

MONTANA WORKERS' COMPENSATION REPORT 2022



Montana Department of
LABOR & INDUSTRY

Published May 2022 by

Montana Department of Labor & Industry
Employment Relations Division
P.O. Box 8011, Helena, MT 59604

This report provides an overview of Montana's workers' compensation system, including system updates, claims and benefits characteristics, dispute resolution outcomes, and department programs and their functions.

The data in this report is as accurate as reported to the Montana Department of Labor & Industry's (DLI) Employment Relations Division (ERD), and does not include reserves. Payment data on individual medical-only claims are not required to be reported to ERD on Subsequent Reports of Injury (SROIs) but are included in Quarterly Expenditure Reports (QERs). Counts and totals may change over time due to updated reports and data clean-up efforts. Federal workers' injuries are not represented in this report.

If the format of any information within this document interferes with your ability to access the information, due to an issue with accessibility caused by a disability as defined in the Rehabilitation Act, please contact Kristine Ediger at the Employment Relations Division (ERD) for assistance at (406)444-1675 or kediger@mt.gov.

TABLE OF CONTENTS

SECTION 1 - WORKERS' COMPENSATION POLICY	4
DECLARATION OF PUBLIC POLICY.....	4
INSURANCE COVERAGE REQUIREMENTS	5
WORKERS' COMPENSATION MARKET	7
SECTION 2 - INJURY CHARACTERISTICS	8
REPORTED INJURIES	8
INJURIES BY AGE	9
INJURIES BY INDUSTRY	10
INJURIES BY CAUSE.....	11
INJURIES BY NATURE.....	11
INJURIES BY PART OF BODY.....	13
INSURER DENIALS.....	13
SECTION 3 - BENEFITS	20
TOTAL BENEFITS.....	20
BENEFIT DISTRIBUTIONS.....	23
TEMPORARY DISABILITY PAID DURATION	18
SETTLEMENT DOLLARS	19
SETTLEMENT OF MEDICAL BENEFITS FOR BEST INTEREST.....	21
ATTORNEY FEE SETTLEMENTS	21
INJURED WORKER ATTORNEY FEES	24
INSURER LEGAL EXPENSES.....	30
SECTION 4 - DISPUTE RESOLUTION	31
MEDIATION.....	31
WORKERS' COMPENSATION COURT (WCC)	33
SECTION 5 - EMPLOYMENT RELATIONS DIVISION PROGRAMS	35
WORKERS' COMPENSATION ASSESSMENTS AS EXPENDED	30
SUBSEQUENT INJURY FUND (SIF).....	36
UNINSURED EMPLOYERS' FUND.....	37
CONSTRUCTION CONTRACTOR REGISTRATION	38
INDEPENDENT CONTRACTOR EXEMPTION CERTIFICATES.....	38
PROFESSIONAL EMPLOYER ORGANIZATIONS (PEO).....	39
SAFETY & HEALTH	40
CLAIMS EXAMINER CERTIFICATION	42
FIVE-YEAR CLOSURE OF MEDICAL BENEFITS.....	42
INDEPENDENT MEDICAL REVIEWS.....	43
SECTION 6 - APPENDICES	44
DEFINITIONS	44
DATA SOURCES	49

DECLARATION OF PUBLIC POLICY

An objective of the Montana workers' compensation system is to provide, without regard to fault, wage-loss and medical benefits to a worker suffering from a work-related injury or disease. Wage-loss benefits are not intended to make an injured worker whole but are intended to provide assistance to a worker at a reasonable cost to the employer. Within that limitation, the wage-loss benefit should bear a reasonable relationship to actual wages lost as a result of a work-related injury or disease.

It is the intent of the legislature to assert that a conclusive presumption exists that recognizes that a holder of a current, valid independent contractor exemption certificate issued by the department is an independent contractor if the person is working under the independent contractor exemption certificate. The holder of an independent contractor exemption certificate waives the rights, benefits, and obligations of this chapter unless the person has elected to be bound personally and individually by the provisions of compensation plan No. 1, 2, or 3.

A worker's removal from the workforce because of a work-related injury or disease has a negative impact on the worker, the worker's family, the employer, and the general public. Therefore, an objective of the workers' compensation system is to return a worker to work as soon as possible after the worker has suffered a work-related injury or disease.

Montana's workers' compensation and occupational disease insurance systems are intended to be primarily self-administering. Claimants should be able to speedily obtain benefits, and employers should be able to provide coverage at reasonably constant rates. To meet these objectives, the system must be designed to minimize reliance upon lawyers and the courts to obtain benefits and interpret liabilities.

This chapter must be construed according to its terms and not liberally in favor of any party.

It is the intent of the legislature that a stress claim, often referred to as a "mental-mental claim" or a "mental-physical claim", is not compensable under Montana's workers' compensation and occupational disease laws. The legislature recognizes that these claims are difficult to objectively verify and that the claims have a potential to place an economic burden on the workers' compensation and occupational disease system. The legislature also recognizes that there are other states that do not provide compensation for various categories of stress claims and that stress claims have presented economic problems for certain other jurisdictions. In addition, not all injuries are compensable under the present system, and it is within the legislature's authority to define the limits of the workers' compensation and occupational disease system. However, it is also within the legislature's authority to recognize the public service provided by firefighters and to join with other states that have extended a presumptive occupational disease recognition to firefighters.

For occupational disease or presumptive occupational disease claims, because of the nature of exposure, workers should not be required to provide notice to employers of the disease as required of injuries and that the requirements for filing of claims reflect consideration of when the worker knew or should have known that the worker's condition resulted from an occupational disease or a presumptive occupational disease. The legislature recognizes that occupational diseases in the workplace are caused by events occurring on more than a single day or work shift and that the legislature has the authority to define an occupational disease or a presumptive occupational disease and establish the causal connection to the workplace. (*Void on occurrence of contingency-sec. 7, Ch. 158, L. 2019.*) (39-71-105)

INSURANCE COVERAGE REQUIREMENTS

The Workers' Compensation Act applies to all employers and to all employees. An employer who has any employee shall elect to be bound by the provisions of compensation plan No. 1, 2, or 3 unless the provisions of **39-71-442** apply (**39-71-401**). An "employee" means each person in Montana, including a contractor other than an independent contractor, who is in the service of an employer, as defined by **39-71-117** under any appointment or contract of hire, expressed or implied, oral or written. The terms include aliens and minors, whether lawfully or unlawfully employed, and all of the elected and appointed paid public officers and officers and members of boards of directors of quasi-public or private corporations, except those officers identified in **39-71-401(2)**, while rendering actual service for the corporations for pay. Casual employees, as defined by **39-71-116**, are included as employees if they are not otherwise covered by workers' compensation and if an employer has elected to be bound by the provisions of the compensation law for these casual employments, as provided in **39-71-401(2)**.

The definition is limited to implementing the administrative purposes of workers' compensation and may not be interpreted or construed to create an employment relationship in any other context. The full definition of "employee" is outlined in **39-71-118**.

This information is intended to be descriptive. It is not all-inclusive, nor is it intended to be used for legal determination of the mandatory coverage requirements. Please contact the Employment Relations Division at (406) 444-6543, or your workers' compensation insurer, concerning coverage requirements and/or excluded or exempted employments.

EXTRATERRITORIAL EXCLUSION

An employee of an employer in Montana who is employed by the employer to work solely in North Dakota, and who is required by the laws of that state to be covered for workers' compensation purposes while working in that state, is not considered to be an employee in this state covered under Title 39, chapter 71, during any time that the employer maintains workers' compensation coverage for the employee in North Dakota. For purposes of this section, "work solely in North Dakota" means the employee does not perform job duties in Montana and coverage is required by the state of North Dakota. Travel that is commuting to and from a job site in North Dakota from a location in Montana does not constitute performing job duties in Montana even if the employer pays for all or a portion of the costs of travel or if the worker is paid for the travel time. (**39-71-442**)

OTHER EXCLUSIONS

The Workers' Compensation Act may exclude from the definition of employee the services listed below:

- voluntary service at a recreational facility and receiving no compensation for those services other than meals, lodging, or the use of the recreational facilities;
- services as a volunteer, except for a person who is otherwise entitled to coverage under the laws of this state. As used in this subsection (2)(b), "volunteer" means a person who performs services on behalf of an employer, as defined in **39-71-117**, but who does not receive wages as defined in **39-71-123**;
- a foster parent, licensed as a foster care provider in accordance with **52-2-621**, and providing care without wage compensation to no more than six foster children in the provider's own residence. The person may receive reimbursement for providing room and board, obtaining training, respite care, leisure and recreational activities, and providing for other needs and activities arising in the provision of in-home foster care;
- or temporary agricultural work for an employer if the person performing the work is otherwise exempt from the requirement to obtain workers' compensation coverage under **39-71-401(2)(r)** with respect to a company that primarily performs agricultural work at a fixed business location or under **39-71-401(2)(d)** and is not required to obtain an independent contractor's exemption certificate under **39-71-417** because the person does not regularly perform agricultural work away from the person's own fixed business location. For the purposes of this subsection, the term "agricultural" has the meaning provided in **15-1-101(1)(a)**. (**39-71-118**)

EMPLOYMENTS EXEMPTED

Unless an employer elects coverage for these employments and the insurer allows an election, the Workers' Compensation Act does not apply to any of the following:

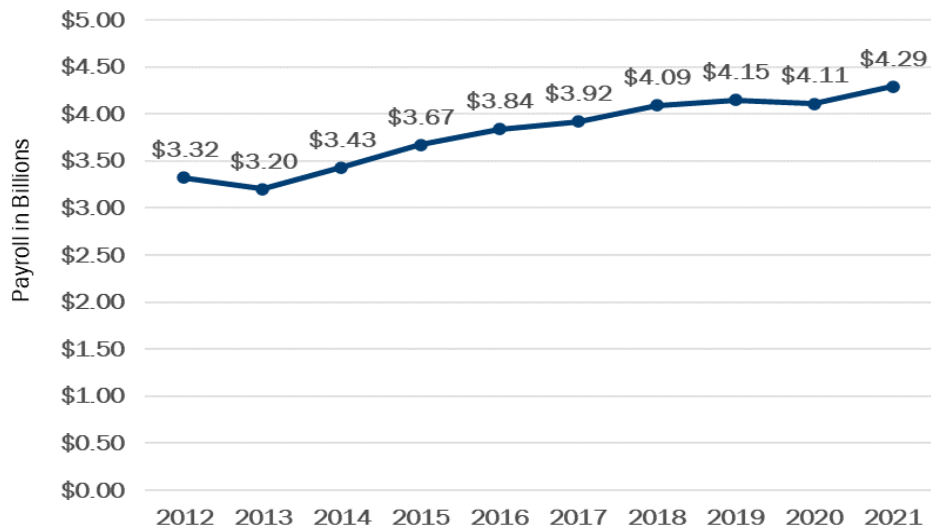
- Household or domestic employment;
- Casual employment;
- Dependent member of an employer's family for whom an exemption may be claimed by the employer under the Federal Internal Revenue Code;
- Sole proprietors, working members of a partnership, working members of a limited liability partnership, or working members of a member-managed limited liability company (some exceptions);
- Real estate, securities or insurance salesperson paid solely by a commission without a guarantee of minimum earnings;
- A direct seller as defined by 26 U.S.C. 3508;
- Employment for which a rule of liability for injury, occupational disease, or death is provided under the laws of the United States;
- A person performing services in return for aid or sustenance only, except employment of search and rescue volunteers;
- Employment with a railroad engaged in interstate commerce, except railroad construction work;
- An official, including a timer, referee, umpire or judge, at a school amateur athletic event;
- A person performing services as a newspaper carrier or freelance correspondent if acknowledged in writing that the services are not covered;
- Cosmetologist's services and barber's services;
- A person who is employed by an enrolled tribal member or an association, business, corporation, or other entity that is at least 51% owned by an enrolled tribal member or members, whose business is conducted solely within the reservation;
- A jockey who is performing under a license issued by the Board of Horse Racing, from the time the jockey reports to the scale room prior to a race, through the time weighed out, and has acknowledged in writing that the jockey is not covered while performing services as a jockey;
- Trainer, assistant trainer, exercise person or pony person who is providing services under the Board of Horse Racing while on the grounds of a licensed race meet;
- An employer's spouse;
- A petroleum land professional;
- An officer of a quasi-public or a private corporation or manager of a manager-managed limited liability company;
- A person who is an officer or a manager of a ditch company;
- Service performed by an ordained, commissioned or licensed minister of a church;
- Providers of companionship services or respite care, if a family member or legal guardian employs the person providing care;
- A person performing services of an intrastate or interstate common or contract motor carrier when hired by an individual or entity who meet the definition of a broker or freight forwarder;
- A person who is not an employee or worker in Montana;
- Independent contractors who are working under a current, valid, independent contractor exemption certificate from the Department;
- An athlete employed by or on a team or sports club engaged in a contact sport; or
- A musician performing under a written contract. **(39-71-401)**

WORKERS' COMPENSATION MARKET

Montana employers have three options for securing workers' compensation coverage for their employees. Employers that meet the department's financial requirements may be approved to become self insured (Plan 1), either individually or by joining with other employers in their industry to form a self insured group. Employers may also obtain coverage with private insurance companies (Plan 2) in the voluntary market. Finally, employers can insure through Montana State Fund (Plan 3). Montana State Fund's role as the guaranteed market provides assurance that all Montana employers can provide workers' compensation insurance coverage for their employees.

