

COMPACT

The Newsletter for Workers' Compensation Professionals

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COMPACT is a publication of the Minnesota Department of Labor and Industry. Its purpose is to provide department news and workers' compensation case information to professionals who work within Minnesota's workers' compensation system.

Article submissions should be sent to: **COMPACT** Editor, Minnesota Department of Labor and Industry, 443 Lafayette Road North, St. Paul, MN 55155. All other correspondence, including subscription requests should be sent to the Research and Statistics Unit at the same address.

Upon request to the editor, **COMPACT** will be made available in alternative formats such as Braille, large print or audiotape.



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Occupational hearing-loss, an analysis of Minnesota workers' compensation indemnity claims 1993-1999

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Hearing-loss injuries continue to be a concern both in Minnesota and nationwide. Workers' compensation claims for hearing-loss injuries in Minnesota increased throughout the 1990s. In 1993, there were 62 hearing-loss injuries that resulted in workers' compensation claims. By 1999, the number had increased to 78. These numbers represent only those more serious injuries that resulted in wage-loss claims or permanent impairment claims. Most work-related hearing-loss injuries are cumulative in nature and most occur in the manufacturing and transportation industries and in production and craft occupations. While numbers of reported injuries are increasing, average severity has remained relatively constant and the average amount of indemnity benefits per claim decreased by 33 percent between 1993 and 1998¹, from an average of \$5,729 to \$3,820 for paid and closed claims (in current dollars).

For purposes of this article, "indemnity benefits" or "indemnity claims" and "benefits paid per claim" includes any temporary total disability (TTD), temporary partial disability (TPD), permanent total disability (PTD) and permanent partial disability (PPD) benefits paid. Most injured workers with hearing-loss claims are paid PPD benefits, which compensate for permanent loss-of-use of a body part. The amount of PPD benefit is based on level of impairment, expressed as a percentage of whole body.

Number of indemnity claims paid

After a period of relative stability between 1993 and 1996, the number of hearing-loss indemnity claims increased abruptly in 1996 (see Figure 1, page 16). Indemnity claims per year ranged from 54 to 62 between 1993 and 1996, and then rose from 78 to 96 between 1997 and 1999. However, it is not likely this represents a true change in prevalence of occupational hearing loss. Changes in reporting behavior and coding protocol are possible contributing factors.

Other work-related hearing-loss injuries

Not all hearing-loss injuries attributable to conditions at the workplace result in paid indemnity claims. Not all

workplace injury claims are required to be reported to the Department of Labor and Industry (DLI). The department does not necessarily receive information about minor hearing-loss, such as where a worker suffers occupational hearing loss, is able to keep working and the employer's workers' compensation insurer pays for necessary medical treatment, but no other benefits.

Hearing-loss claims and PPD benefits

Most injured workers with hearing-loss indemnity claims are paid permanent partial disability benefits. Average disability ratings (see Figure 1) remained fairly constant between 1993 and 1999, having varied between 4.9 percent and 6 percent of whole-body impairment for those with an impairment rating. In addition to claims with specific PPD ratings, there are hearing-loss claims that are paid PPD benefits by means of stipulated agreements between parties where no PPD rating is recorded. This means that some injured workers receive PPD benefits in absence of a PPD rating.

Average benefit

In general, average indemnity benefits (including TTD, TPD, PTD and PPD) per claim decreased between 1993 and 1998 for paid and closed claims. The average indemnity benefit for claims in 1993 was \$5,729. The average indemnity benefit for claims in 1998 was \$3,820. Smaller average indemnity benefits in more recent years are not explained by changes in level of impairment over time because there is not a definite downward trend in average level of impairment. However, for claims that were paid in lump sums, data indicates injured workers may have settled for smaller lump-sum payments in more recent years. This may partially explain the downward trend in average indemnity benefits paid. Another factor possibly explaining the downward trend arises from the fact that 16 percent of 1999 claims and one percent of 1998 claims are not yet finalized. The average indemnity benefit for 1998 and 1999 is thus likely to increase with time, because it is likely that claims that are not yet closed are more severe than those that closed more quickly.

