Total Benefits

The information below is compiled from expenditure reports submitted to DLI by workers' compensation insurers and claims administrators. The dollar amounts provided below are the total dollars insurers reported they paid in a fiscal year for indemnity[1] and medical benefits regardless of any and all dates of injury. The dollar amounts are not based on claim year or the date of the injury. Readers should be aware that prior years' benefit totals have been updated since the publication of previous annual reports due to the receipt of amended expenditure reports.

Exhibit 4.1

Total Benefits Paid - FY07

By Plan Type[2]

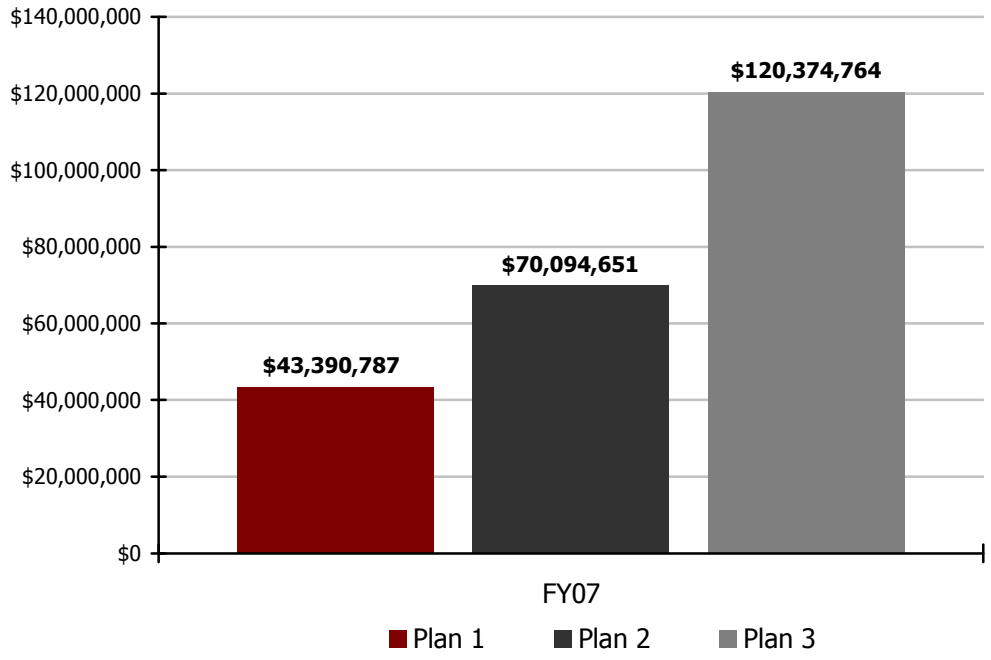


Exhibit 4.2

Total Benefits Paid

By Plan Type[2] and Fiscal Year of Payment

Plan Type[2]	FY03	FY04	FY05	FY06	FY07
Plan 1	34,866,131	38,517,602	39,555,738	40,473,575	43,390,787
Plan 2	73,751,077	67,821,495	69,138,452	71,814,372	70,094,651
Plan 3	91,798,520	103,416,233	101,699,733	114,818,303	120,374,764
Total[3]	***$200,415,727***	***$209,755,330***	***$210,193,923***	***$227,106,250***	***$233,860,202***

Notes:

[1]An "indemnity claim" is a workers' compensation injury or occupational disease claim where wage loss benefits, in addition to medical benefits, are currently being paid or are likely to be paid in the future.

[2]Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance and Plan 3 – Montana State Fund

[3]Total benefits represent indemnity and medical, from DLI Expenditure Reports as of May 12, 2008

Exhibit 4.3

Medical Payments - FY07

By Plan Type[1]

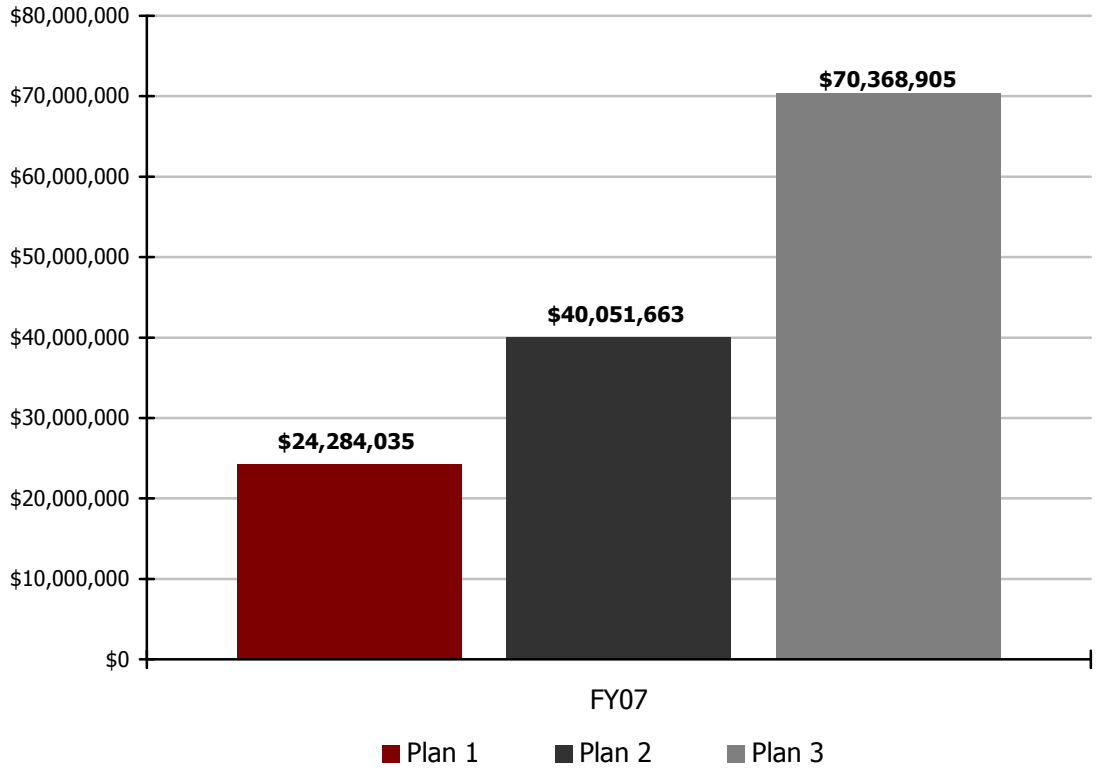


Exhibit 4.4

Medical Payments

By Plan Type[1] and Fiscal Year of Payment

Plan Type[1]	FY03	FY04	FY05	FY06	FY07
Plan 1	19,960,057	21,728,310	23,202,950	24,400,250	24,284,035
Plan 2	37,637,095	34,647,388	35,695,614	38,323,724	40,051,853
Plan 3	51,404,831	58,018,771	55,579,237	66,422,372	70,368,905
Total[2]	***$109,001,983***	***$114,394,470***	***$114,477,801***	***$129,146,347***	***$134,704,792***

Notes:

[1]Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance and Plan 3 – Montana State Fund

[2]Total benefits represent medical payments, from DLI Expenditure Reports as of May 12, 2008

Exhibit 4.5

Indemnity Payments - FY07

By Plan Type[1]

