

8420 State Compensation Insurance Fund

The State Compensation Insurance Fund exists to provide California's Businesses a strong and stable choice for their workers' compensation insurance while making California's workplaces safer and helping injured employees return to work, all with no financial obligation to the public.

Pursuant to Insurance Code, Section 11871, claims against uninsured state agencies are adjusted by the State Compensation Insurance Fund under a Master Agreement with the Department of Personnel Administration. Adjustment costs and other administrative charges under the Master Agreement are reflected in the Workers' Compensation Benefits for State Agencies budget display.

3-YR EXPENDITURES AND PERSONNEL YEARS

	Personnel Years			Expenditures		
	2009-10	2010-11	2011-12	2009-10*	2010-11*	2011-12*
10 Workers' Compensation Benefits	-	-	-	\$907,031	\$772,240	\$769,000
20 Workers' Compensation Program Administration	7,503.1	6,907.0	6,507.0	1,023,291	930,059	871,000
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	7,503.1	6,907.0	6,507.0	\$1,930,322	\$1,702,299	\$1,640,000
FUNDING				2009-10*	2010-11*	2011-12*
0512 Compensation Insurance Fund				\$1,930,322	\$1,702,299	\$1,640,000
TOTALS, EXPENDITURES, ALL FUNDS				\$1,930,322	\$1,702,299	\$1,640,000

Program 10 does not include the cost of benefits for State of California employees. Refer to the Workers' Compensation Benefits for State Agencies for the costs per the state Master Agreement.

LEGAL CITATIONS AND AUTHORITY

DEPARTMENT AUTHORITY

Insurance Code, Division 2, Part 3, Chapter 4, Articles 1-7; and California Constitution, Article 14, Section 4.

* Dollars in thousands, except in Salary Range.

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Workers' Compensation Benefits for State Agencies

The following table provides summary data on actual and estimated workers' compensation costs by state agencies for informational purposes. All workers' compensation costs are included in the individual budgets of the responsible state agency. Costs also include administrative charges under the Master Agreement.

	2007-2008	2008-2009	2009-2010	2010-2011 ^{1/}	2011-2012 ^{1/}
Policy premium cost of insured State Agencies	\$4,014,353	\$3,712,073	\$3,256,479	\$3,500,000	\$3,800,000
Benefits paid by uninsured State Agencies (Exclusive of payments under Labor Code Section 4800/4800.5 and Industrial Disability Leave)	324,356,035	317,502,688	349,188,844	355,000,000	360,000,000
Industrial Disability Leave benefits paid by State Agencies	55,486,862	57,426,714	66,952,566	72,000,000	75,000,000
Benefits paid under Labor Code Sections:					
4800 Department of Justice	607,785	487,984	285,293	300,000	310,000
4800.5 California Highway Patrol	5,988,853	6,664,335	5,008,518	4,500,000	4,200,000
Administrative Costs under the Master Agreement	72,000,000	76,000,000	78,000,000	82,000,000	96,717,000
TOTAL WORKERS' COMPENSATION COST (ALL FUNDS)	\$462,453,888	\$461,793,794	\$502,691,700	\$517,300,000	\$540,027,000
 Number of Workers' Compensation Claims					
Industrial Disability Leave:					
Nondisabling	13,900	13,557	13,329	13,200	13,100
Disabling	10,275	10,408	10,117	10,300	10,200
Labor Code Sections:					
4800 Department of Justice	28	29	29	30	30
4800.5 California Highway Patrol	1,075	716	855	800	800
Total New Reported Claims	25,278	24,710	24,330	24,330	24,130

^{1/} Estimate

Prepared by: State Compensation Insurance Fund, State Contract Services

* Dollars in thousands, except in Salary Range.

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PROGRAM DESCRIPTIONS

10 - WORKERS' COMPENSATION BENEFITS

Through this program, the State Compensation Insurance Fund (State Fund) provides workers' compensation benefit payments to covered employees who are injured or become ill during the course of or due to employment.

20 - WORKERS' COMPENSATION PROGRAM ADMINISTRATION

Through this program, the State Fund writes insurance policies for California employers, processes and adjusts workers' compensation claims, and provides loss-control training programs to insured employers.

EXPENDITURES BY CATEGORY

1 State Operations	Positions/Personnel Years			Expenditures		
	2009-10	2010-11	2011-12	2009-10*	2010-11*	2011-12*
PERSONAL SERVICES						
Authorized Positions - Salaries and Wages	7,503.1	6,907.0	6,507.0	\$435,615	\$395,926	\$370,785
State Master Agreement (non-add)	(793.1)	(799.0)	(815.0)	-	-	-
Net Totals, Salaries and Wages	7,503.1	6,907.0	6,507.0	\$435,615	\$395,926	\$370,785
Staff Benefits	-	-	-	260,141	236,440	221,425
TOTALS, PERSONAL SERVICES	7,503.1	6,907.0	6,507.0	\$695,756	\$632,366	\$592,210
OPERATING EXPENSES AND EQUIPMENT				\$327,535	\$297,693	\$278,790
TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)				\$1,023,291	\$930,059	\$871,000

DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

1 STATE OPERATIONS	2009-10*	2010-11*	2011-12*
0512 Compensation Insurance Fund			
APPROPRIATIONS			
Insurance Code Sections 11770 and 11800.1	\$1,023,291	\$930,059	\$871,000
TOTALS, EXPENDITURES	\$1,023,291	\$930,059	\$871,000
TOTALS, EXPENDITURES, ALL FUNDS (State Operations)	\$1,023,291	\$930,059	\$871,000
4 UNCLASSIFIED	2009-10*	2010-11*	2011-12*
0512 Compensation Insurance Fund			
APPROPRIATIONS			
Insurance Code Section 11800.1 Benefits Paid--Workers' Compensation	\$907,031	\$772,240	\$769,000
TOTALS, EXPENDITURES	\$907,031	\$772,240	\$769,000
TOTALS, EXPENDITURES, ALL FUNDS (Unclassified)	\$907,031	\$772,240	\$769,000
TOTALS, EXPENDITURES, ALL FUNDS (State Operations and Unclassified)	\$1,930,322	\$1,702,299	\$1,640,000

* Dollars in thousands, except in Salary Range.