

State Workers' Compensation Program Advisory Board Meeting May 28, 2025



State of Illinois: Program Review



SCORECARD AS OF 03/31/25

Measure			Current Year						Prior Year			4 Month
			Q1-2025	Q4-2024	Q3-2024	Q2-2024	YTD-25	Rolling 12 Months	Q1-2024	YTD-24	Prior 12 Months	Trend
Claim Volume	New Arising	Total	983	1,059	1,150	928	983	4,121	945	945	3,515	✔
		Active	848	878	896	749	848	3,356	763	763	2,847	
		\$0 Claims	135	181	254	179	135	765	182	182	668	
	Lag Time	DOA to Emp. Emp. to GB	0.2 5.3	0.3 5.6	0.4 5.1	0.3 5.3	0.2 5.3	0.3 5.3	0.5 4.7	0.5 4.7	2.0 3.4	✔
Net Closure	Closures		913	1,077	949	1,023	913	3,913	913	913	4,327	✔
	Reopens		254	232	236	241	254	963	222	222	1,116	⚠
Open Inventory	Number of Open Claims	M.O.	239	268	229	262	227	273	215	244	390	✔
		Ind.	2,876	2,870	2,963	2,831	2,856	2,811	2,822	2,800	3,095	
		Maint.	1,310	1,248	1,312	1,334	1,323	1,385	1,481	1,489	1,564	
	Total Incurred on Open (\$M)		\$961.9	\$974.9	\$997.9	\$1,008.5	\$969.3	\$992.8	\$1,013.9	\$1,009.5	\$1,049.2	✔
	% Open >2Yrs +		2,225 (50%)	2,239 (51%)	2,306 (51%)	2,344 (53%)	2,246 (51%)	2,314 (52%)	2,431 (54%)	2,414 (53%)	2,697 (53%)	✔
	% Open >5Yrs +		1,161 (26%)	1,163 (27%)	1,199 (27%)	1,197 (27%)	1,167 (26%)	1,193 (27%)	1,256 (28%)	1,249 (28%)	1,445 (29%)	✔
Financial	Average Paid on Closed (\$250K Cap)		\$37,085	\$41,343	\$29,241	\$32,071	\$37,085	\$33,979	\$29,856	\$29,856	\$27,507	⚠
	Total Paid ('000s)		\$34,671	\$32,686	\$29,544	\$30,897	\$34,671	\$128,788	\$28,641	\$28,641	\$121,992	⚠
Closure Triangle	% Closed at 60 days		28.5%	21.1%	22.8%	18.7%	28.5%	22.7%	23.2%	23.2%	13.9%	✔
	% Closed at 180 days		54.1%	51.5%	49.8%	48.6%	54.1%	51.1%	46.5%	46.5%	39.4%	✔
	% Closed at 12 months		63.7%	62.1%	61.1%	60.5%	63.7%	61.9%	60.1%	60.1%	53.2%	✔
Cost Drivers	Average Lost Work Days on Closed		172.6	164.1	130.6	134.0	172.6	144.0	204.8	204.8	175.5	⚠
	Percent of Claims Litigated		60.9%	58.9%	55.6%	54.7%	60.5%	57.4%	53.9%	52.9%	51.0%	✔

FY24/25 SCORECARD HIGHLIGHTS




STATE OF ILLINOIS SCORECARD AS OF 03/31/24

Measure			Current Year						Prior Year			4 Month
			Q1-2024	Q4-2023	Q3-2023	Q2-2023	YTD-24	Rolling 12 Months	Q1-2023	YTD-23	Prior 12 Months	Trend
Open Inventory	Number of Open Claims	M.O.	215	258	354	584	244	390	1,365	1,291	887	✔
		Ind.	3,248	3,236	3,348	3,889	3,215	3,483	3,258	3,161	2,912	
		Maint.	1,055	1,138	1,196	1,253	1,074	1,175	1,103	1,094	1,059	
	Total Incurred on Open (\$M)		\$1,013.9	\$1,022.4	\$1,040.5	\$1,099.2	\$1,009.5	\$1,049.2	\$1,109.0	\$1,101.4	\$1,062.0	✔
	% Open >2Yrs +		2,431 (54%)	2,445 (53%)	2,586 (53%)	3,107 (54%)	2,414 (53%)	2,697 (53%)	3,248 (57%)	3,201 (58%)	2,998 (62%)	✔
% Open >5Yrs +		1,256 (28%)	1,275 (28%)	1,345 (27%)	1,736 (30%)	1,249 (28%)	1,445 (29%)	1,879 (33%)	1,867 (34%)	1,768 (36%)	✔	

