




Office of the City Manager

INFORMATION CALENDAR

October 24, 2006

To: Honorable Mayor and
Members of the City Council

From:  Phil Kamlarz, City Manager

Submitted by: David W. Hodgkins, Director, Human Resources

Subject: Quarterly Report on Employee Safety and Workers' Compensation (CF07-04)

SUMMARY

This report is part of an ongoing series regarding the City's Workers' Compensation Program and costs associated with the program. This report focuses on the fourth quarter in FY 2006 workers' compensation claims activity.

CURRENT SITUATION AND ITS EFFECTS

The rate of claims with a date of injury this quarter remains low in comparison to prior years. Because the average life of an open workers' compensation claim is three to five years (six to seven years for serious, complex, or litigated claims), the reduction is expected to be reflected in future costs. In addition, the Human Resources Department staff continues to examine and evaluate practices with the goal of improving the effectiveness and efficiency of the Workers' Compensation Program. Because of continued focus on injury prevention, claims management and employee responsibility, the City continues to experience a drop in claim volume and in related costs.

Workers' Compensation Claim Trends and Costs

The trend for claims that result in lost time remained low this quarter and reduced overall for the fiscal year. This is particularly important because these claims tend to incur the most significant costs for the City. And, although prior year claim costs continue to contribute substantially to the overall cost of the City's Workers' Compensation Program, because of the reduction in claims, the City actually paid out approximately \$1 million less in fiscal year 2006 than in fiscal year 2005. This cost savings is reflected in Appendix V. The same attachment 5 shows that we have made significant inroads in paying off claims from 2000 and through 2004.

Update to Program Improvements

1. **Safety Training:** At the end of March 31, 2006, the City completed the "Supervisor's Professional Development Course in Safety." The safety training consists of 12 core modules and five specialized modules ranging from safety management to industrial hygiene to machine guarding. The course graduate should be able to recognize and

mitigate conditions, which, if left uncorrected, could result in an avoidable accident and/or employee injury. Thirty-nine managers and supervisors have completed the 12 core modules and 14 still need to complete either one or two modules. A new round of training will commence in October 2006 and continue through May 2007.

The Occupational Health and Safety Coordinator has also conducted two new hire safety orientation sessions for the Library, for 30 employees. In addition, inspections of all Library branches commenced and two have been completed as of March 31, 2006.

The Workers' Compensation Analyst will be providing City-wide training for supervisors and Departmental Workers' Compensation Representatives. The training will focus on updates to the Workers' Compensation Administrative Regulation and other program improvements.

2. **Ergonomic Training and Evaluation:** The Workers' Compensation Analyst and Occupational Health and Safety Coordinator continue to conduct ergonomic training and evaluations in an effort to prevent injuries, contain the severity of injuries, and help relieve the affects of injuries. During this quarter, 25 individual evaluations were completed for City employees.
3. **Claims Closure:** The City's Third Party Administrator, Innovative Claims Solutions (ICS), continues to focus on closing claims to ultimately reduce the large number of open claims. During this quarter, ICS closed out 55 Indemnity Claims and 26 Medical Only Claims, for a total of 81 closed claims this quarter. As of June 30, 2006, the City's open claim inventory totals 409 Indemnity and 47 Medical Only, for a total of 456 open claims, which is a slightly lower open claim inventory than last quarter. ICS continues to work aggressively to close old claims. Ultimately, the goal is to reduce the open claim volume, both Indemnity and Medical Only, to reduce future liability.
4. **Bill Review Services:** An essential component of any successful workers' compensation cost containment program is the bill review service. Bill review ensures that medical fees comply with State mandated regulatory codes. Bill review and reduction programs are vital to cost containment and reduction. Comp IQ Corporation provides the medical bill review services for the City of Berkeley. Below is a summary of the activity for this quarter.

April 2006: The City was charged \$520,405 for 616 invoices. Charges were reduced by \$389,639, for a 75% cost savings to the City.

May 2006: The City was charged \$334,241 for 617 invoices. Charges were reduced by \$240, 251, for a 72% savings to the City.

June 2006: The City was charged \$504,937 for 617 invoices. Charges were reduced by \$342,024, for a 68% savings to the City.

5. **Nurse Case Management Program:** Human Resources staff teamed with ICS and Genex Services, Inc. to create a targeted Nurse Case Management Program that encourages return to work, increased physician communication, professional nurse intervention and cost containment strategies. Utilizing Nurse Case Management Services ensures early and appropriate medical treatment, reduces unnecessary medical treatment costs, reduces treatment delays, and provides medical advice to the injured worker throughout the course of their claim. Because the nurse is a licensed clinical professional, the nurse can provide medical advice to the injured worker that will facilitate medical treatment and offer realistic expectations for recovery. The City currently has 27 open cases with Nurse Case Management activity.

