$1.155
Program Year:		2023-2024	2024-2025	2025-2026	2026-2027
(G) Factor to SIR:		1.122	1.180	1.187	1.194
(H) Trend Factor:		1.000	0.988	0.971	0.954
(I) Program Rate:		\$1.186	\$1.283	\$1.268	\$1.253
(J) Trended Payroll (\$00):		10,667,000	10,943,000	11,225,000	11,515,000
(K) Projected Program Losses:		12,655,000	14,039,000	14,233,000	14,428,000

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. 2023-2024 is (K) / (A).
- (H) From Appendix TC - E.
- (I) (F) x (G) x (H). 2023-2024 is (K) / (J).
- (J) Appendix TC - L, Column (C).
- (K) (I) x (J). 2023-2024 is from Exhibit TC - 4, Page 1.

This exhibit shows the calculation of future loss costs based on the past loss rates. The projections will be accurate only to the extent that what has happened in the past is representative of what will happen in the future.

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

## Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 12/31/23 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/23 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
2003-2004	18,598,580	1.003	18,654,376	21,151,709	1.007	21,299,771
2004-2005	13,380,425	1.004	13,433,947	14,086,180	1.009	14,212,956
2005-2006	13,025,212	1.005	13,090,338	14,120,143	1.011	14,275,465
2006-2007	11,661,364	1.006	11,731,332	14,266,470	1.012	14,437,668
2007-2008	12,848,537	1.007	12,938,477	13,394,016	1.014	13,581,532
2008-2009	10,789,478	1.008	10,875,794	10,966,583	1.017	11,153,015
2009-2010	15,266,909	1.009	15,404,311	16,471,282	1.021	16,817,179
2010-2011	13,594,442	1.010	13,730,386	15,207,524	1.025	15,587,712
2011-2012	13,175,696	1.012	13,333,804	14,773,158	1.033	15,260,672
2012-2013	14,924,678	1.015	15,148,548	15,774,695	1.042	16,437,232
2013-2014	11,513,470	1.019	11,732,226	12,012,057	1.054	12,660,708
2014-2015	11,166,473	1.024	11,434,468	11,498,914	1.070	12,303,838
2015-2016	12,314,580	1.033	12,720,961	12,715,156	1.091	13,872,235
2016-2017	10,264,285	1.045	10,726,178	10,264,285	1.115	11,444,678
2017-2018	10,041,132	1.060	10,643,600	10,225,231	1.144	11,697,664
2018-2019	9,316,996	1.081	10,071,673	9,872,882	1.190	11,748,730
2019-2020	7,001,907	1.115	7,807,126	7,152,528	1.247	8,919,202
2020-2021	10,894,551	1.184	12,899,148	11,770,777	1.345	15,831,695
2021-2022	4,832,256	1.349	6,518,713	4,847,685	1.552	7,523,607
2022-2023	4,639,667	1.908	8,852,485	4,653,919	2.217	10,317,738
2023-2024	1,015,132	7.384	7,495,735	1,015,132	8.641	8,771,756
Totals	\$269,672,816		\$288,729,487	\$288,050,780		\$320,132,749

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council. These losses exclude amounts over \$250,000 per occurrence.
- (C) From Appendix TC - A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$250,000 per occurrence.
- (E) Losses capped at the Judicial Council's SIR. Amounts are provided by the Judicial Council.
- (F) Derived from factors on Appendix TC - A, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses and case reserves as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.



Judicial Branch Workers' Compensation Program - Workers' Compensation - Trial Courts  
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
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	14,788,379
2013-2014	1,883,261	6,621,326	8,913,543	10,211,051	11,223,356	11,200,387	11,322,699	11,281,824	11,284,309	11,361,037	11,513,470
2014-2015	1,297,240	5,086,907	8,333,536	10,956,287	10,802,836	11,046,794	11,169,739	11,339,011	11,122,451	11,166,473	
2015-2016	1,841,257	6,912,410	9,659,649	10,285,158	11,008,942	11,470,232	11,830,835	12,086,996	12,314,580		
2016-2017	1,277,577	6,303,846	8,428,148	9,115,288	9,447,908	10,095,262	10,289,746	10,264,285			
2017-2018	1,609,668	5,295,232	7,815,249	8,372,308	9,169,643	9,614,535	10,041,132				
2018-2019	1,288,504	4,905,159	7,228,306	8,316,546	9,015,306	9,316,996					
2019-2020	1,206,028	3,849,026	5,657,250	6,831,813	7,001,907						
2020-2021	1,216,304	5,353,546	8,923,519	10,894,551							
2021-2022	1,096,703	3,745,317	4,832,256								
2022-2023	1,276,003	4,639,667									
2023-2024	1,015,132										

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
2002-2003							1.044	1.003	1.002	1.018	1.001
2003-2004						1.031	1.013	1.016	1.021	0.987	1.001
2004-2005					1.073	1.010	1.001	1.015	0.995	1.008	1.002
2005-2006				1.073	1.004	1.018	1.044	1.017	1.017	1.015	1.027
2006-2007			1.070	1.020	0.969	0.973	1.018	1.012	1.011	1.005	1.010
2007-2008		1.352	1.128	1.070	1.049	1.042	1.002	0.997	1.012	1.025	0.999
2008-2009	3.906	1.383	1.068	1.025	0.990	1.009	0.988	1.010	1.013	1.006	0.991
2009-2010	5.231	1.385	1.121	1.055	1.031	1.017	0.999	1.036	0.995	1.010	1.002
2010-2011	3.658	1.316	1.162	1.058	1.037	1.036	1.043	0.991	0.994	0.997	1.003
2011-2012	3.440	1.297	1.168	1.077	1.052	1.070	0.996	1.012	1.004	1.007	1.002
2012-2013	3.730	1.382	1.166	1.138	1.059	0.994	1.029	1.008	1.014	1.004	1.009
2013-2014	3.516	1.346	1.146	1.099	0.998	1.011	0.996	1.000	1.007	1.013	
2014-2015	3.921	1.638	1.315	0.986	1.023	1.011	1.015	0.981	1.004		
2015-2016	3.754	1.397	1.065	1.070	1.042	1.031	1.022	1.019			
2016-2017	4.934	1.337	1.082	1.036	1.069	1.019	0.998				
2017-2018	3.290	1.476	1.071	1.095	1.049	1.044					
2018-2019	3.807	1.474	1.151	1.084	1.033						
2019-2020	3.191	1.470	1.208	1.025							
2020-2021	4.401	1.667	1.221								
2021-2022	3.415	1.290									
2022-2023	3.636										

	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	3.855	1.414	1.143	1.061	1.032	1.021	1.014	1.008	1.007	1.008	1.004
3-yr	3.828	1.499	1.194	1.071	1.050	1.031	1.012	1.000	1.009	1.008	1.005
4-yr	3.668	1.492	1.162	1.061	1.048	1.026	1.008	1.003	1.008	1.005	1.004
Industry Factors Prior	2.794	1.252	1.051	1.006	1.005	1.003	1.003	1.003	1.003	1.003	1.002
Selected	3.886	1.414	1.136	1.062	1.031	1.019	1.015	1.012	1.009	1.005	1.004
Cumulated	3.870	1.414	1.139	1.062	1.031	1.020	1.014	1.012	1.009	1.005	1.004
	7.384	1.908	1.349	1.184	1.115	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
2002-2003	16,966,022	17,005,514	17,094,754	17,069,678	17,036,977	16,976,556	16,750,346	16,836,806	16,858,049	16,843,156	16,834,777
2003-2004	18,279,069	18,226,045	18,164,653	18,387,593	18,299,094	18,555,017	18,698,247	18,660,434	18,623,836	18,598,580	
2004-2005	13,203,802	13,320,640	13,538,704	13,417,106	13,407,710	13,405,678	13,385,183	13,401,372	13,380,425		
2005-2006	13,117,866	12,952,624	12,888,306	12,791,601	12,929,744	13,000,393	13,032,206	13,025,212			
2006-2007	11,565,891	11,542,198	11,593,311	11,533,363	11,654,863	11,670,936	11,661,364				
2007-2008	12,638,619	12,812,884	12,876,403	12,847,543	12,872,129	12,848,537					
2008-2009	10,830,425	10,894,992	10,966,960	10,930,574	10,789,478						
2009-2010	15,053,835	15,166,276	15,215,130	15,266,909							
2010-2011	13,582,768	13,548,271	13,594,442								
2011-2012	13,306,008	13,175,696									
2012-2013	14,924,678										
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
2023-2024											

	<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
2002-2003	1.002	1.005	0.999	0.998	0.996	0.987	1.005	1.001	0.999	1.000	
2003-2004	0.997	0.997	1.012	0.995	1.014	1.008	0.998	0.998	0.999		
2004-2005	1.009	1.016	0.991	0.999	1.000	0.998	1.001	0.998			
2005-2006	0.987	0.995	0.992	1.011	1.005	1.002	0.999				
2006-2007	0.998	1.004	0.995	1.011	1.001	0.999					
2007-2008	1.014	1.005	0.998	1.002	0.998						
2008-2009	1.006	1.007	0.997	0.987							
2009-2010	1.007	1.003	1.003								
2010-2011	0.997	1.003									
2011-2012	0.990										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	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	1.001	1.004	0.998	1.000	1.002	0.999	1.001	0.999	0.999	1.000	
Dollar-Weighted Averages											
3-yr	0.999	1.004	1.000	1.000	1.002	1.000	0.999	0.999			
4-yr	1.000	1.004	0.999	1.003	1.001	1.003	1.001				
Industry Factors											
Prior	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.016
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
2002-2003							310,285	307,317	543,487	1,046,732	1,265,186
2003-2004						304,210	406,710	892,235	1,034,586	936,797	980,589
2004-2005					23,232	278,625	226,993	416,019	434,789	505,507	540,094
2005-2006					41,061	344,639	466,942	511,059	501,109	529,607	955,828
2006-2007			21,038	280,954	435,397	533,449	1,034,629	1,232,300	1,375,282	1,744,538	1,816,983
2007-2008		133,559				23,517	289,352	372,067	547,688	506,189	589,127
2008-2009				24,584	345,494	235,365	247,797	241,870	139,772	151,199	149,622
2009-2010			14,898	276,901	183,248	194,590	426,655	682,386	1,014,019	930,275	940,577
2010-2011				55,242	273,550	830,937	1,164,248	1,470,056	1,105,578	1,337,658	1,295,659
2011-2012					66,389	226,348	501,557	701,537	967,740	925,737	1,121,223
2012-2013			941	29,460	428,371	730,668	692,950	620,101	572,872	592,884	619,176
2013-2014			57,190	117,585	532,568	295,011	309,099	325,233	348,913	488,200	498,587
2014-2015				233,807	114,833	117,508	312,576	286,197	274,519	332,441	
2015-2016			31,603	38,024	201,339	341,851	350,502	388,740	399,019		
2016-2017		93,608	95,008	160,011			16,074				
2017-2018					48,176	123,706	184,099				
2018-2019				73,766	145,596	555,886					
2019-2020				19,437	150,622						
2020-2021				384,459							
2021-2022			15,429								
2022-2023		14,253									
2023-2024											

	<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
2002-2003							0.990	1.768	1.926	1.209	1.064
2003-2004						1.337	2.194	1.160	0.905	1.047	1.155
2004-2005					11.993	0.815	1.833	1.045	1.163	1.068	1.120
2005-2006					8.393	1.355	1.094	0.981	1.057	1.805	0.968
2006-2007			13.355	1.550	1.225	1.940	1.191	1.116	1.268	1.042	1.218
2007-2008						12.304	1.286	1.472	0.924	1.164	0.869
2008-2009				14.054	0.681	1.053	0.976	0.578	1.082	0.990	1.047
2009-2010			18.587	0.662	1.062	2.193	1.599	1.486	0.917	1.011	0.977
2010-2011				4.952	3.038	1.401	1.263	0.752	1.210	0.969	1.063
2011-2012					3.409	2.216	1.399	1.379	0.957	1.211	1.164
2012-2013			31.307	14.541	1.706	0.948	0.895	0.924	1.035	1.044	1.303
2013-2014			2.056	4.529	0.554	1.048	1.052	1.073	1.399	1.021	
2014-2015				0.491	1.023	2.660	0.916	0.959	1.211		
2015-2016			1.203	5.295	1.698	1.025	1.109	1.026			
2016-2017		1.015	1.684								
2017-2018					2.568	1.488					
2018-2019				1.974	3.818						
2019-2020				7.749							
2020-2021											
2021-2022											
2022-2023											

	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	5.580	3.167	2.270	1.271	1.123	1.158	1.132	1.086
3-yr								1.022	1.182	1.116	1.149
4-yr								0.985	1.081	1.057	1.108
Industry Factors	4.362	1.973	1.381	1.179	1.083	1.042	1.027	1.015	1.011	1.010	1.010
Prior	6.403	3.292	2.387	1.896	1.587	1.617	1.228	1.162	1.158	1.133	1.088
Selected	6.063	3.072	2.220	1.777	1.503	1.521	1.195	1.154	1.158	1.132	1.087
Cumulated	456.626	75.316	24.514	11.044	6.216	4.135	2.718	2.275	1.971	1.702	1.503

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
2002-2003	1,346,228	1,367,884	1,405,829	1,349,716	1,156,446	1,177,674	951,970	923,974	970,260	941,645	953,556
2003-2004	1,132,654	1,321,659	1,325,255	1,799,350	1,726,944	1,988,442	1,478,573	1,491,407	1,565,115	1,556,634	
2004-2005	604,660	571,375	658,159	626,019	638,588	409,712	394,998	460,424	457,584		
2005-2006	924,975	1,132,473	1,203,742	1,229,377	1,097,776	1,082,380	1,094,931	1,094,931			
2006-2007	2,212,910	2,500,707	2,617,634	1,731,408	1,754,578	1,758,200	1,726,807				
2007-2008	512,195	525,111	548,673	521,322	542,601	545,478					
2008-2009	156,677	179,581	180,523	188,842	177,105						
2009-2010	918,842	957,398	1,150,589	1,171,916							
2010-2011	1,376,640	1,403,273	1,441,469								
2011-2012	1,304,633	1,448,487									
2012-2013	806,664										
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
2023-2024											

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
2002-2003	1.016	1.028	0.960	0.857	1.018	0.808	0.971	1.050	0.971	1.013	
2003-2004	1.167	1.003	1.358	0.960	1.151	0.744	1.009	1.049	0.995		
2004-2005	0.945	1.152	0.951	1.020	0.642	0.964	1.166	0.994			
2005-2006	1.224	1.063	1.021	0.893	0.986	1.012	1.000				
2006-2007	1.130	1.047	0.661	1.013	1.002	0.982					
2007-2008	1.025	1.045	0.950	1.041	1.005						
2008-2009	1.146	1.005	1.046	0.938							
2009-2010	1.042	1.202	1.019								
2010-2011	1.019	1.027									
2011-2012	1.110										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	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	1.082	1.064	0.996	0.960	0.967	0.902	1.037	1.031	0.983	1.013	
3-yr	1.058	1.091	1.001	1.013	0.997	0.990	1.026	1.041			
4-yr	1.062	1.083	0.803	0.973	0.941	0.896	1.013				
Industry Factors	1.010	1.010	1.010	1.008	1.008	1.006	1.005	1.005	1.003	1.003	1.041
Prior	1.079	1.057	1.023	1.008	1.006	0.985	1.013	1.009	1.014	1.006	1.009
Selected	1.080	1.058	1.040	1.030	1.020	1.010	1.005	1.005	1.014	1.030	1.041
Cumulated	1.382	1.280	1.210	1.163	1.129	1.107	1.096	1.091	1.086	1.072	1.041

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

## Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/23 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/23 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
2003-2004	18,536,831	1.021	18,926,104	20,637,655	1.037	21,401,248
2004-2005	13,361,005	1.022	13,654,947	14,008,741	1.041	14,583,099
2005-2006	12,898,874	1.023	13,195,548	13,902,331	1.046	14,541,838
2006-2007	11,528,441	1.024	11,805,124	14,006,147	1.050	14,706,454
2007-2008	12,733,550	1.025	13,051,889	13,204,696	1.056	13,944,159
2008-2009	10,779,007	1.026	11,059,261	10,956,112	1.062	11,635,391
2009-2010	15,118,777	1.033	15,617,697	16,219,305	1.075	17,435,753
2010-2011	13,524,685	1.041	14,079,197	14,824,402	1.092	16,188,247
2011-2012	13,110,989	1.050	13,766,538	14,372,219	1.110	15,953,163
2012-2013	14,389,427	1.061	15,267,182	14,938,675	1.132	16,910,580
2013-2014	11,178,951	1.077	12,039,730	11,590,079	1.161	13,456,082
2014-2015	10,832,304	1.099	11,904,702	11,085,879	1.196	13,258,711
2015-2016	11,781,374	1.126	13,265,827	11,968,618	1.240	14,841,086
2016-2017	9,763,127	1.171	11,432,622	9,763,127	1.303	12,721,354
2017-2018	9,328,757	1.235	11,521,015	9,353,444	1.389	12,991,934
2018-2019	8,599,146	1.321	11,359,472	8,919,164	1.500	13,378,746
2019-2020	6,236,201	1.463	9,123,562	6,236,201	1.674	10,439,400
2020-2021	8,644,941	1.739	15,033,552	8,669,189	2.005	17,381,724
2021-2022	3,588,316	2.317	8,314,128	3,588,316	2.688	9,645,393
2022-2023	3,039,644	4.161	12,647,959	3,039,644	4.855	14,757,472
2023-2024	412,426	32.414	13,368,376	412,426	38.035	15,686,623
Totals	\$258,656,786		\$310,489,846	\$273,166,968		\$348,656,116

## 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
2002-2003							13,895,219	14,639,844	15,008,317	15,436,250	15,909,865
2003-2004						14,244,193	15,135,240	15,795,943	16,385,329	16,825,676	17,134,379
2004-2005					9,312,103	10,263,766	10,959,900	11,554,070	11,929,327	12,193,453	12,517,980
2005-2006				7,518,738	8,522,029	9,388,958	9,984,912	10,554,943	11,055,421	11,377,246	11,736,360
2006-2007			5,604,484	7,197,283	8,310,895	9,190,933	9,737,594	10,218,829	10,549,323	10,828,048	11,002,691
2007-2008		3,185,782	5,297,864	7,033,067	8,337,068	9,082,337	10,028,334	10,938,511	11,396,645	11,578,352	11,796,041
2008-2009	454,230	3,499,847	5,966,402	7,711,858	8,680,674	9,236,108	9,599,782	9,907,242	10,107,914	10,225,208	10,359,238
2009-2010	429,214	3,866,567	6,981,920	9,142,137	10,885,297	11,814,154	12,804,749	13,246,012	13,767,036	14,171,967	14,543,862
2010-2011	434,154	3,507,731	6,028,970	8,016,256	9,451,632	10,554,256	11,539,699	12,178,483	12,537,919	12,874,138	13,226,361
2011-2012	427,443	3,187,957	5,784,261	7,595,166	9,253,021	10,269,285	11,009,731	11,762,400	12,341,860	12,752,881	12,976,759
2012-2013	389,782	3,201,349	5,892,691	7,910,587	10,160,662	11,523,730	12,294,542	13,146,077	13,601,506	13,876,160	14,118,513
2013-2014	502,329	3,187,869	5,266,456	7,014,954	8,431,241	9,295,101	9,939,680	10,501,126	10,737,639	10,986,744	11,178,951
2014-2015	227,098	2,346,387	4,954,175	6,853,331	8,365,366	9,345,951	10,007,865	10,484,321	10,529,014	10,832,304	
2015-2016	416,214	3,275,544	5,732,421	7,537,992	9,100,768	10,297,803	10,844,895	11,343,106	11,781,374		
2016-2017	299,568	2,721,824	5,121,094	6,959,370	7,889,282	8,654,379	9,266,563	9,763,127			
2017-2018	320,467	2,819,403	5,066,565	6,341,231	7,550,597	8,753,720	9,328,757				
2018-2019	360,102	2,603,660	4,593,277	6,508,167	7,761,789	8,599,146					
2019-2020	367,700	2,280,483	3,998,493	5,241,176	6,236,201						
2020-2021	398,001	2,953,928	5,789,474	8,644,941							
2021-2022	405,497	2,156,171	3,588,316								
2022-2023	523,737	3,039,644									
2023-2024	412,426										

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
2002-2003							1.054	1.025	1.029	1.031	1.012
2003-2004						1.063	1.044	1.037	1.027	1.018	1.017
2004-2005					1.102	1.068	1.054	1.032	1.022	1.027	1.013
2005-2006				1.133	1.102	1.063	1.057	1.047	1.029	1.032	1.044
2006-2007			1.284	1.155	1.106	1.059	1.049	1.032	1.026	1.016	1.011
2007-2008		1.663	1.328	1.185	1.089	1.104	1.091	1.042	1.016	1.019	1.022
2008-2009	7.705	1.705	1.293	1.126	1.064	1.039	1.032	1.020	1.012	1.013	1.011
2009-2010	9.008	1.806	1.309	1.191	1.085	1.084	1.034	1.039	1.029	1.026	1.013
2010-2011	8.079	1.719	1.330	1.179	1.117	1.093	1.055	1.030	1.027	1.027	1.015
2011-2012	7.458	1.814	1.313	1.218	1.110	1.072	1.068	1.049	1.033	1.018	1.006
2012-2013	8.213	1.841	1.342	1.284	1.134	1.067	1.069	1.035	1.020	1.017	1.019
2013-2014	6.346	1.652	1.332	1.202	1.102	1.069	1.056	1.023	1.023	1.017	
2014-2015	10.332	2.111	1.383	1.221	1.117	1.071	1.048	1.004	1.029		
2015-2016	7.870	1.750	1.315	1.207	1.132	1.053	1.046	1.039			
2016-2017	9.086	1.881	1.359	1.134	1.097	1.071	1.054				
2017-2018	8.798	1.797	1.252	1.191	1.159	1.066					
2018-2019	7.230	1.764	1.417	1.193	1.108						
2019-2020	6.202	1.753	1.311	1.190							
2020-2021	7.422	1.960	1.493								
2021-2022	5.317	1.664									
2022-2023	5.804										

	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	7.658	1.792	1.337	1.187	1.108	1.069	1.054	1.032	1.025	1.022	1.017
Dollar-Weighted Averages											
3-yr	6.140	1.810	1.418	1.191	1.121	1.063	1.049	1.022	1.024	1.018	1.014
4-yr	6.154	1.798	1.375	1.175	1.124	1.065	1.051	1.026	1.026	1.020	1.013
Industry Factors	3.503	1.627	1.223	1.107	1.059	1.035	1.023	1.018	1.015	1.011	1.010
Prior	7.922	1.800	1.327	1.190	1.107	1.070	1.055	1.040	1.025	1.020	1.015
Selected	7.790	1.796	1.332	1.189	1.108	1.070	1.055	1.040	1.025	1.020	1.015
Cumulated	32.414	4.161	2.317	1.739	1.463	1.321	1.235	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
2002-2003	16,094,236	16,258,522	16,422,472	16,702,882	16,764,281	16,800,139	16,659,395	16,758,956	16,757,858	16,777,159	16,787,200
2003-2004	17,420,152	17,656,429	17,820,525	17,952,636	18,025,032	18,342,707	18,511,555	18,464,077	18,511,024	18,536,831	
2004-2005	12,681,865	12,873,737	13,154,579	13,183,163	13,245,647	13,286,516	13,334,709	13,354,829	13,361,005		
2005-2006	12,251,097	12,417,670	12,463,243	12,565,990	12,684,211	12,753,385	12,823,594	12,898,874			
2006-2007	11,127,846	11,263,156	11,408,022	11,442,767	11,472,259	11,510,829	11,528,441				
2007-2008	12,056,102	12,352,077	12,554,923	12,596,964	12,669,513	12,733,550					
2008-2009	10,473,231	10,615,289	10,659,686	10,741,330	10,779,007						
2009-2010	14,736,442	14,899,865	15,023,470	15,118,777							
2010-2011	13,425,974	13,475,327	13,524,685								
2011-2012	13,052,444	13,110,989									
2012-2013	14,389,427										
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
2023-2024											

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
2002-2003	1.010	1.010	1.017	1.004	1.002	0.992	1.006	1.000	1.001	1.001	
2003-2004	1.014	1.009	1.007	1.004	1.018	1.009	0.997	1.003	1.001		
2004-2005	1.015	1.022	1.002	1.005	1.003	1.004	1.002	1.000			
2005-2006	1.014	1.004	1.008	1.009	1.005	1.006	1.006				
2006-2007	1.012	1.013	1.003	1.003	1.003	1.002					
2007-2008	1.025	1.016	1.003	1.006	1.005						
2008-2009	1.014	1.004	1.008	1.004							
2009-2010	1.011	1.008	1.006								
2010-2011	1.004	1.004									
2011-2012	1.004										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	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	1.012	1.010	1.007	1.005	1.006	1.003	1.003	1.001	1.001	1.001	
Dollar-Weighted Averages											
3-yr	1.007	1.006	1.006	1.004	1.005	1.004	1.001	1.001			
4-yr	1.008	1.008	1.005	1.005	1.004	1.005	1.002				
Industry Factors	1.009	1.007	1.006	1.004	1.004	1.004	1.004	1.003	1.003	1.003	1.037
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
2002-2003							77,597	126,932	163,862	210,349	377,268
2003-2004							21,057	151,728	302,937	395,608	480,720
2004-2005						63,571	87,226	142,521	164,946	319,981	357,821
2005-2006							41,774	191,927	344,679	377,329	452,915
2006-2007				56,074	206,592	281,994	405,486	615,341	769,011	1,102,966	1,278,972
2007-2008								45,884	106,333	253,061	327,829
2008-2009						7,468	24,017	39,667	90,387	93,647	121,410
2009-2010					10,328	97,117	111,611	167,604	272,227	487,078	675,163
2010-2011				2,270	83,989	208,211	429,902	635,542	730,851	870,421	935,340
2011-2012					47,878	104,791	145,194	328,284	387,817	578,945	675,701
2012-2013					2,539	168,581	280,130	526,532	518,214	513,685	518,393
2013-2014					97,339	128,375	253,053	279,215	299,270	399,338	411,128
2014-2015				58,149	57,827	57,827	79,931	135,087	165,935	253,575	
2015-2016					1,769	46,953	94,566	137,654	187,243		
2016-2017			16,920	36,435							
2017-2018						4,667	24,688				
2018-2019					54,509	320,018					
2019-2020											
2020-2021				24,248							
2021-2022											
2022-2023											
2023-2024											

	<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
2002-2003							1.636	1.291	1.284	1.794	1.458
2003-2004							7.205	1.997	1.306	1.215	1.295
2004-2005						1.372	1.634	1.157	1.940	1.118	1.078
2005-2006							4.594	1.796	1.095	1.200	1.030
2006-2007				3.684	1.365	1.438	1.518	1.250	1.434	1.160	1.199
2007-2008								2.317	2.380	1.295	1.079
2008-2009						3.216	1.652	2.279	1.036	1.296	1.151
2009-2010					9.403	1.149	1.502	1.624	1.789	1.386	1.143
2010-2011				37.000	2.479	2.065	1.478	1.150	1.191	1.075	1.102
2011-2012					2.189	1.386	2.261	1.181	1.493	1.167	1.569
2012-2013					66.397	1.662	1.880	0.984	0.991	1.009	1.001
2013-2014					1.319	1.971	1.103	1.072	1.334	1.030	
2014-2015				0.994	1.000	1.382	1.690	1.228	1.528		
2015-2016					26.542	2.014	1.456	1.360			
2016-2017			2.153								
2017-2018						5.290					
2018-2019					5.871						
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	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	12.952	2.086	2.278	1.478	1.446	1.229	1.191
3-yr								1.182	1.186	1.076	1.226
4-yr								1.085	1.273	1.075	1.206
Industry Factors	8.015	3.238	1.934	1.454	1.263	1.177	1.137	1.098	1.067	1.057	1.050
Prior	19.016	6.521	4.366	3.092	2.379	1.814	1.790	1.474	1.377	1.292	1.237
Selected	17.182	5.974	3.960	2.819	2.193	1.814	1.766	1.474	1.391	1.279	1.228
Cumulated	75,616.111	4,400.852	736.711	186.021	65.984	30.094	16.586	9.391	6.369	4.578	3.579



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
2002-2003	549,918	662,012	800,533	930,474	723,936	886,846	703,180	779,239	820,061	863,253	889,156
2003-2004	622,324	722,364	887,225	984,415	1,090,543	1,478,030	1,165,478	1,242,226	1,326,448	1,401,609	
2004-2005	385,829	396,627	419,864	619,445	619,560	373,069	373,279	388,946	399,566		
2005-2006	466,500	675,512	730,878	844,539	935,853	952,446	979,548	1,003,458			
2006-2007	1,533,191	1,662,849	2,075,751	1,544,411	1,576,689	1,598,230	1,615,956				
2007-2008	353,730	364,500	378,742	412,796	449,512	471,146					
2008-2009	139,718	160,355	171,666	176,489	177,105						
2009-2010	771,724	875,659	948,757	1,093,269							
2010-2011	1,030,720	1,121,472	1,185,645								
2011-2012	1,060,448	1,152,249									
2012-2013	518,948										
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
2023-2024											

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
2002-2003	1.204	1.209	1.162	0.778	1.225	0.793	1.108	1.052	1.053	1.030	
2003-2004	1.161	1.228	1.110	1.108	1.355	0.789	1.066	1.068	1.057		
2004-2005	1.028	1.059	1.475	1.000	0.602	1.001	1.042	1.027			
2005-2006	1.448	1.082	1.156	1.108	1.018	1.028	1.024				
2006-2007	1.085	1.248	0.744	1.021	1.014	1.011					
2007-2008	1.030	1.039	1.090	1.089	1.048						
2008-2009	1.148	1.071	1.028	1.003							
2009-2010	1.135	1.083	1.152								
2010-2011	1.088	1.057									
2011-2012	1.087										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
Average Dollar-Weighted Averages	1.141	1.120	1.115	1.015	1.044	0.924	1.060	1.049	1.055	1.030	
3-yr	1.100	1.069	1.122	1.033	1.020	1.015	1.046	1.056			
4-yr	1.102	1.065	0.903	1.054	0.948	0.939	1.060				
Industry Factors	1.040	1.035	1.035	1.032	1.030	1.028	1.025	1.025	1.022	1.018	1.284
Prior	1.201	1.163	1.148	1.095	1.080	1.015	1.047	1.022	1.068	1.005	1.289
Selected	1.189	1.155	1.142	1.079	1.073	1.050	1.050	1.050	1.050	1.030	1.284
Cumulated	2.915	2.452	2.124	1.860	1.724	1.607	1.530	1.458	1.389	1.323	1.284

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 12/31/23 (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)
2003-2004	10,532,628	21,151,709	1.007	0.007	1.897	139,863	21,291,572
2004-2005	10,742,020	14,086,180	1.009	0.009	1.344	129,935	14,216,115
2005-2006	11,398,585	14,120,143	1.011	0.011	1.238	155,226	14,275,369
2006-2007	12,070,280	14,266,470	1.012	0.012	1.052	152,375	14,418,845
2007-2008	13,039,761	13,394,016	1.014	0.014	1.078	196,796	13,590,812
2008-2009	13,333,497	10,966,583	1.017	0.017	0.890	201,736	11,168,319
2009-2010	12,249,951	16,471,282	1.021	0.021	1.377	354,232	16,825,514
2010-2011	12,138,004	15,207,524	1.025	0.024	1.244	362,392	15,569,916
2011-2012	11,815,455	14,773,158	1.033	0.032	1.248	471,862	15,245,020
2012-2013	10,694,407	15,774,695	1.042	0.040	1.571	672,037	16,446,732
2013-2014	10,415,882	12,012,057	1.054	0.051	1.255	666,669	12,678,726
2014-2015	10,019,589	11,498,914	1.070	0.065	1.278	832,327	12,331,241
2015-2016	10,327,533	12,715,156	1.091	0.083	1.387	1,188,916	13,904,072
2016-2017	10,310,976	10,264,285	1.115	0.103	1.195	1,269,126	11,533,411
2017-2018	10,111,076	10,225,231	1.144	0.126	1.221	1,555,549	11,780,780
2018-2019	10,205,991	9,872,882	1.190	0.160	1.215	1,984,045	11,856,927
2019-2020	10,593,993	7,152,528	1.247	0.198	1.208	2,533,914	9,686,442
2020-2021	9,806,326	11,770,777	1.345	0.257	1.232	3,104,918	14,875,695
2021-2022	10,056,300	4,847,685	1.552	0.356	1.246	4,460,733	9,308,418
2022-2023	10,164,801	4,653,919	2.217	0.549	1.242	6,930,951	11,584,870
2023-2024	10,667,373	1,015,132	8.641	0.884	1.267	11,947,756	12,962,888
Totals	252,176,407	\$288,050,780				\$39,479,175	\$327,529,955

## 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 12/31/23 (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)
2003-2004	10,532,628	20,637,655	1.037	0.036	1.897	719,294	21,356,949
2004-2005	10,742,020	14,008,741	1.041	0.039	1.344	563,054	14,571,795
2005-2006	11,398,585	13,902,331	1.046	0.044	1.238	620,904	14,523,235
2006-2007	12,070,280	14,006,147	1.050	0.048	1.052	609,501	14,615,648
2007-2008	13,039,761	13,204,696	1.056	0.053	1.078	745,014	13,949,710
2008-2009	13,333,497	10,956,112	1.062	0.058	0.890	688,275	11,644,387
2009-2010	12,249,951	16,219,305	1.075	0.070	1.377	1,180,773	17,400,078
2010-2011	12,138,004	14,824,402	1.092	0.084	1.244	1,268,373	16,092,775
2011-2012	11,815,455	14,372,219	1.110	0.099	1.248	1,459,823	15,832,042
2012-2013	10,694,407	14,938,675	1.132	0.117	1.571	1,965,707	16,904,382
2013-2014	10,415,882	11,590,079	1.161	0.139	1.255	1,816,999	13,407,078
2014-2015	10,019,589	11,085,879	1.196	0.164	1.278	2,100,026	13,185,905
2015-2016	10,327,533	11,968,618	1.240	0.194	1.387	2,778,912	14,747,530
2016-2017	10,310,976	9,763,127	1.303	0.233	1.195	2,870,937	12,634,064
2017-2018	10,111,076	9,353,444	1.389	0.280	1.221	3,456,775	12,810,219
2018-2019	10,205,991	8,919,164	1.500	0.333	1.215	4,129,293	13,048,457
2019-2020	10,593,993	6,236,201	1.674	0.403	1.208	5,157,410	11,393,611
2020-2021	9,806,326	8,669,189	2.005	0.501	1.232	6,052,778	14,721,967
2021-2022	10,056,300	3,588,316	2.688	0.628	1.246	7,868,934	11,457,250
2022-2023	10,164,801	3,039,644	4.855	0.794	1.242	10,023,998	13,063,642
2023-2024	10,667,373	412,426	38.035	0.974	1.267	13,164,157	13,576,583
Totals	252,176,407	\$273,166,968				\$70,541,518	\$343,708,486

## 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)
2003-2004	10,532,628	18,654,376	0.692	12,908,828	1.226	1.771	1.071	1.897
2004-2005	10,742,020	13,433,947	0.920	12,359,231	1.151	1.251	1.075	1.344
2005-2006	11,398,585	13,090,339	1.020	13,352,146	1.171	1.148	1.079	1.238
2006-2007	12,070,280	11,731,333	0.989	11,602,288	0.961	0.972	1.083	1.052
2007-2008	13,039,761	12,938,477	0.943	12,200,984	0.936	0.992	1.087	1.078
2008-2009	13,333,497	10,875,794	0.900	9,788,215	0.734	0.816	1.091	0.890
2009-2010	12,249,951	15,404,312	0.846	13,032,048	1.064	1.257	1.096	1.377
2010-2011	12,138,004	13,730,387	0.818	11,231,457	0.925	1.131	1.100	1.244
2011-2012	11,815,455	13,333,805	0.826	11,013,723	0.932	1.129	1.105	1.248
2012-2013	10,694,407	15,148,549	0.858	12,997,455	1.215	1.416	1.110	1.571
2013-2014	10,415,882	11,732,226	0.883	10,359,556	0.995	1.126	1.115	1.255
2014-2015	10,019,589	11,434,469	0.892	10,199,546	1.018	1.141	1.120	1.278
2015-2016	10,327,533	12,720,962	0.942	11,983,146	1.160	1.232	1.126	1.387
2016-2017	10,310,976	10,902,789	1.008	10,990,011	1.066	1.057	1.131	1.195
2017-2018	10,111,076	10,862,954	1.025	11,134,528	1.101	1.074	1.137	1.221
2018-2019	10,205,991	10,393,623	1.015	10,549,527	1.034	1.064	1.142	1.215
2019-2020	10,593,993	8,136,236	1.027	8,355,914	0.789	1.052	1.148	1.208
2020-2021	9,806,326	12,899,149	1.012	13,053,939	1.331	1.067	1.155	1.232
2021-2022	10,056,300	8,314,129	1.006	8,364,014	0.832	1.074	1.161	1.246
2022-2023	10,164,801	9,801,354	1.015	9,948,374	0.979	1.064	1.167	1.242
2023-2024	10,667,373	11,900,216	1.000	11,900,216	1.116	1.080	1.174	1.267
Total/Avg	252,176,407	\$296,925,287		\$264,372,961	\$1.048			
16/17-23/24	81,916,836	83,210,450		84,296,524	1.029			
20/21-23/24	40,694,800	42,914,848		43,266,543	1.063			
				Selected Limited Rate:	\$1.080			
				Prior:	\$1.160			

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 2017-2018 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)
2003-2004	18,150	1,101	19,983,150
2004-2005	14,866	971	14,434,886
2005-2006	14,972	943	14,118,596
2006-2007	13,729	925	12,699,325
2007-2008	17,709	794	14,060,946
2008-2009	13,576	874	11,865,424
2009-2010	21,226	795	16,874,670
2010-2011	19,799	763	15,106,637
2011-2012	22,057	668	14,734,076
2012-2013	26,186	642	16,811,412
2013-2014	22,476	582	13,081,032
2014-2015	23,117	554	12,806,818
2015-2016	24,728	579	14,317,512
2016-2017	21,981	561	12,331,341
2017-2018	24,548	507	12,445,836
2018-2019	26,426	471	12,446,646
2019-2020	27,638	339	9,369,282
2020-2021	29,693	379	11,253,647
2021-2022	31,641	335	10,599,735
2022-2023	33,217	351	11,659,167
2023-2024	35,674	376	13,413,424
Total		15,478	\$326,367,386

## 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)
2003-2004	18,654,376	1,101	16,943	1.944	32,937	16,943	1.071	18,150
2004-2005	13,433,947	971	13,835	2.452	33,923	13,835	1.075	14,866
2005-2006	13,090,339	943	13,882	2.583	35,857	13,882	1.079	14,972
2006-2007	11,731,333	925	12,683	2.379	30,173	12,683	1.083	13,729
2007-2008	12,938,477	794	16,295	2.155	35,116	16,295	1.087	17,709
2008-2009	10,875,794	874	12,444	1.954	24,316	12,444	1.091	13,576
2009-2010	15,404,312	795	19,376	1.744	33,792	19,376	1.096	21,226
2010-2011	13,730,387	763	17,995	1.602	28,828	17,995	1.100	19,799
2011-2012	13,333,805	668	19,961	1.536	30,660	19,961	1.105	22,057
2012-2013	15,148,549	642	23,596	1.516	35,772	23,596	1.110	26,186
2013-2014	11,732,226	582	20,158	1.481	29,854	20,158	1.115	22,476
2014-2015	11,434,469	554	20,640	1.420	29,309	20,640	1.120	23,117
2015-2016	12,720,962	579	21,971	1.424	31,287	21,971	1.126	24,728
2016-2017	10,902,789	561	19,435	1.448	28,142	19,435	1.131	21,981
2017-2018	10,951,226	507	21,600	1.397	30,175	21,600	1.137	24,548
2018-2019	10,393,117	471	22,066	1.314	28,995	23,135	1.142	26,426
2019-2020	8,466,193	339	24,974	1.263	31,542	24,070	1.148	27,638
2020-2021	12,707,760	379	33,530	1.182	39,632	25,719	1.155	29,693
2021-2022	8,035,426	335	23,986	1.115	26,744	27,265	1.161	31,641
2022-2023	10,042,177	351	28,610	1.068	30,555	28,464	1.167	33,217
2023-2024	11,278,319	376	29,996	1.000	29,996	30,400	1.174	35,674

Average Limited Severity: \$31,737  
 Average 19/20-23/24 Limited Severity: 31,694  
 Average 21/22-23/24 Limited Severity: 29,098

Selected Limited Severity: \$30,400  
 Prior: \$32,500

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)
2003-2004	1,101	1,089	1,101	1,053.3	1.045	0.359	0.375
2004-2005	971	968	971	1,074.2	0.904	0.378	0.342
2005-2006	943	933	943	1,139.9	0.827	0.397	0.328
2006-2007	925	917	925	1,207.0	0.766	0.418	0.320
2007-2008	794	782	794	1,304.0	0.609	0.441	0.269
2008-2009	874	873	874	1,333.3	0.655	0.464	0.304
2009-2010	795	781	795	1,225.0	0.649	0.488	0.317
2010-2011	763	753	763	1,213.8	0.629	0.514	0.323
2011-2012	668	661	668	1,181.5	0.565	0.541	0.306
2012-2013	642	633	642	1,069.4	0.600	0.569	0.341
2013-2014	582	578	582	1,041.6	0.559	0.599	0.335
2014-2015	554	548	554	1,002.0	0.553	0.631	0.349
2015-2016	579	578	579	1,032.8	0.561	0.663	0.372
2016-2017	561	558	561	1,031.1	0.544	0.698	0.380
2017-2018	507	509	507	1,011.1	0.501	0.734	0.368
2018-2019	471	471	471	1,020.6	0.461	0.773	0.356
2019-2020	339	341	339	1,059.4	0.320	0.814	0.260
2020-2021	379	354	379	980.6	0.386	0.857	0.331
2021-2022	335	360	335	1,005.6	0.333	0.902	0.300
2022-2023	351	365	351	1,016.5	0.345	0.950	0.328
2023-2024	316	436	376	1,066.7	0.352	1.000	0.352
Total	15,418	15,436	15,478	25,217.6			0.328
17/18-21/22	1,524	1,526	1,524	4,066.3			0.312
						(H) Selected Frequency:	0.400
						Prior:	0.450
Program Year:				2023-2024	2024-2025	2025-2026	2026-2027
(I) Trend Factor:				1.000	0.950	0.903	0.858
(J) Selected Frequency:				0.352	0.380	0.361	0.343
(K) Est. Payroll (\$000,000):				1,066.7	1,094.3	1,122.5	1,151.5
(L) Ultimate Claims:				376	416	405	395

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 0.400 is based on (G).
- (I) Appendix TC - E, Page 1, Column (F).
- (J) (H) x (I). 2023-2024 is (L) / (K).
- (K) Appendix TC - L, Column (C) / 10,000.
- (L) (J) x (K). 2023-2024 is (C).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per \$1,000,000 of trended payroll.