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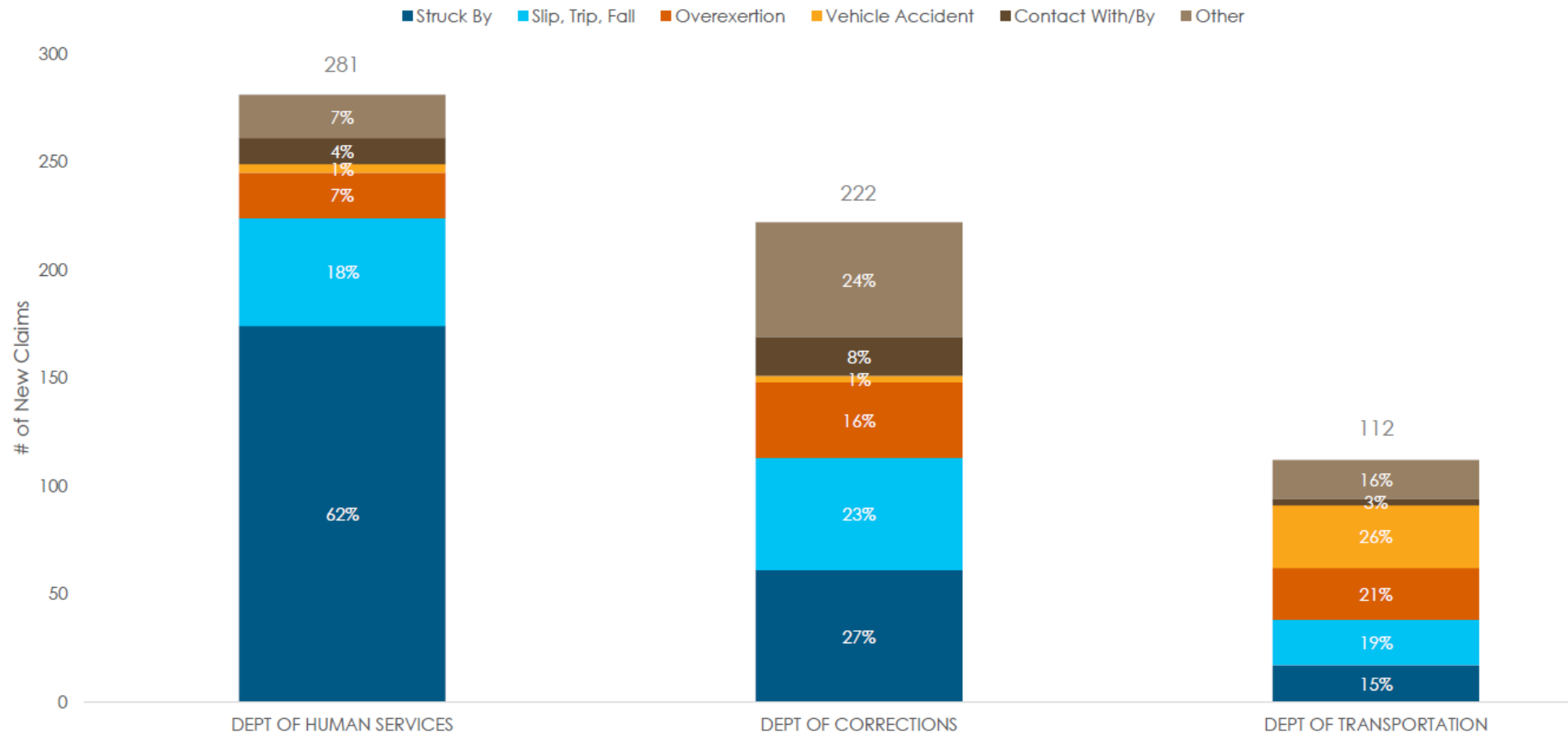
SCORECARD SUMMARY

	 Trending Positive/Neutral	 Trending Negatively; Monitor	 Trending Negatively; Act
Metric Review	<ul style="list-style-type: none"> New Arising Lag Time Closures Number of Open Claims Total Incurred on Open Number of Claims Open with duration 2+, 5+ years % Closed at 60 days, 180 days, 12 months Percentage Litigated Reopens Average Paid on Closed Claims (capped) Total Paid Average Lost Work Days on Closed 		
Focus Area	<ul style="list-style-type: none"> Reopens: Count of reopens increase 9% QoQ to 254 reopens. Relative to the same period last year 254 reopens represents 14% increase. Reopens should be monitored to ensure this increased level does not persist. Average Paid on Closed: Severity of claims, previously averaging ~\$30K, has risen to \$37K+ the last two quarters which aligns with higher proportion of larger settlement amounts and higher volume of large claims losses (100K+). Areas experiencing increases in large loss claims include: DOC; accident type categories "Struck by Employee/Fellow Worker/Patient"; accident source categories "Human Action" and "Patient/Child"; nature of loss categories "Herniation", "Torn Cartilage/Ligament/Tendon" and "Herniation" Total Paid: Litigated claims continue to represent ~60% of all claims which is roughly in-line with recent quarters; however, this total value now exceeds the State's budget by ~7%. Continued efforts to review and resolve litigated, large loss claims should be focal point of GB strategy moving forward. Average Lost Work Days on Closed: Average LWDs on closed claims have increased significantly for the second consecutive quarter and have aligned with the increased 100K+ closed claims. Areas experiencing increases include: DOT, DCFS; accident type categories "STF – on ice/snow" and "Exertion – lifting"; accident source categories "Human Action" and "Walk/Path/Sidewalk"; nature of loss categories "Inflammation/Irritation of Joint/Nerve" and "Herniation" 		
Operational Updates & Next Steps	<ol style="list-style-type: none"> Closing out open claims at MMI 		

