

**Missouri Department of Labor and
Industrial Relations**

**Division of Workers'
Compensation
Annual Report**



MISSION STATEMENT:

"To Promote and Protect Industry and Labor."

2009

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Introduction

The Missouri Workers' Compensation Law, chapter 287, of the Revised Statutes of Missouri¹, is the exclusive remedy for the employers and employees to adjudicate and resolve disputes relating to injuries or illnesses that are sustained in the course and scope of employment. Any reference to employers includes the workers' compensation insurance carrier or group trust as the case may be. The workers' compensation law applies to all employers that have five or more employees. Construction industry employers who erect, demolish, alter or repair improvements are subject to the law if they employ one or more employees. Partners and sole proprietors may individually elect to obtain coverage. The law does exempt a very small and very specific group of employees, which includes farm laborers, domestic servants, certain real estate agents and direct sellers and commercial motor-carrier owner-operators. Please refer to §287.090, RSMo for additional information.

All employers subject to the law must insure their workers' compensation obligations or liabilities with an insurance carrier that is authorized to provide such services in the state of Missouri by the Missouri Department of Insurance Financial Institutions and Professional Registration or meet the requirements of the Division of Workers' Compensation (hereafter "Division") to be granted self-insurance authority.

The Division administers the workers' compensation law. The Division has eight adjudication offices that are equipped to render services to the employees and employers. The Division carries out its responsibilities through several programs and units located primarily in Jefferson City, Missouri that provide the services to all stakeholders. An administrative tax not to exceed two percent is imposed on employers to fund the administrative expenses of the Division associated with the administration of the Missouri Workers' Compensation law.

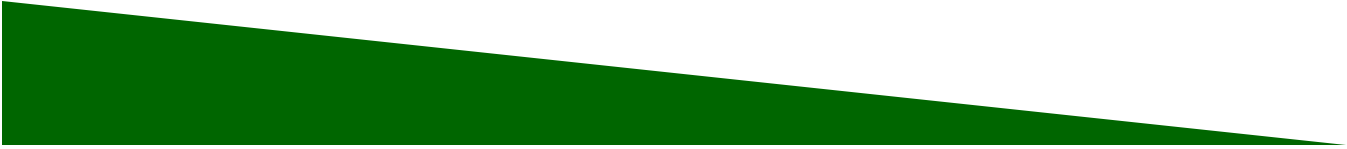
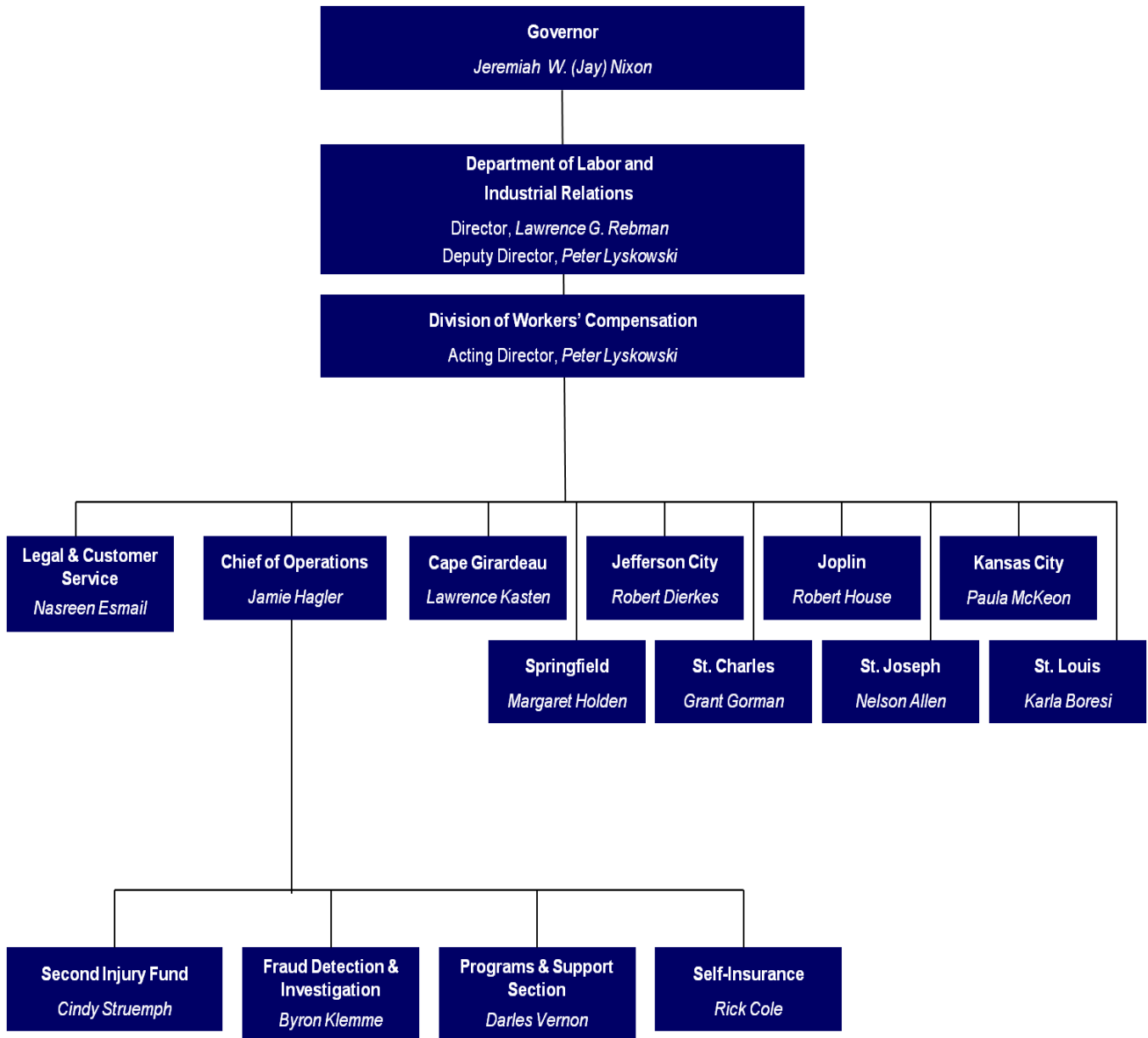
Under the Missouri workers' compensation law, an injured employee is entitled to medical benefits, temporary total disability benefits (TTD), permanent partial disability or permanent total disability benefits, respectively. The TTD benefits generally equal two-thirds of the injured employee's average weekly wage not to exceed a maximum rate set by the legislature. The average weekly wage is determined by examining various pay periods immediately preceding the date of injury.

This report, as required by §287.680 RSMo, briefly describes each of the programs and units and summarizes² the transactions and proceedings undertaken for the year 2009.

¹ For ease of reading, the Report refers to the Workers' Compensation Law and its components in informal format. All references, however, are to the Revised Statutes of Missouri, Cum. Supp. 2008 unless otherwise specified.

² All tables, figures and data in this report were derived from the Division of Workers' Compensation database unless otherwise noted.

Organizational Chart



Biographies



Lawrence G. Rebman

Director, Department of Labor

Formerly of Kansas City, Mr. Rebman earned his bachelor's degree in economics from the University of Missouri-Columbia and his juris doctorate from the University of Missouri-Kansas City School of Law. Prior to joining the Department, he worked for the Attorney General's Office (AGO) as an Assistant Attorney General. After his tenure in the AGO, he entered into private practice.



Peter Lyskowski

Deputy Director, Department of Labor

Acting Director, Division of Workers' Compensation

A Jefferson City native, Mr. Lyskowski is a graduate of Helias High School, Truman State University, and the University of Missouri School of Law. Prior to joining the Department, he worked for the Attorney General's Office from 2003-2009.

Administration

DIVISION OF WORKERS' COMPENSATION

Jamie Hagler, *Chief of Operations*

The Chief of Operations reports to the Division Director and is responsible for the day-to-day operations of most units within the Division of Workers' Compensation. This position works closely with management staff to optimize daily operations and ensure the Division's mission and goals are achieved.

PROGRAMS & SUPPORT

Darles Vernon, *LIR Manager*

The Programs and Support Unit is the recipient of all filings made by the parties with the Division. Examples of documents or reports received by the Division that comprise the workers' compensation official records in a particular case are claim for compensation, answer to claim for compensation, first report of injury, medical records, applications for medical fee disputes, etc. This unit's functions are divided into claims team, database management, case review team, imaging team and EDI team (electronic data interchange).

INSURANCE

Richard Cole, *LIR Manager*

The Insurance Unit oversees a portion of the workers' compensation insurance market as many employers take advantage of the option to self-insure their obligations. Missouri has stringent requirements that need to be met prior to granting self-insurance authority to an employer, including requirements that relate to financial stability, loss history, safety and claims handling process. The unit's functions consist of reviewing applications, overseeing the existing self-insured entities, conducting claims audits and administering the proof of coverage requirements under the law.

For further information, call (573) 526-6004.

LEGAL

Nasreen Esmail, *Chief Legal Counsel*

The Legal Unit provides legal advice and assistance to the Division Director and the various units and programs within the Division. The legal unit oversees the Religious Exception Program, Medical Fee Dispute Program, Dispute Management Unit and Customer Service Unit. The unit responds to subpoenas and requests for records. In addition to various other duties, the unit also drafts proposed rules and amendments to the existing regulations to be filed with the Joint Committee on Administrative Rules and Secretary of State's office upon approval by the Department and the Labor and Industrial Relations Commission.

DISPUTE MANAGEMENTGlenn Easley, *Mediator*

This unit is responsible for providing information and attempting to resolve disputes between employers and injured employees prior to a case escalating to formal litigation. Division information specialists receive approximately 2,500 telephone calls per month from employees with questions about workers' compensation. These calls are made on a special 800 number set up for employees only. Referrals are made to the Dispute Management Unit when it appears that a dispute can be resolved at the early stages of a case by intervention from the Division. Written requests for mediation from injured workers also are received by the mediators to determine if any disputes can be resolved by telephone conferences, rather than a personal appearance at one of the adjudication offices.

For further information, call (800) 775-2667.

SECOND INJURY FUNDCindy Struempf, *LIR Manager*

The Second Injury Fund Unit is responsible for processing Second Injury Fund benefits. When an employee is eligible for benefits and a compromise settlement has been approved or an award has been issued, the Division processes payments to the injured worker.

For further information, call (800) 775-2667.

FRAUD & NONCOMPLIANCEByron Klemme, *Investigation Manager*

The Fraud Unit is responsible for investigating alleged fraud and noncompliance in workers' compensation. This unit investigates allegations of fraud by employees, employers, attorneys, insurers or physicians. Noncompliance is the failure by employers to carry workers' compensation insurance, or to post notice of workers' compensation at the workplace. Appropriate cases of fraud and noncompliance are referred to the Missouri Attorney General's Office for prosecution.

For further information, call (573) 526-6630 or (800) 592-6003.

ADJUDICATION

The Division's statutory responsibility to adjudicate and resolve disputes under the law is fulfilled by the eight adjudication offices throughout the state of Missouri. The Administrative Law Judges, court reporters, docket clerks and assistants provide the services to the parties to the case who appear at the scheduled docket settings in each respective office. The Division offers various docket settings to assist with the timely resolution of workers' compensation claims. The Division also schedules evidentiary hearings on medical fee disputes, crime victims' compensation cases and tort victims' compensation cases.

Assessments & Expenditures

Workers' Compensation Administration Fund Tax & Surcharge

As required by Sections 287.690 and 287.716 RSMo, the State of Missouri imposes a workers' compensation administrative tax on all workers' compensation insurance carriers and self-insured employers and an administrative surcharge on every workers' compensation deductible plan policy holder insured in Missouri. Section 287.690 RSMo authorizes the imposition of an administrative tax not to exceed two percent and Section 287.716 RSMo authorizes the imposition of an administrative surcharge at the same rate as the administrative tax. The revenue from the administrative tax and administrative surcharge is used to fund expenses associated with the administration of Missouri's Workers' Compensation Law. The Director of the Division determines the rates for the subsequent calendar year by October 31, using the formula set forth in Section 287.690 RSMo.

Year	Premium Base	WC Assessment Rate	Revenue Collected*
2000	\$1,115,333,952	0.0%	\$8,795,036
2001	\$1,192,584,974	0.0%	\$2,642,428
2002	\$1,394,657,695	1.0%	\$3,464,061
2003	\$1,858,069,744	2.0%	\$24,518,368
2004	\$2,025,220,834	1.0%	\$35,041,074
2005	\$2,038,285,101	0.0%	\$4,776,135
2006	\$2,011,936,403	0.0%	\$1,637,961
2007	\$1,955,665,153	1.0%	\$11,836,057
2008	\$1,712,209,707	1.0%	\$15,066,584
2009	Not yet available	0.5%	\$8,694,109

* Although the Premium Tax Rate for some calendar years was set at 0.0%, insurance companies still remitted workers' compensation taxes, which may have represented delinquent taxes or adjustment amounts.

BALANCE of fund on January 1, 2009	\$ 26,659,411
Revenue:	
Tax & Surcharge Collections	8,694,109
Interest	436,013
Miscellaneous Receipts	795,275
Loans Repayment from SIF	0
Total Revenue	\$ 9,925,397
Expenditures:	
Administration Costs	17,159,933
Loans to SIF	0
Total Expenditures	\$ 17,159,933
BALANCE of fund on December 31, 2009	\$ 19,424,875

Second Injury Fund Surcharge

Section 287.715 RSMo provides for the collection of an annual surcharge from every authorized self-insurer and every workers' compensation policyholder insured in Missouri. This revenue is used to pay benefit and expense liabilities of the Second Injury Fund. Like the workers' compensation administrative tax and surcharge, the surcharge rate is calculated by October 31 for the subsequent year by the Director of the Division using the formula set forth in Section 287.715.2 RSMo and shall not exceed three percent.