Judicial Branch Workers' Compensation Program - Workers' Compensation  
Trial CourtsFrequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2023 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2003-2004	1,101	1.000	1,101	0.375
2004-2005	971	1.000	971	0.342
2005-2006	943	1.000	943	0.328
2006-2007	925	1.000	925	0.320
2007-2008	794	1.000	794	0.269
2008-2009	874	1.000	874	0.304
2009-2010	795	1.000	795	0.317
2010-2011	763	1.000	763	0.323
2011-2012	668	1.000	668	0.306
2012-2013	642	1.000	642	0.342
2013-2014	582	1.000	582	0.335
2014-2015	554	1.000	554	0.349
2015-2016	579	1.000	579	0.372
2016-2017	561	1.000	561	0.380
2017-2018	507	1.000	507	0.368
2018-2019	471	1.001	471	0.357
2019-2020	338	1.003	339	0.260
2020-2021	377	1.006	379	0.331
2021-2022	332	1.010	335	0.300
2022-2023	341	1.029	351	0.328
2023-2024	145	2.179	316	0.296
Total	15,231		15,418	0.326

## 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 12/31/2023 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2003-2004	1,089	1.000	1,089	0.371
2004-2005	968	1.000	968	0.341
2005-2006	933	1.000	933	0.325
2006-2007	917	1.000	917	0.318
2007-2008	782	1.000	782	0.264
2008-2009	872	1.001	873	0.304
2009-2010	779	1.002	781	0.311
2010-2011	751	1.003	753	0.319
2011-2012	655	1.009	661	0.303
2012-2013	624	1.014	633	0.337
2013-2014	566	1.021	578	0.332
2014-2015	533	1.029	548	0.345
2015-2016	556	1.039	578	0.371
2016-2017	530	1.052	558	0.378
2017-2018	473	1.076	509	0.370
2018-2019	427	1.104	471	0.357
2019-2020	295	1.156	341	0.262
2020-2021	287	1.234	354	0.309
2021-2022	265	1.359	360	0.323
2022-2023	222	1.645	365	0.341
2023-2024	56	7.793	436	0.409
Total	14,528		15,436	0.329

## 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
2002-2003							890	867	867	867	867	868	869	869
2003-2004						1,099	1,098	1,101	1,101	1,101	1,101	1,101	1,101	1,102
2004-2005					971	972	970	969	969	969	969	971	971	971
2005-2006				930	931	941	941	941	942	942	944	943	942	943
2006-2007			929	923	923	918	919	921	922	925	925	925	925	925
2007-2008		761	785	792	793	792	793	792	793	793	794	793	794	794
2008-2009	413	857	866	868	870	871	872	872	872	873	873	873	873	874
2009-2010	355	767	783	783	788	789	791	793	794	794	794	794	794	795
2010-2011	328	730	749	753	757	759	760	762	763	763	763	763	763	763
2011-2012	264	647	658	660	664	664	666	666	667	667	668	668	668	
2012-2013	283	625	635	633	640	642	642	642	642	642	642	642		
2013-2014	274	573	572	574	577	578	580	580	581	582	582			
2014-2015	246	529	547	551	550	552	553	555	554	554				
2015-2016	250	556	568	574	577	578	579	579	579					
2016-2017	217	551	558	559	560	561	561	561						
2017-2018	223	497	501	506	508	507	507							
2018-2019	208	467	469	470	470	471								
2019-2020	190	329	336	335	338									
2020-2021	170	376	379	377										
2021-2022	145	294	332											
2022-2023	148	341												
2023-2024	145													

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
2002-2003							0.974	1.000	1.000	1.000	1.001	1.001	1.000	1.001
2003-2004						0.999	1.003	1.000	1.000	1.000	1.000	1.000	1.001	1.000
2004-2005					1.001	0.998	0.999	1.000	1.000	1.000	1.002	1.000	1.000	1.000
2005-2006				1.001	1.011	1.000	1.000	1.001	1.000	1.002	0.999	0.999	1.001	1.000
2006-2007			0.994	1.000	0.995	1.001	1.002	1.001	1.003	1.000	1.000	1.000	1.000	1.000
2007-2008		1.032	1.009	1.001	0.999	1.001	0.999	1.001	1.000	1.001	0.999	1.001	1.000	1.000
2008-2009	2.075	1.011	1.002	1.002	1.001	1.001	1.000	1.000	1.001	1.000	1.000	1.000	1.001	1.000
2009-2010	2.161	1.021	1.000	1.006	1.001	1.003	1.003	1.001	1.000	1.000	1.000	1.000	1.001	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	1.000	1.000	1.000
2011-2012	2.451	1.017	1.003	1.006	1.000	1.003	1.000	1.002	1.000	1.001	1.000	1.000		
2012-2013	2.208	1.016	0.997	1.011	1.003	1.000	1.000	1.000	1.000	1.000	1.000			
2013-2014	2.091	0.998	1.003	1.005	1.002	1.003	1.000	1.002	1.002	1.000				
2014-2015	2.150	1.034	1.007	0.998	1.004	1.002	1.004	0.998	1.000					
2015-2016	2.224	1.022	1.011	1.005	1.002	1.002	1.000	1.000						
2016-2017	2.539	1.013	1.002	1.002	1.002	1.000	1.000							
2017-2018	2.229	1.008	1.010	1.004	0.998	1.000								
2018-2019	2.245	1.004	1.002	1.000	1.002									
2019-2020	1.732	1.021	0.997	1.009										
2020-2021	2.212	1.008	0.995											
2021-2022	2.028	1.129												
2022-2023	2.304													
Average Claim-Weighted Averages	2.192	1.024	1.002	1.004	1.002	1.001	0.999	1.001	1.000	1.000	1.000	1.000	1.000	1.000
3-yr	2.184	1.048	0.998	1.004	1.001	1.001	1.001	1.000	1.001	1.001	1.000	1.000	1.001	1.000
4-yr	2.052	1.034	1.002	1.003	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.001	1.000
Comparative Factors	2.453	1.040	1.009	1.008	1.006	1.006	1.004	1.002	1.002	1.002	1.002	1.002	1.001	1.001
Prior	2.017	1.016	1.005	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.118	1.019	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	2.179	1.029	1.010	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
2002-2003							729	806	818	823	823	832	834	842
2003-2004						973	998	1,037	1,050	1,048	1,063	1,062	1,068	1,078
2004-2005					841	872	898	911	920	935	938	945	943	949
2005-2006				774	817	857	878	883	895	894	904	909	918	920
2006-2007			640	729	767	835	862	871	876	890	898	901	904	907
2007-2008		480	589	644	680	701	722	734	747	756	761	762	771	774
2008-2009	94	588	690	753	786	816	823	834	846	848	851	855	861	861
2009-2010	104	472	570	641	675	692	727	741	755	759	764	769	773	774
2010-2011	123	475	564	604	642	672	692	710	718	731	740	745	752	751
2011-2012	73	413	508	529	567	597	608	624	630	641	646	651	655	
2012-2013	72	385	446	490	535	566	575	592	608	612	617	624		
2013-2014	97	286	413	455	490	514	530	548	558	562	566			
2014-2015	18	330	391	430	464	492	507	518	526	533				
2015-2016	59	361	441	475	504	527	537	544	556					
2016-2017	83	374	425	469	500	511	520	530						
2017-2018	61	304	362	411	439	461	473							
2018-2019	49	292	352	382	412	427								
2019-2020	50	211	247	264	295									
2020-2021	36	208	246	287										
2021-2022	39	192	265											
2022-2023	54	222												
2023-2024	56													

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
2002-2003							1.106	1.015	1.006	1.000	1.011	1.002	1.010	1.006
2003-2004						1.026	1.039	1.013	0.998	1.014	0.999	1.006	1.009	0.999
2004-2005					1.037	1.030	1.014	1.010	1.016	1.003	1.007	0.998	1.006	1.008
2005-2006				1.056	1.049	1.025	1.006	1.014	0.999	1.011	1.006	1.010	1.002	1.005
2006-2007			1.139	1.052	1.089	1.032	1.010	1.006	1.016	1.009	1.003	1.003	1.003	1.008
2007-2008		1.227	1.093	1.056	1.031	1.030	1.017	1.018	1.012	1.007	1.001	1.012	1.004	1.005
2008-2009	6.255	1.173	1.091	1.044	1.038	1.009	1.013	1.014	1.002	1.004	1.005	1.007	1.000	1.006
2009-2010	4.538	1.208	1.125	1.053	1.025	1.051	1.019	1.019	1.005	1.007	1.007	1.005	1.001	1.006
2010-2011	3.862	1.187	1.071	1.063	1.047	1.030	1.026	1.011	1.018	1.012	1.007	1.009	0.999	
2011-2012	5.658	1.230	1.041	1.072	1.053	1.018	1.026	1.010	1.017	1.008	1.008	1.006		
2012-2013	5.347	1.158	1.099	1.092	1.058	1.016	1.030	1.027	1.007	1.008	1.011			
2013-2014	2.948	1.444	1.102	1.077	1.049	1.031	1.034	1.018	1.007	1.007				
2014-2015	18.333	1.185	1.100	1.079	1.060	1.030	1.022	1.015	1.013					
2015-2016	6.119	1.222	1.077	1.061	1.046	1.019	1.013	1.022						
2016-2017	4.506	1.136	1.104	1.066	1.022	1.018	1.019							
2017-2018	4.984	1.191	1.135	1.068	1.050	1.026								
2018-2019	5.959	1.205	1.085	1.079	1.036									
2019-2020	4.220	1.171	1.069	1.117										
2020-2021	5.778	1.183	1.167											
2021-2022	4.923	1.380												
2022-2023	4.111													
Average Claim-Weighted Averages	5.836	1.220	1.100	1.069	1.046	1.026	1.026	1.015	1.009	1.008	1.006	1.006	1.004	1.005
3-yr	4.822	1.241	1.104	1.084	1.036	1.021	1.018	1.019	1.009	1.008	1.008	1.007	1.000	1.006
4-yr	4.654	1.229	1.114	1.079	1.038	1.023	1.022	1.021	1.011	1.009	1.008	1.007	1.001	1.006
Comparative Factors	2.753	1.242	1.074	1.064	1.046	1.030	1.023	1.016	1.011	1.008	1.005	1.006	1.004	1.004
Prior	5.039	1.206	1.099	1.066	1.049	1.027	1.023	1.012	1.010	1.008	1.007	1.005	1.006	1.001
Selected	4.738	1.210	1.102	1.068	1.047	1.026	1.023	1.012	1.010	1.008	1.007	1.005	1.006	1.001
Cumulated	7.793	1.645	1.359	1.234	1.156	1.104	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 2023-2024 Loss Rate Level (B)	Factor to 2024-2025 Loss Rate Level (C)	Factor to 2025-2026 Loss Rate Level (D)	Factor to 2026-2027 Loss Rate Level (E)	Factor to 2023-2024 Frequency Level (F)	Factor to 2024-2025 Frequency Level (G)	Factor to 2025-2026 Frequency Level (H)	Factor to 2026-2027 Frequency Level (I)	Factor to 2023-2024 Severity Level (J)
Prior	0.981	0.685	0.677	0.665	0.654	0.341	0.324	0.308	0.293	2.024
2003-2004	0.975	0.692	0.684	0.672	0.660	0.359	0.341	0.324	0.308	1.944
2004-2005	1.274	0.920	0.909	0.893	0.878	0.378	0.359	0.341	0.324	2.452
2005-2006	1.389	1.020	1.008	0.990	0.974	0.397	0.378	0.359	0.341	2.583
2006-2007	1.324	0.989	0.977	0.960	0.944	0.418	0.398	0.378	0.359	2.379
2007-2008	1.241	0.943	0.932	0.916	0.900	0.441	0.419	0.398	0.378	2.155
2008-2009	1.165	0.900	0.889	0.874	0.859	0.464	0.441	0.419	0.398	1.954
2009-2010	1.076	0.846	0.836	0.821	0.807	0.488	0.464	0.441	0.419	1.744
2010-2011	1.023	0.818	0.809	0.795	0.781	0.514	0.488	0.464	0.441	1.602
2011-2012	1.016	0.826	0.816	0.802	0.789	0.541	0.514	0.488	0.464	1.536
2012-2013	1.037	0.858	0.848	0.833	0.819	0.569	0.540	0.514	0.488	1.516
2013-2014	1.049	0.883	0.873	0.858	0.843	0.599	0.569	0.541	0.514	1.481
2014-2015	1.042	0.892	0.882	0.866	0.852	0.631	0.599	0.569	0.541	1.420
2015-2016	1.081	0.942	0.930	0.914	0.899	0.663	0.630	0.599	0.569	1.424
2016-2017	1.137	1.008	0.996	0.979	0.962	0.698	0.663	0.631	0.599	1.448
2017-2018	1.136	1.025	1.012	0.995	0.978	0.734	0.698	0.663	0.630	1.397
2018-2019	1.106	1.015	1.003	0.985	0.969	0.773	0.734	0.698	0.663	1.314
2019-2020	1.100	1.027	1.015	0.997	0.980	0.814	0.773	0.735	0.698	1.263
2020-2021	1.065	1.012	0.999	0.982	0.965	0.857	0.814	0.774	0.735	1.182
2021-2022	1.041	1.006	0.994	0.977	0.960	0.902	0.857	0.815	0.774	1.115
2022-2023	1.032	1.015	1.002	0.985	0.968	0.950	0.903	0.858	0.815	1.068
2023-2024	1.000	1.000	0.988	0.971	0.954	1.000	0.950	0.903	0.858	1.000
2024-2025	0.996	--	1.000	0.983	0.966	--	1.000	0.951	0.903	--
2025-2026	0.996	--	--	1.000	0.983	--	--	1.000	0.950	--
2026-2027	0.996	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a -1.7% annual loss rate trend.
- (F) - (I) (A) adjusted for a -5.0% annual frequency trend.
- (J) (A) adjusted for a 3.5% 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)
Prior	\$39,485,861	1,968	0.981	19,692	21,481,979	0.916
2003-2004	18,654,376	1,101	0.975	16,525	10,532,628	1.045
2004-2005	13,433,947	971	1.274	17,621	10,742,020	0.904
2005-2006	13,090,339	943	1.389	19,276	11,398,585	0.827
2006-2007	11,731,333	925	1.324	16,788	12,070,280	0.766
2007-2008	12,938,477	794	1.241	20,224	13,039,761	0.609
2008-2009	10,875,794	874	1.165	14,495	13,333,497	0.655
2009-2010	15,404,312	795	1.076	20,850	12,249,951	0.649
2010-2011	13,730,387	763	1.023	18,411	12,138,004	0.629
2011-2012	13,333,805	668	1.016	20,272	11,815,455	0.565
2012-2013	15,148,549	642	1.037	24,477	10,694,407	0.600
2013-2014	11,732,226	582	1.049	21,146	10,415,882	0.559
2014-2015	11,434,469	554	1.042	21,498	10,019,589	0.553
2015-2016	12,720,962	579	1.081	23,741	10,327,533	0.561
2016-2017	10,902,789	561	1.137	22,104	10,310,976	0.544
2017-2018	10,862,954	507	1.136	24,334	10,111,076	0.501
2018-2019	10,393,623	471	1.106	24,402	10,205,991	0.461
2019-2020	8,136,236	339	1.100	26,410	10,593,993	0.320
2020-2021	12,899,149	379	1.065	36,259	9,806,326	0.386
2021-2022	8,314,129	335	1.041	25,840	10,056,300	0.333
2022-2023	9,801,354	351	1.032	28,822	10,164,801	0.345

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2022-2023	1.034	0.934
Mvg 5-Yr Wtd Latest 10 x 2022-2023	1.033	0.956
Latest 5 x 2022-2023	1.053	0.905
Mvg 5-Yr Wtd Latest 5 x 2022-2023	1.051	0.925
Prior	1.030	0.960
Default	1.025	0.980
Selected Residual Trend	1.035	0.950

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 6/30/23

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2023-2024	677.0	\$1,297	1.000	\$1,297	\$878,069
2024-2025	408.3	1,297	1.050	1,362	556,105
2025-2026	279.4	1,297	1.103	1,431	399,821
2026-2027	195.2	1,297	1.158	1,502	293,190
2027-2028	135.7	1,297	1.216	1,577	213,999
2028-2029	94.2	1,297	1.277	1,656	155,995
2029-2030	65.2	1,297	1.341	1,739	113,383
2030-2031	44.2	1,297	1.408	1,826	80,709
2031-2032	29.5	1,297	1.478	1,917	56,552
2032-2033	19.0	1,297	1.552	2,013	38,247
2033-2034	11.3	1,297	1.630	2,114	23,888
2034-2035	6.1	1,297	1.712	2,220	13,542
2035-2036	2.8	1,297	1.798	2,332	6,530
2036-2037	0.9	1,297	1.888	2,449	2,204
2037-2038	0.4	1,297	1.982	2,571	1,028
2038-2039	0.0	1,297	2.081	2,699	0
2039-2040	0.0	1,297	2.185	2,834	0
2040-2041	0.0	1,297	2.294	2,975	0
(G) Total ULAE Outstanding as of 6/30/23:					\$2,833,262
(H) Total ULAE Outstanding as of 12/31/23:					\$2,884,204

## 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 12/31/23.

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 6/30/24

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)
2024-2025	638.8	\$1,297	1.050	\$1,362	\$870,046
2025-2026	399.6	1,297	1.103	1,431	571,828
2026-2027	279.3	1,297	1.158	1,502	419,509
2027-2028	196.6	1,297	1.216	1,577	310,038
2028-2029	136.8	1,297	1.277	1,656	226,541
2029-2030	96.0	1,297	1.341	1,739	166,944
2030-2031	66.6	1,297	1.408	1,826	121,612
2031-2032	45.5	1,297	1.478	1,917	87,224
2032-2033	31.2	1,297	1.552	2,013	62,806
2033-2034	20.4	1,297	1.630	2,114	43,126
2034-2035	12.3	1,297	1.712	2,220	27,306
2035-2036	6.8	1,297	1.798	2,332	15,858
2036-2037	3.1	1,297	1.888	2,449	7,592
2037-2038	1.1	1,297	1.982	2,571	2,828
2038-2039	0.4	1,297	2.081	2,699	1,080
2039-2040	0.0	1,297	2.185	2,834	0
2040-2041	0.0	1,297	2.294	2,975	0
2041-2042	0.0	1,297	2.409	3,124	0

(G) Total ULAE Outstanding as of 6/30/24: \$2,934,338

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>12/31/2023</u>	<u>Calendar Period</u>			
		<u>1/1/2024</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>	<u>7/1/2026</u> <u>to</u> <u>6/30/2027</u>
Prior					
Ultimate Loss	\$106,203,556	\$106,203,556	\$106,203,556	\$106,203,556	\$106,203,556
Paid in Calendar Period	-	149,829	255,307	233,092	220,071
Paid to Date	104,025,472	104,175,301	104,430,608	104,663,700	104,883,771
Outstanding Liability	2,178,084	2,028,255	1,772,948	1,539,856	1,319,785
2007-2008					
Ultimate Loss	\$13,581,533	\$13,581,533	\$13,581,533	\$13,581,533	\$13,581,533
Paid in Calendar Period	-	19,219	32,186	32,543	26,360
Paid to Date	13,204,696	13,223,915	13,256,101	13,288,644	13,315,004
Outstanding Liability	376,837	357,618	325,432	292,889	266,529
2008-2009					
Ultimate Loss	\$11,153,015	\$11,153,015	\$11,153,015	\$11,153,015	\$11,153,015
Paid in Calendar Period	-	9,058	18,221	15,266	15,436
Paid to Date	10,956,112	10,965,170	10,983,391	10,998,657	11,014,093
Outstanding Liability	196,903	187,845	169,624	154,358	138,922
2009-2010					
Ultimate Loss	\$16,817,179	\$16,817,179	\$16,817,179	\$16,817,179	\$16,817,179
Paid in Calendar Period	-	52,015	68,232	46,330	38,817
Paid to Date	16,219,305	16,271,320	16,339,552	16,385,882	16,424,699
Outstanding Liability	597,874	545,859	477,627	431,297	392,480
2010-2011					
Ultimate Loss	\$15,587,713	\$15,587,713	\$15,587,713	\$15,587,713	\$15,587,713
Paid in Calendar Period	-	68,698	117,390	72,153	48,992
Paid to Date	14,824,402	14,893,100	15,010,490	15,082,643	15,131,635
Outstanding Liability	763,311	694,613	577,223	505,070	456,078
2011-2012					
Ultimate Loss	\$15,260,673	\$15,260,673	\$15,260,673	\$15,260,673	\$15,260,673
Paid in Calendar Period	-	65,746	135,747	116,096	71,358
Paid to Date	14,372,219	14,437,965	14,573,712	14,689,808	14,761,166
Outstanding Liability	888,454	822,708	686,961	570,865	499,507
2012-2013					
Ultimate Loss	\$16,437,233	\$16,437,233	\$16,437,233	\$16,437,233	\$16,437,233
Paid in Calendar Period	-	110,893	208,150	194,620	166,447
Paid to Date	14,938,675	15,049,568	15,257,718	15,452,338	15,618,785
Outstanding Liability	1,498,558	1,387,665	1,179,515	984,895	818,448
2013-2014					
Ultimate Loss	\$13,058,395	\$13,058,395	\$13,058,395	\$13,058,395	\$13,058,395
Paid in Calendar Period	-	118,934	206,455	171,439	160,296
Paid to Date	11,590,079	11,709,013	11,915,468	12,086,907	12,247,203
Outstanding Liability	1,468,316	1,349,382	1,142,927	971,488	811,192



Judicial Branch Workers' Compensation Program - Workers' Compensation  
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## Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2023</u>	<u>Calendar Period</u>			
		<u>1/1/2024</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>	<u>7/1/2026</u> <u>to</u> <u>6/30/2027</u>
2014-2015					
Ultimate Loss	\$12,781,275	\$12,781,275	\$12,781,275	\$12,781,275	\$12,781,275
Paid in Calendar Period	-	132,241	245,415	201,614	167,419
Paid to Date	11,085,879	11,218,120	11,463,535	11,665,149	11,832,568
Outstanding Liability	1,695,396	1,563,155	1,317,740	1,116,126	948,707
2015-2016					
Ultimate Loss	\$14,356,661	\$14,356,661	\$14,356,661	\$14,356,661	\$14,356,661
Paid in Calendar Period	-	179,103	344,595	292,702	240,461
Paid to Date	11,968,618	12,147,721	12,492,316	12,785,018	13,025,479
Outstanding Liability	2,388,043	2,208,940	1,864,345	1,571,643	1,331,182
2016-2017					
Ultimate Loss	\$12,083,017	\$12,083,017	\$12,083,017	\$12,083,017	\$12,083,017
Paid in Calendar Period	-	192,551	342,502	278,435	236,505
Paid to Date	9,763,127	9,955,678	10,298,180	10,576,615	10,813,120
Outstanding Liability	2,319,890	2,127,339	1,784,837	1,506,402	1,269,897
2017-2018					
Ultimate Loss	\$12,215,373	\$12,215,373	\$12,215,373	\$12,215,373	\$12,215,373
Paid in Calendar Period	-	240,402	443,038	350,737	285,129
Paid to Date	9,353,444	9,593,846	10,036,884	10,387,621	10,672,750
Outstanding Liability	2,861,929	2,621,527	2,178,489	1,827,752	1,542,623
2018-2019					
Ultimate Loss	\$12,400,737	\$12,400,737	\$12,400,737	\$12,400,737	\$12,400,737
Paid in Calendar Period	-	278,526	522,097	453,081	358,687
Paid to Date	8,919,164	9,197,690	9,719,787	10,172,868	10,531,555
Outstanding Liability	3,481,573	3,203,047	2,680,950	2,227,869	1,869,182
2019-2020					
Ultimate Loss	\$10,540,027	\$10,540,027	\$10,540,027	\$10,540,027	\$10,540,027
Paid in Calendar Period	-	370,129	656,927	534,114	463,509
Paid to Date	6,236,201	6,606,330	7,263,257	7,797,371	8,260,880
Outstanding Liability	4,303,826	3,933,697	3,276,770	2,742,656	2,279,147
2020-2021					
Ultimate Loss	\$15,076,264	\$15,076,264	\$15,076,264	\$15,076,264	\$15,076,264
Paid in Calendar Period	-	627,893	1,074,928	785,610	638,739
Paid to Date	8,669,189	9,297,082	10,372,010	11,157,620	11,796,359
Outstanding Liability	6,407,075	5,779,182	4,704,254	3,918,644	3,279,905
2021-2022					
Ultimate Loss	\$10,382,835	\$10,382,835	\$10,382,835	\$10,382,835	\$10,382,835
Paid in Calendar Period	-	686,246	1,215,546	910,047	665,108
Paid to Date	3,588,316	4,274,562	5,490,108	6,400,155	7,065,263
Outstanding Liability	6,794,519	6,108,273	4,892,727	3,982,680	3,317,572

Judicial Branch Workers' Compensation Program - Workers' Compensation  
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## Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2023</u>	<u>Calendar Period</u>			
		<u>1/1/2024</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>	<u>7/1/2026</u> <u>to</u> <u>6/30/2027</u>
2022-2023					
Ultimate Loss	\$12,324,257	\$12,324,257	\$12,324,257	\$12,324,257	\$12,324,257
Paid in Calendar Period	-	974,884	1,711,804	1,312,987	982,998
Paid to Date	3,039,644	4,014,528	5,726,332	7,039,319	8,022,317
Outstanding Liability	9,284,613	8,309,729	6,597,925	5,284,938	4,301,940
2023-2024					
Ultimate Loss	\$6,327,257	\$12,654,514	\$12,654,514	\$12,654,514	\$12,654,514
Paid in Calendar Period	-	1,126,272	2,178,700	1,841,046	1,412,118
Paid to Date	412,426	1,538,698	3,717,398	5,558,444	6,970,562
Outstanding Liability	5,914,831	11,115,816	8,937,116	7,096,070	5,683,952
2024-2025					
Ultimate Loss	-	-	\$14,039,346	\$14,039,346	\$14,039,346
Paid in Calendar Period	-	-	1,628,564	2,432,513	2,055,523
Paid to Date	-	-	1,628,564	4,061,077	6,116,600
Outstanding Liability	-	-	12,410,782	9,978,269	7,922,746
2025-2026					
Ultimate Loss	-	-	-	\$14,233,186	\$14,233,186
Paid in Calendar Period	-	-	-	1,651,050	2,466,099
Paid to Date	-	-	-	1,651,050	4,117,149
Outstanding Liability	-	-	-	12,582,136	10,116,037
2026-2027					
Ultimate Loss	-	-	-	-	\$14,427,685
Paid in Calendar Period	-	-	-	-	1,673,611
Paid to Date	-	-	-	-	1,673,611
Outstanding Liability	-	-	-	-	12,754,074
Totals					
Ultimate Loss	\$326,587,000	\$332,914,257	\$346,953,603	\$361,186,789	\$375,614,474
Paid in Calendar Period	-	5,402,639	11,405,804	11,925,475	12,393,683
Paid to Date	273,166,968	278,569,607	289,975,411	301,900,886	314,294,569
Outstanding Liability	53,420,032	54,344,650	56,978,192	59,285,903	61,319,905
Total Outstanding ULAE	2,884,204	2,934,338	3,204,027	3,430,869	3,633,912
Outstanding Liability plus ULAE	56,304,236	57,278,988	60,182,219	62,716,772	64,953,817

Notes appear on the next page.

Judicial Branch Workers' Compensation Program - Workers' Compensation  
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## 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 2021-2022, \$686,246 is expected to be paid between 1/1/24 and 6/30/24, \$4,274,562 will have been paid by 6/30/24, and the reserve for remaining payments on these claims should be \$6,108,273.
- 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, \$1,215,546 = \$6,108,273 x 19.9%.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, \$5,490,108 = \$1,215,546 + \$4,274,562.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, \$6,108,273 = \$10,382,835 - \$4,274,562.

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 12/31/23:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$9,183,448	\$9,183,448
	ULAE:	878,069	878,069
	Short-Term Loss and LAE:	<u>\$10,061,517</u>	<u>\$10,061,517</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$44,236,584	\$44,236,584
	ULAE:	2,006,135	2,006,135
	Long-Term Loss and LAE:	<u>\$46,242,719</u>	<u>\$46,242,719</u>
<u>Total Liability</u>	Loss and ALAE:	\$53,420,032	\$53,420,032
	ULAE:	2,884,204	2,884,204
	Total Loss and LAE:	<u>\$56,304,236</u>	<u>\$56,304,236</u>
<u>Liabilities as of 6/30/24:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$9,777,240	\$9,777,240
	ULAE:	870,046	870,046
	Short-Term Loss and LAE:	<u>\$10,647,286</u>	<u>\$10,647,286</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$44,567,410	\$44,567,410
	ULAE:	2,064,292	2,064,292
	Long-Term Loss and LAE:	<u>\$46,631,702</u>	<u>\$46,631,702</u>
<u>Total Liability</u>	Loss and ALAE:	\$54,344,650	\$54,344,650
	ULAE:	2,934,338	2,934,338
	Total Loss and LAE:	<u>\$57,278,988</u>	<u>\$57,278,988</u>

		<u>Discounted with a Margin for Contingencies</u>				
		70%	80%	85%	90%	98%
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 12/31/23:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$9,918,124	\$10,542,598	\$10,946,670	\$11,488,493	\$13,792,450
	ULAE:	948,315	1,008,023	1,046,658	1,098,464	1,318,756
	Short-Term Loss and LAE:	<u>\$10,866,439</u>	<u>\$11,550,621</u>	<u>\$11,993,328</u>	<u>\$12,586,957</u>	<u>\$15,111,206</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$47,775,511	\$50,783,599	\$52,730,008	\$55,339,967	\$66,438,103
	ULAE:	2,166,625	2,303,043	2,391,313	2,509,675	3,012,976
	Long-Term Loss and LAE:	<u>\$49,942,136</u>	<u>\$53,086,642</u>	<u>\$55,121,321</u>	<u>\$57,849,642</u>	<u>\$69,451,079</u>
<u>Total Liability</u>	Loss and ALAE:	\$57,693,635	\$61,326,197	\$63,676,678	\$66,828,460	\$80,230,553
	ULAE:	3,114,940	3,311,066	3,437,971	3,608,139	4,331,732
	Total Loss and LAE:	<u>\$60,808,575</u>	<u>\$64,637,263</u>	<u>\$67,114,649</u>	<u>\$70,436,599</u>	<u>\$84,562,285</u>
<u>Liabilities as of 6/30/24:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$10,559,419	\$11,224,272	\$11,654,470	\$12,231,327	\$14,684,255
	ULAE:	939,650	998,813	1,037,095	1,088,428	1,306,706
	Short-Term Loss and LAE:	<u>\$11,499,069</u>	<u>\$12,223,085</u>	<u>\$12,691,565</u>	<u>\$13,319,755</u>	<u>\$15,990,961</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$48,132,803	\$51,163,386	\$53,124,353	\$55,753,830	\$66,934,965
	ULAE:	2,229,435	2,369,807	2,460,636	2,582,429	3,100,321
	Long-Term Loss and LAE:	<u>\$50,362,238</u>	<u>\$53,533,193</u>	<u>\$55,584,989</u>	<u>\$58,336,259</u>	<u>\$70,035,286</u>
<u>Total Liability</u>	Loss and ALAE:	\$58,692,222	\$62,387,658	\$64,778,823	\$67,985,157	\$81,619,220
	ULAE:	3,169,085	3,368,620	3,497,731	3,670,857	4,407,027
	Total Loss and LAE:	<u>\$61,861,307</u>	<u>\$65,756,278</u>	<u>\$68,276,554</u>	<u>\$71,656,014</u>	<u>\$86,026,247</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.

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Confidence Level Table

Probability	Projected Losses	Outstanding Losses
98%		1.502
95%	1.491	1.345
90%	1.353	1.251
85%	1.268	1.192
80%	1.206	1.148
75%	1.154	1.111
70%	1.110	1.080
65%	1.071	1.051
60%	1.035	1.026
55%	1.001	1.002
50%	0.969	0.978
45%	0.938	0.956
40%	0.908	0.934
35%	0.877	0.912
30%	0.846	0.889
25%	0.814	0.865

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.353 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  
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Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
7/1/2003	6/30/2004	2003-2004	Various	(none)
7/1/2004	6/30/2005	2004-2005	Various	(none)
7/1/2005	6/30/2006	2005-2006	2,000,000	(none)
7/1/2006	6/30/2007	2006-2007	2,000,000	(none)
7/1/2007	6/30/2008	2007-2008	2,000,000	(none)
7/1/2008	6/30/2009	2008-2009	2,000,000	(none)
7/1/2009	6/30/2010	2009-2010	2,000,000	(none)
7/1/2010	6/30/2011	2010-2011	2,000,000	(none)
7/1/2011	6/30/2012	2011-2012	2,000,000	(none)
7/1/2012	6/30/2013	2012-2013	2,000,000	(none)
7/1/2013	6/30/2014	2013-2014	2,000,000	(none)
7/1/2014	6/30/2015	2014-2015	2,000,000	(none)
7/1/2015	6/30/2016	2015-2016	2,000,000	(none)
7/1/2016	6/30/2017	2016-2017	2,000,000	(none)
7/1/2017	6/30/2018	2017-2018	2,000,000	(none)
7/1/2018	6/30/2019	2018-2019	2,000,000	(none)
7/1/2019	6/30/2020	2019-2020	2,000,000	(none)
7/1/2020	6/30/2021	2020-2021	2,000,000	(none)
7/1/2021	6/30/2022	2021-2022	2,000,000	(none)
7/1/2022	6/30/2023	2022-2023	2,000,000	(none)
7/1/2023	6/30/2024	2023-2024	2,000,000	(none)
7/1/2024	6/30/2025	2024-2025	2,000,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Corvel	7/1/2008	9/30/2014
AIMS	10/1/2014	6/30/2022
Sedgwick	7/1/2022	Current

This exhibit summarizes some of the key facts about the history of the program.

Judicial Branch Workers' Compensation Program - Workers' Compensation  
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Incurred Losses as of 12/31/23

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)
2003-2004	21,745,226	0	593,517	21,151,709	0	2,553,129	18,598,580	2,553,129	21,151,709	21,151,709
2004-2005	14,095,840	0	9,660	14,086,180	0	705,754	13,380,425	705,754	14,086,180	14,086,180
2005-2006	14,186,379	0	66,236	14,120,143	0	1,094,931	13,025,212	1,094,931	14,120,143	14,120,143
2006-2007	14,313,806	0	47,337	14,266,470	0	2,605,105	11,661,364	2,605,105	14,266,470	14,266,470
2007-2008	13,490,162	0	96,147	13,394,016	0	545,478	12,848,537	545,478	13,394,016	13,394,016
2008-2009	10,984,831	0	18,248	10,966,583	0	177,105	10,789,478	177,105	10,966,583	10,966,583
2009-2010	16,474,729	0	3,447	16,471,282	0	1,204,373	15,266,909	1,204,373	16,471,282	16,471,282
2010-2011	15,211,098	0	3,575	15,207,524	0	1,613,082	13,594,442	1,613,082	15,207,524	15,207,524
2011-2012	14,783,573	0	10,415	14,773,158	0	1,597,462	13,175,696	1,597,462	14,773,158	14,773,158
2012-2013	15,967,956	0	193,261	15,774,695	0	850,017	14,924,678	850,017	15,774,695	15,774,695
2013-2014	12,100,321	0	88,264	12,012,057	0	498,587	11,513,470	498,587	12,012,057	12,012,057
2014-2015	11,601,715	0	102,800	11,498,914	0	332,441	11,166,473	332,441	11,498,914	11,498,914
2015-2016	12,765,818	0	50,662	12,715,156	0	400,576	12,314,580	400,576	12,715,156	12,715,156
2016-2017	10,392,095	0	127,810	10,264,285	0	0	10,264,285	0	10,264,285	10,264,285
2017-2018	10,300,012	0	74,781	10,225,231	0	184,099	10,041,132	184,099	10,225,231	10,225,231
2018-2019	9,894,871	0	21,989	9,872,882	0	555,886	9,316,996	555,886	9,872,882	9,872,882
2019-2020	7,166,559	0	14,031	7,152,528	0	150,622	7,001,907	150,622	7,152,528	7,152,528
2020-2021	11,792,024	0	21,248	11,770,777	0	876,226	10,894,551	876,226	11,770,777	11,770,777
2021-2022	4,852,884	0	5,199	4,847,685	0	15,429	4,832,256	15,429	4,847,685	4,847,685
2022-2023	4,654,690	0	771	4,653,919	0	14,253	4,639,667	14,253	4,653,919	4,653,919
2023-2024	1,015,217	0	85	1,015,132	0	0	1,015,132	0	1,015,132	1,015,132
Total	\$292,457,279	\$0	\$3,025,246	\$289,432,033	\$1,381,254	\$19,759,217	\$269,672,816	\$18,377,963	\$288,050,779	\$288,050,779

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 12/31/23

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)
2003-2004	21,231,172	0	593,517	20,637,655	0	2,100,824	18,536,831	2,100,824	20,637,655	20,637,655
2004-2005	14,018,401	0	9,660	14,008,741	0	647,736	13,361,005	647,736	14,008,741	14,008,741
2005-2006	13,968,567	0	66,236	13,902,331	0	1,003,458	12,898,874	1,003,458	13,902,331	13,902,331
2006-2007	14,053,484	0	47,337	14,006,147	0	2,477,706	11,528,441	2,477,706	14,006,147	14,006,147
2007-2008	13,300,843	0	96,147	13,204,696	0	471,146	12,733,550	471,146	13,204,696	13,204,696
2008-2009	10,974,360	0	18,248	10,956,112	0	177,105	10,779,007	177,105	10,956,112	10,956,112
2009-2010	16,222,752	0	3,447	16,219,305	0	1,100,528	15,118,777	1,100,528	16,219,305	16,219,305
2010-2011	14,827,977	0	3,575	14,824,402	0	1,299,717	13,524,685	1,299,717	14,824,402	14,824,402
2011-2012	14,382,634	0	10,415	14,372,219	0	1,261,230	13,110,989	1,261,230	14,372,219	14,372,219
2012-2013	15,131,936	0	193,261	14,938,675	0	549,248	14,389,427	549,248	14,938,675	14,938,675
2013-2014	11,678,343	0	88,264	11,590,079	0	411,128	11,178,951	411,128	11,590,079	11,590,079
2014-2015	11,188,680	0	102,800	11,085,879	0	253,575	10,832,304	253,575	11,085,879	11,085,879
2015-2016	12,019,280	0	50,662	11,968,618	0	187,243	11,781,374	187,243	11,968,618	11,968,618
2016-2017	9,890,936	0	127,810	9,763,127	0	0	9,763,127	0	9,763,127	9,763,127
2017-2018	9,428,225	0	74,781	9,353,444	0	24,688	9,328,757	24,688	9,353,444	9,353,444
2018-2019	8,941,152	0	21,989	8,919,164	0	320,018	8,599,146	320,018	8,919,164	8,919,164
2019-2020	6,250,232	0	14,031	6,236,201	0	0	6,236,201	0	6,236,201	6,236,201
2020-2021	8,690,437	0	21,248	8,669,189	0	24,248	8,644,941	24,248	8,669,189	8,669,189
2021-2022	3,593,515	0	5,199	3,588,316	0	0	3,588,316	0	3,588,316	3,588,316
2022-2023	3,040,415	0	771	3,039,644	0	0	3,039,644	0	3,039,644	3,039,644
2023-2024	412,510	0	85	412,426	0	0	412,426	0	412,426	412,426
<b>Total</b>	<b>\$276,862,542</b>	<b>\$0</b>	<b>\$3,025,246</b>	<b>\$273,837,296</b>	<b>\$670,329</b>	<b>\$15,180,512</b>	<b>\$258,656,784</b>	<b>\$14,510,183</b>	<b>\$273,166,967</b>	<b>\$273,166,967</b>

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 12/31/23

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)
2003-2004	514,054	0	0	514,054	0	452,306	61,749	452,306	514,054	514,054
2004-2005	77,439	0	0	77,439	0	58,018	19,420	58,018	77,439	77,439
2005-2006	217,812	0	0	217,812	0	91,473	126,339	91,473	217,812	217,812
2006-2007	260,323	0	0	260,323	0	127,399	132,924	127,399	260,323	260,323
2007-2008	189,320	0	0	189,320	0	74,333	114,987	74,333	189,320	189,320
2008-2009	10,471	0	0	10,471	0	0	10,471	0	10,471	10,471
2009-2010	251,977	0	0	251,977	0	103,845	148,132	103,845	251,977	251,977
2010-2011	383,122	0	0	383,122	0	313,365	69,757	313,365	383,122	383,122
2011-2012	400,939	0	0	400,939	0	336,232	64,707	336,232	400,939	400,939
2012-2013	836,020	0	0	836,020	0	300,769	535,250	300,769	836,020	836,020
2013-2014	421,978	0	0	421,978	0	87,458	334,519	87,458	421,978	421,978
2014-2015	413,035	0	0	413,035	0	78,866	334,169	78,866	413,035	413,035
2015-2016	746,538	0	0	746,538	0	213,332	533,206	213,332	746,538	746,538
2016-2017	501,159	0	0	501,159	0	0	501,159	0	501,159	501,159
2017-2018	871,787	0	0	871,787	0	159,411	712,375	159,411	871,787	871,787
2018-2019	953,719	0	0	953,719	0	235,868	717,851	235,868	953,719	953,719
2019-2020	916,327	0	0	916,327	0	150,622	765,705	150,622	916,327	916,327
2020-2021	3,101,588	0	0	3,101,588	0	851,978	2,249,610	851,978	3,101,588	3,101,588
2021-2022	1,259,369	0	0	1,259,369	0	15,429	1,243,939	15,429	1,259,369	1,259,369
2022-2023	1,614,276	0	0	1,614,276	0	14,253	1,600,023	14,253	1,614,276	1,614,276
2023-2024	602,707	0	0	602,707	0	0	602,707	0	602,707	602,707
<b>Total</b>	<b>\$15,594,737</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,594,737</b>	<b>\$710,925</b>	<b>\$4,578,705</b>	<b>\$11,016,032</b>	<b>\$3,867,779</b>	<b>\$14,883,812</b>	<b>\$14,883,812</b>

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 12/31/23

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)
2003-2004	1,101	0	0	1,101	1,089	0	0	1,089	12	12
2004-2005	971	0	0	971	968	0	0	968	3	3
2005-2006	943	0	0	943	933	0	0	933	10	10
2006-2007	925	0	0	925	917	0	0	917	8	8
2007-2008	794	0	0	794	782	0	0	782	12	12
2008-2009	874	0	0	874	872	0	0	872	2	2
2009-2010	795	0	0	795	779	0	0	779	16	16
2010-2011	763	0	0	763	751	0	0	751	12	12
2011-2012	668	0	0	668	655	0	0	655	13	13
2012-2013	642	0	0	642	624	0	0	624	18	18
2013-2014	582	0	0	582	566	0	0	566	16	16
2014-2015	554	0	0	554	533	0	0	533	21	21
2015-2016	579	0	0	579	556	0	0	556	23	23
2016-2017	561	0	0	561	530	0	0	530	31	31
2017-2018	507	0	0	507	473	0	0	473	34	34
2018-2019	471	0	0	471	427	0	0	427	44	44
2019-2020	338	0	0	338	295	0	0	295	43	43
2020-2021	377	0	0	377	287	0	0	287	90	90
2021-2022	332	0	0	332	265	0	0	265	67	67
2022-2023	341	0	0	341	222	0	0	222	119	119
2023-2024	145	0	0	145	56	0	0	56	89	89
Total	15,231	0	0	15,231	14,528	0	0	14,528	703	703

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)
2003-2004	6,430,176	1.638	10,532,628
2004-2005	6,722,165	1.598	10,742,020
2005-2006	7,311,472	1.559	11,398,585
2006-2007	7,935,753	1.521	12,070,280
2007-2008	8,786,901	1.484	13,039,761
2008-2009	9,208,216	1.448	13,333,497
2009-2010	8,669,463	1.413	12,249,951
2010-2011	8,802,033	1.379	12,138,004
2011-2012	8,784,725	1.345	11,815,455
2012-2013	8,151,225	1.312	10,694,407
2013-2014	8,137,408	1.280	10,415,882
2014-2015	8,022,089	1.249	10,019,589
2015-2016	8,472,135	1.219	10,327,533
2016-2017	8,671,973	1.189	10,310,976
2017-2018	8,716,445	1.160	10,111,076
2018-2019	9,015,893	1.132	10,205,991
2019-2020	9,596,008	1.104	10,593,993
2020-2021	9,105,224	1.077	9,806,326
2021-2022	9,568,316	1.051	10,056,300
2022-2023	9,916,879	1.025	10,164,801
2023-2024	10,667,373	1.000	10,667,373
2024-2025	10,942,592	1.000	10,942,592
2025-2026	11,224,910	1.000	11,224,910
2026-2027	11,514,513	1.000	11,514,513

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, 2023

(A) Estimated Ultimate Losses Incurred through 12/31/23: (From Appendix J - G)	\$22,498,000
(B) Estimated Paid Losses through 12/31/23: (From Appendix J - G)	19,885,000
(C) Estimated Liability for Claims Outstanding at 12/31/23: (From Appendix J - G)	<u>\$2,613,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 12/31/23: (From Appendix J - F)	394,000
(E) Total Outstanding Liability for Claims at 12/31/23: ((C) + (D))	<u>\$3,007,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 12/31/23: ((E) x (F))	<u>\$3,007,000</u>

	<u>70%</u>	<u>80%</u>	<u>85%</u>	<u>Target</u> 90%	<u>98%</u>
Confidence Level of Adequacy:					
(H) Confidence Level Factor: (From Appendix J - I)	1.134	1.263	1.349	1.463	1.975
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	403,000	791,000	1,049,000	1,392,000	2,932,000
(J) Total Required Assets at 12/31/23: ((G) + (I))	<u>\$3,410,000</u>	<u>\$3,798,000</u>	<u>\$4,056,000</u>	<u>\$4,399,000</u>	<u>\$5,939,000</u>

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

Funding Guidelines for Outstanding Liabilities at  
June 30, 2024

(A) Estimated Ultimate Losses Incurred through 6/30/24: (From Appendix J - G)	\$22,785,000
(B) Estimated Paid Losses through 6/30/24: (From Appendix J - G)	20,069,000
(C) Estimated Liability for Claims Outstanding at 6/30/24: (From Appendix J - G)	<u>\$2,716,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/24: (From Appendix J - F)	425,000
(E) Total Outstanding Liability for Claims at 6/30/24: ((C) + (D))	<u>\$3,141,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/24: ((E) x (F))	<u>\$3,141,000</u>

	<u>70%</u>	<u>80%</u>	<u>85%</u>	<u>Target 90%</u>	<u>98%</u>
Confidence Level of Adequacy:					
(H) Confidence Level Factor: (From Appendix J - I)	1.134	1.263	1.349	1.463	1.975
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	421,000	826,000	1,096,000	1,454,000	3,063,000
(J) Total Required Assets at 6/30/24: ((G) + (I))	<u>\$3,562,000</u>	<u>\$3,967,000</u>	<u>\$4,237,000</u>	<u>\$4,595,000</u>	<u>\$6,204,000</u>

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)	\$575,000	\$0.083			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit J - 5, Page 1, (L))	127,000	0.018			
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	<u>\$702,000</u>	<u>\$0.101</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>\$702,000</u>	<u>\$0.101</u>			
			Marginally Acceptable	Recommended	
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.117	1.243	1.385	1.552
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	2,000	67,000	140,000	221,000	317,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$704,000</u>	<u>\$769,000</u>	<u>\$841,000</u>	<u>\$923,000</u>	<u>\$1,019,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$6,925,518)	\$0.102	\$0.111	\$0.122	\$0.133	\$0.147

Payroll rates are per hundred dollars of 2023-2024 payroll of \$692,551,800.

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)	\$604,000	\$0.085			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025: (From Exhibit J - 5, Page 1, (L))	125,000	0.018			
(C) Total Claims Costs Incurred in Accident Year 2024-2025: ((A) + (B))	<u>\$729,000</u>	<u>\$0.103</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>\$729,000</u>	<u>\$0.103</u>			
	Marginally Acceptable		Recommended		
(F) Confidence Level Factor: (From Appendix J - I)	60%	65%	70%	75%	80%
	1.003	1.117	1.243	1.385	1.552
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	2,000	71,000	147,000	232,000	333,000
(H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$731,000</u>	<u>\$800,000</u>	<u>\$876,000</u>	<u>\$961,000</u>	<u>\$1,062,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Judicial Council)	371,000	371,000	371,000	371,000	371,000
(J) Recommended Funding in 2024-2025 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$1,102,000</u>	<u>\$1,171,000</u>	<u>\$1,247,000</u>	<u>\$1,332,000</u>	<u>\$1,433,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$7,104,197)	\$0.155	\$0.165	\$0.175	\$0.188	\$0.202

Payroll rates are per hundred dollars of 2024-2025 payroll of \$710,419,700.

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

Funding Options for Program Year 2025-2026 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2025-2026: (From Appendix J - G)	\$634,000	\$0.087			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2025-2026: (From Exhibit J - 5, Page 1, (L))	131,000	0.018			
(C) Total Claims Costs Incurred in Accident Year 2025-2026: ((A) + (B))	<u>\$765,000</u>	<u>\$0.105</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%.): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2025-2026: ((C) x (D))	<u>\$765,000</u>	<u>\$0.105</u>			
	60%	Marginally Acceptable 65%	70%	Recommended 75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.117	1.243	1.385	1.552
(G) Margin for Adverse Experience: ((A) x [(F) - 1])	2,000	74,000	154,000	244,000	350,000
(H) Recommended Funding in 2025-2026 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$767,000</u>	<u>\$839,000</u>	<u>\$919,000</u>	<u>\$1,009,000</u>	<u>\$1,115,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$7,287,485)	\$0.105	\$0.115	\$0.126	\$0.138	\$0.153

Payroll rates are per hundred dollars of 2025-2026 payroll of \$728,748,500.