Outcome of the City's Workers' Compensation Program

- The total number of Indemnity Claims for the fourth quarter in FY 2006 remained at 16, matching the third quarter in fiscal year 2006, but decreased by 15 claims from the fourth quarter in FY 2005. The decrease in Indemnity Claims this Fiscal Year is attributed to the decline of Indemnity Claims filed by Sworn Fire and Non-Sworn employees, most notably the Non-Sworn employees who had a significant drop in Indemnity Claims from 90 to 65 from the fourth quarter of 2005 to the fourth quarter of 2006. (See Appendix I; Chart 1)
- The total number of Medical Only Claims with a date of injury in the fourth quarter in FY 2006 increased by 16 claims from the third quarter of FY 2006, from 21 to 37, but decreased by three claims from the fourth quarter in FY 2005. The increase in Medical Only Claims in the fourth quarter is primarily associated with an increase in claims filed by Non-Safety employees in the Police, Public Works, and Parks, Recreation and Waterfront departments. However, the decrease in Medical Only Claims this Fiscal Year is associated with a significant decrease in Medical Only Claims by Sworn Police and Non-Sworn employees. (See Appendix II; Chart 2)
- Overall, the total number of Indemnity and Medical Only Claims with a date of injury in the fourth quarter of FY 2006 increased by 16 claims from the third quarter in fiscal year 2006, but decreased by 18 claims from the fourth quarter in FY 2005, and decreased in Fiscal Year 2006 by 42 claims from Fiscal Year 2005. (See Appendix II; Chart 3)
- On a department-wide basis, the incidence of workers' compensation claims continues to trend downward from FY 2005 for all departments, particularly, Police and Fire, with a decrease in the fourth quarter of six claims and five claims, respectively, from the fourth quarter of FY 2005 to FY 2006. (See Appendix III)
- Cost per claim information for all units, when viewed on a per quarter basis is subject to great fluctuation based on the nature of the underlying injury. The Indemnity cost per claim for all units in the fourth quarter of FY 2006 increased by approximately \$5,056

from the third quarter of FY 2006 (from \$7,989 to \$13,045), and increased by \$1,496 per claim from the fourth quarter in FY 2005, (from \$11,549 to \$13,045). (See Appendix IV; Chart 4)

- Prior year claim costs continue to contribute substantially to the overall cost of the City's Workers' Compensation Program. However, as stated above, because of the reduction in claims, the City actually paid out approximately \$1 million less in fiscal year 2006 than in fiscal year 2005. (See Appendix V)
- Monthly City of Berkeley invoices tracked by Finance Department for medical, legal, hospital, physical therapy, and prescription drug benefit expenses decreased dramatically in fiscal year 2006. As of June 30, 2006, the average monthly payment was \$338,223, (compared to \$420,212 in FY 2005), and was the lowest in over five years.

POSSIBLE FUTURE ACTION

Human Resources staff continues to meet with representatives of the labor organizations to foster a joint approach to employee safety improvements in order to reduce the exposure to accidents and injuries.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

Reduce future costs through an aggressive workplace safety program that involves participation of representatives of employee organizations and management staff.

CONTACT PERSON

David W. Hodgkins, Director of Human Resources, Human Resources, 981-6805

Attachments:

- 1: Appendix I – Indemnity Claims Activity
- 2: Appendix II – Medical Only Claims Activity
- 3: Appendix III – Quarter-to-Quarter Claims Activity by Department
- 4: Appendix IV – Cost Per Claim
- 5: Appendix V – Current Year's Expenses from Prior Year Claims
- 6: Chart 1 – COB Workers' Compensation – Indemnity Claims
- 7: Chart 2 – COB Workers' Compensation – Medical Only Claims
- 8: Chart 3 – COB Annual Workers' Compensation Claims
- 9: Chart 4 – Indemnity – Cost/Claim
- 10: Chart 5 – Annual Workers' Compensation Claims / Percentage of FTE

Appendix I
Indemnity Claims Activity
As of June 30, 2006

Indemnity Claims are workers' compensation claims with financial exposure to temporary or permanent disability payments, litigation, or medical procedures beyond office visits or physical therapy. Indemnity Claims are sometimes referred to as "Lost time" claims because the claim is usually converted from Medical Only to Indemnity when the employee loses time from work. The table below shows the number of Indemnity Claims with a date of injury over the past two fiscal years and up to the fourth quarter in fiscal year 2006. The information is broken out by all sworn Fire employees, sworn Police employees, non-sworn employees, and all employees combined. There are approximately 80 non-sworn employees in the Police Department in classifications such as Parking Enforcement Officer, Community Service Officer, Public Safety Dispatcher and other non-sworn clerical and administrative staff. The Fire Department also has non-sworn clerical and administrative support staff, but in smaller numbers than are assigned to the Police Department.