Year	Premium Base	SIF Assessment Rate	Revenue Collected
2000	\$1,115,333,952	3.0%	\$37,745,013
2001	\$1,192,584,974	2.5%	\$43,825,512
2002	\$1,394,657,695	2.5%	\$38,194,218
2003	\$1,858,069,744	4.0%	\$62,387,266
2004	\$2,025,220,834	4.0%	\$78,514,648
2005	\$2,038,285,101	3.5%	\$72,990,094
2006	\$2,011,936,403	3.0%	\$62,150,267
2007	\$1,955,665,153	3.0%	\$68,264,360
2008	\$1,712,209,707	3.0%	\$54,769,650
2009	Not yet available	3.0%	\$53,324,593

BALANCE of fund on January 1, 2009	\$ 8,483,348
Revenue:	
Surcharge Collections	53,324,593
Interest	170,776
Miscellaneous Receipts	141,754
Loans from WC Admin Fund	0
Total Revenue	\$ 53,637,122
Expenditures:	
Benefit Disbursements	54,011,422
Administration Costs	4,676,192
Loan Repayment	0
Total Expenditures	\$ 58,687,614
BALANCE of fund on December 31, 2009	\$ 3,432,856

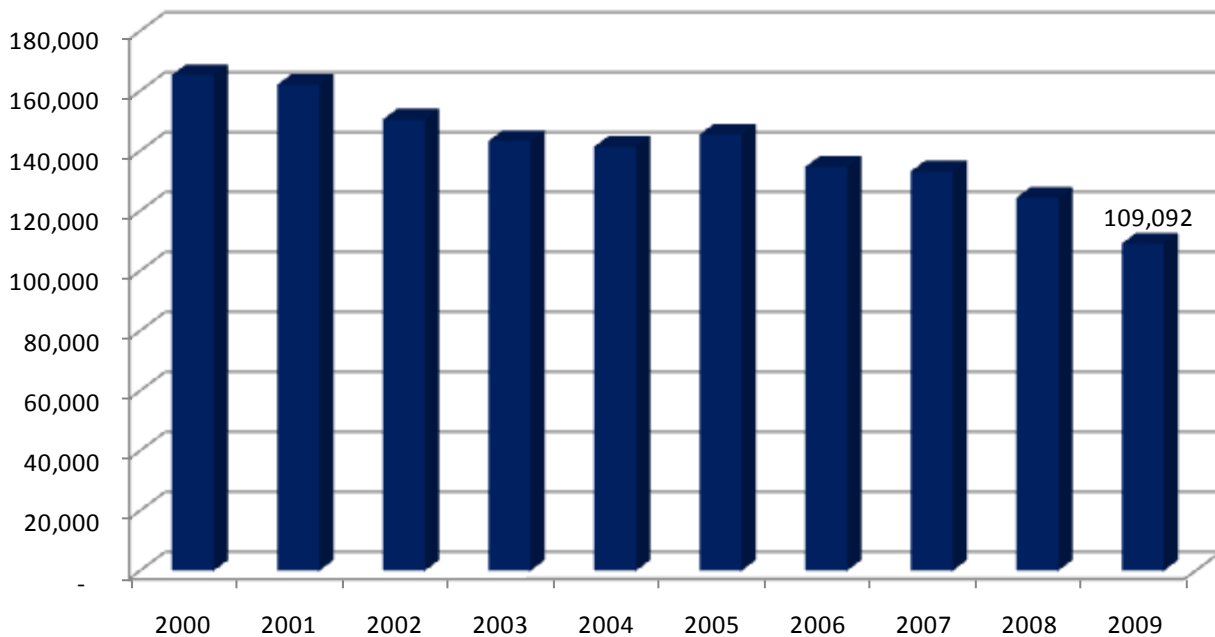
Workers' Compensation

First Reports of Injury (FROIs)

Every injury and occupational disease occurring in Missouri, except “first aid” cases not requiring medical treatment must be reported to the Division. The injury must be reported to the Division within 30 days of the date the employer has actual notice of the injury. The employer must report all injuries requiring medical treatment to its insurance carrier or third party administrator within five days of the date the employer has actual notice of the injury. Since July 1995, the Division has been receiving FROIs by electronic data interchange (EDI). This process minimizes errors, ensures timeliness in reporting, and reduces costs for the reporting entities and the Division. In 2009, 98% of FROIs were filed electronically (through EDI or the web). The increase in EDI filings has also significantly reduced the average time to process FROIs. In 2000, the average time to process was 14.5 days and in 2009, the average time to process decreased to 1.9 days.

Total FROI filings have decreased an average of nearly 7% annually since 2005.

First Reports of Injury Filed 2000 - 2009



FROIs by County - 2009

<u>County</u>	<u>FROIs</u>	<u>County</u>	<u>FROIs</u>	<u>County</u>	<u>FROIs</u>
Adair	437	Grundy	150	Perry	589
Andrew	82	Harrison	113	Pettis	1,095
Atchison	103	Henry	307	Phelps	866
Audrain	543	Hickory	46	Pike	324
Barry	991	Holt	58	Platte	282
Barton	151	Howard	84	Polk	293
Bates	130	Howell	655	Pulaski	552
Benton	143	Iron	187	Putnam	31
Bollinger	67	Jackson	18,291	Ralls	46
Boone	3,420	Jasper	3,304	Randolph	551
Buchanan	2,380	Jefferson	1,741	Ray	172
Butler	810	Johnson	713	Reynolds	110
Caldwell	65	Knox	64	Ripley	77
Callaway	1,066	Laclede	559	Saline	615
Camden	710	Lafayette	507	Schuyler	37
Cape Girardeau	1,352	Lawrence	445	Scotland	54
Carroll	127	Lewis	135	Scott	797
Carter	51	Lincoln	453	Shannon	46
Cass	1,094	Linn	232	Shelby	87
Cedar	146	Livingston	332	St. Charles	4,815
Chariton	50	McDonald	333	St. Clair	76
Christian	613	Macon	219	St. Francois	1,270
Clark	52	Madison	124	St. Louis City	6,624
Clay	3,303	Maries	50	St. Louis County	22,131
Clinton	335	Marion	700	Ste. Genevieve	324
Cole	1,835	Mercer	96	Stoddard	423
Cooper	300	Miller	337	Stone	219
Crawford	200	Mississippi	170	Sullivan	95
Dade	48	Moniteau	209	Taney	1,476
Dallas	90	Monroe	121	Texas	301
Daviess	55	Montgomery	164	Vernon	408
DeKalb	43	Morgan	167	Warren	321
Dent	231	New Madrid	316	Washington	235
Douglas	97	Newton	523	Wayne	101
Dunklin	348	Nodaway	386	Webster	264
Franklin	1,712	Oregon	75	Worth	8
Gasconade	164	Osage	136	Wright	164
Gentry	86	Ozark	58	OUT OF STATE	438
Greene	6,511	Pemiscot	250		

FROIs by Industry - 2009

<u>Industry</u>	<u>FROIs</u>	<u>Percent</u>
Other Services (except Public Administration)	25,683	23.5
Retail Trade	15,780	14.5
Manufacturing	15,396	14.1
Public Administration	11,742	10.8
Health Care and Social Assistance	9,455	8.7
Construction	6,026	5.5
Wholesale Trade	4,415	4.0
Transportation and Warehousing	3,966	3.6
Educational Services	3,167	2.9
Utilities	3,135	2.9
Accommodation and Food Services	2,435	2.2
Finance and Insurance	1,613	1.5
Administrative and Waste Services	1,580	1.4
Real Estate and Rental and Leasing	1,289	1.2
Agriculture, Forestry, Fishing and Hunting	1,151	1.1
Professional, Scientific, and Technical Service	700	.6
Arts, Entertainment, and Recreation	664	.6
Information	398	.4
Mining	189	.2
Management of Companies and Enterprises	101	.1
Nonclassifiable Establishments	76	.1
Missing	131	.1
Total	109,092	100.0

FROIs by Age and Gender

Just over 54% of injuries reported to the Division in 2009 were for males. The age group reporting the most injuries was the 40-49 year olds, which accounted for nearly one quarter of all injuries reported.

Gender	Age Group	FROIs	Percent
Male	Unknown	671	.6
Male	10-15	10	.0
Male	16-19	1,548	1.4
Male	20-29	12,746	11.7
Male	30-39	13,640	12.5
Male	40-49	14,197	13.0
Male	50-59	11,760	10.8
Male	60-69	4,059	3.7
Male	70-79	469	.4
Male	80-89	67	.1
Female	Unknown	535	.5
Female	10-15	6	.0
Female	16-19	1,293	1.2
Female	20-29	10,446	9.6
Female	30-39	9,738	8.9
Female	40-49	11,629	10.7
Female	50-59	11,140	10.2
Female	60-69	4,147	3.8
Female	70-79	540	.5
Female	80-89	71	.1
Unknown	Unknown	4	.0
Unknown	10-15	0	.0
Unknown	16-19	16	.0
Unknown	20-29	79	.1
Unknown	30-39	94	.1
Unknown	40-49	89	.1
Unknown	50-59	73	.1
Unknown	60-69	21	.0
Unknown	70-79	3	.0
Unknown	80-89	1	.0
Total		109,092	100.0

FROIs by Body Part

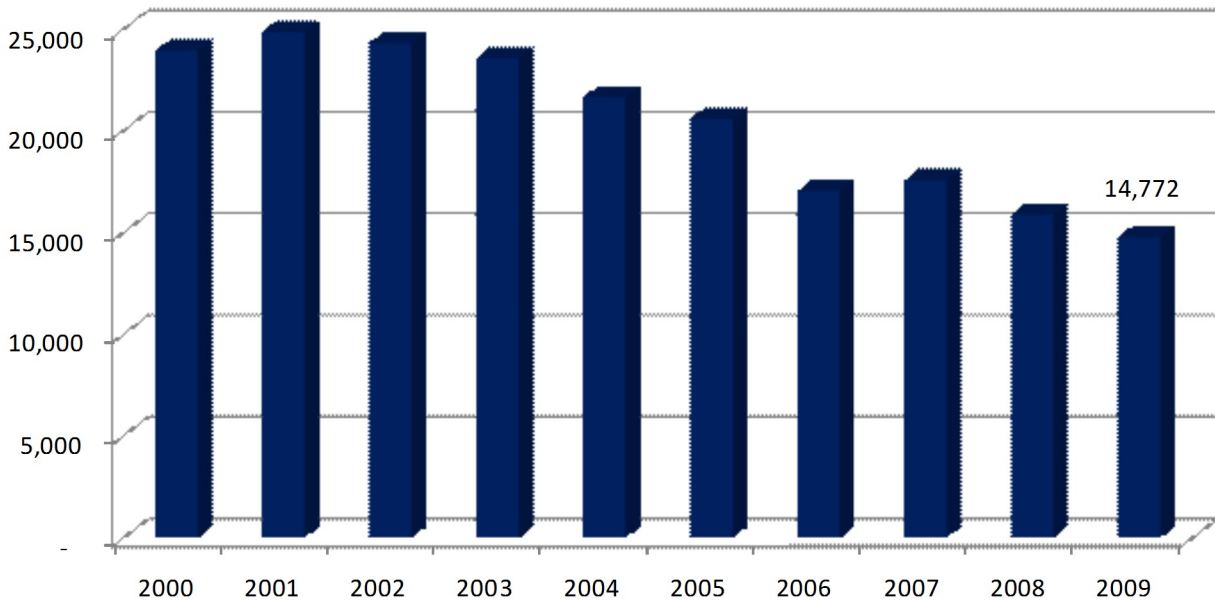
Body Part	FROIs	Percent
HEAD	11,350	10.4
Eyes	4,223	3.9
Soft Tissue	2,477	2.2
Mouth/Nose/Teeth	1,176	1.1
Face/Skull	881	.8
Ears	400	.4
Facial Bones	248	.2
Brain	115	.1
Multiple Head Injury	1,830	1.7
NECK	1,847	1.7
Soft Tissue	856	.8
Vertebrae/Disc	197	.2
Spinal Cord	87	.1
Larynx/Trachea	38	.0
Multiple Neck Injury	669	.6
UPPER EXTREMITIES	41,366	37.9
Fingers/Thumbs	14,159	13.0
Wrists/Hands	12,300	11.2
Upper Arms/Shoulders	7,647	7.0
Elbows/Lower Arms	5,857	5.4
Multiple Upper Extremities	1,403	1.3
TRUNK	18,055	16.5
Back	12,865	11.8
Abdomen/Groin/Buttocks	1,788	1.6
Chest	1,535	1.4
Lungs/Internal Organs	810	.7
Pelvis/Sacrum & Coccyx	238	.2
Spinal Cord/Disc	103	.1
Heart	86	.1
Multiple Trunk	630	.6
LOWER EXTREMITIES	20,788	19.1
Knees/Lower Legs	10,306	9.5
Ankles/Foot/Feet	7,117	6.5
Hips/Upper Legs	1,676	1.5
Toes/Great Toes	865	.8
Multiple Lower Extremities	824	.8
BODY SYSTEMS	1,340	1.2
MULTIPLE BODY PARTS	12,823	11.8
WHOLE BODY	59	.1
NO PHYSICAL INJURY	780	.7
OTHER OR UNSPECIFIED	684	.6
Total	109,092	100.0

Claims for Compensation

An employee may file a claim with the Division of Workers' Compensation if they feel they are not receiving benefits as they are entitled by Missouri Workers' Compensation law. The employee or employee's attorney may file a claim for compensation to request the Division's assistance in the collection of benefits.

In 2009, the Division received 14,772 claims for compensation against employers and insurers. This is a 7% decrease from the number of claims filed in 2008. Since 2001, claims have generally been decreasing an average of 5% annually.

Claims for Compensation Filed 2000-2009



Claims by Industry

Industry	Claims	Percent
Other Services (except Public Administration)	2,738	18.5
Manufacturing	2,595	17.6
Retail Trade	1,527	10.3
Public Administration	1,475	10.0
Construction	1,192	8.1
Transportation and Warehousing	828	5.6
Wholesale Trade	743	5.1
Utilities	611	4.1
Health Care and Social Assistance	553	3.7
Administrative and Waste Services	215	1.5
Educational Services	213	1.4
Accommodation and Food Services	204	1.4
Real Estate and Rental and Leasing	165	1.1
Agriculture, Forestry, Fishing and Hunting	164	1.1
Finance and Insurance	148	1.0
Professional, Scientific, and Technical Services	69	.5
Arts, Entertainment, and Recreation	62	.4
Mining	45	.3
Information	31	.2
Nonclassifiable Establishments	18	.1
Management of Companies and Enterprises	7	.0
Missing	1,169	7.9
Total	14,772	100.0