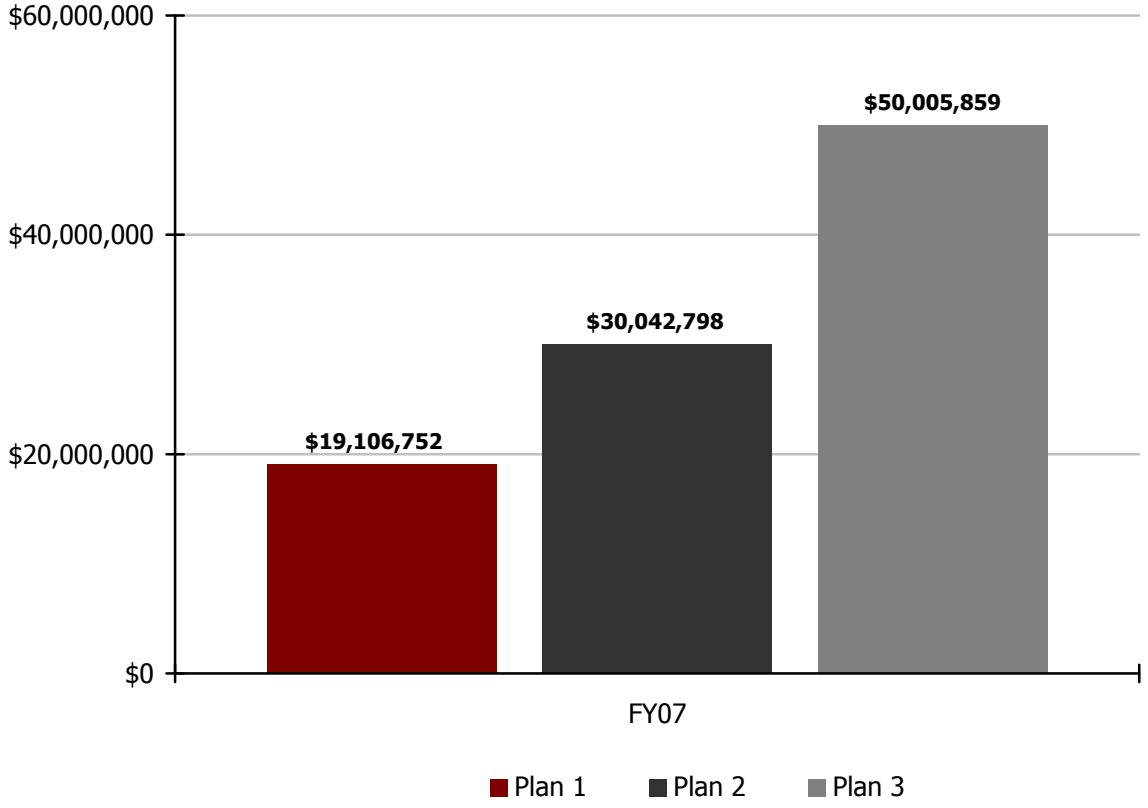


Exhibit 4.6

Indemnity Payments[1]

By Plan Type[2] and Fiscal Year of Payment

Plan Type[2]	FY03	FY04	FY05	FY06	FY07
Plan 1	14,906,074	16,789,291	16,152,788	16,073,325	19,106,752
Plan 2	36,113,982	33,174,107	33,442,838	33,490,647	30,042,798
Plan 3	40,393,689	45,397,462	46,120,496	48,395,931	50,005,859
Total[3]	***$91,413,745***	***$95,360,860***	***$95,716,122***	***$97,959,903***	***$99,155,409***

Notes:

[1]An "indemnity claim" is a workers' compensation injury or occupational disease claim where wage loss benefits, in addition to medical benefits, are currently being paid or are likely to be paid in the future.

[2]Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance and Plan 3 – Montana State Fund

[3]Total benefits represent indemnity payments, from DLI Quarterly Expenditure Reports as of May 12, 2008

Benefit Distribution

ERD compiles information on wage loss, medical, and vocational rehabilitation benefits paid to injured workers. This section is intended to display data regarding the amount and costs of developing claims. Data is presented in tables, which display average benefit amounts and counts for claims that reach annual time periods for subsequent fiscal years, starting in FY 2000.

The data presented in this section represents a departure from the reporting style of the previous annual reports. Until this annual report, claim financial data was reported from an actuarial perspective. This year, the tables reflect a more straightforward approach by giving claim counts, average annual benefits, average total benefits, and the percentage of claims reaching annual time periods. In addition, charts have been added for total wage-loss, total medical and total benefits tables, giving a graphical presentation of average total benefits and percentage data. Two more years worth of data have also been added to the tables.

- Exhibits 4.7 and 4.8 report total wage loss benefits and medical benefits.
- Exhibit 4.9 reports total benefits
- Exhibits 4.10 through 4.13 report indemnity benefits individually by the four primary categories: temporary total disability (TTD), temporary partial disability (TPD), permanent partial disability (PPD), and permanent total disability (PTD).
- Exhibits 4.14 through 4.16 report medical benefits individually by the three primary categories (excluding lump sum payments): payments to physicians, hospital costs, and other medical provider costs.
- Exhibits 4.17 and 4.18 report lump sum payments of wage replacement benefits and medical benefits.
- Exhibit 4.19 reports vocational rehabilitation benefits paid.

Each table consists of eight rows of data; each row holds information pertaining only to injuries sustained during the fiscal year shown in the "Injury Year" column. The "YR1" column presents the number of claims receiving the given benefit type within one year of the date on which the injury occurred, the average yearly benefit in that year, the average total benefit (the average accumulated benefit over time) and the percentage of claims with benefits paid in the first year. The YR2 through YR8 columns report statistics for claims that received benefits in those years from the date of injury.

A detailed explanation, including an example, of the development and use of these benefit statistics is provided in the methodology section. Readers should be aware that due to the changes made in the reporting style, comparisons to previous annual reports may not be valid.

Exhibit 4.7 –Total Wage Replacement: TTD, TPD, PTD, PPD, Including Lump Sums

Injury Year	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	3,168	1,426	809	531	374	294	165	85
	Average Yearly Benefit	$5,448	$9,336	$10,871	$11,731	$12,895	$11,096	$8,544	$9,612
	Average Total Benefit	$5,448	$16,642	$27,559	$39,007	$48,731	$54,973	$72,065	$95,655
	Percent	100.0	45.0	25.5	16.8	11.8	9.3	5.2	2.7
2001	Claims	4,425	1,962	1,066	697	459	242	135	
	Average Yearly Benefit	$5,439	$10,750	$12,435	$12,987	$14,309	$13,092	$11,167	
	Average Total Benefit	$5,439	$18,295	$30,893.20	$43,317	$54,489	$73,845	$98,878	
	Percent	100.0	44.3	24.1	15.8	10.4	5.5	3.1	
2002	Claims	4,802	2,099	1,086	644	363	182		
	Average Yearly Benefit	$5,188	$10,905	$13,093	$13,465	$11,748	$10,438		
	Average Total Benefit	$5,188	$18,365	$31,686	$44,976	$58,697	$74,392		
	Percent	100.0	43.7	22.6	13.4	7.6	3.8		
2003	Claims	5,090	2,146	1,032	543	285			
	Average Yearly Benefit	$5,507	$12,302	$14,065	$14,084	$13,323			
	Average Total Benefit	$5,507	$20,577	$35,291	$51,348	$67,954			
	Percent	100.0	42.2	20.3	10.7	5.6			
2004	Claims	5,294	1,932	802	395				
	Average Yearly Benefit	$5,260	$11,745	$12,848	$18,826				
	Average Total Benefit	$5,260	$19,500	$34,447	$57,132				
	Percent	100.0	36.5	15.2	7.5				
2005	Claims	4,912	1,642	675					
	Average Yearly Benefit	$5,715	$11,684	$12,469					
	Average Total Benefit	$5,715	$20,873	$37,013					
	Percent	100.0	33.4	13.7					
2006	Claims	4,734	1,589						
	Average Yearly Benefit	$5,505	$10,634						
	Average Total Benefit	$5,505	$19,879						
	Percent	100.0	33.6						
2007	Claims	4,072							
	Average Yearly Benefit	$5,207							
	Average Total Benefit	$5,207							
	Percent	100.0							

Exhibit 4.7 shows the claim counts, average yearly benefits, average total benefits, and claims percentages for the specified year. Year one represents statistics for claims in the year of injury, while years two through eight provide statistics for claims as they move beyond their injury years. For example, 3,168 wage loss claims were filed in FY 2000, with an average benefit of $5,448. By year five, only 374 people injured in FY 2000 were still receiving wage loss benefits, at an average of $12,895 that year. The average total benefit (average total wage loss cost of the claim) was $48,731 at that point in time. The percentage of FY 2000 claims that still had benefits being paid in year five was 11.8% (374 of 3,168 claims).

Exhibit 4.7.1 graphically shows the change in average total wage loss benefits over time. In other words, it shows how claim costs (in terms of wage loss benefits) escalate as claims age. Exhibit 4.7.2 shows the percentages of claims receiving wage loss benefits in the specified year. By year five, approximately ten percent of FY 2001 claims with wage loss benefits are still receiving benefits.