RESULTS BREAKDOWN-AGENCY

2025 FIRST QUARTER NEW CLAIMS – TOP 5 ACCIDENT TYPES BY TOP 3 AGENCIES

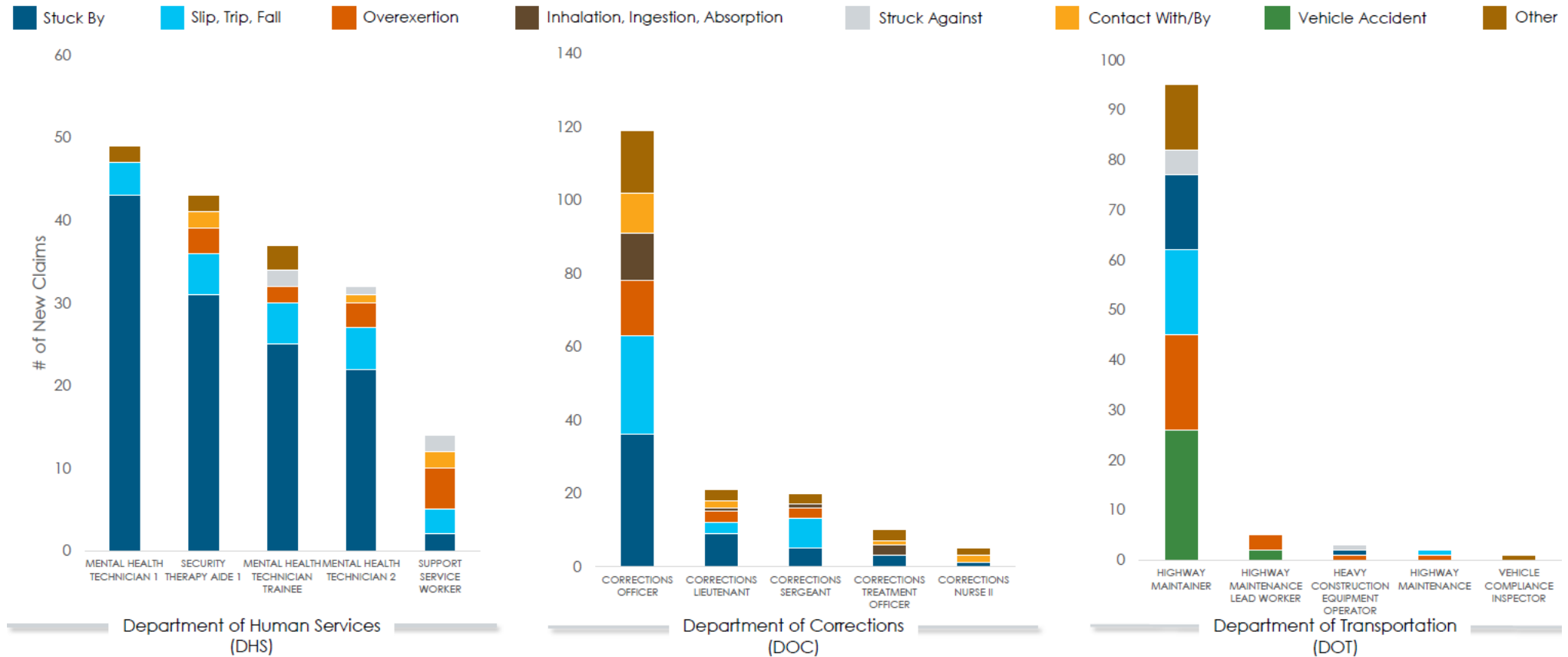
First quarter claims are less concentrated in the top 3 agencies relative to last quarter combining for 615 claims (73% of total), accounting for a decrease of 66 claims