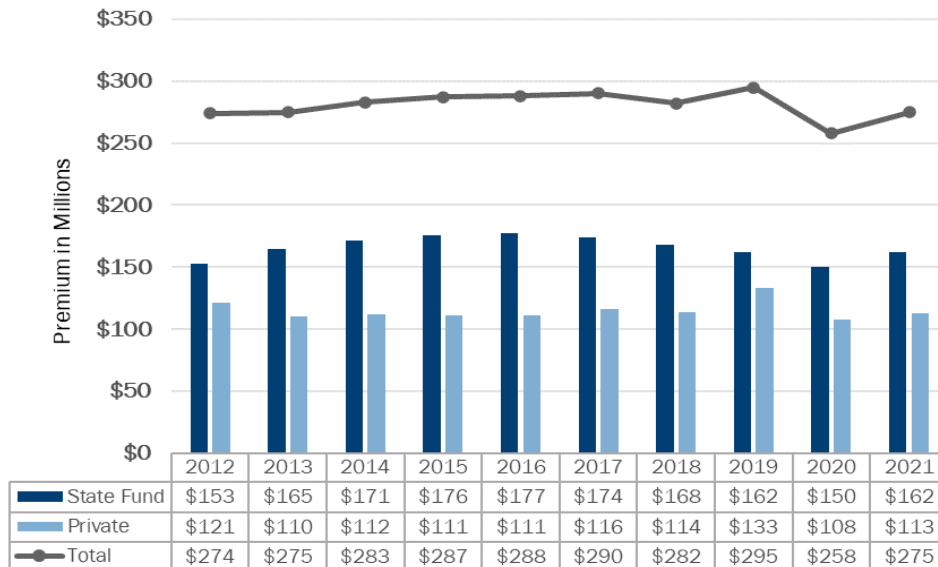
1.1

Gross Annual Payroll for Self-Insured Employers
By Year in Billions



1.2

Premium Market Share for Private Insurance Companies and Montana State Fund
By Year in Millions



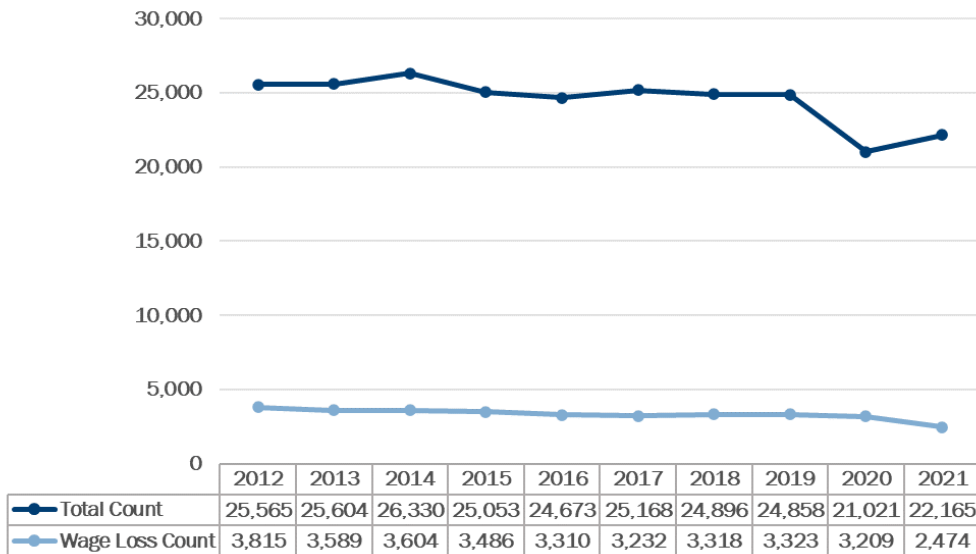
REPORTED INJURIES

Data in this section is from information reported on First Reports of Injury (FROIs) to the Employment Relations Division through Electronic Data Interchange (EDI).

Work-related injuries decreased very noticeably in 2020 and especially for the Spring months of March, April, and May. Beginning in the Spring of 2020 many businesses were forced to close or move their workforce to a remote setting due to the Covid-19 pandemic. Unemployment in April of 2020 was at a high of 11.2% for Montana’s workforce. From 2019 to 2020 there was a 15% decrease in the number of reported work-related injuries. Since then, businesses have been gradually opening again which could be the result of 5% increase in reported injuries from 2020 from 2021.

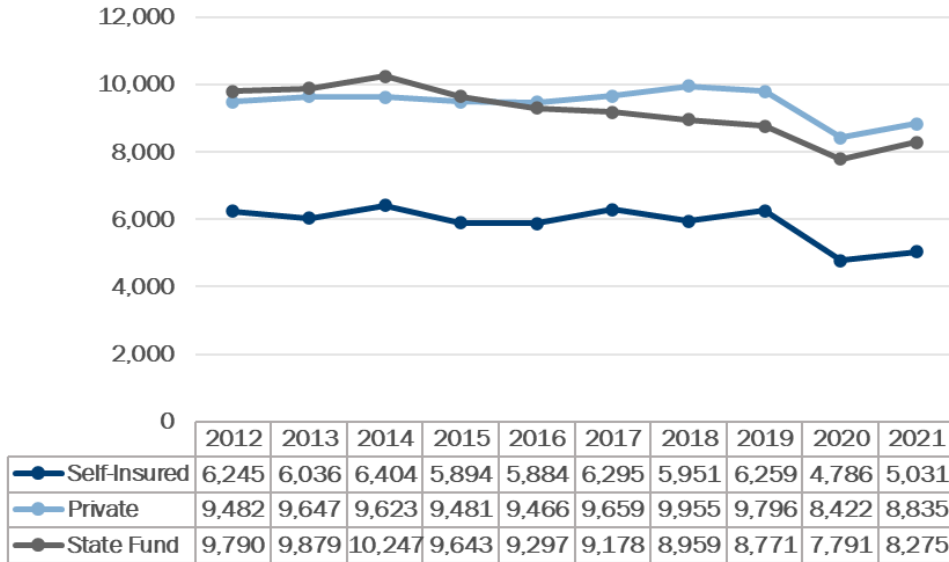
The Workers’ Compensation Insurance Organization (WCIO) approved new Nature and Cause codes for the reporting of COVID-19 claims in March of 2020. The counts are reflected in exhibits 2.5 as ‘Pandemic’ and 2.6 as ‘Covid-19’. The Nature list was also updated in February of 2021 to reflect a new code to assist in the reporting of adverse reactions to vaccination claims, called ‘Adverse Reaction a Vaccination or Inoculation’. The Cause list changed the wording for ‘Absorption, Ingestion, or Inhalation, NOC’ to expressly state vaccination. The adverse reaction codes are reflected in exhibits 2.5 and 2.6 in the ‘Less than 1%’ categories.

2.1 Reported Injuries By Year of Injury



2.2

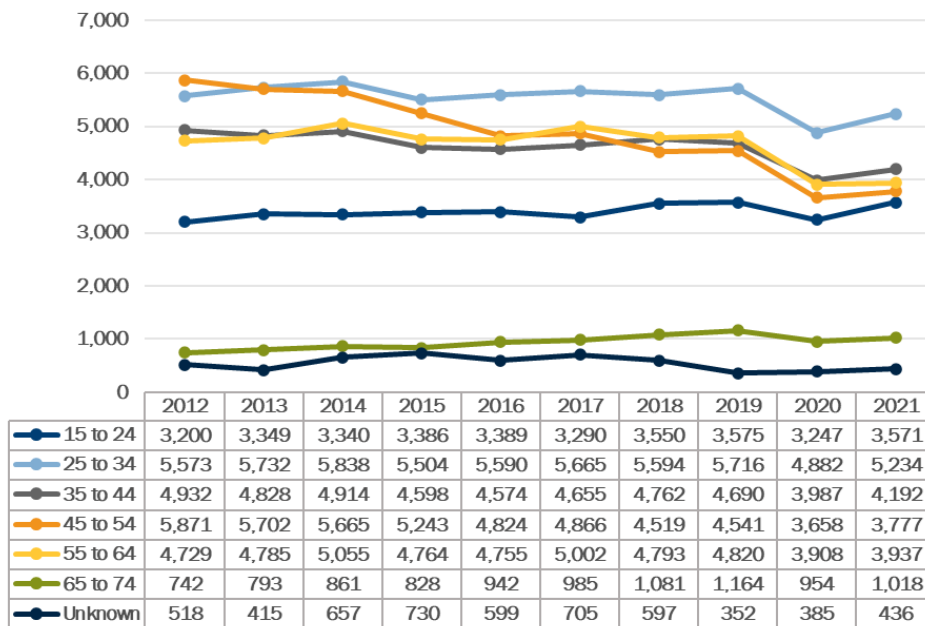
Reported Injuries By Plan Type and Year of Injury



INJURIES BY AGE

2.3

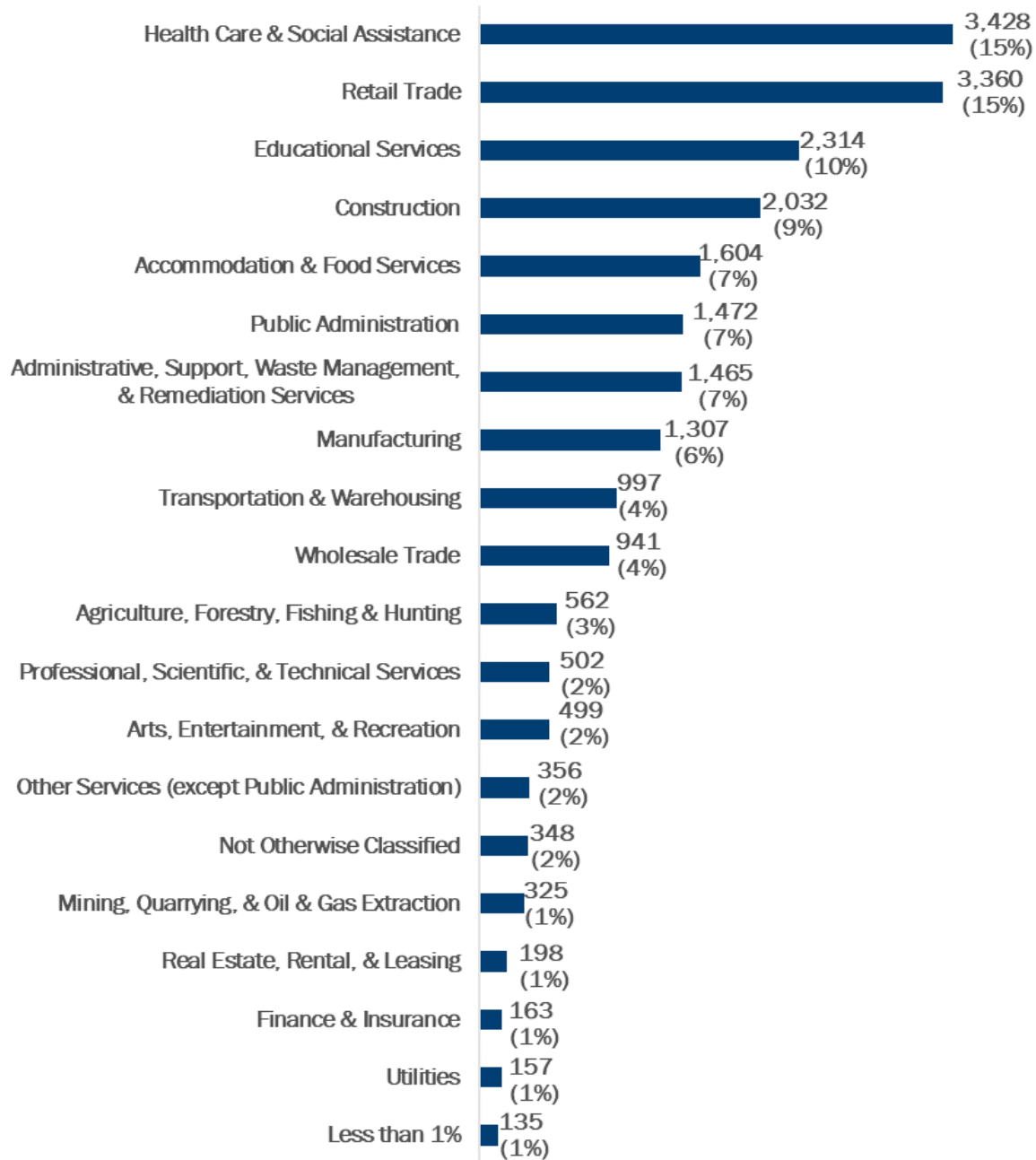
Reported Injuries By Age at Time of Injury and Year of Injury



INJURIES BY INDUSTRY

2.4

Reported Injuries
By Industry, 2021

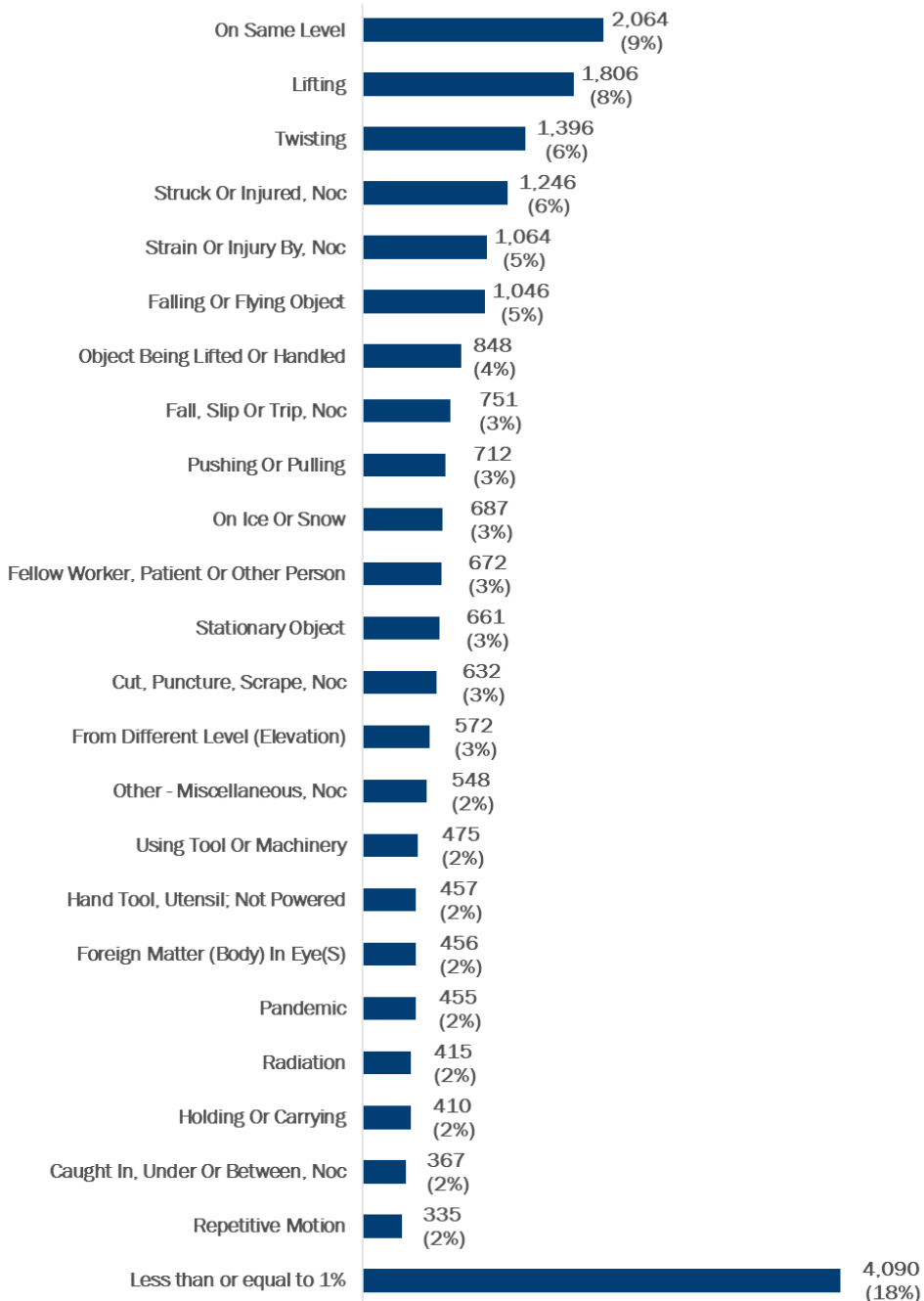


INJURIES BY CAUSE

The cause of injury codes are no longer grouped. Please find the individual codes and their descriptions at https://www.wcio.org/Active%20PNC/WCIO_Cause_Table.pdf.