Indemnity Claims filed by Sworn Fire Employees					
There are approximately 109 Sworn Fire employees including Fire Management staff.					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	5	11	5	4	25
2005	6	7	5	6	24
2006	5	6	3	1	15

Indemnity Claims filed by Sworn Police Employees					
There are approximately 182 Sworn Police employees including Police Management staff.					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	7	2	4	8	21
2005	7	4	3	5	19
2006	6	11	4	4	25

Indemnity Claims filed by Non-Sworn Employees					
There are approximately 1406 Non-Sworn career employees. However, these numbers will include hourly, part-time and seasonal employees and the number of employees will fluctuate depending on a variety of factors, including seasonality.					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	28	20	17	24	89
2005	28	21	21	20	90
2006	22	23	9	11	65

Indemnity Claims / Total for All Employees					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	40	33	26	36	135
2005	41	32	29	31	133
2006	33	40	16	16	105

Appendix II
Medical Only Claims Activity
As of June 30, 2006

Medical Only Claims are claims that result in minor treatment but no lost time. No disability is associated with these types of claims because the severity of injury is much lower. The table below shows the number of Medical Only Claims with a date of injury over the past two fiscal years, and up to the fourth quarter in fiscal year 2006. The information is broken out by all sworn Fire employees, sworn Police employees, non-sworn employees and all employees combined with a total for Indemnity and Medical Only.

Medical Only Claims filed by Sworn Fire Employees					
There are approximately 109 Sworn Fire employees including Fire Management staff.					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	9	9	18	17	53
2005	5	2	4	4	15
2006	6	6	7	3	22

Medical Only Claims filed by Sworn Police Employees					
There are approximately 182 Sworn Police employees including Police Management staff.					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	10	11	15	16	52
2005	15	5	7	14	41
2006	7	5	4	8	24

Medical Only Claims filed by Non-Sworn Employees					
There are approximately 1406 Non-Sworn career employees. However, these numbers will include hourly, part-time and seasonal employees. The number of employees will fluctuate depending on a variety of factors, including seasonality.					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	43	33	24	24	124
2005	23	20	19	22	84
2006	23	21	10	26	80

Medical Only Claims / Total for All Employees					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	62	53	57	57	229
2005	43	27	30	40	140
2006	36	32	21	37	126

Grand Total of Indemnity and Medical Only Claims / Total for All Employees					
Fiscal Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
2004	102	86	83	93	364
2005	84	59	59	71	273
2006	69	72	37	53	231

Appendix III
Quarter-to-Quarter Claims Activity By Department
As of June 30, 2006

The table below shows the number of Indemnity Claims and Medical Only Claims with a date of injury over the past two fiscal years, with information on the fourth quarter of FY 2006, organized by department. Overall, the incidence of workers' compensation claims continues to trend downward.

Department	Fourth Quarter Fiscal Year 2004			Fourth Quarter Fiscal Year 2005			Fourth Quarter Fiscal Year 2006			Variance (decrease increase From FY 2005
	Medical	Indemnity	Total	Medical	Indemnity	Total	Medical	Indemnity	Total	
Public Works	5	11	16	8	9	17	10	5	15	(2)
Police*	17	8	25	16	8	24	13	5	18	(6)
Parks, Rec. & Waterfront	4	4	8	6	3	9	8	1	9	0
Fire*	17	4	21	4	6	10	3	2	5	(5)
Library	1	0	1	1	2	3	0	3	3	0
Health and Human Services	6	3	9	2	2	4	2	0	2	(2)
Finance	1	2	3	0	1	1	0	0	0	(1)
City Manager	5	0	5	0	0	0	0	0	0	0
City Attorney	0	1	1	0	0	0	0	0	0	0
City Auditor	1	0	1	0	0	0	0	0	0	0
Housing	0	1	1	1	0	1	1	0	1	0
Mayor and Council	0	0	0	0	0	0	0	0	0	0
City Clerk	0	0	0	0	0	0	0	0	0	0
Economic Development	0	0	0	0	0	0	0	0	0	0
Human Resources	0	0	0	0	0	0	0	0	0	0
Information Systems	0	0	0	0	0	0	0	0	0	0
Planning	0	1	1	2	0	2	0	0	0	2
Rent Board	0	1	1	0	0	0	0	0	0	0
Grand Total	57	36	93	40	31	71	37	16	53	(18)
<i>*Includes sworn and non-sworn employees.</i>										

**Appendix IV
Costs Per Claim
As of June 30, 2006**

The table below shows the costs associated for Indemnity Claims with a date of injury over the past five fiscal years, as of the fourth quarter in FY 2006. The information is broken out by all sworn Fire employees, sworn Police employees, non-sworn employees and all employees combined. The Indemnity Claim costs will change over time as additional payments are made for additional services provided in future years.