Exhibit 4.7.1

Average Total Wage Loss Benefits

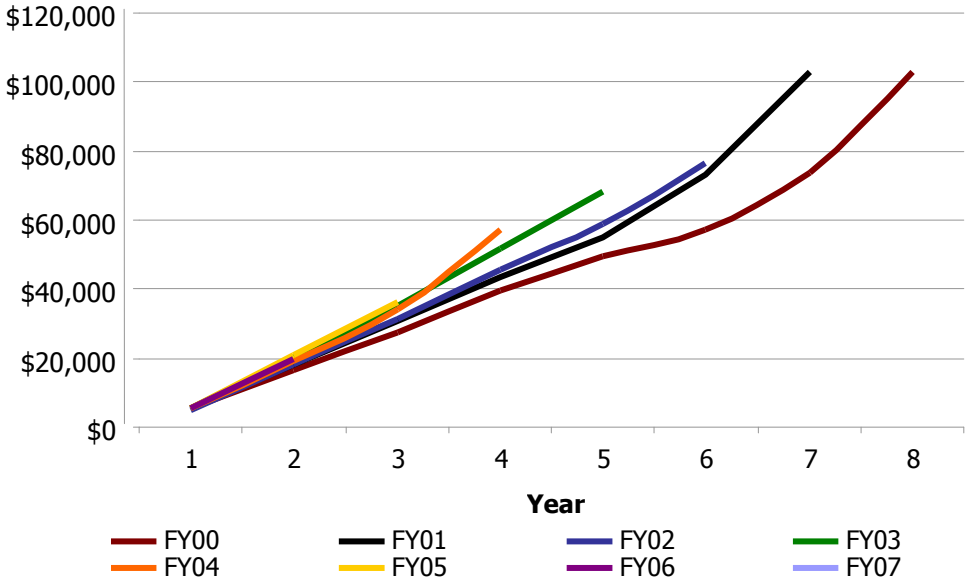
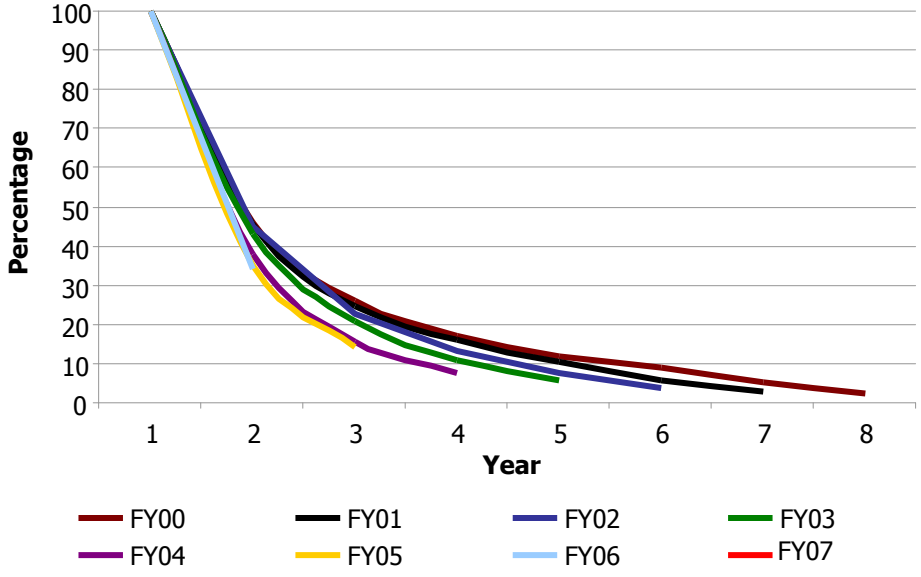


Exhibit 4.7.2

Percentage of Wage Loss Claims with Benefits Paid in Specified Time Period[1]



[1] As a percentage of all claims that have a wage loss benefit paid at some point in the life of a claim.

Exhibit 4.8 – Total Medical Costs, including Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	4,177	2,354	1,392	994	835	692	546	468
	Average Yearly Benefit	$5,045	$5,668	$4,924	$4,853	$5,492	$3,619	$3,853	$7,463
	Average Total Benefit	$5,045	$11,822	$18,256	$24,583	$30,508	$34,961	$41,136	$49,460
	Percent	100.0	56.4	33.3	23.8	20.0	16.6	13.1	11.2
2001	Claims	4,701	2,985	2,126	1,797	1,517	1,168	836	
	Average Yearly Benefit	$5,798	$4,047	$4,033	$4,203	$4,404	$4,516	$6,261	
	Average Total Benefit	$5,798	$10,782	$15,187	$18,906	$22,682	$28,501	$39,631	
	Percent	100.0	63.5	45.2	38.2	32.3	24.8	17.8	
2002	Claims	4,792	3,057	2,122	1,593	1,222	947		
	Average Yearly Benefit	$6,585	$4,951	$5,013	$4,253	$3,552	$4,653		
	Average Total Benefit	$6,585	$12,983	$18,665	$23,572	$28,173	$34,940		
	Percent	100.0	63.8	44.3	33.2	25.5	19.8		
2003	Claims	5,049	3,324	2,154	1,451	1,136			
	Average Yearly Benefit	$5,954	$6,316	$4,609	$3,326	$6,717			
	Average Total Benefit	$5,954	$13,272	$19,757	$25,812	$34,858			
	Percent	100.0	65.8	42.7	28.7	22.5			
2004	Claims	5,196	3,085	1,837	1,382				
	Average Yearly Benefit	$6,681	$5,321	$4,332	$5,958				
	Average Total Benefit	$6,681	$13,935	$20,639	$27,877				
	Percent	100.0	59.4	35.4	26.6				
2005	Claims	4,903	2,592	1,792					
	Average Yearly Benefit	$7,769	$5,351	$6,198					
	Average Total Benefit	$7,769	$16,173	$24,446					
	Percent	100.0	52.9	36.5					
2006	Claims	4,796	3,047						
	Average Yearly Benefit	$6,023	$8,835						
	Average Total Benefit	$6,023	$16,092						
	Percent	100.0	63.5						
2007	Claims	4,166							
	Average Yearly Benefit	$9,529							
	Average Total Benefit	$9,529							
	Percent	100.0							

Exhibit 4.8 shows the claim counts, average yearly medical benefits, average total medical benefits, and claims percentages for the specified year. Year one represents the statistics for claims in the year of injury, while years two through eight provide statistics for claims as they move beyond their injury years. For example, 5,049 medical claims were filed in FY 2003, with an average benefit of $5,954. By year three, 2,154 people injured in FY 2003 were still receiving medical benefits, at an average of $4,609 in that year. The average total benefit (average total medical cost of the claim) was $19,757 at that point in time. The percentage of FY 2003 claims that still had benefits being paid in year three was 42.7% (2,154 of 5,049 claims).

Exhibit 4.8.1 graphically depicts the change in average total medical benefits over time. In other words, it shows how claims costs (in terms of medical benefits) escalate as claims age. Exhibit 4.8.2 shows the percentages of claims receiving medical benefits in the specified year. By year eight, about eleven percent of FY 2000 claims with medical benefits are still receiving benefits.