2.5

Reported Injuries
By Cause of Injury, 2021

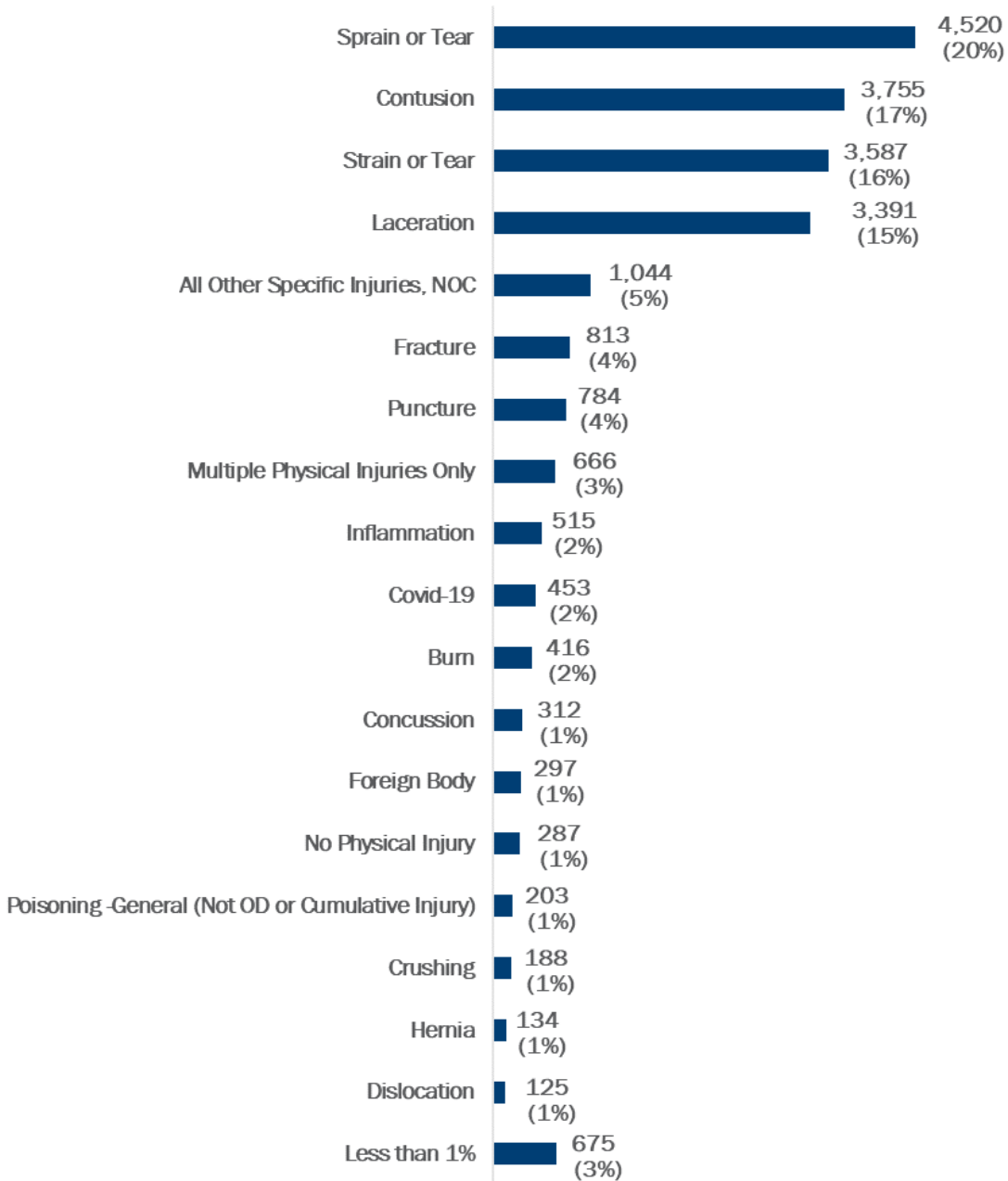


INJURIES BY NATURE

The nature of injury codes **are no longer grouped**. Please find the individual codes and their descriptions at https://www.wcio.org/Active%20PNC/WCIO_Nature_Table.pdf.

2.6

Reported Injuries
By Nature of Injury, 2021

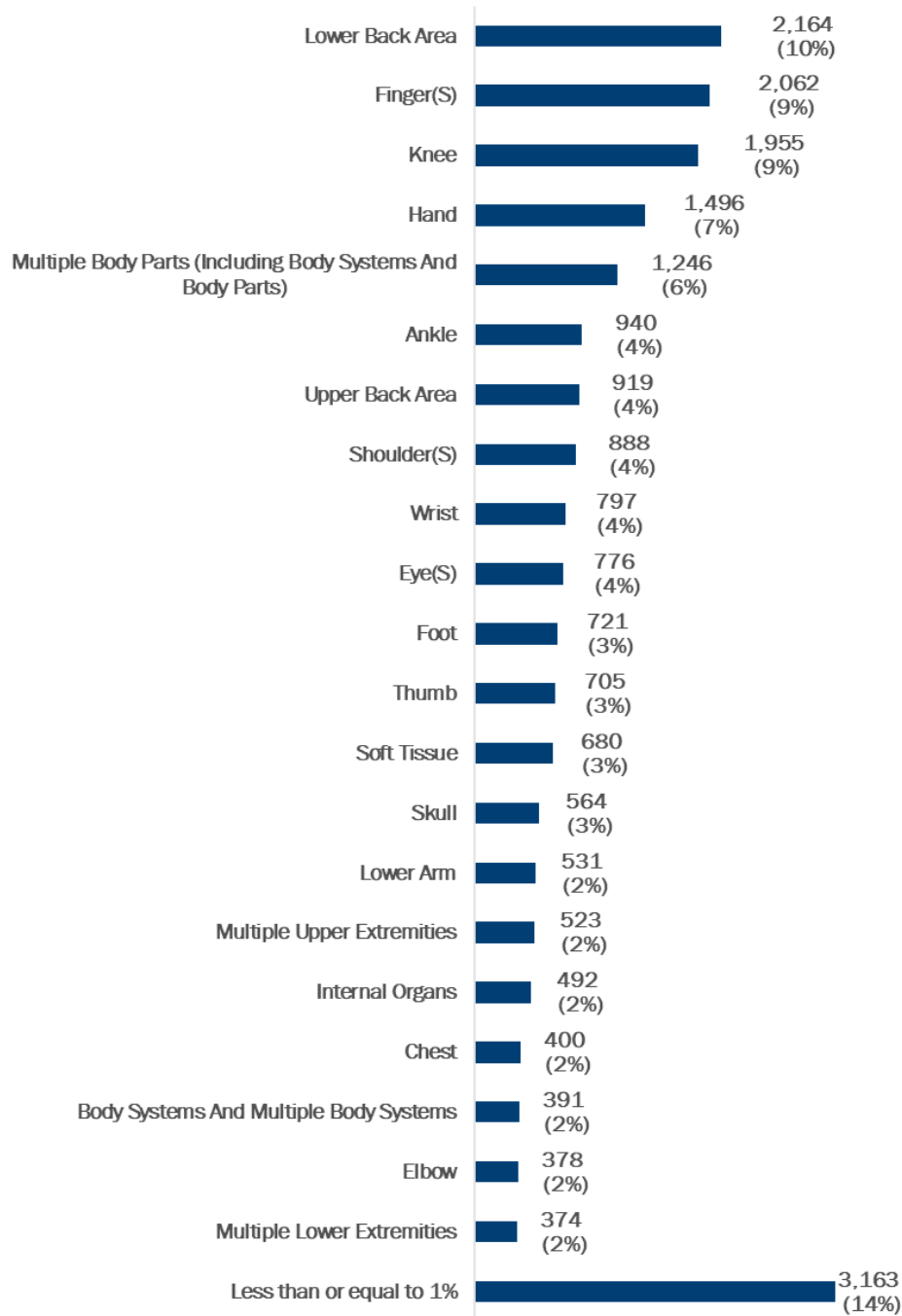


INJURIES BY PART OF BODY

The part of body codes are no longer grouped. Please find the individual codes and their descriptions at https://www.wcio.org/Active%20PNC/WCIO_Part_Table.pdf.

2.7

Reported Injuries
By Part of Body, 2021

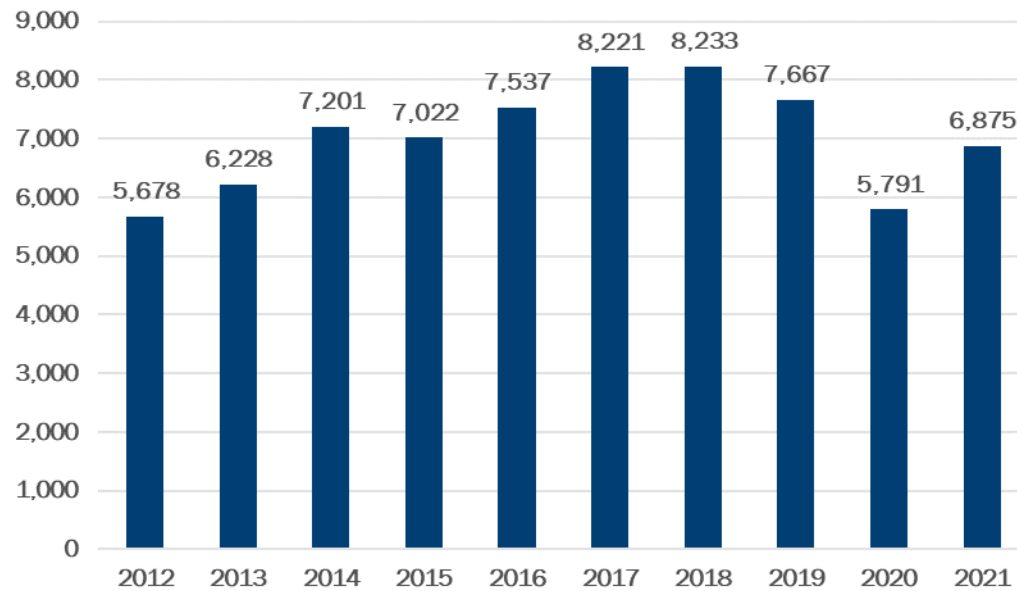


INSURER DENIALS

Denials include initial denials that may later be accepted.

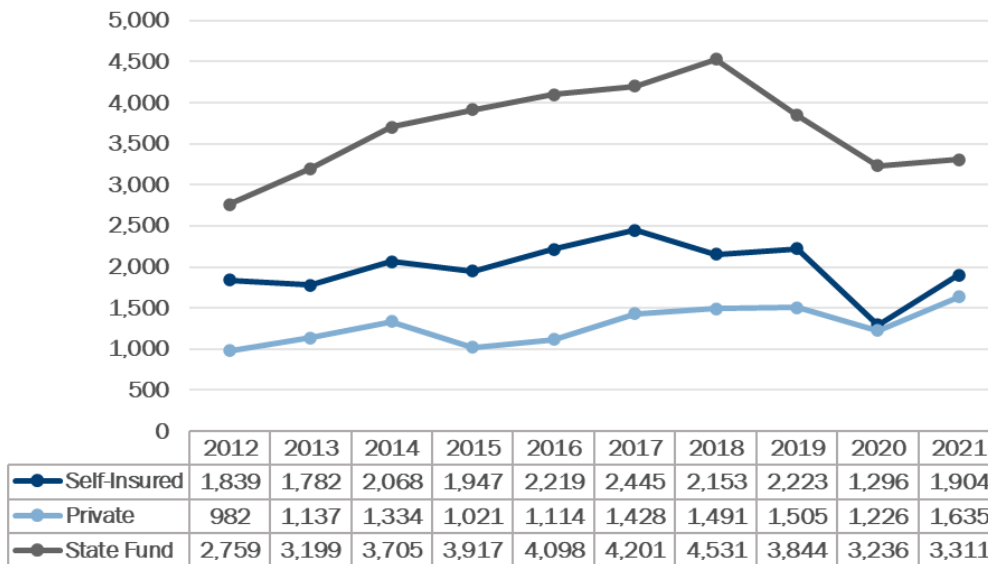
2.8

Insurer Denials
By Year of Injury



2.9

Insurer Denials
By Plan and Year of Injury

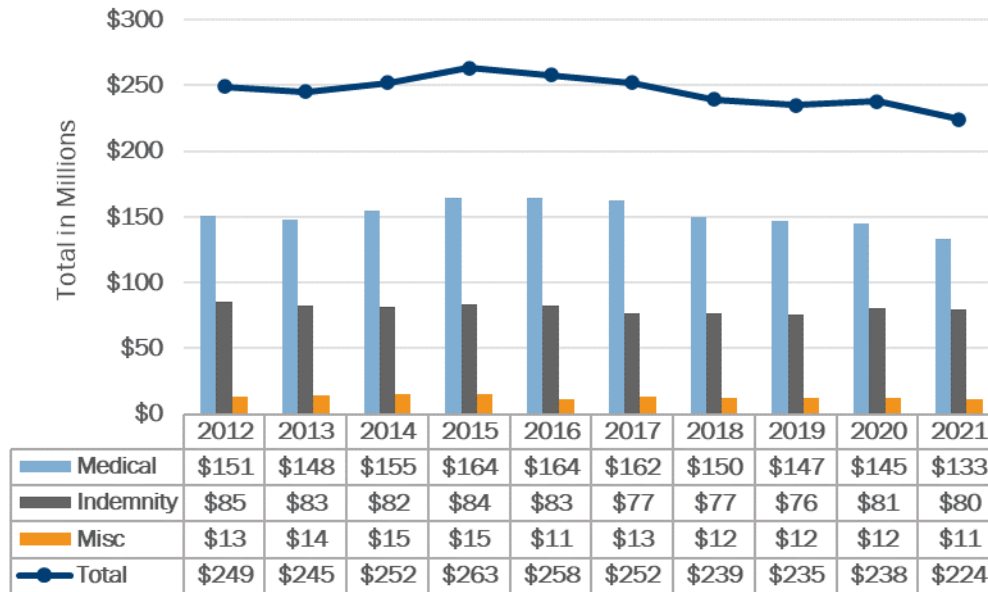


TOTAL BENEFITS

The total benefits paid for each year are compiled from the total dollars that insurers report paid in that year for medical (including medical in excess of \$200,000), indemnity, and miscellaneous expenses, regardless of the original date of injury. This data is compiled from quarterly expenditure reports submitted to the department by workers' compensation insurers or by administrators on the insurers' behalf. (39-71-306, MCA)