Fire (Unit B) Indemnity Cost						
Fiscal Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2002	Total Claims	5	9	4	5	23
	Paid Total	\$188,464	\$304,930	\$102,746	\$220,730	\$816,869
	Reserves	\$29,341	\$76,922	\$69,180	\$50,378	\$225,821
	Incurred Total	\$217,805	\$381,852	\$171,926	\$271,108	\$1,042,691
	Cost per Claim	\$43,561	\$42,428	\$42,982	\$54,222	\$45,334
2003	Total Claims	9	3	5	8	25
	Paid Total	\$153,786	\$144,963	\$53,584	\$270,332	\$622,664
	Reserves	\$5,584	\$18,969	\$10,650	\$74,501	\$109,704
	Incurred Total	\$159,369	\$163,932	\$64,234	\$344,833	\$732,368
	Cost per Claim	\$17,708	\$54,644	\$12,847	\$43,104	\$29,295
2004	Total Claims	5	11	5	4	25
	Paid Total	\$174,159	\$327,385	\$18,137	\$95,249	\$614,930
	Reserves	\$78,852	\$27,208	\$369	\$9,055	\$115,484
	Incurred Total	\$253,011	\$354,592	\$18,507	\$104,304	\$730,414
	Cost per Claim	\$50,602	\$32,236	\$3,701	\$26,076	\$29,217
2005	Total Claims	6	7	5	6	24
	Paid Total	\$349,800	\$127,248	\$27,184	\$30,027	\$534,259
	Reserves	\$104,436	\$66,445	\$43,404	\$24,300	\$238,586
	Incurred Total	\$454,236	\$193,693	\$70,589	\$54,327	\$772,845
	Cost per Claim	\$75,706	\$27,670	\$14,118	\$9,055	\$32,202
2006	Total Claims	5	6	3	1	15
	Paid Total	\$38,149	\$99,362	\$37,320	\$78	\$174,908
	Reserves	\$4,074	\$149,752	\$13,679	\$1,872	\$169,377
	Incurred Total	\$42,223	\$249,114	\$50,998	\$1,950	\$344,285
	Cost per Claim	\$8,445	\$41,519	\$16,999	\$1,950	\$22,952

Police (Units E & F) Indemnity Cost						
Fiscal Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2002	Total Claims	8	11	8	5	32
	Paid Total	\$615,242	\$599,904	\$159,972	\$69,905	\$1,445,023
	Reserves	\$82,896	\$110,165	\$0	\$18,987	\$212,048
	Incurred Total	\$698,139	\$710,069	\$159,972	\$88,892	\$1,657,071
	Cost per Claim	\$87,267	\$64,552	\$19,996	\$17,778	\$51,783
2003	Total Claims	6	2	5	4	17
	Paid Total	\$375,864	\$173,692	\$92,355	\$154,295	\$796,206
	Reserves	\$3,236	\$16,750	\$56,290	\$15,973	\$92,248
	Incurred Total	\$379,100	\$190,442	\$148,645	\$170,269	\$888,455
	Cost per Claim	\$63,183	\$95,221	\$29,729	\$42,567	\$52,262
2004	Total Claims	7	2	4	8	21
	Paid Total	\$144,044	\$8,906	\$26,187	\$96,227	\$275,364
	Reserves	\$23,413	\$0	\$0	\$11,130	\$34,543
	Incurred Total	\$167,457	\$8,906	\$26,187	\$107,357	\$309,907
	Cost per Claim	\$23,922	\$4,453	\$6,547	\$13,420	\$14,757
2005	Total Claims	7	4	3	5	19
	Paid Total	\$154,936	\$148,619	\$68,520	\$46,852	\$418,926
	Reserves	\$81,096	\$22,390	\$40,508	\$4,434	\$148,428
	Incurred Total	\$236,032	\$171,010	\$109,027	\$51,286	\$567,355
	Cost per Claim	\$33,719	\$42,752	\$36,342	\$10,257	\$29,861
2006	Total Claims	6	11	4	4	25
	Paid Total	\$7,232	\$163,591	\$15,835	\$19,441	\$206,098
	Reserves	\$9,286	\$55,871	\$18,243	\$40,143	\$123,543
	Incurred Total	\$16,518	\$219,462	\$34,077	\$59,584	\$329,641
	Cost per Claim	\$2,753	\$19,951	\$8,519	\$14,896	\$13,186