Exhibit 4.8.1

Average Total Medical Benefits

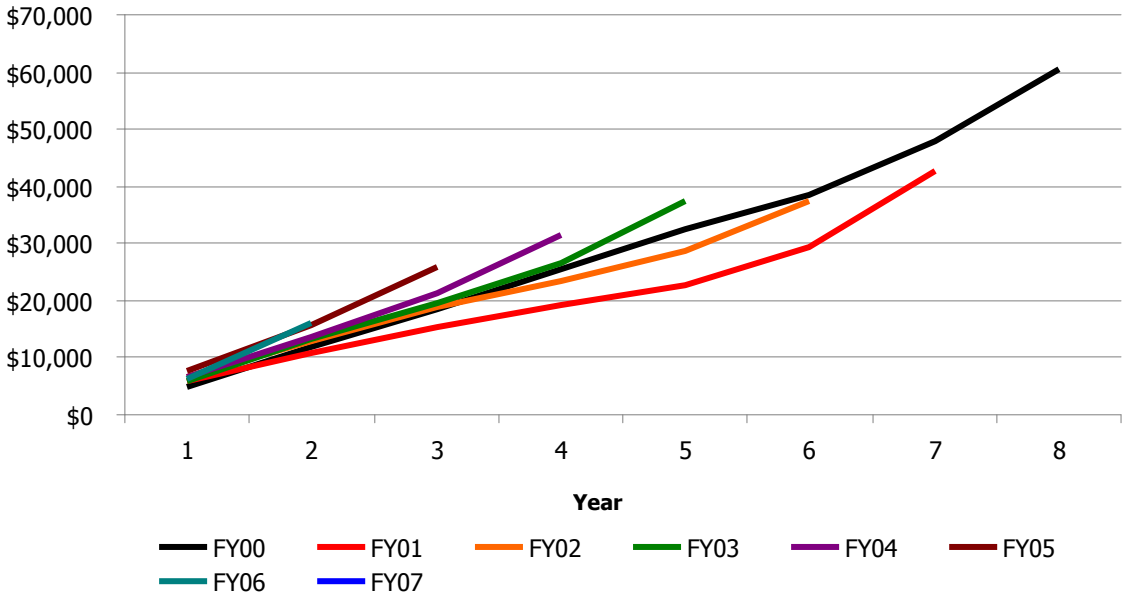
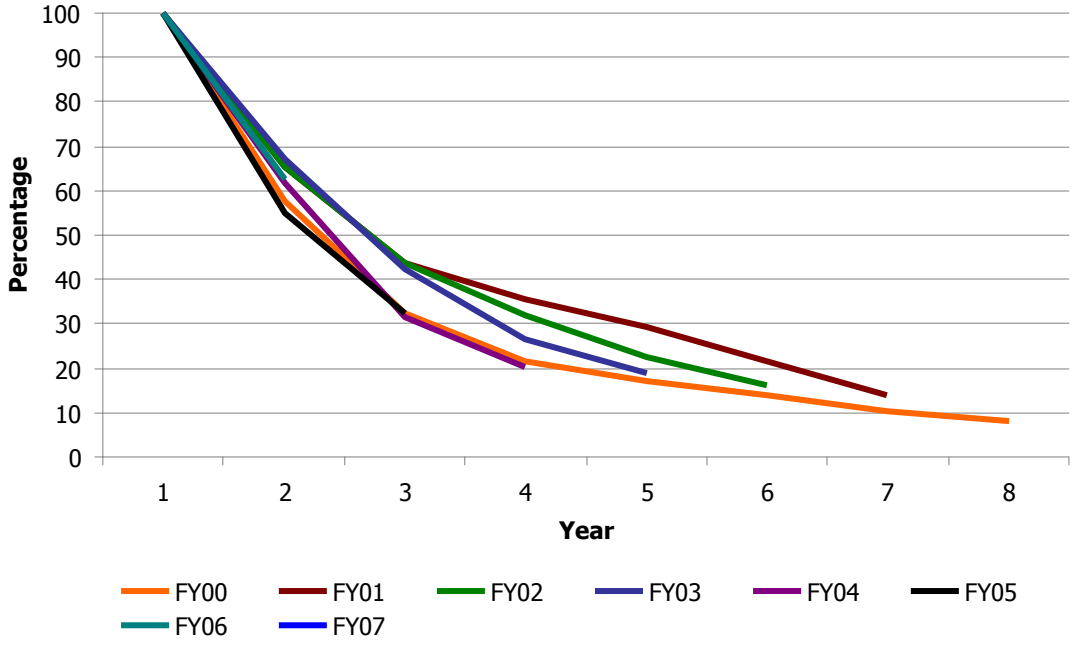


Exhibit 4.8.2

Percentage of Claims with Medical Benefits Paid in Specified Time Period[1]



[1] As a percentage of all claims that have a wage loss benefit paid at some point in the life of a claim.

Exhibit 4.9 – Total Wage Loss Replacement and Medical Benefits, including Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	4,279	2,421	1,468	1,056	900	763	580	480
	Average Yearly Benefit	$8,958	$11,010	$10,660	$10,467	$10,454	$7,558	$6,058	$8,979
	Average Total Benefit	$8,958	$23,169	$37,454	$51,086	$61,574	$70,190	$82,029	$93,530
	Percent	100.0	56.6	34.3	24.7	21.0	17.8	13.6	11.2
2001	Claims	4,861	3,073	2,208	1,877	1,588	1,197	846	
	Average Yearly Benefit	$10,559	$10,794	$9,887	$8,846	$8,343	$7,053	$7,969	
	Average Total Benefit	$10,559	$23,764	$35,272	$43,939	$51,878	$63,503	$83,869	
	Percent	100.0	63.2	45.4	38.6	32.7	24.6	17.4	
2002	Claims	5,012	3,161	2,204	1,663	1,263	972		
	Average Yearly Benefit	$11,266	$12,029	$11,278	$9,289	$6,813	$6,487		
	Average Total Benefit	$11,266	$26,382	$39,308	$50,747	$61,492	$74,134		
	Percent	100.0	63.1	44.0	33.2	25.2	19.4		
2003	Claims	5,273	3,423	2,229	1,501	1,160			
	Average Yearly Benefit	$11,017	$13,846	$10,966	$8,310	$9,852			
	Average Total Benefit	$11,017	$27,423	$42,787	$57,099	$73,068			
	Percent	100.0	64.9	42.3	28.5	22.0			
2004	Claims	5,434	3,163	1,886	1,400				
	Average Yearly Benefit	$11,512	$12,364	$9,682	$11,192				
	Average Total Benefit	$11,512	$27,642	$42,853	$57,880				
	Percent	100.0	58.2	34.7	25.8				
2005	Claims	5,038	2,655	1,822					
	Average Yearly Benefit	$13,132	$12,450	$10,716					
	Average Total Benefit	$13,132	$31,263	$46,766					
	Percent	100.0	52.7	36.2					
2006	Claims	4,906	3,084						
	Average Yearly Benefit	$11,200	$14,208						
	Average Total Benefit	$11,200	$28,428						
	Percent	100.0	62.9						
2007	Claims	4,241							
	Average Yearly Benefit	$14,360							
	Average Total Benefit	$14,360							
	Percent	100.0							

Exhibit 4.9 shows the claim counts, average yearly benefits, average total benefits, and claims percentages for the specified year. Year one represents the statistics for claims in the year of injury, while years two through eight provide statistics for claims as they move beyond their injury years. For example, 4,279 claims were filed in FY 2000, with an average benefit of $8,958. By year four, 1,056 people injured in FY 2000 were still receiving benefits, at an average of $10,467 in that year. The average total benefit (average total cost of the claim) was $51,086 at that point in time. The percentage of FY 2000 claims that still had benefits being paid in year four was 24.7% (1,056 of 4,279 claims).

Exhibit 4.9.1 graphically depicts the change in average total benefits over time. In other words, it shows how claims costs (in terms of medical benefits) escalate as claims age. Exhibit 4.9.2 shows the percentages of claims receiving benefits in the specified year. By year eight, about eleven percent of FY 2000 claims with benefits are still receiving benefits.