3.1

Total Benefits Paid
By Year of Payment in Millions



3.3

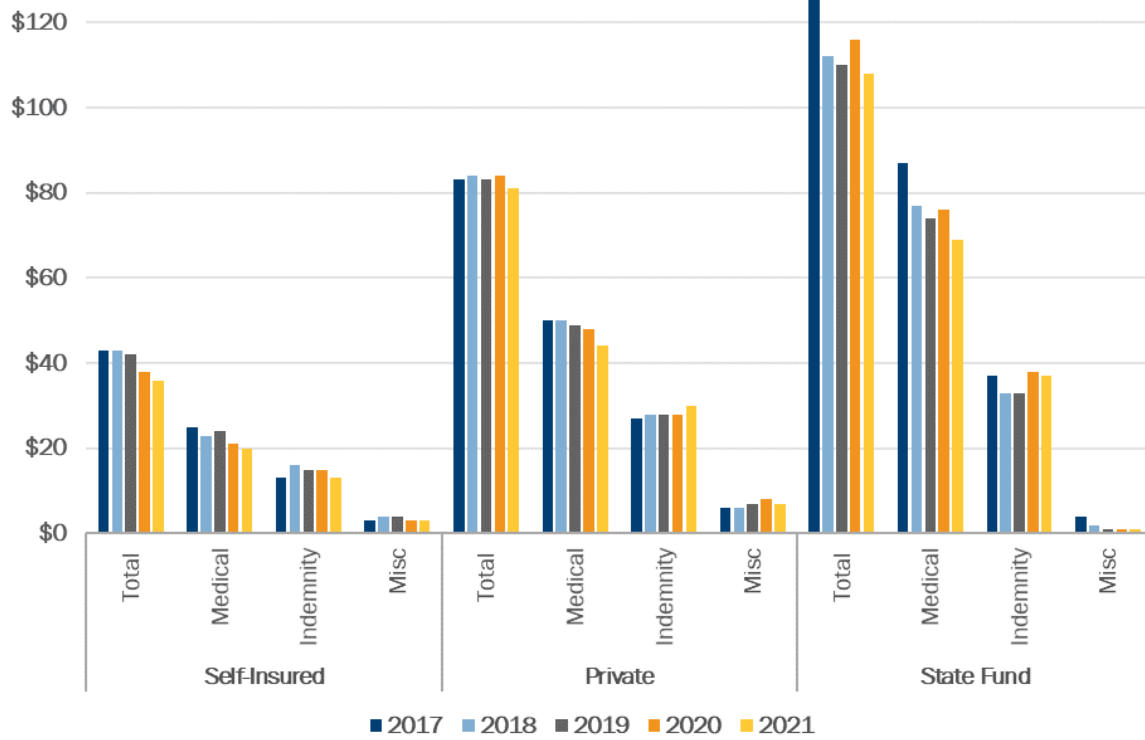
Total Benefits Paid
By Plan Type and Year of Payment in Millions

	Self-Insured				Private				State Fund			
	Total	Medical	Indemnity	Misc	Total	Medical	Indemnity	Misc	Total	Medical	Indemnity	Misc
2012	\$43	\$26	\$14	\$3	\$88	\$51	\$30	\$6	\$118	\$74	\$41	\$4
2013	\$42	\$25	\$13	\$3	\$88	\$50	\$31	\$7	\$115	\$73	\$39	\$4
2014	\$44	\$28	\$14	\$3	\$90	\$51	\$31	\$8	\$117	\$76	\$37	\$4
2015	\$43	\$26	\$14	\$3	\$90	\$50	\$32	\$8	\$130	\$88	\$38	\$4
2016	\$44	\$26	\$16	\$3	\$86	\$51	\$29	\$6	\$128	\$87	\$38	\$2
2017	\$43	\$25	\$13	\$3	\$83	\$50	\$27	\$6	\$126	\$87	\$37	\$4
2018	\$43	\$23	\$16	\$4	\$84	\$50	\$28	\$6	\$112	\$77	\$33	\$2
2019	\$42	\$24	\$15	\$4	\$83	\$49	\$28	\$7	\$110	\$74	\$33	\$1
2020	\$38	\$21	\$15	\$3	\$84	\$48	\$28	\$8	\$116	\$76	\$38	\$1
2021	\$36	\$20	\$13	\$3	\$81	\$44	\$30	\$7	\$108	\$69	\$37	\$1

3.3

Total Benefits Paid

By Plan Type and Year of Payment in Millions

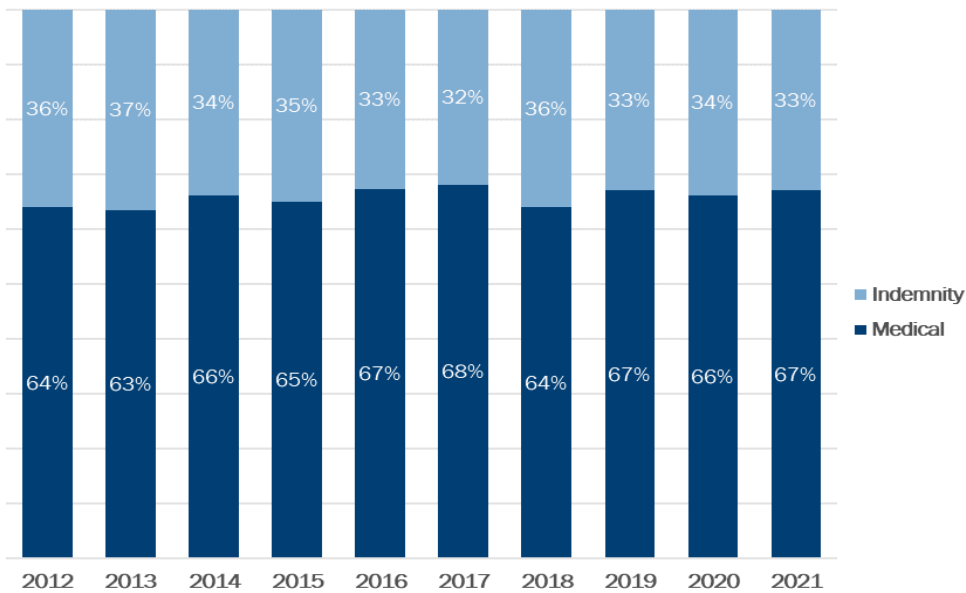


BENEFIT DISTRIBUTIONS

Data in this section is from information reported on Subsequent Reports of Injury (SROIs) to ERD.

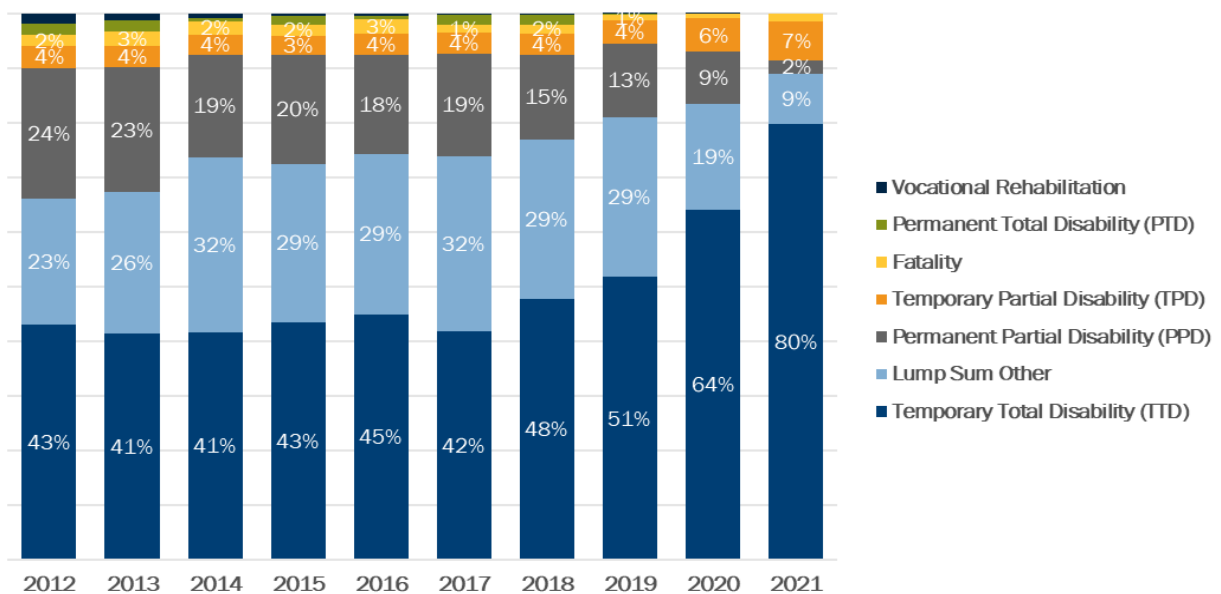
3.4

Percentage of Medical and Indemnity Benefits Paid
By Year of Injury



3.5

Percentage of Indemnity Benefits Paid
By Benefit Type and Year of Injury



TEMPORARY DISABILITY PAID DURATION

Paid disability duration is calculated as the total Temporary Total Disability (TTD) payments plus Temporary Partial Disability (TPD) payments on each injury divided by the reported weekly benefit rate for each injury. The weekly benefit rate value was chosen through the following rules:

- If TTD Weekly Benefit Rate (WBR) was available; TTD WBR was used for both TTD and TPD;
- If TTD WBR was not available, TPD WBR was used for both TTD and TPD;
- If neither TTD WBR nor TPD WBR was available, cases were excluded.

High (more than \$819 for One Year Maturity) or extremely low weekly benefit rate (less than \$60) values were excluded from the analysis due to data quality concerns. For one-year maturity, the longest maturity cannot be beyond 52 weeks.

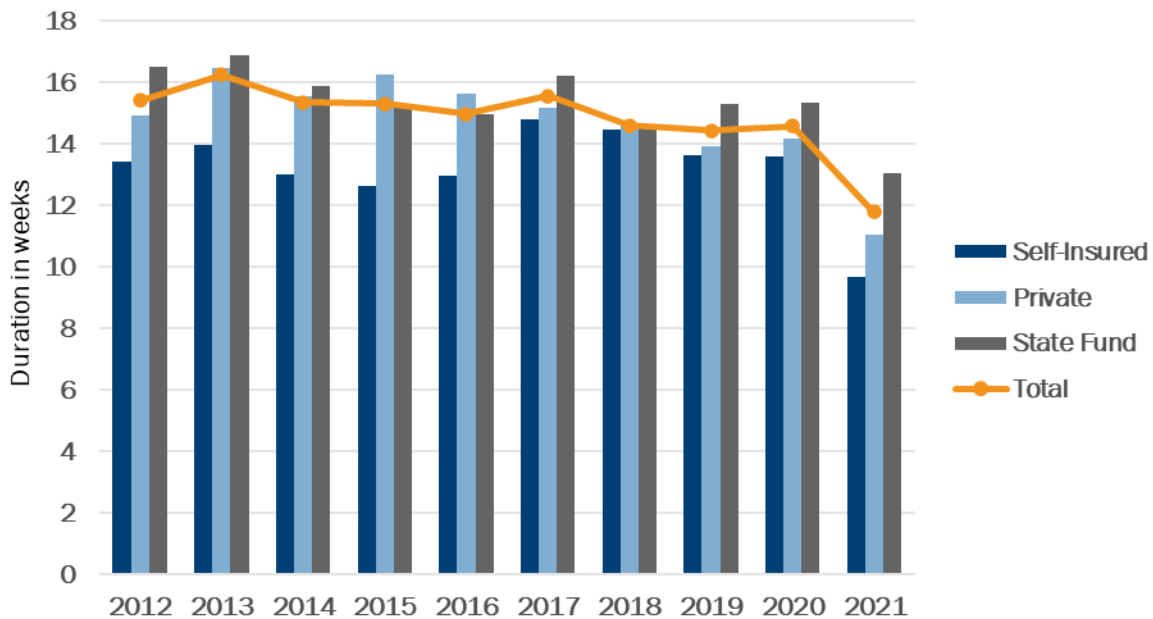
3.6

Temporary Disability Paid Duration (weeks) – One Year Maturity
By Plan Type and Year of Injury

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Self-Insured	13.4	14.0	13.0	12.6	13.0	14.8	14.5	13.6	13.6	9.6
Private	14.9	16.5	15.6	16.2	15.6	15.2	14.7	13.9	14.2	11.0
State Fund	16.5	16.9	15.9	15.3	15.0	16.2	14.6	15.3	15.3	13.0
Total	15.4	16.2	15.3	15.3	15.0	15.6	14.6	14.4	14.6	11.8

3.7

Temporary Disability Paid Duration (weeks) – One Year Maturity
By Plan Type and Year of Injury

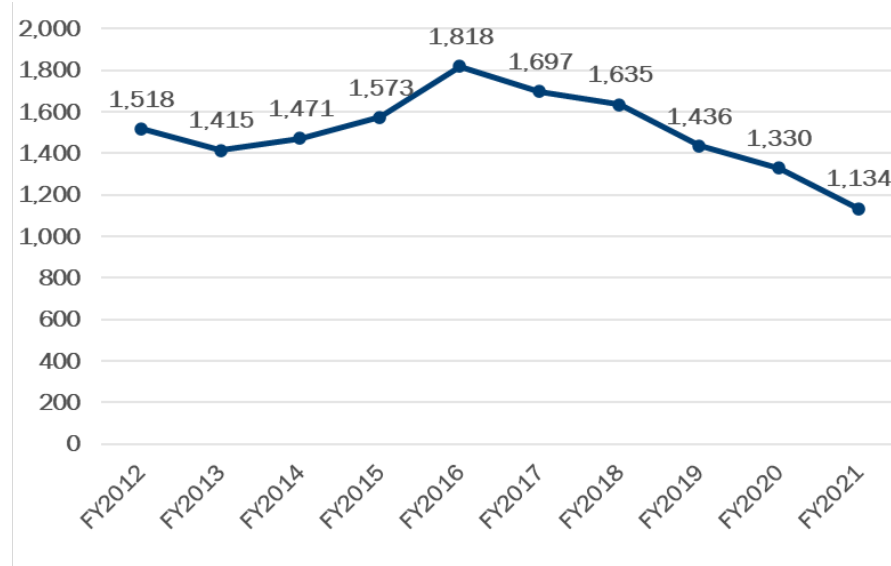


SETTLEMENT DOLLARS

Settlements are lump sum payments of 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. Included in the dollar amount of the settlements is the money specified for settlement of medical benefits under “best interest”. Not included in this section are settlements from the workers’ compensation court.