Non-Safety Units Indemnity Cost						
Fiscal Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2002	Total Claims	28	28	29	30	115
	Paid Total	\$982,989	\$1,371,337	\$614,541	\$1,201,797	\$4,170,663
	Reserves	\$217,354	\$203,744	\$125,690	\$173,229	\$720,016
	Incurred Total	\$1,200,343	\$1,575,080	\$740,231	\$1,375,026	\$4,890,679
	Cost per Claim	\$42,869	\$56,253	\$25,525	\$45,834	\$42,528
2003	Total Claims	35	21	25	30	111
	Paid Total	\$1,182,191	\$598,701	\$382,364	\$744,843	\$2,908,099
	Reserves	\$198,714	\$146,526	\$327,348	\$121,602	\$794,189
	Incurred Total	\$1,380,905	\$745,226	\$709,712	\$866,446	\$3,702,289
	Cost per Claim	\$39,454	\$35,487	\$28,388	\$28,882	\$33,354
2004	Total Claims	28	20	17	24	89
	Paid Total	\$397,210	\$393,502	\$163,884	\$522,745	\$1,477,341
	Reserves	\$308,458	\$220,523	\$60,160	\$238,525	\$827,665
	Incurred Total	\$705,668	\$614,025	\$224,044	\$761,270	\$2,305,007
	Cost per Claim	\$25,202	\$30,701	\$13,179	\$31,720	\$25,899
2005	Total Claims	28	21	21	20	90
	Paid Total	\$329,558	\$525,708	\$138,488	\$170,698	\$1,164,451
	Reserves	\$157,091	\$190,525	\$50,167	\$81,705	\$479,489
	Incurred Total	\$486,649	\$716,233	\$188,656	\$252,403	\$1,643,940
	Cost per Claim	\$17,380	\$34,106	\$8,984	\$12,620	\$18,266
2006	Total Claims	22	23	9	11	65
	Paid Total	\$154,974	\$117,704	\$18,919	\$18,625	\$310,222
	Reserves	\$131,170	\$149,806	\$23,822	\$128,555	\$433,353
	Incurred Total	\$286,143	\$267,510	\$42,741	\$147,180	\$743,574
	Cost per Claim	\$13,007	\$11,631	\$4,749	\$13,380	\$11,440

Grand Total Indemnity Cost Incurred for All Employees						
Fiscal Year		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
2002	Total Claims	41	48	41	40	170
	Paid Total	1,786,695	2,276,171	877,259	1,492,431	\$6,432,555
	Reserves	329,591	390,830	194,870	242,594	\$1,157,886
	Incurred Total	\$2,116,286	\$2,667,001	\$1,072,129	\$1,735,025	\$7,590,441
	Cost per Claim	\$51,617	\$55,563	\$26,149	\$43,376	\$44,650
2003	Total Claims	50	26	35	42	153
	Paid Total	1,711,841	917,356	528,302	1,169,470	\$4,326,970
	Reserves	207,533	182,245	394,288	212,077	\$996,141
	Incurred Total	\$1,919,374	\$1,099,600	\$922,590	\$1,381,547	\$5,323,111
	Cost per Claim	\$38,387	\$42,292	\$26,360	\$32,894	\$34,792
2004	Total Claims	40	33	26	36	135
	Paid Total	715,414	729,793	208,208	714,221	\$2,367,635
	Reserves	410,722	247,730	60,529	258,711	\$977,692
	Incurred Total	\$1,126,136	\$977,523	\$268,737	\$972,931	\$3,345,328
	Cost per Claim	\$28,153	\$29,622	\$10,336	\$27,026	\$24,780
2005	Total Claims	41	32	29	31	133
	Paid Total	834,294	801,575	234,192	247,576	\$2,117,637
	Reserves	342,623	279,361	134,079	110,439	\$866,502
	Incurred Total	\$1,176,917	\$1,080,936	\$368,272	\$358,015	\$2,984,139
	Cost per Claim	\$28,705	\$33,779	\$12,699	\$11,549	\$22,437
2006	Total Claims	33	40	16	16	105
	Paid Total	200,354	380,657	72,073	38,144	\$691,228
	Reserves	144,531	355,429	55,743	170,570	\$726,273
	Incurred Total	\$344,884	\$736,086	\$127,817	\$208,714	\$1,417,501
	Cost per Claim	\$10,451	\$18,402	\$7,989	\$13,045	\$13,500

Appendix V
Current Year's Expenses from Prior Year Claims
As of June 30, 2006

As previously reported to the Council, the number of claims filed, particularly Indemnity Claims, continue to incur a high level of expense for injuries that occurred in prior years. These expenses include, but are not limited to, medical treatment, such as physical therapy and medication, vocational rehabilitation, temporary and total disability payments and litigation expenses, as well as City of Berkeley payroll expenses for salary continuation due to lost time. The table below shows workers' compensation expenses paid by Innovative Claim Solutions over the past two fiscal years and up to the fourth quarter of FY 2006, organized by the amount paid on claims for each fiscal year. This table does not include City of Berkeley payroll expenses.