Exhibit 4.9.1

Average Total Benefits by Fiscal Year

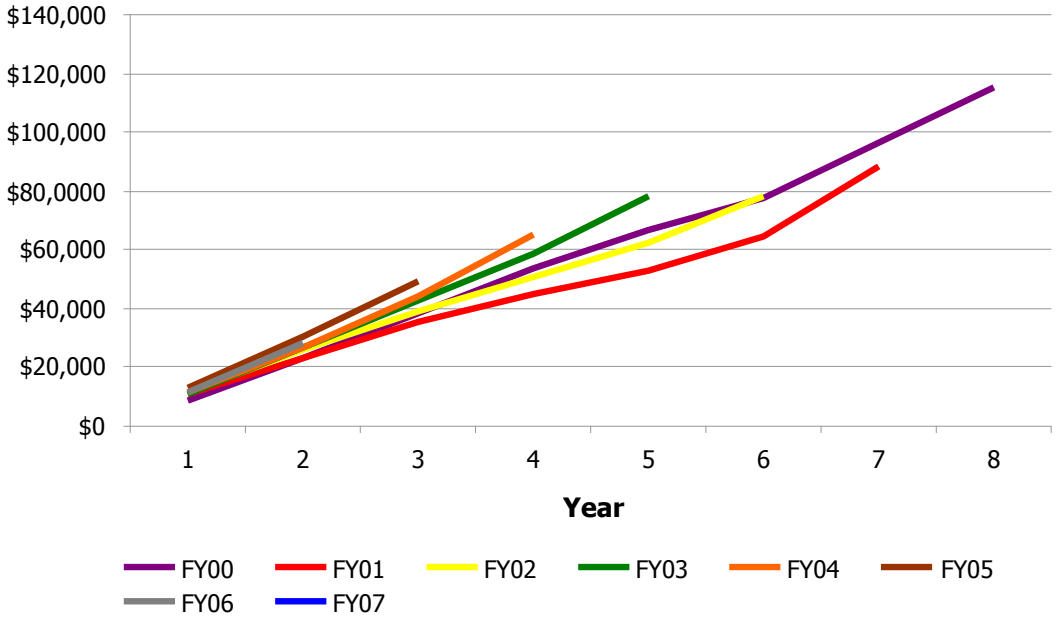
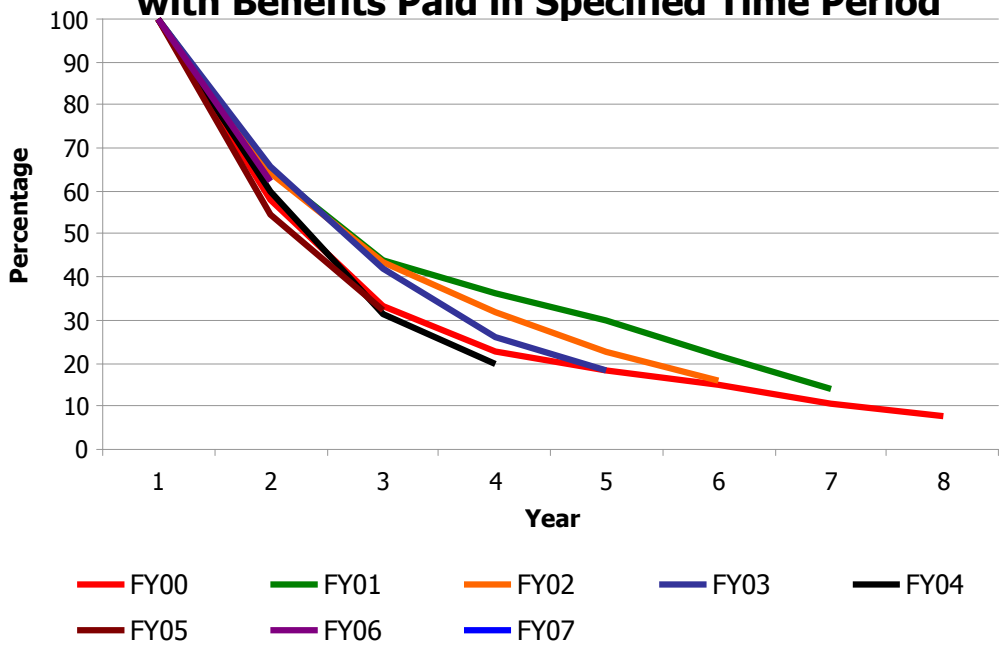


Exhibit 4.9.2

Percentage of Claims with Benefits Paid in Specified Time Period[1]



[1]As a percentage of all claims with any benefit paid at some point in the life of the claim.

Exhibit 4.10 – Wage Replacement: Temporary Total Disability, including Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	2,784	896	485	330	234	178	90	37
	Average Yearly Benefit	$4,530	$6,872	$6,821	$6,156	$5,160	$4,283	$4,493	$4,903
	Average Total Benefit	$4,530	$14,315	$21,483	$25,766	$29,061	$27,771	$39,625	$53,129
	Percent	100.0	32.2	17.4	11.9	8.4	6.4	3.2	1.3
2001	Claims	3,815	1,223	652	409	261	112	50	
	Average Yearly Benefit	$4,507	$7,051	$7,496	$6,493	$5,912	$5,965	$9,896	
	Average Total Benefit	$4,507	$14,964	$23,358	$27,864	$29,410	$37,819	$56,354	
	Percent	100.0	32.1	17.1	10.7	6.8	2.9	1.3	
2002	Claims	4,101	1,232	587	337	174	70		
	Average Yearly Benefit	$4,397	$7,162	$6,810	$5,787	$6,590	$6,258		
	Average Total Benefit	$4,397	$15,252	$22,309	$25,935	$32,579	$40,636		
	Percent	100.0	30.0	14.3	8.2	4.2	1.7		
2003	Claims	4,344	1,249	567	278	128			
	Average Yearly Benefit	$4,449	$6,945	$6,738	$6,365	$9,675			
	Average Total Benefit	$4,449	$15,358	$22,297	$28,935	$42,262			
	Percent	100.0	28.8	13.1	6.4	2.9			
2004	Claims	4,498	1,044	390	157				
	Average Yearly Benefit	$4,026	$6,739	$6,665	$7,314				
	Average Total Benefit	$4,026	$14,442	$23,529	$33,136				
	Percent	100.0	23.2	8.7	3.5				
2005	Claims	4,304	902	295					
	Average Yearly Benefit	$4,090	$6,943	$7,483					
	Average Total Benefit	$4,090	$15,908	$27,663					
	Percent	100.0	21.0	6.9					
2006	Claims	4,167	836						
	Average Yearly Benefit	$4,253	$7,517						
	Average Total Benefit	$4,253	$17,261						
	Percent	100.0	20.1						
2007	Claims	3,661							
	Average Yearly Benefit	$4,143							
	Average Total Benefit	$4,143							
	Percent	100.0							

Exhibit 4.11 – Wage Replacement: Temporary Partial Disability, including Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	485	149	57	31	22	14	7	2
	Average Yearly Benefit	$1,618	$2,408	$2,151	$2,036	$1,245	$794	$1,423	$787
	Average Total Benefit	$1,618	$4,165	$6,824	$6,855	$7,315	$3,387	$6,760	$18,411
	Percent	100.0	30.7	11.8	6.4	4.5	2.9	1.4	0.4
2001	Claims	720	181	61	28	17	10	2	
	Average Yearly Benefit	$1,674	$2,302	$2,439	$2,249	$840	$359	$1,282	
	Average Total Benefit	$1,674	$4,482	$5,981	$7,949	$2,947	$2,511	$1,852	
	Percent	100.0	25.1	8.5	3.9	2.4	1.4	0.3	
2002	Claims	837	194	67	37	12	3		
	Average Yearly Benefit	$1,584	$2,416	$2,326	$2,580	$1,326	$299		
	Average Total Benefit	$1,584	$4,493	$5,652	$7,032	$11,482	$1,041		
	Percent	100.0	23.2	8.0	4.4	1.4	0.4		
2003	Claims	892	212	78	31	13			
	Average Yearly Benefit	$1,669	$3,275	$1,998	$2,027	$2,635			
	Average Total Benefit	$1,669	$5,537	$6,402	$6,515	$7,618			
	Percent	100.0	23.8	8.7	3.5	1.5			
2004	Claims	957	173	51	17				
	Average Yearly Benefit	$1,556	$2,503	$2,675	$1,439				
	Average Total Benefit	$1,556	$4,346	$7,003	$12,229				
	Percent	100.0	18.1	5.3	1.8				
2005	Claims	900	182	38					
	Average Yearly Benefit	$1,423	$2,208	$1,606					
	Average Total Benefit	$1,423	$3,957	$5,988					
	Percent	100.0	20.2	4.2					
2006	Claims	896	161						
	Average Yearly Benefit	$1,640	$2,145						
	Average Total Benefit	$1,640	$4,849						
	Percent	100.0	18.0						
2007	Claims	772							
	Average Yearly Benefit	$1,703							
	Average Total Benefit	$1,703							
	Percent	100.0							

Exhibit 4.12 – Wage Replacement: Permanent Partial Disability, including Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	1,277	927	505	298	191	114	60	31
	Average Yearly Benefit	$2,170	$4,549	$6,426	$6,675	$8,223	$7,669	$6,004	$6,399
	Average Total Benefit	$2,170	$5,529	$10,228	$14,585	$19,569	$24,632	$29,027	$36,049
	Percent	100.0	72.6	39.5	23.3	15.0	8.9	4.7	2.4
2001	Claims	1,860	1,331	681	393	219	101	45	
	Average Yearly Benefit	$2,197	$5,824	$7,510	$9,204	$9,396	$8,536	$5,958	
	Average Total Benefit	$2,197	$6,845	$12,200	$19,169	$26,279	$36,639	$48,802	
	Percent	100.0	71.6	36.6	21.1	11.8	5.4	2.4	
2002	Claims	1,994	1,510	735	370	187	75		
	Average Yearly Benefit	$1,978	$5,715	$8,539	$9,831	$6,978	$6,721		
	Average Total Benefit	$1,978	$6,804	$13,745	$22,208	$28,752	$33,751		
	Percent	100.0	75.7	36.9	18.6	9.4	3.8		
2003	Claims	2,220	1,575	675	275	122			
	Average Yearly Benefit	$2,332	$7,577	$10,057	$7,823	$8,557			
	Average Total Benefit	$2,332	$8,901	$17,657	$26,460	$37,743			
	Percent	100.0	70.9	30.4	12.4	5.5			
2004	Claims	2,070	1,319	465	180				
	Average Yearly Benefit	$3,112	$8,190	$8,375	$9,975				
	Average Total Benefit	$3,112	$9,746	$17,587	$31,239				
	Percent	100.0	63.7	22.5	8.7				
2005	Claims	1,684	948	302					
	Average Yearly Benefit	$4,474	$8,342	$9,623					
	Average Total Benefit	$4,474	$11,088	$21,668					
	Percent	100.0	56.3	17.9					
2006	Claims	977	514						
	Average Yearly Benefit	$3,694	$8,978						
	Average Total Benefit	$3,694	$10,637						
	Percent	100.0	52.6						
2007	Claims	456							
	Average Yearly Benefit	$4,715							
	Average Total Benefit	$4,715							
	Percent	100.0							

