

## 8420 State Compensation Insurance Fund

The State Compensation Insurance Fund (State Fund) is a public enterprise fund established to provide California businesses with an available market for workers' compensation insurance while making California's workplaces safer and helping injured employees return to work. The State Fund operates on premiums written and investment income and is self-supporting.

The State Fund, under a Master Agreement with the Department of Personnel Administration, provides workers' compensation claims administration services for legally uninsured state agencies. Under this agreement state agencies reimburse the State Fund for benefit payments made to injured workers and health care providers as identified in the Workers' Compensation Benefits for State Agencies budget display.

### 3-YR EXPENDITURES AND PERSONNEL YEARS

	Personnel Years			Expenditures		
	2010-11	2011-12	2012-13	2010-11*	2011-12*	2012-13*
10 Workers' Compensation Benefits	-	-	-	\$772,710	\$205,320	\$693,000
20 Workers' Compensation Program Administration	7,068.3	4,659.1	4,204.3	874,162	1,176,293	545,000
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>7,068.3</b>	<b>4,659.1</b>	<b>4,204.3</b>	<b>\$1,646,872</b>	<b>\$1,381,613</b>	<b>\$1,238,000</b>
<b>FUNDING</b>				<b>2010-11*</b>	<b>2011-12*</b>	<b>2012-13*</b>
0512 Compensation Insurance Fund				\$1,646,872	\$1,381,613	\$1,238,000
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$1,646,872</b>	<b>\$1,381,613</b>	<b>\$1,238,000</b>

Program 10 does not include the cost of benefits for State of California employees. Refer to the Workers' Compensation Benefits for State Agencies for the costs per the state Master Agreement.

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Insurance Code, Division 2, Part 3, Chapter 4, Articles 1-7; and California Constitution, Article 14, Section 4.

\* Dollars in thousands, except in Salary Range.

## 8420 State Compensation Insurance Fund - Continued

### Workers' Compensation Benefits for State Agencies

The following table provides summary data on actual and estimated workers' compensation costs by state agencies for informational purposes. All workers' compensation costs are included in the individual budgets of the responsible state agency. Costs also include administrative charges under the Master Agreement.

	2008-2009	2009-2010	2010-2011	2011-2012 <sup>1/</sup>	2012-2013 <sup>1/</sup>
Policy premium cost of insured State Agencies	\$3,712,073	\$3,256,479	\$4,281,833	\$4,179,245	\$3,970,283
Benefits paid by uninsured State Agencies (Exclusive of payments under Labor Code Section 4800/4800.5 and Industrial Disability Leave)	317,502,688	349,188,844	376,576,337	408,000,000	440,000,000
Industrial Disability Leave benefits paid by State Agencies	57,426,715	66,952,566	80,084,502	90,000,000	100,000,000
Benefits paid under Labor Code Sections:					
4800 Department of Justice	487,984	285,293	728,477	1,100,000	1,300,000
4800.5 California Highway Patrol	6,664,335	5,008,518	7,463,653	10,000,000	12,000,000
Administrative Costs under the Master Agreement	76,000,000	78,000,000	82,000,000	96,717,000	103,665,347
<b>TOTAL WORKERS' COMPENSATION COST (ALL FUNDS)</b>	<b>\$461,793,795</b>	<b>\$502,691,700</b>	<b>\$551,134,802</b>	<b>\$609,996,245</b>	<b>\$660,935,630</b>
<b>Number of Workers' Compensation Claims</b>					
Industrial Disability Leave:					
Nondisabling	13,557	13,329	13,194	13,200	13,250
Disabling	10,408	10,117	11,144	11,375	11,600
Labor Code Sections:					
4800 Department of Justice	29	29	23	30	30
4800.5 California Highway Patrol	716	855	943	1,000	1,100
<b>Total New Reported Claims</b>	<b>24,710</b>	<b>24,330</b>	<b>25,304</b>	<b>25,605</b>	<b>25,980</b>

<sup>1/</sup> Estimate

Prepared by: State Compensation Insurance Fund, State Contract Services

\* Dollars in thousands, except in Salary Range.

## 8420 State Compensation Insurance Fund - Continued

### PROGRAM DESCRIPTIONS

#### 10 - WORKERS' COMPENSATION BENEFITS

Through this program, the State Compensation Insurance Fund (State Fund) provides workers' compensation benefit payments to covered employees who are injured or become ill during the course of or due to employment.

#### 20 - WORKERS' COMPENSATION PROGRAM ADMINISTRATION

Through this program, the State Fund writes insurance policies for California employers, processes and adjusts workers' compensation claims, and provides loss-control training programs to insured employers.

### EXPENDITURES BY CATEGORY

1 State Operations	Positions/Personnel Years			Expenditures		
	2010-11	2011-12	2012-13	2010-11*	2011-12*	2012-13*
PERSONAL SERVICES						
Authorized Positions - Salaries and Wages	7,068.3	4,659.1	4,204.3	\$393,799	\$334,121	\$265,332
State Master Agreement (non-add)	(689.9)	(717.5)	(680.5)	-	-	-
<b>Net Totals, Salaries and Wages</b>	<b>7,068.3</b>	<b>4,659.1</b>	<b>4,204.3</b>	<b>\$393,799</b>	<b>\$334,121</b>	<b>\$265,332</b>
Staff Benefits	-	-	-	277,523	259,762	240,881
<b>TOTALS, PERSONAL SERVICES</b>	<b>7,068.3</b>	<b>4,659.1</b>	<b>4,204.3</b>	<b>\$671,322</b>	<b>\$593,883</b>	<b>\$506,213</b>
OPERATING EXPENSES AND EQUIPMENT				\$202,840	\$582,410	\$38,787
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$874,162</b>	<b>\$1,176,293</b>	<b>\$545,000</b>

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

<b>1 STATE OPERATIONS</b>		<b>2010-11*</b>	<b>2011-12*</b>	<b>2012-13*</b>
<b>0512 Compensation Insurance Fund</b>				
APPROPRIATIONS				
Insurance Code Sections 11770 and 11800.1		\$874,162	\$1,176,293	\$545,000
<b>TOTALS, EXPENDITURES</b>		<b>\$874,162</b>	<b>\$1,176,293</b>	<b>\$545,000</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>		<b>\$874,162</b>	<b>\$1,176,293</b>	<b>\$545,000</b>
<b>4 UNCLASSIFIED</b>		<b>2010-11*</b>	<b>2011-12*</b>	<b>2012-13*</b>
<b>0512 Compensation Insurance Fund</b>				
APPROPRIATIONS				
Insurance Code Section 11800.1 Benefits Paid--Workers' Compensation		\$772,710	\$205,320	\$693,000
<b>TOTALS, EXPENDITURES</b>		<b>\$772,710</b>	<b>\$205,320</b>	<b>\$693,000</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)</b>		<b>\$772,710</b>	<b>\$205,320</b>	<b>\$693,000</b>
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Unclassified)</b>		<b>\$1,646,872</b>	<b>\$1,381,613</b>	<b>\$1,238,000</b>

\* Dollars in thousands, except in Salary Range.