RESULTS BREAKDOWN-OCCUPATION

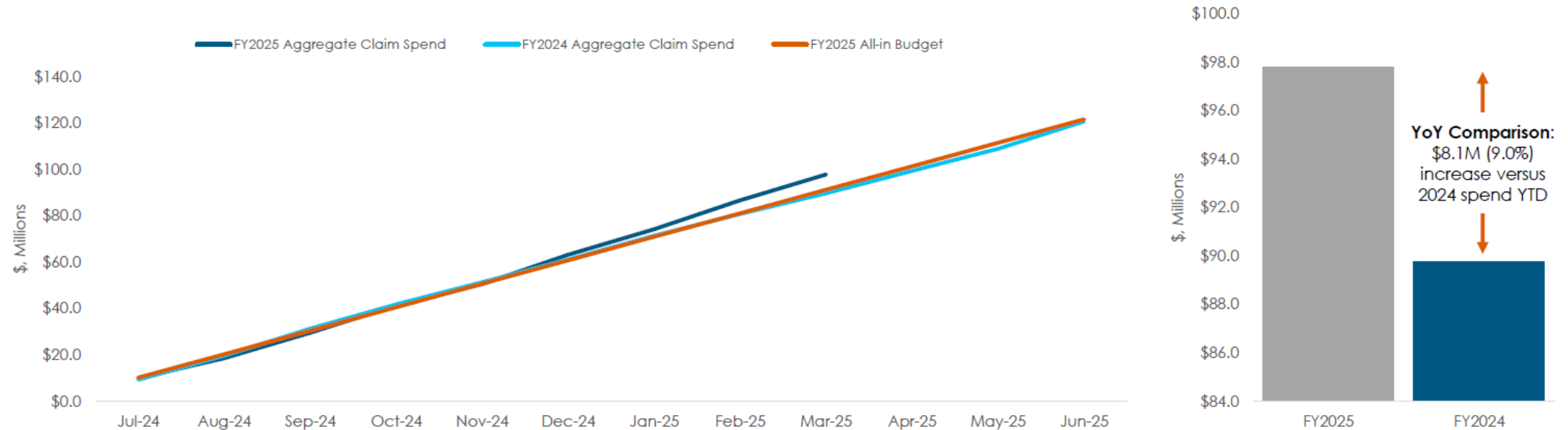
2025 FIRST QUARTER NEW CLAIMS – TOP ACCIDENT TYPES BY TOP 3 AGENCIES/OCC.

Struck by accident types (307 claims) represent the largest threat to workers in agencies with the highest claim volumes, followed by Slip, trip, fall (184 claims) and Overexertion (113 claims) accidents



RESULTS BREAKDOWN ANNUAL SPEND

Year-to Date, FY 2025 spend is 9% higher than FY2024 and additionally is above the State of IL's budget by \$6.6M.



Month	July	August	September	October	November	December	January	February	March	April	May	June
FY2025 Claim Spend	\$9,935,619	\$18,518,791	\$29,486,533	\$41,340,044	\$50,468,541	\$63,144,989	\$74,189,336	\$86,648,465	\$97,815,526			
FY2025 All-in Budget	\$10,133,333	\$20,266,667	\$30,400,000	\$40,533,333	\$50,666,667	\$60,800,000	\$70,933,333	\$81,066,667	\$91,200,000	\$101,333,333	\$111,466,667	\$121,600,000
FY2024 Claim Spend	\$9,241,637	\$19,569,456	\$31,340,039	\$41,767,095	\$51,289,062	\$61,106,090	\$71,399,823	\$80,779,568	\$89,747,232	\$99,379,214	\$108,896,049	\$120,721,478
FY2025 Spend vs Budget Variance	(\$197,714)	(\$1,747,876)	(\$913,467)	\$806,711	(\$198,125)	\$2,344,989	\$3,256,003	\$5,581,799	\$6,615,526			
FY2025 vs FY2024 Spend Variance	\$693,982	(\$1,050,665)	(\$1,853,506)	(\$427,051)	(\$820,520)	\$2,038,899	\$2,789,513	\$5,868,897	\$8,068,294			

*All spend dollars are aggregate for the year

RESULTS BREAKDOWN PAYMENT ANALYSIS

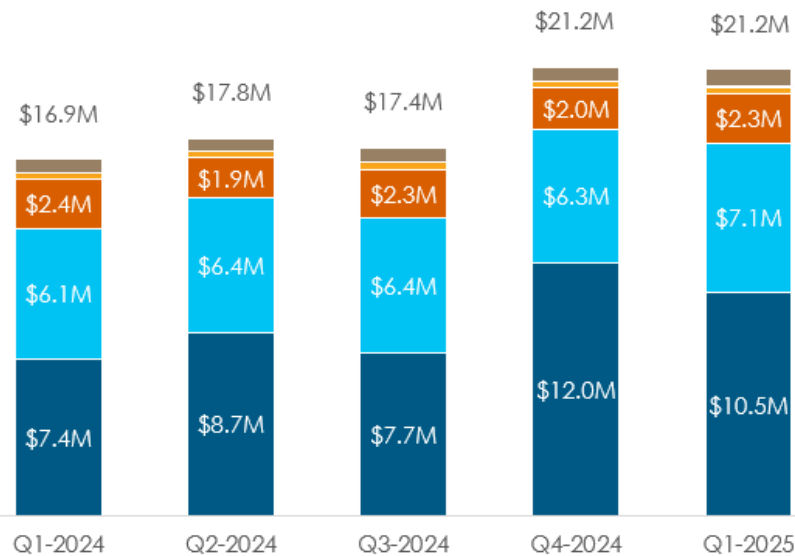
TRENDS IN PAYMENTS

Increases in settlement payments continues to be the primary driver in indemnity spend while changes across the top medical spending categories are outweighing shifts in the largest payment bucket, Treating Physicians