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

Funding Options for Program Year 2026-2027 (SIR = \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2026-2027: (From Appendix J - G)	\$665,000	\$0.089			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2026-2027: (From Exhibit J - 5, Page 1, (L))	137,000	0.018			
(C) Total Claims Costs Incurred in Accident Year 2026-2027: ((A) + (B))	<u>\$802,000</u>	<u>\$0.107</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 2026-2027: ((C) x (D))	<u>\$802,000</u>	<u>\$0.107</u>			
	Marginally Acceptable	Recommended			
	60%	65%	70%	75%	80%
(F) Confidence Level Factor: (From Appendix J - I)	1.003	1.117	1.243	1.385	1.552
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	2,000	94,000	195,000	309,000	443,000
(H) Recommended Funding in 2026-2027 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$805,000</u>	<u>\$896,000</u>	<u>\$997,000</u>	<u>\$1,111,000</u>	<u>\$1,245,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$7,475,502)	\$0.108	\$0.120	\$0.133	\$0.149	\$0.167

Payroll rates are per hundred dollars of 2026-2027 payroll of \$747,550,200.

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

IBNR as of 6/30/24 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/23 (B)	Estimated IBNR as of 12/31/23 (C)	Estimated Percent of IBNR Reported Between 1/1/24 and 6/30/24 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/24 (F)
Prior	\$13,657,000	\$13,495,000	\$162,000	17.4%	\$28,000	\$134,000
2003-2004	289,000	289,000	0	17.4%	0	0
2004-2005	603,000	592,000	11,000	5.2%	1,000	11,000
2005-2006	239,000	234,000	5,000	4.7%	0	5,000
2006-2007	575,000	575,000	0	8.2%	0	0
2007-2008	269,000	262,000	7,000	7.2%	1,000	7,000
2008-2009	770,000	747,000	23,000	6.3%	1,000	22,000
2009-2010	686,000	686,000	0	5.5%	0	0
2010-2011	309,000	309,000	0	7.0%	0	0
2011-2012	549,000	549,000	0	8.0%	0	0
2012-2013	464,000	440,000	24,000	6.9%	2,000	23,000
2013-2014	62,000	62,000	0	6.0%	0	0
2014-2015	325,000	303,000	22,000	6.5%	1,000	20,000
2015-2016	781,000	723,000	58,000	4.6%	3,000	55,000
2016-2017	412,000	377,000	35,000	6.9%	2,000	33,000
2017-2018	228,000	154,000	74,000	9.3%	7,000	67,000
2018-2019	313,000	162,000	151,000	10.0%	15,000	136,000
2019-2020	501,000	292,000	209,000	12.5%	26,000	183,000
2020-2021	275,000	14,000	261,000	14.6%	38,000	223,000
2021-2022	404,000	186,000	218,000	16.5%	36,000	182,000
2022-2023	497,000	90,000	407,000	20.8%	85,000	322,000
2023-2024	575,000	29,000	259,000	13.9%	76,000	470,000
Totals	\$22,785,000	\$20,571,000	\$1,927,000		\$322,000	\$1,892,000

## 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 1/1/24 and 6/30/24. 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 6/30/24. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

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

Estimated Ultimate Program Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)	Selected Estimate of Ultimate Losses Limited to Aggregate (G)	
Prior	\$13,657,000	\$14,288,000	\$13,622,000	\$14,036,000	\$10,535,000	\$13,657,000	\$13,657,000	
2003-2004	294,000	318,000	296,000	327,000	411,000	289,000	289,000	
2004-2005	603,000	515,000	601,000	512,000	480,000	603,000	603,000	
2005-2006	239,000	260,000	241,000	269,000	345,000	239,000	239,000	
2006-2007	589,000	651,000	586,000	630,000	464,000	575,000	575,000	
2007-2008	269,000	280,000	272,000	295,000	397,000	269,000	269,000	
2008-2009	770,000	855,000	774,000	860,000	903,000	770,000	770,000	
2009-2010	710,000	806,000	712,000	799,000	756,000	686,000	686,000	
2010-2011	322,000	369,000	326,000	382,000	452,000	309,000	309,000	
2011-2012	576,000	668,000	587,000	696,000	820,000	549,000	549,000	
2012-2013	464,000	535,000	467,000	531,000	510,000	464,000	464,000	
2013-2014	66,000	79,000	68,000	83,000	103,000	62,000	62,000	
2014-2015	325,000	370,000	325,000	359,000	324,000	325,000	325,000	
2015-2016	781,000	806,000	791,000	835,000	925,000	781,000	781,000	
2016-2017	412,000	490,000	424,000	508,000	553,000	412,000	412,000	
2017-2018	172,000	203,000	181,000	219,000	255,000	228,000	228,000	
2018-2019	186,000	264,000	215,000	319,000	697,000	313,000	313,000	
2019-2020	353,000	519,000	369,000	483,000	576,000	501,000	501,000	
2020-2021	18,000	33,000	118,000	260,000	289,000	275,000	275,000	
2021-2022	294,000	298,000	353,000	410,000	353,000	404,000	404,000	
2022-2023	242,000	455,000	413,000	506,000	324,000	497,000	497,000	
Totals						\$22,210,000	\$22,210,000	
						Projected Losses for the Year 2023-2024 (H)	\$575,000	\$575,000
						Projected Losses for the Year 2024-2025 (I)	604,000	604,000
						Projected Losses for the Year 2025-2026 (J)	634,000	634,000
						Projected Losses for the Year 2026-2027 (K)	665,000	665,000

Notes:

- (A) From Appendix J - A, Page 1, Column (G).
- (B) From Appendix J - B, Page 1, Column (G).
- (C) From Appendix J - C, Page 1, Column (G).
- (D) From Appendix J - C, Page 2, Column (G).
- (E) From Appendix J - D, Page 1, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) (F) limited to applicable aggregate.
- (H) From Exhibit J - 5, Page 1, Line (K).
- (I) From Exhibit J - 5, Page 1, Line (K).
- (J) From Exhibit J - 5, Page 1, Line (K).
- (K) From Exhibit J - 5, Page 1, Line (K).

This exhibit summarizes the results of the actuarial methods we have applied to estimate ultimate losses for each year. It is important to apply a number of estimation methods because each one relies on specific assumptions about the claims process that tend to hold generally true, but that may be violated in specific situations. Thus, the more estimation methods that can be applied, the better.

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

Estimated Ultimate Limited Losses Capped at \$100,000 per Claim

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
Prior	\$8,482,000	\$8,688,000	\$8,482,000	\$8,681,000	\$8,482,000	\$8,482,000
2003-2004	291,000	298,000	291,000	298,000	289,000	289,000
2004-2005	333,000	341,000	333,000	341,000	333,000	333,000
2005-2006	236,000	240,000	236,000	240,000	236,000	236,000
2006-2007	316,000	324,000	316,000	324,000	313,000	313,000
2007-2008	264,000	254,000	264,000	254,000	264,000	264,000
2008-2009	591,000	603,000	591,000	602,000	591,000	591,000
2009-2010	493,000	507,000	493,000	506,000	487,000	487,000
2010-2011	291,000	300,000	291,000	299,000	287,000	287,000
2011-2012	521,000	539,000	521,000	537,000	512,000	512,000
2012-2013	313,000	315,000	313,000	315,000	313,000	313,000
2013-2014	64,000	66,000	63,000	66,000	62,000	62,000
2014-2015	192,000	195,000	192,000	194,000	192,000	192,000
2015-2016	552,000	569,000	552,000	568,000	552,000	552,000
2016-2017	325,000	314,000	325,000	315,000	325,000	325,000
2017-2018	148,000	156,000	147,000	155,000	148,000	148,000
2018-2019	176,000	197,000	180,000	202,000	396,000	176,000
2019-2020	327,000	374,000	318,000	340,000	322,000	322,000
2020-2021	16,000	23,000	47,000	104,000	159,000	96,000
2021-2022	237,000	190,000	239,000	221,000	191,000	230,000
2022-2023	182,000	273,000	228,000	273,000	173,000	251,000
Totals						\$14,462,000
			Projected Losses for the Year 2023-2024 (G)			\$301,000
			Projected Losses for the Year 2024-2025 (H)			\$311,000
			Projected Losses for the Year 2025-2026 (I)			\$321,000
			Projected Losses for the Year 2026-2027 (J)			\$331,000

Notes:

- (A) From Appendix J - A, Page 1, Column (D).
- (B) From Appendix J - B, Page 1, Column (D).
- (C) Based on results in Appendix J - C, Page 1.
- (D) Based on results in Appendix J - C, Page 2.
- (E) Based on results in Appendix J - D, Page 1.
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Exhibit J - 5, Page 1, Line (K) / Line (G).
- (H) From Exhibit J - 5, Page 1, Line (K) / Line (G).
- (I) From Exhibit J - 5, Page 1, Line (K) / Line (G).
- (J) From Exhibit J - 5, Page 1, Line (K) / Line (G).

This exhibit summarizes the results of the actuarial methods we have applied to estimate limited losses for each year. These results are used to select a limited loss rate for future years.

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

Selection of Projected Limited Loss Rate  
and Projection of Program Losses and ULAE

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended Payroll (\$00) (D)	Trended Limited Loss Rate (E)
Prior	\$8,482,000	1.087	\$9,220,000	\$10,017,000	0.920
2003-2004	289,000	1.074	311,000	5,680,000	0.055
2004-2005	333,000	1.395	465,000	5,883,000	0.079
2005-2006	236,000	1.513	357,000	5,939,000	0.060
2006-2007	313,000	1.435	450,000	6,439,000	0.070
2007-2008	264,000	1.339	354,000	6,766,000	0.052
2008-2009	591,000	1.251	740,000	6,693,000	0.111
2009-2010	487,000	1.150	561,000	6,496,000	0.086
2010-2011	287,000	1.089	312,000	6,477,000	0.048
2011-2012	512,000	1.076	551,000	6,327,000	0.087
2012-2013	313,000	1.094	342,000	6,009,000	0.057
2013-2014	62,000	1.101	68,000	5,903,000	0.012
2014-2015	192,000	1.088	209,000	5,760,000	0.036
2015-2016	552,000	1.123	620,000	5,910,000	0.105
2016-2017	325,000	1.177	382,000	5,894,000	0.065
2017-2018	148,000	1.169	173,000	6,029,000	0.029
2018-2019	176,000	1.133	199,000	6,226,000	0.032
2019-2020	322,000	1.122	362,000	6,533,000	0.055
2020-2021	96,000	1.081	103,000	5,997,000	0.017
2021-2022	230,000	1.051	242,000	6,153,000	0.039
2022-2023	251,000	1.037	260,000	6,669,000	0.039
Totals	\$14,462,000		\$16,280,000	\$133,800,000	\$0.122
18/19-21/22	824,133		906,356	24,909,104	0.036
19/20-22/23	898,665		966,748	25,351,339	0.038
			(F) Selected Limited Rate:		\$0.043
			Prior:		\$0.048
Program Year:		2023-2024	2024-2025	2025-2026	2026-2027
(G) Factor to SIR:		1.911	1.944	1.977	2.012
(H) Trend Factor:		1.000	1.009	1.014	1.020
(I) Program Rate:		\$0.083	\$0.085	\$0.087	\$0.089
(J) Trended Payroll (\$00):		6,926,000	7,104,000	7,287,000	7,476,000
(K) Projected Program Losses:		575,000	604,000	634,000	665,000
(L) Projected ULAE:		183,000	205,000	201,000	227,000
(M) Projected Loss and ULAE:		\$757,000	\$809,000	\$835,000	\$892,000

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 12/31/23 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/23 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$8,439,907	1.005	\$8,482,107	\$13,495,393	1.012	\$13,657,338
2003-2004	289,343	1.006	291,079	289,343	1.017	294,262
2004-2005	330,818	1.007	333,134	591,534	1.019	602,773
2005-2006	234,151	1.008	236,024	234,151	1.021	239,068
2006-2007	313,363	1.009	316,183	575,305	1.024	589,112
2007-2008	261,670	1.010	264,287	261,670	1.027	268,735
2008-2009	584,836	1.011	591,269	746,735	1.031	769,884
2009-2010	487,464	1.012	493,314	686,343	1.035	710,365
2010-2011	286,930	1.014	290,947	308,913	1.041	321,578
2011-2012	512,002	1.017	520,706	549,454	1.048	575,828
2012-2013	306,440	1.021	312,875	440,266	1.055	464,481
2013-2014	61,947	1.026	63,558	61,947	1.063	65,850
2014-2015	186,306	1.032	192,268	303,162	1.072	324,990
2015-2016	530,975	1.039	551,683	722,699	1.080	780,515
2016-2017	309,752	1.049	324,930	376,509	1.094	411,901
2017-2018	138,620	1.065	147,630	154,382	1.117	172,445
2018-2019	161,926	1.087	176,014	161,926	1.150	186,215
2019-2020	291,833	1.119	326,561	291,833	1.210	353,118
2020-2021	13,884	1.166	16,189	13,884	1.325	18,396
2021-2022	186,472	1.273	237,379	186,472	1.577	294,066
2022-2023	90,164	2.014	181,590	90,164	2.687	242,271
Totals	\$14,018,803		\$14,349,726	\$20,542,085		\$21,343,190

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council. These losses exclude amounts over \$100,000 per occurrence.
- (C) From Appendix J - A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$100,000 per occurrence.
- (E) Losses capped at the Judicial Council's SIR. Amounts are provided by the Judicial Council.
- (F) Derived from factors on Appendix J - A, Page 4.
- (G) (E) x (F).

This method tends to understate ultimate losses for the most recent several years because the large losses for those years generally have not yet emerged at the time of our review.

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses and case reserves as reported by the claims administrator. These losses tend to "develop" or change from period to period as more information becomes available about the cases. This development tends to follow quantifiable patterns over time.

Judicial Branch Workers' Compensation Program - Workers' Compensation - State Judiciary  
Reported Loss Development

Accident Year	Limited Losses Reported as of:										
	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2002-2003							224,031	194,858	203,345	208,396	208,266
2003-2004						286,269	301,363	314,579	286,077	286,077	313,119
2004-2005					161,421	273,277	242,702	259,116	244,498	244,620	244,620
2005-2006				206,938	291,994	278,945	251,887	239,738	274,233	275,012	226,861
2006-2007			311,045	352,592	300,539	327,830	310,413	315,826	313,310	313,310	313,363
2007-2008		182,230	255,251	163,066	223,161	285,786	323,191	319,880	257,090	279,035	276,348
2008-2009	72,893	227,884	390,648	494,307	490,959	558,429	567,221	576,827	620,024	620,024	620,024
2009-2010	38,553	422,040	493,213	499,430	483,058	493,254	493,279	493,305	489,301	489,301	487,464
2010-2011	36,770	148,198	217,390	238,726	261,768	270,543	279,073	279,073	286,930	286,930	286,930
2011-2012	144,363	447,283	515,762	598,208	558,075	539,408	529,308	541,107	522,921	522,921	512,002
2012-2013	149,222	407,603	399,291	363,277	314,241	319,532	319,532	295,917	296,942	296,942	296,942
2013-2014	31,800	80,977	101,267	117,468	91,708	91,708	92,170	81,376	61,947	61,947	61,947
2014-2015	59,415	160,387	322,601	233,170	189,984	180,760	191,902	179,281	179,281	186,306	
2015-2016	61,797	274,185	308,294	461,565	482,562	516,250	500,025	530,019	530,975		
2016-2017	37,632	151,356	265,636	250,033	274,033	269,471	300,470	309,752			
2017-2018	21,621	67,646	77,735	123,307	137,620	137,620	138,620				
2018-2019	79,605	112,551	179,011	180,168	161,926	161,926					
2019-2020	57,250	125,153	256,709	268,401	291,833						
2020-2021	21,333	19,890	18,230	13,884							
2021-2022	2,000	44,053	186,472								
2022-2023	14,159	90,164									
2023-2024	28,793										

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
2002-2003							0.870	1.044	1.025	0.999	0.983
2003-2004						1.053	1.044	0.909	1.000	1.095	1.000
2004-2005					1.693	0.888	1.068	0.944	1.000	1.000	1.006
2005-2006				1.411	0.955	0.903	0.952	1.144	1.003	0.825	1.009
2006-2007			1.134	0.852	1.091	0.947	1.017	0.992	1.000	1.000	1.000
2007-2008		1.401	0.639	1.369	1.281	1.131	0.990	0.804	1.085	0.990	0.971
2008-2009	3.126	1.714	1.265	0.993	1.137	1.016	1.017	1.075	1.000	1.000	1.000
2009-2010	10.947	1.169	1.013	0.967	1.021	1.000	1.000	0.992	1.000	0.996	1.000
2010-2011	4.030	1.467	1.098	1.097	1.034	1.032	1.000	1.028	1.000	1.000	1.000
2011-2012	3.098	1.153	1.160	0.933	0.967	0.981	1.022	0.966	1.000	0.979	1.000
2012-2013	2.732	0.980	0.910	0.865	1.017	1.000	0.926	1.003	1.000	1.000	1.032
2013-2014	2.546	1.251	1.160	0.781	1.000	1.005	0.883	0.761	1.000	1.000	
2014-2015	2.699	2.011	0.723	0.815	0.951	1.062	0.934	1.000	1.039		
2015-2016	4.437	1.124	1.497	1.045	1.070	0.969	1.060	1.002			
2016-2017	4.022	1.755	0.941	1.096	0.983	1.115	1.031				
2017-2018	3.129	1.149	1.586	1.116	1.000	1.007					
2018-2019	1.414	1.590	1.006	0.899	1.000						
2019-2020	2.186	2.051	1.046	1.087							
2020-2021	0.932	0.917	0.762								
2021-2022	22.027	4.233									
2022-2023	6.368										

	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	4.913	1.598	1.063	1.022	1.080	1.007	0.988	0.976	1.012	0.990	1.000
Dollar-Weighted Averages											
3-yr	4.110	2.440	1.019	1.034	0.992	1.017	1.027	0.977	1.013	0.988	1.009
4-yr	2.948	2.123	1.102	1.053	1.028	1.024	1.015	0.984	1.007	0.991	1.006
Industry Factors	2.794	1.252	1.051	1.006	1.005	1.003	1.003	1.003	1.003	1.003	1.002
Prior	2.405	1.474	1.089	1.040	1.030	1.020	1.015	1.010	1.007	1.006	1.005
Selected	2.495	1.582	1.092	1.042	1.030	1.021	1.015	1.010	1.007	1.006	1.005
Cumulated	5.025	2.014	1.273	1.166	1.119	1.087	1.065	1.049	1.039	1.032	1.026



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
2002-2003	204,695	204,939	195,771	195,771	171,866	171,866	171,866	171,866	171,866	171,866	171,866
2003-2004	313,119	313,119	289,343	289,343	289,343	289,343	289,343	289,343	289,343	289,343	289,343
2004-2005	245,971	245,980	245,980	245,980	245,980	245,980	257,680	257,937	330,818		
2005-2006	229,011	227,199	235,295	235,295	229,270	229,270	234,151	234,151			
2006-2007	313,363	313,363	313,363	313,363	313,363	313,363	313,363				
2007-2008	268,273	261,670	242,325	261,670	261,670	261,670					
2008-2009	620,024	597,547	580,677	580,677	584,836						
2009-2010	487,464	487,464	487,464	487,464							
2010-2011	286,930	286,930	286,930								
2011-2012	512,002	512,002									
2012-2013	306,440										
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
2023-2024											

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
2002-2003	1.001	0.955	1.000	0.878	1.000	1.000	1.000	1.000	1.000	1.000	
2003-2004	1.000	0.924	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004-2005	1.000	1.000	1.000	1.000	1.000	1.048	1.001	1.283			
2005-2006	0.992	1.036	1.000	0.974	1.000	1.021	1.000				
2006-2007	1.000	1.000	1.000	1.000	1.000	1.000					
2007-2008	0.975	0.926	1.080	1.000	1.000						
2008-2009	0.964	0.972	1.000	1.007							
2009-2010	1.000	1.000	1.000								
2010-2011	1.000	1.000									
2011-2012	1.000										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
Average Dollar-Weighted Averages	0.993	0.979	1.010	0.980	1.000	1.014	1.000	1.094	1.000	1.000	
3-yr	1.000	0.988	1.015	1.004	1.000	1.021	1.000	1.101			
4-yr	0.988	0.978	1.012	0.999	1.000	1.015	1.000				
Industry Factors	1.002	1.002	1.002	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.016
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	1.001	1.001	1.001	1.001	1.001	1.005
Cumulated	1.021	1.017	1.014	1.012	1.011	1.010	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
2002-2003											
2003-2004											
2004-2005						215,299	215,299	215,299	119,890	119,890	119,890
2005-2006					31,500				29,924	29,924	
2006-2007			24,768		48,987	50,405	112,853	178,973	285,617	272,323	272,323
2007-2008											
2008-2009			42,100	119,768	119,768	101,528	101,791	104,685	123,670	193,341	197,798
2009-2010		191,500	205,410	195,816	205,100	209,294	212,775	198,879	198,879	198,879	198,879
2010-2011									11,239	38,312	21,941
2011-2012			53,416	68,749	57,543	48,324	19,367	37,452	37,452	38,514	37,452
2012-2013		197,315	136,141	133,826	133,826	133,826	133,826	133,826	133,826	133,826	133,826
2013-2014											
2014-2015				7,314	91,347	91,998	95,479	93,011	99,410	116,856	
2015-2016					96,683	120,683	123,186	169,838	191,723		
2016-2017			63,728	66,730	66,738	66,758	66,758	66,758			
2017-2018					10,063	14,259	15,762				
2018-2019											
2019-2020			5,844								
2020-2021											
2021-2022											
2022-2023											
2023-2024											

	<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
2002-2003											
2003-2004											
2004-2005						1.000	1.000	0.557	1.000	1.000	1.000
2005-2006									1.000		
2006-2007					1.029	2.239	1.586	1.596	0.953	1.000	1.157
2007-2008											
2008-2009			2.845	1.000	0.848	1.003	1.028	1.181	1.563	1.023	1.003
2009-2010		1.073	0.953	1.047	1.020	1.017	0.935	1.000	1.000	1.000	1.000
2010-2011									3.409	0.573	1.001
2011-2012			1.287	0.837	0.840	0.401	1.934	1.000	1.028	0.972	1.000
2012-2013		0.690	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2013-2014											
2014-2015				12.489	1.007	1.038	0.974	1.069	1.175		
2015-2016					1.248	1.021	1.379	1.129			
2016-2017			1.047	1.000	1.000	1.000	1.000				
2017-2018					1.417	1.105					
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average Dollar-Weighted Averages		0.882	1.423	2.896	1.045	1.082	1.204	1.067	1.348	0.938	1.023
3-yr						1.020	1.155				1.000
4-yr						1.025					1.000
Industry Factors	4.362	1.973	1.381	1.179	1.083	1.042	1.027	1.015	1.011	1.010	1.010
Prior	4.158	1.916	1.372	1.187	1.092	1.053	1.038	1.030	1.024	1.020	1.016
Selected	4.362	1.973	1.381	1.179	1.083	1.042	1.027	1.015	1.011	1.010	1.010
Cumulated	18.901	4.333	2.196	1.590	1.349	1.246	1.196	1.165	1.148	1.136	1.125

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
2002-2003									
2003-2004									
2004-2005	119,890	119,890	119,890	119,890	119,890	119,890	119,890	119,890	260,716
2005-2006									
2006-2007	314,969	291,698	261,397	261,570	261,942	261,942	261,942		
2007-2008									
2008-2009	198,468	155,261	155,261	148,674	161,899				
2009-2010	198,879	198,879	198,879	198,879					
2010-2011	21,966	21,983	21,983						
2011-2012	37,452	37,452							
2012-2013	133,826								
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									
2023-2024									

	<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-Ult. Months
2002-2003									
2003-2004									
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	2.175	
2005-2006									
2006-2007	0.926	0.896	1.001	1.001	1.000	1.000			
2007-2008									
2008-2009	0.782	1.000	0.958	1.089					
2009-2010	1.000	1.000	1.000						
2010-2011	1.001	1.000							
2011-2012	1.000								
2012-2013									
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									

	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-Ult. Months		
Average Dollar-Weighted Averages	0.952	0.979	0.990	1.030	1.000	1.000	1.000	2.175			
3-yr	1.000	1.000									
4-yr	0.905										
Industry Factors	1.010	1.010	1.010	1.008	1.008	1.006	1.005	1.005	1.047		
Prior	1.016	1.015	1.010	1.012	1.014	1.008	1.005	1.006	1.007	1.008	1.064
Selected	1.010	1.010	1.010	1.008	1.008	1.006	1.005	1.005	1.047		
Cumulated	1.114	1.103	1.092	1.081	1.072	1.063	1.057	1.052	1.047		

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

## Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/23 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/23 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$8,434,619	1.030	\$8,687,658	\$13,340,362	1.071	\$14,287,528
2003-2004	289,343	1.031	298,313	289,343	1.100	318,277
2004-2005	330,818	1.032	341,404	464,270	1.109	514,875
2005-2006	231,971	1.033	239,626	231,971	1.120	259,808
2006-2007	313,363	1.034	324,017	575,305	1.131	650,670
2007-2008	244,719	1.036	253,529	244,719	1.144	279,959
2008-2009	581,212	1.037	602,717	738,183	1.158	854,816
2009-2010	487,464	1.041	507,450	686,343	1.175	806,453
2010-2011	286,930	1.046	300,129	308,913	1.195	369,151
2011-2012	512,002	1.052	538,626	549,454	1.216	668,136
2012-2013	297,611	1.059	315,170	431,436	1.241	535,412
2013-2014	61,947	1.067	66,097	61,947	1.271	78,735
2014-2015	180,752	1.077	194,670	282,771	1.307	369,582
2015-2016	523,046	1.088	569,074	602,855	1.337	806,017
2016-2017	283,147	1.110	314,293	349,904	1.399	489,516
2017-2018	136,424	1.146	156,342	136,424	1.489	203,135
2018-2019	161,926	1.214	196,578	161,926	1.630	263,939
2019-2020	272,908	1.370	373,884	272,908	1.902	519,071
2020-2021	13,884	1.624	22,548	13,884	2.374	32,961
2021-2022	85,106	2.234	190,127	85,106	3.500	297,871
2022-2023	54,938	4.969	272,987	54,938	8.278	454,777
Totals	\$13,784,130		\$14,765,238	\$19,882,962		\$23,060,688

## 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
2002-2003							182,670	186,742	188,794	195,263	195,428
2003-2004						277,725	278,063	283,963	286,077	286,077	287,998
2004-2005					115,310	149,544	172,436	234,840	244,498	244,620	244,620
2005-2006				105,402	126,995	208,376	215,200	220,746	224,651	226,776	226,861
2006-2007			107,952	173,399	242,590	285,331	290,371	301,928	313,310	313,310	313,363
2007-2008		42,869	76,942	85,522	100,926	129,066	134,527	141,605	159,251	207,132	214,469
2008-2009	14,270	155,054	269,155	371,169	425,671	449,069	477,417	499,473	558,306	574,868	589,147
2009-2010	2,193	112,420	275,166	300,157	344,298	393,422	466,869	468,446	472,290	474,792	487,464
2010-2011	4,096	43,931	79,332	134,773	178,164	226,748	235,163	246,942	256,181	262,311	286,930
2011-2012	28,206	159,528	296,493	416,624	489,136	493,696	499,081	511,949	518,373	518,373	512,002
2012-2013	17,823	53,096	222,714	285,510	294,257	295,716	295,980	295,917	296,942	296,942	296,942
2013-2014	3,931	24,089	38,936	71,070	76,508	77,577	79,133	81,376	61,947	61,947	61,947
2014-2015	1,980	44,999	122,031	131,400	164,265	180,760	179,902	179,281	179,281	180,752	
2015-2016	8,026	82,155	159,301	282,169	387,351	454,926	470,136	492,922	523,046		
2016-2017	4,233	88,693	192,273	212,766	227,164	242,046	255,752	283,147			
2017-2018	823	44,578	61,082	76,817	105,892	124,037	136,424				
2018-2019	8,269	70,794	143,933	161,926	161,926	161,926					
2019-2020	12,442	88,879	155,949	220,316	272,908						
2020-2021	7,595	11,515	11,515	13,884							
2021-2022	314	11,594	85,106								
2022-2023	343	54,938									
2023-2024	1,684										

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
2002-2003							1.022	1.011	1.034	1.001	1.001
2003-2004						1.001	1.021	1.007	1.000	1.007	1.000
2004-2005					1.297	1.153	1.362	1.041	1.000	1.000	1.006
2005-2006				1.205	1.641	1.033	1.026	1.018	1.009	1.000	1.000
2006-2007			1.606	1.399	1.176	1.018	1.040	1.038	1.000	1.000	1.000
2007-2008		1.795	1.112	1.180	1.279	1.042	1.053	1.125	1.301	1.035	1.128
2008-2009	10.866	1.736	1.379	1.147	1.055	1.063	1.046	1.118	1.030	1.025	1.014
2009-2010	51.261	2.448	1.091	1.147	1.143	1.187	1.003	1.008	1.005	1.027	1.000
2010-2011	10.725	1.806	1.699	1.322	1.273	1.037	1.050	1.037	1.024	1.094	1.000
2011-2012	5.656	1.859	1.405	1.174	1.009	1.011	1.026	1.013	1.000	0.988	1.000
2012-2013	2.979	4.195	1.282	1.031	1.005	1.001	1.000	1.003	1.000	1.000	1.002
2013-2014	6.128	1.616	1.825	1.077	1.014	1.020	1.028	0.761	1.000	1.000	
2014-2015	22.727	2.712	1.077	1.250	1.100	0.995	0.997	1.000	1.008		
2015-2016	10.236	1.939	1.771	1.373	1.174	1.033	1.048	1.061			
2016-2017	20.953	2.168	1.107	1.068	1.066	1.057	1.107				
2017-2018	54.165	1.370	1.258	1.378	1.171	1.100					
2018-2019	8.561	2.033	1.125	1.000	1.000						
2019-2020	7.143	1.755	1.413	1.239							
2020-2021	1.516	1.000	1.206								
2021-2022	36.924	7.341									
2022-2023	160.169										
Average	27.334	2.385	1.357	1.199	1.160	1.050	1.055	1.017	1.032	1.015	1.014
Dollar-Weighted Averages											
3-yr	9.458	2.255	1.272	1.178	1.067	1.050	1.055	1.014	1.003	0.993	1.001
4-yr	8.066	2.169	1.270	1.143	1.114	1.040	1.053	1.011	1.001	1.016	1.000
Industry Factors	3.503	1.627	1.223	1.107	1.059	1.035	1.023	1.018	1.015	1.011	1.010
Prior	15.598	2.192	1.379	1.194	1.129	1.060	1.032	1.020	1.010	1.009	1.008
Selected	17.554	2.224	1.376	1.185	1.129	1.060	1.032	1.020	1.010	1.009	1.008
Cumulated	87.227	4.969	2.234	1.624	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
2002-2003	195,527	195,771	195,771	195,771	171,866	171,866	171,866	171,866	171,866	171,866	171,866
2003-2004	288,006	288,633	289,343	289,343	289,343	289,343	289,343	289,343	289,343	289,343	289,343
2004-2005	245,971	245,980	245,980	245,980	245,980	245,980	246,065	254,916	330,818		
2005-2006	226,861	227,199	229,141	229,270	229,270	229,270	230,313	231,971			
2006-2007	313,363	313,363	313,363	313,363	313,363	313,363	313,363				
2007-2008	242,004	242,325	242,325	242,651	244,719	244,719					
2008-2009	597,475	597,547	580,677	580,677	581,212						
2009-2010	487,464	487,464	487,464	487,464							
2010-2011	286,930	286,930	286,930								
2011-2012	512,002	512,002									
2012-2013	297,611										
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
2023-2024											

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
2002-2003	1.001	1.000	1.000	0.878	1.000	1.000	1.000	1.000	1.000	1.000	
2003-2004	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.036	1.298			
2005-2006	1.001	1.009	1.001	1.000	1.000	1.005	1.007				
2006-2007	1.000	1.000	1.000	1.000	1.000	1.000					
2007-2008	1.001	1.000	1.001	1.009	1.000						
2008-2009	1.000	0.972	1.000	1.001							
2009-2010	1.000	1.000	1.000								
2010-2011	1.000	1.000									
2011-2012	1.000										
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
Average Dollar-Weighted Averages	1.001	0.998	1.000	0.984	1.000	1.001	1.011	1.099	1.000	1.000	
3-yr	1.000	0.988	1.000	1.002	1.000	1.001	1.014	1.106			
4-yr	1.000	0.990	1.000	1.002	1.000	1.001	1.011				
Industry Factors	1.009	1.007	1.006	1.004	1.004	1.004	1.004	1.003	1.003	1.003	1.037
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
2002-2003											
2003-2004											
2004-2005								116,940	119,890	119,890	119,890
2005-2006											
2006-2007						2,690	37,861	82,818	133,884	230,153	244,655
2007-2008											
2008-2009			5,000	27,875	34,876	101,528	101,791	101,791	101,856	101,856	101,856
2009-2010				4,316	4,085	4,085	179,131	198,879	198,879	198,879	198,879
2010-2011											21,941
2011-2012				9,253	3,276	9,228	9,741	37,452	37,452	38,514	37,452
2012-2013			133,826	133,826	133,826	133,826	133,826	133,826	133,826	133,826	133,826
2013-2014											
2014-2015						28,110	55,892	70,999	86,626	102,019	
2015-2016					220	6,011	23,044	58,581	79,809		
2016-2017			47,925	66,730	66,738	66,758	66,758	66,758			
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
2023-2024											
	<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
2002-2003											
2003-2004											
2004-2005								1.025	1.000	1.000	1.000
2005-2006											
2006-2007						14.073	2.187	1.617	1.719	1.063	1.034
2007-2008											
2008-2009			5.575	1.251	2.911	1.003	1.000	1.001	1.000	1.000	1.007
2009-2010				0.946	1.000	43.851	1.110	1.000	1.000	1.000	1.000
2010-2011											1.001
2011-2012				0.354	2.817	1.056	3.845	1.000	1.028	0.972	1.000
2012-2013			1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2013-2014											
2014-2015						1.988	1.270	1.220	1.178		
2015-2016					27.323	3.834	2.542	1.362			
2016-2017			1.392	1.000	1.000	1.000	1.000				
2017-2018											
2018-2019											
2019-2020											
2020-2021											
2021-2022											
2022-2023											
	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average Dollar-Weighted Averages			2.656	0.910	6.009	8.476	1.744	1.153	1.132	1.006	1.006
3-yr							1.348				1.000
4-yr											1.000
Industry Factors	8.015	3.238	1.934	1.454	1.263	1.177	1.137	1.098	1.067	1.057	1.050
Prior	6.098	3.132	1.988	1.487	1.282	1.193	1.143	1.100	1.072	1.063	1.059
Selected	8.015	3.238	1.934	1.454	1.263	1.177	1.137	1.098	1.067	1.057	1.050
Cumulated	273.953	34.180	10.556	5.458	3.754	2.972	2.525	2.221	2.023	1.896	1.794

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
2002-2003									
2003-2004									
2004-2005	119,890	119,890	119,890	119,890	119,890	119,890	119,890	119,890	133,452
2005-2006									
2006-2007	252,853	261,631	261,397	261,570	261,942	261,942	261,942		
2007-2008									
2008-2009	102,561	143,549	148,674	148,674	156,971				
2009-2010	198,879	198,879	198,879	198,879					
2010-2011	21,966	21,983	21,983						
2011-2012	37,452	37,452							
2012-2013	133,826								
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									
2023-2024									

	<u>Paid 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-Ult. Months
2002-2003									
2003-2004									
2004-2005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.113	
2005-2006									
2006-2007	1.035	0.999	1.001	1.001	1.000	1.000			
2007-2008									
2008-2009	1.400	1.036	1.000	1.056					
2009-2010	1.000	1.000	1.000						
2010-2011	1.001	1.000							
2011-2012	1.000								
2012-2013									
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									

	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-Ult. Months		
Average Dollar-Weighted Averages	1.073	1.007	1.000	1.019	1.000	1.000	1.000	1.113			
3-yr	1.000	1.014									
4-yr	1.114										
Industry Factors	1.040	1.035	1.035	1.032	1.030	1.028	1.025	1.025	1.336		
Prior	1.051	1.045	1.040	1.035	1.032	1.029	1.028	1.028	1.027	1.028	1.319
Selected	1.040	1.035	1.035	1.032	1.030	1.028	1.025	1.025	1.336		
Cumulated	1.709	1.643	1.587	1.533	1.485	1.442	1.403	1.369	1.336		



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 12/31/23 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
Prior	10,017,166	13,495,393	1.012	0.012	1.052	126,457	13,621,850
2003-2004	5,679,564	289,343	1.017	0.017	0.072	6,952	296,295
2004-2005	5,883,397	591,534	1.019	0.019	0.082	9,166	600,700
2005-2006	5,939,188	234,151	1.021	0.021	0.058	7,234	241,385
2006-2007	6,439,338	575,305	1.024	0.023	0.073	10,812	586,117
2007-2008	6,766,068	261,670	1.027	0.026	0.059	10,379	272,049
2008-2009	6,693,021	746,735	1.031	0.030	0.134	26,906	773,641
2009-2010	6,496,056	686,343	1.035	0.034	0.116	25,620	711,963
2010-2011	6,476,552	308,913	1.041	0.039	0.069	17,428	326,341
2011-2012	6,327,316	549,454	1.048	0.046	0.130	37,837	587,291
2012-2013	6,009,275	440,266	1.055	0.052	0.085	26,561	466,827
2013-2014	5,903,145	61,947	1.063	0.059	0.017	5,921	67,868
2014-2015	5,759,667	303,162	1.072	0.067	0.056	21,610	324,772
2015-2016	5,910,235	722,699	1.080	0.074	0.156	68,228	790,927
2016-2017	5,894,132	376,509	1.094	0.086	0.094	47,648	424,157
2017-2018	6,028,544	154,382	1.117	0.105	0.042	26,586	180,968
2018-2019	6,226,486	161,926	1.150	0.130	0.065	52,614	214,540
2019-2020	6,533,056	291,833	1.210	0.174	0.068	77,299	369,132
2020-2021	5,996,929	13,884	1.325	0.245	0.071	104,317	118,201
2021-2022	6,152,633	186,472	1.577	0.366	0.074	166,638	353,110
2022-2023	6,668,721	90,164	2.687	0.628	0.077	322,473	412,637
Totals	133,800,489	\$20,542,085				\$1,198,686	\$21,740,771

## Notes:

- (A) Appendix J - L, Column (C).
- (B) Provided by the Judicial Council. These losses exclude amounts incurred above the Judicial Council's SIR for each year.
- (C) From Appendix J - A, Page 1, Column (F).
- (D)  $1 - 1 / (C)$ .
- (E) From Appendix J - C, Page 3, Column (H).
- (F)  $(A) \times (D) \times (E)$ .
- (G)  $(B) + (F)$ .

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unreported will cost what this relationship would suggest.

Judicial Branch Workers' Compensation Program - Workers' Compensation  
State JudiciaryExposure and Development Method  
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 12/31/23 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
Prior	10,017,166	13,340,362	1.071	0.066	1.052	695,512	14,035,874
2003-2004	5,679,564	289,343	1.100	0.091	0.072	37,213	326,556
2004-2005	5,883,397	464,270	1.109	0.098	0.082	47,279	511,549
2005-2006	5,939,188	231,971	1.120	0.107	0.058	36,859	268,830
2006-2007	6,439,338	575,305	1.131	0.116	0.073	54,528	629,833
2007-2008	6,766,068	244,719	1.144	0.126	0.059	50,299	295,018
2008-2009	6,693,021	738,183	1.158	0.136	0.134	121,974	860,157
2009-2010	6,496,056	686,343	1.175	0.149	0.116	112,278	798,621
2010-2011	6,476,552	308,913	1.195	0.163	0.069	72,842	381,755
2011-2012	6,327,316	549,454	1.216	0.178	0.130	146,414	695,868
2012-2013	6,009,275	431,436	1.241	0.194	0.085	99,093	530,529
2013-2014	5,903,145	61,947	1.271	0.213	0.017	21,375	83,322
2014-2015	5,759,667	282,771	1.307	0.235	0.056	75,797	358,568
2015-2016	5,910,235	602,855	1.337	0.252	0.156	232,343	835,198
2016-2017	5,894,132	349,904	1.399	0.285	0.094	157,904	507,808
2017-2018	6,028,544	136,424	1.489	0.328	0.042	83,049	219,473
2018-2019	6,226,486	161,926	1.630	0.387	0.065	156,627	318,553
2019-2020	6,533,056	272,908	1.902	0.474	0.068	210,573	483,481
2020-2021	5,996,929	13,884	2.374	0.579	0.071	246,528	260,412
2021-2022	6,152,633	85,106	3.500	0.714	0.074	325,081	410,187
2022-2023	6,668,721	54,938	8.278	0.879	0.077	451,359	506,297
Totals	133,800,489	\$19,882,962				\$3,434,926	\$23,317,888

## Notes:

- (A) Appendix J - L, Column (C).
- (B) Provided by the Judicial Council. These losses exclude amounts paid above the Judicial Council's SIR for each year.
- (C) From Appendix J - B, Page 1, Column (F).
- (D)  $1 - 1 / (C)$ .
- (E) From Appendix J - C, Page 3, Column (H).
- (F)  $(A) \times (D) \times (E)$ .
- (G)  $(B) + (F)$ .

This exhibit shows the calculation of ultimate losses based on the assumption that there is an underlying relationship between losses and exposure that changes in regular ways over time. The method relies on the premise that the losses that are currently unpaid will cost what this relationship would suggest.

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

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
Prior	10,017,166	8,482,107	1.087	9,220,050	0.920	0.847	1.242	1.052
2003-2004	5,679,564	289,343	1.074	310,754	0.055	0.051	1.420	0.072
2004-2005	5,883,397	333,134	1.395	464,722	0.079	0.057	1.439	0.082
2005-2006	5,939,188	236,025	1.513	357,106	0.060	0.040	1.460	0.058
2006-2007	6,439,338	313,363	1.435	449,676	0.070	0.049	1.482	0.073
2007-2008	6,766,068	264,287	1.339	353,880	0.052	0.039	1.504	0.059
2008-2009	6,693,021	591,270	1.251	739,679	0.111	0.088	1.527	0.134
2009-2010	6,496,056	487,464	1.150	560,584	0.086	0.075	1.551	0.116
2010-2011	6,476,552	286,930	1.089	312,467	0.048	0.044	1.576	0.069
2011-2012	6,327,316	512,002	1.076	550,914	0.087	0.081	1.602	0.130
2012-2013	6,009,275	312,876	1.094	342,286	0.057	0.052	1.629	0.085
2013-2014	5,903,145	61,947	1.101	68,204	0.012	0.010	1.657	0.017
2014-2015	5,759,667	192,268	1.088	209,188	0.036	0.033	1.686	0.056
2015-2016	5,910,235	551,684	1.123	619,541	0.105	0.093	1.676	0.156
2016-2017	5,894,132	324,930	1.177	382,443	0.065	0.055	1.702	0.094
2017-2018	6,028,544	147,631	1.169	172,581	0.029	0.024	1.730	0.042
2018-2019	6,226,486	176,014	1.133	199,424	0.032	0.037	1.758	0.065
2019-2020	6,533,056	326,562	1.122	366,403	0.056	0.038	1.787	0.068
2020-2021	5,996,929	16,189	1.081	17,500	0.003	0.039	1.817	0.071
2021-2022	6,152,633	237,379	1.051	249,485	0.041	0.040	1.848	0.074
2022-2023	6,668,721	227,289	1.037	235,699	0.035	0.041	1.879	0.077
Total/Avg	133,800,489	\$14,370,694		\$16,182,585	\$0.121			
18/19-21/22	24,909,104	756,144		832,812	0.033			
19/20-22/23	25,351,339	807,419		869,087	0.034			
				Selected Limited Rate:	\$0.042			
				Prior:	\$0.045			

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 2017-2018 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	\$19,765	533	\$10,534,745
2003-2004	14,164	29	410,756
2004-2005	14,985	32	479,520
2005-2006	12,766	27	344,682
2006-2007	14,071	33	464,343
2007-2008	18,065	22	397,430
2008-2009	39,252	23	902,796
2009-2010	29,082	26	756,132
2010-2011	18,092	25	452,300
2011-2012	29,299	28	820,372
2012-2013	31,859	16	509,744
2013-2014	10,267	10	102,670
2014-2015	15,441	21	324,261
2015-2016	36,983	25	924,575
2016-2017	34,571	16	553,136
2017-2018	15,961	16	255,376
2018-2019	36,658	19	696,502
2019-2020	38,388	15	575,820
2020-2021	41,340	7	289,380
2021-2022	44,077	8	352,616
2022-2023	46,351	7	324,457
Total		938	\$20,471,613

## Notes:

- (A) From Appendix J - D, Page 2, Column (H).  
 (B) From Appendix J - D, Page 2, Column (B).  
 (C) (A) x (B).