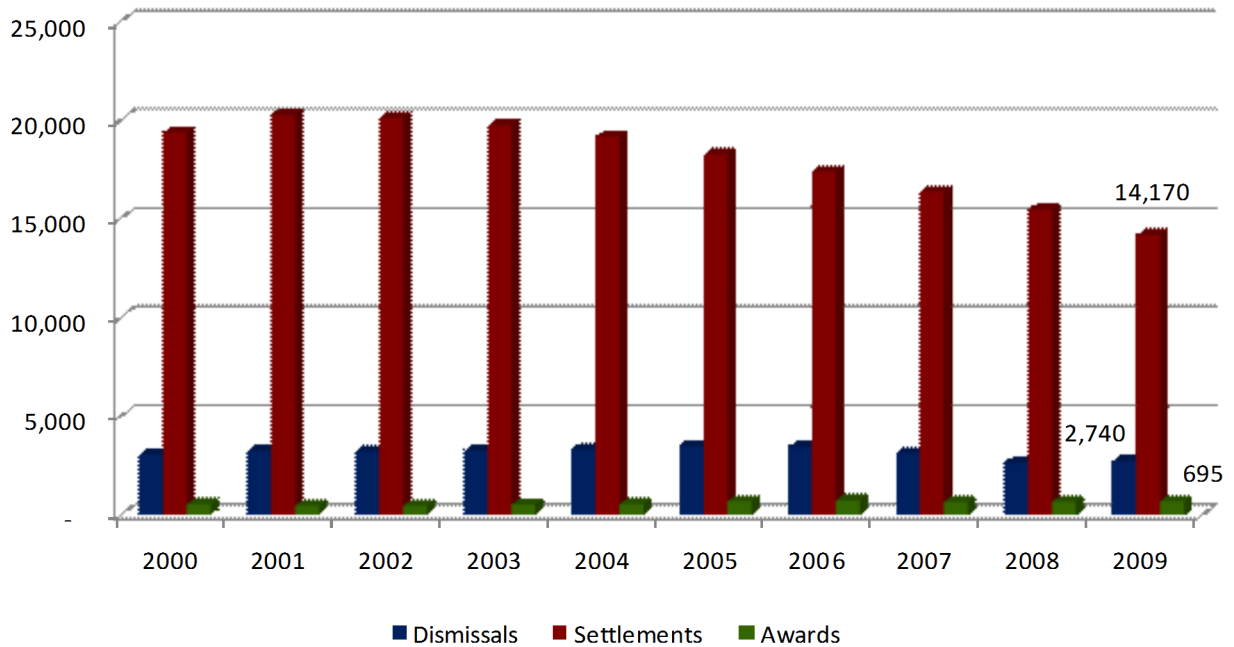
Claims by Body Part

Body Part	Claims	Percent
HEAD	263	1.8
Ears	80	.5
Eyes	62	.4
Soft Tissue	51	.3
Face/Skull	8	.1
Mouth/Nose/Teeth	9	.1
Brain	8	.1
Facial Bones	2	.0
Multiple Head Injury	43	.3
NECK	72	.4
Soft Tissue	40	.3
Vertebrae/Disc	5	.0
Spinal Cord	5	.0
Larynx/Trachea	1	.0
Multiple Neck Injury	21	.1
UPPER EXTREMITIES	1,987	13.4
Upper Arms/Shoulders	760	5.1
Wrists/Hands	585	4.0
Fingers/Thumbs	191	1.3
Elbows/Lower Arms	252	1.7
Multiple Upper Extremities	199	1.3
TRUNK	1,405	9.6
Back	1,151	7.8
Abdomen/Groin/Buttocks	160	1.1
Lungs/Internal Organs	31	.2
Chest	26	.2
Pelvis/Sacrum & Coccyx	6	.0
Spinal Cord/Disc	9	.1
Heart	10	.1
Multiple Trunk	12	.1
LOWER EXTREMITIES	1,200	8.2
Knees/Lower Legs	822	5.6
Ankles/Foot/Feet	265	1.8
Hips/Upper Legs	50	.3
Toes/Great Toes	10	.1
Multiple Lower Extremities	53	.4
BODY SYSTEMS	43	.3
MULTIPLE BODY PARTS	9,726	65.8
WHOLE BODY	46	.3
NO PHYSICAL INJURY	18	.1
OTHER OR UNSPECIFIED	12	.1
Total	14,772	100.0

In 2009, 17,384 formal claims for compensation were resolved by administrative law judges. This is a 6.4% decrease in the number of formal claims resolved in 2008.

Case resolution time frames vary considerably for each resolution type with award cases taking significantly longer to resolve than settlements and dismissals. For cases resolved with an award in 2009, it took an average of 41 months from the date the claim was filed to reach a resolution. For settlements, the average time was 22 months and for dismissals, nearly 30 months. In 2009, award cases were the only group that saw a decrease in the resolution time from 2008, when award cases took an average of 43 months, and settlements and dismissals took 22 months and 28 months, respectively.

Claims for Compensation Resolutions 2000-2009



Note: Numbers on graph may not total number in text as there can be multiple resolutions on a single case if multiple employers or insurers are involved. The number in text is an unduplicated count of cases resolved.

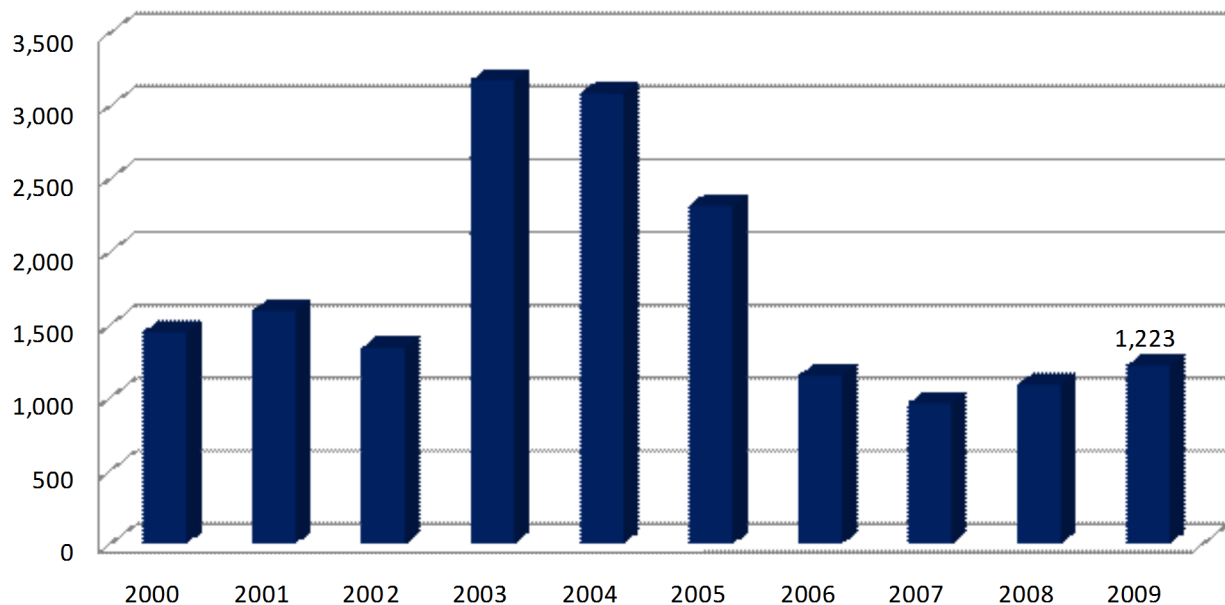


Occupational Diseases

Missouri Workers' Compensation Law defines an occupational disease as an identifiable disease arising with or without human fault out of and in the course of employment. To be compensable under Chapter 287, the occupational exposure must be the prevailing factor in causing both the resulting medical condition and disability. Several changes were made to the law regarding occupational diseases in 2005. Some of these changes were in regard to employer liability (RSMo 287.063.2), statute of limitations (RSMo 287.063.3), and repetitive motion injuries (RSMo 287.067.3).

In 2009, there were 1,223 claims filed for occupational diseases. This is a slight increase from the 1,090 claims filed in 2008. As you can see in the graph below, occupational disease claims have decreased significantly since the law changes in 2005.

Occupational Disease Claims 2000-2009



Occupational Disease Claims by Injury

<u>Occupational Disease</u>	<u>Claims</u>	<u>Percent</u>
All Other Occupational Disease NOC	812	66.4
Carpal Tunnel Syndrome	285	23.3
Mental Stress	62	5.1
Respiratory Disorders	27	2.2
Contagious Disease	9	.7
Dermatitis	7	.5
Poisoning—Chemical	6	.5
Loss of Hearing	4	.3
Mental Disorder	4	.3
Cancer	3	.3
Asbestosis	2	.2
Dust Disease NOC	2	.2
Total	1,223	100.0

Occupation Disease Claims by Industry

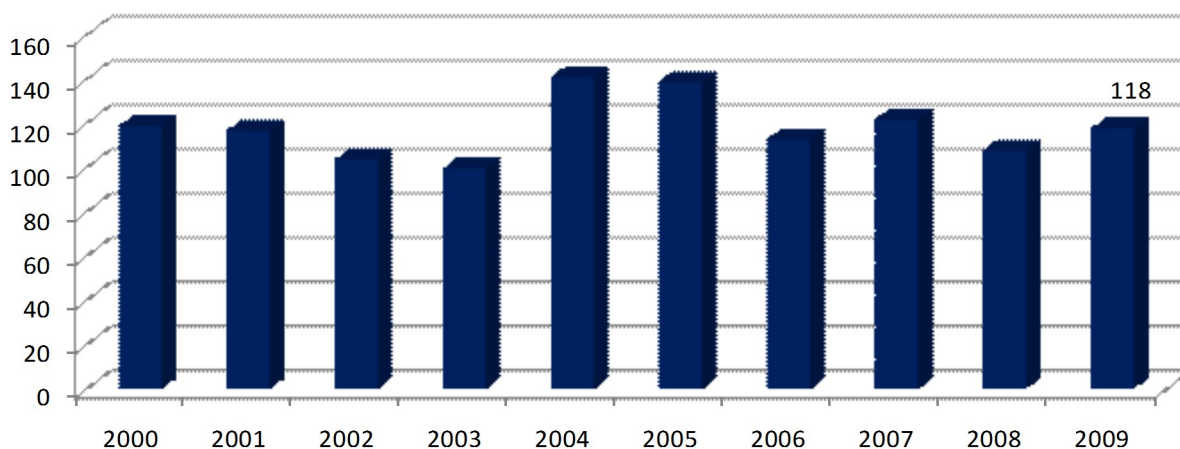
Nearly one-third of the occupational disease claims were reported by employees in the manufacturing industry. This is a slight increase from 2008 in which only 25% of claims were from the manufacturing industry.

<u>Industry</u>	<u>Claims</u>	<u>Percent</u>
Manufacturing	362	29.6
Other Services (except Public Administration)	160	13.1
Public Administration	103	8.4
Retail Trade	89	7.3
Construction	79	6.5
Wholesale Trade	73	6.0
Utilities	42	3.4
Transportation and Warehousing	39	3.2
Real Estate and Rental and Leasing	27	2.2
Finance and Insurance	25	2.1
Agriculture, Forestry, Fishing and Hunting	15	1.2
Health Care and Social Assistance	15	1.2
Accommodation and Food Services	9	.7
Educational Services	9	.7
Administrative and Waste Management	8	.7
Arts, Entertainment, and Recreation	6	.5
Mining	4	.3
Information	3	.2
Professional, Scientific, and Technical Service	3	.2
Management of Companies and Enterprises	2	.2
Missing	150	12.3
Total	1,223	100.0

Fatalities

In 2009, there were 118 potentially work-related fatalities reported to the Division. These may have been reported through a first report of injury or through a formal claim for compensation and may or may not later be found to be a compensable work-related death. The most frequently reported specific cause of injury for the fatalities in 2009 was motor vehicle accidents (32%) followed by falls (14%).

Fatalities 2000-2009



Fatalities by Age & Gender

Age Group	Male	Female	Total
16-19	1	0	1
20-29	11	0	11
30-39	18	1	19
40-49	24	3	27
50-59	38	3	41
60-69	12	1	13
70-79	2	0	2
80-89	1	0	1
Unknown	3	0	3
Total	110	8	118

Fatalities by Industry

Industry	Claims	Percent
Construction	29	24.6
Manufacturing	21	17.8
Retail Trade	20	17.0
Other Services (Except Public Administration)	10	8.5
Transportation and Warehousing	10	8.5
Public Administration	9	7.6
Wholesale Trade	7	5.9
Administrative and Waste Services	3	2.6
Mining	2	1.7
Finance and Insurance	1	.8
Real Estate and Rental and Leasing	1	.8
Accommodation and Food Services	1	.8
Agriculture, Forestry, Fishing and Hunting	1	.8
Missing	3	2.6
Total	118	100.0

Second Injury Fund

Second Injury Fund Claims

In 1943, the Missouri Workers' Compensation Law was amended to benefit the physically handicapped and individuals with a previous disability. The amendment helped employers by limiting liability to only the current injury that results in permanent total disability. The Second Injury Fund encourages employment by permitting persons to be employed without exposing employers to any liability for previous disabilities.

When an employee sustains a compensable work injury and the combined effect of the work-related injury and prior disability results in permanent total disability, or increased permanent partial disability, the employer at the time of the last injury, is liable only for compensation due from the most recent injury. The remaining compensation owed to the employee is paid from the Second Injury Fund.

There are five (5) benefit categories available from the Second Injury Fund.

1. Disability Benefits.

a. Permanent Partial Disability (PPD). An employee must have a permanent pre-existing disability combining with the work injury to create greater disability to trigger Second Injury Fund liability. In order for an employee to recover from the Fund, minimum threshold limits regarding both the pre-existing and work related disability must be met. The employee must have disability that exceeds fifty (50) weeks of the body as a whole, or fifteen percent (15%) of the major extremity.

b. Permanent Total Disability (PTD). If the last work-related injury makes the injured worker permanently and totally disabled, then the Second Injury Fund has no liability. However, the Second Injury Fund is liable for permanent total disability when the combined effect of the work injury and the prior disability render the employee unemployable in the open labor market. The employer is liable only for the compensation for the most recent injury and the Second Injury Fund pays the remaining lifetime benefits.

2. Death Benefits. Payments are only made for cases involving the death of an employee while working for an uninsured employer. Burial expenses and death benefits in the form of weekly payments to the surviving spouse or dependents of the deceased are paid from the Second Injury Fund. Benefits may be administered by a lump sum settlement or ongoing weekly payments to dependents.

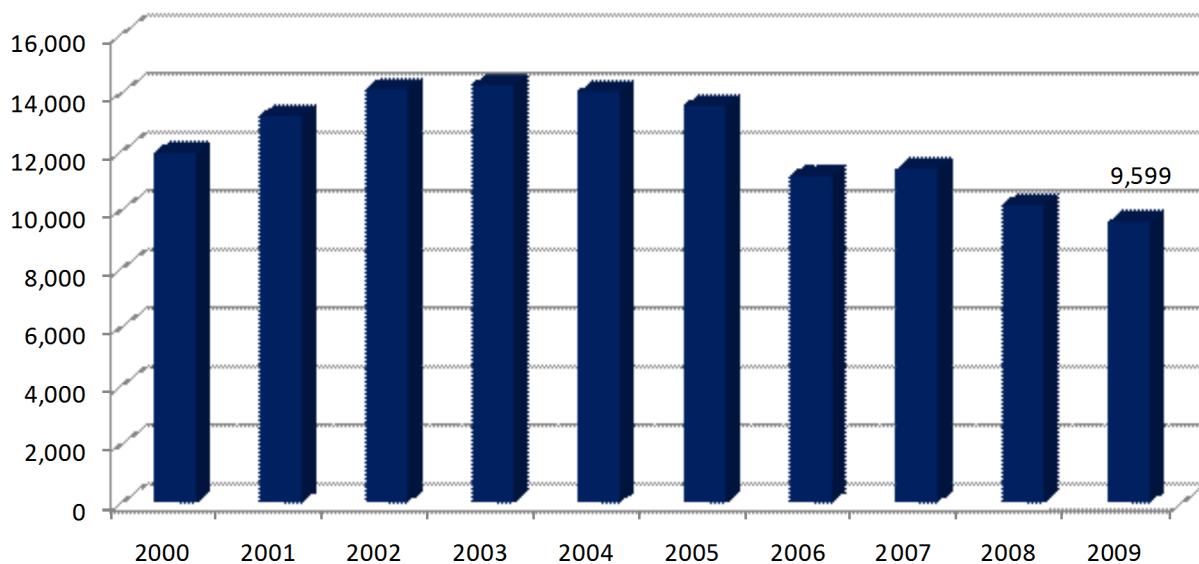
3. Rehabilitation Benefits. These benefits are to restore the seriously injured to a condition of self-support and self-maintenance through rehabilitation. Serious injuries that may qualify for rehabilitation include: quadriplegia, paraplegia, amputation of the hand, arm, foot or leg, atrophy due to nerve injury or non-use, and back injuries not amenable alone to recognized medical and surgical procedures.