Indemnity Spending by Type

(in \$ Millions)

■ Settlements ■ TTD ■ PPD/PTD ■ Wage Differential ■ Scheduled Awards ■ Other

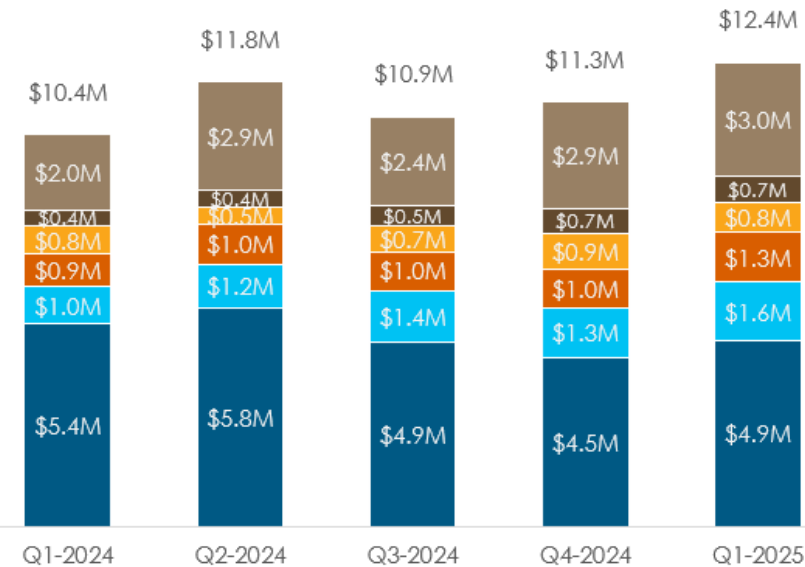


Settlement and TTD payments make up 50% and 34% of indemnity spending respectively this quarter. Although settlement payments fell \$1.5M from last quarter, the payments totaled over \$10M and the reduction in settlement payments was mostly offset by increases in TTD and PPD/PTD payments.

Medical Spending by Type

(in \$ Millions)

■ Treating Physician ■ Surgery ■ PT ■ Hospital ■ NCM ■ Other



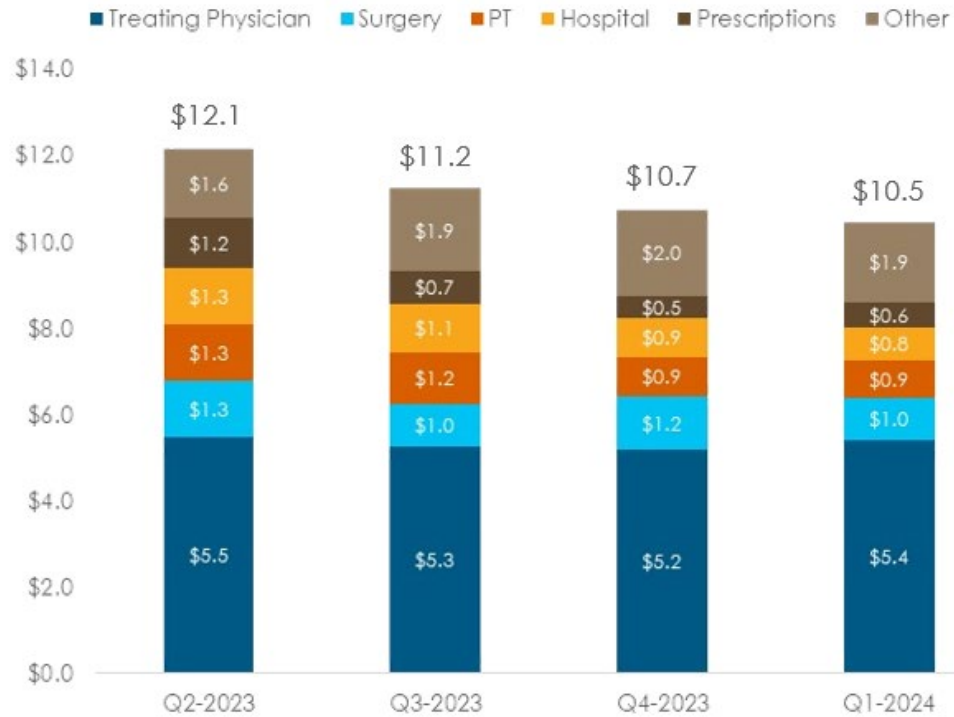
The State's overall 19% increase in medical payments (YoY) has been driven by increases in all top spending categories except Treating Physician which has fallen 9.3%. QoQ, however, shows consistent or increasing amounts for each spending type.

