



DISTRICT 62

June 12, 2023

Dashboard Report

Workers' Compensation Data FY2017-2024

Background

The source of information used in this report was the Claim and Accident Analysis provided by our workers' compensation provider, School Employees Loss Fund (SELF) cooperative.

Data

| Fiscal Year | Experience Modification | Premiums (A) | Dollars Claims Experience Incurred (Paid & Reserve) (B) | Difference (A -B) | Number of Claims |
|-------------|-------------------------|--------------|---|-------------------|------------------|
| 2017 | 0.83 | \$223,259 | \$85,174 | \$138,085 | 11 |
| 2018 | 0.90 | \$206,621 | \$81,818 | \$124,803 | 18 |
| 2019 | 0.82 | \$211,805 | \$85,152 | \$126,653 | 11 |
| 2020 | 0.83 | \$181,667 | \$221,386 | -\$39,719 | 20 |
| 2021 | 0.85 | \$172,433 | \$68,775 | \$103,658 | 10 |
| 2022 | 0.84 | \$147,886 | \$500,002 | -\$352,116 | 30 |
| 2023 | 0.81 | \$141,143 | \$269,455 | -\$128,312 | 24 |
| 2024 | 1.08 | \$240,451 | N/A | N/A | N/A |

N/A = Not available

Analysis

Experience Modification: A 1.00 is considered to be the average experience modification for an employer. Anything less than 1.00 is considered favorable. The prior thirty-six month claims calculation period includes FY2020 to FY2022, which resulted in the district having an experience modification factor of 1.08 for FY2024.

Premiums: Premiums are calculated based upon a number of factors, including; the workers' compensation market rates, the claims experience of the entire SELF Pool, the district's total payroll dollars, the district's experience modification rate, and the district's claims experience.

Dollars Claims Experience Incurred: This amount represents the actual dollars paid for workers' compensation claims, as well as, the amount reserved for pending claims. The district's FY2023 claims experience paid and reserve is higher than usual, this is due to the larger number of claims this year.

Difference: This item is the calculation of premiums paid, less the cost of the claims experience incurred.

Number of Claims: This item represents the number of claims incurred and tracks the district's frequency of claims. In FY23 there was a much higher number of claims than normal, coming after the high number of claims in FY22.

Summary

The district realized a substantial increase in its experience modification for FY24 to 1.08. The experience modification is calculated based on a three-year average. In the FY24 calculation, the claims incurred in FY19, which was a good year, fell out of the three-year calculation, and FY22 was factored into it. The effect of losing a favorable year and added a very unfavorable year increased the experience modification from .81 to 1.08. While FY23 is not completed at the time of this writing, it will be an improvement over the FY22 claims incurred, but still higher than a usual year. This will mean the district's experience modification is likely to be over 1.00 for the next three years, unless claims incurred by other districts in the insurance pool are up significantly. The benefit of being part of a pool is that the district is better able to spread out risk, and one or two bad years doesn't impact your experience modification nearly as much as unfavorable trends.

This Dashboard Report refers to the following policies:

4.10 Insurance Management

If you have any questions about the contents of this report, please contact:

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