Exhibit 4.13 – Wage Replacement: Permanent Total Disability, including Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	56	55	52	48	43	38	28	22
	Average Yearly Benefit	$3,264	$2,635	$10,024	$14,503	$22,420	$26,728	$14,530	$12,533
	Average Total Benefit	$3,264	$4,048	$12,214	$20,147	$36,767	$57,935	$56,472	$63,311
	Percent	100.0	98.2	92.9	85.7	76.8	67.9	50.0	39.3
2001	Claims	81	78	71	62	57	47	42	
	Average Yearly Benefit	$436	$3,215	$5,823	$15,327	$22,801	$23,704	$11,573	
	Average Total Benefit	$436	$3,410	$7,203	$21,687	$40,166	$59,359	$70,460	
	Percent	100.0	96.3	87.7	76.5	70.4	58.0	51.9	
2002	Claims	79	76	63	53	44	33		
	Average Yearly Benefit	$451	$4,382	$14,732	$21,116	$23,285	$11,168		
	Average Total Benefit	$451	$4,696	$16,818	$32,101	$54,411	$61,189		
	Percent	100.0	96.2	79.7	67.1	55.7	41.8		
2003	Claims	68	64	58	49	35			
	Average Yearly Benefit	$1,570	$6,936	$20,898	$29,233	$17,740			
	Average Total Benefit	$1,570	$7,634	$24,750	$43,254	$49,908			
	Percent	100.0	94.1	85.3	72.1	51.5			
2004	Claims	38	38	32	25				
	Average Yearly Benefit	$293	$12,367	$35,856	$16,814				
	Average Total Benefit	$293	$12,659	$38,335	$28,023				
	Percent	100.0	100.0	84.2	65.8				
2005	Claims	22	22	16					
	Average Yearly Benefit	$29	$12,557	$39,128					
	Average Total Benefit	$29	$12,587	$44,629					
	Percent	100.0	100.0	72.7					
2006	Claims	15	13						
	Average Yearly Benefit	$2,290	$27,321						
	Average Total Benefit	$2,290	$27,917						
	Percent	100.0	86.7						
2007	Claims	4							
	Average Yearly Benefit	$3,620							
	Average Total Benefit	$3,620							
	Percent	100.0							

Exhibit 4.14 – Medical Costs: Payments to Physicians

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	3,950	2,196	1,263	869	705	587	455	383
	Average Yearly Benefit	$1,806	$2,008	$1,629	$1,426	$1,413	$851	$804	$1,783
	Average Total Benefit	$1,806	$4,018	$5,857	$7,561	$8,878	$9,996	$11,572	$13,585
	Percent	100.0	55.6	32.0	22.0	17.8	14.9	11.5	9.7
2001	Claims	4,451	2,759	1,929	1,608	1,338	1,035	719	
	Average Yearly Benefit	$2,082	$1,476	$1,225	$1,329	$1,324	$1,501	$1,456	
	Average Total Benefit	$2,082	$3,754	$4,841	$5,743	$6,580	$8,278	$11,025	
	Percent	100.0	62.0	43.3	36.1	30.1	23.3	16.2	
2002	Claims	4,535	2,840	1,898	1,398	1,076	822		
	Average Yearly Benefit	$2,245	$1,756	$1,390	$1,325	$960	$1,231		
	Average Total Benefit	$2,245	$4,366	$5,659	$7,065	$8,343	$10,209		
	Percent	100.0	62.6	41.9	30.8	23.7	18.1		
2003	Claims	4,783	3,066	1,914	1,270	984			
	Average Yearly Benefit	$2,205	$2,129	$1,453	$1,005	$1,764			
	Average Total Benefit	$2,205	$4,518	$6,320	$8,050	$10,397			
	Percent	100.0	64.1	40.0	26.6	20.6			
2004	Claims	4,847	2,818	1,643	1,217				
	Average Yearly Benefit	$2,301	$1,811	$1,371	$1,671				
	Average Total Benefit	$2,301	$4,652	$6,688	$8,706				
	Percent	100.0	58.1	33.9	25.1				
2005	Claims	4,605	2,401	1,596					
	Average Yearly Benefit	$2,522	$1,834	$1,932					
	Average Total Benefit	$2,522	$5,194	$7,691					
	Percent	100.0	52.1	34.7					
2006	Claims	4,551	2,871						
	Average Yearly Benefit	$2,083	$2,727						
	Average Total Benefit	$2,083	$5,112						
	Percent	100.0	63.1						
2007	Claims	3,977							
	Average Yearly Benefit	$2,874							
	Average Total Benefit	$2,874							
	Percent	100.0							

Exhibit 4.15 – Medical Costs: Payments to Hospitals

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	3,187	1,664	922	605	476	365	262	209
	Average Yearly Benefit	$2,800	$3,332	$2,855	$2,403	$2,560	$2,271	$2,340	$3,888
	Average Total Benefit	$2,800	$6,254	$9,470	$11,991	$14,380	$16,706	$19,184	$21,141
	Percent	100.0	52.2	28.9	19.0	14.9	11.5	8.2	6.6
2001	Claims	3,617	2,062	1,370	1,104	904	657	413	
	Average Yearly Benefit	$3,330	$2,214	$2,122	$2,048	$2,368	$2,552	$3,990	
	Average Total Benefit	$3,330	$5,965	$7,869	$9,348	$11,482	$13,658	$20,179	
	Percent	100.0	57.0	37.9	30.5	25.0	18.2	11.4	
2002	Claims	3,699	2,077	1,263	882	599	407		
	Average Yearly Benefit	$3,915	$2,650	$2,496	$2,530	$2,292	$3,013		
	Average Total Benefit	$3,915	$7,245	$10,014	$13,298	$15,204	$19,190		
	Percent	100.0	56.2	34.1	23.8	16.2	11.0		
2003	Claims	3,916	2,338	1,312	760	549			
	Average Yearly Benefit	$3,372	$3,493	$2,663	$1,996	$4,001			
	Average Total Benefit	$3,372	$7,228	$10,985	$14,919	$19,814			
	Percent	100.0	59.7	33.5	19.4	14.0			
2004	Claims	3,984	2,060	1,005	671				
	Average Yearly Benefit	$3,889	$3,086	$2,907	$3,426				
	Average Total Benefit	$3,889	$7,927	$12,194	$16,337				
	Percent	100.0	51.7	25.2	16.8				
2005	Claims	3,813	1,639	875					
	Average Yearly Benefit	$4,742	$3,080	$3,771					
	Average Total Benefit	$4,742	$9,371	$14,032					
	Percent	100.0	43.0	22.9					
2006	Claims	3,229	1,668						
	Average Yearly Benefit	$3,397	$5,015						
	Average Total Benefit	$3,397	$8,835						
	Percent	100.0	51.7						
2007	Claims	1,966							
	Average Yearly Benefit	$6,620							
	Average Total Benefit	$6,620							
	Percent	100.0							