FY24/25 MEDICAL SPEND-HIGHLIGHTS

FY 24

Medical Spending by Type

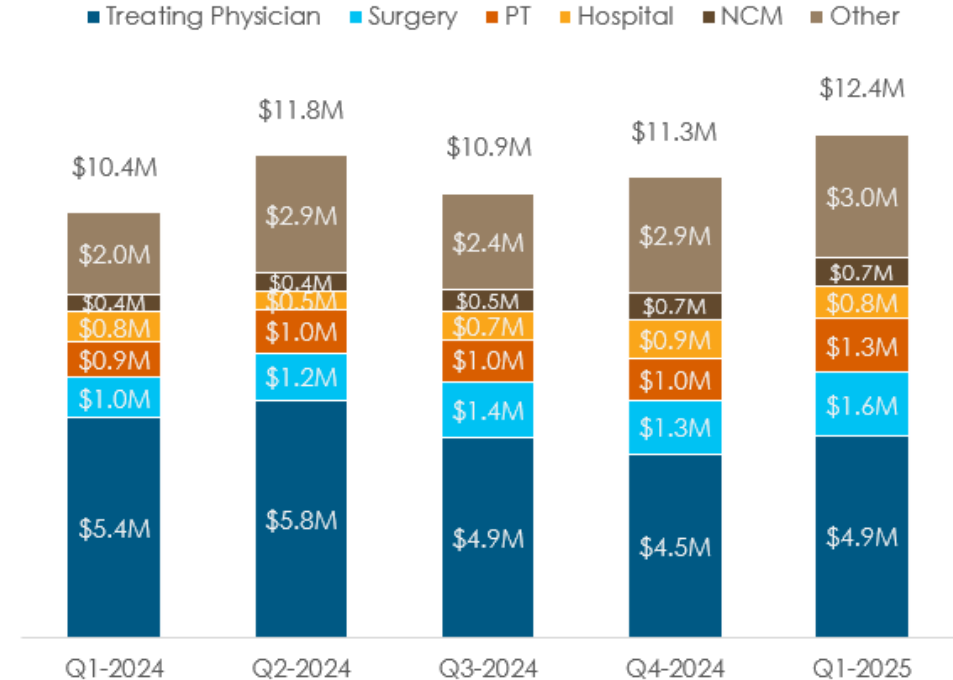
(in \$ Millions)



FY 25

Medical Spending by Type

(in \$ Millions)