Fiscal Year of Reported Injury	Amount Paid on Claim in Fiscal 2004	Amount Paid on Claim in Fiscal 2005	Amount Paid on Claims in Fiscal 2006	Total Amount Paid from July 1 2003 through June 30, 2006
Fiscal Years 1976 through 1979	\$59,351	\$31,999	\$164,694	\$256,044
Fiscal Years 1980 through 1989	\$94,090	\$29,320	\$22,032	\$145,442
Fiscal Years 1990 through 1999	\$1,404,749	\$1,390,667	\$601,464	\$3,396,880
Fiscal 2000	\$511,199	\$301,966	\$262,383	\$1,075,548
Fiscal 2001	\$636,925	\$351,619	\$232,668	\$1,221,212
Fiscal 2002	\$1,334,526	\$1,083,436	\$869,433	\$3,287,395
Fiscal 2003	\$1,578,382	\$974,712	\$615,830	\$3,168,924
Fiscal 2004	\$629,686	\$1,276,255	\$562,974	\$2,468,915
Fiscal 2005	0	\$898,132	\$1,272,027	\$2,170,159
Fiscal 2006	0	0	\$740,408	\$740,408
Total	\$6,248,907	\$6,338,107	\$5,343,914	\$17,930,928

Chart 1

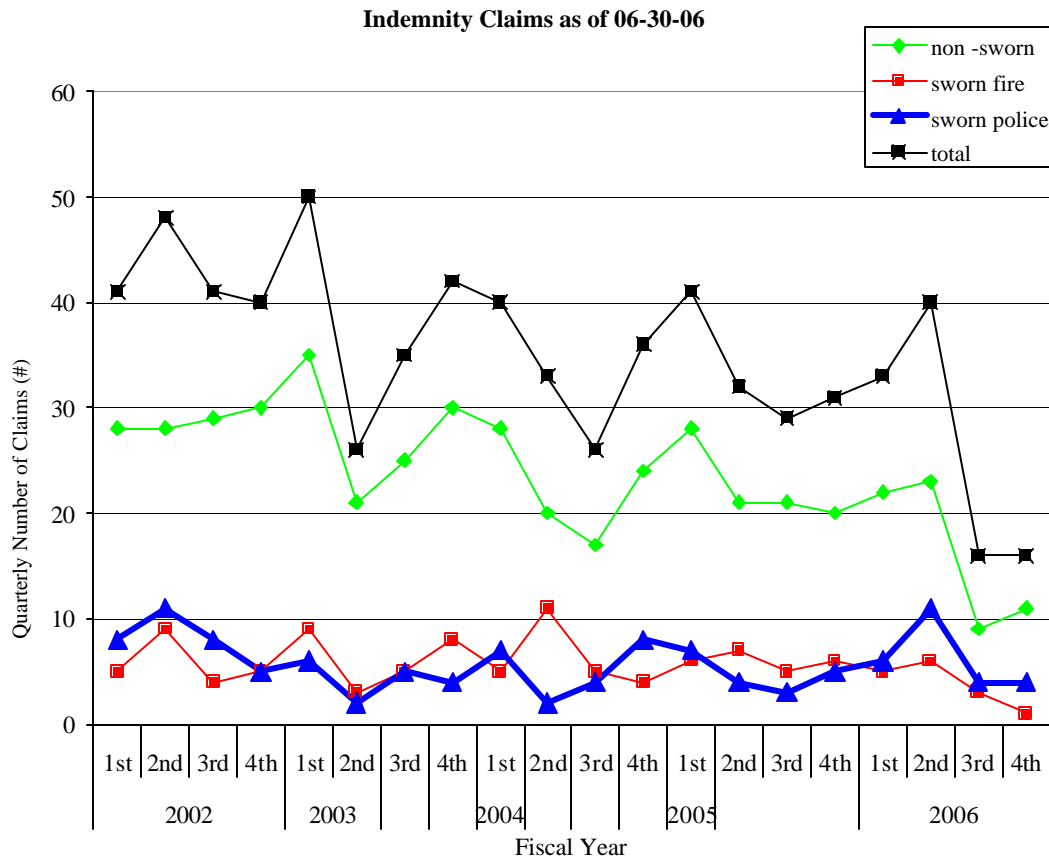


Chart 2

Medical Only Claims as of 06-30-06

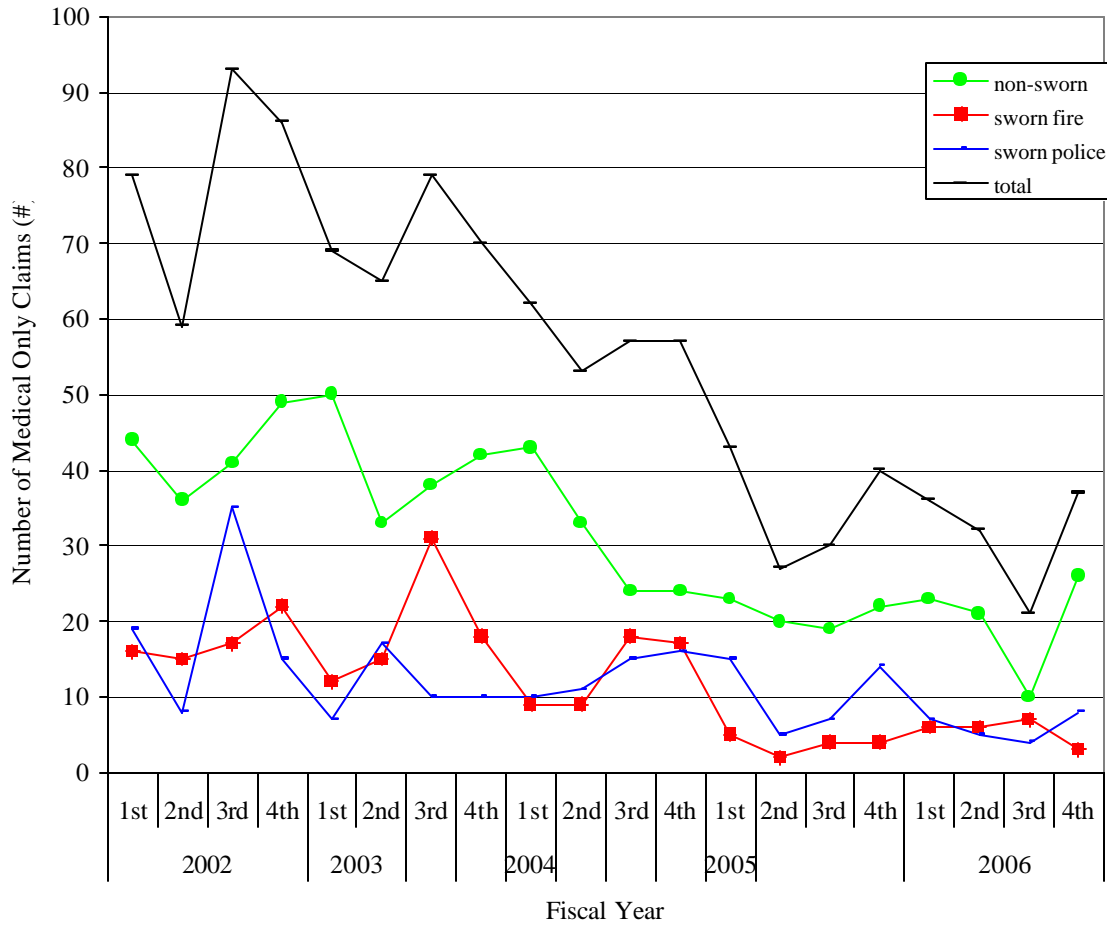


Chart 3

Annual Workers' Compensation Claims - as of 06-30-06

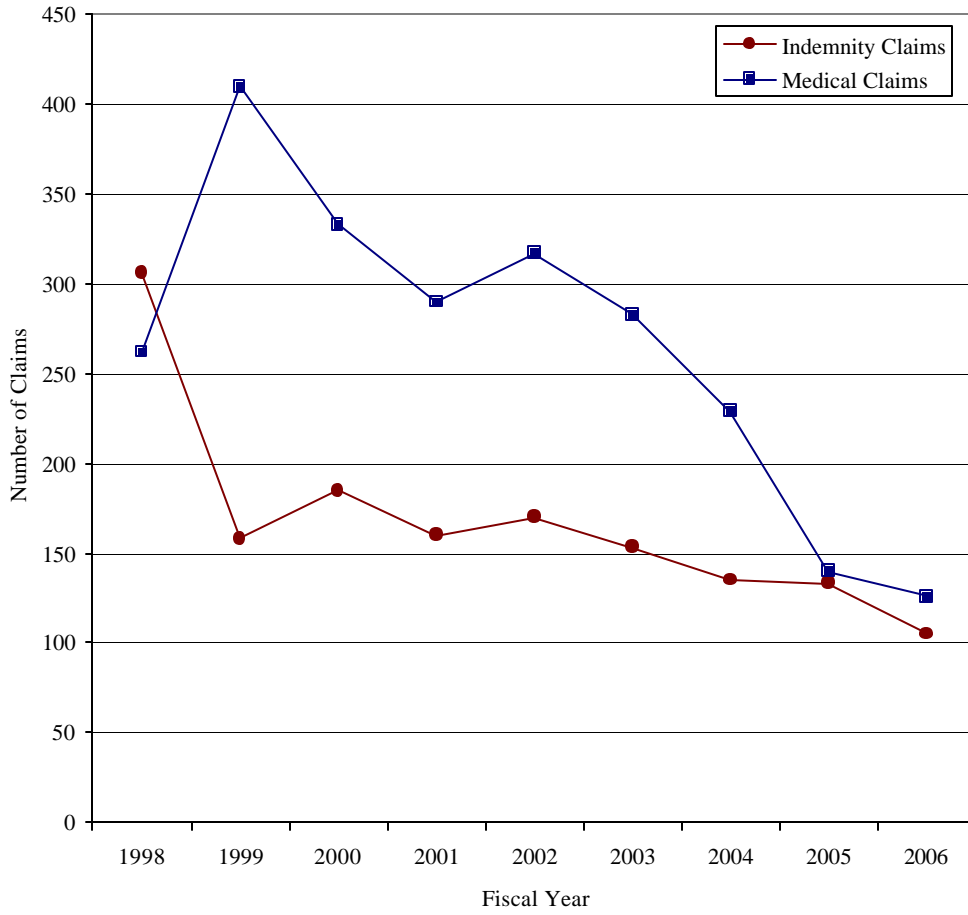


Chart 4

Indemnity - Cost/Claim as of 06-30-06

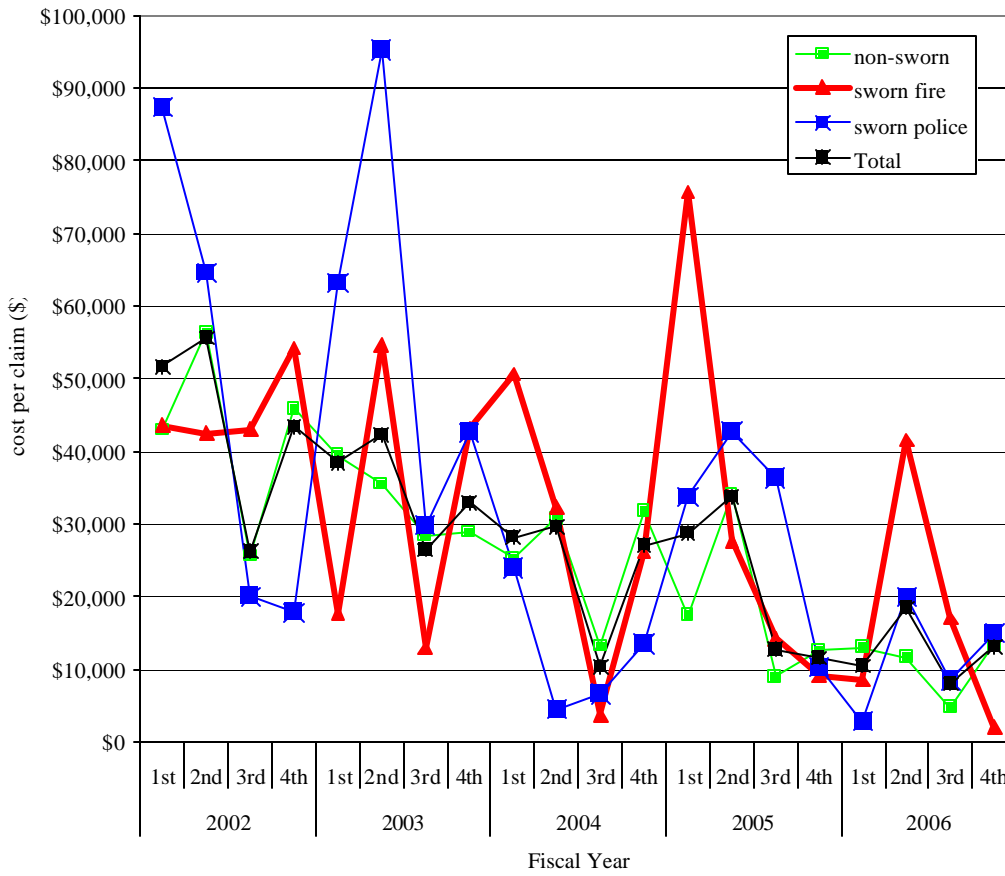


Chart 5

Annual Workers' comp Claims/Percentage of FTEs as of 06-30-06