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

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

## Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
Prior	\$8,482,107	533	\$15,914	1.648	\$26,226	\$15,914	1.242	\$19,765
2003-2004	289,343	29	9,977	1.597	15,933	9,977	1.420	14,164
2004-2005	333,134	32	10,410	2.035	21,184	10,410	1.439	14,985
2005-2006	236,025	27	8,742	2.165	18,926	8,742	1.460	12,766
2006-2007	313,363	33	9,496	2.013	19,115	9,496	1.482	14,071
2007-2008	264,287	22	12,013	1.842	22,128	12,013	1.504	18,065
2008-2009	591,270	23	25,707	1.686	43,342	25,707	1.527	39,252
2009-2010	487,464	26	18,749	1.520	28,498	18,749	1.551	29,082
2010-2011	286,930	25	11,477	1.410	16,183	11,477	1.576	18,092
2011-2012	512,002	28	18,286	1.365	24,960	18,286	1.602	29,299
2012-2013	312,876	16	19,555	1.361	26,614	19,555	1.629	31,859
2013-2014	61,947	10	6,195	1.343	8,320	6,195	1.657	10,267
2014-2015	192,268	21	9,156	1.301	11,912	9,156	1.686	15,441
2015-2016	551,684	25	22,067	1.316	29,040	22,067	1.676	36,983
2016-2017	324,930	16	20,308	1.352	27,456	20,308	1.702	34,571
2017-2018	147,631	16	9,227	1.317	12,152	9,227	1.730	15,961
2018-2019	176,014	19	9,264	1.252	11,599	20,847	1.758	36,658
2019-2020	322,355	15	21,490	1.215	26,110	21,481	1.787	38,388
2020-2021	53,519	7	7,646	1.147	8,770	22,755	1.817	41,340
2021-2022	230,048	8	28,756	1.094	31,459	23,857	1.848	44,077
2022-2023	250,546	7	35,792	1.058	37,868	24,669	1.879	46,351

Average Limited Severity: \$22,276  
Average 17/18-21/22 Limited Severity: 18,018  
Average 19/20-22/23 Limited Severity: 26,052

Selected Limited Severity: \$26,100  
Prior: \$18,900

## 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	533	527	533	1,001.7	0.532	0.655	0.348
2003-2004	29	29	29	568.0	0.051	0.668	0.034
2004-2005	32	31	32	588.3	0.054	0.682	0.037
2005-2006	27	26	27	593.9	0.045	0.696	0.031
2006-2007	33	33	33	643.9	0.051	0.710	0.036
2007-2008	22	21	22	676.6	0.033	0.725	0.024
2008-2009	23	21	23	669.3	0.034	0.740	0.025
2009-2010	26	26	26	649.6	0.040	0.755	0.030
2010-2011	25	25	25	647.7	0.039	0.769	0.030
2011-2012	28	29	28	632.7	0.044	0.785	0.035
2012-2013	16	15	16	600.9	0.027	0.801	0.022
2013-2014	10	10	10	590.3	0.017	0.817	0.014
2014-2015	21	20	21	576.0	0.036	0.834	0.030
2015-2016	25	23	25	591.0	0.042	0.851	0.036
2016-2017	16	14	16	589.4	0.027	0.868	0.023
2017-2018	16	16	16	602.9	0.027	0.886	0.024
2018-2019	19	22	19	622.6	0.031	0.904	0.028
2019-2020	15	14	15	653.3	0.023	0.922	0.021
2020-2021	7	10	7	599.7	0.012	0.942	0.011
2021-2022	8	10	8	615.3	0.013	0.961	0.012
2022-2023	8	5	7	666.9	0.010	0.980	0.010
Total	939	927	938	13,380.0			0.050
17/18-21/22	65	72	65	3,093.8			0.019
						(H) Selected Frequency:	0.025
						Prior:	0.030
Program Year:				2023-2024	2024-2025	2025-2026	2026-2027
(I) Trend Factor:				1.000	0.980	0.960	0.941
(J) Selected Frequency:				0.025	0.025	0.024	0.024
(K) Est. Payroll (\$000,000):				692.6	710.4	728.7	747.6
(L) Ultimate Claims:				17	18	17	18

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 0.025 is based on (G).
- (I) Appendix J - E, Page 1, Column (F).
- (J) (H) x (I).
- (K) Appendix J - L, Column (C) / 10,000.
- (L) (J) x (K).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per \$1,000,000 of trended payroll.

Judicial Branch Workers' Compensation Program - Workers' Compensation  
State JudiciaryFrequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2023 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	533	1.000	533	0.349
2003-2004	29	1.000	29	0.034
2004-2005	32	1.000	32	0.037
2005-2006	27	1.000	27	0.032
2006-2007	33	1.000	33	0.036
2007-2008	22	1.000	22	0.024
2008-2009	23	1.000	23	0.025
2009-2010	26	1.000	26	0.030
2010-2011	25	1.000	25	0.030
2011-2012	28	1.000	28	0.035
2012-2013	16	1.000	16	0.021
2013-2014	10	1.000	10	0.014
2014-2015	21	1.000	21	0.030
2015-2016	25	1.000	25	0.036
2016-2017	16	1.000	16	0.024
2017-2018	16	1.000	16	0.024
2018-2019	19	1.000	19	0.028
2019-2020	15	1.011	15	0.021
2020-2021	7	1.029	7	0.011
2021-2022	8	1.061	8	0.012
2022-2023	7	1.116	8	0.012
Total	938		939	0.050

## 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 12/31/2023 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	524	1.005	527	0.345
2003-2004	29	1.006	29	0.034
2004-2005	31	1.007	31	0.036
2005-2006	26	1.008	26	0.030
2006-2007	33	1.009	33	0.036
2007-2008	21	1.010	21	0.023
2008-2009	21	1.011	21	0.023
2009-2010	26	1.012	26	0.030
2010-2011	25	1.017	25	0.030
2011-2012	28	1.023	29	0.036
2012-2013	15	1.030	15	0.020
2013-2014	10	1.038	10	0.014
2014-2015	19	1.047	20	0.029
2015-2016	22	1.057	23	0.033
2016-2017	13	1.083	14	0.021
2017-2018	14	1.115	16	0.024
2018-2019	19	1.157	22	0.032
2019-2020	11	1.281	14	0.020
2020-2021	7	1.436	10	0.016
2021-2022	6	1.720	10	0.016
2022-2023	2	2.403	5	0.007
Total	902		927	0.049

## 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
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	
2012-2013	7	15	15	16	16	16	16	16	16	16	16	16		
2013-2014	6	11	11	11	11	11	11	11	10	10	10			
2014-2015	9	21	25	23	24	23	22	21	21	21				
2015-2016	13	25	26	26	26	26	25	25	25					
2016-2017	6	15	16	16	16	16	16	16						
2017-2018	4	16	16	16	16	16	16							
2018-2019	8	20	19	19	19	19								
2019-2020	12	15	15	15	15									
2020-2021	4	6	7	7										
2021-2022	1	7	8											
2022-2023	3	7												
2023-2024	8													

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
2002-2003							1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003-2004						1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004-2005					1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005-2006				1.045	1.174	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006-2007			0.971	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007-2008		0.955	1.000	1.000	1.000	1.048	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008-2009	3.400	1.176	1.050	1.095	1.000	1.000	1.000	1.043	1.000	1.000	1.000	1.000	0.958	1.000
2009-2010	2.000	1.042	1.000	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010-2011	3.000	0.958	1.087	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2011-2012	2.200	1.091	1.250	0.967	1.000	0.966	1.000	1.036	1.000	0.966	1.000	1.000		
2012-2013	2.143	1.000	1.067	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	1.000	1.000				
2014-2015	2.333	1.190	0.920	1.043	0.958	0.957	0.955	1.000	1.000					
2015-2016	1.923	1.040	1.000	1.000	1.000	0.962	1.000	1.000						
2016-2017	2.500	1.067	1.000	1.000	1.000	1.000	1.000							
2017-2018	4.000	1.000	1.000	1.000	1.000	1.000								
2018-2019	2.500	0.950	1.000	1.000	1.000									
2019-2020	1.250	1.000	1.000	1.000										
2020-2021	1.500	1.167	1.000											
2021-2022	7.000	1.143												
2022-2023	2.333													
Average Claim-Weighted Averages	2.661	1.052	1.023	1.013	1.009	0.996	0.997	0.999	1.000	0.997	1.000	1.000	0.995	1.000
3-yr	2.500	1.071	1.000	1.000	1.000	0.983	0.984	0.982	1.000	0.982	1.000	1.000	0.987	1.000
4-yr	1.750	1.021	1.000	1.000	1.000	0.975	0.986	0.986	1.000	0.988	1.000	1.000	0.990	1.000
Comparative Factors	2.453	1.040	1.009	1.008	1.006	1.006	1.004	1.002	1.002	1.002	1.002	1.002	1.001	1.001
Prior	2.584	1.052	1.033	1.019	1.011	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.597	1.052	1.031	1.018	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	2.898	1.116	1.061	1.029	1.011	1.000	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
2002-2003							36	37	37	37	37	38	38	39
2003-2004						27	28	27	29	29	28	28	28	29
2004-2005					27	28	30	30	32	32	32	32	32	32
2005-2006				13	18	25	25	26	25	25	27	26	27	26
2006-2007			21	25	29	29	30	31	32	32	32	32	32	33
2007-2008		8	13	15	15	15	17	18	19	19	19	21	21	22
2008-2009	3	10	13	15	17	20	21	21	22	22	22	22	23	22
2009-2010	1	12	17	21	22	24	24	25	25	25	26	26	26	26
2010-2011	4	12	15	18	22	24	24	24	24	24	25	25	25	25
2011-2012	1	9	12	20	22	26	25	26	28	28	28	28	28	28
2012-2013	1	6	10	12	15	14	14	14	16	16	16	15		
2013-2014	2	7	10	10	10	10	10	11	10	10	10			
2014-2015	1	13	17	20	21	21	20	20	20	19				
2015-2016	4	15	19	18	19	21	22	22	22					
2016-2017	1	8	11	14	13	13	13	13						
2017-2018	1	13	13	14	15	15	14							
2018-2019		11	16	18	19	19								
2019-2020		8	10	11	11									
2020-2021		5	6	7										
2021-2022		2	6											
2022-2023		2												
2023-2024	1													

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
2002-2003							1.028	1.000	1.000	1.000	1.027	1.000	1.026	1.000
2003-2004						1.037	0.964	1.074	1.000	0.966	1.000	1.000	1.036	1.000
2004-2005					1.037	1.071	1.000	1.067	1.000	1.000	1.000	1.000	1.000	1.000
2005-2006				1.385	1.389	1.000	1.040	0.962	1.000	1.080	0.963	1.038	0.963	1.000
2006-2007			1.190	1.160	1.000	1.034	1.033	1.032	1.000	1.000	1.000	1.000	1.031	1.000
2007-2008		1.625	1.154	1.000	1.000	1.133	1.059	1.056	1.000	1.000	1.105	1.000	1.048	0.955
2008-2009	3.333	1.300	1.154	1.133	1.176	1.050	1.000	1.048	1.000	1.000	1.000	1.045	0.957	1.045
2009-2010	12.000	1.417	1.235	1.048	1.091	1.000	1.042	1.000	1.000	1.040	1.000	1.000	1.000	1.000
2010-2011	3.000	1.250	1.200	1.222	1.091	1.000	1.000	1.000	1.000	1.042	1.000	1.000	1.000	1.000
2011-2012	9.000	1.333	1.667	1.100	1.182	0.962	1.040	1.077	1.000	1.000	1.000	1.000		
2012-2013	6.000	1.667	1.200	1.250	0.933	1.000	1.000	1.143	1.000	1.000	0.938			
2013-2014	3.500	1.429	1.000	1.000	1.000	1.000	1.100	0.909	1.000	1.000				
2014-2015	13.000	1.308	1.176	1.050	1.000	0.952	1.000	1.000	0.950					
2015-2016	3.750	1.267	0.947	1.056	1.105	1.048	1.000	1.000						
2016-2017	8.000	1.375	1.273	0.929	1.000	1.000	1.000							
2017-2018	13.000	1.000	1.077	1.071	1.000	0.933								
2018-2019		1.455	1.125	1.056	1.000									
2019-2020		1.250	1.100	1.000										
2020-2021		1.200	1.167											
2021-2022		3.000												
2022-2023														
Average Claim-Weighted Averages	7.458	1.458	1.178	1.097	1.067	1.015	1.020	1.026	0.996	1.011	1.003	1.008	1.007	1.000
3-yr		1.467	1.125	1.047	1.000	1.000	1.000	0.981	0.978	1.000	0.986	1.000	0.986	1.000
4-yr		1.462	1.111	1.018	1.030	0.986	1.015	1.015	0.986	1.013	0.989	1.010	1.000	1.000
Comparative Factors	2.753	1.242	1.074	1.064	1.046	1.030	1.023	1.016	1.011	1.008	1.005	1.006	1.004	1.004
Prior	2.847	1.385	1.201	1.126	1.107	1.038	1.030	1.025	1.010	1.009	1.008	1.007	1.006	1.005
Selected	2.847	1.397	1.197	1.121	1.107	1.038	1.030	1.025	1.010	1.009	1.008	1.007	1.006	1.005
Cumulated	6.841	2.403	1.720	1.436	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 2023-2024 Loss Rate Level (B)	Factor to 2024-2025 Loss Rate Level (C)	Factor to 2025-2026 Loss Rate Level (D)	Factor to 2026-2027 Loss Rate Level (E)	Factor to 2023-2024 Frequency Level (F)	Factor to 2024-2025 Frequency Level (G)	Factor to 2025-2026 Frequency Level (H)	Factor to 2026-2027 Frequency Level (I)	Factor to 2023-2024 Severity Level (J)
Prior	0.981	1.087	1.097	1.103	1.108	0.655	0.642	0.629	0.616	1.648
2003-2004	0.975	1.074	1.084	1.090	1.095	0.668	0.655	0.642	0.629	1.597
2004-2005	1.274	1.395	1.409	1.416	1.423	0.682	0.669	0.655	0.642	2.035
2005-2006	1.389	1.513	1.527	1.535	1.543	0.696	0.682	0.668	0.655	2.165
2006-2007	1.324	1.435	1.448	1.455	1.463	0.710	0.696	0.682	0.668	2.013
2007-2008	1.241	1.339	1.352	1.358	1.365	0.725	0.710	0.696	0.682	1.842
2008-2009	1.165	1.251	1.263	1.269	1.275	0.740	0.725	0.710	0.696	1.686
2009-2010	1.076	1.150	1.161	1.167	1.173	0.755	0.740	0.724	0.710	1.520
2010-2011	1.023	1.089	1.099	1.104	1.110	0.769	0.754	0.739	0.724	1.410
2011-2012	1.016	1.076	1.086	1.091	1.097	0.785	0.770	0.754	0.739	1.365
2012-2013	1.037	1.094	1.104	1.109	1.115	0.801	0.785	0.769	0.754	1.361
2013-2014	1.049	1.101	1.111	1.117	1.122	0.817	0.801	0.785	0.769	1.343
2014-2015	1.042	1.088	1.098	1.104	1.109	0.834	0.818	0.801	0.785	1.301
2015-2016	1.081	1.123	1.134	1.139	1.145	0.851	0.834	0.817	0.801	1.316
2016-2017	1.137	1.177	1.188	1.194	1.200	0.868	0.851	0.834	0.817	1.352
2017-2018	1.136	1.169	1.180	1.186	1.192	0.886	0.869	0.851	0.834	1.317
2018-2019	1.106	1.133	1.144	1.149	1.155	0.904	0.886	0.868	0.851	1.252
2019-2020	1.100	1.122	1.133	1.138	1.144	0.922	0.904	0.886	0.868	1.215
2020-2021	1.065	1.081	1.091	1.097	1.102	0.942	0.923	0.904	0.886	1.147
2021-2022	1.041	1.051	1.061	1.067	1.072	0.961	0.942	0.922	0.904	1.094
2022-2023	1.032	1.037	1.047	1.052	1.058	0.980	0.960	0.941	0.922	1.058
2023-2024	1.000	1.000	1.009	1.014	1.020	1.000	0.980	0.960	0.941	1.000
2024-2025	0.996	--	1.000	1.005	1.010	--	1.000	0.980	0.960	--
2025-2026	0.996	--	--	1.000	1.005	--	--	1.000	0.980	--
2026-2027	0.996	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a 0.5% annual loss rate trend.
- (F) - (I) (A) adjusted for a -2.0% 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  
State Judiciary

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Payroll (\$00) (E)	Ultimate Frequency (F)
Prior	\$8,482,107	533	0.981	15,619	10,017,166	0.532
2003-2004	289,343	29	0.975	9,731	5,679,564	0.051
2004-2005	333,134	32	1.274	13,259	5,883,397	0.054
2005-2006	236,025	27	1.389	12,138	5,939,188	0.045
2006-2007	313,363	33	1.324	12,570	6,439,338	0.051
2007-2008	264,287	22	1.241	14,910	6,766,068	0.033
2008-2009	591,270	23	1.165	29,946	6,693,021	0.034
2009-2010	487,464	26	1.076	20,175	6,496,056	0.040
2010-2011	286,930	25	1.023	11,743	6,476,552	0.039
2011-2012	512,002	28	1.016	18,571	6,327,316	0.044
2012-2013	312,876	16	1.037	20,285	6,009,275	0.027
2013-2014	61,947	10	1.049	6,498	5,903,145	0.017
2014-2015	192,268	21	1.042	9,536	5,759,667	0.036
2015-2016	551,684	25	1.081	23,845	5,910,235	0.042
2016-2017	324,930	16	1.137	23,097	5,894,132	0.027
2017-2018	147,631	16	1.136	10,479	6,028,544	0.027
2018-2019	176,014	19	1.106	10,244	6,226,486	0.031
2019-2020	326,562	15	1.100	23,956	6,533,056	0.023
2020-2021	16,189	7	1.065	2,464	5,996,929	0.012
2021-2022	237,379	8	1.041	30,894	6,152,633	0.013
2022-2023	227,289	7	1.032	33,514	6,668,721	0.010

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2022-2023	0.990	0.928
Mvg 5-Yr Wtd Latest 10 x 2022-2023	0.988	0.952
Latest 5 x 2022-2023	1.077	0.788
Mvg 5-Yr Wtd Latest 5 x 2022-2023	0.987	0.904
Prior	1.000	0.980
Default	1.025	0.980

Selected Residual Trend 1.025 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 6/30/23

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2023-2024	28.0	\$3,064	1.000	\$3,064	\$85,792
2024-2025	19.2	3,064	1.050	3,217	61,766
2025-2026	14.6	3,064	1.103	3,380	49,348
2026-2027	10.7	3,064	1.158	3,548	37,964
2027-2028	6.9	3,064	1.216	3,726	25,709
2028-2029	5.3	3,064	1.277	3,913	20,739
2029-2030	4.2	3,064	1.341	4,109	17,258
2030-2031	3.4	3,064	1.408	4,314	14,668
2031-2032	2.7	3,064	1.478	4,529	12,228
2032-2033	2.3	3,064	1.552	4,755	10,937
2033-2034	1.6	3,064	1.630	4,994	7,990
2034-2035	1.1	3,064	1.712	5,246	5,771
2035-2036	0.7	3,064	1.798	5,509	3,856
2036-2037	0.4	3,064	1.888	5,785	2,314
2037-2038	0.4	3,064	1.982	6,073	2,429
2038-2039	0.2	3,064	2.081	6,376	1,275
2039-2040	0.2	3,064	2.185	6,695	1,339
2040-2041	0.1	3,064	2.294	7,029	703

(G) Total ULAE Outstanding as of 6/30/23: \$362,086

(H) Total ULAE Outstanding as of 12/31/23: \$393,855

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 12/31/23.

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 6/30/24

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)
2024-2025	30.2	\$3,064	1.050	\$3,217	\$97,153
2025-2026	21.8	3,064	1.103	3,380	73,684
2026-2027	16.7	3,064	1.158	3,548	59,252
2027-2028	11.1	3,064	1.216	3,726	41,359
2028-2029	8.1	3,064	1.277	3,913	31,695
2029-2030	6.1	3,064	1.341	4,109	25,065
2030-2031	4.8	3,064	1.408	4,314	20,707
2031-2032	3.7	3,064	1.478	4,529	16,757
2032-2033	3.1	3,064	1.552	4,755	14,741
2033-2034	2.3	3,064	1.630	4,994	11,486
2034-2035	1.7	3,064	1.712	5,246	8,918
2035-2036	1.2	3,064	1.798	5,509	6,611
2036-2037	0.8	3,064	1.888	5,785	4,628
2037-2038	0.7	3,064	1.982	6,073	4,251
2038-2039	0.4	3,064	2.081	6,376	2,550
2039-2040	0.4	3,064	2.185	6,695	2,678
2040-2041	0.3	3,064	2.294	7,029	2,109
2041-2042	0.2	3,064	2.409	7,381	1,476

(G) Total ULAE Outstanding as of 6/30/24: \$425,120

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>12/31/2023</u>	<u>Calendar Period</u>			
		<u>1/1/2024</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>	<u>7/1/2026</u> <u>to</u> <u>6/30/2027</u>
Prior					
Ultimate Loss	\$15,363,829	\$15,363,829	\$15,363,829	\$15,363,829	\$15,363,829
Paid in Calendar Period	-	2,649	69,615	57,013	48,891
Paid to Date	14,901,251	14,903,900	14,973,515	15,030,528	15,079,419
Outstanding Liability	462,578	459,929	390,314	333,301	284,410
2007-2008					
Ultimate Loss	\$268,736	\$268,736	\$268,736	\$268,736	\$268,736
Paid in Calendar Period	-	1,033	1,793	1,674	1,542
Paid to Date	244,719	245,752	247,545	249,219	250,761
Outstanding Liability	24,017	22,984	21,191	19,517	17,975
2008-2009					
Ultimate Loss	\$769,884	\$769,884	\$769,884	\$769,884	\$769,884
Paid in Calendar Period	-	1,205	2,501	2,184	2,039
Paid to Date	738,183	739,388	741,889	744,073	746,112
Outstanding Liability	31,701	30,496	27,995	25,811	23,772
2009-2010					
Ultimate Loss	\$686,343	\$686,343	\$686,343	\$686,343	\$686,343
Paid in Calendar Period	-				
Paid to Date	686,343	686,343	686,343	686,343	686,343
Outstanding Liability					
2010-2011					
Ultimate Loss	\$308,913	\$308,913	\$308,913	\$308,913	\$308,913
Paid in Calendar Period	-				
Paid to Date	308,913	308,913	308,913	308,913	308,913
Outstanding Liability					
2011-2012					
Ultimate Loss	\$549,454	\$549,454	\$549,454	\$549,454	\$549,454
Paid in Calendar Period	-				
Paid to Date	549,454	549,454	549,454	549,454	549,454
Outstanding Liability					
2012-2013					
Ultimate Loss	\$464,481	\$464,481	\$464,481	\$464,481	\$464,481
Paid in Calendar Period	-	1,454	2,654	2,373	2,338
Paid to Date	431,436	432,890	435,544	437,917	440,255
Outstanding Liability	33,045	31,591	28,937	26,564	24,226
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					

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

## Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2023</u>	<u>Calendar Period</u>			
		<u>1/1/2024</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>	<u>7/1/2026</u> <u>to</u> <u>6/30/2027</u>
2014-2015					
Ultimate Loss	\$324,990	\$324,990	\$324,990	\$324,990	\$324,990
Paid in Calendar Period	-	1,900	3,669	3,262	2,805
Paid to Date	282,771	284,671	288,340	291,602	294,407
Outstanding Liability	42,219	40,319	36,650	33,388	30,583
2015-2016					
Ultimate Loss	\$780,515	\$780,515	\$780,515	\$780,515	\$780,515
Paid in Calendar Period	-	6,040	13,730	14,368	12,773
Paid to Date	602,855	608,895	622,625	636,993	649,766
Outstanding Liability	177,660	171,620	157,890	143,522	130,749
2016-2017					
Ultimate Loss	\$411,901	\$411,901	\$411,901	\$411,901	\$411,901
Paid in Calendar Period	-	3,658	5,426	4,233	4,430
Paid to Date	349,904	353,562	358,988	363,221	367,651
Outstanding Liability	61,997	58,339	52,913	48,680	44,250
2017-2018					
Ultimate Loss	\$228,449	\$228,449	\$228,449	\$228,449	\$228,449
Paid in Calendar Period	-	5,982	10,755	7,002	5,463
Paid to Date	136,424	142,406	153,161	160,163	165,626
Outstanding Liability	92,025	86,043	75,288	68,286	62,823
2018-2019					
Ultimate Loss	\$313,092	\$313,092	\$313,092	\$313,092	\$313,092
Paid in Calendar Period	-	11,337	19,716	15,014	9,774
Paid to Date	161,926	173,263	192,979	207,993	217,767
Outstanding Liability	151,166	139,829	120,113	105,099	95,325
2019-2020					
Ultimate Loss	\$501,277	\$501,277	\$501,277	\$501,277	\$501,277
Paid in Calendar Period	-	21,010	35,251	24,267	18,480
Paid to Date	272,908	293,918	329,169	353,436	371,916
Outstanding Liability	228,369	207,359	172,108	147,841	129,361
2020-2021					
Ultimate Loss	\$274,896	\$274,896	\$274,896	\$274,896	\$274,896
Paid in Calendar Period	-	23,491	43,229	33,030	22,738
Paid to Date	13,884	37,375	80,604	113,634	136,372
Outstanding Liability	261,012	237,521	194,292	161,262	138,524
2021-2022					
Ultimate Loss	\$404,479	\$404,479	\$404,479	\$404,479	\$404,479
Paid in Calendar Period	-	30,340	53,760	42,820	32,717
Paid to Date	85,106	115,446	169,206	212,026	244,743
Outstanding Liability	319,373	289,033	235,273	192,453	159,736



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

## Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>12/31/2023</u>	<u>Calendar Period</u>			
		<u>1/1/2024</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>	<u>7/1/2025</u> <u>to</u> <u>6/30/2026</u>	<u>7/1/2026</u> <u>to</u> <u>6/30/2027</u>
2022-2023					
Ultimate Loss	\$496,932	\$496,932	\$496,932	\$496,932	\$496,932
Paid in Calendar Period	-	41,547	75,684	60,406	48,113
Paid to Date	54,938	96,485	172,169	232,575	280,688
Outstanding Liability	441,994	400,447	324,763	264,357	216,244
2023-2024					
Ultimate Loss	\$287,409	\$574,818	\$574,818	\$574,818	\$574,818
Paid in Calendar Period	-	32,669	80,529	86,928	69,379
Paid to Date	1,684	34,353	114,882	201,810	271,189
Outstanding Liability	285,725	540,465	459,936	373,008	303,629
2024-2025					
Ultimate Loss	-	-	\$603,857	\$603,857	\$603,857
Paid in Calendar Period	-	-	38,647	84,216	90,908
Paid to Date	-	-	38,647	122,863	213,771
Outstanding Liability	-	-	565,210	480,994	390,086
2025-2026					
Ultimate Loss	-	-	-	\$634,011	\$634,011
Paid in Calendar Period	-	-	-	40,577	88,422
Paid to Date	-	-	-	40,577	128,999
Outstanding Liability	-	-	-	593,434	505,012
2026-2027					
Ultimate Loss	-	-	-	-	\$665,320
Paid in Calendar Period	-	-	-	-	42,580
Paid to Date	-	-	-	-	42,580
Outstanding Liability	-	-	-	-	622,740
Totals					
Ultimate Loss	\$22,497,527	\$22,784,936	\$23,388,793	\$24,022,804	\$24,688,124
Paid in Calendar Period	-	184,315	456,959	479,367	503,392
Paid to Date	19,884,646	20,068,961	20,525,920	21,005,287	21,508,679
Outstanding Liability	2,612,881	2,715,975	2,862,873	3,017,517	3,179,445
Total Outstanding ULAE	393,855	425,120	498,004	547,867	609,031
Outstanding Liability plus ULAE	3,006,736	3,141,095	3,360,877	3,565,384	3,788,476

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 2021-2022, \$30,340 is expected to be paid between 1/1/24 and 6/30/24, \$115,446 will have been paid by 6/30/24, and the reserve for remaining payments on these claims should be \$289,033.
- 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,  $\$53,760 = \$289,033 \times 18.6\%$ .
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example,  $\$169,206 = \$53,760 + \$115,446$ .
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example,  $\$289,033 = \$404,479 - \$115,446$ .

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

		Expected	Discounted
<u>Liabilities as of 12/31/23:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$357,004	\$357,004
	ULAE:	85,792	85,792
	Short-Term Loss and LAE:	<u>\$442,796</u>	<u>\$442,796</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,255,877	\$2,255,877
	ULAE:	308,063	308,063
	Long-Term Loss and LAE:	<u>\$2,563,940</u>	<u>\$2,563,940</u>
<u>Total Liability</u>	Loss and ALAE:	\$2,612,881	\$2,612,881
	ULAE:	393,855	393,855
	Total Loss and LAE:	<u>\$3,006,736</u>	<u>\$3,006,736</u>
<u>Liabilities as of 6/30/24:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$418,312	\$418,312
	ULAE:	97,153	97,153
	Short-Term Loss and LAE:	<u>\$515,465</u>	<u>\$515,465</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,297,663	\$2,297,663
	ULAE:	327,967	327,967
	Long-Term Loss and LAE:	<u>\$2,625,630</u>	<u>\$2,625,630</u>
<u>Total Liability</u>	Loss and ALAE:	\$2,715,975	\$2,715,975
	ULAE:	425,120	425,120
	Total Loss and LAE:	<u>\$3,141,095</u>	<u>\$3,141,095</u>

		Discounted with a Margin for Contingencies				
		70%	80%	85%	90%	98%
		Confidence	Confidence	Confidence	Confidence	Confidence
<u>Liabilities as of 12/31/23:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$404,843	\$450,896	\$481,598	\$522,297	\$705,126
	ULAE:	97,288	108,355	115,733	125,514	169,449
	Short-Term Loss and LAE:	<u>\$502,131</u>	<u>\$559,251</u>	<u>\$597,331</u>	<u>\$647,811</u>	<u>\$874,575</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,558,164	\$2,849,173	\$3,043,178	\$3,300,348	\$4,455,627
	ULAE:	349,344	389,084	415,578	450,696	608,462
	Long-Term Loss and LAE:	<u>\$2,907,508</u>	<u>\$3,238,257</u>	<u>\$3,458,756</u>	<u>\$3,751,044</u>	<u>\$5,064,089</u>
<u>Total Liability</u>	Loss and ALAE:	\$2,963,007	\$3,300,069	\$3,524,776	\$3,822,645	\$5,160,753
	ULAE:	446,632	497,439	531,311	576,210	777,911
	Total Loss and LAE:	<u>\$3,409,639</u>	<u>\$3,797,508</u>	<u>\$4,056,087</u>	<u>\$4,398,855</u>	<u>\$5,938,664</u>
<u>Liabilities as of 6/30/24:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$474,366	\$528,328	\$564,303	\$611,990	\$826,216
	ULAE:	110,172	122,704	131,059	142,135	191,889
	Short-Term Loss and LAE:	<u>\$584,538</u>	<u>\$651,032</u>	<u>\$695,362</u>	<u>\$754,125</u>	<u>\$1,018,105</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,605,550	\$2,901,948	\$3,099,547	\$3,361,481	\$4,538,160
	ULAE:	371,914	414,223	442,428	479,816	647,774
	Long-Term Loss and LAE:	<u>\$2,977,464</u>	<u>\$3,316,171</u>	<u>\$3,541,975</u>	<u>\$3,841,297</u>	<u>\$5,185,934</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,079,916	\$3,430,276	\$3,663,850	\$3,973,471	\$5,364,376
	ULAE:	482,086	536,927	573,487	621,951	839,663
	Total Loss and LAE:	<u>\$3,562,002</u>	<u>\$3,967,203</u>	<u>\$4,237,337</u>	<u>\$4,595,422</u>	<u>\$6,204,039</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
98%		1.975
95%	2.516	1.651
90%	2.043	1.463
85%	1.759	1.349
80%	1.552	1.263
75%	1.385	1.193
70%	1.243	1.134
65%	1.117	1.082
60%	1.003	1.034
55%	0.899	0.990
50%	0.803	0.948
45%	0.715	0.908
40%	0.634	0.869
35%	0.558	0.830
30%	0.486	0.790
25%	0.418	0.749

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 2.043 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	6/30/2003	Prior	Unlimited	(none)
7/1/2003	6/30/2004	2003-2004	Unlimited	(none)
7/1/2004	6/30/2005	2004-2005	Unlimited	(none)
7/1/2005	6/30/2006	2005-2006	Unlimited	(none)
7/1/2006	6/30/2007	2006-2007	Unlimited	(none)
7/1/2007	6/30/2008	2007-2008	Unlimited	(none)
7/1/2008	6/30/2009	2008-2009	Unlimited	(none)
7/1/2009	6/30/2010	2009-2010	Unlimited	(none)
7/1/2010	6/30/2011	2010-2011	Unlimited	(none)
7/1/2011	6/30/2012	2011-2012	Unlimited	(none)
7/1/2012	6/30/2013	2012-2013	Unlimited	(none)
7/1/2013	6/30/2014	2013-2014	Unlimited	(none)
7/1/2014	6/30/2015	2014-2015	Unlimited	(none)
7/1/2015	6/30/2016	2015-2016	2,000,000	(none)
7/1/2016	6/30/2017	2016-2017	2,000,000	(none)
7/1/2017	6/30/2018	2017-2018	2,000,000	(none)
7/1/2018	6/30/2019	2018-2019	2,000,000	(none)
7/1/2019	6/30/2020	2019-2020	2,000,000	(none)
7/1/2020	6/30/2021	2020-2021	2,000,000	(none)
7/1/2021	6/30/2022	2021-2022	2,000,000	(none)
7/1/2022	6/30/2023	2022-2023	2,000,000	(none)
7/1/2023	6/30/2024	2023-2024	2,000,000	(none)
7/1/2024	6/30/2025	2024-2025	2,000,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Corvel	7/1/2008	9/30/2014
AIMS	10/1/2014	6/30/2022
Sedgwick	7/1/2022	Current

This exhibit summarizes some of the key facts about the history of the program.

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

Incurred Losses as of 12/31/23

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over \$100,000 (G)	Incurred Capped at \$100,000 (H)	Incurred \$100,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
Prior	\$13,500,056	\$0	\$4,664	\$13,495,393	\$0	\$5,055,485	\$8,439,907	\$5,055,485	\$13,495,393	\$13,495,393
2003-2004	289,343	0	0	289,343	0	0	289,343	0	289,343	289,343
2004-2005	591,534	0	0	591,534	0	260,716	330,818	260,716	591,534	591,534
2005-2006	234,151	0	0	234,151	0	0	234,151	0	234,151	234,151
2006-2007	575,305	0	0	575,305	0	261,942	313,363	261,942	575,305	575,305
2007-2008	269,106	0	7,436	261,670	0	0	261,670	0	261,670	261,670
2008-2009	746,735	0	0	746,735	0	161,899	584,836	161,899	746,735	746,735
2009-2010	686,343	0	0	686,343	0	198,879	487,464	198,879	686,343	686,343
2010-2011	308,913	0	0	308,913	0	21,983	286,930	21,983	308,913	308,913
2011-2012	587,517	0	38,062	549,454	0	37,452	512,002	37,452	549,454	549,454
2012-2013	440,266	0	0	440,266	0	133,826	306,440	133,826	440,266	440,266
2013-2014	61,947	0	0	61,947	0	0	61,947	0	61,947	61,947
2014-2015	303,643	0	481	303,162	0	116,856	186,306	116,856	303,162	303,162
2015-2016	735,456	0	12,757	722,699	0	191,723	530,975	191,723	722,699	722,699
2016-2017	414,190	0	37,681	376,509	0	66,758	309,752	66,758	376,509	376,509
2017-2018	154,382	0	0	154,382	0	15,762	138,620	15,762	154,382	154,382
2018-2019	186,926	0	25,000	161,926	0	0	161,926	0	161,926	161,926
2019-2020	293,036	0	1,202	291,833	0	0	291,833	0	291,833	291,833
2020-2021	13,884	0	0	13,884	0	0	13,884	0	13,884	13,884
2021-2022	186,472	0	0	186,472	0	0	186,472	0	186,472	186,472
2022-2023	90,164	0	0	90,164	0	0	90,164	0	90,164	90,164
2023-2024	28,793	0	0	28,793	0	0	28,793	0	28,793	28,793
<b>Total</b>	<b>\$20,698,161</b>	<b>\$0</b>	<b>\$127,282</b>	<b>\$20,570,879</b>	<b>\$0</b>	<b>\$6,523,282</b>	<b>\$14,047,597</b>	<b>\$6,523,282</b>	<b>\$20,570,879</b>	<b>\$20,570,879</b>

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 12/31/23

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over \$100,000 (G)	Paid Capped at \$100,000 (H)	Paid \$100,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
Prior	\$13,345,026	\$0	\$4,664	\$13,340,362	\$0	\$4,905,744	\$8,434,619	\$4,905,744	\$13,340,362	\$13,340,362
2003-2004	289,343	0	0	289,343	0	0	289,343	0	289,343	289,343
2004-2005	464,270	0	0	464,270	0	133,452	330,818	133,452	464,270	464,270
2005-2006	231,971	0	0	231,971	0	0	231,971	0	231,971	231,971
2006-2007	575,305	0	0	575,305	0	261,942	313,363	261,942	575,305	575,305
2007-2008	252,155	0	7,436	244,719	0	0	244,719	0	244,719	244,719
2008-2009	738,183	0	0	738,183	0	156,971	581,212	156,971	738,183	738,183
2009-2010	686,343	0	0	686,343	0	198,879	487,464	198,879	686,343	686,343
2010-2011	308,913	0	0	308,913	0	21,983	286,930	21,983	308,913	308,913
2011-2012	587,517	0	38,062	549,454	0	37,452	512,002	37,452	549,454	549,454
2012-2013	431,436	0	0	431,436	0	133,826	297,611	133,826	431,436	431,436
2013-2014	61,947	0	0	61,947	0	0	61,947	0	61,947	61,947
2014-2015	283,251	0	481	282,771	0	102,019	180,752	102,019	282,771	282,771
2015-2016	615,612	0	12,757	602,855	0	79,809	523,046	79,809	602,855	602,855
2016-2017	387,585	0	37,681	349,904	0	66,758	283,147	66,758	349,904	349,904
2017-2018	136,424	0	0	136,424	0	0	136,424	0	136,424	136,424
2018-2019	186,926	0	25,000	161,926	0	0	161,926	0	161,926	161,926
2019-2020	274,110	0	1,202	272,908	0	0	272,908	0	272,908	272,908
2020-2021	13,884	0	0	13,884	0	0	13,884	0	13,884	13,884
2021-2022	85,106	0	0	85,106	0	0	85,106	0	85,106	85,106
2022-2023	54,938	0	0	54,938	0	0	54,938	0	54,938	54,938
2023-2024	1,684	0	0	1,684	0	0	1,684	0	1,684	1,684
<b>Total</b>	<b>\$20,011,930</b>	<b>\$0</b>	<b>\$127,282</b>	<b>\$19,884,648</b>	<b>\$0</b>	<b>\$6,098,835</b>	<b>\$13,785,813</b>	<b>\$6,098,835</b>	<b>\$19,884,648</b>	<b>\$19,884,648</b>

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 12/31/23

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 \$100,000 to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
Prior	\$155,030	\$0	\$0	\$155,030	\$0	\$149,742	\$5,289	\$149,742	\$155,030	\$155,030
2003-2004	0	0	0	0	0	0	0	0	0	0
2004-2005	127,264	0	0	127,264	0	127,264	0	127,264	127,264	127,264
2005-2006	2,180	0	0	2,180	0	0	2,180	0	2,180	2,180
2006-2007	0	0	0	0	0	0	0	0	0	0
2007-2008	16,951	0	0	16,951	0	0	16,951	0	16,951	16,951
2008-2009	8,551	0	0	8,551	0	4,928	3,624	4,928	8,551	8,551
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	8,829	0	0	8,829	0	0	8,829	0	8,829	8,829
2013-2014	0	0	0	0	0	0	0	0	0	0
2014-2015	20,391	0	0	20,391	0	14,837	5,555	14,837	20,391	20,391
2015-2016	119,844	0	0	119,844	0	111,915	7,929	111,915	119,844	119,844
2016-2017	26,605	0	0	26,605	0	0	26,605	0	26,605	26,605
2017-2018	17,958	0	0	17,958	0	15,762	2,196	15,762	17,958	17,958
2018-2019	0	0	0	0	0	0	0	0	0	0
2019-2020	18,926	0	0	18,926	0	0	18,926	0	18,926	18,926
2020-2021	0	0	0	0	0	0	0	0	0	0
2021-2022	101,366	0	0	101,366	0	0	101,366	0	101,366	101,366
2022-2023	35,226	0	0	35,226	0	0	35,226	0	35,226	35,226
2023-2024	27,109	0	0	27,109	0	0	27,109	0	27,109	27,109
<b>Total</b>	<b>\$686,231</b>	<b>\$0</b>	<b>\$0</b>	<b>\$686,231</b>	<b>\$0</b>	<b>\$424,447</b>	<b>\$261,784</b>	<b>\$424,447</b>	<b>\$686,231</b>	<b>\$686,231</b>

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 12/31/23

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	533	0	0	533	524	0	0	524	9	9
2003-2004	29	0	0	29	29	0	0	29	0	0
2004-2005	32	0	0	32	31	0	0	31	1	1
2005-2006	27	0	0	27	26	0	0	26	1	1
2006-2007	33	0	0	33	33	0	0	33	0	0
2007-2008	22	0	0	22	21	0	0	21	1	1
2008-2009	23	0	0	23	21	0	0	21	2	2
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	15	0	0	15	1	1
2013-2014	10	0	0	10	10	0	0	10	0	0
2014-2015	21	0	0	21	19	0	0	19	2	2
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	14	0	0	14	2	2
2018-2019	19	0	0	19	19	0	0	19	0	0
2019-2020	15	0	0	15	11	0	0	11	4	4
2020-2021	7	0	0	7	7	0	0	7	0	0
2021-2022	8	0	0	8	6	0	0	6	2	2
2022-2023	7	0	0	7	2	0	0	2	5	5
2023-2024	8	0	0	8	1	0	0	1	7	7
Total	946	0	0	946	903	0	0	903	43	43

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Judicial Council.
- (C) No adjustments were made.
- (D) No adjustments were made.
- (E) (B) + (C) - (D).
- (F) Provided by the Judicial Council.
- (G) No adjustments were made.
- (H) No adjustments were made.
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

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

Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
Prior	\$5,966,150	1.679	\$10,017,166
2003-2004	3,467,377	1.638	5,679,564
2004-2005	3,681,725	1.598	5,883,397
2005-2006	3,809,614	1.559	5,939,188
2006-2007	4,233,621	1.521	6,439,338
2007-2008	4,559,345	1.484	6,766,068
2008-2009	4,622,252	1.448	6,693,021
2009-2010	4,597,350	1.413	6,496,056
2010-2011	4,696,557	1.379	6,476,552
2011-2012	4,704,324	1.345	6,327,316
2012-2013	4,580,240	1.312	6,009,275
2013-2014	4,611,832	1.280	5,903,145
2014-2015	4,611,423	1.249	5,759,667
2015-2016	4,848,429	1.219	5,910,235
2016-2017	4,957,218	1.189	5,894,132
2017-2018	5,197,021	1.160	6,028,544
2018-2019	5,500,429	1.132	6,226,486
2019-2020	5,917,623	1.104	6,533,056
2020-2021	5,568,179	1.077	5,996,929
2021-2022	5,854,075	1.051	6,152,633
2022-2023	6,506,069	1.025	6,668,721
2023-2024	6,925,518	1.000	6,925,518
2024-2025	7,104,197	1.000	7,104,197
2025-2026	7,287,485	1.000	7,287,485
2026-2027	7,475,502	1.000	7,475,502

Notes:

- (A) Provided by the Judicial Council.
- (B) Based on WCIRB.
- (C) (A) x (B).



# **Bickmore**

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# **Actuarial**

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

*Member Premium for Program Year 2024-25*

*Presented to*  
**Judicial Council of California**

January 12, 2024 - DRAFT



DRAFT



Friday, January 12, 2024

Mr. Edward Metro  
Supervising Analyst  
Human Resources / Administrative Division  
Judicial Council of California  
2850 Gateway Oaks Drive, Suite 100  
Sacramento, CA 95833-4348

Re: Member Premium Allocation for Fiscal Year 2024-25

Dear Mr. Metro:

We have completed our review of the Judicial Council of California (the Judicial Council), Judicial Branch Workers' Compensation Program (JBWCP), and have updated the member cost allocation for fiscal year 2024-25 program premiums. The premiums include a provision for:

- Estimated Ultimate loss and ALAE at the 70% Confidence Level
- Third-Party Claims Administration Fees
- Excess Insurance
- Consulting and Brokerage Expenses

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

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

### ***JBWCP Methodology***

The methodology used by the JBWCP utilizes a calculation derived from experience and exposure, along with program costs, such as excess insurance, third party administrator (TPA) claim handling, and brokerage fees. Given the relative sizes of the courts and judiciary entities participating in the JBWCP, the JBWCP's methodology has features which make it appropriate for entities of all sizes.

Each year JBWCP retains an actuary to undertake an actuarial analysis and estimate of loss costs. The actuarial projections are based on loss data from the inception of the JBWCP program (1/1/2001), provided by the Judicial Council and the third party claims administrators. Additionally, historical and projected payroll is provided. The actuary determines the estimated outstanding liabilities since program inception and the forecasted program costs for the upcoming policy term. They also provide an estimate of the loss payments that will be made during the upcoming fiscal year. It is the amount of loss payments expected to be made that is allocated among the participating courts.

For purposes of calculating the allocation, the actuarial data is combined with cost data, consisting of excess insurance premiums, TPA fees, and brokerage and consulting costs. The allocation formula uses a combination of a 3-year loss distribution and a 3-year payroll distribution for calculating the annual charge to each member using a weighting formula. For determining 2024-25 premiums, the experience period used includes the 2020-21, 2021-22, and 2022-23 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:

$$\sqrt[3]{\frac{\text{Individual Court Payroll for 3 - Yr Period (\$000's)}}{647,009}}$$

where 647,009 is a constant derived to set the weight given to the largest court at 80%.

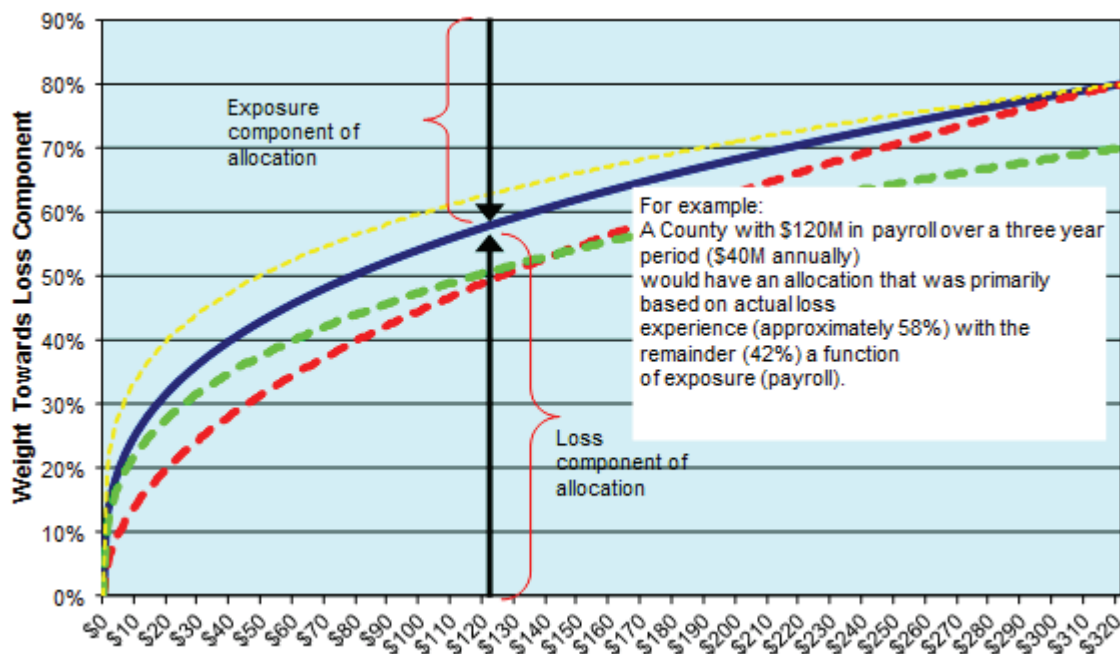
Inputs:

- 331,268 = Largest Court Payroll for 3-Yr Period (\$000's)
- 80% = Weight Given to Loss Component for Largest Court
- 3 = Exponent

For purposes of determining loss distribution, a cap of \$75,000 per occurrence is applied. This eliminates the volatility of large loss impact on distribution to individual courts. Ninety-five percent of all claims are within \$75,000 per occurrence.