4. Indemnity (for lost wages from a second job). This benefit applies to injuries after August 28, 1998. The employee must be injured on the job with his first employer. If the employee is unable to work at a second job as a result of the injury, these benefits for the loss of wages from the second job may be claimed from the Second Injury Fund.

5. Medical Expenses (for injured employees of uninsured employers). The Second Injury Fund is also responsible for payment of medical bills of injured employees' when the employer fails to insure its workers' compensation liability as required by law. Generally, the uninsured employer and the Second Injury Fund are liable for the medical care and expenses. The Second Injury Fund is entitled to reimbursement against the employer as required by law. The Missouri Attorney General's Office would institute the appropriate action against the employer to recover the monies paid from the Second Injury Fund as set forth in §287.220 (5) RSMo.

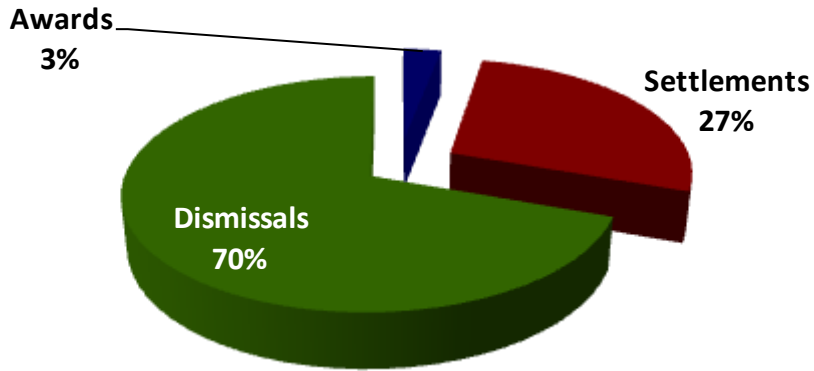
The Missouri State Treasurer's Office is the custodian of the Second Injury Fund. The Missouri Attorney General's Office defends the claims made against the Second Injury Fund. In 2009, there were 9,599 claims filed against the Second Injury Fund. This was nearly a 6% decrease in claim filings from 2008. On average, claims against the Second Injury fund have been decreasing approximately 7% a year since 2003.

Second Injury Fund Claims 2000-2009



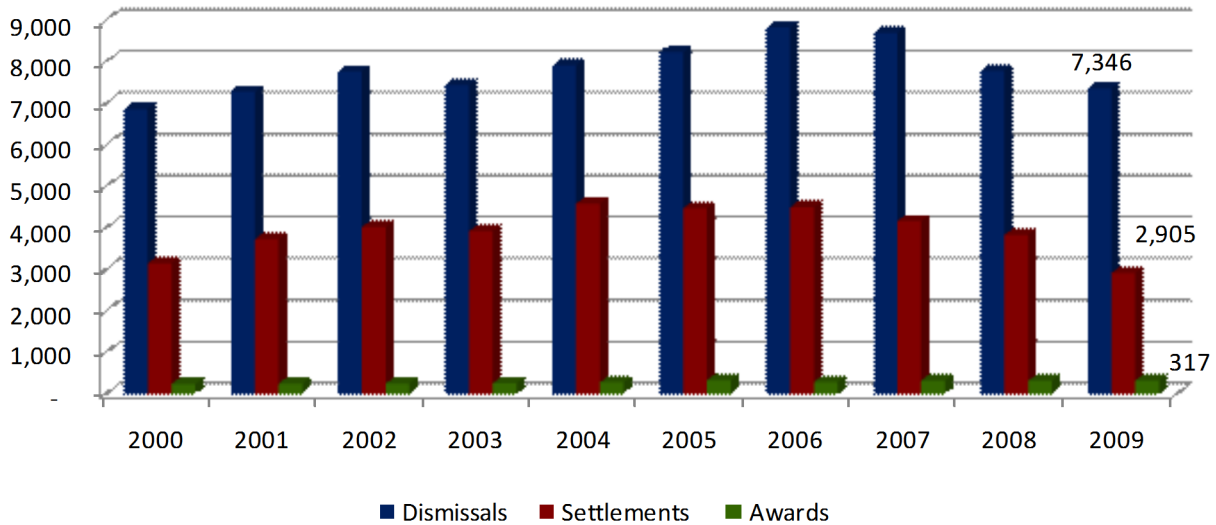
Second Injury Fund Claim Outcomes 2009

In 2009, 10,564 Second Injury Fund claims were resolved. This is a 11.3% decrease in the number of Second Injury Fund claims resolved in 2008. Approximately 70% of claims were dismissed with the remainder receiving either settlements or awards from the fund. As of January 1, 2010, there were 26,079 open Second Injury Fund claims awaiting resolution.



Second Injury Fund Claim Outcomes 2000-2009

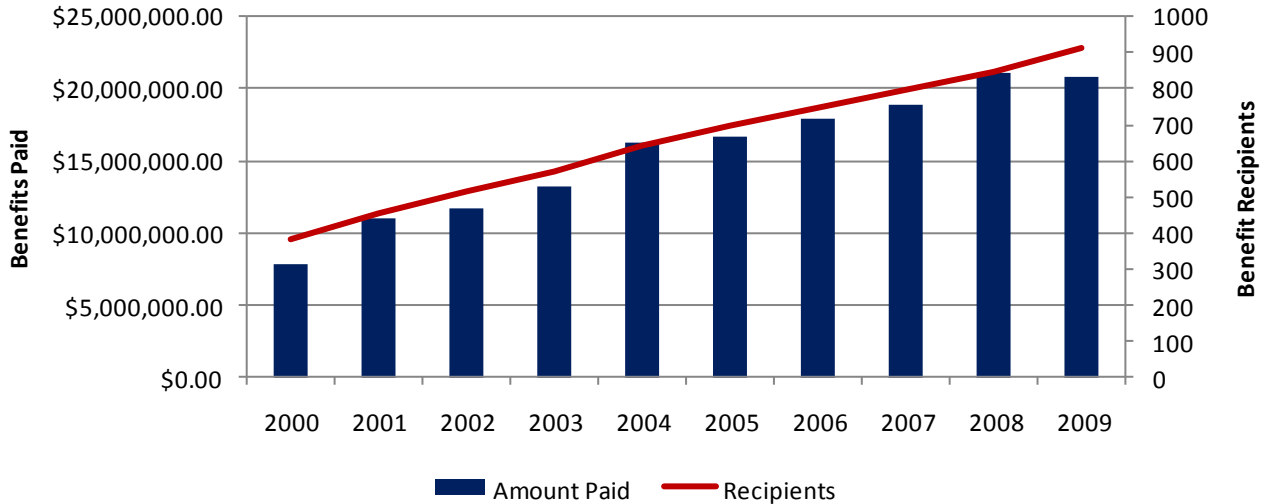
Since 2000, approximately 65.2% of all Second Injury Fund claims resolved each calendar year are dismissed, 32.5% reach a settlement and the remaining 2.3% are awarded compensation from the fund.



Second Injury Fund Benefit Payments

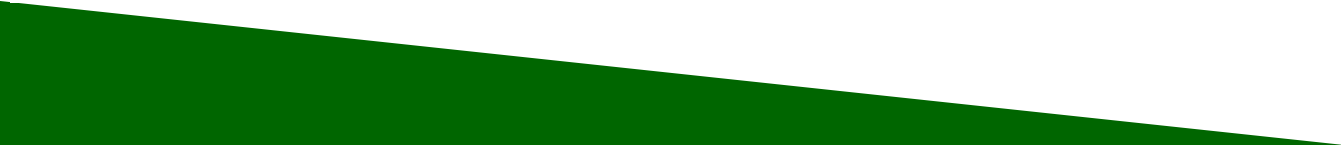
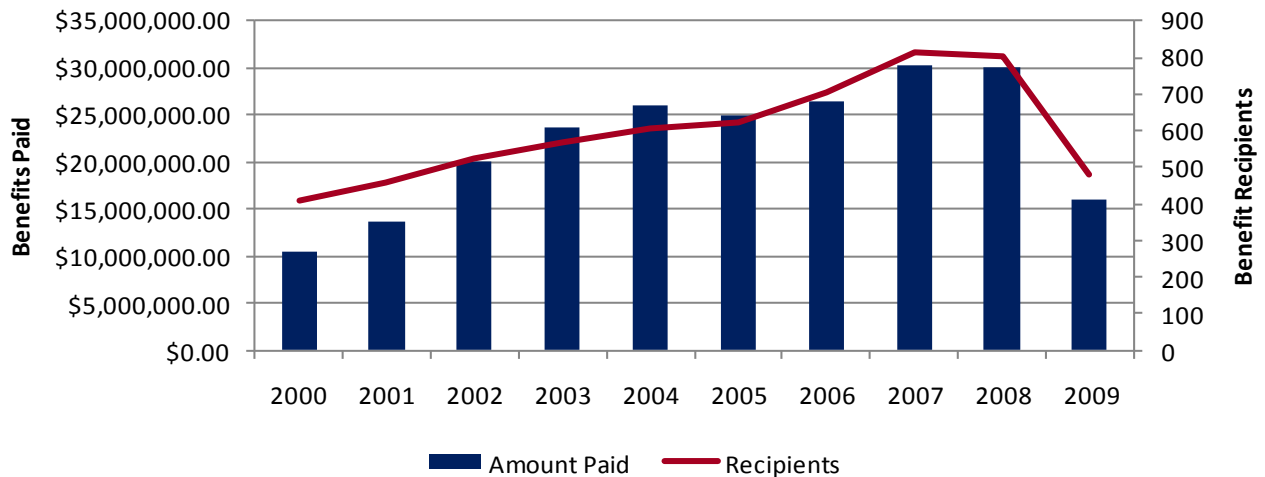
Permanent Total Disability Benefits (Lifetime Payments)

In 2009, \$20,780,852.83 in permanent total lifetime benefits was paid to 913 recipients. This is an 1.6% decrease from the benefits paid in 2008 (21.1 million) and a 164% increase over what was paid in lifetime PTD benefits in 2000. Since 2000, an average of 70 injured employees annually has been awarded lifetime PTD benefits from the Second Injury Fund.



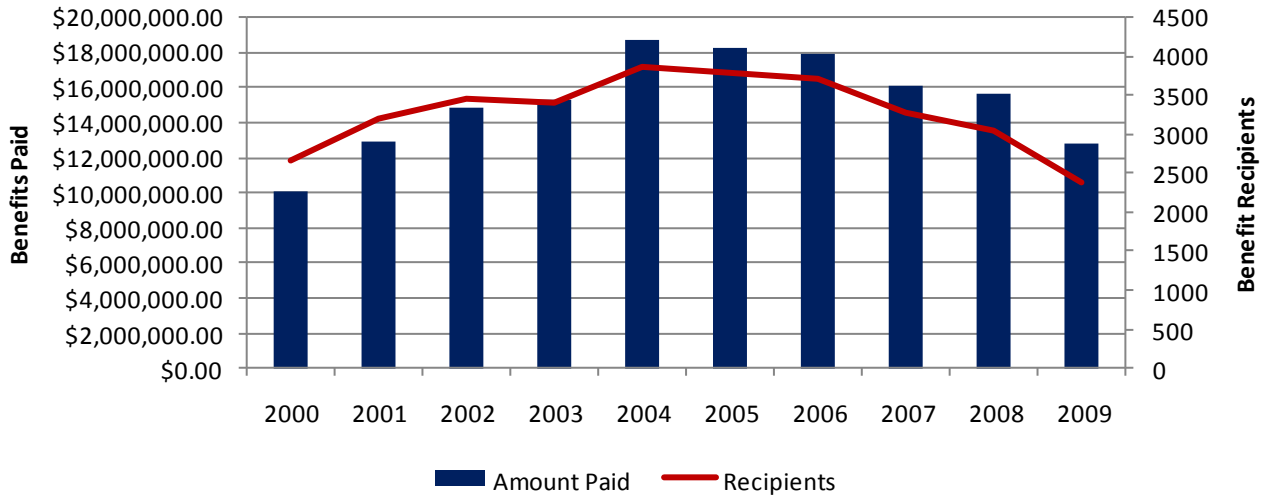
Permanent Total Disability Benefits (Lump Sum Payments)

Lump sum payments for total permanent disability totaled \$15,963,117.00 in 2009. This is a 47% decrease from the lump sum benefits paid in 2008. The average lump sum settlement in 2009 was \$34,133 and has increase by over \$8,500 from 2000 when it was \$25,614.



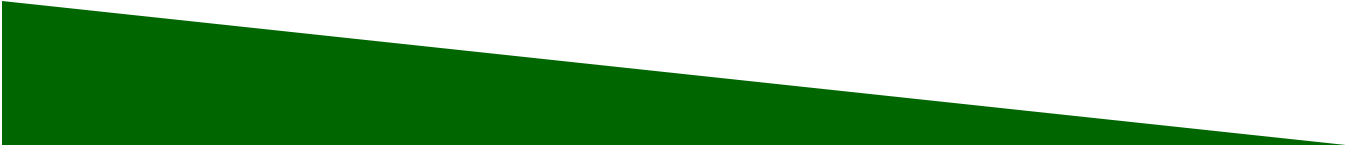
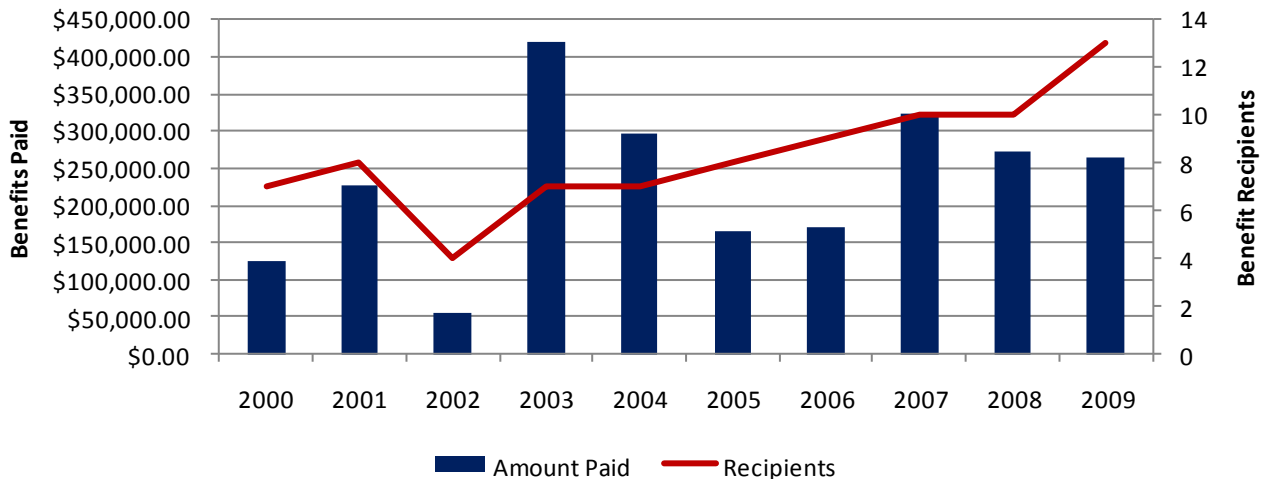
Permanent Partial Disability Benefits

In 2009, 2,399 injured workers received permanent partial disability benefits from the Second Injury Fund. The total amount of PPD benefits paid was \$12,836,717.58, an average of \$5,352 per recipient. This is a 43% increase over the average PPD benefit in 2000, which was just \$3,746 per recipient.



