



Economic Affairs Interim Committee
63rd Montana Legislature

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Aug. 7, 2013

Memo

To: Economic Affairs Committee Members
From: Pat Murdo, Committee Staff *Pat*
Re: Workers' Compensation Introduction, Claim Frequency, and Safety Issues

At the August 2013 meeting the Economic Affairs Committee will begin work on House Joint Resolution No. 25 regarding a study of selected workers' compensation subjects. Mike Taylor from the National Council on Compensation Insurance (NCCI), a national rating organization, will provide background information on how rates are set and how Montana compares with other states in the region. Just as a point of clarification, NCCI's data does not include North Dakota, Wyoming, or Washington because each of these states have a different structure for their workers' compensation coverage, mainly provided by the state.

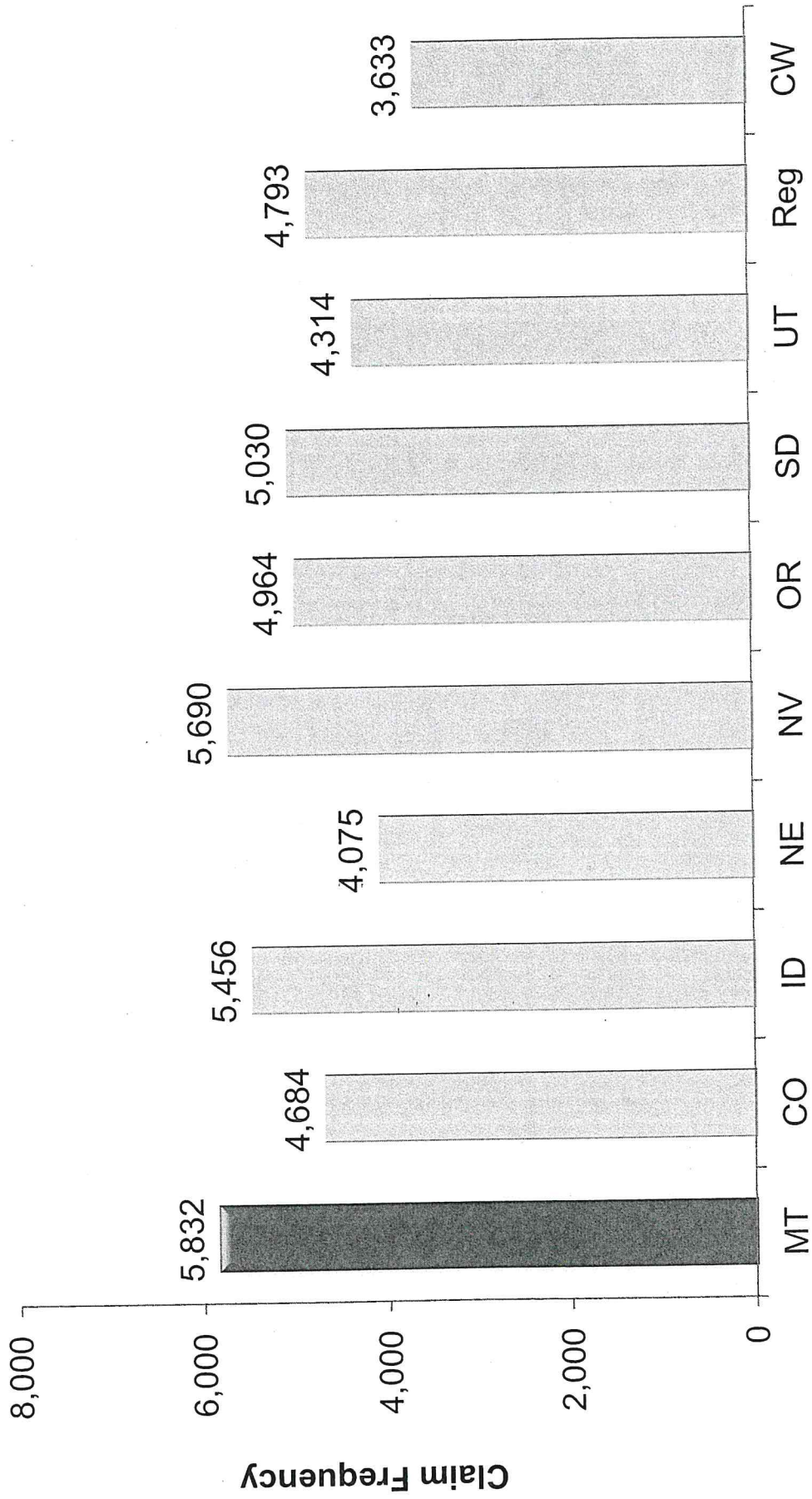
At the August meeting the Department of Labor and Industry's Employment Relations Division is expected to provide actual paper copies of the latest workers' compensation data compiled annually by the department. The attached information provides a document from NCCI regarding average claim frequency for the region, followed by selected data on claim frequency from Montana's workers' compensation annual report. That report is available at the department website:

http://erd.dli.mt.gov/images/stories/pdf/annual_report/2012/annualreport-fy2012-web.pdf.

Invited to address the safety component of the HJR 25 study -- to examine the actions taken or needed for improving workplace safety -- are representatives of the state's Safety and Health Bureau, the private sector's WorkSafeMT, and two federal agencies that deal with safety -- the Occupational Safety and Health Administration and the Mine Safety and Health Administration. Perhaps they can help answer why Montana's claim frequencies are higher than in other states in the region and much higher than the national average.

Average Claim Frequency

Frequency per 100,000 Workers—All Claims



Based on NCCI's *Statistical Plan* data



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