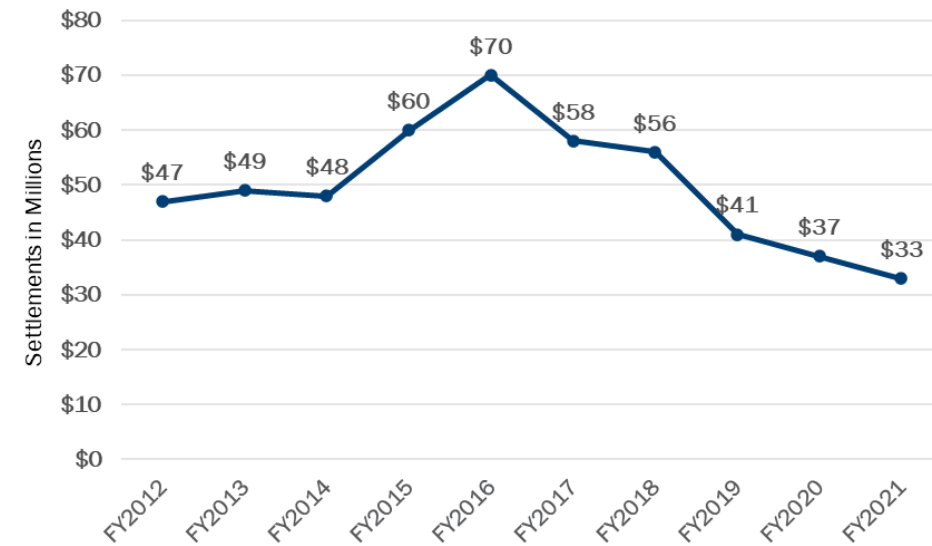
3.8

Total Number of Settlements
By Fiscal Year of Decision

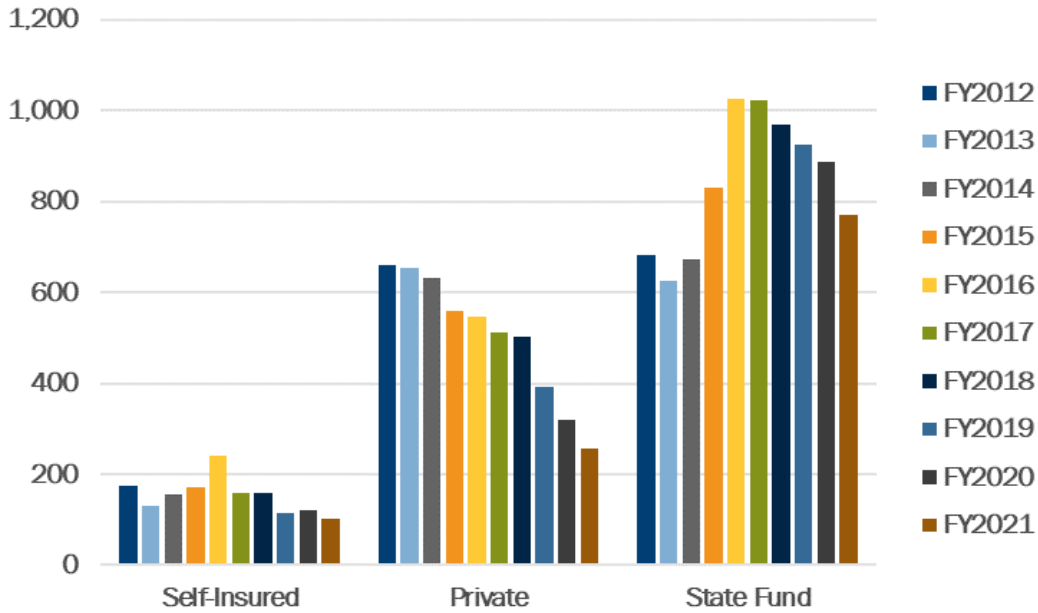


3.9

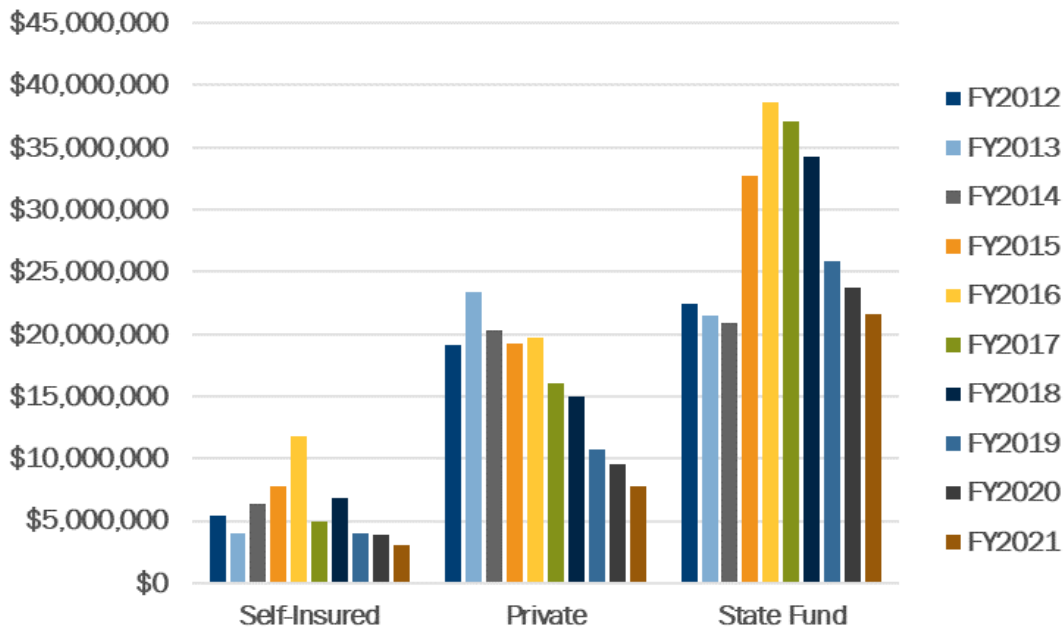
Total Settlement Paid in Millions
By Fiscal Year of Decision



3.10
 Total Number of Settlements
 By Plan Type and Fiscal Year of Decision



3.11
 Total Dollars Settled
 By Plan Type and Fiscal Year of Decision

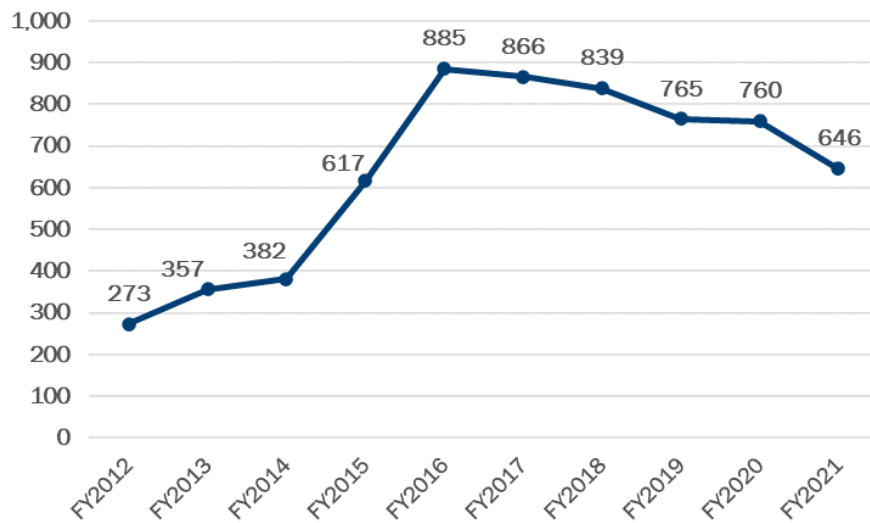


SETTLEMENT OF MEDICAL BENEFITS FOR BEST INTEREST

Effective April 2011, the Montana Legislature passed legislation that allowed for undisputed future medical benefits to be settled on an accepted injury if the injured worker had reached maximum medical improvement, regardless of the date of injury. Petitions for settlement of medical benefits for “best interest” require a rationale for the settlement, a statement of why it’s in the best interest of the parties to settle the medical benefits, and a signed acknowledgment from the injured worker.

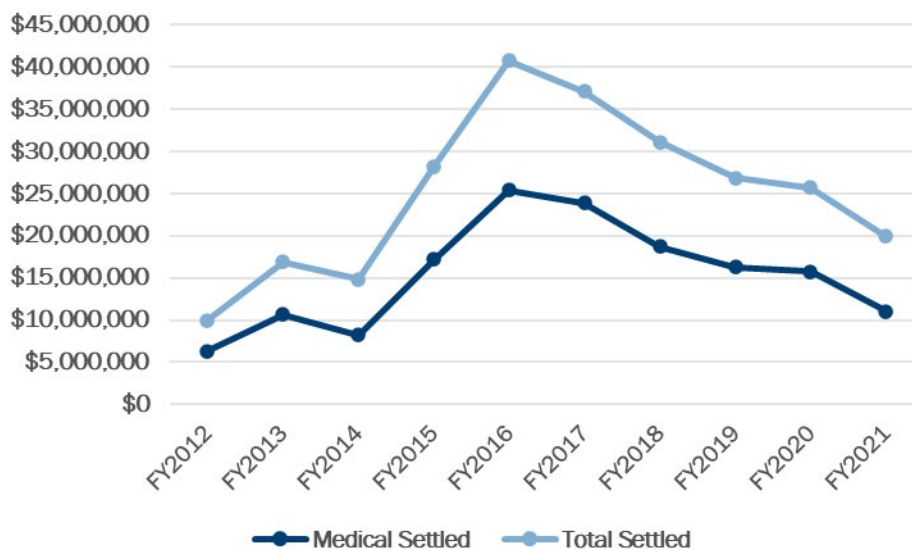
3.12

Number of Settlements for Best Interest
By Fiscal Year of Decision



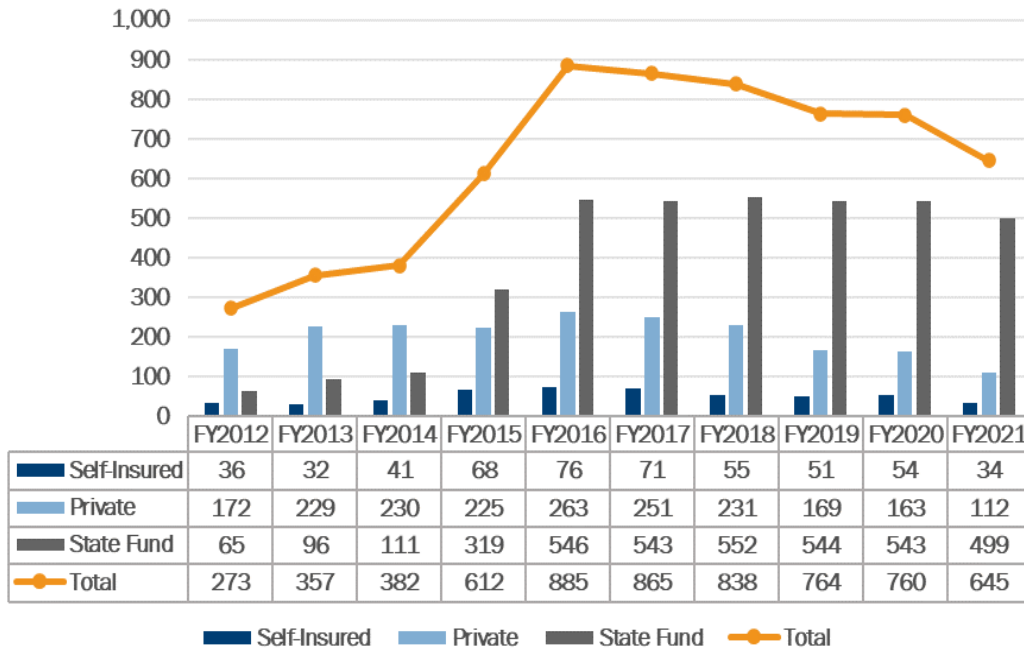
3.13

Medical and Total Amount Settled for Best Interest
By Fiscal Year of Decision



3.14

Number of Settlements for Best Interest
By Plan Type Fiscal Year of Decision



ATTORNEY FEE SETTLEMENTS

3.15

Attorney Fees from Settlements (not including Work Comp Court Settlements)
By Fiscal Year of Settlement

Fiscal Year	# of Settlements	Total Settled	Total Attorney Fees	Fee/Settlement Percentage
FY2012	888	\$34,266,684	\$6,174,723	18%
FY2013	813	\$36,048,446	\$6,079,253	17%
FY2014	877	\$36,166,687	\$6,537,740	18%
FY2015	900	\$44,443,172	\$7,855,899	18%
FY2016	1,055	\$52,514,437	\$9,327,262	18%
FY2017	940	\$40,268,919	\$7,158,340	18%
FY2018	864	\$35,710,711	\$6,444,191	18%
FY2019	662	\$29,338,255	\$5,343,858	18%
FY2020	602	\$25,125,067	\$4,624,423	18%
FY2021	454	\$19,609,397	\$3,606,920	18%

INJURED WORKER ATTORNEY FEES

3.16

Total Injured Worker Attorney Fees
By Year of Injury

	Count	Total Fees
2012	755	\$5,731,687
2013	721	\$5,054,737
2014	713	\$5,385,903
2015	654	\$4,970,971
2016	608	\$4,520,536
2017	556	\$5,629,174
2018	481	\$4,432,106
2019	407	\$3,655,631
2020	251	\$1,999,291
2021	82	\$244,375
Total	4,473	\$35,892,724

3.17

Total Injured Worker Attorney Fees
By Plan Type and Year of Injury

	Self-Insured		Private		State Fund		Total	
	Count	Total Fees	Count	Total Fees	Count	Total Fees	Count	Total Fees
2012	100	\$690,523	335	\$2,296,169	316	\$2,722,911	751	\$5,709,603
2013	80	\$491,758	320	\$1,970,899	315	\$2,548,434	721	\$5,054,737
2014	87	\$680,291	312	\$2,202,507	304	\$2,465,757	713	\$5,385,903
2015	80	\$861,414	288	\$1,844,754	282	\$2,259,255	654	\$4,970,971
2016	96	\$794,327	272	\$1,694,507	238	\$2,029,277	608	\$4,520,536
2017	70	\$722,065	257	\$1,867,086	224	\$3,019,993	556	\$5,629,174
2018	60	\$403,877	228	\$2,046,701	190	\$1,902,915	481	\$4,432,106
2019	54	\$455,489	177	\$1,354,883	175	\$1,837,456	407	\$3,655,631
2020	24	\$111,237	129	\$1,014,389	92	\$830,412	251	\$1,999,291
2021	11	\$31,889	30	\$50,721	39	\$152,200	82	\$244,375
Total	562	\$4,552,346	2,013	\$14,046,447	1,859	\$17,045,698	4,473	\$35,892,724