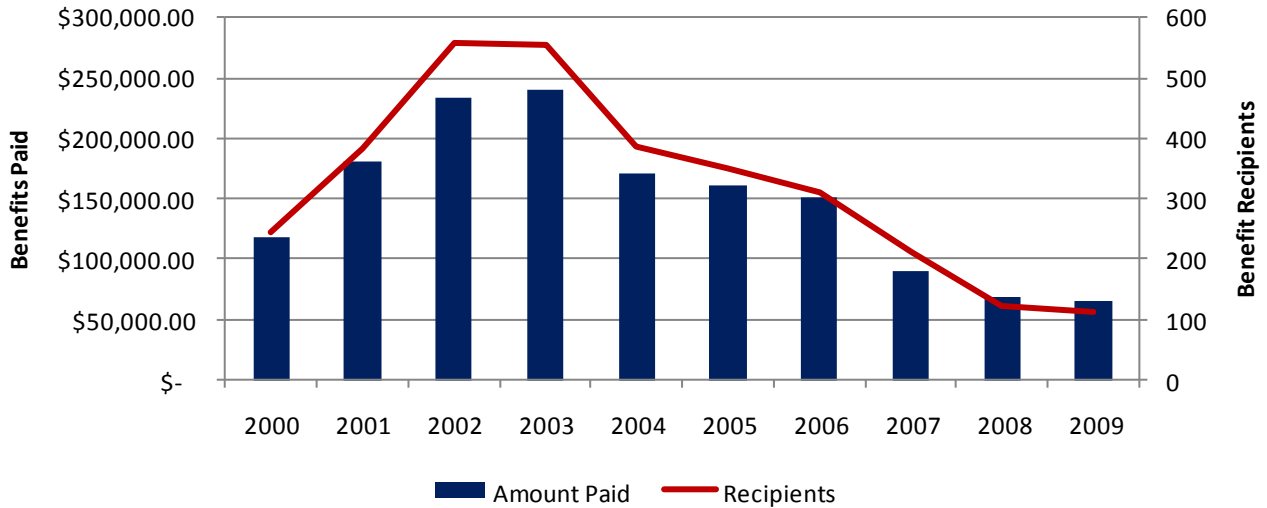
Death Benefits

Thirteen survivors received death benefits from the Second Injury Fund in 2009. All but one of these recipients were receiving lifetime benefit payments due to a work-related death. Nine recipients were receiving the benefits prior to the start of calendar year 2009. Since 2000, 27 lump sum death payments have been paid from the Second Injury Fund, the remainder of the payments have been in the form of lifetime benefit payments.



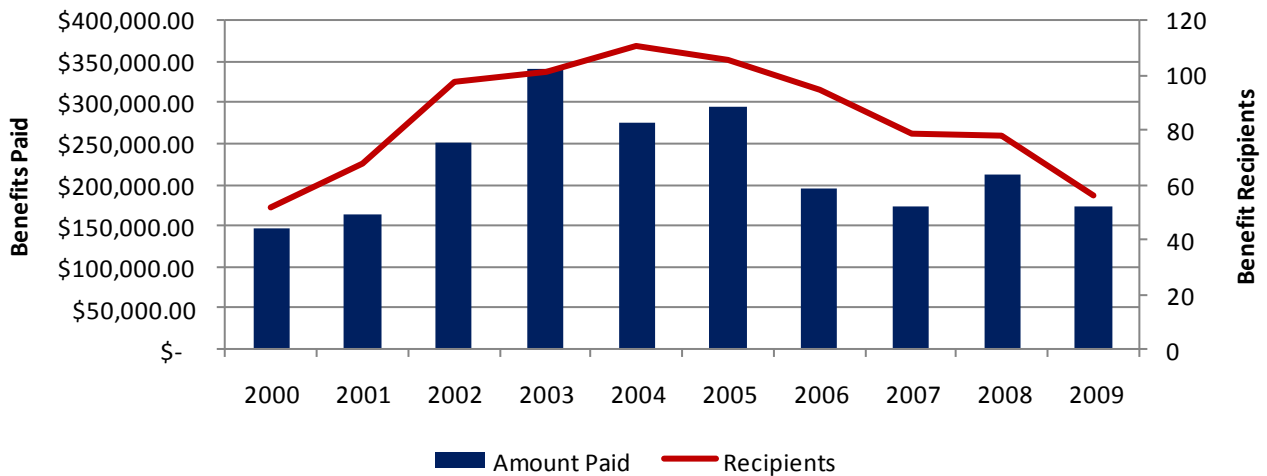
Rehabilitation Benefits

Approximately \$65,000 was paid from the Second Injury Fund in 2009 for rehabilitation benefits. This amount covered weekly benefits for 114 injured workers. Rehabilitation benefits were down 6.8% from 2008.



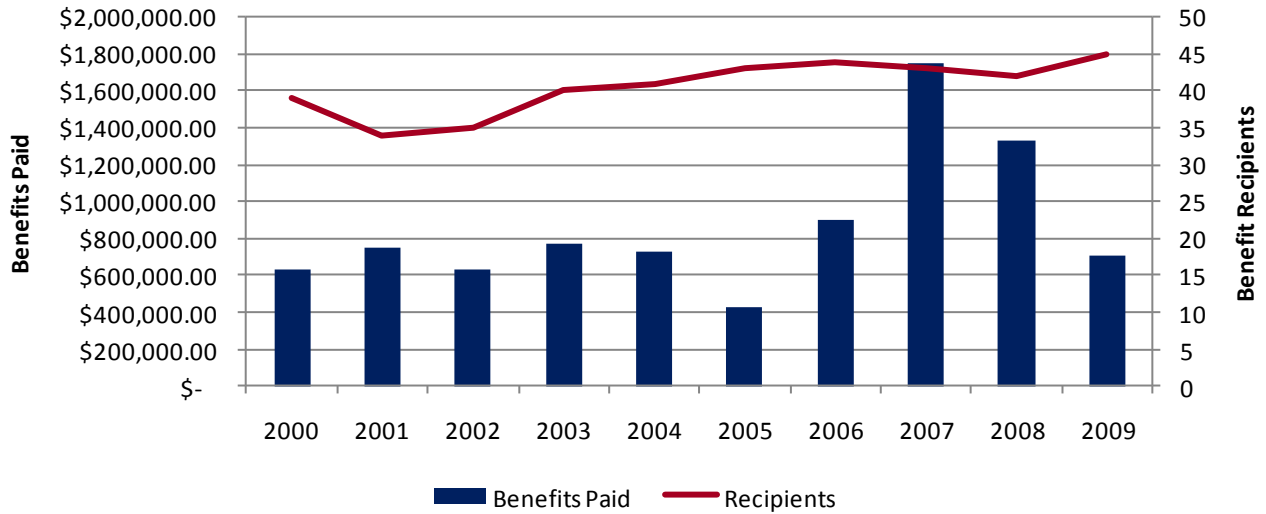
Indemnity Benefits

Indemnity benefits were paid to 56 recipients in 2009 for second job wage loss. The average lump sum indemnity payment in 2009 was \$2,813.42, a 9.4% increase over the \$2,572.81 average lump sum indemnity payment in 2008.



Medical Benefits

Medical benefits paid out of the SIF were significantly lower in 2009 than 2008; however the total number of benefit recipients remained nearly the same. The dramatic difference in benefits paid are due to a nearly half-million payout in 2008 for a single individual. There was a 32% increase in the average medical lump sum payments from 2008 to 2009.



Second Injury Fund Recovery Payments

RSMo 287.220 provides for the recovery of monies paid from the Second Injury Fund for medical expenses when the employer fails to carry the required workers' compensation insurance. In 2009, payments were received from 26 employers in the amount of \$117,129.88. An additional \$20,757.11 was recovered from employees and attorneys who were overpaid from the Fund.



Fraud & Noncompliance

The Fraud and Noncompliance Unit investigates allegations of workers' compensation fraud and noncompliance perpetrated by a person or entity. Section 287.128 prohibits certain conduct in connection with the workers' compensation process. Such prohibited conduct includes (but is not limited to):

- failure of an employer to insure its workers' compensation liability;
- knowingly filing multiple claims for the same occurrence with intent to defraud;
- knowingly making a false claim for the payment of health care benefits; and
- knowingly making a false or fraudulent material statement for obtaining or denying a benefit.

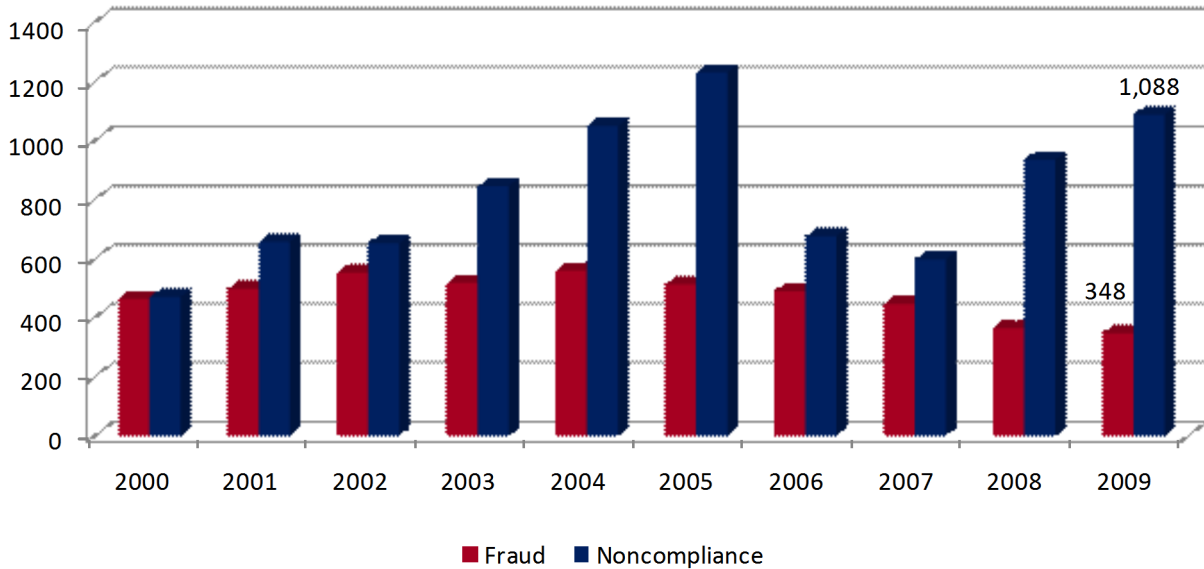
At the conclusion of the investigation by the Fraud and Noncompliance Unit, the findings are presented to the Division Director who may refer the file to the Missouri Attorney General's Office for possible prosecution.

The records, reports, recordings, photographs, and documentation submitted by any person to the unit are confidential and not subject to Missouri's open records laws, although an exception exists to allow the release of records to a local, state, or federal law enforcement authority.

Any person convicted of knowingly filing a false or fraudulent workers' compensation claim for payment of benefits or any insurance company or self-insurer who knowingly and intentionally refuses to comply with known and legally indisputable obligations with intent to defraud or any person who prepares or provides a false/forged certificate of insurance as proof of coverage, is guilty of a class D felony and may be fined up to \$10,000 or double the value of the fraud, whichever is greater. A person who commits any other violation included in section 287.128 is guilty of a class A misdemeanor and may be fined up to \$10,000 or double the value of the fraud, whichever is greater. Any employer failing to insure its liability is guilty of a class A misdemeanor and may be fined up to three times the annual premium the employer would have paid had such employer been insured or up to \$50,000, whichever is greater. A subsequent instance of noncompliance is a class D felony.

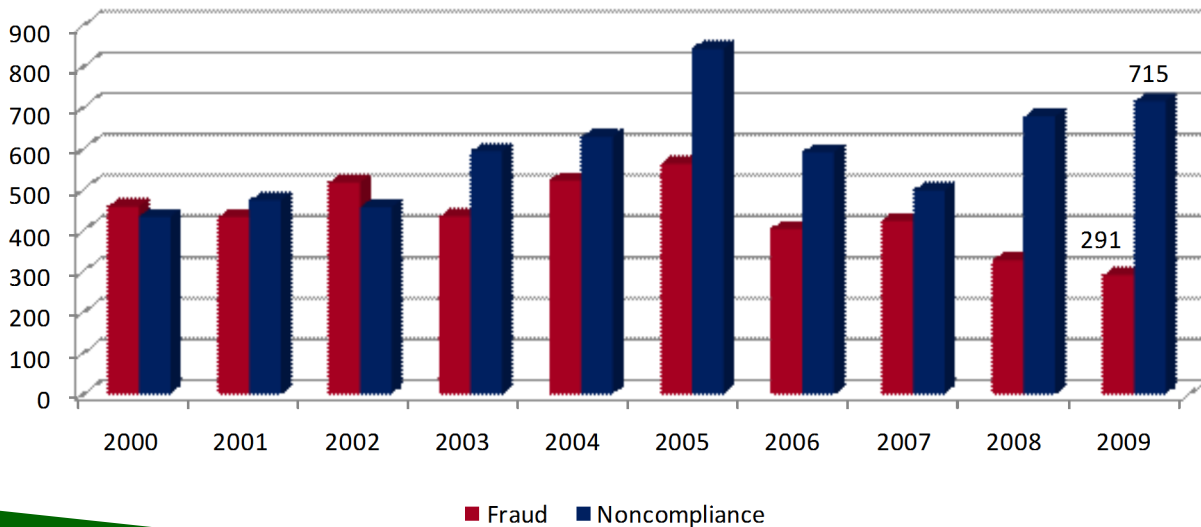
Fraud & Noncompliance Cases Received 2000-2009

In 2009, the Fraud and Noncompliance Unit received a total of 1,436 new cases of alleged workers' compensation fraud or noncompliance. This is a 10.5% increase over the number of case received in 2008.