Exhibit 4.16 – Medical Costs: Payments to Other Medical Providers

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	3,637	2,069	1,228	875	725	594	470	408
	Average Yearly Benefit	$1,372	$1,630	$1,736	$2,434	$3,126	$1,979	$2,185	$4,885
	Average Total Benefit	$1,372	$3,325	$5,715	$8,849	$12,258	$14,943	$17,492	$22,671
	Percent	100.0	56.9	33.8	24.1	19.9	16.3	12.9	11.2
2001	Claims	4,235	2,618	1,860	1,554	1,312	1,017	715	
	Average Yearly Benefit	$1,394	$1,289	$1,739	$1,940	$2,104	$2,010	$3,551	
	Average Total Benefit	$1,394	$2,794	$4,599	$6,451	$8,234	$10,780	$16,656	
	Percent	100.0	61.8	43.9	36.7	31.0	24.0	16.9	
2002	Claims	4,295	2,645	1,808	1,332	1,007	792		
	Average Yearly Benefit	$1,605	$1,730	$2,660	$2,019	$1,882	$2,695		
	Average Total Benefit	$1,605	$3,736	$6,725	$7,867	$10,665	$13,890		
	Percent	100.0	61.6	42.1	31.0	23.4	18.4		
2003	Claims	4,560	2,886	1,823	1,208	952			
	Average Yearly Benefit	$1,378	$2,177	$1,998	$1,681	$3,884			
	Average Total Benefit	$1,378	$3,814	$6,369	$8,755	$13,200			
	Percent	100.0	63.3	40.0	26.5	20.9			
2004	Claims	4,759	2,649	1,496	1,135				
	Average Yearly Benefit	$1,695	$1,863	$1,860	$3,245				
	Average Total Benefit	$1,695	$4,109	$6,429	$9,876				
	Percent	100.0	55.7	31.4	23.8				
2005	Claims	4,536	2,235	1,543					
	Average Yearly Benefit	$1,850	$1,974	$3,062					
	Average Total Benefit	$1,850	$4,506	$8,072					
	Percent	100.0	49.3	34.0					
2006	Claims	4,397	2,795						
	Average Yearly Benefit	$1,913	$3,824						
	Average Total Benefit	$1,913	$6,136						
	Percent	100.0	63.6						
2007	Claims	3,770							
	Average Yearly Benefit	$4,044							
	Average Total Benefit	$4,044							
	Percent	100.0							

Exhibit 4.17 – Wage Replacement: Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	811	585	336	209	136	90	31	8
	Average Yearly Benefit	$2,800	$6,557	$7,595	$10,557	$14,477	$14,187	$14,612	$19,044
	Average Total Benefit	$2,800	$6,649	$8,071	$11,621	$17,088	$18,260	$22,740	$22,232
	Percent	100.0	72.1	41.4	25.8	16.8	11.1	3.8	1.0
2001	Claims	1,179	875	477	284	175	57	16	
	Average Yearly Benefit	$2,753	$7,899	$9,453	$12,968	$18,854	$18,877	$31,758	
	Average Total Benefit	$2,753	$8,053	$9,922	$13,876	$20,171	$20,495	$34,052	
	Percent	100.0	74.2	40.5	24.1	14.8	4.8	1.4	
2002	Claims	1,220	907	465	231	92	26		
	Average Yearly Benefit	$2,514	$8,839	$12,406	$15,947	$18,134	$27,443		
	Average Total Benefit	$2,514	$8,865	$12,857	$17,892	$20,269	$27,851		
	Percent	100.0	74.3	38.1	18.9	7.5	2.1		
2003	Claims	1295	906	398	126	35			
	Average Yearly Benefit	$3,081	$11,187	$15,823	$24,066	$28,858			
	Average Total Benefit	$3,081	$11,312	$16,692	$24,792	$30,276			
	Percent	100.0	70.0	30.7	9.7	2.7			
2004	Claims	1,123	735	211	53				
	Average Yearly Benefit	$3,959	$13,228	$17,726	$78,409				
	Average Total Benefit	$3,959	$13,249	$18,849	$79,399				
	Percent	100.0	65.4	18.8	4.7				
2005	Claims	858	390	91					
	Average Yearly Benefit	$6,147	$15,049	$25,596					
	Average Total Benefit	$6,147	$15,132	$25,861					
	Percent	100.0	45.5	10.6					
2006	Claims	466	207						
	Average Yearly Benefit	$5,960	$18,362						
	Average Total Benefit	$5,960	$18,418						
	Percent	100.0	44.4						
2007	Claims	154							
	Average Yearly Benefit	$7,930							
	Average Total Benefit	$7,930							
	Percent	100.0							

Exhibit 4.18 – Medical Lump Sums: Paid to Claimant as Settlement of Medical Liability

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	17	14	12	9	7	5	4	2
	Average Yearly Benefit	$1,310	$1,053	$2,660	$42	$14,832	$92	$24,462	$2,066
2001	Claims	34	31	23	12	5	4	3	
	Average Yearly Benefit	$1,326	$2,127	$3,028	$11,528	$1,404	$67	$156	
2002	Claims	42	39	24	13	8	4		
	Average Yearly Benefit	$10	$1,697	$1,525	$178	$4,911	$8,404		
2003	Claims	17	13	5	3	2			
	Average Yearly Benefit	$1,563	$1,478	$1,899	$689	$153			
2004	Claims	7	7	5	5				
	Average Yearly Benefit	$0	$2,609	$0	$43,410				
2005	Claims	6	2	0					
	Average Yearly Benefit	$817	$2,655	$0					
2006	Claims	10	6						
	Average Yearly Benefit	$2,742	$6,230						
2007	Claims	7							
	Average Yearly Benefit	$514							

Exhibit 4.19 – Vocational Rehabilitation Benefits, including Lump Sums

FY	CATEGORY	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8
2000	Claims	255	225	132	86	55	37	27	13
	Average Yearly Benefit	$686	$2,466	$3,933	$4,688	$5,298	$4,957	$3,378	$6,177
	Average Total Benefit	$686	$2,913	$6,337	$9,118	$12,119	$14,187	$12,098	$10,780
	Percent	100.0	88.2	51.8	33.7	21.6	14.5	10.6	5.1
2001	Claims	324	294	188	121	71	44	19	
	Average Yearly Benefit	$567	$2,396	$4,661	$5,364	$4,871	$4,330	$4,465	
	Average Total Benefit	$567	$2,774	$7,047	$12,222	$11,708	$12,219	$12,247	
	Percent	100.0	90.7	58.0	37.3	21.9	13.6	5.9	
2002	Claims	321	287	179	109	59	31		
	Average Yearly Benefit	$537	$2,578	$5,367	$5,467	$4,331	$5,238		
	Average Total Benefit	$537	$2,825	$7,827	$12,952	$11,092	$12,633		
	Percent	100.0	89.4	55.8	34.0	18.4	9.7		
2003	Claims	362	337	187	117	61			
	Average Yearly Benefit	$533	$2,324	$3,533	$5,337	$5,655			
	Average Total Benefit	$533	$2,710	$5,564	$9,951	$11,528			
	Percent	100.0	93.1	51.7	32.3	16.9			
2004	Claims	348	316	214	130				
	Average Yearly Benefit	$406	$1,843	$4,456	$5,597				
	Average Total Benefit	$406	$2,036	$5,605	$11,520				
	Percent	100.0	90.8	61.5	37.4				
2005	Claims	534	489	238					
	Average Yearly Benefit	$450	$3,797	$5,777					
	Average Total Benefit	$450	$3,977	$9,040					
	Percent	100.0	91.6	44.6					
2006	Claims	935	707						
	Average Yearly Benefit	$1,994	$5,118						
	Average Total Benefit	$1,994	$6,637						
	Percent	100.0	75.6						
2007	Claims	590							
	Average Yearly Benefit	$3,053							
	Average Total Benefit	$3,053							
	Percent	100.0							

Settlement Dollars

Settlements are lump sum payments of the claimant's workers' compensation indemnity and/or medical benefits. Benefits are usually paid in periodic payments designed to sustain an injured worker over an extended period of time. Settlements can occur when the claimant and the insurer agree that benefits will be converted to a lump sum payment. If the claimant has more than one claim, a settlement may settle more than one of those claims. Settlements are subject to approval by ERD.

This graph displays average settlement amounts, by fiscal year of injury. This information includes both injury and occupational disease settlements.