INSURER LEGAL EXPENSES

3.18

Total Insurer Legal Expenses
By Plan Type and Year of Injury

	Self-Insured		Private		State Fund		Total	
	Claim Count	Amount	Claim Count	Amount	Claim Count	Amount	Claim Total	Total Amount
2012	43	\$145,758	98	\$384,404	104	\$202,661	245	\$732,823
2013	35	\$127,890	115	\$376,157	96	\$177,239	246	\$681,286
2014	47	\$179,183	110	\$261,593	93	\$219,535	249	\$659,028
2015	58	\$129,565	74	\$176,233	107	\$266,991	238	\$569,240
2016	60	\$148,490	103	\$538,863	98	\$228,066	260	\$915,069
2017	47	\$126,124	102	\$301,478	94	\$205,383	240	\$585,368
2018	41	\$105,850	102	\$281,332	74	\$146,704	216	\$532,386
2019	54	\$102,787	81	\$257,963	72	\$137,031	198	\$478,890
2020	37	\$98,645	89	\$201,377	44	\$90,666	151	\$328,659
2021	25	\$58,656	55	\$45,599	38	\$70,561	118	\$174,816
Total	404	\$1,077,189	831	\$2,440,596	716	\$1,542,175	1,916	\$4,924,743

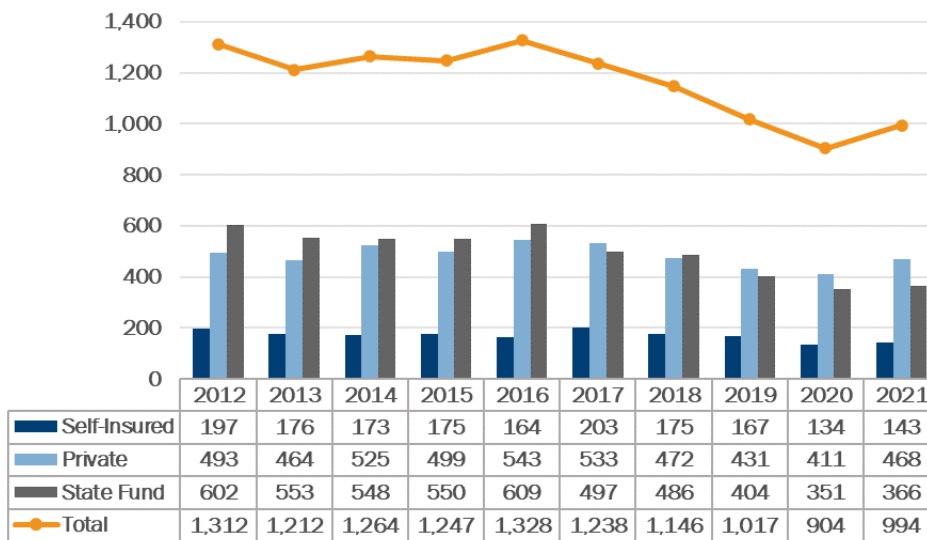
MEDIATION

The Dispute Resolution Section administers a mandatory process for resolving disputes concerning benefits for both occupational injury and disease claims. The mediation process is confidential, non-binding and informal. The mediator facilitates the exchange of information between the parties and assists with solutions aimed at resolving the dispute. Conferences are usually by telephone, but can be held in person in Helena upon request. Often more than one conference is held in order to resolve the disputes on a claim. If disputes are not resolved at Mediation, the parties may proceed to the Workers' Compensation Court (WCC).

4.1

Mediation Petitions

By Plan Type and Year of Receipt



4.2

Mediation Petitions

By Year of Receipt

		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Pending	Open	0	0	0	0	0	2	1	16	5	119
	Recommendation Issued	0	0	0	0	0	0	1	14	21	54
Resolved	Resolved as a Result of Conference	436	401	479	415	451	450	425	427	334	189
	Resolved during Conference	237	198	180	210	201	139	129	132	127	115
	Resolved Prior to Conference	308	328	387	388	426	372	348	275	281	373
	Dismissed	41	38	42	43	33	45	41	22	25	40
Unresolved	Unresolved	90	81	27	46	52	58	56	44	46	79
	Work Comp Court	200	166	149	145	165	172	145	87	65	25
Total		1,312	1,212	1,264	1,247	1,328	1,238	1,146	1,017	904	994

See **Section 6** for “Mediation Benefit Issues” definitions.

4.3

Mediation Petitions

By Benefit Issue¹ and Year of Receipt

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Medical Benefits	513	443	532	533	714	651	564	469	432	475
Wage Loss Benefits	490	443	487	471	554	530	462	365	427	456
Relatedness	221	197	154	231	207	209	181	162	133	158
Injury/Occupational Requirement	153	155	174	188	156	130	102	106	93	86
Access to Records	44	66	67	98	112	113	91	66	66	87
Course and Scope	63	59	54	61	77	66	63	61	62	61
Calculation of Wages	38	26	21	24	29	24	16	19	30	31
Rehab Benefits	23	26	26	30	35	35	27	25	28	31
Notice/Filing Time	86	58	54	56	74	66	41	50	23	46
Employment/Insurance Coverage	31	24	31	36	32	22	19	16	9	20
Other	151	105	104	94	84	94	152	139	119	192
Total	1,813	1,602	1,704	1,822	2,074	1,940	1,718	1,478	1,422	1,643

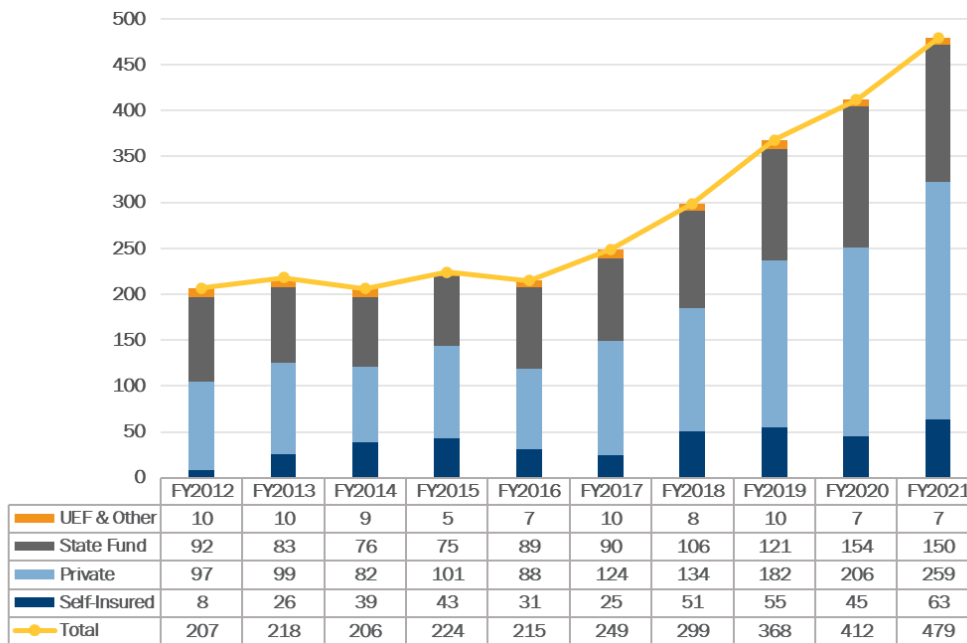
¹One mediation could have multiple benefit issues.

WORKERS' COMPENSATION COURT (WCC)

The Workers' Compensation Court (WCC) resolves disputes between workers injured as a result of occupational injuries or diseases, and insurers or employers. The court has original jurisdiction over benefit issues arising under the Workers' Compensation Act. For an injury occurring after July 1, 1987, disputes must first be mediated through the ERD Dispute Resolution Section. The court's exclusive jurisdiction also extends to disputes involving independent contractor exemptions under both the Workers' Compensation and Unemployment Insurance Acts, civil penalties for theft of workers' compensation benefits, and the two-year return to work preference specified in section **39-71-317(2), MCA**. The following information was taken from the WCC webpage: <http://www.wcc.dli.mt.gov/>.

4.4

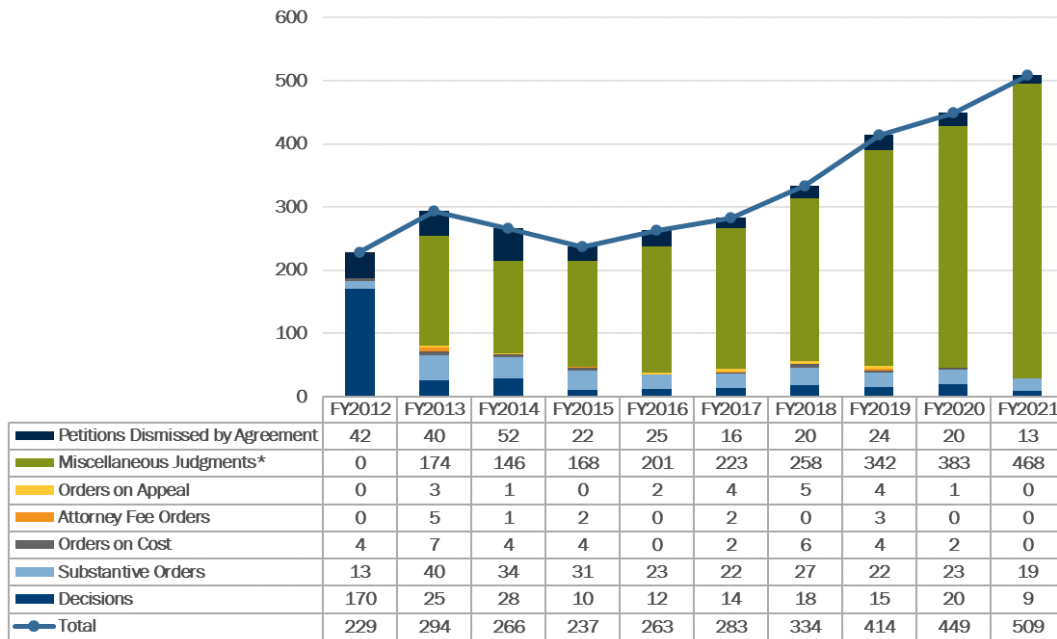
Petitions² Received by the WCC
By Case Type and Fiscal Year of Receipt



²Petitions may involve more than one case type.

4.5

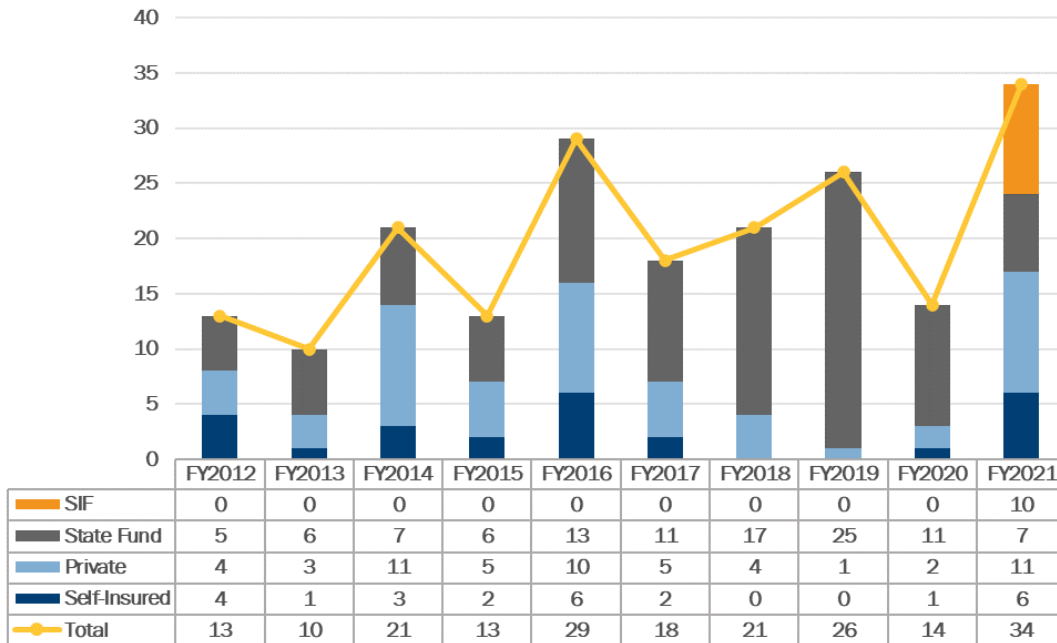
Decisions³ by the WCC By Fiscal Year of Receipt



³ Prior to FY2013 'Miscellaneous Judgements' were included with 'Decisions'.

4.6

Full and Final Compromise Settlements by the WCC By Case Type and Fiscal Year of Receipt



SECTION 5- EMPLOYMENT RELATIONS DIVISION PROGRAMS

The Employment Relations Division (ERD) provides a wide variety of services and regulations including the following bureaus: Compliance & Investigations, Operations, Workers' Compensation, Human Rights, and Safety & Health. To find out more about ERD please visit the webpage: <https://erd.dli.mt.gov/>.

The administration of the Workers' Compensation Act is funded by an assessment to employers who self-insure and a surcharge paid by employers who are insured by private insurance companies or the Montana State Fund. Section **39-71-201, MCA**, provides the administration assessment may be up to 4% of benefits paid during the preceding calendar year for injuries and occupational diseases covered under the Workers' Compensation Act, without regard to the application of any deductible and whether the employer or the insurer pays the losses. Benefits included in the calculation are: (1) compensation benefits paid and (2) medical benefits paid (except payments in excess of \$200,000 per occurrence, which are exempt from the assessment).

Functions funded by the administrative assessment include:

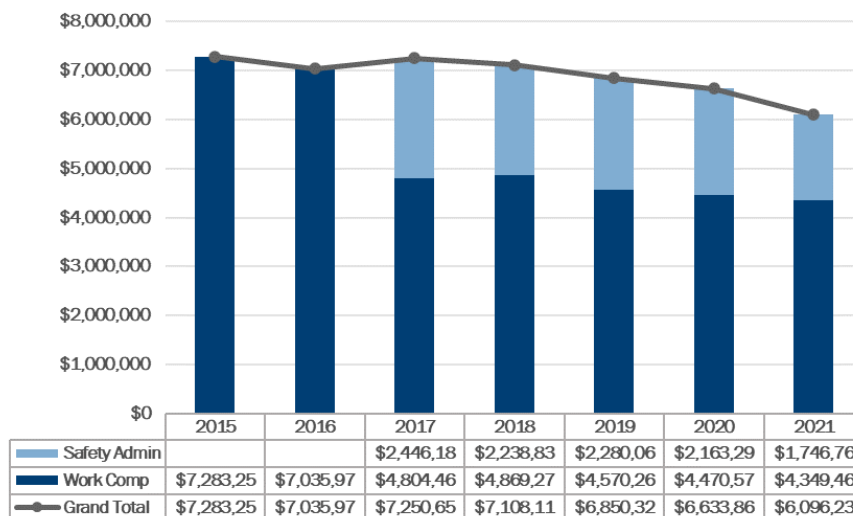
- Legal functions of the Workers' Compensation Court, Office of Administrative Hearings, and Office of Legal Services;
- A portion of the Research & Analysis Bureau in the Workforce Services Division; and
- Administration of the Employment Relations Division and workers' compensation functions, including the workers' compensation database, claims management, data analysis, mediation, medical regulations, self-insurance, carrier compliance, Professional Employer Organizations, and Managed Care Organizations.