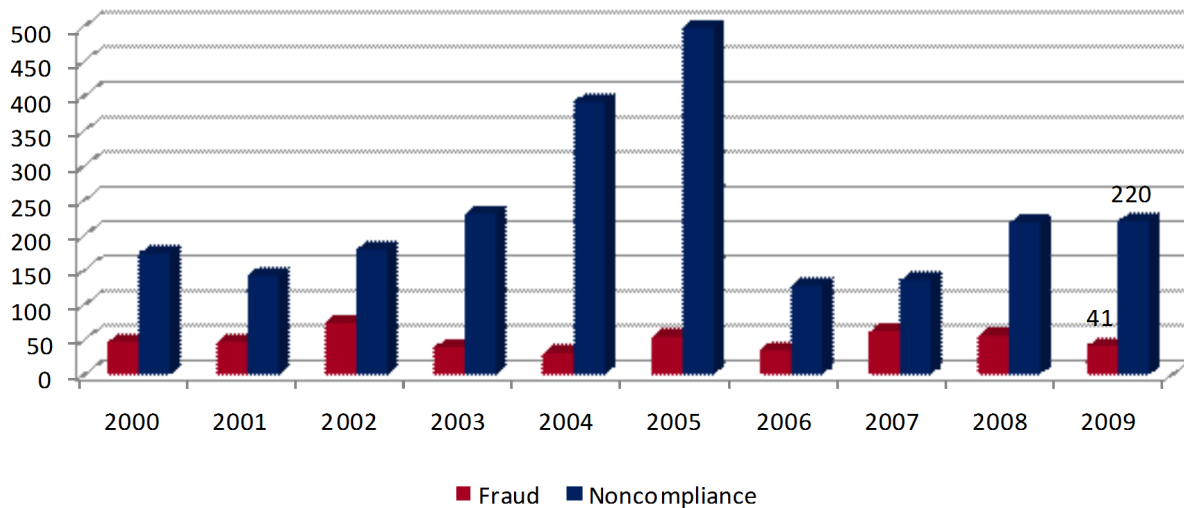
Fraud & Noncompliance Cases Administratively Closed 2000-2009

Often times after an investigation, a case is administratively closed by the Unit. These types of closures are typically the result of inaccurate complaints or lack of evidence. In 2009, just over 1,000 cases were administratively closed. This is neither an increase nor decrease in the number of cases administratively closed in 2008.



Fraud & Noncompliance Cases Referred to the Attorney General’s Office 2000-2009

Since 2000, approximately 21% of cases closed annually are referred to the Missouri Attorney General’s Office (AGO) for prosecution.

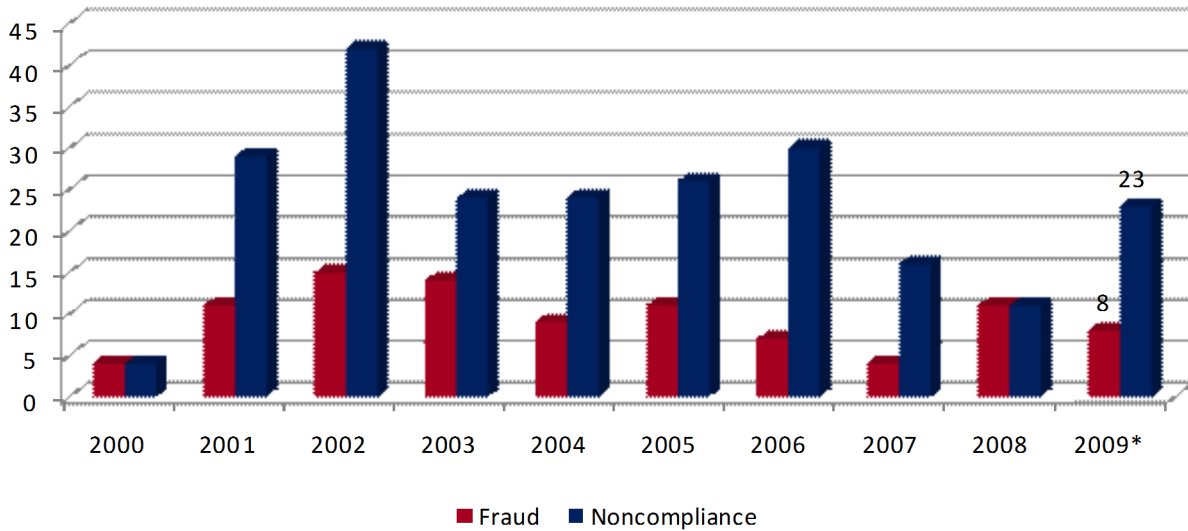


Fraud & Noncompliance Referrals to AGO by Party or Industry

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
Fraud											
Attorney	0	0	1	0	0	0	1	2	0	0	2
Employee	32	36	60	30	21	31	22	24	18	16	290
Employer	13	8	11	8	8	21	12	37	36	24	178
Insurance Carrier/ Agent	1	3	2	1	2	2	0	0	2	1	14
Other	1	0	0	0	0	0	0	1	0	0	2
Noncompliance											
Construction	48	32	56	69	106	162	48	45	74	38	678
Government	0	0	1	0	0	3	0	0	1	1	6
Healthcare	0	0	2	5	43	39	1	7	4	17	118
Manufacturing	9	8	8	13	17	12	5	1	3	6	82
Retail	108	99	102	116	184	228	57	63	116	133	1,206
Trucking/ Transportation	0	0	7	16	27	31	10	7	6	7	111
Other	9	3	4	12	14	23	7	13	14	18	117
Total	221	189	254	270	422	552	163	198	274	261	2,804

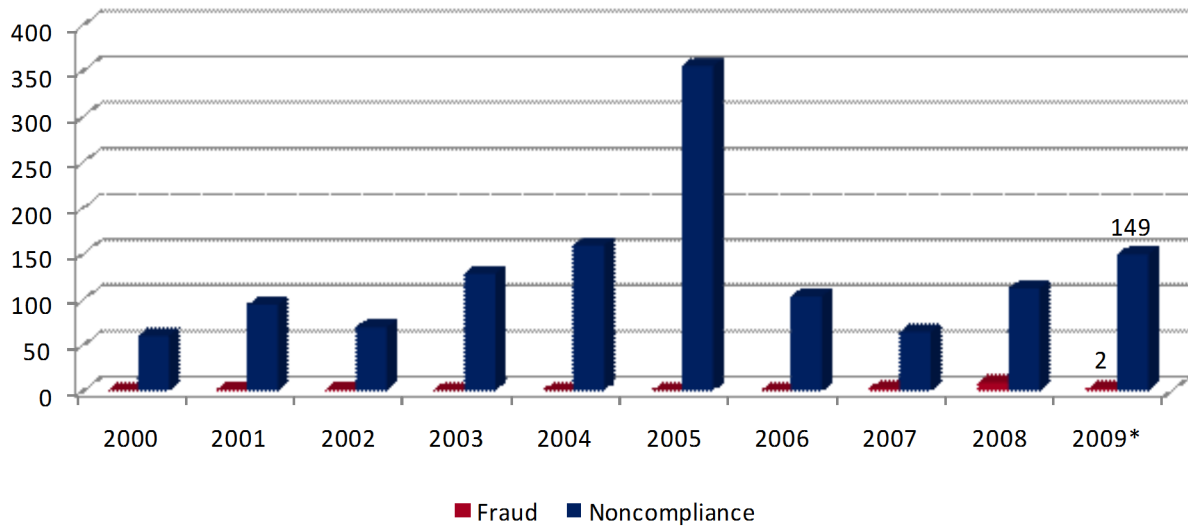
Successful Fraud & Noncompliance Prosecutions

In 2009, the Attorney General's Office successfully prosecuted 8 fraud and 23 noncompliance cases. This is a 41% increase in the number of successful prosecutions from 2008.



Deferred Prosecution & Hold Harmless Agreements

In lieu of prosecution, the Attorney General's Office will enter into deferred prosecution agreements and/or hold harmless agreements with businesses or individuals accused of workers' compensation fraud or noncompliance. In 2009, there was a 25% increase in these types of resolutions compared to 2008.



*Note: Numbers for 2009 have not been finalized with AGO's office as of the writing of this report. Actual counts may be higher.

Penalties Received*

Since 2000, the Division has collected over \$4.5 million in penalties from prosecuted employees, employers and insurance companies.

	<u>Fraud</u>	<u>Noncompliance</u>	<u>Total</u>
2000	\$3,500.00	\$115,960.12	\$119,460.12
2001	\$0.00	\$263,821.56	\$263,821.56
2002	\$102,500.00	\$335,646.07	\$438,146.07
2003	\$0.00	\$418,521.10	\$418,521.10
2004	\$4,100.00	\$578,159.47	\$578,159.47
2005	\$2,200.00	\$821,419.77	\$823,619.77
2006	\$1,827.98	\$632,740.39	\$634,568.37
2007	\$4,237.58	\$299,948.45	\$304,186.03
2008	\$4,483.50	\$412,823.85	\$417,307.35
2009**	\$3,392.00	\$595,206.37	\$598,598.37

* Penalties received include those imposed in previous years. Many penalties are paid in monthly installments over several years.

** Amounts for 2009 have not been finalized with the MO AGO's office as of the writing of this report. Totals are likely to increase as penalties collected late in the year are reported to DWC.

Insurance

Section 287.280, RSMo, allows employers to meet their workers' compensation liabilities through an alternative method known as self-insurance. When qualified to become self-insured, the employer becomes financially responsible for all workers' compensation liabilities incurred. Under the statute, employers can self-insure as an individual or as a group. The first authorities to self-insure workers' compensation liabilities were granted in 1936 and the first self-insured groups were authorized in 1982.

The Division's Insurance Unit is responsible for authorizing and regulating all self-insured entities in Missouri. The unit must ensure that all self-insured employers comply with Chapter 287 RSMo Statutes of Missouri and follow the regulations as established in 8 CSR 50-3.010, revised in November 1996. The unit's primary functions are approval of new self-insured entities, regulation and oversight of existing self-insured entities, including case management, financial and safety audits and administering the proof-of-coverage program.

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Individual Self-Insurers	333	331	312
Group Trusts	28	28	26
Individual Member Employers in Group Trusts	3,601	3,480	3,022
Covered SI Employees	749,304	748,643	715,999
Covered SI Payroll	\$26,041,387,991	\$26,772,067,441	\$26,214,620,026
SI Payroll as Percent of All Covered Payroll	26.64%	Data not available	Data not available

Source: Missouri Division of Workers' Compensation. National Academy of Social Insurance, Workers' Compensation: Benefits, Coverage, and Costs, 2007.
Note: Numbers provided are based on counts as of January 1 of the indicated year.

2009 Individual Self-Insurers by Industry

<u>Industry</u>	<u>Companies</u>	<u>Percent</u>
Services	117	37.5
Manufacturing	85	27.2
Retail Trade	36	11.5
Transportation & Public Utilities	24	7.7
Public Administration	21	6.7
Finance, Insurance and Real Estate	11	3.5
Wholesale Trade	8	2.6
Construction	5	1.6
Mining	3	1.0
Agriculture, Forestry & Fish	2	.6
Total	312	100.0

Legal Unit

The Legal Unit provides legal advice and assistance to the Division Director and the various units and programs within the Division. The legal unit also oversees the Religious Exception Program and the Medical Fee Dispute Program. In addition to other general duties, the unit also drafts proposed rules and amendments to the existing regulations.

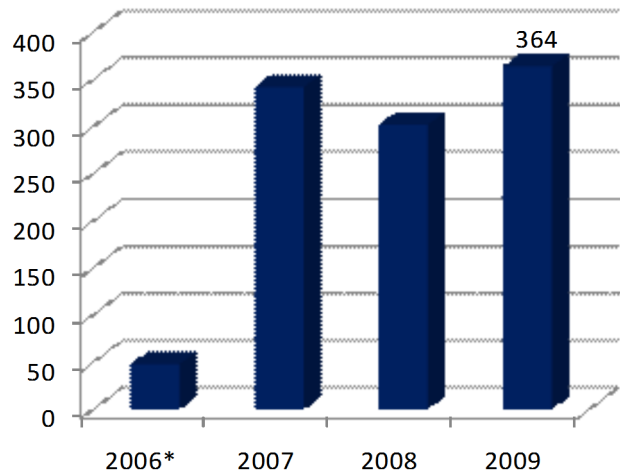
The Religious Exception Program receives, reviews and responds to all questions related to granting workers' compensation exceptions to employers and employees who are members of a recognized religious sect or division (as defined by federal law) who are conscientiously opposed to acceptance of benefits of any public or private insurance in various contexts.

The Medical Fee Dispute Program allows health care providers to assert claims for payment for treatment provided to injured employees. In 2009, the legal unit processed 406 applications for direct payment and 1,116 applications for additional reimbursement. Since September 1, 2006 the Division has been responsible for reviewing "reasonableness" medical fee disputes of \$1,000 or less. These disputes arise when an employer or insurer disputes the reasonableness of a medical fee or charge and subsequently pays less than the amount charged.

Religious Exception Program Statistics 2009

Applications Filed	43
Religious Exceptions Granted to Employers	14
Religious Exceptions Granted to Employees	37

Reasonableness Medical Fee Disputes Filed 2006-2009 (Less than \$1000)



*The Division did not start reviewing reasonableness cases under \$1000 until September 1, 2006, thus the count for 2006 represents only those filed since that date.



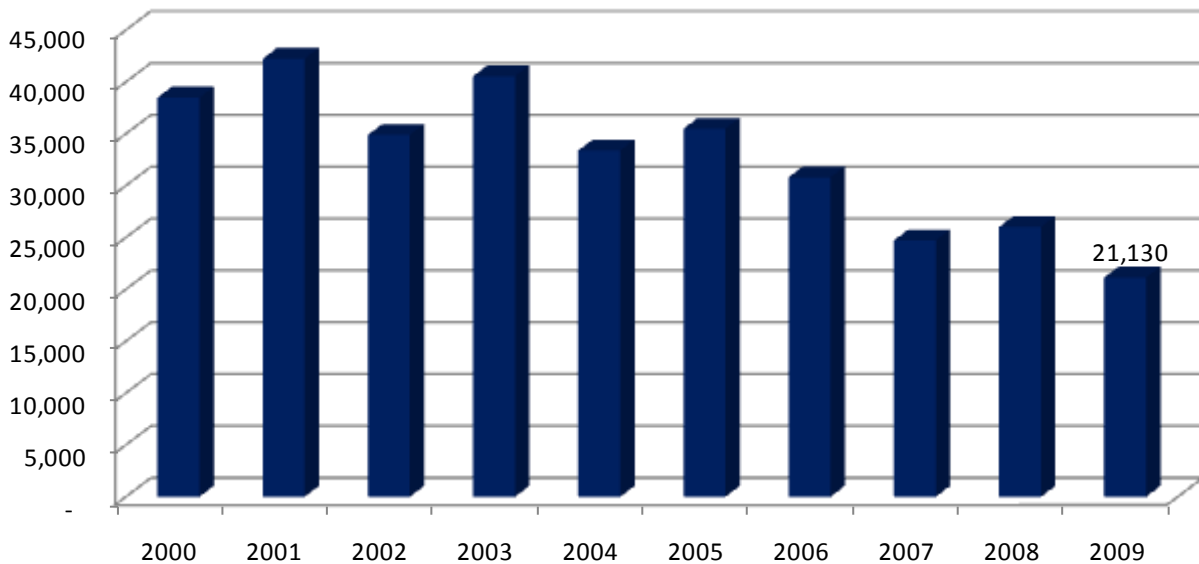
Customer Service

Employee/Employer Toll-Free Line

The Division is required to maintain a public information program that provides assistance to all parties governed by the Missouri Workers' Compensation Law. The Division maintains a toll-free number for employers and injured employees to call with questions relating to the Workers' Compensation Law. The Unit employs three information specialists to respond to calls received on the toll-free line.