The largest court by 3-year payroll size has a weighting of 80% of loss experience and 20% payroll. The smallest court by payroll size has a weighting of at least 10% loss experience. All other courts are weighted by payroll and loss experience along that continuum. This ensures that the larger courts with more predictable losses are subject to an allocation that emphasizes losses, while the smaller courts' allocations are more reliant upon payroll to ensure more year-to-year budget stability.

Here is a graphic illustration of the continuum:



The selected parameters of 80% weight and power of 3 are shown as the solid line above. Other parameters are shown as dashed lines for comparison.

**DRAFT**

The claims handling fees are allocated based upon the distribution of Loss and ALAE premium by member. Brokerage fees and Excess insurance costs are allocated based upon the distribution of payroll by member.

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

Sincerely,

Bickmore Actuarial

**DRAFT**

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Mike Harrington, FCAS, MAAA  
Managing Partner, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

**DRAFT**

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Partner, Bickmore Actuarial  
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Member, American Academy of Actuaries

**DRAFT**

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Eric Small  
Actuarial Consultant

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**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

2024-25 Premium

Court	2020-21 to 2022-23		2024-25 Indicated Loss & ALAE		2020-21 to 2022-23		2024-25 Indicated Loss & ALAE		2024-25 Weighted		2024-25 Excess	2024-25 Claims Handling (TPA) Fees	2024-25 Program Admin. Premium	2024-25 Brokerage / Consulting Premium	2024-25 Total Premium	2024-25 Out of State Premium	2024-25 Adjusted Premium	2024-25 Percent of Premium
	Payroll (\$000)	Percent Payroll	Premium Based on Payroll	Limited to \$75K	Percent Limited Losses	Premium Based on Losses	Weighting	Weighted Loss & ALAE	Weighted Loss & ALAE	Premium								
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	
Alameda	\$171,132	5.99%	\$932,742	\$771,575	4.92%	\$766,685	64.19%	\$826,148	\$836,488	\$33,160	\$67,260	\$0	\$14,366	\$951,274	\$0	\$951,274	5.40%	
Alpine	1,051	0.04%	5,728	0	0.00%	0	11.75%	5,054	5,118	204	411	0	88	5,821	0	5,821	0.03%	
Amador	6,278	0.22%	34,217	36,514	0.23%	36,282	21.33%	34,658	35,092	1,216	2,822	0	527	39,657	0	39,657	0.22%	
Butte	21,169	0.74%	115,378	44,478	0.28%	44,196	31.98%	92,612	93,771	4,102	7,540	0	1,777	107,189	0	107,189	0.61%	
Calaveras	5,425	0.19%	29,568	2,175	0.01%	2,161	20.32%	24,000	24,300	1,051	1,954	0	455	27,761	0	27,761	0.16%	
Colusa	2,575	0.09%	14,033	15,676	0.10%	15,577	15.85%	14,278	14,457	499	1,162	0	216	16,334	0	16,334	0.09%	
Contra Costa	74,282	2.60%	404,868	730,929	4.66%	726,297	48.60%	561,090	568,112	14,394	45,681	0	6,236	634,422	0	634,422	3.60%	
Del Norte	4,634	0.16%	25,258	21,620	0.14%	21,483	19.28%	24,530	24,837	898	1,997	0	389	28,121	0	28,121	0.16%	
El Dorado	14,614	0.51%	79,652	21,376	0.14%	21,241	28.27%	63,141	63,931	2,832	5,141	0	1,227	73,130	0	73,130	0.41%	
Fresno	96,600	3.38%	526,514	314,979	2.01%	312,983	53.05%	413,234	418,406	18,718	33,643	0	8,109	478,877	0	478,877	2.72%	
Glenn	3,386	0.12%	18,453	6,218	0.04%	6,178	17.36%	16,322	16,526	656	1,329	0	284	18,795	0	18,795	0.11%	
Humboldt	13,530	0.47%	73,745	97,584	0.62%	96,966	27.55%	80,143	81,146	2,622	6,525	0	1,136	91,428	0	91,428	0.52%	
Imperial	18,697	0.65%	101,906	244,222	1.56%	242,674	30.69%	145,103	146,919	3,623	11,814	0	1,569	163,925	0	163,925	0.93%	
Inyo	3,585	0.13%	19,540	53	0.00%	53	17.70%	16,091	16,293	695	1,310	0	301	18,598	0	18,598	0.11%	
Kern	98,148	3.43%	534,947	977,779	6.23%	971,582	53.33%	767,814	777,424	19,018	62,511	0	8,239	867,192	0	867,192	4.92%	
Kings	16,600	0.58%	90,479	21,976	0.14%	21,837	29.49%	70,233	71,112	3,217	5,718	0	1,394	81,441	0	81,441	0.46%	
Lake	6,269	0.22%	34,171	0	0.00%	0	21.32%	26,886	27,222	1,215	2,189	0	526	31,152	0	31,152	0.18%	
Lassen	3,999	0.14%	21,795	10,195	0.07%	10,130	18.35%	19,654	19,900	775	1,600	0	336	22,611	0	22,611	0.13%	
Madera	18,554	0.65%	101,126	55,242	0.35%	54,892	30.61%	86,974	88,063	3,595	7,081	0	1,557	100,296	0	100,296	0.57%	
Marin	26,088	0.91%	142,193	119,547	0.76%	118,790	34.29%	134,168	135,847	5,055	10,923	0	2,190	154,015	0	154,015	0.87%	
Mariposa	2,631	0.09%	14,338	75,000	0.48%	74,525	15.96%	23,944	24,244	510	1,949	0	221	26,924	0	26,924	0.15%	
Mendocino	11,930	0.42%	65,023	80,900	0.52%	80,387	26.42%	69,082	69,946	2,312	5,624	0	1,001	78,884	0	78,884	0.45%	
Merced	24,021	0.84%	130,925	295,322	1.88%	293,451	33.36%	185,144	187,461	4,655	15,073	0	2,016	209,205	0	209,205	1.19%	
Modoc	2,056	0.07%	11,208	0	0.00%	0	14.70%	9,560	9,679	398	778	0	173	11,029	0	11,029	0.06%	
Mono	3,002	0.10%	16,362	1,466	0.01%	1,457	16.68%	13,876	14,050	582	1,130	0	252	16,013	0	16,013	0.09%	
Monterey	42,584	1.49%	232,101	479,639	3.06%	476,599	40.37%	330,817	334,957	8,252	26,933	0	3,575	373,717	0	373,717	2.12%	
Napa	14,582	0.51%	79,476	73,395	0.47%	72,930	28.25%	77,627	78,599	2,825	6,320	0	1,224	88,968	0	88,968	0.50%	
Nevada	9,932	0.35%	54,136	50,052	0.32%	49,735	24.85%	53,042	53,706	1,925	4,318	0	834	60,783	0	60,783	0.34%	
Orange	331,268	11.59%	1,805,554	1,253,255	7.99%	1,245,312	80.00%	1,357,360	1,374,349	64,190	110,509	0	27,808	1,576,856	0	1,576,856	8.94%	
Placer	34,996	1.22%	190,745	19,246	0.12%	19,124	37.82%	125,841	127,416	6,781	10,245	0	2,938	147,380	0	147,380	0.84%	
Plumas	1,773	0.06%	9,666	75,000	0.48%	74,525	13.99%	18,743	18,977	344	1,526	0	149	20,996	0	20,996	0.12%	
Riverside	248,991	8.71%	1,357,108	1,377,242	8.78%	1,368,513	72.74%	1,365,404	1,382,492	48,247	111,164	0	20,901	1,562,805	0	1,562,805	8.86%	
Sacramento	161,008	5.63%	877,562	574,240	3.66%	570,600	62.90%	684,485	693,052	31,199	55,727	0	13,516	793,493	0	793,493	4.50%	
San Benito	5,913	0.21%	32,226	0	0.00%	0	20.91%	25,489	25,808	1,146	2,075	0	496	29,525	0	29,525	0.17%	
San Bernardino	226,688	7.93%	1,235,547	1,148,127	7.32%	1,140,851	70.50%	1,168,789	1,183,417	43,926	95,156	0	19,029	1,341,528	0	1,341,528	7.61%	
San Diego	261,086	9.13%	1,423,032	1,765,283	11.26%	1,754,095	73.90%	1,667,677	1,688,548	50,591	135,773	0	21,917	1,896,829	0	1,896,829	10.76%	
San Francisco	114,131	3.99%	622,064	776,267	4.95%	771,347	56.08%	705,787	714,620	22,115	57,461	0	9,581	803,778	0	803,778	4.56%	
San Joaquin	71,493	2.50%	389,667	256,887	1.64%	255,259	47.99%	325,169	329,239	13,853	26,474	0	6,001	375,567	0	375,567	2.13%	
San Luis Obispo	30,216	1.06%	164,692	264,309	1.69%	262,633	36.01%	199,962	202,465	5,855	16,280	0	2,536	227,136	0	227,136	1.29%	
San Mateo	73,887	2.58%	402,716	616,703	3.93%	612,795	48.52%	504,638	510,954	14,317	41,085	0	6,202	572,558	0	572,558	3.25%	
Santa Barbara	46,560	1.63%	253,770	10,190	0.06%	10,125	41.59%	152,428	154,336	9,022	12,410	0	3,908	179,676	0	179,676	1.02%	
Santa Clara	141,600	4.95%	771,780	707,365	4.51%	702,882	60.26%	730,260	739,399	27,438	59,454	0	11,886	838,177	0	838,177	4.75%	
Santa Cruz	28,994	1.01%	158,029	263,254	1.68%	261,586	35.52%	194,812	197,250	5,618	15,861	0	2,434	221,163	0	221,163	1.25%	
Shasta	34,634	1.21%	188,771	492,532	3.14%	489,410	37.69%	302,075	305,855	6,711	24,593	0	2,907	340,067	0	340,067	1.93%	
Sierra	947	0.03%	5,159	0	0.00%	0	11.35%	4,573	4,631	183	372	0	79	5,266	0	5,266	0.03%	
Siskiyou	5,364	0.19%	29,237	334	0.00%	332	20.24%	23,387	23,680	1,039	1,904	0	450	27,073	0	27,073	0.15%	



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**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

2024-25 Premium

Court	2020-21 to	Percent	2024-25	2020-21 to	Percent	2024-25	Weighting	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25	2024-25
	2022-23		Indicated	2022-23		Indicated		Weighted	Weighted								
	Payroll	Payroll	Loss & ALAE	Incurred	Limited	Premium		Loss & ALAE	Loss & ALAE	Premium	TPA Fees	Admin.	Consulting	Premium	State	Premium	of
	(\$000)	(B)	Based on	(\$75K)	Losses	Based on	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Solano	44,993	1.57%	245,234	193,568	1.23%	192,341	41.12%	223,483	226,280	8,718	18,195	0	3,777	256,970	0	256,970	1.46%
Sonoma	38,738	1.35%	211,136	130,269	0.83%	129,443	39.12%	179,177	181,420	7,506	14,588	0	3,252	206,766	0	206,766	1.17%
Stanislaus	48,917	1.71%	266,621	116,232	0.74%	115,495	42.28%	202,718	205,255	9,479	16,504	0	4,106	235,344	0	235,344	1.33%
Sutter	10,065	0.35%	54,858	0	0.00%	0	24.96%	41,164	41,679	1,950	3,351	0	845	47,825	0	47,825	0.27%
Tehama	8,559	0.30%	46,649	96,814	0.62%	96,200	23.65%	58,368	59,098	1,658	4,752	0	718	66,227	0	66,227	0.38%
Trinity	3,282	0.11%	17,890	0	0.00%	0	17.18%	14,816	15,002	636	1,206	0	276	17,120	0	17,120	0.10%
Tulare	46,102	1.61%	251,275	319,780	2.04%	317,753	41.46%	278,835	282,325	8,933	22,701	0	3,870	317,829	0	317,829	1.80%
Tuolumne	7,449	0.26%	40,602	166,287	1.06%	165,233	22.58%	68,744	69,605	1,443	5,597	0	625	77,270	0	77,270	0.44%
Ventura	80,306	2.81%	437,703	395,770	2.52%	393,261	49.88%	415,535	420,735	15,561	33,831	0	6,741	476,868	0	476,868	2.70%
Yolo	22,762	0.80%	124,064	115,527	0.74%	114,795	32.77%	121,027	122,542	4,411	9,853	0	1,911	138,716	0	138,716	0.79%
Yuba	10,964	0.38%	59,761	0	0.00%	0	25.69%	44,411	44,966	2,125	3,616	0	920	51,627	0	51,627	0.29%
All Courts	\$2,859,042	100.00%	\$15,583,000	\$15,682,395	100.00%	\$15,583,000		\$15,390,381	\$15,583,000	\$554,000	\$1,253,000	\$0	\$240,000	\$17,630,000	\$0	\$17,630,000	100.00%

Notes:

- (A): From Exhibit TC-2.
- (B): (A)/[Total (A)]
- (C): (B) x [Total (C)]. Total (C) was provided by Judicial Branch Workers' Compensation Program.
- (D): From Exhibit TC-3.
- (E): (D)/[Total (D)]
- (F): (E) x [Total (F)].
- (G): Based on relative size (according the (A)) of each court. The largest is subjectively set to an 80.00% weight. The weight of all other courts are based on that standard.
- (H): (G) x (F) + [1-(G)] x (C)
- (I): [Total (F) / Total (H)] x (H)
- (J): (B) x [Total (J)]. Total (J) was provided by Judicial Branch Workers' Compensation Program.
- (K): [(I) / Total (I)] x Total (K). Total (K) was provided by Judicial Branch Workers' Compensation Program.
- (L): (B) x [Total (L)]. Total (L) was provided by Judicial Branch Workers' Compensation Program.
- (M): (B) x [Total (M)]. Total (M) was provided by Judicial Branch Workers' Compensation Program.
- (N): Sum[(I)-(M)]
- (O): Adjustment for out of state workers.
- (P): (N) + (O).
- (Q): (P) x [Total (P)].

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

Summary of Payroll

Court	Payroll		
	2020-21	2021-22	2022-23
Alameda	\$54,015,597	\$58,359,337	\$58,756,923
Alpine	318,766	353,790	378,291
Amador	2,015,667	2,180,469	2,081,789
Butte	7,246,418	7,057,271	6,864,925
Calaveras	1,842,236	1,899,554	1,683,017
Colusa	841,410	912,882	820,445
Contra Costa	23,989,330	24,647,009	25,645,526
Del Norte	1,520,633	1,513,689	1,599,776
El Dorado	4,459,249	4,603,546	5,551,114
Fresno	29,783,570	31,985,039	34,831,822
Glenn	1,194,581	1,086,526	1,104,412
Humboldt	4,538,779	4,586,649	4,404,738
Imperial	6,268,043	6,367,498	6,061,281
Inyo	1,216,979	1,206,696	1,161,281
Kern	30,936,990	32,536,140	34,674,636
Kings	4,960,792	5,631,200	6,008,327
Lake	1,941,278	2,051,765	2,276,366
Lassen	1,314,316	1,372,840	1,311,617
Madera	5,713,255	5,988,105	6,852,359
Marin	8,514,440	8,761,010	8,813,014
Mariposa	888,789	845,789	896,032
Mendocino	3,889,444	3,935,658	4,104,713
Merced	7,316,751	7,878,243	8,826,040
Modoc	680,152	699,253	676,882
Mono	1,021,912	966,548	1,013,473
Monterey	13,162,182	14,896,490	14,525,358
Napa	4,691,760	4,643,728	5,246,130
Nevada	3,120,021	3,456,756	3,355,705
Orange	107,091,822	111,240,819	112,935,741
Placer	10,295,564	11,260,325	13,440,485
Plumas	550,989	604,778	617,678
Riverside	78,637,420	84,341,572	86,012,082
Sacramento	53,119,887	52,715,262	55,172,765
San Benito	1,728,083	1,979,318	2,205,216
San Bernardino	73,038,229	77,361,315	76,288,618
San Diego	80,114,006	87,527,770	93,444,627
San Francisco	37,064,877	37,797,867	39,268,583
San Joaquin	22,253,735	23,535,060	25,704,209
San Luis Obispo	9,494,330	10,014,295	10,707,680
San Mateo	23,598,890	24,954,718	25,333,454
Santa Barbara	14,238,617	15,924,584	16,396,517
Santa Clara	47,039,773	46,937,842	47,622,209
Santa Cruz	9,235,288	9,457,815	10,300,852
Shasta	10,775,974	10,682,774	13,175,456
Sierra	288,782	315,474	342,277
Siskiyou	1,676,473	1,735,781	1,951,917

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

Summary of Payroll

Court	Payroll		
	2020-21	2021-22	2022-23
Solano	14,339,869	15,011,080	15,642,507
Sonoma	13,146,036	12,813,159	12,778,394
Stanislaus	15,024,438	16,297,417	17,595,608
Sutter	3,177,476	3,332,080	3,555,307
Tehama	2,746,943	2,897,001	2,914,757
Trinity	1,081,474	1,092,846	1,108,076
Tulare	14,393,981	15,543,761	16,164,161
Tuolumne	2,303,083	2,567,700	2,578,544
Ventura	25,809,585	27,070,813	27,425,846
Yolo	7,325,206	7,586,762	7,850,346
Yuba	3,528,245	3,808,103	3,628,037
All Courts	\$910,522,413	\$956,831,571	\$991,687,941

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Alameda	\$817,428	\$259,462	\$139,844	\$416,040	\$215,691	\$139,844
Alpine	0	0	0	0	0	0
Amador	3,462	7,310	25,743	3,462	7,310	25,743
Butte	20,367	0	24,111	20,367	0	24,111
Calaveras	2,068	107	0	2,068	107	0
Colusa	0	15,676	0	0	15,676	0
Contra Costa	1,182,237	105,244	94,955	530,731	105,244	94,955
Del Norte	0	21,620	0	0	21,620	0
El Dorado	17,659	3,652	65	17,659	3,652	65
Fresno	153,426	105,210	87,427	122,342	105,210	87,427
Glenn	227	5,991	0	227	5,991	0
Humboldt	150,722	117	20,558	76,909	117	20,558
Imperial	44,539	108,943	222,183	44,539	84,588	115,095
Inyo	0	53	0	0	53	0
Kern	1,129,287	110,808	83,306	783,665	110,808	83,306
Kings	1,168	19,622	1,186	1,168	19,622	1,186
Lake	0	0	0	0	0	0
Lassen	0	311	9,883	0	311	9,883
Madera	20,880	534	33,827	20,880	534	33,827
Marin	119,547	0	0	119,547	0	0
Mariposa	0	166,380	0	0	75,000	0
Mendocino	99,582	0	1,126	79,774	0	1,126
Merced	211,472	1,272	126,763	167,288	1,272	126,763
Modoc	0	0	0	0	0	0
Mono	1,413	53	0	1,413	53	0
Monterey	124,053	194,709	229,542	123,519	128,883	227,237
Napa	71,768	1,401	226	71,768	1,401	226
Nevada	30,609	14,559	4,884	30,609	14,559	4,884
Orange	763,194	441,178	163,460	670,325	419,470	163,460
Placer	10,340	8,906	0	10,340	8,906	0
Plumas	991,767	0	0	75,000	0	0
Riverside	1,030,171	272,505	663,319	652,183	252,740	472,319
Sacramento	310,786	197,593	180,481	210,082	197,593	166,565
San Benito	0	0	0	0	0	0
San Bernardino	645,759	186,740	597,101	474,176	186,740	487,212
San Diego	692,297	808,023	553,501	611,282	610,051	543,950
San Francisco	749,574	185,788	133,994	467,424	185,788	123,056
San Joaquin	70,893	97,483	102,642	70,893	83,352	102,642
San Luis Obispo	185,230	74,965	64,750	124,594	74,965	64,750
San Mateo	382,856	25,402	276,148	358,382	25,402	232,920
Santa Barbara	3,073	0	7,116	3,073	0	7,116
Santa Clara	382,403	401,756	102,982	346,270	258,113	102,982
Santa Cruz	78,624	104,945	264,247	78,624	84,542	100,088
Shasta	389,861	283,628	69,586	329,748	93,198	69,586
Sierra	0	0	0	0	0	0
Siskiyou	123	211	0	123	211	0

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Solano	64,516	39,686	89,365	64,516	39,686	89,365
Sonoma	131,082	39,930	4,759	85,580	39,930	4,759
Stanislaus	87,848	8,437	19,947	87,848	8,437	19,947
Sutter	0	0	0	0	0	0
Tehama	14,938	81,876	0	14,938	81,876	0
Trinity	0	0	0	0	0	0
Tulare	148,425	35,222	176,805	133,620	35,222	150,938
Tuolumne	66,050	87,118	13,119	66,050	87,118	13,119
Ventura	237,749	320,818	61,940	139,935	193,895	61,940
Yolo	131,303	2,441	3,032	110,054	2,441	3,032
Yuba	0	0	0	0	0	0
All Courts	11,770,777	4,847,685	4,653,919	7,819,037	3,887,378	3,975,980

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

Comparison to Prior Premium

Court	70% Confidence Level 2023-24 Total Premium (A)	70% Confidence Level 2024-25 Total Premium (B)	Total Difference (C)	Percent Change (D)
Alameda	\$781,318	\$951,274	\$169,956	21.75%
Alpine	5,230	5,821	591	11.30%
Amador	32,662	39,657	6,995	21.42%
Butte	114,881	107,189	-7,691	-6.69%
Calaveras	26,983	27,761	777	2.88%
Colusa	16,063	16,334	271	1.69%
Contra Costa	644,302	634,422	-9,880	-1.53%
Del Norte	26,452	28,121	1,669	6.31%
El Dorado	80,430	73,130	-7,300	-9.08%
Fresno	442,816	478,877	36,061	8.14%
Glenn	19,514	18,795	-719	-3.68%
Humboldt	85,552	91,428	5,876	6.87%
Imperial	171,196	163,925	-7,270	-4.25%
Inyo	17,866	18,598	732	4.10%
Kern	831,209	867,192	35,983	4.33%
Kings	80,180	81,441	1,261	1.57%
Lake	44,825	31,152	-13,673	-30.50%
Lassen	20,203	22,611	2,408	11.92%
Madera	81,024	100,296	19,272	23.79%
Marin	143,552	154,015	10,464	7.29%
Mariposa	24,812	26,924	2,112	8.51%
Mendocino	65,683	78,884	13,201	20.10%
Merced	127,437	209,205	81,769	64.16%
Modoc	10,518	11,029	511	4.85%
Mono	15,577	16,013	436	2.80%
Monterey	267,029	373,717	106,688	39.95%
Napa	84,970	88,968	3,998	4.71%
Nevada	52,050	60,783	8,733	16.78%
Orange	1,504,500	1,576,856	72,355	4.81%
Placer	139,341	147,380	8,039	5.77%
Plumas	20,150	20,996	846	4.20%
Riverside	1,383,076	1,562,805	179,729	12.99%
Sacramento	736,895	793,493	56,598	7.68%
San Benito	26,360	29,525	3,164	12.00%
San Bernardino	1,431,095	1,341,528	-89,567	-6.26%
San Diego	1,728,529	1,896,829	168,300	9.74%
San Francisco	862,510	803,778	-58,733	-6.81%
San Joaquin	344,128	375,567	31,440	9.14%
San Luis Obispo	168,278	227,136	58,858	34.98%
San Mateo	458,276	572,558	114,282	24.94%
Santa Barbara	173,475	179,676	6,201	3.57%
Santa Clara	988,820	838,177	-150,643	-15.23%
Santa Cruz	180,708	221,163	40,455	22.39%
Shasta	322,180	340,067	17,887	5.55%
Sierra	4,898	5,266	368	7.51%
Siskiyou	24,365	27,073	2,708	11.11%

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
Trial Courts**

Comparison to Prior Premium

Court	70% Confidence Level 2023-24 Total Premium (A)	70% Confidence Level 2024-25 Total Premium (B)	Total Difference (C)	Percent Change (D)
	Solano	276,022	256,970	-19,052
Sonoma	223,006	206,766	-16,240	-7.28%
Stanislaus	205,159	235,344	30,185	14.71%
Sutter	45,274	47,825	2,551	5.63%
Tehama	61,545	66,227	4,682	7.61%
Trinity	15,901	17,120	1,219	7.67%
Tulare	321,290	317,829	-3,461	-1.08%
Tuolumne	61,153	77,270	16,117	26.36%
Ventura	500,045	476,868	-23,177	-4.63%
Yolo	143,953	138,716	-5,236	-3.64%
Yuba	48,733	51,627	2,894	5.94%
All Courts	\$16,714,000	\$17,630,000	\$916,000	5.48%

Notes:

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

DRAFT

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
State Judiciary**

2024-25 Premium

Court	2020-21 to 2022-23		2020-21 to 2022-23		Percent Limited Losses (E)	2024-25 Indicated		2024-25 Weighted		2024-25 Excess Premium (J)	2024-25 Claims Handling (TPA) Fees (K)	2024-25 Program Admin. Premium (L)	2024-25 Brokerage / Consulting Premium (M)	2024-25 Total Premium (N)	2024-25 Out of State Premium (O)	2024-25 Adjusted Premium (P)	2024-25 Percent of Premium (Q)
	Payroll (\$000) (A)	Percent Payroll (B)	Loss & ALAE Premium Based on Payroll (C)	Incurred Limited to \$75K (D)		Loss & ALAE Premium Based on Losses (F)	Weighting (G)	Loss & ALAE Premium (H)	Adjusted Loss & ALAE Premium (I)								
Supreme Court	\$55,472	3.09%	\$23,237	\$3,783	1.39%	\$10,424	29.16%	\$19,501	\$29,599	\$6,807	\$4,927	\$0	\$4,672	\$46,004	\$125	\$46,129	3.70%
1st District Court	49,085	2.74%	20,561	0	0.00%	0	27.99%	14,805	22,472	6,023	3,740	0	4,134	36,370	0	36,370	2.91%
2nd District Court	97,926	5.46%	41,020	30,331	11.13%	83,578	35.24%	56,018	85,027	12,017	14,152	0	8,248	119,443	0	119,443	9.57%
3rd District Court	35,544	1.98%	14,889	2,709	0.99%	7,464	25.14%	13,023	19,766	4,362	3,290	0	2,994	30,412	0	30,412	2.44%
4th District Court	81,867	4.57%	34,293	121,309	44.51%	334,275	33.20%	133,883	203,213	10,046	33,824	0	6,895	253,977	0	253,977	20.36%
5th District Court	33,229	1.85%	13,919	1,187	0.44%	3,271	24.58%	11,302	17,154	4,078	2,855	0	2,799	26,886	571	27,457	2.20%
6th District Court	22,633	1.26%	9,481	85,333	31.31%	235,140	21.63%	58,284	88,466	2,777	14,725	0	1,906	107,874	0	107,874	8.65%
Judicial Council	238,925	13.33%	100,083	4,355	1.60%	12,002	47.44%	58,295	88,482	29,319	14,727	0	20,123	152,651	0	152,651	12.23%
CJP	9,478	0.53%	3,970	1,074	0.39%	2,961	16.18%	3,807	5,778	1,163	962	0	798	8,701	0	8,701	0.70%
HCRC	21,044	1.17%	8,815	16,858	6.19%	46,452	21.11%	16,760	25,439	2,582	4,234	0	1,772	34,028	0	34,028	2.73%
CJCL	2,085	0.12%	873	0	0.00%	0	9.77%	788	1,196	256	199	0	176	1,826	0	1,826	0.15%
Trial Court Judges	1,145,545	63.90%	479,858	5,601	2.06%	15,433	80.00%	108,318	164,409	140,571	27,365	0	96,483	428,828	0	428,828	34.37%
<b>All Courts</b>	<b>\$1,792,832</b>	<b>100.00%</b>	<b>\$751,000</b>	<b>\$272,540</b>	<b>100.00%</b>	<b>\$751,000</b>		<b>\$494,783</b>	<b>\$751,000</b>	<b>\$220,000</b>	<b>\$125,000</b>	<b>\$0</b>	<b>\$151,000</b>	<b>\$1,247,000</b>	<b>\$696</b>	<b>\$1,247,696</b>	<b>100.00%</b>

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 2024-25 Premium  
State Judiciary**

2024-25 Premium  
2nd and 4th District by Division

Court	Division	2020-21 to 2022-23		2024-25 Indicated		2020-21 to 2022-23		2024-25 Indicated		2024-25 Weighted Loss & ALAE Premium (H)	2024-25 Excess Premium (I)	2024-25 Claims Handling (TPA) Fees (J)	2024-25 Brokerage / Consulting Premium (K)	2024-25 Total Premium (L)	2024-25 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)	\$86,096	87.92%	\$74,755	\$30,331	100.00%	\$85,027	35.24%	\$78,375	\$10,565	\$13,045	\$7,251	\$109,236	91.45%	
	COA 2nd District- (Ven)	11,830	12.08%	10,272	0	0.00%	0	35.24%	6,652	1,452	1,107	996	10,207	8.55%	
	<b>Total</b>	<b>\$97,926</b>	<b>100.00%</b>	<b>\$85,027</b>	<b>\$30,331</b>	<b>100.00%</b>	<b>\$85,027</b>	<b>35.24%</b>	<b>\$85,027</b>	<b>\$12,017</b>	<b>\$14,152</b>	<b>\$8,248</b>	<b>\$119,443</b>		
4th District Court	COA 4th District (SD)	\$29,977	36.62%	\$74,410	\$121,309	100.00%	\$203,213	33.20%	\$117,171	\$3,679	\$19,503	\$2,525	\$142,877	56.26%	
	COA 4th District (RSVD)	27,120	33.13%	67,319	0	0.00%	0	33.20%	44,970	3,328	7,485	2,284	58,067	22.86%	
	COA 4th District (SA)	24,770	30.26%	61,484	0	0.00%	0	33.20%	41,072	3,039	6,836	2,086	53,034	20.88%	
	<b>Total</b>	<b>\$81,867</b>	<b>100.00%</b>	<b>\$203,213</b>	<b>\$121,309</b>	<b>100.00%</b>	<b>\$203,213</b>	<b>33.20%</b>	<b>\$203,213</b>	<b>\$10,046</b>	<b>\$33,824</b>	<b>\$6,895</b>	<b>\$253,977</b>	<b>100.00%</b>	

Notes:

- (A): Provided by Judiciary 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 Judiciary 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 2024-25 Premium  
State Judiciary**

Summary of Payroll

Court	Payroll		
	2020-21	2021-22	2022-23
Supreme Court	\$18,992,397	\$18,119,071	\$18,360,881
1st District Court	16,035,265	16,235,113	16,814,500
2nd District Court	31,837,205	32,334,555	33,754,500
3rd District Court	10,913,433	12,164,049	12,467,000
4th District Court	26,782,535	27,003,504	28,080,500
5th District Court	10,090,184	11,133,374	12,005,500
6th District Court	6,660,199	7,629,329	8,343,000
Judicial Council	72,616,169	80,182,072	86,126,895
CJP	2,904,086	3,123,664	3,450,000
HCRC	7,102,392	7,049,575	6,892,000
CJCL	645,846	689,664	749,119
Trial Court Judges	352,238,224	369,743,523	423,563,000
All Courts	\$556,817,935	\$585,407,493	\$650,606,895

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
State Judiciary**

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at \$75K		
	2020-21	2021-22	2022-23	2020-21	2021-22	2022-23
Supreme Court	\$0	\$0	\$3,783	\$0	\$0	\$3,783
1st District Court	0	0	0	0	0	0
2nd District Court	2,370	0	27,961	2,370	0	27,961
3rd District Court	0	2,709	0	0	2,709	0
4th District Court	0	92,980	46,309	0	75,000	46,309
5th District Court	1,133	0	53	1,133	0	53
6th District Court	4,473	72,966	7,895	4,473	72,966	7,895
Judicial Council	0	193	4,163	0	193	4,163
CJP	1,074	0	0	1,074	0	0
HCRC	0	16,858	0	0	16,858	0
CJCL	0	0	0	0	0	0
Trial Court Judges	4,834	767	0	4,834	767	0
All Courts	13,884	186,472	90,164	13,884	168,492	90,164

Notes:

Provided by Judicial Branch Workers' Compensation Program.

**Judicial Branch Workers' Compensation Program  
Workers' Compensation Fiscal Year 2024-25 Premium  
State Judiciary**

Comparison to Prior Premium

Court	70% Confidence Level 2023-24 Total Premium (A)	70% Confidence Level 2024-25 Total Premium (B)	Total Difference (C)	Percent Change (D)
	Supreme Court	\$60,237	\$46,129	-\$14,108
1st District Court	80,031	36,370	-43,662	-54.56%
2nd District Court	165,165	119,443	-45,722	-27.68%
3rd District Court	31,839	30,412	-1,427	-4.48%
4th District Court	67,467	253,977	186,510	276.44%
5th District Court	30,117	27,457	-2,660	-8.83%
6th District Court	38,701	107,874	69,173	178.74%
Judicial Council	169,693	152,651	-17,042	-10.04%
CJP	7,829	8,701	872	11.14%
HCRC	92,299	34,028	-58,272	-63.13%
CJCL	1,678	1,826	149	8.85%
Trial Court Judges	513,650	428,828	-84,822	-16.51%
All Courts	\$1,258,707	\$1,247,696	-\$11,011	-0.87%

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 2024-25 Premium  
State Judiciary**

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

Division	2020-21 to 2022-23 Payroll (\$000) (A)	Percent Payroll (B)	2020-21 to 2022-23 Incurred Limited to \$75K (C)	Percent Limited Losses (D)	2024-25 Claims Handling (E)	2024-25 Program Admin. (F)	2024-25 Brokerage / Consulting (G)
Trial Courts	\$2,859,042	61.46%	\$15,682,395	98.29%	\$1,253,000	\$0	\$240,000
State Judiciary	1,792,832	38.54%	272,540	1.71%	125,000	0	151,000
<b>Total</b>	<b>\$4,651,874</b>	<b>100.00%</b>	<b>\$15,954,935</b>	<b>100.00%</b>	<b>\$1,378,000</b>	<b>\$0</b>	<b>\$391,000</b>

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.

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# **2023 ANNUAL AUDIT OF CLAIMS ADMINISTRATION & CASE MANAGEMENT SERVICES PROVIDER**

## **JUDICIAL BRANCH WORKERS' COMPENSATION PROGRAM**

JANUARY 4, 2024

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# 1

## Executive Summary

The Judicial Council of California (JCC) contracted with Marsh USA, Inc. (Marsh) to provide various claim auditing services over the period extending from July 1, 2023 through June 30, 2024. One such requested service was the completion of two annual audits of The Judicial Branch Workers' Compensation Program's (JBWCP) third party administrator (TPA) and managed care vendor – Sedgwick Claim Management Services (Sedgwick).

The primary objective of the two audits was to assess Sedgwick's operational performance to allow JBWCP to: (1) identify potential opportunities to enhance Program performance and key outcomes; as well as (2) support future business initiatives. Claim auditing activities were completed in late September and October of 2023. A total of one hundred eighty TPA and eighty managed care claims were audited. The following represents a high-level summary of audit results, findings and associated recommendations.

**TPA/Managed Care Audit Results:** Audit performance descriptions as well as finalized audit scores for each of the nineteen audit categories evaluated are 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

AUDIT CATEGORY	APPLICABLE CLAIMS	AUDIT SCORES
• JBWCP Member Loss Reporting	29	Not Scored
• Claim Setup & Assignment/Reassignment	29	95.59%
• Three-Point Contacts	30	88.89%
• Investigation	78	79.70%
• Medical Cost Containment	133	98.07%
• Disability Management	41	77.61%
• Litigation Management	71	97.98%
• Subrogation, Apportionment, Contribution	20	91.67%
• Reserving	167	90.50%
• Communication	129	93.45%
• Payments	165	98.40%
• Settlement/Resolution	86	94.84%
• Strategic Plans & Documentation	180	94.72%
• Supervisory Review	179	93.00%
• Nurse Triage	68	80.09%
• Nurse Case Management & Compliance	26	96.69%
• Medical Provider Network	32	100.00%
• Pharmacy Benefits Program	24	95.83%
• Closure Criteria	18	97.14%
<b>TPA Composite Audit Score</b>		<b>93.50%</b>
<b>Case Management Composite Audit Score</b>		<b>89.65%</b>



### **TPA Audit Major Findings & Associated Recommendations:**

Sedgwick achieved a composite audit score of **93.50%** which is indicative of a high-performing claims organization. Scores in the range of 90.00% to 100.00% suggest strong overall operational performance. Sedgwick achieved scores at or above the 90<sup>th</sup> percentile in ten of the thirteen audit categories evaluated.

The three audit categories failing to meet the 90<sup>th</sup> percentile of performance involved: (1) Three-Point Contacts (i.e., **88.89%**); (2) Investigations (i.e., **79.70%**); and (3) Disability Management (i.e., **77.61%**). Primary factors observed to be responsible for diminished performance at the underlying audit metric-level include:

- (1) Lapses in execution (or documentation thereof) by Sedgwick Adjusters.
- (2) Breakdowns in required follow-up on prior recommendations/guidance provided by Supervisory personnel.
- (3) A lack of alignment between JBWCP Claims Service Guidelines' expectations and Sedgwick's Adjuster's interpretations of those expectations (including the permissibility of Adjusters' ability to deviate from those Guidelines) (i.e., Official Disability Guidelines (ODG) usage, future medical reserving practices).
- (4) Ambiguity in JBWCP's Claims Service Guidelines causing confusion on the part of Adjusters (i.e., contacts, resolution/ settlement philosophy, reserving philosophy).

While overall performance is strong, and the working relationship between the JBWCP Administrator, its Members and Sedgwick is both collaborative and sound, multiple opportunities exist to enhance existing levels of performance. To this end, general recommendations include:

- Reinforcement of claim management expectations found within JBWCP's Claims Service Guidelines with Adjusters via informal coaching/instruction through the supervisory oversight function and formal training (as warranted).
- Amending portions of JBWCP's Claims Service Guidelines to provide greater clarity as to program expectations that drive critical activities including reserving and claim resolution/closures.

### **Case Management Audit Findings & Associated Recommendations:**

Sedgwick achieved a composite audit score of **89.65%** which is consistent with overall sound operational performance. Scores in the range of 85.00% to 89.99% suggest the presence of fine tuning opportunities within a program and no major systemic process inefficiencies or failures. Sedgwick achieved scores at or above the 90<sup>th</sup> percentile in four of the five audit categories evaluated.

The sole audit category failing to meet the 90<sup>th</sup> percentile of performance was Nurse Triage (i.e., **80.09%**). While falling below the desired 90<sup>th</sup> percentile, we note a significant improvement in performance when compared to the 2022 audit results (**80.09%** in 2023 versus **1.96%** in 2022). Primary factors observed to be responsible for diminished performance at the underlying audit metric-level include:

- (1) Minor lapses in execution (or documentation thereof) by Sedgwick's Adjusters (i.e., failures to refer claims for nurse triage) and/or Nurses (i.e., failures to pursue and/or

complete nurse triage activities).

- (2) A lack of alignment between JBWCP Managed Care Guidelines' expectations and Sedgwick's Adjuster's and Triage Nurse interpretations of those expectations (including the permissibility of Adjusters' and Triage Nurses' ability to deviate from those Guidelines (i.e., necessity by Adjusters to refer all reported claims for nurse triage; necessity by triage nurses to complete triage activities on all reported losses).
- (3) Ambiguity, lack of transparency, and/or inefficiencies in JBWCP's Managed Care Guidelines (i.e., ODG necessity on all open claims, nurse triage necessity on all newly reported claims, lack of clarity relating to nurse case management triggers).

While performance of various managed care services is sound (i.e., medical provider network penetration, pharmacy network penetration, utilization review, telephonic nurse case management), the nurse triage process continues to evidence challenges presenting various opportunities to the Program. To this end, general recommendations include:

- Reinforcement of claim management expectations found within JBWCP's Managed Care Guidelines with Adjusters via informal coaching/instruction through the supervisory oversight function and formal training (as warranted); and
- Reviewing (and amending where necessary) portions of JBWCP's Managed Care Guidelines to: (1) provide greater clarity as to existing requirements; (2) eliminate requirements that fail to provide necessary program value; and/or (3) Add additional guidelines to create greater consistency in the utilization of services (namely nurse case management) across the program.

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

# 2

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## Methodology

Alan Turnipseed, Senior Vice President, led the 2023 annual audits of Sedgwick's claims administration and case management services on behalf of the JBWCP. He is also responsible for preparing this written report. Marsh Colleagues Kelly Byrkit, Urvi Sutariya, James Baker and Ryan Kielhorn provided auditing support on both audits.

### **Case Management Auditing Methodology:**

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

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

Twenty-two associated case management audit metrics were developed across all five audit categories.

Once audit categories and metrics were finalized, a loss run was requested from Sedgwick containing all managed care referrals including nurse case management (i.e., Nurse Triage, CPM, Field Case Management, Telephonic Case Management, Utilization Review) made between July 1, 2022 and September 10, 2023. A total of two hundred fifteen claims were identified on the September 11, 2023 loss run. A claim sample was constructed consisting of eighty workers' compensation claims. The final claim management claim sample can be found in **Appendix B** of this report.

The audit was conducted remotely via on-line access to Sedgwick's' ViaOne claim system. Case management auditing activities were completed during the week of September 18, 2023. 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);
- Prior JBWCP Managed Care Guidelines (effective July, 2021); and
- Current JBWCP Managed Care Guidelines (effective March, 2023).

**Third Party Administrator Auditing Methodology:**

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

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

Eighty-seven associated TPA audit metrics were developed across all fourteen audit categories.

Once audit categories and metrics were finalized, a loss run was requested from Sedgwick valued as of August 31, 2023. The loss run was segmented by: (1) open indemnity claims (seven hundred seventy-two total); and (2) indemnity claims closed over the six-month period between March 1, 2023 and August 31, 2023 (one hundred ninety-three total). Marsh was requested to review a similar number of claims for each of the primary Sedgwick Adjusters assigned to the JBWCP Account.

A total claim sample was constructed consisting of one hundred eighty workers' compensation claims. Eighteen claims were randomly selected across JBWCP's Judiciary Members including:

- Supreme Court (2);
- District Courts of Appeal (7);
- Habeas Corpus Resource Center (2);
- Judicial Council of California (2); and
- Trial Court Judges (5).

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

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

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

The audit was conducted remotely via on-line access to Sedgwick's ViaOne claim system. Auditing activities were completed over a four week period commencing September 25, 2022. The following types of information were utilized by the Marsh project team to complete the audit:

- Claim/loss information;
- Claim notes;
- Financial transactions (i.e., payments and reserve histories);
- Images/documents (e.g., forms, emails, correspondence, reports);
- Prior JBWCP Claim Service Guidelines (Effective July 15, 2021); and
- Current JBWCP Claim Service Guidelines (Effective March, 2023).

### **Scoring Methodology:**

Both audits were performed using Marsh's proprietary software "*Performer*". The Performer audit software was configured with JBWCP's specific case management and TPA audit categories and associated metrics. Each of the five case management and fourteen TPA audit categories were equally weighted and contained one or more metrics with multiple-choice type answers. The maximum score for any one metric was **100.00%**. Some metrics have simple "Yes", "No" or "*Not Applicable*" answers. These are scored **100.00%** for "Yes" and **0.00%** for "No". "*Not Applicable*" answers were automatically removed from scoring by the software. Other metrics may have four or more different choices with various scores assigned to each answer ranging between **0.00%** and **100.00%**. Based upon auditor responses captured within the software, scores/grades were calculated for:

- Each individual audit metric<sup>1</sup>;
- Each audit category<sup>2</sup>; and
- Each of the two audits (i.e., case management and TPA audits).

All audit metrics and categories were tabulated to arrive at overall composite scores relating to the performance of Sedgwick on both the case management and TPA audits. At the conclusion of our auditing activities, preliminary scoring reports, auditor findings and supporting commentary were provided to Sedgwick for their review and rebuttal. In instances where audit findings (and associated comments) were demonstrated to be factually inaccurate and/or Sedgwick's positions were otherwise viewed as supportable, corresponding adjustments were made to our work papers and scoring. In instances where professional differences of opinion

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<sup>1</sup> Metrics that are purely indicators (limited to Subrogation category) were not scored. Three such metrics exist. Additional other "informational" metrics were tracked but not scored. All such metrics are identified in Section 3 of this report.

<sup>2</sup> The JBWCP Member Loss Reporting audit category was not factored into the overall audit composite score. The reason for excluding this audit category is that the required actions involve Members exclusively, and are therefore out of the control of Sedgwick and its Adjusters/Supervisors. Accordingly, this category and associated metric was separately tracked to provide information baseline data to JBWCP.

existed between Marsh and Sedgwick, the Auditor's original findings were retained and no adjustments were made. In all such cases, the reasons for rejecting offered rebuttals were provided to Sedgwick for their review.

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

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

# 3

## Audit Findings & Recommendations

Third party administrator (TPA) and case management audits of JBWCP’s claim services provider – Sedgwick Claim Management Services (Sedgwick) were completed in late September and October of 2023. A total of one hundred eighty and eighty claims were audited respectively. Fourteen TPA and five case management audit categories were evaluated during both audits to provide a broad baseline of performance regarding Judicial Branch’s Workers’ Compensation Program.

For purposes of developing a composite performance score for Sedgwick’s TPA services, thirteen of the fourteen TPA audit categories were scored. The remaining TPA audit category (i.e., JBWCP Member Loss Reporting) was excluded from scoring as performance of required activities was outside the control of Sedgwick. All five audit categories on the case management audit were scored to develop a composite performance score for Sedgwick’s managed care services.