¹ Benefit payments for 1999 are not mature because approximately 16 percent of claims are still active.

Incidence of hearing loss

Some industries and occupations are more prone to be associated with hearing-loss injuries, because their typical workplaces are much noisier than average or there may be more exposure to falling objects which cause head, and specifically, ear injuries. Industry groupings with the highest incidence of occupational hearing-loss are manufacturing (both durable and nondurable), transportation and public utilities, and public administration. Data about the distribution of hearing loss injuries by industry groupings is presented in Figure 2.

Occupation groupings with the highest numbers of occupational hearing-loss indemnity claims are services, production and craft, machine operators, and handlers (see Figure 3). Eleven percent of claimants in this group did not have an occupation designation.

It can be seen in Figures 2 and 3 that 91 percent of all occupational hearing-loss injuries with indemnity benefits were cumulative in nature. There is variation in this number by occupation; among occupations with high rates of hearing-loss indemnity claims, services and handlers occupations are slightly more likely to experience traumatic hearing injuries.

Figure 1. Occupational hearing-loss workers' compensation indemnity claims and benefits in Minnesota by year and status, 1993-1999

Year of injury	Number of claims	Number paid	Number closed	Number paid and closed	Average benefit for paid and closed claims	Number with PPD rating	Average impairment rating
1993	62	57	62	57	\$5,729	37	5.7
1994	56	54	55	53	\$4,553	38	6.0
1995	58	54	58	54	\$4,268	43	5.9
1996	54	53	54	53	\$3,507	42	4.9
1997	79	72	79	72	\$3,932	61	5.8
1998	96	87	91	86	\$3,820	78	5.1
1999	78	72	65	61	\$3,258	68	4.9
Total	483	449	464	436		376	

Source: DLI claims database

Figure 2. Industry groupings with highest numbers of occupational hearing-loss indemnity claims, 1993-1999 by type of hearing-loss injury

Industry	Hearing-loss caused by trauma	Cumulative hearing-loss	Total	Percent cumulative
Manufacturing	11	176	187	94.1%
Transportation and public utility	15	142	157	90.4%
Public administration	5	49	54	90.7%
All other	14	71	85	83.5%
Total	45	438	483	90.6%

Source: DLI claims database

Data presented here is for Minnesota claims during injury years 1993-1999. These years were selected to incorporate both the five most-recent years of claimant activity (1995-1999) and the five most-recent years for which closed-status (finalized) claims are reliably identified (1993-1997). The reason for including five years of closed claims is the Minnesota workers' compensation data collection system records cumulative payments reported to-date for each claim and, therefore, it is not possible to identify payments made within particular time periods. The best available measure of average benefit that can be provided is the average of total benefits for claims that have been finalized and closed. In the case of cumulative hearing loss, because of the way payments for permanent partial injuries are scheduled in law, it is probable that almost all payments are made within the year of claim.

Figure 3. Occupation groupings with highest numbers of occupational hearing-loss indemnity claims, 1993-1999 by type of hearing-loss injury

Occupation	Hearing-loss caused by trauma	Cumulative hearing-loss	Total	Percent cumulative
Services	8	46	54	85.2%
Production and craft	13	162	175	92.6%
Machine operators	4	80	84	95.2%
Handlers	7	50	57	87.7%
None specified	5	48	53	90.6%
All other	8	52	60	86.7%
Total	45	438	483	90.6%

Source: DLI claims database

Indemnity claims represent about 20 to 25 percent of all workers' compensation claims. Claims where medical benefits but no other benefits are paid comprise the remainder and are not required to be reported to DLI. Permanent impairment benefits are based on assessment of impairment as rated in a permanent partial disability schedule and paid according to a formula set in statute. Days of disability (wages lost) are not required in order to qualify for impairment benefits (PPD). TTD and TPD indemnity benefits are based on calculations of wages lost due to work-related disability.