Calls on the toll-free line have generally been decreasing since 2001. Calls did see a slight increase from 2007 to 2008 of just over 7%. In 2009, Division information specialists handled a total of 21,130 calls, an 18.8% decrease in the number of calls handled in 2008.

Toll-Free Line Calls 2000-2009



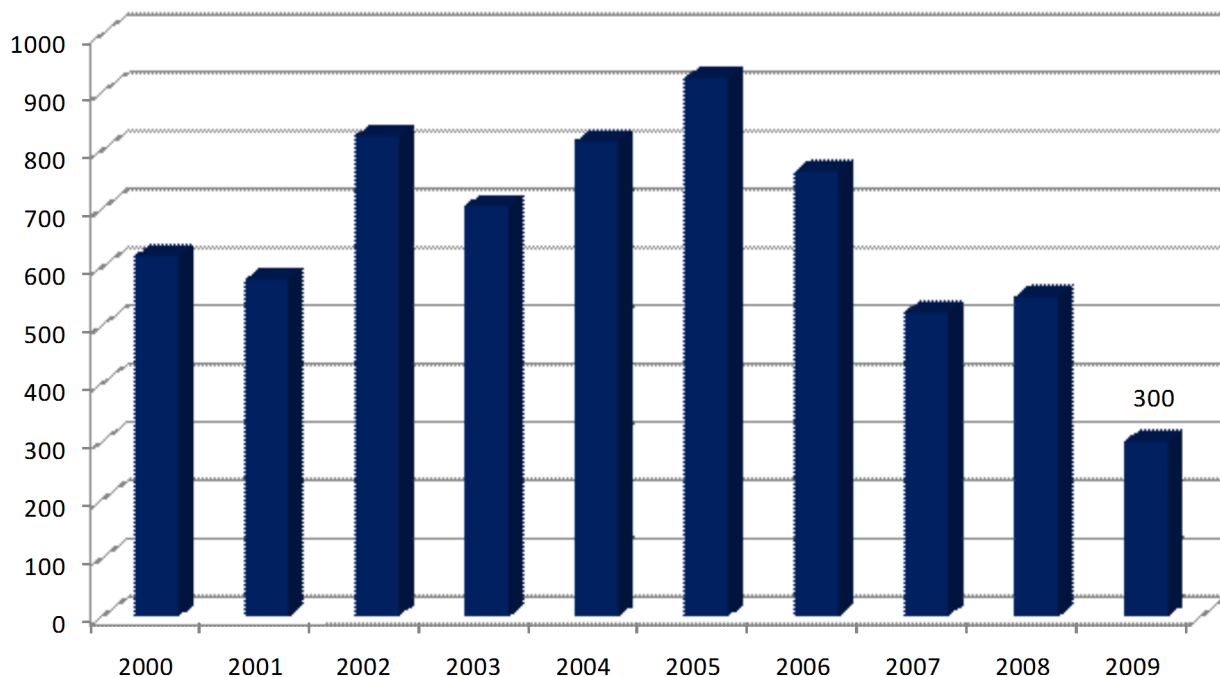
Dispute Management

The Dispute Management Program offers to mediate disputes that arise soon after a workplace injury occurs. The Division has one mediator who assists parties in resolving medical treatment and lost wage disputes. This is a voluntary process. When one of the parties does not agree to mediate, the party originally requesting mediation services is advised that he or she may take further steps if the problem persists, including requesting a docket setting with an administrative law judge (ALJ). The Dispute Management Unit does not provide voluntary mediation services if a formal Claim for Compensation has been filed with the Division as the filing of a claim initiates a contested case proceeding.

Voluntary Mediation

Referrals for voluntary dispute management have been decreasing annually at an average rate of approximately 25% since 2005, with only a small upsurge in 2008. In 2009, there were 300 referrals for voluntary mediation, a 45% decrease from 2008.

Referrals for Voluntary Dispute Management Assistance 2000-2009



Source of Referrals

The most common source of dispute management referral in 2009 was Division Information Specialists. Over one-third of the new cases originated from calls to the 800 line for the Division.

Source of Referral	Count	Percent
DWC Information Specialist (800 Line)	108	36.1
Phone Call	97	32.4
Notification of Rights Letter	40	13.4
Dispute Management Conference Request	35	11.7
Other	20	6.4
Total	300	100.0

Cause of Referrals

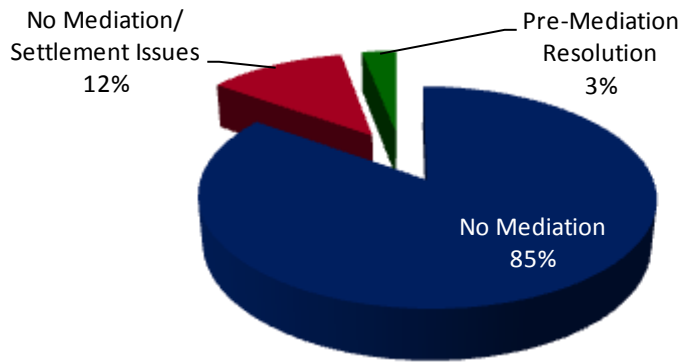
Cases will be referred to the dispute management unit when it appears a mediator may be able to resolve the issue without a formal proceeding. In 2009, the most common cause for a dispute referral had to do with an employees request for medical treatment.

Cause	Count	Percent
EE Request for Med Treatment	126	23.7
Eligibility for TTD	83	15.6
PPD Issues	77	14.5
Other	55	10.4
Unpaid Medical Bills	55	10.4
Denial of Benefits	53	10.0
Employer Not Reporting Injury	32	6.0
Need for Medical Treatment	22	4.1
Permanent Disability	12	2.3
Question Benefits Amounts	7	1.3
Wage at Injury	5	.9
Mileage Reimbursement	4	.8
Total	531	100.0

* A case may have more than one cause for referral.

Voluntary Dispute Referral Outcomes

In 2009, the dispute management unit closed 857 cases. Due to the voluntary nature of the dispute resolution process, the overwhelming majority of cases were closed without mediation.



Adjudication

The Division's statutory responsibility to adjudicate and resolve disputes under the law is fulfilled by the eight adjudication offices throughout the state of Missouri. The administrative law judges (ALJs), court reporters, docket clerks, and assistants provide the services to the parties to the case who appear at the scheduled docket settings in each respective office. The Division has streamlined the rendition of services by standardizing several forms that the parties utilize to request a docket setting. The Division offers various docket settings, such as voluntary settlement conference; prehearing; mediation; section 287.203 hearing (to contest termination of compensation), hardship hearing; hearing upon final award; and notice to show cause or dismissal settings. The various docket settings are briefly summarized below. The Division also schedules evidentiary hearings on medical fee disputes, crime victims' compensation cases, and tort victims' compensation cases.

A case is set for a **voluntary settlement conference** before an administrative law judge (ALJ) after the employer/insurer has filed a First Report of Injury (FROI) with the Division, or after the employee has initiated a case through the Dispute Management Unit. A voluntary settlement conference may be set by written request of a party by completing a Division-approved form, or it may be set at the discretion of the Division.

A **pre-hearing** is a proceeding before an administrative law judge (ALJ) to discuss issues in a case in which a claim for compensation has been filed. A pre-hearing may be requested when:

- The parties want to present a settlement agreement for approval;
- Disputes or other issues arise that must be resolved in order for the case to proceed; or
- The parties have a good-faith belief that a brief meeting with an administrative law judge (ALJ) will help in moving the case more expeditiously to settlement or final hearing.

A **mediation** is a setting in which the parties and their attorneys, if they are represented, meet with an administrative law judge (ALJ) to discuss issues in a confidential manner, identify areas of agreement and facilitate a compromise settlement of a claim to avoid proceeding to a hearing. A mediation may be set upon the written request of a party, provided that an administrative law judge (ALJ) finds that the issues have been sufficiently developed to make the mediation meaningful. It is the intent of the Division to conduct a mediation before the parties incur the expense of any expert medical depositions.

A **hardship hearing** is an evidentiary hearing held before an administrative law judge (ALJ) when the employee alleges that he or she is not at maximum medical improvement, is in need of medical treatment, or entitled to temporary total disability (TTD) benefits, and the employer is not providing such treatment or benefits. The hearing may alternatively be based on the termination of benefits under section 287.203. A hardship hearing is a hearing in which the employee is requesting the issuance of a temporary or partial award. A temporary or partial award addresses issues of medical treatment and payment of temporary disability benefits. If a party requests the issuance of a final award and makes it an issue at the hearing, and the evidence presented so merits, a final award may be issued.

A **hearing requesting issuance of a final award** is an evidentiary hearing held before an administrative law judge (ALJ). Evidence is offered, testimony is presented, and a verbatim record is made for the reviewing tribunal. A final hearing may be requested when the employee has reached maximum medical improvement or the case is otherwise ready for final resolution.

All parties must appear at the hearing at the date, time, and place set and be ready to proceed with the presentation of evidence on all issues. An administrative law judge (ALJ) may grant a continuance of the final hearing only upon a showing of good cause or by consent of the parties. A continuance will generally not be granted for conflicts after the attorney has cleared the hearing date in advance.

In cases where section 287.203 applies, the administrative law judge (ALJ) shall issue an award, including findings of facts and rulings of law, within 90 days of the last day of the hearing. For all other hearings (except hearings on the medical fee disputes reasonableness cases) an administrative law judge (ALJ) shall issue the award within 90 days of the last day of the hearing. The hearing shall be concluded within 30 days of the commencement of the hearing, except in extraordinary circumstances.

If the administrative law judge (ALJ) determines that any proceedings have been brought, prosecuted or defended without reasonable grounds, the administrative law judge (ALJ) may assess the whole cost of the proceedings upon the party who brought, prosecuted, or defended them. The administrative law judge (ALJ) shall not issue a written award if the case is settled or dismissed after a hearing and before the award is issued.

Compromise settlements between the parties must be approved by an administrative law judge (ALJ) in order to be valid. An administrative law judge (ALJ) will approve a settlement agreement pursuant to section 287.390 as valid and enforceable as long as:

- The settlement is not the result of undue influence or fraud;
- The employee fully understands his or her rights and benefits;
- The employee voluntarily agrees to accept the terms of the agreement; and
- The settlement is in accordance with the rights of the parties.

All stipulations for compromise settlement submitted for approval must be accompanied by copies of all available medical rating reports, surgical notes, and radiological reports, or progress notes showing a diagnosis, or statement from the employer/insurer's attorney indicating that the injury is of such a minor nature that no medical report is necessary. Stipulations for compromise settlement in an acceptable format may be presented for approval by mail or in person.

An order of **default judgment or dismissal** may be issued in the following circumstances:

- **Default Hearings and Awards** – A case may be set for default judgment upon the request of the employee if the employer/insurer has failed to appear and/or defend the claim.
- **Dismissal for Failure to Prosecute** – Cases in which no party has requested a setting in one year will automatically be set on a dismissal docket. The claim for compensation may be dismissed for failure to prosecute if after notice to the parties, the claimant or the claimant's attorney fails to show good cause as to why the claim should not be dismissed.
- **Voluntary Dismissals** - A claim for compensation may be voluntarily dismissed by the employee as to any party, or the case as a whole.

Docket Settings & Hearings

In 2009, there were just over 80,000 non-cancelled docket settings handled by the 8 adjudication offices in the state. Approximately 2,700 of these were settings for formal hearings. This is a 2.6% decrease in docket settings from 2008, when there were over 85,000 non-cancelled docket settings, and a 52% decrease in formal hearings.

Office/Docket Location	Counties Covered	Setting Types				Hearing Types	
		Conference	Pre-Hearing	Mediation	Dismissal	Hardship	Final
Cape Girardeau Office							
Bloomfield	Stoddard	35	27	79	21	2	6
Cape Girardeau	Bollinger, Cape Girardeau, Perry	651	382	1,275	223	18	38
Caruthersville	Dunklin, Pemiscot	45	12	174	11		6
Crystal City	Jefferson	193	77	498	211	6	13
Farmington	St. Francois, St. Genevieve	132	55	212	40	1	21
Ironton	Iron, Madison, Reynolds, Washington	37	22	56	20	1	12
New Madrid	New Madrid	42	31	47	16	2	6
Popular Bluff	Butler, Carter, Ripley, Wayne	70	27	223	39	6	12
Sikeston	Mississippi, Scott	108	50	125	27	5	14
Jefferson City Office							
Boonville	Cooper, Howard	62	167		6		2
Camdenton JC	Camden, Hickory, Morgan	144	409		13	4	10
Columbia	Boone	362	1,011	24	83	8	38
Eldon (Held in J.C.)	Miller	89	206		17	2	2
Franklin JC	Franklin	125	612	101	24		3
Fulton (Held in J.C.)	Callaway	141	546		11	4	6
Hannibal	Clark, Lewis, Marion, Pike, Ralls	266	888		29	6	11
Hermann	Gasconade	49	126		10		1
Jefferson City	Cole, Maries, Moniteau, Osage	292	852	786	40	15	27
Kirksville	Adair, Knox, Putnam, Schuyler, Scotland, Sullivan	88	229	2	21		5
Macon	Linn, Macon, Shelby	95	178		8	1	1
Marshall	Saline	131	286		23		10
Mexico	Audrain	65	495	2	21	0	10
Moberly	Chariton, Monroe, Randolph	133	371		22	4	1
Rolla	Crawford, Dent, Phelps	95	301	1	18	1	6
Sedalia	Benton, Pettis	213	626		20	5	6
Warrenton	Lincoln, Montgomery, Warren	160	867	2	53	5	16