Within each of the nineteen audit categories evaluated, one or more metrics were evaluated and scored. Unless otherwise indicated, each metric outcome was factored into one of the two annual audit composite scores.

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 audit metric scoring less than **90.00%**, recommendations have been provided for JBWCP’s consideration. Additionally, we evaluated audit observations and JBWCP’s current Claims Service Guidelines against industry best practices to provide additional opportunities to further enhance overall program performance. The relevant audit review period was October 1, 2022 to present in order to focus on current year performance. Both open and recently closed claims (i.e., prior six months) were evaluated.

Sedgwick achieved a final TPA composite audit score of **93.50%**. Similarly, Sedgwick achieved a final case management audit score of **89.65%**. While the two scores reflect overall favorable performance, multiple opportunities for improvement were identified. The remainder of this section provides specific details relating to the observed performance of Sedgwick, the identification of opportunities for enhancing Program performance, and recommendations as to how those opportunities can be successfully achieved. Detailed scoring reports by: (1) Audit Category; (2) Audit Question; (3) Reserve Variance; (4) Adjusting Office; and (5) Adjuster are located in **Appendices C, D, E, F, and G** of this report respectively.

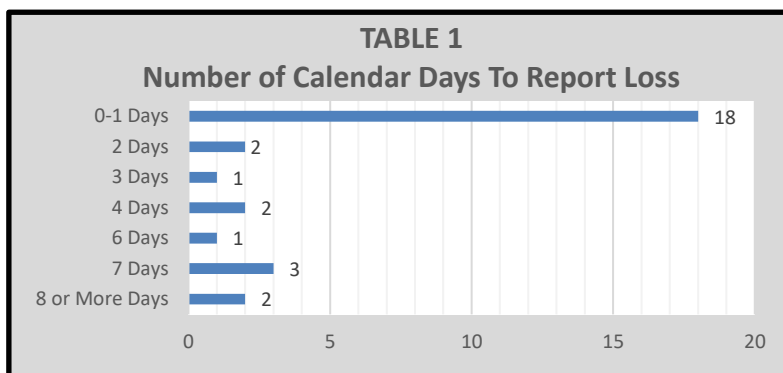
## Third Party Administration (TPA) Audit Categories & Metrics

### TPA Audit Category: JBWCP Member Loss Reporting Composite Score = 79.31%

Audit Metric	Audit Category #1 - Metric Descriptions	Final Score	Metric Scored
1.01	Number of CALENDAR days required for JBWCP Member to submit Employer's First Report of Injury form 5020 to Sedgwick. [ <b>Note:</b> Standard is 5 calendar days; Members encouraged to submit within 2-3 calendar days]	79.31%	Not Scored

#### **Findings:**

Section V.B of the Judicial Branch Workers' Compensation Program (JBWCP) Claims Manual outlines the requirement for Members to complete and provide an Employer's Report of Occupational Injury or Illness (i.e., 5020) to the third party administrator within five calendar days of the date of knowledge of a reported injury or illness.



Twenty-nine of the one hundred eighty claims audited had dates of loss that fell within the audit review period (i.e., on or after 10/01/2022). Of these twenty-nine applicable claims, twenty-three or **79.31%** of claims were timely reported by Members.<sup>3</sup> The remaining six 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 twenty-nine applicable claims evaluated during the audit. 2023 results represents a slight regression in JBWCP Member performance when compared against the 2021 and 2022 annual audit results of **82.76%** and **86.96%** respectively.

#### **Recommendations:**

Prompt reporting of losses by Members is critical to:

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

We recommend that a training program for Members involving the completion and submission of Form 5020 be developed and provided on an annual basis. This training content should also be

<sup>3</sup> As the timely reporting of losses by Members is outside the control of Sedgwick, the reported score of **79.31%** has been excluded from the overall composite audit score.



incorporated into materials presented to newly hired Member staff responsible for Form 5020 preparation and reporting.

Ongoing Member compliance should also be tracked by the JBWCP Administrator for all reported losses on an annual basis. Where issues are observed with timely reporting at the Member level, one-on-one follow-up by the JBWCP Administrator with each identified Member should occur.

**TPA Audit Category: Claim Set-up & Assignment/Reassignment**  
**Composite Score = 95.59%**

Audit Metric	Audit Category #2 - Metric Descriptions	Final Score	Metric Scored
2.01	Total days required to assign to Adjuster (i.e., Assignment Date - Sedgwick Date of Knowledge)	100.00%	✓
2.02	Initial claim classification appropriate (i.e., indemnity, medical only)?	100.00%	✓
2.03	Medical Only claims will be transitioned to Indemnity status following management review when: (1) the claim has been open six months; and/or (2) has an incurred value of \$7,500 or 90 days if the I/W has been on modified duty?	70.00%	✓

**Findings:**

Sedgwick’s overall composite audit score for claim set-up and assignment activities is **95.59%** which is generally consistent with a high-performing claims organization. A total of three audit metrics were evaluated. The respective scores for each of these three audit metrics are identified above.

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

Sedgwick both set-up and assigned claims within one business day in all of the applicable claims audited. Similarly, when claims were originally set-up, the initial classification of all applicable audited claims by Adjusters (i.e., lost time versus medical only) were deemed to be appropriate.

Despite claims being appropriately classified as medical only at set-up, claims meeting predefined conversion criteria were not consistently transitioned to indemnity status. Pre-defined criteria require conversions where medical only claims: (1) remain open in excess of six months; (2) reach a total incurred value of \$7,500; and/or (3) result in modified duty of ninety days or more. Examples of each of these three criteria were identified where no corresponding conversions occurred. A total of three exceptions were identified resulting in an audit score of **70.00%** ([4A2306D25M9-0001](#), [4A221116V34-0001](#) and [4A2301ZRKXT-0001](#)).

**Recommendations:**

Sedgwick’s Client Services Manager should review conversion criteria requirements with both Supervisors and Adjusters. Additionally, Supervisors should evaluate claim classification status during each touchpoint, document their supervisory notes accordingly, and provide appropriate recommendations relating to conversion requirements. Supervisors should also provide appropriate follow-up (where warranted) to ensure appropriate Adjuster execution.

**TPA Audit Category: Three-Point Contact**  
**Composite Score = 88.89%**

Audit Metric	Audit Category #3 - Metric Descriptions	Final Score	Metric Scored
3.01	Attempt to contact JBWCP Member was made within 1 business day of assignment?	90.00%	✓
3.02	Where initial JBWCP Member contact was unsuccessful, follow-up attempts were made and documented in the file?	78.57%	✓
3.03	Attempt to contact Claimant was made within 1 business day of assignment?	92.86%	✓
3.04	Where initial Claimant contact was unsuccessful, follow-up attempts were made and documented in the file?	100.00%	✓
3.05	Where Claimant contact attempts were unsuccessful, an attempt was made to contact the JBWCP Member to obtain alternate contact information for the Claimant including documentation of the file?	100.00%	✓
3.06	Attempt to contact Medical Provider was made within 1 business day of assignment?	79.17%	✓
3.07	Where initial Medical Provider contact was unsuccessful, follow-up attempts were made and documented in the file?	85.71%	✓

**Findings:**

Sedgwick’s overall composite audit score for three-point contact is **88.89%** which is consistent with generally sound claim practices with some noted fine-tuning opportunities. Seven audit metrics were evaluated. Performance across the metrics ranged from **78.57%** to **100.00%**. Of the seven specific audit metrics evaluated, four scored at or above the 90<sup>th</sup> percentile.

Prompt attempts to communicate with Claimants, Medical Providers and Members is a key activity in the overall investigation process. Industry best practices typically require initial attempts to communicate with all three parties within one business day of assignment to an Adjuster. While best practices relating to follow-up communications varies by claim services provider, typically multiple attempts (i.e., two to three) are generally mandated over a two to five-day timeframe. In the case of the JBWCP’s Claims Service Guidelines, a one business-day contact requirement exists as to Members, Claimants and Medical Providers. No specific timelines governing required follow-up communications currently exists.

Observed performance relating to Sedgwick’s Adjusters’ communication attempts were mixed. Scores relating to initial communication attempts with Members and Claimants were generally compliant with Claims Service Guidelines. In comparison, attempts to initially communicate with Medical Providers within one business day of assignment occurred in just **79.17%** of the applicable claims audited.

Scores relating to required follow-up communication attempts with Members, Claimants and Medical Providers varied by party. Required follow-up with Claimants was highly consistent. In comparison, both the timeliness and frequency of required follow-up communications for both Members and Medical Providers scored **78.57%** and **85.71%** respectively.

Where communications could not be established with the Claimant, Sedgwick Adjusters consistently followed-up with Members to obtain alternative contact information consistent with the current Claims Service Guidelines.

A slight deterioration in performance was observed from the prior year's audit results (i.e., **95.74%** {2022} versus **88.89%** {2023}). While initial communication practices are generally sound, several minor fine-tuning opportunities exist on the part of both Sedgwick and the JBWCP Administrator to further enhance overall Program performance.

**Recommendations:**

Sedgwick should periodically review and reinforce JBWCP's contact standards with Adjusters. Furthermore, Sedgwick should utilize the supervisory review mechanism to continuously assess Adjuster performance and to provide necessary coaching/instruction were warranted.

**Additional Best Practices Considerations:**

Currently, the Claims Service Guidelines are silent as to expectations surrounding the desired follow-up communications standard. This lack of clarity relating to JBWCP expectations likely contributes to the inconsistency observed on the part of Adjusters on the Program.

JBWCP's current Claims Service Guidelines relating to "Contact" should be amended to specifically define what constitutes reasonable follow-up where initial communication attempts are unsuccessful. We recommend adopting an industry standard requiring a minimum of two follow-up communication attempts to be made within three business days of claim assignment to Adjusters. As with initial communication attempts, such communication efforts (and results) should be documented within claim notes by Adjusters.

**TPA Audit Category: Investigations**  
**Composite Score = 79.70%**

Audit Metric	Audit Category #4 - Metric Descriptions	Final Score	Metric Scored
4.01	Did the Adjuster take all necessary actions to evaluate compensability?	96.97%	✓
4.02	Was the claim appropriately accepted, delayed or denied within the 14-day statutory time period?	96.67%	✓
4.03	Were both indemnity and medical only claims timely reported to the Index Bureau and re-indexed every 180 days thereafter until closed OR annually on future medical claims?	56.00%	✓
4.04	Where "hits" are identified through Index Bureau reports, was follow-up appropriate?	85.71%	✓

4.05	The need for field investigations (including surveillance) were appropriately recognized, authorized by JBWCP Member and managed?	66.67%	✓
4.06	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?	96.77%	✓
4.07	Where a sub-rosa investigation was made by Sedgwick, the assignment (both scope and provided information) was thorough and timely?	100.00%	✓

**Findings:**

Sedgwick's overall composite audit score for investigations is **79.70%** which is reflective of the presence of systemic process inconsistencies requiring attention on the part of Sedgwick involving certain related activities. Seven audit metrics were evaluated. Performance across the metrics ranged from **56.00%** to **100.00%**. Of the seven specific audit metrics evaluated, four scored at or above the 90<sup>th</sup> percentile.

Sedgwick investigations were observed to be sufficiently thorough to support compensability decisions. Decisions to initially accept, deny and/or delay claims were consistently rendered within the 14-day statutory requirement. Compensability decisions were typically completed with supporting rationales documented within electronic claim notes. Where sub rosa investigations were pursued, Adjusters did so on a timely basis and appropriately managed assignments.

Three potential areas of opportunity exist within the investigation category – two involving the claim indexing process. First, claims were not consistently indexed/re-indexed (or documented) by Adjusters (or support personnel) at the cadence required by the Claims Service Guidelines. This observation applies to both indemnity and medical only claims, as well as new and legacy (future medical) claims. This resulted in an audit score of **56.00%**. Additionally, where potential “hits” were identified within index reports, appropriate follow-up by Adjusters to secure additional information was either not consistently completed, or alternatively was completed but not documented. An audit score of **85.71%** was achieved.

Finally, inconsistency was observed in the identification of the need for (and utilization of) field investigations to supplement compensability decisions. An audit score of **66.67%** was achieved. We note this to be a more minor finding given the small overall sample size of applicable claims (i.e. three) and the corresponding number of adverse observations (i.e., one). The small absolute number of adverse observations suggested the observed audit outcome is an isolated event, and is not indicative of a larger adverse trend in performance.

**Recommendations:**

Indexing requirements identified within the JBWCP Claims Service Guidelines are consistent with commonly observed industry practices. Current Sedgwick indexing practices do not provide the necessary safeguards to ensure consistency of execution by Adjusters. Accordingly, we recommend Sedgwick evaluate current process deficiencies surrounding the execution and documentation of index-related activities. Following this evaluation, a corrective action plan should be developed and presented to the JBWCP Administrator addressing what corrective actions will be undertaken to strengthen overall performance. We also recommend Sedgwick

leverage the supervisory review process to ensure the success of proposed corrective actions by Adjusters.

**TPA Audit Category: Medical Cost Containment**  
**Composite Score = 98.07%**

Audit Metric	Audit Category #5 - Metric Descriptions	Final Score	Metric Scored
5.01	Assuming the JBWCP Member elected to participate within the Sedgwick Medical Provider Network AND the Claimant elected to treat outside of this Network, did the Adjuster either: (1) appropriately re-direct care; or (2) document why re-direction of care within Sedgwick Medical Provider Network was not possible?	100.00%	✓
5.02	Where JBWCP Member did not elect to participate within the Sedgwick Medical Provider Network, did Adjuster direct or soft channel the Claimant to a preferred provider (primary or specialty) where possible?	77.78%	✓
5.03	Issues of causation, treatment plan and permanent and stationary status are timely addressed and appropriately documented?	97.32%	✓
5.04	Utilization review (e.g., surgical requests, medical diagnostics, treatment duration) referrals were timely made and the results were appropriately documented and acted upon?	100.00%	✓
5.05	Agreed Medical Examinations/Qualified Medical Examinations/Peer Reviews were timely made and utilization was appropriate?	98.11%	✓
5.06	Nurse case management (either telephonic or field) assignment was approved by the Member and was timely, for appropriate duration and added value?	100.00%	✓

**Findings:**

Sedgwick’s overall composite audit score for medical cost containment is **98.07%** which (overall) is consistent with a high-performing claims organization. Six audit metrics were evaluated. Performance across the metrics ranged from **77.78%** to **100.00%**. Of the six specific audit metrics evaluated, five scored at or above the 90<sup>th</sup> percentile.

Claimants consistently participated within Sedgwick’s Medical Provider Network, or the alternate medical networks (in the event one or more Members elected to opt out). In instances where Claimants attempted to treat outside preferred Medical Provider Network(s), Sedgwick Adjusters were inconsistent in their efforts to re-direct or “soft channel” care resulting in an audit score of **77.78%**. A total of two adverse observations were identified ([4A2301ZRKXT-0001](#) and [JC11000742](#)). Where efforts to re-direct care were attempted but 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 typically observed to be appropriately addressed and documented by Adjusters. Utilization review was consistently employed by Adjusters to ensure the appropriateness of medical procedures, diagnostic testing, and treatment plans.

Where medical disputes could be not reasonably resolved in a timely manner, Adjusters typically utilized a combination of agreed and/or qualified medical examinations to resolve all underlying disputes. Additionally, nurse case management, whether telephonic or field assignments, were consistently approved by Members and were timely. A greater discussion of nurse case

management performance is located in Audit Category #16 of this report (**Nurse Case Management (TCM & FCM)**).

**Recommendations:**

Sedgwick Client Services Manager should reinforce the important of ensuring treatment within approved medical networks with Adjusters. To this end, Adjusters should be required to consistently document in-network treatment within action plans. Where out-of-network treatment is identified, Adjusters (or Nurse Case Managers) should be required to: (1) redirect and/or soft channel Claimants to approved medical networks; or (2) Preferred out-of-network providers based upon specialization or geographic considerations. All such efforts should be documented in action plans including if and why re-direction was not possible. Additionally, the supervisory review process should be leveraged to ensure out of network treatment is appropriately identified and addressed by Adjusters with coaching/instruction provided as required.

**TPA Audit Category: Disability Management  
Composite Score = 77.61%**

Audit Metric	Audit Category #6 - Metric Descriptions	Final Score	Metric Scored
6.01	Where the Claimant's disability exceeds recognized industry standards, did the Adjuster/Nurse Case Manager request clarification from the treating physician?	85.71%	✓
6.02	Adjuster/Nurse Case Manager demonstrate proactive efforts to pursue return to work?	95.00%	✓
6.03	Where changes in temporary or permanent restrictions were provided, were those restrictions communicated to the JBWCP Member within 2 business days of receipt by the Adjuster?	92.86%	✓
6.04	Where necessary, were clarifications relating to specific temporary and/or permanent restrictions sought from the treating physician, Agreed Medical Examination &/or Qualified Medical Examination providing all evaluating physicians with all appropriate records and documentation prior to the evaluation?	92.86%	✓
6.05	Confirmation email received and documented from the JBWCP Member regarding ability or inability to accommodate?	93.55%	✓
6.06	Were Official Disability Guidelines (ODG) documented within Plans of Action and referenced for ongoing resolution and reserving in indemnity claim files?	32.35%	✓

**Findings:**

Sedgwick's overall composite audit score for disability management is **77.61%** which is reflective of the presence of one specific systemic process inconsistency requiring immediate attention. Six audit metrics were evaluated in total. Performance across the metrics ranged from **32.35%** to **95.00%**. Of the six specific audit metrics evaluated, four scored at or above the 90<sup>th</sup> percentile.

Some inconsistency was observed regarding Adjusters seeking clarifications from treating or independent medical providers relating to temporary and/or permanent restrictions where industry disability guidelines were exceeded. An audit score of **85.71%** was achieved. However, a total of just seven applicable claims were identified. Only one adverse observation

was identified ([220000323JUD](#)) involving a lack of communication with a medical provider once both full duty and modified duty disability durations had been exceeded. Given the small sample size as well as the small number of absolute adverse observations, no larger adverse Program trend is evident.

Both Adjusters and Nurse Case Managers demonstrated an appropriate level of proactivity in managing efforts to return Claimants to work. Communications with both Members and Medical Providers were reasonable and collaborative in nature.

Where changes in temporary or permanent restrictions were provided by physicians, Adjusters generally communicated this information to JBWCP Members on a timely basis. As required, clarifications relating to both temporary and permanent work restrictions were generally provided to both treating physicians as well as AME/QME providers on a timely basis along with all necessary records and documentation required to provide a medical assessment. Additionally, return to work communications from JBWCP Members relating to their ability/inability to accommodate work restrictions were consistently documented in Adjuster claim files – either notes or attachments.

The one systemic process inconsistency observed was the lack of integration of Official Disability Guidelines into Adjuster Action Plans or within notes pertaining to reserving and/or settlement-related activities. A total of thirty-four applicable claims were identified during the audit. Of those thirty-four claims, just eleven were observed to be in compliance with the documentation requirement contained within JBWCP's Claims Service Guidelines. A resulting audit score of **32.35%** was achieved. The availability and use of disability guidelines is key to the strategy management of disability-related aspects of the claim.

It was noted during the rebuttal process with Sedgwick that arguments were made that the use and documentation of disability guidelines was not mandated for all claims. This interpretation is at odds with the current JBWCP Claims Service Guidelines which draws no such distinction. Additionally, of the twenty-five adverse observations identified, eighteen were attributable to just two Adjusters (i.e., Palmer and Christian). This suggests that issues identified regarding the use and documentation of disability guidelines may be confined to a small subset of Adjusters as opposed to being a Program-wide issue.

### **Recommendations:**

The Sedgwick Client Services Manager should review and reinforce the current Sedgwick Claim Service Guidelines regarding the usage and documentation of disability guidelines with Adjusters and Supervisors. As currently written, incorporation of disability guidelines within open claim file action plans is not discretionary. Compliance should be monitored through the supervisory review process and addressed via informal coaching/instruction as warranted.

### **Additional Best Practices Considerations:**

The primary intent for utilizing disability duration guidelines is to provide a mechanism to Adjusters to track a Claimant's advancement toward either: (1) full duty status; or (2) to a release with permanent restrictions, and to assist Adjusters to identify those claims requiring specialized attention and course adjustments. On claims where open indemnity claims no

longer possess a disability component, the necessity of utilizing disability guidelines are called into question.

The JBWCP Administrator should collaborate with Sedgwick’s Client Services Manager to mutually determine if there are any scenarios in which using and documenting disability guidelines within open indemnity claim action plans are unnecessary (e.g., future medical claims, pension claims). Where such scenarios are identified, they should be specifically memorialized within the Claims Service Guidelines.

**TPA Audit Category: Litigation Management**  
**Composite Score = 97.98%**

Audit Metric	Audit Category #7 - Metric Descriptions	Final Score	Metric Scored
7.01	Adjuster made a legal referral to defense counsel within five calendar days of the need of litigation referral?	100.00%	✓
7.02	Adjuster appropriately followed-up for required status reports when not provided by Defense Counsel on a timely basis?	96.23%	✓
7.03	Adjuster worked collaboratively with Defense Counsel to develop long term strategy and specific tasks to resolve litigation?	97.01%	✓
7.04	Defense Counsel activities were appropriately monitored by the Adjuster?	97.06%	✓
7.05	Assigned Defense Counsel activities represent an appropriate delegation of work. [ <i>Note: Adjusters are responsible for obtaining/subpoenaing prior medical records and/or claims information and forwarding to AME/PQME</i> ]	100.00%	✓
7.06	Adjuster was responsive to all Defense Counsel requests for information, assistance and authority?	98.48%	✓

**Findings:**

Sedgwick’s overall composite audit score for litigation management is **97.98%**, which is consistent with a high-performing claims organization. Six audit metrics were evaluated. Performance across the metrics ranged from **96.23%** to **100.00%**. All six of the specific audit metrics evaluated scored at or above the 90<sup>th</sup> percentile.

Referrals to Defense Counsel by Adjusters were consistently made on a timely basis. Adjusters were also observed to timely follow-up with defense counsel for overdue status reports providing an appropriate level of oversight on legal referrals. Once legal referrals were made, Adjusters worked collaboratively with defense counsel on ongoing litigation to jointly develop legal strategies and/or specific activities/tasks.

Adjusters generally did a reasonable job monitoring defense counsel activities. Where referrals were made to defense counsel, the scope of work requested reflected an appropriate delegation of legal and claims-related activities. Finally, where Defense Counsel requested information, assistance, and/or authority, Adjuster responses were both timely and sufficient in nature further bolstering the collaboration of the two parties.



**Recommendations:**

Not applicable.

**TPA Audit Category: Subrogation, Apportionment, Contribution**  
**Composite Score = 91.67%**

Audit Metric	Audit Category #8 - Metric Descriptions	Final Score	Metric Scored
8.01	<u>Does subrogation potential exist?:</u>	Indicator Only	Not Scored
8.01.1	- Was subrogation potential identified by the Adjuster?	60.00%	✓
8.01.2	- Was subrogation timely pursued, as authorized and directed by JBWCP Member or JBWCP Administrator?	100.00%	✓
8.01.3	- Where subrogation potential exists and the JBWCP Member elects not to pursue Sedgwick should bring the matter to the attention of the JBWCP Administrator for direction and assistance?	N/A	✓
8.01.4	- Was authority for compromised settlement of the Third-Party Lien obtained from the JBWCP Administrator?	0.00%	✓
8.02.0	<u>Does apportionment potential exist?:</u>	Indicator Only	Not Scored
8.02.1	- Was apportionment potential identified by the Adjuster?	100.00%	✓
8.02.2	- Was apportionment appropriately pursued?	100.00%	✓
8.03.0	<u>Does contribution potential exist?:</u>	Indicator Only	Not Scored
8.03.1	- Was contribution potential identified by the Adjuster?	N/A	✓
8.03.2	- Was contribution appropriately pursued?	N/A	✓

**Findings:**

Sedgwick’s overall composite audit score for subrogation, apportionment and contribution-related activities is **91.67%** which is consistent (overall) with a high-performing claims organization. Eight audit metrics were evaluated - three of which were found to be not applicable (i.e., **Metrics 8.01.3, 8.03.1 and 8.03.2**). Performance across the five remaining metrics ranged from **0.00%** to **100.00%**. Three of the applicable five metrics scored at or above the 90% percentile.

On claims presenting subrogation opportunities, Adjusters ability to identify the potential for recoveries was inconsistent. A total of five applicable claims were identified in our claim sample. Of these five claims, two adverse observations were identified ([4A230280F53-0001](#) and [4A22106JQXY-0001](#)) resulting in an audit score of **60.00%**. In instances where subrogation potential was identified, Adjusters timely and consistently and appropriately pursued subrogation opportunities including protecting the financial interests of JBWCP.

Finally, authority for compromised settlement of third party liens were inconsistently obtained from the JBWCP Administrator. An audit score of **0.00%** was achieved. We note this to be a more minor finding given the small overall sample size of applicable claims (i.e. one) and the

corresponding number of adverse observations (i.e., one - see [200000472JUD](#)). Scores in these two noted metrics may not lend themselves to extrapolation against the broader JBWCP workers' compensation claims population. The small absolute number of adverse observations suggests that the observed audit outcome is may not be indicative of a larger adverse trend in performance.

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

Finally, contribution-related activities were also assessed in conjunction with the TPA audit. However, no instances of claims featuring contribution potential and/or oversight were identified within the claim sample. Accordingly, no scoring exists.

**Recommendations:**

The Sedgwick Client Services Manager should coordinate with supervisory personnel to ensure Adjusters document a detailed assessment of subrogation potential within their action plans. Supervisors should then use the oversight process to assess the sufficiency of the investigation into subrogation potential by Adjusters, as well as to determine if technical recommendations and/or informal coaching/instruction is warranted.

**TPA Audit Category: Reserving  
Composite Score = 90.50%**

Audit Metric	Audit Category #9 - Metric Descriptions	Final Score	Metric Scored
9.01	Initial case reserves set by Adjuster within 5 business days of assignment?	90.91%	✓
9.02	Subsequent case reserve reviews for all non-future medical claims occurred at least every 90 days OR within 14 days of knowledge of a material claim file development impacting the claim's overall exposure. Subsequent case reserve reviews for future medical claims occurred at least every 180 days?	88.39%	✓
9.03	Case reserves are sufficiently documented?	91.14%	✓
9.04	Is a reserve change recommended?	91.82%	✓
9.05	Observed reserve variance	Table 2	Not Scored

**Findings:**

Sedgwick's overall composite audit score for reserving is **90.50%** which is consistent with a high-performing claims organization. Five audit metrics were evaluated – one of which is not scored (i.e., **Metric 9.5 – Reserve Variance**) but is displayed in Table 2 below. Performance across the remaining four metrics ranged from **88.39%** to **91.82%**. Of the four scored audit metrics evaluated, three scored at or above the 90<sup>th</sup> percentile.

Overall, the timing, documentation, and valuation of claim exposures were largely viewed as consistent with JBWCP Claims Service Guidelines. JBWCP's Claims Service Guidelines provide that initial reserves are to be established within five business days from the date of assignment. The vast majority of the applicable claims reflected initial case reserves being established in alignment with the Claims Service Guidelines.

Similarly, JBWCP's Claim Service Guidelines require reserves to be subsequently reviewed at least every ninety calendar days (or a minimum of every 180 calendar days on future medical claims) or within fourteen days of receipt of a material claim file development impacting a claim's projected exposure. A small minority of the claims audited demonstrated slight inconsistency in case reserves being re-evaluated within the frequency required by the Claims Service Guidelines. An audit score of **88.39%** was achieved.

Where reserves are established and updated, the sufficiency of case reserve documentation including the rationales applied to each reserve category (i.e., medical, indemnity and expense) were typically found to be compliant with JBWCP's Claims Service Guidelines. Finally, claims were audited regarding their compliance with JBWCP's "probable outcome" standard identified in the Claims Service Guidelines. Claims were generally observed to be compliant with the "probable outcome" standard contained within the Guidelines.

A Claim Value Roster is found in **Appendix E** of this report. The Claim Value Roster compares Sedgwick's total incurred claim value on audited claims versus Marsh's corresponding comparative estimate of total incurred value for claim audited. Marsh's comparative estimates are based upon information known to Sedgwick at the time each file was audited based upon documentation contained within the electronic claim file. Our estimates reflect a point-in-time valuation.

Sedgwick's total incurred claim values on all claims subject to audit total **\$19,183,344.05**. Marsh's comparative estimates of total incurred values on these same claims total **\$21,040,196.20**. This results in an aggregate under-reserving of loss exposures by **(\$1,856,852.15)** or **(9.7%)**. Case reserve variances of +/-10% or less are generally viewed as reasonable.

On the seventeen claims in which case reserves failed to reflect "probable outcome" (or 10.69% of the applicable claims audited), eleven of the claims were observed to be under-reserved. Under-reserving of claims was most prevalent relating to medical benefits on legacy claims. A more granular breakdown of aggregate case reserving discrepancies by reserve category is detailed in **Table 2** below.

**TABLE 2**

<b>Reserve Category</b>	<b>Variations In Dollars</b>	<b>Variations In Percentage</b>
- Medical Reserves	<b>(\$1,693,709.93)</b>	<b>(21.1%)</b>
- Indemnity Reserves	<b>(\$235,248.26)</b>	<b>(3.4%)</b>
- Expense Reserves	\$72,106.04	1.7%

The greatest variance in observed case reserves is attributable to future medical claims and specifically, future medical benefits. The Claims Service Guidelines use the language "probable outcome" to define reserving expectations including future medical claims which is consistent

with industry practices. The Claims Service Guidelines also provide, “Life expectancy can be included as part of the analysis on a case-by-case basis, but it is not a formula calculation”. In practice, some Sedgwick Adjusters appear to have interpreted Claims Service Guidelines to prohibit the use of a Claimant’s life expectancy when reserving legacy future medical claims. As a result of this practice, an inconsistency in reserving methodology is observed across the Program regarding the reserving of future medical claims.

This inconsistency is further complicated by language contained in the Claims Service Guidelines surrounding the reserving of future medical claims – specifically, “. . . but it is not a formula calculation”. In instances where: (1) a compromise and release of medical benefits is not possible; and (2) annual medical benefit expenditures are predictable, the utilization of life expectancy in a formulaic calculation would be appropriate given no other claim outcome appears viable. Accordingly, the current language (i.e., guidance) provided by the Claims Service Guidelines pertaining to reserving expectations on future medical claims is ambiguous and in our assessment, is partially responsible for reserve variances observed on future medical claims.

**Recommendations:**

Claims Service Guidelines involving Reserving (Section V) should be revised to provide greater clarity regarding specific expectations surrounding the reserving of future medical claims. Specifically, the language, “but it is not a formula calculation” should be eliminated as this language is fostering confusion amongst Adjusters and dissuading them using formulaic calculations when appropriate (i.e., no opportunity to resolve medical benefits via compromise and release + the presence of predictable annual medical expenditures).

**TPA Audit Category: Communications**  
**Composite Score = 93.45%**

<b>Audit Metric</b>	<b>Audit Category #10 - Metric Descriptions</b>	<b>Final Score</b>	<b>Metric Scored</b>
10.01	Ongoing contact with the injured worker was maintained on indemnity files that have not been settled as needed or at intervals not to exceed every 90 calendar days?	94.44%	✓
10.02	Adjuster maintained appropriate communication with the JBWCP Member including responding to all telephonic or written requests within 1 business day?	97.98%	✓
10.03	Did the Adjuster keep the JBWCP Member informed of case status, significant changes and resolution plans without the Member initiating an inquiry?	89.74%	✓
10.04	With respect to 132(a) actions filed against a JBWCP Member, Adjuster communicated what is and is not covered by the JBWCP program?	50.00%	✓

**Findings:**

Sedgwick’s overall composite audit score for communications is **93.45%** which (overall) is consistent with a high-performing claims organization. Four audit metrics were evaluated. Performance across metrics ranged from **50.00%** to **97.98%**. Two of the applicable metrics scored at or above the 90% percentile.

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. JBWCP's Claims Service Guidelines require communications with Claimants every fourteen-calendar days during periods of total disability, modified duty or changes in work status. Adjusters consistently maintained ongoing communications with Claimants during periods of either total disability or modified duty.

The JBWCP standard for response times to Member inquiries is one business day. Adjusters were observed to be highly responsive to JBWCP Member inquiries with the vast majority being returned within one business day by Adjusters.

General status communications to JBWCP Members (i.e., case status, material developments, and resolution strategies) evidenced minor lapses in communications resulting in an audit score of **89.74%**. Of the twelve adverse observations identified, the majority represented legacy claims (i.e., claims more than 24 months of age). The majority of the twelve observations involved a failure to keep Members informed relating to resolution-related activities followed by medical and/or legal updates or no updates/communications of any sort.

Finally, in the event a 132(a) action is filed against a Member, Sedgwick is obligated to inform the Member of what is specifically covered under the Memorandum of Coverage (MOC) and is outside of coverage (i.e. the responsibility of the Member). A total of two applicable claims were identified in the audit. Of these two claims, one ([200000257JUD](#)) failed to document that this disclosure had been provided to the Member in question resulting in an audit score of **50.00%**. Regardless of the score, we view this to be a minor finding given the small overall sample size of applicable claims (i.e. two) and the corresponding number of adverse observations (i.e., one). As such, this finding does not appear to be indicative of a larger adverse Program trend.

### **Recommendations:**

The communication expectations by Sedgwick to Members relating to those items covered and outside of coverage regarding 132(a) actions is not clearly defined in the Claims Service Guidelines. We recommend amending the "132a, Serious and Willful, ADA, FMLA, and Good Faith Personnel Actions" section of the Claims Service Guidelines to memorialize these communication expectations to JBWCP Members.

Additionally, the Memorandum of Coverage (MOC) should detail what is and is not covered regarding 132(a) claims. The auditors are not in possession of the MOC to evaluate the sufficiency of its contents or to assess if recommended changes are warranted. Regardless, the MOC and Claims Service Guidelines should align as to Sedgwick expectations on the Program.

**TPA Audit Category: Payments**  
**Composite Score = 98.40%**

Audit Metric	Audit Category #11 - Metric Descriptions	Final Score	Metric Scored
11.01	Average weekly wage and workers' compensation benefit rates appropriately calculated and documented in claim file?	97.96%	✓
11.02	Initial and ongoing temporary total disability benefits were paid timely (i.e., no penalties/ fines imposed)?	96.00%	✓
11.03	Initial and ongoing permanent partial disability benefits were paid timely (i.e., no penalties/fines imposed)?	100.00%	✓
11.04	Approved medical invoices were paid timely (i.e., no penalties/fines imposed)?	100.00%	✓
11.05	Payment of medical invoices were appropriate (i.e., no payments made for non-accepted body part or non-approved treatments)?	100.00%	✓
11.06	Legal invoices from Defense Counsel were reviewed for accuracy and paid timely (i.e., no evidence of defense counsel requesting payment on outstanding invoices)?	98.55%	✓
11.07	No evidence of 132(a) awards paid against the file (defense costs ok)?	100.00%	✓
11.08	Appropriate benefit notices were provided on all accepted and denied claims (e.g., initial, revised, final) including identification of any overpayment of benefits and a request for credit against future permanent partial disability benefits payable)?	100.00%	✓
11.09	Where an overpayment exists, did the Adjuster notify their Sedgwick Team Lead to add the overpayment add the overpayment to the Reimbursement Log?	91.67%	✓
11.10	Where an overpayment exists, did the Adjuster attempt to recover or offset against future payments? [ <i>Note: Neither Sedgwick or a JBWCP Member can agree to waive an overpayment or provide a future credit - only the JBWCP Administrator may do so</i> ]	92.31%	✓
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?	89.47%	✓
11.12	Adjusters will establish proactive diaries focused on case resolution activities, including management of upcoming disability due to surgeries and scheduled time loss, anticipated PD advances and settlements?	96.95%	✓

**Findings:**

Sedgwick's overall composite audit score for payments is **98.40%** which is consistent with a high-performing claims organization. Twelve audit metrics were evaluated. Performance across the metrics ranged from **89.47%** to **100.00%**. Of the twelve specific audit metrics evaluated, eleven scored at or above the 90<sup>th</sup> percentile.

Average weekly wage, temporary total and permanent benefit rates were typically found to have been appropriately calculated and documented in the audited claim 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. Similarly, legal invoices were evaluated and 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. Where Employment Development Department (EDD) lien notices were received, Sedgwick Adjusters generally made proactive attempt to contact the organization to coordinate and/or negotiate benefits and/or reimbursements on the claim resulting in a score of **89.47%** - just below the 90<sup>th</sup> percentile.

Where overpayments were observed to exist, efforts were generally made to recover and/or offset against future payments. Overpayment notifications were generally provided to the Sedgwick Client Services Manager and documented within the claim file notes.

**Recommendations:**

Not applicable.

**TPA Audit Category: Settlement/Resolution**  
**Composite Score = 94.84%**

<b>Audit Metric</b>	<b>Audit Category #12 - Metric Descriptions</b>	<b>Final Score</b>	<b>Metric Scored</b>
12.01	Adjuster recognized settlement opportunities early and approached settlement creatively including relevant methods and considerations to conclude the claim (i.e., global resolution, employment status, MSA, structures, arbitration, mediation)?	90.00%	✓
12.02	A Settlement Authority Request was completed (including rationale) and submitted to appropriate party/parties (i.e., Level) within 30 days of the occurrence of a "triggering" event by the assigned Adjuster?	90.24%	✓
12.03	10 calendar days within receipt of the SAR from the Adjuster (total 40 calendar days of the occurrence of a "triggering" event), and/or 10 Court days prior to any Hearing, MSC, or Trial, the Sedgwick Supervisor submitted the SAR to Members for approval, with a copy to the JBWCP Administrator's assigned analyst for the trial courts or directly to the analyst for the judiciary claims. File documentation will clarify any time these timelines cannot be met?	97.30%	✓
12.04	Adjuster adhered to the following settlement authority guidelines (new money to be paid out but not money that has already been paid out or advanced against settlement): * Level I - \$0-\$10,000 Sedgwick has full authority with notice to JBWCP Member ten court days prior to finalizing the settlement offer * Level II - \$10,001-\$100,000 JBWCP Member has full authority. * Level III - \$100,001+ Settlement Authority Panel (majority of 4 voting JBWCP Advisory Committee Members and the JBWCP Administrator/designee) in consultation with JBWCP Member?	100.00%	✓
12.05	The Adjuster appropriately addressed Medicare Set-Aside and Medicare-related issues in the claim resolution strategy?	100.00%	✓
12.06	Adjuster conducted aggressive, strategic and prompt settlement negotiations and follow-up?	97.56%	✓
12.07	Provider and Employment Development Department liens were/are being resolved in a timely and effective manner?	94.44%	✓
12.08	The file closed appropriately without delay, final bills were received and paid timely?	94.44%	✓
12.09	Administrative closure occurred on future medical claims with no treatment in excess of 12 months?	93.75%	✓

**Findings:**

Sedgwick's overall composite audit score for payments is **94.84%** which is consistent with a high-performing claims organization. Nine audit metrics were evaluated. Performance across the metrics ranged from **90.00%** to **100.00%**. All nine audit metrics evaluated scored at or above the 90<sup>th</sup> percentile.

Sedgwick Adjusters' were adept at recognizing early settlement opportunities. Settlement authority requests were generally completed and submitted within the thirty-day standard defined within Claims Service Guidelines to the appropriate party at JBWCP based upon the occurrence of one or more "triggering events". Once submitted, Supervisors timely reviewed and presented of settlement requests to Members and/or JBWCP Administrator within the ten-day requirement mandated by the JBWCP Claims Service Guidelines.

Adjusters were highly compliant with JBWCP's settlement authority guidelines relating to new money payouts identified in the Claims Service Guidelines. Provider and/or Employment Development Department liens were observed to be consistently resolved in a timely and effective manner. Similarly, when evaluating settlement opportunities, Adjusters consistently addressed and/or documented potential Medicare Set-Aside and other Medicare-related issues in conjunction with the development of overall claim resolution strategies. Finally, Adjusters were observed to conduct aggressive, strategic, and prompt settlement negotiations. We note the favorable reduction in JBWCP's open (legacy) claim inventory subsequent to the transition of the Program to Sedgwick.

Once resolved, claims were generally closed in a timely and efficient manner once final provider and legal bills were received and processed. Additionally, future medical claims were consistently "administratively" closed based upon a lack of medical treatment over the prior twelve month period consistent with JBWCP's Claims Service Guidelines.

**Recommendations:**

Not applicable.

**Additional Best Practices Considerations:**

During the rebuttal process, a claim ([220000305JUD](#)) was identified that featured an explicit rebuttal from the Adjuster regarding her understanding of JBWCP's preferences relating to settlement. Specifically, the auditor noted that the Adjuster should have priced file up for a Compromise and Release (C&R) rather than just ask if there is interest in settlement. The Adjuster's rebuttal stated, "Preferred method of the Account is not to push C&R unless IW is interested." The proffered rebuttal is inconsistent with our understanding the JBWCP's desire to resolve claims on a full and final basis.

While the Claims Service Guidelines mention nothing of the preference cited in the Adjuster's rebuttal, it does raise a question as to whether or not the lack of guidance within the Claims Service Guideline fosters this confusion. Nowhere within the Guidelines and specifically the Legacy Claim Project, Settlement Authority Level Guidelines, or Settlement Requests (or other related) sections of the document is JBWCP's resolution/settlement philosophy addressed.



To address this and other potential ambiguities, we recommend that a new Settlement Philosophy section be drafted to address various considerations pertaining to resolution of claims (including legacy claims) not otherwise memorialized. We further recommend (at a minimum) that the philosophy incorporate the following considerations:

- (1) A general preference toward compromise and release (C&R) resolution versus administrative closures. Where exceptions exist (i.e., Claimant continues to work for the Member), those exceptions should be detailed in the section. Adjuster's should advocate (where appropriate) for C&Rs. Claimants can always refuse this form of resolution. Waiting (and hoping) for Claimants to broach the subject is inappropriate and inconsistent with industry best practices;
- (2) The frequency of settlement attempts – particularly future medical claims. Where C&R resolution is appropriate, resolution should be approached annually with a Claimant;
- (3) The onus of settlement/resolution activities. Adjusters should be proactive relating to settlement activities – particularly on future medical claims. Waiting for Claimants to initiate settlement activities (including submitting a demand) is inconsistent with industry best practices; and
- (4) Claims should be fully worked-up (completion of a settlement evaluation) prior to initiating contacts with Claimants to inquire about an interest in settlement. Use of a standard interest letter (i.e., Are you interested in settling your claim) should be discouraged. Furthermore, any interest letter should identify the value of the settlement offer as well as the rationale as to how and why the value was computed. The annual work-up of claims:
  - a. Should align with annual legacy closure activities; and
  - b. Settlement evaluations should be used to validate the reasonableness of existing case reserves.

**TPA Audit Category: Strategic Plans & Documentation**  
**Composite Score = 94.72%**

<b>Audit Metric</b>	<b>Audit Category 13 - Metric Descriptions</b>	<b>Final Score</b>	<b>Metric Scored</b>
13.01	Initial claim file review completed by Adjuster within 30 days of claim assignment?	93.75%	✓
13.02	Action plans on indemnity claims are completed at least every 90 days by Adjuster (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (two 2 week grace period to apply)?	92.44%	✓
13.03	Claim files are appropriately documented?	96.59%	✓
13.04	Claim notes reflect consistent and timely follow-up on key activities	94.74%	✓
13.05	Examiners will establish proactive diaries to support the Plan of Action outlined in each file?	96.41%	✓
13.06	Supervisor feedback/recommendations are appropriately responded to and acted upon by Adjuster?	93.33%	✓
13.07	Total number of assigned lost time Adjusters documented in claim file over the audit period.	<b>Table 3</b>	<b>Not Scored</b>

**Findings:**

Sedgwick’s overall composite audit score for strategic plans and documentation is **94.72%** which is consistent with a high-performing claims organization. Seven audit metrics were evaluated – one of which are not scored (i.e., **Metric 13.7** – the results of which are displayed in Table 3 below. Performance across the remaining six scored metrics ranged from **92.44%** to **96.59%**. All the six metrics evaluated scored at or above the 90<sup>th</sup> percentile.

Initial claim file reviews were generally completed by Adjusters within 30 days of claim assignment consistent with JBWCP’s Claims Service Guidelines. Similarly, follow-up reviews were also generally completed by Adjusters at least: (1) every ninety days on active (newer) claims; and (2) one hundred and eighty days on legacy future medical claims.

Sedgwick claim files were appropriately documented by Adjusters within the JURIS system (e.g., notes, documents/images). Additionally, claim notes generally reflect timely follow-up (i.e., execution) of prospective activities identified in strategic plans. Finally, Adjusters consistently utilized diary functionality within Juris to manage existing caseloads. On claims where supervisory feedback and/or recommendations were provided, Adjusters were generally responsive to those suggestions with follow-up being documented within the claim notes.

Finally, we tracked one additional audit metric for informational purposes in conjunction with this audit category. This audit metric was not scored.

**TABLE 3**

# of Assigned Adjusters	Total Adjuster Count	% Of Audit Population
- 1 Indemnity Adjuster	141	79.2%
- 2 Indemnity Adjusters	28	15.7%
- 3 Indemnity Adjusters	9	5.1%
<b>TOTALS</b>	<b>178</b>	<b>100.0%</b>

The audit metric tracked the total number of assigned Adjusters documented on each of the one hundred seventy-eight applicable files over the relevant audit period (i.e., October 1, 2022 to present) to assess continuity of claim file management. Approximately **79%** of the applicable claims audited evidenced only one Adjuster working each claim. The remaining **21%** of applicable claims audited evidenced two or more Adjusters responsible for working each claim. **Table 3** above provides a breakdown of the actual number of Adjusters observed on each of the applicable claim files.

Finally, in addition to the audit metrics evaluated through the auditing process, we were also requested to validate Adjuster caseloads. Current Claims Service Guidelines require Adjusters to maintain average caseloads not to exceed one hundred twenty claims per Adjuster unless requested by JBWCP and agreed upon by Sedgwick. Sedgwick Adjusters are currently assigned to work both indemnity and medical only cases. Sedgwick Adjuster caseloads as of August 31, 2023 are documented in **Table 4** below.

Based upon the August 31, 2023 loss run provided at the inception of the TPA audit, two of the Sedgwick Adjusters (i.e., Palmer and Segovia-Humble) maintained point-in-time combined caseloads in excess of the one hundred twenty caseload target identified in the Claims Service Guidelines (i.e., 124 and 128 respectively). While it is noted that all Adjusters maintain indemnity caseloads within the one hundred and twenty target, JBWCP’s Claims Service Guidelines do not differentiate between caseloads of indemnity claims exclusively or indemnity and medical only claims.