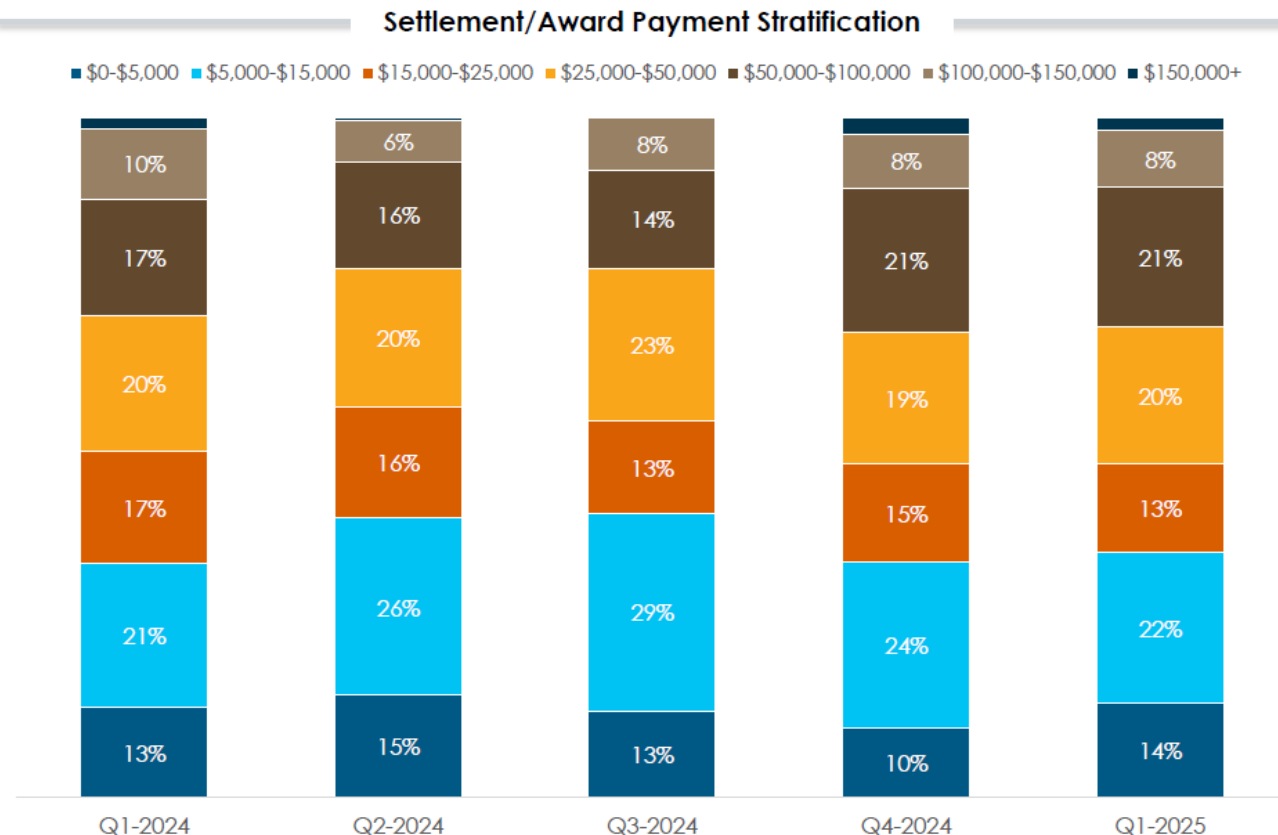


RESULTS BREAKDOWN

PAYMENT ANALYSIS

SETTLEMENT/AWARD PAYMENT STRATIFICATION

Settlement / Award payment mix has shifted toward lower dollar tiers during the most recent quarter; although higher dollar tiers are currently a larger proportion of total payments YoY



In a QoQ perspective, \$5K and less settlements payments increased as a proportion of total payments, primarily shrinking the proportion of payments made between \$5K and \$25K. The highest value Settlement/Award payments (\$25K+) remained consistent in between the previous and current quarter. YoY the State has experienced a tradeoff between \$50K-\$100K (+4 percentage points) and \$15K-\$25K (-4 percentage points).

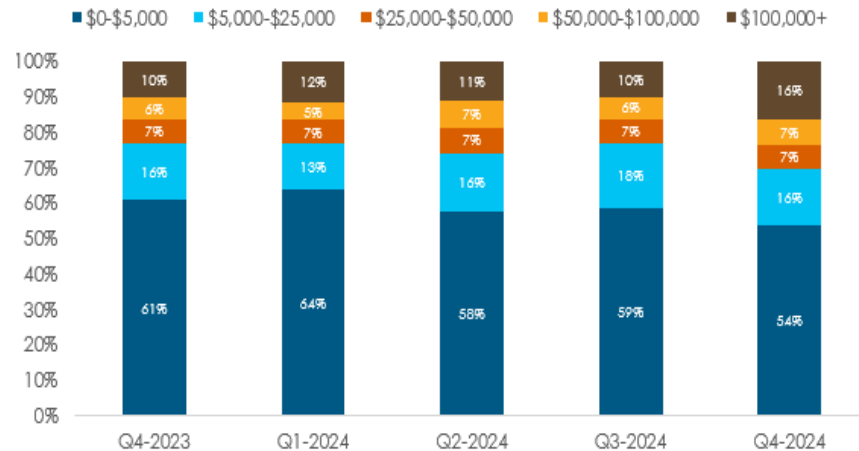
RESULTS BREAKDOWN

CLAIMS CLOSURE

CLOSED CLAIMS

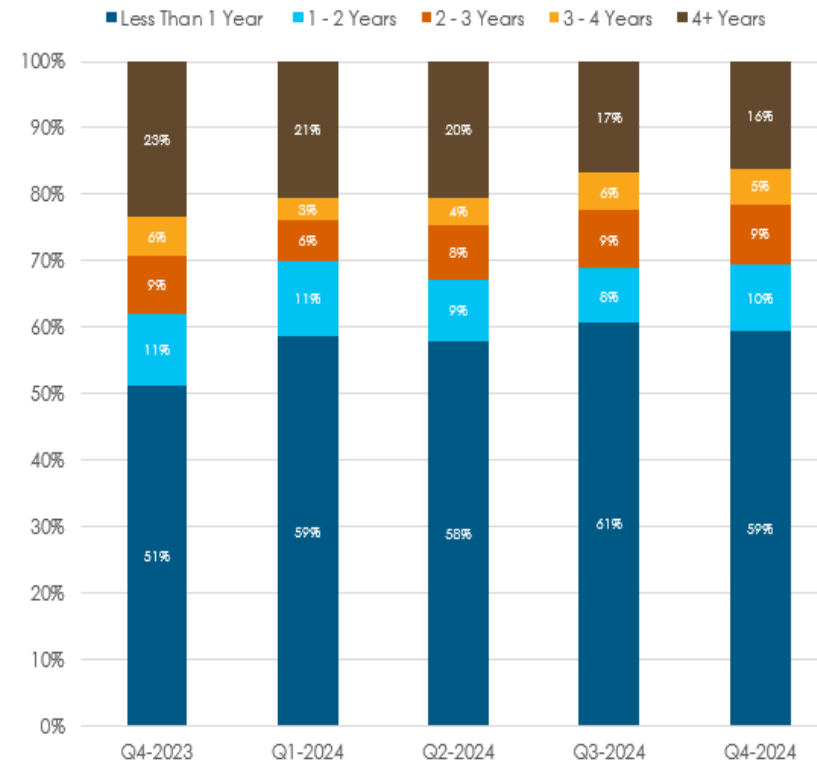
Average claim maturity has leveled over the past year as the distribution of maturities normalize; and closed claims with large payment amounts (\$100K+) in Q4-2024 led to an increase in total and capped average paid.