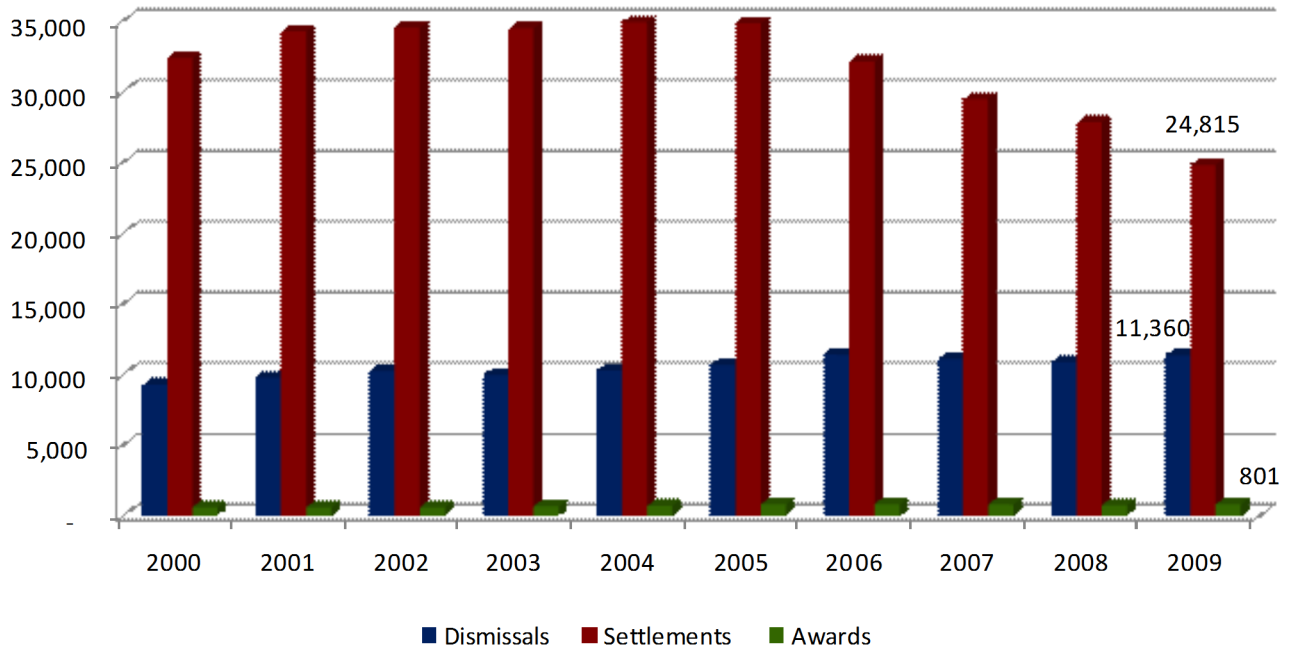
Office/Docket Location	Counties Covered	Setting Types				Hearing Types	
		Conference	Pre-Hearing	Mediation	Dismissal	Hardship	Final
Joplin Office							
Joplin	Jasper	413	1,659	337	68	11	44
Lamar	Barton, Cedar, Dade, Vernon	87	543	16	28		
Monett	Barry, Lawrence	145	532	17	26		
Neosho	McDonald, Newton	145	458	8	28		
Kansas City Office							
Clinton	Bates, Henry, Johnson, St. Clair	140	55		81	2	22
Kansas City	Cass, Jackson, Southern Platte	1,196	400	2,372	2,006	141	565
Lexington	Lafayette, Ray	93	18		23	1	
Liberty	Clay (Partial)						
Springfield Office							
Branson	Douglas, Ozark, Stone, Taney	222	584	104	42	2	2
Lebanon	Laclede, Pulaski, Wright	143	175	67	23		5
Springfield	Christian, Dallas, Greene, Polk, Webster	1,026	2,310	693	246		99
West Plains	Howell, Oregon, Shannon, Texas	133	154	32	17		9
St. Charles Office							
St. Charles	St. Charles	381	5,706	1,083	198	15	82
Union/Washington	Franklin	142	793	155	49	1	6
St. Joseph Office							
Bethany	Daviess, Harrison	10	30	1	2		
Chillicothe	Caldwell, Carroll, Livingston	83	167	18	11		4
Gladstone	Clay (Partial)	472	883	252	101	14	31
Maryville	Atchison, Gentry, Holt, Nodaway, Worth	85	125	4	18		2
St. Joseph	Andrew, Buchanan, Clinton, DeKalb, Northern Platte	547	1,280	367	81	7	29
Trenton	Grundy, Mercer	43	70	4			
St. Louis Office							
St. Louis	City of St. Louis, St. Louis County	2,208	16,150	10,735	1,225	99	1,160
TOTALS		11,588	41,087	19,906	5,317	389*	2,348*

Note: Last minute hearing cancellations are not recorded in AICS and thus, hearing counts are significantly inflated.

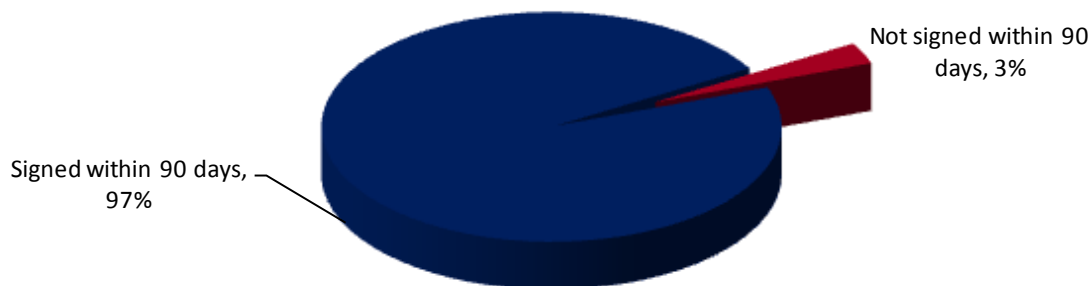
Case Resolutions

In 2009, nearly 37,000 workers' compensation cases were resolved. This is a 6.3% decrease from the number of cases resolved in 2008. Approximately 67% of the resolutions for the year were in the form of settlements and just under a third of the cases resolved were dismissed.

Workers' Compensation Case Resolutions 2000-2009



Section 287.460, RSMo, requires all awards to be signed by the administrative law judge within 90 days of the last hearing on the case, unless there are “extraordinary circumstances where a lengthy trial or complex issues necessitate a longer time than 90 days.” In 2009, 97% of all awards were signed within the statutory time frame. In 2008, the ALJs also achieved a 97% success rate.



Tort Victims' Compensation Fund

The Missouri Tort Victims' Compensation Fund (the Fund) was established by legislation passed in 1987. Revenue into the Fund is generated by a portion of money paid as punitive damages in civil lawsuits in Missouri. In 2001, the Missouri General Assembly enacted legislation authorizing claims to be made against the Fund, giving the Division of Workers' Compensation the duty to evaluate those claims, and set up criteria for the evaluation of those claims.

The purpose of the Fund is to help compensate people who have been injured due to the negligence or recklessness of another (such as in a motor vehicle collision or a hunting accident), and who have been unable to obtain full compensation because the party at fault (the "tortfeasor") had no insurance, or inadequate insurance, or has filed for bankruptcy, or for other reasons specified in the law.

There were 24 claims filed during the 2008 Annual Claims Period. On Dec. 29, 2008, the balance in the Fund was slightly more than \$53,000.00. On Dec. 30, 2008, the Fund received a check for \$3.13 million, raising the balance in the Fund to \$3.19 million. Twenty of the 2008 claims were successful; the value of individual claims ranged from \$25,000.00 to \$300,000.00, and the aggregated total was \$4,005,458.59.

On June 30, 2009, there was \$2,420,203.11 available to pay claims. A decision was made to utilize these funds to pay, on a pro rata basis, the successful claims filed during the 2006, 2007 and 2008 Annual Claims Periods combined. Each successful claimant received over 21.1 cents for each dollar awarded. All checks were mailed on June 30, 2009.

In 2009, there were 36 claims filed during the Annual Claims Period. The review process began in January 2010. The balance of the fund on December 31, 2009 was \$60,099.65.

Crime Victims' Compensation Fund

Effective Aug. 28, 2007, the Missouri Crime Victims' Compensation Fund was transferred from the Division of Workers' Compensation to the Missouri Department of Public Safety. However, the Division's administrative law judges (ALJs) have the statutory authority to hold hearings de novo upon a petition filed by a party aggrieved by the decision of the Department of Public Safety. The administrative law judge (ALJ) may affirm, reverse or set aside the decision of the Department. The administrative law judge's (ALJ) decision may be appealed to the Labor and Industrial Relations Commission. In 2009, there were 29 such cases set on the docket, and 9 hearings held. This is a significant decrease from the 74 cases set on the docket in 2008 and the 42 hearings held.

Interstate Comparison

Workers' Compensation Premium Rate Rankings

Missouri employers pay, on average, the 22nd lowest workers' compensation premium rates in the nation. Missouri's premium rate index is \$2.20 per \$100 of payroll or 97% of the national median, which was \$2.26 in 2008.

2008 Ranking	2006 Ranking	State	Index Rate	Percent of study median	Effective Date
1	1	Alaska	3.97	176%	January 1, 2008
2	5	Montana	3.50	155%	July 1, 2007
3	12	Ohio	3.32	147%	July 1, 2007
4	7	Vermont	3.14	139%	April 1, 2007
5	8	Maine	3.04	135%	January 1, 2008
7	3	Delaware	2.96	131%	December 1, 2007
7	4	Kentucky	2.96	131%	October 1, 2007
8	9	Alabama	2.90	129%	March 1, 2007
9	13	Oklahoma	2.89	128%	8/1/07 State Fund, 1/1/08 Private
10	21	Illinois	2.79	124%	January 1, 2008
11	11	Louisiana	2.76	122%	October 1, 2007
12	25	South Carolina	2.74	121%	May 7, 2007
13	2	California	2.72	121%	January 1, 2008
14	19	New Hampshire	2.70	120%	January 1, 2008
15	18	Pennsylvania	2.68	119%	April 1, 2007
16	23	New Jersey	2.66	118%	January 1, 2008
17	17	Texas	2.61	116%	January 1, 2008
18	30	Nevada	2.58	115%	March 1, 2007
19	10	New York	2.55	113%	October 1, 2007
20	14	Connecticut	2.46	109%	January 1, 2008
21	26	Tennessee	2.44	108%	July 1, 2007
22	37	North Carolina	2.43	108%	April 1, 2007
24	21	Minnesota	2.33	103%	January 1, 2008
24	32	Mississippi	2.33	103%	March 1, 2007
25	41	Georgia	2.29	102%	August 3, 2007
26	22	Rhode Island	2.26	100%	February 1, 2007
28	6	Florida	2.20	98%	January 1, 2008
28	25	Missouri	2.20	97%	January 1, 2008
29	16	District of Columbia	2.16	96%	November 1, 2007
32	27	New Mexico	2.15	95%	January 1, 2008
32	39	Michigan	2.15	95%	January 1, 2007
32	33	Nebraska	2.15	95%	February 1, 2007
34	35	Wisconsin	2.12	94%	October 1, 2007
34	32	Idaho	2.12	94%	January 1, 2008
36	15	Hawaii	2.08	92%	January 1, 2008
36	44	South Dakota	2.08	92%	July 1, 2007
37	29	Wyoming	2.06	91%	January 1, 2008
38	37	Washington	1.98	88%	January 1, 2008
39	42	Oregon	1.88	83%	January 1, 2008
41	34	West Virginia	1.86	83%	July 1, 2007
41	45	Iowa	1.86	82%	January 1, 2008
42	43	Kansas	1.77	78%	January 1, 2008
43	29	Colorado	1.76	78%	January 1, 2008
44	40	Maryland	1.72	76%	January 1, 2008
45	46	Arizona	1.67	74%	January 1, 2008
46	38	Utah	1.63	72%	December 1, 2007
47	48	Arkansas	1.61	71%	January 1, 2008
48	49	Virginia	1.43	63%	April 1, 2007
49	47	Massachusetts	1.39	62%	September 1, 2008
50	50	Indiana	1.23	55%	January 1, 2008
51	51	North Dakota	1.08	48%	July 1, 2007

Source: Oregon Department of Consumer & Business Services, 2009.

MO DWC Contacts

Missouri Division of Workers' Compensation
(Central Office)
P.O. Box 58
Jefferson City, MO 65102-0058
(573) 751-4231
Internet Home Page: www.dolir.mo.gov/wc

Employee Toll Free Information Line:
(800) 775-2667
Employer Toll Free Information Line:
(888) 837-6069

Missouri Workers' Safety Program
P.O. Box 449
Jefferson City, MO 65102-0449
(573) 526-5757

Dispute Management Unit
P.O. Box 58
Jefferson City, MO 65102-0058
(573) 526-4951

Insurance Unit
P.O. Box 58
Jefferson City, MO 65102-0058
(573) 526-6004

Benefits Unit –
Rehabilitation and Second Injury Fund
P.O. Box 58
Jefferson City, MO 65102-0058
(573) 526-3505

Fraud and Noncompliance Unit
P.O. Box 1009
Jefferson City, MO 65102-1009
(800) 592-6003

Medical Fee Disputes and Religious Exceptions
P.O. Box 58
Jefferson City, MO 65102-0058
(573) 526-5610 or (573) 522-2546

Local Office Directory

Cape Girardeau
Phone: (573) 290-5757 Fax: (573) 290-5760
3102 Blattner, Suite 101
Cape Girardeau, MO 63701

Jefferson City
Phone: (573) 751-4231 Fax: (573) 751-2012
3315 West Truman Blvd., P.O. Box 58
Jefferson City, MO 65102

Joplin
Phone: (417) 629-3032 Fax: (417) 629-3035
3311 Texas Ave.
Joplin, MO 64801

Kansas City
Phone: (816) 889-2481 Fax: (816) 889-2489
1410 Genessee St., Suite 210
Kansas City, MO 64102-1047

Springfield
Phone: (417) 888-4100 Fax: (417) 888-4105
1736 E. Sunshine, Suite 610
Springfield, MO 65804

St. Charles
Phone: (636) 940-3326 Fax: (636) 940-3331
3737 Harry S. Truman Blvd.
St. Charles, MO 63301

St. Joseph
Phone: (816) 387-2275 Fax: (816) 387-2279
525 Jules St.
St. Joseph, MO 64501

St. Louis
Phone: (314) 340-6865 Fax: (314) 340-6915
111 North 7th St., Room 250
St. Louis, MO 63101

Additional Contacts

Missouri Department of Insurance
Property and Casualty Section
P.O. Box 690
Jefferson City, MO 65102-0690
(573) 751-3365 or (800) 726-7390
Internet Home Page: www.insurance.mo.gov

National Council on Compensation Insurance
11430 Gravois Road
St. Louis, MO 63126
(314) 843-4001
Customer Service (800) 622-4123
Internet Home Page: www.ncci.com

**Missouri Department of Labor
and Industrial Relations**

Division of Workers' Compensation
P.O. Box 58
3315 West Truman Blvd.
Jefferson City, MO 65102-0058

Phone: 800-775-2667
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