Beginning July 1, 2016, a separate assessment for the occupational safety and health administration fund applies to employers who self-insure and a surcharge paid by employers who are insured by private insurance companies or the Montana State Fund. Section **50-71-128, MCA**, provides the safety assessment may be up to 2% of benefits paid during the preceding calendar to fund occupational safety and health administrative and regulatory activities.

WORKERS' COMPENSATION ASSESSMENTS AS EXPENDED

5.1

Workers' Compensation and Safety Administration Assessments as Expended by Program Year



SUBSEQUENT INJURY FUND (SIF)

The Legislature established the Subsequent Injury Fund in 1973 to assist persons with medically certified permanent disabilities become employed by offering a financial incentive to employers who hire certified workers. The Fund is generated through an annual assessment of all Montana insurers (Plans 1, 2 and 3). The assessment is allocated among insurers based on their compensation and medical payments for the previous calendar year.

5.2

SIF Payments

By Program Year¹

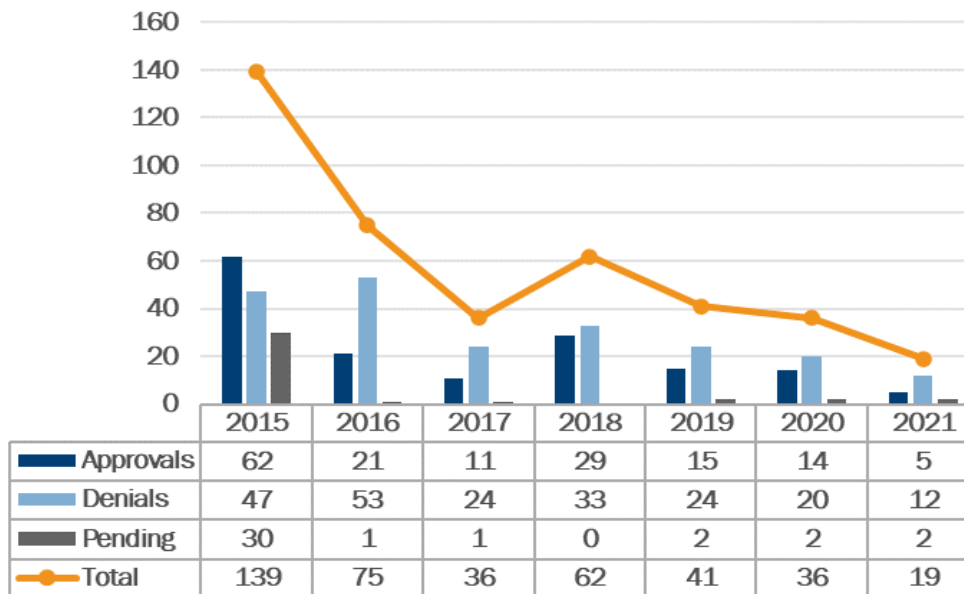
	2015	2016	2017	2018	2019	2020	2021
Medical Payments	\$401,043	\$608,373	\$418,561	\$477,119	\$497,465	\$501,205	\$292,926
Indemnity Payments	\$263,498	\$165,827	\$619,782	\$324,779	\$177,145	\$209,294	\$676,585
Lump Sum Settlements	\$124,878	\$907,217	\$462,643	\$336,611	\$724,601	\$278,370	\$373,356

¹Program effective year includes 4/1 to 3/31

5.3

SIF Applications

By Program Year



UNINSURED EMPLOYERS' FUND

The Uninsured Employers' Fund (UEF) was created to provide benefits to employees injured on the job while working for an uninsured employer. The purpose is to pay the injured worker the same benefits the worker would have received had the employer been covered with workers' compensation. The employer is held liable for 100 percent of the medical and wage loss benefits of the injured worker, and could face civil action by the injured employee as well. Another prime concern of the UEF is to ensure employers comply with workers' compensation laws so employees are properly covered. The benefits paid to injured employees of uninsured employers are collected as a penalty from the uninsured employer. Uninsured employers may be assessed double the premium they would have paid had they been carrying workers' compensation insurance, with a minimum penalty of \$200.

5.4

Uninsured Employers' Fund Claims
By Year of Injury

	2015	2016	2017	2018	2019	2020	2021
UEF Claims	35	25	36	29	31	21	21

5.5

Uninsured Employers' Fund - Medical and Indemnity Payments
By Year of Payment

	Medical Payments	Indemnity Payments	Total
2015	\$226,360	\$349,815	\$576,175
2016	\$168,956	\$280,639	\$449,595
2017	\$264,429	\$158,025	\$422,454
2018	\$300,200	\$267,983	\$568,183
2019	\$326,476	\$340,716	\$667,192
2020	\$163,270	\$295,503	\$458,773
2021	\$382,971	\$431,888	\$814,859

CONSTRUCTION CONTRACTOR REGISTRATION

Construction Contractor Registration (CR) helps level the playing field in the construction industry by assuring that all construction contractors are in compliance with the Montana Workers' Compensation (WC) Act. It applies to all businesses in the building and construction industry that have employees.

As of May of 2022 there were 11,559 active registered construction contractors.

5.6

Registered Construction Contractor Applications
By Fiscal Year

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Applications Received	5,070	5,995	5,534	6,135	5,588	6,379	6,133

As of there were active registered construction contractors.

INDEPENDENT CONTRACTOR EXEMPTION CERTIFICATES

A worker free from control or direction from a hiring agent, engaged in their own independently established business, occupation, trade, or profession, that is covered under a self-elected workers' compensation insurance policy or obtain an Independent Contractor Exemption Certificate (ICEC).

As of May of 2022 there were 23,798 active Independent Contractor Exemption Certificates.

5.7

Independent Contractor Exemption Applications
By Fiscal Year

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Independent Contractor Apps	20,183	20,387	21,670	21,939	24,039	23,158	23,743

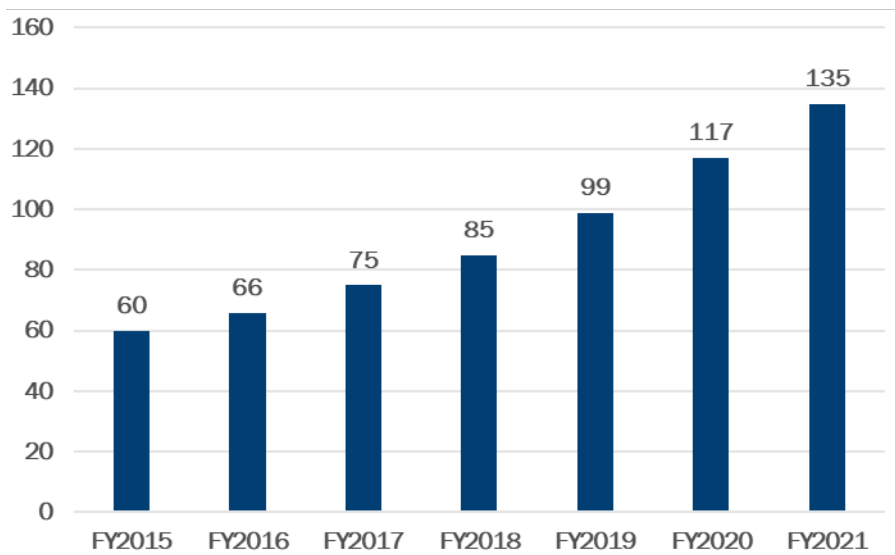
As of there were active independent contractor exemptions.

PROFESSIONAL EMPLOYER ORGANIZATIONS (PEO)

A Professional Employer Organization (PEO) is a business that leases employees to other businesses. A PEO manages the paperwork responsibilities associated with having employees. (PEOs) are to pay employee wages, workers' compensation premiums, payroll-related taxes, and employee benefits from their own account without regard to payments by the client. Thus, they become the employer of record. The client company in return pays the PEO employee costs plus an administrative fee. The client company is sometimes termed a coemployer.

5.8

Professional Employer Organizations (PEOs)
By Fiscal Year



5.9

Number of PEO Employers and Number of Leased Employees (Average Quarterly Count)
By Fiscal Year

	Active PEO Employers	Number of Leased Employees
FY2015	512	4,818
FY2016	563	5,798
FY2017	608	6,292
FY2018	682	6,623
FY2019	780	7,499
FY2020	912	7,858
FY2021	1,162	7,887

SAFETY & HEALTH

The Montana Department of Labor & Industry's Safety and Health Bureau's goal is to help improve safety and health in the workplace. The Bureau consists of four sections: Compliance, Consultation, Mine, & Outreach.

COMPLIANCE

The Compliance Section has jurisdiction over public sector employment safety, including State, County, and City workers. The goal is to ensure that each public employer provides a safe work environment for their employees and adheres to the requirements of the Montana Safety Culture Act (MSCA) and OSHA regulations under MCA Title 50 Chapter 71.

The Compliance Section performs workplace inspections, accident investigations, and responses to safety complaints. They must issue a compliance report that identifies any deficiencies of the MSCA or safety hazards found during an inspection. Additionally, they have the authority to issue a temporary stop-work order and fines if necessary.

5.10

Public Sector Safety Activities
By Fiscal Year of Activity

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Inspections	3	205	448	332	318	252	399
Interventions	34	25	58	21	22	10	17

CONSULTATION

The Consultation Program provides on-site consultation services to both the private and public sectors; this includes small companies, city, county, and state entities. The goal is to help identify and correct safety and health hazards to reduce potential accidents, injuries, and monetary penalties from regulatory bodies. Consultations are confidential, conducted at no charge, and can include any of the following: walk-through surveys; safety and health program assessments; industrial hygiene sampling; technical assistance; SHARP participation; and trainings.

In the exhibits 5.11 and 5.12, 'visits' are hazard investigations and 'interventions' involve education.

5.11

Public Employer Consultation Activities
By Fiscal Year

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
State Government	13	45	42	2	3	6	14
County Government	9	19	32	4	13	6	7
City Government	12	21	40	13	17	9	1
College/Public Schools	8	14	12	42	6	7	1
Tribal Visits	-	-	-	2	1	0	0
Total Visits	42	99	126	63	40	28	23
Total Interventions	80	89	93	56	34	42	47

5.12

Private Employer Consultation Activities
By Federal Fiscal Year

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Number of Employees covered	12,754	24,899	16,977	23,682	17,555	14,959	7,861
Number of Hazards Identified in work place	486	1,154	858	789	638	930	540
Total Visits	228	294	261	240	188	191	154
Total Interventions	95	111	113	102	119	113	145

MINE

The Mine Section provides scheduled mine safety training and is responsible for workplace safety and health compliance in coal mines and sand and gravel operations in accordance with MSHA standards under MCA Title 50 Chapter 72 & 73.

5.13

Mine Safety Activities
By Fiscal Year of Activity

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Coal Mine Inspections	12	12	14	13	18	12	15
Sand & Gravel Inspections	120	77	69	49	60	53	81
Classes Taught (Metal/Nonmetal/Coal)	87	57	76	63	66	52	21

OUTREACH

The Education & Outreach Section provides free OSHA 10-hour training in construction and general industry in high schools and colleges across the state. They also partner with Job Service Offices to provide classes to Montana's business communities. The most significant outreach is the SafetyFestMT.

5.14

SafetyFestMT - FY21

City	Number of Attendees	Number of Classes
Helena	62	14
Virtual	1,129	118
Total	1,191	132

5.15

Other Outreach

		FY2020	FY2021
Classes	OSHA-10 Construction	19	21
	OSHA-10 General Industry	32	18
Students	OSHA-10 Construction	493	199
	OSHA-10 General Industry	436	183

CLAIMS EXAMINER CERTIFICATION

The Claims Examiner Certification (CEC) Program was established in 2009 (39-71-320, MCA), creating a voluntary certification for workers' compensation claims examiners in Montana. It provided a minimum qualification, an examination, a two-year certification and renewal process, continuing education requirements, and standards for the qualification of instructors.

In 2019, legislation changed the CEC process from voluntary to mandatory (ARM 24.29.824).

5.16

Newly Certified Claims Examiners
By Fiscal Year

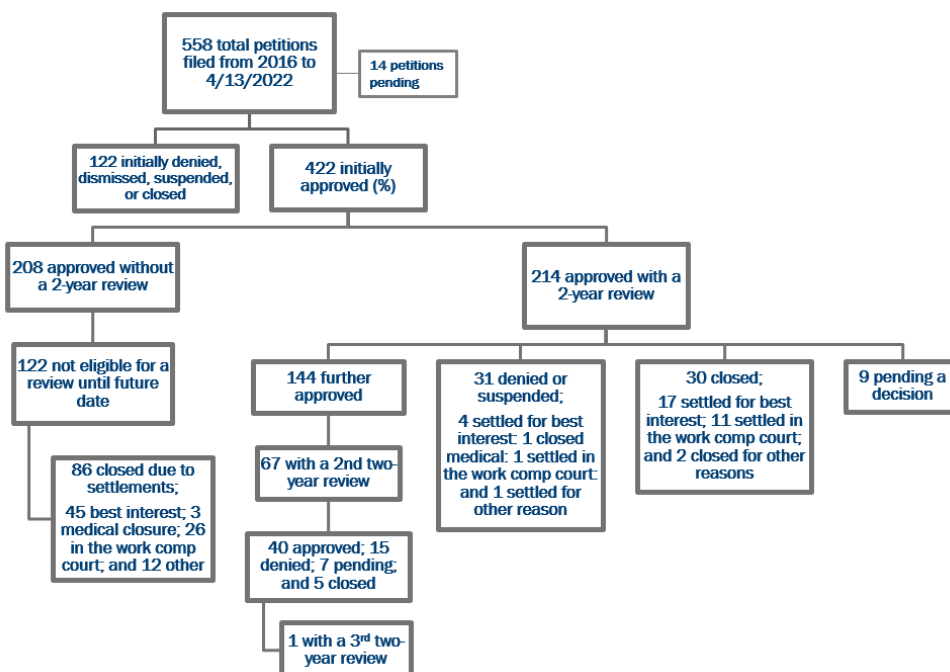
FY2015	14
FY2016	25
FY2017	24
FY2018	24
FY2019	23
FY2020	49
FY2021	26

FIVE-YEAR REOPENING PROCESS FOR MEDICAL BENEFITS

For injuries with dates of injury or occupational diseases on or after July 1, 2011 medical benefits terminate 60-months from the date of injury unless there is an approved petition to reopen benefits

5.17

Five-Year Reopening Petitions



INDEPENDENT MEDICAL REVIEWS

Independent Medical Reviews (IMRs) include requests for the Medical Director to review and provide a recommendation for interested parties that have been denied authorization for certain medical procedures. The process is an informal alternative dispute resolution process without administrative or judicial authority and is not binding on the parties. The provisions of this rule apply to medical services provided on or after July 1, 2011. (ARM 24.29.1641)

5.18

Total Independent Medical Reviews
By Resolution and Fiscal Year

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Recommended	5	2	8	9	7	7	0
Recommended with Other Guideline Treatments	1	2	0	0	0	0	0
Recommended with Conditions	0	1	1	1	0	0	3
Not Recommended	7	9	10	15	3	4	5
Did Not Qualify for IMR	3	7	0	1	1	0	0
Other	1	0	0	1	1	1	2
Totals	17	21	19	27	12	12	10

DEFINITIONS

Depending on the type of injury and benefit reporting issues, an injury may not be reported or receive benefits until two or more years after the date of injury or illness. These charts should not be construed to represent the duration of Injuries.