**TABLE 4**

Indemnity Adjuster	Indemnity Caseload	Medical Only Caseload	Total Caseload
Austin Lowe	1	0	1
Ben McWatters	102	5	107
Elva Carnovale	110	5	115
Joy Tiffany	1	0	1
Justyce Williams	97	5	102
Nadine Palmer	111	13	124
Natalie Christian	118	10	128
Sarah Bosanko	95	8	103
Stacey Segovia-Humble	89	3	92

**Recommendations:**

Pending caseload levels should be discussed with the Sedgwick Client Services Manager to ensure that the 120 limit is monitored for compliance. Particularly given the variability among Adjusters (i.e., a low of 92 versus a high of 128 or a variance of approximately 39%). Alternative assignment protocols for medical only claims could be explored to better load balance Adjuster caseloads.

Additionally, Sedgwick should provide a monthly summary of caseloads by Adjuster to the JBWCP Administrator to ensure ongoing compliance with the JBWCP Claims Service Guidelines.

**TPA Audit Category: Supervisory Review**  
**Composite Score = 93.00%**

Audit Metric	Audit Category #14 - Metric Descriptions	Final Score	Metric Scored
14.01	Initial indemnity Supervisor review completed within 10 days of claim assignment?	92.73%	✓
14.02	Subsequent indemnity review(s) completed within 90 days and then 120 days (180 days prior to 7/15/21) thereafter by Supervisor (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (2 week grace period to apply)?	95.86%	✓
14.03	Throughout the claim, the Supervisor provided timely, responsive and meaningful direction on the claim?	89.82%	✓
14.04	If the Adjuster(s) did not appropriately respond to Supervisor's direction, did the Supervisor provide the appropriate level of follow-up?	50.00%	✓
14.05	Supervisors will establish proactive diaries to follow up on specific cases or issues as necessary?	96.75%	Not Scored
14.06	Total number of assigned Supervisors documented in the claim file over the audit period.	Table 5	Not Scored

**Findings:**

Sedgwick’s overall composite audit score for supervisory review is **93.00%** which is consistent with a high-performing claims organization. Six audit metrics were evaluated – one of which are not scored (i.e., **Metric 14.6** – the results of which are displayed in Table 5 below). Performance across the remaining five scored metrics ranged from **50.00%** to **96.75%**. Of the five scored audit metrics evaluated, three scored at or above the 90<sup>th</sup> percentile.

With respect to timing considerations, initial supervisor reviews were compliant with the ten day requirement contained in the Claims Service Guidelines. Similarly, the frequency of subsequent supervisory reviews was compliant with JBWCP’s Claims Service Guidelines – both for active claims (i.e. 90 days maximum) and future medical claims (i.e., 180 days maximum). Supervisors were observed to consistently utilize the diary functionality to track future review dates.

Supervisory reviews did not always demonstrate the requisite level of proactive sound technical expertise, or existence of necessary feedback/recommendations within claim notes given existing obstacles to claim resolution. As a result, the audit score achieved by Sedgwick was **89.82%**. A total of seventeen adverse exceptions were identified. In comparison, where Adjusters posed questions to their assigned Supervisors, feedback was observed to be both timely in nature and on-point with the underlying questions/concerns posed.

Another significant area of opportunity involved Supervisors’ failure to consistently follow through on prior feedback and/or recommendations. In instances where prior recommendations/feedback had not been (timely) acted upon by Adjusters, Supervisors did not consistently perform the necessary level of follow-up to ensure completion of requested activities by Adjusters. Based upon a total of twelve applicable claims, six adverse exceptions were identified resulting in audit score of **50.00%**.

Finally, we tracked one additional audit metric for informational purposes in conjunction with this audit category. This audit metric was not scored. The audit metric tracked the total number of assigned Supervisors documented on each of the applicable audited files over the relevant audit period (i.e., on or after July 1, 2022) to assess continuity. Approximately **84%** of the applicable claims audited evidenced only one Supervisor providing oversight on each claim. The remaining **16%** of applicable claims audited evidenced two or more Supervisors responsible for ongoing oversight per claim.

**Table 5** below provides a breakdown of the actual number of Supervisors observed on each of the applicable claim files

**TABLE 5**

<b># of Supervisors</b>	<b>Total Supervisor Count</b>	<b>% Of Audit Population</b>
- 1 Supervisors	151	83.9%
- 2 Supervisors	26	14.4%
- 3 or more Supervisors	3	1.7%
<b>TOTALS</b>	<b>180</b>	<b>100.0%</b>

**Recommendations:**

Adjusters should be required to integrate Supervisor recommendations into strategy plans. Adjusters should also be required to update the status of all documented recommendations. This will help to drive Adjuster execution, as well as provide a more transparent mechanism to Supervisors to assess the need for potential interventions including further recommendations, coaching/ instruction, and/or formal training at the Adjuster level.

## Case Management Audit Categories & Metrics

### Case Management Audit Category: Nurse Triage Composite Score = 80.09%

Audit Metric	Audit Category #15 - Metric Descriptions	Final Score	Metric Scored
15.01	Triage Nurse contacted Claimant (if open to communication) and the Treating Doctor within 3 business days of the claim assignment and documented the file accordingly?	79.10%	✓
15.02	Triage Nurse documented: (1) appropriate treatment and estimated return to work using Official Disability Guidelines (ODG) and the American College of Occupational and Environmental Medicine (ACOEM) guidance; (2) review of work status; and availability of accommodations; and (3) treating Physician's treatment/disability Plan and their recommendations?	85.48%	✓
15.03	If Claimant is a judge, was approval (from Jade Vu) first obtained (and documented) to triage claim?	100.00%	✓
15.04	Triage Nurse obtained availability of transitional work and a copy of the employee's duty statement (job description)?	66.67%	✓
15.05	Triage Nurse followed-up with Adjuster with specific recommendations if additional clinical resources were warranted within three business days?	83.33%	✓

#### **Findings:**

Sedgwick's overall composite audit score for nurse triage is **80.09%** which is reflective of the presence of several systemic process inconsistencies requiring attention on the part of Sedgwick involving multiple triage-related activities. Five audit metrics were evaluated. Performance across the metrics ranged from **66.67%** to **100.00%**. Of the five specific audit metrics evaluated, just one scored at or above the 90<sup>th</sup> percentile.

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

Actual communications by Triage Nurses with Claimants were inconsistent. Of the sixty-seven applicable claims that were audited, a total of fourteen adverse observations were identified for a resulting audit score of **79.10%**. Despite the communications requirement being explicitly documented within the JBWCP Managed Care Guidelines, multiple examples were identified of: (1) Adjusters never notifying Triage Nurses of the reported losses; or (2) Nurses unilaterally determining the communications were unnecessary.

In the case of the former, examples tended to occur on claims reported in late 2022/early 2023 during the period in which Sedgwick was addressing issues raised during the 2022 audit. In the case of the latter, Triage Nurse decisions that communications were unnecessary were more evident during 2023 (i.e., once Examiner reporting of losses began to occur). In such instances,

there appears to be an interpretation by Triage Nurses that once nurse triage referrals are made, completion of required activities are discretionary based upon the circumstances of a particular claim. This interpretation is at odds with the current language for in the JBWCP Managed Care Guidelines.

Where triage nurse referrals were made by Adjusters and pursued by Triage Nurses, required documentation was not always observed resulting in an audit score of **85.48%**. Observed documentation gaps included:

- (1) The identification of treatment, estimated return to work utilizing Official Disability Guidelines (ODG) and American College of Occupational and Environmental Medicine (ACOEM) guidance; and
- (2) A review of work status, the availability of accommodations; and
- (3) Treating Physician's treatment/disability Plan and their recommendations

JBWCP's Managed Care Guidelines require the JBWCP Administrator to approve Nurse Triage on all claims in which the Claimant is a Judge. Adjusters/Triage Nurses were observed to be fully compliant with this requirement.

Another Nurse Triage requirement identified in JBWCP's Managed Care Guidelines is the requirement to obtain the availability of transitional work as well as a description of the Claimant's job duties. However, based upon our evaluation of Nurse Triage documentation, job descriptions were inconsistently obtained. A total of eleven adverse observations were identified resulting in an audit score of **66.67%**. We noted multiple rebuttals indicating that obtaining job descriptions were not required – an interpretation also at odds with JBWCP's Managed Care Guidelines.

Finally, JBWCP Managed Care Guidelines require nurse triage to be completed with follow-up with the Adjuster with specific recommendations if additional clinical resources are required. Based upon our audit observations, documentation of follow-up with Adjusters by Triage Nurses were inconsistent and/or inconsistently documented. A resulting audit score of **83.33%** was achieved. A total of eight adverse observations were identified.

### **Recommendations:**

Despite the significant improvement in performance in nurse triage activities from the 2022 audit, multiple systemic process-related issues remain. The Sedgwick Client Services Manager and the JCWCP Administrator should collaborate to address these process-related deficiencies identified above with the ultimate goal of aligning on both the intent and expectations relating to Nurse Triage activities as detailed in the JBWCP Managed Care Guidelines.

Following this discussion, required revisions to the Managed Care Guidelines should be made (as required). To the degree expectations contained in the Managed Care Guidelines remain unchanged, then Sedgwick should develop and deliver to JBWCP a plan for implementing required corrective actions to address identified process deficiencies including training of both Adjusters and Nurse Case Managers.

Additionally, consider amending the Managed Care Guidelines to either:

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

**Additional Best Practices Considerations:**

Revise the JBWCP Managed Care Guidelines involving the triaging of all medical only and indemnity claims. Most medical only claims are of a short duration and by their very nature, do not present a disability management component. As such, they typically do not require nurse intervention. JBWCP's current triage practices (as written) do not currently align with industry best practices. Furthermore, by redefining referral criteria, Nurses can be more appropriately utilized. Specifically:

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

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

**Composite Score = 96.69%**

Audit Metric	Audit Category #16 - Metric Descriptions	Final Score	Metric Scored
16.1	If a Nurse Case Manager is assigned, is it consistent with case management protocols and by agreement of Adjuster and JBWCP Member?	95.65%	✓
16.2	Was case management initiated within 24 hours of referral?	94.74%	✓
16.3	Did Nurse Case Manager make up to three attempts at communications with Medical Provider and Employee (Two-Point Contact) within five business days from the date of assignment, and document the content of communications within the claim notes?	92.86%	✓
16.4	Nurse Case Manager progress reports contain medical treatment plan, next appointment date, work status, barriers to recovery and recommendations?	100.00%	✓
16.5	Nurse Case Manager integrated Official Disability Guidelines and American College of Occupational and Environmental Medicine guidance into progress reports?	100.00%	✓
16.6	Initial Nurse Case Manager evaluation completed within 7 business days of referral?	100.00%	✓
16.7	Nurse Case Manager Progress Reports completed every 30 days or upon significant activity?	100.00%	✓
16.8	Appointment updates provided to Adjuster within 24 hours of appointment?	100.00%	✓
16.9	Updates provided to Adjuster within 24 hours of significant file developments (return to work full or modified duty, anticipated surgery, etc.)?	100.00%	✓
16.10	Nurse Case Manager tracked lost time, modified and return to work dates in Juris?	100.00%	✓



16.11	If a Telephonic Case Management assignment exceeded 60 lost time days or other barriers to recovery or return to work are present, was Field Case Management considered?	50.00%	✓
16.12	Did Nurse Case Manager discuss the case with Adjuster and Supervisor when the claim reached 90-days of service?	80.00%	✓
16.13	Nurse Case Manager notes appropriately documented in the claim system?	100.00%	✓

**Findings:**

Sedgwick’s overall composite audit score for nurse case management compliance with JBWCP protocols is **96.69%** which is consistent with a high-performing claims organization. Thirteen audit metrics were evaluated. Performance across the metrics ranged from **50.00%** to **100.00%**. Of the thirteen specific audit metrics evaluated, eleven scored at or above the 90<sup>th</sup> percentile.

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

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

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

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

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

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

Managed Care Guidelines requiring a review of telephonic case management (TCM) referrals at the sixty-day mark for field case management (FCM) were not consistently observed. A total of two adverse observations were identified resulting in an audit score of **50.00%** ([4A2302K5Y9Z-](#)

[0001](#) and [4A22119GRT9-0001](#)). Similarly, the Managed Care Guidelines also require the Nurse Case Manager to discuss the case with both Adjuster and Team Lead at the 90 day mark. This collaboration was not consistently observed (i.e., an audit score of 80.00%) though only one adverse observation was identified ([4A23032JS0Y-0001](#)). Despite the lower audit scores, we note that the absolute number of adverse observations is small (two and one respectively). As such, performance does not appear to suggest a larger adverse trend within the larger Program.

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

**Recommendations:**

We recommend that nurse case management referral criteria should be identified and documented within JBWCP's Managed Care Guidelines.

**Additional Best Practices Considerations:**

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

- Require Adjusters to document and comment on field case management progress reports as well as on-going communication and collaboration with Telephonic Case Management and Field Case Management Nurses.
- Discuss the need for developing mid-case referral triggers with Sedgwick.
- While Nurses are required to reference ODG for disability durations, there are no requirement within JBWCP's Managed Care Guidelines for action to be undertaken where the best practice benchmark is anticipated to be exceeded. Consider adding the following language:
  - Establish modified and full duty return to work target dates as well as goals based on best practice benchmarks. If claim typical or maximum is being utilized, justify why.
  - Collaborate with the Adjuster on the plan of action when the benchmark is anticipated to be exceeded.
  - Escalate to a task FCM, Peer Review or QME if the treating provider is non-responsive or does not provide justification for on-going disability.

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

Require Sedgwick to present proposed referral criteria, including any predictive modeling capabilities and/or business rules for those claims that should be referred for nurse case

management (or claim triage). At a minimum, refer claims wherein the proposed medical treatment and/or disability duration exceeds guidelines.

**Case Management Audit Category: Medical Provider Network**  
**Composite Score = 100.00%**

Audit Metric	Audit Category #17 - Metric Descriptions	Final Score	Metric Scored
17.01	Did the Nurse Case Manager attempt to influence the Claimant to treat within the preferred medical provider network relating to the choice of a primary or specialty provider (if applicable)	100.00%	✓

**Findings:**

Sedgwick’s overall composite audit score involving influencing Claimants to treat within the medical provider network is **100.00%** which is consistent with a high-performing claims organization. One audit metric was evaluated. No adverse observations were identified.

JBWCP currently utilizes the Sedgwick’s MPN. This is an elective network in which the Member may or may not participate (though it is strongly encouraged for all Members to do so to minimize costs across the Program). Nurses (as well as Adjusters) are expected to attempt to influence Claimants to treat within preferred medical networks, where possible.

Claim file documentation reviewed evidenced Nurses (and Adjusters) complying with this requirement on claims originating with Sedgwick as well as on legacy claims transitioned from the prior TPA. On older legacy claims (i.e., dates of loss preceding 7/1/2022), Claimants have been allowed to continue to treat with the providers selected under the prior TPA’s preferred medical provider network to facilitate continuity of treatment and to avoid the potential for litigation.

**Recommendations:**

Not applicable.

**Case Management Audit Category: Pharmacy Benefits Program**  
**Composite Score = 95.83%**

Audit Metric	Audit Category #18 - Metric Descriptions	Final Score	Metric Scored
18.01	Utilization of Vita Point-Optum pharmacy network program for prescription drugs?	95.83%	✓

**Findings:**

Per Managed Care Guidelines, JBWCP has contracted with Sedgwick to utilize the latter’s pharmacy network (i.e., Vita Point-Optum). Based upon audit observations, Adjusters and Nurse Case Managers were successful driving pharmacy network utilization. Sedgwick’s overall

composite audit score pertaining to the utilization of the designated pharmacy benefits network or PBM is **95.83%** which is consistent with a high-performing claims organization.

**Recommendations:**

Not applicable.

**Case Management Audit Category: Closure Criteria  
Composite Score = 97.14%**

Audit Metric	Audit Category #19 - Metric Descriptions	Final Score	Metric Scored
19.1	If one or more of the following criteria were met, was the nurse case management assignment timely closed out: (1) Claimant returned to work full duty; (2) Claimant returned to work in a permanent modified position; (3) Claimant was declared Permanent & Stationary; (4) Claim was denied; (5) No impact can be made on the file; (6) Request made by Adjuster; and/or (7) Task assignment completed?	94.44%	✓
19.2	Closure report completed upon file closure within 5 days?	100.00%	✓

**Findings:**

Sedgwick’s overall composite audit score pertaining to nurse case management closure criteria is **97.14%** which is consistent with a high-performing claims organization. Two audit metrics were evaluated. Performance across the metrics ranged from **94.44%** to **100.00%**. Both audit metrics evaluated scored at or above the 90<sup>th</sup> percentile.

Consistent with JBWCP’s Managed Care Guidelines, there are closure criteria in place for when case management assignments should be terminated. Based upon audit results, nurse case management referrals were generally observed to be terminated consistent with the closure criteria defined in the Managed Care Guidelines.

The Managed Care Guidelines also require a final closure report to be completed upon file closure within five days. Sedgwick Nurse Case Managers were observed to consistently comply with this requirement.

**Recommendations:**

Not applicable.

# Appendix A: Third Party Administrator Audit Claim Sample

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

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

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

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
127	Trial Courts	San Diego Co.	4A2209G0ZW2-0001	09/15/2022	Redacted	Williams
128	Trial Courts	Merced Co.	4A2209H117G-0001	09/14/2022	Redacted	Bosanko
129	Trial Ct. Judges	San Mateo Co.	4A2209N38DP-0001	04/09/2021	Redacted	McWatters
130	Trial Ct. Judges	Orange Co.	4A2209P46ZT-0001	09/21/2022	Redacted	Diaz
131	Trial Ct. Judges	San Mateo Co.	4A2209T71RH-0001	09/26/2022	Redacted	McWatters
132	Trial Ct. Judges	Orange Co.	JC01000042	02/29/2000	Redacted	Diaz
133	Trial Courts	Los Angeles Co.	JC010020050	02/20/2001	Redacted	Diaz
134	Trial Courts	Sacramento Co.	JC02000031	03/20/2001	Redacted	Segovia-Humble
135	Trial Courts	Alameda Co.	JC02000599	01/10/2001	Redacted	McWatters
136	Trial Courts	Riverside Co.	JC020020218	03/06/2002	Redacted	Christian
137	Trial Ct. Judges	Imperial Co.	JC03000186	04/16/2002	Redacted	Christian
138	Trial Courts	Los Angeles Co.	JC04000583	01/17/2003	Redacted	Diaz
139	Trial Courts	Del Norte Co.	JC04000593	12/11/2003	Redacted	Segovia-Humble
140	Trial Courts	Santa Clara Co.	JC04001062	03/15/2004	Redacted	Bosanko
141	Trial Courts	Kern Co.	JC05001124	09/02/2005	Redacted	Palmer
142	Trial Courts	San Mateo Co.	JC06000181	08/25/2005	Redacted	McWatters
143	Trial Courts	Del Norte Co.	JC06000321	02/28/2005	Redacted	Segovia-Humble
144	Trial Courts	Butte Co.	JC06000658	03/29/2005	Redacted	Segovia-Humble
145	Trial Courts	Marin Co.	JC07000004	01/18/2006	Redacted	Bosanko
146	Judiciary	San Diego Co.	JC07000157	05/23/2006	Redacted	Williams
147	Trial Courts	2 <sup>nd</sup> DCA	JC07000833	04/03/2007	Redacted	Diaz
148	Trial Courts	Riverside Co.	JC08000081	05/05/2008	Redacted	Christian
149	Trial Courts	Colusa Co.	JC08000518	04/26/2007	Redacted	Segovia-Humble
150	Trial Courts	Kern Co.	JC08000568	07/16/2007	Redacted	Palmer
151	Trial Courts	Sacramento Co.	JC08020009	07/23/2008	Redacted	Segovia-Humble
152	Judiciary	Madera Co.	JC09000020	04/07/2008	Redacted	Christian
153	Trial Courts	JCC	JC09020405	12/03/2008	Redacted	Diaz
154	Trial Courts	Kings Co.	JC09020548	02/24/2009	Redacted	Christian
155	Trial Courts	Santa Clara Co.	JC09020810	05/08/2009	Redacted	Bosanko
156	Trial Courts	San Diego Co.	JC10000310	11/23/2009	Redacted	Williams
157	Trial Courts	Sutter Co.	JC10000352	12/10/2009	Redacted	Segovia-Humble
158	Trial Courts	San Francisco Co.	JC10000450	01/26/2010	Redacted	Segovia-Humble
159	Trial Courts	Alameda Co.	JC10000556	03/12/2010	Redacted	McWatters
160	Trial Courts	Yolo Co.	JC10000625	04/13/2010	Redacted	Segovia-Humble
161	Trial Courts	San Mateo Co.	JC10000788	04/28/2010	Redacted	McWatters
162	Trial Courts	San Joaquin Co.	JC11000226	10/15/2010	Redacted	Segovia-Humble
163	Trial Courts	San Francisco Co.	JC11000400	01/12/2011	Redacted	Segovia-Humble
164	Trial Courts	Siskiyou Co.	JC12020086	08/26/2011	Redacted	Bosanko
165	Trial Courts	Orange Co.	JC12020592	05/01/2012	Redacted	Diaz
166	Trial Courts	Madera Co.	JC12020651	02/21/2012	Redacted	Christian
167	Trial Courts	San Luis Obispo Co.	JC12020768	08/14/2014	Redacted	Christian
168	Trial Courts	Contra Costa Co.	JC13020029	07/12/2012	Redacted	Palmer
169	Trial Courts	Kern Co.	JC13020081	08/23/2012	Redacted	Palmer
170	Trial Courts	Humboldt Co.	JC13020160	09/24/2012	Redacted	Williams



Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
171	Trial Courts	Solano Co.	JC13020463	02/21/2013	Redacted	McWatters
172	Trial Courts	Monterey Co.	JC13020612	05/14/2013	Redacted	McWatters
173	Trial Courts	San Diego Co.	JC13020675	06/17/2013	Redacted	Williams
174	Trial Courts	Tuolumne Co.	JC14020037	07/11/2013	Redacted	Segovia-Humble
175	Trial Courts	Stanislaus Co.	JC14020609	06/25/2014	Redacted	Bosanko
176	Trial Ct. Judges	Los Angeles Co.	JC91000040	01/22/1990	Redacted	Diaz
177	Trial Ct. Judges	Sutter Co.	JC93000011	06/08/1992	Redacted	Diaz
178	Judiciary	JCC	JC96000020	05/22/1995	Redacted	Diaz
179	Judiciary	Supreme Ct. of CA	JC99000018	01/08/1999	Redacted	Diaz
180	Trial Courts	JCC	JC99000034	06/10/1999	Redacted	Diaz

# Appendix B: Case Management Audit Claim Sample

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
1	Trial Court	San Diego Co.	220000101JUD	09/16/2021	Redacted	Williams
2	Trial Court	Mariposa Co.	220000289JUD	10/03/2021	Redacted	Bosanko
3	Trial Court	San Diego Co.	220000135JUD	10/05/2021	Redacted	Williams
4	Trial Court	Orange Co.	220000140JUD	10/12/2021	Redacted	Diaz
5	Trial Court	Santa Clara Co.	220000139JUD	10/13/2021	Redacted	Bosanko
6	Trial Court	Shasta Co.	220000143JUD	10/18/2021	Redacted	Williams
7	Trial Court	San Diego Co.	220000150JUD	10/22/2021	Redacted	Williams
8	Trial Court	San Joaquin Co.	220000172JUD	10/27/2021	Redacted	Segovia-Humble
9	Trial Court	Santa Clara Co.	220000227JUD	11/01/2021	Redacted	Bosanko
10	Trial Court	Sacramento Co.	220000233JUD	11/01/2021	Redacted	Segovia-Humble
11	Trial Court	Imperial Co.	220000171JUD	11/04/2021	Redacted	Christian
12	Trial Court	San Bernardino Co.	220000189JUD	11/16/2021	Redacted	Palmer
13	Trial Court	San Bernardino Co.	220000211JUD	11/17/2021	Redacted	Palmer
14	Trial Court	Riverside Co.	220000218JUD	11/29/2021	Redacted	Christian
15	Trial Court	Santa Clara Co.	220000214JUD	12/06/2021	Redacted	Bosanko
16	Trial Court	Colusa Co.	220000235JUD	12/27/2021	Redacted	Segovia-Humble
17	Trial Court	Shasta Co.	220000278JUD	01/10/2022	Redacted	Williams
18	Trial Court	Alameda Co.	220000271JUD	01/13/2022	Redacted	McWatters
/19	Trial Court	Ventura Co.	220000323JUD	01/21/2022	Redacted	Christian
20	Trial Court	San Luis Obispo Co.	220000305JUD	01/28/2022	Redacted	Christian
21	Trial Court	Tehama Co.	220000329JUD	02/04/2022	Redacted	McWatters
22	Trial Court	San Diego Co.	220000325JUD	02/10/2022	Redacted	Williams
23	Trial Court	Sacramento Co.	220000346JUD	03/01/2022	Redacted	Segovia-Humble
24	Trial Court	San Diego Co.	220000348JUD	03/09/2022	Redacted	Williams
25	Trial Court	Alameda Co.	220000354JUD	03/09/2022	Redacted	McWatters
26	Trial Court	Orange Co.	220000353JUD	03/14/2022	Redacted	Diaz
27	Trial Court	Ventura Co.	220000386JUD	03/25/2022	Redacted	Christian
28	Trial Court	San Diego Co.	220000385JUD	04/06/2022	Redacted	Williams
29	Trial Court	Fresno Co.	220000391JUD	04/12/2022	Redacted	McWatters
30	Trial Court	San Diego Co.	220000401JUD	04/18/2022	Redacted	Williams
31	Trial Court	Sacramento Co.	220000422JUD	04/29/2022	Redacted	Segovia-Humble
32	Trial Court	Santa Cruz Co.	220000433JUD	05/06/2022	Redacted	Bosanko
33	Trial Court	Orange Co.	220000430JUD	05/10/2022	Redacted	Diaz
34	Trial Court	Kern C.	220000459JUD	05/23/2022	Redacted	Palmer
35	Trial Court	San Diego Co.	220000456JUD	05/24/2022	Redacted	Williams
36	Trial Court	Riverside Co.	220000460JUD	05/31/2022	Redacted	Christian
37	Trial Court	San Bernardino Co.	220000463JUD	06/02/2022	Redacted	Palmer
38	Trial Court	Orange Co.	220000481JUD	06/08/2022	Redacted	Diaz

Claim Count	JBWCP Segment	JCWCP Member	Claim Number	Date of Loss	Claimant Last Name	Claim Adjuster
39	Trial Court	Sacramento Co.	220000471JUD	06/09/2022	Redacted	Segovia-Humble
40	Trial Court	San Francisco Co.	220000495JUD	06/16/2022	Redacted	Segovia-Humble
41	Trial Court	Santa Clara Co.	220000492JUD	06/22/2022	Redacted	Bosanko
42	Trial Court	Santa Cruz Co.	4A22074PBL7-0001	07/01/2022	Redacted	Bosanko
43	Trial Court	San Bernardino Co.	4A2207CYVNH-0001	07/01/2022	Redacted	Palmer
44	Trial Court	Orange Co.	4A22080NN9Z-0001	07/06/2022	Redacted	Diaz
45	Trial Court	Tulare Co.	4A22076SQZ1-0001	07/07/2022	Redacted	Segovia-Humble
46	Trial Court	San Mateo Co.	4A2207N88H7-0001	07/08/2022	Redacted	McWatters
47	Trial Court	Stanislaus Co.	4A22081PBT0-0001	07/11/2022	Redacted	Bosanko
48	Trial Court	Orange Co.	4A2207CY5C3-0001	07/11/2022	Redacted	Diaz
49	Trial Court	San Diego Co.	4A2207DZWS5-0001	07/12/2022	Redacted	Williams
50	Trial Court	San Bernardino Co.	4A2207L57K5-0001	07/15/2022	Redacted	Palmer
51	Trial Court	Madera Co.	4A2207TFJZ1-0001	07/20/2022	Redacted	Christian
52	Trial Court	San Bernardino Co.	4A2207P8NQH-0001	07/21/2022	Redacted	Palmer
53	Trial Court	Alameda Co.	4A2207WJCHC-0001	07/25/2022	Redacted	McWatters
54	Trial Court	Sacramento Co.	4A2209CXP9L-0001	07/25/2022	Redacted	Segovia-Humble
55	Trial Court	San Mateo Co.	4A22084TR47-0001	07/26/2022	Redacted	McWatters
56	Trial Court	Santa Clara Co.	4A22080NFZ3-0001	07/27/2022	Redacted	Bosanko
57	Trial Court	San Francisco Co.	4A22087X3DK-0001	07/28/2022	Redacted	Segovia-Humble
58	Trial Court	San Diego Co.	4A22080NP1L-0001	07/29/2022	Redacted	Williams
59	Trial Court	San Bernardino Co.	4A22081P96Q-0001	07/29/2022	Redacted	Palmer
60	Trial Court	Riverside Co.	4A2208B0HWW-0001	08/02/2022	Redacted	Christian
61	Trial Court	San Joaquin Co.	4A22091NKL4-0001	08/03/2022	Redacted	Segovia-Humble
62	Trial Court	San Joaquin Co.	4A2208K5C02-0001	08/04/2022	Redacted	Segovia-Humble
63	Trial Court	Santa Clara Co.	4A2208XJ39J-0001	08/05/2022	Redacted	Bosanko
64	Trial Court	Kern Co.	4A2208J4FN6-0001	08/08/2022	Redacted	Palmer
65	Trial Court	Alameda Co.	4A2208YJR4L-0001	08/08/2022	Redacted	McWatters
66	Trial Court	El Dorado Co.	4A22090LW58-0001	08/10/2022	Redacted	Segovia-Humble
67	Trial Court	Fresno Co.	4A2208C29G6-0001	08/11/2022	Redacted	McWatters
68	Trial Court	San Bernardino Co.	4A2208J41KM-0001	08/12/2022	Redacted	Palmer
69	Trial Court	Sonoma Co.	4A2208ZLF11-0001	08/12/2022	Redacted	Bosanko
70	Trial Court	Sacramento Co.	4A2208H3PGS-0001	08/13/2022	Redacted	Segovia-Humble
71	Trial Court	Orange Co.	4A2208J4WHB-0001	08/17/2022	Redacted	Diaz
72	Trial Court	San Diego Co.	4A2208YK5LD-0001	08/18/2022	Redacted	Williams
73	Trial Court	Riverside Co.	4A2208QBK6R-0001	08/23/2022	Redacted	Christian
74	Trial Court	Alameda Co.	4A22090MDGR-0001	08/29/2022	Redacted	McWatters
75	Trial Court	San Luis Obispo Co.	4A22091NGTT-0001	08/31/2022	Redacted	Christian
76	Trial Court	Stanislaus Co.	4A22095QW3F-0001	09/01/2022	Redacted	Bosanko
77	Trial Court	Solano Co.	4A22096RYMG-0001	09/06/2022	Redacted	McWatters
78	Trial Court	San Diego Co.	4A22096SM3K-0001	09/07/2022	Redacted	Williams
79	Trial Court	San Diego Co.	4A22096SBH2-0001	09/07/2022	Redacted	Williams
80	Trial Court	San Francisco Co.	4A2209CXVPS-0001	09/12/2022	Redacted	Segovia-Humble

# Appendix C: Scoring By Category

JBWCP 2023 ANNUAL AUDIT SCORING SUMMARY	AUDIT CATEGORY SCORES		
	Total	Applicable	Score
JCC Member Loss Reporting	180	29	79.31%
Claim Set-Up & Assignment/Reassignment	180	29	95.59%
Three-Point Contact	180	30	88.89%
Investigations	180	78	79.70%
Medical Cost Containment	180	133	98.07%
Disability Management	180	41	77.61%
Litigation Management	180	71	97.98%
Subrogation, Apportionment, Contribution	180	20	91.67%
Reserving	180	167	90.50%
Communications	180	129	93.45%
Payments	180	165	98.40%
Settlement/Resolution	180	86	94.84%
Action Plans	180	180	94.72%
Supervisory Review	180	179	93.00%
Nurse Triage	80	68	80.09%
Nurse Case Management & Compliance With Protocols	80	26	96.69%
Medical Provider Network	80	32	100.00%
Pharmacy Benefits Program	80	24	95.83%
Nurse Case Management Closure Criteria	80	18	97.14%
<b>OVERALL AUDIT SCORES</b>			
		<b>TPA Audit</b>	<b>93.50%</b>
		<b>Case Mgmt. Audit</b>	<b>89.65%</b>

	Tracked/Not Scoring
	Tracked/Scored - 90% or higher
	Tracked/Scored - 85% to 89.99%
	Tracked/Scored - 70% to 84.99%
	Tracked/Scored - Less than 70%

# Appendix D: Scoring By Question

JBWCP 2023 ANNUAL AUDIT SCORING SUMMARY		AUDIT METRIC SCORES			AUDIT CATEGORY SCORES		
		Total	Applicable	Score	Total	Applicable	Score
<b>JBWCP Member Loss Reporting:</b>					29	-	79.31%
1.01	Number of CALENDAR days required for JBWCP Member to submit Employer's First Report of Injury form 5020 to Sedgwick (NOTE: Standard is 5 calendar days; Members encouraged to submit within 2-3 calendar days)	29	23	79.31%			
<b>Claim Set-Up &amp; Assignment/Reassignment:</b>					29	-	95.59%
2.01	Total days required to assign to Adjuster (i.e., Assignment Date - Sedgwick Date of Knowledge)	29	29	100.00%			
2.02	Initial claim classification appropriate (i.e., indemnity, medical only)?	29	29	100.00%			
2.03	Medical Only claims will be transitioned to Indemnity status following management review when: (1) the claim has been open six months; and/or (2) has an incurred value of \$7,500 or 90 days if the I/W has been on modified duty?	10	7	70.00%			
<b>Three-Point Contacts:</b>					30	-	88.89%
3.01	Attempt to contact JBWCP Member was made within 1 business day of assignment?	30	27	90.00%			
3.02	Where initial JBWCP Member contact was unsuccessful, follow-up attempts were made and documented in the file?	14	11	78.57%			
3.03	Attempt to contact Claimant was made within 1 business day of assignment?	28	26	92.86%			
3.04	Where initial Claimant contact was unsuccessful, follow-up attempts were made and documented in the file?	17	17	100.00%			
3.05	Where Claimant contact attempts were unsuccessful, an attempt was made to contact the JBWCP Member to obtain alternate contact information for the Claimant including documentation of the file?	6	6	100.00%			
3.06	Attempt to contact Medical Provider was made within 1 business day of assignment?	24	19	79.17%			
3.07	Where initial Medical Provider contact was unsuccessful, follow-up attempts were made and documented in the file?	7	6	85.71%			
<b>Investigations:</b>					78	-	79.70%
4.01	Did the Adjuster take all necessary actions to evaluate compensability?	33	32	96.97%			
4.02	Was the claim appropriately accepted, delayed or denied within the 14-day statutory time period?	30	29	96.67%			
4.03	Were both indemnity and medical only claims timely reported to the Index Bureau and re-indexed every 180 days thereafter until closed OR annually on future medical claims?	75	42	56.00%			
4.04	Where "hits" are identified through Index Bureau reports, was follow-up appropriate?	28	24	85.71%			
4.05	The need for field investigations (including surveillance) were appropriately recognized, authorized by JBWCP Member and managed?	3	2	66.67%			
4.06	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?	31	30	96.77%			
4.07	Where a sub-rosa investigation was made by Sedgwick, the assignment (both scope and provided information) was thorough and timely?	2	2	100.00%			
<b>Medical Cost Containment:</b>					133	-	98.07%
5.01	Assuming the JBWCP Member elected to participate within the Sedgwick Medical Provider Network AND the Claimant elected to treat outside of this Network, did the Adjuster either: (1) appropriately re-direct care; or (2) document why re-direction of care within Sedgwick Medical Provider Network was not possible?	19	19	100.00%			
5.02	Where JBWCP Member did not elect to participate within the Sedgwick Medical Provider Network, did Adjuster direct or soft channel the Claimant to a preferred provider (primary or specialty) where possible?	9	7	77.78%			
5.03	Issues of causation, treatment plan and permanent and stationary status are timely addressed and appropriately documented?	112	109	97.32%			
5.04	Utilization review (e.g., surgical requests, medical diagnostics, treatment duration) referrals were timely made and the results were appropriately documented and acted upon?	104	104	100.00%			
5.05	Agreed Medical Examinations/Qualified Medical Examinations/Peer Reviews were timely made and utilization was appropriate?	53	52	98.11%			

5.06	Nurse case management (either telephonic or field) assignment was approved by the Member and was timely, for appropriate duration and added value?	14	14	100.00%			
<b>Disability Management:</b>					<b>41</b>	<b>-</b>	<b>77.61%</b>
6.01	Where the Claimant's disability exceeds recognized industry standards, did the Adjuster/Nurse Case Manager request clarification from the treating physician?	7	6	85.71%			
6.02	Adjuster/Nurse Case Manager demonstrate proactive efforts to pursue return to work?	20	19	95.00%			
6.03	Where changes in temporary or permanent restrictions were provided, were those restrictions communicated to the JBWCP Member within 2 business days of receipt by the Adjuster?	28	26	92.86%			
6.04	Where necessary, were clarifications relating to specific temporary and/or permanent restrictions sought from the treating physician, Agreed Medical Examination &/or Qualified Medical Examination providing all evaluating physicians with all appropriate records and documentation prior to the evaluation?	14	13	92.86%			
6.05	Confirmation email received and documented from the JBWCP Member regarding ability or inability to accommodate?	31	29	93.55%			
6.06	Were Official Disability Guidelines (ODG) documented within Plans of Action and referenced for ongoing resolution and reserving in indemnity claim files?	34	11	32.35%			
<b>Litigation Management:</b>					<b>71</b>	<b>-</b>	<b>97.98%</b>
7.01	Adjuster made a legal referral to defense counsel within five calendar days of the need of litigation referral?	30	30	100.00%			
7.02	Adjuster appropriately followed-up for required status reports when not provided by Defense Counsel on a timely basis?	53	51	96.23%			
7.03	Adjuster worked collaboratively with Defense Counsel to develop long term strategy and specific tasks to resolve litigation?	67	65	97.01%			
7.04	Defense Counsel activities were appropriately monitored by the Adjuster?	68	66	97.06%			
7.05	Assigned Defense Counsel activities represent an appropriate delegation of work. (NOTE: Adjusters are responsibility for obtaining/subpoenaing prior medical records and/or claims information and forwarding to AME/PQME)?	62	62	100.00%			
7.06	Adjuster was responsive to all Defense Counsel requests for information, assistance and authority?	66	65	98.48%			
<b>Subrogation, Apportionment, Contribution:</b>					<b>20</b>	<b>-</b>	<b>91.67%</b>
8.01	<u>Does subrogation potential exist:</u>						
8.01.1	- Was subrogation potential identified by the Adjuster?	5	3	60.00%			
8.01.2	- Was subrogation timely pursued, as authorized and directed by JBWCP Member or JBWCP Administrator?	2	2	100.00%			
8.01.3	- Where subrogation potential exists and the JBWCP Member elects not to pursue, Sedgwick should bring the matter to the attention of the JBWCP Administrator for direction and assistance?	-	-				
8.01.4	- Was authority for compromised settlement of the Third-Party Lien obtained from the JBWCP Administrator?	1	0	0.00%			
8.02	<u>Does apportionment potential exist:</u>						
8.02.1	- Was apportionment potential identified by the Adjuster?	15	15	100.00%			
8.02.2	- Was apportionment appropriately pursued?	13	13	100.00%			
8.03	<u>Does contribution potential exist:</u>						
8.03.1	- Was contribution potential identified by the Adjuster?	-	-				
8.03.2	- Was contribution appropriately pursued?	-	-				
<b>Reserving:</b>					<b>167</b>	<b>-</b>	<b>90.50%</b>
9.01	Initial case reserves set by Adjuster within 5 business days of assignment?	33	30	90.91%			
9.02	Subsequent case reserve reviews for all non-future medical claims occurred at least every 90 days OR within 14 days of knowledge of a material claim file development impacting the claim's overall exposure. Subsequent case reserve reviews for future medical claims occurred at least every 180 days?	155	137	88.39%			
9.03	Case reserves are sufficiently documented?	158	144	91.14%			
9.04	Is a reserve change recommended?	159	146	91.82%			
9.05	Observed reserve variance	159	-	Table 2			
<b>Communications:</b>					<b>129</b>	<b>-</b>	<b>93.45%</b>
10.01	Ongoing contact with the injured worker was maintained on indemnity files that have not been settled as needed or at intervals not to exceed every 90 calendar days?	72	68	94.44%			
10.02	Adjuster maintained appropriate communication with the JBWCP Member including responding to all telephonic or written requests within 1 business day (check on 24 hour standard)?	99	97	97.98%			

10.03	Did the Adjuster keep the JBWCP Member informed of case status, significant changes and resolution plans without the Member initiating an inquiry?	117	105	89.74%			
10.04	With respect to 132(a) actions filed against a JBWCP Member, Adjuster communicated what is and is not covered by the JBWCP program?	2	1	50.00%			
<b>Payments:</b>					<b>165</b>	<b>-</b>	<b>98.40%</b>
11.01	Average weekly wage and workers' compensation benefit rates appropriately calculated and documented in claim file?	49	48	97.96%			
11.02	Initial and ongoing temporary total disability benefits were paid timely (i.e., no penalties/fines imposed)?	25	24	96.00%			
11.03	Initial and ongoing permanent partial disability benefits were paid timely (i.e., no penalties/fines imposed)?	22	22	100.00%			
11.04	Approved medical invoices were paid timely (i.e., no penalties/fines imposed)?	128	128	100.00%			
11.05	Payment of medical invoices were appropriate (i.e., no payments made for non-accepted body part or non-approved treatments)?	129	129	100.00%			
11.06	Legal invoices from Defense Counsel were reviewed for accuracy and paid timely (i.e., no evidence of defense counsel requesting payment on outstanding invoices)?	69	68	98.55%			
11.07	No evidence of 132(a) awards paid against the file (defense costs ok)?	4	4	100.00%			
11.08	Appropriate benefit notices were provided on all accepted and denied claims (e.g., initial, revised, final) including identification of any overpayment of benefits and a request for credit against future permanent partial disability benefits payable)?	86	86	100.00%			
11.09	Where an overpayment exists, did the Adjuster notify their Sedgwick Team Lead to add the overpayment add the overpayment to the Reimbursement Log?	12	11	91.67%			
11.10	Where an overpayment exists, did the Adjuster attempt to recover or offset against future payments (NOTE: Neither Sedgwick or a JBWCP Member can agree to waive an overpayment or provide a future credit - only the JBWCP Administrator may do so)?	13	12	92.31%			
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?	19	17	89.47%			
11.12	Adjusters will establish proactive diaries focused on case resolution activities, including management of upcoming disability due to surgeries and scheduled time loss, anticipated PD advances and settlements?	131	127	96.95%			
<b>Settlement/Resolution:</b>					<b>86</b>	<b>-</b>	<b>94.84%</b>
12.01	Adjuster recognized settlement opportunities early and approached settlement creatively including relevant methods and considerations to conclude the claim (i.e., global resolution, employment status, MSA, structures, arbitration, mediation)?	60	54	90.00%			
12.02	A Settlement Authority Request was completed (including rationale) and submitted to appropriate party/parties (i.e., Level) within 30 days of the occurrence of a "triggering" event by the assigned Adjuster?	41	37	90.24%			
12.03	10 calendar days within receipt of the SAR from the Adjuster (total 40 calendar days of the occurrence of a "triggering" event), and/or 10 Court days prior to any Hearing, MSC, or Trial, the Sedgwick Supervisor submitted the SAR to Members for approval, with a copy to the JBWCP Administrator's assigned analyst for the trial courts or directly to the analyst for the judiciary claims. File documentation will clarify any time these timelines cannot be met?	37	36	97.30%			
12.04	Adjuster adhered to the following settlement authority guidelines (new money to be paid out but not money that has already been paid out or advanced against settlement): * Level I - \$0-\$10,000 Sedgwick has full authority with notice to JBWCP Member ten court days prior to finalizing the settlement offer * Level II - \$10,001-\$100,000 JBWCP Member has full authority. * Level III - \$100,001+ Settlement Authority Panel (majority of 4 voting JBWCP Advisory Committee Members and the JBWCP Administrator/designee) in consultation with JBWCP Member?	38	38	100.00%			
12.05	The Adjuster appropriately addressed Medicare Set-Aside and Medicare-related issues in the claim resolution strategy?	23	23	100.00%			
12.06	Adjuster conducted aggressive, strategic and prompt settlement negotiations and follow-up?	41	40	97.56%			
12.07	Provider and Employment Development Department liens were/are being resolved in a timely and effective manner?	18	17	94.44%			
12.08	The file closed appropriately without delay, final bills were received and paid timely?	36	34	94.44%			
12.09	Administrative closure occurred on future medical claims with no treatment in excess of 12 months?	16	15	93.75%			