Closed Claims by Incurred Bucket



	Prev. 4Q Avg	Q1-2024	Q2-2024	Q3-2024	Q4-2024
Count	992	917	1,023	949	1,077
Avg. Paid on Closed	\$42,401	\$39,060	\$38,045	\$36,015	\$55,011
Adjusted Avg. Paid on Closed	\$33,488	\$30,236	\$32,071	\$29,241	\$41,343
Avg. Maturity (months)	25.5	25.9	26.9	23.8	25.4

Closed Claims by Maturity



GLOSSARY

Metric	Definition
Claim Volume	New Arising Claims set up in period. Excludes claim \$15 or less incurred & COVID claims
	Lag Time Number of days between the accident and when it was reported to the employer as well as days between the employer reported date and GB reported date for claims set up in that period. Lag is capped at 90 days. Excludes claims with \$15 or less incurred and COVID claims.
Net Closures	Closures Number of claims closed in the period. Excludes claims with \$15 or less incurred.
	Reopens Number of closed claims in the period that were reopened. Excludes claims with \$15 or less incurred.
Open Inventory	Number of Open Claims Number of claims with a claim status of open as of the end of the period. Excludes claims with \$15 or less incurred and COVID claims.
	Total Incurred on Open Total incurred on claims open as of the end of the period. Excludes claims with \$15 or less incurred and COVID claims.
	% Open >2Yrs + Number of claims with a claim status of open for at least 730 days as of the end of the period. Excludes claims with \$15 or less incurred and COVID claims.
	% Open >5Yrs + Number of claims with a claim status of open for at least 1,824 days as of the end of the period. Excludes claims with \$15 or less incurred and COVID claims.
Financial	Average Paid on Closed Average paid on claims closed in the period. Individual claims are capped are \$250k. Excludes claims with \$15 or less paid and COVID claims.
	Total Paid Total amount paid in the period. Includes all accident dates
Closure	% Closed at 60 days
	% Closed at 180 days Percent of claims closed as of the period end date compared to the total number of claims that occurred in the period. Excludes claims with less than \$15 paid
	% Closed at 12 months
Cost Drivers	Average Lost Work Days on Closed Average temporary total disability lost work days per claim on claims closed in the year. Excludes claims with no TTD paid and closed after 60 months maturity. Excludes claims with \$15 or less total incurred.
	Percent of Claims Litigated Percent of open claims (as defined above) in the period that are in litigation. Excludes claims with \$15 or less incurred.

SUBROGATION

	FY 23	FY24	FY25
July	\$24,791.43	\$52,1738.81	\$123,403.23
August	\$316,182.91	\$495,411.44	\$105,283.34
September	\$186,290.00	\$286,775.64	\$474,816.65
October	\$103,753.00	\$82,717.52	\$5,324.60
November	\$787,731.62	\$530,035.70	\$52,764.27
December	\$160,109.27	\$14,845.93	\$89,169.91
January	\$55,630.38	\$103,705.08	\$50,651.74
February	\$249,436.89	\$51,706.35	\$217,020.64
March	\$629,417.00	\$127,138.31	\$90,236.85
April	\$15,566.86	\$156,819.72	\$338,773.66
Total	\$2,528,909.36	\$2,370,894.50	\$1,547,444.89

ANNOUNCEMENTS

- CMS WCC training
 - Fraud training-162 in attendance
 - In person training-October 2025
- Interviews for the Risk Management Division Manager position were completed last week.
- CMS is hiring a third WC Manager.
 - Training
 - Large volume facilities
 - VOC desk
- Onsite claims reviews will be a large focus in FY 26.
- Ken Werts will be retiring as of July 1, 2025.



THANK YOU.

Website: cms.illinois.gov