Calendar Year: The year beginning January 1 and ending December 31.

Cause of Injury descriptions: for this report, the cause of injury codes **are no longer grouped**. Please find the individual codes and their descriptions at https://www.wcio.org/Active%20PNC/WCIO_Cause_Table.pdf.

Employment Relations Division (ERD): ERD is part of the Montana Department of Labor & Industry. The Division provides a wide variety of services and regulations related to the employer-employee relationship. This includes issues involving workers' compensation coverage and Injuries, human rights Injuries, workplace safety and health, wage and hour Injuries, prevailing wage Injuries, and public sector collective bargaining.

Extra-Territorial Reciprocal Agreement: A formal agreement between two states which allows employers temporarily doing business away from their home state to utilize their workers' compensation coverage in the other state, without needing to purchase additional coverage. When an agreement is in effect with another state, it allows for employers with workers from that state to work in Montana temporarily without purchasing Montana coverage. It, in turn, allows Montana employers with workers to temporarily do business in the other state without purchasing that state's required coverage. The ERD Workers' Compensation Regulations Bureau oversees extra-territorial reciprocal agreements with Washington, Oregon, Idaho, Wyoming, Utah, and North and South Dakota.

Fiscal Year: The State of Montana's fiscal year begins July 1 and ends June 30 of the following year. (Example: 07/01/20 - 06/30/21 = FY21)

First Report of Injury and Occupational Disease (FROI): The initial report designed to notify parties of the occurrence of an injury or occupational disease. The FROI contains basic injury information about the worker, accident, employer and insurer. It is completed and submitted to ERD by employees, employers, or insurers. The Annual Report includes information on all injuries and occupational diseases reported to ERD; however, all injuries and occupational diseases that occurred in Montana may not have been reported.

Indemnity Benefits: Any payment made directly to the worker (or the worker's beneficiaries), other than a medical benefit. The term includes payments made pursuant to a reservation of rights, or in settlement of a dispute over initial compensability of the Injury. The term does not include expense reimbursements for items such as meals, travel, or lodging. ARM 24.29.4303 (4)

Independent Medical Review (IMR): A physician, injured worker, insurer, or injured worker representative may request an IMR by the Department's medical director for medical treatment denied by the insurer, prior to mediation under 39-71-2401, MCA. The medical director will review the medical records of the injured worker and other information relevant to the denial and issue a recommendation. The medical director is the specific individual designated by the Department to serve as the medical director with respect to a given set of disputed treatments or procedures. The medical director's review and recommendation is an informal alternative dispute resolution process without administrative or judicial authority and is not binding on the parties.

Industry: The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. NAICS codes are grouped into different industrial divisions. The following is a list of examples of each division:

Accommodation and Food Services - lodging and/or preparing meals, snacks, and beverages

Administrative and Support and Waste Management and Remediation Services - support activities for the day-to-day operations of other organizations including office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, and waste disposal services

Agriculture, Forestry, Fishing, and Hunting - growing crops, raising animals, harvesting timber, and harvesting fish and other animals from a farm, ranch, or their natural habitats

Arts, Entertainment, and Recreation - services that meet varied cultural, entertainment, and recreational interests of their patrons including (1) producing, promoting, or participating in live performances, events, or exhibits intended for public viewing; (2) exhibiting objects and sites of historical, cultural, or educational interest; and (3) services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests

Construction - construction of buildings or engineering projects (e.g., highways and utility systems) including the preparation of sites for new construction and establishments primarily engaged in subdividing and for sale of building sites

Educational Services - provide instruction and training in a wide variety of subjects including schools, colleges, universities, and training centers, either privately owned and operated for profit or not for profit, or publicly owned and operated

Finance and Insurance - engaged in financial transactions (transactions involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions

Health Care and Social Assistance - health care and social assistance for individuals including both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities

Information - produce and distribute information and cultural products, provide the means to transmit or distribute these products as well as data or communications, and process data

Management of Companies and Enterprises - hold the securities of, or other equity interests in, companies and enterprises for the purpose of owning or controlling interest or influencing management decisions, or administer, oversee, and manage establishments of the company or enterprise

Manufacturing - engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products and the assembling of component parts of manufactured products is considered manufacturing, except in cases where the activity is appropriately classified Construction

Mining, Quarrying, and Oil and Gas Extraction - extraction of naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas

Other Services (except Public Administration) - services not specifically provided for elsewhere in the classification system and engaged in activities such as equipment and machinery repairing, promoting or administering religious activities, grantmaking, advocacy, and providing dry-cleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services

Professional, Scientific, and Technical Services - professional, scientific, and technical activities for others and require a high degree of expertise and training, including legal advice and representation; accounting, bookkeeping, and payroll services; architectural, engineering, and specialized design services; computer services; consulting services; research services; advertising services; photographic services; translation and interpretation services; veterinary services; and other professional, scientific, and technical services

Public Administration - federal, state, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area

Real Estate and Rental and Leasing - primarily engaged in renting, leasing, or otherwise allowing the use of tangible or intangible assets, and establishments providing related services including the major portion of this sector that rent, lease, or otherwise allow the use of their assets by others

Retail Trade - engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise

Transportation and Warehousing - transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation including air, rail, water, road, and pipeline

Utilities - engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal

Wholesale Trade - selling of wholesale merchandise, generally without transformation, or rendering including goods related to agriculture, mining, manufacturing, and certain information industries, such as publishing

International Association of Industrial Accident Boards and Commissions (IAIABC): The IAIABC is a not-for-profit trade association representing government agencies charged with the administration of workers' compensation systems throughout the United States, Canada, and other nations and territories. The IAIABC represents workers' compensation professionals, medical providers, insurers, and corporate agencies with 60 jurisdictions and over 150 associate corporate members. Working groups standardize reporting of workers' compensation data. Standards have been developed for communicating data electronically through Electronic Data Interchange (EDI).

Mediation Benefit Issues: Disputes are identified by detailed subjects or issues. Multiple issues may be identified for a single dispute. The issues are categorized as follows:

Medical Benefits: Includes medical treatment, domiciliary care entitlement, travel expenses, choice of treating physician, re-authorization of medical services, chiropractic treatment, co-payments, medical benefit rates, and miscellaneous medical issues.

Wage Loss Benefits: Includes Temporary Total Disability (TTD), Temporary Partial Disability (TPD), Permanent Partial Disability (PPD), and Permanent Total Disability (PTD) benefits.

Relatedness: Includes issues of aggravation, subsequent injury, heart attack, psychological conditions, and others.

Injury/Occupational Requirement: Disputes concerning whether a medical condition meets the legal definition of injury and occupational disease and/or disputes over whether a medical condition arises within the course and scope of employment.

Access to Records: Disputes or delays in obtaining Injury file records and/or related medical records.

Notice/Filing Time: Includes disputes over statutory notice to employer and timely filing of the Injury.

Course & Scope: Center on whether or not the injured worker was within the performance of his/her employment at the time of the event and if the injury or OD arose out of that employment. There are many varied scenarios within this category.

Employment/Insurance Coverage: Consists of disputes over employment, coverage, and responsible insurer.

Rehabilitation Benefits: Disputes over retraining benefits and assistance with job placement, for all dates of injury.

Calculation of Wages: Disputes involving non-monetary compensation, concurrent wages, and appropriate wage periods. (Wages are used for calculation of compensation rates.)

Other: Includes a variety of less frequently disputed issues, the most common of which are other refusal or delay, lump-sum payment disputes, death benefits, and reopening settlements.

Medical Benefits: Payments for hospitals, physicians, health care providers, prescriptions, and other medical care costs associated with an injury for benefits.

Montana Code Annotated (MCA): The definitive guide to Montana laws, consisting of the Constitution, codes, and statutes. The MCA is normally published each odd-numbered year, incorporating changes made by the Legislative session of that year.

Nature of Injury descriptions: for this report, the nature of injury codes **are no longer grouped**. Please find the individual codes and their descriptions at https://www.wcio.org/Active%20PNC/WCIO_Nature_Table.pdf.

Other Benefit Codes: Codes that identify the type of other benefits paid to date or recovered for an injury or occupational disease. The following are IAIABC definitions for the codes used in this report:

Hospital Costs Paid to Date: Sum of costs of both inpatient and outpatient services.

Other Medical Paid to Date: Sum of medical costs to other providers not included in payments to physicians or hospital costs, i.e. laboratory tests, prescriptions.

Pharmaceutical Paid to Date: Sum of medication payments.

Total Payments to Physicians Paid to Date: Sum of services paid to physicians.

Part of Body descriptions: for this report, the part of body codes **are no longer grouped**. Please find the individual codes and their descriptions at https://www.wcio.org/Active%20PNC/WCIO_Part_Table.pdf.

Occupational Disease (OD): Harm or damage caused by work-related events that occur on more than a single day or work shift. It includes acute chronic illnesses or diseases caused by inhalation, absorption, ingestion or overuse syndrome.

Occupational Injury: Internal or external physical harm to the body that is established by objective medical findings, caused by a specific work accident on a single day or during a single work shift.

Permanent Partial Disability (PPD): Permanent impairment resulting from an injury or occupational disease, after achieving maximum medical improvement, that impairs the worker's ability to work and causes an actual wage loss. PPD benefits are calculated using 66 2/3% of the wages received at the time of injury, not to exceed one-half the state's average weekly wage at the time of injury. The maximum length for PPD benefits is determined by the date of injury.

Permanent Total Disability (PTD): A physical condition resulting from an injury or occupational disease after achieving maximum medical improvement, in which the worker has no reasonable prospect of physically performing regular employment. PTD benefits are calculated using 66 2/3% of the wages received at the time of injury, not to exceed the state's average weekly wage at the time of injury. The injured worker may receive cost of living increases.

Plan Type: The type of workers' compensation insurance coverage chosen by an employer. There are three different types of insurance plans:

Plan 1: Self-insurance provided by employers who have sufficient financial strength to cover potential

workers' compensation Injuries. If an injury occurs, a self-insured employer will pay the expenses and benefits.

Plan 2: Insurance coverage provided by a private insurance company.

Plan 3: Insurance coverage provided by Montana State Fund.

Professional Employer Organizations (PEO): Professional Employer Organizations provide human resource services for small to medium-size businesses. Examples of services provided by PEO's are staffing, securing unemployment and workers' compensation insurance, and handling payroll taxes and medical benefits. PEO's must be authorized by ERD prior to contracting with any client employers.

Subsequent Report of Injury (SROI): The SROI is completed for each individual injury with indemnity benefits and is submitted to ERD by adjusters or insurers on every six-month anniversary of the date of injury until the Injury is closed or additional compensation or medical payments are not anticipated. The form includes Injury and identification information, the status of the injury, type of benefits paid and benefits payment amounts. The Annual Report includes data reported to ERD on injury and occupational disease indemnity Injuries. SROIs may not have been submitted to ERD for all indemnity Injuries.

Temporary Partial Disability (TPD): A physical condition resulting from an injury or occupational disease, prior to achieving maximum medical improvement, that causes a partial loss of wages. TPD benefits are the difference between the injured worker's actual weekly wage and the actual weekly wage earned during the injured worker's temporary partial disability. They are subject to a maximum of 40 hours per week and capped at the injured worker's Temporary Total Disability rate.

Temporary Total Disability (TTD): A physical condition resulting from an injury or occupational disease, prior to achieving maximum medical improvement that causes a total loss of wages. TTD benefits are calculated using 66 2/3% of the wages received at the time of injury, not to exceed the state's average weekly wage at the time of injury.

Uninsured Employers' Fund (UEF): Enforces workers' compensation coverage requirements for all employers, and pays benefits to injured workers whose employers do not have coverage.

Utilization and Treatment Guidelines (Montana Guidelines): MTDLI is required by statute to implement guidelines for workers' compensation medical treatments. The Montana Guidelines are based on the existing Colorado Workers' Compensation Medical Treatment Guidelines, supplemented with the ACOEM Guidelines, for use in Montana. The purpose of the Montana Guidelines is to assist injured workers in receiving prompt and appropriate care, assist injured workers in stay-at-work/return-to-work options, assist clinicians in making decisions for specific conditions, and help insurers make reimbursement determinations. Montana Guidelines are enforceable for payment purposes. MTDLI recognizes that acceptable medical practice may include deviations from the guidelines and that the Montana Guidelines are not relevant as evidence of a provider's legal standard of professional care. The Montana Guidelines are applicable to all medical services provided on or after July 1, 2011, and establish a presumption of compensability for injuries and occupational diseases occurring on or after July 1, 2007. For those injuries or occupational diseases occurring on or before June 30, 2007, treatment in accordance with the Montana Guidelines constitutes reasonable primary or secondary medical treatment.

Vocational Rehabilitation Benefits: Benefits paid to the injured worker at the worker's TTD rate. The benefits are paid for the period specified in the job placement or retraining plan, not to exceed 104 weeks. The plan is prepared by the rehabilitation provider and agreed to by the insurer and injured worker.

Wage Loss Benefits: TTD, TPD, PTD, and PPD benefits paid to the injured worker.

Workers' Compensation Insurance Organizations (WCIO): A voluntary association of statutorily authorized or licensed rating, advisory or data service organizations that collect workers' compensation insurance information in one or more states. The WCIO is composed of the managers of the various boards and

jurisdictions. The purpose of the WCIO is to provide a forum for the exchange of information about workers' compensation insurance.

DATA SOURCES

Montana Department of Labor & Industry

Workers' Compensation Injuries Assistance Bureau;
Workers' Compensation Regulations Bureau;
Safety & Health Bureau; and
Hearings Bureau

Quarterly Expenditure Reports

Totals of compensation, medical, and miscellaneous expenses reported to the DLI by carriers.

Quarterly Census of Employment and Wages, Bureau of Labor Statistics, U.S. Department of Labor

Regulatory Costs and Industrial Accident Rehabilitation Trust Fund Expenses

Costs obtained from the State's Accounting, Budgeting, and Human Resource System (SABHRS).

Unemployment Insurance Tax System for Leased Employees

Workers' Compensation Court

Workers' Compensation Database (WCAN)

Employers, insurers, injured workers, attorneys, medical providers, and other parties of the workers' compensation community in Montana provide data for the system. ERD maintains the database.