<b>Action Plans:</b>				<b>180</b>	<b>-</b>	<b>94.72%</b>
13.01	Initial claim file review completed by Adjuster within 30 days of claim assignment?	32	30	93.75%		
13.02	Action plans on indemnity claims are completed at least every 90 days by Adjuster (2 week grace period to apply) on non-future medical claims. On future medical claims, at least every 180 days (two 2 week grace period to apply)?	172	159	92.44%		
13.03	Claim files are appropriately documented?	176	170	96.59%		
13.04	Claim notes reflect consistent and timely follow-up on key activities?	171	162	94.74%		
13.05	Examiners will establish proactive diaries to support the Plan of Action outlined in each file?	167	161	96.41%		
13.06	Supervisor feedback/recommendations are appropriately responded to and acted upon by Adjuster?	135	126	93.33%		
13.07	Total number of assigned lost time Adjusters documented in claim file over the audit period.	178	-	Table 3		
<b>Supervisory Review:</b>				<b>179</b>	<b>-</b>	<b>93.00%</b>
14.01	Initial indemnity Supervisor review completed within 10 days of claim assignment?	55	51	92.73%		
14.02	Subsequent indemnity review(s) completed within 90 days and then 120 calendar days thereafter through closure on all non-future medical claims (2 week grace period to apply). On future medical claims, at least every 180 days (2 week grace period to apply)?	169	162	95.86%		
14.03	Throughout the claim, the Supervisor provided timely, responsive and meaningful direction on the claim?	167	150	89.82%		
14.04	If the Adjuster(s) did not appropriately respond to Supervisor's direction, did the Supervisor provide the appropriate level of follow-up?	12	6	50.00%		
14.05	Supervisors will establish proactive diaries to follow up on specific cases or issues as necessary?	154	149	96.75%		
14.06	Total number of assigned Supervisors documented in the claim file over the audit period.	179	-	Table 5		
<b>Nurse Triage:</b>				<b>68</b>	<b>-</b>	<b>80.09%</b>
15.01	Triage Nurse contacted Claimant (if open to communication) and the Treating Doctor within 3 business days of the claim assignment and documented the file	67	53	79.10%		
15.02	Triage Nurse documented: (1) appropriate treatment and estimated return to work using Official Disability Guidelines (ODG) and the American College of Occupational and Environmental Medicine (ACOEM) guidance; (2) review of work status; and availability of accommodations; and (3) treating Physician's treatment/disability Plan and their recommendations?	62	53	85.48%		
15.03	If Claimant is a judge, was approval (from Jade Vu) first obtained (and documented) to triage claim?	1	1	100.00%		
15.04	Triage Nurse obtained availability of transitional work and a copy of the employee's duty statement (job description)?	33	22	66.67%		
15.05	Triage Nurse followed-up with Adjuster with specific recommendations if additional clinical resources were warranted within three business days?	48	40	83.33%		
<b>Nurse Case Management &amp; Compliance With Protocols:</b>				<b>26</b>	<b>-</b>	<b>96.69%</b>
16.01	If a Nurse Case Manager is assigned, is it consistent with case management protocols and by agreement of Adjuster and JBWCP Member?	23	22	95.65%		
16.02	Was case management initiated within 24 hours of referral?	19	18	94.74%		
16.03	Did Nurse Case Manager make up to three attempts at communications with Medical Provider and Employee (Two-Point Contact) within five business days from the date of assignment, and document the content of communications	14	13	92.86%		
16.04	Nurse Case Manager progress reports contain medical treatment plan, next appointment date, work status, barriers to recovery and recommendations?	16	16	100.00%		
16.05	Nurse Case Manager integrated Official Disability Guidelines and American College of Occupational and Environmental Medicine guidance into progress reports?	9	9	100.00%		
16.06	Initial Nurse Case Manager evaluation completed within 7 business days of	16	16	100.00%		
16.07	Nurse Case Manager Progress Reports completed every 30 days or upon significant activity?	11	11	100.00%		
16.08	Appointment updates provided to Adjuster within one business day of	15	15	100.00%		
16.09	Updates provided to Adjuster within one business day of significant file developments (return to work full or modified duty, anticipated surgery, etc.)?	16	16	100.00%		
16.10	Nurse Case Manager tracked lost time, modified and return to work dates in Juris?	16	16	100.00%		
16.11	If a Telephonic Case Management assignment exceeded 60 lost time days or other barriers to recovery or return to work are present, was Field Case Management considered?	4	2	50.00%		
16.12	Did Nurse Case Manager discuss the case with Adjuster and Team Lead when the case reached 90-days of service?	5	4	80.00%		
16.13	Nurse Case Manager notes appropriately documented in the claim system?	17	17	100.00%		



<b>Medical Provider Network:</b>				<b>32</b>	<b>-</b>	<b>100.00%</b>
17.01	Did the Nurse Case Manager attempt to influence the Claimant to treat within the preferred medical provider network relating to the choice of a primary or specialty provider (if applicable)?	32	32	100.00%		
<b>Pharmacy Benefits Program:</b>				<b>24</b>	<b>-</b>	<b>95.83%</b>
18.01	Utilization of Vita Point-Optum pharmacy network program for prescription	24	23	95.83%		
<b>Nurse Case Management Closure Criteria:</b>				<b>18</b>	<b>-</b>	<b>97.14%</b>
19.01	If one or more of the following criteria were met, was the nurse case management assignment timely closed out: (1) Claimant returned to work full duty; (2) Claimant returned to work in a permanent modified position; (3) Claimant was declared Permanent & Stationary; (4) Claim was denied; (5) No impact can be made on the file; (6) Request made by adjuster; and/or (7) Task assignment completed.	18	17	94.44%		
19.02	Closure report completed upon file closure within 5 days?	17	17	100.00%		
<b>OVERALL AUDIT SCORES</b>						
						<b>TPA Audit 93.50%</b>
						<b>Case Mgmt. Audit 89.65%</b>

	Tracked/Not Scoring
	Tracked/Scored - 90% or higher
	Tracked/Scored - 85% to 89.99%
	Tracked/Scored - 70% to 84.99%
	Tracked/Scored - Less than 70%

# Appendix E: Claim Value Roster

Count & Claim Number	Sedgwick Medical		Marsh Medical		Medical Dollar		Medical Percentage		Sedgwick Indemnity		Marsh Indemnity		Indemnity Dollar		Indemnity Percentage		Sedgwick Expense		Marsh Expense		Expense Dollar		Expense Percentage		Sedgwick Aggregate		Marsh Aggregate		Aggregate Dollar		Aggregate Percentage	
	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred	Total Incurred
(#001) 442209332P-0001	\$ 7,200.00	\$ 7,200.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 12,511.80	\$ 12,511.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 24,771.80	\$ 24,771.80	\$ -	\$ -	\$ -	\$ -	0.0%	
(#002) 16000235LD	\$ 31,907.98	\$ 31,907.98	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 27,217.34	\$ 27,217.34	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 24,563.80	\$ 24,563.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 49,885.72	\$ 49,885.72	\$ -	\$ -	\$ -	\$ -	0.0%	
(#003) 16000691JD	\$ 52,134.30	\$ 52,134.30	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 16,095.00	\$ 16,095.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 85,142.00	\$ 85,142.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 153,371.30	\$ 153,371.30	\$ -	\$ -	\$ -	\$ -	0.0%	
(#004) 17000411JD	\$ 22,884.09	\$ 22,884.09	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 8,741.43	\$ 8,741.43	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 5,557.83	\$ 5,557.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 40,183.35	\$ 40,183.35	\$ -	\$ -	\$ -	\$ -	0.0%	
(#005) 17000097JD	\$ 48,161.80	\$ 48,161.80	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 23,316.55	\$ 23,316.55	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 76,292.33	\$ 76,292.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 147,770.88	\$ 147,770.88	\$ -	\$ -	\$ -	\$ -	0.0%	
(#006) 18000136JD	\$ 19,906.49	\$ 19,906.49	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 5,341.84	\$ 5,341.84	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 23,802.97	\$ 23,802.97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 49,051.30	\$ 49,051.30	\$ -	\$ -	\$ -	\$ -	0.0%	
(#007) 18000552LD	\$ 46,669.15	\$ 46,669.15	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 12,115.04	\$ 12,115.04	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 29,975.44	\$ 29,975.44	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 88,759.63	\$ 88,759.63	\$ -	\$ -	\$ -	\$ -	0.0%	
(#008) 19000066JD	\$ 32,359.99	\$ 32,359.99	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 59,991.50	\$ 59,991.50	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 26,621.39	\$ 26,621.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 118,972.88	\$ 118,972.88	\$ -	\$ -	\$ -	\$ -	0.0%	
(#009) 21000078JD	\$ 19,181.67	\$ 19,181.67	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 43,809.77	\$ 43,809.77	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 3,111.69	\$ 3,111.69	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 66,103.13	\$ 66,103.13	\$ -	\$ -	\$ -	\$ -	0.0%	
(#010) 21000175JD	\$ 42,507.26	\$ 42,507.26	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 22,818.08	\$ 22,818.08	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 7,670.54	\$ 7,670.54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 72,995.88	\$ 72,995.88	\$ -	\$ -	\$ -	\$ -	0.0%	
(#011) 21000240JD	\$ 35,976.73	\$ 35,976.73	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 21,641.16	\$ 21,641.16	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 7,073.33	\$ 7,073.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 64,991.22	\$ 64,991.22	\$ -	\$ -	\$ -	\$ -	0.0%	
(#012) 21000259JD	\$ 51,574.65	\$ 51,574.65	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 126,799.64	\$ 126,799.64	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 64,324.50	\$ 64,324.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 242,698.79	\$ 242,698.79	\$ -	\$ -	\$ -	\$ -	0.0%	
(#013) 22000057JD	\$ 27,985.35	\$ 27,985.35	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 26,025.32	\$ 26,025.32	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 8,189.00	\$ 8,189.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 62,199.67	\$ 62,199.67	\$ -	\$ -	\$ -	\$ -	0.0%	
(#014) 442208174T-0001	\$ 16,972.92	\$ -	\$ 16,972.92	\$ -	\$ 16,972.92	\$ -	100.0%	\$ -	\$ 2,500.00	\$ (2,500.00)	\$ (2,500.00)	\$ -	\$ -	\$ -	#DIV/0!	\$ 8,020.71	\$ -	\$ -	\$ 8,020.71	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 24,993.63	\$ 24,993.63	\$ 2,500.00	\$ 22,493.63	\$ 90.0%	\$ -	\$ -	0.0%
(#015) 442208794M-0001	\$ 17,941.99	\$ -	\$ 17,941.99	\$ -	\$ 17,941.99	\$ -	100.0%	\$ -	\$ 5,801.80	\$ (5,801.80)	\$ (5,801.80)	\$ -	\$ -	\$ -	#DIV/0!	\$ 9,707.83	\$ -	\$ -	\$ 9,707.83	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 33,451.62	\$ 33,451.62	\$ -	\$ -	\$ -	\$ -	0.0%	
(#016) 440212620A-0001	\$ 19,407.31	\$ 21,407.88	\$ (1,999.57)	\$ -	\$ 19,407.31	\$ -	-10.1%	\$ -	\$ 22,079.88	\$ 22,079.88	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 7,817.88	\$ 7,817.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 47,573.59	\$ 47,573.59	\$ -	\$ -	\$ -	\$ -	0.0%	
(#017) 442302875S-0001	\$ 9,203.94	\$ 12,000.00	\$ (2,796.16)	\$ -	\$ 9,203.94	\$ -	-30.4%	\$ -	\$ 3,969.60	\$ 3,969.60	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 3,969.60	\$ 4,500.00	\$ -	\$ (1,130.40)	\$ -	\$ -	\$ -	\$ -	-33.5%	\$ 12,573.44	\$ 16,500.00	\$ (3,926.56)	\$ -	\$ -	\$ -	-31.2%	
(#018) 44230677FL-0001	\$ 8,539.81	\$ 8,539.81	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 8,467.20	\$ 8,467.20	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 4,060.50	\$ 4,060.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 21,067.51	\$ 21,067.51	\$ -	\$ -	\$ -	\$ -	0.0%	
(#019) 44230823NTM-0001	\$ 350.00	\$ 350.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ 250.00	\$ 250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 600.00	\$ 600.00	\$ -	\$ -	\$ -	\$ -	0.0%	
(#020) JC05001124	\$ 110,541.96	\$ 15,000.00	\$ 95,541.96	\$ -	\$ 110,541.96	\$ -	86.4%	\$ -	\$ 15,356.64	\$ 15,356.64	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 102,892.49	\$ 75,703.99	\$ 27,188.50	\$ 28.4%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 228,792.99	\$ 106,062.63	\$ 122,730.36	\$ 53.6%	\$ -	\$ -	0.0%	
(#021) JC08000275	\$ 101,037.85	\$ 103,071.85	\$ (2,034.00)	\$ -	\$ 101,037.85	\$ -	-2.0%	\$ -	\$ 28,795.59	\$ 28,795.59	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 9,032.73	\$ 9,032.73	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 138,866.17	\$ 138,866.17	\$ -	\$ -	\$ -	\$ -	0.0%	
(#022) JC08000328	\$ 30,024.10	\$ 30,024.10	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 3,875.24	\$ 3,875.24	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 3,875.24	\$ 3,875.24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 33,899.34	\$ 33,899.34	\$ -	\$ -	\$ -	\$ -	0.0%	
(#023) JC08000640	\$ 198,199.97	\$ 198,199.97	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 83,345.79	\$ 83,345.79	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 62,422.08	\$ 62,422.08	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 343,967.84	\$ 343,967.84	\$ -	\$ -	\$ -	\$ -	0.0%	
(#024) JC10000874	\$ 66,057.71	\$ 66,057.71	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 6,957.50	\$ 6,957.50	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 23,640.41	\$ 23,640.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 96,655.62	\$ 96,655.62	\$ -	\$ -	\$ -	\$ -	0.0%	
(#025) JC11000834	\$ 27,997.08	\$ 27,997.08	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 5,520.00	\$ 5,520.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 7,375.03	\$ 7,375.03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 40,892.11	\$ 40,892.11	\$ -	\$ -	\$ -	\$ -	0.0%	
(#026) JC12020081	\$ 19,407.31	\$ 21,407.88	\$ (1,999.57)	\$ -	\$ 19,407.31	\$ -	-10.1%	\$ -	\$ 22,079.88	\$ 22,079.88	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 7,817.88	\$ 7,817.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 47,573.59	\$ 47,573.59	\$ -	\$ -	\$ -	\$ -	0.0%	
(#027) JC12020743	\$ 31,854.02	\$ 31,854.02	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 22,185.56	\$ 22,185.56	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 28,640.09	\$ 28,640.09	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 82,679.67	\$ 82,679.67	\$ -	\$ -	\$ -	\$ -	0.0%	
(#028) 15000055JD	\$ 66,263.62	\$ 75,000.00	\$ (8,736.38)	\$ -	\$ 66,263.62	\$ -	-13.2%	\$ -	\$ 109,303.07	\$ 109,303.07	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 28,214.01	\$ 32,000.00	\$ (3,785.99)	-13.4%	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 203,760.70	\$ 216,303.07	\$ (12,522.37)	\$ -	\$ -	\$ -	-6.1%	
(#029) 16000085JD	\$ 66,897.61	\$ 66,897.61	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 34,697.50	\$ 34,697.50	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 33,059.69	\$ 33,059.69	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 134,654.80	\$ 134,654.80	\$ -	\$ -	\$ -	\$ -	0.0%	
(#030) 16000352JD	\$ 9,986.60	\$ 9,986.60	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 1,999.38	\$ 1,999.38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 13,165.98	\$ 13,165.98	\$ -	\$ -	\$ -	\$ -	0.0%	
(#031) 16000507JD	\$ 12,924.50	\$ 12,924.50	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 26,318.10	\$ 26,318.10	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 3,427.55	\$ 3,427.55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 42,670.15	\$ 31,040.15	\$ 11,630.00	\$ 27.3%	\$ -	\$ -	0.0%	
(#032) 16000756JD	\$ 39,046.12	\$ 39,046.12	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 120,462.09	\$ 120,462.09	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 109,543.76	\$ 109,543.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 269,051.97	\$ 269,051.97	\$ -	\$ -	\$ -	\$ -	0.0%	
(#033) 17000013JD	\$ 10,544.03	\$ 10,544.03	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 7,025.69	\$ 7,025.69	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 2,414.62	\$ 2,414.62	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 19,984.34	\$ 19,984.34	\$ -	\$ -	\$ -	\$ -	0.0%	
(#034) 17000187JD	\$ 24,330.83	\$ 24,330.83	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 20,352.98	\$ 20,352.98	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 10,605.42	\$ 10,605.42	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 56,289.23	\$ 56,289.23	\$ -	\$ -	\$ -	\$ -	0.0%	
(#035) 17000563JD	\$ 29,376.00	\$ 29,376.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 8,250.27	\$ 8,250.27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	\$ 45,962.97	\$ 45,962.97	\$ -	\$ -	\$ -	\$ -	0.0%	
(#036) 17000682JD	\$ 69,815.00	\$ 69,815.00	\$ -	\$ -	\$ -	\$ -	0.0%	\$ -	\$ 10,63																							

2023 ANNUAL AUDIT OF CLAIMS MANAGEMENT  
& CASE MANAGEMENT SERVICES PROVIDER

JUDICIAL BRANCH WORKERS'  
COMPENSATION PROGRAM

(#116) 22000076JUD	\$ 1,260.65	\$ 1,260.65	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 85.73	\$ 85.73	\$ -	0.0%	\$ 1,346.38	\$ 1,346.38	\$ -	0.0%
(#117) 22000035JUD	\$ 10,096.93	\$ 10,096.93	-	0.0%	\$ 75,059.53	\$ 75,059.53	\$ -	0.0%	\$ 2,200.00	\$ 2,200.00	\$ -	0.0%	\$ 87,356.46	\$ 87,356.46	\$ -	0.0%
(#118) 22000033JUD	\$ 31,897.25	\$ 31,897.25	-	0.0%	\$ 98,796.35	\$ 98,796.35	\$ -	0.0%	\$ 15,900.00	\$ 15,900.00	\$ -	0.0%	\$ 146,583.60	\$ 146,583.60	\$ -	0.0%
(#119) 22000040JUD	\$ 13,143.66	\$ 13,143.66	-	0.0%	\$ 7,874.61	\$ 7,874.61	\$ -	0.0%	\$ 4,000.00	\$ 4,000.00	\$ -	0.0%	\$ 25,018.27	\$ 25,018.27	\$ -	0.0%
(#120) 4A2207TFJ21-0001	\$ 6,526.00	\$ 6,526.00	-	0.0%	\$ 4,066.25	\$ 4,066.25	\$ -	0.0%	\$ 3,650.00	\$ 3,650.00	\$ -	0.0%	\$ 14,241.25	\$ 14,241.25	\$ -	0.0%
(#121) 4A2208B8X4T-0001	\$ 11,400.00	\$ 11,400.00	-	0.0%	\$ 5,251.02	\$ 5,251.02	\$ -	0.0%	\$ 4,564.76	\$ 4,564.76	\$ -	0.0%	\$ 21,215.78	\$ 21,215.78	\$ -	0.0%
(#122) 4A22104HCCS-0001	\$ 6,519.73	\$ 6,519.73	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 3,511.30	\$ 3,511.30	\$ -	0.0%	\$ 10,031.03	\$ 10,031.03	\$ -	0.0%
(#123) 4A221116V34-0001	\$ 4,479.54	\$ 4,479.54	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 1,395.00	\$ 1,395.00	\$ -	0.0%	\$ 5,874.54	\$ 5,874.54	\$ -	0.0%
(#124) 4A2207JNSF-0001	\$ 4,838.90	\$ 4,838.90	-	0.0%	\$ 2,845.57	\$ 2,845.57	\$ -	0.0%	\$ 1,247.28	\$ 1,247.28	\$ -	0.0%	\$ 8,931.75	\$ 8,931.75	\$ -	0.0%
(#125) 4A23037P9NT-0001	\$ 12,870.00	\$ 12,870.00	-	0.0%	\$ 12,572.50	\$ 12,572.50	\$ -	0.0%	\$ 5,268.82	\$ 5,268.82	\$ -	0.0%	\$ 30,711.32	\$ 30,711.32	\$ -	0.0%
(#126) 4A2304R4VWB-0001	\$ 6,670.00	\$ 6,670.00	-	0.0%	\$ 733.56	\$ 733.56	\$ -	0.0%	\$ 2,198.08	\$ 2,198.08	\$ -	0.0%	\$ 9,601.64	\$ 9,601.64	\$ -	0.0%
(#127) 21000039AJUD	\$ 6,238.40	\$ 6,238.40	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 849.85	\$ 849.85	\$ -	0.0%	\$ 7,088.25	\$ 7,088.25	\$ -	0.0%
(#128) JC07000633	\$ 121,874.29	\$ 156,516.00	\$ (34,641.71)	-28.4%	\$ 13,130.79	\$ 13,130.79	\$ -	0.0%	\$ 52,949.57	\$ 60,000.00	\$ (7,050.43)	-13.3%	\$ 187,954.65	\$ 229,646.78	\$ (41,692.14)	-22.2%
(#129) JC08020099	\$ 176,399.92	\$ 176,399.92	-	0.0%	\$ 70,024.51	\$ 70,024.51	\$ -	0.0%	\$ 168,966.17	\$ 168,966.17	\$ -	0.0%	\$ 415,500.60	\$ 415,500.60	\$ -	0.0%
(#130) JC12020651	\$ 37,970.72	\$ 37,970.72	-	0.0%	\$ 46,400.54	\$ 46,400.54	\$ -	0.0%	\$ 46,371.89	\$ 46,371.89	\$ -	0.0%	\$ 130,743.15	\$ 130,743.15	\$ -	0.0%
(#131) 190000421AJUD	\$ 103,033.03	\$ 103,033.03	-	0.0%	\$ 73,834.46	\$ 73,834.46	\$ -	0.0%	\$ 62,214.54	\$ 62,214.54	\$ -	0.0%	\$ 239,082.03	\$ 239,082.03	\$ -	0.0%
(#132) 18000025AJUD	\$ 61,980.75	\$ 61,980.75	-	0.0%	\$ 66,392.00	\$ 66,392.00	\$ -	0.0%	\$ 55,863.97	\$ 55,863.97	\$ -	0.0%	\$ 184,236.72	\$ 184,236.72	\$ -	0.0%
(#133) 18000065AJUD	\$ 24,759.37	\$ 24,759.37	-	0.0%	\$ 6,260.90	\$ 6,260.90	\$ -	0.0%	\$ 4,613.89	\$ 4,613.89	\$ -	0.0%	\$ 35,634.16	\$ 35,634.16	\$ -	0.0%
(#134) 18000227AJUD	\$ 8,764.52	\$ 8,764.52	-	0.0%	\$ 13,453.46	\$ 13,453.46	\$ -	0.0%	\$ 2,838.44	\$ 2,838.44	\$ -	0.0%	\$ 25,018.42	\$ 25,018.42	\$ -	0.0%
(#135) 18000259AJUD	\$ 50,704.33	\$ 1,702,777.50	\$ (1,652,073.17)	-3258.2%	\$ 118,874.67	\$ 259,565.17	\$ (140,690.50)	-118.4%	\$ 68,871.43	\$ 15,000.00	\$ 83,871.43	84.8%	\$ 268,450.43	\$ 1,977,342.67	\$ (1,708,892.24)	-436.6%
(#136) 19000035AJUD	\$ 34,209.32	\$ 34,209.32	-	0.0%	\$ 144,894.52	\$ 144,894.52	\$ -	0.0%	\$ 23,736.98	\$ 23,736.98	\$ -	0.0%	\$ 202,840.82	\$ 202,840.82	\$ -	0.0%
(#137) 19000059AJUD	\$ 141,260.34	\$ 141,260.34	-	0.0%	\$ 299,246.56	\$ 299,246.56	\$ -	0.0%	\$ 17,007.22	\$ 17,007.22	\$ -	0.0%	\$ 457,514.12	\$ 457,514.12	\$ -	0.0%
(#138) 19000068AJUD	\$ 31,897.68	\$ 31,897.68	-	0.0%	\$ 24,364.40	\$ 24,364.40	\$ -	0.0%	\$ 23,789.71	\$ 23,789.71	\$ -	0.0%	\$ 80,011.79	\$ 80,011.79	\$ -	0.0%
(#139) 20000007AJUD	\$ 139,716.44	\$ 139,716.44	-	0.0%	\$ 140,686.03	\$ 140,686.03	\$ -	0.0%	\$ 33,449.85	\$ 33,449.85	\$ -	0.0%	\$ 313,832.32	\$ 313,832.32	\$ -	0.0%
(#140) 21000046AJUD	\$ 68,545.63	\$ 68,545.63	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 1,617.25	\$ 1,617.25	\$ -	0.0%	\$ 70,162.88	\$ 70,162.88	\$ -	0.0%
(#141) 21000086AJUD	\$ 4,500.00	\$ 4,500.00	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 2,500.00	\$ 2,500.00	\$ -	0.0%	\$ 7,000.00	\$ 7,000.00	\$ -	0.0%
(#142) 21000244AJUD	\$ 54,680.00	\$ 54,680.00	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	#DIV/0!	\$ 54,680.00	\$ 54,680.00	\$ -	0.0%
(#143) 21000040AJUD	\$ 10,761.47	\$ 10,761.47	-	0.0%	\$ 12,851.27	\$ 12,851.27	\$ -	0.0%	\$ 580.50	\$ 580.50	\$ -	0.0%	\$ 24,203.24	\$ 24,203.24	\$ -	0.0%
(#144) 21000068AJUD	\$ 57,953.20	\$ 57,953.20	-	0.0%	\$ 58,346.00	\$ 58,346.00	\$ -	0.0%	\$ 8,859.26	\$ 8,859.26	\$ -	0.0%	\$ 124,560.46	\$ 124,560.46	\$ -	0.0%
(#145) 22000014AJUD	\$ 10,366.47	\$ 10,366.47	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 2,166.17	\$ 2,166.17	\$ -	0.0%	\$ 12,532.64	\$ 12,532.64	\$ -	0.0%
(#146) 22000091AJUD	\$ 23,537.98	\$ 23,537.98	-	0.0%	\$ 19,739.56	\$ 19,739.56	\$ -	0.0%	\$ 19,458.60	\$ 19,458.60	\$ -	0.0%	\$ 62,736.14	\$ 62,736.14	\$ -	0.0%
(#147) 4A2210T2CCK-0001	\$ 11,832.05	\$ 25,000.00	\$ (13,167.95)	-111.3%	\$ -	\$ -	\$ -	#DIV/0!	\$ 7,263.28	\$ 20,000.00	\$ (12,736.72)	-175.4%	\$ 19,095.33	\$ 45,000.00	\$ (25,904.67)	-135.7%
(#148) 4A23022RVT-0001	\$ 4,310.00	\$ 4,310.00	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 1,387.50	\$ 1,387.50	\$ -	0.0%	\$ 5,697.50	\$ 5,697.50	\$ -	0.0%
(#149) 4A23036NCC2-0001	\$ 9,485.00	\$ 9,485.00	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 1,623.82	\$ 1,623.82	\$ -	0.0%	\$ 11,108.82	\$ 11,108.82	\$ -	0.0%
(#150) 4A2307MHUR-0001	\$ 5,960.00	\$ 5,960.00	-	0.0%	\$ -	\$ -	\$ -	#DIV/0!	\$ 1,448.82	\$ 1,448.82	\$ -	0.0%	\$ 7,408.82	\$ 7,408.82	\$ -	0.0%
(#151) JC08010019	\$ 123,068.31	\$ 123,068.31	-	0.0%	\$ 33,559.87	\$ 33,559.87	\$ -	0.0%	\$ 46,115.30	\$ 46,115.30	\$ -	0.0%	\$ 202,743.48	\$ 202,743.48	\$ -	0.0%
(#152) JC10000892	\$ 43,749.15	\$ 43,749.15	-	0.0%	\$ 5,520.00	\$ 5,520.00	\$ -	0.0%	\$ 22,103.54	\$ 22,103.54	\$ -	0.0%	\$ 71,372.69	\$ 71,372.69	\$ -	0.0%
(#153) JC11000400	\$ 62,582.33	\$ 62,582.33	-	0.0%	\$ 23,788.88	\$ 23,788.88	\$ -	0.0%	\$ 45,261.29	\$ 45,261.29	\$ -	0.0%	\$ 131,632.50	\$ 131,632.50	\$ -	0.0%
(#154) JC13020063	\$ 57,057.68	\$ 57,057.68	-	0.0%	\$ 252,861.38	\$ 252,861.38	\$ -	0.0%	\$ 48,832.87	\$ 48,832.87	\$ -	0.0%	\$ 358,751.93	\$ 358,751.93	\$ -	0.0%
(#155) JC14020357	\$ 37,947.99	\$ 37,947.99	-	0.0%	\$ 107,232.20	\$ 107,232.20	\$ -	0.0%	\$ 18,368.07	\$ 18,368.07	\$ -	0.0%	\$ 163,548.26	\$ 163,548.26	\$ -	0.0%
(#156) 18000003AJUD	\$ 73,628.09	\$ 73,628.09	-	0.0%	\$ 138,580.85	\$ 138,580.85	\$ -	0.0%	\$ 24,667.86	\$ 24,667.86	\$ -	0.0%	\$ 236,876.80	\$ 236,876.80	\$ -	0.0%
(#157) 17000037AJUD	\$ 23,203.64	\$ 23,203.64	-	0.0%	\$ 25,700.28	\$ 25,700.28	\$ -	0.0%	\$ 18,761.28	\$ 18,761.28	\$ -	0.0%	\$ 67,665.20	\$ 67,665.20	\$ -	0.0%
(#158) 18000198AJUD	\$ 57,517.17	\$ 57,517.17	-	0.0%	\$ 39,970.51	\$ 39,970.51	\$ -	0.0%	\$ 42,600.55	\$ 42,600.55	\$ -	0.0%	\$ 140,094.23	\$ 140,094.23	\$ -	0.0%
(#159) 18000618AJUD	\$ 11,695.00	\$ 11,695.00	-	0.0%	\$ 19,645.00	\$ 19,645.00	\$ -	0.0%	\$ 16,306.20	\$ 16,306.20	\$ -	0.0%	\$ 47,650.20	\$ 47,650.20	\$ -	0.0%
(#160) 19000012AJUD	\$ 28,158.39	\$ 28,158.39	-	0.0%	\$ 115,311.24	\$ 115,311.24	\$ -	0.0%	\$ 20,136.73	\$ 20,136.73	\$ -	0.0%	\$ 163,606.36	\$ 163,606.36	\$ -	0.0%
(#161) 19000217AJUD	\$ 36,521.80	\$ 36,521.80	-	0.0%	\$ 7,830.00	\$ 7,830.00	\$ -	0.0%	\$ 47,117.58	\$ 47,117.58	\$ -	0.0%	\$ 91,469.38	\$ 91,469.38	\$ -	0.0%
(#162) 20000168AJUD	\$ 7,494.40	\$ 7,494.40	-	0.0%	\$ 45,181.92	\$ 45,181.92	\$ -	0.0%	\$ 2,456.58	\$ 2,456.58	\$ -	0.0%	\$ 55,132.90	\$ 55,132.90	\$ -	0.0%
(#163) 20000402AJUD	\$ 9,140.07	\$ 9,140.07	-	0.0%	\$ 65,187.22	\$ 65,187.22	\$ -	0.0%	\$ 11,325.15	\$ 11,325.15	\$ -	0.0%	\$ 85,652.44	\$ 85,652.44	\$ -	0.0%
(#164) 20000486AJUD	\$ 21,439.22	\$ 21,439.22	-	0.0%	\$ 23,426.49	\$ 23,426.49	\$ -	0.0%	\$ 9,505.11	\$ 9,505.11	\$ -	0.0%	\$ 54,370.82	\$ 54,370.82	\$ -	0.0%
(#165) 20000508AJUD	\$ 15,747.80	\$ 15,747.80	-	0.0%	\$ 7,712.48	\$ 22,712.28	\$ (14,999.80)	-194.5%	\$ 2,246.34	\$ 2,246.34	\$ -	0.0%	\$ 25,706.62	\$ 40,706.42	\$ (14,999.80)	-58.3%
(#166) 21000021AJUD	\$ 52,790.23	\$ 52,790.23	-	0.0%	\$ 22,814.40	\$ 22,814.40	\$ -	0.0%	\$ 19,131.50	\$ 19,131.50	\$ -	0.0%	\$ 94,736.13	\$ 94,736.13	\$ -	0.0%
(#167) 21000179AJUD	\$ 300,562.01	\$ 300,562.01	-	0.0%	\$ 615,880.89	\$ 615,880.89	\$ -	0.0%	\$ 75,324.00	\$ 75,324.00	\$ -	0.0%	\$ 991,766.90	\$ 991,766.90	\$ -	0.0%
(#168) 22000024AJUD	\$ 1,759.38	\$ 1,759.38	-	0.0%	\$ 13,830.00	\$ 13,830.00	\$ -	0.0%	\$ 5,511.30	\$ 5,511.30	\$ -	0.0%	\$ 21,100.68	\$ 21,100.68	\$ -	0.0%
(#169) 22000014AJUD	\$ 2,720.23	\$ 2,720.23	-	0.0%	\$ 6,950.00	\$ 6,950.00	\$ -	0.0%	\$ 11,949.38	\$ 11,949.38	\$ -	0.0%	\$ 21,619.61	\$ 21,619.61	\$ -	0.0%
(#170) 22000172AJUD	\$ 21,251.74	\$ 21,251.74	-	0.0%	\$ 36,361.00	\$ 36,361.00	\$ -	0.0%	\$ 27,437.50	\$ 27,437.50	\$ -	0.0%	\$ 85,050.24	\$ 85,050.24	\$ -	0.0%
(#171) 22000245AJUD	\$ 6,758.76	\$ 6,758.76	-	0.0%	\$ 9,000.00	\$ 9,000.00	\$ -	0.0%	\$ 4,841.89	\$ 4,841.89	\$ -	0.0%	\$ 20,600.65	\$ 20,600.65	\$ -	0.0%
(#172) 4A22104G25B-0001	\$ 21,460.00	\$ 21,460.00	-	0.0%	\$ 24,460.92	\$ 24,460.92	\$ -	0.0%	\$ 5,460.00	\$ 5,460.00	\$ -	0.0%	\$ 51,380.92	\$ 51,380.92	\$ -	0.0%
(#173) JC08000841	\$ 211,477.19	\$ 211,477.19	-	0.0%	\$ 10,175.00	\$ 10,175.00	\$ -	0.0%	\$ 34,575.00	\$ 34,575.00	\$ -	0.0%	\$ 256,227.19	\$ 256,227.19	\$ -	0.0%
(#174) JC08000181	\$ 144,074.02	\$ 144,074.02	-	0.0%	\$ 29,485.17	\$ 29,485.17	\$ -	0.0%	\$ 74,653.59	\$ 74,653.59	\$ -	0.0%	\$ 248,212.78	\$ 248,212.78	\$ -	0.0%
(#175) JC08000321	\$ 86,631.79	\$ 86,631.79	-	0.0%	\$ 4,451.54	\$ 4,451.54	\$ -	0.0%	\$ 15,786.00	\$ 15,786.00	\$ -	0.0%	\$ 106,869.33	\$ 106,869.33	\$ -	0.0%
(#176) JC07000303	\$ 48,652.30	\$ 48,652.30	-	0.0%	\$ 5,931.00	\$ 5,931.00	\$ -	0.0%	\$ 13,118.04	\$ 13,118.04	\$ -	0.0%	\$ 67,701.34	\$ 67,701.34	\$ -	0.0%
(#177) JC08020470	\$ 87,395.65	\$ 87,395.65	-	0.0%	\$ 33,318.27	\$ 33,318.27	\$									

# Appendix F: Scoring By Adjusting Office

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JBWCP 2023 ANNUAL TPA AUDIT SCORING SUMMARY	AUDIT CATEGORY SCORES		
	Total	Applicable	Score
Orange, CA	52	52	86.90%
Rancho Cordova, CA	128	128	95.96%
<b>OVERALL AUDIT SCORE (Exclusively To TPA-Portion of The Annual Audit)</b>			<b>93.50%</b>

# Appendix G: Scoring By Adjuster

JBWCP 2023 ANNUAL TPA AUDIT SCORING SUMMARY	AUDIT CATEGORY SCORES		
	Total	Applicable	Score
Bosanko (Sarah)	25	25	97.03%
Carnovale (Elva)	26	26	87.61%
Christian (Natalie)	25	25	85.64%
Lowe (Austin)	1	1	95.29%
McWatters (Ben)	26	26	95.28%
Palmer (Nadine)	26	26	96.75%
Segovia-Humble (Stacey)	25	25	98.22%
Tiffany (Joy)	1	1	100.00%
Williams (Justyce)	25	25	92.05%
<b>OVERALL AUDIT SCORE (Exclusively To TPA-Portion of The Annual Audit)</b>			<b>93.50%</b>

## Consulting Solutions | Marsh Advisory

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# **Judicial Branch Workers' Compensation Program Advisory Committee**

## **Annual Agenda<sup>1</sup>—2024**

**Approved by Litigation Management Committee: TBD**

### **I. COMMITTEE INFORMATION**

<b>Chair:</b>	Shelby Wineinger, Court Executive Officer, Superior Court of California, County of El Dorado
<b>Lead Staff:</b>	Edward Metro, Supervising Analyst, Administrative Division
<b>Committee's Charge/Membership:</b> In conjunction with <a href="#">Rule 10.350</a> , <a href="#">Rule 10.67</a> of the California Rules of Court states the charge of the Judicial Branch Workers' Compensation Program Advisory Committee, which is to make recommendations to the council for improving the statewide administration of the Judicial Branch Workers' Compensation Program and on allocation to and from the Judicial Branch Workers' Compensation Fund established under Government Code section 68114.10. <a href="#">Rule 10.67</a> states that the committee must review: <ul style="list-style-type: none"><li>• The progress of the Judicial Branch Workers' Compensation Program;</li><li>• The annual actuarial report; and</li><li>• The annual allocation, including any changes to existing methodologies for allocating workers' compensation costs.</li></ul> <a href="#">Rule 10.67</a> sets forth the membership position of the committee. The Judicial Branch Workers' Compensation Program Advisory Committee currently has 15 members. The current committee <a href="#">roster</a> is available on the committee's web page.	
<b>Subcommittees/Working Groups<sup>2</sup>:</b> <ol style="list-style-type: none"><li>1. JBWCP Subcommittee</li><li>2. Working Group</li></ol>	
<b>Meetings Planned for 2024<sup>3</sup> (Advisory body and all subcommittees and working groups)</b> Date/Time/Location or Teleconference:	

<sup>1</sup> The annual agenda outlines the work a committee will focus on in the coming year and identifies areas of collaboration with other advisory bodies and the Judicial Council staff resources.

<sup>2</sup> California Rules of Court, rule 10.30 (c) allows an advisory body to form subgroups, composed entirely of current members of the advisory body, to carry out the body's duties, subject to available resources, with the approval of its oversight committee.

<sup>3</sup> Refer to [Operating Standards for Judicial Council Advisory Bodies](#) for governance on in-person meetings.

February 20, 2024 / 9:00 a.m. / Teleconference

March 27, 2024 /9:00 a.m. / Teleconference

May [TBD], 2024 / Teleconference

August [TBD], 2024 / Teleconference

November [TBD], 2024 / Teleconference

Check here if exception to policy is granted by Executive Office or rule of court.



## II. COMMITTEE PROJECTS

#	New or One-Time Projects <sup>4</sup>	
1.	<b>Project Title:</b> Revise the Program’s Policies and Procedures	<b>Priority 1<sup>5</sup></b>
		<b>Strategic Plan Goal II<sup>6</sup></b>
	<p><b>Project Summary<sup>7</sup>:</b> The committee will continue to move forward with the review and revision of the program’s governing documents as outlined in the strategic planning goals. The committee will review the program’s current JBWCP’s policies and procedures and draft formal documentation which will include the following: applying for membership in the program, withdrawing from the program, outlining the process of how actuarial studies are conducted, defining the member contribution methodology, as well as defining the experience modification, the program’s target equity, and the member assessment process.</p>	
	<p><b>Status/Timeline:</b> The project will begin in May 2024, with the expectation that program revisions will be presented to the Litigation Management Committee for approval.</p>	
	<p><b>Fiscal Impact/Resources:</b> Coordination through lead staff to the committee with input from the Judicial Council’s offices of Branch Accounting &amp; Procurement, Budget Services, and Legal Services.</p>	
	<p><input type="checkbox"/> <i>This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</i></p>	
	<p><b>Internal/External Stakeholders:</b> All JBWCP members.</p>	
	<p><b>AC Collaboration:</b> N/A</p>	

<sup>4</sup> All proposed projects for the year must be included on the Annual Agenda. If a project implements policy or is a program, identify it as *implementation* or a *program* in the project description and attach the Judicial Council authorization/assignment or prior approved Annual Agenda to this Annual Agenda.

<sup>5</sup> For non-rules and forms projects, select priority level 1 (must be done) or 2 (should be done). For rules and forms proposals, select one of the following priority levels: 1(a) Urgently needed to conform to the law; 1(b) Urgently needed to respond to a recent change in the law; 1(c) Adoption or amendment of rules or forms by a specified date required by statute or council decision; 1(d) Provides significant cost savings and efficiencies, generates significant revenue, or avoids a significant loss of revenue; 1(e) Urgently needed to remedy a problem that is causing significant cost or inconvenience to the courts or the public; 1(f) Otherwise urgent and necessary, such as a proposal that would mitigate exposure to immediate or severe financial or legal risk; 2(a) Useful, but not necessary, to implement statutory changes; 2(b) Helpful in otherwise advancing Judicial Council goals and objectives.

<sup>6</sup> Indicate which goal number of The Strategic Plan for California’s Judicial Branch the project most closely aligns.

<sup>7</sup> A key objective is a strategic aim, purpose, or “end of action” to be achieved for the coming year.

#	<b>Ongoing Projects and Activities<sup>4</sup></b>	
1.	<b>Project Title</b> Allocation of Fiscal Year 2024-2025 Workers' Compensation Premiums	<b>Priority 1<sup>5</sup></b>
		<b>Strategic Plan Goal<sup>6</sup> I</b>
	<p><b>Project Summary<sup>7</sup>:</b> The Advisory Committee will consider recommendations to the Judicial Council regarding the fiscal year 2024-2025 workers' compensation membership premium, which is based on the program's actuarial evaluation.</p> <p><b>Status/Timeline:</b> The Advisory Committee will provide its recommendations in a report to the Judicial Council at its May 2024 meeting.</p> <p><b>Fiscal Impact/Resources:</b> Coordination through lead staff to the Advisory Committee with input from the Judicial Council's Budget Services office.</p> <p><input checked="" type="checkbox"/> <i>This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</i></p> <p><b>Internal/External Stakeholders:</b> JBWCP Members</p> <p><b>AC Collaboration:</b> Recommendations and initiatives will be submitted to the Court Executives Advisory Committee, and Supreme Court and Appellate Court Clerk Executive Officers.</p>	
2.	<b>Project Title:</b> Reduce Workers' Compensation Claims Defense Costs	<b>Priority 1<sup>5</sup></b>
		<b>Strategic Plan Goal<sup>6</sup> V</b>
	<p><b>Project Summary<sup>7</sup>:</b> The committee will review the workers' compensation program's claim defense costs and identify opportunities for cost savings. Priorities include identifying commonly overturned claim denials, developing case evaluation procedures before a claim is delayed or denied, contracting with a bill review service provider, and creating a task-based approach to litigation referrals.</p> <p><b>Status/Timeline:</b> During the 2022-23 program year, the JBWCP transitioned to a new Third Party Administrator (TPA). The JBWCP has been in discussion with the new TPA on methods of reducing Worker's Compensation Claims Defense Costs. The program initiated the first phase of this project on September 15, 2022, which includes observing and gathering information on the new TPA's use of litigation management. The program, in partnership with the TPA, will continue to review the use of attorneys and monitor the defense costs this program year with the expectation that program revisions will be presented to the Litigation Management Committee for approval. The program is also developing dashboard and resources to assist with monitoring the TPA's use of litigation and its relevant costs. In May 2024, the subcommittee and working group will be tasked with reviewing this information and devising the next steps.</p>	

#	<b>Ongoing Projects and Activities<sup>4</sup></b>	
	<p><b>Fiscal Impact/Resources:</b> Coordination through lead staff to the committee with input from the Judicial Council’s offices of Branch Accounting &amp; Procurement and Budget Services.</p> <p><input checked="" type="checkbox"/> <i>This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</i></p> <p><b>Internal/External Stakeholders:</b> JBWCP Members</p> <p><b>AC Collaboration:</b> N/A</p>	
3.	<p><b>Project Title:</b> Set Program Financial Goals</p>	<p><b>Priority 2<sup>5</sup></b></p> <p><b>Strategic Plan Goal<sup>6</sup> III</b></p>
	<p><b>Project Summary<sup>7</sup>:</b> Now that the Program’s deficit has been addressed, the committee will set financial goals in an ongoing effort to establish quantifiable targets and measure overall program performance with industry-established metrics. The Program will develop financial statements to increase the transparency of the funding level of the program and educate members on the funding methodology.</p> <p><b>Status/Timeline:</b> Although the project began on September 15, 2022, the prior initiatives took precedence. The Program will begin the first phase of developing financial dashboards and statements to track the JBWCP’s funds asset balance on a quarterly basis. Using data analytic tools, the program will work with the subcommittee and working group to draft financial goals with the expectation that they will be presented to the Litigation Management Committee for approval.</p> <p><b>Fiscal Impact/Resources:</b> Coordination through lead staff to the committee with input from the Judicial Council’s offices of Branch Accounting &amp; Procurement and Budget Services.</p> <p><input checked="" type="checkbox"/> <i>This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.</i></p> <p><b>Internal/External Stakeholders:</b> JBWCP Members</p> <p><b>AC Collaboration:</b> N/A</p>	
4.	<p><b>Project Title:</b> Review Risk Control Options</p>	<p><b>Priority 2<sup>5</sup></b></p> <p><b>Strategic Plan Goal<sup>6</sup> IV</b></p>

**# Ongoing Projects and Activities<sup>4</sup>**

**Project Summary<sup>7</sup>:** The committee will continue to review options to reduce risk on the program and court level through education and resources. In addition, the Program is developing an inhouse dashboard to evaluate the program for preventable losses and identify trends across its members' claims. The Program will continue exploring the feasibility of loss ratings to identify members in need, developing optional or mandatory member-specific risk control measures for high premium participants, creating member score cards, and factoring experience rating in contribution calculations to incentivize improved loss experience.

**Status/Timeline:** The inhouse dashboard will be shared with the subcommittee and working group to discuss risk control options in May 2024, with the expectation that program revisions will be presented to the Litigation Management Committee for approval.

**Fiscal Impact/Resources:** Coordination through lead staff to the committee with input from the Judicial Council's offices of Branch Accounting & Procurement and Budget Services.

*This project may result in an allocation or distribution of funds to the courts. We will coordinate with Budget Services to ensure their review of relevant materials.*

**Internal/External Stakeholders:** JBWCP Members

**AC Collaboration:** Recommendations and initiatives will be submitted to the Court Executives Advisory Committee, and Supreme Court and Appellate Court Clerk Executive Officers.

## LIST OF 2022 and 2023 PROJECT ACCOMPLISHMENTS

#	Project Highlights and Achievements
1.	The committee has updated the program’s memorandum of coverage to include the following: defining occurrence and catastrophic incidents, documenting coverage of volunteers and interns, establishing member reporting requirements and responsiveness, including language when involving other insurances, out of state coverage, disputes and appeals, as well as creating a process for members to accept terms and conditions.
2.	The committee has made excellent progress and has improved its funding position from -\$22M deficit in fiscal year 2016-17 to a projected \$15.5M balance in fiscal year 2023-24. This is mainly due to positive claim development and continued reduction in the program’s administrative costs.