Exhibit 4.20

Average Settlement[1]

By Fiscal Year of Injury

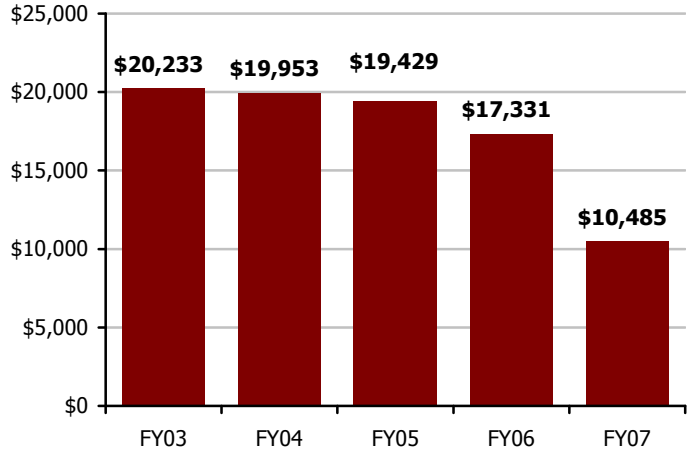


Exhibit 4.21

Settlement Amounts for Claims Settled[1]

By Plan Type[2] and Fiscal Year of Injury

Plan Type[2]	FY03		FY04		FY05		FY06		FY07	
	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count
Plan 1	3,028,648	201	2,834,192	170	2,103,111	136	1,294,510	92	129,427	17
Plan 2	6,811,023	370	5,783,669	315	4,520,977	246	3,444,837	208	602,342	50
Plan 3	9,781,276	399	8,141,147	358	7,283,944	336	4,458,353	230	809,583	80
UEF	105,794	5	161,417	5	119,739	4	5,000	1	0	0
Totals[3]	***$19,726,741***	***975***	***$16,920,425***	***848***	***$14,027,771***	***722***	***$9,202,700***	***531***	***$1,541,352***	***147***

Notes:

[1]These charts do not include settlements ordered by the Workers' Compensation Court.

[2]Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance, Plan 3 – Montana State Fund, and UEF – Uninsured Employers Fund.

[3]Previous fiscal year information has been updated.

Injured Worker Attorney Fees

ERD requires claimants' attorneys to submit a Legal Fee Report at regular intervals throughout the life of a claim. Maximum legal fees are set by rule and regulated[1] by ERD. The Legal Fee Report provides the amount of attorney fees received by the attorney.

The data in exhibits 4.22 and 4.23 present attorney legal fee information by plan type and fiscal year of injury.

Exhibit 4.22

Total Attorney Legal Fees

By Plan Type[2] and Fiscal Year of Injury

Plan Type[2]	FY03		FY04		FY05		FY06		FY07	
	Amount	Count	Amount	Count	Amount	Count	Amount	Count	Amount	Count
Plan 1	301,420	69	256,707	49	174,272	44	193,952	72	109,381	22
Plan 2	826,351	200	681,177	151	479,593	127	477,116	122	192,207	77
Plan 3	1,210,385	236	1,030,107	240	1,127,228	190	935,277	183	325,001	106
UEF	0	0	11,093	1	7,114	1	26,276	7	0	0
Totals	***$2,338,156***	***505***	***$1,979,085***	***441***	***$1,788,207***	***362***	***$1,632,622***	***384***	***$626,589***	***205***

Notes:

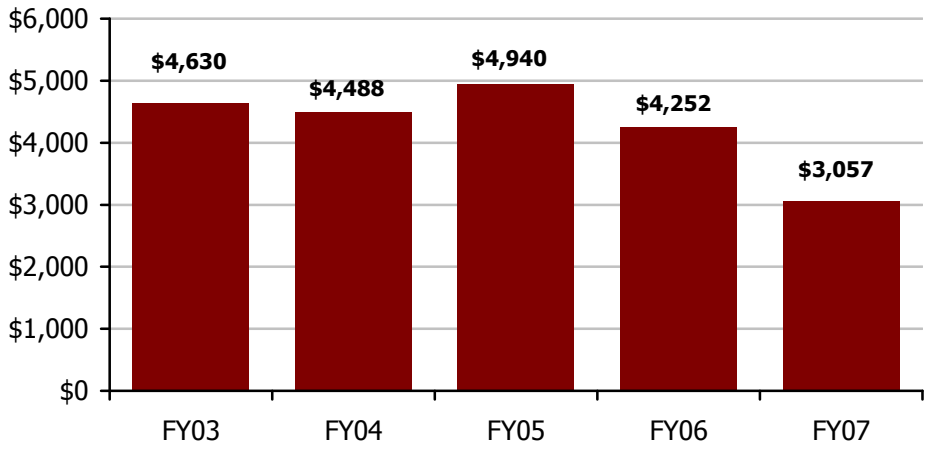
[1] §39-71-613, MCA (2007)

[2] Plan types: Plan 1 – Self-Insured Employers, Plan 2 – Private Insurance, Plan 3 – Montana State Fund, and UEF – Uninsured Employers Fund.

Exhibit 4.23

Average Attorney Legal Fees

By Fiscal Year of Injury



ERD also collects legal fees reported on workers' compensation approved settlements. The table below represents fees claimed in the fiscal year of the approved settlement regardless of the fiscal year in which the injury or disease occurred. These data show that approximately 55% of all settlements in FY07 involve attorneys.

Exhibit 4.24

Attorney Fees from Claimant Settlements[1]

By Fiscal Year of Settlement

	FY03	FY04	FY05	FY06	FY07
Number of Settlement Petitions Processed	1,324	1,414	1,452	1,459	1,406
Claims Settled with Attorney Representation	646	765	778	796	776
Percent Claimants Represented by Attorney	49%	54%	54%	55%	55%
Total Settlement Amount with Attorney Involvement	$17,745,697	$22,500,597	$22,361,132	$26,086,926	$24,542,844
Total Attorney Fees	***$3,191,182***	***$3,965,033***	***$3,936,199***	***$4,729,148***	***$4,426,450***

Notes:

[1]Similar to reports issued in previous years, there are a small percentage of records for which no attorney fees were listed due to entry errors and/or reporting limitations.

Insurer Legal Expenses

ERD requires insurance companies to report legal fees and costs associated with each indemnity claim.[1] These costs are reported to ERD on the subsequent report of injury at regular intervals throughout the life of a claim.

The data in exhibits 4.25 and 4.26 present insurer legal expenses by plan type and fiscal year of injury.

Exhibit 4.25

Total Insurer Legal Expenses

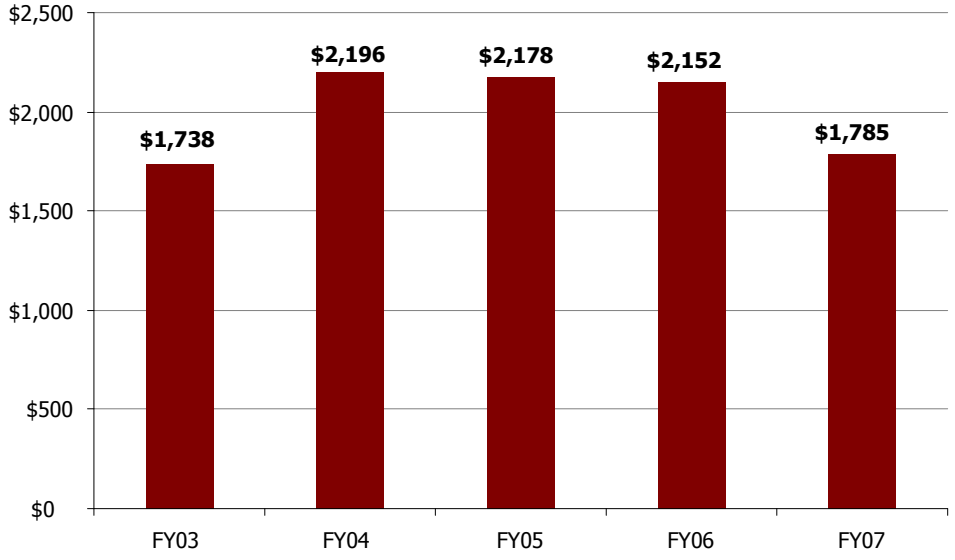
By Plan Type and Fiscal Year of Injury

	FY03		FY04		FY05		FY06		FY07	
Plan Type	**Amount**	**Count**	**Amount**	**Count**	**Amount**	**Count**	**Amount**	**Count**	**Amount**	**Count**
Plan 1	323,090	154	310,171	167	196,792	155	197,950	105	69,962	38
Plan 2	460,866	297	488,697	226	426,228	144	340,236	139	146,241	79
Plan 3	90,077	48	220,056	71	106,493	36	42,872	26	6,946	8
Totals	***$874,034***	***499***	***$1,018,923***	***464***	***$729,513***	***335***	***$581,058***	***270***	***$223,149***	***125***

Exhibit 4.26

Average Insurer Legal Expenses per Claim

By Fiscal Year of Injury



[1] ARM 24.29.4335 and 24.29.4336 (2007)